

January 26, 2023

VIA EMAIL: Steve.Clark@pc.ola.org

Hon. Steve Clark
Minister of Municipal Affairs and Housing
777 Bay Street
17th Floor
Toronto, Ontario
M7A 2J3
Dear Minister Clark :

**Re: Toronto Official Plan Amendment 570
ERO Number 019-5937
Ministry Reference Number 20-OP-227259**

**Toronto Official Plan Amendment 570
Major Transit Station Areas
Request for Modifications to Site and Area Specific Policies 721
Yonge and St. Clair**

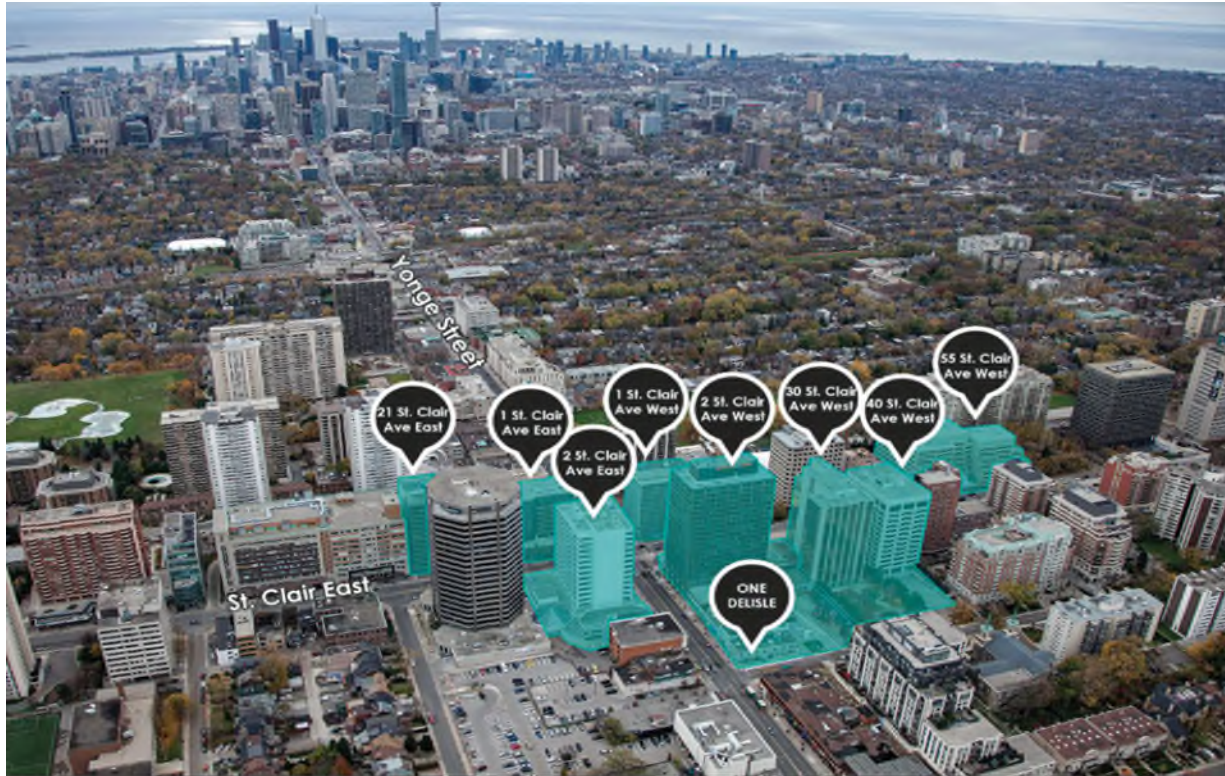
**Toronto Official Plan Amendment 570 Should be Modified to Establish Meaningful Minimum
Densities in Major Transit Station Areas, and to Remove Official Plan Requirement for
Employment Replacement**

We act for Slate Asset Management, owners and managers of the various lands in the Yonge and St. Clair area of the City of Toronto.

The Slate lands are within Site and Area Specific Policy area 721 (in this case a Major Transit Station Area) established by Toronto Official Plan Amendment 570. The amendment is now before the Minister for his consideration.

We are pleased to provide this written submission on behalf of our client.

Below is a image depicting the Slate Properties in the Yonge & St. Clair area.



Official Plan Amendment 570 includes mapping that establishes artificially low minimum densities. We are writing to request that the policies be modified to include more meaningful minimum densities, that will serve as an incentive to achieve intensification at the relevant transit station areas.

The City of Toronto has adopted Official Plan Amendment 570, which establishes Major Transit Station Area policies for 57 Major Transit Station Areas. The amendment includes mapping for each major transit station area that includes minimum densities.

However, these densities have been set at such artificially low levels that the policies will fail to achieve the principal objective of encouraging intensification at major transit stations. In many cases, the minimum densities are well below the densities of existing buildings, or approved development proposals. Virtually nowhere will the proposed minimum densities serve as meaningful incentives to encourage the development of new homes.

We are requesting that the Minister modify the minimum density mapping applicable to the lands in site and area specific policy 721 in Official Plan. Amendment 570 to reflect higher minimum densities, reflective of existing buildings, existing planning approvals and active development applications. By setting a new minimum density that is reflective of the current and future needs, this modification will encourage the approval of residential and mixed-use applications that introduce new housing adjacent to transit in the City of Toronto. In turn, applications will be processed quicker and housing and economic activity will be delivered consistent with the Provincial vision, with less excessive process, and in a faster timeframe.

We are requesting that the policies applicable to Site and Area Specific Policy 721 be modified to include a policy providing relief from a Toronto Official Plan Policy 3.5.1.9 that requires replacement, or an increase, in office uses when redevelopment takes place introducing residential uses. This policy applies in mixed-use areas within 500 metres of a subway station. With the post-COVID economy having significantly changed demand for office space, this office replacement policy effectively serves to block any new residential housing supply from being delivered, as replacement office space is simply not viable.

The proposed modification would require the introduction of the following new policy in Site and Area Specific Policy 721, in Toronto OPA 570:

e) Non-Application of Office Replacement Policy

None of the provisions of policy 3.5.1.9 will have application in this area.

In Order to Provide for the Delivery of New Housing Supply at Yonge. And St. Clair, Relief from the City's Official Plan Office Replacement Policy 3.5.1.9 is Required in Site and Area Specific Policy 721

The major objective behind current Provincial planning policies is the delivery of a substantial increase in housing supply - especially in Major Transit Station Areas. However, the City of Toronto has in place an office replacement policy requirement focused directly on the areas around transit stations. This policy represents a clear obstacle to the delivery of new housing.

Toronto Official Plan Policy 3.5.1.9 reads as follows:

[Decision by O.L.T. not yet determined: 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.]

The effect of this policy is to require, at a minimum, the replacement of any existing office space on a property in the St. Clair Major Transit Station Area, if a property is to include any new housing. In a context where the impetus for redevelopment of many properties is the weakness of demand in the office market, this policy serves as a disincentive to deliver any new housing.

