

Housing Action Plan: Apartment Infill Study – Preliminary Report

Date: June 24, 2024

To: Planning and Housing Committee

From: Interim Chief Planner and Executive Director, City Planning

Wards: All

SUMMARY

The City of Toronto, and many other jurisdictions domestically and internationally, are experiencing a housing affordability and availability crisis. Existing apartment sites in Toronto, including “tower in the park” sites, provide opportunities for contextually appropriate infill development to accommodate additional housing. However, apartment infill development is generally not permitted as-of-right through the city-wide zoning by-law. Planning approval processes for these types of development are typically required, can include multiple lengthy reviews, and are sometimes litigated through appeals at the Ontario Land Tribunal (OLT).

The Apartment Infill Study is one of 54 initiatives of the Housing Action Plan (HAP). This study is intended to accelerate the supply of housing through removing policy and zoning barriers to support the goal of achieving (or exceeding) the provincial housing target of 285,000 new homes over the next 10 years. This study seeks to advance infill housing in the city's apartment neighbourhoods through establishing best practices and developing new tools to simplify and streamline the approval process for infill housing on existing apartment sites.

This report provides an overview of the current policy and regulatory context for infill development in the city's apartment neighbourhoods, summarizes emerging development trends and best practices, identifies potential barriers, and sets out a proposed workplan to identify opportunities to streamline the approval process for infill housing.

Should Planning and Housing Committee endorse this proposed workplan, staff will undertake further analysis and focused stakeholder engagement and will report back in Q2 2025 with a proposals report outlining recommendations to advance public consultation.

RECOMMENDATIONS

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

1. The Planning and Housing Committee endorse the proposed workplan and direct staff to report back with detailed proposals in Q2 2025.

FINANCIAL IMPACT

The City Planning Division 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.

EQUITY STATEMENT

The City of Toronto recognizes that housing is essential to the inherent dignity and well-being of a person, and to building healthy, equitable, sustainable and livable communities. Residents' quality of life, the city's economic competitiveness, social cohesion and diversity also depend on current and future residents being able to access and maintain adequate, suitable, and affordable homes.

The City of Toronto's existing housing plans and strategies seek to improve housing outcomes for a range of residents and to support equity and climate resilience. Specifically:

- The HousingTO Plan envisions a city in which all residents have equal opportunity to develop to their full potential and is centred on a human rights-based approach to housing. It is also focused on increasing the supply of new affordable homes, protecting the existing housing stock, and helping renters to achieve and maintain housing stability; and
- The City's Official Plan contains policies relating to the provision of a full range of housing and maintaining and replenishing the affordable and mid-range housing stock within the city. The recently updated Chapter 1 to the Official Plan establishes Toronto's vision and shared priorities for an accessible, equitable and inclusive city through providing for a range of housing forms, tenures and affordability, including dignified supportive housing for vulnerable populations.

The opportunities identified in this report align with the priority actions outlined in the Housing Action Plan and support the HousingTO Plan and Official Plan objectives to increase the supply of housing, including purpose-built affordable and market rental housing. They would also contribute to increasing opportunities for people from equity-deserving groups, including those from low-and-moderate-income households, to

access safe, healthy, and adequate homes, within inclusive, complete, and equitable communities.

CLIMATE IMPACT

In 2019, City Council declared a Climate Emergency for the purpose of "naming, framing and deepening our commitment to protecting our economy, our ecosystems and our community from climate change" ([Item MM10.3](#)). This was followed up with the adoption of TransformTO Net Zero Strategy, which includes targets to achieve net-zero emissions in Toronto by 2040 ([Item IE26.16](#)).

The Provincial Growth Plan supports intensification and building "compact and complete communities" as a strategy to help reduce greenhouse gas emissions and plan more adaptive communities that are resilient to the impacts of climate change. Removing regulatory barriers to creating additional infill housing is an important intensification strategy that promotes a more efficient use of land and resources. Density within built up areas supports low carbon transportation choices, such as walking, cycling, and public transit. Intensification in Toronto also reduces the need for sprawl to accommodate our housing need in the region, helping to protect agricultural lands, water resources and natural areas. Increasing density in built up areas maximizes the use of existing infrastructure, which avoids carbon-intensive infrastructure built elsewhere.

The Apartment Infill Study will advance Toronto's strategies to address climate change and TransformTO by considering best practices for infill development which may present opportunities for tower renewal initiatives providing retrofits to older apartment buildings to meet sustainable energy standards. Apartment infill redevelopment also provides the opportunity to improve site conditions to contribute to sustainability objectives, such as reducing paved surfaces for parking and expanding areas for soft landscaping and tree planting.

DECISION HISTORY

On December 14, 2022, City Council adopted Item CC2.1 - 2023 Housing Action Plan, which directed the City Manager to develop a Housing Action Plan for the 2022-2026 term of Council. The Housing Action Plan is to include targeted timelines for the approval and implementation of a range of policy, program, zoning and regulatory actions to increase the supply of housing in support of complete communities.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.CC2.1>

On March 21, 2023, Executive Committee received the Housing Action Plan 2022-26: Priorities and Work Plan Report, including the Apartment Infill Study, and directed staff to report annually on its implementation.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX3.1>

On November 8, 2023, City Council adopted Item EX9.3 - "Generational Transformation of Toronto's Housing System to Urgently Build More Affordable Homes" including

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direction to the Deputy City Manager, Development and Growth Services to advance early due diligence work on 40 City-owned sites that were identified as potential housing sites as outlined in Confidential Attachment 1 of the report.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX9.3>

On December 13, 2023, City Council adopted Item MM13.27 - "Federal Housing Accelerator Fund - Supporting Generational Transformation of Toronto's Housing System" including direction to the Deputy City Manager, Development and Growth Services, to receive receipt of the Housing Accelerator Fund program funds, in accordance with the terms and conditions of the Contribution Agreement and any related agreements, directives or program guidelines.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MM13.27>

BACKGROUND

2023 Housing Action Plan

The Housing Action Plan (HAP) priorities for the 2022-2026 term of Council include targeted timelines for the approval and implementation of a wide range of actions, policies and programs to increase the supply of housing within complete, inclusive and sustainable communities with the critical infrastructure to support growth. The new homes enabled by the tools developed through this study may contribute to the provincial housing target of 285,000 new homes in Toronto by 2031 and will increase opportunities for a range of different housing options in apartment neighbourhoods across the city.

