

SUBJECT: City of Markham Comments on York Region's Draft Employment Framework – 2041 Regional Municipal Comprehensive Review

PREPARED BY: Marg Wouters, Senior Manager, Policy & Research (x. 2909)
Lily-Ann D'Souza, Planner II, Policy & Research (x. 3115)

RECOMMENDATION:

1. That the report and presentation entitled "City of Markham Comments on York Region's Draft Employment Framework – 2041 Regional Municipal Comprehensive Review" dated September 23, 2019, be received;
2. That Council supports the consideration of the following requests for the conversion of employment area lands to a non-employment land use, as described in Appendix 'D' to this report, in the 2041 Regional Municipal Comprehensive Review:
 - a. Primont Homes and Cornell Rouge Development Corp., Part of Lot 11, Concession 9; and
 - b. 1628740 Ontario Inc., at 2718 and 2730 Elgin Mills Road, subject to York Region confirming that no access to the employment area lands along Highway 404 immediately to the west of the subject lands is possible from Elgin Mills Rd through the subject lands;
3. That Council's consideration of the following requests for the conversion of employment area lands to a non-employment land use, as described in Appendix 'D' and 'Appendix 'E' to this report, be deferred and evaluated through secondary plan studies:
 - a. Meadow Park Investments, 77 Anderson Avenue, as well as the additional parcels in the Mount Joy Business Park;
 - b. Wu's Landmark/First Elgin Mills Developments Inc., 10900 Warden Avenue & 3450 Elgin Mills Road;
 - c. Cornell Rouge Development Corporation, Varlese Brothers Limited, 2432194 Ontario Inc., and 2536871 Ontario Inc., 7386-7482 Highway 7, 8600-8724 Reesor Road; and
 - d. Norfinch Construction (Toronto) Ltd., 7845 Highway 7;
4. That Council does not support the consideration of the following requests for the conversion of employment area lands to a non-employment land use, as described in Appendix 'D' to this report, in the 2041 Regional Municipal Comprehensive Review:
 - a. Markham Woodmills Developments Inc., northeast Hwy 404/Elgin Mills Road;
 - b. Condor Properties Limited, 2920 16th Avenue;

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- c. The Wemat Group, southwest Hwy 404/Hwy 7; and
 - d. Belfield Investments, 8050 Woodbine Avenue;
5. That Council supports the staff-initiated conversion of the following additional employment area lands for non-employment uses, as described in Appendix 'E' to this report, in the 2041 Regional Municipal Comprehensive Review:
 - a. The parcel(s) municipally known as 110 Copper Creek Drive in Box Grove;
 6. That Committee allow for deputations by applicants following the staff presentation, and prior to consideration of the staff report and recommendations;
 7. That the report entitled "City of Markham Comments on York Region's Draft Employment Framework – 2041 Regional Municipal Comprehensive Review" dated September 23, 2019, be forwarded to York Region as Markham Council's input to date on the Region's 2041 Municipal Comprehensive Review;
 8. And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

The purpose of this report is to provide comments on work completed to date regarding York Region's employment strategy, which is being developed as part of the Region's 2041 municipal comprehensive review (MCR). Provincial policy requires the Region and Markham to plan for employment and to protect employment area lands.

Markham's employment strategy to 2031 is reflected in the Official Plan 2014. The Official Plan 2014 provides a range of land use designations and policies that provide for a land supply that is sufficient to accommodate Markham's employment forecast to 2031, as well as policies intended to protect the employment land supply. In addition to identifying and protecting employment lands in accordance with provincial requirements, 'good planning' and community vision objectives also factor into Markham's planning for employment.

In order to understand and plan for the changing nature of employment to 2041, York Region commissioned a study which identified a number of employment trends such as increasing globalization, stable growth in manufacturing and rapid growth in professional and serviced-based industries, automation, importance of access to transit and amenities, intensification of employment areas, and the importance of strategic locations for economic growth.

The Region has received 10 requests for conversion/redesignation of employment area lands in Markham. Decisions on these requests will be taken into account by the Region in the development of employment forecasts and associated land needs to 2041.

Staff has met with almost all of the applicants or their representatives either individually or in meetings initiated by Regional staff, and have evaluated all proposals. Based on this analysis staff recommend:

- a) that the following employment conversion requests be supported:
 - Primont Homes and Cornell Rouge Development Corp., Part of Lot 11, Concession 9; and
 - 1628740 Ontario Inc., for lands at 2718 and 2730 Elgin Mills Road, subject to York Region confirming that no access to the employment area lands immediately to the west of the subject lands is possible from Elgin Mills Rd through the subject lands;
- b) that the following employment conversion requests not be supported:
 - Markham Woodmills Developments Inc., northeast Hwy 404/Elgin Mills Road;
 - Condor Properties Limited, 2920 16th Avenue;
 - The Wemat Group, southwest Hwy 404/Hwy 7; and
 - Belfield Investments, 8050 Woodbine Avenue;
- c) that the following employment conversion requests be deferred to secondary planning processes:
 - Meadow Park Investments, 77 Anderson Avenue, as well as the additional parcels in the Mount Joy Business Park;
 - Wu's Landmark/First Elgin Mills Developments Inc., 10900 Warden Avenue & 3450 Elgin Mills Road;
 - Cornell Rouge Development Corporation, Varlese Brothers Limited, 2432194 Ontario Inc., and 2536871 Ontario Inc., 7386-7482 Highway 7, 8600-8724 Reesor Road; and
 - Norfinch Construction (Toronto) Ltd., 7845 Highway 7.

It is recommended that this report be forwarded to York Region as the City of Markham's comments on the Region's employment strategy work to date, including recommendations on requests for employment land conversion.

PURPOSE:

The purpose of this report is to provide comments on work completed to date regarding York Region's employment strategy, which is being developed as part of the Region's 2041 municipal comprehensive review (MCR). Among other things, the report includes staff recommendations on a number of landowner requests for conversion of employment lands to non-employment uses in Markham as input to the employment strategy.

BACKGROUND:

In an April 9, 2019 staff report to Development Services Committee, Markham staff provided an update on the status of the York Region 2041 MCR. Among other things, the MCR will recommend population and employment forecasts to 2041 for each of the nine local municipalities including Markham, and propose policy amendments to bring the Regional Official Plan into conformity with provincial policy, specifically the

Provincial Policy Statement, Growth Plan 2019, Greenbelt Plan 2017 and Oak Ridges Moraine Plan 2017.

One of the components of the MCR is the development of an employment strategy, which will include:

- A land needs assessment and employment forecasts to 2041 for each local municipality;
- Delineation and designation of employment areas in the Region as well as density targets (a new requirement in the Growth Plan);
- An employment framework including principles, key attributes, and the roles of Centres and Corridors, employment areas, and community areas in attracting high quality jobs;
- Updated Regional Official Plan employment policies; and
- Identification of the role of local municipalities in implementing the employment strategy and recommended tools for implementation.

