



REPORT FOR ACTION

Proposed Amendments to the Growth Plan for the Greater Golden Horseshoe, 2017 - City Comments - Supplementary Report

Date: February 25, 2019

To: City Council

From: Chief Planner and Executive Director, City Planning

Wards: All

SUMMARY

On January 15, 2019, the Province announced Proposed Amendment 1 to the Growth Plan, which includes, among other matters, the identification of 29 Provincially Significant Employment Zones (PSEZs) across the region, ten of which fall within the City. This report responds to the request from Planning and Housing Committee for the Chief Planner and Executive Director, City Planning to report directly to City Council with respect to the identification of additional lands to be recommended to be included by the Province as Provincially Significant Employment Zones. The staff recommendations contained in this report are consistent with Council's decisions on *Employment Areas* as adopted as part of Official Plan Amendment No. 231.

RECOMMENDATIONS

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

1. City Council request the Province to include additional *Employment Areas* within the City of Toronto as Provincially Significant Employment Zones as identified in Attachments 1 through 6 of the report (dated February 25, 2019) from the Chief Planner and Executive Director, City Planning.
2. City Council request the Province to enact a Regulation to permit the use of conditional zoning, pursuant to Section 113 of the *City of Toronto Act, 2006* that would enable the City to require and secure employment space to be provided prior to, or concurrent with any non-employment uses, including residential.

FINANCIAL IMPACT

The recommendations in this report have no financial impact.

DECISION HISTORY

At its meeting of February 12, 2019, the Planning and Housing Committee adopted [Item PH2.4](http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH2.4) <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH2.4> and requested that the Chief Planner report directly to City Council with regard to identifying additional Provincially Significant Employment Zones (PSEZs).

COMMENTS

Proposed Provincially Significant Employment Zones (PSEZs) and non-PSEZs

The Province's proposed employment lands planning approach, if passed by the Provincial Legislature, would create a two-tiered policy framework, where non-PSEZs which account for 33 per cent of the City's *Employment Areas* would be subject to potential land use conversions (i.e., introducing a use that is not permitted or redesignation from *Employment Areas*) **before** the next Municipal Comprehensive Review (MCR). It is staff's understanding that these conversions would be municipally-initiated and could only occur during a one-time window.

The MCR process allows Council to consider all of the *Employment Areas* and their associated policies in a citywide review to determine whether or not certain lands could be converted and what protections should be placed upon the remaining *Employment Areas*. This is an important exercise given that the City's *Employment Area* land base is a finite resource that houses over 417,000 jobs (27.5% of all jobs in Toronto) in 2018. This is balanced on the review with an assessment of population growth and housing projections.

The Province is proposing to identify 67% of the City's *Employment Areas* as PSEZs, which reflects only a portion of Council's decision on the City's MCR in 2013 that resulted in the preservation and protection of over 97% of *Employment Areas* (Decision History [Item PG28.2](http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PG28.2) <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PG28.2>). The proposed PSEZs would be subject to potential land use conversions during a MCR, which is a status quo policy approach for these lands and allows a thorough and citywide analysis before any lands could be converted.

Recommended Additional Provincially Significant Employment Zones

This report recommends that Council request the Province to include additional *Employment Areas* as PSEZs into Proposed Amendment 1 to the Growth Plan, 2017. The recommended additional PSEZs are identified in Attachments 1 through 6. Inclusion of the recommended additional PSEZs would increase the area of such lands to approximately 95% of the City's *Employment Areas*, which is reflective of Council's previous decision on *Employment Areas* upon its consideration of the Five Year Official Plan Review and Municipal Comprehensive Review. Staff have utilized the Province's eight economic and locational criteria shown on Attachment 2 to the report of the Chief

Planner and Executive Director (dated February 12, 2019) as the basis for staff's recommendation of which lands should be included as PSEZ.

A brief description and planning rationale are provided below on each Provincial criteria to support the inclusion of additional *Employment Areas* to be shown as PSEZs in Amendment 1 to the Growth Plan, 2017.

Provincial Criteria #1: Designated employment areas and are inside existing settlement area boundaries

All lands recommended to be included as additional PSEZ outlined in Attachments 1 through 6 to this report are designated either *Core Employment Areas* or *General Employment Areas* in Toronto's Official Plan, as amended by OPA 231.

