

Growth Management Strategy

Employment Lands Strategy (Phase 1) Conclusions

March 31, 2009

Employment Lands Strategy (Phase 1)

- **One component of the Growth Management Strategy**
- **Links to the Town's Economic Development Strategy**
- **Employment Lands Strategy (Phase 1) Study**
 - began in mid-2008
 - Stakeholder consultation session in fall 2008
- **Purpose:**
 - To guide Town decisions regarding the achievement of employment forecasts
 - To update the Town policy framework for provision and development of employment lands

- **New Planning Context**
 - Provincial Policy Statement 2005
 - Bill 51 – Planning Act Reform 2006
 - Places to Grow – Growth Plan 2006
 - Region of York Implementation
- **Town of Markham Implementation of new Planning Context**
 - Growth Management Strategy to guide new Official Plan

Key Messages ...

Markham is Poised for Exceptional Business Growth.

Markham is on the Right Track ... but Policy Refinements are recommended.

Getting prepared for employment base of 250,000 jobs (or 90,000 new jobs between 2008 - 2031)

Markham's current settlement area can't accommodate all of the job growth.

More employment lands are required.

Long-term "Strategic" and "Defensive" choices also need to be made.

Lands in the 404 North area will be critical for accommodating future economic activity

Markham East Lands (ORC lands) provide small but important role in rounding out employment land base

Markham is on the Right Track . .

- Notwithstanding current market turmoil, Markham is clearly focused on the right business clusters.
- Markham's 2020 Economic Development Strategy is focussed on strengths and opportunities that make the most sense.
- Labour-force is clearly aligned with the direction of where the Ontario economy *needs* to go.
- In many ways Markham will be a bellwether for the transition of the Canadian economy.
- A shift to 'clean-tech', environmentally sustainable design (LEED), greener infrastructure (District Energy) and transit will shape Markham's future as a top-tier business centre.



Region of York forecast for Markham

Employment Category	2006	2031	Growth 2006-2031	% Increase 2006-2031	% share of total increase
Major Office Employment	47,400	88,100	41,300	87	40
Employment Land Employment	49,990	86,515	36,525	73	35
Population Related Employment	47,500	73,300	25,800	54	25
Total	144,890	248,515	103,625	71	100

Region of York, July 2008

Getting Ready for 250,000 Jobs in 2031 ...

- Markham will play a central role in accommodating job growth in York Region.
- Markham will grow by **90,000 new jobs** (York Region 2009).
- About 66% of Markham's current jobs are located in Industrial Areas (Business Park Area [BPA], General Industrial Area [GIA], Business Corridor Area [BCA]). The rest are within Commercial Areas (Major Commercial Area [MCA], Retail Warehouse Area [RWA], Community Amenity Area [CAA], Commercial Corridor Area [CCA]). By 2031, this share will decrease modestly to 63%.
- Markham's existing Employment Areas will continue to attract growth (through intensification of existing parcels and/or reuse of buildings).
- Transitioning of Town's economic base to more office-related activities will continue.

Getting Ready for 250,000 Jobs in 2031 ...

- At the present time there are 55,000 Employment Land Employment [ELE] jobs (100% of total), 48,000 Major Office Employment [MOE] jobs (90% of total) and 1,700 Population Related Employment [PRE] jobs (5% of total) in Industrial Areas (104,700 jobs)
- These 104,700 jobs occupy about 1,040 net hectares of land (average 100 jobs per hectare)
- There remains about 485 net hectares of vacant land in Employment Areas
- Much of this vacant land supply is not 'market ready'.
- The forecasts indicate that the Town of Markham will need an employment land supply that is *robust enough* to accommodate some **32,000 ELE jobs, 19,000 MOE jobs (min) and 500 PRE (min) jobs** **51,500 jobs in total**

