

Report to: Development Services Committee

SUBJECT:	City of Markham Comments on the draft York Region Official Plan
PREPARED BY:	Policy & Research
REVIEWED BY:	Darryl Lyons, R.P.P., M.C.I.P., Senior Manager, Policy & Research (x. 2459)

RECOMMENDATION:

- 1) That the staff report entitled, "City of Markham Comments on the draft York Region Official Plan" dated April 11, 2022, be received;
- 2) That Council requests that:
 - a. The delineations of the Langstaff GO and Royal Orchard Subway Major Transit Station Areas (MTSA) in Appendix 2 of the draft Regional Official Plan (ROP) be revised to add adjacent lands from the Langstaff-Longbridge Subway MTSA, that has been moved from Yonge Street to a new Bridge Station in the selected Yonge North Subway Extension alignment, as shown in Figure 1;
 - b. All MTSAs in Markham be identified as protected Major Transit Station Areas to enable implementation of inclusionary zoning;
 - c. Map 1A be updated to reflect Regional Council approved employment area conversion request M3 1628740 Ontario Inc. and 1628741 Ontario Inc. (Tucciarone) in the Cathedral Employment Area, from Employment Area to a Community Area;
 - d. The Markham Centre employment area mapping west of Warden Avenue in the draft ROP be amended to reflect the in-effect employment designations of Official Plan Amendment (OPA) 21 to the 1987 Markham Official Plan as shown in Figure 4;
 - e. The draft ROP be amended to either define or expand the purpose-built rental target to include additional residential units ("secondary suites") and request York Region to provide programs and incentives to support achievement of the targets;
 - f. The affordable housing targets be further reviewed in consultation with local municipalities and supported with Regional programs and incentives;
 - g. The new definition of affordable housing be revised to provide municipalities the flexibility to use local average market rent, where available, and if there are local official plan policies to support this to be more reflective of local market conditions;
 - h. The two parcels shown in Figure 3 be removed from the new community area designation in Map 1C of the draft ROP;
 - i. The following changes be made to the draft Regional Official Plan policies to further strengthen phasing in existing and new community areas:

- i. Policy 2.2.5 be updated so that infrastructure required to support growth to 2051 be phased based on the direction in the Region's intensification hierarchy;
- ii. Policy 4.2.2.4 be revised so that local municipal population and intensification targets as identified in Tables 1 and 6 of the draft ROP be used in the criteria for approval of secondary plans in new community areas;
- iii. Policy 4.2.2.4 (h) i. be deleted given the uncertainty on how the policy will be implemented;
- iv. Policy 6.2.3 be revised to clarify the Region will work with local municipalities to co-ordinate the required Regional transportation and servicing infrastructure, especially for new community areas and including the approved Minister's Zoning Orders.
- j. Regional staff work with City staff to address the matters highlighted from the November 9, 2021, Markham Council resolution on the Region's Water and Wastewater Master Plan Update;
- k. The Future Urban Area lands identified in Markham in Map 1B of the draft ROP be removed and maintained as agricultural system in Map 1, as these lands are not needed to accommodate growth to 2051;
- 1. A new policy be added, or an existing policy be revised, to encourage area-specific community energy plans to be developed for secondary plans and major development;
- 3) That the Region review the potential implications of the 2021 Census on the forecasts being assigned to local municipalities in the draft Regional Official Plan;
- 4) That Markham Council not support the request by Cornell Rouge Development Corporation, Varlese Brothers et al to convert 17.0 hectares north of Highway 7 and west of Reesor Rd (M4), and the request by Norfinch Group (M7) to convert 0.75 hectares at the southwest corner of Highway 7 and Reesor Rd from employment area to non-employment area uses;
- 5) That this staff report, figures and appendices be forwarded to York Region as the City of Markham's comments on the draft ROP;
- 6) And further that staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

York Region released its draft Regional Official Plan (ROP) for public consultation at Regional Council on November 25, 2021. York Region is required by the Province to bring its official plan into conformity with the Growth Plan by July 1, 2022. The Minister of Municipal Affairs and Housing is the approval authority for the ROP, and the Minister's decision cannot be appealed in accordance with the *Planning Act*.

At a <u>Special Development Services Committee (DSC) meeting on February 15, 2022</u>, Regional staff presented an overview of the draft ROP and Markham staff provided a report that outlined the extensive consultation and input that the City has provided on key areas throughout the Official Plan Review process including, Major Transit Station Areas (MTSAs), employment conversion requests and Land Needs Assessment.

The comments contained in this staff report are offered to improve the direction and clarity of the draft ROP and reflect Markham Council's direction. Overall, staff are supportive of the draft ROP and its policy direction to guide growth to 2051 and the comments contained in this staff report seek to strengthen some policy directions such as the intensification hierarchy, housing, adjustments to new community areas, phasing to align infrastructure with growth, growth along the Yonge Corridor, and improving climate action outcomes through community energy plans and carbon budgets. The comments also seek to provide clarity to support implementation and to further city building objectives.

Technical comments and recommended revisions to specific policies are attached to this report in Appendix 'A'. Letters received from stakeholders with comments to York Region on the draft ROP are attached as Appendix 'B' and responses from Markham staff are addressed in this report.

