

## **Community Within Reach: EHON Neighbourhood Retail and Services Study - Phase Three Final Report**

**Date:** October 16, 2025

**To:** Planning and Housing Committee

**From:** Chief Planner and Executive Director, City Planning

**Wards:** All

### **SUMMARY**

---

Toronto is a growing city with at least 700,000 new Torontonians expected by 2051. It is expected that some of that growth, enabled through other Expanding Housing Options in Neighbourhoods (EHON) initiatives such as the Laneway Suites, Garden Suites, Multiplex and Major Streets studies, will be accommodated within Toronto's existing *Neighbourhoods*. Recent research conducted by City Planning shows that within that period, uptake of city-wide residential EHON initiatives could be about 163,785 new units by 2051, including 54,600 by 2031. To support the daily needs of future and current residents, it is necessary to ensure the goods and services they depend on are conveniently located, contributing to walkable and livable communities across Toronto.

Achieving this goal requires a city-wide policy and regulatory environment that is supportive of local businesses and services locating within communities. Despite small-scale retail, service and office uses historically playing an important role in many of Toronto's Neighbourhoods, these types of uses were strictly limited by policies and zoning provisions established in the mid-20th century, many of which remain today. As a result, many of Toronto's current residents have never had these amenities close to their homes, and others have seen them decline over the decades as existing establishments closed, and new ones did not take their place.

The EHON Neighbourhood Retail and Services Study aims to address this challenge for current and future residents through Zoning By-law Amendments (ZBLAs) that would enable small-scale retail, service and office uses to be within reach of communities across Toronto.

The study has been undertaken in three phases.

In July 2022, through Phase One of the study, Council approved an Official Plan Amendment supporting new Neighbourhood Retail and Services Uses and a Zoning By-law Amendment equalizing certain Home Occupation permissions in low-rise Neighbourhoods across the city.

In 2024, through Phase Two of the study, staff consulted with the public on draft ZBLAs, which were brought to Council in December 2024. City Council referred the item back to staff for additional consultation with the public and residents' associations and

preparation of a professional communications campaign through mainstream media channels to explain the proposal and gather feedback.

This report addresses work undertaken in Phase Three of the EHON Neighbourhood Retail and Services Study and responds to City Council direction and recommends approval of three city-wide ZBLAs. The three ZBLAs address the following:

1. Permit a range of small-scale retail, service and office uses, with appropriate zoning standards related to type, scale and form, on residentially-zoned properties on major streets (see Attachment 1);
2. Permit a small-scale retail store with option for ancillary eating establishment or takeout eating establishment with appropriate zoning standards related to type, scale and form, on residentially-zoned properties on in the interior of Neighbourhoods. Maintain these permissions only on corner lots and properties next to parks, schools and existing commercial sites, but further limit the permissions to corner lots on Community Streets (see Attachment 2); and
3. Update zoning standards for home occupations to implement the previously-approved Official Plan policies for home occupations (see Attachment 3).

The proposed ZBLAs implement the policies of the Official Plan Amendment approved by Council in 2022. The proposed amendments present a balanced approach to permit these uses while minimizing potential for adverse impacts on nearby residents by permitting them in locations, forms and at scales that are compatible with and integrated into Neighbourhoods.

The key changes to the recommended ZBLAs compared to the previous December 2024 report include:

- maintaining the recommended permissions for home-based businesses, with minor adjustments;
- maintaining the recommended permissions for small-scale retail, service and office uses on major streets within *Neighbourhoods*, with minor adjustments;
- maintaining the recommended permissions for small-scale retail, service and office uses in interior to *Neighbourhoods* adjacent to parks, schools and existing commercial sites, as well as on corner lots but limiting corner lot permissions to 'Community Streets'. Also removing as-of-right permissions for patios in Neighbourhood interiors.

This report also presents the findings from an extensive consultation and communication program, including advertising using social media, online news sites and in TTC transit shelters, city-wide online meetings, in-person pop-up events in every ward, and a survey. The report further recommends a monitoring strategy for the new permissions.

## **RECOMMENDATIONS**

---

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

1. City Council amend Zoning By-law 569-2013, as amended, substantially in accordance with the draft Zoning By-law Amendments appended as Attachment 1 to this report, with respect to neighbourhood retail and services on major streets.

2. City Council amend Zoning By-law 569-2013, as amended, substantially in accordance with the draft Zoning By-law Amendments appended as Attachment 2 to this report, with respect to neighbourhood retail and services in neighbourhood interiors.
3. City Council amend Zoning By-law 569-2013, as amended, substantially in accordance with the draft Zoning By-law Amendments appended as Attachment 3 to this report, with respect to home occupations.
4. City Council authorize the City Solicitor to make such stylistic and technical changes to the proposed Draft Zoning By-law Amendments as may be required.
5. City Council direct the Chief Planner and Executive Director, City Planning, in consultation with Municipal Licensing and Standards, Toronto Building, and other appropriate City divisions, to monitor the implementation and effectiveness of the Zoning By-law Amendments and to report to the Planning and Housing Committee following the earlier of two (2) years following the date the Zoning By-law Amendments come into full force and effect, or following the issuance of 200 building permits and/or business licenses, in order to review and recommend any necessary revisions to policy, zoning and/or other changes to improve implementation.

## **FINANCIAL IMPACT**

---

The City Planning Division confirms that there are no financial implications resulting from the recommendations included in this report in the current budget year or in future years.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

## **EQUITY STATEMENT AND RECONCILIATION IMPACT**

---

The Toronto Poverty Reduction Strategy, a City of Toronto 20-year plan to address housing stability, service access, transit equity, food access, the quality of jobs and incomes, and systemic change, contains 17 recommendations to be achieved by 2035. The EHON Neighbourhood Retail and Services initiative will support achieving various goals of the Strategy, such as Recommendation 4 to increase service access and availability, as well as Recommendation 9 that aims to increase access to food sources. As Toronto's communities continue to grow and evolve, the by-law amendments advanced through the Neighbourhood Retail and Services Study will help respond to this change in an equitable manner. By enabling more neighbourhood amenities to be conveniently located in relation to where people live, Toronto's communities will be better placed to accommodate people at all stages of life, while also accommodating the needs of all household sizes and incomes.

Broadening the types of retail, service and office uses that can be conveniently accessed in low-rise Neighbourhoods also creates more opportunities for culturally appropriate amenities to support nearby residents, including space for community service agencies, leading to a more inclusive community. At the same time, this would allow more people to operate a business out of their home or to open a retail store on the ground floor of their

residential house, providing a more affordable entry-point for prospective small business owners.

This project is a component of the City's Inclusive Economic Development strategy, which seeks to meet the social and economic rights of Toronto residents, including accessible pathways to employment and decent work, skills training and entrepreneurship for residents and communities that have not benefitted from economic growth in the past.

Action #15 of Toronto's Reconciliation Action Plan identifies actions to *Support Indigenous Placekeeping*, including:

- Support Indigenous organizations and community groups with their space needs. Space can include office space, rehearsal space, programming space, and space for ceremony and other cultural activities.
- Support the progress of Indigenous-led projects intended to increase access to housing, social services or ceremonial spaces.

The potential for new small-scale spaces created by the proposed Zoning By-law Amendments may create new location opportunities for Indigenous organizations, community groups and projects across the city.

