# **DA** TORONTO

### **REPORT FOR ACTION**

### Our Plan Toronto: Recommended Official Plan Amendment for City-wide Employment Policies and Conversion Requests - Final Report

Date: June 20, 2022To: Planning and Housing CommitteeFrom: Chief Planner and Executive Director, City PlanningWards: All

#### SUMMARY

This report recommends adoption of Official Plan Amendment 591 (OPA 591) that amends the Official Plan's economic health and Employment Area policies contained in Chapters 2, 3 and 4 as part of the phased Municipal Comprehensive Review (MCR) and Growth Plan Conformity Exercise named "Our Plan Toronto". This report also recommends adoption of several site or area specific Official Plan policies resulting from local area studies and review of Official Plan Amendment applications and conversion requests that propose the introduction of uses that are not current permitted, including residential uses, on lands designated either *Core Employment Areas* or *General Employment Areas* in the Official Plan.

This report is to be considered at a Special Public Meeting under Section 26 of the Planning Act regarding the City's phased Official Plan and Municipal Comprehensive Reviews. This MCR phase has concluded after an extensive public engagement program that will continue to inform subsequent MCR phases.

On February 2, 2022, City Council requested an extension from the Minister of Municipal Affairs and Housing for the date by which the City's Official Plan must conform with the Growth Plan 2020. To date, the Minister has not provided a response to Council's request. Given the complexity of Toronto's MCR, staff have applied a phased approach to reporting out that would advance Official Plan Amendments for Council's adoption and Ministerial approval in a staged manner. To date, as part of the staged reviews, Council has adopted Official Plan Amendments related to 18 Protected Major Transit Station Areas and policies related to Environment and Climate Change.

Staff will advance the next MCR phases that will include the remaining Employment Area conversion requests and revisions to Official Plan Chapter 1, which will be considered at a Special Public Meeting under Section 26 of the Planning Act in the first quarter of 2023.

#### RECOMMENDATIONS

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

1. City Council adopt Official Plan Amendment 591 substantially in accordance with Attachment 1 to the report (June 20, 2022) from the Chief Planner and Executive Director, City Planning.

2. City Council authorize the Chief Planner and Executive Director, City Planning to seek approval of the Minister of Municipal Affairs and Housing of Official Plan Amendment 591 under Section 26 of the Planning Act.

3. City Council authorize the City Solicitor to make such stylistic and technical changes to the recommended Official Plan Amendment 591 as may be required.

4. City Council declare by resolution to the Minister of Municipal Affairs and Housing that Official Plan Amendment 591 conforms with Provincial Plans or does not conflict with them; has regard to the matters of Provincial Interest in Section 2 of the Planning Act; and is consistent with policy statements issued under subsection 3(1) of the Planning Act.

5. City Council request the Chief Planner and Executive Director, City Planning to consider potential and appropriate Official Plan Amendment(s) that could expand permitted uses in Employment Areas (site or area specific only) to include places of assembly (including bingo halls and banquet halls), and places of worship and report back to Planning and Housing Committee in Q2 2023.

6. City Council authorize the Chief Planner and Executive Director, City Planning to use the Preliminary Assessment Chapter 7 Site and Area Specific Policies, attached as Attachment 4 to the report (June 20, 2022) as a basis for consultation.

7. City Council direct the Chief Planner and Executive Director, City Planning to bring forward Final Reports at Special Public Meetings under Section 26 of the Planning Act in the first half of 2023 with recommendations on:

a. the remaining Employment Area conversion requests (Q1);

b. revisions to Site and Area Specific Policies within Employment Areas that currently permit residential uses (Q1);

c. revised Official Plan Chapter 1 Vision Statement for 2051, Principles for a Successful and Inclusive City and Indigenous Planning Perspectives (Q2); d. potential revisions for expanding the permitted uses within Employment Areas (site or area specific only to include places of assembly (including bingo halls and banquet halls), and places of worship (Q2).

8. City Council direct the Chief Planner and Executive Director, City Planning to include capital and staffing resources in the 2023 capital budget to undertake the necessary zoning review resulting from outcomes generated from 7.d, above.

#### FINANCIAL IMPACT

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

#### **EQUITY IMPACT STATEMENT**

At the outset of the Our Plan Toronto process, staff undertook broad-based and comprehensive efforts to engage with Torontonians and stakeholders representing equity deserving groups across the city. Post-pandemic recovery and rebuilding efforts must acknowledge that lived experiences vary amongst Torontonians. The Toronto Office of Recovery and Rebuild report indicates that many impacts of COVID-19 were disproportionately felt by certain neighbourhoods, segments of the population, occupations, and sectors – a reality that must be addressed in recovery.

Through the MCR, the City is required to demonstrate conformity with provinciallydetermined growth forecasts of at least 700,000 new residents and 450,000 jobs by 2051. Applying an equity lens means identifying and removing barriers for the City's most marginalized and vulnerable communities as the city grows. Staff have carefully considered how the City will grow in the next thirty years and not solely by how much.

The recommended employment policies in Attachment 1 to this report take into consideration the role Employment Areas play in accommodating a range of businesses including those that offer attainable employment opportunities for people of various education levels and skill sets. The relationship between Employment Areas and economic opportunities for visible minority households is also important. Jobs in distribution and in manufacturing and other goods-producing sectors are commonly identified as low-barrier employment opportunities for recent immigrants and other individuals that tend to face challenges related to having their professional certifications recognized along with those individuals where English is not their first language.

The recommended Employment Area conversions in Attachment 1 to this report have undergone careful consideration by City Planning and Economic Development and Culture staff. In addition to applying the applicable provincial and city policies to the proposed employment conversions, staff and participating proponents have discussed how changes to the land use permissions can help advance City building objectives related to job creation, access to public transit, and inclusion of affordable housing in future developments.

Staff will continue engagement on the draft Indigenous planning perspectives and the 2051 Vision Statement, which describes that the Official Plan should: seek to eliminate disparities in Toronto by challenging orthodoxies and systemic impacts of land use planning; prioritize climate change action and sustainability towards net zero by 2040; and be the road map for Toronto to become the most inclusive city in the world by achieving complete communities and all its requisite components. The draft principles for a successful and inclusive city for the basis of engagement are: Access, Equity, and Inclusion and will be reported out in draft in the first half of 2023.

#### **DECISION HISTORY**

The following section provides a summary of the Council and Committee decisions with respect to the Our Plan Toronto process.

#### Previous Municipal Comprehensive Review (OPA 231)

At its meeting on December 16, 2013, Council adopted Official Plan Amendment (OPA) 231, following the City's first MCR to conform to the 2006 Provincial Growth Plan. The Minister of Municipal Affairs and Housing approved OPA 231 in 2014 with the exception of certain lands within the Lower Don Special Policy Area. An April 2021 consolidation of OPA 231 is available at this link: <u>https://www.toronto.ca/legdocs/refdocs/11463.pdf</u>

#### **Current Municipal Comprehensive Review (Our Plan Toronto)**

On October 15, 2019, Planning and Housing Committee considered a report from the Chief Planner that described the requirements for the Growth Plan 2019 conformity exercise and MCR. The Committee requested the Chief Planner report on a work program for the completion of the required conformity exercise. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.PH9.2

On June 29, 2020, Council adopted a recommended approach and work plan for the Growth Plan conformity exercise and MCR. To standardize the requirements for conversion requests, Council authorized the commencement of the MCR on August 4, 2020 and established a deadline of August 3, 2021 for written requests to convert lands designated *Core Employment Areas* or *General Employment Areas*. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2020.PH14.4

On February 2, 2022, Council considered a report that provided an update on the Growth Plan conformity exercise and MCR and, among other matters, adopted a recommendation requesting the Minister of Municipal Affairs and Housing to grant an extension to the July 1, 2022 conformity deadline. Council also requested City Planning to consider advancing to the July 5, 2022 meeting of Planning and Housing Committee final recommendations for complete Official Plan Amendment applications for conversion request sites.