The employment strategy work to date includes an assessment of employment trends since the previous 2031 Regional MCR, an overview of vacant employment lands within the Region and the initial identification and delineation of employment areas within the Region. In addition, the Region has developed criteria by which to assess requests for conversion of employment area lands to non-employment uses. This work is documented in the following reports to Regional Council:

- [York Region 2017 Vacant Employment Land Inventory \(March 22, 2018\)](#)
- [Proposed Employment Area Conversion Criteria \(March 7, 2019\)](#)
- [Planning for Employment Background Report \(May 9, 2019\)](#)

The land needs assessment and employment forecast to 2041 will take into account employment conversion requests. The April 2019 Markham staff report provided an initial overview of a number of requests for employment land conversion received by the Region as part of the MCR, as well as the criteria being proposed by the Region in their March, 2019 report for assessing the conversion requests. Markham staff recommendations are provided in this report regarding these and additional requests received to date.

To provide the policy context underlying staff's comments on the Region's employment strategy work to date, this report also provides an overview of how Markham plans for employment in the Official Plan.

This report is organized as follows:

- 1) Markham's requirement to plan for employment lands, including current Provincial and Regional policy requirements
- 2) Markham's employment strategy to 2031
- 3) Planning for employment to 2041
- 4) Markham's employment areas and vacant land supply
- 5) Conversion request assessment and recommendations; and
- 6) Recommendations and next steps.

OPTIONS/ DISCUSSION:**1.0 Markham is required to plan for employment and to protect employment area lands**

Markham's requirement to plan for employment lands is based on Provincial policy as implemented through the York Region Official Plan. Markham has a long history of placing priority on planning for a strong and competitive economy, building on the City's success as a diverse and major employment centre in York Region. Since 2005, the Province has also recognized the importance of the role of employment in ensuring complete communities, including the need to protect employment lands. Provincial, Regional and Markham policy on planning for employment lands, including protection of employment area lands, is outlined in more detail below.

1.1 Provincial policy direction for protecting employment area lands has been in place since mid-2000s

The Province introduced a new policy framework in the mid 2000s that placed a greater emphasis on the protection of employment lands within municipalities. This new policy direction was reflected in the 2005 Provincial Policy Statement (PPS), the 2006 Growth Plan for the Greater Golden Horseshoe (Growth Plan), and modifications to the *Planning Act* in 2007. The new policy direction was partially a response to the loss of employment lands through conversion to other uses following a downturn in the economy in the 1990s. The combination of a downturn in the manufacturing sector and resulting vacancies, along with strong growth in residential and commercial (particularly big box) retail markets, resulted in pressure on the vacant employment land supply to be converted for these uses.

Conversion of employment lands is problematic in at least two respects. Firstly, once employment lands are converted to another use, the lands are lost from the supply of available land for employment uses. Secondly, the new non-employment uses can also destabilize adjacent employment lands by increasing their value and therefore decreasing their viability as affordable land for large land-intensive business operations. The introduction of non-employment uses, particularly sensitive uses such as residential development, can also make it difficult for existing employment uses adjacent to the converted site to continue to function or expand because of compatibility issues with the newly introduced non-employment uses.

In order to prevent compromise of the long term employment land supply, and to protect the future economic well-being of the Province and the Greater Golden Horseshoe, the Province made protection of employment lands a priority. The protection of employment lands also works hand-in-hand with provincial policy direction to create complete communities that offer more options for living and working in close proximity, thereby reducing travel times and the need for continuous expansion of the urban area.

Although specific policies regarding planning for employment in the various provincial planning documents have been amended since the original policies were introduced in the

mid 2000s, the principle of the need to protect employment lands remains, as outlined below.

Planning Act and Provincial Policy Statement (2014)

The *Planning Act* establishes the legislated ground rules for land use planning in Ontario, including the authority for the Province to identify matters of provincial interest through issuance of provincial policy statements. More specifically, the *Planning Act* provides for the protection of employment lands by requiring municipalities to confirm or amend their policies dealing with areas of employment, including designations and policies addressing conversion, by means of a 5-year review to the Official Plan. The *Planning Act* allows municipalities to deny requests for employment land conversion, without the possibility of applicants appealing to the Local Planning Appeal Tribunal (LPAT), unless these requests are made and occur during the course of a municipal comprehensive review.

The Provincial Policy Statement (PPS) provides policy direction on matters of provincial interest related to land use planning and development. Municipalities must keep their official plans up to date with the PPS and all decisions of Council 'shall be consistent with' the PPS.

The policies in Section 1.3 of the PPS 2014 provide province-wide direction to promote economic development and protect employment areas over the long term. Section 1.3.1 requires that municipalities promote economic development and competitiveness by:

- providing for an appropriate mix and range of employment and institutional uses to meet long-term needs;
- providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;
- encouraging compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities; and
- ensuring the necessary infrastructure is provided to support current and projected needs.

Section 1.3.2 specifically provides for the protection of employment lands by stipulating that planning authorities may permit conversion of lands within employment areas to non-employment uses only through a comprehensive review, and only where it has been demonstrated that the land is not required for employment purposes over the long term, and that there is a need for the conversion. There are also specific requirements to plan for:

- protecting and preserving employment areas for current and future uses;
- protecting employment areas in proximity to major goods movement facilities and corridors for employment uses that require those locations; and
- providing the opportunity to plan for (but not designate lands) beyond 20 years for the long-term protection of employment lands.

The employment policies of the PPS are currently being amended to align with recent changes to employment policies in the Growth Plan 2019. A more comprehensive overview and comments on all of the proposed changes to the PPS will be brought forward to Committee in a separate report.

Growth Plan for the Greater Golden Horseshoe (2019)

The Growth Plan builds on the policy foundation of the PPS, providing additional and more specific land use planning policies to manage growth in Greater Golden Horseshoe. Municipalities are required to bring their Official Plans into conformity with the Growth Plan, and all municipal planning decisions must conform with the Plan.

With respect to employment, the Growth Plan provides employment forecasts to 2041 that upper-tier municipalities must plan to achieve, as well as policies that relate to the provision of a range of employment types and the protection of employment lands, similar to the PPS. These include, among others:

- promoting economic development and competitiveness through efficient land use, transit-supportive built forms and densities and by ensuring the availability of sufficient land for employment to accommodate forecasted growth;
- establishing a structure for employment by identifying where specific types of employment uses should be directed:
 - major office and institutional uses in urban growth centres (UGS) or areas with frequent or higher order transit services;
 - retail and offices uses near existing or planned transit or accessible by walking or cycling, and;
 - manufacturing, warehousing and logistics in the vicinity of existing major highway interchanges and other transportation corridors;
- identifying and designating employment lands in upper-tier and lower-tier official plans and protecting them over the long-term;
- protecting the viability of employment lands from non-employment uses, particularly sensitive uses such as residential uses and major retail uses;
- developing strategies to minimize and mitigate adverse impacts on industrial and manufacturing uses where the development of nearby sensitive, major retail and major office uses cannot be avoided;
- protecting employment lands from conversion to other uses and identifying when conversions may be permitted;
- identifying provincially significant employment zones (PSEZs);
- promoting intensification and higher densities on employment lands to optimize transit investments and encourage walking and cycling;
- ensuring space is retained for a similar number of jobs when redeveloping employment lands; and
- providing direction to support existing office parks through improved connectivity, an appropriate mix of amenities, and intensification while limiting non-employment uses that would impact the primary function of the area.

These policies are meant to ensure that the Greater Golden Horseshoe continues to be an important centre of business, by helping municipalities plan for economic growth by

increasing the diversity of jobs and economic activity, accommodating skilled workers, creating new opportunities and attracting new investment.

