



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

46 Spadina Avenue, 58 Spadina Avenue and 378 Wellington Street West - Alterations to and Demolition of Buildings at Heritage Properties Designated Under Part V of the Ontario Heritage Act - Request for Directions

Date: February 25, 2026

To: Toronto Preservation Board and City Council

From: City Solicitor

Wards: Ward 10 - Spadina-Fort York

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 10, 2022, Official Plan and Zoning By-law Amendment applications were submitted seeking permission for a 28-storey (93 metres, including mechanical penthouse) mixed-use building with retail at-grade along Spadina Avenue. The proposal included retail at grade, two levels of office, and 521 residential units above. The façade of the existing four-storey factory building was proposed to be retained and incorporated into the new development.

On May 15, 2024, the owner submitted a revised proposal for a 30-storey (99 metres, including mechanical penthouse) mixed-use building with retail at-grade, no office component, and 550 residential units. On July 9, 2024, the owner appealed to the Ontario Land Tribunal ("OLT") due to Council not making a decision on the application within the timeframe prescribed by the *Planning Act*.

The property at 46 Spadina Avenue (including 40, 42, 44 and 50 Spadina Avenue) includes a 4-storey building that was constructed in 1907 with later additions in the 1940s. It is known as the "Systems Building" and is identified as a contributing Industrial/Commercial building within the King-Spadina Heritage Conservation District (KSHCD) Plan. The properties at 58 Spadina Avenue (including 60 Spadina Avenue) and 378 Wellington Street West are non-contributing properties in the KSHCD Plan.

On July 16, 2024, the applicant submitted an application under Section 42 of the *Ontario Heritage Act* to alter the designated Systems Building and demolish three small adjacent buildings to allow for the construction of a new 30-storey mixed-use building within the KSHCD, which was approved by Council on March 26 and 27, 2025.

The owner now seeks Council's consent for revised alterations to the Systems Building. 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 (February 25, 2026) from the City Solicitor.
2. City Council authorize the public release of the confidential recommendations contained in Confidential Attachment 1, along with the entirety of Confidential Appendix "A" to this report from (February 25, 2026) the City Solicitor, if adopted by City Council, at the discretion of the City Solicitor.
3. City Council direct that all other information contained in Confidential Attachment 1 to this report (February 25, 2026) 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 King Spadina Heritage Conservation District

On October 2, 3 and 4, 2012, City Council directed staff to initiate the KSHCD study as a result of the application of prioritization criteria, which can be viewed at:
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.PG17.12>

At its meeting on March 10, 2016, City Council adopted item TE14.7 to include the property at 40-46 Spadina Avenue on the City of Toronto's Heritage Register.
<https://secure.toronto.ca/council/agenda-item.do?item=2016.TE14.7>

On October 2, 2017, City Council adopted item 14.7 to designate the King Spadina Heritage Conservation District Plan under Part V of the *Ontario Heritage Act*. The King Spadina HCD was subsequently appealed to the Ontario Land Tribunal (OLT).
<https://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.TE26.14>

At its meeting of February 7-8, 2023, City Council adopted item 2023.PH1.5 stating its intention to designate the property at 46 Spadina Avenue under Part IV, Section 29 of the *Ontario Heritage Act*. A notice of objection to the intention to designate under Part IV was subsequently received from the owner. The Part IV designation process has not been completed but the primary building on the property remains protected under Part V of the *Ontario Heritage Act* (OHA) as a contributing property in the KSHCD.
<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH1.5>

On January 30, 2024, the OLT approved the designation of the King-Spadina Area under Part V of the *Ontario Heritage Act* and approved the KSHCD Plan, as modified. 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*.
<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH9.11>

On March 26 and 27, 2025, City Council consented to the application to alter the contributing designated building at 46 Spadina Avenue and demolish the non-contributing designated building at 58 Spadina Avenue and two outbuildings at 46 Spadina Avenue, with conditions, under Part V, Section 42 of the *Ontario Heritage Act*, to allow for the construction of a 30-storey mixed-use building at 46-58 Spadina Avenue and 378 Wellington Street West.
<https://secure.toronto.ca/council/agenda-item.do?item=2025.TE20.12>

Concurrent Development Applications

On March 26 and 27, 2025, City Council directed the City Solicitor and appropriate staff to attend the Tribunal in opposition to the appeal of the Official Plan and Zoning By-law Amendment applications and continue discussions to resolve matters.
<https://secure.toronto.ca/council/agenda-item.do?item=2025.TE20.11>

COMMENTS

Heritage Permit Application and Appeal

This report focuses on the owner's Heritage Permit Application (described below) under Section 42 of the *Ontario Heritage Act*, which requests City Council's consent for revised alterations to the Systems Building on the contributing property at 46 Spadina Avenue, the demolition of the buildings located on the non-contributing property at 58 Spadina Avenue, two outbuildings at 46 Spadina Avenue that are not identified as contributing to the KSHCD Plan, and the erection of a new building/structure on the designated properties. The proposed conservation strategy on the development site would be integrated into the new mixed-use development. Approval is required for this

proposal under Section 42 of the *Ontario Heritage Act* to permit alteration, demolition, and erection of new building/structures on the designated heritage properties. Heritage Planning staff have been consulted in the preparation of this report. Their description of the heritage properties and application are reflected below.

Area Context

The subject site is located within the King-Spadina Heritage Conservation District (KSHCD) which is an evolved historic district featuring the concentration of late-19th and early-20th century residential, commercial, industrial buildings, three historic parks, and a network of laneways. These historic resources reflect the district's evolution from an institutional and residential neighbourhood to a warehouse and manufacturing area over the course of the district's period of significance (1880s to 1940s).

