

321-333 King Street West - Zoning Amendment Application - Revised Request for Direction and Rental Housing Demolition Application Report

Date: May 1, 2019

To: Toronto and East York Community Council

From: Director, Community Planning, Toronto and East York District

Wards: 10 - Spadina-Fort York

Planning Application Numbers: 10 182677 STE 20 OZ and 18 167590 STE 20 RH

SUMMARY

The purpose of the report is to seek direction on proposed changes to a settlement previously approved by the Local Planning Appeal Tribunal (LPAT) and to seek approval of the associated Rental Housing Demolition Application.

The Zoning By-law Amendment application for a mixed use building at 321 - 333 King Street West was the subject of a settlement between the applicant and the City at the LPAT (Case No. PL110554) in October of 2012. The settlement was opposed by Albert Carbone, a local restaurant owner.

In a decision dated May 9, 2013, the LPAT approved the settlement for a 47-storey mixed-use building at a height of 154.5 metres (including mechanical elements) with 304 residential units, including ten (10) rental dwelling units. The settlement was based on an agreement between the City and the appellant that the final Tribunal Order would be held until all outstanding matters, including the rental housing and other necessary agreements, were resolved. Other matters to be secured included the agreements and reports required to secure the retention of the facades of the heritage buildings on the site, which were to be incorporated into the base of the building.

The Rental Housing Demolition application at 321 - 333 King Street West seeks approval to demolish two existing buildings containing rental dwelling units at 321 and 325 King Street West. All six (6) units would be replaced within a new residential building on the property.

Subsequent to the 2013 decision by the LPAT to approve the settlement between the then applicant and the City, the property was acquired by Empire Communities. The new owner proposed the following changes to the development. These changes are as follows:

- Inclusion of the adjacent site to the east (321 King Street West) within the development site.
- An increase in the number of storeys from 47 to 49, within the approved zoning envelope.
- An increase in the total GFA of the building from 21,100 square metres to 23,139 square metres.
- A reduction in the number of car spaces from 102 to 54 spaces (which includes 3 car share spaces).
- The provisions of 386 bicycle parking spaces, whereas the previously approved by-law required 200.
- The conservation of the heritage buildings on the site is proposed to be changed with a the demolition of the designated Gardner Boyd Buildings at 327 (333) King Street West and the construction of a new three-storey building in its place.
- The applicant agreed to deepen the affordability so that the ten rental units would be rented at 85 per cent of average market rents for a period of at least 20 years.

City Planning staff support the proposed revisions as they are consistent with the earlier settlement and in some cases and are an improvement to the development and the associated community benefits. The proposed changes to the development comply with the City of Toronto Official Plan, are consistent with the PPS, conform with the Growth Plan for the Grater Golden Horseshoe (2017).

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council authorize the City Solicitor, together with City Planning staff and any other appropriate staff, to attend at the LPAT in support of the proposed changes to the settlement respecting the Zoning By-law Amendment application for 321-333 King Street West (File10 182677 STE 20 OZ) as outlined in the report dated May 1, 2019, from the Director, Community Planning, Toronto and East York District.

2. City Council authorize the City Solicitor and the Chief Planner and Executive Director, City Planning to continue to work with the applicant on the final form of the By-law to be presented as part of the settlement at the LPAT.

3. City Council authorize the City Solicitor and the Chief Planner and Executive Director, City Planning to present revised minutes of settlement to the LPAT jointly with the applicant. The Parties agree to request the LPAT to withhold its final Order until the following events occur:

a. The owner shall submit a revised Functional Servicing Report to the City for review and acceptance by Engineering & Construction Services, prior to the approval of the rezoning application. The report will determine whether the municipal water, sanitary and storm sewer systems can support the proposed development and whether upgrades or improvements of the existing municipal infrastructure are required.

b. The owner shall enter into a financially secured agreement for the construction of any improvements to the municipal infrastructure, should it be determined that upgrades and road improvements are required to support the development, according to the functional servicing report accepted by the Chief Engineer and Executive Director, Engineering & Construction Services.

c. The owner shall provide space within the development for installation of maintenance access holes and sampling ports on the private side, as close to the property line as possible, for both the storm and sanitary service connections, in accordance with the Sewers By-law Chapter 681-10.

d. The owner shall enter into and register on the properties at 321-333 King Street West one or more agreements with the City pursuant to Section 37 of the Planning Act to the satisfaction of the City Solicitor, the Chief Planner and Executive Director, City Planning, and the Senior Manager, Heritage Preservation Services with such facilities, services and matters to be set forth in the related site specific Zoning By-law Amendments giving rise to the proposed alterations.

4. City Council authorize the City Solicitor, the Chief Planner and Executive Director, City Planning in consultation with the Ward Councillor, to secure services, facilities or matters pursuant to Section 37 of the Planning Act, as may be required by the Chief Planner, in consultation with the Ward Councillor.

a. The following community benefits are recommended to be secured in the Section 37 Agreement:

- i) The owner shall provide a cash contribution of \$406,800 for streetscape and/or public realm improvements in the East Precinct of the King-Spadina Secondary Plan area.
- ii) The owner shall provide a cash contribution of \$45,200 toward the Toronto Community Housing Corporation (TCHC) revolving fund for repairs.
- iii) In the event the cash contributions referred to in Sections 1. and 2. above have not been used for the intended purpose within three (3) years of this by-law coming into full force and effect, the cash contribution may be redirected for another purpose, at the discretion of the Chief Planner and Executive Director, City Planning Division, in consultation with the local Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in the vicinity of the lands.
- iv) The \$452,000 in cash contribution referred to in Sections 1. and 2. above is to be indexed upwardly in accordance with Statistics Canada's Construction Price Index for the Toronto Census Metropolitan Area, calculated from the date of the LPAT order to the date of payment. All cash contributions will be payable prior to issuance of the first above-grade building permit.

b. The following matters of convenience are recommended to be secured in a Section 37 Agreement:

- i) The owner shall provide and maintain an additional four (4) rental dwelling units on the subject site at 321 - 333 King Street West for a period of at least twenty (20) years beginning from the date that each such rental dwelling unit is first occupied. The four (4) rental dwelling units shall be comprised of four (4) units with at least one-bedroom, as shown on the Second and Third Floor Plans (Plan No.'s A106 and A107) submitted to the City Planning Division on November 29, 2018 with any revisions to these plans to the satisfaction of the Chief Planner and Executive Director, City Planning;
- ii) The owner shall, as part of the four (4) additional rental dwelling units required in condition 4.b.i. above, provide four (4) units with at least one-bedroom at no more than eighty-five (85) per cent of affordable rents, as defined in the City's Official Plan, all for a period of at least twenty (20) years, beginning from the date of first occupancy;
- iii) The owner shall provide a minimum of ten percent (10%) of the residential units in the building having at least three bedrooms.

iv.) The owner shall implement any wind mitigation measures required as identified by the applicant's wind study, satisfactory to the Chief Planner and Executive Director, City Planning Division, to be submitted as part of an application for Site Plan Approval.

v) Materials for the new building will be secured through Site Plan Approval to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

vi) A construction management plan shall be provided and thereafter implemented by the owner of 321-333 King Street West, to address such matters as wind, noise, dust, street closures, parking and laneway uses and access. Such plan to be to the satisfaction of the Chief Planner and Executive Director, City Planning Division in consultation with the local Councillor and shall be completed prior to Site Plan Approval.

5. City Council approve the Rental Housing Demolition Application in accordance with Chapter 667 of the Toronto Municipal Code to allow for the demolition of six (6) existing rental dwelling units located at 321 and 325 King Street West, subject to the following conditions:

a. The owner shall provide and maintain six (6) replacement rental dwelling units on the subject site at 321 - 333 King Street West for a period of at least twenty (20) years, beginning from the date that each replacement rental unit is first occupied and, during which time, no application may be submitted to the City for condominium registration, or for any other conversion to a non-rental housing purpose, or for demolition without providing for replacement during the, at minimum, twenty (20) year period; the six (6) replacement rental units shall be comprised of four (4) two-bedroom units and two (2) three-bedroom units, as shown on the Second and Third Floor Plans (Plan No.'s A106 and A107) submitted to the City Planning Division on November 29, 2018 with any revisions to the satisfaction of the Chief Planner and Executive Director, City Planning;

b. The owner shall, as part of the six (6) replacement rental dwelling units required in condition (a) above, provide at least four (4) two-bedroom units and two (2) three-bedroom replacement rental dwelling units at no more than eighty (85) per cent of affordable rents, as defined in the City's Official Plan, all for a period of at least twenty (20) years, beginning from the date of first occupancy of each unit;

c. The owner shall enter into and register on title one or more agreement(s), including a Section 111 Agreement and a Section 37 Agreement, to secure the conditions outlined in (a) and (b) above to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning.

