

**5, 7, 9, 11, 15 and 19 Cosburn Avenue and 8, 10, 12, 14, 16, 30, 32, 34, 36, 38 and 40 Gowan Avenue -
Rental Housing Demolition Application – Decision
Report – Approval**

Date: August 31, 2023

To: Toronto and East York Community Council

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

Ward: 14 - Toronto-Danforth

Rental Housing Demolition Application Number: 20 232889 STE 14 RH

Related Application Numbers: 20 232879 STE 14 OZ, 22 138445 STE 14 SA

SUMMARY

This Rental Housing Demolition application proposes to demolish 6 rental dwelling units at 5-19 Cosburn Avenue and 8-40 Gowan Avenue and replace them with 7 new rental units within the proposed redevelopment of a new 24-storey residential building comprising 425 new dwelling units.

The properties are also the subject of a Zoning By-law Amendment (ZBA) application (20 232879 STE 14 OZ), which was appealed to the Ontario Land Tribunal (OLT) (Case No. OLT-21-001666) on the basis of City Council's failure to make a decision on the application within the statutory timeline under the Planning Act. City Council endorsed a settlement offer on March 29, 2023 and directed staff to bring forward a Decision Report on the Rental Housing Demolition application. The OLT approved the settlement in principle, subject to conditions, at a settlement hearing held on June 8, 2023.

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 6 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 of 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. 20 232889 STE 14 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 six (6) existing rental dwelling units located at 17 and 19 Cosburn Avenue and 8 and 10 Gowan Avenue, 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 two (2) one-bedroom units, three (3) two-bedroom units, and two (2) three-bedroom units, as generally illustrated in the plans submitted to the City Planning Division dated June 16, 2023 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 dwelling units required in Recommendation 1.a. above, provide at least two (2) one-bedroom units, two (2) two-bedroom units, and one (1) three-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, 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, and one (1) three-bedroom replacement rental dwelling unit at high-end rent, 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 six (6) 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, the provision of rent gap assistance, and other assistance to lessen 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;

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 24-storey residential 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 at no extra charge;

f. The owner shall provide and make available for rent at least three (3) vehicle parking spaces to tenants of the replacement rental dwelling units. Such parking spaces shall be made available firstly to returning tenants who previously rented a vehicle parking space at similar monthly parking charges that such tenants previously paid, secondly to returning tenants who did not previously rent a vehicle parking space, and thirdly to new tenants of the rental replacement dwelling units;

g. The owner shall provide and make available for rent a minimum of two (2) storage lockers to tenants of the replacement rental dwelling units on terms and conditions that are to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

h. The Owner shall provide tenants of the replacement rental dwelling units with access to 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;

i. The replacement rental dwelling units required in Recommendations 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 24-storey residential building, exclusive of the replacement rental units, are made available and ready for occupancy; and

j. Prior to issuance of the Notice of Approval Conditions for site plan approval by the Chief Planner and Executive Director, City Planning Division, or their designate, the Owner shall enter into, and register on title to the lands at 5, 7, 9, 11, 15 and 19 Cosburn Avenue and 8, 10, 12, 14, 16, 30, 32, 34, 36, 38 and 40 Gowan Avenue, an agreement pursuant to Section 111 of the City of Toronto Act, 2006, to secure the conditions outlined in Recommendations 1.a through 1.i. 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 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 six (6) existing rental dwelling units at 17, 19 Cosburn Avenue and 8, 10 Gowan Avenue after all of the following have occurred:

a. All Conditions in Recommendation 1 above have been fully satisfied or secured;

b. The Zoning By-law Amendment has 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 (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 5, 7, 9, 11, 15 and 19 Cosburn Avenue and 8, 10, 12, 14, 16, 30, 32, 34, 36, 38 and 40 Gowan Avenue 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 Rental Housing Demolition Permit under Chapter 667 pursuant to section 6.2 of Chapter 363, 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 residential 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 commenced, 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 24-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, 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 each sum 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 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

A preliminary report was adopted by Toronto and East York Community Council on April 21, 2021. <https://secure.toronto.ca/council/agenda-item.do?item=2021.TE24.36>

On November 21, 2021, the ZBA application (20 232879 STE 14 OZ) for 5-19 Cosburn Avenue and 8-40 Gowan Avenue was appealed by the applicant to the OLT on the basis of City Council's failure to make a decision on the application within the statutory timeline under the Planning Act.

On May 11, 2022, City Council directed the City Solicitor, together with City Planning and other appropriate staff, to attend the OLT in opposition to the ZBA application appeal and to continue discussions with the applicant in an attempt to resolve outstanding issues. <https://secure.toronto.ca/council/agenda-item.do?item=2022.TE32.13>

On March 29, 2023, City Council accepted a settlement offer dated March 14, 2023, to permit a revised development proposal. <https://secure.toronto.ca/council/agenda-item.do?item=2023.CC5.35>

On June 8, 2023, the OLT held a settlement hearing approving the ZBA application appeal in principle for 5-19 Cosburn Avenue and 8-40 Gowan Avenue. <https://jus-olt-prod.powerappsportals.com/en/e-status/details/?id=c716c33e-364e-ec11-8f8e-000d3ae94c06>

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 that 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 December 22, 2020, a Rental Housing Demolition application under Chapter 667 of the Toronto Municipal Code was submitted for 5-19 Cosburn Avenue and 8-40 Gowan Avenue to demolish six (6) existing rental dwelling units.

