



STAFF REPORT ACTION REQUIRED

602 – 622 King Street West, 499, 503 and 505 Adelaide Street West and 1 and 11 Adelaide Place – Zoning Amendment and Rental Housing Demolition Application – Supplementary Report

Date:	June 5, 2015
To:	Toronto and East York Community Council
From:	Director, Community Planning, Toronto and East York District
Wards:	Ward No. 20 – Trinity-Spadina
Reference Number:	13 215423 STE 20 OZ

SUMMARY

This supplementary report is further to the final report for the subject properties dated May 26, 2015 and addresses, in further detail, the rental housing matters related to the development proposal. The proposal involves the demolition of three buildings, one of which has residential rental units.

This supplementary report includes revisions to Recommendation 4 of the May 26, 2015 report and results in additional Recommendations 5, 6, 7 and 8 all of which concern the rental housing matters. On this basis, it is recommended that the Recommendations in this report which include the previous recommendations replace those of the May 26, 2015 report in their entirety.

RECOMMENDATIONS

The City Planning Division recommends that the recommendations contained in the May 26, 2015 report from the Director, Community Planning, Toronto and East York District be replaced with the following:

1. City Council amend Zoning By-law No. 438-86 and Comprehensive Zoning By-law 569-2013 for the property at 602-622 King Street West, 499, 503 and 505 Adelaide Street West and 1 and 11 Adelaide Place, substantially in accordance with the draft Zoning By-law Amendments, attached as Attachments 8 and 9 to the report (May 26, 2015) from the Director, Community Planning, Toronto and East York District.

2. City Council authorize the City Solicitor to make such stylistic and technical changes to the draft Zoning By-law Amendment as may be required.
3. Prior to the introduction of the necessary Bills for enactment, City Council require the owner of the lands at 602-622 King Street West, 499, 503 and 505 Adelaide Street West and 1 and 11 Adelaide Place to:
 - a. Provide a Conservation Plan, prepared by a qualified heritage consultant for the rowhouse buildings at 499 and 505 Adelaide Street West and 1 and 11 Adelaide Place property and the Parisian Laundry Building at 602-604 King Street West, to the satisfaction of the Manager, Heritage Preservation Services.
 - b. Enter into a Heritage Easement Agreement for the property at 602-604 King Street West substantially in accordance with the plans and drawings referenced in the Heritage Impact Assessment (dated July 18, 2013), and subject to and in accordance with the required Conservation Plan, all to the satisfaction of the Manager, Heritage Preservation Services, including registration of such agreement to the satisfaction of the City Solicitor.
 - c. Enter into a secured Agreement with the City to ensure the provision of all necessary improvements to the existing municipal infrastructure in connection with the Functional Servicing Report, to the satisfaction of the Executive Director of Engineering and Construction Services, should it be determined that improvements to such infrastructure are required to support this development.
4. Before introducing the necessary Bills to City Council for enactment, City Council require the owner to enter into an Agreement pursuant to Section 37 of the Planning Act as follows:
 - a. The community benefits recommended to be secured in the Section 37 Agreement are as follows:
 - i. Provide a cash contribution, of \$250,000 for community services and facilities in Ward 20 to the satisfaction of the Chief Planner and Executive Director, City Planning Division and the General Manager, Parks, Forestry and Recreation, in consultation with the Ward Councillor, payable at the first above grade building permit.
 - ii. Above base streetscape improvements on Portland Street between King Street West and Adelaide Street West, to the satisfaction of the Chief Planner and Executive Director, City Planning Division, in consultation with the Ward Councillor.

