# **DA** TORONTO

## **REPORT FOR ACTION**

### Our Plan Toronto: Recommendations on Three Employment Area Conversion Requests – Decision Report - Approval

Date: June 26, 2024 To: Planning and Housing Committee From: Interim Chief Planner and Executive Director, City Planning Wards: All

#### SUMMARY

This report is the sixth 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.

In 2023, Toronto's *Employment Areas* were home to over 21,900 establishments employing nearly 398,000 people (26% 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 supporting Toronto's diverse economic base and providing jobs with living wages for the City's diverse labour pool.

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 to non-employment uses, including some of which were City-initiated.

The MCR and 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.

Through previous staff reports Council has considered final recommendations on almost all conversion requests submitted during the MCR, including 60+ requests that resulted in conversions of *Employment Area* lands. To implement the Council-adopted conversions, staff prepared and forwarded Official Plan Amendments (OPAs) 591, 644, 653 and 692 to the Ministry of Municipal Affairs and Housing for approval. On December 12, 2023, the Minister approved OPA 591 for 30+ Council adopted conversion requests. To date, the City has yet to receive a decision on OPAs 644, 653, and 692. OPA 683, which implements a conversion request for East Harbour, was deferred at the June 13, 2024 Planning and Housing Committee, until such time as the Chief Planner and Executive Director, City Planning reports back on further discussions with Cadillac Fairview and the Province on additional proposed changes to land use permissions at East Harbour, and by no later than the December 5, 2024 meeting of the Planning and Housing Committee and that no further notice of a special public meeting be given.

This sixth report provides final recommendations on:

- one conversion request not yet considered by Committee or Council;
- two conversion requests previously converted as part of OPA 591;
- Council declaring the MCR as concluded, with the exception of three sites/areas.

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

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

1. City Council adopt Official Plan Amendment 742 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 742 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 742 as may be required.

4. City Council declare by resolution to the Minister of Municipal Affairs and Housing that Official Plan Amendment 742 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 742 under the current in effect Provincial Policy Statement 2020 and Growth Plan for the Greater Golden Horseshoe 2020.

6. City Council declare that the Municipal Comprehensive Review (MCR) is concluded except as it pertains to:

a. Conversion Request 041 for 21 Don Roadway, 30 Booth Avenue, and 375 and 385 Eastern Avenue (East Harbour lands);

- b. Conversion Request 070 for 825 Don Mills Road; and
- c. 360, 388, and 400 Carlaw Avenue and 10 Dickens Street.

#### FINANCIAL IMPACT

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

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.

The Official Plan's new Chapter 1 was adopted by Council on April 17, 2024, and is ineffect. The new chapter is centred around new priorities, a 2051 vision and principles of Reconciliation, access, equity and inclusion.

Staff applied an equity lens while reviewing each conversion request. The recommended amendments 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.

Staff's analysis of each conversion request has considered the impacts that staff's recommendations may have on the climate. In particular, facilitating the movement of goods into and out of *Employment Areas* across the city is an important consideration when retaining *Employment Areas* for their economic function and having goods and services close to the market and end users. Staff have also considered access to transit and active modes of transportation when recommending conversions contained in this report.

#### **DECISION HISTORY**

The information below builds on and provides an update to the Decision History found as <u>Attachment 3</u> in Our Plan Toronto: Recommendations on Seventy Employment Area Conversion Requests and Chapter 7 Site and Area Specific Policy Review - Final Report dated June 16, 2023 from the Chief Planner and Executive Director, City Planning.

#### **Conversion Requests (third and fourth reports)**

At its meeting on July 19-20, 2023, Council considered PH5.3 - Our Plan Toronto: Recommendations on Seventy Employment Area Conversion Requests and Chapter 7 Site and Area Specific Policy Review - Final Report and adopted most of staff's recommendations on, including 19 staff-recommended conversions. Council also converted additional lands via motion.

https://secure.toronto.ca/council/agenda-item.do?item=2023.PH5.3

On November 8-9, 2023, City Council considered CC12.13 - Our Plan Toronto: Recommendations on Deferred Employment Area Conversion Request for 2450 Finch Avenue West - Final Report and adopted staff recommendations to convert the lands from *General Employment Areas* to *Regeneration Areas*. https://secure.toronto.ca/council/agenda-item.do?item=2023.CC12.13