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2022.PH30.6

#### **Draft Employment Policies**

On April 27, 2022, Planning and Housing Committee adopted, among other matters, Draft Official Plan Employment Policies to be used as the basis for consultation and directed City Planning to bring forward recommended employment policies to a July 5, 2022 statutory public meeting. Included in the staff report was a summary of the findings of the Employment Study prepared by Hemson Consulting Ltd. with the full report attached as part of the Background Information.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH33.13

#### **Employment Policies and Zoning Permissions**

On November 9, 2021, as part of the Zoning Conformity for Official Plan Employment Areas exercise, Council requested the Chief Planner to: consider amending zoning bylaws to preserve the ability of bingo halls and places of assembly to operate in *Employment Areas*; identify ancillary uses associated with cultural industries that may be appropriate to permit in certain *Employment Areas* on a site and area specific basis; review *Employment Areas* where impactful industries may not be appropriate and to consider the introduction of daycares to support existing workers nearby, including on sites that staff may bring forward for conversions.

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH27.2

On April 27, 2022, Planning and Housing Committee received for information an updated work plan for the zoning conformity exercise. The process provides for further consideration of permissions for bingo halls, banquet halls, places of assembly, and places of worship on lands designated Employment Areas as requested by Council in November of 2021.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH33.14

#### **Planning Studies Involving Employment Conversions**

#### Keele St. Clair Local Area Study

On June 28 and November 25, 2021, Planning and Housing Committee considered 15preliminary assessments for the basis of consultation within the Keele-St. Clair local area study. <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH25.8</u> <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH29.10</u>

On May 11, 2022, Council adopted OPA 537 to add the Keele-St. Clair Secondary Plan to Chapter 6 of the Official Plan. The Secondary Plan recommends the conversion of lands designated *Core Employment Areas* and *General Employment Areas* in proximity to other designations that permit new residential, park, open space, community service, employment, commercial and service uses.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH33.2

#### **Geary Works Planning Study**

On July 14, 2021, Council adopted Official Plan amendments resulting from the Geary Works Planning Study, which included direction for staff to consider area specific changes to the land use permissions on Geary Avenue and to consider the conversion of certain lands from *Core Employment Areas* to *General Employment Areas* on the north side of Dupont Street from Emerson Avenue to Dovercourt Road. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.PH24.1

#### **Picture Mount Dennis Planning Framework Study**

On January 5, 2022, Etobicoke York Community Council (EYCC) directed staff to bring forward a draft Official Plan Amendment, including a draft Secondary Plan for the Picture Mount Dennis Planning Framework, which will be considered at the June 27, 2022 meeting of EYCC. The draft framework recommends reviewing the *General* 

*Employment Areas* lands municipally known as 915-945 Weston Road to be considered for the introduction of other uses, including residential. <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2022.EY29.2</u>

#### **Update Downsview Study**

On May 31, 2022, Planning and Housing Committee endorsed a revised Downsview Area Secondary Plan boundary as the basis for consultation and engagement. In coordination with the modified boundary, Committee also requested City Planning to expand the review of a conversion request and add properties for consideration of a redesignation from a *Core Employment Areas* designation to *Regeneration Areas* as part of the MCR.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH34.11

#### **Employment Conversion Requests**

Planning and Housing Committee authorized the use of over 130 preliminary assessments of employment conversion requests for the basis of consultation. The conversion request preliminary assessments were advanced in four consecutive groupings between January and April, 2022. Proponents for these requests are seeking to convert lands designated *Core Employment Areas* and *General Employment Areas* and introduce uses that are not currently permitted, including residential. A number of proponents also proposed a conversion from *Core Employment Areas* to *General Employment Areas*.

- Group 1: 39 Preliminary Assessments (January 12, 2022) <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2022.PH30.5</u>
- Group 2: 34 Preliminary Assessments (February 15, 2022)
   <u>http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH31.7</u>
- Group 3: 56 Preliminary Assessments (March 25, 2022) http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH32.8
- Group 4: 4 Preliminary Assessments (April 27, 2022) http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH33.13

#### **ISSUE BACKGROUND**

#### **Planning Context**

The context for planning for employment uses in the City is defined by the *Planning Act*, the Provincial Policy Statement (2020) ("PPS"), A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2019) as amended in 2020 (the Growth Plan), the in force and effect Official Plan, and any directions that may set by the Ontario Land Tribunal.

#### **Planning Act**

The *Planning Act* is provincial legislation that sets out the rules for land use planning in Ontario, which lists as its first element within its statement of purpose is, to promote

sustainable economic development. City Council, in carrying out its responsibilities under the *Planning Act* shall have regard to, among other matters, matters of provincial interest. Matters of provincial interest include the adequate provision of employment opportunities, the protection of the financial and economic well-being of the province and its municipalities, and the appropriate location of growth and development.

The *Planning Act* defines "area of employment" as, an area of land designated in an official plan for clusters of business and economic uses including, without limitation: manufacturing uses; warehousing uses; office uses; retail uses that are associated with those uses; and, facilities that are ancillary to those uses. A similar definition is provided in the Provincial Policy Statement and the Growth Plan 2020.

The *Planning Act* sets out other requirements such as the timing and process of official plan updates; direction on relevant population and employment growth forecasts; and, requirements around the removal of land from areas of employment. Also, the *Planning Act* allows a municipality three years to update its zoning by-laws after amendments to the official plan are made.

Pursuant to Section 26 of the *Planning Act*, the City must review and revise its official plan no less then every five years. The Minister of Municipal Affairs and Housing is the approval authority for the conformity exercise and MCR. There is no right of appeal of the Minister's decision to the Tribunal. Recent amendments to the *Planning Act* through Bill 109, More Homes for Everyone Act, 2022, allow the Minister to refer official plan amendments or a part of an amendment for which the Minister is the approval authority to the Ontario Land Tribunal for either a recommendation back to the Minister or to the OLT to make a decision.

#### **Provincial Policy Statement**

The updated Provincial Policy Statement 2020 (the "PPS") came into effect May 1, 2020. The PPS provides province-wide policy direction on land use planning and development to promote strong communities, a strong economy, and a clean and healthy environment. The PPS includes policies on key issues that affect communities, such as:

- protecting and preserving employment areas for current and future uses and ensure that the necessary infrastructure is provided to support current and projected needs;
- the efficient use and management of land and infrastructure;
- ensuring opportunities for job creation; and,
- ensuring the appropriate transportation, water, sewer and other infrastructure is available to accommodate current and future needs.

The PPS recognizes and acknowledges a municipality's official plan as an important document for implementing the policies within the PPS. Policy 4.6 of the PPS states that, "The official plan is the most important vehicle for implementation of this Provincial Policy Statement. Comprehensive, integrated and long-term planning is best achieved through official plans."

Related to the protection of economic uses and to facilitate conditions for economic investment, the PPS includes the following policies relevant to Our Plan Toronto and in particular to the City's economic health and employment area policies:

- Land use compatibility has been strengthened by stating that major facilities and sensitive lands uses shall be planned and developed to avoid potential adverse effects, minimize risk to public health and safety, and ensure the long-term operational and economic viability of major facilities (Policy 1.2.6.1).
- Conditions (Policy 1.2.6.2) that must be satisfied where avoidance is not possible in accordance with Policy 1.2.6.1.
- To provide clarity, residential uses are explicitly prohibited within employment areas planned for industrial and manufacturing uses and other sensitive land uses permissions are limited. As well, it states that employment areas planned for industrial or manufacturing uses should include appropriate transitions to adjacent non-employment areas (Policy 1.3.2.3).
- Allows for the conversion of employment areas that are not provincially significant until the official plan review or update subject to an identified need; the effect on the employment area; and, the availability of hard and soft infrastructure (Policy 1.3.2.5).
- The definition of major facilities has been updated to include manufacturing uses.

