
SUBJECT:	York Region Municipal Comprehensive Review (MCR) Status Update
PREPARED BY:	John Yeh, MCIP, RPP, Manager, Policy, Policy and Research – ext.7922
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RECOMMENDATION:

- 1) That the staff report entitled, “York Regional Municipal Comprehensive Review Status Update” dated April 29, 2019, be received;
- 2) That a community information meeting be scheduled in June 2019 to obtain public input on York Region’s draft Major Transit Station Areas to inform the City’s comments to York Region;
- 3) That landowners with employment land conversion requests be invited to delegate at a future Development Services Committee meeting with sufficient information to address York Region’s proposed conversion criteria, attached as Appendix ‘C’ to this report;
- 4) And that staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

In 2013, the Province released Amendment 2 to the Provincial Growth Plan 2006, which provided updated population and employment forecasts to 2041 planning horizon. These forecasts are to be reflected in the York Region Official Plan through a comprehensive planning process referred to as a Municipal Comprehensive Review (MCR).

The Region initiated an MCR in 2014, but the work was put on hold in 2015 when the Province initiated the 10-year review of the Growth Plan, Greenbelt Plan and Oak Ridges Moraine Conservation Plan. Among the work completed as part of the 2014 MCR work was the development of a draft Preferred Growth Scenario based on a 45% residential intensification target area to distribute 2041 population and employment growth to the nine local municipalities. The Draft Preferred Growth Scenario was considered by Regional Council in 2015, but was referred back to Regional staff and never approved.

The new Growth Plan, Greenbelt Plan, and Oak Ridges Moraine Conservation Plan came into effect in July 2017. York Region staff is proceeding with the Regional MCR based on these 2017 Provincial Plans. On January 15, 2019, the Province released Proposed

Amendment 1 to the 2017 Growth Plan that proposed changes to employment planning, settlement area boundary expansions, intensification and density targets and MTSAs. Any changes resulting from the final Amendment 1 will be incorporated in the MCR.

The following are current York Region MCR subject areas which are primarily based on the 2017 Growth Plan and Greenbelt Plan:

- Growth Forecasts and Land Budget
- Intensification Strategy
- Employment Strategy
- Housing Strategy
- Natural Heritage, Watersheds, and Agriculture
- Align Infrastructure with Growth
- Fiscal Impact Analysis

To date, Markham staff have worked closely with York Region staff to provide input on the following components that make up the Regional MCR work:

- Intensification Strategy, in particular density targets and boundaries for major transit station areas (MTSAs) within the city;
- Employment conversion criteria;
- Housing strategy, in particular York Region's draft rental housing incentives guideline and community improvement plan.

York Region is now seeking comments on draft employment conversion criteria and draft MTSA boundary delineations and density targets as outlined in their March 7, 2019 report "Proposed Employment Area Conversion Criteria", and April 11, 2019 report "Planning for Intensification Background Report", respectively. The April 11, 2019 York Region report identified 70 proposed MTSAs to be delineated in the Regional Official Plan, 23 of which are located in Markham (see Appendices 'A' and 'B'). York Region staff worked closely with local municipal staff to develop a common methodology to identify, delineate, and set density targets for MTSAs Region-wide. Staff are generally satisfied with the draft MTSAs but will continue discussions with York Region prior to finalizing the MTSAs, particularly regarding boundary delineations and density targets, and support for an MTSA around the proposed Royal Orchard Station on the future Yonge subway extension.

As the MTSA delineations and densities are required to be established in the Regional Official Plan (as well as the Markham Official Plan), and as these policies will not be appealable, it is recommended that prior to providing formal comments on the draft MTSAs to York Region, consultation with the public and other stakeholders occur through a community information meeting in June 2019.

York Region's March 7, 2019 report proposes 14 criteria to assess requests for conversion of employment conversion to other uses (see Appendix 'C') and identifies requests for conversion of employment received to date (see Appendix 'D'). Six of the employment conversion requests totaling 29 hectares are within the City of Markham. An additional conversion request was received in Markham after the release of the report. Markham staff is generally satisfied with the criteria though it is still to be determined how the criteria will be applied. To allow for Markham Council input on the criteria and conversion applications

it is recommended that landowners be invited to delegate at a future Development Services Committee meeting with sufficient information to address the conversion requests.

Markham staff will continue to work closely with Regional staff on these and other components of the Regional MCR work program and report to Council as required.

PURPOSE:

The purpose of this staff report is to provide a status update on York Region's Municipal Comprehensive Review (MCR) that plans for growth to the year 2041, to identify particular areas where Markham input is required, and to provide initial comments on employment land conversion submissions and draft MTSAs.

