

# **Our Plan Toronto: Recommendations on the East Harbour Employment Area Conversion Request - Final Report**

**Date:** September 14, 2023

**To:** Planning and Housing Committee

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

**Wards:** Toronto-Danforth (Ward 14)

## **SUMMARY**

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This report is the fourth in a series of Final Reports that provide staff recommendations on *Employment Area* conversion requests as part of the Municipal Comprehensive Review (MCR) of the Official Plan.

Council authorized the commencement of the Municipal Comprehensive Review (MCR) and Growth Plan conformity exercise known as "Our Plan Toronto" on August 4, 2020. As part of the MCR, 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 MCR and any recommended Official Plan amendments are considered 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. 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 fourth report provides an overview of staff's review and recommendations on the *Employment Area* conversion request made for the East Harbour lands (21 Don Valley Parkway, 30 Booth Avenue, and 375-385 Eastern Avenue). The report also describes the recommended Official Plan Amendment (OPA) 683 and the city-building objectives, such as affordable housing, that are included to support the introduction of residential use permissions.

In April 2021, the Province announced a Transit Oriented Communities ("TOC") commercial partnership with Cadillac Fairview for the East Harbour lands that proposes a mixed-use community on the lands, which includes the 926,000 square metres of employment development previously approved in the Unilever Precinct Secondary Plan and relevant Zoning By-laws, but would also introduce residential uses not previously

contemplated for the lands. The residential uses envisioned for the TOC are not permitted on the lands which are designated *Core* and *General Employment Areas* in the Official Plan. In August 2021, Cadillac Fairview submitted an employment area conversion request for the lands to be considered as part of the City's MCR.

On April 8, 2022, the Minister of Municipal Affairs and Housing made a Minister's Zoning Order per Ontario Regulation 329/22 ('MZO') for the East Harbour lands. The MZO permits residential uses on specific portions of the East Harbour lands up to a maximum of 302,000 square metres, in addition to the existing employment development permissions.

The MZO allows for residential uses in the zoning permissions on lands designated *Core Employment Areas* and *General Employment Areas*. While the Growth Plan 2020 prohibits, and the City's official plan policies do not permit, residential uses on lands designated *Employment Areas*, the Province's MZO does not need to conform to these policies. The zoning permissions granted through the MZO for the East Harbour lands enable development contemplated in the Province's TOC arrangement between the Province and Cadillac Fairview.

Staff's recommendations on the East Harbour conversion request are to implement the MZO made for the lands by the Minister and the recommended Official Plan amendment detailed in this report aligns with the permissions granted by Province through the MZO.

## **RECOMMENDATIONS**

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

1. City Council adopt Official Plan Amendment 683 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 683 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 683 as may be required.
4. City Council declare by resolution to the Minister of Municipal Affairs and Housing that Official Plan Amendment 683 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 683 under the current in-effect 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 this report.

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 who tend to face challenges related to having their professional certifications recognized along with those individuals for whom 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 Official Plan Amendment in Attachment 1 to this report has 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 conversion, staff and the proponent 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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A summary of the Council and Committee decisions with respect to the Our Plan Toronto MCR process can be found in Attachment 3.

## **ISSUE BACKGROUND**

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### **Planning Context**

The Province recently introduced a number of legislative and provincial policy reforms that would have the effect of amending the policy framework under which municipalities review *Employment Area* conversions. Given that the Province has not brought these changes into force, the following policy discussion applies the in-effect policy framework.

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 (OLT) 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 affect 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 municipality (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 to accommodate forecasted employment growth in appropriate locations for a variety of employment (Policy 2.2.5.1 (a), (b) and (c));
- Direct retail and office uses, including major office, to locations that support active transportation or have transit, including urban growth centres, major transit station areas or other strategic growth areas and support the retail sector through compact built form, intensification and land uses to support the achievement of 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 2.2.5.14); 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. There were 178 appeals to OPA 231 made to the Tribunal. 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 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. There are still over 70 site-specific appeals of OPA 231.

### **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 and Area Specific Policies resulting from local area studies including Update Downsview, Keele-St. Clair Local Area Study, Geary Works Planning Study; 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*.”

