

Development Pipeline 2020

Date: October 5, 2020

To: Planning and Housing Committee

From: Chief Planner and Executive Director, City Planning

Wards: All

SUMMARY

The City Planning Division monitors development activity in the city. This report and the attached bulletin summarize development activity in the city over the past five years. Information from the Division's Land Use Information System II and other sources have been analyzed to provide an overview of all development projects with any development activity between January 1, 2015 and December 31, 2019. Development activity refers to progress at any stage of the approvals and development processes, including application submission, development review, development approval, building permit application, building permit issuance, construction, occupancy and completion. The bulletin illustrates how the city has grown over these five years and how it may continue to develop over time.

In total, 435,069 residential units and 12,085,148 million square meters of non-residential gross floor area (GFA) were proposed by projects with development activity between January 1, 2015 and December 31, 2019. Of this, 148,797 residential units were approved but not yet built, and an additional 193,631 units were in projects still under review. There are 342,428 residential units and 9,791,833 m² of non-residential GFA that are either under review or active, indicating a continuation of strong development activity in Toronto in the coming years. If all of these units were realized over time, they would increase the total number of dwellings in the city by a third.

RECOMMENDATIONS

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

1. The Planning and Housing Committee receive this report for information.

FINANCIAL IMPACT

The City Planning Division confirms that there are no financial implications resulting from the recommendations included in the report in the current budget year or in future years.

COMMENTS

Implementing effective land use planning policies requires monitoring the trends in development proposals and approvals. The development activity over the past five years demonstrates continued strong demand and supply of housing in the city. Housing affordability remains a pressing issue. This monitoring exercise reports only on housing supply, with an emphasis on its spatial distribution and its alignment with the growth management planning of the City. The HousingTO 2020-2030 Action Plan will as part of its reporting speak to the monitoring of affordable housing targets.

Over the last several years, while fewer proposals have been submitted to City Planning for review, in general the proposals submitted represent larger, more complex projects containing more residential units and non-residential space in total. These larger projects on average take longer to progress through the planning and development cycle. While not all proposals are approved and not all approved projects are built, those projects which are approved and built result in tens of thousands of new housing units and hundreds of thousands of square metres of space for employment. Council continues to approve more residential units than are built. The delivery of what is approved involves many factors including the size of the project, cost of land, materials and labour, which impact decisions as when to bring supply to construction.

Citywide Trends

- Over 435,000 residential units and over 12 million square metres of non-residential gross floor area (GFA) were proposed, representing all projects with development activity between January 1, 2015 and December 31, 2019.
- There are 37,742 more residential units and 929,022 square metres more non-residential GFA in this pipeline compared to the 2018 Q4 pipeline that was reported on in the 2019 How Does the City Grow? bulletin.
- Almost 93,000 new residential units were constructed between 2015 and 2019.
- Over the past five years, over 59,000 more residential units received their initial Planning approval than were built. This will help to ensure a steady supply of approved housing will be available for construction and occupancy in the future.
- Almost 149,000 residential units and more than 5.2 million square metres of non-residential GFA are active, meaning they have received at least one Planning approval but have not yet been built.
- Almost 194,000 residential units and over 4.5 million square metres of non-residential GFA are under review.
- Toronto will continue to grow as these proposed developments receive Planning approval and Building Permits.

Pandemic Response

- In response to the global pandemic of the Coronavirus Disease 2019 (COVID-19), the City of Toronto quickly adapted by implementing remote work and continued to deliver services online and via virtual formats.
- In the first six months of 2020, 93 applications were received for development projects proposing 33,171 residential units and 177,477 m² of non-residential GFA. This is higher than the number of applications submitted and residential units proposed in the same period last year.
- There are 33 projects proposing 5,528 residential units that received at least their first Planning approval in the first half of 2020 compared to 29 projects and 5,584 residential units in the first half of 2019.
- According to Canada Mortgage and Housing Corporation, during the first half of 2020, construction started on 9,753 units while 55,509 units were under construction. This compares closely to the first half of 2019 when construction started on 9,624 units while 51,241 units were under construction.

Potential Population

- On August 28, 2020, the Province released the amended A Place to Grow (the Growth Plan) containing forecasts for 2051.
- Statistics Canada estimates the City's population in 2019 to be 2,965,713, exceeding the anticipated population by 17,713 people.
- There are approximately 148,800 units which are approved but not yet built in the Development Pipeline. If completed and occupied, the potential population in these units could be about 260,900 people and could bring the City's population to 3.2 million or 88% of the forecasted population at 2051.
- If the 193,600 units which were still under review at the end of 2019 were also approved, built and occupied, the potential population in these units could be about 339,400 people, for a total potential population of over 600,000 people.
- If fully built out and occupied, and demolished units accounted for, the Development Pipeline could produce a city population of about 3.5 million or 96% of the 2051 population forecast contained in the Provincial Growth Plan.

Growth Management Areas

- Eighty-six percent of new residential development is proposed in areas targeted for growth by the City's Official Plan.
- Eighty-nine percent of new non-residential development is proposed in areas targeted for growth by the City's Official Plan including *Employment Areas*.
- The *Downtown and Central Waterfront* area is the main location for proposed residential development with 35% of the residential units proposed in the city and 39% of the non-residential GFA proposed in the city.
- Almost 44,000 residential units and over 318,000 square metres of non-residential GFA are proposed in the *Centres*.
- Over 96,000 residential units are proposed along the *Avenues* identified in the Official Plan.
- Areas of the city covered by a Secondary Plan contain proposals for 60% of the residential units and 51% of the non-residential GFA proposed city-wide.

- The Downtown Plan Secondary Plan area contains over 150,500 proposed residential units and 4.6 million square metres of proposed non-residential GFA.
- Thirty percent of the city's proposed non-residential floor space is in the *Employment Areas*.
- Over 1 million square metres of industrial GFA is proposed in the *Employment Areas*, accounting for 92% of proposed industrial GFA in the city.

Conclusion

The city continues to be an exceptionally attractive location for development in the Greater Toronto Area (GTA). There are more residential units and more non-residential GFA proposed in the current Development Pipeline than in any other Pipeline over the last five years. Given the scale of this proposed development, comprehensive planning frameworks that link infrastructure to growth continue to be important to manage the City's development and to improve the quality of life. The pandemic has not deterred development activity in the first half of 2020. Ongoing monitoring of development activity will be necessary to assess the long term impact of the pandemic and the progress of the economic recovery.

The City of Toronto's population growth is firmly on track with the forecasts supporting the A Place to Grow: Growth Plan for the Greater Golden Horseshoe, if not slightly ahead. Toronto is also on track to achieve the employment and housing forecasts supporting the amended 2019 Growth Plan well before 2051. As the City's *Urban Growth Centres* develop, they are progressing towards or exceeding the Province's density targets set out in the amended 2019 Growth Plan.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Development Pipeline 2020