

2328 to 2350 Kingston Road - Rental Housing Demolition Application – Decision Report – Approval

Date: June 7, 2023

To: Scarborough Community Council

From: Acting Director, Community Planning, Scarborough District

Ward: 20 - Scarborough Southwest

Rental Housing Demolition Application Number: 22 136031 ESC 20 RH

Related Application Numbers: 23 106635 ESC 20 MV; 21 239091 ESC 20 SA

SUMMARY

This Rental Housing Demolition application proposes to demolish 7 rental dwelling units at 2328, 2230, 2334, 2340, 2342, 2344, 2346 and 2350 Kingston Road and replace them with 7 new rental units within the proposed redevelopment of a new 10-storey mixed-use building comprising 208 new dwelling units.

A Minor Variance application (23 106635 ESC 20 MV) was submitted to obtain a series of variances necessary to facilitate the proposed redevelopment. The Minor Variance application was approved, with Conditions, by the Committee of Adjustment on June 1, 2023. One of the conditions necessary to be fulfilled to authorize the approved variances was City Council's approval of this Rental Housing Demolition application.

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. The recommended approval is based on the owner replacing the 7 existing rental units by their respective unit types and sizes and at similar rents to those in effect at the time of application; providing an acceptable Tenant Relocation and Assistance Plan to mitigate hardship for existing tenants; and securing other matters to the satisfaction to the Chief Planner and Executive Director, City Planning Division and Chief Building Official and Executive Director, Toronto Building Division.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council approve the Rental Housing Demolition Application File No. 22 136031 ESC 20 RH in accordance with Chapter 667 of the Toronto Municipal Code and

pursuant to Section 111 of the *City of Toronto Act, 2006* to allow the demolition of seven (7) existing rental dwelling units located at 2340, 2342, 2344, and 2346 Kingston Road, subject to the following Conditions:

a. The Owner shall provide and maintain seven (7) replacement rental dwelling units 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 application may be submitted to the City for condominium registration, or for any other conversion to a non-rental housing purpose, or for demolition without replacement. The replacement rental dwelling units shall be comprised of one (1) studio unit, three (3) one-bedroom units, and three (3) two-bedroom units, as generally illustrated in the plans submitted to the City Planning Division dated September 30, 2022 and any revision to these plans shall be to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

b. The Owner shall, as part of the seven (7) replacement rental units required in Recommendation 1.a. above, provide at least one (1) studio unit, two (2) one-bedroom units and two (2) two-bedroom replacement rental dwelling units at affordable rents, defined as gross monthly rent no greater than one times the average City of Toronto rent by unit type, as reported annually by the Canada Mortgage and Housing Corporation, and one (1) one-bedroom and one (1) two-bedroom replacement rental dwelling units at mid-range rent, defined as gross monthly rent that exceeds Affordable Rent but is no greater than 1.5 times the average City of Toronto rent by unit type, as reported annually by the Canada Mortgage and Housing Corporation, all for a period of at least ten (10) years beginning from the date of first occupancy of each unit;

c. The Owner shall provide an acceptable Tenant Relocation and Assistance Plan to all Eligible Tenants of the seven (7) existing rental dwelling units proposed to be demolished, addressing the right to return to occupy one of the replacement rental dwelling units at similar rents and other assistance, including a rent gap payment, 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;

d. The Owner shall provide tenants of all seven (7) replacement rental dwelling units with access to, and use of, all indoor and outdoor amenities in the proposed 10-storey mixed use building at no extra charge. Access to, and use of, these amenities shall be on the same terms and conditions as any other resident of the building without the need to pre-book or pay a fee, unless specifically required as a customary practice for private bookings;

e. The Owner shall provide ensuite laundry and central air conditioning in each replacement rental dwelling unit;

f. The Owner shall provide tenants of the replacement rental dwelling units with access to all bicycle and visitor parking on the same terms and conditions as any other resident of the proposed development, and in accordance with the Zoning By-law;

g. The rental dwelling units required in as part of Recommendation 1a and 1b above shall be made ready and available for occupancy no later than the date by which seventy percent (70%) of the new dwelling units in the proposed 10-storey mixed use building, exclusive of the replacement rental units, are made available and ready for occupancy; and

h. The Owner shall enter into, and register on title to the lands at 2328, 2330, 2334, 2340, 2342, 2344, 2346 and 2350 Kingston Road, one or more agreement(s) to secure the Conditions outlined in Parts 1a. through 1g. 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.

