

2265-2279 Bloor Street West and 116 and 240 Durie Street - Rental Housing Demolition and Conversion Application - Final Report

Date:	May 24, 2016
To:	Etobicoke York Community Council
From:	Director, Community Planning, Etobicoke York District
Wards:	Ward 13 – Parkdale-High Park
Reference Number:	13 271055 WET 13 RH

SUMMARY

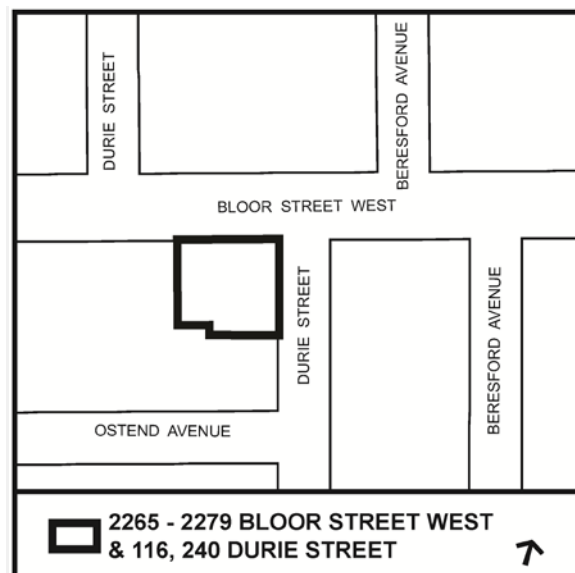
An application has been submitted to demolish two multi-unit residential rental buildings at 2265-2279 Bloor Street West and 240 Durie Street, containing 17 affordable residential rental units, and a single-detached house at 116 Durie Street, containing 2 mid-range residential rental units. All of the residential rental units to be demolished are proposed to be replaced in a new mixed use development that has been approved for the lands through a settlement of the related Official Plan and Zoning By-law Amendment application at the Ontario Municipal Board (OMB).

This report reviews and recommends the approval of a Section 111 permit under Chapter 667 and Chapter 363 of the Municipal Code for the demolition of the 19 existing affordable and mid-range rental units, subject to conditions.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council approve the application to demolish the 19 existing residential rental dwelling units located in the



two multi-unit residential rental apartment buildings at 2265-2279 Bloor Street West and 240 Durie Street and the single-detached house at 116 Durie Street pursuant to Municipal Code Chapters 667 and 363 subject to the following conditions under Chapter 667 which provide for the replacement of rental housing as outlined in the report from the Director of Community Planning, Etobicoke York District, dated May 24, 2016:

- a. The owner shall provide and maintain nineteen (19) residential rental units on the subject site as rental housing for a period of at least 20 years, comprising: seven (7) bachelor units; eleven (11) one-bedroom units; and one (1) two-bedroom unit, as shown on the plans submitted to the City Planning Division dated April 12, 2016 with any revisions to be to the satisfaction of the Chief Planner and Executive Director, City Planning, and of which at least: seven (7) bachelor units and ten (10) one-bedroom units shall have affordable rents; and one (1) one-bedroom unit and one (1) two-bedroom unit shall have rents no higher than mid-range rents;
 - b. The owner shall provide tenant relocation assistance to eligible tenants, including: an extended notice period; financial assistance beyond the minimums of the *Residential Tenancies Act*; and the right to return to a replacement rental unit for all of the tenants (the "Tenant Relocation and Assistance Plan"), and that the Tenant Relocation and Assistance Plan shall be to the satisfaction of the Chief Planner and Executive Director, City Planning;
 - c. The owner shall enter into and register on title one or more Section 111 Agreement(s) to secure the conditions outlined in (a) and (b) above to the satisfaction of the City Solicitor and Chief Planner and Executive Director, City Planning; and
 - d. The owner shall enter into and register on title, a Section 118 Restriction under the *Land Titles Act* (to the satisfaction of the City Solicitor) agreeing not to transfer or charge those parts of the lands, comprising the 19 replacement rental dwelling units, without the written consent of the Chief Planner and Executive Director, City Planning or her designate, to assist with securing the Section 111 Agreement against future owners and encumberancers of the lands until such time as the City Solicitor determines that its registration on title is no longer required to secure the provisions of the Section 111 Agreement.
2. City Council authorize the Chief Planner and Executive Director, City Planning to issue preliminary approval to the application under Municipal Code Chapter 667 after the latest of the following has occurred:
- a. Satisfaction or securing of the conditions in Recommendation 1;