#### Places to Grow: Growth Plan for the Greater Golden Horseshoe

The Growth Plan (2020) came into effect on August 28, 2020. The Growth Plan provides a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe (GGH) region, of which the City is an integral part. Section 26 of the *Planning Act* and Section 12 of the Places to Grow Act, 2005, require all GGH municipalities to implement the policies of the Growth Plan through an MCR.

The Growth Plan builds on the policy foundation of the PPS and provides more specific land use planning policies to address issues facing the GGH region. The policies of the Growth Plan take precedence over the policies of the PPS to the extent of any conflict, except where the relevant legislation provides otherwise. In accordance with Section 3 of the *Planning Act*, all Council decisions that affects a planning matter shall conform with the Growth Plan.

The Growth Plan requires municipalities to undertake integrated planning to manage forecasted growth to the 2051 planning horizon. With respect to economic health and employment areas, the Growth Plan's policies requires the City to:

- Plan for and manage population and employment growth to 2051 as provided in the Growth Plan Schedule 3 forecasts or higher as established by the City (Policy 2.2.1.1);
- Assess the quantity of land required to accommodate forecasted population and employment growth using the methodology established by the Minister (Policy 2.2.1.5);
- Promote economic development and competiveness by connecting areas with high employment densities to transit and ensuring sufficient supply, in appropriate locations for a variety of employment (Policy 2.2.5.1 a) and b));

- Direct retail and office uses, including major office, to locations that support active transportation or have transit, including urban growth centres, major transit stations areas, or other strategic growth areas and support the retail sector through compact built form, intensification and land uses to support complete communities (Policies 2.2.5.2, 2.2.5.3 and 2.2.5.15);
- Designate and preserve lands located adjacent or near to major goods movement facilities and corridors and major transportation infrastructure for manufacturing, warehousing and logistics, and appropriate associated uses and ancillary facilities (Policy 2.2.5.5);
- Designate all employment areas in official plans and protect them for appropriate employment uses over the long-term (Policy 2.2.5.6);
- Prohibit residential land uses in employment areas and prohibit or limit other sensitive land uses in employment areas (Policy 2.2.5.7 a));
- Establish size or scale thresholds for major retail uses and only permit new or expanded opportunities for major retail in an employment area in accordance with the conversion policies of the Growth Plan (Policy 2.2.5.7 b) and 2.2.5.11);
- Address compatibility issues in and between Employment Areas and nonemployment areas (Policies 2.2.5.7 c) and 2.2.5.8);
- Permit the conversion of employment areas to non-employment uses only through a municipal comprehensive review and where it is demonstrated that: there is a need for the conversion; the lands are not required for the employment purposes for which they are designated; the municipality will maintain sufficient employment lands to accommodate forecasted employment growth; the conversion will not adversely affect the overall viability of the employment area; and, there are existing or planned infrastructure and public service facilities to accommodate the proposed uses (Policy 2.2.5.9);
- Until the next MCR and in particular policy circumstances, permit the conversion of employment areas using alternative assessment criteria (Policy 2.2.5.10);
- Establish minimum density targets for all employment areas (Policy 2.2.5.13);
- Develop criteria to ensure that the redevelopment of any employment lands will retain space for a similar number of jobs to remain accommodated on site (Policy 2.2.5.13); and,
- Support office parks, including direction for transit connectivity, amenities, intensification, and limiting non-employment uses (Policy 2.2.5.16).

#### Official Plan and OPA 231

In December 2013, Council adopted OPA 231 regarding *Employment Areas* as part of the City's first MCR to bring its Official Plan into conformity with the policies of the Growth Plan 2006. The Minister of Municipal Affairs and Housing approved OPA 231, with minor modifications in July 2014. 178 appeals to OPA 231 were made to the Tribunal.

The OPA 231 hearing was phased, with site specific appeals to be dealt with after Citywide matters. Table 1 outlines the various phases and the general outcome of each appealed phase. Ontario Regulation 305/19 transitions OPA 231 under the Growth Plan 2006, requiring that appeals of OPA 231 be continued and disposed of in accordance with the 2006 Growth Plan as it read on June 16, 2006. The Tribunal has approved significant portions of OPA 231, including a number of Council-adopted site specific settlements. OPA 231 resulted in considerable policy changes to the Official Plan, some of which only came into full force in late 2019 due to the appeals. The Tribunal has not yet considered appeals to office replacement policies and over 70 site and area specific appeals, including those related to Site and Area Specific Policy 154. The remaining site specific appellants have collectively requested over 300 hearing days for the Tribunal to consider their appeals.

OPA 231 proposed the conversion of 70 sites across the city, including several clustered properties that were subject to a Regeneration Area study that lead to a new local planning framework. An analysis of these 70 sites demonstrates that:

- 41 of the 70 sites have had building permits issued:
  - 25 (of 41) sites received residential (or mixed use) building permits amounting to 11,372 units, of which 4,443 are currently built (or are under construction)
  - 16 (of 41) sites pulled non-residential only building permits, of which 2 are currently built
- 29 of the 70 sites have not submitted building permit applications
  - 16 (of 29) sites have Zoning By-law Amendment applications under review and 8 have Site Plan Approval applications under review, one of which is for a nonresidential development
  - 13 (of 29) sites have no development applications submitted.

This analysis illustrates that not all converted Employment Areas have translated into built residential units, even 10-years after receiving an approved conversion. Various factors may impact this outcome but it is clear that converting land does not necessarily result in adding to the supply of housing nor is it necessarily related to a city process.

#### Table 1: OPA 231 Hearing Phases

Phase	OPA 231 Matter	Order Date	Phase Description
1A	Land use designations	December 20, 2016	<ul> <li>Brought into effect the Core Employment Areas and General Employment Areas land use designations and policy language.</li> <li>Did not apply to lands which were subject to a site specific appeal</li> </ul>
1B	Compatibility and Mitigation	July 10, 2018	• Brought into effect Compatibility/Mitigation policies for development and use of lands outside of <i>Employment Areas</i>
1C	Sensitive Land Uses within Employment Areas	August 16, 2018	• Brought into effect permitted land uses in Core Employment Areas and General Employment Areas
2	Office Replacement	2018 and 2019	Mediation is ongoing
3	Conversion and Forecasting	May 8, 2020	• Brought into effect the <i>Employment Areas</i> conversion and removal policies, as well as the forecasting of employment in the City
4	Retail in Employment Areas	April 26, 2021	<ul> <li>Brought into effect policies related to retail in <i>Employment Areas</i></li> </ul>
5	Cultural policies	April 26, 2021	<ul> <li>Brought into effect policies related to cultural uses</li> </ul>
6	Phasing of site specific appeals	April 8, 2021	<ul> <li>Established a phased approach to hear outstanding site-specific appeals</li> <li>6A – 8 Oak Street (complete)</li> <li>6B – North East Scarborough (ongoing)</li> <li>6C - South West Etobicoke (scheduled)</li> <li>Hearing phases with no hearing dates scheduled:</li> <li>6D - Liberty Village</li> <li>6E - Core Employment Area to General Employment Area</li> <li>6F - Large Format Retail</li> <li>6G - Site-specific appeals (non-clustered)</li> </ul>

#### **Zoning Conformity for Official Plan Employment Areas**

The *Planning Act* requires municipalities to amend all zoning by-laws to conform with the 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.

The zoning conformity exercise provides the opportunity to bring lands zoned for employment uses in former general municipal zoning by-laws into the City-wide Zoning By-law in conformity with OPA 231. To bring the City's zoning by-laws into conformity with OPA 231, staff are reviewing zoning permissions for sensitive uses for lands designated *Core Employment Areas* and *General Employment Areas* and amend the permitted uses, and associated conditions.