## **CLIMATE IMPACT**

---

Toronto has ambitious goals to cut greenhouse gas emissions to mitigate climate change impacts and become more resilient to the effects they have on the city and its residents. On October 2, 2019, City Council voted unanimously to declare a climate emergency and accelerate efforts to mitigate and adapt to a changing climate by adopting a stronger emissions reduction target of net zero by 2050 or sooner. In December 2021, City Council adopted a new goal of net zero emissions by 2040. Climate and resilience considerations and recommendations are also included in the September 2020 report from the Toronto Office of Recovery and Rebuild.

The ZBLAs proposed by the EHON Neighbourhood Retail and Services initiative embrace the role complete communities play in offering a range of employment, housing and amenity options that are supported by active transportation and transit. Compact, well-connected *Neighbourhoods* reduce car dependency and enable people to live car-light or car free, which helps cut carbon pollution. The increased availability of goods nearby to where people live may also contribute to the reduction in online shopping and delivery of goods which generates carbon emissions and packaging waste. By introducing more opportunity for retail, service and office uses to locate within Toronto's *Neighbourhoods*, the proposed ZBLAs could support the city's goals to reduce greenhouse gas emissions and achieve net zero emissions by 2040.

## **DECISION HISTORY**

---

On December 17, 2024, City Council referred the item back and directed staff to conduct further consultation on the proposed ZBLAs with the public and residents' associations, in concert with coordinating a professional communications campaign through

mainstream media channels to continue explaining the proposal and gather additional opinions.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH17.2>

Further decision history regarding the EHON Retail and Services Study is outlined in the [Phase Two Final Report](#) that was brought before Council in December 2024.

## BACKGROUND

---

Following City Council's endorsement of the EHON Work Plan Report in 2020, staff initiated the EHON Retail and Services Study in 2021. Council's decision directed the team to explore potential Official Plan and Zoning By-law updates to support new locally serving retail and service uses in *Neighbourhoods*. The objectives have been to:

- **Encourage communities within reach** – where accessing goods, services and amenities is more convenient for residents of diverse ages, abilities and backgrounds.
- **Support neighbourhood growth and change** – as more housing is built in low-rise areas and more people work from home on a regular basis, there is an increased need for new small-scale, local amenities nearby to serve residents.
- **Increase neighbourhood walkability** – bring the goods and services that people need within walking distance of their homes to reduce dependence on automobile use and contribute to a cleaner environment.
- **Love and support local** – help small, independent businesses thrive and create new jobs that will contribute to the local economy, while strengthening the cultural vitality of Toronto.
- **Complement main streets and shopping centres** – offer more opportunities for local businesses to find suitable spaces to locate and serve their communities.

### Phase 1

In Summer 2022, Phase 1 of the Study concluded with City Council adopting a report and Official Plan Amendment 612 (By-law 819-2022) enabling retail and services uses within designated *Neighbourhoods*, in addition to a Zoning By-law Amendment (By-law 820-2022) equalizing home occupation permissions in Residential zones city-wide.

### Phase 2

In Spring 2024, Planning and Housing Committee endorsed the contents of a proposals report from the Chief Planner and Executive Director, City Planning as the basis for ongoing public consultation. The report presented an approach for amending the Zoning By-law to permit certain small-scale retail, service and office uses on residentially zoned properties within *Neighbourhoods* city-wide. Following a broad public consultation program, the zoning approach was refined, and a draft Zoning By-law Amendment was appended to a final report that was brought to City Council for consideration in December 2024. Phase 2 concluded with Council referring the item back to the City Planning for additional consultation with the public and residents' associations, and for development of a professional communications campaign through mainstream media channels, to further explain the changes and gather opinions.

### Phase 3

In Spring 2025, the EHON Retail and Services Study team developed a comprehensive, city-wide consultation and communications strategy, which was focussed between June and September. The consultation and communications program was intended to inform residents about the study, present refined recommendations to address previous feedback, and gather additional thoughts and opinions. A detailed summary of that strategy, outcomes and feedback received is provided in the Comments section below.

## PROPOSAL

---

The recommended ZBLAs are a refinement of those presented to Planning and Housing Committee in December 2024. The ZBLAs reflect the direction of the Official Plan, most notably Policy 4.1.3 with respect to facilitating existing and new small-scale retail, service and office uses in *Neighbourhoods*. This section describes the proposed zoning by-law changes, while the Comments section below includes further details on the rationale behind these changes and the refinements made since December 2024.

The recommended ZBLAs apply to all residential zones in the Residential Zone Category in By-law 569-2013 (i.e., R, RD, RS, RT, and RM zones). The proposed changes reflect feedback from consultation and provide flexibility to all five zones with the understanding that individual businesses will emerge in ways that are reflective of differences across communities and the local built form context. This section of the report addresses each of the three recommended by-laws, including: (1) Major Streets; (2) Neighbourhood Interiors; and (3) Home Occupations.

### 1. Neighbourhood Retail and Services on Major Streets

Major streets are identified on [Official Plan Map 3](#) and in Zoning By-law 569-2013 Policy Areas Overlay Map. As described in the Official Plan, major streets often define the edges of geographic neighbourhoods, serving as public spaces that set the stage for daily social interaction, and connecting people from home to work, school, shopping, services and community facilities.

#### *Uses*

A broad range of retail, service and office uses are proposed to be permitted on all residential-zoned properties abutting major streets. Examples of proposed small scale uses include:

- Retail stores (e.g. such as grocery stores, convenience stores, or pharmacies and stores selling clothing, books, and electronics).
- Eating establishments including restaurants and coffee shops.
- Health services (e.g. such as doctors, dentists, and massage therapists).
- Educational and cultural spaces (e.g. such as tutoring, after-school programs, gyms, art galleries, and music classes).
- Personal and pet services, (e.g. such as barbers and pet groomers, but not veterinarians).
- Professional offices (e.g. such as lawyers, accountants, designers and therapists).

The draft by-law reflects minor revisions to the recommended use permissions that were presented in December 2024. In response to concerns raised through the Phase 3 consultations, permissions for Retail Service exclude postal and courier services.

Outdoor patios are proposed to only be permitted in conjunction with a retail store, take-out eating establishment or eating establishment abutting major streets, but they would not be permitted in the interior of neighbourhoods. Patios will be required to include a physical barrier such as a rope or low fence to demarcate the property line along the lot line of a neighbouring lot, as well as a minimum one-metre setback. Patios are not permitted above the first floor and may not be used to provide amplified sound or music. The recommended ZBLA would permit the outdoor display of goods. The outdoor display of goods and outdoor patios would be limited to a maximum of 10 square metres (about 108 square feet) each.

### *Location*

The proposed zoning approach permits retail, service and office uses on residentially-zoned sites anywhere abutting Major Streets, as defined in the Official Plan. The rationale for why major streets are considered appropriate for a broad range of uses is provided in the Comments section.

### *Form*

The proposed zoning approach would permit these new uses in the same building as residential uses, as well as in stand-alone non-residential buildings. Performance standards such as height, setback, landscaping, parking and loading would follow the base zoning, meaning the proposed new uses would not change the built-form character. Notably, City Council recently approved ZBLAs allowing townhouses and six-storey apartments on major streets, which are now in-force and effect. These ZBLAs set new performance standards for buildings along major streets, within which retail, service and office uses will be permitted.

Retail, service and office uses would be limited to the ground floor of buildings, with the exception of an office, health (e.g. medical office, massage clinic, etc.) or education use, which may be located on upper floors as well. The main entrance to the non-residential space must be located on the Major Street. There are currently no restrictions proposed based on building type. For example, uses could be integrated into the ground floor of an apartment building, a detached home, semi-detached home, multiplex or townhouse.

