

PROPOSED **2051**
FORECAST and
LAND NEEDS
ASSESSMENT

MARCH 2021

1.0 SUMMARY

A fundamental component of the Region's Municipal Comprehensive Review is assessing land needs to accommodate Provincial Growth Plan population and employment forecasts for York Region to 2051 and the distribution of this growth by local municipality. A Place to Grow – Growth Plan for the Greater Golden Horseshoe, 2020 (Growth Plan) requires the Region to update the Regional Official Plan to be consistent with the Schedule 3 forecasts and use the prescribed Provincial Land Needs Assessment methodology. This report provides the background analysis for the Region's draft forecast and land needs assessment. It also outlines a proposed integrated growth management strategy to align growth and infrastructure planning to 2051. This report:

- Summarizes Provincial, Regional, and local municipal policy context for growth management
- Discusses market considerations and affordability issues with respect to the Region's housing forecast
- Summarizes key assumptions, steps, and results of applying the Provincial Land Needs Assessment methodology for both community and employment lands
- Proposes a distribution of growth and locations for urban expansion required to accommodate population and employment growth to 2051
- Provides local municipal population and employment forecasts to 2051
- Proposes minimum local municipal residential intensification and designated greenfield area density targets
- Proposes an integrated growth management strategy for aligning growth and infrastructure to maintain financial sustainability

The report includes the following key findings:

- York Region is well positioned to meet or exceed the Growth Plan minimum 50% intensification and 50 residents and jobs per hectare density targets
- 3,400 hectares of urban expansion are required to accommodate the Region's forecast to 2051 based on the Provincial land needs assessment
- The forecast meets the requirements of the Provincial Policy Statement, Growth Plan, and Regional Official Plan with respect to criteria for assessing locations for urban expansion while also minimizing growth-related risks to the Region
- An integrated approach to growth management is needed. Focusing growth in areas with existing infrastructure capacity and phasing infrastructure projects needed to accommodate new growth will be important in maintaining financial sustainability.
- Consultation on the proposed forecast and land needs assessment will occur in Q2 and early Q3 in advance of a draft Regional Official Plan anticipated for Fall 2021.

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2.0 BACKGROUND

2.1 Provincial Policy Context

The Provincial Policy Statement directs municipalities to plan for efficient and fiscally responsible land use patterns

The Provincial Policy Statement, 2020 (PPS) provides overall policy direction on matters of provincial interest related to land use and development in Ontario and applies to municipalities throughout Ontario, including the Greater Golden Horseshoe (GGH), except where the Growth Plan or another provincial plan provides otherwise.

The PPS provides policy direction on several growth management-related areas. These include:

- Promoting efficient development and land use patterns which sustain the financial well-being of the Province and municipalities
- Accommodating an appropriate affordable and market-based range and mix of residential housing types, employment, institutional, recreation, park and open space and other uses to meet long-term needs
- Basing land use patterns within settlement areas on densities and a mix of land uses which efficiently use the available or planned infrastructure and public service facilities and avoid the need for their unjustified and/or uneconomical expansion
- Planning for settlement areas that are transit supportive where transit exists, is planned, or may be developed, and that also support active transportation
- Identifying appropriate locations and promoting opportunities for transit-supportive development and accommodating a significant supply and range of housing options through intensification and redevelopment based on availability of infrastructure.

The Growth Plan provides Regional population and employment forecasts to 2051

The Growth Plan provides Provincial policy direction on how and where to grow. The Growth Plan identifies that the population and employment forecasts contained in Schedule 3 or such higher forecasts as established by upper- or single-tier municipalities in the GGH through a Municipal Comprehensive Review (MCR) be used for planning and managing growth to 2051. York Region is forecast to reach a population of 2.02 million and 990,000 jobs by 2051.

The Growth Plan principles related to growth management that:

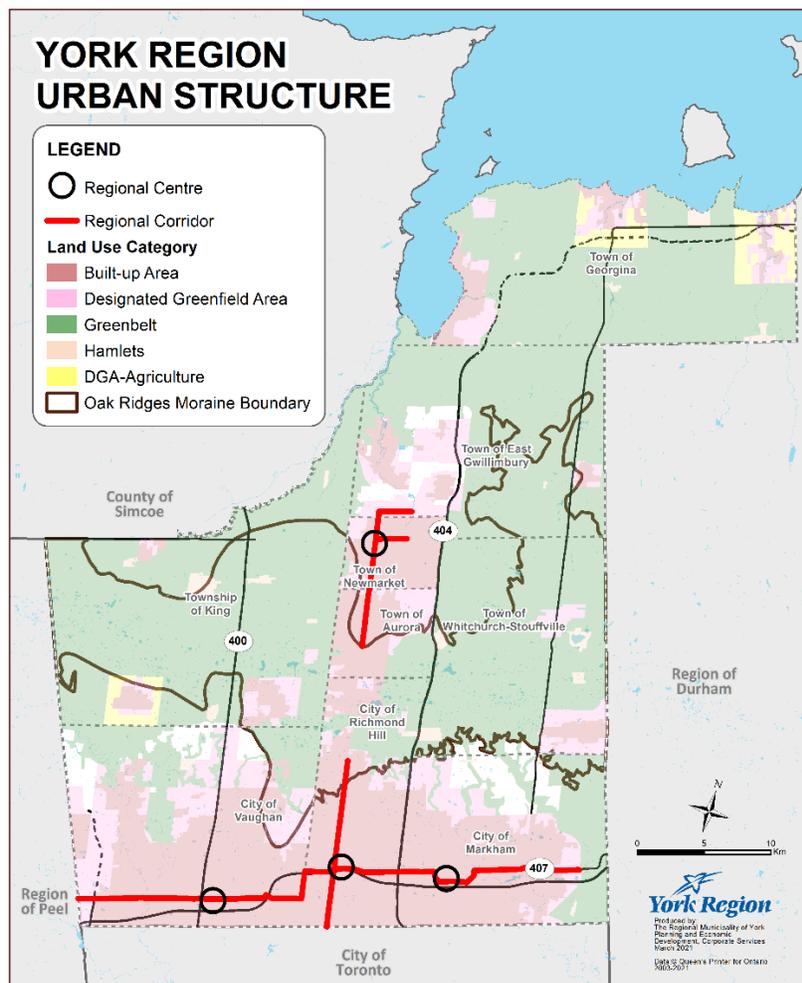
- Support the achievement of complete communities
- Prioritize intensification and higher densities in strategic growth areas to make efficient use of land and infrastructure and support transit viability
- Support a range and mix of housing options to serve all sizes, incomes, and ages of households

- Improve the integration of land use planning with planning and investment in infrastructure and public service facilities

Growth Plan intensification and density targets are inputs to the forecast and land needs assessment

The Growth Plan establishes minimum intensification and density targets for upper and single-tier municipalities to support the achievement of growth management objectives for the GGH. York Region is required to plan for a minimum Region-wide intensification target of 50% and a minimum density target of 50 residents and jobs per hectare in the designated greenfield area. Figure 1 shows York Region land use categories. The built-up area must accommodate at least 50% of all new housing units constructed in the Region on an annual basis. By 2051, the density of designated greenfield and whitebelt areas (if required by the land needs assessment) must collectively meet a minimum density target of 50 residents and jobs per hectare.

Figure 1
York Region Land Use Categories



Source: York Region Planning and Economic Development Branch

York Region's land needs are determined using the mandatory Provincial Land Needs Assessment methodology

In May 2018, the Province issued a standardized approach for assessing land needs in the form of the [Land Needs Assessment Methodology for the Greater Golden Horseshoe](#). A revised Land Needs Assessment Methodology was issued in August 2020, providing a common method to determine the quantity of land needed to accommodate forecast population and employment growth. It does not determine the location of any potential settlement area boundary expansions. All upper and single-tier municipalities in the GGH, including York Region, are required to use the Land Needs Assessment Methodology to determine land needs to 2051.

Settlement area boundary expansions may only occur through a Municipal Comprehensive Review

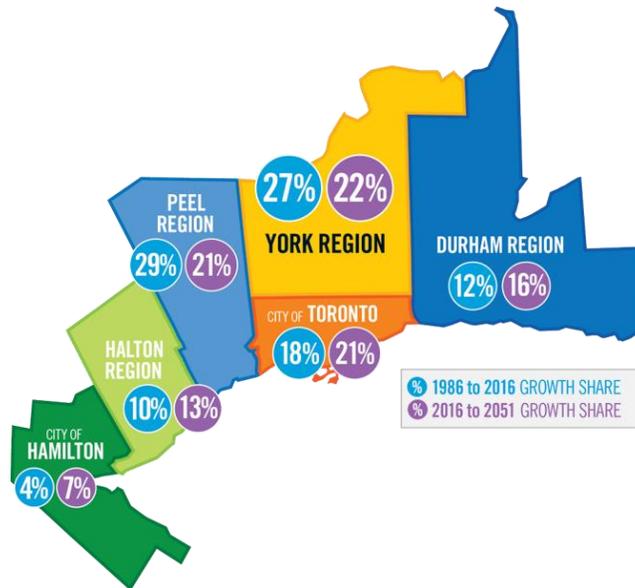
Under the Growth Plan, settlement area boundary expansions may only occur through a MCR where it has been demonstrated through applying the Provincial Land Needs Assessment that sufficient opportunities to accommodate forecasted growth are not available through intensification and through the designated greenfield area. In addition, a settlement area boundary expansion may occur in advance of a MCR subject to Growth Plan criteria, including the specification that the amount of the expansion is no larger than 40 hectares. York Region is currently undertaking its MCR, therefore, the latter policy is not applicable.

The Province continues to forecast the highest share of growth to York Region among all municipalities in the Greater Golden Horseshoe

The Growth Plan forecasts continue to recognize York Region as a prime location for attracting significant population and employment growth. As shown in Figure 2, York Region is forecast to accommodate the highest share (22%) of population growth of any municipality in the Greater Toronto and Hamilton Area (GTHA) over the 2016 to 2051 planning horizon. The forecasts build on the historical trend that saw York Region attract 27% of the GTHA's population growth between 1986 and 2016 – second only to Peel Region for that period. During the 2016 to 2051 period, York Region is also forecast to accommodate 25% of GTHA employment growth.

Figure 2

Distribution of historical and forecast growth by GTHA municipality



Source: York Region Planning and Economic Development Branch

Similar to other municipalities in the GTHA, population growth in York Region is anticipated to be driven by strong immigration to Canada. York Region is also anticipated to build on its economic success with its existing diverse economic base, healthy supply of employment lands, and investments in major transit infrastructure including the Toronto-York Spadina Subway Extension to Vaughan and the planned extension of the Yonge North Subway Extension to Richmond Hill.

2.2 Regional Policy Context

Forecasts provide the foundation for infrastructure and financial planning

Population and employment forecasts at the Regional, local municipal, and small area geography level (e.g. traffic zones) are used for a range of infrastructure and financial planning purposes. Growth forecasts, generated through an iterative process, are integral to ensure financially sustainable planning of water and wastewater and transportation infrastructure projects to accommodate growth in the Region, including the determination of required servicing capacity, timing, and location of projects. Costs associated with these projects along with forecasts of residential and non-residential development are used as inputs to the Region's development charges background study and for projecting annual development charge revenue. The Region's population and employment forecasts are also used for a wide range of Regional and local municipal service planning and programs.

York Region's forecast and land needs assessment are informed by other MCR studies

The Growth Plan is implemented by York Region and other upper and single-tier municipalities through a MCR and Regional Official Plan update. Throughout 2019 and 2020, background

reports were presented to Regional Council on Employment Area Conversions, Planning for Intensification, Planning for Employment, Major Transit Station Areas, Planning for Density in New Communities, Natural Systems Planning, Planning for Agriculture, and Aligning Growth and Infrastructure. These reports have informed the proposed forecast and land needs assessment presented in this report.

Vision 2051, the York Region Official Plan, and the Strategic Plan provide principles for forecasting growth in the Region

Vision 2051 sets out the long-term blueprint for York Region's future. A series of goals and actions inform decisions of Regional Council, corporate strategies, and the work of the Region. The eight goal areas in Vision 2051 articulate the vision for York Region in 2051. A number of these goal areas are related to growth management including: Liveable Cities and Complete Communities, Living Sustainably, Appropriate Housing for All Ages and Stages and an Innovation Economy, among others.

The Regional Official Plan implements goals of Vision 2051, providing land use planning, resource protection, and growth management policies to guide how the Region will grow. The York Region Official Plan is based on achieving the triple bottom line objectives of fostering a sustainable natural environment, healthy communities, and economic vitality. Regional Official Plan policies, including those related to growth management and forecasting, are being updated as part of the MCR.

Building upon the Regional Official Plan, the Region's Strategic Plan 2019 to 2023 sets out four key priorities which also provide direction on how the Region should grow. These priorities include increasing economic prosperity, supporting community health, safety, and well-being, building sustainable communities and protecting the environment, and delivering trusted and efficient services. The principles embodied in the Regional Official Plan and Strategic Plan are reflected in the Region's forecast and land needs assessment.

2.3 Local Municipal Context

The Region distributes population and employment growth to local municipalities

The Growth Plan population and employment forecast to 2051 is distributed by York Region to the nine local municipalities through the MCR and update of the Regional Official Plan. Local municipalities are required to update their official plans to be in conformity with the updated forecasts within one year of the Regional Official Plan being approved by the Province. This requirement emphasizes the need for continued collaboration between Regional and local municipal staff in developing the local municipal forecasts.

Local municipalities must plan to achieve minimum intensification and density targets identified in the updated Regional Official Plan

As part of the MCR, the Region assigns minimum intensification targets to each local municipality to contribute to the Region meeting the Growth Plan minimum 50% target. Local municipalities are required update intensification targets in official plans to be consistent with the new target and undertake any additional official plan and/or secondary plan updates that may be required in order to meet or exceed the minimum target.

The Growth Plan also requires that the Region assign a designated greenfield area density target to each local municipality to ensure the minimum 50 residents and jobs per hectare target is achieved in designated greenfield areas across the Region. This target will be incorporated into local municipal official plans and implemented through secondary plans, as required.

2.4 Stakeholder Consultation

Local municipal forecasts were prepared in consultation with local municipalities, the building industry, and the Region's Planning Advisory Committee

Local Municipalities

Local municipal staff were consulted on inputs and assumptions to the Region's forecast and land needs assessment including: intensification and density assumptions, preliminary local municipal intensification targets, designated greenfield area housing supply, employment area conversions, employment area density targets, infrastructure planning opportunities and constraints, and urban expansion considerations. Consultations occurred through individual meetings and as part of the regular Regional MCR Local Municipal Working Group meetings.

Several municipalities requested a higher local municipal intensification target while others expressed general agreement with the proposed targets. Some municipalities expressed the desire for higher population forecasts that would require servicing solutions beyond those currently contemplated as being financially sustainable. Other comments included the need to justify the Region-wide annual rate of growth to 2051 given the recent slow pace of growth, that the overall Regional intensification target is too low, and that the Region should prioritize infrastructure investment that provides capacity to local municipalities with the highest shares of intensification and greenfield growth. Some concern was also expressed with the concept of identifying lands not required for growth to 2051 as 'Future Urban', as discussed later in the report.

In December 2019, Town of East Gwillimbury Council endorsed a report recommending the remainder of the whitebelt lands in the Town be included as Urban Area as part of the MCR in order to allow the Town to comprehensively plan for future employment and residential growth.

Building Industry and Land Development Association (BILD)

The development industry, through BILD, was consulted through the BILD York Region Chapter, BILD Advisory Group, and the BILD Technical Working Group where draft forecast assumptions were presented. BILD's primary comment was the need to provide sufficient urban expansion land to provide a market-based range of housing types. There was general agreement on the concept of enhancing the alignment of growth and infrastructure to support the financial sustainability of the Region.

Planning Advisory Committee

Regional staff presented the draft forecast and Land Needs Assessment to the York Region Planning Advisory Committee on February 17, 2021. Planning Advisory Committee members

inquired about the potential for assuming a higher rate of intensification to capitalize on infrastructure investments and planned growth in Regional Centres and discussed how a diversity and inclusion lens could be applied to implementing and achieving 2051 forecasts.

Extensive consultation on the proposed forecast and land needs assessment will take place following release of this report. Please see Attachment 5 for further details.

3.0 CONTEXT – GROWTH MANAGEMENT IN YORK REGION

Population and job growth are fundamental to economic vitality and community well-being

Population and job growth in the right locations are critical factors in developing complete communities that provide opportunities to live, work, learn, and play locally. Complete communities improve health outcomes, reduce impacts on the environment, and reduce reliance on personal vehicle use by offering improved transit access and greater active transportation. Communities that offer a mix of land uses and alternatives to the automobile offer optimal conditions to support employment growth and to attract highly skilled and talented employees. A region that can attract and keep high quality jobs across a range of sectors will enhance economic stability for the entire community and raise the overall standard of living. Population and employment growth also ensure financial stability by growing the tax base and financing high quality capital infrastructure and community services to improve the overall standard of living for residents.

3.1 York Region has a strong foundation for accommodating growth

York Region has strategic locational advantages within the Greater Toronto and Hamilton Area to attract and retain population and employment growth

York Region is one of the fastest growing municipalities in Canada and is an integral part of the GTHA market area. York Region's diverse communities, emerging urban centres, competitive industries, attractive natural environment, and strategic location in the GTHA continue to attract both population and employment growth. Attributes are listed below:

- The Region benefits from core underlying demographic and economic attributes of strong population and employment growth, a highly educated labour force, and a high quality of living. In addition to being Ontario's fastest growing large municipality and third largest business hub, York Region's median household income ranks second only to Halton Region among all municipalities in Ontario (2016 Census).
- The Region's location in the GTHA 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 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.

- Transportation infrastructure such as the Viva Bus Rapid Transit system and Toronto-York Spadina Subway Extension to the Vaughan Metropolitan Centre (VMC) support significant office and residential construction. The future extension of the Yonge subway line to Richmond Hill, the anticipated arrival of two-way all day GO transit service, and continued construction on Bus Rapid Transit corridors will continue to be a catalyst for residential and office development in the Region's Centres and Corridors.

As the Region's urban structure continues to evolve and the Regional Centres and Corridors mature, these core attributes will help maintain and promote continued competitiveness for York Region as a top location in the Greater Toronto Area.

Regional Official Plan provides a policy framework for supporting and managing growth

The 2010 Regional Official Plan provides a strong foundation for planning for population and employment growth in the Region by supporting a long-term vision for building healthy complete communities in a way that preserves the natural heritage and agricultural systems. Regional Official Plan policies have shaped the development of the Region's residential communities through an urban structure based on centres and corridors surrounded by the urban area and a number of rural towns of villages as well as retail and commercial nodes and employment lands. Each of these areas play a role in accommodating forecasted growth.

Policy directions in the Regional Official Plan fundamental to growth management include:

- A planned urban structure anchored by centres and corridors that provides a focus for intensification, mixed use development, and live/work opportunities
- Transit supportive and pedestrian oriented, complete communities
- Protection of the Greenbelt, Oak Ridges Moraine, and a robust agricultural system
- Transit investment to support intensification
- Timely delivery of required water and wastewater infrastructure
- Fiscal responsibility
- Job creation to match labour force growth and protection of employment areas
- Housing diversity and affordable housing to offer Regional residents housing choices and for attracting a diverse and skilled labour force

Updates to the Regional Official Plan aim to build upon and strengthen the existing policy framework. Updates will address changes to the Growth Plan and reflect the changing nature of population and employment in the Region as a result of historical and future trends.

Planning framework and pattern of growth has changed since the current Regional Official Plan was approved in 2010

Since the Regional Official Plan was last updated in 2010 with forecasts to 2031, a variety of trends and factors have changed pace and structure of growth in the Region. These factors include:

- The pace of population and employment growth in York Region has been slower in recent years than both the Growth Plan and Regional Official Plan anticipated.
- External factors have resulted in a growth distribution across the Region that differs from what was forecast in 2010. For example, the Upper York Water Reclamation Centre has been delayed to 2028 at the earliest, impacting the timing of growth in East Gwillimbury, Newmarket, and Aurora.
- The Toronto-York Spadina Subway Extension completed in 2017 has resulted in unprecedented growth in the VMC, with current planning applications surpassing 2031 forecasts for this area. The Yonge North Subway Extension scheduled for completion in 2030 is anticipated to be a further catalyst for growth in the Region.
- The introduction of Major Transit Station Areas through the Growth Plan has placed a greater emphasis on intensification and re-enforced the symbiotic relationship between transit investment and transit-oriented development.
- As a result of several factors, the Region's 2010 New Community Areas have only recently received secondary plan approval and most are ready to start delivering complete communities in the coming years, adding a significant amount of greenfield development opportunity.
- While the Region has continued to see healthy levels of job growth over the last 10 years, there has not been the corresponding growth in new employment related construction in either employment areas or new office space. The City of Toronto has attracted a significant share of office development in the GTHA in recent years.
- The continued emergence of e-commerce was expected but has been accelerated with the current COVID-19 crisis. E-commerce is changing the retail landscape across the GTHA and is also increasing demand for low density warehouse and distribution centres in employment areas.
- The Region's employment land base is under increased pressure for conversion to non-employment uses as evidenced by the 70 conversion requests received as part of the current MCR, 40 of which were approved by Regional Council in [October 2020](#).

3.2 Infrastructure alignment and fiscal sustainability

The municipal comprehensive review is a fully integrated initiative that aligns land use planning, infrastructure investment, and financial sustainability

The Growth Plan requires growth management be undertaken through an integrated approach which coordinates land use, infrastructure, and financial planning. Infrastructure investment is leveraged by directing growth to intensification areas, delivering transit supportive densities and prioritizing servicing capacity in strategic growth areas. The distribution of growth should be supported by infrastructure master plans, watershed planning, and other relevant studies.

