

Report to: Development Services Committee Report Date: December 12, 2023

SUBJECT: RECOMMENDATION REPORT

Proposed Official Plan and Zoning By-law Amendment applications to permit high density residential mixed-use development consisting of five new buildings and a public park located at the southwest corner of Warden Avenue and Highway 7, municipally known as 8500 Warden Avenue, in Markham Centre (Ward 8)

File PLAN 20 128653

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REVIEWED BY: Stephen Lue, MCIP, RPP, Senior Development Manager, Ext. 2520

RECOMMENDATION:

- 1) THAT the report titled, "RECOMMENDATION REPORT, Proposed Official Plan and Zoning By-law Amendment applications to permit high density residential mixed-use development consisting of five new buildings and a public park located at the southwest corner of Warden Avenue and Highway 7, municipally known as 8500 Warden Avenue, in Markham Centre (Ward 8)", be received;
- 2) THAT the Official Plan Amendment application submitted by Hilton Markham Suites Hotel Limited, be approved and that the draft Official Plan Amendment, attached hereto as Appendix 'A', be finalized and brought forward to a future Council meeting to be adopted without further notice;
- 3) THAT the Zoning By-law Amendment application submitted by Hilton Markham Suites Hotel Limited, be approved and that the draft Zoning By-law Amendment, attached hereto as Appendix 'B', be finalized and brought forward to a future Council meeting to be enacted without further notice;
- 4) THAT Council assign servicing allocation for a maximum of 3,049 dwelling units;
- 5) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

This report recommends approval of the applications for Official Plan and Zoning By-law Amendments (the "Applications") submitted by Hilton Markham Suites Hotel Limited (the "Owner") to permit a five-tower high density residential mixed-use development consisting of 3,049 residential units, non-residential uses (office and retail), and public parkland. The proposed development surrounds the existing Hilton Hotel and conference centre (the "Proposed Development") on lands known municipally as 8500 Warden Avenue (the "Subject Lands"), located at the southwest corner of Warden Avenue and Highway 7. The development is proposed to occur in multiple phases, with phase one consisting of a single 40-storey building with 518 residential units at the south-west corner of the site.

The proposed Official Plan Amendment redesignates a portion of the Subject Lands from "Community Amenity Area – Major Urban Place" to "Open Space" for the public park block, and incorporates site-specific height and density provisions for the Proposed Development. The proposed Zoning By-law Amendment rezones the Subject Lands to permit the development while incorporating site-specific uses and development standards.

The Proposed Development makes efficient use of a property that has been identified provincially, regionally, and locally for intensification with a mix of uses. The Subject Lands are in close proximity to existing transit routes, and existing and future community amenities. While the building heights and density of the Proposed Development exceed the Markham Centre Secondary Plan ("MCSP") July 5, 2023, Recommended Development Concept, they are generally compatible with existing and recently approved developments in the surrounding area. For the reasons outlined in this report, Staff opine that the Applications are appropriate and represent good planning.

PURPOSE:

This report recommends approval of the Applications to permit the Proposed Development on the Subject Lands.

PROCESS TO DATE:

- <u>December 3, 2020</u>: Staff deemed the Applications complete (seven buildings: 3, 55, 55, 55, 55 and 45 storeys) [the "Original Proposal"]
- <u>March 8, 2021</u>: the Development Services Committee ("DSC") received the <u>Preliminary Report</u> on the Original Proposal
- May 11, 2021: the DSC held a statutory Public Meeting
- April 2, 2021: The 120-day period set out in the *Planning Act* before the Owner can appeal the Application to the Ontario Land Tribunal (the "OLT") for a non-decision elapsed
- <u>July 11, 2023</u>: the Owner submitted a revised concept (six buildings: 37, 40, 43, 46, 46 and 49 storey)
- October 27, 2023: the Owner submitted another revised concept (five buildings: 40, 45, 50, 50, and 55 storeys) [the "Revised Proposal"]
- November 21, 2023: a Community Information Meeting was hosted by the Owner on the Revised Proposal

If the DSC supports the Applications, the planning process will include the following next steps:

- Site-specific Official Plan Amendment adoption at a future Council meeting
- Site-specific Zoning By-law Amendment enactment at a future Council meeting
- Submission of future Hold Removal and Site Plan application(s)
- Submission of future Draft Plan of Condominium application(s), if required

BACKGROUND:

Subject Lands and Area Context

Figures 1 and 2, show the 4.12 ha (10.18 ac) Subject Lands in Markham Centre, which are currently occupied by an existing hotel and conference centre and surrounded by a surface parking lot. The City currently owns a 2,105 m² (22,659 ft²) surplus parcel abutting the north end of the Subject Lands (along the south side of Highway 7). Mixed-use developments containing high-rise commercial and residential uses surround the Subject Lands.

