

City-Initiated Zoning By-law Amendments – Re-allocating Section 37 funds within Ward 13 – Decision Report – Approval

Date: May 20, 2025

To: Toronto and East York Community Council

From: Director, Community Planning, Toronto and East York District

Wards: 13 - Toronto Centre

SUMMARY

This report recommends adding new opportunities to allocate unspent Section 37 funds from site specific Zoning By-laws within Ward 13. The sites include:

- 587-599 Yonge Street, 2-4 Dundonald Street, and 7-9 Gloucester Street (By-law 778-2016(OMB));
- 454-464 Yonge Street (By-Law 1724-2013);
- 45 Charles Street East (By-law 566-2013(OMB)); and,
- 2, 6, and 8 Gloucester Street and 601-613 Yonge Street (By-law 817-2013).

The zoning by-laws are being amended to permit the allocation of unspent Section 37 funds toward the purchase and improvement of new or existing community space for community or non-profit use within Ward 13 - Toronto Centre and to add the standard clause to allow for the reallocation of Section 37 funds that have not been used for their intended purpose within 3 years of the enactment of the site specific by-law.

RECOMMENDATIONS

The Director, Community Planning, Toronto and East York District recommends that:

1. City Council amend site specific Zoning By-law 778-2016(OMB), for the lands at 587-599 Yonge Street, 2-4 Dundonald Street, and 7-9 Gloucester Street in accordance with the draft Zoning By-law Amendment included in Attachment 2 to this report.
2. City Council amend site specific Zoning By-law 1724-2013, for the lands at 454-464 Yonge Street, in accordance with the draft Zoning By-law Amendment included in Attachment 3 to this report.

3. City Council amend site specific Zoning By-law 566-2013(OMB), for the lands at 45 Charles Street East, in accordance with the draft Zoning By-law Amendment included in Attachment 4 to this report.
4. City Council amend site specific Zoning By-law 817-2013, for the lands at 2, 6, and 8 Gloucester Street and 601-613 Yonge Street, in accordance with the draft Zoning By-law Amendment included in Attachment 5 to this report.
5. City Council authorize the City Solicitor to make such stylistic and technical changes to the draft Zoning By-law Amendments as may be required.
6. City Council authorize City officials to take such action as is necessary to implement the recommendations above, including execution of necessary agreements as required.

FINANCIAL IMPACT

The Development Review 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 on April 23 and 24, 2025 ([Item 2025.TE21.50](#)), Council directed the Executive Director, Development Review, in consultation with the Chief Planner and Executive Director, City Planning, to bring forward at the earliest opportunity, City-initiated amendments to the Zoning By-laws identified in Attachment 1 of the letter from Councillor Moise (April 1, 2025) to:

- amend the Section 37 schedules in the Zoning By-laws to include the purchase and improvement of new or existing community space for community or non-profit use within Ward 13, Toronto Centre as an eligible community benefit; and,
- include in the amended Zoning By-laws the same reallocation authority as found in other site-specific Zoning By-laws, to authorize reallocation of unspent funds at the discretion of the Executive Director, Development Review, and the Chief Planner and Executive Director, City Planning, in consultation with the Ward Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in Ward 13, Toronto Centre.

On May 18, 2016, the Ontario Municipal Board issued its final order (PL130332) approving a 44-storey mixed-use building containing commercial uses and 528 residential units at 587-599 Yonge Street, 2-4 Dundonald Street, and 7-9 Gloucester Street. Site specific Zoning By-law 778-2016(OMB) came into force and effect on May 18, 2016.

On October 8, 9, 10, and 11, 2013, Council approved an application to amend the Zoning By-law at 454-464 Yonge Street to permit a 60-storey mixed-use building with 636 residential units and three floors of retail and office space. Council enacted site specific Zoning By-law 1724-2013 related to this application on December 18, 2013.

On February 19, 2013, the Ontario Municipal Board issued its final order (PL120060) approving an additional 8 storeys to the approved 39-storey residential building at 45 Charles Street East. Site specific Zoning By-law 566-2013(OMB) came into force and effect on February 19, 2013.

On May 7, 8, 9, and 10, 2013, Council approved an application to amend the Zoning By-law at 2, 6, and 8 Gloucester Street and 601-613 Yonge Street to permit a 34-storey mixed-use building with 232 residential units and grade-related retail space. Council enacted site specific Zoning By-law 817-2013 related to this application on June 13, 2013.

