

2022 Q2 Development Pipeline Bulletin Addendum

Issue / Background:

- The 2022 Q2 Development Pipeline, summarizing development activity in Toronto over the past five-and-a half years, was presented to the Planning and Housing Committee February 28th, 2023.
- Three questions posed by members of the Planning and Housing Committee required additional analysis from Planning Research and Analytics. This briefing note responds to the questions asked during the question period.

Questions & Answers:

Q.1: How many units in the Development Pipeline are suitable for families?

A.: There are a total of 717,327 proposed residential units in the 2022 Q2 Development Pipeline. **A total of 253,403 have been identified as having two or more bedrooms, accounting for 35% of the total units proposed. Of these, 63,759 units have been identified as containing three or more bedrooms.** See Table 1.

In 2020, City Council adopted the **Growing Up: Planning for Children in New Vertical Communities Urban Design Guidelines**, which encourage private developers to build family-friendly units, defined as large units containing two or more bedrooms. The Guidelines recommend that mid- and high-rise residential buildings should provide a minimum of 25% of its total residential units as large units that are suitable for families; 10% of units should be three bedrooms or greater, and 15% should be two-bedroom units. While not all two and three-plus bedrooms proposed in the 2022 Q2 Development Pipeline are within mid- and high-rise residential buildings, the total number of family-suitable units proposed within the Pipeline suggests that the target set out by the Growing Up Guidelines are or are close to being met.

