



STAFF REPORT ACTION REQUIRED

938-950 King Street West & 97-99 Strachan Avenue Zoning Amendment Application –Request for Interim Directions Report

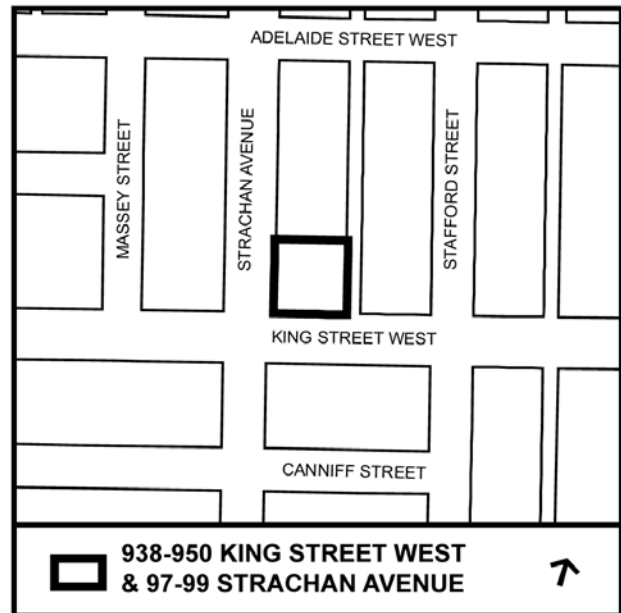
Date:	June 15, 2018
To:	Toronto and East York Community Council
From:	Acting Director, Community Planning, Toronto and East York District
Wards:	Ward 19 – Trinity-Spadina
Reference Number:	18 153602 STE 19 OZ

SUMMARY

This application proposes to amend the Zoning By-law to permit a 16-storey, 59 metre, mixed-use building containing 217 residential units, 595 square metres of non-residential uses, and three levels of underground parking at 938-950 King Street West and 97-99 Strachan Avenue. The site is located at the northeast corner of King Street West and Strachan Avenue, and known locally as the ‘Palace Arms’. The proposal incorporates a portion of the existing building on the west and south frontages of the site. This proposal would require the demolition of the existing rooming house which contains approximately 90 dwelling rooms.

This report provides preliminary information on the above-noted application and seeks Community Council's directions on further processing of the application and on the community consultation process.

Staff do not support the proposal in its current form, particularly in regard to the built form, compliance with heritage policies, and concerns over the loss of affordable housing in the form of dwelling rooms.



This report responds to an application where staff are currently not in a position to provide a Final Report to Council, but which could be appealed to the Local Planning Appeal Tribunal due to a lack of decision during the break in Council's meeting schedule (July to December 2018). City Planning staff will schedule a community consultation meeting and will continue to work with the applicant, tenants, area stakeholders and the Ward Councillor on resolving the matters raised in this report and comments arising through community engagement and the City's application review process.

A final report is targeted for the second quarter of 2019, if all required materials are submitted in a timely manner and when all outstanding issues have been addressed.

RECOMMENDATIONS

The City Planning Division recommends that:

1. Staff be directed to schedule a community consultation meeting for the lands at 950 King Street West together with the Ward Councillor;
2. Notice for the community consultation meeting be given to landowners and residents within 120 metres of the site;
3. Notice for the public meeting under the Planning Act be given according to the regulations of the Planning Act;
4. City Council direct City Staff to continue to review the application and resolve any outstanding issues detailed in this report; and,
5. City Council direct the City Solicitor and appropriate City Staff to attend and oppose the application in its current form, should the application be appealed to the Local Planning Appeal Tribunal (the "LPAT") on the basis of Council's failure to make a decision on the application within the statutory timeframe of the Planning Act.

Financial Impact

The recommendations in this report have no financial impact.

DECISION HISTORY

On December 13, 2016, City Council adopted member motion MM23.37 - "950 King Street West - The Palace Arms - Affirmation of City Planning Position on Existing Dwelling Units".

The motion can be found at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.MM23.37>

In adopting the motion, City Council directed as follows:

1. City Council affirm the position of the Chief Planner and Executive Director, City Planning, as outlined in her letter dated December 13, 2016, regarding the consideration of

planning policies, specifically related to housing, in the review of any development proposed on any part of 938-950 King Street West and 99-95 Strachan Avenue, known locally as the Palace Arms;

2. City Council direct staff in City Planning, Municipal Licensing and Standards, Shelter, Support and Housing Administration, Legal Services and the Affordable Housing Office to report back by the second quarter of 2017 on the policies and programs that we can put in place to further protect the deeply affordable housing provided by single-room occupancy buildings as requested in Part 2. of Item AH3.6; and,
3. City Council direct the Director, Affordable Housing Office, the General Manager, Shelter Support and Housing Administration and the Chief Planner and Executive Director, City Planning to report in the second quarter of 2017 on ways to better protect tenants impacted by development so that they can remain in their communities, as well as on ways to strengthen our tenant relocation and assistance policies.

The letter noted in Recommendation 1, from the Chief Planner and Executive Director, City Planning Division, dated December 13, 2016, was appended to the motion. The letter comments on the loss of 266 affordable dwelling rooms since 2014 and highlights the importance of dwelling rooms as an important form of affordable housing within complete communities.

The letter recommends that should any application for redevelopment be pursued at 950 King Street West, City Planning staff would seek the complete replacement of affordable housing in terms of both the format and scale of that which exists today on site as a condition of any approval. The letter further recommended, as a condition of any approval, an appropriate strategy for tenant relocation and assistance if temporary displacement was proposed to accommodate any redevelopment.

The December 13, 2016 letter can be found at the following link:
<https://www.toronto.ca/legdocs/mmis/2016/mm/bgrd/backgroundfile-99264.pdf>

Pre-Application Consultation

On January 15, 2018, a pre-application consultation meeting was held with the applicant to discuss complete application submission requirements. At the meeting City Planning staff advised that a supportable proposal on the site would have to include responses to the following:

- Replacement of the existing dwelling rooms in a format satisfactory to the City;
- The provision of an acceptable Tenant Relocation and Assistance Plan, including the right to the return at similar rents;
- A building height, scale, and form that fits within the existing and planned context;
and,

- An appropriate response, in terms of building height, massing, scale, step backs and materiality, to the retention and incorporation of the heritage buildings on the site.

A pre-application community consultation meeting was not held for this file.

ISSUE BACKGROUND

Proposal

The application was submitted on May 4, 2018, and deemed complete on June 3, 2018. This application proposes to amend the Zoning By-law to permit a 16-storey, 59 metre, mixed-use building containing 217 residential units, 595 square metres of non residential uses, and three levels of underground parking at 938-950 King Street West and 97-99 Strachan Avenue. The site is located at the northeast corner of King Street West and Strachan Avenue, and known locally as the 'Palace Arms'. The proposal incorporates a portion of the existing building on the west and south frontages of the site. This proposal would require the demolition of the existing unlicensed rooming house containing approximately 90 dwelling rooms

According to the Housing Issues Letter provided by the applicant, the redevelopment of the Palace Arms would include the provision of 28 small studio units located on the second floor of the proposed building. The applicant has also indicated that a tenant relocation and assistance plan would be provided to the remaining tenants as part of the Section 37 package.

Site and Surrounding Area

The site is situated on the northeast corner of Strachan Avenue and King Street West. The site is rectangular in shape and 0.14 hectares in size. A three-storey building containing approximately 90 rooming house units is situated on the site. A surface parking area is located at the rear of the buildings, with access via a public lane located east of the site.

At the time of application, approximately 15 of the existing dwelling rooms were occupied by tenants, many of whom had resided at the Palace Arms between 10 to 20 years. In 2016, nearly all of the existing dwelling rooms were occupied. According to Municipal Licensing and Standards staff, the Palace Arms does not currently have a rooming house license.

The property was constructed circa 1890 and is a representative example of a commercial building in the Richardsonian Romanesque style popular in the late 19th century and displays a high degree of craftsmanship and artistic merit. The property was listed on the City of Toronto Heritage Register on March 5, 1984. The site is not adjacent to any listed or designated (Part IV under the Ontario Heritage Act) properties.

The following land uses and buildings are located adjacent to the site:

North: Automotive uses in one-storey buildings and surface parking areas are located north of the site.