THE SITES

City Council identified unspent funds from four site specific Zoning By-laws that had secured Section 37 density bonusing provisions. The four listed site specific Zoning By-laws were:

- 587-599 Yonge Street, 2-4 Dundonald Street, and 7-9 Gloucester Street (By-law 778-2016(OMB));
- 454-464 Yonge Street (By-Law 1724-2013);
- 45 Charles Street East (By-law 566-2013(OMB)); and,
- 2, 6, and 8 Gloucester Street and 601-613 Yonge Street (By-law 817-2013).

The locations of the four sites are shown on Attachment 1 to this report.

COMMUNITY CONSULTATION

A virtual community consultation meeting was held on April 29, 2025. A total of 10 people participated, including representatives of area Residents Associations and the Ward Councillor. City Staff gave a presentation and facilitated a discussion with the participants of the meeting.

The following comments and questions were provided by participants at the meeting, and through emails and telephone calls:

- questions concerning the three-year reallocation clause, why it was not originally included in the Section 37 schedules, and decision authority for redirecting funds once three years have elapsed;
- the community should be consulted when funds are being redirected because the community knows what is needed;

- some participants expressed that the 519 Community Centre fulfills the need for community space in the area and questioned the need for new community space;
- other participants noted that the 519 Community Centre is frequently at capacity and there is a need for more office and gathering space in the community;
- concerns about 2SLGBTQIA organizations and other community organizations and businesses being destabilized or relocating outside of the neighbourhood due to the shortage of offices and high rents; and
- support for the creation of a legacy space in the community to support the stability of the Church-Wellesley Village.

The issues raised through the community consultation process have been considered through the review of the application and commented on as necessary in the body of this Report.

Statutory Public Meeting Comments

In making their decision with regard to these proposed amendments, Council members have been given an opportunity to view the oral submissions made at the statutory public meeting held by the Toronto and East York Community Council for these proposed amendments, as these submissions are broadcast live over the internet and recorded for review.

COMMENTS

Provincial Planning Statement and Provincial Plans

Staff's review of this application has had regard for the relevant matters of provincial interest set out in the Planning Act. Staff have reviewed the draft Zoning By-law amendments for consistency with the Provincial Planning Statement 2024 ("PPS 2024"). Staff find the proposal is consistent with the PPS 2024.

Community Benefits

This proposed reallocation of Section 37 funds has been reviewed against the applicable Official Plan policies. In the opinion of Staff, the proposal conforms to the Official Plan, particularly as it relates to the Height and/or Density Incentive policies in Chapter 5.1.1 of the Official Plan.

The allocation of unused Section 37 funds and their originally intended use is summarized in Attachment 6. There are a number of reasons why these funds have not been used for the originally intended purpose. A description of how the funds for each site have been used, and the funds left over, is provided below:

- 587-599 Yonge Street, 2-4 Dundonald Street, and 7-9 Gloucester Street (By-law 778-2016(OMB)):

Site specific Zoning By-law 778-2016(OMB) allocated funds for TCHC capital improvements and/or community, cultural or recreational space improvements in the local area. The funds were used for TCHC improvements, the Indigenous Centre for Innovation and various community centre improvements with funds left over. The total amount of unused funds for this item is \$829,974.50 including accrued interest.

- 454-464 Yonge Street (By-Law 1724-2013):

Site specific Zoning By-law 1724-2013 allocated funds for streetscape improvements, transit upgrades, affordable housing within Ward 27, and/or local area park improvements. The funds were used for streetscape improvements and the Yonge Tomorrow initiative with funds left over. The total amount of unused funds for this item is \$1,396,677.35 including accrued interest.

- 45 Charles Street East (By-law 566-2013(OMB)):

Site specific Zoning By-law 566-2013(OMB) allocated funds for the construction of an indoor pool at Wellesley Community Centre or other community recreation facilities in the vicinity of the site. The Wellesley Community Centre indoor pool was built and is now operational with funds left over. The total amount of unused funds for this item is \$119,154.50 including accrued interest.

- 2, 6, and 8 Gloucester Street and 601-613 Yonge Street (By-law 817-2013):

Site specific Zoning By-law 817-2013 allocated funds for capital improvements to the Toronto Reference Library. The funds are no longer required for the original purpose. The total amount of unused funds for this item is \$591,614.20 including accrued interest.

