

TORONTO'S NEW INDUSTRIAL REVOLUTION

HOW THE
BATTLE TO SAVE
401 RICHMOND
WILL MAKE
OR BREAK
THE NEW WAVE
TRANSFORMING
TORONTO'S
OLD FACTORIES
INTO CRUCIBLES
OF CREATIVITY

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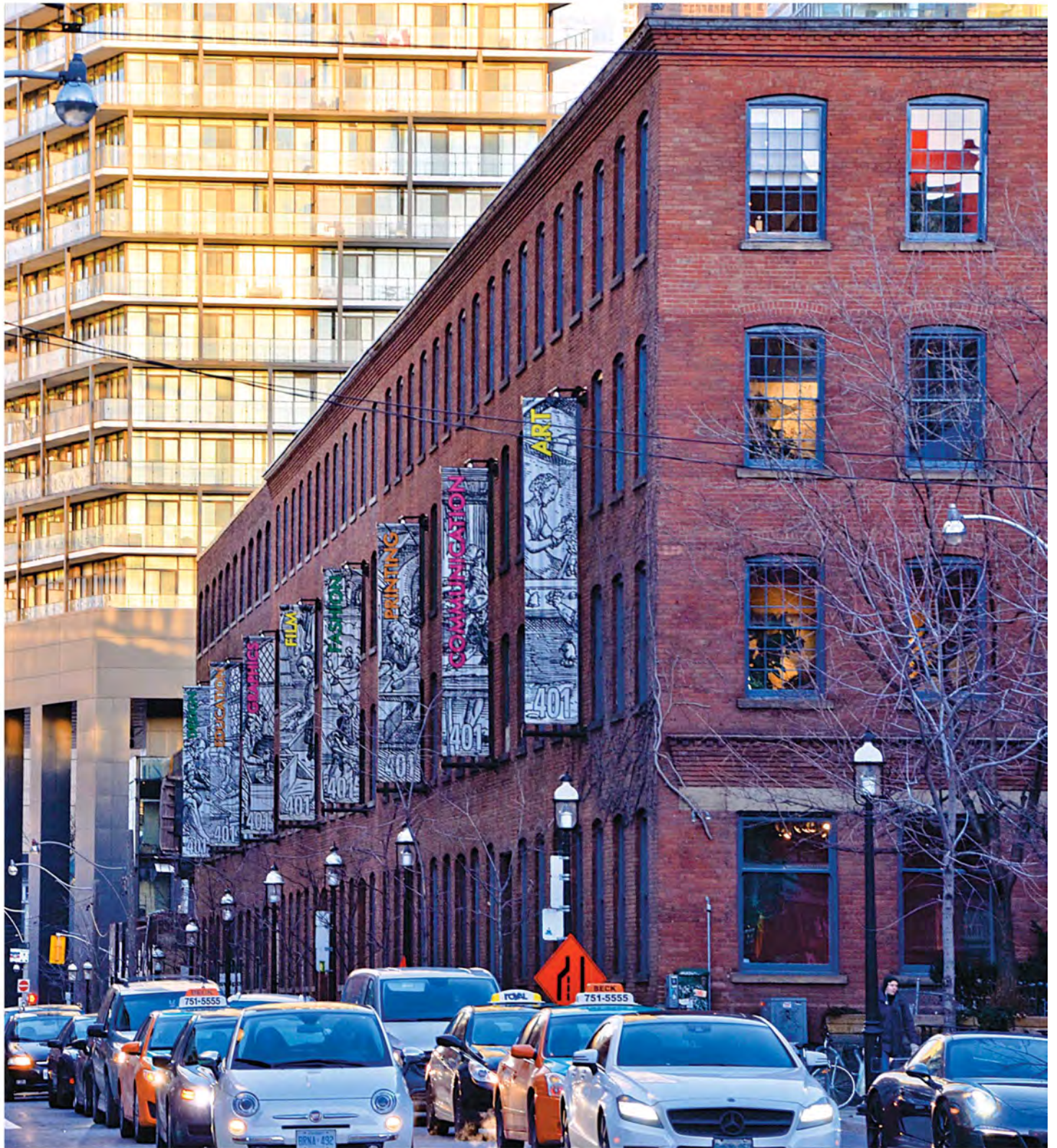
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WHY OLD BUILDINGS NEED NEW IDEAS

If she were writing *The Death And Life Of Great American Cities* today, Jane Jacobs might include 401 Richmond as an example of new ways of working that are transforming Toronto's former factories into sites of post-industrial innovation. It's a brilliant experiment born out of the real estate crisis of 20 years ago that is now being threatened by the latest boom.

WORDS AND PHOTOS BY RICHARD LONGLEY

These are revolutionary times for industrial heritage in Toronto and other cities across Canada.

Victorian masterpieces, plainer early 20th-century buildings and former factories are being adapted for use by

artists, technological entrepreneurs and pioneers of new ways of working that did not exist when they were built.

