



**STAFF REPORT
ACTION REQUIRED**

ConsumersNext: Planning for People and Business at Sheppard and Victoria Park – Phase 1 Report

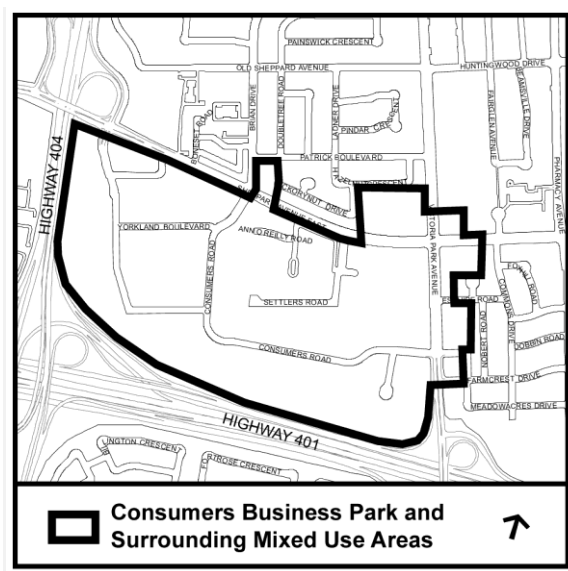
Date:	December 29, 2015
To:	Planning and Growth Management Committee
From:	Chief Planner and Executive Director, City Planning Division
Wards:	Wards 33 and 40
Reference Number:	P:\2016\ClusterB\PLN\PGMC\PG16002

SUMMARY

This report provides a summary of the first phase of ConsumersNext, a multi-faceted study to support continued employment investment in the Consumers Road Business Park and residential intensification in *Mixed Use Areas* along Sheppard Avenue East and Victoria Park Avenue. This phase of study focused on obtaining an understanding of the study area and yielded a number of key findings on the historic and emerging context of an area that represents the largest concentration of office jobs in Toronto outside of the downtown core.

Recent changes to permitted uses within a portion of the business park and lands around the intersection of Sheppard Avenue East and Victoria Park Avenue signal the potential for significant new residential and employment intensification. To manage this growth, support employment uses and direct investment into broader community improvements, the City Planning Division initiated ConsumersNext: Planning for People and Business at Sheppard and Victoria Park.

Launched in June 2015, ConsumersNext consists of a number of initiatives to ensure a cohesive vision for the study area including a planning and urban design



study, a transportation and infrastructure review and master planning, an economic potential study and a community services and facilities (CS&F) study. In addition to key findings outlined in this report, the first phase of ConsumersNext has resulted in a series of guiding principles necessary to develop and evaluate alternative scenarios to be advanced in the next phase of work.

RECOMMENDATIONS

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

1. Planning and Growth Management Committee receive this report for information.

Financial Impact

The recommendations in this report have no financial impact.

DECISION HISTORY

At its meeting on December 16-18, 2013, City Council adopted Official Plan Amendment 231 (OPA 231) at the conclusion of the Municipal Comprehensive Review and Employment lands review as part of the City's Five Year Official Plan Review. OPA 231 brought forward amendments to the Official Plan for economic health and employment lands policies, land use designations and Site and Area Specific policies. Through the adoption of OPA 231, the lands within the study area predominantly fronting along the south side of Sheppard Avenue East and the west side of Victoria Park Avenue were redesignated to *Mixed Use Areas*. The remaining lands within the Consumers Road Business Park were redesignated to *General Employment Areas*. Site and Area Specific Policy 386 (SASP 386) was also brought forward for the lands providing additional direction for future change and directs that an implementation plan be brought forward as Official Plan policy, generating the need for a detailed study of the subject lands.

On July 9, 2014, the Minister of Municipal Affairs and Housing (MMAH) approved OPA 231, with minor modifications. The Minister's decision was subsequently appealed to the Ontario Municipal Board.

