



FOR INQUIRIES: PLEASE QUOTE ITEM & REPORT NO.

April 14, 2014

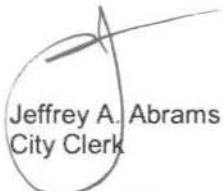
Mr. Denis Kelly, Regional Clerk
The Regional Municipality of York
17250 Yonge Street, Box 147
Newmarket, ON L3Y 6Z1

Dear Mr. Kelly:

**RE: YONGE STEELES CORRIDOR SECONDARY PLAN
REQUEST FOR ADDITIONAL OFFICE USE OPTIONS TO ADOPTED SECONDARY PLAN
FOLLOW UP REPORT
FILE 25.5.12.4
WARD 5**

Attached for your information and action is **Item 14, Report No. 14**, of the Committee of the Whole regarding the above-noted matter which was adopted without amendment by the Council of the City of Vaughan at its meeting of April 8, 2014.

Sincerely,



Jeffrey A. Abrams
City Clerk

Attachment:

Extract

Attachments are available in the City Clerk's Office and the City's website at www.vaughan.ca under City Council/Agendas, Minutes and Extracts

JAA/as

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 8, 2014

Item 14, Report No. 14, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on April 8, 2014.

**14 YONGE STEELES CORRIDOR SECONDARY PLAN
REQUEST FOR ADDITIONAL OFFICE USE OPTIONS TO ADOPTED SECONDARY PLAN
FOLLOW UP REPORT
FILE 25.5.12.4
WARD 5**

The Committee of the Whole recommends:

- 1) **That the recommendation contained in the following report of the Commissioner of Planning, dated March 25, 2014, be approved; and**
- 2) **That the deputation of Mr. Ryan Mino-Leahan, KLM Planning Partners Inc., Jardin Drive, Concord, and Communication C4, dated March 25, 2014, be received.**

Recommendation

The Commissioner of Planning recommends that:

1. York Region be requested to expedite the preparation of the "Yonge and Steeles Area Transportation Study" in order to inform any final modification requests by York Region in respect of the Yonge-Steeles Corridor Secondary Plan, leading to its ultimate consideration and approval by the Ontario Municipal Board;
2. York Region be advised that the City supports modifications, to respond to stakeholder requests and ongoing studies by the City including an increase in density, the application of bonusing provisions and specific policies relating to office uses on those properties designated High-Rise Mixed-Use located south of Crestwood Road to Steeles Avenue as shown on Attachment 1 to this report;
3. A new second paragraph be inserted into Subsection 3.3 "Density" of the Yonge Steeles Corridor Secondary Plan as following:

In the area where the maximum FSI is shown as 6.0, any development in excess of an FSI of 4.5 shall be used exclusively for non-residential uses, including retail uses provided the retail uses are grade related and office uses as prescribed in Policy 3.6.11 "Office Priority Area";

4. Adding a new Policy to Section 3.6 "High-Rise Residential Mixed Use as follows:

3.6.11 Office Priority Area

Within the area shown as "Office Priority Area" on Schedule 2 (South) Land Use, Height & Density, the following policies shall apply:

- i. The lands within the Office Priority Area, shown on Schedule 2 (South) shall be the subject of a comprehensive Development Plan, as set out in Policy 8.5.
- ii. The maximum Floor Space Index and Building Height shall be 6.0 and 30 stories respectively, as shown on Schedule 2 (South).
- iii. In accordance with Policy, 3.3 the maximum FSI shall be 6.0 and any development in excess of 4.5 FSI shall be used exclusively for non-residential uses, including retail uses provided the retail uses are grade related;