#### **Deferred Conversion Requests**

Council declared the conclusion of the Municipal Comprehensive Review (MCR) at its meeting of July 19-20, 2023, with the exception of the following lands, which staff recommended be deferred:

- 388 Carlaw Avenue and 10 Dickens Street;
- Conversion Request 041 for 21 Don Roadway, 30 Booth Avenue, and 375 and 385 Eastern Avenue (East Harbour lands);
- Conversion Request 114 for 301 Rockcliffe Boulevard;
- Conversion Request 070 for 825 Don Mills Road;
- Conversion Request 103 for 340-364 Evans Avenue and 12-16 Arnold Street;
- Conversion Request 019 for 3710 Chesswood Drive;
- Conversion Request 104 for 2450 Finch Avenue West;
- Conversion Request 049 for 330 Queens Plate Drive; and
- Conversion Request 080 for 2200-2250 Islington Avenue. https://secure.toronto.ca/council/agendaitem.do?item=2023.PH5.3

At its meeting on October 11-13, 2023, City Council considered item CC11.18 Our Plan Toronto: Recommendations on Five Deferred Employment Area Conversion Requests – Final Report. City Council adopted staff recommendations to retain the lands subject to four of the five conversion requests, and further deferred consideration of Conversion Request 104 for 2450 Finch Avenue West. Council directed the Chief Planner and Executive Director, City Planning to report to the November 8-10, 2023 meeting of City Council with a final recommendation for this deferred conversion request.

City Council also declared that the Municipal Comprehensive Review is concluded, except as it pertains to the following parcels of land:

- 388 Carlaw Avenue and 10 Dickens Street;
- Conversion Request 041 for 21 Don Roadway, 30 Booth Avenue, and 375 and 385 Eastern Avenue (East Harbour lands)
- Conversion Request 114 for 301 Rockcliffe Boulevard; and
- Conversion Request 070 for 825 Don Mills Road;

https://secure.toronto.ca/council/agenda-item.do?item=2023.CC11.18

#### East Harbour Conversion Request (fifth report)

On June 13, 2024, the Planning and Housing Committee considered Item PH7.10 Our Plan Toronto: Recommendations on the East Harbour Employment Area Conversion Request - Final Report, which also included a Supplementary Report. Committee deferred the item until such time as the Chief Planner and Executive Director, City Planning reports back on further discussions with Cadillac Fairview and the Province on additional proposed changes to land use permissions at East Harbour, and by no later than the December 5, 2024 meeting of the Planning and Housing Committee and that no further notice of special public meeting be given.

On October 26, 2023, the Planning and Housing Committee deferred consideration of Our Plan Toronto: Recommendations on the East Harbour Employment Area Conversion Request - Final Report. The Committee directed the Chief Planner and Executive Director, City Planning to report to a future meeting of the Planning and Housing Committee so that the final report on the employment area conversion is considered by City Council at the same time as the East Harbour Transit Oriented Communities report, and that no further notice of special public meeting is required for the East Harbour conversion final report.

https://secure.toronto.ca/council/agenda-item.do?item=2023.PH7.10

On October 11, 2023, City Council considered Our Plan Toronto: Recommendations on the East Harbour Employment Area Conversion Request - Final Report and referred the item back to the Planning and Housing Committee. https://secure.toronto.ca/council/agenda-item.do?item=2023.PH6.3

On September 28, 2023, the Planning and Housing Committee considered Our Plan Toronto: Recommendations on the East Harbour Employment Area Conversion Request - Final Report and adopted staff's recommendations without amendment. <u>https://secure.toronto.ca/council/agenda-item.do?item=2023.PH6.3</u>

#### **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 then 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 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 Counciladopted 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 60 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.

