



City of
Peterborough

To: Members of the General Committee

From: Sandra Clancy, Chief Administrative Officer

Meeting Date: July 18, 2022

Subject: 282 Aylmer Street North, Report CAO22-009

Purpose

A report to recommend not to designate the building located at 282 Aylmer Street North commonly referred to as the Montreal House for Heritage Designation under the Ontario Heritage Act, 1990.

Recommendations

That Council approve the recommendations outlined in Report CAO22-009, dated July 18, 2022, of the Chief Administrative Officer as follows:

- a) That the property known as 282 Aylmer Street North not be designated under the Ontario Heritage Act, 1990; and
- b) That staff be directed to remove the reference to 282 Aylmer Street North from the City's Heritage Register.

Budget and Financial Implications

There are no direct budget or financial implications arising from the approval of the recommendation.

Background

The subject lands are located on the east side of Aylmer Street North, at the northeast intersection of Aylmer Street North and King Street. The property is bounded on the east by the City owned property known as 220 King Street. As part of the Urban Park development, the City acquired the property at 220 King Street, being the former Shish Kabob Hut restaurant. The building was demolished, and the property was reserved for a future park facility building, which could contain washrooms, a change room area and storage space.

The City elected to select a Developer to enter into a public-private partnership for the construction of the building through an Expression of Interest (EOI). The EOI requested that submissions meet the following criteria: provide an affordable housing component, include sustainable features that assist in addressing climate change, align with key Official Plan Policies, have a high level of Urban Design and synergy with the Urban Park.

1297135 Ontario Ltd., operating as Ashburnham Realty (AR) was the successful proponent of the EOI. The proponent had purchased the corner property at Aylmer Street and King Street (previously known as "Montreal House") for consolidation with the City owned 220 King Street property which facilitated a larger mixed-use development. The proponent presented a concept that had a high level of urban design and synergy with the park through the creation of a focal point that anchored the south-end of the park while allowing air and sunlight into the Urban Park. The original intent was to incorporate a portion of the Montreal House into the architecture of the proposed 8 storey residential building.

Following the award of the EOI, the developer made an application to CMHC's Co-Investment Fund which would facilitate all of the units being "affordable" (80% average market rent). In addition, the proponent committed to construct the interior facilities needed in support of the Urban Park at no additional cost to the City. The building was proposed to be designed in such a way as to ensure the lowest possible greenhouse gas emissions both operationally and in building material selections to surpass the targets set out in the Climate Action Plan.

Since July 2020, Ashburnham realty has entered into an agreement with the CMHC to support a mixed-use development that would support 75 dwelling units. Sometime after awarding the EOI to Ashburnham Realty, a substantially modified proposal was received whereby the building did not compliment the Urban Park. As well, the Montreal House was proposed to be demolished and replaced with a replica due to a cited inability to bring the existing building up to code and CMHC imposed building

requirements. Staff expressed concerns at this time regarding the new design and proposed demolition of the Montreal House but were told that it was still conceptual and could be modified to the City's satisfaction.

Since February 2022, City staff have subsequently worked with AR and their design team on a number of conceptual design iterations in an effort to preserve the heritage value of the Montreal House and fulfill the original intent of the EOI including a high level of urban design and alignment with the Official Plan. After numerous design iterations it became evident that there were multiple competing priorities including the relationship of the building to the urban park, the preservation of the Montreal House, maintaining the agreement with CMHC to provide affordable housing, achieving the accessibility and sustainability requirements of the new build and ensuring the development is not negatively impacted by the regulatory floodplain.

It is the City's understanding that the CMHC agreement requires 75 residential units, compliance with sustainability measures and strict deadlines that require a commitment from the City by the end of July to move forward. Incorporating the Montreal House into the design would result in difficulty achieving the sustainability requirements but more critically it required the building to extend from Aylmer Street through to Louis Street in order to incorporate the required unit counts while ensuring an appropriate building height. There were conceptual designs that proposed the Montreal House remain in situ as well as a proposed concept that contemplate deconstructing and relocating the building to face the Urban Park. In both of these concepts the proposed building footprint affected the ability to provide a celebrated park entrance off King Street.

