The Regional Municipality of York

Committee of the Whole
Planning and Economic Development
June 11, 2020

Report of the Commissioner of Corporate Services and Chief Planner

Planning for Density in New Communities

1. Recommendations

- 1. Council receive this report as the basis for consultation with the local municipalities and the Building Industry and Land Development Association in the development of a revised density target for New Community Areas.
- The Regional Clerk forward this report and attachments to the Clerks of the local municipalities, the Building Industry and Land Development Association, and the Ministry of Municipal Affairs and Housing.

2. Summary

This report responds to the following Council <u>resolution</u> of January 30, 2020:

Staff be directed to report back to Council on the New Community Area density, and the Designated Greenfield Area density endorsed by York Region Council being fifty (50) people and jobs per hectares as part of the MCR, and the process that will update Local Official Plans and Secondary Plans to conform to densities in the updated Regional Official Plan.

Council also passed a <u>resolution</u> in March 2019 regarding staff comments on Amendment 1 to the Growth Plan which requested that the minimum Growth Plan density target be 50 residents and jobs per hectare in the Designated Greenfield Area for York Region.

Key Points:

- The Growth Plan (2019) specifies a minimum density target of 50 residents and jobs combined per hectare in the entire Designated Greenfield Area by 2041, and encourages beyond this density target where appropriate
- Density was calculated for 12 existing communities across York Region; most of these areas exceed the Growth Plan minimum density target
- The current Regional Official Plan requires a density of 70 residents and jobs per hectare for New Community Areas. This density was required to meet the 2006

- Growth Plan overall Designated Greenfield Area density target of 50 residents and jobs per hectare, which included employment lands in the calculation
- Staff intend to consult with the local municipalities and the Building Industry and Land Development Association (BILD) on development of a revised density target in the Regional Official Plan for New Community Areas

3. Background

The Provincial Growth Plan provides forecasts and density targets for upper tier municipalities

The Provincial Growth Plan (2019) sets population and employment forecasts of 1.79 million people and 900,000 jobs in 2041 for York Region. It also provides density targets for urban growth centres, major transit station areas and the Designated Greenfield Area. This report specifically focusses on New Community Areas, which are within the Designated Greenfield Area.

The Province is in the process of reviewing both the Growth Plan forecasts and the Provincial Land Needs Assessment methodology as outlined in a memo to Council in February 2020. The land needs assessment methodology provides a consistent approach for calculating the amount of land needed to accommodate the Growth Plan forecasts for all municipalities in the Greater Golden Horseshoe. The density assumption for New Community Areas is a key input into the land needs assessment.

The Growth Plan requires key growth management targets for York Region

To focus forecasted growth in areas to support the development of complete communities, the Growth Plan establishes two key targets:

- A minimum intensification target of 50% of all residential development to occur annually within the delineated Built-Up Area as shown in Attachment 1
- A minimum density target of 50 residents and jobs combined per hectare by 2041 in the Designated Greenfield Area as shown in Attachment 1

While the Built-Up Area and the Designated Greenfield Area are both required to accommodate the Region's growth forecasts, they each play a different role. The Built-Up Area contains the Region's Centres and Corridors along with other planned intensification areas, providing mostly opportunities for medium and high density housing. The Designated Greenfield Area is comprised of areas outside the Built-Up Area with a predominance of ground-related housing types such as single detached, semi-detached and row houses, however, they also provide higher density housing to support the development of complete communities that provide a range and mix of housing types.

Council directed staff to review the Official Plan density target of 70 residents and jobs per hectare for New Community Areas

At the January 30, 2020 Council meeting, a <u>resolution</u> was passed directing staff to report back on the New Community Area and Designated Greenfield Area densities. This resolution was in response to the secondary planning process for Block 41 in the City of Vaughan. Block 41 is part of Regional Official Plan Amendment (ROPA) 2 and is a New Community Area. Currently, the required minimum density target in the Regional Official Plan for New Community Areas is 70 residents and jobs per hectare. Concerns were raised about unique land constraints in Block 41 that presented challenges in meeting the Regional Official Plan density target. The Regional Official Plan density target for New Community Areas has also been raised as a concern by the development industry on a broader level.