- East: A public lane is located immediately east of the site. Two and three-storey commercial buildings are located on the north side of King Street West between the laneway abutting the site and Stafford Street. Several 3-storey residential buildings and Stanley Park are located further to the east.
- South: A 7-storey commercial building is located directly across the street, another 7-storey office building is located to the southwest and a collection of 2-storey townhomes is located southeast of the site.
- West: A gas station is located on the west side of Strachan Avenue. Several 3-storey townhouses are situated to the northwest.

Provincial Policy Statement and Provincial Plans

Provincial Policy Statements and Provincial Plans, along with municipal Official Plans, provide a policy framework for planning and development in the Province. This framework is implemented through a range of land use controls such as zoning by-laws, plans of subdivision and site plans.

Section 2 of the *Planning Act* sets out matters of provincial interest which City Council shall have regard to in carrying out its responsibilities. Section 2. j), requires the City to have regard to matters of provincial interest such as the adequate provision of a full range of housing, including affordable housing.

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

- The efficient and wise use and management of land and infrastructure over the long term in order to minimize impacts on air, water and other resources;
- The establishment of development standards for residential intensification, redevelopment and new residential development which minimize the cost of housing and facilitate compact form, while maintaining appropriate levels of public health and safety;
- The provision of an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents;
- Protection of the natural and built environment;
- Building strong, sustainable and resilient communities that enhance health and social well-being by ensuring opportunities exist locally for employment;

- Residential development promoting a mix of housing; recreation, parks and open space; and transportation choices that increase the use of active transportation and transit; and
- Encouraging a sense of place in communities, by promoting well-designed built form and by conserving features that help define local character.

The provincial policy-led planning system recognizes and addresses the complex inter-relationships among environmental, economic and social factors in land use planning. The PPS supports a comprehensive, integrated and long-term approach to planning, and recognizes linkages among policy areas.

The PPS is issued under Section 3 of the *Planning Act* and all decisions of Council in respect of the exercise of any authority that affects a planning matter shall be consistent with the PPS. Comments, submissions or advice affecting a planning matter that are provided by Council shall also be consistent with the PPS.

The PPS is more than a set of individual policies. It is to be read in its entirety and the relevant policies are to be applied to each situation.

The PPS recognizes and acknowledges the Official Plan as an important document for implementing the policies within the PPS. Policy 4.7 of the PPS states that, "The official plan is the most important vehicle for implementation of this Provincial Policy Statement. Comprehensive, integrated and long-term planning is best achieved through official plans."

The Growth Plan for the Greater Golden Horseshoe (2017) (the "Growth Plan") provides a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe region, of which the City forms an integral part, including:

- Establishing minimum density targets within strategic growth areas and related policies directing municipalities to make more efficient use of land, resources and infrastructure to reduce sprawl, cultivate a culture of conservation and promote compact built form;
- Prompting better-designed communities with high quality built form and an attractive and vibrant public realm established through site design and urban design standards;
- Directing municipalities to engage in an integrated approach to infrastructure planning and investment optimization as part of the land use planning process;
- 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;

- Retaining viable employment lands and encouraging municipalities to develop employment strategies to attract and retain jobs;
- Supporting a diverse range and mix of housing options, including second units and affordable housing, to accommodate people at all stages of life, and to accommodate the needs of all household sizes and incomes;
- Minimizing the negative impacts of climate change by undertaking stormwater management planning that assesses the impacts of extreme weather events and incorporates green infrastructure;
- Recognizing the importance of watershed planning for the protection of the quality and quantity of water and hydrologic features and areas; and,
- The conservation of cultural heritage resources.

The Growth Plan builds upon the policy foundation provided by the PPS and provides more specific land use planning policies to address issues facing the GGH region. 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.

In accordance with Section 3 of the *Planning Act* all decisions of Council in respect of the exercise of any authority that affects a planning matter shall conform to the Growth Plan. Comments, submissions or advice affecting a planning matter that are provided by Council shall also conform with the Growth Plan.

Housing Opportunities Toronto: An Affordable Housing Action Plan (2010-2020)

City Council adopted the Housing Opportunities Toronto Action Plan 2010-2020 to guide the work and investment decisions of the City of Toronto as they relate to housing in partnership with federal and provincial governments, as well as the public and private housing sectors over this decade. The Action Plan sets out what the City of Toronto can do to create and preserve affordable housing, while recognizing the limits of financial resources to act independently. The City has initiated the work to develop the Housing Opportunities Toronto Action Plan for 2020-2030.

Official Plan

The Official Plan Urban Structure Map 2 identifies the site as *Avenues*. The Official Plan Map 18 – Land Use designates the site as *Mixed Use Areas*, (Attachment 1). The proposed redevelopment will be reviewed against relevant policy sections, which include the policy sections summarized below. City Planning staff note that the Official Plan is intended to be read as a comprehensive and cohesive whole.

Avenues (2.2.3)

Section 2.2.3 of the Official Plan identifies *Avenues* as important corridors along major streets where reurbanization is anticipated and encouraged to create new housing and job opportunities while improving the pedestrian environment, the look of the street, shopping opportunities and transit service for community residents.

The Official Plan encourages intensification along *Avenues*, but states that intensification must respond to the characteristics of each *Avenue*. The form and scale of development is generally not intended to be uniform across each *Avenue*. Reurbanizing the *Avenues* is intended to be achieved through the preparation of Avenue Studies which guide the strategic development of mixed-use segments of the corridors shown on Map 2. Development proposed in advance of an Avenue Study requires that an Avenue Segment review is completed.

Healthy Neighbourhoods (2.3.1)

Lands adjacent to the site are designated as *Neighbourhoods* in the Official Plan. The Healthy Neighbourhoods Section of the Official Plan (Section 2.3.1) includes policies that guide development in *Mixed Use Areas* adjacent to *Neighbourhoods*.

The Public Realm (3.1.1)

Public Realm policies in the Official Plan help guide the development of streets, sidewalks and boulevards.

Built Form (3.1.2)

Section 3.1.2 of the Official Plan includes policies for the City's Built Form and requires that new development be located and organized to fit within an area's existing and/or planned context.

Built Form - Tall Buildings (3.1.3)

Official Plan Policy 3.1.3 states that tall buildings come with larger civic responsibilities. The policy intends that tall buildings are characterized by a base building, middle and top. The base building should have a scale relative to the surrounding streets, and integrate with adjacent buildings. The middle is characterized by appropriate floor plate sizes and the top is intended to contribute to the skyline character and integrate mechanical structures. Tall buildings are required to comply with the built form policies of the Official Plan.

Heritage Resources (3.1.5)

Amendment No. 199 to the Official Plan provides the City's policy framework for heritage conservation in the City. Section 3.1.5 of the Plan addresses the identification and evaluation of properties of cultural heritage value or interest. It also provides for conservation of heritage resources and includes policies that state that Heritage Impact Assessments will evaluate the impact of a proposed alteration to a property on the Heritage Register, and/or to properties adjacent to a property on the Heritage Register, to the satisfaction of the City.

The Official Plan Heritage Policies requires that development on or adjacent to heritage resources respects the scale, character and form of the heritage resource. The policies cover a wide array of heritage properties including: individually significant buildings and structures,

properties that are a part of a heritage conservation district, cultural heritage landscapes, archaeological resources and areas of archaeological potential.

- Policy 3.1.5.26 identifies that "New construction on, or adjacent to, a property on the Heritage Register will be designed to conserve the cultural heritage values, attributes and character of that property and to mitigate visual and physical impacts on it".
- Policy 3.1.5.27 requires that "Where it is supported by the cultural heritage values and attributes of a property on the Heritage Register, the conservation of whole or substantial portions of buildings, structures, and landscapes on those properties is desirable and encouraged. The retention of facades alone is discouraged".

Housing (3.2.1)

Policy 3.2.1 directs that a full range of housing, in terms of form, tenure and affordability, across the City, and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. The policy notes that a full range of housing includes: ownership and rental housing, affordable and mid-range rental and ownership housing, social housing, shared and/or congregate-living housing arrangements, supportive housing, emergency and transitional housing for homeless people and at-risk groups, housing that meets the needs of people with physical disabilities and housing that makes more efficient use of the existing housing stock.

Mixed Use Areas (4.5)

Mixed Use Areas consist of a broad range of commercial, residential and institutional uses and are intended to absorb, over time, a portion of Toronto's expected growth. *Mixed Use Areas* vary in scale and density subject to a site's locational attributes and context.

