

## **Employment Area Land Use Permissions - Decision Report - Approval**

Date: June 24, 2024

To: Planning and Housing Committee

From: Interim Chief Planner and Executive Director, City Planning

Wards: All

### **SUMMARY**

---

This report recommends that Council adopt Official Plan Amendment 680 (OPA 680) which amends various *Employment Area* related policies to bring the Official Plan into alignment with the provincial definition of "area of employment" in the *Planning Act*, as amended by Bill 97 - *Helping Homebuyers, Protecting Tenants Act*. This report also concludes the Council-directed 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, given the provincial definition.

On April 6, 2023, the Province introduced the *Helping Homebuyers, Protecting Tenants Act* ("Bill 97"). Among many other changes, Bill 97 amends the definition of "area of employment" in the *Planning Act* by narrowing the scope of uses from what is currently permitted in an "area of employment". In particular, it would expressly exclude from the definition all types of institutional uses and commercial uses, except for retail and office uses that are associated with manufacturing, warehousing and research and development in connection with manufacturing.

This is the second of two reports that respond to *Planning Act* changes as a result of Bill 97 and the resulting official plan amendments required to implement these changes. The first report resulted in City Council adopting OPA 668 to authorize the continuation of institutional and commercial uses expressly excluded by paragraph 2 of the amended definition of "area of employment" but which allowed uses to be transitioned by provisions introduced in the *Planning Act* by Bill 97.

The purpose and intent of the recommended OPA 680 (together with OPA 668) is to maintain the integrity and viability of the City's finite *Employment Areas*, which would be at risk of destabilization should the City take no action. By aligning the Official Plan employment policies with the new definition of "area of employment" the current employment conversion policies will continue to apply, protecting the City's vital supply of employment areas.

While Bill 97 received Royal Assent on June 8, 2023, the amended definition of "area of employment" has yet to be proclaimed into force. The Province has signalled that municipalities should make timely amendments to their Official Plan to ensure that it is aligned with the amended definition so that provincial policies related to the conversion and protection of employment areas still apply.

## **RECOMMENDATIONS**

---

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

1. City Council adopt Official Plan Amendment 680 in accordance with Attachment 1 to this report from the Interim Chief Planner and Executive Director, City Planning (dated June 24, 2024).
2. City Council direct the City Solicitor to withhold the introduction of the necessary Bills until such time as:
  - a. Subsection 1(1) of the Planning Act, as amended by Bill 97, has been proclaimed and is in full force and effect; and
  - b. Official Plan Amendment 668 is in full force and effect with the exception of any outstanding site-specific appeals.
3. City Council authorize the City Solicitor to make such stylistic and technical changes to the recommended Official Plan Amendment 680 as may be required.

## **FINANCIAL IMPACT**

---

City Planning confirms that there are no financial implications resulting from the recommendations included in this 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**

---

### **Provincial Legislative and Policy Changes**

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*. While Bill 97 received Royal Assent on June 8, 2023, certain portions of the Bill have yet to be proclaimed into force, including the amended definition of "area of employment".

On April 10, 2024, the Minister of Municipal Affairs and Housing introduced the *Cutting Red Tape to Build More Homes Act, 2024* ("Bill 185") and an updated proposed Provincial Planning Statement, 2024 ("PPS 2024"). Both Bill 185 and the PPS 2024 maintain the changes introduced by Bill 97 and the PPS 2023 to the definition of "area of employment". Bill 185 received Royal Assent on June 6, 2024 and the PPS 2024 has yet to be finalized.

## **City Responses and Response to Provincial Legislative and Policy Changes**

On May 22, 2024, Council adopted a report at its meeting which summarized the policy changes in the proposed Provincial Planning Statement (2024) and the legislative changes in Bill 185, identified the City's position on those changes, and provided recommendations to address concerns.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH12.7>

On November 30, 2023, Planning and Housing Committee (PHC) considered a proposals report that outlined directions to amend the Official Plan *Employment Area* policies to align the Official Plan with the definition of "area of employment" as amended by Bill 97 (OPA 680). PHC directed staff to continue consultations with Councillors, industry, key stakeholders and the general public and report back with recommended Official Plan amendments. The report directed staff to consider the implementation challenges associated with OPA 668 and undertake a local-based analysis of existing uses that highlights impacts to businesses within the City's *Employment Areas* resulting from the amended definition of "area of employment".

