



STAFF REPORT ACTION REQUIRED

505 Richmond St W – Proposed YMCA Centre

Date:	September 16, 2015
To:	Executive Committee
From:	Chief Planner and Executive Director, City Planning Division General Manager, Parks, Forestry and Recreation
Wards:	Ward 20 – Trinity-Spadina
Reference Number:	P:\2015\Cluster B\PLN\EX15111 (15-218381 000 00 PA)

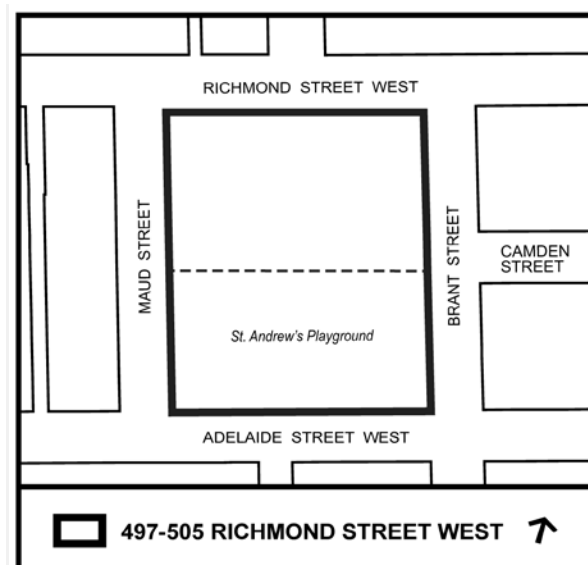
SUMMARY

The property at 505 Richmond Street West (historically known as the Waterworks Building) was transferred to Build Toronto in 2014. As part of a request for proposals, Build Toronto has required that any redevelopment of the site include a YMCA Centre or similar community facility. Build Toronto, along with City staff have been in productive discussions with the YMCA. This report seeks Council support for the YMCA including contribution of Section 37 funds. Staff are continuing to work with the YMCA on a Community Use Agreement that will secure affordable access to community space and recreational programs in the facility.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council support in principle a YMCA as an appropriate use in the potential redevelopment of the City-owned property at 505 Richmond Street West.
2. City Council agree that existing and future Section 37 and Section 45 funds from Ward 20, to a maximum of 2/3 of the construction cost of the facility, be allocated toward the



YMCA, with such allocation to be determined through the budget process and future reports for Council approval.

3. City Council direct the General Manager, Parks, Forestry and Recreation to negotiate a Community Use Agreement for the YMCA Centre to be built at 505 Richmond Street West to secure affordable access to community space and recreational programs and services.
4. City Council authorize appropriate City staff to take such actions in the City's capacity as sole shareholder of Build Toronto Inc. ("Build Toronto"), to permit Build Toronto to facilitate the transfer for nominal consideration of a portion of the property owned by an affiliate of Build Toronto at 505 Richmond Street West, Toronto to the YMCA of Greater Toronto for the purposes of the construction of a YMCA facility at such property, on terms and conditions and in a form satisfactory to the City Solicitor.

Financial Impact

The property at 505 Richmond is intended to be sold by Build Toronto to a private developer to permit the redevelopment/revitalization of the site. As conditions of the sale, the developer will be required to provide space for the YMCA within the project. The building and finishing of the space will be funded 1/3 by the YMCA and the remaining 2/3s will be funded through Section 37 and Section 45 contributions collected in Ward 20. This report asks for a commitment in principle to direct Section 37 and 45 funds towards this project. A further report will be brought forward through the budget process to City Council to transfer the funds when required.

It is estimated that the City's 2/3 share of the costs to build the space, including all interior finishing, will be in the order of \$15 to \$19 million. As the YMCA design is preliminary at this point, the parties involved are committed to looking for efficiencies and value engineering opportunities, which will result in a smaller, more efficient YMCA floorplate and thus a reduced cost.

To date, approximately \$5 million has been collected or secured in Section 37 and Section 45 agreements in Ward 20 that can be directed to this community facility. In addition, numerous applications are under review in this part of Ward 20 that are expected to be approved in some form. It is anticipated that these projects will generate Section 37 funds which would be greater than the remaining amount required to support the YMCA project.

