

**4759 - 4789 Yonge Street – OPA Application – Final Report
requesting Direction on Proposed Settlement**

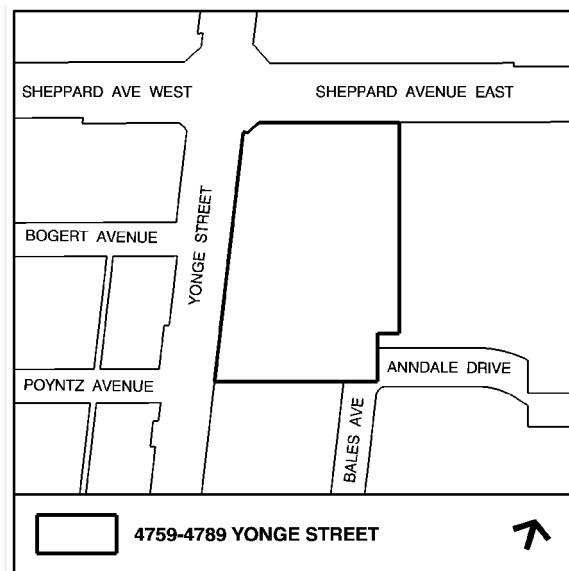
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| Date: | April 27, 2009 |
| To: | North York Community Council |
| From: | Director, Community Planning, North York District |
| Wards: | Ward 23 – Willowdale |
| Reference Number: | 06 163756 NNY 23 OZ (related Site Plan Application 08 120530 NNY 23 SA) |

SUMMARY

The applicant Hullmark Centre Inc. (“Hullmark”) proposes to develop a 35-storey and a 44-storey building, connected by a 5-storey link building, on the Willowdale Plaza lands located at the southeast corner of Yonge Street and Sheppard Avenue East. The proposed mixed use development includes office, retail and residential uses.

The Official Plan Amendment and Zoning Amendment applications were made on August 3, 2006 and are therefore not subject to the new provisions of the *Planning Act* and the *City of Toronto Act*, 2006. The related Site Plan Control application was made on March 19, 2008, and is subject to these new provisions.

This report discusses and recommends Hullmark’s offer to settle (“Offer”) which was before North York Community Council at its April 21, 2009 meeting. The report recommends approval of the application to amend the Official Plan, including both a general and a site-specific Official Plan Amendment. It also sets out recommendations for the further processing of the related Zoning Amendment and Site Plan Control applications.



RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council endorse Hullmark's offer to settle and advance the approvals to permit the proposed 35 and 44 storey mixed commercial and residential development, with a maximum gross floor area of 90,591 m² which is to include a minimum of 23,000 m² office space and a minimum of 6,200 m² retail space, with two pedestrian connections to the subway, and with a range of density incentives, as described in further detail in this Report, substantially as outlined in Attachment No. 7.
2. City Council amend the North York Centre Secondary Plan, substantially in accordance with the draft general Official Plan Amendment contained in Schedule B of Attachment No. 7.
3. City Council amend the North York Centre Secondary Plan for the 4759-4789 Yonge Street site, located at the southeast corner of Yonge Street and Sheppard Avenue East, substantially in accordance with the draft site-specific Official Plan Amendment contained in Schedule C of Attachment No. 7, modified with the addition of the following "Clause 4" to clarify procedural matters:

"For greater certainty, all provisions of the North York Centre Secondary Plan and all other relevant provisions of the City of Toronto Plan not yet applicable to the lands shown as 19 on Map 8-12 will be brought into force concurrently with this site-specific amendment."
4. City Council authorize the City Solicitor to make such stylistic and technical changes to the draft Official Plan Amendments as may be required.
5. Should City Council accept this offer to settle and adopt the proposed Official Plan Amendments substantially as per Schedules B and C of Attachment No. 7, as modified by Recommendation No. 3 above, City Council authorize the City Solicitor to seek with Hullmark, on consent, an order from the Ontario Municipal Board to resolve Hullmark's outstanding appeal to the City's Official Plan.
6. Subject to taking the necessary procedural steps, City Council support in principle declaring as surplus Parts 18, 21 and 23 identified on the November 12, 2008 draft R-Plan by R.M. Pastushak, O.L.S., having an area of 222 m², and inviting an offer from the Owner, consistent with the offer to settle, to acquire a strata fee interest these lands, subject to any infrastructure requirements of the TTC.
7. Should City Council adopt the proposed Official Plan Amendments substantially as per Schedules B and C of Attachment No. 7, as modified by Recommendation 3 above, and should the Ontario Municipal Board approve the proposed Official Plan Amendments, City Council authorize City Planning staff to bring forward

the related Zoning Amendment application (including the statutory Public Meeting for the proposed zoning by-law amendment) and Site Plan Control application to the next possible North York Community Council meeting(s) following resolution of any relevant outstanding matters.

Financial Impact

The recommendations in this report have no financial impact.

DECISION HISTORY

The August 29, 2006 Preliminary Report on the Official Plan and Zoning Amendment applications was considered by City Council at its meeting of September 25, 26 and 27, 2006. City Council adopted Planning staff's recommendations and further directed that prior to scheduling a Community Consultation Meeting, staff report to the North York Community Council on:

- 1) the applicability of current and past versions of the North York Centre Secondary Plan to the proposed development in relation to its outstanding appeals; and
- 2) the exact Official Plan Amendments, and modifications to the City's new Official Plan, that would be entailed by approval of the development in its presently proposed form.

The December 14, 2006 Information Report from the Director, Community Planning, North York District was received by North York Community Council at its meeting of January 16, 2007. The report may be accessed via the following link:

<http://www.toronto.ca/legdocs/mmis/2007/ny/bgrd/backgroundfile-453.pdf>

The Community Consultation Meeting on the proposed development was held on June 6, 2007. The project has also been before the City's Design Review Panel. At its meeting of July 26, 2007, the Panel voted to support the project's continued evolution in the proposed direction.

At its April 21, 2009 meeting, North York Community Council adopted a report from the City Solicitor regarding Hullmark's Offer, recommending that the Director of Community Planning bring forward proposed general and site-specific Official Plan Amendments as well as a report on the Offer, to the next possible North York Community Council meeting, which would also be a statutory public meeting for the proposed Official Plan Amendments.

The City Solicitor's report may be accessed via the following link:

<http://www.toronto.ca/legdocs/mmis/2009/ny/bgrd/backgroundfile-20122.pdf>.

ISSUE BACKGROUND

Official Plan: OPA 447 Non-Decision and Toronto Official Plan appeal

The applicant's proposed Offer, as described in further detail and recommended in this report (see also Attachment No. 7), is intended to resolve a long-standing non-decision on a number of Secondary Plan (OPA 447) policies as they relate to the subject lands, including the determination of an appropriate mix of residential and non-residential land uses. The Offer, if endorsed by City Council, would also provide a means of resolving the outstanding appeal of the North York Centre Secondary Plan in the Toronto Official Plan, as it relates to the subject site.

The Offer includes a proposed general and a site-specific Official Plan Amendment, which are also recommended by Planning staff. This report contains a detailed description of the outstanding Official Plan matters, and a discussion of the Offer and proposed Official Plan Amendments.

Proposal

The applicant is proposing to redevelop the 1.5 ha Willowdale Plaza site at the southeast corner of Yonge Street and Sheppard Avenue East with a mixed use project, including a major office component. The proposal includes the following elements:

- a 44 storey tower containing office, retail and residential uses, to be located in the northeast portion of the site, fronting on Sheppard Avenue East. The north building's office component is proposed to be 11 storeys;
- a 35 storey tower containing retail and residential uses, to be located in the southwest portion of the site, fronting on Yonge Street;
- a 5 storey link building between the two towers, which is proposed to contain retail and office uses and residential amenity space; and
- two new pedestrian connections to the Yonge/Sheppard TTC subway.

The project has a total gross floor area (GFA) of 90,591 m², allocated as follows:

| Use | GFA | % of Total GFA | Total Commercial |
|--|-----------------------|----------------|----------------------------------|
| Office (north tower + low-rise block) | 23,035 m ² | 25.4% | 29,339 m ² (32.4%) |
| Retail | 6,305 m ² | 7.0% | |
| Residential: 685 units (north + south towers) | 61,251 m ² | 67.6% | |
| Total | 90,591 m ² | 100.0% | |

The total requested GFA includes both “base” density at 4.5 FSI, and 33% additional density as proposed density transfers and incentives, for an overall total density of just under 6.0 FSI (5.985 FSI). The proposed density transfers and incentives to be secured through Section 37 consist of: street related retail uses, indoor residential amenity space, bicycle parking, the conveyance of two off-site properties for future Service Road purposes, and a monetary contribution for density which would be offset by the costs of providing two pedestrian connections to the Yonge/Sheppard subway.

As indicated in the “Downtown Plan South of Sheppard Avenue Environmental Study Report Addendum” (April 1998), Anndale Drive is to be extended westward to connect with Yonge Street and Poyntz Avenue as part of the Service Road network. Lands for the Anndale Drive extension, having a width of approximately 23 m, will be required along the site’s entire south property line and are proposed to be conveyed to the City as part of this project.

Vehicular access to the development is proposed via a through driveway located along the eastern edge of the site, connecting with both the future Anndale Drive and Sheppard Avenue. A total of 1,076 vehicular parking spaces is proposed, including 702 parking spaces for residents and 374 parking spaces for the commercial uses and for residential visitors combined.

The proposal also includes a 1,237 m² publicly accessible plaza, to be provided at the southeast corner of Yonge Street and Sheppard Avenue.

The proposed site plan and elevations are shown in Attachment Nos. 1 and 2. The Application Data Sheet (Attachment No. 6) contains additional project statistics.

Site and Surrounding Area

The site is located at the southeast corner of Yonge Street and Sheppard Avenue East and is currently developed with the Willowdale Plaza and its associated parking. The existing Plaza site is 14,914 m² in area (approximately 1.5 ha or 3.7 acres). The applicant proposes to acquire three City-owned parcels with a total area of 222 m², which would bring the gross site area to 15,136 m². The site has approximately 100 m frontage on Sheppard Avenue and 150 m frontage on Yonge Street.

A stairway providing access to the TTC subway is located on adjacent City lands along Yonge Street just north of the proposed Anndale Drive extension area, and a TTC emergency exit structure is located on adjacent City lands at the southeast corner of Yonge and Sheppard. The site is encumbered with a TTC subway tunnel structure which runs a short distance below the surface of a portion of the site, and which connects the tracks of the Yonge subway and the Sheppard subway. The existing subway infrastructure restricts the type of building construction that may occur in this part of the site. Only the plaza and office lobby are proposed over top of this subway facility.

The site has a grade differential, in which the site generally rises in level from north to south (with a differential of about 3 m along the Yonge frontage), and rises from east to west (with a differential of about 2 m along Sheppard). The highest point of the site is at the site's southwest corner (intersection of Yonge Street and the future Anndale Drive).

The surrounding land uses are as follows:

North: across Sheppard Avenue is the Sheppard Centre consisting of 9-storey and 19-storey office buildings with commercial retail at the base, 3-storey rental townhouses, and three 29-storey apartment buildings;

South: 15-storey Procter and Gamble office building; to the southeast is a residential development consisting of two 23-storey apartment buildings and 3-storey townhouses, with a 22-storey building and additional townhouses approved further east on that block;

East: existing 33-storey condominium apartment building along the Sheppard Avenue frontage, and an approved 33-storey residential building, currently under construction, fronting onto the future Anndale Drive extension; and

West: across Yonge Street is a parking lot at the southwest corner of Yonge Street and Sheppard Avenue West, and further west is the 22-storey Nestle office building. The TTC bus terminal and subway lands are located at the northwest corner of Yonge Street and Sheppard Avenue.