The HAP includes the Community Housing Sector Modernization and Growth Strategy, led by the Housing Secretariat, which sets out to modernize and grow the Community Housing sector, while providing additional support for Community Housing providers. Community Housing (or non-market housing) refers to social and affordable housing that is owned and/or operated by non-profit housing organizations, non-profit housing co-operatives, and Indigenous housing providers, along with the Toronto Community Housing Corporation (TCHC) and the Toronto Seniors Housing Corporation (TSHC).

The Apartment Infill Study sets out to enable infill housing on existing apartment sites city-wide, including those owned by public, private, non-profit and co-op housing providers. This supports the objectives of the HAP through removing policy and zoning barriers to building housing; leveraging public lands to increase housing supply; preserving existing rental homes; supporting the development of a range of purpose-built rental homes (including market and non-market) through new and strengthened housing policies and programs; and supporting the community sector (including non-profit and co-op housing providers) to modernize and grow their stock.

Toronto's Apartment Neighbourhoods

Dispersed through Toronto are established apartment neighbourhoods, where older rental apartment and condominium buildings contribute a significant portion of the city's rental housing stock. The city's apartment neighbourhoods are distinguished from low-rise neighbourhoods by a larger lot fabric and in some instances, larger setbacks,

greater scale of buildings, more surface parking, and large areas of open space and tree canopy. The built form of apartment neighbourhoods historically includes a range of low-rise walk-up apartments, mid-rise buildings and tall buildings, sometimes in a slab form. Across the city are numerous post-war “tower in the park” sites: purpose-built rental apartment buildings with concrete frames, set far back from roads, surrounded by green open space, surface parking and private drive aisles. These apartment buildings are generally found in clusters of two or more towers, forming “tower in the park” neighbourhoods. While patterns in lot fabric and building typology vary by geography, apartment neighbourhoods are distributed across all four community planning districts of Toronto.

Most of the city's older apartment buildings were built prior to 1985 during the modernist era and reflect land use planning practices premised on a car-dependent lifestyle. Many post-war apartment neighbourhoods were developed under legacy zoning by-laws which did not permit small-scale retail and service uses within apartment buildings, and access to these amenities remains limited. Active uses at grade were often not provided, including individual residential entrances at the ground level of buildings. While the majority of apartments are found in clusters of two or more, walkability between larger sites is limited due to poor integration of buildings in the public realm, gaps in the street network, lack of pedestrian walkways, grade changes, fencing limiting accessibility and exterior loading and servicing. As the approach to planning has shifted to encourage more active modes of transportation such as transit, cycling and walking, the surface parking and some underutilized open space portions of “tower in the park” sites provide potential opportunities for infill development to accommodate additional housing and other amenities to support complete communities, including more active uses at grade, public realm improvements, access and walkability through sites, screening of servicing and loading areas and preserving tree canopy.

The majority of existing apartment sites in Toronto are privately owned, which range from small to mid-sized independent owners to large private investment fund owners (i.e., pension fund or insurance companies) and large publicly traded owners (i.e., real estate investment trusts or REITS). The remainder of sites are owned by non-profit housing providers, including City-owned Toronto Community Housing Corporation (TCHC), and other social housing providers such as co-op and community housing.

The city's stock of older apartment buildings are over 35 years old, and many need retrofits to meet modern safety and energy standards. Buildings may require updated heating and cooling systems, back-up power generators, mechanical upgrades to elevators and windows with improved energy efficiency. Due to the age of these buildings and lack of investment, rental rates from older apartments are often lower than those provided by newer buildings. According to the Urban Land Institute in an advisory services panel report on the challenges of tower renewal published in 2020 with the support of the City's Tower Renewal Office, aging rental buildings in Toronto's apartment neighbourhoods form a “de facto” affordable housing option for one in three low-income families, having a vacancy rate of less than 1 percent city-wide.

Benefits of Apartment Infill Development

Infill development within apartment neighbourhoods introduces additional housing supply on underutilized portions of apartment sites, while improving quality of life for the existing property. While the Official Plan does not contemplate significant growth within *Apartment Neighbourhoods*, instead directing new housing to the Downtown, Centres and the Avenues, the constructed supply of housing has not kept up with demand. Recent Council-directed initiatives, such as the Expanding Housing Options in Neighbourhoods (EHON) and Housing Action Plan work programs have reframed the approach to change in stable neighbourhoods. Through introducing permissions for additional low-rise housing forms, including townhouses and low-rise apartments on Major Streets, these initiatives have implemented zoning permissions that may distribute growth more evenly across the city, making better use of existing infrastructure and resources.

The Apartment Infill Study aligns with this direction by developing tools to extend incremental growth to underutilized lands within established apartment neighbourhoods and broadening the diversity of housing options in these areas. Depending on the development potential of a property, infill buildings may include low-rise housing such as townhouse and walk-up apartments, or larger scale buildings such as mid-rise and tall buildings. While *Apartment Neighbourhoods* only constitute 3.5 percent of the city's total land area, they contribute a significant portion of Toronto's rental housing stock. The tenure of infill buildings trend toward a larger share of rental units in new buildings relative to other forms of redevelopment, providing more choice across life stages and income levels by growing the city's supply of rental housing. As Toronto's apartment sites also include properties owned by TCHC and other non-profit housing providers, infill development also offers an opportunity to increase the supply of affordable rental units through intensifying sites with existing social and community housing.

For many of Toronto's apartment neighbourhoods, particularly those located in less urban contexts, infill development is the pathway to achieving complete communities through "filling in the gaps" where additional investment is needed, at a broader neighbourhood scale as well as revitalization of individual properties. The Official Plan permits infill development in *Apartment Neighbourhoods*, insofar as the redevelopment improves existing site conditions for both current and future residents. New development on larger infill sites has the potential to deliver significant public benefits to the broader neighbourhood, such as new streets and public realm for better mobility within neighbourhoods through pedestrian and cycling routes, community facilities and parks, as well as publicly accessible and private open spaces. Redevelopment provides opportunity to revitalize post-war apartment neighbourhoods through establishing new small-scale commercial and community uses where access to grocery stores and other services have been lacking.