Municipal requirements regarding conversion of employment area lands

The Growth Plan 2019 provides for more specific conversion policies building on the policy direction of the PPS. Policy 2.2.5.9 provides that conversions of lands within employment areas may only be permitted through a municipal comprehensive review and provides five tests that must be met. Policy 2.5.9.10 provides for flexibility for consideration of conversion requests outside of municipal comprehensive review for employment lands not identified as provincially significant.

Additionally, policy 2.5.9.11 provides direction for consideration of major retail in employment areas. Both Policy 2.5.9.10 and 2.5.9.14 speak to the establishment of development criteria to ensure that redevelopment of employment lands maintain a significant number of jobs on the lands.

1.2 York Region Official Plan (YROP) requirements for the planning and protection of employment area lands are consistent with the Growth Plan 2006

The YROP identifies a total employment forecast of 240,400 jobs for Markham by 2031, representing approximately 30% of the Region-wide forecast of 780,000 jobs. The forecasts were developed through a Regional land budget exercise as part of the Region's 2031 MCR, and formed part of the employment and economic development strategy for York Region that established Markham's role in accommodating employment of various types within the Region.

The YROP requires that Markham protect, maintain and enhance the long term viability of all employment area lands designated for employment uses. The YROP provides for consideration of conversion of lands within employment areas to non-employment area uses provided that a municipal comprehensive review has been completed in accordance with the applicable policies, forecasts and land budget of the Region.

Other relevant YROP policies include the provision for a limited amount of ancillary uses on employment lands provided that the proposed use is designed to primarily service businesses in the employment lands. As well, the YROP policies provide for local municipalities to determine the location, amount and size of ancillary uses on employment lands that is commensurate with the planned function, size and scale of the overall employment land area.

The policies in the YROP are reflective of the 2006 Growth Plan. The 2041 MCR will provide the basis for an amendment(s) to the YROP to bring it into conformity with the 2019 Growth Plan and other provincial policies and plans (e.g., Greenbelt Plan, Oak Ridges Moraine Plan and PPS) that have been updated since that time.

2.0 Markham's employment strategy to 2031 is reflected in the Official Plan 2014

The employment area lands and policies identified in Markham's Official Plan 2014 are based on an Employment Lands Strategy undertaken by Markham in 2009/2010, as well as the Markham 2020 Economic Development Strategy.

Markham 2020 identified four key employment sectors for which it has a comparative advantage and for Markham to pursue:

- Convergence of Information and Communication Technology and Life Sciences;
- Information, Entertainment and Cultural Industries;
- Professional, Scientific and Technical Services; and
- Finance and Insurance.

The Strategy identified that companies within these key sectors are located in a wide range of building types and forms, reflecting the variations in accommodation preferred by a high proportion of smaller companies. It also identified that Markham's competitiveness is constrained by the limited and diminishing supply of appropriately sized and located employment lands available for development, particularly for sale to end-users. To remain competitive, Markham requires a development-ready land supply that can serve the growth needs of existing businesses as they transition through the growth cycle from small to larger space requirements, and adapt to changing functional and technological building requirements.

The 2009 Employment Lands Strategy (ELS) provided an analysis of the employment forecasts assigned to Markham for the three broad employment types used by the Province and Region in preparing the forecasts. The three employment types include:

- Major Office Employment (MOE) – employment located in large office buildings, provided for in employment areas or in community areas;
- Employment Land Employment (ELE) - employment related to manufacturing, processing, warehousing and distribution uses (typical of traditional industrial activities occurring in Markham business parks) and which typically requires large, serviced land areas near major transportation routes;
- Population Related Employment (PRE) – employment that clearly serves the population and the traveling public (e.g., retail, service, institutional uses); generally located within communities but small amounts also provided for in employment areas.

The ELS represented a balanced approach to meeting Markham's employment growth needs to 2031, with a variety of choices for accommodating identified key sectors of Markham's economy. The ELS further recommended that all lands designated for employment, but particularly industrial lands, be protected from conversion to major retail and residential uses, citing concern that conversions would accelerate the City's pending industrial land deficit. The recommendations were endorsed by Council as the basis for the employment land use designations and policies in the Official Plan.

2.1 How the Official Plan 2014 accommodates employment forecasts to 2031 and protects employment land supply

The Official Plan 2014 provides a range of land use designations and policies that provide for a land supply that is sufficient to accommodate Markham's employment forecast to 2031, as well as policies intended to protect the employment land supply.

The total employment forecast provided in the Official Plan is based on forecasts for the three employment types mentioned previously (MOE, ELE, and PRE), as shown in Table 1.

Table 1: Forecast Employment Growth in Markham by Employment Type, 2006 to 2031			
Employment Type	2006 (total)	2006-2031 (additional)	2031 (total)
Major Office	47,400	37,400	84,800
Employment Land	50,000	33,000	83,000
Population Related	47,500	25,100	72,600
Total Employment	144,800	95,500	240,400
Source: York Region, as reflected in Markham's Official Plan 2014.			

To ensure economic viability and diversity, and the opportunity for jobs across all employment types, a sufficient land supply must be designated to plan for and accommodate each employment type. In addition, the Official Plan must incorporate policies that will ensure an adequate supply of land will be retained over time to accommodate the forecasts established for Markham.

The Region's job forecasts by type were translated into land area in Markham through the application of a density assumption (jobs per net hectare) for each type of employment, resulting in the need for just over 2,200 hectares (developed and vacant) across a variety of land use designations.

Map 3 – Land Use in the Official Plan 2014 establishes land use designations intended to accommodate the forecast ELE, MOE and PRE employment as identified in Table 2 and Appendix 'A'. The majority of the forecast employment (70% or 168,000 jobs) is accommodated in employment area designations, which are protected from conversion. These designations include the 'Business Park Employment', 'Business Park Office Priority Employment', 'General Employment', 'Service Employment' and 'Future Employment Area' designations. Most of Markham's employment areas are located within the Hwy 404/Woodbine Ave corridor. The remaining 17% of employment (72,000 jobs) is accommodated in the Mixed Use, Commercial or Residential designations throughout the city.

Table 2: Primary Land Use Designations Accommodating Employment Types in Markham Official Plan 2014*	
Employment Type	Land Use Designation
Major Office	Business Park Office Priority Employment Business Park Employment Service Employment Commercial Mixed Use Mid Rise and High Rise Mixed Use Office Priority Mixed Use Health Care Campus
Employment Land	General Employment Business Park Employment Future Employment Area
Population-Related	Mixed Use (all designations) Residential (all designations) Commercial Service Employment
<i>*A small amount of each type of employment may be found in other designations.</i>	

The assignments of employment by type were in balance with the available land in the designations and consistent with the planned function of each employment designation in Map 3 – Land Use. These designations and associated policies were carefully designed to accommodate a broad range of employment opportunities, and to distinguish the planned function of the lands in order to reduce possible land use conflicts. This ensures viability of employment lands for the long term, and also ensures that different types of employment continue to be viable. Policies are also included in the Official Plan regarding the conversion of employment area lands, consistent with the Growth Plan at the time.

2.2 Community planning objectives and economic development considerations

In addition to identifying and protecting employment lands to accommodate employment forecasts for the long term in accordance with provincial requirements, there are also ‘good planning’ and community vision objectives that factor into planning for employment.

