PlazaPOV

PROSPECTS FOR PLAZAS

PlazaPOV Study: Emerging Directions Paper

TORONTO

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EXECUTIVE SUMMARY

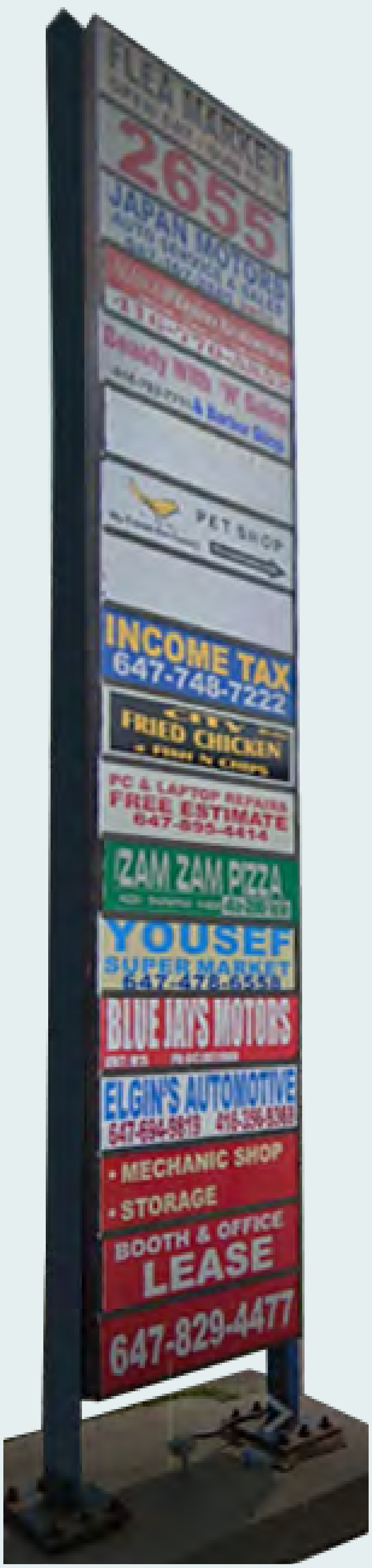


Figure 0.1: Strip Plaza Sign Board

Commercial strip plazas are a staple of Toronto's inner suburbs, home to over 3,100 retail and service establishments and providing nearly 13,000 jobs. Through the PlazaPOV Study, City Planning is examining strip plazas across Toronto to understand their role in serving local communities, and the impacts of their loss through increased redevelopment pressures. This study is intended to help inform potential policy responses, programs and initiatives by proposing emerging directions to support and enhance the role of plazas in the city's economic and community landscape, and mitigate business displacement.

To investigate issues surrounding plazas and their potential redevelopment, the PlazaPOV study pursued a range of inputs:

Figure 0.2: Inputs to Emerging Directions

The intent of this Emerging Directions Paper is to draw attention to the contribution of strip plazas to Toronto's economy, culture and community, and identify ways that consideration of plazas can be integrated into ongoing policy and program development across City Divisions.

This paper identifies **18 Emerging Directions** which flow from the various study inputs and offer potential actions from a policy, program or financial perspective in one of three guiding themes:

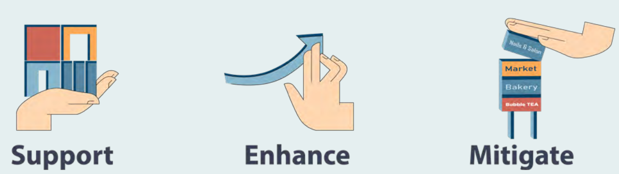


Figure 0.3: Three Guiding Themes

- **Support existing plazas**
  Strip plazas support a range of establishments that serve local communities, provide opportunities for small businesses and act as the neighbourhood main street. The City can support these establishments with various programs and initiatives.
- **Enhance physical plaza experience**
  Through temporary or permanent programming, physical enhancements and funding tools, the appearance and public realm of strip plazas can be improved to create a more inviting environment for establishments and their visitors.
- **Mitigate displacement**
  As plaza sites face redevelopment to provide more housing in mixed-use communities near transit corridors, small businesses located in plazas need support to mitigate their displacement and avoid permanent closure with relocation strategies.

Strip plazas are a common fixture throughout North America. While their physical appearance is not universally appreciated, plazas have increasingly gained attention in media, academic and industry publications for their economic resiliency, adaptability, affordable commercial space supporting entrepreneurship and small business, opportunities for ethnic retailing and community-building. Potential solutions to enhance the continued vitality of strip plaza sites while improving the physical environment can include strategic landscaping, reduced parking requirements and temporary installations to accommodate community programming.

City Planning has identified 412 strip plazas across Toronto as the basis for further locational, employment and demographic analysis. Of these, 397 or 96% are found outside of the Downtown and Centres, expanding commercial reach to the inner suburbs. Plazas are generally located in areas with lower household incomes, and significantly more likely to be in census tracts with a majority proportion of racialized persons, and of immigrants and non-residents. Just under 42% of plazas are located within Neighbourhood Improvement Areas.

Mobility analysis on six sample plaza sites across the city demonstrated that all are clearly active places of commerce, experiencing a notable amount of consumer traffic and are frequently attended by repeat visitors. The establishments that occupy plazas are visited frequently and consistently, suggesting they are built into the "everyday" functions and necessities of its visitors, both those that live nearby and that pass by.

Between July and November 2024, City Planning released a survey to the public to learn more about how commercial strip plazas shape daily living for Torontonians. From over 300 responses received, 58% said they visit plazas at least once a week, and 70% visit two or more businesses in a single trip. Visitors said that proximity to their home, access to a variety of goods and services, supporting small and local business, and ease of parking attracted them to their local plaza. Business owners and employees most often valued affordable rents and the physical environment of plazas. Respondents also expressed common interest in enhancing the public realm of plazas through greenery, pedestrian safety, seating and improved lighting.

Strip plazas are uniquely valuable in supporting community cohesion, economic opportunity, and cultural expression, particularly within Toronto's immigrant neighbourhoods. Many have evolved into community hubs and cultural landmarks, offering a mix of affordable retail spaces, essential services, and vibrant ethnic businesses that cater to local residents and attract visitors from across the Greater Toronto

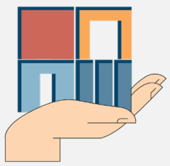
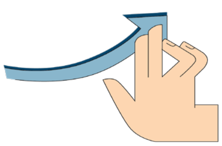
Area. In recent years, plazas have gained further visibility as social media platforms are turning their spotlight onto ethnic eateries located within them, drawing Torontonians and visitors seeking authentic, diverse culinary experiences.

However, current planning policy direction signals some form of redevelopment potential for 97% of identified plaza sites in Toronto. Provincial policy points specifically to strip plaza and mall sites as strategic growth areas for intensification. At the municipal level, Official Plan policies generally support the function of plazas as hubs for small business, entrepreneurship, retail, and a range of employment opportunities; conversely, the auto-oriented form of plazas is discouraged in favour of more transit-supportive and pedestrian-friendly design through infill and redevelopment. As intensification gradually replaces the built form of plazas, the lack of a policy mechanism to address the economic and community role of plazas can lead to the loss of diverse, locally serving establishments and employment opportunities.

Where mixed-use redevelopment occurs, planning policies generally encourage the inclusion of active ground floor uses to support pedestrian activity, animate the public realm and create complete communities where daily needs can be met. However, is often challenging to secure, construct and occupy non-residential spaces that are affordable and comparable to the spaces being replaced. This can lead to business displacement at the same time that new commercial units remain vacant. Strategies to support business relocation can be explored to mitigate displacement and ensure growing communities continue to be served by local retail and services.

This paper compiles findings to date on a range of inputs examining the current role and potential future for Toronto's strip plazas. The Emerging Directions summarized below are intended to highlight the unique function of strip plazas and a series of potential actions that the City can undertake through related work to support small business, enhance physical form and mitigate business displacement.

Summary of Emerging Directions

THEME	TYPE	EMERGING DIRECTION SUMMARY
 Support	Processes & Resources	**Exemptions for repurposed parking spaces** to reduce levy impacts for plazas where portions of their parking lots activated.
	Processes & Resources	**Resources for plazas in 'one-stop shop'** to make them easier to access for business and property owners.
	Processes & Resources	**Business Improvement Areas expanded to include plaza-rich areas** to support their commercial functions.
	Policies & Regulations	**Advocacy for small business** through ongoing discussions with the provincial government about improved protection.
	Programs & Strategies	**Pilot programs in Neighbourhood Improvement Areas** to encourage inclusive economic development.
	Programs & Strategies	**Placemaking in plazas** is supported through programs that enable cultural experiences and community activities.
	Programs & Strategies	**Existing strengths of plazas** are celebrated by promoting the quality and diversity of the establishments they support.
 Enhance	Policies & Regulations	**Policy for plaza enhancement** to encourage the improvement of surface parking lot conditions.
	Policies & Regulations	**Zoning for plaza activation** to improve physical site conditions and its relationship to the public realm.
	Programs & Strategies	**Improvement programs for plazas** to make opportunities to improve plaza sites more accessible.
	Processes & Resources	**Public realm improvements to benefit plazas** and create a more welcoming pedestrian environment.
	Policies & Regulations	**Policies to provide non-residential space** in areas where high growth and intensification is planned for.
	Policies & Regulations	**Policy and tools to track community needs** and identify impacts of displacing plaza establishments.
 Mitigate	Programs & Strategies	**Anti-displacement strategies in growth areas** to support planning initiatives.
	Policies & Regulations	**Policy to consider retail unit size** when a plaza site is to be redeveloped and new commercial space is provided.
	Processes & Resources	**Early engagement on plaza redevelopment** with affected establishments and community members.
	Programs & Strategies	**Space acquisition for small businesses** through expanded community improvement plan programs.
	Programs & Strategies	**Relocation assistance for plaza establishments** that have been displaced by redevelopment.

1.0 INTRODUCTION

1.1 Why Plazas?

Commercial strip plazas (also known as 'strip malls' or 'plazas'), are a common component of the city's urban fabric outside of the downtown core. Plazas have a long-standing prevalence in the inner suburbs of Toronto and in 2023 were home to over 3,100 establishments, accounting for just under 13,000 jobs. They have evolved from what was intended as a temporary solution in the mid 1950-1980's to provide access to goods and services in a sprawling metropolis, into a permanent fixture of Toronto's retail scene. Today, plazas serve a vital economic and community function hosting diverse businesses at generally more affordable rates than retail spaces along main streets, while also acting as informal gathering spaces. The perseverance of plazas over the past decades have demonstrated their role as a flexible and adaptable option that has been able to meet the needs of a changing commercial landscape, turning corridors of commercial plazas into main streets themselves.

Plazas are increasingly a focus for redevelopment and intensification, due to their location along major arterial roads and transit routes with capacity to accommodate greater densities to address the need for more housing in communities across Toronto. The interest in intensification has placed plazas at a crossroads, driving the need to consider potential outcomes for the small and diverse retail and employment opportunities that plazas support, and the communities that plazas serve.

Figure 1.1: Strip Plaza Characteristics (Source: Toronto Star)

For this study, the term "strip plaza" refers to commercial buildings comprising an attached row of units with individual entrances that are connected by an external walkway. They are typically one or two storeys in height, where a second storey may include commercial or residential units; configured in a straight line or in an L or U shape; and with vehicle parking in front. This study does not consider buildings with fewer than three units, and/or internal connections between units, as strip plazas. It also does not consider buildings where the primary use is residential, nor properties that feature multiple separated commercial buildings with shared parking areas.

1.2 Study Purpose

Through the PlazaPOV Study, City Planning is studying commercial strip plazas across Toronto to understand their role in serving local communities, and the impacts of their loss through redevelopment. Among other factors, the urgent need for more housing is increasing redevelopment pressure on plaza sites, leading to business displacement. This study has been undertaken to help inform potential policy responses, programs and initiatives by proposing emerging directions to support and enhance the role of plazas in the city's economic and community landscape, and mitigate business displacement. Key focus questions guiding the study are:

Local Community Connection	What functions do strip plazas serve for both local and ethnic communities?
Supporting Economic Growth	How does affordable space in plazas incubate and support small business, and contribute to a diverse economy?
Redevelopment Impacts	How can the loss of affordable commercial space be mitigated to avoid displacement through redevelopment?
Public Realm	How can the physical environment of strip plazas be improved or retrofitted to contribute to a vibrant public realm and support their role as social hubs?

Figure 1.2: Four Key focus questions guiding the study

1.3 Study Methodology & Inputs

To investigate issues surrounding plazas and their potential redevelopment, the PlazaPOV study pursued a range of inputs:

- **Background Research** – an environmental scan of academic literature, industry publication, media articles and other jurisdictional precedents (see Perspectives on Plazas report, July 2024);
- **Current Conditions Assessment** – identification and analysis of strip plazas existing within the Toronto to study locational patterns, demographic trends, business conditions and development landscape on plaza sites (see Positioning the Plaza report, November 2023);
- **Policy Scan** – review of the current and emerging planning policy framework guiding the consideration of plaza sites in Toronto;
- **Survey/Outreach** – distribution of a public survey directed at plaza users and businesses, available on the City's website and promoted through social and print media; 'pop-up' appearances at local community festivals to highlight the study, survey and gain feedback; interviews with business owners, Business Improvement Areas and the PlazaPOPS team;
- **Design Workshop** – discussion with City Urban Design staff to learn about challenges with redeveloping plaza sites and opportunities for placemaking;
- **Sample Mobility Analysis** – study of locational data indicating movement patterns to and from select representative plaza sites and clusters across Toronto, to gain insight into how people visit and use plazas; and
- **Work Streams Alignment** – cross-divisional collaboration with City staff in City Planning; Economic Development and Culture; Finance; Social Development, Finance and Administration; among others, to learn about current City initiatives with some connection to plazas or the businesses within them. In October 2024, City Planning hosted a half-day staff workshop to share PlazaPOV Study findings, gain additional insights and test potential directions.

Findings from these inputs have contributed to an understanding of the broader context within which plazas operate to inform emerging directions for City policies, programs and initiatives.