Infill development may also secure improvements to individual properties and rectify undesirable site conditions including: improvements to the public realm through landscaping and relocating parking and servicing areas; enhanced pedestrian connectivity between sites; programming of existing green space to enhance usability for residents; and renovations to common amenity areas within existing buildings.

As Toronto experiences a greater need to address the backlog of capital repairs in its existing stock of post-war apartment buildings, infill development may also support the financial viability of tower renewal initiatives, particularly in weaker market areas in the city where more revenue is required to offset the financial risk of undertaking deep retrofits.

POLICY AND LEGISLATIVE CONTEXT

Planning Act

Section 2 of the *Planning Act* establishes matters of provincial interest to which City Council shall have regard in carrying out its responsibilities, including: the orderly development of safe and healthy communities; the adequate provision of a full range of housing, including affordable housing; the promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians; and the appropriate location of growth and development.

Provincial Policy Statement, 2020 ("PPS")

The Provincial Policy Statement (2020) provides policy direction province-wide on land use planning and development to promote strong healthy communities, wise use and management of resources, and the protection of public health and safety. The PPS includes enhanced policy direction intended to encourage an increase in the mix and supply of housing; promote opportunities for transit-supportive development; as well as the new term 'housing options' and directs planning authorities to permit and facilitate all housing options to meet the needs of current and future residents.

Other policies relating to new housing and residential intensification include: Policy 1.4.3 d) promoting densities for new housing which efficiently use land, resources, infrastructure and public service facilities, and support the use of active transportation and transit in areas where it exists or is to be developed; and f) establishing development standards for residential intensification which minimize the cost of housing and facilitate compact form, while maintaining appropriate levels of public health and safety.

The Ministry of Municipal Affairs and Housing (MMAH) has introduced a proposed change to the Growth Plan (2020) and the Provincial Policy Statement (2020), to combine these provincial policy documents into one consolidated policy instrument, the Provincial Planning Statement. At the time of writing, the outcome and policy implications of this initiative are undetermined pending a decision from the Province.

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020)

The Growth Plan (2020) provides a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe region, of which the City of Toronto forms an integral part.

Among the policies and objectives of the Growth Plan (2020) are:

- directing municipalities to make more efficient use of land, resources, and infrastructure to reduce sprawl, contribute to environmental sustainability and provide for a more compact built form and a vibrant public realm;
- directing municipalities to engage in an integrated approach to infrastructure planning and investment optimization as part of the land use planning process; and
- achieving complete communities with access to a diverse range of housing options, protected employment zones, public service facilities, recreation and green space that better connect transit to where people live and work.

The Growth Plan (2020) builds upon the policy foundation provided by the PPS and provides more specific land use planning policies to address issues facing the GGH region. In accordance with Section 3 of the *Planning Act* all decisions of Council in respect of the exercise of any authority that affects a planning matter shall conform to the Growth Plan (2020). As of the date of this report, the Growth Plan (2020) remains as relevant provincial plan, to which it is necessary to have Official Plan policies and Zoning By-law regulations conform. As previously stated, the outcome and policy implications of the proposed change to the Growth Plan (2020) and the Provincial Policy Statement (2020), is undetermined pending a decision from the Province.

City of Toronto Official Plan

The City's Official Plan is a growth management strategy which steers growth and change to some parts of the city, while generally limiting significant change in other areas. The Centres, Avenues, Mixed-Use Areas, Regeneration Areas, Employment Areas and Institutional Areas absorb most of the anticipated increase in jobs and population.

Lands designated *Apartment Neighbourhoods* may be located along Avenues, in Council-adopted Major Transit Station Areas (MTSAs) or Protected Major Transit Station Areas (PMTSAs), or subject to area-specific policies such as Secondary Plans. At the date of this report, MMAH has not yet issued a decision on Toronto's MTSAs and PMTSAs. The policies of the Official Plan should be read as a whole to understand its comprehensive intent, and where area-specific policies such as Secondary Plans apply, those provisions prevail.

Official Plan policies for *Apartment Neighbourhoods* are outlined in Sections 2.3.1 and 4.2 of the Plan. The Official Plan describes *Apartment Neighbourhoods* as stable areas of the City where significant growth is not anticipated on a city-wide basis, however, it recognizes that opportunities exist for infill development on underutilized sites. While tall buildings may be considered where built form compatibility can be demonstrated, infill is identified primarily as low-rise building forms such as townhouses, small-scale apartments, as well as vertical and horizontal building additions.

Guidance regarding infill development on apartment sites is provided through the Official Plan in the Built Form and Public Realm policies (Sections 3.1.3 and 3.1.4) and development criteria for *Apartment Neighbourhoods* (Sections 4.2.2 to 4.2.6). Compatible infill development may be permitted on a site within a developed *Apartment Neighbourhood* which improves existing site conditions. Physical compatibility is

