

2024.11.29

Re: Agenda Item 2024.PH17.2, Expanding Housing Options in Neighbourhoods – Neighbourhood Retail and Services Study Phase Two Final Report

Attn: Planning and Housing Committee, City of Toronto

My name is Blair Scorgie. I am a Registered Professional Planner, member of the Ontario Professional Planners Institute, and member of the Canadian Institute of Planners. I am the Managing Principal of Scorgie Planning and have over fifteen years of relevant consulting experience with expertise on matters associated with housing and employment. I have written housing and employment-centric Official Plan policies, Zoning By-law regulations, and urban design guidelines in collaboration with the City of Toronto and other municipalities across Canada. Locally, I am currently leading the preparation of non-residential land use policy recommendations as part of the North York Centre Secondary Plan Review. I am also a contributing author of the Avenues and Mid-Rise Buildings Study, the Cliffside Village Avenue Study, the Downsview Park Stanley Greene Precinct Plan, the Long Branch Neighbourhood Character Guidelines, and the Willowdale Neighbourhood Character Guidelines. I have also led applications for mixed-use developments at the low-, mid- and high-rise scales across the City of Toronto.

I am a prominent advocate for policy and regulatory reform to create housing and employment opportunities in Toronto. My professional opinion is routinely sought by City Staff. I have served on technical advisory committees associated with multiple City-led studies, participated in industry stakeholder meetings and one-on-one interviews at the request of City Staff, and maintained ongoing communication with the leaders of the Expanding Housing Options in Neighbourhoods Initiative. I also developed the concept of Transition Zones, which is the next logical step in unlocking the supply of housing and small-scale employment opportunities in Toronto, and which City Staff have been tasked with studying at the direction of former Mayor John Tory and former Planning and Housing Committee Chair Brad Bradford.

I am writing to applaud the efforts of Staff to date and outline a series of concerns that I feel need to be addressed to leverage the potential of the Neighbourhood Retail and Service Study, and our network of public laneways, to the greatest extent.

The Case for Mixed Use Laneways

It is time for the City of Toronto to embrace the concept of mixed-use laneways. Our public laneway network has the potential to accommodate a broad range and diversity of neighbourhood-compatible non-residential uses, which do not require an expensive main street frontage and contribute toward the creation of complete communities. From professional offices to maker spaces, artist studios, bicycle repair shops and green grocers, the potential to incentivize entrepreneurship is tremendous.

Rent is becoming an increasingly significant barrier to prospective main street tenants, and the size of storefronts is not always conducive to small businesses. We have a commercial vacancy issue. To solve it, we need to incubate small businesses. Recent work in Regent Park and Little Jamaica has found that traditional main street storefronts can be financially inaccessible for aspiring entrepreneurs, even when vacant space is available. The affordability of such spaces is increasingly being raised by City Staff as an issue in need of addressing.

I see mixed use laneways as potential incubators of small businesses. Low rents allow entrepreneurs to test ideas without making significant financial investments. Small building footprints allow limited growth potential, incentivizing relocation to main street frontages and employment districts when a proof of concept, business case, and need for additional space emerge. I see them as opportunities for retail and service commercial uses, but I also see them as opportunities for office and light manufacturing and industrial uses, which do not warrant a main street frontage but contribute toward the volume of potential main street shoppers. I believe that lessons and inspiration can be drawn from the plethora of existing retail, service commercial, office, and light manufacturing and industrial uses that already exist throughout Toronto's public laneway network.

Given the changing dynamics in our markets, we are likely to see a decline in the need for commercial and employment space on a per capita basis moving forward. However, we are also experiencing unprecedented population growth in the City of Toronto, which is expected to continue over the next thirty years. This is anticipated to occur broadly as our downtown, centres and employment districts build out and growth pressures begin to shift toward our major streets and throughout our neighbourhoods. This represents a departure from the status quo and lends itself to the re-distribution of retail, service commercial, office, and light manufacturing and industrial uses.

By reducing barriers to entry, we can support more Torontonians in the establishment of small businesses. This will ultimately grow our economy while providing a supply of potential tenants and shoppers for nearby main streets and employment districts over the long-term.