As directed by Council (<u>PH27.2</u>), this report recommends that staff consider further permissions for places of assembly (including bingo halls and banquet halls) and places of worship in *Core Employment Areas* and *General Employment Areas* (site or area specific only) and report back to Committee and Council in the second quarter of 2023.

#### Land Needs Assessment

The Land Needs Assessment (LNA) is a City-led study that is intended to determine the land required to accommodate the forecasted population growth to the Growth Plan horizon, as well as provide a range and mix of housing that can accommodate households of different sizes and incomes in locations that provide transportation options and access to jobs and other amenities.

The LNA study is also intended to determine the need for Employment Area land based on the number of jobs to be accommodated and the projected densities of those Employment Areas. The work undertaken through the LNA is essential to inform the various components of the City's intensification strategy and to identify the amount of Employment Areas required to achieve the objectives of the City's employment lands strategy and those of the PPS.

The LNA determines where and how projected employment will be accommodated across the city within Employment Areas and within other land use designations. The LNA also generates a comprehensive understanding of the regional labour force, employment growth and the sectoral composition by place of work, which can be combined to build detailed employment projections for major office, employment land, and population-related employment. As Toronto is unable to expand its Settlement Area boundary, the results of the LNA process are framed within a fully infill context and include the quantification of the necessary densities required to accommodate future employment growth.

The LNA is an integral part of the MCR, the results of which are described in a separate staff report, which will be considered in advance of this report's recommendations at the Special Public Meeting to be held under Section 26 of the *Planning Act*. Staff have utilized the findings from the LNA to advance the recommendations on both the employment policies and conversion requests.

It is City Planning staff's opinion that the Official Plan and recommended OPA 591 conforms with the Growth Plan and its requirements related to the economy, economic growth, and employment areas. The MCR process has also presented the opportunity to consider Official Plan policies and policy language that respond to and address current development trends and to provide further clarity on existing policies that continue to support economic growth and achievement of complete communities.

#### **Engagement with Recommended Policies**

The City retained Dillon Consulting to assist in the design and delivery of the city-wide engagement program, which commenced in late-2020. The engagement program was delivered remotely and proactively took the opportunity to utilize many virtual tools available to the City to reach as many communities and stakeholders and possible. Attachment 2 to this report summarizes the Our Plan Toronto engagement process, including engagement with Indigenous communities, including Treaty Rights holders, care-takers, and urban indigenous organizations working with Indigenous peoples living in Toronto.

As part of Our Plan Toronto, Planning and Economic Development and Culture staff undertook targeted stakeholder engagement with nine industry groups during the first quarter of 2022. The purpose of these sector-specific meetings was to better understand:

- locational criteria important to different business operations;
- importance of clustering with other related businesses;
- factors that influence decisions to grow operations in Toronto;
- irritants that prevent further growth and investments in Toronto;
- types of operational changes that have resulted from the pandemic, particularly those that would remain permanent and,
- Business trends related the pandemic and return-to-work practices.

The City retained Hemson Consulting Ltd., with Cushman & Wakefield, to carry out an employment study and economic analysis of the City's *Employment Areas* and office market ("Employment Study"). The Employment Study, completed in April 2022, recommends directions to strengthen and clarify the in force Official Plan policies to support and grow employment and maintain a healthy economy. The analysis and recommendations received as part of these activities together with input received directly through the engagement program informed the policy review and the preparation of the recommended policies contained in Attachment 1 to this report.

With a focus on employment and economic land use policies and conversion requests, City staff delivered presentations to the City's Economic and Community Development Committee (Item  $\underline{EC27.1}$ ) and the Film, Television and Digital Media Advisory Board (Items  $\underline{FB10.2}$  and  $\underline{FB11.2}$ ). Input received from these Committees and others informed staff's generation of policy intent and purpose necessary to draft and review the Official Plan.

#### **Recommended Official Plan Amendment 591 - Employment Policies**

Attachment 1 to this report contains the recommended amendment to the Official Plan (OPA 591) for city-wide economic health and *Employment Areas* and land use designation policies, including Site and Area Specific Policies (SASP) for Employment Area conversion requests. The following summarizes the new policies and the policy rationale for their addition.

#### **Toronto's Growth Prospects**

The Growth Plan sets out growth forecasts for upper- and single-tier municipalities within the Greater Golden Horseshoe Area. For Toronto, the Provincial population and job forecasts are for a minimum of 3.65 million people and 1.98 million jobs by 2051.

#### **Recommended Revised Policy 2.1.3**

Toronto is forecast to accommodate 3.65 million residents and 1.98 million jobs by the year 2051.

#### **Recommended Policy 2.1.3 Sidebar Text**

#### Toronto's Growth Prospects

The City of Toronto is forecast to grow to 3.65 million residents and 1.98 million jobs by the year 2051. The Provincial Growth Plan forecast represents 831,000 additional residents and 371,000 additional jobs after 2016. This Plan takes the current Growth Plan forecast as a minimum expectation. The policy framework found here prepares the City to realize this growth, or even more, depending on the success of this Plan in creating dynamic transit oriented mixed use centres, corridors and other manners of intensification.

**Policy Rationale:** The concurrent Land Needs Assessment concludes that the growth management, intensification, and employment lands strategies established by the Official Plan can enable Toronto's growth to meet or exceed the Province's growth forecasts.

#### **Establish Minimum Density Targets for Employment Areas**

The Growth Plan Policy 2.2.5.13 requires municipalities to establish minimum employment density targets for all *Employment Areas*. Currently, the Official Plan does not address this requirement and the recommended policy is required for conformity.

#### **Recommended New Policy 2.2.4.19**

All Employment Areas will be planned for a minimum of 50 jobs per gross hectare. The City will monitor the achievement of this density target and evaluate it at the time of the next Municipal Comprehensive Review.

**Policy Rationale:** The Employment Study provided details of the employment density measured in jobs per hectare on lands designated *Core* or *General Employment Areas*. The gross density, calculated as the total number of jobs over all areas of employment,

including vacant parcels and municipal infrastructure, was 45 jobs per gross hectare in 2019. A city-wide target of 50 jobs per gross hectare is recommended. It recognizes that considerable investment in physical space may not always result in substantially more jobs, but such investment is needed to expand Toronto's economic base, support strategic economic clusters and facilitate all of the spinoffs of economic development.

It is important to provide for a range of economic activity across the city's *Employment Areas*. Job creation is but one key objective behind protecting employment lands for the future. As directed in Growth Plan Policies 2.2.5.1 a) and b), municipalities are required to promote economic development and competiveness by connecting areas with high employment densities to transit and ensuring sufficient supply, in appropriate locations for a variety of employment.

#### Support e-Commerce as the Future of Retailing Evolves

The growth of e-commerce has contributed to the expansion of the Transportation and Warehousing industry in recent years and demonstrated a need for appropriately sized land parcels to accommodate land consumptive operations. To accommodate the urban market's reliance on online purchases, appropriate parking, loading, and short-term parcel pickup facilities are important considerations.

#### **Recommended New Policy 3.5.3.7**

a) Centrally-situated sites with access to highways and major roads will be encouraged to accommodate new multi-level industrial development, such as last-mile fulfilment centres that are optimally situated to deliver goods to the urban market.
b) New mixed-use development will be designed to incorporate parcel delivery and pick up spaces.

**Policy Rationale:** To assist in accommodating timely delivery within the city's urban market, new logistics facilities have been built on vacant employment land in northeast Scarborough and north Etobicoke in recent years. Industry trends suggest potential development of multi-level distribution facilities and compact facilities within urban centres to facilitate quick "last-mile" demands. The recommended policy would encourage centrally situated facilities that have good highway access and are optimally situated to deliver goods to the urban market.

As e-commerce continues to grow, new mixed-use development should be designed to address emerging needs for appropriate parking, loading and short-term parcel pickup.

