
From: Van Dusen, Regina on behalf of Regional Clerk
Sent: Monday, June 29, 2020 12:28 PM
Subject: Regional Council Decision - Growth and Development Review 2019
Attachments: Growth and Development Review 2019.pdf

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On June 25, 2020 Regional Council made the following decision:

1. The Growth and Development Review 2019 be circulated by the Regional Clerk to the local municipalities for information.

The original staff report is attached for your information.

Please contact Paul Bottomley, Manager, Policy, Research and Forecasting at 1-877-464-9675 ext. 71530 if you have any questions with respect to this matter.

Regards,

Christopher Raynor | Regional Clerk, Office of the Regional Clerk, Corporate Services

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Our Mission: **Working together to serve our thriving communities – today and tomorrow**

The Regional Municipality of York

Committee of the Whole
Planning and Economic Development
June 11, 2020

Report of the Commissioner of Corporate Services and Chief Planner

Growth and Development Review 2019

1. Recommendations

The Growth and Development Review 2019 be circulated by the Regional Clerk to the local municipalities for information.

2. Summary

The Growth and Development Review 2019 provides Council with key development and population indicators in York Region and reports on the competitiveness of York Region's economy within the Greater Toronto and Hamilton Area (GTHA), the Province and Canada. Information in this report and attachment was prepared before the full impact of the COVID-19 pandemic.

Key Points:

- In 2019, York Region continued to demonstrate growth in population, employment, construction value and the housing market:
 - York Region's population grew by 11,100 or 1.0% and employment grew by 13,650 jobs or 2.1%
 - Total construction value for Industrial, Commercial and Institutional (ICI) building permits increased by 26% over 2018 values to \$1.25 billion
 - The Region's 2019 unemployment rate of 4.4% was the lowest on record and lowest in the GTHA
 - Residential building permits were issued for 4,669 dwelling units in 2019, representing a 41% decrease from 2018
 - Housing completions in York Region decreased in 2019 by 48.3% to 5,294 compared to 10,230 in 2018, however 9,613 units are currently under construction
- The COVID-19 virus led to a broad shutdown of economic activity in early 2020 that is virtually without precedence. The impact on York Region's economy in 2020 will likely be significant. The impact of COVID-19 on the statistics provided in this report are hard to predict, as it depends on how fast recovery will occur once the economy returns to a more normal state

- Sectors of the economy hardest hit in 2020 will be in retail, transportation services, food and accommodation services, recreation and cultural services which represent approximately 24% of all businesses in York Region. A fulsome economic impact of COVID-19 will be presented to Council at a later date

3. Background

Annual Growth and Development Review report provides a broad perspective on important economic indicators

Since 1995, York Region has published a Growth and Development Review report each year. The report highlights key economic indicators which illustrate general trends in the economy.

The 2019 report includes information on:

- Economic growth
- Population growth
- Residential market and building activity
- Industrial, Commercial and Institutional market and building activity, and
- Overall construction value

Data for this review is sourced from Statistics Canada, Canada Mortgage and Housing Corporation, Toronto Regional Real Estate Board (TRREB) and private firms which publish documents summarizing key trends within the GTHA and beyond. A thorough understanding of this information provides background for effective policy development, York Region Official Plan monitoring, Municipal Comprehensive Review (MCR) and economic strategy initiatives.

4. Analysis

COVID-19 has led to a broad shut down of economic activity

Globally, COVID-19 has led to a broad shutdown of economic activity that is virtually without precedence as businesses temporarily close down, workers stay home and travel bans have been put in place. The length of the downturn in economic growth depends on how quickly health authorities can manage the spread of COVID-19 and how long the shutdown of consumer and business activities continues.

Prior to COVID-19 impacting economic growth in early 2020, signs of a slowing economy were appearing between 2018 and 2019. The U.S. economy saw a decline from 2.9% in 2018 to 2.3% in 2019, while the Canadian economy decreased from 2.1% to 1.6% and Ontario decreased from 2.2% to 1.6%. According to the International Monetary Fund (IMF), the Global, U.S. and Canadian economies are forecast to decline significantly in 2020 due to

the COVID-19 pandemic by -3.0%, -5.9% and -6.2% respectively. Current forecasts estimate a recovery in 2021 with a fairly strong level of growth as highlighted in Table 1 below. Again, this depends on how quickly the spread of COVID-19 can be controlled and how fast the economy can rebound.

Table 1
Economic Growth (GDP)

	Ontario	Canada	U.S.	Global
	(% change of GDP)			
2018	2.2	2.1	2.9	3.7
2019	1.6	1.6	2.3	2.9
2020	-7.1	-6.2	-5.9	-3.0
2021	7.0	4.2	4.7	5.8

Source: World Economic Outlook (April 2020): International Monetary Fund and TD Provincial Outlook (April 2020)

Canada, Ontario and York Region recorded strong job growth in 2019

The Canadian economy created a record number of jobs in 2019, increasing by over 320,000 to approximately 19.1 million. The majority of new jobs were created in Ontario, where 235,000 jobs were created for a total of 7.5 million. York Region's economy also continued to create jobs, with total employment increasing steadily by approximately 3% annually over the past five years. As reported in the [York Region Employment and Industry](#) report to Council on February 6, 2020, from 2018 to 2019 there were approximately 13,800 jobs added for an estimated total of 654,650 jobs in York Region. These new jobs and the strong economy in 2019 resulted in the lowest unemployment rate on record for York Region at 4.4%, which is down from 4.8% in 2018.

Prior to the current economic downturn, York Region's employment activity rate continued to increase, exceeding the Regional Official Plan target. The activity rate is the ratio of total employment to total population which is different from the live work ratio that measures the percentage of York Region's labour force that both live and work in the Region, as reported in the York Region Official Plan Monitoring Report. York Region's activity rate has been increasing since 2010, and at the end of 2019 was 54.4%.

Canada, Ontario and York Region economies will be severely impacted by COVID-19 in 2020

The broad shutdown of global economic activity has dramatically impacted Canadian, Ontario and York Region economies. Canada lost over one million jobs in March alone, the largest monthly employment decline ever, with Ontario's share being a 403,000 job decline. Especially hard hit sectors of the economy include retail, transportation services, food and accommodation services, and recreation and cultural services. In York Region, these industries alone represent approximately 24% of all businesses and 125,000 jobs, based on

data from the 2019 York Region Employment Survey. Although a level of uncertainty remains, the economic impact is considered to be temporary, as consumer spending is expected to rebound in 2021 when the economy is anticipated to return to a more normal state.

There is significant uncertainty among economic forecasts given the unprecedented nature of this pandemic. All five major Canadian banks predict economic growth will resume in late 2020 following a historically steep downturn with Canada's Growth Domestic Product (GDP) to shrink between 10% and 28% in the first half of the current year, and an expectation most of these losses will be made up in the second half of the year. GDP forecasts for 2020 range from -1.0% to -6.2%.

TD Economics predicts the Ontario economy will decline by 7.1% in 2020 and that the economy and employment will slowly open up during the second half of 2020 as measures to stop the spread of COVID-19 are eased, with 2021 GDP growth rebounding to 6.0%. Ontario is expected to fare better than other parts of Canada, as large segments of the population (Toronto and Ottawa) work in the professional and business service sectors where ability to work remotely are more common.

TD Economics Ontario forecast calls for an increase in the unemployment rate in 2020 to 7.3%, from a level of 5.6% in 2019. York Region's unemployment rate for 2019 was a record low of 4.4% according to Statistics Canada labour force data. However, this rate could increase to a range of 5.7%-6.0% in 2020, assuming a similar rate increase as the TD Economics Ontario forecast.

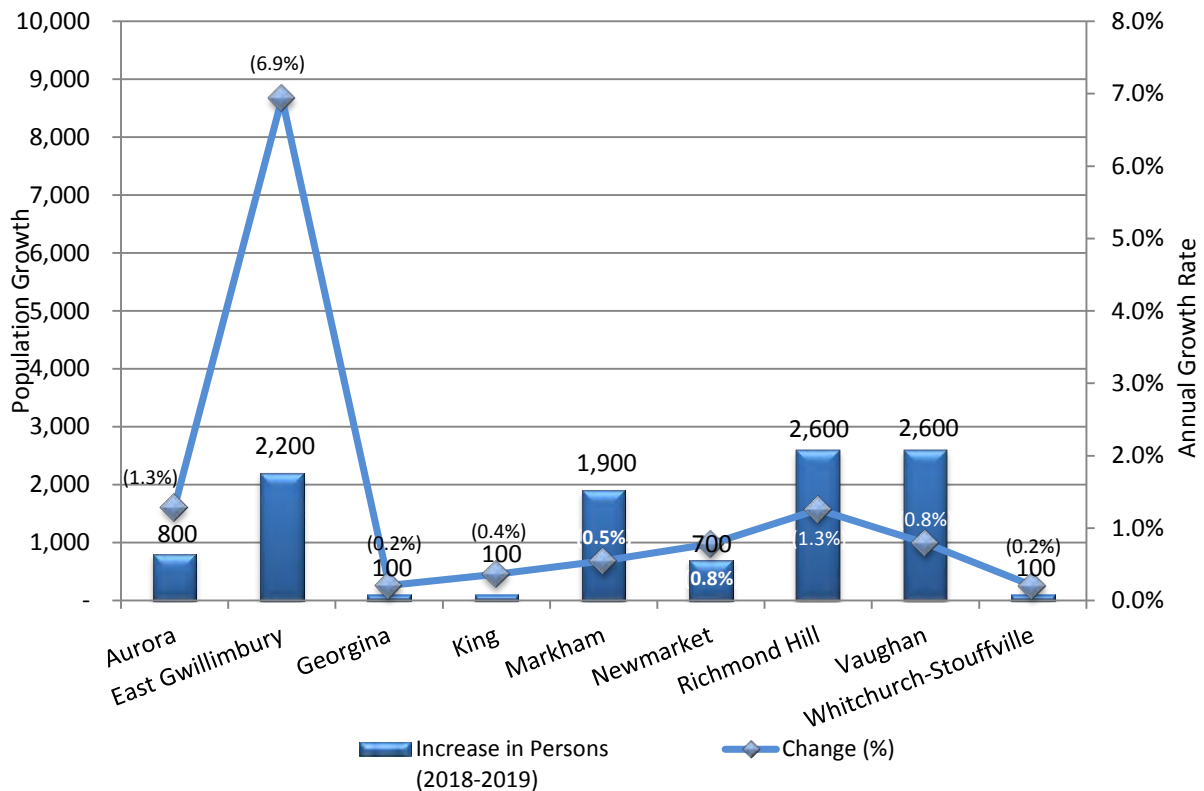
York Region's population grew by 11,100 in 2019, accounting for 8.5% of GTHA growth

It is estimated that York Region's population grew by 11,100 (1.0%) in 2019 to 1,202,500 people. This compares to a growth rate of 2.0% or 22,800 people in 2018.

The provincial Growth Plan includes a forecasted population target of 1,790,000 in 2041 (mid-year) for York Region. The Region was below forecast for 2019 by approximately 80,000 people. Annual growth of 26,900 is required to reach the 2041 Growth Plan forecast.

All municipalities within York Region experienced growth in 2019 with Vaughan and Richmond Hill recording the greatest increases in population of approximately 2,600 (Figure 1). East Gwillimbury experienced the highest rate of growth in York Region for 2019 at 6.9% or 2,200 people.

Figure 1
York Region 2019 Population Increase and Percentage
Rate of Growth by Local Municipality



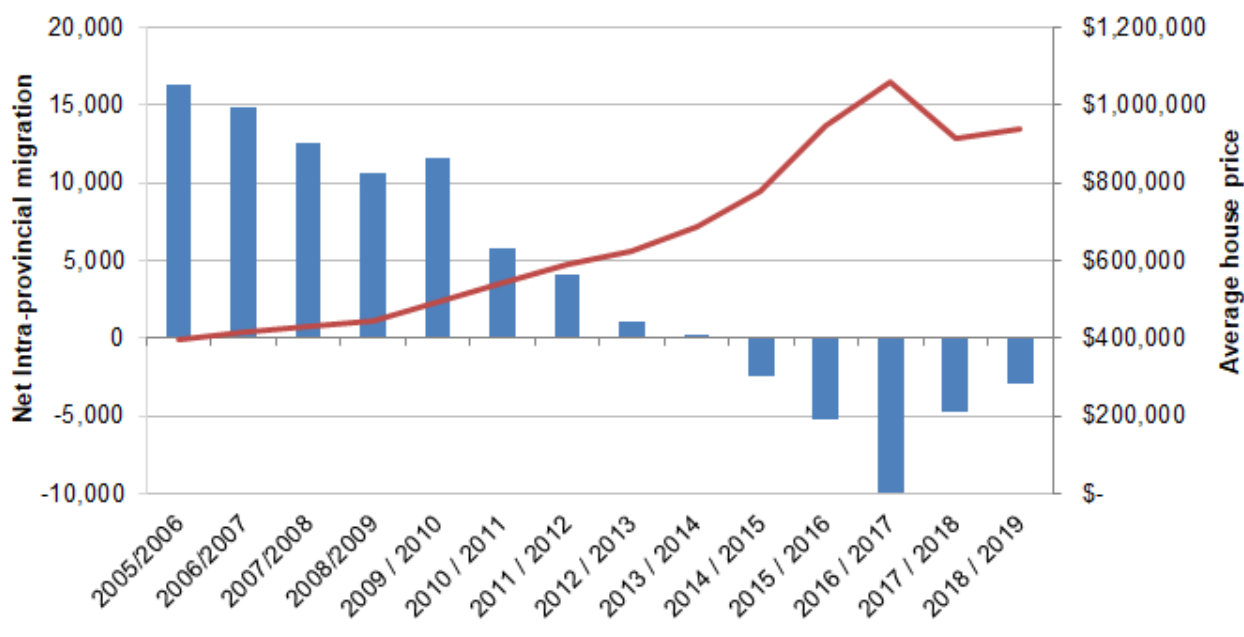
York Region's growth of 11,100 people represents an 8.5% share of GTHA growth in 2019, a significant decrease from its 2018 share of 15.8%. The share of population growth for all 905 areas increased over the previous year, with the exception of York Region, while the City of Toronto's strong population growth continued with a share of 34.8%.

Housing costs are a contributing factor to the lower annual population growth in York Region

York Region's annual population growth has been slowing during the past 5 years, to an average annual growth of 15,500 people. This compares to the previous 5 year period where average annual growth was higher at 18,500 (between 2009 and 2014). There are many factors contributing to the slower pace of growth including timing of delivery of infrastructure and planning exercises for large secondary plan areas, housing affordability, among others. Statistics Canada data on net intra-provincial migration flows, which measures the difference between the number of Ontario residents moving in and out of a municipality, illustrate York Region recorded a net loss of intra-provincial migrants over the last 5 years. Levels of net immigration, net inter-provincial migration and net non-permanent residents have remained relatively consistent over this time period. Further analysis shows a correlation between the net loss of intra-provincial migration in York Region and the increase in average cost of housing, as depicted in Figure 2. Additional information on York Region housing affordability

is contained in the 2019 Measuring and Monitoring Affordable Housing in York Region report also being considered at this Committee of the Whole meeting.

Figure 2
2005 to 2019 - Net Intra-provincial Migration and
Average Annual House Prices in York Region



Source: York Region Planning and Economic Development Branch and Statistics Canada

Average housing prices for all resale units in York Region increased in 2019 by 2.3%

The residential resale housing market continued to grow in York Region in 2019 with 14,324 resale units sold, an increase of 20% from 2018. In York Region, the average cost of a resale residential unit (all dwelling types) in 2019 was \$937,546, a 2.3% increase (Table 2), while a resale single detached unit decreased by 0.3% to \$1,120,297 compared to \$1,123,734 in 2018. Apartment condominiums recorded the strongest increase in average price at 7.4% year over year.

Average housing prices across the Greater Toronto Area (GTA) increased in 2019 by 3.8% to \$819,300. York Region's average resale housing price (all dwelling types) was 14.4% higher than the GTA average in 2019 at \$937,546.