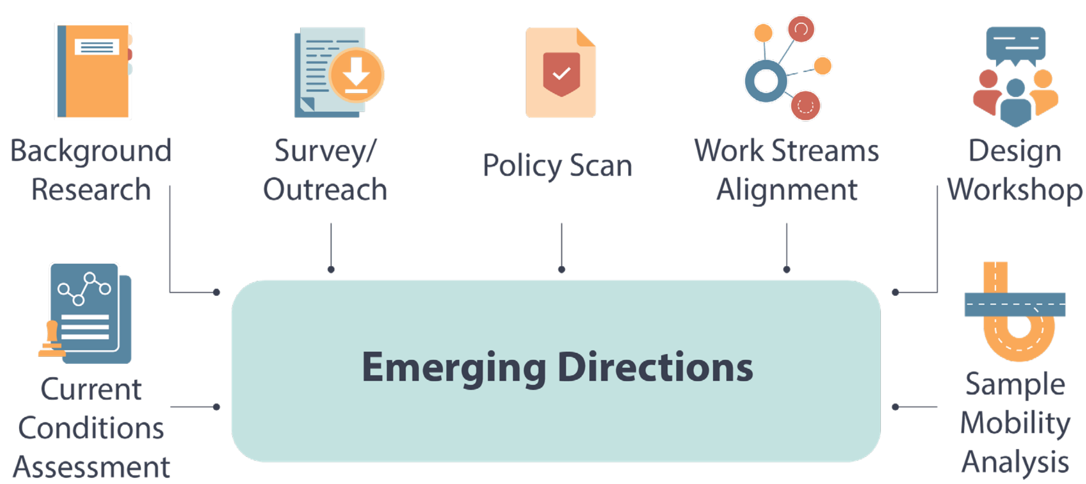


Figure 1.3: Inputs to Emerging Directions

1.4 Approach to Emerging Directions

The PlazaPOV Study process has been dynamic and responsive to research findings, existing and emerging policies and initiatives, and insights gained through discussion. The intent of this Emerging Directions Paper is to draw attention to the contribution of strip plazas to Toronto's economy, culture and community, and identify ways that consideration of plazas can be integrated into ongoing policy and program development across City Divisions.

Through the Work Streams Alignment task described above, various initiatives by the City and others were identified as having some connection to, or potential impact on, strip plazas and the businesses within them, listed in Appendix A. Those initiatives that are more directly related to strip plazas and small businesses, and which could play a key role in many of the emerging directions for plazas, are highlighted below:

Action Plan for Toronto's Economy

In November 2024, City Council adopted Sidewalks to Skylines: An Action Plan for Toronto's Economy (2025-2035) (APTE). The APTE provides a roadmap to guide and shape Toronto's economic development decision making over the next 10 years, addressing three key priorities. Three priorities - Strong Main Streets, Quality Jobs and Global Competitiveness - are anchored within a foundational priority: Getting the Basics Right. The APTE identifies 73 actions, including 29 leading actions, of which several address themes identified through the PlazaPOV Study around supporting small businesses and mitigating their displacement.

Figure 1.4: Sidewalks to Skylines Report

Avenues, Mid-Rise and Mixed Use Areas Study

In response to the City Council's Housing Action Plan, a multi-pronged approach to increase housing supply, housing choice and affordability, City Planning is undertaking a review of Official Plan policies, zoning and urban design guidelines for Toronto's *Avenues*. The *Avenues* are identified in the Official Plan as important corridors along major streets where reurbanization is anticipated and encouraged. Many plazas are located along existing or potentially expanded *Avenues* where redevelopment is expected to occur. Policy and mapping amendments will be presented to City Council early in 2025, that will guide redevelopment for *Avenues* to achieve vibrant, complete communities.

Figure 1.5: City Planning Avenues Study

PlazaPOPS (Main Street Recovery and Rebuild Initiative) support

PlazaPOPS is a not-for-profit organization that works with communities to create temporary, pop-up gathering places on privately-owned lands such as plaza parking lots that provide improved public realm space including seating, signage features and tree and shrub planting. The City provides funding for these installations through its Main Street Recovery and Rebuild Initiative, supported by federal economic development programs as well as City Planning's Civic Improvements capital program.

Figure 1.6: PlazaPOPS Temporary Gathering Space (Source: Brendan Stewart)

Shaping Food Access Study

City Planning is undertaking a Shaping Food Access Study to examine planning tools that can be used to improve, or remove barriers to, food access in communities across Toronto, as part of the forthcoming Poverty Reduction Strategy Third Term Action Plan. This study is grounded in collaboration with internal and external partners and data-driven analysis; and is positioned within an equity framework that considers systemic and project-specific impacts and benefits for Black, Indigenous, equity-deserving and vulnerable communities.

Figure 1.7: Food Offerings at a Farmer's Market

Other Emerging Directions in this report propose actions specific to plazas that may entail further work, analysis, consultation, or City Council endorsement or approval.

1.5 Emerging Directions: Guiding Themes

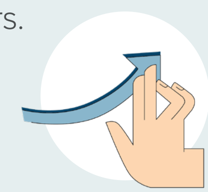
Sections 2.0 through 6.0 of this report each provide a summary of one PlazaPOV study input, followed by emerging directions relevant to the issues raised. The Emerging Directions offer potential actions from a policy, program or financial perspective in one of three guiding themes:

Support existing plazas

Far from underutilized, strip plazas support a range of establishments that serve local communities, provide opportunities for small businesses and act as the neighbourhood main street. Where redevelopment is not imminent, the City can support these establishments with various programs and initiatives.

Enhance physical plaza experience

The typical auto-oriented form of strip plazas and associated parking areas do not contribute to a welcoming atmosphere or an attractive public realm. Through temporary or permanent programming, physical enhancements and funding tools, strip plazas can be improved to create a more inviting environment for establishments and their visitors.



Mitigate displacement

The need to provide more housing in mixed-use communities near transit corridors means that plaza sites are ripe for redevelopment. Small businesses located in plaza sites to be demolished need support to mitigate their displacement and avoid permanent closure with relocation strategies.

2.0

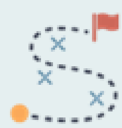
BACKGROUND RESEARCH

2.1 Summary of Environmental Scan

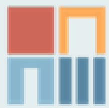
The study team undertook an environmental scan of academic literature, industry publications and media articles related to strip plazas across North America, resulting in a background report entitled Perspectives on Plazas. The report gives an overview of differing views on the role of plazas in Toronto and beyond, and outlines a range of approaches to the development, revitalization and redevelopment of strip plaza sites. Key findings are summarized as follows:

- Initially intended to be temporary in nature, strip plazas have prevailed in the suburban landscape. Since their inception, strip plazas have helped serve the basic daily retail needs of suburban communities, a key role they continue to play today.

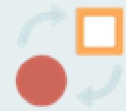
- Strip plazas have proven to be more resilient through economic uncertainty than other types of retail, due to the adaptability, flexibility and smaller size of their commercial spaces suitable for startup businesses.



- Affordable rental rates found in strip plazas provide entrepreneurial opportunities that tend to attract small immigrant and ethnic businesses, which in turn help build community, create cultural hubs and contribute to Toronto's diversity.



- While strip plaza sites offer significant opportunities for residential and mixed-use redevelopment, care should be taken to mitigate disruption or displacement of the commercial and community functions they serve.



- Where ownership structures and tenant relations are more fractured and disengaged, strip plaza sites may not provide a near-term redevelopment option if the commercial spaces remain profitable.

- Focusing on their physical and aesthetic qualities alone, strip plazas are generally seen to contribute little to the built form and public realm of the surrounding environment, with auto-centric design features that do not support walkability or connectivity.

- Potential solutions to enhance the continued vitality of strip plaza sites while improving the physical environment can include strategic landscaping, reduced parking requirements and temporary installations to accommodate community programming.

2.2 EMERGING DIRECTIONS

Policy for Plaza Enhancement. Incorporate supportive language for improving the physical conditions of surface parking areas into Official Plan (OP) policy directions. This could then be drawn upon to develop a rationale for any associated planning approvals or when looking to expand relevant programs. These improvements would benefit the establishments and users alike by improving the look, feel and functionality of these spaces, such as through increased softscaping or the addition of seating areas.

Improvement Programs for Plazas. Actively promote funding opportunities, such as the Commercial Space Rehabilitation Grant Program and the Commercial / Industrial Façade Improvement Grant Program and Main Street Innovation Fund, to strip plaza business owners and BIA representatives to improve the look and feel of plazas.

Exemptions for Repurposed Parking Spaces. To improve aesthetic conditions and reduce the impact of a potential commercial parking levy on small businesses, consider strategies to allow exemptions for a portion of strip plaza parking lots that are permanently repurposed as alternative uses, such as patio space, landscaping or retail display areas.

Zoning for Plaza Activation. Review applicable zoning by-law regulations to identify opportunities to streamline approvals for improving and activating existing strip plaza sites, such as:

- Permitting alternative uses in required parking spaces, and temporary removal of lawfully existing parking spaces, for multiple uses on one lot in specific zones.
- Monitoring uptake of allowing ancillary buildings / structures (e.g. decks, patios, etc.) to encroach into front and side yard setbacks to improve site conditions between the building and public realm.
- Potential temporary use by-laws for occasional uses such as public markets on strip plaza parking lots.
- Applying lessons from areas where such regulatory changes have been piloted.

3.0

CURRENT CONDITIONS – UPDATE

In its initial current conditions report [Positioning the Plaza, November 2023], City Planning identified 323 plazas within Toronto as the basis for analyzing locational, demographic and business trends. Through ongoing research and site identification, this inventory continues to expand, with updated findings outlined below.

3.1 Where are plazas located?

City Planning has identified 412 strip plazas distributed throughout Toronto (Figure 3.1).[1]

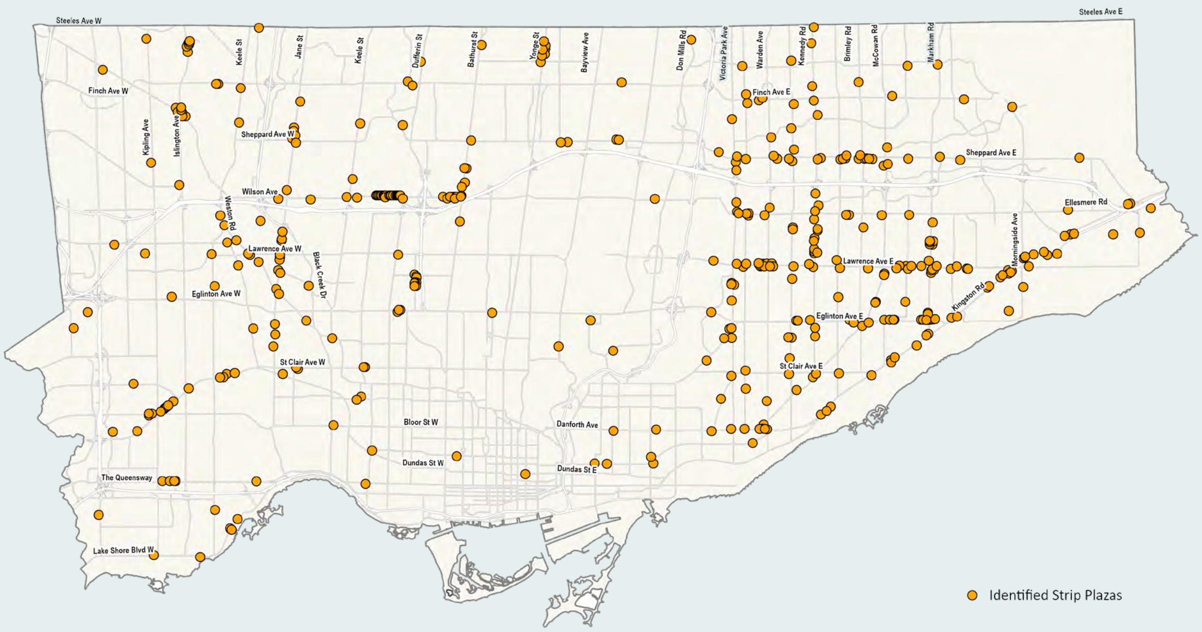


Figure 3.1: Toronto Strip Plaza Locations

Most strip plazas are located in Scarborough at 51%, followed by North York at 25% (Figure 3.2).

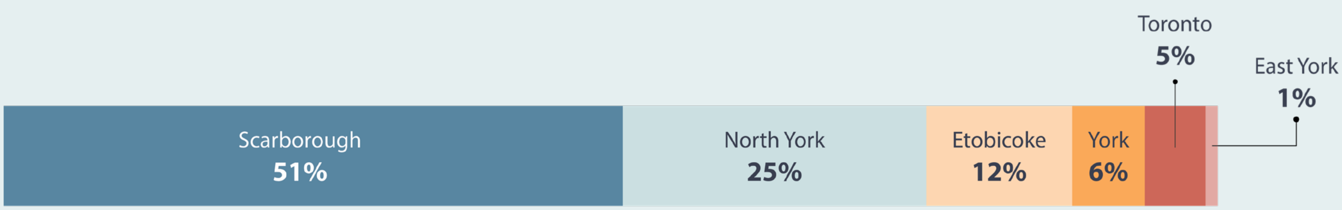


Figure 3.2: Distribution of Strip Plazas by Former Municipality

1 Total is current as of Q4 2024 and subject to change.

3.2 When were plazas built?

Strip plazas are most common in areas where building construction predominantly occurred between 1951 and 1990 (Figure 3.3).

The age of strip plazas reflects this trend, as they were generally built throughout this same period to serve as commercial nodes for emerging communities in these areas. Where the date of construction is known, the average lifespan of plazas is 48 years, with a median year of construction of 1974.

> *With most strip plazas later in their life cycle the condition of buildings varies. However, between January 2019 and October 2024 there were more than **350 permits** pulled on plaza sites for 'Building Alterations and Additions', indicating property and business owners continue to invest in strip plazas.*

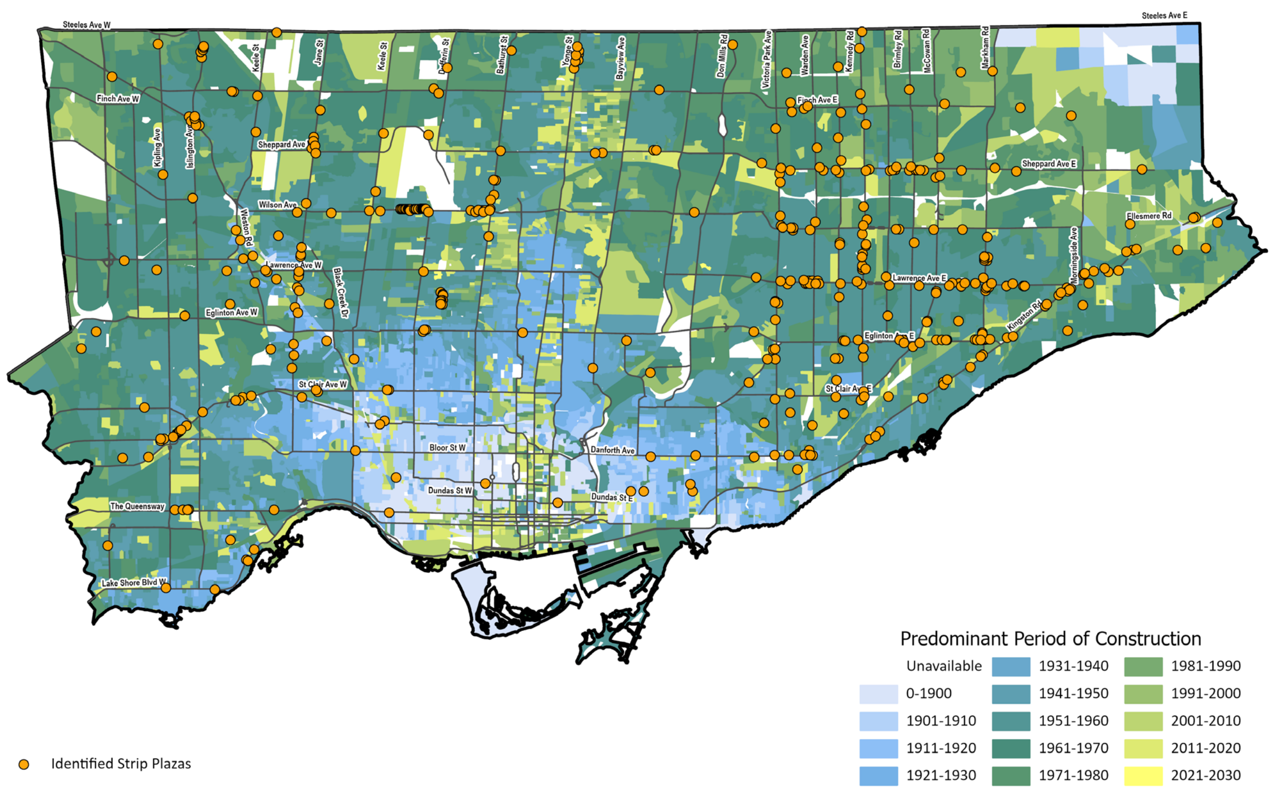


Figure 3.3: Period of Building Construction and Strip Plaza Locations

3.3 What's Inside Plazas?

Strip plazas support more than 3,000 establishments across Toronto that represent a wide variety of uses, such as restaurants, grocers, retailers, health services, professional services, and many others that help community members meet their daily needs and purchase specialized goods.[2] Of the strip plazas identified in the study inventory, nearly half (45%) contain between five and nine establishments, and almost a quarter (23%) contain fewer than five.

