

# The Regional Municipality of York

Committee of the Whole  
Planning and Economic Development  
October 8, 2020

Report of the Commissioner of Corporate Services and Chief Planner

## Potential For Employment Lands Along 400 Series Highways

### 1. Recommendations

1. Council reiterate its request to the Province to develop a process allowing municipalities to access strategically located employment lands, if deemed necessary through a Municipal Comprehensive Review.
2. Council reiterate its request to the Province to permit the extension of Great Lake based servicing as an option to service settlement areas within the Greenbelt Plan and Oak Ridges Moraine Plan areas.
3. The Regional Clerk forward this report to the Minister of Municipal Affairs and Housing, and to the Clerks of the local municipalities.

### 2. Summary

York Region Council passed a resolution at its meeting on April 30, 2020, directing staff to report back on the competitive benefits to the Region if employment uses were to be permitted on lands along 400 series highways currently located within the protected countryside of the provincial Greenbelt Plan.

Key Points:

- Generally, lands adjacent to 400 series Highways are well suited for employment purposes
- Much of these lands in York Region are protected by the provincial Greenbelt Plan for environmental and agricultural uses
- While the Regional Official Plan can identify future employment lands beyond the 2051 planning horizon, it is required to conform to provincial Plans
- The Province is the appropriate agency to balance economic and environmental objectives articulated in Provincial Plans
- The Province should develop a process to allow municipalities to access strategically located employment lands over the long term if deemed necessary through a Municipal Comprehensive Review

- Council has previously requested the Province permit Great Lakes based servicing as an option for servicing existing communities in the Oak Ridges Moraine Conservation Plan and Greenbelt Plan areas

### **3. Background**

#### **York Regional Council directed staff to report back on the competitive benefits of permitting new employment uses along 400 series highways**

York Regional Council, in response to a number of local Council resolutions, requested that staff examine the competitive benefits of permitting new employment uses on lands in close proximity to 400 series highways that are currently not within the Region's urban boundary. (Please see Attachment 1) Currently, all such lands are within the provincially protected Greenbelt Plan, and amounts to approximately 33% of 400 series highway frontage in the Region.

#### **York Region has repeatedly requested the Province to put a process in place to amend the Greenbelt Plan to accommodate employment growth along 400 series highways when deemed necessary**

Prior to the approval of the Greenbelt Plan in 2005, York Region Council, at its meeting held on December 16, 2004, requested the Province, through [Report 11, Clause 7](#), to permit York Region the ability to initiate amendments to the Greenbelt Plan. Council Recommendation 2, comment #8 states:

*“The Greenbelt Plan provides some means of effectively amending the Greenbelt Plan to permit strategically located employment lands in areas such as the 400 series highway corridor, for example the 404 corridor north of the Oak Ridges Moraine.”*

During the latest coordinated review of the Growth Plan for the Greater Golden Horseshoe, Greenbelt Plan and Oak Ridges Moraine Conservation Plan, York Region Council, in a [2015 report](#), requested:

*“The Province develop a process to allow municipalities to access strategically located employment lands, if deemed necessary through a Municipal Comprehensive Review.”*

#### **A number of local municipal Councils have advocated removing lands adjacent to 400 series highways from the Greenbelt Plan for employment uses**

The Township of King, City of Richmond Hill, Town of Whitchurch-Stouffville, and Town of East Gwillimbury all have Council resolutions that advocate removing lands adjacent to either Highway 400 or Highway 404 from the Greenbelt Plan for employment uses. The respective resolutions can be summarized as follows:

- A September, 2016 resolution from the Township of King supports removing lands from the Greenbelt Plan for new employment lands along Highway 400, when required
- In November 2019 and February 2020 Richmond Hill Council resolved to support the expansion of their urban boundary in the vicinity of Highway 404 and the Gormley GO Train Station, by redesignating the Protected Countryside lands to Settlement
- In August 2019 and March 2020, the Town of Whitchurch-Stouffville Council resolved to support employment uses along the Highway 404 corridor and the expansion of the urban area around the Gormley and Bloomington GO Train Stations, by redesignating the Protected Countryside lands to Settlement
- In January 2013 and January 2019, the Town of East Gwillimbury Council resolved to support adding 600 acres east of Highway 404, between Davis Drive and Green Lane, for new employment lands

**The Planning Act, Provincial Policy Statement and Growth Plan recognize the importance of planning for employment in promoting economic competitiveness and the protection of the natural environment**

Section 2 of the *Planning Act* lists the protection of ecological systems, including natural areas, features and functions, the adequate provision of employment opportunities, and the protection of the financial and economic well-being of the Province and its municipalities as matters of provincial interest.

