2051 Forecast and Land Needs & Integrated Growth Management

Presented to
YORK REGIONAL COUNCIL EDUCATION SESSION

Presented by
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York Region

Background

1. March 2020 Council Education Session

2. Growth Plan Schedule 3 forecasts to 2051 finalized and new Provincial land needs assessment methodology released

3. Land needs to 2051 for York Region prepared using new mandated methodology

Objectives

1. Setting the stage for success

2. Land Needs Assessment results

3. Considerations to achieve 2051 growth forecasts and mitigate associated risks

4. Aligning infrastructure and financial planning with land use planning
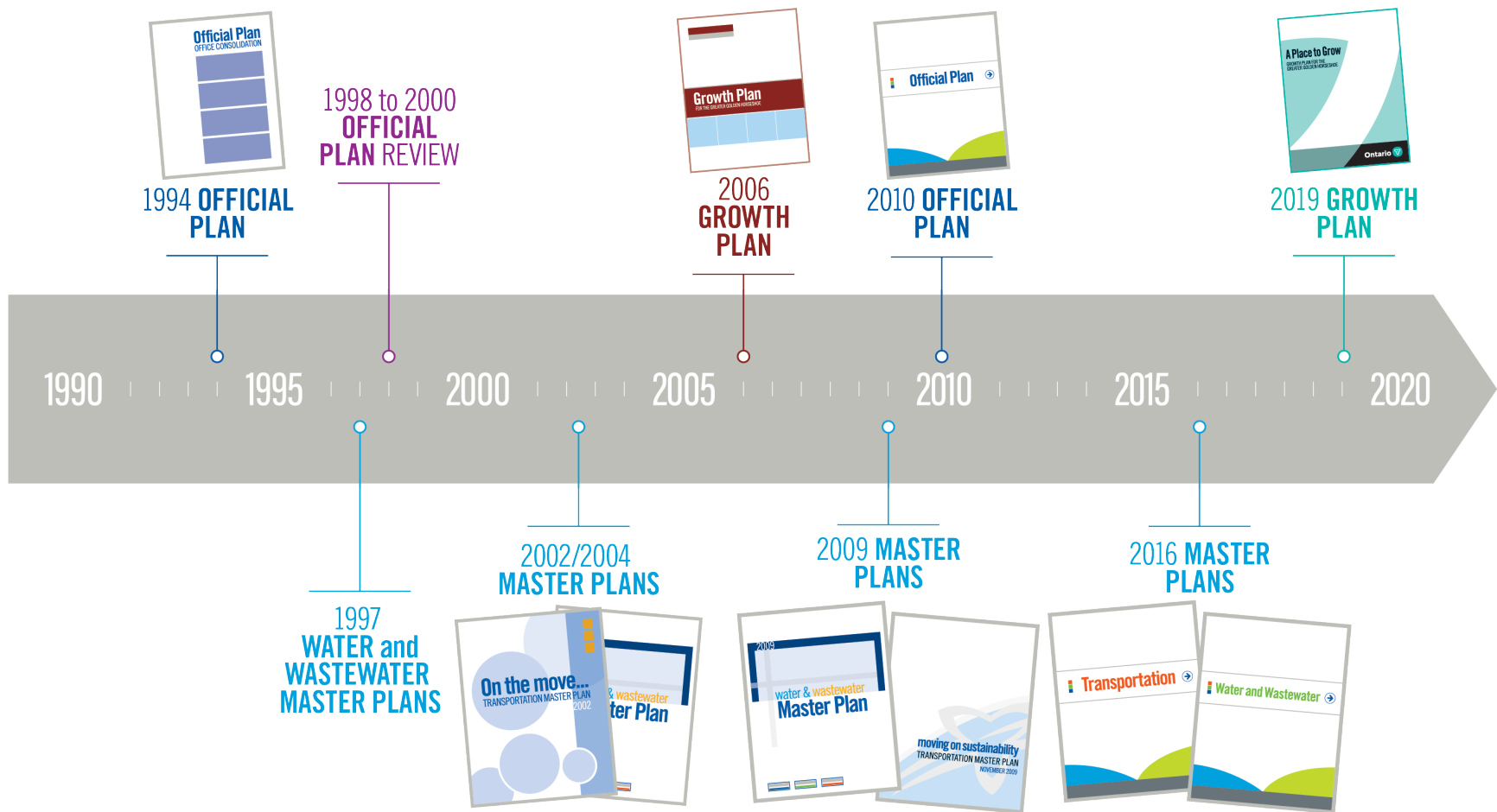
5. MCR Next Steps

Key takeaways

1. Significant infrastructure investments have led to the Region's continued economic success

2. York Region will remain a high growth municipality to 2051

3. Eventually 100% of the whitebelt will be required for future growth

   - Provincial Land Needs Assessment determined 80% is required by 2051

   - Significant growth will continue in Centres and Corridors

4. The path to financial sustainability will require:

   - An agile approach to growth management

   - Staging and phasing of development and infrastructure

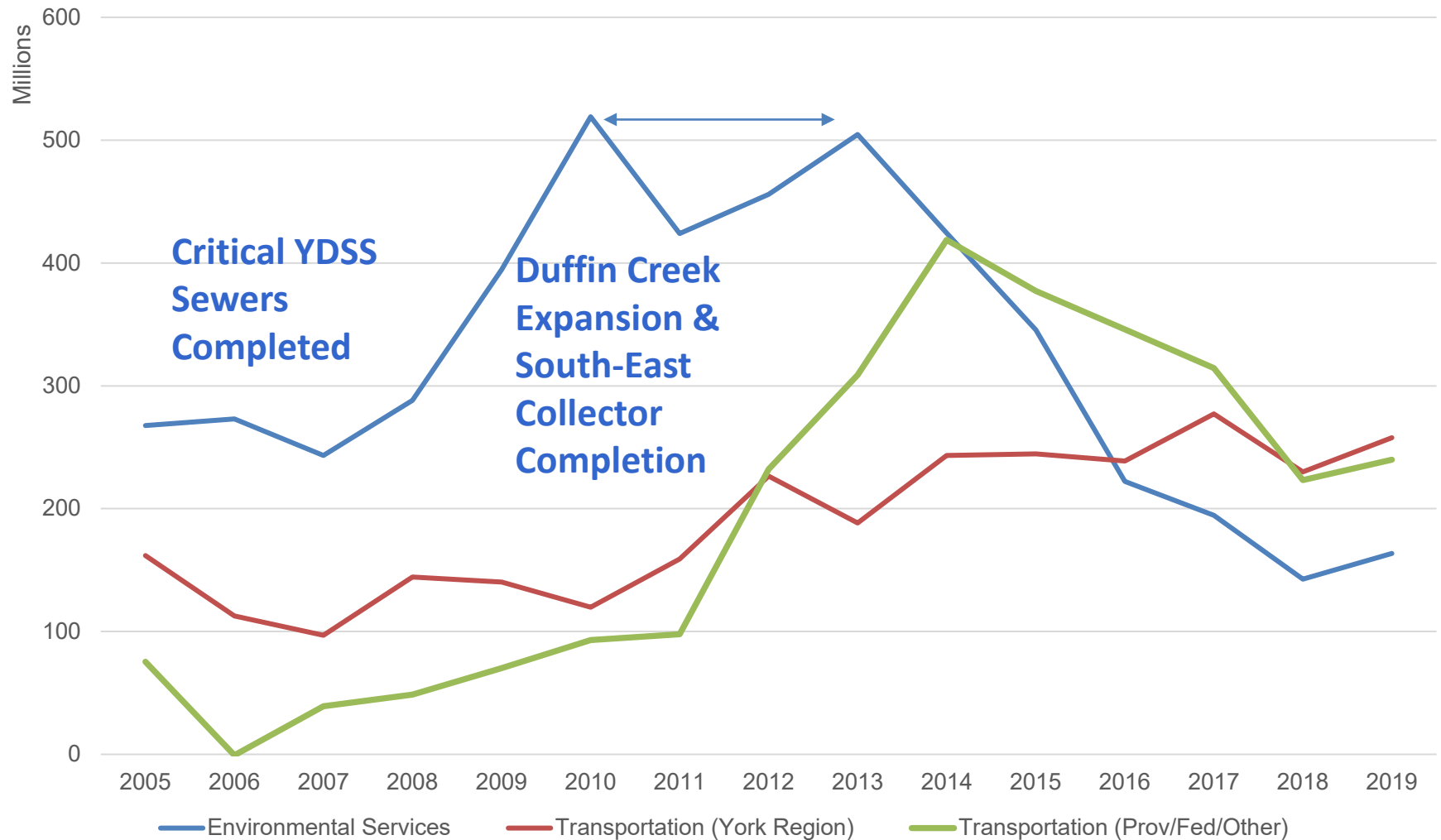   - Aligning investments with the ability to recover DC collections