Independent businesses are observed to be more common than chain or franchise businesses in strip plazas, and based on business names and languages used on signage, ethnically based businesses are also observed to be common plaza tenants.

Figure 3.4: Yal Market, 2499 Eglinton Avenue East (Source: Google Streetview)

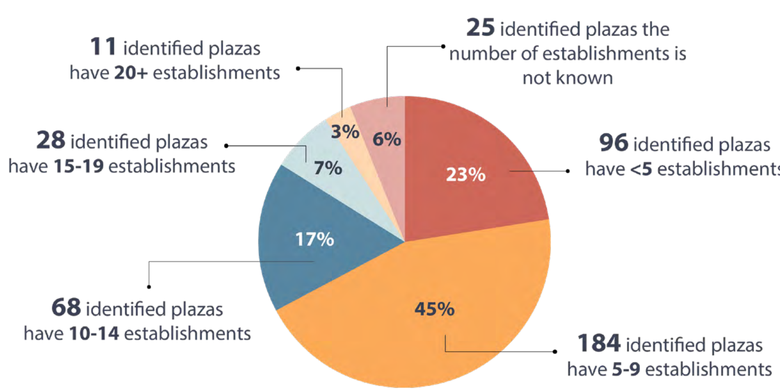


Figure 3.5: Number of Establishments in Strip Plazas

Figure 3.6: Strip Plaza with Variety of Small Business Establishments

2 Total number of establishments is based on the 2023 Toronto Employment Survey.

According to the Toronto Employment Survey, establishments within strip plazas provided roughly 13,000 jobs in 2023, of which more than half (57%) were full-time positions. The Accommodation and Food Services sector accounted for the greatest proportion of jobs at 32%, followed by the Retail Trade sector at 22% (Figure 3.7).[3]

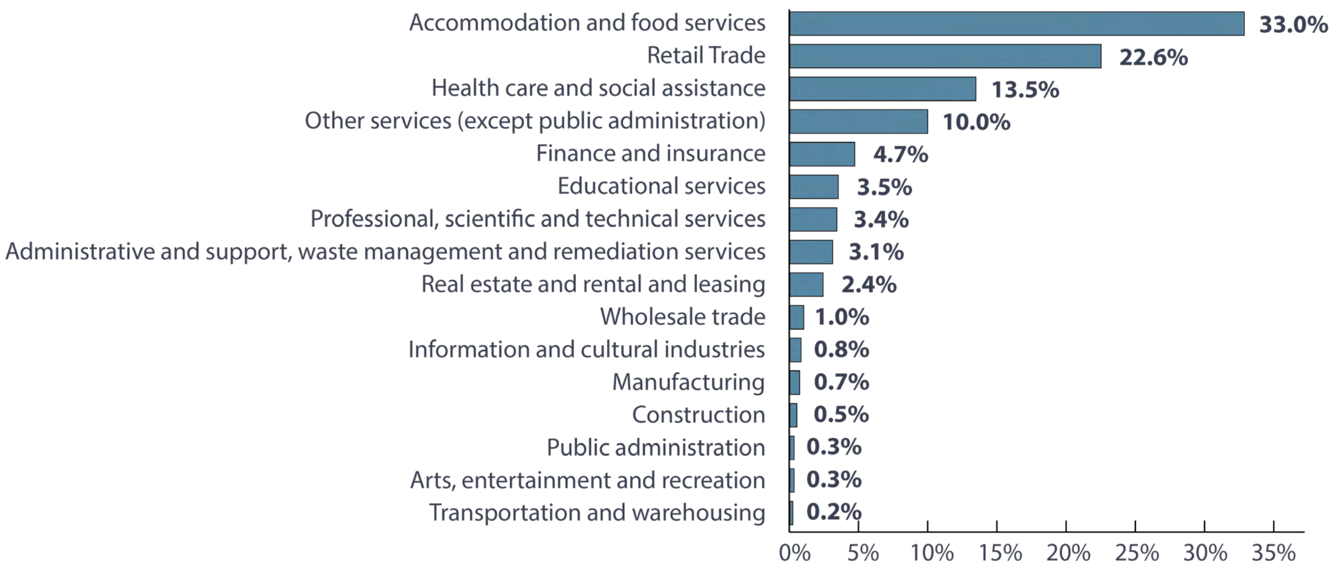


Figure 3.7: Total Employment in Strip Plazas, by Sector

Located near neighbourhoods and offering affordable space, plazas often house community and social services for residents. For example, six branches of the Toronto Public Library are located within strip plazas in the inner suburbs.

Business Improvement Areas (BIAs) are established through the City and operate through a volunteer board of management. Working with the City they carry out improvements and promote economic development in designated areas. BIAs support businesses within their boundary by enhancing and promoting the area as safe, vibrant places to do business, unique destinations for tourists and focal points for neighbourhood activity. Approximately 30% of identified strip plazas are within the boundaries of a Business Improvement Area (BIA). Wilson Village BIA contains the most at 23 plaza sites, followed by Wexford Heights BIA (14), Kennedy Road BIA (14) and Sheppard East Village BIA (11) with over 10 sites each. Association with a BIA provides plaza sites with the opportunity to access funding, programs and resources that support the prosperity of commercial spaces.

Figure 3.8: Toronto Public Library, Kennedy-Eglinton Branch at 2380 Eglinton Avenue East (Source: torontopubliclibrary.ca)

3 Sectors are based on the North American Industry Classification Systems (NAICS) categories. Although the "Accommodation and Food Services" category has been used for consistency, all jobs provided by establishments within the identified strip plazas fall within the sub-category of "Food Services".

3.4 Who's Around Plazas?

Strip plazas are generally located in areas with lower household incomes. As of 2021, 50% of plazas were located in census tracts that fell below the Toronto median total household income of $84,000, and just 5% in census tracts where the median household income was $121,000 or higher (Figure 3.9).

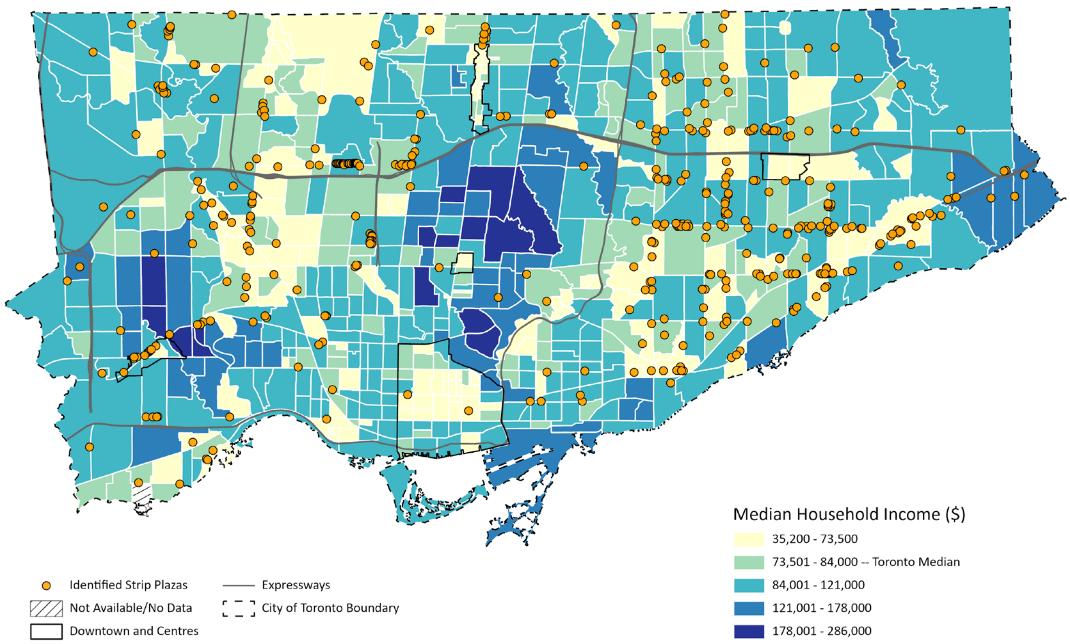


Figure 3.9: 2021 Census Median Household Income and Strip Plaza Locations

Strip plazas are generally located in areas with a higher proportion of racialized persons. As of 2021, 72% of strip plazas were located in census tracts where the proportion of racialized persons was 50% or higher, with 39% in census tracts where that proportion was 75% or higher (Figure 3.10).

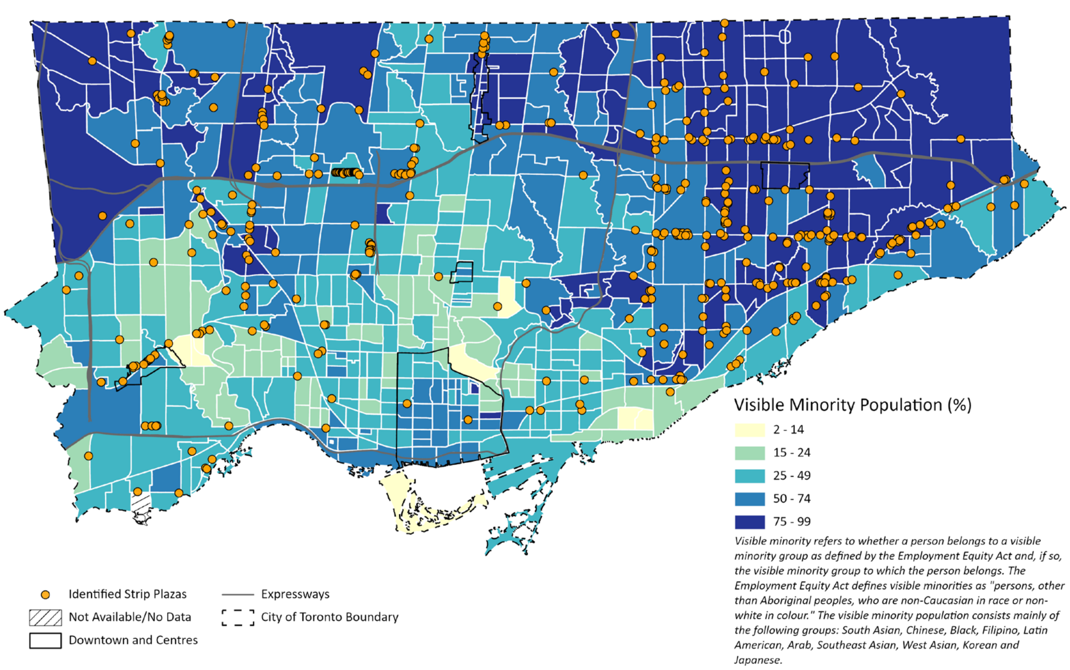


Figure 3.10: 2021 Census Racialized Population and Strip Plaza Locations

Strip plazas are generally located in areas with a higher proportion of immigrants and non-permanent residents. In 2021, immigrants and non-permanent residents represented 55% of the population in census tracts with plazas, which is more than 3% higher than the city-wide average of 52% (Figure 3.11).

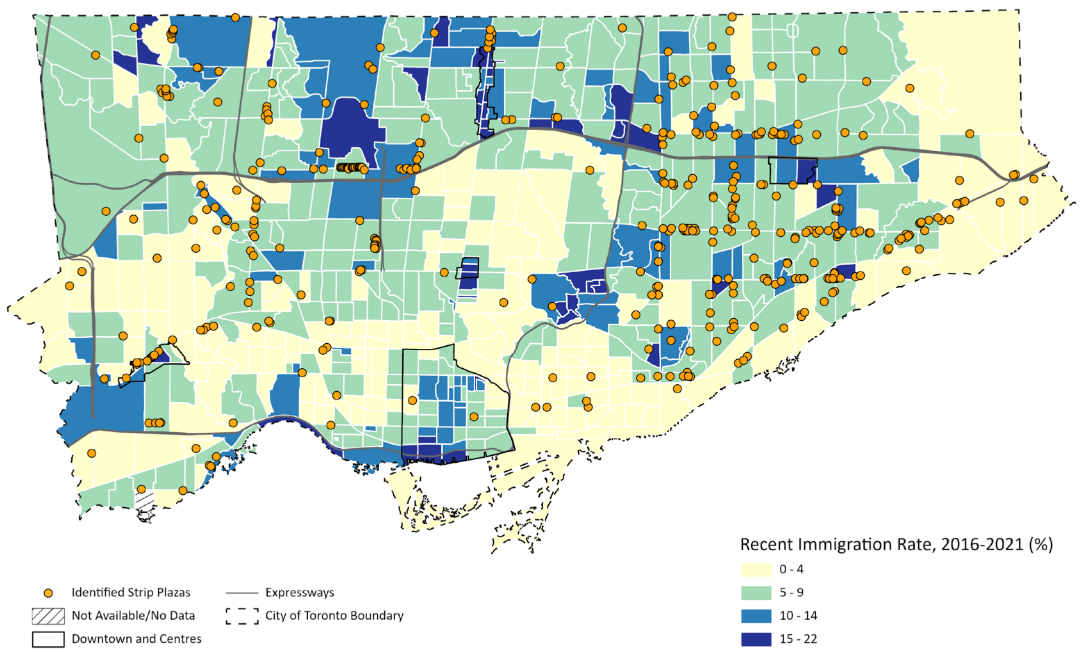


Figure 3.11: 2021 Census Recent Immigration Population and Strip Plaza Locations

Neighbourhood Improvement Areas (NIAs) are designated by the City of Toronto on the basis that a neighbourhood is facing inequitable outcomes, which is determined by a Neighbourhood Equity Index that provides a broad quantitative assessment of a neighbourhood's wellbeing. Of the 412 identified plazas, 171 (42%) of them are located within NIAs (Figure 3.12).

