1. Recommendations

1. The Regional Clerk forward this report to the Provincial Minister of Municipal Affairs and Housing and York Region Members of Federal and Provincial Parliament as an example of the Region’s continued commitment to focusing on transit-oriented development within Regional Centres and Corridors and to seek further Federal and Provincial assistance to provide critical infrastructure for the Yonge North Subway Extension and completion of the Viva Rapid Transit network.

2. Regional Council request the Province to introduce legislation similar to Bill 171, the "Building Transit Faster Act", to assist in expediting approval of key infrastructure, such as the Upper York Sewage Solution to fully realize planned growth in Newmarket, Aurora and East Gwillimbury, including the applicable Centres and Corridors in these municipalities.

3. The Regional Clerk forward this report to local municipalities for information.

2. Summary

This report provides an annual update of development activity, infrastructure investments and programs that occurred within the Regional Centres and Corridors in 2019. It identifies ongoing and future initiatives that continue to drive the Region’s city building initiatives forward as a result of Council’s commitment to planning for complete communities.

Key Points:

- Accommodating growth through intensification in strategic locations like Centres and Corridors helps maintain fiscal sustainability through effective land use and aligns growth with existing and planned infrastructure and services
- Close to 40% of all 2019 residential building permit units in York Region were located in Centres and Corridors and 80% of all apartment building permit units
- In 2019, employment grew by 5.3% in Centres and Corridors adding 6,800 jobs
• Markham Centre and Vaughan Metropolitan Centre have exceeded their population and job growth targets and have commenced work to update their Secondary Plans
• Richmond Hill/Langstaff Gateway Secondary Plans are being updated to establish a revised development framework to guide and support development along the future Yonge North Subway Extension
• Continued delay of the Upper York Sewage Solution approval impairs planned growth and economic development for Newmarket Centre and northern Corridors
• Financial incentive programs were introduced in 2019 to encourage purpose built rental and large office buildings
• Development application activity in Centres and Corridors during COVID-19 is comparable to 2019 activity during the same time period

3. Background

Regional Centres and Corridors are a city building focus for York Region’s urban structure

Regional Centres and Corridors were first established in the 1994 Regional Official Plan and continue to be reinforced in the 2010 Regional Official Plan as a planned city building initiative. They are a key focus of the Region’s Urban Structure to guide rapid transit investment, residential intensification and commercial growth. Accommodating growth through intensification in strategic locations in the Region helps maintain fiscal accountability encouraging effective use of land and aligning growth with existing and planned infrastructure and services.

The Regional Centres and Corridors implement the Provincial Growth Plan’s priority to focus growth in urban areas. The Provincial Growth Plan identifies four Provincial Urban Growth Centres in York Region, also known as Regional Centres:

• Markham Centre (Highway 7 and Warden Ave)
• Newmarket Centre (Yonge Street and Davis Drive)
• Richmond Hill / Langstaff Gateway Centre (Highway 7 and Yonge Street)
• Vaughan Metropolitan Centre (Highway 7 and Jane Street)

Urban Growth Centres are the primary focus for intensification and contain the highest development densities in the Region. Together with Regional corridors (Yonge Street, Highway 7, Davis Drive and Green Lane) these areas are evolving into highly active urban places, serviced by rapid transit (Figure 1).
Centres and Corridors are integral to building complete communities

4. Analysis

Centres and Corridors continue to accommodate the majority of the Region’s high density residential development

Since 2006, 64% of all apartment units have been located within Centres and Corridors. This continues to show the strength of the Region's urban structure and city building policies that direct higher density development to Centres and Corridors to support the vision of complete communities where people can live, work and play.

In 2019, building permits were issued for approximately 2,200 apartment units Region-wide. This is a decrease compared to 4,000 units in 2018. Yearly fluctuation is more commonly observed in apartments than other housing types because they take longer to build.

The following are key highlights of 2019 building permit activity in Centres and Corridors:

- Close to 40% of all York Region building permit unit activity was located in Centres and Corridors
- 79% of all apartment units (1,730 units) were located in the Centres and Corridors (Figure 2)
- 24 multi-storey buildings are currently under construction in Centres and Corridors, compared to 22 buildings in 2018
- Townhouse units made up 5% of building permit unit activity in Centres and Corridors
• Vaughan Metropolitan Centre captured 50% (860 units) of all apartment units followed by Highway 7 West Corridor (668 units) and Richmond Hill/Langstaff Gateway Centre (202 units)

Figure 2

Apartment Building Permit Activity from 2006 to 2019

Vaughan Metropolitan Centre and Markham Centre have exceeded 2031 population targets

For the past three years, the Vaughan Metropolitan Centre has demonstrated the strongest construction growth with over 40% (3,100 units) of high rise residential construction. Based on built and active applications, Vaughan Metropolitan Centre has exceeded its 2031 population growth target by 38% (Attachment 1). This exponential growth is directly attributed to the ongoing investments by the Region in rapid transit, and particularly the opening of the York-Spadina Subway Extension in December, 2017.

