

2019 PLANNING FOR EMPLOYMENT BACKGROUND REPORT

YORK REGION'S MUNICIPAL COMPREHENSIVE REVIEW

MAY 2019



1.0 SUMMARY

The Growth Plan for the Greater Golden Horseshoe, 2017 (Growth Plan) requires the Region to plan for employment as part of the Regional Municipal Comprehensive Review (MCR). This report provides the background analysis to support development of the Region's Employment Strategy. This Planning for Employment report:

- Summarizes the Provincial, Regional and local municipal policy context for employment
- Assesses historic employment trends in the Greater Toronto and Hamilton Area and York Region
- Provides an overview of anticipated employment trends in the Region based on a "York Region Future Employment Trends Study" produced by Hemson Consulting
- Summarizes a jurisdictional scan on how municipalities are planning for the changing nature of employment
- Identifies key policy considerations, directions, and next steps for the forthcoming York Region Employment Strategy

The report includes the following key findings:

- Since the Region was created in 1971, employment growth has outpaced population growth, increasing at an average rate of 5.8 per cent per year compared to 4.3 per cent per year, for population.
- York Region's economy has evolved into a top destination for business across a number of industries and key economic clusters such as information and communications technology (ICT), finance and business services, distribution and logistics, as well as manufacturing.
- The structure of employment in York Region is well-established through Regional Centres and Corridors which are attractive for office development and related services and amenities and accommodate one in every five jobs in the Region.
- Employment areas contain 53 per cent of the Region's employment base including 76 per cent of the Region's largest employers.
- Residential community areas provide retail and service jobs that are important for serving the needs of local communities.
- According to Hemson Consulting, the employment growth outlook for York Region is favourable and is anticipated to be characterized by stable growth in manufacturing and rapid growth in services-producing industries including high-skilled jobs in knowledge and creative industries.
- Despite 24 per cent of the Region's labour force being at risk of automation, York Region is well positioned to withstand the impacts of automation and Artificial Intelligence (AI)

with an economy increasingly focused on higher skilled activities. The impacts are anticipated to be gradual, with automation likely to create more jobs in the long run.

- Amenity rich and transit accessible work environments are increasingly important location decisions for employers to attract talent. Regional Centres and Corridors are well positioned to attract highly skilled, knowledge-based jobs.
- Demand for employment areas is anticipated to remain strong and be driven by land-extensive logistics and warehouse facilities as the role of e-Commerce continues to expand as well as increasing shares of service sector employment in small offices and multi-unit industrial buildings. Maintaining an appropriate supply of employment areas will be important for all types of industry to provide flexibility for employers in high quality locations over the long term.
- To plan for the changing nature of employment, municipalities around the world are increasing flexibility in employment area designations in strategic locations, implementing strategies to improve built-form, and introducing plans to redevelop and rejuvenate older employment areas.

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1.0 INTRODUCTION

The Growth Plan, 2017 requires that all municipalities develop and implement, through their official plans and other supporting documents, an employment strategy.

This report provides the foundation for developing the York Region Employment Strategy by presenting background work completed to date and providing direction for the Region's employment forecast to 2041 and regional official plan policy updates.

The report:

- discusses historical and current employment trends in York Region and the GTHA
- discusses the potential impacts of automation, artificial intelligence, and other disruptors on the future of employment
- assesses existing densities and the potential for intensification in employment areas
- summarizes a jurisdictional scan on how municipalities are planning for the changing nature of employment
- identifies preliminary policy considerations and next steps

The final York Region 2041 Employment Strategy will inform the York Region Official Plan update to bring it into conformity with the Growth Plan and the Provincial Policy Statement, 2014 (PPS) by:

- demonstrating the Region's ability to achieve the employment forecast
- presenting the Region's employment area density target
- identifying opportunities for intensification of employment areas
- providing the framework for updating employment policies in the York Region Official Plan, including mapping and designating employment areas

2.0 BACKGROUND

2.1 Provincial Policy Context

The Planning Act and Provincial Policy Statement recognize the importance of employment and economic vitality

A number of provincial planning documents recognize the importance of planning for employment in building complete communities. The Planning Act declares that the adequate provision of employment opportunities is of provincial interest. The PPS recognizes the need to protect and preserve employment areas for current and future uses, especially in prime locations along 400-series highways and other major goods movement corridors.

Stressing the importance of employment areas to the vitality of a Region, the PPS allows planning authorities to plan beyond a 20-year horizon for the long term protection of employment areas.

A guiding principle of the Growth Plan is to allow flexibility to capitalize on new economic opportunities while providing certainty for traditional industries

The Growth Plan strives to support the achievement of complete communities designed to support healthy and active living and meet peoples needs through an entire lifetime. Ensuring that employment opportunities are available for residents is a key component of building complete communities. Policy direction in the Growth Plan, therefore, aims to align land use planning with economic development goals and strategies to retain and attract investment and employment by:

- Directing major office and major institutional development to urban growth centres, major transit station areas and other strategic growth areas
- Better connecting areas with high employment densities to transit
- Directing retail and office uses to locations that support active transportation
- Planning for a transit-supportive and compact built form by encouraging the integration of retail and office uses with other land uses
- Supporting office parks by improving connectivity with transit and active transportation
- Providing for an appropriate mix of amenities and open space to serve the workforce

The Growth Plan has strengthened protection of employment areas

The Growth Plan directs municipalities to protect employment areas and ensure the availability of sufficient land, in appropriate locations, for a variety of employment types. Employment areas are defined in the 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”.

New policy direction in the Growth Plan, 2017 requires upper- and single-tier municipalities to:

- Delineate and designate employment areas in the Regional Official Plan
- Consider identifying employment areas located near goods-movement facilities and corridors as prime employment
- Establish a minimum density target for employment areas that incorporates opportunities for intensification of employment uses

In planning for employment areas, updates to the Growth Plan require municipalities to prohibit or establish a size or scale threshold for major retail uses. Any new or expanded permissions for major retail in an employment area can only occur through a Regional MCR.

The Growth Plan only allows for the conversion of employment areas to non-employment uses at the time of a Regional MCR based on a set of criteria. Additionally, provincial policies prevent appeals of conversions and conversion polices in Regional Official Plans, once approved by the Province.

Proposed Amendment 1 to the Growth Plan, if approved, will not have a significant impact on how the Region plans for employment

On January 15th, 2019, the Province released proposed Amendment 1 to the Growth Plan and a Proposed Framework for Provincially Significant Employment Zones. Changes related to employment policies include:

1. Provincially Significant Employment Zones – 29 areas across the Greater Golden Horseshoe (GGH) that are important to the provincial economy and should not be converted outside of an MCR. Five of these zones include land within York Region
2. A policy that would allow consideration of employment area conversions in advance of the next MCR, outside of Provincially Significant Employment Zones
3. A requirement to establish minimum density targets for all employment areas, rather than an overall target
4. Removal of the consideration for prime employment areas

[Staff's and Council's position](#) on these aspects of proposed Amendment 1 is that all requests for employment area conversions only be considered comprehensively through the MCR process. The Province is contemplating the introduction of Provincially Significant Employment Zones through proposed Amendment 1 to the Growth Plan but no amendments have been finalized at this time. It is staff's opinion that the identification these zones, and Council's recommendations to the Province on Amendment 1, do not impact this background report. Future MCR related reports will address any applicable Growth Plan amendments once finalized.

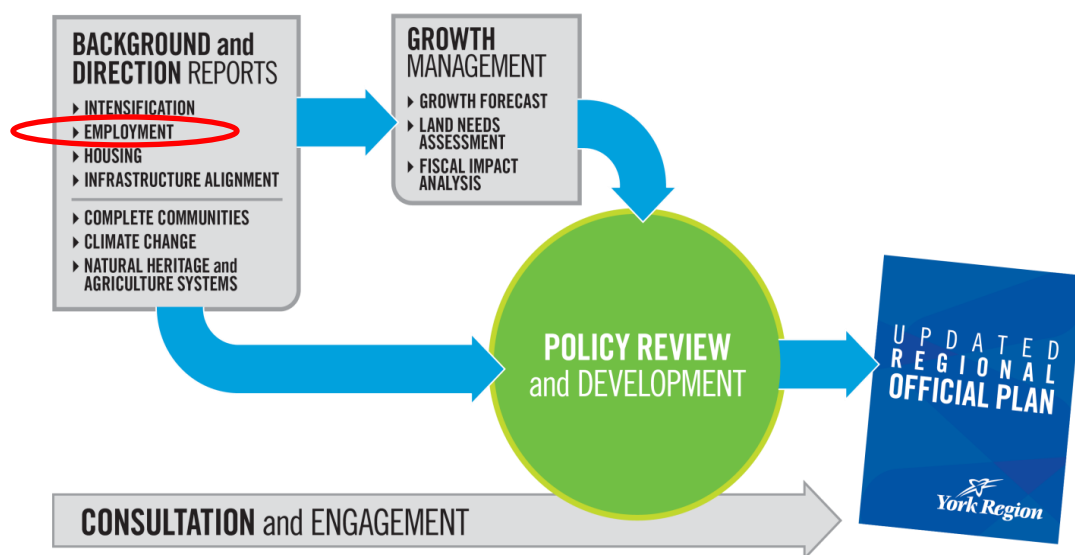
2.2 Regional Context

The Region is forecast to grow to 900,000 jobs by 2041

The Growth Plan forecasts York Region to grow to 1.79 million people and 900,000 jobs by 2041. The 2018 employment survey estimates that there were approximately 636,600 jobs in the Region as of mid-2018, requiring growth of 263,400 jobs by 2041 in order to meet the forecast. Updates to the employment forecast will be informed by the directions provided in this report. The historical and future employment trends analysis discussed in this report will be particularly important in planning for growth of this magnitude.

Planning for employment will form part of the Region's MCR. Figure 1 summarizes the various components of the MCR.

Figure 1: Municipal Comprehensive Review Components



Source: York Region Planning and Economic Development

Changes to the Growth Plan have uploaded the designation of employment areas and assessment of requests for employment area conversions to the Region

Changes to employment policies in the Growth Plan have resulted in an uploading of the following responsibilities to the Region previously undertaken at the local municipal level: designating employment areas and assessing requests for employment area conversions. Despite now being the responsibility of the Region, this work will continue to be done in close consultation with local municipalities throughout the MCR process.