Once the ROP is in effect, the City of Markham will undertake a conformity exercise to implement the new ROP policies through an update to the Markham Official Plan. According to the *Planning Act*, lower-tier municipalities are to complete their conformity exercise within one year of the Region's new ROP coming into effect.

City staff recommend that the staff report and appendices be forwarded to York Region as the City of Markham's comments on the draft ROP.

PURPOSE:

The purpose of this report is to provide the City of Markham's comments to York Region on the draft Regional Official Plan that was released for public consultation on November 25, 2021.

BACKGROUND:

York Region is undertaking a Municipal Comprehensive Review (MCR) and Regional Official Plan (ROP) update in conformity with Provincial policies and plans including the Provincial Policy Statement 2020, A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 (Growth Plan), the Greenbelt Plan, 2017, and the Oak Ridges Moraine Conservation Plan, 2017.

The <u>draft ROP</u> is the culmination of a multi-year, multi-phased MCR that included multiple opportunities for stakeholder and public input. The draft ROP was released for public consultation at Regional Council on November 25, 2021. A virtual open house was held by York Region on January 25, 2022 to obtain input on the draft ROP, and a statutory public meeting will be held on May 12, 2022.

At a Special Development Services Committee (DSC) meeting on <u>February 15, 2022</u>, Regional staff presented an overview of the draft ROP. At the same meeting, Markham staff provided a report outlining the extensive consultation undertaken by the City as well as input the City has provided throughout the MCR process on key policy areas including, Major Transit Station Areas (MTSAs), employment conversion requests and the Land Needs Assessment, among others.

York Region is required by the Province to bring its official plan into conformity with the Growth Plan by July 1, 2022. It is understood that York Region staff will be bringing the final ROP to Regional Council for adoption before the Provincial deadline. The Minister of Municipal Affairs and Housing is the approval authority for the ROP, and the Minister's decision cannot be appealed to the Ontario Land Tribunal, in accordance with the *Planning Act*. Once the ROP is in effect, the City of Markham will undertake a conformity exercise to implement the new ROP policies through an update to the Markham Official Plan.

Markham staff discussed the comments in this report with Regional staff, and will continue to work with Regional staff to address outstanding issues prior to adoption.

DISCUSSION:

The City has provided input on key policy areas of the Region's MCR work program as summarized in the <u>February 15, 2022</u> staff report to DSC. Overall, Markham staff are supportive of the draft ROP and the direction it provides to guide growth to 2051. The comments contained in this report are provided to improve, clarify or strengthen the policy direction contained in the draft ROP, and to address previous Markham Council direction.

Technical comments and recommended revisions to specific policies in the draft ROP are attached as Appendix 'A'. Letters received from stakeholders with comments to York Region on the draft ROP are attached as Appendix 'B' with responses from Markham staff.

The Region-Wide Intensification Target is a Minimum Target that can be Exceeded by Local Municipalities through the upcoming Markham Official Plan Review

York Region is required to plan for a population of 2.02 million people and 990,000 jobs by 2051. This represents approximately an additional 800,000 people and 345,000 jobs between 2021 and 2051. The draft ROP proposes to allocate 256,700 people and 108,500 jobs to the City of Markham between 2021 and 2051. By 2051, the draft ROP proposes to allocate approximately 30% of the Region's population and employment to the City of Markham, resulting in a population of 608,500 and 301,700 jobs.

The Growth Plan requires that municipalities use the standardized Provincial Land Needs Assessment Methodology to determine land needs to the planning horizon of 2051. The methodology determines the quantum of land needed to accommodate forecasted growth, including the need for any urban expansions. This is completed at a region-wide scale. As directed by Regional Council in October 2021, the growth forecasts in the draft ROP are based on the phased 50-55% Region-wide intensification rate, with 50% of the intensification assumed to occur annually between now and 2041, and 55% to occur annually between 2041 and 2051.

The Growth Plan identifies minimum intensification targets, and the draft ROP requires local municipalities to adopt intensification strategies, which will meet or exceed the intensification targets identified in Table 6 of the draft ROP. The intensification target assigned to the City of Markham is 51,000 units from 2016 to 2051. This represents approximately 1,460 units per year between 2016 and 2031. Although a specific intensification target as a percentage is not provided in the draft ROP, this translates to a city-wide intensification rate of 55%. This rate includes Markham's request to reduce the area of new employment lands to minimize impacts on the Almira hamlet and, instead, include the lands as community area lands that are now reflected in the draft ROP Map 1A. As noted in the December 6, 2021 staff report to DSC, local municipalities can have a higher intensification target than the intensification rate assigned in the ROP. A higher intensification rate in the Markham Official Plan will signal Markham's continued commitment to focus growth on centres and corridors supported by transit.