Phase	OPA 231 Matter	Order Date	Phase Description
1A	Land use designations	December 20, 2016	• Brought into effect the Core Employment Areas and General Employment Areas land use designations and policy language with the exception of lands subject to a site-specific appeal
1B	Compatibility and Mitigation	July 10, 2018	Brought into effect Compatibility/Mitigation policies for development and use of lands outside of <i>Employment Areas</i>

#### Table 1: OPA 231 Hearing Phases

Phase	OPA 231 Matter	Order Date	Phase Description
1C	Sensitive Land Uses within <i>Employment</i> <i>Areas</i>	August 16, 2018	• Brought into effect permitted land uses in <i>Core Employment Areas</i> and <i>General Employment Areas</i>
2	Office Replacement	2018 and 2019	Mediation has taken place and is on hold
3	Conversion and Forecasting	May 8, 2020	• Brought into effect <i>the Employment Areas</i> conversion and removal policies, as well as the forecasting of employment in the City
4	Retail in <i>Employment</i> Areas	April 26, 2021	Brought into effect policies related to retail in Employment Areas
5	Cultural policies	April 26, 2021	<ul> <li>Brought into effect policies related to cultural uses</li> </ul>
6	Phasing of site-specific appeals	April 8, 2021	<ul> <li>Established a phased approach to hear outstanding site-specific appeals</li> <li>6A – 8 Oak Street (complete)</li> <li>6B – Northeast Scarborough (complete)</li> <li>6C - Southwest Etobicoke (complete)</li> <li>6D - Liberty Village (complete)</li> <li>6E - Core Employment Area to General Employment Area (complete)</li> <li>6F - complete</li> <li>6G - Site-specific appeals (not geographically clustered)</li> </ul>

#### Official Plan and OPA 591 (Minister approved)

At its meeting on July 19 -22, 2022, Council adopted OPA 591, as part of a phased MCR and Growth Plan Conformity Exercise. On December 12, 2023, the Minister of Municipal Affairs and Housing approved OPA 591, which 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 30+ 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 (Council adopted)

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 requests, and consideration of one conversion request was deferred until the July 5, 2023, meeting of the Planning and Housing Committee. While still requiring Ministerial 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
- 3 requests: Conversion from Core Employment Areas to General Employment Areas

#### OPA 653 (Council adopted)

At its meeting on July 19-20, 2023, Council adopted most of staff's recommendations on 70+ conversion requests, including 19 staff-recommended conversions. While still requiring Ministerial approval, OPA 653 provides for the conversion of 35+ conversion requests that were either recommended by staff, or converted by Council motion and adopted by Council:

- 22 requests: Conversion to Regeneration Areas
- 8 requests: Conversion to *Mixed Use Areas*
- 3 requests: Conversion from Core Employment Areas to General Employment Areas
- 1 request: Conversion to Institutional Areas

#### OPA 692 (adopted) and OPA 683 (recommended)

OPA 692 was adopted by Council on November 8, 2023. This OPA converts the lands at 2450 Finch Avenue West from *General Employment Areas* to *Regeneration Areas* and is still waiting for ministerial approval.

OPA 683 (Item PH13.1) was deferred by Planning and Housing Committee at its meeting on June 13, 2024 and subsequently will be considered following Committee's direction that the Chief Planner and Executive Director, City Planning reports back on further discussions with Cadillac Fairview and the Province.

## 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 are amending the permitted uses, and associated conditions as required.

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 <u>PH35.15</u> and <u>PH27.2</u>, 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. As part of Staff's work on *Employment Area* OPA's 680 and 668 which is aligning Official Plan policies with the new definition for 'areas of employment' as proposed by Bill 97 (Helping Homebuyers, Protecting Tenants Act, 2023) and the newly proposed Provincial Planning Statement, an update on this work was provided in the <u>report PH 8.14</u> to Planning and Housing Committee (PHC) on November 30, 2023. A report on the work underway to bring Zoning By-law 569-2013 into conformity with OPA 231, as well as to current in force Official Plan policies for *Employment Areas*, is anticipated to be brought forward in Q4 of 2024.

#### Land Needs Assessment

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 findings of the updated Land Needs Assessment related to *Employment Areas* include:

- 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

#### Proposed Draft Provincial Planning Statement, Bill 97 and Bill 185

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).

Subsequently, on April 10, 2024, the Ministry of Municipal Affairs and Housing introduced Bill 185 – Cutting Red Tape to Build More Homes Act. The proposed Bill

affects 17 acts, including the City of Toronto Act, Planning Act, Development Charges Act and others. On April 10th, the Province also released a revised Provincial Planning Statement, 2024 (PPS 2024) and a new Minister Zoning Order (MZO) framework.