Official Plan directs that development within *Mixed Use Areas* will:

- create a balance of high quality commercial, residential, institutional and open space uses that reduces automobile dependency and meets the needs of the local community;
- locate and mass new buildings to provide a transition between areas of different development intensity and scale, as necessary to achieve the objectives of this Plan, through means such as providing appropriate setbacks and/or a stepping down of heights;
- take advantage of nearby transit services;
- locate and mass new buildings to frame the edges of streets and parks with good proportion and maintain sunlight and comfortable wind conditions for pedestrians on adjacent streets, parks and open spaces;
- provide good site access and circulation, and an adequate supply of parking for residents and visitors; and;

- locate and screen service areas, ramps and garbage storage to minimize the impact on adjacent streets and residences.

Height and/or Density Incentives (5.1.1)

Section 37 of the *Planning Act* gives municipalities authority to pass zoning by-laws involving increases in the height or density of development in return for the provision by the owner of community benefits. Section 5.1.1 of the Official Plan includes policies dealing with the use of Section 37. The policies state that Section 37 community benefits are capital facilities and/or cash contributions toward specific capital facilities and include amongst other matters, rental housing to replace demolished rental housing.

Garrison Common North Secondary Plan (6.14)

The site is within the Garrison Common North Secondary Plan found in Chapter 6.14 of the Official Plan. The Secondary Plan's major objectives include:

- ensuring that new development be integrated into the established city fabric in terms of streets, blocks, uses, and density patterns;
- permitting a variety of land uses and densities;
- providing community services and facilities;
- being sensitive to and protecting the employment uses; and,
- providing a range of housing types in terms of size, type, affordability and tenure.

Policy 6.14.9.1 directs that where land is adjacent to a lane, vehicular access to a site should be taken from the lane for any use and the existing lane system should be enhanced.

Zoning

The site is zoned CR – Mixed Use by Zoning By-law 569-2013, as amended. The CR zone permits a broad range of residential and commercial uses, some being subject to specific performance criteria. The By-law permits a maximum building height of 18 metres and a maximum permitted total density of 2.5 times the area of the site, of which a maximum of 2.0 times the area of the site may be used for commercial uses and a maximum of 2.5 times the area of the site may be used for residential uses.

The site is zoned CR – Mixed Use by By-law 438-86, as amended. Zoning By-law 438-86 permits generally the same uses, height and density on the site as By-law 569-2013, noted above.

Site Plan Control

The application is subject to Site Plan Control. An application for Site Plan Approval has not been submitted to date.

City-Wide Tall Building Design Guidelines

In May 2013, Toronto City Council adopted the updated City-Wide Tall Building Design Guidelines and directed City Planning staff to use these guidelines in the evaluation of all new and current tall building development applications. The guidelines establish a unified set of performance measures for the evaluation of tall building proposals to ensure that they fit within their context and minimize their local impacts. The city-wide Guidelines are available at <http://www.toronto.ca/planning/tallbuildingdesign.htm>

Official Plan Section 5.3.2 - Implementation Plans and Strategies for City-Building, states that Guidelines will be adopted to advance the vision, objectives, and policies of the Plan. Urban Design guidelines specifically are intended "to provide a more detailed framework for built form and public improvements in growth areas." The Tall Building Design Guidelines were adopted pursuant to this policy, helping to implement Chapter 3.1 - The Built Environment and other policies within the Plan related to the design and development of tall buildings in Toronto.

The Guidelines are intended to implement the built form policies of the City's Official Plan. They include measurable criteria and qualitative indicators to assist in the review of tall building proposals. Criteria and indicators are related to four main areas: site context, site organization, building massing and the pedestrian realm. In considering site context, in addition to requirements for master plans on larger sites, tall building proposals must address concerns related to transitions between taller buildings and lower scale features nearby.

Measures such as height limits, setbacks, stepbacks and angular planes are used to achieve appropriate transitions in scale, and the protection of sunlight and sky views. Design criteria related to site organization address issues of building placement and orientation, location of building entrances, servicing and parking requirements, enhancement of adjacent streets and open spaces, and regard for heritage buildings.

New tall buildings are expected to enhance the public realm by providing active frontages and high quality streetscape and landscape design elements and stepping towers away from a base building. Other considerations in the Guidelines include weather protection, limiting shadowing impacts and uncomfortable wind condition on nearby streets, properties and open spaces, as well as minimizing additional shadowing on neighbouring parks to preserve their utility.

Existing Rooming House and Dwelling Room Stock

The Palace Arms has historically been one of the City's largest licensed rooming houses with approximately 90 dwelling rooms. According to information provided by the applicant, discussions with City staff and meetings with tenants, this rooming house provided affordable rental accommodation for many of Toronto's most vulnerable tenants for several decades.

A rooming house (also referred to as a multi-tenant house) is a house or building that provides separate and private living accommodation in the form dwelling rooms and has shared areas such as a kitchen and/or bathroom. Dwelling rooms may include food preparation facilities (e.g. a hot plate or kitchenette) or sanitary facilities (e.g. a full or half bathroom), but not both.

Dwelling rooms primarily provide private rental housing for the lower-end of the affordable market and are a key part of the housing continuum. They are often the most affordable option available in the private rental market, renting from anywhere between \$400 and \$800 a month. Individuals who live in rooming houses are often vulnerable and may include households with low incomes, seniors on fixed incomes, newcomers to the city and students.

According to academic research and information obtained from Municipal Licensing and Standards, the number of licensed rooming houses within the former City of Toronto has steadily declined over the last several decades, resulting in significant losses to the number of available dwelling rooms. Between 2014 and 2016, approximately 260 affordable dwelling rooms have been removed from the City's rental house stock. Recent applications or application inquiries, if pursued to completion, would result in the loss of over 200 dwelling rooms in the next few years.

Draft Official Plan Amendment – Dwelling Room Protection Policies

At its meeting on June 7, 2018, the Planning and Growth Management Committee adopted recommendations directing City Planning staff to conduct open houses and meet with key stakeholders to obtain feedback on draft policies for rooming houses and dwelling rooms.

The draft Official Plan amendment proposes two new policies that would address the requirement to replace dwelling rooms that would be lost as a result of development. Specifically, the draft policies would:

- apply to development that would result in the loss of ten or more dwelling rooms;
- require the same amount of residential gross floor area to be replaced and maintained as either rental units or dwelling rooms;
- require that rents for the replacement housing have rents similar to those in effect at the time of the development application for a period of at least 25; and
- require an acceptable tenant relocation and assistance plan, including addressing the right to return to replacement housing.

Consistent with the dwelling room policies within The Downtown Plan that were approved by Council at its meeting on May 22-24, 2018, these draft policies reinforce the City's policy objectives for providing a full range of housing across the City, including affordable housing. Dwelling rooms are typically the most affordable option available in the private rental market and are an important part of the affordable housing stock. Many tenants in dwelling rooms do not have other private market affordable housing options.

2017 Low-End of Market Housing Study

In 2017, City Planning collaborated with the Shelter, Support and Housing Administration Division (SSHA) on a "Low-end of Market Housing" study to better understand the characteristics and affordability of the low-end of market. Part of the focus of the study was on

private market dwelling rooms in the city with a monthly rent of below \$800. This rent threshold reflects what a tenant in shared accommodation may typically spend on shelter costs and is based on the Ontario Works and Ontario Disability Support Program Shelter Allowances plus the typical City of Toronto Housing Allowance of \$400 to \$500.

The results of the study provide a snapshot of 2017 rent levels for this housing type based on an analysis of rentals publically listed for rent. It also includes feedback from tenants on their experiences in accessing this type of housing. Key findings of the study include:

- Shared accommodation formed nearly half (46%) of the 1,000 rental listings analyzed where the asking rents fell either below the City's affordable rent thresholds for rental units or below the \$800 threshold for shared accommodation;
- The average monthly rent for rooms in shared accommodation in the listings analyzed was approximately \$735/month. By comparison, current Average Market Rents (AMR) for Toronto as determined by the Canadian Housing and Mortgage Corporation (CMHC) in their annual Rental Market Report are \$1,019 for a bachelor apartment and \$1,202 for a one-bedroom apartment; and
- Nearly 40% of the larger shared accommodation (i.e. a unit with three or more bedrooms) rental listings analyzed were located in the Toronto and East York District.