The policy is further problematic to the extent that it seeks to have the replacement office space delivered in the same building as the new residential units. While primarily residential buildings can comfortably accommodate retail or office uses at grade, the same is not always the case where the office requirement is a significantly larger component of the building, numbering multiple storeys. Buildings that have significant components of both office and residential can be very inefficient, requiring separate lobbies, duplicate and separated elevator cores, and numerous challenging engineering, construction and other complexities. These complexities add significant cost to proposed development, at the same time as reducing the building efficiency. Thus, the City's office replacement policy, as it is currently enforced, makes it highly unlikely that residential intensification will take place in any Major Transit Station Area sites that currently have office uses. This policy effectively frustrates the thrust behind the provincial Major Transit Station Area Policies.

Current Market Conditions Make Office Replacement an Unrealistic Policy

Following the social and economic changes resulting from COVID lockdown measures and policies, the market for office space in Toronto has changed dramatically. There has been a significant shift to office workers operating from home - or even from new homes far away from their former offices in Toronto. In addition, businesses are gradually shifting their locations further from the centre of the GTA to more peripheral locations. For the first time in recent memory, office vacancy is lower in the suburbs than in Toronto. The result is a significant softening of the demand for office space in Toronto.

According to Altus Group, Toronto's office vacancy rate has climbed from 4.2 per cent in the fourth quarter of 2019, to 14.7 per cent three years later. According to CBRE, the national vacancy rates for class B office space are 50% higher - or approximately 21% nationally. It is exactly sites with lower quality office space that represent the likeliest properties for redevelopment for residential uses - whether it takes the form of retrofitting existing office buildings for residential, or replacing the buildings with new residential development. Most expert market observers expect the vacancy rate to continue to grow as time passes, and more long term leases come up for renewal. Tenants may choose to renew for less space, or even vacate entirely.

City of Toronto policies must shift to accommodate residential development as a way of ensuring vibrancy and growth in Major Transit Station Areas, such as Yonge and St. Clair. As such we are requesting the Minister to modify Site and Area Specific Policy 721 to exempt the area from the application of Toronto Official Plan Policy 3.5.1.9.

Previous Conversions of Properties from Office to Residential Have Been Accommodated in the Yonge St. Clair Area

The idea of accommodating new residential space, in the place of office space in the Yonge St. Clair area, is an established practice.

For example, the former Imperial Oil office building at 111 St. Clair West was entirely converted from office to a residential building in a critically acclaimed project. The impact on the area is accepted as overwhelmingly positive.

A Toronto planning report on 111 St. Clair Avenue West makes the observation that: "Over time, a number of the existing office buildings have converted into residential buildings, although there is still a significant presence of office uses in the area."

However, the City's new office replacement policy will effectively block such well-received additions to the area's housing stock in the future - despite the fact that market conditions mean that such new residential uses make more sense than ever.

As a Mixed-Use Area Nestled in a Predominantly Residential Context, the Yonge & St. Clair Area is Well-Suited to Accommodate More Housing

The predominant character of the broader context around Yonge and St. Clair is of a stable residential neighbourhood. As one moves closer to St. Clair Avenue, and Yonge Street, higher density residential housing exists. All of this fits very well together, in a highly desirable neighbourhood.

The area is well-served by schools, parks, and other amenities. Local churches also accommodate numerous community activities. The area is very well-served by a wide range of retail and service uses, including supermarkets, drug stores, and restaurants.

Of course, it is well-served by transit including the Yonge Street subway line, and the St. Clair streetcar line, in a dedicated right-of-way.

Overall, the St. Clair Major Transit Station Area represents an ideal location for residential development.

A Simple Modification to Site and Area Specific Policy 721, in Toronto Official Plan Amendment 540, Exempting the Area from the Office Replacement Policy, Will Remove the Barrier to Residential Development

A simple modification is required to exempt the St. Clair Major Transit Station Area from the onerous office replacement policy. The proposed modification would simply require the introduction of the following new policy in Site and Area Specific Policy 721, in Toronto OPA 570:

e) Non-Application of Office Replacement Policy

None of the provisions of policy 3.5.1.9 will have application in this area.

Major Transit Station Areas Have Been Established in the Planning Act as Locations Where the Province Envisions Intensification and Concentrations of Population and Jobs that Will be Transit-Reliant

Previous provincial Governments amended the Planning Act introducing sections 17 (15) and (16) which provide for the establishment of Protected Major Transit Station Areas. Among other things, these sections include provisions for the establishment of minimum densities in these areas. To reflect the priority that the Province places on the importance of delivering growth in the Protected Major Transit Station Areas, the statute does not permit appeals to the Tribunal of any of the minimum density policies. The policy direction inherent in these changes has been maintained by the current Government.

At the time the Planning Act changes were presented to the Legislature, the Minister outlined the objectives as follows:

“To make the best possible use of our government’s transit investments and to help support municipal control over local planning, we are proposing a new planning tool that municipalities can use. This tool would allow municipalities to designate and zone protected major transit station areas. The province or an approval authority would approve these policies when they’re being put in place and whenever they are being changed. When the municipality designates these areas, there would be no appeal of the official plan policies on the number of residents and jobs in the area or on building densities and heights. Once designated, the municipality would zone for density and height requirements meant to support transit service.”

“There would only be limited opportunities to appeal the zoning requirements. Zoning would need to conform with the provisions and standards set out in the official plan and provincial plans and policies. Municipalities would be able to plan for and develop transit-supportive densities to ensure that they have residents close to transit to encourage the transit ridership that makes the operation of transit cost-effective.”

The clear intention of the new statutory provisions was to smooth the way for the intensification of areas around transit stations. This was seen both as a sound planning approach that will reduce congestion and encourage use of public transit. This was also seen as a way of ensuring that public investment in transit infrastructure was then used efficiently by ensuring development in the vicinity of stations.

Provincial Growth Plan Emphasizes that the Policy Direction of Major Transit Station Areas is to Deliver a “High Level of Employment and Residential Densities”

The Growth Plan for the Greater Golden Horseshoe even more clearly establishes that the provincial objective behind the establishment of Major Transit Station Areas is to achieve intensification - higher densities - around transit stations.

Policy 2.2.4 specifically addresses Transit Corridors and Transit Stations. Policy 2.2.4.8 requires that all Major Transit Station Areas “be planned and designed to be transit supportive”. The Growth Plan defines transit supportive as: “Relating to development that makes transit viable and improves the quality of the experience using transit. It often refers to compact, mixed-use development that has a high level of employment and residential densities. ...”. The clear policy objective is to see higher densities encouraged through the use of minimum density designations.

However, the City of Toronto’s approach in Official Plan Amendment 570 establishes minimum densities in Major Transit Station Areas that are so low that they cannot be considered in any way to be encouraging meaningful intensification and the higher densities of development contemplated by the Growth Plan.

Ontario’s Housing Action Plan Highlights the Importance of Higher Densities around Transit Stations

The current Government has been moving aggressively to address the housing supply crisis in Ontario. Throughout, the Government has emphasized the importance of development around transit stations to deliver meaningfully to the supply of housing, in the right places.

In November 2022, the Minister released the most recent version of the Provincial Housing Supply Action Plan, entitled “More Homes Built Faster”. The plan includes the following:

“Density near transit hubs”

“Adding more basement apartments will help, but we need to enable more density to truly address the housing crisis. The logical place to put more housing is near major transit hubs, so people can easily get to work, school and back home. Once the minister approves the key development policies for major transit hubs, we’re proposing to require municipalities to update their zoning by-laws within one year to help get shovels in the ground faster.”