Resale housing prices and sales for the first two months of 2020 had a healthy increase compared to the previous year, with the average price of \$991,066 and 2,030 sales recorded to February 2020, compared to an average of \$896,817 and 1,383 sales during the first two months of 2019. However, with recent events related to COVID-19, it is anticipated the housing market will show signs of weakness for the remainder of 2020. Recent TRREB data

for the first 17 days of April 2020 indicate housing sales in the GTA were down by 69% compared to the same time last year due to the COVID-19 virus.

Table 2
Total Number of Housing Resales and Average Housing Price in York Region, 2018 and 2019 (all dwelling types)

	Housing Resales			Average Housing Price		
	2018	2019	Change (%)	2018	2019	Change (%)
Aurora	865	962	11.2%	\$901,242	\$905,872	0.5%
East Gwillimbury	458	586	27.9%	\$806,250	\$799,426	-0.8%
Georgina	666	809	21.5%	\$562,010	\$568,143	1.1%
King	287	315	9.8%	\$1,415,899	\$1,380,466	-2.5%
Markham	3,045	3,658	20.1%	\$913,500	\$949,536	3.9%
Newmarket	1,129	1,355	20.0%	\$755,473	\$777,589	2.9%
Richmond Hill	2,006	2,614	30.3%	\$1,002,417	\$1,039,433	3.7%
Vaughan	2,916	3,324	14.0%	\$977,650	\$993,787	1.7%
Whitchurch-Stouffville	568	701	23.4%	\$909,664	\$923,762	1.5%
York Region Total	11,940	14,324	20.0%	\$916,449	\$937,546	2.3%

Source: Toronto Regional Real Estate Board, Market Watch, 2019

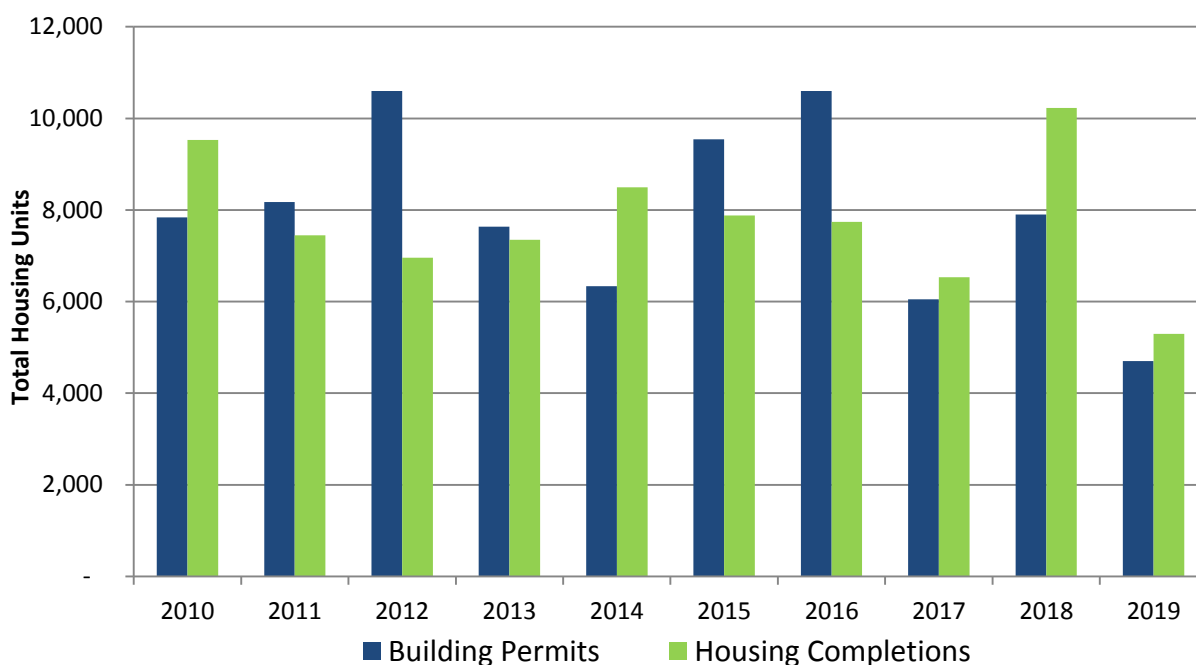
Lower residential building permits were recorded in 2019

Trends in new housing activity can be assessed by looking at building permit activity and housing completions. Building permits show construction underway (or soon to be underway), while housing completions provide a record of units recently occupied, or ready to be occupied.

Across the GTHA, total building permits issued decreased by 20.2% in 2019. The decrease in 2019 was represented across all the GTHA municipalities, but was most significant in Durham and York Region, where the annual growth rates decreased by 43.5% and 40.9% respectively. In York Region, residential building permits were issued for 4,669 dwelling units in 2019, representing a 41% decrease from the 2018 total of 7,902 units (Figure 3). During the first three months of 2020, a total of 820 building permits for new residential units have been issued in the Region.

Housing completions in the Region decreased in 2019 by 48.3% to 5,294 (Figure 3) from the 2018 number of 10,230. York Region continues to be the third largest contributor to GTHA development activity accounting for a 12% share of 2019 GTHA residential building permit activity.

Figure 3
York Region Residential Building Permits and Housing Completions
2010 - 2019



Source: Local Municipal Building Reports and Canada Mortgage and Housing Corporation

Residential development activity decreased in 2019, however the Region has a healthy housing supply

York Region Council recently approved three Secondary Plans located in the Cities of Markham and Vaughan. In Markham, Berczy Glen is planned for 13,200 people and 4,200 residential units, and Robinson Glen is planned for 14,000 residents and 4,800 units. In Vaughan, Block 27 is planned for an ultimate build out of 33,200 residents and 2,300 jobs. These recent approvals will result in plans of subdivision and site plan applications over the coming years.

York Region also received one new Block Plan for Block 34 East and two new Block Plan Terms of Reference for Block 55 West (Copper Creek) and Block 60 West in the City of Vaughan. The Region has a healthy residential housing supply. As of mid-year 2019, approximately 45,000 units are within registered unbuilt and draft approved plans of subdivision and an additional 57,000 units are proposed by development applications under review. In addition, further secondary plans are being prepared that will contribute to growth and development in 2020 and beyond.

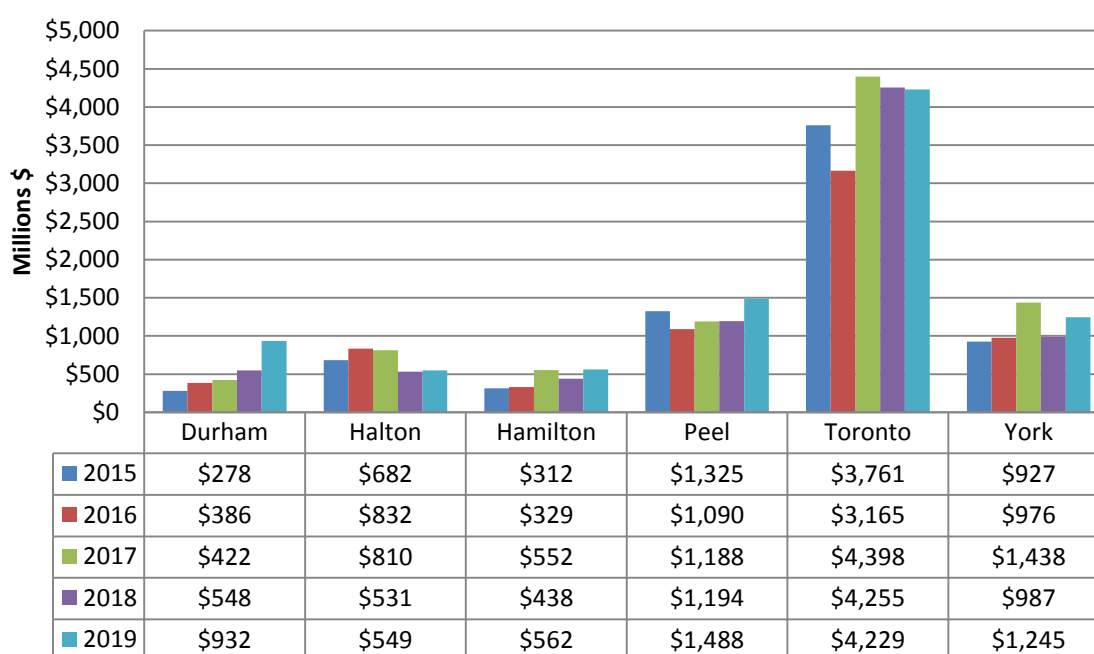
Industrial and commercial construction values increased by 47% over last year and total Industrial, Commercial and Institutional construction value is higher than the ten year average

The total Industrial, Commercial, Institutional (ICI) construction value for 2019 was \$1,245 million, 26.1% above the 2018 value (Figure 4). Both industrial and institutional construction values in York Region increased over 2018 figures. The 2019 annual ICI value is above the average ICI value of the last five years and higher than the ten year average ICI value (\$1,036.4M). Current increases in ICI values were observed across all GTHA municipalities. Within York Region, Vaughan's share of ICI construction accounted for over 53% of the total value in 2019.

Notable ICI projects for which building permits were issued in 2019 contributing to the strong overall ICI permit values include a \$61 million nursing home development in Aurora, two permits in Markham for warehouse/storage facilities and a \$30 million hotel in Markham.

Within the GTHA, York Region accounted for just over 12% of the total ICI construction values for 2019 (Figure 4). Overall, the GTHA recorded a 10.3% increase in the value of ICI construction from 2018. All municipalities across the GTHA excluding Toronto recorded increases in total ICI construction, with Durham Region experiencing the largest increase at 70%. Toronto ICI values decreased slightly from 2018 levels by approximately 1% from \$4.25B.

Figure 4
GTHA Industrial, Commercial and Institutional
Construction Values 2015 - 2019



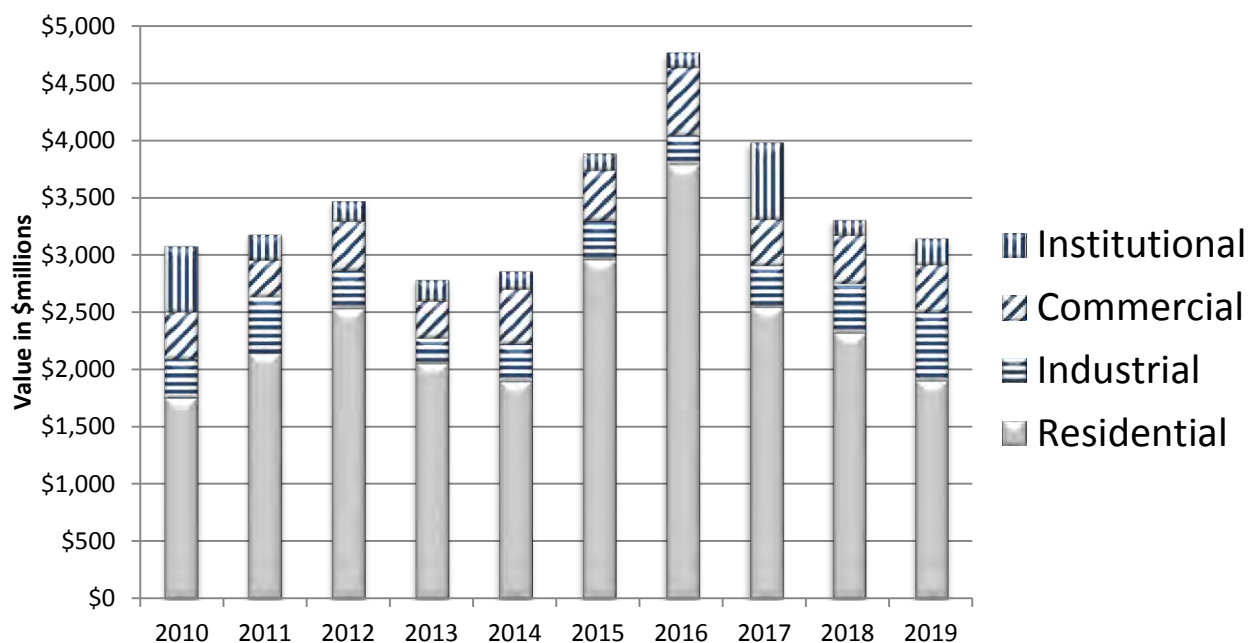
Source: Local Municipal Building Reports and Statistics Canada

As investment in new ICI development has occurred, so have employment opportunities within the Region. York Region recorded employment growth of 2.2% in 2019 compared to 2.5% provincially and 2.2% nationally. Over the past five years, York Region has grown at an average annual rate of 2.9%, outperforming growth rates in the national (1.3%), provincial (1.6%) and GTA (2.6%) economies.

2019 total estimated value of construction of \$3.15 billion is the seventh highest value on record for York Region

The total estimated value of construction in 2019 was approximately \$3.15 billion, compared to \$3.31 billion recorded in 2018, a decrease of 4.8%, but still the seventh highest value on record for York Region (Figure 5). Total construction value, including residential and non-residential values, is important as it is correlated with the new development component of tax assessment growth over subsequent years.

Figure 5
York Region Construction Value by Type 2010 - 2019



Source: Local Municipal Building Reports and Statistics Canada

York Region's economic activity and population growth continues to be a significant contributor to the provincial and national economies

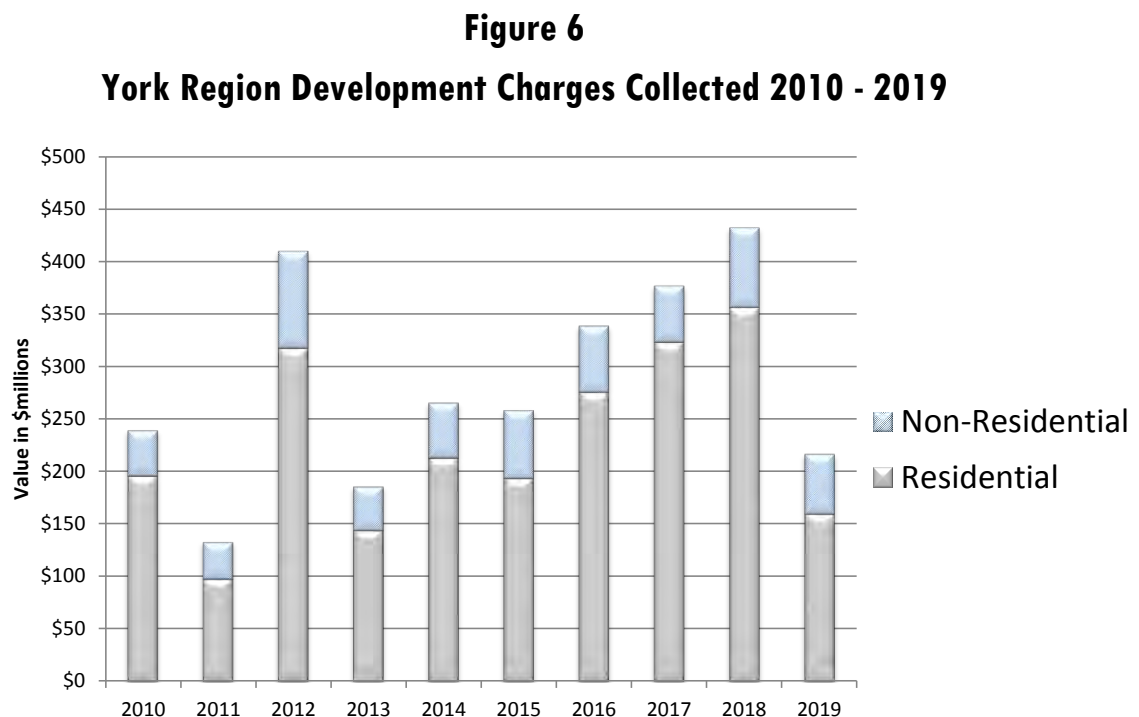
York Region ranked 7th in 2019 for total value of ICI construction across Canada. Within the GTHA, York Region ranked 3rd for the value of ICI construction behind Toronto and Peel, the same position as in 2018.