Feedback from tenants included:

- There is not enough supply of housing at the shared accommodation affordability level, leading to increasing rents in the existing stock and lack of options for those who cannot afford the increasing rents; and
- Tenants live in shared accommodation out of necessity, as it is the most affordable option in the private rental market.

The findings from the "Low-end of Market Housing" study confirm that shared accommodation is often the most affordable option in the private rental market, with rents significantly below the average market rents for Toronto. The study also indicates that there is a decreasing supply and that rents for this housing type are increasing.

Reasons for the Application

The proposal requires an amendment to the Zoning By-law to increase the maximum permitted building height from 18.0 metres to 59 metres and the maximum permitted density from 2.5 times the area of the site to 10.91 times the area of the site. The proposed building height is inclusive of rooftop mechanical structures. Additional areas of non-compliance, including required changes to permitted setbacks, encroachments, parking and loading requirements, and other requirements in the Zoning By-laws may be identified through the circulation and review process.

COMMENTS

Application Submission

The application was submitted on May 4, 2018, and a notice of complete application was issued on June 3, 2018. The following plans/reports/studies were submitted with the application:

- Arborist / Tree Preservation Report
- Archaeological Report
- Architectural Plans (incl. Site Plan, Floor Plans, Elevations, and Sections)
- Civil Engineering Plans
- Draft Zoning By-law Amendment
- Functional Servicing Report
- Geotechnical Report
- Heritage Impact Assessment
- Housing Issues Letter
- Hydrogeological Report
- Landscape Plans
- Phase 2 Environmental Site Assessment
- Planning Rationale; and Avenue Segment Review
- Preliminary Wind Report
- Public Consultation Strategy
- Sun/Shadow Study
- Survey Plans
- Toronto Green Standard Checklist
- Transportation Impact Study

The application has been circulated to various city divisions and agencies for comment. Comments on the application are required by July 5, 2018. The review of the application is ongoing. Any issues not identified in this report but raised through review, consultation and agency responses will be discussed with the applicant as required.

The above information can be viewed at the following link:

<http://app.toronto.ca/DevelopmentApplications/associatedApplicationsList.do?action=init&folderRsn=4366034&isCofASearch=false&isTlabSearch=false>

Discussion

The following sections review the proposed development through the policies, guidelines and objectives noted above.

Provincial Policy Statement (2014)

The PPS provides policy direction on matters of provincial interest related to land use planning and development. City Council's planning decisions are required to be consistent with the PPS.

Policy 1.1.1. b) states that healthy, liveable, and safe communities are sustained by accommodating an appropriate range and mix of residential uses, including second units, affordable housing and housing for older persons.

Policy 1.4.3 directs planning authorities to provide a range of housing types and densities to meet projected requirements of current and future residents. This policy directs planning authorities to permit and facilitate all forms of housing required to meet the social, health and well-being requirements of current and future residents, and all forms of residential intensification, including second units, and redevelopment where existing or planned infrastructure can accommodate projected needs. This policy further directs planning authorities to promote densities for new housing which efficiently use land, resources, infrastructure and public service facilities, and support the use of active transportation and transit in areas where it exists or is to be developed. Planning authorities are also directed to establish development standards for residential intensification which minimize the cost of housing and facilitate compact form.

Policy 1.6.7.4 promotes a land use pattern, density and mix of uses that minimizes the length and number of vehicle trips and supports current and future use of transit and active transportation.

Policy 2.6.1 directs that "Significant built heritage resources and significant cultural heritage landscapes shall be conserved." Properties included on the City's Heritage Register are considered to be significant in this context. In the PPS, conserved is defined as "the identification, protection, use and/or management of built heritage resources in a manner that ensures their cultural heritage value or interest is retained under the *Ontario Heritage Act*."

Policy 4.7 recognizes the Official Plan as the most important vehicle for implementation of the PPS.

Policy 4.8 requires that planning authorities shall keep their zoning by-laws up-to-date with their Official Plans and the Provincial Policy Statement.

The scale and mass of the proposed development in relation to the on-site heritage resources is not consistent with PPS policy 2.6.1. City Planning staff will work with the applicant on refinements to the building mass to better conserve the existing heritage resources in a manner which consistent with the PPS.

The proposed mix of units is not consistent with the intent of PPS policies that direct the provision of a range of housing types. Approximately 90 of dwelling rooms currently exist on the site. The application proposes the removal of these units, and their replacement, in part, with bachelor apartment units. Given the number of dwelling rooms implicated on this site, the important role that dwelling rooms play in complete communities, and the PPS direction for an appropriate range and mix of residential uses, the loss of a significant number of dwelling room is, in the opinion of City Planning staff not consistent with the policies of the PPS. To address Provincial Policy direction, City Planning staff will work with the applicant on securing an appropriate number of affordable dwelling units or dwelling rooms, in an appropriate form, to address the PPS with respect to the provision of a range of housing.

As discussed later in this report, the proposal is does not comply with the City's policies regarding the built form of new development. The proposal does not comply with the policies of the Official Plan, noted as the most important vehicle for implementation of the PPS. The proposal is not consistent with the PPS.

Growth Plan for the Greater Golden Horseshoe (2017)

The Growth Plan for the Greater Golden Horseshoe (the ‘Growth Plan’) provides a framework for managing growth in the Greater Golden Horseshoe. The subject site is an Intensification Area as defined by the Growth Plan. City Council’s planning decisions are required to conform, or not conflict, with the Growth Plan.

The policies of the Growth Plan regarding how land is developed, resources are managed and protected, and public dollars are invested are based on the Guiding Principles found in Section 1.2.1. These Guiding Principles support a range and mix of housing options, including second units and affordable housing, to serve all sizes, incomes, and ages of households, and planning for more resilient, low-carbon communities.

The Growth Plan acknowledges that many communities are facing issues of housing affordability, which are being driven primarily by sustained population growth and socio-economic factors. The Growth Plan helps to address this challenge by providing direction to plan for a range and mix of housing options, including second units, affordable housing and, in particular, higher density housing options that can accommodate a range of household sizes in locations that can provide access to transit and other amenities.

Section 2.2.1.3.c) directs municipalities to undertake integrated planning to manage forecasted growth by supporting an urban form that optimizes infrastructure to support the achievement of complete communities through a more compact built form.

Section 2.2.1.4 c) echoes the guiding principles noted above by supporting complete communities that provide a diverse range and mix of housing options to accommodate people at all stages of life, and to accommodate the needs of all household sizes and incomes.

Section 2.2.6.1 directs that municipalities will prepare a housing strategy in accordance with the policies of the PPS that identifies a diverse range and mix of housing options and densities, including second units and affordable housing to meet projected needs of current and future residents and establishes targets for affordable ownership housing and rental housing. Section 2.2.6.2 directs that municipalities support complete communities by planning for a range and mix of housing options and densities of the existing housing stock and planning to diversify and increase density of the overall housing stock across the municipality.

The proposal does not conform to the intent of Growth Plan policies that directs the provision of a range of housing types as part of complete communities. Approximately 90 of dwelling rooms currently exist on the site. To satisfy Provincial Policy direction, City Planning staff will work with the applicant on securing an appropriate number of affordable dwelling units or dwelling rooms, in an appropriate format, to satisfy the intent of the Growth Plan with respect to the provision of a range of housing.

Official Plan Land Use Policy

Avenues

Map 2 – Urban Structure - in the Official Plan identifies the subject site as *Avenues*. The Official Plan identifies *Avenues* as important corridors along major streets where reurbanization is

anticipated and encouraged to create new housing and job opportunities while improving the pedestrian environment, the look of the street, shopping opportunities and transit service for community residents.

The Official Plan encourages intensification along *Avenues*, however this intensification must respond to the characteristics of each *Avenue* and is generally not intended to be uniform. Reurbanizing the *Avenues* is intended to be achieved through the preparation of Avenue Studies which guide the strategic development of mixed-use segments of the corridors shown on Map 2.

Development proposed in advance of an Avenue Study will require that an Avenue Segment review is completed. No formal Avenue study was undertaken by City Planning staff in this area and it is unlikely that one will be undertaken given the limited developable lots on King Street West between Bathurst Street and the King Street West railway bridge. The applicant has submitted an Avenue Segment Review and soft site analysis as part of the Planning and Urban Design rationale. In this instance, the information submitted is adequate, in lieu of undertaking an Avenue Study, in reviewing the proposal's response to the *Avenue* context. City Planning staff do not agree with some of the assertions made in the Avenue Segment Review, specifically regarding the development potential and identification of some soft sites. City Planning staff will seek further clarification on these matters through review of the application.

