TORONTO

REPORT FOR ACTION

150-160 Cactus Avenue – Rental Housing Demolition Application – Decision Report – Approval

Date: October 9, 2024

To: North York Community Council

From: Director, Community Planning, North York District

Ward: Eglinton-Lawrence

Rental Housing Demolition Application Number: 21 226756 NNY 18 RH

Related Planning Application Numbers: 21 226750 NNY 18 OZ

SUMMARY

This application proposes to demolish a total of 60 existing townhouse rental dwelling units at 150-160 Cactus Avenue. The 60 units will be replaced as part of the new development in two blocks of back-to-back stacked townhouse units. The proposal also includes a tenant relocation and assistance plan that addresses the right of existing tenants to return to replacement rental units at similar rents and provides financial compensation to mitigate hardship.

The properties are also the subject of Official Plan and Zoning By-law Amendment applications (21 226750 NNY 18 OZ) which were appealed to the Ontario Land Tribunal (OLT). The OLT issued a written decision on January 2, 2024, approving the Official Plan and Zoning By-law Amendments 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 No. 21 226756 NNY 18 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 60 existing rental dwelling units located at 150-160 Cactus Avenue, subject to the following conditions:

- a. The owner shall provide and maintain 60 replacement rental dwelling units on the subject site for a period of at least 20 years beginning from the date that each 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 replacement rental dwelling units shall collectively have a total gross floor area of at least 7,009 square metres and be comprised of least 32 two-bedroom townhouse units, 24 three-bedroom townhouse units, and 4 four-bedroom townhouse units, as generally illustrated in the plans submitted to the City Planning Division dated October 3, 2024. 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 60 replacement rental dwelling units required in Recommendation 1.a above, provide at least 23 two-bedroom townhouse units and 3 three-bedroom townhouse 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 8 two-bedroom townhouse units, 20 three-bedroom townhouse units and 4 four-bedroom townhouse units at mid-range rents, 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, all for a period of at least 10 years beginning from the date of first occupancy of each unit. The rents of the remaining 2 replacement rental dwelling units shall be unrestricted;
- c. The owner shall provide an acceptable Tenant Relocation and Assistance Plan for all Eligible Tenants of the 60 existing rental dwelling units proposed to be demolished at 150-160 Cactus Avenue, 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 60 replacement rental dwelling units with access to, and use of, all indoor and outdoor amenities in the proposed development 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 proposed development 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 60 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, and at similar monthly parking charges that such tenants previously paid. The remaining vehicle parking spaces shall be made available to

tenants of the replacement rental units to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

- g. The owner shall provide tenants of all 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;
- h. The owner shall provide and make available for rent at least 55 storage lockers to tenants of the replacement rental dwelling units. Each returning tenant will be provided with one storage locker at no cost. The remaining storage lockers shall be made available to the satisfaction of the Chief Planner and Executive Director, City Planning Division;
- i. At least 4 of the 60 rental replacement units shall be barrier free;
- j. The replacement rental dwelling units required in recommendation 1.a. above shall be made ready and available for occupancy no later than the date by which 70% of the new dwelling units in the proposed development, exclusive of the replacement rental dwelling units, are made available and ready for occupancy, subject to any revisions to the satisfaction of the Chief Planner and Executive Director, City Planning; and
- k. The owner shall enter into and register on title to the lands at 150-160 Cactus 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.j. 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 60 existing rental dwelling units located at 150-160 Cactus Avenue after all the following have occurred:
 - a. All conditions in Recommendation 1 above have been fully satisfied and secured:
 - b. The Official Plan and Zoning By-law Amendments) have 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 or as otherwise determined by the Chief Planner and Executive Director, City Planning Division;
 - 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 150-160 Cactus 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 rental replacement buildings on the site no later than 27 months 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 rental replacement buildings 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 October 11, 2023, City Council adopted an Appeal Report directing the City Solicitor and appropriate City staff to attend an OLT hearing to oppose the Official Plan and Zoning By-law Amendment application, and to continue discussions with the applicant in an attempt to resolve outstanding issues. The Request for Direction Report can be found at: https://secure.toronto.ca/council/agenda-item.do?item=2023.NY7.9