This proposed redevelopment will provide a recreation facility and community use space to a growing community with no City debt financing and no ongoing facility maintenance responsibility in return for the contribution of land and Section 37 /45 funds.

The Deputy City Manager and Chief Financial Officer have reviewed this report and agree with the financial impact information.

DECISION HISTORY

At its meeting of November 29, 2011, City Council declared the subject property surplus with the intended manner of disposal to be by way of a transfer to Build Toronto. At its meeting of July 16, 2013, City Council granted authority to transfer a stratified portion of the subject property to Build Toronto subject to a series of terms of conditions. The Council decision and report can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM23.9>

ISSUE BACKGROUND

The subject property is approximately 1.3 acres in size and is located on the south side of Richmond Street West between Brant Street and Maud Street. The property is known municipally as 60 Brant Street and 497, 505, 511 Richmond Street West. The lands known as 60 Brant Street are excluded from the potential development site, as they make up the parcel being dedicated to the relocation of Eva's Phoenix, a transitional shelter for youth.

The property has a rich history as a place of significance in Toronto. In 1837, the property was set aside by the City as the location of a future public market (St Andrew's Market). At the same time, the lands directly to the south were set aside for a future recreational use (now known as St. Andrew's Playground). Historically known as the Waterworks Building, the property has been in continuous City ownership and use since that time.

Official Plan and Zoning Designations

The property is designated Regeneration Area in the Official Plan and is located within the King-Spadina Secondary Plan. The current zoning of the property is Commercial Residential Employment (CRE).

Strata Height

Title to the property was transferred to Build Toronto Holdings (Richmond) Inc. on April 7th, 2014 with a negotiated strata height of 47.5 metres. The strata height limit requires that the building envelope including the mechanical penthouse be located at 47.5 metres and below.

YMCA

After several meetings with the YMCA and the Councillor, the YMCA confirmed that it was prepared to locate in the property with up to a 5,016 square metre (54,000 square foot) facility if the City contributed 2/3 of the construction costs excluding land which is to be provided at no cost to the YMCA. The City contribution is estimated between \$15 and \$19 million. As mentioned above, as the YMCA design is preliminary at this point, the parties involved are committed to looking for efficiencies and value engineering opportunities, which will result in a smaller, more efficient YMCA floorplate and thus a reduced cost.

The YMCA of Greater Toronto is a charity dedicated to improving the health of our communities that has been operating in the City for more than 160 years. The YMCA

offers children, teens, young adults and families the opportunity for personal growth, community involvement, and leadership through quality and community based sport, fitness, aquatic, wellness and social development programs and services.

The YMCA operates in 100 locations throughout the City of Toronto, including four major Health & Fitness centres (with two more under construction).

While the City's recreation service delivery model is built on a user fee and free program delivery model, the YMCA is membership based. The YMCA operates in this manner largely because it relies only on operating revenues and donations to be sustainable. At the same time, the YMCA believes everyone should have the opportunity to get fit, regardless of their age, gender, ability, ethnicity, religion, sexuality or financial situation. As a charity, the YMCA of Greater Toronto breaks down the financial barriers often associated with joining a gym by offering limited financial assistance to members who are unable to afford full membership rates. In 2015, 24% of over 160,000 members served received financial assistance.

COMMENTS

Significant funds for community services and facilities have been secured in Ward 20 through Section 37 Agreements with developers which can be directed to the space for the YMCA. Development is expected to continue at a strong pace in Ward 20, and Section 37 funds from these future developments can also be directed to this project.

Growth in King-Spadina

There has been a significant increase in population in the King Spadina area, where 505 Richmond Street West sits, from 945 residents living in the area in 1996 to 8,645 residents in 2011.

The pace of residential development is expected to continue with over 21,500 units going through the application process or completed since the 2011 Census. If all the proposed units are built, the population could potentially increase by 31,615. Overall, the population of King Spadina could increase to a total of 40,260 by 2025 from 8,645 people in the 2011 census. Given the many factors which affect development, such as the appropriateness of some of the proposals, and the demands that this level of intensification would put on infrastructure and market absorption, this number serves more as a statement on the serious need to manage growth to ensure livability.

