

# **Our Plan Toronto: Recommendations on Forty-Five Employment Area Conversion Requests - Final Report**

**Date:** May 17, 2023

**To:** Planning and Housing Committee

**From:** Chief Planner and Executive Director, City Planning

**Wards:** All

## **SUMMARY**

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In 2022, Toronto's *Employment Areas* are home to over 21,600 establishments employing over 390,000 people (27% of all jobs in the city). Businesses within our *Employment Areas* create about 27% of the City's estimated 2021 GDP of \$195.7 billion and contribute about 12% of all property taxes paid in the City (municipal and education taxes). This report also highlights the social and economic role that *Employment Areas* play in the health and growth of the city, given the role that they play in supporting Toronto's diverse economic base and providing jobs with living wages for Toronto's diverse labour pool.

This report provides a fulsome overview of the planning context for *Employment Area* policies, recent decisions impacting *Employment Areas* and provides the second in a series of Final Reports on 45 conversion requests. A third Final Report is targeted for the July 2023 Planning and Housing and Council meetings. All reports fall under the City's Municipal Comprehensive Review (MCR) and recommend Official Plan amendments under Section 26 of the *Planning Act*, where the Minister of Municipal Affairs and Housing is the approval authority. The Minister's decisions are not subject to appeal to the Ontario Land Tribunal unless the Minister refers all or part of the amendments to the Tribunal.

Council authorized the commencement of the MCR and Growth Plan Conformity Exercise known as "Our Plan Toronto", on August 4, 2020. As part of the MCR, the City Planning received approximately 150 requests to convert lands designated *Core Employment Areas* or *General Employment Areas* in the Official Plan for non-employment uses, including some of which were City-initiated.

The Minister has been reviewing OPA 591 since August 9, 2022. The Minister suspended the 120-day time period to make a decision on the Council-adopted 30+ conversion requests. To date, the City has not received a decision on OPA 591.

This Final Report recommends Council retain most of the lands subject to these 45 conversion requests listed in Attachment 2 of this report as either *Core Employment Areas* or *General Employment Areas*. Staff recommended *Employment Area* conversions in this report are captured through draft Official Plan Amendment 644 listed as Attachment 1 to this report.

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.

## **RECOMMENDATIONS**

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

1. City Council adopt Official Plan Amendment 644 substantially in accordance with Attachment 1 to this report.
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 644 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 644 as may be required.
4. City Council declare by resolution to the Minister of Municipal Affairs and Housing that Official Plan Amendment 644 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 that the Minister of Municipal Affairs and Housing review OPA 644 under the current Provincial Policy Statement 2020 and Growth Plan for the Greater Golden Horseshoe 2020.

## **FINANCIAL IMPACT**

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There are no financial implications resulting from the recommendations included in the report in the current budget year or in future years.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

## EQUITY IMPACT STATEMENT

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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.

Through the MCR, the City is required to demonstrate conformity with provincially determined 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.

*Employment Areas* play an important role in accommodating a range of businesses including those that offer attainable employment opportunities for people of various education levels and skill sets. 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.

Staff have continued 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.

The principles for a successful and inclusive city are: Access, Equity, and Inclusion. The revisions to Official Plan Chapter 1 Vision Statement for 2051, Principles for a Successful and Inclusive City and Indigenous Planning Perspectives are targeted to be reported to Planning and Housing Committee meeting third quarter of 2023.

Staff continue to apply an equity lens while reviewing each conversion request. 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.

## DECISION HISTORY

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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 except for certain lands within the Lower Don Special Policy Area. An April 2021 consolidation of OPA 231 is available at this link: <https://www.toronto.ca/legdocs/refdocs/11463.pdf>

### **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.

<https://secure.toronto.ca/council/agenda-item.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*.

<https://secure.toronto.ca/council/agenda-item.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 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.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH30.6>

### **Employment Policies and Zoning Conformity**

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 by-laws 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.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.PH27.2>

### **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.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH33.13>

### **Additional Uses in *Employment Areas***

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.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH33.14>

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

Keele St. Clair Secondary Plan

On May 11, 2022, Council adopted OPA 537 to add the Keele-St. Clair Secondary 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. The Secondary Plan is currently under review by the Minister, as the approval authority for amendments made under Section 26 of the *Planning Act*. <https://secure.toronto.ca/council/agenda-item.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.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.PH24.1>

Update Downsview Study

On April 27, 2023, Planning and Housing Committee endorsed a draft Downsview Secondary Plan as the basis for stakeholder and public consultation. In the draft land use plan, some areas within the Secondary Plan are proposed to be maintained as *Core Employment Areas* and *General Employment Areas*.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH3.17>

### **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.

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

## **City-wide Employment Policies and Conversion Requests (first grouping)**

At its meeting on July 19 -22, 2022, Council adopted OPA 591, with amendments, as part of a phased Municipal Comprehensive Review (MCR) and Growth Plan Conformity Exercise. OPA 591 amends:

- Official Plan Economic Health and *Employment Area* policies;
- Site or Area Specific Policies resulting from local area studies (Update Downsview, Keele St. Clair Local Area Study, Geary Works and Picture Mount Dennis Planning Framework Study), and
- Certain land use designation changes resulting from the review of Official Plan Amendment applications and conversion requests.