BACKGROUND:**York Region has re-commenced their 2041 MCR in conformity with the 2017 Growth Plan**

In 2013, the Province released Amendment 2 to the Provincial Growth Plan 2006, which provided updated population and employment forecasts to 2041 planning horizon. These forecasts are to be reflected in the York Region Official Plan through a comprehensive planning process referred to as a Municipal Comprehensive Review (MCR).

The Region initiated an MCR in 2014, but the work was put on hold in 2015 when the Province initiated a 10-year coordinated review of the Growth Plan, Greenbelt Plan and Oak Ridges Moraine Conservation Plan. Among the work completed as part of the 2014 MCR work was the development of a draft Preferred Growth Scenario based on a 45% residential intensification target area to distribute 2041 population and employment growth to the nine local municipalities. The Draft Preferred Growth scenario was considered by Regional Council in 2015, but was referred back to Regional staff and never approved.

On July 1, 2017, the new Growth Plan, Greenbelt Plan, and Oak Ridges Moraine Conservation Plan came into effect. Regional staff updated their MCR work program to reflect the new Plans. Key changes that affect the MCR are summarized as follows:

- Updated minimum residential intensification and designated greenfield area density targets
- Planning for MTSAs on priority transit corridors
- Additional upper-tier responsibilities for employment area protection
- Updated implementation direction for upper-tier municipal housing strategy
- Comprehensive approach to addressing climate change
- Integrated approach to watershed planning, natural heritage and agricultural protection
- Upper-tier municipalities to lead an MCR process for all required components

Any changes resulting from the recent Proposed Amendment 1 to the 2017 Growth Plan will need to be addressed

On January 15, 2019, the Province released Amendment 1 to the 2017 Growth Plan that proposed changes to employment planning, settlement area boundary expansions, intensification and density targets and MTSAs.

The key changes affecting York Region's MCR in Proposed Amendment 1 are related to the region-wide residential intensification target, designated greenfield density target, and employment policies, including removal of the prime employment area designation. Markham Council provided comments on Proposed Amendment 1 in February 2019.

York Region will need to consider potential impacts to the MCR work program and timing resulting from the final Amendment 1 to the 2017 Growth Plan which is expected later this spring. The MCR subject areas will likely not change should proposed changes to the Growth Plan take effect. Any changes to minimum residential intensification rates and density targets would have to be factored into the land budget and allocation of forecasts to the local municipalities.

Details of the Regional MCR work program and Markham staff recommendations on how the City will provide input to Regional decisions are provided below.

OPTIONS/ DISCUSSION:**The Region has provided an updated work plan for the MCR**

York Region staff identified a number of strategies and background studies as MCR requirements to conform to the 2017 Growth Plan. Markham staff has been providing and will continue to provide draft input on various aspects of the MCR work program.

The MCR is expected to be completed with Regional Council adoption of a Regional Official Plan Amendment in Q4 2020. Once the Regional Official Plan is in effect, the City of Markham will undertake a conformity exercise to implement new Regional Official Plan policies, through an update to the Markham Official Plan.

The 2017 Growth Plan permits only single-tier and regional municipalities to initiate an MCR process. The following components of the MCR work plan must be implemented in an integrated manner and not independently.

1. Updated Growth Forecasts and Land Budget

York Region will be preparing updated local municipal population, housing and employment forecasts to 2041 based on updated demographic data, updated housing and employment land supply data. York Region will also be updating its land budget work based on a Provincial land needs assessment methodology. The updated land budget will include regional and local municipal intensification and designated greenfield area density targets that are based on the following from the 2017 Growth Plan:

- Residential development intensification target occurring annually within the delineated built-up area is phased in from a minimum 50% region-wide, then 60% by and after 2031;
- Designated greenfield areas in effect as of July 1, 2017 will have a minimum density target of 60 residents and jobs per hectare upon completion of the Regional MCR and 80 residents and jobs per hectare for any required settlement boundary expansion lands to 2041.

2. Intensification Strategy including MTSAs

York Region will update their intensification strategy as part of its MCR program and work with local municipalities to direct growth to strategic growth areas that will be identified and delineated in its Official Plan. Strategic Growth Areas are identified intensification areas including Regional Centres, MTSAs, and other intensification areas.

MTSAs are lands in and around stations and stops along existing and future higher order transit corridors. The 2017 Growth Plan requires York region to delineate and designate MTSAs along priority transit corridors, and strategic growth areas in the Regional Official Plan.

Markham staff has been working with York Region staff to identify, delineate and set population and employment density targets for MTSAs within Markham. MTSAs and minimum density targets for Regional Centres will form a part of the Region's Intensification Strategy. Markham staff provided input on York Region's April 11, 2019 report on "Planning for Intensification Background Report" which identifies 70 draft MTSAs across the Region. This report is discussed in further detail below.