2. City Council authorize the Chief Planner and Executive Director, City Planning Division, to issue Preliminary Approval for the Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code pursuant to Section 111 of the *City of Toronto Act, 2006* for the demolition of all or any of the seven (7) existing rental dwelling units at 2340, 2342, 2344, and 2346 Kingston Road after all of the following have occurred:

- a. All Conditions in Recommendation 1 above have been fully satisfied or secured;
- b. The Minor Variance for 2328 to 2350 Kingston Road is final and binding;
- 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 (conditional or full permit) for the approved development on the site; and
- e. The City's receipt of confirmation that all existing rental dwelling units to be demolished are vacant.

3. City Council authorize the Chief Building Official and Executive Director, Toronto Building 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 to issue a Residential Demolition Permit under Section 33 of the *Planning Act* and Chapter 363 of the Toronto Municipal Code for 2340, 2342, 2344, 2346 and 2350 Kingston Road after the Chief Planner and Executive Director, City Planning Division, 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 the proposed mixed-use building containing the replacement rental dwelling units on the site no later than three (3) years from the date that the demolition of the existing buildings is commenced, subject to the timeframe being extended to the discretion of the Chief Planner and Executive Director, City Planning; and
- d. Should the Owner fail to complete the proposed 10-storey building within the time specified in Recommendation 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 111 Agreement.

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 June 1, 2023, the Committee of Adjustment, Scarborough Panel approved with conditions Minor Variance application (23 106635 ESC 20 MV) seeking relief from certain provisions and performance standards of the former City of Scarborough Cliffside Community Zoning By-law No. 9364, as amended, in order to redevelop the lands at 2328 to 2350 Kingston Road with a ten-storey mixed-use building comprised of 208 residential dwelling units, including 7 replacement rental units. This approval was subject to a series of conditions related to the entering into a Section 37 Agreement securing a cash contribution towards the Southwest Scarborough Community Centre project, the approval of the subject Rental Housing Demolition application and constructing the development substantially in accordance with the acceptable drawings on file through related Site Plan Control application.

THE APPLICATION

Reason for Application

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 Chapter 667 of the City's Municipal Code, the Rental Housing Demolition and Conversion By-law. The By-law requires an applicant 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.

On April 20, 2022, a Rental Housing Demolition application under Chapter 667 of the Toronto Municipal Code was submitted for 2328-2350 Kingston Road to demolish seven (7) existing rental dwelling units. The application was deemed complete by City Planning staff on May 10, 2022.

Development Proposal

The Rental Housing Demolition application proposes to demolish 7 rental dwelling units within the existing buildings at 2340, 2342, 2344, and 2346 Kingston Road. The Rental Housing Demolition application is part of a series of required approvals along with applications for Minor Variance and Site Plan control approval necessary to facilitate the construct a new 10-storey building with 208 residential units, inclusive of the 7 rental replacement units recommended to be secured by this report.

Existing Rental Dwelling Units

According to the plans provided by the applicant and a site visit conducted by City Planning staff on March 9, 2022, the existing rental dwelling units are comprised of the following unit types and rent levels:

Unit Type	Affordable Rent	Mid-Range Rent	Total
Studio	1	0	1
One-Bedroom	2	1	3
Two-Bedroom	2	1	3
Total	5	2	7

At the time of this report, 3 of the existing rental dwelling units proposed to be demolished are occupied by tenants and 4 existing rental dwelling units are vacant. Two of the existing rental units are found on the second floor of buildings containing non-residential uses at grade with the remainder of the existing units found in separate two-storey residential-only apartment buildings.