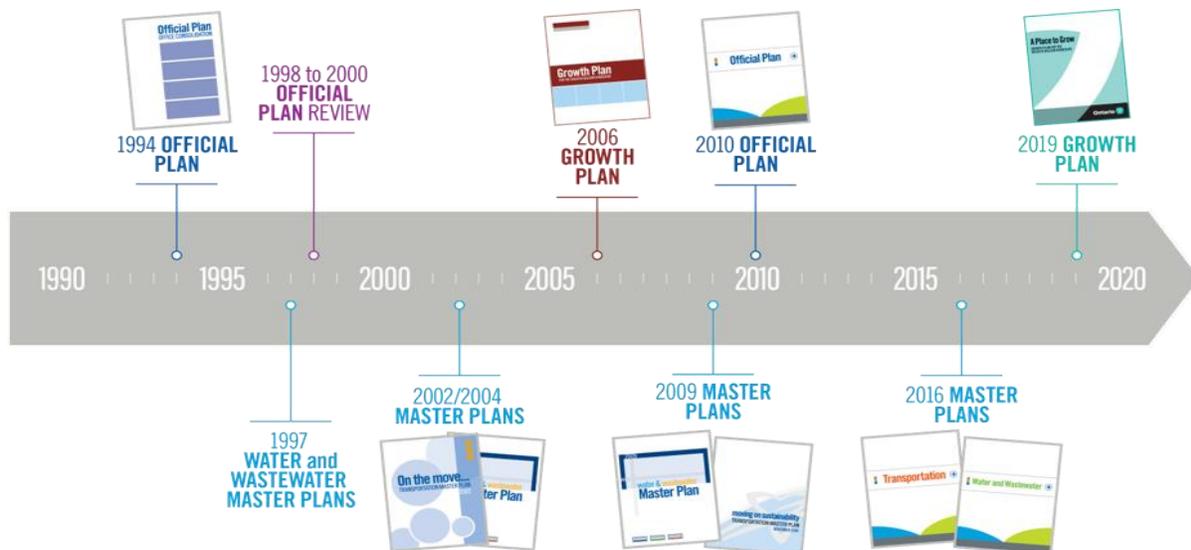
These principles are translated into the Region's forecast and land needs assessment to 2051 by implementing a comprehensive approach to land use planning which aims to optimize existing infrastructure and consider financial implications. Through the MCR, there has been

emphasis on a collaborative and iterative approach to population distribution and staging to align with infrastructure in a financially sustainable manner. Under this approach, infrastructure capacity and timing considerations play a prominent role in distributing provincial growth forecasts to the local municipalities.

Integrated planning has been undertaken in York Region since 1994

The concept of comprehensive and integrated planning that incorporates infrastructure and financial planning considerations along with growth forecasts is not a new concept for York Region. Councils’ significant transportation, transit, water and wastewater infrastructure investments have led to the Region’s economic success and have set the stage for continued success moving forward. As shown in Figure 3, this includes updates to Regional forecasts, infrastructure Master Plans, and development charges background studies. Since 2006, this process has been guided by the Provincial Growth Plan forecasts and growth management policy directions. The MCR provides an opportunity to re-assess the Region’s growth trajectory and distribution to ensure that growth is financially sustainable.

Figure 3
Integrated Planning in York Region

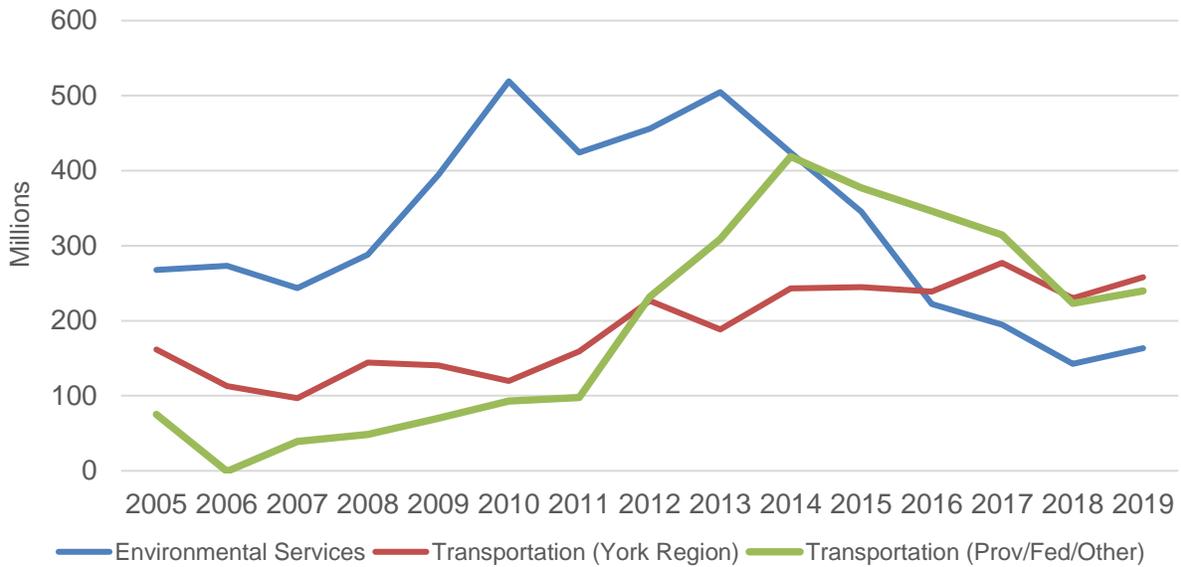


Source: York Region Planning and Economic Development Branch

York Region has made significant water, wastewater, and transportation infrastructure investment to support growth

Regional Council and federal, provincial, and local municipal governments have made significant investments in major infrastructure to support growth in York Region. As of 2020, the total replacement value of the Region’s assets was approximately \$15 billion. As shown in Figure 4, over the past 15 years, the Region has invested more than \$4.8 billion in water and wastewater infrastructure mainly for servicing growth, but also for asset rehabilitation and replacement. Optimizing the use of this existing infrastructure investment will create fiscal capacity to finance the additional infrastructure investment needed to support growth to 2051.

Figure 4
Infrastructure Investments 2005-2019



Source: York Region Planning and Economic Development Branch

Since 2005, the Region and third-party partners have also invested over \$2.0 billion in road infrastructure and \$3.7 billion in transit infrastructure, including York Region Transit capital improvements, the Bus Rapid Transit system, and the Toronto-York Spadina Subway Extension. These investments have acted as catalysts for growth in the Region’s Centers and Corridors, most notably in VMC. The Yonge North Subway Extension to Richmond Hill is another significant transit investment and will unlock the full development potential of Richmond Hill Centre, Langstaff Gateway, and southern Yonge Street corridor.

Infrastructure investments have been fundamental to the Region’s economic success and support continued growth essential to maintaining fiscal sustainability

The Region’s capital investments since the early 2000s, along with the long-range integrated planning, have formed the foundation for supporting significant growth. Between 2001 & 2019, employment increased by 270,000 jobs. The Region is also home to over 52,000 businesses including over 500 foreign companies. With over 4,300 Information and Communications Technology (ICT) companies, York Region is the second largest technology cluster in Canada, and largest on a per capita basis.

As a result of these significant investments, the Region continues to have significant capacity for growth in the Region without requiring any new infrastructure. York Region can service 223,000 people (approximately 75,000 units) with this existing infrastructure already in place. Capacity for growth exists in all nine local municipalities as well as in key growth areas of the Region including Centres and Corridors and a number of greenfield communities.

York Region is entering a mature state of growth

While Council has committed significant investments to infrastructure, the Region has also been experiencing a lower than forecast rate of growth over the last number of years. To help keep growth affordable, a Fiscal Strategy was adopted in 2014 to address escalating debt stemming from lower growth than anticipated and the subsequent lower development charge revenues.

Significant progress has been made in stabilizing the Regions' financial situation since instituting the Fiscal Strategy. Several growth-related projects have been deferred in recent years to better align with revised development charge collection forecasts. The annual budget process provides an opportunity for the Region to better align infrastructure projects with actual growth and development charges collections to mitigate the impacts of slower growth.

If the Region continues to experience lower than forecast growth – a trend that may continue in the short term as a result of the current economic downturn associated with coronavirus disease (COVID-19) – it is increasingly important to capitalize on existing infrastructure before making new investments and to stage investments according to the actual pace of growth.

3.3 Market Considerations

Watson's Foundational Housing Analysis provides recommendations on how to balance the market with policy objectives

The Provincial Growth Plan, PPS, and Land Needs Assessment Methodology have placed greater emphasis on the role of the market and meeting market demand when determining housing forecasts to meet 2051 population forecasts. Watson & Associates Economists Limited (Watson) was retained to help understand the impact of the market on population growth. Their work was focused on assessing all factors impacting the Region's recent and future rate of growth, including supply and demand factors, as well as housing affordability. An important consideration in the development of the 2051 forecast is the need to balance market demand, Provincial Growth Plan targets and policy objectives, housing supply, and housing affordability to help achieve the forecast and continue to work towards complete communities for the Region's residents.

Watson has undertaken a Foundational Housing Analysis for the Region. The analysis consisted of two deliverables:

- A Preliminary Findings Brief discussing factors impacting recent slow growth in the Region and the link to housing affordability.
- A Final Report which provided a review/commentary of the Region's preliminary forecast in the context of the market and the potential impacts of affordability on the future market. This report also provided commentary on the opportunities and challenges with meeting 2051 forecasts and recommendations on how to balance market, housing affordability, and policy objectives in the Region's work.

Foundational Housing Analysis identifies a number of factors and trends impacting the market which were important considerations in preparing updated forecasts

Through their Preliminary Brief, Watson identified many factors currently influencing the housing market that were important considerations informing the Region's updated forecasts and land needs assessment. The following were considerations for staff when preparing updated forecasts:

- The long-term growth outlook remains positive
- The housing market will continue to steadily shift from low-density to medium- and high-density housing forms
- The Region's major transit investments combined with planning and economic development initiatives will be key to the Region's success related to intensification
- Townhouses represent a more affordable option in the ground related market compared to detached homes as these products are an average of 40% less expensive.
- Employment growth opportunities will be increasingly knowledge-driven
- The aging population is putting downward pressure on population growth and labour force participation
- Affordable housing supply constraints are impeding the Region's growth outlook
- Working with public and private partners to provide a more diverse supply of housing, including purpose-built rental housing options, will be important

COVID-19 is likely to have profound near-term impacts as well as potential long-term impacts on the pace and nature of growth

The recent impacts associated with COVID-19 on global and national economic conditions have been severe. Canada's G.D.P. declined by approximately 39% in the second quarter of 2020 (April to June) and although job growth has since begun to recover, employment levels are expected to remain below pre-COVID levels until at least late 2021. Immigration levels to Canada are also anticipated to remain low because of travel restrictions. This has the potential to reduce population growth levels and soften the housing market in areas of Ontario where population growth is heavily dependent on immigration. Within the GGH, the City of Toronto, Peel Region, and York Region are likely to be the most heavily impacted. In addition to its broader impacts on the economy, COVID-19 is also anticipated to accelerate changes in work and commerce because of technological advances which were already occurring prior to the pandemic. These trends are anticipated to have a direct influence on commercial and industrial real estate needs over both the near and longer terms.

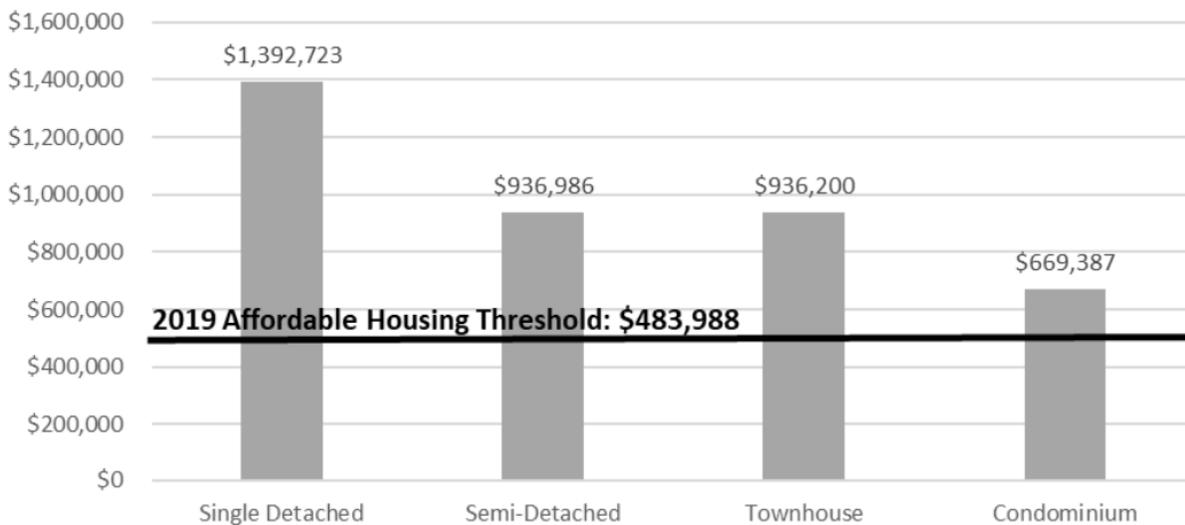
In light of these anticipated trends, staff considered the likely impacts to the nature of employment in updated forecasts to 2051. That said, given the full impacts of the pandemic are unlikely to be known for some time, most adjustments were within forecast periods early in the planning horizon. Significant variations to both the pace and structure of population and employment growth were not contemplated.

3.4 Housing Affordability

Annual Measuring and Monitoring shows York Region becoming increasingly unaffordable

To apply the provincial definition of affordable for ownership purposes, household income is calculated at the 60th percentile to set the affordable housing threshold (i.e. the maximum house price that the lowest earning 60% of households can afford). The affordability of new ownership housing and the supply of new purpose-built rental housing is monitored annually. The [2019 monitoring report](#) advised Council that only 11% of new ownership housing units were affordable, 99% of which were studio or 1-bedroom condominiums and not suitable for families. The report also advised that only 3% of new housing was classified as purpose built rental housing. In 2019 the affordable housing threshold was approximately \$484,000. As shown in Figure 5, the average cost of all new housing types is greater than this threshold, and the gap between the affordable housing threshold and average market prices is a barrier to home ownership in York Region for many households.

Figure 5
York Region Average House Prices(new), 2019



Source: York Region Planning and Economic Development Branch

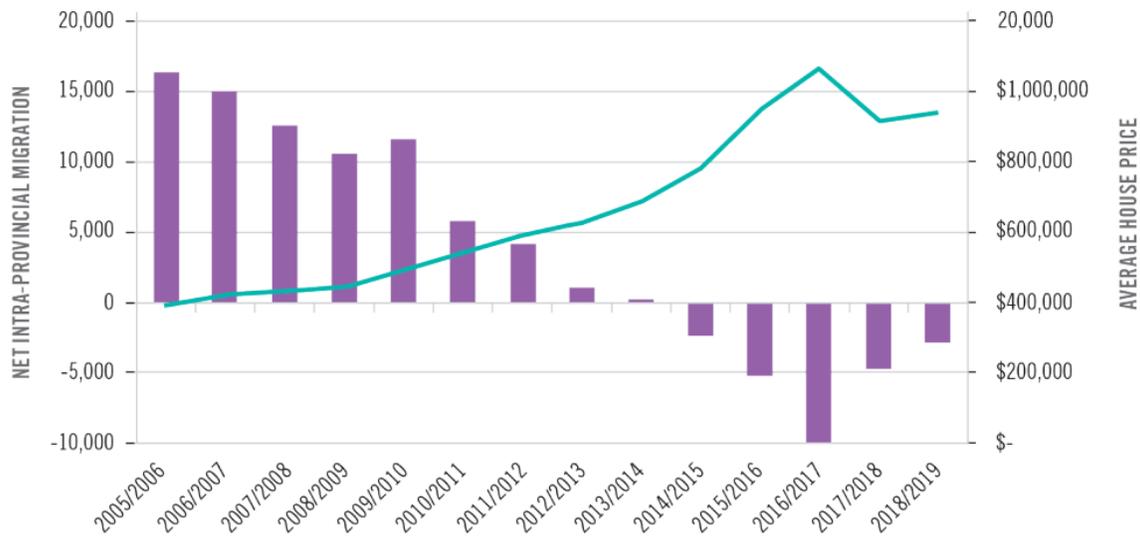
Housing affordability was an important consideration in the development of the Region's structure type forecast. Ensuring a range and mix of affordable housing options through both technical assumptions in the land needs assessment as well as implementation of plans and programs following the MCR will be important in the Region's ability to achieve its 2051 forecast.

Watson has identified that a direct correlation can be drawn between housing affordability and slow growth

Based on their research, Watson determined that a lack of housing options across York Region, most notably affordable low-density housing and purpose-built rental, has likely contributed to limiting the Region’s recent population growth. As shown in Figure 6, Watson have drawn a direct correlation between house prices and intra-provincial migration, traditionally a strong driver of population growth in York Region.

Figure 6

York Region House Prices vs Net Intra-Provincial Migration, 2006-2019



Source: York Region Planning and Economic Development Branch

Key findings from Watson’s Preliminary Brief with respect to housing affordability include:

- York Region has a declining share of residential development activity and is the only municipality in the GGH likely to experience a slower annual population growth rate between 2016 and 2021 compared to the previous 5-year period
- Lower population growth in combination with the aging population has resulted in increased need to attract younger families for economic development purposes. The accommodation of a skilled labour force and attraction of new businesses are strongly linked and positively reinforce one another.
- While there has been a decline in ground related development, high density ownership units have seen increased activity. That said, these units are generally smaller sized and may not be suitable for families.
- The high-density rental market is limited by few new rental developments and low vacancy of existing rental units

- Durham Region and Simcoe County have the most affordable new single-detached homes in the broader regional market area, with average costs 54% and 40% of the average cost in York Region respectively, likely drawing demand from York Region for this product type
- Townhouse units may provide more affordable ground related housing options, particularly in northern York Region.
- Housing affordability is a key component of quality of place and directly linked to population and economic growth potential as well as municipal competitiveness.

Through their Preliminary Brief, Watson identified that future growth and development opportunities may also be impacted by affordability challenges. Watson identified that addressing the interconnection between the Region's competitive economic position and its longer-term housing needs by market segment is important in realizing the Region's 2051 population and employment forecast. Potential impacts directly related to the Region's 2051 forecast are explored further in Watson's Final Report (Executive Summary in Attachment 3) and discussed in Section 7 below.

3.5 Planning for Intensification and Density

Growth Plan 50% intensification target supports Council's infrastructure investment and is consistent with the York Region market

A fundamental metric informing community land needs is the Growth Plan minimum 50% Region-wide intensification target which York Region must plan to achieve. In addition to being a requirement of the Growth Plan, past direction from Regional Council provides support to plan for 50% intensification. Planning for 50% intensification also supports Council's priorities when managing and planning for growth in the Region's centres and corridors by supporting investments in infrastructure, by offering a mix and range of affordable housing options in compact transit supportive communities, and by supporting market demand. The target further supports and builds on the Region's economic development success by advancing the Region's city building objectives and by helping to attract new businesses and jobs for residents.

Planning for half the Region's growth in the existing built up area demonstrates a continued commitment by the Region to intensification. Not only does it support past infrastructure investments, but it substantiates investments that will continue to be required to support growth to 2051. Being the only municipality in the Greater Toronto Area outside of Toronto with access to an existing and future subway and with over \$3.2 billion having been invested in rapid transit infrastructure by all three levels of government over the past 15 years, York Region is well-positioned to achieve this target. Planning for 50% intensification positions the Region for a better return on this investment through development charges. A significant share of growth in intensification areas also demonstrates to senior levels of government that York Region is invested in, and committed to, city building and sustainable transit-oriented development.

York Region has significant potential to accommodate growth in the built-up area to meet or exceed the minimum 50% target. In planning for 78 Major Transit Station Areas, the Region has the potential to accommodate 505,000 people and 195,000 jobs or more in these locations. The

planned growth potential for these areas significantly exceeds the forecast demand in the built-up area by 2051. Further, as of mid-2020, York Region had an estimated supply of 70,000 units under application in the built-up area. If built, these units would account for approximately 50% of the total forecast to 2051.

An intensification rate of 50% is consistent with what the market has been delivering on a sustained basis since 2006. Achieving 50% intensification over a sustained period to 2051 does require a significant shift in family households (couples with or without kids, lone-parent, multi-family households) into medium and high-density structure types. Planning for a 50% intensification target provides for a balanced mix of ground-related and higher-density housing options for York Region residents. Moving forward, staff will carefully monitor the intensification rate, greenfield supply, and phasing of new communities to ensure the pace of growth is consistent with Regional Official Plan objectives while maintaining the Region's financial sustainability.

Watson has identified 50% intensification is appropriate over the long term

Based on analysis from Watson and Associates (Attachment 3), a 50% intensification target appropriately reflects recent development trends, active residential development plans, and evolving longer-term demographic and socioeconomic trends within York Region. Watson notes that the Region could exceed a 50% intensification target in the near to medium-term based on the current supply of active development applications. Once servicing constraints in the designated greenfield area, particularly across northern York Region have been addressed, the likelihood of achieving greater than 50% over the long term is less certain. Watson, therefore, conclude that a 50% allocation of housing growth to the built-up area is appropriate.

Through their assessment of the Region's forecast on housing affordability, Watson further identifies the appropriateness of the 50% intensification target in that it reflects a continued shift from low to medium and high-density structure types across the GTHA. This shift, likely driven in part by growing affordability challenges in low density structure types, will continue to drive demand for a more diverse range of medium- and high-density options in the Region's built-up area. Planning for higher-density rental and ownership units, particularly in areas supported by transit and with access to amenities, will also help support the growing number of seniors anticipated over the forecast horizon.

Planning for a designated greenfield area density target of 60 people and jobs per hectare reflects what the market is delivering and allows for more accurate infrastructure planning

To forecast growth in the Region's urban expansion areas, the designated greenfield area density has implications on infrastructure timing and delivery, determining pipe size, planning for new roads and road improvements, and estimating future transit ridership. It also has impacts on how the Region calculates development charge rates and estimates development charge revenue and tax levy growth. If planned growth and densities do not match market realities, development charge rates may not achieve effective cost recovery. For these reasons, it is important to be as accurate as possible about densities and associated growth anticipated in urban expansion areas. As illustrated in the June 2020 [Planning for Density in New](#)

[Communities](#) report, recently built communities in the Region's designated greenfield area are achieving an average of 62 people and jobs per hectare. Since the York Region market is delivering over 60 people and jobs per hectare in existing greenfield areas, assuming the minimum 50 density in the Growth Plan, would not support infrastructure or financial planning compared to the market reality.