Provincial Policy Statement and Provincial Plans

The Provincial Policy Statement (PPS) provides policy direction on matters of provincial interest related to land use planning and development. The PPS sets the policy foundation for regulating the development and use of land. The key objectives include: building strong communities; wise use and management of resources; and protecting public health and safety. City Council's planning decisions are required to be consistent with the PPS.

This application was submitted after the Growth Plan for the Greater Golden Horseshoe came into effect in June 2006. City Council's planning decision on this application is required by the Planning Act to conform, or not conflict, with the Growth Plan.

The Growth Plan provides a framework for managing growth in the Greater Golden Horseshoe including: directions for where and how to grow; the provision of infrastructure to support growth; and protecting natural systems. More specifically, the Growth Plan identifies and provides policy direction for North York Centre as one of 25 Urban Growth Centres in the Greater Golden Horseshoe, and includes policies for the intensification of Major Transit Station Areas.

Official Plan

1) Official Plan Background

The Official Plan policy framework for the Willowdale Plaza site includes: the D.2 Downtown Plan of the former City of North York; an unresolved non-decision of OPA 447 (the North York Centre Secondary Plan) dating back to 1998; and an appeal of the Toronto Official Plan adopted by City Council in November, 2002. The Offer by Hullmark includes proposed general and site-specific Official Plan Amendments for Council's consideration.

2) D.2 Downtown Plan (former City of North York), as amended by OPA 393

In September 1996, North York City Council adopted OPA 393 for the North York "Downtown" area, for lands located east of Yonge Street and south of Sheppard Avenue East. OPA 393 was a proposed amendment to the D.1 Plan ("Downtown & Uptown General Concepts and Objectives") and D.2 Plan (Downtown Secondary Plan) for the North York Centre area. OPA 393 was subsequently approved in large part by the Ontario Municipal Board in its Decision/Order dated July 17, 1998. Among other matters, the 1998 Decision brought into effect new general Secondary Plan policies, as well as new site-specific policies for the Willowdale Plaza lands.

The Willowdale Plaza lands are designated Mixed Use by OPA 393. The Mixed Use designation includes permission for either, or both, non-residential as well as residential uses, and does not prescribe any particular mix of permitted uses. The maximum density permission is 4.5 FSI plus available transfers and special density incentives.

3) North York Official Plan and OPA 447 Non-Decision

In September 1997, North York City Council adopted OPA 447, which is the North York Centre Secondary Plan (including both the Downtown and Uptown areas). OPA 447 sought to establish a "Downtown Mixed Use-1" land use designation for identified sites within the Downtown area, including the Willowdale Plaza lands. This designation does not permit residential uses.

On December 8, 1998, the Minister of Municipal Affairs and Housing approved OPA 447, subject to a number of modifications. The Minister did not issue any decision on several portions of OPA 447, including "Non-Decision No. 6" regarding site-specific policy 12.19 respecting the Willowdale Plaza lands, and all related Schedules as they apply to the site. These policies and schedules have not been approved and are not in effect for the subject site. However, other aspects of OPA 447 do apply to the site.

One of the matters to which Sun Life (the previous owner of the Willowdale Plaza lands) had objected, as outlined in its solicitor's letter dated March 6, 1998 to the Minister of Municipal Affairs and Housing, was the proposed designation of the lands as "Downtown Mixed Use – 1". This designation proposed to permit only non-residential uses, whereas

the D.2 Downtown Plan as amended by OPA 393 had permitted complete flexibility for either non-residential or residential uses on the site under its “Mixed Use” designation.

In maintaining its non-decision, the Minister encouraged dialogue between the previous owner and the municipality, which was intended to resolve outstanding issues including the land use mix permissions for the subject lands. A number of discussions were held with the municipality and the former owner and their representatives, however the matter of the land use mix has never been resolved and the non-decision related to OPA 447 is still outstanding.

4) Applicant’s Appeal of the Toronto Official Plan

The new City of Toronto Official Plan adopted by City Council in November, 2002 brought forward the North York Centre Secondary Plan in the same general form as OPA 447, including a proposed designation of “Mixed Use Area – A” that would permit only non-residential uses on the Willowdale Plaza site. The previous owner, Sun Life, appealed the North York Centre Secondary Plan of the Toronto Official Plan as it relates to this site. The current owner (Hullmark Centre Inc.) has assumed this appeal, which is referenced as appeal no. 127 of Schedule “B” of outstanding appeals.

The majority of the Toronto Official Plan came into effect on July 6, 2006, however, given the outstanding appeal of the Secondary Plan policies as they apply to the subject lands, no decision has been made regarding these Secondary Plan policies for the site. Attachment No. 4 shows the Toronto Official Plan land use designations for lands in the vicinity of the Plaza site.

Zoning

The site is currently zoned C2 Local Shopping Centre by Zoning By-law 7625, as amended (see Attachment No. 3). The C2 zoning permits a range of uses including Shopping Centres and other commercial uses.

Site Plan Control

The applicant’s related Site Plan Control application was submitted on March 19, 2008. The Zoning Amendment and Site Plan Control applications are currently under review and are intended to be the subject of a further Planning report should the proposed Official Plan Amendment application be approved.

Reasons for Application

The applicant has submitted an Official Plan Amendment application primarily to:

- establish an appropriate mix of uses permitted on the subject lands;
- provide for an increased building height;

- provide for additional density incentives in relation to the proposed development, being the offsetting of costs related to pedestrian connections the subway, and a revised retail use incentive;
- exempt the project from providing at-grade retail uses along Sheppard Avenue;
- allow for rooftop podium space to be included in required private outdoor recreational space; and
- provide for the City's ability to take appropriate measures to secure construction of the commercial uses of the development.

The applicant's Offer includes both a proposed general and a proposed site-specific Official Plan Amendment. The proposed general amendment would modify existing density incentives related to the provision of transit terminals and pedestrian connections to transit terminals. The proposed general amendment would also provide additional incentives for new major office developments connected to transit terminals, including a proposed offset or partial offset of costs of providing subway connections where a monetary contribution for density incentive is also proposed.

The proposed zoning by-law amendment, to be the subject of a future report, would establish detailed land use and built form provisions and other standards for the development.

Community Consultation

A Community Consultation Meeting on the proposed project was held on June 6, 2007. The local Councillor, City Planning and Transportation Services staff, the applicant team and approximately 40 members of the public attended the meeting. The local Councillor also held a meeting on October 16, 2007 with 5 local residents who had expressed an interest in having further discussions on the project. This meeting dealt mainly with transportation issues. Area residents have also provided verbal and written comments.

The comments and concerns raised by area residents have been considered during the review of the project and, as appropriate, will also be considered at the Zoning Amendment and Site Plan Control stages. The comments are generally related to the following matters:

- intensity of development already existing in the area;
- desire for commercial office uses and for a grocery store use in the development;
- proposed building heights, and potential shadow impacts of the buildings;
- possible wind tunnel conditions resulting from the development;
- traffic impacts, especially on key intersections and surrounding streets;
- timing of implementation of the Downtown Service Road;
- the adequacy of the parking supply for the proposed uses;
- vehicular circulation and drop-off activity associated with the proposed uses;
- visually screening the loading area in relation to the condominium to the east;
- conformity of the proposal to the provisions and intent of the Official Plan;
- whether the towers could contribute to the livability of the Yonge/Sheppard area;

- impacts on schools in the area; and
- potential negative precedents being set.

Agency Circulation

The application was circulated to all appropriate agencies and City divisions. Responses received have been used to assist in evaluating the application.

COMMENTS

Provincial Policy Statement and Provincial Plans

Located at two subway stations serving both the Yonge and Sheppard subway lines and in an area the City has designated for growth, this proposal appropriately redevelops and intensifies an existing plaza site in an efficient manner that is consistent with the PPS. The proposal is located in an area the City has identified as being appropriate for intensification. The proposal includes a mix of uses including housing, retail and a major office component that will help meet long term employment needs and support the existing transit infrastructure. The proposed development supports energy efficiency and improved air quality by focusing travel-intensive land uses on a site that is well served by transit. The proposal is consistent with the PPS.

In terms of the Growth Plan for the Greater Golden Horseshoe, the proposal supports the City's strategy and policies for achieving mixed-use transit supportive and pedestrian friendly development. The proposal contributes to population and employment growth by providing a mix of high density office, residential and retail uses that support transit and pedestrians. The proposal is in a core location of the Urban Growth Centre as identified by the Province. The proposed total 23,035 m² office space exceeds the minimum 10,000 square metre threshold definition of a "Major Office" in the Growth Plan and will serve as a high density major employment centre. The proposal will contribute toward achieving the Growth Plan's minimum gross density target of 400 residents and jobs per hectare or higher. The proposal conforms and does not conflict with the Growth Plan.

Hullmark's Settlement Offer

After extensive discussions between Hullmark and its team and City staff, Hullmark submitted an offer to settle ("Offer") on March 27, 2009, which includes a proposed land use mix, range of density incentives, height provisions and a number of other matters for the project. The Offer includes two proposed amendments to the North York Centre Secondary Plan (Schedules B and C to the Offer, Attachment No. 7). The Offer's land use mix is illustrated in Schedule A to the Offer, which contains plans showing the proposed construction components.

The Offer provides a framework for addressing the outstanding Official Plan policies that have not yet been adjudicated for this site. It also contains a number of provisions to

support the proposed Amendments including, for example, detailed requirements that would be appropriate for Section 37 or other legal agreements. The Offer also contains certain provisions related to the further review of the project that would be undertaken at the zoning and site plan stages. This Report discusses the elements of the Offer pertaining to the proposed OPAs, as well as other key provisions of the Offer.

The generalized density, range of building heights, and layout and massing of the proposed tower components are largely consistent with the initial 2006 submission. Through ongoing discussions that have taken place with the Hullmark team and City staff, there have, however, been a number of important revisions and improvements to the project since earlier submissions. The appropriate City staff were involved in various discussions with the developer to secure improvements and refinements to the proposal.

Revisions and improvements to the project include matters related to: the provision of increased office space (which is now also incorporated into the low-rise block); a phasing plan and financial security intended to help achieve the office component; the proposed conveyance of off-site lands for parkland and for the Service Road; confirmation of various matters concerning the two proposed TTC connections within the development; and improvements to elements of the project's street relationships and design.

Key elements of the Offer include the following matters, and are discussed in further detail in this report:

- Overall maximum gross floor area of the development proposal is 90,591 m², including 23,035 m² office, 6,305 m² retail and 61,251 m² residential uses
- Density incentives/transfers will bring density to just under 6.0 FSI (5.985 FSI)
- Proposed density incentives include the conveyance of two off-site properties for the Service Road, a monetary contribution for density which is to be offset by the costs of providing two subway connections to the development, and the provision of street-related retail uses, bicycle parking and indoor residential amenity space
- Letters of credit ("LCs") will be filed by Hullmark to help secure the construction of the pedestrian connections to the subway and the office elements of the project
- Hullmark to receive from the City a strata fee interest for lands with a total area of 222.0 m²
- Hullmark will construct the Anndale Drive extension at its own expense and have the right to utilize any or all of it for construction staging for a period of four years without payment to the City, or it may deed the land for the service road to the City and then apply at a later date to occupy a portion of the land and pay the fees that are in effect at that time

- Hullmark and the City will, on consent, seek an order from the Ontario Municipal Board resolving Hullmark’s outstanding appeal to the City’s Official Plan consistent with the terms and conditions of the Offer
- If the City does not accept the Offer, Hullmark reserves the right to modify its development proposal so as to reduce or eliminate the office element

The Offer, including its schedules, is attached below and may be referred to for more detailed information (Attachment No. 7). Select floor plans showing the commercial and retail components, as well as the two proposed Official Plan Amendments (general and site-specific) are included in the Schedules A, B and C of the Offer.

