

Report to: Development Services Committee Report Date: June 21, 2011

SUBJECT: PRELIMINARY RECOMMENDATION REPORT

The Remington Group (Market Village Markham)

and Pacific Mall

North East Kennedy Road and Steeles Avenue East Applications for site plan approval for two proposed

commercial developments

Files:

SC 07 128831 (Market Village Markham)

SC 10 125799 (Pacific Mall)

PREPARED BY: Scott Heaslip, Senior Project Coordinator, Central District

REVIEWED BY: Richard Kendall, Manager, Central District

RECOMMENDATION:

1. That the staff report dated June 21, 2011 entitled "Preliminary Recommendation Report, The Remington Group (Market Village Markham) and Pacific Mall, North East Kennedy Road and Steeles Avenue East, Applications for site plan approval for two proposed commercial developments," be received.

- 2. That the applications be endorsed, in principle.
- 3. That the Milliken Subcommittee review final plans and any outstanding issues, and assist in coordination with the City of Toronto and other public agencies as required.
- 4. That staff report back to Development Services Committee with conditions of site plan endorsement once the issues outlined in the June 21, 2011 staff report have been addressed to the satisfaction of staff.
- 5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

The Remington Group is proposing to demolish the existing "Market Village Markham" centre and redevelop the property with a new shopping centre to be known as the "Remington Centre." Pacific Mall is proposing to expand and renovate the existing "Pacific Mall" centre.

Town of Markham staff are working with the applicants and other public agencies to address the long standing transportation, parking, drainage and sewer capacity issues with these developments and to refine the project plans.

Staff in working with the applicant, Region of York, City of Toronto, York Region Transit, Metrolinx/GO Transit and the Toronto Transit Commission (TTC) are now satisfied that there can be viable transportation options to serve this development. Furthermore, staff are generally satisfied with the project plans and are recommending that Development Services Committee endorse the projects, *in principle*, and direct staff to bring a final recommendation report, including detailed conditions of approval, for consideration by Committee when the issues identified in this report have been addressed.

PURPOSE:

The purpose of this report is to update Development Services Committee on two site plan applications and to recommend that Committee endorse site plan approval for the proposed developments, *in principal*.

BACKGROUND:

Subject lands

The subject lands comprise the majority of the block bounded by Steeles Avenue to the south, Kennedy Road to the west and the GO Transit railway line to the east and north (Figures 1, 2 and 3).

The Remington Group property has an area of 9.4 hectares (23.3 acres) and has frontage on both Steeles Avenue and Kennedy Road. It is occupied by a partially enclosed one-level shopping centre with a gross floor area of 32,772 square metres (352,767 square feet), known as "Market Village Markham."

The Pacific Mall property has an area of 5.26 hectares (13 acres) and fronts on Steeles Avenue. It is occupied by a two/three level fully enclosed shopping centre with a gross floor area of 25,648 square metres (276,082 square feet).

The block contains a third property situated between the Pacific Mall property and Kennedy Road. This property has an area of 1.1 hectares (2.7 acres) and is occupied by a two-storey 4,202 square metre (45,231 square foot) commercial development known as "Kennedy Corners Country Shoppes."

The access driveways and on-site driveways serving the three developments are integrated and secured by cross easements between the three landowners.

History of existing developments

The site currently occupied by Pacific Mall was previously occupied by Cullen Country Barns, a "country theme" commercial development constructed in the mid 1980's and specializing in giftware and garden supplies.

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Market Village Markham, which adjoins the east and north boundaries of Cullen Country Barns, was constructed in the early 1990's to complement Cullen Country Barns. Market Village Markham was developed by Cedarland Properties, a corporate predecessor to the current owner The Remington Group.

Kennedy Corners Country Shoppes, which occupies the narrow strip of land between Pacific Mall and Kennedy Road, was constructed by the current owner in the 1990's.

The three developments were constructed in the same architectural style to reinforce the intent at the time that they would function as an integrated "theme" commercial development anchored by Cullen County Barns.

However, the market for a "country theme" commercial development weakened and Market Village Markham, which opened during the 1989-1990 recession, was unable to attract more than a few tenants, most of which quickly failed. Cullen Country Barns closed in the early 1990's.

