

**Housing Issues Report
Shoreline Towers Inc. Proposal
2313 & 2323 Lake Shore Boulevard West**

**Prepared by
PMG Planning Consultants
November 18, 2014**



PMG
Planning
Consultants

Toronto, Canada M6A 1Y7
Tel. (416) 787-4935
Fax. (416) 787-0004
E-Mail: pmg@pmgplanning.ca



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Introduction

This report is provided in support of the Re-zoning Application to add one new condominium apartment building on the site located at 2313 and 2323 Lake Shore Boulevard West, by the current owners, Shoreline Towers Inc., who purchased the property in December 2008. The site is located in the Mimico Area of South Etobicoke, and backs onto the bay area created by Humber Bay Park West.



Air Photo, Context Area

The site is surrounded by 3 1/2 storey rental apartment buildings to the north, an 8 storey rental apartment building to the south, 1 to 3 storey commercial buildings with office or residential on the upper floors to the west across Lake Shore Boulevard West, and the recently constructed lake fill park and extension of the Martin Goodman Trail to the east.

Existing Development

The site is currently occupied by 2, 10-storey rental apartment buildings with 1 level of underground parking, and surface parking between the buildings and the lake. Each building contains 133 rental units with the following unit breakdown:

9	Bachelor
46	1 Bedroom
60	2 bedrooms
<u>18</u>	<u>3 bedrooms</u>
133	Total

There are currently 146 resident's parking spaces in an underground garage under the existing buildings and centre courtyard, 98 resident's surface spaces located along the north and south drives, and in the rear surface parking area. There are 10 surface visitor

spaces in the front yard along Lake Shore Boulevard West, with an additional 14 surface visitor spaces in the rear. A total of 268 parking spaces are currently provided.

Since Shoreline Towers Inc. purchased the property in 2008, they have been involved in a program to improve the existing rental buildings. Approximately \$800,000 in improvements have been undertaken, including:

- Replaced the roof on one of the buildings and currently replacing the roof on the other;
- Undertaken brick and concrete repairs around the buildings;
- Re-clad the facades of both buildings facing the lake;
- Re-painted the exteriors of both buildings;
- Re-paved the front drive;
- Re-landscape the front yard and courtyard areas;
- Undertaken interior renovations including completely refinishing the lobbies, lighting and carpet improvements and the creation of a new amenity area.



Air Photo, Site Prior to Lake Fill, looking northwest

Proposed Development

The existing rental buildings are proposed to be retained. A 25 storey building is proposed to be developed on the surface parking located between the buildings and the lake. The 98 existing rental resident's parking spaces located to the north, east and south of the existing buildings will be replaced with 102 rental resident's parking spaces located in the first underground level of the new development. The 10 visitor spaces in the front yard will be maintained. 54 visitor parking spaces servicing for both buildings will be located in the podium of the new building.



Aerial View from Lake Ontario looking northwest

The proposed development consists of a total of 241 new condominium units located in the 5 storey podium and 25 storey tower. The 5 storey podium is proposed to maintain views to the lake from the upper levels of the existing buildings. The new building is designed to provide an active edge to the waterfront and Martin Goodman Trail, including an elevated walkway through the new building connecting the waterfront to the existing rental buildings.



Courtyard bridge connection



Waterfront façade and stair leading to courtyard bridge connection

Provincial Policy Statement and Growth Plan

This proposal to maintain the existing rental units is consistent with the Provincial Policy Statement, 2014 and Growth Plan policy directions with respect to providing (and in this case, also maintaining) appropriate range and mix of housing types by permitting and facilitating all forms of housing required to meet the social, health and well-being requirements of current and future residents.

City of Toronto Official Plan

This proposal will preserve all 266 existing rental units. This proposal meets the intent to preserve existing rental housing. This goal remains important as CMHC Rental housing statistics from the fall 2013 report indicate that GTA vacancy rates have dropped from 3.2% in 2006, when the OP was approved, to 1.6% in the fall of 2013. The pattern of vacancy rate in the area is similar with the GTA rates with a drop from 2.9% in October 2012 to 2.2% in October 2013.