	2011 Census Population	Potential Residential Units*	Potential Population Growth Increase**	Percentage of Growth	Population Estimate*** (total people)
King Spadina East of Spadina	4,696	14,111	20,669	65%	25,364
King Spadina West of Spadina	3949	7,473	10,946	35%	14,895
King Spadina Secondary Plan Area (total)	8,645	21,584	31,615	100%	40,259

* Units completed after 2011 census plus proposed units, IBMS/LuisII 2008-2014

** Calculated at 1.46 persons per unit, as per Census Tract 11 (Statistics Canada, 2011 Census);

***2011 Census population plus potential population

The total number of employees in the King-Spadina Secondary Plan area has also grown substantially from 21,400 to 35,895 employees since 1996. This is an increase of 68% from 1996 to 2014.

Number of Employees, Existing and Potential

	Existing (2014)	Estimated Growth*	Potential Total (Existing + Estimated)	Potential Total (Existing + Estimated)
East of Spadina	20,272	10,559	30,831	54%
Spadina Ave	4,875	246	5,121	9%
West of Spadina	10,748	10,044	20,792	37%
King Spadina Total	35,895	20,849	56,744	100%

*Employee per m²: Retail 30 m², Office 20 m², Other 30 m²

Source: Toronto Employment Survey 1996, 2001, 2006, 2011 and 2014

Sources: IBMS/LUISII Jan 2010 to Dec 2014

A December, 2013 report from IBI Group, titled King-Spadina Community Services and Facilities Update Phase 1, identified a need in the neighbourhood for additional multi-purpose community space throughout the area to allow for the expansion of programs and services to meet the needs of a rapidly growing population. The report also identified a growing demand for aquatics programs in the area. The proposed YMCA would help to address those needs.

The rationale for partnering with the YMCA to provide these services and investing in its development include:

- Leveraging the 1/3rd capital which the YMCA will fundraise
- Cost avoidance with respect to ongoing operating and capital costs associated with a community centre
- A YMCA is a reputable operator, and non-profit charitable institution with a strong reputation and brand in the City of Toronto

The report also identifies increasing pressure on existing community centres in the area due to the significant increase in the number of children under the age of 5, with many children's programs in the area having waiting lists.

Partnering with the YMCA and Community Access

As a service provider, the city has and continues to partner with the YMCA in the areas of recreation, child care, housing and community development in addition to employment training and supports. There are many examples of innovative program and service partnerships with recreation departments throughout the GTA that will be looked at as we develop a community access strategy for 505 Richmond Street West as the facility is developed. It is important to also note that as a membership based organization, the 505 Richmond Street West location would require residents to register as a member in order to access programs and services.

The YMCA Centre will be integrated into a mixed use building at 505 Richmond Street West. Both the building and the land associated with the YMCA will be owned by the YMCA. The land will be deeded to the YMCA as part of the project at no cost. The construction will be 1/3 funded by the YMCA and the remaining 2/3s through Section 37 and 45 contributions collected in Ward 20. In accordance with Official Plan policy, a Community Use Agreement will be entered into between the City and the YMCA to secure long-term affordable community access. Elements of a Community Use Agreement that the city will be negotiating with the YMCA will include but will not be limited to:

- The availability of financial subsidy and non-membership space(s) for community use
- Affordable and flexible programming to address the needs of families with children including young children. Examples include summer camps, preschool enrichment, family drop-in
- Youth programs and leadership development opportunities
- Access to aquatic programs and drop-in leisure swims
- Access to community programming information through cross promotion strategies between Park, Forestry and Recreation and the YMCA
- Coordinated planning
- Input into the design of the facility

CONCLUSION

Since 1996, the King-Spadina neighbourhood has grown rapidly in both population and workforce, and this growth is expected to continue. Despite this growth pressure, there has been no new community centre built in the area. The redevelopment of 505

Richmond Street West presents an ideal opportunity to provide much needed community services. In order to achieve this objective, staff recommends that Council support in principle the YMCA as an appropriate use in this development and direct the required Section 37 and 45 funds to the construction cost of the facility. In order to achieve the best outcome for all members of the community, Staff also recommends that the City continue to work with the YMCA on appropriate programming and affordable access.

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SIGNATURE

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