The Cullen Country Barns property was sold to the Torgan Group, which demolished Cullen Country Barns and redeveloped the property with the Pacific Mall, a condominium retail development, which opened in 1997. The Pacific Mall building was sited on the same general footprint as Cullen Country Barns, and therefore did not require any revisions to the layout of the driveways shared with Market Village Markham and Kennedy Corners Country Shoppes.

Official Plan and Zoning

The subject lands are designated "Major Commercial Area" in the Official Plan. Lands in this designation are intended to be developed with large scale multi-purpose centres or areas offering a diverse range of retail, service, community, institutional and recreational uses serving a major portion of the municipality or a broader regional market. This designation is also intended to accommodate medium and high density housing at appropriate locations.

The lands are zoned Special Commercial 2 – Special (SC2S) by By-law 47-85, as amended. (Figure 2) This zoning permits a broad range of commercial uses including retail stores, restaurants, offices, personal service shops and financial institutions. A hotel is also permitted on the Pacific Mall property. Residential uses are not currently permitted by the zoning of the subject lands.

Proposed Developments

The Remington Group is proposing to demolish the existing Market Village Markham and replace it with a new shopping centre to be known as the "Remington Centre." (Figures 4-16) The details of the proposed development are:

- Fully enclosed shopping centre
- 2 full and 1 partial level of commercial use

- Gross floor area 79,494 square metres (855,698 square feet)
- 7-level parking structure along east boundary adjoining railway (2,847 spaces)
- Surface parking area along Kennedy Road frontage (295 spaces)
- Proposed parking supply 3150 spaces
- Tenure condominium

Pacific Mall is proposing two additions to the existing shopping centre. (Figures 17-25) The details of proposed development are:

- Additions to north and south sides of the existing building:
 - South addition includes two retail levels extending the existing two-level enclosed shopping centre, and a single tier of commercial units at grade and opening to the outside along the Steeles Avenue frontage. Addition incorporates 6 parking levels within the building envelope 2 underground, 1 at grade, and three above the retail levels.
 - North addition includes 2 levels of retail extending over existing driveways and parking area, one extending from second level of existing centre, and second level above.
- Gross Floor Area (additions) 34,853 square metres (375,149 square feet)
- Total Gross Floor Area (including additions) 60,214 square metres (648,161 square feet)
- Proposed parking supply 2,614 spaces
- Tenure condominium

Remington Centre and Pacific Mall are proposed to be linked by enclosed overhead walkways at the second floor level.

The proposed developments respect the general configuration of the on-site driveways which are subject to cross easements.

OPTIONS/ DISCUSSION:

Proposed developments are consistent with Town policy direction

When completed the proposed developments will function as a large scale centre serving a broad regional market, which is the intended planned function of the "Major Commercial Area" designation.

Developments are permitted by existing zoning

The proposed uses are all permitted by the existing zoning of the properties. The Remington Group may require a minor variance for portions of their proposed development, which may exceed current height permissions.

Conceptual project designs are acceptable

The proposed southern addition to Pacific Mall will bring the development to the intersection of Steeles Avenue and Kennedy Road. This is a significant improvement over the current street relationship.

The Remington Centre is also designed to address Steeles Avenue across an expansive "entry plaza" accommodating a large reflecting pond, which will become an artificial ice rink in the winter. The development will have a lesser presence on Kennedy Road recognizing the potential future grade separation with the railway line, and will back onto the adjoining railway line, which is appropriate.

The proposed massing and built form are appropriate to the intended market and function of the developments. The two developments will be architecturally distinct from each other, but complementary.

Staff are working with the applicants to refine the project plans to address outstanding urban design and other issues, including the following:

- Ensure high quality of public realm along pedestrian routes throughout the site:
- Incorporate streetscape elements along public roads including street tree planting, hard and soft landscape details and public art;
- Detailed design for outdoor open space areas to ensure all year use of the space, accessibility, identity and environmental quality;
- Overall landscape plan;
- Sustainability issues and bird friendly design;
- Pedestrian connectivity within the sites and surrounding area, particularly to the GO Station, the proposed Steeles Avenue transit stop and the Milliken Secondary Plan area;
- Building design details and use of exterior materials, particularly, graderelated facades along public streets and usable open spaces;
- Adequate screening and design mitigation of the proposed above grade parking facilities, service areas, loading, mechanical devices and equipment;
- Commercial signage and wayfinding signage throughout the site;
- Potential opportunities for community space;

The required refinements will be incorporated into the project plans before they are brought back to Committee for endorsement.

