

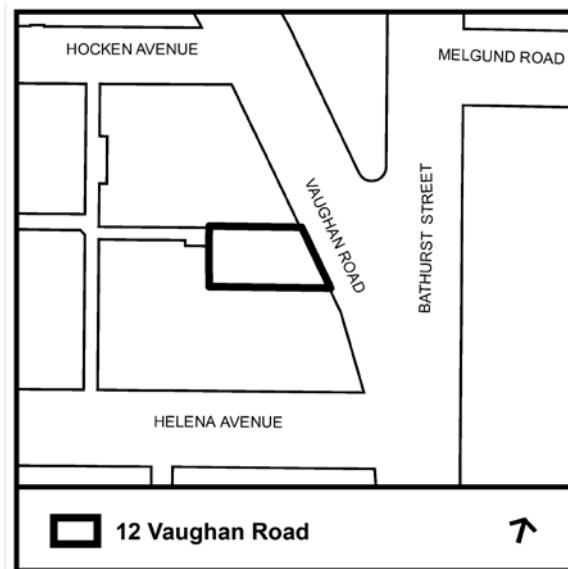
**12 Vaughan Road – Residential Rental Demolition
Application under Municipal Code Chapter 667– Final
Report**

Date:	May 15, 2015
To:	Toronto and East York Community Council
From:	Director, Community Planning, Toronto and East York District
Wards:	Ward 21 – St. Paul's
Reference Number:	15 124865 STE 21 RH

SUMMARY

The applicant has submitted an application for a rental housing demolition permit under Chapter 667 of the Toronto Municipal Code, pursuant to Section 111 of the *City of Toronto Act*, to demolish eleven residential rental dwelling units at 12 Vaughan Road. The applicant proposes to replace all existing rental dwelling units and construct an additional five rental dwelling units.

The demolition of residential rental housing is prohibited under Chapter 667 of the Toronto Municipal Code, if there are six or more residential units and any one of them is rental, unless a Section 111 permit has been issued. Section 3.2.1.6 of the Official Plan states that new development resulting in the loss of six or more residential rental dwelling units will not be approved unless all the existing rental dwelling units have rents that exceed mid-range rents at the time of application or at least the same number, size and type of the rental units are replaced and secured with similar rents to those in effect at the time of application.



This report recommends the issuance of a Section 111 permit for the demolition of the eleven affordable rental dwelling units, subject to conditions.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council approve the application for a Section 111 permit in accordance with Municipal Code Chapter 667 to allow the demolition of eleven rental dwelling units at 12 Vaughan Road subject to the following conditions:
 - a. The owner shall provide and maintain seven one-bedroom rental replacement dwelling units and four two-bedroom rental replacement dwelling units on the subject site for a period of at least 20 years, as shown on the plans submitted to City Planning Division dated March, 2015, with any revisions to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
 - b. The owner shall provide the eleven rental replacement dwelling units at affordable rents;
 - c. The owner shall provide and maintain five additional bachelor rental dwelling units on the subject site as rental housing for a period of at least 20 years, as shown on the plans submitted to the City Planning Division dated March, 2015 to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
 - d. The owner shall provide tenant relocation assistance to all eligible tenants to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
 - e. The owner shall enter into a Section 111 Agreement under the Planning Act to secure the conditions outlined in 1(a) to (d), to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning Division; and
 - f. The owner shall enter into and register on title, a Section 118 Restriction under the *Land Titles Act*, to the satisfaction of the Chief Solicitor, agreeing not to transfer or charge those parts of the lands comprising the eleven replacement rental units, without the written consent of the Chief Planner and Executive Director, City Planning Division or her designate, to assist with securing the Section 111 Agreement against future owners and encumbrances 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 Division to issue a preliminary approval of the application under Municipal Code Chapter 667 for the demolition of eleven rental dwelling units at 12 Vaughan Road once the conditions outlined in Recommendation #1 are secured.
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 Division, has given the preliminary approval in Recommendation No. 2 for the existing rental housing building.
4. City Council authorize the appropriate City officials to take such actions as 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

A minor variance application (A0619/14TEY) to reduce the total number of required vehicle parking spaces from 11 (10 residential, 1 visitor) to zero was approved by the Committee of Adjustment on November 5, 2014.

ISSUE BACKGROUND

Proposal

This application for a Section 111 permit proposes to demolish 11 rental dwelling units (7 one-bedroom, 4 two-bedroom) and construct 16 rental dwelling units (5 bachelor, 7 one-bedroom, 4 two-bedroom). The construction of the five additional bachelor dwelling units will be accomplished by modifying the existing unit layouts, reducing the amount of underutilized space and converting two existing stairwells and an area above the boiler room into residential space.