The planning for Markham Centre was established in the late 1990’s and development of the centre has been growing steadily ever since, having now reached 110% of its 2031 population target (Attachment 1). The City of Markham is undertaking a Secondary Plan review for Markham Centre in 2020 that will include new population and job targets. Regional staff will be engaged in support of this review.
The City of Richmond Hill and City of Markham are also undertaking reviews of Secondary Plans for the Richmond Hill/Langstaff Gateway Centre. The original plans were established in 2010 and an updated development framework will support and guide future development along the Yonge North Subway Extension.

**York Region is a top destination for business, talent, and investment in the GTA, Ontario and Canada**

Launched in 2016, York Region’s award-winning ‘York Link’ marketing strategy and campaign is a key Regional initiative promoting office attraction linking transit-oriented development. It showcases York Region as a place where knowledge-based businesses and top talent thrive, in a fast-growing and urbanizing region. The Centres and Corridors program works together with the York Link campaign to promote the relationship between city building and economic development.

**Regional employment grew by 5.3% in Centres and Corridors in 2019**

In 2019, York Region’s employment grew by 13,800 jobs for a total of 654,650 jobs. Surveyed employment within Centres and Corridors grew by over 6,800 jobs for a total of 135,400 jobs as of mid-year 2019. This represents a 5.3% increase from mid-year 2018 and is the highest annual increase in jobs in Centres and Corridors. For the 6th straight year, the employment growth rate in Centres and Corridors has been more than double that of Regional growth (2.2%).

Job growth was evenly split between Regional Centre and Regional Corridor areas. Newmarket Urban Centres experienced the most employment growth with 1,527 new jobs, followed by Highway 7 West Corridor (1,400), Markham Centre (1,200), and Yonge Street Richmond Hill Corridor (1,190) (Figure 3).

**Figure 3**

2019 Employment Growth in Centres and Corridors

![Graph showing employment growth in different areas of York Region](image-url)
In 2019, the Centres and Corridors remained successful attracting new office activity

There were no building permits issued for new office buildings in 2019, but a number of businesses moved into existing office space within the Centres and Corridors. York Region has averaged 1,500 new businesses per year for the past 10 years. There is close to 1.5 million square feet of office development proposed in Centres and Corridors.

Rapid transit in Centres and Corridors is serving the Region’s major employment areas

Employment areas are strategic and vital to York Region’s economy and accommodate over half of the Region’s employment base. Current proposed major office development is focused in employment areas and Centres and Corridors (Attachment 2). York Region has two major employment area clusters, recognized by the Neptis Foundation as employment “megazones” centred at the convergence of Highways 407 and 400 in Vaughan, and Highways 407 and 404 in Markham and Richmond Hill (Attachment 2). These megazones are serviced by rapid transit along the Region’s Corridors. Completion of the Region’s planned rapid transit network and Yonge North Subway extension is important to serve the Region’s employment areas.

Viva Rapid Transit ridership has increased significantly compared to pre-rapidway operations

Viva Rapid Transit service began in December 2005 and has been important to support growth and transit ridership throughout the Centres and Corridors. Results of this investment in rapid transit infrastructure are being realized. Ridership in corridors with completed rapidways has increased by 19-67%, compared to pre-rapidway operations (Table 1).

<table>
<thead>
<tr>
<th>Existing Rapid Way</th>
<th>Date Built</th>
<th>Increase in Ridership Since Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highway 7 East Rapidway</td>
<td>2009</td>
<td>19%</td>
</tr>
<tr>
<td>Davis Drive Rapidway</td>
<td>2016</td>
<td>20%</td>
</tr>
<tr>
<td>Highway 7 VMC Rapidway</td>
<td>2013</td>
<td>67%</td>
</tr>
</tbody>
</table>

Rapidways have been constructed in portions of Regional Corridors along Yonge Street, Highway 7, and Davis Drive. In 2019, three rapidways opened for service:
Continued investment in VivaNext rapidway construction is needed to complete Regional rapid transit network

York Region continues to invest in transit and Viva rapidway development along Yonge Street in Richmond Hill, expected to open December 2020. An additional 75+ km of Viva Rapid Transit rapidways are planned for various areas in York Region, including Yonge Street between Savage-Sawmill and 19th-Gamble, Highway 7 west to Highway 50 and east to Cornell Bus Terminal, as well as Jane Street, Major Mackenzie Drive, and Leslie. These areas remain unfunded and need to be prioritized to connect the Regional Centres and complete the Regional rapid transit network that will provide necessary links to address interregional connection with provincial transit improvements, including GO expansion at Unionville and in Vaughan.