4.0 PLANNING FOR POPULATION

4.1 Overview

Proposed forecast meets the land need determined by applying the Provincial Land Needs Assessment Methodology

Municipalities are required to use the provincial Land Needs Assessment methodology in determining land needs to 2051. The methodology provides municipalities with the requirements that must be completed as part of the MCR to determine the total quantity of land needed to accommodate forecasted growth to the Plan horizon, including the need for any settlement area boundary expansions. The land needs assessment methodology does not determine the location of these lands. The location of urban expansion is determined by criteria in the Growth Plan and policies in the Regional Official Plan.

The methodology provides municipalities with the key components as part of the land needs assessment process. These include considering market demand and Growth Plan policy targets for intensification and density, accommodating all employment types, determining community and employment land needs based on a demand-supply analysis, and planning for infrastructure that is needed to meet complete communities objectives to 2051.

Community land need premised on achieving minimum intensification and density targets

Community lands account for a significant share of the Region's settlement areas and are where residential, personal services, retail, cultural, recreational, and human services uses are located. Determining whether additional land is required to accommodate growth to 2051 in community lands is a function of two key Growth Plan targets:

- Minimum 50% intensification in the built-up area
- Minimum of 50 people and jobs per hectare in the designated greenfield area

The intensification target refers to the share of unit growth that is required to be accommodated in the built-up area (Figure 1) each year between the time the MCR is approved and 2051. A target of 50% is higher than the current Official Plan target of 40% but is consistent with what the Region has been achieving, on average, since 2006.

The designated greenfield area density target reflects the minimum number of people and jobs that are required to be accommodated on a per hectare basis in the Region's designated greenfield area. The Region's existing Official Plan sets an overall designated greenfield area density target of 50 people and jobs per hectare and a 70 people and jobs per hectare density

target in New Community Areas, however this was based on a different provincial methodology applicable at that time. An important difference in the Growth Plan, 2019 is that designated greenfield area density is calculated only on community lands rather than a combined density on community and employment lands. This is a fundamental difference in the new methodology as densities in employment areas are traditionally lower than those in community areas.

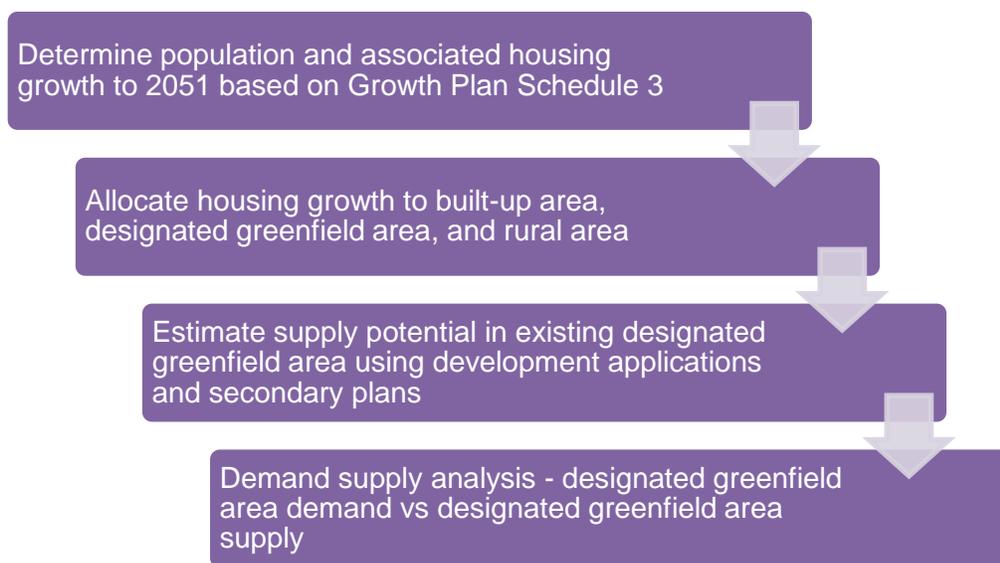
This change results in existing designated greenfield area densities being higher than those previously assumed in the 2010 Regional Official Plan. As a result, and at the direction of Regional Council, staff have reviewed the 70 people and jobs density target for new community areas and have used a density target of 60 people and jobs per hectare in New Community Areas for the purposes of land needs assessment. 60 people and jobs per hectare is what the market has been delivering in recently planned or developed communities.

There are four key steps to assessing community land needs

The Provincial Land Needs Assessment methodology for determining community land needs can be broken down to the following four main tasks, outlined in Figure 7.

Figure 7

Community Land Needs Assessment Methodology



Source: York Region Planning and Economic Development Branch

4.2 Population and housing growth to 2051

Housing unit growth required to accommodate 876,000 people by 2051 is informed by demographic inputs

Overall population growth to reach the Region's Growth Plan 2051 target is generated using the 2016 Census as the base year. According to Statistics Canada, the Region's population was 1,144,000 in 2016, resulting in a forecast growth of 876,000 people by 2051.

To translate this growth into units, the Region uses the cohort (age group) survival method to age the population and calculate future growth based on assumptions related to fertility rates, mortality rates, and net migration. Among these factors, net migration is the most sensitive and will continue to play a key role in population growth in York Region and the broader GTHA.

Age-specific household formation rates are then applied to the population by age in 2051 to estimate total housing demand. Different rates are used for family (couples with or without kids, lone-parent, multi-family households) and non-family (one person or two or more person non-census family households) households with an overall shift throughout the forecast to a higher share of non-family households in line with recent trends.

Based on an observation that non-family household formation rates are generally lower in York Region than elsewhere in the GTHA, rates were assumed to increase (from an average of 6.5% to 9%) over the forecast horizon.

Household growth by structure type balances market-based inputs and policy objectives

York Region’s forecast by structure type considered several different inputs. While a housing propensity analysis based on 2016 housing demand by age and structure was used as the preliminary step in the analysis, these assumptions were adjusted based on recent trends. These trends have seen housing demand by age and structure type shift significantly over the past 10 years toward medium- and high-density structure types, particularly in younger age groups and likely influenced by housing affordability. The structure type forecast was further adjusted to account for recent building permit activity, short-and medium-term housing supply in the development pipeline, and finally long-term projected impacts of housing affordability and infrastructure investments on the Region’s housing market. Table 1 displays the resulting structure type forecast.

Table 1
York Region Household Forecast by Structure Type

Period	Singles	Semis	Rows	Stacked Rows	Apartments	Duplex	Total
2016 (actual)	228,000	22,100	44,400	2,200 (est)	45,700	14,500	356,900
2016-2051 (growth)	80,400	7,300	66,200	16,500	128,900	5,500	304,800
2051 (forecast)	308,400	29,400	110,600	18,700	174,600	20,000	661,700

Source: York Region Planning and Economic Development Branch

Consistent with the Region’s analysis, Watson confirms that while a housing demand analysis based on population age and housing structure type using baseline data from Statistics Canada represents a useful starting approach in developing long-term assumptions by structure type, a number of additional factors need to be considered. These include more recent (e.g. last 15 years) housing demand, housing affordability, housing demand by tenure (i.e. rental vs. ownership housing), lifestyle decisions, health, mobility, Regional infrastructure investments, as well as the Growth Plan minimum 50% intensification target and a designated greenfield area

target of 60 residents and jobs per hectare, both of which are consistent with what the market is currently delivering in York Region.

Pace of growth determined by demographics, the market, and timing of infrastructure delivery

While land needs are determined based on growth to 2051, an important component of York Region’s MCR forecast is to allocate growth by 5-year period both for infrastructure and fiscal planning purposes. A range of factors are considered in distributing growth by 5-year period between 2016 and 2051, including but not limited to, demographics, infrastructure timing, and market factors related to available residential supply. Population growth by five-year period is presented in Table 2. Historical growth has also been provided for context.

**Table 2
York Region Population Growth by Five-Year Period**

Period	Population Growth
2006-2011 (historical)	133,000
2011-2016	78,700
2016-2021 (forecast)	82,600
2021-2026	105,300
2026-2031	115,700
2031-2036	132,100
2036-2041	138,400
2041-2046	150,600
2046-2051	151,400
Total (2016-2051)	876,100

Source: York Region Planning and Economic Development Branch

Growth to 2021 is based on estimates of housing development that has occurred since 2016 and units currently under construction. As a result of construction timing, ground-related and apartment units that will be occupied by mid-2021 are already under construction. As a result of the high level of certainty associated with unit growth to 2021, the first period of the forecast does not reflect the 50% intensification target, rather 55% to reflect actual growth and units that are built, under construction, and/or well advanced in the planning process.

The timing of growth between 2021 and 2051 reflects expected increases in the level of migration over the forecast period – particularly beyond 2026 when major infrastructure projects are expected to release new growth areas in the Region. Major infrastructure projects expected to increase the pace of growth beyond 2031 include upgrades to the York Durham Sewage System conveyance and pumping stations and Duffin Creek treatment plant, the initial construction and future expansion of the Upper York Water Reclamation Centre, northeast and west Vaughan water and wastewater upgrades, as well as the Yonge North Subway Extension.

The anticipated timing and capacity of infrastructure delivery was a critical input to the Region’s housing forecast by 5-year period; however, it should be noted that preparation of Regional forecasts is an iterative process that may result in changes as infrastructure planning, including timing, is confirmed through Regional Master Plans. Given that the Region is now planning to a 2051 planning horizon, additional infrastructure will be needed beyond what was previously contemplated by Water and Wastewater and Transportation Master Plans.

Household growth to 2051 reflects higher PPUs in new units

An assumption in the Region’s forecast is a higher persons per unit (PPU) assumption for growth in new units. This approach is similar to the approach taken in Development Charges studies. The methodology also reflects a projected shift toward a greater number of families moving into higher density structure types. This shift is driven by affordability challenges that are likely to persist in ground-related structure types, increasing demand in the Region’s evolving Centres and Corridors, as well as the policy shift required to achieve the Growth Plan minimum 50% intensification target.

In deriving PPU assumptions by structure type, key inputs include:

- Observed growth in new units over the past 35 years based on Statistics Canada data
- Detailed analysis of shifting occupancy patterns as input to predicting a reasonable estimate for higher density structure types

A comparison of PPU in new units to 2051 with the previous 35-year average is provided in Table 3. An overall Regional PPU by structure type was generated prior to assessing geographic differences by local municipality. Local municipal PPU values were used to derive growth by local municipality shown in Section 8.

Table 3

York Region PPU in new unit assumptions – historical and forecast

Period	Singles	Semis	Rows	Stacked Rows	Apartments	Duplex
1981-2016	3.52	3.31	2.91	N/A	1.83	3.29
2016-2051	3.55	3.35	3.05	2.68	2.15	3.15

Source: York Region Planning and Economic Development Branch

PPUs in new units for rows and apartments informed by analysis of composition of households

While PPU in new low density (single, semi-detached units) were assumed to be consistent with historical trends, PPUs for new medium- and high-density structure types were informed by a detailed analysis of historical and future household composition. The analysis provided the following observations:

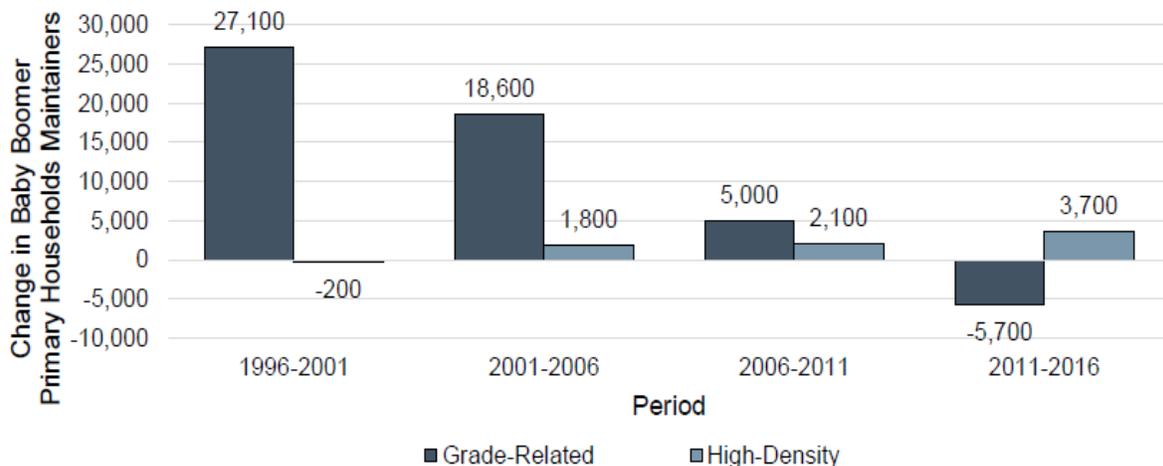
- Non-family households, with lower PPUs, are assumed to continue to account for a large share of apartment growth.

- Family households consisting of couples without kids (many of which are likely to be seniors according to analysis from Watson) are likely to account for a more significant share of the shift to high density units than family households with kids.
- Family households with kids were assumed to be more likely to shift from low density to medium density alternatives such as rows and stacked rows – more affordable options that continue to provide for more space than the average apartment unit.

Supported by work from Watson, York Region’s PPU assumptions do not assume a significant decline in the existing base over the forecast horizon – a trend that diverges from what has been observed historically. A large driver of this assumption is as a result of the aging population. Just as this demographic is likely to increase demand for high density structure types over the forecast horizon as a result of health, mobility, and income needs, this same trend is likely to result in a number of low density units “turning over” to younger, larger families. As shown in Figure 8 from Watson, this trend has already been occurring over the past 15 years and is expected to continue throughout the forecast period. Watson estimates that upwards of 40,000 low density units may “turn over” during the 35-year planning horizon.

Figure 8

York Region total housing growth by structure type associated with the “Baby Boomer” generation, 1996-2016



Note: Figures have been rounded.

Grade-related includes low-density (singles and semis) and medium-density (rows and apartments in duplexes) households. High-density includes bachelor, 1 and 2+ bedroom rental and condo apartments.

Source: Derived from Statistics Canada Census data, 1996 to 2016, by Watson & Associates Economists Ltd., 2020.

As a result of the assumptions above, and as shown in Table 3 above and Table 4 below, PPUs in new units and overall PPUs in medium and high-density structure types are expected to increase. The forecast assumes that a shift will occur that results in apartment units being occupied by 60% families compared to 50% today.

Table 4
York Region Average Persons per Unit Assumptions

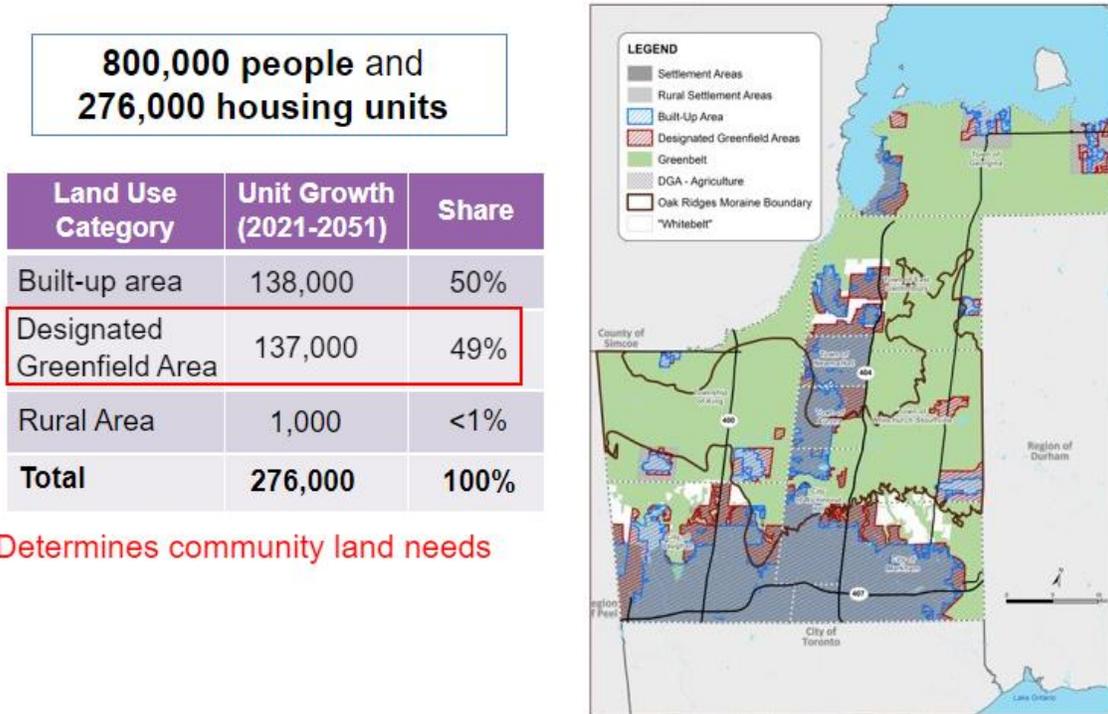
Period	Singles	Semis	Rows	Stacked Rows	Apartments	Duplex
2016 (actual)	3.37	3.23	2.89	N/A	1.82	3.05
2051 (forecast)	3.40	3.24	2.98	2.64	2.06	3.06

Source: York Region Planning and Economic Development Branch

Household growth is distributed by land use category in accordance with Growth Plan requirements

Housing unit growth by structure type to 2051 is distributed to three land use categories in accordance with Growth Plan targets. Based on the Region’s monthly population estimates and units under construction as of 2020, the Region’s population is estimated at approximately 1,225,000 people in 2021, translating to growth of just under 800,000 people, or 276,000 units to 2051. Figure 9 provides a summary of the process as well as the result. The first step is to allocate 50% of forecast unit growth to the built-up area. Next, a small assumption is made in the rural area to reflect minor housing growth outside the settlement area. In the case of York Region, less than 1% of unit growth was assumed to be in the rural area. Finally, the remaining units in the forecast are assumed in the designated greenfield area. The designated greenfield area is the primary determinant of an urban expansion.

Figure 9
Community Land Needs Assessment



Source: York Region Planning and Economic Development Branch

Household growth by structure type in each land use category is informed by existing supply and Growth Plan and Regional Official Plan policy objectives

Distribution by land use category varies by structure type and is informed by units under application, secondary plan estimates for greenfield and intensification areas, as well as the Region-wide minimum intensification target of 50%. The 2021-2051 distribution of growth by structure type and land use category is summarized in Table 5.

Table 5

Unit Growth by Structure Type and Land Use Category (2021 – 2051)

Land Use Category	Singles	Semis	Rows	Stacked Rows	Apartments	Duplex	Total
Built-up area	5,600	1,100	20,200	6,600	101,500	3,000	138,000
Designated greenfield area	62,900	5,600	39,400	9,600	17,500	2,000	137,000
Rural area	1,000	0	0	0	0	0	1,000
Total	69,500	6,700	59,600	16,200	119,000	5,000	276,000

Source: York Region Planning and Economic Development Branch

While the built-up area is assumed to accommodate a significant share (85%) of the Region’s high density unit growth over the forecast period, the majority of the low density (singles & semis) unit growth (90%) is assumed in the designated greenfield area where more vacant land exists. Medium density units (rows, stacked rows, duplex) have been distributed throughout the Region. As identified by Watson, row units are the most affordable ground-related product in the Region. Delivering these units in both the built-up area and the designated greenfield area will therefore be important in delivering complete communities with housing more affordable to medium-income households.

Unit growth by structure type in the designated greenfield area reflects planned growth through existing applications and approved secondary plans. The land needs assessment requires municipalities to estimate a 2051 buildout of the designated greenfield area. An assumption in the Region’s forecast is that while the majority of planned ground-related supply in the designated greenfield area supply is assumed to build out by 2051, just over 50% of apartments are assumed to be built and occupied by 2051. This assumption is driven by the fact that apartment growth is likely to be concentrated in the built-up area because access to rapid transit is more readily available.

Approximately one in four units required to meet the 50% intensification target are projected to be ground related

Despite a comparatively lower share of ground-related unit growth in the built-up area, the Region’s built up-area provides infill opportunities for both low and medium density units. For example, a number of golf courses in the Region are expected to redevelop over the forecast horizon, providing a significant volume of low and medium density units. Townhouse redevelopment projects are another form of redevelopment in the Region’s built up area that is becoming increasingly prominent. As such, over 25% of units required to meet the 50% intensification target are projected to be ground related.

Watson concludes the Region's forecast by structure type and land use category is reasonable

Through its review of the Region's proposed forecast, Watson concluded that the Region's structure type forecast of 27% low density, 30% medium density, and 43% high density is reasonable. They identified that the structure type forecast:

- Appropriately recognizes recent shifts in residential building permit activity in York Region from low density dwellings toward medium and high-density housing forms.
- Embraces further anticipated shifts toward medium and high-density residential development which are exhibited in active residential plans.
- Recognizes that the aging population is likely to continue to drive demand for a significant share of high-density ownership housing demand associated with older seniors (75+) with lower household incomes.
- Appropriately considers housing affordability risks and the need to expand the supply of affordable home ownership in the medium-density market as well as smaller, more compact grade-oriented housing including back-to-back and stacked townhouses in both build-up area and greenfield locations.

4.3 Determining community land need

Demand supply analysis in designated greenfield area determines need for community land urban expansion

A demand supply analysis undertaken in the designated greenfield area determines whether urban expansion is required to accommodate forecast growth to 2051. The minimum number of residents that can be accommodated in the existing designated greenfield area at the forecast horizon (supply) is determined independently of the demand. If the forecast demand exceeds the existing supply an urban expansion is required. The quantum of urban expansion required is determined based on the designated greenfield area density assumption. A new component of the provincial methodology is for municipalities to consider additional lands beyond what is required by the demand-supply analysis in the form of a contingency. The intent is to account for long term vacancy and/or lands not being developed as planned over the 30-year horizon.