But that's the way with heritage: built for new ideas in the past, ready for new ideas in the present – and the future.

In 1961 Jane Jacobs published *The Death And Life Of Great American Cities*, which includes what might be her most famous lines: "For really new ideas of any kind... there is no leeway for chancy trial, error and experimentation in the high-overhead economy of new construction. Old ideas can sometimes use new buildings. New ideas must use old buildings."

The "new ideas" she listed seem quaint today: neighbourhood bars, foreign restaur-

rants, pawn shops, studios, galleries, stores for musical instruments and art supplies.

But Jacobs was on to something.

If she were writing *Death And Life* today, her list might include technologies and new ways of working that are transforming Toronto's former factories into centres of "post-industrial industry" – places like 401 Richmond.

In 1899, Scottish immigrant David Macdonald moved his metal lithography business into a new building at Richmond and Spadina. Macdonald Manufacturing churned out colourfully branded tins for cookies, food and household products until 1944, when Continental Can took over the company.

In 1994, Margie Zeidler bought the building for \$1.5 million. Her aim: "to retain 401 Richmond's atmosphere – and low rents – and grow its interesting mix of tenants to create a synergy to expand on." It's a formula that works.

Today 401 Richmond is packed with galleries, co-ops, creative businesses and non-profits. Its 150 tenants include Open Studio printmaking centre, CARFAC (a national

union for artists), the Myseum pop-up museum project (that "connects our recollections of the past with our visions of the future through the ideas, art and artifacts we share"), Gallery 44 centre for contemporary photography, Esmeralda Enrique's Spanish Dance Company and a daycare that opens onto the building's courtyard garden.

In the basement, alongside a Dark Horse café, there's the Station Coworking Space for Creative Freelancers, Swipe Design's objects and books about urbanism and architecture and Spacing's shop of Toronto-centric items and magazine covering planning, transit, sustainability, pollution, public art and other "joys, obstacles and politics of Canada's big cities".

For 401 tenant Heather Dubbeldam, one of Canada's most eminent architects (she's a winner of the 2016 Prix de Rome), "it's an inspiring place to work... filled with creative energy, [and] a testament to the vision of Margie Zeidler."

401's transformation was no accident but a product of inspiration born of crisis.

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Richmond



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RETURN OF THE "2 KINGS"

In the mid-1990s, Toronto was in realty slump. Resale values had crashed after years of high interest rates, and negative equity had reduced the value of many properties to less than the value of their mortgages.

Dismaied by the demolition of downtown heritage industrial buildings sitting on land that was more valuable as parking lots, Barbara Hall, the last mayor of the un-amalgamated city of Toronto, formed the committee. She called it Brainstorming - Uses In The City. Its focus: the "2 Kings" megablocks centring on King and Spadina and King and Parliament between Queen and Front.

The committee's diagnosis: in a city that is no longer industrial, buildings that are zoned industrial are unusable. Its remedy: scrap that industrial zoning, label the 2 Kings "re-generation areas" and provide them with guidelines so relaxed they would charm a libertarian. And so long as their uses are not "noxious," allow almost anything - retail, light industrial, commercial, entertainment and living in buildings where living was previously forbidden.

Twenty-plus years later, heritage industrial buildings that were once vacant, derelict and on the brink of demolition are crucibles of new uses, including some that were science fiction or utopian when the 2 Kings were raised from the dead. 401 Richmond is among the pioneers of new ways of working that sprung from the 2 Kings experiment.

It's a brilliant experiment, one that the Municipal Property Assessment Corporation (MPAC), which sets property values, is threatening to destroy.

The issue in a nutshell: the value MPAC has placed on properties in the area has increased steeply since 2012 and will continue at that pace until at least 2020. According to Zeidler (who is fighting a 2012 assessment), this translates into nearly a tripling of property taxes paid by tenants over the next four years. The larger issue: what value should be placed on creativity and the contributions places like 401 Richmond make to the city.

A NEW DEFINITION OF "HIGHEST AND BEST VALUE"

Zeidler values her tenants according to their creativity and their contribution to society and has historically charged lower rents than comparable buildings in the neighbourhood. She says there have been no rent increases between 2013 and 2016.

MPAC determines a property's worth based on its "highest and best" value, meaning the most lucrative possible use for land, such as condo tower development or Class A commercial office space.

According to these provincial assessors, if a building must be emptied of its tenants, demolished and replaced with a larger building to achieve that value, so be it.

This discourages property owners from preserving heritage buildings or leasing space to unconventional tenants.

MPAC may have backed down from its position on 401 Richmond (designated heritage and supposedly protected from demolition) since Councillor Joe Cressy went public with his concerns in mid-December.

But it continues to target 401 tenants for their lower-than-market rents. "Market rate" increases threaten to force them out of the building and out of a downtown Toronto that would be poorer without them.

