

## **Directions to Amend Official Plan Employment Area Policies: Proposals Report**

Date: November 14, 2023

To: Planning and Housing Committee

From: Chief Planner and Executive Director, City Planning

Wards: All

### **SUMMARY**

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On April 6, 2023, the Province introduced new policy and legislative changes which include two key components: (1) *Helping Homebuyers, Protecting Tenants Act*, an Act to amend various statutes with respect to housing and development ("Bill 97"), and (2) the proposed Provincial Planning Statement ("PPS"). Bill 97 received Royal Assent on June 8, 2023.

This report presents draft policy direction to amend various employment area related policies to bring the Official Plan into alignment with the definition of "area of employment" in the *Planning Act*, as amended by Bill 97. The amended definition of "area of employment" will come into force on a day to be named by proclamation of the Lieutenant Governor. It is staff's understanding that the Province will bring these *Planning Act* changes into force on the same date that the PPS comes into effect.

The amendment to the provincial definition of "area of employment" would narrow the scope of uses from what is currently permitted in areas of employment. In particular, it would expressly exclude from the definition institutional uses and commercial uses, including retail and office uses that are not associated with manufacturing, warehousing, and research and development in connection with manufacturing. For the City's *Employment Areas* to continue to benefit from the current employment protection policies, land use permissions for these areas must align with the amended definition of "area of employment". Doing so will mean that the City will need to limit some of the broader Official Plan employment permissions in *General Employment Areas* and *Core Employment Areas*.

This report also provides an update on the Council direction to staff to undertake a study to consider expanding permitted uses in Employment Areas to include places of assembly, places of worship, and sports facilities on a site or area-specific basis.

## RECOMMENDATIONS

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

1. Planning and Housing Committee direct the Chief Planner and Executive Director, City Planning Division, to continue consultation on the draft policy directions with Councillors, industry, other stakeholders, and the general public, and report back with recommended Official Plan amendments before the Province proclaims the amended *Planning Act* definition of "area of employment".

## FINANCIAL IMPACT

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There are no financial implications resulting from the adoption of this report.

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

## DECISION HISTORY

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Council adopted Official Plan Amendment 668 on July 20, 2023 to authorize the continuation of institutional and commercial uses expressly excluded by paragraph 2 of the amended definition of "area of employment" that were lawfully established the day before the relevant *Planning Act* changes come into effect. Staff have not introduced the necessary bills for OPA 668 and will do so upon receiving provincial confirmation that they will proclaim the *Planning Act* definition changes.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH5.2>

Council adopted a report at its meeting on June 14, 2023, which summarized the policy changes in the proposed Provincial Planning Statement and identified the City's concerns and recommendations.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH4.8>

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 *General Employment Areas* and *Core Employment Areas* as requested by Council in November of 2021.

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

On July 19, 2022, City Council directed staff to consider potential and appropriate site or area specific Official Plan Amendment(s) that could expand permitted uses in Employment Areas to include sport facilities, places of assembly (including bingo halls and banquet halls), and places of worship. City staff initiated the Expanding Uses in Employment Areas study to consider expanding permitted uses in *General Employment*

Areas to include places of assembly, places of worship, and sports and recreation uses on a site or area-specific basis.

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

## COMMENTS

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On April 6, 2023, the Minister of Municipal Affairs and Housing introduced the *Helping Homebuyers, Protecting Tenants Act* ("Bill 97") that would make changes to the *Planning Act*, *Municipal Act*, *Residential Tenancies Act* and the *Building Code Act*. The Province also released the proposed Provincial Planning Statement ("PPS") that would combine the current Provincial Policy Statement (2020) and the Growth Plan (2020) into a single document. Bill 97 received Royal Assent on June 8, 2023 and the comment period for the PPS ended on August 4, 2023. The Province has yet to proclaim portions of Bill 97 and has not brought into effect the PPS.

### Current "Area of Employment" Definition

While Bill 97 introduced amendments to the definition of "area of employment" in the *Planning Act*, the current definition remains in effect until such time as the province proclaims the amended definition is in force. The current "area of employment" definition is found in subsection 1 (1) and (5) of the *Planning Act*:

(1) An area of land designated in an official plan for clusters of business and economic uses including, without limitation, the uses in subsection (5), or as otherwise prescribed by regulation.

(5) The uses referred to in the definition of "area of employment" in subsection (1) are:

- a. manufacturing uses;
- b. warehousing uses;
- c. office uses;
- d. retail uses that are associated with uses mentioned in clauses (a) to (c); and
- e. facilities that are ancillary to uses mentioned in clauses (a) to (d).

### Amended "Area of Employment" Definition

Bill 97 amends the *Planning Act* definition of "area of employment" by expressly excluding institutional uses and commercial uses, which includes retail and offices uses that are not associated with manufacturing, research and development, warehousing and goods movement. The effect of this change is to narrow the range of employment uses currently included and protected under the City's employment lands definition which was previously aligned with the PPS prior to the proposed changes introduced by the Province.

### Official Plan Amendment 680 (OPA 680): Proposed Policy Directions

OPA 680 proposes various amendments to Official Plan Employment Areas policies in Chapter 2, 3 and 4. These amendments are intended to align the land use permissions within the City's Employment Areas with the proposed definition of "area of

employment" in the *Planning Act* as amended by Bill 97. The general approach is to only make Official Plan policy amendments to align them with the *Planning Act* to ensure that the City's *Employment Areas* continue to benefit from the current employment protection policies.

