

Housing Issues Report

**2634, 2636, 2640, 2642 & 2654
Eglinton Avenue West and 1856
& 1856A Keele Street**

City of Toronto

Prepared for
Fora Developments

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1 Introduction

This Housing Issues report has been prepared in support of an application by Fora Developments to amend the former City of York Zoning By-law 1-83, as amended and City-wide Zoning By-law 569-2013, as amended with respect to the lands at the northwest corner of Eglinton Avenue West and Keele Street, municipally known as 2634, 2636, 2640, 2642 & 2654 Eglinton Avenue West and 1856 & 1856A Keele Street (the "subject site"). See **Figure 1**.

The subject site contains a one-storey commercial building and a 2-storey mixed-use building which is occupied by retail on the ground floor and dwelling units above, including two 1-bedroom units and two 2-bedroom units. The Housing Issues Report examines the applicability to the City's rental replacement policies pursuant to Section 3.1.2 of the City of Toronto Official Plan and Section 111 of the City of Toronto Act.

Section 111 of the City of Toronto Act gives the City authority to protect rental housing in the city. In accordance with the provisions in that Section, the City of Toronto prohibits the demolition and conversion of any rental housing on properties that contain six or more related units unless a permit has been issued under Chapter 667 of the Municipal Code. To that end, the subject site contains less than six dwelling units with affordable rents, and therefore a permit to demolish rental housing under chapter 667 of the Municipal Code does not apply.

The City of Toronto Official Plan Policy 3.2.1(6) applies when six (6) or more rental units are proposed to be removed as part of a new development. The subject site contains a total of four (4) rental units, and therefore, Policy 3.2.1(6) does not apply.

On behalf of the applicant, we are pleased to submit this Housing Issues Report, which addresses Section 111 of the City of Toronto Act and the Toronto Official Plan housing policies, as they apply to the proposed redevelopment of the subject site. In our opinion, the proposed development conforms with the relevant provincial and municipal policies governing housing in the City of Toronto.

We note that the following information contained in this report has been provided to us by the applicant. Bousfields Inc. has relied upon the information provided to complete this report and is not responsible for the accuracy of said information.

