



Report to: Development Services Committee

Report Date: October 5, 2015

SUBJECT: City of Markham Comments on York Region Draft Growth Scenarios to 2041

PREPARED BY: Marg Wouters M.C.I.P., R.P.P., Senior Manager, Policy & Research
(ext. 2909)

RECOMMENDATIONS:

- 1) That the report entitled “City of Markham Comments on York Region Draft Growth Scenarios to 2041” dated October 5, 2015 be received;
- 2) That the report entitled “City of Markham Comments on York Region Draft Growth Scenarios to 2041” dated October 5, 2015 be forwarded to York Region as input into determination of a preferred growth scenario to accommodate growth to 2041;
- 3) And that staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

This report provides comments on three draft growth scenarios to 2041 released by York Region in April 2015. The draft growth scenarios were prepared as part of a Regional Municipal Comprehensive Review (MCR) and Regional Official Plan Review. The draft growth scenarios are based on 40% residential intensification, 50% intensification, and no urban expansion (approximated at 65% intensification) on a Region wide basis. The intensification targets for individual local municipalities will vary (with Markham having a higher intensification target than the Region wide average).

Based on the limited information in the Regional staff report, supplemented by additional information provided by Regional staff in a presentation to Committee, the following comments are offered as input prior to release of a preferred growth scenario:

- Employment growth and particularly population growth assigned to Markham appear to be achievable given recent experience and remaining land supply;
- staff have a concern with the ability of the market to deliver the higher share of apartments required to achieve the ‘no urban expansion’ scenario;
- the Region wide 40% scenario, and to a greater extent 50% scenario (translating into approximately 50% and 60% for Markham), best reflect Markham’s preferred local intensification target (60%) in the last growth strategy exercise;
- if additional urban expansion lands are required in Markham, the lands should be contiguous to the existing urban area, and in proximity to planned higher order transit and road network; and
- further direction is needed from the Region regarding the phasing of possible expansion lands to 2036 or 2041, relative to the 2031 Future Urban Area boundary identified in Markham’s 2014 Official Plan.

A preferred growth scenario is expected to be brought to Regional Council in late 2015, with a draft Regional Official Plan Amendment incorporating the growth scenario targeted for mid 2016. Regional Council adoption of the amendment is targeted for late 2016. Once the Regional OP is amended, Markham's Official Plan will need to be amended to conform with the new forecasts. Markham staff do not anticipate initiating a City municipal comprehensive review until late 2016/2017, but will continue to monitor the Region's municipal comprehensive review/Official Plan Review process and update Council as appropriate.

It is recommended that this report be forwarded to York Region as Markham Council input to the Region's Municipal Comprehensive Review.

PURPOSE:

This report provides City of Markham comments on the Region's three draft growth scenarios for 2041, as released in April, 2015.

BACKGROUND:

At the May 19, 2015 meeting, Development Services Committee considered a staff report outlining the Region's three draft growth scenarios for accommodating growth to 2041 (attached as Appendix 'A'). The draft growth scenarios are part of the Regional Municipal Comprehensive Review (MCR) and Official Plan Review being undertaken by York Region, which will implement population and employment forecasts to 2041. Updated population and employment forecasts for 2031 and new forecasts for 2036 and 2041 were assigned to the Region by the Province through Amendment 2 to the Growth Plan for the Greater Golden Horseshoe. Amendment 2 came into effect in 2013, and the Region's Official Plan must be brought into conformity with Amendment 2 by June 2018.

This report provides City of Markham comments on the draft growth scenarios as input into the Region's selection of a preferred growth scenario expected to be released later this year. At the May 2015 DSC meeting, Committee also received a presentation by Regional staff on the draft growth scenarios and requested a workshop be held for further discussion. The workshop, in the form of a Special Meeting of Development Services Committee was held on September 11, 2015. A summary of the discussion at the workshop is included in this report.

OPTIONS/DISCUSSION:**Overview of draft growth scenarios**

The three draft growth scenarios for population growth are based on varying levels of residential intensification on a Region wide basis: 40% intensification; 50% intensification; and 'no urban expansion'. Intensification measures the proportion of new residential development located within the 'built boundary' established by the Province for municipalities in 2006. The 'no urban expansion' scenario assumes a combination of approximately 65% of residential growth being accommodated within the Provincially defined built boundary, and the remainder being accommodated on lands outside the built boundary but still within the 2031 urban area. Markham's Provincial Built Boundary and Urban Area Boundary are identified on Map 12 in the Markham Official Plan 2014 (see Appendix 'A'). The 40% intensification scenario meets the

minimum requirements of the Provincial Growth Plan, and is the basis for accommodating growth to 2031 in the Region's current Official Plan (ROP 2010). The 50% intensification and 'no urban expansion' options assume even higher levels of intensification on a Region wide basis than minimum Provincial requirements.

For the 2041 growth scenarios, staff estimate that the effective intensification target for Markham is approximately 10% higher than the Region-wide target. Intensification targets in the southern municipalities in York Region are by necessity much higher than the Region-wide target, given the relatively few opportunities for intensification in the northern municipalities. Markham staff estimate that under the Region's 40% scenario, the residential intensification target for Markham would be approximately 50%; under the 50% scenario, the intensification target for Markham would be approximately 60%; and under the 'no urban expansion' scenario, the intensification target for Markham would be approximately 75%. For comparison purposes, the Region-wide intensification target of 40% in the ROP 2010 translates into a Regional intensification target of approximately 52% for Markham, and Markham Council through the 2014 Official Plan establishes an even higher 60% residential intensification target.

Table 1 below summarizes the Region's three draft growth scenarios and the implications for Markham. Details about the assumptions underlying the scenarios are provided in the May 2015 staff report attached as Appendix 'A'.

TABLE 1: SUMMARY OF REGION'S DRAFT GROWTH SCENARIOS – IMPLICATIONS FOR MARKHAM			
	Region's Growth Scenarios		
	40%	50%	No Expansion
Markham			
Population in 2041	541,800 (same as 50%)	541,900 (same as 40%)	536,600 (marginally lower)
Employment in 2041	230,000 (same as 50%)	230,100 (same as 40%)	224,800 (marginally lower)
% of Region-wide Growth: Population	32%	32%	32%
Employment	31%	31%	31%
Residential intensification assumed for Markham (est.)	50%	60%	75%
Population Growth (average annual)	7,700 persons/yr	7,700 persons/yr	7,600 person/yr
Employment Growth (average annual)	4,000 jobs/yr	4,000 jobs/yr	4,000 jobs/yr
Housing Mix	Higher apartment share, but lowest of 3 scenarios	Higher apartment share than 40% scenario	Very high apartment share
Urban Expansion Required	Yes	Yes	No

The implications of the three scenarios for Markham are as follows:

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- The amount of population and employment growth assigned to Markham does not differ significantly among the three scenarios (growth of approximately 225,000 to 230,000 people and 121,000 jobs for the 30-year period between 2011 and 2041);
 - Population growth per year for Markham is approximately 7,700 persons per year
 - Employment growth per year for Markham is approximately 4,000 jobs per year
 - Markham's share of Region-wide population and employment growth is similar under all three scenarios (32% of the Region-wide population growth, and 31% of Region-wide employment growth)
 - A larger share of apartments is anticipated in the higher intensification scenarios; the 'no expansion' scenario assumes a very high reliance on apartments to meet the growth target; and
 - Urban expansion is required in the 40% and 50% scenarios, and a portion of that can be expected in Markham.

Population and employment growth assigned to Markham appear to be achievable given recent growth experience and remaining land supply, but more data and analysis needed to confirm

As indicated in the May 19, 2015 Markham staff report, the population and employment assigned to Markham under the three draft scenarios appears achievable given growth in recent years and the availability of sites for greenfield development and intensification.

The population growth between 2011 and 2041 assigned to Markham translates into approximately 7,500 to 7,700 persons per year over the 30-year period, compared with overall average growth of approximately 8,600 persons per year experienced over the 10-year period between 2004 and 2014. In comparison, the population assigned to Markham in the 2010 ROP for the 25-year forecast period between 2006 and 2031 translates into average annual growth of approximately 5,900 persons per year.

Employment growth between 2011 and 2041 assigned to Markham translates into approximately 4,000 jobs per year over the 30-year period, which is only slightly higher than the overall average growth of approximately 3,800 jobs per year assumed in the 25-year forecast period between 2006 and 2031. The forecast is higher than the approximate 3,000 jobs per year experienced over the 10-year period between 2004 and 2014, but may be achievable if Markham remains competitive in the office and retail markets over the forecast period to 2041. As the employment forecasts by employment type (Major Office, Employment Land, and Population-Related) for each local municipality have not been provided, Markham staff are unable to comment on how the different employment types might be accommodated in Markham under each scenario.

Markham continues to have a broad range of potential residential land supply in the form of greenfields and intensification:

- identified Regional Centres (Markham Centre, Langstaff Gateway) and Key Development Areas and Local Centres and Corridors such as Cornell Centre, Markville, Yonge St Corridor, Milliken, etc
- other intensification/infill areas such as Buttonville Airport lands, York Downs and lands in southeast Markham;

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- designated greenfield areas such as the Future Urban Areas in north Markham and southeast Markham; and
 - 'whitebelt' lands (lands not in the Greenbelt and not in the urban area).

However more analysis by Markham staff would be needed to confirm whether the mix of housing types assumed under each Regional scenario is achievable given the land supply.

The supply of employment lands is less certain. Additional employment lands may be needed to meet 2041 forecasts in the growth scenarios depending on the mix of employment types assigned to Markham.

Markham's assigned share of population and employment growth is comparable to Markham's current share of Region-wide totals

Markham is assigned the largest share of the Regional population growth under all three growth scenarios - about 32% of the total York Region growth projected between 2011 and 2041. This is only slightly higher than Markham's current 30% share of York Region population. The York Region report indicates that residential land supply and planned servicing capacity were key considerations in developing the draft scenarios.

Similarly, Markham has been assigned the second largest share of employment growth, accommodating 31% of total employment growth in York Region between 2011 and 2041. Markham's current share of Region-wide employment is about 30%. The York Region staff report indicates that Vaughan has been assigned the largest share of Employment Land. Employment growth in the Region, mainly due to its large vacant land supply. Major Office Employment is expected to continue to increase in the major office concentrations within Centres and Corridors in Markham, Richmond Hill, Vaughan, Aurora and Newmarket, as well as in business parks.

There is concern with the ability of market to deliver the higher percentage of apartments required to achieve the 'no urban expansion' scenario

In the presentation to Committee in May, Regional staff indicated that the total Region-wide population growth of 724,500 to 2041 will require approximately 262,000 to 301,000 housing units. The York Region staff report indicates that in order to support development of more complete communities with a range of housing types that are more compact and offer greater affordable housing options, and that can support public transit and mixed use, all three growth scenarios project an increased share of housing growth towards higher density forms.

Region-wide, the share of apartments ranges from 34% apartments under the 40% intensification scenario, 40% apartments in the 50% scenario, and as much as 47% apartments under the 'no expansion' scenario. In comparison, the previous 2031 forecasts assume about 35% of the growth to 2031 being accommodated by apartments Region-wide. The Region estimates that between 2005 and 2014 approximately 21% of the housing stock growth was in apartment form.

In Markham's recent growth management exercise for 2031 population forecasts, one of the key considerations in recommending against a 'no expansion' scenario was the concern with the high share of apartments that a 'no expansion' scenario needed to achieve, and the ability of the

market to deliver such a high number of apartment units/buildings over the forecast period. Although detailed housing unit estimates and housing type breakdowns for the each local municipality were not released by the Region as part of their April 2015 report, given the reliance on the southern municipalities to achieve higher intensification which is typically in the form of apartments, Markham staff estimate that a large share of this apartment growth is anticipated to occur in Markham. The City's 60% intensification target in the 2014 Official Plan assumed about half of the housing unit growth to 2031 to be in the form of apartments.

40% scenario and, to a greater extent, the 50% scenario best reflect Markham's preferences in last growth strategy exercise

Three growth scenarios were explored in Markham's growth management exercise between 2007 and 2010, leading up to the 2014 Official Plan:

- A 52% residential intensification alternative, which represented the Region's proposed 40% intensification alternative;
- A 60% residential intensification alternative; and
- A 'no expansion' alternative in which all the growth to 2031 would be located within the urban boundary at the time (roughly south of Major Mackenzie Drive)

These three 'low', 'medium' and 'high' scenarios are not unlike the Region's three draft growth scenarios to 2041. The 'medium' intensification (60% intensification) was endorsed by Council as the preferred alternative as it represented the most balanced option in support for intensification and mixed use development, while at the same time providing for a range of housing options, including both high density and ground-related housing types.

In light of Council's recent adoption of the 2014 Official Plan based on a 60% residential intensification target, and recent Regional and local commitment to, and investment in, infrastructure required to support intensification, staff recommend that the City continue to pursue an intensification target equivalent to the 60% intensification target adopted for the 2031 forecasts. All else being equal, the Regional scenario that appears to be closest to this target is the 50% Region-wide intensification scenario (on the assumption that the effective target for Markham is approximately 10% higher than the Region-wide target).

However, given that the definition of 'intensification' is related to the provincially-defined built boundary, and that the built boundary is not expected to change, additional analysis needs to be undertaken in order to confirm that the housing mix that would result in Markham under the 50% scenario is still achievable compared to the housing mix assumed under Markham's 60% intensification scenario for 2031 population. Until this analysis is completed, staff are able to determine only that the 40% scenario, and perhaps to a greater extent the 50% scenario, best reflect Markham's preferences in the last growth strategy exercise.

With respect to servicing and transportation considerations, previous analysis undertaken by Markham staff for the 2010 recommended growth alternative indicated that transportation and servicing infrastructure could be designed to support all of the intensification options proposed. It also noted that delivery of required infrastructure was dependent on improvements to Regional systems. The analysis concluded that infrastructure should be used to support the City's vision for managed growth, rather than determine the vision.

If additional urban expansion lands are required in Markham, the lands should be contiguous to the existing urban area, and in proximity to planned higher order transit and road network

The York Region staff report indicates that approximately 2,300 hectares of urban expansion lands would be required Region-wide to accommodate population growth from 2031 to 2041 under the 40% intensification scenario, and approximately 1,100 hectares would be required under the 50% intensification scenario. Under both scenarios, approximately 160 hectares of expansion lands would be required to accommodate employment growth.

Although the Region has not yet identified expansion land requirements for any of the local municipalities, it can be expected that some of the urban expansion land required for the 40% and 50% scenarios will be assigned to Markham, as one of the few municipalities in the Region, along with Vaughan and East Gwillimbury, that still have so-called 'whitebelt' lands available with potential for urban development. There are approximately 4,500 developable hectares of 'whitebelt' lands Region-wide. Markham has approximately 1,600 hectares of 'whitebelt' lands designated as 'Countryside' on Map 3 – Land Use in the 2014 Official Plan (see as Appendix 'A').