- b. After the Official Plan and Zoning By-law Amendments for the proposed development approved in principle by the Ontario Municipal Board for Case #PL140435 have come into full force and effect; and
 - c. The issuance of the Notice of Approval conditions for site plan approval by the Chief Planner and Executive Director, City Planning or her designate, pursuant to Section 114 of the *City of Toronto Act*, 2006.
- 3. City Council authorize the Chief Building Official to issue a Section 111 permit under Municipal Code Chapter 667 after the Chief Planner and Executive Director, City Planning has issued the preliminary approval referred to in Recommendation 2.
- 4. City Council authorize the Chief Building Official to issue a permit under Section 33 of the *Planning Act* no earlier than the issuance of the first building permit for excavation and shoring of the development approved by the OMB for Case # PL140435 and as provided for in the Draft Zoning By-law Amendment as approved by the OMB, and after the Chief Planner and Executive Director, City Planning has issued preliminary approval referred to in Recommendation 2, which permit may be included in the demolition permit for Chapter 667 under 363-11.1 of the Municipal Code, on condition that:
 - a. The owner erect a residential building on the site no later than two (2) years from the day demolition of the buildings is commenced; and
 - b. Should the owner fail to complete the new building within the time specified in Condition 4 (a), the City Clerk shall be entitled to enter on the collector's roll, to be collected in a like manner as municipal taxes, the sum of twenty thousand (\$20,000) for each dwelling unit for which a demolition permit is issued, and that each sum shall, until payment, be a lien or charge upon the land for which the demolition permit is issued.
- 5. Authorize the appropriate City officials to take such actions as are necessary to implement the foregoing, including the execution of the Section 111 Agreement.

Financial Impact

The recommendations in this report have no financial impact.

DECISION HISTORY

At its meeting of February 25, 2014, Etobicoke York Community Council considered a Preliminary Report from the Director of Community Planning, Etobicoke York District, dated February 4, 2014, regarding the Official Plan and Zoning By-law Amendment (13 271048 WET 13 OZ) and Residential Rental Demolition (13 271055 WET 13 RH) applications for the lands. Etobicoke York Community Council directed staff to schedule a community consultation meeting and to expand the circulation area for the community consultation meeting notice to 240 metres. Community Council's decision and a link to the

Preliminary Report can be viewed at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EY31.5>

In May 2014 the applicant appealed the Official Plan and Zoning By-law Amendment application to the Ontario Municipal Board (OMB). At its meeting of August 25, 26, 27 and 28, 2014 City Council considered a Request for Direction Report from the Director of Community Planning, Etobicoke York District, dated August 1, 2014, regarding the Official Plan and Zoning By-law Amendment application appeal and authorized staff to attend the OMB and oppose the application in its current form and to continue discussions with the applicant. The recommendations and report can be viewed at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EY35.11>

The Official Plan and Zoning By-law Amendment application was the subject of a settlement at the OMB (Case #PL140435). As part of the settlement, the Official Plan Amendment component of the application was withdrawn. The final order of the Ontario Municipal Board approving the Zoning By-law Amendment has been withheld until agreements pursuant to Section 111 of the *City of Toronto Act* and Section 37 of the *Planning Act* are executed and registered on title and until the Site Plan Notice of Approval Conditions have been approved by the City and/or the OMB.

ISSUE BACKGROUND

Proposal

The proposal involves the demolition of three existing buildings:

- A three-storey mixed-use building containing 12 residential rental units;
- A two-storey mixed-use building containing 5 residential rental units; and
- A two-storey detached dwelling containing 2 residential rental units.

The applicant is proposing to replace the 19 units in the new development for the lands at similar rents. The new development will consist of a 7-storey mixed-use building containing 76 residential units fronting Bloor Street West and a 3-storey, 4-unit dwelling fronting Durie Street. All of the replacement units will be located within the 7-storey building.

All the residential rental replacement units will offer affordable and mid-range rents. The current tenants will have the right to return to the new building and will be provided with a Tenant Assistance and Relocation Plan.

It should be noted the applicant has submitted another development application approximately 1 kilometre east of this site at 12 and 14 High Park Avenue (File Nos. 16 116 216 WET 13 OZ and 16 116224 WET 13 RH). That development also involves residential rental demolition. The applicant is proposing to relocate the 10 residential rental apartments associated with the High Park Avenue application into the 7-storey mixed use building approved for this site. The Residential Rental Demolition application for the High Park Avenue proposal will be reported on separately at a later date.

Site and Surrounding Area

The lands are located on the southwest corner of Bloor Street West and Durie Street. There are currently 17 affordable and 2 mid-range rental dwelling units in the related group of buildings, comprised of 7 bachelor and 10 affordable one-bedroom units, contained within the multi-unit buildings and one one-bedroom and one two-bedroom mid-range rental units within the detached dwelling on Durie Street. All units were occupied at the time of application.