Designated Industrial Lands*

1040 Net Hectares
Occupied

485 Net Hectares
Vacant

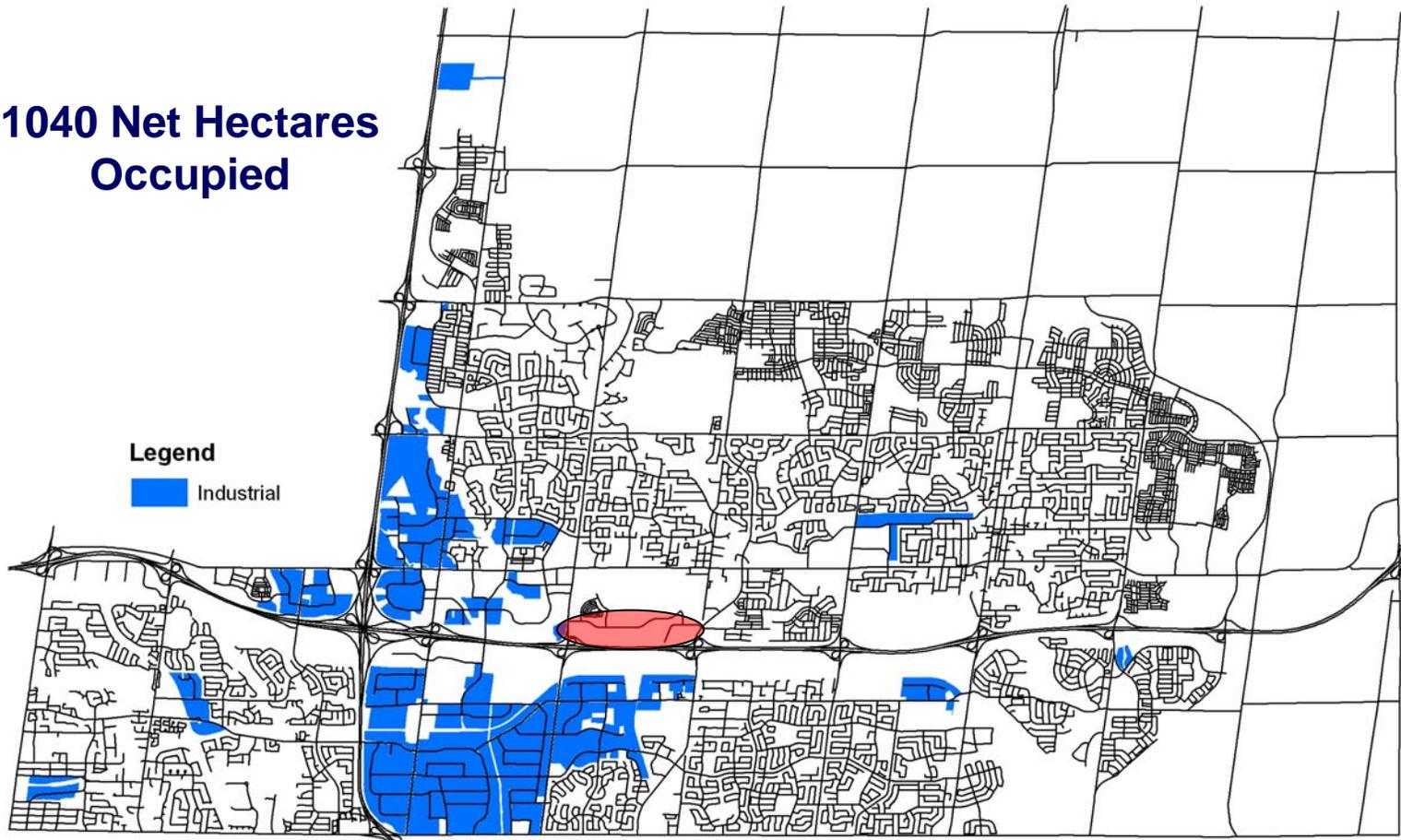
1525 Net Hectares



* Excludes office parcels in Markham Centre and selected sites on Hwy 7 and Yonge that could potentially support office development.

