

## **245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street, and 8-12 Brighden Place – Rental Housing Demolition Application – Final Report**

Date: June 1, 2021

To: Toronto and East York Community Council

From: Director, Community Planning, Toronto and East York District

Ward: 13 – Toronto Centre

**Rental Housing Demolition Application Number:** 17 160339 STE 28 RH

**Planning Application Numbers:** 16 118638 STE 28 OZ; 21 153650 STE 13 SA

### **SUMMARY**

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A Rental Housing Demolition application (17 160339 STE 28 RH) has been submitted under Chapter 667 of the Toronto Municipal Code pursuant to Section 111 of the *City of Toronto Act, 2006* for the residential rental property at 245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street, and 8-12 Brighden Place.

The application proposes to demolish 57 rental dwelling units in order to redevelop a portion of the subject lands with a mixed-use development comprised of two purpose-built rental apartment buildings that would be 33 (113.0 metres) and 24 (88.4 metres) storeys in height and together contain 824 rental dwelling units, including 70 replacement rental units. Commercial office and retail uses would be located between the first and fourth floors of the buildings. The total Gross Floor Area (GFA) of the proposed development is approximately 76,300 square metres, of which approximately 60,700 square metres is residential GFA and approximately 15,600 square metres is non-residential GFA.

The properties are also the subject of Official Plan Amendment and Zoning By-law Amendment applications (16 118638 STE 28 OZ), which were appealed to the Local Planning Appeal Tribunal (LPAT) in November 2017 (LPAT Case No. PL171288). A settlement offer was endorsed by City Council on July 23, 2018. Council deferred making a decision on the Rental Housing Demolition application and directed staff to request the LPAT to withhold its Order on the Official Plan Amendment and Zoning By-law Amendment appeals until such time as the Rental Housing Demolition application has been approved by Council and all appropriate conditions associated with the Rental Housing Demolition Permit have been satisfied, including the execution of any necessary agreements.

On October 31, 2018, the LPAT issued a Decision approving the Official Plan Amendment and Zoning By-law Amendment applications in principle and withheld its final Order until outstanding matters, including a decision by City Council on the Rental Housing Demolition application, are resolved.

This report recommends approval of the Rental Housing Demolition application under Chapter 667 of the Toronto Municipal Code and the demolition permit under Chapter 363 of the Toronto Municipal Code, subject to conditions.

## RECOMMENDATIONS

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The City Planning Division recommends that:

1. City Council approve the Rental Housing Demolition application (17 160339 STE 28 RH) under Chapter 667 of the Toronto Municipal Code pursuant to Section 111 of the *City of Toronto Act, 2006* to permit the demolition of fifty-seven (57) existing rental dwelling units at 263-265 Queen Street East and 90 Ontario Street, subject to the following conditions:

- a) The owner shall provide and maintain seventy (70) replacement rental dwelling units within Tower "B" on the subject site for a period of at least 20 years beginning from the date that each replacement rental unit is first occupied. During such 20-year period, no replacement rental unit shall be registered as a condominium or any other form of ownership housing that provides a right to exclusive possession of a dwelling unit, including life-lease or co-ownership, and no application shall be made to demolish any replacement rental unit or convert any replacement rental unit to a non-residential rental purpose. The seventy (70) replacement rental units shall be comprised of twenty-seven (27) Live/Work rental units, all of which shall be one-bedroom units, and forty-three (43) residential rental units, including twenty-nine (29) one-bedroom units, twelve (12) two-bedroom units, and two (2) three-bedroom units, as generally illustrated in the plans submitted to the City Planning Division dated May 18, 2021. Any revision to these plans shall be to the satisfaction of the Chief Planner and Executive Director, City Planning Division.
- b) The owner shall provide and maintain at least twenty-two (22) replacement rental dwelling units at affordable rents, as currently defined in the Toronto Official Plan, and twenty-four (24) replacement rental units at mid-range rents, as defined in the Toronto Official Plan, for a period of at least 10 years beginning from the date of first occupancy of each unit. The twenty-two (22) affordable replacement rental units shall collectively contain a total gross floor area of at least 1,350 square metres and shall be comprised of twenty (20) one-bedroom units, one (1) two-bedroom unit, and one (1) Live/Work one-bedroom unit. The twenty-four (24) mid-range replacement rental units shall collectively contain a total gross floor area of

at least 2,240 square metres and shall be comprised of four (4) one-bedroom units, seven (7) two-bedroom units, two (2) three-bedroom units, and eleven (11) Live/Work one-bedroom units. The remaining twenty-four (24) replacement rental units – which include five (5) one-bedroom units, four (4) two-bedroom units, and fifteen (15) Live/Work one-bedroom units – shall have unrestricted rents, except where an Eligible Tenant elects to return to an unrestricted rental unit, in which case the rent will be similar to their previous rent, as provided for under the City-approved Tenant Relocation and Assistance Plan required in Part 1.d) below.

- c) The owner shall construct all twenty-seven (27) Live/Work replacement rental dwelling units required in Part 1.a) above with a minimum internal ceiling height of twelve feet (12'). Any changes to the minimum ceiling heights of the Live/Work replacement rental units shall be to the satisfaction of the Chief Planner and Executive Director, City Planning Division.
- d) The owner shall provide an acceptable Tenant Relocation and Assistance Plan to all Eligible Tenants of the fifty-seven (57) existing rental dwelling units proposed to be demolished at 263-265 Queen Street East and 90 Ontario Street, addressing the right to return to occupy one of the replacement rental dwelling units at similar rents and other assistance to mitigate hardship. The Tenant Relocation and Assistance plan shall be developed in consultation with, and to the satisfaction of, the Chief Planner and Executive Director, City Planning Division.
- e) The owner shall calculate both the existing rent paid by an Eligible Tenant for their existing rental dwelling unit and the initial rent of such Eligible Tenant upon returning to occupy a replacement rental dwelling unit on a square foot basis for the purposes of reserving the right of tenants to return to a replacement rental unit at similar rents, as provided under the City-approved Tenant Relocation and Assistance Plan required in Part 1.d) above.
- f) Should the owner elect to provide financial compensation to Eligible Tenants above-and-beyond the compensation amounts provided under the City-approved Tenant Relocation and Assistance Plan, as required in Part 1.d) above, for the purposes of mitigating hardship from the loss of residential space or any other matter dealing with the residential rental use of an existing dwelling unit, the owner shall offer such additional compensation on the same terms and conditions to all Eligible Tenants occupying a similar unit type.
- g) The owner shall provide tenants of all seventy (70) replacement rental dwelling units with access to, and use of, all indoor and outdoor amenities in the proposed development at no extra charge, and on the same terms and conditions as any other resident of the development, without the need

to pre-book or pay a fee unless specifically required as a customary practice for private bookings.

