

**835-841 Queen Street East – Application for Rental Housing Demolition under Municipal Code Chapter 667 - Preliminary Report**

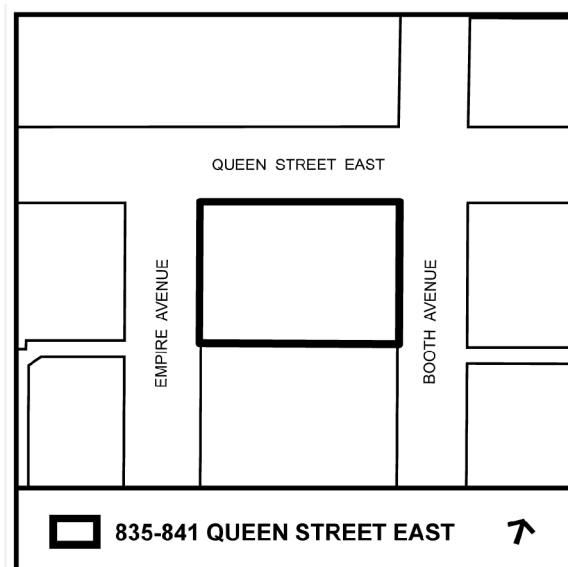
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| <b>Date:</b>             | July 15, 2014  |
| <b>To:</b>               | Toronto and East York Community Council                      |
| <b>From:</b>             | Director, Community Planning, Toronto and East York District |
| <b>Wards:</b>            | Ward 30 – Toronto-Danforth                                   |
| <b>Reference Number:</b> | 14 153558 STE 30 RH  |

**SUMMARY**

This application proposes to demolish the existing 36 residential rental units in a mixed-use building at 835-841 Queen Street East that has also included non-profit community services. The residential component of the building is social housing, including rent-g geared-to-income subsidies, and is owned and operated by a community non-profit housing provider. This community-based organization also owns and operates other non-profit housing in the area, and their activities include community services delivered at a number of other locations.

The social housing units would be relocated off-site in order to allow for the sale of the subject property to a third party for redevelopment purposes. The sale of the property would allow the community organization to create a community services "hub" in a new location, consolidating a number of their other service locations currently spread throughout the community.

This report provides preliminary information on the above-noted application and seeks Community Council's directions



on further processing of the application and on the community consultation process.

## **RECOMMENDATIONS**

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### **The City Planning Division recommends that:**

1. Staff be directed to work with WoodGreen Community Services and WoodGreen Community Housing Inc to bring forward a detailed proposal for the timely replacement of the existing 36 social housing units at 835-841 Queen Street East at an off-site location, and a tenant relocation and assistance plan appropriate for the current residents, in conjunction with the final report on the application for a Section 111 permit to demolish the social housing units under Chapter 667.
2. City Council approve in principle subject to final approval of a Section 111 permit, the demolition of the 36 social housing units at 835-841 Queen Street East with replacement at an off-site location, and the removal of the obligation to replace the units on-site as a condition of receiving development approvals for any future proposal for 835-841 Queen Street East.

### **Financial Impact**

The recommendations in this report have no financial impact.

### **Pre-Application Consultation**

A number of pre-application consultation meetings with the applicant have been held since 2011. The most recent meetings were held on January 10 and February 27, 2014, to discuss complete application submission requirements.

## **ISSUE BACKGROUND**

### **Proposal**

The application proposes to demolish the existing 36 bachelor and one-bedroom social housing dwelling units located in a building that had also provided community services at 835-841 Queen Street East and replace the units at another location in the community. The subject property would be sold on the market to a third party for redevelopment purposes. There is currently no development proposal for the site, which will be the responsibility of the eventual purchaser.

The applicant has requested that the City approve the demolition without the standard condition that any new development on the property can only proceed if the replacement units are included. By permitting them to be located at another site that the non-profit applicant will develop, the City would be relieving the eventual purchaser of the subject site from the obligation of on-site replacement.

If City Council approves the demolition and off-site replacement, the demolition of the existing building will be the responsibility of the eventual purchaser. City Council will then have already provided the Chief Planner and the Chief Building Official with the necessary authority under Chapters 667 and 363, and Section 33 of the *Planning Act* to issue the permits at the appropriate time in relation to any proposed development.

The sale of the property would allow the community organization, which currently operates a number of community services in the local community as well as several non-profit housing properties to create a new community services facility "hub" consolidating a number of those services at another location in the area. Some of the proceeds of the sale will be used to help fund the replacement of the 36 social housing units, though additional public funding will also be required.