The Minister is currently reviewing OPA 591 as the approval authority on these matters. On September 12, 2022, the Minister of Municipal Affairs and Housing used Ministerial authority under the *Planning Act* to suspend the 120-day decision making timeline for OPA 591. The Minister has yet to make a decision.

Staff were also directed to consider potential and appropriate Official Plan Amendment(s) that could expand permitted uses in *Employment Areas* (site or area specific only) to include sport facilities, places of assembly (including bingo halls and banquet halls), and places of worship and report back to the Planning and Housing Committee in the second quarter of 2023.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH35.15>

## **Land Needs Assessment Update**

A report was received by the Planning and Housing Committee at its meeting of April 27, 2023, which summarizes the findings of the 2023 update to the Land Needs Assessment, a component of the Municipal Comprehensive Review of the Official Plan with regards to A Place to Grow: the Provincial Growth Plan for the Greater Golden Horseshoe, 2020 ("Growth Plan").

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH3.7>

## **Employment Area Conversion Requests Status Update**

On April 27, 2023, Planning and Housing Committee received a report for information report which provided an update on the approximately 117 remaining conversion requests. The report also provided an update on staff's review of Site and Area-Specific Policies on *Employment Areas* that currently permit residential uses, as well as recent engagement and consultation, next steps and timing for the final report.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH3.18>

## **ISSUE BACKGROUND**

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### **Planning Context**

The context for planning for employment uses in the City is laid out in the *Planning Act*, the Provincial Policy Statement (2020) ("PPS 2020"), A Place to Grow: Growth Plan for

the Greater Golden Horseshoe (2019) as amended in 2020 (“Growth Plan 2020”), the Official Plan, and any directions that may be set by the Ontario Land Tribunal.

### ***Planning Act***

The *Planning Act* is provincial legislation that sets out the authorities for land use planning in Ontario, which lists as its first element within its statement of purpose, to promote sustainable economic development. 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 PPS 2020 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 (i.e., an employment conversion). 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 than 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 2020**

The updated PPS 2020 came into effect May 1, 2020. The PPS 2020 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 2020 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 2020 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 2020 includes the following policies relevant to Our Plan Toronto and 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 2020**

The Growth Plan 2020 came into effect on August 28, 2020. The Growth Plan 2020 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 2020 builds on the policy foundation of the PPS 2020 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 2020 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 2020.

The Growth Plan 2020 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 2020 policies require 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 competitiveness 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 non-*Employment 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 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 Amendment (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. OPA 231 implements the definitions for *Employment Areas* found within the *Planning Act* and the Growth Plan 2006. As approved by the Tribunal through OPA 231, Official Plan Policy 2.2.4.1 states in part that: "*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.” Policy 2.2.4.2 also affirms that “*Employment Areas* will be used exclusively for business and economic activities.”

The non-policy text in Section 4.6 of the Official Plan, 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.”

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 following consideration by the OLT of City-wide 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 approved significant portions of OPA 231, including several Council-adopted site-specific settlements. OPA 231 resulted in considerable policy changes to the Official Plan, some of which 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.

**Table 1: OPA 231 Hearing Phases**

Phase	OPA 231 Matter	Order Date	Phase Description
1A	<i>Land use designations</i>	December 20, 2016	<ul style="list-style-type: none"> <li>Brought into effect the <i>Core Employment Areas</i> and <i>General Employment Areas</i> land use designations and policy language with the exception of lands subject to a site-specific appeal</li> </ul>
1B	Compatibility and Mitigation	July 10, 2018	<ul style="list-style-type: none"> <li>Brought into effect Compatibility/Mitigation policies for development and use of lands outside of <i>Employment Areas</i></li> </ul>
1C	Sensitive Land Uses within <i>Employment Areas</i>	August 16, 2018	<ul style="list-style-type: none"> <li>Brought into effect permitted land uses in <i>Core Employment Areas</i> and <i>General Employment Areas</i></li> </ul>