Existing designated greenfield area supply potential is based on development applications and approved local municipal secondary plans

The following identifies the method undertaken to determine the minimum designated greenfield area supply:

1. Identify designated greenfield area as of July 1,2017
2. Identify lands deemed "undevelopable" in accordance with the Growth Plan (natural features, infrastructure corridors etc.)
3. Based on municipal supply information (existing base, plans of subdivision, secondary plans etc.) determine the minimum number of units already planned for on these lands

Community area jobs that are in the designated greenfield area also contribute to the achievement of the designated greenfield area density target.

Density assumption for urban expansion areas is consistent with existing communities and current market trends

To translate additional housing need required through urban expansion into the quantum of land required, a density assumption is used. As indicated in the [Planning for Density in New Communities](#) report in June 2020, 12 recently built or under construction communities in the Region's designated greenfield area averaged approximately 62 residents and jobs per hectare as of 2016. As such, as articulated in that report, for the purposes of land needs assessment, Regional staff have assumed a density of 60 residents and jobs per hectare, or 17 units per hectare, in new community areas.

Designated greenfield area demand supply analysis results in need for 2,300 hectares of community land to 2051

Comparing the forecast demand for designated greenfield areas with the 2051 estimated supply potential in the Region's existing designated greenfield areas and applying the density assumption above yields the following results shown in Figure 10. A contingency assumption of approximately 200 hectares was then added to community area land needs to account for units that are planned but might not materialize over the 30-year horizon. Together, these assumptions result in a need for 2,300 hectares of community land by 2051.

Figure 10

Determining Community Area Land Needs (2021-2051)

$$\begin{aligned} & \mathbf{137,000 \text{ units}} \text{ (Demand)} \text{ — } \mathbf{101,000 \text{ units}} \text{ (Supply)} \\ & \mathbf{= \frac{36,000 \text{ units}}{17 \text{ units/Ha}}} \\ & \mathbf{= 2,100 \text{ Ha} + \text{Contingency (200 Ha)}} \\ & \mathbf{= 2,300 \text{ Ha}} \end{aligned}$$

Source: York Region Planning and Economic Development Branch

Overall designated greenfield area density target of 60 conforms with the Growth Plan and reflects the market

As outlined in the [June 2020 report](#), Planning for Density in New Communities, the Designated Greenfield Area is comprised of three categories: built areas, areas under construction or under application, and areas being planned including those areas with and without secondary plans (including urban expansion). The Region's designated greenfield area density at 2051 is an output of a calculation that includes all three categories described above. By 2051, it is estimated that the Region's entire designated greenfield area would be built at a density of approximately 60 residents and jobs per hectare. While this exceeds the minimum density target of 50 people and jobs per hectare required by the Growth Plan, it is consistent with what the market in the Region is currently delivering.

5.0 PLANNING FOR EMPLOYMENT

5.1 Overview

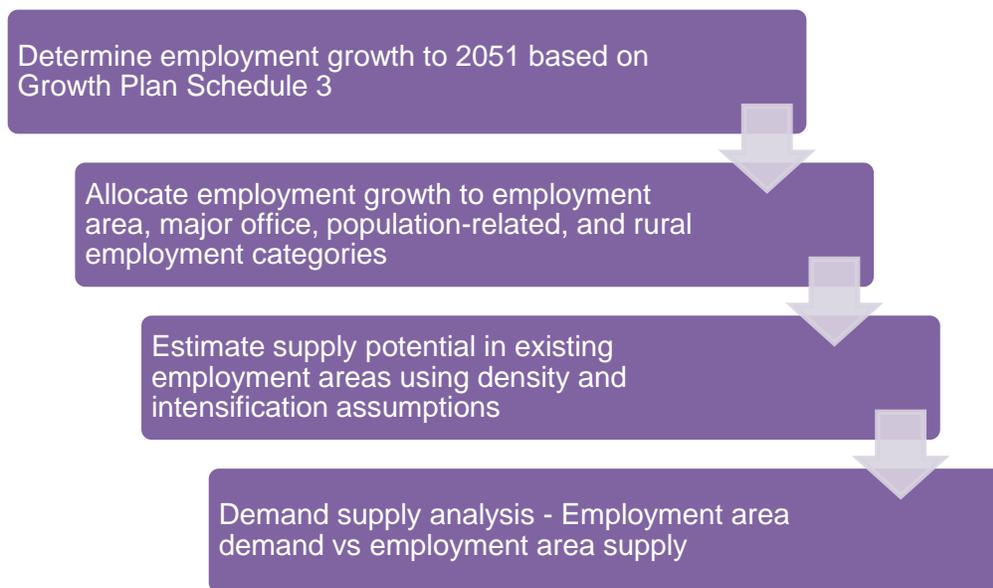
This section of the report provides the growth forecast for employment for the Region, the distribution of employment growth by four types, and associated land needs. Schedule 3 in the Growth Plan forecasts 990,000 jobs for York Region by 2051.

There are four key steps to assessing employment land needs

The Provincial Land Needs Assessment methodology for determining employment land needs can be broken down to the following four main tasks – outlined in Figure 11:

Figure 11

Employment Land Needs Assessment Methodology



Source: York Region Planning and Economic Development Branch

Employment is forecast by four main types

The Region's employment forecast to 2051 is categorized into four employment types: employment area, major office, population-related, and rural employment. The focus of the Land Needs Assessment methodology, to determine if an urban expansion is required, is on employment area land needs.

- **Employment area:** employment located in the Region's proposed designated employment areas (as show in Figure 12 below), excluding major office employment. Employment area employment includes activities such as manufacturing, research and development, warehousing and ancillary retail, office, and service uses.
- **Major office:** employment in freestanding office buildings 20,000 square feet or greater (excluding city or town halls, hospitals or school board offices and other local municipal serving office uses).
- **Population-related:** jobs within existing and proposed settlement areas and outside of employment areas, except major office buildings, that serve the local population. This employment category includes retail, service, education, municipal government, community services, other institutional jobs, and home-based businesses.
- **Rural:** jobs outside settlement areas and outside employment areas, including agricultural and rural-based jobs and incorporates a small component for home-based businesses.

5.2 Employment growth by type to 2051

Employment growth of 390,000 jobs to be allocated to four employment types between 2016 and 2051

The Land Needs Assessment methodology provides some flexibility in deriving the 2016 employment base. For York Region, the annual employment survey is the most comprehensive estimate of employment in 2016 and is used as the basis for determining employment growth to 2051. As such, a 2016 employment base of just under 600,000 jobs results in growth of approximately 390,000 jobs to reach the Growth Plan 2051 forecast of 990,000 jobs.

Employment growth by type to 2051 reflects analysis on changing nature of employment

Based on actual observed growth to 2019 and estimated changes in employment to 2021, employment in York Region is estimated at 645,000 jobs in 2021. This translates to growth of approximately 345,000 jobs between 2021 and 2051.

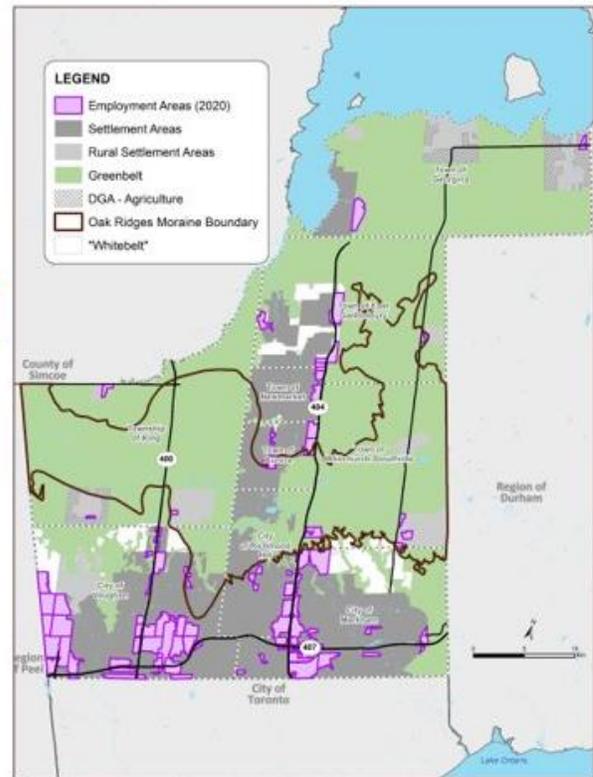
The outlook for employment in the Region by type incorporates a range of anticipated economic and workplace changes. In generating forecasts for employment growth by type, a number of different factors and outcomes were considered. Many of these trends are outlined in more detail in the Region's 2019 [Planning for Employment background report](#). These include top-down considerations such as York Region's historical market shares and shares of GTHA employment by type as well as bottom-up estimates of employment growth by sector based on varying degrees of economic shifts and levels of automation. The employment by type forecast is shown in Figure 12.

Figure 12

Employment Land Needs Assessment

Employment Category	Job growth (2021-2051)	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



Source: York Region Planning and Economic Development Branch

At a high level, assumptions in the employment forecast are as follows:

- A rising share of employment in major office to reflect the continued shift to service and knowledge-based jobs. This has, however, been tempered by the continued high share of growth in GTHA office employment growth occurring in Downtown Toronto in the short to medium term as well as a growing share of office activities within flex office space and repurposed industrial buildings. Major office employment is expected to increase over the forecast in line with the completion of the Yonge-North Subway Extension and the evolving strength of the Toronto-York Spadina Subway Extension, Regional Bus Rapid Transit, and GO network.
- A relatively steady ratio of population-related employment to population as the demand for many services such as health care and education is anticipated to grow faster than employment overall, while retail growth is anticipated to slow as this sector continues to restructure as a result of e-Commerce.
- A declining, yet significant, share of employment area employment. The forecast reflects decreasing overall shares of employment in goods-producing sectors such as manufacturing but is offset by the increasingly more diverse mix of employment uses in

employment areas, including growth in office activities through knowledge-based sectors in industrial condominiums. The employment area employment forecast also reflects expected rapid growth in warehouse and distribution centres as a result of e-Commerce but with low employment densities as a result of anticipated impacts of automation in this and other goods-producing sectors.

- Increases in work from home and e-Commerce have been forecasted for many years. While COVID-19 may have accelerated and/or created a short-term shift in this regard, any potential long-term shift in trends require further analysis following recovery from the pandemic. Subsequent adjustments, as necessary, will be made through future municipal comprehensive reviews.
- A declining share of employment in rural areas.

Table 6 shows the change in the distribution of employment over forecast period.

Table 6
Shares of York Region Total Employment by type

	Major Office	Employment Area	Population-Related	Rural
2016	15%	39%	43%	3%
2051	20%	38%	40%	2%

Source: York Region Planning and Economic Development Branch

Timing of employment growth based on GTHA labour force, GTHA market, infrastructure delivery, and anticipated impacts of COVID-19

Similar to population, employment growth by five-year period is used to inform long term infrastructure and fiscal planning. The overall timing of employment growth in the Region is generally tied to the GTHA and York Region labour force and the pace of population growth anticipated in the Region. Other GTHA market-based factors and timing of infrastructure delivery also impact employment growth by employment type (major office, employment area, population-related, and rural). Timing estimates for major water wastewater infrastructure and future transportation corridors such as the GTHA west and Bradford Bypass inform the pace and geographic distribution of employment growth in the Region. Employment growth by five-year period is illustrated in Table 7:

Table 7

York Region Employment Growth by Employment Type by Five-Year Period

Period	Major Office	Employment Land	Population-Related	Rural	Total Growth
2006-2011	6,400	7,800	33,500		47,700
2011-2016	19,700	21,300	48,100		89,100
2016-21	10,500	18,700	15,900	400	45,500
2021-26	12,900	21,000	17,600	300	51,800
2026-31	12,500	20,000	17,300	300	50,100
2031-36	14,400	21,000	19,600	300	55,300
2036-41	15,900	21,400	21,100	300	58,700
2041-46	17,900	22,400	23,600	0	63,900
2046-51	18,400	23,000	24,300	0	65,700
Total	102,900	147,500	139,000	1,600	391,000

Source: York Region Planning and Economic Development Branch

COVID-19 has had significant negative impacts on global and national economies. Particular economic sectors including travel and tourism, accommodation and food, manufacturing, and energy have felt the strongest impacts. As a result, employment growth in the 2016-2021 forecast period was adjusted downward to account for these impacts. Employment levels in York Region are anticipated to recover back to 2019 levels by 2022. Employment growth is anticipated to increase as the economy recovers from the impacts of COVID-19, remain relatively stable, and then increase gradually after 2031 as a result of anticipated labour force trends and higher population growth forecast for these periods.

5.3 Determining employment land need

Employment land needs are determined by undertaking a demand-supply analysis comparing the supply potential of the Region’s existing employment areas against employment area demand (Figure 12).

Employment area supply potential is based on vacant land, an intensification assumption and takes account of Council endorsed employment area conversions

The estimate of supply potential in the Region’s existing employment areas is based on the following factors:

- Employment area boundaries in Figure 12, reflecting Regional Council decisions in [October 2020](#) on employment area mapping and site-specific employment conversion requests.
- Projected employment densities on vacant employment lands. Employment densities vary significantly in the Region and are a function of geographic location and the nature

of existing uses. Densities range from as low as 20 jobs per hectare in west Vaughan because of the presence of warehouse/distribution type uses to 85 jobs per hectare in higher density employment areas near Highway 7 and 404. Projected densities also considered approved secondary plans.

- An intensification assumption has been made in employment areas, as required by the Growth Plan, to reflect job growth that occurs without absorption of new land. Based on detailed analysis, a conservative estimate of 10% of employment area employment growth is anticipated to occur within existing built space. This compares to close to 60% observed over the past five years as the economy recovered from the 2008/2009 recession. Additional potential has been assumed through new buildings or expansions to existing buildings on built parcels.
- While it is a policy objective of the Regional Official Plan to direct major office development to the Region's Centres and Corridors, a portion of the Region's forecast major office growth is anticipated to occur in employment areas. The land area occupied by major office development is removed from the vacant employment area supply in the calculation of employment area supply potential.

Approximately 1,100 hectares of urban expansion employment lands are required to 2051
Comparing the forecast demand in employment areas and the supply potential of the Region's existing employment areas yields the following results shown in Figure 13 below.

Figure 13

Determining Employment Land Needs (2021-2051)

$$\begin{aligned} & \mathbf{128,000 \text{ jobs}} \text{ (Demand)} \text{ — } \mathbf{90,000 \text{ jobs}} \text{ (Supply)} \\ & \mathbf{= \frac{38,000 \text{ jobs}}{40 \text{ jobs/Ha}}} \\ & \mathbf{= 950 \text{ Ha} + \text{Contingency (150 Ha)}} \\ & \mathbf{= 1,100 \text{ Ha}} \end{aligned}$$

Source: York Region Planning and Economic Development Branch

Consistent with the Regional Official Plan, a density assumption of 40 jobs per hectare is assumed for any urban expansion employment areas that may be required. This density assumption reflects both the potential for lower density warehouse/distribution employment uses as well as future employment areas which will accommodate higher density employment uses including some office and service uses in industrial buildings. A contingency factor is also incorporated in the land needs assessment calculation to account for long-term vacancy. In total, there is a need for an additional 1,100 hectares of employment land by 2051.

6.0 URBAN EXPANSION CONSIDERATIONS

The Provincial Land Needs Assessment determined that 2,300 hectares of community land and 1,100 hectares of employment land are required to accommodate growth in the Region to 2051. This section of the report assesses geographic options for urban expansion and recommends a proposed distribution.

6.1 Available lands for Urban Expansion

York Region has approximately 4,100 developable hectares of available whitebelt lands

Lands located outside the Region's existing Urban Area and outside of the Greenbelt are available for urban expansion and are commonly referred to as 'whitebelt' lands. York Region has an estimated 4,100 developable hectares of whitebelt lands. Whitebelt lands in the Region are in East Gwillimbury, King, Markham, Vaughan, and Whitchurch-Stouffville.

Whitebelt lands are identified for potential future community and employment uses

In order to protect an appropriate ratio of employment and community lands to maintain the Region's targeted activity rate (1 job for every 2 people), and in consultation with local municipal staff, whitebelt lands were classified into potential future community and employment areas. Considerations for locating future employment areas include proximity to existing and future 400 series highways, being contiguous with existing designated employment areas in the Region, distribution of expected population growth throughout the Region, and past York Region Council resolutions. For the identification of potential future community lands, factors include connectivity with existing and future community areas and areas being of sufficient size to allow for comprehensive planning.

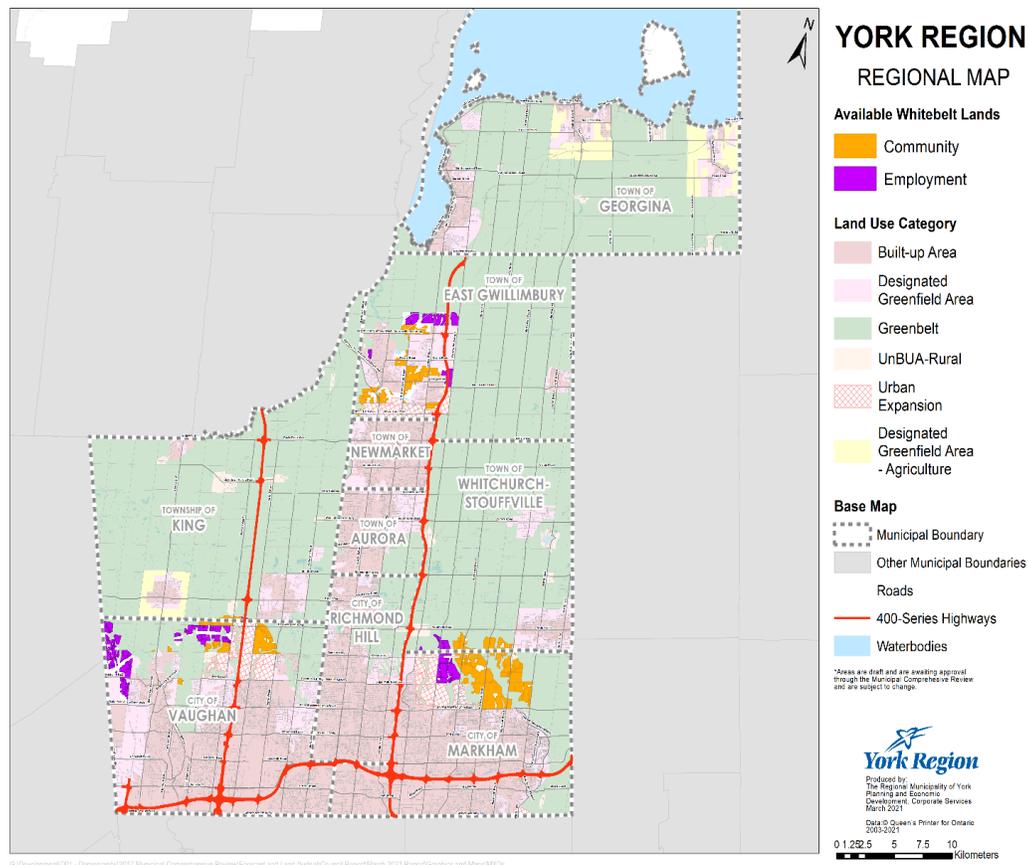
Potential future employment areas are comprised of the following areas – shown in Figure 14:

- In Vaughan, future employment areas are identified in northwest Vaughan, building upon existing designated employment areas, the CP intermodal terminal, and the future GTA West Corridor and Highway 427 extension. This is consistent with a York Region Council resolution from November 2015 which requested staff report back on the merits of including remaining developable vacant lands in northwest for employment purposes as part of the MCR.
- Potential future employment areas are also identified in Vaughan adjacent to the GTA West Corridor, just west of the Highway 400 North employment area.

- In King, a small area is identified for potential employment purposes fronting Highway 400 immediately north of the Highway 400 North employment area in Vaughan.
- In Markham, a potential future employment area is identified north of Elgin Mills Road East and east of Warden Avenue, building upon the ROPA 3 employment lands immediately to the west. Identifying these lands for employment uses will help support significant population growth potential through community urban expansion lands in the City of Markham and increase live-work opportunities in southeast York Region.
- Future employment lands are identified in Whitchurch-Stouffville immediately north of the ROPA 3 employment area and potential future employment area in Markham.
- In East Gwillimbury, potential future employment areas are identified adjacent to the future Bradford By-Pass, along Highway 404, and a small section of Holland Landing, adjacent to an existing employment area.

The remaining Whitebelt lands have been identified as potential community lands.

Figure 14
Available Whitebelt Lands



Source: York Region Planning and Economic Development Branch

Growth is contemplated only where permitted by Provincial Plans and in locations with existing or planned water-wastewater capacity

Through the MCR, requests have been received from the City of Richmond Hill, Township of King, and Town of Whitchurch Stouffville requesting consideration of site-specific employment uses in the Protected Countryside of the Greenbelt. York Region's [Potential for Employment Lands along 400 Series Highways](#) report from October 2020 provides further information on these requests. As discussed in a [January 2021](#) memo, Provincial policy in the Greenbelt Plan and Oak Ridges Moraine Conversation Plan prohibits expanding settlement areas into the Protected Countryside of the Greenbelt. As such, these requests were not considered as part of the MCR. Further, the application of the Provincial Land Needs Assessment concludes that the Region can meet its employment land needs with existing urban lands and a portion of Whitebelt lands.

Population and employment growth beyond the existing and planned infrastructure capacity in Nobleton and Mount Albert have also not been considered. Preliminary estimates indicate that expanding the water and wastewater capacity in Nobleton beyond the 10,800 people currently contemplated in an ongoing Environmental Assessment would be cost prohibitive, requiring an infrastructure investment in the range of \$100 to \$200 million. This would not be financially sustainable given the amount of additional growth that could be realized. In addition, at the time of writing this report, discussions were ongoing between landowners, Town of East Gwillimbury staff and York Region staff regarding the potential to expand the servicing capacity in Mount Albert from 6,000 to 8,000 population. However, because no agreement has been reached with respect to whether such an expansion would be feasible, the current servicing capacity of 6,000 has been maintained for the purposes of the proposed forecast.