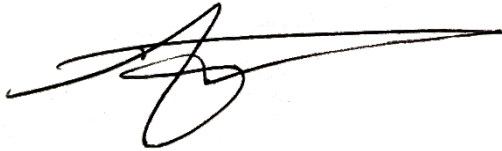
It is proposed that the unused funds from the four site specific Zoning By-laws identified in this report could be used for the purchase and improvement of new or existing community space for community or non-profit use within Ward 13, Toronto Centre.

Site specific Zoning By-laws that included the former Section 37 density bonusing provisions typically contained instructions to allow for the reallocation of funds if they were not used for the identified purpose within three years; however, this standard clause was not included in the site specific Zoning By-laws identified in this report. As more than three years have elapsed from the enactment of all the site specific Zoning By-laws, it is proposed that this reallocation authority be included in the amended site specific Zoning By-laws, so that unspent funds could be reallocated at the discretion of the Executive Director, Development Review, and the Chief Planner and Executive Director, City Planning, in consultation with the Ward Councillor, provided that the purpose is identified in the Official Plan and will benefit the community.

CONTACT

Allsun Campbell, Assistant Planner, Community Planning, Toronto and East York District, Tel. No. 416-392-9941, E-mail: Allsun.Campbell@Toronto.ca

SIGNATURE

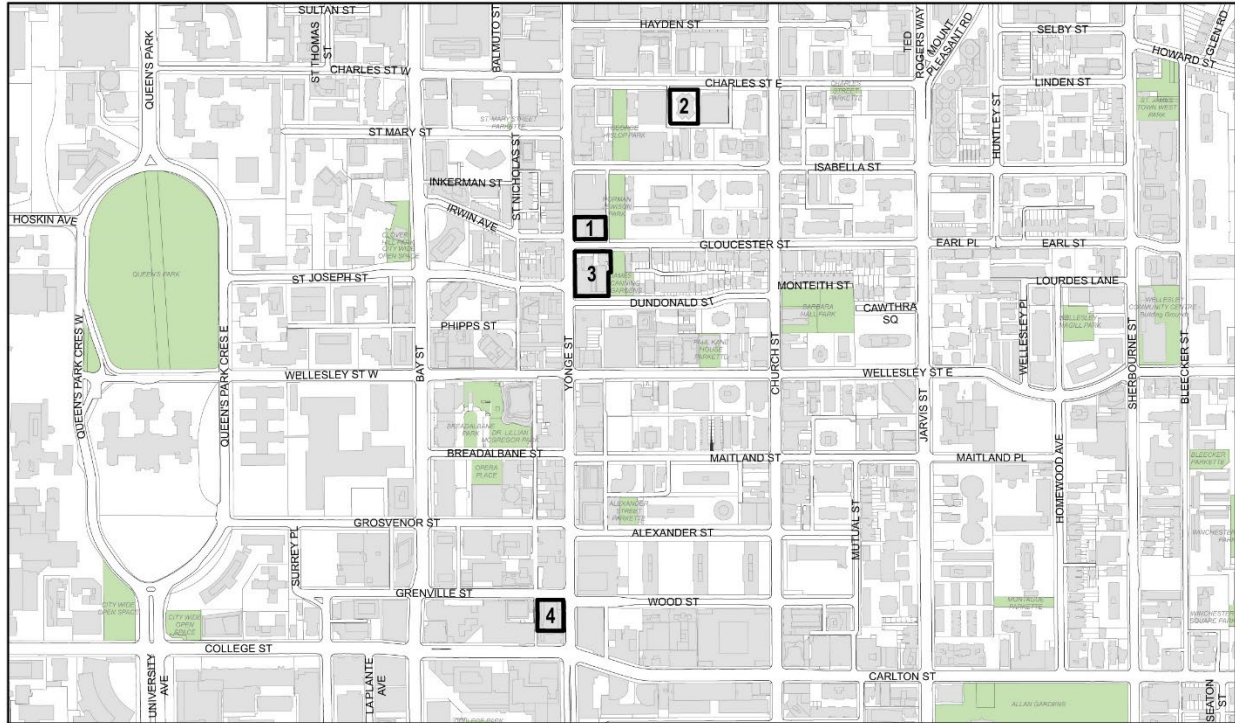
A handwritten signature in black ink, appearing to read 'Alex Teixeira', with a long horizontal stroke extending to the right.