The Owner revised the Original Proposal from seven buildings to a five building concept

Following the statutory Public Meeting and receiving staff comments, the Owner submitted the Revised Proposal, as summarized in Table 1, which retains the existing hotel and conference centre in the current locations. Access remains off Courtyard Lane, Clegg Road, and Warden Avenue, with internal site circulation by a circular private road.

TABLE 1: Original Proposal and the Proposed Development Comparison					
	Original Proposal	Revised Proposal (see Figure 4 & 5)			
Residential Units	3,552	3,049			
Residential GFA	270,888 m ²	250,934.03 m ²			
Min. Non-Residential GFA	Retail: 6,774.9 m ²	Retail: 3,639.6 m ²			
	Office: 14,917 m ²	Office: 9,369.96 m ²			
Park Block (stratified)	0.2 ha (0.48 ac) at Clegg Road	0.3 ha (0.78 ac) at Highway 7			
Density (FSI) ¹	8.41	8.06^1 (including park = 7.45)			
Buildings Height (Storeys)	7 buildings (3, 45, 55, 55, 55,	5 buildings (40, 45, 50, 50, and 55			
	55, 55 storeys)	storeys)			
Min. Provided Parking ²	2,651 spaces ³	2,655 spaces ³			

Note 1: Density calculation is based on the 2014 Official Plan definition, which excludes public parks as part of the lot area Note 2: Parking provisions are under review by Staff and will be confirmed once the site-specific Zoning By-law Amendment is finalized and approved by Council at a later date

Note 3: Parking number includes 347 hotel and conference centre spaces

The Owner proposes to advance development on the Subject Lands in multiple phases (see Figure 4)

TABLE 2: Development					
Building No.	1	2	3	4	5
Residential Units	518	605	664	718	544
Building Height (storeys)	40	45	50	55	50
Gross Floor Area (m ²)	44,232	51,370	56,501	61,705	53,858
Non-residential GFA (m ²)	0	0	0	2,228 (Retail)	1,411 (Retail);
					9,370 (Office)
Parking	415	424	464	522	483

PLANNING POLICY AND REGULATORY CONTEXT:

Staff are satisfied that the Proposed Development is consistent with the Provincial Policy Statement, 2020 (the "2020 PPS") and opine that the Proposed Development conforms to the Growth Plan for the Greater Golden Horseshoe, 2020 (the "Growth Plan")

The 2020 PPS provides direction on matters of Provincial interest related to land use planning and development and include building strong, healthy communities with an emphasis on efficient development and land use patterns, wise use and management of resources, and protecting public health and safety. The Subject Lands are within a Settlement Area and the Delineated Built-Up Area of the Built Boundary of York Region. The Proposed Development facilitates a compact urban form through the intensification of underutilized lands in an established Settlement Area where full municipal services presently exist. The compact urban form, the ability to utilize existing municipal infrastructure, and the opportunity to provide a variety of housing forms to facilitate a higher density development that capitalizes on the transportation infrastructure investments, are consistent with the 2020 PPS.

The Growth Plan provides a framework for implementing the Province's vision for building strong, prosperous communities within the Greater Golden Horseshoe to 2051. The Growth Plan encourages compact, vibrant and complete communities, with a strong competitive economy while protecting and wisely using natural resources, and optimizing the use of existing and new infrastructure to support growth. The Subject Lands are within an Urban Growth Centre (Markham Centre), in proximity to higher order transit and a Major Transit Station Area ("MTSA"), which is defined as the area within 500

to 800 m of a transit station. The Subject Lands have convenient access to the Cedarland Bus Rapid Transit ("BRT") Station MTSA, including the Viva Pink, Purple, Purple A routes, access to the Unionville GO Station, and bike lane routes in the surrounding area.

