

Regional Municipality of York

Committee of the Whole
Planning and Economic Development
March 9, 2023

Report of the Commissioner of Corporate Services and Chief Planner

York Region 2022 Vacant Employment Land Inventory

1. Recommendation

The Regional Clerk forward this report to the local municipalities.

2. Summary

This report provides Council with an overview of the supply and characteristics of vacant employment lands in York Region as of year-end 2022. Data contained in this report provides input for Regional and local economic development and employment planning.

Key Points:

- There are 2,367 hectares of vacant employment lands within designated employment areas across the Region
- Approximately 260 hectares of vacant employment lands were absorbed between 2017 and 2022, for an average annual absorption rate of 47 hectares
- Eighty-five percent (2,006 hectares) of the total vacant supply have full Regional and local servicing infrastructure in place to support development
- Continuing to work in partnership with the local municipalities will ensure a long-term supply of employment lands across the Region is available to support the forecasted growth anticipated by 2051

3. Background

A diverse and long-term supply of employment lands supports the economy by providing opportunities for job growth and balanced assessment growth

Employment lands are key drivers of economic development. Ensuring an adequate supply of vacant employment lands supports economic vitality, helping to create a competitive and flexible economic environment that encourages investment and a diversity of employment opportunities. Complete communities include a mix of residential and employment growth that provide a balance in assessment growth with opportunities for residents to both live and work in the Region. The Regional Official Plan includes an activity rate target of 1 job for

every 2 residents across the Region. A Region-wide perspective is essential, as meeting job needs within local municipal boundaries is not always achievable. Policies and employment designations in Official Plans protect employment land from being converted to non-employment uses, limit ancillary uses to only those that primarily service businesses within employment areas and encourage redevelopment and intensification of employment lands for employment uses.

The York Region employment land inventory provides updates to year-end 2022

This report provides an update to the Region's vacant employment land inventory to year-end 2022. The last update to the inventory was completed for mid-year 2017 and was received by Council in June 2018. In the future, the vacant employment land inventory will be updated annually and reported on a regular basis.

The inventory is important for monitoring and tracking key employment trends in the Region. The primary objectives of the vacant employment land inventory are to:

- Provide an inventory of the supply and characteristics of vacant employment land
- Monitor the rate of employment land absorption
- Provide a basis for supply/demand analysis
- Provide information to continue to attract investment from prospective employers and business owners

Employment areas are designated in official plans to accommodate clusters of business and economic activity

Employment areas are defined in the Provincial Policy Statement (PPS) as “areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices and associated retail and ancillary facilities”. The Employment Land Inventory (the “inventory”) is a parcel-based inventory of employment lands within designated employment areas throughout the Region (Attachment 1), including newly designated employment areas of the approved 2022 Regional Official Plan. In addition to the maps in this report, a web-based dashboard will be made available for users to browse vacant land inventory details.

For forecasting and monitoring purposes, the Region divides employment into three main employment types:

1. Major office: employment occurring in free standing office buildings of 1,860 square metres (20,000 square feet) or larger (excluding city or town halls, hospitals or school board offices and other local serving offices uses which are captured as population-related employment).
2. Population-related: employment serving the local population such as retail, services, education, municipal government, institutions and community services. This type of employment tends to increase with population growth.

3. Employment land: employment within designated employment areas.

The focus of this report is on employment land parcels in employment areas. Isolated rural employment parcels are excluded from the inventory. Employment areas accommodate a wide range of uses such as industrial, supporting commercial, institutional and knowledge-based industries.

While the inventory includes all lands within employment areas, the analysis in this report focuses on the vacant land portion of the inventory. Unless otherwise stated, land area references are net hectares. A definition of net hectares can be found in Appendix 1.

4. Analysis

The supply of vacant employment land provides diversity for future employment needs across the Region

The following summarizes key findings from the year-end 2022 vacant employment land inventory:

1. There are 2,367 hectares of vacant employment lands within designated employment areas.
2. Approximately 260 hectares of vacant employment lands were absorbed in York Region between 2017 and 2022, representing an average annual absorption rate of 47 hectares.
3. Forty percent (950 hectares) of vacant employment lands are subject to an active plan of subdivision or site plan.
4. Eighty-five percent (2,006 hectares) of the total vacant supply have full Regional and local servicing infrastructure in place to support development.
5. A further 2% (42 hectares) of the vacant inventory have Regional servicing infrastructure in place but require the extension of local systems.
6. Approximately 22% of vacant employment parcels (1,807 hectares) are greater than 5 hectares.
7. Nearly 96% of vacant employment land (527 parcels for 2,270 hectares) are within 5 km of a 400-series highway.
8. Twenty-seven percent of vacant employment land (272 parcels for 616 hectares) are within 500 metres of a transit stop.