York Region continues to be one of Canada's faster growing municipalities for both population and employment. During 2019, employment in York Region grew by 2.2%. The population growth rate for the Region was lower at 1.0% compared to 1.7% for the entire Province. The Growth Plan forecasts indicate York Region is anticipated to accommodate the largest absolute amount of population and employment growth in all of Ontario between 2016 and 2041. As reported to Council in a memorandum in [February 2020](#), the Province is expected to release a revised Growth Plan Schedule 3 (population and employment forecasts) by summer 2020.

COVID-19 is having a dramatic impact on the global economy. The repercussions on York Region's economy in 2020 will be significant and staff will continue to monitor the resulting impacts and will be reporting back to Council later in the year.

5. Financial

Development Charges (DCs) are a major source of funding for the Region's Capital Plan. Regional DCs are collected when a building permit is issued and in many cases when a plan of subdivision is registered. The total Regional DCs for 2019 (\$216.7 million) was expectedly lower than the 2018 DC collections (\$431.9 million) due to the impact of the 2018 Development Charge Bylaw Amendment (Figure 6).



The COVID-19 pandemic will likely impact the Region's growth and development resulting in lower development charges collections in 2020 than forecasted in the 2020 budget. The economic indicators presented in this report will assist Council to effectively monitor, evaluate and respond to variations in the Region's economic landscape.

6. Local Impact

Regional economic indicators are important for evaluating economic trends across the Region. The Growth and Development Review 2019 report provides local municipal economic development and planning officials with a summary of York Region's economy. The information is used as a basis for informing decision making, devising strategies, and attracting new businesses to the Region.

7. Conclusion

In 2019, York Region continued to demonstrate growth in population, employment, construction value and the housing market. York Region continues to be a significant contributor to the provincial and national economies, ranking within the top ten municipalities related to:

- The Region's contribution to Canada's total population
- Number of residential building permits issued
- Value of new industrial, commercial and institutional construction
- Value of total construction (ICI and residential combined)

COVID-19 and social distancing provisions are having a dramatic impact on the global economy. The impact on York Region's economy in 2020 will be severe and it is anticipated that there will be a slow, phased approach to getting people back to work and normal routine, based on the advice of public health and safety professionals.

The Growth and Development Review 2019 report monitors and reports on key performance measures and highlights York Region as a destination to live, work and play.

The attached Growth and Development Review 2019 report will be posted on the Region's website for use by municipalities and agencies, local chambers of commerce and boards of trade and the public.

For more information on this report, please contact Paul Bottomley, Manager, Policy, Research and Forecasting at 1-877-464-9675 ext. 71530. Accessible formats or communication supports are available upon request.

Recommended by:

Paul Freeman, MCIP, RPP
Chief Planner

Dino Basso
Commissioner of Corporate Services

Approved for Submission:

Bruce Macgregor
Chief Administrative Officer

May 29, 2020
Attachment (1)
10782839

2019 **GROWTH** AND **DEVELOPMENT** REVIEW

JUNE 2020



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YORK REGION'S ECONOMY CONTINUES TO CREATE JOBS

2019 HIGHLIGHTS

EMPLOYMENT & ECONOMY

The broad shutdown of global economic activity has dramatically impacted the Canadian, Ontario and York Region economies.

Canada lost over one million jobs in March alone, the largest monthly employment decline ever, with Ontario's share a 403,000 job decline.

Especially hard hit sectors of the economy include transportation services, food and accommodation services, and recreation and cultural services. In York Region, these industries alone represent approximately 24% of all businesses and 125,000 jobs, based on data from the 2019 York Region Employment Survey.

Although a level of uncertainty remains, the economic impact is considered to be temporary, as consumer spending is expected to rebound in 2021 when the economy is anticipated to return to a more normal state.

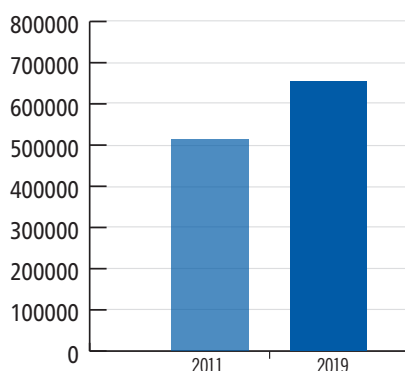
Prior to the coronavirus impacting economic growth in early 2020, signs of a slowing economy were appearing between 2018 and 2019.

The U.S. economy saw a decline from 2.9% in 2018 to 2.3% in 2019, while the Canadian economy decreased from 2.1% to 1.6% and Ontario decreased from 2.2% to 1.6%.

YORK REGION TOTAL EMPLOYMENT

513,800
Jobs in 2011

654,650
Jobs in 2019



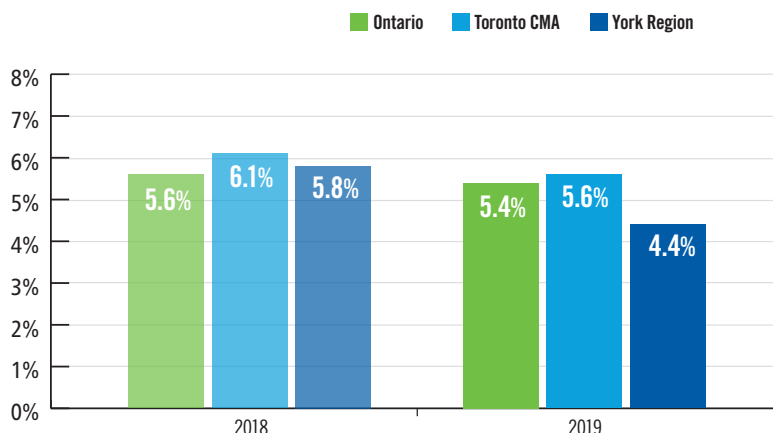
TOTAL EMPLOYMENT YORK REGION 2011 & 2019

From 2018 to 2019 there were 13,650 jobs added for a total of 654,650 jobs in the Region. In 2011, there were 513,800 jobs in the Region.

UNEMPLOYMENT RATES

ONTARIO, TORONTO CMA AND YORK REGION 2018 & 2019

York Region's unemployment rate was 4.4% at year-end 2019, better than the Toronto CMA and Ontario rates.



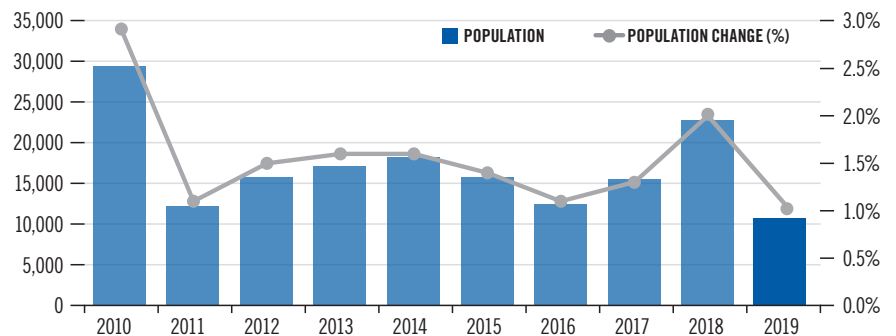
YORK REGION WAS THE SIXTH LARGEST MUNICIPALITY IN CANADA BY YEAR-END

2019 HIGHLIGHTS POPULATION GROWTH

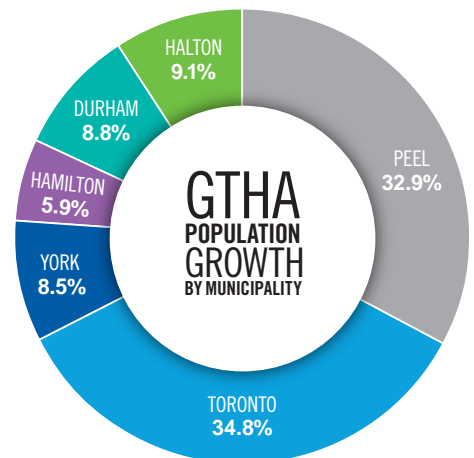
POPULATION GROWTH

YORK REGION ANNUAL - 2010 to 2019

The Region's population increased by approximately 11,100 persons in 2019 to a total population of 1,202,500.

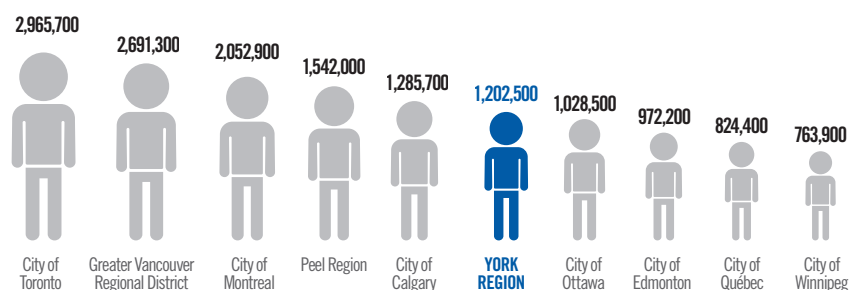


In 2019 York Region's share of the GTHA's population growth was 8.5%.



CANADA'S LARGEST MUNICIPALITIES

BY POPULATION AS OF YEAR-END 2019





2019 HIGHLIGHTS

DEVELOPMENT

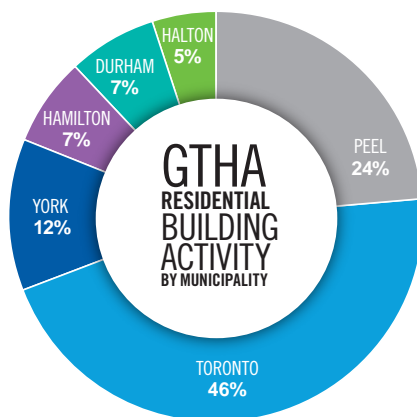
YORK REGION CONTINUES TO BE A STRONG CONTRIBUTOR TO GTHA DEVELOPMENT ACTIVITY



AVERAGE HOUSING PRICES
FOR ALL RESALE UNITS IN
YORK REGION ROSE 2.3% TO

\$937,546

York Region
accounted for
12% of GTHA
development
activity



A total of 4,669 new residential building permits were issued in York Region in 2019, representing a 41% decrease from the 2018 permit total of 7,902.

Across the GTHA, residential building permits totaled 40,541, a decrease of 20.2%.

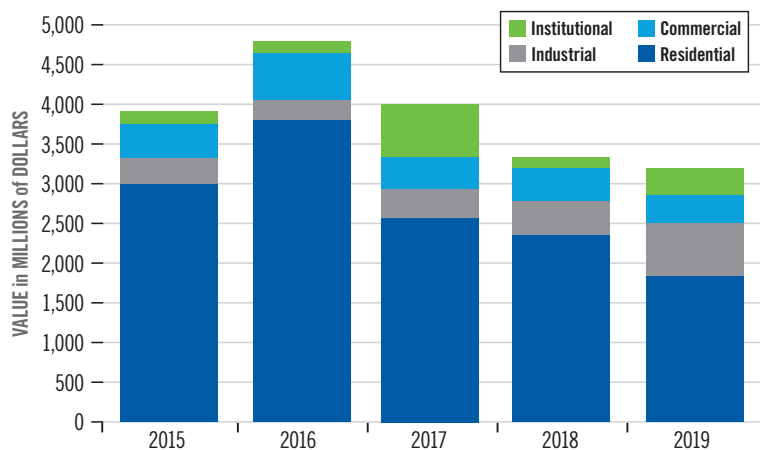
York Region's intensification share within the built up area has averaged 52% over the last 10 years, and was 75% in 2019.

Total industrial, commercial and institutional construction values increased by 26% in 2019, and is higher than the ten year average level of \$1.04B. Both industrial and institutional construction values increased over 2018 figures.

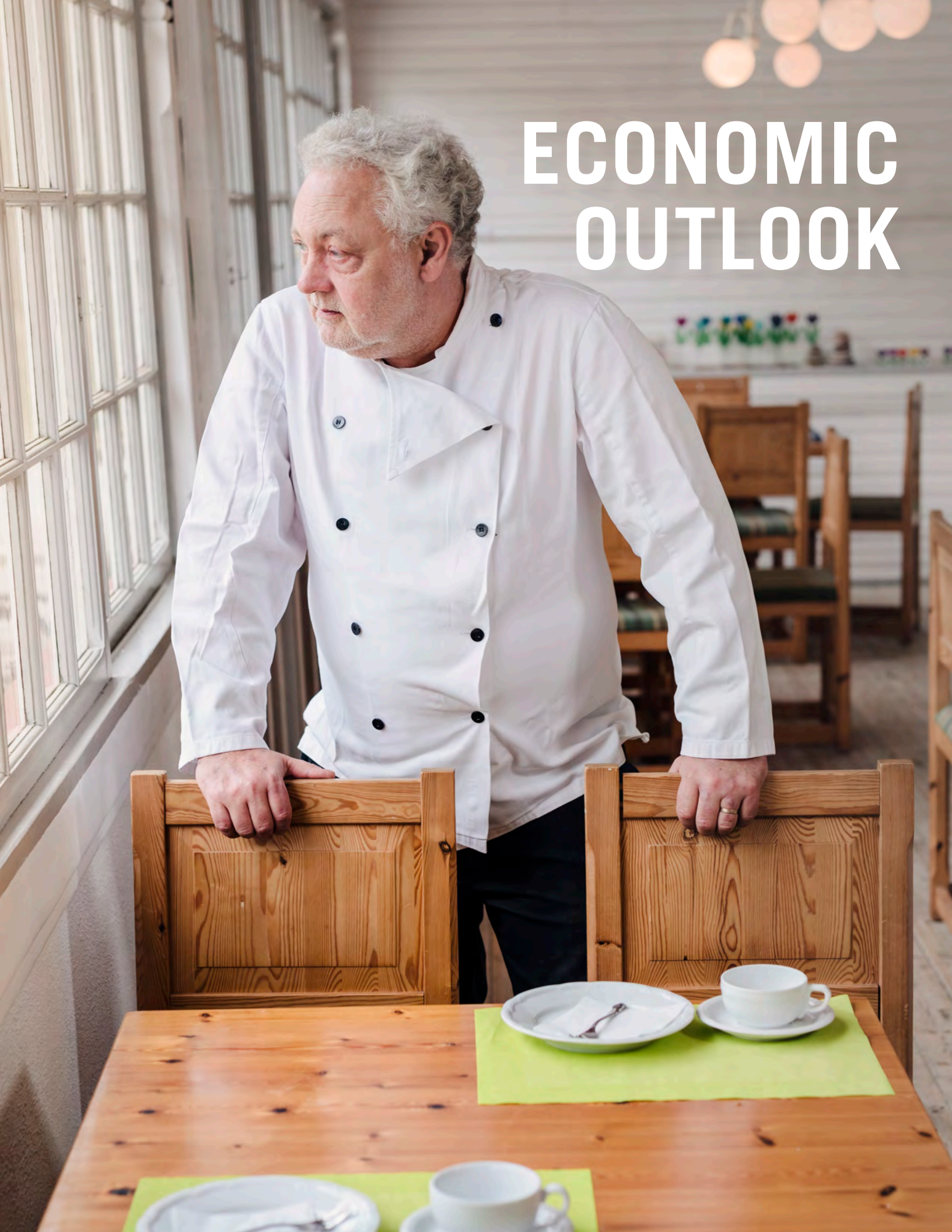
York Region continues to be a significant contributor to the provincial and national economies ranking 6th in 2019 for total construction value among Canadian municipalities, with a value of \$3.15 billion.

