REPORT FOR ACTION

Mid-Rise Housing Implementation Initiative - Proposals Report

Date: April 22, 2026
To: Planning and Housing Committee
From: Chief Planner and Executive Director, City Planning
Wards: All

SUMMARY

This report provides an update on the work advancing under the Mid-Rise Housing Implementation Initiative (the "Initiative") in response to PH23.6 Missing Middle and Midrise Housing Implementation Initiative, adopted by City Council on July 23, 2025.

Enabling new mid-rise housing is a key component of the City's overall housing strategy and the goal of creating a more diverse housing supply. Over the past 2 to 3 years, the City has advanced a number of policy and zoning initiatives, that now permit mid-rise housing in many more locations across the city. The focus of the Mid-Rise Housing Implementation Initiative is to support that policy work by addressing barriers and challenges that impact the viability of delivering new mid-rise housing.

For the purposes of this Initiative, mid-rise residential buildings are defined as all buildings 5- to 14-storeys in height. Mid-rise buildings help fill the gap in housing options between single-family homes/ low-rise buildings and high-rise buildings, with their size and form varying across contexts within in the city. They can range from smaller buildings up to 6-storeys within Neighbourhoods, to larger and taller 10- to 14-storey projects along Avenues.

As highlighted in PH23.6, there are several challenges which can make it difficult to implement the City’s updated land use policies and regulations which are intended to expand opportunities for mid-rise housing. These challenges include unpredictable construction costs, high land and borrowing costs, and broader economic uncertainty intensified by global tariffs and trade disruptions.

While many of these factors lie beyond the authority of the City, the work and proposed actions described in this report reflect a coordinated, inter-divisional effort by City staff to assess opportunities to improve the feasibility and delivery of missing-middle and mid-rise projects, unlocking more housing supply and creating greater choice for residents. Specifically, City Council directed staff to analyze requirements for indoor and outdoor amenity space, loading and garbage collection (particularly Type G loading space), and bicycle parking.

This work was supported by:

- a financial feasibility analysis, completed by Parcel Economics Inc.;
- professional advice and industry engagement, led by Batory Planning + Management;
- engagement with residents living in mid-rises through a targeted survey, led by City Planning;
- Bicycle parking utilization count for mid-rise buildings, undertaken by BA Group;
- Design test fit scenarios, led by City Planning;
- Policy research, led by City Planning; and,
- Research on mid-rise buildings in Berlin, Oslo, Vancouver, Paris, Stockholm, and New York City, led by post-secondary students.

Pending Committee's direction, City staff will advance and consult on the proposed actions outlined in this report. Additional actions may be incorporated as further analysis is completed. Final recommendations will be presented to City Council for consideration and approval no later than the second quarter of 2027.

While the actions identified in this report are intended to help enable a wider range of housing options, as prioritized by the Official Plan, mid-rise construction may continue to face challenges due to a range of factors. Many housing developments, including missing middle and mid-rise projects, are often at the margin of feasibility, though incremental improvements can support the successful delivery of more projects, which is crucial at a time where there has been a significant decrease in project launches.

RECOMMENDATIONS

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

1. The Planning and Housing Committee request the Chief Planner and Executive Director, City Planning to undertake public and stakeholder consultation on the proposed directions outlined in this report as part of the Mid-Rise Housing Implementation Initiative and report back with any recommended Official Plan Amendments, Zoning By-law Amendments, or other implementing actions no later than the second quarter of 2027.

FINANCIAL IMPACT

There are no immediate financial implications resulting from the recommendations included in this report.

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

EQUITY IMPACT

The City of Toronto recognizes that housing is essential to the inherent dignity and well-being of a person and to building sustainable and inclusive communities. The Official Plan establishes a vision for the City grounded in principles that aim to achieve a successful and healthy future for Toronto. Expanding housing options in existing communities by enabling mid-rises across the city is consistent with Chapter One of the Official Plan, which includes a key priority to address housing demand through delivering a broader range of housing options and greater opportunities for new housing supply across the city. This is an important step towards achieving the provincial housing target of 285,000 new homes from 2022 to 2031, and accommodating an estimated 700,000 new residents by 2025, by providing a spectrum of housing options, including market and non-market housing.

This report also advances the priorities of the City's HousingTO 2020-2030 Action Plan, a 10-year strategy that aims to increase housing supply, choice, and affordability for current and future residents in Toronto. Expanding housing options within neighbourhoods represents an important step towards increasing and accelerating the delivery of a diverse range housing types to meet the needs of residents at all stages of life and across a mix of household sizes and income levels. The Mid-Rise Housing Implementation Initiative is intended to increase housing supply and diversity by fostering greater uptake of mid-rise housing development across the city.

DECISION HISTORY

On July 23, 2025, City Council approved report PH23.6 Missing Middle and Midrise Housing Implementation Initiative. The report provides an overview of City Planning's Missing Middle and Midrise Housing Implementation Initiative that is intended to expand City Planning's work from a focus on expanding permissions for missing middle and mid-rise housing forms, towards a focus on addressing development feasibility and encouraging uptake of these new forms of housing across the city.
https://secure.toronto.ca/council/agenda-item.do?item=2025.PH23.6

On December 5, 2024, the Planning and Housing Committee adopted the recommendation to publish the Mid-Rise Building Design Guidelines on the City Planning website and request the Executive Director, Development Review and the Chief Planner and Executive Director, City Planning utilize the updated Guidelines in the evaluation of mid-rise development proposals. Staff were also requested to continue to consult the public and stakeholders on the consolidated Mid-Rise Building Design Guidelines, in conjunction with the on-going Official Plan and Zoning By-law work programs for Avenues, and report back in 2025 with any recommended modifications.
https://secure.toronto.ca/council/agenda-item.do?item=2024.PH17.10

On February 5, 2025, City Council adopted item PH18.3 to update accessible, bicycle and visitor parking standards in Zoning By-law 569-2013. The changes introduced new standards related to the dimensions of spaces and access aisles and expanded the Payment-in-Lieu of Bicycle Parking program city-wide for "long-term" and "short-term"

bicycle parking spaces for residential uses but did not change the quantity of bicycle parking required.
https://secure.toronto.ca/council/agenda-item.do?item=2025.PH18.3

On October 30, 2025, the Planning and Housing Committee adopted a motion directing staff to undertake a comprehensive review of Type G loading space requirements and their interactions with waste collection standards.
https://secure.toronto.ca/council/agenda-item.do?item=2025.PH25.17

On March 26, 2026, City Council adopted a motion directing staff to review the applicability of Type G loading space requirements for specialized housing projects that include combinations of bed-sitting rooms/dwelling rooms and dwelling units, as part of the October 30, 2025, Planning and Housing Committee Item 2025.PH25.17 motion amendment.
Agenda Item History - 2026.MM39.86

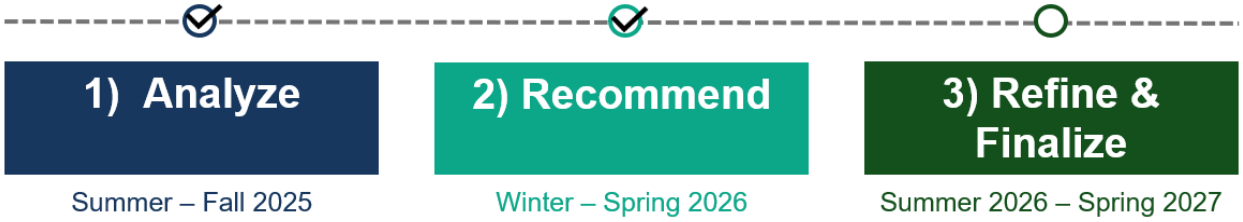
BACKGROUND

Project Overview

This Initiative consists of three phases:

- Phase 1 - Analyze: Background review and analysis;
- Phase 2 - Recommend: Recommended changes to the City's Zoning By-law as well as other potential actions and areas for further study; and,
- Phase 3 - Refine and Finalize: Pending Committee approval, the recommended changes will be refined and finalized, and draft materials will be prepared and presented for consultation prior to being brought to Council.

Figure 1: Project Phases



Phase 1 consisted of a comprehensive background analysis to better understand the challenges and opportunities associated with mid-rise developments, as well as inform the proposed actions outlined in this report. Phase 1 included the following:

- Financial feasibility analysis, completed by Parcel Economics Inc. (Parcel);
- Professional advice and industry engagement, led by Batory Planning + Management;
- Engagement with mid-rise residents through a targeted online survey, led by City Planning;
- Bicycle parking utilization count for mid-rise buildings, undertaken by BA Group;

- Design test fit scenarios, led by City Planning;
- Policy research, led by City Planning; and,
- Research on mid-rise buildings in Berlin, Oslo, Vancouver, Paris, Stockholm, and New York City, led by post-secondary students.

Further details are highlighted in the remainder of this report and captured in the attachments:

- Attachment 1: Why Mid-Rise Matters
- Attachment 2: Expanding Opportunities for Mid-Rise Housing in Toronto
- Attachment 3: Today's Market Reality
- Attachment 4: Local Amenities Near Mid-Rise Projects
- Attachment 5: Design Test Fits to Understand the Impacts of Indoor Amenity Space, Type G Loading Space, and Bicycle Parking Requirements
- Attachment 6: What We Heard from Residents and Industry Stakeholders
- Attachment 7: Executive Summary of the Financial Feasibility Analysis

Why Mid-Rise Matters

Mid-rise housing is key to meeting the City's housing commitments and housing needs: Chapter 1 of the Official Plan anticipates significant growth of an additional 700,000 new residents in the city by 2051. Furthermore, the City's Housing Action Plan commits to a target of 285,000 new homes between 2022 and 2031. A key planning priority is to address this housing demand by using a human rights-based approach that allows for a wider range of housing options, types and affordability for everyone.