#### **OPA 644**

At its meeting on June 14-16, 2023, Council adopted OPA 644 as part of a phased MCR and Growth Plan conformity exercise. In considering OPA 644, Council had before it Final Assessments for 45 conversion requests. Council adopted staff recommendations to retain 39 of the 45 conversion request sites as *Employment Areas*, and consideration of one conversion request was deferred until the July 5, 2023 meeting of the Planning and Housing Committee. While still needing Ministerial review and approval, OPA 644 provides for the implementation of five conversion requests that were recommended by staff and adopted by Council:

- 2 requests - Conversion to *Regeneration Areas* with a SASP;
- 3 requests - Conversion from *Core Employment Areas* to *General Employment Areas* without a SASP.

#### **OPA 653**

At its meeting on July 19-20, 2023, Council adopted OPA 653 as part of a phased MCR and Growth Plan conformity exercise. In considering OPA 653, Council had before it Final Assessments for 70 conversion requests. Of the 70 conversion requests considered in this report, 23 of the conversion requests were recommended to be approved as follows:

- 3 requests - retaining the lands as the current land use of *Core Employment Areas*, with additional use permissions;
- 3 requests - conversion of the lands from *Core Employment Areas* to *General Employment Areas*;
- 1 request - conversion of the lands from *General Employment Areas* to *Institutional Areas*;
- 11 requests - conversion of the lands from *Core Employment Areas* and *General Employment Areas* to *Regeneration Areas*;
- 5 requests - conversion of the lands from *Core Employment Areas* and *General Employment Areas* to *Mixed Use Areas*.



Council adopted a motion to convert additional lands. The Bills to formally adopt OPA 653 will be brought forward to Council in Fall 2023, after which it will be forwarded to the Minister of Municipal Affairs and Housing for a final decision.

## **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 and employment growth to 2051 as per Schedule 3 of the Growth Plan 2020 as well as to 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. This Staff Report was adopted by Planning and Housing Committee on April 27, 2023, without amendment.

The purpose of the updated Land Needs Assessment report is to complete the Growth Plan 2020 conformity exercise and determine whether or not there is sufficient land and potential housing 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 findings 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 at 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 the forecasted and projected growth. Conversions should only occur strategically and include secured employment.

## COMMENTS

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### **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.

Growth Plan 2020 Policy 2.2.5.9 permits the conversion of *Employment Areas* only through an 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*.

### **East Harbour Conversion Request and Minister's Zoning Order**

The lands at 21 Don Valley Parkway, 30 Booth Avenue, and 375-385 Eastern Avenue (identified together as East Harbour lands) are currently designated *Core Employment Areas* and *General Employment Areas* in the City's Official Plan. These designations do not permit sensitive land uses including residential uses.

On April 8, 2022, the Minister of Municipal Affairs and Housing made a Minister's Zoning Order per Ontario Regulation 329/22 ('MZO') for the East Harbour lands. The MZO permits residential uses for specific portions of the East Harbour lands to permit 302,000 square metres of residential development in addition to the existing employment development permissions. The zoning permissions granted through the MZO for the East Harbour lands enable development contemplated in the Province's Transit Oriented Communities Program (TOC) arrangement between the Province and Cadillac Fairview.

The MZO allows for residential uses in the zoning permissions on lands designated *Core Employment Areas* and *General Employment Areas* in the Official Plan. While the Growth Plan 2020 prohibits, and the City's official plan policies do not permit, residential uses on lands designated *Employment Areas*, the Province's MZO does not need to conform to these policies.

Cadillac Fairview, the owner of the lands, submitted a conversion request to facilitate the addition of residential uses at East Harbour. Although the Unilever Precinct Secondary Plan establishes East Harbour as an employment hub and while the area is identified as a Growth Plan 2020 Provincially Significant Employment Zone, the East Harbour TOC proposal is a mixed-use community of residential and employment uses.

The TOC proposal proposes to add 302,000 square metres (3.25 million square feet) of residential uses. As part of the conversion request, the requestors were required by the City to include a response to the Growth Plan and Official Plan conversion tests, including the submission of a Compatibility/Mitigation Study that was peer-reviewed.