Planning staff, in consultation with the appropriate City Divisions and the TTC, have addressed with the applicant a number of key land use, technical, design, transportation, phasing and incentive matters related to the project and are prepared to recommend the proposed Official Plan Amendments as an appropriate settlement of outstanding Official Plan policy matters in relation to the subject site.

Proposed Official Plan Amendments

1) General Official Plan Amendment

One key issue and opportunity regarding redevelopment of the Willowdale Plaza lands has been how to achieve an appropriate range of uses at this intersection of two subway lines. Through the review of the proposed development it became apparent that the current policies in the North York Secondary Plan could be improved to help facilitate this overall goal. A general amendment to the North York Centre Secondary Plan is therefore being recommended as a means of providing additional support to the provision of major office uses with a connection to a transit terminal.

The proposed general amendment (Schedule B of Attachment No. 7) has two elements related to density incentives for major office developments that also provide pedestrian connections to a transit terminal. First, it allows the gross floor area of the actual transit terminals and related pedestrian connections to exceed the 33% density incentive limit. Second, it enables the cost of a pedestrian connection to a transit terminal to partially or fully offset the cost of a monetary contribution for density incentive.

In terms of policy support for locating office uses at transit stations, the Provincial Policy Statement (“PPS”), Growth Plan for the Greater Golden Horseshoe (“Growth Plan”), City’s Official Plan, and recently approved Community Improvement Plan are germane.

Section 1.8.1.c) of the PPS states that:

“Planning authorities shall...focus major employment, commercial and other travel intensive land uses on sites which are well served by public transit.”

The Growth Plan (Section 2.2.4.c) directs Urban Growth Centres like North York Centre to be planned "...to serve as high density major employment centres that will attract provincially, nationally or internationally significant employment uses." The Growth Plan also generally defines "Major Office" as "freestanding office buildings of 10,000 m² or greater, or with 500 jobs or more. Policy 2.2.6.4. also indicates that "Major office...development should be located in urban growth centres..."

The City's Official Plan includes North York Centre as one of four City 'Centres'. The Centres policies direct each Secondary Plan to "create a positive climate for economic growth and commercial office development" and "set out the location, mix and intensity of land uses within the Centre." North York Centre is also described as "...an important commercial office location."

OPA 447 (the North York Centre Secondary Plan) deleted residential use permission in locations close to the subway stations in order to ensure that office development in the Centre was placed in the most accessible locations relative to the TTC subway system.

In 2008, further support for office development in the Centres was provided by adoption of a Community Improvement Plan ("CIP"). As part of the CIP, "Centres Focus Areas" were established to provide development grants for major office development in the Centres. Based on the Growth Plan definition in a City of Toronto context, the CIP defined Major Office Development as being:

- an Office Building with greater than 15,000 m² GFA; or
- an Office Building with greater than 10,000 m² GFA, and which is one phase in a proposed multi-phase office development; or
- more than 20,000 m² of office space in a mixed use building, in which case the development Grants will only be available for the office portion of the building.

When considered altogether, the PPS, Growth Plan, Official Plan, Secondary Plan and Community Improvement Plan provide direct policy support for office uses in the Centre that are connected to transit facilities.

In terms of the existing applicable policies in the Secondary Plan, Figure 3.3.1 provides incentives for "Pedestrian Connections" and "Transit Terminals". Both the "Direct Underground Pedestrian Connections to Transit Terminal" incentive (limited to a maximum of 5% of the density limit) and the "Transit Terminal" incentive exempt the floor space provided for each from the calculation of gross floor area. These incentives generally remain appropriate for all development within North York Centre.

Through the course of considering the proposed Willowdale Plaza redevelopment it has become apparent that the existing incentives do not provide sufficient additional development density in exchange for the public benefit being sought, in this case, a major office use connected to a subway.

To address these matters, the general Official Plan Amendment proposes to:

- remove the 5% cap on floor area incentive for Pedestrian Connections to a Transit Terminal for residential and non-residential development;
- clarify that eligible Pedestrian Connections are to be owned or operated by a public authority (e.g. City or TTC); and,
- add a new incentive specifically for “Major Office Development Connected to a Transit Terminal” that:
 - defines Major Office as greater than 15,000 m² gross floor area;
 - enables the incentive floor space of the pedestrian connection and transit terminal to exceed the 33% cap on development density; and
 - enables density incentive monetary contributions (for the Service Road and/or public recreational centres/social facilities) to be reduced by the cost of providing pedestrian connections.

The new incentive establishes a minimum threshold for “Major Office” that meets or exceeds the thresholds for Major Office as set out in the Growth Plan and the CIP.

Removing the 33% cap on the Pedestrian Connection and Transit Terminal floor space provides added flexibility to the design of these public benefits to facilitate comfortable pedestrian access and circulation, and enables the scale of the transit facilities and connections to increase without limitation.

As North York Centre continues to evolve and the service road and community centre facilities become built out, it would be appropriate to have an additional density incentive to help support transit-connected office employment uses. As one of a few remaining locations in the Centre to be redeveloped at a transit station, the higher costs associated with developing pedestrian connections to transit stations has become apparent. The policy is intended to help defray these costs that may otherwise be a hindrance to major office development.

The policy is structured so that the amount of the eligible offset costs is proportionate to the share of commercial space in the overall development. The policy enables the City to secure LCs for the estimated costs of constructing the subway connections, and have these costs (or portions thereof) offset the cost of a monetary contribution for density incentive. The LCs are to be reduced and/or returned with delivery of both the Pedestrian Connections and Major Office floor space. Section 37 Agreements will be used to implement the policy and will need to be tailored according to the scale and phasing of each proposal.

While there are a few sites remaining with the potential to make use of this policy, these sites are important for implementing the office employment policies and designations in North York Centre. The proposed general amendment may also assist in the delivery of major office uses connected to new transit stations associated with either the development of the Finch LRT at Yonge Street or the anticipated future subway station location at Yonge Street and Drewry/Cummer Avenues.

2) Site-specific Official Plan Amendment

As part of its Offer, Hullmark has also proposed a site-specific Official Plan Amendment (see Schedule C of Attachment No. 7).

The site-specific Official Plan Amendment is proposed in order to:

- establish the appropriate mix of uses permitted on the subject lands;
- provide for an increased building height;
- require two continuous indoor pedestrian connections (one north and one south) from the development to Yonge/Sheppard subway facilities;
- provide for a further density incentive to offset additional costs related to pedestrian connections to the subway, and a revised retail use incentive;
- exempt the project from providing at-grade retail uses along Sheppard Avenue;
- allow for rooftop podium space to be included in required private outdoor recreational space;
- provide for the City's ability to take appropriate measures to secure construction of the commercial uses of the development; and
- provide for the related adjustment to the Long Range Development Levels included in the Secondary Plan.

It is recommended that Council support the proposed site-specific Official Plan Amendment. Detailed analysis of elements of the proposed amendment are found elsewhere in this Report (see Land Use; Density Incentives; Built Form, Height and Massing; and Streetscape, Landscaping, and Open Space).

3) OMB Process for resolving outstanding Official Plan Matters

Should Council adopt the general and site-specific Official Plan Amendments substantially as outlined in this report, staff recommend that the City Solicitor seek with Hullmark, on consent, an order from the Ontario Municipal Board to resolve Hullmark's outstanding appeal to the Toronto Official Plan and to request that the Board deal with any other outstanding matters concerning the City's Official Plan in relation to this site. All outstanding matters are intended to be dealt with at one time by the parties before the Ontario Municipal Board. The modification to add Clause 4 to the proposed site-specific Official Plan Amendment reflects this.

Land Use

The proposed development has a land use mix of 61,251 m² of residential floor space with 685 units and 29,339 m² of commercial gross floor area. The commercial floor area consists of 6,304 m² of retail space and 23,035 m² of office space. The applicant's economic consultant has advised that following construction completion, the project is expected to provide more than 1,000 jobs including approximately 830 office jobs.

While the Downtown Mixed Use-1/ Mixed Use Area 'A' designations in OPA 447 and the Toronto Official Plan do not permit residential uses on the site, the outstanding non-decision and appeal on the subject lands means that these policies are not in effect. The in-force policies allow the site to be developed for residential use. The proposal includes a significant amount of office and retail commercial space. Office (25.4%) and retail (7.0%) uses account for 32.4% of the proposed development. The 23,035 m² of office space exceeds the minimum 'major office' threshold established in the City's recently adopted Community Improvement Plan and Tax Increment Equivalent Grant program (see also Economic Development, Culture and Tourism Comments – Attachment No. 8). There has been little development of an office space of this scale in North York Centre for many years, and the large site size, corner location, and two subway connections enable a range and mix of uses to be accommodated in a single, mixed-use high density proposal. Given the application is in effect a settlement of both the non-decision of OPA 447 and the appeal to the Toronto Official Plan, the proposed mix of residential, commercial, and office uses is appropriate.

To reflect the proposed land use mix, the site specific Official Plan Amendment also includes an adjustment to the Long Range Development Levels in Figure 4.3.1 that shifts 38,913 m² of Non-Residential Gross Floor Area to Residential Gross Floor Area.

Securing the Office and Retail Components

Given the scale of the proposed development and its organization into several components, there is a possibility that the project may be constructed in phases and over a longer period of time. Recognizing this possibility, Hullmark and City staff have discussed appropriate means of securing the office component, with the following key objectives having been addressed in the Offer:

- that the two pedestrian connections to the subway and related investment in this infrastructure be established at the earliest stage of development, with the connections being provided in the first stage as part of the Podium Infrastructure component;
- that a significant office component be constructed in each phase; and
- that the release of letters of credit occur in lock step with the delivery of the pedestrian connections and Major Office and commercial use components (discussed further under "incentives").

The proposed development has been defined as consisting of the following four components:

- 1) Podium and Infrastructure: below grade parking garage, north and south subway station connections, retail, ground floors of north and south towers
- 2) Link Building: office building and residential amenity space
- 3) South Tower: residential above Podium/base building
- 4) North Tower: office and residential Podium/above base building

These components will be included in the implementing Zoning By-law and Section 37 agreement which will also provide rules for Construction Sequencing as follows:

- the Podium and Infrastructure (including Pedestrian Connections and all retail and other ground floor spaces) will be built in the first stage of the development;
- the Link Building which includes an office component as well as residential amenity space will be built in the first stage;
- at least one-third of the total proposed non-residential space will be provided in the first stage; and
- LCs will be released in proportion to the amount of commercial floor space constructed, and not before the Pedestrian Connections to the subway have been built and the Podium and Infrastructure and Link Building components have been structurally completed.

To further encourage construction of the final phase of the major office development, the Section 37 Agreement will also include a proviso that if the owner does not proceed with construction of the office use in the North Tower, then the City may cash the remaining LC for use towards constructing the service road or a community centre.

As further security, the Offer also contains the provision that should Hullmark (or its successor-in-title) request release of the remaining balance in the monetary contribution LC after structural completion of the North Tower Component to the 5th floor but before structural completion of the 11th floor, the Owner will consent at that time to the City re-designating and rezoning to commercial use any unconstructed residential elements.