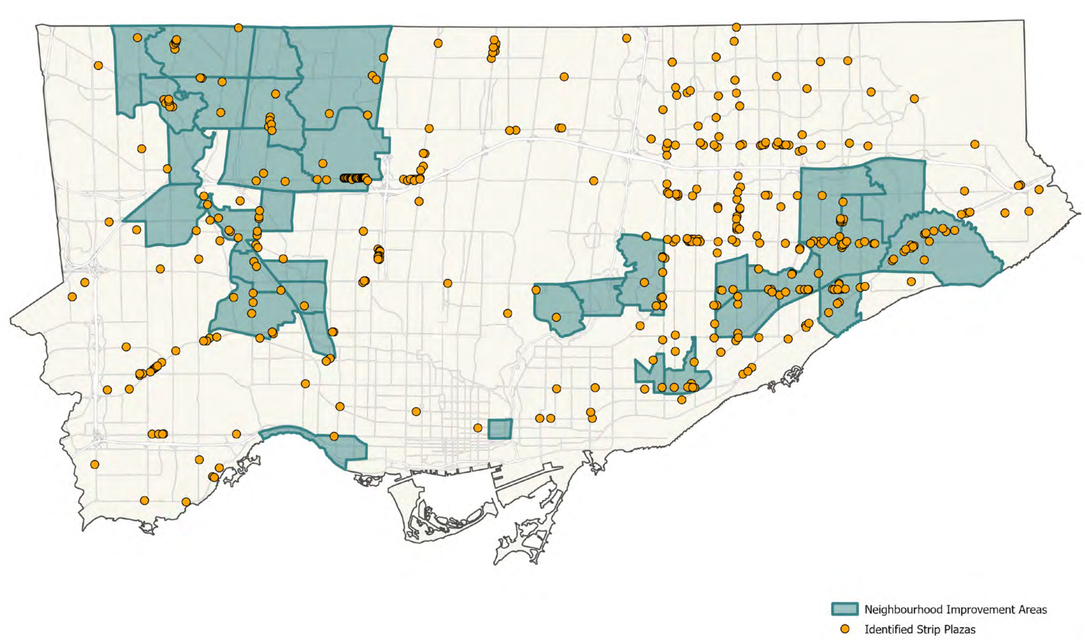


Figure 3.12: Neighbourhood Improvement Areas and Strip Plaza Locations

3.5 EMERGING DIRECTIONS

Resources for Plazas in 'One-Stop Shop'. APTE Action 13 promotes the establishment of a 'One-Stop Shop' for small business to access City programs and services. This service should include resources for improving and/or activating a strip plaza site, such as a guide outlining best practices, programs and design options, with staff assistance in navigating the permit and approval processes.

Business Improvement Areas expanded to Plaza-Rich Areas. When identifying opportunities for new Business Improvement Areas, consistent with APTE Action 14, consider areas of the city where strip plazas are common to ensure these forms of development are acknowledged as important neighbourhood main streets and hubs of commercial space that help support local entrepreneurs.

Advocacy for Small Business. In alignment with APTE Action 12 focused on protecting small businesses from rising costs, continue advocating to the provincial government to enhance protections for small businesses, such as commercial rent control. Also, with a significant proportion of strip plaza sites subject to intensification policies, consider advocating for the authority to require developers to replace retail and commercial space at the same level of affordability as the spaces demolished through redevelopment.

Pilot Programs in NIAs. Where new programs or strategies are pursued to support plaza businesses, placemaking, etc., focus pilot programs in Neighbourhood Improvement Areas outside of the city core.

Figure 3.13: 2655 Lawrence Avenue East (Source: Google Streetview)

4.0

HOW ARE PEOPLE USING PLAZAS?

4.1 Mobility Analysis

To better understand how often and when people are visiting plazas, City Planning obtained MobileScapes data from Environics for select plazas in the PlazaPOV inventory. MobileScapes data provides information on the mobile movement observations that were present for a specified location and time, providing insight into any patterns in consumer visits.

Six plazas were selected for this analysis representing the variety and diversity of plazas across the city, each with a unique assortment of establishments and geographic attributes. Results consist of visits recorded between August 1, 2023 and July 31, 2024.

Given the mix of features and attributes each of the six plazas possess, they each have their own consumer traffic, as summarized by Table 1. All six sites are clearly active places of commerce, experiencing a notable amount of consumer traffic and are frequently attended by repeat visitors.

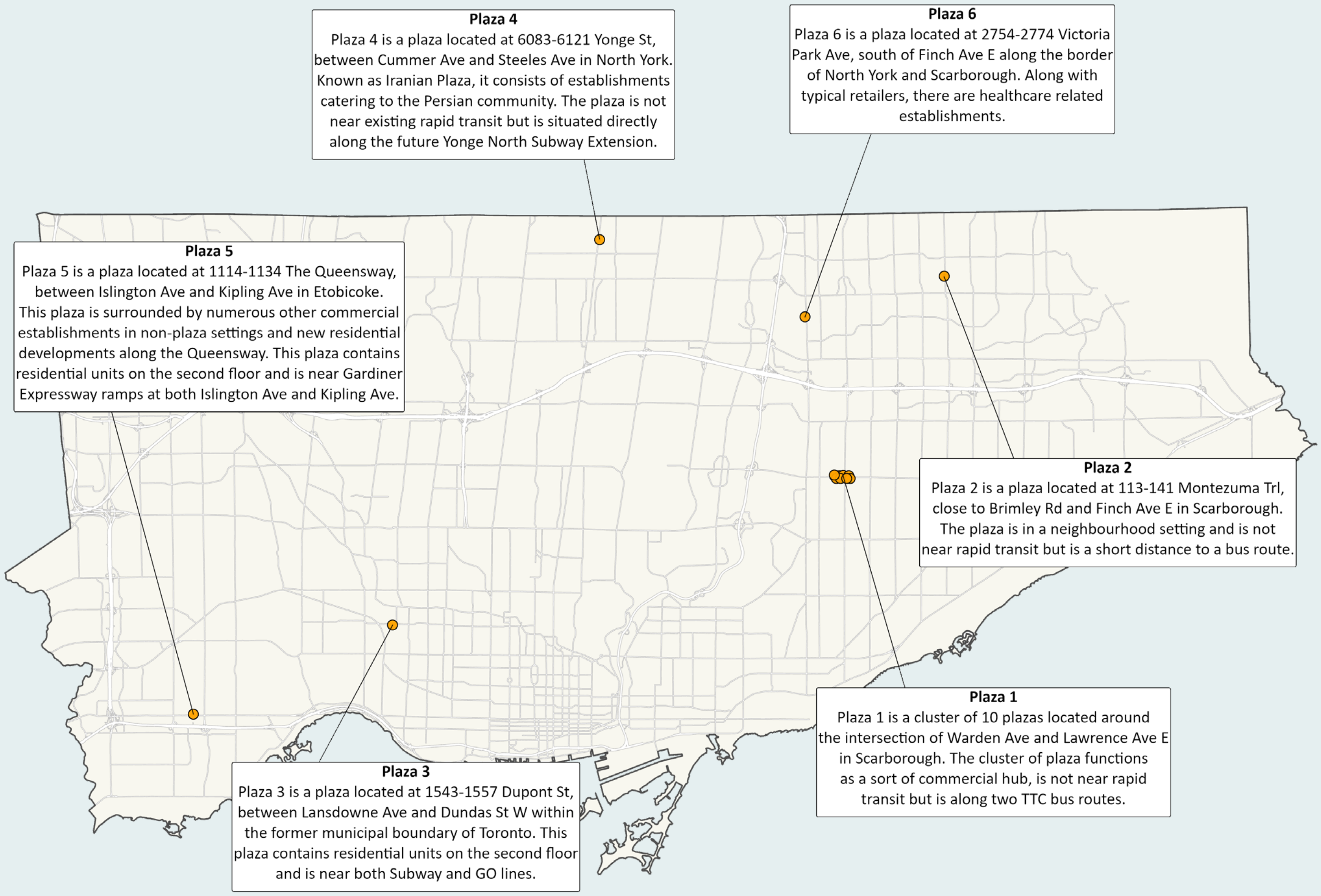


Figure 4.1: Mobility Analysis Sites and Descriptions

Table 2 - Visitor and Visit Summary, by Plaza

	Plaza 1	Plaza 2	Plaza 3	Plaza 4	Plaza 5	Plaza 6
Unique Visitors Recorded	275,094	18,579	19,128	101,944	23,425	32,752
Total Visits Recorded	3,578,290	205,577	134,508	1,098,565	234,816	322,222
Average Visitors per Month	22,925	1,548	1,594	8,495	1,952	2,729
Average Visits per Month	298,191	17,131	11,209	91,547	19,568	26,852
Average Visits per Visitor	13.0	11.1	7.0	10.8	10.0	9.8

(Note: Unique visitors and visits represent visitors and visits to the selected location(s) during the August 1, 2023 and July 31, 2024, excluding workers and residents and those without valid geocoding.)

Figure 4.2 breaks down visits and visitors based on the distance between the visited plaza and the postal code area in which the visitor resides. While visitors that live nearby make up a small proportion of the unique visitors recorded, they make up an outsized proportion of the total number of visits. The number of visitors that live within one kilometre of the plazas range from only 5%-21%, yet they make up 10%-34% of the total number of visits. The results indicate that those who live closer to the plazas visit more frequently than those who live further.

The chart also illustrates that plazas serve the community in their immediate surroundings, as well as those who pass through. This is likely a result of plazas typically being located along major streets, which enable greater access to consumers and commuters – either those who pass by through their regular commutes or those who are passing by on one off trips.

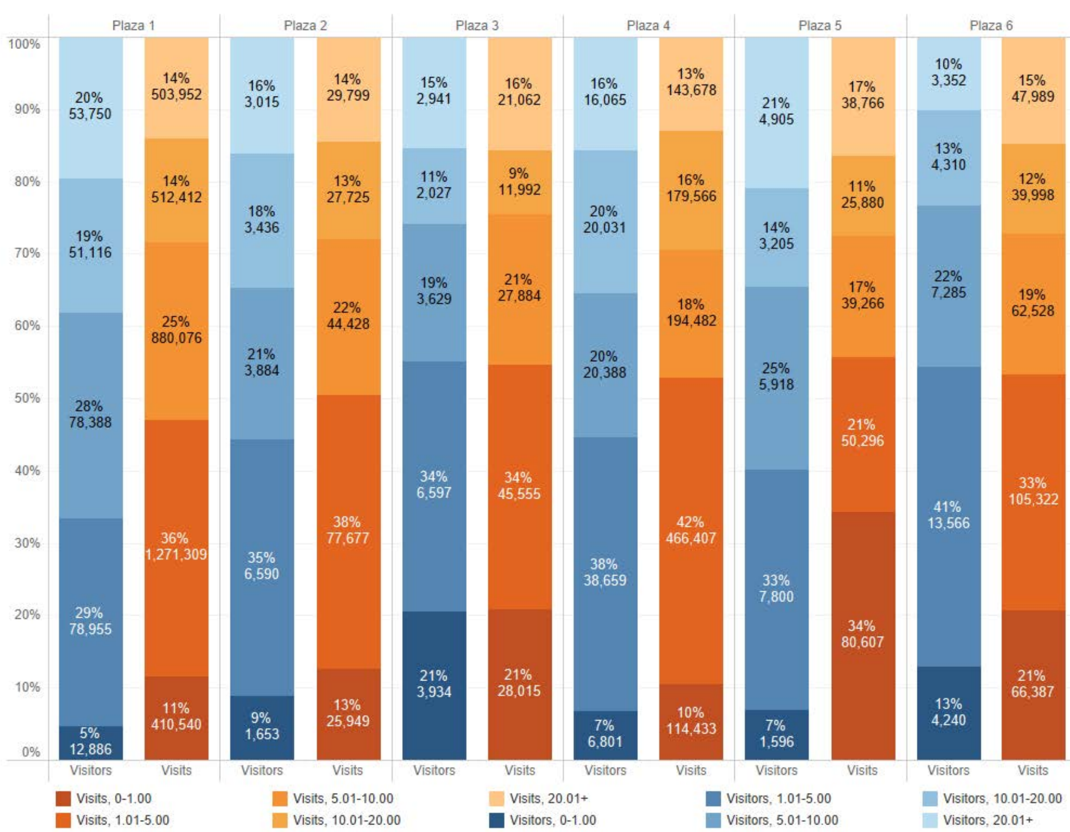


Figure 4.2: Proportion of Visitor and Visits, by Distance

The data also provides insight on when consumers visited the plazas. Figure 4.3 charts the proportion of visits to each plaza by month, showing that visitation rates for the plazas fluctuate over the year, but generally experience lower rates in the colder months and higher rates in the summer months.

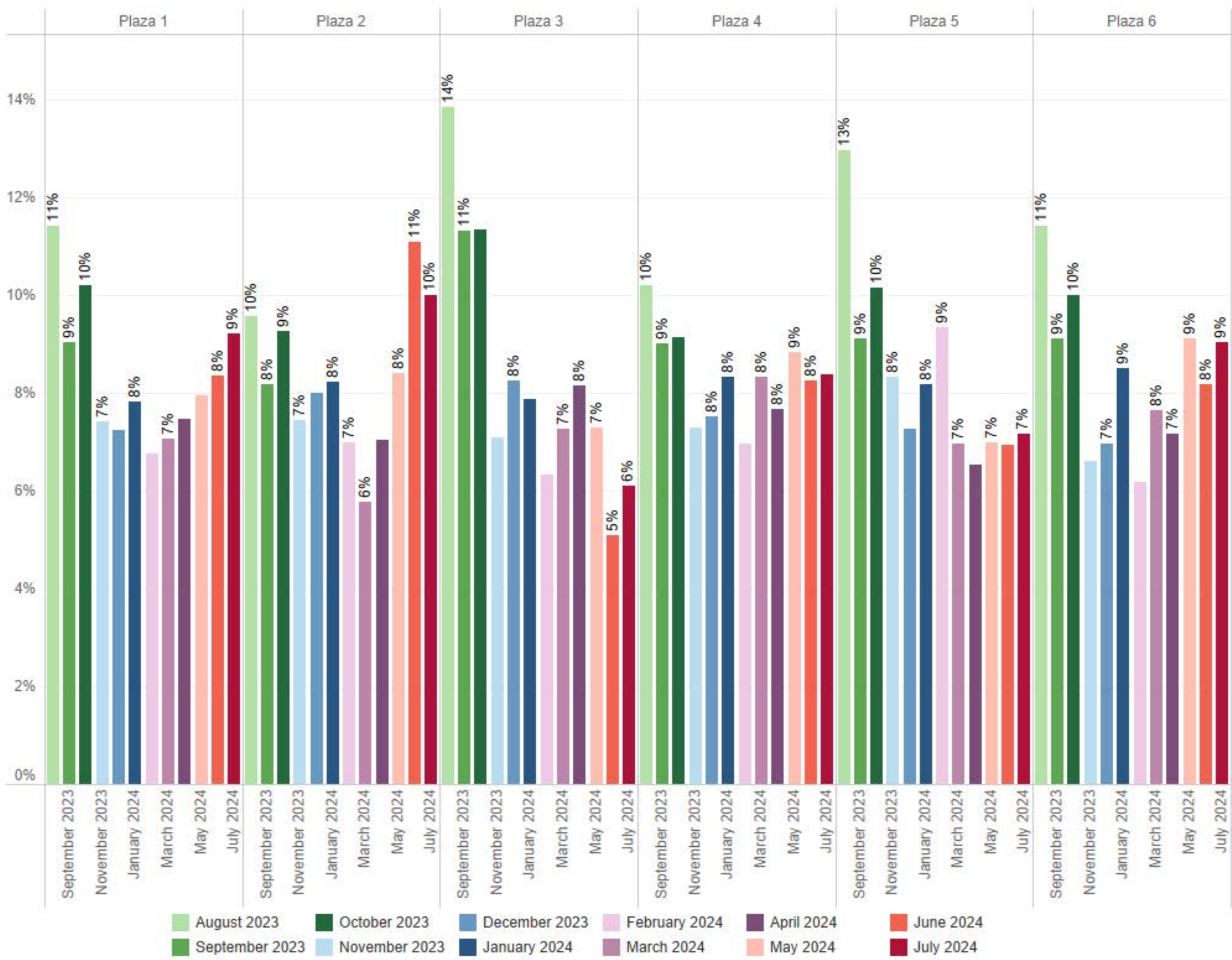


Figure 4.3: Proportion of Plaza Visits, by Month

Plazas are visited every day of the week (see Figure 4.4). Weekday visits make up around 70% of visits for each, while weekend visits make up the remaining 30%. Four of the six plazas experienced upticks in visits on the weekend, while plazas 3 and 6 experienced decreases in traffic – this is likely influenced by the hours of operation of the plaza establishments. Hours of operation also influence what time of day consumers visit plazas. Figure 4.5 shows that most people visit plazas between late morning and the evening.