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 2024 will eliminate the Growth Plan by reimagining the PPS 2020 and the Growth Plan into one new document that would apply province wide.

A <u>report</u> outlining the City's comments regarding the Province's proposed Bill 185 and draft PPS 2024 was adopted by City Council at its meeting of May 22-23, 2024.

While the proposed new policy and legislative changes, including the proposed new *Planning Act* definition for "areas of employment" will have implications for *Employment Areas* planning in the future, the policies and legislation are not in effect. This report recommends that Council request the Minister review OPA 742 under the policy framework currently in effect.

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

In 2023, Toronto's *Employment Areas* were home to over 21,900 establishments employing nearly 398,000 people (26% 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 section 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.

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

Attachment 3 outlines the process, policies and requirements, which staff previously reported that reflects the consistent method and approach that staff applied to the review of all conversion requests reported to Planning and Housing Committee and Council.

#### Summary of Recommended Employment Area Conversions

Of the three conversion requests included in this report: one has not been considered by Committee or Council and is included in a Final Assessment (Attachment 2). Two were previously adopted by Council as part of OPA 591 and are not included in the Final Assessments. The conversion request not yet considered by Committee or Council is recommended to be retained as *Core Employment Areas*. Staff are also recommending amendments to two conversion requests that were converted as part of OPA 591.

OPA 742 (Attachment 1) provides for the implementation, via mapping changes, of the staff recommended amendments to the two conversion requests previously adopted as part of OPA 591. It is City Planning staff's opinion that the recommended OPA 742 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*.

## Conversion Request 114: 301 Rockcliffe Boulevard (currently known municipally as 20 Rockcliffe Court)

The lands are currently designated *Core Employment Areas* and are located generally in the area of Jane Street and St. Clair Avenue West. Based on the criteria in the Growth Plan 2020, the Provincial Policy Statement 2020 and the Official Plan policies, it is staff's recommendation that the lands be retained as *Employment Areas* and continue to be designated as *Core Employment Areas*.

See full Final Assessment in Attachment 2.

#### Conversion Request 106 (part): 2155 St. Clair Avenue West

OPA 591 included a conversion of most of the Conversion Request 106a lands. These are part of the Stockyards 'big box retail' lands located south of St. Clair Avenue and west of the Keele St. Clair Secondary Plan. In December 2023 the Minister of Municipal Affairs and Housing approved OPA 591 and brought it into force.

The majority of the conversion request lands were redesignated to *Mixed Use Areas* and *Parks*, and two blocks were retained as *General Employment Areas*. The block that is included in the recommendations and Attachment 1 to this report, is at the western edge of the lands and was retained as *General Employment Areas* to buffer the abutting industrial meatpacking businesses on Ryding Avenue. The block is part of the lands municipally known as 2155 St. Clair Avenue West and a grocery store is currently located on this portion of the lands.

Since Council adopted OPA 591 in 2022, the land use context of the lands which surround the subject block has changed. The lands south and west of the block have been redesignated from *Core Employment Areas* to *Mixed Use Areas* and *Parks*. The site south of the block at 87 Ethel Avenue was redesignated to *Mixed Use Areas* and *Parks* in January 2023 through an OLT Order. The Ryding Avenue lands west of the block were converted to *Mixed Use Areas* in September 2023 when Council adopted OPA 653.

OPA 653 is currently being reviewed by MMAH staff. Given the changing land use context in the area, the owner of the lands has requested consideration of a redesignation of the block to *Mixed Use Areas* and has made submissions to both MMAH and the City.

Staff have reviewed the request and considered the new land use designations on surrounding and nearby sites. Given the evolving context, and that these lands are now surrounded by *Mixed Use Areas*, staff support a redesignation of the block to *Mixed Use Areas* and recommend that the Official Plan be amended. The rationale in 2022 for retaining the block as *Employment Areas* was the Ryding Avenue industrial meatpacking businesses abutting to the west which were then designated as *Core Employment Areas*. This rationale is no longer relevant since the Ryding Avenue lands

have been redesignated to *Mixed Use Areas*, Maple Leaf Foods have since ceased operating at 99 Ryding Avenue and the area and will be transformed to accommodate residential uses along with other uses compatible with residential uses.