The Region has indicated that urban expansion locations will be tested in the next phase of analysis, once a preferred scenario is identified. Without the benefit of undertaking a detailed local municipal comprehensive review, Markham staff recommend that in keeping with previous Council decisions on growth management, if urban expansion lands are required in Markham they should be contiguous to the existing urban area (including the Future Urban Area), and in proximity to the high order road and transit network. With respect to employment lands, based on previous studies undertaken, Markham staff recommend that lands closest to 400-series highways, particularly contiguous to the Future Employment Lands in north Markham, be considered for any additional employment land needs.

Recognizing that the Region's 40% and 50% scenarios involve urban expansion, further direction is needed from the Region on how any additional urban expansion lands to 2036 or 2041 in Markham would be phased with the current Future Urban Area lands in north Markham. The first phases of development in the Future Urban Area are anticipated to begin in 2017/2018, well after the Regional Official Plan Amendment to implement the 2041 forecasts is scheduled to be adopted by Regional Council.

Special Meeting of Development Services Committee – September 2015

At the Special Meeting of Development Services Committee held on September 11, 2015 staff provided additional background information on the growth management requirements of the Growth Plan as well as York Region's three draft scenarios and what they might mean for Markham. Information was also presented on the factors considered during Markham's previous growth management exercise for 2031 as reflected in the 2014 Official Plan.

The following comments were heard from Committee members:

- the importance of protecting agricultural lands - the City should be managing growth as if there is no longer the urban expansion land available;
- need for public transportation to accommodate the future growth;

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- the importance of not converting employment lands to residential uses;
 - the implications of not meeting the growth forecasts;
 - the need for some growth to ensure a healthy city;
 - the need to ensure there are suitable housing options, including affordable housing; and
 - sustainability should be a priority when expanding the urban boundary (e.g. ensuring growth is transit supportive, sustainable site development, energy & water efficiency).

Summary

Based on Markham's recent growth management exercise, Markham staff analysis provided above, and comments from Committee, the Region should consider a regional growth scenario to accommodate 2041 population and employment forecasts that best reflects the following:

- protects Markham's Greenway System;
- is consistent with Markham's current residential intensification target of 60%;
- provides for a range of employment growth and accommodation, ensuring Markham remains economically competitive;
- provides for a diverse housing stock, including affordable housing forms;
- is supportive of increased travel options and ongoing investment in a multi-modal transportation system;
- facilitates mixed use development at appropriate locations, particularly the integration of retail and service uses with primary residential and office development; and
- is supported by servicing, transportation and community infrastructure planning and financing that ensures timely delivery and operation of facilities to serve future growth.

NEXT STEPS:

The Region's timeline for moving forward with the Regional Municipal Comprehensive Review is as follows:

- November 2015 – target date for Regional Council to release a Preferred Growth Scenario; it is recognized that the preferred growth scenario may be different than the three draft scenarios now under consideration.
- Early 2016 – target date for Regional Council to release a Draft Regional Official Plan Amendment (ROPA) to incorporate 2041 forecasts into the Regional Official Plan
- Late 2016 – target date for Regional Council adoption of Regional Official Plan Amendment

Once the Regional Official Plan is amended to incorporate the 2036 and 2041 forecasts, the Markham Official Plan will have to be updated to include the respective forecasts for Markham.

Regional timelines a concern for providing substantive comments

Given the relatively short timelines between the next phases of the Regional Municipal Comprehensive Review and the Fall 2016 targeted adoption date of a Regional Official Plan Amendment, Markham staff are concerned with our ability to respond with substantive comments. Markham staff priorities over the next two years include resolving appeals of the 2014 Markham Official Plan through the Ontario Municipal Board, advancing the detailed

planning and approvals for the 2031 Future Urban Area, and updating Secondary Plans to conform with the new Official Plan.

Although Markham staff will continue to monitor the Region's MCR/Official Plan Review process and update Council as appropriate, given the City's other priorities, a conformity exercise is not anticipated to be initiated until late 2016/2017.

Recommendation that this report be forwarded to York Region

It is recommended that this report be forwarded to York Region as Markham Council input to the Region's Municipal Comprehensive Review.

FINANCIAL CONSIDERATIONS:

Not applicable.

HUMAN RESOURCES CONSIDERATIONS:

Not applicable.

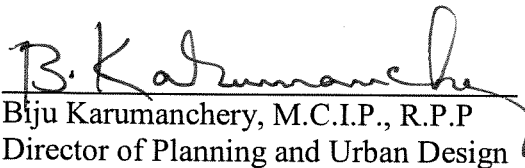
ALIGNMENT WITH STRATEGIC PRIORITIES:

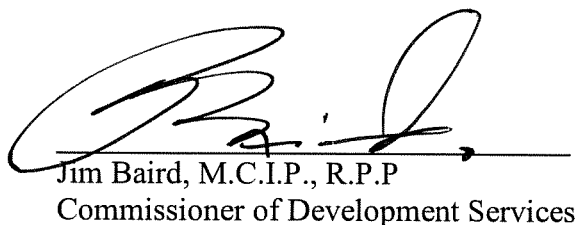
This report relates to all strategic priorities of Building Markham's Future Together, and specifically addresses the Growth Management priority.

BUSINESS UNITS CONSULTED AND AFFECTED:

Appropriate business units will be consulted during the review process for the Regional Draft Growth Scenarios.

RECOMMENDED BY:


Biju Karumanchery, M.C.I.P., R.P.P.
Director of Planning and Urban Design


Jim Baird, M.C.I.P., R.P.P.
Commissioner of Development Services

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APPENDICES:

Appendix 'A' – City of Markham staff report entitled 'York Region Draft Growth Scenarios to 2041 – Regional Municipal Comprehensive Review' dated May 19, 2015



Report to: Development Services Committee

Report Date: May 19, 2015

SUBJECT: York Region Draft Growth Scenarios to 2041 – Regional Municipal Comprehensive Review

PREPARED BY: Marg Wouters M.C.I.P., R.P.P., Senior Manager, Policy & Research
(ext. 2909)

RECOMMENDATIONS:

- 1) That the report entitled “York Region Draft Growth Scenarios to 2041 - Regional Municipal Comprehensive Review” dated May 19, 2015 be received.

EXECUTIVE SUMMARY:

York Region is undertaking a Regional Municipal Comprehensive Review (MCR) and Official Plan Review which will implement population and employment forecasts to 2041. On April 23, 2015, Regional Council endorsed three draft growth scenarios as the basis for further consultation and input into the Regional MCR and the Regional Official Plan Review. The draft growth scenarios are based on 40% residential intensification, 50% intensification, and no expansion (approximated at 65% intensification).

Markham staff will be reviewing the draft growth scenarios and reporting back to Committee in the early fall with comments on the draft growth scenarios.

PURPOSE:

This report provides an overview of York Region draft growth scenarios for 2041 and the implications for Markham.

BACKGROUND:

York Region is undertaking a Regional Municipal Comprehensive Review (MCR) and Official Plan Review which will implement population and employment forecasts to 2041. Updated population and employment forecasts for 2031 and new forecasts for 2036 and 2041 were assigned to the Region by the Province in 2013 through Amendment 2 to the Growth Plan for the Greater Golden Horseshoe. The Regional Official Plan must be brought into conformity with Amendment 2 by June 2018.

On April 23, 2015, Regional Council endorsed three draft growth scenarios incorporating population and employment forecasts as the basis for further consultation and input into the Regional MCR and the Regional Official Plan Review.

A recommended growth scenario is expected to be brought to Regional Council in late 2015, with a draft Regional Official Plan Amendment incorporating the growth scenario targeted for mid 2016. Regional Council adoption of the amendment is targeted for late 2016. Once the forecasts

are approved, Markham's Official Plan will need to be amended to conform with the new forecasts.

OPTIONS/DISCUSSION:

Overview of Regional staff report and draft growth scenarios

The following is an overview of the Regional draft growth scenarios as outlined in the April 9, 2015 Regional staff report attached as Appendix 'A' to this report.

Population Forecasts

The three draft growth scenarios for population growth are based on varying levels of residential intensification: 40% intensification; 50% intensification; and 'no expansion'. Intensification measures the proportion of new residential development located within the 'built boundary' established by the Province for municipalities in 2006. The 'no expansion' scenario assumes a combination of approximately 65% of growth being accommodated within the Provincially defined built boundary, and the remainder being accommodated on lands outside the built boundary but still within the 2031 urban area. Markham's Provincial Built Boundary and Urban Area Boundary are identified on Map 12 in the Markham Official Plan 2014, attached as Appendix 'B' to this report.

For comparison purposes, the 40% intensification scenario meets the requirements of the Provincial Growth Plan, and is the basis of the 2010 Regional Official Plan (ROP 2010). The 2010 Regional intensification target of 40% assumes an intensification target of approximately 52% for Markham. Markham's 2014 Official Plan (2014 OP) targets 60% intensification.

The report notes the following:

- The Region's population is expected to grow to 1.79 million by 2041 (compared with 1.13 million population in mid 2014)
- The rate of growth required from 2015 to 2041 on a Region-wide basis is 24,300 people per year, compared to a historical annual growth rate of 26,500 persons from 1981 to 2014
- Residential land supply in each municipality was considered in the draft scenarios and servicing capacity was a key consideration in the development of the growth scenarios
- Under the 40% intensification scenario, municipalities with the largest amount of available land for potential urban expansion show the highest levels of growth
- All nine local municipalities are projected to experience population growth under each scenario with Markham, Vaughan, and Richmond Hill continuing to accommodate the largest shares of the Region's population growth
- For Markham, the draft scenarios generate a forecast population of between 536,600 and 541,900 by 2041
- Markham is assigned the largest share of the Regional population growth (about 32% of the total York Region growth projected between 2011 and 2041)
- The updated forecasts incorporate new assumptions about household size, measured as average persons per unit (that is, the number of people in a household who live in a dwelling unit). Household size or persons per unit (ppu) have tended to decrease over time, but they have been found to not be decreasing to the extent assumed in the original

2031 population forecasts. Larger household size means that fewer households/dwellings (new or existing) are required to accommodate the same population

- With respect to dwelling types, all of the growth scenarios project an increased share of higher density housing forms, with the 'no expansion' scenario proposing the largest increase in this share.

The methodology underlying the population forecasts is provided on pages 4-5 of the Regional report.

Employment Forecasts

The Regional staff report notes the following for employment forecasts:

- Employment in the Region is expected to grow to 900,000 jobs by 2041 (compared with 564,600 jobs in 2014)
- Employment was forecast for three major types: major office, employment land employment (manufacturing, warehousing, etc) and population-related employment (retail, service, institutional)
- The forecast takes into account that employment growth in York Region is expected to continue to shift from goods producing to service producing sectors, which is reflected in a greater share of employment growth being forecast in the major office and population-related employment categories
- For Markham, the draft scenarios generate forecast employment of between 274,800 and 275,700 jobs by 2041
- The forecast takes into account a number of Markham's employment land conversion applications that Regional staff recommended for approval (discussed in further detail below)
- All nine local municipalities are forecast to experience employment growth. Vaughan has been assigned the largest share of employment land growth in the Region, mainly due to its large vacant land supply
- Major office employment is expected to continue to increase in the major office concentrations in Markham, Richmond Hill, Vaughan, Aurora and Newmarket in Centres and Corridors, as well as in business parks
- Large increases in population-related employment growth are forecast for those municipalities that are anticipated to experience a relatively high amount of growth.

The methodology underlying the employment forecasts is provided on pages 11-12 of the Regional report.

Urban expansion required for 40% and 50% Intensification Scenarios

Under the 40% intensification scenario, approximately 2,300 hectares would be required Region-wide to accommodate population growth from 2031 to 2041. Under the 50% intensification scenario, 1,100 hectares would be required Region-wide. Under both scenarios approximately 160 hectares would be required to accommodate employment growth. There are approximately 4,500 developable hectares of 'whitebelt' lands Region-wide (i.e., lands outside the urban boundary and outside the Greenbelt). In the Markham 2014 OP, the 'whitebelt' lands are designated 'Countryside' on Map 3 – Land Use (attached as Appendix 'C' to this report).

Further evaluation in Phase 2 of the MCR

The Regional staff report notes that there may be significant refinements to the three draft growth scenarios as a result of further evaluation in the coming months. The report notes a number of matters to be considered in the evaluation, such as meeting minimum density requirements of the Growth Plan, protection of the Greenbelt, Oak Ridges Moraine and agricultural, rural and resource areas, job creation to match labour force growth, housing diversity and affordable housing, options for different locations for urban expansion, and required infrastructure (transportation, water and wastewater) investment. The report also notes that the cost of infrastructure will be a key consideration in the identification of the preferred growth scenario, and that a fiscal impact analysis will be undertaken.

Comparison of Draft Growth Scenarios with Population and Employment Growth to Date

In response to a previous request from Committee, and to provide context for considering each of the draft growth scenarios for Markham, population and employment data from 2004 to 2014 for Markham are provided in Appendix 'D' to this report. Comparisons are provided below.

Population Growth

- Under the 2010 Regional Official Plan, Markham was assigned population growth of 148,600 persons between 2006 and 2031; this growth translates into average growth of approximately 5,900 persons per year over the 25-year forecast period.
- Population growth between 2011 and 2041 assigned to Markham in the draft growth scenarios ranges from 224,800 to 230,100; this growth translates into approximately 7,500 to 7,700 persons per year over the 30-year period
- Between 2004 and 2014, Markham experienced population growth ranging from a low of approximately 3,400 persons per year to a high of approximately 11,500 persons per year, at an overall average rate of approximately 8,600 persons per year for the 10-year period

Employment Growth

- Under the 2010 Regional Official Plan, Markham was assigned employment growth of 95,600 jobs between 2006 and 2031; this growth translates into an average of approximately 3,800 jobs per year over the 25-year forecasting period
- Employment growth between 2011 and 2041 assigned to Markham in the draft growth scenarios ranges from 120,000 to 120,900 jobs; this growth translates into approximately 4,000 jobs per year over the 30-year period
- Between 2004 and 2014, Markham experienced annual employment growth ranging from a low of a net loss of approximately 400 jobs to a high of approximately 6,300 jobs per year, at an overall average of approximately 2,900 jobs per year for the 10-year period. These annual employment estimates are based on surveyed employment which captures the majority (roughly 90 percent) of total employment in Markham. Growth based on total employment is expected to be slightly higher than growth based on surveyed employment.

