

The Regional Municipality of York

Committee of the Whole
Planning and Economic Development
May 9, 2019

Report of the Commissioner of Corporate Services and Chief Planner

2018 Regional Centres and Corridors Update

1. Recommendations

1. The Regional Clerk forward this report to the Provincial Minister of Municipal Affairs and Housing and York Region Members of Federal and Provincial Parliament as an example of the Region's continued commitment to focusing growth within Regional Centres and Corridors, and to seek further Federal and Provincial assistance to provide critical infrastructure for the Yonge Subway Extension and completion of the Viva Rapid Transit network.
2. The Regional Clerk forward this report to the local municipalities for information.

2. Summary

This report provides an annual update on development activity and transit investments that occurred within the Regional Centres and Corridors in 2018. It identifies ongoing initiatives that continue to drive the Region's city building initiatives forward as a result of Council's commitment to planning for transit oriented complete communities.

Key Points:

- Regional Centres and Corridors, planned since 1994, are an integral part of the Region's urban fabric and continue to attract an increasing number of residents and jobs in transit supported locations
- The majority of 2018 high density residential building permits in the Region (56 per cent) continue to locate in Regional Centres and Corridors
- Employment in Centres and Corridors increased by over 5,200 jobs, which is the second-highest annual employment growth since 2009
- The Toronto-York Spadina Subway Extension and investment in bus rapid has been a catalyst for growth in the Vaughan Metropolitan Centre and along Regional Corridors
- Placemaking to create vibrant public destinations continues to support attraction of new office development, a mix of uses, new residents, and high quality job opportunities

- The Yonge Subway Extension continues to be the top transit priority for York Region, followed by the completion of the Viva Bus Rapid Transit rapidways which is crucial to completing the Region's rapid transit network
- The Upper York Servicing Solution is vital piece of infrastructure required to fully realize the planned growth in Newmarket Centre and the Regional Corridors in Aurora, Newmarket and East Gwillimbury

3. Background

Regional Centres and Corridors form the foundation of York Region's city building initiatives and are now home to 61,000 people and 128,500 jobs

Regional Centres and Corridors were first established in the 1994 Regional Official Plan, and continue to be reinforced in the 2010 Regional Official Plan as a planned city building initiative. They are the foundation of the Region's Urban Structure to guide transit investment and residential and commercial growth.

The Regional Centres and Corridors implement the Province's Growth Plan's priority to concentrate growth in urban areas. The Growth Plan provides specific targets for density and intensification and promotes well-designed and sustainable compact communities. The Growth Plan and Regional Official Plan designate four Provincial Urban Growth Centres in York Region (Figure 1):

- Markham Centre (Highway 7 and Warden Avenue)
- Newmarket Centre (Yonge Street and Davis Drive)
- Richmond Hill / Langstaff Gateway (Highway 7 and Yonge Street)
- Vaughan Metropolitan Centre (Highway 7 and Jane Street)

Urban Growth Centres are the primary focus of intensification and contain the highest development densities in the Region. Together with Regional Corridors (Yonge Street, Highway 7, Davis Drive, and Green Lane) these areas are evolving into highly active urban places, serviced by rapid transit. Figure 1 illustrates each Urban Growth Centre and identifies the planned 2031 population and employment targets.