- h) The owner shall provide ensuite laundry in each replacement rental dwelling unit within the proposed development at no additional cost to tenants.
- i) The owner shall provide central air conditioning in each replacement rental dwelling unit within the proposed development at no additional cost to tenants.
- j) The owner shall provide and make available for rent at least twelve (12) vehicular parking spaces to tenants of the replacement rental dwelling units, and such vehicular parking spaces shall be made available firstly to returning tenants who previously rented a vehicle parking space, secondly to returning tenants who did not previously rent a vehicle parking space, and thirdly to new tenants of the replacement rental dwelling units.
- k) The owner shall provide tenants of the replacement rental dwelling units with access to all bicycle and visitor vehicular parking on the same terms and conditions as any other resident of the proposed development.
- l) The owner shall provide at least fourteen (14) storage lockers to tenants of the replacement rental dwelling units, and such storage lockers shall be made available firstly to returning tenants and secondly to new tenants of the replacement rental dwelling units.
- m) The owner may apply for below-grade and above-grade building permits encompassing both replacement and non-replacement rental dwelling units within the proposed development concurrently, but shall not receive the issuance of any above-grade building permit(s) for any tower without replacement rental dwelling units prior to the issuance of the above-grade building permit(s) for the tower containing the seventy (70) replacement rental dwelling units required in Part 1.a above (Tower "B"). The owner shall notify Toronto Building in writing of the same at the time of application for any below-grade or above-grade building permit(s) encompassing non-replacement rental units.
- n) The seventy (70) replacement rental units required in Part 1.a) shall be constructed in the first phase of the proposed development and be made ready and available for occupancy no later than the date by which seventy percent (70%) of the new dwelling units located in Tower "B", exclusive of the replacement rental units, are made available and ready for occupancy.
- o) The owner shall enter into, and register on title to the lands at 245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street, and 8-12 Brigden Place, one or more agreement(s) to secure the conditions outlined in Parts 1.a through 1.n above, including an agreement

pursuant to Section 111 of the City of *Toronto Act, 2006*, all 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 Preliminary Approval of the Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code pursuant to Section 111 of the *City of Toronto Act, 2006*, for the demolition of the fifty-seven (57) existing rental dwelling units at 263-265 Queen Street East and 90 Ontario Street after all the following have occurred:

- a) all conditions in recommendation 1 above have been fully satisfied and secured;
- b) the Official Plan Amendment and Zoning By-law Amendments have come into full force and effect;
- c) 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 for Towers "B" and "C" pursuant to Section 114 of the *City of Toronto Act, 2006*;
- d) the issuance of excavation and shoring permits (conditional or full permits) for the approved development on the site;
- e) the owner has confirmed, in writing, that all existing rental dwelling units proposed to be demolished are vacant; and
- f) the execution and registration of an agreement pursuant to Section 37 of the *Planning Act* securing Parts 1.a) through 1.n) above and any other requirements of the Zoning-Bylaw Amendments (if applicable).

3. City Council authorize the Chief Building Official and Executive Director, Toronto Building Division to issue a 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 Chief Building Official and Executive Director, Toronto Building Division to issue a Residential Demolition Permit under Section 33 of the *Planning Act* and Chapter 363 of the Toronto Municipal Code for 263-265 Queen Street East and 90 Ontario Street after the Chief Planner and Executive Director, City Planning Division has given Preliminary Approval referred to in Part 2 above, which may be included in the Rental Housing Demolition Permit under Chapter 667 pursuant to section 6.2 of Chapter 363, on condition that:

- a) the owner removes all debris and rubble from the site immediately after demolition;

- b) the owner erects solid construction hoarding to the satisfaction of the Chief Building Official and Executive Director, Toronto Building Division;
- c) the owner erects the proposed Tower "B" containing the seventy (70) replacement rental dwelling units on the site no later than three (3) years from the date on which the demolition of the existing buildings commences, subject to the timeframe being extended to the discretion of the Chief Planner and Executive Director, City Planning Division; and
- d) should the owner fail to complete the proposed Tower "B" containing the seventy (70) replacement rental dwelling units within the time specified in Part 4.c. above, the City Clerk shall be entitled to enter on the collector's roll, as with municipal property taxes, an amount equal to the sum of twenty thousand dollars (\$20,000.00) per dwelling unit for which a demolition permit is issued, and that such amount shall, until payment, be a lien or charge upon the land for which the Residential Demolition Permit is issued.

5. City Council authorize the appropriate City officials to take such actions as are necessary to implement City Council's decision, including execution of the Section 111 Agreement and other related agreements.

## **FINANCIAL IMPACT**

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The City Planning Division confirms that there are no financial implications resulting from the recommendations included in this report in the current budget year or in future years.