Implications of Updated 2031 Population and Employment Projections

Amendment 2 to the Growth Plan establishes updated 2031 population and employment forecasts for York Region (1,590,000 population rather than 1,500,000 population, and 790,000 jobs rather than 780,000 jobs) as well as new forecasts for 2036 and 2041.

The Region's 2041 forecast allocates growth over the 2011-2041 planning horizon using the updated population and employment forecasts as well as updated forecasting parameters such as new persons per unit assumptions, secondary plan targets and servicing infrastructure capacity and timing. The ROP 2010 forecasts for 2031 (reflected in the Markham OP 2014) will be superseded with a new 2031 forecast as part of this MCR. Direct comparison of the new 2036 and 2041 forecasts in the draft growth scenarios against the 2031 forecast in the ROP 2010 or Markham OP 2014 is not meaningful as the underlying parameters have changed. The 2036 and 2041 forecasts should instead be reviewed within the context of the new 2011-2041 forecast, which includes new population and employment forecasts for 2031.

The updated 2031 forecasts will not affect planning for 2031 in the ROP 2010 or the Markham OP 2014. In enacting Amendment 2 to the Growth Plan the Province made it clear that the original 2031 forecasts would continue to be applied to all upper or lower tier official plans that were commenced before June 17, 2013, which includes both the Region's Official Plan 2010 and Markham's Official Plan 2014. The updated 2031 forecasts can only be applied through the next Regional MCR, which is currently underway, and the next Markham MCR which has not yet been initiated. The new forecasts to 2041 will be implemented through amendments to the Regional Official Plan and Markham Official Plan.

Regional Council approved a number of employment land conversion applications

As mentioned, the 2041 employment forecasts for Markham take into account a number of employment land conversion applications that Regional staff had recommended for approval. In approving Markham's OP in June 2014, the Region deferred making a decision on the land use designations of a number of properties subject to employment land conversion applications, until their impact on meeting employment forecasts could be considered comprehensively as part of the next Regional MCR.

Four applications were subsequently recommended by Regional staff for approval and included in the draft growth scenario analysis. In April 2015, Regional Council approved or approved in principle these applications and an additional four applications which were not included in the analysis (the applications are identified in Appendix 'E' to this report). The impact of the approval of the additional applications will need to be taken into account in the analysis prior to selecting a preferred growth scenario. Required changes to the Markham 2014 OP arising from the Regional approval of the applications will be identified in a separate upcoming Markham staff report related to the status of appeals of the Markham 2014 OP.

NEXT STEPS:

Markham staff will be reviewing the draft growth scenarios and reporting back to Committee in the early fall with comments. Because of the relatively short timelines for commenting, Markham Planning and Engineering staff will focus on reviewing the assumptions underlying the

scenarios, particularly with respect to land supply. As previously requested by Committee, staff will review the assumptions regarding timing of development in Langstaff Gateway. Relevant and still applicable analysis undertaken for the previous Growth Management Strategy, such as housing market, transportation and servicing analyses, may also be reviewed as the basis for comments.

FINANCIAL CONSIDERATIONS:

Not applicable.

HUMAN RESOURCES CONSIDERATIONS:

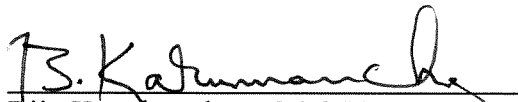
Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

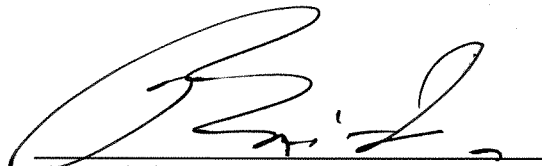
This report relates to all strategic priorities of Building Markham's Future Together, and specifically addresses the Growth Management priority.

BUSINESS UNITS CONSULTED AND AFFECTED:

Appropriate business units will be consulted during the review process for the Regional Draft Growth Scenarios.

RECOMMENDED BY:

Biju Karumanchery, M.C.I.P., R.P.P.
Acting Director of Planning and Urban Design



Jim Baird, M.C.I.P., R.P.P.
Commissioner of Development Services

Q:\Development\Planning\MISC\MI572 2041 MCR\DSC 19may15 – Regional Draft Growth Scenarios

APPENDICES:

Appendix 'A' - April 9, 2015 Region of York report entitled '2014 York Region Draft Growth Scenarios and Land Budget'

Appendix 'B' - Map 12 – Urban Area and Built-Up Area, Markham Official Plan 2014

Appendix 'C' - Map 3 – Land Use, Markham Official Plan 2014

Appendix 'D' - Population and Employment in Markham – Forecast and Actual

Appendix 'E' - Employment Conversion Application Decisions by Regional Council



Clause 6 in Report No. 7 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on April 23, 2015.

6

2041 York Region Draft Growth Scenarios and Land Budget

Committee of the Whole recommends:

1. Receipt of the presentation by Valerie Shuttleworth, Chief Planner.
2. Receipt of the following deputations:
 1. Patricia Foran, Aird & Berlis LLP on behalf of Lindvest Properties (Cornell) Limited.
 2. Don Given, Malone Given Parsons Ltd. on behalf of Box Grove Hill Developments Inc.
3. Receipt of the communication from Ryan Mino-Leahan, KLM Partners Inc. on behalf of Melrose Properties Inc., Ironrose Investments Inc., MCN (Pinevalley) Inc., Mel-Terra Investments Inc., Azure Woods Home Corp., and Lazio Farms Holdings Inc., the owners of approximately 191.16 hectares of land located within Block 42 in the City of Vaughan, dated April 8, 2015.
4. Adoption of the following recommendations, as amended, in the report dated March 26, 2015 from the Commissioner of Corporate Services and Chief Planner:
 1. Council endorse *in principle* the three draft growth scenarios outlined in this report as the basis for further consultation *with local municipalities* and input to the Regional Municipal Comprehensive Review and Regional Official Plan Review.
 2. The Regional Clerk circulate this report to local municipalities, Building Industry and Land Development Association and the Ontario Ministry of Municipal Affairs and Housing.

1. Recommendations

It is recommended that:

1. Council endorse the three draft growth scenarios outlined in this report as the basis for further consultation and input to the Regional Municipal Comprehensive Review and Regional Official Plan Review.
2. The Regional Clerk circulate this report to local municipalities, Building Industry and Land Development Association and the Ontario Ministry of Municipal Affairs and Housing.

2. Purpose

This report presents population and employment forecasts to the year 2041 for three draft growth scenarios and a land budget. The information is to be used as the basis for further consultation and analysis through the next phase of the Regional Municipal Comprehensive Review (MCR) and for the current water and wastewater and transportation master plan updates.

3. Background

Amendment 2 to the *Growth Plan for the Greater Golden Horseshoe* requires the Region to update its population and employment forecasts

Amendment 2 to the *Growth Plan for the Greater Golden Horseshoe* (the *Growth Plan*), which came into effect in June 2013, provides updated forecasts of population and employment for 2031 and introduces new population and employment forecasts for 2036 and 2041 for York Region and the rest of the Greater Golden Horseshoe (GGH). These forecasts are to be used for planning and managing growth in the GGH. York Region is forecast to grow to a population of 1.79 million and employment of 900,000 by 2041 (see Table 1). The Regional Official Plan must be brought into conformity with Amendment 2 by June 17, 2018.

Table 1
Growth Plan Schedule 3 Forecasts

York Region	2014*	2031	2036	2041
Population	1,133,900	1,590,000	1,700,000	1,790,000
Employment	564,600	790,000	840,000	900,000

Source: Growth Plan for the Greater Golden Horseshoe, 2006, Office Consolidation, June 2013

*Note: 2014 figures are a York Region Long Range Planning Division estimate.

Update of the Region's forecasts is part of the Regional Municipal Comprehensive Review and 5 year Regional Official Plan update

Committee and Regional Council received the "Regional Municipal Comprehensive Review Work Plan" staff report in May 2014, which outlined the work plan components and anticipated timing. The purpose of the work is to update the *York Region Official Plan, 2010 (YROP-2010)* to be consistent with Amendment 2 to the *Growth Plan* and the updated *Provincial Policy Statement, 2014* and also to review *YROP-2010* policies. The MCR is a primary component of the mandatory five-year review and update of the *YROP-2010*, a requirement under the *Planning Act*.

The Regional Municipal Comprehensive Review consists of a number of studies and projects

The MCR involves undertaking a number of separate studies, some of which have been completed or are in progress while others are to follow. The review consists of the following key components.

- Residential unit supply inventory
- Employment land supply and major office inventories
- Regional land budget and associated studies including the Retail Trends Study, Employment Trends Analysis and Cemetery Land Needs Study
- *YROP-2010* policy review
- Long-term fiscal impact analysis
- Population and employment forecasts

The Region last undertook an MCR updating the existing *YROP-2010*. The updated MCR that incorporates Amendment 2 to the *Growth Plan* is following a similar methodology and approach in completing the forecasting and land budget work, relevant background studies, and policy review and consultation.

The new forecasts will provide the foundation for infrastructure master plans and development charges background study

Updates to the Regional Water and Wastewater Master Plan and the Transportation Master Plan are currently in progress and are planned to be completed in 2016. This work will be based on updated York Region population and employment forecasts in order to properly assess and plan for the Region's long-term infrastructure requirements. In addition, background work for the next development charges by-law will commence in 2016 and will be based on updated growth forecasts.

Draft growth scenarios will be the basis for iterative work in Phase 2 of the MCR

The population and employment draft growth scenarios presented in this report will be reviewed and evaluated through Phase 2 of the MCR process. They will be evaluated as part of the water and wastewater and transportation master plan process and will also be subject to a fiscal impact assessment and land use planning assessment. Based on this analysis along with consultation with the public, stakeholders and local municipalities, a preferred growth scenario is planned to be presented to Council in Q4 2015.

The draft growth scenarios were prepared within the context of provincial plans and the Provincial Policy Statement

The draft growth scenarios were prepared within the context of the *Provincial Policy Statement, 2014 (PPS)*, and a number of provincial planning documents including the *Growth Plan*, the *Greenbelt Plan*, the *Oak Ridges Moraine Conservation Plan* and the *Lake Simcoe Protection Plan*.

The *PPS* provides policy direction on land use matters that are of Provincial interest. All planning decisions must be consistent with *PPS* policies. Within York Region there is significant overlap between the requirements of the *PPS*, the *Growth Plan* and other plans. All draft growth scenarios considered the fundamental guiding principles contained in both the *PPS* and the *Growth Plan*:

- The building of strong, healthy, complete communities for people of all ages,
- Supporting a strong and competitive economy,
- Making wise use and management of natural resources to protect and enhance a clean, healthy environment, and
- Optimizing and making efficient use of infrastructure to support the planning of growth in a compact and efficient manner.

4. Analysis and Options

Three draft growth scenarios were developed

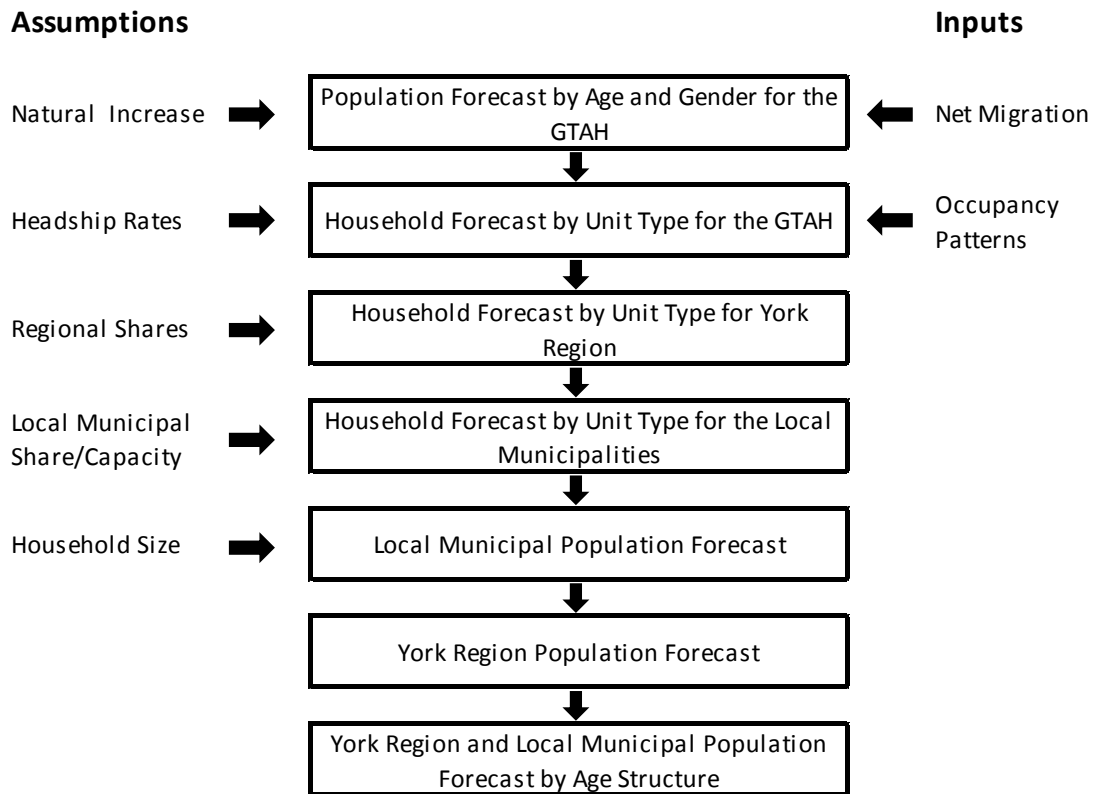
Three growth scenarios were developed by York Region staff based on varying levels of residential intensification. The three scenarios are: 40% intensification, 50% intensification and a no urban expansion scenario. The intensification percentages refer to the share of housing growth occurring annually within the provincially defined Built Boundary. The 40% scenario is the minimum standard for intensification set by the Growth Plan. Both the 40% and 50% intensification scenarios require an urban expansion to accommodate the 2041 population and employment. The no urban expansion scenario constitutes the highest level of intensification possible. Under this scenario there would be no urban expansion in the Region beyond ROPA's 1, 2 and 3. This scenario equates to an intensification level of approximately 65%. Finally, the 50% scenario is an intermediate scenario which lies in between the minimum and maximum intensification scenarios.

The draft growth scenarios incorporate a range of demographic, economic, land use planning policy and infrastructure factors

Regional staff maintain an in-house population, household and employment forecast model. The model uses the cohort (age group) survival method modified by migration factors that ages the population and calculates future growth based on assumptions on fertility rates, mortality rates and net migration.

