



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Expanding Housing Options in Neighbourhoods: Major Streets Study – Ontario Land Tribunal Hearing – Request for Directions

Date: July 10, 2025

To: City Council

From: City Solicitor

Wards: All Wards

REASON FOR CONFIDENTIAL INFORMATION

This report contains advice or communications that are subject to solicitor-client privilege. This report contains information regarding potential litigation.

SUMMARY

As part of the City's 2022-2026 Housing Action Plan, which seeks to increase the supply of housing within complete, inclusive, and sustainable communities with critical infrastructure to support growth, City Council decided in May 2024 to amend the Official Plan and Zoning By-law to permit townhouses and small-scale apartment buildings along major streets in Neighbourhoods areas across the City. The Zoning By-law Amendment implemented these permissions as-of-right in all residential zones across Toronto, and also implemented appropriate performance standards.

Following City Council's adoption of the Official Plan and Zoning By-law Amendments, both were appealed to the Ontario Land Tribunal (the "OLT"). The OLT has conducted two Case Management Conferences, and has scheduled a hearing of the appeal for five days, commencing on November 3, 2025.

The City Solicitor requires further directions for the upcoming OLT hearing. City Council's consideration of this matter should not be deferred beyond the conclusion of the July 23 to 25, 2025 meeting of City Council, because there are significant procedural deadlines, including the exchange of witness statements, that will occur in August and September, 2025, prior to the next meeting of City Council.

RECOMMENDATIONS

The City Solicitor recommends that:

1. City Council adopt the recommendations contained in the Confidential Attachment 1 to this report from the City Solicitor.
2. City Council authorize the public release of the confidential recommendations contained in the Confidential Attachment 1 to this report from the City Solicitor, Confidential Appendix "A" and Confidential Appendix "B", if adopted by City Council.
3. City Council direct that all other information contained in Confidential Attachment 1 to this report from the City Solicitor is to remain confidential at the discretion of the City Solicitor, as it contains advice which is subject to solicitor-client privilege.

FINANCIAL IMPACT

There is no financial impact arising from the adoption of the Confidential Recommendations beyond what has already been approved in the current year's budget.

DECISION HISTORY

On July 16 to 18, 2019, City Council adopted Member Motion MM9.36 entitled "Expanding Housing Options in Toronto - Tackling the Missing Middle and the Yellowbelt". The motion directed City Planning to report on options and a timeline to increase housing options and planning permissions in areas of Toronto designated as Neighbourhoods in Toronto's Official Plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM9.36>

On July 28 and 29, 2020, City Council endorsed the Expanding Housing Options in Neighbourhoods (EHON) Work Plan Report and endorsed City Planning proceeding with several priority initiatives in 2020-2021.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH15.6>

On November 25, 2021, Planning and Housing Committee endorsed the Neighbourhood Change and Intensification Bulletin.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH29.8>

On December 15 to 17, 2021, City Council adopted Zoning By-law amendments to remove parking minimums for most low-rise housing forms, including the missing middle housing forms being considered through the EHON work plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH29.3>

On February 15, 2022, Planning and Housing Committee endorsed the Expanding Housing Options in Neighbourhoods - Update Report.

<https://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH31.6>

On July 5, 2022, Planning and Housing Committee endorsed the Major Streets – Interim Report.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH35.2>

On December 14 and 15, 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 EHON Major Streets study, and directed staff to report annually on its implementation.

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

On September 28, 2023, Planning and Housing Committee endorsed the contents of the report from the Chief Planner and Executive Director, City Planning titled Expanding Housing Options in Neighbourhoods: Major Streets Study - Proposals Report as the basis to continue consultation on the draft Official Plan Amendment and proposed zoning by-law framework, with outreach to residents' associations, industry, city divisions, and other stakeholders, and report back with recommended Official Plan and Zoning By-law amendments in the first quarter of 2024.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH6.4>

On December 13 to 15, 2023, City Council adopted Item PH8.3 "Housing Action Plan: Zoning By-law Simplification and Modernization for Low-rise Residential Zones – Phase 1 Final Report" which updated and clarified zoning regulations for secondary suites, multiplexes and low-rise apartment buildings, as well as zoning changes to harmonize and align performance standards in the R zone to align requirements for apartment buildings in the context of updated regulations for multiplex buildings across the residential zones in Zoning By-law 569-2013.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH8.3>

On December 13 to 15, 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>

On April 17 and 18, 2024, City Council adopted Item PH12.3 "Expanding Housing Options in Neighbourhoods: Major Streets Study - Final Report," which amended the Official Plan and Zoning By-law 569-2013 to permit townhouses and low-rise apartment buildings on major streets in Neighbourhoods areas city-wide.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH12.3>

COMMENTS

There was one appeal (the "Appeal") to the OLT of the Official Plan Amendment ("OPA 727") and the Zoning By-law Amendment ("ZBL 608") related to low-rise residential intensification on major streets in Neighbourhoods, by 2856973 Ontario Inc. (the "Appellant"). The Notice of Appeal is Public Attachment 1 to this Report. While the appellant stated that it was generally supportive of the overall direction to encourage respectful infill development, the appellant believed that OPA 727 and ZBL 608 could be improved to better enable diverse and sustainable growth, and to better implement provincial and City policy.

