

150 The Donway West and 4 Overland Drive – Rental Housing Demolition Application – Decision Report – Approval

Date: February 12, 2025

To: North York Community Council

From: Director, Strategic Initiatives, Policy and Analysis

Ward: 16 - Don Valley East

Rental Housing Demolition Application Number: 22 234840 NNY 16 RH

Related Planning Application Number: 22 233150 NNY 16 OZ

SUMMARY

This report reviews and recommends approval of the Rental Housing Demolition application for 150 The Donway West and 4 Overland Drive which proposes to convert 10 2-bedroom rental dwelling units to 1-bedroom units to facilitate a connection between the existing and new proposed buildings. The 10 2-bedroom units would be replaced in the proposed 15-storey residential building on site.

The proposal includes a Tenant Assistance Plan that secures the right of existing tenants to move to a replacement rental unit of the same type at a similar size and rent, and provides other assistance to mitigate hardship.

The new development on the site is the subject of a related Zoning By-law Amendment application (22 233150 NNY 16 OZ). The proposed infill development would permit 9- and 15-storey residential buildings with a total of 230 new dwelling units, including 10 replacement rental units, on the site while retaining the existing 4- and 6-storey rental buildings which have 113 existing rental units. An approval report for the Zoning By-law Amendment application has been advanced concurrently with this Rental Housing Demolition Application approval report.

This report also recommends approval of the Residential Demolition Permit under Chapter 363 of the Toronto Municipal Code, subject to conditions.

RECOMMENDATIONS

The Director, Strategic Initiatives, Policy and Analysis recommends that:

1. City Council approve the Rental Housing Demolition application (File Number 22 234840 NNY 16 RH) in accordance with Chapter 667 of the Toronto Municipal Code and pursuant to Section 111 of the City of Toronto Act, 2006 to permit the demolition of six (6) existing rental dwelling units located at 150 The Donway West, and four (4) existing rental dwelling units located at 4 Overland Drive, subject to the following conditions:

a. The owner shall provide and maintain 10 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 923.1 square metres and be comprised of 10 two-bedroom units, as generally illustrated in the plans submitted to City Planning and dated July 5, 2024. Any revision to these plans shall be to the satisfaction of the Chief Planner and Executive Director, City Planning;

b. The owner shall, as part of the 10 replacement rental dwelling units required in Recommendation 1.a above, provide at least 7 two-bedroom units at affordable rents and 2 two-bedroom units at mid-range (moderate) rents as currently defined in the City's Official Plan, all for a period of at least 10 years beginning from the date of first occupancy of each unit. The rent for the remaining two-bedroom replacement rental dwelling unit shall be unrestricted;

c. The owner shall provide a Tenant Relocation and Assistance Plan to all eligible tenants of the 10 existing rental dwelling units, addressing the right to return to occupy one of the replacement rental dwelling units at similar rent, the provision of an alternative interim unit that is acceptable to the tenants or rent gap assistance indexed to the end of the notice period, and other assistance to lessen hardship, all to the satisfaction of, the Chief Planner and Executive Director, City Planning;

d. The owner shall provide tenants of all 10 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 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 the 10 replacement rental dwelling units with balconies or terraces for private and exclusive access by the tenants of such units;

g. The owner shall provide and make available for rent at least 7 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;

h. 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;

i. The owner shall provide and make available for rent a minimum of 8 storage lockers to eligible tenants of the replacement rental dwelling units at no charge;

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 The Donway West and 4 Overland 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.

2. City Council authorize the Chief Planner and Executive Director, City Planning, or their designate, to issue Preliminary Approval of the Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code for the demolition of the 10 existing rental dwelling units located at 150 The Donway West and 4 Overland Drive after all the following have occurred:

a. All conditions in Recommendation 1 above have been fully 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 Executive Director, Development Review 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;

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 to issue a Rental Housing Demolition Permit under Chapter 667 of the Toronto Municipal Code after the Chief Planner and Executive Director, City Planning, or their designate, 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 150 The Donway West and 4 Overland Drive after the Chief Planner and Executive Director, City Planning, or their designate, 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 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 at the discretion of the Chief Planner and Executive Director, City Planning; 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, 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 City Council's decision, including execution of the Section 111 Agreement and any other related agreements.

FINANCIAL IMPACT

City Planning confirms that there are no financial implications resulting from the recommendations included in this Report in the current budget year or in future years.

THE SITE AND SURROUNDING LANDS

Existing Rental Housing

There are two existing rental buildings on site with a total of 113 rental units. Both rental buildings will be retained. However, 10 two-bedroom units (6 units at 150 The Donway West and 4 units at 4 Overland Drive) are proposed to be converted to one-bedroom units to facilitate the connection with the proposed new residential buildings. Of these, 7 have affordable rents, 2 have mid-range moderate rents, and one unit has rent above mid-range moderate.

These 10 two-bedroom units will be replaced in one of the proposed residential buildings on site. As of the date of this report, all 10 units proposed for demolition were occupied by eligible tenants who will have the right to return to a two-bedroom replacement rental unit.

There are a total of 121 vehicle parking spaces currently on site, 19 of which are visitor spaces and 91 are being leased by tenants. There are also 79 storage lockers, all of which are currently being leased. Seven of these vehicle parking spaces and eight lockers are being leased by the tenants in the 10 units proposed to be demolished.