CONSTRUCTION VALUE

BY TYPE - 2015 to 2019



ECONOMIC OUTLOOK

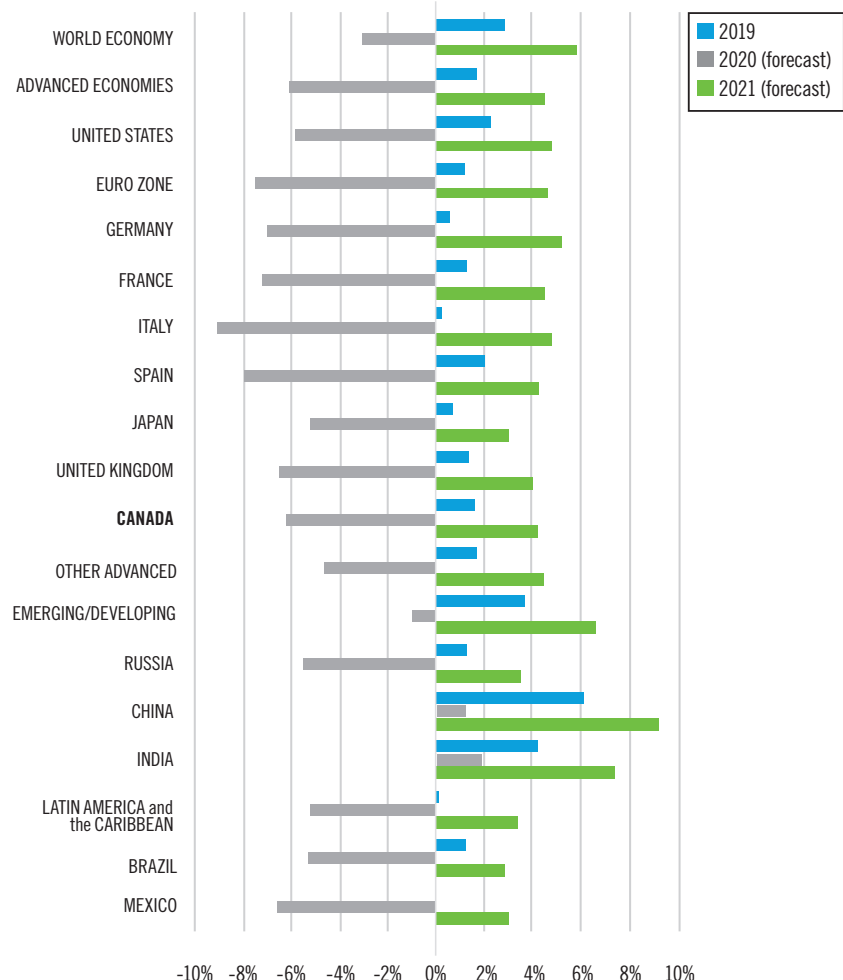


ECONOMIC OUTLOOK

GLOBAL ECONOMIC GROWTH WILL BE IMPACTED BY COVID-19 IN 2020

- COVID-19 has led to a broad shutdown of economic activity that is virtually without precedence as businesses close down, workers stay home and travel bans are put in place
- The length of the downturn in economic growth depends on how quickly health authorities can manage the spread of COVID-19 and how long the shutdown of consumer and business activities continues
- Prior to the coronavirus impacting growth, the International Monetary Fund (IMF) had called for global growth to increase in 2020 and 2021 over 2019 levels. Now almost every country across the globe will experience a recession in 2020
- Canada recorded GDP growth of 1.6% in 2019, lower than the 2.1% recorded in 2018, but will likely decline by 6.2% in 2020 according to the IMF. Ontario is forecasting to decline by 7.1% according to TD Economics.

FIGURE 1.1: ECONOMIC GROWTH (GDP)



Source: World Economic Outlook (April 2020): International Monetary Fund and TD Provincial Outlook (April 2020)

KEY EXTERNAL FACTORS INFLUENCING GROWTH OF THE CANADIAN, ONTARIO, AND YORK REGION ECONOMIES

- U.S. economy (largest market for York Region businesses that export)
- Oil prices
- Value of the Canadian dollar

The U.S. federal reserve lowered interest rates in 2019 to 1.75%. Rates are anticipated to be reduced to historic lows in 2020 to provide assistance for the economic recovery from the coronavirus.

The Bank of Canada lowered interest rates to 1.75% in 2019 and to 0.75% in March 2020, with even further reductions anticipated in 2020.

ECONOMIC OUTLOOK

THERE IS A STRONG TRADE RELATIONSHIP BETWEEN CANADA AND THE U.S.

Regional businesses directly benefit from increased trade activity.

A lower Canadian dollar promotes exports with the U.S. but impacts the import of U.S. goods and services.

The USMCA deal should increase export prospects for Ontario and York Region businesses.

HOME SALES REFLECT CONFIDENCE IN THE U.S. ECONOMY

And can increase demand for Canadian goods such as raw building materials and manufactured products.

- U.S. job numbers increased to 161.9 million, adding over 2 million jobs in 2019, while Canadian jobs increased by 320,000 during 2019 to 19.1 million (Figure 1.2)
- The negative impact of COVID-19 on jobs and the overall economy in both the U.S. and Canada started in early 2020, where Canada recorded approximately 3 million lost jobs up to April and the U.S. recorded 15 million lost jobs

FIGURE 1.2: U.S. JOB GROWTH TRENDS, 2010-2020

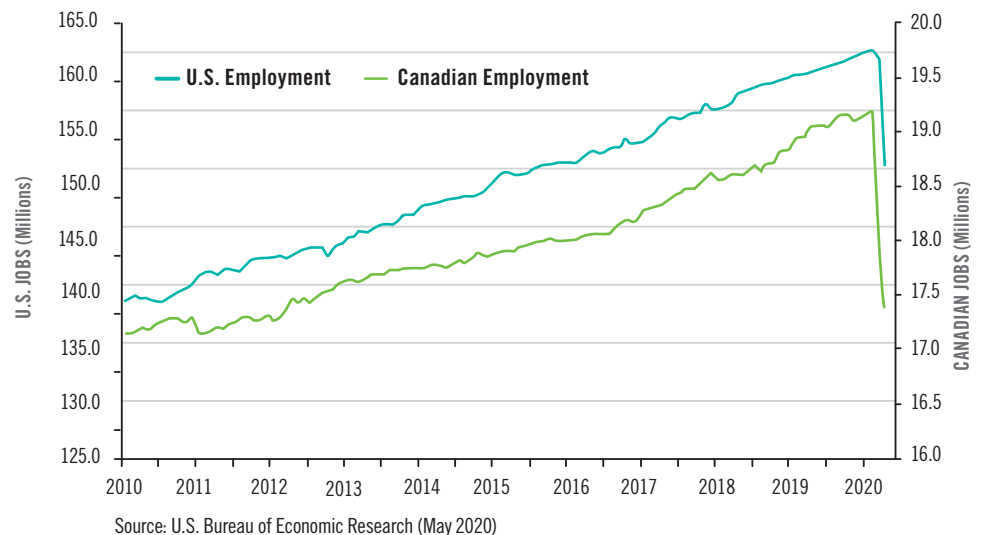
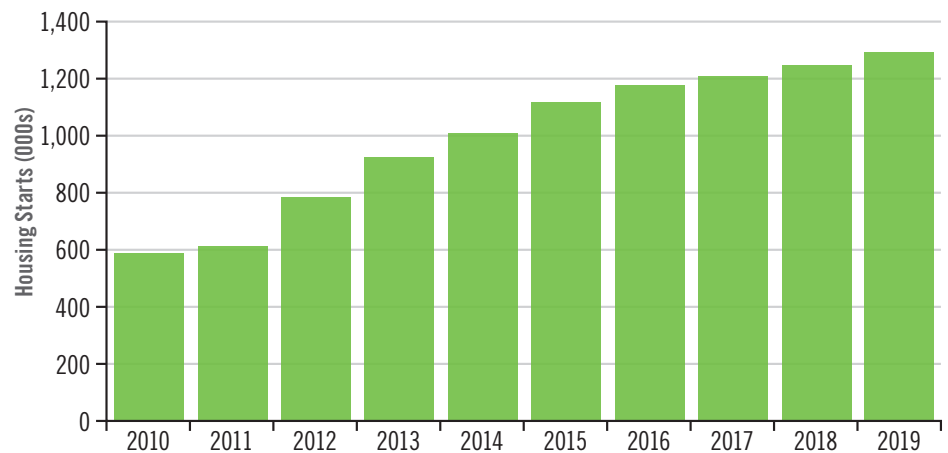


FIGURE 1.3: U.S. ANNUAL HOUSING STARTS, 2010-2019



- U.S. housing starts recorded a 3.3% increase over 2018, to a total of 1.24 million in 2019

ECONOMIC OUTLOOK

OIL PRICES REMAINED STEADY IN 2019, BUT HAVE DECLINED IN EARLY 2020, DOWN TO BELOW \$20 PER BARREL.

The price of oil at the end of 2019 was \$36.82 per barrel, compared to \$52.62 in 2017 and \$36.26 in December of 2016.

FIGURE 1.4: CRUDE OIL PRICES (U.S. DOLLARS PER BARREL) 2007-2020



Source: U.S. Department of Energy

ECONOMIC OUTLOOK

ONTARIO GDP GROWTH

Ontario's economy increased by 2.2% in 2019.

TOTAL ONTARIO EMPLOYMENT

In 2019, Statistics Canada recorded Ontario employment growth of 1.1% (78,000 jobs) compared to 1.1% in 2018, to reach a total of 7,300,500 jobs.

ACTIVITY RATE

The activity rate compares the ratio of total employment to total population. One of York Region's Official Plan (ROP) objectives is to create high quality employment opportunities for residents, with a goal of 1 job for every 2 residents.

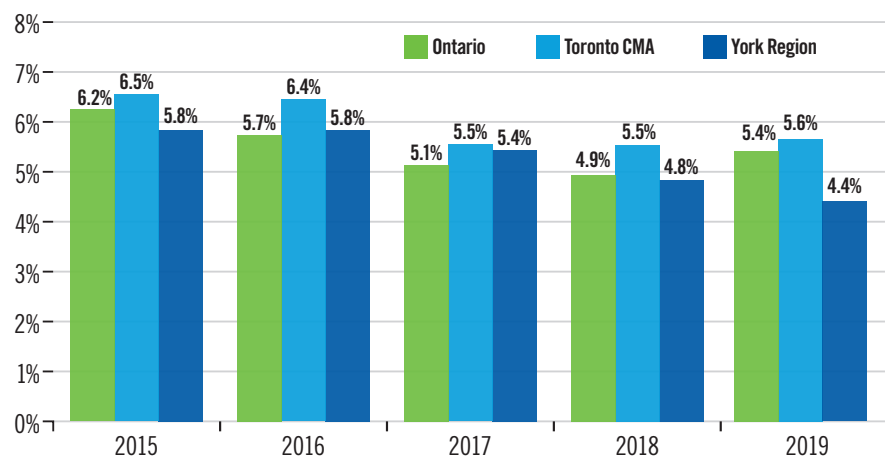
An activity rate of 50% is consistent with the ROP target.

York Region's activity rate has been increasing since 2010, as shown on Figure 1.5, and is currently 54.4%.

ECONOMIC ACTIVITY IN ONTARIO, THE TORONTO CMA AND YORK REGION

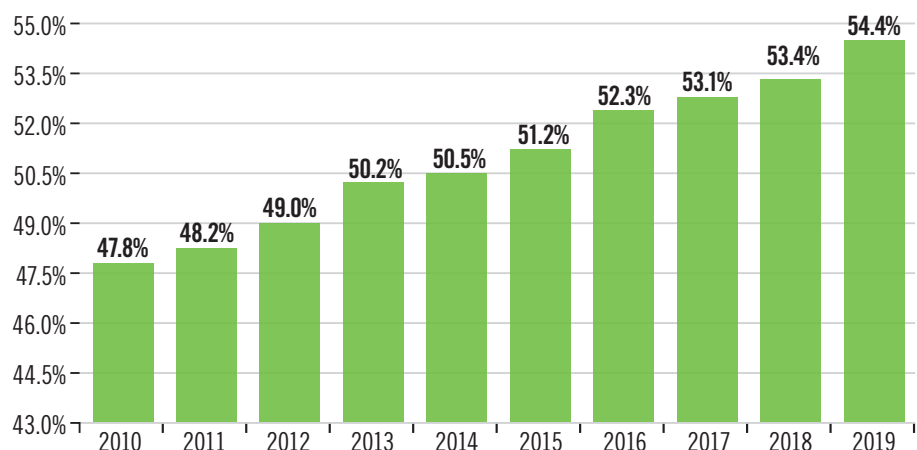
- The provincial unemployment rate decreased steadily from 6.4% in 2014 down to 4.6% in 2019
- The unemployment rate in the Toronto Census Metropolitan Area (CMA) also decreased from 7.3% in 2014 to 5.4% in 2019
- York Region's unemployment rate was 4.4% at year-end 2019, lower than both the Toronto CMA and Ontario rates
- Due to COVID-19, as of April 2020, the Toronto CMA unemployment rate increased to 7.9%, while Ontario and Canada's increased to 11.3% and 13% respectively

FIGURE 1.5: ONTARIO, TORONTO CMA AND YORK REGION UNEMPLOYMENT RATES, 2015-2019



Source: Statistics Canada Note: Based on unadjusted 3-month moving averages

FIGURE 1.6: YORK REGION ACTIVITY RATE



ECONOMIC OUTLOOK

YORK REGION AND LOCAL MUNICIPAL ACTIVITY RATES

Between 2011 and 2019, the majority of local municipalities within York Region recorded increasing activity rates.

FIGURE 1.7: LOCAL MUNICIPALITY ACTIVITY RATES, 2011 AND 2019

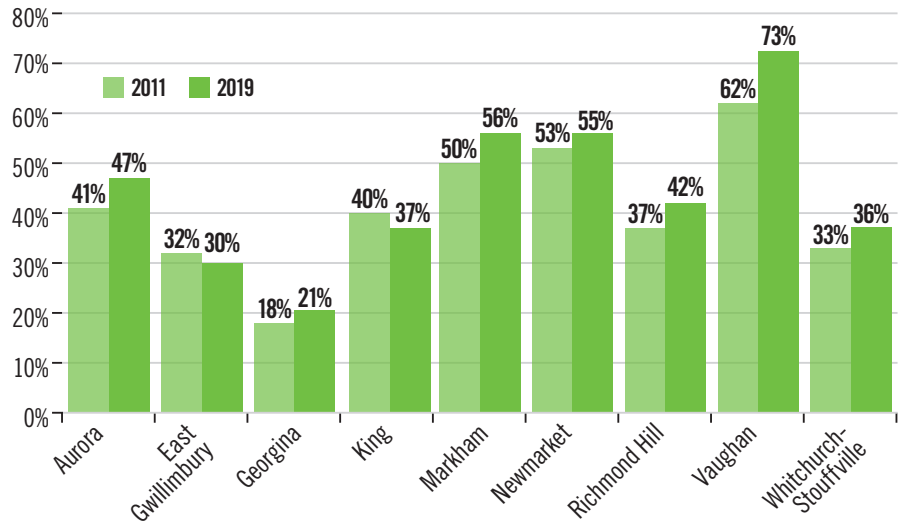
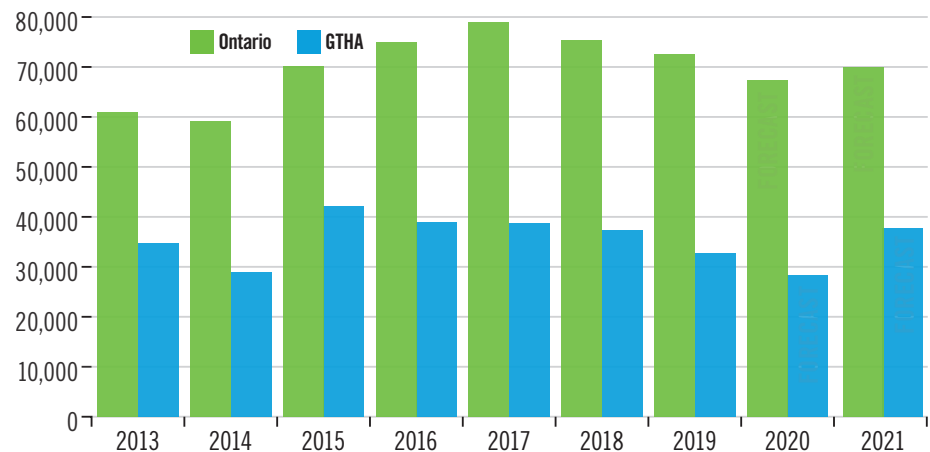