Provincial Criteria #2: May be vulnerable to conversion pressures (e.g. to residential conversion)

During the last MCR, Council considered over 100 requests to convert *Employment Areas*. Council's adoption of Official Plan Amendment 231 (OPA 231) and its effective retention of over 97% of the *Employment Area* land base was subsequently appealed to the Local Planning Appeal Tribunal (LPAT) in 2015. The City received over 170 appeals to OPA 231, many of which are citywide appeals, but the majority are site or area specific appeals.

The remaining 84 site and area specific appeals to OPA 231 account for approximately 900 hectares of the *Employment Area* land base. With a citywide total *Employment Areas* land base of over 8,000 hectares, the 11% that are currently under appeal clearly demonstrates that these lands are vulnerable to conversion pressures. Almost a quarter of the *Employment Areas* under appeal (over 200 hectares or 23%) fall within the recommended additional PSEZs.

Provincial Criteria #3: May be facing encroachment by sensitive land uses that could threaten the existing employment uses

Protecting *Employment Areas* was once considered a necessary planning tool to reserve lands for manufacturing and other noxious uses. While manufacturing still plays an important role in the City's economy, in the Toronto context, identifying the recommended additional PSEZs has the potential to increase land use certainty for a full range of existing and future businesses. Land use certainty enables businesses to make long-term capital investments with the knowledge that nearby properties could not be immediately converted. Since 2017, the City has continued to see an increase in jobs within *Employment Areas*, including an increase in jobs within the manufacturing and other sector. In 2018, manufacturing employment continued its recent growth trend adding 3,460 jobs or 2.6% from 2017.

The City and Province have the ability - through land use planning policies and designations - to ensure the diversity of the City's economic base and to support continued innovation in the private sector in these areas. As *Employment Areas* are a

finite land base, it is important to provide certainty to investors as to the long-term viability of these lands for investment for economic purposes.

Provincial Criteria #4: Are needed in the region to attract new investment and retain existing industries

Toronto's *Employment Areas* are home to 75,680 business establishments, of which 2,379 (3%) have over 100 employees. Table 1 provides a sample of major employers located in the recommended additional PSEZs.

Table 1: Sample of Major Employers Located with Recommended Additional PSEZs			
Employer	Jobs (2018 approximate)	Business Type	General Location (Attachment No.)
TTC	875	Bus Terminal	Northwest (1)
Tyco	675	Equipment	North Central (3)
Canada Goose	450	Clothing	Southwest (2)
American Express	1500	Finance	Northeast (5)
Natrel	350	Food Processing	Southeast (6)
Mondelez	650	Food Production	Southeast (6)
Softchoice	750	Computer services	South Central (4)
Scotiabank	2100	Administrative	Southeast (6)
Atlantic Packaging	375	Paper and Wood	Northeast (5)
Bell Media	1300	Radio and TV	Northeast (5)

Source: Toronto Employment Survey, 2018, City of Toronto

Provincial Criteria #5: Located near highways, railways, intermodal facilities, transit and/or other major transportation infrastructure to support the movement of people and goods

All of the recommended additional PSEZ are strategically located with excellent access to a 400-series highway, the Don Valley Parkway, or Gardiner Expressway/QEW. Not only does this important highway access facilitate the movement of people and goods, but it also provides vital visibility at these prime locations.

Provincial Criteria #6: High concentration of employment and/or economic output, and play an economically strategic role to the region

Table 1 provides a sample of the high concentration of job numbers present within the recommended additional PSEZs. These high concentrations and notable businesses

clearly demonstrate that the recommended additional PSEZs support the region's role as the Province's economic engine.

Provincial Criteria #7: Support industrial uses, which are sensitive to encroachment

Table 1 provides a sample of industrial and manufacturing related businesses located within the recommended additional PSEZs.

Provincial Criteria #8: Contiguous zones and contain large continuous developable, constraint-free lands (e.g. >10 acres)

Attachments 1 through 6 to this report illustrates that the recommended additional PSEZs, for the most part, are not isolated properties. However, in addition to the contiguous zones across the city, the recommended additional PSEZs do include a few isolated parcels, upon which major employers are situated. A few of these major employers include, Redpath Sugar (250+ jobs), Irving Tissue (400+ jobs), Nestle Canada (500+ jobs), and the Ontario Food Terminal (800+ jobs). Given the sheer number of jobs provided by these major employers, this report recommends that these isolated parcels be identified as PSEZs in the Growth Plan, 2017. The recommended additional PSEZs also provides opportunities for new manufacturing, high-tech industrial, and other establishments to locate within the city.