6. City Council approve the Rental Housing Demolition Application requiring that all ten (10) rental dwelling units required in Recommendation 4. and 5. b. above be provided on the subject site at 321 - 333 King Street West, subject to the following conditions:

a. The owner shall offer all ten (10) affordable rental dwelling units, to tenants either on or eligible to be on the centralized waiting list for housing at no more than eighty (85) percent average market rents as defined in the City's Official Plan, and shall offer the units to tenants via a referral arrangement with a non-profit housing provider, or establish a head-lease arrangement with a non-profit housing provider to offer units. The non-profit housing provider shall be to the satisfaction of the Chief Planner and Executive Director, City Planning;

b. The owner shall provide tenants of all ten (10) affordable rental dwelling units with access to all indoor and outdoor amenities in the proposed residential building and at no extra charge. Access and use of these amenities shall be on the same terms and conditions as any other building resident without the need to pre-book or pay a fee, unless specifically required as customary practices for private bookings;

c. The owner shall provide ensuite laundry facilities in each of the ten (10) rental dwelling units, at no additional cost to the tenants;

d. The owner shall provide tenants of the ten (10) rental dwelling units with access to all bicycle parking and visitor car parking on the same terms and conditions as any other resident of the building;

e. The owner shall enter into and register on title one or more agreement(s), including a Section 111 Agreement and a Section 37 Agreement, to secure the conditions outlined in (a) through (d) above to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning.

7. City Council authorize the Chief Planner and Executive Director, City Planning to issue the Preliminary Approval for the application under Chapter 667 of the Toronto Municipal Code for the demolition of the six (6) existing rental dwelling units at 321 and 325 King Street West after all of the following have occurred:

a. the conditions in Recommendation 4.b. and 6 above have been fully satisfied;

b. The Zoning By-law Amendment has come into full force and effect;

c. The issuance of the Notice of Approval Conditions for Site Plan Approval by the Chief Planner and Executive Director, City Planning or their designate, pursuant to Section 114 of the *City of Toronto Act, 2006*;

d. The issuance of excavation and shoring permits for the approved structure on the site; and

e. The execution and registration of a Section 37 Agreement pursuant to the *Planning Act* securing Recommendations 5.a. and 5. b. and 6.a. through 6.d. and any other prescribed matters.

8. City Council authorize the Chief Building Official and Executive Director, Toronto Building to issue a Section 111 permit under Municipal Code Chapter 667 after the Chief Planner and Executive Director, City Planning has given preliminary approval referred to in Recommendation 7. above.

9. City Council authorize the Chief Building Official and Executive Director, Toronto Building to issue a demolition 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, and after the Chief Planner and Executive Director, City Planning has given preliminary approval referred to in Recommendation 7. above, 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 remove all debris and rubble from the site immediately after demolition;

b. the owner erect solid construction hoarding to the satisfaction of the Chief Building Official and Executive Director, Toronto Building;

c. the owner erects a residential building on site no later than four (4) years from the day demolition of the buildings is commenced; and

d. should the owner fail to complete the new building within the time specified in condition (c) above, 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 dollars (\$20,000.00) 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.

10. City Council authorize the appropriate City officials to take such actions as are necessary to implement the foregoing, including execution of the Section 111 Agreement and other related agreements.

FINANCIAL IMPACT

The recommendations in this report have no financial impact.

DECISION HISTORY

On July 11, 12, and 13, 2012 City Council adopted recommendations in a report from the Director, Community Planning, Toronto and East York District authorizing staff to prepare and present minutes of settlement, to be presented to the Ontario Municipal Board (OMB) now the Local Planning Appeal Tribunal (LPAT), jointly with the applicant. The report recommended a settlement for a 47-storey mixed-use building at 154.5 metres in height (including mechanical elements). The proposed building included 304 residential units and retail uses on the ground and second floor.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.TE17.16>

On November 27, 2012 City Council approved the alterations to the heritage properties at 321-327 (333) King Street West and granted authority to enter into Heritage Easement Agreements.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.TE20.24>

On May 9, 2013, the Ontario Municipal Board issued its decision upholding the settlement as described in the report adopted by Council in July of 2012.

The properties at 321-325 and 327 (333) King Street West were designated under Part IV of the Ontario Heritage Act by By-law Nos. 498-2015, 499-2015 and 500-2015, respectively.

<https://www.toronto.ca/legdocs/bylaws/2015/law0498.pdf>

<https://www.toronto.ca/legdocs/bylaws/2015/law0499.pdf>

<https://www.toronto.ca/legdocs/bylaws/2015/law0500.pdf>

On April 3, 2018, Empire Communities, having acquired the site from the previous owner, submitted an application for site plan approval of the development as described in the settlement between the previous owner and the City and as approved by the OMB. The site plan application incorporates minor amendments to the application as described in this report. The application can be reviewed on the City's Application Information website at the address below:

<http://app.toronto.ca/DevelopmentApplications/associatedApplicationsList.do?action=init&folderRsn=2621086&isCofASearch=false&isTlabSearch=false>

On May 29, 2018, the applicant made an application for a Rental Housing Demolition permit pursuant to Chapter 667 of the City of Toronto Municipal Code to demolish six (6) rental dwelling units.

ISSUE BACKGROUND

Proposal

The Zoning By-law Amendment, which resulted from the settlement endorsed by the LPAT is its May 9, 2013 decision, comprised a 47-storey (154.5 metre) mixed-use building at 321-333 King Street West. The approved building contained 304 residential units and retail uses, on the ground floor and second floors. The unit mix consisted of 170 one-bedroom units, 131 two-bedroom units, and 3 three-bedroom units for a total of 304 units.

The tower was to be stepped back 3 metres from the facades of the heritage buildings. The gross floor area (GFA) of the approved development was 21,100 square metres, comprised of 20,230 square metres of residential GFA and 790 square metres of retail GFA, resulting in a floor space index of 17.9 times the area of the lot.

The applicant proposed to retain the façades of the listed heritage buildings which would be integrated into the 3-storey podium. The façade at 321 King Street West was proposed to be disassembled during construction, the building demolished and the façade reconstructed to the current (original) design. The heritage building at 327-333 King Street West was proposed to be demolished with the façade supported during construction and reincorporated into the new building.

A total of 102 parking spaces were proposed in a four (4) level underground parking garage. Two hundred (200) bicycle parking spaces were proposed. Vehicular access to parking and loading is proposed to the rear of the site from an existing public laneway off John Street.

Indoor and outdoor amenity areas totaled 615.3 square metres and 479.8 square metres respectively. The indoor amenity area is on the fourth and fifth floors. The four floor amenity area is adjacent the rooftop amenity area.

Through the negotiated settlement, as noted in the Request for Direction Report adopted by Council and in the May 3, 2013 decision of the LPAT upholding the settlement, the applicant agreed to provide ten rental replacement units to be secured for a period of twenty years to replace the six rental units which would be lost during the demolition of the existing buildings on the site. The LPAT decision also recognized the requirement for the applicant to submit an application under Municipal Code 667 for a

Section 111 permit for the demolition of the rental units on the site and provision of tenant assistance relocation. The rental replacement elements of the proposal are described below.

Revised Proposal

On March 12, 2018, Empire Communities, who had purchased the property from the previous owner, submitted a without prejudice offer proposing changes to the proposed building as approved by the LPAT in the settlement reached between the City and the applicant.

The proposed changes are as follows:

- The property at 321 King Street West will be included within the zoning envelope of the approved development. The settlement approved by the LPAT in 2013 anticipated the inclusion of 321 King Street West within the development site, but left that exercise to be accomplished through a subsequent amendment process. As the addition of the heritage building at 321 King Street West doesn't fundamentally change the nature of the development proposal (the façade of the building will be retained in-situ and incorporated into the façade of the podium of the proposed building) and the addition of the site to the development was anticipated in the settlement approved by the LPAT, staff are recommending that the lands at 321 King Street West be added to the development though this revised Request for Directions report.
- An increase in the total GFA of the building from 21,100 square metres to 23,876 square metres and an increase in the permitted residential GFA of from 20,230 square metres to 22,315 square metres. The retail GFA would be reduced from 790 square metres to 493 square metres. A portion of the additional total GFA is due to the inclusion of 321 King Street West within the development site and a portion is due to the addition of two floors within the existing zoning envelope approved by the LPAT.
- a reduction in the number of car spaces from 102 to 54 spaces, which includes 3 car share spaces.
- The provisions of 386 bicycle parking spaces (346 long term, 40 short term) whereas the previously approved by-law put a cap on bicycle parking spaces at 200. The proposed increase in bike parking is meant to offset the vehicle parking reduction noted above and more appropriately address the transportation demands of future residents.

- The conservation of the heritage buildings on the site is proposed to be changed. The original plan for the designated Gardner Boyd Buildings at 327-333 King Street was to retain in-situ the second floor façade of the buildings (the only remaining original element). The third floor of the buildings (lost to a fire) was to be re-constructed. A re-evaluation of the condition of the masonry and joints of the wall has resulted in a determination that the second floor façade can't be supported during construction or removed and re-constructed. Heritage Preservation Services staff have agreed that rather than re-constructing the second and third floors with contemporary materials (an approach not regarded as conservation based on heritage standards and guidelines), the building should be demolished and a new building which supports the character of the neighbourhood is warranted. The applicant has submitted a complete Application to Demolish a Designated Building or Structure under Part IV of the Ontario Heritage Act. This application is being addressed in a report entitled Demolition of Heritage Building and Repeal of By-law No. 500-2015 for 327 (333) King Street West and Authority to Amend the Heritage Easement Agreement for 321-333 King Street West, also at the May 22, 2019 meeting of Toronto and East York Community Council.
- The applicant, through a negotiation process with the City and acknowledging the importance of providing for affordable rental accommodations, agreed to deepen the affordability of the rental replacement units so that the ten rental units would be rented at 85 per cent of average market rents for a period of at least 20 years. The previous settlement hadn't provided for a subsidy below average market rents.