Figure 1
York Region Centres and Corridors



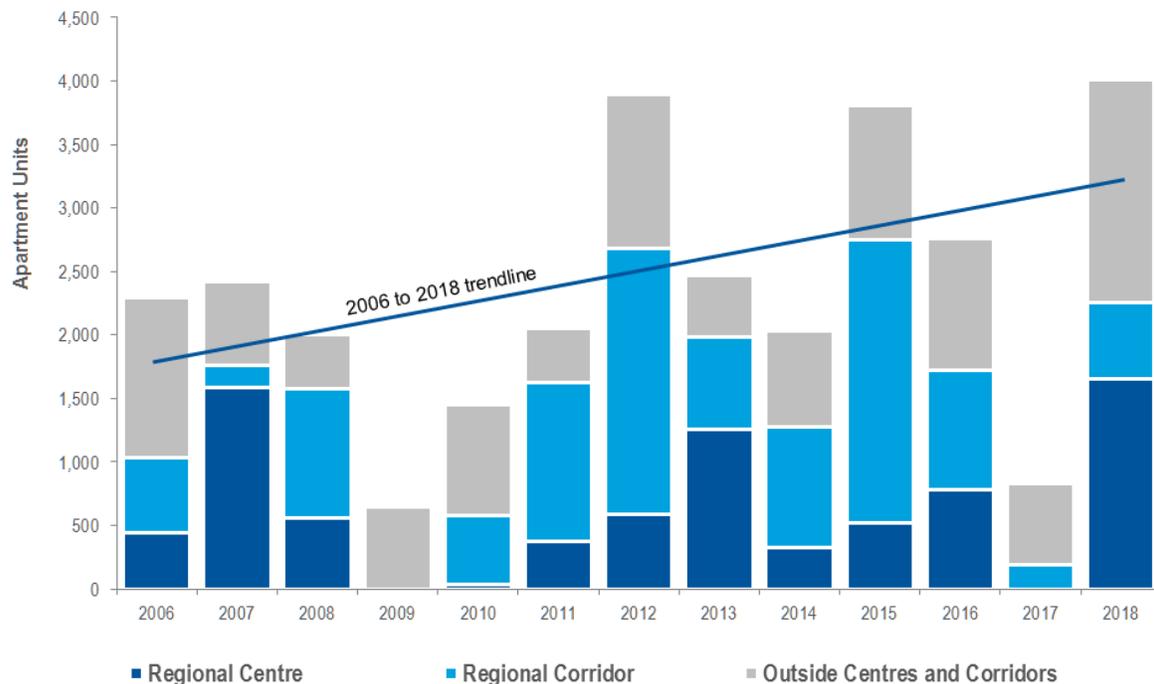
4. Analysis and Implications

Majority of the Region’s high density residential development is located in Regional Centres and Corridors

Since 2011, the Region has experienced steady growth in medium and high density development within Regional Centres and Corridors. This reflects Council’s approved policy direction and strategy to focus compact, mixed use, and transit oriented development in Centres and Corridors.

In 2018, there was a large increase in apartment buildings Region-wide over 2017. This trend is expected to continue with the majority of the Region’s high rise apartment growth happening in the Centres and Corridors (Figure 2). Large annual fluctuations are more commonly observed in apartments than in other housing types as they take longer to build and multiple units are completed at the same time for individual projects.

Figure 2
Multi storey apartment building permit units in York Region by location
between 2006 to 2018



The following are some key highlights of 2018 building permit activity in Regional Centres and Corridors:

- Highest annual percentage (32.2 per cent) of new residential units (all types) recorded in Regional Centres and Corridors since tracking began in 2001
- Majority of all new high density residential building permits (56 per cent) Region wide were located in Regional Centres and Corridors
- Condominium apartment building permit activity represented 88 per cent (2,260 units) of all permits in Regional Centres and Corridors
- Townhouses are trending up with 303 units (12 per cent) of permits in Centres and Corridors

No building permits were issued for purpose built rental developments in 2018. Rental options are the most viable housing option for many mid-range income households. Without a sufficient rental supply, businesses may struggle to attract employees while senior and young adults leave communities in search of housing that meets their needs.

The Region is increasingly reliant on the secondary market (rental condominiums) to provide mid-range income housing options. The secondary rental market is robust and is currently filling an important housing gap.