Non-Provincially Significant Employment Zones (non-PSEZs)

Employment Areas that are non-PSEZs would be subject to potential conversions prior to the next Municipal Comprehensive Review. By not identifying these clusters of *Employment Areas* as a PSEZ, it does not automatically permit a conversion to residential uses. Proposed Amendment 1 to the Growth Plan, 2017 provides for a municipally-initiated opportunity for conversion in advance of Council adopting the next MCR. Attachments 1 through 6 to this report illustrate the 5% of *Employment Areas* that are recommended as non-PSEZs. Based on the application of the Provincial criteria, these *Employment Areas* meet some of the criteria, but in staff's opinion they do not meet them all. Provided below is a brief description of five clusters of *Employment Areas* (non-PSEZ).

Dundas-Carlaw Employment Areas (Toronto and East York District)

This cluster of *Employment Areas* are distinguishable from the recommended additional PSEZ, given that in-force Site and Area Specific Policy No. 154 (SASP 154) applies to these lands. SASP 154 permits residential uses on the lands, provided they meet certain conditions, including compatibility of uses.

Dupont-Lansdowne Employment Areas (Toronto and East York District)

Similar to Dundas-Carlaw, this cluster of *Employment Areas* has certain properties where SASP 154 applies, in addition to in-force OPA 271, which implements the outcomes from the Dupont Regeneration Area Study, which converted portions of the properties with Dupont Avenue frontage as *Mixed Use Areas*.

Stockyards (Keele-St. Clair) Employment Areas (Etobicoke York District)

While this cluster of *Employment Areas* contains a number of businesses, including several agri-food establishments, its distance to highways and irregular geography would not satisfy all Provincial criteria.

Danforth Road / CN Rail *Employment Areas* (Scarborough District)

This cluster of *Employment Areas* contain relatively small parcels that are not contiguous with one another and its location is approximately 7 km from the nearest highway, which would not satisfy all Provincial criteria.

Thornccliffe *Employment Areas* (North York District)

This cluster of *Employment Areas* contains a number of places of worship and existing residential uses. This cluster is also separated from the larger Leaside industrial cluster by the rail corridor.

As stated previously, these lands will still remain as *Employment Areas*, but in the event that Council determines that these lands would not be within a PSEZ, upon the Province's enactment of proposed Amendment 1 to Growth Plan, 2017, the Chief Planner would undertake local area studies of non-PSEZs prior to recommending any *Employment Area* conversions to Council. Given that the proposed amendments to the Growth Plan, 2017 include a new policy that would require maintaining a similar amount of jobs on any converted lands, a local area study would enable the City to put in place a planning framework to deploy the future jobs and residents through a consultative planning process. This planning process would be municipally initiated.

In order to operationalize and secure the maintained jobs once the *Employment Areas* are converted, this report recommends that the Province enact a Regulation to permit the use of conditional zoning, pursuant to Section 113 of the *City of Toronto Act, 2006*. Conditional zoning would enable the City to require and secure employment space to be provided prior to, or concurrent with any non-employment uses, including residential. The City will need to bring into effect Official Plan policies relating to zoning with conditions. Without the ability to zone with conditions, any requirement to provide employment space has the potential to be amended and such amendment would be subject to appeal to the LPAT.

Appeals to Official Plan Amendment 231

The report from the Chief Planner (dated February 12, 2019) recommends that the Province add Official Plan Amendment 231 to O. Reg. 311/06, which would have the effect of transitioning OPA 231 under the previous Growth Plan, 2006 (as amended in 2013) as a matter in process that is currently under appeal at the LPAT. Should the Province apply the previous Growth Plan, 2006 (as amended in 2013) to the OPA 231 appealed sites (and policies), it would allow these sites to continue on the “policy course” on which it commenced. This would affect 11% of the City's total *Employment Areas*, of which 10.5% are recommended additional PSEZs.

Technical Amendments to Provincial Mapping

It is staff's understanding that Provincial staff used 2013 maps to produce the PSEZ mapping issued as part of the Proposed Amendments 1 to the Growth Plan, 2017.