Rental Replacement

Six (6) two-bedroom rental dwelling units are proposed to be demolished and replaced on the subject property. All six (6) replacement rental dwelling units would be the same size as the existing units. The bedroom mix would be improved with four (4) replaced with two-bedroom units and two (2) with three-bedroom units.

As part of a Section 37 contribution an additional four (4) one-bedroom rental dwelling units are proposed with rents at 85 per cent of average market rents. The Section 37 contribution would also deepen the affordability of the six (6) replacement rental dwelling units from 150 per cent of average market rents to 85 per cent of average market rents for a period of at least 20 years. Average market rents are defined by the most recent Canadian Housing and Mortgage Corporation Fall Market Report.

Overall, ten (10) affordable rental dwelling units are proposed. All ten units would be located on the second and thirds floors. All units will be accessed from the second floor, and four of the units on the southern elevation would have two levels, extending up into the third floor. The second floor would be shared with indoor bike storage rooms, used by the entire building. All ten affordable rental dwelling units would have

access to all indoor and outdoor amenity spaces within the building, on the same terms as residents of the condominium units.

The allocation of tenants to all ten (10) affordable rental dwelling units would be undertaken by a third-party, non-profit housing agency, either directly or through a referral arrangement process. The final allocation process will be settled prior to the section 37 agreement being registered on title. The process for identifying the housing provider will also be set out in the same agreement.

The site (Heritage Properties)

The properties at 321-325 King Street West form part of a series of four units known as Hughes Terrace, originally designed by John Tully, one of Toronto's earliest architects. The two eastern units of Hughes Terrace at Nos. 319 (not part of this report) and 321 were constructed in 1856. The two western units at Nos. 323 and 325 contain the reconstructed portions of Hughes Terrace which were demolished for public safety reasons and rebuilt in 1986 to complement the surviving buildings.

The buildings on the properties at 319-321 King Street West are rare surviving examples of buildings designed by John Tully and are historically linked to the King-Spadina neighbourhood as it has evolved from its origins as an institutional and residential enclave to a commercial and industrial sector in the late 19th century.

The reconstructed units at 323-325 King Street West have value as their scale, setback and mid-19th century appearance are visually linked to the King-Spadina neighbourhood and they support the surviving portions of Hughes Terrace.

The property at 327-333 King Street West contains a non-heritage building (the more easterly of the two buildings on the site) and the designated Gardner Boyd Buildings. The Gardner Boyd Buildings (1885) were constructed as a pair of three-storey commercial buildings. Following a fire, the buildings were reduced to two stories and are now combined under a single street address. The Gardner Boyd Buildings have design significance as representative examples of late 19th century buildings and support the character and continuous scale and rhythm of the grouping of mid-19th century properties on the south side of King Street West, west of John Street.

Provincial Policy Statement and Provincial Plans

The Planning Act and the associated Provincial Policy Statement guide development in the Province. The Act states that municipalities must have regard for matters of provincial interest. Section 2(d) specifically refers to “the conservation of features of significant architectural, cultural, historical, archaeological or scientific interest.”

The Provincial Policy Statement (PPS) issued under the authority of Section 3 of the Planning Act provides policy direction on matters of provincial interest related to land use planning and development. The PPS sets the policy foundation for regulating the development and use of land. Key objectives include: building strong communities; wise use and management of resources; and protecting public health and safety. The Planning Act requires that City Council's decisions affecting land use planning matters be consistent with" the Provincial Policy Statement.

The Provincial Policy Statement (PPS) 2014 provides policy direction Province-wide on land use planning and development to promote strong communities, a strong economy, and a clean and healthy environment. It includes policies on key issues that affect communities, such as:

- Building strong, sustainable and resilient communities that enhance health and social well-being; and
- Residential development promoting a mix of housing; recreation, parks and open space; and transportation choices that increase the use of active transportation and transit.

The City of Toronto uses the PPS to guide its Official Plan and inform decisions on planning and development matters. The PPS is issued under Section 3 of the Planning Act and all decisions of Council affecting land use planning matters shall be consistent with the Provincial Policy Statement.

The Growth Plan for the Greater Golden Horseshoe (2017) provides a strategic framework for managing growth in the Greater Golden Horseshoe (GGH) region including:

- Setting minimum density targets within settlement areas and related policies directing municipalities to make more efficient use of land, resources and infrastructure to reduce sprawl, cultivating a culture of conservation and promoting compact built form and better designed communities with high quality built form and an attractive and vibrant public realm established through site design and urban design standards; and
- Building complete communities with a diverse range of housing options, public service facilities, recreation and green space that better connect transit to where people live and work.

The Growth Plan for the Greater Golden Horseshoe (2017) builds upon the policy foundation provided by the PPS and provides more specific land use planning policies to address issues facing the GGH region. Staff have reviewed the proposed development for consistency with the PPS and for conformity with the Growth Plan for the Greater Golden Horseshoe.

The policies of the Growth Plan take precedence over the policies of the PPS to the extent of any conflict, except where the relevant legislation provides otherwise. All decisions by Council affecting land use planning matters are required by the Planning Act, to conform, or not conflict, as the case may be, with the Growth Plan

Toronto Official Plan

Section 3.2.1 of the Official Plan includes policies that encourage the provision of a full range of housing, in terms of form, tenure and affordability, and the protection of rental housing units. Rental replacement Policy 3.2.1.6 states that new development that would result in the loss of six or more rental housing units will not be approved unless, all of rental housing units have rents that exceed mid-range rents at the time of application, or in cases where planning approvals other than site plan are sought, the following are secured:

- At least the same number, size and type of rental housing units are replaced and maintained with similar rents to those in effect at the time the redevelopment application was made;
- For a period of at least 10 years, rents for replacement units will be the rent at first occupancy, increased annually by not more than the Provincial Rent Increase Guideline or a similar guideline as Council may approve from time to time; and
- An acceptable tenant relocation and assistance plan addressing the right to return to occupy one of the replacement rental units at similar rent, the provision of alternative accommodation at similar rents and other assistance to lessen the hardship of relocation.

The City of Toronto Official Plan can be found here: <https://www.toronto.ca/city-government/planning-development/official-plan-guidelines/official-plan/>.

King-Spadina Secondary Plan (2006)

The site is situated within the East Precinct of the King-Spadina Secondary Plan Area found in Chapter 6.16 of the Official Plan (Attachment 11). The King-Spadina Secondary Plan emphasizes reinforcement of the characteristics and qualities of the area through special attention to built form, heritage and public realm. The major objectives of the Plan include the policy that heritage buildings and other important buildings within the King-Spadina Area, will be retained, restored and re-used.

The policies of Section 3 – Built Form and in particular the policies of Section 3.6 – General Built Form Principles specify that:

- Buildings are to be located along the front property line to define edges along streets and lower levels are to provide public uses accessed from the street;
- Servicing and parking are encouraged to be accessed from lanes rather than streets to minimize pedestrian/vehicular conflicts;
- New buildings will be sited for adequate light, view and privacy and compatibility with the built form context;
- New buildings will achieve a compatible relationship with their built form context through consideration of such matters as building height, massing, scale, setbacks, stepbacks, roof line and profile, and architectural character and expression;
- Appropriate proportional relationships to streets and open spaces will be provided, and wind and shadow impacts will be maintained on streets and open spaces;
- The streetscape and open space improvements will be coordinated in new development; and high quality open spaces will be provided.

A major objective of the King-Spadina Secondary Plan is to use the historic fabric of the area as the context within which to assess new development. Additionally, achieving a mixture of compatible land uses, and retaining and promoting commercial and light industrial uses is another major objective of the Plan.

The proposed development is located on King Street West within what has subsequently been referred to as the East Precinct (generally comprising the lands within the Secondary Plan area east of the Spadina Avenue corridor). This area has developed as a tower neighbourhood and City Planning staff have focused on achieving adequate tower facing distances as a key goal, due to the critical importance of adequate light, privacy and sky views for quality of life in a tower neighbourhood. See Attachment 3: King-Spadina Secondary Plan.

The King Spadina Secondary Plan can be found here: <https://www.toronto.ca/city-government/planning-development/official-plan-guidelines/official-plan/>.

Staff have been working on updates to the Secondary Plan for the King-Spadina Secondary Plan area. This work has included a number of reports to Council and consultations with the public. A key focus of this planning exercise has been acknowledging the development of the East Precinct of the King-Spadina Secondary Plan area as a tower neighbourhood and reinforcing the importance of tower facing distances.

On October 17, 2017 City Council designated by By-law the King-Spadina Heritage Conservation District. The District designation reinforces the need to preserve the important built form and landscape elements which define the heritage character of this unique part of the City.