The Region monitors employment trends in order to respond to changing industry needs

The employment trends data presented in this report is closely tied to data portrayed in other regional reports and studies. The Region undertakes a considerable amount of research and analysis on the regional economy and employment, including:

- An in-depth analysis of employment growth by sector through an annual Employment and Industry Report. Data is gathered through a region-wide Employment Survey
- An annual Economic Development Year in Review which highlights economic activity in the Region and the impact of York Region programs on business and job growth
- An annual Growth and Development Review that provides updates on key development and population indicators in the Region and reports on the competitiveness of York Region’s economy within the GTHA and Canada
- Annual Regional Centres and Corridors reports which provide updates on development activity and transit investments within Regional centres and corridors

- A Vacant Employment Land Inventory which provides an overview of the supply and characteristics of vacant employment lands in the York Region. The inventory was last updated in 2017.

Employment is categorized into four main categories

For forecasting and land needs purposes, the Region organizes employment into four main employment categories:

1. Major office: Employment occurring in free standing buildings of 20,000 square feet or larger (excluding city or town halls, hospitals or school board offices and other local serving office uses)
2. Employment area: Refers to employment within the Region's designated employment areas and business parks, excluding major office employment, and includes activities such as manufacturing, research and development, warehousing and ancillary retail, office, and service uses
3. 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 and also includes home-based businesses.
4. Rural: Jobs dispersed throughout rural areas (i.e. agriculture, primary industries)

Employment area land need will be assessed through the land needs assessment

Employment area employment is an important component of the land needs assessment exercise which staff will be undertaking later in the MCR process, informed by this report. Through this process, it will be determined if additional employment area land is required to accommodate the 2041 employment forecast. Findings in this report will also support the designation of employment areas in the Regional Official Plan. A map of the Region's employment areas can be found in the [York Region 2017 Vacant Employment Land Inventory](#), presented to Council in March of 2018.

2.3 Local Municipal Context

Local municipalities are important partners in achieving long term employment goals of the Region and meeting the 2041 employment forecast

Local municipalities play a key role in attracting and supporting business growth in the Region. Aligning updates to employment area policies in the Regional Official Plan with local municipal planning and economic development goals will be critical in continuing to provide York Region residents with access to good quality, high paying jobs.

Through its updated employment forecast, the Region will be responsible for allocating employment growth to 2041 to each of the nine local municipalities. Local municipalities will then be required to update their official plans to conform to the Regional Official Plan and plan to achieve their 2041 employment forecasts. Local municipal official plan conformity is to occur

within one year of the Regional Official Plan being approved by the Province. This has reinforced the need for continued collaboration between regional and local municipal staff to ensure that regional policy directions align with local municipal planning objectives. Regional staff meet with local municipal staff on a regular basis to discuss local specific issues.

3.0 EMPLOYMENT AND ECONOMIC VITALITY IN YORK REGION

Business growth, job growth, and the creation of wealth are fundamental to the economic vitality and long term livability of York Region

Aligning planning and growth management policies with economic development goals is critical for the economic viability. York Region is in competition with jurisdictions around the world to retain and grow existing businesses, attract new employers, skilled employees, and good paying jobs. The attraction of new businesses and growth or expansion of existing business operations are the generators of wealth and job creation. A region that can attract and keep high quality jobs across a range of sectors will increase economic stability for the entire community and raise the overall standard of living. Business growth leads to investment and supports the regional economy by providing residents with access to good paying jobs. Providing opportunities to work close to home reduces congestion and commuting times and provides more family time and opportunities for workers to both live and work in their own community.

There is a strong connection between the physical and social quality of place and economic growth

Providing residents with access to a full range of employment opportunities in proximity to where they live contributes toward an overarching Growth Plan objective of building complete communities. Complete communities provide opportunities to live, work, learn, and play locally, improve health outcomes, reduce impacts on the environment and reduce reliance on personal vehicle use by offering the potential for improved transit access and greater active transportation. In turn, communities that offer a mix of land uses and alternatives to the automobile offer optimal conditions to support knowledge-based employment growth and to attract highly skilled and talented employees. Communities catering to business growth also play a key role in achieving fundamental planning objectives related to the efficient use of infrastructure, sustainable transportation, and a livable region.

The Regional Official Plan provides a strong foundation for planning for employment growth in the Region

It is a goal of the York Region Official Plan to provide one job for every two York Region residents by creating a competitive and flexible economic environment that encourages investment and a diversity of employment opportunities. This is to be achieved through a policy framework that ensures:

- support for the Regional Centres and Corridors as the focus of economic activity and culture in York Region
- the long term supply and effective planning and design of employment areas

- that retail is well-designed and appropriately integrated into communities in a manner that encourages active transportation
- that growth is financially responsible

The Official Plan recognizes employment areas as strategic and vital to the Regional economy and aims to protect them over the long term by prohibiting conversions to non-employment uses, prohibiting major retail uses and limiting ancillary retail uses to 15 per cent of the employment area defined in the local official plan.

The 2041 conformity update of the Regional Official Plan aims to build upon and strengthen the existing policy framework. Updates will address changes to the Growth Plan and reflect the changing nature of employment in the Region as a result of historical and future trends.

A number of competitive advantages position the Region as a top business destination

Its location in one of the most attractive and vibrant economic areas in North America position the Region to capitalize on opportunities in the economy.

1. The Region benefits from core underlying 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 among all municipalities in Ontario.
2. The Region's location in the GTHA is also 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 like 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.
3. The Region has recently committed to key business supports such as consistent high-level bandwidth, the Ontario Research and Innovation Optical Network in Newmarket, and a York University campus to Markham Centre.

Council has endorsed a number of strategic plans and capital investments to support and attract employment growth

To support business attraction and job growth, Regional Council has made significant investments in infrastructure and endorsed a number of strategic plans, studies, and programs that recognize the importance of economic vitality.

- Vision 2051 has links to economic growth in all eight goal areas
- The 2019-2023 Strategic Plan provide high level policy objectives related to business growth, job creation, and maintaining a resilient economy
- The Economic Development Action Plan 2016-2019, including a Broadband Strategy, Post-Secondary Investment Attraction Strategy, and the York Link Investment and Marketing plan targeting office development in the Region

- The York Region Office Attraction Study (2015) identified the importance of clustering and access to amenities in office location decisions and confirmed that Centres and corridors should be developed as economic hubs with a high concentration of major office uses
- The Retail Trends Study (2015) presented an analysis of retail in the Region and a potential outlook for the retail market moving forward
- Long term infrastructure planning ensures that services will be provided in appropriate locations to support population and employment growth over the 2041 planning horizon

Continued transit investment in Regional Centres and Corridors is a catalyst for economic growth

Business and job growth is supported by transit investments in the Region, particularly in the Region's Centres and Corridors. The Regional Official Plan establishes the Regional Centres and Corridors as the backbone of the Region's urban structure and city building initiatives. Regional Centres and Corridors are planned to achieve the most intensive and greatest mix of development in the Region and are supported by over \$3 billion in transit infrastructure investment.

Transit investment helps connect people and jobs more efficiently and increases employers access to a talented workforce. Transportation infrastructure such as the Viva bus rapid transit and Spadina Subway extension into Vaughan support significant office and residential construction and business attraction. The new subway to the Vaughan Metropolitan Centre (VMC), the anticipated arrival of two-way all day GO transit service and continued construction on Bus Rapid Transit corridors will be a catalyst for office development in the Region's Centres and Corridors, realizing the vision of mixed use centres. As the Region's urban structure continues to evolve and the Regional Centres and Corridors mature, these core attributes help maintain and promote continued competitiveness as a top business location in the Greater Toronto Area.

Regional economic development plans and programs support growth of local businesses

The Economic Development Action Plan 2016 to 2019 was endorsed by Council in 2016 and sets out a strategic course of action for economic growth and prosperity of York Region. The Plan guides economic development activities of the Region and outlines programs that explore the Region's economy and business needs, connect businesses into a network that promotes innovation and growth, and share success stories with audiences to generate interest and excitement both within and outside York Region. York Region's Economic Development Action Plan addresses key economic challenges and opportunities facing York Region, and translates them into economic action areas for programs.

In collaboration with local municipalities and a network of business partners, York Region provides services in the areas of business advisory, economic research, innovation, and investment attraction marketing and sales. Innovation and business expansion/attraction are supported region-wide by York Link, the Region's Investment and Marketing platform and the

Strategic Economic Initiatives programs. Entrepreneurship support is delivered in York Region's northern six municipalities by the York Small Business Enterprise Centre (YSBEC).

In March of 2016 Regional Council authorized staff to enter into an agreement with Toronto Global to undertake global investment attraction on behalf of Greater Toronto Area municipalities. Toronto Global's mandate is to identify and attract new investments from foreign companies into the Greater Toronto Area (GTA).

The Region collaborates with a number of public and private sector partners to support and grow the economic base

Business attraction and economic growth in the Region is highly dependent on the collaborative efforts of a number of public and private sector partners. Some key partners are listed below:

- Federal and provincial government
- Local Municipalities
- Building Industry and Land Development Association
- Local chambers of commerce and boards of trade
- Venture LAB
- York University and Seneca College
- Greater Golden Horseshoe Agricultural Alliance

Together with the Region, these partners have provided York Region residents with access to high quality employment opportunities. Continuing to foster these relationships will be important in sustaining and growing the economic base.

York Region is home to a number of global companies across a range of industry clusters

An industry cluster is a geographic concentration of interconnected businesses and institutions in a common industry that both compete and cooperate. Industry clusters advance regional economic growth through the benefits that can be realized as a result of firms in related industries locating in close proximity to one another. Industry clustering provides a number of key economic benefits including encouraging networking, innovation and facilitating the incubation of new businesses. New firms and workers are drawn to the cluster which further contributes to overall productivity and efficiency.

York Region is a top destination in the Toronto area and Canada for businesses across a number of industry clusters. The Region is home to:

- the highest technology sector concentration in Canada relative to population
- the second largest financial services cluster in Ontario
- the second largest consulting engineering, building and construction cluster in the GTA
- the top automotive cluster in the GTA and Canada's fifth largest manufacturing cluster

York Region businesses also play a role on the global stage by delivering goods and services around the world and attracting international investment. Over 2,000 businesses in the Region rely on exporting as their primary source of revenue collectively generating \$19 billion annually.

