

847, 849, 851, 853, 855, 857, 859, 861, 863, 865, 867, 869, 871 and 873 Sheppard Avenue West – Rental Housing Demolition Application Under Municipal Code 667– Final Report

Date: December 17, 2018

To: North York Community Council

From: Director, Community Planning, North York District

Wards: Ward 6 - York Centre

Planning Application Number: 17 107822 NNY 10 RH

SUMMARY

A Rental Housing Demolition Application under Section 111 of the *City of Toronto Act* (Chapter 667 of the Toronto Municipal Code) has been filed to permit the demolition of 12 single-detached structures located at 847-873 Sheppard Avenue West, containing 7 rental dwelling units. This application proposes to provide and maintain 7 replacement rental dwelling units within the proposed development.

The related Zoning By-law Amendment, Official Plan Amendment and Site Plan applications for the site (File No. 16 262666 NNY 10 OZ) propose 160 dwelling units within a 5-storey stacked, back-to-back townhouse development. The related applications are the subject of a settlement at the Local Planning Appeal Tribunal (LPAT)(Case No. MM180028) that was endorsed by City Council on July 23, 2018. An oral decision was issued by the LPAT on November 5, 2018. The LPAT is withholding the final Order subject to conditions being fulfilled including the approval of the Housing Demolition application by City Council.

This report recommends approval of the Rental Housing Demolition application under Chapter 667 of the Toronto Municipal Code and the Residential Demolition application under Chapter 363 of the Toronto Municipal Code for the demolition of the 12 single-detached structures containing a total of 7 rental dwelling units, subject to conditions.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council approve the application for a Rental Housing Demolition permit in accordance with Chapter 667 of the Toronto Municipal Code to allow for the demolition of the 12 single-detached structures at 847-873 Sheppard Avenue West which contain a total of 7 rental dwelling units, subject to the following conditions:

- a. The owner shall provide and maintain 7 replacement rental dwelling units located contiguously on the ground floor of the building, comprising 3 one-bedroom units, of approximately 56.0 square metres each, and 4 two-bedroom units, of approximately 79.0 square metres each, on the subject site for a period of at least 20 years;
- b. The owner shall provide and maintain at least 1 one-bedroom and 4 two-bedroom replacement rental dwelling units at affordable rents, and at least 2 one-bedroom replacement rental dwelling units at mid-range rent for a period of at least 10 years, beginning from the date that each replacement rental dwelling unit is first occupied;
- c. The owner shall provide ensuite laundry in all replacement rental dwelling units;
- d. The owner shall provide tenants of the replacement rental dwelling units with access to all indoor and outdoor amenities on the same terms and conditions as any other resident of the site;
- e. The owner shall provide at least 6 vehicle parking spaces to tenants of the replacement rental dwelling units;
- f. The owner shall provide tenants of the replacement rental dwelling units with access to all bicycle parking and visitor parking on the same terms and conditions as any other resident of the site; and
- g. The owner shall enter into and register on title one or more Agreement(s) to secure the conditions outlined in 1a. through 1f. above to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning Division.

2. City Council authorize the Chief Planner and Executive Director, City Planning Division, to issue the Preliminary Approval for the application made under Municipal Code Chapter 667 for the demolition of the 7 rental dwelling units at 847-873 Sheppard Avenue West after all of the following have occurred:

- a. Satisfaction or securing of the conditions in Recommendation 1 above;
- b. The Zoning By-law Amendments, which were the subject of a settlement at the Local Planning Appeal Tribunal, have come into full force and effect;
- c. The Official Plan Amendment, which was the subject of a settlement at the Local Planning Appeal Tribunal, has come into full force and effect;
- d. The issuance of excavation and shoring permits for the approved development of the site;
- e. The issuance of the Notice of Approval Conditions for site plan approval by the Chief Planner and Executive Director, City Planning Division, or their designate, pursuant to Section 114 of the *City of Toronto Act, 2006*; and

f. The execution and registration of a Section 37 Agreement pursuant to the *Planning Act* securing 1.a. through 1.f. above and any other requirements of the Zoning-Bylaw Amendment.

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 preliminary approval referred to in Recommendation 2.