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH8.14>

On July 20, 2023, Council adopted Official Plan Amendment 668 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. City Council directed the City Solicitor to withhold the necessary bills for OPA 668 until proclamation of the *Planning Act* definition changes.

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

## **City Council Direction on Expanding 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 *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, 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>

Through Bill 97, the Province's amended definition for 'areas of employment' has the effect of excluding those uses which Council directed staff to consider permitting in the City's *Employment Areas* (sport facilities, places of assembly including bingo halls and banquet halls, and places of worship). Given the amended provincial definition, staff advise that this study be concluded.

## COMMENTS

---

### 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. As of the date of this report, the province has not proclaimed the amended definition.

The current "area of employment" definition is found in subsection 1 (1) and 1 (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 all types of institutional uses and commercial uses, except for retail and offices uses that are associated with manufacturing, research and development, warehousing and goods movement. The effect of this change is to narrow the range of employment uses that are considered to be an "area of employment", except those uses which may be transitioned through the Official Plan (OPA 668). See Attachment 4 for a side-by-side comparison of the current definition and amended definition.

### Official Plan Amendment 680 (OPA 680)

OPA 680 (see Attachment 1) proposes various amendments to the Official Plan *Employment Areas* policies in Chapters 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 make the necessary Official Plan amendments to align with the new definition in the *Planning Act* to ensure the continued long-term viability of the City's *Employment Areas* and for the integrity of the *Employment Areas* to continue to be upheld to their respective Provincial and City land use policies.

OPA 668 will first transition land use permissions that are removed from the new "area of employment" definition (once in effect) prior to OPA 680 aligning employment policies with the new definition. In other words, OPA 668 will help ensure that the current permissions under which today's businesses are accustomed to operating under will remain in place; following which OPA 680 will take effect to also ensure that these lands are still defined as employment areas under the new Provincial definition, providing local businesses continued confidence with future investments in these areas.

### **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 Amendments:*

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.

#### *Recommended Official Plan Amendment 680:*

- Amends the Official Plan permissions to limit permitted office uses to those associated with primary employment uses in *General Employment Areas* and *Core Employment Areas*.

### **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 Amendments:*

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 manufacturing, warehousing, or research and development.

*Recommended Official Plan Amendment 680:*

- Amends the Official Plan 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 Amendments:*

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

*Recommended Official Plan Amendment 680:*

- No amendments are required.

**Fitness Centres and Ice Arenas**

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

*Bill 97 Amendments:*

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

*Recommended Official Plan Amendment 680:*

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

**Implementation (OPA 668 and OPA 680)**

OPA 680 works in tandem with OPA 668 to help maintain the integrity of the City's Employment Areas. OPA 668, which is not yet in-effect, would introduce two new policies to section 4.6 of the Official Plan that would authorize the continuation of uses expressly excluded from the definition of "area of employment" so long as the use was lawfully established.

Staff are recommending a phased approach such that OPA 668 comes into force prior to OPA 680. This would ensure the transition provision policies of OPA 668 are in effect prior to the land use permissions being removed through OPA 680 to align with the new definition of "area of employment". Staff heard concerns from stakeholders about the implications of removing permissions prior to transitioning existing uses. Staff intend to reduce confusion by recommending this phased approach.

## Local-Based Analysis of Existing Uses in Employment Areas

Staff were directed to undertake a local-based analysis of existing uses that highlight potential impacts to the businesses within the City's *Core Employment Areas* and *General Employment Areas*, resulting from the amended definition of "area of employment".

To undertake this analysis staff used the Toronto Employment Survey 2023 results and calculated the number of establishments and jobs potentially impacted for the following sectors: standalone retail, standalone service, standalone office, institutional, and recreational and cultural uses. The results of the analysis showed that 54% of all establishments (accounting for 49% of all jobs) in *Employment Areas* would be expressly excluded as part of the amended definition of "area of employment". This represents 16% of all establishments across the City (accounting for 13% of all jobs in the City).