- iii. Provide a cash contribution of \$50,000.00 for the provision of new affordable rental housing in Ward 20, to be directed to the Capital Revolving Fund for Affordable Housing, payable at the first above grade building permit.
- iv. Provide a cash contribution of \$50,000.00 toward the Toronto Community Housing (TCHC) revolving capital fund for repairs to TCHC housing in Ward 20, payable at the first above grade building permit.
- v. In the event the cash contributions referred to in 4.a.i. and iv. above has 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 of City Planning, 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.
- vi. The \$350,000 cash contribution referred to in 4.a.i., iii. and iv. above is to be indexed upwardly in accordance with the Statistics Canada Non-Residential Construction Price Index for Toronto, calculated from the date of the introduction of Bills to the date of payment.
- vii. Ensuring the ongoing provision of 8 residential rental units on one parcel of land, by securing the rental tenure of the existing buildings with 6 residential rental dwelling units at 505 Adelaide Street West and 1 and 11 Adelaide Place and the 2 replacement residential rental units to be created in the existing building at 499 Adelaide Street West, for a period of at least 20 years commencing from the date the zoning by-law comes into force and effect.
- viii. Providing and maintaining 2 replacement rental units at 499 Adelaide Street West to the satisfaction of the Chief Planner, with affordable rents for a period of at least 10 years, with provisions for maintaining affordable rents up to 20 years for tenants who begin their tenancy during the 10 year affordability period.
- ix. A tenant relocation and assistance plan to the satisfaction of the Chief Planner for the tenants of the 2 residential rental units to be demolished at 503 Adelaide Street West, including the right to return to the replacement rental units at 499 Adelaide Street West should there not be a direct move from 503 Adelaide Street West to 499 Adelaide Street West.
- x. Building and site improvements to the 4 existing buildings to comprise 8 rental dwelling units to be provided with no costs passed on to the

tenants of the existing buildings, to include restoration and improvements to outdoor patio areas and new landscaping for 2 buildings and the provision of ensuite laundry facilities for 5 of the rental units, to the satisfaction of the Chief Planner.

b. The following matters are also recommended to be secured in the Section 37 Agreement as a legal convenience to support the development:

i. Prior to the issuance of Final Site Plan Approval, the owner shall have:

- Completed all heritage-related pre-approval conditions contained in a Notice of Approval Conditions for Site Plan Control to the satisfaction of the Manager, Heritage Preservation Services.
- Provided Final Site Plan drawings including drawings related to the approved Conservation Plan to the satisfaction of the Manager, Heritage Preservation Services.
- The related Zoning By-law amendments giving rise to the proposed alterations shall be in full force and effect in a form and with content acceptable to City Council, as determined by the Chief Planner and Executive Director, City Planning.

ii. Prior to the issuance of a Heritage Permit, the owner shall have:

- Provided full building permit drawings, including notes and specifications for the protective measures keyed to the approved Conservation Plan, including a description of materials and finishes, to be prepared by the project architect and heritage consultant to the satisfaction of the Manager, Heritage Preservation Services.
- Provided a Letter of Credit, indexed annually, in a form and amount satisfactory to the Manager, Heritage Preservation Services to secure all work included in the Conservation Plan.

iii. Prior to the release of the Letter of Credit, the owner shall have:

- Provided a letter of substantial completion prepared and signed by the heritage consultant confirming that the conservation work has been completed in accordance with the Conservation Plan and has maintained an appropriate standard of conservation, to the satisfaction of the Manager, Heritage Preservation Services.
- Provided replacement Heritage Easement Agreement photographs to the satisfaction of the Manager, Heritage Preservation Services

- iv. Prior to site plan approval, the applicant shall address the requirements for the removal of private trees on the site and adjacent the property as required by the City of Toronto Private Tree By-law as outlined in the memorandum from Urban Forestry Services staff dated April 1, 2015.
- v. The applicant shall provide appropriate screening between the at-grade uses at the west side of the proposed building and the residents to the west on Adelaide Place and Adelaide Street West, and from the east and north side of the proposed residential building for the building and residents to the east at 499 Adelaide Street West.
- vi. A lighting plan will be submitted and approved through the site plan approval process to address the issue of safety and amenity for the proposed interior passages through the site used by vehicles and pedestrians.
- vii. The applicant is required to undertake wind tunnel testing as recommended in the Pedestrian Level Wind Conditions - Letter of Opinion prepared by RWDI and implement the recommended mitigation measures as identified as a result of this analysis, to be secured through site plan approval.
- viii. The applicant will provide the following information to Transportation Services and Waste Management staff in support of the proposed undersized Type G loading space through the site plan control application process:
 - A truck manoeuvring diagram for a truck that measures 12 metres in length x 2.4 metres in width showing that it can enter and reverse out of the Type G loading space with no more than a three point turn.
 - Due to the fact that vehicles will be blocking a portion of the driveway and will also be reversing in and out of the Type G loading space further into the driveway during loading operations, a warning system is required near the end of the southbound driveway warning motorists that loading operations are occurring around the corner. This would entail both signage and lights.
 - A flagman will be required to assist the truck when reversing out of the Type G loading space.
- ix. The applicant is required to enter into a construction management agreement to the satisfaction of the Chief Planner and Executive Director, City Planning Division, in consultation with the Ward