Alex Teixeira, MCIP, RPP
Acting Director, Community Planning
Toronto and East York District

ATTACHMENTS

- Attachment 1: Location Map
- Attachment 2: Draft Zoning By-law Amendment amending By-law 778-2016(OMB)
- Attachment 3: Draft Zoning By-law Amendment amending By-law 1724-2013
- Attachment 4: Draft Zoning By-law Amendment amending By-law 566-2013(OMB)
- Attachment 5: Draft Zoning By-law Amendment amending By-law 817-2013
- Attachment 6: Ward 13 – Zoning By-laws with unspent Section 37 funds

Attachment 1: Location Map



Key Map

City-Initiated Zoning By-law Amendments Re-allocating Section 37
Funds from Certain Developments Within Ward 13

- | | |
|---|---|
| <p>1 2, 6, & 8 Gloucester Street and 601-613 Yonge Street</p> <p>2 45 Charles Street East</p> | <p>3 587 - 599 Yonge Street, 2 & 4 Dundonald Street and 9 Gloucester Street</p> <p>4 454 - 464 Yonge Street</p> |
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Not to Scale
Extracted: 04/09/2025

Attachment 2: Draft Zoning By-law Amendment amending By-law 778-2016(OMB)

Authority: Toronto and East York Community Council Item ~, as adopted by City of Toronto Council on ~, 20~

CITY OF TORONTO

BY-LAW ~-20~

To amend Zoning By-laws 438-86 and 778-2016(OMB), as amended, with respect to the lands municipally known in the year 2016 as 587 to 599 Yonge Street, 2 and 4 Dundonald Street, and 7 and 9 Gloucester Street.

Whereas Council of the City of Toronto has the authority pursuant to Section 34 of the Planning Act, R.S.O. 1990, c. P. 13, as amended, to pass this By-law; and

Whereas Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the Planning Act, as amended; and

Whereas the Official Plan for the City of Toronto contains provisions relating to the authorization of increases in height and density of development; and

Whereas pursuant to subsection 37.1(3) of the Planning Act, R.S.O. c. P.13 subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, S.O. 2020, c. 18 came into force continue to apply where a municipality passes a by-law described in the repealed subsection 37(1) prior to the date that a community benefits charge by-law is passed under subsection 37(2) provided the by-law is not amended to remove the requirement to provide any of the facilities, services or matters secured therein or repealed; and

Whereas on August 15, 2022, City Council passed By-law 1139-2022 being the City's Community Benefits Charge By-law pursuant to Subsection 37(2) of the Planning Act; and

Whereas the Ontario Municipal Board pursuant to its Order issued on May 18, 2016 in Board File No. PL130332 resulted in the enactment of By-law 778-2016(OMB) being a by-law described in the repealed subsection 37(1) of the Planning Act and this By-law does not amend or remove the requirement to provide facilities, services and therefore subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, 2020 came into force continue to apply; and

Whereas this By-law can set out additional eligible facilities, services of matters for which the previous increases in height and density as set out in the Zoning By-law 778-2016(OMB) were secured to fund.

The Council of the City of Toronto enacts:

1. Appendix 1, Section 10 is amended to read:

“The *owner* shall pay \$1,500,000 towards the Toronto Community Housing Corporation for capital improvements, and/or community, cultural or recreational space improvements in the local area, and/or the purchase and improvement of new or existing community space for community or non-profit use within Ward 13, Toronto Centre, to be paid prior to the issuance of the first above grade building permit.

2. A new paragraph is added to the end of Appendix 1, Section 10 that reads:

In the event the cash contribution referred to above has not been used for the intended purpose within 3 years of the enactment of By-law 778-2016(OMB), the cash contribution may be redirected for another purpose, at the discretion of the Executive Director, Development Review, and the Chief Planner and Executive Director, City Planning, in consultation with the Ward Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in Ward 13, Toronto Centre.”

Enacted and passed on [Clerks to insert date].

Frances Nunziata, John D. Elvidge,
Speaker City Clerk

(Seal of the City)

Attachment 3: Draft Zoning By-law Amendment amending By-law 1724-2013

Authority: Toronto and East York Community Council Item ~, as adopted by City of Toronto Council on ~, 20~

CITY OF TORONTO

BY-LAW ~-20~

To amend Zoning By-laws 438-86 and 1724-2013, as amended, with respect to the lands municipally known in the year 2013 as 454-464 Yonge Street.