### **WoodGreen Community Services**

WoodGreen Community Services has provided community, employment and housing services to residents of Toronto's east end for more than 75 years. They were originally affiliated with WoodGreen United Church at 875 Queen Street East and began operating independently of the church in the late 1960's. WoodGreen currently operates 32 locations and serves approximately 37,000 people annually, mostly east of the Don River.

The existing community services facility at 835 Queen Street East was constructed in 1946, was later renovated and an addition was built in the mid-1980's to include 36 social housing units primarily for single-person households. The community services functions were located on the ground and second floors of the building and were relocated to another WoodGreen facility on Danforth in phases between 2008 and 2012.

Woodgreen Community Housing Inc. (WCHI) leases the space for the 36 social housing units in the building which is owned by Woodgreen Community Services (WCS). Non-profit housing providers must be separately incorporated for purposes of receiving social housing funding. This social housing is funded under Section 78 of the *Housing Services Act* and the City of Toronto administers the funding.

### **Site and Surrounding Area**

The site is located on the south side of Queen Street East between Empire and Booth Avenues. The site is currently occupied by a four-storey mixed-use building that comprised a community facility as well as social housing units, and is generally vacant on the ground and second floors where the community services formerly operated. The 36 social housing dwelling units occupy the remainder of the building, of which 32 units are bachelor apartments and four are one-bedroom apartments.

Uses surrounding the site include:

North: Across Queen Street East are Jimmie Simpson Recreation Centre and Jimmie Simpson Park.

South: Low-rise residential buildings.

East: Across Booth Avenue is WoodGreen United Church and Neighbourhood Houses. Further east are generally low-rise mixed-use buildings along Queen Street East.

West: Across Empire Avenue is a three-storey mixed-use building (generally known as the Empire Mills building). Further west are low-rise residential buildings and the CN railway corridor.

The lands in the area are generally flat.

### **Provincial Policy Statement and Provincial Plans**

The Provincial Policy Statement (PPS), 2014 provides policy direction on matters of provincial interest related to land use planning and development. These policies support the goal of enhancing the quality of life for all Ontarians. Key policy objectives include: building strong, healthy communities; wise use and management of resources; and protecting public health and safety. The PPS also requires municipalities to provide for a range and mix of housing types and to address affordable housing needs. Housing that is affordable to low and moderate income households should be located where appropriate infrastructure and public service facilities are available.

The PPS recognizes that local context and character is important. Policies are outcome-oriented, and some policies provide flexibility in their implementation provided that provincial interests are upheld. City Council's planning decisions are required to be consistent with the PPS.

The Growth Plan for the Greater Golden Horseshoe provides a framework for managing growth in the Greater Golden Horseshoe including: directions for where and how to grow; the provision of infrastructure to support growth; and protecting natural systems and cultivating a culture of conservation. Municipalities are to develop a housing strategy, including Official Plan policies to meet the needs of all residents, including the need for *affordable* housing. City Council's planning decisions are required to conform, or not conflict, with the Growth Plan for the Greater Golden Horseshoe.

Staff will review the proposed development for consistency with the PPS and for conformity with the Growth Plan for the Greater Golden Horseshoe.

## Official Plan

Section 3.2.1 of the Official Plan Policy 1 requires a full range of housing across the city to be provided and maintained in order to meet the current and future needs of residents. Policy 2 requires the existing stock of housing to be maintained and replenished.

With regard to social housing, Section 3.2.1, Policy 7 provides that redevelopment of social housing properties that would result in the removal of a social housing building, such as 835-841 Queen Street East, requires full replacement of the social housing at similar rents and unit sizes. Tenant relocation and assistance is also required. The Queen Street East portion of the site is identified as an *Avenue* on Map 2 – Urban Structure of the Official Plan.

This portion of the site is subject to the Official Plan policies in Section 2.2.3 regarding reurbanizing the *Avenues*, which describes *Avenues* as “important corridors along major streets where reurbanization is anticipated and encouraged to create new housing and job opportunities, while improving the pedestrian environment, the look of the street, shopping opportunities and transit service for community residents”.

The subject site is designated *Mixed Use Areas* in the City of Toronto Official Plan. This designation permits a broad range of commercial, residential and institutional uses and includes policies and development criteria to guide development and its transition between areas of different development intensity and scale.

Although there is currently no development proposal for the site, it is important to consider the type of development that is envisioned for the site. The development criteria in *Mixed Use Areas* include: creating a balance of high quality commercial, residential, institutional and open space uses; reducing automobile dependency; providing for new jobs and homes on underutilized lands; and providing a transition between areas of different development intensity and scale.

