Authority: Planning and Housing Committee Item PH8.16, adopted as amended, by City of Toronto Council on December 13, 14 and 15, 2023
City Council voted in favour of this by-law on December 15, 2023
Written approval of this by-law was given by Mayoral Decision 30-2023 dated December 15, 2023

#### **CITY OF TORONTO**

#### BY-LAW 1331-2023

To amend Sections 667-1 to 667-19 of City of Toronto Municipal Code Chapter 667, Residential Rental Property Demolition and Conversion Control.

Whereas under section 111 of the City of Toronto Act, 2006, the City may prohibit and regulate the demolition of residential rental properties and may prohibit and regulate the conversion of residential rental properties to a purpose other than the purpose of a residential rental property; and

Whereas the City of Toronto finds it desirable to make certain amendments to City of Toronto Municipal Code, Chapter 667, Residential Rental Property Demolition and Conversion Control to update and clarify the processing for approving and issuing residential demolition permits;

The Council of the City of Toronto enacts:

1. Sections 667-1 to 667-19 of City of Toronto Municipal Code, Chapter 667, Residential Rental Property Demolition and Conversion Control is amended by deleting the current wording and replacing it as follows:

## ARTICLE I General

# § 667-1. Definitions.

As used in this chapter, the following terms shall have the meanings indicated:

CHIEF PLANNER - The Chief Planner and Executive Director, City Planning Division.

#### CO-OWNERSHIP:

- A. An equity co-operative or other co-ownership form of housing where the residential property is:
  - (1) Ultimately owned or leased or otherwise held, directly or indirectly, by more than one person where any such person, or a person claiming under such person, has the right to present or future exclusive possession of a dwelling unit in the residential property;

- (2) For greater certainty and without restricting the generality of Subsection A(1):
  - (a) Owned or leased or otherwise held in trust or owned or leased or otherwise held by a partnership or limited partnership as partnership property, where any trustee, beneficiary, partner, general partner or limited partner, or other person claiming under such trustee, beneficiary, partner, general partner or limited partner, has the right to present or future exclusive possession of a dwelling unit in the residential property; or
  - (b) Ultimately owned or leased or otherwise held, directly or indirectly, by a corporation having more than one shareholder or member, where any such shareholder or member, or a person claiming under such shareholder or member, by reason of the ownership of shares in, or being a member of, the corporation, has the right to present or future exclusive possession of a unit in the residential property.

#### B. Does not include:

- (1) A residential property or portion of a residential property that is governed by a condominium corporation under the Condominium Act, 1998.
- (2) A residential building that is organized as a life lease project.
- (3) A non-profit housing co-operative under the Co-operative Corporations Act.

DEMOLITION - The demolition of all or part of a building, including interior renovations or alterations that will result in a change to the number of dwelling units by bedroom type.

DWELLING UNIT - A self-contained set of rooms located in a building or structure that:

- A. Is operated as a single housekeeping unit, used or intended to be used as residential premises for one or more persons; and
- B. Contains kitchen and bathroom facilities that are intended for the use of the unit only.

GUIDELINES - Guidelines for applications for demolition or conversion approval under this chapter.

LIFE LEASE PROJECT - A life lease project as described in paragraph 1 of subsection 3(1) of Ontario Regulation 282/98 under the Assessment Act.

PRELIMINARY APPROVAL - The preliminary planning approval of an application under this chapter by the Chief Planner as described in § 667-16B.

#### RELATED APPLICATION:

- A. An application that provides for the demolition of residential rental property or the conversion of residential rental property to a purpose other than the purpose of a residential rental property, expressly or by necessary implication.
- B. For greater certainty, Subsection A includes, but is not limited to, an application for the following:
  - (1) A permit under section 8 or 10 of the Building Code Act, 1992.
  - (2) A demolition permit under section 33 of the Planning Act.
  - (3) A consent or permit to alter part of a property or to demolish or remove a building or structure under section 33, 34, 34.5 or 42 of the Ontario Heritage Act.
  - (4) Approval or registration of a description for a proposed condominium or exemption from approval for a condominium, under section 9 of the Condominium Act, 1998.
  - (5) An amendment to the Official Plan under section 22 of the Planning Act.
  - (6) A zoning by-law amendment under section 34 of the Planning Act.
  - (7) A minor variance under section 45 of the Planning Act.
  - (8) Approval of plans and drawings under subsection 114(5) of the City of Toronto Act, 2006 or subsection 41(4) of the Planning Act.
  - (9) Approval of a plan of subdivision under section 51 of the Planning Act.
  - (10) A consent under section 53 of the Planning Act.
- C. Despite Subsection B(6), Subsection A does not include a City-initiated general zoning by-law amendment to implement area land use studies and other general policies (for example, to implement the designation of a redevelopment or growth area of the City), except for any site-specific exemptions or other site-specific provisions at the request of a landowner.

