

64-66 Wellesley Street East and 552-570 Church Street – Rental Housing Demolition Application – Amending Report

Date: June 17, 2026

To: Toronto and East York Community Council

From: Director, Strategic Initiatives, Policy and Analysis

Ward: 13 - Toronto Centre

Rental Housing Demolition Application Number: 21 235906 STE 13 RH

Related Planning Application Number: 21 235897 STE 13 OZ; 26 119147 STE 13 OZ

SUMMARY

This report recommends approval of a revised Rental Housing Demolition application which proposes to demolish 65 rental dwelling units located at 64-66 Wellesley Street East and 552-570 Church Street.

The demolition of the 65 rental dwelling units was previously approved by City Council at its meeting on July 19 and 20, 2023 (21 235906 STE 13 RH) in conjunction with Official Plan and Zoning By-law Amendment application (21 235897 STE 13 OZ) proposing a 31-storey mixed-use building with 405 dwelling units, including 65 replacement rental units. Since then the applicant has submitted a new Official Plan and Zoning By-law Amendment application (26 119147 STE 13 OZ) to construct a 36-storey mixed-use building with 409 dwelling units, including the 65 replacement rental units.

This report replaces the original recommendations approved by City Council with new recommendations securing updates to the replacement floor plans based on the new development proposal, and an updated Tenant Assistance Plan that is consistent with the City's current practices, while maintaining other required aspects of the previously approved approach to replacing rental housing. These new recommendations are reflected in changes to Parts 4a., 4c. and 4j., 5b., and 5d. below, whereas the remaining recommendations remain unchanged from the July 19 and 20, 2023 Council decision. The new recommendations also include the property at 562 Church Street which was part of the original applications but the address was omitted from the previous report's title and recommendations.

An approval report for the Official Plan and Zoning By-law Amendment application has been advanced concurrently with this revised Rental Housing Demolition application approval report.

RECOMMENDATIONS

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

1. City Council amend its decision on Item 2023.TE6.23 by deleting parts 4., 5., 6., and 7., and replacing them with the following new Parts:

4. City Council approve the Rental Housing Demolition Application File No. 21 235906 STE 13 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 65 existing rental dwelling units at 64-66 Wellesley Street East, subject to the following conditions:

a. The Owner shall provide and maintain 65 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; during this period, no application may be submitted to the City for condominium registration, conversion to a non-residential rental purpose, or demolition without replacement of the rental units proposed to be demolished; the replacement rental dwelling units shall collectively contain a total gross floor area of at least 3,093 square metres and be comprised of 50 studio units, 11 one-bedroom units, and 4 two-bedroom units, as generally illustrated in the plans prepared by Diamond Schmitt Architects and dated May 6, 2026, with any revisions to these plans being to the satisfaction of the Chief Planner and Executive Director, City Planning;

b. as part of the 65 replacement rental dwelling units required in Part 4.a. above, the Owner shall provide and maintain at least 36 studio units, 11 one-bedroom units and 4 two-bedroom units at affordable rents as defined as gross monthly rent inclusive of utilities that is 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 at least 14 studio units at mid-range rents, defined as gross monthly rent inclusive of utilities that exceeds affordable rent but is no greater than one 1.5 times the average City of Toronto rent by unit type, as reported annually by the Canada Mortgage and Housing Corporation, all for a period of at least 10 years beginning from the date of first occupancy of each unit;

c. The Owner shall provide a Tenant Assistance Plan for tenants of the 65 existing rental units proposed to be demolished that reflects the City's most current tenant assistance practices as generally outlined in the Item 2025.PH20.2 - Implementation Guidelines for Rental Replacement, adopted by City Council during its meeting on April 23 and 24, 2025 to the satisfaction of the Chief Planner and Executive Director, City Planning;

d. the Owner shall provide tenants of all 65 replacement rental dwelling units with access to, and use of, all indoor and outdoor amenities in the proposed development, at no extra charge, and on the same terms and

conditions as any other resident of the development, without separate entrances or 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 in each replacement rental dwelling unit at no additional cost to tenants;

f. the Owner shall provide central air conditioning in each replacement rental dwelling unit at no additional cost to tenants;

g. the Owner shall provide and make available vehicular parking spaces to tenants of the replacement rental dwelling units on the same terms and conditions as any other resident of the development;