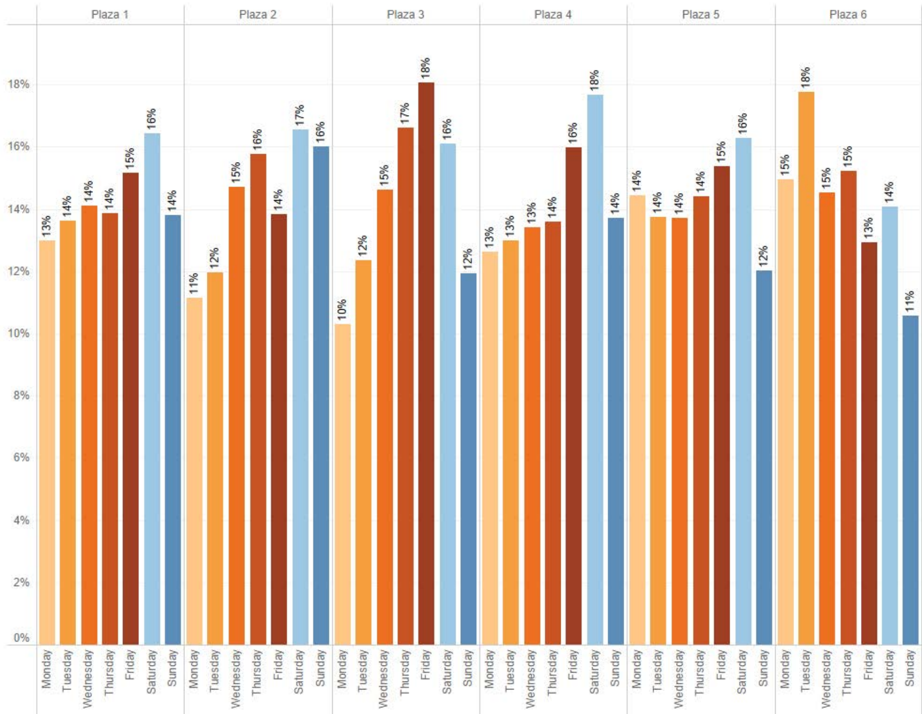


Figure 4.4: Proportion of Plaza Visits, by Day

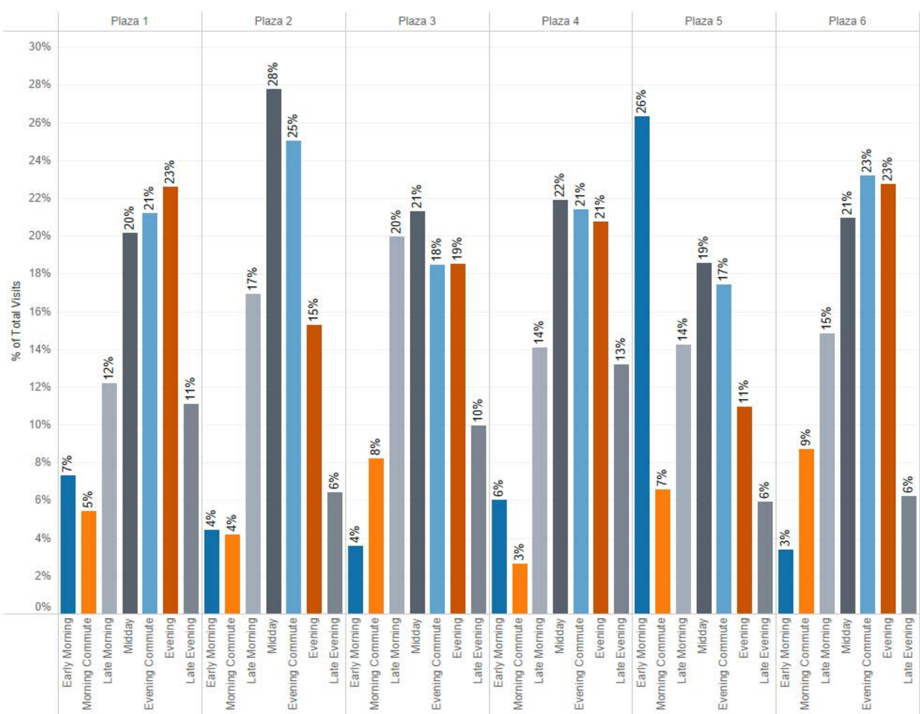


Figure 4.5: Proportion of Plaza Visits, by Time of Day

While plaza visits do vary by month, day and time of day, the data illustrates that plazas are active commercial hubs. The establishments that occupy plazas are visited frequently and consistently, suggesting they are built into the "everyday" functions and necessities of its visitors, both those that live nearby and that pass by.

4.2 Survey/Outreach

Between July and November 2024, City Planning released a survey to the public to learn more about how commercial strip plazas shape daily living for Torontonians. The survey, offered in English, Filipino, Spanish, Tamil, traditional Chinese and simplified Chinese, was promoted across City social media channels, through transit shelter advertisements, local festivals and pop ups, capturing opinions from a range of communities.

Figure 4.6: Transit shelter advertisements promoting the PlazaPOV Study and survey city-wide

Figure 4.7: PlazaPOV pop-up at a community festival, Summer 2024

Over 300[4] respondents from across Toronto shared information about how they use plazas and what they like or don't like about plazas. Approximately 6% of these responses came from businesses owners located in plazas or employees of plaza establishments.

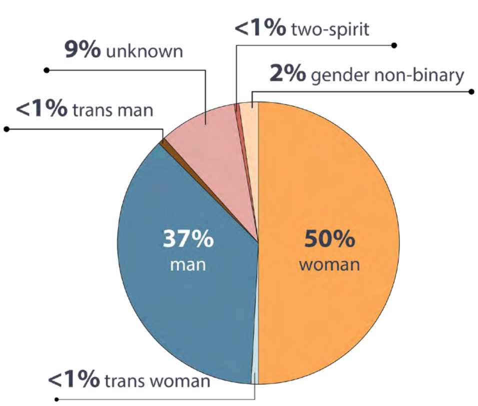


Figure 4.8: Survey Respondents by Gender

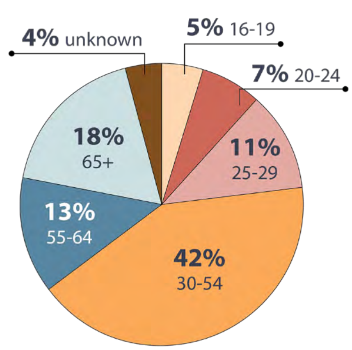


Figure 4.9: Survey Respondents by Age

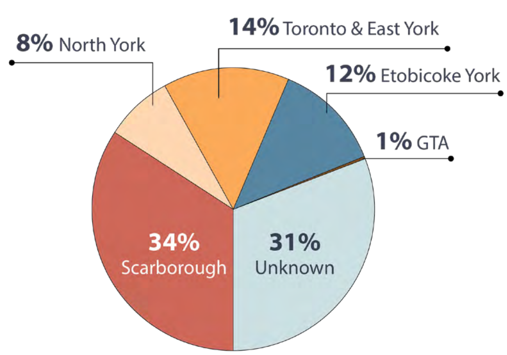
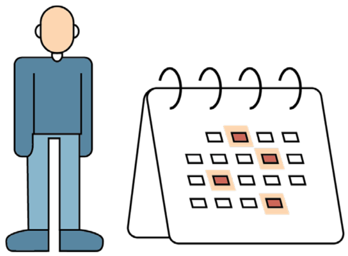


Figure 4.10: Survey Respondents by Location[5]

4 As all survey questions were optional, percentages reflect the number of responses per question and not total responses to the survey.

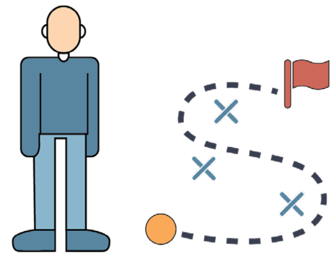
5 Geographic breakdown is an approximation based on the first three letters (forward sortation area) of respondent's postal code.

The survey demonstrated that plazas play a role in supporting the day-to-day needs of respondents. When asked about the nature of their visits, 58% of responses revealed that plaza users were visiting plazas at a minimum of once a week, and 70% of respondents were visiting two or more businesses in a single trip.



58%

of responses revealed that plaza users were visiting plazas at a minimum of once a week



70%

of respondents were visiting two or more businesses in a single trip

Figure 4.11: Survey Results from Plaza Users

Among plaza users, business owners and employees, the most selected reason attracting them to plazas was proximity to their home. For plaza users only, other frequently selected features were: access to a variety of goods and services; supporting small and local businesses; and ease of parking (Figure 4.12). In addition to location, business owners and employees most frequently selected: affordable rents; and physical environment (how the plaza looks and feels); with remaining factors uniformly selected as shown in Figure 4.13.

While respondents reported a variety of ways to get to plazas, driving emerged as the dominant mode of transportation. For plaza users, just under half (46%) were likely to drive, and just under one third (32%) were likely to walk to their regular plaza. For business owners and employees, driving (47%) and public transit (40%) were the primary choices of transportation to get to their plaza. Cycling was seldomly selected as a means of getting to plazas by all respondents.

When asked about improvements they would like to see, plaza users, business owners and employees shared a desire for changes to the conditions around the plaza. Plaza users expressed a strong interest in enhancements to the public realm with more greenery, safer pedestrian pathways, and patios/outdoor seating accounting for the most selected responses. Business owners and employees focused on the exterior of plazas with increased cleanliness, more greenery, more lighting at night and art/beautification making up the top responses.

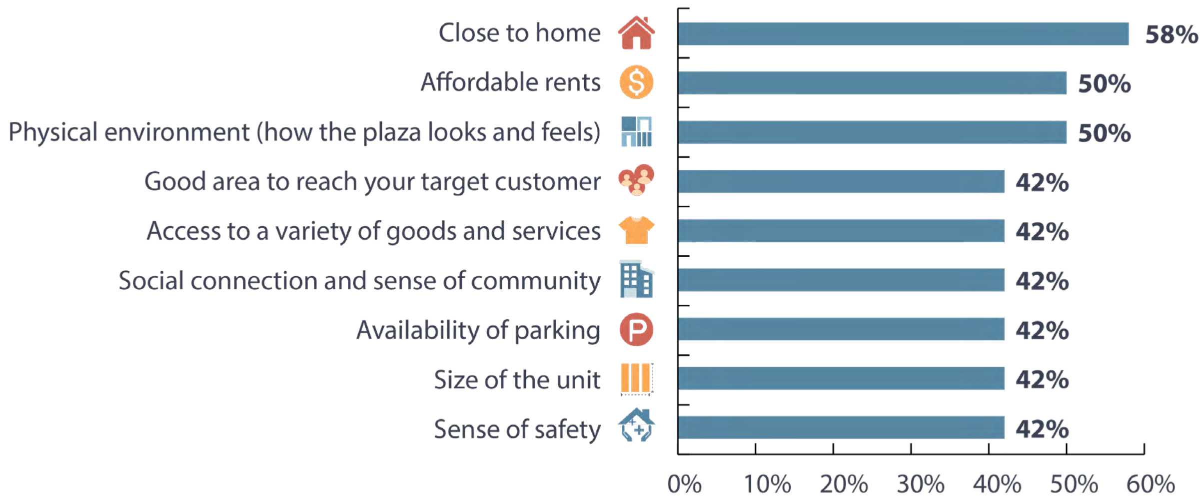


Figure 4.12: Survey Responses by Business Owners and Employees

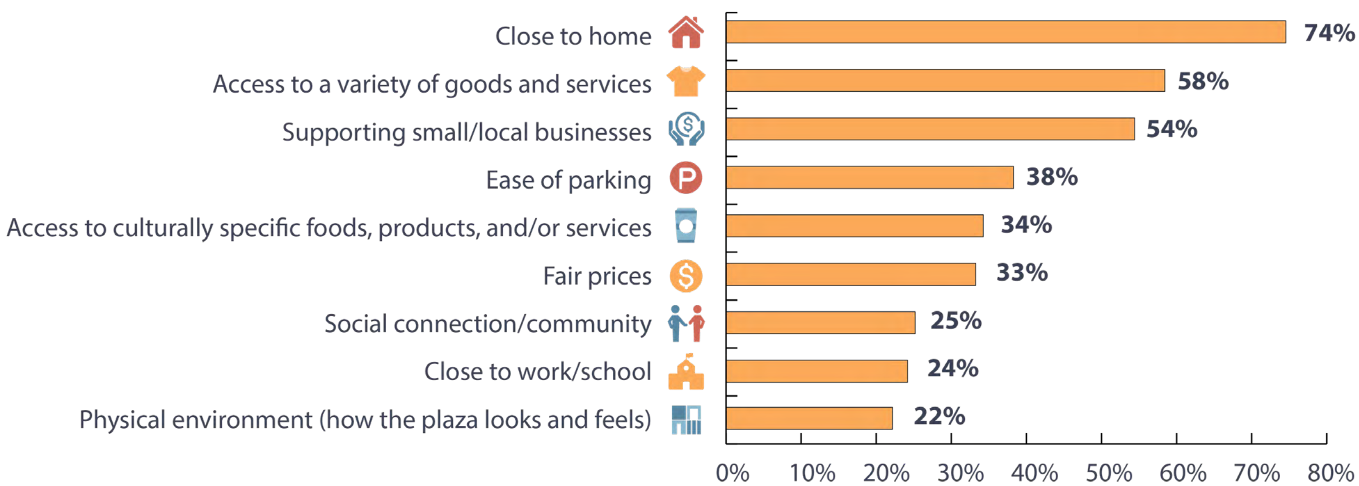


Figure 4.13: Survey Responses by Plaza Users

4.3 Ethnic Food Offerings

Toronto's strip plazas are uniquely valuable in supporting community cohesion, economic opportunity, and cultural expression, particularly within the city's immigrant neighbourhoods. While initially designed to provide accessible shopping and services for suburban residents, plazas have evolved into community hubs and cultural landmarks, offering a mix of affordable retail spaces, essential services, and vibrant ethnic businesses that cater to local residents and attract visitors from across the Greater Toronto Area.