Developed Designated Industrial Lands*

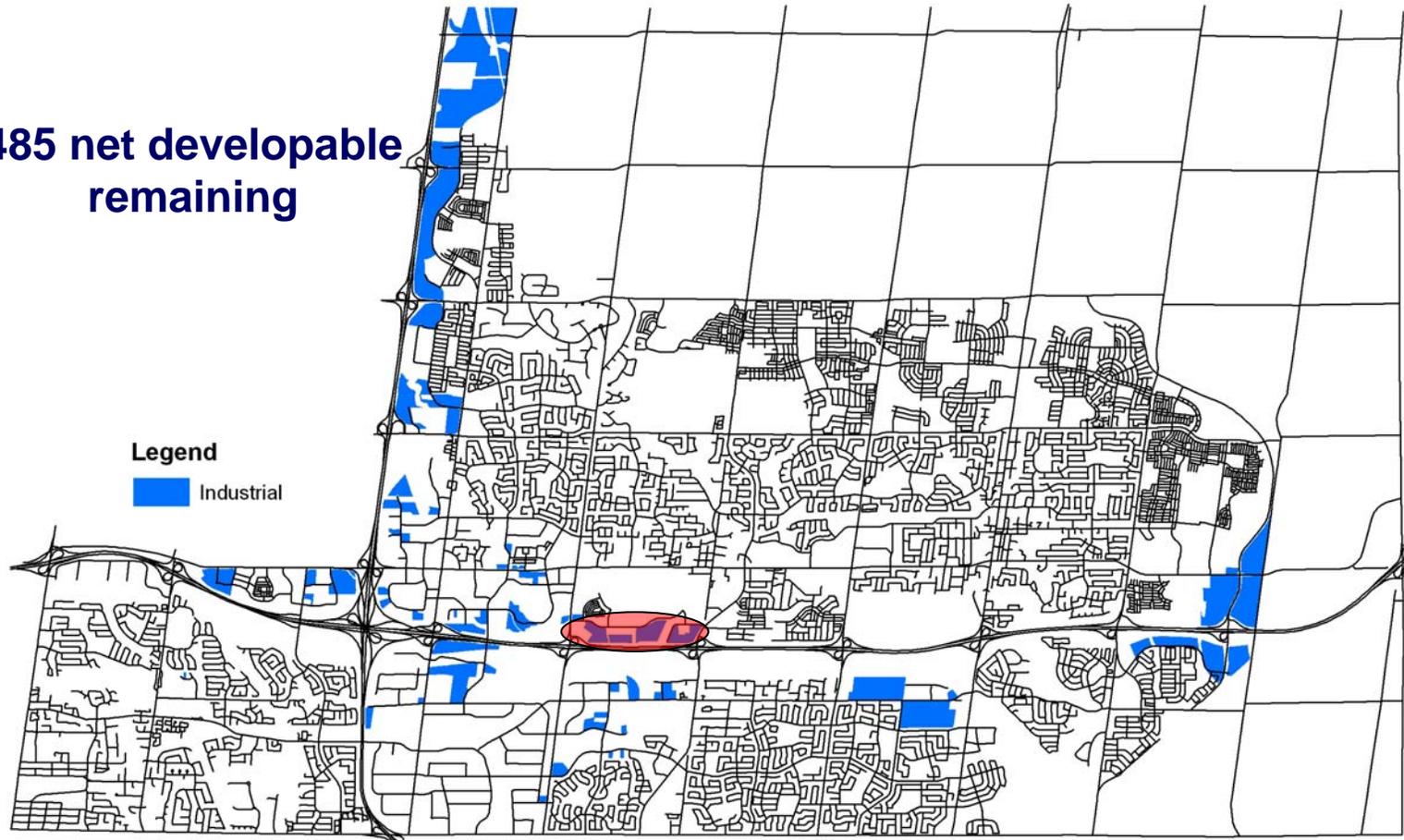
1040 Net Hectares Occupied



* Excludes office parcels in Markham Centre and selected sites on Hwy 7 and Yonge that could potentially support office development.

Vacant Designated Industrial Lands *

485 net developable remaining



* Excludes office parcels in Markham Centre and selected sites on Hwy 7 and Yonge that could potentially support office development.

Getting Ready for 250,000 Jobs in 2031 ...

- Markham already has a high job density factor on its Employment Lands. Average densities on employment lands sites (excluding those with office buildings) are approximate **60 jobs per net hectare** (among the highest anywhere in the GTA-H).
- The presence of office buildings in employment areas pushes this average density factor up closer to **100 jobs per net hectare**.
- **While employment densities for ground related “industrial” development are likely to remain unchanged, the development of more (and potentially larger) office buildings throughout Markham will likely temper the rate of land absorption compared to past trends ... but not significantly.**

Getting Ready for 250,000 Jobs in 2031

Markham has a number of *strategic* development areas outside existing business parks that could accommodate future major office development in the Current Settlement Area, particularly:

- Markham Centre (Downtown Markham)
- Highway 7 Corridor
- Yonge Subway Corridor

Markham Centre currently represents about **10%** of all major office (approximately approximately 5,300 jobs), largely attributed to IBM, Motorola, and Honeywell.