By including these provisions in the implementing by-law and Section 37 Agreement, construction of the Pedestrian Connections is secured at an early stage, a commercial/office component is established at an early phase, and financial security is retained until all of the major office use is substantially completed and can be connected to the transit station.

Density and Density Incentives/Transfers

The North York Centre Secondary Plan allows additional gross floor area in exchange for density transfers and incentives, which combined may provide an additional 33% density permission over and above the base density of 4.5 FSI, for a total project density of just under 6.0 FSI (5.985 FSI). The proposed density incentives/transfers amount to a total of 22,477.41 m² additional gross floor area, which is within the maximum density permission of the Secondary Plan.

The applicant proposes 5 types of density incentives/ transfers, the amounts and types of which are summarized in the table below, and which are to be secured as part of the Section 37 agreement for the project. The applicant is proposing a site-specific Official Plan Amendment in relation to the monetary contribution for density and offset costs, as well as for the street related retail space. These matters are described further in this section.

| | |
|---|--------------------------|
| Base Density 15,136.30 m ² site area x 4.5 FSI (14,914.30 m ² + 222.00 m ² TTC parcels) | 68,113.35 m ² |
| Transfer 1) Conveyance of 2 & 10 Bonnington Place lands for Service Road | 3,087.00 m ² |
| Incentives 2) Indoor recreational amenity area | 1,027.50 m ² |
| 3) Bicycle incentive – parking and shower/change facilities | 240.43 m ² |
| 4) Street-related retail | 5,635.86 m ² |
| 5) Monetary contribution for density, to be offset by costs of pedestrian connections to the subway | 12,486.62 m ² |
| = Total Density 15,136.3 m ² lot area x 5.985 FSI | 90,590.76 m ² |

1) Conveyance of 2 and 10 Bonnington Place properties

One of the more recent improvements to the project is the applicant's proposed conveyance to the City of the two off-site properties located at 2 and 10 Bonnington

Place, intended for future Service Road purposes. Section 3.4 of the North York Centre Secondary Plan authorizes such conveyances. The Downtown Plan South of Sheppard Avenue Environmental Study Report (April 1998) includes these two properties among those required for the future road network. The Secondary Plan authorizes the transfer of the 3.5 FSI density from the conveyed properties to the development site. Based on lot areas of 441 m², the proposed density transfer to the project in exchange for the two properties is 3,087 m². Hullmark's Offer includes the conveyance of these properties to the City upon final zoning approval. The proposed site-specific zoning by-law would include provisions to recognize the off-site density transfer sites.

2) Private Indoor Recreational Space - Residential

The North York Centre Secondary Plan requires a minimum of 1.5 m² per unit of private indoor recreational space to be provided in the form of a density incentive. The proposed development has 685 units and the space credited to the density incentive is therefore 1,027.5 m². Additional recreational space is provided in the development, over and above the amount for which a density incentive is being granted.

3) Bicycle Parking (Commercial and Residential)

OPA 567, a general amendment to the North York Centre Secondary Plan pertaining to the provision of bicycle facilities, was approved by the Ontario Municipal Board on April 28, 2008. This OPA established new policies for bicycle parking in the North York Centre. Bicycle parking spaces provided in an at-grade common bicycle room, as well as any associated shower and change facilities for bicycle parking in commercial uses, are to be provided as a density incentive.

The proposed development includes 69 at-grade bicycle parking spaces for the residential uses, which meets the bicycle parking policy of 0.1 spaces per unit. The commercial use has 23 bicycle parking spaces at grade, which exceeds the 1 space /2,000 m² requirement in the Secondary Plan, and also has associated showers and change rooms. Additional bicycle parking (225 spaces) is proposed in below grade locations. These requirements will be secured in the site-specific zoning by-law, and appropriate design details will be secured through the site plan process.

The proposed bicycle parking and shower/change rooms are located at the southwest corner of the site. While the bicycle facilities are not located at the same grade as the immediately adjacent sidewalk, they are conveniently accessible to the outside. This is because the overall site slopes downward from west to east, enabling the bicycle facilities to be at the same grade as the vehicular entrance at the southeastern corner of the site. The site-specific zoning by-law will recognize the particular grade provisions.

4) Street-Related Retail

The North York Centre Secondary Plan requires street-related retail uses to be provided along Yonge Street and Sheppard Avenue within the Prime Frontage Areas. These policies encourage an active and animated pedestrian environment, and enable the

setback of the retail uses to be altered to surround publicly accessible open space. Street-related retail uses provided within a 30 m building depth are an eligible density incentive.

The proposal includes 5,635.86 m² of street-related retail uses which have direct access proposed via either Yonge Street, the future Anndale Drive or the publicly accessible plaza, however not all of the retail uses are within a 30 m building depth. The proposed retail space takes into account the retail frontage opportunity provided by the plaza feature, and incorporates multiple, active, at-grade retail service store fronts with windows and pedestrian entrances on Yonge Street. The Sheppard Avenue frontage accommodates the proposed office lobby and new TTC subway entrance, as well as the residential building entrance.

One of the main reasons for which a portion of the proposed retail incentive is located beyond 30 m building depth is because of the large single tenant anchor retail use. A key concern raised during consultations with the community was the desire to retain or accommodate a potential replacement for the large food store currently existing within the Willowdale Plaza. Providing an incentive for the single large retail commercial floor plate on the site supports the opportunity to replace this scale of retail use. With consideration toward both the concerns of the neighbouring residents and the settlement of the outstanding OMB appeal on the subject lands, the site-specific Official Plan Amendment includes the entire single unit at-grade retail floor space in the overall available street-related retail density incentive.

This single-unit retail tenant space intended for a major food store is proposed to have direct, at-grade access via Yonge Street. The appropriate use of this space as well as details related to its design and animation along the Yonge Street frontage will be secured as part of the Zoning Amendment and Site Plan Control applications.

5) Monetary Contribution for Density to be offset by cost of Pedestrian Connections to Subway Stations

A previous general amendment (OPA 557) to the Secondary Plan provides a further incentive in the form of a monetary contribution for density. The funds secured through the monetary contribution are to be directed toward the City's cost of land acquisition for the North York Service Road, and/or the cost of constructing and furnishing public recreational centres or social facilities serving the North York Centre.

The applicant is proposing that the balance of the density incentives required to achieve the maximum 33% additional density be provided in the form of a monetary contribution to fund 12,486.62 m² GFA, which ultimately would be offset by subway connection costs. The City's Real Estate section has provided a cost estimate for the additional density sought through this incentive (see Attachment No. 8).

With the general Official Plan Amendment recommended in this Report, for major office developments connected to a transit terminal, the monetary contribution for density is proposed to be partially or wholly offset by the costs of providing one or more

continuous indoor pedestrian connections to a transit terminal. As mentioned above this type of incentive supports a number of policy objectives. The proposed site-specific amendment for the Hullmark Centre confirms the requirement for the project to provide two pedestrian connections to the subway, and provides authority for the monetary contribution to be fully offset in light of the expected connection costs.

Through discussions with the applicant and TTC it had become evident that the challenges and costs associated with constructing the north pedestrian connection are expected to greatly exceed those of the south pedestrian connection. This is due to extraordinary construction complications resulting from existing subway facilities at the Yonge/Sheppard interchange. These include the current TTC emergency exit building, which needs to be demolished and replaced with a full pedestrian connection while retaining its function as a fire exit during construction. As well, the proximity of the subway tunnel and other utilities located close to the surface add further complications and costs associated with providing the north pedestrian connection.

The construction of a new direct pedestrian connection to the proposed office development provides a public benefit that is appropriate for receiving a site-specific density incentive that recognizes the additional costs due to the configuration of the existing subway infrastructure associated with the site.

As part of the proposed settlement, the site-specific amendment would provide for a full offset of the monetary contribution equal to the costs of the north connection that exceed the costs of the south connection, which will recognize these extraordinary connection costs. In accordance with the proposed general OPA, the “base” costs of the north and south connections would be offset at a rate of 32.4% reflecting the total proposed commercial GFA. It is anticipated that 100% of the “extraordinary” costs plus 32.4% of the “base” costs, as eligible offsets combined, will exceed the monetary contribution amount. The monetary contribution amount would therefore be fully offset. The maximum potential offset is limited to the monetary contribution amount.

As indicated above, the proposed general OPA provides for the timing of the offset to be secured by appropriate legal agreements. Hullmark’s Offer includes provisions for the timing of payment and release of the monetary contribution LC (which represents the value of the subway connections up to the value of the monetary contribution for the 12,486.62 m² density) and the supplementary LC (which represents any estimated remaining costs to complete the subway connections, over and above the value of the monetary contribution). Both LCs are to be provided to the City prior to issuance of a building permit for excavation and shoring. The supplementary LC would be reduced prior to the monetary contribution LC being reduced, as the monetary contribution LC provides the dual function of helping to secure both the subway connections and the office construction.

In accordance with the Offer, Hullmark may only apply to have the monetary contribution LC reduced after the Podium and Infrastructure and Link Building Components, as well as the North Tower Component up to and including the 5th floor

level, have been structurally completed. The reduction of the LC at this time would be limited to a maximum of 62% of the monetary contribution LC, which represents the percentage of structurally completed commercial space at this point relative to total commercial space. The City would retain the balance of the monetary contribution LC until structural completion of the 11th floor of the North Tower Component, after which time any remaining balance in the LC would be released. The City will be holding financial security pending structural completion of the North Tower office component.

As part of the Offer, Hullmark has proposed to be able to request that the City release any remaining balance in monetary contribution LC after completion of the pedestrian connections, after structural completion of podium and infrastructure and link building components, and after structural completion of the north tower to the 5th floor. In this situation, the Offer requires Hullmark to provide consent to a City-initiated Official Plan and Zoning Amendment that would re-designate and re-zone to commercial use, any unconstructed residential elements.

In addition, the Offer contains a provision that any remaining balance in the monetary contribution LC remaining after a specified time period may be cashed by the City and applied toward the City's costs of land acquisition for the North York Centre Service Road and/or constructing and furnishing a public recreational centre or social facility serving the North York Centre, or for such other purposes as may be provided for in the Official Plan.

Any subsequent revised application that may be submitted for this site, that does not include a major office component with pedestrian connections to the subway, would not be eligible for this incentive.

Built Form, Height and Massing

The proposal consists of a 44-storey north tower to contain office and residential uses fronting on Sheppard Avenue, a 35-storey south tower containing retail and residential uses fronting on Yonge Street at the intersection of the future Anndale Drive, and a 5-storey low-rise, "link" building or podium containing retail and office uses and residential amenity space. The link building is proposed to front onto Yonge Street and the proposed plaza at Yonge/Sheppard, connecting the two towers.

1) Building Height and Massing

The height permission for the subject lands is established through the D.2 Downtown Plan, as amended by OPA 393. The height limits permitted by the D.2 Plan are expressed in relation to distance to the nearest Relevant Residential Property Line (RRPL) which generally forms the boundary between the Downtown area and the stable residential area.

Based on the distances of various locations within the subject site from the RRPL, the range of building heights permitted by the D.2 Plan of the former City of North York is

approximately 23-33 storeys (which would generally be in the order of 65-100 m), with the lowest height permission being in the southwest portion of the site and the highest being in the northeast area.

