

500 Duplex Avenue – Rental Housing Demolition Application – Decision Report – Approval

Date: August 29, 2024

To: North York Community Council

From: Director, Community Planning, North York District

Ward: Ward 8 – Eglinton-Lawrence

Rental Housing Demolition Application Number: 21 180738 NNY 08 RH

Related Planning Application Numbers: 21 180732 NNY 08 OZ and 21 219467 NNY 08 SB

SUMMARY

This Rental Housing Demolition application proposes to demolish a total of 10 existing rental dwelling units at 500 Duplex Avenue and provide a tenant relocation and assistance plan to affected tenants. The application also proposes to replace the existing superintendent unit which is one of the 10 units proposed for demolition. All units proposed for demolition have rents above mid-range.

The properties are also the subject of Official Plan and Zoning By-law Amendment applications (21 180732 NNY 08 OZ) which were appealed to the Ontario Land Tribunal (OLT). The OLT issued a written decision on June 19, 2023, approving the Zoning By-law Amendment in principle, with the final Order being withheld until all outstanding matters, including the rental housing matters and necessary agreements with the City, are secured.

This report reviews and 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 conditions.

RECOMMENDATIONS

The Director, Community Planning, North York District recommends that:

1. City Council approve the Rental Housing Demolition application File Number. 21 180738 NNY 08 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 10 existing rental dwelling units located at 500 Duplex Avenue, subject to the following conditions:

- a. The owner shall provide and maintain 1 replacement rental dwelling unit with unrestricted rents on the subject site for a period of at least 20 years beginning

from the date that the replacement rental dwelling unit is first occupied and, during which time, 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 providing for replacement. The final size and layout of the replacement rental unit shall be to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

b. The owner shall provide tenant(s) of the replacement rental dwelling unit with access to, and use of, all indoor and outdoor amenities in the proposed 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;

c. The owner shall provide ensuite laundry in the replacement rental dwelling unit;

d. The owner shall provide central air conditioning in the replacement rental dwelling unit;

e. The owner shall provide tenant(s) of the 1 replacement rental dwelling unit with access to bicycle and visitor parking on the same terms and conditions as any other resident of the proposed residential building;

f. The owner shall provide an acceptable Tenant Relocation and Assistance Plan for all Eligible Tenants of the 10 existing rental dwelling units proposed to be demolished at 500 Duplex Avenue and 1 studio unit proposed for alteration. 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;

g. The owner shall provide tenant relocation and assistance to all Post Application Tenants, all to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

h. The owner shall enter into, and register on title to the lands at 500 Duplex 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.g. 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 10 existing rental dwelling units located at 500 Duplex Avenue after all the following have occurred:

a. All conditions in Recommendation 1 above have been fully satisfied and 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 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 Division 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 500 Duplex Avenue 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;
 - 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 July 7, 2021, Toronto Customer Service received a Rental Housing Demolition application (21 180738 NNY 08 RH) for 500 Duplex Avenue.

On May 11, 2022, City Council adopted a Request for Direction report from the Director, Community Planning, North York District, and directed the City Solicitor together with appropriate City staff to attend the OLT to oppose the Zoning By-law Amendment application in its current form and to continue discussions with the applicant to resolve issues outlined in the report. The Decision of City Council may be found here: <https://secure.toronto.ca/council/agenda-item.do?item=2022.NY31.8>

On March 29, 2023, City Council adopted the recommendations of a Request for Directions Report from the City Solicitor and endorsed a settlement offer to permit a revised development proposal. The Decision of City Council may be found here: <https://secure.toronto.ca/council/agenda-item.do?item=2023.CC5.34>

On June 19, 2023, the Ontario Land Tribunal issued a Decision and Interim Order approving, in principle, the Zoning By-law Amendment for 500 Duplex Avenue, subject to conditions. The decision can be found here: <https://www.omb.gov.on.ca/e-decisions/OLT-22-002418-JUL-12-2023.PDF>

THE SITE

Existing Rental Dwelling Units

The buildings at 500 Duplex Avenue currently include three townhouse buildings containing a total of 9 three-bedroom townhouse units, and a 34-storey rental apartment building. The 34-storey rental apartment building contains 321 rental units, comprised of 54 studio, 187 one-bedroom, and 67 two-bedroom units.

The application proposes to demolish the 9 three-bedroom townhouse units and 1 two-bedroom unit. The two-bedroom unit is currently occupied by a superintendent. All 10 units proposed for demolition have rents above mid-range.

In addition to the 10 units proposed for demolition, 1 studio unit requires significant alterations in order to reconfigure the ground floor of the existing building. These renovations will require the tenant of the studio unit to move out of their unit.

At the time of this report, based on information provided by the applicant, 7 of the 10 units proposed for demolition are occupied by Eligible Tenants. The 1 studio unit proposed for alteration is also occupied by an Eligible Tenant.