As illustrated in Attachment 3, all *Employment Areas* across the City are potentially impacted by the proposed changes of Bill 97.

Council-adopted OPA 668 and the recommended OPA 680 respond to the amended definition of "area of employment" in Bill 97. These recommended changes respond to the impact of Bill 97 on the City's *Employment Areas*. Based on the new definition, and without the recommended changes, most of the City's *Employment Areas* would no longer meet the new definition. These changes ensure that *Employment Areas* continue to be subject to Official Plan conversion and removal policies that provide for a structured and comprehensive evaluation of conversion requests, and ensure the integrity and viability of the City's *Employment Areas*.

## Consultation

Staff undertook consultations with Councillors, industry, other stakeholders and the public through March - June 2024. These consultations provided an opportunity for staff to explain the Bill 97 amendments to the definition of "area of employment", the proposed policy directions for OPA 680, and the results of the local-based analysis of existing employment uses that may be impacted by the amended definition. The following provides a summary of the thoughts and concerns shared by participants in the consultations regarding the provincial legislative changes and the potential implications of OPA 680:

- Uncertainty and concern around the definition of "lawfully established";
- Uncertainty regarding the timing of the new definition of "area of employment" taking effect;
- Uncertainty regarding the purpose and intent of *General Employment Areas* with the removal to certain land use permissions;
- Uncertainty regarding the future zoning conformity work for *Employment Areas* as a result of OPA 680;
- Uncertainty regarding how OPA 668 and OPA 680 will work together and whether OPA 680 will result in uses becoming legal non-conforming;

- Confusion as to why the province is making these changes to *Employment Areas*; and
- Whether buffering around *Employment Areas* will be lost.

## **Expanding Uses in Employment Areas Study - Conclusion**

On July 19, 2022 City Council directed staff to consider potential site or area specific Official Plan Amendments that would expand permitted uses in *Employment Areas* to include sport facilities, places of assembly (including bingo halls and banquet halls) and places of worship ([PH35.15](#)).

In response, City staff launched the Expanding Uses in Employment Areas Survey and accompanying information kit in June 2023. The goal of this survey was 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. Based on staff's assessment, all uses that City Council directed staff to consider site and area specific Official Plan Amendments to expand permitted uses (i.e., Places of Worship, places of assembly, and sports and recreation establishments) would now be expressly excluded within an "area of employment" due to the amended definition (i.e., institutional uses and commercial uses).

Given that these uses would not conform with Provincial direction for "areas of employment" and the approach to which the recommended OPA 680 takes, staff are of the opinion that the risk of including an expanded list of uses into the Official Plan *Employment Areas* as previously directed by City Council would have negative impacts as discussed in this report. As such, staff advise that this study be concluded and that no further consideration be given to including permissions for the aforementioned uses in the Official Plan and Zoning By-law at this time.

## **Conclusion and Next Steps**

OPA 680 is intended to bring the Official Plan into alignment with the definition of "area of employment" as amended by 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.

## **CONTACT**

---

Kyle Pakeman, Project Coordinator, Strategic Initiatives, Policy & Analysis, City Planning, 416-392-6477, [Kyle.Pakeman@toronto.ca](mailto:Kyle.Pakeman@toronto.ca)

Romas Juknevicius, Project Manager, Strategic Initiatives, Policy & Analysis, City Planning, 416-392-6214, [Romas.Juknevicius@toronto.ca](mailto:Romas.Juknevicius@toronto.ca)

Jeffrey Cantos, MCIP, RPP, PLE, Acting Director, Strategic Initiatives, Policy & Analysis, City Planning, 416-397-0244, [Jeffrey.Cantos@toronto.ca](mailto:Jeffrey.Cantos@toronto.ca)

## **SIGNATURE**

---

Kerri Voumvakis  
Interim Chief Planner and Executive Director  
City Planning

## **ATTACHMENTS**

---

Attachment 1: Official Plan Amendment 680  
Attachment 2: Blacklined Version of Official Plan Amendment 680  
Attachment 3: Businesses Potentially Affected by Bill 97 (City-Wide Map)  
Attachment 4: "Area of Employment" Definition Comparison