OPA 591 applies Site and Area Specific Policy (SASP) 785 to the CR106a lands which includes the block and the owner's adjacent *Mixed Use Areas* lands that front the south side of St. Clair Avenue. The block is 0.5 hectares in area and the other retained *General Employment Areas* block is approximately 0.75 hectares in area. The portion of the SASP lands currently designated as *Mixed Use Areas* is approximately 4.9 hectares. Staff are not recommending that SASP 785 be amended. The SASP requires that a minimum percentage of residential units developed across the entire SASP lands be provided as affordable housing. These affordable housing requirements would apply to any residential development on the subject block should it be redesignated to *Mixed Use Areas*. SASP 785 also requires that a minimum amount of non-residential gross floor area (GFA) be developed on the SASP lands and calculated on the site area and as a percentage of total GFA developed on the SASP lands. A redesignation of the block to *Mixed Use Areas* will not reduce the amount of non-residential GFA required to be developed on the SASP lands.

#### Conversion Request 109: 250 Bowie Avenue and 670, 680 & 682 Caledonia Road

Official Plan Amendment (OPA) 591 included a conversion of the subject lands located at 250 Bowie Avenue, 670, 680, and 682 Caledonia Road. The conversion changed the land use designation from *General Employment Areas* to a split-designated site of *Mixed Use Areas* and *General Employment Areas*. The amendment also introduced a Site and Area Specific Policy (SASP) 788 that set out criteria for the future development of the site. These criteria include a minimum amount of affordable housing, a minimum amount of employment gross floor area, and other requirements to ensure the lands contribute to building a complete community.

Since Council's adoption of OPA 591 in 2022, the development proposal related to the conversion request advanced. City staff hosted a Pre-Application Consultation (PAC) in July 2023, and City staff have met with the applicant. The proposal currently estimates 1,946 residential units and 27,754 square metres of employment gross floor area. The site is currently occupied by Canada Goose, a manufacturer of winter coats, as well as some smaller commercial businesses.

The proponent has stated their intent to accommodate Canada Goose, or a similar user, in a new facility on the retained *General Employment Areas* lands. However, a modification to the land use designation boundary is required to address the design of Phase 1 within the northern portion of the lands, which will allow Canada Goose, or a similar user, to continue operating on the southern portion of the lands.

Following the Minister of Municipal Affairs and Housing approval of OPA 591 In December 2023, City staff are recommending that the previously approved land use designations be slightly modified to allow additional lands be converted from *General Employment Areas* to *Mixed Use Areas* to enable the development, which includes a mix of employment uses. The development criteria in SASP 788 which include affordable housing and employment gross floor area requirements as adopted by Council and approved by MMAH remain unchanged.

Through the initial review of the design concept regarding matters such as land use compatibility, building layout, street network and lotting pattern, the City supports the proposed refinement of the land use designations.

#### **Employment Areas Conversion Tracking Since 2013**

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 conversion requests that Council adopted via OPA 591, OPA 644, OPA 653 and OPA 692, represent the conversion of approximately 169 hectares of *Employment Areas* to other land use designations. Approximately 160 hectares were originally designated as *General Employment Areas*, while almost 28 hectares were designated *Core Employment Areas*. This includes sites that were designated from *General Employment Areas*.

Should the Minister approve the OPAs as adopted by Council, the total amount of *Employment Areas* remaining across the city is approximately 7,642 Ha or 12% 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 742 in Attachment 1, approximately 0.7 hectares, or 0.01% of the lands designated as *Employment Area* in the city would be converted from *Employment Areas* to other land use designations.

#### **Next Steps**

Following Council's decision on the recommendations contained in this report, staff will prepare a submission package to the Minister of Municipal Affairs and Housing who is the approval authority on conversion requests.

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#### SIGNATURE

Kerri A. Voumvakis Interim Chief Planner and Executive Director City Planning Division

#### **ATTACHMENTS**

Attachment 1: Recommended Official Plan Amendment (OPA) 742 Attachment 2: Final Assessment and Recommendations to Convert Land Designated *Employment Areas* Attachment 3: Requests to Convert *Employment Areas* - Process, Policies and Requirement