

Official Plan Amendments to align with Provincial Legislative and Policy changes related to Employment Areas - Decision Report

Date: April 23, 2025

To: Planning and Housing Committee

From: Chief Planner and Executive Director, City Planning

Wards: All

SUMMARY

This report recommends adoption of Official Plan Amendment 804 (OPA 804) to align the Official Plan with the new provincial definition of "area of employment" in the *Planning Act* and "employment area" in the Provincial Planning Statement 2024 (PPS 2024). This report also recommends the redesignation of 255 hectares across four Employment Areas, largely planned as office business parks, in alignment with these new provincial definitions. These amendments are intended to ensure Toronto's Employment Areas can thrive and support economic growth.

Bill 97 narrowed the definition of "area of employment" in the *Planning Act* and introduced a transition provision to allow municipalities to authorize the continuation of "lawfully established" uses that have been excluded from the new definition.

Council adopted two OPAs to respond to these Provincial changes. Official Plan Amendment (OPA) 668 was adopted by Council on July 19, 2023, to authorize the continuation of lawfully established uses in Employment Areas. OPA 680 was adopted by Council on July 24, 2024, to align land use permissions in Employment Areas with the amended definition of "area of employment" in the *Planning Act*.

Shortly after Council's enactment of OPAs 668 and 680, the Minister of Municipal Affairs and Housing filed Ontario Regulation 396/24 on October 10, 2024. This regulation removes Council's delegated approval authority specifically for OPAs 668 and 680 and provides that the Minister is now the approval authority for these two OPAs.

After the Minister filed O. Reg. 396/24, the Ministry of Municipal Affairs and Housing (MMAH) MMAH suggested that the City consider:

- revoking OPA 668 and 680;
- removing certain lands, in alignment with the *Planning Act* and PPS 2024; and

- proceeding through a section 26 OPA which would require the approval of the Minister of Municipal Affairs and Housing.

This report recommends adoption of Official Plan Amendment 804 (OPA 804) to respond to these requests.

RECOMMENDATIONS

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

1. City Council adopt Official Plan Amendment 804 in accordance with Attachment 1.
2. City Council repeal Official Plan Amendment 668 (By-law 1107-2024) and Official Plan Amendment 680 (By-law 1108-2024) upon Official Plan Amendment 804 coming into full force and effect.
3. 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 804 under Section 26 of the Planning Act.
4. City Council direct the Chief Planner and Executive Director, City Planning, to study affordable housing requirements as part of any secondary plan study that would implement the policies of OPA 804.
5. City Council authorize the City Solicitor to make such stylistic and technical changes to the recommended Official Plan Amendment 804 as may be required.
6. City Council declare by resolution to the Minister of Municipal Affairs and Housing that Official Plan Amendment 804 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.
7. City Council request the Minister of Municipal Affairs and Housing to issue a regulation respecting any transitional matters arising from the implementation of the PPS 2024 and City of Toronto OPA 804.

FINANCIAL IMPACT

City Planning confirms that there are no financial implications resulting from the recommendations included in this report in the current budget year or in future years.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

In addition to the items listed below, Council has considered recommendations on Bill 97, Bill 185, and over 150 employment land conversion requests through the 2020 Municipal Comprehensive Review (MCR). A further summary of related Council and Committee decisions can be found in Attachment 3.

On July 20, 2023, Council adopted Official Plan Amendment 668 to authorize the continuation of institutional and commercial uses expressly excluded by paragraph 2 of the amended definition of "area of employment" that were lawfully established the day before the relevant *Planning Act* changes come into effect. City Council directed the City Solicitor to withhold the necessary bills for OPA 668 until proclamation of the *Planning Act* definition changes. OPA 668 proposed to introduce two new policies in the Official Plan in section 4.6 Employment Areas to authorize the continuation of "lawfully established" uses in *General Employment Areas* and *Core Employment Areas*.
<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH5.2>

On July 24, 2024, Council adopted Official Plan Amendment 680 that amends various Employment Area related policies to bring the Official Plan into alignment with the provincial definition of "area of employment" in the *Planning Act*, as amended by Bill 97 (Helping Homebuyers, Protecting Tenants Act). The report also concluded the Council-directed study to consider expanding permitted uses in Employment Areas to include places of assembly, places of worship and sports facilities on a site or area-specific basis, given the provincial definition.
<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH14.1>

COMMENTS

Managed Approach to Employment Area Removals and Conversions

Under the previous provincial planning framework (guided by the Growth Plan for the Greater Golden Horseshoe 2020), the City was able to manage employment area removals and conversions in a comprehensive and coordinated manner through a Municipal Comprehensive Review (MCR).