## RELATED GROUP OF BUILDINGS:

A. Buildings that are under the same ownership and on the same parcel of land as defined in section 46 of the Planning Act; or

B. Buildings that form part of the same application under this chapter or under a related application.

RENTAL HOUSING DEMOLITION AND CONVERSION PERMIT - The permit issued pursuant to section 111 of the City of Toronto Act, 2006 by the Chief Planner or Chief Building Official after the final approval of an application under this chapter by the City as described in § 667-16 and Section 363-6.2 of Chapter 363, Building Construction and Demolition.

#### **RENTAL UNIT:**

- A. A dwelling unit used, or intended for use, for residential rental purposes, including:
  - (1) A dwelling unit that has been used for residential rental purposes and is vacant.
  - (2) A dwelling unit in a co-ownership that is or was last used for residential rental purposes.
- B. Does not include a dwelling unit that is:
  - (1) In a condominium registered under section 2 of the Condominium Act, 1998 or a predecessor of that section.
  - (2) In a building organized as a life lease project and the right to occupy the dwelling unit is based on a life lease interest.

RESIDENTIAL RENTAL PROPERTY - A building or related group of buildings containing one or more rental units, including all common areas and services and facilities available for the use of its residents.

#### § 667-2. Application.

- A. This chapter does not apply to a residential rental property that:
  - (1) Contains less than six dwelling units;
  - (2) Forms part of a condominium governed by the Condominium Act, 1998; or
  - (3) Is organized as a life lease project.
- B. Except as provided in Subsection C, this chapter does not apply with respect to living accommodation described in section 5 (Exemptions from Act) of the Residential Tenancies Act, 2006.

C. This chapter applies to living accommodation (a member unit of a non-profit housing co-operative) as described in clause 5(c) of the Residential Tenancies Act, 2006.

## § 667-3. Demolition prohibited.

No person shall demolish, or cause to be demolished, the whole or any part of a residential rental property unless the person has received a Rental Housing Demolition and Conversion Permit for the demolition of the residential rental property and except in accordance with the terms and conditions of the Rental Housing Demolition and Conversion Permit and any Preliminary Approval.

# § 667-4. Conversion prohibited.

- A. No person shall convert any part of a residential rental property, or cause a residential rental property to be converted, to a purpose other than the purpose of a residential rental property unless the person has received a Rental Housing Demolition and Conversion Permit for the conversion of the residential rental property and except in accordance with the terms and conditions of the Rental Housing Demolition and Conversion Permit and any Preliminary Approval.
- B. For greater certainty, and without limiting Subsection A, conversion of a residential rental property to a purpose other than a residential rental property includes:
  - (1) Conversion as a result of a consent to sever land under section 53 of the Planning Act.
  - (2) Conversion to:
    - (a) A non-residential use.
    - (b) Living accommodation other than dwelling units.
    - (c) A co-ownership, a condominium, or a building organized as a life lease project.
    - (d) Freehold or other forms of ownership of dwelling units.
- C. Conversion to co-ownership.
  - (1) For the purposes of this section, the conversion from residential rental property to a co-ownership occurs:
    - (a) When the first lease or sale of an interest in <u>a</u> residential rental property or of a share in a corporation owning or leasing any interest in <u>a</u> residential rental property takes place <u>and</u> carries with

- it the right to occupy a specific unit in the residential rental property; or
- (b) When a residential rental property is transferred or leased to a corporation of the type mentioned in Subsection A(2)(b) of the definition of "co-ownership" in § 667-1.
- (2) For the purposes of this subsection, where a lease or sale of a share or interest takes place, the lease or sale shall be deemed to have occurred on the day the agreement to enter into the lease or the agreement for sale was executed.
- (3) For the purposes of this subsection, "lease or sale" means any arrangement or transaction that has the effect of transferring an interest in a co-ownership or in a corporation owning or leasing any interest in a co-ownership.

## § 667-5. Exemptions.

- A. Sections 667-3 and 667-4 do not apply if only a part of a residential rental property is proposed for demolition or conversion and that part does not contain any part of a rental unit.
- B. Section 667-4 does not apply if a residential rental property is subject to an application for a consent to sever under section 53 of the Planning Act<sup>1</sup> and if after the proposed conveyance:
  - (1) Each parcel of land resulting from the severance will have six or more rental units; or
  - (2) One or more parcels of land resulting from the severance will have six or more rental units and all the other parcels of land at the time of the application contained no dwelling units.