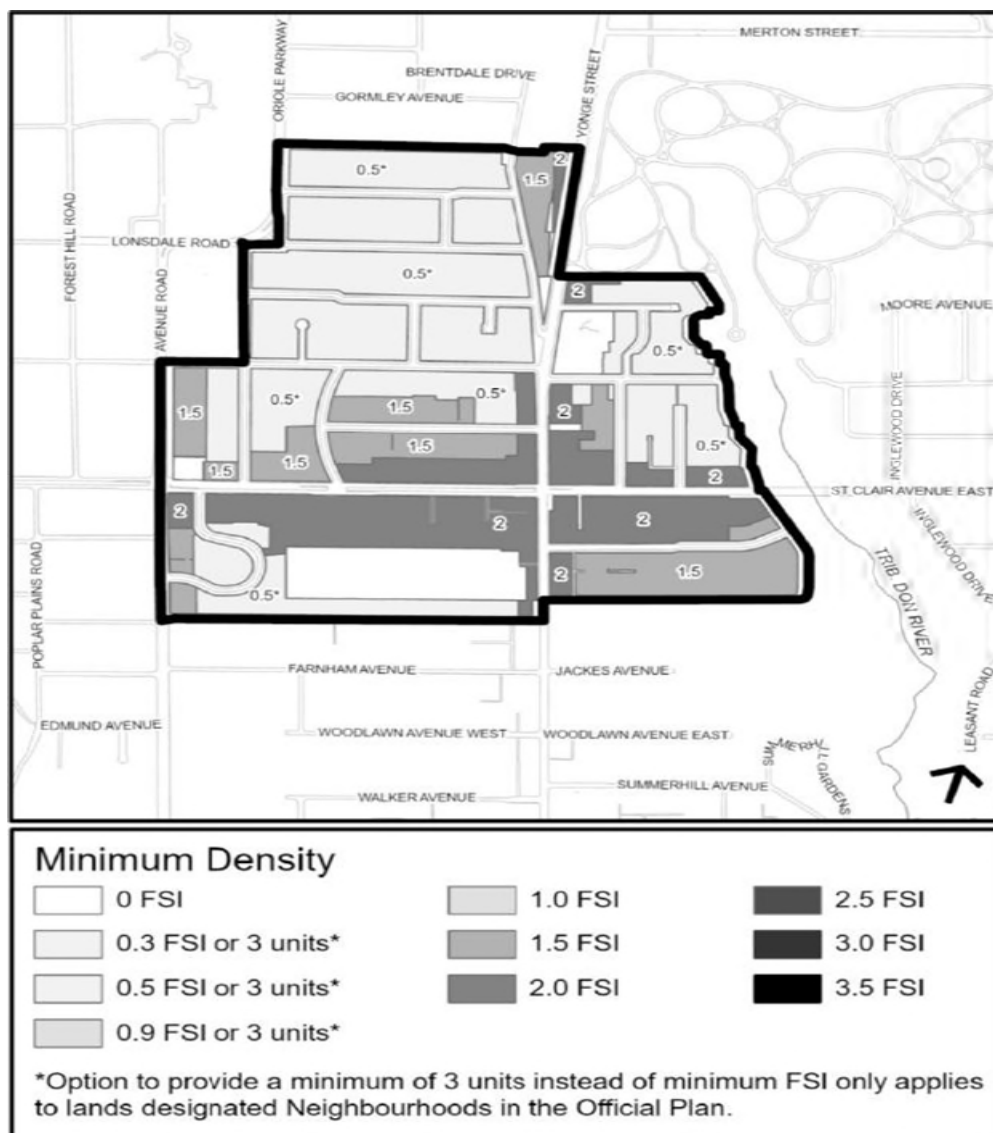
The province has stated clearly that intensification at Major Transit Station Areas is “the logical place to put more housing”.

This section from the plan also emphasizes the role of the Minister in ensuring that the “key development policies for major transit hubs” are in place. As such, it is important for the Minister to exercise his powers of modification when considering policies like those in Toronto Official Plan Amendment 570 to ensure that the minimum densities actually encourage housing intensification in major transit station areas.

Mapping in OPA 570 Applies Artificially Low Densities to Major Transit Station Areas (Site and Area Specific Policy 721)

As noted, Slate Asset Management has lands located throughout the Yonge and St. Clair area.

The St. Clair subway station has entrances on both the south and north sides of St. Clair. Direct underground access to the two subway entrances exists from Slate Buildings at both 1 and 2 St. Clair Avenue East. Slate also owns the buildings at 1 and 2 St. Clair Avenue West, in close proximity to the subway. Below is the minimum density map from the Official Plan Amendment.



Under Official Plan Amendment 570, all the Slate properties on the four corners, including those with direct underground access to the subway, are designated with a minimum density of 2 times the area of the lot.

It is unlikely that this is the kind of density, at a subway station intersection, that the Province would consider to be a high residential density, or meaningful intensification in a transit supportive fashion.

City's Adopted Minimum Densities Are Actually Below Already Planned and Approved Density Permissions

The City of Toronto has established an interactive tool for Major Transit Station Areas. What that tool reveals for the area in question is that it already has higher density permissions generally than the minimum densities established by Official Plan Amendment 570. This demonstrates the extent to which the minimum densities in the amendment are artificially low - and so low as to not serve as an incentive for intensification.

In the table below, the “planned density” taken from the City’s interactive tool is based upon all sites developing in accordance with their existing planning permissions.

MTSA	Existing Planned Density	OPA Minimum Density
St. Clair	516 people/jobs/HA	300 people/jobs/HA

The above figures indicate how meaningless the minimum densities proposed for Major Transit Station Areas in OPA 570 are. They can hardly be seen to serve as an incentive to increase densities, when existing planning permissions already permit higher densities. It is clear that the City’s exercise in seeking conformity with the Growth Plan, clearly does not conform with the provincial policy direction to meaningfully intensify in major Transit Station Areas.

Even the Minimum Densities In Official Plan Amendment 570 are Unlikely to Be Achieved as Mapped

The City’s analysis and calculations are based on a highly unlikely assumption: That all land parcels will develop according to their full potential under the proposed densities.

This assumption is unlikely to be realized for a number of reasons including, among others, the following:

- It is virtually never the case that all land parcels in a particularly area develop at the permitted densities. Some landowners are always “waiting” for better circumstances in the future.
- Some existing structures are economically viable as built, and will not be replaced.
- The densities in OPA 570 are not sufficiently high to make the replacement of existing low density structures, with only modestly larger buildings, economically viable.
- The City’s Office Replacement Policy, which applies in most Major Transit Station Areas, serves as a barrier to the actual construction of any new housing on sites that previously had office uses.

Similar factors are in play with respect to the existing planning permissions. According to the information in the City’s interactive tool for Major Transit Station Areas, existing development in the area is below the currently permitted planning permissions. This reflects the practical reality that it does not make sense for small parcels to redevelop to higher densities if the gains are only modest. The difference must be sufficient to make sense, if actual intensification and development to planning potential is to be achieved.