3. Employment Strategy includes several components to support the employment forecast update

York Region's Official Plan currently designates urban areas but must now specifically designate employment areas, through a Regional MCR, including any potential prime employment areas. The prime employment area designation is intended for lands which are to be protected over the long-term for land extensive uses or have low employment densities and are adjacent to or near goods movement facilities.

The 2017 Growth Plan also states that requests for employment land conversions can only be considered as part of a Regional MCR. All conversion requests are being dealt with by the Region with input from local municipalities.

An employment strategy is being undertaken to support the Region's employment forecast and policy update as part of the MCR. The strategy will include the above noted items, a vacant employment land inventory, profile of employment areas, density target of employment areas, and identification of intensification opportunities of employment areas.

Markham staff provided input on York Region March 7, 2019 report on "Proposed Employment Area Conversion Criteria" which proposes criteria with which to assess employment area conversions. This report is discussed in further detail below.

4. Protecting and enhancing the Natural Heritage System, Watersheds, and Agriculture System

Provincial mapping for the natural heritage system and agricultural system and policy requirements, including updated Land Evaluation Area Review work will inform the protection and enhancement of the agricultural and natural heritage systems in York Region.

5. Coordinating infrastructure investment with growth

The 2017 Growth Plan provides increased direction to coordinate infrastructure investment with growth in an integrated manner by incorporating the evaluation of long range land use planning and financial planning. The updated growth forecasts will be coordinated with Water and Wastewater and Transportation Master Plans to inform updates of those plans and the development charges by-law.

6. Fiscal Impact Assessment to quantify the cost of growth

A fiscal impact assessment will determine life cycle costs associated with the growth forecast and will evaluate long-term capital expenditures and revenues, operating costs, tax levy impacts, reserve fund, and debt requirements.

7. Housing Strategy to identify housing options to meet current and future needs

The 2017 Growth Plan provides new policy direction on implementation including identification of land use planning and financial tools to implement the housing strategy. A regional housing strategy will identify a range and mix of housing options to meet projected needs of current and future residents. The strategy will also include targets for affordable ownership and rental housing.

A local municipal housing working group, led by York Regional staff and comprised of local municipal staff including Markham staff, was formed to develop a housing incentives framework to encourage affordable housing which will contribute to the regional housing strategy.

8. Addressing Climate Change mitigation and adaption

Climate change policies from the 2017 Growth Plan and Greenbelt Plan are now required in official plans to identify actions that will reduce greenhouse gas emissions and adaptation goals. A local municipal climate change working group comprised of regional and local municipal staff have been established to assess municipal climate change requirements in conformity with the Growth Plan.

9. Promoting better health outcomes in land use planning

In 2017 the Built Environment and Health Action Plan was completed to enhance the health and wellbeing of York residents to develop policies and implement practices that promote better health outcomes. One of the actions is to develop regional and local municipal official plan policies to support the use of tools for a health supportive design review of development plans and applications. Though not an MCR requirement this work is important to address positive health outcomes from land use planning practices.

10. Consultation Plan involving a variety of engagement techniques

Comprehensive consultation on the Regional MCR will be undertaken and has been in process since 2018. York Region has expressed interest in coordinating consultation with local municipal consultation to the extent possible.

Local staff has been meeting one-on-one with Regional staff and through the local municipal working group throughout the MCR process and will continue as the MCR progresses.

York Region is seeking comments on 70 proposed MTSA's as outlined in their April 11, 2019 "Planning for Intensification Background Report"

As mentioned, the 2017 Growth Plan requires that MTSA's be delineated in the Regional Official Plan. Of 70 draft MTSA's identified Region-wide, 23 are located in Markham. Sixteen of the 23 Markham MTSA's are located along priority transit corridors. The 7 remaining MTSA's in Markham are proposed based on their location on a Regional corridor, anticipated intensification, and potential to be an MTSA as part of a potential future priority transit corridor. Nine of the MTSA's in Markham are shared with other municipalities including Vaughan, Richmond Hill, and Toronto. Appendices 'A' and 'B' in this report depict all 23 of Markham's MTSA's as well as each MTSA's draft delineated boundary and density target.

Given the importance of planning for MTSA's to support higher order transit, MTSA policies including their identification and permitted densities and heights of buildings and structures are not appealable to the Local Planning Appeal Tribunal as per the *Planning Act*. The 2017 Growth Plan prohibits land uses and built form that would negatively affect the achievement of the density targets. The MTSA's delineated in the York Region Official Plan will ultimately be reflected in Markham's Official Plan.