A managed approach to the removal of employment lands is critical to maintaining the economic viability of Employment Areas. Employment Areas make up just 11.6% of the City's land base but accommodate almost 25% of all the jobs in the City. They are strategically located for goods movement and access to the City's diverse labour pool. Employment areas are finite, and do not revert back to their economic function once residential uses are permitted.

Through the last MCR, the City received 150+ requests to remove/convert Employment Areas. Staff brought forward a series of reports to Planning and Housing Committee and Council that evaluated each request using Provincial policy and criteria, with recommendations on whether to retain the lands as Employment Areas or permit residential uses. These reports resulted in several Official Plan Amendments, including

OPA 591, OPA 644, OPA 653, OPA 692, and OPA 742. These OPAs have now been approved by the Minister of Municipal Affairs and Housing under section 26 of the *Planning Act*.

Bill 97

On April 6, 2023, the Province changed the definition of “area of employment” in the *Planning Act* as part of Bill 97 (the *Helping Homebuyers, Protecting Tenants Act, 2023*) by narrowing the scope of uses to manufacturing, warehousing, and research and development in connection with manufacturing, retail and office uses associated with the above, and facilities ancillary to all of the above.

The new definition excludes commercial—including retail and office not associated with the primary employment uses—and institutional uses. This amended definition of “area of employment” came into effect when it was proclaimed into force on October 20, 2024.

Bill 97 also introduced a transition provision to allow municipalities to authorize the continuation of “lawfully established” uses that have been excluded from the new definition. A municipality can continue to permit such uses through the adoption of Official Plan policies.

Official Plan Amendments 668 and 680

In response to the *Planning Act* amendments to the definition of “area of employment” and the introduction of a transition provision for “lawfully established” uses, City Council adopted OPAs 668 and 680 to ensure the integrity of the city’s Employment Areas is maintained.

On July 19, 2023, Council adopted [2023.PH5.2](#) – Official Plan Amendment 668 for Bill 97 Transition – Authorizing the Continuation of Institutional and Commercial Uses in Employment Areas to implement the legislative authority that allows for the transition of “lawfully established” uses.

On November 30, 2023, Planning and Housing Committee ([2023.PH8.14](#)) directed staff to undertake analysis of existing uses impacted by the changes to the “area of employment” definition in Bill 97. This work included engagement with businesses, local Business Improvement Areas and stakeholders.

On July 24, 2024, Council adopted [2024.PH14.1](#) - Employment Area Land Use Permissions - Decision Report (OPA 680). OPA 680 proposed to align the land use permissions for both *General Employment Areas* and *Core Employment Areas* with the new definition of “area of employment”.

Ontario Regulation 396/24

On October 10, 2024, City Council enacted OPAs 668 and 680 under section 17 of the *Planning Act*, which permits the City to enact Official Plan Amendments without the approval of the Minister of Municipal Affairs and Housing.

Shortly after Council enacted OPAs 668 and 680, the Minister of Municipal Affairs and Housing used their authority under section 17(12) of the *Planning Act* to file Ontario Regulation 396/24. Ontario Regulation 396/24 exempted City Council from being the approval authority for OPA 668 and OPA 680.

The effect of this regulation transfers approval authority from City Council to the Minister of Municipal Affairs and Housing. As of the report date, the Minister has not approved OPAs 668 and 680.

Request from the Ministry of Municipal Affairs and Housing

Since the filing of Ontario Regulation 396/24, City staff have communicated with MMAH staff to advance the approval of OPAs 668 and 680. MMAH has requested that the City bring forward a new OPA that identifies employment lands to be removed.