We acknowledge that these three areas *could* accommodate a relatively high share of MOE employment - in the order of **22,000 to 35,000 jobs**. This is about one third of all new employment growth over the next 25 years.

- While Markham Centre, Highway 7 and Yonge Corridor are likely to evolve as mixed use areas (comprising a relatively healthy share of future office job growth), Markham's established Business Park Areas will continue to support the vast majority of total office employment.
- About 90% of current office activity is situated in Markham's successful Business Parks.
- Business Parks are, and will continue to be, fundamental to Markham's success as a leading business hub in the GTA-H.

Markham's Current Settlement Area can't support all of the job growth

Our supply analysis suggests that Markham maintains approximately **1,525 net developable hectares of Employment Land (BPA, BCA, GIA)**

OCCUPIED – 1,040 ha.	VACANT 485 ha.
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- In order to accommodate an additional 51,500 jobs (over $\frac{2}{3}$ of which are ELE jobs) on vacant employment lands within the Current Settlement Area, Markham would need to maintain very high average densities across the board (close to 105 employees per hectare).
- Even if this could be achieved, it would effectively exhaust Markham's land assets - gradually putting the Town at a competitive disadvantage in terms of offering a healthy and reasonable range of choice for business and investment.

Markham Needs More Than 400 Hectares Of New Employment Land To Support 2031 Growth

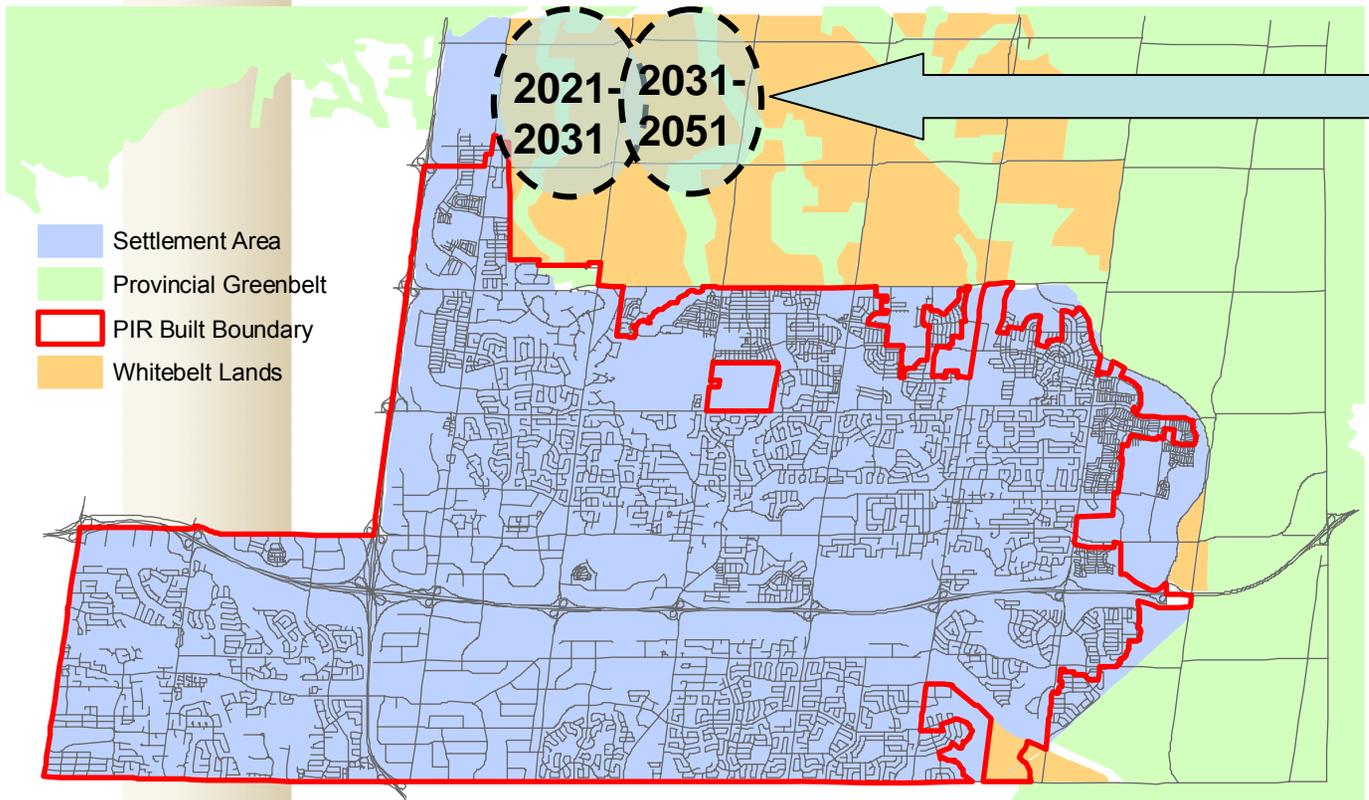
Our analysis indicates that Markham's employment land supply will begin to fall into a **competitive shortfall position as early as 2015-2016**