Additionally, there are 105,079 residential units (15% of the total units proposed) for which the breakdown has not been provided by the applicant. Unit breakdowns are, at times, not provided in the early stages of a Planning Application and are provided later as the application progresses through the approvals process. For example, the future redevelopment of Downsview Airport is proposing 46,000 residential units and is still in the early phases of a large-scale master plan project, part of the review of Downsview Secondary Plan, and thus the unit breakdown has not yet been determined by the applicant.

Table 1: Family-Suitable Units in the 2022 Q2 Development Pipeline

Unit Type	Units	Percent
2-bedroom units	189,644	26%
3+ bedroom units	63,759	9%
Total Family-Suitable Units	253,403	35%

Q.2: What percentage of the City’s land is represented by the Growth Areas?

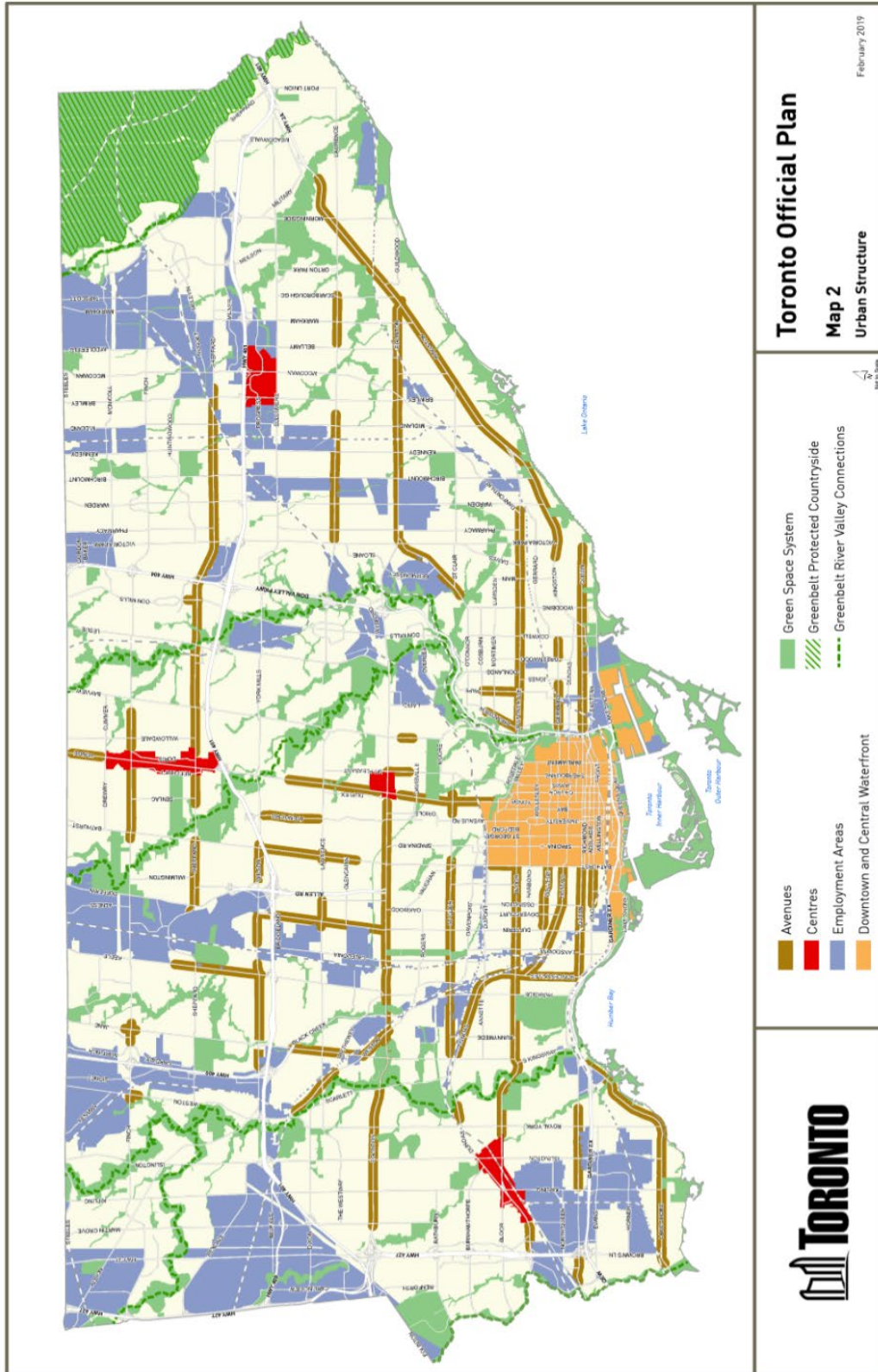
A.: Toronto's Official Plan is the guide for development in the city over the next 30 years. While gradual intensification occurs across the city, the Plan’s central purpose is to direct growth to appropriate areas and to integrate land use and transportation, these areas are referred to as Growth Areas. Growth Areas are locations that are well integrated and serviced by infrastructure, transit and other community services and facilities. **Growth Areas are targeted for residential and employment growth and are identified in the Official Plan’s Urban Structure Map as Avenues, Centres and Downtown, the Central Waterfront, as well as other areas in the city designated as Mixed Use Areas and Employment Areas (see Map 1).** The Official Plan’s 49 Secondary Plan areas are an important geography for managing growth and guiding intensification through area-specific policies as these areas grow and change. The Secondary Plan areas often overlap with the Growth Areas (see Map 2).