The OLT has scoped the Appeal to certain policies of OPA 727 and certain regulations of ZBL 608, on a City-wide basis. These policies and regulations are highlighted in the attachment to the OLT's decision and order dated January 13, 2025, attached to this Report as Public Attachment 2. The OLT has also permitted the geographic scoping of OPA 727 and ZBL 608, to exclude certain specific properties from the scope of the appeal, at the request of the landowners of those properties, who were granted party status in the OLT proceedings. There are other non-appellant parties to the OLT proceedings, whose interest is broader than bringing OPA 727 and ZBL 608 into force on their properties.

On July 3, 2025, the Appellant delivered to the OLT and the parties a list of policy and regulatory modifications it would seek to OPA 727 and ZBL 608 during the hearing on the merits of its appeal (the "Hearing Modifications"). The Hearing Modifications are attached to this Report as Public Attachment 3. The Hearing Modifications to OPA 727 are summarized as follows:

- Policy 12(c) is proposed to be modified to refer to "setbacks that are appropriate for an urbanized environment;"
- Policy 12(i) is proposed to be modified to say "be considered for minor variances as necessary to implement the overall objective of this plan to intensify the major streets;"
- Policy 13(b) is proposed to be modified to include the words "where appropriate;" and
- Policy 13(c) is proposed to be modified by deleting "such as building entrances."

The Hearing Modifications to ZBL 608 are set out in the table below:

Performance Standard	Change	Applicable Zone
Maximum height of an apartment building	Increase from 19.0 metres to 26.0 metres	R, RD, RS, RT RM
Maximum height of a townhouse	Increase from 13.0 metres to 15.0 metres	RT
Maximum number of storeys of an apartment building	Increase from 6 storeys to 8 storeys	R, RD
Maximum building length of an apartment building	Delete 25.0 maximum	R, RD, RS, RT, RM
Maximum FSI of an apartment building	Delete	RM
Minimum front yard setback of an apartment building or townhouse	Reduce from 3.0 metres for shallow lots and 6.0 metres for deep lots, to "at least 3.0 metres" in all cases	R, RD, RS, RT, RM
Rear yard setback for an apartment building or townhouse	Reduce from 7.5 metres to 5.0 metres	R, RD, RS, RT, RM
Side yard setback for apartment building for portions of main wall without primary windows	Reduce from 1.8 metres to 0.45 metres	R
Side yard setback for apartment building for portions of main wall without primary windows	Reduce from 2.4 meters to 0.6 metres	RD, RS, RT and RM
Side yard setback for apartment building for portions of main wall with primary windows	Reduce from 5.5 metres to 4.0 metres for walls with primary windows	R, RD, RS, RT, RM

Performance Standard	Change	Applicable Zone
Side yard setback for apartment building	Delete 7.5 metre setback for portions of building exceeding 25.0 metres length Delete 3.0 metre setback from a side lot line abutting a street or laneway	R, RD, RS, RT, RM
Distance between residential buildings on the same lot	New regulation: "residential buildings shall be considered to be separate buildings for the purposes of this by-law if they share one below-ground structure."	R, RD, RS
Maximum lot coverage of an apartment building	Increase from 50 percent to no maximum lot coverage	RD, RT, RS
Maximum lot coverage of a townhouse	Increase from 50 percent to no maximum lot coverage	RD, RT
Maximum lot coverage of a townhouse	Increase from 50 percent to 60 percent	RS

The City Solicitor requires further instructions on this matter. This report is about ongoing litigation before the OLT and contains advice or communications that are subject to solicitor-client privilege.

CONTACT

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SIGNATURE

Wendy Walberg
City Solicitor

ATTACHMENTS

1. Public Attachment 1 - Notice of Appeal of 2856973 Ontario Inc. of Official Plan Amendment 727 and Zoning By-law 608-2024
2. Public Attachment 2 - Decision and Order of the Ontario Land Tribunal, dated January 13, 2025 in OLT-24-000838
3. Public Attachment 3 - Proposed Policy and Regulatory Modifications of 2856973 Ontario Inc.
4. Confidential Attachment 1 - Confidential Information
5. Confidential Appendix "A" - Confidential Information
6. Confidential Appendix "B" - Confidential Information