



## OMB rejects big-box plans in Leslieville

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CITY HALL BUREAU

Plans for a \$220 million retail "power centre" south of Eastern Ave. in Leslieville have been turned down by the Ontario Municipal Board, a decision that has city officials celebrating.

"This is a total victory for the city of Toronto," city lawyer Brendan O'Callaghan said yesterday.

"It's not every day that we're that happy with an OMB decision," exulted Paula Fletcher, the councillor for the area.

In a 55-page ruling, OMB vice-chair James McKenzie sided with the city's experts, who in effect said the SmartCentres/Toronto Film Studio application didn't constitute good land use planning and would probably "destabilize" the designated employment district south of Eastern Ave.

Professional planning consultants and real estate advisers the city hired as experts had warned the OMB hearing that the application risked causing "retail contagion" in the area. Allowing the large centre would make it easier for subsequent retail applicants to get a foothold, argued real estate expert Jeffery Climans.

This would rapidly bid up the market value of the industrial and commercial properties in the district, leading to lease terminations and limiting the ability of existing businesses to renew their leases, Climans said. That would result in a general disruption of the area's business fabric.

The employment area in question is bounded by Eastern to the north, Woodfield Rd. to the east, Lake Shore Blvd. E. to the south, and the Don River to the west. It comprises about 135 hectares.

The property the partners wanted to develop falls within the area – a 7-hectare rectangle just west of Leslie St.

At the beginning of the hearing last year, the buildings on the property were in the final days of being used by Toronto Film Studios. By the end of the hearing, TFS was moving to the newly opened Filmport studio, in the portlands.

SmartCentres wanted to develop a multi-level retail, service, commercial, office and entertainment complex on the property covering nearly 700,000 square feet.

The plan called for retail stores of various sizes, possibly including two large-scale units of up to 180,000 square feet.

Parking was set aside for more than 1,700 vehicles, hidden from the street and nearby homes.

Though no anchor tenant was identified, Wal-Mart, a SmartCentres staple, was widely rumoured to be a top choice

In June 2004, TFS filed an application with the city to rezone the property for redevelopment. SmartCentres later joined in. The hearing was told a title search revealed SmartCentres paid \$14 million for a 50 per cent interest in the property.

The city rejected the landowners' rezoning bid, arguing among other things that a huge retail complex would threaten the larger employment zone. This set the stage for the OMB showdown.

The city wanted the land set aside for "creative industry" jobs like those in film or media. SmartCentres argued the redevelopment would bring about 2,000 permanent retail jobs.

The retail plan divided the Leslieville community. Some welcomed the idea of a Wal-Mart and other inexpensive stores, while others fought the application vociferously through a campaign led by the East Toronto Community Coalition.

Coalition member Charles Braive, a film production manager, said he's delighted with the decision and hopes the property will be used for future film, audio, animation or computer design projects.

Despite a large drop-off, he said, television production is picking up, and he predicts film production will, too.

Mayor David Miller also praised the decision in a statement yesterday. "Preserving and protecting employment lands is an important part of Toronto's Official Plan," he said. "This decision recognizes that position, and strengthens our ability to ensure Toronto can prosper now and in the future."

SmartCentres spokesperson Sandra Kaiser issued a written statement:

"All the voices have been heard, and we lost," it said. "While disappointed, we respect the process and the decision of the (OMB).

"At this time, we have no immediate plans for other development or use of the property and will assess all available options to us," the statement said.

*With files from Vanessa Lu*