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November 21, 2022

RE: 25 St. Mary Street – 21 166606 STE 13 OZ – Housing Issues Report Addendum

Dear Mr. Humphrey,

On behalf of Tenblock, this Housing Issues Report Addendum has been prepared in support of a resubmission for Official Plan Amendment, Zoning By-law Amendment, Site Plan Approval, and Rental Housing Demolition applications for 25 St. Mary Street (the “Site”) to provide supplementary information related to rental housing replacement, as requested by City Planning.

It is intended that this resubmission will satisfy all remaining comments related to the Official Plan Amendment, Zoning By-law Amendment and Rental Housing Demolition applications to allow for a final Recommendation Report to be advanced in the first quarter of 2023. Tenblock looks forward to continuing their ongoing discussions and collaboration with City staff and Councillor Moise to achieve this timeline. Since the initial application submission, Tenblock has undertaken significant consultation with tenants, adjacent landowners, and the local community and looks forward to continuing their ongoing discussions as the next steps of the project unfold.

The Revised Proposal, as described in detail in the Planning Rationale Addendum Letter submitted as part of this resubmission, continues to propose the redevelopment of the Site with 54 and 59-storey towers containing 259 replacement rental units and 1,024 new residential units (of which at least 18 will be additional rental units), for an overall total of 1,283 units. Also proposed is 310 m² of at-grade retail space, a 730 m² daycare facility, a 500 m² parkland dedication and a 339 m² privately-owned public space. The November 2022 Proposal has been refined in response to City and Agency comments received, as well as tenant and community consultation undertaken, to date.

By way of this Addendum as well as the revised architectural plans by gh3, we confirm the following details:

- The 259 replacement rental units will be provided in a contiguous block comprising the lower half of the West Tower;
- The 259 replacement rental units will replace 100% of the existing net leasable area of the existing rental units;
- In contrast with the first submission, the replacement rental units will share the ground floor lobby and all elevators in the West Tower with the other proposed market units;
- The replacement rental unit residents will have shared access to the West Tower common indoor and outdoor amenity areas. The West Tower amenity spaces will be separate from the East Tower amenity spaces, which is proposed with its own set of indoor and outdoor amenity areas. Both towers are proposed to provide amenity space at the same rate of 2.25 m² of indoor amenity space per unit, and 1.25 m² of outdoor amenity space per unit; and
- The rents of the replacement rental units will be secured for at least 10 years from the date of occupancy of each rental replacement unit, and the rental tenure will be secured for at least 20 years from the date of occupancy of each rental unit.

In addition to the rental replacement units above, Tenblock is excited to work with City of Toronto staff to deliver new affordable rental units in the building. Under this approach, units with returning eligible tenants would be replaced at the same bedroom type, same rent range category and as close as possible to existing sizes, which meets the City's standard rental replacement requirements. However, units without returning eligible tenants would be reduced in size to match the average size of the market units in the development. These units would still be replaced at the same bedroom type and same rent range category. The resulting 'freed up' net leasable area would be used to create net new rental replacement units – and all of these would be secured at the affordable rent category. The exact unit mix and number of net new units would be determined via a future Site Plan Approval resubmission. Collectively, all the rental replacement types (eligible, non-eligible and net new units) outlined in this scenario would total the net leasable area in the existing rental building. This approach leverages the fact that older rental apartment buildings, such as the one at 25 St. Mary, reflect a different era of development with unit sizes that are much larger than typical new apartments. This represents a significant opportunity to deliver a sizeable amount of new affordable rental

housing while still meeting and maintaining the City's rental replacement objectives and requirements.

Under this scenario, rental replacement units would fall into three categories:

1. Eligible tenant units: Units with returning eligible tenants would be replaced as close as possible to existing unit sizes, at the same bedroom type and same rents. The rent category would be based on the rents at the time of original application from June 2021.
2. Non-eligible tenant units: Units without returning eligible tenants would be replaced at the same bedroom type and the same rent range category. These non-eligible units would be reduced in size to match the average market unit sizes by unit type within the proposed development. The rent category would be based on the rents at the time of original application from June 2021.
3. Net new affordable rental replacement units: The resulting 'freed up' net leasable area from reducing the areas of non-eligible tenant units would be used to create net new rental replacement units. These unit sizes would match the average market unit sizes by unit type within the proposed development. All of these net new units would be secured at the affordable rent category (determined at the time of first occupancy).

It would be proposed that the unit mix of the net new affordable rental replacement units would meet the same requirements of the Downtown Plan, which would be the same as the market units in the proposed development. This would represent a minimum requirement of 15% 2-bedroom units, 10% 3-bedroom units, plus another 15% as 2- or 3-bedroom units or the ability to convert units to achieve that additional 15%.

Based on the above-mentioned criteria and September 2022 rental information, a very preliminary calculation of the number of potential net new affordable units that could be created within the proposed development could be approximately +/- 40 new units. This number would require further evaluation and refinement depending on a multitude of variables including the number of eligible tenants at the time the calculation is made and other architectural and building design considerations.

We trust you will find that this information satisfactorily addresses your comments on the initial development application submission. Please do not hesitate to contact me if you have any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Fang-Denissov', written in a cursive style.

Christine Fang-Denissov, Partner
M. Arch., MCIP, RPP, MRAIC
URBAN STRATEGIES INC.