

Imagining a New Town Centre for Midtown Toronto

Report of the facilitator of the
Midtown Working Group

Bruce Davis, Public Progress
June, 2021

The land at Canada Square and in Midtown Toronto is the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples. It is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 signed with the Mississaugas of the Credit, and the Williams Treaties signed with multiple Mississaugas and Chippewa bands.

Canada Square sits where Yonge Street, Canada's longest road, meets Eglinton, Toronto's longest cross-street. The intersection marks the old village of North Toronto, once a farming settlement, an independent town, and the site of the Montgomery's Tavern rebellion. Far earlier, it was home to an Indigenous Wendat village, with longhouses on the glacial drumlin hill of what is now Eglinton Park and corn fields down the slopes.

Introduction

“There’s no there there.”

Gertrude Stein’s pejorative description of her home town, Oakland, in 1937 could aptly describe many cities and towns. It could describe bland stretches of many bland cities. It could describe parts of current-day Toronto, suburban and urban.

The phrase describes places without a soul.

What we heard from community members of the Midtown working group in May and June, 2021, is that they want Toronto’s Midtown at Yonge and Eglinton, centred at the Canada Square site, to be *somewhere*.

Somewhere to *go to* and not just somewhere to *pass through*.

A place that recognizes and embraces its past -- Midtown’s legacy as an Indigenous settlement and its role incubating the rebellion of 1837 -- while imagining and determining its future.

Somewhere to live, not just for the few who can invest in Toronto’s overheated real estate market, but a diverse community with a mix of incomes.

Somewhere to work, not just in service-level jobs, but in technology and learning and research and innovation, white collar and knowledge jobs that draw people from across the City and from around the world to the new heart of Toronto.

We heard about Midtown being a learning place for children and adults. With green space as a destination and gathering place, with a focus on sunshine and grass. We heard about the potential for culture and performing arts. Providing sorely needed community and childcare facilities. And also a place for teenagers to be teenagers.

We heard the call for a new town centre. A place with a soul.



Midtown Working Group members

Rachel Baker, Avenue Road Eglinton Community Assn
Jim Baker, Avenue Road Eglinton Community Assn
Geri Berholz, Republic Residents' Association
Henry Byres, Midtown BIA
John Carey, Central Eglinton Community Centre
Tom Cohen, Eglinton Park Residents' Association
Andy Gort, South Eglinton Ratepayers' and Residents' Assn
Barry Gula, Art Shoppe Condominium
Geoff Kettel, Federation of North Toronto Residents Assns
Ann King, Stanley Knowles Housing Co-operative
Cathie Macdonald, Federation of North Toronto Residents Assns
David McMahon, Oriole Park Association
Terry Mills, resident
Melissa Phillips, Berwick Condominium Corporation
David Ticoll, Quantum Owners and Residents Association

Rachel Chernos-Lin, TDSB Trustee
Shelley Laskin, TDSB Trustee

Mike Colle, City Councillor, Ward 8
Jaye Robinson, City Councillor, Ward 15
Josh Matlow, City Councillor Ward 12

In April 2021, I was asked by City of Toronto planning officials to facilitate a Midtown working group of community members to prepare a vision and principles that could be considered alongside an application that had been submitted for the Canada Square site at the southwest corner of Yonge and Eglinton Streets in Toronto. The terms of reference for the working group are set out in Appendix A. They were constructed based on a motion passed by Toronto City Council on April 7 (MM 31.27 Appendix B). That motion, among other things, made it clear that our process should look beyond the Canada Square site to the needs and context of the greater Midtown area, which is under unrelenting development pressure.

Our working group process consisted of five meetings and many offline conversations, but it was built on the considerable work that had already been done in the area as part of the Midtown in Focus / Secondary Planning process, as part of a recent community facilities study, school planning by the Toronto District School

Board and visioning work by a Midtown coalition of groups that have been active on development issues for many years. The working group did not start from scratch. It is fair to say that if this body of work did not already exist it would have had to be done and would have stretched the working group process into a year-long endeavour.

In other words, the fact that we could pull this report together in such a compressed timeline is a testament to work that has been done by many individuals and organizations, going back almost twenty years.

This report is my effort to articulate what I have heard from the working group, and any deficiencies are my own. In the next section of this report, I briefly outline the context and relevant studies. The working group's vision and priorities are set out in Section 3. Section 4 – Next Steps – outlines some initial recommendations on how the City can move forward with the ideas in this report.

My assignment facilitating the working group and reporting on its outcome would not have been possible without the assistance of Alex Teixeira and Oren Tamir of City Planning. Robert Ursini, also of City Planning, was instrumental in organizing our online meetings. Many City and school board officials participated in background briefings for the working group. On behalf of the participants, I thank them for their time and dedication and candour.

Councillors Josh Matlow, Jaye Robinson and Mike Colle actively participated in the working group, contributing their suggestions while allowing community members to take the lead. Trustee Shelley Laskin for making a compelling case for the school board. I thank them all for being effective advocates for their communities.

Members of the Midtown working group were generous with their time, thoughts and ideas. In particular, I would like to thank working group members David Ticoll and Andy Gort, who assisted with drafts of this report.