Councillor, prior to site plan approval, and a construction mitigation and tenant communication strategy for the tenants remaining in the existing buildings on the lands to the satisfaction of the Chief Planner and Executive Director, City Planning Division,

- x. Prior to condominium registration, the owner shall convey to the City a public pedestrian easement for the life of the building securing access to the publicly accessible private open space to the satisfaction of the Chief Planner and Executive Director, City Planning Division.
5. That City Council approve the application to demolish the 2 existing residential rental units located at 503 Adelaide Street West, pursuant to Municipal Code Chapters 667 and 363, subject to the following conditions under Chapters 667 and 363, which provide for the replacement of rental housing as outlined in this report:
- a. The owner shall provide two (2) residential rental dwelling units on the subject lands at 499 Adelaide Street West to the satisfaction of the Chief Planner and Executive Director, City Planning Division and maintain them as rental housing for a period of at least 20 years, comprising 1 one-bedroom unit and 1 two-bedroom unit, both of which shall have affordable rents.
 - b. The owner shall provide tenant relocation assistance to the satisfaction of the Chief Planner and Executive Director, City Planning Division for the tenants of the 2 residential units to be demolished at 503 Adelaide Street West, including the right to return to the replacement rental units at 499 Adelaide Street West.
 - c. The owner shall enter into and register one or more Agreement(s) on title to the lands subject to the zoning by-law to secure the conditions outlined in Recommendation 4 and as described in the draft zoning by-law amendments, attached as Attachments 8 and 9 to the report (May 26, 2015) from the Director, Community Planning, Toronto and East York District, to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning Division.
 - d. The owner shall enter into and register on title to the subject lands a Section 118 Restriction under the Land Titles Act, to the satisfaction of the City Solicitor, agreeing not to transfer or charge any part of the lands against which the restriction is registered, 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 to any part of the lands is no longer required to secure the provisions of the Section 111 Agreement.

6. That City Council authorize the Chief Planner and Executive Director, City Planning Division to issue the preliminary approval for a Section 111 permit for the demolition of the 2 rental units at 503 Adelaide Street West under Municipal Code Chapter 667 following satisfaction of the matters set out as follows:
 - a. satisfaction or securing of the conditions in Recommendation 5;
 - b. the zoning by-law amendment for the subject lands has come into full force and effect; and
 - c. the issuance of the Notice of Approval Conditions for Site Plan approval of the subject lands by the Chief Planner and Executive Director, City Planning Division or her designate, pursuant to Section 114 of the City of Toronto Act, 2006.
7. City Council authorize the Chief Building Official to issue a Section 111 permit for 503 Adelaide Street West under Municipal Code Chapter 667 after the Chief Planner and Executive Director, City Planning Division has given the preliminary approval for the Section 111 permit as referred to in Recommendation 6.
8. City Council authorize the Chief Building Official to issue a permit under Section 33 of the Planning Act for 503 Adelaide Street West no earlier than issuance of the first permit for excavation and shoring of the development, and after the Chief Planner and Executive Director, City Planning Division has given the preliminary approval referred to in Recommendation 6 which permit may be included in the demolition permit for Chapter 667 under 363-11.1 of the Municipal Code.

ISSUE BACKGROUND

Rental Housing Units

The subject site includes 8 existing rental units in 4 rowhouses located at 1 Adelaide Place, 11 Adelaide Place, 503/503A Adelaide Street West and 505 Adelaide Street West. The proposal includes the demolition of the rowhouse at 503/503A Adelaide Street West and the loss of the two rental units in that building. The applicant is proposing to replace these rental units in the rowhouse at 499 Adelaide Street West, which had been used for commercial purposes. The remaining six rental units are proposed to be retained.

Application under Chapter 667 of the Municipal Code

An application under Chapter 667 of the Municipal Code, pursuant to Section 111 of the City of Toronto Act was submitted for demolition of the two residential rental units at 503/503A Adelaide Street West.