4. City Council authorize the Chief Building Official to issue a demolition permit under Section 33 of the *Planning Act* no earlier than the issuance of the first building permit for excavation and shoring of the development, and after the Chief Planner and Executive Director, City Planning Division, has given Preliminary Approval referred to in Recommendation 2, such permit may be included in the demolition permit for Chapter 667 under 363-11.1, of the Municipal Code, on condition that:

a. The owner erects a residential building on site no later than 3 years from the day demolition of the buildings is commenced; and

b. Should the owner fail to complete the new building within the time specified in condition (a) above, the City Clerk shall be entitled to enter on the collector's roll, to be collected in a like manner as municipal taxes, the sum of \$20,000.00 for each dwelling unit for which a demolition permit is issued, and that each sum shall, until payment, be a lien or charge upon the land for which the demolition permit is issued.

5. Council authorize the appropriate City officials to take such actions as are necessary to implement the foregoing, including execution of the Section 111 Agreement.

FINANCIAL IMPACT

The recommendations in this report have no financial impact.

DECISION HISTORY

On December 9, 2016, a Zoning By-law Amendment and Official Plan Amendment application (File No. 16 262666 NNY 10 OZ) was submitted for the site. On January 23, 2017, a Rental Housing Demolition application was submitted for the site.

On May 2, 2017, North York Community Council (NYCC) adopted the Preliminary Report dated April 12, 2017, on the Zoning By-law Amendment, Official Plan Amendment and Rental Housing Demolition applications. The report can be accessed at:
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.NY22.7>

On April 6, 2018, the owner appealed the Zoning By-law Amendment, Official Plan Amendment and Site Plan applications to the Local Planning Appeal Tribunal (LPAT), citing City Council's failure to make a decision within the time frame prescribed by the *Planning Act*. The applicant continued to work with City staff on revisions to the proposal that resulted in a Settlement Proposal.

On July 23, 2018, City Council adopted the Request for Directions Report and Confidential Attachments authorizing the City Solicitor, together with appropriate staff to attend any LPAT hearings on the appeal and support the settlement proposal subject to conditions. The report can be accessed at:
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.CC44.28>

On November 5, 2018, the LPAT issued an oral decision approving the proposal for 160 dwelling units (including 7 replacement rental units) within a 5-storey stacked, back-to-back townhouse project (Case No. MM180028).

ISSUE BACKGROUND

Proposal

The Rental Housing Demolition application proposes to demolish 7 rental units located within 12 single-detached houses and provide 7 replacement rental units within the proposed development. The tenure of the replacement rental dwelling units would be secured for at least 20 years and the rents would be secured for at least 10 years, beginning from the date of first occupancy.

This property is part of a related group of buildings at 847-873 Sheppard Avenue West that is subject to a Zoning By-law Amendment, Official Plan Amendment and Site Plan applications (File No. 16 262666 NNY 10 OZ) for 160 five-storey stacked, back-to-back townhouses arranged in 7 blocks perpendicular to Sheppard Avenue West which was approved at the Local Planning Appeal Tribunal.

Site

The site is comprised of 12 single-detached structures, containing a combined total of 7 rental dwelling units (4 two-bedroom units and 3 one-bedroom units). All rental dwelling units were vacant and boarded-up at the time of application.

Provincial Land-Use Policies: Provincial Policy Statement and Provincial Plans

Section 2 of the *Planning Act* sets out matters of provincial interest which City Council shall have regard to carrying out its responsibilities, including: the orderly development of safe and healthy communities; the conservation of features of significant architectural, cultural and historical interest; the adequate provision of employment opportunities; the adequate provision of a full range of housing, including affordable housing, and the appropriate location of growth and development.

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; providing an appropriate range of housing types and affordability to meet projected requirements of current and future residents; wise use and management of resources and protecting public health and healthy communities. 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; planning for a range and mix of housing, taking into account affordable housing needs, providing housing options to meet the needs of people at any age; 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.