Setting the stage for success

Integrated planning has been undertaken in York Region since 1994

1994 **OFFICIAL PLAN**

1998 to 2000 **OFFICIAL PLAN** REVIEW

2006 GROWTH PLAN

2010 **OFFICIAL PLAN**

2019 **GROWTH PLAN**

1990   1995   2000   2005   2010   2015   2020

1997 WATER and WASTEWATER MASTER PLANS

2002/2004 **MASTER PLANS**

2009 **MASTER PLANS**

2016 **MASTER PLANS**

Significant capital investments have been made to support growth in York Region

Critical YDSS Sewers Completed

Duffin Creek Expansion & South-East Collector Completion

Legend: Environmental Services — Transportation (York Region) — Transportation (Prov/Fed/Other)
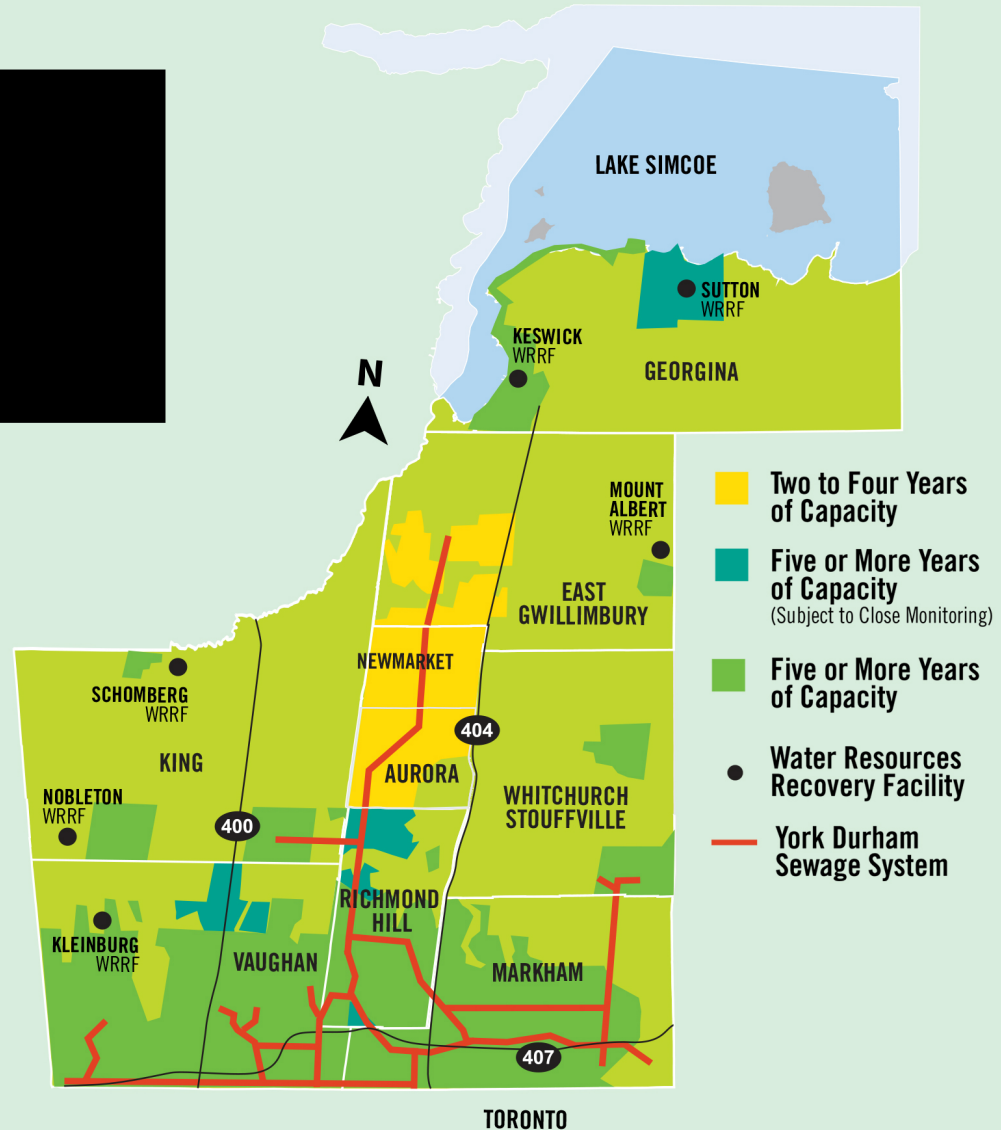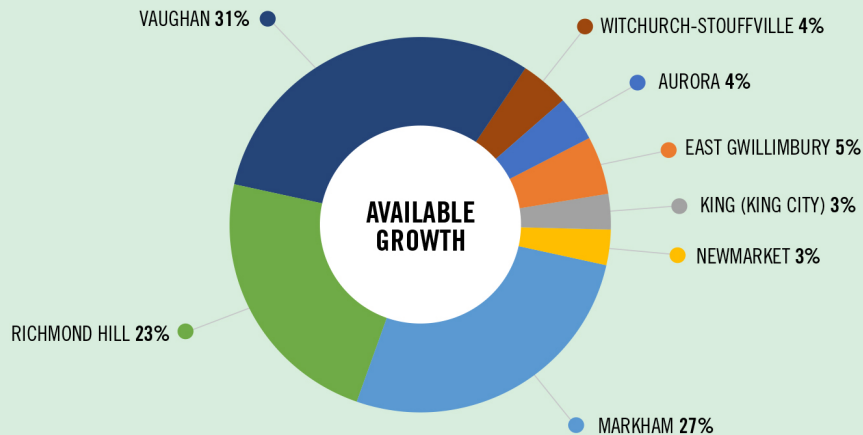
Long range integrated planning and capital investments have supported the Region's economic success