Thirty per cent of available employment lands are vacant and at different levels of readiness for development

York Region has over 7,800 hectares of employment land. As of 2022, a third of the Region's employment land area was vacant, accounting for 2,367 hectares (Table 1).

Vaughan has 935 hectares of vacant employment land (40% of the total vacant inventory) and continues to have the largest supply of vacant employment lands in the Region. Markham and East Gwillimbury have the next largest shares of vacant lands, with 476 and 420 hectares respectively. These three municipalities collectively have a 77% share of total vacant employment land in the Region. It is important these areas be maintained over the long term to support the economy and provide employment opportunities for residents throughout the Region to satisfy the desired 1 job for every 2 residents activity rate. Table 1 displays 2022 employment lands by vacant and built status for each municipality, and a description of each is provided in Appendix 1.

Table 1
Employment land area by status and local municipality, 2022

Local Municipality	Vacant (ha)	Built (ha)	Total (ha)
Aurora	113	203	316
East Gwillimbury	420	55	475
Georgina	215	7	222
King	48	30	78
Markham	476	1,302	1,778
Newmarket	19	194	213
Richmond Hill	64	419	483
Vaughan	935	3,073	4,008
Whitchurch-Stouffville	77	158	235
York Region	2,367 (30%)	5,441 (70%)	7,808 (100%)

Despite lower absorption rates, employment land job growth continues

Employment land absorption refers to any employment lands that were built for employment uses and does not include lands that were converted and re-designated for non-employment uses. Approximately 260 hectares of vacant employment lands were absorbed in York

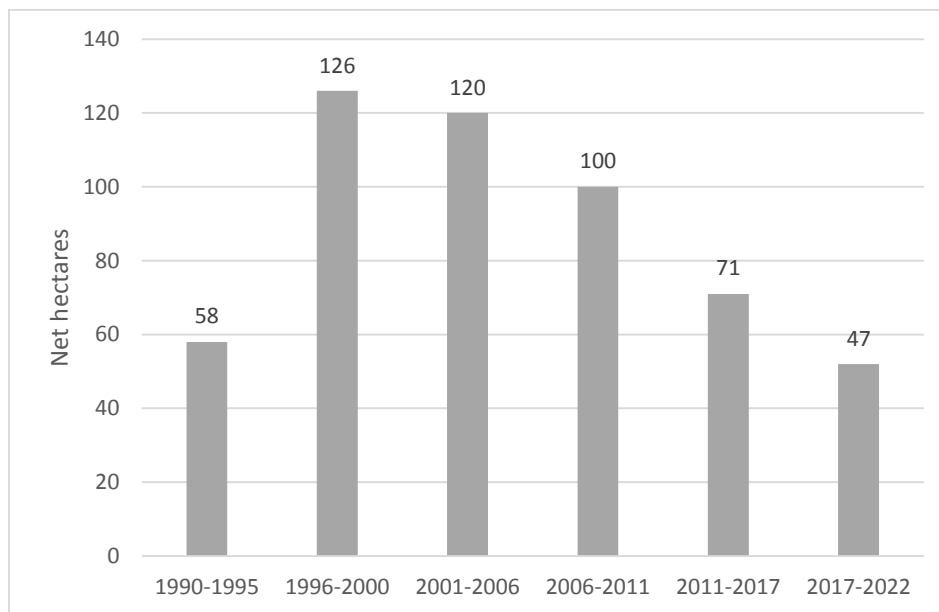
Region between 2017 and 2022. This equates to an average absorption rate of 47 hectares per year which is consistent with the trend reported in the 2017 inventory update towards lower absorption in recent years (Figure 1). Employment land absorption has been experiencing a downward trend since the 1980s when average annual absorption reached approximately 200 hectares per year.

The slower absorption of employment lands in the Region’s employment areas can be partially attributed to the shift from a manufacturing and goods-producing to a service and knowledge-based economy. Although absorption rates have declined, York Region continues to experience job growth. This is also noted in the York Region 2022 Employment and Industry Report, on the same agenda. Between 2017 and 2022, the Region added approximately 49,200 jobs on employment lands. This suggests that some jobs are locating in existing buildings rather than through new construction on vacant lands. In addition to these two factors, lower absorption may be explained by increased employment densities in existing employment facilities and increased land costs.

Figure 1 below shows average land absorption rates from 1991 to 2022, when approximately 2,765 hectares of land was absorbed. During this time, approximately 383,600 jobs were added to employment areas in the Region.