The Yonge North Subway Extension is gaining momentum but needs additional Federal funding

The Yonge North Subway Extension is a critical missing transit link in the Region’s transit network and highest transit priority for York Region. The subway will save over 13 tonnes of greenhouse gas (GHG) per workday by replacing 3,300 daily bus trips projected to service the corridor by 2031. In April 2019, the Province of Ontario announced $11.2 billion to support capital construction for four major rapid transit projects, including the Yonge North Subway Extension. Given the large size of this project, it is estimated it will take 10 years to complete. The project will generate thousands of jobs and provide economic benefits to the Region and the City of Toronto, but still requires securing the Federal government’s 40% share of project funding. Federal funding is expected to be secured through the Investing in Canada Infrastructure Plan.

The Yonge North Subway Extension will generate thousands of jobs and provide economic benefits to the Region and the City of Toronto. The Yonge North Subway Extension services a demonstrated need with the potential ridership of 165,000 per day. During construction it will create 21,800 person-years of employment and be the catalyst for more than 60,000 jobs and additional housing options for up to 88,000 residents by 2031.

Major Transit Station Areas are proposed in the Centres and Corridors to encourage transit oriented development

Major transit station areas (MTSAs) refer to areas around existing or planned priority transit corridors (e.g. Bus Rapid Transit, Go Train Station). There are currently 73 MTSAs’s proposed in York Region through the Municipal Comprehensive Review, 58 of them along the Centres and Corridors. These areas provide opportunities to introduce moderate changes in density to create transit supportive neighbourhoods. Medium density development, often referred to as the “Missing Middle” contributes to complete communities by providing a mix of housing
types and activities, and provides densities that support and improve the viability of transit. Studies have shown that building more medium density housing can result in savings of up to 11% in road construction, 6% in water and sewer and 3% in annual operations and service delivery (Source: Pembina Institute) as compared to typical growth patterns of primarily ground related development.

Since 2011, there have been 61 buildings (10,000 units) constructed in the Region’s Centres and Corridors. Ten of the completed buildings (1,900 units) are mid-rise (3 to 9 storeys in height). Half of the mid-rise housing stock is located in Markham Centre and the remainder along Highway 7 and Yonge Street Corridors. The update of the Regional Official Plan will assess the need for a mix and range of housing types.

**York Region is leveraging 3D modelling technology as a city building tool to visualize how emerging communities can meet growth targets**

3D modelling creates a digital illustration of a future development area (Figure 4). It helps to visualize and understand how proposed densities fit within existing neighbours and enables residents to explore their city virtually through a 3D walk. The Growth Plan requires York Region in consultation with local municipalities to delineate MTSA boundaries and achieve minimum density targets for MTSA located on priority transit corridors. Regional staff are leveraging 3D modelling technologies to help visualize how these emerging communities in Centres and Corridors can meet the Growth Plan targets.

There is strong local municipal interest in building an in-house region-wide virtual city model to help visualize new development in key growth areas and future new communities across the Region. Regional staff continue to explore options with our local municipal partners to advance application of 3D models to inform growth and development decisions.
York Region is supporting purpose built rental housing and major office development through financial incentives

To help facilitate the growth of complete communities, York Region Council approved two development charge deferral programs in 2019 targeted to encourage affordable and purpose built rental housing and major office development in centres and corridors.

(a) **Affordable, purpose built rental incentive program** is available for up to 1,500 housing units over the next three years. The program allows development charges to be deferred, interest-free between five and 20 years.

(b) **Large office incentive program (three year pilot program)** for development charge deferrals for office buildings being constructed in Centres and Corridors. Office buildings may be eligible to defer the full amount of Regional development charges payable for up to 20 years.

More information on these programs can be found on the Region’s [website](#).

**Upper York Sewage Solution is vital infrastructure required for planned growth in Newmarket Centre and northern Corridors**

Newmarket Centre and the Regional Corridors in Aurora, Newmarket and East Gwillimbury require the Upper York Sewage Solution (UYSS) to fully realize their planned growth and
leverage investments already made in bus rapid transit. Secondary plans are in place for Newmarket Centre, Aurora Promenade, and Green Lane in East Gwillimbury. The Davis Drive and Yonge Street bus rapidways provide a key element to ensure success of Newmarket Centre and northern Corridors, however without sanitary servicing infrastructure the growth of these areas will be delayed.

The purpose of the UYSS is to provide sewage servicing to accommodate planned growth of approximately 153,000 residents and employees in Aurora, Newmarket and East Gwillimbury to 2031. The Region is still awaiting the Minister’s approval of the Environmental Assessment (EA) for UYSS submitted to the province for approval on July 25, 2014. The Minister’s decision was initially anticipated in February 2015, as set out in the regulations to the Environmental Assessment Act. Due to the outstanding Environmental Assessment approval by the Province, the earliest project completion could be achieved for the UYSS is 2027 which would require approval imminently. Substantial investment has been made by York Region to undertake the EA and constructing interim solutions to bridge the capacity gap for the municipalities that are dependent on UYSS.