The Region is attractive for international investment and home to major global research and development centres for some of the world's biggest companies. Foreign companies account for close to 10 per cent of local jobs and business investment in the Region. There are an estimated 500 foreign companies operating in York Region providing over 50,000 local jobs. A sample of these companies includes IBM, Allstate, Aviva, Honda, Johnson & Johnson, Oracle, FedEx and General Motors. These companies typically provide high paying knowledge-based jobs and export goods and services around the world.

More is required to continue to attract employment growth in York Region

The Region's investment and strategic planning initiatives to foster job growth and economic development has been significant but needs to continue due to the following threats that may restrict economic growth moving forward:

1. Strong competition for business investment and attracting talent within the GTHA, Ontario and around the world. Recent economic restructuring has brought about the hyper-concentration of economic activity in and around downtown Toronto
2. Continuing traffic congestion as a result of the Region's rapid growth has the potential to make the Region and its strategic location less attractive to prospective businesses
3. Housing in the Region becoming increasingly less affordable. Many people that work in the Region can't afford to live in the Region, resulting in long commute times, further impacts on congestion, and the risk that these employees will find jobs elsewhere

4.0 HISTORICAL AND CURRENT TRENDS ANALYSIS

A more detailed understanding of employment trends will inform updated forecasts and policy review

The following section outlines key economic and employment trends in York Region and the broader GTHA, including:

1. A high level overview of the changing nature of employment growth in the GTHA and York Region's role in the broader regional economy
2. An overview of how the York Region economy has evolved since the Region was created in 1971
3. A detailed review of employment trends over the most recent ten year period (2008-2018)
4. A detailed analysis of the structure of employment in York Region with a specific focus on major office and employment area employment trends in the past 10 years

The analysis is intended to provide insight into the nature of future employment growth with respect to the rate and location of development, employment density and built form, and the mix of employment uses. Unless otherwise stated, the analysis below has been conducted using surveyed employment data for 2008 and 2018. It does not include estimates for businesses that were unable to contact, home based, or agriculture/farm based operations.

4.1 Employment Growth in the Greater Toronto and Hamilton Area

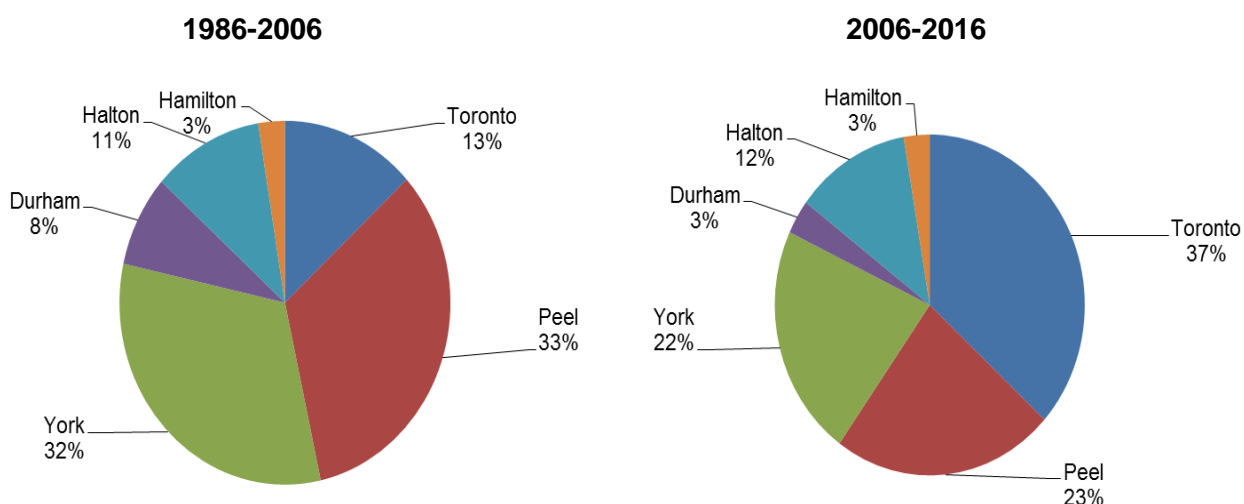
The economic landscape of the GTHA has undergone significant transformation over the past several decades as the broader regional economy continues to evolve

York Region is not an isolated economy, and local business and employment growth are closely tied to external economic conditions, trends, and government policies. For the past 30 years, the GTHA has been one of the fastest growing urban areas in Canada and the United States, reaching over 3.5 million jobs in 2016. Similar to national and provincial trends, the composition of GTHA employment has gradually shifted from a goods-producing economy to a services-producing economy over the past several decades. This has been led by a decline in industrial and manufacturing employment in favour of growth in services-producing sectors such as business services, financial services, health care and social assistance, professional, scientific, and technical services, and retail trade.

More recently, innovation, automation and globalization have been main drivers of economic change and are reshaping the economic makeup of the GTHA. The shift is resulting in a lower demand for low skill and routine-based work, and fostering growth in skilled, tech-related and knowledge – intensive industries such as professional scientific and technical services as well as finance and insurance. Office growth is being re-defined as a result of computer and digital technologies, and the emergence of e-Commerce has resulted in significant growth in the distribution and logistics sector and continues to impact traditional retail operations.

The shift is having an impact on the makeup of employment within the GTHA. As shown in Figure 2, the distribution of Census employment growth more heavily weighted towards York and Peel Regions in the 20-year period between 1986 and 2006 has given way to significant employment growth in downtown Toronto and lower shares of growth in the “905” between 2006 and 2016.

Figure 2: GTHA Employment Growth by Municipality, 1986-2016



Source: York Region Planning and Economic Development based on Statistics Canada

York Region is an important contributor to the GTHA economy and home to regionally-significant employment nodes

York Region is centrally located within the GTHA and has experienced some of the fastest employment growth within the broader economic region. Between 2006 and 2016, over 1 in every 5 (22 per cent) new jobs created in the GTHA were accommodated in York Region. Within the GTHA, the Neptis foundation has identified three regionally, provincially, and nationally significant employment zones. These zones are large, continuous multijurisdictional areas focused on “core”, or traded or tradeable industries that bring revenue and income into the region to drive its growth. Two of these three zones (shown in Attachment 2), have significant portions within York Region, each playing a different role in the regional economy.

The Tor-York East megazone surrounds the interchange of Highways 404 and 407, including parts of the cities of Markham and Richmond Hill, and represents a significant regional concentration of finance and business services, manufacturing, and the information and technology cluster.

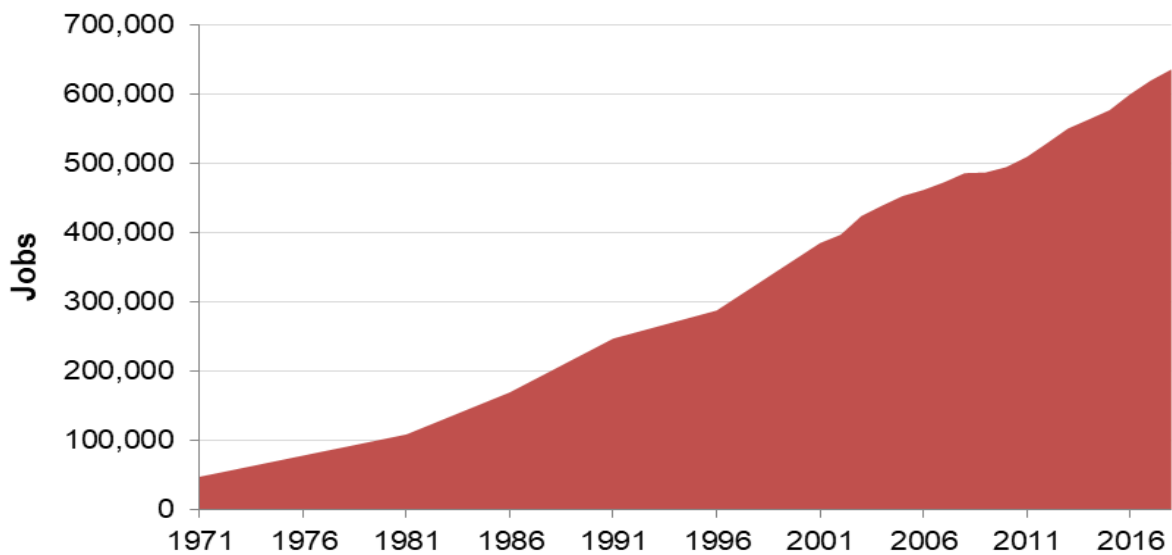
The Tor-York West megazone covers a large area in the City of Vaughan, including the CN MacMillan facility. This megazone has a significant concentration of manufacturing, construction, and wholesale trade and transportation jobs. Although this megazone has experienced recent declines in manufacturing employment, these declines have been largely compensated for with employment growth in construction, business services, higher education and personal services. This area is experiencing significant transition, with new office development in the VMC driven by major transit investments in the extension of the Spadina Subway and the addition of bus rapid transit on the Highway 7 corridor.

4.2 The History of Employment in York Region

Employment in York Region has grown by 588,800 jobs since the Region was created in 1971

When York Region was created in 1971, it was considered a bedroom community with most of the existing development being residential in nature and workers commuting outside of the Region for work. The Region had a population of 169,200 and 47,800 jobs. As shown in Figure 3, since 1971 the Region has increased its employment base by over 13 times to an estimated 636,600 total jobs in 2018, increasing its share of GTHA employment from 4 per cent in 1971 to 15 per cent in 2016.

