DA TORONTO

REPORT FOR ACTION

Zoning Conformity for Official Plan Employment Areas: Phase 2 Work Plan

Date: April 11, 2022To: Planning and Housing CommitteeFrom: Chief Planner and Executive Director, City PlanningWards: All

SUMMARY

This report outlines City Planning's recommended approach and work plan for the next phase of the project to bring the City's zoning by-laws into conformity with Official Plan Amendment (OPA) 231, *Employment Areas* policies as required by the *Planning Act.*

In 2019, the Planning and Housing Committee (PHC) endorsed a two phased approach to bring the City's zoning by-laws into conformity with OPA 231. Phase 1 proposed to remove zoning permissions for sensitive uses for lands designated *Employment Areas* in the Official Plan. Phase 2 proposed to bring all lands designated as *Employment Areas* in the Official Plan into the City-wide Zoning By-law 569-2013 and amend the permitted uses, and associated conditions, to conform with the Official Plan, as amended by OPA 231.

At its meeting of November 9, 2021, City Council directed City Planning to report back to the Planning and Housing Committee on the recommendations of the Zoning Conformity for Employment Lands - Phase 1 review (removal of permissions for sensitive uses) at the same time as the final recommendations on Phase 2 of the review of Zoning Conformity for Official Plan Employment Areas.

The updated work plan proposes to implement Phase 1 and Phase 2 concurrently and provides further consideration of permissions for bingo halls, banquet halls, places of assembly, and places of worship as requested by Council in November of 2021. This report also provides information on coordination with City Planning staff on the current Municipal Comprehensive Review (MCR) regarding *Employment Areas* policies and designations.

RECOMMENDATIONS

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

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

FINANCIAL IMPACT

An external consultant will be hired for Phase 2 of this project. There are sufficient funds in the 2022 City Planning Capital Budget.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

EQUITY IMPACT STATEMENT

The Official Plan provides a vision for the City grounded in principles that assure a successful and healthy future and the City-wide Zoning By-law implements this vision. A founding principle of the Official Plan is that Toronto's future must be diverse, inclusive and equitable. The provision of employment and economic opportunities across the city is important to planning inclusive and equitable communities.

DECISION HISTORY

At its meeting on December 16, 17 and 18, 2013, City Council adopted OPA 231 for *Employment Areas* as part of the five-year Official Plan and Municipal Comprehensive Review for Employment Lands. Council's decision on OPA 231 can be accessed at this link: <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2013.PG28.2</u>

The Minister of Municipal Affairs and Housing approved the majority of OPA 231 with limited modifications in July 2014. The Minister's decision received 178 appeals to the Local Planning Appeal Tribunal (LPAT). In December 2016, the LPAT brought into force the *Core Employment Areas* and *General Employment Areas* designations, except for lands that are subject to a site-specific appeal. OPA 231 LPAT Decisions can be accessed at this link:

https://www.omb.gov.on.ca/ecs/CaseDetail.aspx?n=PL140860

On December 10, 2019, the Planning and Housing Committee considered a report on Zoning Conformity Framework for Official Plan Employment Areas. The Committee endorsed the proposed zoning framework outlined in the staff report as the basis for review to be undertaken to achieve conformity with OPA 231. Staff were directed to conduct public consultations on Phase 1 of the proposed zoning framework, which would remove zoning permissions for sensitive uses from lands designated as *Employment Areas*. The Committee's decision can be viewed at this link: http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.PH11.13

At its meeting on June 28, 2021, the Planning and Housing Committee adjourned the statutory public meeting under the *Planning Act* for the Zoning Conformity for Official Plan Employment Areas - Phase 1 Final Report and Phase 2 Update until the September 21, 2021 meeting of the Planning and Housing Committee. The Committee requested the Chief Planner and Executive Director, City Planning to provide a

supplementary report to address permissions for certain cultural uses, school sites and the Woodbine lands at 555 Rexdale Boulevard. The Committee's decision and direction to staff can be viewed at this link:

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH25.5

The Planning and Housing Committee, at its meeting on September 21, 2021, adjourned the statutory public meeting under the *Planning Act* for the Zoning Conformity for Official Plan Employment Areas - Phase 1 Final Report and Phase 2 Update until the October 18, 2021 meeting of the Planning and Housing Committee. The Committee's decision and supplementary report (September 1, 2021) can be viewed at this link: http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH26.2