THE APPLICATION

Description

The Zoning By-law Amendment application for the subject site was approved in principle by the OLT on June 19, 2023, subject to preconditions including City Council's approval of the Rental Housing Demolition application. The application encompasses the lands municipally known as 500 Duplex Avenue (see Attachment 1 - Location Map).

Once finalized, the Zoning By-law Amendment would permit the redevelopment of the subject site with an 11-storey residential building and a 12-storey residential building. The proposed development would contain a total of 523 new dwelling units, including the 1 replacement rental unit, and retain 320 rental units within the existing 34-storey rental apartment building.

Tenant Relocation and Assistance Plan

A Tenant Relocation and Assistance Plan that provides assistance to lessen hardship will be provided to all eligible tenants residing in the existing 10 units proposed for demolition, and 1 studio unit proposed for alteration.

In accordance with the Tenant Relocation and Assistance Plan shared at the tenant meeting on August 15, 2024, all eligible tenants would receive the following:

- at least six months' notice before having to vacate their existing dwelling unit, inclusive of notice required under the Residential Tenancies Act (RTA);
- compensation equal to three months' rent, pursuant to the RTA;
- the greater of additional compensation in the form of rent gap assistance or compensation based on length of tenure within the building, determined on the date their tenancy is terminated;
- move-out moving allowances;
- 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.

Rent gap assistance would be calculated based on the difference between the rent paid by a tenant on the date their tenancy is terminated and the most recent average rent for private rental apartments built on or after 2015 by unit type in Canada Mortgage and Housing Corporation's (CMHC) Rental Market Survey (RMS) for Zones 1-4, for the period of construction estimated to be 36 months. The rents used to establish rent gap assistance will be indexed upwardly to better reflect changes in market conditions since the completion of the latest CMHC survey.

Reasons 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 is rental housing, an application is required under Chapter 667 of the Toronto 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.

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 to provincial plans, A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020), the Greenbelt Plan, and others.

Official Plan

The Official Plan outlines the City'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 that new development that would result in the loss of six or more rental dwelling units, and if at least one of the rental units proposed for demolition has rents at or below mid-range rents to replace all the existing rental units with 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 the applicant to develop an acceptable tenant relocation and assistance plan, addressing the right to return to the replacement units at similar rents and other assistance to lessen hardship.

Policy 3.2.1.12 requires an acceptable tenant relocation and assistance plan be provided for new development that would have the effect of removing all or part of a private building or related group of buildings, and would result in the loss of one or more rental units or dwelling rooms.

The Official Plan can be found here: <https://www.toronto.ca/city-government/planning-development/official-plan-guidelines/official-plan/>.

COMMUNITY CONSULTATION

Tenant Consultation

On August 15, 2024, staff held a tenant consultation meeting for impacted tenants to learn more about 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 held at the Northern District Library at 40 Orchard View Boulevard and attended by 7 tenant households, representatives of the applicant, the Councillor's office, and City Planning staff. During the meeting, tenants asked questions and expressed concerns about the following matters:

- timing of the application and overall development;
- the difference between rent gap compensation and compensation based on the length of tenure;
- eligibility for special needs assistance; and
- the process for being deemed eligible for tenant relocation and assistance.

COMMENTS

Provincial Policy Statement and Provincial Plans

Staff's review of this application has had regard for the relevant matters of provincial interest set out in the Planning Act. Staff has reviewed the current proposal for consistency with the Provincial Policy Statement (2020) and conformity with the Growth Plan (2020). In the opinion of Staff, the proposal is consistent with the PPS and conforms with the Growth Plan as it will add new housing.

Rental Housing Demolition

The application proposes to demolish 9 existing three-bedroom townhouse units and 1 existing two-bedroom unit, which currently functions as the superintendent unit.

The applicant has agreed to provide and maintain one rental unit, replacing the existing superintendent unit, within the proposed development. This unit will be secured as a rental unit, with unrestricted rents for at least 20 years, beginning on the date that it is first occupied. Tenants that occupy the replacement rental unit during the initial 10-year period will have rents that will only increase by the annual provincial Guideline until their tenancy ends, irrespective of whether the Guideline applies to the proposed development under the Residential Tenancies Act, 2006 (RTA).

The replacement rental dwelling unit will be provided with ensuite laundry facilities and central air conditioning. Tenants of the replacement rental dwelling unit will have access to bicycle parking, visitor parking, storage lockers, and all indoor and outdoor amenities on the same terms and conditions as the other residents of the proposed residential development.

Replacement of all the other units proposed to be demolished is not required under Official Plan Policy 3.2.1.6 because all 10 rental units proposed for demolition had rents above mid-range rent at the time application.

Tenant Relocation and Assistance Plan

The proposed Tenant Relocation and Assistance Plan, which includes an extended notice period for all tenants and compensation beyond the requirements of the Residential Tenancies Act for Eligible Tenants, is consistent with Official Plan policies 3.2.1.6 and 3.2.1.12, and the City's current practices.

CONTACT

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SIGNATURE

David Sit, MCIP, RPP
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ATTACHMENT

Attachment 1: Location Map

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