As further described below, 40% (950 hectares) of vacant employment lands have development applications in process, indicating strong demand over the coming years for employment land development throughout the Region.

Figure 1
York Region average annual employment land absorption, 1990-2022



Source: York Region Planning and Economic Development, 2022

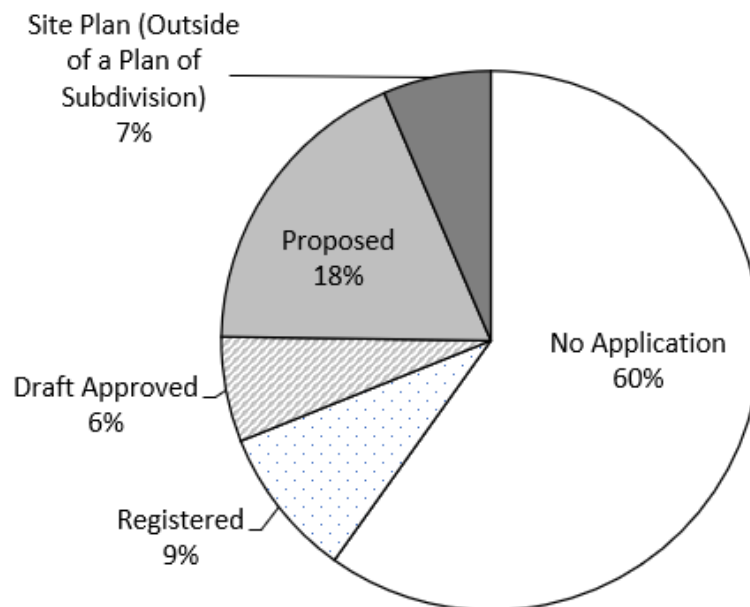
Forty per cent (950 hectares) of the Region’s vacant employment lands have development applications

The development status of each employment parcel is recorded based on its plan of subdivision status. Lands with no plan of subdivision but contain an active site plan are included. The following five categories were used to identify the status:

- Registered – unbuilt lots in a registered plan of subdivision
- Draft approved – potential lots in a plan of subdivision that has received draft approval but not final approval
- Proposed – potential lots in a proposed plan of subdivision which is under application but has not received draft approval
- Site Plan (outside of plan of subdivision) – lots with a site plan application either proposed or approved
- No application – lands that do not yet have a plan of subdivision application but have an official plan designation for employment uses

While registered vacant parcels are either under construction or expected to be developed shortly, lands that are draft approved or proposed and under application are a good indicator for development in the short to medium term. As shown in Figure 2, 40% or 950 hectares of the Region’s vacant employment lands contain active development applications. The remaining 60% are available to accommodate growth in the medium to long term.

Figure 2
York Region vacant employment land by application status, 2022



Eight-five per cent (2,006 hectares) of vacant employment lands have Regional servicing in place

Employment parcels with water and wastewater connections facilitate construction of new employment uses. Table 2 summarizes the Region’s vacant employment lands by servicing status. Latest available information from the Region’s All Pipes data set has been used to derive these figures. Data has yet to be reviewed and confirmed by local municipalities. A portion of the vacant employment lands in East Gwillimbury, Markham and Vaughan have infrastructure in place to support some growth, but additional infrastructure is required for full buildout to be realized.

Table 2
York Region vacant employment lands servicing status

Servicing Status	Vacant Land (hectares)	Share of vacant land
Regional and Local Servicing	2,006	85%
Local Servicing Required (Regional not required)	42	2%
Regional and Local Servicing Required	242	10%
Private Services	76	3%
York Region	2,367	100%

Source: York Region Planning and Economic Development, 2022

Region-wide, approximately 85% (2,006 hectares) of vacant lands have full Regional and local servicing available. Another 2% (42 hectares) have Regional servicing available but require local municipal service extensions (Appendix 2). Extensions to local water and/or wastewater systems typically occur when development applications are proposed.

Regional water and wastewater services are available to all vacant parcels in the Towns of Richmond Hill, Aurora and Newmarket.

Diversity in the location and size of vacant employment parcels is important for attracting a diverse range of employers

Providing a range and choice in site sizes allows municipalities to accommodate potential needs of a variety of employers and provides opportunities for a diversified employment

base. The inventory indicates that the Region has a large variety of vacant parcels with varying sizes, ranging from large parcels greater than 5 hectares to smaller parcels less than a hectare. Vacant parcels greater than 5 hectares are important for attracting large, land intensive developments like distribution centres, warehouses, and campus developments.