Upon staff's review of the Province's mapping against the City's most updated maps, a number of technical amendments are illustrated and recommended within Attachments 1 through 6 of this report. These technical amendments are predominantly minor additions to PSEZs, both provincially identified and staff recommended.

Summary of PSEZ MCR and Pre-MCR Review of Non-PSEZ *Employment Areas*

The Provincially proposed two-tiered employment planning approach affects Toronto by putting in to place two opportunities when these lands can be considered for potential conversions.

- PSEZ *Employment Areas* could be considered for potential conversion during the next Municipal Comprehensive Review, which is to be completed by 2022 as required by the Province.
- Non-PSEZ *Employment Areas* could be considered for potential conversion between the Province's enactment of Proposed Amendment 1 to the Growth Plan, 2017 (anticipated by Spring 2019) and Council's adoption of the next Municipal Comprehensive Review (2020-2022).

Conclusions

This Supplementary Report, along with the report from the Chief Planner (dated February 12, 2019) forms staff's recommended comments to the Province on the Proposed Amendment 1 to the Growth Plan, 2017. Ensuring Toronto maintains its strong and diverse economic base is a fundamental principle in meeting the objectives of the Official Plan. The recommended additional PSEZs described in this report will enable the City's continued success in building complete communities for existing and future residents.

CONTACT

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SIGNATURE

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City Planning Division

ATTACHMENTS

Attachment 1: City Comments on Proposed PSEZs, Northwest Toronto

Attachment 2: City Comments on Proposed PSEZs, Southwest Toronto

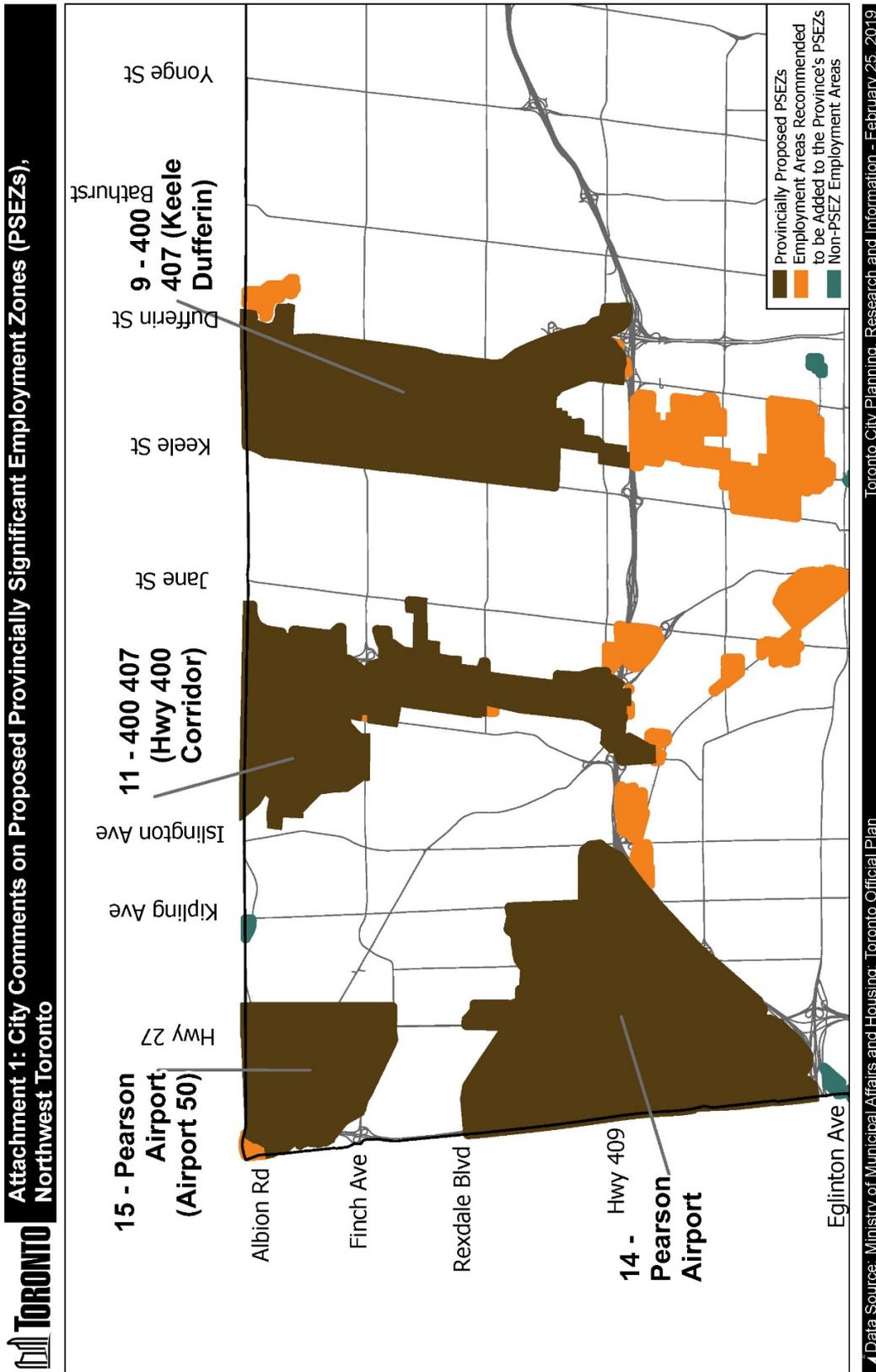
Attachment 3: City Comments on Proposed PSEZs, North Central Toronto