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- iv. A minimum of 50 percent of the gross floor area devoted to Non-Residential Uses shall be located in a High-Rise or Mid-Rise building, devoted exclusively to office uses;
 - v. Such office building shall be located and designed in accordance with the following criteria:
 - a. It will provide a high profile massing and architectural presence at the intersection of Yonge Street and Steeles Avenue as the primary non-residential focus of a mixed-use development;
 - b. The design of the building will provide for a direct connection to the planned Steeles Avenue Subway/Bus Station;
 - c. The nature of the integration of the office building component into the mixed use development will be confirmed through the Development Plan and implementing development review process. Such considerations will include the accommodation of required parking, the potential for a "PATH" system, the integration of retail uses and the provision of secondary accesses to the residential and non-residential (podium) uses.
 - vi. Should the office building, including its portion of any podium structure, provide the gross floor area equivalent of 1.0 FSI, based on the approved Development Plan and implementing development applications, then the maximum building height within the area of such Development Plan, may be increased from 30 stories to 35 stories. Such increase will be reflected in the implementing zoning by-law; and an agreement under Section 37 of the Planning Act as may be required by the City.
5. York Region be requested to evaluate the implications of the following matters as they relate to density and phasing in the analyses being undertaken in the Yonge and Steeles Area Transportation Study:
- a) The implications of the appeals against the Yonge Steeles Corridor Secondary Plan;
 - b) The density increase referenced in Recommendations 3 and 4 above;
 - c) Recent approvals and landowner investments in uses (primarily car dealerships) that are of a lower density than envisioned in the Yonge Steeles Corridor Secondary Plan; and
 - d) Any implications for the City's internal road network as set out in the Secondary Plan.
6. City staff, in consultation with York Region, continue to negotiate with the appellants to work toward the resolution of the Ontario Municipal Board appeals;
7. City staff report back to Council on settlement negotiations, on the results of the Yonge and Steeles Area Transportation Study and on any further modifications originating with the City/ York Region/parties to the Yonge Steeles Corridor Secondary Plan, as part of the effort to secure a timely Ontario Municipal Board approval; and
8. This report be forwarded to York Region for its information and action.

Contribution to Sustainability

Consistent with Green Directions Vaughan, the City's Community Sustainability and Environmental Master Plan, the Yonge Steeles Corridor Secondary Plan will conform to York

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Region's policies for complete communities through policies that provide for environmental protection, sustainable community design, and economic vitality and growth. More specifically, the proposed Yonge Steeles Secondary Plan addresses the following goals outlined by Green Directions Vaughan:

- Goals 1 & 5: Demonstrates leadership through green building and urban design policies.
- Goal 2: Ensures sustainable development and redevelopment.
- Goal 2: To protect green space and the countryside by establishing a Natural Heritage Network and limiting urban expansion;
- Goal 3: Ensures that the Yonge Steeles Corridor area is easy to get around in with low environmental impact.
- Goal 4: Creates a vibrant community for citizens, businesses and visitors.
- Goals 5 & 6: Establishes overall vision and policy structure that supports the implementation of Green Directions Vaughan.

Economic Impact

The Vaughan Official Plan (VOP) 2010, which includes the Yonge Steeles Corridor Secondary Plan, establishes the planning framework for development throughout the City to 2031. The Official Plan, when approved and operational, will have a positive impact on the City of Vaughan in terms of encouraging and managing growth and fostering employment opportunities. It will also fulfill the City's obligations to conform to Provincial policies and meet regionally imposed targets for residential and employment intensification specific to Regional Corridors. The approval of the Yonge Corridor Steeles Secondary Plan will set the stage for desired transit investments including the Yonge Street Subway extension, which is expected to be a catalyst for redevelopment. The Yonge Steeles Corridor Secondary Plan review was funded through the capital budgets PL-9009-07 for the Yonge Street Area Study and PL-9003-07 for the Vaughan Official Plan 2010.

Communications Plan

Notice of consideration of the originating October 15, 2013 Committee of the Whole Report was given at that time.

Purpose

To report on concerns raised at the November 26, 2014 Committee of the Whole meeting. The following motion was approved by Committee and ratified by Council on December 10, 2014.

"That this matter be referred to staff for a future report to include additional options ranging up to office-only development generally in the vicinity of the former Chapters site approximately 150m north and west of the intersection of Steeles Avenue and Yonge Street and including the properties at 7040 Yonge Street, 7028 -7038 Yonge Street, 2 Steeles Avenue West, and 30-66 Steeles Avenue West."