Markham's intensification strategy will be updated as part of the Markham Official Plan Review. City of Markham will initiate an Official Plan Review once the new ROP comes into effect. In follow-up to a request from DSC dated February 3, 2022 to provide an update on the basis of the 2021 Census population number, staff note that the draft ROP was released for public consultation in November 2021. The Region used 2016 Census data in preparation for the growth forecasting work. The 2021 Census population data was released on February 9, 2022. The 2021 population projected by York Region as shown in Table 1 of the draft ROP is 351,800, but the 2021 Census population for Markham was 338,503. City staff believe that the projected population by York Region for City of Markham to 2051 appears optimistic given recent growth trends in comparison to Census data. City staff therefore recommend that the Region review the potential implications of the 2021 Census on the forecasts being assigned to local municipalities in the draft Regional Official Plan.

Recommendation #1: That the Region review the potential implications of the 2021 Census on the forecasts being assigned to local municipalities in the draft Regional Official Plan.

City staff recommend revising certain MTSA delineations to reflect changes to the Yonge North Subway Extension alignment, as well as identifying all MTSAs in Markham as Protected MTSAs to facilitate inclusionary zoning

As required by the Growth Plan, the draft ROP introduces policies directing local municipalities to delineate, set minimum density targets, and establish policies to guide development in major transit station areas (MTSAs) in their official plans. The locations of all the MTSAs in York Region are shown on Map 1B of the draft ROP, while the delineations and density targets for each MTSA are provided in Appendix 2. The delineations and density targets for the MTSAs in Markham included in Appendix 2

reflect the comments endorsed by Markham Council in July 2020 as well as subsequent revisions outlined below. Once the draft ROP is adopted by Regional Council and approved by the Province, the identification of new MTSAs for inclusion in the ROP or revisions to the delineations and/or densities of MTSAs in Appendix 2 will only be approved during the next Regional MCR.

Revisions to the boundaries of certain Major Transit Station Areas on the Yonge Corridor are recommended to reflect recent changes made by the Province to the Yonge North Subway Extension alignment

On July 14, 2020, Markham Council endorsed a staff report with comments and recommendations regarding the 24 draft MTSAs in Markham identified for inclusion in the draft ROP. The report also summarized input received through stakeholder and public consultations on the draft MTSAs that took place in June 2019. Staff generally agreed with the Region's draft MTSA delineations and minimum density targets and only recommended revisions to certain MTSAs to better reflect local conditions and site specific concerns. It was also recommended that York Region bring forward a regional official plan amendment to implement MTSAs and include inclusionary zoning policies in advance of completion of the MCR to enable local municipalities to apply inclusionary zoning in MTSAs as soon as possible.

On <u>September 24, 2020</u>, Regional Council endorsed for inclusion in the draft ROP the boundary delineations, minimum density targets and preliminary policy directions for the 72 MTSAs identified across the Region. The boundary delineations and density targets for the 24 MTSAs in Markham generally aligned with Markham's July 2020 comments. Minor revisions included the removal of the MTSA previously proposed at 14th Avenue on the Stouffville GO Line as Metrolinx is no longer planning for a station at that location, bringing the total number of MTSAs in Markham down to 23. In addition, the shared boundary between the Enterprise BRT and Unionville GO MTSAs was revised to move lands from the Enterprise BRT MTSA into the Unionville GO MTSA in response to stakeholder comments. Lastly, the minimum density targets identified for the Langstaff-Longbridge Subway MTSA (450 people and jobs per hectare) and Langstaff GO MTSA (500 people and jobs per hectare) were both lowered to 400 people and jobs per hectare to provide more flexibility at the local level to achieve the targets. Markham staff did not have any objections to these revisions.

A few additional revisions, specifically to the delineations of certain MTSAs on the Yonge Corridor, are recommended to reflect the subway alignment being advanced by Metrolinx. In March 2021, Metrolinx released the Initial Business Case (IBC) for the Yonge North Subway Extension (YNSE). The IBC evaluated the subway alignment as proposed in the approved Environmental Assessment, as well as two alternative alignments. The alignment selected for further analysis, known as Option 3, does not contemplate a Langstaff-Longbridge Subway Station at Yonge Street south of Highway 407. The selected alignment, which was recently refined in December 2021, includes a station east of Yonge Street between the Highway 7 and Highway 407 corridors (i.e., Bridge Station). Given that a subway station is no longer contemplated at Yonge Street and Highway 407, it is recommended that the Langstaff-Longbridge Subway MTSA be deleted and include those lands respectively within the Langstaff GO and Royal Orchard Subway MTSAs as shown in Figure 1, while maintaining their minimum density targets. City staff have consulted with Regional staff and there is agreement with the proposed revisions.

Recommendation #2: That Council requests that the delineations of the Langstaff GO and Royal Orchard Subway MTSAs in Appendix 2 of the draft ROP be revised to add adjacent lands from the Langstaff-Longbridge Subway MTSA, that has been moved from Yonge Street to a new Bridge Station in the selected Yonge North Subway Extension alignment, as shown in Figure 1.

