



## News

### Lofty plot ousts artists

City fears scent of profit will zone out creative types in live/work Sterling studios

|Paul Terefenko

The owners of an old west-end factory loft building have a pest problem, and they're stopping at nothing to exterminate it. The downside for residents is that they're the pests.

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Think back, if you can, to the late 90s. Love Inc. was popular, and the intersection of Bloor and Lansdowne was not. The phrase "studio loft living" could be uttered without eliciting contempt. In fact, many artists and performers were creating live-work spaces in turn-of-the-century warehouses and factories.

That was the case at 221-227 Sterling Road, aka the Sterling Studio Lofts, which extends from Bloor to Dundas. The building, which was once a munitions factory with subterranean rail links to the lake, suited performers who needed the 14- to 25-foot vaulted ceilings to practise.

But nowadays Sterling is a mess of landlord/tenant antagonism, and a mystery is stalking the studios: why is the landlord trying to ignore the building's live-work rezoning and get current tenants to sign commercial leases?

Parkdale Community Legal Clinic lawyer Andrew Pelletier has a theory – and city planning staff agree. Over the last few years, he says the smell of developer money has wafted into the area. First, a nearby stretch of Bloor turned into townhouses. Then factories in the 'hood became vacant or announced recent sales. Check out the Distillery District or Liberty Village to see just how hot converted factories have become.

Pelletier says any developer trying to turn the building into condos would have to deal with the fact that certain rights held by residents would make the project more expensive.

"In order to rebuild it, you would have to accommodate the current residents by building apartment spaces for them, or continuing to rent units to them at a comparable price," he says.

But if someone could make all the rezoning headaches vanish, life would be a lot easier for the lofts' owner, Firm Capital.

"It's in [their] interest for the building to be considered commercial," explains Pelletier. That would presumably allow the owner to toss current tenants with ease.

Odd that the building's status should suddenly morph. Sterling Studio Lofts, says city planning's community policy manager, Patrick Lee, has been legally residential since 1999, when the owner and tenants worked together at the Committee of Adjustment to create 60 live-work units. For nearly a decade, the dancers danced, illustrators drew and photographers shot.

Ramon Perez has lived at Sterling since 1998. He saw an ad for the place in this very paper and moved in several weeks later. When he found out the lofts weren't zoned residential, he helped change the situation. But recently the landlord insisted he sign a new lease.

“I got this commercial lease and said, ‘This is not true,’” says Perez. Then he came home one day to discover that his tenancy had been terminated because he wouldn’t sign the commercial lease.

“I just wanted to prove that I had a right to live there, but in talking to the city I learned that there were parties interested in the building and this was why they were [forcing new leases].”

Now he’s locked in a battle at the Landlord and Tenant Board. His case came up earlier this month but was deferred till September to allow several Sterling residents’ cases to be heard simultaneously.

“There are so many people [battling eviction over commercial leases] that the board is actually putting aside a whole day for it,” says Pelletier. He adds that an earlier case that had been decided in the landlord’s favour has been reopened after more info surfaced about Sterling Studio Lofts.

Unfortunately, neither Firm Capital property manager Susanne Gilbert nor CEO Eli Dadouch returned several calls from NOW.

Lips are sealed.

The silence is frustrating for Julia Holiwell. She works as a dancer but was also a superintendent at the building until the tenants’ lives started unraveling.

It never occurred to her that the building owner would try to trick her into signing a lease that endangered her home. Over the past year, she says she’s seen the landlord systematically attempt to scare off residents.

“We have units that get terribly flooded, and people were told that unless they sign commercial leases, no repairs would be done,” she says.

The bright side is that the city is working closely with renters on this one, advising them not to sign commercial leases. “We’ve been very clear to tenants: Don’t move, don’t do anything. You’re protected,” says the city’s Lee. “Parkdale Community Legal Clinic has been very good at helping the tenants out.”

Lee figures that even residents who were misled and signed commercial leases still have protection under the Residential Tenancies Act.

“I think he’s [the landlord’s] thinking the more tenants he can get out or scare out, the fewer he has to deal with and the less he’ll have to pay,” says Lee.

Councillor Adam Giambrone echoes that sentiment, saying city staff are doing what they can to prevent another artist-ousting. It’s reassuring and might mark a refreshing victory for creative types, who are running out of suitable city structures to live and work in.

“The powers are now different because of the City Of Toronto Act,” says Giambrone, sounding more confident about Sterling than he did about a somewhat similar situation at Queen West’s Abell Lofts.

But, “residents shouldn’t take things for granted, because a lot can still happen,” he says, adding that some of the players involved in Sterling are pulling strings along Queen West, and they’ll test any approach that might work.

“They’re a small group, and they’ll try anything,” says Giambrone, but he believes they’ll face an uphill battle. Is he referring to Urbancorp, the controversial developer of the Abell Lofts? He won’t say, but there’s a lot of chatter about possible Urbancorp participation.

Urbancorp denies it has a finger in any Sterling project. “There’s certainly a lot of interest from buyers these days for that type of product,” explains John Skalenda, project manager at Urbancorp.

He points out that if there were any such plan, it would be years in the making because of the focus on remaking Queen West. “The principals of the company are always looking to move forward and have interest in acquiring new sites,” he notes.

Moral of the story: even the coziest symbiotic landlord/tenant arrangement can turn ugly at the first fistful of dollars.

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