Tenant Consultation

On December 8, 2022, City Planning 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, and the proposed tenant relocation assistance plan as outlined above. The meeting was held in person and attended by all eligible tenant households, City Staff and the applicant.

Tenants raised a preference for grade-related units, and questions related to the project timeline, layouts of the proposed rental replacement units, accommodation for accessibility needs in the proposed rental replacement units, access to amenities in the new building, and if the applicant will help tenants find interim housing during the construction period.

POLICY 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 (PPS) and shall conform to provincial plans.

Toronto Official Plan

Official Plan Policy 3.2.1.6 requires that new development that would result in the loss of six or more rental dwelling units replace at least the same number, size, and type of rental units as exist on the site and maintain 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.

COMMENTS

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 7 rental dwelling units and construct a new building resulting in a total of 208 new dwelling units (inclusive of 7 replacement units) on the subject site will help meet the housing needs of current and future residents.

Rental Demolition and Replacement

In accordance with Official Plan policy 3.2.1.6, all 7 existing rental units will be replaced in the new development with new units of the same type, and of similar size. The replacement rental units would be located on the first and second floor of the new

building and will be secured as rental housing for a period of 20 years. All units will include air conditioning and ensuite laundry.

The applicant has confirmed that tenants of the existing rental units would reserve the right to return to a replacement rental unit at similar rent. Tenants who return to the replacement rental units would be protected by the provincial rent increase Guideline, irrespective of whether such Guideline applied to the units until their tenancies end. Rents for replacement rental units without returning tenants would not exceed the City's affordable or mid-range rent thresholds for a period of at least 10 years. The applicant has also confirmed tenants will have access to the new building's indoor and outdoor amenity spaces, including rooftop amenities.

To address that tenants currently have grade-related units, the applicant has proposed 4 of the 7 replacement rental units would have ground floor access.

Tenant Relocation Assistance Plan

A Tenant Relocation and Assistance Plan that addresses tenants' right to return to a replacement unit and assistance to mitigate hardship will be provided to all eligible tenants residing in the 7 existing rental dwelling units.

In accordance with the Tenant Relocation and Assistance Plan shared with tenants at the tenant meeting on December 8, 2022, all eligible tenants will receive the following:

- at least six months' notice of the date that they must vacate their rental unit;
- the right to return to a rental replacement unit of the same type at similar rent;
- compensation equal to three months' rent pursuant to the *Residential Tenancies Act*;
- additional financial compensation in the form of a rent gap payment, where 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 10 – Scarborough Central, which encompasses the development site, over a 28-month period. The rent gap payments would assist tenants in transitioning to market rents and be paid out to each eligible tenant in a lump sum on the date they provide vacant possession of their existing rental unit;
- move-out and move-back moving allowances;
- a rental leasing agent available upon request to assist tenants with finding interim accommodation; and
- additional compensation and assistance for special needs tenants, with the final determination by the Chief Planner and Executive Director, City Planning.

The Tenant Relocation and Assistance Plan is consistent with the City's current practices.

Staff are satisfied with the proposed approach to replacing demolished rental units, and with the proposed Tenant Relocation and Assistance Plan. The replacement housing and tenant assistance matters 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.

Conclusion

This report recommends approval of the application to demolish 7 rental dwelling units at 2328 to 2350 Kingston Road, subject to the conditions set out in the recommendations of this report. City Planning staff have reviewed the Rental Housing Demolition Application against the City's rental housing demolition policies. The proposal involves the full replacement of the existing residential rental units, 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.

CONTACT

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SIGNATURE

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ATTACHMENTS

City of Toronto Data/Drawings
Attachment 1: Location Map

Attachment 1: Location Map

