



Review of Smart Prosperity Institute Report

Presented to
York Region Housing Affordability Task Force

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Outline

Summary of Ontario's need for 1.5 Million more homes report

Historical development trends in the GTHA and York Region

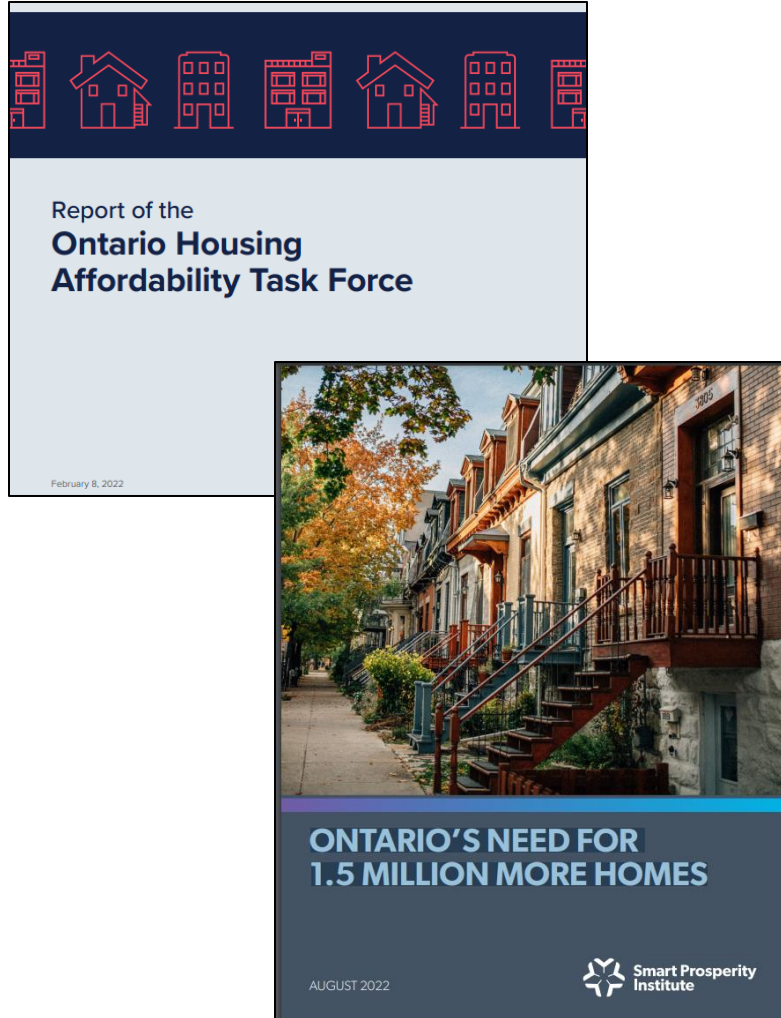
2022 Adopted Regional Official Plan forecasts

Report methodology

Other factors influencing housing supply in York Region

Key points & next steps

Smart Prosperity Institute Report Summary (August 2022)