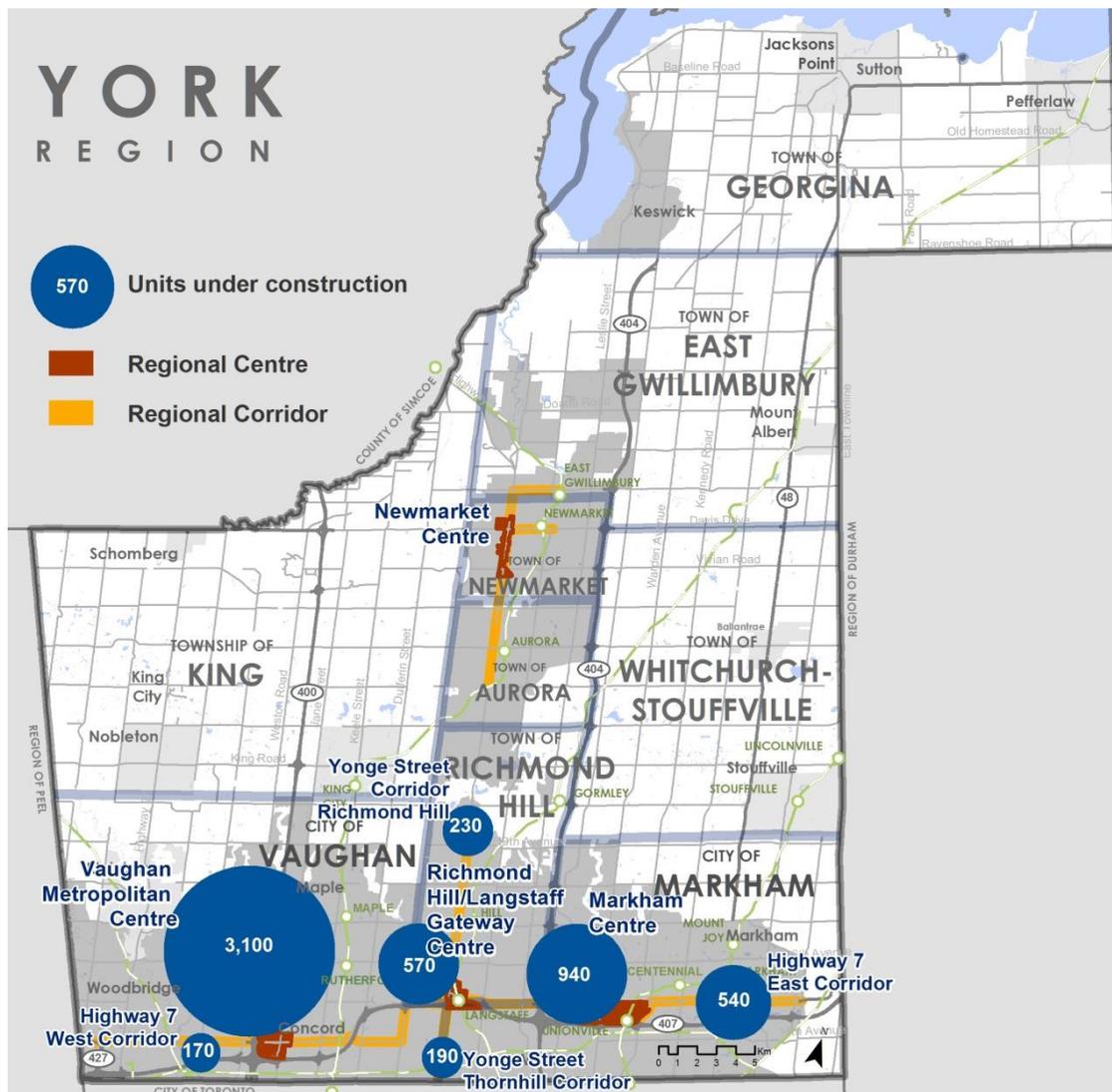
Vaughan Metropolitan Centre has dominated high rise residential construction activity for the last two years

Currently 22 multi storey residential buildings (6,500 units) are under construction in Centres and Corridors (Figure 3). Since [the last Centres and Corridors update in 2018](#), ten buildings were completed (2,019 units) and three new buildings started construction (1,250 units).

The strongest growth is in the Vaughan Metropolitan Centre with 3,100 high rise units currently under construction, followed by Markham Centre with 940 units under construction. This significant construction activity in the Vaughan Metropolitan Centre is an example of the impact continued investment in rapid transit is having on growth in the Region's Centres and Corridors.

Figure 3

High Rise Residential Units Under Construction in Regional Centres and Corridors in 2018



Source: Altus Group Limited

Centres and Corridors continue to attract high-quality employment opportunities

According to York Region's 2018 annual employment survey data, employment within Regional Centres and Corridors grew by over 5,200 to approximately 128,500 jobs in 2018. This represents a 4.3 per cent increase in jobs in the Centres and Corridors, versus a 2.4 per cent increase Region-wide. This is the second highest annual employment growth since 2009. The majority of this employment increase was located along Highway 7 East Corridor (4,000 job increase) in the Commerce Valley Drive and Highway 7 East area, followed by Markham Centre (1,000 jobs) and the Vaughan Metropolitan Centre (750 jobs).