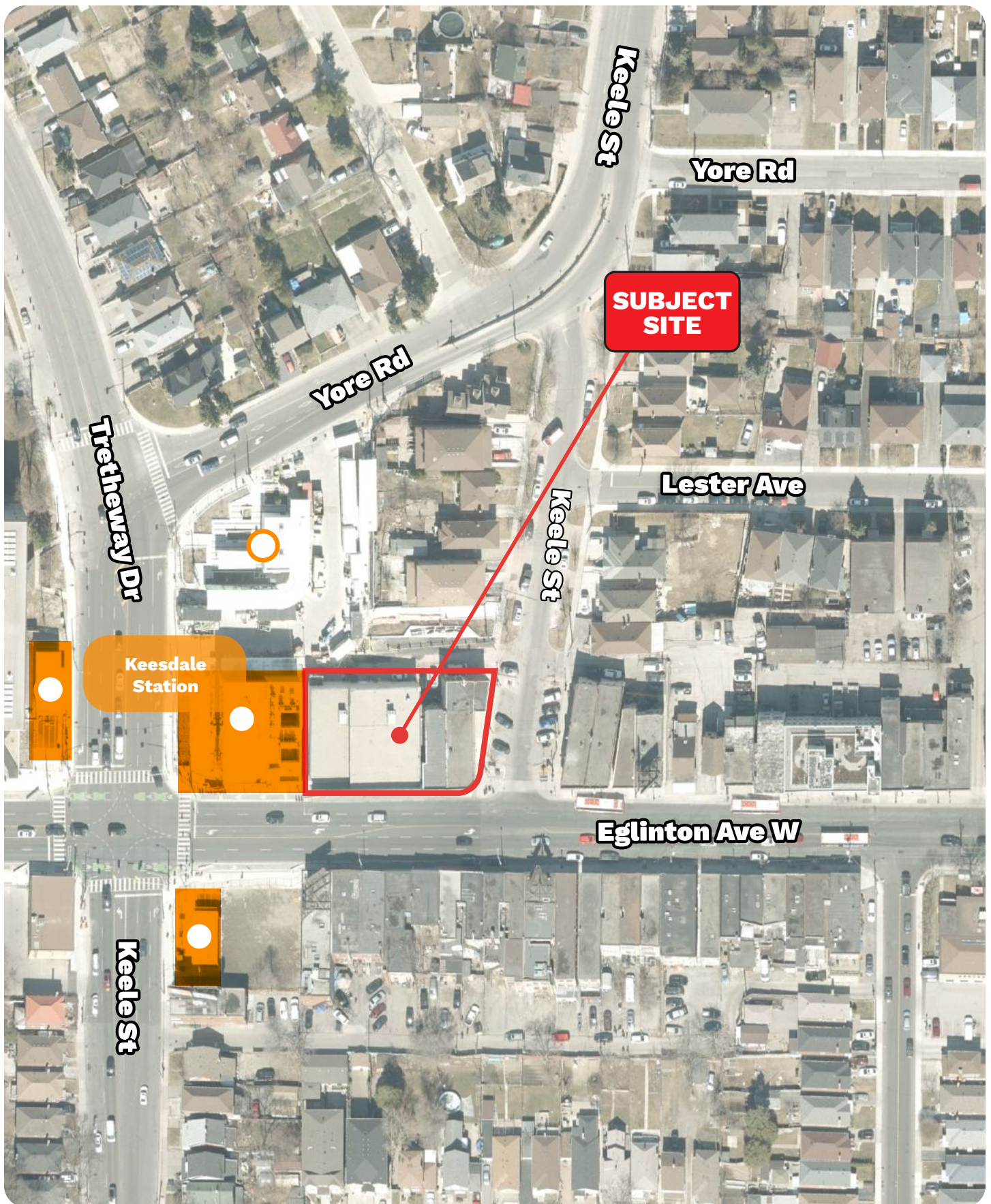


Figure 1 - Aerial Photo - Site Context

2 Subject Site

2.1 Description of Subject Site

The subject site is located at the northwest corner of Eglinton Avenue west and Keele Street. The subject site is rectangular in shape and consists of an assembly of six (6) properties municipally known as 2634, 2636, 2640, 2642 & 2654 Eglinton Avenue West and 1856 & 1856A Keele Street. The properties collectively comprise an area of approximately 1,350 square metres with frontages of 31 metres along Keele Street and approximately 42.5 metres along Eglinton Avenue West.

The subject site is currently occupied by two residential and retail buildings with several businesses, including Dollar Tree, a beauty shop, a nail salon, and a restaurant, and residential units above the ground floors. The subject site has excellent access to transit infrastructure as it is located immediately adjacent to the new Keelesdale LRT station.

2.2 Existing Dwelling Units

The subject site contains of four existing residential rental dwelling units on the second floor of the building at 2634-2642 Eglinton Avenue West and 1856 Keele Street. Each tenant has separately metered hydro services and pays the bills directly. Gas only services the boilers for these buildings and are paid by the building. Water is also paid by the building.

As outlined in **Table 1** below, the mix of rental units for 2634 and 2640 Eglinton Avenue West as well as 1856A Keele Street includes two 2-bedroom units, and two 1-bedroom units, all of which are currently occupied by tenants. The average unit size for a 1-bedroom unit on the subject site is 450 square feet, whereas the average size for a 2-bedroom unit is approximately 800 square feet.

The proposed development will require the demolition of all four (4) rental units.

Table 1 - Existing Rental Units (Unit Typology and Size)

	Building Address	Unit Type	Unit Size (Sq. ft)	Status
1	2640 Eglinton Avenue West (2 nd Floor, Unit 1)	1-bedroom	450 sq. ft	Occupied
2	2640 Eglinton Avenue West (2 nd Floor, Unit 2)	1-bedroom	450 sq. ft	Occupied
3	2634 Eglinton Avenue West (2 nd Floor, Unit 2)	2-bedroom	1,000 sq. ft	Occupied
4	1856A Keele Street (2 nd Floor)	2-bedroom	600 sq. ft	Occupied

3 Proposal

The proposed rezoning application would permit a 33-storey (112.1 metres including the mechanical penthouse) mixed use building, comprised of a total of 370 new residential units. The proposal includes a total gross floor area of 22,529 square metres, comprised of 22,205 square metres of residential gross floor area and 324 square metres of non-residential/retail gross floor area. The proposal contains 63 vehicle parking spaces within 3 levels of underground parking.