At proposed heights of a maximum 155 m for the 44-storey north tower and a maximum 115 m for the 35-storey south tower (excluding rooftop mechanical space), the two towers would exceed the D.2 Plan's building heights, as well as the 100 m permitted heights of the current Secondary Plan (Map 8-8) that is typical of lands fronting on Yonge Street within the North York Centre "South" area.

The Secondary Plan does have additional height policies (Section 5.4, Building Heights) by which the proposal has been evaluated. Section 5.4.1 provides general Secondary Plan objectives related to building heights, which include: encouraging the highest intensity developments along Yonge Street and in the vicinity of subway stations, with the highest buildings along Yonge Street in the North York Centre South; ensuring appropriate transition to stable residential areas; and ensuring a comfortable human scale along the primary pedestrian streets.

While discouraging site-specific amendments to the height limits shown on Map 8-8, Section 5.4.2 does contain provisions that must be satisfied when the City is considering an application for such an amendment. The City must be satisfied that the contemplated increase in height:

- a) is necessary to provide for desirable flexibility in built form;
- b) would have no appreciable impact on the residential amenity of properties within the stable residential area; and
- c) meets the urban design objectives of Section 5 (Environment and Urban Design),

whereupon the provisions of Section 1.14 (Site-Specific Amendments) will be deemed to be satisfied.

The applicant's proposed 2-tower scheme with towers of a maximum 155 m (north tower) and a maximum 115 m (south tower), results in a better design relative to an alternative approach that would have had 3 towers within the same density limitation of just under 6.0 FSI at a maximum height of 100 m. In addition, the height increase associated with the higher, 2-tower design meets the design objectives of Section 5 of the Secondary Plan, and is not expected to have any appreciable impact on the residential amenity of the stable residential area.

During the course of the review, the applicant had presented a conceptual design for a possible 3-tower scheme, which had incorporated a third tower in the southeast portion of the site, with the other two towers generally in their current proposed locations at the corner of Yonge Street and the future Anndale Drive, and in the northeast portion of the site. The proposed 2-tower scheme at the higher heights and with the smaller floor plates provides better spacing between towers for light, view and privacy access in relation to existing, approved and potential development sites in the area, as well as within the site

itself. The introduction of a third tower in the southeast portion of the site would have a greater impact on light, view and privacy for the approved 33-storey building on the site to the east, and for the existing 23-storey buildings and townhouse development to the southeast.

The 2-tower design based on the smaller floor plates is proposed to be executed in a manner that incorporates appropriately scaled base building features and setbacks, and frames the adjacent public streets and open space in accordance with Secondary Plan objectives. The smaller floor plates as well as the proposed base, middle and architecturally defined building tops are in keeping with the direction of the City's Tall Buildings Guidelines. These matters are intended to be further articulated through the Zoning Amendment and Site Plan Control processes.

The applicant has submitted a Pedestrian Level Wind Study and a Shadow Study for the proposed development. The studies have been reviewed and the predicted impacts are acceptable given the scale of development in the North York Centre. The introduction of pedestrian-related canopy structures on the two towers will help mitigate wind conditions at street level, and will be reviewed in more detail through zoning and site plan review.

The proposed height amendment provides for a more desirable built form in this location, and the skyline proposed with two taller buildings at this intersection reinforces the City's structure and enhances the legibility of the North York Centre South area.

2) Building Setbacks, Base Buildings and Step-backs

The Secondary Plan recognizes that height, massing and intensity of buildings will generally be focused along Yonge Street and in the immediate vicinity of subway stations. As the spine of the North York Centre, Yonge Street is a primary pedestrian promenade. Buildings are intended to front on and define adjacent public streets and open spaces, provide appropriately scaled base building conditions to establish a comfortable human scale, and be designed in a manner that provides an attractive pedestrian environment and animation and interest along the street, with ground floor uses and front doors that relate to the grade of the street. The proposed development meets the built form setback and step-back requirements of the Secondary Plan.

A building setback of approximately 4 m along Yonge Street and along Sheppard Avenue, as proposed, is intended to achieve a pedestrian promenade of approximately 10 m width including a 6 m public sidewalk. The setback also establishes a build-to line for establishing a street wall condition. The setback and build-to line may be modified to surround publicly accessible open space. Within 10 m of the build-to line, base buildings must be constructed between 8 and 25 m in height. The proposed 5-storey link building at a height of 25 m provides an appropriately scaled base building condition along Yonge Street and surrounding the publicly accessible plaza.

Along Yonge Street and Sheppard Avenue, higher buildings are required to be set back a distance of 10 m from the build-to line for approximately two-thirds of the street

frontage. Along approximately one-third of the street frontage, higher buildings may be located to the street frontage provided they have a setback or architectural treatment such as a cornice line at the approximate height of the adjacent lower portion of the building. The proposed south residential tower occupies approximately one-third of the site's street frontage along Yonge Street north of the proposed Anndale Drive extension. The applicant is proposing a cornice line between the 7th and 8th floor of the residential tower at the equivalent height of the 5-storey link building. Cornice lines and canopies are also proposed along the top of the retail ground floor space height as per the Secondary Plan.

Along Sheppard Avenue, the westerly portion of the proposed 11-storey, L-shaped office component steps back more than 10 m from the two-storey base building height office lobby fronting on Sheppard and on the public square. The portion of the proposed 44-storey building (which includes the 11-storey office component) that fronts directly on Sheppard Avenue occupies approximately one-third of the site's Sheppard Avenue frontage. At the height of the office lobby, a cornice line and canopy feature is proposed.

The Secondary Plan requires that along Service Roads (Anndale Drive), buildings not exceed a height of 12 m at the street frontage. Above the 12 m height, taller buildings are to be set back a minimum of 3 m from the street frontage. The south tower's Anndale Drive frontage meets this requirement. A cornice line and canopies are also proposed at the height of the proposed retail space along Anndale Drive, in conformity with the Secondary Plan.

The site-specific zoning by-law will, among other matters, contain provisions to implement the proposed building setbacks, heights and step-backs. Through the site plan process, there will be opportunities to secure design details to further articulate the base and tower building features, including cornice line and canopy treatment.

3) Grade-Related Uses, Animation and Interest

The Secondary Plan also has various Environment and Urban Design policies to ensure that buildings contribute to animation and interest along the public streets, as appropriate. The site is in a significant location along a stretch of Yonge Street and Sheppard Avenue at the intersection of two subway lines, and is proposed to contain a mix of uses. These factors contribute to an expected higher level of pedestrian activity. The site is located within a Prime Frontage Area along both Yonge Street and Sheppard Avenue.

All buildings within the Prime Frontage Area are required to incorporate street-related retail uses at grade at the build-to line. The applicant is requesting relief from this requirement along the Sheppard frontage. Given the project's major office use proposed for this location, the office lobby which is designed to provide visual interest and support for the street in a base building condition along Sheppard, the TTC access which is to be integrated into the office lobby with direct access to the Sheppard Avenue sidewalk, as well as the site's Yonge Street and Anndale Drive frontages having retail and service commercial uses, in these circumstances the proposed uses along Sheppard Avenue are appropriate and reflect the intent of the Secondary Plan.

The proposed street-related retail spaces along Yonge Street and Anndale Drive front onto, address, and are directly accessible via the adjacent public streets and plaza at the corner of Yonge and Sheppard. Through the zoning process, the specific ground floor use permissions as well as any appropriate frontage requirements will be established. Through the site plan process, various design details intended to enhance animation and visual interest and to allow for appropriate physical access will be secured.

The project's proposed built form, massing and street and open space relationships, as well as the proposed introduction of the new public street connection along Anndale Drive, support the Section 5.2 urban design principles for the lands south of Sheppard Avenue and east of Yonge Street.

Streetscape, Landscaping and Outdoor Amenity Space

The proposed layout, massing and street frontage uses support the provision of an active, high quality pedestrian realm along the adjacent public streets as provided for in Section 5.6 of the Secondary Plan. The buildings frame the proposed plaza which provides public street access to the adjacent retail uses and the office components.

The Secondary Plan requires a minimum of 1,260 m² of common outdoor space in relation to the non-residential uses. The combined "street plaza" lands which incorporate the proposed corner plaza (1,237 m²) and the Yonge and Sheppard forecourts have a combined area of 2,254 m², which exceeds the commercial open space requirement. Working with the site's existing grade differentials, the publicly accessible plaza proposed at the corner is accessed at the level of the surrounding Yonge Street sidewalk, and through a series of steps up to the plaza from Sheppard Avenue.

The Secondary Plan requires a minimum of 1.5 m² of private outdoor amenity space for the residential component. As part of the site-specific Official Plan Amendment the applicant is seeking relief from the requirement that the 1.5 m² per unit (equal to 1,027.5 m²) of private outdoor amenity space be located at-grade, and has instead proposed to provide a large rooftop podium in the southeast area of the site on top of the retail space. A further outdoor residential amenity area is proposed on the rooftop of the 11-storey office component. The total private residential outdoor space of over 4,300 m² greatly exceeds the requirement of 1,027.5 m².

Given other important design objectives related to the site, including the provision of a new public road and the achievement of appropriate base building conditions and a publicly accessible plaza, the rooftop location of the amenity space is acceptable.

Through the zoning and site plan processes, streetscape and landscaping opportunities and requirements will be addressed in greater detail and various elements of the project's design will be secured. This includes the development of an appropriate design and streetscape strategy for the Yonge and Sheppard frontages and the plaza.

The Secondary Plan encourages the provision of public art on City owned lands as well as on privately owned lands as part of redevelopment projects. The required relocation of the existing public art at the Yonge/Sheppard corner, as well as potential opportunities for a new and innovative public art installation associated with the development, will be discussed with the applicant as part of the further review of the project.

Access, Parking and Loading

Vehicular access to the development is proposed via a driveway located along the eastern edge of the site, connecting with both Anndale Drive (south end) and Sheppard Avenue (north end). The vehicular access, underground parking ramp entrances, and loading areas are to be provided from this driveway. Initially, the applicant had proposed to provide an above-grade parking access structure in the southeast portion of the site at the Bales Avenue view terminus. The proposed vehicular access has evolved in a manner that has now eliminated the above grade ramp element and minimizes the impact on the future Anndale Drive street frontage.

Transportation Services staff recommend that the proposed driveway at Anndale Drive provide full movement access, and that the driveway connecting with Sheppard Avenue provide right-in, right-out access only, to be secured through the Site Plan Agreement. Ultimately, the existing median along Sheppard Avenue east of Yonge Street is to be extended further eastward, and right-in, right-out access would be provided for this development.

The project proposes a total of 1,076 parking spaces. This includes 702 spaces for residential occupants, 225 spaces for commercial uses, 80 spaces for the proposed food store, and 69 spaces for visitors' parking for the residential uses. The proposal meets the North York Centre Parking Policy, which sets out minimum and maximum parking ranges.

Transportation Services and Technical Services staff are satisfied with the general proposed access, parking and loading arrangements, the designs of which will be reviewed in more detail at the zoning and site plan stages.

Transportation

1) Proposed TTC Connections

The proposed site-specific amendment includes a policy requiring the provision of two continuous indoor pedestrian connections to the subway.

Hullmark proposes to acquire from the City three parcels of land along Yonge and Sheppard (total area 222 m²) and the related density from these parcels (see Attachment No. 3). These lands are associated with current TTC subway facilities, including an emergency exit building at the Yonge/Sheppard corner. With the proposed connection designs, it is expected that portions of these lands will become surplus to TTC's needs.

It is recommended that the process of declaring these lands as surplus be commenced.