At its meeting on July 8, 9, 10 and 11, 2014, City Council adopted Site and Area Specific Policy No. 469 and related Urban Design Guidelines regarding the City-Initiated Queen Street East/Leslieville Planning Study. The Policy applies to properties designated *Mixed Use Areas* with frontage on Queen Street East between the railway crossing at Jimmie Simpson Park and Leslie Street. The Policy incorporates many of the community concerns that were raised during the study's community consultation process. The Policy provides a character statement for the area and includes development criteria in addition to Official Plan Policy 4.5.2 for proposed development in *Mixed Use Areas*.

Site and Area Specific Policy No. 469 specifies a maximum streetwall height to maintain an appropriate relationship between built form and the public realm; requires the building façade(s) of the streetwall to articulate the prevailing façade characteristics; and requires a transition to adjacent properties in *Neighbourhoods*. The policy also clarifies how the Urban Design Guidelines for Queen Street East in Leslieville should be utilized.

## **Zoning**

The subject site is zoned MCR T2.5 C1.0 R2.0 under the former City of Toronto Zoning By-law 438-86, which permits a wide range of commercial and residential uses with a maximum density of 2.5 times the area of the lot, of which a maximum of 1.0 times may be for non-residential uses and a maximum of 2.0 times may be for residential uses. The maximum permitted height is 14.0 metres.

The subject site is zoned CR 2.5 (c.1.0; r2.0) SS2 (x1584) under City-wide Zoning By-law 569-2013, which is currently under appeal at the Ontario Municipal Board (OMB). The zoning permissions are consistent with those outlined in Zoning By-law 438-86.

## **Queen Street East/Leslieville Urban Design Guidelines**

The Urban Design Guidelines for Queen Street East in Leslieville are a tool to help guide and evaluate proposed development on properties designated *Mixed Use Areas* along Queen Street East between the railway crossing at Jimmie Simpson Park and Leslie Street. The guidelines are intended to support vibrant, high quality, appropriately scaled mixed-use development in the study area. The guidelines are consistent with the Official Plan and Site and Area Specific Policy No. 469.

The Urban Design Guidelines provide an understanding of the area's local character; explain how development will respect and reinforce local character; promote an animated public realm; provide built form guidelines; and identify buildings of heritage interest. With regard to housing, Leslieville diverse character also applies to its diverse housing options. The Guidelines require new development to include a range of unit sizes, including two- and three-bedroom units, to accommodate larger households. New development should also include housing options for people of all abilities with fully-accessible units that comply with the *Accessibility for Ontarians with Disabilities Act*, Zoning By-law and Building Code requirements.

## **Reasons for the Application**

The proposal is to demolish the existing 36 social housing units, which comprise 32 bachelor and four one-bedroom apartments, and relocate the units in a new development elsewhere in the community. Generally the replacement of rental units and social housing units is provided on-site, incorporated within the new development after demolition of existing buildings. The Official Plan requires that such units be replaced by comparable types and sizes of units, and that tenant relocation assistance be provided.

An application for Rental Housing Demolition under Chapter 667 is required, and the policy framework for considering such an application is the Official Plan policies. In the event that the demolished units will not be replaced on-site, the applicant must:

- demonstrate that there is a feasible plan for the timely replacement of the units at an alternative location;
- provide details regarding a tenant relocation plan with the provision of alternative accommodation; and

- in the case of social housing, provide details regarding the continuation of any rent-geared-to-income subsidies, and other measures to mitigate hardship caused by the relocation of tenants.

Staff continue to have discussions with the applicant to address these requirements.

## **COMMENTS**

### **Application Submission**

The following reports/studies were submitted with the application:

- Original and Revised Plans of Survey
- Rental Housing Demolition & Conversion Declaration of Use/ Screening Form
- Housing Issues Report
- Architectural Plans (for a potential off-site location to replace the units)

### **Replacement of the Social Housing Units**

WoodGreen cannot replace the 36 social housing units on the subject site, because they are relocating their community facility 'hub' elsewhere in the community and the site will be sold to private interests for redevelopment. In addition to their community services locations in the community, they currently operate non-profit housing at 11 locations within the east Toronto community area they serve. They are currently considering a proposal to develop a small seniors' housing apartment building at another location in the area. WoodGreen has also been involved in a number of programs and housing properties which focus on the housing needs of low-income single persons, including supporting the transition from homelessness to transitional, and permanent housing.

WoodGreen's intent is to relocate the 36 units from the Queen Street East property proposed for demolition to one of their other locations in the community. A few of those sites have already been assessed by Woodgreen for their potential suitability for building the 36 replacement units, and they anticipate being in a position to make a decision to proceed and submit a development application on one of them within the next six to 12 months.

