**T****o: Committee meeting on Oct 14th
Toronto and East York Community Council
--------------------------------------------------------
Re: Analysis of Developer’s Proposal
 for 1540 Bloor Street West**

**This outline is an analysis of the residential component of this development.**

The residential size (GFA) of the developer’s proposal is 25,638 sq. meters of residential gross floor area which is equivalent to 251,537 sq.ft.

The estimated Developer’s costs are **$640 per sq.ft**.

**Typical Costs for a hi-rise condo**

|  |  |  |
| --- | --- | --- |
| **Construction costs** | **$360** | **per sq.ft.** |
| **Soft costs** | **$140** | **per sq.ft.** |
| **Land costs** | **$140** | **per sq.ft.** |
| **Total** | **$640** | **per sq.ft.** |

Thus, the total cost is estimated to be $160,983,680 ($640/sq.ft. x 251,537 sq.ft.)

The total sales revenue from the sale of the condos is estimated to be $241,326,000 based on an average price of $750,000 for 315 units, and allowing for a 50% price reduction per unit for the additional 12 affordable units.

The present City zoning allows for a residential floor area (GFA) of 79,570 sq.ft.

The developer’s proposal is for a residential floor area (GFA) of 251,537 sq. ft.

This is more than a 300% increase in density from what the present zoning allows – from 79,570 sq. ft to 251,537 sq.ft.

As outlined in the attached “Analysis” the increase of approximately 233 units, (average size of 769 sq.ft.) with an estimated land value of $140/ pe unit, will yield a bonus of $32,600,000 compared to what the developer would have to pay for 233 units on another site.

In addition, the estimated profit for the developer from the additional units (over the existing zoning density) is estimated to be an additional $32 million as outlined in the attached schedule.

….. 2

Based on these assumptions, the additional land value of the increased density plus the profit will yield total benefits of $65 million to the developer for the rezoning being requested.

We understand that the developer will be making an offer to the City for a relatively small amount by way of a Section 37 proposal and/or other small benefits being offered.

However, given the current housing affordability crisis, our citizens group is asking for the City to stop giving away millions to developers and to demand a substantial component in affordable housing units in these new developments – for the huge benefits that the developer is requesting.

And there are over 20 projects that are being rushed through the City’s approval process to avoid any inclusionary zoning requirements.

**Background Information (*provided by* the City)**

On December 20, 2019, the City received an application to amend Zoning By-laws 438-86 and 569-2013 for 1540-1550 Bloor Street West to permit the development of the lands for a 25-storey (80.6 metres plus 6 metre mechanical penthouse) mixed-use building. The proposal included 327 dwelling units, of which 12 would be affordable rental replacement units; 25,638 square metres of residential gross floor area and 807 square metres of commercial gross floor area. The proposed total gross floor area of 26,445 square metres would result in a density of 10.72 times the area of the lot. The proposal would incorporate a two-level below-grade garage with a total of 100 vehicular parking spaces. A total of 337 bicycle parking spaces were proposed.

The applicant appealed City Council's neglect or failure to make a decision on its application for Zoning By-law Amendment (the "Appeal") to the Local Planning Appeal Tribunal (the "LPAT"), now continued as the Ontario Land Tribunal (the "OLT") on June 25, 2020. The LPAT conducted two Case Management Conferences, on October 29, 2020 and February 10, 2021. The LPAT scheduled a two-week hearing commencing on July 5, 2021, which was adjourned due to witness unavailability until January 10, 2022.