### *Scale*

On major streets, the proposed maximum Interior Floor Area (IFA) for retail, service and office uses is 150 square metres (about 1,600 square feet) per unit. This also serves as the maximum for the entire building if the building is not an apartment building. For example, the building could have a single 150-square metre unit, or multiple smaller units totaling 150 square metres. There is no minimum size requirement proposed.

In an apartment building, the maximum IFA per unit would also be 150 square metres. However, where there are multiple units, the total permitted floor area for all the retail,

service and office uses would be 400 square metres (4,300 square feet). A maximum of 85 percent of the building's ground floor would be permitted for such uses.

### *Warehouses*

Additional provisions have been added to clarify that a retail store is not a warehouse or delivery hub, and that these are not permitted uses in *Neighbourhoods*.

## **2. Neighbourhood Retail and Services in Neighbourhood Interiors**

### *Uses*

The recommended zoning approach limits the permitted uses in Neighbourhood interiors to a retail store with permissions for an ancillary eating establishment or take-out eating establishment.

Outdoor patios are not proposed to be permitted as-of-right. Similar to major streets, the zoning would permit a small amount of space for outdoor sales and display of goods, limited to a maximum of 10 square metres (about 108 square feet).

### *Location*

In Neighbourhood interiors, permissions for retail stores would be limited to corner sites on 'Community Streets', which are identified on the "Community Streets Overlay Map" in Attachment 3. 'Community Streets' are a designation proposed specifically for this by-law amendment, and are not an existing classification found in the Official Plan or the City's Road Classification System. The recommended small-scale retail permissions for Neighbourhood interiors would apply to the corners at the intersection of a Community Street and any other type of street (i.e. it is not limited to the intersection of two Community Streets). The rationale for identifying the Community Streets as appropriate locations for corner retail stores is provided in the Comments section. Permissions for retail stores within Neighbourhood interiors would also be extended to sites adjacent to – not across from – existing non-residential uses, such as schools, parks or commercially zoned sites, on Community Streets as well as other streets within Neighbourhoods.

### *Form*

Buildings permitted to have a retail store use in Neighbourhood interiors could be non-residential, or mixed use with residential units. For existing buildings, the permissions are limited to detached buildings. This would mean, for example, that they could be established through renovation of an existing detached home or garage, or construction of a new apartment, or multiplex, but not in an existing semi-detached home, townhouse or multiplex.

The proposed ZBLA provides flexibility for the location of the entrance to the commercial unit, allowing access from any of the fronting streets, including a laneway.

### *Scale*

Performance standards for the building envelope and site configuration would follow the existing base zoning. Within the building, floor area for individual businesses would be limited to 110 square metres (about 1,200 square feet), with the option of having an

ancillary eating establishment occupy up to 49 percent of that space (about 580 square feet). This would allow for the establishment to serve as a small, low impact neighbourhood café which serves beverages and food items prepared off-site. The floor area limit will effectively moderate the number of customers. For example, a space of this size could on average accommodate about 20 people, assuming five tables of four persons each.

### *Warehouses*

Additional provisions have been added to the draft by-law to clarify that a retail store is not a warehouse or delivery hub and that these are not permitted uses in *Neighbourhoods*.

## **3. Home Occupations**

Home occupations are currently permitted in all residential zones in Zoning By-law 569-2013. Existing zoning regulations for home occupations limit what types of uses can be conducted from someone's home and are intended to mitigate impacts on adjacent neighbours and the neighbourhood. Home occupations are also identified in Policy 4.1.1 of the Official Plan as an important component of *Neighbourhoods* with the aim of creating complete communities. The intent of the recommended ZBLA is to implement this Official Plan policy and apply appropriate standards to the proposed changes.

### *Employees*

The proposed zoning permissions would permit up to two employees in total on-site at any given time for any single home occupation, in addition to the residents of the home. Where there is more than one residential unit on the lot, each unit could have its own home occupation. Currently, only health-related professionals are permitted to have employees present as part of a home occupation, and limited to one employee.

### *Customers*

For certain uses, including offices and artist studios, the proposed amendment would remove the prohibition against clients or customers attending the premises of a home occupation. Currently, only an education use (e.g. music and dance instruction), and specific personal services (e.g. barber, tailor) and some medical uses (e.g. physiotherapy, psychology) are specifically excluded from this prohibition.

### *Form*

Home occupation permissions are also proposed for ancillary buildings, such as a rear garage or shed, provided they conform with all relevant zoning and building code regulations. This would provide residents the option to operate their business in the part of their home that they deem most appropriate. The recommended zoning would also allow businesses operated as home occupations the flexibility to use as their business entrance the entrance on the front, side or rear of the property, including off a laneway. The proposed Zoning By-law allows for the removal of a parking space to facilitate this.

## *Warehouses*

Additional provisions have been added to clarify that a warehouse use is not permitted as a home occupation.

## **PLANNING AND POLICY FRAMEWORK**

This section provides a brief overview of the relevant planning and policy framework, including policies that have been updated or have a new status since December 2024. A more extensive overview of the relevant planning and policy framework is outlined in the [Phase Two Final Report](#) that was brought before Council in December 2024.

### **The Planning Act**

Section 2 of the *Planning Act* establishes matters of provincial interest to which City Council shall have regard, in carrying out its responsibilities, including: the orderly development of safe and healthy communities; the adequate provision of a full range of housing, including affordable housing; the promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians; and the appropriate location of growth and development.

### **Provincial Planning Statement, 2024 (“PPS”)**

As of October 20, 2024, all decisions of Council in respect of exercising any authority that affects a planning matter shall be consistent with the Provincial Planning Statement (PPS).

The PPS (2024) defines complete communities as places such as mixed-use neighbourhoods or other areas within cities, towns, and settlement areas that offer and support opportunities for equitable access to many necessities for daily living for people of all ages and abilities, including an appropriate mix of jobs, a full range of housing, transportation options, public service facilities, local stores and services.

Section 2.1 of the PPS (2024) directs planning authorities to support the achievement of complete communities by:

- accommodating an appropriate range and mix of land uses. to meet long-term needs;
- improving accessibility for people of all ages and abilities by addressing land use barriers which restrict their full participation in society; and
- improving social equity and overall quality of life for people of all ages, abilities, and incomes, including equity-deserving groups.

### **City of Toronto Official Plan**

The Official Plan is a roadmap for guiding physical growth and change across Toronto, including within the city’s *Neighbourhoods*. Chapter One of the Official Plan, adopted in 2024, envisions that “Toronto’s neighborhoods are designed to support daily activities, providing amenities and services within easy reach”. This vision for the future of Toronto’s neighbourhoods is reinforced by the goal to create complete communities with adequate services and amenities “to support both current needs and future growth”.

Section 4.1 addresses areas designated as *Neighbourhoods*. Consistent with the vision outlined in Chapter One, it describes *Neighbourhoods* as containing "a full range of residential uses within lower scale buildings, as well as parks, schools, local institutions and small-scale stores and shops serving the needs of area residents."

The EHON Retail and Services Study seeks to help achieve this vision. The recommendations in this report reflect OPA 612, approved in July 2022 as part of Phase 1, which updated Policy 4.1.3 with respect to facilitating existing and new small-scale retail, service and office uses in *Neighbourhoods*.

**Map 3 of the Official Plan** defines and identifies Major Streets across the City. The sidebar to 4.1 in the Official Plan defines and describes major streets: "Toronto's network of major streets is shown on Map 3 and is an important element of the transportation system that connects people and places. Major streets pass through all land uses and vary in width across the network. Major streets often define the edges of geographic neighbourhoods, serving as public spaces that set the stage for daily social interaction, and connecting people from home to work, school, shopping, services and community facilities." Of the approximately 1,200 km of Major Streets, about 10 percent (or 250 km of frontage) is designated *Neighbourhood*, and would be subject to the recommended Neighbourhood Retail zoning provisions.