<u>All Major Transit Station Areas in Markham should be identified as Protected Major</u> <u>Transit Station Areas under the *Planning Act* to enable implementation of inclusionary <u>zoning</u></u>

As noted earlier, the draft ROP introduces policies to guide development in MTSAs, in particular to direct growth through intensification to support existing and planned rapid transit infrastructure. More specifically, the policies provide direction for accommodating a range and mix of land uses, housing types, employment, active transportation amenities and activities, as well as affordable housing. It is important to note that the application of inclusionary zoning for affordable housing can only be implemented on lands within protected MTSAs per changes made to the *Planning Act* in 2019, and upper tier municipalities may include policies to identify protected MTSAs.

Revisions to policy 4.4.2.10 a. in the draft ROP, which states that subway stations on the YNSE in Markham and Vaughan are not protected MTSAs on the basis that locations and boundaries require finalization, further approvals and protection through a future regional official plan amendment, are therefore recommended.

Although it is recognized that the delineations and density targets for MTSAs on the YNSE may be revised in the future through an amendment to the ROP, Markham staff do not believe it is appropriate to remove the ability to apply the inclusionary zoning tool to require affordable housing within the Yonge Corridor. As discussed with Regional staff, it is Markham staff's position that all MTSAs in Markham should be protected MTSAs under the *Planning Act* to facilitate the use of inclusionary zoning to support achieving and implementing the City's affordable housing initiatives and targets.

Recommendation #3: That all MTSAs in Markham be identified as protected Major Transit Station Areas to enable implementation of inclusionary zoning.

City staff recommend updates to mapping to reflect Regional Council approved employment conversion request, Markham Centre In-effect Markham Official Plan employment designations, edits to Buttonville Airport policy, and Markham Council not support deferred employment conversion requests

In accordance with the Growth Plan, the Region has updated its employment framework in the draft ROP to delineate employment areas and directs local municipalities to identify core and supporting employment areas in their official plans. Core employment areas are employment areas that are in proximity to 400-series highways and are incompatible with non-employment uses such as noxious uses and/or land extensive employment uses (manufacturing, warehousing, logistics, etc.). Supporting employment areas are those areas on the periphery of employment areas and maybe candidates for mixed employment uses because of their location within existing or proposed intensification areas. Appendix 1 of the draft ROP also included minimum density targets for employment areas.

City staff supports the regional employment framework with refinements to better align with the City's employment framework in its Official Plan. These refinements are outlined below.

<u>City staff recommend that mapping be updated to reflect Regional Council approved</u> <u>employment conversion request M3 1628740 Ontario Inc. in the Cathedral Employment</u> <u>Area from Employment Area to Community Area</u>

The <u>Regional Council approved</u> employment area conversion request by 1628740 Ontario Inc. and 1628741 Ontario Inc. (Tucciarone) (M3) at 2718 and 2730 Elgin Mills Road East in the Cathedral Employment Area is still being mapped as an employment area in the draft ROP. City staff is recommending that Map 1A be updated to reflect the approved employment conversion request, and that the lands be mapped as community area instead of employment area.

Recommendation #4: That Council requests that Map 1A be updated to reflect Regional Council approved employment area conversion request M3 1628740 Ontario Inc. and 1628741 Ontario Inc. (Tucciarone) in the Cathedral Employment Area, from Employment Area to a Community Area.

Regional Employment Area mapping for Markham Centre to Reflect In-Effect Official Plan Employment Designations

As required by the Growth Plan, the draft ROP delineates employment areas in Map 1A, and seems to have generally relied on employment land use designations in Map 3 of the Markham Official Plan, 2014. While most of the land use designations in Map 3 are in effect, certain areas such as in Markham Centre are governed by an area and site specific policy that directs the in-effect land use designations to Official Plan Amendment (OPA) 21 under the 1987 Markham Official Plan. In this instance, the land use designations in Map 3 are not operative.

City staff recommend that the draft ROP be revised to reflect the employment land use designations for Markham Centre, as outlined in OPA 21 and as shown in Figure 4.

Recommendation #5: That Council requests that the Markham Centre employment area mapping west of Warden Avenue in the draft Regional Official Plan be amended to

reflect the in-effect employment designations of Official Plan Amendment (OPA) 21 to the 1987 Markham Official Plan as shown in Figure 4.

Draft Regional Official Plan includes policy to maintain current Buttonville Airport Lands direction from the Regional Official Plan, 2010 Proposed Policy Subject to Minor Edits

The in-effect Regional Official Plan 2010 has a site specific policy regarding the Toronto Buttonville Airport lands. In particular, policy 7.2.92 states the following:

"When airport operations at the Buttonville Airport cease, the significant majority of the subject lands shall be retained for business park use, and the balance for a mix of urban uses. The City of Markham, in consultation with the Region, will determine the details of the use of these lands through an implementing secondary plan process."

At the time when this policy was written, the Growth Plan 2006 did not require employment areas to be mapped and local municipalities could undertake an MCR. The Growth Plan 2019 is more specific, in that upper-tier municipalities are required to designate employment areas in their official plans and employment conversions can only be undertaken through an MCR by York Region.

On <u>September 15, 2020</u>, Markham Council passed a resolution to support the intent of Regional Official Plan 2010 policy 7.2.92 being maintained through the Region's MCR process, and directed Markham staff to work with Regional staff and the landowner to maintain the intent of this policy in the updated Regional Official Plan.