- Growth of 270,000 jobs since 2001

- 52,000 businesses and 500+ foreign companies

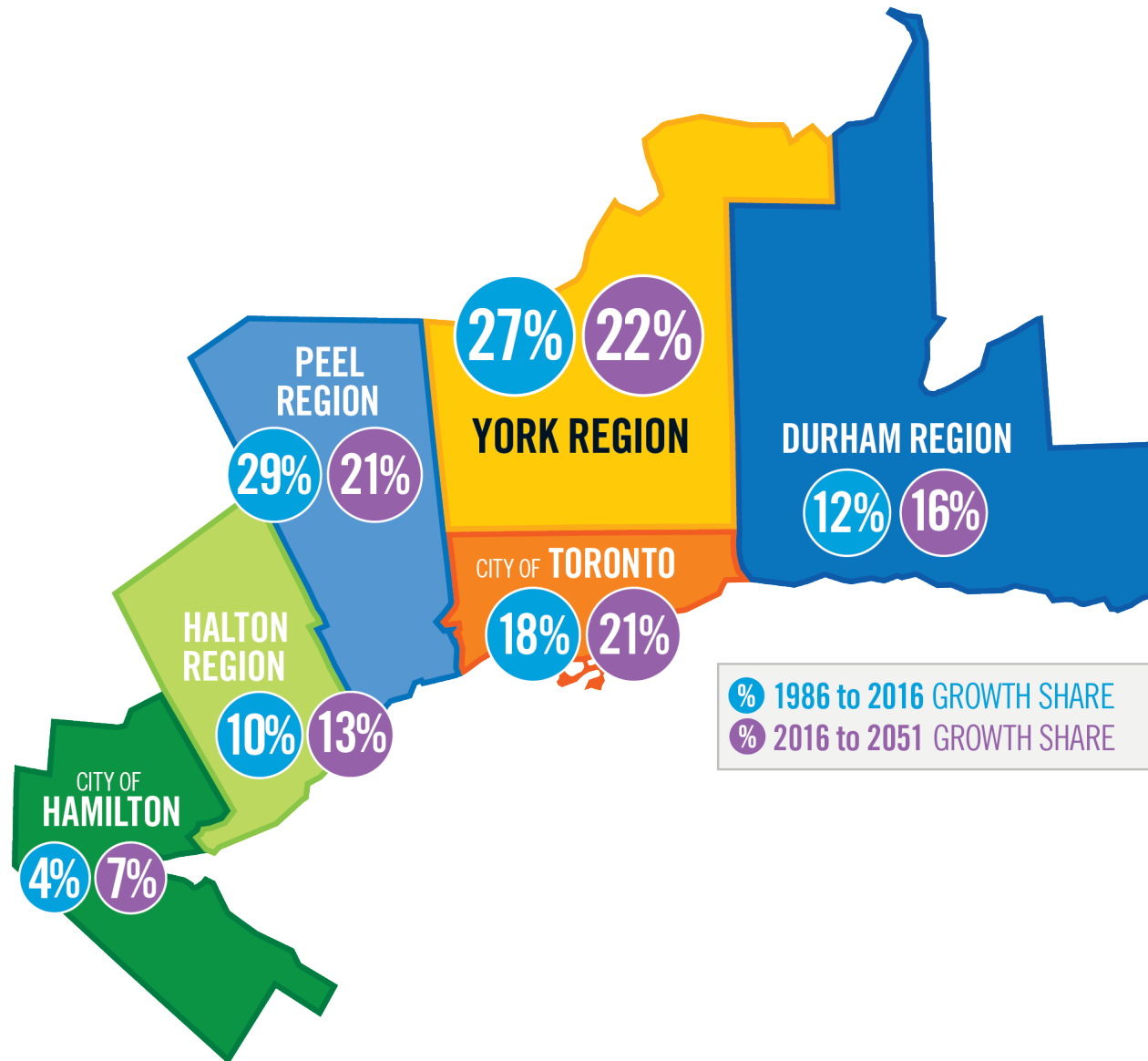- 2nd largest tech cluster in Canada

- Diverse economic base

Yonge Street 2010

Yonge Street 2016

There is significant capacity for growth in the Region

YDSS Can support over 223,000 persons of growth

AVAILABLE GROWTH

- VAUGHAN 31%
- WITCHURCH-STOUFFVILLE 4%
- AURORA 4%
- EAST GWILLIMBURY 5%
- KING (KING CITY) 3%
- NEWMARKET 3%
- MARKHAM 27%
- RICHMOND HILL 23%

Two to Four Years of Capacity

Five or More Years of Capacity (Subject to Close Monitoring)

Five or More Years of Capacity

Water Resources Recovery Facility

York Durham Sewage System

LAKE SIMCOE

SUTTON WRRF

KESWICK WRRF

GEORGINA

MOUNT ALBERT WRRF

EAST GWILLIMBURY

NEWMARKET

SCHOMBERG WRRF

KING

NOBLETON WRRF

AURORA

WHITCHURCH STOUFFVILLE

KLEINBURG WRRF

VAUGHAN

RICHMOND HILL

MARKHAM

TORONTO

N

Province anticipates York Region to attract highest share of growth in the Greater Toronto and Hamilton Area

PEEL REGION — 29% / 21%

YORK REGION — 27% / 22%

DURHAM REGION — 12% / 16%

HALTON REGION — 10% / 13%

CITY OF TORONTO — 18% / 21%

CITY OF HAMILTON — 4% / 7%
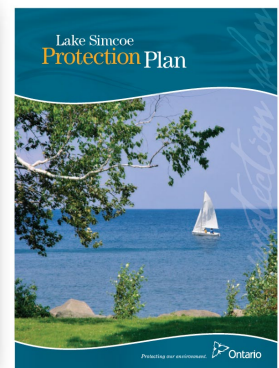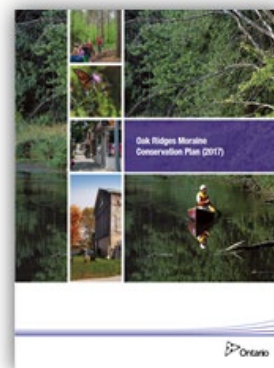
% 1986 to 2016 GROWTH SHARE
% 2016 to 2051 GROWTH SHARE

York Region's growth has been cyclical
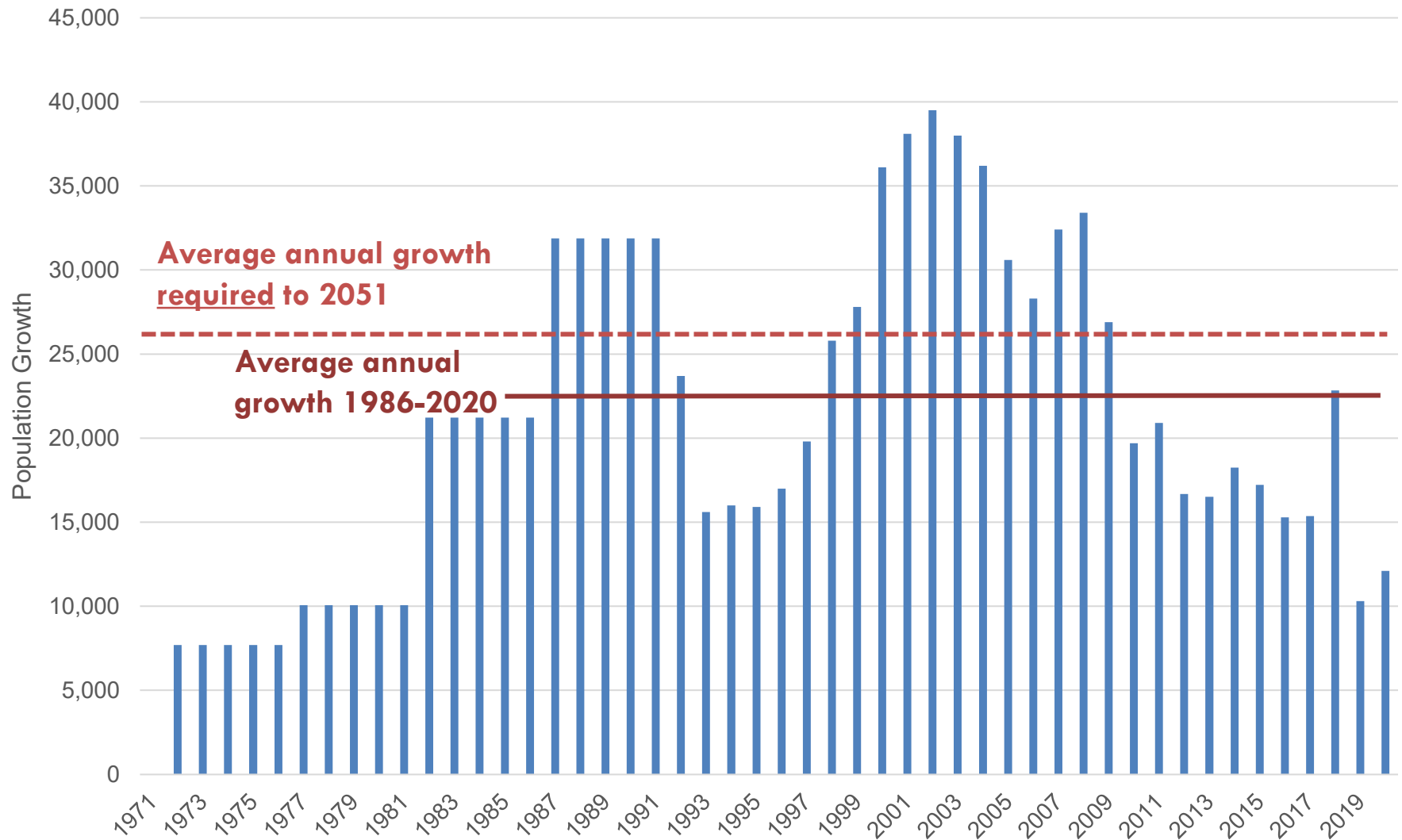
York Region is required to conform to Provincial policy