### **Official Plan Amendment 727**

On May 22, 2024, City Council adopted OPA 727 to permit townhouse and small-scale apartment buildings (up to 6 storeys and 60 units) on properties designated *Neighbourhoods* along the major streets, as shown on Map 3 of the Official Plan. The amendment was appealed to the Ontario Land Tribunal, but the appeal is now resolved and the OPA is in force. The staff report addressing these amendments noted among their benefits that they would support local retail establishments and services, a goal identified in public consultations of that project.

### **Zoning By-Law 569-2013**

The city-wide Zoning By-law 566-2013 harmonized the 43 former municipal by-laws from the pre-amalgamated City into one zoning by-law. The city-wide Zoning By-law comprehensively regulates all land uses, buildings and structures and applies to most of the City of Toronto. As some lands are not covered by the city-wide Zoning By-law, the comprehensive zoning by-laws from former municipalities remain in effect on some lands in the city.

#### *Neighbourhood Retail and Services in Residential Zones*

Most properties in areas designated as *Neighbourhoods* in the Official Plan are part of the Residential Zone Category in the Zoning By-law. This includes the R, RD, RS, RT, and RM zones. In Zoning By-law 569-2013, the current permissions for Neighbourhood retail, service and office uses are very limited.

#### *Legal Non-Conforming Uses*

Legal non-conforming uses are existing uses that were lawfully established, but that are no longer permitted by the current zoning regulations. Typically, but not exclusively, legally non-conforming retail, service and office uses in residential zones pre-date the

establishment of Zoning By-law 20623 in 1959. This is the predecessor to Toronto Zoning By-law 438-86 and the oldest of the former general Zoning By-laws, which did not contain permissions for these uses in residential zones. The restrictive approach taken in the former general Zoning By-laws was carried forward when the Zoning By-laws were harmonized into the City-wide By-law, 569-2013.

The restrictive approach to neighbourhood-based amenities was common across North America in the 20th century but is now being re-examined and changed through initiatives in many cities, such as: Mississauga, Hamilton, Barrie, Ottawa, Edmonton, Vancouver, New York City, Portland and Los Angeles.

### *Home Occupation*

Home occupation is a use that contributes to complete communities in *Neighbourhoods* and that is permitted in all Residential zones in By-law 569-2013. It is defined as "a business use within a dwelling unit, where the dwelling unit is the principal residence of the business operator." Specific Use Regulations relating to Home Occupations are described in Section 150.5 of the By-law.

Regulations applying to Home Occupation were amended in 2022 through By-law 820-2022, based on work completed in Phase 1 of the EHON Neighbourhood Retail and Services Study. Prior to 2022, Section 150.5 of the By-law included the following permissions only within the R zone (generally aligning with former Toronto). In 2022, permissions were equalized across all five zones in the Residential zone category:

- Personal service shops are permitted and limited to a barber, hairdresser, beautician, dressmaker, seamstress or tailor, and are permitted to have clients and customers attend the premises to obtain goods and services; and
- Offices and medical offices for a professional regulated under the College of Physicians and Surgeons of Ontario or regulated under the Regulated Health Professions Act (e.g. dentistry, massage therapy, physiotherapy, etc.), are permitted to have clients attend the premises and may have one employee working in the dwelling unit in addition to the business operator.

### *Commercial Local (CL) Zone*

In addition to Residential zones, the Commercial Local (CL) zone in By-law 569-2013 is a zone mostly found in areas designated *Neighbourhoods* in the Official Plan. The purpose of the CL zone is to provide areas for small-scale commercial uses to serve the needs of the local residential area. CL zones typically take the form of commercial plazas and do not include permissions for residential uses. They are found primarily within the geographic areas of the former cities of Etobicoke and Scarborough, with some sites in the former municipalities of East York, North York and York as well. There are no CL zones found within the boundary of the former City of Toronto since its Zoning By-law 438-86 did not have the equivalent of a local commercial zone. No changes to the CL zone are being proposed through this project. The *PlazaPOV Study*, described below in this report, is studying plazas, including those within the CL zone, to support and improve their role in the city's economic and community landscape and avoid displacement. The findings of this project have informed the work of the EHON Retail and Services Study.

## City of Toronto Economic Development Strategy

The City of Toronto's *Sidewalks to Skylines: A 10-Year Economic Development Strategy (2025–2035)* identifies “Strong Main Streets” as a central priority, recognizing the critical role of small businesses and local retail in building vibrant, inclusive, and resilient communities. The strategy outlines a series of targeted actions to support independent retailers, including improving access to affordable commercial space through innovative ownership and tenancy models, enhancing the public realm to increase foot traffic and retail vitality, and strengthening the capacity of Business Improvement Areas (BIAs). It also emphasizes the importance of advancing economic inclusion by supporting equity-deserving entrepreneurs—particularly racialized, newcomer, and women-owned businesses. These objectives align with broader City goals and provide a strategic framework for integrating economic development considerations into planning initiatives that impact neighbourhood retail and services.

## COMMENTS

---

### Phase 3 Consultations and Communications Summary

A detailed summary of consultation carried out in previous project phases is outlined in the Phase Two Final Report that was brought before Council in December 2024. This section focuses on the consultations and communications undertaken in Phase 3, since December 2024. Through staff's engagement activities, over 4000 residents provided feedback or interacted with staff. A more detailed summary of the consultation and communication program and feedback is provided as Attachment 5.

#### *Communications Program*

As directed by Council, the Study team, in partnership with Strategic Public & Employee Communications, implemented a multi-channel public education program to expand awareness of the Neighbourhood Retail initiative and promote opportunities for feedback. The program used a mix of paid, earned and owned media, including:

#### Paid media:

- Digital ads across Bell Media's available digital platforms and websites from July 21 to August 17. The ads resulted in 884,924 impressions and 2,783 clicks.
- A sponsored article in the Toronto Star, which ran from September 24 to October 24.
- Paid social media ads on Facebook, Instagram and LinkedIn, which ran from June 16 to August 15. The ads generated more than 12 million impressions and a total of 6,567 clicks.

#### Earned media:

- Targeted outreach to 14 local and national news outlets to generate coverage. Earned coverage was secured in CityNews, NRU, Toronto Today and STORYS.

#### Transit shelter ads:

- Ads about the proposed zoning changes ran on select transit shelters from July 14 to August 10.

#### Direct outreach:

- Organic posts across the City's corporate and City Planning social media channels which resulted in 135,096 impressions and a reach of 69,642.
- Inclusion in internal and external City-issued newsletters.
- More than 2,000 project postcards distributed at community engagement events.
- Use of the study email list and Councillor outreach to share information and promote participation.

Staff also used study email lists, which currently has 1,232 subscribers, and councillor outreach to promote awareness of the project and opportunities to provide feedback.

### *In-person Community Pop-ups*

To complement the range of tactics used for the communications campaign, the study team developed an engagement campaign to meet residents where they already are in their communities. A total of 26 pop-ups were held at a variety of locations across the city, including farmers' markets, Councillor movie nights, libraries, community centres, shopping malls and local businesses, ensuring at least one was held in every ward. The study team members set up informational boards that outlined the scope of the project and displayed a map of how the proposed changes would affect their ward. The team noted each individual interaction at these events, with approximately 1,300 people engaged through the pop-ups, which included providing information about the proposal, answering questions and gathering feedback.