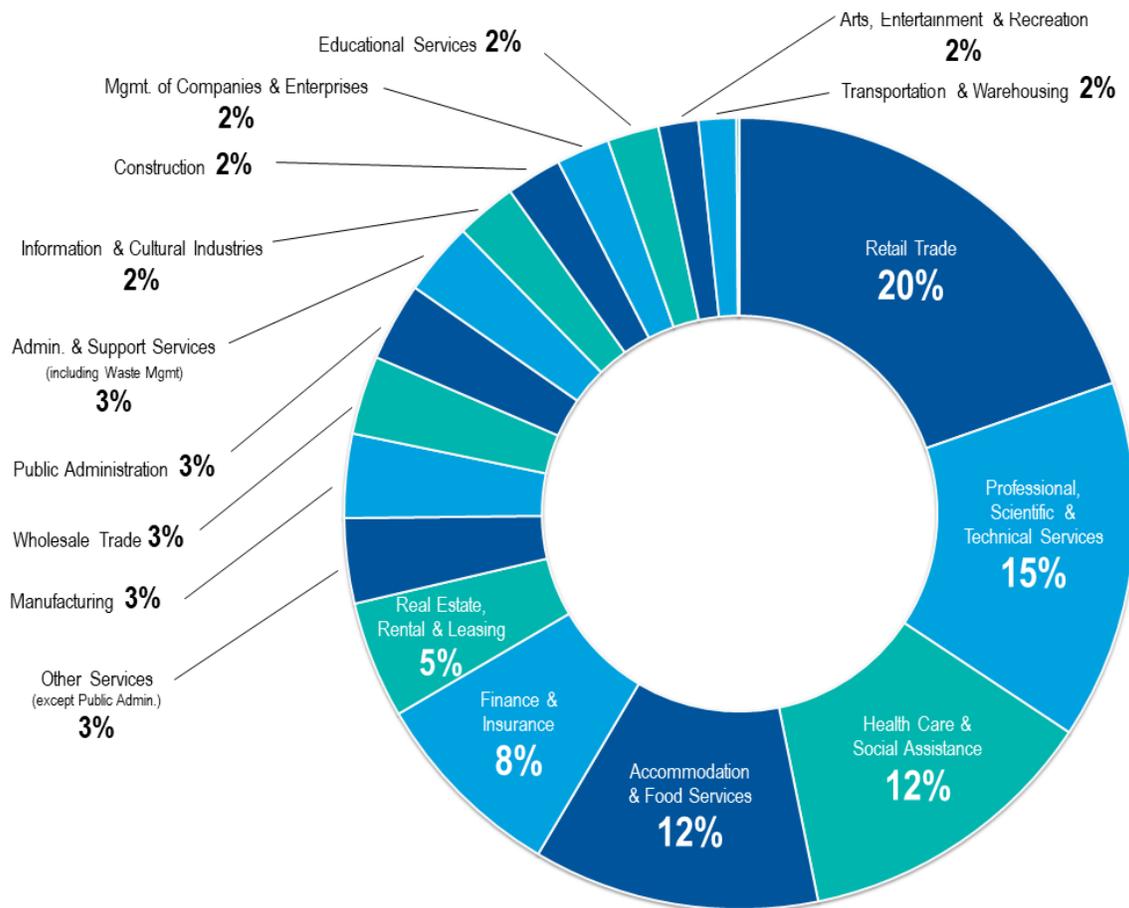
From 2017-2018, companies that started or expanded operations in York Region's Urban Growth Centres and transit corridors included:

- Miller Thomson, FM Global, GFL Environmental, Harley-Davidson Canada, in the Vaughan Metropolitan Centre
- Telecon Group, and Upstream Works Software in the Highway 7 West Corridor in Vaughan
- Aviva Canada, Densify, Toronto Marriott Markham, and Under Armour Canada in Markham Centre
- Lytx Canada in Highway 7 East Corridor in Markham

Employment growth in Regional Centres and Corridors in key job sectors has outpaced growth in the Region

According to the Region's annual employment survey, the largest employment sectors in Regional Centres and Corridors were Retail Trade with 25,200 jobs (20 per cent), followed by Professional Scientific and Technical Services with 18,700 jobs (15 per cent), and Health Care & Social Assistance with 16,000 jobs (12 per cent) (Figure 4).

Figure 4
2018 Employment by Sector in Regional Centres and Corridors



From 2014 to 2018, York Region jobs in the Professional, Scientific & Technical Services; Finance & Insurance; Management of Companies & Enterprises; and Health Care & Social Assistance sectors has concentrated in Regional Centres and Corridors (Table 1). Growth in these key sectors outpaced growth in the same sectors elsewhere in the Region.