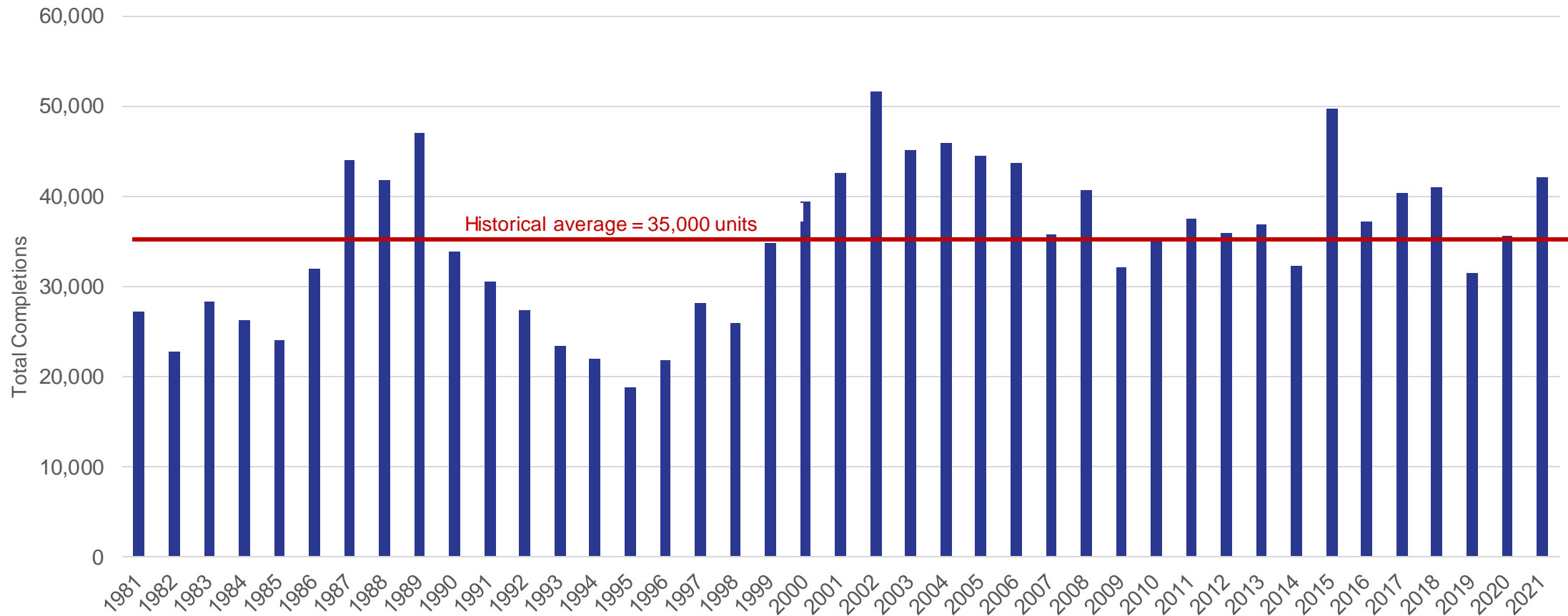


- Sought to substantiate the Provincial and Federal governments commitment to build 1.5 million homes in Ontario over the next decade:
 - A pre-existing shortage exists of 471,500 homes
 - Additional growth of 1.035 million homes are required
- 48% of the demand is within 3 Census Divisions: Peel, Toronto, and York
- Housing demand for York Region is 180,100 units or 18,000 units per year to 2031

Report estimates 60% of the 1.5 million homes forecasted for the GTHA

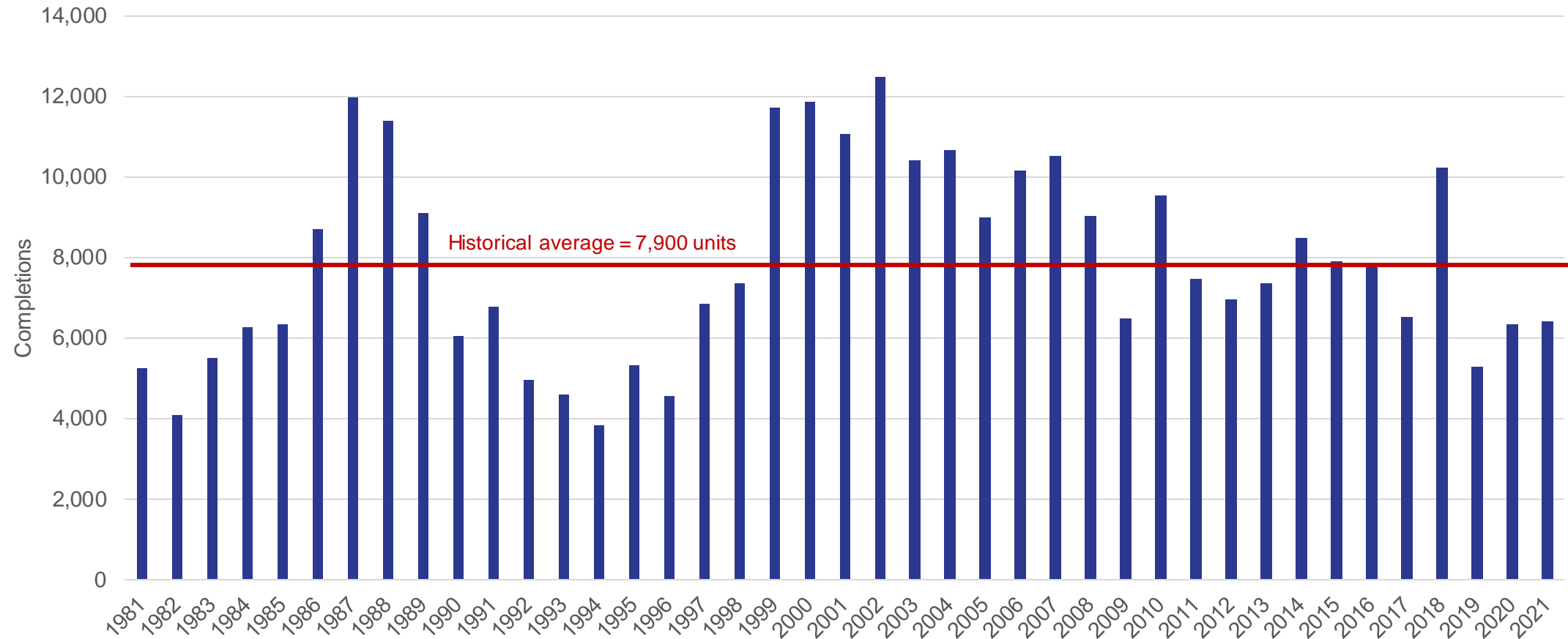
	2021-2031 Housing Needs - Smart Prosperity Report	2021-2031 Growth Plan Forecast	Difference
Durham	89,900	65,300	24,600
Halton	90,400	54,800	35,600
Hamilton	52,400	35,500	16,900
Peel	277,000	102,100	174,900
Toronto	259,000	157,800	101,200
York	180,100	88,500	91,600
Total GTHA	948,800	504,000	444,800