## **DECISION HISTORY**

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At its meeting on May 10, 2016, City Council adopted Item TE16.38 "Preliminary Report – 245-285 Queen Street East, 8-12 Brigden Place, 78-106 Ontario Street, and 348-412 Richmond Street East – Official Plan and Zoning Amendment Application" and directed City staff to schedule a community consultation meeting on the Official Plan Amendment and Zoning By-law Amendment applications for the subject lands, together with the Ward Councillor. Council's decision can be found at:  
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.TE16.38>

At its meeting on June 6, 2018, City Council adopted Item TE33.17 "245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street and 8-12 Brigden Place – Official Plan Amendment, Zoning By-law Amendment and Rental Housing Demolition Applications – Request for Direction" and authorized the City Solicitor, together with City Planning staff, to attend the LPAT in opposition of the Official Plan Amendment and Zoning By-law Amendment appeals respecting the subject lands,

but to continue discussions with the applicant on a revised proposal, including a potential settlement. Council's decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.TE33.17>

At its meeting on July 23, 2018, City Council adopted Item CC44.36 "245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street and 8-12 Brigden Place – Official Plan Amendment and Zoning By-law Amendment – Local Planning Appeal Tribunal Appeal – Request for Directions" and authorized the City Solicitor and appropriate City staff to attend the LPAT in support of a settlement offer on the Official Plan Amendment and Zoning By-law Amendment appeals respecting the subject lands, subject to conditions. Council's decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.CC44.36>

At its meeting on July 23, 2018, City Council adopted Item CC44.6 "245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street and 8-12 Brigden Place – Request for Direction" and approved the proposed alterations to the heritage properties at 245 and 265 Queen Street East, 90 Ontario Street, and 384 and 410 Richmond Street East in accordance with Section 33 of the *Ontario Heritage Act* to permit the construction of a new mixed-use development in connection with the ongoing LPAT appeals, subject to conditions. Council's decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.CC44.6>

On October 31, 2018, the LPAT issued a Decision and Interim Order approving in principle the Official Plan Amendment and Zoning By-law Amendments for 245-285 Queen Street East, 348-410 Richmond Street East, 88-116 Ontario Street and 8-12 Brigden Place, subject to conditions. The Tribunal's Decision can be found here:

<https://www.omb.gov.on.ca/e-decisions/pl171288-Oct-31-2018.pdf>

At its meeting on March 27, 2019, City Council adopted Item CC5.9 "245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street and 8-12 Brigden Place – Official Plan Amendment and Zoning By-law Amendment – Local Planning Appeal Tribunal Appeal – Request for Directions" and authorized the City Solicitor and appropriate City staff to advise the LPAT that City Council was in support of proposed revisions to the settlement offer initially accepted by Council on July 23, 2018 and approved in principle by the LPAT on October 31, 2018. Council's decision can be found here:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC5.9>

At its meeting on October 29, 2019, City Council adopted Item MM11.29 "245 to 285 Queen Street East, 348-412 Richmond Street East, 78 to 106 Ontario Street and 8-12 Brigden Place – City Solicitor Attendance at Local Planning Appeal Tribunal Hearing – Application for Consent to Sever – by Councillor Kristyn Wong-Tam, seconded by Councillor Gord Perks" and directed the City Solicitor to attend the LPAT to request that conditions be imposed on the Consent to Sever application for the subject lands (LPAT Case No. PL190317). Council's decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM11.29>

On January 23, 2020, the LPAT issued a Decision and Order approving the appeal on a Consent to Sever application for 245-283 Queen Street East, 348-412 Richmond Street East, 78-106 Ontario Street and 8-12 Brigden Place, subject to conditions. The Tribunal's Decision can be found at:

<https://www.omb.gov.on.ca/e-decisions/pl190317-Jan-23-2020.pdf>

At its meeting on May 5, 2021, City Council adopted Item CC32.16 "265 (263) Queen Street East, 90 Ontario Street and 384 and 410 Richmond Street East – Request for Directions" and approved a request to demolish the heritage building at 265 (263) Queen Street East in accordance with Section 34 of the *Ontario Heritage Act*, subject to conditions, and authorized the City Solicitor and appropriate City Staff to advise the LPAT that City Council was in support of further proposed revisions to the settlement offer accepted by Council on July 23, 2018 and approved in principle by the LPAT on October 31, 2018 with respect to heritage matters. Council's decision can be found at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.CC32.16>

## ISSUE BACKGROUND

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### Development Proposal

Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBA) applications for the subject site were approved in principle by the LPAT on October 31, 2018, subject to City Council's approval of the Rental Housing Demolition application. All three applications encompass the lands municipally known as 245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street, and 8-12 Brigden Place (see Attachment 1 – Location Map of Rental Housing Demolition Application).

Once finalized, the OPA would amend the King-Parliament Secondary Plan by adding a new Site and Area Specific Policy (SASP) that would permit the comprehensive redevelopment of the approximately 1.5-hectare site with a mixed-use development consisting of three towers collectively containing approximately 1,250 dwelling units and a mix of commercial office, retail, and service uses on the lower levels. The OPA would also exempt the lands from the replacement rental unit mix and size requirements set out in Official Plan Policy 3.2.1.6.

The ZBAs would provide relief from maximum building height (overall and base building heights), overall density, and retail GFA restrictions, as well as angular plane and minimum parking requirements (among others), as set out in the former City of Toronto Zoning By-law 438-86 and the City-wide Zoning By-law 569-2013. The approvals would permit a maximum building height of 33 storeys, a total Gross Floor Area (GFA) of approximately 139,000 square metres, a maximum residential GFA of approximately 99,000 square metres, a maximum non-residential GFA of approximately 40,000 square metres, and a minimum public parkland dedication of 1,400 square metres.



In January 2020, the LPAT approved a Consent application to sever the lands into separate lots, providing the owner with flexibility to convey part of the site so that the proposed towers could be under separate ownership and developed independently of each other. The severance was finalized and the Certificate of Official was issued by the City in April 2021. The conveyed (eastern) lands, which contain all of the existing rental housing and will contain the proposed replacement rental housing, were acquired by Tricon Development Inc. (Queen Ontario LP) in May 2021 and are known municipally as 261-285 Queen Street East, 360-410 Richmond Street, 90 Ontario Street, and 12 Brigden Lane (see Attachment 2 – Location Map of Site Plan Control Application).