Understanding Midtown

Canada Square sits where Yonge Street, Canada’s longest road that, meets Eglinton Avenue, Toronto’s longest cross-street, that connects all the pre-amalgamation cities that make up Toronto, from Etobicoke to Scarborough. The intersection marks the old village of North Toronto, once a farming settlement, an independent town, and the site of the Montgomery’s Tavern rebellion in 1837. Far earlier, it was home to a Wendat village, featuring Indigenous long houses on the glacial drumlin hill of Eglinton Park, with corn fields down the slopes.



If there was ever a time to dust off the old “crossroads” metaphor, this is probably it.

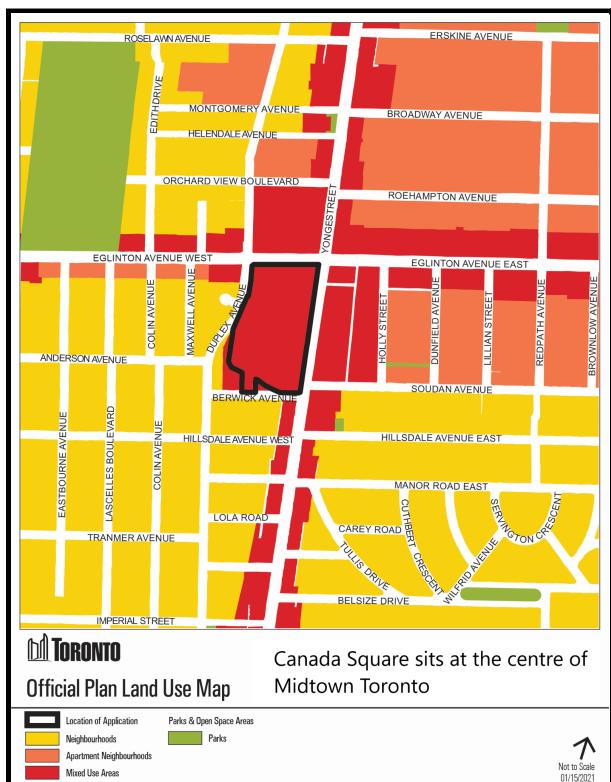
Canada Square sits at the *literal* intersection of two of Toronto’s most vibrant and diverse arteries: Yonge Street and Eglinton Avenue, and Toronto’s oldest and newest high-capacity transit corridors: the TTC’s Line 1 and the Eglinton LRT.

Canada Square also sits at the *figurative* intersection of public ownership and private interests: the 3.75-hectare site is owned by the City of Toronto and the Toronto Transit Commission, but much of it is leased to commercial tenants until 2051 and 2070.



If you haven't visited the corner of Yonge and Eglinton in a while, prepare to be overwhelmed -- by the construction.

The length of Eglinton Avenue, has joined Midtown in traffic chaos while the Eglinton LRT is under construction. But in Midtown itself, transit construction is exacerbated by a gold rush of residential development.



Canada Square sits at the centre of Midtown, an area bounded by Briar Hill Avenue and Blythwood Road to the north, Mount Pleasant Cemetery to the south, Bayview Avenue to the east, and Chaplin Crescent and Latimer Avenue to the west. It is in the "Yonge-Eglinton Centre", a designated planning area at the heart of Midtown.

In a ten-year period from 2006 to 2016, Midtown's population grew by 17%, from 51,000 to 60,000 people. This growth has also seen a greater percentage of families moving to the area.

City Planning's recent growth forecasts for Midtown from 2016 to 2051, based on the City-approved OPA 405 and development applications in the pipeline, anticipate Midtown's population growing from over 62,000 residents to approximately 123,000 residents. OPA 405 as amended by the provincial government allows even greater height and density in Midtown and we can expect even greater growth as a result

Developers that had submitted tall, mostly condo development applications are *resubmitting* their applications and raising building heights higher. In the 2019 Canada Square contract with the TTC, Oxford Properties described a scheme for the site which included 146,800 sq. m. of residential space only to come back a year later with an actual planning application that included 216,000 sq. m. of residential space -- a 47% increase in residential GFA on the same site just one year later. And this is for a site that currently has no residential uses.

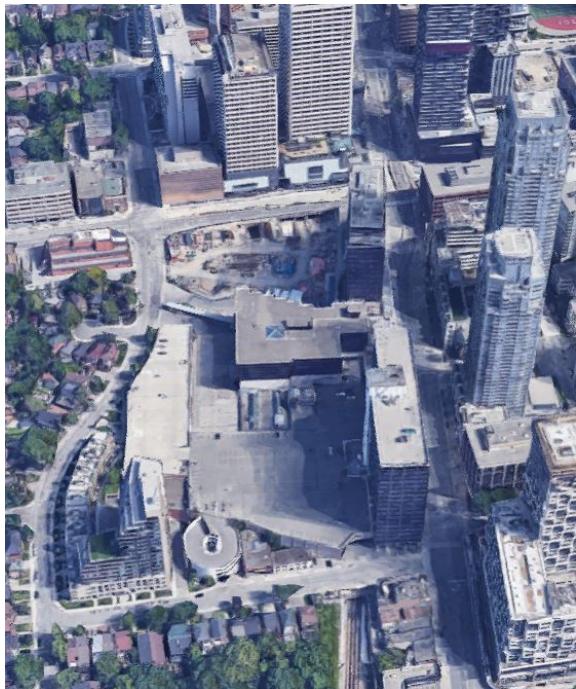


Midtown is one of Toronto's five urban Growth Areas designated in The Growth Plan (2020) set out by the provincial government. Given its proximity to the Yonge Eglinton subway and the Eglinton LRT it was also identified as a Core Transit Station Area in the Yonge Eglinton Secondary Plan. Provincial Growth Area policies require focused investments in regional public service facilities plus commercial, recreation, entertainment facilities and high density major employment.