Report forecasts 95,000 new homes per year in the GTHA



Since 1981 an average of 35,000 units have been built annually in the GTHA

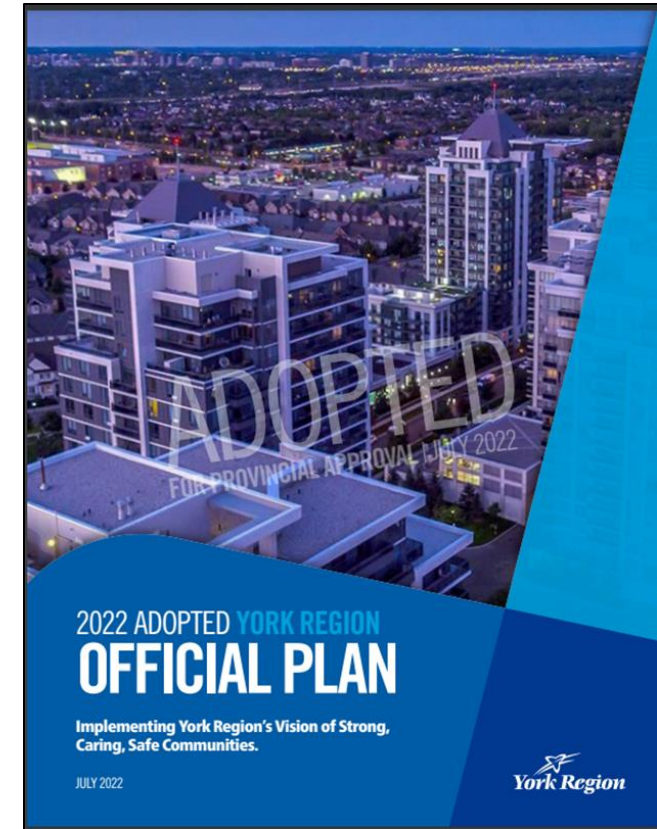
Report forecasts 18,000 new homes per year in York Region



Since 1981 an average of 7,900 units have been built annually in York Region

Adopted Regional Official Plan includes a 30-year land supply for residential growth

- ROP designates lands to accommodate a minimum of 282,000 new homes to 2051
- Report accelerates York Region growth accounting for 180,000 by 2031 vs. ROP forecast of 79,000
- Region's Centres and Corridors are positioned to supply significantly more growth than anticipated
- York Region will closely monitor and respond to actual growth over the forecast horizon



Report identifies a supply need that is over 2x the Growth Plan, which the ROP conforms to

Methodology in Report to Estimate 'Housing Shortage'

- Developed a '**Rest of Canada (RoCA) Benchmark**' - age specific headship rates and resulting ppus that exclude Ontario and British Columbia, to determine:
 1. **Pre-existing shortage or suppressed households**
 - Applied the RoCA Benchmark to the 2021 Census population by age group and compared with 2021 Census
 - Resulted in a pre-existing shortage of **96,200 units** for York
 2. **Additional growth required to 2031**
 - Compared 2021 and 2031 Ministry of Finance population and applied RoCA Benchmark
 - Resulted in additional growth of **83,900 units** required for York