In 2022, vacant parcels of 5 hectares or greater account for 22% of all vacant parcels and approximately 73% of the vacant employment land supply. Approximately 39% of the vacant parcels in the inventory are less than 1 hectare, accounting for 5% of the total vacant land area.

Appendix 3 breaks down the supply of vacant land by parcel size and local municipality as of 2022.

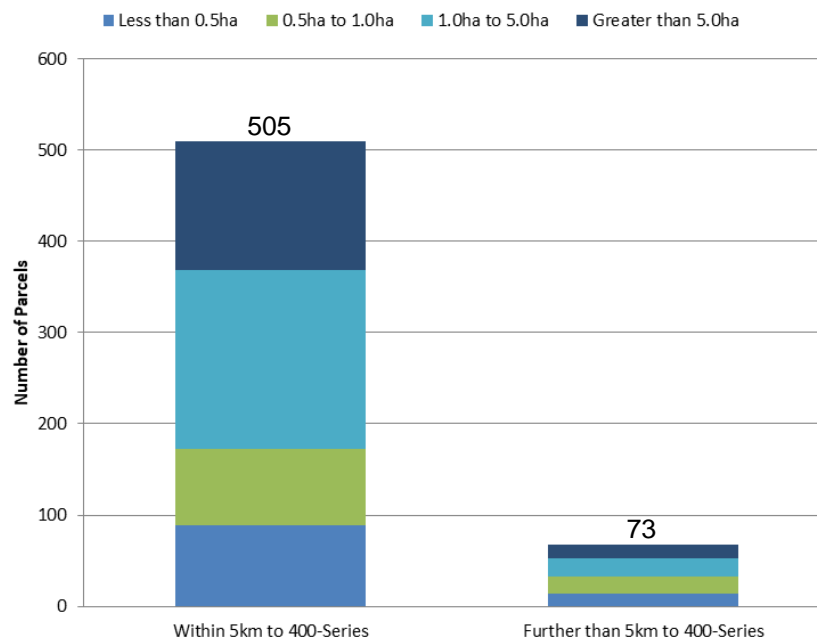
Ninety-six per cent of the Region’s vacant employment lands are within five kilometres of a 400-series highway

To support goods movement and employee access, it is desirable to have employment lands located within urban areas near transportation corridors. The 400-series highways are important for employment lands as strategic locations and market accessibility to facilitate goods movement and provide visibility for major employers. There are 493 vacant parcels totalling 2,270 hectares (96% of vacant employment land) within five kilometres of a 400-series highway. These lands provide for long-term economic development opportunities.

Figure 3 below provides additional detail on vacant parcel sizes and their proximity to 400-series highways.

Figure 3

Supply of Vacant Employment Land by Area and Proximity to 400-Series Highways



Almost half of the Region’s vacant employment parcels are within 500 metres of a transit stop

Council’s investment in public transportation helps to manage congestion and improve travel times in the Region. This is a benefit to the Region’s economy by facilitating more efficient movement of residents, workers, goods, and services. Providing future employees of vacant parcels with easy access to transit provides opportunities for accessible live-work situations and attracts labour force talent, including millennial employees. As stated in the Regional Official Plan, the Region plans to provide transit service so that the distance to a transit stop in the Urban Area is within a 15-minute walk for residents.

Approximately 45% of vacant parcels (or 616 hectares of vacant employment land) in the Region are located within 500 metres of either a York Region Transit (YRT) or VIVA transit stop. Given the desirability of land near major transportation corridors and transit, it is important to ensure that these employment lands are preserved for employment uses over the long term and not subject to conversion to non-employment uses.

Appendix 4 provides detail on the distribution of vacant employment land parcels by distance to YRT and VIVA transit stops.

Maintaining and enhancing the long-term viability of employment lands in partnership with the local municipalities will protect future jobs

York Region is forecast to achieve over 900,000 jobs by 2051, an additional 285,000 jobs beyond the 2022 estimate of 615,800 jobs. Research and analysis on the Regional economy and employment informed the planning for the forecasted growth. This included analysis of historical and future trends, the Region’s employment survey, analysis of employment growth by sector, and the economic development action plan.

Council has made significant investments in water and wastewater infrastructure, transit, and economic development initiatives to support job growth and attract and retain businesses to the Region’s employment lands. There is recognition throughout the Region of the importance of transit in talent and business attraction and in the planning of transit service investments with current and planned employment areas in the Region.

Once proclaimed, Bill 23 will remove Council’s planning authority, but partnerships with the local municipalities will be important to manage growth and protect employment lands needed to support the forecasted population and employment growth anticipated by 2051 across the Region. Regional monitoring, analysis of employment lands and forecasting work will complement Official Plans and planning approvals done by local municipalities.