Phase	OPA 231 Matter	Order Date	Phase Description
2	Office Replacement	2018 and 2019	<ul style="list-style-type: none"> <li>• Mediation has taken place and is currently on hold</li> </ul>
3	Conversion and Forecasting	May 8, 2020	<ul style="list-style-type: none"> <li>• Brought into effect <i>the Employment Areas</i> conversion and removal policies, as well as the forecasting of employment in the City</li> </ul>
4	Retail in <i>Employment Areas</i>	April 26, 2021	<ul style="list-style-type: none"> <li>• Brought into effect policies related to retail in <i>Employment Areas</i></li> </ul>
5	Cultural policies	April 26, 2021	<ul style="list-style-type: none"> <li>• Brought into effect policies related to cultural uses</li> </ul>
6	Phasing of site-specific appeals	April 8, 2021	<ul style="list-style-type: none"> <li>• Established a phased approach to hear outstanding site-specific appeals <ul style="list-style-type: none"> <li>○ 6A – 8 Oak Street (complete)</li> <li>○ 6B – Northeast Scarborough (complete)</li> <li>○ 6C - Southwest Etobicoke (April 26, 2023 and June 2023 - settlement hearing)</li> </ul> </li> <li>• Hearing phases: <ul style="list-style-type: none"> <li>○ 6D - Liberty Village (10-day hearing to be held January 2024)</li> <li>○ 6E - <i>Core Employment Area to General Employment Area</i> (10-day hearing to be held October/November 2023)</li> <li>○ 6F - complete</li> <li>○ 6G - Site-specific appeals (not geographically clustered)</li> </ul> </li> </ul>

### Official Plan and OPA 591

At its meeting on July 19 -22, 2022, Council adopted OPA 591, as part of a phased MCR and Growth Plan Conformity Exercise. While still with the Minister for review and approval, OPA 591 amends:

- Official Plan Economic Health and *Employment Area* policies;
- Site or Area Specific Policies resulting from local area studies (Update Downsview, Keele St. Clair Local Area Study, Geary Works, and
- Certain land use designation changes resulting from the review of Official Plan Amendment applications and conversion requests.

PPS 2020 Policy 1.3.2.3 prohibits residential uses within *Employment Areas* planned for industrial and manufacturing uses, and Growth Plan 2020 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* in the Official Plan, for land use certainty and conformity purposes an explicit policy prohibiting residential uses was recommended and adopted as per of OPA 591. New Policy 4.6.7 states that “Residential uses are prohibited on lands designated *Core Employment Areas* and *General Employment Areas*.”

### **Zoning Conformity for Official Plan *Employment Areas* and Consideration of Additional Uses**

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.

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 the OP *Employment Areas* – Phase 1 review (removal of permissions for sensitive uses) at the same time as the final recommendations on Phase 2. Phase 1 and Phase 2 are now being reviewed concurrently.

Through [PH35.15](#) and [PH27.2](#), Council directed staff to consider further permissions for sports facilities, 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.

Staff has commenced work on addressing the direction from Council to consider expanding the permitted uses in *Employment Areas* to include sport facilities, places of assembly, and places of worship. A report back on this matter to the Planning and Housing Committee is anticipated in Fall 2023.

### **Land Needs Assessment (Updated)**

The Land Needs Assessment (LNA) is a City-led study intended to determine the land required to accommodate the forecasted population growth to meet the 2051 Provincial employment forecasts, 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 2020.

The purpose of the updated Land Needs Assessment report is to complete the Growth Plan 2020 conformity exercise and demonstrate that there is more than adequate potential to accommodate growth anticipated by the forecasts and projections of the Province. The potential growth represented by the LNA will contribute to the continuing evolution of the City's urban structure. Through the implementation of updated Official Plan policies and the Housing Action Plan, the City is advancing a range of policy directions that balances projected population, household and employment growth against quality-of-life objectives including equity, climate adaption, inclusive economic growth, infrastructure provision, and an efficient use of land.

Some key finding of the updated Land Needs Assessment related to *Employment Areas* are that:

- there is more than sufficient potential housing in areas designated in the Official Plan for residential development to accommodate Growth Plan population forecasts at 2051;
- the surplus potential housing stock, after accommodating the population growth forecasted by the Growth Plan in 2051, is equivalent to over fifty years of potential housing supply;
- Toronto's total employment is projected to grow from 1,607,800 in 2016 to between 1,938,800 and 2,101,200 jobs in 2051, while jobs in *Employment Areas* are projected to grow from 410,700 to between 456,600 and 498,600; and
- as Toronto is unable to expand its settlement area, it needs to retain and intensify its currently designated *Employment Areas* to accommodate the forecasted employment growth.

The City needs to plan for beneficial outcomes of growth and change, and the LNA Study demonstrates that the City needs to be strategic in its choices to pursue its many priorities. Toronto needs to retain most of its currently designated *Employment Areas* and these lands will need to intensify to accommodate projected growth. Conversions should only occur strategically and include secured employment.

## **COMMENTS**

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### **Proposed Draft Provincial Planning Statement and Bill 97**

On April 6, 2023, the Province introduced new policy and legislative changes as part of its ongoing effort to address both housing supply and affordability. The Province introduced two key components: Bill 97 – An Act to amend various statutes with respect to housing and development Amendments and the Proposed Provincial Planning Statement (PPS 2023). A report on City comments regarding the proposed draft PPS is targeted for the June 1<sup>st</sup> meeting of Planning and Housing Committee.

