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STAFF REPORT ACTION REQUIRED

24 Mercer Street - Zoning Amendment Application – Information Report

Date:	July 9, 2013
То:	City Council
From:	Chief Planner and Executive Director, City Planning Division
Wards:	Ward 20 – Trinity-Spadina
Reference Number:	P:\2013\Cluster B\PLN\City Council\CC13061

SUMMARY

At its meeting of June 18, 2013, Toronto and East York Community Council passed a motion outlining a settlement of the Ontario Municipal Board (OMB) appeal of the proposed development at 24 Mercer Street. Community Council requested staff to report to the July 16 and 17, 2013 meeting of City Council on technical issues to be secured and any necessary heritage reporting on the proposed demolition of a property designated under the *Ontario Heritage Act*.

This report provides a summary of the proposed settlement and the steps necessary to address outstanding issues and the status of the matters under the *Ontario Heritage Act*.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council receive this report for information.

Financial Impact

There are no financial implications.



DECISION HISTORY

At its meeting of June 18, 2013, Toronto and East York Community Council had a Request for Directions Report before it (dated August 8, 2012) and a Supplementary Report dated June 12, 2013 regarding the Zoning By-law Amendment Application for 24 Mercer Street. The June 12, 2013 Planning staff report recommended the City Solicitor, together with City Planning staff and other appropriate staff, oppose the applicants appeal respecting the Zoning By-law amendment application for 24 Mercer Street (File No. 11 261965 STE 20 OZ), and attend any Ontario Municipal Board hearings in opposition to such appeal. In addition, should the applicant be willing to consider a significant reduction in height along with acceptable treatment and conservation of the heritage façade, City Council directed staff to continue negotiations with the applicant, in consultation with the Ward Councillor, and report back to Council prior to an OMB hearing for further instructions.

Toronto and East York Community Council recommended that City Council support a settlement with the applicant subject to the conditions listed below and request the City Solicitor together with City Planning staff to support such settlement, and attend any related Ontario Municipal Board hearing. This settlement was recommended to be forwarded on a consent basis to the OMB, based upon the applicants satisfying the following:

- the building height be reduced from 21-storeys (79.5 metres plus mechanical elements) to 15-storeys (57.5 metres plus mechanical elements);
- the mechanical penthouse, including any stair and elevator areas be limited to a maximum height of 5.5 metres and a maximum area of 89.0 square metres;
- the building may extend to the lot line adjacent Mercer Street beginning only at the 5th storey; and
- that the applicant obtain approval for the demolition of the heritage building under the provision of the *Ontario Heritage Act*.

Toronto and East York Community Council also requested City Planning staff to identify any outstanding technical issues to be secured and to outline the necessary reporting for the proposed demolition of the building on the property which the City is in the process of designating under the *Ontario Heritage Act*. The applicant proposes to dismantle and remove the façade of the building from the site, place the salvaged materials in storage and reconstruct the façade at the base of the new building.

ISSUE BACKGROUND

A Request for Directions report was presented at the September 11, 2012 meeting of Toronto and East York Community Council recommending that staff oppose the appeal of the application at the OMB. At the request of Community Council, the report was deferred to the November 6, 2012 meeting of Community Council to give the applicant an opportunity to address tower separation distances from the adjacent property to the west (Le Germain Hotel). Prior to the November 6th meeting of Community Council, the applicant informed staff that she had not been able to address this issue. At its November 6th meeting, Toronto and East York Community Council directed that staff continue to work with the applicant to address the outstanding issues as outlined in the report and that staff report to the November 27, 2012 meeting of City Council on any potential settlement. A November 26, 2012 report to Council referred the report back to Toronto and East York Community Council.

Staff provided a third Supplementary Report to the January 22, 2013 meeting of Toronto and East York Community Council recommending that staff report back to Community Council on the outcome of the Conservation Review Board hearing which had been scheduled for February 4th and 5th, 2013. Council deferred the item to allow staff to report back to Community Council on the outcome of the CRB hearing and to allow the applicant to submit outstanding information.