A letter was also sent by the Mayor's office to the Ministry of Municipal Affairs and Housing in February 2021, requesting for assistance in efforts to maintain this site specific policy, but have not received any response. City staff also met with the landowner and with regional staff various times to discuss the site specific policy and explore potential solutions.

The draft ROP proposes to map the Buttonville Airport lands as employment area and include Policy 6.4.5.7 that is slightly revised from the 2010 Regional Official Plan. While staff generally support the intent of the employment mapping and site specific policy, there is concern that it may not conform to the Growth Plan as it could be interpreted as permitting an employment conversion outside of an MCR.

City staff also recommend minor revisions to the draft ROP policy 6.4.5.7 as shown in **bold**:

"That the Toronto Buttonville Airport lands are designated for business park use in the City of Markham Official Plan, including permission to operate an airport. When airport operations at the Buttonville Airport cease, the significant majority of the subject lands shall be retained for business park use, and the balance for a mix of urban uses. The City of Markham, in consultation with the Region, will determine the details of the final extent of employment designation for future use of these lands through an

implementing secondary plan process. ensuring that the significant majority of the lands are retained for business park use.

<u>City staff recommend Markham Council to not support deferred Employment Conversion</u> <u>Requests M4 Cornell Rouge Development Corporation, Varlese Brothers et al and M7</u> <u>Norfinch Group</u>

The Cornell Rouge Development Corporation, Varlese Brothers et al request applies to 17.9 ha north of Highway 7 between Donald Cousens Parkway and Reesor Road. The Norfinch Group request applies to 0.75 ha at the southwest corner of Highway 7 and Reesor Road. Together, these lands comprise approximately half of the remaining employment lands in Cornell, which are in close proximity to the Highway 407/Donald Cousens Parkway interchange and identified as strategic employment lands in the Regional Official Plan (see Figure 2). The lands are also adjacent to the Rouge National Urban Park (RNUP), and a vision for the area to create a pedestrian-focused Gateway connecting Cornell Centre and the RNUP was endorsed by Council in February 2020. At that time, Council endorsed a staff resolution that the appropriate land uses in the Gateway be determined through a land use/built form exercise with the landowners to determine the appropriate land uses, built form and streetscape design to achieve the Gateway vision. Staff have been in discussions with the landowners since February 2020 but have been unsuccessful in advancing the development of a mutually agreeable land use concept. There is also uncertainty about the timing of planned Parks Canada facilities. At the request of Markham Council, Regional Council deferred a decision on the conversion requests M4 and M7, pending a decision from the City of Markham prior to the adoption of the ROP.

Staff followed up with Parks Canada regarding their planned welcome area facilities for the Gateway lands but have not received any response. City staff's consideration of conversion of these lands in this MCR process was predicated on ensuring that the lands in the Gateway area provided the uses and amenities that would support the planned Parks Canada facilities. In absence of the commitment from Parks Canada, Markham staff is recommending that Council not support the conversion of M4 and M7 from employment area to non-employment area uses and the landowners have been advised of this position in December 2021. The landowners were also advised that staff will review appropriate employment uses, such as allowing limited retail and services at the secondary plan level, to provide services and amenities to serve users of the employment area and the National Park.

Recommendation #6: That Markham Council not support the request by Cornell Rouge Development Corporation, Varlese Brothers et al to convert 17.0 hectares north of Highway 7 and west of Reesor Rd (M4), and the request by Norfinch Group (M7) to convert 0.75 hectares at the southwest corner of Highway 7 and Reesor Rd from employment area to non-employment area uses.

City staff recommend flexibility on affordable definition, clarity on rental housing definition and request Regional programs and incentives to support achievement of the targets

Housing policies in the draft ROP introduce policies that enable the use of inclusionary zoning, new definitions and changes to an existing definition. The draft ROP introduces policies to facilitate use of inclusionary zoning as a new tool that local municipalities may use to require affordable housing.

The new definitions in the ROP are housing options, additional residential units and community housing. Housing options has been introduced as a defined term in the Provincial Policy Statement and Growth Plan. Additional dwelling units is a new term that replaces second suites to reflect changes in the *Planning Act*. In addition, although not associated with provincial requirements, a definition is also now proposed for community housing as housing operated by a group of housing providers including non-profit corporations that provides subsidized and low-end of market rents.

A new definition for affordable housing is also proposed to align with Regional Council direction in the 2018 update of the York Region Affordable Housing Measuring and Monitoring Guidelines.

The income or price/rent tests have been removed. Ownership housing is based on income for low and moderate income households. The definition considers both regional and local incomes in relation to affordable purchase price. The lower of the regional or local household income is the affordable ownership price.

Rental housing is based on regional average market rent (currently proposed at 125% of regional market rent following the 2018 update noted above rather than 100% of average market rent that is in the existing ROP). The rental housing might also consider both regional and local average market rent and employ the lower of these where available.

Staff believe that the ROP definition should provide flexibility to allow the use of local average market rents for affordable rental housing. This would be similar to the consideration in affordable ownership housing. The use of local average market rents would be more reflective of local market conditions across the Region.