Markham has a long history of planning for a balance of housing and employment uses, especially with access to major transit and road networks, in an effort to build complete communities. For example, the Box Grove and Cornell communities were planned with a critical mass of employment lands centred around the Hwy 407 and Donald Cousens Parkway interchange to provide live/work opportunities in close proximity, and to reduce outbound commuting, for the communities in east Markham. In addition, the employment lands along the Hwy 7 rapid transit corridor, particularly around the Hwy 404 interchange (e.g., Commerce Valley, Allstate Parkway), continue to make sense to support intensive transit-oriented job opportunities, primarily in the form of major office development.

Markham's economy has benefited greatly by the presence of Hwy 404 and Hwy 407, and Markham has historically reserved lands along these corridors for employment uses. The requirement to plan and protect for employment uses near major highway interchanges (e.g., Hwy 404 and Hwy 407 corridors) is directed in Provincial policy.

Determining appropriate locations for employment, and preserving and wisely managing the land supply to accommodate employment are essential to ensuring that forecast employment growth can occur, and that Markham will retain a competitive advantage in attracting and retaining businesses that will contribute to a strong and vibrant local economy. These actions contribute to achieving the objectives set out in the Official Plan 2014 regarding live/work balance and supporting investment in rapid transit.

Some of the factors and priorities that are essential to incorporate into decisions about planning for employment in Markham are as follows:

- Securing and preserving a supply of employment land sufficient in amount, location and diversity is essential to accommodating forecast employment, and ensuring that Markham will be economically competitive in retaining and attracting new industrial and office development. The loss of land that accommodates wealth-generating industrial and major office employment (which deliver the greatest economic returns and tax assessment), to other uses that contribute less to the City's economy, or that potentially increase costs to the City, will impact long term prosperity.
- Industrial and major office uses are far more location sensitive than retail/service and residential uses. Their location requirements establish the necessity of protecting land suited to accommodating industrial employment and preferred locations for major office development.
- New office development located in the Yonge Street and Hwy 7 corridors and served by regional rapid transit has the greatest chance to be large scale and successful. Major office development displays higher densities of people than any other form of development including residential and retail/service uses. The resulting potential in transit riders is correspondingly higher and provides the greatest support to transit investment.
- Provision for some major office development away from regional rapid transit corridors complements other employment uses in business parks and diversifies mixed-use development. Relatively little land is required in such locations, but should be accorded priority in relation to visibility and accessibility to the highway and arterial road systems. There will likely never be sufficient office market demand in Markham to require all business park land for office use. The balance of the lands in business parks are needed for, and should remain devoted to, industrial and other uses that require large sites and good highway access.
- Lands required for industrial use must be protected from the intrusion of economically competitive uses and conflicting sensitive uses that threaten a sustained

environment for viable, competitive business operations. The incremental loss of smaller employment land parcels can lead to destabilization of a larger employment area (e.g., erosion of employment lands in the Hwy 404 corridor over time).

- Markham enjoys a supply of designated employment land and a stock of relatively new, well-maintained industrial buildings that provide a competitive choice of accommodation that is an economic advantage for the City. Maintaining and building on this advantage over the long term to the benefit of existing and new businesses is critical to the economic success and sustainability of Markham.

3.0 Planning for Employment to 2041 – Understanding the Changing Nature of Employment

As part of the 2041 MCR, the Growth Plan requires the Region to plan for 900,000 jobs Region-wide by 2041, which represents approximately 264,000 additional jobs from 2018 levels. In order to understand and plan for the changing nature of employment, York Region commissioned an employment trends study, the key findings of which are incorporated in the Region's "Planning for Employment Background Report".

The key trends in employment identified in the Region's report are as follows:

- The globalization of markets, automation, and the digital economy are key drivers reshaping the Greater Golden Horseshoe economy.
- The outlook for employment growth in York Region remains favourable, driven by rapid growth in higher skilled and knowledge-based jobs. York Region has become a top destination for business across a number of economic sectors. The employment growth outlook is for stable growth in manufacturing and rapid growth in professional and services-based industries, including knowledge-based and creative industries.
- Automation has the potential to increase demand or create jobs in higher-skilled industries; despite 24% of the Region's labour force being at risk of automation, York Region is well positioned to withstand the impacts of automation and Artificial Intelligence (AI) with an economy increasingly focused on higher skilled activities. The impacts are anticipated to be gradual, with automation likely to create more jobs in the long run.
- Amenity rich and transit accessible work environments will be critical to employers to attract and retain talent. Regional Centres and Corridors, supporting a range of employment opportunities are well-positioned to attract highly skilled, knowledge-based jobs.
- Driven by rapid growth in Centres and Corridors, major office employment is anticipated to continue to outpace growth in all other employment type.
- Strategically located throughout the Region, employment areas continue to be major drivers of economic activity. Maintaining an appropriate supply of

employment areas will be critical for providing flexibility for employers in high quality locations over the long term. Protection of employment areas is essential as the demand for employment land is anticipated to remain strong (e.g., increasing demand for warehouse and distribution facilities as well as flex-office space uses).

- Recent trends show that increases in employment area employment (e.g., manufacturing and industrial employment) is being driven by service and knowledge-based sectors. These employment sectors are being accommodated in a range of building types including older and more mature industrial areas resulting in a ‘blurring of the lines’ between employment area employment and office employment.
- There is a trend toward intensification in employment areas. Since 2011, over 60% of employment area employment growth has been accommodated through intensification of existing built parcels or growth in existing buildings.
- Retail locations remain important as their role evolves to incorporate different types of retail delivery and support online retailers.
- Municipalities in Canada and around the world are changing the way in which they plan employment areas, developing creative solutions to rejuvenate employment areas and stimulate economic growth. Increasing flexibility along corridors and improving built form are two common approaches to increase attractiveness of employment areas.

Given the above analysis, the Region will be exploring the following policy considerations with local municipalities and the public in the development of the Region’s employment policy framework:

- planning for the changing nature of employment by promoting transit supportive high quality urban environments attractive to office development as the knowledge economy evolves;
- protecting employment areas over the long term for a broad range of employment uses, including growth in transportation, logistics and warehouse facilities;
- appropriate land use flexibility in suitable employment area locations; and
- developing strategies to support redevelopment and rejuvenation of employment areas.

Markham Planning and Economic Development staff generally concur with the past and future trends analysis undertaken in the Region’s reports. In a November 2016 presentation to Development Services Committee providing a performance review of the City’s Markham 2020 economic development strategy, staff also identified the need to:

- protect against future employment land conversion;
- ensure a healthy supply of suitably serviced employment lands;

- evolve the City's highly concentrated employment areas into employment 'communities' that include cultural, transit and other amenities to attract and retain workers and employers;
- brand the Hwy 404/Hwy 7/Hwy 407 employment corridor as a regional technology hub for knowledge-based companies in the GTA;
- protect remaining employment lands across Markham, and in particular in east Markham, for high quality employment; and
- facilitate the planning and development of the Future Urban Area employment lands.

4.0 Markham's Employment Areas and Supply of Vacant Land

As mentioned, employment in Markham is planned and provided for in a number of official plan designations, including designations solely identified for employment purposes (employment areas) as well as designations that provide for a mix of employment and other uses (Mixed Use and Commercial).

The Region is now required under the Growth Plan to identify employment areas in the Regional Official Plan, which are defined in the Growth Plan and PPS as:

"areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices and associated retail and ancillary facilities".