Designation under Part IV of the Ontario Heritage Act

The property was listed on the City of Toronto's Inventory of Heritage Properties in 1983. On November 29, 2011 City Council stated its Intention to Designate 24 Mercer Street under Part IV of the *Ontario Heritage Act*. The owner of the property appealed the Intention to Designate to the Conservation Review Board (the CRB). A hearing before the CRB was held on February 4, 2013. The report from the CRB was issued on May 6, 2013. The results of the CRB hearing and the staff recommendation regarding the designation of the building are outlined in a report dated May 25, 2013 from the Director, Urban Design. Based upon the report from the CRB, Heritage Preservation Services staff recommended that the third storey of the building not be included in the Reasons for Designation.

The staff recommendation was endorsed by the Toronto Preservation Board at their meeting of May 29, 2013 and by Toronto and East York Community Council at their meeting of June 18th, and will be considered at the July 16th and 17th, 2013 meeting of City Council.

COMMENTS

Revised Proposal

The applicant has agreed to submit plans for a more modest proposal for the site than the 21-storey building originally proposed. The amended proposal for a 15-storey building is significantly smaller in scale but will still allow the owner and applicant to realize additional height and density beyond the as-of-right permissions of 30 metres plus 5 metres for mechanical elements. The applicant has also agreed to provide 3 floors of commercial uses within the development to add employment uses within a mixed-use neighbourhood.

Technical Issues

With regard to outstanding technical issues, Engineering and Construction Services staff have requested clarification of what appeared to be an encroachment on the City's boulevard (which the applicant has indicated was an error in one of the drawings) and clarification regarding a right-of-way/easement with the abutting property owner on the east side of the building. These technical matters can be clarified through a review of detailed plans of the revised proposal. Engineering and Construction Services staff had also identified a number of outstanding technical issues regarding the proposal which will be required to be clarified through a subsequent site plan submission which has not yet been filed.

On-Site Parking

The proposed settlement would result in the approval of the building with no on-site parking. It should be noted that the reduction in the scale of the development and the accompanying reduction in the number of units will reduce the impact of the absence of parking on the site.

Proposed demolition of the heritage property

On June 4, 2013 the applicant submitted a Heritage Conservation Plan and a Heritage Impact Statement associated with the originally proposed 21-storey proposal. These documents recognize the May 6, 2013 report from the Conservation Review Board and recommend that the amended proposal includes the first two storeys of the historic facade incorporated into the base of the building. Above the historic facade two floors will be recessed back and, beginning at the fifth floor, the building will project to the property line to meet the street wall of adjacent properties and forms a cantilevered structure that projects over the historic facade. The cantilever of the building is deemed necessary to accommodate a suitable floor plate.

The preferred conservation strategy proposed by Golder Associates is to document and record the historic facade (to allow for accurate reconstruction), dismantle the facade in order to salvage components for reuse, store salvaged materials at an offsite facility and reassemble the facade in the same location as the existing building, although the entrance to the building will be lowered to grade to accommodate accessibility requirements. Golder also recommends that the historic floor levels be maintained behind the windows of the historic facade.

Heritage Preservation Services staff will report to the Sept 4, 2013 meeting of Toronto Preservation Board on the proposed demolition of the designated property at 24 Mercer. Street and the reconstruction of its south (front) façade. The recommendations from that report will be forwarded to the Sept 10, 2013 meeting of Toronto and East York Community Council and the Oct 8-9, 2013 City Council meeting. Should City Council approve the demolition/removal of the designated property, the designating by-law is required to be appealed under Section 34.3(1) of the *Ontario Heritage Act*.

Section 37

The application does not meet the threshold for Section 37 contributions as identified in Policy 4, of Section 5.1.1 of the Official Plan.

Conclusion

Staff recommend that a settlement of the appeal respecting the Zoning By-law amendment application for 24 Mercer Street (File No. 11 261965 STE 20 OZ) be forwarded on a consent basis to the OMB, based upon the applicants agreement to pursue a reduction in the height of the building from 21-storeys to 15-storeys and the agreement to provide a minimum of three floors of commercial uses. The resolution of the outstanding matters related to the proposed demolition and reconstruction of the south façade will come through a staff report to the Toronto Preservation Board and Council. Given the City's ongoing designation of the building under the *Ontario Heritage Act*, the settlement of the applicant's appeal of the Zoning By-law Amendment application will depend upon the applicant obtaining permission under the *Ontario Heritage Act*.

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SIGNATURE

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