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REPORT FOR ACTION

2 – 12 Oakburn Crescent – Rental Housing Demolition Application – Decision Report – Approval

Date:October 23, 2023To:North York Community CouncilFrom:Director, Community Planning, North York DistrictWard:18 – Willowdale

Rental Housing Demolition Application Number: 23 124230 NNY 18 RH

Related Application Numbers: 21 185510 NNY 18 OZ; 22 139736 NNY 18 SA

SUMMARY

This application proposes to demolish six low-rise rental apartment buildings with a total of 66 existing rental dwelling units at 2-12 Oakburn Crescent. These buildings are part of the comprehensive phased redevelopment of the lands at 1-12 Oakburn Crescent and 14-40 Oakburn Place, with the original Official Plan and Zoning By-law Amendment applications having been submitted in 2005. All 66 existing rental dwelling units proposed to be demolished have been replaced in a new rental apartment building located at 105 Harrison Garden Boulevard as part of an earlier phase of development.

Tenant assistance, including the right to move to a replacement rental unit, was previously secured through a Section 37 agreement for tenants residing in the 66 rental dwelling units in 2007. All but two of these tenants have since moved into the replacement rental units at 105 Harrison Garden Boulevard.

A new Official Plan and Zoning By-law Amendment application was filed on August 18, 2021, proposing to redevelop the lands with a new residential building consisting of two 18-storey (57.5 metre) towers connected by a six-storey base building. On January 13, 2022, the applicant appealed the applications to the Ontario Land Tribunal (the "OLT") due to Council's failure to make a decision on the rezoning application within the prescribed timeframe (Case No. OLT-22-002139).

On March 15, 2023, City Council endorsed an offer to settle the appeal and directed staff request the OLT withhold its Final Order on the appeals until such time as Council has made a decision on the Rental Housing Demolition application (2023.CC5.32).

This report recommends approval of the Rental Housing Demolition application under Chapter 667 of the Toronto Municipal Code and the Residential Demolition Permit under Chapter 363 of the Toronto Municipal Code, subject to the provision of a Tenant Relocation and Assistance Plan for all tenants of the existing rental dwelling units, including the right to move to a replacement rental unit at 105 Harrison Garden Boulevard for the two tenants who were living on site prior to execution of the Section 37 agreement and financial compensation for all tenants living on site prior the submission of the new Official Plan and Zoning By-law Amendment application. This Tenant Relocation and Assistance Plan is an improvement over what was secured in the Section 37 agreement.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council approve the Rental Housing Demolition Application File No. 23 124230 NNY 18 RH in accordance with Chapter 667 of the Toronto Municipal Code and pursuant to Section 111 of the *City of Toronto Act*, 2006 which allows for the demolition of sixty-six (66) existing rental dwelling units at 2-12 Oakburn Crescent, subject to the following conditions:

a. The owner shall provide an acceptable Tenant Relocation and Assistance Plan for all Eligible Tenants who resided at 2-12 Oakburn Crescent on October 24, 2007, addressing the right to occupy one of the replacement rental dwelling units at 105 Harrison Garden Boulevard at the same rent and other assistance to lessen hardship, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

b. The owner shall provide an acceptable Tenant Relocation and Assistance Plan to all tenants of who resided at 2-12 Oakburn Crescent on August 18, 2021, including the provision of rent gap assistance and other assistance to lessen hardship, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

c. The owner shall provide tenant relocation and assistance to all Post Application Tenants who moved into 2-12 Oakburn Crescent after August 18, 2021, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division; and

d. The owner shall enter and register on title to the lands at 2-12 Oakburn Crescent, an agreement pursuant to Section 111 of *the City of Toronto Act*, 2006 to secure the conditions outlined in Recommendations 1.a to 1.c above, 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 sixty-six (66) existing rental dwelling units located at 2-12 Oakburn Crescent after all the following have occurred:

a. all conditions in Recommendation 1 above have been fully satisfied and secured.

b. The Official Plan Amendment(s) have come into full force and effect.

c. the Zoning By-law Amendment(s) have come into full force and effect.

d. 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.

e. the issuance of excavation and shoring permits (conditional or full permits) for the approved development on the site; and

f. the owner has confirmed, in writing, that all existing rental dwelling units proposed to be demolished are vacant.