Paradoxically, the new minimum densities adopted are so low as to actually discourage redevelopment proposals - meaning the area will be more inclined to stagnate, rather than revitalize. This is further aggravated by the barrier to new housing created by the City's Office Replacement Policy.

MTSA	Existing Planned Density	OPA Minimum Density
St. Clair	516 /HA	260/HA (approx.)

The above figures demonstrate that existing planning permissions substantially exceed what actually gets built - by a factor of almost 200% in this area. This underlines the importance of establishing minimum densities that are meaningful if the intensification and increased housing supply sought by the province is to result.

Minister is Asked to Modify the Minimum Density Mapping for Site and Area Specific Policy Area 721 in Official Plan Amendment 570

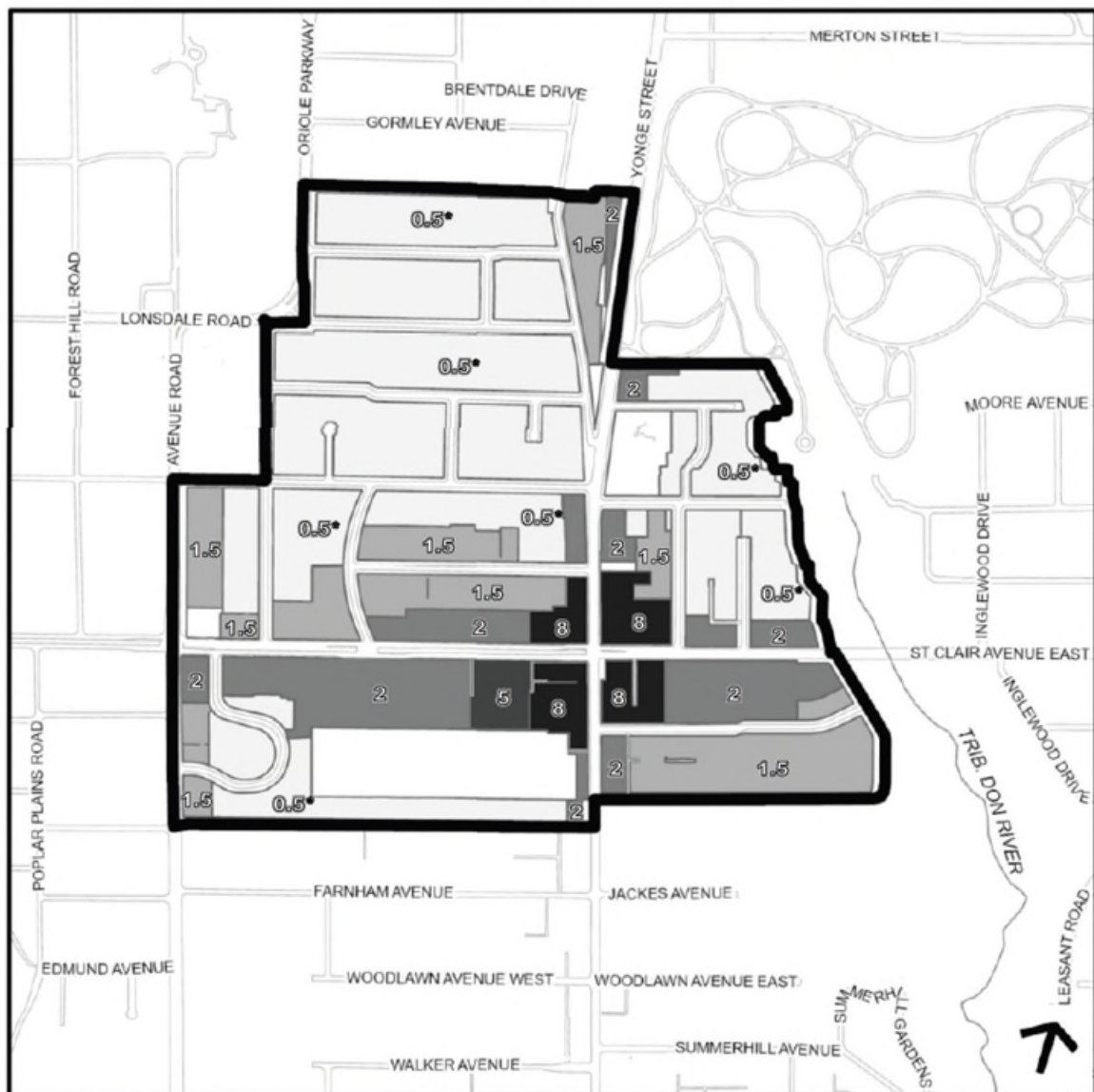
We are requesting that the Minister modify the mapping of minimum densities in the planning area to reflect increased minimum densities - especially in the areas closest to the transit stations.

It makes sense that the highest densities should be located at the intersections where subway stations are located.

The mapping below incorporates densities from actual buildings that exist or are under construction, and from planning applications that have been approved. In addition, it incorporates minimum densities for the 1 St. Clair Avenue West site, and 1 St. Clair Avenue East that are reflective of the current planning applications for the sites.

Some increased minimum densities are proposed for other sites, especially those focused around the transit stations. These proposed minimum densities take into consideration the practical build-ability constraints on the sites. The figure located on the following page is a draft OPA map, showing what we submit are appropriate minimum densities to be included in the Site and Area Specific Policy 721 area.

Map 2 – Minimum Densities, St Clair Protected Major Transit Station Area



Minimum Density

0 FSI	5.0 FSI
0.5 FSI or 3 units*	8.0 FSI
1.5 FSI	
2.0 FSI	

*Option to provide a minimum of 3 units instead of minimum FSI only applies to lands designated Neighbourhoods in the Official Plan.

Minister Should Modify Toronto Official Plan Amendment 570 as Requested - In the Alternative, The Minister Should Refer the Requested Office Replacement Exemption and Minimum Density Mapping in OPA 570, SASP 721 to the Tribunal for a Hearing

It is clear that the City of Toronto's Official Plan Amendment 570 is not in conformity with the policies of the Growth Plan, as it does not properly encourage the intensification of Major Transit Station Areas and higher densities in transit supportive development. On the contrary, the City has set the minimum densities at such a low level, that any meaningful intensification will actually require Official Plan Amendment applications and lengthy approval processes, including potential exposure to appeals to the Ontario Land Tribunal. In addition, unless an exemption from the City's office replacement policy is provided, very little new housing will be constructed. This clearly is not in conformity with provincial policy as articulated in both the Growth Plan and the Housing Supply Action Plan.

Under section 3 of the Planning Act, the Minister is required to act in conformity with Provincial Plans (including the Growth Plan) in making decisions - including exercising his powers as the approval authority for Toronto's Official Plan. Clearly, he cannot approve Official Plan Amendment 570 as adopted by Toronto Council, and be acting in conformity with his section 3 obligations.

The Minister should exercise his authority to make modifications to the amendment as requested in this submission. Such modifications would ensure that more appropriate minimum densities were established, and that the City's office replacement policy would no longer block the construction of new housing. Under the new provincial rules, the City would be required to make zoning changes to conform with the modified Official Plan Amendment within one year. This will accelerate the potential to achieve final planning approvals on numerous sites. The outcome will make possible the delivery of a meaningful increase in the housing supply at an early date.

