

## Don Mills Centre

[http://www.donmillsfriends.org/news/Don\\_Mills\\_Centre\\_Minutes\\_of\\_Settlement\\_Feb\\_2010.pdf](http://www.donmillsfriends.org/news/Don_Mills_Centre_Minutes_of_Settlement_Feb_2010.pdf)

CC46.2 Confidential Instructions made public by City Council on Feb.24 2010  
Cadillac Fairview [CF] Community Centre and park, Don Mills (939 Lawrence Ave. East, 1090 Don Mills Rd., 49 and 75 The Donway West  
This is called a Land Exchange – CF gets the arena lands and the hydro lands in return for the City getting the community centre and park lands, although the lands will still be “purchased.” CF will pay \$2. (p.12)

Excerpts:

p.1-2 acquisition by the City of the community centre lands and park top-up lands  
- CF can purchase Arena lands  
- acquisition by the City of a right-of-way to connect the community centre and the park  
- 49-year lease to CF “for those portions of the Community Centre Lands to be developed with a community centre”  
- a 49-year lease to CF “of those portions of the Community Centre Lands that may be developed with retail-commercial uses, including medical offices”  
- CF leases the Arena Lands back to the City ending no later than Oct. 31, 2010.

p.2 “all proceeds net of expenses arising from the lease of retail-commercial space on the Community Centre Lands be allocated into a budget for Parks, Forestry and recreation uses as directed by the General Manager, PFR”

p.3 “exempt the leased space within the community centre and recreational facility from taxation for municipal and school purposes” – it sounds like City Council has to pass a special by-law for this exemption.

p.4 Item 17: the land transfer tax is to be paid by the city through the PFR capital budget by adding the amount of the land transfer tax “and related expenses arising from the City’s acquisition of the Community Centre Lands” – \$138,000. The city’s lawyer will be “amending the closing, due diligence and other dates and amending and waiving terms and conditions, on such terms as she considers reasonable.”

Item 18: the PFR general manager is to “report to the Community Development and Recreation Committee on a long-term strategy to ensure that the Community Centre is reverted to the City at the end of the 49-year lease in a state of good repair including the establishment of the lessee or sub-lessee of a capital improvement fund to ensure that the Community centre is in a viable state of good repair.”

It sounds like the City will acquire the CC and lands as a trade for letting CF buy the Arena lands “and access easements” to CF. “...the City will have the use of the Arena Lands until October 31, 2020, after which a new Arena must be constructed.”

CF must “construct and provide to the City, a new 48,570 square foot Community Centre, valued at \$17 million. It is planned that this new Community Centre will be operated by an arms-length not-for-profit organization, with a commitment to provide universal public access at affordable fees, with no operating cost impact” on PFR.

The City will get \$4.5 million cash in lieu of parkland, “currently estimated at \$4.5 million, as the new development is built out, which will be held in the North York Arena Reserve Fund.” PFR will have to get a site and build a new arena for an estimated \$20 million for “the new twin pad facility.”

p.7 “..the building constructed on the CC Lands may include retail and commercial uses (including medical services uses) and underground parking garage and loading facilities.”

pp.7-8 Item 4: “Unless otherwise mutually agreed” by the general manager PFR and CF, “the CC will include among its principal functional components a competition-size swimming pool, fitness area, running/walking track, meeting rooms, gymnasium and auditorium (which may be combined with the gymnasium).”

p.8: Item 5: the construction of the CC will begin before the issuance of a building permit for buildings E or G, and has to be “substantially completed” by Oct.12 2020 at the latest. Item 7: “The CC will be operated by a community centre operator...selected by CF, acceptable to the GM, and in consultation with DMRI. The Operator will be an arms-length not-for-profit organization.”

Item 8: “The Operator will operate the CC so as to provide for universal public access at affordable fees, and appropriate community input and participations in its programming, acceptable to the GM....”

p.9 Item 9(a)

CF will sublease the CC to an Operator from the time the CC is done until the CF ground lease (from the City) runs out (49 years). The Operator assumes “all costs of operations, repairs, maintenance and replacements.” If CF doesn’t come thorough with the CC, the only thing the city can do is terminate the ground lease “as such Ground Lease applies to the CC only...”

If the Operator defaults or breaks the agreement, CF has no liability but it is entitled to “terminate the CC Sublease.” To do that, CF has to notify the City, “following which CF will use good faith efforts for a period of 90 days...to arrange for a new Operator.” If they don’t find one, CF can surrender the ground lease or the City can terminate it. But the ground lease continues for the commercial part of the building and the underground parking.

p.10 Item 9 (b)

CF can charge rent to the commercial tenants, and will pay “market rent” to the city for those spaces excluding operating and maintenance costs. The rent paid to the city is not to be higher than what CF gets from its tenants.

p.13 The cash-in-lieu for parkland is all supposed to go into the arena fund. But the deed for the park land (called Local Park), which must be part of the exchange, is to be transferred to the city prior to issuance of building permits for specified buildings, or at the latest, prior to Oct.12 2020. Before that, CF agrees “to improve the Local Park to at least base park conditions, and to make improvements above base park standards, as may be mutually agreed upon...” Until the land is transferred, CF gets to use is free of charge “for existing commercial uses and/or for construction staging.”

p.14 Item 21. A design committee for the park will consist of CF, the City and DMRI, and it will “be lked by CF’s landscape architects...” Decisions will be made by GM and CF “cooperatively.”

Item 22 “The Local Park will be maintained in good and orderly fashion by CF..” and yet, item 25, CF wil grant a public easement to the city to allow vehicular access “for purposes of access to maintain the Local Park, if necessary.”

P.20

”the Ground Lease will precipitate the need to amend or modify the parkland provisions of the City of Toronto Official Plan to address the leasehold disposition of the CF landlord.”

P.21 The delivery date of the CC Lands and the Park Top-up Lands can be postponed “on consent of the solicitors for CF and the City”....

Item 4: CF can’t demolish the arena prior to the “Arena Turnover Date.” Before then, the City is responsible for running the arena but CF has to pay the taxes. The City pays \$1 a year for the arena lease.

P.23 Arena Lands plus Hydro Lands total 5,316.70 sq meters. CC lands total 4,363.10 sq meters. Parkland conveyance obligation based on DMC property and usage is \$7,138.35 sq meters. Actual parkland provided is \$4,509.4 sq meters. So they calculate a deficit of 2,628.95 sq meters, which has to be compensated by cash-in lieu.

The Design Panel “supports the agreement among the parties” – their advice was given to CF, the City, DMRI, and Don Mills Friends. Note that another name of an “individual” was mentioned earlier. P.27 If the Cc was built at the main corner of the DMC, it would “potentially serve as an appropriate public gateway to the Don Mills Centre.” CF “was asked to provide a precedent review of existing Toronto park spaces that might be similar in scale and character to the park space possible here” – they mentioned Jean Sibelius and Bellevue Square, but said that the DMC park would be “a modified quarter circle” shape rather than a rectangle.