FIGURE 1.8: ONTARIO AND GTHA HOUSING STARTS, 2013-2021



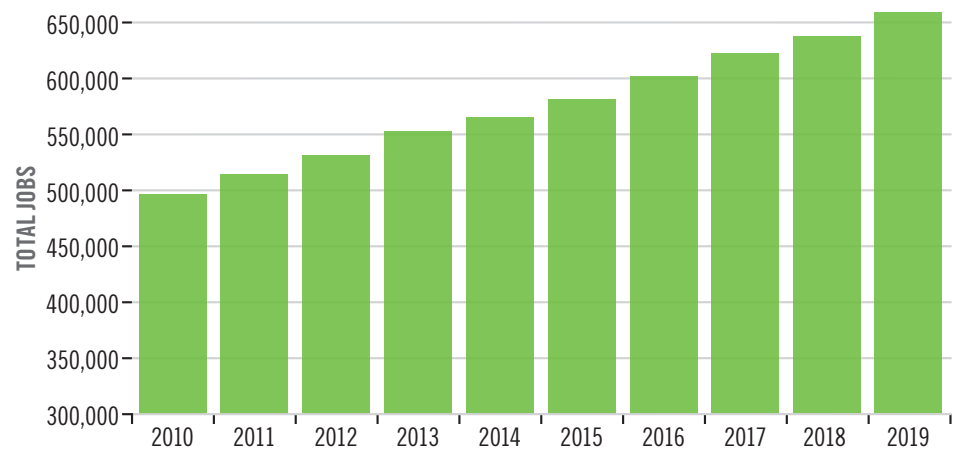
Source: Canada Mortgage and Housing Corporation

- According to the Canadian Mortgage and Housing Corporation, housing starts in the GTHA were down by 10% in the GTHA to 30,500
- Prior to the coronavirus outbreak, CMHC predicted that GTHA housing starts would trend upwards in 2020 and 2021

ECONOMIC OUTLOOK

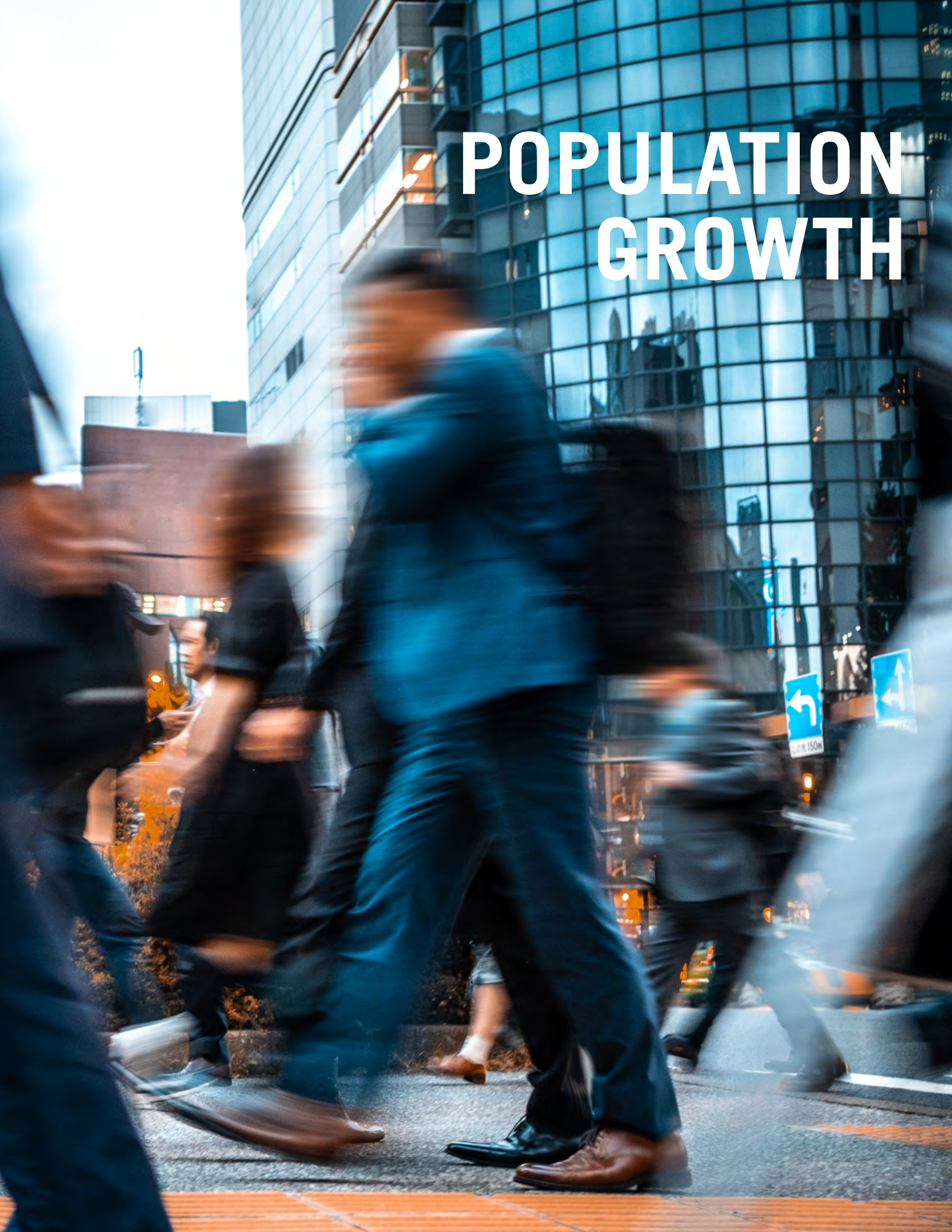
YORK REGION'S ECONOMY CONTINUES TO CREATE JOBS

FIGURE 1.9: YORK REGION TOTAL EMPLOYMENT, MID-YEAR 2010-2019



- From 2018 to 2019, there were approximately 13,800 jobs added for an estimated total of 654,650 jobs in York Region
- Total employment within York Region continues to steadily increase, averaging a 3% growth rate since 2001

POPULATION GROWTH



POPULATION GROWTH

YORK REGION'S POPULATION CONTINUES TO RISE WITH 1.0% GROWTH IN 2019

- The Region's population increased by approximately 11,100 persons in 2019 to a total population of 1,202,500. This compares to 22,800 in 2018.
- The 2019 annual growth rate decreased from 2.0% in 2018 to almost 1.0% in 2019 (Figure 2.1)

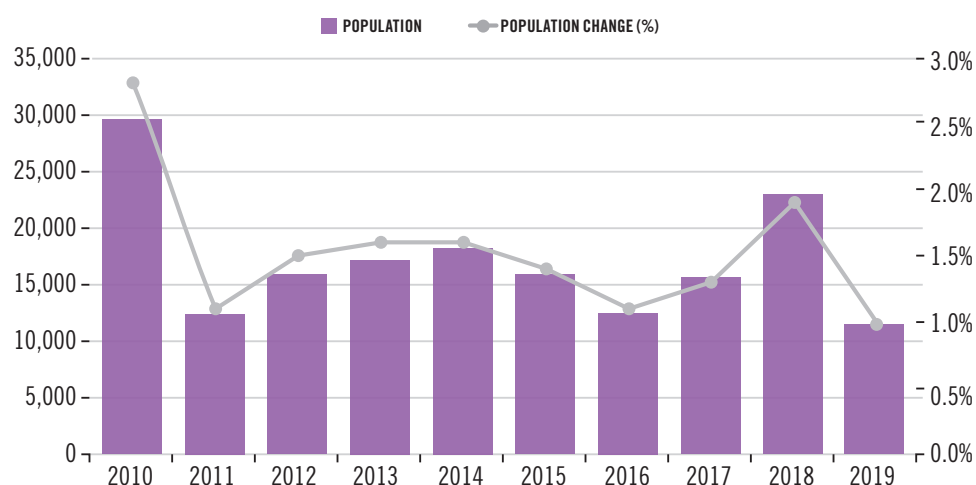
TABLE 2.1: YORK REGION POPULATION, 2018-2019

MUNICIPALITY	2018	2019	POPULATION GROWTH	CHANGE (%)
Aurora	62,100	62,900	800	1.3%
East Gwillimbury	31,700	33,900	2,200	6.9%
Georgina	48,400	48,500	100	0.2%
King	27,700	27,800	100	0.4%
Markham	347,100	349,000	1,900	0.5%
Newmarket	89,400	90,100	700	0.8%
Richmond Hill	206,900	209,500	2,600	1.3%
Vaughan	329,000	331,600	2,600	0.8%
Whitchurch-Stouffville	49,100	49,200	100	0.2%
York Region Total	1,191,400	1,202,500	11,100	0.9%

Source: York Region, Corporate Services, Long Range Planning Division, 2018 and 2019.

Note: Numerical data in this report has been rounded, some totals may be affected.

FIGURE 2.1: YORK REGION ANNUAL POPULATION GROWTH, 2010-2019



- Population growth within York Region has averaged 1.5% per year since 2011

ALL YORK REGION MUNICIPALITIES EXPERIENCED POPULATION GROWTH. THE TOP 3 MUNICIPALITIES BY PER CENT CHANGE BETWEEN 2018 AND 2019 WERE:

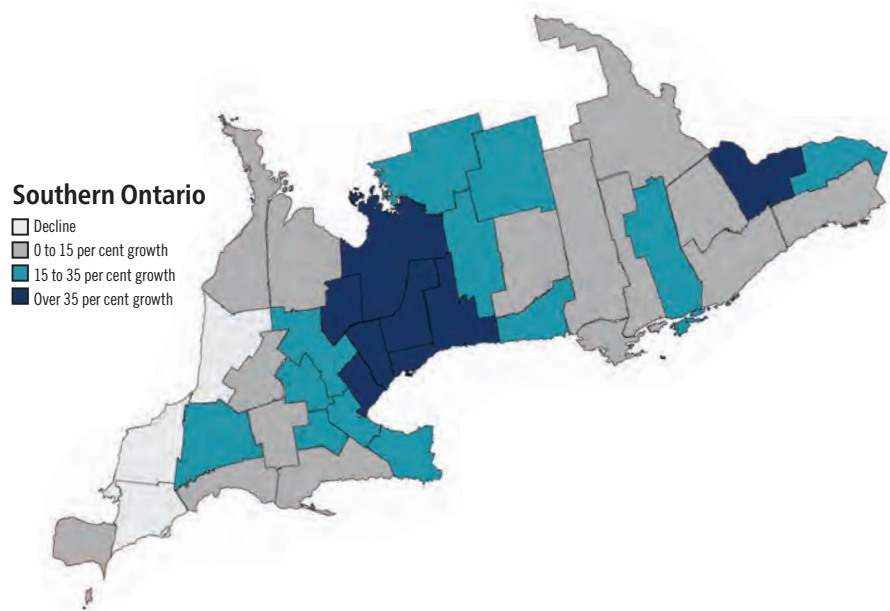
- East Gwillimbury at 6.9%
- Aurora at 1.3%
- Richmond Hill at 1.3%

POPULATION GROWTH

ONTARIO MIGRATION PLAYS A LARGE PART IN GTHA AND GGH REGION POPULATION GROWTH

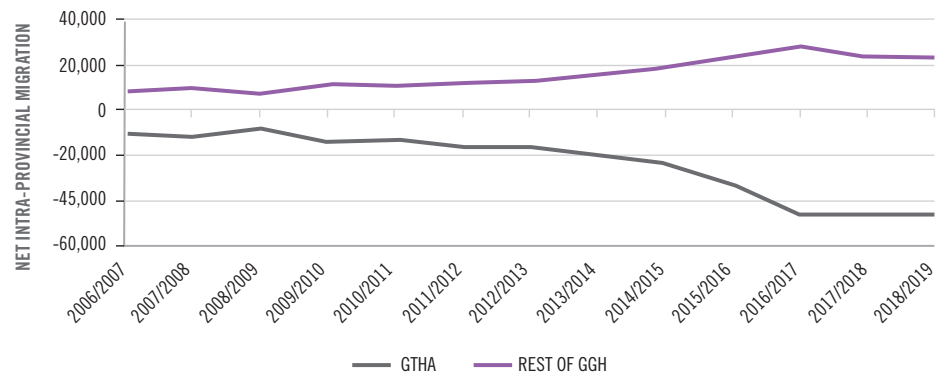
- Ontario attracts the highest share of immigrants annually compared to any other province, typically in the 40 to 50% range
- Ministry of Finance forecasts to 2041 indicate the GTHA, Simcoe County and Ottawa region are projected to experience significant population growth of over 35%, while other areas of the province are forecast to either remain stable or record a decline in population
- Population growth in the 905 area between 2011 and 2019 has been slower than the Growth Plan forecast by approximately 10%
- Toronto has captured a higher than expected share of population growth between 2011 and 2019 (35%) when compared to the Provincial Growth Plan forecasts (26%)

FIGURE 2.2: POPULATION GROWTH / DECLINE BY CENSUS DIVISION OVER 2016 TO 2041



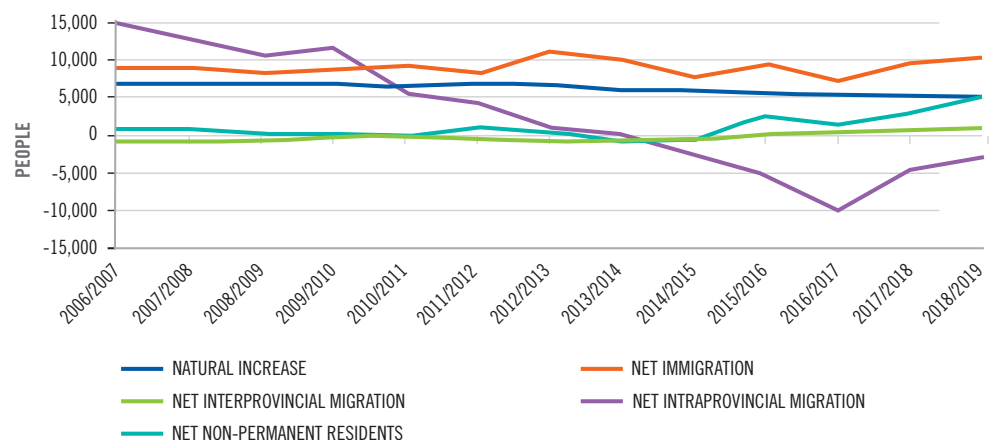
POPULATION GROWTH

FIGURE 2.3: NET INTRA-PROVINCIAL MIGRATION WITHIN THE GREATER GOLDEN HORSESHOE 2006-2019



- Since the 2008 recession, there has been a continuing decline in net intra-provincial migrants to the GTHA and a net increase in intra-provincial migrants to the rest of the GGH
- While there are many factors that influence where people decide to live, households are likely looking for more affordable housing options outside of the GTHA, which includes York Region

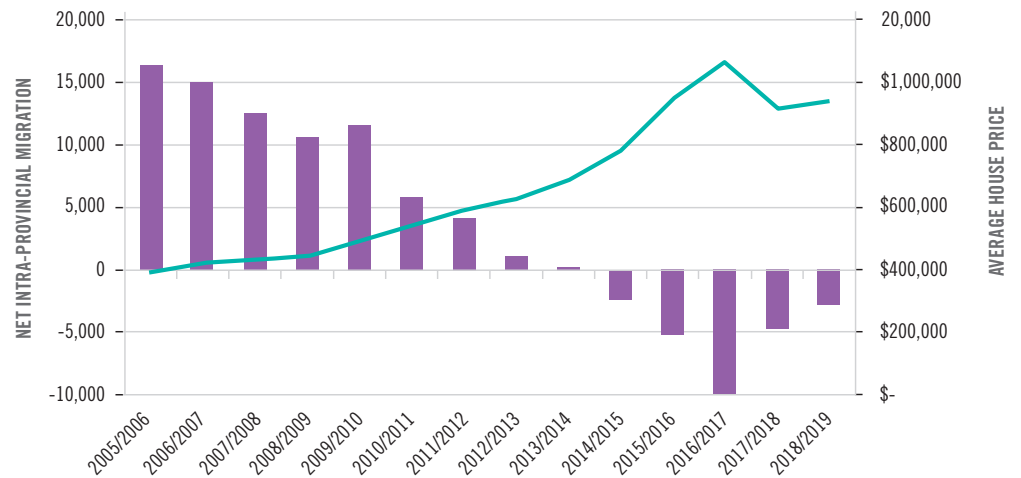
FIGURE 2.4: COMPONENTS OF POPULATION GROWTH IN YORK REGION 2006-2019