The conveyed lands are proposed to be redeveloped with two purpose-built rental apartment buildings, each 24 (Tower "B") and 33 (Tower "C") storeys in height and together containing 824 rental dwelling units, including 70 replacement rental units, along with commercial office and retail uses on the first through fourth floors. The total GFA of the proposed development is approximately 76,300 square metres, of which approximately 60,700 square metres is residential GFA and approximately 15,600 square metres is non-residential GFA. The proposal also includes a 1,400-square metre public park, which would be conveyed to the City. A Site Plan application (21 153650 STE 13 SA) has been submitted for Towers "B" and "C" and is currently under review by City Planning staff (see Attachment 3 – Site Plan of Towers "A", "B", and "C").

The remaining (western) lands, which are currently occupied by non-residential uses, have been retained by the original applicant, ONE Properties (Richmond GP Inc. et al.). The retained lands are anticipated to be redeveloped with a 25-storey condominium building (Tower "A") comprised of an estimated 400-450 condominium dwelling units along with commercial office, retail, and services uses on the lower levels. As of the date of this report, a Site Plan Control application has not yet been submitted for the western portion of the site.

## **Subject Site**

The total site (conveyed/eastern and retained/western lands) is rectangular in shape with frontage on Queen Street East to the north, Ontario Street to the east, Richmond Street East to the south, and McFarrens Lane to the west. The site is occupied by several industrial and mixed-use properties, of which two contain residential rental units:

- 263-265 Queen Street East – a two-storey mixed-use building designated under Part IV of the *Ontario Heritage Act* containing two rental dwelling units; and
- 90 Ontario Street – a three- to five-storey mixed-use building designated under Part IV of the *Ontario Heritage Act* containing 55 rental dwelling units.

The site contains a total of 57 rental dwelling units, including 12 live/work units, with the following unit mix and rent classifications:

**Table 1: Breakdown of Existing Rental Units by Unit Type and Rent Classification**

Unit Type	Rent Classification			
	Affordable	Mid-range	High-End	Total
Bachelor	1	8	11	20
One-bedroom	3	11	3	17
Two-bedroom	0	3	3	6
Three-bedroom	0	2	0	2
Live/work Bachelor	1	1	4	6
Live/work One-bedroom	0	4	1	5
Live/work Two-bedroom	0	0	1	1
<b>Total</b>	<b>5</b>	<b>29</b>	<b>23</b>	<b>57</b>

As of the date of this report, 41 of the existing 57 rental units, including all 12 existing live/work rental units, are occupied.

### **Reason for the Application**

Chapter 667 of the Toronto Municipal Code, the Residential Rental Property Demolition and Conversion Control By-law, prohibits the demolition of rental housing in any building or related group of buildings that collectively contain six or more dwelling units without obtaining a permit from the City. Since the proposal involves the demolition of 57 rental dwelling units, a Rental Housing Demolition application was submitted to the City.

## **POLICY CONSIDERATIONS**

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### **Provincial Policy Statement and Provincial Plans**

Provincial policy statements and geographically-specific provincial plans, along with municipal Official Plans, provide a policy framework for planning and development in Ontario.

#### **The Provincial Policy Statement (2020)**

The Provincial Policy Statement (2020) (the "PPS") provides policy direction on land use planning and development to support an effective and efficient planning system, promote economic prosperity and environmental stewardship, and enhance the quality of natural and built environments in Ontario. The PPS supports a comprehensive, integrated, and long-term approach to planning, and recognizes linkages among policy areas. It includes policies on key issues that affect local communities, such as:

- the efficient use and management of land and infrastructure;
- ensuring the sufficient provision of housing, including affordable housing, to accommodate needs that are both changing and growing;
- ensuring opportunities for job creation;

- ensuring appropriate transportation, water, sewer, and other infrastructure is available to accommodate current and future needs; and
- protecting people, property, and community resources by directing development away from natural or human-made hazards.

The PPS recognizes the municipal official plan as the most important planning mechanism for the Statement's implementation.

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.

### **A Place to Grow: Growth Plan for the Greater Golden Horseshoe**

The Growth Plan for the Greater Golden Horseshoe 2019 was prepared and approved under the *Places to Grow Act, 2005* to come into effect on May 16, 2019. Amendment 1 (2020) to the 2019 Growth Plan came into effect on August 28, 2020. The latest Growth Plan continues to provide a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe (GGH) region, of which the City forms an integral part.

The Growth Plan establishes policies that require implementation through a Municipal Comprehensive Review (MCR), which is a requirement pursuant to Section 26 of the *Planning Act*. Policies not expressly linked to a MCR can be applied as part of the review process for development applications, in advance of the next MCR. These policies include:

- Directing municipalities to make more efficient use of land, resources, and infrastructure to reduce sprawl, contribute to environmental sustainability, and provide for a more compact built form;
- Directing municipalities to engage in an integrated approach to infrastructure planning and investment optimization as part of the land use planning process;
- Achieving a diverse range of housing options, protected employment zones, recreation and public service facilities, and green space;
- Planning for transit-supportive densities and integrating transit services to facilitate the efficient movement of people and goods;
- Retaining viable lands designated as employment areas and ensuring redevelopment of lands outside of employment areas retain space to accommodate jobs on site;
- Minimizing the negative impacts of climate change by undertaking stormwater management planning that assesses the impacts of extreme weather events and incorporates green infrastructure; and
- Recognizing the importance of watershed planning for the protection of the quality and quantity of water and hydrologic features and areas.

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 with the Growth Plan. Comments, submissions, or advice affecting a planning matter that are provided by Council shall also conform with the Growth Plan.

## **Toronto Official Plan**

The Toronto Official Plan outlines City Council's policies and objectives for land use planning and development. Section 3.2.1 of the Official Plan contains the City's policies pertaining to the provision, preservation, and replacement of housing.