The proposed Provincial Planning Statement is intended to replace the PPS 2020 and Growth Plan 2020 with a new document with which all land use matters must be consistent. The proposed PPS 2023 will eliminate the Growth Plan by reimagining the PPS 2020 and the Growth Plan into one new document that would apply province wide.

While the proposed new policy and legislative changes, including the proposed new *Planning Act* definition for “areas of employment” are likely to have implications for *Employment Areas* planning in the future, the policies and legislation are still in draft form, and in the public review period. This report recommends that Council request the Minister review OPA 644 under the policy framework currently in effect and not the draft policies introduced on April 6, 2023.

### ***Employment Areas: Transit, Essential Workers and Social Equity***

Toronto's *Employment Areas* have the potential to advance principles of access, equity, and inclusion. In 2019, 57% of the jobs found in the City's *Employment Areas* were in essential industries. Essential jobs are those that provide critical infrastructure and services and include but are not limited to: Wholesale and Retail Trade, Transportation and Warehousing, Healthcare and Social Assistance, Public Administration, Utilities, Construction and Manufacturing. Nearly 60% of people working in *Employment Areas* are in essential industries.

*Employment Areas* offer employment opportunities for people of various education levels and skill sets. 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 language.

In 2019, up to 45% of jobs found in the City's employment lands were in industries commonly identified to have low barrier employment. By 2021, a year into the pandemic, that number slightly increased to 46%.

*Employment Areas* also have an important relationship with neighbourhoods in which equity considerations and improved access to opportunity are key concerns. The City identified 31 neighbourhoods as Neighbourhood Improvement Areas (NIA). An NIA is a program aimed at improving the quality of life in a specific neighbourhood or area.

Out of the 23 *Employment Areas* in the City:

- 3 of them have 40% or more of their Toronto-based workforce residing in NIAs,
- 9 of them have 29% or more,
- 13 have 22% or more,
- 20 have 15% or more,
- while all have 12% or more.

Providing for economic growth in *Employment Areas* supports important equity objectives, as many of the daily work trips to *Employment Areas* originate in Neighbourhood Improvement Areas. This is enhanced by the extensive TTC and GO

Transit network that enables employees who do not have access to a car to get to work relatively easily. In 2019, 20% of Toronto residents employed in Areas of Employment used transit. Some *Employment Areas* have a higher reliance on transit for workers than the city-wide average.

The Toronto Poverty Reduction Strategy is a 20-year plan that focuses on housing stability, services access, transit equity, food access, the quality of jobs and incomes, and systemic change. *Employment Areas* support two key recommendations of the Poverty Reduction Strategy: creating employment opportunities for low-income groups with high unemployment rates; and improving the quality of jobs.

## **Requests to Convert *Employment Areas* - Process, Policies and Requirements**

A major component of the MCR 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 2020 Policy 2.2.5.9 permits the conversion of *Employment Areas* through a MCR and lists the tests that need to be considered before any conversion of lands designated as *Core* or *General Employment Areas*. 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.

In addition, some sites 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.

There is strong alignment between the Growth Plan 2020 policy and Toronto's Official Plan Policies 2.2.4.14 to 2.2.4.18, which provide Conversion and Removal Policies for *Employment Areas* in addition to those set out in the Growth Plan 2020. The Official Plan policies are discussed in detail below.

Staff have completed Final Assessments for 45 of the remaining conversion requests, which are provided in Attachment 2 to this report. The Final Assessments include:

- A summary of the request;
- site and locational characteristics,
- details of the area of employment;
- findings from the engagement process;
- findings from the compatibility/mitigation studies and peer review process
- rationale for recommendations; and
- staff's recommendation.

## **Engagement**

Upon receipt of each conversion request, staff prepared a Preliminary Assessment for the purpose of consultation with stakeholders and the public. Staff have undertaken significant engagement including meetings and discussions with the proponent and their representatives, neighbouring businesses, major facility operators, industry, businesses organizations, Torontonians, and other interested stakeholders.

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.

City staff arranged meetings to each requestor and their representatives, including those considered incomplete as well as conversions proposed through Official Plan Amendments. Almost all requestor groups were met with, with the number and length of meetings varying for each request, depending on its nature and complexity. In addition, staff communicated with requestors frequently, via phone and email.

City councillors were briefed by staff with respect to the conversion request process in the context of the MCR. Where a councillor's ward includes conversion requests, the briefing included details and staff's recommendations for each request.

Prior to the Statutory Public Meeting at Planning and Housing Committee, staff held four public open houses, including the statutory open house, to discuss any recommended changes to land use designations and SASPs. The draft OPA was also posted online for public information and feedback ahead of the open houses and statutory public meeting.

## **Compatibility/Mitigation Studies and Peer Review Process**

A Compatibility/Mitigation ("C/M") Study was required to support each conversion request. The purpose of the C/M Study is to assess whether a proposed sensitive land



use will affect the overall viability of *Employment Areas* and major facilities. The C/M Study follows the City's Terms of Reference and Official Plan policies, and identifies potential mitigation options to address compatibility.