Section 1.3 of the Provincial Policy Statement states that: “*Planning authorities shall promote economic development and competitiveness by:*

- a) providing for an appropriate mix and range of employment, institutional, and broader mixed uses to meet long-term needs;*
- b) providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;*
- c) facilitating the conditions for economic investment by identifying strategic sites for investment, monitoring the availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment.”*

Policies 1.1.2 and 1.3.2.7 of the Provincial Policy Statement allow planning authorities to plan beyond 25 years for the long-term protection of employment areas, provided lands are not designated.

Section 2.0 of the Provincial Policy Statement states that: “*Ontario's long-term prosperity, environmental health, and social well-being depend on conserving biodiversity, protecting the health of the Great Lakes, and protecting natural heritage, water, agricultural, mineral and*

*cultural heritage and archaeological resources for their economic, environmental and social benefits.”*

Section 2.2.5 of the Growth Plan for the Greater Golden Horseshoe states that economic development and competitiveness will be promoted by ensuring the availability of sufficient land, in appropriate locations, for a variety of employment uses to accommodate forecasted employment growth.

To balance urban growth with protecting the natural environment and agricultural areas, Section 4 of the Growth Plan contains policies that protect these lands, features and resources. The Growth Plan deems these as “*essential for the long-term quality of life, economic prosperity, environmental health, and ecological integrity of the region. They collectively provide essential ecosystem services, including water storage and filtration, cleaner air and habitats, and support pollinators, carbon storage, adaptation and resilience to climate change.*”

### **The Greenbelt Plan was put in place to contain urban growth and create a permanent protected zone around the Greater Golden Horseshoe**

The Greenbelt Plan, together with the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan, identifies where urbanization should not occur in order to provide permanent protection to the agricultural land base and protect the ecological and hydrological integrity of the features, areas and functions. This is particularly true of the Oak Ridges Moraine which traverses central York Region.

The Greenbelt is a broad band of permanently protected land which:

- Protects against the loss and fragmentation of the agricultural land base and supports agriculture as the predominant land use;
- Gives permanent protection to the natural heritage and water resource systems that sustain ecological and human health and that form the environmental framework around which major urbanization in southcentral Ontario will be organized;
- Provides for a diverse range of economic and social activities associated with rural communities, agriculture, tourism, recreation and resource uses; and
- Builds resilience to and mitigates climate change.

### **Provincial policies provide for a balanced approach to environmental protection and urban growth**

The various provincial policy documents provide for a balance approach to growth management. There are policies that promote the preservation and enhancement of the natural environment and agricultural system, and policies that promote economic growth and vitality, and city building that efficiently utilizes existing and planned infrastructure in a sustainable manner.

## 4. Analysis

### **400 series highway corridors provide strategic locations for businesses and are critical to the local, Regional and provincial economies**

The York Region economy is worth an estimated \$60.9-billion (CBOC, July, 2020), larger than any of the Atlantic Provinces. The Region's location in the Greater Toronto and Hamilton Area is strategic from a goods movement perspective. York Region is within a one day drive to the United States market with over 140 million people and a one hour flight to global markets such as New York, Philadelphia, Boston, Chicago and Detroit. It is located in close proximity to Toronto Pearson International Airport, is home to both the CP intermodal facility and the CN MacMillan rail yard, and has a strong network of 400 series highways which connect the Region to both the broader provincial and national markets as well as the United States border.

### **York Region is a top destination in the Toronto area and Canada for businesses across a number of industry clusters, many of which are visible from 400 series highways**

Over 2,000 businesses in the Region rely on exporting as their primary source of revenue, collectively generating \$19 billion annually. The Region is attractive for international investment and home to major global research and development centres for some of the world's biggest companies. Many of these businesses rely on transportation access for goods movement. National and international head offices strategically situated on 400 series highways include: Aviva Insurance, Desjardins, Allstate, IBM, AMD, Celestica, GE Energy, Mazda Canada, BMW Group, and Honda. Extensive manufacturing storage and distribution facilities located in the Region include: the Royal Group, Gracious Living, VersaCold, Mars Wrigley Confectionery, UPS, FedEx, Costco Distribution, Sobey's Distribution, Home Depot Distribution, and a proposed Walmart Distribution centre.

There are a wide range of business sectors that have very specific land requirements in terms of size, configuration, transportation access and proximity to other related businesses. The characteristics of ideal employment lands, as well as the overall supply, are important considerations in planning for York Region's long-term employment needs. The Region has a limited supply of lands along 400 series corridors that provide visibility for businesses. The long-term vitality of the York Region economy demands high-profile, accessible locations for employment and in this regard the importance of the 400 series corridors to the economy is recognized by the Region, the local municipalities and the Province.