Mid-rise housing is an essential part of creating a diverse and inclusive housing supply, and its presence in Toronto continues to grow, supported by the City’s ongoing efforts to establish a more supportive regulatory framework. Recent planning initiatives that have contributed to this growth include, but are not limited to, As-of-Right Zoning for Mid-Rise Buildings on Avenues Without Avenue Studies, Avenues Policy Review, and Major Streets and Neighbourhood Retail and Services (see Attachment 2). Through these planning initiatives, nearly 3,187 additional hectares have been, or soon will be, granted mid-rise permissions (see Attachment 2). This represents a 50% increase in land available for mid-rise development from 2024 to today.

Figure 2: Illustration of Housing Typologies

Compared to high-rise buildings, mid-rise buildings can be built faster and occupied sooner, typically offer larger and more family friendly units, as well as greater rental opportunities (as highlighted in Attachment 1). Further, due to their faster construction

timelines, mid-rise projects can better respond to changes in supply and demand factors relative to high-rise projects. Improving the feasibility of mid-rise housing can help deliver new housing supply in the nearer-term, particularly in the 2028-2030 period when housing completions are otherwise currently forecast to decline significantly.

COMMENTS

Delivering new housing is critical in ensuring that residents, both new and existing, can find appropriate housing that suits their needs as their lives change. While there remains a strong need for housing in Toronto, market conditions have made it challenging to deliver on this need, with housing starts in 2025 at approximately half the 10-year average. The challenges include a combination of local, national and global economic conditions, such as increased construction costs and borrowing costs as well as economic activity (see Attachment 3).

Despite an expectation that Toronto will continue to grow, and a focus on increased housing supply across all levels of government, housing completions in Toronto are expected to fall sharply in 2028. One avenue to address this pending housing supply gap is through mid-rise projects, which can generally be approved and brought to market faster than high-rise projects. However, mid-rise developments also face their own challenges, such as not benefitting from the economies of scale often realized in high-rise development.

This Initiative investigated the broader factors affecting mid-rise building viability and ways to address them. It considered how potential policy and regulatory changes could lower construction costs for builders and lower rents, purchase prices, and monthly fees for residents while improving livability and offering residents more choice among mid-rise buildings. It particularly focuses on the effect of, amenity space, Type G loading space, and bicycle parking requirements.

What are the Current Viability Challenges for Mid-Rise Buildings?

Building on the broader challenges of implementing as-of-right zoning for mid-rise buildings in today's market, the following summarizes key challenges related to indoor and outdoor amenity space, Type G loading space, and bicycle parking requirements. These challenges affect both residents' experiences and the overall feasibility of constructing mid-rise developments.

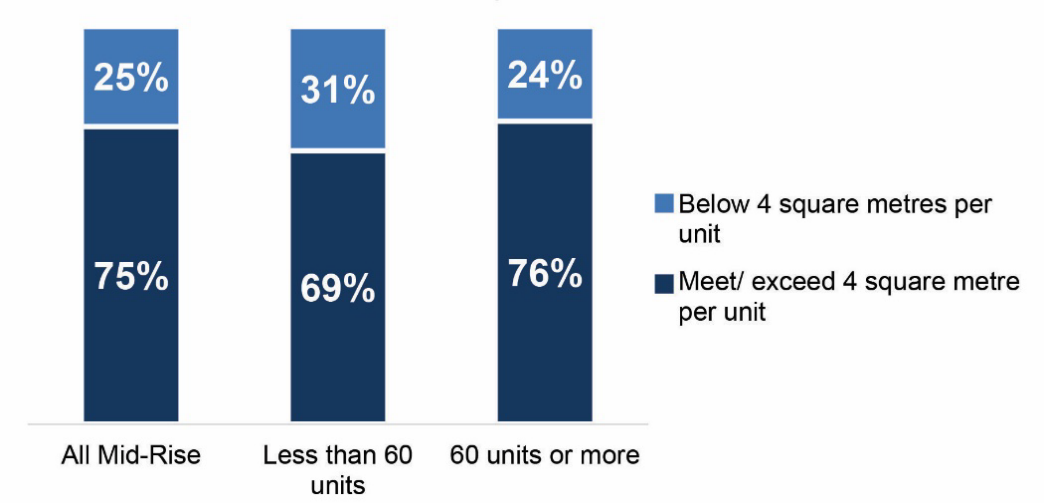
As illustrated in Attachment 5, a design test fit exercise was undertaken to discern how the removal of indoor amenity space, Type G loading space, and bicycle parking could unlock other ground floor uses for a typical 60-unit mid-rise building. This included analyzing several sites with varying characteristics in different areas of the city.

Crossing the Amenity Space Threshold for Developers and the Amenity Space Options for Residents: Meeting the amenity space requirements in the Zoning By-law can be challenging for developers, particularly within smaller mid-rise buildings. Through interviews, development industry stakeholders (e.g. planners, architects, developers) identified what they described as an "amenity space cliff", whereby amenity

space requirements are triggered once a mid-rise building surpasses 20 dwelling units, or 31 dwelling units for mid-rises on Major Streets. Crossing this threshold results in additional building design constraints and more complex and costly requirements that must be absorbed within a project's financial feasibility. Stakeholders noted that in smaller mid-rise buildings, typically those with 60 units or fewer, the required amount of amenity space can conflict with other required space for the functional operation of a mid-rise building and adds costs that impact project feasibility and unit affordability.

Development applications illustrate that mid-rise buildings in urban contexts are frequently constructed with less than the prescribed 4 square metres of indoor and outdoor common amenity space as a result of Zoning By-law Amendments or Minor Variances, which indicates that there are often spatial constraints to providing the minimum requirement and/or there are existing community amenities within close proximity. Based on a review of 175 mid-rise projects in the Development Pipeline, a quarter of all projects provide less than 4 square metres of amenity space per unit. Reduced amenity space is more common in smaller scaled mid-rise projects (60 units or less) with about a third (31%) of all projects providing less than the 4 square metre per unit.

Figure 3: Amenity Space in Mid-Rise Projects



Prepared by City Planning based on a review by Batory Planning + Management of a sample of Q2 2025 Development Pipeline projects.

Further, the amount and quality of amenity space results in building and maintenance costs that are ultimately reflected through higher rents or purchase prices and on-going operating costs. This can have an overall impact on upfront and monthly housing affordability for residents (see Figure 3 and Attachment 7 for financial impacts). Consequently, the inclusion of amenity space can impact a building's overall affordability for residents and the viability of construction for developers.

Sacrificing Retail and Living Space for Type G Loading Space: In most mixed-use buildings over 30 units, residents and businesses dispose of their waste using garbage chutes to bins in a garbage room on the ground floor. A Type G loading space is then required with a length of 13 metres, a width of 4 metres, and a minimum vertical clearance of 6.1 metres, to accommodate waste collection vehicles. The access route

and loading area must be designed to allow a collection vehicle to enter the site, collect the waste, and exit the site in a forward motion without the need to reverse onto a public road.

When Type G loading spaces are enclosed within the building, it can have significant impacts on ground floor design and limits potential layouts, particularly on smaller sites. This leads to less efficient and functional layouts and in turn, less area for residential or retail uses. Reforms to Type G requirements could potentially unlock additional space to enable a better-designed ground floor and more functional retail spaces or additional residential units. Further, providing alternative design solutions for the location of Type G loading spaces could improve the feasibility of projects through both potential cost savings and increased sellable/leasable floor area. Potential cost savings for the removal of Type G loading space is highlighted in Figure 4. In any case, the City of Toronto Requirements for Garbage, Recycling and Organics Collection Services for New Developments and Redevelopments should be referenced to ensure all design requirements are met.

Ensuring efficient waste operations requires mid-rise developments to accommodate the spatial demands of Type G loading spaces front-end collection vehicles. Constrained sites that require complex, multi-point turning maneuvers can create delays along collection routes and create safety hazards for pedestrians and cyclists. In addition, developments that fail to meet these baseline operation requirements risk being disqualified from city collection services.

While effective and efficient for waste collection, small sites that are otherwise appropriate for mid-rise buildings have difficulty meeting the dimensional requirements for Type G loading spaces, in addition to the turning requirements and other spaces required to allow waste collection to occur on-site. This results in some small-scale buildings opting to be serviced by curbside waste collection where they rely on the public right-of-way to stage their waste on collection day. Instead of using internalized Type G loading spaces accessible to garbage trucks, property management staff place communal garbage, recycling and organic waste bins directly on the boulevard so trucks can access them.

Relying on the public realm to accommodate waste collection can create several issues including:

- Obstructing pedestrian clearways and compromising accessibility;
- Displacing street trees and other amenities;
- Reduced operational efficiency due to longer and more frequent truck stops;
- Impeding traffic and potential hazards for cyclists due to frequent truck stops; and,
- Introducing sanitation concerns such as spills from bins, windblown litter, odour and pest.

Meeting Bicycle Parking Requirements as Cost, Space and Demand Pressures Rise: Accommodating bicycle parking requirements, while critically important for meeting the mobility needs of residents, can in some cases create design and constructability challenges for smaller-scale buildings. To promote bicycling use for everyday purposes by all people, the Zoning By-law sets minimum standards for bicycle

parking provision. Separate standards exist for "short-term" and 'long-term" bicycle parking which vary by location in the city. To manage space constraints and reduce building costs, bicycle parking is often located in less desirable areas of the building, such as leftover corners adjacent to vehicle parking spaces. While this approach may meet minimum by-law requirements, it can compromise the convenience and accessibility of the spaces. As a result, residents may find the facilities difficult to use, contributing to consistently low utilization despite the level of supply.