Ashburnham Realty has continued to work with City staff to develop a revised concept that considered the many competing priorities. The most recent concept proposes an 8-storey building that is anchored to the corner of King Street and Aylmer Street. This concept will allow for a prominent park entrance off King Street and a high level of urban design that compliments the City's Urban Park. The building footprint has been reviewed by the City's stormwater engineer and it is understood that the location is compatible with the known floodplain conditions. AR has indicated that this proposal will satisfy the CMHC criteria which will facilitate the creation of 75 residential units. All of the units will be offered at below market rates, the building will exceed the National Energy Building Code requirements by 50% and 30% of units will be fully accessible. However, the Montreal House is proposed to be demolished in order to support the proposed development and balance the competing priorities.

The Montreal House is a representative example of the Gothic Revival style used in a commercial setting and notable for its symmetry and central gable. The property has direct cultural heritage associations with the burgeoning railway development and as a longstanding tavern catering to the influx of French Canadians lumbermen coming to Peterborough to work the forests in the north Kawarthas. The building is one of the few remaining hotels of the period that provided semi-permanent residence for the local workforce. The Montreal House is significant for being one of the only local hotels that accommodated shantymen (lumberjacks) and under ownership of a French Canadian, Joseph Brault, it became a local gathering place for French and French-Canadian

visitors and workers. By the 20th century the Montreal House was under ownership of an English Canadian and the residents broadened to include workers in the major industries like CGE that had arrived in the city. Over time the establishment became a men's only drinking establishment. By the late 20th century, the Montreal House emerged as a venue for emerging bands. Now catering to both men and women, the tavern hosted numerous acts that have found local and national renown. Currently the building is Dr. J's, a successful smokehouse restaurant.

Time has become of the essence for this project as the affordable housing component is subject to a federal funding deadline. Given that the original intent was to preserve the Montreal House and then relocate it once that was deemed not possible, a Heritage Impact Assessment was not initiated as it would not have been required. As a result, the Heritage Impact Assessment that would normally be provided to the committee could not be completed in time. In lieu of an HIA, Heritage Staff reviewed the property against the criteria for determining heritage significance under Regulation 9/06 of the OHA and believe the property to be worthy of designation. On June 23, 2022, PACAC received a presentation from AR and their design team, and the Committee recognized the challenge of balancing the competing priorities to move this project forward. Several Committee members spoke to the merits of moving forward with the proposal which would require the demolition of the Montreal House; however, they were reminded that their mandate is to consider only the heritage aspects of the Montreal House and they moved the following motion:

That the property at 282-284 Aylmer St North be recommended to Council for designation pursuant to Part IV, Section 29 of the Ontario Heritage Act,

Should Council adopt the recommendations of the PACAC, Council would signal its Intention to Designate which has the effect of voiding all permits and precludes demolition. The Intention to Designate is accompanied by a heritage designation brief prepared by Staff, and a 30-day period follows during which an owner may object to the proposed designation. This appeal is heard by the Ontario Land Tribunal (OLT) and its decision is binding on the City.

Should Council decide not to support the recommendation of the PACAC to pursue designation, they will need to pass a recommendation directing staff to remove reference to the property from the City's Heritage Register in order to allow for demolition.

As evidenced during the flood in July 2004, the downtown core of Peterborough contains a considerable flood risk area associated with Jackson Creek. Otonabee Conservation (ORCA) regulates all development within and adjacent to the flood plain. Flood plain mapping for the area was last updated in 1991 as part of the Canada/Ontario Flood Damage Reduction Program. A Special Policy Area (SPA) also exists in areas identified as flood plain within the downtown, the SPA exists as a tool to recognize historic lands developed within a flood plain. It provides site-specific policies to support the continued viability of existing and approved land uses in the flood plain.

In 2019, ORCA initiated a project to update the flood mapping associated with Jackson Creek. Due to the complexities in developing flood mapping in the downtown area, the project remains incomplete as ORCA works to refine the modelling and mapping. Initial indications from the ORCA regulatory modeling, including evidence from the City's own Integrated Flood Model (IFM) suggest the properties at 282 Aylmer Street and 220 King Street are subject to flooding during a regional flood event. It is in the best interests of the City to ensure any new development on these properties is appropriately flood proofed (i.e., finished floor elevation is above the anticipated flood elevation), and any new buildings do not result in a negative impact to adjacent properties (i.e., increased flood elevations). This approach would ensure consistency with existing SPA policies until such time as new regulatory mapping and an updated SPA are available.

