



Report to: Development Services Committee

Meeting Date: April 8, 2024

SUBJECT: Canada Public Transit Fund – Housing Supply and Affordability Action Plan, Joint Grant Submission for Highway 7 East Bus Rapid Transit

PREPARED BY: John Yeh, RPP, MCIP, Acting Senior Manager, Policy & Research, Zoning & Special Projects, Ext.7922

RECOMMENDATION:

1. THAT the April 8, 2025, report titled, “Canada Public Transit Fund – Housing Supply and Affordability Action Plan, Joint Grant Submission for Highway 7 East Bus Rapid Transit”, be received;
2. THAT City Staff continue to work with York Region Rapid Transit Corporation in refining the justification for the Highway 7 East Bus Rapid Transit Corridor in support of the Ministry of Transportation Integrated Regional Plan submission under the Canada Public Transit Fund;
3. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

This report provides an overview of the Housing, Infrastructure and Communities Canada – Canada Public Transit Fund, a program intended to help municipalities fund the planning and implementation of public transit projects. One of the objectives of the Canada Public Transit Fund is requiring a commitment to increase the supply of housing and affordability to ensure development around transit provides the ridership base to support the transit network while creating complete communities. This report also seeks endorsement of the proposed Housing Supply and Affordability Action Plan and direction to continue supporting the joint grant application to the Canada Public Transit Fund.

BACKGROUND:

In 2024 Housing, Infrastructure and Communities Canada announced the Canada Public Transit Fund, a long-term funding program for public transit projects in communities across Canada. The Canada Public Transit Fund represents a \$30 billion investment over 10 years starting in 2026 that’s intended to support public transit infrastructure. The Ontario Ministry of Transportation is preparing the Greater Golden Horseshoe Metro-Region Agreement Integrated Regional Plan to submit to Housing, Infrastructure and Communities Canada under the new Canada Public Transit Fund.

The Ministry of Transportation is working with several transit authorities in the Greater Golden Horseshoe to support the grant application including York Region Rapid Transit Corporation and is expected to submit the application in Q3 2025. York Region Rapid Transit Corporation has identified the Highway 7 East Bus Rapid Transit (BRT) Corridor in the City of Markham (Markham Centre to Cornell Centre) and Jane Street BRT Corridor in the City of Vaughan as two priority projects eligible for this grant application. The Highway 7 East BRT Corridor is identified in Metrolinx's 2041 Region Transportation Plan and York Region's 10-year Capital Plan for Environmental Assessment and preliminary engineering and design. Highway 7 East is identified as a Regional Rapid Transit Corridor in the Markham Official Plan, 2014 (Map 2 – Centres and Corridors and Transit Network).

Led by York Region Rapid Transit Corporation, the Cities Markham and Vaughan are providing inputs to the grant application through the development of individual Housing Supply & Affordability Action Plans. This addresses one of the Canada Public Transit Fund objectives to increase housing supply and affordability as part of complete, transit-oriented communities. More specifically the Canada Public Transit Fund provides criteria and measures to achieve increased housing supply and affordability including:

- Providing housing options on lands surrounding transit stops and stations
- Addressing housing affordability on lands surrounding transit stops and stations
- Creating more market, non-market and affordable housing that is suitable for different-sized households, including families, near transit
- Increasing access to jobs and amenities via the public transit system

York Region Rapid Transit Corporation is coordinating with other agencies to address the remaining objectives:

- Increase use of public transit and active transportation
- Contribute to climate change mitigation and resilience
- Improve public transit and active transportation options for all

City of Markham Staff have prepared a proposed Housing Supply and Affordability Action Plan for Markham in consultation with York Region Rapid Transit Corporation. Staff have also been communicating with City of Vaughan and York Region staff to learn about each other's respective programs for further input to the Housing Supply and Affordability Action Plan. The proposed Housing Supply and Affordability Action Plan commits 12 actions to increase housing supply, increase affordable housing, increase access to jobs and amenities, and increase housing suitable for families in proximity to transit on the Highway 7 East Corridor.

Markham is a highly diverse community with over 365,000 people and Canada's third largest tech cluster with over 1500 tech companies contributing to the City's

185,000 jobs. If York Region Rapid Transit Corporation is awarded funding from the grant application to design, construct, and operate the BRT, it will support broader City building initiatives to increase housing supply, support affordable housing initiatives, and increase economic development and business opportunities along the Highway 7 East Corridor and ensures Markham continues to build thriving and complete communities.

DISCUSSION:**City Staff are working in consultation with York Region Rapid Transit Corporation Staff to support the grant application submission to Housing, Infrastructure and Communities Canada**

Housing, Infrastructure and Communities Canada views housing supply and affordability as an important part of the Canada Public Transit Fund grant application and is one of the objectives and inputs for the grant application. Encouraging development and focusing more residents, jobs, activities, amenities, and services near transit helps achieve walkable, liveable communities, promote more sustainable travel, and leverages investment made previously in transit networks such as along the Highway 7 East Corridor.