Table 1
Per Cent Job Growth in Key Employment Sectors in Regional Centres and Corridors 2014 to 2018

Key Employment Sector	% of York Region Growth in Centres and Corridors
Professional, Scientific & Technical Services	61% (2,000 jobs)
Finance & Insurance	60% (3,600 jobs)
Management of Companies & Enterprises	30% (1,500 jobs)
Health Care & Social Assistance	25% (1,700 jobs)

The Retail Trade sector, the largest employment sector in the Centres and Corridors, did not show any growth in employment from 2014 to 2018. However, one of the most successful ways to deliver retail uses as part of transit supportive, complete communities is through mixed use developments. The growing concentration of high density residential and office employment in Markham Centre and Vaughan Metropolitan Centre and improvements in transit connectivity are creating market conditions to support retail growth in the Centres and Corridors.

Since 2012, 70,000 square feet of new retail has been built in Regional Centres and Corridors and 4,900 square feet are under construction. Active developments under application account for approximately 60,000 square feet of retail primarily located in Markham Centre (30,000 square feet) and Vaughan Metropolitan Centre (23,000 square feet).

Rapid Growth in Centres and Corridors is driving major office employment

Regional Centres and Corridors are the focus for new Major Office development in York Region and the Toronto-York Spadina Subway extension to the VMC and developing Bus Rapid Transit has been a catalyst for Major Office growth. From 2014 to 2018 new major office in Regional Centres and Corridors accounted for 71 per cent (1,226,500 sq ft) of all new major office in York Region. This is significantly higher than the 14 per cent (227,600 sq ft) share of Major Office built during the five years prior (2009 to 2013) in Centres and Corridors.

New office buildings in Regional Centres are classified as Class A, based on the industry-standard BOMA Office Classification Guide. All office buildings located along Regional Corridors are either Class A or B. Recently built Class A buildings in Regional Centres include:

- KPMG and PricewaterhouseCoopers in Vaughan Metropolitan Centre
- Aviva Building in Markham.

Launched in 2016, York Region’s award-winning ‘York Link’ marketing strategy and campaign is a key Regional initiative promoting office attraction linking Transit Oriented Development (TOD). It showcases York Region as a place where knowledge-based businesses and top talent thrive, in a fast-growing and urbanizing region. The Centres and Corridors program works together with the York Link campaign to promote the relationship between city building and economic development.

Commitment to construct the Yonge Subway Extension recently announced by the Provincial Government will complete a critical missing link and enable planned growth

The Yonge Subway Extension remains the top rapid transit priority for York Region. This extension from Finch Station in Toronto to Richmond Hill/Langstaff Gateway Centre completes a critical missing link in the Greater Toronto Area rapid transit network. The terminus in Richmond Hill/Langstaff Gateway Centre is a key multi-modal location, a “Union Station North” incorporating five modes of transit:

- TTC Subway
- Viva Bus Rapid Transit
- Langstaff GO Rail station and future expanded Regional Express Rail service
- Planned Highway 407 GO Bus Rapid Transit transitway
- York Region Transit Bus Terminal

The subway will replace over 2,500 buses travelling daily on Yonge Street, the heaviest travelled corridor in the GTA. The Provincial government has recently committed \$11.2 billion in funding for transit in the GTA, a portion of which includes partial funding of the \$5.6 billion Yonge Subway Extension. The preliminary design for the Yonge Subway Extension is expected to be completed by the end of 2019.

To ensure the subway is protected for – Regional staff are tracking development applications along the Yonge Street Corridor and engaging early in the development process through pre-consultation with local municipalities and the TTC. This ensures any potential issues are flagged early in the process and requirements for studies/reports are clearly identified.

York Region’s commitment to planning for transit oriented communities is showing results and requires continued investment for critical infrastructure. The Vaughan Metropolitan Centre demonstrates the important link between investment in transit and building successful downtowns. It is expected Richmond Hill/Langstaff Gateway Centre would see similar growth and densities once the Yonge Subway Extension is built.

Bus Rapid Transit, the Toronto-York Spadina Subway Extension, facilities, and terminals support Regional Centres and Corridors.

The role of Viva Bus Rapid Transit service in Regional Centres and Corridors in supporting growth and a fully connected system is important to guide infrastructure investment. Between 2011 and 2015 over 10,000 building permits were issued along Viva bus rapid transit corridors for high rise residential units, which are more than double the number of building permits issued from 2006 to 2010, coinciding with the opening of Viva bus rapid transit. Annual growth has averaged 1,300 high rise residential units every year along Viva BRT routes since its inception in January 2006, compared to 490 units per year prior to the opening of Viva bus rapid transit service.