The Planning and Housing Committee, at its meeting of October 18, 2021, held the statutory public meeting under the *Planning Act* for the Zoning Conformity for Official Plan Employment Areas - Phase 1 Final Report and Phase 2 Update. The Committee endorsed the staff recommendations for Phase 1, including zoning by-law amendments. In addition, the Committee provided direction to staff to meet with the DUKE Heights BIA to discuss the concerns set out in their correspondence to PHC, and requested a third supplementary report on the outcome. The Committee's decision, second supplementary report (October 15, 2021) and direction to staff can be viewed at this link: http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH27.2

City Council, at its meeting of November 9, 2021 referred Item PH27.2 to the Chief Planner and Executive Director, City Planning and requested the Chief Planner and Executive Director, City Planning to report back to PHC on the recommendations of the Zoning Conformity for Employment Lands - Phase 1 review at the same time as the final recommendations on Phase 2 of the review of Zoning Conformity for Official Plan Employment Areas. This included motions regarding further public consultations and communications, and consideration of permissions for bingo halls, banquet halls, places of assembly, places of worship, daycares, ancillary uses associated with cultural industries, and area specific considerations. Council's decision, third supplementary report (November 5, 2021) and direction to staff can be viewed at this link: http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH27.2

COMMENTS

At the time of enactment of City-wide Zoning By-law 569-2013 on May 9, 2013, lands with employment industrial zoning in the former general zoning by-laws that did not conform to the *Employment Area* policies of the Official Plan were left out of the City-wide Zoning By-law. As a result, the former general zoning by-laws are still in effect for these lands.

Shortly after the enactment of the City-wide Zoning By-law, City Council adopted OPA 231 at its meeting on December 16, 17 and 18, 2013. OPA 231 addressed Economic Health and Employment Lands policies, designations and mapping.

Official Plan Amendment 231, Employment Areas

OPA 231 was approved by the Minister of Municipal Affairs and Housing in July 2014, and was subsequently appealed to the Ontario Land Tribunal (OLT). The Tribunal has approved significant portions of OPA 231, including a number of Council adopted sitespecific settlements. These approvals have included permitted uses, mapping, and policies addressing compatibility and mitigation, conversions, retail and cultural permissions. The Tribunal has not yet considered appeals to office replacement policies and approximately 80 site and area specific appeals.

On January 8, 2019 the OLT issued an order to bring into force Council decisions to affirm that the following uses are not permitted in lands designated *Core Employment Areas* and *General Employment Areas*: places of worship, daycares/day nurseries, education uses (excluding technical trade schools related to employment uses), entertainment uses, recreation uses, hotels (unless permitted Site and Area Specific Policy (SASP)), and ice arenas (excluding legally established ice arenas in *General Employment Areas*).

As amended by OPA 231, *Core Employment Areas* are places for business and economic activities that are generally geographically located within the interior of *Employment Areas*. The uses permitted in these areas are all types of manufacturing, processing, warehousing, wholesaling, distribution, storage, transportation facilities, vehicle repair and services, offices, research and development facilities, utilities, industrial trade schools, media, information and technology facilities, among other related uses.

Uses that attract the general public into the interior of employment lands and possibly disrupt or limit industrial operations are not generally permitted in *Core Employment Areas*. These uses include, but are not limited to places of assembly (bingo halls, banquet halls, places of worship), daycares, and ancillary uses associated with cultural industries. Attraction of the general public into the interior of employment lands tends to create traffic conflicts between large vehicles necessary in the operation of industries in employment lands and passenger cars, parking issues, as well as noise and other environmental compatibility conflicts. Conflicts and complaints may arise between land uses that require environmental certification and land uses that attract the general public.

General Employment Areas are generally located on the periphery of *Employment Areas* on major roads. In *General Employment Areas*, fitness centres are also permitted, as are existing ice arenas that were legally established before March 26, 2018. Neither of these uses are permitted in *Core Employment Areas*.

Planning Act

The *Planning Act* requires municipalities to amend all zoning by-laws to conform with their Official Plan. Given that the majority of OPA 231 is now in full force and effect, the City is required to amend the City-wide Zoning By-law 569-2013 to bring it into conformity with OPA 231. This also provides the opportunity to bring lands designated as *Employment Areas* in former general municipal zoning by-laws into the City-wide Zoning By-law in conformity with OPA 231.