York Region's proposed delineation of the MTSA's are based on guiding principles such as adhering to the regional and municipal urban structure, providing for a range and mix of land uses, and connecting adjacent MTSA's where possible. Draft minimum density targets for MTSA's were determined from applicable required 2017 Growth Plan minimum density targets and existing and potential densities at build-out. All of the proposed density targets meet or exceed the Growth Plan density target requirements for MTSA's on priority transit corridors, which are as follows:

- 160 residents and jobs per hectare for areas with Light Rail Transit (LRT)/Bus Rapid Transit (BRT),
- 150 residents and jobs per hectare for areas with GO Transit rail, and
- 200 residents and jobs per hectare for areas with subways.

Markham staff are generally satisfied with York Region's approach to identify, delineate, and set density targets for MTSA's in Markham. Staff will continue discussion with York Region staff regarding confirmation of:

- Boundary delineation (e.g. extent of including existing lower density developments);

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- The application of consistent minimum density targets;
 - Support for an MTSA around the proposed Royal Orchard Station on the future Yonge subway extension, as well as a Denison GO Station to replace the 14th Avenue GO station as a future station along the Stouffville GO line;
 - The potential for an additional MTSA based on a proposed GO Station near Major Mackenzie Drive and Markham Road (currently under study).

As the MTSA delineations and densities are required to be established in the Regional Official Plan (as well as the Markham Official Plan), and as these policies will not be appealable, it is recommended that prior to providing formal comments on the draft MTSA to York Region, consultation with the public and other stakeholders occur through a community information meeting in June 2019.

York Region is also seeking comments on proposed criteria to be used to assess employment area conversion requests as outlined in their March 7, 2019 report “Proposed Employment Area Conversion Criteria”

The Region has developed criteria by which to assess employment conversion requests. The criteria, which were developed by York Region staff in consultation with the local municipalities including Markham, are attached as Appendix ‘C’. The criteria include 2017 Growth Plan requirements (e.g. maintaining sufficient employment lands to accommodate employment growth), protection of employment areas near 400 series highways, not permitting conversion for employment areas that have not been developed (e.g. ROPA 3 FUA employment block), and a range of site sizes, in particular large parcels. Markham staff are generally satisfied with the criteria though it is still to be determined how the criteria will be applied.

Six employment area conversion requests totaling 29 hectares within the City of Markham were submitted to York Region as of February 5, 2019. Since then, at least one additional conversion request in Markham has been received. The location and nature of each request is noted in Appendix ‘D’. York Region has provided a deadline of May 1, 2019 to submit employment area conversion requests so draft Regional and local growth forecasts and a land budget can be prepared for later in 2019. Requests received after May 1, 2019 may be considered for the final version of the forecasts and land budget in 2020.

A number of the employment conversion requests require additional information from applicants before an assessment of the merits of the request against the conversion criteria can be made (e.g. amount of land to be converted, specific use to be converted).

In order to allow for Markham Council input on the criteria and conversion applications it is recommended that landowners be invited to delegate at a future Development Services Committee meeting with sufficient information to address the conversion criteria.

NEXT STEPS:

Markham staff has been and will continue to provide input on the various Regional MCR work program background documents and strategies. As York Region releases staff reports and documents related to the MCR, staff will report to Development Services Committee

and consultation will be held as required, particularly for policy areas that were previously addressed only in local municipal official plans, but are now required to be addressed in the Regional Official Plan. As mentioned, the 2017 Growth Plan now requires York Region to plan for MTSAs, assess employment area conversion requests, and designate employment areas.

Staff will also report back on the implications on the MCR work program of the final Amendment 1 to the 2017 Growth Plan, once it is released.

As indicated previously, it is recommended that a community information meeting be scheduled in June 2019 to obtain input on the proposed identification, delineation, and density targets for MTSAs. In addition, to provide for Council input on requests to convert employment lands to non-employment uses, it is recommended applicants be invited to delegate at a future Development Services Committee meeting.

FINANCIAL CONSIDERATIONS

All work undertaken as input to the Regional MCR will be funded by approved Capital Budgets with current staff complement.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Conformity with the new Provincial Plans in collaboration with York Region support the City's current efforts to manage growth and provide protection of natural features and agricultural lands, both key elements of the Safe and Sustainable Community strategic priority.

BUSINESS UNITS CONSULTED AND AFFECTED:

All relevant city departments will be consulted as appropriate.

RECOMMENDED BY:

Arvin Prasad, MCIP, RPP
Commissioner of Development Services

ATTACHMENTS:

Appendix 'A': Markham Major Transit Station Areas

Appendix 'B': Individual Markham Draft MTSAs

Appendix 'C': York Region Employment Conversion Criteria

Appendix 'D': Summary of Employment Conversion Requests in Markham

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Plans\MCR Update April 29 2019 DSC