Strip plazas have become "third places" for many residents who live nearby, serving as informal gathering spaces that foster social interaction and strengthen community ties. This role is significant for Toronto's multicultural neighbourhoods, where plazas are viewed as accessible locations by residents to meet, socialize, and access culturally relevant goods and services. The ethnic retailing within strip plazas not only meets the daily needs of residents but also fosters social cohesion by serving as communal spaces for cultural expression.

In recent years, plazas have gained further visibility as social media platforms are turning their spotlight onto ethnic eateries located within them, drawing Torontonians and visitors seeking authentic, diverse culinary experiences. Prominent platforms, particularly TikTok and Instagram, have significantly influenced the food landscape in Toronto, driving a shift in consumer preferences from well-known chain restaurants to smaller ethnic establishments in Toronto's suburban strip plazas. These smaller, community-based ethnic businesses are promoted as "hidden gem" destinations for locals and tourists alike, enriching Toronto's cultural tourism appeal beyond the downtown core.

Figure 4.14: Sumaq Iraqi Charcoal Grill, 1961 Lawrence Avenue East (Source: Google Streetview)

Sumaq Iraqi Charcoal Grill, located in a four-unit plaza known as the Wexford Centre (1961 Lawrence Ave East, Scarborough), has gained recognition for its shawarmas and Iraqi Middle Eastern dishes. Boasting more than 3,400 Google reviews, the restaurant has seen evident benefits from social media exposure. One Toronto food influencer on TikTok showcased shawarma from the restaurant, describing the small family-owned establishment as a hidden gem in the city. This led to other influencers quickly taking notice and posting their own positive reviews on the spot, citing the quality and authenticity of the food. In August 2024, Sumaq received a visit from Keith Lee, one of the biggest food influencers in the world with over 16 million followers on TikTok. Following his positive review of the restaurant and subsequent media attention about his post, the restaurant saw long lines form outside the small restaurant on Lawrence Ave East, where similar strip plazas dominate the neighbouring streetscape. Today Sumaq has over 62,000 followers on Instagram, a tenfold increase since Lee's visit.

4.4 EMERGING DIRECTIONS

Placemaking in Plazas. Urgent Action 2.2.1 of the Action Plan for Culture in Toronto ("APCT", November 2024) promotes enabling meaningful community-driven programming and cultural experiences city-wide. By maintaining and potentially expanding support for programs like PlazaPOPS through the Toronto Main Street Recovery and Rebuild Initiative and/or the Healthy Cities Research Initiative, strip plaza sites can play a role in supporting this action by providing cultural programming opportunities in communities across Toronto, meeting people where they are.

Existing Strengths of Plazas. Explore opportunities to promote the cultural and ethnic diversity of restaurants and grocery stores found in strip plazas, such as a program centred around food tourism across Toronto, which would advance APTE Action 27: Promote Toronto's rising culinary scene through programming, branding and communications to drive investment, tourism and local economic development.

Public Realm Improvements to Benefit Plazas. Action 52 of the APTE directs the enhancement of City street designs and other public realm improvements during the construction of major capital and transit projects. Along corridors where strip plazas are common, seek opportunities to coordinate with plaza business owners on improvements to sidewalk conditions through City capital improvements, such as through the introduction of seating and landscaping, to create a more welcoming environment for pedestrians and adjacent site activations. A particular focus should be placed around transit stops and clusters of commercial / retail establishments. Care must be taken to consider the operational needs of strip plazas, such as maintaining visibility of signage and access to parking.

5.0

IMPACTS OF GROWTH POLICIES

5.1 Provincial Planning Statement

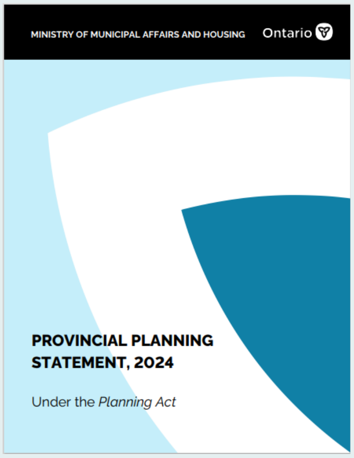


Figure 5.1: Provincial Planning Statement

In effect as of October 2024, the Provincial Planning Statement (PPS) provides direction on the future of strip plazas. Plazas are named as an example of potentially underutilized land under the definition of strategic growth areas, which are areas where growth or development will be focused. The PPS directs planning authorities to support the redevelopment of commercially designated retail lands like plazas (2.4.1.3 e), and refers specifically to underutilized plazas as one area where residential intensification should be facilitated through mixed use redevelopment (2.2.1 b) 2.). References to plazas as a location for intensification and redevelopment are balanced by policies that direct planning authorities to approach redevelopment and intensification in a manner that supports complete communities and prioritizes planning and investment in the necessary infrastructure and public service facilities (2.3.1.3). The direct and recurring references to plazas in a provincial policy instrument signals future redevelopment potential of these sites.

5.2 City of Toronto Official Plan

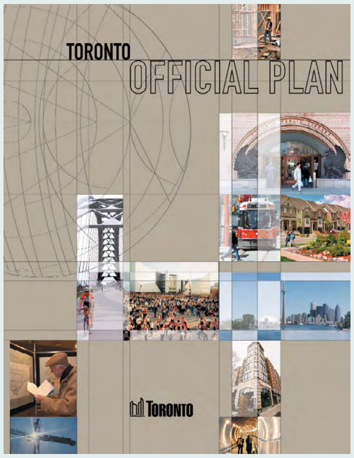


Figure 5.2: City of Toronto Official Plan

Though not a defined term in the Official Plan, "strip plazas" are referenced twice. The preamble to Section 3.5.3 on 'The Future of Retailing' notes plazas as one type within the retail spectrum; and indicates that many plazas have a Mixed Use Areas designation to support the City's goals of reurbanization. In general, this preamble text recognizes the need for flexibility to adapt to changing retail conditions while evaluating local needs for convenience shopping and essential services.

While the Official Plan does not contain explicit policy direction for plazas, there are several policies that pertain to plazas found throughout. Generally, Official Plan policies support the function of plazas as hubs for small business and entrepreneurship, speciality and local retail, and a range of employment opportunities; conversely, the auto-oriented form of plazas is discouraged in favour of more transit-supportive and pedestrian-friendly design through infill and redevelopment.

Function

Support for the function of strip plazas is established early in the Official Plan. As a guiding principle in Chapter One, land use and development decision are intended to ensure a strong and competitive economy for all Torontonians. To that effect, the Official Plan generally encourages small scale, diverse and local retail opportunities across various land use designations including in ***Mixed Use Areas***, ***Employment Areas***, and ***Neighbourhoods*** as well as along Avenues. Policies use language such as ***facilitate***, ***support***, and ***strengthen*** retail opportunities of this nature to contribute positively to the city's economic vitality and wellbeing.

Plazas serve Official Plan objectives related to growth, stability, and range of employment opportunities. With over 96% of plazas located outside of the Toronto's ***Downtown and Central Waterfront*** and ***Centres***, they contribute to the geographic spread of employment opportunities across the city. The diverse and quality jobs provided in plazas, as well as access to goods and services near neighbourhoods and transit, reduces the need for long distance commuting.

Form

Strip plazas are characterized by a built form, landscape and public realm design that is conducive to auto-oriented retailing. Retail units are set back from the street with parking in front of store entrances. Official Plan policies generally discourage this format for new development in favour of designs that support active transportation and public transit use, to reduce auto dependency and create a more pedestrian friendly environment. In particular, along ***Avenues,*** parking and auto-oriented retail and services are intended to be restricted (2.2.3 policy 2 b) v.) Other policies on built form, public realm and streetscape pertaining to retail uses generally discourage the strip plaza format.

Chapter 3 of the Official Plan encourages development that minimizes impacts and improves the safety and attractiveness of the public realm. Specifically, policies direct "limiting new, and removing existing, surface parking and vehicular access between the front face of a building and the public street or sidewalk" (3.1.3 policy 4 e).

Further, by encouraging infill development where current retail is set back from the street (3.5.3 policy 3), the Official Plan signals the desired removal of parking and in turn, the vehicular convenience that plazas are designed to support. The typical plaza form is therefore in direct conflict to these policy directions.

Official Plan policy is reflected in other guiding documents such as urban design guidelines. For example, the City's Retail Design Manual describes "auto-oriented retailing (strip malls) as not conducive to the pedestrian experience and should be transformed through redevelopment".

Connection Between Function and Form

While the Official Plan supports the function of plazas, their form is strongly discouraged. Built form policies advance wider City objectives related to the public realm, climate change adaptation and mitigation. At the same time, they have the parallel effect of potentially jeopardizing the retail and community benefits that plazas deliver. The PlazaPOV study to date suggests that the ability of plazas to function as a place for small business and entrepreneurship is largely tied to their form, which tends to offer more affordable spaces due to the age, condition, location and ease of access of this building type. However, the Official Plan does not recognize this interdependency between the function and form of plazas. As redevelopment gradually replaces the built form of plazas, the lack of a policy mechanism to address the economic and community role of plazas can lead to the loss of diverse, locally serving establishments and employment opportunities.

This conflicting stance between the form and function of plazas leads to the loss of plaza sites but also the establishments that largely depend on this type of space to operate successfully. Policies and guidelines direct new development forms that may not offer similar retail space or conditions as those provided in plazas, resulting in potential business displacement, which may in turn have significant economic and equity implications. Policy 3.5.3.6 of the Official Plan requires that proposals to redevelop retail uses demonstrate the amount and location of replacement retail required to serve the daily needs of the local community; however, this has proven difficult to enforce in practice with applicants citing market limitations for non-residential uses. Equity as a guiding principle in Chapter One of the Official Plan provides a path forward, encouraging the City to take necessary actions to address inequities, particularly in practices that reflect and reinforce systemic exclusion, discrimination and displacement.

5.3 Plazas in Target Growth Areas

Provincial and Official Plan policies generally encourage the intensification of lands where plazas most commonly exist: along arterial roads and transit corridors; in mixed-use areas; and near higher-order transit stations. These policies continue to evolve in response to the current need for housing intensification. Specifically, the prevalence of identified strip plazas in areas identified for growth in the Official Plan is broken down as follows:

47% of plazas are located along existing *Avenues*, a number expected to rise. The *Avenues* are important corridors along major streets where reurbanization is anticipated and encouraged to create new housing, job and shopping opportunities, public realm enhancements and improved transit service for community residents. Based on the current Map 2-Urban Structure of the Official Plan, 47% of plazas are located along existing *Avenues* (See Figure 5.3). As noted above, the City is undertaking a review and update of *Avenues* policies and mapping for consideration in 2025. With the identification of additional *Avenues* resulting from this review, the number of plazas along these corridors will rise.

In November 2024, City Council adopted a zoning by-law amendment 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.

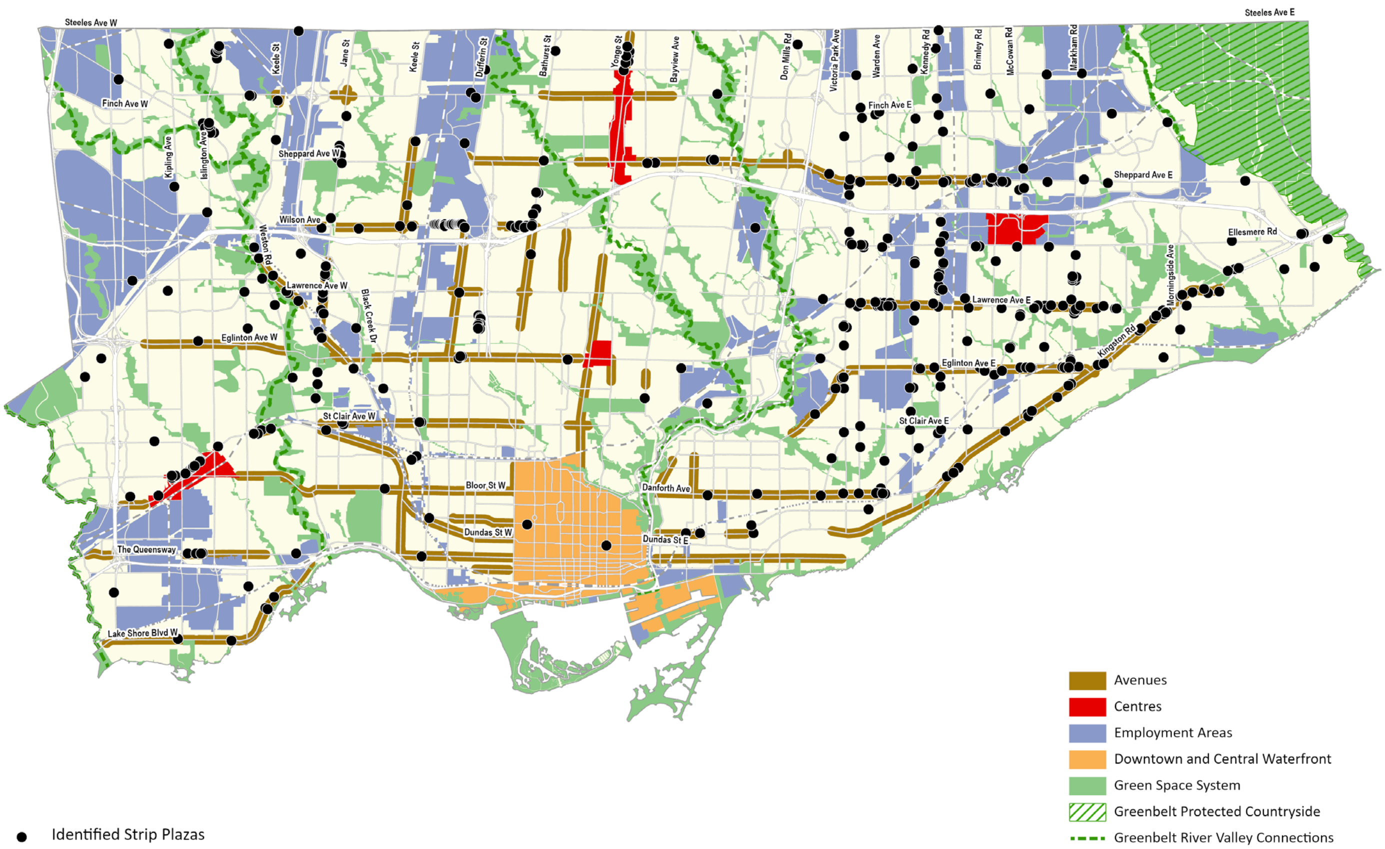


Figure 5.3: Official Plan Urban Structure and Strip Plaza Locations

97% of plazas are located along Major Streets. Major Streets are Toronto's main arterial routes identified on Official Plan Map 3 - ROW Width (See Figure 5.4). In 2024, as part of the City's Expanding Housing Options in Neighbourhoods initiative, Council adopted amendments to permit increased zoning permissions for lands designated ***Neighbourhoods***. From the inventory, 16 plazas carry residential zoning (an indicator of ***Neighbourhoods*** designation), and are eligible for the new EHON Major Streets permissions.