As the City continues to promote cycling, bicycle use and the need for bicycle parking is expected to grow over time. Since retrofitting buildings to add new bicycle parking can be difficult and costly, it is important to plan proactively for future demand. However, current demand in many buildings remain modest, meaning that spaces designed for long-term needs may appear underutilized in the near term.

Based on the City's Development Pipeline data, more than half of the mid-rise projects over the past five years have proposed or provided more bicycle parking than required, suggesting a strong market appeal. Among mid-rise developments that seek additional Committee of Adjustment changes to bicycle parking standards, the requests typically involve the dimensions or total number of spaces. Recent updates to the zoning standards, such as smaller allowable dimensions for staggered racks and an expanded Payment-in-Lieu option, are expected to reduce the need for these variances.

Additional information on the impacts to design are included in Attachment 5.

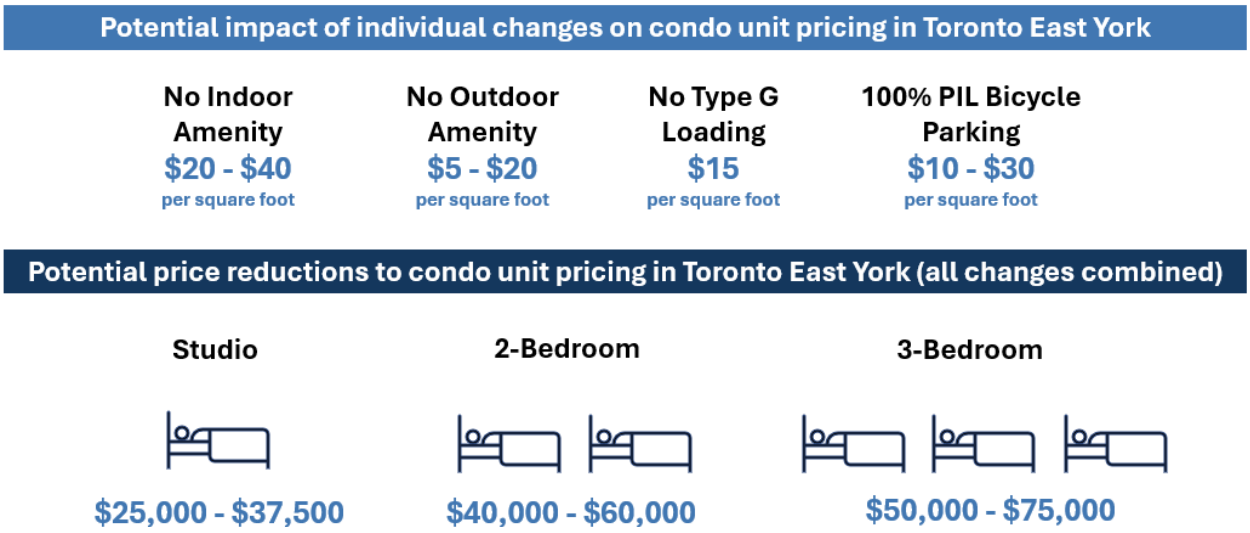
Supporting Mid-Rise

The key priority for this Initiative is to improve the feasibility of delivering mid-rise projects and to allow new housing to be launched at lower prices than otherwise possible, while introducing greater choice in the market. Accordingly, City Planning retained Parcel Economics Inc. (Parcel) to conduct a financial feasibility analysis focused on the development of mid-rise built forms and the potential effects of:

- Removal of indoor amenity space requirements;
- Removal of outdoor amenity space requirements;
- Removal of a Type G loading space for 6-storey buildings with up to 60 units; and,
- Allowing for 100% payment-in-lieu (PIL) of bicycle parking requirements.

Figure 4 below outlines the degree to which each of these potential changes could help reduce housing costs by lowering development costs per unit. The impacts of each individual change were tested in Toronto East York district, where Parcel's baseline development concepts were the closest to achieving feasibility; in other areas the policy changes were only tested in aggregate. A summary of Parcel's findings is included in Attachment 7.

Figure 4: Potential Reductions to Condominium Sales Prices



Based on these findings, these potential changes could contribute to improved development feasibility and better position mid-rise projects to launch both in the current market and if market conditions improve, and at lower prices than they otherwise could. Individually and collectively, these potential changes can contribute to housing affordability for residents and development viability for builders.

Proposed Directions

While it is unlikely that any single factor considered through this Initiative would significantly improve mid-rise feasibility/up-take on its own, even small changes can help move mid-rise projects forward that were previously on the cusp of feasibility. Amending certain requirements can improve building design and layout, enhance livability, allow for a wider range of unit types and sizes, and expand mid-rise housing options that better reflect household needs. These updates may also simplify or shorten development review processes, reducing time and application costs. When overall project costs fall, there is greater potential to improve affordability, such as through lower rents, purchase prices, or monthly fees.

The proposed actions listed below are to be undertaken by City Planning, unless otherwise noted. Any recommended zoning amendments emerging from the below actions will be subject to public consultation, before final recommendations are brought forward to Council.

Amenity Space:

The City's Zoning By-law defines "Amenity Space" as indoor or outdoor space on a lot that is communal and available for use by the occupants of a building on the lot for recreational or social activities. For apartment buildings within the R, RA, RAC, CR, CRE, CR, and RM zones with 20 or more dwelling units, the Zoning By-law requires a total of 4 square metres of indoor and outdoor amenity space per dwelling unit, of which at least 2 square metres per unit is to be indoor amenity space and at least 40 square metres is to be outdoor amenity space in a location adjoining or directly accessible to the indoor amenity space. These zoning requirements also apply to apartment buildings

located on Major Streets that contain 31 or more dwelling units. The below proposed changes are organized by mid-rise building type based on number of units.

For Mid-Rise Buildings with 60 Units or Less:

- *Consider removing minimum requirements for indoor amenity space*

Amending the Zoning By-law to remove indoor amenity space requirements would help development feasibility and create more mid-rise housing options for residents based on their household needs and preferences. This recommendation focuses on mid-rise buildings with 60 units or fewer, where reducing indoor amenity space has a greater proportional impact due to smaller building scale. As shown in the design test fits in Attachment 5, the removal of indoor amenity space requirements could reduce building constraints and help facilitate better building and unit design for a 60-unit mid-rise building.

Given that upfront building costs and ongoing operational costs in mid-rise buildings are spread across fewer units compared to larger buildings, eliminating indoor amenity space would be expected to reduce compounded purchase costs, rents and monthly amenity fees for residents. Removing indoor amenity space requirements could give residents more choice by enabling mid-rise buildings to better reflect different household needs—whether someone values shared indoor amenities or prefers a building without them. This flexibility lets people choose based on lifestyle, daily routines, budget, and the amenities already available in the surrounding area (see map in Attachment 4).

This proposed removal of indoor amenity space requirements does not preclude applicants from continuing to provide indoor amenity space but rather allows for building designs and amenities to better reflect the target market and intended price point of units within a building.

For Mid-Rise Buildings with 61 Units or More:

- *Consider reducing the overall amenity space requirement of 4 square metres per dwelling unit and allowing variability in the proportional distribution of the indoor and outdoor amenity space requirements*

A reduction, as appropriate, of the overall amenity space requirement from 4 square metres per dwelling unit could improve utility, layout and location of amenity spaces. While applicants would still need to provide both indoor and outdoor amenity space, greater flexibility in how the total requirement is met would allow relief where appropriate and support better overall building design. The exact reduction amount would be determined through further analysis.

- *Consider removing the requirement that indoor and outdoor amenity space be contiguous*

Currently, at least 40 square metres of outdoor amenity space is required in a location adjoining or directly accessible to the indoor amenity space. Meeting this requirement in smaller-scale buildings can be challenging, especially on smaller sites where the ground

floor is often the most practical place to connect indoor and outdoor amenity space. At the same time, that space is already in high demand for essential functions such as loading, bicycle parking, utilities, the lobby, and any commercial uses, making it challenging to incorporate everything effectively.

Removing the requirement that a portion of indoor and outdoor amenity space be contiguous would provide greater flexibility in the form of amenity space that is provided. It would also help to avoid creating an undesirable layout with contiguous amenity space despite the site conditions or building design being unsuitable to support an otherwise high quality, usable space.

For All Mid-Rise Buildings (5-14 storeys):

- *Consider applying greater flexibility in the location of amenity space*

For mid-rise buildings with 20 or more dwelling units, the Zoning By-law currently requires at least 40 square metres of outdoor amenity space to be located adjoining or directly accessible to the indoor amenity space. In practice, this can be difficult to achieve due to site constraints, building layout and scale, zoning provisions, or other design standards.

If the indoor amenity space requirement is eliminated for mid-rises with 60 or fewer units, as proposed, this specific adjacency requirement in the Zoning By-law would no longer apply.

- *Consider permitting indoor amenity space as part of a building's mechanical penthouse footprint*

The Zoning By-law considers indoor amenity space as habitable space. By contrast, the Zoning By-law permits equipment (e.g. electrical, utility, mechanical and ventilation equipment) and structures (e.g. enclosed stairwells, roof access, elevator shafts, chimneys, vents, water supply facilities) used for the functional operation of a building to be located on the roof of a building. Rooftop mechanical penthouses are not considered habitable spaces and are allowed to project beyond the maximum permitted building height without being considered an additional storey. When combined with habitable spaces, the rooftop penthouse may exceed the maximum permitted height (i.e. storeys), triggering the need for zoning relief. For Major Street Neighbourhood Apartment buildings, an Official Plan Amendment may also be required if this pushes the building above six storeys. This requirement creates a procedural barrier to the provision of indoor rooftop amenity space and can discourage its inclusion in mid-rise projects, especially for smaller buildings with 60 units or less.