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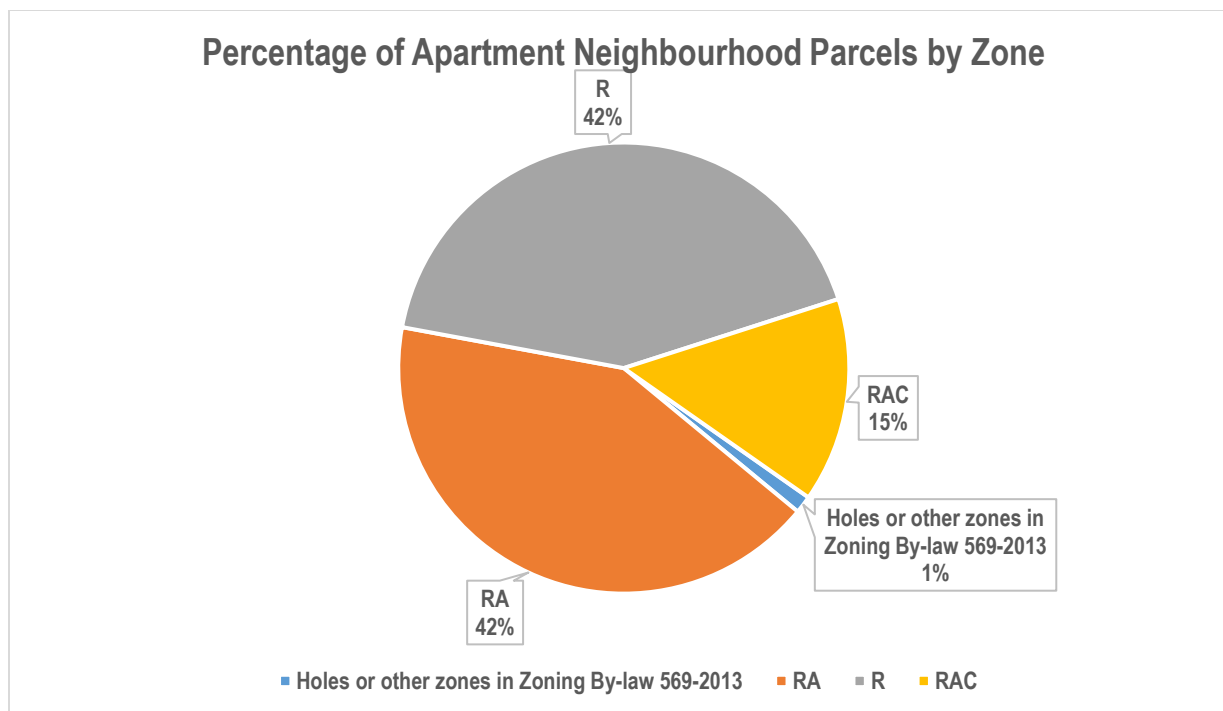
demonstrated through appropriate built form relationships with the existing height and massing of buildings on-site and in the immediate context, including adequate separation distances. The existing conditions of the site may be improved through the provision of on-site indoor and outdoor residential amenity improvements; quality landscaped open space; adequate on-site shared vehicular parking; the consolidation, and relocation of parking to limit their visibility from streets and parks; and organization of new development to frame streets, parks and open spaces with good proportion.

Section 3.2.1 of the Plan states that a full range of housing, in terms of form, tenure, and affordability, will be provided and maintained to meet the needs of existing and future residents. Section 3.2.1.5 states that where significant development occurs on existing rental sites, the existing rental buildings with affordable rents and mid-range rents will be secured for at least 20 years. Improvements to the existing rental apartment building will also be required, without any transfer of costs to tenants. Section 3.2.1.6 requires that new development that would result in the loss of six or more rental dwelling units replace at least the same number, size, and type of rental units as currently exist on the site and maintain rents similar to those in effect at the time of application.

For infill proposals on apartment sites larger than 5 hectares in size, redevelopment provides greater opportunity to achieve a range of housing options, investment in community infrastructure and new parks. Section 3.2.1.9 provides for a mix of housing types and affordability through requiring affordable housing as the first priority community benefit in new residential development on large sites. Section 3.2.2.6 requires community service strategies and implementation mechanisms for residential or mixed use development on sites larger than 5 hectares to inform the range of facilities needed to support development. The Official Plan also contains policies to expand the city's systems of parks and open spaces, including Section 3.2.3.5 which outlines the city's alternative parkland dedication rate, where the requirement for sites greater than 5 hectares will not exceed 20 per cent of the site area. While parkland requirements can take the form of on-site land conveyances or cash contributions based on a number of factors including land availability and cost, Section 3.2.3.5 provides that the dedication of land is preferred to cash-in-lieu on sites 1 hectare or greater to maximize opportunities for parkland acquisition.

Zoning By-law 569-2013

On May 9, 2013, City Council enacted city-wide Zoning By-law 569-2013. The purpose of the new city-wide Zoning By-law was to harmonize 43 former municipal by-laws from the pre-amalgamated City into one zoning by-law. The *Apartment Neighbourhoods* designation in the Official Plan includes lands which are subject to the Residential Apartment (RA), Residential Apartment Commercial (RAC) and Residential (R) zones. A small proportion of properties are also zoned Residential Multiple (RM), or not in Zoning By-law 569-2013 and subject to former municipal zoning by-laws. However, these represent approximately 1 percent of properties designated *Apartment Neighbourhoods*. The percentage of properties subject to each zone is as follows:



The majority of existing apartment sites are zoned RA or RAC, under the Residential Apartment zone category in Chapter 15 of the zoning by-law. Both zones permit primarily residential uses and building types, with performance standards that allow larger apartment buildings than the residential zones associated with low-rise neighbourhoods. The RAC zone also permits a range of small-scale commercial, service and community uses to be located in a single use building or in an apartment building with 100 units or more. The RAC zone was originally developed for apartment neighborhoods in the outer suburbs where access to basic commercial and community amenities, such as grocery stores and personal services, was limited.

As most regulations for apartments were adapted from former municipal zoning by-laws, standards applying to Toronto's apartment neighbourhoods have largely not been modernized to reflect current housing needs and development trends. Key built form standards for apartments include permitted maximum height, minimum building setbacks, minimum separation distance between two or more buildings on the same lot, residential amenity space rates and minimum landscaping requirements. While parking minimums for residential units in new development have been removed through By-law 89-2022, existing buildings are required to maintain lawfully existing parking spaces. Visitor parking is still required for apartment and mixed use buildings in By-law 89-2022. At its meeting on June 13, 2024, Planning and Housing Committee adopted Item 2024.PH13.14, which requested City Planning staff evaluate the need for greater visitor parking requirements in suburban contexts as part of the on-going review of parking standards in Zoning By-law 569-2013. Staff will report back on this issue by the fourth quarter of 2024.

The RA zone permits townhouses as an infill building type. The permission for townhouses was introduced through an OLT settlement, dated April 19, 2023. The OLT order did not extended permissions for townhouses to the RAC zone as the decision

noted that additional residential building type permissions may detract from opportunities to provide non-residential uses which are permitted in the RAC zone.