Transportation impact and parking issues are being addressed

In consideration of the ongoing concerns with the traffic impact of the existing developments and the adequacy of the parking supply, staff advised the applicants that these matters need to be addressed to the satisfaction of the Town, the City of Toronto and the Region of York before the proposed development applications can be recommended for approval. To this end the applicants have jointly retained Poulos and Chung Limited Transportation Engineers to investigate these issues.

Access and traffic impact: Poulos and Chung have organized a "steering committee" with representation from the City of Toronto, York Region, the Town of Markham, TTC, Metrolinx/GO Transit and YRT, to work through the access and transportation issues. This committee has met 4 times to date and will continue to meet until all of the transit and transportation demand management issues have been satisfactorily addressed.

The preliminary findings of Poulos and Chung, in consultation with the Committee, are:

- The majority of customers arrive from the south, west and north. Therefore the previously proposed driveway connection to the east under the railway line to Old Kennedy Road and Midland Avenue would not significantly improve traffic operations.
- The left turn movements into and out of the site from Kennedy Road and Steeles Avenue are generally constrained.
- A growing number of patrons arrive by transit, mostly on the TTC Steeles and Kennedy routes.

The preliminary recommendations of Poulos and Chung are:

- Provide underground ramp connections from Kennedy and Steeles, as illustrated on Figure 26 attached, to eliminate the need for left turn movements in to and out of the site from these streets.
- Provide an on-site transit station to accommodate motor coach vehicles. TTC
 representatives have conceptually agreed to loop the Kennedy Road buses which
 currently terminate at Steeles through the site to Redlea Avenue, past the GO
 Train station, and back onto Kennedy Road at Passmore Avenue (once Redlea has
 been completed to Passmore) in the City of Toronto.
- Provide convenient and safe pedestrian connections to the GO Train station on Redlea Avenue one block south of Steeles Avenue. This connection can potentially be incorporated into the design of the proposed Steeles/GO Rail grade separation.
- Provide a grade-separated pedestrian connection across the GO Rail line to the Milliken Secondary Plan community.

The recommendations of Poulos and Chung need to be documented in more detail and technically validated and reviewed with the City of Toronto, York Region and the Town of Markham before it can be confirmed that they can be implemented. This should occur before conditions of site plan approval are finalized and endorsed by Development Services Committee.

Parking: Poulos and Chung have conducted extensive parking utilization surveys of the existing Market Village Markham and Pacific Mall developments. Based on the outcome of these surveys, they are recommending a parking supply ratio of 1 space per 16.6 square metres (5.59 spaces per 1000 square feet) of gross leasable area, whereas the current Town standard for shopping centres is 1 space per 18.5 square metres (5 spaces per 1000 square feet) of gross leasable area (with Gross leasable area being not less that 75% of the gross floor area). This parking supply will be further reviewed by staff.

The number of parking spaces proposed by the Remington Group and Pacific Mall are consistent with the recommendations of Poulos and Chung.

Access easements: The configuration of the driveways which are subject to cross easements between the three owners is not proposed to be significantly altered by the proposed developments. However, some of the driveways will need to be disrupted

during construction and potentially permanently altered to facilitate the proposed underground ramp connections. The owner of Kennedy Corner Country Shoppes has expressed ongoing concern to Town staff that customers of Pacific Mall often occupy the majority of the parking spaces in vicinity of his development, leaving very few spaces for the customers of his development. He is concerned that the proposed southern addition to Pacific Mall will make this situation worse. It is unclear whether the proposed disruptions of and alterations to these driveways can occur without the consent of the owner of Kennedy Corners Country Shoppes, in relation to cross easements.

As the proposed access improvements are critical to the acceptable function of the developments, this issue needs to be resolved to the satisfaction of the Town before conditions of site plan approval are endorsed by Development Services Committee. Staff understand that discussions are ongoing between the landowners.

Council involvement in approval process

On September 14, 2010, Remington and Pacific Mall presented preliminary project plans to Development Services Committee. Committee identified a number of issues, including transportation, transit, parking, accessibility, sustainability, bird friendly design, integration with the adjoining development, and connectivity to the community east of the tracks, and suggested that consideration be made to forming a subcommittee to ensure Council involvement throughout the approval process for the proposed developments. In consideration of the progress that has been achieved with public agencies on the technical issues, it is now appropriate to engage Council more directly in the approval process. Staff recommend that the Milliken Subcommittee be engaged to review final plans and any outstanding issues (traffic impact, transit, architecture and design, sustainability, etc.), and to assist in coordination with the City of Toronto and other public agencies as required. Meeting(s) of the Milliken Subcommittee could occur during September/October in advance of the final recommendation report to Development Services.