5. Financial

Employment lands play a central role in the Region’s economy. The availability of a wide range of vacant employment lands is integral to the fiscal health of a community and can directly affect economic development and diversification of the assessment base.

6. Local Impact

Vacant employment lands in each of the local municipalities are identified and analyzed in this report, providing information and support for updating local Official Plans. Local municipalities are key partners in the ongoing retention, enhancement and planning of employment areas.

7. Conclusion

Maintaining a robust and diverse supply of vacant employment lands supports the economic vitality of the Region. As of 2022, there were 2,367 hectares of vacant employment lands within designated employment areas.

Maintaining and enhancing the long-term viability of employment lands in partnership with the local municipalities continues to be key. York Region Council has made significant investment in water and wastewater infrastructure, transit, and economic development initiatives to support job growth and attract and retain businesses to the Region's employment lands.

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

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February 16, 2023

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Attachment 1 – 2022 Vacant Employment Land Inventory (VELI) Maps

Appendix 1 – VELI Definitions

Appendix 2 – VELI by Servicing

Appendix 3 – VELI by Parcel Size and Municipality

Appendix 4 – VELI by Distance to Transit

Definition of area calculations in the Employment Land Inventory

Three types of area calculations are included within the employment land inventory:

- **Gross area** – the total area of each parcel within employment areas;
- **Developable area** – gross area less environmental features and areas, natural heritage systems, major infrastructure and existing uses; and,
- **Net area** – developable area, with a 20% reduction to parcels greater than 25 developable hectares to account for future local roads and stormwater management facilities. For parcels less than 25 developable hectares, there is no reduction in developable area, with the assumption that local roads and stormwater management facilities exist in the area. If an employment area was 60% vacant or greater, the 20% reduction was applied to all vacant parcels in the employment area.

Unless otherwise stated throughout the report, all area calculations are reported in net hectares.

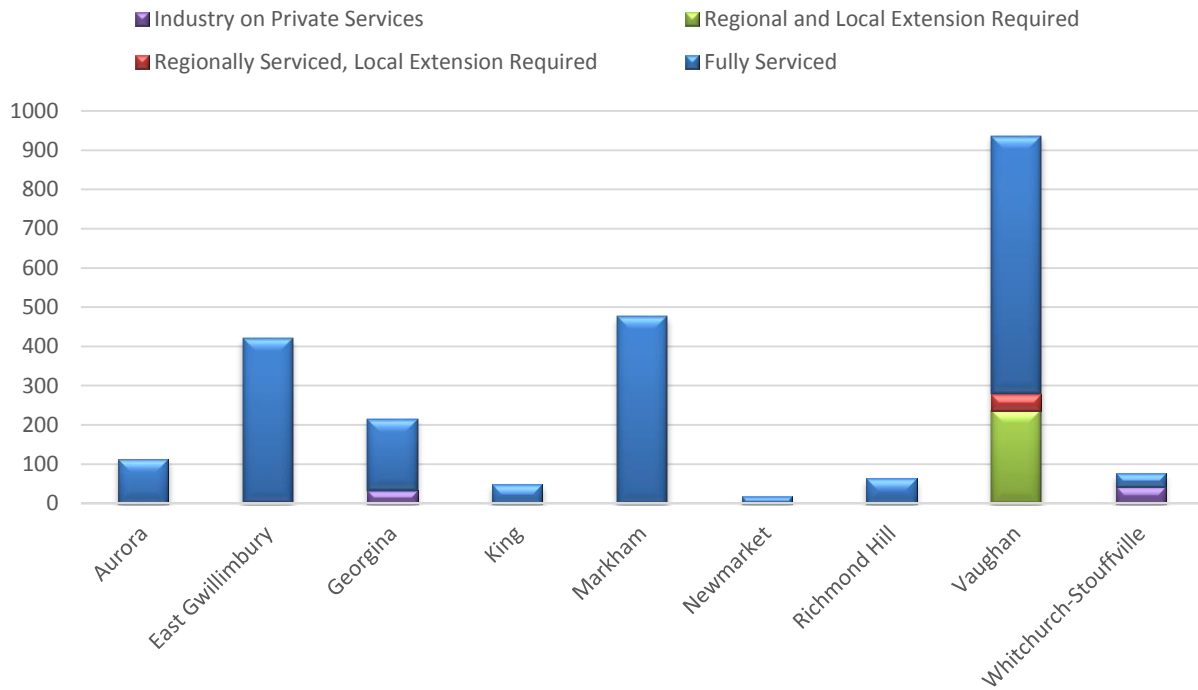
Description of vacant/built status categories in the Employment Land Inventory

