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Rebuilding the Gardiner Gateway

The Time is *Almost* Right

Cities grow and change and survive incrementally, block-by-block, slowly, over decades: a building springs up, the economy inhales and exhales, a factory closes, a new wave of immigrants changes the colours and the tastes and the smells of the city, we grow older slowly, and the city changes.

And while the city creeps ahead like a living organism, master builders lay the foundation for much larger changes – changes that forever alter or define the character of the city – and the city dwellers – for better or worse. The CN Tower, the first subways, the building of expressways, the Eaton Centre, new City Hall, the advent of public housing, the growth of downtown North York, Skydome, building the TD Centre, stopping the Spadina Expressway, the creation of Metro, Harbourfront, the growth of the suburbs, the growth of malls, and yes, the amalgamation of Metro Toronto.

We call these large-scale changes “city building” and over the next several months we will highlight a number of large scale changes that have the potential to redefine the new City of Toronto.

Rarely in the life of a city do the planets, all spinning and circling in their own unpredictable orbits, align to create a force with its own magnetism. Interest rates, politics, public opinion, government finances, the economy, ratepayer groups, the availability of capital, higher levels of government: all rotating around the city, impossible to adjust, inconceivable to control.

But a convergence is imminent.

The city wants to return to the lake. The Gardiner Expressway is falling apart. The provincial government is abandoning highways. The public, fed-up with government deficits, accepts tolls. An era of public-private partnership is upon us. An Olympic bid is emerging. The federal government is looking for an excuse to return to the city. Leading politicians are on-side (including both candidates for mayor). One big city to do the planning.

We're not talking about the burying of a decades-old eyesore expressway, the F.G. Gardiner Expressway, *we're talking about rebuilding the approach to the city and the waterfront.* Creating a new sense of place. It's a change that would redefine the character of the city.



At a different time in this city, in November 1991, with no fanfare and little recognition, **David Crombie**, head of the **Royal Commission on the Future of the Toronto Waterfront**, published a study, known as report 15, that laid-out options to rebuild the approach to the city and the central waterfront. He called it a once-in-a-century opportunity.

(Continued on page 5)

Converting Offices to Condos

The Condo Echo Boom: A series on residential development throughout Metro Toronto

It's been a decade since the 1980's real estate boom, yet in recent years there has been an "echo boom" in Metro's residential condominium market. Whether it's the conversion of office space, rental to condos, or industrial buildings to loft apartments, Metro has witnessed an interest in new mid- and high-rise apartment living. In this fourth of a series on the echo boom we examine conversions of former office buildings and sites to residential condos, their pros and cons.

When the office market in Toronto went bust at the turn of the decade, many wondered what would happen to some of the older grade "B" office structures throughout the commercial nodes of Toronto. The former **National Trust** building at 7 King Street East was infamous in those days as being worth zero dollars, notwithstanding its location at the core of the country's largest financial district.

H & R Developments (S. Hofstedter) took over the National Trust site, and in 1993 submitted an application to convert the 12 times coverage office complex into a new condominium project. The project is now known as the *Metropole*, involving 306 apartment units and 8 townhouses with units ranging from 365 square feet to 1,700 square feet. The renovation was undertaken by the firm of **Page+Steele**.

Shortly after the *Metropole* submitted their application in 1993, the City of Toronto passed By-law 1994-0129 which allowed existing non-residential density in mixed use zoned areas to be converted as-of-right to residential use. Policies in the new official plan also made reference to the conversion issue.

Examples of office to condo conversions undertaken in recent years include 600 Eglinton Avenue East, a 44 unit condo by **Plazacorp** (design by **Allan Rae Architect**), 950 Yonge Street — *The Ramsden* a 125 unit condo by **Standard Life** — and 700 King Street West by **Peregrine Hunter** (both designs by **Young+Wright Architects**), 8 Wellesley Street East (the former Ministry of Consumer & Commercial Relations building), an 81 unit condo by

Parallax Land Corp. (Owen Lawson) with **Living Properties (Henry Cheung)** and design by **Dermot J. Sweeny Architect Inc.**, and across the street at 555 Yonge Street, a 120 unit joint venture condo by **Graywood Developments** and **Geranium Homes** (design by **Page+Steele**).

