



## STAFF REPORT ACTION REQUIRED

### Official Plan Amendment: Commercial Floorspace Requirements in Mixed Use Areas

<b>Date:</b>	July 14, 2010
<b>To:</b>	Planning and Growth Management Committee
<b>From:</b>	Chief Planner and Executive Director, City Planning Division
<b>Wards:</b>	All
<b>Reference Number:</b>	Pg10052

#### SUMMARY

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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.

The proposed policy is a revision of an earlier proposal that was before Planning and Growth Committee in November 2009. Consultations on the revised proposal produced no comments.

#### RECOMMENDATIONS

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**The Chief Planner and Executive Director of the City Planning Division recommends that Council:**

1. Amend the Official Plan substantially in accordance with the draft official plan 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. On page 6 of the following:

<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-06-11-cc09-dd.pdf>

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.

<http://www.toronto.ca/legdocs/mmis/2007/pg/bgrd/backgroundfile-7552.pdf>.

On November 13, 2008, Planning and Growth Management Committee considered a request from Councillor 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>. (Item PG20.15).

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 the Fall of 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).

In September and October 2009 staff undertook public consultation on the proposed policy, including a meeting with members of BILD. On November 4, 2009 Planning and Growth Management Committee held the public meeting to consider the proposed policy. The Committee referred the report back to the Chief Planner and Executive Director, City Planning for further consideration and report, as soon as possible, having regard for concerns expressed during the consideration of the item by the Committee. <http://www.toronto.ca/legdocs/mmis/2009/pg/bgrd/backgroundfile-24364.pdf> <http://www.toronto.ca/legdocs/mmis/2009/pg/decisions/2009-11-04-pg33-dd.htm> (Item PG33.2).

On May 19, 2010, Planning and Growth Management Committee considered a report from the Chief Planner that addressed the concerns expressed during the consideration of the item by the Committee in November 2009. The Committee directed that the revised policy presented in the report be brought back to a public meeting at the Committee's August meeting. <http://www.toronto.ca/legdocs/mmis/2010/pg/decisions/2010-05-19-pg38-dd.htm> (Item PG37.8)

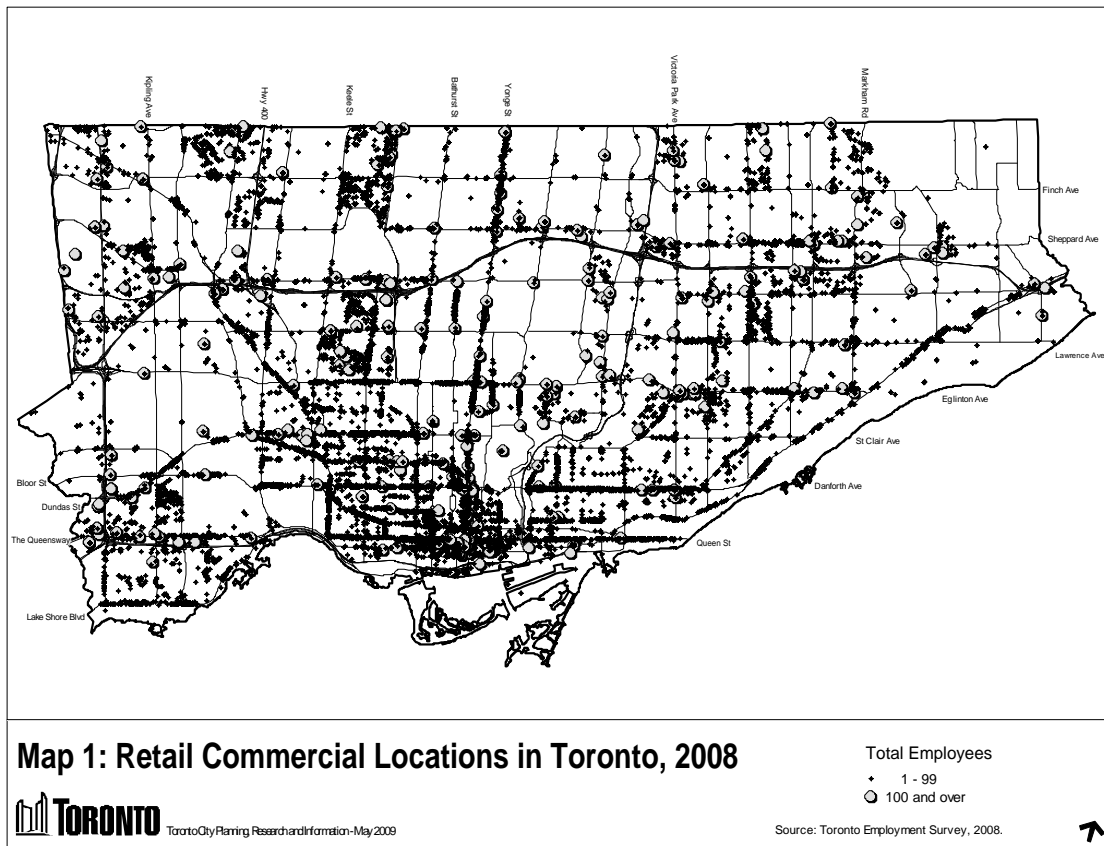
## **ISSUE BACKGROUND**

An appreciation of how retail – commercial services are provided in Toronto and how the Official Plan deals with them provides the context for the proposed policy.