Attachment 4: City Comments on Proposed PSEZs, South Central Toronto

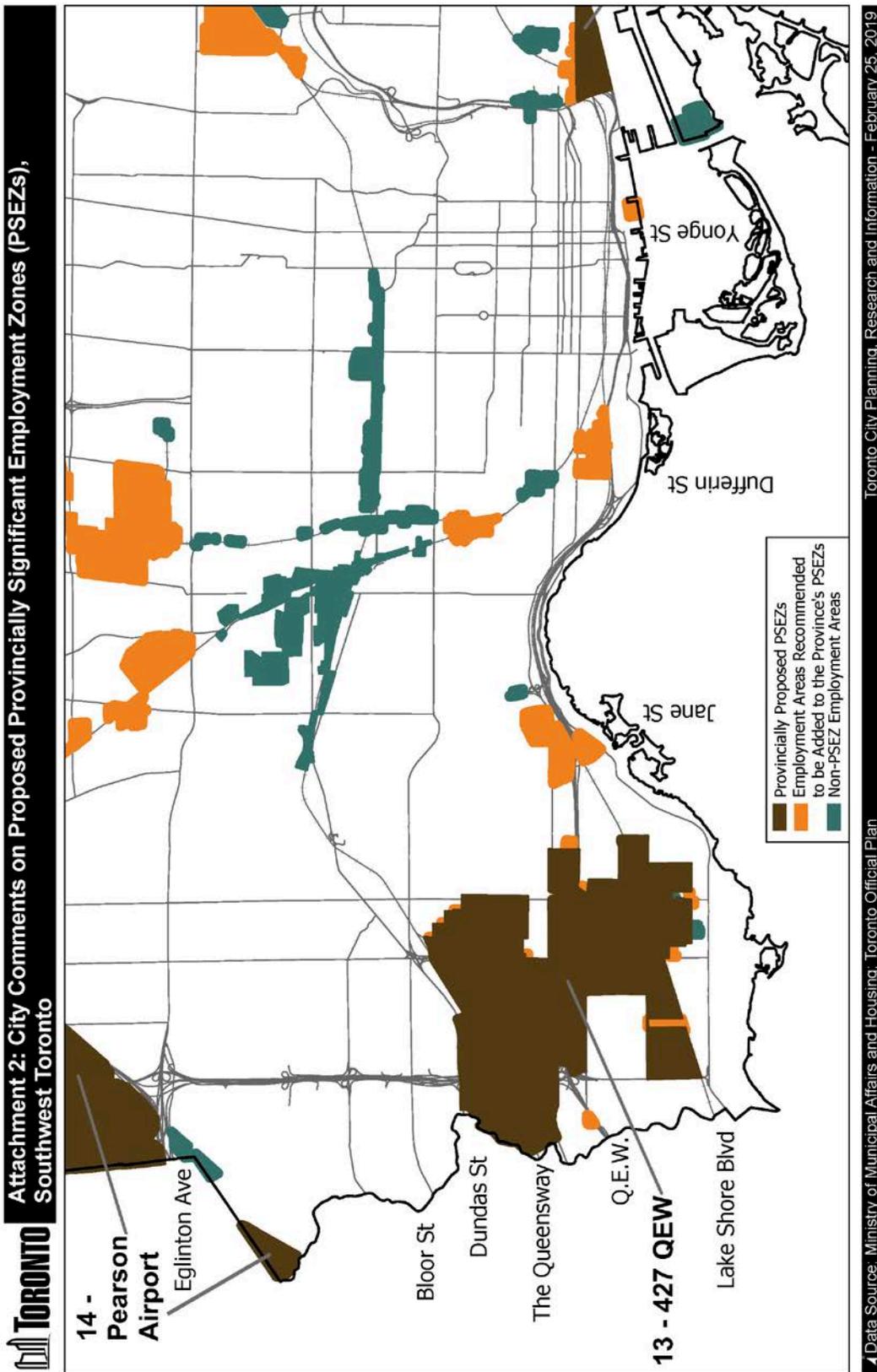
Attachment 5: City Comments on Proposed PSEZs, Northeast Toronto