Policy 3.2.1.6 prevents new development that would result in the loss of six or more rental dwelling units unless all of the existing rental units have rents that exceed mid-range rents at the time of application or, in cases where planning approvals other than site plan are being sought, at least the same number, size, and type of rental units are replaced and maintained with similar rents and the applicant develops an acceptable tenant relocation and assistance plan, addressing the right to return to the replacement units at similar rents and other assistance to mitigate hardship.

## **Rental Housing Demolition and Conversion By-law**

Section 111 of the *City of Toronto Act, 2006* authorizes the City to regulate the demolition and conversion of residential rental properties. Chapter 667 of the Toronto Municipal Code, the Residential Rental Property Demolition and Conversion Control By-law, implements Section 111. The By-law prohibits the demolition of rental housing in any building or related group of buildings that collectively contain six or more dwelling units without obtaining a permit from the City and requires a decision by City Council or, where delegated, the Chief Planner.

Under Sections 14 and 15 of Chapter 667, Council may refuse an application or impose conditions on an approval, including conditions requiring an applicant to replace the rental units proposed to be demolished and/or to provide tenant relocation and assistance, which must be satisfied before a demolition permit is issued. These conditions implement the City's rental housing protection policies in the Official Plan.

Section 33 of the *Planning Act* also authorizes Council to regulate the demolition of residential properties. Section 33 is implemented through Chapter 363 of the Toronto Municipal Code, the Building Construction and Demolition By-law, which requires Council approval of any demolition of a residential property that contains six or more dwelling units (irrespective of whether any are rental) before the Chief Building Official can issue a demolition permit under the *Building Code Act, 1992*. Where a proposal requires Council approval of a residential demolition application under Chapter 363 and a Rental Housing Demolition application under Chapter 667, Council typically considers both applications at the same time.

The proposal to demolish 57 rental dwelling units on the subject lands requires approval under both Chapters 363 and 667 of the Toronto Municipal Code because it involves the demolition of at least six dwelling units and at least one rental dwelling unit. The Rental Housing Demolition application was submitted on May 15, 2017 and deemed complete by City Planning staff on June 5, 2017.

## **Tenant Consultation**

Two tenant consultation meetings were held pursuant to section 14B of Chapter 667 of the Toronto Municipal Code to review the City's housing policies, the impact of the proposed demolition on existing residents, and the proposed Tenant Relocation and Assistance Plan. The first meeting took place in-person on November 29, 2017 and the second meeting took place virtually (due to the COVID-19 pandemic) on March 9, 2021.

The first tenant consultation meeting was attended by approximately 50 residents, representatives from the applicant team, and City staff. During the meeting, tenants raised concerns about:

- The resident relocation process, including the anticipated construction timeline and phasing of the proposed development and replacement rental units;
- The size of the replacement rental units and how they compare to the existing units;
- The use of permanent or temporary internal walls in existing live/work units to determine the units' bedroom types (the areas within several rental units at 90 Ontario Street are demarcated by internal, temporary structures dividing the large open industrial/commercial space from living space);
- The lack of alternative, similar housing options in the City, especially with regard to housing suitable for artists and live/work units; and
- The loss of a unique form of housing stock, both in terms of built-form and community-building opportunities.

The second tenant meeting was attended by approximately 15 households, representatives from the applicant team, and City staff. Concerns raised by tenants during the second meeting included:

- the quality of finishes and sizes of the proposed replacement rental units;
- the ability to remove internal walls within the live-work replacement rental units to provide for more open space for commercial uses;
- the size of elevators and heights of ceilings within the proposed development to permit adequate space for work within the live/work units, and to transport work materials (e.g. large plywood, photo and film equipment) in and out of the units;
- noise emanating from the live/work replacement rental units (e.g. need for sound proofing, noise allowances); and
- the calculation of rents for tenants returning to replacement rental units that are smaller/larger in size than their existing rental units.

## COMMENTS

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### **Provincial Policy Statement and Provincial Plans**

City staff have determined that the application is consistent with the PPS and conforms with the provincial Growth Plan. The proposal to demolish 57 rental dwelling units to construct two new purpose-built rental apartment buildings comprised of approximately 750 net new rental dwelling units and 70 replacement rental units will accommodate new housing supply through intensification and redevelopment, and will contribute to a greater mix of housing options to meet the market-based and affordable housing needs of current and future residents.

### **Replacement Rental Housing**

#### **Terms of LPAT Settlement**

The draft OPA for the subject lands, as approved in principle by the LPAT through a settlement between the applicant and City, would exempt the lands from the replacement rental unit mix and size requirements of Policy 3.2.1.6 of the Official Plan.

At the time of the settlement, City Planning staff believed an OPA was appropriate given the large quantity and unusually large sizes of the existing bachelor rental units (for example, the average unit size of the 20 largest bachelor units is 86 square metres). Specifically, staff were of the opinion that it would be a more desirable outcome to replace all of the existing rental GFA over a larger quantity of rental units with larger unit types (i.e. one-bedroom and two-bedroom units, rather than bachelor units) while providing for full replacement of the existing 12 live/work units. The decision to replace the bachelor units with larger unit types was also based on the feedback received from tenants, several of whom have created informal (bed)rooms within their existing units due to the lack of dedicated living and sleeping spaces.

Council's June 23, 2018 decision endorsing the settlement offer respecting the OPA and ZBA appeals outlines the rental housing requirements for the site, which include:

- Full replacement of the existing residential and live/work rental units (in terms of the number of live/work and residential replacement rental units);
- Overall replacement rental GFA of no less than 5,042 square metres;
- An average two-bedroom replacement rental unit size of no less than 73 square metres, and an average three-bedroom replacement rental unit size of no less than 100 square metres;
- Securing of the rental tenure of the replacement rental units for no less than 20 years, and securing of the rents of affordable or mid-range replacement rental units for no less than 10 years; and
- The development and implementation of an acceptable Tenant Relocation and Assistance Plan, addressing the right for existing tenants to return to replacement rental units at similar rents and additional compensation for tenants with special needs, among other matters.