Understanding the History

Recent discussions regarding the viability of mixed-use laneways emerged, in part, as a result of work that I and others have undertaken over the past several years.

University of Toronto Study

In 2018, the late Michelle Senayah and I worked with a group of University of Toronto Master of Science in Planning students to undertake comprehensive research and analysis to determine the viability of mixed-use laneways across the City of Toronto, identify key issues, opportunities and challenges to be addressed, and formulate a set of key recommendations.

The project incorporated a global case study analysis, policy and regulatory analysis, and spatial and demographic analysis. Based on these findings, the students identified five criteria to evaluate the potential of existing public laneways to accommodate mixed-use development. Overlaying these criteria in a geospatial data mapping interface, the students were able to establish three classifications of public laneways, reflecting varying degrees of suitability for mixed-use development.

A number of challenges were identified, including servicing and maintenance requirements, safety concerns, privacy and disturbance, bureaucratic process and regulatory requirements, and funding limitations. Conversely, a number of opportunities were identified, including improved public realm conditions, expanded pedestrian networks, local economic development, efficient use of land and resources, improved safety, and the untapped potential of private laneways.

Key recommendations include a Municipal Laneways Strategy and accompanying Design Guidelines to inform the evolution of mixed-use laneways, and a municipally led Zoning By-law Review intended to establish permissions and regulations for non-residential and mixed-use development within public laneways. Other recommendations pertain to public and stakeholder consultation, community-led laneway improvement plans

and revitalization projects, mixed-use laneway pilot projects, developer-driven mixed-use laneway developments, administrative process reform and simplification, and dedicated funding and financial incentive programs.

Documentation of Non-Residential Uses within Public Laneways

Over the last several months, I have taken it upon myself to document existing non-residential uses within public laneways across the City of Toronto. The intent of these efforts is simply to demonstrate that these uses do exist, are successful, pose unique opportunities for small businesses, and contribute toward the creation of complete communities. Within our public laneways, I have documented everything from cafes and bars to restaurants, flower stores, breweries, chocolate stores, furniture stores, and even multi-storey offices and hotels. My findings have been catalogued on X (Formerly known as Twitter), mapped, and circulated to City Staff.

Please see the following link for more information: https://www.blogto.com/eat_drink/2023/12/someone-documenting-businesses-toronto-laneways/

Jersey Avenue Commercial Use

As a consultant, I represent and have advocated for a client who would like to convert their garage into a small-scale commercial use. This is consistent with the historic use of the property and in keeping with the history of Little Italy's informal laneway economy.

Please see the following link for more information: <https://www.theglobeandmail.com/real-estate/toronto/article-a-push-to-add-retail-to-torontos-alleyways/>

Neighbourhood Retail and Service Study

I have been following the Neighbourhood Retail and Service Study specifically for some time. I began engaging with City Staff early in the study process, as they sought to learn from my experience transforming a Victorian-era residential fourplex in an established neighbourhood into a duplex with a professional office on the ground and basement levels.

In the months that followed, I maintained an open line of communication with City Staff and provided ongoing feedback. Through these discussions, I identified a noteworthy gap in the scope of the Neighbourhood Retail and Service Study: the absence of consideration regarding the potential for non-residential uses in ancillary buildings, and particularly those accessed via rear laneways.

Following months of correspondence and virtual meetings with City Staff, I was pleased to see a Proposal Report to Planning and Housing Committee prepared by the EHON Neighbourhood Retail and Services Study team in May of 2024. Among other recommendations, the report referenced the potential for public laneways to accommodate non-residential uses and incorporated draft Zoning By-law regulations to permit them in a limited capacity. I was also pleased that the Committee moved to adopt the Proposal Report, with minor amendments, allowing for Staff to consult stakeholders and the public over the course of the summer.

Leveraging the Opportunity

Despite my enthusiasm over the direction of the Neighbourhood Retail and Service Study, I have concerns regarding the ambition of City Staff to leverage the opportunity that they have been presented with. Specifically, I have concerns regarding the limited range of uses being contemplated within public laneways, and

the circumstances under which they would be permitted. I also have concerns regarding the absence of consideration for context, as well as contemplated restrictions with respect to the size and configuration of non-residential space and the number of permitted employees.