### **Proposed Amendment 1 to the Growth Plan anticipates York Region will attract the largest volume of job growth in the Greater Golden Horseshoe by 2051**

Proposed Amendment 1 to the Growth Plan includes changes to the population and employment forecasts, the horizon year for planning, and other policies to increase housing supply, create jobs, attract business investment and better align growth with infrastructure.

The Amendment 1 reference forecast anticipates 2.1 million people and 990,000 jobs in York Region by 2051. These provincial forecasts express confidence in York Region's ability to accommodate the largest volume of job growth in the entire Greater Golden Horseshoe. York Region needs to provide for the creation of 340,000 jobs in keeping with these provincial forecasts and this level of growth requires strategic and comprehensive planning to ensure that there will be sufficient developable land in the right locations to accommodate this growth.

### **Staff will undertake detailed forecasting and land needs assessment now that the final Growth Plan amendments have been approved by the Province**

Despite numerous provincial reviews and amendment to the Growth Plan, Staff continue to advance the Regional Official Plan update. On August 28, 2020, the province released the final Growth Plan amendment and revised Land Needs Assessment methodology for detailed forecasting and land budgeting to distribute the York Region population and employment forecast to the nine local municipalities. The final forecast numbers are will also be used to align infrastructure and complete financial planning.

Staff's detailed forecasting and land needs work will assess the demand and supply factors in the context of the region-wide employment market, while considering local municipal needs and aspirations. Staff are obligated to undertake this work in accordance with the existing provincial planning framework, including policies of the Greenbelt Plan and the Oak Ridges Moraine Conservation Plan which restrict new urban development. The draft forecast and land needs work by local municipality will be presented to Regional Council in Q1 of 2021.

The lands needs work will recognize that employment areas are vital to the Regional economy. As of 2019, 51 per cent of York Region jobs were located in employment areas, including 63 per cent of the Region's largest employers. Based on the Region's 2017 inventory and recent updates to employment area boundaries through the Municipal Comprehensive Review to reflect employment conversions, there are 2,400 ha of vacant employment land in the Region, and protection of these areas to 2051 and beyond will be critical to ensure that choice is available to prospective businesses.

### **Future demand for employment area development in York Region is anticipated to remain strong**

Demand for employment areas is anticipated to remain strong and be driven by land extensive logistics and warehouse facilities as the role of e-Commerce continues to expand as well as increasing shares of service sector employment in small offices and multi-unit industrial buildings. Maintaining an appropriate supply of employment areas will be important for all types of industry to provide flexibility for employers in high quality locations over the long term.

Growth in e-Commerce has driven a surge in demand for distribution space on goods movement corridors and close to major urban centres. Manufacturing will continue to play an important role with fewer workers and more automation. Growth in employment areas will also be driven by increasing demand for large sites with superior transportation access and

evolving trends towards office uses in industrial flex space and older multi-unit industrial buildings. An appropriate land supply will be required for all types of industry to provide flexibility for employers over the long-term. The Region's strategically located employment areas, particularly along major highways and near intermodal facilities, will be important assets as these industries grow.

### **The Region has three key large scale employment nodes that play important distinct roles in the Regional economy**

Among the Region's employment areas are three unique large scale nodes that play important distinct roles in the Regional economy. Each of these nodes is the centre of economic zones in the Region that provide for better live/work relationships in various parts of the Region. It is important that a healthy supply of vacant employment lands be made available in each of these nodes:

- Office/high tech area of Markham/Richmond Hill, which is one of only three major office nodes outside of Downtown Toronto,
- Manufacturing, transportation, distribution and logistics industrial node in central and west Vaughan, strategically located around the CP intermodal facility, the CN rail yard and a network of 400 series highways, and
- Emerging employment areas along the 404 north through Richmond Hill, Newmarket, East Gwillimbury and the Keswick area that provide attractive sites with significant vacant capacity to support employment growth moving forward.

The support for employment uses in Whitchurch-Stouffville, Richmond Hill and East Gwillimbury would provide for employment growth northward from the emerging employment areas along the 404, while Township of King's support for lands along the 400 complement the existing manufacturing, transportation, distribution and logistics industrial node in Central and West Vaughan to the south.

### **Planning to 2051 will consider opportunities for employment lands adjacent to the GTA West Corridor and Bradford By-pass 400 series highway expansions**

The 2051 land needs assessment work will consider the new 400 series highway expansions: the GTA West Corridor and the Bradford By-pass. On August 7, 2020, the Province announced the preferred alignment of the GTA West Corridor. The east-west 400 series highway will run through northern Vaughan, generally north of Kirby Road and terminate at Highway 400.

The Bradford By-pass, connecting Highways 400 and 404, from Bradford West Gwillimbury to East Gwillimbury received provincial approval last August and is currently proceeding to engineering and detailed design. These new 400 series highways are prime locations for new employment lands.