4.1 Comments on Markham Employment Areas to be identified in York Region Official Plan

The Region's "Planning for Employment Background Report" identifies employment areas proposed to be identified in the Region's Official Plan. The employment area boundaries presented in the report will serve as the basis for discussions with local municipalities in determining the delineation of employment areas through the MCR.

The employment areas in Markham, provided in Appendix 'B' to this report, are generally consistent with the lands designated under the various employment designations in Markham's Official Plan. However, Markham staff note two employment areas which should be reconsidered for non-employment uses as part of this MCR. These include a parcel(s) in Box Grove and nine parcels that comprise the Mount Joy Business Park, as shown in Appendix 'E' and described as follows:

- 1) Business Park Employment designation for the lands consisting primarily of 110 Copper Creek Drive in Box Grove – these lands are fully developed with an office building and retail uses but were once part of a larger employment area designation extending the length of the north side of Copper Creek Drive from 9th Line to Donald Cousens Parkway. A number of Council decisions over the years have resulted in this former employment area being developed mainly with retail and residential uses, and no other employment area designations remain along Copper Creek Drive. An employment area designation for 110 Copper Creek Drive is no longer appropriate and staff recommend that these and other lands

north of Copper Creek Drive be provided a non-employment designation, consistent with the current and planned function of the area, when an amendment is undertaken to bring the Markham Official Plan into conformity with the updated Regional Official Plan.

- 2) Mount Joy Business Park – this 4.0 hectare developed business park consists of nine parcels on the east side of Anderson Avenue between Bur Oak Avenue and Castlemore Avenue. The lands are identified as being with the Markham Road – Mount Joy Secondary Plan area in the 2014 OP and are designated Service Employment on Map 3 - Land Use, reflecting the existing businesses on eight of the parcels (the northerly parcel is occupied by a place of worship). Given proximity to the Mount Joy GO station and the more recent work on identifying major transit station areas (MTSAs) around higher order transit stations, staff recommend advising the Region that the Service Employment designation on these lands will be reviewed as part of the upcoming Markham Road – Mount Joy Secondary Plan Study.

The Region acknowledges that building compact, mixed use, complete communities includes planning for employment in the right locations and that in some circumstances, conversion may be appropriate if it supports other planning objectives and/or enhances the urban structure (e.g., in locations suitable for an intensified land use or an area where the original employment area context has changed). The two locations noted above are examples of such circumstances.

In addition to the two areas noted above, the Region should also be aware that the Official Plan Amendment application submitted by the Catholic Archdiocese in 2013 (OP-13116842) in support of redesignation of their 22 ha of employment lands at 3010 and 3196 19th Avenue in the Future Urban Area Employment Block is still under review. The applicant agreed at the time to a deferral of the 'Future Employment Area' designation on the lands, and efforts continue to resolve the deferral.

As part of the Regional employment strategy, the Region will be consulting with local municipalities on the level of detail to be provided in the employment designations in the Regional Official Plan. At present, Markham staff are of the opinion that the Region should identify employment areas with a single generic designation in the Regional Official Plan, and that the more detailed employment designations should be left to local official plans. Staff will seek Markham Council direction on this matter once the Region releases draft mapping and policies in 2020.

4.2 Markham had approximately 500 hectares of vacant employment area lands in 2017, representing 20% of the Region's vacant land supply

The Region identifies the availability of a wide range of vacant employment lands as integral to the fiscal health of a community, directly affecting economic development and diversification of the assessment base. Markham's employment area lands total approximately 1,776 hectares, comprising approximately 23% of the Region's employment areas. Of these 1,776 hectares approximately 500 ha or 28% are vacant.

Table 3: Vacant Employment Lands in Markham and York Region 2017				
Levels of Servicing	York Region (ha)	Percent	Markham (ha)	Percent
Private Services	104	4	-	<1
Full Regional & Local Services	595	23	197	39
Some Regional and/or Local Services or Capacity Required	1,630	63	258	51
Regional & Local Services Required	259	10	51	10
Total	2,588	100	506	100
Parcel Size	York Region	Percent	Markham	Percent
Less than 1 ha	267	41	60	44
1-5 ha	237	37	53	39
Greater than 5 ha	143	22	23	17
Total	647	100	136	100
Source:				
York Region				

The Region notes the following with respect to the status of vacant employment area lands in Markham and Region-wide:

- the supply of vacant employment lands remains healthy and needs to be protected; Markham has 506 ha or 20% of vacant lands, second to Vaughan with 40% (1,042 ha)
- Just under 40% of Markham's vacant employment lands are fully serviced, with the majority (60%) requiring some level of Regional or local services, or servicing allocation;
- Approximately 23% of vacant parcels in Markham are greater than 5 ha in size, which is important for attracting large, land intensive development types like distribution centres, warehouses and campus development; and
- The rate of intensification on employment lands has increased Region-wide since 2013.

Markham staff will continue to work with the Region in updating the employment area boundaries and vacant land inventory in Markham to capture any changes since 2017.

5.0 Comments and Recommendations Regarding Employment Conversion Requests

The Growth Plan 2019 provides specific direction for the consideration of conversion of employment area lands to non-employment uses. Employment area lands that are identified as provincially significant (through PSEZ mapping) can only be considered for conversion by Regional or single tier municipalities, and only as part of a municipal comprehensive review. Employment area lands not identified as provincially significant can be considered prior to the next MCR.

As part of the Region's 2041 MCR, over 50 requests for conversion have been received. Ten of the requests, totaling 78 hectares (193 acres), are in Markham. All of the submissions in Markham include requests to redesignate the lands to allow residential or a mix of uses, which if approved would result in the permanent removal of the lands from the City's supply of employment areas.

These 78 hectares are in addition to the approximately 70 hectares of employment area lands that were approved for non-employment uses between 2013 and 2019 for a total potential loss of 148 hectares (366 acres) since 2013.

5.1 York Region has developed additional conversion criteria to ensure conversion decisions are made on a more comprehensive basis than provided for in the Growth Plan

In March, 2019, the Region released proposed criteria to be applied by Regional staff, in consultation with local municipal staff, when assessing requests for employment area conversions to inform recommendations to Regional Council. Recommendations on the conversion requests will be used to inform the land needs assessment and draft land budget to be released early in 2020.

The Region's criteria, provided in Appendix 'C', were developed with input from local municipal staff, and informed by employment land protection policies in other jurisdictions. The 14 criteria build on the five employment conversion tests identified in the Growth Plan 2019 in order to comprehensively address additional key provincial and regional objectives, including protection of employment areas adjacent to the 400-series highways and other goods-movement infrastructure, and ensuring availability of a healthy supply of large size parcels. The additional criteria are also intended to ensure an equitable and transparent process for review of the requests.

Growth Plan policy 2.2.5.9 states that municipalities may permit conversion of lands within employment areas to non-employment uses, only through a municipal comprehensive review where it has been demonstrated that the following five tests have been met:

- a) there is a need for the conversion;
- b) the lands are not required over the horizon of the Growth Plan (2041) for the employment purposes for which they are designated;

-
- c) the municipality will maintain sufficient employment lands to accommodate forecasted employment growth to the horizon of this Plan;
 - d) the proposed uses will not adversely affect the overall viability of the employment area, or the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan; and
 - e) there are existing or planned infrastructure and public service facilities to accommodate the proposed uses.

