



Report to: Development Services Committee

Meeting Date: September 27, 2021

SUBJECT: Monitoring Growth in the City of Markham - Performance Indicators
PREPARED BY: John Yeh, MCIP, RPP, Manager, Strategy & Innovation – ext.7922

RECOMMENDATION:

1. That the staff report entitled, “Monitoring Growth in the City of Markham - Performance Indicators” dated September 27, 2021, be received;
2. And that staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The Monitoring Growth in the City of Markham – Performance Indicators report (**Appendix ‘A’**) provides annual results of performance indicators that measure and track the progress of policy objectives in the City’s Official Plan. It provides input to further policy review and development and assists in monitoring growth targets. Staff last reported on the performance indicators to Development Services Committee (DSC) on July 13, 2020.

BACKGROUND:

The City of Markham’s Official Plan 2014 (Official Plan) provides a long-term framework for guiding sustainable growth and land use planning decisions in Markham. The Official Plan reflects the goals, policies, and targets set out in Markham’s endorsed Growth Alternative to 2031, Building Markham’s Future Together Strategic Plan, Greenprint Community Sustainability Plan, York Region’s Official Plan, and the Provincial Growth Plan and Greenbelt Plan. The Official Plan was adopted by Council on December 10, 2013 and approved by York Region Council on June 12, 2014. The majority of the Official Plan is currently in effect.

Chapter 10.12 Monitoring of the Official Plan provides for the development of a framework for monitoring growth and to measure progress towards achieving policy outcomes. That framework has been developed and is actively used in monitoring the Official Plan.

A key component of the Official Plan is to monitor progress towards the achievement of the Official Plan’s policy objectives and targets. **Appendix ‘A’** contains the results of the Official Plan Performance Indicators to monitor growth and development in the City and

to provide input for future Official Plan policy development through the review of the Official Plan.

This report builds upon the 15 indicators identified in the initial report in 2020, and introduces 14 additional indicators under existing and new thematic areas. Updated data was also available for 9 of the existing indicators and are included in this report. Updated data for the remaining indicators were not available at the time of this report being prepared but 2020 data is included in this report.

Staff will continue to monitor the performance of these indicators and will report to DSC on an annual basis.

Official Plan Performance Indicators

Indicators have been identified based on a combination of data availability, practicality for tracking, and relevance toward Official Plan objectives and targets. These indicators are arranged according to thematic areas of the Official Plan and are listed in **Appendix 'B'** to this report which also lists updated data for certain indicators and new indicators for 2021.

OPTIONS/ DISCUSSION:

Generally, the indicators demonstrate the City of Markham is on the right track to meeting the objectives of the Official Plan in the thematic areas covered in Sustainable Growth, Protecting the Natural Environment, Building Complete Neighbourhoods, Increasing Mobility Options, and Maintaining a Vibrant and Competitive Economy. A summary of some of the new and updated indicators are provided below (See **Appendix 'A'** for a report with a full list of Official Plan Performance Indicators and a summary of trends). Indicators reported in 2020 that don't have current data available such as Employment Growth and Modal Split are not provided below but are included in **Appendix 'A'**.

Population and employment growth has fallen below forecast levels in recent years

Table 2.3 of the City's Official Plan contains Markham's population and employment forecast to 2031 in five year increments. This forecast serves as the basis to plan for population and employment growth. The City of Markham's population has increased by approximately 66,000 residents to approximately 338,800 from 2006 to 2016 which is in line with Markham's forecasted population of 337,800 in 2016. The 2021 population of 353,000 residents in Markham is about 17,300 less than the 2021 forecasted population of 370,300. Given the recent annual average growth of roughly 2,800 residents from 2016 to 2021, Markham's population in 2026 could be at least 30,000 residents less than the 2026 forecast of 398,300. Development in the Future Urban Area and along the City's centres and corridors is expected to increase the rate of population growth and reduce the gap.

