

## OFFICE SPACE NEEDS STUDY UPCOMING MEDIATION OF PROPOSED OFFICE REPLACEMENT POLICY

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### ATTENTION OFFICE OWNER

You are receiving this notice because our records indicate you own a building containing office uses in one of the key areas subject to the direction of the Office Space Needs Study. The current policy framework requires new development to replace 100% of office space when it is proposed to be demolished or removed. The Office Space Needs Study recommends a new policy direction to reduce the minimum office replacement requirement from 100% to 25% and allow that 25% to consist of any non-residential use and/or affordable housing.

The new policies are proposed to be introduced through mediation of OPA 231 policies (3.5.1.9). If you wish to be involved in the implementation process of these new policies please see below for more information and contact **Rory McNeil** at [Rory.McNeil@toronto.ca](mailto:Rory.McNeil@toronto.ca) by **May 16, 2025**.

### OFFICE SPACE NEEDS STUDY

The City-initiated Office Space Needs Study analyzed current office market conditions, considered the benefits and risks of converting office space to alternative uses, including residential uses, and explored policy options to balance office needs in the short- and long-term.

The Study recommends proposed policy directions to reduce current minimum requirements to replace office space within new development from 100% to 25% of the office space and to allow for the replaced 25% to be comprised of any non-residential use and/or affordable housing. See Attachment 1 for details. The proposed policy direction would apply to the key areas (i.e. parts of the Downtown and Midtown area) shown in Attachment 2.

For more information, including the [Study's Final Report](#) brought to Planning and Housing Committee in December 2024, please visit [www.toronto.ca/officestudy](http://www.toronto.ca/officestudy).

### BACKGROUND - OFFICIAL PLAN POLICY 3.5.1.9

In December 2013, City Council adopted Official Plan Amendment (OPA) 231 which introduced a number of office related policies, including Policy 3.5.1.9 which required that 100% of existing office space be replaced within new development in certain locations across the city. The current wording of Policy 3.5.1.9 is shown in Attachment 3. Policy 3.5.1.9 is not in effect, as it has been appealed to the Ontario Land Tribunal (OLT) in 2014 and the matter has not been heard.

In consideration of the proposed policy direction (see Attachment 1) of the Office Space Needs Study, the City is proposing to modify Policy 3.5.1.9 to reduce office replacement requirements and allow for replacement with alternative uses. Modified Policy 3.5.1.9 would apply only to the lands identified in Attachment 2. The City anticipates seeking approval of a modified policy at the OLT as part of the OPA 231 hearing process.

### **IF YOU WISH TO EXPRESS AN INTEREST IN MODIFICATIONS TO POLICY 3.5.1.9**

The City may engage in mediation regarding appealed office replacement Policy 3.5.1.9. We are **inviting office owners in the key areas (see Attachment 2) to express interest in participating should mediation proceed.**

If you are the owner of land with office uses in one of the key areas identified on Attachment 2 and would like to record an interest in mediation, please **contact Rory McNeil at [Rory.McNeil@toronto.ca](mailto:Rory.McNeil@toronto.ca) by May 16, 2025** and include:

- 1. The municipal address of your building(s); and**
- 2. A summary of your interest in Policy 3.5.1.9** as it may be modified by the Proposed Policy Directions in Attachment 1.

### **ADDITIONAL INFORMATION**

For more information on the Office Space Needs Study visit [www.toronto.ca/officestudy](http://www.toronto.ca/officestudy) or contact **Rory McNeil**, Senior Planner, at (416) 394-5683, [Rory.McNeil@toronto.ca](mailto:Rory.McNeil@toronto.ca).

## **Attachment 1**

### **Proposed Toronto Official Plan Policy Directions**

#### **On/off Switch**

The new replacement policy will direct staff to revisit the policy framework every four (4) years or until, in Council's opinion, the supply and availability of office in the City has returned to a healthy state, putting in place a temporary office replacement policy framework that is responsive to market conditions and Council priorities.

#### **Extent**

The new replacement policy will vary based on location within the city, with 25% replacement required in the geographies corresponding to existing replacement policies of the Downtown Plan and Yonge-Eglinton Secondary Plan and 0% replacement (excepting any other Secondary Plan and Site and Area Specific Policy) for the other areas identified in Chapter 3 (3.5.1.9).

#### **Percentage Replacement**

The new replacement policy will reduce office replacement from 100% to 25% of existing office space and that such replacement may be replaced with other identified alternative uses.

#### **Alternative Uses**

The new replacement policy will allow the replaced 25% of office space to consist of:

- a) Any non-residential use; or
- b) A combination of non-residential use and affordable housing.