Staff opine that the Proposed Development conforms to the York Region Official Plan 2022 ("2022 ROP"), as approved by the Minister on November 4, 2022

The 2022 ROP designates the Subject Lands 'Urban Area', which permits a wide range of residential, commercial, industrial, and institutional uses. The Subject Lands are located within the 'Markham Centre Regional Centre and Cedarland Protected MTSA. Regional Centres and MTSAs are focal points for the highest densities and most intensive development. The Proposed Development, which conforms to the 2022 ROP, provides for a denser and more intense development on an underutilized parcel of the land in close proximity to existing transit facilities.

The Owner seeks an Official Plan Amendment to permit site-specific increases in building height and density (maximum 55-storeys and 8.06 FSI), designate the public park block and remove the Precinct Plan requirement for the Subject Lands (see Appendix A)

The City's 2014 Official Plan (the "2014 Official Plan") designates the Subject Lands "Mixed Use High Rise." This designation represents priority locations with the greatest level of development intensification. Unless specified in a secondary plan or site-specific policy, the "Mixed Use High Rise" designation permits a maximum building height and density of 15-storeys and 3 FSI, respectively. However, the policies of the 2014 Official Plan also provide that until an updated secondary plan is approved for Markham Centre, the provisions of the 1987 Official Plan (the "1987 Official Plan") and the Markham Centre Secondary Plan ("OPA 21"), as amended, shall apply to the Subject Lands.

OPA 21 designates the Subject Lands "Community Amenity Area - Major Urban Place", which permits a high concentration and intensity of residential, commercial, employment, and supporting uses with a general maximum building height of 13-storeys and density of 148 units per hectare. OPA 21 requires applicants prepare a Precinct Plan for the City's approval that establishes detailed land use and the physical character and form of a development. Staff no longer require the Precinct Plan due to the work from the emerging Markham Centre Secondary Plan Update study.

Staff initiated the Markham Centre Secondary Plan Update study (the "MCSP Update") in 2019 and engaged the Owner throughout the process and the DSC received the MCSP Update Study Recommended Concept on July 5, 2023

The MCSP Update began with visioning work in 2020 that informed the subsequent Development Options and led to the July 5, 2022, Development Concept as supported by the Markham Centre consultants' overall transportation analysis and servicing studies based on the density distribution considered appropriate by the consultants. In July 2023, the Recommended Development Concept Plan was presented to DSC, and identified the Subject Lands proposed land use as "Mixed Use High Rise" and "Park/Open Space".

The Revised Proposal aligns with the proposed land use, but does not align to the density and height parameters of the MCSP Update Recommended Development Concept (see Table 3)

Table 3: MCSP Update Density and Height Comparison (see Figure 6)					
	Recommended Concept	Revised Proposal			
Density (FSI)	5	8.06 (including park = 7.45)			
Max. Building Height	6 to 30	Average Height: 48 (Building 1: 40, Building 2:			
(Storeys)		45, Building 3: 50, Building 4: 55, Building 5: 50)			

Although the Proposed Development is not fully aligned with the MCSP Recommended Development Concept respecting height and density, Staff support the Proposed Development

The Proposed Development is within a provincially identified Urban Growth Centre. Within Markham Centre, the Subject Lands are located away from the established low-rise neighbourhoods to the north and east and in the vicinity of other recently approved developments with similar scale (8200 and 8203 Warden Avenue and 100 Clegg Road). The average height of the Revised Proposal is 48 storeys, which exceeds the heights contemplated in the MCSP Update Recommended Concept. However, the Proposed Development offers height variations and land uses consistent with similarly approved developments in the immediate area (e.g. east side of Warden Avenue where 45 and 46 storey developments have been approved). Impacts from this scale of development are minimized as a result, and moreover, consolidating densities and height in this node would create needed population and activity to support public transit and the existing local commercial uses in Markham Centre.

Further, the Subject Lands maintain convenient access to Highway 7 and Warden Avenue, the Cedarland BRT MTSA, and proximity to the Unionville GO. Access to existing employment and office uses and nearby commercial centres provide job opportunities and shopping for future residents, along with existing and planned community facilities located within the downtown. The Proposed Development would contribute 3,049 additional units in phased development that would support and activate the existing and planned uses in the area.

Staff opine that the proposed density and heights respect and reinforce the existing and approved context while taking advantage of the Subject Land's location. Furthermore, the proposed development has minimal impact to the surrounding established low rise areas located north of Highway 7.