Of particular concern was to emphasize the need for a more substantial office presence at the corner of Yonge Street and Steeles Avenue.

Background - Analysis and Options

October 15, 2013 Committee of the Whole Report

On October 15, 2013 Committee of the Whole considered a staff report on the Yonge Steeles Corridor Secondary Plan in respect of requested modifications and a status update on the

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adopted Plan. In the report it was recommended that a 1.0 FSI density increase, from 5.0 FSI to 6.0 FSI, be provided in the area surrounding the Yonge Street and Steeles Avenue intersection. The recommendation did not require a specific allocation of gross floor area to office uses.

This recommendation was based on the lands being adjacent to the planned Steeles Avenue subway station and bus terminal and the area's role as an important gateway into the City of Vaughan and York Region. This is acknowledged by Metrolinx, which recognizes this area as Gateway Transportation Hub. At the Committee meeting a desire was expressed to ensure an integrated mix of uses at the corner of Yonge Street and Steeles Avenue. This density was also consistent with the Vaughan Metropolitan Centre Secondary Plan, which also prescribed a 6.0 FSI in districts immediately adjacent to a subway station.

As a result Committee of the Whole adopted the following motion, which was ratified by Council on October 29, 2013.

That this matter be referred back to staff for a further report to a future Committee of the Whole meeting addressing the comments from Members of Council regarding additional options for the area.

November 26, 2013 Committee of the Whole Report

The follow-up report resulting from the earlier Council direction proceeded to Committee of the Whole on November 26, 2013. The main concern emerging from the earlier report was ensuring that there would be a minimum amount of office space, especially in proximity to the Yonge Street and Steeles Avenue intersection, to promote the evolution of mixed use development, taking advantage of the gateway location and the planned subway/bus station located in the abutting municipal right of way.

The November 26, 2013 report noted that The Yonge Steeles Corridor Secondary Plan does not require a minimum amount of office floor space in this area. Such a measure was included in the Vaughan Metropolitan Centre Plan to ensure that office uses are provided in the City's new downtown. In the VMC Station Precinct, where office uses are required, "office uses shall occupy a minimum of 35% of the gross floor area on each development block, as defined. . ." and the Development Concept Reports shall explain how this target is to be achieved. While the Yonge Steeles Corridor Secondary Plan does not require office uses specifically, it does support mixed uses in the highest density areas around the Steeles Avenue gateway.

The adopted Yonge Steeles Corridor Secondary Plan provides policies to support high quality transit oriented mixed use development that encourages walking and cycling. They include:

- To create more active and animated street level development along Yonge Street and Steeles Avenue, policies were included that required mandatory retail frontages from the first development block at the corner of the Yonge Street and Steeles Avenue intersection, north along Yonge Street to the CN Railway, and at both corners at the Hilda Avenue and Steeles Avenue intersection.
- To ensure a sufficient non-residential presence the Yonge Steeles Corridor Secondary Plan provides that where the maximum FSI is shown as 5.0 in the High-Rise Mixed-Use Area (northwest corner of the Yonge-Steeles intersection), any development in excess of an FSI of 3.5 shall be used for nonresidential uses, including retail uses provided that the retail uses are grade related. This would also include office uses. To reach the maximum development potential under this scenario, approximately 30% (i.e. 1.5/5.0) of the gross floor area would have to be devoted to non-residential uses.

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The November 26, 2013 report maintained the recommended increase in overall FSI from 5.0 to 6.0 but did not specifically require a dedicated office component. However, to remain consistent with the original proportion (approximately 30%) of non-residential to total density under the maximum development scenario, the policy would need to be specifically addressed. This resulted in the recommendation that any development in excess of 4.0 FSI would require that the additional development, up to the maximum FSI of 6.0 be devoted to nonresidential uses. This would result in approximately 33% (i.e. 2.0/6.0) of the development being required to be devoted to non-residential uses if the full density is achieved. By specifying this requirement, it would increase the probability that office uses would constitute a greater proportion of the non-residential uses in the mixed use development either in a podium or in a dedicated office building.