#### § 667-6. Harassment of tenant.

No owner of residential rental property or person acting on the owner's behalf shall interfere with a tenant's reasonable enjoyment of a rental unit in the residential rental property with the intent of discouraging the participation of the tenant in the application or approval process described in Articles II and III or with the intent of otherwise facilitating the obtaining of the approval of Council or the Chief Planner on an application made under this chapter.

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<sup>&</sup>lt;sup>1</sup> Editor's Note: See R.S.O. 1990, c. P.13.

# ARTICLE II **Application**

# § 667-7. Application for approval.

- A. A person who wishes to demolish or convert residential rental property shall submit an application for approval in writing on a form prescribed by the Chief Planner, and shall supply any additional information relating to the application as required by the Chief Planner.
- B. The information provided under Subsection A shall be in a form approved by the Chief Planner, and the Chief Planner may require that a person, who in the opinion of the Chief Planner is qualified to do so, provide or verify the information to the satisfaction of the Chief Planner.
- C. No person shall knowingly furnish false or misleading information in any application under this chapter.

### § 667-8. Fees and charges.

- A. The processing fee for the application for approval, set out in Schedule 16 of Appendix C of Chapter 441, Fees and Charges, shall be paid at the time the application is submitted to the City.
- B. If section 8 or 10 of the Building Code Act, 1992 apply to the proposed demolition or conversion, the applicant must also pay the fees required under § 363-6, Article 4, Building Permits, of Chapter 363, Building Construction and Demolition, at the times specified in the article, despite Subsection A and the issuance of a permit under this chapter instead of under section 8 of the Building Code Act, 1992 [as permitted by subsection 111(5) of the City of Toronto Act, 2006].

# § 667-9. Related application; notice of prohibition.

- A. If a person makes a related application, as described in Subsection B of the definition of "related application" in § 667-1, the person shall also file an application under this chapter without delay.
- B. If a related application is made with respect to a residential rental property for which approval is required under this chapter, the applicant shall provide written notice to the applicable approval authority and, in the case of an appeal or referral, to the Ontario Land Tribunal or court.
- C. The notice required under Subsection B shall include a statement that the demolition or conversion is not permitted unless a Rental Housing Demolition and Conversion Permit has been given for the demolition or conversion under Chapter 667, Residential Rental Property Demolition or Conversion Control.

- D. The notice required under Subsection B shall be filed at the time the application is filed with the approving authority or the referral or appeal is filed with the Ontario Land Tribunal or the court.
- E. If this chapter applies to a related application under § 667-22, the notice shall be filed with the approval authority, Ontario Land Tribunal, or court, without delay.

#### § 667-10. Withdrawal of application.

If the application is withdrawn before the Chief Planner or Council makes a decision, no further application under this chapter to approve the demolition or conversion of the residential rental property may be made within two years after the withdrawal, unless Council or the Chief Planner, if the application is delegated under § 667-12, gives its consent.

## § 667-11. Notice of application.

- A. The applicant shall provide notice of the application to tenants of the rental units proposed to be demolished or converted, to the satisfaction of the Chief Planner, and within 14 days after the Chief Planner has advised that the application is complete or within such other time period as determined by the Chief Planner.
- B. If the approval of the application is delegated to the Chief Planner under § 667-12, the notice under Subsection A shall include a statement on the City's policy where there are less than six rental units and relevant information on the application of the Residential Tenancies Act, 2006.

# ARTICLE III **Approval of Application**

### § 667-12. Approval by Chief Planner under delegated authority.

- A. The Chief Planner, or their designate, is authorized to approve an application to demolish all or a part of a residential rental property or to convert a residential rental property to a purpose other than the purpose of a residential rental property:
  - (1) If the residential rental property at the time of the application has six or more dwelling units, but less than six rental units.
  - (2) If the residential rental property at the time of the application has six or more rental units, and:
    - (a) The combined number of existing rental units affected by the proposed demolition or conversion and any previous demolition or conversion activities within the preceding five-year period is less than six; and