6.2 Site specific requests for urban expansion

Since the MCR began in 2014, 71 written submissions have been received from landowners and consultants requesting re-designation of agricultural and rural land to allow for urban development. The Region has also received a Council resolution from the Town of East Gwillimbury requesting that the entirety of the Town's Whitebelt lands be re-designated for urban uses as well as requests from the City of Richmond Hill, Town of Whitchurch Stouffville, and Township of King to re-designate areas of the protected countryside. Submissions were reviewed and responses are provided in Attachment 2. Forty properties being requested for inclusion in the Urban Area are within the area proposed for urban expansion to accommodate residential and employment growth to 2051.

6.3 Considerations in developing options for urban expansion

The need for approximately 2,300 hectares of community lands and 1,100 hectares of employment land equates to approximately 80% of total developable whitebelt lands in the Region. In determining the preferred configuration for urban expansion, several factors were considered, including:

- Timing and availability of water/wastewater and transportation infrastructure
- Financial impacts to the Region

- Contiguity with existing urban areas
- Logical planning boundaries
- Building complete communities that provide for both living and working opportunities
- Protecting valuable agricultural areas
- Supporting the Regional structure

In time, all the Region’s whitebelt lands will be needed to accommodate growth in the Region. Planning for 80% of the whitebelt allows the Region to take a focused approach to planning for growth to 2051 and allows for leveraging of existing infrastructure investments, staging and phasing of new infrastructure, and growing in a financially sustainable manner.

6.4 Opportunities and risks associated with different urban expansion geographies

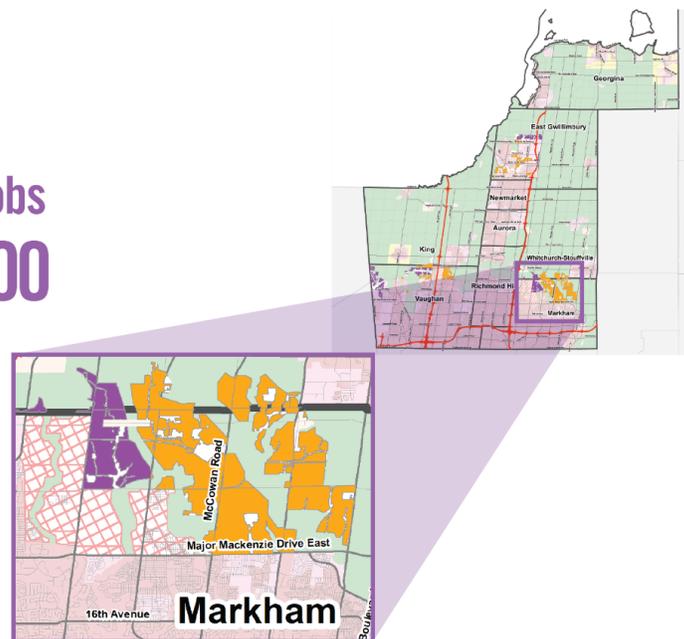
The Region has three geographic areas that can accommodate urban expansion, each with associated costs, opportunities, and risks. Preliminary estimates for anticipated population, employment, and water and wastewater and transportation infrastructure costs (based on 2016 Master Plans) to support full buildout of each area are provided in Figure 15. This formed the basis for the preliminary assessment of how to distribute the 80% of the Whitebelt required to support growth to 2051.

Figure 15

Costs*, Opportunities, and Risks Associated with Full Buildout of Different Urban Expansion Options

Growth in Southeast

Total Infrastructure Cost
\$480 Million
 Supports Population of
85,000 and **20,000 jobs**
 Infrastructure cost per capita **\$4,600**



Opportunities:

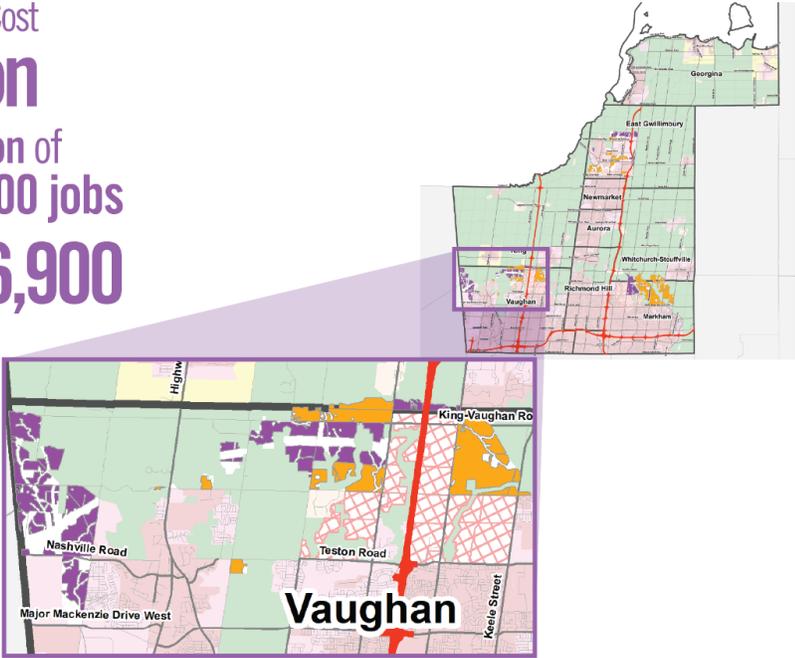
- Supports long-term BRT investment on Major Mackenzie, expanded Highway 404, GO expansion and arterial road investments
- Leverages existing wastewater infrastructure investment - closest proximity to downstream water wastewater infrastructure in which the Region has made significant investments over the past two decades

Risks:

- Though prevalent across all of York Region, housing affordability poses a more significant risk in southern locations of the Region. The price of housing may present significant affordability challenges to market segments such as young families, which may impact the pace of growth and recovery of development charges in this location.

Growth in Southwest

Total Infrastructure Cost
\$900 Million
Supports Population of
90,000 and **40,000** jobs
Infrastructure cost per capita **\$6,900**



Opportunities:

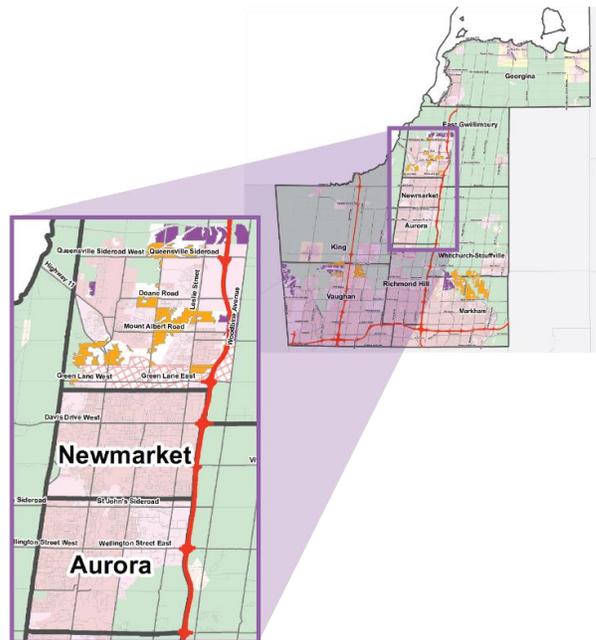
- Builds upon existing strengths in transportation/warehousing in West Vaughan
- Leverages strong employment growth potential along Highway 427 and the future GTA west corridor
- Leverages existing downstream wastewater infrastructure investment made by the Region over the past two decades

Risks:

- The amount of job growth potential in southwest York Region could take longer to materialize which may impact the pace of development charges collections
- Similar to the southeast, housing affordability poses a more significant risk in southern locations of the Region
- Some growth may be contingent upon the timing of the GTA west corridor

Growth in North

Total Infrastructure Cost
\$1.6 Billion
Supports Population of
150,000 and **55,000 jobs**
Infrastructure cost per capita **\$7,600**



Opportunities:

- Potential to provide more affordable housing options relative to southern York Region

Risks:

- Requires an entirely new investment in wastewater treatment infrastructure (Upper York Water Reclamation Centre) that will require multiple phases to achieve full population and employment buildout in East Gwillimbury
- Timing of the Upper York Water Reclamation Centre is uncertain and is contingent on approvals from the Provincial government
- Future phases of the Upper York Water Reclamation Centre will be contingent on a new Environmental Assessment and interim phosphorous monitoring
- Fewer opportunities for higher order transit investment

*Based on 2016 Master Plans

Source: York Region Planning and Economic Development Branch

6.5 Proposed Distribution of Urban Expansion land needs to deliver the results of the Provincial Land Needs Assessment

Based on the analysis in Sections 6.1 to 6.4, the proposed distribution of urban expansion is shown in Table 8. Detailed mapping is provided in Attachment 4. Site-specific requests for urban expansion were also considered - the results of which are presented in Attachment 2.

Table 8

Proposed urban expansion land needs by municipality to 2051 (hectares)

Municipality	Available Whitebelt	Proposed Urban Expansion	Community Land	Employment Land
East Gwillimbury	960	245	180	65
King	80	80	70	10
Markham	1,490	1,490	1,270	220
Vaughan	1,210	1,210	500	710
Whitchurch Stouffville	375	375	280	95
Total	4,115	3,400	2,300	1,100

Source: York Region Planning and Economic Development Branch

Location of urban expansion lands required by the Provincial Land Needs Assessment to meet the 2051 forecast are proposed such that potential risk to the Region is minimized

The three potential urban expansion geographies described in the previous section were assessed using the principles outlined in Section 6.3 of this report. The proposed distribution of urban expansion lands (Table 8) reflects Growth Plan and Regional Official Plan criteria, as well as an assessment of costs, risks, and opportunities in each potential whitebelt geography. The proposed distribution:

- Maximizes urban expansion in areas with higher certainty of timing of the provision of water and wastewater infrastructure
- Provides well-located future employment lands along Highway 427, the GTA West Corridor, Highway 404 and adjacent to the ROPA 3 employment lands
- Allows for the connection of the Green Lane Corridor, and Holland Landing communities in East Gwillimbury
- Aligns growth in northern York Region with the ability to deliver the multi-phase infrastructure required to support it by providing the opportunity for growth unlocked by new infrastructure to be realized within the forecast period to reduce potential misalignment of development charges collections within and beyond the forecast period.

- Supports ongoing agricultural uses to the extent possible given that lands in northern East Gwillimbury were identified as some of the most suitable remaining whitebelt lands for agricultural uses in the Region
- Minimizes, to the extent possible, impacts on the Region's agri-food network and agricultural operations, owing to the quantum of lands required

Timing and uncertainty of servicing in northern York Region was a key factor informing the proposed distribution of urban expansion land needs to 2051

Growth in northern York Region is dependent on the Upper York Water Reclamation Centre. Conditional on timely provincial approvals, the Water Reclamation Centre is currently scheduled for completion in 2028 and will provide capacity for 90,000 people in East Gwillimbury and Northwest Newmarket while also freeing up capacity for growth in Newmarket and Aurora. The initial phase will service existing population as well as growth of approximately 45,000 people in East Gwillimbury's existing urban area but does not provide capacity for growth in the Town's Whitebelt lands.

An expansion of the Water Reclamation Centre is anticipated in the early 2040s and will provide capacity for growth of an additional 45,000 people in East Gwillimbury and Newmarket. The expansion is also required to provide water wastewater capacity for some Whitebelt lands. A further expansion of the plant would be required to achieve full buildout of the remaining Whitebelt lands in the Town. Timing of this expansion is not yet known but is likely to occur beyond 2051. The timing and uncertainty surrounding the initial stage of Upper York as well as future expansions present significant risks to the Region and have resulted in the proposed higher levels of Whitebelt growth in southern York Region where infrastructure is more certain and less costly to meet the amount of growth required by the Land Needs Assessment.

The proposed distribution of growth presented in Table 8 would not require the final expansion of the Upper York Water Reclamation Centre (likely beyond 2051), a project estimated at \$200 million. This distribution of growth also results in a more achievable growth outlook for the Town of East Gwillimbury with respect to annual population growth and therefore allows the Region to plan for a more accurate recovery of development charges collections both within the 2051 horizon and beyond.

Growth Plan and Regional Official Plan urban expansion criteria are being met

Both the Growth Plan and Regional Official Plan contain criteria related to undertaking settlement area boundary expansions and considerations for locations for expansions. Section 2.2.8.2 of the Growth Plan requires that settlement area boundary expansions only occur through a MCR subject to the following conditions which have been addressed:

- The need for a settlement area boundary expansion has been demonstrated through the forecast and land needs assessment outlined above which is consistent with the Provincial methodology. The forecast is based on the minimum intensification and reflects on the ground densities in the designated greenfield area (exceeding the minimum Growth Plan target).

- Sufficient opportunities are not available through intensification and in the current designated greenfield area to accommodate the required population and employment growth to 2051
- The proposed urban expansion will provide sufficient lands to accommodate growth not exceeding the 2051 planning horizon of the Growth Plan
- The timing of the proposed expansion and phasing of development will not affect the achievement of intensification and density targets.

The Growth Plan criteria for assessing locations for urban expansion as outlined in Section 2.2.8.3 are summarized below along with a brief description of how the recommended scenario meets each consideration.

- 1) Sufficient servicing capacity exists in existing or planned infrastructure and the expansion is financially viable
 - The planned infrastructure needed to accommodate growth in the Region to 2051 as described earlier in this report would be sufficient to service the proposed growth, including the urban expansion lands.
 - While preliminary analysis has been undertaken to assess infrastructure required to assess costs of growth, updates to the Region's Water and Wastewater and Transportation Master Plans along with a future fiscal impact analysis of the Region's growth forecast will address the financial viability of required infrastructure and public service facilities for urban expansion lands required to 2051.
- 2) Expansion is informed by the applicable water and wastewater master plans and stormwater master plans
 - The proposed forecast has been prepared in consultation with Regional staff from Environmental Services, Transportation, and Finance. As stated above, the water and wastewater master plan update process was recently initiated and will be consistent with the MCR forecast work. The Region does not prepare stormwater master plans as these are more appropriately undertaken at the secondary planning stage.
 - The Region will work in collaboration with Conservation Authorities and local municipalities to ensure the approach to Stormwater Management Plans utilizes best management practices that minimize and mitigate impacts to watersheds and water resources system.
- 3) Expansion, including the associated water, wastewater and stormwater servicing would be planned to avoid or minimize and mitigate any potential negative impacts on watershed conditions and the water resource system, including the quality and quantity of water.
 - The required water, wastewater, and stormwater servicing will be appropriately planned through the Master Plan update and the secondary planning process to avoid or minimize and mitigate any potential negative impacts on watershed

conditions and the water resource system.

- 4) Key hydrologic areas and the Natural Heritage System for the Growth Plan should be avoided where possible
 - The forecast accounts for Natural Heritage features and systems being protected from development in accordance with Provincial and Regional policies.
 - Key hydrologic areas and the Natural Heritage System for the Growth Plan will be protected in the detailed planning of urban expansion areas and will not be assumed to accommodate development.

- 5) Prime agricultural area should be avoided where possible
 - The majority of the Region's whitebelt areas are prime agricultural lands; thereby making it impossible to avoid these lands as part of any urban expansion. The PPS provides further direction in this regard in Policy 1.1.3.8 by stating that if prime agricultural lands cannot be avoided, lower priority lands should be considered first.
 - As part of the Region's MCR work undertaken in November 2015, a scoped agricultural assessment of the Region's whitebelt areas was prepared by Planscape consultants. A high-level Land Evaluation Area Review (LEAR) analysis was undertaken consisting of a land evaluation assessing soil capability and an area review which considered criteria related to fragmentation, lands under production, and conflicting land use. Most of the lands not proposed to be part of the distribution of urban expansion (located in northern East Gwillimbury) had LEAR scores in the highest category.

- 6) Urban expansion area is in compliance with minimum distance separation formulae
 - Applicable minimum distance separation formulae would be applied through the more detailed secondary planning process to ensure appropriate separation of uses from livestock facilities.

- 7) Any adverse impacts on the agri-food network, including agricultural operations, would be avoided or if not possible, minimize and mitigated
 - Expansion of the urban boundary to accommodate growth to 2051 will result in impacts to the Region's agri-food network and agricultural operations, owing to the quantum of lands required. Impacts, where possible, will be minimized and mitigated as determined through an agricultural impact assessment.

- 8) Policies in Sections 2 and 3 of the PPS are applied
 - Section 2 of the PPS deals with Building Strong Healthy Communities and contains policies related to efficient land use patterns, employment areas, housing, open space, infrastructure, energy conservation, air quality and climate change. Section 3 of the PPS addresses resource use and management including natural heritage, water, agriculture, minerals, mineral aggregate resources and cultural heritage and archaeology. Through meeting the requirements of the Growth Plan for the forecast

and lands needs assessment and the settlement area boundary expansion, many of the policy objectives of the PPS are also addressed. Other policy areas will be appropriately addressed through local municipal planning, including the secondary planning process, for the different urban expansion geographies.

- 9) Expansion would meet any applicable requirements of the Greenbelt, Oak Ridges Moraine Conservation, Niagara Escarpment, and Lake Simcoe Protection Plans and any applicable source protection plan
 - Proposed distribution of urban expansion is consistent with policy directions in applicable Provincial Plans.
 - York Region's growth needs to 2051 will be accommodated without intruding on lands identified for protection by Provincial Plans.
 - Through the Regional Official Plan review and the secondary planning process for urban expansion areas, appropriate municipal policy designations will be put in place to protect the water resource system and its functions.

- 10) Criteria for lands located within the protected Countryside in the Greenbelt Area
 - This requirement is not applicable as there are no lands being proposed to be brought into the Urban Area within the Protected Countryside Area of the Greenbelt.
 - The Provincial Growth Plan sets out very limited circumstances under which the Region can expand a settlement area boundary into the Protected Countryside Area of the Greenbelt Plan. In accordance with Provincial policy, the only opportunity to expand into the Protected Countryside through the MCR applies to existing Towns & Villages (i.e. not urban areas or Hamlets). In that instance, only a very limited expansion is permitted being up to 5% of the current land area of the Towns & Village's designated area to a maximum of 10 hectares.
 - Expansions to Town and Villages are not contemplated to address growth to 2051.

The Regional Official Plan also contains requirements for considering expansions of the Urban Area in Section 5.1.12. The proposed urban expansion meets these criteria as shown below:

- The Regional Greenlands system will continue to be protected and proposed urban expansion areas are outside of the Greenbelt Plan Area boundary
- Each urban expansion geography is of sufficient size and has clear and logical planning boundaries
- Urban expansion geographies being proposed are contiguous with the Region's existing Urban Area.
- The infrastructure required to service the proposed urban expansion can be provided in a financially and environmentally sustainable manner through the adoption of an integrated approach to growth management that aligns growth and infrastructure and will be determined through master plan, capital planning, annual budget, and development charge background study processes.

- Proposed urban expansion areas support the Region’s urban structure in terms of the provision of well-located employment areas adjacent to 400 series highways and/or contiguity with existing designation employment areas.

7.0 KEY CONSIDERATIONS WHEN PLANNING TO ACHIEVE 2051 FORECASTS and MITIGATING GROWTH-RELATED RISK

7.1 Balancing Council priorities, Growth Plan policy, and market objectives

Forecasts to 2051 achieve Council priorities, Growth Plan, and Regional Official Plan policy objectives, while balancing the market

As outlined by the Land Needs Assessment Methodology, components that municipalities must consider when planning for growth include market demand, Growth Plan policy targets for intensification and density, accommodating all employment types, determining community and employment land needs based on a demand-supply analysis, and planning for infrastructure needed to build complete communities to 2051.

The York Region Official Plan provides the foundation for delivering complete communities through a network of transit supportive Centres and Corridors to accommodate intensification, a diverse supply of high-quality employment opportunities, and sustainable greenfield communities with a mix of land uses and multi-modal transportation options. These objectives are predicated on achieving Council priorities of building strong, caring, safe communities, providing a balanced housing mix with affordable housing options, supporting investment in infrastructure, supporting continued economic development success, and protecting and enhancing the natural environment.

The Region’s proposed forecast supports these objectives by:

- Planning for a minimum 50% intensification to encourage a positive return on transit and water wastewater investment as well as to create high quality locations along Centres and Corridors critical for attracting talent, employment, and population growth
- Directing a significant amount of population and employment growth towards the built up area, planning to continue to realize densities consistent with what the market is already delivering in new community areas or higher, and recommending 80% of the whitebelt be identified as urban expansion to 2051 (in line with the results of the Land Needs Assessment) to continue to protect the natural environment as well as ongoing agricultural uses.
- Supporting ongoing agricultural uses to the extent possible given that the majority of the lands that are not part of the recommended allocation of urban expansion (located in northern East Gwillimbury) had LEAR scores in the highest category.
- Phasing forecast growth in line with infrastructure timing.

- Continuing to plan for a broad mix of jobs while incorporating anticipated shifts in the nature of employment – including the potential for automation.
- Planning to continue to deliver a balance of population and jobs in existing and new community areas throughout the Region.

To help understand the market and inform the land needs assessment, Watson was retained to perform a detailed assessment of the housing market. Based on Watson’s review, the Region’s forecast to 2051 appropriately balances historical market trends (including recent slower than forecast growth) with recent building permit activity, active development applications, socio-economic, demographic, and migration trends as well as the demand for both rental and ownership housing. Based on a detailed review of the Region’s draft forecast from the perspective of housing affordability, Watson has also concluded that the Region’s structure type forecast and associated minimum 50% intensification and designated greenfield area density assumptions:

- Recognize that unaffordability of housing in the GTHA relative to the GGH Outer Ring and a growing and strengthening economy across the GGH Outer Ring translates to the long-term population forecast for the GTHA being aspirational. In this context the Growth Plan 2019 population forecast for York Region of 2.02 million and 990,000 jobs is the preferred long-term growth outlook and a higher forecast is not a likely long-term outcome.
- Reflect recent and projected shifts in residential building permit activity in York Region from low-density dwellings toward medium and high-density housing forms.
- Recognize that the aging population is likely to continue to drive demand for a significant share of high-density rental and ownership housing options associated with older seniors (75+) with lower household incomes.
- Appropriately consider the need to expand the supply of affordable home ownership options in medium-density housing, particularly entry-level townhouse products geared to low- and middle-income households.