Regional Official Plan to be approved by the Province
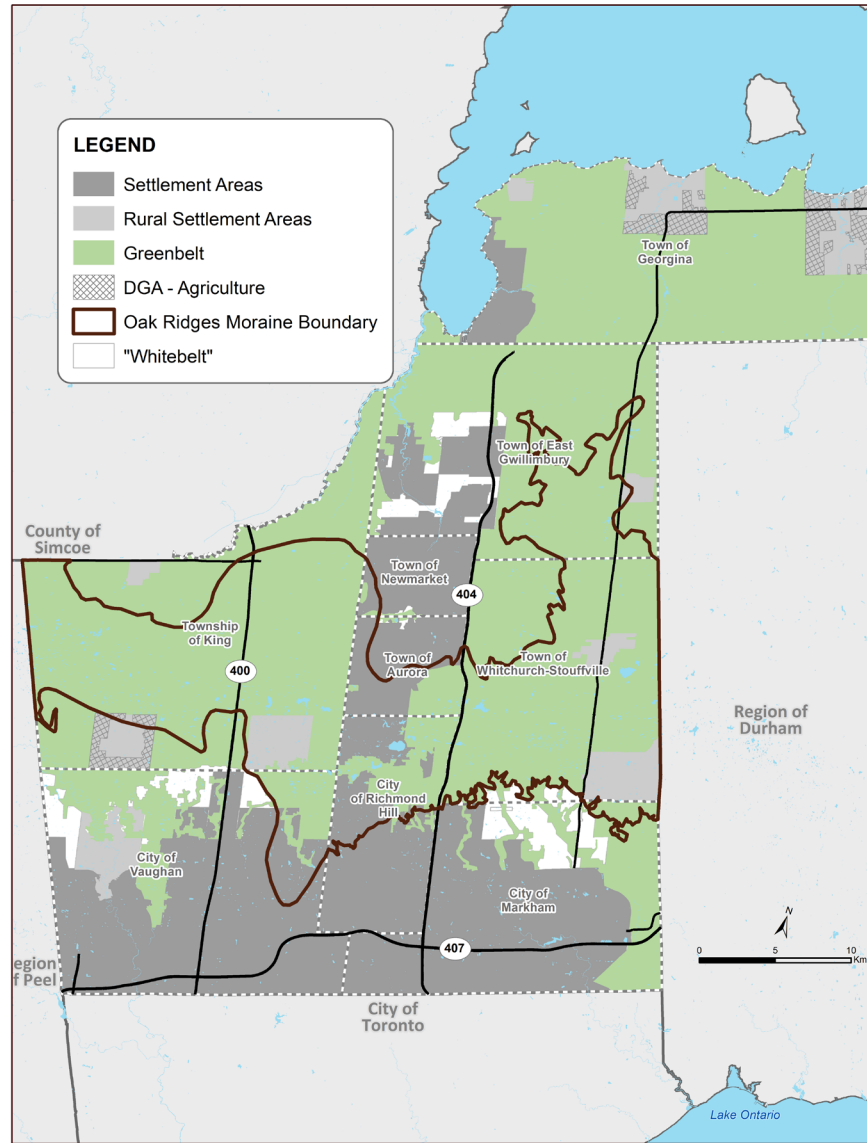
Land Needs Assessment Results

Provincial Land Needs Assessment Methodology

- Determines quantum, not location of urban expansion

- Premised on achieving minimum Growth Plan targets

- New mandated methodology

2020 update:

- Introduced flexibility to address local market conditions

- Places increased emphasis on the need for a market-based approach

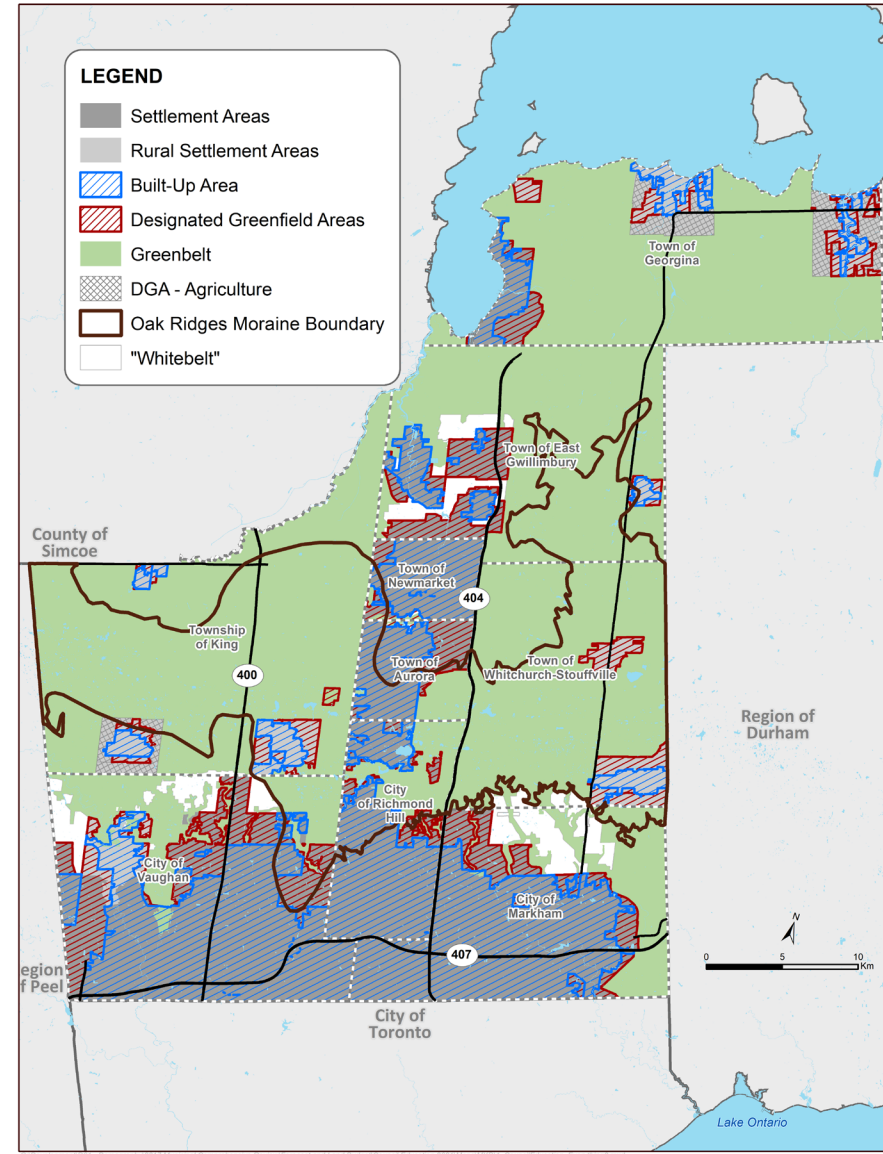# Provincial plans guide where growth can and cannot occur