The model forecasts population and households for the GTHA and then distributes this growth to York Region and its local municipalities based on a share analysis of the housing market. This top down approach is used in conjunction with land use planning policy targets, vacant land inventories and infrastructure capacity, location and timing factors and local municipal growth management work. Figure 1 below summarizes the population and household forecast method.

Figure 1
Population and Household Forecast Methodology



The residential inventory work discussed in the report “Residential Unit Supply Inventory” endorsed by Council in March 2015 was an input to the housing unit forecast for the Region and local municipalities. Servicing capacity was a key consideration in the development of the draft growth scenarios. All three draft growth scenarios assume that the water and wastewater projects in the approved 2015 ten year capital plan will be maintained, in order to provide the required servicing capacity to accommodate growth within the planned time frame.

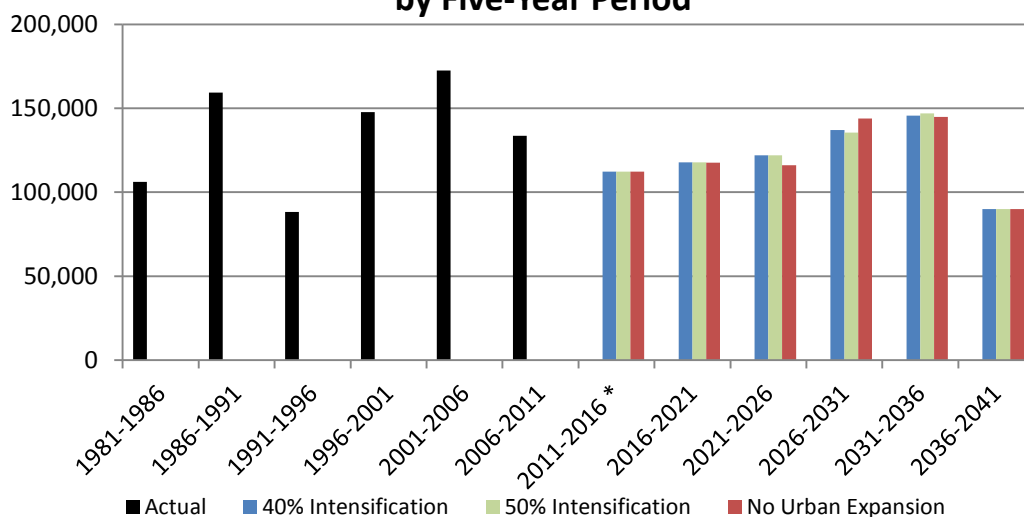
Growth of approximately 645,000 in population by 2041 is required to meet *Growth Plan* forecast

The *Growth Plan* forecast requires York Region to grow from a 2014 year-end population base of approximately 1.14 million to 1.79 million by 2041. This requires population growth of about 645,000 or an average annual growth level of about 24,300 people from 2015 to 2041. This compares to average annual historical growth of 26,500 people from 1981 to 2014.

Consistent population and housing growth is maintained for most of the forecast period to 2041 for all three draft growth scenarios

The 40% and 50% draft growth scenarios maintain relatively similar levels of annual population growth through the forecast period (see Figure 2) and are similar to recent levels of growth in the Region. The no urban expansion scenario shows slightly higher levels of population growth in the 2026 to 2031 period. The rate of growth declines towards the end of the forecast period as a result of the overall slowing of growth in the GTHA due to demographic trends and the ageing of society.

Figure 2
York Region Population Growth
by Five-Year Period



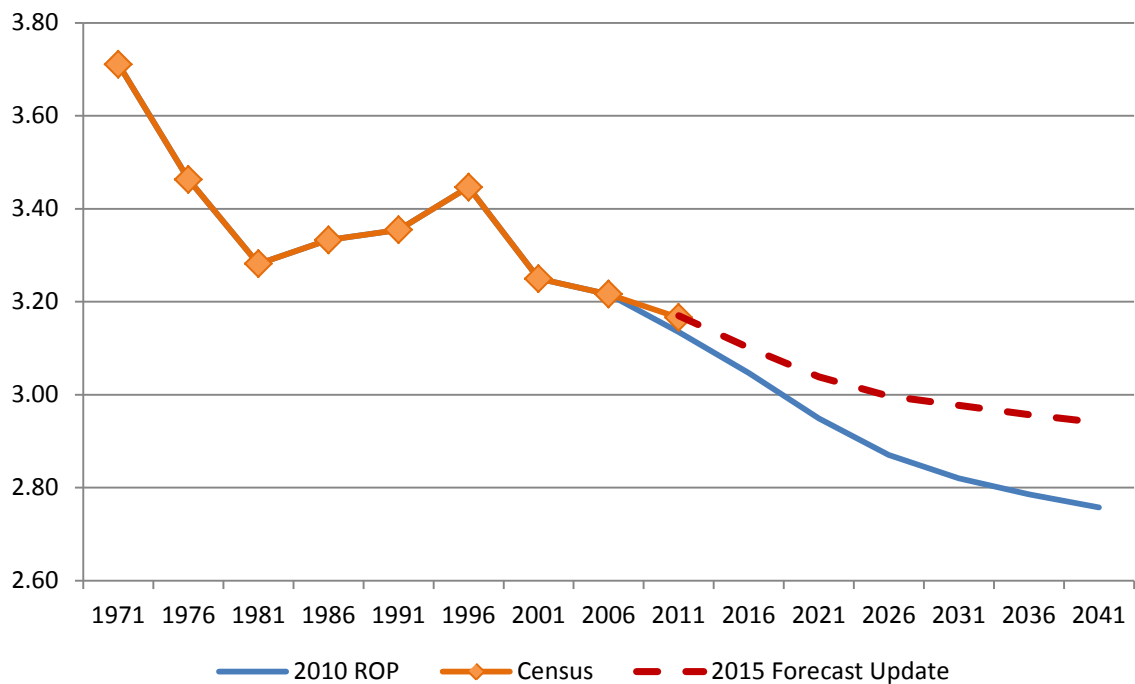
* Note: 2011-2016 – York Region Long Range Planning Division estimate based on CMHC housing completion data to 2014 and forecast to 2016.

Persons per unit forecast to decline at a slower rate than anticipated in forecast for the York Region Official Plan 2010

Persons per unit is calculated by dividing the total household population by the number of households. Changes in average persons per unit over time are important in planning for housing growth to reach target population forecasts. Over time, average household size has tended to decrease. This is a common trend in the western world and is related to a fertility rate below replacement level, an aging population and an increase in empty nesters, childless and single person households. Figure 3 shows historical and projected average persons per unit for York Region. Data from the 2011 Census as well as the background work done in support of the *Growth Plan* Amendment 2 forecasts indicate that the rate of decline is not as steep as was previously forecast in the work done for the *YROP-2010* due primarily to higher fertility and life expectancy. A slower rate of

decline in the average persons per unit means that fewer households will be required to accommodate the forecasted population.

Figure 3
York Region Persons per Household 1971 to 2041



Draft growth scenarios result in varying levels of household growth and housing unit mixes

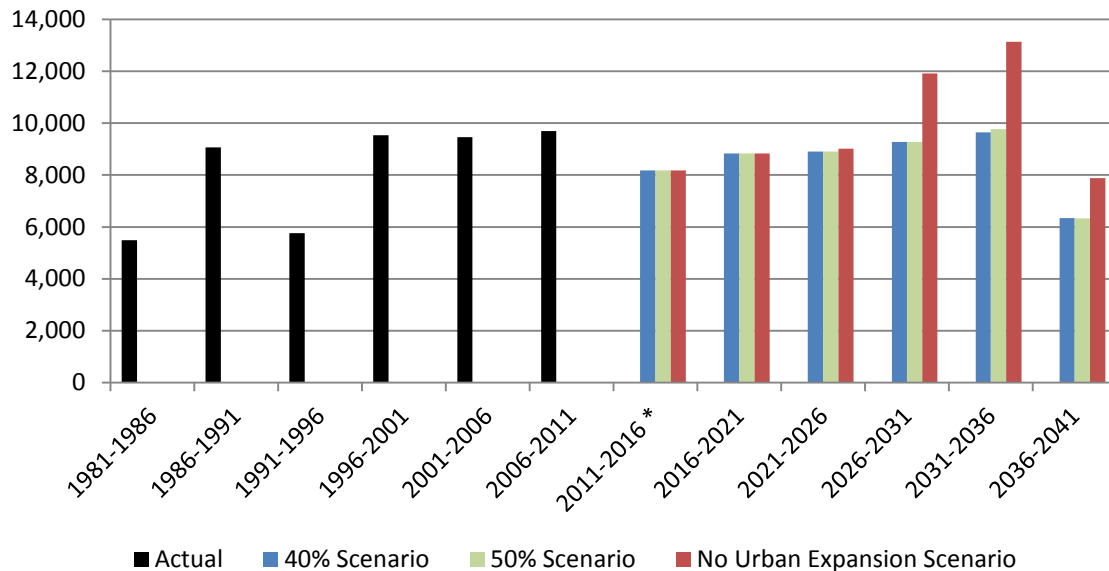
All three draft growth scenarios reach the *Growth Plan* target population of 1.79 million but each achieves this through different means in terms of housing growth and housing type mix. Table 2 compares the share of housing growth through ground-related units (single detached, semi-detached and row houses) and apartments for the last 10 years, the current *YROP-2010* forecast and the three growth scenarios.

Table 2
Housing Mix Comparison – Share of Housing Growth By Unit Type

Scenario	Ground-Related Units	Apartments	Total	Total Stock Ground-Related / Apartments
2005 to 2014 Actual	79.2%	20.8%	100.0%	87% / 13%
YROP-2010 Forecast: 2006 to 2031	64.4%	35.6%	100.0%	78% / 22%
40% Intensification: 2011 to 2041	66.3%	33.7%	100.0%	79% / 21%
50% Intensification: 2011 to 2041	59.3%	40.7%	100.0%	75% / 25%
No Urban Expansion: 2011 to 2041	52.8%	47.2%	100.0%	71% / 29%

Historically, York Region's housing growth has been largely oriented to ground-related housing but there has been a shift in recent years to increasing shares of growth in medium and higher density forms of housing. In order to support the development of more complete communities with a range of housing types that are more compact, provide more affordable housing options and can support public transit and mixed use, all of the growth scenarios project an increased share of housing growth towards higher density forms. The no urban expansion scenario proposes the largest shift in housing type, with just under half of the housing growth from 2011 to 2041 in apartments. Attachment 1 provides detailed graphs on housing growth by type for each scenario, by 5-year period. Figure 4 shows average annual total housing growth for the three draft growth scenarios. The no urban expansion scenario necessitates high levels of apartment growth from 2026 onwards to meet the *Growth Plan* forecast for 2041.

Figure 4
York Region Average Annual Housing Unit Growth by Five Year Period



*Note: 2011-2016 – York Region Long Range Planning Division estimate based on CMHC housing completion data to 2014 and forecast to 2016.

Draft growth scenarios vary distributions of population growth among the Region's local municipalities

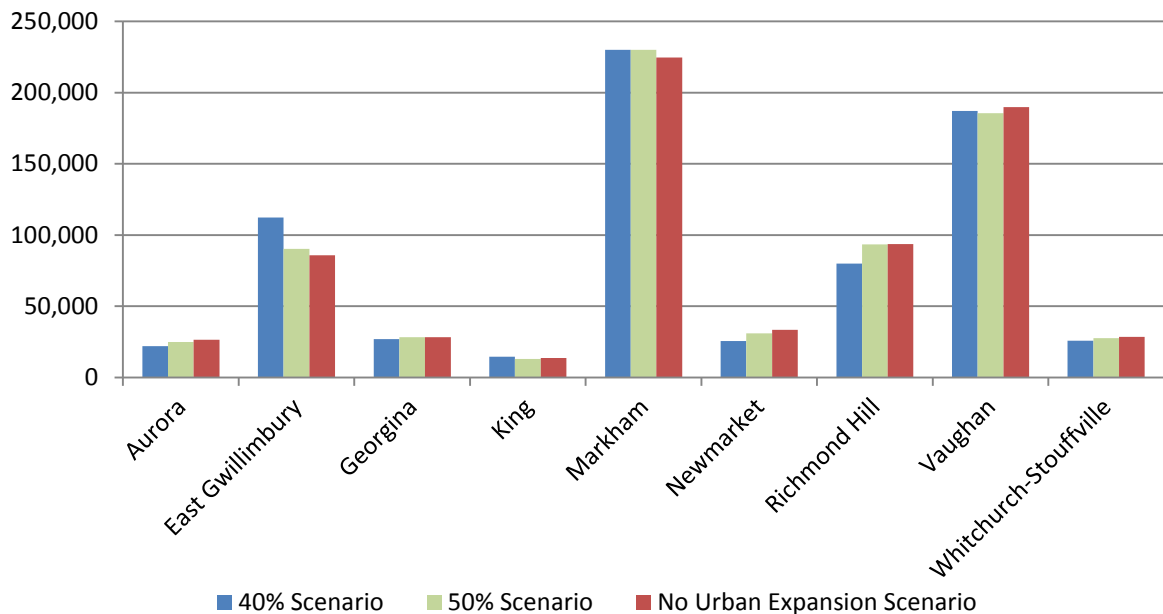
All nine local municipalities are projected to experience population growth under each scenario. Table 3 shows the forecast 2041 population by local municipality along with the current *YROP-2010* 2031 forecasts. However, since the three growth scenarios are based on varying levels of intensification, the distribution of growth to the Region's local municipalities varies with each scenario. Under the 40% scenario, the municipalities with the largest amount of available land for potential urban expansion show the highest levels of growth. Attachment 2 shows the full local municipal forecast by 5-year period for each growth scenario.

Table 3
YROP-2010 and Draft Growth Scenarios Population Forecast

Municipality	YROP-2010: 2031 Population	40% Intensification: 2041 Population	50% Intensification: 2041 Population	No Urban Expansion: 2041 Population
Aurora	70,200	76,700	79,500	81,000
East Gwillimbury	86,500	135,300	113,400	108,700
Georgina	70,300	71,900	73,300	73,400
King	34,900	35,100	33,600	34,200
Markham	421,600	541,800	541,900	536,600
Newmarket	97,100	107,000	112,400	114,900
Richmond Hill	242,200	270,900	284,400	284,700
Vaughan	416,600	486,100	484,500	488,600
Whitchurch-Stouffville	60,600	65,200	67,000	67,900
York Region	1,500,000	1,790,000	1,790,000	1,790,000

Figure 5 displays the distribution of population growth among the nine local municipalities from 2011 to 2041. Markham, Vaughan and Richmond Hill are forecast to continue to accommodate the largest shares of the Region's residential growth. In addition, the Town of East Gwillimbury is anticipated to play a more significant role in the next 25 years in accommodating population growth in the Region with the extension of servicing capacity to allow for the full development of Holland landing, Sharon, Queensville, ROPA 1 lands and potentially additional urban expansion lands.