Woodgreen is proposing to replace the same type of units, which are small in size and aimed at single-person households. They are interested in replacing as many of the very small bachelor units with slightly larger, but still small (38 square meters) one-bedroom units as possible. Staff is supportive, and typically deem replacement of bachelor units with one-bedroom units to meet the requirement to replace at least the same number of units by bedroom type. Such substitution is supportable as long as returning tenants are not displaced, and their rents are not increased as a result.

## **Funding the Replacement**

Staff are discussing with WoodGreen the financial feasibility of their proposal to replace the social housing in a timely manner, with a focus on ensuring that an appropriate portion of the proceeds of the sale of the existing Queen Street East property be reserved for this purpose. The remaining sale proceeds are needed by WoodGreen to pay for the replacement of the community service portion of the property and its relocation to the new 'hub'. Previous social housing revitalization, all with Toronto Community Housing (TCH), has involved conditions for replacement on the same property in conjunction with the new market housing developments.

TCH has directed proceeds from the sale of land to market developments to replacing the social housing and revitalizing the lands, while also receiving funding through the City, federal and provincial affordable rental housing program for some, but not all, of the replacement units. WoodGreen intends to apply for similar funding.

The Director, Affordable Housing Office (AHO) has been consulted in the preparation of this report and advises that as a social housing revitalization, WoodGreen's proposal would be considered in one of the priority categories for potential allocation of available funding. The General Manager, Shelter, Support and Housing Administration (SSHA) advises that the current social housing funding for the existing 36 units subsidizes benchmarked operating costs, which include RGI subsidies. There is also an outstanding mortgage for the original construction costs of the 36 units to be factored into the financial arrangements.

Planning staff along with staff from SSHA and the AHO will continue to work with the applicant on the financial feasibility of the replacement proposal. When City Council is considering the final report on this application to demolish social housing, a key consideration for staff in preparing the recommendations will be ensuring that the timely replacement at an off-site location is feasible.

SSHA staff advises that the sale of the social housing on Queen Street East requires ministerial consent under the *Housing Services Act* (HSA). One factor is that the City of Toronto as Service Manager retains its obligations under the HSA to provide the same rent-geared-to-income service level, with the result that once the existing units with their RGI subsidies are demolished, these RGI subsidies will need to be replaced elsewhere.

## **Tenant Relocation and Assistance**

Current residents are primarily single-person households, occupying bachelor and one-bedroom units. An important consideration is ensuring that every tenant can be relocated to other subsidized housing. As the length of time between the closing of the Queen Street building and the opening of a replacement building will be at least two years, direct relocation to the new units will not occur.

WoodGreen and SSHA staff have identified the goal of housing stability by re-housing



tenants directly to a new home, without being forced to relocate a second time to the replacement building. Further, one of the potential locations for the replacement building already has a seniors' building, which would mean that new social housing built there would be targeted to seniors and the disabled.

Accordingly, the proposal is that the tenants will be relocated in WoodGreen's existing portfolio, or in other subsidized housing units. If the replacement building WoodGreen develops is for seniors, any of the current tenants at 835-841 Queen Street East who meet the age criteria will be offered the option to move to the new building when it opens.

WoodGreen will provide notice of at least one year to the existing tenants and provide all the support required to assist the tenants with their plans to relocate during this period and afterwards. WoodGreen has experience in their work relocating and supporting individuals from "tent city" and relocation of individuals from the Edwin Hotel when they purchased it. Staff from the Streets to Homes program will also be providing support to their clients.

Financial assistance with the relocation will also be provided by WoodGreen and will form a part of the recommendations to be brought before City Council at the time of the final report.

WoodGreen and City staff are working together on a tenant communication strategy and have scheduled an initial tenant information meeting for late July 2014. Planning staff will convene the required Community Consultation Meeting to consider the impact of the proposed demolition under Chapter 667 in Fall 2014, with a special focus on the tenants.

### **Issues to be Resolved**

The following issues have been identified during the preliminary review of this application, and will require further examination:

- The loss of 36 social housing units for single person households in the Queen Street East area in the context of the current loss of housing for the same population type at the nearby Broadview Hotel on Queen Street East;
- The tenant relocation and assistance plan and availability of similar existing social housing units for the relocation;
- The proposed location, time line and feasibility of replacing all 36 social housing units at a different location;
- The type of replacement units and possible change of tenant focus to seniors and disabled; and

- Permitting the demolition of the social housing units without the standard condition that new development on the subject site may only proceed if replacement is provided as part of the development.

## **CONTACT**

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## **SIGNATURE**

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