Overall, staff have reviewed the current concept and it is their opinion that this development generally conforms with the requirements as set forth in the EOI and represents good urban design. While a concept that could meet all of the above-mentioned competing priorities would be idealistic, after various design iterations it has become evident this is not feasible. The recommendation to not designate the Montreal House, under the Ontario Heritage Act will allow this development to move forward in a way that will provide much needed affordable housing to our community, enhance the streetscape, protect the investment made at the urban park by providing the necessary facilities and mitigate impacts to the floodplain.

Implications of Designating the Property

If Council chooses to signal its Intent to Designate the property, a 30-day period for the property owner to appeal to the OLT would be initiated. However, given the CMHC timelines for initiating construction this would effectively end the public-private partnership project, the CMHC funding would fail to materialize, and the 75 below-market rent units would not be constructed.

Given the emerging floodplain considerations, the City-owned 220 King Street has limited development potential and the desired public amenities for the Urban Park (i.e., washrooms, changerooms, storage space) would not be able to be constructed.

Furthermore, if the property owner successfully appeals to the OLT and secures the right to demolish the Montreal House for the purpose of building an infill development, there is no guarantee that future development would provide below-market rent units, it could achieve a similar built form while not providing the public amenities for the Urban Park, representing, in staff's opinion, a missed opportunity.

Summary

It is staff's recommendation that the Montreal House, located at 282 Aylmer Street North, not be designated under the Ontario Heritage Act, 1990. The approval of this recommendation would permit the demolition of the Heritage Listed building. The demolition of this building would facilitate the construction of an 8-storey mixed use

building with 75 residential units. The residential units will be composed of below market rent units through a partnership with CMHC. Given the timelines associated with the CMHC funding, Ashburnham Realty requires a commitment from the City to move forward with the public-private partnership by the end of July 2022.