This report recognizes that an application for a Rental Housing Demolition & Conversion permit is not required under the City of Toronto By-law if:

“A proposal does not require a permit under the by-law if it involves:

- Five or fewer existing dwelling units, or that involves six or more existing dwelling units but none are rental units”

No rental units are proposed to be demolished.

The lands at 2313 and 2323 Lake Shore Blvd W. are designated “Apartment Neighbourhoods” in the City of Toronto Official Plan. This report goes into detail with

regard to the range of Rental Housing issues and policies in the Official Plan. This section will speak to the policies found in Section 3.2.1 of the Official Plan, as they relate to the infill within a site designated “Apartment Neighbourhoods”, and to the number of rental units proposed for the site.

1. A full range of housing, in terms of form, tenure and affordability, across the City and within neighbourhoods, will be provided and maintained 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.
2. The existing stock of housing will be maintained and replenished. New housing supply will be encouraged through intensification and infill that is consistent with this Plan.

The Community Facilities Gap Analysis, prepared by Urban Strategies in January 2013 in support of the Mimico 20/20 study identified an imbalance between rental and ownership within the overall study area, and particularly in the area east of Lake Shore Boulevard.

“Compared to the Toronto CMA, the study area has a high percentage of renters (57% versus 32%) and slightly higher percentage of dwellings that require major repairs (9.1% versus 6%). As with the overall population and dwelling type statistics, these figures are skewed by the area east of Lake Shore Boulevard West. The areas west of Lake Shore Boulevard West have figures similar to those of the Toronto CMA.”

The proposed infill development seeks to start the process of correcting this imbalance by introducing ownership based development in the area east of Lake Shore Boulevard, as anticipated by the Mimico 20/20 study.

3. Investment in new rental housing, particularly affordable rental housing, will be encouraged by a co-ordinated effort from all levels of government through implementation of a range of strategies, including effective taxation, regulatory, administrative policies and incentives.
4. Where appropriate, assistance will be provided to encourage the production of affordable housing either by the City itself or in combination with senior government programs and initiatives, or by senior governments alone. Municipal assistance may include:
 - a) in the case of affordable rental housing and in order to achieve a range of affordability, measures such as: loans and grants, land at or below market rates, fees and property tax exemptions, rent supplement and other appropriate assistance; and

- b) in the case of affordable ownership housing provided on a long term basis by nonprofit groups, especially affordable low rise family housing, measures such as: land at or below market rate, fees exemption and other appropriate forms of assistance; and
- c) with priority given to non-profit and non-profit cooperative housing providers.

No new assisted affordable housing is proposed as part of this development.

5. Significant new development on sites containing six or more rental units, where existing rental units will be kept in the new development:
 - a) will secure as rental housing, the existing rental housing units which have affordable rents and mid-range rents; and
 - b) may secure any needed improvements and renovations to the existing rental housing, in accordance with and subject to Section 5.1.1 of this Plan, without pass-through of such costs in the rents to tenants.

Policy 5 speaks to securing improvements to existing rental units, but the policy needs to recognize that significant improvements have already been made prior to the re-zoning application for the new building. Current rents fall within the mid-range category. As improvements have already been made, current rents reflect the market demand for an already improved building. The Mimico 20/20 study has a mandate to encourage the revitalization of the area. Rental housing demolition restrictions within the City of Toronto Act and the Rental Housing Demolition and Conversion By-law will ensure that the existing buildings remain rental. Based on the objectives of the Mimico 20/20 Secondary Plan, it is not appropriate to restrict the ability of these buildings to further revitalize in response to market demand created by the Mimico 20/20 revitalization process.

As mentioned above, significant physical improvements to the existing rental buildings have already been undertaken. 491 square metres of indoor and 482 square metres of outdoor amenity space are proposed in the new building. There is no space in the existing buildings to add amenities without the loss of rental units, so the amenity areas in the new building will also be made available to the rental tenants of the existing building. It is also proposed that the courtyard between the existing buildings will be completely re-landscaped.

