

Mr. John D. Elvidge

Clerk, City of Toronto
100 Queen Street West
Toronto, ON M5H 2N2

Re: Responsible Development Standards for Data Centres in Toronto, including 3650 Danforth Avenue and 48 Lowe's Place

Dear Mr. Elvidge:

Please distribute this letter to the members of Toronto City Council.

I am writing to you on behalf of The Atmospheric Fund (TAF) regarding the need for stronger oversight and enforceable standards for data centre development and operation in Toronto, including the data centre at 3650 Danforth Avenue (**MM43.75**) and the data centre located at 48 Lowe's Place in Etobicoke North (**MM43.72**).

TAF supports beneficial economic development and recognizes that data centres are becoming important infrastructure for Toronto, Ontario, and Canada's digital economy. The growth of energy-intensive digital infrastructure must be managed in a way that supports Toronto's climate commitments, protects local communities, and strengthens the electricity system.

The Danforth facility has been reported as an existing 8 MW data centre, with plans to expand to 56 MW. The site has also been described as a 19-acre redevelopment at 3650 Danforth Avenue and Birchmount Road, with 56 MW of available computing power at full build-out. A project of this scale necessitates careful consideration by council, particularly given the implications for electricity demand, emissions, noise, water use, community impact, and infrastructure planning.

These concerns are not limited to the Danforth site. Council is also considering a motion regarding the data centre located at 48 Lowe's Place in Etobicoke North. The motion states that the applicant began the approvals process in 2021 and is currently pursuing conditional occupancy. It also notes that residents in the surrounding area have raised concerns regarding the facility's potential impact on the community, including water consumption, electricity use, and noise. Both motions recognize the need for stronger oversight as more data centres are developed across the city and asks staff to meet urgently with the applicant and local councillor to determine whether additional mitigation measures are required.

Together, the Danforth and Etobicoke North facilities demonstrate the need for a consistent city-wide approach. Data centres should not be reviewed only on a site-by-site basis after community

concerns arise. Toronto needs to establish clear development metrics for data centres with large electricity loads before approvals, occupancy, or expansions proceed and has an opportunity to demonstrate leadership on this file for other municipalities.

TAF-funded research by MaRS Discovery District and Mantle Climate ([Sharing the Load, 2026](#)) found that Ontario could attract 1.5 GW of new data centre load by 2035, with high-growth scenarios approaching 3 GW. The same research found that under a baseline 1.5 GW scenario, data centre emissions could more than triple by 2035, and under a high-growth 3 GW scenario, a “do nothing” pathway relying heavily on on-site natural gas generation would drive data centre emissions to an estimated 56% of Ontario’s total electricity generation emissions. These findings demonstrate the importance of establishing clear municipal requirements now, before data centre development accelerates further across the Greater Toronto and Hamilton Area.

Toronto cannot address legitimate community concerns or meet its climate goals if new large electricity loads are approved without longer term planning and strong requirements for efficiency, clean electricity, demand flexibility, emissions transparency, water use, noise, heat recovery, and accountability. Data centres can be compatible with a net-zero future, but only if they are designed and operated to minimize emissions and provide benefits to the broader energy system and local communities.

TAF supports the councillor motions respecting the Danforth Avenue and Lowes Place proposals. TAF recommends that the requested staff report include consideration of options to mitigate the environmental impacts, including but not limited to waste heat recovery, closed loop cooling system, and clean energy technology.

Our team is available to discuss more detail about these recommendations with staff or members of council.

Sincerely,
Bryan Purcell



VP of Policy & Programs
The Atmospheric Fund
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About The Atmospheric Fund

The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. Please note that the views expressed in this submission do not necessarily represent those of the City of Toronto or other GTHA stakeholders. We are experienced leaders and collaborate with stakeholders in the private, public and non-profit sectors who have ideas and opportunities for reducing carbon emissions. Supported by endowment funds, we advance the most promising concepts by investing, providing grants, influencing policies and running programs. We're particularly interested in ideas that offer benefits in addition to carbon reduction such as improving people's health, creating local jobs, boosting urban resiliency, and contributing to a fair society.