The total employment land inventory includes three vacant/built status categories:

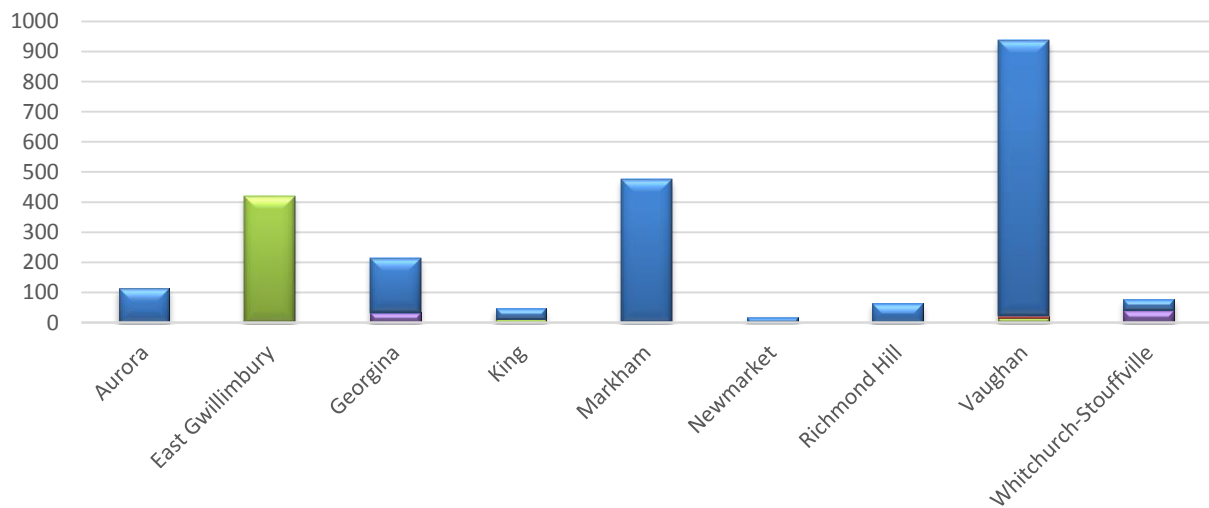
- **Vacant** – parcels that are currently vacant. This includes parcels that are not in use as well as parcels currently being used for agricultural purposes.
- **Built** – parcels that are currently in use. This includes parcels that support industrial, major office, parking, and storage uses. Although parking and storage uses may have some redevelopment potential, they have not been included in the vacant analysis.
- **Other** – parcels that are being used for non-employment uses such as road right-of-ways, stormwater management ponds, natural heritage features, legal non-conforming residential, and other infrastructure such as water towers and hydro corridors.

Unless otherwise stated throughout the report, the land category of Other has been added to and reported out on in the Built category.

Vacant Employment Land by Water Servicing Availability by Local Municipality



Vacant Employment Land by Wastewater Servicing Availability by Local Municipality



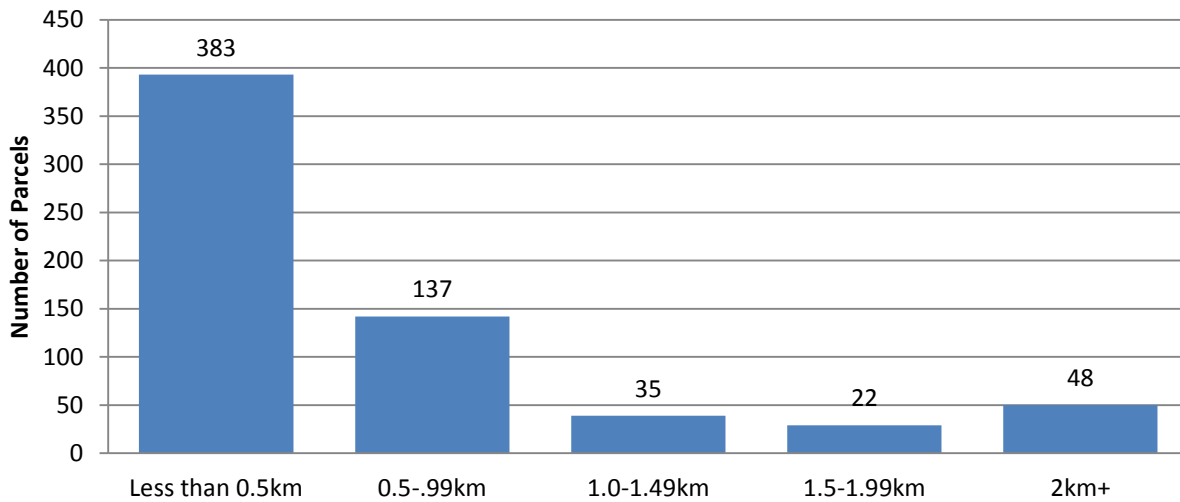
■ Industry on Private Services ■ Regional and Local Extension Required
■ Regionally Served, Local Extension Required ■ Fully Served