Key standards related to infill townhouses in the RA zone include:

- Building type permissions for a townhouse, if it is located on the same lot as an apartment building and the main pedestrian entrance through the front or side main wall is no farther than 7.5 metres from a lot line abutting a street;
- Permitted maximum height of 10 metres;
- Minimum lot area, lot frontage and width of a dwelling unit;
- Amenity space rates; and
- Minimum separation distance between a townhouse driveway and an apartment building, to ensure that vehicular access does not impact the public realm and that open space may be provided between buildings for landscaping or outdoor amenity.

Inclusionary Zoning

In November 2021, Council adopted OPA 557 and By-law 941-2021, which introduced policies and zoning regulations for inclusionary zoning. Inclusionary Zoning is permitted by the Province within PMTSAs, through which certain developments above a specified size threshold may be required to include a proportion of residential units as affordable units. Approval of the PMTSA delineations is a prerequisite for the use of inclusionary zoning. However, at the time writing, MMAH has not issued a decision on the Official Plan Amendments adopted by Council to delineate the city's 105 PMTSAs.

COMMENTS

Study Scope

The Apartment Infill Study sets out to realize the potential for additional housing supply through infill development within Toronto's apartment neighbourhoods, in support of complete, sustainable communities. This initiative will support the construction of infill housing on existing apartment sites through identifying best practices for infill development and implementing new planning tools to simplify and streamline the approval process, including opportunities to reduce the need for complex rezoning applications, where appropriate.

For the purpose of this study, infill development is defined as the construction of one or more new buildings, or building additions, on a lot with an existing apartment building, where the existing building is partially or fully retained in the development proposal. In practice, infill development within apartment neighbourhoods can take a variety of forms, and the scale of development and scope of changes to a property vary based on site conditions and the surrounding built form context. On smaller properties, infill development can take the form of vertical building additions, or horizontal additions on open space or surface parking areas. On larger sites, infill development may take the form of new townhouses, mid-rise buildings, or tall buildings, and may include planning for public realm improvements, new streets, mid-block connections, parks and other open spaces.

To undertake a focused analysis of the development trends for apartment infill, this study will examine past planning applications for infill development for lands designated *Apartment Neighbourhoods* in the Official Plan, and zoned Residential (R), Residential Apartment (RA) and Residential Apartment Commercial (RAC) in city-wide Zoning By-law 569-2013.

Equitable access to affordable housing and expansion of the city's rental housing stock are key considerations in developing strategies to achieve complete communities; however, the tools and interventions required to effectively address these issues are beyond the scope of this study. Housing affordability may include strategic deployment of housing incentive programs, including those administered by upper tiers of government, such as CMHC's Affordable Housing Fund. Although this study does not focus on the development of new housing programs, infill development scenarios may be identified where housing incentives or subsidies can be most effectively deployed to secure significant levels of affordability.

Approvals for Apartment Infill: Current Challenges

Applications for apartment infill can be complex proposals which require multiple planning applications. Obtaining all relevant approvals for an infill proposal can take time and involve multiple processes, influenced by the factors described below:

Multiple Planning Approvals Required

Approvals for apartment infill proposals can be complex due to the number of planning applications required before a building permit can be issued. Proposals for infill housing on existing apartment sites are typically submitted on a site-specific basis, through a zoning by-law amendment application. Smaller forms of infill development, such as vertical building additions or low-rise infill buildings, may be approved through a minor variance process.

Depending on the complexity and scale of redevelopment, additional development applications may be required concurrently, or after the zoning by-law amendment application is approved. For example, infill redevelopment which includes the creation of new streets and development blocks requires approval for a draft plan of subdivision.

Applications which involve demolition of 6 or more housing units, where at least one is a rental unit requires approval for a rental housing demolition permit under Chapter 667 of the Toronto Municipal Code. When six or more rental units are being demolished, and at least one of them has affordable or mid-range rents, the owner must enter into an agreement with requirements to replace rental units rented at certain rent levels that are proposed to be demolished within the new development and allow the return of existing tenants at similar rent levels they had been paying previously.

Nearly all proposals for infill development over 10 units require site plan control, which reviews for issues such as site layout, technical requirements, including those related to site-servicing and vehicular access, as well as details related to building design and landscaping.

Complex Zoning Context for Apartment Neighbourhoods

Infill development, including smaller scale building additions, do not typically proceed "as-of-right", where a zoning amendment application is not needed. This is due, in part, to the complex zoning requirements for lands within *Apartment Neighbourhoods*. The RA and RAC zones contain minimal standards for infill development, which ensures that nearly all infill proposals will require a zoning by-law amendment process. For example, permissions for infill residential building types, such as townhouses, are only permitted in the RA zone, but not in the RAC zone. There are no standards to address requirements which may be shared between multiple buildings on a site, including loading spaces, amenity space and parking. Performance standards which allow for the retrofit of existing buildings, including exterior recladding for improved energy performance, are also not included in the Residential Apartment zones.

Zoning amendments for infill are usually required due to historic approvals for the existing building on the property, identified as prevailing by-laws or sections in Chapter 900 exceptions, which need to be amended in order for new buildings to be approved. These were often the outcomes of site-specific planning applications, which required detailed staff review and public input. Written as amendments to former municipal zoning by-laws, the standards in prevailing by-laws can be difficult to interpret and apply. In suburban areas of Toronto, clusters of apartment sites are often regulated together through one prevailing by-law, rendering development approvals difficult to secure for individual sites without affecting zoning requirements for other properties outside of the application. Without infill zoning standards, development applications often require complex zoning amendments to permit new infill buildings while recognizing permissions for the existing apartment building being retained on the site.

This study will examine the potential to introduce zoning standards for infill development on a city-wide basis through amendments to Zoning By-law 569-2013. While zoning for infill development "as-of-right" may shorten approval times by eliminating the need for a zoning amendment application, this may not be appropriate, or possible, for all forms of infill development. Planning for new streets, public realm improvements and community benefits typically requires site-specific review, negotiation with the applicant, and at times, collaboration with adjacent property owners. These aspects of refining the development proposal typically take place during the review process for a zoning by-law amendment application.