As part of the settlement, a Memorandum of Understanding (MOU) was signed by the owner and several tenants of the live/work units that had gained party status at the LPAT proceedings. The MOU states that live/work units "will be replaced in the new development with ceiling heights of no less than 11 feet and similar size, in this case, similar size means not more or less than 10% based on an average variation between all units, but no unit shall be lesser than 15% from the size of the original unit."

The location of units, availability of natural light, and lobby interior design are to be discussed with tenants. The applicant has undertaken these discussions with tenants throughout the application review process.

## **Replacement Rental Proposal**

The applicant's replacement rental proposal satisfies the requirements of City Council's June 23, 2018 decision on the settlement offer respecting the OPA/ZBA appeals and is summarized in Table 2 below. The applicant is proposing to provide 70 replacement rental units (including 27 live/work units) collectively comprising 5,291 square metres of GFA, including 2,473 square metres of live/work GFA, which exceeds the existing overall GFA (5,111 square metres), the existing live/work GFA (1,150 square metres), the required rental replacement GFA (5,042 square metres), and the required number of live/work (12) and residential (45) replacement rental units.

The average unit size of all 70 replacement rental units (76 square metres) is approximately 14 square metres smaller than the average unit size of the existing 57 rental units (90 square metres). Among the 57 largest replacement rental units (the required replacement), the average unit size is approximately 10 square metres smaller than that of the existing units. However, the average unit size among the 12 largest live/work replacement rental units (115 square metres) is approximately 19 square metres larger than the average of the existing 12 live/work units (96 square metres), and all 27 live/work replacement rental units are designed with 12-foot ceilings to comply with the MOU between the applicant and tenants.

In terms of unit type, the replacement rental proposal would result in a broader mix and range of unit sizes when compared with the existing condition: a net decrease of 26 bachelor units, a net increase of 34 one-bedroom rental units, a net increase of five two-bedroom rental units, and no change in the number of three-bedroom units. The proposal includes full replacement of the existing bachelor units with larger unit types and 15 net new live/work rental units, of which six would have mid-range rents.

The proposal would also result in a net increase in the quantity of affordable rental housing on-site, both in terms of GFA and the number of units. The proposal involves the provision of 22 affordable replacement rental units, representing approximately 1,365 square metres of affordable GFA, whereas there are currently only five affordable rental units with a combined GFA of approximately 369 square metres, resulting in 17 net new affordable units and a net increase of nearly 1,000 square metres of affordable GFA.

**Table 2: Proposed Replacement Rental Units by Unit Type and Rent Classification**

Unit Type	Rent Classification			
	Affordable	Mid-range	High-End	Total
Bachelor	0	0	0	0
One-bedroom	20	4	5	29
Two-bedroom	1	7	4	12
Three-bedroom	0	2	0	2
Live/Work Bachelor	0	0	0	0
Live/Work One-bedroom	1	11	15	27
Live/Work Two-bedroom	0	0	0	0
Total	22	24	24	70

### **Tenant Relocation and Assistance Plan**

The applicant has agreed to develop and implement a Tenant Relocation and Assistance Plan for all Eligible Tenants who resided in the buildings at 263-265 Queen Street East and 90 Ontario Street as of the date of application. The plan will assist tenants in finding and securing alternative accommodation while the replacement rental dwelling units are being constructed.

Pursuant to Sections 50 and 52 of *Residential Tenancies Act, 2006*, each Eligible Tenant will receive:

- At least four months' prior written notice of the date that they must vacate their existing rental unit for the purposes of demolition; and
- Financial compensation equivalent to three months' rent or an alternative rental unit acceptable to the tenant.

As part of the City-approved Tenant Relocation and Assistance Plan, each Eligible Tenant would receive the following additional assistance:

- The right to return to a replacement rental unit of a similar unit type within the new building and at a similar rent. The initial rent of a returning tenant will be calculated on a square foot basis to account for the variation in replacement rental unit sizes;
- Additional financial compensation beyond the requirements of the *Residential Tenancies Act, 2006*, based on the tenant's length of tenure and consistent with the City's standard practice;
- A move-out allowance, based on the Eligible Tenant's existing unit type and consistent with the City's standard practice;
- For each Eligible Tenant who elects to return to a replacement rental unit in the proposed development, a move-back allowance, based on the Eligible Tenant's existing unit type and consistent with the City's standard practice;
- Two additional months' notice, for a total of six months' notice, of the date that the tenant must vacate their existing rental unit for the purposes of demolition;
- Special needs compensation, as determined by the Chief Planner; and



- Upon request, the availability of a rental leasing agent to provide the tenant with a list of rental vacancies, to co-ordinate referrals and references from the current landlord, and to provide similar assistance commensurate with the tenant's needs.

The Tenant Relocation and Assistance Plan is consistent with the City's current practices and will be secured through one or more agreements with the City and to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

### **External Negotiations over Temporary Loss of Commercial Space**

As of the date of this report, the applicant and several tenants of the existing live/work rental units are engaged in external negotiations concerning the provision of additional financial compensation by the owner to mitigate hardship from the temporary loss of commercial (working) space while the proposed development is being constructed. Because this additional compensation concerns the loss of commercial space, these negotiations are taking place outside of the Rental Housing Demolition application process, since neither the City's Official Plan housing policies nor Chapter 667 of the Toronto Municipal Code apply to non-residential rental uses.

Although City Planning staff have no involvement in the ongoing negotiations concerning the temporary loss of tenant's commercial spaces, staff recommend that, should the owner provide any financial compensation above-and-beyond the City-approved Tenant Relocation and Assistance Plan for the purposes of mitigating hardship from the loss of *residential* space (or any other matter dealing with the residential rental use of an existing dwelling unit), the owner shall be required to offer such additional compensation on the same terms and conditions to all Eligible Tenants.