Downtown and the Central Waterfront, the Centres, Mixed Use Areas, Avenues, and Secondary Plan Areas together make up 11,081 hectares, or about 17% of the total land area of Toronto. Including Employment Areas, the amount of land increases to 18,364 hectares, 29% of the total land area. However, not all land is suitable for development. Land designated as Utility or Natural Areas under the Official Plan and land used for transportation corridors (e.g. rights-of-way and railway lines) reduces the amount of buildable land in Toronto as a whole by 35% or approximately 41,715 hectares, some of which is in the Growth Areas of the City. **The amount of net buildable land within the Growth Areas and Secondary Plan Areas is 8,394 hectares and rises to 15,490 hectares when Employment Areas are included or about 20% and 37% of all net buildable land in the city, respectively.**

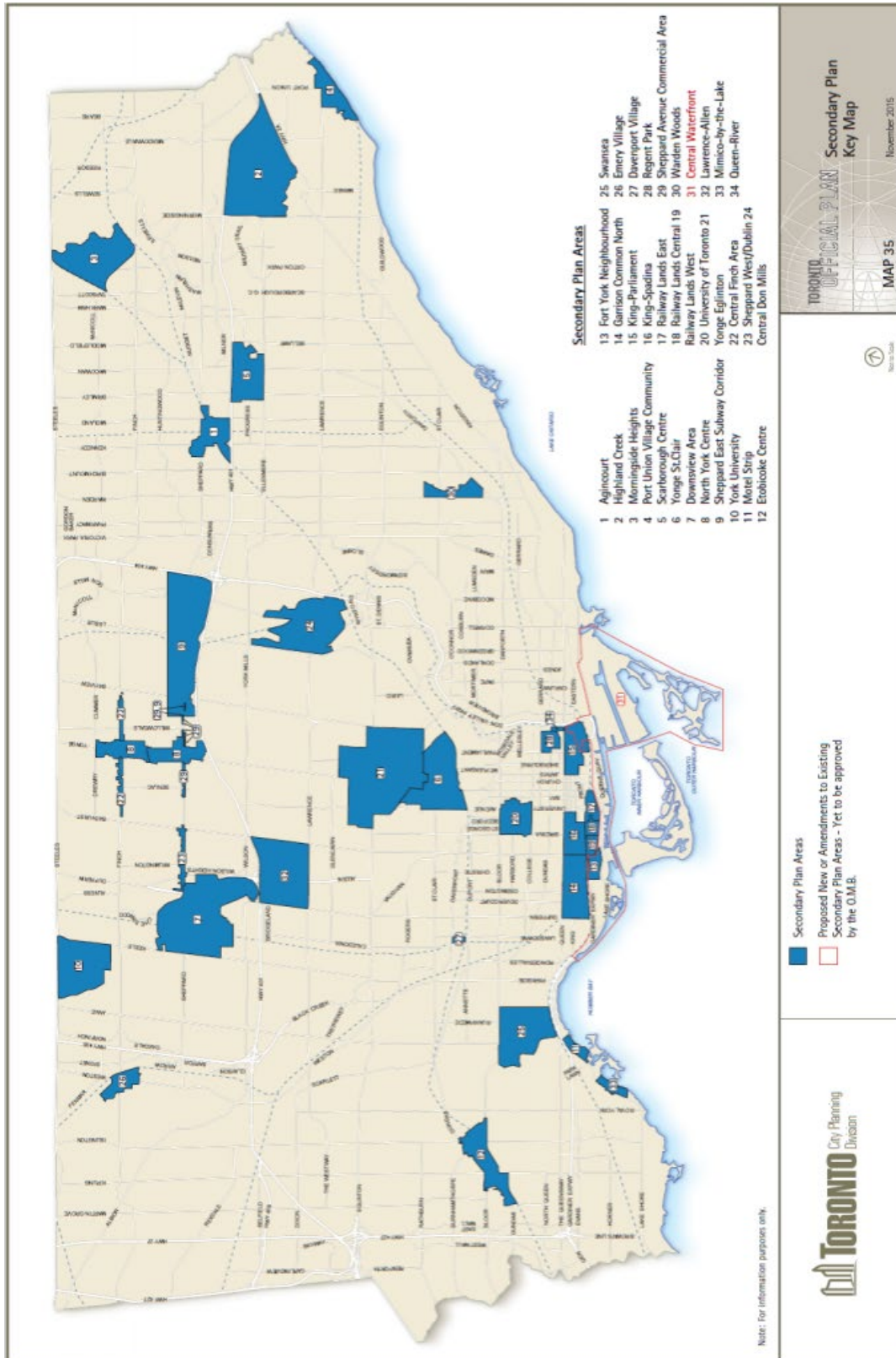
There are 2,413 projects in the 2022 Q2 Development Pipeline. Of these, 1,664 projects, proposing close to 650,000 residential units and almost 11 million m² non-residential gross floor area (GFA) are located within a Growth Management Area or Secondary Plan area. **Proportionally, 91% of proposed residential units and 76% of proposed non-residential GFA in the Pipeline are located within 20% of net buildable land in Toronto that are Growth Areas.**

When lands designated for Employment uses in the Official Plan is included, a total of 1,924 projects are located within a growth management Area, Secondary Plan area or designated Employment Area. The amount of proposed non-residential GFA within these growth areas is over 13.8 million m². **Proportionally, 95% of proposed non-residential GFA in the Development Pipeline is located within 37% of buildable land in Toronto.**

Map 1: Official Plan Urban Structure Map



Map 2: Official Plan Secondary Plan Key Map



Q.3: How many development projects have received final Planning approval but have not yet applied for a Building Permit, and how many have not yet been built? Of these, how many are purpose-built rental projects?

A.:

All Projects

There are 743 residential projects representing 130,373 units that received final Planning approval between 2017 and 2022 Q2. Of those projects approved prior to 2022, there were 657 projects containing over 114,000 residential units. See Tables 2 and 3.

A total of 414 residential projects (63%), representing over 64,000 units (56%), received final Planning approval between 2017 and 2021, but have not yet been built. As of June 30, 2022, Building Permit applications had not yet been received for 87 of these projects (21%), representing almost 10,000 residential units (16%). **This means that about 9% of all residential units are in projects that received a final Planning approval between 2017 and 2021, over one year ago, but for which Building Permits have not yet been applied for to initiate construction.**

A total of 327 Planning Applications (79%) representing over 54,000 units (84%) received final Planning approval between 2017 and 2021 and subsequently applied for or were issued a Building Permit and may be under construction but have not yet been completed.

In addition to the projects in the tables below, there are a further 243 residential development projects representing almost 50,000 residential units which received final Planning approval between 2017 and 2021 and have since been built.