The Owner's draft Zoning By-Law Amendment ("ZBLA") seeks to permit site-specific provisions on the Subject Lands (see Appendix 'B')

By-law 2004-196, as amended by By-laws 2013-65 and 2013-67, zones the Subject Lands "MC-D2*20, MC-D2*20(H10), and MC-D2*21(H11)". The Owner's draft ZBLA proposes to incorporate and effectively zone the Subject Lands "Markham Centre Downtown Two (MC-D2) Zone" in By-law 2004-196, as amended with site-specific permissions and development standards including, but not limited to, the following:

- maximum GFA: 306,742 m²
- maximum residential GFA: 250,934.03 m²
- minimum non-residential GFA: 52,085.15 m²
- maximum building height by block: 40 to 55 storeys
- site-specific parking standards require additional evaluation by Transportation staff

The Owner and Staff continue to work towards finalizing the proposed draft ZBLA.

DISCUSSION:

The following identifies how the matters raised through the review process, including those raised at the May 11, 2021 statutory Public Meeting, have been resolved or considered

a) Height, Massing and Shadow Study

The size, depth, shape, and configuration of the Revised Proposal provides appropriate height and massing transition to the surrounding context. Through discussions with the Applicant, staff worked to eliminate one of the proposed towers and move to more contextually appropriate larger floor plate forms. This allows for more spacing between the towers and provides more space within the development. The majority of the proposed building heights have been reduced in response to comments received. The proposed heights have been distributed in a manner that provides for more variation and a clear discernable gradation in building heights across the site, as requested by Staff, with the tallest building heights focused at the Warden Avenue and Highway 7 intersection. Staff note that the building form in the Revised Proposal have been sculpted to provide unique terraced podiums and maintain sufficient setbacks with appropriate building separation distances.

The Owner submitted a Shadow Study to demonstrate that the Proposed Development generally casts narrower shadows that move quickly west to east across the Subject Lands. Additional shadow studies may be required at the future site plan application(s) stage to ensure that any shadow impacts to abutting properties are mitigated.

b) Parkland

The Revised Proposal relocates the previously proposed 1,949 m² public park from the southwest corner of the Subject Lands to the Highway 7 frontage with a substantially expanded park area to 3,144.44 m², and when combined with the existing 2,016.18 m² City-owned lands along Highway 7, would create a contagious 5,160.62 m² public park to serve as a gateway to the intersection of Warden Avenue and Highway 7. Staff note that there is strata underground parking proposed below the Owner's parkland dedication block. Parkland will be provided in accordance with the requirements of the *Planning Act*. The Owner also consented to undertaking a design competition for the proposed park on Highway 7 with an overall commitment to design excellence.

c) Affordable Housing and/or Purpose-Built Rental Units

At the statutory Public Meeting, DSC and members of the public query if the Proposed Development would incorporate affordable housing and/or purpose-built rental units, the Owner indicated that purpose-built rental units would be considered in future phases, but will be condominium tenure in Phase 1. Staff will continue to work with the Owner to deliver affordable housing and/or purpose-built rental units in the future phases of the Proposed Development.

d) Overall Gross Floor Area (GFA), Retail, and Non-Residential Uses

The Revised Proposal contemplates a reduction in overall GFA compared to the Original Proposal, which proposed to only retain the existing hotel. The Revised Proposal now seeks to retain the existing hotel and conference centre in their current location. In addition to the existing 39,074.6 m² (420.595.49 ft²) of hotel and conference centre, the Owner proposes a minimum of 3,639.6 m² (39,176.33 ft²) of retail and 9,369.96 m² (100,857.41 ft²) office GFA, which are proposed to be located at key frontages for visibility. The Owner has introduced active at-grade residential uses (townhouse style units, lobbies, and amenity areas) in areas where commercial uses would be less visible and viable. These elements will be further developed during the future

site plan application(s) stage.

e) <u>Pedestrian Access</u>

At the statutory Public Meeting, members of the public commented that the Proposed Development should support and contribute to a sustainable walkable community. The Revised Proposal provides 6 m boulevards on Courtyard Lane and Clegg Road with pedestrian connectivity interior to the Subject Lands. Revisions have been made to the private internal circulation to reflect the modified built form, and to provide for a more pedestrian friendly circulation route. The Revised Proposal introduces dedicated pedestrian infrastructure including sidewalks, off-street pathways, at-grade mid-block connections, and bicycle parking spaces to prioritize the pedestrian. The Applicant has also agreed to explore better connections to the Civic Centre.