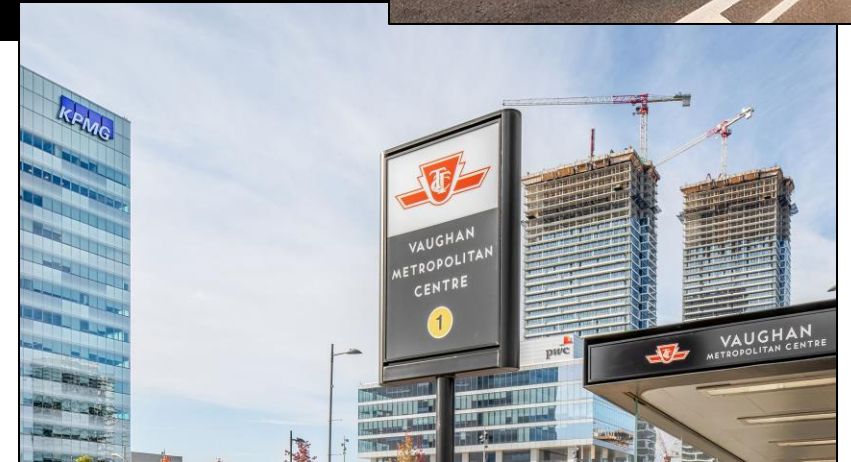
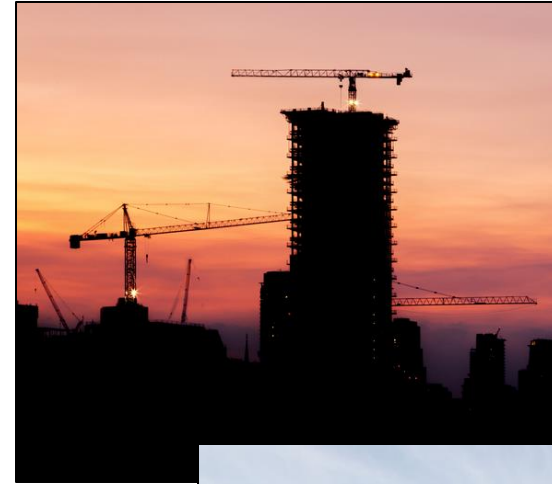
Report identifies a net housing supply need of **180,100 units** for York (96,200 + 83,900)

Ontario has its own socio-economic characteristics that directly impact household formation

- Ontario has historically had an average persons per unit (PPU) value higher than the national average - resulting in need for fewer households:
 - greater share of couple families
 - greater proportion of multigenerational households in Canada
 - lower-than-average divorce rates
 - highest proportion of population with tertiary education (for the 25-34 age group)
- Within the Ontario context, York and Peel have a higher PPU than the provincial average

Other factors directly impact housing supply

- York Region has a healthy approved housing supply
 - Approx. 62,000 approved units are available to accommodate forecast growth
- Approval timelines impact how quickly supply can be brought to market
 - 50% of site plan units achieve building permits in under 2.75 years
 - Subdivision units average 4.25 years
- Construction timelines have been increasing since 2015 and have become worse since the pandemic
- Supply chain disruptions and labour shortages could lead to a continuation of this trend in the short-term



Growth and infrastructure alignment a key objective of the Regional Official Plan

- Regional Official Plan policies mitigate growth-related risks by managing the timing and location of growth over the 30-year horizon
- Region's financial sustainability is sensitive to the pace of development charge collections and capital expenditures
- Regional Plans and forecasts to be regularly monitored and updated if actual growth exceeds forecast

Key Points

- Report identifies a need for 180,000 units in York Region to 2031, or 18,000 units/ year
- Since 1981, York Region has averaged 7,900 completions annually and ROP forecast also calls for 7,900 units per year to 2031
- Report uses average age-specific headship rates that exclude Ontario and B.C. to determine housing need
- Ontario and York Region have historically averaged significantly higher persons per unit values (lower household formation rates) than the national average
- Housing supply is directly related to approval and construction timing
- Council approved ROP forecast includes policies to ensure that development is phased in a fiscally sustainable manner

Next Steps

- RPCO to hire consultant to assess Smart Prosperity report
- Region to regularly monitor and respond to actual growth and development trends
- In consultation with BILD and other stakeholders, assess reasons and possible solutions for lengthening construction timelines

Thank You

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