Land uses surrounding the subject site are as follows:

- North: Mixed use commercial and residential buildings fronting the north side of Bloor Street West, ranging in height from 1 to 3 storeys.
- South: Residential neighbourhood (Swansea), predominately consisting of two-storey detached and semi-detached dwellings, and the rear yards of single detached dwellings on Ostend Avenue.
- East: A 2-storey mixed use building containing a ground floor café, outdoor patio and residential uses above, on the opposite side of Durie Street, with 2-storey detached and semi-detached dwellings to the south.
- West: A 1-storey commercial building followed by 2-storey mixed use buildings and a Place of Worship.

Provincial Policy Statement and Provincial Plans

Section 2 of the *Planning Act* sets out matters of provincial interest that include the adequate provision of a full range of housing and the orderly development of safe and healthy communities.

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; providing an appropriate range of housing types and affordability to meet projected requirements of current and future residents; and protecting public health and safety. 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 by the *Planning Act* 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; providing housing options to meet the needs of people at any age; and protecting natural systems and cultivating a culture of conservation. City Council's planning decisions are required by the *Planning Act* to conform, or not conflict, as the case may be, with the Growth Plan for the Greater Golden Horseshoe.

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

Official Plan

The Official Plan contains policies addressing the need to preserve and increase the City's supply of rental and affordable housing.

Section 3.2.1 of the Official Plan includes housing policies that encourage the provision of a full range of housing in terms of form, tenure and affordability. Policy 3.2.1.6 applies to applications proposing to demolish six or more residential rental units, except where all the rents are above the mid-range rent category. Redevelopment applications are required to secure the replacement of the rental units with at least the same number, size and type of rental housing units for 20 years and maintain them with rents similar to the rents of existing units on the site for at least ten years. An acceptable Tenant Relocation and Assistance Plan is also required to address moving related costs, alternative accommodation and other assistance to lessen hardship.

Rental Housing Demolition and Conversion By-Law

Section 111 of the *City of Toronto Act, 2006* authorizes City Council to regulate the demolition and conversion of residential rental properties in the City. By-law 885-2007 (also known as the Rental Housing Demolition and Conversion By-law), which was enacted by City Council on July 19, 2007, implemented this provision. The By-law established Chapter 667 of the Municipal Code.

The By-law makes it an offence amongst other things, to demolish, or cause to be demolished, the whole or any part of a residential rental property unless approval has been granted for a Section 111 permit for the demolition of the residential rental property. In addition, approval of related planning applications, such as a rezoning dependent on such demolition should be conditional upon the applicant receiving a Section 111 permit.

Where an application for rezoning triggers an application under Section 111 for rental demolition or conversion, City Council typically considers both applications at the same time. Unlike *Planning Act* applications, decisions made by City Council under By-law 885-2007 to refuse or approve a Section 111 permit under the Municipal Code are not subject to appeal to the Ontario Municipal Board.

City Council may refuse an application, or approve the demolition with conditions. Conditions such as the replacement of rental housing and tenant assistance may be imposed on the approval of a Section 111 permit. These conditions are based on the Official Plan policies and established practices the City has in place when considering rental housing demolition.

A permit under Section 111 of the *City of Toronto Act* is a prerequisite for a finalized Zoning By-law Amendment which would result in the demolition of rental units.

Reasons for Application

A Rental Housing Demolition and Conversion application under Section 111 of the *City of Toronto Act* (Chapter 667 of the Municipal Code) is required to permit the demolition of the 19 existing affordable and mid-range rental units in the related group of buildings.

Tenant Consultation

Chapter 667 requires the City to hold a consultation meeting to consider matters under the by-law and the impact on tenants prior to the submission of a report to Community Council. A tenant consultation was held on April 12, 2016 at the Swansea Town Hall. It was a combined consultation for the tenants of the Bloor Street West and Durie Street buildings that are the subject of this report as well as the tenants of 12 and 14 High Park Avenue. The purpose of the combined meeting was to provide all the tenants proposed to be located in the new development the opportunity to comment on unit designs and allocation and to provide all tenants with information on the processes for notification, assistance and moving. Tenants were also informed of their rights and the approval process for the development application.

A few tenants expressed that more accessible units with an elevator would be appropriate for elderly tenants, as well as general support for the suite layouts. The tenants were generally concerned with receiving sufficient notice, the difficulty of finding a new unit and one tenant wished to switch his proposed unit for another proposed unit of the same size, but in a different location.