In the opinion of City Planning staff, the scale and form of the proposed development does not reflect the prevailing character of the *Avenue* on which is proposed. The proposed height, scale, and mass of the building is inconsistent with the prevailing character of recent development on this portion of King Street West which generally includes 6-11 storey office and residential buildings and a 14-storey building located at the northwest former of King Street West and Shaw Street.

Mixed Use Areas

The site is designated *Mixed Use Areas* on Map 18 - Land Use – in the Toronto Official Plan. It is intended that *Mixed Use Areas* will absorb most of the anticipated increase in retail, office and service employment in Toronto in the coming decades, as well as much of the new housing.

Section 4.5 of the Official Plan directs that development within *Mixed Use Areas* will:

- create a balance of high quality commercial, residential, institutional and open space uses that reduces automobile dependency and meets the needs of the local community;
- locate and mass new buildings to provide a transition between areas of different development intensity and scale, as necessary to achieve the objectives of this Plan, through means such as providing appropriate setbacks and/or a stepping down of heights;
- take advantage of nearby transit services;

- locate and mass new buildings to frame the edges of streets and parks with good proportion and maintain sunlight and comfortable wind conditions for pedestrians on adjacent streets, parks and open spaces;
- provide good site access and circulation and an adequate supply of parking for residents and visitors; and
- locate and screen service areas, ramps and garbage storage to minimize the impact on adjacent streets and residences.

City Planning staff agree that some level of contextually appropriate development on this site is appropriate in accordance with the *Mixed Use Areas* designation. However, in the opinion of City Planning staff, the proposal does not comply with the applicable *Mixed Use Area* policies. The proposal does not locate and mass new buildings to provide a transition between areas of different development intensity and scale, as necessary to achieve the objectives of the Official Plan. The proposed building mass, lack of stepbacks and sweeping floor plates, which overtake the front portion of the heritage building, are areas where revision is required in for the design to fit better within context.

Existing and Planned Context

Official Plan Policy 3.1.2 requires that new development be massed and located to fit within the existing and planned context. In stable areas, such as *Neighbourhoods* and *Apartment Neighbourhoods*, the planned context typically reinforces the existing context. In growth areas, such as *Mixed Use Areas*, the planned context generally anticipates change. In general, height and density aspects of the planned context of new development will be assessed on the basis of the Plan’s policies, including Secondary Plans, and site and area specific policies.

The existing context around the proposed development is that of low rise buildings, some 6 to 11 story buildings, open spaces and a service station fronting King Street West. A series of low scale automotive uses are situated immediately north, with the northwest and northeast being characterized by a range of low-rise residential townhouses, stacked townhouses and other low rise dwelling types. The proposed building is taller than any other structure in the local context. The proposed development does not reflect the existing context.

Tall Buildings Policies and Guidelines

Official Plan Policy 3.1.3 states that tall buildings come with larger civic responsibilities. The policy intends that tall buildings are characterized by a base building, middle and top. The base building should have a scale relative to the surrounding streets, and integrate with adjacent buildings. The middle is characterized by appropriate floor plate sizes and the top is intended to contribute to the skyline character and integrate mechanical structures. Tall Buildings are required to comply with the built form policies of the Official Plan.

The Tall Building Design Guidelines (the “Guidelines”) help translate the Official Plan policies to achieve optimal building siting and design that enhances the public realm while respecting and reinforcing the surrounding built environment and context. The Guidelines are crucial planning tools that assist in testing the appropriateness of development applications in the policy context.

The proposed development is taller than the width of either the King Street West or Strachan Avenue right-of-way. The proposed development is a tall building. The proposed development is not a mid-rise building.

The planning rationale submitted in support of the development references the proposed building's "tall-midrise typology" as a rationale in avoiding compliance with the recommended floorplate sizes, separation distance, and numerous other criteria in the tall building design guidelines as well as criteria in the mid-rise building guidelines. City Planning staff notes that both the mid-rise and tall building guidelines are intended to give direction on implementing the built form, and other policies of the Official Plan, such as transition, fit within context, and limiting impacts for these respective building types. Guidelines were developed specific to each of these typologies because the scale and form of these buildings present unique challenges and are only appropriate in certain location where their overall form can be designed to fit within context. The Guidelines help inform how that can be achieved for tall or mid-rise buildings. At a height of 59 metres, the proposal is in fact a tall building and is subject to the Tall Building Design Guidelines. The application does not comply with the Tall Building Design Guidelines, and in this case, City Planning Staff would not support a building with a height of 59 metres in this location independent of whether or not the development were to meet the guidelines.

City Planning staff will work with the applicant on adjustments to the form and scale of the proposed tall building to ensure it achieves the intent of the applicable policies.

Heritage

The site contains a collection of three-storey buildings listed on the city's Heritage Register that are proposed to be incorporated into the development. The principle (south and west) elevations and the first 5 metres of the north and east return elevations are proposed to be retained and integrated with the new construction. All building fabric beyond the retained 5 metre portion is proposed to be replaced with new construction. The tower is proposed to be stepped back 5 metre from Strachan Avenue and King Street West at the fourth level.

In review of this application, City Planning staff will continue to undertake a detailed analysis of the proposed form and scale of the building in relation to the heritage buildings on site. Such analysis is critical in ascertaining whether a proposed development fits appropriately within its existing and planned context, as the Official Plan policies direct. In this case, retention of whole or substantive portions of the building, changes to building scale, additional building setbacks and sculpting, and changes to materials are suggested by City Planning staff to ensure that the proposal fits appropriately in context and achieves the intent of the Official Plan's Built Form and Heritage Conservation Policies.

Rental Housing

The Provincial planning policy framework, established through the *Planning Act*, Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe, clearly acknowledges the importance of providing a full range of housing and identifies affordable housing as a matter of Provincial interest.

The City of Toronto Official Plan directs that a full range of housing, in terms of form, tenure and affordability, across the City, and within neighbourhoods, will be provided and maintained to meet the current and future needs of residents. The Official Plan specifically notes that a full range of housing includes affordable rental housing and shared and/or congregate-living housing. Providing housing to a wide range of residents that is affordable, secure, of an appropriate size, and located to meet the housing needs of people throughout their life cycle is essential to the creation of complete communities.

The City's quality of life and prosperity are intrinsically connected to the provision of housing that meets the requirements of a diverse population with varying housing needs. Rooming houses and dwelling rooms provide needed diversity of housing types for vulnerable residents. The redevelopment of the Palace Arms and the loss of approximately 90 dwelling rooms would have a significant and immediate impact on the stock of affordable rental housing not only within the local area but also in terms of the overall supply across the City.

The loss of approximately 90 affordable dwelling rooms would also have a significant impact on existing tenant households, many of whom are considered vulnerable. Based on recent redevelopment proposals involving the demolition of an existing rooming houses, impacted dwelling room tenants often rely on the shelter system as a result of being displaced from their homes, creating additional strain on the city's limited number of shelter beds or available housing allowances.

In light of recent or proposed policy changes, in response to provincial direction with respect to the adequate provision of a full range of housing, including affordable housing, and in order to address the significant loss of affordable dwelling rooms, any redevelopment of the site would need to provide all of the following to the satisfaction of the Chief Planner and Executive Director, City Planning:

- Replace and maintain at least the same amount of affordable residential rental gross floor area within the new development;
- Provide an acceptable tenant relocation and assistance plan, at no cost to the City, addressing the right to return to occupy the replacement housing at similar rents and the provision of alternative accommodation at similar rents, intensive housing help services, housing follow up services and other assistance to lessen hardship as deemed appropriate by Shelter Support and Housing Administration;
- Provide any available units not occupied by returning tenants will be offered to eligible households; and
- for a period of at least 25 years, ensure that the rents for replacement housing will be similar to those in effect at the time the development application was made.

Parks

The Official Plan contains policies to ensure that Toronto's system of parks and open spaces are maintained, enhanced and expanded. Map 8B of the Toronto Official Plan shows local parkland provisions across the City. The site is in the lowest quintile of current provision of parkland. The site is in a parkland acquisition priority area, as per Chapter 415, Article III of the Toronto Municipal Code.