### *Indigenous Engagement*

Outreach was done to several Indigenous organizations and businesses including the Canadian Centre for Indigenous Business (CCIB), inviting them to fill out the EHON survey and attend a public meeting for organizations and agencies on September 9th, 2025. Attendees at the virtual public meeting noted the benefit of additional space opportunities and in particular of locations with the ability to prepare culturally-appropriate food.

### *Survey*

The Study team developed an online survey to gather additional input on the proposed Zoning By-law Amendments. The survey was promoted through various channels of the communications campaign, including social media posts (e.g. Instagram, X, etc.), mainstream media channels (e.g. CP24, CTVnews.ca, CTV.ca, etc.), and community pop-ups. The survey was posted from July 14, 2025 to September 30, 2025 and received a total of about 2,600 responses, 1,972 of whom completed the survey to the end.

A detailed summary of the survey responses is provided as Attachment 5.

[Survey highlights](#) from a previous survey carried out as part of Phase 2 of the study in 2023, were provided as part of the May 2024 Proposals Report.

### *Public Meetings*

Four virtual city-wide public meetings were held in Phase 3 of the Study. The first two meetings were held on June 18 from 6:00-8:00 pm and June 19 from 1:00-3:00 pm, which had a combined total of 286 registrants and a peak of 70 and 65 attendees respectively. The purpose of the initial meetings was to share information about the

proposed changes that were brought before City Council in December 2024, gather additional input on them and launch the engagement and communications for the study. The final two meetings were held on September 17 from 6:30-8:00 pm and September 18 from 2:00-3:30 pm, which had a combined total of 210 registrants and a peak of 52 and 36 attendees respectively. The purpose of the follow-up meetings was to outline how the Zoning By-law Amendments were refined to address the feedback that was received through the consultation program.

Overall, through both sets of meetings, the Study team received feedback in support and opposition of the proposed changes. While some attendees expressed appreciation and support for refinements made to address concerns, some thought there were still risks associated with the changes that had not been adequately addressed, and others thought the changes were too limiting and may affect business viability.

### *Resident Association Meetings and Other Stakeholder Meetings*

As directed by Council, a series of meetings were held throughout Phase 3 of the Study with Residents' Associations and other stakeholder groups. An early meeting was held with FOSTRA in February in response to a request from the group. Meetings were subsequently offered in June to launch the engagement program and then again in September to present the engagement results. The groups engaged as part of this consultation program included several umbrella organizations in all parts of the city with many additional member organizations in attendance.

These meetings include:

- Seven Residents' Associations meetings: CERA (Coalition of Etobicoke Residents Associations), SUN (Scarborough RAs), FONTRA (Federation of North Toronto Residents Associations) and FOSTRA (Federation of South Toronto Residents Associations). Staff also provided information to residents' associations to support their own outreach initiatives.
- Business Groups: Toronto Association of Business Improvement Areas (TABIA), Building Industry and Land Development Association (BILD), Toronto Region Real Estate Board (TRREB)
- Community Agencies: A city-led meeting focussing on Community Agencies was held in September. In September, staff also attended quarterly Community Coordination Plan Cluster Meetings, coordinated by the City of Toronto and United Way. The geographically-based Cluster meetings bring together community organization leaders to collaborate on emerging issues, identify needs, and share resources. The project team met with the Clusters serving North Etobicoke, South Etobicoke, East York/Don Valley and North York.
- Councillor Meetings and Communications: Staff attended meetings at the request of some councillors and provided information to support councillor meetings and communications, including newsletters.

Opposition and support for the proposed changes varied significantly by group and project component. For example, while some Residents' Associations representatives expressed support for aspects of the project, the majority were opposed to new city-wide

permissions in Neighbourhood interiors or on Major Streets. This opposition was also reflected in the results of a survey conducted by the Associations of their members and related groups. The Residents' Associations also identified a priority for supporting and maintaining existing businesses. Community agencies generally noted the benefit of more neighbourhood-based location opportunities, both for the agencies themselves, and for the culturally-based businesses that some of them support. BILD members expressed strong support for the changes but felt that more flexibility would benefit businesses, particularly in neighbourhood interiors. While organizations like TABIA had more focused concerns, such as how membership and fees in the business improvement area would work, which the project team addressed.

### *Direct Communications to Study Email Inbox*

Throughout Phase 3, the Study email inbox regularly received communications from community members across Toronto. This allowed the project team to answer specific questions, connect people with supplementary resources, and gather additional input.

### *Agencies, Boards and Commissions*

The study team also met with staff from the Toronto District School Board and Toronto Lands Corporation (a wholly owned subsidiary of the TDSB), the Toronto Catholic District School Board, Toronto Parking Authority and Toronto Police Service.

### *Meetings With Other Cities*

Toronto is a member of C40, a coalition of cities worldwide, including 17 across North America, focussed on addressing the climate crisis. Several cities involved in this coalition, including Vancouver, Los Angeles and Portland have similar projects to support neighbourhood-based amenities. The project team consulted with staff at these other cities. The team has also been in contact with staff in Mississauga working on a related initiative, as well as previously examining work underway in Hamilton, Barrie, Ottawa, Edmonton, Vancouver, New York City, Portland and Los Angeles.

### *Overview of Comments*

The issues/comments most frequently raised through consultation are summarized below. These reflect input from the whole range of consultation activities including pop-ups, city-wide online meetings and the online survey:

- Widespread Desire for Small-Scale Neighbourhood Retail and Services and Appreciation for Existing Businesses:  
In general there was widespread support for the benefit of a variety of small-scale neighbourhood retail and services, with a particular focus on independent businesses.
- Some Oppose Any Changes: Some participants in the consultations did not support any change to current rules, seeking only the preservation of existing businesses, but no new permissions outside of Committee of Adjustment approval or Zoning By-law Amendments. In some cases, there was support for changes to major streets and home occupations, but opposition to any non-residential uses in the interior of the neighbourhood, irrespective of the specific location or use. Those opposed to the proposed by-law changes raised concerns that the uses

would change the quiet residential character of the neighbourhood and lead to nuisances including traffic, noise, litter, loitering.

- Others Suggested the By-law should Be 'As Permissive As Possible': Some participants in the consultations saw the proposed new permissions as improving the quality of life in neighbourhood and advocated for maximum flexibility to improve the chance of their success.
- Focus on major streets: Across all types of consultation – pop-ups, online public meetings, surveys – there was broad support for major streets as an appropriate location for retail, service and office permissions. Some who were uncomfortable with interior sites agreed that major streets were an appropriate location for these types of uses. For example, through the survey, 76 percent of survey respondents support current proposal to allow neighbourhood retail and services on major street.
- Differentiation of major streets - In some parts of the city, residents identified specific segments of a major street that they felt should not receive these permissions -- for example, areas where the road is reduced to a single lane. Others noted streets that should be removed because they are too close to existing retail strips, or because they are too far from existing activities.

Residents' Associations expressed the view that major streets could be appropriate locations, but that specific streets should be assessed on a case-by-case basis. This reflected the view of respondents to their survey.

- Differing View on Neighbourhood Interiors (In Neighbourhood Interiors, Majority Seek a More Permissive By-law, A Significant Minority Oppose Any Permissions) – During the stakeholder and public meetings, a balance of positive and negative feedback was received regarding neighbourhood interiors as appropriate locations for small scale businesses. Some expressed that there is no version of the proposed changes they would accept, as they did not feel neighbourhoods are appropriate locations for these types of uses. Others felt the proposed changes are too restrictive, suggesting they would like to see a more permissive approach to allowing businesses in neighbourhood interiors.