York Region should include additional residential units ("secondary suites") as rental units in the purpose-built rental target and provide Regional Programs and incentives

The Growth Plan introduced a requirement for municipalities to include rental housing targets and the draft ROP proposes purpose-built rental targets for each municipality. Markham has the highest target of all York Region local municipalities with 10,000 units by 2051. According to York Region's Regional Official Plan Update Policy Directions Report (June 10, 2021) these rental targets are proportionate to population forecasts. While there is some concern by staff whether the rental target is achievable, it is recommended that York Region provide implementation support through new programs and incentives.

Further, given that the Growth Plan speaks to rental targets and not specifically purposebuilt rental units, staff recommend that the target contained in the draft ROP be clarified or defined to include additional residential units ("secondary suites").

Recommendation #7: That Council requests that the draft ROP be amended to either define or expand the purpose-built rental target to include additional residential units ("secondary suites") and request York Region to provide programs and incentives to support achievement of the targets.

The targets for affordable housing should be reviewed in consultation with local municipalities as they have not been met from 2018 to 2020

The draft ROP would require a minimum of 35% of new housing in Regional Centres and MTSAs to be affordable, and requires a minimum of 25% outside of these areas within each local municipality. Staff note that some MTSAs that are located outside of Regional Centres would be required to achieve a higher minimum affordable housing target than currently required under the 2010 ROP.

Draft policy 4.4.2.9 j in relation to Regional Corridors and Major Transit Station Areas refers to affordable housing targets whereas draft policies 2.3.2.2 and 2.3.2.3 state that a minimum of 35% be affordable. Regional staff should harmonize these policies so that they refer to targets. This would also align with the rental housing targets terminology used in draft policy 2.2.2.4 and Table 2.

Staff support the intent of these policies to increase the supply of affordable housing, although it is not clear how the targets can be achieved. Affordable housing targets have not been met from 2018 to 2020 (2021 data is not yet available) and should be further reviewed in consultation with local municipalities. Regional programs and incentives are requested to support implementation of these targets.

Recommendation #8: That Council requests that the affordable housing targets be further reviewed in consultation with local municipalities and supported with Regional programs and incentives.

Recommendation #9: That Council requests that the new definition of affordable housing be revised to provide municipalities the flexibility to use local average market rent, where available, and if there are local official plan policies to support this to be more reflective of local market conditions.

City staff recommend that two parcels of lands be removed from being designated as new community area

The draft ROP identifies 1030 hectares of lands to be included as new community areas (urban expansion areas) to accommodate growth to 2051. As shown in Map 1B, the majority of the new community area lands proposed to be in the built boundary for growth within the 2051 horizon are contiguous to Markham's growth pattern from south to north, and from west to east. The proposed new community areas also include the two

approved Minister's Zoning Orders (MZOs), which lands located north and south of 19th Avenue at the border of the municipal boundary of Markham and Whitchurch-Stouffville, lands adjacent to the approved MZOs, and lands not contiguous to the MZOs but are within the area and separated by either a hamlet, or natural heritage features.

City staff are concerned about bringing these two parcels of lands into the new community area, and recommend that the following parcels as identified in Figure 3 of the staff report be removed from Map 1C of the draft ROP. The lands consist of the following:

1. 1.6 hectares of lands designated Countryside which are adjacent to the Dickson Hill hamlet to the west, the Greenbelt Plan and Oak Ridges Moraine areas to the east

Staff are concerned about bringing these lands into the new community area. The lands are surrounded by the Dickson Hill hamlet, which are small historic settlement areas serviced by individual private on-site wastewater systems and private wells, and as low-density residential communities. The proposed new community area adjacent to these lands could result in pressure to develop beyond what is envisioned and alter its rural character. The proposed community area lands are also within the lands of the ongoing Arbor Memorial appeal at the Local Planning Appeal Tribunal. The City denied an OPA application in 2014 on the basis that the proposed change in land use does not conform to the provincial plans, the York Region Official Plan and Markham Official Plan.

2. 7.5 hectares of lands designated Countryside which are surrounded on all sides by valley corridors and identified as Natural Heritage Network Enhancement Land in the Markham Official Plan

There are significant ecological impacts if the lands are being designated as new community area to accommodate growth to 2051. The valley crossings required to access this small area would negatively impact provincially significant natural features as well as wildlife movement in the Little Rouge subwatershed. The Little Rouge Creek and surrounding landscape provides one of the last remaining opportunities in the City to establish interior forest habitat for the protection of area-sensitive wildlife as supported by the Rouge North Management Plan.

The infrastructure costs required to service these lands could be very high. The infrastructure costs are expected to be high due to the multiple valley crossings that may be required as well as the length of span of the valley crossings.

For the reasons above, staff recommend that these lands be removed from the New Community Area.

Recommendation #10: That Council requests that the two parcels shown in Figure 3 be removed from the new community area designation in Map 1C of the draft York Region Official Plan, and that the agricultural designation from Map 8 of the 2010 York Region Official Plan be maintained.

