



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.

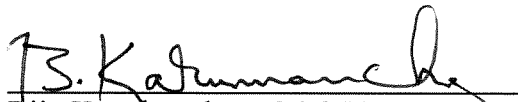
ALIGNMENT WITH STRATEGIC PRIORITIES:

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

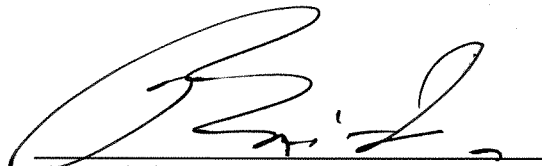
BUSINESS UNITS CONSULTED AND AFFECTED:

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