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 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 2-12 Oakburn Crescent after the Chief Planner and Executive Director, City Planning Division has given Preliminary Approval referred to in Recommendation 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 building on the site no later than three (3) years from the date that the demolition of the existing rental dwelling units 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 building within the time specified in Recommendation 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 any other related 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

On September 25, 26 and 27, 2006, City Council adopted the recommendations of the Request for Direction Report for the Official Plan and Zoning By-law Amendment Application and Subdivision Application for the lands at 1-12 Oakburn Crescent, 14-40 Oakburn Place, 12 Anndale Drive, and 68 Avondale Avenue, regarding the original comprehensive redevelopment application filed in 2005. https://www.toronto.ca/legdocs/2006/agendas/council/cc060925/cofa.pdf

At its meeting of February 5, 6, 7 and 8, 2007, City Council endorsed a settlement in relation to the proposed development of 1,195 new residential units at 1-12 Oakburn Crescent and 14-40 Oakburn Place, in the form of five residential apartment buildings (including a replacement rental building with 284 replacement rental units). The proposal endorsed by City Council provided for two and three storey townhouse blocks on the Northern portion of the site, which area forms the subject site in the current application. <u>https://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-02-05-cc02-dd.pdf</u>

The site-specific Official Plan Amendment for the project was approved by the Ontario Municipal Board on February 28, 2007. The site-specific zoning, as well as the related draft plan of subdivision to create the road and lot pattern, was approved by the Ontario Municipal Board on November 1, 2007, and came into force on July 7, 2008.

At its meeting of December 11, 12 and 13, 2007, City Council approved the Residential Demolition Permit applications for the lands. <u>https://secure.toronto.ca/council/agenda-item.do?item=2007.NY11.19</u>

At its meeting of December 1, 2 and 3, 2008, City Council approved the Site Plan Control Application for the first phase of the development. This phase included the rental replacement building containing the 284 replacement rental units, two 21-storey condominium buildings and several blocks of townhouse units. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2008.NY20.42

On July 16, 2021, Official Plan and Zoning By-law Amendment applications were submitted to permit two 18-storey (57.5 metre) rental apartment buildings connected by a 2- to 6-storey base building at 2-12 Oakburn Crescent, with a total gross floor area (GFA) of 35,776 square metres resulting in a density of 5.51 times the area of the lot. The application was deemed complete on September 7, 2021. A preliminary report was adopted by North York Community Council on November 23, 2021, authorizing staff to conduct a community consultation meeting with an expanded notification boundary. The decision of North York Community Council can be found here: http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.NY28.11

On January 13, 2022, the applicant filed an appeal with the OLT on the Official Plan and Zoning By-law Amendment application due to Council not making a decision within the timeframe in the Planning Act. A Request for Directions Report (dated March 25, 2022) from the Director, Community Planning, North York District was adopted by City Council on May 11, 2022, directing the City Solicitor and Planning staff to attend at the OLT to oppose the Zoning By-law and Official Plan Amendment applications and to continue discussions with the Applicant in an attempt to resolve outstanding issues. The Council decision and related report can be accessed via this link:

https://secure.toronto.ca/council/agenda-item.do?item=2022.NY31.11.

On March 15, 2023, City Council endorsed an offer to settle the appeal and directed staff request the OLT to withhold its Final Order on the appeals until such time as Council has made a decision on the Rental Housing Demolition application. The Council decision and related report can be accessed via this link:

https://secure.toronto.ca/council/agenda-item.do?item=2023.CC5.32.

On June 20, 2023, the OLT held a hearing to consider the appeals and the Council endorsed settlement. The OLT issued an oral decision at the hearing allowing the appeals and the modified development in accordance with the settlement. The OLT's decision included the conditions to be addressed prior to a Final Order including the requirement that the Rental Housing Demolition application be appealed. The OLT's decision can be accessed via this link:

https://www.omb.gov.on.ca/e-decisions/OLT-22-002139-JUL-28-2023.PDF

THE APPLICATION

A Rental Housing Demolition application was submitted and deemed complete on March 22, 2023, to demolish the existing 66 rental dwelling units. As detailed in the Decision History section above, the application and appeal process has resulted in a Council-approved settlement offer.

The Rental Housing Demolition application encompasses the lands municipally known as 2-12 Oakburn Crescent (see Attachment 1 – Location Map).

Rental Housing Issues

On February 28, 2007, the Ontario Municipal Board approved plans to redevelop the lands at 1-12 Oakburn Crescent,14-40 Oakburn Place and 12 Anndale Drive, and 68 Avondale Avenue. The approved development included the demolition of 26 three-storey rental apartment buildings containing 284 rental units, including the 66 existing rental dwelling units at 2-12 Oakburn.