Community Land Needs Assessment

800,000 people and **276,000 housing units**

Land Use Category	Housing Growth	Share
Built-up area	138,000	50%
Designated Greenfield Area	137,000	49%
Rural Area	1,000	<1%
Total	**276,000**	**100%**

Determines community land needs

YORK REGION HAS **AVERAGED** OVER **50%** INTENSIFICATION SINCE 2011

INTENSIFICATION SUPPORTS

$3.6 BILLION INVESTED **BUS RAPID TRANSIT** and **SPADINA SUBWAY EXTENSION**

$5.6 BILLION YONGE SUBWAY EXTENSION

2,300 hectares of community land required

137,000 units **–** **101,000** units
(Demand)   (Supply)

$$= \frac{\textbf{36,000 units}}{\textbf{17 units/Ha}}$$

= **2,100 Ha** **+** Contingency (200 Ha)

= **2,300 Ha**

Employment Land Needs Assessment

Employment Category	Job growth	Share
Rural	1,500	0.5%
Population Related	124,000	36%
Employment Area	128,000	37%
Major Office	92,000	26%
Total	**345,500**	**100%**

Determines employment land needs
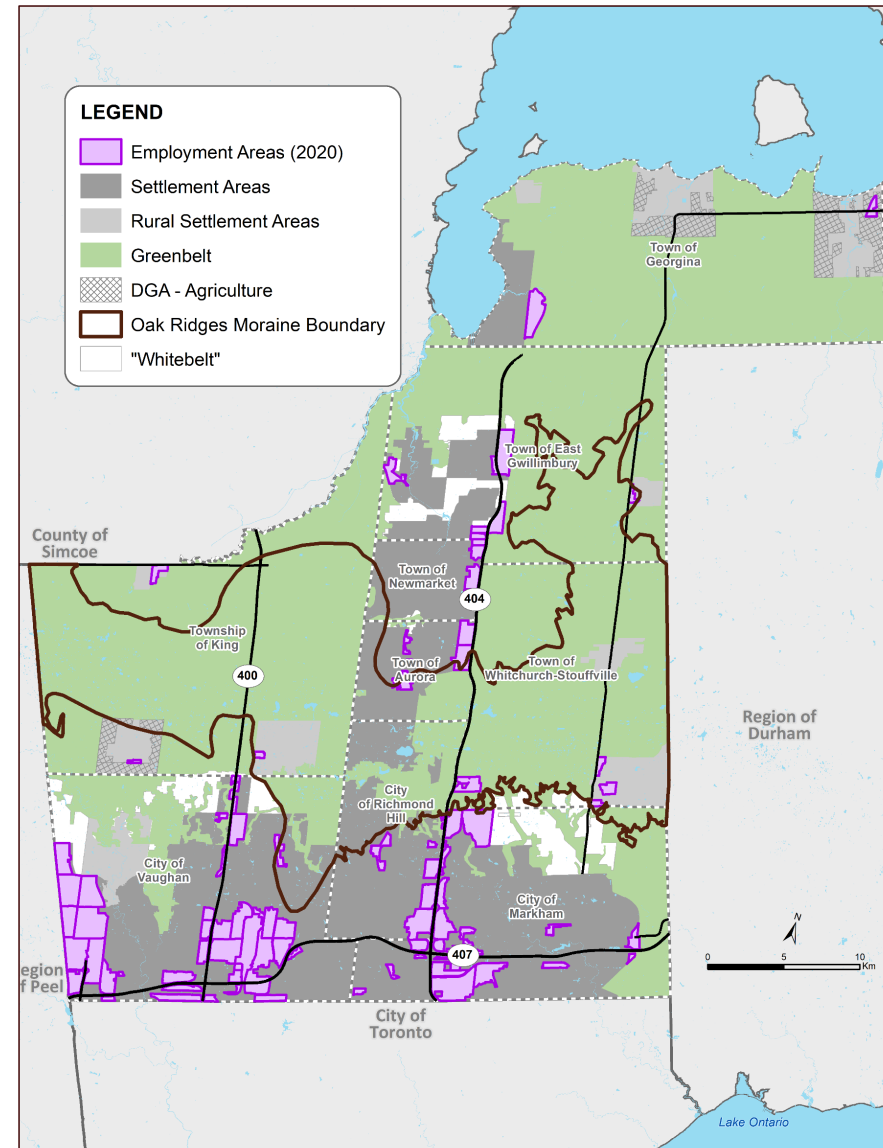
128,000 jobs (Demand) **–** **90,000** jobs (Supply)

$$= \frac{38{,}000 \text{ jobs}}{40 \text{ jobs/Ha}}$$

$= $ **950 Ha** $+$ Contingency (150 Ha)