Urban Design Guidelines for Apartment Infill

While the review of apartment infill applications is guided by the development criteria for *Apartment Neighbourhoods* and other relevant policies in the Official Plan, urban design guidelines articulate best practices which provide assistance in the interpretation and practical application of policy requirements in development review. No city-wide urban design guidelines or principles for apartment infill development exist.

In lieu of land use specific urban design guidelines and similar to other areas of the city such as *Mixed Use Areas*, staff will apply best practices from existing urban design guidelines (Townhouse and Low-Rise Apartment, Mid-Rise Performance Standards and Addendum and Tall Building Design Guidelines) based on the contextually appropriate building typology and the public realm opportunities on the development site. While the existing design guidelines provide direction which may be applied to infill scenarios,

including building separation distances and site organization, there are few performance measures which are specific to apartment infill development scenarios. The exception is the Townhouse and Low-Rise Apartment Guidelines, which provides a demonstration plan in Section 6.5 of the Guidelines to illustrate best practices when redeveloping with low-rise infill a larger tower site.

Infill development can be mid-rise in scale, however, the Mid-Rise Building Performance Standards are not applicable to all infill scenarios. In 2016, an Addendum to the 2010 Mid-Rise Guidelines was brought forward as a supplement and update to the Guidelines. The 2016 Addendum recommended that the performance standards not be applied to infill scenarios on tower in the park sites within *Apartment Neighbourhoods* until further work was completed to identify additional criteria. Certain performance measures, such as front façade alignment with the street and construction to side lot lines for a continuous street wall, would not maintain the landscaped character which forms the local context of *Apartment Neighbourhoods*. The Addendum clarifies that Mid-Rise performance standards may continue to be used for mid-rise development in *Apartment Neighbourhoods* where the site fronts a Major Street with a planned right-of-way of at least 20 metres.

Providing comprehensive urban design guidance for apartment infill would build on Official Plan policies, assist in ensuring consistent public realm and built form outcomes, clarify the best practices for infill for staff, applicants and consultants, which helps to reduce potential review comments and resubmissions related to development applications.

Legislative Changes

The Province of Ontario has introduced a number of changes to policies and legislation over the past few years. Some of these legislative changes have posed unique challenges.

For example, Bill 23 (More Homes, Built Faster Act, 2022) introduced the ability for the Minister of Municipal Affairs and Housing to make regulations under Section 111 of the *City of Toronto Act* imposing limits and conditions on the powers of the City to prohibit and regulate the demolition and conversion of rental properties. Section 111 currently allows the City to prohibit and regulate the demolition of rental properties with six or more dwelling units. While this may have implications for future infill applications requiring partial demolition of rental buildings, the Minister has not issued any regulations modifying the City's ability to prohibit and regulate rental demolition as of the date of this report. In November 2022, Council considered a report on the City's response to Bill 23, which included a request to MMAH to postpone enacting regulations related to rental housing demolition by-laws, until such time focused consultations with municipalities have been completed as part of the development of Minister's regulations to ensure the City can continue to require replacement rental housing and support impacted tenants. To date, staff have not been invited to participate in any form of consultation on the development of a regulation.

Through Bills 108 (More Homes, More Choice Act, 2019) and 197 (COVID-19 Economic Recovery Act, 2020), the Province replaced Section 37 Density Bonus with a new Community Benefits Charge (CBC): an up-front charge based on the appraised value of

the land not exceeding four percent of land value at the time a building permit is issued. In apartment infill development applications, improvements to existing buildings and on-site benefits were previously secured through Section 37 agreements under the *Planning Act*. The process for securing on-site improvements under the new CBC regime will be further examined.

Jurisdictional Scan

While post-war apartment neighbourhoods, including "tower in the park" sites exist across North America and western Europe, few examples of policies, guidelines, or zoning standards specific to apartment infill development exist.

Some municipalities have employed other tools to facilitate rental in infill housing, although these may not be specific to apartment neighbourhoods. For example, the City of Vancouver has introduced conditional "pre-zoning" in the C-2 District, a mixed-use zone, which permits residential rental buildings as-of-right through a development permit process. The C-2 District provides slightly higher heights and densities to incentivize rental tenure, allowing 6-storeys for rental projects and 4-storeys for all other building types. British Columbia passed changes in legislation in 2018 to give municipalities the ability to zone land for rental housing, specify that a certain percentage of units be rental, and require existing rental properties to remain rental after any redevelopment.

"Toronto-Made" Solutions for Apartment Infill

While city-wide zoning standards and guidelines for apartment infill have not yet been developed, tools to guide infill development have been created through detailed area-specific studies. The guiding principles and built form best practices for infill housing from these studies will inform the development of any city-wide approach recommended through this study.

High Park Apartment Neighbourhood Study

The High Park Apartment Neighbourhood is an area character study for apartment neighbourhoods located north of High Park, undertaken to guide change and compatible infill development. The study delivered SASP 551 and the High Park Neighbourhood Area Urban Design Guidelines.

The guiding principles of the study reflect priorities in preserving the unique character and liveability of the neighbourhood as redevelopment occurs:

- Natural Environment: supporting and enhancing natural heritage and hydrologic features in High Park;
- Public Realm: creating a green, well-connected public realm throughout the neighbourhood;
- Open Space: enhance the park-like setting unique to the area;
- Built Form: development should respect the physical character of buildings/open space;
- Site Servicing: consolidate existing and new site servicing to improve and lessen impacts on the public realm.

Although updated zoning standards were not implemented through the High Park study, SASP 551 includes many specific requirements for apartment infill development, including: built form standards for low-rise, mid-rise and tall building infill typologies; landscape and open space requirements; and below-grade setbacks for unencumbered soil areas to ensure growing spaces for mature trees and stormwater retention.

Jane Finch Secondary Plan and Urban Design Guidelines

The proposed Jane-Finch Secondary Plan and Urban Design Guidelines provide a comprehensive planning framework for the area around the intersection of Jane Street and Finch Avenue West. As a significant portion of the lands in the Secondary Plan is designated *Apartment Neighbourhoods*, residential redevelopment and growth is anticipated to occur through apartment infill.