In 2018 City Council approved the Yonge Eglinton Secondary Plan (OPA 405), the culmination of many years of work known as Midtown in Focus. This secondary plan was subsequently adopted with amendments by the provincial government in 2019, the result of which was an *increase* in building heights and residential development potential in the Midtown area.

Regarding the Yonge-Eglinton Centre, the aforementioned high density planning area at the heart of Midtown where Canada Square is situated, OPA 405 states:

The Yonge-Eglinton Centre will be a major centre of economic activity with a concentration of existing and new office uses and other value-added employment sectors along Yonge Street and Eglinton Avenue, a civic and cultural hub with a concentration of existing and new community service facilities and entertainment uses, a focal area for retail and service uses that meet the day-to-day needs of residents and workers in Midtown and draw visitors from across the city.



As part of the Midtown in Focus process the City of Toronto completed a thorough Community Services and Facilities Study which you can [find here](#). The study identified gaps in service across a range of community services and identified strategic directions to address some of these shortfalls.

The zoning rules for the Canada Square site permit a range of uses, including office, residential, retail, transit, parks, and other community uses. Today the site includes Canadian Tire's head office, a cineplex, offices, parking, ten bus bays and the Metrolinx construction staging area. It is ripe for redevelopment.

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Our Working Group's discussions were conducted under the backdrop of a confidential lease arrangement, *approved by City Council*, between the City of Toronto and the Toronto Transit Commission as landowners, and Oxford Properties and CT REIT as tenants. In May 2021, City Council authorized staff to publish the lease documents, including a conditional lease extension. A summary of these leases is attached as Appendix D.

A New Town Centre for Midtown Toronto

“Fifty years from now we want people to say that this is the centre of my community.”

That was a comment from a working group participant from our May 12 meeting and it succinctly summarizes the sentiment of the group.

Another working group member foreshadowed the choice in more stark terms: “If we end up with a bunch of condos, we will have failed.”

It was clear from our group that we were *place-making*. We were not creating a generic anyplace or a marketing slogan for developers, but a location that knows and remembers where it is. A place with a soul.

The Midtown Coalition, composed of ratepayers, residents and condo corporations, articulated a comprehensive vision for the Canada Square site and an overall approach to Midtown. Their vision includes park and open space, residential, employment, institutional, recreational and cultural uses, with a clear focus on using Canada Square as an opportunity to showcase green technology innovation, research and city-building. Many of our working group members were also part of the Midtown Coalition, which provided an easy starting point for our conversations.

The Midtown Coalition is comprised of the Art Shoppe Condominium, Avenue Road Eglinton Community Association, Berwick Condominium Corporation, Eglinton Park Residents' Association, Oriole Park Association, Quantum Owners & Residents Association, Republic Residents' Association, South Eglinton Residents' and Ratepayers' Association, Stanley Knowles Housing Cooperative, and Federation of North Toronto Residents' Associations.

The vision and priorities outlined here are the culmination of twenty years of conversations. These conversations can and should continue for the next ten years as the Canada Square site and Midtown Toronto evolve, and as each element is operationalized. The elements described here will inform the City of Toronto Chief Planner on the community's priorities and can also inform other civic leaders so that they can take action to support the vision.



The Canada Square site at the heart of Midtown and at the centre of our conversation is currently used for commercial and transportation infrastructure purposes. Offices, a cineplex, bus bays and construction staging for the Eglinton LRT all need to be refreshed. But it was clear from the working group that it is not good enough to carve the site up for residential towers. We can do better.

Given the fact that Canada Square is a large land assembly owned by the City of Toronto and the Toronto Transit Commission, it can serve public interests *in addition* to the commercial interests of the leaseholders. This section of the report sets out what the public good looks like from the perspective of the Midtown working group participants.

These priorities agreed by the working group members are not in any particular or ranked order. They set out six important elements that the group felt must all work together. The first priority encapsulates the working group overall vision for the site:

VISION / Priority 1: The Canada Square site should be a New Town Centre for Midtown Toronto and contain a vibrant mix of uses: a public square, park and open space, residential, learning, employment, community facilities, cultural and performing arts spaces.

The Canada Square site serves the entire Midtown area. As the last large land assembly in the area -- and owned by the City -- it can play a strategic role as the new town centre for Midtown Toronto. There was an appreciation in the working group that uses can be integrated and overlap. For example the community facilities and school and childcare and park

could be woven together in such a way as to optimize the space and also to foster partnerships.

I heard from the working group that one feature of the New Town Centre should be a significant public square that brings people together at the corner of Yonge and Eglinton, featuring a vibrant mix of uses, including art galleries, shops, restaurants and cafes. This aligns with City policy as outlined in the Midtown in Focus report.

We heard that the keystone of education, innovation, job creation, and cultural amenities could be a post-secondary satellite campus, focused on a theme like the green economy.

Priority 2: Residential uses on the Canada Square site should be limited to 20% of the Gross Floor Area and affordable housing should be a key component of any housing and comprise *at least* 25% of the housing mix.