2020 employment estimates are not available because the 2020 York Region Employment Survey was cancelled due to the COVID 19 pandemic. Therefore the following provides an analysis of the 2019 employment estimate which has been updated due to changes in methodology to estimate from the 2020 Performance Indicators report. Markham's total employment has increased by 39,600 jobs to approximately 182,650 jobs from 2006 to 2016. The number of jobs in 2016 was about 17,650 lower than forecasted at 200,300 jobs. This trend is expected to continue into the near future as there were 196,580 jobs in 2019 and with the 2021 forecast of 221,500 jobs, an annual growth of about 12,500 would have to occur in 2020 and 2021 which is significantly greater than the 4,000 annual jobs growth from 2006 to 2016. Based on an annual average growth of 4,600 jobs from 2016 to 2019, Markham's employment in 2021 could be at least 15,000 jobs less than the 2021 forecast. The City has achieved a balance of approximately 1 job for every 2 residents since 2006 which is in line with Official Plan objectives.

It should be noted that York Region is currently updating the Regional and local municipal population and employment forecasts to 2051 through the Regional municipal comprehensive review and Regional Official Plan update. The forecast in the Markham Official Plan will be updated to conform with the new population and employment targets in the Regional Official Plan.

Markham is continuing to intensify along its Centres and Corridors

Residential intensification rate is the annual percent of all residential units built within the Provincial built boundary, which was established by the original Growth Plan for the Greater Golden Horseshoe in 2006. The City's intensification strategy targets an intensification rate of 60 percent. This target is measured annually to optimize the use of existing land and infrastructure, which contributes to creating compact, walkable and complete communities. Over the last 10 years (2011-2020), the City's intensification rate has been averaging 55 percent and this rate is anticipated to increase as more development occurs within the City's Centres and Corridors including Markham Centre, Langstaff Gateway and Cornell Centre, all of which are within the built boundary.

Area of woodland has been increasing while wetland has been declining

Woodlands are generally treed areas of land of at least 0.2 hectares in size with a specified minimum number of trees and tree size and excluding certain tree species while wetlands are areas that are seasonally or permanently covered by shallow water or where the water table is close to or at the ground surface and are generally classified as swamps, marshes, bogs or fens. Both wetland and woodlands provide ecological, social, economic, and hydrological benefits to the City and its residents. Monitoring the total area of wetland and woodland cover within the City will help inform the City's progress toward the protection of these natural heritage features. Between 1991 and 2020, there has been a decline of 40.9 hectares to 793 hectares of wetland cover in the City. Over the same time period, there was an increase in woodland cover by 515 hectares to 1,669.7 hectares. A combination of factors such as including natural changes in vegetation composition,

urban development/removals and restoration have contributed to the decline of wetland and increase of woodland.

Significant portion of the Greenway system is in Public Ownership

Markham's Greenway designated lands serves as an interconnected system of natural open space, agricultural lands and enhancement areas that preserve areas of significant ecological value while providing, where appropriate, opportunities to improve biodiversity and connectivity of natural features and ecological function. The Official Plan policy 3.1.1.2 encourages public acquisition of natural heritage network lands where possible over the long term. Public ownership provides a more consistent and more comprehensive level of protection for these lands. As of 2020, nearly 63% of the lands designated as Greenway in the Official Plan are now publicly owned. Public ownership is further divided between Parks Canada at 72% or 3076 hectares, the City of Markham at 22% or 946 hectares, and the Toronto and Region Conservation Authority at 4% or 164 hectares. The remaining 2% or 99 hectares are owned by other public agencies.

New housing supply trends indicate higher densities being achieved

New Housing Supply by type tracks the amount of new housing units completed annually by unit type. The Official Plan has policies to encourage a mix of housing units to meet the diverse housing needs of the City's residents. For the period of 2016 to 2020 there were 6,482 higher density units built which made up 86% of all new units. The period of 2011 to 2015 had more higher density units built at 8,606 but made up 60% of all new units as the total number of units was higher.

Affordability of annual new ownership housing units continues to be driven by studio and 1 bedroom units

The housing affordability indicator tracks the proportion of new ownership units created annually that are affordable to low and moderate income households below 60 percent of the income threshold. Markham's Official Plan policies aim to promote affordable housing choices to accommodate residents. In 2020, 976 new ownership units were created and 3% or 26 of those units were affordable, 24 of which were Studios and 1 bedroom apartment units. There were 2 ground related units that were affordable. Recent results have shown that ownership units, regardless of type, have become increasingly unaffordable to households with incomes in the lowest 60th percentile or below.

There were 37 affordable rental units built in 2020 (36 private market and 1 second unit), an increase from the average of 5 units a year between 2015 and 2019.