New Community Areas are part of the Designated Greenfield Area

The Designated Greenfield Area is shown in Attachment 1. In addition to existing and developing communities within the Designated Greenfield Area, New Community Areas are also part of the Designated Greenfield Area. These New Community Areas are comprised of Regional Official Plan Amendments 1, 2 and 3 in the Town of East Gwillimbury, City of Vaughan and City of Markham respectively. The current Municipal Comprehensive Review will determine the need for additional new community lands beyond the current urban area to accommodate future growth. Should urban expansion lands be required as a result of the land needs assessment, they would also be considered New Community Areas.

The Growth Plan minimum density target of 50 residents and jobs per hectare applies across the entire Designated Greenfield area, as an overall average, by 2041. The Regional Official Plan target of 70 residents and jobs per hectare applies to New Community Areas only.

The current Regional Official Plan density target in New Community Areas was required to meet the 2006 Growth Plan overall Designated Greenfield Area density target

The density target of 70 residents and jobs per hectare was established when the current Regional Official Plan was adopted in 2010. A <u>report</u> was brought to Council in March 2014 titled *Achieving Density in York Region Communities* that outlined the methodology and rationale for the 70 residents and jobs per hectare density target for New Community Areas. The density target was set at 70 residents and jobs per hectare, in part to support transit-oriented complete communities that include a mix of housing types, and also to achieve the overall 2006 Growth Plan density target of 50 residents and jobs per hectare across the entire Designated Greenfield Area based on the methodology in place at that time. The 2006 Growth Plan included employment areas in the density calculation whereas the 2019 Growth Plan does not. Due to this difference, the 50 residents and jobs per hectare density target for the Designated Greenfield Area in the 2019 Growth Plan is not comparable to the 2006 Growth Plan density target.

The Regional Municipal Comprehensive Review provides an opportunity to revisit the density target for New Community Areas

While the 70 residents and jobs per hectare density target for New Community Areas has been incorporated within approved New Community Area secondary plans, concerns have been raised in Block 41 in the City of Vaughan. In addition, due to the change in how the Growth Plan policy regarding Designated Greenfield Area density is calculated, questions have been raised about the appropriateness of a mandatory target of 70 residents and jobs per hectare in New Community Areas given it is no longer required to reach the overall 50 residents and jobs per hectare density in the Designated Greenfield Area across the Region.

Through the secondary plan process for New Community Areas, site opportunities and constraints, and details of the future community are revealed. Each area is unique with its own characteristics of topography, surrounding uses, natural heritage areas and water bodies. Staff acknowledge there is not a one size fits all approach to New Community Area densities and have initiated a review of the Regional Official Plan policy density target through the current Regional Municipal Comprehensive Review.

4. Analysis

The Designated Greenfield Area plays an important role in achieving Growth Plan objectives and delivering complete communities

When the Growth Plan was first released in 2006, the Designated Greenfield Area was essentially vacant and contained areas planned and designated for future growth. Today, a large portion of the Designated Greenfield Area has been built or is subject to a development application.

Building compact communities supports efficient use of infrastructure and reduces impact on agricultural land. Communities built with a higher community density support investments in transit and deliver a diversified housing mix to allow for increased affordable housing options. Building sustainably at higher densities helps protect the Region's Greenbelt and agricultural lands, reduces car dependency, supports public transit investment, contributes to creating a sense of place, and promotes efficient use of infrastructure. Setting the right community density to plan for, positions York Region to support complete community goals.

The overall Designated Greenfield Area density is an output of built, under application and planned new development areas

The Designated Greenfield Area is comprised of three categories according to their planning and development status:

- Built: This first category of the Designated Greenfield Area includes areas that have been built. Most of these communities were planned prior to the 2006 Provincial Growth Plan and therefore were not required to meet a specific density target.
- Under Construction/Application: The second category includes communities under construction or part of a development application either registered, draft approved or proposed.
- 3. **Planned/Remaining**: The third category includes New Community Areas that are being planned through the secondary plan process. This last category also includes remaining areas not covered by a secondary plan, which is a small share of the total Designated Greenfield Area in the Region.

The Growth Plan minimum density target of 50 residents and jobs per hectare is measured over the entire Designated Greenfield Area. This output is an overall average that incorporates all three categories described above and each contributes to the overall density in different ways.

Existing densities in the Region's built Designated Greenfield Area vary from community to community depending on local context, planning designations, topography and a range of other factors. Some areas of the built Designated Greenfield Area were planned and constructed at higher densities than others. With very few vacant parcels in existing communities left to develop, the opportunity to significantly alter the density in these areas is limited.