The proposal includes a total of 370 condominium units, comprised of a mix of unit types, including 179 (48%) 1-bedroom units, 154 (42%) 2-bedroom units, and 37 (10%) 3-bedroom units. The proposed unit mix is consistent with the Growing Up Guidelines which dictate that buildings should provide a minimum of 25% large units, including a minimum of 10% of 3-bedroom units. A summary of the proposed residential units, including the number of units and unit typology are included in **Table 2**.

Table 2 - Proposed Residential Units

Unit Type	# Of Units
One-bedroom	145
One-bedroom + Den	35
Two-bedroom	125
Two-bedroom + Den	29
Three-bedroom	37
Total	370

A total of 1,357 square metres of amenity space is proposed, including 735 square metres of indoor amenity space (2.0 square metres per unit) and 622 square metres of outdoor amenity space (1.7 square metres per unit). The outdoor and indoor amenity spaces are primarily situated on Level 4; however, other amenity spaces are provided on Levels 1 and 7.

Greater detail on the proposal, including proposed built form and landscaping enhancements, is included in the Planning and Urban Design Rationale, dated December 2022, and prepared by Bousfields Inc.

4 Applicable Policy and Regulatory Context

The following subsections highlight portions of the provincial and municipal policy and regulatory framework applicable to the subject site, particularly with respect to the provision of housing. Further policy details are included in the Planning and Urban Design Rationale, dated December 2022, prepared by Bousfields Inc.

4.1 Provincial Policies

Provincial Policy Statement (2020)

On February 28, 2020, the Ministry of Municipal Affairs and Housing released the Provincial Policy Statement, 2020 (the "PPS"), which came into effect on May 1, 2020. The 2020 Provincial Policy Statement provides policy direction on matters of provincial interest related to land use planning and development. With respect to housing, Policy 1.4.3 requires planning authorities to provide for an appropriate range and mix of "housing options" and densities to meet projected market-based and affordable housing needs of current and future residents, including:

- permitting and facilitating all housing options required to meet the social, health, economic and well-being requirements of current and future residents, and all types of residential intensification, including additional residential units, and redevelopment in accordance with Policy 1.1.3.3;
- directing the development of new housing towards locations where appropriate levels of infrastructure and public service facilities are or will be available to support current and projected needs;
- promoting densities for new housing which efficiently use land, resources, infrastructure, and public service facilities, and support the use of active transportation and transit in areas where it exists or is to be developed;
- requiring transit-supportive development and prioritizing intensification in proximity to transit, including corridors and stations; and
- establishing development standards for residential intensification, redevelopment, and new residential development which minimize the cost of housing and facilitate compact form, while maintaining appropriate levels of public health and safety.

Growth Plan (2019)

A Place to Grow: The Growth Plan for the Greater Golden Horseshoe, 2019 (the "2019 Growth Plan") came into force on May 16, 2019. Subsequently, on August 28, 2020, the 2019 Growth Plan was amended by Growth Plan Amendment No. 1. The amendment includes changes to the population and employment forecasts, the horizon year of planning and other policies to increase housing supply, create jobs, attract business investment, and better align with infrastructure. All decisions made on or after this date in respect of the exercise of any authority that affects a planning matter will conform with the 2019 Growth Plan, subject to any legislative or regulatory provisions providing otherwise.