The built form policies of the proposed Plan address infill opportunities within nine districts designated for growth and directs infill to occur through new mid-rise and tall buildings, including the Jane Finch Pavilion building typology: 12- to 20- storey infill buildings that are surrounded by landscaped open space. An emphasis is placed on maintaining and enhancing the green character of "tower in the park" neighbourhoods, with infill development providing an opportunity to activate of these spaces through new pedestrian connections, interfacing commercial uses and programming for residential amenity.

The final report, Official Plan Amendment and Urban Design Guidelines for the Jane Finch Secondary Plan, was adopted by Etobicoke York Community Council at its meeting on June 3, 2024, with amendments, and will be considered by City Council on June 26, 2024.

Apartment Infill Development Trends

In 2012, the City's Tower Renewal Office published a technical report which examined trends in apartment infill applications submitted between 1999 and 2009. A total of 34 applications were submitted during this period. The purpose of the study was to establish a knowledge base to develop policies and practices to encourage appropriate infill across the city.

Key trends and conclusions from the 2012 technical report are summarized below (with further details outlined in Attachment 1 to this report):

- Areas of the city with the highest rents (Downtown, Midtown and North York) received the highest number of infill applications. These applications are often located within 500 metres of existing or funded higher order transit.
- The proportion of new housing units which are purpose-built rental is much higher (3 to 5 times greater) in infill applications than the proportion built city-wide.
- Most infill buildings are mid-rise or tall buildings, with 88 percent of applications including at least one of these building typologies.
- Applications were approved at higher densities in the former City of Toronto relative to sites in the other former municipalities.

- Approximately two-thirds of applications were subject to appeals to the Ontario Municipal Board.
- Lot coverage, as well as the location of the existing building, influenced development potential for infill housing. Many of the existing apartment buildings are located in the middle of the site, which limits opportunities for new buildings.
- There is greater potential for infill, with more units approved, when multiple properties were developed under one ownership, or where adjacent property owners collaborate to submit joint proposals.

Between 2013 to 2023, the City received 95 rezoning applications for lands within *Apartment Neighbourhoods* for new infill buildings or building additions, where an existing building was either fully or partially retained in the redevelopment proposal. Although applications were distributed city-wide, the majority of infill proposals were received in Toronto-East York, North York and Etobicoke York community planning districts (see Attachment 2: Map of Apartment Infill Applications Received Between 2013 to 2023). Compared to the findings of the 2012 technical report, there is an increase in projects which included at least one infill mid-rise or tall building, with 94 percent of applications proposing buildings of this scale. Staff will continue to review and identify current development trends in rezoning and minor variance applications for infill proposals received in the past 10 years as part of the study workplan outlined below.

Potential Strategies

The range of planning tools which will be explored may include one or more of the items below. Strategies may apply city-wide or take an area-based approach to support apartment neighbourhoods experiencing higher levels of development pressure:

- Amendments to the Official Plan;
- City-wide as-of-right zoning regulations for infill development on existing apartment sites;
- Community Planning Permit Systems (CPPS);
- Best practices for infill development, including those related to:
 - Urban design guidelines and principles for public realm, site organization and built form, which may include new guidelines or updates to existing guidelines;
 - Administration and review processes, to be applied by staff from City Planning and technical divisions during application review.

A tool which will be explored through this study is the Community Planning Permit System (CPPS), which combines zoning by-law amendments, minor variances and site plan applications into one approval process. A CPPS requires updated Official Plan policies, in addition to a CPPS by-law. The Official Plan amendment identifies the CPPS area, outlines the vision and goals for the area and provides policy requirements for how the system will be implemented. Similar to a zoning by-law, a CPPS by-law provides use permissions, as well as minimum and maximum development standards for an area. A CPPS by-law can also set conditions for building to those standards and additional conditions for variances from them. Conditions might include infrastructure requirements, community benefits, and environmental impact mitigation, among others.

Proposed Workplan

In order to explore opportunities to streamline and simplify the approval process for building new infill housing on existing apartment sites, staff proposed the following general workplan.

Staff will undertake background analysis including the review of infill development applications within *Apartment Neighbourhoods* across the city over the past decade. The analysis will build on the Tower Renewal Office's 2012 technical report which examined trends in apartment infill application submitted between 1999 and 2009. The analysis will identify patterns of development (scale and siting of buildings, tenure, improvements to the site and existing buildings, including public realm, and community benefits secured), and common issues with proposals in conforming with development criteria for *Apartment Neighbourhoods* in the Official Plan.

Staff will also undertake lot studies of *Apartment Neighbourhood* properties city-wide and create a detailed inventory of site characteristics, to understand the physical attributes of existing apartment sites. The lot studies will determine whether there is sufficient uniformity in the lot fabric and commonality between apartment sites to introduce potential zoning standards for infill development city-wide, or for specific typologies of apartment sites. Property characteristics for detailed analysis will include:

- Shape and dimensions of the property;
- Height and depth of existing buildings;
- Setbacks of existing buildings;
- Orientation of existing buildings (whether they address the street or face inwards toward the lot);
- Lot coverage;
- Size and dimensions of consolidated open space areas on the lot, including landscaped areas with mature trees and surface parking;
- Number of lot lines fronting a street;
- Location of access and site-servicing facilities;
- Adjacent right-of-way width;
- Adjacent land use designations;
- Age of buildings; and
- Property ownership.

Studies will identify attributes to be preserved, site conditions needing revitalization and opportunities for forms of infill development that can be replicated for apartment sites on an area- or city-wide basis.

Staff involved in the development review process will be engaged to inform the development of proposals, as well as provide feedback on options. Focused engagement with stakeholders will also be undertaken at this stage, including consultation with private, non-profit and public rental housing providers, such as Toronto Community Housing; tenant associations, including the City of Toronto's Tenant Advisory Committee and TCHC's Tenant Advisory Committee; developers specializing in infill development; and non-profit groups with expertise in infill and tower renewal.

A proposals report with recommended options will be advanced for Planning and Housing Committee's consideration and endorsement for public consultation in Q2 2025, with a final report anticipated in Q2 2026.

CONCLUSION

It is recommended that Planning and Housing Committee endorse the contents of this report as the basis for additional analysis and focused stakeholder engagement, and report back with proposals and further details on a work program which includes broader public consultation in Q2 2025.