As part of Hullmark's Offer, the City and Hullmark would enter into an agreement to exchange these 222 m² lands forming part of the proposed site area, for the lands at 284 Maplehurst Avenue to be provided to the City for parkland.

Hullmark's proposed pedestrian connections to the subway will require various levels of technical approval by the TTC, as well as a number of legal agreements to the satisfaction of the City and/or TTC, at further stages in the review process.

2) Traffic Impact Study and Traffic Certification

The applicant has submitted a Traffic Impact Study including a Traffic Certification, prepared by LEA Consulting Ltd., in support of the proposed development. As a result of a number of discussions with Transportation Services staff, the applicant's consultant had been requested to conduct additional detailed analysis. The revised study has been reviewed and accepted by the Transportation Services Division.

3) North York Centre Service Road – Southeast Quadrant

a) Progress to Date

The Downtown Plan South of Sheppard Avenue Environmental Study Report Addendum April 1998 (the "ESR") identifies the road network required to support the anticipated development in the southeast Yonge/Sheppard quadrant (see Attachment No. 5, Planned Service Road Infrastructure, South of Sheppard Avenue).

At its meeting of April 14, 15 and 16, 2003, in the context of another development project in the southeast Yonge/Sheppard quadrant, City Council had directed that no further development be approved on lands within the North York Centre located south of Sheppard Avenue and north of Avondale Avenue, between Yonge Street and Tradewind Avenue/ Bonnington Place, until there is a detailed plan, including land acquisition and firm construction timetables, for completion of the Service Road through those lands.

Since that time, the City has been active in acquiring further lands in the southeast Yonge/Sheppard quadrant as development proceeds. The following information details the progress of the Service Road network in the southeast Yonge Street/ Sheppard Avenue quadrant:

- Anndale Drive – Property widenings along the south side of Anndale Drive extending from Bales Avenue to Tradewind/ Bonnington have been secured or are proposed to be secured as part of the Menkes Cosmo project at 1-17 Anndale Drive, 31-35 Bales Avenue and 22-70 Glendora Avenue. The City has also secured 2 and 4 Anndale Drive in relation to the Minto application at 23-33 Sheppard Avenue East, and is securing 12 Anndale Drive as part of the Oakburn development (1-12 Oakburn Crescent and 14-40 Oakburn Place).

- Traffic control signals and the property at the northwest corner of Avondale Avenue and Tradewind Avenue (68 Avondale Avenue) have been secured in relation to the Oakburn development.
- The application at 9 and 15 Bales Avenue and 34 Avondale Avenue (Baghai) is providing a required 5.2 m road widening along the Avondale Avenue frontage of the site, and is also conveying to the City the property at 44 Avondale Avenue for Service Road purposes, through a density transfer.

With respect to the portion of Anndale Drive between approximately Bales Avenue and Tradewind Avenue/ Bonnington Place, an Information Report from the Executive Director of Technical Services was received by North York Community Council at its meeting of May 29, 2007. The Report indicated that this segment of the Service Road extension could potentially be operational by Spring 2010, which is the time of expected occupancy of the approved 33-storey residential building (Minto) along this segment of Anndale Drive, assuming lands to construct this segment are in the City's possession, free and clear, by Fall 2008. The report may be accessed through the following link: <http://www.toronto.ca/legdocs/mmis/2007/ny/bgrd/backgroundfile-2958.pdf>.

b) Hullmark Application

The ESR includes the proposed extension of Anndale Drive westward to Yonge Street at a new intersection with Poyntz Avenue as one of the major elements of the Service Road. As part of the approval of its development, Hullmark proposes to convey to the City lands with an area in excess of 2,000 m² for the Anndale Drive extension. These lands have a width of approximately 23 m along the site's entire south boundary.

A road widening of approximately 3 m width is required along the site's entire Yonge Street frontage. Combining the Anndale Drive and Yonge Street requirements, the applicant is proposing to convey a total of over 2,500 m² to the City for public street purposes. In addition, Hullmark is proposing to convey to the City the 2 and 10 Bonnington Place properties as a density transfer.

The Offer contains provisions related to the timing of road conveyances. Hullmark intends to convey, in escrow, the Anndale Drive and Yonge Street lands to the City as soon as possible after the related site-specific zoning by-law amendment coming into full force, and not later than one year after that date. It is anticipated that the related Zoning Amendment application would proceed to NYCC for its consideration during the 2009 calendar year, with the by-law to come into effect as soon as possible thereafter once any by-law preconditions are satisfied.

The Offer provides for Hullmark to make an election, within one month of conveyance of the Yonge Street and Anndale Drive lands, to use the conveyed lands for construction staging for a period of up to 4 years or other time frame as may be agreed to by Hullmark and the City, without payment to the City, subject to Hullmark providing a Construction Management Plan satisfactory to Transportation Services staff. During this time period,

Hullmark would construct the Anndale Drive extension from the east limit of the site all the way west to Yonge Street, to City standards. The escrow deeds would be released at the end of this occupancy and construction period, at which time the lands would be under full City ownership.

If Hullmark does not make an election within one month of conveyance of the lands in escrow, the escrow deeds would be released immediately and the lands would be under full City ownership, and the City would construct the Anndale Drive extension. Hullmark may, at any time after 3 years following release or other time period agreed to by Hullmark and the City, make an application to occupy a portion of the conveyed lands for construction staging purposes for a specified time period, in accordance with the City's standard fee requirements.

Transportation Services and Technical Services staff are satisfied with the terms of the Offer as they relate to the proposed Anndale Drive and Yonge Street conveyances.

Parkland Dedication

The Parkland dedication policies are found in Section 6.5 of the North York Centre Secondary Plan. For higher density sites greater than 1 ha in size such as Willowdale Plaza, the alternative parkland dedication rate policy caps the parkland dedication at 15 per cent of the development site. The policies also enable the specific combination of land or cash-in-lieu of parkland to be determined through consideration of each proposal.

For the Willowdale Plaza lands, not later than twelve months after the Official Plan Amendments coming into force, and prior to issuance of the first above grade building permit, the following properties totalling 1,889 m² in area are to be conveyed to the City for parkland purposes: 115, 117 and 119 Finch Avenue West. In addition to this conveyance, the proposed development includes 222.0 m² of lands currently owned by the City along the Yonge Street and Sheppard Avenue frontages. The Settlement Offer also proposes that the owner acquire these lands and density associated with them in exchange for lands located at 284 Maplehurst Avenue intended for parkland purposes.

In each case, the parkland conveyed will be to the satisfaction of the General Manager of Parks, Forestry & Recreation by being free and clear of encumbrances or contamination, and provided in a base park, usable condition. All of the above-noted land conveyances will fully satisfy the City's parkland dedication requirements for this development. Comments from Parks, Forestry & Recreation staff are provided in Attachment No. 8.

Development Charges

It is estimated that the City of Toronto development charges for the proposed office, retail commercial and residential project at 4759-4789 Yonge Street will be a minimum of approximately \$5,200,000.00. This is an estimate, based on the new Development Charges By-law coming into effect on May 1, 2009. The actual charge is assessed and collected upon issuance of the building permit.

CONTACTS

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rgibson@toronto.ca

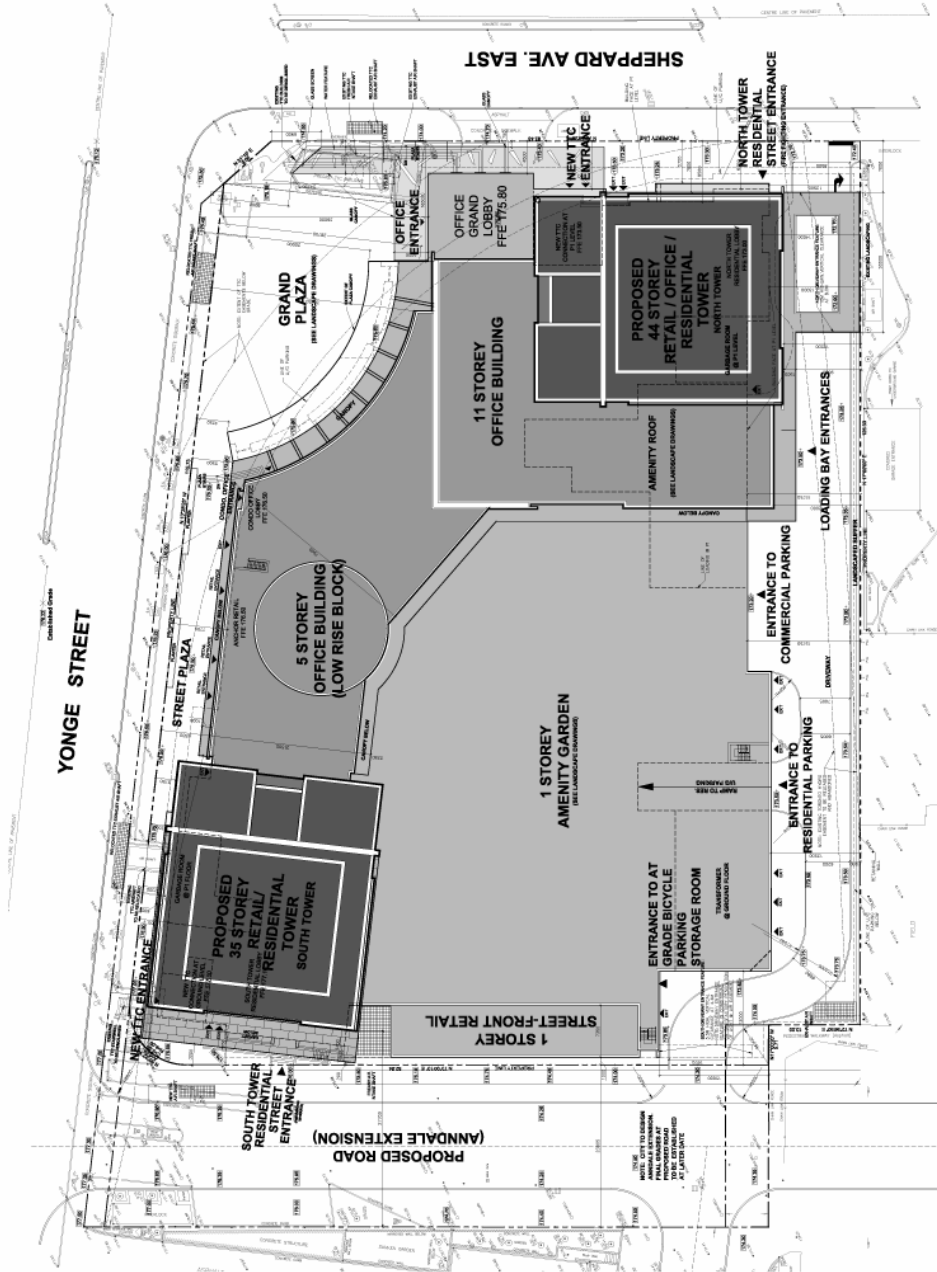
SIGNATURE

Thomas C. Keefe, Director
Community Planning, North York District

ATTACHMENTS

Attachment 1: Site Plan
Attachment 2: Elevations
Attachment 3: Zoning Map
Attachment 4: Official Plan Map
Attachment 5: Planned Service Road Infrastructure, South of Sheppard Avenue
Attachment 6: Application Data Sheet
Attachment 7: Hullmark's Offer to Settle (March 27, 2009)
 Schedule A - Construction Components and Project Statistics
 Schedule B - Draft General Official Plan Amendment
 Schedule C - Draft Site-Specific Official Plan Amendment
Attachment 8: Agency Comments