Many "conversion by-law" developments are new loft style apartments, where former industrial space has been converted to residential and "live/work" use (see *Novae Res Urbis*, October 14, 1997). True "office" conversions are limited.

There are a number of issues that face a condo developer considering conversion vs. new development on a site formerly used by an office structure. The advantages of conversion are that in many cases the development rights inherent to the existing structure are above what would be permitted within the existing zoning, and conversion bypasses the rezoning process.

From a timing perspective, the use of an existing building structure reduces the construction time, thus shortening the time to turn a project around. In some cases, historical aspects of the original structure are important and conversion helps to maintain important features.

There are also constraints. First and foremost is the quality of the structure and how much of the building's "skin" must be removed and replaced. Office buildings usually have closed windows based on a centralized internal air system. Condos need windows that open.

The floor plate of the typical office building is much deeper than a residential building. Units can be creatively designed in these spaces, utilizing the interior for dens which don't require windows under the building code. However, beyond 42' in depth it becomes a problem, and units tend to be narrower than the typical condo (16'-25') to optimize window exposure.

Zoning, building code, and other planning matters also come into the picture. Office buildings require less setbacks for windows from property lines or other structures than do residential units, which poses a problem in many high density downtown locations. Parking garages in these older buildings need significant repair in many cases and may not provide the sufficient number of parking spaces for residential use — thus expensive underground renovation is needed.

(Continued on page 4)

Our Election Predictions: Part 2

Last week we presented the first series of election predictions for next month's megacity elections. This week our second installment, with our standard disclaimer: We are not judging who *should* win, but who we think *will* win. There is an important distinction. We decided to prepare these predictions to help you, our reader, because you have a stake in who wins and who loses, perhaps more than the average citizen.

Our offer from last week still stands: we'll buy lunch (our choice of location) for any winner if we're wrong!