Attachment 6: City Comments on Proposed PSEZs, Southeast Toronto

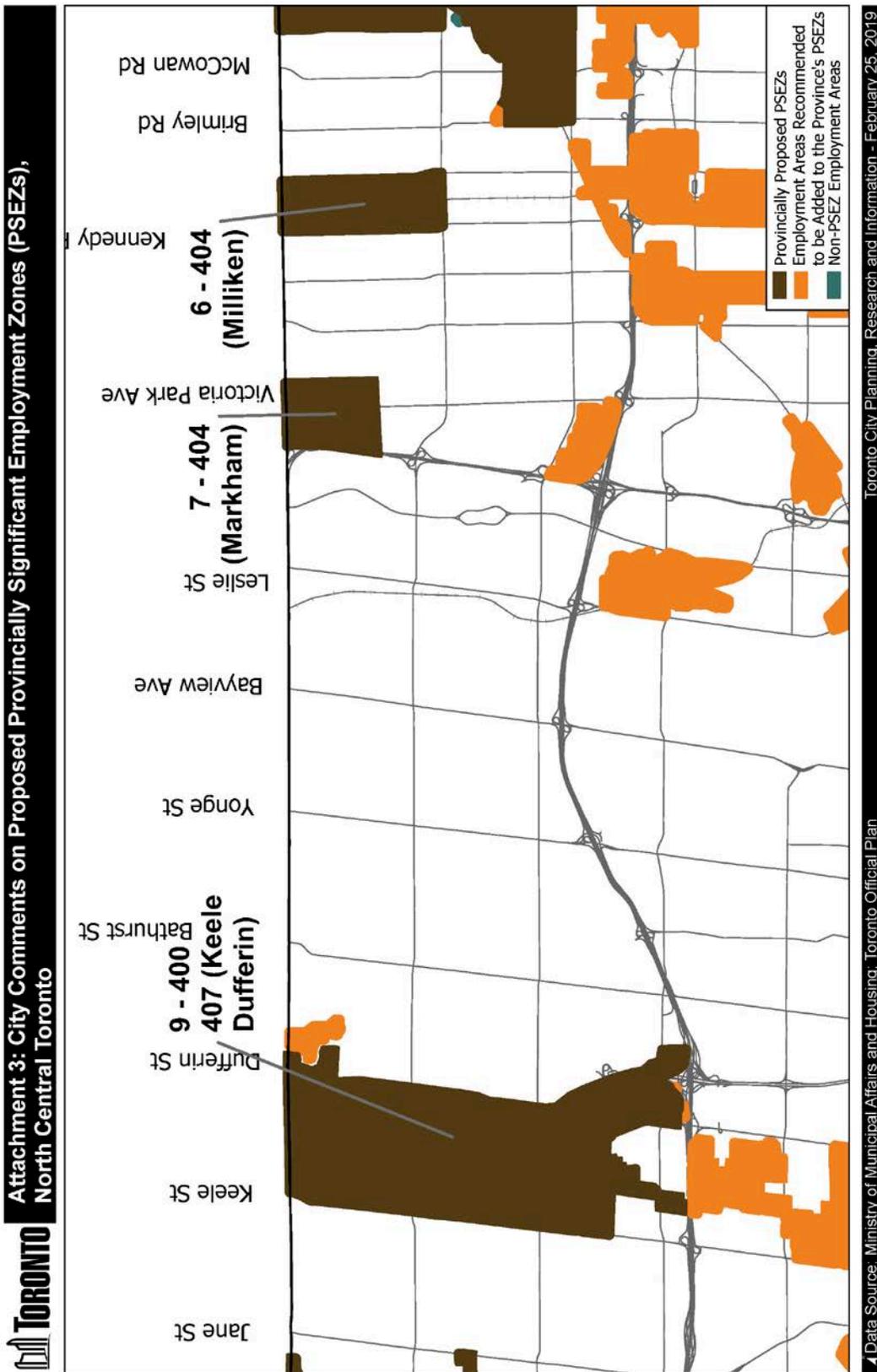
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