The decision history on OPA 231 and the MMAH decision can be accessed at the following links:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PG28.2>

<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/O/ministers%20decision%20on%20opa%20231.pdf>

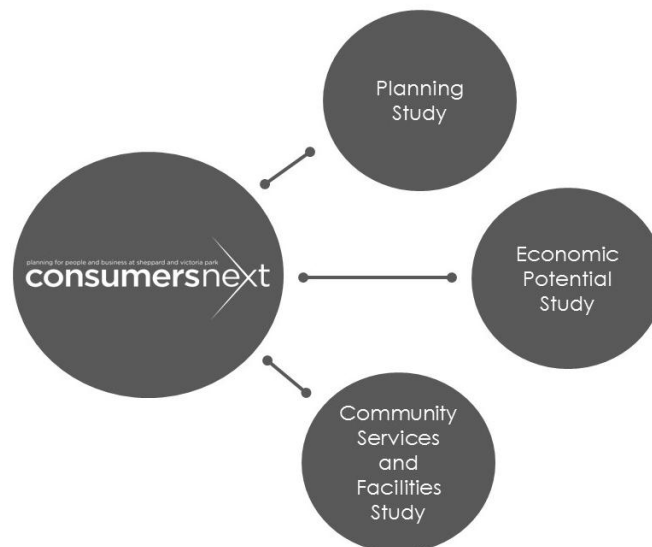
On June 22, 2015, the OMB issued an order partially approving OPA 231. However, the land use changes and SASP referenced above did not form part of that partial approval and thus the existing Official Plan policies continue to be in force on the subject lands.

ISSUE BACKGROUND

Study Structure

ConsumersNext is a multi-faceted study being undertaken by the City Planning Division in partnership with the Economic Development and Culture Division and Toronto Water that is looking at ways to manage growth signaled by recent policy changes for lands in the vicinity of Sheppard Avenue East and Victoria Park Avenue. These policy changes look to ensure that the Consumers Road Business Park remains an attractive location for business investment by being a vibrant place to work that is part of a well-connected community. ConsumersNext will propose policies and strategies to manage the anticipated growth in employment and residential population, identify improvements and investment to benefit workers and residents, support the long term health of the employment centre and address current challenges in the study area.

ConsumersNext has been structured into three studies that together will address the strategic outcomes necessary to achieve these goals:



The Planning Study will develop a vision and recommend a new framework for future investment in the area that will integrate public realm, parks, open spaces and built form with mobility strategies and produce Transportation and Infrastructure Master Plans that will satisfy Phase 1 and 2 of the Municipal Class Environmental Assessment process. The Economic Potential Study will assess the current strengths of the business park and recommend strategies to attract and retain business within the area while identifying actions that may be transferable to other office-based employment centres in Toronto. The Community Services and Facilities Study (CS&F) will evaluate existing capacity of facilities and services and will work in conjunction with the Planning Study to assess projected growth and change to identify priorities to meet future social infrastructure needs.

A multi-disciplinary consultant team has been retained to lead research, analysis and engagement on the Planning Study and Economic Potential Study under the direction of City staff. The Community Services and Facilities Study is being undertaken by the City Planning Division with the support of an interdivisional staff and agency team including the Parks, Forestry & Recreation Division, Children's Services, Toronto Public Library Board, both School Boards and involves outreach to many human and social service agencies.

ConsumersNext will be conducted in four phases:

1. Understand the Study Area and Establish a Vision;
2. Test and Confirm Ideas
3. Finalize Design and Develop the Plan
4. Implementation

The activities associated with each phase are illustrated in Attachment 1. During each phase the three studies will be integrated through analysis and extensive engagement of the local business and residential community to create a cohesive vision for the study area. This vision and supporting analysis will form the basis for City Planning staff, in consultation with divisional partners, to make recommendations to City Council on an appropriate policy framework and planning tools for implementation.