Bruce Davis

Publisher, Novæ Res Urbis

Next week: North Toronto and Scarborough Bluffs

<i>Ward</i>	<i>Candidates</i>	<i>Our Predictions</i>
Black Creek	Maria Augimeri, Jeanelle Julien, Peter LiPreti, Abdulhaq Omar, Anthony Perruzza, Maria Rizzo, Anna Stella.	Metro Councillor Augimeri will be back with either New Democrat Rizzo or Liberal Li Preti, both city councillors, in the second seat. Our money is on Li Preti.
Davenport	Jennifer Bauer, Betty Disero, John Doherty, Dennis Fotinos, Tony Letra, Rob Maxwell, Dale Ritch.	Tony Letra will hurt Metro councillor Dennis Fotinos but it likely won't be enough to knock Fotinos off. City councillor Betty Disero is expected in first place. New Democrat Rob Maxwell goes down to defeat.
Don Parkway	Janaki Bala-Krishnan, Christopher Beale, Gordon Chong, Rhamadeen Dixon, Neil Milson, Denzil Minnan-Wong, Allan Scott, Kim Scott, Don Yuill.	Conventional wisdom has metro councillor Gordon Chong back for more, but he has never been a strong finisher and has two challengers from North York city hall, Denzil Minnan-Wong and Don Yuill, at his heels. Minnan-Wong and Yuill both out-poll Chong in their respective wards in 1994 and the question will be whether they can hang on to their base and grow in the other's area. History and incumbency favour Chong and Yuill but Minnan-Wong is running a voracious campaign. All bets are off.
Midtown	John Adams, Ila Bossons, Philip Charles, Blair Gray, Howard Joy, Howard Levine, Brian Mayes, David Vallance.	City councillor John Adams leads. Metro councillor Ila Bossons and city councillor Howard Joy battle for second spot. Bossons' profile across the ward gives her an edge but she has been slow off-the-mark. Joy's operation, closely affiliated with city councillor Tom Jacobek's, has been sputtering.
North York Humber	Bob Churchill, George Mammoliti, Michael Marson, Tony Marzilli, Gina Severino, Judy Sgro.	Another three-way race between Metro councillor Judy Sgro and city councillors George Mammoliti and Gina Severino. Sgro is still firing on all cylinders from the federal election, where she lost in an adjacent riding to John Nunziata; she has the best shot at first place. Former NDP MPP George Mammoliti, who is working furiously to disavow his NDP past, has a better shot than Severino.
North York Spadina	Henry Braverman, Frank DiGiorgio, Roy Dzeko, Mike Feldman, Nickeisha Hudson, Howard Moscoe.	Three veterans in Moscoe, Feldman and Frank Di Giorgio, but only two can win. Metro councillor Howard Moscoe will be back. It looks like city councillor Feldman has the edge for second place.
Scarb Malvern	Bas Balkissoon, Sinna Chelliah, Raymond Cho, David Churchmuch, Arianna Lewis, Jim Mackay, Edith Montgomery, Terry Singh, Geirge B. Singh, Jasmine Singh.	<i>We have limited information in this ward</i> , but our intelligence points to Metro councillor Raymond Cho and city councillor Bas Balkissoon.
Scarborough Highland Creek	Chris Braney, Frank Faubert, Ron Moeser, David Soknacki.	Scarborough Mayor Frank Faubert takes one seat because of his profile, not his organization, which is weak. Second seat is a battle between city councillors David Soknacki and Ron Moeser and trustee Chris Braney, who has been taken under the wing of local MPP Steve Gilchrist and has the support of an influential community association. We'll wait until the polls close before we call the second place finisher!
York Eglinton	Robert Davis, Reginald Dawkins, Caroline Morgan DiGiovanni, Chai Kalevar, Joe Mihevic, Tony Rizzo, Joan Roberts.	A four way toss-up between Metro councillor Caroline Di Giovanni, city councillors Rob Davis, Joe Mihevic and former NDP MPP Tony Rizzo. Davis is hamstrung because of his links to the conservatives. NDPer Mihevic has a strong volunteer base and is running a good campaign. Rizzo and Di Giovanni both appeal to the area's Italian voters, but NDPer Di Giovanni has broader appeal and is working with Liberals and the Labourers Union. The four contenders will be within 1000 votes of each other. Our call is Di Giovanni in first, Mihevic in second.
York Humber	Paul Jewitt, Stan Kumorek, Randy Leach, Michael McDonald, Carl Miller, Frances Nunziata, Bill Saundercook, Arthur Saverino, Natalie Wall.	York mayor Frances Nunziata gets the nod. City councillor Bill Saundercook a bet for second place with school trustee Carl Miller running third.

Scarborough Challenges FAB

Following in North York's maverick footsteps (see *Novæ Res Urbis*, October 6), the City of Scarborough is waging a war of words with the province's Financial Advisory Board. At its final meeting on October 6, Scarborough Council unanimously approved the allocation of \$5 million dollars from its corporate capital levy reserve fund towards the construction of a performing and visual arts centre beside the Scarborough Civic Centre.

The FAB's **Bruce McLeod** sent a letter to acting city manager, **Mike Price**, saying the city had acted inappropriately.

In published reports, **Mayor Frank Faubert** dismissed the letter saying the decision was made by a legally functioning council. **Councillor Brad Duguid**, who chaired a committee that looked into the feasibility the complex, resented how the detached and unelected FAB was stepping on the city's turf.

Proposed is an 850 seat theatre, a 14,000 sq. ft. art gallery, plus several smaller facilities for local cultural activities. The \$22 million dollar facility will be funded by the sale of surplus city-owned land in the area which is expected to generate \$12 million. Fundraising is slated to raise \$5 million, and the remaining \$5 million will come from reserve funds.

The project is still in the early stages and will wind its way to the new City of Toronto Council for approval. Construction is not scheduled to begin until 1999. The facility would be built on what is currently a parking lot on the east side of the civic centre.