Policy 2.2.6(1) of the Growth Plan requires municipalities to support housing choice through, among other matters, the achievement of the minimum intensification and density targets in the Growth Plan by identifying a diverse range and mix of housing options and densities to meet projected needs of current and future residents, including establishing targets for affordable ownership and rental housing. Policy 2.2.6(2) states that, in implementing Policy 2.2.6(1), municipalities will support the achievement of complete communities by: planning to accommodate forecasted growth; planning to achieve the minimum intensification and density targets; considering the range and mix of housing options and densities of the existing housing stock; and planning to diversify the overall housing stock across the municipality. Furthermore, Policy 2.2.6(3) states that municipalities will consider the use of available tools to require that multi-unit residential developments incorporate a mix of unit sizes to accommodate a diverse range of household sizes and incomes to support the achievement of complete communities.

4.2 Municipal Policy Framework

Development projects in the City of Toronto that involve the demolition and conversion of rental housing are governed by several policies and regulations that establish how rental housing stock and rights of the tenants are protected, maintained, and secured.

The Toronto Official Plan contains policies for protecting rental housing and tenant rights. Through the Toronto Municipal Code (Section 667) and Section 111 of the City of Toronto Act, the City has formalized the Plan's criteria into a process that landowners must follow when removing existing rental housing units. This process is referred to as the Rental Housing Demolition and Conversion application process (the "RHDC").

The RHDC application process reviews a development proposal as it relates to the impacts on existing units and tenants. Under this process, a proposal is reviewed in terms of its consistency with City's objectives, protection of rental housing and tenant rights and results in the securement of rental replacement units and a tenant relocation strategy, if applicable.

4.3 City of Toronto Official Plan

Section 3.2.1 of the Official Plan sets out the Housing policies. The Official Plan recognizes that adequate and affordable housing is a basic requirement for everyone, and that the City's quality of life, economic competitiveness, social cohesion, balance, and diversity depend on it. The introductory text to Section 3.2.1 goes on to provide areas of focus for housing policies, including the preservation of the existing stock of rental housing.

The Official Plan policies relevant to the subject site and the proposal are as follows:

- Policy 3.2.1(1) provides that "a full range of housing in terms of form, tenure and affordability will be provided to meet the current and future needs of residents. A full range of housing includes ownership and rental housing, affordable and mid-range rental and ownership housing, social housing, shared and/or congregate-living housing arrangements, supportive housing, emergency and transitional housing for homeless people and at-risk groups, housing that meets the needs of people with physical disabilities and housing that makes more efficient use of the existing housing stock."
- Policy 3.2.1(2) indicates that the existing housing stock will be maintained, improved, and replenished and that the City will encourage the renovation and retrofitting of older residential apartment buildings. The Plan further notes that new housing supply will be encouraged through intensification and infill that is consistent with the Official Plan.
- Policy 3.2.1(3) provides that investment in new rental housing, particularly affordable rental housing, will be encouraged by a coordinated effort from all levels of government through implementation of a range of strategies. In accordance with the Official Plan definitions, 'rental housing' is defined as:
"...a building or related group of buildings containing one or more rented residential units, including vacant units that have been used for rented residential purposes, and units that are being or have last been used for rented residential purposes in equity co-operative or co-ownership housing, but does not include condominium-registered or life-lease units".
- Policy 3.2.1(6) provides conditions of approval for new development that would remove all or part of a private building or related group of buildings and would result in the loss of six or more rental housing units. This policy states that new development that would result in the loss of six or more rental housing units will not be approved unless:
 - a. All of the rental housing units have rents that exceed 'Mid-range' rents at the time of the application; or
 - b. in cases where planning approvals other than site plan are sought, the following are secured:
 - i. The replacement and maintenance of at least the same number, size and type of rental housing units, with rents similar to those in effect at the time the redevelopment application is made;
 - ii. for a period of at least 10 years, rents for replacement units will be the rent at first occupancy increased annually by not more than the Provincial Rent Increase Guideline or a similar guideline as Council may approve from time to time; and
 - iii. an acceptable tenant relocation and assistance plan addressing the right to return to occupy one of the replacement units at similar rents, the provision of alternate accommodation at similar rents, and other assistance to lessen hardship.
 - c. in Council's opinion, the supply and availability of rental housing in the City has returned to a healthy state and is able to meet the housing requirements of current and future residents.
- Policy 3.2.1(12) provides that 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 will not be approved unless an acceptable tenant relocation and assistance plan is provided to lessen hardship for existing tenants.