The Region's additional criteria are grouped according to the five theme areas of supply, viability, access, infrastructure and Region-wide interests as follows:

- Supply – prohibiting conversions in recently designated and largely vacant employment areas, and preserving large sized employment parcels to meet future needs of businesses with specific locational requirements, including protection of land beyond 2041; that is, conversions will not be considered in employment areas recently brought into the urban boundary to meet employment forecasts, including ROPA3 lands (Future Urban Area Employment Block) in Markham;
- Viability – prohibit consideration if entire perimeter of the site is surrounded by lands designated and intended to remain designated for employment purposes;
- Access – consider location of the site, particularly proximity to goods movement corridors such as 400-series highways, rail corridors, etc;
- Infrastructure – consider importance of providing residents and employers with high quality public services and infrastructure; and
- Region-wide Interests – criteria to ensure other regional or local municipal planning objectives are not compromised, and that potential issues that cross regional boundaries are considered.

The proposed criteria will be used to inform recommendations on whether a request is appropriate and enhances the policy objectives in the YROP, or if it will negatively impact long term supply and/or viability of employment areas.

Markham staff's recommendations on the conversion requests resulting from application of the Growth Plan and York Region criteria are provided below.

5.2 Assessment of Conversion Requests in Markham

As mentioned, as part of the Region's 2041 MCR, the Region must plan for the additional 264,000 jobs to 2041 assigned to the Region through the Growth Plan. The Region will be distributing this employment growth to the local municipalities through their land budget exercise taking into account availability of vacant land in employment areas and intensification potential of developed employment areas for certain types of employment (e.g., employment area employment and major office), as well as

availability of lands in other designations (e.g., mixed use designations) for population-related and major office jobs. The analysis of vacant employment lands will take into consideration the Region-wide requests for conversion of employment area lands.

A location map and description of the 10 requests received by the Region to date for conversion/redesignation of employment lands in Markham are provided in Appendix 'D'. Staff have undertaken an evaluation of each of the proposals based on the five Growth Plan tests, as well as the additional criteria developed by the Region. The staff recommendations for each of the requests are summarized in Table 4.

Table 4: Employment Land Conversion Requests in Markham			
Map No.	Landowner (Employment Area)	Employment Area Proposed for Conversion/Redesignation (ha)	Staff Recommendation
1.	Markham Woodmills (Cathedral)	1.9	Do not support
3.	Condor Properties (Cachet)	5.9	Do not support
4.	The Wemat Group (Commerce Valley/Leitchcroft)	17.1	Do not support
5.	Belfield Investments (Rodick Road)	3.3	Do not support
	Subtotal	28.2 (69.7 ac)	
6.	Wu's Landmark / First Elgin Mills Developments (ROPA3)	29.0	Defer to Secondary Plan for FUA Employment Block
7.	Meadow Park Investments (Mount Joy Business Park)	0.4	Defer to Markham Rd-Mount Joy Secondary Plan
8.	Norfinch Construction (Cornell)	0.75	Defer to Cornell Centre Secondary Plan
9.	Cornell Rouge Development, Varlese Brothers et al (Cornell)	17.9	Defer to Cornell Centre Secondary Plan
	Subtotal	48.05 (118.7 ac)	
2.	1628740 Ontario Inc. (Cathedral)	1.0	Support only if access to Elgin Mills Rd remains restricted
10.	Primont Homes and Cornell Rouge Development (Cornell)	1.0	Support (as per Council 2013 decision)
	Subtotal	2.0 (4.9 ac)	
	Total	78.25 (193 ac)	

Staff have met with almost all of the applicants or their representatives either individually or in meetings initiated by Regional staff, and all of the applicants have been made aware of the opportunity to address Committee at the time this report is considered.

Staff's comments on the requests are provided below, first generically with respect to the five Growth Plan tests, and second as evaluated individually against any additional York Region criteria related to site attributes. Markham staff's assessment is based on supporting documentation submitted to the Region (which varied greatly in level of detail) and well as discussions at meetings.

Analysis of five Growth Plan 2019 tests for all requests:

The tests for conversion in the Growth Plan policy 2.2.5.9 are as follows:

The conversion of lands within employment areas to non-employment uses may be permitted only through a municipal comprehensive review where it is demonstrated that:

a) There is a need for the conversion;

Staff maintain that there is no need for conversion of employment lands in Markham on the basis of providing for additional residential or retail/service lands, including affordable housing; there is sufficient land supply in Markham to meet the City's population and intensification forecasts to 2041 without converting employment lands; similarly there is sufficient land in mixed use designations to provide for retail and other non-residential uses without converting employment lands.

However, Markham staff maintain that employment area lands are needed over the long term (beyond 2041) to maintain an adequately diverse supply of lands to ensure Markham's economic continuing competitiveness.

b) The lands are not required over the horizon of this Plan [2041] for the employment purposes for which they are designated; and c) the municipality will maintain sufficient employment lands to accommodate forecasted employment growth to the horizon of this Plan;

As the Region has not yet provided their employment forecast for Markham to 2041, staff cannot assess the conversion requests against these tests. However, staff maintain that the reference to the planning horizon (2041) in this criteria is short-sighted and also inconsistent with other policies in the Growth Plan 2019 which provide for the planning of employment beyond 2041. Staff maintain there will always be a need for employment lands for all types of employment, not just small scale office and retail, and particularly lands for employment uses which require large parcels with access to goods movement corridors, as the Growth Plan directs.

d) The proposed uses would not adversely affect the overall viability of the employment area or the achievement of the minimum intensification and density targets of this Plan, as well as the other policies of this Plan;

As for tests b) and c), staff are not able to assess the conversion requests against achieving the minimum intensification and density targets of the Growth Plan as the Region will be undertaking this analysis as part of their employment land needs assessment.

However, the first part of the criteria regarding the adverse effect of conversions on the overall viability of the employment area is the key concern in most of the conversion requests, as outlined in the discussion below. In some cases, support for the conversion request would result in the remaining employment lands no longer providing the critical mass needed to ensure the success of an employment area, or limit the types of businesses that could locate within them; and in other cases, the proposed uses introduce sensitive uses that could limit the types of employment uses that would be attracted to adjacent employment lands. Critical mass is important to those industries that like to locate close to other businesses where there are synergetic relationships, or to those businesses that like to locate close to where there

is nearby land available for expansion. The loss of employment lands and introduction of sensitive uses represents a loss of future economic opportunities, and a loss of growth options for existing industries.

- e) *There are existing or planned infrastructure and public service facilities to accommodate the proposed uses.*

Infrastructure capacity is generally not an issue with these requests, although availability or access to public service facilities is an issue with some.

Based on the above, the analysis for each of the conversion requests below is based primarily on the adverse effect the conversion requests would have on the viability of adjacent employment areas. Adverse impact on viability of neighbouring employment lands is critical as it could lead to pressures for subsequent conversion requests (i.e., a domino effect) on remaining employment lands.