The FAB is the province's spending watchdog created last April by the *City of Toronto Act (Bill 103)*. The legislation states that municipalities must have FAB approval for unbudgetted projects, projects over \$100,000, or if the use of reserve funds is changed.

Last August, **RPA Consultants Ltd.** and **Brian Arnott Associates** presented a business plan and marketing analysis in support of an arts complex in Scarborough. •

Front Street Extension Approved

Environment and Energy Minister, Norm Sterling, has denied the requests of two private parties to 'bump up' the proposed **Front St. Extension - F.G. Gardiner Expressway Interchange Environmental Study Report (Addendum)** to a relatively more stringent individual environmental assessment. The Minister advised detractors **One Atlantic Ave. Ltd.** (**Allan Barkin**) and **Inglis Ltd.** (represented by **David Estrin** of **Gowling, Strathy & Henderson**) of his decision in separate letters dated September 8, 1997. The decision effectively approves the class environmental assessment for municipal roads as carried out by Metro, the project's proponent. Now that the right of way is secured, however, Metro is not looking at building the Front St. extension for another 10-15 years. •

Office conversions

(Continued from page 2)

As with any *new* development, conversions are subject to park levies, yet unlike new condo units conversions are *not* covered under the **Ontario New Home Warranty Program**.

Some building sites are better suited for total redevelopment. There are examples where existing office structures are beyond the built form limits permitted in the zoning by-law, and developers have decided to start anew. While variances or rezonings may be required in these circumstances, applicants can justify greater densities on the basis that the existing structure, if converted, would have allowed residential development at a comparable size as-of-right.

Developments such as 43 Eglinton Avenue East — *The Roxy* — a 120+ unit condo by **Murray Goldman** (design by **Sol Wassermuhl** of **Page+Steele**) got approval through the Committee of Adjustment process. 801 Bay Street — *The Royalton* (former Ministry of Agriculture & Food building at College Street) — a 125 unit condo (design by **Burka Architects Inc.**) and the recently OMB approved development at **1047 Yonge Street** (former Weston Research lab at Roxborough Street East) a 37 unit condo (see *Novæ Res Urbis*, October 6, 1997), both by developer **Julie Di Lorenzo**, are other examples.

The jury is out on whether office to residential conversions lead to any cost savings to developers. One thing is for sure, the city's legislation/policy has removed one obstacle for developers in the office to condo niche. •

More Gardiner

(Continued from page 5)

Gardiner project closer to reality and will nudge the figurative planets closer into line.

But there are notable differences to the 407 project.

Highway 407 was a green-fields project; the Gardiner is a quagmire. The objectives of the 407 were clear: alleviate the chaos on highway 401; the objectives of the Gardiner project are more esoteric. The province raised the money for highway 407; the province has washed its hands of the Gardiner, and of city highways altogether.

CHIC has reportedly made presentations to various Metro and City of Toronto officials, but they don't want to get too far along with their planning and they don't want to be too public about their ideas, until a formal proposal call is made by the new city.

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The Gardiner now costs \$20 million per year to maintain. When the province was picking up 75% of highway costs the problem was manageable. As of 1 January, 1998, the new City of Toronto is on the hook for 100%.

Metro Transportation's official position is that it can only afford to continue maintaining the structure as part of an ongoing 20 year rehabilitation program.

One public-private financing option, similar to the scheme used to build the fixed link from New Brunswick to Prince Edward Island, would be for the

new city to pay a fixed amount per year to a private developer as an operating subsidy.

But when 70% of cars entering central Toronto westbound via the Gardiner are from west of Metro Toronto, tolls start to look good.

One problem with tolls or transponders, any type of user-pay model, is that the project is only financially successful if car use is *encouraged*, and public transit is *discouraged*. Which runs contrary to recent efforts to reduce CO2 emissions and improve air quality.

A hybrid option now being circulated would allow tolls for cars that use the new expressway plus compensation to the developer for cars that don't use the expressway. Sounds complicated.

An alternate model would have the developer collect tolls in exchange for removing the Gardiner *and* contributing to public transit infrastructure improvement (right-of-ways and construction) within the redevelopment scheme.