Loading and Garbage Collection (Type G Loading Space):

- *Undertake a Mid-Rise Loading Space and Waste Collection Policy Review and Innovation Study (2026/2027)*

To support the City of Toronto in reviewing and modernizing requirements for Type G loading spaces and waste collection in mid-rise buildings, a Mid-Rise Loading Space

and Waste Collection Policy Review and Innovation Study will be undertaken in 2026 to 2027. City Planning will be issuing a Request for Proposals to select a multi-disciplinary team of consultants to conduct a comprehensive review of current Type G loading space requirements, alternative waste collection approaches, and the comparative impact on construction costs, floorplans, commercial unit viability and overall building design. The review will also consider the current 31-unit cap threshold triggering the requirements for these spaces.

This work will be led by City Planning in collaboration with Development Review and Solid Waste Management Services.

Bicycle Parking:

- *Provide staff and industry training on the bicycle parking zoning standards*

Industry interviews indicated several common misunderstandings about current standards, such as assumptions that long-term bicycle parking must be in the same building as the dwelling units they serve, that stacked bicycle racks are restricted, or that a dedicated bicycle repair room is required, even though these are not part of the current standards. These misconceptions suggest that City staff may not always provide clear and consistent guidance across projects.

Expanding training and guidance materials for developers and applicants, as well as City staff, would help clarify the intent of the requirements, promote a shared understanding across all parties, and reduce unnecessary design concerns early in the development process. Targeted industry training can also improve the quality of submissions, support clearer communication, and contribute to a more predictable and efficient application approvals process.

- *Consider expanding Payment-in-Lieu of Bicycle Parking eligibility from 50% to 100%*

Previous bicycle parking reviews (2025.PH18.3) found that bicycle parking demand in many residential buildings is lower than the supply required under existing city-wide zoning standards. In response, staff recommended expanding the Payment-in-Lieu of Bicycle Parking (PILOBP) program – formerly limited to "short-term" residential bicycle parking – to apply to all residential bicycle parking city-wide, up to a 50% reduction limit, in order to provide additional flexibility in meeting bicycle parking requirements. The PILOBP program allows residential developments to reduce on-site bicycle parking in exchange for a payment to a reserve fund – currently $552 per short-term space and $1,103 per long-term space – that supports the expansion of the Toronto Bike Share system.

Staff are proposing through the mid-rise housing initiative to further expand the PILOBP program to allow up to a 100% reduction of required bicycle parking. This proposed expansion would provide greater flexibility for builders and a more efficient and flexible approach to meeting bike parking demand in smaller-scale buildings. Recent analysis of mid-rise building bicycle parking utilization data found substantial variation in on-site bicycle parking use across surveyed buildings, with utilization rates ranging from 26% to over 200%, indicating that a uniform minimum requirement does not consistently align

with actual demand in smaller-scale buildings. The study also found that approximately 80% of buildings provide fewer bicycle parking spaces than required under the current Zoning By-law, including more than half that provide no short-term bicycle parking. These outcomes often reflect legacy building conditions or reductions approved through Zoning By-law amendments or minor variances. Allowing full PILOBP expansion would provide flexibility to address these varying conditions while ensuring that, where on-site bicycle parking cannot be reasonably provided, developments contribute funding toward Bike Share and enable alternative, publicly accessible cycling options.

Despite introducing an option for 100% reductions, staff anticipate that many developers will continue providing some on-site bicycle parking to meet resident needs and expectations, as more than half of the mid-rise projects in the past five years have already chosen to exceed the minimum requirements.

- *Consider incentivizing the provision of on-site Bike Share stations using discounts to Payment-in-Lieu of Bicycle Parking contributions*

Payment-in-Lieu of Bicycle Parking contributions are held in a city-wide fund that is used to fund the acquisition of Bike Share stations and bicycles.

Given the competing uses of right-of-way space, it is challenging for the City to find appropriate locations to install Bike Share docks on public land in many areas. Bike Share stations on private lands strengthen the overall Bike Share network and provide benefits which extend beyond residents to the surrounding community.

Reducing the Payment-in-Lieu contribution for developments that provide an on-site Bike Share station would recognize the mobility benefits this amenity offers. For mid-rise buildings, which often face space constraints and limited opportunities for large bicycle storage rooms, on-site Bike Share can effectively supplement personal bicycle parking and support short and multimodal trips. Incentivizing developers to integrate Bike Share into these projects would help expand the network in areas where ridership is growing and provide a convenient alternative to bicycle ownership that aligns with the City's transportation and climate objectives. Lowering the contribution for developments that invest directly in this public amenity encourages partnerships that enhance mobility while still supporting broader cycling infrastructure needs.

- *Consider increasing flexibility for short-term bicycle parking locations*

Removing or amending the requirement for short-term bicycle parking to be located within 30 metres of a building entrance would provide needed flexibility in site planning while maintaining convenient access for visitors. On the smaller sites that are typically associated with mid-rise buildings, the 30-metre requirement can create design challenges and may result in inefficient site layouts. Allowing more flexibility would enable mid-rise developers to place short-term bicycle parking in locations that are still visible and accessible but better suited to the site's conditions. This change aims to reduce unnecessary minor variances, streamline review processes, and support context-sensitive bicycle parking solutions.

Mid-Rise Building Design Guidelines:

- *Undertake an Update to the Mid-Rise Building Design Guidelines*

Urban Design (City Planning) will be bringing forward updated Mid-Rise Building Design Guidelines as a separate item in June 2026. The 2024 Mid-Rise Building Design Guidelines introduced new provisions that allow for flexible massing and removed overly restrictive and prescriptive provisions that contributed to barriers to implementing mid-rise buildings. Further recommended modifications to the 2024 Mid-Rise Building Design Guidelines include adding solid waste collection design strategies that reflect current municipal standards, as well as provisions allowing for more flexible ground-floor heights for small retail use. Together, these changes would help minimize impacts on ground-floor layout efficiency and support more sustainable and economically efficient building design.

Lot Coverage:

- *Review the maximum permitted lot coverage percentage for residentially zoned small lots that abut a Major Street*

As per the Major Streets Zoning By-law, the permitted maximum lot coverage for an apartment building abutting a Major Street is 50% of the lot area. Through Parcel's financial feasibility analysis, it was determined that the average site typically requires assembly of at least two parcels, except in Toronto and East York where six contiguous parcels are needed due to the smaller parcel fabric. Further analysis for residentially zoned small lots abutting a Major Street will be undertaken to better understand the impacts of existing lot coverage requirements on land assembly costs and downstream housing costs. This analysis will help to discern potential zoning changes that could help facilitate mid-rise developments.

Parallel Efforts to Support Mid-Rise Housing:

Several related initiatives across different City divisions are progressing in parallel to this Initiative that will further support and facilitate mid-rise projects.

- *EHON Monitoring Program (Multiplexes and Major Streets)*

The adoption of the Multiplex Monitoring Program Final Report on June 23, 2025, included zoning by-law amendments and technical clarifications to improve multiplex implementation. A report back to Council is anticipated in 2027 that will consider additional policy and zoning changes for improved multiplex implementation.

City Planning is also monitoring implementation of the new Major Streets policies, which permit four-storey townhouses, and small-scale apartment buildings up to 60 units and a maximum of six-storeys on Major Streets. Staff will be reporting back to City Council in Q3 2027 or upon the issuance of the 200 building permits, whichever is earlier. This report back will consider any necessary policy, zoning or other changes to improve implementation and facilitate development on Major Streets.

- *Site Plan Review*

In May 2025, Council adopted the Development Application Fee Review (2025.PH21.3), which identified opportunities to transform the City's Site Plan review process. Work is currently underway to scope and stream the Site Plan review process, making it easier for all scales of development to move through the process in a timely and cost-effective manner. Staff are targeting a report to the June 2026 meeting of the Planning and Housing Committee to introduce new Site Plan review streams and to recommend an updated fee schedule for Site Plan applications.

This work will be led by Development Review in collaboration with the City Planning.

- *Process for Single Exit Alternative Solutions*

Toronto Building is working, in consultation with Toronto Fire Services, to streamline and accelerate business processes to support applicants proposing alternative solutions for the use of single egress (single stair) in buildings up to six storeys which demonstrate compliance with the Ontario Building Code. This work is running parallel to the national and provincial code development process and builds on the existing Ontario Building Code Feasibility Study completed in 2024. This work will be led by Toronto Building.

CONCLUSION

Recognizing the current decline in housing unit starts and that many housing developments are often at the margin of feasibility, the Mid-Rise Housing Implementation Initiative investigates several components that can independently and collectively support the viability of mid-rise housing across the city. Pending Committee's direction, City staff will undertake and consult on the proposed initiatives outlined in this report. City staff will continue its analysis, refinement, and consultation from Q4 2026 to Q2 2027, targeting final recommendations to City Council in Q2 2027.