In the alternative, in the event that the Minister is not prepared to make the requested modifications, we request that the Minister refer the question of the appropriateness of an exemption from Toronto Official Plan Policy 3.5.1.9 (office replacement) and the appropriate Minimum Density mapping for SASP 721 to the Ontario Land Tribunal for a hearing.

Yours sincerely,

AIRD & BERLIS LLP



Hon. Peter Van Loan
Partner
PVL:MH

January 20, 2023

Ministry of Municipal Affairs and Housing
777 Bay Street, 17th floor
Toronto, Ontario M7A 2J3

Attn: Hon. Steve Clark
Minister of Ministry of Municipal Affairs and Housing (MMAH)

Dear Mr. Clark,

Re: Planning Opinion Letter in support of Slate's request to amend the St Clair PMTSA of OPA 570 to exempt the site located in "1 St Clair Avenue East" from office replacement requirements.

Urban Strategies Inc. has prepared the following planning opinion letter on behalf of Slate Asset Management ("Slate") in support of Slate's request to modify Official Plan Amendment (OPA) 570 adopted by the City of Toronto Council on July 22, 2022. OPA 570 seeks to delineate and plan for 57 Protected Major Transit Station Areas (PMTSAs) located in the City of Toronto, including St. Clair Station at the intersection of Yonge and St. Clair. Slate's request is to amend Schedule 51 to Amendment 570 (SASP 721. Protected Major Transit Area - St Clair) to exempt 1 St. Clair Avenue East from Toronto's Official Plan office replacement requirements as outlined in Policy 3.5.1.9 (consolidated in OPA 231).

OPA 570 was approved under section 16(15) of the Planning Act, which establishes the Minister of Municipal Affairs and Housing as the final approval authority with the jurisdiction to modify Council-approved policy. We are submitting this letter within the comment period of December 5, 2022 to February 3, 2023 prior to the Minister making his final decision. This letter outlines our planning opinion in support of Slate's request to eliminate office replacement policies as they apply to 1 St. Clair Avenue East.

The COVID-19 pandemic has been very impactful on commercial real estate, and the office market is continually evolving in the Yonge and St. Clair area. The site itself is located within the centre of a high-density, mixed-use node that can accommodate significant residential intensification on transit. Amending the proposed St. Clair PMTSA brings the opportunity to remove more barriers to the delivery of transit-oriented housing and affordable housing in alignment with the Provincial interests identified in the Planning Act, and in a manner that is consistent with the Provincial Policy Statement (2020), conforms with the Growth Plan for the Greater Golden Horseshoe, achieves the general intent of the City of Toronto Official Plan and represents good planning.

Background and Context

Built in 1979, 1 St. Clair Avenue East is a 10-storey office building located at the southeast corner of Yonge Street and St. Clair Avenue. The site is just ~1,130 m² in size, and the floor area of the office building is ~7,600 m². Located immediately adjacent to the St. Clair subway station, the site provides a direct underground connection into the main station entrance area.

The site represents a significant opportunity for redevelopment and reinvestment. The existing office space is outdated relative to current office market needs, including that:

- The building is over forty years old and does not meet the environmental performance standards of contemporary office buildings.
- With a floor plate of around 700 m², the office building does not meet contemporary office floorplates that generally range from 2,000 to 3,000 m².
- Older office buildings are increasingly challenged in the City of Toronto, particularly after the COVID-19 pandemic which has resulted in a changing office market. A recent CBRE report found that vacancies are higher and growing more rapidly in lower quality (Class B) office buildings such as 1 St. Clair East, as compared to Class A office buildings. The longer-term outlook suggests buildings such as these will require transformation in the years to come.

Despite the changing office market and constraints of the existing office building, the site itself is located within the centre of a high-density, mixed-use node that can accommodate significant residential intensification on transit. Given the site's direct connection to the subway station, the subject site has the opportunity to play a more strategic role to address the regional housing crisis by accommodating housing on an existing subway station. Further, the Minister's approval of the St. Clair PMTSA will authorize the use of Inclusionary Zoning within the station area. This would ensure the provision of affordable housing should the site be redeveloped for high density residential uses.

However, if office replacement continues to be required, the site would likely not be redeveloped in the foreseeable future, if ever. A high-density residential redevelopment scenario requiring office replacement would be quite challenging given the site constraints. With a limited site size, office floorplates would remain very small and inefficient, further reduced by the penetration of the residential elevator, stair and mechanical core. Requirements for distinct lobby entrances, loading, TTC entrance and other at-grade uses would further limit the viability of such a mixed-use office/residential redevelopment scenario.

There has been significant development interest and activity in the area, including several recent development approvals that emphasize the potential for high-density transit-oriented housing. For example, Slate's approved 1 Delisle is currently under construction at the northwest corner of Yonge and St. Clair. The project features a 44-storey (150m) mixed-use development offering 371 residential units at a density of 15.6 FSI. At the northeast corner of Yonge and St. Clair, Toronto City Council recently approved three residential towers, 44, 39 and 27 storeys in height that will provide a total of 1,361 residential units.

This recent development activity in the area shows that the property is well positioned to become a major high-density, mixed-use, mixed-income, transit-oriented node to address the housing crisis. However, while several other sites feature approved or proposed developments featuring mid-rise or high-rise residential developments, the Yonge and St. Clair PMTSA has limited future development

opportunities that can continue to concentrate residential development near transit and in a mixed-use, complete community.

The Opportunity for 1 St. Clair Avenue East

The site is located within the **St Clair PMTSA – Site and Area Specific Policy 721** (see attachment) approved by the City of Toronto's City Council on July 22, 2022 (OPA 570). The PMTSA defines minimum targets of 300 residents and jobs combined per hectare and a range of minimum densities varying from 0.5 to 2.0 Floor Space Index (FSI). The PMTSA assigns a minimum FSI of 2.0 to the subject site, the highest minimum density in the PMTSA.

The approval of this and other PMTSAs is part of the City of Toronto's conformity exercise with respect to the *Growth Plan for the Greater Golden Horseshoe's* requirement to define the major transit station areas and, at minimum, establish minimum development densities. In addition, this instrument is meant to incentivize compact high transit-oriented developments and facilitate the provision of affordable housing units in coordination with the Inclusionary Zoning Policy (OPA 557) approved in 2021. Given the importance of major transit station areas, and particularly major transit station areas that provide a complete community to support further intensification, it is my opinion that there is strong planning argument to permit redevelopment of the site in alignment with the intentions of PMTSAs by allowing residential uses to replace the current office uses.

Due to the broad City-wide approach to planning for many PMTSAs, the resulting PMTSA policies are high level and do not provide specific policy direction for individual sites. Further, the PMTSA policies focused primarily on establishing minimum densities and did not consider such matters as building heights, land use permissions or other planning considerations. In my opinion, parcels with high development potential that are directly connected and/or in very close proximity to transit stations are well positioned to have additional site-specific policies in the PMTSA policies to facilitate transit-oriented intensification.

In the case of 1 St. Clair East, the PMTSA policy can be further refined to facilitate the provision of transit-oriented intensification by eliminating the applicability of the office replacement requirements outlined in Official Plan policy 3.5.1.9. Policy 3.5.1.9 states the following:

Decision by O.L.T. not yet determined: 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.