Our analysis is generally **consistent with the Region's 2009 Land Budget** Assessment which indicates that Markham will need about 437 hectares outside the Current Settlement Area (in the Whitebelt) to support 2031 employment forecasts.

Going Forward Markham Will Need At Least *ANOTHER* 400 Hectares Of New Employment Land To Support 2031-51 Growth

Markham should take a defensive, or strategic position to protect long-term growth prospects for the Town, beyond 2031.

Where Does Markham Need To Grow Its Employment Supply?



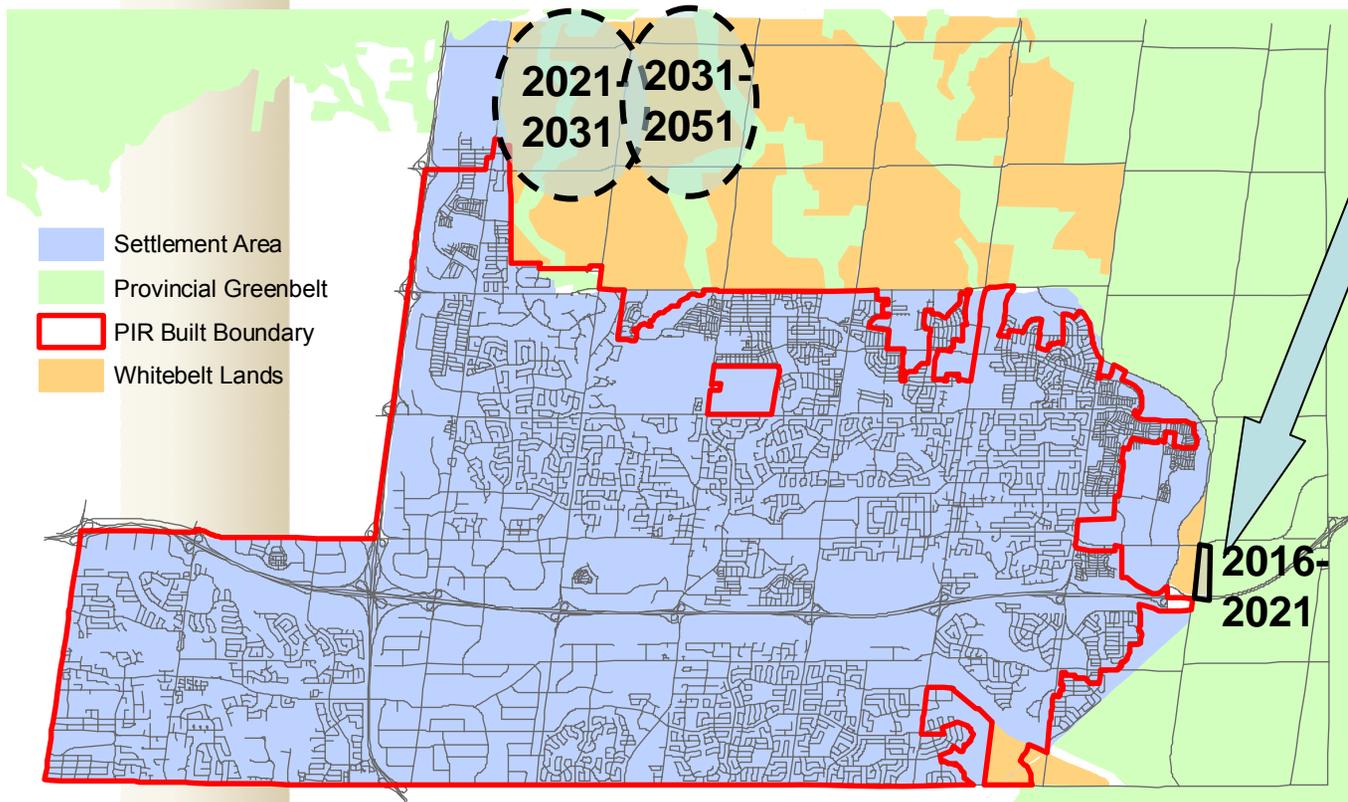
- Settlement Area
- Provincial Greenbelt
- PIR Built Boundary
- Whitebelt Lands