- (b) The proposed demolition or conversion will not reduce the number of rental units to less than six.
- B. For the purposes of Subsection A, the "five-year period" is calculated as follows:
  - (1) The five-year period is the period of five years preceding the date of an application.
  - (2) For the purposes of Subsection B(1), the date of an application is deemed to be the earlier of:
    - (a) The date an application for approval of a demolition or conversion under this chapter has been filed with the Chief Planner and is considered complete for the purposes of the application, as determined by the Chief Planner; and
    - (b) The date a related application has been made or, if applicable, accepted as complete by the applicable approving authority.
- C. The Chief Planner shall consider the application not earlier than 14 days after the notice has been given to the tenants under § 667-11, if applicable.
- D. The Chief Planner may impose conditions to the approval that include:
  - (1) A requirement that the owner of the residential rental property notify any tenants, who reside in the rental units affected by the changes permitted under the approval, of the relevant provisions in the Residential Tenancies Act, 2006.
  - (2) A requirement that the notification required under Subsection D(1) be given in a form and at a time satisfactory to the Chief Planner.
  - (3) A requirement for the owner to provide tenant relocation and other assistance to the satisfaction of the Chief Planner.
  - (4) A requirement that a condition to the approval shall be secured by an agreement with the City and that all restrictions and agreements shall be to the satisfaction of the Chief Planner and City Solicitor.
  - (5) A requirement that the applicant and successive owners of the residential rental property shall provide information sufficient to provide verification that the terms of the agreement are being met, to the satisfaction of the Chief Planner.
  - (6) The lapsing of the approval by the Chief Planner in accordance with any guidelines.

E. Where the provisions of this section have been met, the Chief Planner shall issue a Rental Housing Demolition and Conversion Permit or give Preliminary Approval for the application under § 667-16.

# § 667-13. Referral to Council by Chief Planner.

- A. Despite § 667-12A, the Chief Planner may refer an application to a community council or the appropriate standing committee, for Council's approval as set out in § 667-14, if, in the Chief Planner's opinion, the application should be considered by the community council or Council with a related application, or that the application has implications for more than one community council area or is of City-wide interest.
- B. Despite § 667-12A, a councillor for a ward in which the residential rental property is located may, in writing, request the Chief Planner to submit a report respecting the application to a community council or the appropriate standing committee, for Council's approval as set out in § 667-14.

## § 667-14. Approval by Council.

- A. If the approval of an application is not delegated to the Chief Planner under § 667-12, the Chief Planner shall submit a report respecting the application to the community council in which the residential rental property is located or the appropriate standing committee if the residential rental property is located in the geographic area of more than one community council or is of City-wide interest.
- B. Before submitting the report required under Subsection A, City Planning division staff shall hold a tenant consultation meeting (unless the residential rental property is vacant) to review the impact of the proposal on the tenants of the residential rental property and other matters under section 111 of the City of Toronto Act, 2006.
- C. The City Clerk shall provide notice of the community council or standing committee meeting, at which the report will be considered, to the following:
  - (1) The tenants of the residential rental property;
  - (2) Every owner of land within 120 metres of the subject residential rental property, and sections 6(3), (4) and (5) of Ontario Regulation 545/06 under the Planning Act apply with necessary modification; and
  - (3) To any other party who has given the City Clerk a written request for the notice of the community council or standing committee meeting.
- D. The community council or standing committee shall recommend to Council whether to refuse or approve the application, including any conditions as a requirement of obtaining a Rental Housing Demolition and Conversion Permit.

- E. If the residential rental property is located in the geographic area of more than one community council, notice of the report shall be given to the councillor of any ward in which the residential rental property is located.
- F. Council may refuse the application or approve the application and may impose conditions on the approval and authorize the Chief Planner and Chief Building Official to issue a Rental Housing Demolition and Conversion Permit under § 667-16.

# § 667-15. Conditions.

Without limiting the generality of § 667-14F, the conditions that may be imposed on the approval of the application may include:

- A. Conditions with respect to the impact on the supply of rental housing or tenants, for example:
  - (1) A requirement that the owner of the residential rental property notify any tenants who reside in rental units affected by the changes permitted under the approval of any conditions related to the approval and the relevant provisions in the Residential Tenancies Act, 2006.
  - (2) In the case of a demolition, requirements to replace the rental units with rental units at similar rents, and for tenant relocation and other assistance, including the right to return to the replacement rental housing.
  - (3) A requirement to develop and implement an access plan for replacement rental units with no returning tenant, including the use of a City-managed centralized housing access system and income eligibility, to the satisfaction of the Chief Planner.
  - (4) In the case of a conversion to a condominium, requirements relating to the cost impacts on tenants.
- B. Conditions with respect to the applicant's entitlement to claim or act under any of the following until the conditions imposed have been satisfied or secured by an agreement registered on title to each property to which the agreement relates, to the satisfaction of the Chief Planner:
  - (1) A permit under subsection 8(1) or section 10 of the Building Code Act, 1992 for construction, demolition, or conversion of a building.
  - (2) A demolition permit under section 33 of the Planning Act.
  - (3) A consent or permit to alter part of a property or to demolish or remove a building or structure under sections 34, 34.5, or 42 of the Ontario Heritage Act.