f) Transportation Concerns and Parking

The DSC and members of the public expressed concerns that the Proposed Development will have negative impacts on traffic in the area. The Owner submitted a Transportation Impact Study ("TIS"), which noted that as the area continues to develop with improvements and implementation to the pedestrian and cycling networks identified in the TIS, the multi-modal transportation context of the site will continue to improve and support a future shift in travel behaviour to favour non-single occupant vehicle modes. The existing and future transit and active transportation conditions are considered good given the excellent public transit options and robust cycling and pedestrian networks accessible to the Subject Lands and within the surrounding area. In principle, Transportation Planning Staff agree with the findings of the TIS, subject to addressing outstanding technical matters, which will be addressed by the Holding Provisions in the draft ZBLA.

Members of the public also expressed concerns regarding parking in Markham Centre and whether the Proposed Development will have parking spaces available for the public to rent. The Owner confirmed that parking spaces will only be available for residents and visitors of the development. The proposal incorporates below grade parking garages under the new buildings and portions of the public park. No parking is proposed below the existing hotel and conference centre as these buildings will remain in situ. Strata underground parking is proposed below the parkland dedication but not the parkland proposed on the City-owned land. The proposed parking provisions remain under review by Staff.

The proposed Official Plan and Zoning By-law Amendments are appropriate and represent good planning (Appendices 'A' and 'B')

Staff are satisfied that the Proposed Development facilitates a mixed-use high density development within an urbanizing corridor, in close proximity to higher order transit. It includes at-grade non-residential uses to implement the anticipated mixed-use vision for the area. The implementing ZBLA includes Holding Provisions to ensure that technical matters identified through the review of the Applications are addressed prior to the submission of a complete Site Plan Application that relate to municipal infrastructure and servicing; confirmation of water supply and sanitary servicing capacity, to the satisfaction of the Waterworks and Engineering divisions; updated Transportation Impact Study, Functional Traffic Design Study, and an enhanced Transportation Demand Management Plan.

The future site plan application(s) will be required for the development

Future site plan application(s) will be need to address matters including, but not limited to, private amenity areas, pedestrian access, Markham Sustainability Metrics program, and inclusion of Age-

Friendly features. Staff note that the Owner will be required to pay Community Benefit Charges ("CBC") pursuant to the City's CBC By-law, prior to the issuance of the first Building Permit. The Owner must also confirm that they will make efforts to connect to Markham District Energy and the inclusion of an automated waste system.

CONCLUSION:

The Revised Proposal makes efficient use of an underutilized land parcel that has been identified provincially, regionally and locally for intensification with a mix of uses. The Subject Lands are located adjacent to existing transit routes and existing and future community amenities. The proposed building heights and density are generally consistent with other approved developments in the vicinity and the intent and vision of the MCSP Update study. For these reasons, Staff opine that the Applications are appropriate and represent good planning. Therefore, Staff recommend that the proposed OPA and ZBA (Appendices 'A' and 'B') be approved, with both implementing documents to be finalized pending technical matters being addressed, and forwarded to Council for enactment at a future Council meeting.

FINANCIAL CONSIDERATIONS:

Not applicable

HUMAN RESOURCES CONSIDERATIONS:

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

The Applications align with the City's strategic priorities of managing growth and municipal services to ensure safe and sustainable communities.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Applications were circulated to various departments and external agencies. Requirements of the City and external agencies have been reflected in the implementing Official Plan and Zoning By-law Amendments (Appendices 'A' and 'B').

RECOMMENDED BY:

Giulio Cescato, MCIP, RPP

Director of Planning and Urban Design

Arvin Prasad, MCIP, RPP

Commissioner of Development Services

ATTACHMENTS AND APPENDICES:

Figure 1: Location Map

Figure 2: Area Context Zoning

Figure 4: Site Plan

Figure 5: Conceptual Rendering

Figure 6: Markham Centre Secondary Plan update – Recommended Development Concept

Appendix 'A': Draft Official Plan Amendment Appendix 'B': Draft Zoning By-law Amendment

AGENT:

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