Whereas Council of the City of Toronto has the authority pursuant to Section 34 of the Planning Act, R.S.O. 1990, c. P. 13, as amended, to pass this By-law; and

Whereas Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the Planning Act, as amended; and

Whereas the Official Plan for the City of Toronto contains provisions relating to the authorization of increases in height and density of development; and

Whereas pursuant to subsection 37.1(3) of the Planning Act, R.S.O. c. P.13 subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, S.O. 2020, c. 18 came into force continue to apply where a municipality passes a by-law described in the repealed subsection 37(1) prior to the date that a community benefits charge by-law is passed under subsection 37(2) provided the by-law is not amended to remove the requirement to provide any of the facilities, services or matters secured therein or repealed; and

Whereas on August 15, 2022, City Council passed By-law 1139-2022 being the City's Community Benefits Charge By-law pursuant to Subsection 37(2) of the Planning Act; and

Whereas Council at its meeting on December 18, 2013 enacted By-law 1724-2013 being a by-law described in the repealed subsection 37(1) of the Planning Act and this By-law does not amend or remove the requirement to provide facilities, services and therefore subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, 2020 came into force continue to apply; and

Whereas this By-law can set out additional eligible facilities, services of matters for which the previous increases in height and density as set out in the Zoning By-law 1724-2013 were secured to fund.

The Council of the City of Toronto enacts:

1. Appendix 1, Section 1(a) is amended to read:

“streetscape improvements, transit upgrades, affordable housing within Ward 27, and/or local area park improvements, or for such other purposes as the Chief Planner may determine in consultation with the ward councillor, and/or the purchase and improvement of new or existing community space for community or non-profit use within Ward 13, Toronto Centre;”

2. A new paragraph is added to the end of Appendix 1, Section 1 that reads:

“In the event that cash contributions referred to in paragraphs (a) to (d) above have not been used for the intended purpose within 3 years of the enactment of By-law 1724-2013, the cash contributions may be redirected for another purpose, at the discretion of the Executive Director, Development Review, and the Chief Planner and Executive Director, City Planning, in consultation with the Ward Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in Ward 13, Toronto Centre.”

Enacted and passed on [Clerks to insert date].

Frances Nunziata, John D. Elvidge,
Speaker City Clerk

(Seal of the City)

Attachment 4: Draft Zoning By-law Amendment amending By-law 566-2013(OMB)

Authority: Toronto and East York Community Council Item ~, as adopted by City of Toronto Council on ~, 20~

CITY OF TORONTO

BY-LAW ~-20~

To amend Zoning By-laws 438-86 and 566-2013(OMB), as amended, with respect to the lands municipally known in the year 2013 as 45 Charles Street East.

Whereas Council of the City of Toronto has the authority pursuant to Section 34 of the Planning Act, R.S.O. 1990, c. P. 13, as amended, to pass this By-law; and

Whereas Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the Planning Act, as amended; and

Whereas the Official Plan for the City of Toronto contains provisions relating to the authorization of increases in height and density of development; and

Whereas pursuant to subsection 37.1(3) of the Planning Act, R.S.O. c. P.13 subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, S.O. 2020, c. 18 came into force continue to apply where a municipality passes a by-law described in the repealed subsection 37(1) prior to the date that a community benefits charge by-law is passed under subsection 37(2) provided the by-law is not amended to remove the requirement to provide any of the facilities, services or matters secured therein or repealed; and

Whereas on August 15, 2022, City Council passed By-law 1139-2022 being the City's Community Benefits Charge By-law pursuant to Subsection 37(2) of the Planning Act; and

Whereas the Ontario Municipal Board pursuant to its Order issued on June 5, 2012 and February 19, 2013 in Board File No. PL120060 resulted in the enactment of By-law 566-2013(OMB) being a by-law described in the repealed subsection 37(1) of the Planning Act and this By-law does not amend or remove the requirement to provide facilities, services and therefore subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, 2020 came into force continue to apply; and

Whereas this By-law can set out additional eligible facilities, services of matters for which the previous increases in height and density as set out in the Zoning By-law 566-2013(OMB) were secured to fund.