City staff will work with the applicant on an appropriate approach to satisfy parkland requirements either via conveyance of off-site lands for future park space or through the provision of cash-in-lieu of parkland.

Summary of Matters to be Resolved

A detailed list of matters to be resolved in the processing of this application is found below. City Planning staff notes that the three primary objectives for the City in reviewing this application are:

- The provision of appropriate replacement affordable housing in terms of form, use and number of dwelling rooms;
- A building height scale and mass that fits appropriately within its existing and planned context and appropriately limits its impacts on the surrounding area; and,
- Appropriate conservation of the existing heritage buildings on the subject site.

In addition to the above, the following matters will be addressed by the review of this application:

- Consistency with the PPS and the Growth Plan;
- Conformity with Official Plan policies, including the sections on “Mixed Use”, “Housing”, "Public Realm", "Built Form", "Built Form – Tall Buildings", if a building taller than a mid-rise is accepted on this site, and "Heritage Resources";
- Conformity with the Garrison Common North Secondary Plan;
- Conformity with the Tall Building Design Guidelines, including built form, transition in scale, sunlight and skyview, views from the public realm, heritage properties and heritage conservation districts, floor plate size and shape, tower placement, separation distance, site servicing and site access, pedestrian realm, publicly accessible open space, and sustainable design;
- The application’s response to the December 13, 2016, City Council-adopted motion MM23.37 - “950 King Street West - The Palace Arms - Affirmation of City Planning Position on Existing Dwelling Rooms”;

- Overall height of the building, taking into account the existing and planned context and impacts;
- Adequacy of soft and hard servicing to accommodate the proposed development;
- Assessment of traffic generation and potential impacts to the existing transportation network;
- Provision of adequate amenity space;
- Provision of an appropriate mix of unit sizes and types;
- The location, number and type of bicycle parking spaces; and
- Conformity to the Toronto Green Standard.

Additional issues may be identified through the review of the application, agency comments and the community consultation process.

Toronto Green Standard

On October 27, 2009 City Council adopted the two-tiered Toronto Green Standard (TGS). The TGS is a set of performance measures for green development. Tier 1 is required for new development. Tier 2 is a voluntary, higher level of performance with financial incentives. Achieving the Toronto Green Standard will improve air and water quality, reduce green house gas emissions and enhance the natural environment. The applicant is required to meet Tier 1 of the TGS. The proposed draft site specific Zoning By-law will secure Tier 1 performance measures for the following Tier 1 development features related to Automobile Infrastructure and Cycling Infrastructure. Other applicable TGS performance measures will be secured through the Site Plan Approval process.

Section 37

The Official Plan includes policies pertaining to the exchange of public benefits for increased height and density for new developments pursuant to Section 37 of the *Planning Act*. Details of a Section 37 Agreement between the applicant and the City will be established if a development is recommended for approval.

CONCLUSION

City staff from the City Planning, Shelter, Support and Housing, and the Affordable Housing Office met with the applicant on a number of occasions prior to the submission of this application to discuss the housing issues presented by the redevelopment of the site. The discussions with the applicant to date have been collaborative and while City staff do not support the proposed application in its currently form, staff will continue to work with all necessary agencies, the applicant, the residents on site, and the Ward Councillor in efforts to resolve the outstanding concerns with this application, including securing an appropriate mix of housing on this site in accordance with City Council's direction. City Planning staff will also work with the

necessary parties to resolve concerns related to the conservation strategy of the site and it's relation to the site's heritage attributes which include but are not limited to the site's form, scale and massing.

CONTACT

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E-mail: Graig.Uens@toronto.ca

SIGNATURE

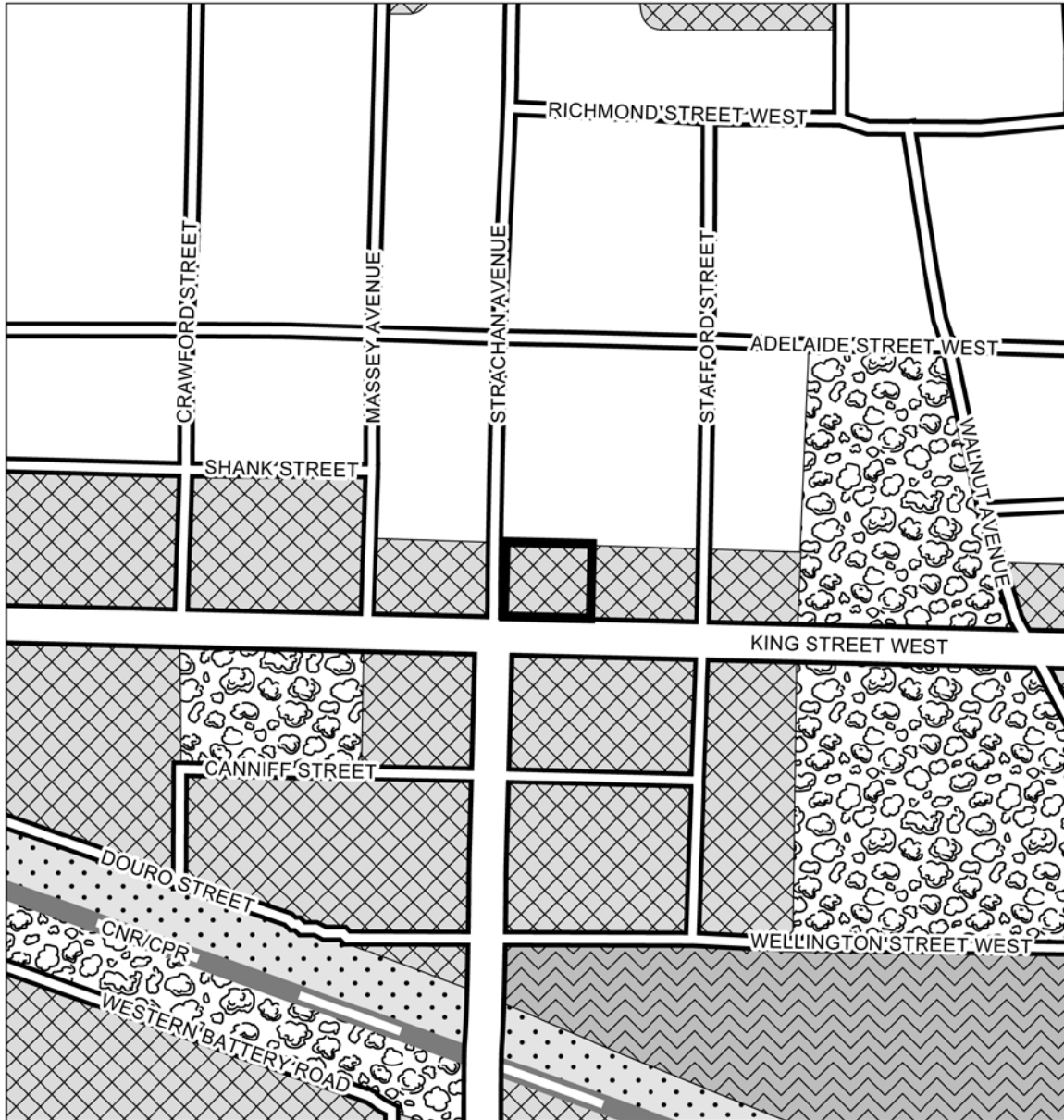
Lynda H Macdonald
Acting Director, Community Planning
Toronto and East York District

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ATTACHMENTS

- Attachment 1: Official Plan – Land Use – Map 18 Excerpt
- Attachment 2: Zoning By-law Excerpt
- Attachment 3: Proposed Site Plan
- Attachment 4: Proposed East Elevations
- Attachment 5: Proposed North Elevations
- Attachment 6: Proposed South Elevations
- Attachment 7: Proposed West Elevations
- Attachment 8: Application Data Sheet

