

35, 41-63, 65 and 95 High Park Avenue and 66 and 102-116 Pacific Avenue - Rental Housing Demolition Application – Final Report

Date: May 3, 2022
To: Toronto and East York Community Council
From: Director, Community Planning, Toronto and East York District
Ward: 4 - Parkdale-High Park

Rental Housing Demolition Application Number: 16 271601 WET 13 RH

Related Planning Application Number: 16 271597 WET 13 OZ

SUMMARY

This application proposes to demolish twenty existing rental dwelling units located at 41-63 High Park Avenue and 102-116 Pacific Avenue. All twenty rental dwelling units had rents that exceeded mid-range rents at the time of application, and as a result Official Plan policy does not require replacement of the existing rental units.

The lands at 35, 41-63, 65 and 95 High Park Avenue and 66 and 102-116 Pacific Avenue are subject to a related application under the *Planning Act* for amendments to the Official Plan and Zoning By-law (Application No. 16 271597 WET 13 OZ). This application was appealed to the then Local Planning Appeal Tribunal (LPAT) and resolved through a settlement offer accepted by City Council on December 17, 2019. The final order has been withheld until all outstanding matters, including the necessary agreements with the City, are secured, including rental housing matters.

This report reviews and recommends approval of the Rental Housing Demolition Application under Chapter 667 of the Toronto Municipal Code and the Residential Demolition Permit Application under Chapter 363 of the Toronto Municipal Code, to demolish twenty residential dwelling units, subject to conditions, which includes the provision of a Tenant Relocation and Assistance Plan.

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 twenty (20) existing rental dwelling units located at 41-63 High Park Avenue and 102-116 Pacific Avenue, 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;

b) 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) above, all to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning, including a Section 111 Agreement pursuant to Section 111 of the *City of Toronto Act*, 2006 and a Section 37 Agreement pursuant to the *Planning Act*.

2. City Council authorize the Chief Planner and Executive Director, City Planning , to issue Preliminary Approval for the Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code for the demolition of all or any of the twenty (20) existing rental dwelling units at 41-63 High Park Avenue and 102-116 Pacific Avenue after all of the following have occurred:

a) The satisfaction or securing of the conditions in Recommendation 1 above;

b) The site-specific 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, pursuant to Section 114 of the *City of Toronto Act*, 2006;

d) The issuance of excavation and shoring permits for the proposed mixed-use building on the subject site; and

e) The City's receipt of confirmation that the existing rental dwelling units to be demolished are vacant;

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, has given Preliminary Approval referred to in Recommendation 2 above.

4. City Council authorize the Chief Building Official to issue a Residential Demolition Permit under Section 33 of the *Planning Act* no earlier than the issuance of the excavation and shoring permit for the proposed development, and after the Chief Planner and Executive Director, City Planning, has issued the Preliminary Approval referred to in Recommendation 2, which may be included in the demolition permit for Chapter 667 under 363-6.2, of the Toronto Municipal Code, on condition that:

a) The owner shall remove all debris and rubble from the site immediately after demolition;

b) The owner shall erect solid construction hoarding to the satisfaction of the Chief Building Official and Executive Director, Toronto Building;

c) The owner erects a mixed-use building on the site no later than three (3) years from the day demolition of the existing buildings is commenced; and

d) Should the owner fail to complete the new building within the time specified in condition 4 (c) 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 twenty thousand dollars (\$20,000.00) for each rental 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. City Council authorize the appropriate City officials to take such actions as are necessary to implement the foregoing, including execution of the Section 37 and Section 111 Agreements.

FINANCIAL IMPACT

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

At its meeting of April 4, 2017, Etobicoke York Community Council considered a preliminary report on the Official Plan Amendment, Zoning Amendment and Rental Housing Demolition Applications for 35, 41-63, 65 and 95 High Park Avenue and 66 and 102-116 Pacific Avenue, a copy of which is available on the City's website at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EY21.4>

On August 29, 2017 the applicant appealed the Zoning By-law Amendment application to the Local Planning Appeal Tribunal (LPAT)

A Request for Directions Report dated December 11, 2019 was adopted by City Council on December 17, 2019. City Council accepted a with prejudice settlement offer, and among other matters, requested the LPAT to withhold its final Order on the Zoning By-law Amendment until City Council has addressed the Rental Housing Demolition application and the owner has agreed to provide an acceptable Tenant Relocation and Assistance Plan. The Request for Directions Report and City Council's Decision can be viewed at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC13.10>

On February 21, 2020, the Ontario Land Tribunal issued a Decision approving the Official Plan and Zoning By-law Amendments in principle, with the final Order being withheld until all outstanding matters, including the necessary agreements with the City, are secured, including rental housing matters.

THE APPLICATION

Complete Application Submission Date: December 29, 2016.

Proposal

The Rental Housing Demolition application proposes to demolish twenty rental dwelling units within the existing buildings at 41-63 High Park Avenue and 102-116 Pacific Avenue in order to construct three new buildings with a total of 764 new residential units. A total of 968 existing residential dwelling units will be retained, leading to a total of 1,732 residential dwelling units on the subject site. The twenty demolished rental housing units will not be replaced.