COMMENTS

Rental Housing

The rental housing matters are focused in two areas:

- Those relating to Official Plan policy 3.2.1.5 concerning the intensification of a site where existing rental housing units are to remain; and
- The demolition and replacement of two residential rental units, and the provision of tenant relocation assistance, including the right to return for the affected tenants.

A key objective of the City's policy on intensification of existing rental housing properties is to ensure no loss of existing rental housing units, and to seek improvements to the rental buildings on site to assist with the ongoing viability of the property for rental housing purposes.

The proposal is to retain 6 of the 8 existing rental units that are in 3 house form buildings at 1 and 11 Adelaide Place, and 505 Adelaide Street West, and replace 2 of the rental units that would otherwise be lost, if the proposed demolition of 503 Adelaide Street West is approved, by creating 2 dwelling units in the house-form building at 499 Adelaide Street West which has recently been used for commercial purposes. The 8 rental units consist of 6 affordable and 2 mid-range rental units, comprising 1 bachelor unit, 5 one-bedroom units, 1 two-bedroom unit and 1 three-bedroom unit.

These 8 residential rental units will be secured as rental housing for a period of at least 20 years and will be held in ownership by one owner and the land parcels connected such that this rental property will comprise all of these 8 rental units. This ensures that the existing legal and policy framework that protects rental housing where there are at least 6 rental units will apply. Though the owner has stated an intention to initially provide the residential units in the new apartment building as market rental housing, they also intend to seek condominium registration for that building. As a result, the owner preferred to secure the 8 rental units in the 4 existing house-form buildings being retained, and did not wish to provide for any of them in the new residential building.

Staff have discussed with the owner measures to screen these adjacent low-rise rental buildings from the large new development, and minimize privacy and overlook issues. In particular the new apartment building will wrap around and overlook 499 Adelaide Street West on 2 sides, and the former backyard at 499 Adelaide Street West will be severed and become part of the condominium with a freight elevator structure extending into this space. Measures to add landscaping and screening will be secured in the Site Plan as well as in the Section 37 Agreement, along with the improvements to the rental properties.

Staff are still discussing improvements with the owner, and propose to finalize these to the satisfaction of the Chief Planner and Executive Director, City Planning Division and secure the details in the Section 37 Agreement. To date the improvements include the

addition of washers and dryers for some of the units and the landscaping and fencing of 2 of the backyard patios.

The application for a Section 111 permit under Chapter 667 of the Municipal Code for the demolition of 503 Adelaide Street West and the 2 rental dwelling units it contains is before City Council for decision as an integral part of the redevelopment proposal and Zoning By-law Amendment. The replacement proposal, including the tenant relocation assistance provisions, meets the City's policies and is consistent with the City's standard practices. The recommended approval of the Section 111 permit for demolition of the rental housing units will require their timely replacement and tenant relocation assistance, to be secured with a Section 111 Agreement, supported by a Section 118 restriction on the title of the property.

Staff worked with the applicant on the replacement proposal and are satisfied with the revised plans for the replacement units. The total floor area for the 2 rental units is larger than that of the 2 existing rental units which are currently in a smaller building. The existing units consisted of a bachelor apartment and a small 2-bedroom unit. The new apartments will be significantly larger and consist of a 1-bedroom apartment and a 2-bedroom plus den unit.

There are currently 2 tenant households in the 2 apartments proposed for demolition and both will be entitled to financial assistance with relocation, and the right to return to the replacement units at 499 Adelaide Street West at the same rents as if their tenancies at 503 Adelaide Street West had not been interrupted by the demolition.

Section 37

The matters related to rental housing discussed in this report result in:

- required revisions to Recommendation 4a (iii) and (v) and 4b (v) and (ix) to clarify the original recommendations as related to rental housing matters to be secured in the Section 37 Agreement, and to add 4a (vii), (viii), (ix) and (x) to set out specific requirements related to securing the 8 residential rental units; and,
- additional Recommendations 5, 6, 7 and 8 related to the demolition approval application and conditions pursuant to the Toronto Municipal Code.

Conclusion

Staff support the application for a S.111 permit to demolish the 2 residential rental units at 503 Adelaide Street West on condition that they be replaced at 499 Adelaide Street West and retained as rental housing units for a period of at least 20 years with affordable rents for a period of at least 10 years, and that tenant relocation assistance be provided for tenants of the 2 affected units to the satisfaction of the Chief Planer.

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SIGNATURE

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