- Since 2006, levels of net immigration, net inter-provincial migration and net non-permanent residents have remained relatively consistent in York Region. However, net intra-provincial migration has been declining contributing to a lower rate of population growth in the Region
- Data for York Region shows a direct correlation between an increase in people leaving the Region and the average cost of housing (Figure 2.5)
- This annual out flow of people, which has accelerated after 2013, is one explanation why York Region's popula is 80,000 lower than the Provincial Growth Plan population forecasts (Figure 2.5)

POPULATION GROWTH

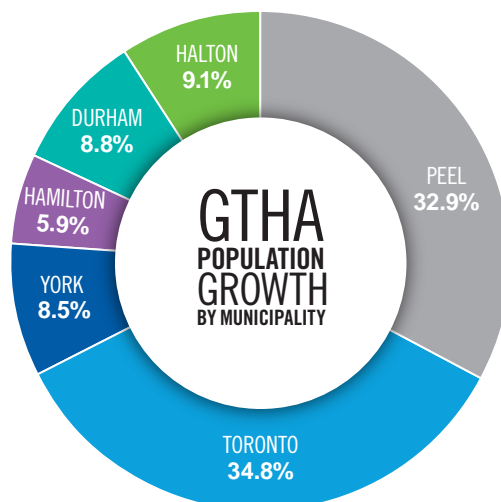
FIGURE 2.5: NET INTRA-PROVINCIAL MIGRATION AND AVERAGE ANNUAL RESALE HOUSE PRICES IN YORK REGION



YORK REGION'S CONTRIBUTION TO GTHA GROWTH IS SIGNIFICANT

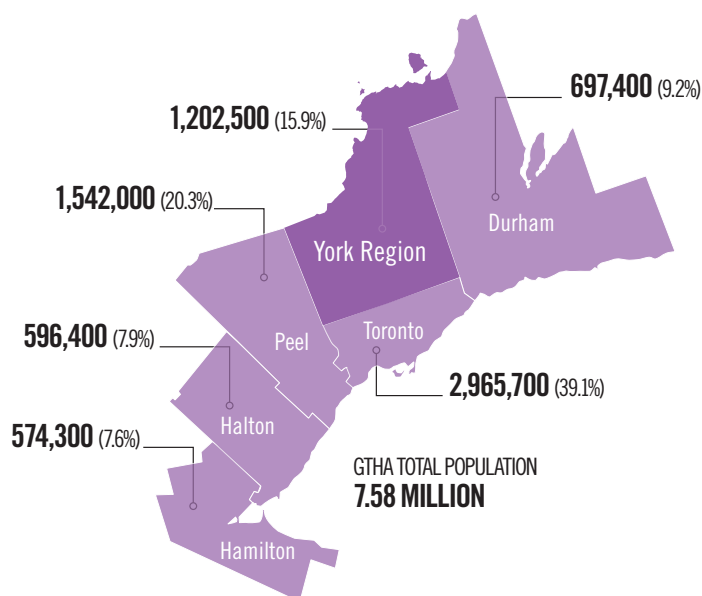
- By the end of 2019, the GTHA population was estimated at 7.58 million people, an increase of approximately 131,400 or 1.8% from 2018
- In 2019 York Region's share of the GTHA's population growth was 8.5%, compared to 14.9% in 2018

FIGURE 2.6: SHARE OF GTHA POPULATION GROWTH BY MUNICIPALITY



POPULATION GROWTH

FIGURE 2.7: SHARE OF TOTAL 2019 GTHA POPULATION BY MUNICIPALITY



YORK REGION IS ONE OF THE LARGEST MUNICIPALITIES IN CANADA

- As of December 2019, York Region was the sixth largest municipality in Canada (Table 2.2) in population

TABLE 2.2: CANADA'S LARGEST MUNICIPALITIES BY POPULATION, 2019

RANK	MUNICIPALITY	EST. POPULATION
1	City of Toronto	2,965,700
2	Greater Vancouver Regional District	2,691,300
3	City of Montréal	2,052,900
4	Peel Region	1,542,000
5	City of Calgary	1,285,700
6	York Region	1,202,500
7	City of Ottawa	1,028,500
8	City of Edmonton	972,200
9	City of Quebec	824,400
10	City of Winnipeg	763,900

Source: Various Municipalities, 2019.

Note: List includes cities, Regions, and Regional Districts as defined locally.

POPULATION GROWTH

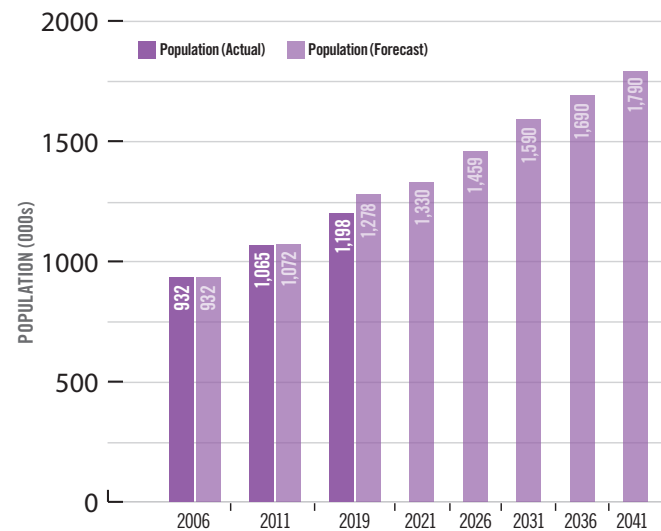
POPULATION AND EMPLOYMENT FORECASTS

Population and employment growth forecasts form the basis for determining urban land needs, infrastructure and service planning, financial planning, and determining development charges.

POPULATION AND EMPLOYMENT FORECASTS

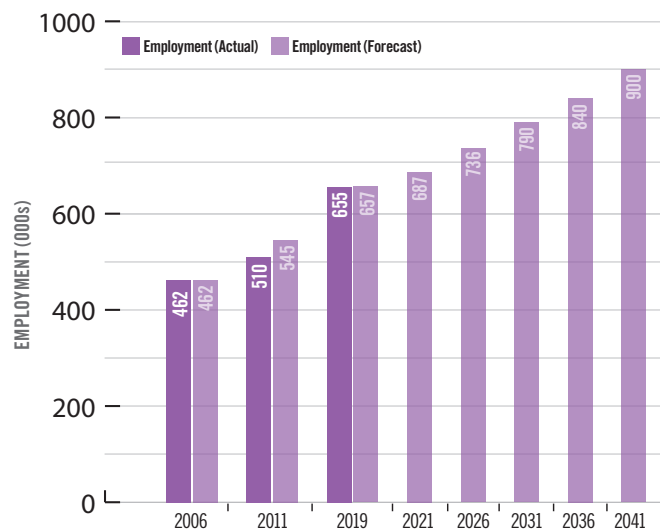
- York Region's mid year 2019 population was estimated to be 1,197,700, which is 6.7% (80,000) lower than the Growth Plan forecast of 1,278,000
- Annual growth of approximately 26,900 is required to reach the 2041 Growth Plan forecast of 1,790,000

FIGURE 2.8: POPULATION GROWTH (ACTUAL AND FORECAST), 2006-2041



- In 2019, York Region's employment was approximately 654,650 compared to the 2019 Growth Plan forecast of 656,600, a 1,950 difference
- Annual employment growth of almost 11,200 is required to meet the 2041 Growth Plan employment forecast
- The Region has been growing by approximately 17,700 jobs per year during the past 5 years

FIGURE 2.9: EMPLOYMENT GROWTH (ACTUAL AND FORECAST), 2006-2041



RESIDENTIAL MARKET & BUILDING ACTIVITY



RESIDENTIAL MARKET & BUILDING ACTIVITY

RESALE HOMES GENERATE SIGNIFICANT ECONOMIC ACTIVITY

Use of professional services including: real estate agents, lawyers, appraisers, and surveyors
Generate taxes and fees

Generate associated spending on appliances, furniture, fixtures etc.

KEY 2019 YORK REGION RESALE HOME FACTS

Accounted for 16.3% of total number of GTA resales

Accounted for 18.7% of total GTA resale value

Average number of days a residential dwelling was on the market - 28 days

Average selling price - 97% of list price

NUMBER OF RESIDENTIAL REALES INCREASED BY 20% IN 2019

- The number of residential resales in York Region during 2019 totalled 14,325 dwelling units (Figure 3.1), an increase of 20.0% (2,385 units) from 2018
- Total value of all York Region residential resales in 2019 was approximately \$13.43 billion – up from \$10.94 billion in 2018

FIGURE 3.1: TOTAL NUMBER OF REALES AND AVERAGE PRICE (ALL DWELLING TYPES) BY LOCAL MUNICIPALITY, 2018 AND 2019

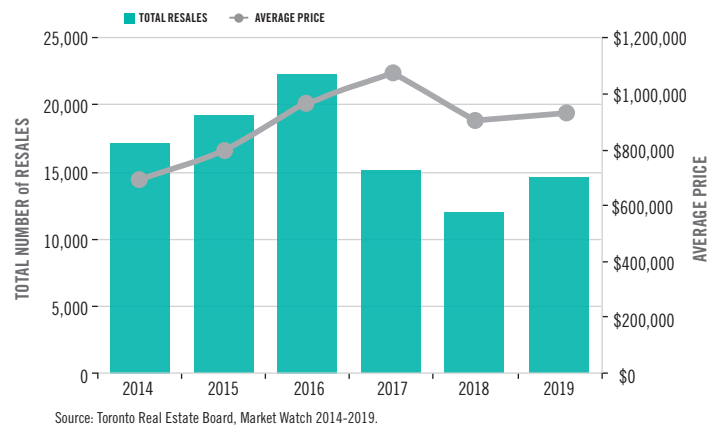


TABLE 3.1: TOTAL NUMBER OF REALES AND AVERAGE PRICE (ALL DWELLING TYPES) BY LOCAL MUNICIPALITY, 2018 AND 2019

MUNICIPALITY	SALES			AVERAGE PRICE (\$)		
	2018	2019	CHANGE (%)	2018	2019	CHANGE (%)
Aurora	865	962	11.2%	\$901,242	\$905,872	0.5%
East Gwillimbury	458	586	27.9%	\$806,250	\$799,426	-0.8%
Georgina	666	809	21.5%	\$562,010	\$568,143	1.1%
King	287	315	9.8%	\$1,415,899	\$1,380,466	-2.5%
Markham	3,045	3,658	20.1%	\$913,500	\$949,536	3.9%
Newmarket	1,129	1,355	20.0%	\$755,473	\$777,589	2.9%
Richmond Hill	2,006	2,614	30.3%	\$1,002,417	\$1,039,433	3.7%
Vaughan	2,916	3,324	14.0%	\$993,787	\$993,787	1.7%
Whitchurch-Stouffville	568	701	23.4%	\$923,762	\$923,762	1.5%
York Region Total	11,940	14,324	20%	\$916,449	\$937,546	2.3%

Source: York Region, Corporate Services, Long Range Planning Division, 2018 and 2019.

RESIDENTIAL MARKET & BUILDING ACTIVITY

Total sales in the GTA's residential resale market increased by 11.2% in 2019 (87,825) compared to 78,015 in 2018

Average resale price (all dwelling types) in the GTA was \$819,319, an increase of 3.8% in comparison to the average of \$787,856 in 2018

2020 SALES FIGURES

Resale housing prices and sales for the first two months of 2020 strengthened over the previous year with the average price of \$991,066 and 2,030 sales recorded to February 2020, compared to an average of \$896,817 and 1,383 sales during the first two months of 2019. However, it is anticipated that the coronavirus will cause a significant slow down to the housing market in both average prices and number of sales for the remainder of 2020.

TABLE 3.2: 2019 RESALES and AVERAGE PRICES by LOCAL MUNICIPALITY and DWELLING TYPE (\$1,000s)

MUNICIPALITY	DETACHED		SEMI-DETACHED		TOWN/ROW/ATTACH		CONDO/APT	
	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price
Aurora	566	\$1,087	63	\$729	279	\$660	54	\$484
East Gwillimbury	434	\$858	34	\$688	117	\$620	1	\$320
Georgina	720	\$580	25	\$500	58	\$480	6	\$299
King	267	\$1,493	6	\$831	23	\$922	19	\$521
Markham	1,867	\$1,209	284	\$851	707	\$764	800	\$542
Newmarket	905	\$870	147	\$623	235	\$613	68	\$445
Richmond Hill	1,404	\$1,361	138	\$827	533	\$803	539	\$490
Vaughan	1,789	\$1,231	310	\$832	645	\$801	580	\$564
Whitchurch-Stouffville	520	\$1,018	35	\$709	129	\$661	17	\$491
York Region	8,472	\$1,042	1,042	\$784	2,726	\$741	2,084	\$528

Source: Toronto Real Estate Board, Market Watch, 2019.

- Region wide, the average price of a resale unit increased by 2.3% for all unit types, from \$916,449 in 2018 to \$937,546 in 2019 (Table 3.1)
- The average price of single detached units decreased by 0.3%, from \$1,123,734 in 2018 to \$1,120,297 in 2019

TABLE 3.3: YORK REGION 2019 NEW HOME PRICES (\$1,000s)

MUNICIPALITY	DETACHED	SEMI-DETACHED	ROW	CONDO/APT
Aurora	\$940-\$7.3M	n/a	\$795-\$967	n/a
East Gwillimbury	\$776-\$1.17M	\$610-\$863	\$584-\$907	n/a
Georgina	\$610-\$896	\$620-\$643	\$530-\$685	n/a
King	\$3.4M-\$4.0M	n/a	\$850-\$880	n/a
Markham	\$1.0M-\$1.5M	n/a	\$300-\$1.6M	\$320-\$2.3M
Newmarket	\$955-\$3.9M	\$838-\$1.1M	\$550-\$1.4M	\$386-\$736
Richmond Hill	\$1.4M-\$3.4M	\$1.0M-\$1.7M	\$700-\$1.7M	\$426-\$2.2M
Vaughan	\$860-\$4.7M	\$1.0M-\$1.3M	\$688-\$1.7M	\$372-\$2.1M
Whitchurch-Stouffville	\$1.0M-\$2.3M	n/a	\$600-\$1.18M	\$340-\$1.34M
York Region	\$610-\$7.3M	\$610-\$1.7M	\$300-\$1.7M	\$320-\$2.3M

Source: RealNet, March 2020

Note: New home data only provides a snapshot of projects currently for sale with the range of prices asked. Some municipalities may only have one or two projects contributing to the data.

- Prices for new single-detached homes range from \$610,000 in the Town of Georgina to \$7.3 million in the Town of Aurora

RESIDENTIAL MARKET & BUILDING ACTIVITY

Building permit activity is an essential yardstick used to measure local investments and economic performance

RESIDENTIAL BUILDING PERMITS ARE DOWN 41% FROM 2018

- A total of 4,669 new residential building permits were issued in York Region in 2019, representing a 41% decrease from the 2018 permit total of 7,902
- Apartment units decreased significantly, from 4,008 in 2018 to 2,242 in 2019
- There are more fluctuations in the apartment market from year to year compared to the ground related market, which impacts the total number of building permits issued annually

TABLE 3.4: NEW RESIDENTIAL UNITS with PERMITS ISSUED in YORK REGION, 2018 and 2019

MUNICIPALITY	2018	2019	% CHANGE
Aurora	298	182	-39%
East Gwillimbury	376	334	-11%
Georgina	72	247	243%
King	65	60	-8%
Markham	2,783	118	-96%
Newmarket	461	97	-79%
Richmond Hill	1,057	894	-15%
Vaughan	2,511	2,578	3%
Whitchurch-Stouffville	279	159	-43%
York Region Total	7,902	4,669	-41%

Source: Local Municipal Building Permit Reports, 2017 and 2018; York Region Corporate Services, Long Range Planning Division, 2018.