## **Office Uses**

Currently the Official Plan permits all types of office uses within *General Employment Areas* and *Core Employment Areas*, which reflects the built form of the City and historic permissions within Employment Areas at the time of the City's amalgamation.

### *Bill 97 Changes (not in effect, awaiting Proclamation):*

The amended *Planning Act* definition of "area of employment" excludes stand alone office uses as a type of use permitted within an "area of employment" unless it is associated with a primary employment use, such as manufacturing, warehousing, or research and development.

### *OPA 680 Policy Direction to align with Planning Act Definition:*

- Amend permissions to limit permitted office uses to those associated with primary employment uses in *General Employment Areas* and *Core Employment Areas*.
- To note, [OPA 668](#) (transition policy that is not in effect) authorizes the continued use of stand-alone offices provided they were lawfully established.

## **Retail Uses**

Currently the Official Plan permits retail uses in *Core Employment Areas* if they are ancillary to and on the same lot as the primary employment use. Other types of retail and service uses such as restaurants, courier services, banks and copy shops are permitted in *Core Employment Areas* if they are ancillary to and intended to service the primary employment uses. These uses have been permitted in *Core Employment Areas* because they are supportive of the business and economic uses typically operating in these areas, such as manufacturing, warehousing, and other types of industrial uses.

*General Employment Areas* permit all types of retail, restaurant, and service uses. Further, major retail sites are permitted in *General Employment Areas* subject to meeting certain development conditions.

### *Bill 97 Changes:*

The amended *Planning Act* definition of "area of employment" excludes retail uses as a type of use permitted within an "area of employment" unless it is associated with a primary employment use, such as warehousing, warehousing, or research and development.

### *OPA 680 Policy Direction to align with Planning Act Definition:*

- Amend permissions to limit permitted retail uses to those associated with primary employment uses in *General Employment Areas*.

## **Institutional Uses**

The Official Plan does not currently permit institutional uses within *General Employment Areas* and *Core Employment Areas*.

### *Bill 97 Changes:*

The amended *Planning Act* definition of “area of employment” explicitly excludes institutional uses as a type of use permitted within an “area of employment”.

### *OPA 680 Policy Direction to align with Planning Act Definition:*

- No amendments are required.

## **Fitness Centres and Ice Arenas**

The Official Plan permits fitness centres in *General Employment Areas* and ice arenas are permitted so long as they were legally established before March 26, 2018.

### *Bill 97 Changes:*

The amended *Planning Act* definition of “area of employment” generally excludes commercial uses as a type of use permitted within an “area of employment”.

### *OPA 680 Policy Direction to align with Planning Act Definition:*

- Remove the general permissions for Fitness centres in *General Employment Areas*.
- Move the retroactive permission for ice arenas to a Chapter 7 Site and Area Specific Policy.

## **Term: “Business and Economic Activities”**

The Official Plan uses the term “business and economic activities” as an umbrella term to describe the types of uses that are permitted in the City’s employment areas. To more closely align with the *Planning Act* and the amended definition of “area of employment”, OPA 680 would propose to alter the term “business and economic activities” to “business and economic uses” and make other similar changes.

## **Expand Uses in Employment Areas: Update**

City staff launched the Expanding Uses in Employment Areas Survey and accompanying information kit in June 2023. The goal of this survey is to learn more about the benefits and challenges facing industry stakeholders, places of assembly, places of worship and sports and recreation establishments located in Employment Areas. Notice was sent to 465 places of assembly, places of worship, sports and recreation establishments and industry stakeholders located within *General Employment Areas* and was open from June 14 to July 14, 2023.

City staff planned to conduct further focused engagement based on the results of the survey. However ongoing discussions on the implications of Bill 97 and the amended definition of “area of employment” led staff to pause further consultation and reassess the study's direction.

Places of Worship are considered institutional uses and places of assembly and sports and recreation establishments are considered commercial uses. The amended definition of "area of employment" expressly excludes institutional uses and commercial uses.

## **Conclusion and Next Steps**

OPA 680 is intended to bring the Official Plan into alignment with the amended definition of "area of employment" as introduced through Bill 97. Together, with OPA 668, these amendments will help to maintain the integrity of the City's *Core Employment Areas* and *General Employment Areas* so that:

- Toronto has land available for employment uses that cannot be located elsewhere and remains an attractive location for business investments;
- The employers and jobs located within *Core Employment Areas* and *General Employment Areas* are provided with a level of land use certainty;
- Businesses have convenient access to the materials and services they need for their operations; and
- Adverse impacts to sensitive uses and major facilities are avoided through separation and distance.

With Committee's endorsement of the draft policy direction, staff will continue consultation with Councillors, industry, other stakeholders, and the general public to provide information on what changes are proposed through OPA 680 and obtain feedback on the draft changes. Further, staff will continue assessing the implications of Bill 97 for the Expanding Uses in Employment Areas study. A final report to Committee and Council will be brought forward before the Province proclaims the amended *Planning Act* definition of "area of employment".

## **CONTACT**

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## **SIGNATURE**

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

## **ATTACHMENTS**

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Attachment 1: OPA 680 Proposed Policy Directions