Other considerations in the staff assessment that were common to a number of the requests include:

- Staff did not undertake a detailed analysis of number of jobs proposed to be lost, maintained or gained in each request, as it is the type of jobs and businesses, rather than the total number of jobs and businesses that is more important in providing a range of job opportunities for residents and maintaining diversity in the City's assessment base; the Region's reports demonstrate the need to continue to plan for a variety of employment sites;
- There is likely not enough demand for the amount of small scale office development being proposed, and there are many other more appropriate locations for these uses elsewhere in the City;
- There is a need and an appropriate place for both mixed use employment environments (e.g., Markham Centre and Langstaff Gateway) and protected employment areas (Hwy 404/Hwy 7); staff do not agree that there needs to be a full mix of uses in employment areas – rather a mix of uses can be provided at the periphery, but within walking distance of, employment areas;
- With respect to fiscal impact, the development of lands for employment area uses also has a positive impact on the City's overall finances and residential tax rate - property taxes collected on employment lands ease the pressure on the residential tax base to pay for City services;
- It should be noted that provision of affordable housing should not in and of itself be considered an appropriate criteria for employment conversion. However, where it is determined that conversion can be supported, affordable housing could be identified as priority for alternate use, but only in locations where it is appropriate from a community planning perspective (i.e., in proximity to transit, retail and community services).

Staff Recommendations for Employment Conversion Requests

1. Markham Woodmills Development Inc – Hwy 404 Elgin Mills (Cathedral)

Applicant request and justification: Propose conversion of a portion of their site (1.9 ha of the total 3.2 ha parcel) for mid-rise (4-6 storey) residential (seniors housing) and small-scale office uses. The applicant justification for this conversion request is based on providing for mixed use employment areas and complete communities. A planning rationale was submitted in support of the request.

Staff recommendation and comments: Staff do not support this request for the following reasons:

- these lands are immediately adjacent to Hwy 404 and have been identified as provincially significant (in draft PSEZ mapping) and regionally significant (in YROP)
- although access to the lands has been constrained by development of a new residential subdivision to the east (Holborn subdivision) which was previously employment lands, approval of residential uses adjacent to Hwy 404 sets a precedent for loss of the remaining employment lands on the property, as well as the separate parcel to the north, and is contrary to the policies in the Growth Plan and PPS for protecting employment lands along major goods movement corridors.
- although the applicant proposes to provide for office uses between the proposed residential and Hwy 404, the types of small scale offices and seniors housing being proposed are more conducive to mixed use areas well-served by transit elsewhere in the City, rather than along the Hwy 404 corridor.
- recognizing the limited access to these lands (through a collector road from Woodbine Avenue), rather than introducing residential uses to these areas, staff recommend considering more flexibility in uses that would be appropriate in these employment areas given the site constraints (e.g., long term stay hotel). These may be uses that are not considered appropriate for employment areas throughout the City, but may be appropriate in limited, specific locations such as this where more traditional employment uses may not be feasible because of site, access or other constraints.

2. 1628740 Ontario Ltd (Tucciarone) – 2718 and 2730 Elgin Mills Road (Cathedral)

Applicant request and justification: To allow low-rise residential development as a continuation of the recently approved Holborn residential subdivision to the north. The applicant's justification for conversion to residential is that the lands (total of 1.0 ha) only have access from a new local residential street in the new subdivision, as agreed with York Region through the approval of the subdivision.

Staff recommendation and comment: Given the access constraints, staff recommend support of the request to convert the employment areas lands, subject to York Region confirming that no access to the employment area lands immediately to the west of the subject lands (i.e., Markham Woodmills lands) is possible from Elgin Mills Road through the subject lands. As the subject lands are identified as provincially and regionally significant, having very good visibility from Hwy 404, if the Region is agreeable to providing access from Elgin Mills Road, staff would not support conversion of these

lands, but would instead recommend that the lands be developed with the Markham Woodmills lands for employment area purposes.

3. Condor Properties Ltd, 2920 16th Avenue (Cachet)

Applicant request and justification: That 5.9 ha (part of former Buttonville Golf and Country Club lands) be converted to a Mixed Use designation to accommodate a variety of commercial and residential uses on the site. Justification is based on arguments regarding the changing nature of employment, and limited access to the employment lands from 16th Avenue. Supporting documents include a justification brief based on Regional and Growth Plan conversion criteria.

Staff recommendation and comments: Staff do not support this request for the following reasons:

- the lands have good visibility from Hwy 404 and are identified as provincially significant (within draft PSEZ mapping)
- although staff acknowledge that access from 16th Avenue is restricted, staff maintain that the lands can be developed with employment area uses with access from Markland Avenue in a manner similar to existing businesses on the west side of Markland Avenue, and in a manner that still allows for the development of the adjacent parcel to the east.
- although the site is smaller than the 10 ha+ definition of large sites in the Region's conversion criteria, staff still consider it to be a site of sufficient size to be attractive for employment uses.
- Allowing conversion of this parcel to residential and mixed uses will affect the viability of the remaining employment parcels northward along Markland Street by, among other things, increasing land values.

4. Wemat Group, Hwy 7/Hwy 404 (Commerce Valley/Leitchcroft)

Applicant request and justification: To allow for a partial conversion of the 17 ha lands including high-rise residential, hotel and convention centre, major office and mixed use. The applicant justification is partly based on the site's location at the intersection of two transit corridors being an ideal site for intensification. A planning rationale, fiscal and economic impact analysis, transportation memorandum, preliminary servicing concept and land use compatibility report were submitted in support of the request.

Staff recommendation and comments: Staff do not support the request for the following reasons:

- the lands have excellent visibility and access from Hwy 404, Hwy 407 and Highway 7 and are identified as provincially significant (within draft PSEZ mapping)
- the lands are a vital component of the Commerce Valley Business Park and should be reserved for employment uses; allowing residential uses on even a portion of the lands would adversely affect the viability of the surrounding Commerce Valley employment lands by, among other things, increasing land values.

- the lands are considered a large-sized employment site according to the Region's conversion criteria and should be protected over the long term to support a diverse range, size and mix of employment uses.
- Markham Council, in considering a similar conversion request in 2013, approved additional uses on the lands (OPA 15), but specifically did not approve the consideration of residential uses on these lands.

5. Belfield Investments Ltd, Hwy 407/Woodbine Ave (Rodick Road)

Applicant request and justification: To add residential use permissions to the 3.3 ha lands while maintaining current employment use permissions, in order to achieve redevelopment of the property into a high density mixed use site appropriate to a major transit station area. The applicant justification for this conversion request is based on proximity to a future Hwy 407 transitway station at Woodbine Avenue. No supporting documents were submitted.

Staff recommendation and comments: Staff do not support this request for the following reasons:

- although not identified as provincially significant in the draft PSEZ mapping, the lands lie within the Hwy 404/Woodbine corridor which makes up a large portion of the PSEZ mapping and Council has asked the Province to include the lands in the mapping.
- the lands are completely surrounded by employment uses and the introduction of non-employment uses would destabilize the surrounding Rodick Road employment area south of Hwy 407, by among other things, increasing land values and introducing sensitive uses.
- with respect to the applicant's submission that a mix of uses are appropriate given the proximity to a future transit station, it is staff's opinion that consideration of an intensified mixed use area in this location should be done within a much larger area context, which is premature at this time.

6. Wu's Landmark/First Elgin Developments Ltd, 10900 Warden Ave and 3450 Elgin Mills Rd (ROPA3 - FUA Employment Block)

Applicant request and justification: To redesignate the 29.0 ha Future Employment Area lands to a Mixed Use designation to allow for a mix of medium and high density residential uses, at-grade retail, office and recreational uses. The applicant justification for the conversion is that the request is not technically a conversion as the Future Employment Area designation is not yet in force. However, a planning opinion report was submitted in support of the request, which addressed the Growth Plan and Region's employment conversion criteria.