ConsumersNext Study Areas

ConsumersNext is centered on lands generally bounded by Sheppard Avenue East, Victoria Park Avenue, Highway 401 and Highway 404 straddling the boundary between the former cities of North York and Scarborough. The components of ConsumersNext have multiple boundaries for study based on the area of influence being examined as described at the following link:

<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=22e6d15b2719d410VgnVCM10000071d60f89RCRD>

A three dimensional model of the ConsumersNext study area is presented in Attachment 2. The construction of Highway 401 in the 1950s and its interchange with Highway 404 in the 1960s facilitated the rapid suburban development of the subject lands as a significant business park adjacent to new low density residential neighbourhoods and strip commercial uses along the arterial roads. This suburban development pattern and the predominance of employment uses provides a context for the various components of ConsumersNext that is characterized by wide, car-centric streets with limited pedestrian amenity and a built form that does not reinforce the public realm.

The majority of the study area lies beyond what could be considered walking distance to the Don Mills subway station although Sheppard Avenue East and Victoria Park Avenue are well serviced by surface transit routes. The Sheppard East LRT is approved and construction by Metrolinx is expected to begin 2021. The LRT will have transit stops at Consumers Road, Victoria Park Avenue and Pharmacy Avenue.

The last major office building was constructed in the business park in 1991, but the past 25 years has seen ongoing change in leasing and ownership patterns that have allowed the business park to maintain a successful foothold in the office market as the largest concentration of office employment outside of the downtown. Over 18,000 people work in the business park, 89% of them in an office. This total represents an increase in employment since 2012 with 135 new businesses choosing to locate in the park, including a major employer relocating 2,000 jobs to Consumers Road from Markham.

In addition to this growth in employment, recent development approvals along Sheppard Avenue East have seen a new mixed use context emerge. Developments under construction, recently approved or under review are listed in Attachment 2. Development fronting Sheppard Avenue East has taken the form of mid-rise mixed use base buildings transitioning to residential towers ranging in height from 8 to 43 storeys deeper into the site. Taken together, the new mixed use buildings occupied, under construction, approved or under review amount to 4,500 new residential units and almost 55,000m² of non-residential floor area.

A full description of the physical context can be found in Chapter 3 of the Phase 1 Report prepared by the consultant team found at the following link:

<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/ConsumersNext%20-%20Planning%20Study%20Phase%201%20Report%20Body.pdf#page=14>

Policy Context

Currently, the majority of lands within the ConsumersNext study area are designated *Employment Areas* until such time as the Ontario Municipal Board renders a decision on OPA 231. Other lands within the study area located to the north of Sheppard Avenue East and east of Victoria Park Avenue are designated *Mixed Use Areas* and are not subject to OPA 231. The enactment of OPA 231 would redesignate certain lands to *Mixed Use Areas* and *General Employment Areas* as indicated in Attachment 3 to which a finer grain policy framework is expressed by sub-area through SASP 386. The sub-area map and SASP policies can be found at the following link:

<http://www.toronto.ca/legdocs/mmis/2013/pg/bgrd/backgroundfile-63574.pdf#page=48>

The new policies and associated SASP promote a balanced growth of jobs and housing so Torontonians can both live and work in the city, reducing the need for long distance commuting and minimizing congestion on roads. The integration of transportation and land use is a key tenet of the Official Plan both through the Transportation policies and those in OPA 231. The policies work together to promote new office uses in *Employment Areas* and *Mixed Use Areas* within walking distance of an existing, or approved and funded subway, light rapid transit or GO Station. When residential development takes place on a site with an existing office building within 500 metres of a station, the new development must provide a net gain of office space in addition to the residential component. A full review of the existing and emerging policy frameworks can be found in Chapter 4 of the Phase 1 Report:

<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/ConsumersNext%20-%20Planning%20Study%20Phase%201%20Report%20Body.pdf#page=20>

SASP 386 provides specific direction to establish an implementation plan as Official Plan policy that includes an incentive program to encourage office development, provide amenities to support the employment uses in the business park and establish development densities and new streets and blocks in the study area. ConsumersNext is being undertaken with this policy context as a foundation and will develop a planning framework for the study area. Through the Economic Potential Study and components of the Planning Study, ConsumersNext will also look to see what lessons can be learned from other jurisdictions that can be applied to grow employment both in the study area and other business parks, a critical outcome necessary for Toronto to maintain a diversity of employment opportunities in different locations city-wide.