The Council of the City of Toronto enacts:

1. Appendix 1, Section (b) is amended to read:

“A payment of \$2.0 million will be payable prior to the issuance of the first above-grade building permit. Such payment will be deposited to the *Planning Act* Reserve Fund and would be used towards the construction of an indoor swimming pool at the Wellesley Community Centre, located at 495 Sherbourne Street, or construction of other community recreation facilities in the vicinity of the *lot*, and/or to the purchase and improvement of new or existing community space for community or non-profit use within Ward 13, Toronto Centre;”

2. A new paragraph is added to the end of Section (b) that reads:

In the event the cash contribution referred to above has not been used for the intended purpose within 3 years of the enactment of By-law 566-2013(OMB), the cash contribution may be redirected for another purpose, at the discretion of the Executive Director, Development Review, and the Chief Planner and Executive Director, City Planning, in consultation with the Ward Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in Ward 13, Toronto Centre.”

Enacted and passed on [Clerks to insert date].

Frances Nunziata, John D. Elvidge,
Speaker City Clerk

(Seal of the City)

Attachment 5: Draft Zoning By-law Amendment amending By-law 817-2013

Authority: Toronto and East York Community Council Item ~, as adopted by City of Toronto Council on ~, 20~

CITY OF TORONTO

BY-LAW ~-20~

To amend Zoning By-laws 438-86 and 817-2013, as amended, with respect to the lands municipally known in the year 2013 as 2, 6, and 8 Gloucester Street and 601-613 Yonge Street.

Whereas Council of the City of Toronto has the authority pursuant to Section 34 of the Planning Act, R.S.O. 1990, c. P. 13, as amended, to pass this By-law; and

Whereas Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the Planning Act, as amended; and

Whereas the Official Plan for the City of Toronto contains provisions relating to the authorization of increases in height and density of development; and

Whereas pursuant to subsection 37.1(3) of the Planning Act, R.S.O. c. P.13 subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, S.O. 2020, c. 18 came into force continue to apply where a municipality passes a by-law described in the repealed subsection 37(1) prior to the date that a community benefits charge by-law is passed under subsection 37(2) provided the by-law is not amended to remove the requirement to provide any of the facilities, services or matters secured therein or repealed; and

Whereas on August 15, 2022, City Council passed By-law 1139-2022 being the City's Community Benefits Charge By-law pursuant to Subsection 37(2) of the Planning Act; and

Whereas Council at its meeting on June 13, 2013 enacted By-law 817-2013 being a by-law described in the repealed subsection 37(1) of the Planning Act and this By-law does not amend or remove the requirement to provide facilities, services and therefore subsections 37(1) to (4) of the Planning Act, as they read the day before Section 1 of Schedule 17 to the COVID-19 Economic Recovery Act, 2020 came into force continue to apply; and

Whereas this By-law can set out additional eligible facilities, services of matters for which the previous increases in height and density as set out in the Zoning By-law 817-2013 were secured to fund.

The Council of the City of Toronto enacts:

1. Appendix 1, Section (a)(ii) is amended to read:

“\$500,000 for the purpose of capital improvements to the Toronto Reference Library and/or to the purchase and improvement of new or existing community space for community or non-profit use within Ward 13, Toronto Centre;”

2. A new Section (a)(iv) is added to read:

“In the event that cash contributions referred to in paragraphs (i) to (iii) above have not been used for the intended purpose within 3 years of the enactment of By-law 817-2013, the cash contributions may be redirected for another purpose, at the discretion of the Executive Director, Development Review, and the Chief Planner and Executive Director, City Planning, in consultation with the Ward Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in Ward 13, Toronto Centre.”

Enacted and passed on [Clerks to insert date].

Frances Nunziata, John D. Elvidge,
Speaker City Clerk

(Seal of the City)

Attachment 6: Ward 13 – Zoning By-laws with unspent Section 37 funds

No.	Development Address	By-law and Year	Community Benefit	Uncommitted Funds
1	587-599 Yonge Street, 2-4 Dundonald Street, 7-9 Gloucester Street	2016 778-2016(OMB)	TCHC for capital improvements, and/or community, cultural or recreational space improvements in the local area	\$829,974.50
2	454-464 Yonge Street	2013 1724-2013	Streetscape improvements, transit upgrades, affordable housing within Ward 27, and/or local area park improvements	\$1,396,677.35
3	45 Charles Street East	2013 566-2013(OMB)	Construction of indoor pool at Wellesley Community Centre or other community recreation facilities in the vicinity of the site, prior to above-grade building permits	\$119,154.50
4	2-8 Gloucester Street & 601-613 Yonge Street	2013 817-2013	Capital improvements to the Toronto Reference Library	\$591,614.20