The former Official Plan Amendment and Zoning By-law Amendment applications for 1-12 Oakburn Crescent and 14-40 Oakburn Place were submitted prior to the proclamation of the City of Toronto Act, 2006, under which the City has the authority to regulate the demolition and conversion of residential rental properties and prior to January 1, 2007, which is the date when Chapter 667 of the Toronto Municipal Code came into effect. Consequently, Section 111 of the City of the Toronto Act, 2006 and Chapter 667 of the Toronto Municipal Code, the Residential Rental Property Demolition and Conversion Control By-law, did not apply to the former applications and the applicant was not required to submit a Rental Housing Demolition application. However, the City secured full replacement of the existing 284 rental units through the Councilendorsed settlement on the Official Plan and Zoning By-law Amendment appeals. The replacement rental units were secured through a Section 37 agreement, which was executed and registered on title to the lands as a condition of Council's approval of the residential demolition permits under Chapter 363 of the Toronto Municipal Code.

As of the date of this report, the lands to the south of Oakburn Crescent, which previously contained 20 three-storey rental apartment buildings, have been redeveloped with four high-rise condominium apartment buildings and associated grade-related condominium townhouse units, as well as one high-rise rental apartment building which contains the 284 replacement rental units, including the 66 existing rental dwelling units at 2-12 Oakburn (105 Harrison Garden Boulevard). Thus, the applicant has satisfied the requirements related to replacing the existing rental units and no additional replacement rental units are required.

The lands on the north side of Oakburn Crescent, which have not been re-developed and are the subject of the current application, are occupied by the six-remaining lowrise, rental apartment buildings, which collectively contain 66 rental dwelling units, as follows:

Address	1-Bedroom	2-Bedroom	3-Bedroom	Total
2-4 Oakburn	22	0	0	22
6 Oakburn	0	11	0	11
8 Oakburn	0	11	0	11
10-12 Oakburn	22	0	0	22
Total Rental Units	44	22	0	66

The residential demolition permits authorizing the demolition of the six remaining apartment buildings were issued on March 10, 2008 and have since expired. Accordingly, the applicant reapplied to the city to demolish the existing buildings, all of which are currently occupied by tenants with one unit occupied by a superintendent. Since the remaining buildings collectively contain 66 rental dwelling units, both Chapters 667 and 363 of the Toronto Municipal Code apply to the current proposal.

Tenant Relocation and Assistance Plan

The applicant has agreed to provide tenant relocation and assistance to all tenants, all to the satisfaction of the Chief Planner and secured through legal agreements with the City.

All Eligible Tenants from the 2005 Official Plan and Zoning By-law Amendment application were offered a replacement rental unit at 105 Harrison Garden Boulevard. All but two Eligible Tenants of 2-12 Oakburn Crescent elected to move into a replacement unit.

The following outlines the Tenant Relocation and Assistance Plan for the two Eligible Tenants who moved into the existing rental units at 2-12 Oakburn Crescent prior to the date of execution of the Section 37 agreement (October 24, 2007) and continue to live on the property. The Tenant Relocation and Assistance Plan would include the following and is an improvement over what was secured in the Section 37 agreement:

- at least 6 months notice before having to vacate their existing dwelling unit, inclusive of notice required under the Residential Tenancies Act (" RTA").
- financial compensation equal to 3 months' rent, as required by the RTA.
- the right to move to a replacement rental unit at 105 Harrison Garden of a similar size, the same unit type, and at a similar rent as the rental unit they currently occupy.
- tenants with access to vehicle parking and/or storage lockers on the date the notice to vacate is issued will have the right to a new parking spot and/or storage locker in 105 Harrison Garden Boulevard at the same rate.
- moving allowance to cover expenses for moving into a replacement rental unit.
- special needs compensation for applicable tenants, as determined by the Chief Planner and Executive Director, City Planning.

In addition to the two Eligible Tenants identified in the Section 37 Agreement, 33 existing tenant households resided at 2-12 Oakburn on the date of the new Official Plan Amendment and Zoning By-law Amendment application (August 18, 2021) but moved into the existing rental dwelling units after the Section 37 Agreement was executed. Tenants who commenced their tenancies during this time signed leases which included a notification that the units could be demolished and that they waived their rights or claim to additional compensation. These 33 tenant households are not eligible for the right to move to a replacement rental unit as their rental dwelling units have already been replaced and the right to move to these units was already provided for the original Eligible Tenants from the 2005 Official Plan and Zoning By-law Amendment application. The Tenant Relocation and Assistance Plan for these tenants includes the following:

- at least 6 months notice before having to vacate their existing dwelling unit, inclusive of notice required under the Residential Tenancies Act (" RTA").
- financial compensation equal to 3 months' rent, as required by the RTA.
- financial compensation, above and beyond that required under the RTA, in the form of rent gap assistance. The rent gap would be calculated as the difference between the rent paid by a tenant on the date their tenancy is terminated and the most recent average rent for vacant private rental apartments by unit type in Canada Mortgage and Housing Corporation's (CMHC) Rental Market Survey (RMS) Zone 14 North York (Northeast), which encompasses the development site, for 36 months. The vacant market rents used to establish rent gap assistance will be indexed upwardly to the end of the 6-month notice period to better reflect changes in market conditions since the completion of the latest CMHC survey.
- moving allowances to cover expenses of moving out of the existing rental units.
- special needs compensation for applicable tenants, as determined by the Chief Planner and Executive Director, City Planning; and

• upon request, availability of a rental leasing agent.