Residential areas under construction or application in the Designated Greenfield Area also have a range of densities. These densities will most likely be higher than the built areas as planning and market demand has progressed to incorporate more medium and high density units to fulfil Growth Plan principles of building up and not out. The approval of these development applications through the planning process inherently sets the resulting density.

It is only the third category of the Designated Greenfield Area; the planned/remaining areas, where there is the potential to set a density target which will impact the overall Designated Greenfield Area density. These areas include the three New Community Areas, Regional Official Plan Amendments (ROPA) 1, 2 and 3 and any future potential urban expansion areas as a result of the land needs assessment.

Sixty two percent of the Designated Greenfield Area is already built, under construction or included within a development application

Table 1 outlines the amount of land area associated with each category of the Designated Greenfield Area.

Table 1
Summary of Designated Greenfield Land Area

Status (As of 2016)	Developable Area (Hectares)	Percentage of Designated Greenfield Area
Built	3,000	32%
Under Construction/ Application	2,800	30%
Planned/Remaining (including New Community Areas)	3,600	38%
Total	9,400	100%

Approximately 32% of the Designated Greenfield Area has been built and 30% of the land area is under construction or is subject to a development application. The density for the combined built and under construction/application portions of the Designated Greenfield Area is estimated at approximately 58 residents and jobs per hectare. While many approvals predated the Growth Plan, the resulting density is above the Growth Plan minimum target of 50 residents and jobs per hectare and gives a good indication of what the 'pre-Growth Plan' market was delivering.

This leaves 38% of the land area in the planned/remaining category to influence the overall Designated Greenfield Area density target. Since the first two categories average approximately 58 residents and jobs per hectare, there is no issue in achieving the Growth Plan minimum density target of 50 residents and jobs per hectare for the planned/remaining lands. Rather, the key issue is an appropriate approach to density for New Community Areas to achieve well-planned communities that provide a range and mix of housing types, support the Growth Plan objective of developing complete communities, and make best use of Regional and local infrastructure and services.

Community density analysis was completed for 12 study areas in York Region

A community density analysis was completed for 12 study areas in York Region (shown in Table 2 and Attachment 2). The purpose of this analysis was to investigate the densities of communities in the Designated Greenfield Area that are built or under construction/application. Staff reviewed areas across the Region that were primarily built in the last 20 years and located within or a portion of the Designated Greenfield Area. Each local municipality is represented in the 12 study areas.

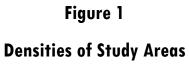
Table 2 Study Areas in York Region

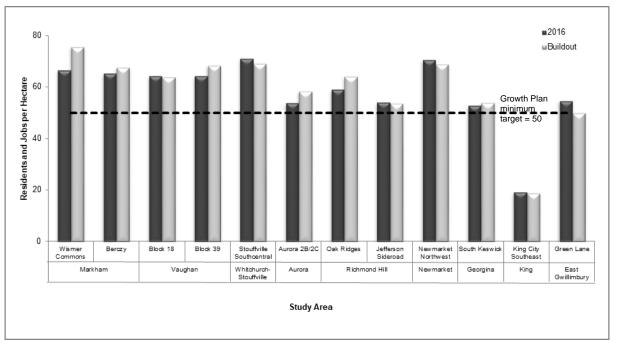
Municipality	Study Area	
Town of Aurora	Aurora 2B and 2C	
Town of East Gwillimbury	Green Lane	
Town of Georgina	South Keswick	
Township of King	King City Southeast	
City of Markham	Berczy, Wismer Commons	
Town of Newmarket	Newmarket North West	
City of Richmond Hill	Jefferson Sideroad, Oak Ridges	
City of Vaughan	Block 18, Block 39	
Town of Whitchurch-Stouffville	Stouffville Southcentral	

Community density is calculated by the total of residents and jobs divided by the area of developable land. A calculation was done for 2016 to align with Statistics Canada Census data, and a separate calculation was estimated for each community at buildout. A detailed methodology for the density calculation is provided in Attachment 3.

The study areas show the market is delivering densities in excess of 60 residents and jobs per hectare

Analysis of the study areas indicates what the market is currently delivering and will help to inform what density target is reasonable moving forward. Figure 1 shows the calculated density in 2016 and the buildout density for each of the 12 study areas.