Despite being under appeal, the City of Toronto applies policy 3.5.1.9 as if it were in force, and would therefore require the replacement of the existing office floor area in any redevelopment scenario for the site. The addition of policy language in the St Clair PMTSA to exempt the site from Policy 3.5.1.9 would ensure that OPA 570 provides more appropriate and customized policy direction for a parcel that is well positioned to contribute to housing supply.

Provincial Policy Alignment

The provincial planning framework governing the subject site includes the *Ontario Planning Act*, the *Provincial Policy Statement*, and the *Growth Plan for the Greater Golden Horseshoe*. Together, these policies work to guide land use and development in Ontario by setting out the province's overall policies and priorities, providing guidance for municipalities to follow, and establishing specific targets and policies for managing growth in the Greater Golden Horseshoe region.

The three documents acknowledge the importance for such matters as compact urban design, transit-oriented development, employment protections and housing affordability. The following provides an overview of relevant provincial policies and these policies align with the proposed change to OPA 570 for 1 St. Clair East.

Ontario Planning Act, Part I, Section 2 – Provincial Interest

The Ontario Planning Act sets out the framework for land-use planning and development in the province. The act's purpose is to promote sustainable development in the province and to balance the interests of different stakeholders. The following provincial interests are relevant to the request to exempt the site from office replacement requirements:

2. The Minister, the council of a municipality, a local board, a planning board and the Tribunal, in carrying out their responsibilities under this Act, shall have regard to, among other matters, matters of provincial interest such as,

- (h) the orderly development of safe and healthy communities;

- (j) the adequate provision of a full range of housing, including affordable housing;
- (k) the adequate provision of employment opportunities;
- (p) the appropriate location of growth and development;
- (q) the promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians;
- (s) the mitigation of greenhouse gas emissions and adaptation to a changing climate

The Provincial Policy Statement

The Provincial Policy Statement (“PPS”) provides policy direction on matters of provincial interest related to land use planning and development with the aim to secure the long-term prosperity, environmental health, and social wellbeing of the province. Part V includes policies organized under the following three areas:

- 1.0 Building Strong Healthy Communities
- 2.0 Wise Use and Management of Resources
- 3.0 Protecting Public Health and Safety

Policies in Section 1.0, Building Strong Healthy Communities, are most relevant in support to the proposed change to OPA 570, as outlined below:

Section 1.1.1 outlines criteria to achieve healthy, safe and liveable communities. These criteria include promoting efficient land use patterns over the long-term (1.1.1.a); accommodating a mix of employment uses and a variety of residential types (1.1.1.b); ensuring the necessary infrastructure and public service facilities are available to meet future needs (1.1.1.g); avoiding land use patterns that result in environmental or public health concerns or prevent the efficient expansion of settlement areas (1.1.1.c and d); achieving cost-effective development patterns and optimizing transit investment by promoting the integration of growth management, land use planning, intensification and infrastructure planning and transit-supportive development (1.1.1.e); promoting land use patterns that conserve biodiversity (1.1.1.h); preparing for the effects of climate change, and (1.1.1.i); improving accessibility (1.1.1.f).

Section 1.3.1 directs planning authorities to promote economic development and competitiveness by providing a mix and range of uses including institutional and employment uses (1.3.1.a); providing opportunities for a diversified economic base, including a range and choice of sites (1.3.1.b); identifying strategic sites for investment (1.3.1.c); encouraging mixed-use

development that is compact and incorporates compatible employment uses (1.3.1.d); and providing sufficient infrastructure to meet support current and projected needs (1.3.1.e).

Policy 1.4.1 directs for the provision of an appropriate range and mix of housing options.

Section 1.6 directs for the efficient provision of public service facilities and infrastructure to accommodate projected needs and prepare for climate change impacts (1.6.1). Planning authorities should promote green infrastructure (1.6.2) and, before developing new infrastructure and public service facilities, existing infrastructure should be optimized and adaptive reuse should be considered (1.6.3). Infrastructure and public service facilities should be strategically located to protect public health and ensure effective delivery of services (1.6.4). Where appropriate, public service facilities should be co-located in community hubs (1.6.5).

Section 1.6.7 of the PPS requires the provision of transportation systems that are safe, energy efficient, able to address projected needs and facilitate the movement of people and goods (1.6.7.1). Transportation demand management strategies should be used to make efficient use of existing and planned infrastructure (1.6.7.2). Connections between different transportation modes should be maintained and improved where possible (1.6.7.3). A land use pattern, mix of uses, and density should be promoted to support the use of transit and active transportation and minimize the length and number of vehicle trips. (1.6.7.4).

Section 1.7.1 outlines criteria that supports long-term economic prosperity, including direction to encourage residential uses to provide necessary housing supply and options for a diverse workforce (1.7.1.b); maintaining and enhancing where possible the viability and vitality of downtowns (1.7.1.d); promoting well designed built form to encourage a sense of place (1.7.1.e); promoting the redevelopment of brownfield sites (1.7.1.f); providing for a cost-effective, efficient and reliable multimodal transportation system (1.7.1.g); and promoting energy conservation (1.7.1.j).

Section 1.8.1 directs that planning authorities shall support energy efficiency and conservation, improved air quality and reduced greenhouse gas emissions through land use and development patterns that promote compact form and a structure of nodes and corridors (1.8.1.a), promote the use of transit and active transportation between different uses (1.8.1.b), focus employment on sites that are well served by transit (1.8.1.c), ensure freight-

intensive uses are well served by highways and other facilities (1.8.1.d), encourage development that is transit-supportive to shorten commutes (1.8.1.e), promote design that maximizes energy conservation and efficiency (1.8.1.f), and where feasible, maximize vegetation within settlement areas (1.8.1.g).

The Growth Plan for the Greater Golden Horseshoe

The Growth Plan for the Greater Golden Horseshoe provides a framework for managing growth and development in the Greater Golden Horseshoe region of Ontario. The plan sets targets for population and employment growth and establishes policies and guidelines for the location and intensity of development. The sections of the Growth Plan that are most relevant in support of the request of exempting the subject site from office replacement requirements are outlined below:

Section 1: A Place to Grow: Growth Plan for the Greater Golden Horseshoe

Section 1.2 outlines the vision for the Growth Plan as well as its guiding principles for the GGH, which support the achievement of complete communities; prioritize intensification and higher densities in strategic growth areas; provide flexibility to capitalize on new economic and employment opportunities; provide a range and mix of housing options including affordable housing; integrate land-use planning with planning and investment in infrastructure and public service facilities; conserve and promote cultural heritage resources; integrate climate change considerations; and promote and conserve cultural heritage resources. The Growth Plan is intended to guide decisions on future growth in order to curb sprawl, maintain a healthy natural environment, and foster the Greater Golden Horseshoe's economic competitiveness.

Section 2: Where and How to Grow

Section 2.1 acknowledges the need to coordinate growth planning in the Region in order to improve quality of life and build healthy communities. Growth is to be accommodated in complete communities through a mix of jobs, services and a full range of housing. In order to achieve complete communities, the Growth Plan establishes density targets and directs intensification to major transit station areas and other strategic growth areas.