Tenant assistance will be provided to all eligible tenants residing in the twenty existing rental dwelling units to be demolished. All eligible tenants will receive at least six months' notice of the date that they must vacate their rental unit. In addition, tenants will receive the following:

- compensation equal to three months' rent pursuant to the *Residential Tenancies Act* and additional financial compensation to mitigate hardship, or in accordance with the *Residential Tenancies Act* eligible tenants, at their discretion, may accept an alternate rental unit at the same (or reduced) rent they currently pay in one of the existing buildings on the site;
- additional financial compensation to mitigate hardship;
- a move-out moving allowance; and,
- additional compensation and assistance for special needs tenants, with the final determination by the Chief Planner and Executive Director, City Planning.

Existing Rental Dwelling Units to be Demolished

According to the plans provided by the applicant and a site visit conducted by City Planning staff, the existing rental dwelling units are comprised of twenty three-bedroom townhouse units in two separate blocks:

- 12 units at 41-63 High Park Avenue
- 8 units at 102-116 Pacific Avenue

At the time of application all of the units had rents that exceeded mid-range rents (more than 1.5 times average market rent by unit type).

At the time of this report, 13 of the existing units are occupied by tenants.

Reason for Application

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

TENANT CONSULTATION

On March 10, 2022, staff held a tenant consultation meeting with impacted tenants to provide an overview of the City's housing policies, the impact of the rental demolition proposal on tenants of the twenty existing rental dwelling units, and the proposed tenant relocation assistance plan. The meeting was held virtually (due to the COVID-19 pandemic) and attended by eight (8) tenants, City Staff and the applicant.

Tenants were satisfied with the proposed tenant relocation and assistance plan. Tenants asked questions related to the project timeline, eligibility requirements for the proposed tenant relocation and assistance plan, and how the compensation required by the Residential Tenancies Act is provided.

COMMENTS

The proposal has been reviewed against the Provincial Policy Statement(PPS), Growth Plan, Official Plan policies, and the City's Rental Housing Demolition and Conversion By-law.

Provincial Policy Statement and Provincial Plans

Staff have evaluated the proposal and determined that it is consistent with the PPS and conforms with the provincial Growth Plan. The proposal to demolish twenty rental dwelling units and construct three new buildings with a total of 764 new residential dwelling units will help meet the housing needs of current and future residents.

Demolished Rental Housing and Tenant Relocation Assistance Plan

In accordance with Official Plan policy 3.2.1.6, the existing rental units will not be replaced in the new development as all units have rents that exceed the mid-range rent threshold. Mid-range rents are rents that fall below one and one-half times the average City of Toronto rent, by unit type. For three-bedroom townhouse units, rents above \$2,358 exceeded mid-range rents in 2016 (the application year).

Replacement is not required when all of the units proposed for demolition exceed mid-range rents as the primary focus of the Official Plan housing policies is on the protection of existing affordable and mid-range rental housing units. This is due to the fact that the market is not producing new affordable or mid-range rental units on its own without financial incentives or policy requirements. Units in new developments typically have high-end rents or prices, and include a mix of unit types and sizes.

Staff are satisfied with the proposed Tenant Relocation and Assistance Plan as it is in line with the City's current practices and will be secured through one or more agreements with the City.

Conclusion

City Planning Staff have reviewed the Rental Housing Demolition Application for 35, 41-63, 65 and 95 High Park Avenue and 66 and 102-116 Pacific Avenue 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 six existing rental dwelling units on the subject site.

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SIGNATURE

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ATTACHMENTS

City of Toronto Data/Drawings
Attachment 1: Location Map
Attachment 2: Policy Considerations

Attachment 1: Location Map



Attachment 2: Policy Considerations

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 ensuring the sufficient provision of housing, including affordable housing, to accommodate needs that are both changing and growing.

The PPS recognizes the municipal official plan as the most important planning mechanism for the Statement's implementation. 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 provides a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe (GGH) region, of which the City forms an integral part. Policies in the Growth Plan include achieving a diverse range of housing options, protected employment zones, recreation and public service facilities, and green spaces.

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. All decisions of Council and comments, submission or advice affecting a planning matter shall 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 3.2.1.1 states 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." A full range of housing, the policy states, includes rental housing and affordable rental housing.

Policy 3.2.1.2 states that the City's existing stock of housing will be improved and replenished, and that new housing supply will be encouraged through intensification and infill that is consistent with other Official Plan policies.

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 rental units have rents that exceed mid-range rents

at the time of application, or at least the same number, size, and type of rental units are replaced and maintained with rents similar to those in effect at the time of application. The policy also requires an acceptable tenant relocation and assistance plan, addressing the right for tenants to return to one of 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 Council to regulate the demolition and conversion of residential rental properties in the City. Chapter 667 of the Toronto Municipal Code, the Rental Housing Demolition and Conversion Control By-law, 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 is a rental unit, 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.

Council may refuse an application or approve an application with conditions, including requirements to replace the rental units and/or to provide tenant relocation and other assistance, which must be satisfied before a demolition permit is issued. Decisions made by City Council under Chapter 667 are not appealable to the Ontario Land Tribunal.

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 the demolition of any residential property that contains six (6) 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*. Where a proposal requires Council approval of a demolition application under Chapter 363 and a Rental Housing Demolition application under Chapter 667, City Council typically considers both applications at the same time.

The proposal to demolish twenty (20) rental dwelling units at 41-63 High Park Avenue and 102-116 Pacific Avenue requires approval under both Chapters 363 and 667 of the Toronto Municipal Code because it involves the demolition of at least six (6) dwelling units and at least one (1) rental unit. Section 6.2 of Chapter 363 provides for the coordination of approval processes, allowing the Chief Building Official to issue a single demolition permit for the purposes of Chapters 363 and 667.