Staff recommendation and comments: Staff recommend deferring consideration of this conversion request to the Secondary Plan for the FUA Employment Block for the following reasons:

- this recommendation is consistent with Council's recommendation for the outstanding Romandale Farms Ltd application for conversion in 2013 (File No OP-1311427) for the majority of the lands in this request. At the time Council

directed that the Romandale application be deferred to the secondary plan process for the Employment Block. The secondary plan for the Future Employment Block is expected to be initiated in 2021.

- these, and other lands within the FUA Employment Block, were added within the urban boundary specifically for employment area (industrial) purposes as part of the 2031 MCR, and represent the last opportunity in Markham for additional employment lands within reasonable distance from 400 series highway (Hwy 404).
- the lands are considered a large-sized employment site according to the Region's conversion criteria and should be protected over the long term to support a diverse range, size and mix of employment uses.

7. Meadow Park Investments Inc – 77 Anderson Ave (Markham Road – Mount Joy Corridor)

Applicant request and justification: To redesignate the 0.4 ha lands from an employment designation to a Mixed Use – High Rise designation. The applicant justification for the conversion is that the current employment designation represents an under-utilization of the site, give its location across the street from the Mount Joy GO station and the identification of the area as a 'Potential Secondary Hub' in the Official Plan.

Staff recommendation and comments: Staff recommend deferring consideration of this conversion request to the impending Markham Road – Mount Joy Secondary Plan Study for the following reasons:

- the Secondary Plan Study will be confirming whether an employment area designation for the lands within the Mount Joy Business Park (including the lands at 77 Anderson Ave) is still appropriate, given proximity to the Mount Joy GO station and staff's recent work on identifying draft major transit station areas (MTSAs) around higher order transit stations.

8. Norfinch Construction (Toronto) Ltd (Cornell)

Applicant request and justification: to redesignate the 0.75 ha lands from employment to Mixed Use Mid Rise in the same way as other lands are designated along Hwy 7 in Cornell Centre. No justification was provided.

Staff recommendation and comments: Staff recommend deferring consideration of this conversion request to the Cornell Centre Secondary Plan process currently underway for the following reasons:

- the lands are identified as strategic employment lands in the YROP, reflecting their close proximity to the Hwy 407/Donald Cousens Parkway interchange; and the conversion of these employment lands could adversely affect the long term viability of all of the remaining employment lands south and north of Hwy 7 by, among other things, increasing land values and introducing sensitive land uses.
- however, staff acknowledge that the current employment uses and designations for the lands fronting Hwy 7 may not be consistent with the emerging vision for the Cornell Rouge National Urban Park Gateway in this area, and more intensive

uses that provide animation to the street and contribute to the development of the Gateway should be considered. The identification of specific appropriate uses should be undertaken, in consultation with landowners along Hwy 7, as part of the final stages of the Cornell Centre Secondary Plan.

9. Cornell Rouge Development Corporation, Varlese Brothers Ltd, 2432194 Ontario Inc and 2536871 Ontario Inc (Cornell)

Applicant request and justification: To provide for the development of a mixed-use community with employment, commercial and medium and high density residential uses on the 17.9 ha lands. The applicant justification is that the proposed concept furthers the City's vision for the Rouge National Urban Park gateway and that the vision cannot be achieved through employment uses alone. A planning rationale with concept plan, and economic and fiscal analysis were submitted in support of the request.

Staff recommendation and comments: Staff recommend deferring consideration of this conversion request to the Cornell Centre Secondary Plan currently underway for the following reasons:

- the lands are identified as strategic employment lands in the YROP, reflecting their close proximity to the Hwy 407/Donald Cousens Parkway interchange; and the conversion of these employment lands could adversely affect the long term viability of all of the remaining employment lands south and north of Hwy 7 by, among other things, increasing land values and introducing sensitive land uses.
- if the conversion of this large landholding leads to the conversion of the remaining employment lands in Cornell, only the Armadale and Bullock Drive employment areas would remain east of Markham Centre.
- however, staff acknowledge that the current employment uses and designations for the lands fronting Hwy 7 may not be consistent with the emerging vision for the Cornell Rouge National Urban Park Gateway in this area, and more intensive uses that provide animation to the street and contribute to the development of the Gateway should be considered. The identification of specific appropriate uses should be undertaken, in consultation with landowners along Hwy 7, as part of the final stages of the Cornell Centre Secondary Plan.

10. Primont Homes and Cornell Rouge Development Corp, Hwy 7 (Cornell)

The Primont Homes request for conversion was supported by Markham Council during the City's 2031 MCR leading up to the 2014 Official Plan, and Markham Council subsequently adopted Official Plan Amendment 252 (OPA 252) for a mix of uses, including residential, office and retail on these lands. OPA 252 is awaiting Regional approval, and therefore the lands are still shown with an employment designation in the Official Plan. Based on the adoption of OPA 252, staff have no objection to the Primont Homes request for conversion.

6.0 Provincial consultation continues on Provincially Significant Employment Zones

As part of the review of Growth Plan in 2019, draft mapping of provincially significant employment zones (PSEZs) was developed by the Province. In Markham, only lands

identified within the Highway 404/Woodbine Avenue corridor were identified as provincially significant (shown in Appendix 'D').

The Province's consultation on the PSEZs is still underway. Markham Council has provided comments on the draft PSEZ mapping, and staff will continue to engage with the Province and the Region with respect to Council's comments and the longer term intent and use of the PSEZ mapping and how it will be reflected in the YROP.

7.0 RECOMMENDATIONS AND NEXT STEPS

It is recommended that this report be forwarded to York Region as the City of Markham's comments on the Region's employment strategy work to date, including recommendations on requests for employment land conversion. The recommendations in this report should be considered as input into the 2041 land budget and proposed amendments to the Regional Official Plan arising from the MCR.

Staff will report back to Committee once the 2041 land budget, or any other consultation documents are released. Staff will also be reporting to Committee with comments on the Region's draft MTSAs. In the meantime, staff will continue to work with the Province on finalizing PSEZ mapping as it relates to Markham employment lands.

Following Regional Council approval of the MCR and updated Regional Official Plan, Markham Staff will initiate an amendment(s) to the Markham Official Plan to bring it into conformity with the updated Regional Official Plan.

FINANCIAL CONSIDERATIONS:

Not applicable.

HUMAN RESOURCES CONSIDERATIONS:

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This report relates to the Safe and Sustainable Community priority of Building Markham's Future Together.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Economic Development and Legal Departments have been consulted regarding the recommendations of this report.

RECOMMENDED BY:

Biju Karumanchery
Director, Planning and Urban Design

Arvin Prasad, Commissioner of
Development Services

ATTACHMENTS:

Appendix 'A': Map 3 – Land Use, Markham Official Plan 2014

Appendix 'B': York Region Profiles of Employment Areas in Markham

Appendix 'C': York Region Employment Conversion Criteria

Appendix 'D': Location Map and Description of Employment Conversion Requests in
Markham

Appendix 'E': Additional Lands Proposed to be Considered for a Non-Employment
Designation in Markham