The following outlines the Tenant Relocation and Assistance Plan for the 30 Post Application Tenants who moved into the existing rental units after the Official Plan and Zoning By-law Amendment applications were submitted on August 18, 2021:

- at least 6 months notice before having to vacate their existing dwelling unit, inclusive of notice required under the Residential Tenancies Act (" RTA").
- financial compensation equal to 3 months' rent, as required by the RTA; and,
- special needs compensation for applicable tenants, as determined by the Chief Planner and Executive Director, City Planning.

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 contain six or more dwelling units without obtaining a permit from the City. Since the proposal involves the demolition of 66 rental dwelling units, a Rental Housing Demolition application was submitted to the city as the original demolition permits have expired.

POLICY & REGULATION CONSIDERATIONS

Provincial Land-Use Policies

All decisions of Council in respect of the exercise of any authority that affects a planning matter shall be consistent with the Provincial Policy Statement (2020) and shall conform with the Growth Plan (2020) for the Greater Golden Horseshoe.

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, maintenance, and replacement of housing.

Policy 3.2.1.6 requires new development that would result in the loss of six or more rental dwelling units to replace at least the same number, size, and type of rental units at similar rents to those in effect at the time of application. The policy also requires the applicant to provide an acceptable tenant relocation and assistance plan, addressing the right of existing tenants to return to the replacement units at similar rents and other assistance to mitigate hardship.

Rental Housing Demolition and Conversion By-law

This application involves the demolition of rental housing. Since the development site contains six or more residential units, of which at least one unit is rental housing, an application is required under <u>Chapter 667</u> of the City's Municipal Code, the Rental Housing Demolition and Conversion By-law. The By-law requires an applicant to obtain a permit from the City allowing the demolition of the existing rental housing units. The City may impose conditions that must be satisfied before a demolition permit is issued.

COMMUNITY CONSULTATION

Tenant Consultation

An in-person tenant meeting was held on September 26, 2023, for the tenants of 2-12 Oakburn Crescent to review the City's housing policies, the impact of the proposed demolition on existing tenants, and the proposed Tenant Relocation and Assistance Plan. The meeting was attended by 39 tenants, representatives of the applicant, City Planning staff, the local Councillor, and a representative of the Willowdale Legal Clinic. Handouts were also provided a week prior to the meeting and tenants were encouraged to reach out to City staff if they had questions, particularly if they were unable to attend the meeting. Eight tenants reached out by phone or email to ask questions and/or provide comments.

The following questions and concerns were brought up during the in-person tenant meeting and/or the communication with City staff prior to the meeting:

- concerns about the tenants who moved into and have lived in the existing rental units prior to August 18, 2021, but after October 24, 2007, and who do not have the right to return to a replacement rental unit.
- concerns about the availability of vacant rental units in the area that tenants can move into and having to move to a different area.
- questions and concerns about the average market rents for the CMHC zone which will be the basis for the rent gap payments and how this would be calculated.
- questions about eligibility for special needs tenants; and,
- the timing of the proposed demolition.

COMMENTS

Provincial Policy Statement and Provincial Plans

Staff have evaluated the proposal and determined that it is consistent with the PPS (2020) and conforms with the Growth Plan (2020). The proposal would accommodate new housing supply through intensification and redevelopment and contribute to a greater mix of housing options to meet the market-based housing needs of current and future residents.

Rental Demolition and Replacement

City Planning staff are satisfied with the Tenant Relocation and Assistance Plan as it is consistent with the City's current practices and will support tenants to access alternative accommodation within the neighbourhood. The 66 existing rental dwelling units proposed to be demolished have been replaced in a new rental building at 105 Harrison Garden Boulevard as part of an earlier phase of development, which satisfies the replacement requirements of Official Plan policy 3.2.1.6. The Tenant Relocation and Assistance Plan 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.

CONTACT

Johanna Hashim, Senior Planner Strategic Initiatives, Policy & Analysis (Housing) Tel.: 416-396-4288 Email: Johanna.Hashim@toronto.ca

Stephen Gardiner, Senior Planner Community Planning Tel. No. 416-392-5460 E-mail: <u>Stephen.Gardiner@toronto.ca</u>

SIGNATURE

David Sit, MCIP, RPP Director, Community Planning North York District

ATTACHMENT

City of Toronto Data/Drawings Attachment 1: Location Map

Attachment 1: Location Map