The working group discussed the pressure for residential uses on the Canada Square site and felt the need to limit residential uses. At the same time the group wanted to encourage housing affordability and a mix of incomes.

There is already an abundance of housing in Midtown and the area faces an onrush of new options for housing on smaller sites throughout the area. The scale and frenzy of that development activity was touched on in the previous section of this report.

Each new residential planning application will need to be evaluated on their merits and weighed as part of a cumulative effect on the community. On the Canada Square site where there currently are no residential buildings, there was a recognition that a mix of incomes was desirable.

Working group members varied in their aspirations for affordable housing (one member wanted 10% of the housing to be affordable and another wanted 100% of the housing to be affordable and four or five people said they wanted as much as possible) but the preponderance of views was that 25-33% of housing on the Canada Square site should be affordable.

The working group members discussed ways of encouraging affordable housing, including the use of inclusionary zoning tools, which are not applicable in Toronto. In the end members felt that the City should use its leverage as the owner of the property to prioritize affordable housing. As a model, co-op housing was suggested as a preferred way of integrating affordable and market housing.

It is uncommon for neighbourhoods in Toronto to *welcome* affordable housing so that's why this priority is so notable.

Priority 3: Midtown needs a new school to serve students from JK to Grade 8.

The Toronto District School Board made a compelling case to integrate a public school into the Canada Square site. Based on projections for growth in the Midtown area, the school board anticipates a shortfall of 800 pupil places in the next ten years. This need has been identified in the TDSB's Long-Term Program and Accommodation Strategy since 2016/17.

The traditional school model in the city core and surrounding neighbourhoods may not be possible or easy to attain. As a result of key items such as prohibitive land costs, funding challenges and the need for land use efficiencies, the TDSB is considering new schools in mixed-use buildings with both rooftop/terrace and ground level playground areas.

Working group members support the idea of integrating the school into the site, while sharing its facilities – like gyms, childcare spaces and green space – for other community uses. A school was seen as a potential use for the podium of a large building.

The TDSB has built new schools with small footprints in dense urban areas. It believes that a school can be integrated with other community uses at this site to optimize space allocation and share green space. The TDSB has identified potential sources of capital funding to build the school.

The working group discussed the potential for other school sites in Midtown and the conclusion was made that although other sites could be considered, the size of Canada Square, its public ownership, and the potential for integrating with other services made this a high priority for the site.

Priority 4: Canada Square should feature a large public park.

Midtown Toronto is parks deficient. We heard from City staff that the southwest quadrant of Midtown has 4-12 sq. m. of park per person versus the City-wide average of 28 sq. m. per person. This per person average will drop further by 10-25% percent based on the anticipated growth in this area if no new parkland is acquired. We heard that the northeast quadrant of Midtown is even more deficient.

Speaking of her experience on another development site in Midtown, one participant said that the community had to “scratch and claw for blades of grass,” so it isn’t realistic to make up this park deficiency based on individual applications in the development pipeline -- a strategic approach needs to occur to serve Midtown. That participant proposed that every inch of the site should be a massive Central Park.

In our fourth meeting working group members spent some time discussing ideas for new park and open spaces at Canada Square, understanding that when a park is designed it will go through a thorough design and community engagement process. Working group members would like to see parks and open spaces that are accessible for all types of users, fun, and interactive. They want to make sure that there are spaces where teenagers are welcome. At the southwest corner of Yonge and Eglinton the group saw a public square at-grade as a public meeting space.

Members discussed park examples and Manhattan’s Bryant Park was cited often. In Toronto the dog fountain at Berczy Park was cited as fun, interactive art that animates the park.

We heard that people in Midtown need park infrastructure to gather and have picnics, outdoor performances, a farmer’s market, and dog walking. We heard that during the pandemic local school grounds and playing fields

have been widely used by Midtown residents as parks and once students return to school, these properties will be off-limits during the school day, which will exacerbate the parks shortage. Highly used parks also require ongoing maintenance.

A suggestion that we heard from a couple of residents in the working group was that the Canada Square Park should be located at the Berwick end of the property so that it will benefit from full day sun, minimize building shadows on adjacent neighbours, and can absorb the remaining hold-out properties in the street. Another suggestion was a broad green promenade the length of the block along Yonge Street.

We heard that publicly owned and managed parks are preferable to privately-owned public spaces.

Priority 5: Canada Square should be a centre for inspiring learning and jobs.

With the opening of the Eglinton LRT, Canada Square will be at the centre of one of Canada's busiest transportation intersections. It is ideally located as an advanced education, innovation and employment centre, a magnet for learners and workers from across Toronto and from around the world. We heard that creating a vibrant mix of residential, learning, employment, institutional, cultural and recreational uses will attract a knowledgeable and diverse workforce that will strengthen Toronto's economy.

We heard that Canada Square could become a knowledge-based learning and innovation campus, featuring a post-secondary satellite institution, with synergies and co-op placement opportunities (work-integrated learning) among Class A employers, start-ups, business incubators, and research organizations. A boutique hotel was also suggested for this site.

Canada Square is already the home of one of Canada's most iconic companies, Canadian Tire. Canadian Tire could anchor the new Canada Square.

At our final meeting the working group revisited the issue of employment uses and agreed that any redevelopment at Canada Square should provide

a minimum of twice the statutory 100% replacement of current employment GFA, including institutional, public sector, private sector and not-for-profit employers.