Therefore, it was recommended that the second paragraph of Subsection 3.3 "Density" be deleted and be replaced by the following:

In the area where the maximum FSI is shown as 6.0, any development in excess of an FSI of 4.0 shall be used exclusively for non-residential uses, including retail uses provided the retail uses are grade related.

It was also noted that Policy 3.6.4 "Office Uses" of the Yonge Steeles Corridor Secondary Plan states that there are no limitations on the amount of office space that may be permitted in the High Rise Mixed Used area, provided the maximum heights and densities are maintained.

Staff did not recommend a specific requirement for office use in recognition of the requirement for non-residential uses. However, the proportion of non-residential uses provided for in the original policy was recommended to be maintained through the increase in maximum density to 6.0 FSI.

Committee of the Whole sought further input on ensuring a strong office presence in the immediate vicinity of the Yonge Steeles intersection. In doing so it adopted the following motion, which was ratified by Council on December 10, 2013.

"That this matter be referred to staff for a future report to include additional options ranging up to office-only development generally in the vicinity of the former Chapters site approximately 150m north and west of the intersection of Steeles Avenue and Yonge Street and including the properties at 7040 Yonge Street, 7028 -7038 Yonge Street, 2 Steeles Avenue West, and 30-66 Steeles Avenue West."

Review of Additional Options for Office Development

The follow up review of further options for office development was shaped by the consideration of the following factors.

The Yonge Steeles Corridor Secondary Plan provides the opportunity to create a gateway location at the corner of Yonge Street and Steeles Avenue. The area brings together 3 municipal boundaries (City of Vaughan, City of Markham and City of Toronto) as well as 2 major arterial roads which frame the entrance to the southeast corner of the City of Vaughan. It is also immediately adjacent to a future subway station that makes it an ideal location to create a significant built form and architectural presence.

The built form and land uses should be consistent with the intensification and mixed use development framework of the Secondary Plan and its role in creating a Gateway Transportation Hub, while remaining mindful of the urban hierarchy in the approved Schedule 1: Urban Structure of the Vaughan Official Plan VOP 2010. Also, given that development blocks in the Vaughan Metropolitan Centre (VMC) require a minimum of 35% gross floor area be devoted to office uses for areas adjacent to the subway station. A similar policy was considered for the immediate vicinity of the Yonge Street and Steeles Avenue intersection.

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The context of the Yonge Steeles Corridor Secondary Plan was taken into consideration. The VMC has more of a business/employment orientation, with an objective to attract corporate and business offices. The Yonge Steeles Corridor Secondary Plan is in a more community oriented setting, which must balance the need of providing population oriented services and providing for business offices.

Completely departing from an approach that speaks to community needs would not be appropriate. However a balanced approach, specifying a certain proportion of non-residential development, of which a certain amount would need to be within a dedicated office building, would provide opportunities for both segments of the market. A substantial office building, integrated into a comprehensively planned development block, with a minimum FSI requirement, would be consistent with the overall objectives of the Vaughan Official Plan, the Provincial Growth Plan and the Big Move.

Definition of an Office Priority Area and Introducing a Requirement for an Office Building as a Portion of the permitted Non-Residential Use

In Attachment 1 the properties approximately 150m north and 150m west of the intersection of Yonge Street and Steeles Avenue were reviewed for their potential as an "Office Priority Area". In addition to the originally proposed density increase, from 5.0 FSI to 6.0 FSI, the Office Priority Area designation would also need to require that a minimum amount of office space be provided within the development block. A Development Plan, as referred to in Policy 8.5 and the implementing development applications, would be the mechanisms ensuring how the recommended targets would be achieved.