- In 2019, apartment dwellings and townhouses accounted for 71% of new residential permits issued, an indication of York Region's progress towards creating a more diversified housing stock
- Richmond Hill and Vaughan accounted for approximately 74% of the total residential building permit activity in 2019 (19% and 55% respectively)
- The Region has a healthy supply of residential inventory as approximately 45,000 units are registered and draft approved and waiting to be built with an additional 57,000 units under planning review

KEY 2019 YORK REGION RESALE HOME FACTS

Accounted for 16.3% of total number of GTA resales

Accounted for 18.7% of total GTA resale value

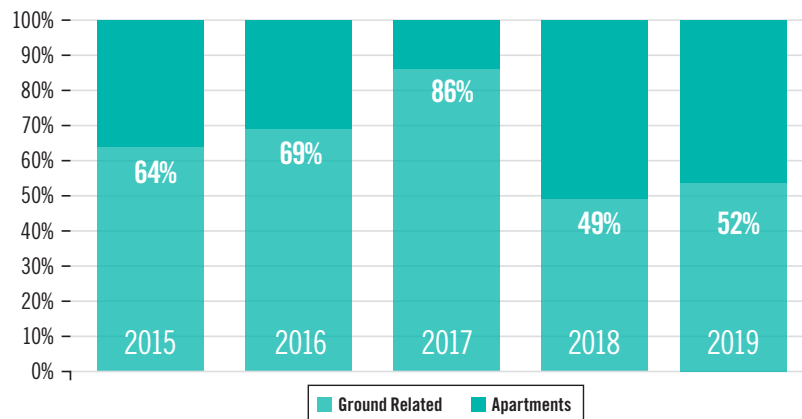
Average number of days a residential dwelling was on the market - 28 days

Average selling price - 97% of list price

RESIDENTIAL MARKET & BUILDING ACTIVITY

- Three approved Secondary Plans located in the Cities of Markham (Berczy Glen and Robinson Glen) and Vaughan (Block 27) will guide development for new communities for approximately 60,000 people and add supporting uses and jobs
- Three recently received new block plans for review in the City of Vaughan, Block 34 East, Block 55 West (Copper Creek) and Block 60 West will provide for additional future growth

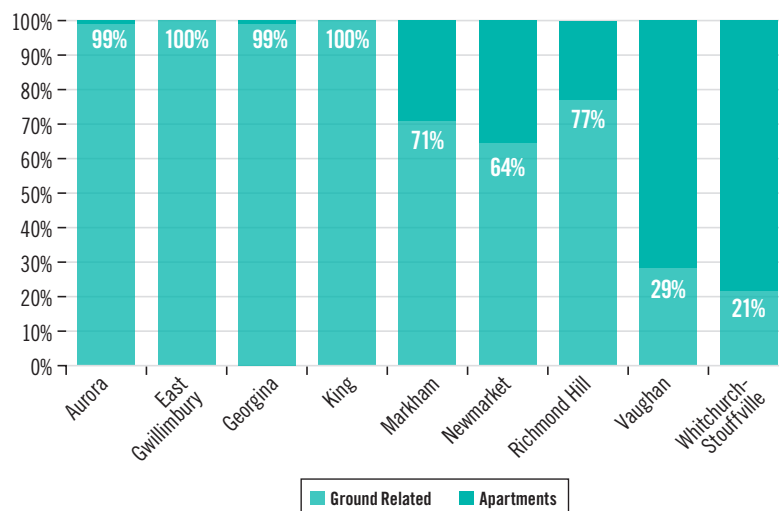
FIGURE 3.2: YORK REGION RESIDENTIAL BUILDING PERMIT MIX 2015-2019



Source: Local Municipal Building Permit Reports, 2015 to 2019; York Region Corporate Services, Long Range Planning Division, 2018. Note: Ground Related refers to single detached, semis and row housing.

- The 2019 breakdown of residential building permits was 27% single detached, 1% semi-detached, 23% row and 48% apartment

FIGURE 3.3: 2019 NEW RESIDENTIAL BUILDING PERMIT MIX BY LOCAL MUNICIPALITY

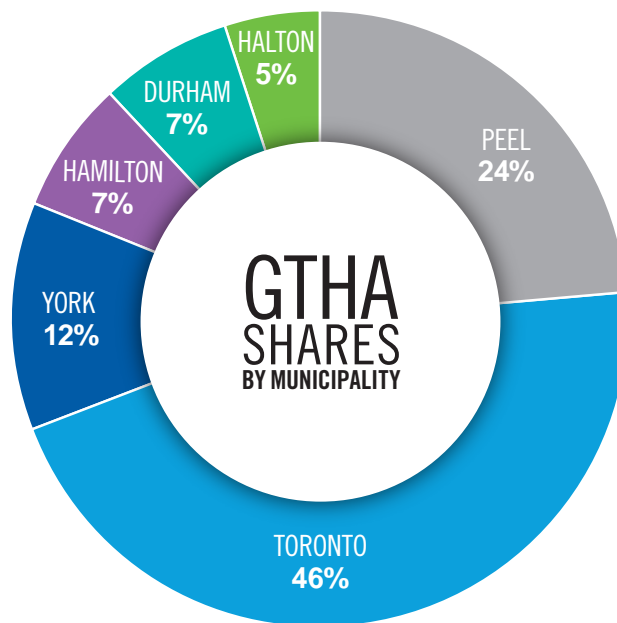


RESIDENTIAL MARKET & BUILDING ACTIVITY

YORK REGION CONTINUES TO CONTRIBUTE SIGNIFICANTLY TO RESIDENTIAL BUILDING PERMIT ACTIVITY IN THE GTHA

- In 2019, 40,541 building permits were issued for new residential units across the GTHA, a decrease from 50,782 in 2018 of 20.2%
- All GTHA jurisdictions experienced a decrease in the total number of building permits issued in 2019 except Peel Region
- York Region accounted for 12% of the GTHA's residential building permit activity, third to the City of Toronto's 46% share and Peel Region's 24%

FIGURE 3.4: GTHA RESIDENTIAL BUILDING ACTIVITY 2019 : SHARES BY MUNICIPALITY



Source: Local Municipal Building Permit Reports, 2019; Statistics Canada Table 32.2 (unpublished) 2019.

BUILDING ACTIVITY

YORK REGION RECORDED THE 10TH LARGEST NUMBER OF RESIDENTIAL BUILDING PERMITS ISSUED IN CANADA

- York Region continues to be a significant contributor of new residential development in Canada, ranking 10th for building permits issued

TABLE 3.6: CROSS CANADA COMPARISON 2019: RESIDENTIAL BUILDING PERMITS

RANK	MUNICIPALITY	NUMBER of PERMITS	% CHANGE from 2018
1	Greater Vancouver Regional District	27,702	-2.4%
2	City of Toronto	18,575	-21.9%
3	City of Montréal	14,354	-17.0%
4	City of Calgary	12,982	-31.0%
5	City of Edmonton	10,817	-26.1%
6	Peel Region	9,574	20.1%
7	City of Ottawa	9,513	2.5%
8	Québec City	7,085	73.2%
9	Waterloo Region	6,358	84.8%
10	York Region	4,669	-41%

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2019; York Region Corporate Services, Long Range Planning Division, 2019

Note: Ranking is in comparison to cities, Region's and Regional Districts as defined locally.

RESIDENTIAL COMPLETIONS DECREASED FOR 2019

- Housing completions in the Region decreased by 48.3% since 2018
- The mix of housing completions in 2019 was 35% (1,830) single detached, 6% (318) semi-detached units, 34% (1,777) row houses and 26% (1,369) apartments

TABLE 3.7: YORK REGION RESIDENTIAL COMPLETIONS 2018 and 2019

MUNICIPALITY	2018	2019	% CHANGE
Aurora	460	426	-7%
East Gwillimbury	1,697	724	-57%
Georgina	134	84	-37%
King	272	71	-74%
Markham	2,465	1,146	-54%
Newmarket	377	352	-7%
Richmond Hill	1,764	1,300	-26%
Vaughan	2,738	1,072	-61%
Whitchurch-Stouffville	323	119	-63%
York Region Total	10,230	5,294	-48.3%

Source: CMHC, 2019;

RESIDENTIAL MARKET & BUILDING ACTIVITY

FIGURE 3.5: 2010-2019 BUILDING PERMIT AND HOUSING COMPLETIONS

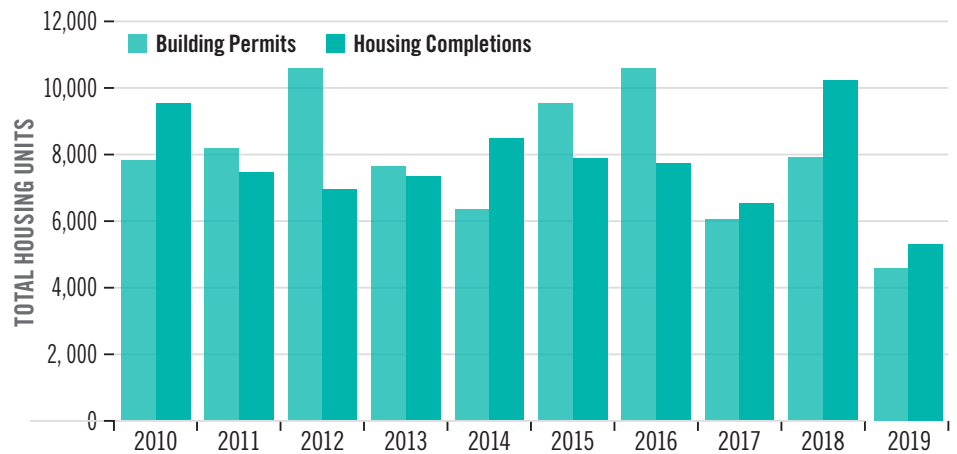
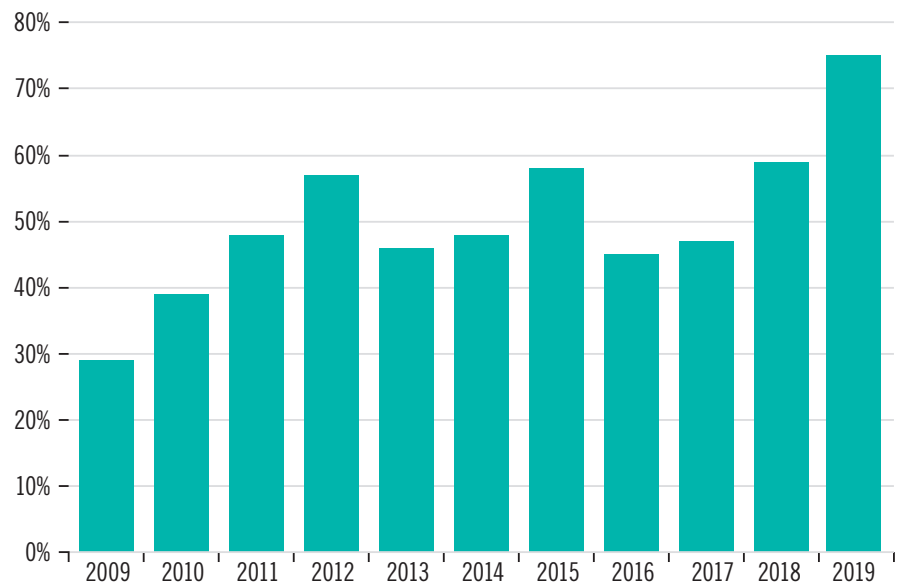


FIGURE 3.6: INTENSIFICATION WITHIN THE BUILT-UP AREA, YORK REGION, 2009-2019



Source: Statistics Canada Building Permit Reports, 2019; York Region Corporate Services, Long Range Planning Division, 2019

- York Region's intensification share within the built up area has averaged 52% over the last 10 years, and was 75% in 2019
- The continuing development of the Region's Centres and Corridors and other intensification areas will contribute to achieving the minimum 50% intensification target in the 2019 Growth Plan

RESIDENTIAL MARKET & BUILDING ACTIVITY

KEY 2019 YORK REGION RESALE HOME FACTS

A more diversified housing stock provides more choice in the market for both existing and future residents

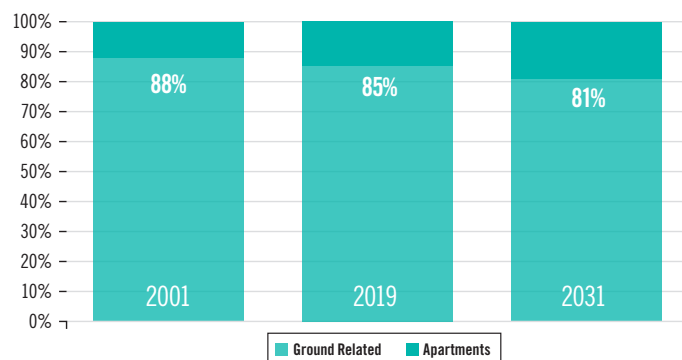
Diversified housing is important for:

- Providing affordable options for housing residents at different stages in their lives
- Reaching the Region's intensification targets
- Creating more compact, transit supportive development

THE TOTAL HOUSING SUPPLY CONTINUES TO DIVERSIFY

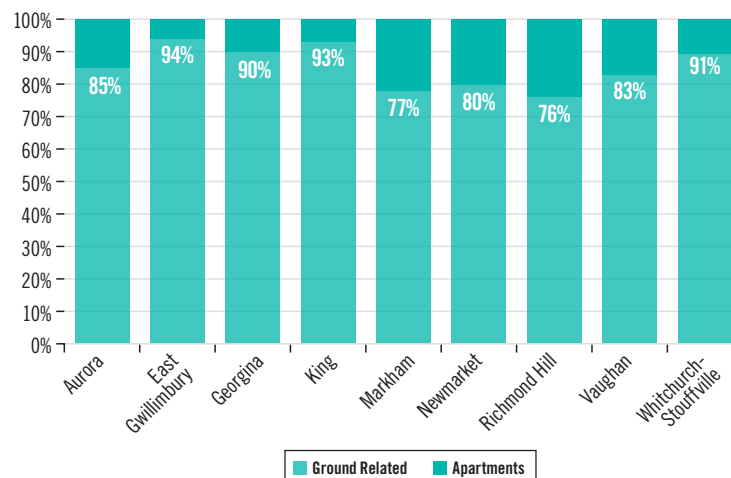
- While the Region's new housing stock becomes increasingly diversified over time, the existing housing stock is composed primarily of ground related dwellings
- The proportion of apartment unit dwellings in the Region's housing stock increased from 12% in 2001 to 15% in 2019
- The proportion of apartment unit dwellings is forecasted to be 19% by 2031

FIGURE 3.7: MIX OF HOUSING STOCK IN YORK REGION



- The overall housing stock in 2019 was composed of 66% single detached dwellings, 6% semi-detached units, 13% row house units and 15% apartment units

FIGURE 3.8: MIX OF TOTAL HOUSING STOCK BY LOCAL MUNICIPALITY 2019



INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL MARKET & BUILDING ACTIVITIES



INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL MARKET & BUILDING ACTIVITIES

INDUSTRIAL & COMMERCIAL PROPERTY MARKET

- A low Canadian dollar value relative to the U.S. dollar, continuing low interest rates and domestic demand growth from the U.S. economy should help businesses in Ontario to recover after the severe economic slow down caused by the coronavirus
- It is unknown to what extent the coronavirus will impact the global economy. In the long term, the USMCA deal should support positive export prospects for Ontario and York Region businesses

TABLE 4.1: YORK REGION AND GTA INDUSTRIAL MARKET OVERVIEW, 2018

MUNICIPALITY	VACANCY RATE	AVERAGE NET RENT	AVERAGE SALE PRICE	INVENTORY (SQ. FT)
Aurora	2.0%	\$9.35	\$169.30	5,227,291
Georgina	0.7%	n/a	\$185.85	315,425
East Gwillimbury	n/a	n/a	\$193.19	1,376,654
King	n/a	n/a	\$257.06	750,730
Markham	0.9%	\$8.58	\$208.53	24,247,703
Newmarket	0.6%	\$9.59	\$170.23	6,971,168
Richmond Hill	0.6%	\$11.16	\$196.71	10,263,180
Vaughan	1.4%	\$9.04	\$186.57	86,118,898
Whitchurch-Stouffville	n/a	\$13.00	\$279.47	2,450,070
York Region	1.2%	\$8.98	\$191.54	137,721,119
Greater Toronto Area	1.5%	\$8.43	\$175.72	735,142,676

Source: Costar 2019 Note: All dollar figures are Per Square Foot.

