

507 King Street East - Rental Housing Demolition Application – Final Report

Date: January 13, 2020

To: Toronto and East York Community Council

From: Lynda H. Macdonald, Director, Community Planning,
Toronto and East York District

Ward: 13 - Toronto Centre

Planning Application Number: *19 252075 STE 13 RH*

SUMMARY

This application proposes to demolish 13 residential dwelling units (12 rental dwelling units and 1 owner occupied dwelling unit) located within the existing four-storey industrial building at 507 King Street East. The applicant also proposes to demolish an additional 3 dwelling rooms located within the existing building.

A related Minor Variance application has been submitted for the subject site and proposes to alter the existing four-storey industrial building by constructing a fifth storey addition associated with a proposed rooftop amenity space, undertaking interior renovations and expanding the permitted uses to include office space.

The subject site is zoned I1 D3 pursuant to Zoning By-law 438-86, as amended. This zone category does not permit residential uses. As such, replacement of the existing rental dwelling units and residential Gross Floor Area associated with the existing dwelling rooms is not permissible.

This report reviews and recommends approval of the Rental Housing Demolition Application under Chapter 667 of the Toronto Municipal Code, subject to conditions, which include the provision of Tenant Relocation and Assistance and the obligation to replace the existing rental dwelling units if a Zoning By-law Amendment Application is submitted to the City to permit residential uses on the subject site within 15 years of Council's decision on this application.

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 existing rental dwelling units located at 507 King Street East, subject to the following conditions:

- a. the owner shall provide tenant relocation and assistance to all eligible tenants of the existing rental dwelling units to be demolished, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
- b. the owner shall provide tenant relocation and assistance to all eligible tenants of the existing rental dwelling rooms to be demolished, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
- c. the owner acknowledges and agrees that, should an Application be submitted to the City to redevelop the subject site for residential use within 15 years of Council's decision of this application, any such future proposal shall be required to provide for the replacement of all 12 existing rental dwellings proposed to be demolished as part on this application, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
- d. the owner shall enter into and register on title to the subject site one or more agreement(s) to secure the conditions outlined in a, b, and c above, all to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning Division, including an agreement pursuant to Section 111 of the *City of Toronto Act, 2006*.

2. City Council authorize the Chief Planner and Executive Director, City Planning Division, to issue Preliminary Approval for the Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code for the demolition of the 12 existing rental dwelling units at 507 King Street East after all of the following have occurred:

- a. the execution and registration of a Section 111 Agreement pursuant to the *City of Toronto Act* to secure Recommendation 1 a, b, and c; and
- b. the issuance of the first building permit for the proposed renovations or interior alterations to the existing building at 507 King Street East.

3. City Council authorize the Chief Building Official to issue the Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code after the Chief Planner and Executive Director, City Planning Division, has given Preliminary Approval referred to in Recommendation 2 above.

4. City 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

A Minor Variance Application (A1065/19TEY) proposes to alter the existing four-storey industrial building by constructing a fifth storey addition associated with a proposed rooftop amenity space, undertaking interior renovations and expanding the permitted uses to include office space. This application is scheduled to be heard by the Committee of Adjustment at its meeting on February 12, 2020.

PROPOSAL

This Rental Housing Demolition Application proposes to demolish 12 existing rental dwelling units located within the existing four-storey industrial building at 507 King Street East. The applicant will not be replacing the existing rental dwelling units proposed to be demolished.

Site

The subject site is located on the south side of King Street East, west of Sumach Street. The subject site has an area of approximately 2,290 square metres, with a frontage of 20.7 m along King Street East.

The subject site is zoned Industrial District (I1 D3) and is comprised of a four-storey industrial building. According to the rent rolls provided by the applicant and discussions with existing and past residential tenants, this building has been used for both residential and commercial purposes for nearly 30 years. According to the Housing Issues Report submitted by the applicant, this building contains a total of 13 residential dwelling units (12 rental dwelling units and 1 owner occupied dwelling unit) and 3 dwelling rooms. The remaining 25-30 units are or were last used for commercial purposes.

Reasons for Application

A Rental Housing Demolition Permit is required because the application seeks approval to demolish at least six residential dwelling units and at least one rental dwelling unit.

POLICY CONSIDERATIONS

Zoning

The subject site is zoned Industrial District (I1 D3) pursuant to the City of Toronto Zoning By-law No. 438-86, as amended. Within the I1 zone, a variety of uses are permitted as-of-right, including industrial workshops and manufacturing uses. Residential uses are not permitted. The site is not subject to Zoning By-law 569-2013.

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. By-law No. 885-2007 (also known as the Rental Housing Demolition and Conversion By-law)

established Chapter 667 of the Toronto Municipal Code and implements Section 111. The By-law 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 the Chief Planner.

Council may refuse an application, or approve the demolition with conditions that must be satisfied before a demolition permit is issued. Unlike *Planning Act* applications, decisions made by City Council under By-law 885-2007 are not appealable to the Local Planning Appeal Tribunal.

On November 21, 2019, the applicant submitted an application for a Rental Housing Demolition Permit pursuant to Chapter 667 of the Toronto Municipal Code.

COMMENTS

Tenant Assistance Plan

The owner has agreed to provide tenant relocation and assistance to all eligible tenants who currently reside at 507 King Street East and all past eligible tenants who previously resided at 507 King Street East and who received a notice from the landlord to end their tenancy. The Tenant Relocation and Assistance Plan will assist affected tenants in finding and securing alternative accommodations. As part of this plan, all eligible tenants and past eligible tenants shall receive the following:

- At least five (5) months notice of the date that they must vacate their rental unit;
- Compensation equal to three (3) months' rent pursuant to the *Residential Tenancies Act*;
- A \$1,500 moving allowance to move-out;
- Additional compensation based on length of tenure within the building; and
- Additional compensation and assistance for special needs tenants, with the final determination by the Chief Planner and Executive Director, City Planning.

As proposed, the Tenant Relocation and Assistance Plan achieves the City's current practices and will be secured through a Section 111 Agreement with the City, all of which shall be to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

Rental Replacement

Replacement of the 12 existing rental dwelling units is not possible given that existing zoning permissions for the subject site do not permit residential uses. However, this report recommends, as a condition of approval, that should the current owner, or any future owner, of the site, submit an Application to the City to redevelop the subject site for residential use within 15 years of Council's decision of this application, any such future proposal shall be required to provide for the replacement of all 12 existing rental dwellings, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

Tenant Consultation

A tenant consultation meeting is a requirement of the Rental Housing Demolition By-law to review the City's rental housing policies, provide information on the proposal and outline the proposed Tenant Relocation and Assistance Plan.

A tenant consultation meeting for 507 King Street East was hosted by City Planning Staff on December 17, 2019. The meeting was attended by approximately 10 tenant households, City Planning staff, and applicant representatives. Tenants asked questions or made comments about the Tenant Relocation and Assistance Plan, property standards concerns, application review and approval process and ownership structure.

Conclusion

City Planning Staff have reviewed the Rental Housing Demolition Application submitted for 507 King Street East and recommend that City Council approve, with conditions, this Rental Housing Demolition Permit Application in accordance with Chapter 667 of the Toronto Municipal Code to allow for the demolition of the 12 existing rental units on the subject site.

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SIGNATURE

Lynda H. Macdonald, MCIP, RPP, OALA, FCSLA
Director, Community Planning
Toronto and East York District

ATTACHMENTS

City of Toronto Data/Drawings
Attachment 1: Location Map

Attachment 1: Location Map