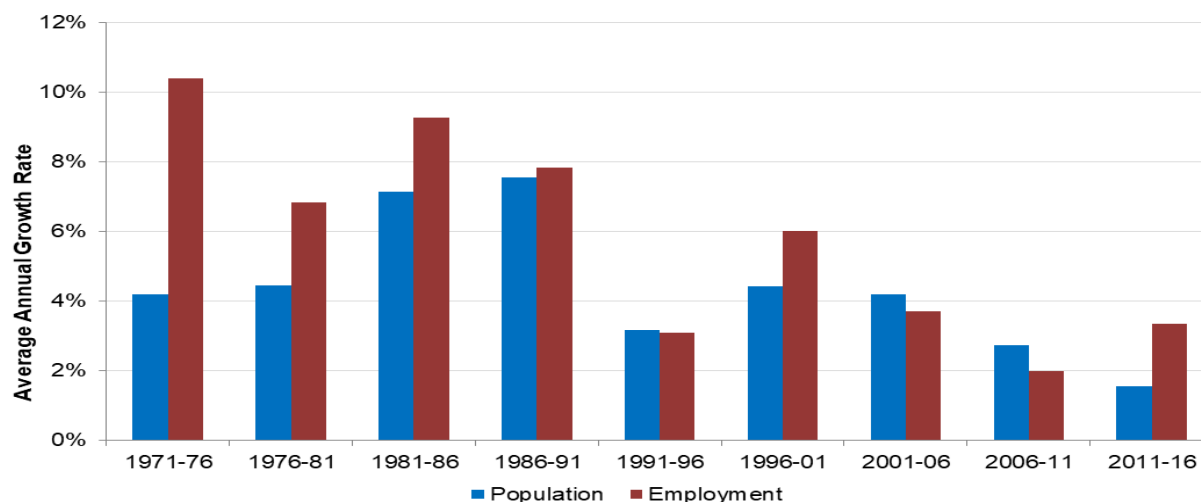
Figure 3: York Region Total Employment, 1971-2018



Source: York Region Planning and Economic Development

Despite economic recessions over the 45-year period, the Region has experienced strong overall employment growth, outpacing population in terms of average annual growth during most five year periods as well as overall (Figure 4). Since 1971, employment growth has averaged 5.8 per cent per year compared to population growth at 4.3 per cent per year resulting in a better balance between jobs and residents.

Figure 4: Average Annual Population & Employment Growth by 5-Year Period, 1971-2018



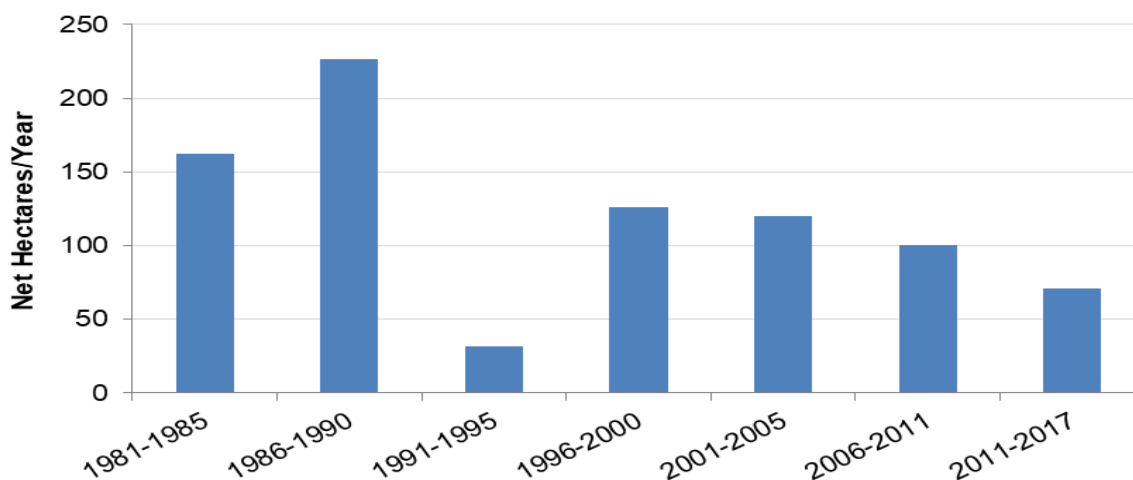
Source: York Region Planning and Economic Development

Employment growth in York Region peaked in the 1980s

After its creation in 1971, the Region grew quickly during the 1970s, but less so than some other GTHA locations, particularly the Region of Peel. Growth was constrained until completion of the York-Durham water and sewer-servicing scheme in the late 1970s. This led to significant levels of growth in York Region during the 1980s, a period of overall strong population and employment growth in the GTHA.

Total employment in the Region almost doubled during the 1980s, growing from 103,000 jobs to 232,000 jobs, or at a rate of 8.5 per cent per year over the ten-year period. As shown in Figure 5, the 1980s were also a peak for employment land absorption in the Region, averaging 195 ha per year.

Figure 5: Average Annual Employment Land Absorption, 1981-2017



Note: 1981-2006 are full year; 2007-2017 are mid-year to mid-year
 Source: York Region Planning and Economic Development

Largely due to a recession toward the beginning of the decade, the nineties averaged steady, but slower employment growth than the 1980s. Employment growth in the 1990s averaged 13,400 jobs per year, or a growth rate of approximately 4.7 per cent per year. Despite another economic recession in 2008/2009, total employment has continued to grow at an average of 15,000 jobs per year between 2000 and 2018.

The economy underwent significant diversification in the 1980s and 90s as the Region's goods movement network and high tech office cluster began to take shape

With the completion of a number of key infrastructure projects including the York-Durham servicing scheme, Highway 404, and the CP intermodal facility in Vaughan, York Region's economy experienced not only rapid growth, but significant diversification in the 1980s and 1990s.

The strengthening of the goods movement network in the 80s and 90s perpetuated strong growth in the manufacturing sector but also facilitated the beginning of the warehouse and logistics market in Vaughan as well growth in the office sector. The opening of Highway 404 and the intermodal terminal allowed Vaughan and Aurora to develop strong employment bases in the auto parts industry while the intersection of Highway 404 with Highways 7 and 407 in Markham and Richmond Hill enabled the development of a high-tech manufacturing and office centre.

Through the 90s and early 2000s, the continued diversification of the Region's economy can be attributed to the beginning stages of the Region's Centres and Corridors and the development of three unique large scale employment nodes. These three zones consist of the office/high tech employment growth in Markham/Richmond Hill (Tor-York East megazone), manufacturing, transportation and logistics jobs in Central and West Vaughan (Tor-York West megazone), as well as employment growth in emerging employment areas in Aurora and Newmarket.

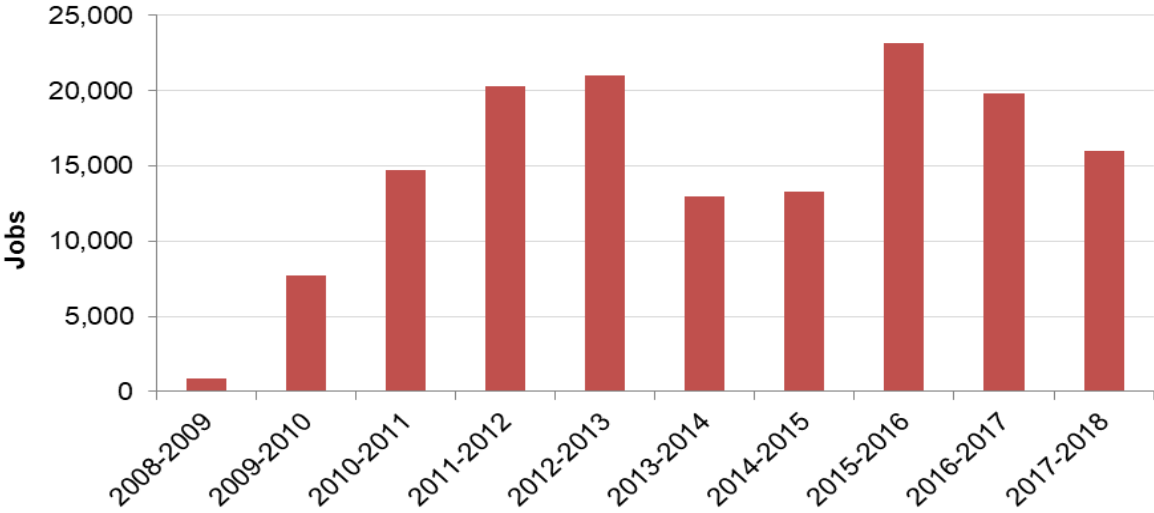
4.3 Employment and Industry Trends since 2008

Similar to the GTHA, following the 2008/2009 recession the regional economy has continued to shift from goods to services-producing sectors, with a profound shift occurring towards knowledge-based industries. This shift and the impacts to employment growth, land use and built form, are explored in detail in the following section.

Employment growth continues to outpace population growth in the Region

As shown in Figure 6, since 2008, total employment in York Region has grown by 149,900 jobs, representing a strong average annual growth rate of 2.7 per cent over the ten-year period. While population growth has also been strong over this period at 1.8 per cent per year, employment growth continues to outpace population growth in the Region.