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SIGNATURE

Jason Thorne
Chief Planner and Executive Director
City Planning

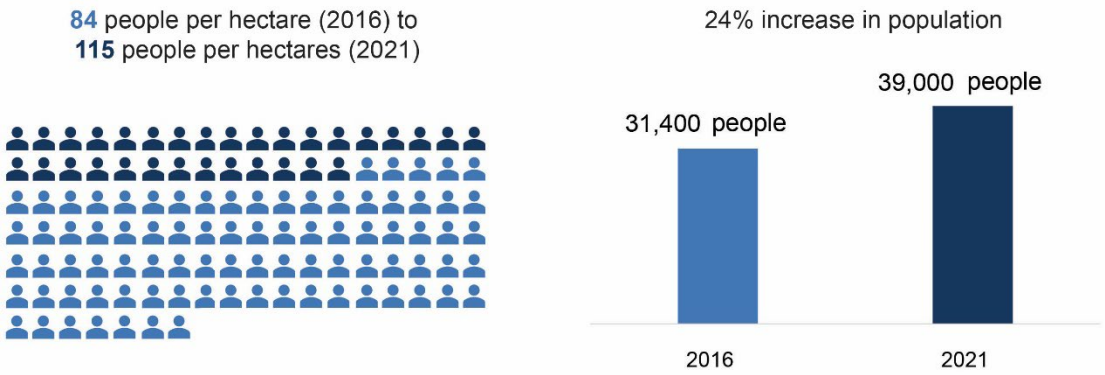
ATTACHMENTS

Attachment 1: Why Mid-Rise Matters
Attachment 2: Expanding Opportunities for Mid-Rise Housing in Toronto
Attachment 3: Today's Market Reality
Attachment 4: Local Amenities Near Mid-Rise Projects
Attachment 5: Design Test Fits to Understand the Impacts of Indoor Amenity Space, Type G Loading Space, and Bicycle Parking Requirements
Attachment 6: What We Heard from Residents and Industry Stakeholders
Attachment 7: Executive Summary of the Financial Feasibility Analysis

Attachment 1: Why Mid-Rise Matters

Mid-Rise Supports Increased Density: Mid-rise projects help accommodate Toronto's growing population and support local retail and the efficient use of infrastructure and services. Further, mid-rise projects can help stabilize areas experiencing population declines. Between 2016 and 2021, blocks containing new mid-rise projects reported a 24% population increase, with density rising from 84 to 115 people per hectare[1].

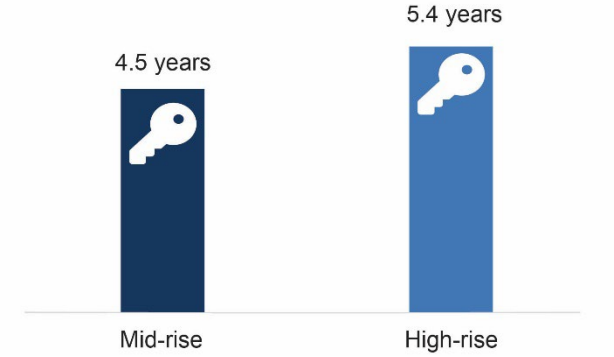
Figure 5: Population and Density Change in Areas with Built Mid-Rise Buildings (2016-2021)



Prepared by City Planning based on IBMS-LUIS II and Statistics Canada Census (2016, 2021).

Mid-Rise Buildings Are Typically Ready for Occupation Sooner: As shown in Figure 6, a typical mid-rise condominium project moves from sales to occupancy in 4.5 years versus 5.4 years for a typical high-rise building. This means that residents can move into units they purchase faster, making mid-rise scale developments attractive to end-user buyers, and it enables mid-rise projects to be slightly more responsive to changing housing needs. Smaller mid-rise projects without underground parking would be built faster, allowing residents to move in sooner. It also positions mid-rise projects well for delivering housing in the nearer term, compared to larger-scale projects.

Figure 6: Launch-to-Occupancy Timeline for Condominiums (2020 onwards)



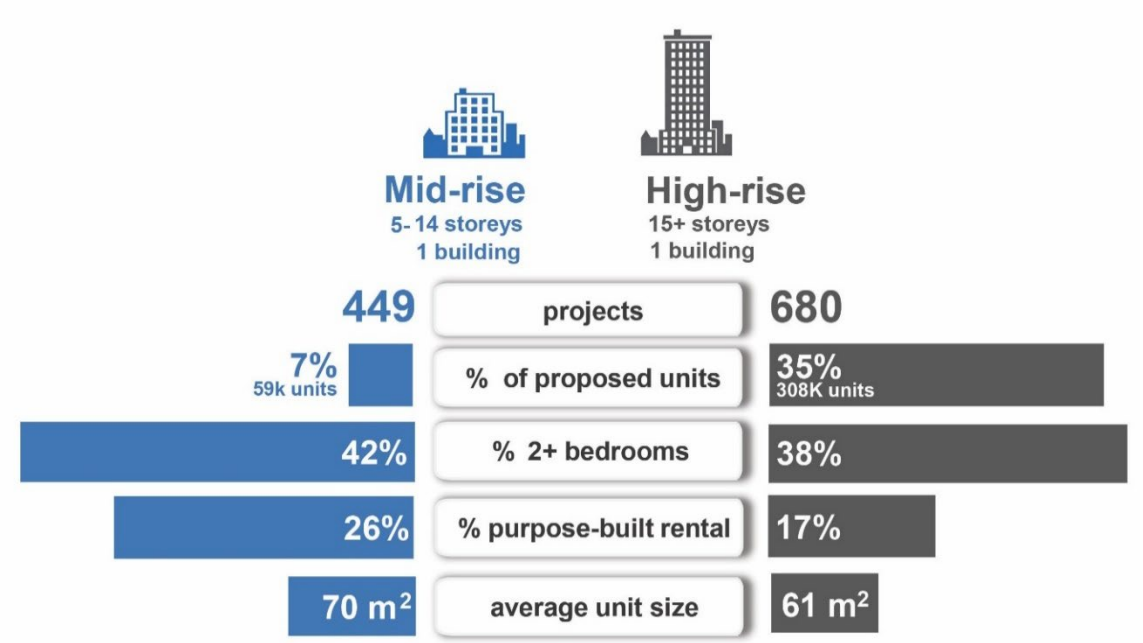
Prepared by City Planning based on data from Urbanation.

Mid-Rise Buildings Help Broaden and Diversify Our Housing Options: Mid-rise built forms tend to provide larger, more family friendly units (i.e. two or more bedrooms) compared to high-rise built forms, and are more likely to be rental tenure. As illustrated

1 'Blocks' refer to the total of all Statistics Canada Dissemination Blocks with a mid-rise building built between 2016 and 2021. Dissemination Blocks are generally equivalent to a city block bounded by intersecting streets.

in Figure 7, 42% of mid-rise projects in the Development Pipeline feature two or more bedrooms, and approximately 26% of mid-rise units are purpose-built rental units compared to 38% and 17% respectively for high-rise buildings.

Figure 7: Mid-Rises and High-Rise Projects in the Development Pipeline

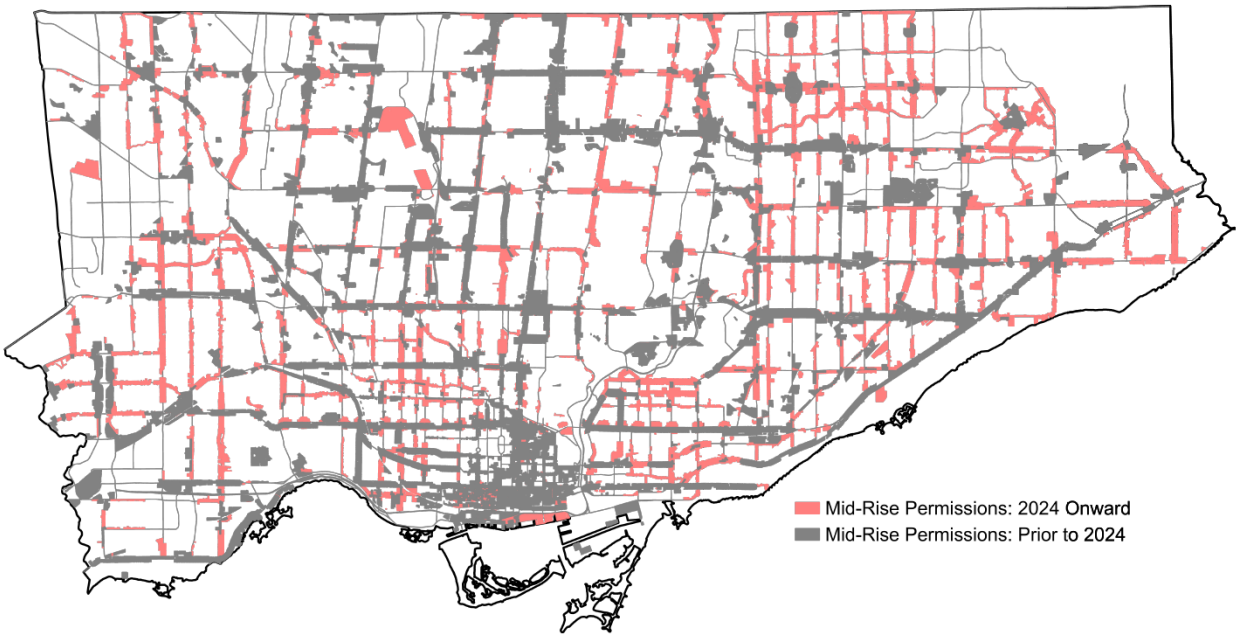


Prepared by City Planning based on IBMS-LUIS II (Q2 2025 Development Pipeline).