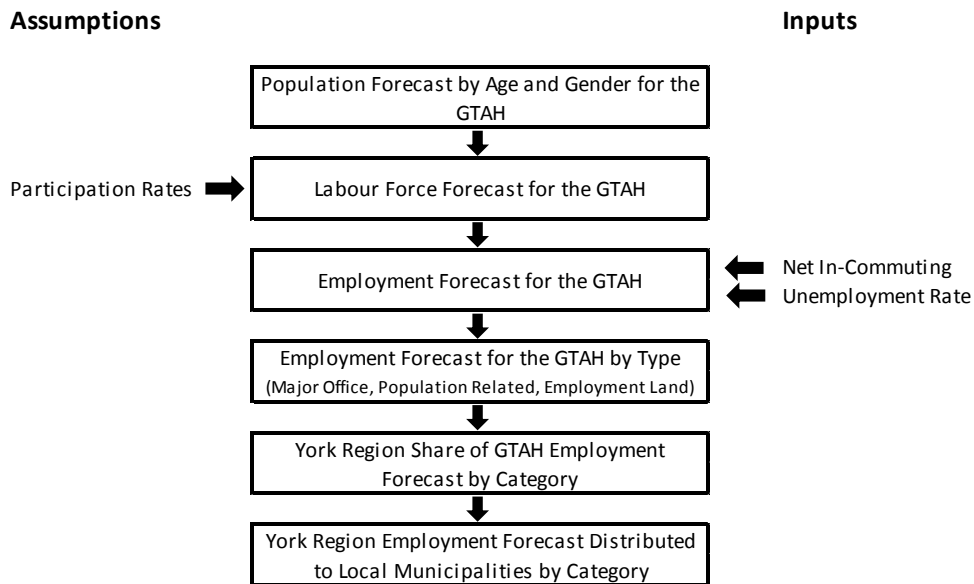
Figure 5
2011 - 2041 Population Growth by Local Municipality



Employment growth is forecast by three employment types

Similar to the population forecast model, the employment forecast model projects York Region employment by a share analysis of GTHA employment taking into account labour force participation rates, net in-commuting and unemployment rates. Figure 6 summarizes the employment forecast method used for the draft growth scenarios.

**Figure 6
Employment Forecast Methodology**



Employment is forecast by three types: major office employment, population-related employment and employment land employment. Definitions of each type are provided in Attachment 3. The following points summarize the key forecast assumptions for each employment type.

Major Office Employment: Major office employment growth is forecast through a market share analysis of the major office forecast for the entire GTHA. All three growth scenarios anticipate that York Region will increase its market share of GTHA office growth and that the Region's Centres and Corridors will attract increased levels of office development.

Population-Related Employment: Population-related employment is employment serving the local population (e.g. retail, services, education, government). Population-related employment is forecast as a ratio in relation to population growth since it tends to grow in response to population.

Employment Land Employment: Employment land employment is forecast by applying projected employment densities against vacant land supply in the Region's employment land areas. A factor was also applied to account for a portion of the employment growth occurring within existing vacant space and buildings. The Region's vacant employment land supply is based on the work contained in the report that Council considered in June 2014, titled "York Region Vacant Employment Land Inventory".

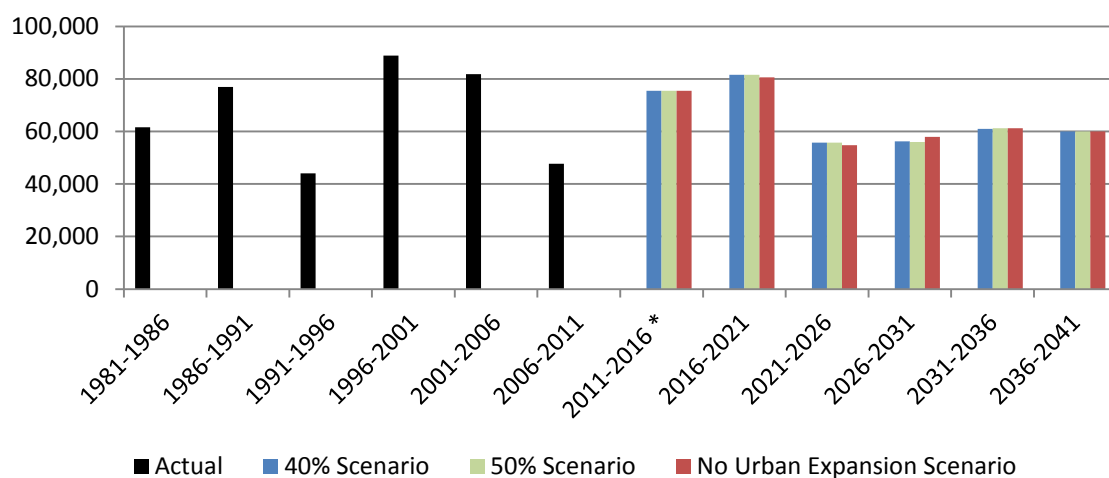
Draft growth scenarios account for employment land conversions proposed to be supported by the Region

The employment land forecast takes account of employment land conversions in the City of Markham that are proposed to be supported by York Region staff. An accompanying staff report entitled “Proposed Employment Land Conversions, City of Markham” is being presented to Committee on the same April 9 2015 agenda. That report provides recommendations on 10 Markham site-specific employment land conversion requests within the context of the MCR and applicable policy framework. That report also provides recommendations on site-specific Official Plan amendments for three of the 10 properties adopted by Markham Council and sent to the Region for approval.

Employment growth in York Region is forecast to continue to shift to service producing sectors

York Region, along with the rest of the GTHA and Ontario continues to experience a shift from goods producing to a service producing economy. Since recovering from the 2008/2009 economic recession, employment in York Region has been growing steadily at an average annual growth of about 15,000 jobs per year over the past five years. While it is anticipated that manufacturing and related industries will remain key parts of York Region’s economy, its share of future employment growth is anticipated to decline. Figure 7 shows historical and forecast employment growth under the three growth scenarios.

Figure 7
York Region Employment Growth
by Five-Year Period



* Note: 2011-2016 – York Region Long Range Planning Division estimate based on York Region 2014 employment survey and forecast to 2016.

Table 4 displays the forecast employment by type for York Region in 2041 in comparison to the forecast for 2031 in the current *YROP-2010*. The new growth scenarios anticipate a greater share of employment growth occurring in the major office and population-related employment categories reflecting the shift to the service-producing sectors. The no urban expansion scenario results in a slightly lower share of employment land employment in 2041 in comparison to the other two scenarios.

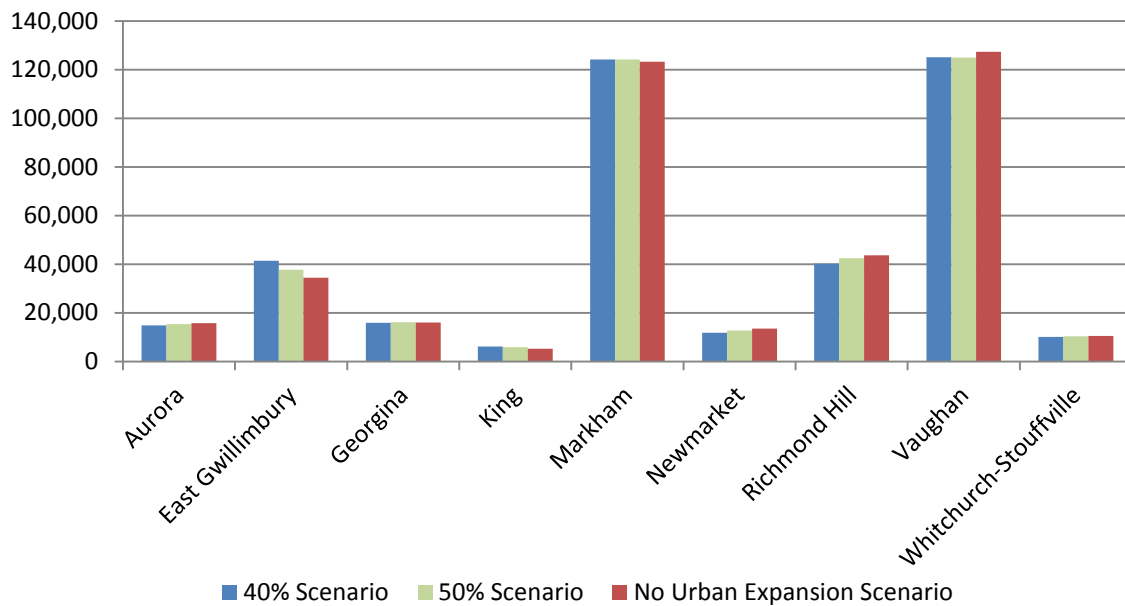
Table 4
York Region Employment Forecast By Type Comparison

Scenario	Major Office	Employment Land	Population- Related	Total
<i>YROP-2010</i> : 2031	15.4%	47.4%	37.2%	100%
40% and 50%: 2041 Intensification	18.0%	41.5%	40.5%	100%
No Urban Expansion: 2041	18.7%	40.7%	40.6%	100%

Each local municipality in the Region is forecast to continue to accommodate growth in employment

Forecast employment at the York Region level was distributed to the local municipalities based on available and potential employment land supply, ability to attract major office development and in relation to population growth. All nine local municipalities are projected to experience employment growth over the forecast period. Figure 8 shows total employment growth by local municipality for 2011 to 2041 by draft growth scenario. Attachment 4 shows the full employment forecast by 5 year period for each scenario by local municipality.

Figure 8
2011-2041 Employment Growth by Local Municipality



Vaughan has the largest share of employment land employment growth in the Region owing to its large vacant land supply, located mainly in West Vaughan. Major office employment is forecast to continue to increase in the Region's existing major office concentrations in Markham, Richmond Hill, Vaughan, Aurora and Newmarket in both Centres and Corridors and employment areas and business parks. Large increases in population-related employment growth are forecast for those local municipalities anticipated to experience a relatively higher amount of population growth.

40% and 50% intensification draft growth scenarios require urban expansion for residential and employment lands

A land demand/supply analysis (land budget) was undertaken to determine the ability of the existing Urban Area in York Region to accommodate the forecast population and employment growth. Both the 40% and 50% intensification growth scenarios require additional urban lands to accommodate the population and employment forecast to 2041. The area remaining outside of the existing Urban Area and also outside of the Greenbelt Plan boundary, an area commonly referred to as the "Whitebelt Lands", could potentially be used for urban expansion if required (see map in Attachment 5). These remaining areas in York Region are in East Gwillimbury, King, Markham, Vaughan and Whitchurch-Stouffville, totalling approximately 4,500 developable hectares.

Table 5 summarizes the approximate urban expansion requirements for the 40% and 50% intensification scenarios based on a preliminary review and analysis. A more fulsome analysis of land requirements and locations within the Region for urban expansion will be assessed and options proposed through Phase 2 of the MCR. This would also include the release of a comprehensive and detailed forecasting and land budget report outlining methodology and assumptions.

Table 5
Draft Growth Scenario Whitebelt Land Requirements (hectares) to 2041

Scenario	Community Lands	Employment Lands	Total
40% Intensification Scenario	2,300	160	2,460
50% Intensification Scenario	1,100	160	1,260

Preferred growth scenarios must meet *Growth Plan* requirements

The following are key *Growth Plan* policy requirements that must be met by the preferred growth scenario:

- Population and employment forecasts in Schedule 3 are to be used for planning and managing growth.
- By 2015 and for each year thereafter, a minimum of 40% of all residential development occurring annually will be within the built-up area.
- Urban growth centres are planned to achieve by 2031 or earlier, a gross density target of 200 people and jobs per hectare.
- The designated greenfield area will be planned to achieve a minimum density target that is not less than 50 residents and jobs combined per hectare.

All three draft growth scenarios meet the Schedule 3 forecast of 1.79 million population and 900,000 jobs by 2041. In addition, all three also meet the minimum 40% intensification requirement. Density targets for the Region's urban growth centres are maintained in all scenarios. Regional staff have undertaken preliminary work on the 50 people and jobs density analysis which will be completed as part of the Phase 2 land use planning evaluation of the draft growth scenarios.

Draft growth scenarios will be subject to review and consultation in Phase 2 of the MCR

The three draft growth scenarios were developed in consultation with regional departments and the local municipalities, and are the product of a number of assumptions based on the most recent social, demographic and economic trends and on provincial, regional and local policy. As part of MCR Phase 2 consultation and evaluation work, there may be significant refinements to the draft growth scenarios in deriving the preferred scenario.

The three draft growth scenarios will be discussed, reviewed and evaluated based on a number of factors including:

- The planned urban structure of centres and corridors that provide a focus for intensification, mixed use development and live/work opportunities,
- Transit supportive and pedestrian oriented new, complete communities,
- Protection of the Greenbelt and Oak Ridges Moraine and agricultural, rural and resource areas,
- Transit investment to support intensification,
- The pace of growth and required infrastructure investment for water and wastewater and roads and cycling,
- The long-term financial impact of growth and fiscal responsibility,
- Job creation to match labour force growth that requires the identification and protection of employment lands,
- Housing diversity and affordable housing to offer regional residents housing choices and for attracting a more diverse and skilled labour force and
- A land use planning analysis that will include an assessment of options for different locations for urban expansion, should this be required as part of the preferred scenario.

Regional Council, local municipal councils and staff, the development industry and other stakeholders will be consulted on the draft growth scenarios in this next phase of the MCR. Phase 2 will be an extensive, iterative process involving multiple rounds of scenario evaluation and refinement. The cost of infrastructure will be a key consideration in the identification of the preferred growth scenario and the associated distribution of growth at the local municipal level.

The Province is currently embarking on a review of the *Greenbelt* and *Oak Ridges Moraine Plans* as well as the *Growth Plan*. If required, the draft growth scenario forecasts and land budget will take into account any policy changes in these plans which may affect the forecasts and land budget.

Preferred growth scenario is expected to be presented to Council in Q4 2015

Based on the analysis described above in Phase 2, a recommended growth scenario is anticipated to be presented to Council in Q4 2015. The recommended growth scenario could be a refined version of one of the three scenarios presented in this report or it could be a modified version combining different elements of these scenarios. A draft Official Plan Amendment incorporating the preferred growth scenario is anticipated to be brought forward in mid-2016.