The working group members discussed how the world of work has changed and is changing, especially in light of COVID-19. While it is uncertain how traditional office spaces will evolve post-pandemic, the Canada Square site provides an opportunity to adapt new office and employment uses, with new pandemic-safe design elements.

Priority 6: Community and cultural spaces are vital and Canada Square can be a part of that.

Although some new childcare centres have recently been negotiated in Midtown, in our staff briefing we heard that approximately 16 to 23 additional childcare facilities will be required to meet the level of anticipated growth reflected in the Council-approved Secondary Plan. This projected demand could increase due to Provincial changes to the secondary plan permissions, not to mention the increase in demand if \$10/day childcare is implemented by the federal government. Many current childcare operators in Midtown are not under contract with the City and therefore do not deliver subsidized spaces.

We heard that program spaces for community programs are required. We also heard that space is required for teenagers to be teenagers, including informal spaces for congregating and active recreation spaces for community organizations serving teens.

We heard that cultural and performing arts spaces are essential for a vibrant community. Some of these uses can be integrated or shared with other uses, for example with a school or in commercial spaces or in a tall building. Some might potentially be set up in other Midtown locations. But the scale of the Canada Square site offers unique opportunities for significant cultural spaces that draw people to Midtown.

Perhaps not all these community facilities can or should be provided on the Canada Square site but the broader vision for Midtown must include the a realistic, committed plan for the full range of needed amenities that are accessible, available and integrated in the community.



There's an old adage that if everything is a priority then nothing is a priority. That's why we have highlighted the six priorities listed above. We believe these priorities are achievable in Midtown using the Canada Square site as the foundation and a genuine town centre. Making it happen should entail ongoing cooperative work that includes the City as landowner and provider of public amenities and services, the community, and various commercial and not-for-profit interests.

While not identified as priorities, several areas were identified through our working group as being additional important considerations for the Chief Planner and civic officials to consider:

Creating a green focus: Every element of the New Town Centre could have a green focus as a proving ground and innovation showcase of net zero urban development. Employment, education, energy, cultural elements, building design and construction, could all have an environmental net-zero focus.

Creating pandemic protective infrastructure: the New Town Centre at Canada Square needs to be designed through a pandemic-safe lens. This includes providing significant outdoor spaces, building ventilation and even the use of elevators. The Covid-19 pandemic of 2020-2021 has made an indelible mark on our economy and workplaces, on schools and community facilities, on healthcare, on family and social structures, and our use of public spaces and these changes need to be reflected as we re-imagine Canada Square.

Employing tall buildings where it makes sense: The height of buildings can affect adjacent properties in terms of loss of privacy and sunlight and views, but we also heard that tall buildings provide opportunities for more open space and parks at grade. We heard that we need to consider the

impact of the pandemic on the design of tall buildings, from ventilation to window openings to elevators. The working group did not take a position on tall building design guidelines, but we heard that leaving more open space to the south of the Canada Square site and taller buildings to the north of the site would increase sunlight on a Canada Square park and reduce the impact on neighbours.

Taking control of the land: The Canada Square site is owned by the City of Toronto and the Toronto Transit Commission. It is the subject of a long-term lease with commercial interests but it has not yet been harnessed as a strategic public asset. A proposed extension to the long-term commercial lease was negotiated with a particular development approach in mind. Lease benefits to the City focus on funding transportation infrastructure and transit operations: seven new bus bays, a stream of revenue to the transit commission, and concourse upgrades to the Yonge-Eglinton subway station.

We heard from working group members that control of the land – and any future lease -- needs to place greater emphasis on broader public priorities, using a model, with community participation, similar to the Harbourfront Corporation or a land trust with a governance board.

Moving forward together

The Midtown working group and the three Midtown Councillors unanimously endorsed the priorities outlined in this report and the vision of creating a New Town Centre for Midtown Toronto. That is significant and we hope that it will be appreciated by Toronto City Council and city officials.

In our final meeting the working group turned its attention to next steps -- and there was a remarkable consensus:

First, working group members would like City Councillors to endorse the vision of a New Town Centre for Midtown Toronto as articulated in this report as worthy of consideration and analysis by the City.

Second, the working group would like the City to *defer consideration of any application* on the Canada Square site pending completion of further analysis and review of the options to move the working group's priorities forward.

Third, the working group would like City Council to instruct City officials across City Divisions to produce a feasibility review and options analysis for the New Town Centre for Midtown, based on this report, including but not limited to:

- **Economic development, culture, K-12 and post-secondary education, childcare, parks and recreation, community facilities, market and affordable housing, and relevant planning policies;**

- **Staging, governance and financing of the New Town Centre and its elements; and**
- **Modifying or transitioning current contractual and financial arrangements;**

In addition, the working group wanted to ensure that consultation with relevant Councillors, community stakeholders and members of the public continued throughout the process of realizing the vision and priorities in this report.

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As I said in our final working group meeting, in many respects Midtown is the birthplace of local democracy in Toronto. That local involvement and constructive activism continues through community members of the working group. I am confident that working group members will continue to articulate their vision for the New Town Centre for Midtown Toronto and to create a remarkable place that is *somewhere*.

A place with a soul.