The Highway 7 East Corridor includes Markham Centre, Markville, and Cornell Centre secondary plan areas and collectively aim to achieve a total housing unit supply of close to 62,000 units, over 122,000 residents, and 30,000 jobs by 2051 (currently draft and subject to change as secondary plans are approved by Council). Within the 10-year funding period of the Canada Public Transit Fund from 2026 to 2036, it's estimated, from active and recently approved development applications, that there will be more than 34,000 new units in the three secondary plan areas. BRT infrastructure along the Highway 7 East Corridor and the actions outlined in the Housing Supply and Affordability Action Plan are essential to support the anticipated growth.

The actions from the proposed Housing Supply and Affordability Action Plan helps increase housing supply and affordability and expedite development along the Highway 7 East Corridor from Markham Centre to Cornell Centre. There are several initiatives related to land use planning, housing, and incentives that leverages work currently underway including projects from the Federal Housing Accelerator Fund, secondary plans projects, and potential opportunities including exploring the feasibility of implementing a Community Planning Permit System to expedite the development application review process. Most of the initiatives were also included as part of the February 11, 2025 Development Services Committee meeting report and presentations on the Planning and Urban Design Department 2025 Work Plan.

A comprehensive approach to planning for the Highway 7 East Corridor will ensure a well-planned complete community served by higher-order bus rapid transit. The proposed Housing Supply and Affordability Action Plan includes some of these key actions (**Appendix A** has the full list of actions):

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- Complete an Inclusionary Zoning study and implement a program within Major Transit Station Areas including the appropriate By-laws
 - Securing affordable housing units during the development application review process (targeted for April 8, 2025 DSC meeting)
 - Complete Secondary Plan updates for Markham Centre and Cornell Centre and a new Secondary Plan for Markville
 - Explore the feasibility of implementing a Community Planning Permit System for the Highway 7 Corridor and other high growth areas of the City to further expedite the development application review process that includes affordable housing submissions

Previous research undertaken on a Community Planning Permit System and further exploration to implement through the Housing Supply and Affordability Action Plan

A Community Planning Permit System (CPPS) is a land-use planning tool that provides an alternative to the current planning approval process by combining Zoning, Minor Variances and Site Plan into one permit. A CPPS can provide greater flexibility with conditions on development and opportunities for shorter timelines by combining existing development review processes and may increase or expedite housing supply. A CPPS By-law can set conditions to ensure future development meets those standards as well as additional conditions for planning applications requesting variances from these standards. Conditions might include infrastructure requirements, community contributions, and environmental impact mitigation among others.

The City completed research and a review of a CPPS and reported to Development Services Committee on January 31, 2023 as part of the Provincial Audit and Accountability Fund Intake 3 to help municipalities find service delivery efficiencies.

Implementing a CPPS was considered though there was a focus in 2023 and 2024 to implement several development process improvement initiatives in response to Bills 109 and 23, opportunities from the Provincial Streamline Development Approval Fund, and other internally identified improvements (**Appendix B** includes a list of recent process improvements).

The Housing Supply and Affordability Action Plan is an opportunity to explore the feasibility of implementing a CPPS and to be included as part of the next phase of development application process improvements.

FINANCIAL CONSIDERATIONS

If York Region Rapid Transit Corporation and the Ministry of Transportation are successful in obtaining the Canada Public Transit Fund federal transit funding, all funds will be allocated to York Region Rapid Transit Corporation via the Highway 7 East Corridor and Jane Street Corridor BRT projects which will also support the

anticipated growth, economic and community benefits along the corridors as noted in this report.

The majority of Markham's proposed Housing Supply and Affordability Action Plan initiatives leverage ongoing studies at the City that have existing approved funding sources including the Federal Housing Accelerator Fund of projects, Official Plan Review, and Secondary Plans studies. This report has no financial impact to the Operating Budget or Life Cycle Reserve Study. In addition, any future budget request will be put forth for consideration during the Capital Budget process for any required work related to the Community Planning Permit System study.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Goal 1 - Exceptional Services by Exceptional People, Goal 3 – Safe, Sustainable and Complete, Community Goal 4 - Stewardship of Money and Resources

BUSINESS UNITS CONSULTED AND AFFECTED:

Planning & Urban Design, Engineering, Legal Services, Finance

RECOMMENDED BY:

Giulio Cescato, RPP, MCIP
Director Planning & Urban Design

Arvin Prasad, RPP, MCIP
Commissioner Development
Services

ATTACHMENTS:

Appendix A – Markham's Housing Supply and Affordability Action Plan
Appendix B - List of Recent Development Process Improvements