#### Prohibiting Residential Uses in Employment Areas

PPS Policy 1.3.2.3 prohibits residential uses within employment areas planned for industrial and manufacturing uses. The Growth Plan Policy 2.2.5.7 a) directs municipalities to prohibit residential uses in *employment areas*. While residential uses are not listed as a permitted use in *Employment Areas*, for land use certainty and conformity purposes an explicit policy prohibiting residential uses is recommended.

#### **Recommended New Policy 4.6.7**

Residential uses are prohibited on lands designated *Core Employment Areas* and *General Employment Areas*.

New Sidebar text will aid in the interpretation of the new Policy 4.6.7.

#### **Recommended Policy 4.6.7 Sidebar Text**

Residential uses prohibited in *Core Employment Areas* and *General Employment Areas* include living accommodations such as a dwelling unit, bed-sitting room, group home, laneway suite, nursing home, residential care home, retirement home, and senior's community house.

**Policy Rationale:** It is not appropriate nor desirable to accommodate every possible land use that may have the character or effect of generating jobs in *Employment Areas*. There is a sufficient supply of development permissions for residential purposes of the City to meet the projected population forecasts to 2051 in a manner that also supports intensification and complete community objectives. The loss of employment lands resulting from the introduction of residential and institutional uses would introduce a level of land use uncertainty for operating businesses through a failure to maintain compatibility and remain in conformity with the Growth Plan.

#### Protecting Employment Areas over the Long Term

The City's Official Plan implements the definitions for employment areas found within the *Planning Act* and the Growth Plan. As approved by the Tribunal through OPA 231, Official Plan Policy 2.2.4.1 states:

*Employment Areas*, as shown on Map 2, are comprised of both *Core Employment Areas* and *General Employment Areas*, as shown on Maps 13 to 23 inclusive. *Employment Areas* are areas designated in this Plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.

The non-policy text in Section 4.6 Employment Areas further elaborates that, "*Employment Areas* are places of business and economic activities vital to Toronto's economy and future economic prospects. Both *Core Employment Areas* and *General Employment Areas* are important and comprise the City's "*Employment Areas*" as defined under the Provincial Planning framework."

#### **Recommended 4.6 Employment Areas New Non-policy Text**

All land designated *Core Employment Areas* and *General Employment Areas* contribute equally to the achievement of economic development and growth objectives.

**Policy Rationale:** To assist in policy interpretation related to the employment area definitions, the recommended non-policy text will clarify that there is no hierarchy of importance or priority between *Core* and *General Employment Areas*. The

recommended language was modified from the draft policies presented for consultation to better express the intent and purpose of the text.

#### **Reinforcing In-effect Employment Policies and Permissions**

Staff are not proposing revisions to four employment policy matters that are currently inforce that were recently brought into effect through a Tribunal Order.

#### Non-residential Sensitive Uses within Employment Areas

The Growth Plan Policy 2.2.5.7 a) directs municipalities to prohibit or limit sensitive uses that are not ancillary to the economic function of *Employment Areas*. To provide land use certainty, staff recommend that non-residential sensitive and incompatible uses that were removed as part of OPA 231 in *Employment Areas* not be reintroduced on a city-wide basis in OPA 591. This specifically includes day cares, places of worship, hotels, places of assembly, recreation and entertainment (unless otherwise permitted through a SASP).

As directed by Council, this report recommends that staff consider further permissions for bingo halls, banquet halls, places of assembly, and places of worship on a site or area specific basis and report back to Committee and Council in the first quarter of 2023.

The supply of lands designated *Core* and *General Employment Areas* is finite; they are relied upon to accommodate future businesses that will provide jobs for an expanding economy and population. The City's employment lands should be reserved for business activities and not private institutional, recreation or entertainment uses that can locate in many other areas of the City. Permissions for these non-residential sensitive uses in *Employment Areas* may also impact the operations of industries.

#### Land Use Compatibility

PPS Policies 1.2.6.1, 1.2.6.2 and 1.3.2.3 and Growth Plan Policies 2.2.5.7 c) and 2.2.5.8 direct municipalities to proactively address land use compatibility to avoid land use conflicts and the potential for adverse effects. There is strong alignment between the Provincial policies and Official Plan policies.

The citywide Official Plan policies of OPA 231 regarding Compatibility/Mitigation were brought into effect in 2018 through a Tribunal Order. The intent of Official Plan policies 2.2.4.5 to 2.2.4.13 is to encourage applicants of sensitive land uses, major facilities, and the City to engage in a collaborative and communicative process when new uses are proposed outside of but adjacent or near to lands designated *Employment Areas*. While only in effect for a short period of time, there is evidence that the requirement has led to good examples of communication and accountability between proponents for new sensitive land uses and major facilities.

OPA 231 also amended policies to better support compatible development and require mitigation within *Employment Areas*. This includes Policy 4.6.7 that requires, among other things, that development on land designated *Employment Areas* mitigate potential

adverse effects on major facilities and/or other businesses; that a buffer or mitigation be provided, where appropriate, to *Neighbourhoods, Apartment Neighbourhoods* and *Mixed Use Areas*; and, open storage and outdoor processing be limited in extent, mitigated, screened, and not adversely affect sensitive uses.

#### Large Format Retail Size Thresholds within General Employment Areas

Policies 2.2.5.7 b) and 2.2.5.11 of the Growth Plan relate to new major retail uses within *Employment Areas*. The Official Plan policies introduced through OPA 231 on major retail were brought into effect in 2021 through a Tribunal Order. There is strong alignment between the Provincial policies and Official Plan policies.

Official Plan Policy 4.6.5 and 4.6.6 establish a size threshold of 6,000 square metres for new major retail on lands designated *General Employment Areas*, subject to certain conditions. These policies state that new major retail may only be permitted by way of a City-initiated MCR, while major retail is not a permitted use on *Core Employment Areas*.

#### **Conversion and Removal of Employment Areas**

Policy 2.2.5.9 of the Growth Plan details the criteria to be met for *employment areas* to be converted as part of an MCR. The Official Plan policies through OPA 231 on the conversion and removal of land designated *employment areas* were brought into effect in 2020 through a Tribunal Order. There is strong alignment between the Growth Plan policy and Toronto's Official Plan Policies 2.2.4.14 to 2.2.4.18, which should continue to be applied monitored until the next MCR.

Growth Plan Policy 2.2.5.10 provides a narrow and time limited exception to Policy 2.2.5.9 for municipalities to permit the conversion of employment areas until the next MCR. In its Notice in January of 2019, the Province identified that Policy 2.2.5.10, which "creates a one-time window to allow municipalities to undertake some conversions between the effective date of the proposed amendments and their next municipal comprehensive review, where appropriate and subject to criteria. Includes requirement to maintain a significant number of jobs on those lands". City Council initiated the City's MCR on August 4, 2020.

#### Provincial Policy Statement Consistency and Growth Plan Conformity

The recommended OPA 591 for city-wide economic health and *Employment Areas* and land use designation policies are consistent with the Provincial Policy Statement and conform with the Growth Plan.

Given the scope of OPA 231 and the relatively recent Tribunal Orders implementing many city-wide policies, it is staff's opinion that the Official Plan is in conformity with relevant provincial plans and policy requirements related to the economy, economic growth, and employment areas.

The recommended OPA 591 adds necessary policies to bring the Official Plan into conformity with the Growth Plan 2020 and will add non-policy and sidebar text to clarify the intent and aid in the interpretation of city-wide policies.

#### **Requests to Convert Employment Areas**

#### **Process and Requirements**

A major MCR component is the consideration of conversions and removals of *Employment Areas* for non-employment uses or the broadening of permissions on a site-specific basis. While it is important to retain lands designated *Core Employment Areas* and *General Employment Areas* to accommodate and support economic growth, unique opportunities may arise where important city-building objectives may warrant a conversion to permit a broader mix of uses, including new residential uses, provided Official Plan objectives for change areas are addressed.