In making this request, the Province has emphasized the importance of protecting major facilities and areas used for primary employment uses like manufacturing, warehousing, goods movement, and research and development. The Ministry also highlighted the importance of providing a buffer to ensure appropriate transition from Employment Areas to sensitive land uses, and to avoid negative impacts on the long-term economic viability of any remaining Employment Areas.

The Province has further suggested that the City undertake this exercise in accordance with section 26 of the *Planning Act*. Under section 26, the Minister is the approval authority for the Official Plan Amendment and their decision is not subject to appeal.

Official Plan Amendment 804

OPA 804 amends the Official Plan consistent with the previously adopted OPAs 668 and 680 and redesignates certain *General Employment Areas*, ensuring that:

- "lawfully established" uses in *General Employment Areas* and *Core Employment Areas* are transitioned; and
- land use permissions in the Official Plan align with the new definition of "area of employment" in the *Planning Act* and "employment area" in the PPS 2024.

In response to the Province's request, analysis was undertaken to review Employment Areas across the city to identify lands for potential removal and ensure alignment with the new "area of employment" *Planning Act* definition and PPS 2024 policies. As a result of this analysis, two general categories of Employment Areas were identified:

- office parks; and,
- areas that do not act as a buffer to more sensitive uses.

Four Employment Areas in the city fall into these two categories and are recommended by staff to be redesignated:

- Don Mills Employment Area;
- Duncan Mills Employment Area;

- Downsview Park Employment Area; and,
- Consumers Road Business Park.

In general, these areas of employment have several characteristics, including:

- current land use designation as *General Employment Areas*;
- existing and planned function as office parks;
- permission of sensitive land uses (e.g. workplace daycares);
- most existing uses in these areas are classified as institutional and commercial uses, including retail and office; and
- no or very few existing major facilities.

Employment Areas to Regeneration Areas with a SASP

Regeneration Areas is a land use designation to guide growth in both jobs and population. Official Plan policies require that a Secondary Plan be approved prior to development proceeding. Comprehensive study through this process determines appropriate future land uses and other building blocks of complete communities, including public roads, community services and facilities, parks, services, housing, active transportation, and affordable housing.

The technical analyses prepared as part of the secondary planning process would identify hard and soft infrastructure investment required to accommodate the increased employment and population needs. This future study process will enable the City to identify and secure necessary components to achieve complete communities, including the provision and prioritization of affordable housing.

OPA 804 includes three areas recommended to be redesignated from *General Employment Areas* to *Regeneration Areas* with a Site and Area Specific Policy (SASP) that prescribes additional requirements to be fulfilled as part of the secondary planning process: the Don Mills Employment Area, Duncan Mills Employment Area, and Consumers Road Business Park. These are all large and contiguous areas that have not yet been planned as complete communities that can accommodate residential uses.

The recommended SASPs have been tailored to the local contexts to which they apply, recognizing matters such as existing Secondary Plan policies, existing uses, planned transit investment and road infrastructure. Common to each of the recommended SASPs for areas proposed to be redesignated to *Regeneration Areas* is the affordable housing requirement policy and the non-residential or employment gross floor area requirement policy.

A *Regeneration Areas* designation is therefore appropriate to support investment and growth through comprehensive planning for complete communities. For each area, this can include a strategy for parks, improvements to hard and soft infrastructure like schools and community centres, a transportation plan, and a strategy to cleanup lands and buildings that may be contaminated.

Affordable Housing

In addition to the above strategies, a Housing Plan is required to address the provision of affordable housing in these *Regeneration Areas*. The Housing Plan, developed as part of a future study process, would identify a minimum amount of affordable housing to be secured in new developments, including delivery options like those advanced through previous Council-adopted employment land conversion requests. As residential permissions are expected in these areas where none previously existed, it is important that these future communities are inclusive by providing housing options that support the City's housing and affordable housing targets. The Don Mills Employment Area, Duncan Mills Employment Area, and Consumers Road Business Park include this requirement for a Housing Plan and outline that holding provisions may be used to ensure the required affordable housing is secured. The Downsview Park Employment Area does not have a policy requirement for a Housing Plan. The area is subject to existing affordable housing requirements through the Downsview Secondary Plan and is also recommended to be redesignated as *Institutional Areas*.