At the time of application, all eleven existing rental dwelling units had affordable rents. Six rental dwelling units were occupied and the five remaining units were vacant. The applicant has proposed to mitigate hardship for tenants through a tenant relocation and assistance plan and has agreed to secure the building as rental tenure for 20 years.

Site and Surrounding Area

The subject site is irregularly shaped and approximately 477 square metres (5,134 square feet) in size with a frontage of 18.1 metres on Vaughan Road. The existing three-storey apartment building has a total of 11 units with a mix of 7 one-bedroom units, and 4 two-bedroom units. All of the units in the building were deemed to have affordable rents.

The following uses about the property:

North: On the west side of Vaughan Road are 2 and 3-storey buildings containing a mix of residential and commercial uses. On the triangle of land between Bathurst Street and Vaughan Road is a 23-storey residential building with a one-storey base containing commercial uses.

South: A place of worship of similar height to the subject site.

West: A low-rise residential neighbourhood consisting of 2 and 3-storey detached and semi-detached dwellings.

East: 2 and 3-storey commercial buildings fronting onto Bathurst Street.

Provincial Policy Statement and Provincial Plans

The Provincial Policy Statement (PPS), 2014 provides policy direction on matters of provincial interest related to land use planning and development. These policies support the goal of enhancing the quality of life for all Ontarians. Key policy objectives include: building strong healthy communities; wise use and management of resources; and protecting public health and safety. The PPS recognizes that local context and character is important. Policies are outcome-oriented, and some policies provide flexibility in their implementation provided that provincial interests are upheld. City Council's planning decisions are required to be consistent with the PPS.

The Growth Plan for the Greater Golden Horseshoe provides a framework for managing growth in the Greater Golden Horseshoe including: directions for where and how to grow; the provision of infrastructure to support growth; and protecting natural systems and cultivating a culture of conservation. City Council's planning decisions are required to conform, or not conflict, with the Growth Plan for the Greater Golden Horseshoe.

Official Plan

The Official Plan contains policies addressing the need to provide and maintain the City's supply of rental and affordable housing. Policy 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, as well as housing that makes more efficient use of the existing building stock.

Policy 3.2.1.2 provides that the existing stock of housing will be maintained and replenished. New housing supply will be encouraged through intensification and infill that is consistent with the Official Plan.

Policy 3.2.1.6 of the Official Plan states that new development resulting in the loss of six or more residential rental dwelling units will not be approved unless all the existing rental dwelling units have rents that exceed mid-range rents at the time of application or at least the same number, size and type of the rental units are replaced and secured with similar rents to those in effect at the time of application. Tenant assistance, including the right to

return to a replacement unit, is also required. If the rental units are not replaced, the policy states that such applications that result in the loss of six or more rental units will not be approved.

Rental Housing Demolition and Conversion By-law

The Rental Housing Demolition and Conversion By-law (885-2007) contained in Chapter 667 of the City's Municipal Code implements the City's rental housing policies. The By-law prohibits demolition or conversion of housing units without a permit issued by the City under Section 111 of the City of Toronto Act.

Proposals involving six or more rental housing units or where there is a related application for a Zoning By-law amendment require a decision by City Council. Council may refuse an application or approve the demolition with conditions, before a demolition permit is issued.

Council approval of a demolition under Section 33 of the *Planning Act* is 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. The By-law provides for the coordination of all the approval authorities needed for the demolition of the rental housing. Unlike Planning Act applications, decisions made by the City under Chapter 667 are not appealable to the Ontario Municipal Board.

Reasons for the Application

An application to permit the demolition of the eleven residential dwelling units is required under Chapter 667 of the Toronto Municipal Code as there are 6 or more residential rental dwelling units.

Tenant Consultation

A Tenant Consultation meeting was held under Chapter 667 on May 4, 2015. Three of the five tenant households were in attendance. Planning staff described the City's policies and practices when considering applications that involve the demolition of rental housing. Staff advised the tenants that the redevelopment and demolition, if approved, was not imminent given the planning process still to be completed. Tenants inquired about their right to return to a replacement dwelling unit and the rents for these dwelling units upon their return. In general, all tenants in attendance were in agreement that the building requires a number of upgrades and improvements and thought that the proposed laundry room would be an improvement to the building.

Agency Circulation

The application was circulated to all appropriate agencies at the City of Toronto.

COMMENTS

Provincial Policy Statement

The housing policies of the Provincial Policy Statement (PPS), as recently updated, require planning authorities to provide for an appropriate range of housing, including affordable housing, to meet the needs of current and future residents. City Council's planning decisions are required to be consistent with the PPS.

This rental building is currently functioning as a multi-unit residential rental building that has a variety of types of units with affordable rents. Therefore, the retention and renewal of this rental building is consistent with the PPS.