Supply of Vacant Employment Lands by Site Size and Local Municipality, 2022

	Less than 0.5ha		0.5ha to 1.0ha		1.0ha to 5.0ha		Greater than 5.0ha		Total	
	<i>Parcels</i>	<i>Hectares</i>	<i>Parcels</i>	<i>Hectares</i>	<i>Parcels</i>	<i>Hectares</i>	<i>Parcels</i>	<i>Hectares</i>	<i>Parcels</i>	<i>Hectares</i>
Aurora	6	2	24	18	31	60	3	33	64	113
East Gwillimbury	23	5	7	20	24	57	27	339	81	420
Georgina	2	0	0	0	9	24	14	191	25	215
King	7	2	4	3	1	2	3	41	15	48
Markham	18	5	28	20	45	117	23	330	114	476
Newmarket	7	2	3	2	6	15	0	0	16	19
Richmond Hill	10	1	5	4	13	33	3	24	31	64
Vaughan	49	11	28	21	81	208	52	687	210	935
Whitchurch-Stouffville	8	2	6	10	6	14	2	51	22	77
York Region	130	30	105	98	216	530	127	1696	578	2367

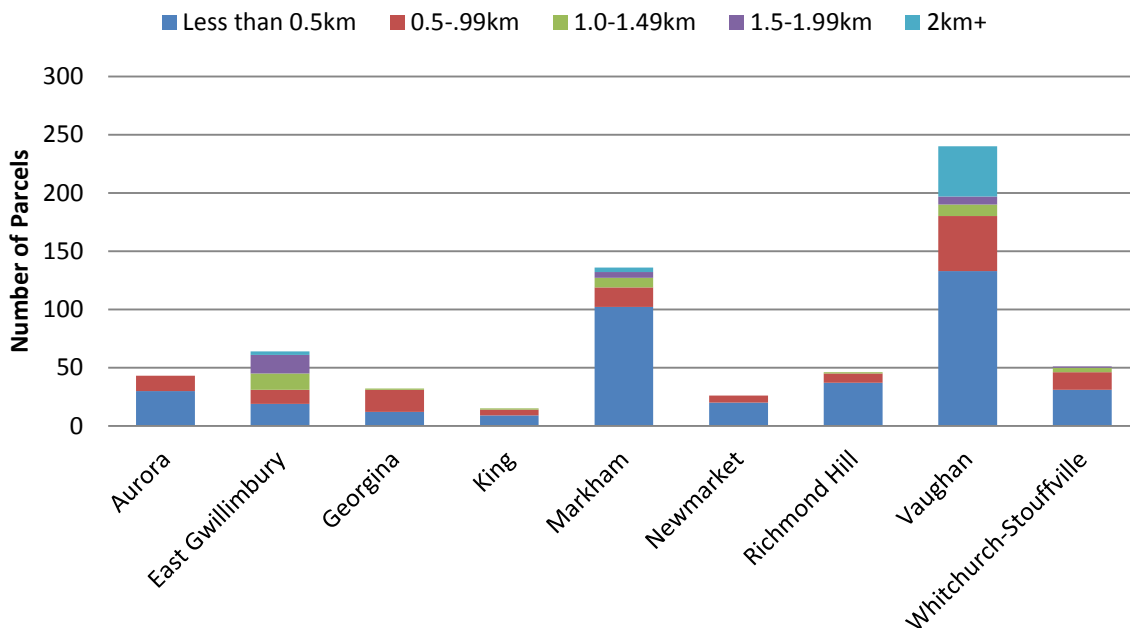
Source: York Region Planning and Economic Development, January 2023