Summary of Phase 1 Work

The City Planning Division retained the services of a private planning consultant, R.E. Millward and Associates, to support staff with the Phase 1 work in 2018 and 2019. Phase 1 of the Zoning Conformity Project was completed in 2021 and recommended the removal of sensitive land uses from industrial zones on land designated as *Employment Areas* in the Official Plan, in both the City-wide Zoning By-law and all former general zoning by-laws. Phase 1 included two virtual public consultation meetings in the fall of 2020, as well as consultations with Business Improvement Areas in *Employment Areas* in the summer of 2021.

City Council, at its meeting of November 9, 2021 referred the Phase 1 Final Report back to staff and requested that City Planning report back to PHC on the recommendations of the Zoning Conformity for Employment Lands - Phase 1 review at the same time as the final recommendations on Phase 2 of the review of Zoning Conformity for Official Plan Employment Areas and to undertake additional consultation. This request for further consultation and review included motions regarding more communications, and consideration of permissions for bingo halls/banquet halls/places of assembly, place of worship, daycares, ancillary uses associated with cultural industries and area specific considerations.

Revised Phase 2 Work Plan

In response to City Council's direction to staff, the work program for Phase 2 of the Zoning Conformity for Official Plan Employment Areas project has been revised. Staff propose to integrate the remaining Phase 1 work program within the Phase 2 work plan to address the direction received.

Phase 2 of the Project consists of several components: full review of Zoning By-law 569-2013 and former general zoning by-law land use permissions on lands in *Employment Areas*; analysis of Official Plan *Employment Areas* policies to confirm supportable land use permissions in *Employment Areas*; a consultation program; development of recommendations for changes in zoning use permissions; and finalization of the process to bring zoning permissions in *Employment Areas* into conformity with the Official Plan.

Additionally, Phase 2 will address lands which continue to only be subject to the zoning by-laws of the former municipalities of Toronto. Across the city, the former general zoning by-laws are still in effect, including for lands designated as *Employment Areas*. These permissions will be updated to ensure that land use permissions across the city are in conformity with the permissions and policies established in the Official Plan in designated *Employment Areas*. The former general zoning by-laws permit a number of uses no longer contemplated for lands designated as *Employment Areas* in the Official Plan, including many sensitive and non-compatible uses, such as places of assembly (bingo halls, banquet halls, places of worship), daycares, day nurseries, and ancillary uses associated with cultural industries education uses, and hotels. OPA 231 reaffirmed that sensitive uses should not locate in these areas.

Analysis of land use permissions may be most effectively addressed on a geographic basis, moving across the city to permit analysis and local consultation. Reporting will also be carried out on a geographic basis through Planning and Housing Committee.

Outreach and consultation during Phase 2 will be undertaken with an emphasis on providing ample opportunity to communicate with, and inform existing businesses of the proposed amendments and their implications, with an eye to nurturing the economic climate for businesses and undertaking implementation of zoning changes in a way that existing businesses can continue to thrive.

The revised Phase 2 work plan will include the following to bring the City-wide Zoning By-law into conformity with OPA 231:

- adding all lands designated *Employment Areas* in OPA 231 that are still subject to the former general zoning by-laws into Zoning By-law 569-2013;

- removing permissions for sensitive uses;

- translating land uses and associated conditions from the former municipal zoning bylaws into the City-wide Zoning By-law 569-2013;

- amending existing employment industrial zone land uses and associated zoning standards;

- implementation of relevant SASPs through area- or site-specific zoning permissions; and

- introduction of a new employment industrial zone should this be deemed necessary.

In addition to this zoning review, the City is presently undertaking a Municipal Comprehensive Review (MCR) of the Official Plan, including lands designated as *Employment Areas*. The MCR will inform the analysis and review of land use permissions, and the delineation of employment industrial zones in Zoning By-law 569-2013. Aligning the two projects will help ensure that Toronto's zoning permissions in *Employment Areas* reflect the city's modern economy and most current planning policies. Staff on the two project teams are working closely to ensure these two work plans align.

It is anticipated that a third party consultant will be hired to assist staff with the Phase 2 work and consultation.

Municipal Comprehensive Review and Zoning Conformity Work

Concurrently with this project, the City is undertaking a Municipal Comprehensive Review (MCR) of the Official Plan, called Our Plan Toronto. Part of this review includes reviewing the land use policies for *Employment Areas*, reviewing conversion requests, and undertaking an employment study.