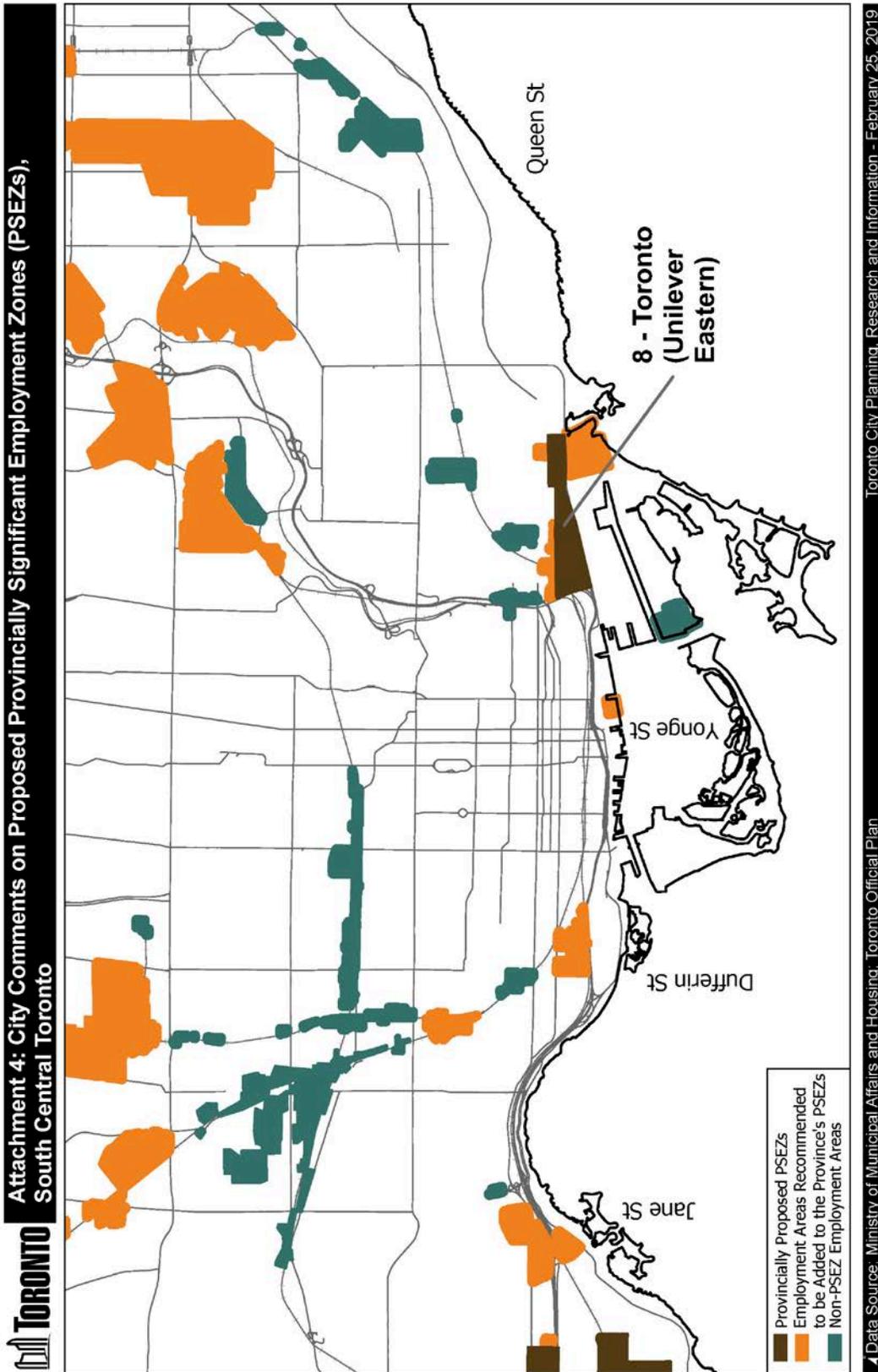
Attachment 2: City Comments on Proposed PSEZs, Southwest Toronto