6. New development that would have the effect of removing all or a part of a private building or related group of buildings, and 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 application, or

- b) in cases where planning approvals other than site plan are sought, the following are secured:
 - i) at least the same number, size and type of rental housing units are replaced and maintained 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 alternative accommodation at similar rents , and other assistance to lessen hardship, or
 - 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. This decision will be based on a number of factors, including whether:
 - i) rental housing in the City is showing positive, sustained improvement as demonstrated by significant net gains in the supply of rental housing including significant levels of production of rental housing, and continued projected net gains in the supply of rental housing;
 - ii) the overall rental apartment vacancy rate for the City of Toronto, as reported by the Canada Mortgage and Housing Corporation, has been at or above 3.0% for the preceding four consecutive annual surveys;
 - iii) the proposal may negatively affect the supply or availability of rental housing or rental housing sub-sectors including affordable units, units suitable for families, or housing for vulnerable populations such as seniors, persons with special needs, or students, either in the City, or in a geographic sub-area or a neighbourhood of the City; and
 - iv) all provisions of other applicable legislation and policies have been satisfied.
7. Redevelopment of social housing properties, including those which propose a mix of housing including varying levels of rental assistance, varying housing types and forms and/or the inclusion of affordable ownership housing options, that would have the effect of removing a social housing building or related group of buildings containing one or more social housing units, will secure:
- a) full replacement of the social housing units;
 - b) replacement social housing units at rents similar to those at the time of the application, including the provision of a similar number of units with rents geared to household income; and

- c) an acceptable tenant relocation and assistance plan addressing provision of alternative accommodation for tenants at similar rents, including rent-geared-to income subsidies, right-of-first-refusal to occupy one of the replacement social housing units and other assistance to mitigate hardship.
8. The conversion to condominium, or the severance or subdivision, of any building or related group of buildings, containing 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 application, or
 - b) 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. This decision will be based on a number of factors, including whether:
 - i) rental housing in the City is showing positive, sustained improvement as demonstrated by significant net gains in the supply of rental housing including significant levels of production of rental housing, and continued projected net gains in the supply of rental housing;
 - ii) the overall rental apartment vacancy rate for the City of Toronto, as reported by the Canada Mortgage and Housing Corporation, has been at or above 3.0% for the preceding four consecutive annual surveys;
 - iii) the proposal may negatively affect the supply or availability of rental housing or rental housing sub-sectors including affordable units, units suitable for families, or housing for vulnerable populations such as seniors, persons with special needs, or students, either in the City, or in a geographic sub-area or a neighbourhood of the City; and
 - iv) all provisions of other applicable legislation and policies have been satisfied.

Policy 6 speaks to the loss of 6 or more rental units. No rental units are proposed to be removed. The site contains no social housing, and no condominium conversion is proposed. Therefore policies 7 and 8 do not apply.

9. Large residential developments provide an opportunity to achieve a mix of housing in terms of types and affordability. On large sites, generally greater than 5 hectares in size:
- a) a minimum of 30 per cent of the new housing units will be in forms other than single-detached and semi-detached houses, such as row housing, triplexes and multi-unit residential buildings; and
 - b) in accordance with and subject to Section 5.1.1 of this Plan where an increase in height and/or density is sought, the first priority community benefit will be the provision of 20 per cent of the additional residential units as affordable housing. This affordable housing contribution may take the form of affordable

housing constructed on-site or the conveyance of land in the development to the City for the purpose of affordable housing, or, at the discretion of the City:

- i) with the agreement of the developer, affordable housing units constructed near the development site or elsewhere in the City;
- ii) the conveyance of land to the City for the purpose of affordable housing near the proposed development site; or
- iii) cash in lieu for the purpose of constructing affordable housing in or near the proposed development site.

The site is approximately 1.6 hectares in area, so policy 9 would not apply.

City of Toronto Act, Section 111 – Rental Housing Protection

This report addresses compliance with the City of Toronto Act, Section 111 – Rental Housing Protection and the City of Toronto Rental Housing Demolition and Conversion By-law 885-2007.

City of Toronto Act 2006

LAND USE PLANNING

Demolition and conversion of residential rental properties

111.(1) The City may prohibit and regulate the demolition of residential rental properties and may prohibit and regulate the conversion of residential rental properties to a purpose other than the purpose of a residential rental property. 2006, c. 11, Sched. A, s. 111 (1).