Each C/M Study was peer reviewed by the City. The objective of the peer review was to provide Council with independent, expert, third party assessments of the potential land use compatibility issues as well as proposed mitigation measures for each site that was subject of a conversion request. The scope of the review is to evaluate the completeness of the Study's methodology, findings, recommendations, and use of applicable standards and guidelines.

In most cases, the Peer Review of the C/M Study determined that some required information and assessment was not provided with respect to such things as: complaint history, stationary noise, air traffic noise, traffic noise, air quality, vibration, industrial/commercial operations in the vicinity and justification for the classification of a major facility. In most cases, the Peer Reviewer was not able to confirm that the C/M Studies fulfil the City's Terms of Reference for C/M Study requirements. Also, in most cases, the Peer Reviewer could not confirm that the proposed conversions are compatible within the existing *Employment Area*. Any follow up material submitted in response to the Peer Review was not sent to the Peer Reviewer for further review, but staff considered it as part of their evaluation of the conversion request.

As part of the consideration of compatibility, outreach was done to local industry including those with existing provincial Environmental Compliance Approvals ("ECA") and Environmental Activity and Sector Registrations ("EASR"). This was done to better understand the impact of introducing additional sensitive uses within the *Employment Area*. Industrial operations may be required to implement mitigation measure at the source in order to comply with their various approval certificates. Despite compliance, the introduction of new residential or other sensitive uses nearby could result in new complaints regarding noise, odours and vibration impacts. The burden of additional mitigation measures, which are often financially onerous, would fall to the existing industrial operation. The introduction of sensitive lands uses within the *Employment Area* has the potential to impact the continued operation and expansion of existing businesses.

Consideration was also given to the D-6 Guidelines, which are applied to industrial facilities in order to prevent or minimize compatibility issues as a result of the introduction of sensitive uses. In the Guidelines, facilities are categorized as Class I, Class II or Class III Industrial Facilities. A potential influence area (the areas within which adverse effects may be experienced) is applied depending on the category: 70 metres, 300 metres, and 1000 metres for Class I, Class II and Class III respectively. Minimum separation distances of 20 metres, 70 metres and 300 metres are also recommended by the guidelines for each of the categories.

## **Consideration of Conversion Requests**

### **Employment Study**

Each conversion request was considered against the broader context of the *Employment Area* it is located in. 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, included detailed profiles of all 23 of Toronto's *Employment Areas*. The profiles illustrate the geographic context along with statistical summaries of employment and development trends as well as an estimation of commuting patterns for that part of the local workforce who live within Toronto.

The Employment Study included the value of building permits within the *Employment Areas*, as a metric to gauge the level of non-residential investment, and thereby confidence, in the area. On average across the 23 *Employment Areas*, the value of new industrial building permits average over \$48 million annually, renovations average \$39 million annually and structural/other permits average \$26 million annually. Also, new building non-residential gross floor area averages nearly 22,500 square metres annually while addition/renovations of existing non-residential gross floor area averages nearly 10,000 square metres annually.

The Employment Study showed that the City's *Employment Areas* are healthy with considerable investment in new buildings and improvements, and overall low building vacancy rates. They are also a key contributor to the quality of life for Torontonians, reflected by the significant share of jobs held by city residents in these areas.

### **Addressing Official Plan Conversion and Removal Policies for *Employment Areas***

In staff's review of requests to convert lands within *Employment Areas*, both cumulatively and individually, careful consideration was given to whether or not the proposed conversion requests meet the considerations set out in the Conversion and Removal Policies for *Employment Areas* in Official Plan.

It is critical to ensure that *Employment Areas* provide certainty for businesses and economic activities. The introduction of sensitive land uses into *Employment Areas* can force industry to alter their operations, particularly when the environmental certificates that industries operate under are affected, or complaints are lodged about adverse effects from industrial operations.

Where conversions are granted, the prospect of potential future conversions can lead to uncertainty and reduced investment in business operations, degrading the viability of the *Employment Area*. This could have a cumulative impact on the overall viability of an *Employment Area* and its planned function. Potential conversions were therefore carefully considered.

There are several attributes of employment lands and their location that can help determine the potential impact that a conversion on those lands would have on the broader *Employment Area* of which they are a part. When determining the affect that a potential conversion would have on the viability of an *Employment Area*, staff considered numerous site characteristics in the context of the larger *Employment Area*, such as:

- are the lands part of a broader contiguous *Employment Area*;
- are the boundaries of the *Employment Area* well-defined;

- are the lands strategically situated within the *Employment Area* in terms of access and visibility;
- are the lands located so that they provide buffering or separation between the employment uses and areas where sensitive uses are permitted (for example, *General Employment Areas* can provide this for *Core Employment Areas*);
- are the lands unique in terms of size or location;
- do the lands contribute to a variety of parcel sizes within the *Employment Area*; and
- are the lands part of a cluster with surrounding business establishments, or do they provide for opportunities for similar or related employment uses to cluster

The Growth Plan 2020 only permits the conversion of employment lands where it has been demonstrated that there is existing or planned public service facilities to accommodate the proposed uses. The Official Plan conversion and removal policies also require consideration of community services and facilities within the area where the conversion is being requested. Convenient access to public service facilities for people of all ages and abilities is an important component of creating complete communities.