Submitted by,

Sandra Clancy
Chief Administrative Officer

Contact Name

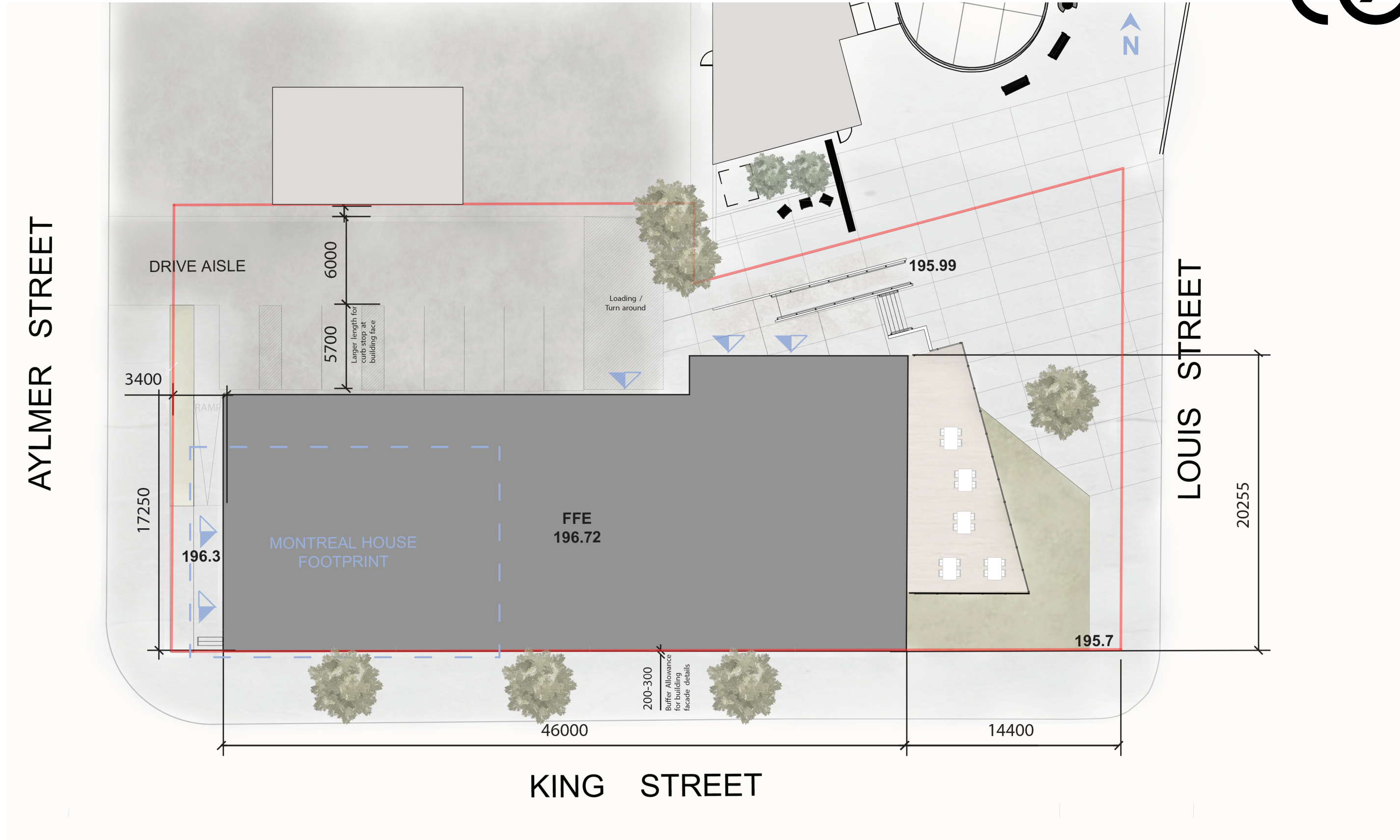
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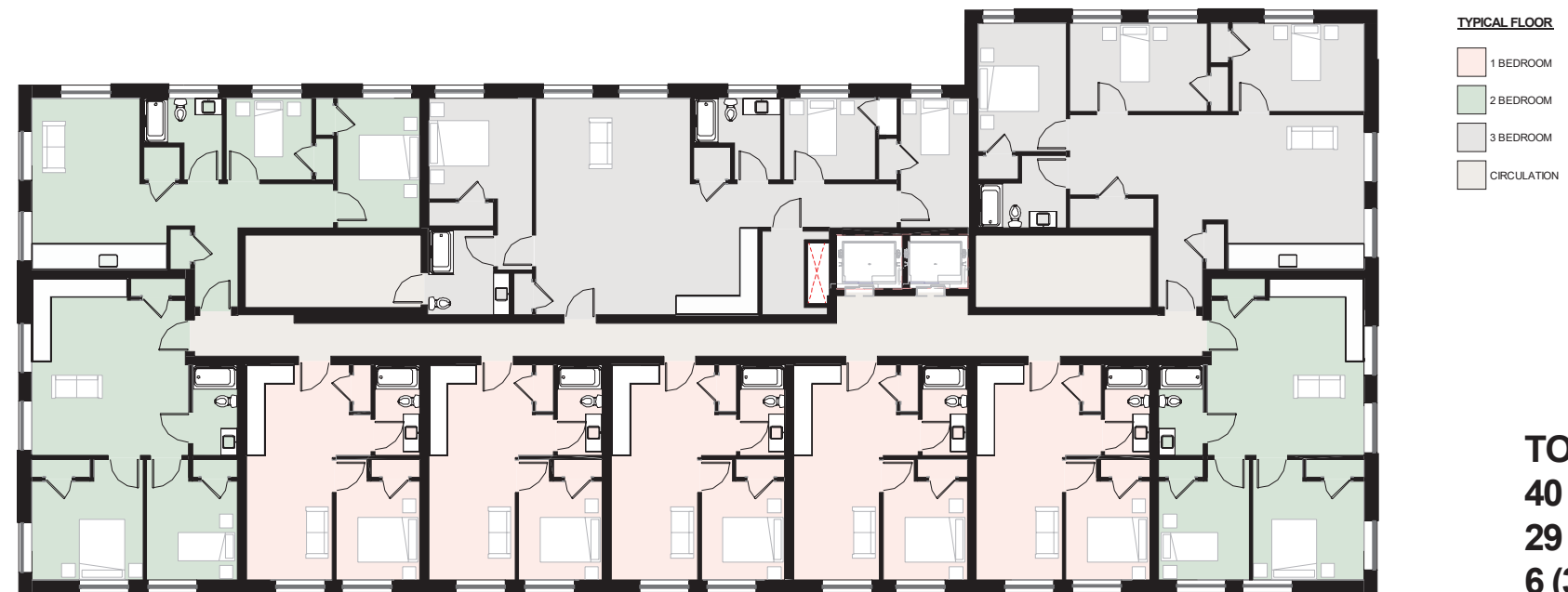
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Attachments

Appendix A –Conceptual Site Plan







TOTAL UNIT COUNT
40 (1) BEDROOMS
29 (2) BEDROOMS
6 (3) BEDROOMS

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EAST ELEVATION