Bruce Davis
Facilitator, Midtown Working Group
June, 2021

Appendix A: Terms of Reference

Midtown Working Group pursuant to MM31.27

Terms of Reference

Mandate: The mandate of the working group, as outlined in MM31.27 and approved as amended by City Council on April 7, 2021, is to provide advice to the Chief Planner, Executive Director of City Planning, on the comprehensive evaluation of the redevelopment of the Canada Square site together with the impacts from future development occurring north of Eglinton along the Yonge Street Corridor in Ward 8 and Ward 12 in consideration of, but not limited to:

- community services;
- schools;
- affordable housing;
- built form;
- open space;
- shadow impacts;
- sky views;
- cultural space;
- economic development;
- public art;
- transit infrastructure;
- tall building design guidelines; and
- land use..

We understand that the Chief Planner, Executive Director of City Planning, will then provide a Special Study Area Report with Guiding Principles for the redevelopment of the site, consistent with the intent of the applicable policy, to the June 24, 2021, Toronto East York Community Council.

The working group serves as an advisory group and as a forum for dialogue, not a decision-making body.

Members: The working group is to be established in consultation with the Ward Councillor (Matlow) and to be composed of: local Residents' Associations, Tenants' Associations, Business Improvement Areas, community organizations, the Councillors for Wards 8 and 15, and other stakeholders.

Working group membership is on a volunteer basis and members will not be remunerated for their participation.

Resources: The Chief Planner, Executive Director of City Planning, is also tasked with establishing an Inter-Divisional Team with Staff from City Planning, Parks, Forestry and Recreation, Children's Services, Social Development, Finance and Administration, Economic Development and Culture, Engineering and Construction Services, Transportation Services, CreateTO, the Toronto Transit Commission, and others as appropriate. This interdivisional team will provide advice to the Chief Planner, Executive Director of City Planning, and will also act as a resource to the working group.

Bruce Davis, of Public Progress (A Division of 2526976 Ontario Ltd), has been appointed as a facilitator for the working group by the Chief Planner, Executive Director of City Planning, and will report the findings of the working group and a summary of the working group meetings.

Observers: The meetings of the working group are not confidential; as such the meetings may be observed by members of the public and other interested parties. Observers may not participate in the meetings.

Facilitation: The meetings will be facilitated using a process facilitator appointed by the Chief Planner, Executive Director of City Planning, who will guide the process, facilitate respectful dialogue, address difficult situations and behaviours and maintain an environment conducive to sharing information and encouraging all members to contribute. The facilitator is responsible for keeping the working group on time and on task, preparing working group agendas and unbiased and accurate meeting summaries.

Conduct: In order to ensure that the working group is maintained as an effective forum, members must:

- agree to operate in accordance to the Terms of Reference;
- participate regularly or arrange alternate representation at scheduled meetings;
- be respectful of the expression of diverse opinions which may be similar or different than those of other members;
- be prepared to work constructively and collaboratively with members of the working group to address areas of mutual interest and concern;
- listen actively to others. Avoid interrupting and one-on-one side conversations while other people are speaking;
- manage personal participation by sharing speaking time, debating ideas not individuals, and actively providing focused input, comments and questions;
- refrain from using language or acting in a way that is threatening, abusive, racist or otherwise disrespectful;
- not act as a spokesperson for the working group.

In the event that a member is unwilling to abide by the Terms of Reference, the facilitator reserves the right to rescind the membership of that person and seek a new member to replace the role.

Meetings of the working group are not confidential, so we would ask members not to disclose information of a personal or confidential nature.

Reports:

Meeting notes of each working group meeting will be prepared by the facilitator. These will not be minutes but will summarize the discussions and outcomes. Recordings of the meetings will be taken only for the purposes of preparing meeting notes. The meeting recordings will *not* be made public or posted online.

A penultimate report will be prepared by the facilitator and presented to the working group for amendment or ratification; dissenting reports will be appended to the final report if required.

*Terms of reference prepared by Bruce Davis, Public Progress, tel 416-520-1972
publicprogressbruce@gmail.com and reviewed by the working group on 5 May 2021.*

Appendix B: Member's Motion MM 31.27

City Council Decision

City Council on April 7 and 8, 2021, adopted the following:

1. City Council request the Chief Planner, Executive Director, City Planning to:
 - a. establish a Working Group, in consultation with the Ward Councillor, composed of local Residents' Associations, Tenants' Associations, Business Improvement Areas, community organizations, the Councillors for Wards 8 and 15, and other stakeholders;
 - b. establish an Inter-Divisional Team with Staff from City Planning, Parks, Forestry and Recreation, Children's Services, Social Development, Finance and Administration, Economic Development and Culture, Engineering and Construction Services, Transportation Services, CreateTO, the Toronto Transit Commission, and others as appropriate;
 - c. in consultation with the Working Group and with the support of the Inter-Divisional Team, comprehensively evaluate the redevelopment of the Canada Square site together with the impacts from future development occurring north of Eglinton along the Yonge Street Corridor in Ward 8 and Ward 12 in consideration of, but not limited to: community services; schools; affordable housing; built form; open space; shadow impacts; sky views; cultural space; economic development; public art; and, transit infrastructure; tall building design guidelines; and
 - d. following Working Group meetings, provide a Special Study Area Report with Guiding Principles for the redevelopment of the site, consistent with the intent of the applicable policy, to the June 24, 2021 meeting of Toronto and East York Community Council.
2. City Council request the Chief Planner and Executive Director, City Planning to amend the study area to include both sides of the Yonge Street Corridor north of Eglinton Avenue due to the extraordinary development occurring in the area and the unprecedented number of revised development application submissions with greater heights and densities that neglect the concept of Complete Communities.