Development Proposal

The Rental Housing Demolition application proposes to demolish 6 rental dwelling units within the existing buildings at 17, 19 Cosburn Avenue and 8, 10 Gowan Avenue. The Rental Housing Demolition application is part of a series of required approvals along with applications for Zoning By-law Amendment and Site Plan control approval necessary to construct the new 24-storey building with 425 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 10, 2022, the existing rental dwelling units are comprised of the following unit types and rent levels:

Unit Type	Affordable Rent	Mid-Range Rent	High End Rent	Total
One-Bedroom	2			2
Two-Bedroom	1	1		2
Three-Bedroom	1		1	2
Total	4	1	1	6

At the time of this report, 2 of the existing rental dwelling units proposed to be demolished are occupied by eligible tenants (tenants who were tenants at the time the Rental Housing Demolition application was submitted). The remaining units are either vacant or occupied by tenants who moved into the building after the rental demolition application was made.

Tenant Consultation

On June 27, 2023, 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 and assistance plan as outlined above. The meeting was held virtually and attended by 3 tenant households, City Staff, the Councillor's office, and the applicant.

Tenants asked questions related to the project timeline, eligibility requirements for tenant assistance and a replacement rental unit, and layouts of the proposed rental replacement units.

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 lessen 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 6 rental dwelling units and construct a new building resulting in a total of 425 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 existing six rental units will be replaced in the proposed development with new units of the same unit type and same total gross floor area.

Two of the existing rental units (17 Cosburn Avenue and 8 Gowan Avenue) are 145 square metre semi-detached houses. Large, house-form rental units can be challenging to replace on a like-for-like basis within new high-rise developments. The applicant has proposed to replace these 2 rental units at unit sizes that meet the size objectives of the Growing Up Guidelines (87-90 square metres for two-bedroom unit and 100-106 square metres for three-bedroom units) and use the remaining square footage to provide an additional replacement rental unit secured at affordable rent. This 7th replacement rental unit is proposed as an 82 square metre two-bedroom unit .

The two rental units that will be reduced in size are not occupied by eligible tenants. The remaining replacement rental units are currently proposed to meet and/or exceed the sizes of existing rental units. Staff are supportive of this approach as eligible tenants are

able to return to replacement rental units of the same size, the reduced replacement rental units meet the Growing Up Guidelines for family-sized units, and it would create a net-new affordable rental unit within the building.

The replacement rental units would be located on the second floor of the new building and will be secured as rental housing for a period of at least 20 years. All units will include air conditioning, ensuite laundry, balconies, and will have access to the new building's indoor and outdoor amenity spaces, including rooftop amenities.

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 subject to rent increases capped by the provincial rent increase Guideline, irrespective of whether such Guideline applied to the units until their tenancies end. Rents for affordable and mid-range replacement rental units without returning tenants would not exceed the City's rent thresholds for a period of at least 10 years.

Tenant Relocation and Assistance Plan

A Tenant Relocation and Assistance Plan that addresses tenants' right to return to a replacement unit and assistance to lessen hardship will be provided to all eligible tenants residing in the 6 existing rental dwelling units. At the time of this report, there are 2 eligible tenant households.

In accordance with the Tenant Relocation and Assistance Plan shared with tenants at the tenant meeting on June 27, 2023, 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 unit 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 assistance, 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 9 – East York, which encompasses the development site, over the period of construction of the proposed building (estimated at 36 months). The rent gap assistance would 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 and will support tenants to access and afford suitable housing within the neighbourhood until the new building and replacement rental units are available for occupancy.

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.

New Affordable Housing

The Official Plan, as well as provincial policies, recognize the importance of providing a full range of housing with new development. The provision of a diverse housing stock to meet housing needs of a wide range of people throughout their life cycle is important to achieving complete communities.

As noted in the Request for Directions report considered by City Council on March 29, 2023, the applicant has agreed to provide 10 affordable rental dwelling units through an in-kind Community Benefit Charge contribution. The affordable rental units will be composed of 10 one-bedroom units and will be located on the second floor of the proposed new building. The affordable rental units would be provided and maintained at affordable rents for a 30-year period, where the total monthly rent, inclusive of all utilities, is at or below the average City of Toronto rent by unit type.

In addition, the 7th replacement rental unit represents a net-new affordable rental unit in the proposed building, however it is not being delivered as part of the Community Benefit Charge contribution.

CONTACT

Cate Flanagan, Planner, Tel. No. 416-392-4529, E-mail: Cate.Flanagan@toronto.ca

Seanna Kerr, Senior Planner, Tel. No. 416-395-7053, E-mail: Seanna.Kerr@toronto.ca

SIGNATURE

Willie Macrae, BA, MES, MCIP, RPP
Acting Director, Community Planning
Toronto and East York District

ATTACHMENTS

City of Toronto Data/Drawings

Attachment 1: Location Map

Attachment 1: Location Map