### **Conclusion**

This report recommends approval of the application to demolish 57 rental units at 245-285 Queen Street East, 348-410 Richmond Street East, 88-106 Ontario Street, and 8-12 Brigden Place, subject to the conditions set out in the recommendations of this report. The proposal involves the full replacement of the existing residential rental GFA, including live/work rental GFA, and the applicant has developed an acceptable Tenant Relocation and Assistance Plan, addressing the right to return to a replacement rental unit at similar rent and additional financial compensation, in order to mitigate hardship.

The demolition would permit the redevelopment of the site with two new purpose-built rental apartment buildings containing 754 net new rental dwelling units and full replacement of the existing rental units, facilitating significant new rental supply while contributing to the provision of a broader range and mix of housing options to accommodate the needs of current and future residents.

## **CONTACT**

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## **SIGNATURE**

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

## **ATTACHMENTS**

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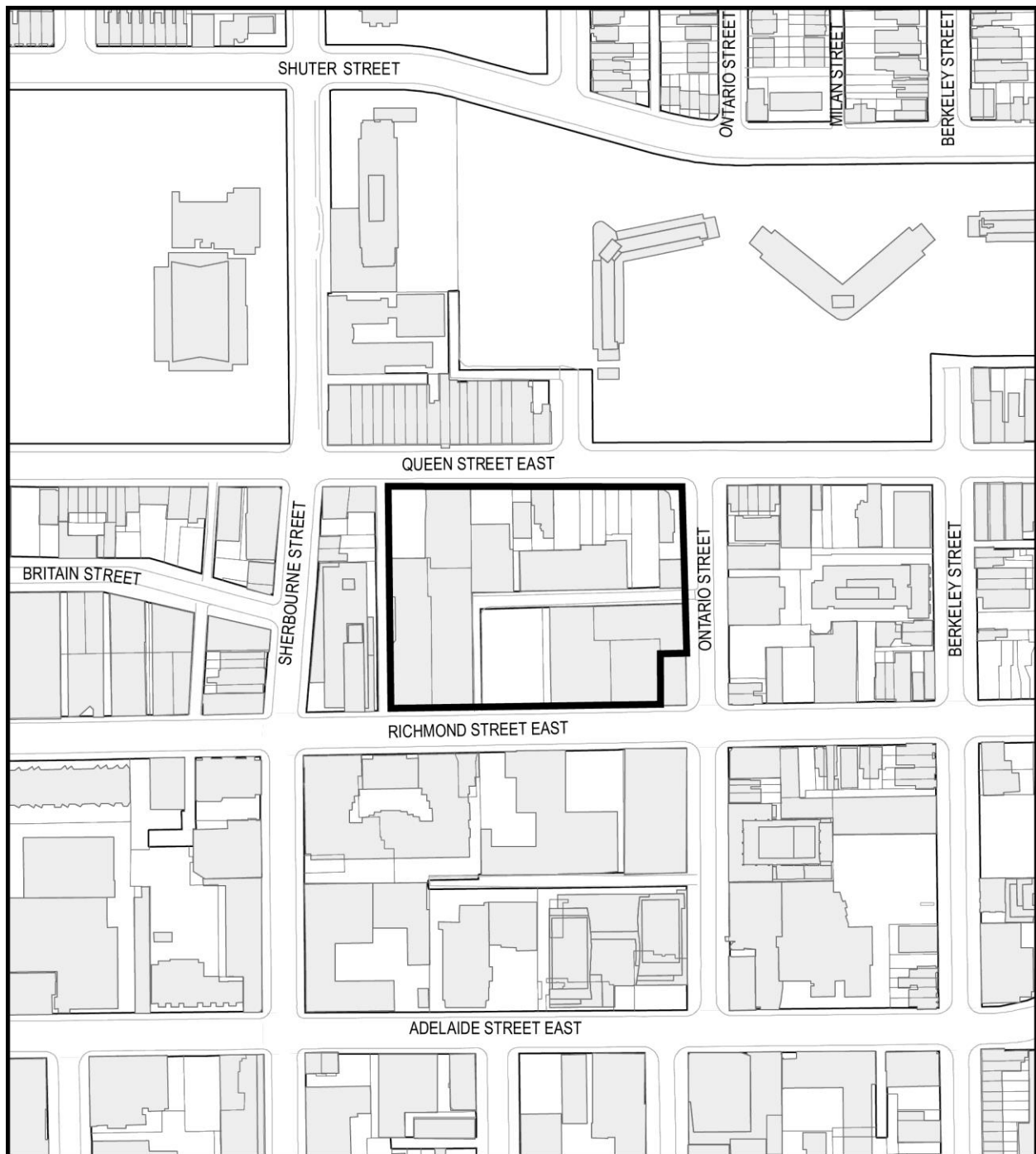
### **City of Toronto Data/Drawings**