Section 2.2.2 of the Plan describes how new population and employment growth can be accommodated by: directing a significant portion of new growth to built-up areas through intensification (2.2.1.2.a); providing direction for an urban form that will optimize infrastructure, particularly along transit corridors,

to support the achievement of complete communities (2.2.1.3.c); and supporting the achievement of complete communities that feature a diverse mix of land uses, improve social equity and quality of life, provide a diverse range and mix of housing options including affordable housing, expand convenient access to a range of transportation options, provide for a more compact built form and vibrant public realm, and mitigate and adapt to the impacts of a changing climate (2.2.1.4.)

The Growth Plan recognizes that growth and intensification is also desirable in major transit stations and intensification corridors. **Section 2.2.4** sets out policies for major transit station areas and intensification corridors. Major transit station areas are generally defined as the area within an approximate 500 to 800 metre radius, or 10-minute walking distance, of a higher order transit station, such as St. Clair station. Policy 2.2.4.3 establishes a minimum density target of 200 residents and jobs combined per hectare for subway stations.

Section 2.2.5 provides policy direction for Employment areas, but also includes policy direction for economic development and office uses specifically. Policy 2.2.5.2 directs major office, including office buildings greater than 4,000m², to major transit station areas.

Section 2.2.6 provides policy direction for housing, including requiring municipalities to identify a diverse range and mix of housing options and densities including affordable housing, to meet projected needs (2.2.6.1.a).

Section 3: Infrastructure to Support Growth

The Growth Plan places an emphasis on aligning transit infrastructure and growth. **Section 3.2** discusses infrastructure and how it relates to transportation and the movement of people and goods. It states that the planning of and investment in infrastructure and land use should be coordinated, and the transportation system region wide should be planned to be sustainable, multi-modal, and include transportation corridors. Transit is prioritized for investment and includes the expansion of service to higher density mixed use areas, links from neighbourhoods to intensification areas, and increasing the modal share of transit use.

When viewed in their entirety, the provincial matters of interest in planning, policy statements and Growth Plan policies demonstrate alignment on several policy matters relevant to the proposed change to OPA 570, summarized in the following overall policy objectives:

- The importance of higher order transit to support mobility,

- The importance of transit-oriented intensification, particularly for residential uses,
- The importance of protecting employment uses and supporting office,
- The need to improve housing supply to address a housing shortfall, and
- The need to deliver affordable housing to meet the needs of a diverse population.

In this instance, the combined policy direction comes into conflict, where the 1 St. Clair East site can satisfy some, but not all of the above provincial policy objectives. Maintaining the office replacement policy as it applies to the site would continue to protect the existing office building, including jobs located near a subway station, but in an aging and inefficient building. Removing the office replacement policy, on the other hand, would facilitate the creation of new housing, including affordable housing, near a subway station at a much greater density than the existing office building.

For several reasons, it is my opinion that on this particular site, the benefits of removing office replacement requirements outweigh the benefits of leaving the requirement, and the existing building, in place.

As previously stated, the COVID-19 pandemic has been very impactful on commercial real estate, and the office market is changing in the Yonge and St. Clair area. At the same time, there is a significant need in the City of Toronto to create a mix of new housing. The existing office building itself is not well positioned to continue to deliver office space that meets high environmental standards of contemporary office needs into the future. The small floorplate sizes, aging mechanical and glazing systems, and poor environmental performance will limit the attractiveness of the office space to tenants. Further investment in the existing building to fully address these concerns for the long-term is likely not viable, nor is full redevelopment with office replacement given site constraints.

Despite these factors and the constraints of the existing office building, the site itself is located within the centre of a high-density, mixed-use node that can accommodate significant residential intensification on transit. Amending the proposed St. Clair PMTSA brings the opportunity to remove more barriers to redevelopment in the area that align with the provincial interest in delivering compact, sustainable, transit-oriented, and affordable housing developments in Toronto.

While the general policy intent to protect office and employment uses within the City remains important, in the case of 1 St. Clair East, protection of the existing office building and uses will hinder the redevelopment potential of the subject site to address the crucial housing crisis and current market demands. In this instance, it is my opinion that eliminating the office replacement policy for this site ensures that the PMTSA policies, as a whole, are better aligned with provincial interests outlined in the Planning Act, are consistent with the PPS and conforms with the Growth Plan.

Conclusion

The demand for housing is increasingly growing in Ontario and the implementation of PMTSA policies is an important step to addressing this demand. The proposed modification to the PMTSA to remove

office replacement requirements for this site would further the objectives of the PMTSA. The work done so far by the City of Toronto as presented in the OPA 570 would benefit from tailored site adjustments to address site specific considerations such as the impact of office replacement policies on achieving transit-oriented intensification on a site like 1 St Clair Avenue East.

It is my professional opinion that supporting the request of Slate to add language in the St Clair PMTSA to remove the Official Plan Policy 3.5.1.9 office replacement requirements for 1 St Clair Avenue East represents good planning and is in the public interest. The proposed change to OPA 570 has regard for the matters of provincial interest outlined in the Planning Act, is consistent with the Provincial Policy Statement, and conforms with the Growth Plan and the general intent of the Official Plan.

Respectfully,

A handwritten signature in black ink, appearing to read 'Ben Hoff', written in a cursive style.

Benjamin Hoff, MCIP, RPP
Partner
Urban Strategies Inc

Attachment: SASP 721. Protected Major Transit Station Area – St. Clair Station

Schedule "52" to Amendment 570

SASP 721. Protected Major Transit Station Area – St Clair Station

a) Protected Major Transit Station Area Delineation

The area surrounding and including the existing St Clair Subway Station is a protected major transit station area shown as the St Clair Protected Major Transit Station Area on Map 1.

b) Residents and Jobs per Hectare

Existing and permitted development within the Protected Major Transit Station Area – St Clair Station is planned for a minimum population and employment target of 300 residents and jobs combined per hectare.