To achieve the significant office presence it is recommended that a minimum of 50% of the non-residential uses in the development block be devoted to office uses. The rationale for requiring the dedication of 50% of the non-residential uses to office uses is based on the need to provide a wider range of non-residential uses that may locate in the ground floor or podium of the High-Rise or Mid-Rise Mixed Use building. These can include retail uses, services, private schools, medical clinics and also offices. Not excluding these uses is critical to maintaining the podium function, which is also an important urban design consideration. In addition, these uses would provide important community services at a highly accessible transit node. Therefore, maintaining them is also important to the plan.

Reconsideration of the Ratio of Non-Residential to Total Development in Areas with the Maximum FSI of 6.0

In the previous report it was recommended that the increase in total density be accompanied by a proportionate increase in the amount of non-residential floor space, from:

- 5.0 FSI where any development in excess of 3.5 FSI shall be used exclusively for non-residential development to 6.0 FSI where any development in excess of 4.0 FSI shall be used exclusively for non-residential development.

It is recommended that this standard be adjusted to provide as follows:

- Where the maximum FSI is shown as 6.0 FSI any development in excess of 4.5 FSI shall be used exclusively for non-residential development.

This relaxes the requirement for non-residential floor space, such that it remains static at 1.5 FSI through the increase in maximum FSI from 5.0 to 6.0. This is considered appropriate for the following reasons:

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- The development block subject to the “Office Priority Area” designation is substantial in area and will generate significant gross floor area from a 1.5 FSI for non-residential uses;
- A policy has now been incorporated that provides for a minimum of 50% of the non-residential area to be devoted to office uses in a Mid Rise or High Rise building;
- The 1.5 FSI is a minimum standard at maximum FSI. The plan does not prevent more non-residential use and/or office uses being developed in the south portion of the amendment area;
- A policy has been added to the Office Priority Area designation to provide that should the office building, including its portion of any podium structure, provide the gross floor area equivalent of 1.0 FSI, based on the area of the approved Development Plan and implementing development applications, then the maximum building height within the area of such Development Plan, may be increased from 30 stories to 35 stories. This will provide further incentive to providing a major office component as part of a mix of other non-residential uses; and
- This will allow for greater flexibility in reacting to future market conditions.

Implementation of the Results of the Yonge and Steeles Area Transportation Study

It is expected that the results of the Yonge and Steeles Area Transportation Study will be available in the latter part of this area. This may provide for phasing policies and other measures to support the role of this area as a Gateway Hub. This may also include further refinements to the internal road network identified in the Secondary Plan. As such, further modifications to the road pattern may be required as a result of the transportation work and the need to accommodate the functional needs of the area around the intersection.

Implementation

To achieve a significant office presence, the area identified as Office Priority Area will require a range of supportive policies. The proposed density adjustment provides that a 6.0 FSI development is permitted to have up to 1.5 FSI dedicated to non-residential uses. In addition to these policies the recommended Office Priority Area policies also provide that a minimum of 50% of the non-residential uses be devoted exclusively to office uses. The maximum height within the Office Priority Area is also proposed to increase from 30 to 35 storeys if 1.0 FSI for dedicated office uses in a High-Rise or Mid-Rise Mixed Use building is achieved. This would result in approximately 17% of the development, at a density of 6.0 FSI, being devoted to office uses.

Therefore, it is recommended that a new second paragraph be inserted into Subsection 3.3 “Density” of the Yonge Steeles Corridor Secondary Plan as follows:

In the area where the maximum FSI is shown as 6.0, any development in excess of an FSI of 4.5 shall be used exclusively for non-residential uses, including retail uses provided the retail uses are grade related and office uses as prescribed in Policy 3.6.11 “Office Priority Area”;

And that the following policy be added to Section 3.6 “High-Rise Mixed Use”

3.6.11 Office Priority Area

Within the area shown as “Office Priority Area” on Schedule 2 (South) Land Use, Height & Density, the following policies shall apply:

- i. The lands within the Office Priority Area, shown on Schedule 2 (South) shall be the subject of a comprehensive Development Plan, as set out in Policy 8.5.
- ii. The maximum Floor Space Index and Building Height shall be 6.0 and 30 stories respectively, as shown on Schedule 2 (South).