Attachment 1: Site Plan



4759-4789 Yonge Street

Site Plan

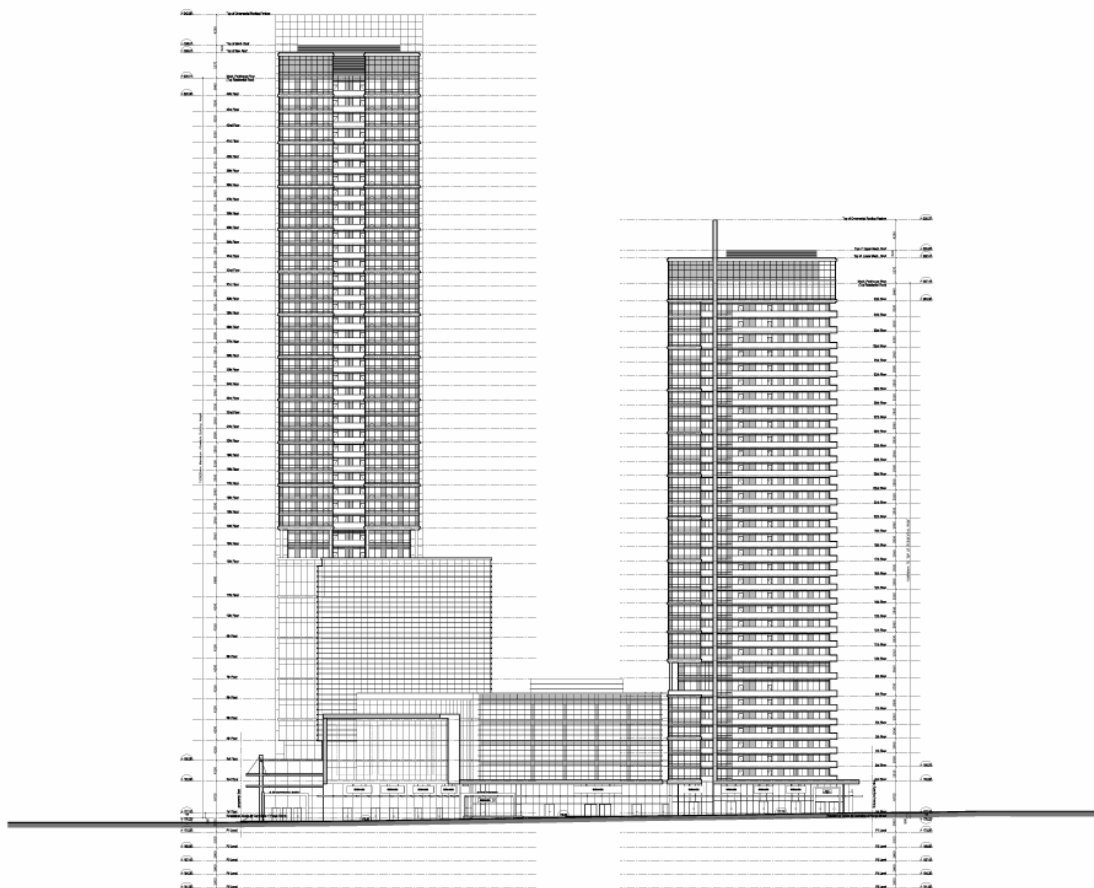
Applicant's Submitted Drawing

Not to Scale
04/22/09



File # 06_163756

Attachment 2: West Elevation (Yonge Street)



West Elevation

Elevations

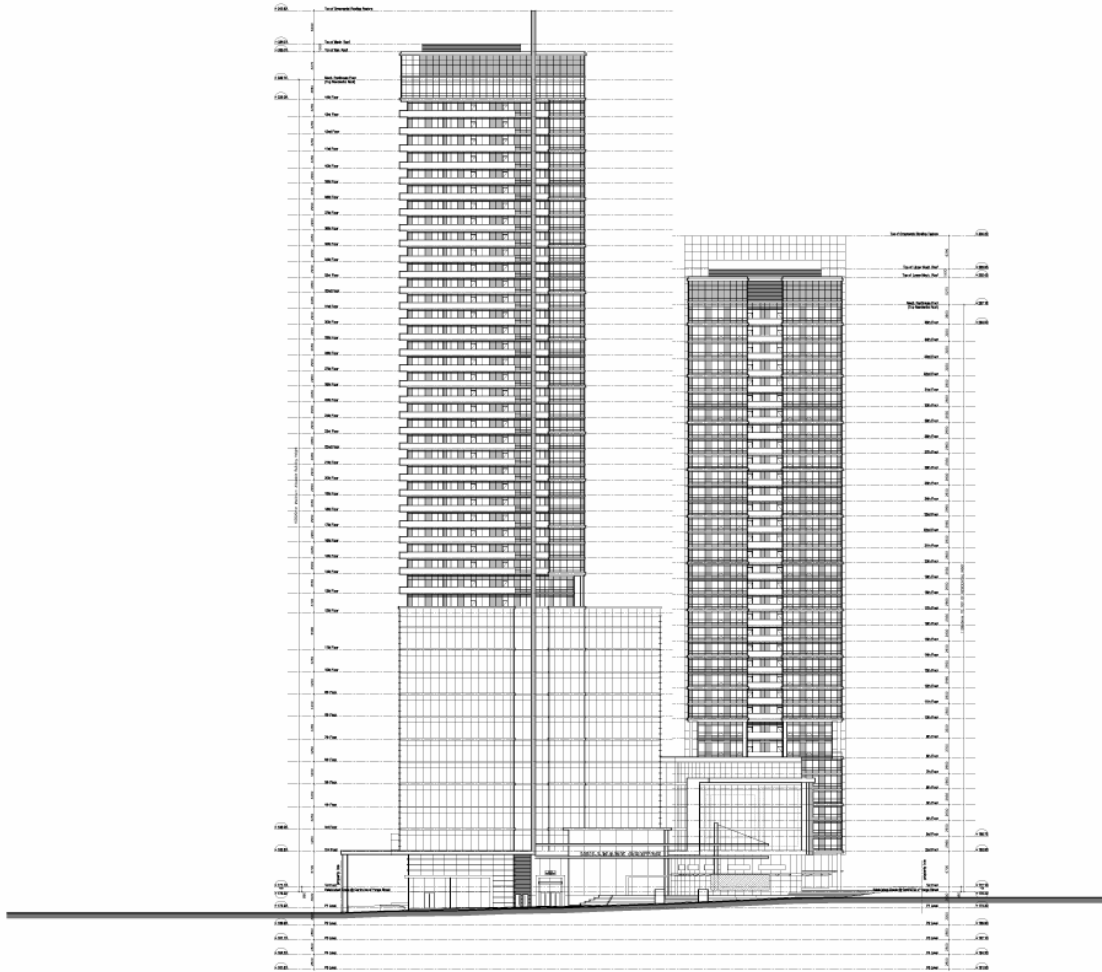
Applicant's Submitted Drawing

Not to Scale
04/23/09

4759-4789 Yonge Street

File # 06_163756

Attachment 2 (cont'd): North Elevation (Sheppard Avenue)