Attachment 2: Expanding Opportunities for Mid-Rise Housing in Toronto

Through a range of initiatives, the City continues to study, monitor and advance changes to policy, zoning, guidelines and processes to create a more supportive regulatory framework that enables more mid-rise development and greater housing choice across the city (see Figure 8). Below are some of the City's recent initiatives that are intended to support more mid-rise housing typologies.

Figure 8: Map Comparison of Permissions for Mid-Rises Across the City (Pre- and Post-2024)



Prepared by City Planning.

As-of-Right Zoning for Mid-rise Buildings on Avenues without Avenue Studies: This is one of 54 Housing Action Plan initiatives to make changes to the City's Official Plan, Zoning By-law and Urban Design Guidelines to enable more housing in neighbourhoods, along major streets and Avenues. This work resulted in Council adopting Zoning By-law Amendment 1260-2024 in November 2024, to permit as-of-right heights and densities for mid-rise buildings on lands identified as Avenues and designated Mixed Use Areas in the Official Plan. The Zoning By-law amendment implements urban design performance standards, including updated standards for rear transition alongside the increases to height and density permissions.

Avenues Policy Review: This project expands opportunities to more broadly permit mid-rise housing forms along the City's Avenues, as identified on Map 2 – Urban Structure. This work is divided into two phases. Phase One resulted in Council adopting OPA 778 in February 2025, introducing 283 kilometres of new Avenues, bringing the total length of Avenues to 455 kilometres. OPA 778 removes the need for applicant-led Avenue Segment Reviews and City-led Avenue Studies and strengthens the vision for Avenues as strategic growth areas by continuing to align growth with transit to create opportunities for more complete communities. Phase Two is currently underway to re-designate lands and provide as-of-right zoning permissions for mid-rise buildings along Avenues. An initial study of Ward 9 (Davenport) and Ward 11 (University-Rosedale) resulted in redesignation of approximately 1,900 parcels along Avenues in those wards

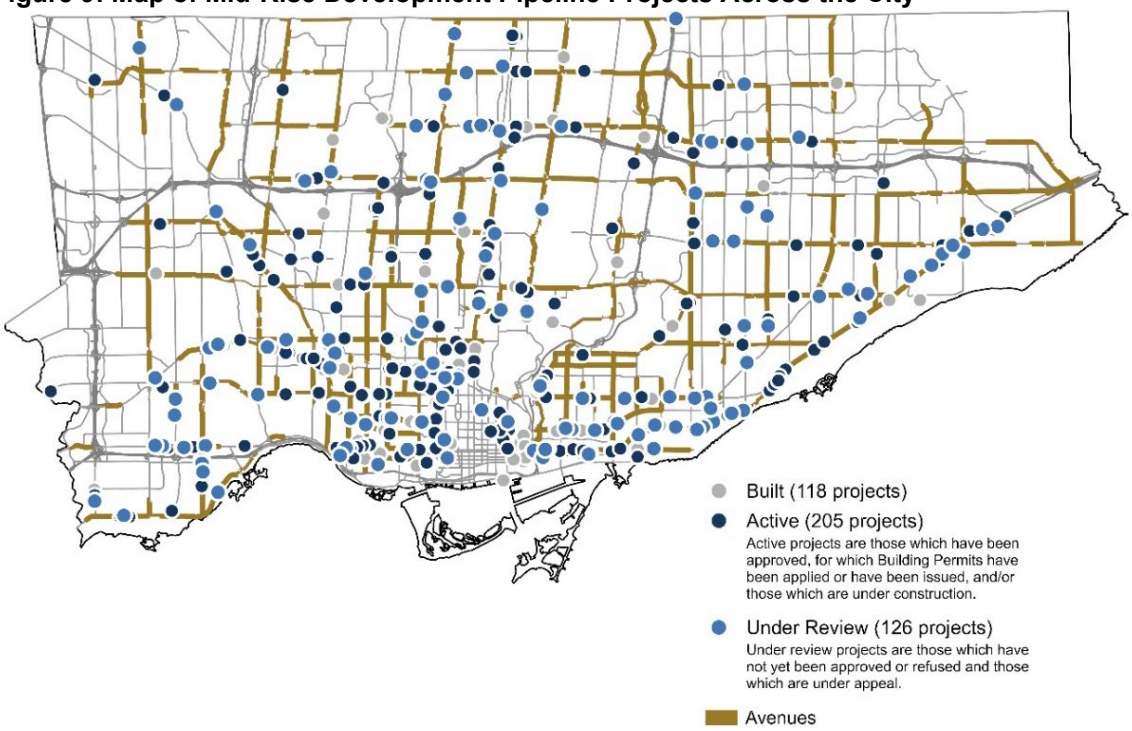
along with updates to the accompanying zoning. These updates are currently under appeal to the OLT. A separate study for all remaining TEY wards with Avenues will follow.

EHON Major Streets and Neighbourhood Retail and Services: In May 2024, City Council approved policy and zoning changes through Official Plan Amendment 727 and Zoning By-law Amendment 806-2024, enabling greater development on parcels abutting Major Streets across the city, and allowing 6-storey mid-rise apartments and 4-storey townhomes on parcels where they were not previously permitted. Approximately 31,000 parcels were upzoned as a result. These amendments were appealed in 2024 and came into full force and effect in September 2025. In December 2025, Council approved zoning changes through By-law 1509-2025 which permitted a range of small-scale retail service and office uses on residentially-zoned parcels along Major Streets, including in mid-rise apartments. This amendment is now in-force.

The City is currently monitoring development application data on Major Streets and is targeting to present a monitoring report in 2027 or following 200 application submissions. The monitoring report may include potential amendments as necessary. A similar monitoring approach is underway with respect to amendments related to retail, service and office uses.

More Mid-Rise Projects in the Pipeline: Following these recent City initiatives, the number of mid-rise projects completed and under development has been increasing. Between July 1, 2020 and June 30, 2025, there were a total of 118 mid-rise projects built. As of Q2 2025 another 205 were under construction, and another 126 were under review. As shown in Figure 9, many mid-rise projects have been located along Avenues.

Figure 9: Map of Mid-Rise Development Pipeline Projects Across the City

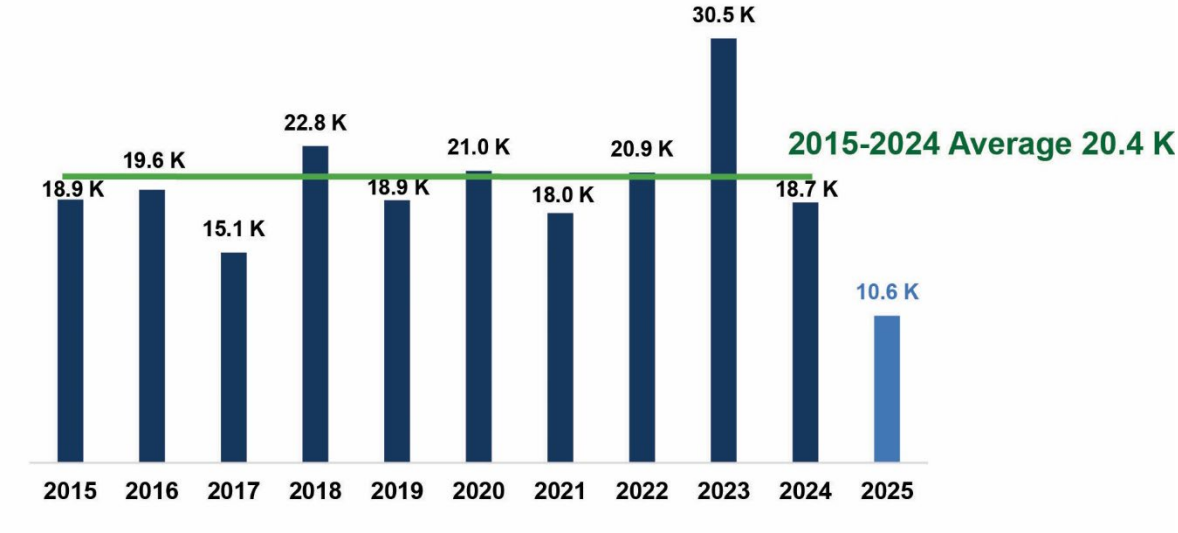


Prepared by City Planning based on IBMS-LUIS II (Q2 2025 Development Pipeline).

Attachment 3: Today's Market Reality

Current market conditions and factors have combined to make housing development, regardless of scale, challenging. Between 2015 through 2024, the average year saw over 20,400 new housing units start construction in Toronto. By contrast, in 2025 only 10,561 units started construction.

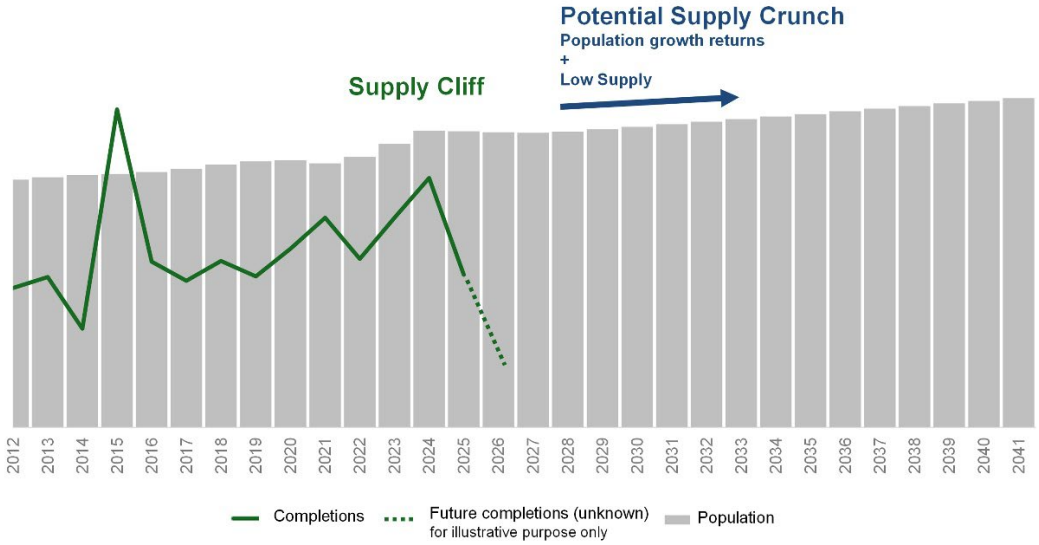
Figure 10: Annual Housing Starts (all unit types) in the City of Toronto



Prepared by City Planning based on CMHC Starts and Completion Survey.