$= $ **1,100 Ha**

Estimated Available Future Growth Areas in York Region

Future Growth Areas

Land Use Category
- Built-up Area
- Designated Greenfield Area
- Greenbelt
- UnBUA-Rural
- Urban Expansion
- DGA-Agriculture
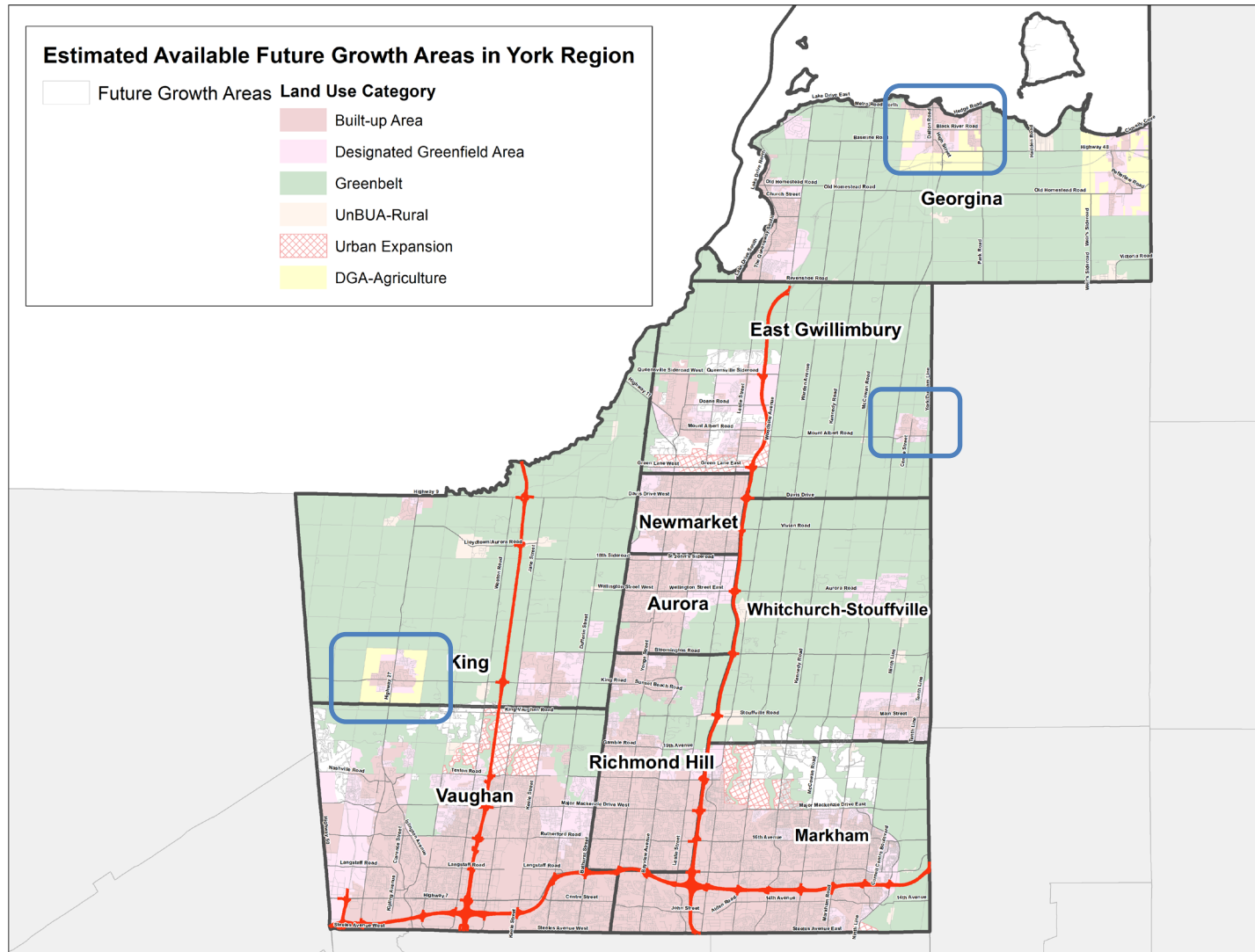
Considerations to achieve 2051 growth forecasts and mitigate associated risks

Achieving Council priorities

Strong, caring, and safe communities

Balanced housing mix with affordable options

Supporting investment in infrastructure
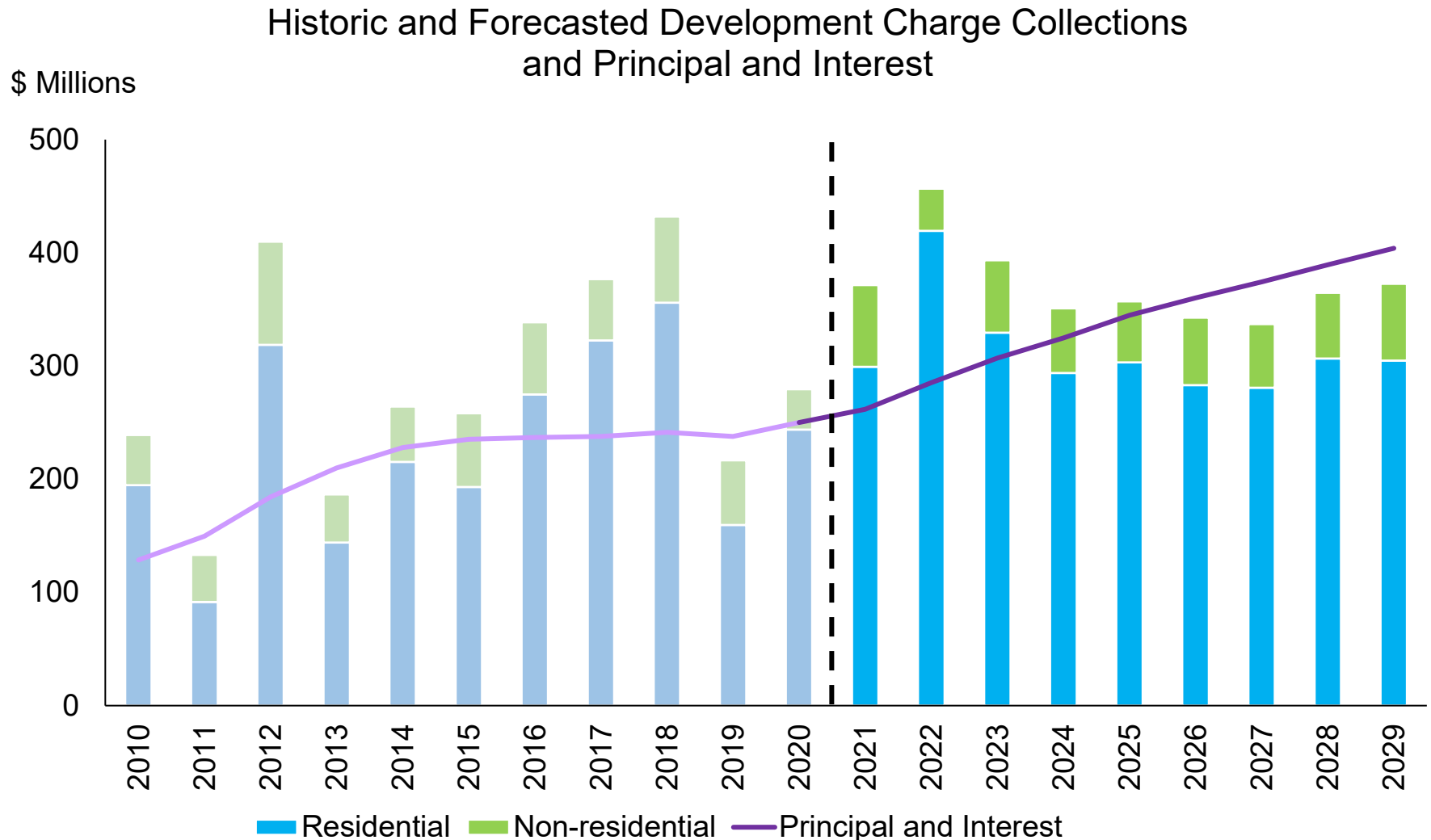
Continued economic development success

Protect and enhance the natural environment

York Region is entering a mature stage of growth

- Significant investments in infrastructure have been made

- Experiencing a lower rate of growth

- Fiscal Strategy was put in place to manage debt

- Capitalize on existing infrastructure to maintain borrowing capacity for next generation

Development Charges fund DC debt and planned infrastructure

Historic and Forecasted Development Charge Collections and Principal and Interest

$ Millions

Legend: Residential — Non-residential — Principal and Interest

25

Slower than forecasted growth poses a risk to being able to afford new infrastructure

- The projected average annual DC collection of $370 million assumes robust development activity

- A sustained 10% reduction in collections versus the forecast could require capital deferral of up to $300 million

- If the pace of development stays at 2020 levels, annual average collections over the next 10 years would be about 20% lower than projected

An estimated $12 billion in infrastructure would support growth to 2051 and beyond