North Elevation

Elevations

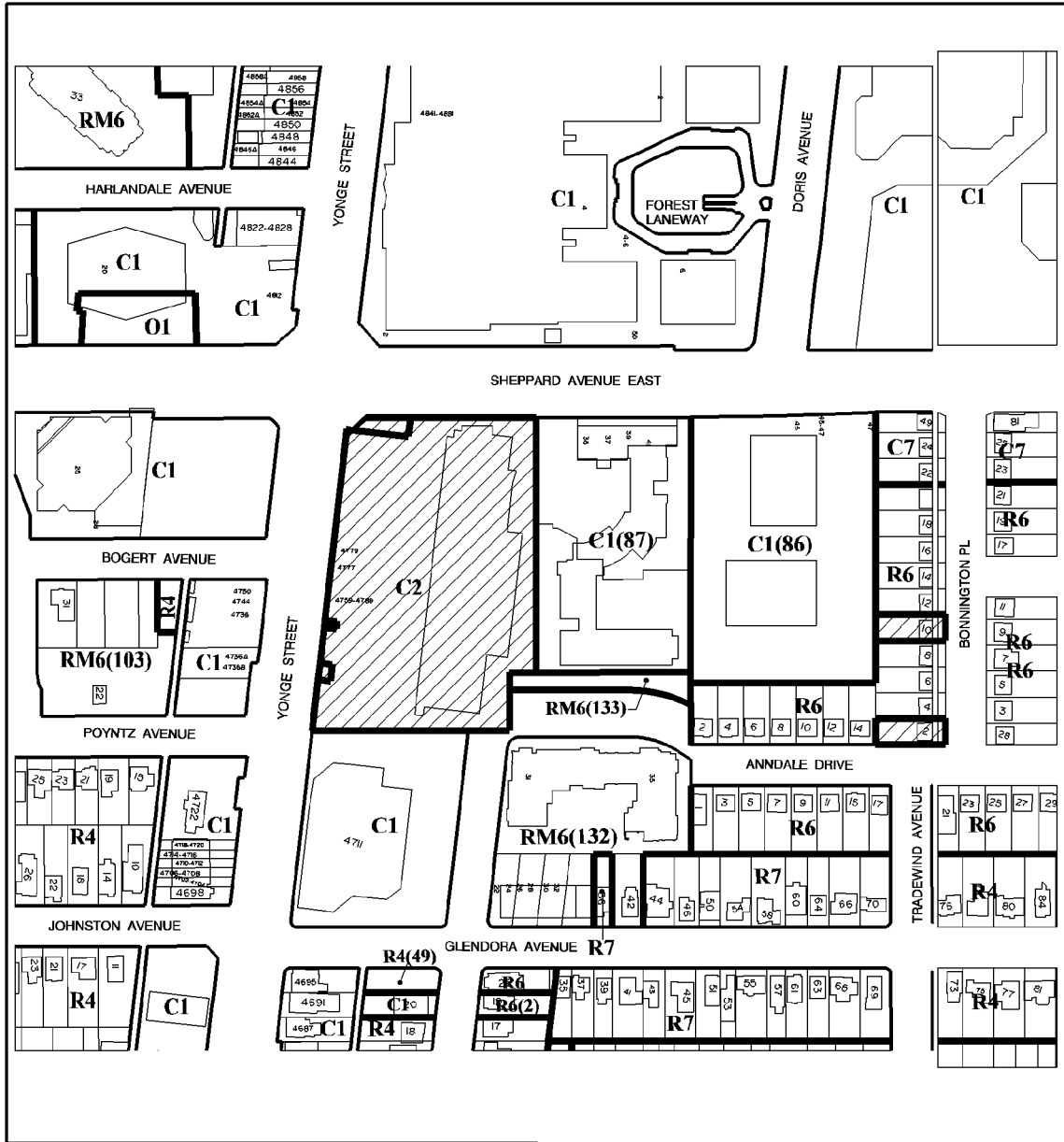
Applicant's Submitted Drawing

Not to Scale
04/23/09

4759-4789 Yonge Street

File # 06_163756

Attachment 3: Zoning Map



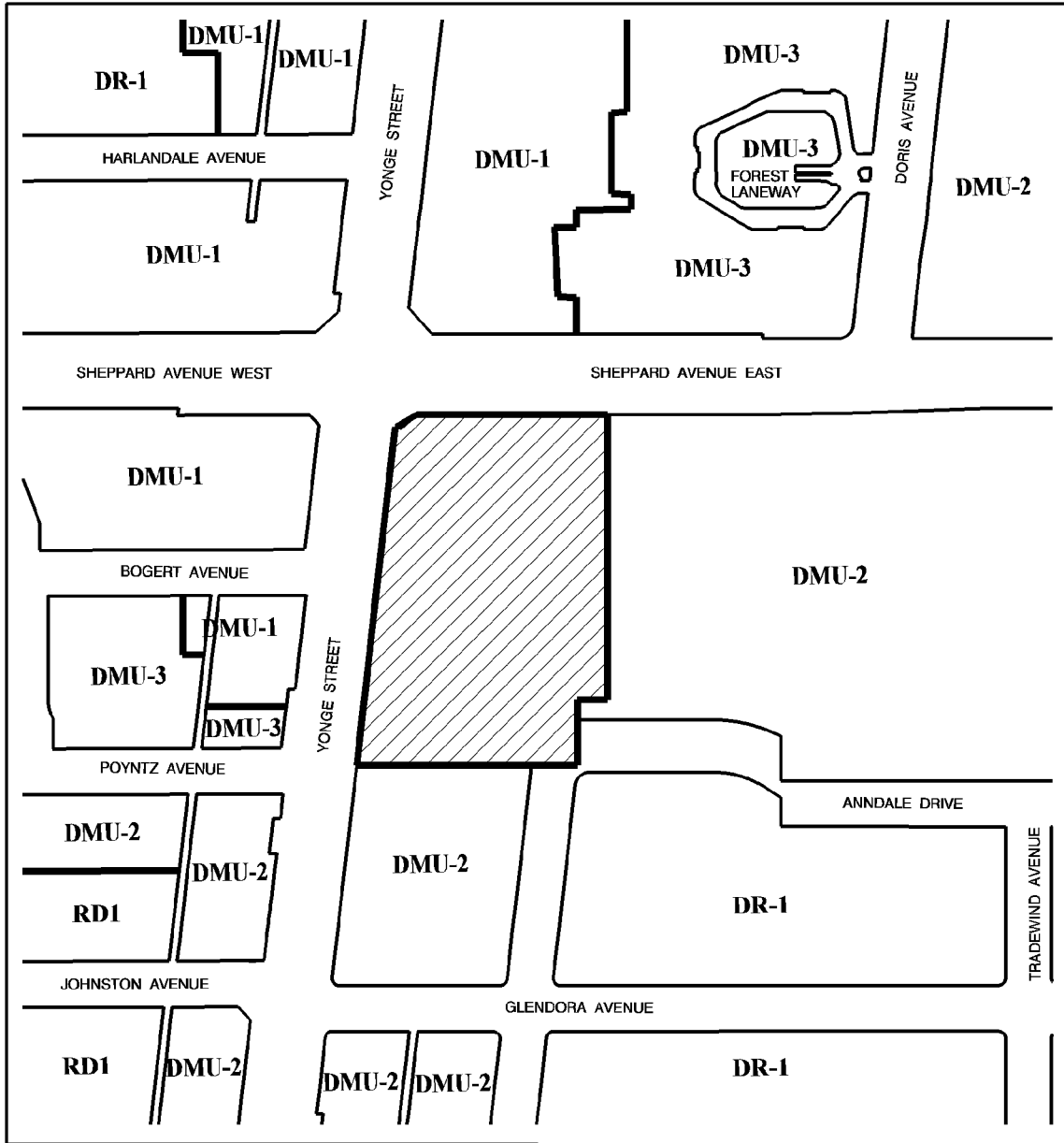
TORONTO City Planning Division
Zoning

4759-4789 Yonge Street
 File # 06_163756

- R4 One-Family Detached Dwelling Fourth Density Zone
- R6 One-Family Detached Dwelling Sixth Density Zone
- R7 One-Family Detached Dwelling Seventh Density Zone
- RM6 Multiple-Family Dwellings Sixth Density Zone
- NOTE: Numbers in Brackets Denote Exceptions to the Zoning Category
- C1 General Commercial Zone
- C2 Local Shopping Centre Zone
- C7 Mixed Use Commercial Zone
- O1 Open Space Zone
- Proposed Conveyance Lands - City Owned

↑
 Not to Scale
 Zoning By-law 7625
 Extracted 08/21/06

Attachment 4: Official Plan Map



Toronto City Planning Division
Official Plan

4759-4789 Yonge Street

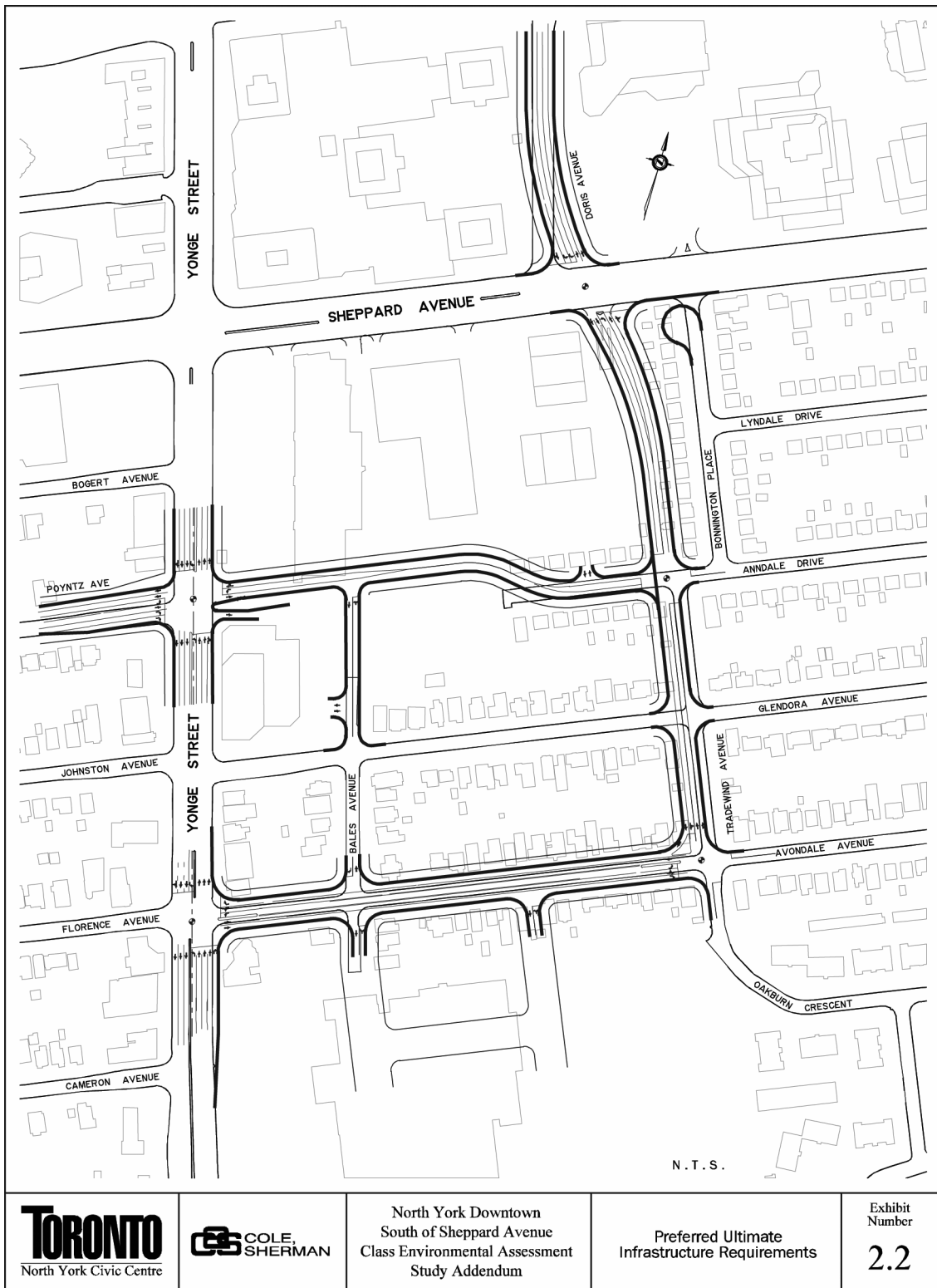
File # 06_163756

- RD1 Residential Density One
- DR-1 Downtown Residential -1
- DMU-1 Downtown Mixed Use- 1
- DMU-2 Downtown Mixed Use- 2
- DMU-3 Downtown Mixed Use- 3



Not to Scale
 North York Official Plan
 Extracted 08/21/06

Attachment 5: Planned Service Road Infrastructure, South of Sheppard Avenue



Attachment 6: Application Data Sheet

| | | | |
|------------------|------------------------------------|---------------------|---------------------|
| Application Type | Official Plan Amendment & Rezoning | Application Number: | 06 163756 NNY 23 OZ |
| Details | OPA & Rezoning, Standard | Application Date: | August 3, 2006 |

Municipal Address: 4759-4789 YONGE STREET
 Location Description: PLAN 2090 PT BLK A **GRID N2306
 Project Description: Willowdale Plaza lands - Proposal to develop the site with office, retail commercial and residential uses. The development proposes two towers of 35 and 44 storeys connected by a 5-storey podium building.

| | | | |
|------------------------------|------------------|---------------------------------|-------------------------|
| Applicant: | Agent: | Architect: | Owner: |
| BORDEN LADNER GERVAIS LLP | STEPHEN F. WAQUÉ | KIRKOR ARCHITECTS & PLANNERS | HULLMARK CENTRE INC. |

PLANNING CONTROLS

| | | | |
|----------------------------|--|--------------------------|---|
| Official Plan Designation: | Mixed Use Area | Site Specific Provision: | Y |
| Zoning: | C2 | Historical Status: | N |
| Height Limit: | Approximately 23-33 storeys (D.2 Downtown Plan); 100 m (North York Centre Secondary Plan) | Site Plan Control Area: | Y |

PROJECT INFORMATION

| | | | | |
|------------------------------------|-----------|---------|-----------------|--------------|
| Site Area (sq. m): | 15136.3 | Height: | Storeys: | 35 & 44 |
| Frontage (m): | 145 | | Metres: | 115 & 155 |
| Depth (m): | 90 | | | |
| Total Ground Floor Area (sq. m): | 7,488.13 | | | Total |
| Total Residential GFA (sq. m): | 61,251.38 | | Parking Spaces: | 1,076 |
| Total Non-Residential GFA (sq. m): | 29,339.38 | | Loading Docks | 6 |
| Total GFA (sq. m): | 90,590.76 | | | |
| Lot Coverage Ratio (%): | 49.5 | | | |
| Floor Space Index: | 5.985 | | | |

DWELLING UNITS

FLOOR AREA BREAKDOWN (upon project completion)

| | | | Above Grade | Below Grade |
|--------------|-------|----------------------------------|-------------|-------------|
| Tenure Type: | Condo | | | |
| Rooms: | 0 | Residential GFA (sq. m): | 59,993.13 | 1,258.25 |
| Bachelor: | 0 | Retail GFA (sq. m): | 5,805.42 | 499.24 |
| 1 Bedroom: | 307 | Office GFA (sq. m): | 22,587.78 | 446.94 |
| 2 Bedroom: | 378 | Industrial GFA (sq. m): | 0 | 0 |
| 3 + Bedroom: | 0 | Institutional/Other GFA (sq. m): | 0 | 0 |
| Total Units: | 685 | | | |

CONTACT: PLANNER NAME: Catherine Cieply, Senior Planner
TELEPHONE: (416) 395-7109