Attachment 1: Location Map of Rental Housing Demolition Application

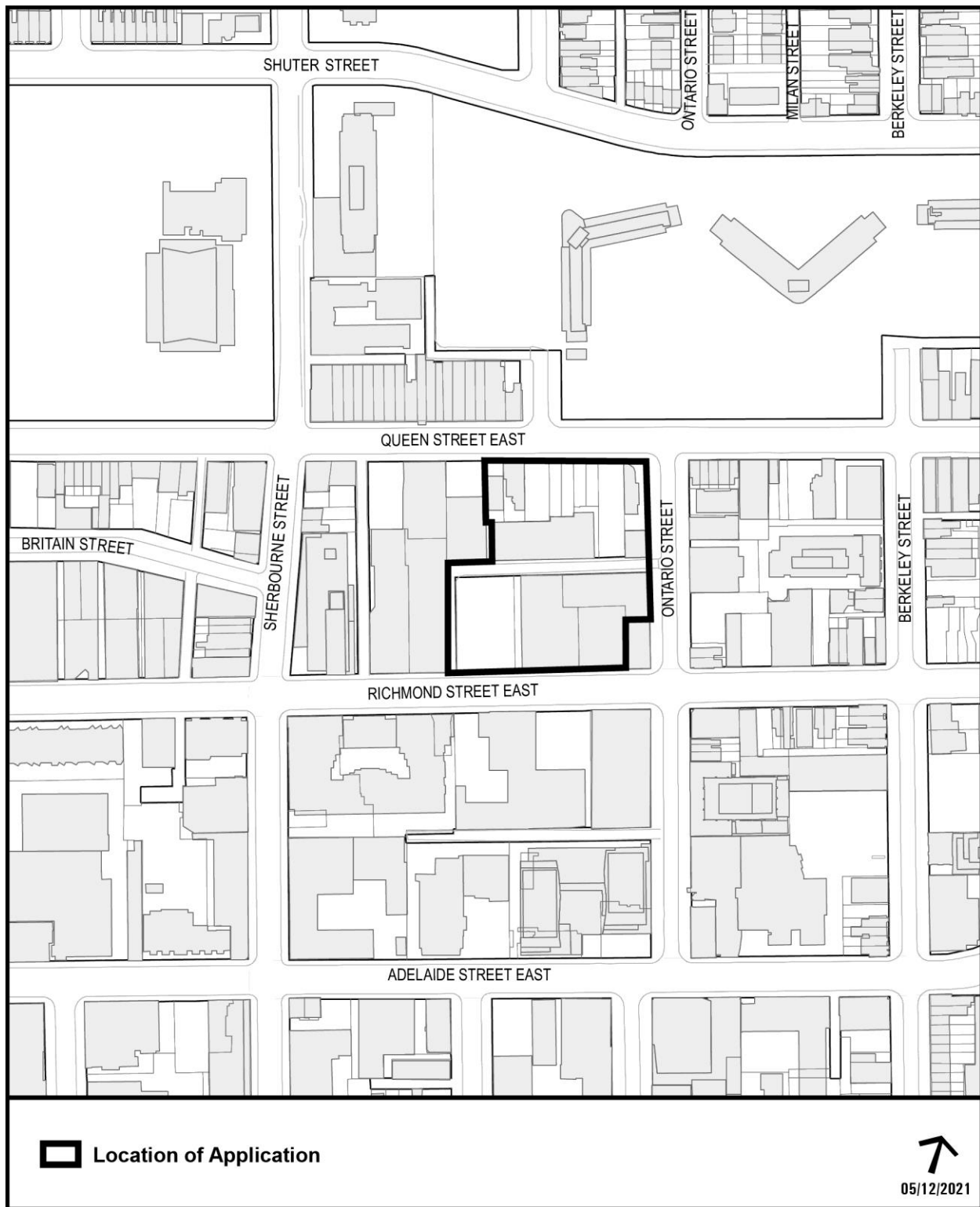
Attachment 2: Location Map of Site Plan Control Application for 261-285 Queen Street East, 360-410 Richmond Street, 90 Ontario Street, and 12 Brigden Lane

Attachment 3. Site Plan of Proposed Towers "A", "B", and "C"

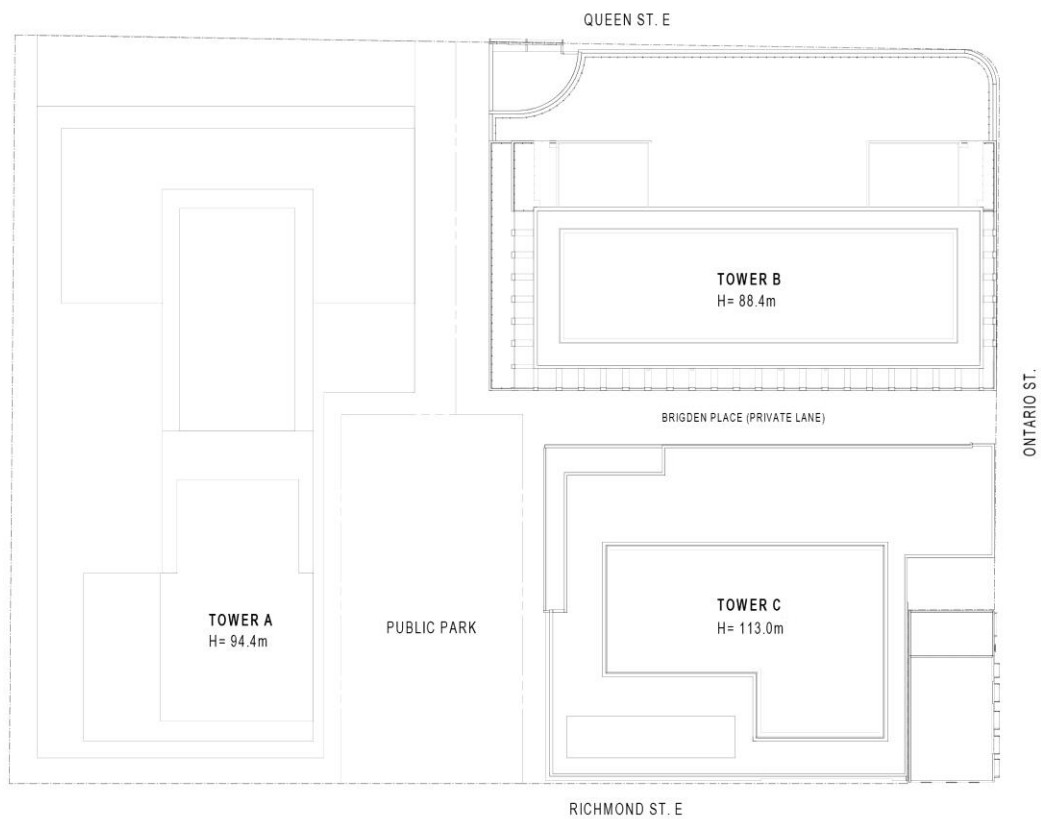
## Attachment 1: Location Map of Rental Housing Demolition Application



**Attachment 2: Location Map of Site Plan Control Application for 261-285 Queen Street East, 360-410 Richmond Street, 90 Ontario Street, and 12 Brigden Lane**



### Attachment 3: Site Plan of Proposed Towers "A", "B", and "C"



Site Plan

