

## STAFF REPORT ACTION REQUIRED

# **Commercial Floorspace Requirements in Mixed Use Areas**

Date:	October 14. 2009
То:	Planning and Growth Management Committee
From:	Chief Planner and Executive Director
Wards:	All
Reference Number:	Pg090037

## SUMMARY

This report brings forward an Official Plan Amendment to address instances where redevelopment proposals involving the reduction or elimination of existing commercial space in Mixed Use Areas may have a relatively large local impact, especially those for shopping centres upon which local residents have relied to meet their day-to-day convenience needs.

The proposed policy would require that these impacts be considered through the rezoning process, using criteria set out in the policy, with the possibility that some or all of the existing space be replaced or retained in the new development.

Consultations on the proposal showed general support for the proposed policy and did not lead to any substantive changes to it.

## RECOMMENDATIONS

# The Chief Planner and Executive Director, City Planning Division recommends that Council:

- 1. Amend the Official Plan substantially in accordance with the draft official plan the amendment attached as Attachment 1.
- 2. Authorize the City Solicitor to make such stylistic and technical changes to the draft official plan amendment as may be required.

#### **Financial Impact**

The recommendations in this report will have no financial implications.

### **DECISION HISTORY**

On June 11, 2007, when it considered the Long Term Employment Lands Strategy, Council directed the Chief Planner and Executive Director, City Planning, to:

- re-examine the interpretation of the Mixed Use Areas designation and assess the need for replacement of all existing commercial/employment space, and in the absence thereof assign a minimum percentage of commercial/employment space to be built on the lands; and
- review:
  - a) the feasibility of requiring that all applications to demolish and rebuild, for proposed residential use, on lands previously used for retail commercial purposes, provide that the previous total square footage of commercial retail space remain used only for commercial retail purposes; and
  - b) the feasibility of establishing a maximum residential portion for mixed use properties, with specific criteria, as well as the guidelines and rationale for those criteria;
- consult with interested Members of Council as part of these reviews; and
- report to the Planning and Growth Management Committee on the status of these reviews by the end of the third quarter of 2007.

http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-06-11-cc09-dd.pdf at page 6.

The Chief Planner presented a status report to Planning and Growth Management Committee in November 2007. The report indicated that staff had begun the analysis needed to respond to Council's direction, but that it would take some time to complete. <u>http://www.toronto.ca/legdocs/mmis/2007/pg/bgrd/backgroundfile-7552.pdf</u>.

On November 13, 2008, Planning and Growth Management Committee considered a request from Cr. Feldman, 'that staff be directed to write a report on making the replacement of existing commercial space mandatory under the Mixed Use zoning designation.' The Committee referred the request to the Chief Planner for consideration and a report back as soon as possible.

http://www.toronto.ca/legdocs/mmis/2008/pg/decisions/2008-11-13-pg20-dd.pdf. at page 15

On June 4, 2009 Planning and Growth Management Committee considered a report from the Chief Planner that proposed an Official Plan policy to address the previous requests and directions. The Committee directed that staff undertake consultation on the proposal and bring it to a public meeting in Fall 2009.

http://www.toronto.ca/legdocs/mmis/2009/pg/bgrd/backgroundfile-21318.pdf; http://www.toronto.ca/legdocs/mmis/2009/pg/decisions/2009-06-04-pg26-dd.htm (Item PG26.7).

#### **ISSUE BACKGROUND**

The staff report before Committee on June 4, 2009 provided the issue background and analysis that led to the current proposal. A brief summary follows.

In recent years, there has been a steady stream of proposals in all parts of the City to redevelop shopping centres and plazas, usually for housing. Some proposals have not included replacement retail space. Most such centres and plazas are designated as Mixed Use Areas by the Official Plan. This designation allows a range of uses, particularly commercial and residential, to be developed either singly or in combination with each other. It does not require that retail commercial space be included in new developments or when properties are redeveloped for housing.