Growth Plan Policy 2.2.5.9 permits the conversion of *Employment Areas* through an MCR and lists the tests that need to be considered before any conversion. The City's Official Plan Policies 2.2.4.14 to 2.2.4.18 provide Conversion and Removal Policies for Employment Areas in addition to those set out in the Growth Plan. Official Plan policies clarify that the following proposals are also considered to be conversions:

- a redesignation of land from an *Employment Area* designation to any other designation;
- the introduction of a use that is otherwise not permitted in an *Employment Area;*
- the introduction of a use that may be permitted in a *General Employment Area* into a *Core Employment Area;* and,
- a redesignation of a Core Employment Area into a General Employment Area.

The Council-approved work plan for the conformity exercise and MCR established August 4, 2020 as the MCR commencement date. Proponents could submit requests to convert lands in one of two ways: a complete application for an Official Plan Amendment; or a written request with supporting material to the City Planning, subject to a \$20,000 user fee established under Chapters 441 and 442 of the Municipal Code. In both cases, proponents were required to include a response to the Growth Plan and Official Plan conversion tests, including the submission of a Compatibility/Mitigation Study that was subject to a peer review.

City Planning received approximately 140 conversion requests during the year-long conversion request window that closed on August 3, 2021, which amounts to approximately 685 hectares of Employment Area lands or 8.5% of all Employment Areas across the city.

Additional addresses were added to the MCR process either through a complete OPA application received during the MCR, or as directed by motions adopted by Planning and Housing Committee. Conversion requests associated and located within local planning studies were also included in the MCR process, namely properties within the Keele-St. Clair Local Area Study; a portion of the north side of Dupont Street through the Geary Works Planning Study; 915-945 Weston through Picture Mount Dennis Planning Framework Study; and, lands at Allen Road and Highway 401 through the Downsview Area Secondary Plan Review.

There were several requests for a conversion where staff did not receive the necessary materials and studies to undertake the required review. A final report on these "incomplete" conversion requests will be considered in early 2023.

City Planning and Economic Development and Culture staff have carefully considered the conversions recommended as part of OPA 591, including facilitating peer reviews of the submitted Compatibility/Mitigation Studies. Staff prepared Preliminary Assessments for each conversion request for the purpose of consultation with stakeholders and the public. This engagement included meetings and discussions with the proponent and their representatives, neighbouring businesses, businesses organizations, Torontonians, and other interested stakeholders.

For employment conversion-specific engagement, staff met with proponents and their representatives, major facility operators, and industry stakeholders regarding the recommended conversions. As part of staff's due diligence, the potential impact on surrounding lands and businesses, including the potential to adversely affect the overall viability of an *Employment Area* and the maintenance of a stable operating environment for business and economic activities was considered.

Final Assessments provided in Attachment 3 to this report, provide staff's summary of the request; site and locational characteristics, including details of the area of employment; findings from the engagement process; discussion of relevant Provincial and Official Plan policies; and staff's recommendation.

#### **Recommended Official Plan Amendment 591 - Employment Conversions**

Table 2 outlines OPA 591 recommendations for the conversion of lands designated *Core Employment Areas* or *General Employment Areas*. For conversions that introduce residential uses, a Site and Area Specific Policy (SASP) forms part of OPA 591 in order to secure city-building objectives, including affordable housing requirements.

The site specific policies will provide the policy direction required to ensure the converted lands provide the necessary elements to ensuring that both employment is provided within these areas but that the lands to be converted will contribute to the overall mix of housing types and affordability needed to ensure a complete community.

Recommended Designation	Hectares
General Employment Areas (from Core Employment Areas)	2.3
Regeneration Areas with a SASP (from Core or General Employment Areas)	45.5
Institutional Areas with a SASP (from Core or General Employment Areas)	3.4
Mixed Use Areas with a SASP (from Core or General Employment Areas)	11.1
Parks with a SASP (from Core or General Employment Areas)	0.8

#### Site and Area Specific Policies

In most conversion requests contained in OPA 591, staff recommend that a SASP be adopted in conjunction with the land use redesignation from *Employment Areas*. SASPs, included in Official Plan Chapters 6 (Secondary Plans) or 7 (Site and Area Specific Policies), apply to sites and areas that require a further layer of local policy direction that generally reflects unique local conditions.

There are two policy matters common to all of the recommended OPA 591 conversionrelated SASPs: an affordable housing requirement policy and a non-residential GFA requirement policy. The inclusion of these policies reflect an understanding of the changing local contexts that support the conversion, including the unique opportunity to build inclusive mixed-use and mixed-income communities, while adhering to Provincial planning policies. The requirement for non-residential is also intended to mitigate against the loss of employment opportunities. As demonstrated by the LNA, the city requires the lands designated as *Employment Areas* to be maintained or intensified to ensure the city maintains lands and opportunities for employment intensification.

Each SASP is distinctly individual, reflecting locational characteristics, site attributes, and planning and development contexts. This includes consideration of such matters as Official Plan policy as further described below, the site size, location, on-site and surrounding land uses, existing and planned transportation and transit investment, and approach to implementation.

#### Non-Residential Gross Floor Area (GFA)

The non-residential Gross Floor Area requirement policy is intended to ensure the replacement and/or growth of space for employment purposes as part of each recommended conversion. Securing minimum amounts of non-residential GFA, including employment GFA, helps to ensure that the previously designated Employment Areas can continue to provide an economic function, while accommodating additional housing across the city.

This non-residential GFA is secured as a percent of total GFA or a specific amount of GFA measured in square metres. On larger sites, where development may be phased, the OPA 591 SASPs recommend approaches to phasing that put in place residential to employment ratios that further ensure that the employment GFA will be developed in advance of or concurrent with residential GFA, providing a level of land use certainty that will support a diverse mixed use community.

#### Affordable Housing

Upon staff determining that the proposed conversion can satisfy the Growth Plan and Official Plan policy "tests", staff applied multiple policies that seek to establish mixed-use and mixed-income communities.

Section 2 (j) of the *Planning Act* requires that municipalities have regard for matters of provincial interest including the adequate provision of a full range of housing, including affordable housing.

The PPS includes policies on housing matters, including the need to accommodate an appropriate affordable and market-based range and mix of housing types and providing for an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents. The Growth Plan provides a strategic framework for managing growth and environmental protection including supporting the achievement of complete communities, with access to a diverse range of housing options, and supporting a range and mix of housing options, to serve all sizes, incomes and ages of households. Policy 2.2.4.9.a) of the Growth Plan directs that development within all major transit station areas (MTSAs) will be supported, where appropriate, by planning for a diverse mix of uses, including second units and affordable housing, to support existing and planned transit service levels.

A key objective of the Official Plan is to provide a full range of housing in terms of form, tenure and affordability across the City and within neighbourhoods. Official Plan Building New Neighbourhoods policy 3.3.1.e requires that new neighbourhoods will have a comprehensive planning framework reflecting the Plan's city-wide goals as well as the local context. The framework should include a strategy to provide affordable housing. As residential permissions are recommended to be introduced where none previously existed, it is important that these future communities are inclusive and include affordable housing.

While the City has created considerable new supply of condominium, high-rise housing, development has not kept pace with providing a diverse array of new housing. In comparison to the scale of market condominium housing, a limited supply of purposebuilt rental housing, affordable housing and smaller scale mid-rise housing has been created. To address this, the City is pursuing a number of planning policy and zoning initiatives to transform the overall housing ecosystem to better support needs based on income. No single policy or initiative will be able to fully address challenges related to providing a full range of housing choices for all the City's residents, however, taken together these initiatives will make a transformative impact on the City's housing supply.

As the urgency around the provision of affordable housing has grown, so too has the expectation from Council and local communities that affordable housing be included in new developments.