Legislative changes like Bill 171, the Building Transit Faster Act are needed to expedite Environmental Assessment Approvals for critical Water and Wastewater Infrastructure

Bill 171, the Building Transit Faster Act, introduced by the Province in February 2020, includes a number of measures to help accelerate the timing of the delivery of the Provincial subway program. The Region encourages the Province to introduce similar legislation to Bill 171 to help expedite Environmental Assessment Approvals associated with approval of key infrastructure projects like the Upper York Sewage Solution. Continued delay in approval of the Upper York Sewage Solution project will significantly impact the ability for the municipalities dependent on this project to meet the planned growth required to meet Growth Plan targets and realize economic development opportunities.

There continues to be strong development interest in the Centre and Corridors during COVID-19

COVID-19 has led to a broad shutdown of economic activity that is without precedence and it is expected that building permit activity in Centres and Corridors will be slower in 2020 than in previous years. Despite the current economic situation, there continues to be development interest in Centres and Corridors. Development application activity during COVID-19 is comparable to development activity observed in 2019 over the same time period (March 13 to May 13). Pre-consultation proposals (3,975 units) plus new application submission (4,332 units) have continued during this time and any paused construction has now resumed.

5. Financial

Development in Centres and Corridors optimizes investment in capital infrastructure. To date, $3.6 billion has been invested in Bus Rapid Transit rapidways (BRT), the Toronto-York Spadina Subway Extension, and facilities and terminals to support Centres and Corridors. This, in turn, has provided over $2.1 billion in assets, including rapidway vivastations and
lanes, boulevard work, underground infrastructure, streetscape features, facilities and terminals, and subway infrastructure. Additional funding is required to build 75 km of planned BRT critical to connect Regional Centres and complete the rapid transit network.

In April 2019, the Province of Ontario committed $11.2 billion to support capital construction of 4 major rapid transit projects including the Yonge North Subway Extension. This will provide a critical missing link in the Region’s transit network and generate thousands of jobs, providing economic benefits to the Region. However, a Federal commitment of 40% of the project’s costs is still required. Federal funding is expected to be secured through the Investing in Canada Infrastructure Plan. York Region and York Region Rapid Transit Corp. will continue working with all levels of government to help move this critical project forward.

6. Local Impact

Staff continues to be actively engaged with our local municipal partners in city building initiatives and programs to support implementation and development of Centres and Corridors. Staff are working with local municipalities on:

- Review and approval of Secondary Plans and delineation of Major Transit Station Areas
- Coordination of comments for development applications along the Yonge North Subway corridor
- 3D city building technology to provide a visualization tool for local municipal collaboration to inform and promote city building

7. Conclusion

The Regional Centres and Corridors program is a long term strategy to drive intensification and city building efforts in York Region.Accommodating growth through intensification in strategic locations like Centres and Corridors helps maintain fiscal sustainability by aligning growth with existing and planned infrastructure and services.

In 2019, close to 40% of all York Region the residential units issued building permits and 79% of apartment units issued building permits were in Regional Centres and Corridors. Employment grew by 5.3% adding 6,800 jobs to Centres and Corridors, which is the highest annual growth since 2009. Markham Centre and Vaughan Metropolitan Centre have exceeded their original planned population growth targets and have commenced work to update their Secondary Plans.

Federal and Provincial governments have committed transit investment to the Yonge North Subway Extension, which is expected to be completed in 10 years. This will provide a critical missing link in the Region’s transit network and generate thousands of jobs and economic benefits to the Region. Additional funding is required to complete 75 km of planned Viva Rapid Transit critical to the Regional rapid transit network.
Approval and completion of the Upper York Sewage Solution (UYSS) is critical to the success of Newmarket Centre and the northern Corridors to meet planned growth targets. Substantial investment has been made by York Region to undertake the Environmental Assessment and constructing interim solutions to bridge the capacity gap for the municipalities dependent on UYSS. The Region encourages the Province to introduce similar legislation as Bill 171, the Building Transit Faster Act to help expedite Environmental Assessment Approvals associated with approval of key infrastructure projects including the UYSS. These projects will support the Region’s vision of vibrant, successful, healthy, transit-oriented, complete, and compact communities.

For more information on this report, please contact Jeff Hignett, Senior Planner, Centres, Corridors and Subways at 1-877-464-9675 ext. 71515. Accessible formats or communication supports are available upon request.

Recommended by:  

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**Dino Basso**  
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Approved for Submission:  

**Bruce Macgregor**  
Chief Administrative Officer

May 29, 2020
Attachments (2)  
#10683611