$3.4 BILLION
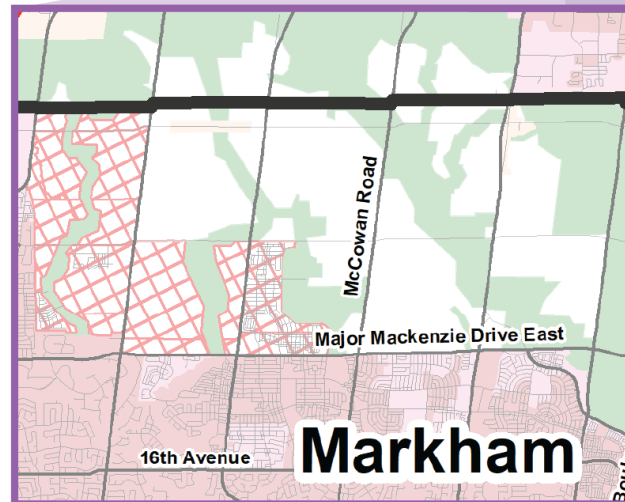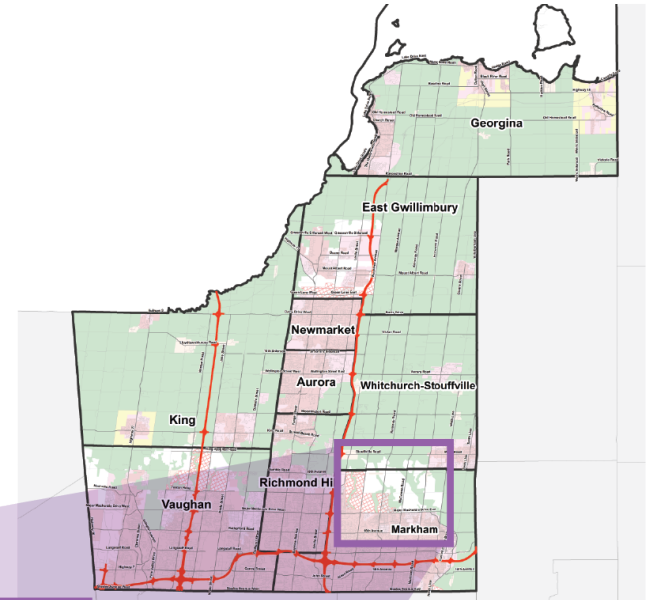WATER and WASTEWATER

$7.2 BILLION
ROADS and TRANSIT

$1.3 BILLION
YONGE SUBWAY EXTENSION

Total Infrastructure Cost
$480 Million

Supports **Population** of
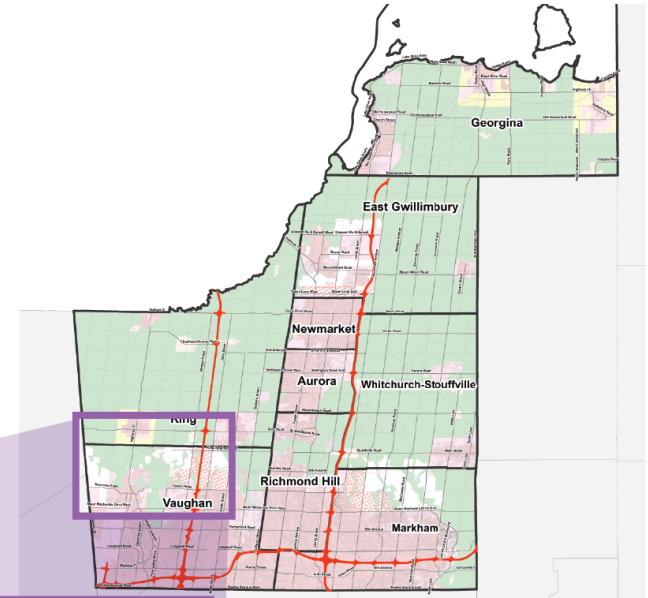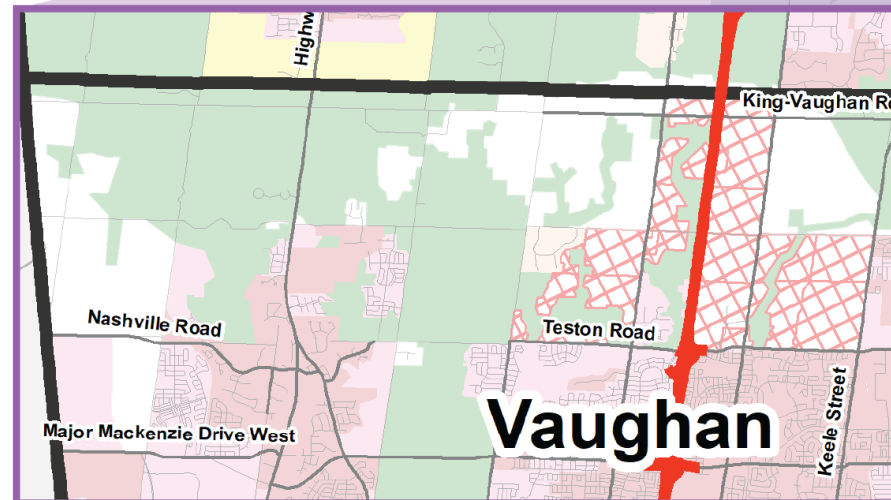# 85,000 and 20,000 jobs

Infrastructure
cost per capita **$4,600**

Total Infrastructure Cost
$900 Million

Supports **Population** of
90,000 and 40,000 jobs

Infrastructure $6,900
cost per capita

Growth in North

Total Infrastructure Cost
$1.6 Billion

Supports **Population** of
150,000 and 55,000 jobs

Infrastructure $7,600
cost per capita
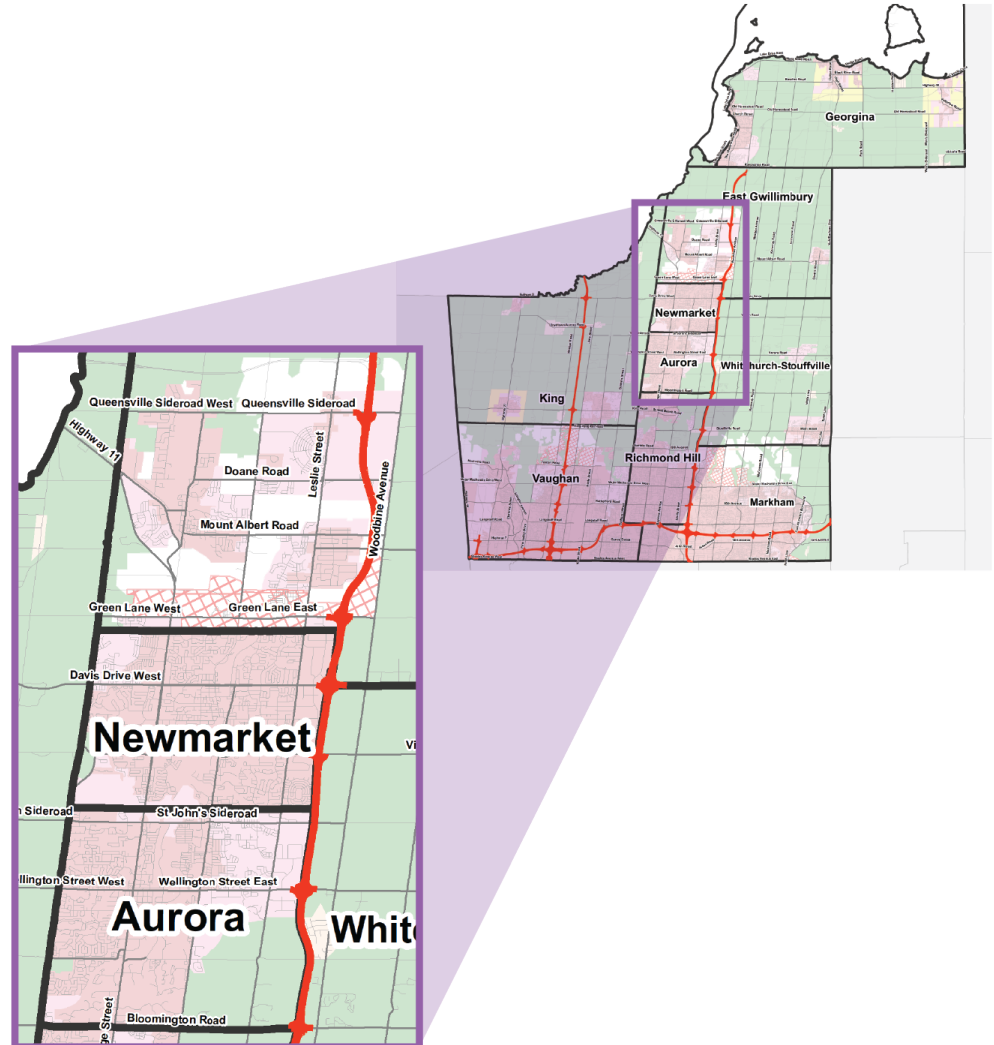
Infrastructure delivery in the north