For each conversion request for residential uses, staff surveyed the distance between the conversion site and the existing community services in the area. Many of the conversion requests are in areas where the introduction of residential uses would not provide residents with convenient access to local stores, schools, services and public service facilities. In most cases, accessing existing facilities would require walking very long distances, crossing through the *Employment Area*, and crossing major streets or even highways.

Good transit access makes *Employment Areas* more attractive to businesses, by providing transportation options for workers and businesses. Transit accessible *Employment Areas* play a key role in providing Torontonians equitable access to employment opportunities. The timing and certainty of access to higher order transit has been carefully considered in the analysis of each employment land conversion request. City Council has adopted over 130 delineations for Major Transit Station Areas (MTSAs) and Protected Major Transit Station Areas (PMTSAs). The delineations been submitted to the Minister of Municipal Affairs and Housing for approval, as the approval authority. To date, no decision has been received. The Growth Plan minimum density targets for PMTSA/MTSAs are targets for jobs as well as residents. Where the conversion requests in Attachment 2 of this report are in PMTSA/MTSAs, the existing and permitted development within the PMTSA/MTSAs meets or exceeds the minimum population and employment target as set out in the Growth Plan.

The Growth Plan 2020 requires municipalities to preserve lands adjacent to or near major goods movement facilities and corridors, including major highway interchanges, as areas for manufacturing, warehousing and logistics. The Official Plan builds on this requirement by requiring *Employment Areas* in the vicinity of existing major transportation infrastructure such as highway interchanges, ports, rail yards and airports to be preserved for employment uses that could rely on major transportation infrastructure for the movement of goods. Access for businesses to key transportation infrastructure and how quickly goods can be moved, has an impact on the efficiency and success of the many businesses that rely on goods movement.

The importance of preserving employment lands near major goods movement facilities and corridors is growing. The Transportation & Warehousing industry alone has grown considerably in recent years, partly owing to the growth of e-commerce. To overcome increasingly dense Toronto neighbourhoods, industry trends suggest that growth will continue in "last-mile" compact distribution facilities. As part of OPA 591, Council adopted a new policy to further reinforce the importance of centrally situated sites with access to highways and major roads (see Policy 3.5.3.7a)).

Conversion requests are therefore assessed on strategically preserving lands near a major goods movement facilities and corridors, as well as their impact on the capacity and functioning of the transportation network and the movement of goods for existing and future employment uses.

The data provided by the Employment Study illustrates how healthy and successful Toronto's *Employment Areas* are, and how wide-ranging the uses located within them are. In reviewing conversion requests, staff considered what uses would be replaced, how this would affect nearby businesses and the larger *Employment Area*. For example, consideration was given to whether the conversion request would remove land from an *Employment Area* with low vacancy rates where finding space for existing and new businesses may be an issue. Consideration was also given to what effect a conversion request would have on providing certainty for existing operations that want to expand, or new businesses looking to locate.

In reviewing the conversion requests, staff have consulted with other jurisdictions, such as the City of Mississauga, and the Greater Toronto Airport Authority (GTAA), where cross-jurisdictional matters need to be considered. Relevant information on these issues is included in the affected final assessments.

### **Summary of Recommended *Employment Area* Conversions**

Of the 45 conversion requests being considered in this report (see Final Assessments in Attachment 2), 43 are recommended to be retained as either *Core Employment Areas* or *General Employment Areas*. Staff are recommending the conversion of six requests as follows:

- One request - retaining the lands as the current land use of *Core Employment Areas*, with the addition of a use permission via a SASP;
- Two requests - conversion of the lands to *Regeneration Areas* with a Site and Area Specific policy (SASP);
- One request - conversion of the lands from *Core Employment Areas* to *General Employment Areas*, with a SASP; and
- Two requests - conversion of the lands from *Core Employment Areas* to *General Employment Areas*, without a SASP.

OPA 644 (Attachment 1) provides for the implementation of the conversions being recommended by staff as part of this report. City Planning staff's opinion that the recommended OPA 644 is consistent with the PPS 2020 and conforms to the Growth Plan 2020 and its requirements related to the economy, economic growth, and *Employment Areas*.