TABLE 4.2: YORK REGION AND GTA OFFICE MARKET OVERVIEW, 2019

MUNICIPALITY	TOTAL INVENTORY	TOTAL VACANCY RATE	AVERAGE NET RENT
Aurora	1,532,199	3.8%	\$21.03
Georgina	21,519	na	na
East Gwillimbury	137,236	1.7%	\$24.30
King	138,058	na	na
Markham	15,228,593	3.8%	\$19.88
Newmarket	2,220,483	1.3%	\$16.71
Richmond Hill	3,748,907	5.4%	\$16.98
Vaughan	7,047,023	4.9%	\$19.97
Whitchurch-Stouffville	358,667	0.3%	\$14.78
York Region	30,432,685	2.5%	\$19.13
Greater Toronto Area	269,214,349	4.3%	\$19.11

Source: Costar 2019

INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL MARKET & BUILDING ACTIVITIES

COMMERCIAL AND INDUSTRIAL CONSTRUCTION VALUES INCREASED OVER LAST YEAR AND THE TOTAL ICI CONSTRUCTION VALUE IS ABOVE THE TEN YEAR AVERAGE

- Total Industrial, Commercial, Institutional (ICI) construction for 2019 had a combined construction value of \$1.25 billion, an increase from the 2018 value of \$987 million (Figure 4.1)
- The Region's ICI market increased for 2019 when compared to the 2018 value, and is above the ten year average of \$1 billion
- Industrial and institutional values increased from 2018 levels by 39.1% and 70.3% respectively, while commercial values decreased by 1%

FIGURE 4.1: YORK REGION ICI CONSTRUCTION VALUES 2015-2019

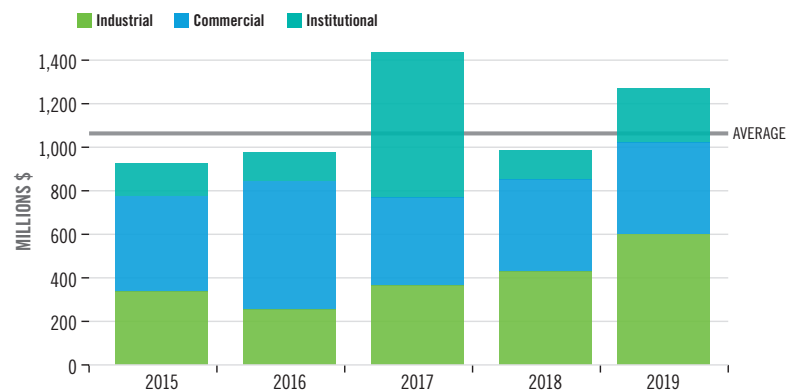


TABLE 4.3: YORK REGION INDUSTRIAL BUILDING PERMITS with 10 HIGHEST CONSTRUCTION VALUES, 2019

PROJECT	VALUE \$000s	MUNICIPALITY
Warehouse/Storage	\$62,732	Markham
Parking Garage/ Engineering (Industrial)	\$62,208	Markham
Industrial General (Unspecified)	\$38,264	Vaughan
Warehouse/Storage	\$35,000	Markham
Industrial General (Unspecified)	\$29,286	Markham
Multi-Use Industrial (Unspecified)	\$21,681	Vaughan
Multi-Use Industrial (Unspecified)	\$21,568	Vaughan
Multi-Use Industrial (Unspecified)	\$20,650	Vaughan
Industrial General (Unspecified)	\$20,036	Vaughan
Transportation Infrastructure	\$17,000	East Gwillimbury

Source: Local Municipal Building Permit Reports, 2019; Statistics Canada Building Permit Reports, 2019; York Region Corporate Services, Long Range Planning Division, 2019.

INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL MARKET & BUILDING ACTIVITIES

**TABLE 4.4: YORK REGION COMMERCIAL BUILDING PERMITS
WITH 10 HIGHEST CONSTRUCTION VALUES, 2019**

PROJECT	VALUE \$000s	MUNICIPALITY
Hotel/Motel/Other Accommodation	\$30,357	Markham
Commercial General (Unspecified)	\$22,289	Markham
Commercial General (Unspecified)	\$21,323	Vaughan
Professional Services/Office Unit	\$17,000	Aurora
Commercial Multi-Use (Unspecified)	\$15,970	Vaughan
Commercial General (Unspecified)	\$14,571	Markham
Commercial General (Unspecified)	\$11,000	King
Hotel/Motel/Other Accommodation	\$9,686	Aurora
Commercial Multi-Use (Unspecified)	\$7,851	Vaughan
Commercial General (Unspecified)	\$6,734	Richmond Hill

Source: Local Municipal Building Permit Reports, 2019; Statistics Canada Building Permit Reports, 2019; York Region Corporate Services, Long Range Planning Division, 2019.

**TABLE 4.5: YORK REGION INSTITUTIONAL BUILDING PERMITS
WITH 10 HIGHEST CONSTRUCTION VALUES, 2019**

PROJECT	VALUE \$000s	MUNICIPALITY
Nursing/Institutional Home	\$61,363	Aurora
Nursing/Institutional Home	\$50,000	Whitchurch-Stouffville
Nursing/Institutional Home	\$25,000	King
Nursing/Institutional Home	\$21,875	Markham
Institutional General (Unspecified)	\$5,824	Richmond Hill
Institutional General (Unspecified)	\$4,107	Richmond Hill
Police/Fire/Military/Prison	\$3,000	Georgina
Institutional General (Unspecified)	\$1,300	Georgina
Institutional General (Unspecified)	\$1,200	Newmarket
Nursing/Institutional Home	\$642	Vaughan

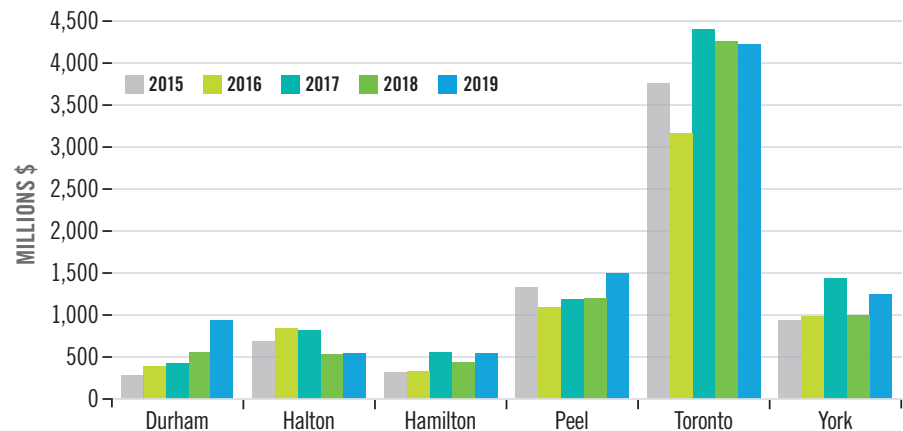
Source: Local Municipal Building Permit Reports, 2019; Statistics Canada Building Permit Reports, 2019; York Region Corporate Services, Long Range Planning Division, 2019.

INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL MARKET & BUILDING ACTIVITIES

GTHA CONSTRUCTION

- York Region accounted for 13.8% of the GTHA's total ICI construction value in 2019, an increase from 12.4% in 2018

FIGURE 4.2: GTHA ICI CONSTRUCTION VALUES BY MUNICIPALITY 2015—2019



- Overall, the GTHA recorded a 13.2% increase in the value of ICI construction from 2018
- All GTHA regions recorded increases in total ICI construction, only Toronto experienced a slight decrease
- York Region ranked seventh across Canada for the value of its ICI construction in 2019 (Table 4.6)

TABLE 4.6: 2019 CROSS CANADA COMPARISON: VALUES OF ICI CONSTRUCTION (\$'000s)

RANK	MUNICIPALITY	TOTAL VALUE	% CHANGE FROM 2018
1	City of Toronto	\$4,228,579	-0.6%
2	Greater Vancouver Regional District	\$3,715,710	-4.0%
3	City of Montréal	\$3,136,727	0.5%
4	City of Calgary	\$1,884,499	-42.6%
5	City of Edmonton	\$1,594,075	-32.6%
6	Peel Region	\$1,488,404	24.7%
7	York Region	\$1,245,001	26.1%
8	City of Winnipeg	\$1,197,071	48.0%
9	Durham Region	\$932,032	70.1%
10	City of Ottawa	\$828,255	7.5%

Source: Local Municipal Building Permit Reports, 2019; Statistics Canada Building Permit Reports, 2019.
Note: List includes cities, Regions, and Regional Districts as defined locally.

OVERALL CONSTRUCTION VALUE



OVERALL CONSTRUCTION VALUE

An ICI share of total construction value within the range of 30% means that job opportunities continue to be provided to match the growth in the Region's labour force

In 2019, York Region's ICI share of total construction value was 40%

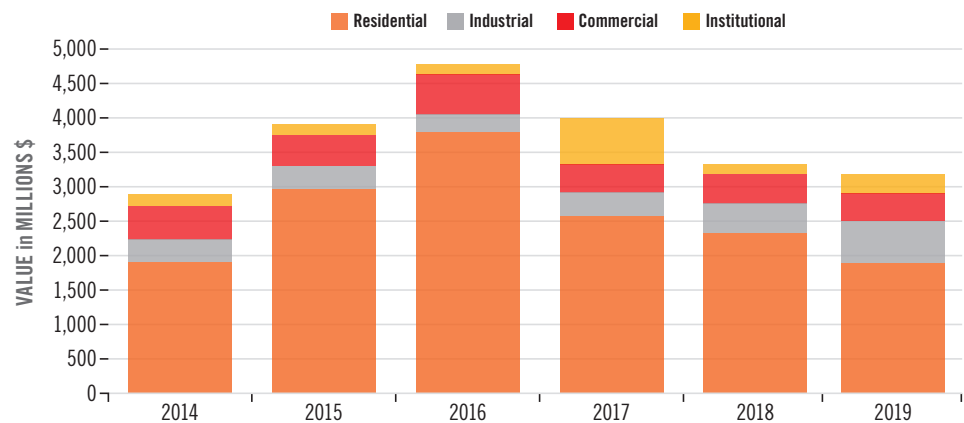
The 5 year ICI share average for York Region has been 30%

Overall construction value is important as it is correlated with the new development component of tax assessment growth over subsequent years

TOTAL CONSTRUCTION VALUE

- Total estimated value of construction in 2019 was approximately \$3.15 billion, compared to \$3.31 billion recorded in 2018, a decrease of 4.8%
- The 2019 total construction value of \$3.15 billion is the seventh highest ever recorded value for York Region

FIGURE 5.1: YORK REGION CONSTRUCTION VALUE BY TYPE—2014-2019



Source: Local Municipal Building Permit Reports, 2014- 2019

Note: *Agricultural permits are included under the industrial category

OVERALL CONSTRUCTION VALUE

TABLE 5.1: ESTIMATED VALUE OF TOTAL CONSTRUCTION (RESIDENTIAL AND ICI) BY LOCAL MUNICIPALITY 2018 AND 2019 (\$000s)

MUNICIPALITY	2018	2019	% CHANGE
Aurora	\$239.8	\$325.7	36%
East Gwillimbury	\$125.1	\$122.9	-2%
Georgina	\$65.1	\$110.4	70%
King	\$131.8	\$174.9	33%
Markham	\$744.7	\$480.0	-36%
Newmarket	\$188.7	\$81.2	-57%
Richmond Hill	\$486.5	\$450.7	-7%
Vaughan	\$1,164.3	\$1,306.6	12%
Whitchurch-Stouffville	\$163.8	\$97.4	-41%
York Region Total	\$3,309.7	\$3,149.9	-4.8%

Source: Local Municipal Building Permit Reports, 2018 and 2019; Corporate Services, Long Range Planning Division, 2019

- Georgina experienced the largest annual growth rate in total construction values at 70%, while Markham had the largest decrease in dollar value at \$264.6 million (Table 5.1)
- The Region's value of residential construction decreased by 18% from \$2.3 billion in 2018 to \$1.9 billion in 2019 (Table 5.2)
- The Region's construction value for industrial and institutional both increased over 2018 by 39% and 70% respectively

TABLE 5.2: ESTIMATE OF VALUE (IN \$MILLIONS) OF CONSTRUCTION* BY LOCAL MUNICIPALITY 2018 AND 2019

MUNICIPALITY	RESIDENTIAL		INDUSTRIAL**		COMMERCIAL		INSTITUTIONAL		TOTAL	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Aurora	\$182	\$209	\$11	\$1	\$34	\$42	\$13	\$74	\$240	\$326
East Gwillimbury	\$114	\$94	\$1	\$18	\$9	\$10	\$1	\$1	\$125	\$123
Georgina	\$49	\$96	\$2	\$5	\$4	\$2	\$9	\$7	\$65	\$110
King	\$88	\$125	\$7	\$6	\$14	\$16	\$22	\$28	\$132	\$175
Markham	\$579	\$113	\$85	\$225	\$64	\$115	\$17	\$26	\$745	\$480
Newmarket	\$145	\$39	\$4	\$3	\$31	\$33	\$8	\$6	\$189	\$81
Richmond Hill	\$399	\$330	\$23	\$51	\$49	\$41	\$16	\$28	\$486	\$451
Vaughan	\$637	\$855	\$295	\$288	\$196	\$156	\$36	\$8	\$1,164	\$1,307
Whitchurch-Stouffville	\$127	\$43	\$1	\$1	\$23	\$4	\$13	\$50	\$164	\$97
York Region Total	\$2,322	\$1,905	\$430	\$598	\$423	\$418	\$135	\$229	\$3,310	\$3,150

Source: Local Municipal Building Permits Reports, 2018 & 2019; Statistics Canada Building Permits Reports, 2018 & 2019; York Region Corporate Services, Long Range Planning Division, 2019.

Note: *Estimated values of construction include additions, demolitions, renovations, temporary structures and new construction

**Agricultural permits are included under the industrial category

OVERALL CONSTRUCTION VALUE

CONSTRUCTION ACTIVITY - NATIONAL COMPARISONS

- York Region ranked seventh in total construction value among Canadian municipalities, with a value of \$3.15 billion (Table 5.3)

TABLE 5.3: CROSS CANADA COMPARISON 2019: VALUES OF TOTAL CONSTRUCTION (\$000s)

RANK	MUNICIPALITY	TOTAL VALUE	% CHANGE FROM 2018
1	Greater Vancouver Regional District	\$11,698,279	-5.4%
2	City of Toronto	\$10,018,795	-5.1%
3	City of Calgary	\$5,445,429	-29.2%
4	City of Montréal	\$5,890,523	-12.4%
5	City of Edmonton	\$3,882,782	-37.9%
6	Peel Region	\$3,809,062	26.0%
7	York Region	\$3,149,869	-4.8%
8	City of Ottawa	\$3,132,872	5.5%
9	Waterloo Region	\$2,240,409	47.0%
10	Durham Region	\$1,922,389	-6.9%

Source: Local Municipal Building Permit Reports, 2019; Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2019. Note: List includes cities, Regions, and Regional Districts as defined locally.



CONCLUSION

The Growth and Development Review provides a snapshot of key development and population indicators in York Region and reports on the competitiveness of York Region's economy within the Greater Toronto and Hamilton Area (GTHA), the Province and Canada.

In 2019, there were an estimated 654,650 jobs and 1,202,500 residents in the Region.

COVID-19 and social distancing provisions are having a dramatic impact on the global economy. The impact on York Region's economy in 2020 will be severe and it is anticipated that there will be a slow, phased in approach to getting people back to work and regular life, based on the advice of public health and safety professionals. Although a high level of uncertainty remains, the economic impact is considered to be temporary, as consumer spending is expected to rebound in 2021 when the economy is anticipated to return to a more normal state.

York Region is one of Canada's fastest-growing large urban municipalities and is forecast to reach a population of 1.79 million and employment of 900,000 by 2041. The Region is an attractive location to live and invest and is committed to attracting and retaining employers and residents, as well as making significant infrastructure investments to support growth.