

Development Pipeline 2023

Date: May 29, 2024

To: Planning and Housing Committee

From: Interim Chief Planner and Executive Director, City Planning

Wards: All

SUMMARY

The City Planning Division monitors development activity in Toronto. This report and the attached bulletin summarizes development activity over the past five years, offering insights into the city's growth and potential urban changes ahead.

The 2023 Development Pipeline is the largest recorded to-date and contains 800,889 residential units and 13,958,670 m² of non-residential gross floor area (GFA). Of the total residential units, 87% are not yet built and are either under review, in the development approvals process, or under construction. If all these residential units were completed and occupied, enough housing would be provided to accommodate an additional 1.12 million people over Toronto's 2023 population.

Between 2019 and 2023, City Council granted Official Plan Amendment or Rezoning approval to 38,428 units per year. Over the same period, 21,534 units per year were issued approval on a Site Plan Control Application and 17,576 units per year were built. Toronto's share of housing completions in the Greater Toronto Area has grown consistently and now delivers half of the region's new housing supply.

The Development Pipeline demonstrates the diversity and geographic distribution of non-residential development in Toronto, providing opportunities to accommodate future employment across the city. With 1,736,850 m² of industrial land uses proposed, Employment Areas remain economically resilient and are attracting new investment.

The Development Pipeline also illustrates the continuing changes to Toronto's complex and evolving urban structure. The magnitude of proposed development accentuates the importance of comprehensive long-range planning to manage growth, infrastructure and service delivery.

RECOMMENDATIONS

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

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

FINANCIAL IMPACT

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.

DECISION HISTORY

Since 2011, the City Planning Division has published an annual research bulletin reporting on development activity across Toronto for the purpose of monitoring the implementation of the Official Plan. The Development Pipeline Bulletin highlights emerging trends in the scale, location, and characteristics of developments. In addition, the Bulletin reports on Toronto's progress towards achieving long-range Provincial growth targets and forecasts.

Previous Development Pipeline Bulletins can be found at: <https://www.toronto.ca/city-government/data-research-maps/research-reports/planning-development/development-pipeline/>.

COMMENTS

Development Pipeline

City Planning regularly publishes bulletins that summarize information contained in the Development Pipeline. Information from the Integrated Business Management System, the Division's Land Use Information System II, and other sources have been analyzed to provide an overview of all development projects with any approval or construction activity between January 1, 2019 and December 31, 2023. Development projects are categorized as either Under Review, Active (full or partial approval, or under construction), and Built. The Bulletin reports on both rental and ownership housing projects, as well as non-residential projects. Affordable housing units are tracked and are reported separately through the [Toronto Housing Data Hub](#).

Implementing effective land use planning policies and the delivery of supporting growth-related infrastructure through capital programming requires monitoring trends in development proposals, approvals and construction. Through the Development

Pipeline, City Planning is able to track urban growth and change in Toronto, as well as measure progress towards municipal and provincial housing targets.

Largest Pipeline Recorded

The 2023 Pipeline is the largest recorded in Toronto with 800,889 units. This is 129,928 more units than the 2021 Pipeline, representing growth of 19% in the near-term housing supply. Over the past five years, 106,071 units have been built as a result of Planning approvals and downstream Building Permits. An additional 258,397 units are Active with at least one Planning approval, and 436,421 units are currently Under Review.

Potential Population of 4.23 Million

The City's Development Pipeline has the potential to accommodate Toronto's future population growth. If the Pipeline was fully built out and occupied, Toronto's population could reach 4.23 million, an increase of 1.12 million over the 2023 estimate. However, not all proposals are approved, and not all approved projects are built. Whether an approval by Council becomes an occupied home or place of work is dependent on many factors beyond the City's control including market demand, interest rates and construction costs.

According to Statistics Canada, Toronto's estimated population as of July 1, 2023, is 3,110,984. This is population growth of almost 200,000 people over the two-year period from 2021.

Toronto is on Track to Meet Growth Plan Targets

The development projects already submitted as of 2023 are sufficient to house the population forecasted by the Growth Plan to 2051. If fully built out and occupied, and demolished units accounted for, the Development Pipeline represents 167% of the units required to accommodate the anticipated household growth.

Proposed Rental Housing Volume is Increasing

The 2023 Pipeline contained 539 projects that proposed purpose-built rental units at the time of this analysis. Of that total, 18,258 units have been built with a further 102,043 units in the City's approvals process or under construction.

City of Toronto's Contribution to Regional Housing Stock is Increasing

Nearly one out of every two units completed in the Greater Toronto Area over the past five years was in the City of Toronto. In comparison, two decades prior, just one out of every four regional housing units was completed within Toronto.

High Volume of Housing Approvals

Between 2019 and 2023, Council granted Official Plan Amendment or Rezoning approval to 192,141 housing units, more than twice the number of units built on average over the same five years. Site Plan Approval was issued to 107,668 units, an average of

21,354 units per year, which is equivalent to 123% of the built units over the same period.

Toronto Exceeded the 2023 Municipal Housing Target

The Municipal Housing Target assigned by the Province for Toronto includes for the year 2023 a total of 20,900 housing starts. Toronto exceeded this figure by over 50%, making it eligible to receive \$114 million in funding through the Building Faster Fund, as confirmed by the Office of the Premier on February 22, 2024.

Growth and Investment are Becoming More Distributed Across Toronto

Emerging large-scale projects outside of Downtown and Urban Growth Centres are increasingly evident in the 2023 Pipeline. The Bulletin describes the trend towards mall redevelopments and Transit Oriented Communities which collectively contain 102,425 proposed residential units and 3,958,000 m² of non-residential gross floor area. In addition, the Pipeline also revealed smaller-scale intensification happening outside of growth management areas across the city.

Despite this emerging trend, most development activity continues to occur in growth management areas. Seventy-nine percent of new residential development is proposed in areas currently targeted for intensification by the City's Official Plan. Eighty-four percent of new non-residential development is proposed in areas targeted for intensification by the City's Official Plan including Employment Areas.

City-Led Initiatives are Advancing Housing Supply and Composition

The Bulletin documents City-led actions to address Toronto's housing crisis through the implementation of the HousingTO 2020-2030 Action Plan, Inclusionary Zoning and Expanding Housing Options in Neighbourhoods. Through the Development Pipeline, City Planning will continue to monitor Toronto's recent and future housing supply and its impacts on Toronto households, reflecting the City's efforts to create more housing for more people in more places.

Employment Areas Continue to Attract Non-Residential Investment

The 2023 Pipeline contains just under 14 million m² of non-residential development, a scale roughly equivalent to 51 Yorkdale Malls. The pace of proposed office development is slowing, however, investment in Employment Areas remains active. Approximately 86% of industrial development is occurring in Employment Areas.

Conclusion

Toronto continues to experience significant levels of residential and non-residential development activity as in-progress projects continue to move through approval and construction stages. There are more residential units and more non-residential floor area proposed in the current Development Pipeline than in any other prior Pipeline.

The City of Toronto's population growth is firmly on track with the forecasts supporting A Place to Grow: Growth Plan for the Greater Golden Horseshoe. As the City's Urban Growth Centres develop, they are progressing towards or exceeding the Province's density targets set out in the 2020 Growth Plan as amended.

It is important to emphasize that the full spectrum of housing options, including affordable housing, and the provision of hard and soft infrastructure necessary for complete, sustainable and liveable communities must occur on pace with the scale of growth. These objectives, while not addressed in this report, are the focus of city-wide policy and area planning frameworks, as well as the Housing Action Plan 2023.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Development Pipeline 2023