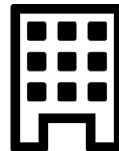
Building Blocks

During the initial phase of ConsumersNext, the analysis and public engagement centred on understanding the existing conditions of the study area and was focussed around six building blocks summarized as follows:



Public Places

Parks, squares, streets and sidewalks – public spaces to gather, sit, walk and play.



Built Form

How location, height, form of buildings can influence the look and feel of the area.



Transportation Choices

Different ways that people can move through the study area: vehicles, transit, active modes.



Opportunities for Business Growth

What makes the area an important centre for business and what can be improved?



Water Infrastructure

Aligning municipal infrastructure upgrades with growth opportunities.



Community Services and Facilities

Existing and future social infrastructure needs.

The building blocks provided a common vocabulary for the discussion and analysis of existing conditions in the first phase of ConsumersNext. The blocks will form a basis for developing criteria used to evaluate alternative scenarios generated in Phase 2 of the study to establish the preferred alternative.

Consultation and Engagement

A broad consultation and engagement program has been designed to ensure that the local residential community and business community are afforded multiple opportunities to provide input into the study. Each phase of the project is punctuated by public consultation sessions that include a Local Advisory Committee (LAC) with representatives from the local community and both local councillors. In addition to a diverse public consultation process, the study team is engaging numerous City divisions,

provincial agencies and community service providers through the establishment of multiple Technical Advisory Committees to support the Planning Study, the Transportation Master Plan process and the Community Services and Facilities Study.

A website has also been established at www.toronto.ca/consumersnext which has experienced over 2,100 visits since May, 2015.

ConsumersNext was officially launched with a public kick-off event on June 25, 2015, attended by over 130 people which is in addition to over 1100 people engaged through Planners in Public Spaces (PiPS) events held at multiple locations throughout the study area. Many of those engaged through PiPS also completed an employee travel survey available on-line and in paper. On September 24, 2015, two visioning workshops were held allowing the public to work with staff and the consultant team to express their vision for the study area. ConsumersNext was also presented to the City's Design Review Panel in October for initial input and impressions of the work undertaken. Summaries of these public events are linked to below.

COMMENTS

Phase 1 of ConsumersNext is complete and resulted in a number of deliverables that will underpin the next phase of work which will seek to develop, design and test alternative scenarios for the study area. The completed Phase 1 deliverables for each component of ConsumersNext are as follows:

- **Planning Study: Phase 1 Report**

<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/ConsumersNext%20-%20Planning%20Study%20Phase%201%20Report%20Body.pdf>

The Phase 1 report summarizes the consultant team's overview of the existing conditions, review of best practices and a full analysis of opportunities and constraints for each building block which are amalgamated into basic principles to guide the development of alternatives moving forward. The Executive Summary of this report can be found in Attachment 4. Attachments to the Planning Study report include:

- Transportation Master Plan (TMP) Background Report
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/ConsumersNext%20-%20Phase%201%20Attachment%202%20-%20Transportation%20Master%20Plan%20Background.pdf>
- June, 2015 Public Launch Meeting Summary
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/Consumers%20Next%20Final%20CM%201%20Summary%207-15-15%20-%202.pdf>
- Local Advisory Committee Summary
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf>

[f/C/Consumers%20Next%20-%20Final%20LAC%201%20Summary%20Nov%2026%202015.pdf](http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/Consumers%20Next%20-%20Final%20LAC%201%20Summary%20Nov%2026%202015.pdf)

- September, 2015 Visioning Workshop Summary
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/Consumers%20Next%20-%20Final%20CM%202%20Summary%20Dec%2014%202015.pdf>

- **Economic Potential Study: Phase 1 Report: Background Analysis**
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/ConsumersNext%20Economic%20Potential%20Study%20Phase%201%20Report%20-%20FINAL.pdf>

The first phase of the Economic Potential study defines baseline conditions and builds an economic profile of the Consumers Road Business Park informed by quantitative data analysis, literature review, stakeholder interviews and feedback from public engagement initiatives.