Attachment 1: Official Plan – Land Use – Map 18 Excerpt



Toronto
Official Plan Land Use Map #18

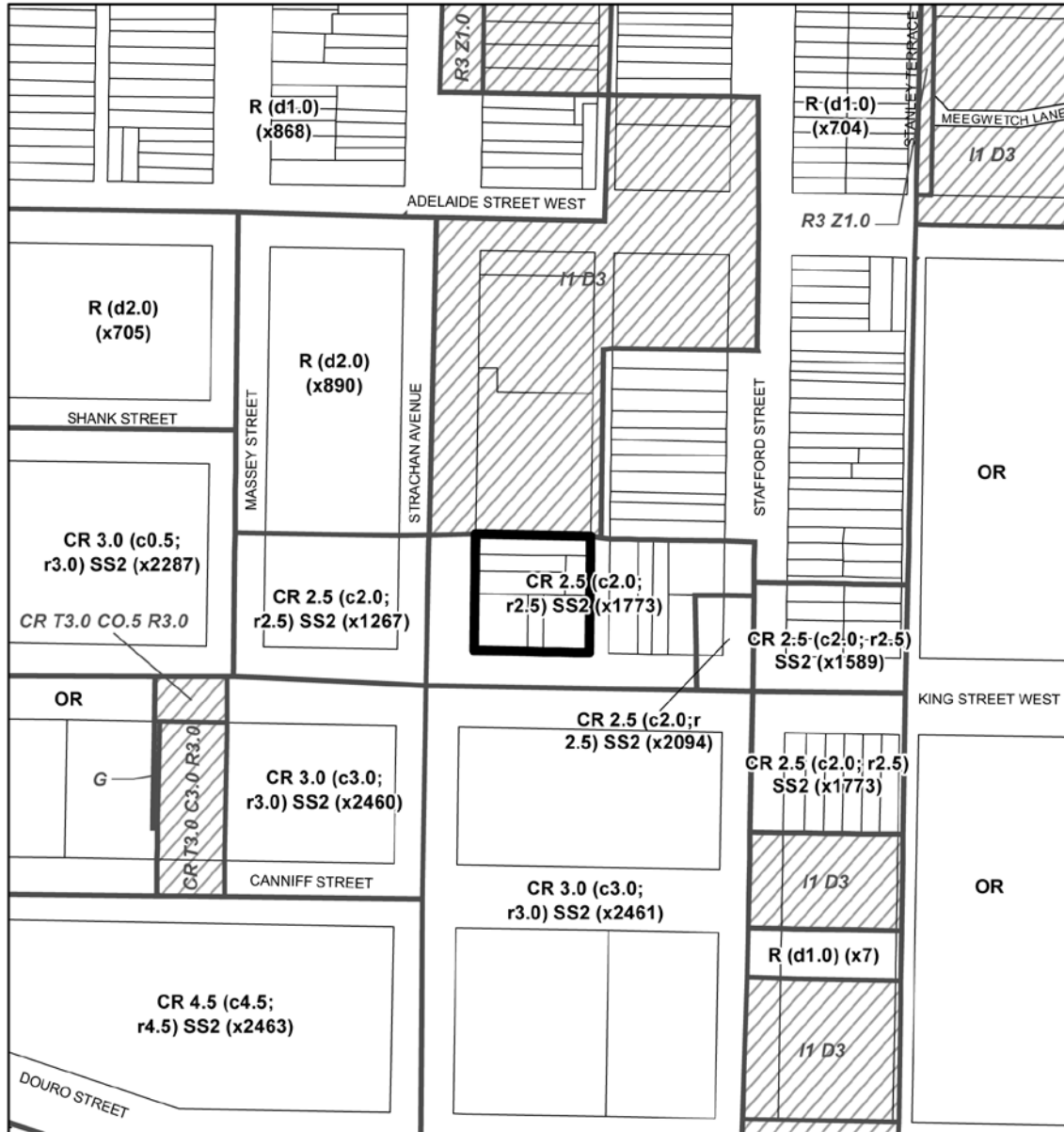
Address

File # 18 153602 STE 19 0Z

- | | | |
|---|--|--|
|  Location of Application |  Parks & Open Space Areas |  Regeneration Areas |
|  Neighbourhoods |  Parks |  Utility Corridors |
|  Mixed Use Areas | | |


 Not to Scale
 06/05/2018

Attachment 2: Zoning By-law Excerpt



938-950 King Street West and 97-99 Strachan Avenue

Zoning By-law 569-2013

File # 18 153602 STE 19 0Z

Location of Application

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

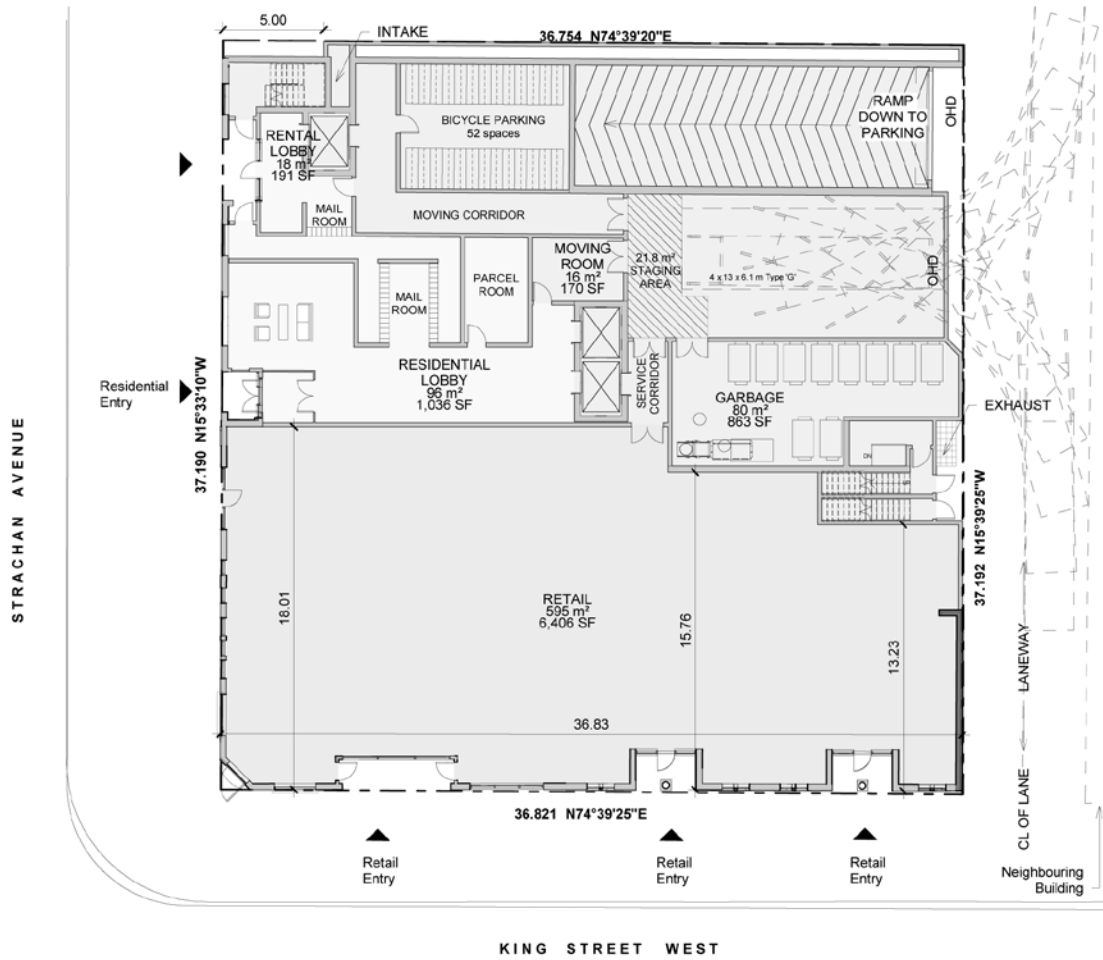
R Residential
CR Commercial Residential

OR Open Space Recreation
UT Utility and Transportation

R3 Residential District
CR Mixed-Use District
I1 Industrial District
I2 Industrial District
G Parks District