Link to key Council-approved plans

The MCR will result in an amendment to the *YROP-2010* to update the Regional and local municipal population and employment forecasts and associated policies. The MCR also supports a number of the *2015 to 2019 Strategic Plan* Priority Areas including – Managing Environmentally Sustainable Growth, Strengthening the Region's Economy and Supporting Community Health and Well-being. The MCR work will also support *Vision 2051's* goal area of Creating Liveable Cities and Complete Communities through the preparation of updated growth forecasts and land budget that will provide the framework for the future growth and development of communities in the Region.

5. Financial Implications

The forecast and land budget work was undertaken in-house by existing staff in the Planning and Economic Development branch, with support from staff in other Regional branches and departments.

A comprehensive fiscal impact analysis will be undertaken during Phase 2 to assist in the evaluation and development of a recommended scenario. The recommended growth scenario will form the basis for the growth forecast for the next development charge by-law update which is required to be adopted in 2017.

6. Local Municipal Impact

Local municipal staff are part of the MCR Technical Advisory Committee which met on December 8, 2014 and February 10, 2015 to discuss the MCR process, residential land supply, review of Regional Official Plan policies and the draft

growth scenarios. In addition, regional staff met with staff from each local municipality individually in December 2014, January and February 2015 to discuss the residential land supply that feeds into the draft growth scenarios. Local municipal staff will continue to be consulted through the next phase of the MCR involving the evaluation of the three growth scenarios. The new forecasts generated through the MCR, once approved, will be the new forecasts to which local official plans will need to conform and form the basis for local municipal infrastructure and service delivery planning.

7. Conclusion

York Region is required to update its forecasts to be consistent with Amendment 2 to the *Growth Plan* which forecasts the Region to grow to 1.79 million people and 900,000 jobs by 2041. In mid-2014, Regional staff commenced a Regional Municipal Comprehensive Review to update the Region's forecasts and review policies in the Regional Official Plan. New forecasts are required as input to the water and wastewater and transportation master plan updates as well as the forthcoming development charges by-law update.

This report has presented three draft growth scenarios for population and employment forecasts to 2041 by local municipality. These scenarios are to be evaluated and refined through Phase 2 of the MCR from the perspective of water/wastewater and transportation infrastructure, financial and land use planning impacts as well as local municipal and stakeholder input. A recommended growth scenario will be presented to Council in Q4 2015.

For more information on this report, please contact Paul Bottomley, Manager, Policy, Research and Forecasting at 905-830-4444 ext.71530.

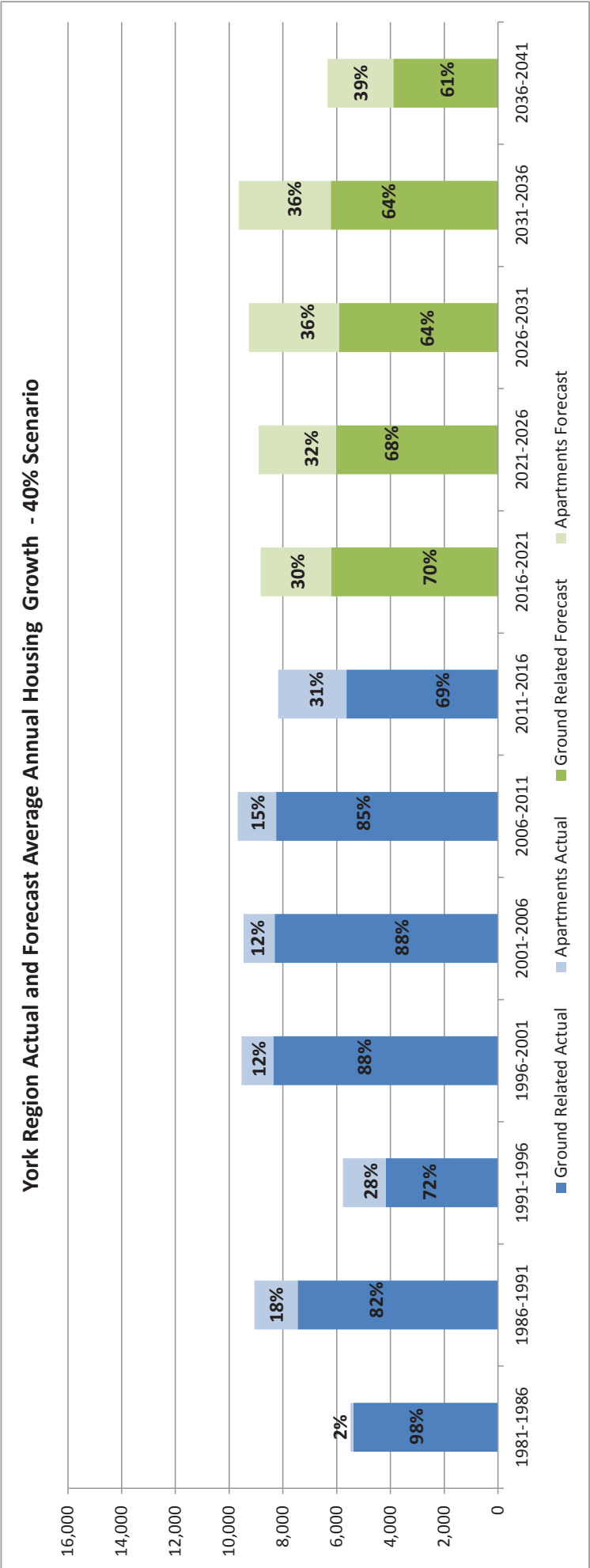
The Senior Management Group has reviewed this report.

Attachments (5)

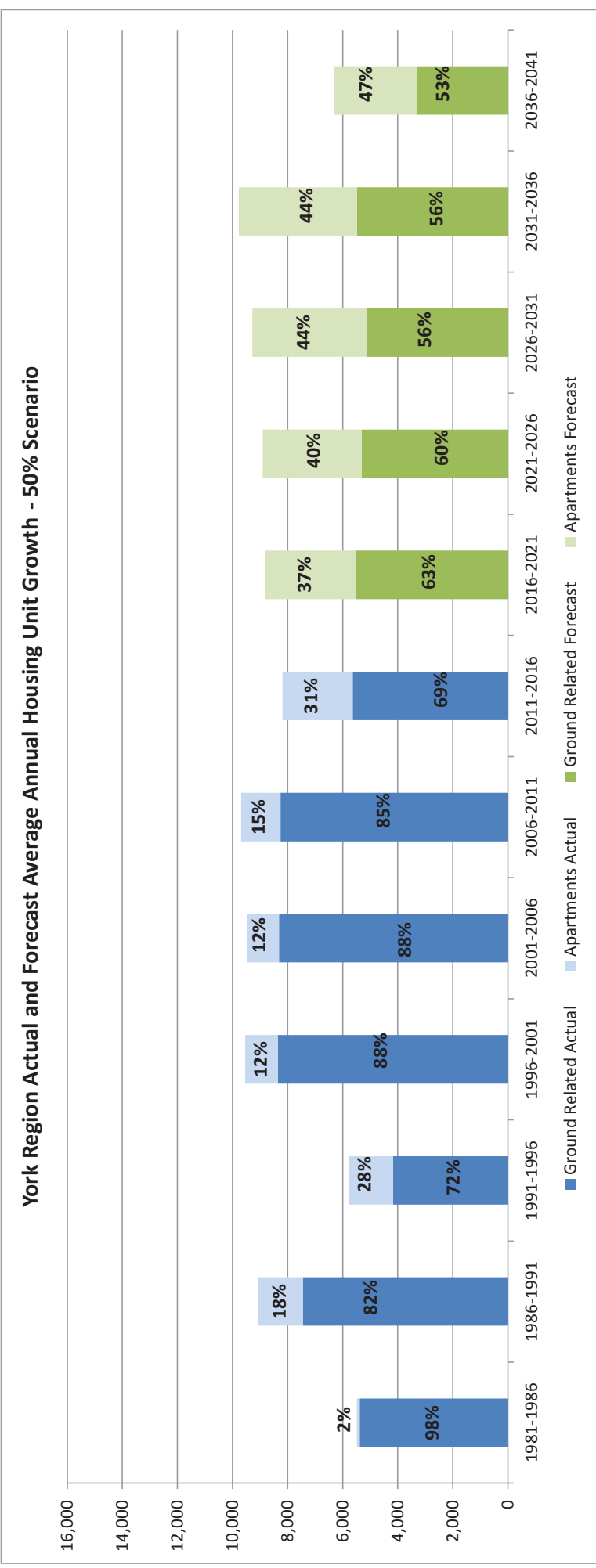
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Accessible formats or communication supports are available upon request

Attachment 1: York Region Actual and Forecast Average Annual Housing Growth for Ground Related and Apartment Unit Types

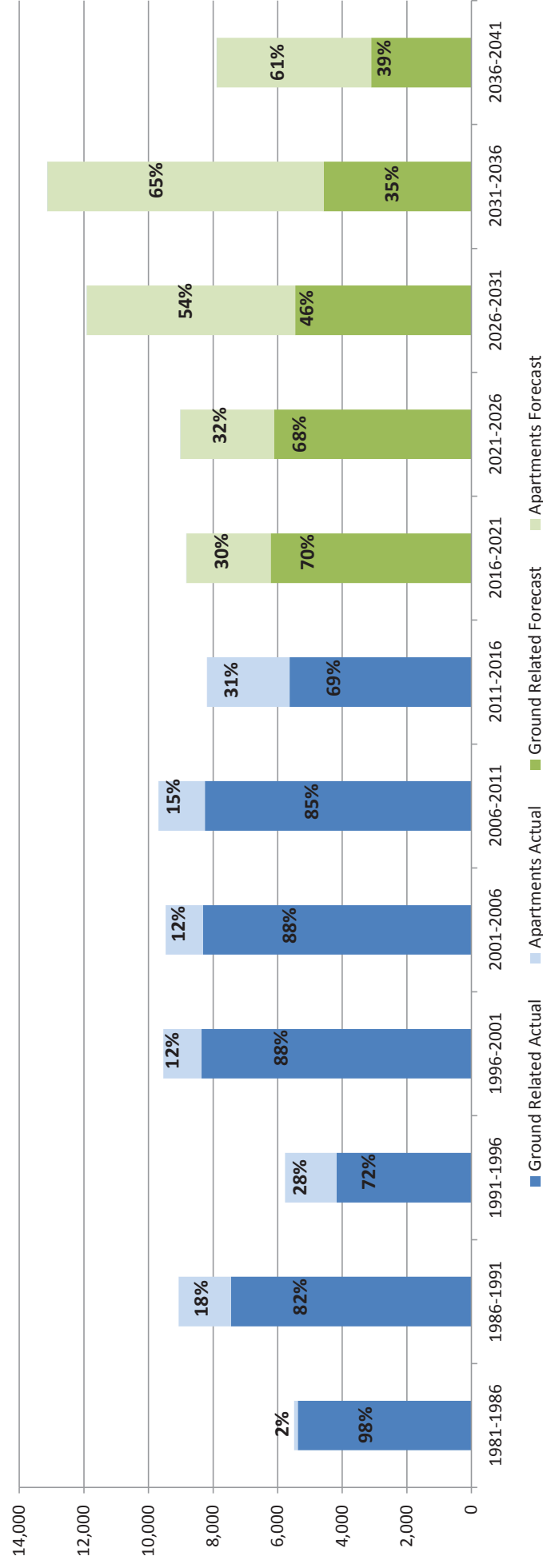


Notes: 40% Scenario refers to 40% of all housing unit growth occurring annually within the Provincially defined built boundary from 2015 to 2041.
2011-2016 - York Region Long Range Planning Division estimate based on CMHC housing completion data to 2014 and forecast to 2016.



Notes: 50% Scenario refers to 50% of all housing unit growth occurring annually within the Provincially defined built boundary from 2015 to 2041.
 2011-2016 - York Region Long Range Planning Division estimate based on CMHC housing completion data to 2014 and forecast to 2016.

York Region Actual and Forecast Average Annual Housing Unit Growth - No Urban Expansion



Notes: No Urban Expansion Scenario assumes no urban expansion in the Region beyond existing designations (including ROPA's 1,2 and 3). This scenario equates to an intensification level of approximately 65%.
 2011-2016 - York Region Long Range Planning Division estimate based on CMHC housing completion data to 2014 and forecast to 2016.

Attachment 2: Population Forecasts by Five-Year Period for Draft Growth Scenarios

Population Forecast by 5-year period - 40% Intensification Scenario

	2011	2016	2021	2026	2031	2036	2041
Aurora	54,600	58,200	63,700	69,600	72,700	75,000	76,700
East Gwillimbury	23,000	25,600	38,200	49,500	85,200	115,100	135,300
Georgina	45,000	47,400	50,400	53,800	58,300	65,400	71,900
King	20,500	25,300	28,800	31,300	32,100	34,300	35,100
Markham	311,800	355,200	392,200	434,300	456,700	509,800	541,800
Newmarket	81,500	87,400	92,100	97,100	100,300	104,200	107,000
Richmond Hill	190,900	209,800	227,500	244,700	255,900	265,000	270,900
Vaughan	298,800	323,100	349,600	377,200	431,000	467,200	486,100
Whitchurch-Stouffville	39,400	45,600	52,900	59,900	62,200	64,000	65,200
York Region	1,065,500	1,177,600	1,295,400	1,417,400	1,554,400	1,700,000	1,790,000

Notes: 40% Scenario refers to 40% of all housing unit growth occurring annually within the Provincially defined built boundary from 2015 to 2041.

2011 data is a York Region Long Range Planning Division estimate adjusted for the Census undercount.

Population Forecast by 5-year period - 50% Intensification Scenario

	2011	2016	2021	2026	2031	2036	2041
Aurora	54,600	58,200	63,300	68,600	73,100	77,100	79,500
East Gwillimbury	23,000	25,600	36,100	45,500	66,300	94,400	113,400
Georgina	45,000	47,400	50,000	52,900	57,200	66,000	73,300
King	20,500	25,300	28,200	30,200	31,800	33,100	33,600
Markham	311,800	355,200	394,100	437,600	474,800	515,700	541,900
Newmarket	81,500	87,400	92,700	98,300	103,200	108,500	112,400
Richmond Hill	190,900	209,800	229,400	248,200	263,800	276,700	284,400
Vaughan	298,800	323,100	349,700	378,100	420,700	463,200	484,500
Whitchurch-Stouffville	39,400	45,600	52,000	58,100	62,200	65,300	67,000
York Region	1,065,500	1,177,600	1,295,500	1,417,500	1,553,100	1,700,000	1,790,000

Notes: 50% Scenario refers to 50% of all housing unit growth occurring annually within the Provincially defined built boundary from 2015 to 2041.

2011 data is a York Region Long Range Planning Division estimate adjusted for the Census undercount.