- **Community Services and Facilities Study: Taking Stock -- Profile Report**
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/ConsumersNext%20-%20Phase%201%20Attachment%203%20-%20CS&F%20Study.pdf>

City Planning staff prepared a report profiling the existing community services and facilities in the area that included a demographic profile, an inventory of current and planned services and facilities and inventoried existing CS&F needs and service gaps.

City Planning staff also lead initiatives that served as input for the consultant work above including:

- Planners in Public Spaces Summary
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/Consumers%20Next%20-%20PIPS%20Summary%20Final.pdf>
- Consumers Road Business Park Employee Travel Survey
<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=68f6d15b2719d410VgnVCM10000071d60f89RCRD>
- Minutes of the Design Review Panel (October 1, 2015)
<http://www1.toronto.ca/City%20Of%20Toronto/City%20Planning/SIPA/Files/pdf/C/Consumers%20Next%20-%20Final%20DRP%20Minutes%20Oct%201%202015%20ConsumersNext.pdf>

Key Findings

The above noted reports and summaries provide detailed documentation of the work undertaken in Phase 1 of ConsumersNext that will inform the development of alternative scenarios moving forward. The key findings of these reports include but are not limited

to the following:

- Over 18,000 employees and over 700 businesses are located in the study area (2014 Toronto Employment Survey data) mostly in the office sector. The Consumers Road Business Park has the highest concentration of office jobs in Toronto outside of the downtown as 89% of jobs within the park are in offices.
- The business park continues to add more businesses than are leaving the area, and has attracted 135 new tenants to the park since 2012, including a major employer relocating 2,000 new jobs into the park from its previous location in Markham.
- The Consumers Road Business Park recorded a 5% vacancy rate for 2015, a significant decrease from the historical trend for the submarket which has consistently had a vacancy rate over 10% over the past 10 years, a rate much greater than the GTA average.
- Development pressure along Sheppard Avenue East has seen an emerging mixed use character along the arterial with 4,500 residential units and 55,000m² of non-residential floor area occupied, under construction, approved or under review.
- There are limited parks and public spaces within the study area, and the public realm is unwelcoming for pedestrians as streets have been designed as links for travel rather than places to spend time.
- Buildings within the Business Park have large setbacks from sidewalks on large parcels that are covered by surface parking which further contributes to the undesirable public realm conditions but which presents opportunities for infill development.
- Existing landscaped setbacks and private open spaces on the Atria and Lansing are well used but do not contribute to a connected public realm network given their private ownership.
- The street network is not well connected, particularly from a pedestrian and cycling standpoint, and lacks amenity which makes it difficult for these users to access the surface transit that exists on the arterial roads.
- The study area has proximity to Don Mills Subway station, but lacks regional transit service despite potential demand. The pedestrian connections to the subway station are lengthy and difficult, particularly in winter months.
- An auto-centric mode share (nearly 90% of trips are made via private automobile) and heavy morning and afternoon peak travel periods creates congestion at key intersections that also impacts surface transit capacity as there is no transit priority along the arterial roads.

- Employees have cited a lack of local amenity within the Business Park (retail, restaurants, services) as a key gap which forces additional auto-trips during the work day as people run errands.
- While there is a diversity of community services and facilities within the CS&F Study Area, including two new community centres, there is a lack of subsidized childcare spaces, affordable and accessible community space and parks and open spaces.
- Nearly 40% of the land is covered with surface parking lots, which along with building rooftops create large impervious surface areas that negatively impact storm water management which has resulted in local flooding during significant rainfall events.
- The importance of parking to the success of the Business Park must be weighed against traditional urban infill approaches to place making suggesting landscape urbanism could be employed to improve qualities of place within the study area.
- Precedents examined in Mississauga, Montreal and Cambridge, MA demonstrate that introducing a finer grain of pedestrian friendly streets and using built form and amenity to better define public spaces can reinvigorate large office-centric employment districts.