Figure 6: York Region Annual Employment Growth, 2008-2018

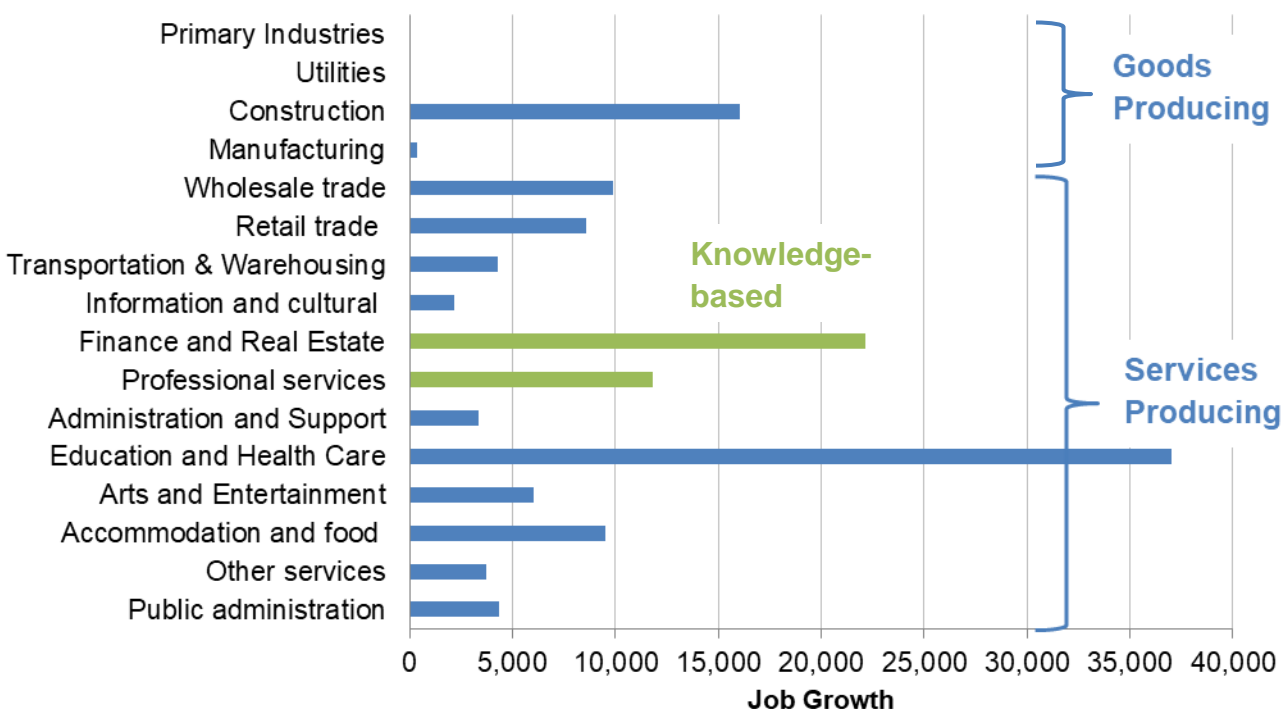


Source: York Region Planning and Economic Development

Knowledge-based sectors are among the fastest growing sectors in the Region

Employment growth since 2008 has been largely in services-producing sectors. As shown in Figure 7, over the past 10 years, 88 per cent of jobs created in the Region have been in services-producing sectors, increasing its overall share of jobs in 2018 to 78 per cent compared to 75 per cent in 2008. Services-producing industries include technology support, financial services, research and development as well as the sale of goods. Businesses in the goods-producing industries make tangible products and are primarily found in the manufacturing and construction sectors.

Figure 7: York Region Employment Growth by Sector, 2008-2018



Source: York Region Planning and Economic Development

The high growth in service-based industries can be attributed to rapid growth in a subset of service based industries that are generally accepted as being knowledge-based. These industries are those which, based on their intensive use of technology and/or human capital, include sectors such as finance and insurance, real estate, and professional and scientific services. Over the past ten years, knowledge-based jobs grew by 40 per cent compared to employment Region-wide at 32 per cent.

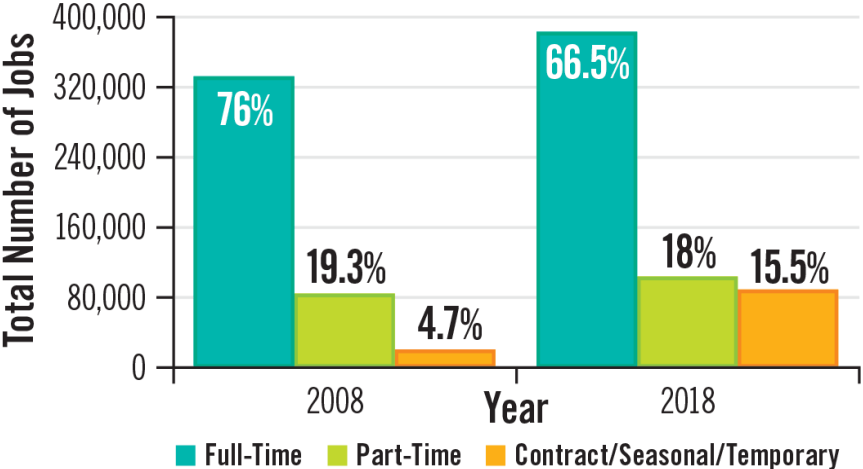
Employment in knowledge-based sectors such as finance and insurance and management of companies increased by over 50 per cent since 2008, while jobs in the real estate sector more than doubled over the past decade.

Growth in York Region residents who are self-employed, working at home, or with no fixed workplace address has outpaced employment growth for those with a usual place of work

Globalization, advances in technology, and strong growth in knowledge-based sectors have had an impact on the type of work in the Region. Statistics Canada Census data illustrates that the growth in York Region residents who were self-employed, working at home, or with no fixed workplace address has outpaced growth in those with a usual place of work. No fixed workplace employment has grown the fastest since 2006, experiencing a 36 per cent increase while work at home employment increased by 32 per cent. Both of these have outpaced growth in residents with a usual place of employment, which has grown by 16 per cent.

Part time and contract/seasonal work has increased dramatically over the past ten years. As shown in Figure 8 below, contract/seasonal employment accounts for 15.5 per cent of the 2018 jobs in the Region compared to 4.7 per cent in 2008, while full time employment has decreased from 76 per cent to 66.5 per cent. The decreasing share of full time employment is part of a global trend. Many business leaders indicate this trend is likely to continue as more people are employed in contract/temporary employment positions. Many of these jobs are highly skilled professions as workers prefer the flexibility that contract/temporary employment provides.

Figure 8: York Region Employment by Type of Worker, 2008 and 2018



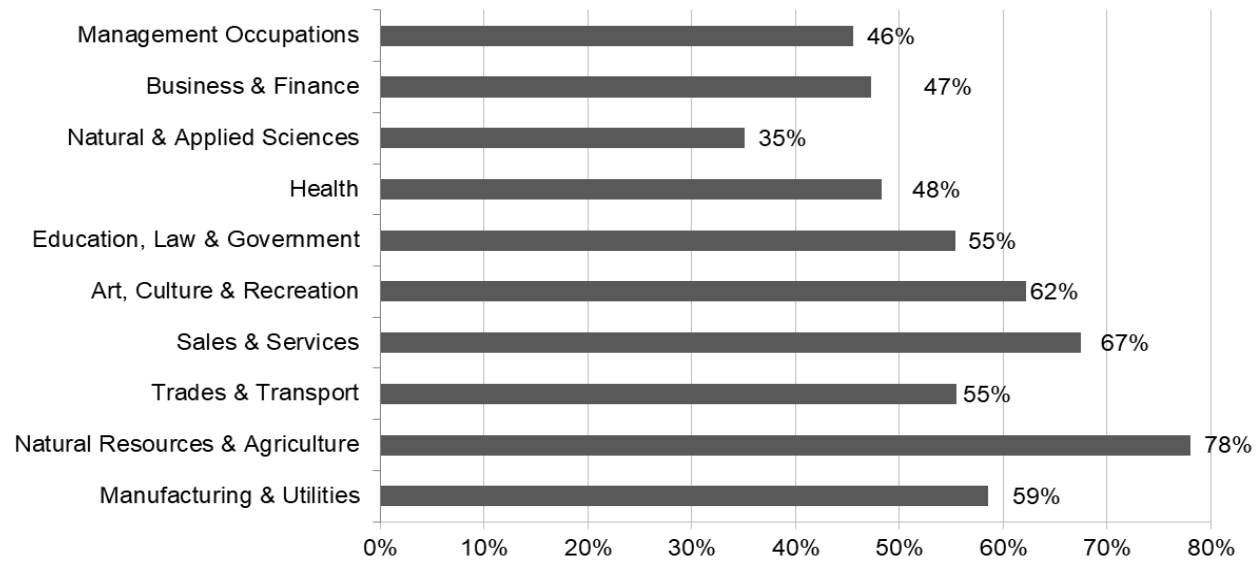
Source: York Region Planning and Economic Development

York Region has a highly educated labour force with training in knowledge-based occupations

Live work percentage (percentage of residents who live and work within the Region) provides a measure of how well the resident labour force is served from an employment standpoint in the Region. A higher live-work percentage is positive for the economy as it generally means shorter commute times, less traffic congestion, and more quality time for workers to spend with their families.

Over the past decade, the live-work percentage in York Region has increased from 56 per cent in 2006 to 58 per cent in 2016. As shown in Figure 9, there is significant variation in the live-work percentage by occupation in the Region. While the percentage of residents finding jobs in the Region in natural resource and sales and service occupations are high, only 1 in every 3 residents trained in natural and applied sciences are working within the Region.

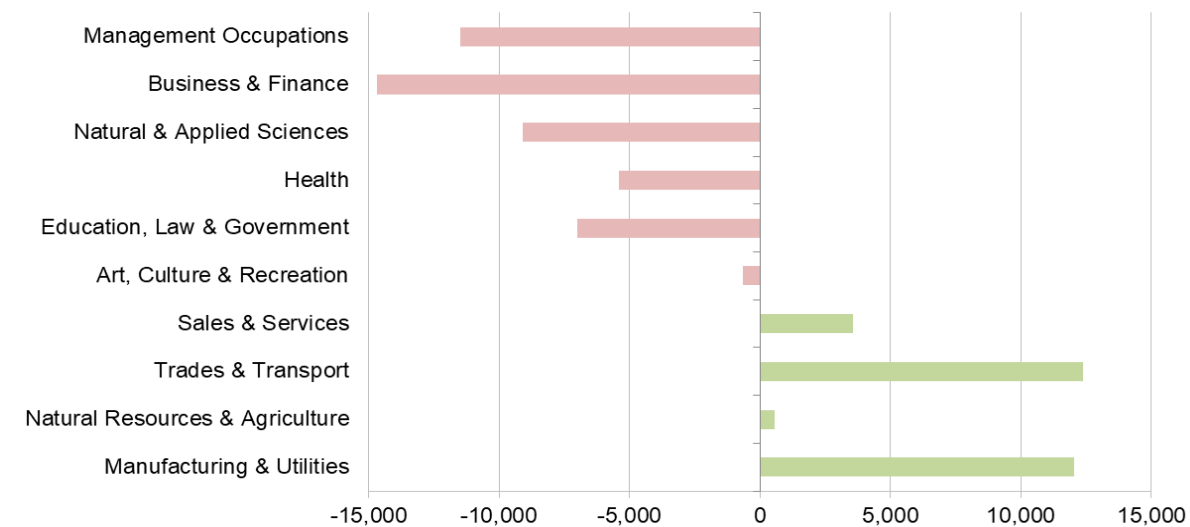
Figure 9: Live-work percentage by occupation, 2016



Note: Based on York Region residents with a usual place of work (excludes work at home and no fixed workplace address).
 Source: York Region Planning and Economic Development based on Statistics Canada

Related to the Figure above, York Region’s resident labour force is trained in high skilled occupations without corresponding jobs in the Region. As shown in Figure 10, there are significantly more York Region residents trained in business and finance occupations than there are job opportunities in the Region. On the other hand, there are more manufacturing and utilities occupations in the Region than York Region residents working in those occupations. Putting this simply, York Region residents who are trained in business and finance are more likely to look for employment opportunities outside the Region, while others in the GTHA and beyond are commuting into the Region to fill jobs in manufacturing.