On November 8, 2023, City Council adopted a Request for Directions Report from the City Solicitor and endorsed a settlement offer for a revised development proposal. The Decision of City Council may be found here: https://secure.toronto.ca/council/agenda-item.do?item=2023.CC12.7

On January 2, 2024, the Ontario Land Tribunal issued a Decision and Interim Order approving, in principle, the Official Plan and Zoning By-law Amendments for 150-160 Cactus Avenue, subject to conditions. The decision can be found here: https://www.omb.gov.on.ca/e-decisions/OLT-23-000538-jan-02-2024.PDF

THE SITE

Existing Rental Dwelling Units

The buildings at 150-160 Cactus Avenue are comprised of six blocks of two-storey townhouses and currently contain a total of 60 rental dwelling units. The existing rental dwelling units are comprised of the following unit types and rent classifications:

Table 1: Existing Rental Dwelling Units by Bedroom Type and Rent Classification

Unit Type	Affordable Rent	Mid-range Rent	Above Mid- range Rent	Total
Two-Bedroom Townhouse	23	8	1	32
Three- Bedroom Townhouse	3	20	1	24
Four-Bedroom Townhouse	0	4	0	4
Total	26	32	2	60

At the time of this report, based on information provided by the applicant, 55 of the 60 units are occupied by Eligible Tenants and the remainder are vacant. All of the existing tenants rent at least one parking space.

THE APPLICATION

Description

The Official Plan and Zoning By-law Amendment application for the subject site was approved in principle by the OLT on January 2, 2024, subject to preconditions including City Council's approval of the Rental Housing Demolition application. The applications encompass the lands municipally known as 150-160 Cactus Avenue (see Attachment 1 - Location Map).

Once finalized, the Official Plan and Zoning By-law Amendment would permit the redevelopment of the subject site with an 12-storey apartment building, a 15-storey apartment building, and two blocks of 4-storey back-to-back stacked townhouses. The proposed development would contain a total of 467 new dwelling units, including 60 replacement rental units within the two blocks of 4-storey back-to-back stacked townhouses.

Replacement Rental Units

The proposed development would contain a total of 60 replacement rental dwelling units. They would be comprised of 32 two-bedroom townhouse units, 24 three-bedroom townhouse units and 4 four-bedroom townhouse units.

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 existing rental dwelling units.

All eligible tenants would receive the following:

- the right to return to a replacement rental unit of the same type, at similar rent;
- 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;
- additional compensation in the form of rent gap assistance;
- move-out and move-back 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), by available zones, for the period of construction for the replacement rental dwelling units (estimated to be 27 months). The average market 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) (PPS (2020)), and shall conform to provincial plans including A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020) (Growth Plan (2020)), the Greenbelt Plan and others.

On October 20, 2024 the Provincial Planning Statement (2024) comes into effect and combines the PPS (2020) and the Growth Plan (2020) into a single policy document. As of October 20, 2024, all decisions of Council in respect of the exercise of any authority that affects a planning matter shall be consistent with the Provincial Planning Statement (2024) (PPS 2024) and shall conform to provincial plans including the Greenbelt Plan (2017) 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.

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

COMMUNITY CONSULTATION

Tenant Meeting

On September 17, 2024, staff held a tenant 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 and rental replacement units. The meeting was held at St. Theodore of Canterbury Church at 111 Cactus Avenue and attended by 47 tenants, representatives of the applicant, the Councillor's office, and City staff.