7.2 Integrating land use, infrastructure, and financial planning

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

As mentioned in Section 3.0, maintaining fiscal sustainability is a Regional priority. The Region has made significant investments in infrastructure to support growth. York Region has also entered a mature stage of growth where a slower than forecast rate of growth has resulted in the need for a Fiscal Strategy which has taken steps to mitigate the impacts of slower growth. Core to the Fiscal Strategy is the need to better align infrastructure projects with actual growth and development charges collections.

Development charges are critical to funding new infrastructure and paying down associated debt. It is important to understand that development charges fluctuate year over year as shown in Figure 16. That said, the Region is required to pay a certain amount of principal and interest

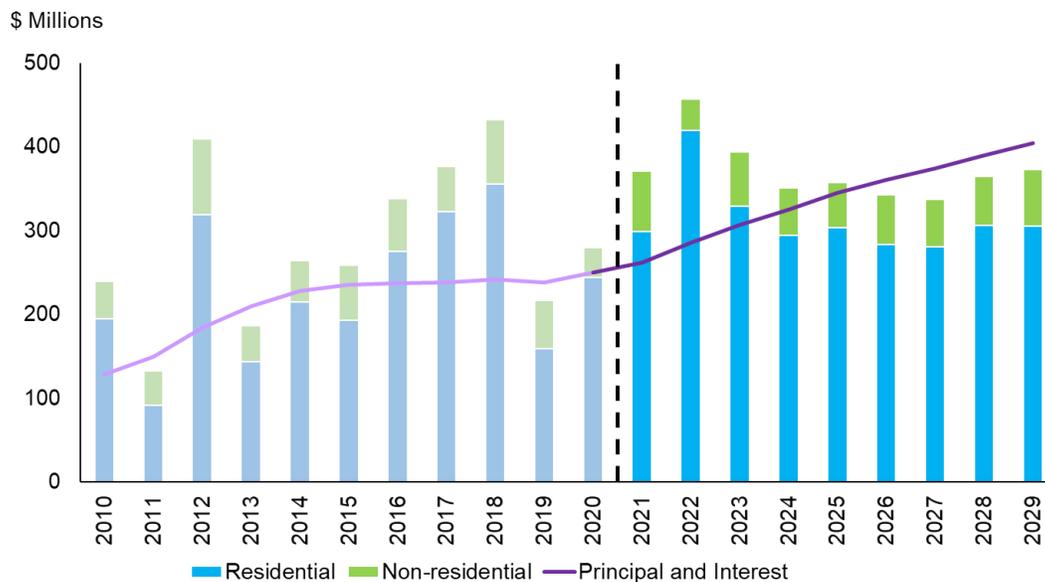
each year to pay down existing debt. The remaining amount of development charges collections is available to support new growth-related capital infrastructure.

As illustrated by Figure 16, between 2010 and 2020, development charges averaged \$285 million annually, enough to cover average annual principal and interest payments of \$213 million. There were, however, some years where development charges collections fell below the required payment for principal and interest. Looking forward, the Region’s existing 10-year Capital Plan is based on an average development charges collection forecast of \$370 million per year of which approximately 75% (or \$330 million) is required to pay for principle and interest on existing debt. Even if growth materializes as expected, this only leaves approximately \$40 million available each year to support new investments.

The development charges collections forecast also shows that starting in 2026 there are several years where development charge collections could also fall below annual principal and interest payments. If this plays out as forecast, the early 2020’s could cover for the lower development charge collection years in the latter part of the decade. The Region’s ability to continue to invest in growth related infrastructure therefore requires development charge collections to exceed debt servicing costs on a sustained basis.

Figure 16

Historic and Forecast Development Charge Collections and Principal and Interest



Source: Fiscal Sustainability: 2020 Update Report

If the existing trend of slower than projected growth continues, this poses a significant risk on the Region’s ability to afford new infrastructure. The average annual development charge collections forecast of \$370 million is based on a growth rate of approximately 7,900 new residential units or 22,000 people per year over the next ten years. If that forecast is not

achieved, new growth-related infrastructure investments will need to be deferred. The following represent potential scenarios should growth not materialize as forecast on a sustained basis:

- A sustained 10% reduction over a ten-year period could result in a need for the Region to defer new infrastructure projects in the order of \$300 million.
- A sustained 20% reduction over a ten-year period – a level of development activity consistent with that experienced in 2020 – would mean that development charges collections would not cover principle and interest payments on existing debt and development charges reserves would be required to borrow from other internal funding sources. It would also require deferring new infrastructure projects in the order of approximately \$600 million.

The risk of slower than forecast growth is therefore significant and has required careful consideration in the Region’s updated forecast and distribution of growth to the nine local municipalities.

Significant investment in new infrastructure is required to support growth to 2051 and beyond

As indicated in Section 6.4 above, to assess the impacts of the results of the land needs assessment and provide input to the proposed distribution of urban expansion lands for 80% of the whitebelt required to 2051, an exercise was completed to assess costs for building out all the whitebelt lands. The remaining 20% of the whitebelt lands not required by 2051 can accommodate an additional 75,000-100,000 people above and beyond the 2.02 million required by the Growth Plan. Assuming the full build out of all the whitebelt lands requires over \$12 billion in new infrastructure based on a preliminary analysis.

Included in this figure are projects identified in Table 9. While additional water and wastewater and transportation projects will be required, this table includes significant infrastructure investments required to support the next generation of growth in the Region over the 30-year planning horizon and beyond. A number of these projects are already in the Region’s Capital Plan, totaling approximately \$4 billion.

It should be noted that these are preliminary projects and costs based on best available data from the 2016 Water Wastewater Master Plan and the York Region Rapid Transit Corporation and are subject to change through updates to both the Water and Wastewater and Transportation Master Plans in late 2021/ 2022. That said, the relative expense of the various projects will not change significantly, and it was that relativity and the overall magnitude which were important considerations supporting the proposed forecast and urban expansion locations.

Table 9

Next Generation of Infrastructure Projects Needed to Service Growth

Project	Estimated Completion Date	Preliminary Cost (\$ millions)
Water and Wastewater		
Duffin Creek Outfall Expansion	2021-2026	\$15
Primary Trunk Twinning	2026-2031	\$200
Duffin Creek Plant Expansion	Unknown	\$700
Upper York Water Reclamation Centre	2026-2031	\$640
Upper York Water Reclamation Centre Expansion	Post 2041	\$190
Upper York Water Reclamation Centre Final Expansion	Unknown	\$200M
Northeast Vaughan Servicing	2021-2026	\$265
West Vaughan/ Peel Diversion Servicing	2026-2031	\$310
North Markham Servicing	2031-2036	\$90
New 14 th Avenue sewer	Unknown	\$240
Transit		
Yonge North Subway Extension	2026-2031	\$5,600 (Total) \$1,300 (Regional*)
Highway 7 East Bus Rapid Transit Corridor	Unfunded	\$437 (Total) \$118 (Regional*)
Highway 7 West Bus Rapid Transit Corridor	Unfunded	\$297 (Total) \$80 (Regional*)
Jane Street Bus Rapid Transit Corridor	Unfunded	\$313 (Total) \$85 (Regional*)
Leslie Street Bus Rapid Transit Corridor	Unfunded	\$470 (Total) \$127 (Regional*)
Major Mackenzie Bus Rapid Transit Corridor	Unfunded	\$1,250 (Total) \$338 (Regional*)
Yonge Street Bus Rapid Transit (Central York)	Unfunded	\$713 (Total) \$193 (Regional*)
Yonge Street Bus Rapid Transit (North of Davis Drive)	Unfunded	\$184 (Total) \$50 (Regional*)
Other Future BRT	Unfunded	\$1,690 (Total) \$455 (Regional*)

*Regional share based on preliminary estimated 27% share of total cost – for discussion purposes at this time.

Source: 2016 Water and Wastewater Plan and [York Region Rapid Transit Corporation](#)

In addition to the \$5.6 billion Yonge North Subway Extension, approximately \$5.4 billion in bus rapid transit investment is required to accommodate growth to 2051. Successful implementation of these projects will require funding from senior levels of government. Further expansions and

upgrades to the GO rail network will also be important both in supporting urban expansion as well as accommodating growth in greenfield and whitebelt areas. The Regional contribution, if any, to bus rapid transit projects and to GO rail improvements such as grade separated road-rail crossings at Regional roads is unknown at this time. Assuming, on a preliminary basis, an estimated Regional contribution of 27% (based on the Yonge North Subway Extension and existing Public Transit Infrastructure Fund agreements in Ontario), approximately \$1.4 billion of future Bus Rapid Transit costs is likely to be incurred by the Region. The Region should continue to advocate to senior levels of government for funding to enhance the Region's Bus Rapid Transit system through the projects listed above.

50% intensification and proposed distribution of urban expansion results in cost savings and improves alignment of infrastructure delivery with anticipated return on investment

The minimum 50% intensification assumption for growth to 2051 required by the Growth Plan and the pace of growth assumed in the Region's proposed forecast support the principles in the Region's [Growth and Infrastructure Alignment report](#) in that existing transit and water wastewater infrastructure is optimized, setting the stage for financially sustainable growth. The proposed forecast by five-year period considers recent infrastructure delays and trends in slower than previously forecasted growth and accordingly assumes a slower pace of growth in the short and medium-term. The pace of growth then increases over the medium-to long term as major infrastructure projects are anticipated to come online and unlock future growth potential. For example, anticipated delivery of the Upper York Water Reclamation Centre, northeast and northwest Vaughan projects, and the Yonge North Subway Extension within the next 10 years informed a forecast increase in both the pace of growth overall as well as in the affected municipalities in the late 2020s. Until such time, existing capacity for growth through existing infrastructure investments was an important consideration when allocating growth to the nine local municipalities to optimize return on past investments and recover development charges.

The 50% intensification assumption required by the provincial land needs assessment also plays an important role in improving alignment with infrastructure and financial sustainability. Significant investments in both water and wastewater infrastructure have been made to support growth in the Region's built-up area and more specifically in Centres and Corridors. Directing a significant share of growth to these areas through the draft forecast supports a positive return on this investment. It also positions the Region well to provide further opportunities for talent attraction in the Region. Particularly with the millennial workforce, access to transit and other amenities are critical to attracting and maintaining talent.

Finally, with respect to allocation of urban expansion, the timing and uncertainty surrounding both for the initial stage of Upper York Water Reclamation Centre as well as future expansions present significant risks to the Region and have resulted in the proposed distribution for higher levels of Whitebelt growth in southern York Region where infrastructure is both more certain and less costly. The proposed distribution of growth presented in Table 8 would not require the final expansion of the Water Reclamation Centre (likely beyond 2051), a project estimated at \$200 million, and would reduce the number of transportation projects required by 2051. Rather than

the over \$12 billion referred to above, it is estimated that growth to 2051 could carry a preliminary cost of \$11.6 billion.

This distribution of growth also protects highly productive agricultural lands and results in a more achievable growth outlook for the Town of East Gwillimbury with respect to annual population growth. It therefore allows the Region to plan for a more accurate recovery of development charges collections both within the 2051 horizon and beyond.

7.3 Market considerations

Shift in housing mix toward higher density housing forms reflects a continuation of recently observed shifts

Inherent in the Region's housing forecast to 2051 is a continued shift from low density to medium and high-density housing forms. While this shift considers recent trends over the past 15 years and existing applications in the development pipeline, it also reflects changing demographics throughout the Region. According to Watson, over the 2021 to 2051 forecast period, approximately two-thirds (55%) of future high-density housing demand in York Region is anticipated to be generated from households maintained by persons aged 75 years of age and older who typically have less disposable income compared to other segments of the working-age population.

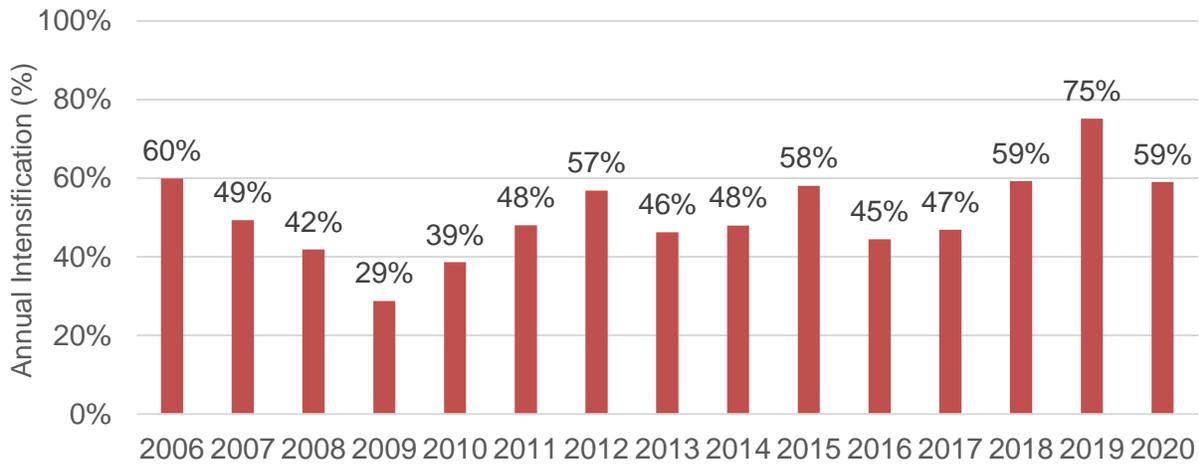
Despite the projected shift, ground-related units continue to be the dominant form of housing growth to 2051 and are anticipated to account for 74% of total units in 2051 compared to 87% in 2016.

Intensification rate of 50% reflects recently observed trends and is aligned with recommendations from Watson

As mentioned above and as shown in Figure 17, York Region is well positioned to meet or exceed its 50% intensification target to 2051. Since 2006, the Region has been averaging approximately 50% intensification, with rates averaging 55% over the last five years.

Figure 17

York Region historical intensification, 2006-2020



Source: York Region Planning and Economic Development Branch

As shown in Table 9, the significant investments in water and wastewater and transit infrastructure anticipated over the forecast horizon also position the Region well for continued success. In addition to the \$5.6 billion Yonge North Subway Extension, approximately \$5.4 billion in total investment for additional Bus Rapid Transit has been identified on a preliminary basis to support growth to 2051. Federal and/or provincial funding will be required to support this investment. These investments are anticipated to act as significant catalysts for high density growth. In turn, planning to achieve intensification in these locations is critical to supporting these investments and recovering associated development charges infrastructure.

Both the Growth Plan and Land Needs Assessment require that the ability to accommodate growth through intensification be identified in relation to the 50% intensification target. York Region has significant potential to accommodate growth in the built-up area to meet or exceed the minimum 50% target. In planning for 78 Major Transit Station Areas, York Region has the potential to accommodate minimum growth of 505,000 people and 195,000 jobs. While achievement of these targets is permitted to occur beyond 2051, the potential for growth in these areas significantly exceeds the forecast demand in the built-up area by 2051. Further, as of mid-2020, York Region had an estimated supply of 70,000 units under application in the built-up area. If built, these units would account for approximately 50% of the total forecast to 2051.

Further, according to Watson, recent trends regarding residential building permit activity and active residential plans support the appropriateness of the York Region draft intensification forecast by structure type. Watson anticipates that the Region could exceed its 50% residential intensification target in the near to medium-term (i.e. next 5 to 10 years) based on the current supply of active development applications in registered unbuilt, draft approved and proposed plans. Watson does; however, note that as servicing constraints in the designated greenfield area, particularly across northern York Region, are addressed, a greater share of greenfield

housing development is anticipated. Over the long term, Watson identifies that a 50% allocation of housing growth to the built-up area is appropriate.

An intensification rate of 50% is also supported from an affordability perspective. The price of housing is expected to continue to present affordability challenges for York Region residents – particularly for non-family households, young families, and seniors. Providing a more diverse range of medium and high density options in the Region’s built-up area, particularly in areas supported by transit and with access to amenities, will help support increasing demand likely to be driven by the growing number of seniors in the Region over the 30-year planning horizon.

A balance of small and family sized high density units will be required to accommodate growth to 2051

In order to accommodate the growing shift toward high density structure types to 2051, the Region will need to work with the development community and local municipal partners to promote the development of both small (bachelor and 1-bedroom) and large (2+ bedroom units) condominium units. While smaller units will be important to accommodate non-family households, the growing seniors’ population, and low- to moderate- income households, larger units will be required to accommodate a growing number of families. As mentioned above, achieving 50% requires a modest shift in families into higher density structure types relative to the distribution today. Working with partners and building on existing financial incentives to build these units will be important to adequately house future residents in a manner which balances the market, policy objectives of the Growth Plan, as well as existing and planned investments in transit.

7.4 Housing affordability

More affordable home ownership options, particularly in the form of medium density structure types, will be required to 2051

From a built-form perspective, while the forecast provides for a broader range of what are considered more affordable products through increased housing options anticipated in medium and high density structure types, Watson identifies that affordability is expected to remain a significant challenge for the Region to 2051. Based on a review of the Region’s draft forecast, Watson notes the following with respect to housing affordability:

- While the potential supply of low-density housing is generally well-aligned with anticipated demand, low density ownership housing options are highly concentrated in high-income households that can afford premium priced homes priced above an average of \$950,000. With respect to more affordable low-density housing needs, more market choice of housing will be needed for low-density units in the \$650,000 to \$950,000 price point to accommodate anticipated demand.
- Relative to low-density households, York Region offers a greater supply of medium-density housing to accommodate anticipated demand associated with high-income households. That said, the Region has experienced a significant price appreciation in medium-density housing, making them increasingly unaffordable to middle-income families – the demographic in which the demand is greatest.

- While the need for condominium units is anticipated to be driven by a significant share of high-density ownership housing demand associated with older seniors (75+) with lower household incomes seeking smaller, traditionally more affordable units, condominium units are not anticipated to provide an affordable alternative for larger households seeking 3- to 4- bedroom units.
- Without further initiatives to address housing affordability, the Region may have difficulty meeting its long-term population and housing forecast to 2051.

Watson's recommended actions are as follows:

- Expand the supply of purpose-built rental housing across the Region. This includes a provision for affordable rental units catering to lower-income households.
- Expand the supply of affordable home ownership in the medium-density market, targeting units priced below \$650,000. This includes expanding the supply of smaller, more compact grade-oriented housing including entry level townhouses in both the built-up area and greenfield locations.
- Expand the supply of low-density home ownership options priced between \$650,000 and \$950,000 by encouraging smaller detached homes.

Following the MCR and building on the [Housing Opportunities and Challenges](#) report from January 2021, options to address housing affordability will continue to be explored with public and private partners.

The need for rental, including purpose built rental, is expected to be significant to 2051

As shown in Figure 18, as of 2016, the share of rental housing in York Region was 14%, significantly lower than the GTHA average, excluding the City of Toronto, at 21%. According to Watson, York Region's rental housing propensity rates (by age group) are expected to increase over the forecast period from 14% in 2016 to 22% in 2051. This assumption builds on the broader regional growth trends in the GTHA rental market as well as demographic and socio-economic trends.

Figure 18

Share of rental housing by GTHA municipality, 1991-2016

Upper/Single-Tier Municipality	1991	2016	1991-2016
Toronto	63%	47%	42%
Peel	32%	24%	15%
Hamilton	45%	32%	15%
York	18%	14%	12%
Halton	26%	19%	11%
Durham	25%	19%	9%
GTHA	38%	33%	29%
GTHA Excl. Toronto	29%	21%	13%

Source: Watson and Associates

Based on Watson’s analysis, rental housing growth in York Region is expected to increase from 59,000 units in 2021 to 145,000 units in 2051. This represents growth of approximately 86,000 units, accounting for an estimated 32% of total housing growth over the forecast period. Rental housing need in the Region is expected to average 2,700 units per year over the 2021 to 2051 period, notably higher than the 1,800 units averaged over the 2006 to 2016 period.

Watson further identifies that an increasing share of renter household growth, particularly in high density dwellings, will need to be accommodated through the primary rental market in the form of purpose-built rental. It is recommended that 40% of overall renter household growth over the 2021 to 2051 period be accommodated through the primary rental market including half (50%) of the high-density renter-occupied unit demand and 20% of the medium-density renter-occupied unit demand. This will require approximately 33,000 additional purpose-built rental units to be constructed over the 2021 to 2051 period to meet forecast demand representing an average annual increase of approximately 1,100 per year. To meet anticipated needs, purpose-built rental housing development activity across York Region will need to be approximately seven times greater over the next 30 years when compared to what has been provided across the Region over the past decade.

Working with public and private partners to provide opportunities for rental housing, particularly in the form of purpose build rental, will therefore have a significant impact on the achievability of the Region’s forecast. Watson recognizes that significantly increasing the supply of rental housing in the market will likely require greater participation by the private-sector development community and non-profit organizations to construct purpose-built rental housing.

Affordability presents a significant risk to the Region’s ability to achieve its 2051 forecast
Watson have identified several potential risks if York Region’s housing supply is not well aligned with anticipated affordability needs of existing and future residents. If the Region is unable to address the housing affordability gaps, including satisfying the need for increased rental housing, the following outcomes are likely:

- An increasing share of lower-and middle-income households will need to spend greater than 30% of household income on shelter costs in York Region
- Households may need to settle for housing arrangements that meet their affordability needs but do not necessarily meet their functional needs which may impact quality of life. This could include living arrangements in smaller than desired dwellings
- An increased percentage of young adults would be expected to defer entry into the rental or ownership housing market, combined with an overall increase in multiple family/multi-generation living arrangements
- A greater share of lower- and middle-income households will likely rent and not purchase, placing greater pressure on both the primary and secondary rental markets
- An increasing share of lower-and middle- income households will need to spend a greater than 30% share of household income on shelter costs in York Region.
- Households may consider less expensive housing options in other locations within the broader regional market area outside York Region. If the Region is unable to attract target market segments such as young families and seniors, the Region will have difficulty in meeting its long-term population and housing forecast to 2051.

