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**City of Toronto**  
**Application 22 139087 STE 12 RH**  
**77 Roehampton Avenue (“77”)**

Comments and suggestions

TEYCC meeting September 19, 2023

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**In this presentation**

1. The Reserve Investments Ltd. (“Reserve”) proposal
2. Tenant relocation package
  - a. Overview
  - b. September 14, 2023 revisions
  - c. September 18th clarifications
3. Suggested next steps

## 1. The Reserve Investments Ltd. proposal

- 624 1, 2 bedroom units, 50 floors, 38,200 m<sup>2</sup>
- 100 cars parking
- Revenue potential of \$495 million
  - $624 \times \$785K + 100 \times \$60K = \$495MM$ , say \$500MM
- Profit potential @20% = \$99MM
- Reserve further gains from HST eliminated on 136 Broadway construction, Bank of Canada rate stability
- However, tenants not offered return to 77
  - Replacement of 136 Broadway (“136”), 600+ metres to TTC

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## 2a. Proposed tenant relocation - Overview (1/2)

- Tenants obliged to move for demolition of non-obsolete property
- Compensation package includes relocation to 136 Broadway and rent-gap payments during construction,
- Some tenants would prefer to relocate back to 77,
- Most, accept, with regret, City Planning’s decision they move and not return to 77.
- Issue is not what is on offer, issue what is needed in fluid market/
- Proposed package needs to be revisited and revised/

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## 2a. Proposed tenant relocation - Overview (2/2)

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- Relocation package has to address:
  - Stress of two relocations in 24 months
  - Costs of two moves
  - Additional costs to rent in tight market vs. historical adjusted cost
- Proposed Reserve package has improved to credit of Reserve; Shane Fenton
- Key issues still requiring attention are:
  - Incremental rental costs not covered by pe CMHC survey
  - Time and effort to find a replacement apartment;
  - Paying current market costs vs., evolved historic cost.

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## 2b. September 14 Reserve revised offer (1/2)

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- Appreciated evisions for September 14 include:
  - Monetizing transportation allowances to offset distance location
  - Increasing in compensation for relocation to \$10,000
  - Extra month of no rent for senior citizens etc.
  - Locker subsidy of \$25 per month
  - Parking subsidy to \$150 per month
- Revised offer appreciated but more required

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## 2c. September 18 discussions (1/2)

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- Two elephants in room:
- Elephant # 1 - Proposed renting-gap assistance inadequate
- Proposed rent gap assistance leaves tenant short -
  - Reserve cited example of \$2,200 per month is 77 Davisville
    - 50-year old unairconditioned building
    - Out of Yonge-Eglinton area
- Elephant #2 - Tight market “can tenants find units in Q4 2023, Q1 2025
- Reserve states on its website it has 135 projects; Westdale lists numerous projects
- Shane Fenton stated “All tenants within . . . will be provided with priority access to interim rental housing options as they may become available in other buildings owned or controlled by the landlord”
- Details are needed

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## 2c. September 18 discussions (2/2)

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- However, there was no commitment by Reserve on shortfalls
  - Locker allowance - proposed \$25 per month, a fraction of the current market cost of \$75
  - Parking allowance - \$150 per month-is a start but \$175 is market
- Moving allowance - \$1,500/\$2500 per move (CPI adjusted) is not adequate for reputable movers, packing supplies and packing labour
- Furniture resizing allowance due to smaller rooms at 136 Broadway
  - Shane fenton asked but gave no commitment
- Improvements needed

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### **3. Suggested next steps**

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- **Elephant remedies:**
- **Rent-gap shortfall** - An additional \$5,000 per unit to give tenants an apple-o-apple relocation while 136 Broadway is built
- **Reserve and beneficially controlled locations** - Reserve provides full list with priority for 77 residents on vacancies;
- **Locker allowance**, - \$75 per ninth, CPI adjusted;
- **Parking allowance** - \$175 per month, CPI adjusted; and
- **Furniture resizing** - \$2000 per 1 bdrm \$3,000 per two bdrm

**Current residents seek a cordial departure from 77 and want to wish the Fentons & Reserve every success with the new 77!**

**Thank you!**