- (4) Approval or registration of a description for a proposed condominium under section 51 of the Planning Act, or an exemption from approval for a condominium, under section 9 the Condominium Act, 1998.
- (5) A consent under section 53 of the Planning Act, except for provisional consent that is conditional on receiving a Rental Housing Demolition and Conversion Permit under this chapter.
- C. A requirement that other conditions to the approval shall be secured by an agreement with the City, and that all restrictions and agreements shall be to the satisfaction of the Chief Planner and City Solicitor.
- D. A requirement that the applicant and successive owners of the residential rental property provide regular information to the City sufficient to provide verification that the terms of the agreement are being met, to the satisfaction of the Chief Planner.
- E. Conditions providing for the lapsing of the approval in accordance with any guidelines.

#### § 667-16. Final approval and Rental Housing Demolition and Conversion Permit.

If Council or the Chief Planner under § 667-12 approves an application under this chapter, and unless Council provides otherwise:

- A. Except as provided in Subsection B, the Chief Planner, or their designate, is authorized to issue a Rental Housing Demolition and Conversion Permit for the conversion or demolition after all the conditions to Council's approval under § 667-14F or imposed by the Chief Planner under § 667-12D have been satisfied or secured to the satisfaction of the Chief Planner.
- B. In the case of a demolition application or a conversion application that is also subject to section 8 or 10 of the Building Code Act, 1992:
  - (1) The Chief Planner, or their designate, is authorized to give Preliminary Approval to the application after all the conditions to Council's approval under § 667-14F or imposed by the Chief Planner under § 667-12D have been satisfied or secured to the satisfaction of the Chief Planner.
  - (2) After the Chief Planner, or their designate, has given Preliminary Approval under Subsection B(1), issuance of one or more Rental Housing Demolition and Conversion permits or building permits for the demolition or conversion is authorized.

#### § 667-17. Application for revision to conditions

A. If the owner of a residential rental property applies for revisions to the conditions of an approval, the Chief Planner may treat the request as a new application under

- this chapter or may otherwise require the owner to comply with the notice and meeting requirements of this chapter.
- B. The community council or standing committee shall consider and make recommendations to Council on the proposed revisions only after a report has been submitted to the community council or standing committee by the Chief Planner.

#### § 667-18. Revocation; deemed revocation

- A. If a Rental Housing Demolition and Conversion Permit was issued under § 667-16B, the Rental Housing Demolition and Conversion Permit may be revoked and in all other cases, Council, or, if an application was approved by the Chief Planner under § 667-12, the Chief Planner may revoke the Rental Housing Demolition and Conversion Permit if:
  - (1) The Rental Housing Demolition and Conversion Permit was issued or Preliminary Approval was given, on mistaken, false or incorrect information;
  - (2) The conditions to the Rental Housing Demolition and Conversion Permit or Preliminary Approval are not complied with; or
  - (3) The owner of the residential rental property or other holder of a Rental Housing Demolition and Conversion Permit or Preliminary Approval has contravened this chapter.
- B. Where a Rental Housing Demolition and Conversion Permit has been issued under this chapter and a building permit authorizing demolition is revoked under the Building Code Act, 1992, the permit under this chapter shall be deemed to be revoked and this chapter shall apply to any subsequent application for a demolition or building permit in respect of the residential rental property for which the original demolition or building permit was issued as if the original application had not been made and the original demolition or building permit had not been issued.
- C. Subsection B does not apply if the residential rental property has been demolished under a Rental Housing Demolition and Conversion Permit issued under this chapter before the revocation of the building or demolition permit for the new construction.

# ARTICLE IV **Miscellaneous**

#### § 667-19. Offences.

A. Every person who contravenes a provision of this chapter is guilty of an offence.

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- B. Every director or officer of a corporation who knowingly concurs in a contravention of this chapter by the corporation is guilty of an offence.
- C. Every person who fails to comply with a term or condition of a Preliminary Approval or Rental Housing Demolition and Conversion Permit under this chapter is guilty of an offence.
- D. Every person who contravenes an order under subsection 384(1) or 385(1) of the City of Toronto Act, 2006, is guilty of an offence.
- 2. These amendments shall take effect immediately upon enactment of this by-law.

Enacted and passed on December 15, 2023.

Frances Nunziata, Speaker John D. Elvidge, City Clerk

(Seal of the City)