A full consideration of these issues, including a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis can be found in Chapters 5 and 7 of the Planning Study Phase 1 Report and Chapter 4 of the Economic Potential Phase 1 Report.

Objectives and Guiding Principles

Phase 1 work concluded by identifying a number of objectives for each building block outlined below:



Public Places

Create green, safe and attractive public places with a range of social and recreational activities.



Built Form

Promote a rich and varied built form that supports the existing and planned land uses with new amenities and appropriate transitions.



Transportation Choices

Improve mobility by providing greater transportation choice.



Opportunities for Business Growth

Retain a strong employment base and provide opportunities for business in the area.



Water Infrastructure

Support infrastructure including stormwater management and energy efficient designs.



Community Services and Facilities

Improve and provide new Community Services and Facilities.

The building blocks were amalgamated into three Guiding Principles for ConsumersNext that take into consideration the objectives for each of the six building blocks and their relationship to each other:

1. Define and Enhance Places & Liveability

Define the identity of the ConsumersNext study area and enhance the liveability of the place for residents, workers and users with high quality streets, parks, open spaces and community services and facilities.

Locate and design buildings to support and create active edges to public spaces at appropriate scales to provide a welcoming environment.

2. Connect and Move

Create balanced transportation options to get to and move through the business park and surrounding area, improving connections for pedestrians, cyclists and transit riders.

3. Support and Promote Business

Enhance the area's attractiveness as a place to do business by encouraging more complementary uses for workers and residents, and ensuring a robust mobility network and community services and facilities.

The Guiding Principles will be used to develop and evaluate alternative scenarios for ConsumersNext to ensure that development and investment lead to improvements in the area that will benefit both residents and business. The intent is to effectively balance the change taking place in the study area, recognizing that the type, scale and pace of change varies across the study area, by developing scenarios that strengthen and support the employment uses, while also ensuring that the new residential is supported by the appropriate physical and social infrastructure.

What's Next?

Phase 2 of ConsumersNext will test and confirm ideas through the development, analysis and evaluation of alternative scenarios for the study area undertaken by the consultant team under direction of City staff. During Phase 2, the three components of ConsumersNext (Planning Study, Economic Potential Study, Community Services and Facilities Study) will be heavily integrated to generate solutions or strategies to address the challenges and achieve the goals of the study. This will include an assessment of growth potential on a number of fronts including capacity analysis of the transportation and servicing infrastructure and anticipated impact current and future community services and facilities needs. As with all phases of the project, a series of consultation events will be held with members of the public, key local stakeholders, service providers and technical advisory committees to ensure their input continues to shape project outcomes.

As alternative scenarios are evaluated, a preferred alternative will emerge in the third phase of the project. At the conclusion of Phase 3, the consultant team will make its final recommendations to staff on a comprehensive vision for ConsumersNext that will have been vetted through a final round of community engagement and technical evaluation. Staff will use this work to develop a planning framework, including appropriate policy documents, implementation strategies and design guidelines to present to Planning and Growth Management Committee for consideration in the fall of 2016.