As discussed in detail in Section 5.0 below, it is our opinion that the Proposal conforms to the applicable Official Plan housing policies.

4.4 Relevant Planning Process

In our opinion, the proposal conforms with the City of Toronto Official Plan and, in particular, is permitted by the Mixed Use Areas designation.

The proposal requires an amendment to the former City of York Zoning By-law 1-83, as amended and City-wide Zoning By-law No. 569-2013, as amended, in order to increase the permitted height and density and to revise other development standards as necessary to accommodate the proposal.

This Housing Issues Report has been prepared in support of the above noted applications. The proposal does not require a Rental Housing Demolition and Conversion application given that less than six dwelling units with affordable rents exist on the subject site today.

5 Analysis and Opinion

The proposed development will result in the construction of new housing on an underutilized site in a compact urban form that supports the wider policy objectives of the Provincial Policy Statement, the Growth Plan and Official Plan.

5.1 Policy Analysis

The proposal will both enhance and add to the existing housing stock in the area, in conformity with the intent of Policies 3.2.1(1) and 3.2.1(2) of the Official Plan. As per Policy 3.2.1(1), the proposal contributes to a full range of housing in terms of both form and tenure as it will replace the existing rental units and maintain the housing stock within the area. In conformity with Policy 3.2.1(2), the proposal ensures that the existing housing stock will be replaced, and the overall housing stock will be replenished through intensification and infill on a site that is currently underutilized. The proposed development will add a significant number of high-quality units with excellent transit accessibility to the City's housing stock. As discussed in Section 3 of this report, a range of unit types and sizes will be provided, which will contribute to the dwelling unit options in the neighbourhood. All the units will have access to the proposed amenity spaces, as well as access to nearby retail opportunities and amenities.

As noted above, Policy 3.2.1(6)(b)(i) states that new development that would result in the loss of six (6) or more rental housing units requires the replacement of the existing rental units with "at least the same number, size and type" of rental housing units that are "similar to those in effect at the time the redevelopment application is made". Additionally, Policy 3.2.1(6)(b)(ii) establishes certain requirements for rental housing units. It requires the preparation of an acceptable tenant relocation and assistance plan, and that for a period of at least 10 years, rents for replacement units will be the rent at first occupancy increased annually by not more than the Provincial Rent Increase Guideline or a similar guideline as Council may approve. The subject site contains a total of four (4) rental units, and therefore, Policy 3.2.1(6) does not apply.

Policy 3.2.1(12) provides that 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 will not be approved unless an acceptable tenant relocation and assistance plan is provided to lessen hardship for existing tenants. The existing stock of rental units on the site consists of four (4) units located at 2634 and 2640 Eglinton Avenue West and 1856A Keele Street, all of which are currently occupied by tenants. As such, it is our opinion that Policy 3.2.1(12) applies to the subject site. A Tenant Relocation and Assistance Plan will be developed in collaboration with the Applicant, the City, and the tenants through the development review process.

Section 111 of the City of Toronto Act prohibits the demolition or conversion of any rental housing on properties that contain six or more related units unless a permit has been issued under Chapter 667 of the Municipal Code. To that end, the subject site contains less than six dwelling units with affordable rents, and therefore a permit to demolish rental housing under chapter 667 of the Municipal Code does not apply.

5.2 Affordability Analysis

The Official Plan defines “affordable rents” as housing where the total monthly shelter cost (gross monthly rent including utilities but excluding parking and cable television charges) is at or below one times the average City of Toronto rent, by unit type, as reported annually by the Canada Mortgage and Housing Corporation (CMHC). “Mid-range rents” is housing where the total monthly shelter costs exceed affordable rents but fall below one and one-half times the average City of Toronto rent. “High-end rent” is housing above this threshold. The applicable 2022 rent limits by relevant unit type are included in **Table 3**.