Appendix C. Yonge-Eglinton Lands Consolidated Ground Lease and Commencement
Agreement Summary (attached)



May 17, 2021

Re: MM32.5 - Call to Publicly Release the Signed 350 page 200-year Lease Agreement Between the City of Toronto and Oxford Properties, for the Redevelopment of the Canada Square Lands at 2200 Yonge Street - by Councillor Mike Colle, seconded by Councillor Jaye Robinson

The information provided below summarizes the consolidated ground lease and commencement agreement summary.

Yonge-Eglinton Lands Consolidated Ground Lease and Commencement Agreement Summary

Part A - Background:

- The Yonge Eglinton Lands owned by the City/T.T.C. consists of 9.2 acres at the southwest corner of Yonge Street and Eglinton Avenue, and are bordered by Eglinton Avenue to the north, Duplex Avenue to the west, Berwick Avenue to the south and Yonge Street to the east. The block includes some freehold lands owned by persons other than the T.T.C./City.
- Parts of the Yonge Eglinton Lands (approximately 7.2 acres) associated with the existing Canada Square complex are currently leased to Oxford Properties and CT REIT (the "Tenant") pursuant to several ground leases (referred to in this summary as the existing ground leases).
 - 2200 Yonge Street is an office building that was completed in 1961/1962 and later expanded to include the retail bank building at 2210 Yonge.
 - 2180 Yonge Street is an office building that was completed in 1972.
 - 2190 Yonge Street is a mixed-use building with office and cinema uses that was completed in 1987
 - The existing ground leases and ancillary lease agreements have terms that end in 2051 and 2070 when you include the renewal options.
- Another part of the Yonge Eglinton Lands is comprised of a freehold parcel (not currently subject to any of the existing ground lease) where the old T.T.C. bus terminal was

located (approximately 2 acres, as the southeast corner of Eglinton Avenue and Duplex Avenue), which lands are currently being utilized by Metrolinx for construction staging for the new L.R.T. station. The additional approximately 2 acres will be leased to Oxford Properties and CT REIT in connection with the consolidated ground lease.

- The Yonge Eglinton Lands also include the Eglinton T.T.C. Subway Station along with related subway infrastructure, an interim T.T.C. bus terminal and a former T.T.C. bus terminal which has been demolished. The Eglinton Crosstown L.R.T. (the "E.C.L.R.T.") is currently under construction and the new L.R.T. Station is scheduled for completion in 2022.

Part B - Summary of the Consolidated Ground Lease:

- The initial term of the new consolidated ground lease is for 99 years with an option for an additional 99 year term, subject to the Tenant making investments in the complex and maintaining the development to the standard of a Class A commercial building or, in the case of residential development, a first class rental apartment building.
- Initial Base Rent - \$2,027,892 – equal to the cumulative total of ground rent payable under the existing ground leases.
- The ground rent formula consists of the Fair Market Value of the Land ("F.M.V.L.") for each land use, multiplied by the density built, multiplied by the agreed upon rental rate. The F.M.V.L. forms the basis for determining the ground rent payable. There is a negative adjustment applied for any affordable housing requirement.
- The agreed upon rental rate is a 20-Year Government of Canada ("G.o.C.") bond plus a fixed spread of 175 basis points (b.p.s.). The resulting rate can be viewed as similar to a bond yield reflecting the credit risk of the Tenant. This equated to 4.25 percent at the time the Term Sheet was agreed to by the parties. The G.o.C. bond yield is to be capped at 2 percent.
- The forecasted Net Present Value ("N.P.V.") of the ground lease rent payments results in a total of \$161,000,000 (based on the financial evaluation undertaken by Brookfield Financial (B.F.I.N.) on behalf of CreateTO, City and T.T.C.).
- City's appraised value was \$160,100,000.

Consolidated Ground Lease Rent Summary

Overview of Negotiated Deal and Financial Assumptions		
Lease Term		
Initial Term	99 Years	
Extension Term	99 Years	
Determination of Ground Rent		
F.M.V.L. – Residential	\$85 / SF	
Adjustment to Residential F.M.V.L.	(\$25)/ SF	Adjustment is intended to account for the impact of suite mix and affordable housing requirements in the Yonge Eglinton Secondary Plan.
Adjusted Residential F.M.V.L.	\$60 / SF	
F.M.V.L. – Non-Residential	\$55 / SF	
Deduction for Enabling Costs	(\$25,000,000)	Costs associated with building over & adjacent to the T.T.C. structures
Ground Lease Rental Rate	4.25%	20-Year G.O.C. + 175 BPS (G.o.C. rate up to a maximum of 2.5%).
Basis for Interim Resets		
Interim Reset Frequency	20 Years	
Development Period	Initial 20-30 Years	During the Development Period, rent adjustments will be measured from the date of completion of each respective phase based on the rates applicable to each use.
First Interim Reset	CTC Lease for CT Office C.P.I. for Commercial Rental Guideline for Residential	The first rent adjustment following the Development Period will be based on (1) the Residential Rent Increase Guideline for residential buildings, (2) C.P.I. for non-anchor commercial tenants, and (3) lock-step increase based on anchor lease for the anchor office tenant.
Subsequent Interim Resets in initial 99- year term	85% of Cumulative Growth in NOI	
T.T.C. Infrastructure		
Reimbursement for T.T.C. Bus Terminal	\$25,000,000	City/T.T.C. to reimburse Tenant up to a maximum amount.
Reconstruction of Station Entrances & Concourse modifications	\$11,000,000	Tenant to pay this amount.
Rate Assumptions		
C.P.I. Inflation	1.9%	
Historical Rental Guideline	2.2%	
Blended Growth Rate for Initial Reset	2.1%	
N.O.I. Growth Rate	2.8%	
Valuation Measures		
N.P.V. of Lease Payments (99 Years)	\$161,000,000	
CBRE Valuation of City's Freehold Interest	\$160,100,000	