Toronto Official Plan

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

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

Rental Housing Demolition and Conversion By-law

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

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

Pursuant to the City's demolition control by-law Chapter 363 of the Municipal Code, Council approval of the demolition of residential dwelling units under Section 33 of the Planning Act is also required where six or more residential dwelling units are proposed for

demolition, before the Chief Building Official can issue a permit for demolition under the *Building Code Act*.

Where an application for rezoning triggers an application under Chapter 667 for rental demolition or conversion and an application under Chapter 363 for residential demolition control, City Council typically considers both applications at the same time. Unlike *Planning Act* applications, decisions made by City Council under Chapter 667 are not appealable to the Local Planning Appeal Tribunal.

On January 23, 2017, the applicant made an application for a Section 111 permit pursuant to Chapter 667 of the City of Toronto Municipal Code.

Reasons for Application

An application to permit the demolition of the seven rental dwelling units is required under Chapter 667 of the Toronto Municipal Code as the site contains at least 6 residential dwelling units of which at least one was used for residential rental purposes.

Tenant Consultation

All of the affected rental dwelling units have been vacant for several years, as such a tenant meeting was not required.

COMMENTS

Rental Housing

The existing single-detached structures at 847-873 Sheppard Avenue West meet the definition of a Residential Rental Property as defined in Chapter 667 of the Toronto Municipal Code and the Official Plan. Staff have determined that these existing single-detached structures contain a total of 7 rental dwelling units.

Staff have reviewed the Rental Housing Demolition application against the City's rental housing demolition policies contained within the Official Plan and have determined that the applicant's demolition and replacement proposal would satisfy all of the required approval conditions. This report recommends that City Council approve, with conditions, the application for a Section 111 permit in accordance with Chapter 667 of the Toronto Municipal Code to allow for the demolition of the 7 existing rental dwelling units.

As proposed, the 7 replacement rental dwelling units will be provided in the first phase of the development. The proposed unit mix will be comprised of 3 one-bedroom and 4 two-bedroom units, satisfying Official Plan Policy 3.2.1.6 b (i).

Tenure and Rents for the Replacement Rental Units

The owner has agreed to provide and maintain the 7 replacement rental units as rental units for at least 20 years, beginning from the date that each such unit is first occupied. The owner has also agreed to secure the rents for the 7 replacement rental units for at least 10 years in accordance with the table below. These secured rents are similar to those of the existing rental units at the time of application, satisfying Official Plan Policy 3.2.1.6 b (ii). All of the above would be secured in one or more agreements with the City.

Table 1: Summary of Existing Rental Units by Rent Classification

Unit Type	Rent Classification			
	Affordable	Mid-range	High-End	Total
One-bedroom	1	2	0	3
Two-bedroom	4	0	0	4
Total	5	2	0	7

Tenant Relocation and Assistance Plan

At the time of application, all of the existing rental dwelling units were vacant. According to information provided by the applicant, these rental dwelling units have been vacant and boarded up for several years. As such, a Tenant Relocation and Assistance Plan is not required as a condition of approval.

Other Rental Housing Matters

Prior to the issuance of the Rental Housing Demolition permit, the applicant has agreed to enter into one or more agreements to secure access to resident parking, visitor parking, storage lockers and indoor and outdoor amenities by future tenants of the replacement rental dwelling units and any other related rental housing matters. All to the satisfaction of the Chief Planner and Executive Direction, City Planning Division and in accordance with the City's standard practices.

Conclusion

The applicant's proposal would satisfy Official Plan Policy 3.2.1.6 and Chapter 667 of the Toronto Municipal Code. Staff are recommending that City Council approve the Rental Housing Demolition application to demolish 7 existing rental dwelling units at 847-873 Sheppard Avenue West, subject to the conditions of approval identified within this report.

CONTACT

Doug Stiles, Planner, Tel. No. (416) 395-7145, Fax No. (416) 395-7155,
E-mail: doug.stiles@toronto.ca

Jeremy Kloet, Senior Planner, Tel. No. 416-392-7863, Fax No. 416-392-3821,
E-mail: Jeremy.Kloet@toronto.ca

SIGNATURE

Joe Nanos, Director
Community Planning, North York District

ATTACHMENTS

City of Toronto Data/Drawings

Attachment 1: Location Map

Attachment 1: Location Map