Rental Housing Demolition and Conversion By-Law

Section 111 of the *City of Toronto Act, 2006* authorizes Council to regulate the demolition and conversion of residential rental properties in the City. Chapter 667 of the Toronto Municipal Code, the Rental Housing Demolition and Conversion By-law, implements Section 111. Chapter 667 prohibits the demolition or conversion of rental housing units in buildings containing six or more residential dwelling units, of which at least one unit is rental, without obtaining a permit from the City and requires a decision by either City Council or, where delegated, the Chief Planner and Executive Director, City Planning.

Pursuant to Chapter 667, City Council may refuse or approve an application to demolish a rental building and may impose conditions upon such an approval, including conditions that must be satisfied before a demolition permit is issued. These conditions further the intent of the City's Official Plan policies protecting rental housing.

Pursuant to the City's Residential Demolition Control By-law, Chapter 363 of the Toronto Municipal Code, City Council approval of the demolition of residential dwelling units under Section 33 of the *Planning Act* is also required where six or more residential dwelling units are proposed for demolition, before the Chief Building Official can issue a permit for demolition under the *Building Code Act*.

On May 29, 2018, the applicant made an application for a Rental Housing Demolition permit pursuant to Chapter 667 of the City of Toronto Municipal Code.

Site Plan Control

The proposed development is subject to site plan approval. An application for site plan approval has been submitted and is under review.

Reasons for Application

The proposed changes to the approved Zoning By-law would result in an increase in permitted GFA (within the permitted zoning envelope), a reduction in required vehicular parking, an increase in required bicycle parking, and improvements in the community benefits secured through Section 37 of the Planning Act, as described in this report.

A Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code is required as the site contains at least six (6) residential dwelling units, of which at least one (1) was used for residential rental purposes.

Tenant Consultation

Planning staff hosted a Tenant Consultation Meeting on February 27, 2019, as required by the related by-law. The purpose of the meeting was to review the City's rental housing policies and provide information on the proposed redevelopment. This meeting was attended by two tenants of the four units occupied at the time of the meeting, and City Planning staff.

During the meeting, tenants asked questions about the process and the proposal. They asked about why the right to return to a replacement rental dwelling unit was not offered. Staff provided a response which is summarised below under 'tenant relocation and assistance.'

COMMENTS

Conformity with the Planning Framework for King-Spadina

The application has been assessed in the context of the planning framework for King-Spadina which includes the Official Plan, the King-Spadina Secondary Plan, the on-going King-Spadina Secondary Plan Review and the King-Spadina Heritage Conservation District Plan. The proposed degree of conservation is consistent with the settlement as endorsed by the LPAT. The proposed changes to the zoning by-law for gross floor area are minor and result from the addition of the property at 321 King Street West to the development (as anticipated in the settlement and acknowledged in the LPAT decision), and two additional floors within the tower with no change to the height or mass of the tower. The proposed decrease in vehicular parking and commensurate increase in bicycle parking generally reflect the trend toward lower vehicle parking ratios and the use of alternative transportation modes in this mixed-use neighbourhood.

Land Use

The proposed development is located in the Downtown and is designated Regeneration Areas in the Official Plan, and is in an appropriate location for development. The proposed retail and residential uses are permitted in this area of the Downtown, and provide a mix of uses which are encouraged in the Regeneration Areas designation.

The proposed changes in the GFA dedicated to residential and non-residential uses retain the mixed-use character of the development.

Density, Height, Massing, Setbacks and Separation Distances

The proposed changes to the building as described above have a fairly small impact on the density of the proposed development. The approved development had a floor space index (FSI) of 17.9. The proposed changes as described in this report would increase the FSI to 19.6.

The height of the proposed building at 49-storeys and 154.5 metres (including mechanical elements) is consistent with the settlement as approved by the LPAT.

There has been no change to the proposed massing, setbacks or separation distances as anticipated in the settlement endorsed by Council and approved by the LPAT.

Parking and Loading

Parking Supply

The development resulting from the settlement, subsequently approved by the LPAT, provided for 102 residential parking spaces for the proposed 304 residential units.

The applicant's traffic consultant (BA Group) provided, along with the April 3, 2018 site plan control application, an Urban Transportation Considerations Report. That report, dated March 28, 2018, has been reviewed by Transportation Services staff, who have agreed that the proposed total of 54 parking spaces, including three car-share spaces, are acceptable.

Bicycle Parking

The development approved through the settlement provided for a total of 333 bicycle parking spaces. The revised proposal would provide for 440 bicycle parking spaces with 40 short-term spaces available on the ground floor (24 resident and 16 visitor spaces) and 400 long-term spaces being provided on the second floor and the first below-grade floor.

The proposed increase in bicycle parking is intended to better address the mobility needs of future residents and the reduction in the vehicular parking supply.

Loading

The proposed development will provide one type G loading space which will be access off the public laneway at the rear of the property. This is unchanged from the previous settlement.

Servicing

Engineering and Construction Services staff require that the applicant submit a revised Functional Servicing Report to address outstanding requirements, enter into an agreement for any necessary improvements to municipal infrastructure, and provide necessary on-site servicing infrastructure. As is noted in the recommendations of this report, these are required to be addressed prior the LPAT issuing its Order on the Zoning By-law Amendment.

Rental Housing Replacement

The applicant proposes to provide ten (10) affordable rental dwelling units within the new residential building. The Official Plan Policy 3.2.1 requires existing rental dwelling units which would be demolished to be replaced by the same number, bedroom type and size, and the rents be secured for a least ten years, and an acceptable tenant relocation and assistance plan be secured.

Six (6) two-bedroom existing dwelling rental units, all with mid-range rents, are located within the existing buildings. These units would be replaced by the same number and size, and the bedroom type would be improved with the replacement unit mix comprised of four (4) two-bedroom and two (2) three-bedroom units. The affordability of rents would be deepened from mid-range rents to 85 per cent of affordable rents per the Official Plan definition.

As an improvement to the existing condition, all of the replacement rental dwelling units would be provided with air conditioning in each unit. Tenants of the affordable rental units would have access to all indoor and outdoor amenity space provided within the residential building. Long term bicycle and visitor car parking would be available to tenants of the affordable rental dwelling units on the same terms as other residents of the residential condominium building.

The Section 37 and Section 111 Agreements will secure all details regarding minimum unit sizes and tenants' access to all facilities and amenities.

Tenure and Rents for the Replacement Rental Dwelling Units

The affordability period would begin from the date that each replacement rental dwelling unit is first occupied, for 20 years. The tenure of the units would also be secured from the date that each replacement rental dwelling unit is first occupied, for at least 20 years, and after which, until the owner obtains approvals for a Zoning By-law Amendment removing the requirement for the rental dwelling units to be maintained as rental units. These matters will be secured in the appropriate agreements registered on title to the property. These units would contribute to the City's rental dwelling stock.

Tenant Relocation and Assistance

The owner and all four existing tenants have come to agreements on financial compensation and timing to vacate. These agreements were negotiated privately and settled via the Landlord and Tenant Board. City Planning staff were not involved with these private arrangements. City Planning staff have reviewed the agreements, which were also discussed individually with tenants of two of the four rental dwelling units. Staff consider that the agreements represent an acceptable level of tenant assistance to lessen hardship due to the demolition of their units.

Because of private agreements being reached, a right to return to the replacement rental dwelling units by existing tenants was not provided for. The replacement units will have rents secured at deepened affordable rents and will be occupied with tenants via a non-profit rental housing provider. Rents will be secured at no more than 85 per cent of average market rent, whereas tenants were last paying rents which were considered mid-range rents. Mid-range rents are 150 per cent of average market rent. Average market rents for private market rental housing is reported annually by the Canada Mortgage Housing Corporation. The Official Plan Policy 3.2.1.6 does not require that tenants be offered a right to return, but that the matter should be 'addressed'. Staff consider that the right to return is appropriately addressed as per above. Not providing for the return of tenants to the replacement units is appropriate given the unique circumstances of the privately negotiated agreements.

Section 37

Section 37 of the Planning Act allows the City to require community benefits in situations where increased density and/or height are permitted. Community benefits are specific capital facilities (or cash contributions for specific capital facilities) and can include: affordable housing; parkland and/or park improvements above and beyond the required s. 42 Planning Act parkland dedication; public art; streetscape improvements on the public boulevard not abutting the site; and other works detailed in Section 5.1.1.6 of the Official Plan. Section 37 may also be used as may otherwise be agreed upon,

subject to the policies contained in Chapter 5 of the Official Plan. The community benefits must bear a reasonable planning relationship to the proposed development including, at a minimum, an appropriate geographic relationship and may relate to planning issues associated with the development (e.g. local shortage of parkland).

The applicant and the City have agreed to amend the Section 37 community benefits associated with the proposed development. These are as follows:

- The owner shall provide a cash contribution of \$406,800 for streetscape and/or public realm improvements in the East Precinct of the King-Spadina Secondary Plan area.
- The owner shall provide a cash contribution of \$45,200 toward the Toronto Community Housing Corporation (TCHC) revolving fund for repairs.
- In the event the cash contributions referred to in Sections 1. and 2. above have not been used for the intended purpose within three (3) years of this by-law coming into full force and effect, the cash contribution may be redirected for another purpose, at the discretion of the Chief Planner and Executive Director, City Planning Division, in consultation with the local Councillor, provided that the purpose is identified in the Toronto Official Plan and will benefit the community in the vicinity of the lands.
- The \$452,000 in cash contribution referred to in Sections 1. and 2. above is to be indexed upwardly in accordance with Statistics Canada's Construction Price Index for the Toronto Census Metropolitan Area, calculated from the date of the Local Planning Appeal Tribunal decision to the date of payment. All cash contributions will be payable prior to issuance of the first above-grade building permit.

