

NOTICE OF MOTION

Maintaining Toronto's Climate and Energy Priorities Through the Review Process for AI Data Centre Proposals

Moved by: Councillor Rachel Chernos Lin _____

Seconded by: Councillor Dianne Saxe _____

SUMMARY:

As AI becomes an increasingly prevalent force in global industry and our day-to-day lives, we must navigate the technical and infrastructure requirements that makes the use of this technology possible. The location and servicing of AI data centres is one such consideration – and it is one that is a growing concern in our communities.

There are good data sovereignty reasons to want Canadian data managed in Canada, and the many data-reliant Canadian businesses headquartered in Toronto have good reasons to want their data managed here.

At the same time, AI data centres may put a significant strain on power grids, driving up the cost of electricity for all users, displacing other valued uses of electricity, and increasing climate pollution from electricity generation. They may also use large quantities of potable water and climate-warming chemicals for cooling purposes, and trigger costly fires. These extensive resource requirements could adversely affect municipal infrastructure, increase costs for Torontonians, and worsen climate damage.

Residents have questions about how Toronto plans to manage proposed AI data centres while maintaining energy, water and infrastructure capacity for the essential functions of our city and their day-to-day lives, as well as balance these proposals with our broader affordability, environmental and climate goals. These questions are particularly challenging in relation to AI data centres that can be established as-of-right – that is, without a public process by which residents can raise questions or concerns.

RECOMMENDATIONS:

1. City Council direct the Chief Planner and Executive Director, City Planning, in consultation with the Chief Building Official and Executive Director, Toronto Building, Executive Director, Development Review, and Executive Director, Environment, Climate and Forestry, along with other relevant divisions and in consultation with Toronto Hydro, to report to Planning and Housing Committee in the first half of 2027, on the subject of new AI data centres in the City of Toronto, addressing the following:
 - a. A general overview of the land-use compatibility considerations and zoning by-law

requirements that apply to such projects;

- b. Processes in place to address impacts relating to grid capacity and water usage, among other environmental, energy and affordability impacts, resulting from their existence within the City of Toronto;
- c. Information on the current regulatory environment for AI data centres at the federal, provincial and municipal orders of government, as well as any updates following recent legislative changes; and
- d. Recommendations for improvements, if any, to municipal review processes and regulatory frameworks around AI data centres to ensure Toronto's environmental, climate, infrastructural, energy and affordability priorities are protected.

Date: March 25, 2026