Figure 10: Labour Force Demands vs Availability of Jobs in the Region, 2016



Source: York Region Planning and Economic Development based on Statistics Canada

4.4 The Structure of Employment in York Region

Regional Centres and Corridors, Employment Areas, and Community Areas are important to provide a range of employment opportunities

As the backbone of the Region's urban structure, Regional Centres and Corridors are a focal point of commerce, businesses, and cultural activities. These areas are planned to achieve the highest population and employment densities in the Region and to become mixed-use economic hubs with live-work opportunities for York Region residents. The clustering of economic activities, compact community design, and accessibility of these areas from transit will enhance their attractiveness to the talented GTHA labour pool.

Strategically located throughout the Region, employment areas continue to be major drivers of economic activity. These areas offer sites for small and large businesses at lower cost than elsewhere in the Region where a broader range of uses are permitted. Although traditionally home to primarily industrial uses, employment areas have evolved over time to support a wide range of employment activities.

Among the Region's employment areas are three key nodes that play important, but distinct roles in the Regional economy. A map of these nodes is provided in Attachment 2.

- the high-tech node in Richmond Hill and Markham is within the Tor-York East megazone identified by the Neptis Foundation and is as one of only three major office nodes outside of Downtown Toronto
- the traditional manufacturing / industrial node in Central and West Vaughan (Tor-York West megazone) is home to a significant number of jobs and a wide range of industries. Its strategic location around the CP intermodal facility, the CN rail yard, and a network of 400-series highways, such as the 400 and 427, makes this area attractive for growth, particularly in the distribution and logistics sector
- emerging employment areas along the 404 north provide attractive sites with significant vacant capacity to support employment growth, including land extensive employers, moving forward

Integrated into the urban structure are the Region's community areas. Employment in these areas is generally tied to population growth and includes a growing number of people working at home. Local retail and personal service jobs in community areas are key components to mixed-use communities as they allow residents, workers, and visitors to purchase goods locally. Shopping locally reduces travel times and congestion, and support's the Region's economy.

4.4.1 Centres and Corridors

One in every five jobs in the Region is located in Centres and Corridors

As of 2018, an estimated 22 per cent of the Region's employment was located in Centres and Corridors. Over the past decade, over 22,400 jobs have been created in these areas. During the same period, Centers and Corridors have also supported growth of 18,400 new residential units accommodating an estimated 40,000 people. Since 2008, employment growth in Centres and

Corridors has been almost exclusively in service-based sectors (97 per cent), with almost 1 in 2 jobs (49 per cent) created being in knowledge-based industries.

A significant driver of growth in the Regional Centres and Corridors has been in the major office employment category. The extension of the Spadina subway to the VMC and developing Bus Rapid Transit along Highway 7 has been a catalyst for major office growth in the Region. Over the past decade, major office employment in York Region grew by over 33,400 jobs to an estimated total of 102,300 jobs in 2018. Just under half of this growth (16,200) was in Centres and Corridors, accounting for 72 per cent of total employment growth in these areas.

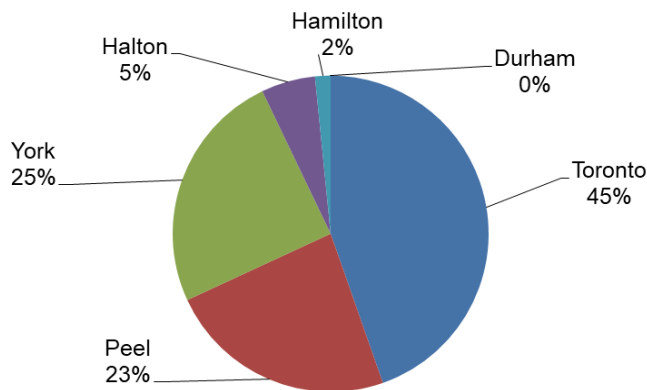
4.4.2 Major Office Employment

Despite the City of Toronto being the focal point for new office development, York Region’s share of the GTHA major office market is increasing

One of the major outcomes of the economic and demographic trends discussed so far has been the recent concentration of office growth in the City of Toronto and corresponding high vacancy rates in the GTHA that have only recently started to decline. According to Hemson Consulting and shown Figure 11, over the most recent 10-year period, 45 per cent of major office employment growth in the GTHA has been in the City of Toronto. The concentration of new office growth in Toronto is well documented, and is driven by a number of factors including access to an extremely large labour pool via the multi-modal transportation network converging at Union Station.

Although not immune to the new realities of the current competitive environment, York Region has been more successful than other “905” GTHA municipalities in competing for office development outside Toronto. Major Office employment growth in York Region is outpacing growth in other “905” municipalities and between 2006 and 2016, major office employment in the Region grew almost three times faster than major office employment growth GTHA-wide. As shown in Figure 11, over the 10-year period, one in four new major office jobs created in the GTHA was accommodated in York Region, bringing the Region’s share of the GTHA major office employment to 10 per cent compared to 8 per cent in 2006.

Figure 11: Distribution of 2006-2016 GTHA Major Office Employment Growth



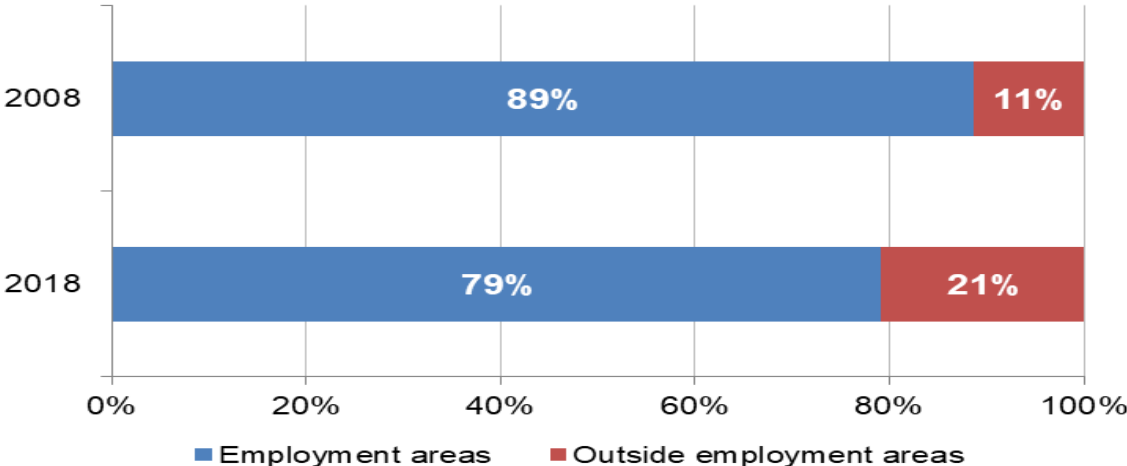
Source: Hemson Consulting based on Statistics Canada

Driven by rapid growth in Centres and Corridors, growth in major office is outpacing employment growth region-wide

The strength of the Region’s major office category is further illustrated by its pace of growth relative to employment growth overall. Over the past decade, major office employment grew at an average annual rate of 4.0 per cent, faster than employment growth overall which grew by approximately 2.8 per cent per year. Of the Region’s major office employment growth between 2008 and 2018, 61 per cent was in knowledge-based sectors. The finance and insurance sector in particular accounted for 22 per cent of major office employment growth over the last decade.

As shown in Figure 12, major office employment is still primarily located in employment areas, has seen a shift towards Centres and Corridors. This supports the Growth Plan objective of directing major office growth towards areas supported by higher order transit. It should be noted that some of the Region’s major office employment is located within employment areas that overlap Centres and Corridors.

Figure 12: Distribution of York Region Major Office Employment by Location



Densities in Major Office buildings are increasing

The major office market in the GTHA is exhibiting a trend of decreased floor space per worker (an increase in density) especially in newer buildings. The average space per worker has been declining for decades, particularly since the early 2000s when, according to the Financial Post, average densities across North America were 250 sqft per employee compared to an estimated 150 sqft per employee in 2017. A declining floor space per worker means that more jobs can be accommodated within the standing inventory as well as in new buildings.

This trend is a result of many factors including demographic change, changing workplace practices, more efficient space design, and the preference of employees to reduce commuting time and/or have ready access to an attractive live-work environment. To partially illustrate this trend in York Region, Table 1 compares the share of onsite and offsite employment in major office buildings in 2008 and 2018. Between 2008 and 2018, the share of offsite employment within the major office category increased to 20 per cent of all jobs, compared to per cent in

2008. York Region specific major office density trends will be determined through the updated employment forecast.

Table 1: York Region Major Office Employment Onsite vs Offsite, 2008 and 2018

	Onsite Jobs	Offsite Jobs
2008	89%	11%
2018	80%	20%

Source: York Region Planning and Economic Development

The outlook for Major Office growth remains positive

The major office market in York Region is expected to continue to experience strong growth moving forward. As of 2018, there were 21.6 million square feet of existing major office space in the Region with an additional 640,000 square feet (8 new buildings) under construction and 3.9 million square feet (38 new buildings) within proposed applications. This equates to an estimated 16,600 new major office jobs. As shown in Table 2, over half of new major office space is expected to locate in employment areas compared to a third in Centres and Corridors.

Table 2: Proposed Major Office developments in York Region

	Under Construction sq.ft. (# buildings)	Proposed sq.ft. (# buildings)	Share of total sq.ft.
Centres and Corridors	0.2 M (1)	1.3 M (8)	33%
Employment Areas	0.3 M (4)	2.2 M (24)	56%
Other	0.1 M (3)	0.4 M (6)	11%
Total	0.6 M (8)	3.9 M (38)	100%

Source: York Region Planning and Economic Development

4.4.3 Employment Area Employment

The following presents the current state of employment areas in the Region, as well as a detailed analysis of growth trends since 2008. More detail on each of the Region's employment areas as well as a summary of employment area employment in each of the nine municipalities can be found in Attachment 2.