It's a prospect that appalls Jennifer Bhogal of Open Studio, which occupies one of 401's largest spaces and is facing an additional \$900 a month in rent. "We've had to look at increasing the fees and rates we charge across the board. Moving to a new location would be incredibly difficult. It would not only force us out of downtown, but would run up a massive tab to move equipment and ensure a new site meets our needs."

It also appalls Heather Dubbeldam: "What's happening here is terrible. The beauty of 401 Richmond is its mix of artists, designers, galleries and non-profits that cannot afford those additional costs added to their rents."



Location of the "2 Kings" megablocks that were part of 1990s industrial renewal project

Jennifer Bhogal of Open Studio

She notes that the building contributes to surrounding property values by its very existence.

"It's one thing for market demand to push out artists, but for provincial policy to facilitate it seems contrary to today's understanding of community. Assessing 401 Richmond through one universal lens will kill the goose to get the egg. The very things that make 401 and places like it so valuable will be squeezed out, until little other than commercial business exists."

As a test case of MPAC's concept of "highest and best value," there could not be a better candidate than 401 Richmond. It contributes so much to the city and its community that evicting its tenants and converting it to some more profitable use seems unimaginable. But preventing that may not be easy.

401 tenants say it's an inspiring place to work

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PILLARS OF THE CREATIVE INDUSTRY

The city is empowered to reduce property taxes by means of rebates for non-profits and for repairs to heritage buildings, but what's really needed are assessment rules that tax heritage properties on the basis of their actual, present use rather than some hypothetical use based on earning potential only.

If that change in the assessment rules were made (along with consideration of a new tax class for smaller non-profits, artists, creators and other innovators), 401 Richmond tenants' property taxes could be assessed on the basis of their actual income rather than what wealthier tenants might pay.

On January 31, Cressy tabled a motion at city council, seconded by Councillor Josh Matlow, to do just that. It contained two recommendations: first, that council request that the government of Ontario examine property assessment for listed and designated heritage properties, including tools that would support the conservation of heritage properties; and second, that the province explore property assessment tools and changes to the Ontario Culture Strategy to support the continued vibrancy of non-profit arts and culture organizations and incubators.

Cressy identified 401 Richmond specifically as "a pillar of creative industry, now home to producers in this age of creativity rather than the products of the past." The motion passed unanimously.



Quantum Coffee and the BrainStation

TANIA-TIZIANA

A demolition freeze was imposed on heritage buildings in the King-Spadina area to allow "conversations" about their future use, but not all conservation pioneers like the idea.



BrainStation interior



BrainStation exterior

CRUCIBLES OF A "POST-INDUSTRIAL REVOLUTION"

In King-Spadina, 163 of 303 buildings have no heritage protection, four have been demolished since 2013 to make way for much larger buildings and at least 17 are at risk.

Last December, Cressy introduced a Heritage Conservation District Study Area Bylaw. It imposed a demolition freeze on King-Spadina to allow "conversations" about the King-Spadina Heritage Conservation District Plan without losing more heritage buildings.

Michael Emory, president and CEO of industrial conservation pioneers Allied Properties REIT, doesn't support the idea of turning either of the 2 Kings into an HCD. Nor does Dermot Sweeny, architect of the QRC East and QRC West buildings.

They maintain that today's developers and architects appreciate the value of heritage as much as their clients and clients' employees do, and that the only buildings at risk are those that are not worth saving. They fear HCD'ing the 2 Kings would crimp future conservation-minded development in once derelict areas of downtown that are now booming.

In 1996, the year of the 2 Kings, Allied was already buying "Class 1" heritage industrial buildings in Toronto and elsewhere in Canada. In 1998 they acquired Sam Sable's portfolio of 18 buildings along King East and West, including the former Spadina Hotel at 460 King

West, where the Rolling Stones, Leonard Cohen and the Tragically Hip performed in the Cabana Room. In 1997 it became the Global Village Backpackers' Hostel.

In 2015, restored to its original glory, the Spadina Hotel became the home of Quantum Coffee and the BrainStation, which invites its clients to "Become Creators" by offering workshops in digital marketing, iOS development, data analytics, product management, user interface design, search engine organization, Google AdWords and social media strategy.

Just north of the BrainStation is another Allied conversion, 80 Spadina, designed as a printing house in 1905 by architect Charles J. Gibson for textbook publisher W.J. Gage. It's now the Toronto home of Shopify, Canada's e-commerce miracle, Toronto Image Weeks and Contact photo festival and gallery.

Emory credits the success of heritage industrial conservation to a growing interest in the architecture of our increasingly dense, walkable and bikeable but less drivable city. Forced to look more closely at our street-scapes, we're more aware of our surroundings, more demanding of excellence and keener to live and work in dense urban neighbourhoods that are rich in architecture of all ages. So long as a building is embedded in the life of the city, that's fine – and if it really works, exciting.

Cressy admires the work of these two city-builders, but he doesn't share their optimism. The "conversation" about the King-Spadina HCD promises to be interesting. ©

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