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ATTACHMENTS

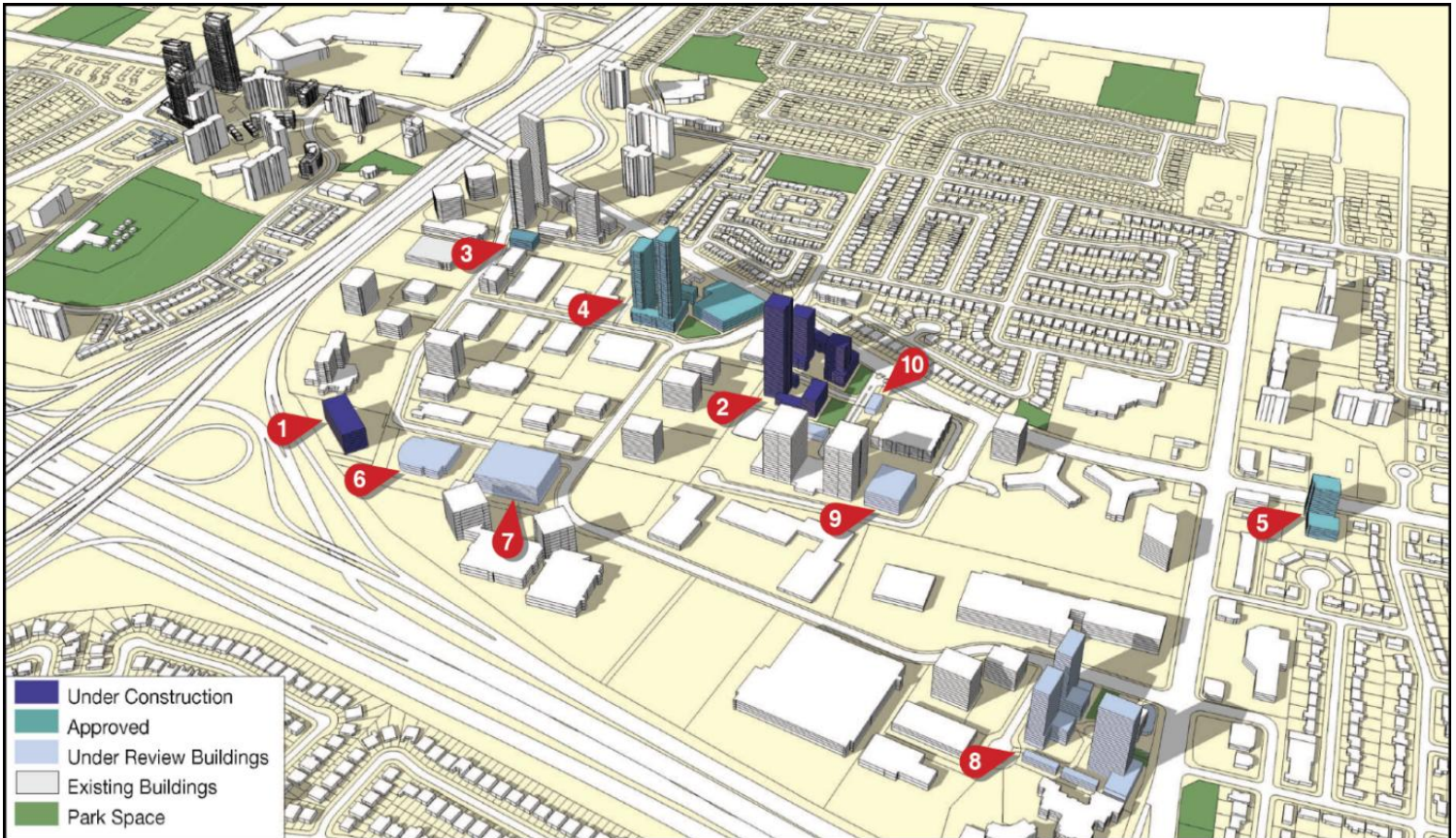
Attachment 1: ConsumersNext Study Phasing and Components
Attachment 2: ConsumersNext Model and Active Development Applications
Attachment 3 Official Plan Designations and SASP 386
Attachment 4: ConsumersNext Planning Study Phase 1 Report Executive Summary

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Attachment 1: ConsumersNext Study Phasing and Components



Attachment 2: ConsumersNext Model and Active Development Applications



Under Construction

1. 175 Yorkland Blvd: 6-storey, 15,466 m² Audi Motor Vehicle Dealership.
2. 2205 Sheppard Ave E: Mixed-use development comprising 1,100 units in 4 residential buildings (8, 17, 23 and 43 storeys), 1,500m² of grade-related retail space, a new public road and new parkland.

Recently Approved

3. 5 Heron's Hill Way: 4-storey, 2,857m² office building with one level of underground parking.
4. 2135 Sheppard Ave E & 299 Yorkland Blvd: Mixed-use development comprising 1,100 units in 3 residential buildings (26, 34 and 43 storeys), a 4-storey, 18,750m² retail building, a new public road and new parkland.
5. 2933 Sheppard Ave E: Mixed-use development comprising an 18-storey residential building, 179 units, 281m² of grade-related retail.