In addition to required mapping changes, four of the six conversion requests contained in OPA 644 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. The inclusion of these SASP policies reflects an understanding of the changing local contexts that support the conversion, while adhering to Provincial planning policies. Each SASP is distinctly individual, reflecting locational characteristics, site attributes, and planning and development contexts. The resulting SASP reflects consideration of such matters as Official Plan policy, the site size, location, on-site and surrounding land uses, existing and planned transportation and transit investment, and approach to implementation.

### ***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 an MCR.

OPA 644 includes recommendations that three conversion requests 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. In the case of one site, a SASP was added to ensure that the newly permitted use is appropriate in terms of size and location. Attachment 2 to this report includes the Final Assessments for these sites.

### ***Employment Areas to Regeneration Areas***

*Regeneration Areas* is a land use designation for growth that is intended to accommodate an increase in both jobs and population. This designation is generally applied to sites that were not planned for residential uses, and the Official Plan policies require that a Secondary Plan be approved to set the framework for growth on the lands prior to development proceeding. The Official Plan prescribes the strategies, studies, and policies necessary as part of the framework, including those related to urban design, parks, community services and transportation. To maintain the economic function of the lands being converted, each *Regeneration Area* study must also require a net gain of employment or employment gross floor area.

The technical analyses prepared as part of the secondary plan planning process would identify gaps in both hard and soft infrastructure to accommodate anticipated and increased employment and population needs. This future study process enables 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.

The use of *Regeneration Areas* as an interim designation allows for a comprehensive approach to planning for these large areas, such as the provision of consolidated park land, instead of piecemeal planning on a site-by-site application basis. It also provides more robust opportunities for discussions with all stakeholders, including public consultation and the identification of community priorities.

It is staff's opinion that re-designating *Employment Areas* directly to *Mixed Use Areas* limits staff and Council's ability to fully consider the necessary components of complete communities, with the necessary infrastructure to service increased residential population. A *Mixed Use Area* designation would not enable staff the ability to broadly consult and undertake a scoped study before introducing residential uses on lands that did not previously have these permissions.

There are many positive precedents across the city where *Regeneration Areas* have been successfully applied. Recent examples include the former Christie's lands Celestica, and Downsview lands.

OPA 591, which was adopted as part of the first group of 30+ conversion requests reported to Council last year, included the use of *Regeneration Areas* in support of many sites that were recommended for conversion by staff. Common to each of the recommended SASPs for areas redesignated to *Regeneration Areas* by OPA 591, is the affordable housing requirement policy and the non-residential or employment gross floor area requirement policy.

Staff will continue to recommend the use of *Regeneration Areas* as an interim designation for sites and areas being converted for residential uses where a coordinated and consolidated approach is required to ensure that future residents benefit from a complete community.

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

The non-residential gross floor area requirement policy in SASPs where conversion is recommended, 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.

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.

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 SASPs recommend approaches to phasing that put in place residential to employment ratios. This ensures 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 2020 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 2020 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.

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.

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.

## **Conversion Requests in Golden Mile**

The City received three conversion requests within the Golden Mile Secondary Plan area, on the south side of Eglinton Avenue East generally between Lebovic Avenue and Birchmount Road. The conversion requests are:

- CR043: 2001, 2007, 2043, 2201 Eglinton Avenue East
- CR067: 1941 Eglinton Avenue East and lands generally bounded by Eglinton Avenue East, Warden Avenue, Civic Road, and Prudham Gate
- CR084: 1911 and 1921 Eglinton Avenue East

Conversion request 084, located at 1911 and 1921 Eglinton Avenue East, is also subject to an appeal to OPA 231. At its meeting on June 15 and 16, 2022 Council adopted confidential instructions to staff to accept a without prejudice offer to settle site specific Appeal 155 to Official Plan Amendment 231 dated June 7, 2022. The settlement offer included a redesignation to *Regeneration Areas*, a commitment to affordable housing and non-residential gross floor area, among other things.

Final recommendations for the other two conversion requests within the Golden Mile geography are provided in the final assessment found in Attachment 2 and implemented in OPA 644 which recommends a conversion from *General Employment Areas* to *Regeneration Areas* with a SASP that prescribes additional requirements to be fulfilled as part of the secondary planning process.

The policies within the OPA 231 settlement and OPA 644 should be consistent to ensure a comprehensive approach to planning for the area. This would essentially be a Golden Mile phase 2 of the Secondary Plan already generally along the north side of Eglinton Avenue East.

## **OPA Applications Reviewed Concurrently with the MCR**

An Official Plan Amendment (OPA) application was received on December 24, 2021, for the lands at 235-245 Yorkland Avenue. The proposed development would include residential permissions across four towers on two shared podiums. The lands are within the Consumers Next Secondary Plan area. The OPA is required to permit proposed residential uses on the lands which are designated as *General Employment Areas*.

## **Employment Areas Conversion Tracking since 2013**

### **Land Area**

The approximately 150 conversion requests received as part of the current MCR amount to approximately 685 hectares of *Employment Area* lands or 8.5% of all *Employment Areas* across the city.