Same

- (2) The power to pass a by-law respecting a matter described in subsection (1) includes the power,
 - (a) to prohibit the demolition of residential rental properties without a permit;
 - (b) to prohibit the conversion of residential rental properties to a purpose other than the purpose of a residential rental property without a permit; and
 - (c) to impose conditions as a requirement of obtaining a permit. 2006, c. 11, Sched. A, s. 111 (2).

Restriction

- (3) The City cannot prohibit or regulate the demolition or conversion of a residential rental property that contains less than six dwelling units. 2006, c. 11, Sched. A, s. 111 (3).

Effect of building code, etc.

- (4) Despite section 35 of the *Building Code Act, 1992*, in the event that the *Building Code Act, 1992* or a regulation made under that Act and a by-law prohibiting or regulating the demolition or conversion of a residential rental property treat the same subject matter in different ways, that Act or the regulation under that Act prevails and the by-law is inoperative to the extent that the Act or regulation and the by-law treat the same subject matter. 2006, c. 11, Sched. A, s. 111 (4).

Same

- (5) If a permit to demolish a residential rental property is issued under this section, no permit is required under section 8 of the *Building Code Act, 1992* to demolish the property. 2006, c. 11, Sched. A, s. 111 (5).

Report

- (6) The City shall report statistics and other information concerning the demolition and conversion of residential rental properties to the Minister of Municipal Affairs and Housing and shall do so at the times and in the form and manner specified by the Minister. 2006, c. 11, Sched. A, s. 111 (6).

The City of Toronto Act 2006 provides the authority for the City to prohibit or regulate the demolition or conversion of rental housing on a property that contains more than 6 rental units. In July, 2007, the City enacted By-law 885-2007 under this authority.

Rental Housing Demolition and Conversion By-law 885-2007

By-law 885-2007 provides the following definitions:

RESIDENTIAL RENTAL PROPERTY — A building or related group of buildings containing one or more rental units, and includes all common areas and services and facilities available for the use of its residents.

RELATED GROUP OF BUILDINGS:

- A. Buildings that are under the same ownership and on the same parcel of land as defined in section 46 of the *Planning Act*; or
- B. Buildings that form part of the same application under this chapter or under a related application.

RENTAL UNIT:

- A. A dwelling unit used, or intended for use, for residential rental purposes, including:
 - (1) A dwelling unit that has been used for residential rental purposes and is vacant.
 - (2) A dwelling unit in a co-ownership that is or was last used for residential rental purposes.

The following section discusses application of this by-law:

§ 667-2. Application.

- A. This chapter does not apply to a residential rental property that:
 - (1) Contains less than six dwelling units;
 - (2) Is a condominium governed by the *Condominium Act, 1998*; or
 - (3) Is organized as a life lease project.
- B. Except as provided in Subsection C, this chapter does not apply with respect to living accommodation described in section 5 (Exemptions from Act) of the *Residential Tenancies Act, 2006*.
- C. This chapter applies to living accommodation (a member unit of a non-profit housing co-operative) as described in clause 5(c) of the *Residential Tenancies Act, 2006*.

§ 667-3. Demolition prohibited.

No person shall demolish, or cause to be demolished, the whole or any part of a residential rental property unless the person has received a section 111 permit for the demolition of the residential rental property and except in accordance with the terms and conditions of the section 111 permit and any preliminary approval.

As the purpose of both Section 111 of the City of Toronto Act 2006, and By-law 885-2007 is to regulate the demolition of rental units, and even though there are two rental buildings on the site which in total contain more than 6 units, there is no proposal to demolish any residential rental property. Therefore, no demolition permit under Section 8 of the Building Code Act, 1992 will be required, and no permit or agreement under Section 111 of the City of Toronto Act, 2006 or By-law 885-2007 would be required.

Conclusion

The proposed development meets the intent of the housing policies in the Official Plan by preserving 266 existing rental units and creating 241 new condominium units. The proposal will help address the imbalance of an overabundance of rental units in the area east of Lake Shore Boulevard by introducing ownership based development.

The proposed development is not subject to Section 111 of the City of Toronto Act, 2006 and By-law 885-2007, as it proposes no demolition of rental units.