Toronto's housing market has also seen a marked decrease in apartment sale volumes and prices, as well as increases to rental vacancy rates (particularly in newer apartment buildings). With a decline in housing starts and an eventual return in population growth, a potential supply crunch may emerge in the coming years, where housing supply is not meeting demand (see Figure 11). This presents an opportunity for mid-rise projects to move forward given their shorter timelines from launch to occupancy compared to high-rise developments, which have slowed.

Figure 11: The Supply Cliff



Prepared by City Planning based on CMHC; Statistics Canada Census; Statistics Canada Projected population (Table 17-10-0162-01, M1: medium-growth).

Several recent challenges have combined to make new development more difficult by raising the cost of construction, reducing the demand for new units, and reducing access to financing. Challenges include an increase in interest rates and construction materials costs, a decrease in immigration, availability of labour, economic uncertainty (heightened by tariffs and trade disruptions between the USA and Canada), and a lack of available land suitable for development.

In addition to the overall challenges faced in the housing development sector, mid-rise buildings face their own unique challenges. Notably, they do not benefit from the same economies of scale that are often realized in higher density high-rise construction whereby they can distribute fixed costs across a greater number of units and a greater gross floor area than mid-rise projects.

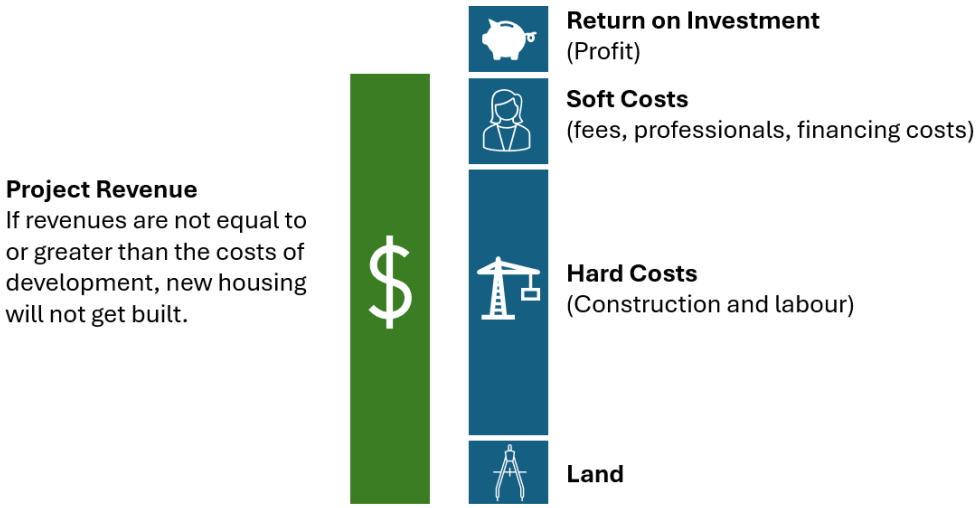
Making Housing Work

For new housing to be built, the revenue it generates must be sufficient to cover all associated development and construction costs, including:

- Acquiring a site/land for development: Within neighbourhoods, this might mean buying existing houses that can be redeveloped into missing middle or mid-rise projects. Along Avenues, this often involves assembling several adjacent properties.
- Construction Costs: Paying for the materials and labour of building new housing
- Soft Costs: Professional fees, development application fees, financing costs such as interest, fees and taxes.
- Return on investment: A profit that justifies the investment made to help build new housing. Generating an appropriate return on investment is also necessary for banks and/or the Canadian Mortgage and Housing Corporation (i.e. the Federal Government) to lend money to help get housing built.

Beyond these specific factors, approval and construction timeline can play a significant factor in project feasibility. A longer timeline means increased carrying costs (such as interest on loans). More critically, it also increases risk and uncertainty in the process; the longer a project takes the more the underlying assumption may change. This influences how investors and lenders look at the project and consider what return on investment might be necessary to support the project—riskier projects require a higher rate of return than less risky projects.

Figure 12: Project Revenue versus Costs



When revenues fall short of costs, there are two ways to close the gap:

- Increasing revenues: This can be done by increasing rents or selling prices, such as by focussing on more premium/luxury buildings. Revenues can also be increased by adding new revenue opportunities, for example by adding sellable/leasable building area (e.g. by converting amenity or loading spaces into new housing units).

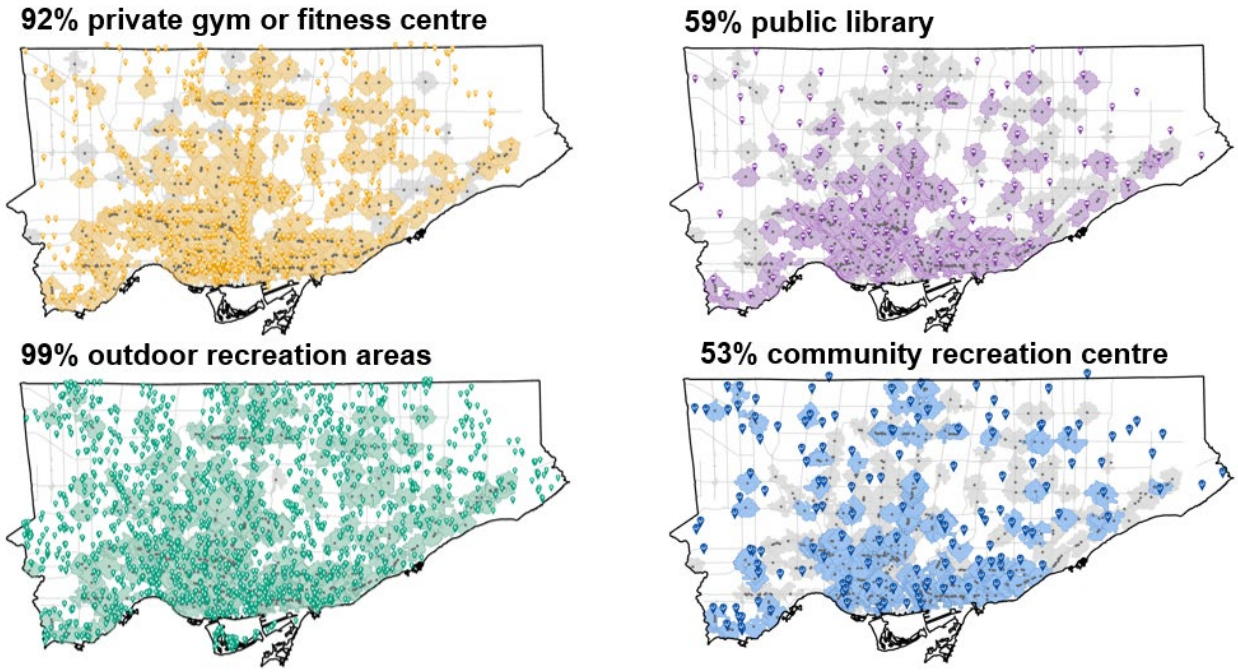
- Decreasing costs: This can be done through a variety of avenues including changes to what is being built (e.g. floor plan efficiencies from reductions to certain requirements), changes to municipal fees, simplifying and/or speeding up approvals, or in some cases increasing density (reducing the land cost per unit). Where costs are decreased, they can also lead to other cost savings in the form of lower interest accumulation and requiring less profit/return due to a smaller investment being required for construction.

It is also important to understand that potential costs and revenues impact what can be developed and where. For example, lower revenues may restrict redevelopment opportunities to only the most inexpensive land (e.g. Major Streets projects may only be feasible on less desirable properties that are cheaper than average). Likewise, improving the feasibility of missing middle and mid-rise housing will allow them to be more competitive with other uses, including current uses, allowing builders to consider mid-rise projects across a wider scope of land parcels.

Attachment 4: Local Amenities Near Mid-Rise Projects

As shown below in Figure 13, many recently built mid-rises across the city are within one kilometre of existing community amenities, such as community centres, libraries, outdoor recreation areas and gyms, which often provide the same functions as residential amenity spaces.