Employment areas are vital to the Regional economy

Employment areas play an important role in York Region's economy and are fundamental to job growth and business attraction. These areas are often the only viable home for businesses that require sites close to goods movement corridors such as 400 series highways, intermodal facilities, and rail yards at lower development costs. Examples of these businesses include land-extensive distribution and logistics facilities and manufacturing based businesses that are often incompatible with sensitive land uses such as residential. York Region provides prospective employers with flexibility and choice in employment areas with approximately one third (2,600 net ha) of the close to 7,800 net ha of employment land in the Region being vacant and available for future development.

Employment areas accommodate over half of the Region's employment base

As of 2018, the Region's employment areas accommodated 53 per cent of total employment and have accounted for 76,000 or 55 per cent of surveyed employment growth in the Region

over the past decade. Employment areas are also home to 76 per cent of the Region’s largest employers. TD, Desjardins, and Honda are recent examples of large scale employers arriving into the Region’s employment areas.

Continuing to protect employment areas is essential to accommodating a diverse range of industries in a variety of building types. In addition to a significant number of traditional manufacturing and industrial uses, the Region’s employment areas are home to a significant number of major office and retail and personal services jobs. As referred to above, 79 per cent or 81,000 of the Region’s 102,300 major office jobs are located within employment areas and approximately 10,100, or 12 per cent, of employment area jobs are within the retail and personal services category.

Employment areas continue to accommodate a broader mix of employment uses

There has been a trend in recent years toward an increasing number of offices, commercial, retail and mixed use employment in employment areas. Similar to overall employment trends, jobs created in employment areas have been driven by growth in service-based sectors. As illustrated in Table 3, between 2008 and 2018, 79 per cent of employment area employment growth was in service-based sectors. Breaking this down further, knowledge-based jobs accounted for 30 per cent of employment growth in employment areas over the past decade.

Table 3: Employment Area Employment in Goods- vs Services-Producing Sectors

	2008	2018	2008-2018
Goods Producing	39%	35%	21%
Services Producing	61%	65%	79%

Source: York Region Planning and Economic Development

While access and exposure to 400-series highways and major arterial roads are still critical for many industries, the general decline in goods-producing towards more service and knowledge-based jobs is increasing the demand for other more compact building types close to amenities and supported by transit. Space to accommodate this type of growth is still required, with smaller office and industrial condominium building types in employment areas being attractive for these types of industries. Employment areas are particularly important to support many of the Region’s entrepreneurs and smaller businesses because of the lower land costs and rental rates in these areas. It is important that the Region protect these areas from conversion to other uses that will drive up land costs.

Employment area densities have been increasing as a higher share of employment is being accommodated through intensification

While employment area employment growth has remained strong, employment area absorption has been declining since 2011. An average of 71 ha per year was absorbed for greenfield construction between 2011 and 2017 with total absorption between 2011 and 2016 being lower than the single year peak of 361 ha in 1985. Demand for employment areas in recent years has begun to increase, with building permits showing approximately 4.2 million square feet of industrial/commercial space constructed or under construction in the Region’s employment areas between 2017 and year end 2018.

The slower absorption of employment land 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. The economic recession of 2008-2009 also resulted in some buildings becoming vacant, many of which have since been re-occupied. The result has been significant job growth without a corresponding uptake of land and an increase in employment area density from 65 jobs/Ha in 2013 to 70 jobs/Ha in 2018 (Table 4). Largely due to location and the sector makeup of employment areas, densities vary across the Region. In West Vaughan where there are a large number of warehouse and distribution facilities densities are as low as 5-10 jobs per hectare compared to densities of 290 jobs per hectare in employment areas like Commerce Valley with large concentrations of professional services employment in office and multi-unit industrial building types. For a list of 2017 employment area densities by employment area, please see Appendix A.

Table 4: Employment Area Density, 2013-2018

	2013 (jobs/Ha)	2018 (jobs/Ha)
Density (including major office)	65	70
Density (excluding major office)	55	58

Source: York Region Planning and Economic Development

Intensification in employment areas is one factor driving increasing densities in employment areas. Intensification in employment areas can occur in two main categories: Intensification on existing built parcels and intensification within existing space. For a more detailed methodology on defining and quantifying intensification potential, please see Appendix B.

1. Intensification on existing built parcels refers to the construction of new building space on employment area parcels that are considered built in the Region’s employment land inventory. Intensification through new building space can occur through expansion of an existing building or through construction of an entirely new structure on the same parcel.
2. Intensification within existing space refers to new jobs that are accommodated within the existing floor space of a building.

Over the 2011 to 2017 period, an estimated 60 per cent of employment area employment growth has been accommodated through intensification of existing built parcels or growth in existing buildings.

The trend towards intensification in employment areas is likely to continue. As of 2017, there were 328 ha of intensification potential identified in the Region’s inventory.

Office jobs in employment areas are increasingly occurring in building types other than major office

Contributing to increasing densities in employment areas and driven by an increase in knowledge-based jobs, a continuing trend in York Region has been for growth in office-oriented uses to occupy built-forms other than major office building types, notably ‘flex space’ and smaller co-working spaces in employment areas. Although office work activities occurring in

non-office spaces has long been a feature of the York Region space market, the prevalence of this has become much more widespread in recent years.

Increasingly, new industrial type buildings are being marketed as flex office space for initial tenancies. In many ways, these office uses represent a different part of the market demand for lower-cost and high amenity work environments. Demand for more flexible space continues to grow as employers cater to the millennial workforce, both in downtown and suburban locations with amenities nearby including transit access. Examples in York Region include the IBM Innovation Space in Markham, a tech-based co-working space offering access to IBM resources and joint education, marketing and promotion as well as the TechConnex HUB, also in Markham.

In York Region, 54 per cent of traditional “office type” employment in employment areas is accommodated in non-office forms. This refers to employment in sectors that have traditionally located in office-type buildings. Within designated employment areas, roughly half of the total office employment is accommodated outside of major office buildings, as shown in Table 5 below:

Table 5: Office Employment in Employment Areas, 2018

Sector	"Office" Sector Employment in Major Office	"Office" Sector Employment Outside of Major Office	Total "Office" Sector Employment	Proportion outside major office
Information and Cultural	3,300	5,800	9,100	64%
Finance and Insurance	15,100	8,000	23,100	35%
Real estate and rental	4,200	8,200	12,400	66%
Professional and Scientific	24,100	21,800	45,900	47%
Management of Companies	4,100	4,400	8,500	52%
Administrative and support	2,200	10,100	12,300	82%
Public Administration	1,200	4,300	5,500	78%
Health Care - doctor and dentist office	2,000	2,200	4,200	52%
Total	56,200	64,800	121,000	54%

Source: York Region Planning and Economic Development

Employment areas have experienced an uptake in large scale industrial building types with low employment densities

Although the trend is towards more mixed use development and higher overall employment area densities Region-wide, there has been an increase in land intensive warehouses in west Vaughan. This shift has increased desirability of large serviced, freight supportive vacant parcels of land in greenfield areas. New warehouse facilities in the Region include distributions centres for Costco and Fed Ex in West Vaughan. Unlike other employment area uses in the Region, the employment density in these facilities is very low, averaging 22 jobs/ha or 1,500 square feet per employee.

The GTHA is one of the largest industrial real estate markets in North America. According to Cushman and Wakefield, in the third quarter of 2018 industrial vacancy rates in the GTA

declined to an all-time low of 1.7 per cent, with a record high 9.4 million square feet of new space under construction; nearly 75 per cent of which is focused in the GTA west and north, including York Region.

4.4.4 Community Based and Rural Employment

Population-related employment growth continues to grow at a similar pace to employment overall

As stated above, population-related employment largely includes service type jobs including retail, commercial, personal services located in the Region’s community and mixed used areas. Growth in this employment category is closely tied to population growth. Work at home employment, a rapidly growing employment type in the Region, is also captured in this category with an estimated 51,100 jobs, or 8 per cent of total employment as of 2018.

Population-related employment growth shares over the past decade have remained relatively constant. Between 2008 and 2018, population-related employment grew at a similar pace to employment growth overall, growing by 31 per cent and 32 per cent, respectively. As a share of total employment, population-related employment has remained the same at approximately 40 per cent.

While the share of population related employment growth has remained relatively constant, the ratio of population to population-related employment has decreased over the 10-year period. This ratio provides an indicator of the number of population-related jobs that are required meet the needs of a growing population and is an important input to the Region’s employment forecast. Table 6 compares population-related employment ratios in 2008 and 2018.

Table 6: York Region population-related employment ratios, 2008 and 2018

	Population-related employment ratio
2008	5.2
2018	4.7

*Measured by dividing population by population-related jobs.
 Source: York Region Planning and Economic Development

Rural employment growth has been modest

Rural employment includes primary and agricultural jobs dispersed outside of the Region’s urban area. There were an estimated 14,700 rural jobs in the Region in 2018.

While rural-based and agricultural jobs are important to the Region’s economy, growth in this employment category represents the smallest share of employment by type in the Region. As a share of overall employment, rural employment grew slower (20 per cent) than all other employment types and the share of overall employment decreased from 3 per cent in 2008 to 2 per cent in 2018.

4.5 Key Observations

1. York Region's employment growth over the past decade has remained strong at approximately 2.7 per cent per year, outpacing population growth at 1.8 per cent per year.
2. The GTHA and York Region economy is transitioning to a knowledge economy where access to talent and skilled labour are becoming increasingly important.
3. Knowledge-based industries such as finance, real estate, and professional services have been among the fastest growing sectors in the Region over the past decade.
4. York Region plays an important role in the GTHA economy, accommodating 22 per cent of employment growth over the 2006 to 2016 period.
5. The Region has evolved into a top destination for business with strengths across a number of sectors and major economic clusters.
6. The structure of employment in the Region is already well established through Regional Centres and Corridors which are attractive for office development, employment areas which contain 53 per cent of the Region's employment base, and residential areas that provide retail and service jobs that serve the local economy.
7. The nature of work is changing – self-employment, part-time, work at home and no fixed workplace employment are increasing.
8. Driven by the strength of the Region's Centres and Corridors, Major Office employment growth is outpacing growth in all other categories.
9. Intensification of existing built space and low land absorption have contributed to higher employment area densities.
10. Growth in population related and rural employment categories have been in line with population growth.