Stronger Phasing policies and sequencing of Regional Transportation and Servicing Infrastructure to accommodate forecasted growth

The draft ROP includes updated phasing policies for existing communities, and new phasing policies for new community areas (urban expansion lands). These policies are contained in the following sections: Integrated growth management, phasing in new community areas, and growth and infrastructure alignment. In these sections, the draft ROP:

- For phasing of developments in all community areas:
 - directs municipalities to phase development in a manner that is coordinated with the various Regional plans, including the York Region Fiscal Strategy, 10-year Capital Plans, Water and Wastewater Master Plan and the Transportation Master Plan;
 - Directs municipalities, in consultation with the development industry, to establish policies and/or strategy that align near term development priorities with existing infrastructure capacity;
 - prioritizes development in locations with existing regional infrastructure capacity;
 - Reiterates that approval of secondary plans and/or development within strategic growth areas shall be contingent on availability of existing or planned infrastructure and other services; and
 - Include policies and criteria that phases delivery and operation of regional infrastructure in a manner consistent with the Region's Water and Wastewater and Transportation Master Plans.
- For phasing of development in new community areas
 - provides criteria for local municipalities to identify, in their official plans, phasing of development and orderly progression of phases within new community areas;
 - provides secondary plan approval criteria for new community areas, including achievement of a minimum average of 50% intensification over the last 5 years and minimum population of 1.5 million people;

City staff support the updated phasing policies for all development and new phasing policies for new community areas so that growth is directed to centres and corridors where they are supported by transit and existing regional infrastructure capacity. One area that could be strengthened is draft policy 2.2.5, as it relates to criteria to phase regional infrastructure to support growth to 2051. To further strengthen the link between infrastructure planning and directing growth to centres and corridors, city staff recommend that a link be established between infrastructure phasing and the intensification hierarchy.

The draft ROP also includes policy 4.2.2.4 that outlines the criteria for the region to approve secondary plans in new community areas, including that the Region would achieve a minimum average of 50% intensification over the last 5 years (4.2.2.4 b), that the Region would reach a minimum population of 1.5 million people (4.2.2.4 c), and that

the approval of a subsequent phase/preceding phase shall be considered if the phase is 75% registered (4.2.2.4 h i).

City staff are concerned that if the regional intensification rate of 50% is achieved, which is a lower intensification rate than Markham has been advocating for, it may lead to lands being developed prematurely and without appropriate servicing accommodation in Markham. For the same reason, City staff are also concerned with using a regional population threshold as opposed to a local municipal population threshold. Further, it is unclear what "subsequent phase/preceding phase" means and how that would apply when considering a secondary plan, and how the City can control the percentage in which phases of a secondary plan is registered.

City staff recommend that rather than aligning the approval of secondary plans with a Region-wide intensification target and a regional population number, that the Region makes reference to the local municipality's population and intensification targets in Tables 1 and 6 respectively so that the City has better control of how the City phases growth. This will allow the City to better phase development, as appropriate. City of Markham Official Plan 2014 designates lands to 2031. Given the uncertainty and confusion on how policy 4.2.2.4 (h) i. would be implemented, City staff also recommend that proposed policy 4.2.2.4 (h) i. be removed from secondary plan approval criteria for new community areas. For Table 6, the Region should consider including a local municipal intensification target as a percentage.

City staff also recommend that draft policy 6.2.3 as it relates to aligning growth with timing and delivery of infrastructure be further revised to clarify how the Region will work with local municipalities to co-ordinate transportation and servicing infrastructure or develop interim solutions on appropriate transportation and servicing infrastructure, especially for new community areas and including the approved Minister's Zoning Orders (MZOs). It is unclear how infrastructure is planned and implemented to support growth, as City staff have identified that the Water and Wastewater Master Plan does not plan for servicing in new community areas being proposed in the draft ROP. City staff reported to Council in November 2021 to provide an update on the Region's Water and Wastewater Master Plan. City Council subsequently forwarded a resolution to the Regional Clerk requesting that Regional staff respond to a number of issues. To date, the responses provided by Regional staff do not satisfy or address Council's November 2021 resolution. City staff also provided comments on the Region's Transportation Master Plan in February 2022. Feedback on these master plans will inform the development of the ROP.

Recommendation #11: That Council requests that the following changes be made to the draft Regional Official Plan policies to further strengthen phasing in existing and new community areas:

- a. Policy 2.2.5 be updated so that infrastructure required to support growth to 2051 be phased based on the direction in the Region's intensification hierarchy;
- b. Policy 4.2.2.4 be revised so that local municipal population and intensification targets as identified in Tables 1 and 6 of the draft ROP be used in the criteria for approval of secondary plans in new community areas;

- c. Policy 4.2.2.4 (h) i. be deleted given the uncertainty on how the policy will be implemented;
- d. Policy 6.2.3 be revised to clarify the Region will work with local municipalities to co-ordinate the required Regional transportation and servicing infrastructure, especially for new community areas and including the approved Minister's Zoning Orders.

Recommendation #12: That Council requests that Regional staff work with City staff to address the matters highlighted from the November 9, 2021, Markham Council resolution on the Region's Water and Wastewater Master Plan Update.