Retail commercial services are provided in the city in a wide range of locations across the City, as shown in Map 1. The major types of locations include:

- the Downtown and its distinctive sub areas,
- the traditional shopping streets and pedestrian strips in the older parts of the City,
- the shopping centres and plazas that proliferated to serve the post-war City, many of which were planned for as part of the new neighbourhoods and communities; and,
- more recently, power centres and big box stores ('power retail')

Retailing and the retail commercial structure are always changing. New elements are added to the system, but older forms persist, and they accommodate, and are modified by, the later forms: they provide the framework for the continuing evolution of the system. The pedestrian strips accommodated the City's growth in the age of the streetcar, but then had to adjust to the shopping centre system that accompanied post war suburban development. Now the traditional shopping streets and the shopping centres are both responding to power retailing.



The Official Plan recognizes that the retail system will continue to change and specifically envisages how the Mixed Use Areas designation will accommodate this change:

“Retailing will continue to be an important part of the economy, however, the retail patterns that exist today are very different from those of 15 to 20 years ago and there is every reason to expect that those patterns will continue to evolve over the next 30 years. The Plan therefore provides the flexibility for owners of retail properties to adapt to changing circumstances. Most existing and proposed major retail areas, shopping malls and commercial districts are within designated *Mixed Use Areas*. Many plazas, malls and arterial roads which previously had permissions for only commercial uses, are designated as *Mixed Use Areas* to permit residential uses as an alternative to or to support existing retail space that is not faring well and to implement the reurbanization goals of the Plan. Major shopping centres can continue to expand for retail purposes or develop as areas of mixed use. New shopping streets will emerge as *Avenues* develop and mature.”  
 (Official Plan, Page 3-33)

In general terms, therefore, the Official Plan provides for an evolving retail system that seeks to match the interests of the deliverers of retail-commercial services and the needs of consumers:

- The Plan provides for a multitude of locations and opportunities for retail commercial activities in the City. Whether it is economically feasible to operate the space can only be decided by each store owner. What the Official Plan does is provide ample opportunities for them to find the right location.
- Eventually, however, from an investment point of view some of the centres and other retail locations do not make economic sense any longer. The Official Plan provides for a range of alternative uses, including residential uses.

The proposed OPA that was before Planning and Growth Management Committee in November 2009 recognized that an owner's decision to close down retail space may be keenly felt by the local residents. The loss of a shopping centre may mean longer trips, loss of walkable shopping options, and disruption of established shopping patterns. Of course, in other cases, a centre may not be missed – indeed its underperformance may be caused by changes in shopping patterns and demographics in its local market. The impact of closing a centre or losing local retail space is difficult to assess – it will depend on the local market area and on the changing habits of local consumers.

## **COMMENTS**

The revised proposal retains the overall direction of the previous proposal, but with the following changes:

- It places greater emphasis on the intent to replace floorspace wherever appropriate by moving this consideration to the first part of the policy.
- It eliminates the threshold of 3,000m<sup>2</sup> of space being lost before the policy applies, but also clearly recognizes that space should not necessarily be replaced.
- It recognizes the importance of providing continuous ground floor retail space for the amenity and attractiveness of pedestrian shopping strips, as one of the criteria to be used when assessing the redevelopment of existing retail commercial uses.
- It stipulates that, to allow for flexibility in future occupancy of the redeveloped site, the zoning should permit ground floor space to be occupied by retail commercial uses and grade related space should be designed so that it could be occupied by either residential or retail commercial uses.

## **Further Consultation**

All those on the mailing list for the November 2009 proposal were sent a copy of the revised proposal and provided an opportunity of contacting staff if they had further comments or wished to discuss the proposal. The mailing list had been generated through community meetings and consultation with BILD. To date no responses were received. Newspaper notice has been given for the statutory public meeting.

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## **SIGNATURE**

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Gary Wright,  
Chief Planner and Executive Director  
City Planning Division

## **ATTACHMENTS**

Attachment 1: Draft By-Law to Adopt OPA No. 94

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ATTACHMENT 1: DRAFT BY-LAW TO ADOPT OPA No. 94

Authority: Planning & Growth Management Committee Item \_\_\_\_\_ as adopted  
by City of Toronto Council on \_\_\_\_\_, 2010.

Enacted by Council: ~, 2010

**CITY OF TORONTO**

**BY-LAW No. ~-2010**

**To adopt Amendment No. 94 to the Official Plan on a City-wide Basis**

WHEREAS authority is given to Council under the *Planning Act*, R.S.O. 1990, c. P. 13, as amended, to pass this By-law;

WHEREAS Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the *Planning Act*;

The Council of the City of Toronto HEREBY ENACTS as follows:

1. The attached Amendment No. 94 to the Official Plan is hereby adopted pursuant to the *Planning Act*, R.S.O. 1990, c. P.13, as amended.

ENACTED AND PASSED this ~ day of ~, A.D. 2010.

DAVID R. MILLER,  
Mayor

ULLI S. WATKISS,  
City Clerk

(Corporate Seal)

## 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. When retail commercial uses in Mixed Use Areas are redeveloped, the following considerations will be used either to determine the amount of retail commercial space that must be provided in the new development in order to alleviate the impact of the loss of the retail commercial space on the local neighbourhood, or to justify not retaining or replacing any of the existing space:
    - 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 meeting place and focal point for the local neighbourhood;
    - e) the importance of providing continuous ground floor retail commercial space for the amenity and attractiveness of pedestrian shopping strips.

To allow for flexibility in future occupancy of the redeveloped site, the zoning should permit ground floor space to be occupied by retail commercial uses and grade related space should be designed so that it could be occupied by either residential or retail commercial uses.”

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 kilometres of the space being lost. This is based on the observation that most residents within the City live within 2 kilometres of a supermarket larger than 20,000 square feet.



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 necessary.”