The recommendations of this report also include matters to be secured through the section 37 Agreement as a matter of convenience. These include:

- An additional four (4) one-bedroom rental dwelling units are proposed with rents at 85 per cent of average market rents. The Section 37 contribution would also deepen the affordability of the six (6) replacement rental dwelling units from 150 per cent of average market rents to 85 per cent of average market rents for a period of at least 20 years.
- heritage conservation matters which are described in the report entitled Demolition of Heritage Buildings and Repeal of By-law No. 500-2015 for 327 (333) King Street West and Authority to Amend the Heritage Easement Agreement for 321-327 (333) King Street West, which is to be presented at the May 22, 2019 meeting of Toronto and East York Community Council.

Conclusion

Staff have reviewed the changes to the development as proposed by the new owners of the site as described in this report and conclude that they are minor and consistent with the earlier settlement endorsed by Council. The improvement in the affordability of the ten rental units which will be secured for a period of at least 20 years is a very positive aspect of the revised proposal. Staff recommend that Council endorse the changes to the proposal as described in this report and that staff be directed to prepare revised minutes of settlement to be jointly presented to the LPAT.

Staff also recommend that City Council approve the proposed changes to the demolition of the six (6) existing rental dwelling units located at 321 and 325 King Street West subject to the conditions set out in the recommendations of this report.

CONTACT

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SIGNATURE

Lynda H. Macdonald, MCIP, RPP, OALA
Director, Community Planning
Toronto and East York District

ATTACHMENTS

City of Toronto Data/Drawings

Attachment 1: Application Data Sheet

Attachment 2: Existing Official Plan Land Use Map

Attachment 3: King-Spadina Secondary Plan - Map 16-1

Attachment 4: Existing Zoning By-law Map

Applicant Submitted Drawings

Attachment 5: Site Plan

Attachments 6a-d: Elevations

Attachment 1: Application Data Sheet

Municipal Address: 327 KING ST W Date Received: May 26, 2010

Application Number: 10 182677 STE 20 OZ

Application Type: OPA / Rezoning, Rezoning

Project Description: The proposed development for a 49-storey mixed-use building was approved as a settlement at the OMB, with a decision issued on May 8, 2013. The applicant proposes some amendments to the proposal, including an increase in gross floor area (but no change in height or massing) a reduction in the required vehicular parking and an increase in bicycle parking. The applicant is also proposing to address outstanding requirements from the settlement, including on-site heritage conservation and rental replacement.

Applicant	Agent	Architect	Owner
AIRD AND BERLIS LLP		IBI GROUP ARCHITECTS (CANADA) INC.	451019 ONTARIO LIMITED IN TRUST

EXISTING PLANNING CONTROLS

Official Plan Designation:	Regeneration Areas	Site Specific Provision:	N
Zoning:	RA	Heritage Designation:	Y
Height Limit (m):	30	Site Plan Control Area:	Y

PROJECT INFORMATION

Site Area (sq m): 1,182 Frontage (m): 39 Depth (m): 31

Building Data	Existing	Retained	Proposed	Total
Ground Floor Area (sq m):			909	909
Residential GFA (sq m):	20,230		22,660	22,660
Non-Residential GFA (sq m):	790		479	479
Total GFA (sq m):	21,020		23,139	23,139
Height - Storeys:	47		49	49
Height - Metres:	155		155	155

Lot Coverage Ratio (%): 76.9 Floor Space Index: 19.6

Floor Area Breakdown Above Grade (sq m) Below Grade (sq m)
 Residential GFA: 22,660
 Retail GFA: 479
 Office GFA:
 Industrial GFA:
 Institutional/Other GFA:

Residential Units by Tenure	Existing	Retained	Proposed	Total
Rental:	6		10	10
Freehold:				
Condominium:	304		318	318
Other:				
Total Units:	314		328	328

Total Residential Units by Size

	Rooms	Bachelor	1 Bedroom	2 Bedroom	3+ Bedroom
Retained:					
Proposed:			270	25	33
Total Units:			270	25	33

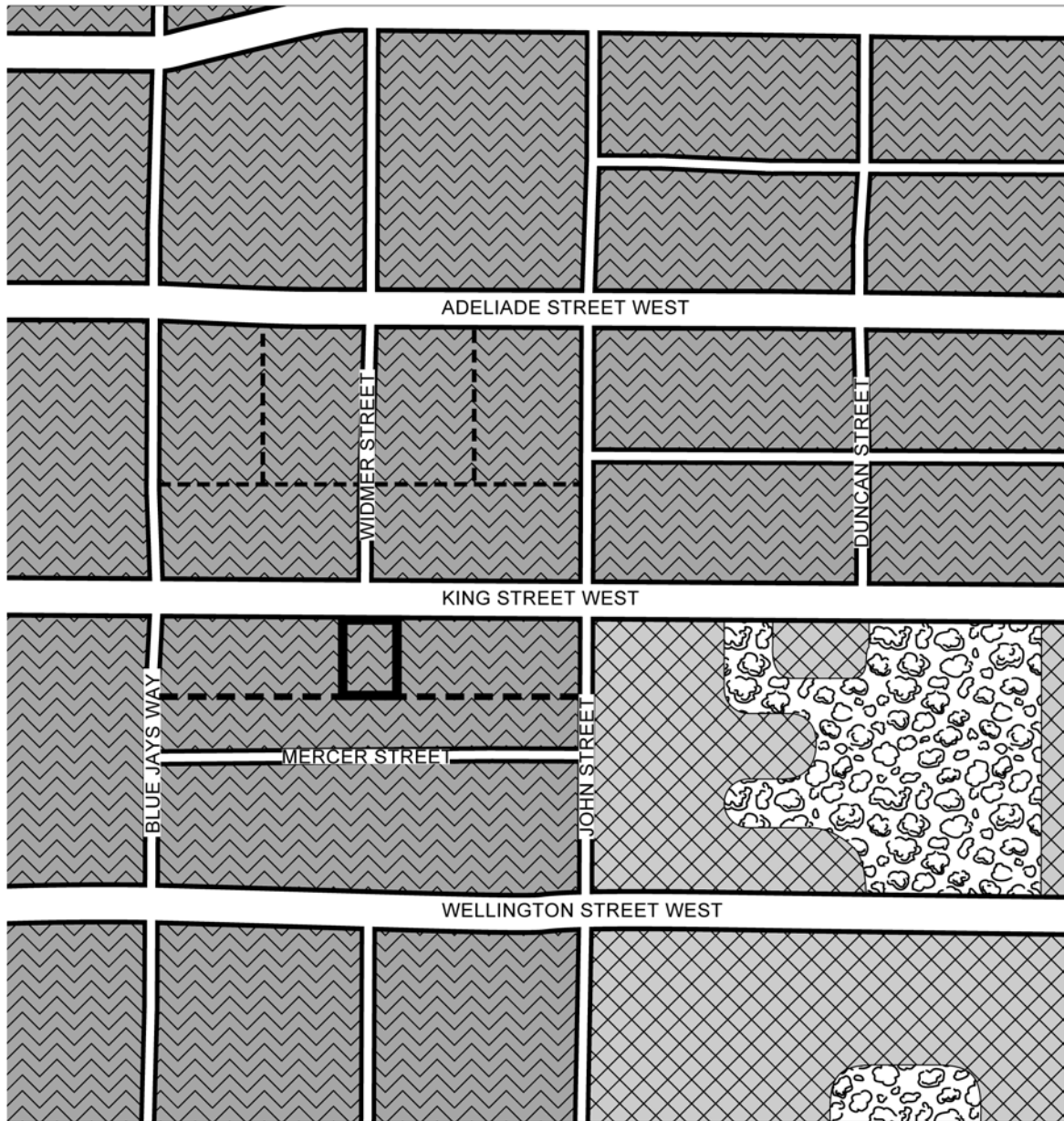
Parking and Loading

Parking Spaces: 54 Bicycle Parking Spaces: 440 Loading Docks: 1

CONTACT:

Dan Nicholson, Acting Manager
 (416) 397-4077
 Dan.Nicholson@toronto.ca

Attachment 2: Existing Official Plan Land Use Map



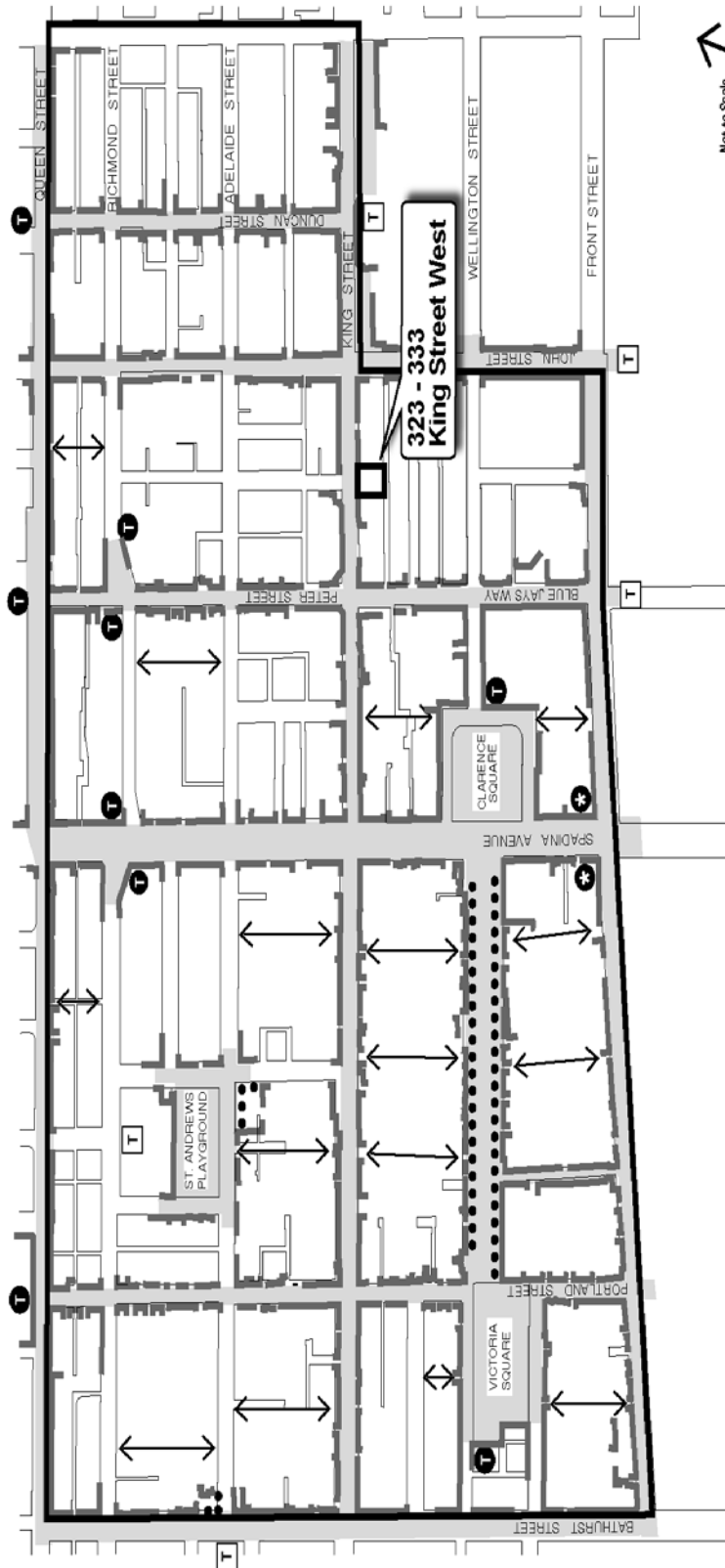
Official Plan Land Use Map #18

321-333 King Street West

File # 10 182677 STE 20 0Z

Location of Application	Parks & Open Space Areas	Regeneration Areas	Roads not currently shown on Land Use Map	 Not to Scale 04/25/2019
Neighbourhoods	Parks			
Mixed Use Areas				

Attachment 3: King-Spadina Secondary Plan - Map 16-1



Not to Scale



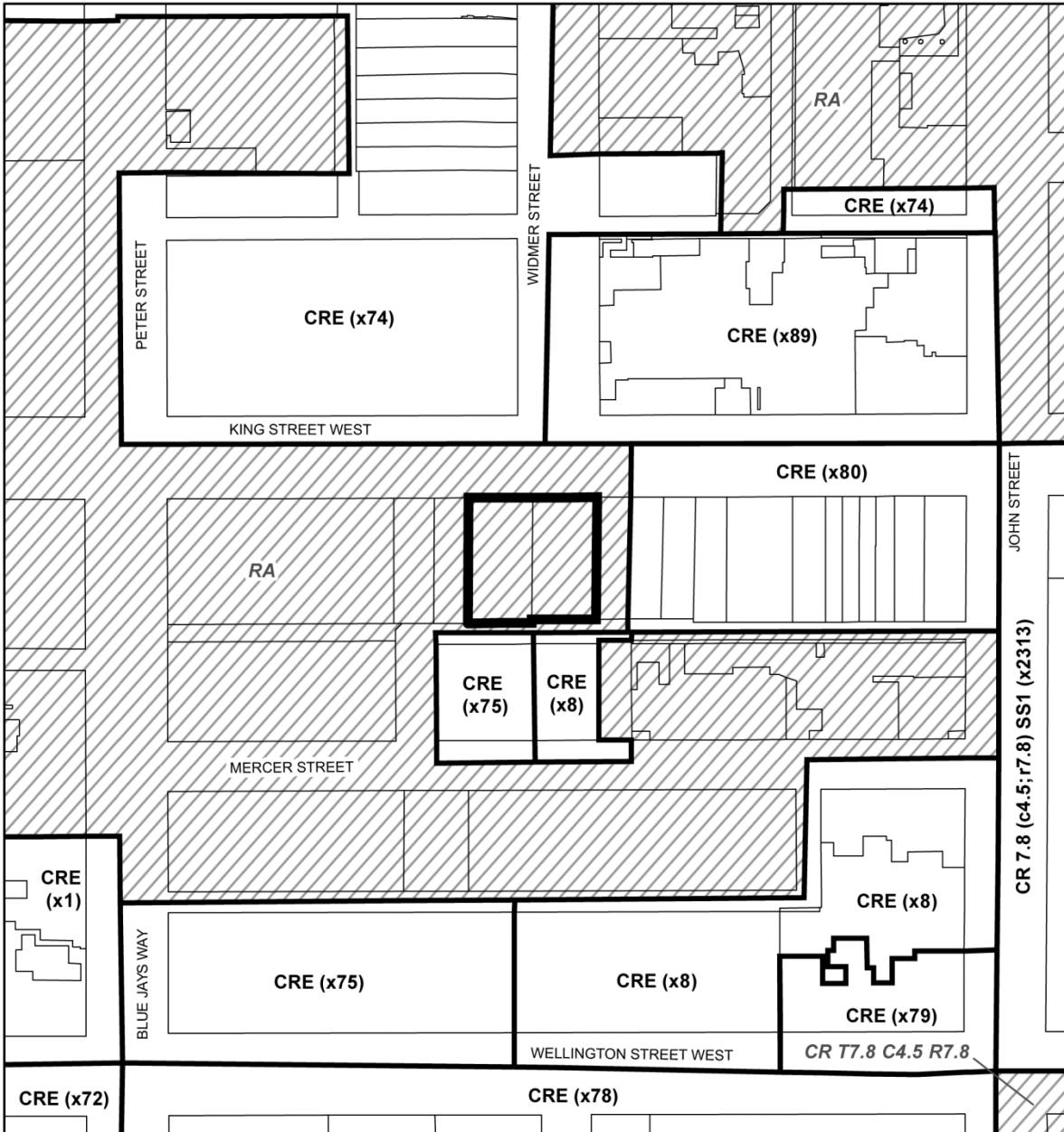
King-Spadina Secondary Plan

MAP 16-1 Urban Structure Plan

- Secondary Plan Boundary
- Potential Gateway
- Potential View Terminus
- Existing View Terminus
- Existing and Potential Building Edge
- Potential Mid-block Connections
- Significant Street & Open Space
- Landscape Edge