All the study areas in Figure 1, with the exception of King City Southeast, have a 2016 and buildout density at or above the Growth Plan minimum density target of 50 residents and jobs per hectare. The King City Southeast study area has a much lower density due to the rural character and local municipal planning designations. Half of the study areas have a 2016, and buildout density, above 60 residents and jobs per hectare. The average density in 2016, excluding King City Southeast, is 62 residents and jobs per hectare.

It is important to note that most of these study areas were planned and built before the 2006 Provincial Growth Plan Designated Greenfield Area density target was in place. Even with the absence of a density target, these communities are exceeding the current Growth Plan minimum target. These communities were built incorporating good planning principles including a mix of housing types, the inclusion of community amenities and opportunities for active transportation. Parks, open space or community gathering areas are included in these neighbourhoods that achieve higher densities. The study areas provide an average of 6% developable area for parks. Other protected natural areas are also important components of a complete community and are excluded from the density calculation. This shift to higher density since the 2006 Growth Plan, is quoted in the current provincial Growth Plan "the (Greater Golden Horseshoe) region has seen a shift to more compact development patterns, a greater variety of housing options, more mixed-use development in urban growth centres and other strategic growth areas, and greater integration of transit and land use planning"

(2019 Growth Plan, section 1.2). Additional detailed information about each study area is provided in Attachment 4.

The study areas deliver a mix of housing types including a sizeable share of ground-related units

Designated Greenfield Areas are intended to accommodate a large share of the Region's forecasted ground-related housing. Ground-related housing units consist of single detached, semi-detached and townhouse units. In 2016, all study areas were above 95% ground-related units, with many areas at 100%. At buildout, the unit mix in some study areas shifts slightly towards more high density apartment units, namely Wismer Commons and Aurora 2B/2C. All other study areas remain above 92% ground related units. The overall average of ground-related units at build-out is 96%. The study areas demonstrate that communities with a high share of ground related housing can still achieve community densities over 60 residents and jobs per hectare and a diverse housing mix.

Community amenities support development of complete communities

The range and mix of community facilities and availability of transit are key components of complete communities and help to build neighbourhoods where people can live, work and play. Community density needs to support the development of complete communities and also be sensitive to the local context.

All of the study areas contain community facilities and amenities such as schools, parks, transit stops and trails and/or bike lanes. Parks and open space allow opportunities for recreation and active transportation that provide potential health benefits for residents living in these study areas. In addition to the numeric minimum density target, consideration is also needed for the appropriate provision of amenities and community facilities.

Some of the study areas have existing higher order transit nearby or future planned investments in transit infrastructure. The 2012 *Provincial Transit Supportive Guidelines* suggest a minimum density of 50 residents and jobs per hectare could support basic transit service which equates to one bus every 20 to 30 minutes. A density of 80 residents and jobs per hectare could support frequent transit service; one bus every 10 to 15 minutes. Planning for a higher community density will support more frequent transit service resulting in more active lifestyles, reduced traffic congestion, and better use of Regional infrastructure and services.

There are infrastructure and financial implications if planned densities are lower than what the market is delivering

As shown by the study areas, the market is developing communities at densities above the Growth Plan minimum of 50 residents and jobs per hectare. The density assumption for New Community Areas is a key input to the Regional Official Plan forecast. The Regional Official

Plan forecast is used as the basis for infrastructure master plans and development charge background studies.

Forecasting growth in new communities has direct implications on major infrastructure planning including water and wastewater, transit and roads. If infrastructure is planned based on a density assumption and forecast that underestimates residents for New Community Areas, there may be insufficient capacity to service the actual number of residents. Projecting residents and employment in New Community Areas needs to be accurate and aligned with infrastructure planning to prevent infrastructure having to 'catch up' to a higher actual amount of residents and jobs. Examples of communities where higher densities cannot be supported by current infrastructure capacity include King City, Mount Albert and Nobleton. Re-sizing infrastructure after it has been built is costly and disruptive to residents and businesses. Council endorsed this principle of aligning growth and infrastructure in September 2019.

The density assumption and growth forecast for New Community Areas also impacts development charge rates and revenue. If the planned growth and densities do not match market realities, infrastructure capacity will be misaligned with growth, and development charge rates will not be optimized to maximize cost recovery. By planning for lower densities in the New Community Areas, and the associated lower infrastructure needs, the development charge rate calculations will not align with what is actually required to finance the growth-related infrastructure.