Rapid transit investment results in transformational growth and further investment in Viva and the Yonge Subway Extension is needed to support the Region's intensification and city building efforts and provide a complete linked transit system.

Full investment of \$11 billion from different levels of government is needed to construct the Yonge Subway Extension and additional Bus Rapid Transit in the form of rapidways. This is crucial to completing the Region's and the GTA's connected rapid transit network.

Four Viva BRT rapidways are currently under construction:

- Bathurst and Centre in Vaughan (expected opening Dec. 2019)
- Highway 7 West in Woodbridge, Vaughan (expected opening Dec. 2019)
- Yonge Street in Newmarket (expected opening Dec. 2019)
- Yonge Street in Richmond Hill (expected opening Dec. 2020)

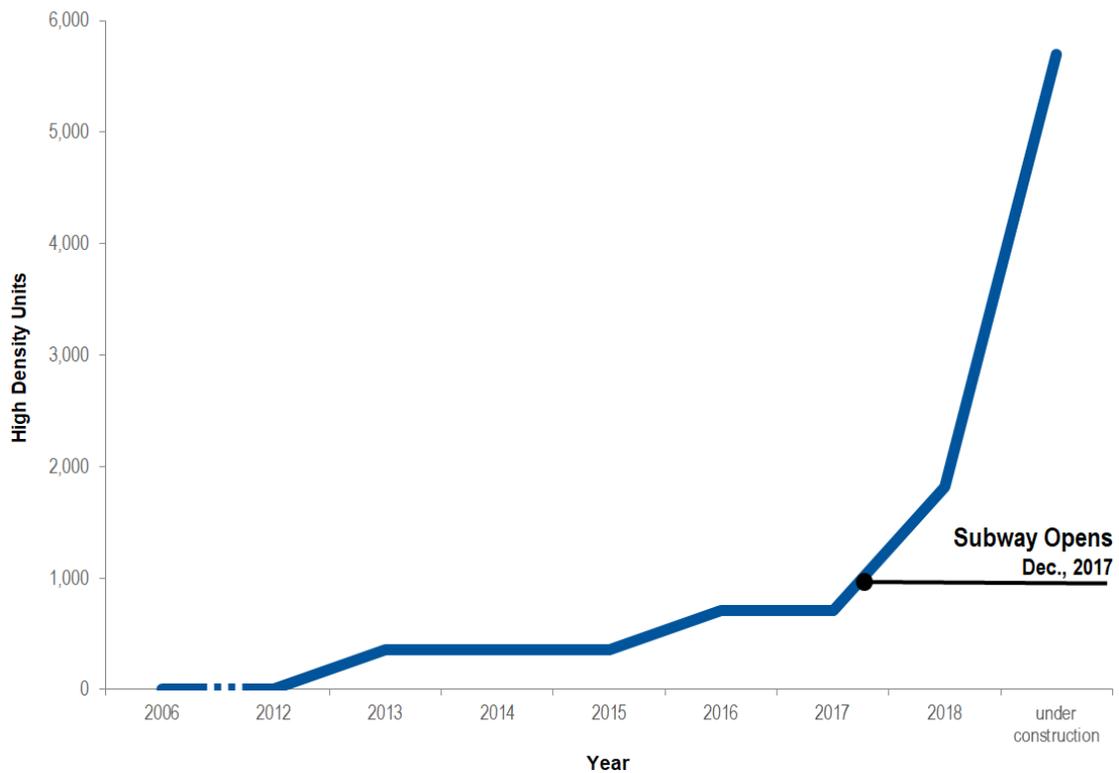
An additional 75 km of Viva BRT Rapidways remain unfunded and needs to be prioritized to complete the Regional rapid transit network. This includes:

- Yonge Street Corridor from Gamble/19th in Richmond Hill to Savage/Sawmill in Newmarket
- Highway 7 West Corridor in Vaughan from Wigwoss/Helen to Highway 50
- Highway 7 East Corridor in Markham from Unionville GO Station to Cornell
- Future Jane Street, Major Mackenzie Drive, and Leslie Street Rapid Transit Service

The Toronto-York Spadina Subway Extension has been a catalyst for growth in the Vaughan Metropolitan Centre

The Toronto-York Spadina Subway Extension (TYSE) to the Vaughan Metropolitan Centre was approved in 2008, and construction began in 2011. The subway extension opened in 2017, and the impact of this transit investment is evident in the growth of high density units experienced in the VMC (Figure 5). The growth pattern in the Vaughan Metropolitan Centre is directly attributed to the investment of the subway.