For example, a question relating to appropriate locations for retail in the interior of the neighbourhood, noted that the proposed by-law would allow a retail store on corner sites on wider, busier streets ("Community Streets") and next to schools, parks and existing commercial spaces:

- 63% of respondents supported options consistent with or more permissive than the current proposal, and 72% supported some form of permissions:
  - 50% supported options that allowed retail on a wider variety of sites than the current proposal.
  - 13% supported the current proposal.
  - 9% supported options less permissive than the current proposal. For example, some did not support stores close to schools.
- 27% were opposed to as-of-right permissions for retail on any site inside the neighbourhood. Some commentators noted that individual proposals

could be approved through Committee of Adjustment on a case-by-case basis.

- 1% had other suggestions.
- Neighbourhood Interiors – Desire for Social Space – Those who supported eating establishment uses in the interior of the Neighbourhood articulated a strong desire for local social space to meet.
- Residential displacement – A few survey respondents cited a housing crisis (lack of affordable housing and shortage of housing units) and the need to retain housing instead of converting residential space into stores, specifically within interior of a neighbourhood. Others saw the proposed amendments as complementing and supporting new housing.
- Outdoor Patios – Both positive and negative feedback was received regarding outdoor patios in the interior of neighbourhoods. While many survey respondents cited cafes and patios as a potentially great addition to their neighbourhood, others raised concerns they would create too much noise and be a disturbance for surrounding properties, particularly if alcohol is served. A similar balance of feedback on outdoor patios was received during the public meetings. In response to a survey question about appropriate uses on interior sites, 59 percent supported a small front or side patio (up to 2-3 tables) as was proposed in December 2024.
- Cannabis and Alcohol - While survey respondents generally supported a variety of retail businesses on interior streets — such as cafés, bookstores, and pharmacies — cannabis retail and alcohol service in cafes or eating establishments was the least preferred. Concerns related to cannabis and alcohol sales were regularly raised at public meetings as well.
- Continued Support for Home Occupations: Proposals related to Home Occupations generated fewer comments, and were broadly supported. Many people noted that the proposals were consistent with the increase in home-based businesses in recent years, with some discussing their own home businesses. The benefit of existing prohibitions on vehicular repair, service and washing businesses and proposed prohibitions on warehouse were also highlighted. Those who did express concerns mainly identified parking and noise as potential issues, with some raising concerns about service shops (which deal with goods other than vehicles) and custom workshops.
- Desire to Support Existing Small and Large-Scale Businesses and Integrate With New Development. Participants highlighted the benefits of existing businesses on corners, main streets or plazas, and a desire to maintain these. The value of grocery stores was highlighted, including the fact that small-scale food stores could complement, but not replace the benefits of large supermarkets.

Frustration was expressed with the loss of older commercial spaces in plazas, malls and main streets, and with new developments which either lack retail space or feature a limited range of large-format chain stores.

With this in mind, participants requested that City Staff across divisions take actions to protect and enhance existing businesses, including those in plazas and on and to ensure that small and large-format commercial space is integrated into new developments

- Signage – Concerns were raised that signage on new buildings would be too large or that illuminated signs would be disruptive.

## **Details of Recommended Zoning By-law Refinements**

### *Major Streets*

The proposed ZBLA for major streets is largely consistent with the by-law proposed in 2024.

Staff explored the possibility of differentiating permissions for different major street segments or in different parts of the city, but are recommending consistent permissions for all major streets across the city. This is consistent with the approach followed through the EHON: Major Streets study, through which permissions for townhouses, and low-rise apartments up to six storeys have been provided on all major streets. This consistency city-wide means that anywhere a new building is erected on a major street based on the new built form permissions, new ground floor amenities to serve the new and existing residents would be permitted.

This approach reflects the understanding that different Neighbourhoods -- including their major streets -- have different characteristics and histories. The proposed ZBLAs provide the flexibility of use, along with appropriate zoning standards related to type, scale and form, to allow each community to evolve in its own way.

An examination of the June 2025 Neighbourhood Change Bulletin and Multiplex Monitoring reports demonstrate the benefit of a city-wide approach. The Bulletin examines approved EHON projects - Laneway Suites and Garden Suites, Multiplexes and Major Streets (townhouses and 6-storey apartments), looking at past intensification since their respective approvals and anticipated future intensification. In the case of each of these projects, a set of flexible rules was applied consistently over all five residential zones in all wards of the City. The result is the different Neighbourhoods have developed – and will continue to develop – in different ways that reflect their different characteristics.

Some small edits with respect to warehouses, postal and courier services have been made to use permissions in the draft by-law to respond to concerns that they are contrary to the Official Plan policies in 4.1.3 related to noise, deliveries and loading. These are described further under *Warehouses and Courier Services* below.

### *Neighbourhood Interiors*

Proposals focussing on the neighbourhood interiors (sites not on major streets) have been the subject of the greatest amount of discussion throughout the recent consultations and throughout the study, including strong opinions both for and against. While major streets provide the greatest opportunities for retail uses, the distance between major streets results in large blocks that leave many neighbourhood residents more than 500 metres walking distance from major streets, while interior neighbourhood

locations could offer small-scale retail services to reduce these distances. Through the 2025 consultations, staff discussed with the public a number of potential revisions to the by-law with the goal of minimizing potential impacts of corner stores, while realizing their community benefits.

The following summarizes the main issues that the Study Team considered through Phase 3:

- Eating Establishments and Patios: Staff presented for discussion the option of removing as-of-right permissions for ancillary Eating Establishment and Patio and permitting only an ancillary Take-out Eating Establishment. The intent of these potential changes would be to remove the permissions for seating areas and remove the possibility of alcohol service on-site either inside or outside.

Following the consultations and further analysis, while an Eating Establishment or Take-out Eating Establishment would not be permitted as a standalone use, the proposed ZBLA includes permissions for a retail store to include an ancillary Take-out Eating Establishment or ancillary Eating Establishment, but does not include an as-of-right permission for a patio.

There are two key reasons for including ancillary eating establishment permissions. First, the benefit of a small café as a meeting spot inside the Neighbourhood has consistently been identified as one of the most desired benefits of this project. Second, some have noted that customers sitting inside the building have a limited impact on surrounding neighbours compared to customers of a take-out eating establishment. As an ancillary permission, the use could not exceed 49 percent of the total space of the retail store, which would be approximately 54m<sup>2</sup> of the total permitted 110m<sup>2</sup>.

Patios are not proposed to be permitted as-of-right in interior neighbourhoods, because of concerns that the outdoor use would be more likely to create impacts on surrounding neighbours. While proposed provisions such as privacy fencing, landscaped setbacks, and limitations on size were considered, staff are not proposing to permit patios as-of-right on Neighbourhood interiors at this time.

- Corner Locations on Community Streets: The draft ZBLA submitted to Council in 2024, would have permitted a retail store to be established on any corner site in the interior of the neighbourhood, as well as adjacent to parks, schools and existing commercially-zoned sites. In 2025, staff proposed for discussion that corner permissions be limited to the more prominent and active streets within the neighbourhood. During the consultations these were described as “primary interior streets”. For the purpose of the currently proposed ZBLA, they are now identified as “Community Streets”.

Community Streets are generally those that are identified within the city’s Road Classification Map as Collectors or Minor Arterials and are not major streets. These streets are more likely to have sidewalks on both sides of the street, are more likely to have bicycle infrastructure and public transit service, are typically the location of other community uses such as schools and places of worship, and are typically through-streets that connect to nearby major streets making them

the primary pedestrian corridors with easy access to/from other neighbourhood streets.