These Lands Provide Clear Advantage

- Continuity
- Critical Mass
- Hwy 404
- Labour Access
- Transportation and Transit

Not to scale

Where Else Should Markham Grow its Employment Supply?



Markham East (ORC) Lands

- New Business Park Area
- Natural Amenity
- Ensure Balanced Growth in East Markham
- Rounds out Cornell / Box Grove

⋯ Not to scale

In light of shortfalls that exist ...

Conversion of the Current Employment Land Supply is not Supportable

Markham should protect all BPA, GIA and BCA lands from conversion to other uses – including all major population serving retail (consideration given to accessory/ancillary retail uses)

Official Plan Policy Refinements Should be Considered and Studied further in Phase 2

Some of the Business Corridor Areas and most of the General Industrial Areas should be combined into a new single category – ***Employment Area***

Certain parts of Markham have transitioned into areas with higher than normal concentrations of business activities that have much more of a ‘service’ focus and are more ‘destination oriented’. For these “pockets” located in parts of the Business Corridor, General Industrial and Major Commercial Areas, we are suggesting that a designation be considered and applied – ***Employment Mixed Use Area***

Not recommending any changes to the ***Business Park Area***

Changes to Markham's Commercial Area Designations also need to be Considered in Phase 2 ...

In reviewing the current Commercial Policies of the OP it is clear that there are too many designations.

We are suggesting that:

- The Community Amenity Areas and Commercial Corridor Areas that currently have a residential focus or are planned to have such a focus in the future should be compressed into a single new designation – ***Residential Mixed Use Area***
- All of the lands within the Major Commercial Area and Retail Warehouse Area designation plus some of the lands in the Community Amenity Area designation that have primarily a retail focus should be compressed into a single new designation – ***Retail Commercial Area***
- The ***Heritage Main Street Area*** should be maintained.

Markham Centre and Key Development Areas

Recognizing the important role that Markham Centre and Hwy 7 are expected to play in terms of accommodating new employment activity:

We are recommending that:

- A new designation for Markham Centre should be considered which supports and encourages (but does not mandate) the development of Major Office buildings.
- That special policies be developed for underutilized parcels in the Key Development Areas that could support development of Major Office buildings.

Take Away Points ...

Markham is poised for exceptional business growth.

Markham is on the Right Track ... but policy refinements are suggested.

Getting prepared for employment base of 250,000 jobs (or 90,000 new jobs between 2008 - 2031) ...

Markham's current settlement area can't accommodate all of the job growth and maintain a healthy land supply.

More employment lands are required ... A *minimum* of 400 Net Ha

Long-term "Strategic" and "Defensive" Choices need be made .. 400+ Net Ha.

Lands in the 404 North area will be critical for accommodating future economic activity

Markham East Lands (ORC lands) provide small but important role in rounding out employment land base

Next Steps ...

- Employment Land Strategy (Phase 1) document this spring
- Employment Land Strategy (Phase 1) to form part of the Growth Management Strategy
- Phase 2 of the Employment Land Strategy to begin by the Summer/Fall of 2009.