Non-Residential Gross Floor Area (GFA)

Each SASP in OPA 804 contains a non-residential Gross Floor Area (GFA) requirement policy. These requirements are a key part of the City's approach to maintaining the economic function of these previously designated Employment Areas while also supporting the creation of complete communities that accommodate both jobs and housing.

This non-residential GFA is secured as a percent of total GFA or an amount of GFA measured in square metres or 1.0 times the site area, whichever is greater. For large areas, there is typically the potential to support a broader range of uses and generate significant change over time. In these cases, more non-residential GFA is sought by the City to support the development of complete communities.

Employment Areas to Institutional Areas with a SASP

Institutional Areas is a land use designation that is made up of major education, health and governmental uses with their ancillary uses, which includes a full range of housing associated with a health institution.

OPA 804 includes two recommended areas to be redesignated from *General Employment Areas* to *Institutional Areas* with SASPs that would permit seniors accommodation, including nursing homes, long term care facilities, retirement homes, and their ancillary and supportive uses: Downsview Park Employment Area and the lands where the Aga Khan Museum and Ismaili Centre are located along Wynford Drive in the Don Mills Employment Area.

Don Mills Employment Area

The Don Mills Employment Area is an office park situated around Don Mills Road and Eglinton Avenue East that first developed in the 1960s. The Don Mills Employment Area is comprised of approximately 111 hectares of land and is home to approximately 340 establishments and 11,400 jobs. A portion of the Don Mills Employment Area falls within

the Don Mills Crossing Secondary Plan area, generally bounded by Gervais Drive to the east, Eglinton Avenue East to the South, a new 'Street A' to the west and Wynford Drive to the north. The Don Mills Crossing Secondary Plan was adopted by City Council in April 2019 and sets out a vision for a complete community. The Secondary Plan includes significant residential and employment intensification. Staff recommend that 76 hectares of the *General Employment Area* lands be redesignated to *Regeneration Areas*. Two sites, the Aga Khan Museum and The Ismaili Centre, are proposed to be redesignated to *Institutional Areas* (see Attachment 1, Tile 21, page 37).

Consumers Road Business Park

The Consumers Road Business Park is an office park largely built during the 1970s and 1980s at the intersection of Highways 401 (to the south) and 404 (to the west) and home to approximately 550 establishments and 18,870 jobs. The Consumers Road Business Park and adjacent lands along Sheppard Avenue East and Victoria Park Avenue are subject to the ConsumersNext Secondary Plan, adopted by City Council in March 2018. The Secondary Plan envisions mixed-use development along Sheppard Avenue East and Victoria Park Avenue while emphasizing the importance of the business park for employment investment. Staff are recommending that 60 hectares of the *General Employment Area* lands be redesignated to *Regeneration Areas*, in alignment with the *Planning Act* and PPS 2024 (see Attachment 1, Tile 13, page 36).

Duncan Mills Employment Area

The Duncan Mills Employment Area is an office business park situated south of Highway 401 at Leslie Street that was mostly developed in the 1970s and 1980s. The employment area can be generally subdivided into four quadrants: southwest (south of York Mills Road and west of the Metrolinx Railway), southeast (South of York Mills Road and east of the Metrolinx Railway), northwest (north of York Mills Road and west of the Metrolinx Railway) and northeast (north of York Mills Road and east of the Metrolinx Railway). The Don Mills Employment area is comprised of approximately 165 hectares of land and is home to approximately 720 establishments and 20,440 jobs. Staff are recommending that the southwest, southeast and northwest quadrant of the employment area (77 hectares in total) be redesignated to *Regeneration Areas*, in alignment with the *Planning Act* and PPS 2024 (see Attachment 1, Tile 12 and 21, page 35).