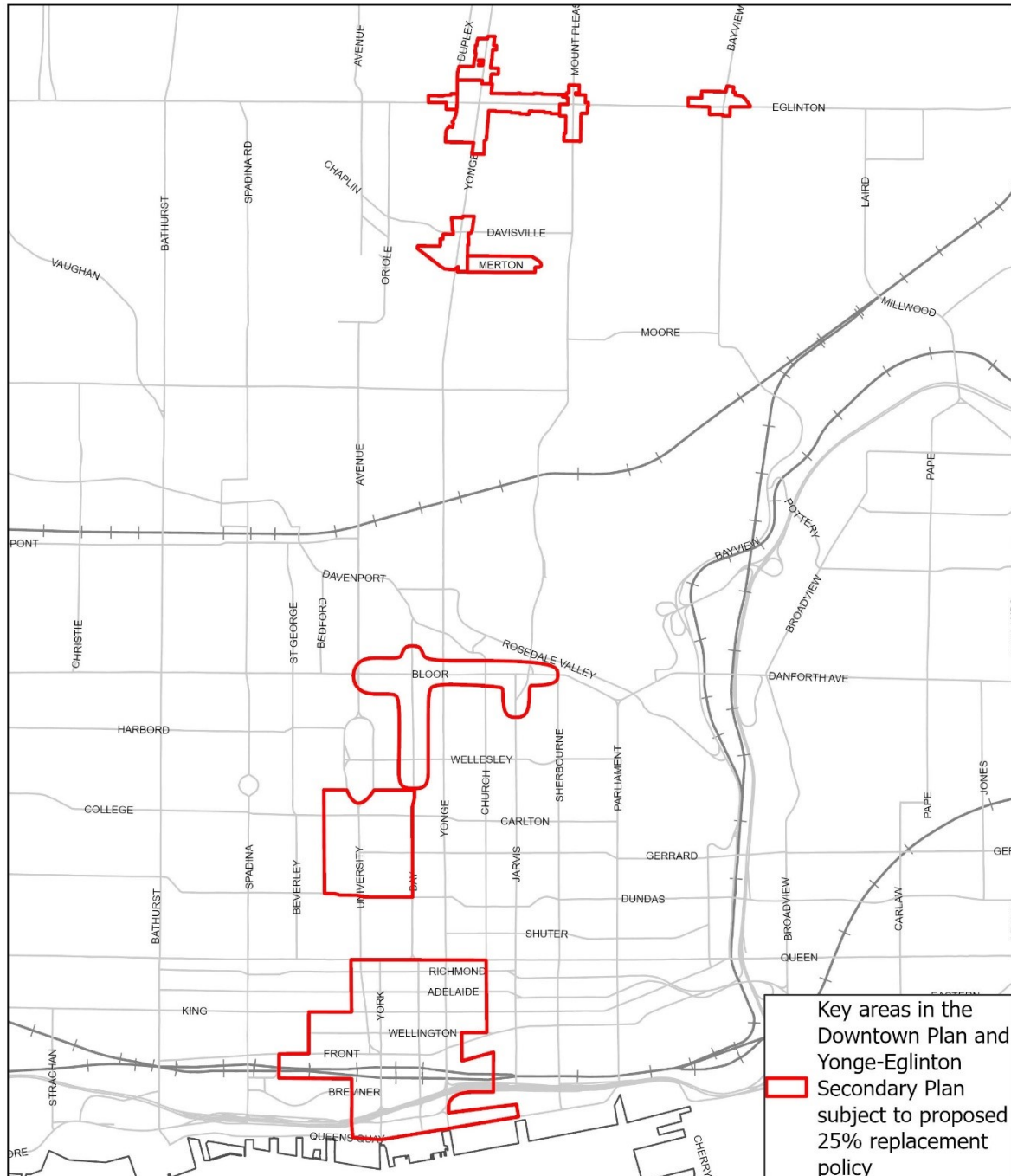
#### **Implementation**

The new replacement policy based on the above will include wording that allows the policy framework to prevail over existing Secondary Plans contained in Chapter Six of the Official Plan in the case of a conflict.

## Attachment 2 Key Area Subject to Proposed 25% Replacement Policy



### Proposed Policy Direction Key Areas



### **Attachment 3**

#### **Official Plan Policy 3.5.1.9\***

#### **\*appealed to the Ontario Land Tribunal and not in effect.**

New development that includes residential units on a property with at least 1,000 square metres of existing non-residential gross floor area used for offices is required to increase the non-residential gross floor area used for office purposes where the property is located in a Mixed Use Area or Regeneration Area within:

- a. The Downtown and Central Waterfront;
- b. A Centre; or
- c. 500 metres of an existing or an approved and funded subway, light rapid transit or GO train station.

Where site conditions and context do not permit an increase in non-residential office gross floor area on the same site, the required replacement of office floor space may be constructed on a second site, prior to or concurrent with the residential development. The second site will be within a *Mixed Use Area* or *Regeneration Area* in the Downtown and Central Waterfront; within a Mixed Use Area or Employment Area in the same Centre; or within 500 metres of the same existing or approved and funded subway, light rapid transit or GO train station.