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- ii. In accordance with Policy, 3.3 the maximum FSI shall be 6.0 and any development in excess of 4.5 FSI shall be used exclusively for non-residential uses, including retail uses provided the retail uses are grade related;
- iii. A minimum of 50 percent of the gross floor area devoted to Non-Residential Uses shall be located in a High-Rise or Mid-Rise building, devoted exclusively to office uses;
- iv. Such office building shall be located and designed in accordance with the following criteria:
 - i. It will provide a high profile massing and architectural presence at the intersection of Yonge Street and Steeles Avenue as the primary non-residential focus of a mixed-use development;
 - ii. The design of the building will provide for a direct connection to the planned Steeles Avenue Subway/Bus Station;
 - iii. The nature of the integration of the office building component into the mixed use development will be confirmed through the Development Plan and implementing development review process. Such considerations will include the accommodation of required parking, the potential for a "PATH" system, the integration of retail uses and the provision of secondary accesses to the residential and non-residential (podium) uses.
- vii. Should the office building, including its portion of any podium structure, provide the gross floor area equivalent of 1.0 FSI, based on the approved Development Plan and implementing development applications, then the maximum building height within the area of such Development Plan may be increased from 30 stories to 35 stories. Such increase will be reflected in the implementing zoning by-law; and an agreement under Section 37 of the Planning Act as may be required by the City.

Relationship to Vaughan Vision 2020/Strategic Plan

The proposed modification to the Yonge Steeles Corridor Secondary Plan is consistent with the priorities set by Council in the Vaughan Vision 20/20 Plan and in particular to the City's commitment to "plan and manage growth and economic vitality". The following specific initiatives are of particular relevance to the Yonge Steeles Secondary Plan:

- Support and coordinate land use planning for high capacity transit at strategic locations in the City; and
- Complete and implement the Growth Management Strategy (Vaughan Tomorrow)

Regional Implications

The Yonge Steeles Corridor Secondary Plan has been prepared pursuant to the policies of the Vaughan Official Plan 2010 and the new York Region Official Plan. This report and resulting Council minute will be forwarded to York Region for its further consideration as a modification to the Yonge Steeles Corridor Secondary Plan.

Conclusion

There is a great opportunity in the Yonge Steeles Corridor Secondary Plan to create a gateway location at the Yonge Street and Steeles Avenue intersection. The area is immediately adjacent

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to a future subway station, which makes it an ideal location to create a significant built form presence at the intersection. The proposed density adjustment from 5.0 FSI to 6.0 FSI provides that if the development exceeds a 4.5 FSI threshold, then up to an additional 1.5 FSI can be dedicated to non-residential uses up to the maximum 6.0 FSI.

To secure the development of a significant office presence adjacent to the future subway station, and to implement a Metrolinx Mobility Hub, the Regional Transportation Plan and the city building objectives of the City's and Region's Official Plan, an "Office Priority Area" has been identified. The new policies supporting that designation provide for a minimum of 50% of the non-residential uses to be dedicated exclusively to office uses, in an office building, including its portion of any podium structure. Should a minimum target of 1.0 FSI, be met for the office building, then the maximum building height permitted within the entire Office Priority Area will increase from 30 stories to 35 stories, for all uses. The intent is to provide an incentive for a high profile massing and architectural presence at the intersection of Yonge Street and Steeles Avenue. The office building will be the primary non-residential focus of a mixed-use development serving not only the local community, but potentially businesses seeking office space at a major transportation gateway. Staff is also satisfied that the recommended change is consistent with the urban hierarchy set out in the approved Schedule 2 Urban Structure of VOP 2010.

Therefore it recommended that the amended policies, as set out in the Recommendation section of this report, be approved and that this report and Council minute be forwarded to the Region of York for consideration in the ongoing review of the Yonge Steeles Corridor Secondary Plan.

Attachments

1. Location Map: Proposed Density Adjustment Area and Office Priority Area

Report prepared by:

Clement Chong, Acting Senior Planner, ext. 8214
Roy McQuillin, Manager of Policy Planning, ext. 8211

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)