8.0 LOCAL MUNICIPAL POPULATION AND EMPLOYMENT FORECASTS TO 2051

8.1 Population forecasts to 2051

York Region housing growth is distributed to nine local municipalities

Population growth is distributed to the nine local municipalities by structure type and policy area. Built-up area housing growth is distributed based on each local municipality's intensification target (discussed in Section 9 of this report) as well as considerations related to historic and anticipated Regional market shares by housing type. Designated greenfield area and rural housing growth is distributed based on housing supply estimates and forecasts for rural growth by local municipality. Housing supply estimates are derived from planning applications and estimates of remaining development potential based on secondary plans.

Population by local municipality is generated based on applying persons per unit assumption to forecast local municipal housing growth

Consistent with the approach for the Region, local municipal population growth is determined by applying persons per unit assumptions against forecast housing growth by type. Persons per unit assumptions for ground-related housing growth are generally based on observed persons per unit in new units by local municipality over the last 35 years while high density persons per unit estimates are assumed to increase over time. The 2016 population base for each local municipality is declined at the same rate as the Regional assumption.

Infrastructure timing and market factors affect the timing of local municipal forecasts

The capacity and timing associated with new infrastructure projects is a key input to forecast growth by local municipality. For example, anticipated timing for the Upper York Water Reclamation Centre, northeast and northwest Vaughan projects, and the Yonge North Subway Extension informed an anticipated increase in the pace of growth in affected municipalities in the late 2020s. This is particularly true for Newmarket, Aurora, and East Gwillimbury where capacity for growth is currently limited in advance of the Upper York Water Reclamation Centre, currently scheduled for completion in 2028.

Majority of Region's population growth forecasted for Markham, Vaughan, and Richmond Hill

Table 10 provides a summary of York Region's proposed forecast by local municipality.

Table 10

Proposed York Region Population Forecast by Local Municipality

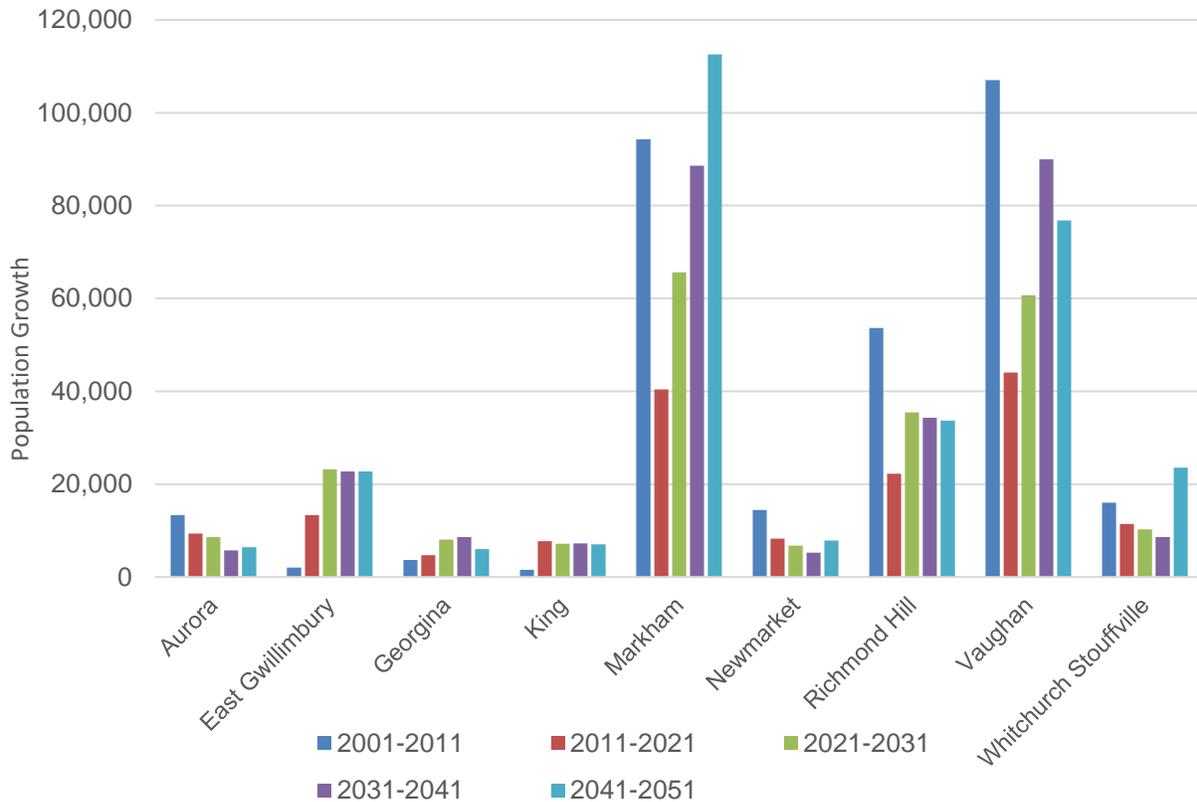
Municipality	2016 Population	2051 Population	Growth	Share of York Region Growth	Average Annual Growth Rate
Aurora	57,200	84,900	27,700	3%	1.1%
East Gwillimbury	24,700	105,100	80,400	9%	4.2%
Georgina	46,800	71,900	25,100	3%	1.2%
King	25,300	49,600	24,300	3%	1.9%
Markham	339,100	619,200	280,100	32%	1.7%
Newmarket	86,800	110,700	23,900	3%	0.7%
Richmond Hill	201,000	317,000	116,000	13%	1.3%
Vaughan	315,700	568,700	253,000	29%	1.7%
Whitchurch-Stouffville	47,300	92,900	45,600	5%	1.9%
York Region	1,143,900	2,020,000	876,100	100%	1.6%

Source: York Region Planning and Economic Development Branch

Similar to historic trends (Figure 19), the majority of the Region's population growth is forecast to be accommodated in Markham, Vaughan and Richmond Hill. This growth is assumed to include intensification in the Region's Centres and Corridors and other intensification areas along with the build-out of major greenfield areas including ROPA 3 in Markham, ROPA 2 in Vaughan, and North Leslie in Richmond Hill, among other areas. East Gwillimbury will play a more significant role in accommodating population growth once the Upper York Water Reclamation Centre is completed.

Figure 19

Historic vs forecast growth by local municipality, 2001 - 2051



Source: York Region Planning and Economic Development Branch

By 2051, all municipalities will experience growth beyond their 2031 Regional Official Plan forecast (Table 11). Overall, the updated 2031 population is lower than the current Regional Official Plan 2031 forecast. Consequently, a number of municipalities have lower 2031 population forecasts than the current ROP due recent levels of relatively slower growth and delays in the timing of servicing infrastructure.

Table 11

York Region Population Forecast Comparison

Municipality	2051 Population	2031 Population	2031 Population (ROP)	Difference (2051 vs. 2031 ROP)
Aurora	84,900	72,700	70,200	14,700
East Gwillimbury	105,100	59,300	86,500	18,600
Georgina	71,900	57,200	70,300	1,600
King	49,600	35,300	34,900	14,700

Municipality	2051 Population	2031 Population	2031 Population (ROP)	Difference (2051 vs. 2031 ROP)
Markham	619,200	416,100	421,600	197,600
Newmarket	110,700	97,400	97,100	13,600
Richmond Hill	317,000	248,500	242,200	74,800
Vaughan	568,700	401,000	416,600	152,100
Whitchurch-Stouffville	92,900	60,300	60,600	32,300
York Region	2,020,000	1,447,800	1,500,000	520,000

Source: York Region Planning and Economic Development Branch

The following is a summary of the highlights of the local municipal population forecasts.

Aurora

Aurora is forecast to reach a population of 84,900 by 2051. Primary sources of greenfield residential growth will be the build-out of the Aurora 2C and Aurora South secondary plan areas along with the anticipated development of the Aurora 2A secondary plan area in the longer term. Intensification is planned to occur within the Aurora Promenade, along the Yonge and Wellington Street corridors, including the Aurora GO Station.

East Gwillimbury

With the completion of the Upper York Water Reclamation Centre, East Gwillimbury is forecast to grow to a population of 105,100 by 2051. Population growth is anticipated through the development of the Green Lane secondary plan and designated residential areas in Sharon, Queensville, and Holland Landing. As part of the proposed forecast there is also urban expansion in whitebelt areas adjacent to ROPA 1, south of Mount Albert Road and east of Highway 11. East Gwillimbury’s 2031 population is significantly lower than the current Regional Official Plan forecast due to the delay in the Upper York Water Reclamation Centre.

Georgina

Georgina is forecast to reach a population of 71,900 by 2051 with most of the growth occurring in the communities of Keswick and Sutton. The forecast for Sutton is based on the capacity of the planned expansion to the Sutton sewage treatment facility. Georgina’s 2031 forecast population is lower than the current Regional Official Plan 2031 forecast due to recent slower levels of growth than previously anticipated.

King

The population forecast of 49,600 for King Township is based on growth assumptions for the communities of Nobleton, King City, and Schomberg. The forecast assumes the current Environmental Assessment for water and wastewater servicing capacity expansion will be approved to allow Nobleton to reach a population of approximately 10,800. Growth beyond this figure in Nobleton was not contemplated in the Region’s MCR work because of the significant

cost (minimum \$100 - \$200 million) that would be required in addition to a number of environmental constraints. King City is forecast to grow to a population of approximately 20,000, which will require water and wastewater upgrades to Regional infrastructure to accommodate growth beyond the current limit of 15,000 people and would be contingent on addressing constraints in the York Durham Sewage System. Schomberg is forecast to experience modest growth to reach its servicing capacity of approximately 3,600 people.

Markham

Markham is forecast to accommodate the largest share of the Region's population growth between 2016 and 2051. The ROPA 3 new community area along with Markham's remaining whitebelt lands will be the primary locations for greenfield ground-related housing growth in the City. Significant levels of intensification are anticipated in Markham Centre and the Langstaff Gateway, along the Yonge corridor where the future Yonge North Subway Extension is being planned, the redevelopment of the York Downs golf course, and along other intensification corridors in the City. Markham's population is forecast to reach over 619,200 by 2051, an increase of 280,100 from 2016.

Newmarket

Newmarket's population growth will be increasingly achieved through intensification as the last remaining greenfield areas are built out in Northwest and Southeast Newmarket. Newmarket is forecast to reach a population of 110,700 by 2051. Most of the intensification growth is planned within the Newmarket Urban Centre secondary plan area along Yonge St and Davis Drive, including the Newmarket Urban Growth Centre. In the short term, growth in Newmarket will be constrained until completion of Phase 1 of the Upper York Water Reclamation Centre.

Richmond Hill

The North Leslie and West Gormley areas along with the build-out of the Oak Ridges community will be the source of most of Richmond Hill's remaining greenfield growth. A significant share of Richmond Hill's population growth will be intensification, concentrated along the Yonge Corridor, including Richmond Hill Centre which is planned to be the terminal station for the Yonge Street subway extension. Richmond Hill is forecast to reach a population of 317,000 by 2051, up from 201,000 in 2016.

Vaughan

Vaughan is forecast to accommodate the second highest share of population growth in the Region (29%) with a 2051 population of 568,700. With the opening of the Toronto-York Spadina Subway Extension in late 2017, Vaughan Metropolitan Centre has been experiencing high levels of development activity with significant additional planned development. The future Yonge North Subway Extension is anticipated to contribute further to intensification growth in Vaughan along with areas of Highway 7 already served by bus rapid transit. The completion of the Northeast and West Vaughan wastewater servicing projects anticipated in the mid to late 2020's will enable the full development of Blocks 27 and 41, increase capacity for growth in Kleinburg-

Nashville, and open up new areas in the Vaughan whitebelt for both community and employment purposes.

Whitchurch-Stouffville

Whitchurch-Stouffville is forecast to reach a population of 92,900 by 2051 with the majority of this growth occurring in the community of Stouffville. The development of the Phase 3 lands in Stouffville will be the main source of future greenfield housing supply, including the proposed Lincolnville MTSA along with proposed community urban expansion lands. The forecast takes account of two Minister's Zoning Orders in the whitebelt, just west of the community of Stouffville which are proposed for a mix of low, medium, and high-density units. Requests to expand the settlement area boundary into the protected countryside of the Greenbelt have not been incorporated because growth there is restricted by Provincial plans. The community of Stouffville will continue to be the source of intensification growth, primarily along the Main Street corridor and the Stouffville GO MTSA.

8.2 Employment forecasts to 2051

York Region employment forecast is distributed by employment type to local municipalities based on potential for major office, available employment lands, and population related employment growth consistent with the distribution of population

Forecast employment growth by local municipality and the overall timing of employment growth throughout the Region takes into account the availability and timing of major servicing infrastructure. The York Region employment forecast by type is distributed to the nine local municipalities based on the considerations below:

- **Major office employment**

Growth in major office is forecast to continue to be predominantly concentrated in Markham, Vaughan and Richmond Hill since new office development tends to gravitate to existing concentrations. An increasing share of major office employment is anticipated in the Region's Centres and Corridors as compared to office development in employment areas, supported by recent major rapid transit investments including the Toronto-York Subway Extension to Vaughan Metropolitan Centre and the future Yonge North Subway Extension. Aurora, Newmarket, East Gwillimbury, King, and Whitchurch-Stouffville are forecast to attract smaller shares of major office growth.

- **Employment area employment**

The local municipal employment area employment forecast is based on forecast market demand and local municipal vacant employment land supply, including potential for intensification. To meet forecast Regional employment growth, 1,100 hectares of urban expansion employment lands are proposed in the locations shown in Attachment 4.

- **Population-related employment**

Population-related employment – schools, retail, services, government, other institutional employment and work-at-home – is forecast to grow in proportion to population growth. Regional serving population-related employment such as the new Vaughan hospital are allocated to the appropriate municipality.

- **Rural employment**

A small share of the Region’s employment growth is forecast in rural areas. This was distributed to local municipalities based on the distribution of existing rural employment.

Markham and Vaughan are forecast to accommodate nearly two thirds of the Region’s employment growth to 2051

Table 12 summarizes the total employment forecast by local municipality.

Table 12
York Region Employment Forecast by Local Municipality

Municipality	2016 Employment	2051 Employment	Growth	Share	Average Annual Growth Rate
Aurora	27,300	41,000	13,700	4%	1.2%
East Gwillimbury	9,500	37,400	27,900	7%	4.0%
Georgina	9,300	21,900	12,600	3%	2.5%
King	9,600	16,400	6,800	2%	1.5%
Markham	182,000	309,200	127,200	33%	1.5%
Newmarket	45,000	57,600	12,600	3%	0.7%
Richmond Hill	78,800	122,600	43,800	11%	1.3%
Vaughan	223,200	352,000	129,800	33%	1.3%
Whitchurch-Stouffville	15,400	31,900	16,500	4%	2.1%
York Region	599,100	990,000	390,900	100%	1.4%

Source: Planning and Economic Development Branch

Markham and Vaughan are forecast to accommodate nearly two thirds of the Region’s employment growth to 2051 which is related to the large existing vacant employment land base in Vaughan, proposed urban expansion employment lands in Vaughan and Markham, the strong office market in both Markham and Vaughan, and the population-related employment growth that will accompany significant population growth.

Table 13 compares forecast employment in 2031 and 2051 with the Regional Official Plan 2031 forecast by local municipality. A number of municipalities have lower 2031 employment forecasts compared to the current Regional Official Plan due to delays in the timing of infrastructure delivery and slower than anticipated population growth. All municipalities have higher 2051 employment figures than the Regional Official Plan employment forecast for 2031.

Table 13
York Region Employment Forecast Comparison

Municipality	2051 Employment	2031 Employment	2031 Employment (ROP)	Difference (2051 vs. 2031 ROP)
Aurora	41,000	33,800	34,200	6,800
East Gwillimbury	37,400	16,800	34,400	3,000
Georgina	21,900	13,100	21,200	700
King	16,400	11,700	11,900	4,500
Markham	309,200	224,000	240,400	68,800
Newmarket	57,600	51,800	49,400	8,200
Richmond Hill	122,600	97,000	99,400	23,200
Vaughan	352,000	277,900	266,100	85,900
Whitchurch-Stouffville	31,900	20,300	23,000	8,900
York Region	990,000	746,400	780,000	210,000

Source: Planning and Economic Development Branch

The following is a summary of the highlights of the employment forecast by local municipality.

Aurora

Aurora's employment is forecast to grow by nearly 14,000 jobs from 2016 to 2051. Just over half of Aurora's employment growth during this period is anticipated to be in employment areas, primarily in employment areas along the Highway 404 corridor. Population-related employment growth accounts for just over 30% of employment growth. New major office development comprises the remainder the Town's employment growth and is expected to locate near the Highway 404 and Wellington area.

East Gwillimbury

Employment in East Gwillimbury is forecast to grow by nearly four times its 2016 level of approximately 9,500, reaching 37,400 by 2051, representing an average annual growth rate of 4%. Over half of East Gwillimbury's employment growth is anticipated to be in employment areas, mainly in the ROPA 1 and Queensville employment areas along Highway 404 along with urban expansion employment lands. The majority of the remaining employment growth will be through population-related employment to serve the anticipated growth in population through development along Green Lane, in Queensville, Sharon, Holland Landing, and proposed urban expansion community lands.

Georgina

Employment in Georgina is forecast to grow by about 12,600 jobs with total employment projected at 21,900 by 2051. Nearly 70% of Georgina's employment growth is anticipated to be

in employment areas, mainly in the Keswick Business Park. The remainder of Georgina's employment growth will be through population-related employment.

King

King's employment is projected to grow by nearly 6,800 jobs with nearly half of this growth through growth in employment areas in King City, Nobleton, and Schomberg, as well as a small area proposed urban expansion. Just over 40% of King's employment growth is forecast to be in population-related employment which will serve the growing communities of King City and Nobleton.

Markham

Markham is forecast to continue to accommodate a significant share of York Region employment, accounting for approximately 33% of the Region's growth from 2016 to 2051. Markham has traditionally been the primary centre for major office businesses in York Region and is projected to continue to play a major role in accommodating office employment. Major office employment is forecast to grow by just under 45,000 jobs from 2016 to 2051, representing a 44% share of the Region's total major office growth. In addition to continuing to accommodate office employment growth in business parks along Highway 404; Markham Centre, Langstaff Gateway, and the Yonge corridor are anticipated to attract increasing shares of new office development, supported by recent and planned major transit investments including the Yonge North Subway Extension. Approximately 29% of Markham's employment growth is forecast to be in employment areas, with a large share of this growth in the ROPA 3 employment area and proposed urban expansion area. The remaining employment growth in Markham will be population-related, a large share of which will be in centres and corridors to serve intensification residential development and in the proposed urban expansion community area in Northeast Markham.

Newmarket

Employment in Newmarket is forecast to increase by approximately 12,600 jobs between 2016 and 2051. Newmarket is anticipated to attract growth of just over 4,000 major office jobs over the forecast period, accommodated mainly in the Yonge Street and Davis Drive corridors. As Newmarket's remaining vacant employment area supply is limited, employment area employment growth is projected to be approximately 3,500 jobs through development on vacant lands and intensification. The largest share of employment growth is anticipated to be population-related (40%), in step with projected growth in population.

Richmond Hill

Richmond Hill is forecast to continue to experience strong employment growth with total jobs anticipated to increase by approximately 43,800 jobs between 2016 and 2051. The Beaver Creek employment area currently forms part of the Region's major office node at Highways 7 and 404. Major office will continue to account for significant employment growth in Richmond Hill, accounting for just under 16,000 new jobs. With the anticipated completion of the Yonge North Subway Extension in 2030, it is anticipated that a significant share of this growth will be

within Richmond Hill Centre. The largest share of employment growth (47%) is forecast to be population-related which will serve growth in population through intensification and remaining residential greenfield areas. Employment area employment growth is a relatively small share of Richmond Hill's total employment growth (17%) as the remaining vacant employment area supply is largely consumed over the first half of the forecast period.

Vaughan

Vaughan is forecast to continue to accommodate a significant share of employment growth in the Region, accounting for 33% of total growth. Vaughan has traditionally accommodated the largest share of employment land employment in the Region, having an ample supply of well-located employment lands close to 400 series highways along with the CN Macmillan freight classification yard and CP Intermodal facility. Between 2016 and 2051, Vaughan is forecast to accommodate just under 40% of the Region's total employment area employment growth through development of existing vacant lands and urban expansion lands in West Vaughan and along the future GTA West corridor. The Toronto-York Spadina Subway Extension to the Vaughan Metropolitan Centre in 2017 has attracted new office development. Vaughan's major office market is anticipated to continue to strengthen both in the Vaughn Metropolitan Centre and other transit supportive locations as well as in employment areas. Vaughan is second only to Markham in forecast major office employment growth, accommodating nearly one third of the Regional growth total. Vaughan's remaining employment growth will be through population-related employment, including the new Vaughan hospital as well as education, retail, service and other institutional uses to serve intensification as well as greenfield areas.