## **The Provincial Policy Statement allows municipalities to plan beyond the Planning horizon for the long term protection of employment areas**

As noted above, policies 1.1.2 and 1.3.2.7 of the Provincial Policy Statement allow planning authorities to plan beyond 25 years for the long-term protection of employment areas, provided lands are not designated.

From an urban growth and city building perspective employment is an appropriate land use for lands adjacent to 400 series highways, while protecting environmentally sensitive features. Since these lands are within the provincial Greenbelt Plan, they cannot be readily removed and developed with serviced urban uses without change to provincial Plans.

As the Provincial Policy Statement permits the identification of employment areas beyond the planning horizon and in order to protect these lands for long-term employment purposes, the Regional Official Plan could identify an overlay specifying that the future use of these lands are being protected for employment purposes. However, without a provincial change to the Greenbelt Plan, those lands could not be designated for urban uses.

## **The Region Official Plan must conform to provincial Plans and cannot change Greenbelt Plan boundaries or designations through the MCR**

York Region staff will continue to advocate to the Province, in accordance with Regional Council direction, for access to new employment lands along 400 series highways, when they are required. With an expanded urban area, natural heritage and agricultural features and systems need to continue to be protected from development. The Province is the appropriate agency to balance economic and environmental objectives through future amendments to Provincial Plans to ensure core features and functions of the Greenbelt Plan and Oak Ridges Moraine Conservation Plan continue to be protected and the integrity of environmental policies is maintained.

## **Through the current MCR, the Regional Official Plan could identify these lands as appropriate for long term employment uses.**

Lands adjacent to 400 series highways, in close proximity to urban areas and across the Greater Golden Horseshoe, are appropriate for long term provincial protection for employment uses. The Greater Golden Horseshoe's long term economic prosperity would benefit from this provincial leadership. Protection of these strategically located lands is not only important to York Region, but applies to the larger economic engine of southern Ontario. The Province should apply a consistent approach to protecting lands adjacent to 400 series highways for long-term employment purposes, where deemed necessary by municipalities. This approach would complement policies in both the PPS and Growth Plan that speak to promoting and enhancing the Province's economic competitiveness. As noted above, provincial direction is required to develop a process that allows municipalities to access these strategically located employment lands, if deemed necessary through a Municipal Comprehensive Review.

## **New 400 series highway employment areas will require the extension of urban services**

Designating new employment lands, beyond the current urban boundary, will require the extension of new Regional water and wastewater infrastructure and improvements to Regional arterial roads to service these new areas. The cost associated with these major Regional infrastructure improvements and their perpetual maintenance costs will need to be evaluated. Further, depending on the process established by the Province, servicing policies of the Provincial Plans may need to be modified.

In the past Council has requested that Great Lakes based servicing be an option for servicing existing communities in the Oak Ridges Moraine Conservation Plan and Greenbelt Plan areas ([Recommendation #5, Attachment 2, Clause 4, Report 13, dated September 22, 2016](#)). A modification to provincial plans in this regard would provide additional options for the Region to consider if access to these lands is provided for employment purposes.

## **5. Financial**

There are no funding sources and key budget implications associated with this report.

## **6. Local Impact**

The Township of King, the Town of Whitchurch-Stouffville, and the Town of East Gwillimbury Councils have resolved to pursue new employment lands along their respective segments of Highway 400 or Highway 404. The City of Richmond Hill has resolved to pursue new employment and residential land uses along Highway 404 in the vicinity of the new Gormley GO Train Station.

The competitive benefits of new employment lands adjacent to 400 series highways may benefit a local municipality, but the associated cost of municipal infrastructure required to service these new lands, and the loss of Greenbelt Plan lands still needs to be carefully evaluated and considered.

## **7. Conclusion**

Planning for employment has a wide range of market segments that have very specific land requirements in terms of size, configuration, transportation access and proximity to other related businesses. The unique characteristics of employment lands, as well as the overall supply, are important considerations in the planning for York Region's long-term employment needs.

The role of the 400 series highway corridors, and the limited supply of land with direct exposure to them, are especially critical in York Region's long-term planning, and form the basis of this report.

York Region will continue to advocate to the Province for the ability to remove lands from the Greenbelt Plan for employment uses, when deemed necessary, while protecting natural heritage features. The 400 series highway corridors are significant connective infrastructure that promote and enhance the provincial, regional and local municipal economies.

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For more information on this report, please contact Paul Bottomley, Manager, Policy, Research and Forecasting at 1-877-464-9675 ext. 71530 or Sandra Malcic, Director, Long Range Planning at ext. 75274. Accessible formats or communication supports are available upon request.

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Attachment (1)  
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