#### **Core Employment Areas to General Employment Areas**

Official Plan Policy 2.2.4.14 states that the introduction of a use or the redesignation of a *Core Employment Area* into a *General Employment Area* is a conversion and removal of land from an *Employment Area* and may only be permitted by way of a MCR.

OPA 591 includes four recommended sites to be redesignated from *Core Employment Areas* to *General Employment Areas*. These redesignations would retain the lands for exclusively business and economic activities while recognizing existing uses and providing for a broader range of uses. This retention provides land use certainty that supports continued investment into nearby lands. Each of these sites are located on an existing major street as shown on Official Plan Map 3. Attachment 3 to this report includes the Final Assessments for these sites.

#### **Employment Areas to Regeneration Areas with a SASP**

*Regeneration Areas* is a land use designation for growth that is intended to accommodate an increase in both jobs and population. It is applied to areas with significant vacant lands and/or buildings in need of revitalization with the intent of fostering growth and physical change. Official Plan policies require that a Secondary Plan be approved to set the framework for growth on the lands prior to development proceeding. Further, Official Plan policies prescribe the strategies, studies, and policies necessary as part of the framework, including those related to urban design, parks, community services and transportation.

The technical analyses prepared as part of the secondary planning process would identify gaps in both hard and soft infrastructure to accommodate anticipated and increased employment and population needs. This future study process will enable the City to identify and secure the necessary components to achieve complete communities, including the provision and prioritization of affordable housing. The goals of achieving complete communities are to provide convenient access to most daily necessities, including jobs, stores, services, housing, active transportation and others.

OPA 591 includes four recommended areas to be redesignated from *Core Employment Areas* and *General Employment Areas* to *Regeneration Areas* with a SASP that prescribes additional requirements to be fulfilled as part of the secondary planning process.

The recommended SASPs have been tailored to the local contexts to which they apply, recognizing matters such as existing uses, planned transit investment, and road infrastructure. Common to each of the recommended SASPs for areas proposed to be redesignated to *Regeneration Areas* is the affordable housing requirement policy and the non-residential or employment gross floor area requirement policy.

#### **Employment Areas to Institutional Areas with a SASP**

*Institutional Areas* is a land use designation that is made up of major education, health and governmental uses with their ancillary uses, which includes a full range of housing associated with a health institution.

OPA 591 includes two recommended sites to be redesignated from *General Employment Areas* to *Institutional Areas* with SASPs that would permit seniors accommodation, including nursing homes, long term care facilities, retirement homes, and their ancillary and supportive uses.

#### Employment Areas to Mixed Use Areas with a SASP

*Mixed Use Areas* is a land use designation that includes a broad range of commercial, residential and institutional uses. *Mixed Use Areas* account for 5% of the city's land mass, after netting out roads. Development in *Mixed Use Areas* is:

• intended to create a balance of permitted uses to help reduce automobile dependency and to meet the needs of the local community;

- provide new jobs and homes across the City to create and sustain well-paid, stable, safe and fulfilling employment opportunities; and
- other Official Plan criteria that will be applied during local area studies or the review of any Zoning By-law Amendment applications.

OPA 591 includes twelve recommended sites to be redesignated from *Core Employment Areas* and *General Employment Areas* to *Mixed Use Areas* with a SASP that prescribes additional requirements to be fulfilled as part of the site or area specific Zoning By-law Amendment applications.

#### Area Studies with Conversion Requests

There are four areas across the city that have been part of a local area study where consideration was given to broaden permitted uses in *Employment Areas* or to convert and remove *Employment Areas*. As prescribed by Provincial planning policy and the Official Plan, these considerations and decisions can only be conducted as part of an MCR.

#### 1) Keele St. Clair Local Area Study and Secondary Plan and OPA 537

The Keele St. Clair Local Area Study was undertaken as part of the MCR in response to the planned GO/Smart Track station near Keele Street and St. Clair Avenue West as well as other transportation, transit and infrastructure improvements approved for the area. At its May 11, 2022 meeting, Council adopted OPA 537 that proposes to add the Keele-St. Clair Secondary Plan to the Official Plan. Upon Council's adoption of the Bills, the adopted OPA and supporting documentation will be provided to the Minister for approval as required by Section 26 of the *Planning Act*. The Final Assessments for the *Employment Areas* conversions are provided in Attachment 3.

The adopted Secondary Plan recommends the conversion of 24.5 hectares of land designated *Core Employment Areas* and *General Employment Areas* in proximity to St. Clair-Old Weston Station to *Mixed Use Areas*, *Neighbourhoods* and *Parks* designations that permit new residential, park, open space, community service, employment, commercial and service uses. The conversions support the development of a sustainable and vibrant complete community around the planned station. Conversions to Mixed Use Areas resulting from the Secondary Plan, requires development to provide a minimum non-residential gross floor area equivalent to 1.0 times the site area, excluding lands for new parks, open spaces, natural areas, streets and/or lanes, or 15 per cent of the total gross floor area of the proposed development, whichever is less.

#### 2) Geary Works and Recommended amendments to SASP 629

As part of the MCR and as a continuation of the Geary Works Planning Study, a working group of tenants, businesses, property owners and artists was established to consider planning and economic policies for the area that would best support artists and creative enterprises. Working group members described the area as a place of "production" (i.e. manufacturing and maker spaces) rather than one of "consumption" (i.e. restaurants and places of assembly). Working group members expressed support for small-scale restaurant and entertainment use permissions so long as they were

provided with employment uses on the same property and for some broadened retail permissions.

Recommended amendments to SASP 629, in Attachment 1 to this report, would maintain the *Core Employment Areas* and *General Employment Areas* designations on Geary Avenue while allowing for a narrow range of economically supportive and compatible uses, specifically a small-scale restaurant; a small-scale entertainment facility; or small scale retail that could sell items not connected to the site's employment use. The amended SASP also permits a fitness centre at 27 Primrose Avenue and 360 Geary Avenue. The recommended amendments to the existing SASP 629 is consistent with the Provincial Policy Statement and conforms to the Growth Plan. It represents good planning that recognizes the unique character of Geary Avenue, provides businesses the opportunity to generate economic activity related to the primary employment use, and continues to not permit sensitive and incompatible land uses.

Other area-specific changes to land use permissions in *Employment Areas* related to Geary Works and/or the MCR include:

- Council directed staff to review the underlying land use designations for the lands subject to SASP 154 between Ossington Avenue and Dovercourt Avenue.
- Council directed staff to consider a conversion from *Core Employment Areas* to *General Employment Areas* for a portion of Dupont Street south of Geary Avenue. The Final Assessment for the north side of Dupont Street is provided in Attachment 3. It concludes that a portion of the north side of Dupont Street should be converted to *General Employment Areas*.
- Conversion Request No. 069 Geary Avenue, 322-328, and 330 Final Assessment will be brought to City Council for consideration in early 2023.

#### 3) Update Downsview

Update Downsview is a City-led review of the 2011 Downsview Area Secondary Plan. Its purpose is to determine a long-term vision for a complete community. In 2021, Council adopted SASP 596 for part of the lands within Downsview Park to be redesignated as *Regeneration Area* that were used by Bombardier. SASP 596 also requires, among other matters, an update to the Downsview Area Secondary Plan.

The recommended SASP 789 in Attachment 1 redesignates the lands around Wilson Avenue and Allen Road (Conversion Request Nos. 097 and 107) from *General Employment Areas* to *Regeneration Areas* and brings those lands into the Update Downsview process to ensure that the lands are planned for through a comprehensive planning process.

On May 31, 2022 Planning and Housing Committee directed staff expand the review of the conversion request at Wilson Avenue and Billy Bishop Way (Conversion Request No. 097) and also consider a redesignation of the lands at the northeast corner of Dufferin Street and Wilson Avenue and at 151 Billy Bishop Way to *Regeneration Areas*. Staff have reviewed these lands and concluded they are suitable to be redesignated as *Regeneration Areas* and included into the update of the Downsview Area Secondary Plan.