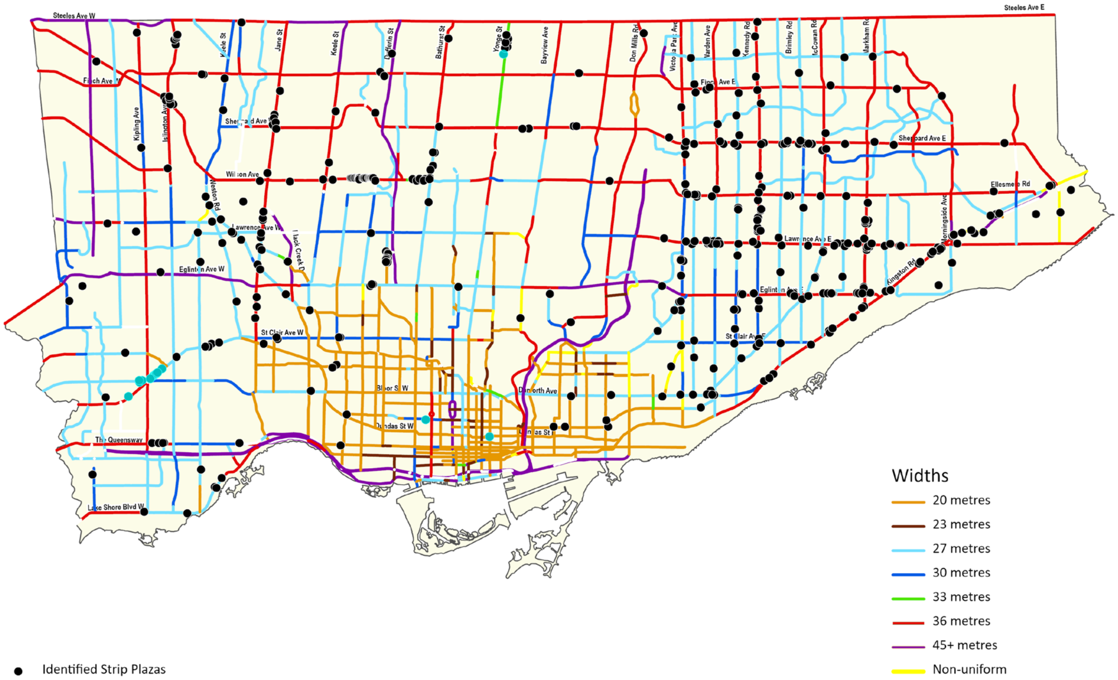


Figure 5.4: Strip Plazas within Official Plan Map 3 - ROW Widths

42 plazas (10%) are located within a Secondary Plan area. Secondary Plans are typically developed to manage anticipated growth in a specific geographic area, and often contain policies that support intensification through redevelopment that reduces or eliminates surface parking.

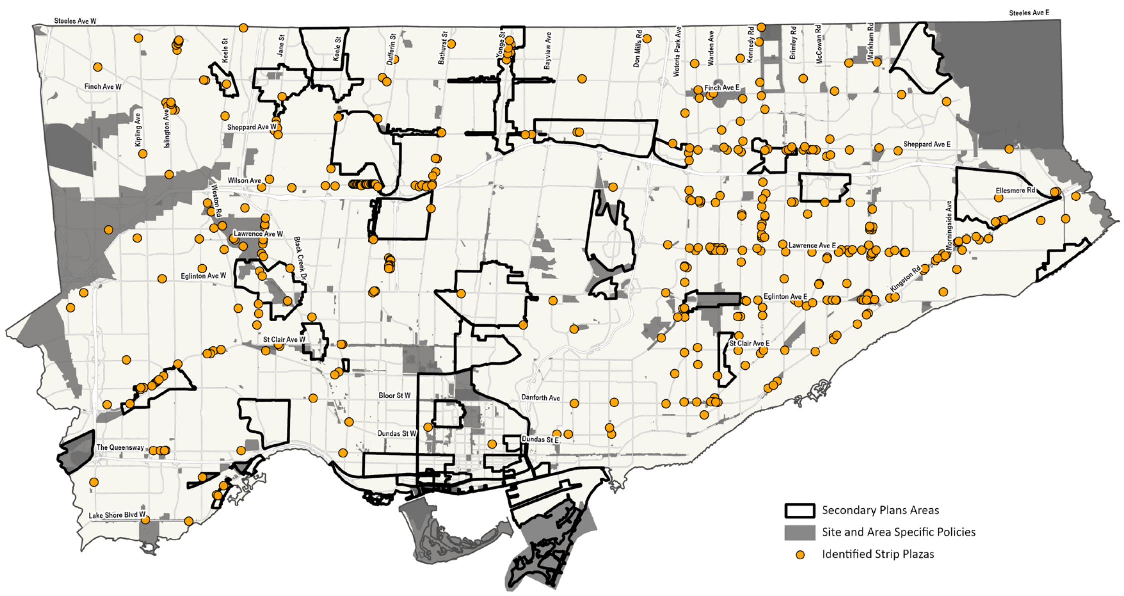


Figure 5.5: Secondary Plan Areas and Site and Area Specific Policy Areas and Strip Plaza Locations

33% of plazas are along existing rapid transit routes. These plazas are located within 500 metres, a generally accepted walking distance, to a higher-order line such as subway, streetcar, light rail or bus rapid transit route, which is an indicator of intensification potential (Figure 5.6). If considering the number of planned, but as yet unbuilt rapid transit routes, this number climbs to 53%.

One-fifth of plazas are found within a Major Transit Station Area. Provincial planning policy defines a Major Transit Station Area (MTSA) as the areas generally within 500 to 800 metre radius of a transit station. Each MTSA will be subject to a density target across the area as a whole. Though the City's draft MTSA delineations are awaiting Ministerial approval, Provincial policies signal significant intensification within these boundaries to optimize higher-order transit investment.

Taken together, at least 97% (408) of identified plazas are subject to some form of intensification policy noted above, affecting approximately 3,149 existing establishments. With plaza sites predominately located in areas with lower income, a higher presence of racialized and immigrant populations, these neighbourhoods are more likely to be impacted by the closure or relocation of plaza businesses, especially if similar commercial space cannot be provided through redevelopment.

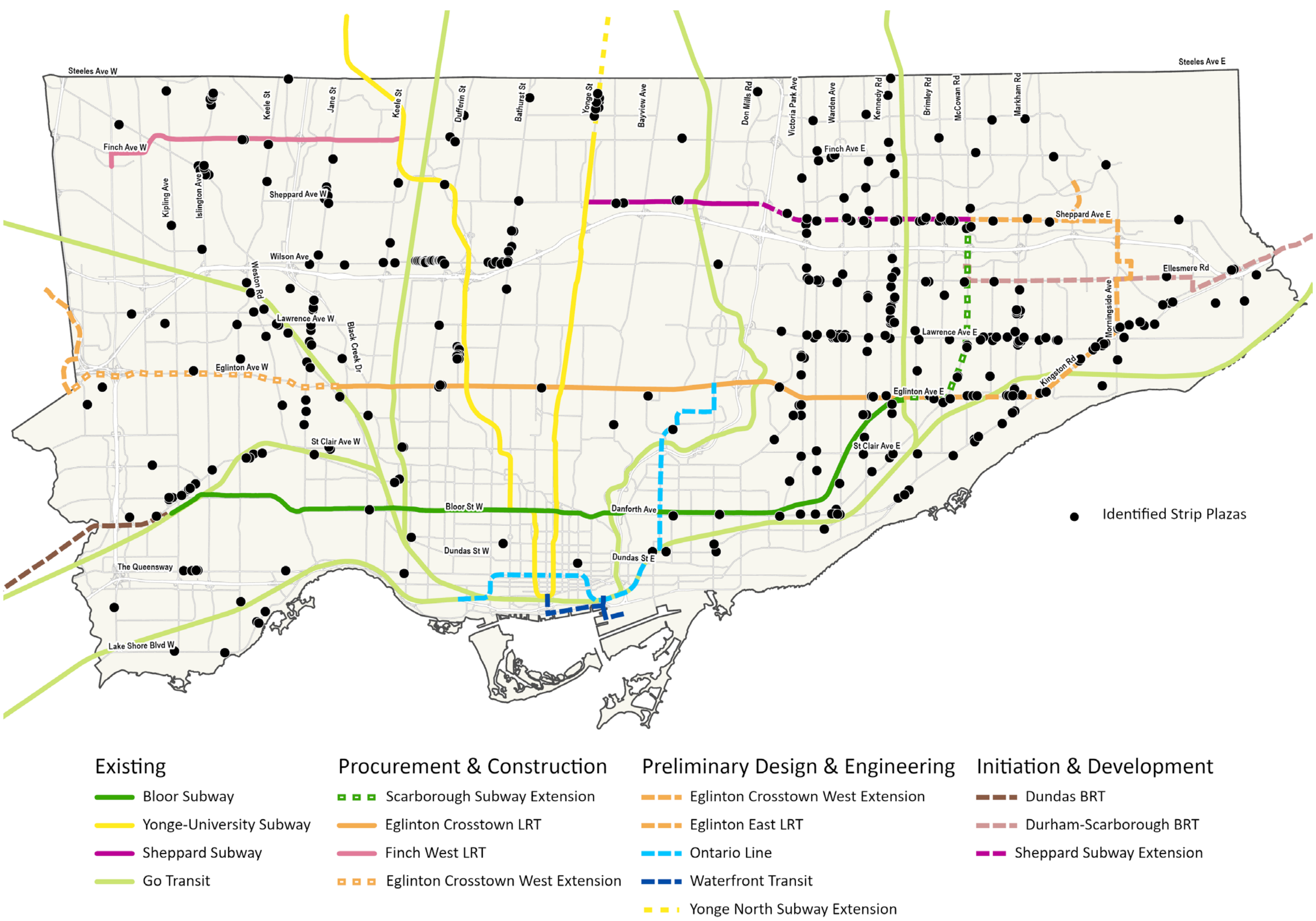


Figure 5.6: Rapid Transportion Network and Strip Plaza Locations

5.4 Suggested Approaches

Recently approved secondary plans have recognized the potential socioeconomic impacts of retail displacement through policies explicitly directed at including commercial spaces in new developments. While such policies aim to create space for small and independent businesses, they cannot secure affordability, tenure or condition similar to what was previously available. To complement the limited regulatory scope of planning policies alone, these secondary plans direct development to meet the objectives of Community Development Plans as a way to secure retail that is more representative of existing plaza conditions and needs.

Figure 5.7: Placemaking in the Jane Finch area

The Jane Finch Secondary Plan (JFSP) recognizes its mall and plaza sites as "important gathering places... home to many community-servicing uses and locally owned businesses" (JFSP Policy 8.4.1). While acknowledging a range of potential redevelopment scenarios on these sites, it is explicitly stated that they will be planned comprehensively. The JFSP identifies Priority Retail Streets and Retail Required Streets where the provision of non-residential uses subject to certain physical standards are required, as well as Retail Permitted Streets to encourage this function throughout the Plan area. Applicants are required to demonstrate how their proposed development responds to the complementary, Council-adopted Jane Finch Community Development Plan including its anti-displacement strategy. The CDP provides a mechanism to address affordability and the provision of commercial and service uses within the development review process. The language used in these policies is stronger and more direct than the retail policies applicable across the city: they go further to secure retail, while also maintaining flexibility for development to respond to market conditions.

5.5 EMERGING DIRECTIONS

Policies to Provide Non-Residential Space. Plazas provide space for services and amenities that serve a range of needs for residents. In areas where strip plazas are common, planning policy instruments such as the Official Plan, Secondary Plans and Site and Area-Specific Policies should include policies that strongly encourage the inclusion of non-residential space at grade in new development to replicate this function, with additional consideration for the following:

- Where large increases in population density are anticipated, such as in ***Mixed Use Areas*** along ***Avenues*** or within Major Transit Station Areas, the provision of ground floor non-residential space should be required to ensure increases in population density are balanced with other uses that help residents meet their daily needs. Broader area studies proposing increased densities may consider establishing overall targets for the proportion of non-residential GFA to be provided to support the needs of growing communities.

- In alignment with APTE Action 11 to establish a commercial replacement policy, planning policy instruments should consider the amount of existing non-residential space that may be removed through any proposed redevelopment. When existing space is removed, it should be encouraged that the number and size of new commercial spaces be comparable to those that are being redeveloped to support a similar variety of establishments in the future, allowing some flexibility to respond to evolving local needs.

- Balancing requirements to provide or replace non-residential space with incentives and/or supporting programs should also be considered, particularly where additional benefits could be achieved through strategic eligibility requirements, such as supporting businesses with equitable hiring practices.

- Where the demand for retail and commercial services may not exist currently, but an area is expected to increase in density over time, encourage design flexibility for spaces at grade with frequent retail bays/entrances that can be adapted for non-residential uses in the future. Unleased spaces can also be used to advance Urgent Action 1.2.2 of the APCT, which promotes the creation of a 'meanwhile' space program to allow occupation by short- and long-term cultural uses.

It is common for area planning studies to assess the anticipated need for retail and service uses in relation to projected population growth. This allows targets and corresponding policies to be established that require a certain amount of non-residential GFA to be provided. Consideration should be given to undertaking this type of assessment on a city-wide basis so such targets and associated policies can be established outside of area-specific initiatives.

Anti-Displacement Strategies in Growth Areas. In areas facing increasing levels of development pressure where strip plazas are common, consider incorporating Anti-Displacement Strategies, Retail Strategies and Community Economic Development Strategies into area planning initiatives. Resources that support such strategies may become available through other initiatives, such as the creation of a Main Street resiliency fund identified in Action 11 of the APTE. This is particularly important in areas that have higher populations of equity deserving people in comparison to the city average.

Policy to Consider Retail Unit Size. OP policy 3.5.3.5 enables maximum store or commercial unit sizes to be established in limited scenarios, including in new neighbourhoods or in Mixed Use Areas along pedestrian shopping strips where most storefronts are located at or near the streetline. A similar direction should be applied to areas where the strip plaza form of development is common (i.e. buildings containing multiple small, contiguous commercial units that may or may not be set back from the street), ensuring small retail unit sizes can be required when sites are redeveloped, and a similar mix of establishments can potentially return.