THE APPLICATION

Description

The Rental Housing Demolition application proposes to convert 10 two-bedroom units at 150 The Donway West and 4 Overland Drive to one-bedroom units and construct 10 replacement two-bedroom units in the new development. A related Zoning By-law Amendment application proposes to amend the Zoning By-law to permit the development of two new residential buildings at 9- and 15-storeys with a total of 230 new dwelling units.

Replacement Rental Units

The proposed new 15-storey residential building at 150 The Donway will contain all 10 replacement rental units. These units will be located on levels 9 to 13. Of these 10 two-bedroom units, 7 have affordable rents, 2 have mid-range moderate rents, and one has high-end rent.

The total gross floor area of the 10 existing rental units is 914.3 square metres and the replacement units will have a total gross floor area of 923.1 square metres, which represents over 100% of the existing rental gross floor area.

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 10 eligible tenants.

Eligible tenants will receive the following:

- the right to return to a replacement rental dwelling unit of the same unit type, similar size, and at similar rents;
- at least 6 months' notice before having to vacate their existing rental dwelling unit;
- alternative interim accommodation acceptable to the tenant, or if the tenant refuses the alternative interim accommodation offered or if no suitable alternative interim accommodation is available, financial compensation equal to 3 months' rent, as required by the Residential Tenancies Act, 2006 (RTA) and compensation above and beyond that required under the RTA, in the form of rent gap assistance. 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 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 5-17, for 36 months, indexed to the end of the notice period, and be paid out to each tenant in a lump sum on the date they provide vacant possession of their existing rental unit;
- the services of a rental leasing agent to assist tenants with finding interim accommodation;
- two moving allowances to assist with the cost of moving: the first for the move into alternative interim accommodation; the second for the move from the interim accommodation into a replacement rental dwelling unit; and,
- additional compensation and assistance for tenants with special needs, as determined by the Chief Planner and Executive Director, City Planning.

Reasons for Application

This application to redevelop the subject lands 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.

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 Planning Statement (2024), and shall conform to provincial plans.

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 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 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.

PUBLIC ENGAGEMENT

Tenant Meeting

City Planning staff held an in-person tenant meeting on October 1, 2024 to review the City's housing policies, the impact of the proposed demolition on existing tenants, the proposed Tenant Relocation and Assistance Plan, and the plans of the proposed replacement rental units. The meeting was attended by 8 of the 10 eligible tenants while 2 tenants sent representatives. Also present at the meeting were representatives of the applicant, Development Review staff, and the local Councillor. A copy of the presentation was provided to tenants prior to the meeting and tenants who would not be able to attend the meeting were encouraged to reach out to City staff with any questions they may have.

During the meeting, tenants asked questions regarding:

- the timing of the demolition and timing for the move into new replacement rental units;
- rent gap payments, moving allowances, and special needs allowances;
- additional financial assistance if construction is delayed;
- whether rent gap payments are considered income;
- definition of rent and how this will be calculated in the new units;
- parking and lockers and whether these would still be available in the new building; and,
- alternative interim accommodation and whether tenants would have the option to choose either an alternative unit or rent gap payments.

COMMENTS

Provincial Planning 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 PPS (2024). Staff find the proposal consistent with the PPS (2024)

Replacement Rental Housing

Staff are satisfied with the proposal to replace the 10 existing rental housing units by their respective bedroom type and size. The replacement proposal accounts for over 100% of the existing rental gross floor area. The applicant will provide and maintain the replacement rental units as rental housing for at least 20 years, beginning on the date the replacement rental units are first occupied.

Rents for the replacement rental units will be set at the same affordability level as the existing units for a period of at least 10 years. Accordingly, the 10 replacement units will include 7 with affordable rents, 2 with mid-range moderate rents, and one with unrestricted rent. 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 10 replacement rental dwelling units will be provided with balconies or private outdoor terraces, 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 any other resident of the building.

The applicant has agreed to provide at least 7 parking spaces and 8 storage lockers for 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. One storage locker will be provided to returning tenants who currently rent a storage locker at a similar monthly rate to what they are currently paying. Eligible tenants who currently have a vehicle parking space and/or storage locker at no extra charge, i.e., included in their rent, will be provided a parking space and/or storage locker at no extra charge in the new building. Any remaining vehicle parking spaces and storage lockers will be made available to tenants of the replacement rental dwelling units to the satisfaction of the Chief Planner and Executive Director, City Planning.

The 10 replacement rental units and associated conditions address the replacement requirements of Official Plan policy 3.2.1.6 and will be secured through an agreement pursuant to Section 111 of the City of Toronto Act, 2006, to the satisfaction of the Chief Planner and Executive Director, City Planning.

Tenant Relocation and Assistance Plan

The recommended Tenant Relocation and Assistance Plan, which includes an offer for alternative interim accommodation 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.

The Tenant Relocation and Assistance Plan will be secured through an agreement pursuant to Section 111 of the City of Toronto Act, 2006, to the satisfaction of the Chief Planner and Executive Director, City Planning.

CONTACT

Johanna Hashim, Senior Planner, Strategic Initiatives, Policy and Analysis (Housing), 416-396-4288, Johanna.Hashim@toronto.ca

SIGNATURE

Corwin Cambray, MCIP, RPP
Director, Strategic Initiatives, Policy and Analysis
City Planning

ATTACHMENTS

Attachment 1: Location Map

Attachment 1: Location Map