June 2006

Attachment 4: Existing Zoning By-law Map



Zoning By-law 569-2013

321-333 King Street West

File # 10 182677 STE 20 0Z



Location of Application

CR Commercial Residential CRE Commercial Residential Employment



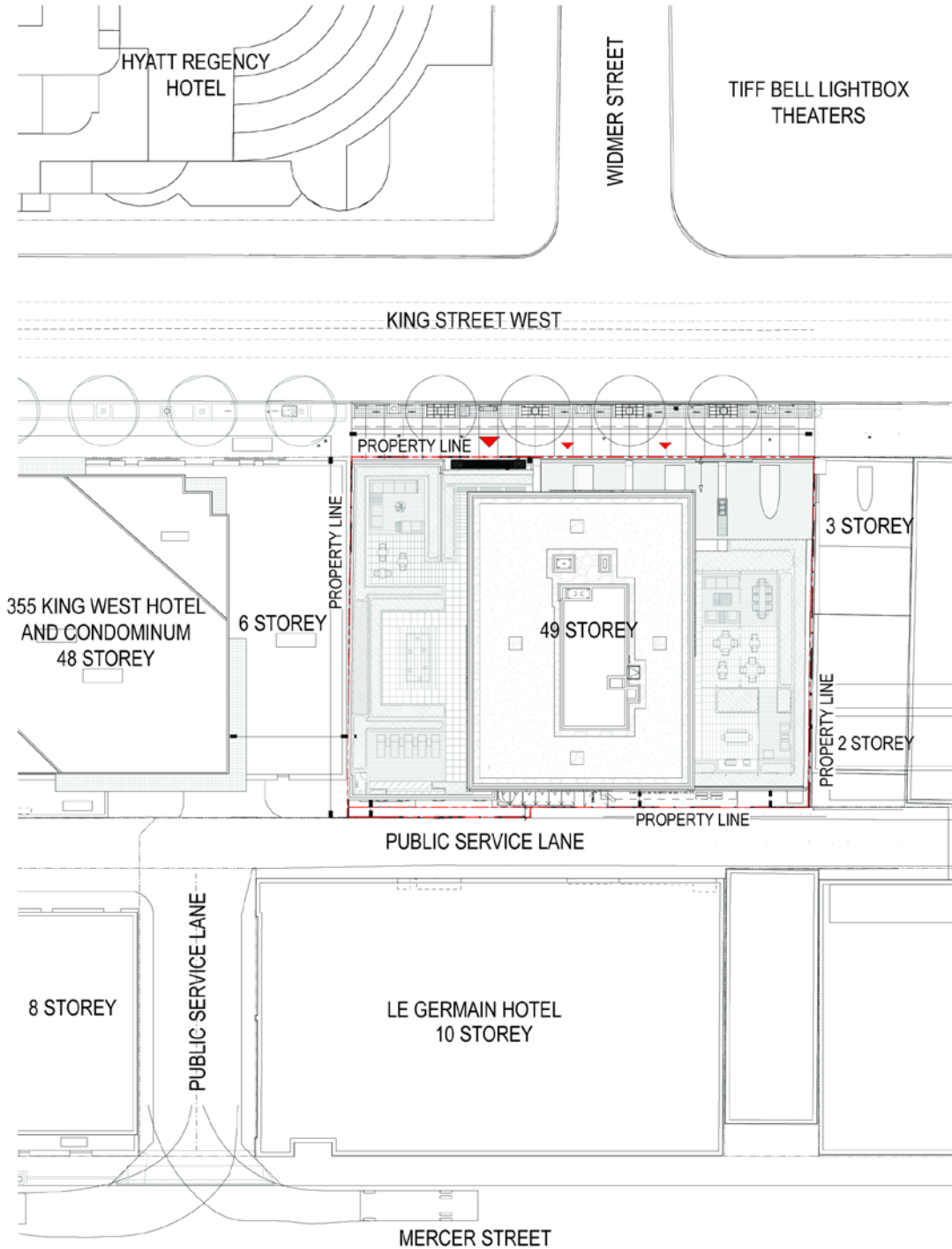
See Former City of Toronto By-law No. 438-86

