

CITY OF TORONTO'S CURRENT MUNICIPAL COMPREHENSIVE REVIEW PROCESS

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Toronto landowners and developers alike will most likely have heard that the City of Toronto ("City") is once again commencing its Municipal Comprehensive Review ("MCR") conformity exercise as mandated under the province's planning legislation. For anyone considering applying for re-designation of their lands from an *Employment* land use designation under the City's [Official Plan](#), now is the time to make your move.

Conformity Exercise under the *Planning Act*

Pursuant to the [Planning Act](#), municipalities must ensure conformity (or no conflict) with provincial plans, and consistency with provincial policy statements. Council is required to first review and revise its Official Plan 10 years after it has come into effect as a new Official Plan, and then every 5 years thereafter to ensure such conformity and consistency (s.26(1.1)). The *Planning Act* permits council, at its discretion, to combine its conformity exercise and with its 10- / 5-year review (s.26(2.1)).

In response to the 2019 updates to the Growth Plan (including its renaming to [A Place to Grow: Growth Plan for the Greater Golden Horseshoe](#), the "**Growth Plan 2019**"),^[1] the Minister of Municipal Affairs and Housing has established **July 1, 2022** as the deadline for all municipalities to complete their MCR and Growth Plan conformity exercise. Once complete, the updated Official Plans will go to the Ministry of Municipal Affairs and Housing for final approval, from which there is no appeal.^[2]

Key changes that those in the development industry will be watching for include policies relating to Major Transit Station Areas ("**MTSA**"), Inclusionary Zoning, and Employment conversion.

City of Toronto

On June 29, 2020, in accordance with the Minister's requirements, City Council [approved](#) its "[Growth Plan Conformity and Municipal Comprehensive Review \(MCR\) – Work Plan](#)" (the "**Work Plan**"). The City commenced its MCR process on August 4, 2020, and the target deadlines of each part of the Work Plan can be found in its Task List [here](#).

As described in greater detail below and on the City's website [here](#), the key elements of the work plan are: 1)

managing forecasted growth through intensification, 2) MTSAs, 3) updating environmental policies, 4) protecting employment areas, 5) considering employment area conversions, and 6) engagement strategy.

The City is intending on consulting with stakeholders and providing various ways to participate throughout the MCR process, including online consultations, surveys, interactive mapping and virtual meetings. The dates and times of these engagement opportunities will be announced on the City's webpage [here](#) and [social media channels](#). You can subscribe for e-updates [here](#). Participation during these consultation periods is crucial, especially given that decisions made at the Ministerial level cannot be appealed.

As noted above, those with development or near-future resale interests are likely most interested in the MTSA and employment area conversion matters of the City's MCR process.

i. Major Transit Station Areas

Pursuant to the Growth Plan, 2019, [MTSAs](#) are areas within an approximate 500-800 metre radius of a transit station, representing a 10-minute walk. The Growth Plan 2019 has established minimum density targets for MTSAs, including: 200 residents and jobs per hectare for subways; 160 residents and jobs per hectare for light rail transit; and 150 residents and jobs for GO Transit rail.^[3] As part of the MCR process, the City must delineate the boundaries for 180+ MTSAs within the City, and demonstrate that these will meet minimum density targets (see the City's [OPA 482](#), [draft OPA 524](#)).^[4] Additionally, a subset of MTSAs, referred to as "Protected Major Transit Station Areas," will also be delineated to allow for the implementation of [Inclusionary Zoning](#) as a means of forcibly achieving affordable housing through redevelopment proposals.^[5] For more details on the City's draft Inclusionary Official Plan and Zoning policies, please see our recent bulletin [here](#).

ii. Employment Areas – Protection and Conversion Requests

The City will be reviewing the land use policies for lands designated under its Official Plan as *Core Employment Areas* and *General Employment Areas*. Generally, *Core Employment Areas* are geographically located within the interior of employment areas and are primarily used for industrial activities. *General Employment Areas* are mostly located on the periphery of employment areas.^[6] In all *Employment Areas*, the Growth Plan 2019 requires municipalities to prohibit certain land uses (residential); prohibit or limit other sensitive land uses; prohibit or establish size or scale thresholds for major retail uses; and address compatibility issues between employment areas and non-employment areas.^[7]

Parties seeking to re-designate their *Employment* lands to non-employment uses must make their formal request no later than **August 3, 2021**.^[8] Each conversion request is required to address [Conversion and Removal Policies for Employment Areas](#) as set out in the Work Plan, to meet the necessary tests and policy considerations that apply.^[9] Requests received between December 18, 2020 and August 3, 2021 are subject to

an “[Employment Areas Conversion Request User Fee](#)” of \$20,000 per request. However, this fee may be waived where a complete application for an Official Plan Amendment has been received for the same address, including payment of the applicable fee.^[10]

Interested parties should be aware that “[Provincially Significant Employment Zones](#)” attract more rigorous protections, which may reduce the likelihood of a successful conversion request to permit non-employment uses.^[11]

Notably, as some may know, the City’s last conformity exercise resulted in Official Plan Amendment 231 (“**OPA 231**”), and the City is still working through resolving the remaining appeals. Those with ongoing [appeals of OPA 231](#) at the Ontario Land Tribunal (previously the Local Planning Appeal Tribunal) are excluded from the present conformity exercise.^[12]

Going Forward

Awareness of, and participation in, the MCR process is critical for property owners and developers both within the City of Toronto and elsewhere in the province. This is especially the case for those who wish to convert their *Employment*-designated lands to non-employment uses, given the fast approaching August 3rd deadline. In turn, parties impacted by conversion requests should engage in the process to advocate for alternatives by filing a formal request.

Please reach out to the lawyers at McMillan LLP if you have any questions respecting the MCR process or wish to consider making a request for conversion.

[1][ps2id id='1' target=''] The Growth Plan 2019 is the province of Ontario’s long-term plan for the Greater Golden Horseshoe, designed to promote economic growth, increase housing supply, create jobs and build communities.

[2][ps2id id='2' target=''] City’s Growth Plan Conformity and Municipal Comprehensive Review (MCR) – Work Plan, dated May 19, 2020, at p.1, retrieved online on July 7, 2021 [here](#); see also *Planning Act*, s.17(36.5).

[3][ps2id id='3' target=''] Growth Plan 2019, policy 2.2.4.3.

[4][ps2id id='4' target=''] Work Plan, page 5.

[5][ps2id id='5' target=''] Work Plan, page 6.

[6][ps2id id='6' target=''] Official Plan, policy 4.6.3.

[7][ps2id id='7' target=''] Work Plan, page 10.

[8][ps2id id='8' target=''] Work Plan, page 11.

[9][ps2id id='9' target=''] Work Plan, page 29.

[10][ps2id id='10' target=''] City of Toronto, by-law 1137-2020, *To amend City of Toronto Municipal Code Chapter 441, Fees and Charges, and Chapter 442, Fees and Charges, Administration of, to add a fee for Employment*

Area Conversion Requests (18 December 2020), s. 2H.

[11][ps2id id='11' target=''] Province of Ontario, “Provincially significant employment zones” (last modified June 1 2021), [here](#).

[12][ps2id id='12' target=''] Work Plan, page 11.

by [Mary-Flynn Guglietti](#), [Kailey Sutton](#) and [Kiira Kaarid](#) (Summer Student)

A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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