Toronto mayor Barbara Hall and North York mayor Mel Lastman, both candidates for mayor of the new city, both want to bury or remove the Gardiner in some form of partnership. In an eerie convergence they seem to have both taken the pre-election line of *tolls if necessary, but not necessarily tolls*.

McKenzie King would be proud.

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Another planet circles, fresh on the heels of the federal election. Transportation Minister David Collenette, Liberal minister for the GTA, says that burying the Gardiner is one of five major projects that the feds want

to see move forward.

The anticipated passage of the *Canada Marine Act* and the new federal interest in waterfront planning means that the feds can help make way for the complete redevelopment of the waterfront and the Gardiner corridor.

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The alignment isn't complete without one last celestial body, the brightest image, glowing, mostly out of reach, circling in an orbit every four years, money trailing off like a fiery tail: the Olympics.

A waterfront Olympic bid would bring federal dollars, elusive provincial dollars, private investment, plus a concerted now-is-the-time-to-move-forward attitude.

Knock down the Gardiner, build public transit through the corridor, clear the decks.

And who is the one person to move the city closer to the lake: David Crombie.

The alignment is complete.◆

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BLGDG Gives Ideas on 'Mega City'

One of Toronto's prestigious planning and urban design firms, **Berridge Lewinberg Greenberg Dark Gabor Ltd.**, has issued an 'idea' paper entitled "Re-Inventing Toronto...What Should the New City Do?". Partner **Ken Greenberg** says the firm's staff and partners feel strongly about the city's future and decided to write a collaborative *pro bono* paper to contribute to the debate on what kind of place the new City of Toronto should be. The report has been distributed to planners, the Toronto Transition Team and some media.

BLDG argues that "the paramount goal of the new city should be to maintain social and community health". The ten page document outlines how amalgamation, and the inherent concentration of power and resources, gives the new municipal government an opportunity to address not only quality of life issues but to create a more practical and strategic framework for planning and development.

The firm argues for a proactive planning system and an Official Plan that serves as a strategic tool by specifying priorities for new capital infrastructure, community

renewal and environmental enhancement, while clearly allocating funding and responsibilities. They indicate the new city should use its power "boldly" to ensure an effective transit system by, for example, intensifying housing and employment along corridors and at stops to support transit investment. BLDG also calls for a completion of the missing links in the waterfront and ravine trail systems to create a unified network and increase green space.

Despite budget constraints, the new city "must establish a capital funding program commensurate with its strategic planning role." At the same time, BLDG emphasizes the importance of leveraging private investment by forming "permanent, strategic" partnerships with the private sector and the community, including the nonprofit and voluntary sectors.

Finally, BLDG takes a run at the **Ontario Municipal Board** calling its hearings system "adversarial and unspeakably expensive". The firm challenges the new city government be creative and mediate differences in ways that are less "rigidly legalistic and more socially useful", even if it means changing the OMB or provincial planning legislation. •

Sheppard Subway Development Charges By-law Passed by Metro

On October 9, 1997 Metro passed By-law 141-97 which establishes development charges for new development along Sheppard Avenue east of Yonge Street and along Yonge Street north of Highway 401 to Drewry Avenue to recover growth related capital costs for the Sheppard Subway (See *Novæ Res Urbis*, September 2, 1997). The by-law proposes that charges apply to any new development as of October 9th, at the time of building permit issuance. Exemptions are provided in the case of certain enlargements or additions to residential and industrial buildings, and also where foundation permits have been applied for by October 8th, and superstructure or full building permits obtained by March 31, 1998. The by-law does not come into force until it is approved by the Minister of Municipal Affairs and Housing. •

Correction

Our story last week on **New Condos in the Outer City** incorrectly stated that Phase 3 of the *Omni Condominiums* had recently received approval. In fact, **Phase 2** of the project involving 167 apartments and 18 casitas are in for site plan approval. Phase 3 is not expected to be submitted by Tridel until sometime in the new year. •

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