CR Mixed-Use District
RA Mixed-Use District



Not to Scale
Extracted: 04/24/2019

Attachment 5: Site Plan

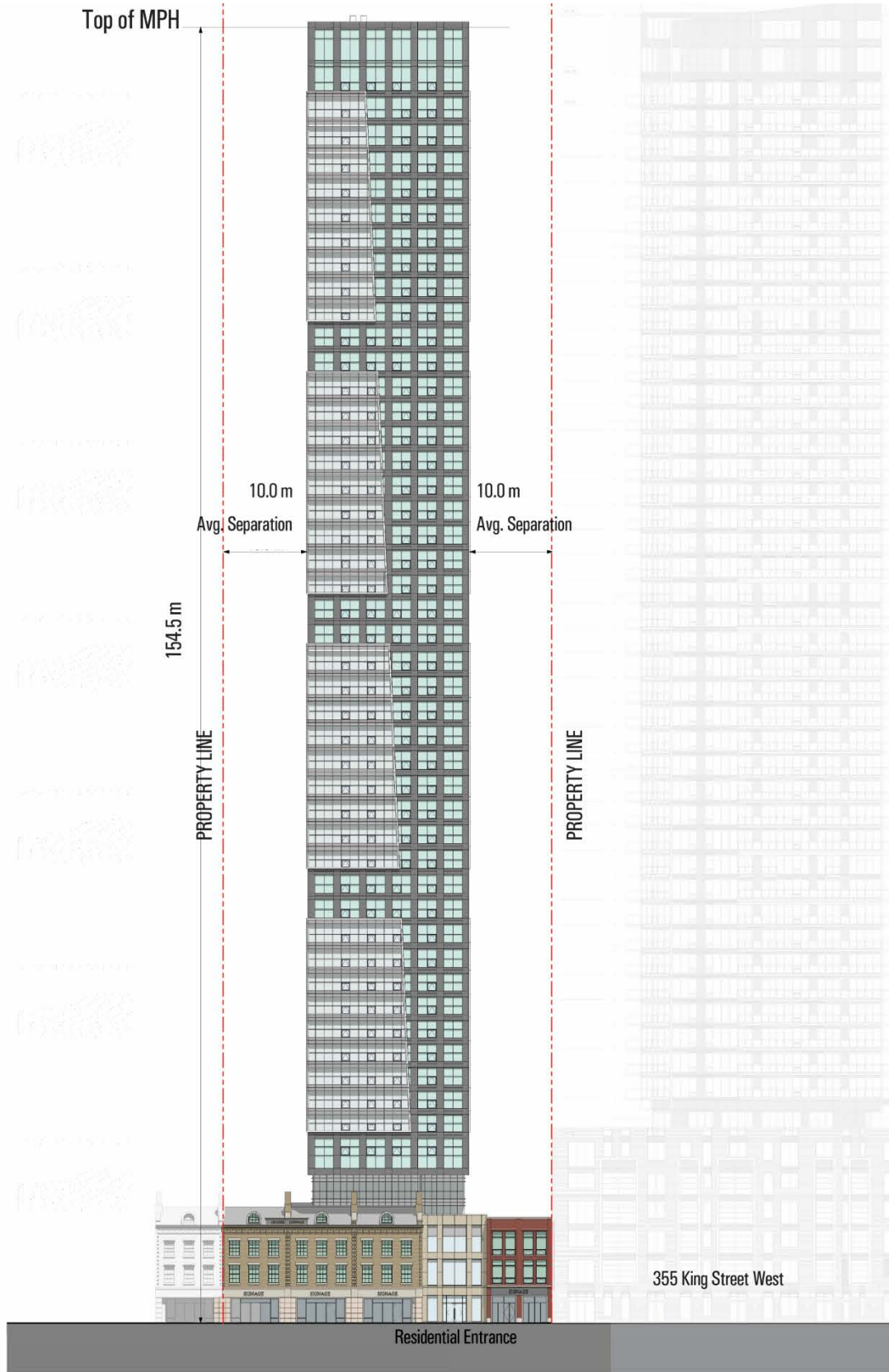


- ▼ NON-RESIDENTIAL ENTRANCE
- ▼ RESIDENTIAL ENTRANCE

Site Plan

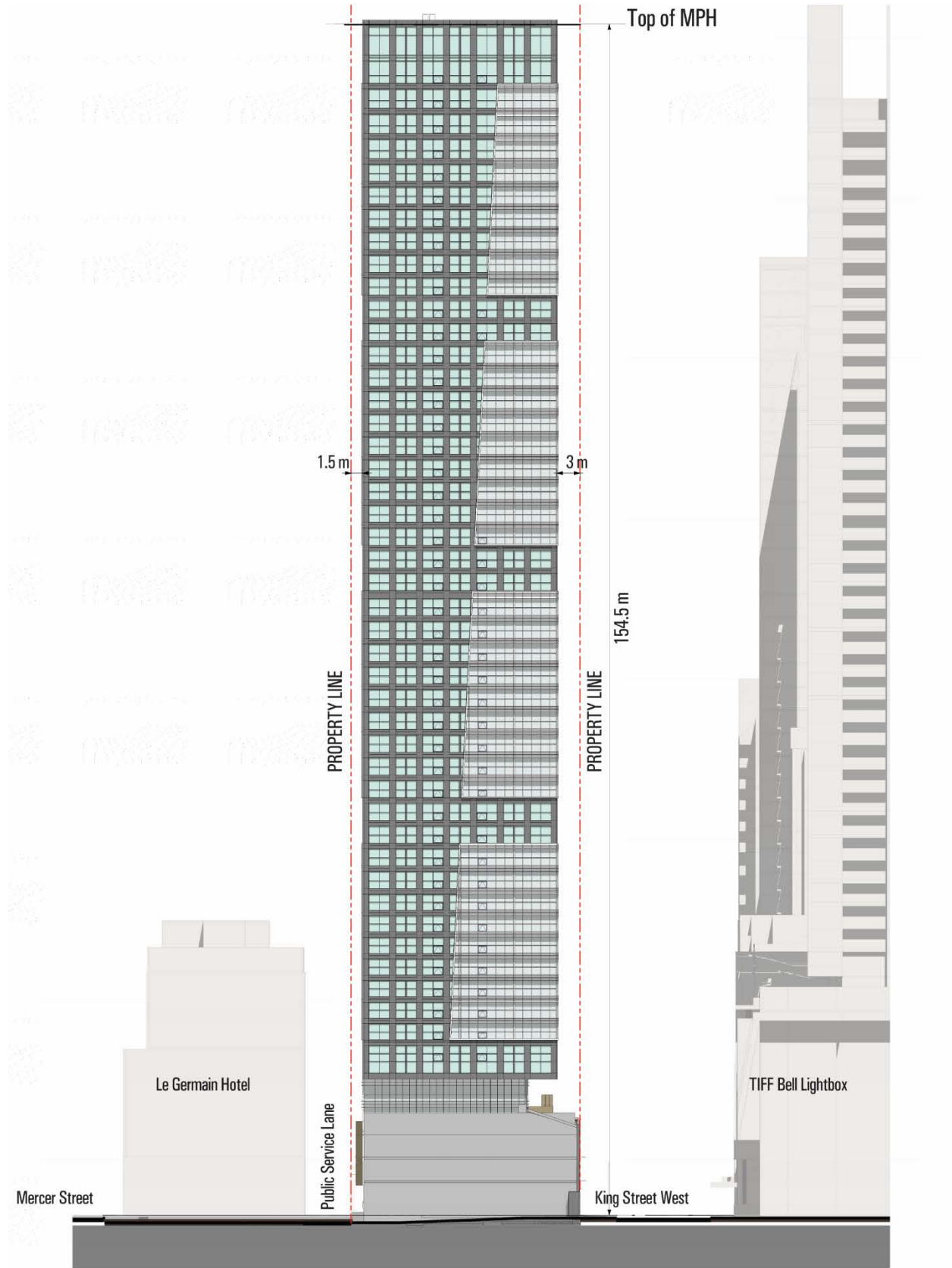


Attachment 6a: North Elevation



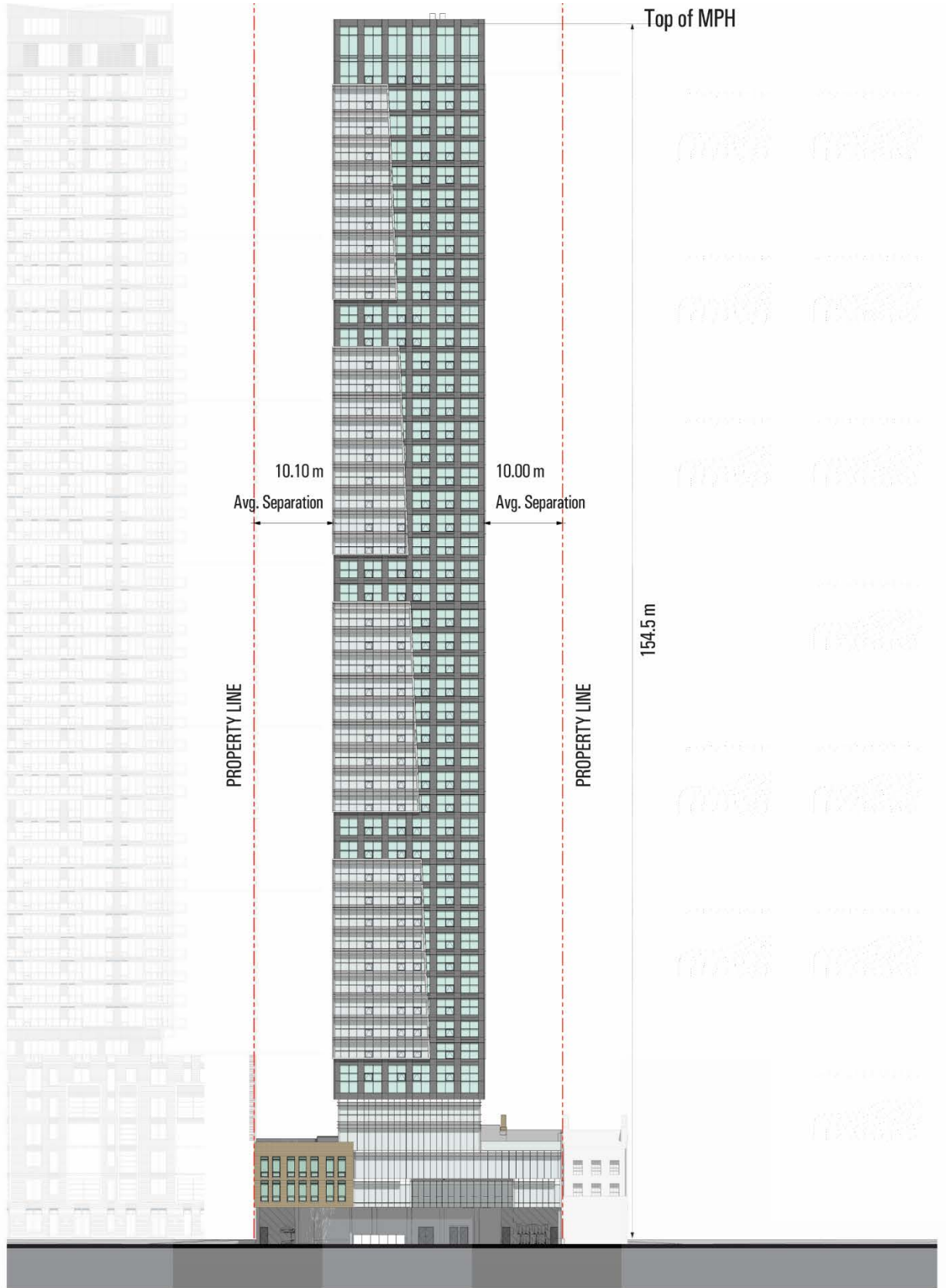
North Elevation

Attachment 6b: East Elevation



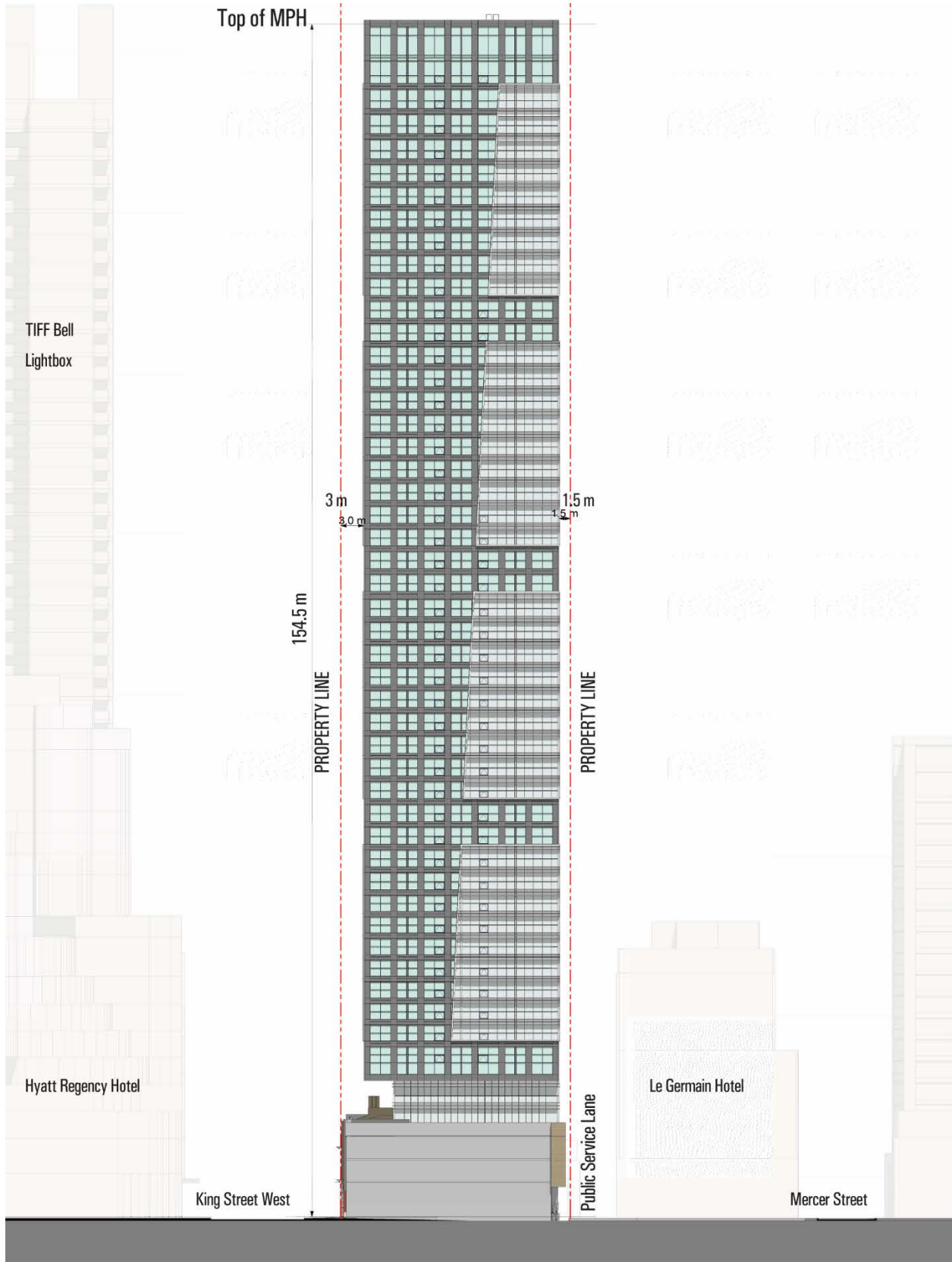
East Elevation

Attachment 6c: South Elevation



South Elevation

Attachment 6d: West Elevation



West Elevation