h. the Owner shall provide tenants of all replacement rental dwelling units with access to bicycle and vehicle parking on the same terms and conditions as any other resident of the proposed development;

i. the replacement rental dwelling units required in Part 4.a. above shall be made ready and available for occupancy no later than the date by which 70 percent of the new dwelling units in the proposed development, exclusive of the replacement rental 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

j. the Owner shall enter into, and register on title to the lands at 64-66 Wellesley Street East and 552-570 Church Street, an agreement pursuant to Section 111 of the City of Toronto Act, 2006, to secure the conditions outlined in Parts 4.a. through 4.i. above, all to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning.

5. City Council authorize the Chief Planner and Executive Director, City Planning 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 65 rental dwelling units located at 64-66 Wellesley Street East after all the following have occurred:

a. all conditions in Part 4 above have been fully satisfied or secured;

b. the Official Plan Amendment and Zoning By-law Amendment for Application 26 119147 STE 13 OZ have 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 authorized by the Chief Planner and Executive Director, City Planning; and

d. the Owner has confirmed, in writing, that all existing rental dwelling units proposed to be demolished are vacant.

6. 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 has given Preliminary Approval referred to in Part 5 above.

7. 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 64-66 Wellesley Street East after the Chief Planner and Executive Director, City Planning has given Preliminary Approval referred to in Part 5 above, which may be included in the Rental Housing Demolition Permit under Chapter 667 pursuant to Section 363-6.2 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 mixed-use building on the site no later than three years from the date on which 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; and

d. should the Owner fail to complete the proposed mixed-use building containing the 65 replacement rental units within the time specified in Part 7.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.

FINANCIAL IMPACT

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 19 and 20, 2023, City Council approved applications for an Official Plan and Zoning By-law Amendment and Rental Housing Demolition at 64-66 Wellesley Street East, 552-560 Church Street, and 564-570 Church Street to permit a 31-storey residential building containing 405 dwelling units, including 65 replacement rental units.

The decision document can be found here:

<https://secure.toronto.ca/council/agenda-item.do?item=2023.TE6.23>

THE SITE

Description

The site has an area of approximately 3,027 square meters and is located at the north west corner of Church Street and Wellesley Street East. (see Attachment 1: Location Map). The subject site is currently occupied by 3 commercial buildings, 1 apartment building, 1 mixed-use residential and commercial building and a small parcel of undeveloped land.

Existing Rental Housing

The buildings at 64 and 66 Wellesley Street East currently contain a total of 65 rental dwelling units of which 59 units are located in a five-storey rental building at 64 Wellesley Street East, and 6 of the units are located in a mixed-use building at 66 Wellesley Street East. At the time of this report, 38 units are occupied and 27 are vacant. The breakdown by unit type and rent classification of the building at the time of application is outlined in Table 1 below.

Table 1: Existing Rental Dwelling Units and Rent Classifications

Unit Type	Affordable	Mid-range	Total
Studio	37	14	51
One-bedroom	13	0	13
Two-bedroom	1	0	1
Total	51	14	65

THE APPLICATION

Description

The revised Rental Housing Demolition application continues to propose the demolition and replacement of all 65 rental units on the site. The applicant has provided updated floor plans to reflect the built form changes proposed by the new related Official Plan and Zoning By-law Amendment application to construct a 36-storey mixed use building containing a total of 409 residential units, including the 65 replacement rental units. The

previous application approved by City Council proposed a 31-storey mixed-use building, containing 405 dwelling units, including the 65 replacement rental units.

Replacement Rental Units

The total gross floor area of the 65 replacement rental units proposed in the revised application is 3,093 square metres, which is 105% of the gross floor area of the existing rental units proposed to be demolished.

The proposed replacement rental units will have the same unit type and rent classification as previously approved and are outlined in Table 2 below.