East Gwillimbury

Newmarket

Aurora

Water Reclamation Centre (WRC)

2041 to 2044
WRC Expansion

Future WRC
Expansion

2016   2021   2025   2030   2035   2040   2045   UNKNOWN
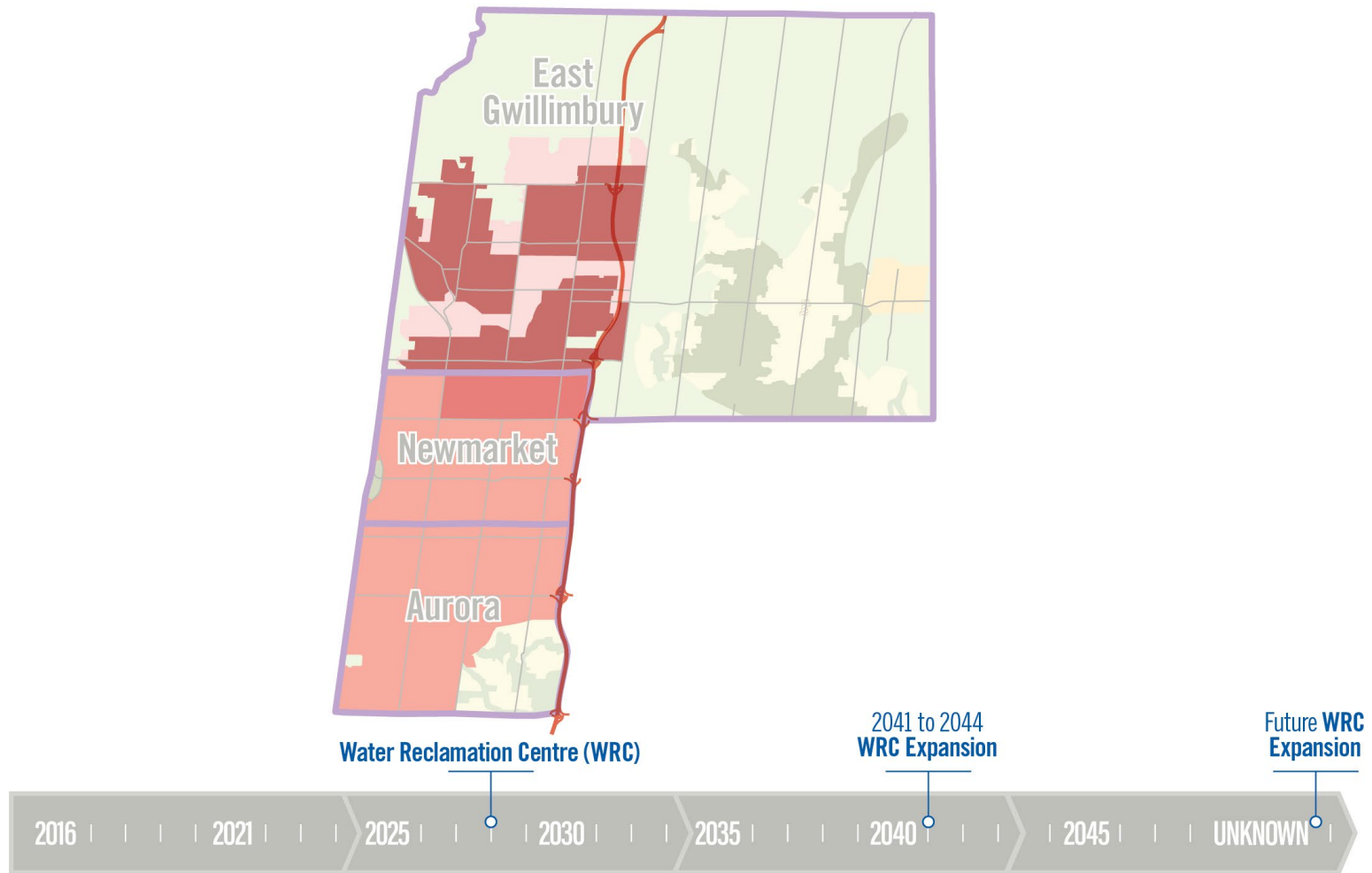
Urban expansion location considerations
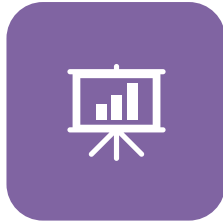
PACE OF GROWTH/
INFRASTRUCTURE COSTS/
FINANCIAL IMPACTS

TIMING AND CERTAINTY
OF INFRASTRUCTURE

PROVINCIAL PLANS AND
POLICY

HOUSING
MARKET/AFFORDABILITY

URBAN EXPANSION
REQUESTS

MINSTER'S ZONING
ORDERS

Phasing growth and infrastructure will be key to mitigating risk

- The path to financial sustainability requires:
  - Alignment with delivery and efficient use of community services
  - Managing debt
  - Contributions toward reserves to fund capital replacement and rehabilitation

- Increased costs of maintaining and operating infrastructure if put in place too early

- Insufficient growth in the assessment / rate base may result in tax levy or rate increases on existing residents and businesses

Aligning infrastructure and financial planning with land use planning

Integrating infrastructure and financial planning with land use planning

Integrate fiscal strategy with Regional plans, programs and processes

Analyze full infrastructure cost and debt implications of land use decisions

Stage and phase capital investments in line with actual growth

Provide an agile approach to achieving our long term vision

Greater coordination and information exchange with local municipalities and development community

Strategies for managing growth

- LNA results in a need to designate 80% of the whitebelt to 2051

  - ability to focus on delivering infrastructure

  - better alignment between infrastructure delivery and timing/ pace of DC collections

- Identify remaining whitebelt as 'Future Urban'

  - Opportunity for innovations in technology to be leveraged

- Align capital spending with population thresholds

- Early priority to areas that maximize return on investment

Importance of partners in mitigating and sharing risks

Key takeaways

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3. Eventually 100% of the whitebelt will be required for future growth

    *   Provincial Land Needs Assessment determined 80% is required by 2051

    *   Significant growth will continue in Centres and Corridors

4. The path to financial sustainability will require:

    *   An agile approach to growth management

    *   Staging and phasing of development and infrastructure

    *   Aligning investments with the ability to recover DC collections

MCR Next Steps

Next Steps

- Continue consultation with local municipalities on distribution of growth

- Report to Regional Council – March 2021

- MCR Consultation – Spring/Summer 2021

  - Local municipalities

  - Public

  - Development industry

- Draft Regional Official Plan – Fall 2021

- Master Plans and Development Charges Bylaw update – 2021/2022