Site/Heritage Property

The development area contains several buildings and structures found on three separate property parcels:

- **Parcel 1** - 46 Spadina Avenue (including 40, 42, and 44 Spadina Avenue)
The property is located on the west side of Spadina Avenue and situated between King Street West and Wellington Street West. The property includes a 4-storey factory building that was constructed in 1907 and designed by the Toronto architectural firm of Horwood and Burke and is known as the "Systems Building". Commissioned by Business Systems Limited, which manufactured business stationary and operated a business training school, the property served as the company's headquarters and factory for over half a century. Later additions to the building sustained the symmetry and stylistic details of the principal elevation. These included a 2-storey warehouse addition (1939-42) to the south of the original building and third and fourth storey additions above this later in the 1940s. In the late 20th century, the property was among the many properties in the King-Spadina neighbourhood that became associated with the clothing manufacturing industry in Toronto's Fashion District.

46 Spadina Avenue is identified as a contributing property in the KSHCD Plan. The development site also includes two small outbuildings at the northwest of the Systems Building which have been identified as having no cultural heritage value that contribute to the value of the KSHCD.

- **Parcel 2** - 58 Spadina Avenue (including 60 and 62 Spadina Avenue)
The property is located on the west side of Spadina Avenue and situated between King Street West and Wellington Street West and consists of a 2-storey building that is identified as a non-contributing property within the KSHCD Plan.
- **Parcel 3** - 378 Wellington Street West
The property is located on the north side of Wellington Street West and southwest of the above aforementioned properties. The property is designated under Part V of the *Ontario Heritage Act* and is identified as a non-contributing property within the

KSHCD Plan. The property currently functions as rear yard parking for properties in the immediate area.

Adjacent Heritage Properties

The properties at 374 and 376 Wellington Street West are located south of the development site and are designated under Part V of the *Ontario Heritage Act* in the KSHCD and are identified as contributing properties within the KSHCD Plan.

The property at 418 Wellington Street West is located south of the development site and is designated under Part V of the *Ontario Heritage Act* as part of the KSHCD and is identified as a contributing property within the KSHCD Plan.

A number of properties along King Street West (425, 431, 433, 435, 439, 441, 443, 445, 447, 455, 461, 469, 469A, 469B King Street West) are located north and south of the development site and are designated under Part V of the *Ontario Heritage Act* in the KSHCD and are identified as contributing properties within the KSHCD Plan.

Development Proposal and Conservation Strategy

On August 10, 2022, an Official Plan and Zoning By-law Amendment application was submitted seeking approval to construct a 28-storey mixed-use building with retail at grade along Spadina Avenue, two levels of office spaces within the base, and 521 residential units above. The partial façades of the existing four-storey factory building were proposed to be retained and incorporated into the new development.

A Heritage Impact Assessment (HIA) was prepared by ERA Architects Inc., dated July 22, 2022, and revised March 15, 2024, to assess the impact of the proposed development on the on-site heritage resources.

On May 15, 2024, the Applicant submitted a revised proposal for a 30-storey mixed-use building with retail at-grade and 550 residential units above. On July 9, 2024, the Applicant appealed the application to the Ontario Land Tribunal ("OLT") due to Council not making a decision on the application within the prescribed timeframe in the *Planning Act*. A separate report will be prepared by the City Solicitor for matters dealing with the *Planning Act* appeals.

On July 16, 2024, the applicant submitted a related application under Section 42 of the *Ontario Heritage Act* to alter, demolish and authorize the construction of a proposed new 30-storey mixed use building within the KSHCD. The heritage permit application was deemed incomplete.

The Heritage Permit application proposed the in-situ retention of the entire east primary façade of the Systems Building and over 28 metre depth of the south façade, as well as a short section of the north-south return wall. The eastern portion of the north façade was proposed to be partially reconstructed. Approximately 5 metres of the north façade would be reconstructed to the full height of the System's Building with an additional section of approximately 12 metres being reconstructed at lower ground and ground

floor level to separate the new residential lobby from the retail use proposed in the rehabilitated Systems Building. The rest of the building was proposed to be demolished to allow for the construction of the tower. The proposed new tower was stepped back above the heritage building by 4.9 metres to 5.4 metres along the front to Spadina Avenue and by 3.12 metres along the south side. No cantilevers were proposed within these setbacks. The new residential lobby to the north of the System's Building was also set back by 4.9 metres to provide a reveal that would give visual prominence to the heritage building. The roof of the heritage building was to be a green roof so it was not proposed to be used as an amenity terrace.

Revised Heritage Permit Application

On February 23, 2026, the City received a new Heritage Permit Application for a revised alteration proposal, and on February 19, 2026, the City received an addendum to the HIA, dated February 13, 2026, for a revised development proposal. The conservation strategy for the Systems Building is similar to that of the scheme approved by City Council under section 42 of the *Ontario Heritage Act* in 2025. The changes are that:

- The step back to the south has now increased from 3.12 metres to 11.74 metres; and
- Five cantilevered projecting balconies are now proposed above the heritage building. The balconies would project out by 1.7 metres into the front setback and would be at least 17.0 metres above the front of the retained heritage façade.

The submitted materials only show the size, location and massing of the proposed new construction and does not include details of its articulation or materiality.

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 ERA Architects Inc., dated July 22, 2022, and revised March 15, 2024 and October 29, 2024
4. Public Attachment 4 - An Addendum dated February 13, 2026, to the Heritage Impact Assessment prepared by ERA Architects Inc.
5. Confidential Attachment 1 - Confidential Information
6. Confidential Appendix "A" - Confidential Information