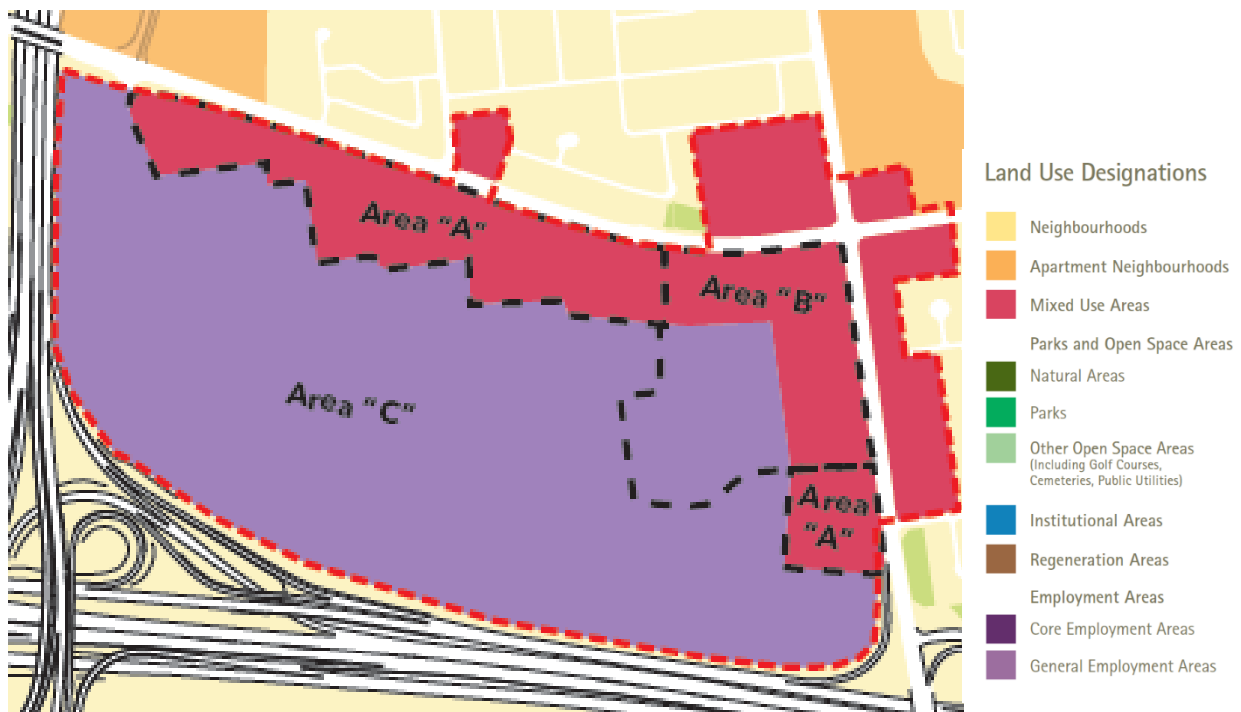
Under Review

6. 243-255 Consumers Rd: 2-storey, 6,050 m² Porsche Motor Vehicle Dealership.
7. 243-255 Consumers Rd: 7-storey parking structure containing 1,133 parking spaces and 3,530 m² of grade-related retail uses.
8. 2450 Victoria Park Ave: Mixed-use development proposing 895 units in 3 residential buildings (2 x 25 and 30 storeys), 3,298m² of grade-related retail uses and retention of the existing 7-storey office building.
9. 2235-2255 Sheppard Ave E: 6-storey, 535-space parking structure for Amex.
10. 2235-2255 Sheppard Avenue East: Three single storey commercial buildings having a combined gross floor area of 1,769m².

Attachment 3: Official Plan Designations and SASP 386



Existing Land Use Designations (prior to OMB approval of OPA 231)



Land Use Designations provided for by OPA 231 and Sub-areas identified by SASP 386