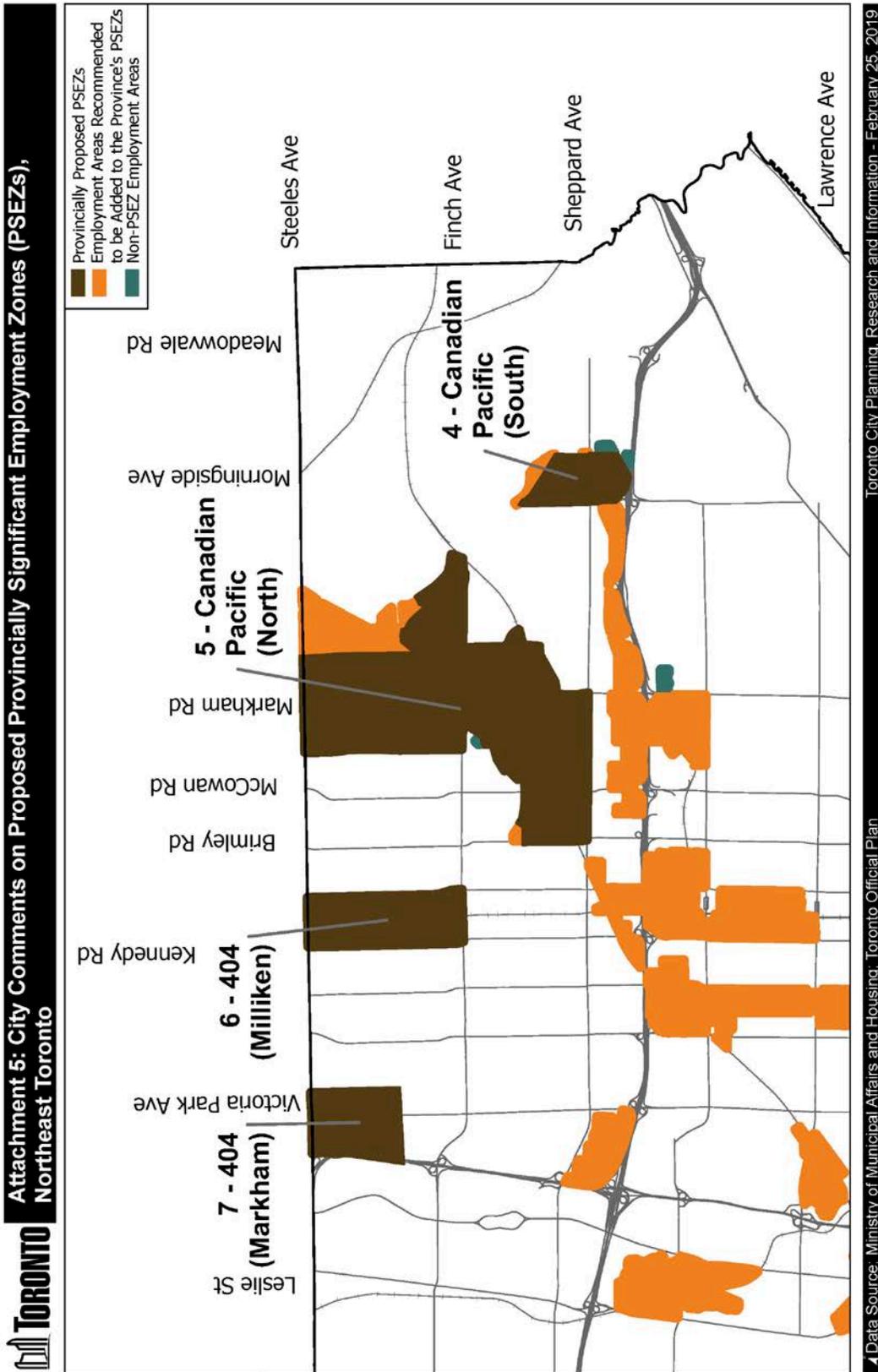
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