Staff have completed the Final Assessment for the *Employment Area* conversion request made for the lands at 21 Don Valley Parkway, 30 Booth Avenue, and 375-385 Eastern Avenue, which is detailed in Attachment 2 to this report. The Final Assessment includes:

- 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 consulted with 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 actively consulted and worked with the requestor and their consultants in reviewing the conversion request submitted and the recommended OPA 683.

Staff briefed the local councillor with respect to the conversion request process in the context of the MCR including details of the request, site policy and regulatory context and staff's recommendations for the East Harbour conversion request. Staff also shared the draft OPA with staff at the Ministry of Municipal Affairs and Housing and the Ministry of Natural Resources and Forestry as the lands are within the Lower Don Special Policy Area.

Prior to the statutory public meeting held at Planning and Housing Committee, staff held a statutory open house to discuss recommended changes to land use designations and policies for the lands. The draft OPA was also posted online for public information and feedback in advance of the statutory open house and statutory public meeting.

## Summary of Recommended *Employment Area Conversions*

In line with the MZO's parcel-specific approach for residential permissions at East Harbour, staff recommend only converting specific portions of the lands to *Mixed Use Areas* to align with the Minister of Municipal Affairs and Housing's direction in the MZO. Staff are recommending that only specific lands be redesignated from *General Employment Areas* and *Core Employment Areas* to *Mixed Use Areas* to allow for residential uses in areas where they are permitted through the MZO. The remaining lands would retain their *Core* or *General Employment Areas* designations and continue to support the area's primary planned function as an employment precinct.

In addition to targeting the conversion of part of the lands to align with the MZO, staff are recommending select amendments to in-effect Site and Area Specific Policy 426 and the Unilever Precinct Secondary Plan to reflect the permissions granted by the Minister through the MZO. The amendments are recommended to secure City building objectives to be developed as part of the mixed-use development on the *Mixed Use Areas* portions of the lands e.g., affordable housing, a minimum amount of employment gross floor area, daycares, and a community recreation centre. These elements are needed to support the residential uses that were previously not contemplated for this area.

The MZO excludes the East Harbour development from Inclusionary Zoning requirements as the MZO provides the necessary zoning permissions for the TOC. Toronto's Inclusionary Zoning by-law was adopted by City Council in November 2021, however Minister approval of Protected Major Transit Station Areas (PMTSA) is required before Inclusionary Zoning can be implemented. Inclusionary Zoning would have required new condominium development within the East Harbour PMTSA to provide 6% of the residential gross floor area as affordable rental housing for 99 years, resulting in approximately 129 affordable units.

The East Harbour development will include an affordable housing allocation consistent with City policy and practice. The high-level terms of agreement between the Province and Cadillac Fairview include a commitment to deliver a minimum of 215 affordable rental units at East Harbour, representing 10% of the expected number of condominium units (or 5% of the proposed total residential units). The units will be leased for a period of 99 years, with affordable rents set at the City's income-based affordable definition. This commitment exceeds what would be required by the City's Inclusionary Zoning by-law. This commitment also exceeds what would be achievable under the Province's Bill 23 legislation, once it comes into effect, based on the contemplated amount, length and depth of affordability.

The scenarios provided for East Harbour in the following table are for information purposes only, to illustrate the number of affordable housing units that could have been secured if 20% affordable units or the Housing Now standard of 30% affordable units had been required based on all 4,300 units being proposed as condominium units. It should be noted that both options would require significant City capital contributions and incentives to achieve the targets.

	Number of Potential Affordable Units
20% of Units as Affordable (based on the City's Large Site Policy, which requires land to accommodate 20% of units)	860
30% of Units as Affordable	1290

Details of staff's review of the conversion request and the recommended amendments can be found in Attachment 2: Final Assessment for 21 Don Valley Parkway, 30 Booth Avenue, and 375-385 Eastern Avenue (East Harbour).

**Next Steps**

Following Committee and Council's decision on the 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.

**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 (OPA) 683
- Attachment 2: Final Assessment for 21 Don Valley Parkway, 30 Booth Avenue, and 375-385 Eastern Avenue (East Harbour)
- Attachment 3: Decision History