Downsview Secondary Plan Employment Area

The Downsview Secondary Plan Employment Areas, which includes portions of Downsview Park and the former Downsview Airport and Bombardier Aerospace Campus, is generally bounded by Sheppard Avenue West to the north, Wilson Heights Boulevard to the east, Wilson Avenue to the south, and Keele Street to the west. The Downsview Secondary Plan Employment Areas are comprised of approximately 149 hectares of land and is home to approximately 24 establishments and 1,200 jobs. The updated Downsview Secondary Plan largely came into force in August 2024 and sets out a vision and policy framework for this area to be redeveloped into a new complete community that will eventually accommodate 115,000 new residents and 52,000 jobs over the next 30 years. Staff are recommending that 34 hectares of the *General*

Employment Area lands, generally described as Downsview Park Employment be redesignated to *Institutional Areas*, in alignment with the *Planning Act* and PPS 2024 (see Attachment 1, Tile 11, page 34).

Strategic Objective: Protecting the City's Jobs Belt

A key strategic objective of OPA 804 is to ensure employment lands across the city—also known as the "jobs belt"—can thrive and support economic growth to maintain a healthy economy. These areas are vital to Toronto's economy, serving as regionally and globally competitive locations for national and international business, as well as areas for business formation.

As of 2024, Employment Areas contain a quarter of all jobs in Toronto (24%) with less than 12% of all lands in the city (11.6%). There are 21,510 business establishments in Toronto's Employment Areas, almost one third of the establishments in the city (29%).

OPA 804 includes the removal of certain lands, in alignment with the Province's new "area of employment" definition in the *Planning Act*. The areas proposed to be redesignated in OPA 804 collectively represent 255 hectares that would be removed from the employment land base. This represents 3% of the total 7,339 hectares of all Employment Areas across the city. Within these identified areas, there are roughly 41,000 jobs, or 10% of all employment area jobs in Toronto. There are 369,290 jobs in the remaining Employment Areas across the city.

Achieving this objective requires a managed approach to growth in the areas identified for redesignation in OPA 804. Management of this growth will be achieved through the *Regeneration Areas* studies that are required by the *Regeneration Areas* and SASP policies in the Official Plan.

Conclusion and Next Steps

The intent of OPA 804 is to ensure Toronto's Employment Areas can thrive and support economic growth, aligning the City's Official Plan with the new Provincial definition of "area of employment" and policy direction.

OPA 804 includes the redesignation of 255 hectares of Employment Areas to *Regeneration Areas* and *Institutional Areas*, and retains the remaining 7,339 hectares of Employment Areas. It provides a managed approach to growth for Don Mills Employment Area, Duncan Mills Employment Area, and Consumers Road Business Park through *Regeneration Areas* Official Plan policies. These policies are a framework to comprehensively study these areas to determine the appropriate future land uses and building blocks of complete communities. Should the Minister of Municipal Affairs and Housing approve OPA 804, City Planning will undertake the necessary studies for the lands redesignated to *Regeneration Areas*.

OPA 804 amends employment policies and ensures that the Official Plan conforms with the *Planning Act* definition of "area of employment" and is consistent with PPS 2024 employment area policies.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Official Plan Amendment 804 (separate attachment)
Attachment 2: Map of proposed Employment Areas Redesignations (separate attachment)
Attachment 3: Decision History

Attachment 3: Decision History

City Planning received approximately 150 requests to convert lands designated Core Employment Areas or General Employment Areas for non-employment uses as part of the city-initiated Municipal Comprehensive Review (MCR). The year-long City Council approved window to receive conversion requests closed on August 3, 2021. Council has considered final recommendations for Conversion Requests in five reports, and adopted the following items, with amendments, resulting in Official Plan Amendments 591, 644, 653 and 692:

<https://secure.toronto.ca/council/agenda-item.do?item=2022.PH35.15> (OPA 591)

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH4.5> (OPA 644)

<https://secure.toronto.ca/council/agenda-item.do?item=2023.PH5.3> (OPA 653)

<https://secure.toronto.ca/council/agenda-item.do?item=2023.CC12.13> (OPA 692)

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

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

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

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