Population Forecast by 5-year period - No Urban Expansion Scenario

	2011	2016	2021	2026	2031	2036	2041
Aurora	54,600	58,200	64,300	70,500	72,800	77,700	81,000
East Gwillimbury	23,000	25,600	37,500	50,500	101,600	105,500	108,700
Georgina	45,000	47,400	50,400	54,400	69,200	71,700	73,400
King	20,500	25,300	28,800	31,600	32,100	33,400	34,200
Markham	311,800	355,200	392,200	429,200	453,200	504,900	536,600
Newmarket	81,500	87,400	92,100	96,300	101,100	109,900	114,900
Richmond Hill	190,900	209,800	227,500	242,100	254,400	273,100	284,700
Vaughan	298,800	323,100	349,600	376,900	408,100	457,900	488,600
Whitchurch-Stouffville	39,400	45,600	52,900	59,800	62,700	65,900	67,900
York Region	1,065,500	1,177,600	1,295,300	1,411,300	1,555,200	1,700,000	1,790,000

Notes: No Urban Expansion Scenario assumes no urban expansion in the Region beyond ROPA's 1, 2 and 3.

2011 data is a York Region Long Range Planning Division estimate adjusted for the Census undercount.

Population Forecast by 5-year period - ROP 2010

	2011	2016	2021	2026	2031
Aurora	54,600	63,700	68,100	69,600	70,200
East Gwillimbury	23,000	34,700	48,100	66,300	86,500
Georgina	45,000	52,800	57,900	63,900	70,300
King	20,500	27,000	29,900	32,500	34,900
Markham	311,800	337,800	370,300	398,300	421,600
Newmarket	81,500	88,700	91,900	94,500	97,100
Richmond Hill	190,900	216,900	231,400	239,100	242,200
Vaughan	298,800	329,100	360,400	388,800	416,600
Whitchurch-Stouffville	39,400	49,400	55,800	59,100	60,600
York Region	1,065,500	1,200,100	1,313,800	1,412,100	1,500,000

Notes: 2011 data is a York Region Long Range Planning Division estimate adjusted for the Census undercount.

2016 to 2031 forecasts derived from YROP 2010.

Attachment 3: Employment Type Definitions

Major Office Employment: Employment occurring in office building of 1,860 square metres (20,000 square feet) or larger (does not include city or town halls, hospitals or school board offices). Major office employment forms a key part of the Region's strategy for maintaining and attracting high quality jobs. Growth in office development is also a key component of the Region's Centres and Corridors strategy and is needed to support the Region's major transit infrastructure investments.

Population-Related Employment: Employment serving the local population such as retail, services, education, municipal government, institutions and community services. This type of employment tends to grow mainly in response to population growth..

Employment Land Employment: Refers to employment within the Region's employment lands, excluding major office employment. This employment category typically includes business activities such as manufacturing, research and development, warehousing and also includes ancillary retail and service uses.

Attachment 4: Employment Forecasts by Five-Year Period for Draft Growth Scenarios

Employment Forecast by 5-year period - 40% Intensification Scenario

	2011	2016	2021	2026	2031	2036	2041
Aurora	21,900	25,500	29,400	31,700	33,400	35,200	37,000
East Gwillimbury	7,400	9,100	13,800	17,800	27,000	37,500	48,900
Georgina	7,700	9,000	11,600	13,400	16,100	19,600	23,600
King	8,200	9,700	10,900	11,500	12,000	13,100	14,300
Markham	154,800	176,300	200,100	219,400	234,900	255,500	275,700
Newmarket	42,800	45,400	47,900	49,800	51,500	53,300	55,000
Richmond Hill	69,300	79,500	88,800	95,400	100,500	105,600	110,400
Vaughan	185,100	215,500	246,500	263,700	282,400	298,000	312,100
Whitchurch-Stouffville	12,800	15,300	18,100	20,000	21,200	22,200	23,000
York Region	510,000	585,300	667,100	722,700	779,000	840,000	900,000

Notes: 40% Scenario refers to 40% of all housing unit growth occurring annually within the Provincially defined built boundary from 2015 to 2041.

2011 based on the York Region 2011 employment survey.

Employment Forecast by 5-year period - 50% Intensification Scenario

	2011	2016	2021	2026	2031	2036	2041
Aurora	21,900	25,500	29,300	31,500	33,500	35,500	37,400
East Gwillimbury	7,400	9,100	13,400	17,000	23,800	34,000	45,200
Georgina	7,700	9,000	11,500	13,300	15,900	19,700	23,900
King	8,200	9,700	10,800	11,300	12,000	12,900	14,100
Markham	154,800	176,300	200,500	220,100	237,900	256,600	275,600
Newmarket	42,800	45,400	48,000	50,000	52,000	54,000	55,900
Richmond Hill	69,300	79,500	89,200	96,100	101,900	107,600	112,700
Vaughan	185,100	215,500	246,500	263,800	280,700	297,400	312,000
Whitchurch-Stouffville	12,800	15,300	17,900	19,700	21,100	22,300	23,200
York Region	510,000	585,300	667,100	722,800	778,800	840,000	900,000

Notes: 50% Scenario refers to 50% of all housing unit growth occurring annually within the Provincially defined built boundary from 2015 to 2041.

2011 based on the York Region 2011 employment survey.

Employment Forecast by 5-year period - No Urban Expansion Scenario

	2011	2016	2021	2026	2031	2036	2041
Aurora	21,900	25,500	29,400	32,000	33,600	35,800	38,000
East Gwillimbury	7,400	9,100	13,600	17,800	29,500	35,800	41,900
Georgina	7,700	9,000	11,600	13,500	17,800	20,900	23,700
King	8,200	9,700	10,900	11,600	12,000	12,700	13,400
Markham	154,800	176,300	199,400	217,600	233,000	253,300	274,800
Newmarket	42,800	45,400	47,900	49,600	51,600	54,200	56,600
Richmond Hill	69,300	79,500	88,700	94,900	100,500	107,200	113,800
Vaughan	185,100	215,500	246,400	263,800	279,400	297,600	314,400
Whitchurch-Stouffville	12,800	15,300	18,000	20,000	21,200	22,500	23,400
York Region	510,000	585,300	665,900	720,800	778,600	840,000	900,000

Notes: No Urban Expansion Scenario assumes no urban expansion in the Region beyond ROPA's 1, 2 and 3.

2011 based on the York Region 2011 employment survey.

Employment Forecast by 5-year period - ROP 2010

	2011	2016	2021	2026	2031
Aurora	22,100	29,000	32,400	33,500	34,200
East Gwillimbury	7,400	11,600	18,700	26,700	34,400
Georgina	7,700	11,000	13,900	17,400	21,200
King	8,200	9,700	11,000	11,400	11,900
Markham	151,600	200,300	221,500	231,200	240,400
Newmarket	43,100	47,600	48,700	49,000	49,400
Richmond Hill	70,100	86,100	94,300	97,400	99,400
Vaughan	187,000	226,000	248,900	257,600	266,100
Whitchurch-Stouffville	12,800	19,200	21,900	22,700	23,000
York Region	510,000	640,500	711,200	746,900	780,000

Notes: 2011 based on the York Region 2011 employment survey. 2016 to 2031 forecasts derived from YROP 2010.

York Region Land Use Categories

Attachment 5

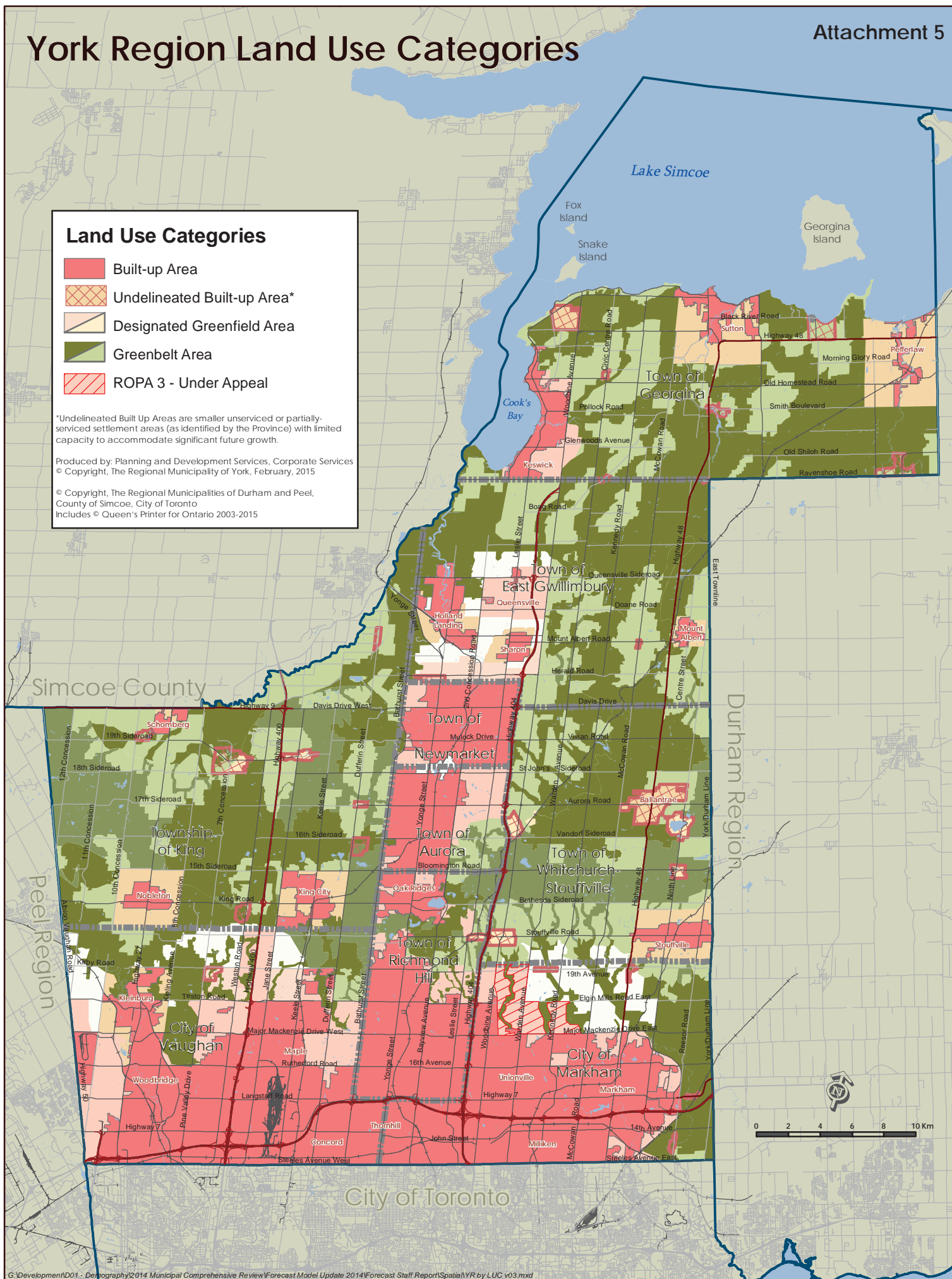
Land Use Categories

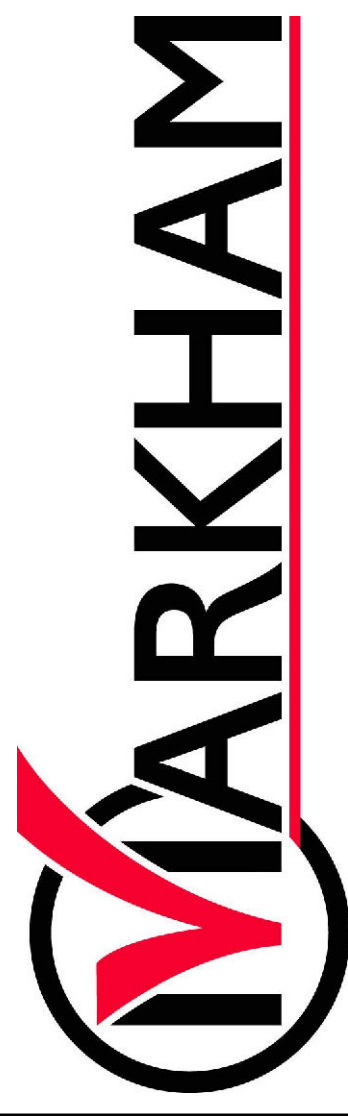
- Built-up Area
- Undelineated Built-up Area*
- Designated Greenfield Area
- Greenbelt Area
- ROPA 3 - Under Appeal

*Undelineated Built Up Areas are smaller unserved or partially-served settlement areas (as identified by the Province) with limited capacity to accommodate significant future growth.