Figure 13: Percent of Proposed Mid-Rise Projects that are Located within 1KM of Local Amenities



Prepared by City Planning based on IBMS-LUIS II (Q2 2025 Development Pipeline); Toronto Public Library; Toronto Employment Survey 2026; Parks, Forestry and Recreation

Attachment 5: Design Test Fits to Understand the Impacts of Indoor Amenity Space, Type G Loading Space, and Bicycle Parking Requirements

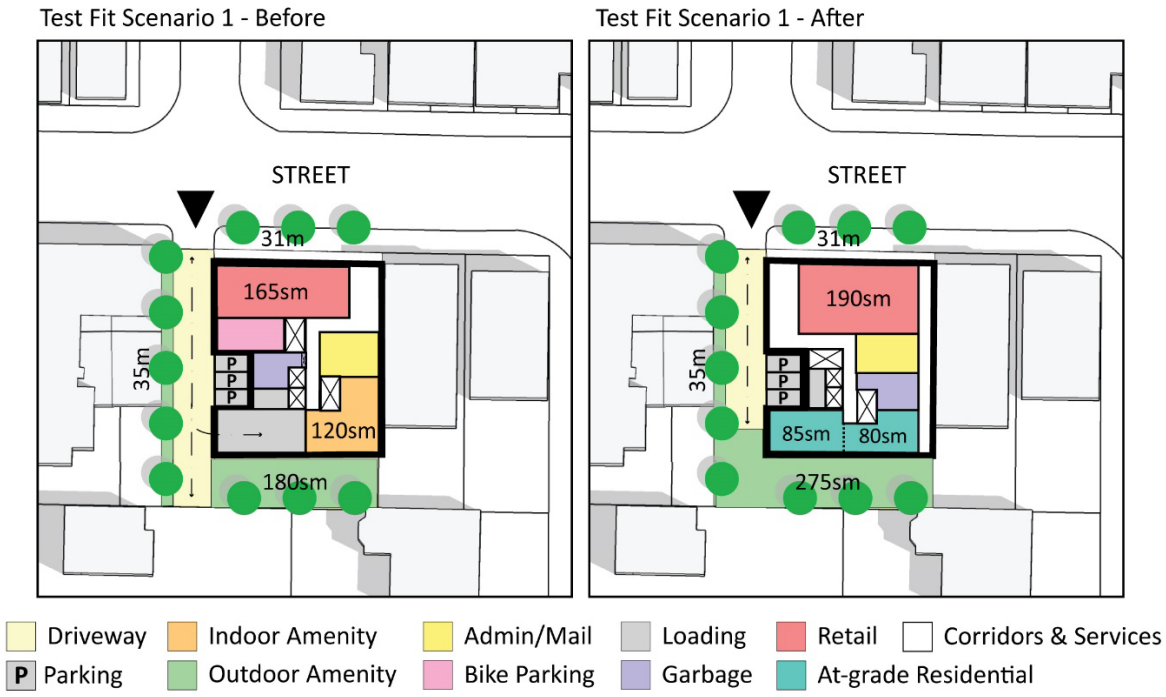
A design test fit exercise was undertaken to discern how the removal of bicycle parking, indoor amenity space, and Type G loading space could unlock other ground floor uses for a typical 60-unit mid-rise building. This included analyzing several sites with varying characteristics in different areas of the city. The sites are conceptual in nature, though are representative of typical site conditions across the city and are generally in keeping with the ideal lot depth identified in the Mid-Rise Building Design Guidelines. These lots are smaller in size, and the building is generally expected to be built to the property lines and provide at-grade retail along the main street.

Test Fit Scenario 1 (see Figure 14) is a mid-block site measuring 31 metres wide by 35 metres deep, accessed from the front with a private driveway. The typical approach to designing a 60 unit building on this lot is to locate the Type G loading space, visitor parking and other servicing along the driveway. Building underground parking on these sites is costly and not necessary when adequate transit is nearby, therefore no residential parking is shown. *Test Fit Scenario 1- Before* illustrates space at the rear to locate indoor amenity (120 square metres) to be used as a small party room or a flexible community space with play areas. Within the 7.5 metre rear setback, there is space for outdoor amenity (180 square metres) directly connected to the indoor amenity. There is opportunity to have retail (165 square metres) expanding the street frontage holding one small retail tenant.

Test Fit Scenario 1 - After illustrates how the removal of bicycle parking, indoor amenity, and Type G loading results in increased flexibility in ground floor uses on the site**:**

- The removal of these items allows flexibility in the location of the elevator and servicing cores, allowing for deeper street fronting uses such as retail or residential.
- There is opportunity to provide residential units at the rear with private outdoor terraces.
- With the Type G vertical clearance requirement eliminated, it could unlock additional one or two residential units at the second level.
- The removal of Type G loading allows flexibility in the location of the garbage room, as long as a corridor is provided to the exterior. Permitting curbside pickup eliminates the need for garbage chutes.
- With the removal of the Type G vehicle maneuvering space within the driveway, additional outdoor space can be expanded either as open green spaces, outdoor amenity or residential terraces.

Figure 14: Test Fit Scenario 1 (Before and After)



Test Fit Summary

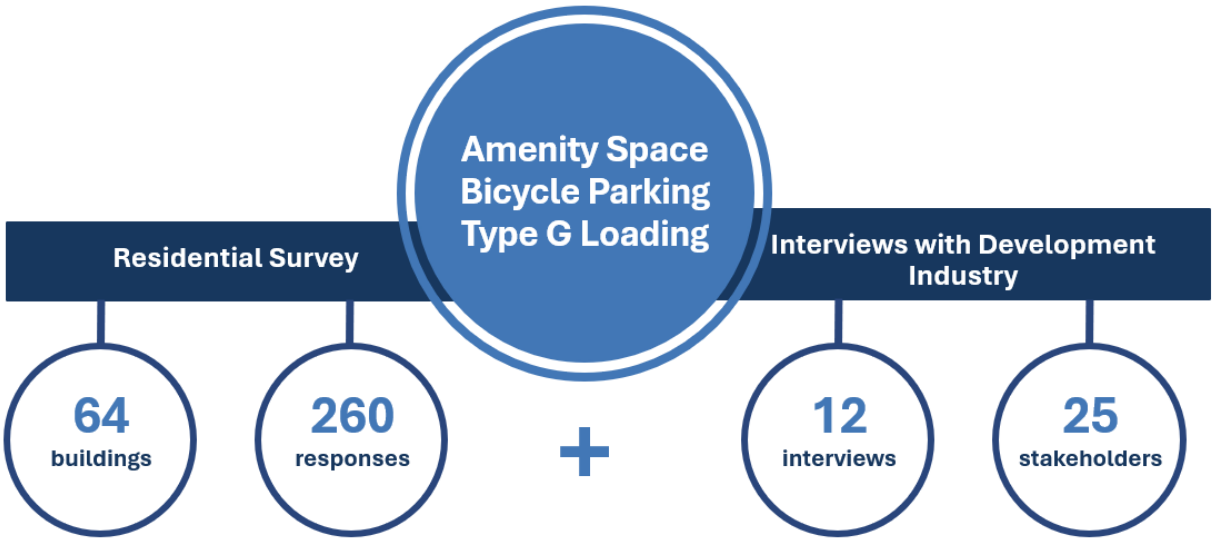
Item	Before	After	Gain
Retail Gross Floor Area	**165 square metres**	**190 square metres**	**+25 square metres**
Residential Units (Ground Floor)	**0 units**	**2 units**	**+2 units*** **plus potential additional units on second floor*
Open Space/Outdoor Amenity	**180 square metres**	**275 square metres**	**+95 square metres**

Attachment 6: What We Heard from Residents and Industry Stakeholders

In Fall 2025, an online survey was disseminated by City staff to residents living in a select group of mid-rise buildings (between 5- to 14-storeys) across the City of Toronto. The online survey was shared with 64 buildings and received 260 responses. In addition, Batory Planning + Management assisted with conducting 12 interviews, engaging 25 industry stakeholders including builders, architects, planners, and developers. The waste collection sector was not involved at this time.

The purpose of engagement was to seek feedback on bicycle parking, amenity space, and loading and garbage collection (Type G loading spaces). Feedback was primarily related to the use, requirements and general opinions surrounding these topics. Below is a high-level summary of what we heard from residents and industry stakeholders.

Figure 15: Summary of Engagement



What We Heard from Residents:

- **Amenity Space:** The availability of amenity space does not significantly impact overall resident experience either positively or negatively. Some respondents expressed that shared amenities are valuable in buildings with smaller units, though some respondents expressed deliberately choosing a building with fewer amenities to reduce condominium fees and long-term maintenance costs.

- **Loading and Garbage Collection (Type G Loading Space):** Most survey respondents live in a building with a dedicated garbage storage room and or a garbage chute as opposed to curbside collection. Some respondents noted that garbage day becomes an issue for buildings with narrow rear laneways as collection vehicles have limited parking space and block access.

- **Bicycle Parking:** Secure indoor storage is a key consideration for many survey respondents who own personal bicycles. Most indicated a willingness to utilize Bike Share if stations are located within a 5-minute walking distance, although some expressed concern about the reliability of Bike Share as an alternative to personal bicycle ownership.

What We Heard from Industry Stakeholders:

- **Amenity Space:** The provision of amenity space should be market-driven, with greater flexibility and options in requirements to reflect market demand and building feasibility. The current requirements are rigid, difficult and costly to achieve, often requiring Minor Variance applications to request modifications.

- **Loading and Garbage Collection (Type G Loading Space):** The current requirement for garbage trucks to access sites (in a forward motion or be provided with a three-point turning area) exceed the vehicle footprint and result in inefficient use of the ground floor area. Requirements should be streamlined, with consideration of private waste collection.

- **Bicycle Parking:** Space for bicycle parking in mid-rise buildings is considered manageable by industry stakeholders, but many call for more flexible, quality-driven policies, noting that current location and sizing standards often result in underutilized facilities.

- **Other:** Building "as-of-right" mid-rise buildings, such as a 6-storey building on a Major Street with easy transit access and market rents, is not economically viable in today's environment.

Attachment 7: Executive Summary of the Financial Feasibility Analysis

(Attached separately)