Tenants asked questions and expressed concerns about the following matters:

- timing of the application and overall development;
- that the replacement units do not include space to replace the unfinished basement floorspace of the existing rental units. Tenants expressed concern about the loss storage space, home offices, and additional sleeping spaces;
- that the replacement units will only include 1 parking spot as a number of tenants currently have access to more than 1 parking spot;
- accessibility matters for households members with reduced mobility. These
 households were concerned that the lack of elevators and amount of stairs resulting
 from the stacked townhouse design will limit their ability return.
- loss of private outdoor space;
- reduction in the number of visitor parking spots;
- that the market rents used to determine rent gap assistance do not reflect the market and are too low to mitigate sufficient hardship;
- eligibility for special needs assistance; and,
- the challenges of finding alternative rental accommodation during the displacement period.

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), the Provincial Planning Statement (2024), and conformity with the Growth Plan (2020). In the opinion of Staff, the proposal is consistent with the PPS (2020) and the PPS (2024), and conforms with the Growth Plan (2020).

Rental Housing Demolition and Replacement

The 60 proposed replacement rental dwelling units, and associated conditions related to affordability and tenure, are appropriate and address the replacement requirements of Official Plan Policy 3.2.1.6. The applicant has agreed to provide and maintain the 60 replacement rental dwelling units within the proposed development for at least 20 years, beginning on the date the replacement rental dwelling units are first occupied.

The total gross floor area (GFA) of the sixty (60) replacement rental dwelling units is 7,009 square metres which exceeds the finished GFA of the existing rental dwelling units proposed to be demolished. The finished GFA of the existing two-bedroom townhouse units is 102.4 square metres while the size of the replacement rental two-bedroom townhouse units is 109.3 square metres. The average finished GFA of the

existing three-bedroom townhouse units is 116.1 square metres while the size of the replacement rental three-bedroom townhouse units is 122.1 square metres. The average finished GFA of the existing four-bedroom townhouse units is 132.6 square metres while the size of the replacement rental four-bedroom townhouse units is 145.5 square metres.

The proposal does not include replacement of unfinished areas in the basements of the existing units. Based on tenant feedback and comments regarding this loss of this unfinished space, the applicant has agreed to provide 55 storage lockers for use by tenants of the replacement units. Returning tenants will each be provided with one storage locker at no cost. Any remaining lockers will be made available to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

Replacement rental units will be secured at the same rent threshold that applied when the application was submitted for a period of at least 10 years. Twenty-six replacement rental dwelling units (23 two-bedroom townhouse and 3 three-bedroom townhouse units) will have 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. Thirty-two replacement rental units (8 two-bedroom townhouse, 20 three-bedroom townhouse and 4 four-bedroom townhouse units) will have mid-range rents, 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. Two replacement rental dwelling units (1 two-bedroom townhouse and 1 three-bedroom townhouse units) will have unrestricted rents.

Tenants that occupy one of the replacement rental units during the initial 10-year period will have rents that will only increase by the annual provincial Guideline until their tenancies end, irrespective of whether the Guideline applies to the proposed development under the Residential Tenancies Act, 2006 (RTA).

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

The applicant has agreed to provide 60 vehicle parking spaces for use of the tenants of the replacement rental dwelling units. Returning tenants who currently rent a vehicle parking space in the existing building will be offered a parking space at a similar monthly rate to what they are currently paying. Any remaining vehicle parking spaces will be made available to tenants of the replacement rental dwelling units to the satisfaction of the Chief Planner and Executive Director, City Planning Division.

In response to concerns about design and accessibility concerns, in particular the upper stacked townhouses, the applicant has modified the existing unit layouts and will prioritize the preference of returning tenants with mobility concerns. The applicant has agreed to provide at least 4 barrier free units, relocate the bedrooms in a number of units to the main floor or ground floor where possible and prioritize returning tenants with mobility needs during the unit selection process.

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 policy 3.2.1.6 and the City's current practices.

CONTACT

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SIGNATURE

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ATTACHMENT

Attachment 1: Location Map