The recommended SASP 789 is consistent with the Provincial Policy Statement and conforms to the Growth Plan. It represents good planning that allows the Update Downsview process to consider a large contiguous area with access to higher order transit in a logical manner.

#### 4) Picture Mount Dennis Planning Framework Study

The Picture Mount Dennis Planning Framework Study process reviewed the existing planning permissions in anticipation of the new Mount Dennis station that will soon become a key transit interconnection point between Line 5, a GO Line and the UP Express. The Consultant's Final Report set out a recommended planning framework to guide area growth.

The Consultant's Final Report also recommended that the employment lands located at 915-945 Weston Road be considered through the MCR process for a conversion to permit residential and other non-permitted uses on these lands. A Final Assessment of this conversion request is provided in Attachment 3. The review of this request included consultation with the Toronto and Region Conservation Authority. As the lands at 915-945 Weston Road are located within a floodplain, and the part of the lands next to Weston Road are in the Rockcliffe Special Policy Area, it is recommended that these lands be retained as *General Employment Areas*.

On June 27, 2022 the Etobicoke York Community Council will consider a final report on the Picture Mount Dennis Secondary Plan.

# Official Plan Amendment (OPA) Applications Reviewed Concurrently with the MCR

In February 2022, Council requested staff to consider advancing final recommendations for complete OPA applications being considered as part of the MCR no later than the July 5, 2022 meeting of the Planning and Housing Committee. Through careful consideration of the OPA applications, staff are recommending Council's adoption of four Official Plan Amendments through redesignations with Site and Area Specific Policies contained in OPA 591 (Attachment 1). The SASPs within OPA 591 facilitating the adoption of these OPA applications all conform with the Growth Plan, are consistent with the PPS and represent good planning.

### 1) Conversion Requests No. 003 - Danforth Road, 641-663 and No. 083 - Kennedy Road, 347, 357, and 375

• File No. 20 211430 ESC 20 OZ and File No. 21 235806 ESC 20 OZ

The lands subject to the OPA application for Conversion Request No. 003 are located generally on the east side of Danforth Road, south of St. Clair Avenue East and include some lands near to the Scarborough GO Station on St. Clair Avenue East. The subject application proposes to amend the Official Plan to redesignate the subject lands to *Mixed Use Areas*. The proposed Zoning By-law amendment would permit 1,618 dwelling units in 38- to 48- storey mixed use towers on the Danforth Road lands.

Conversion Request No. 083 at Kennedy Road, 347-357, and 375 (Planning Application 21 235806 ESC 20 OZ) relates to lands that are generally triangular in shape, with frontage onto Kennedy Road. Lands applicable to this OPA application are seeking a redesignation to *Mixed Use Areas* to facilitate the proposed development which would include a total of seven buildings: four towers ranging in heights from 37 to 48-storeys, one 14-storey building and two mid-rise buildings that are 8-storeys in height.

The recommended OPA 591 proposes to redesignate the lands within these two OPA applications to *Regeneration Area* with SASP 790 setting out the required components that will inform a Secondary Plan or Site and Area Specific Policy prior to permitting any residential uses on the *Regeneration Area* lands and ensuring the area is planned for comprehensively. OPA 591 recommends the redesignation of a small parcel of land with frontage on St. Clair Avenue East next to the Scarborough GO station to *Mixed Use Areas*.

#### 2) Conversion Request No. 001 - Herons Hill Way, 1

• File No 20 150974 NNY 17 OZ

The lands subject to the OPA application are located on the south side of Herons Hill Way, east of Yorkland Road, which was submitted prior to Council's commencement of the MCR and prior to the Tribunal's order bringing into effect the ConsumersNext Secondary Plan.

The recommended OPA 591 proposes to provide relief from certain ConsumersNext Secondary Plan provisions, while facilitating a mixed-use and mixed-income development on the site through SASP 1 to the ConsumersNext Secondary Plan.

#### 3) Conversion Request No. 029 - Junction Road, 5 and 43

• File No 21 182017 WET 05 OZ

The lands subject to the OPA application are located on the north side of Junction Road, east of Keele Street and west of Old Weston Road. The OPA application seeks a redesignation to permit residential and other non-permitted uses in a development consisting of three mixed-use building and a public park.

The recommended OPA 591 proposes to redesignate part of these lands to *General Employment Areas* and the remainder of the lands to *Mixed Use Areas*. A SASP is proposed for the lands to achieve a mixed-use and mixed-income development on the lands.

#### **SASPs with Residential Permissions in Employment Areas**

The Growth Plan requires municipalities to prohibit residential uses in employment areas. The recommended OPA 591 proposes a new policy to prohibit residential uses on lands designated Core *Employment Areas and General Employment Areas*.

Fourteen SASPs in Official Plan Chapter 7 currently permit residential uses on lands that are designated *Core Employment Areas* or *General Employment Areas*. These residential permissions prevail over the *Employment Areas* policies. The fourteen SASPs primarily reflect permissions which had existed in the Official Plans of the former municipalities before the amalgamation of Toronto in 1998. These permissions were carried forward into the Toronto Official Plan through the introduction of SASPs when Council adopted the Plan in 2002.

Given the potential conflict between the land use permissions in the SASPs and the Growth Plan requirement for a prohibition of residential uses in *Employment Areas*, staff have reviewed the underlying designations with the intent of redesignating the lands to either another designation that permits residential uses or deleting the SASP that permits the residential uses on lands designated *Employment Areas*. As part of this review, staff have considered the existing and proposed uses on the SASP lands, surrounding land uses and permissions, and the location and size of the SASP lands.

This report recommends that the draft revisions to the SASPs shown in Attachment 4 be used as the basis for consultation. The draft revisions to each SASP shows the in-force SASP, the draft revisions and a rationale for changes. A Final Report with recommended revisions to the SASPs would be brought forward to a statutory public meeting in early 2023.

#### **Next Steps**

Toronto's MCR is complex and requires additional time to complete. The concentration of employment and population and its importance as the centre of the Greater Golden Horseshoe Area warrants a methodical approach. Unlike upper-tier municipalities within the Greater Golden Horseshoe Area, Toronto - as a single-tier municipality - must complete both city-wide policy matters (Major Transit Station Areas, employment policies, and others), while at the same time considering site specific matters (PMTSA densities per building and structure and site development challenges where conversion requests are being evaluated). Lower tier municipalities within the GGH have additional time to undertake the work that Toronto must complete within a shorter timeframe. Staff will continue with the phased MCR approach and advance additional components in the second-half of 2022.

Staff are targeting Final Reports in the first-half of 2023 on the next MCR phases, which will include:

- Final Assessments on remaining conversion requests;
- Consideration of introducing site or area specific policies permitting non-residential sensitive uses within *Core* or *General Employment Areas* as may be appropriate;
- Targeted engagement on Preliminary Assessments for sites with SASPs permitting residential permissions within Employment Areas;
- Refine and finalize the Draft Official Plan 2051 Vision Statement, Principles for a Successful and Inclusive City, and Indigenous Planning Perspectives, based on continued engagement, including Indigenous engagement with Treaty Rights Holders and Indigenous organizations; and,

• Finalize Major Transit Station Area and Protected Major Station Area amendments to the Official Plan.

#### CONTACT

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#### SIGNATURE

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#### **ATTACHMENTS**

Attachment 1: Recommended Official Plan Amendment 591

Attachment 2: Engagement Summary Report (prepared by Dillon Consulting Limited) Attachment 3: Final Assessments and Recommendations to Convert Land Designated Employment Areas

Attachment 4: Preliminary Assessment Chapter 7 Site and Area Specific Policies for Consultation

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(Provided separately)

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