Technical issues that need to be addressed prior to final site plan endorsement Outstanding technical issues that need to be addressed to the satisfaction of the Town and other public agencies prior to site plan endorsement include:

- An updated Transportation Impact Study is required for review and approval by the City of Toronto, York Region and the Town of Markham.
- The proposed access improvements need to be technically validated and accepted by the City of Toronto and the Region of York as Steeles Avenue and Kennedy Road are under their respective jurisdictions.
- Appropriate Transportation Demand Management (TDM) measures need to be identified and incorporated into the project plans and conditions of site plan approval.
- The project plans need to be refined to incorporate the required on-site transit facilities and the recommended parking supply.
- Environmental sustainability measures, including bird friendly design, need to be incorporated into the proposed developments. Remington is proposing to meet or

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exceed LEED standards, including the installation of a geothermal heating system.

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• The proposed developments will generate additional sanitary flows that the current sanitary sewer system cannot handle. A comprehensive study is underway to identify required improvements. These improvements will need to be identified and secured as conditions of site plan approval.

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- The Town of Markham has a cross boundary drainage agreement with the City of Toronto that specifies maximum flows into Toronto's sewers. The developments will therefore need to incorporate on-site facilities to detain excess stormwater and release it into the sewers at the maximum prescribed rate. Remington's on-site stormwater management facility, which is proposed to be located partially beneath the reflecting pond/skating rink, handles off-site flows from the lands to the east across the GO Rail line. The design of this facility may need to be revised to meet Town standards, which may impact on the location and design of the proposed reflecting pond/rink.
- The technical requirements of the Region of York, the City of Toronto, Metrolinx/GO Transit, the TTC, YRT and the Town of Markham need to be confirmed and addressed in the project plans and the conditions of site plan endorsement.
- The project plans need to be refined to address the urban design issues outlined above.

Potential future phases not part of current applications

The plans submitted to the Town in support of the subject site plan applications show potential future phases; a hotel or apartment building on Remington Centre and a hotel on the Pacific Mall. These potential future phases require amendments to the Town's zoning by-laws and are not part of the subject applications.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link) Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

The proposed developments support a number of the Town's Strategic Priorities, including Economic Development and Transportation/Transit.

BUSINESS UNITS CONSULTED AND AFFECTED:

The applications have been circulated to Town departments and public agencies for comment. Their requirements will be addressed in detail in the final recommendation report.

RECOMMENDED BY:

Rino Mostacci, M.C.I.P, R.P.P.

Director of Planning and Urban Design

James Baird, M.C.I.P, R.P.P

Commissioner, Development Services

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ATTACHMENTS: Site Location Figure 1: Figure 2: Area Context / Zoning Figure 3: Air Photo Figure 4: Remington Centre - Site Plan Figure 5: Remington Centre - Plaza Level Plan Figure 6: Remington Centre - Ground Floor Plan Figure 7: Remington Centre - Upper Floor Plan Remington Centre - South Elevation Figure 8: Remington Centre - West Elevation Figure 9: Figure 10: Remington Centre - East Elevation Remington Centre - North Elevation Figure 11: Figure 12: Remington Centre - Artist's Rendering Figure 13: Remington Centre - Artist's Rendering Figure 14: Remington Centre - Artist's Rendering Figure 15: Remington Centre - Artist's Rendering Remington Centre - Artist's Rendering Figure 16: Figure 17: Pacific Mall - Site Plan/Ground Floor Plan Figure 18: Pacific Mall – Main Floor Plan Figure 19: Pacific Mall – Upper Floor Plan Figure 20: Pacific Mall – Elevations Figure 21: Pacific Mall – Artist's Rendering – Looking North Pacific Mall - Artist's Rendering - Looking Northwest Figure 22: Pacific Mall – Artist's Rendering – West Elevation Figure 23: Figure 24: Pacific Mall – Artist's Rendering – South Elevation Pacific Mall – Artist's Rendering – East Elevation Figure 25: Figure 26: Proposed access improvements Applicant - Remington Group: Paul Stagl Opus Management Inc. 62 Fairholme Avenue Toronto, Ontario

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