A ward-specific collection of maps was shown through the consultations and posted on the city web site to demonstrate the specific locations.

Limiting the location only to corners on Community Streets, rather than corners on all Neighbourhood Streets, is a significant change from the 2024 proposal. City-wide, these streets make up less than 25 percent of the total length of streets in Neighbourhood Interiors, with specifics varying by neighbourhood. However, combined with permissions for sites adjacent to schools, parks and commercial zones, these streets still provide a significant number of opportunities for neighbourhood corner stores that do not currently exist.

### *Home Occupations*

Proposals focussed on home occupations have not been the subject of significant concerns raised through public consultations and internal analysis conducted in 2025. Aside from edits related to clarifying that warehousing is not permitted, the attached Zoning By-law Amendment described in the Proposal Section above matches the December 2024 proposal, aside from limitations on warehouses noted below.

### *Warehouses and Courier Services*

Additional provisions have been incorporated into all three draft by-laws (Major Streets, Neighbourhood Interiors and Home Occupations) specifying that warehouse uses are not permitted on these sites.

The additional provision related to warehouses reflects general concerns raised through the consultation process, as well as consultation with Toronto Building and MLS identifying instances or the potential of businesses establishing a delivery hub, including a hub under the guise of a retail store. Similar concerns identified individuals using their home as a warehouse or delivery hub, with large volumes of materials regularly moving to and from the property. While such situations are rare, staff determined that it would be beneficial to provide City enforcement staff with additional language in the by-law reinforcing the prohibition on such activities. The draft by-law reflects a prohibition on delivery hub or courier service as a permitted use.

## **Ongoing and Future Work**

### *Monitoring Program*

Consistent with the other EHON projects, including the Laneway Suites, Garden Suites, Multiplexes, and Major Streets initiatives, Recommendation 5 of this report directs staff to undertake a program to monitor the implementation of the proposed Zoning By-law Amendments. The intent of the monitoring program is to evaluate the effectiveness of the Zoning By-law Amendments in facilitating the creation of new neighbourhood amenities and ensuring any adverse impacts are well understood and can be addressed.

The monitoring program will be led by City Planning with support of other relevant divisions and is anticipated to:

- Track the number of new businesses established through the proposed Zoning By-law Amendments by reviewing business license and building permit application data.
- Monitor the service requests made to 311 related to new businesses on residentially zoned sites established through the proposed Zoning By-law Amendments (including Home Occupations). This analysis will help staff to determine if businesses are significantly increasing staff workload and if additional resources may be required through future budget processes, and/or if enhanced monitoring is needed for certain types of businesses on residentially zoned sites.
- Track the number, type and result of applications for minor variances and Zoning By-law Amendments for commercial uses on residentially zoned sites.
- Gather input from the business community who have established, or sought to establish Neighbourhood-based retail, service or office uses, such as regarding business viability, performance standards, size limitations, and patio and eating establishment restrictions.
- Collaborate with other city divisions regarding support of small businesses, and space needs for community agencies and indigenous organizations, including exploring the potential development of new communication materials and guides.
- Review and assess opportunities for the identification of additional Community Streets or other modifications.
- Coordinate and support the ongoing work of the Plaza POV study and other initiatives supporting existing neighbourhood-serving retail service and office spaces such as on mixed use main streets and shopping malls.
- Examine the effectiveness of the Sign By-law updates and explore further changes.
- Examine the impact of the project on lawfully existing and Legal Non-Conforming businesses and explore further actions to support them.
- Communicate with School Boards and other stakeholders regarding observations of monitoring program.
- The monitoring period is proposed to extend from the time of the Zoning By-law Amendments coming into full force and effect to December 2027 (approximately two years), or until 200 building permits are issued, whichever comes first, with a report back to Planning and Housing Committee on findings and recommendations no later than Q1 2028.

### *Space Needs for Indigenous Not-For-Profits*

The project team met with various City staff who have consulted with Indigenous non-profit organizations and grass roots groups regarding space needs. Staff reported that groups have sought opportunities to establish community hubs and social infrastructure in residential areas of the City. They note that while the Zoning By-law permits Community Centres as-of-right in residential zones, the centre must be run by, or on-behalf of, the City of Toronto. As a result, organizations wanting to establish even a small-scale Indigenous community hub would be required to seek a Minor Variance or possibly a Zoning By-law Amendment.

### *Internal Interpretation Document*

Through consultation with Toronto Building staff, it was determined that an Internal Interpretation Document is needed to ensure the consistent application of permissions

related to off-site food preparation for businesses in neighbourhood interiors. The Internal Interpretation Document will be developed collaboratively by City Planning and Toronto Building and be completed prior to the ZBLAs coming into full force and effect.

### *Sign By-law*

The City of Toronto [Sign By-law](#), enacted in 2010, sets out regulations for signs used for business identification or advertising purposes. Currently, the Sign By-law regulations in residential areas reflect only a limited number of non-residential uses typically found in these zones, such as schools, places of worship, and some home occupations.

On September 25, 2025, the Planning and Housing Committee directed staff to complete a [Comprehensive Review of the Sign By-law](#), including public consultation. Consideration of amendments to support small-scale Neighbourhood businesses will be integrated into this review. In the interim, Toronto Building will develop communications and guidance to potential business owners and service providers seeking approvals for signs to support these organizations. Applicants will have the ability to seek variances to the by-law, which is delegated to staff.

### *Enforcement and Mitigation of Nuisances*

While the recommended Zoning By-law Amendments include a number of provisions, standards and restrictions that will mitigate the potential for adverse impacts on nearby residents, additional measures could be considered, if needed, through other City by-laws. Discussions with MLS highlighted various by-laws which address concerns articulated in consultation meetings, such as those related to noise or littering. Continued, effective enforcement of these by-laws is an appropriate way to support the positive impacts of Neighbourhood amenities while mitigating the negative ones. Some of these supporting by-laws include:

- [Chapter 591, Noise](#)
- [Chapter 548, Littering and Dumping](#)
- [Chapter 841, Waste Collection, Commercial Properties](#)
- [Chapter 629, Property Standards](#)
- [Chapter 742, Sidewalk Cafes, Parklets and Marketing Displays](#)

In addition to the above, [Chapter 545](#), Licensing requires a variety of businesses (including bars, restaurants, nightclubs) to obtain a licence from the City and comply with its regulations. The purpose of the licensing requirement, among others, is to ensure public health and safety, consumer protection, and nuisance control. As with other by-laws, staff use education and may issue warnings or lay charges to gain compliance with Chapter 545.

As of January 1, 2025, new amendments to Chapter 545 are in effect for food and entertainment businesses, which were approved by City Council through a review of the 'night economy' in 2023 ([2023.EC8.13](#)). A number of these changes will help address issues that were raised as part of the consultations for this initiative. For example, the new changes include the implementation of an activity-based licensing model to enable more precise inspections and enforcement, which will subject higher impact businesses to additional licensing requirements, such as providing a noise control plan and a patron

management plan. In addition, changes to general requirements for all licensed businesses related to litter control were approved as part of the review. The changes clarify that all business licensees are responsible for ensuring that the sidewalk outside their establishment is free of litter and waste, regardless of who left it. Based on staff's consultations with MLS, staff are not recommending any additional amendments to Chapter 545 at this time for the Neighbourhood Retail initiative. However, by-law enforcement complaints and service calls will be monitored as part of the recommended monitoring program and the results will inform future reporting.