New Community Area densities should promote complete communities

The Growth Plan encourages going above the minimum density target of 50 residents and jobs for the Designated Greenfield Area where possible. The market in York Region is delivering above the Growth Plan minimum density. Communities developed at higher densities generally provide greater opportunities to provide key elements of complete communities including the provision of a range and mix of housing types, including more affordable housing options. The range and mix of housing types provided in higher density communities generally provide more affordable options. Increasing the affordability of housing in the Region may increase the likelihood of achieving the Growth Plan forecast.

Complete communities also provide a range of transportation options, including public transit and active transportation. New Community Areas built at higher densities are able to support more frequent transit service and provide better mobility for residents. Developing more dense communities would also potentially assist in securing additional provincial funding for future transit projects.

A review of the New Community Area density target in the Regional Official Plan will include consultation with local municipalities and BILD

The Municipal Comprehensive Review provides the opportunity to review the current Regional Official Plan density target of 70 residents and jobs per hectare for New Community Areas. Staff are proposing to consult with local municipalities and BILD. Local municipalities that currently have New Community Areas or those that have the potential for New Community Areas, will be impacted by the revised density target. In addition, staff received concerns from BILD regarding the suitability of applying the same Regional Official Plan density target for all New Community Areas.

Staff are exploring options to incorporate flexibility as part of the review of the New Community Area density target policy in the Regional Official Plan. While many New Community Areas are planned to meet or exceed the current density target, there have been challenges in other areas, such as Block 41 in the City of Vaughan. Recognizing that there may be unique circumstances that warrant a lower density target, staff will explore potential criteria for the consideration of an alternative density target as part of the review of the New Community Area Regional Official Plan policies. These criteria could include proximity to current or future transit investments, topography, configuration of developable areas or geographic location in relation to the current urban boundary.

As was highlighted to Council in a memo in February 2020, a revised land needs assessment methodology and growth forecast is forthcoming from the Province. The review of the density target for New Community Areas will be undertaken in the context of the new growth forecasts and land needs assessment methodology. The density assumption for New Community Areas will be a factor in calculating the Region's land needs assessment. This review can proceed provided documents are released according to timelines as communicated by the Province.

5. Financial

There are financial implications for the Region if planning for the density of New Community Areas does not align with what the market delivers. If densities of New Community Areas are under estimated, there would be a misalignment between infrastructure master plans, development charge rate calculations and actual growth, potentially requiring additional investment. The calculation of the development charge rate would be affected because infrastructure costs and forecasted growth, as inputs to the calculations, may not reflect actual built market conditions.

6. Local Impact

The Designated Greenfield Area is located within every local municipality in York Region and currently the three municipalities of the Town of East Gwillimbury, City of Vaughan and City

of Markham have New Community Areas. If future New Community Areas are required through an urban expansion, as to be determined by the land needs assessment, they will also be subject to the density target in the Regional Official Plan.

Complete community principles benefit each municipality as mixed use neighbourhoods provide a range of housing, amenities and recreation opportunities for people of different ages and abilities. Other local services and infrastructure such as recreational services, libraries, waste collection and fire and emergency services can be optimized in areas of higher community density. Community density also has implications for local municipal infrastructure and financial planning.

The community density study areas were presented to the York Region Municipal Comprehensive Review Local Municipal Working Group in February and May 2020 which is a group comprised of planning staff representatives from all local municipalities. Regional staff will continue to work with local municipal staff in the development of New Community Area density policies for the Regional Official Plan.

7. Conclusion

The Growth Plan encourages municipalities to go beyond the minimum Designated Greenfield Area density target of 50 residents and jobs per hectare, where appropriate. Setting the right New Community Area density will support Growth Plan principles of complete communities, aligning growth and infrastructure, providing a mix of housing options and protecting greenspace. Community density forecasts need to be as accurate as possible to ensure sufficient servicing capacity for future residents and jobs.

The review of communities in York Region shows community densities above the Growth Plan minimum target of 50 residents and jobs per hectare. This reflects densities the market has been delivering in recent developed areas in the Designated Greenfield Area. A review of the current density target in the Regional Official Plan for New Community Areas is being undertaken. Staff will continue to work with local municipal staff and BILD to develop the Regional Official Plan policies for the New Community Area density target.

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

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May 29, 2020 Attachments (4) #10773587