A greater proportion of higher density developments are located within walking distance of higher order transit stations

Higher density development and residents living within an 800 metres walking distance to higher order transit stations along Highway 7 and the Stouffville GO Train line supports Official Plan policies to provide for transit-supportive development where there is a mix of land uses close to transit. As of 2020, 57,800 residents or 17% of the City's

residents currently live within 800 metres to higher order transit stations along the VIVA Bus Rapid Transit Line on Highway 7 and Stouffville GO Train line. This is an increase of 2,400 from the previous estimate of 55,400 from 2019. The majority of housing unit types within 800 metres of all higher order transit stations are apartment units at 54%.

Active transportation network slowly growing but not meeting targets

The 2010 Cycling Master Plan established a target of 93 km of cycling paths/bike lanes and 70 km of multi-use pathways/trails to be built by 2022. This supports Official Plan policies to provide active mobility choices for everyday activities such as work, school, shopping and leisure and helps reduce road congestion and greenhouse gas emissions. As of December 2020, 51.8 km of cycling paths and 47.9 km of multi-use pathways have been built. This is an increase of 3 km and 4.9 km since 2018. 41 km of additional cycling paths and 22 km of additional multi-use pathways will need to be built to complete the City's target network of active transportation infrastructure.

Vacant employment land supply is decreasing

To accommodate employment growth and maintain a strong and diverse economy in Markham there needs to be a supply of serviced employment lands. A number of indicators track this including inventory of serviced and unserviced industrial and commercial lands. The supply of serviced vacant industrial land has decreased from 2018 to 2020 by 53 hectares to 151 hectares while the supply of serviced vacant commercial land has increased by 30 hectares to 63 hectares. In the same time period, the total inventory of unserviced industrial land decreased by 221 hectares to 469 hectares and unserviced commercial land have decreased by 53 hectares to 34 hectares.

Employment floor area has steadily increased from 2018 to 2020 from 3.2 million m² to 3.3 million m² for industrial uses and 0.8 million m² to 1.3 million m² for commercial uses.

The vacancy rate for industrial spaces remained between 0.4% and 1% but the vacancy rate for commercial has fluctuated between 1% and 10% over the last 3 years.

Commercial and industrial property values slightly declining as a percentage of all assessed properties

Assessing the value of commercial and industrial properties as a percentage of all properties in Markham helps track how diversified of a tax base it is for residential and non-residential development to support economic growth and employment opportunities. Between 2017 and 2019, the total assessed value of commercial and industrial properties as a percentage of total assessed value of all properties declined slightly from 12.8% to 12.6%.

Building permit activity is cyclical and has experienced a decline in the past 2 years

Tracking the number of units and non-residential building area for building permit issuances helps inform the future supply of residential units and employment spaces. The amount of building permits issued for residential units have been trending downward in

the past 5 years from a high of 2,783 units in 2018 to 1,046 units in 2020. From 2016 to 2020 the annual proportion of higher density units (apartments and townhouses) ranged between a low of 57% (68 units) in 2019 and a high of 89% (2,471 units) in 2018. In the past 5 years building permit issuances for non-residential building spaces have averaged over 203,000 m² per year with a high of 269,281 m² in 2017 and a low of 118,192 m² in 2020. 2021 is expected to have a significant increase in permit issuances for non-residential building spaces. As of August 2021 there has been a total of just under 400,000 m².

NEXT STEPS

This report is the part of an on-going effort to monitor growth as directed by the Official Plan. Future reports will occur on an annual basis where information can be obtained regularly.

FINANCIAL CONSIDERATIONS

Not applicable.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Official Plan performance indicators were identified and monitored in the context of the Strategic Plan Priority of Goal 3 Vibrant City and Safe, Sustainable and Complete Community.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Planning & Urban Design, Engineering, Economic Growth, Culture, & Entrepreneurship, and Building Standards Departments and the Policy & Research Group were consulted in the preparation of this report.

RECOMMENDED BY:

Arvin Prasad, MCIP, RPP
Commissioner of Development Services

ATTACHMENTS:

Appendix 'A' – City of Markham 2014 Official Plan Performance Indicators

Appendix 'B' – List of Thematic Areas and Indicators (Includes Updated and New for 2021) for City of Markham 2014 Official Plan Performance Indicators