Table 3 - 2022 Rent Thresholds Reported by the CMHC

Unit Type	Affordable Rent	Mid-Range Rent
Bachelor	\$1,225 or less	\$1,226 to \$1,837
1-Bedroom Apartment	\$1,446 or less	\$1,447 to \$2,168
2-Bedroom Apartment	\$1,703 or less	\$1,704 to \$2,554
3-Bedroom Apartment	\$1,953 or less	\$1,954 to \$2,929

In accordance with the Official Plan policies, the gross monthly rent analyzed for this report includes utility costs and excludes extra amenities such as paid parking and cable for tenants at 2634-2654 Eglinton Avenue West and 1856 Keele Street. With respect to utilities, the applicant has advised that only gas and water utilities are included within the net rent amount for the existing units, and that tenants pay their hydro utilities separately. As such, the applicable monthly cost for hydro, published online by the City of Toronto ‘Affordable Housing Utility Allowances’, was added to the monthly net rent of existing units on site.

A summary of the affordability analysis is set out in **Table 4** below. All the units on the subject site offer affordable rents. There are four (4) affordable units, including two (2) affordable 1-bedroom units (\$1,446 or less) and two (2) affordable 2-bedroom units (\$1,703 or less).

Table 4 - Unit Affordability Analysis

Unit Type	Affordable Units		Mid-Range Units	
	Vacant	Occupied	Vacant	Occupied
Bachelor	0	0	0	0
1-Bedroom	0	2	0	0
2-Bedroom	0	2	0	0
3-Bedroom	0	0	0	0
Total	0	4	0	0

5.3 Tenant Relocation and Assistance

Policy 3.2.1(12) provides that 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 will not be approved unless an acceptable tenant relocation and assistance plan is provided to lessen hardship for existing tenants. No specific terms are set out for the tenant relocation and assistance plan, and it is understood that such terms are intended to be determined on a development-by-development basis.

The Residential Tenancies Act, 2006 requires that, if notice of termination of a tenancy is given for the purpose of termination where the landlord requires possession of the rental unit in order to demolish it, the date of termination shall be at least 120 days from the day on which the notice is given. If a tenancy is terminated for the purpose of the demolition, the Act requires that the landlord shall either:

- compensate a tenant in an amount equal to three (3) months' rent; OR
- offer the tenant another rental unit acceptable to the tenant.

The applicant anticipates that an acceptable tenant relocation and assistance plan required under Policy 3.2.1(12) will be negotiated with the City. Elements of the tenant relocation and assistance plan could include, among other things:

- an extended tenant notice period beyond the existing Residential Tenancies Act requirement;
- a construction management and phasing plan;
- a communications strategy, including notification to existing tenants of project milestones and contact information for project management and construction questions/concerns;
- tenant relocation assistance, including a right to return to the replacement rental units;
- tenant compensation, including additional compensation to tenants who either choose to move into a new unit or who choose to find new housing on their own; and
- additional assistance for special needs tenants.

The applicant is committed to working with City staff to provide assistance to the four existing rental units on the subject site including meeting the requirements of the Residential Tenancies Act and providing at least 120 days' notice prior to demolition.

6 Conclusion

It is our opinion that the proposal is consistent with the housing policies of the 2020 Provincial Policy Statement and conforms to the housing policies of the 2019 Growth Plan. In addition, the proposal also conforms to the City of Toronto Official Plan, specifically the policies of Section 3.2.1 with regards to the provision of a range of housing options.

Based on the information provided by the applicant, the proposed development would result in the loss of four (4) rental dwelling units. In this regard, the loss of four (4) rental dwelling units would not trigger the applicability of Official Plan Policy 3.2.1(6), which is explicit to the loss of six (6) or more rental dwelling units. However, given that the proposal will result in the removal of at least one (1) rental dwelling unit, the Applicant will commit to providing existing tenants with an appropriate tenant relocation and assistance plan, as required by Official Plan Policy 3.2.1(12).

Moreover, the proposal for the subject site appropriately addresses the policies of Toronto Municipal Code Chapter 667. In this regard, the subject site contains less than six (6) dwelling units with affordable rents, and therefore a permit to demolish rental housing under chapter 667 of the Municipal Code does not apply.

Based on the foregoing, it is our opinion that a Rental Housing Demolition and Conversion Application is not required given that less than six (6) dwelling units with affordable rents currently exist on the subject site.