Whitebelt lands not needed to accommodate growth to 2051 in Markham should not be identified as "Future Urban Area"

Lands not needed for growth to 2051 but required to accommodate future growth post-2051 are identified in the draft ROP as "Future Urban Area" and have an underlying designation of Agricultural Area as shown in Map 1A. The objective of the identification of Future Urban Area is to reserve and plan for additional lands required for future urban development in the long-term beyond the 2051 planning horizon. Detailed planning for these lands will only occur once they are brought into the urban boundary through the next MCR.

For the City of Markham, the lands east of the Little Rouge Creek is considered Future Urban Area lands as shown in Map 1B of the draft ROP. City staff continue to be of the opinion that any identification of lands outside of the 2051 planning horizon is premature and does not support the provincial and City objective of protecting these lands for agricultural purposes. Staff recommend that any whitebelt lands, which are lands not needed for growth to 2051, in Markham not be identified as "Future Urban Area", and only maintain the current non-urban designation in the Regional Official Plan.

Recommendation #13: That Council requests that the Future Urban Area lands identified in Markham in Map 1B of the draft ROP be removed and maintained as agricultural system as shown on Map 1, as these lands are not needed to accommodate growth to 2051.

Improving Climate Action Outcomes through Community Energy Plans and Carbon Budgets

The Draft ROP continues to support the use of a City-wide municipal energy plan (draft Policy 2.3.1.5) to drive climate action. However, the policy to require area-specific community energy plans for land use planning areas such as New Community Areas and intensification areas has been removed from the draft ROP.

An area-specific community energy plan (CEP) is underway in support of the Markham Centre Secondary Plan. A CEP for the Future Urban Area was successfully negotiated with landowners. The CEP has been an effective tool to implement the Markham Municipal Energy Plan (MEP) direction. The Markham MEP includes a program initiative for "Integrated Low Carbon City Planning" and includes direction such as, "Requiring and implementing community energy plans for secondary plans, and energy strategies for major developments" and, "Applying the Green Standard through conditions of approval for development applications". The suggested additional policy language (see below) will better support the intent of the Markham MEP and improve the likelihood of tractable outcomes for energy conservation, renewable energy generation and greenhouse gas (GHG) reductions.

City staff recommend that the draft ROP be revised to either add a new policy or amend an existing policy to encourage area-specific community energy plans for secondary plans and major development.

Recommendation #14: That Council requests that a new policy be added, or an existing policy be revised, to encourage area-specific community energy plans to be developed for secondary plans and major development.

Carbon budgets emerged from the work of the Intergovernmental Panel on Climate Change (IPCC) and have been adapted for use in municipal carbon accounting. Municipal carbon budgets establish a more direct lens for decision-making that has impacts on GHG emissions, such as emissions under more municipal control from City operations or emissions influenced by City decisions such as through land use planning. Including the term "municipal carbon budget" in draft Policy 2.3.1.6 does not mandate the City to use this approach, but lends support should the revision of the City's MEP recommend a carbon accounting framework consistent with recommendations of the IPCC and C40 Cities.

Staff recommend that draft ROP policy 2.3.1.6 be revised to include "municipal carbon budget" as follow, "To encourage local municipalities, agencies and stakeholders to integrate climate change mitigation and adaptation strategies into municipal, planning and development tools including but not limited to pilot programs, bylaws, development guidelines, <u>municipal carbon budgets</u> and incentive programs.

Detailed Technical Comments in Appendix A and Responses to Stakeholder Comments in Appendix B

Technical comments on the policies, definitions and mapping of the draft ROP can be found in Appendix A to this report. The City also received a total of seven (7) letters from planning consultants and/or agents on behalf of landowners with comments to York Region on the draft ROP. City staff responses to the letters are included in Appendix B to this report.

NEXT STEPS:

City staff recommend that comments from this staff report be forwarded to York Region as Markham's comments on the draft Regional Official Plan. Staff will continue to report to the Committee as required, and when the final ROP is released by the Region.

HUMAN RESOURCES CONSIDERATIONS:

Not applicable.

FINANCIAL CONSIDERATIONS:

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

The recommendations in this report support Goal 3 – Safe, Sustainable and Complete Community in Building Markham's Future Together, 2020-2023.

BUSINESS UNITS CONSULTED AND AFFECTED:

All impacted City departments have been consulted on the Region's draft Official Plan.

RECOMMENDED BY:

Biju Karumanchery, R.P.P., M.C.I.P. Director, Planning and Urban Design Arvin Prasad, R.P.P., M.C.I.P. Commissioner of Development Services

Appendix 'A': City of Markham Staff Comments on the draft York Region Official Plan Appendix 'B': Summary of Stakeholder Submissions and Staff Response

Appendix 'C': Stakeholder Submissions

Figure 1 - Recommended Revisions to Royal Orchard Subway and Langstaff GO MTSA Boundaries

Figure 2 - Cornell Rouge Development Corporation, Varlese Brother et al and Norfinch Group Requests - Area Context

Figure 3 - Recommended Adjustments to New Community Area Boundaries

Figure 4 - Recommended Adjustments to Regional Employment Areas in Official Plan Amendment 21