Supply of Vacant Employment Land by Distance to York Region Transit (YRT) Stops



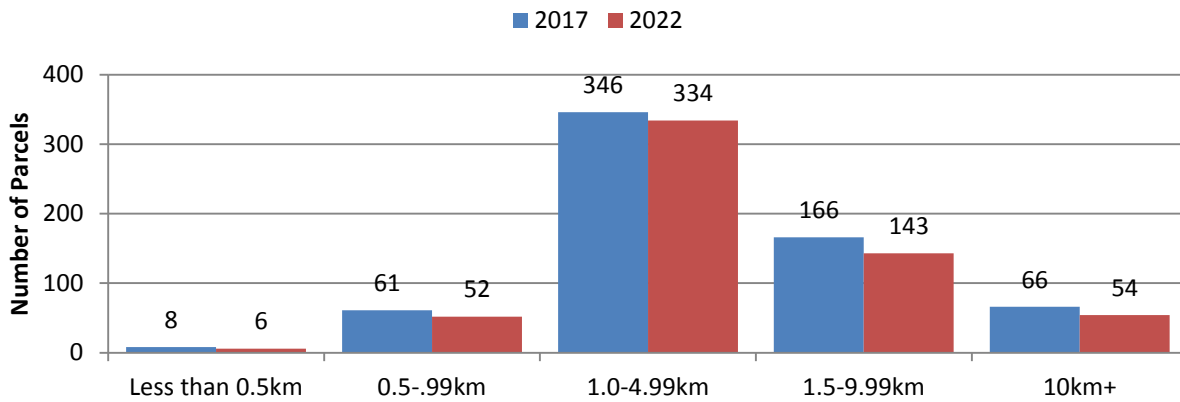
Source: York Region Planning and Economic Development, January 2023

Vacant Land Proximity to a York Region Transit (YRT) Stop by Municipality



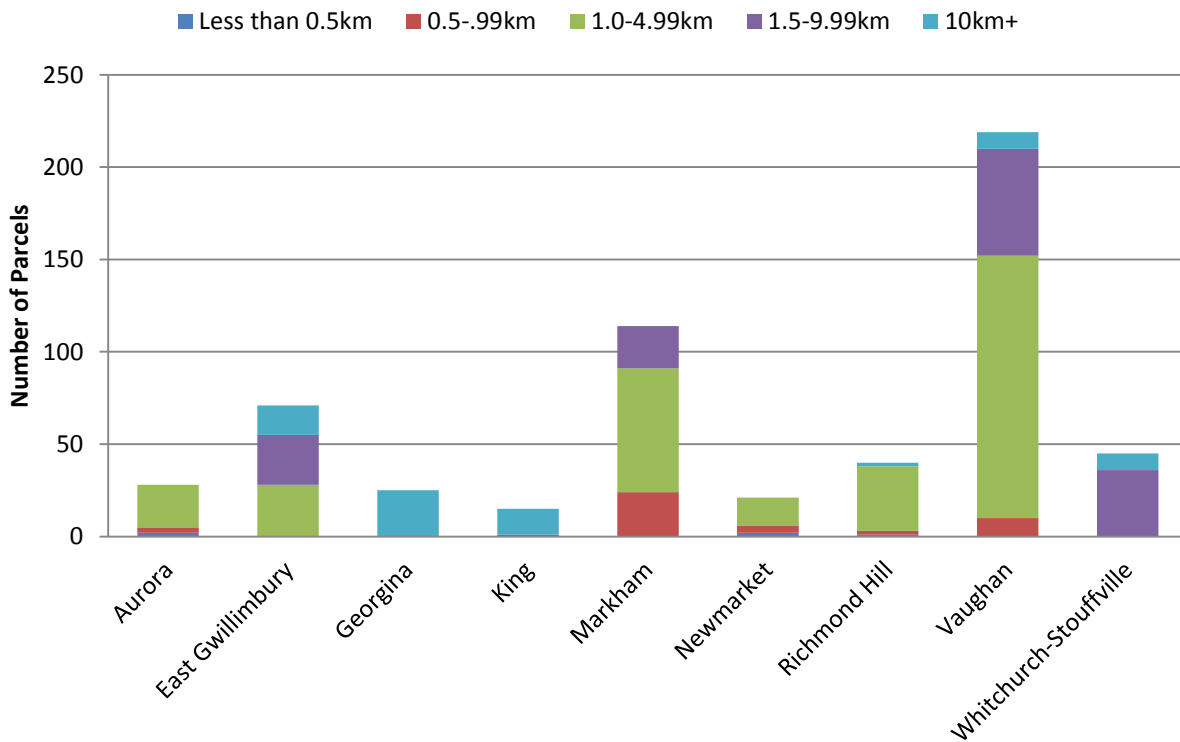
Source: York Region Planning and Economic Development, January 2023

Supply of Vacant Employment Land by Distance to VIVA Stops



Source: York Region Planning and Economic Development, January 2023

Vacant Land Proximity to a VIVA Stop by Municipality



Source: York Region Planning and Economic Development, January 2023