



October 17, 2023

SUBMITTED VIA EMAIL

Councillor Chris Moise, TEYCC Chair
Toronto City Hall
100 Queen Street West, Suite A5
Toronto, ON, M5H 2N2
Email: Councillor_Moise@toronto.ca

RE: TE8.5 - 475 Yonge Street - Official Plan and Zoning By-law Amendment
Application - Decision Report – Approval (21 214165 STE 13 OZ)

Dear Councillor Moise,

My name is John Turner, and I am President of Unifor Local 112, the labour union representing hotel workers at the Courtyard Toronto Downtown (located at 475 Yonge Street). I am writing regarding the planning application that is going before the Toronto East York Community Council on Wednesday, October 18, 2023 (Item TE8.5).

We recognize that the Decision Report for the planning application recommends approval, and we don't have any comments to make on that recommendation, or on any particulars of the planning application itself.

We're grateful that at its January 6, 2022 meeting, as noted in the Decision Report for this planning application, the TEYCC "directed City Planning staff to strongly advocate for the full replacement of the existing hotel use and the total number of hotel rooms affected by this application, and that this direction be reflected in the Final Report." At the same time, Unifor Local 112 and our members at the hotel are, of course, disappointed that the final plan will not include any hotel use.

Respectfully, we would like to take this opportunity to provide the following comments on the phenomenon of hotel-to-condo conversions and the overall state of Toronto's hotel sector:

The loss of hotel room capacity is a serious challenge for Toronto's vital Hospitality & Tourism sector, especially downtown.

- In November 2017, the Economic Development Committee received a staff report titled, "Ensuring a Robust Hotel Supply to Strengthen Tourism."

- According to that report: “Competition among cities for major conventions is intense. The ability to attract large business events depends on a reliable supply of hotel rooms concentrated in close proximity to one another. The potential impact of a reduced hotel room capacity in certain locations such as in the downtown exacerbates existing issues related to the reduced room blocks being made available. This may affect Toronto’s ability to bid for large scale events that bring in significant economic benefits for the city.”
- That staff report recommended that city staff “review the potential for the implementation of a hotel accommodation replacement policy and or strategy to protect the existing amount of hotel space in areas designated Mixed Use Areas and Regeneration Areas in the Official Plan.” However, we are not aware of how the city followed up on this potential strategy. An updated review of the city’s hotel room capacity would provide useful data for any future work on this issue.

There are insufficient policies and guidelines in place to address the problems of job loss and employment displacement when redevelopments occur.

- The planning approvals process – at both the municipal and provincial level – does not adequately address employment impacts caused by redevelopments, and the City does not have adequate additional policies or guidelines to mitigate job loss and employment displacement.
- Unfortunately, in our experience, the loss of hotels to residential conversions falls into a grey zone between planning and development, housing, economic development, tax policy, and labour market issues. All of these considerations are factors, and no single set of policies or single City Division can adequately tackle the problem.

The City’s employment land retention policies don’t adequately protect workers in many sectors, including hospitality workers.

- According to the Official Plan, “*Employment Areas* are places of business and economic activities vital to Toronto’s economy and future economic prospects.” The OP creates restrictions on land use for sites designated as either Core or General Employment Areas.
- However, according to the City’s Official Plan, core employment areas permit the following uses: “all types of manufacturing, processing, warehousing, wholesaling, distribution, storage, transportation facilities, vehicle repair and services, offices, research and development facilities, utilities, waste management systems, industrial trade schools, media, information and technology facilities, and vertical agriculture.”

- Most hotels in Toronto – and especially those downtown – are located on sites designated as *Mixed Use Areas*. These areas permit “a broad range of commercial, residential and institutional uses.” In other words, existing protections from residential conversions don’t generally apply to hotels, despite the fact that some of these workplaces employ hundreds of well-paid unionized hotel workers.

Several overlapping dynamics – including short-term rentals and the financialization of housing – are intensifying the phenomenon of hotel-to-condo conversions, and the City should take a comprehensive approach when addressing this issue.

- The negative impacts of commercialized short-term rental use are well-documented in countless reports from various jurisdictions. The commercial use of platforms like Airbnb has undermined rental housing availability and affordability, and cities around the world – including Toronto – are taking steps to regulate STR use and prohibit commercial use and so-called ghost hotels.
- At the same time, the phenomenon of financialization of housing, that is, the use of housing as a commodity and investment vehicle rather than as a basic human right and social good, has meant that investors have flooded the condo market, driving up demand and distorting that market.
- We believe that, despite the current chaos caused by rising interest rates, housing financialization and STRs have super-charged the condo market, making property owners across the city look to condo conversions as a can’t-miss opportunity.
- The City should take a comprehensive approach when addressing the issue of hotel-to-condo conversions. We applaud the City’s efforts to regulate STRs and crack down on ghost hotels, and we support the recent move to raise the vacant home tax to 3%.

The City lacks an overall economic development strategy for the Hospitality & Tourism sector, which is a lost opportunity to build a comprehensive, inclusive growth plan for this vital sector.

- We respectfully recommend that the City of Toronto should develop a Hospitality & Tourism Sector Strategy, with the participation of employers and industry associations, City staff and elected officials, workers and their unions, Tourism Toronto, the Greater Toronto Hotel Association, hospitality schools and sector academics, and other stakeholders.

- The Strategy would create a comprehensive vision for Toronto's Hospitality & Tourism Sector, and would address planning and growth issues, labour market development, opportunities for coordination, government engagement, and other considerations.

In closing, I'd like to add that Unifor recognizes that residents of Toronto, along with Canadians from coast to coast, are in the midst of a serious housing crisis, and we support general policies of intensification and responsible growth.

Several workers from the Courtyard Toronto Downtown will be attending the October 18th meeting of the TEYCC, and they will take the opportunity to share some of their experiences, and emphasize the need to protect good, unionized jobs in Toronto.

Thank you again for the opportunity to comment on this important matter. If you have any questions, please don't hesitate to get in touch.

Sincerely,

John Turner

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CC: Members of the Toronto East York Community Council
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