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ATTACHMENTS

Attachment 1: "Infill on Apartment Sites in Toronto: A Ten Year Review": Technical Analysis completed by the Tower Renewal Office - Summary of Findings
Attachment 2: Map of Apartment Infill Applications Received Between 2013 to 2023

Attachment 1: "Infill on Apartment Sites in Toronto: A Ten Year Review": 2012
Technical Analysis completed by the City of Toronto Tower Renewal Office - Summary
of Findings

Purpose: The Tower Renewal Office with the City Planning division sought to collect and analyze data from all approved rezoning applications over the period of 1999-2009 in the City's older apartment building communities. A total of 34 applications were reviewed. This study was intended to:

- (1) provide a knowledge base from which policies and practices could be developed to encourage new apartment infill;
- (2) identify patterns;
- (3) provide directions for future study. The study did not make comprehensive recommendations for policy or process changes.

The study sought answers to the following research questions:

- Where were these rezonings located, and how did those locations relate to transit access, rent levels and the City's Official Plan?
- What types of infill development were approved, in terms of tenure and mix of uses?
- How often were existing rental apartment buildings demolished?
- What level of intensification was achieved, in terms of number of units added, height of new buildings, density, and lot coverage?
- What is the construction status of these rezonings, and what criteria may have affected the likelihood of construction?
- How has infill development on sites with existing rental apartment buildings affected City revenues?
- Who is building infill on rental apartment sites?
- How to identify the sites with the greatest future potential for infill?

Summary of Findings:

Lot Coverage

- Many existing apartment sites have low lot coverage and thus more open space for infill development, but apartment buildings are often sited in the centre of the lots, which poses challenges for building new infill development.
- Much of the available open space on sites straddles property lines, thus development potential is significantly greater where adjoining lots are under one ownership or owners of adjacent lots coordinate their development proposals.
- Of the infill applications studied, 60% of sites had post-rezoning approved lot coverages of less than 30%.

How Existing Building Conditions Affect Redevelopment

Conditions of existing building conditions could affect infill development in the following ways:

- Poor condition of low-unit count buildings could lead to demolition and replacement; and

- Poor condition of larger buildings to be retained, could discourage redevelopment.

Where Development is Proposed in Relation to Rent Zones

- The areas with the highest number of applications for apartment infill development were the areas with the highest rents.
- For instance, Downtown Central and Midtown had 33% of the applications (9% and 24%, respectively).
- There is a clear relationship between higher rents and the number of rezoning applications.

Rental Housing in Infill Applications

- Out of the new dwelling units from the infill apartment rezoning applications, condominium and freehold dwelling units accounted for at least 69%, while purpose-built rental dwelling units account for at least 26%.
- The proportion of new housing on sites with existing rental apartment buildings which are purpose-built rental is much higher (3 to 5 times higher) than the proportion built city-wide.
- The tenure of new buildings (excluding rental replacement buildings) is not secured in most cases.

Non-residential uses

- Only 15% of the applications for infill development on apartment sites included non-residential uses.
- In most of the cases, the non-residential uses were being provided as a community benefit under Section 37 of the Planning Act. These included private recreation centres; day care facilities; and space for community services at below-market rent.

Scale of Buildings

- 88% of rezonings included at least one mid-rise or tall building.
- 12% of rezonings included only low-rise buildings of 4 storeys or less.

Demolition versus Retention of Existing Buildings

- In 76% of the rezoning applications, all existing buildings were retained.
- Demolition of at least one building took place in 24% of sites.
- Nearly all existing low-rise buildings (1-4 storeys) were demolished.
- Mid-rise buildings were demolished on only one site (3%).
- No tall buildings were demolished.

Increased Opportunities for Infill Development on Larger sites or Coordination across Sites with Different Ownership

- In applications where more than 500 new units were added, there was more potential for infill development on sites comprised of multiple adjacent properties under one ownership, or where adjacent property owners are working together to submit joint development proposals.

Do Approvals Actually Get Constructed?

- The projects with the fewest new units approved were less likely to be constructed.
- Most of the projects which were constructed in either Scarborough or Etobicoke York were recipients of housing subsidies.
- 82% of projects which have proceeded to construction were located in rent zones with the highest average rents, including Downtown Central and Midtown.

The Main Development Proponents of Infill Applications

- Rental apartment infill development is more probable with firms that own and operate rental housing sites than firms which build condominium and freehold developments.

Subsidies for Affordable Housing

- Based on the timing of zoning application submissions, it appears the subsidies may have accelerated construction at recipient sites or incited owners to convert proposals for condominium developments to rental or mixed tenure projects.
- The subsidies do not appear to have been the initial driver for the rezoning.

Appeals to the Tribunal

- 61% of all rezonings for infill development on existing apartment sites were subject to appeals to the Ontario Municipal Board.

Distribution of Post-war Apartment Buildings Relative to Transit and Rent Levels

- Existing post-war high-rise apartment building sites are found in all parts of Toronto.
- They are usually located in groups, either in clusters or spread out along arterial or local collector roads and are prevalent in the inner suburbs.
- Significant numbers of these existing apartment sites are located close to the Eglinton and Finch West rapid transit lines and the York University subway extension.
- There are a large number of older high-rise apartment buildings in CMHC above average rent areas (Downtown Central, Downtown West, Midtown, and the north-eastern portion of North York). However, most existing older high-rise apartment sites are located in areas with rents that are average, below average or much below average.
- There are still many clusters of apartment sites located near subway stations and in moderate to high rent areas which have not yet been the subject of rezonings for infill development.

Approach to Developing Tools

- The tools used to encourage infill development on sites with existing rental apartment buildings should vary based on area-specific characteristics such as proximity to higher-order transit and predominant rent levels.
- Different tools and approaches will be required for different parts of the city: one set for sites in high growth or high rent areas with good rapid transit access,

another for sites located further from subways, in low-growth and/or lower rent areas.

- These tools could include financial tools, regulatory tools, or capacity-building approaches to promote infill development and, in particular, new rental housing on sites with existing rental apartment buildings.

Attachment 2: Map of Apartment Infill Applications Received Between 2013 to 2023