The 30+ conversion requests that Council adopted in July 2022 (OPA 591) represent the conversion of approximately 65 hectares of *Employment Areas* to other land use designations. Of these 65 hectares, approximately 54 hectares were originally designated as *General Employment Areas*, while almost 13 hectares were designated *Core Employment Areas*. OPA 591 recommendations converted:

- two thirds of the land area to *Regeneration Areas*;
- just over a quarter to *Mixed Use Areas*; and
- Approximately 10% to *Parks, Institutional* or *General Employment Areas*.

Should the Minister approve OPA 591 as adopted by Council, the total amount of *Employment Areas* remaining across the city is approximately 7,800 hectares or 12.3% of the City's land mass. This data reflects the changes made as a result of a pending Minister's decision on the current Municipal Comprehensive Review (through OPA 591), as well as previous Council decisions to accept settlements on appeals to OPA 231.

Should Council adopt staff's recommendations and OPA 644 in Attachment 1, approximately 20 hectares would be converted from *Employment Areas* to other land use designations. Of these, about half would be converted from *General Employment Areas* to *Regeneration Areas*, and half from *Core Employment Areas* to *General Employment Areas*. This would mean that the total amount of *Employment Areas* remaining across the city is still approximately 7,800 hectares or 12.3% of the City's land mass.



Staff will provide a further update on the cumulative total of *Employment Areas* land gained or lost in the report with final recommendations on conversion requests scheduled for the July 5<sup>th</sup> Planning and Housing Committee Meeting.

### **Development Pipeline and Land Sales**

A combined 99 sites across the city were converted via Council-adopted OPA 231 and OPA 591, or via settled OPA 231 appeals. An analysis of these 99 sites demonstrates that:

- 41 of the 99 sites have had building permits issued:
  - 32 (of 41) sites have applied for residential (or mixed use) building permits amounting to 13,693 units, of which 5,997 are currently built; however, only 20 (of 32) sites have units built on them
  - 9 (of 41) sites have applied for non-residential only building permits, of which 4 are currently built
- 58 of the 99 sites have not submitted building permit applications
  - 30 (of 99) sites have submitted a Zoning By-law Amendment application and 15 have submitted a Site Plan Approval application
  - 26 (of 99) sites have no development applications submitted.

Staff also looked at land sales data from the Municipal Property Assessment Corporation (MPAC), to determine if, and how many, of the converted sites have been sold between 2013 and 2022. Of the 79 OPA 591 and adopted or settled OPA 231 conversion sites that do not have any residential units built yet (20 of the total 99 sites did have built units as per data above, and were excluded from this data), 41 sites (52%), were sold between 2013 and 2022. This includes:

- 71% (15 of 21) of the sites that have applied for building permits but have not yet built any units
- 53% (17 of 32) of the sites that have not applied for permits but that have submitted a planning application
- 35% (9 of 26) of the sites that have not submitted a planning application or building permit application

Of the 79 OPA 591 and adopted or settled OPA 231 conversion sites that have not yet had any units built:

- 52% (28 of 54) of the OPA 231 conversion sites were sold between 2013 and 2022 inclusive
- 52% (13 of 25) of the OPA 591 conversion sites were sold between 2013 and 2022 inclusive (3 were sold around the time that OPA 591 was adopted).

This analysis illustrates that not all converted *Employment Areas* have translated into built residential units after receiving an approved conversion. Various factors may impact this outcome, but converting land does not necessarily result in adding to the

supply of housing, nor is it necessarily related to the lands undergoing a planning approval process.

### **Final Conversion Request Report (July 5, 2023)**

Staff are preparing a further final report for the meeting of Planning and Housing scheduled for July 5, 2023. This report is intended to include staff recommendations and final assessments for the remaining 60+ conversion requests.

There were several requests for a conversion where staff did not receive the necessary materials and studies to undertake the required review. Information and staff's recommendation on these "incomplete" conversion requests will also be included.

The report will also include staff's recommendations on the review of the 14 Site and Area Specific Policies (SASPs) in Chapter 7 of the Official Plan that currently permit residential uses on lands that are designated *Core* or *General Employment Areas*.

### **Next Steps**

Should Committee and Council adopt the staff recommendations contained in this report, staff will prepare a submission package to the Minister of Municipal Affairs and Housing, as the approval authority on conversion requests.

In preparation for the statutory public meeting on July 5, 2023, to consider the third and last group of conversion requests, staff will prepare as required under Section 26 of the *Planning Act* with respect to providing notice, posting the draft OPA materials, and holding open houses.

### **CONTACT**

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### **SIGNATURE**

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Gregg Lintern, MCIP, RPP  
Chief Planner and Executive Director  
City Planning Division

## **ATTACHMENTS**

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Attachment 1: Recommended Official Plan Amendment 644

Attachment 2: Final Assessments and Recommendations to Convert Land Designated  
*Employment Areas*