Figure 5
High Rise Residential Growth in Vaughan Metropolitan Centres



Current built and active residential development applications in the Vaughan Metropolitan Centre represent 118 per cent (29,600) of the 2031 population target of 25,000 people while occupying approximately 10 per cent of the total VMC land area. The growth targets for the VMC will be reviewed as part of the Municipal Comprehensive Review. See Table 2 for further details.

Table 2
Vaughan Metropolitan Centre Growth

Status of Development Application	Residential Units	Office/Commercial Gross Floor Area (square feet)
Built	690 (1,250 people)	366,000 (7,200 existing jobs)
Under Construction	3,100 (5,000 people)	270,000 (645 jobs)
Proposed / Approved	13,210 (23,300 people)	371,000 (1,100 jobs)
Total	17,000 (29,580 people)	1,007,000 (9,000 jobs)

More people are commuting by transit, walking or cycling in Regional Centres and Corridors

In Regional Centres and Corridors, 19 per cent of residents (4,600) use public transit to commute to work, compared to 13 per cent in the Region as a whole. More than twice the number of people commute by walking (1,200) in Regional Centres and Corridors than in York Region as a whole, and 7 per cent fewer people commute by car than in the rest of the Region. See Table 3 for further details using data compiled from Environics Analytics.

Table 3
2018 York Region Commuting Trends: Residents as a % of population

Commuting	Centres and Corridors	York Region
Public Transit	19% (4,600)	13% (65,200)
Walk	5% (1,200)	2% (12,200)
Bicycle	0.6% (160)	0.4% (1,900)
Car (as passenger)	6% (1,400)	6% (33,100)
Car (as driver)	70% (17,400)	77% (395,500)

Source: Environics Analytics – DemoStats 2019

The creation of vibrant public destinations continues to support the attraction of new residents and high quality job opportunities

Regional Centres and Corridors are emerging as unique places with a mix of uses and increasingly vibrant public spaces. The Vaughan Metropolitan Centre (VMC) has already built 143,000 square feet of new office and 13,000 square feet of retail. There is an additional 270,000 square feet of combined retail, office, institutional, and other non-residential uses currently under construction. Applications for another 371,000 square feet of non-residential development including restaurants and retail are underway.

The VMC is envisioned to develop into a highly vibrant Urban Centre supported by quality public spaces. A focal point of the VMC will be the urban SmartCentres Place Central Park (Figure 7) and Edgeley Park and Pond, part of the first phase of VMC park and open space development. The vision for the VMC will see these parks surrounded by a mix of residential, office, retail, and other uses.

Figure 7
Future Vaughan Metropolitan Centre Central Park Vision



Source: SmartCentres

Figure 8
Public Art in Markham Centre



Similar placemaking is evolving in Markham Centre, as an active community with a strong sense of place. Over 1.2 million sq ft of non-residential use has been built, including the Downtown Markham cinema, a variety of restaurants, retail, hotel, office and the Uptown shopping area. Parks and public places are starting to take shape and key pieces of community infrastructure are in place including the Pan Am Centre multi-purpose sport facility, cinemas, the Pride of Canada Carousel and a YMCA. There is also a strong commitment to public art (Figure 8) which helps bring people together, provides a community identity, and creates a strong sense of place.

As expected, each Regional Centre and intensification areas along the Corridors will evolve over time with their own unique sense of place and scale. The scale of buildings in the Regional Centres and Corridors has changed over the years. Residential and office buildings and hotels built in Regional Centres and Corridors are being built to greater heights than originally planned and have a greater mix of uses than similar development elsewhere in the Region. In 2018, Market & Co. a 40,000 square foot food hall opened in Newmarket Centre (Figure 9) and has quickly become a focal point for the community. More development of this scale and quality, including the Marriott Hotel in Markham Centre, and other typical “downtown” restaurants and businesses are now opening in York Region.