There may be some instances where proposals to eliminate the retail commercial space will have a relatively large local impact. This may especially be the case for some of the more 'isolated' neighbourhood or community shopping centres, upon which the local residents have relied to meet their everyday needs.

On the other hand, retail service needs are very well met in large parts of the City where closing a centre or stores may have little or no impact on the local residents. In addition, providing flexibility for landowners to close retail space and redevelop or re-use may allow owners to avoid undue hardship when the retail space becomes uneconomical or provides unacceptable income levels for the owner or tenant.

#### COMMENTS

Instances where the impact of removing space may be unacceptable cannot be predicted in advance because as the retail system continues to evolve the level of service in individual areas will change, as will the economic feasibility of using the space for retail commercial activities. It would, however, be reasonable for the Official Plan to require that through the rezoning process the local impacts of closing space be considered and provisions for the retention or replacement of the space be made.

## Consultation

Staff met with members of BILD (Building Industry and Land Development Association) and staff of TABIA (Toronto Association of BIAs). In addition a community meeting was held at North York Civic Centre on September 22, 2009. The meeting was advertised in the Star and a notice was sent to Community Associations. Five members of the public attended the meeting. Staff will also be attending a meeting of TABIA members in late October.

There is general support for the proposed policy and the consultation did not lead to any substantive changes to it. Some stakeholders commented that the market should determine the need for replacement of space. Staff indicated that that is the general approach of the Official Plan, but that in some cases the local context may warrant more explicit consideration of the replacement of space through the rezoning process.

The proposed criteria for defining the size of the local neighbourhood are best seen as guidelines rather then definitive policy so they have been removed from the policy and restated in a sidebar.

### CONTACT

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### SIGNATURE

Gary Wright Chief Planner and Executive Director City Planning Division

## ATTACHMENTS

Attachment 1: Proposed Official Plan Amendment

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#### ATTACHMENT 1: PROPOSED OFFICIAL PLAN AMENDMENT

#### City of Toronto Official Plan Amendment No. 94

#### The Official Plan of the City of Toronto is amended as follows:

- 1. Chapter 4, Section 4.5, Mixed Use Areas, is amended by adding the following new policy 3 and renumbering policies 3 and 4 to 4 and 5 respectively:
  - "3. The review of applications for redevelopment that would result in the loss of more than  $3,000 \text{ m}^2$  of retail commercial uses in Mixed Use Areas will consider the impact of the loss of the retail commercial space on the local neighbourhood, based on the following considerations:
    - a) the availability of other stores to meet the convenience needs of residents of the local neighbourhood, particularly supermarkets, grocery stores and drug stores;
    - b) the desirability of retaining options for walking and other alternatives to the private automobile;
    - c) other opportunities for retail commercial development in Mixed Use Areas to meet the convenience needs of residents of the local neighbourhood, particularly opportunities on nearby Avenues;
    - d) the role of the shopping area being considered for demolition as a community meeting place and focal point for the local neighbourhood;

If appropriate, replacement or retention of some or all of the existing commercial space may be required in the new development."

2. Chapter 4, Section 4.5, Mixed Use Areas, is amended by adding the following sidebar adjacent to the new policy 3 proposed above:

#### "The Local Neighbourhood

When considering the impacts of the loss of commercial space, the size of the local neighbourhood should be based on residents having good access to shopping to meet their convenience needs. In areas where lower densities still require extensive auto use to shop for convenience needs, such as the post –war suburbs, the local neighbourhood may be considered to be an area generally within about 2 km of the space being lost. This is based on the observation that most residents within the City live within 2 km of a supermarket larger than 20,000 sq.ft.

In areas where walking is a viable or necessary means to shop for convenience needs, the neighbourhood will be smaller. For example, walking to shop may be more viable in high density neighbourhoods or those with pedestrian shopping streets; while in areas with higher proportions of seniors or low income residents walking to shop may be more necessary."