Policy and Tools to Track Community Needs. Strengthen OP policy directions in Section 3.5.3 The Future of Retailing so that, in instances when redevelopment is proposed on a strip plaza site with >3 non-residential units, the applicant would need to provide detailed information about the types of uses currently occupying the site, including how they serve the daily needs of community members, as well as the size and number of units to determine the impact of displacing existing establishments and track the potential loss of retail and service spaces. This can be implemented by updating the Planning Rationale and Project Data Sheet Terms of Reference to require existing commercial units to be identified as part of a complete application. Initiatives such as the Avenues Policies Review would provide an ideal opportunity to introduce such a measure and evaluate its effectiveness in tracking the supply of non-residential space in high-growth areas.

6.0

PLAZA SITE DEVELOPMENT LANDSCAPE

6.1 Pipeline Update and Trends Analysis

Redevelopment of plaza sites to accommodate new mixed-use buildings is already underway in Toronto, with approximately 8% of identified plazas currently subject to development applications. Of the 33 plaza sites with development proposals, a total 38,567 m^2 of non-residential Gross Floor Area (GFA) is proposed; if approved, they would result in a total net loss of 19,631 m^2 non-residential GFA. Across all pipeline proposals, the average existing non-residential GFA is approximately 1,349 m^2; the average proposed non-residential space to be provided through redevelopment is 591 m^2, representing a replacement rate of approximately 56%. What remains unclear is whether this replacement space would provide a comparable commercial makeup in terms of diversity, affordability and business needs of a similar nature to the plaza sites they are replacing.

Based on the available lot information, 93% of development applications are associated with single lot plaza sites, suggesting singular ownership, and less than one-third of applications (as of 2022) included additional land assembly. This trend indicates that, where the ownership structure is not complex, plaza sites are more likely to experience redevelopment in the near term.

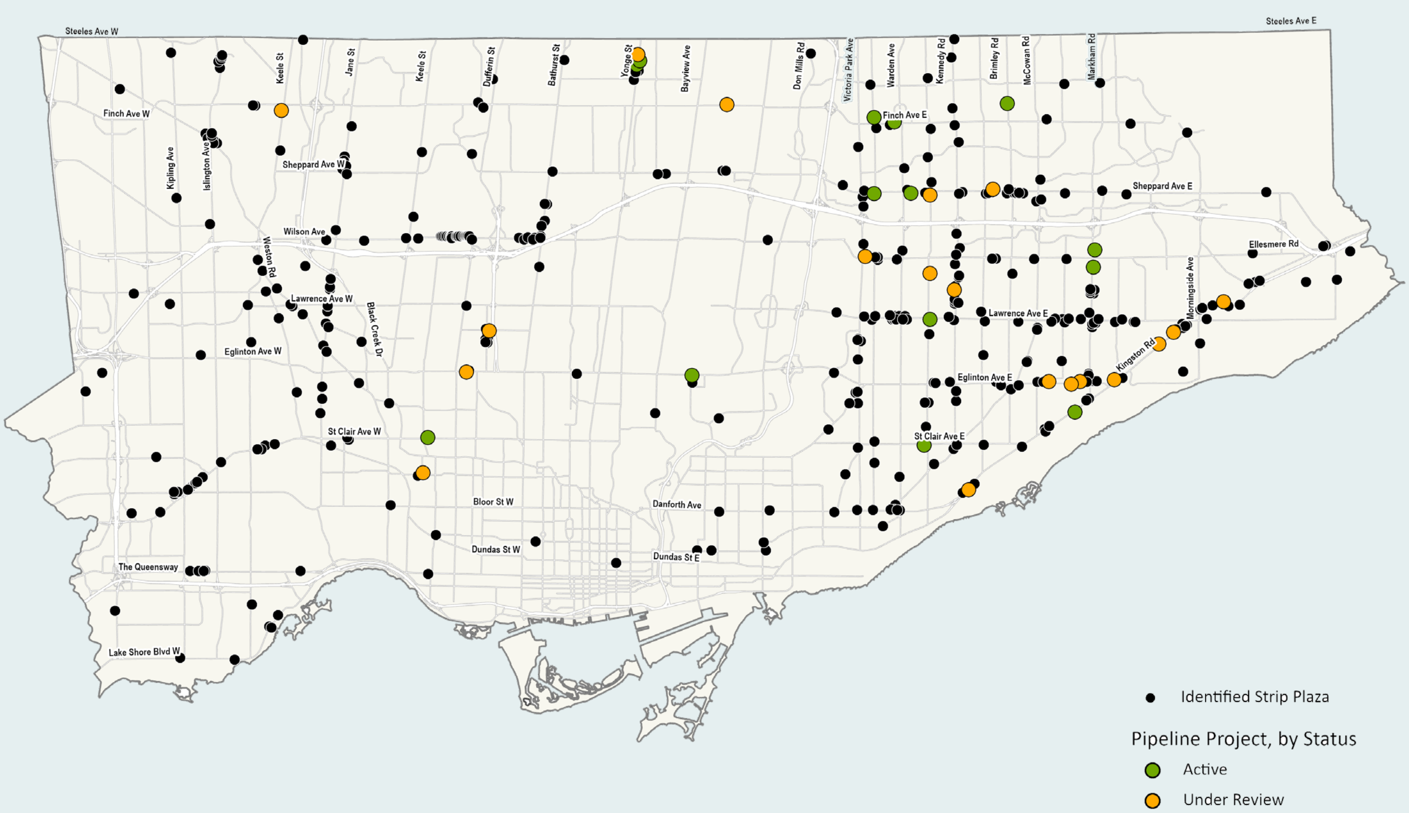


Figure 6.1: 2024 Q3 Development Pipeline Projects in Strip Plaza Sites

6.2 Redevelopment Challenges

Planning policies generally encourage the intensification of plaza sites with mixed-use development that includes an active ground floor to support pedestrian activity and animate the public realm. While this contributes to the notion of a complete and walkable community where daily needs can be met, it is often challenging to secure, construct and occupy non-residential spaces in the development review process. The PlazaPOV study team held a design workshop with Community Planning and Urban Design staff to explore issues specific to plazas and their redevelopment. Responding to case study sites, urban designers from each City Planning district reflected on the challenges and opportunities for replicating the retail functions provided by plazas while meeting city building objectives and supporting design excellence. Key takeaways from the discussion are as follows:

Current built form requirements and regulations can impact retail affordability.

The City developed the Retail Design Manual (2020) as a collection of best practices intended to provide guidance on developing successful ground floor retail spaces. Applying these practices, together with current loading, waste management and code requirements in new development can drive up leasing rates for new commercial space, making it harder for businesses to return to these locations. The need to secure development financing relies on tenanting commercial space, with preference often given to more reliable chain establishments. Further analysis is needed to understand what specific elements are driving the cost of new retail space, and what flexibility/relief can be considered to support small, local and independent businesses to locate in new mixed-use developments.

Competition for ground floor space can limit non-residential opportunities.

Buildings containing residential units include common elements such as lobbies, mail rooms and indoor amenity spaces, which when driven by developer preferences and marketability tend to be located on the ground floor. This, along with considerations for landscaping, outdoor amenity, pedestrian access and parking restrictions can pose space and configuration challenges, limiting opportunity for viable retail and service uses at grade.

Figure 6.2: Strip Plaza at 1545 Dupond Street

Consider different parking approaches to accommodate short-term business needs.

At the time they were first built, zoning rules limited retail and commercial uses in strip plazas to arterial corridors outside of residential neighbourhoods. As a result, plazas often serve a wider catchment area beyond a 15-minute walking radius, leading to many patrons visiting businesses by car. While emerging policies and practices (e.g., EHON Neighborhood Retail, Transit Oriented Development) are encouraging more integrated land uses, this condition will continue to exist in the interim alongside new shopping patterns and trends that increase the demand for pickup and delivery services. The thoughtful integration of short-term parking to serve these functions with convenience and accessibility requires further consideration in the design of redeveloping plaza sites.

Flexibility is needed for a changing context and interim design solutions.
Adaptable and flexible design is needed so that plaza sites can transition as needs, trends, and resources evolve over time. Prioritizing adaptability while balancing current standards will help to accommodate uses today while planning for the needs of tomorrow. Re-imagining plazas with interim design solutions that capitalize on underutilized parking areas can support the transition from auto-dominated transportation modal share as transit access improves. Further conversations are needed with City Divisions to promote a flexible approach that balances standards with innovative ideas and practices.

Consider retail and service needs for existing and future communities early in the process.
Some form of local market analysis as contemplated by the Official Plan, which details the existing commercial and retail uses on site and how they will or will not be replicated should be more consistently required and enforced as a part of a development application submission. This can incentivize developers to consider retail composition earlier in the process, so that retail needs can be reflected in the proposal's built form and public realm design. A retail study can also help to inform the reviewer on whether an appropriate mix is being achieved to serve current and future residents of the community.

Suggested Ideas and Tools to Explore:
In the pursuit of supporting plaza functions, advancing city building objectives and achieving design excellence, urban design staff offered creative solutions to support the provision of retail in new developments and suggested innovative practices directed at parking for further testing and exploration. These ideas and tools were further contemplated and reflected in the emerging directions.

Figure 6.3: Spillout business displays creating temporary 'streetscaping'

Figure 6.4: Strip plaza at 4716 Yonge Street

Figure 6.5: Strip plaza on Victoria Park Avenue

6.3 EMERGING DIRECTIONS

Early Engagement on Plaza Redevelopment. Ensure adequate engagement with affected businesses and community members is undertaken when redevelopment of a plaza site is proposed to determine the role of the existing establishments and consider the best course of action to mitigate negative impacts. These may include advanced notice to provide the opportunity for tenant relocation assistance, and/or the phasing of development to retain businesses on site for as long as possible. Early consultation with City staff from Economic Development and Culture and Social Development, Finance and Administration should also be triggered when commercial displacement is a potential outcome of a proposed redevelopment, which may be identified through improved Project Data Sheets as part of a complete application.

Space Acquisition for Small Business. Update the enabling Community Improvement Plan (CIP) for the Commercial / Industrial Façade Improvement Grant Program to include a provision authorizing the City of Toronto to acquire commercial space and lease or sell it at below market rates to support local businesses in areas where strip plazas are common. Consistent with APTE Action 19 to leverage City assets to build community wealth and local employment opportunities, consider the role of commercial Community Land Trusts (CLTs) and Community Asset Transfers (CATs) in facilitating these partnerships and promoting desired outcomes.

Relocation Assistance for Plaza Establishments. Businesses face a variety of challenges when an existing plaza site is to be redeveloped, such as displacement during extended construction periods or the increased cost of new commercial space that may be provided in its place. The following strategies could assist businesses and service providers in finding new space to occupy on an interim basis:

- Incorporate commercial incubator space, as authorized under the ***City of Toronto Act***, into City-operated community facilities to support local businesses. These spaces should be distributed throughout Toronto, including areas where strip plazas are common, to serve as hubs for temporarily relocating local businesses that have been displaced by redevelopment.
- Leverage City-owned lands to facilitate mixed-use developments with private partners that would include affordable space for businesses and service providers that have been displaced by redevelopment.
- Maintain an inventory of opportunities for temporary “meanwhile uses” in areas of long-term redevelopment, where businesses could locate within vacated buildings or modular facilities, similar to those provided at the STACKT Market.
- Maintain an inventory of local sites and institutions that have spaces available within their buildings and are seeking tenants.
- Consult with appropriate City Divisions to explore the potential use of funds procured through Community Benefits Charges (CBCs) to create incubator spaces, which may require an update to the City’s CBC Strategy, to provide space for independent businesses displaced by redevelopment.

7.0

NEXT STEPS

Findings from the PlazaPOV Study to date demonstrate that while strip plazas are often overlooked, they are in fact a central element contributing to Toronto's economy, community and growth. Plazas serve as the 'main street' of the inner suburbs, and by acknowledging their value and importance, the City can support and enhance their presence while helping them evolve.

The Emerging Directions in this report offer a preliminary response to the information learned through various study inputs. They reflect the need for particular care and deliberate action to ensure that the evolution of strip plazas prioritizes equity and retains their economic and community function, while supporting growth and intensification. A multi-pronged approach of policies, programs and resources, the Emerging Directions provide a basis for further discussion and collaboration with divisional partners, the public and City Council. Work will be ongoing to:

- Continue dialogue with divisional partners on the alignment, feasibility, implementation and governance of emerging directions,
- Broaden consultation on potential policy and zoning amendments resulting from Emerging Directions; and
- Report to City Council on recommendations to support the Emerging Directions as may be required.

APPENDIX

A. Related City Initiatives table

Initiative	Lead Division(s)	Relevance to PlazaPOV Study
Expanding Housing Options in Neighbourhoods (EHON): Major Streets Study	CP	Growth policies for plaza sites on Major Streets located within or adjacent to Neighbourhoods
Expanding Housing Options in Neighbourhoods (EHON): Neighbourhood Retail & Services	CP	Expanded permissions for small business serving Neighbourhoods
Housing Action Plan: Avenues, Mid-rise and Mixed Use Areas Study	CP	Proposing new policy direction for development on *Avenues*; implementation of zoning permissions for mid-rise buildings with *Mixed Use Areas* designation
Review of Zoning Regulations for Outdoor Patios on Private Property	CP	Implements new permission for patios in CL zone, occupation of parking spaces
Temporary Use Zoning By-law for Public Spaces on Private Property – Wexford Pilot Project	CP	Temporary zoning permission to enable occupation of parking spaces by pop-up PlazaPOPS installations
Shaping Food Access Study	CP	Examining planning tools that can be used to improve, or remove barriers to, food access in communities across Toronto including those served by plazas
Toronto Public Markets Action Plan	EDC/PFR/CP	Potential to expand temporary public markets into plaza parking lots
Sidewalks to Skylines: A 10-Year Action Plan for Toronto's Economy	EDC	Several priority actions related to supporting small businesses
PlazaPOPS (Toronto Main Street Recovery and Rebuild Initiative)	EDC	Non-profit-led initiative to animate space and build community with temporary installations in plaza parking lots
Culture Connects: An Action Plan for Culture in Toronto	EDC	Includes actions related to promoting local culture and tourism
Retail Main Streets Study	EDC	Study and recommendations to support small independent businesses on local main streets
Small Business Support Program	EDC	Range of existing programs to support small business
Framework to Advance Inclusive Economic Development in Toronto	EDC	Alignment between growth areas and community economic development focused on equity-deserving groups.

Implementation of a Commercial Parking Levy	CFO	Potential additional cost to maintain commercial parking spots beyond a minimum threshold
Small Business Property Tax Subclass Review	CFO	Strip plaza sites added to eligibility for Small Business Property Tax Subclass
Community Improvement Plan for the Renovation and Rehabilitation of Commercial Properties	CP/EDC	Enables small business grant opportunities for building and site improvements city-wide

(CP = City Planning; EDC = Economic Development & Culture; CFO = Office of the Chief Financial Officer and Treasurer; PFR = Parks, Forestry & Recreation; RS = Revenue Services Division; SDFA = Social Development, Finance & Administration)

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