Rental Housing Demolition and Replacement

A Rental Housing Demolition Application under Chapter 667, pursuant to Section 111 of the City of Toronto Act was filed on March 6, 2015 and subsequently determined to be complete in April 2015. The existing building at 12 Vaughan Road is a three-storey apartment building. The applicant proposes to undertake a complete interior demolition of all 11 rental dwelling units.

Replacement Rental Housing

The building is comprised of 11 rental dwelling units (7 one-bedroom, 4 two-bedroom). The owner has agreed to replace all 11 rental dwelling units within the existing building with the same unit mix.

Many of the existing unit layouts are poorly configured and contain redundant corridors and deep/narrow window wells. These features, along with the trend for more open concept unit layouts, were taken into consideration when determining the appropriate floor area calculations for the replacement units. The floor area chart provided below illustrates the existing net floor areas, the existed adjusted floor areas, and the proposed floor areas for the replacement rental unit. The 'Existing Net Floor Area' is the total area within a unit, including the long corridors and window wells. The 'Existing Adjusted Floor Area' is the total 'livable' floor area.

Staff have worked with the applicant to determine the appropriate floor area for the replacement units and are satisfied with the revised plans submitted on March 15, 2015. As a result of the proposed development, the amount of 'livable' floor area at 12 Vaughan Road will increase from 561.3 square metres (6,042 sq ft) to 570.3 square metres (6,139 sq ft.).

Table 1: Floor Areas: Existing vs. Proposed Replacement Rental Dwelling Units

Existing Unit#	Unit Type	Existing Net Floor Area		Existing Adjusted Floor Area		Replacement Net Floor Area		Diff. between Existing and Replacement Unit Floor Area	
		m ²	Sq. ft.	m ²	Sq. ft.	m ²	Sq. ft.	m ²	Sq. ft.
1	2-bdrm	76.9	828	57.2	616	56.9	612	-0.4	-4
2	2-bdrm	77.6	835	61.3	660	58.5	630	-2.8	-30
3	1-bdrm	47.8	514	39.0	420	39.5	425	0.4	4
4	1-bdrm	76.9	828	57.2	616	56.2	605	-1.0	-11
5	2-bdrm	68.7	739	61.4	661	60.8	654	-0.7	-7
6	1-bdrm	47.3	509	39.9	429	42.7	460	3.0	32
7	1-bdrm	60.5	651	43.5	468	48.3	520	4.8	52
8	1-bdrm	76.9	828	57.2	616	55.3	595	-2.0	-21
9	2-bdrm	68.7	739	61.4	661	61.2	659	-0.2	-2
10	1-bdrm	47.3	509	39.9	429	42.7	460	3.0	32
11	1-bdrm	60.5	651	43.5	468	48.3	520	4.8	52
Totals		708.9	7,631	561.3	6,042	570.3	6,139	9.0	97

New Rental Housing

In addition to replacing the eleven residential rental dwelling units, the applicant has proposed to provide five new bachelor rental dwelling units at 12 Vaughan Road. The construction of these units will be accomplished by modifying the existing unit layouts, reducing the amount of underutilized space on each floor and converting two existing stairwells and an area above the boiler room into residential space. The average size of the proposed bachelor dwelling is 32.5 square metres (350 sq ft).

Tenant Relocation and Assistance Plan

The Proposed Tenant Relocation and Assistance Plan builds upon the requirements established within the *Residential Tenancies Act* (RTA). Tenants will be given five months notice to vacate their rental dwelling unit instead of the required four months as per the RTA and provided financial compensation equal to three months' rent as per the RTA plus an addition one months' rent. Tenants will also be provided with a moving allowance of up to \$1,500 and have the right to return to a similar unit in the renovated building.

Rent Provisions

The eleven affordable rental units will have rents secured according to the City's standard practices. The initial rents for returning tenants shall be based on their last rent paid with permitted annual rent guideline increases that would have otherwise occurred during the intervening period until the building is available for move-in and a one-time 4% increase representing a new building allowance. Rents for new tenants moving in during the first 10 years will be set at affordable levels.

Annual increases are 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 they either move out or the 20th year of the new building's occupancy. After the 20th year, rents for sitting tenants of the eleven rental dwelling units may be increased to unrestricted rent through a 3 year phase-in. Commencing in the 11th year, any new tenants may be charged market rents, unrestricted by the owner's agreement with the City.

Conclusion

City Planning staff recommend that the demolition of the eleven rental dwelling units be approved on the condition that the applicant provide the replacement rental housing and tenant assistance as outlined in this report and enter into a Section 111 agreement to the satisfaction of the Chief Planner to secure these conditions.

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SIGNATURE

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