The Places to Grow Act and the *Planning Act* require that municipalities bring official plans into conformity with the Growth Plan through a MCR on or by July 1, 2022. Completion of this work will influence the final recommendations regarding zoning conformity.

Site-specific permissions for places of assembly (bingo halls, banquet halls, places of worship), daycares, and ancillary uses associated with cultural industries within *Employment Areas*, will only be considered through a SASP as part of the current MCR. An example of this is the approach for hotels, which are not permitted in *Employment Areas* City-wide, but are permitted in some SASPs in the vicinity of Pearson International Airport.

The table below has been used by staff when collaborating between the zoning policy and official plan teams. In consultation with the Official Plan team since November 9, 2019, the categorization of land uses has been confirmed as shown below, and will continue to inform the Zoning Conformity work.

Group 1: Permitted - General and Core Employment Areas	Group 2: Not Permitted - Core Employment Areas, Generally Permitted - General Employment Area	Group 3: Not Permitted - General or Core Employment Areas
Agriculture (Vertical)	Banks *	Community Services
Banks	Fitness Centres	Day Nurseries
Emergency Services	Legally Established Ice Arenas	Education Uses
Industrial Trade Schools	Retail Uses *	Entertainment Uses
Information and Technology Facilities	Service Uses *	Hotels
Manufacturing and Processing	Vehicle, Commercial or Retail	Institutions
Media		Municipal Shelters
Offices (incl. Medical		Places of Assembly (e.g.
Offices)		bingo halls, banquet halls)
Parks		Places of Worship
Research and Development		Recreation Uses
Retail		Residential Uses
Service Uses		Schools
Storage		
Transportation Facilities		
Utilities		
Vehicle Repair and		
Services		
Warehousing, Wholesaling, Distribution		
Waste Management Systems		

* Uses permitted in *Core Employment Areas* as small scale or ancillary to employment uses

Consultation overview

Given the complexity of the work and the anticipated changes to permitted land uses in designated *Employment Areas* across Toronto, consultation will be undertaken in stages. Zoning staff will continue to collaborate with staff from the Official Plan team, Economic Development and Culture, and the Business Improvement Area Office on the consultation program.

Stage One will build on the consultation undertaken in Phase 1, and is proposed to continue engagement and outreach with the Boards and membership of the City's Business Improvement Areas (BIAs) that are industrially-focused, as well as representatives of industry organizations, such as the Toronto Industry Network. This stage of engagement and outreach will address issues raised in Phase 1, will provide clarity about land use categories and their current permissions under *Employment Area* designations, and will include information specific to the meaning and implications of legally non-conforming status. City Planning staff in the Zoning Section will work closely with the Official Plan team and utilize opportunities for joint consultations as part of the MCR work on *Employment Areas*.

Stage Two will be undertaken following completion of the planning consultant's work, and is proposed to be scoped, and scheduled, on a geographic basis across the city. The consultation will present findings of the work, discuss proposed recommendations and provide opportunities for feedback. In this way, staff are proposing to address changes to the existing land use permissions by area, to ensure that permissions maintained from the Former Municipal By-laws can be addressed cohesively within a given area before zoning conformity is completed. This phase will focus on draft zoning regulations and mapping as well as site and area specific complexities.

Anticipated Reporting Timeline (proposed)

Staff are proposing to bring Phase 2 zoning conformity reports forward in keeping with the approach for the consultation program, using a geographic basis for land use permission review and conformity.

Q2/Q3 2023

Zoning Conformity reporting will begin in 2023 with a report that summarizes the analysis and recommendations from the external consultant, anticipated to include a recommended zoning framework to form the basis for consultation and for the introduction of a new employment industrial zone, if deemed necessary. This report will also provide an overview of the consultation program for endorsement for the purposes of initiating public consultation. Additionally, this report will address any changes to the zoning conformity work as a result of the MCR *Employment Area* policies, should this be necessary.

Q4 2023 - 2024

Staff will bring forward a series of final reports on a geographic basis beginning in Q4 2023. Staff recommendations will build on the foundation of the completed external consultant's work, as well as the outcomes of the MCR *Employment Area* polices review, and public consultation. As outlined above, analysis of complex sites, specific conditions arising from Former Municipal zoning by-laws and the related consultation

will be undertaken on a geographic basis. Reporting on these stages of the work will also be brought to Committee on a geographic basis. These reports will include draft regulations, draft mapping, and incorporate feedback from the public consultation.

CONTACT

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