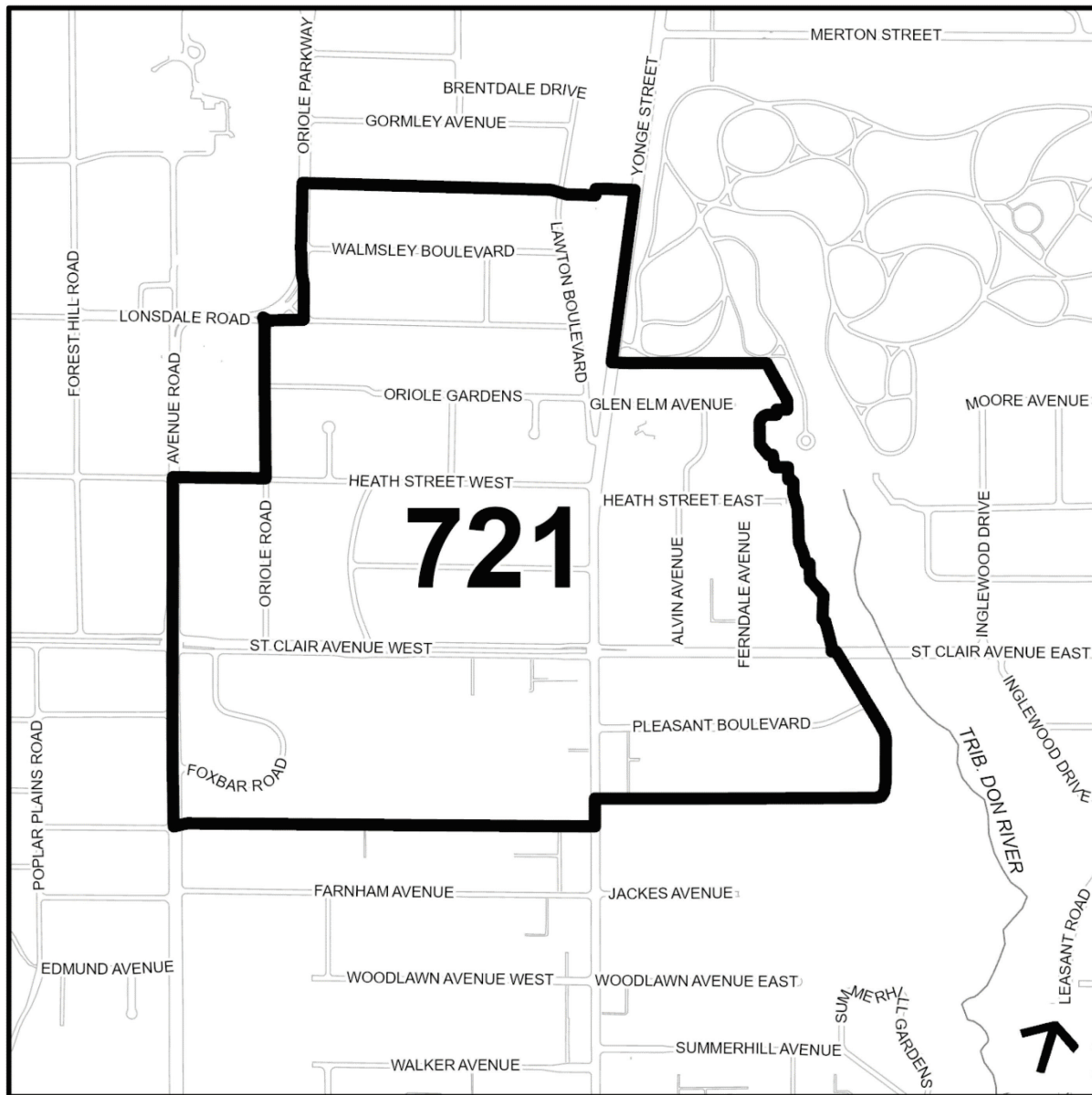
c) Authorized Uses of Land

The authorized uses of land are as identified by the land use designations on Map 17 and associated land use permissions in Chapter 4 of the Official Plan, applicable Secondary Plans and Site and Area Specific policies.

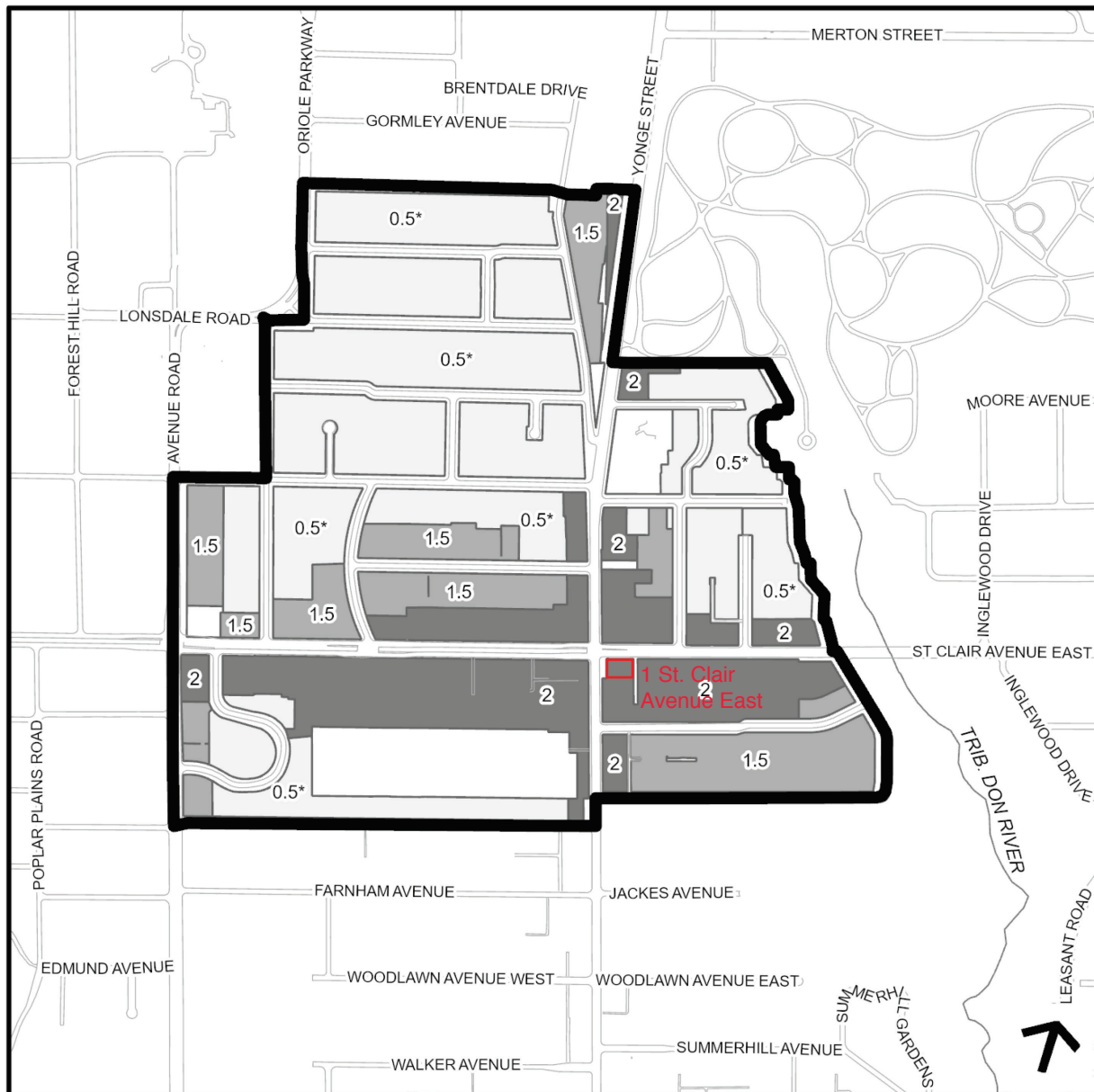
d) Minimum Densities

Minimum density requirements are shown on Map 2, represented in Floor Space Index.

Map 1 – St Clair Protected Major Transit Station Area



Map 2 – Minimum Densities, St Clair Protected Major Transit Station Area



Minimum Density

 0 FSI	 1.0 FSI	 2.5 FSI
 0.3 FSI or 3 units*	 1.5 FSI	 3.0 FSI
 0.5 FSI or 3 units*	 2.0 FSI	 3.5 FSI
 0.9 FSI or 3 units*		

*Option to provide a minimum of 3 units instead of minimum FSI only applies to lands designated Neighbourhoods in the Official Plan.