Additional Lease Terms

- Acknowledgement that forecasted N.P.V. is based on \$161,000,000 value.
- Landlord approval is required to make any of the following changes to the Master Development Plan:
 - Any material decrease in the height or density of any buildings that would result in the Forecasted N.P.V. falling below \$161,000,000;
 - Any changes to the order of development and construction of the phases which would delay the construction of the T.T.C. bus terminal; and
 - Any changes to the location, configuration, connections or layout of the new T.T.C. bus terminal, the T.T.C. station entrances or Metrolinx station entrances, or any of the T.T.C. areas or Metrolinx areas.
- T.T.C. technical review is required prior to commencing any construction work. The Tenant has 20 years to construct development, subject to:
 - 10-year extension of development period with payment to T.T.C. of \$10,000,000; and
 - Economic force majeure which requires third party (partially chosen by T.T.C.) to confirm that proposed development is not economically viable (to be confirmed yearly).
- If Tenant exercises the 10-year extension to the development period (with \$10M payment to T.T.C.), revised forecasted N.P.V. based on same model is to be performed. If N.P.V. is under \$161,000,000, cumulative increase in C.P.I. is added to the residential rental rate.
- New Bus Terminal to be constructed as part of re-development.
 - T.T.C.'s contribution to bus terminal capped at \$25,000,000, save and except for change requests (Oxford's estimate of bus terminal in 2018 was \$57,000,000 – similar to T.T.C.'s own cost estimate).
 - Unsettled items from the 2016 bus specification remain and will be addressed with the Tenant through Planning approvals and/or T.T.C. Technical Review.
 - No new T.T.C. retail in re-designed bus terminal/concourse except for Gateway Newstands;
- Additional transit improvement to be provided by Tenant includes \$11,000,000 renovation to the Eglinton Station concourse.
- Tenant will have a right of first offer to purchase the Yonge Eglinton Lands in the event the City/T.T.C. intends to sell its fee simple ownership.

- During the development period, the tenants have an option to purchase the fee simple interest in parts of the Yonge Eglinton Lands (up to 33% of the total G.F.A. contemplated in the Master Development Plan and on those parts of the lands that are not encumbered by transit infrastructure). The sale of the fee simple interest will facilitate the development of residential condominium buildings.

Master Development Plan

- The Master Development Concept Plan (associated with the consolidated ground lease) consists of a mixed-use development of multiple towers:
 - New Residential - ~1,590,000 square feet (including purpose built rental);
 - New Non-residential - ~688,000 square feet;
 - The Tenant is not required to redevelop the existing ~400,000 square foot office building at 2180 Yonge Street during the development period. The Tenant is permitted to do so under the lease, subject to securing the requisite municipal approvals;
 - Public space component – 2 major public spaces, one public plaza at the Yonge-Eglinton corner, and a public park along Duplex Avenue; and
 - Public spaces and park areas:
 - New public park; and
 - New public plaza at the south-west corner of the intersection.

Planning Approval Process

- The City is the applicable planning authority to review and provide planning approvals, if required, for any particular proposed development or construction work to be undertaken on the Lands, including the development contemplated by the Master Development Plan, and/or any applications for official plan amendments, zoning amendments and/or site plan approvals in connection therewith and nothing in the lease shall prevent the City from exercising its authority or discretion with respect to all such planning matters.
- Provided that the landlord is the T.T.C., the City or any agency, board or commission thereof or a corporation controlled by the City, the Tenants have agreed, as a covenant of the lease, that during the term they will not object to or appeal any decisions or non-decision of the City Planning Division, Toronto and East York Community Council, Planning and Housing Committee, City Council or the Committee of Adjustment with respect to any applications for planning approvals in respect of the Master Development Plan or any component thereof or the construction of any other additional improvements during the term, in each case without the prior written consent of the Landlord, acting reasonably.

Part C - Summary of Commencement Agreement

- Conditions precedent (to the benefit of the Tenant only) that still exist (and not waived) as of May 10, 2021, includes:
 - Environmental (January 1, 2022),

- Municipal approval (July 1, 2022), and
 - Metrolinx surrendering licensed lands (July 24, 2022);
 - Conditions automatically extend for 60 day intervals.
 - Does not automatically terminate for missing a condition date – T.T.C. has to provide notice.
 - If conditions not satisfied or not waived, the current leases remain in place until the end of their terms and the consolidated ground lease does not commence.
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For Further Information:

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Reference Documents:

1. Consolidated Ground Lease
2. Commencement Agreement
3. TTC Development Lands Lease