Figure 9
Market & Co. Food Hall in Newmarket Centre



Through the Regional Municipal Comprehensive Review, Major Transit Station Areas will further define Regional Centres and Corridors

The Region is currently in the process of undertaking the Regional Municipal Comprehensive Review (MCR) which will include an updated Intensification Strategy with Regional Centres and Corridors as the primary focus. Initial work by staff has identified 70 major transit station areas in the Region, most of which are located within Regional Centres and Corridors. Boundary delineations and minimum residents and jobs per hectare density targets are being developed for these major transit station areas. The MCR background studies are being undertaken throughout 2019 and 2020, with the updated Regional Official Plan currently scheduled for completion by the end of 2020. The MCR will link with infrastructure alignment for transportation and water and wastewater to ensure planning and infrastructure delivery in a manner that ensures fiscal sustainability.

The Upper York Servicing Solution is vital piece of infrastructure required to meet the planned growth in the northern Centre and Corridors

Newmarket Centre and the Regional Corridors in Aurora, Newmarket and East Gwillimbury need the Upper York Servicing Solution to fully realize their planned growth and utilize the investment already made in bus rapid transit. Secondary plans are in place for the Newmarket Urban Centres, the Aurora Promenade, and Green Lane in East Gwillimbury. The completed Davis Drive bus rapidway and Yonge Street rapidway currently under construction provide key elements to ensure the success of the northern Centre and

Corridors, however without the sanitary servicing infrastructure the growth of these areas will be delayed.

Centres and Corridors update supports and monitors development activity to ensure goals and objectives of Vision 2051 and the Strategic Plan are being met

The 2018 Regional Centres and Corridors Update report highlights development activity, ongoing initiatives and transit investment that occurred over the past year. Continued development activity in Centres and Corridors supports the Region's Strategic Plan objectives of "encouraging growth along Regional Centres and Corridors" and "focusing on networks and systems that connect people, goods, and services" by ensuring the Region plans for complete communities where people can live, work, and play.

Vision 2051 recognizes that Centres and Corridors help maintain economic competitiveness by encouraging major office, institutional, cultural, and entertainment facilities with a goal of achieving a balance of employment and residential opportunities. The activities and initiatives of the Centres and Corridors program support the Vision 2051 goal of creating livable cities and complete communities.

5. Financial

Development activity within the Centres and Corridors supports ongoing delivery of infrastructure and services to support growth

Urban development and growth within the Regional Centres and Corridors optimizes investment in capital infrastructure. The strong policy supports funding for subway and other rapid transit provided by the Province, Region, and local municipalities. This investment encourages growth and development in Centres and Corridors and provides economic growth and employment opportunities in these areas supported by transit. To date, \$3.6 billion has been invested in Bus Rapid Transit Rapidways, the Toronto-York Spadina Subway Extension, and facilities and terminals to support Regional Centres and Corridors.

The Provincial government's recent announcement to construct the Yonge Subway Extension will provide a critical missing transit link. A total investment of \$11 billion is required to construct the Yonge Subway Extension and additional Bus Rapid Transit in the form of rapidways. This funding is necessary to provide critical missing transit links in the Region's rapid transit network and support the Regional Centres and Corridors.

6. Local Impact

Regional staff continue to be actively engaged with our local municipal partners in city building initiatives and programs to support implementation and development of Centres and Corridors.

7. Conclusion

The Regional Centres and Corridors program is a long term strategy to drive intensification and city building efforts in York Region and are the foundation of York Region's city building initiatives. Centres and Corridors are increasingly a destination of choice with the creation of vibrant public destinations supporting the attraction of new office development, a mix of uses, new residents and high quality job opportunities. The growth and development activity that is underway is evidence that the strategy is working.

In 2018, 32 per cent of all residential building permit units were issued in Regional Centres and Corridors, the highest annual percentage ever recorded. Strong employment growth also continued with an increase of 5,200 jobs which is the second-highest annual growth since 2009.

The Province has committed to significant rapid transit investment in the Yonge Subway Extension, however further funding commitment in Viva Bus Rapid Transit is critical to complete the Regional rapid transit network. Moving forward with the Upper York Servicing Solution infrastructure is also crucial in order to fully realize planned growth in the northern Centre and Corridors. These projects will support the Region's vision of vibrant, successful, healthy, transit-oriented, complete, and compact communities.

Attachment 1 provides a summary of this update. For more information on this report, please contact Jeff Hignett, Senior Planner, Centres, Corridors, and Subways at 1-877-464-9675 ext. 71515. Accessible formats or communication supports are available upon request.

Recommended by: **Paul Freeman, MCIP, RPP**
Chief Planner

Dino Basso
Commissioner of Corporate Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

April 26, 2019
Attachment (1)
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