Table 2: Active Residential Projects by Permit Stage

By Year of Planning Approval	Projects Approved (First Approval)	Projects Approved (Final Approval)	Active Projects (Final Approval)	Total Residential Projects Not Yet Built		
				Without Permit Application	With Permit Application	With Permit Issuance
2017	178	130	52	15	2	35
2018	171	159	69	6	5	58
2019	168	124	81	10	7	64
2020	123	133	104	21	10	73
2021	125	111	108	35	15	58
2022 to Q2	149	86	82	36	27	19
Total	914	743	496	123	66	307
5-Year Subtotal (2017-2021)	765	657	414	87	39	288

Table 3: Active Residential Projects by Permit Stage: Proposed Units

By Year of Planning Approval	Units Approved (First Approval)	Units Approved (Final Approval)	Active Units (Final Approval)	Total Proposed Units in Residential Projects Not Yet Built		
				Without Permit Application	With Permit Application	With Permit Issuance
2017	25,319	17,134	3,924	204	107	3,613
2018	36,526	30,716	9,504	14	1,018	8,472
2019	34,400	22,062	12,888	2,774	1,131	8,983
2020	24,737	23,278	17,387	3,567	875	12,945
2021	27,648	20,925	20,554	3,268	3,847	13,439
2022 to Q2	41,829	16,258	16,133	5,975	4,606	5,552
Total	190,459	130,373	80,390	15,802	11,584	53,004
5-Year Subtotal (2017-2021)	148,630	114,115	64,257	9,827	6,978	47,452

Rental Projects

The Development Pipeline includes information about the intended tenure for a project, though the applicant may change the intended tenure by the end of the development process. As such, the numbers of proposed purpose-built rental units for Active development projects are subject to change. It should also be noted that while the Development Pipeline tracks purpose-built rental units through the City's development approvals process, it does not capture the secondary rental market.

A total of 118 residential projects representing over 36,000 units that received final Planning approval between 2017 and 2021 propose purpose-built rental units. This represents about 18% of all projects and 32% of the residential units in those projects that received final Planning approval. See Tables 4 and 5.

A total of 80 projects proposing purpose-built rental units (68% of all active purpose-built rental projects) representing almost 14,000 units (37% of the units in those projects) received final Planning approval between 2017 and 2021 but have not yet been built. As of June 30, 2022, Building Permit applications had not yet been received for 15 of these projects (19%) representing just under 4,000 residential units (29% of all units in approved purpose-built rental projects). **This means that about 11% of all purpose-built rental units are in projects that received a final Planning approval between 2017 and 2021, over one year ago, but for which Building Permits have not yet been applied for to initiate construction.** The City's HousingTO 2020-2030 Action Plan sets a target of 40,000 new affordable purpose-built rental units by 2030. While not all proposed purpose-built rental units in the Pipeline will be affordable, the number of projects that appear to be stalled after the Planning approvals process represents about one year of the Plan's target for purpose-built rental units.

A total of 65 residential development projects (or 81% of all active projects), representing almost 10,000 units (or 71% of proposed units in all active projects) received final Planning approval between 2017 and 2021 and for which a Building Permit has been applied for or has been issued and may be under construction, but have not yet been completed.

In addition, a total of 38 projects proposing rental units representing almost 23,000 units received final Planning approval between 2017 and 2021 and have since been built.

Table 4: Active Purpose-Built Rental Residential Projects by Permit Stage

By Year of Planning Approval	Projects Approved (First Approval)	Projects Approved (Final Approval)	Active Rental Projects (Final Approval)	Proposed Purpose-Built Rental Projects		
				Without Permit Application	With Permit Application	With Permit Issuance
2017	28	14	5	2	1	2
2018	24	26	10	1	-	9
2019	42	27	22	4	1	17
2020	25	26	18	2	-	16
2021	25	25	25	6	2	17
2022 to Q2	45	13	13	8	3	2
Total	189	131	93	23	7	63
5-Year Subtotal (2017-2021)	144	118	80	15	4	61

Table 5: Active Purpose-Built Rental Residential Projects by Permit Stage: Proposed Units

By Year of Planning Approval	Units Approved (First Approval)	Units Approved (Final Approval)	Active Rental Units (Final Approval)	Proposed Purpose-Built Rental Units		
				Without Permit Application	With Permit Application	With Permit Issuance
2017	7,120	3,755	1,375	25	86	1,264
2018	13,695	8,021	1,097	2	-	1,095
2019	12,267	7,624	3,009	1,309	20	1,680
2020	8,681	6,387	2,908	1,105	-	1,803
2021	8,013	10,450	5,179	1,530	354	3,295
2022 to Q2	19,493	6,452	3,108	2,255	285	568
Total	69,269	42,689	16,676	6,226	745	9,705
5-Year Subtotal (2017-2021)	49,776	36,237	13,568	3,971	460	9,137

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