↑
Not to Scale
Extracted: 06/05/2013

Attachment 3: Proposed Site Plan



Site Plan

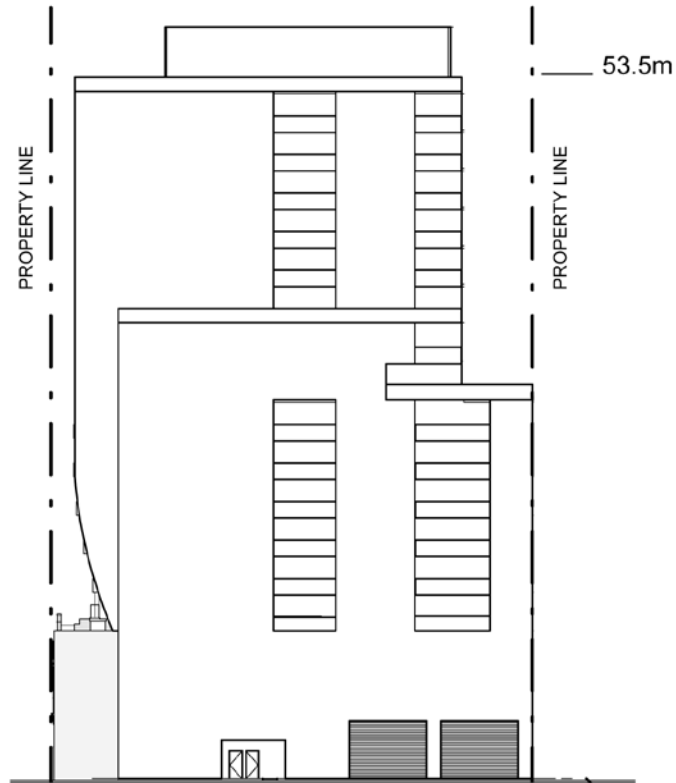
938-950 King Street West and 97-99 Strachan Avenue

Applicant's Submitted Drawing

Not to Scale 

File # 18 153602 STE 19 0Z

Attachment 4: Proposed East Elevation



East Elevation

938-950 King Street West and 97-99 Strachan Avenue

Applicant's Submitted Drawing

Not to Scale
06/05/2018

File # 18 153602 STE 19 0Z

Attachment 5: Proposed North Elevation



North Elevation

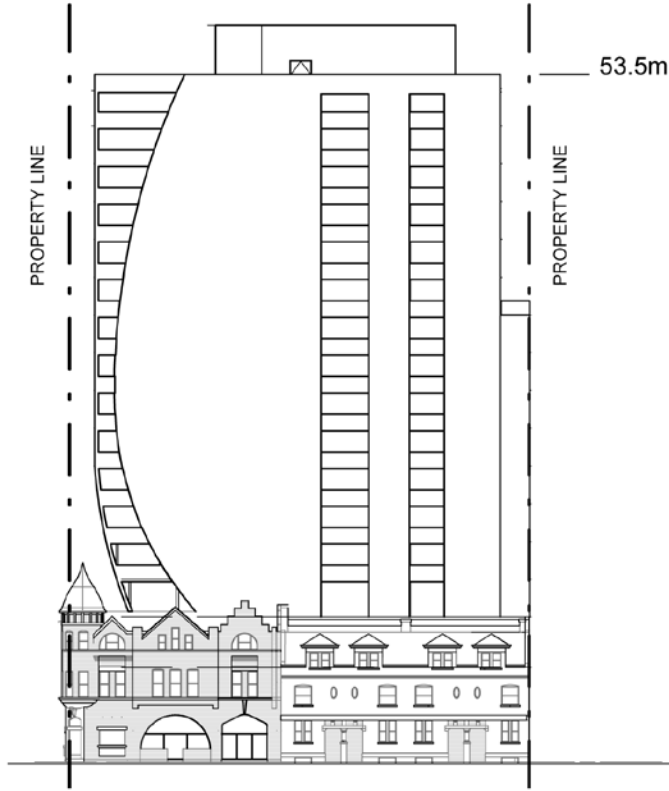
938-950 King Street West and 97-99 Strachan Avenue

Applicant's Submitted Drawing

Not to Scale
06/05/2018

File # 18 153602 STE 19 0Z

Attachment 6: Proposed South Elevation



South Elevation

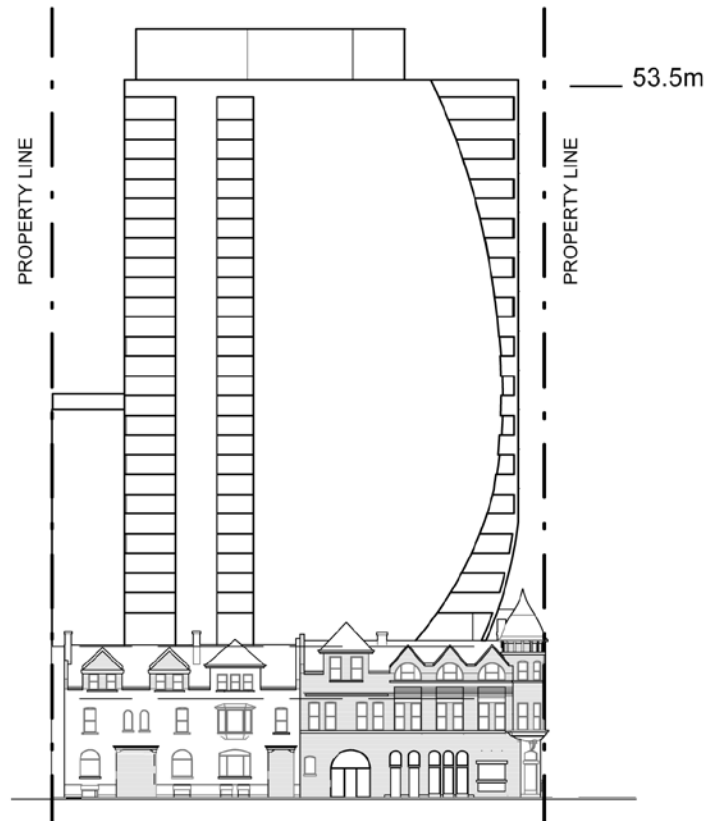
938-950 King Street West and 97-99 Strachan Avenue

Applicant's Submitted Drawing

Not to Scale
06/05/2018

File # 18 153602 STE 19 0Z

Attachment 7: Proposed West Elevation



West Elevation

938-950 King Street West and 97-99 Strachan Avenue

Applicant's Submitted Drawing

Not to Scale
06/05/2018

File # 18 153602 STE 19 0Z

Attachment 8: Application Data Sheet

Municipal Address: 950 KING ST W **Date Received:** May 4, 2018

Application Number: 18 153602 STE 19 OZ

Application Type: OPA / Rezoning, Rezoning

Project Description: Zoning By-law Amendment to facilitate the adaptive re-use of the existing Palace Arms building for a 16-storey mixed-use building with at-grade retail and residential units above. Building height 58.5 metres, approximately 14,334 square metres of residential gross floor area, 595 square metres of nonresidential gross floor area.. Site includes 938, 944, and 950 King Street West, and 95, 97, and 99 Strachan Avenue

Applicant	Agent	Architect	Owner
2584668 ONTARIO INC		Sweeny & Co Architects Inc.	2584668 ONTARIO INC

EXISTING PLANNING CONTROLS

Official Plan Designation:	Mixed Use Areas	Site Specific Provision:	Garrison Common North Secondary Plan
Zoning:		Heritage Designation:	Listed
Height Limit (m):		Site Plan Control Area:	Yes

PROJECT INFORMATION

Site Area (sq m): 1,368 Frontage (m): 37 Depth (m): 37

Building Data	Existing	Retained	Proposed	Total
Ground Floor Area (sq m):	820		924	924
Residential GFA (sq m):			14,334	14,334
Non-Residential GFA (sq m):	1,872		595	595
Total GFA (sq m):	1,872		14,929	14,929
Height - Storeys:			16	16
Height - Metres:			53	53

Lot Coverage Ratio (%): 67.57 Floor Space Index: 10.91

Floor Area Breakdown	Above Grade (sq m)	Below Grade (sq m)
Residential GFA:	14,334	
Retail GFA:	595	
Office GFA:		
Industrial GFA:		
Institutional/Other GFA:		

Residential Units by Tenure	Existing	Retained	Proposed	Total
Rental:	89			
Freehold:				
Condominium:			217	217
Other:				
Total Units:	89		217	217

Total Residential Units by Size

	Rooms	Bachelor	1 Bedroom	2 Bedroom	3+ Bedroom
Retained:					
Proposed:		46	120	30	21
Total Units:		46	120	30	21

Parking and Loading

Parking Spaces: 74 Bicycle Parking Spaces: 223 Loading Docks:

CONTACT:

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Graig.Uens@toronto.ca