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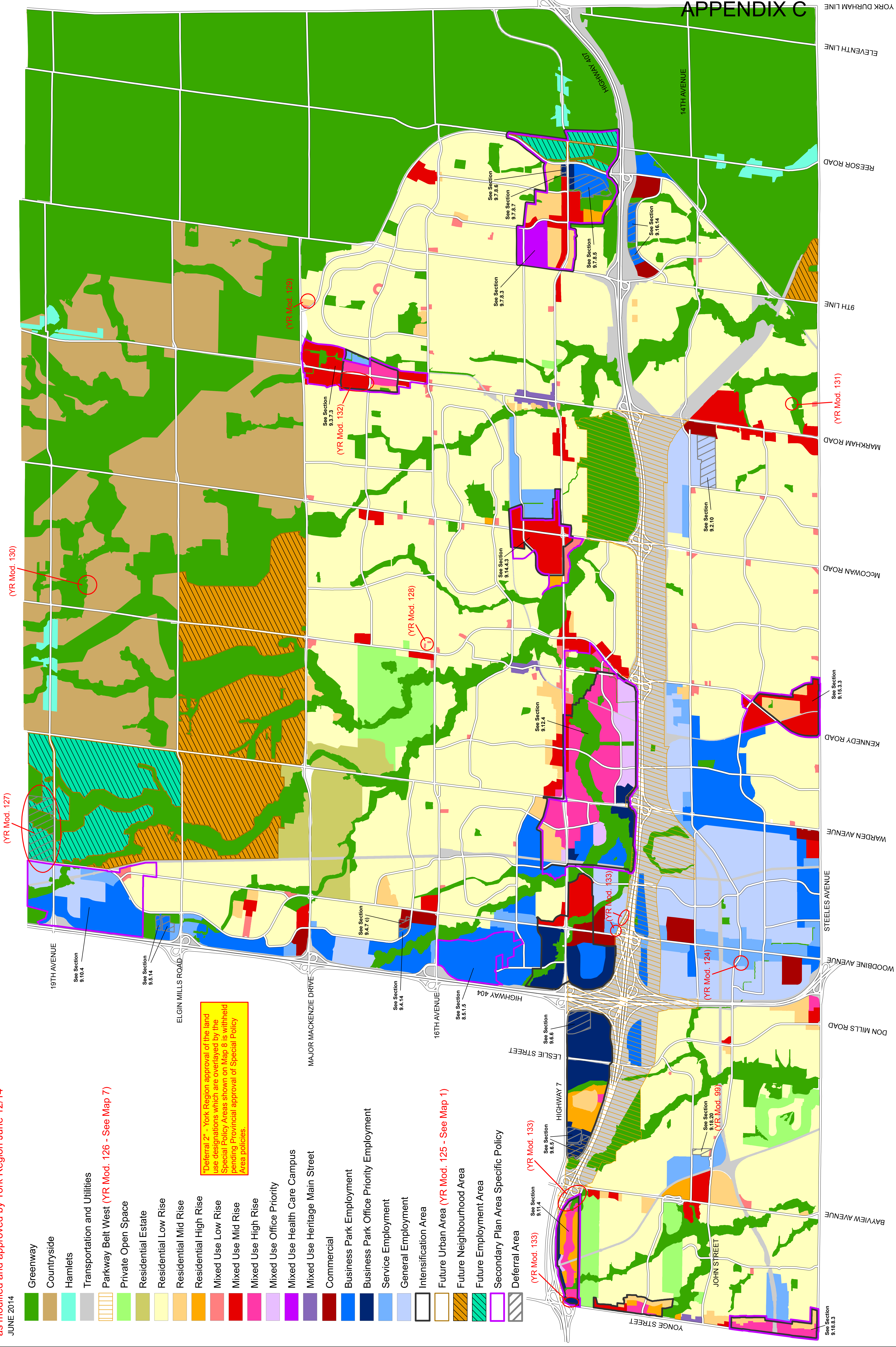
OFFICIAL PLAN

MAP 3 - LAND USE

as modified and approved by York Region June 12/14
JUNE 2014

- Greenway
- Countryside
- Hamlets
- Transportation and Utilities
- Parkway Belt West (YR Mod. 126 - See Map 7)
- Private Open Space
- Residential Estate
- Residential Low Rise
- Residential Mid Rise
- Residential High Rise
- Mixed Use Low Rise
- Mixed Use Mid Rise
- Mixed Use High Rise
- Mixed Use Office Priority
- Mixed Use Health Care Campus
- Mixed Use Heritage Main Street
- Commercial
- Business Park Employment
- Business Park Office Priority Employment
- Service Employment
- General Employment
- Intensification Area
- Future Urban Area (YR Mod. 125 - See Map 1)
- Future Neighbourhood Area
- Future Employment Area
- Secondary Plan Area Specific Policy
- Deferral Area

"Deferral 2" - York Region approval of the land use designations which are overlayed by the Special Policy Areas shown on Map 8 is withheld pending Provincial approval of Special Policy Area policies.





OFFICIAL PLAN

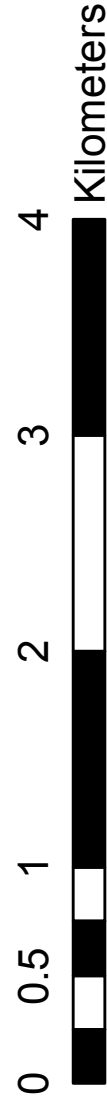
MAP 12 - URBAN AREA AND BUILT-UP AREA

as modified and approved by York Region June 12/14

JUNE 2014

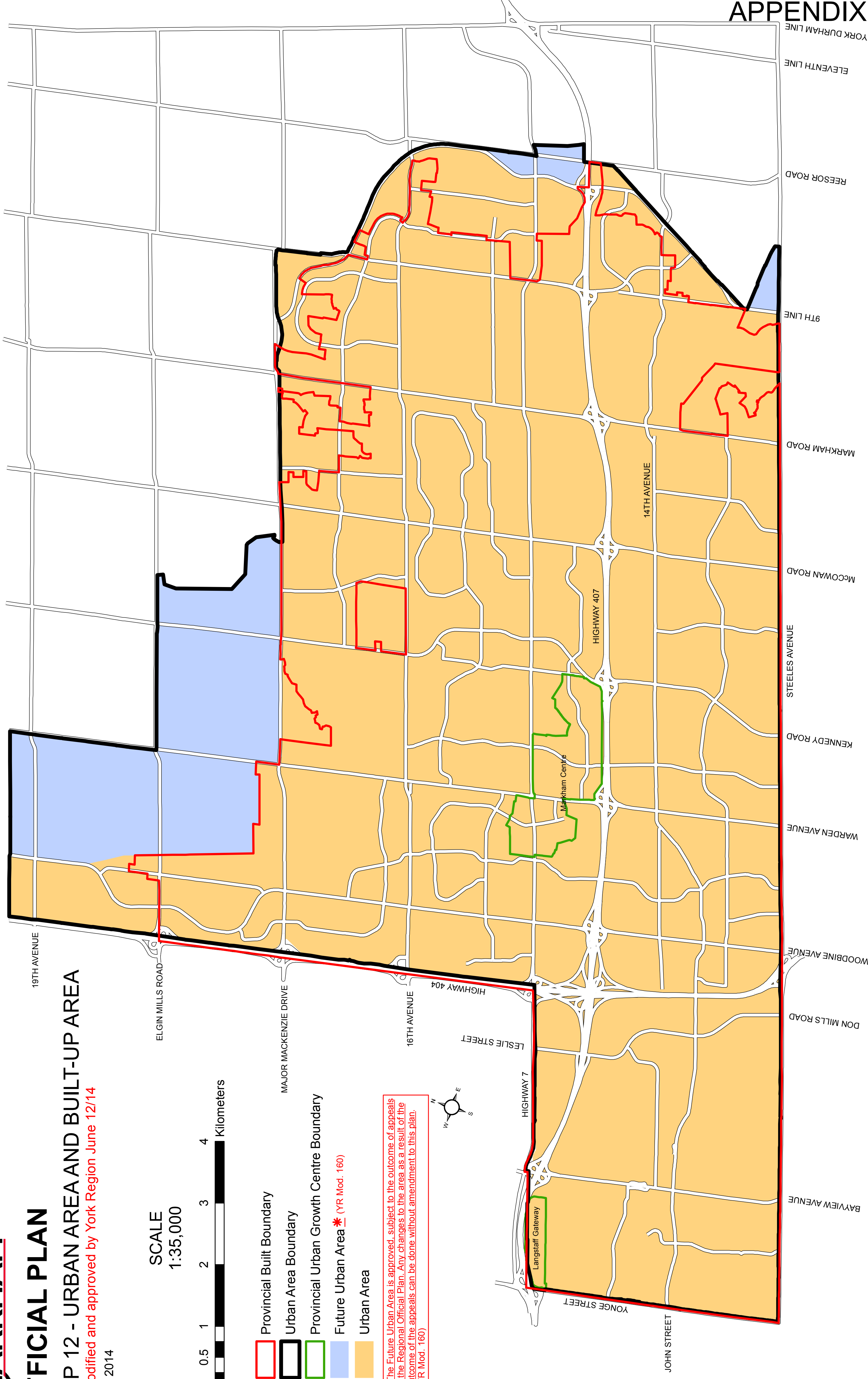
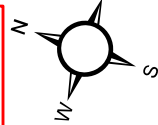
SCALE

1:35,000



- Provincial Built Boundary
- Urban Area Boundary
- Provincial Urban Growth Centre Boundary
- Future Urban Area * (YR Mod. 160)
- Urban Area

* - The Future Urban Area is approved, subject to the outcome of appeals to the Regional Official Plan. Any changes to the area as a result of the outcome of the appeals can be done without amendment to this plan. (YR Mod. 160)



APPENDIX 'D': POPULATION AND EMPLOYMENT IN MARKHAM – FORECAST AND ACTUAL

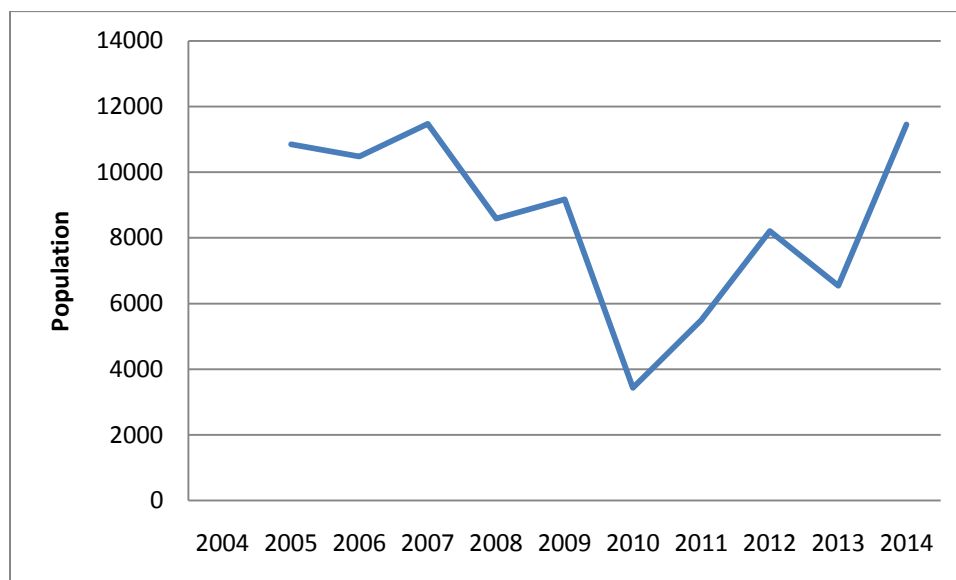
Population and Employment Forecasts for Markham (2006-2031)				
Markham	2006	2014	2031	Growth (2006-2031)
Population	273,000	338,000	421,600	148,600
Employment	144,800	170,000	240,400	95,600
Source: Regional Official Plan 2010 and Markham Official Plan for 2006 and 2031 Forecasts. York Region estimate for mid 2014.				

POPULATION

Population and Employment Forecasts for Markham and York Region (2011-2041)				
Population	2011	2014	2041	Growth (2011-2041)
Markham				
40% Intensification	311,800	338,000	541,800	230,000
50% Intensification	311,800	338,000	541,900	230,100
No Expansion	311,800	338,000	536,600	224,800
York Region	1,065,500	1,113,900	1,790,000	724,500
Employment				
40% Intensification	154,800	170,000	275,700	120,900
50% Intensification	154,800	170,000	275,600	120,800
No Expansion	154,800	170,000	274,800	120,000
York Region	510,000	564,300	900,000	390,000
Source: Regional Draft Growth Scenarios 2011 and 2041 Forecasts. York Region estimate for mid 2014.				

Actual Population for Markham (2004-2014)			
Year	Population (mid year)	Year over Year Increase (pop)	Year over Year Increase (%)
2004	252,321		
2005	263,168	10,847	4.3
2006	273,642	10,474	4.0
2007	285,115	11,473	4.2
2008	293,700	8,585	3.0
2009	302,870	9,170	3.1
2010	306,303	3,433	1.1
2011	311,798	5,495	1.8
2012	320,009	8,211	2.6
2013	326,554	6,545	2.0
2014	338,011	11,457	3.5
Source: York Region.			

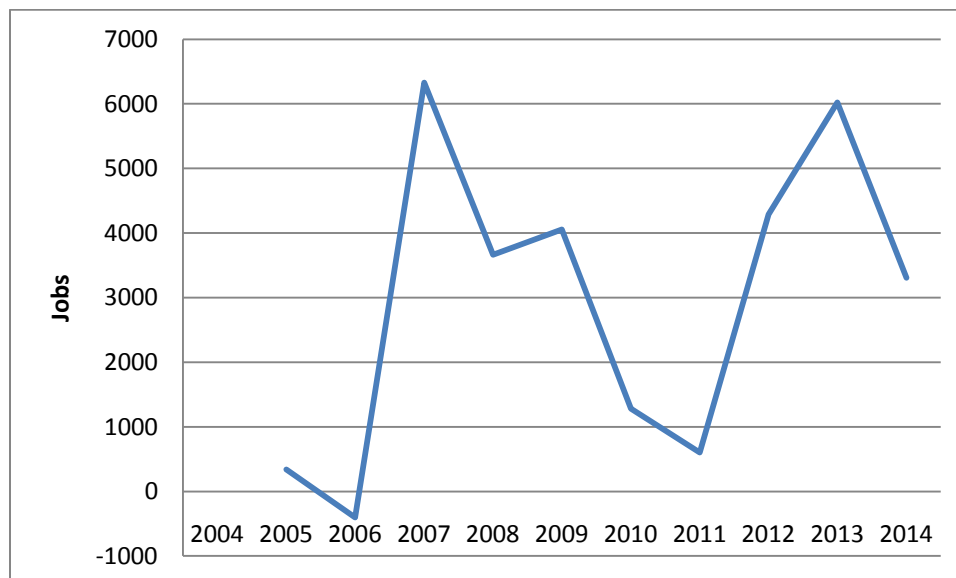
Figure 1: Year-to-Year Population Growth in Markham between 2004 and 2014



EMPLOYMENT

Actual Employment for Markham (2004-2014)			
Year	Surveyed Employment (approx 90% of Total Employment)	Year over Year Increase (pop)	Year over Year Increase (%)
2004	125,976		
2005	126,315	339	0.3
2006*	125,913	-402	-0.3
2007	132,241	6,328	5.0
2008	135,903	3,662	2.8
2009	139,957	4,054	3.0
2010	141,239	1,282	0.9
2011	141,841	602	0.4
2012	146,130	4,289	3.0
2013	152,150	6,020	4.1
2014*	155,455	3,305	2.1
*Total employment for 2006 is 144,800. Total employment for 2014 is 170,000. Source: York Region.			

Figure 2: Year-to-Year Employment Growth in Markham between 2004 and 2014*



*Surveyed employment

APPENDIX 'E'

Regional Council Decisions on Employment Conversion Applications, April 2015		
Applicant	OPA Application	Decision 1987 OPA/2014 OPA
Neamsby Investments Inc	OP 13-108448	OPA 222/OPA 2 Approved
Times Group Corporation	OP 13-131100	Approved in principle
Kings Square Ltd	OP 10-116651	Approved in principle
Jolis Investments	OP 13-114950	Approved in principle
Holborn Properties	OP 13-116651	Approved in principle
Wemat One Limited	OP 13-113480	Approved in principle
Box Grove Hill Developments	OP 13-108173	OPA 223/OPA 3 Approved
Lindvest Properties (Cornell) Ltd	OP 12-132870	OPA 224/OPA 1 Approved
Flato/Auriga	OP 14-128934	Deferred at request of applicant
Cornell Rouge Development Corp	OP 14-137282	Deferred at request of applicant