Restrictions on Business Ownership

Home occupations unreasonably limit prospective non-residential business owners to those who currently own the land, and precludes the possibility of a property owner leasing a non-residential ancillary building to a third party. This presents an unnecessary barrier to entrepreneurship and runs counter to broader discussions regarding equity.

Restrictions on Use

Home occupations unreasonably limit the range of potential uses that can exist. A small number of uses currently qualify as home occupations, and the draft Zoning By-law regulations fail to expand upon them in any meaningful way. As written, they would limit home occupations to a specific sub-set of personal service shops as well as professional offices, medical offices, and a small number of other uses. Importantly, the draft Zoning By-law regulations would prohibit a broad range of retail uses. They would also prohibit manufacturing uses, even in circumstances where they are ancillary to another use.

A broad range of non-residential uses have the potential to co-exist harmoniously alongside residential uses in a neighbourhood context. We tend to unnecessarily restrict the use of land to mitigate against the worst-case scenario. Instead, we should permit a broader range of uses and rely upon the many tools at our disposal to mitigate the impacts of hazards and nuisances and ensure public safety. Where appropriate tools do not exist, we can mitigate risk through a combination of discretionary permissions and additional regulations. It is far too easy to say no. We need to begin finding ways to say yes, with appropriate caveats.

Regard for Context

As currently drafted, the Zoning By-law regulations do not have adequate regard for context. A mid-block property in the centre of a neighbourhood is treated the same as an end-block property with a flanking laneway frontage adjacent to and visible from a commercial main street. While a broad range of non-residential uses is appropriate in Neighbourhoods across the City of Toronto, additional uses may be appropriate in particular contexts. While the mid-block example may be appropriate for a personal service shop, professional office, and maker space, the end-block example may be appropriate for a convenience store, café, or take-out restaurant.

Beyond physical context, the draft Zoning By-law regulations do not have adequate regard for the planned policy context. The City of Toronto is in the process of amending its Avenue policies and Mid-Rise Building Performance Standards. In doing so, it is preparing specific recommendations pertaining to Areas of Transition, with a particular focus on height, massing, typology, and use. The City is also about to embark on a study focused on the potential of Transition Zones, which is a concept I developed as an evolution and expansion of work that I and others have previously undertaken with respect to Enhancement Zones. Where Areas of Transition and Enhancement Zones are limited to a small number of properties on the edge of a Neighbourhood, Transition Zones have the potential to expand upon the notion of transition at a broader scale. Properties that fall within either Areas of Transition or Transition Zones may be appropriate for a greater intensity and range of non-residential uses than those situated within other portions of Neighbourhoods.

Restrictions on Space

The draft Zoning By-law regulations place unnecessary restrictions on space. We need to get out of the business of micro-managing the composition of interior space. There is no reason a multi-storey ancillary building should not be permitted to incorporate multiple units, whether they be residential, non-residential, or a combination of the two. Such buildings can be inherently flexible by design, allowing for non-residential uses to occupy the ground floor or the entire building, based on demand. This allows small businesses to scale modestly, before having to relocate to larger, more formal and expensive accommodations. In instances where a non-residential use occupies the ground floor, there is no reason a residential use should not be permitted to occupy the second floor.

Restrictions on Employees

Home occupations place unnecessary restrictions on the number of permitted employees. We need to get out of the business of regulating human density, irrespective of whether a use is classified as a home occupation. By doing so, we are impacting the viability of small businesses and making it unnecessarily difficult to scale their operations. The concept is particularly trivial, given the existence of regulations that govern the sizing and dimensioning of ancillary buildings. It has become a directive of the EHON Initiative, intentionally or not, to eliminate redundant and ill-conceived regulations while prioritizing form. The Neighbourhood Retail and Service Study should embrace this approach, by eliminating restrictions on the number of individuals who are permitted to work in a non-residential space.

Conclusion

While I applaud the efforts of Staff to date, I feel that the above-noted concerns should be addressed to leverage the potential of the Neighbourhood Retail and Service Study, and our network of public laneways, to the greatest extent. As such, I respectfully request that City Staff be directed to consider and report back on these issues before this item is brought to City Council for final approval.

Sincerely,



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