Table 2: Proposed Replacement Rental Dwelling Units and Rent Classifications

Unit Type	Affordable	Mid-range	Total
Studio	36	14	50
One-bedroom	11	0	11
Two-bedroom	4	0	4
Total	51	14	65

Tenant Assistance Plan

As part of the revised Rental Housing Demolition application, an updated Tenant Assistance Plan will be provided. The Plan is consistent with the City's implementation approach as outlined in the [Rental Housing Demolition and Replacement Handbook](#) and will include the following:

All tenants, regardless of when they moved in, will receive the following:

- at least six months' notice before having to vacate their existing dwelling unit;
- compensation equal to three months' rent, pursuant to the Residential Tenancies Act (RTA); and
- additional compensation for tenants with special needs, as determined by the Chief Planner.

Eligible tenants—those tenants who moved in prior to the Rental Housing Demolition application being submitted—will receive the following additional assistance:

- the right to return to a rental replacement unit of the same type, at similar rent;
- rent gap assistance to assist tenants in paying market rents for the period between when they move out and can return, estimated at 36 months;
- additional rent gap assistance if tenants cannot return as scheduled;
- move-out and move-back moving allowances; and
- services of a rental leasing agent to help tenants find and apply to suitable interim housing.

Reasons for Application

A revised application under Chapter 667 of the City's Municipal Code, the Rental Housing Demolition and Conversion By-law, is required to amend the former conditions of approval due to the submission and consideration of a new related Official Plan and Zoning By-law amendment application.

The Rental Housing Demolition application was originally submitted on November 9, 2021. Staff completed a site visit in May of 2023 and held a tenant meeting on May 23, 2023. Council originally approved the application on July 19 and 20, 2023.

The applicant submitted a new Official Plan and Zoning By-law Amendment application with an updated approach to rental replacement on February 20, 2026. An associated tenant meeting was held on April 9, 2026, details of which are summarized in the Public Engagement section of this report. The applicant submitted revised rental replacement floor plans to the City, dated May 6, 2026.

POLICY AND 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 assistance plan, addressing the right to return to the replacement units at similar rents and other assistance to lessen hardship.

The City's [Rental Housing Demolition and Replacement Handbook](#) outlines how Policy 3.2.1.6 is typically implemented.

PUBLIC ENGAGEMENT

Tenant Meeting

An in-person meeting was held on April 9, 2026, to provide tenants with information about the revisions to the replacement building, replacement unit floor plans and Tenant

Assistance Plan. The meeting was attended by 16 tenants, representatives of the applicant, City Planning and Development Review staff, and a representative of the local councillor's office. Tenants also submitted written correspondence with additional comments.

Tenants asked questions and expressed concerns about:

- The construction timeline and when tenants will be required to vacate their existing rental units;
- Access to parking and amenities in the new building;
- Seniority and the process for selecting and returning to a replacement rental unit;
- Eligibility for the right to return to a replacement unit;
- What financial compensation would be provided under the City-approved Tenant Assistance Plan and how it would be administered to tenants; and
- Whether the City has contingencies in place for construction delays.

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 that the revised application is consistent with the previous approval in terms of the approach to rental replacement, while also reflecting the City's current implementation practices.

The replacement proposal includes replacing one affordable studio unit as an affordable one-bedroom unit and 3 affordable one-bedroom units as affordable two-bedroom units. This approach aligns with the previous rental housing demolition approval and will allow for units with improved layouts and functionality for new and returning tenants. The remaining 61 units will be replaced by units of the same bedroom type and affordability level.

The replacement rental units will include ensuite laundry and central air conditioning, which is an improvement to the existing condition. Tenants will also have access to bicycle parking, visitor parking, and all indoor and outdoor amenities, on the same terms and conditions as other residents of the building.

The replacement units will be maintained as rental housing for at least 20 years, beginning on the date the replacement rental units are first occupied, and 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 RTA.

This report also provides revised conditions of approval to secure an updated Tenant Assistance Plan that is consistent with the City's current practices as outlined in the [Rental Housing Demolition and Replacement Handbook](#). The updated Tenant Assistance Plan includes using average rents for rental units built after 2015 for the basis of the rent gap assistance, providing special needs assistance that is equal to four months of City of Toronto Average Market Rent, and enhanced communication for impacted tenants.

Overall, staff are satisfied that the updated approach to the replacement rental housing and tenant assistance meet the requirements of Official Plan policy 3.2.1.6.

The rental replacement matters and tenant 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

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SIGNATURE

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

ATTACHMENTS

Attachment 1: Location Map - 64-66 Wellesley Street East and 552-570 Church Street

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