COMMENTS

Provincial Policy Statement and Provincial Plans

Accommodating intensification on an *Avenue* while preserving affordable housing by replacing affordable and mid-range rental units in the proposed building and securing them for a minimum of 20 years, the proposal is consistent with the PPS.

By providing for accessible units, including rental replacement units in the new development, the proposal conforms and does not conflict with the Growth Plan for the Greater Golden Horseshoe by providing units that will allow people to age in place.

Official Plan

Rental Replacement Units

The owner has proposed to replace the 19 existing affordable and mid-range rental units with the same unit types and at slightly larger sizes. This will result in a 13% increase in rentable gross floor area (GFA) as secured rental units. The details of the replacement units are provided in Attachment 1.

The following minimum unit area requirements will be secured in the Zoning By-law. This report also recommends that the applicant enter into a Section 111 Agreement that will specify the minimum requirements by unit type:

- The seven (7) bachelor units shall be not less than 30 m², with four (4) being not less than 39 m².
- The eleven (11) one-bedroom units shall be not less than 40 m², with seven (7) being over 47 m².
- The one (1) two-bedroom unit shall be not less than 95 m².
- The combined floor areas will be a minimum of 787 m².
- There shall be no interior bedrooms for any units, with each of the bedrooms in these units having an exterior, operable window.
- Units shall be contiguous to each other, unless the entire building is to be secured as rental.

The associated Section 37 Agreement will also secure these matters and the following requirements.

Building Amenities

The replacement rental units will all have access to the laundry facilities, lockers, parking and interior amenity space being provided for the entire building. Based on the OMB settlement, the new development does not include any exterior amenity space.

Rent Provisions

Tenants will have the right to return at similar rents. Units will be secured at or below the rent thresholds for at least 10 years as per the table below, in accordance with the Official Plan.

Table 1: Affordability table of existing and proposed units		
Type	Affordable	Mid-range
Bachelor	7	0
1 bedroom	10	1
2 bedroom	0	1
Total	17	2

Rents for tenants moving in during the first 10 years shall be no higher than the CMHC average market rent in the case of affordable rents, and no more than 1.5 times average market rent for the mid-range units. Annual increases will be limited to the provincial rent guideline increase, and above-guideline increases if applicable, during this first 10 year period. For any tenant who remains after the tenth year, these protections will continue until the earlier of when they move out or the 20th year of the new building's occupancy, followed by a 3 year phase-in to unrestricted market rent.

Commencing in the 11th year, any new tenants may be charged unrestricted market rents.

Tenant Relocation and Assistance Plan

The proposed Tenant Relocation and Assistance Plan goes beyond the minimum of four months' notice and three months' worth of rent stipulated by the *Residential Tenancies Act*

by providing:

- At least 5 months' notice of the demolition;
- A \$1,500 moving allowance; and
- A rent-gap payment based on length of tenancy, the affordability of the current unit and its difference to the local area rents.

Special needs tenants, such as those over 65 years of age or with considerable impediments to moving, will receive an extra 2 months' worth of rent.

Conclusion

The replacement proposal, including the proposed Tenant Relocation and Assistance Plan, meets the applicable Official Plan policies and is consistent with the City's standard practice for rental replacement. Staff recommend that Council approve the Residential Rental Demolition application for the 19 residential rental dwelling units subject to the conditions set out in the Recommendations of this report and the applicant entering into a Section 111 Agreement to secure these conditions.

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SIGNATURE

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Etobicoke York District

ATTACHMENTS

Attachment 1: Proposed Residential Rental Replacement Unit Sizes

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	Unit #	Existing Units		Proposed Units April 2016		
		Bedrooms	GFA (m ²)	Unit #	GFA(m ²)	%Δ
116 Durie Street	main	2	92.6	304	100	107.99%
	upper	1	48.6	203	56.7	116.67%
240 Durie Street	201	1	38.2	214	40.1	104.97%
	202	B	29.3	209	30.2	103.07%
	203	1	39.3	216	40.6	103.31%
	204	1	43.7	217	50.6	115.79%
	205	1	42.6	212	47.5	111.50%
	206	1	42.1	210	45.5	108.08%
	301	1	39.2	205	47	119.90%
	302	B	30	206	43.3	144.33%
	303	1	40.9	208	45.5	111.25%
	304	1	46.2	213	54.2	117.32%
	305	1	43.9	204	47.6	108.43%
	306	1	43.9	314	50.6	115.26%
2273 Bloor Street West	101	B	24.3	204	30.2	124.28%
	201	B	39.6	309	46.1	116.41%
	202	B	34	202	39.5	116.18%
	301	B	33.5	201	34.3	102.39%
	302	B	35.2	206	43.3	123.01%
Total Rentable GFA			787.1		892.8	113.43%