Whitchurch-Stouffville

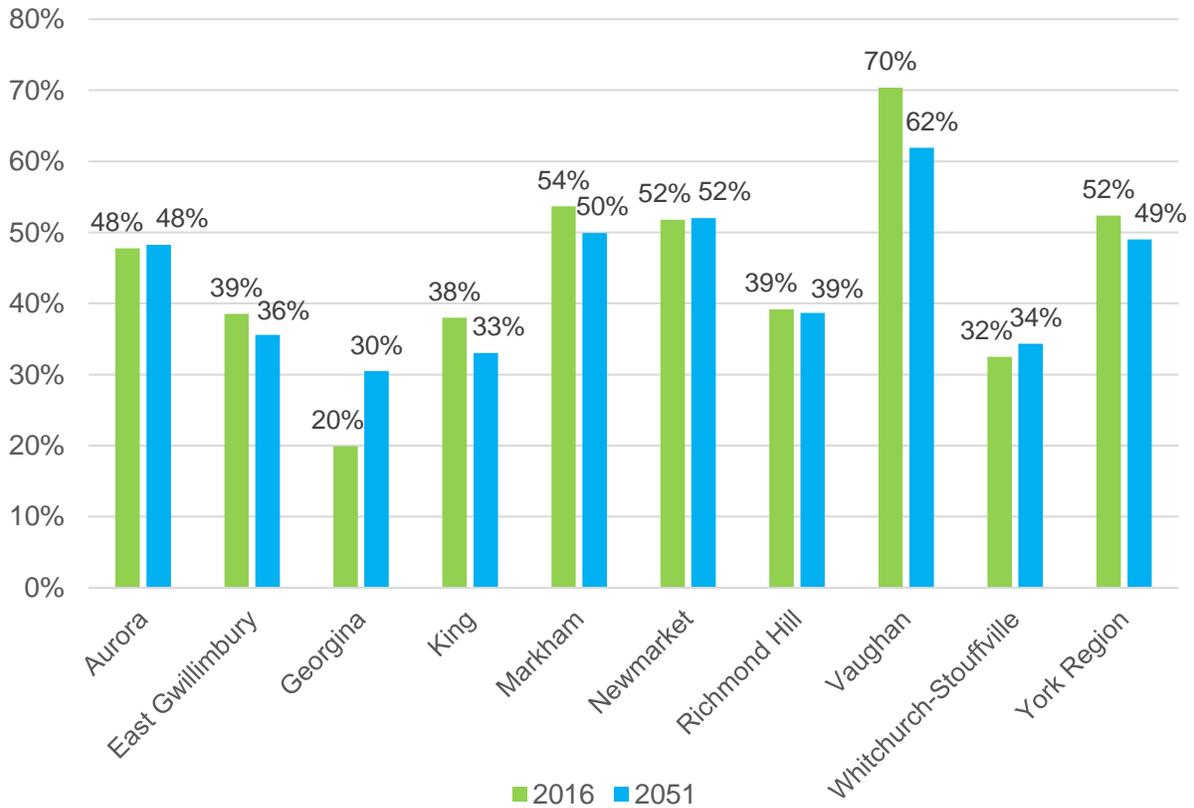
Employment in Whitchurch-Stouffville is forecast to grow by approximately 16,500 jobs between 2016 and 2051 with just under half of this growth in employment areas. The majority of the Town's forecast employment area growth is anticipated to be through proposed urban expansion lands. Approximately 45% of the Town's employment growth is anticipated to be through population-related employment, as a result of population growth in intensification areas and greenfield areas in the Community of Stouffville as well as the proposed community urban expansion area. Smaller shares of the Town's employment growth are forecast through major office and rural employment.

Local Municipal Activity Rates to remain fairly constant to 2051

An activity rate is the ratio of employment to residents. It provides a measure of economic sustainability by looking at the provision of employment opportunities in relation to the population of a community. The current Regional Official Plan has a policy goal of providing 1 job for every 2 residents, which equates to an activity rate of 50%. The Growth Plan forecast for York Region results in a Regional activity rate of 49% by 2051. Figure 20 compares local municipal activity rates in 2016 and at 2051.

Figure 20

Local Municipal Activity Rate Comparison



Source: Planning and Economic Development Branch

9.0 INTENSIFICATION AND DENSITY TARGETS BY LOCAL MUNICIPALITY

9.1 Intensification Targets

A York Region intensification framework was presented to Regional Council in April 2019 and is being through the Regional Official Plan update

The Growth Plan requires municipalities to prepare an intensification strategy to set out how the Growth Plan minimum intensification target will be met. The April 2019 [Planning for Intensification](#) report presented a draft framework for intensification in York Region. The framework is based on existing Centres and Corridors policies in the Regional Official Plan along with local municipal intensification strategies and policies. Intensification is planned for strategic locations within the built-up area to optimize efficiencies in infrastructure and services delivery, including transit services. The current Regional Official Plan includes an intensification matrix that supports a hierarchy of appropriate density ranges by intensification type. As part of

the Regional Official Plan review process, a more simplified intensification hierarchy is being developed that proposes the following components:

1. Regional Centres/ subway stations
2. Major Transit Stations Areas
3. Regional Corridors
4. Local centres and corridors

A range of factors were considered in developing local municipal intensification targets

Under the Growth Plan, York Region is required to meet a minimum 50% intensification target. Each local municipality will play a unique role in supporting the achievement of the overall Regional intensification target. Markham, Vaughan and Richmond Hill have the largest built-up areas and contain three of the four Regional Centres as well as extensive intensification corridors. They also benefit from having the most existing and planned transit infrastructure. A number of factors were considered in developing the proposed local municipal intensification targets including:

- Current planning applications in the built-up area
- Extent of planned local municipal intensification areas – Regional Centres and Corridors, Major Transit Station Areas, local centres and corridors, and infill potential
- Current Regional Official Plan local municipal intensification targets
- Infrastructure capacity and timing

The extent and presence of Major Transit Station Areas was considered in developing intensification targets but were not a determining factor since Major Transit Station Areas are not obligated to meet their minimum density targets by 2051.

The amount of vacant designated greenfield area land and distribution of urban expansion also impacts a municipalities intensification rate. For example, a municipality such as Markham, while allocated a significant share of the Region's total intensification units also has a large amount of designated greenfield area and whitebelt growth proposed to 2051 which results in a lower intensification percentage than a municipality such as Newmarket that has very little remaining designated greenfield area potential. Table 14 presents proposed intensification targets by local municipality.

Table 14
Proposed Local Municipal Intensification Targets

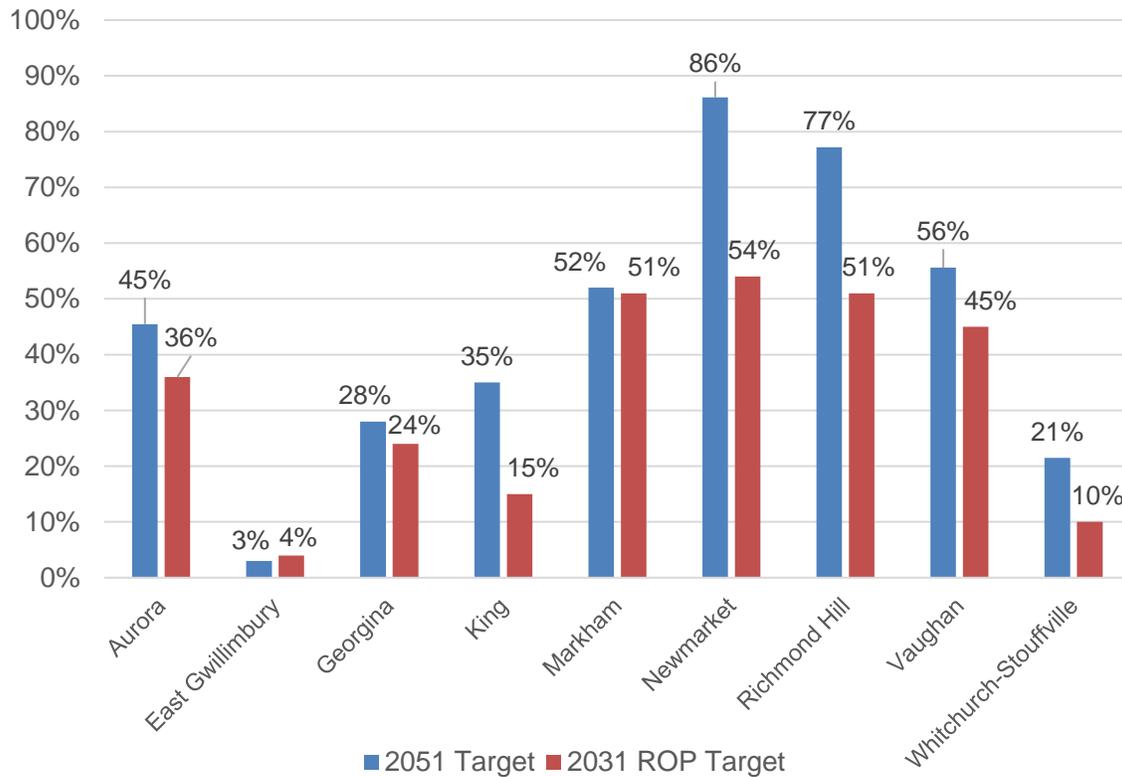
Municipality	2016-2051 Intensification Target (units)	Intensification Percentage
Aurora	4,600	45%
East Gwillimbury	800	3%
Georgina	2,500	28%
King	2,800	35%
Markham	50,300	52%
Newmarket	8,700	86%
Richmond Hill	33,100	77%
Vaughan	49,100	56%
Whitchurch-Stouffville	3,600	21%
York Region	155,500	50%

Source: Planning and Economic Development Branch

As shown in Figure 21, compared to the 2031 targets in the 2010 Regional Official Plan, most local municipal targets are higher in order to achieve the 50% Regional intensification target. Given that the market is currently delivering over 50% Region-wide, these increases are reasonable. The draft intensification targets for King, Newmarket, Richmond Hill and Whitchurch-Stouffville are noticeably higher than the current Regional Official Plan due to less available greenfield growth.

Figure 21

Comparison of Local Municipal Intensification Targets



Source: Planning and Economic Development Branch

9.2 Designated Greenfield Area Density Targets

Local municipal designated greenfield area density targets reflect existing and planned development

As part of the land needs assessment process, the Growth Plan requires that the Region develop local municipal designated greenfield area density targets. The targets are expressed as minimum densities in residents and jobs per hectare that are planned to be achieved by 2051. The designated greenfield area targets reflect existing development in the designated greenfield area along with planned residential and non-residential uses and are to be applied across the entire designated greenfield area within each local municipality. This includes any proposed urban expansion lands required to accommodate growth to 2051.

Local municipal designated greenfield area minimum density targets are calculated in the same way as the Regional total – considering built, under construction, under application, and planned development in the designated greenfield area. As discussed earlier in this report, a density of 60 residents and jobs per hectare was assumed for urban expansion purposes in community areas. Local municipal designated greenfield area minimum density targets are shown in Table 15.

Table 15

Proposed Local Municipal Designated Greenfield Area Density Targets

Municipality	2051 DGA Density Targets (residents and jobs per ha)
Aurora	55
East Gwillimbury	55
Georgina	35
King	30
Markham	70
Newmarket	40
Richmond Hill	70
Vaughan	70
Whitchurch-Stouffville	50
York Region	60

Source: Planning and Economic Development Branch

In the case of many municipalities, designated greenfield area density targets are heavily influenced by existing areas that have already been built at low densities. Density targets in Table 15 should therefore be treated as minimums. Local municipalities are encouraged to plan for higher densities in appropriate locations, especially in areas with higher order transit.

10.0 INTEGRATED APPROACH TO GROWTH MANAGEMENT

10.1 Managing growth-related risks

Integrated growth management will be important in mitigating growth-related risk

Planning for growth of over 800,000 people and 345,000 jobs over a 30-year planning horizon will require an integrated and agile approach to growth management. Achieving provincial forecasts requires average annual growth of 26,100 people per year. As shown in Table 16, this figure exceeds short term historical average annual growth (2010-2020) in York Region and is slightly above longer-term averages over the past 35 years.

Table 16

Comparison of Local Municipal Intensification Targets

Historical short term	Historical long term	2051 forecast
16,500	24,900	26,100

Source: York Region Planning and Economic Development Branch

The Region’s fiscal capacity is strongly tied to the pace of growth. As a result, there are financial risks associated with planning for growth and paying for required infrastructure. Slower than anticipated growth could have the following impacts:

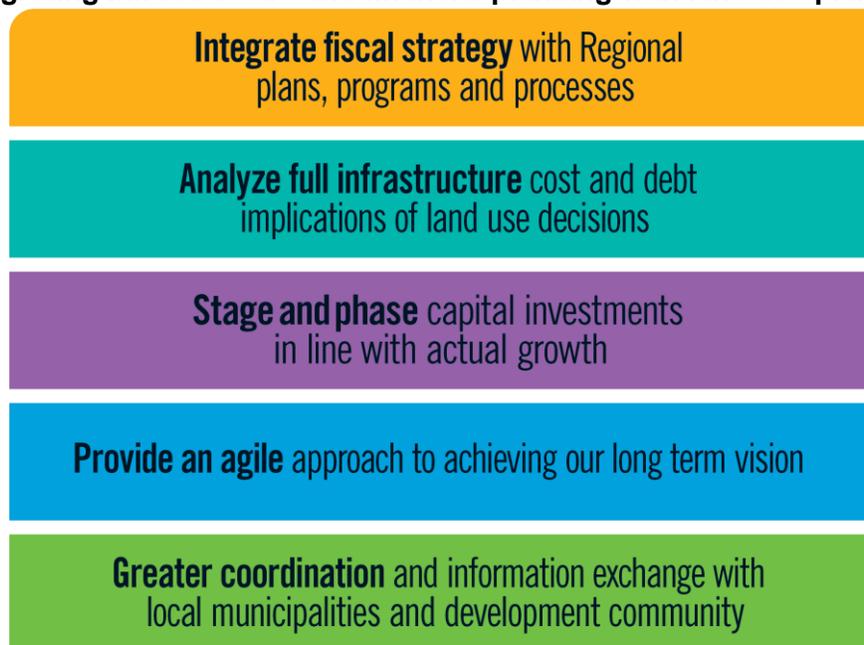
- Slower cost recovery through development charges to pay down outstanding development charges debt and reduction in the amount of development charges revenue available to fund new infrastructure – for example a sustained 10% reduction in collections versus the forecast could require capital deferral of up to \$300 million
- Increased costs for operating infrastructure put in place too early to operate efficiently
- Tax levy or rate increases for existing residents and businesses to support ongoing operation and maintain service levels
- Reduction in contributions to asset management reserves and insufficient funds for the Region’s future capital replacement and rehabilitation.

An agile approach to growth management will help maintain financial sustainability

The Region has been planning in an integrated manner since the 1994 Regional Official Plan with the current MCR providing an opportunity to re-assess and recalibrate the distribution of growth based on updated policy objectives, recent growth trends, and the actual pace and location of growth observed since the 2010 Regional Official Plan. Core to the Region’s integrated approach to growth management are the objectives in Figure 22.

Figure 22

Integrating infrastructure and financial planning with land use planning



Source: York Region Planning and Economic Development Branch

A more agile approach involves regularly re-aligning Regional plans, programs, and processes with the Region's fiscal reality. Through municipal comprehensive reviews, master plan updates, Capital Plan updates, and annual budget reviews there are opportunities to re-calibrate Regional plans and strategies with actual growth and development charges collections. While the current MCR and master plan process will provide the foundation for planning for growth to 2051, annual updates to Capital Plans through the annual budget process will be important in responding to the changing nature and pace of growth to ensure growth remains fiscally sustainable. Future municipal comprehensive reviews (approximately every 5-10 years) will re-assess the distribution and pace of growth as well as future urban expansion needs.

Analyzing the full costs and debt implications of land use decisions and understanding associated risks and opportunities has been and will continue to be important. While planning to achieve the Region's long term vision of building strong, caring, safe, complete communities will ultimately require 100% of the remaining whitebelt lands, applying the land needs assessment identified that only 80% of these lands are required to accommodate the 2051 forecast. An assessment of the full costs and debt implications of land use decisions therefore becomes of paramount importance when recommending a distribution of urban expansion lands. As shown in Section 6, based on an assessment of risks, opportunities, and costs associated with each geographic option, the proposed distribution of urban expansion in Table 8 more closely aligns infrastructure investment required to support growth with the ability to recover it through development charges. It also reduces the costs of new infrastructure relative to other geographic distributions by not requiring the final expansion of the Upper York Water Reclamation Centre.

Phasing is another key component to managing growth, particularly over the extensive 30-year planning horizon. Based on the allocation of growth in Table 8, and an estimated 33% share of anticipated Regional rapid transit costs to 2051, an estimated \$11.6 billion in new infrastructure is required to accommodate growth to 2051. The significant investments required to accommodate growth to 2051 mean that growth cannot happen everywhere at once so mechanisms to implement phasing at the Regional and local municipal levels will be incorporated into the Regional Official Plan update.

Finally, it's important to recognize the role of the Region's partners in building communities. Greater coordination and information exchange particularly with local municipalities and the development community will be critical to a successful integrated growth management strategy.

It will be important for public agency partners to support growth to ensure complete communities

Cooperation by other public agencies and the private sector will be necessary to achieve the 2051 forecast. The Province, local municipalities, the development industry, Metrolinx, conservation authorities, and the public are important stakeholders in supporting and managing growth. Fast-tracking critical infrastructure to support growth in the Region will require action by the Province. The overdue approval of the Upper York Water Reclamation Centre is necessary to unlock population growth potential in northern York Region and required to accommodate the assigned growth to 2051. Continued funding for planned Bus Rapid Transit and Yonge-North

Subway Extension projects are necessary to accommodate high-density growth in the Region's urbanizing areas.

The development industry can play an important role in mitigating financial risks to the Region by entering into prepaid development charges credit agreements in advance of Regional infrastructure in exchange for a development charges credit at the time of registration/site plan approval. This is one example of risk sharing the Region will consider moving forward.

10.2 Phasing and staging of growth

Phasing strategies for urban expansion areas will be enhanced in the draft Regional Official Plan and coordinated with infrastructure Master Plans

The amount of urban expansion and associated population and employment growth to 2051 is unprecedented. To achieve its 2051 forecasts, York Region will be required to accommodate over 130,000 people and 50,000 jobs in new whitebelt areas. This is in addition to growth of 115,000 and 35,000 jobs in the Region's 2031 new community areas that were brought into the urban boundary through the 2010 ROP for which construction is just starting. Together, these growth areas consist of almost one third of the Region's total growth to 2051 with most of these areas being dependent on new infrastructure. Ensuring this growth materializes in a controlled and phased manner will be critical to deliver complete communities for new residents with timely provision of services such as schools, libraries, community centres, and other personal services, in addition to roads, transit, and pipe infrastructure. This will also be important to support a return on previous infrastructure investments in the Region's intensification areas.

To properly manage this amount of growth across diverse geographies of the Region will require strong phasing policies in both Regional and local municipal Official Plans.

A phased approach to growth management will consider:

- Optimizing growth in areas with existing water and wastewater capacity in order to recover development charges collections prior to making new investments
- Giving special consideration to projects which support broader geographic areas (including supporting intensification) and/or enhance the existing transportation network and water/ wastewater system rather than result in extensions to those systems
- Phasing policies for urban expansion areas based on:
 - Alignment with capital spending
 - Achievement of population thresholds
 - Prioritizing areas that are lower risk (higher level of certainty), lower costs, lower costs per capital, and greater potential return on investment
 - Tying the timing of growth in intensification areas to the sustained achievement of the Region's annual intensification target
 - A requirement to provide a logical progression of development

Designating 80% of the whitebelt provides certainty, focus, and stronger alignment with the ability to recover growth-related investments through development charges

As mentioned, 100% of the whitebelt will be required at some point in time to accommodate Regional growth. Planning for 80% of the whitebelt allows the Region to take a more focused approach to planning for growth to 2051 and to better leverage existing and planned infrastructure investments. Planning for growth as allocated in Table 8 of this report also acknowledges that the final phase of the Upper York Water Reclamation Centre is likely to be built post 2051, thereby reducing the amount of new infrastructure that is planned for through master plans and Capital Plans. Planning for 80% of the whitebelt also provides more certainty and focus for the Region by creating a closer alignment between the infrastructure required to support growth to 2051, the cost of that infrastructure, and the ability to recover costs through development charges collections.

Finally, 80% of the whitebelt minimizes, to the extent possible, impacts on the Region's agri-food network and supports ongoing agricultural uses given that the majority of the lands not proposed for urban expansion (located in northern East Gwillimbury) had LEAR scores in the highest category.

Identifying the remaining Whitebelt as Future Urban beyond 2051 is a consideration

With the Provincial Land Needs Assessment requiring 80% of the Region's Whitebelt to accommodate growth to 2051, it may be appropriate to clarify that the remaining 20% of Whitebelt lands will likely be needed for future growth beyond 2051. Eighty percent to 2051 can be supplied by existing and planned infrastructure investments, and more closely matches the ability to recover growth-related costs through development charges in the future. This also acknowledges the final phase of the Upper York Water Reclamation Centre is likely to be post 2051. Identifying the remaining 20% of the Whitebelt lands as "Future Urban" beyond 2051 acknowledges the reality of the future long-term function of these lands.

It should be noted that in January 2021, concern was expressed with the identification of whitebelt lands not required to 2051 as a result of the provincial land needs assessment as 'Future Urban'. Local municipal staff identified that a 30-year planning horizon provided ample land to accommodate growth to 2051 and that planning communities beyond that horizon was premature. They also indicated the desire to capitalize on technological advancements as well as inevitable changes to demographic, housing, and consumer preferences as well as the nature of work.

11.0 CONCLUSIONS AND NEXT STEPS

Planning for and managing growth is a complex process that involves many considerations. Growth forecasts are developed and distributed to the Region's nine local municipalities based on Provincial growth targets, planning policy, demographic factors, market trends, financial, and servicing factors. Results of the Provincial land needs assessment methodology produce a need for 2,300 hectares of community land and 1,100 hectares of employment lands to accommodate growth to 2051 – equating to 80% of the Region's available Whitebelt lands. The proposed distribution of urban expansion lands in Table 7 is based on a thorough review of opportunities, costs, and potential risks in each geographic area of the whitebelt. Timing and uncertainty of servicing in northern York Region is a key factor informing the distribution of urban expansion land needs to 2051. Proposed forecasts meet the requirements of the Provincial Policy Statement, Growth Plan, and Regional Official Plan with respect to criteria for assessing locations for urban expansion while also minimizing growth-related risks to the Region.

The proposed forecast distribution by local municipality is based on recent growth trends, Land Need Assessment urban expansion needs, vacant greenfield areas, and market demand for intensification.

While 100% of the Whitebelt will be required in time, planning for 80% to 2051 will require a more focused and financially sustainable approach to managing growth and infrastructure delivery. Identifying the remaining 20% of the Whitebelt lands as "Future Urban" would reflect the reality of future long-term growth beyond 2051 and encourage comprehensive long-term visioning for those lands. Further, staging and phasing of capital investments in line with actual rather than forecast growth will be necessary for a more agile and coordinated approach to achieving the Region's long-term vision of building strong, caring, safe complete communities in a financially sustainable manner.