Staff also consulted with MLS staff on potential resourcing impacts. Staffing for MLS is evaluated annually based on the number of service requests and the ability to meet service standard targets identified in [Municipal Licensing & Standards – Customer Service Standards](#). At this time, given the expected gradual uptake of the new Neighbourhood Retail permissions, and the limited impact on MLS resourcing that has been observed historically for Neighbourhood Retail establishments no new staff are being recommended. Should staff determine that additional enforcement resources are necessary, they will be requested as part of future budget submissions.

#### *Initial Engagement with Province on Proposed New Neighbourhood Retail Permissions and Cannabis Sales*

The potential for the new Neighbourhood Retail permissions to permit a cannabis retail store was a common concern that was heard during the consultations.

The Alcohol and Gaming Commission of Ontario (AGCO) is responsible for licensing and regulating cannabis stores. The retail sale of cannabis is governed by the [Cannabis Licence Act, 2018](#). Under the Act, municipalities: “may not create a licensing system respecting the sale of cannabis nor pass a by-law that distinguishes land or building use for cannabis from any other kinds of use.” This limits the City from restricting cannabis retail stores from operating on a site where a retail store is generally permitted, including residentially-zoned properties.

The City Manager's Office and Legal Services have engaged staff at the Ministry of the Attorney General (MAG) to discuss the City's work on new Neighbourhood Retail permissions and the location of cannabis retail stores within *Neighbourhoods*. The study team will report back to City Council as part of the monitoring program on any further discussions with the Province.

#### *Alcohol Service*

As noted above, the concern about alcohol service on-site – often articulated as concern about a bar in the neighbourhood – continued to be noted by some survey respondents and in public meetings, with a particular focus on neighbourhood interiors.

The City does not have the ability to regulate alcohol licensing, which is a Provincial jurisdiction. Rather than controlling the licensing of alcohol, the City addresses specific concerns through the Zoning By-law and other by-laws.

For example, the limited size of eating establishments in neighbourhood interiors, and the elimination of patio permissions would mean that typically 20 people or less would be

in these establishments. Furthermore, by-laws relating to noise, property standards and littering would be used to address concerns if they arise.

The Province's licence application process includes an opportunity for the community and/or local councillor (and ultimately City Council) to object to a liquor licence application. This can result in a public meeting organized by the Alcohol and Gaming Commission of Ontario (AGCO) or informal discussions with the applicant. Through these discussions, the business owner may voluntarily choose to modify their plans to achieve greater community support or volunteer to have conditions attached to the licence such as limiting the hours of service of alcohol, or an early closing of an outdoor licenced patio. These decisions are made on a case-by-case basis. It is uncommon for the Licence Appeal Tribunal to refuse a liquor licence outright. Further details on Liquor Licensing were included in the December 2024, [Neighbourhood Retail and Services Study Phase Two Supplementary Report to City Council](#).

### *PlazaPOV Study*

In 2023, City staff initiated a city-wide study of all commercial strip plazas, including those in CL zones, both within *Neighbourhoods*-designated areas and outside of them. The study is called "[Plaza Point of View \(POV\): Strip Plaza Study](#)". Through the project, City Planning is studying commercial strip plazas (or "strip malls") across Toronto to understand their role serving local communities, and the impacts of their loss through redevelopment. City Planning has identified 412 strip plazas distributed throughout Toronto. Most strip plazas are located in Scarborough at 51 percent, followed by North York at 25 percent. Study outcomes will help inform potential policy interventions, programs, or initiatives to support and improve their role in the city's economic and community landscape, and avoid or mitigate business displacement.

The findings of this project have been an important input into the EHON Retail and Services Study. Relevant findings include:

- Strip plazas support a wide variety of uses, including local businesses, professional services and health services, as well as community and social services, ethnic grocers, restaurants and retailers.
- The smaller scale, and typically lower lease rates, of these existing spaces are often more accessible for local businesses, first time entrepreneurs and human service providers.
- Almost all identified strip plazas are located along the City's major streets, which allows them to be easily visible and conveniently accessible, but also more attractive for redevelopment.

Redevelopment of these strip plaza sites is resulting in an overall loss of non-residential floor area and a decrease in the number of commercial units. Where mixed-use redevelopment occurs, planning policies generally encourage the inclusion of active ground floor uses; however, it 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. Currently there are 39 existing plaza sites in the Development Pipeline (9.5 percent of inventory), which is anticipated to result in a nearly 50 percent decrease of non-residential space on these sites (i.e. space to support service providers and

businesses). Of 39 sites, 26 are in Scarborough (about 2/3 of the total) with six in North York, six in Toronto and East York, and one in Etobicoke York. The Wards that would face the greatest loss of non-residential floor area through these projects are: 21-Scarborough Centre, 22- Scarborough-Agincourt and 23-Scarborough North.

The By-law Amendments proposed through the EHON Retail and Services Study would create new opportunities city-wide for a diversity of new small-scale, more affordable spaces along major streets. These can accommodate new and relocated businesses and services that otherwise would be challenged in finding appropriately sized and affordable spaces.

These proposed ZBLAs are one important part of the puzzle in responding to the challenges identified in the PlazaPOV study, but there are a number of other actions which can be taken. In December 2024 the PlazaPOV study released a paper identifying 18 Emerging Directions under three guiding themes:

1. Support existing plazas
2. Enhance physical plaza experience
3. Mitigate displacement

Next steps included continuing dialogue with divisional partners, broadening consultation on potential policy and zoning amendments and a report to City Council.

Work has proceeded consistent with this approach and there is currently an active business survey, soliciting the experiences of those who own, operate, or work in a business located in a strip plaza in Toronto. Previous phases of the PlazaPOV study included a city-wide survey to solicit feedback from citizens on how they use and value their local strip plazas.

Coordination with the ongoing work of the Plaza POV study is an integrated part of the monitoring program described above and identified in Recommendation 5 of this report.

## **CONTACT**

---

Kyle Knoeck, Director, Zoning and Secretary-Treasurer, Committee of Adjustment, City Planning Division, Tel. 416-392-0871, Email: [Kyle.Knoeck@toronto.ca](mailto:Kyle.Knoeck@toronto.ca)

Carola Perez-Book, Project Manager, Zoning Section, City Planning Division, Tel. 416-392-8788, E-mail: [Carola.Perez-Book@toronto.ca](mailto:Carola.Perez-Book@toronto.ca)

### EHON Neighbourhood Retail and Services Study Team:

Michael Noble, Manager, Strategic Initiatives, Policy & Analysis  
City Planning Division, Tel. 416-397-4816, Email: [Michael.Noble@toronto.ca](mailto:Michael.Noble@toronto.ca)

Margherita Cosentino, Senior Planner, Transportation Implementation Unit  
City Planning Division, Tel. 416-338-2821, Email: [Margherita.Cosentino@toronto.ca](mailto:Margherita.Cosentino@toronto.ca)

Evan Sinclair, Planner, Strategic Initiatives, Policy & Analysis  
City Planning Division, Tel. 416-338-6269, Email: [Evan.Sinclair@toronto.ca](mailto:Evan.Sinclair@toronto.ca)

## **SIGNATURE**

---

Jason Thorne, MCIP, RPP  
Chief Planner and Executive Director  
City Planning Division

## **ATTACHMENTS**

---

Attachment 1: Major Streets ZBLA  
Attachment 2: Neighbourhood Interiors ZBLA  
Attachment 3: Home Occupations ZBLA  
Attachment 4: Survey Summary