5.0 FUTURE TRENDS ANALYSIS

In the fall of 2018, York Region retained Hemson Consulting to prepare a York Region Future Employment Trends Study (Study). The intent of the Study was to develop an in-depth understanding of emerging technological trends and their impact on planning for employment growth in York Region. Key findings from this study will provide direction for the Region's Employment Strategy and inform the employment forecast and policy update.

The Study explored potential short and long term trends in the sectoral composition of employment as well as changing location preferences of employers, built forms, and patterns of real estate development. The following provides a summary of the Hemson Study, with additional analysis from recent studies from the Neptis Foundation (Planning the Next GGH) and the Brookfield Institute. The entirety of the Hemson Study can be found at the following [link](#) on York.ca.

5.1 High level economic, demographic, and technological trends impacting employment growth

Trends at the Global, National, Provincial and regional level (GGH) will continue to affect the employment growth outlook and demand for land in the Region

Trends in the global, national, provincial and GGH economy will continue to impact employment growth in York Region. Examples of high level trends with the potential to impact employment growth moving forward include:

- a national economy that is anticipated to grow at a somewhat slower rate than the global economy with the strongest influence on the distribution of growth being international immigration
- market access issues in the energy sector and the decline in oil production
- tighter labour markets, the current housing market slowdown, recent tariffs imposed by the United States, and rising interest rates
- emerging trends in non-usual place of work, co-working and the 'gig' economy (short to medium term contracts)
- automation of work activities in a growing number of industries
- changing consumer behaviours and preferences driving rapid growth in e-commerce and just in time delivery
- an economy increasingly focused on professional services, including knowledge-based and creative industries

Innovation and access to talent are playing an increasingly important role in the evolving economic landscape

Within the broader context of shifting employment composition, the key location factors for firms in professional services, especially knowledge and creative industries, is access to talent and amenities. The competition for talent is driving companies to locate in areas that are well served by transit and provide access to the infrastructure and services that cater to a younger working age cohort. This trend has underpinned the recent trend towards rapid population and employment growth in downtown Toronto.

Integration and co-location of workers with institution and research facilities has also been observed. There is an emerging trend in the development of employment spaces and facilities that integrate different functions including innovation, institutional, lab spaces, training, co-working, and production space.

5.2 Quantifying the potential for automation in York Region

The proportion of York Region’s Labour Force at risk of automation is significantly lower than the national average

Based on the analytical framework developed by the Brookfield Institute, Hemson estimates that 24 per cent, or 133,200 residents, of the York Region employed labour force is at risk of having their jobs lost to automation over the next 10-20 years. Compared to the national average of 42 per cent, the share of occupations at risk is much lower in York Region as a result of its diverse economy and strength in high-skilled knowledge-based sectors that are less susceptible to automation. A similar analysis for jobs in York Region indicates that 143,000 York Region jobs, or 25 per cent of 2018 surveyed employment, are at risk of being automated.

From a timing perspective, there are a variety of views on long term impacts of automation. Hemson’s view is that future changes in employment are likely to occur slowly and gradually as a continuation of existing patterns rather than some sudden change. Both the Neptis and Brookfield work agree that the restructuring of employment as a result of automation is not likely to be a one-time event, but rather a continuous process evolving over time.

Lower-skill work activities are particularly susceptible to automation

The potential for automation is likely to impact all economic sectors, to varying degrees. From an occupational perspective, the analysis shows that relatively lower-skill and more routine activities are particularly susceptible to automation (See Table 7). In particular, the occupations that show the greatest risk include:

1. Manufacturing (60 per cent of employed labour force)
2. Trades and transportation (40 per cent of employed labour force)
3. Routine business, finance, and administration (40 per cent of employed labour force)

Occupations with the lowest risk of automation are those which are more reliant on human judgement including professional services, education, and health care.

Table 7: Risk of Automation to the Employed Labour Force, 2016

Occupation	Potential for Automation	Potential Jobs Lost
Manufacturing and Utilities	62%	12,800
Trades and Transport	39%	22,400
Business, Finance, and Admin	39%	41,600
Sales and Service	35%	43,300
Natural Resources and Agriculture	16%	800
Health Occupations	7%	2,300
Arts, Culture, Recreation and Sport	5%	900
Natural and Applied Sciences	7%	3,800
Management Occupations	4%	3,000
Education, Law, Community & Government	4%	2,300
York Region Total	24%	133,200

Source: Hemson Consulting based on Brookfield Institute

Automation is anticipated to have less impact on jobs at the high end of the skills spectrum

While automation does have the potential to impact jobs at the high end of the skills spectrum, these jobs are likely to be replaced than jobs at the low end. In an analysis comparing manufacturing and finance and insurance, two of the largest sectors in Ontario, it is apparent that jobs that have been lost to automation in the manufacturing sector have not been easily replaced while the finance and insurance sector continues to experience significant growth. This is likely due to the ability of workers to find jobs in similar occupations because of transferable skills as well as advances in automation and other evolving technologies actually creating new jobs in knowledge-based industries.

Automation is impacting employment growth in the Region's major employment clusters

In partnership with York Region and neighbouring labour markets serving York Region employers, the Workforce Planning Board of York Region and Bradford-West Gwillimbury undertook a detailed study of York Region's three largest clusters, Information and Communication Technology (ICT), Manufacturing, and Financial Services that included engagement with over 50 York Region employers.

Universal among York Region employers surveyed were difficulties finding employees that have the "non-technical" skills, which appear to have become as important, or more important than technical skills. In fact, "soft" skills seemed to represent a bigger "gap" area than industry or subsector-specific skills shortages. Examples of these skills include: adaptability, problem solving and analysis, independence and pro-activity, and the ability to manage one's own work.

5.3 Implications on the structure of employment and demand for land

The growth outlook for York Region remains positive

Within these broader economic trends, the growth outlooks for the GTHA and York Region remain positive. With an economy increasingly focused on professional services, including knowledge-based and creative industries, the GTHA is very well positioned to compete for new business investment in years to come.

As part of this integrated and rapidly growing economic region, York Region's central location and large and diverse economic base makes the Region attractive within the broader GTHA and more resilient in the face of economic change. Rapidly growing industries such as information and communications technology (ICT), finance, higher order business services, life sciences, and healthcare technology are all expected to experience strong growth moving forward. The building and construction industry as well as transportation and logistics are also anticipated to perform very well.

According to Hemson Consulting, York Region is home to one of only three major office nodes in the GTHA outside central Toronto, which bodes well for attracting workers in occupations that require highly-skilled workers, are at low risk of being affected by automation, and are anticipated to grow more rapidly than the rest of the labour force. Further advantage can be

found in the clusters of economic activity located in the Region's major employment areas, along with a supply of vacant land to accommodate growth.

While concentration of office employment in Downtown Toronto is likely to continue, York Region is better positioned than many other GTHA municipalities to attract office growth. Major advantages include the existing cluster and critical mass of office development, an established role as a major office node in the GTHA, and a 'natural' location for future office development given superior highway and transit access. Current and pending transit infrastructure in the Region is likely to improve the competitiveness of many locations for new business investment. For example, the recent subway extension to VMC has been a catalyst for office growth, a trend that is expected to continue.

Over the long term, disbenefits in the form of congestion and inaccessibility to downtown Toronto may begin to shift some types of businesses to other locations, including York Region. Since 2010, significant companies such as Aviva, Celestica, and Lenovo have relocated to York Region from Toronto.

Higher skilled jobs will be the focus of employment growth going forward

The outlook for employment growth in York Region is for relative stability in the manufacturing sector with continued rapid growth in services. The Regional economy will almost certainly undergo a continued evolution and transformation both within and between sectors, towards higher-skill activities. Recent trends have shown that highly skilled and more educated labour will be a significant driver of growth in the future. Since this effect will be felt across all economic sectors, workforce development will become an increasingly important issue over time.

Technology has the potential not only to replace existing types of economic activities and jobs, but also to result in increased demand for certain types of jobs, or even create entirely new ones. Many significant sectors in the economy simply did not exist a few decades ago, such as website and app designers. As the use of computer and information technologies continue to evolve, knowledge-based jobs such as software engineering and data analysis are likely to be created and may compensate for losses in other industries.

According to Hemson, occupations that are likely to grow are those that have relatively lower probabilities of automation and either represent a high share of the overall employment base or are anticipated to grow rapidly over the forecast period. For York Region, these occupations may include:

- Occupations in management and in natural and applied sciences
- Professional occupations in the health sector, including nursing and related life science and health care technology activities
- Occupations in education, law and government services, along with a range of occupations in art, culture, recreation and sport

Demand for office space is expected to increase in both major office and non-office forms

The shifting office market dynamic has implications for the overall forecast by type (major office and employment area) as well as regional objectives for centres and corridors. As the knowledge economy continues to evolve and Centres and Corridors continue to develop, demand for major office space is expected to continue to increase.

An emerging trend is for growth in the service sector and office-oriented use in other built forms, notably 'flex space' and smaller co-working spaces throughout the community. Reasons for this include:

- The Region is well located with access to a network of 400 series highways as well as existing or planned transit routes
- Flexible industrial facilities tend to offer a larger and wider range of signage opportunities and more open work environments due to the lack of core building elements
- Units are frequently in large buildings that include warehousing capability which makes them attractive to a range of users including professional services, logistics, technology firms, medical/ pharmaceutical laboratories, and research and development firms

It is generally expected that the flex space market will continue to grow as tenants seek to reduce costs and maximize space efficiency, particularly in the context of the continued concentration of very intensive forms of development in Toronto and escalating disbenefits in terms of costs, among others.

As a result of continuing trends related to co-working and increasing numbers of employees working at home, office densities are likely to continue to increase.

High quality urban environments and continued investment in transit will be critical in attracting talent and supporting growth in knowledge-based industries

Amenity rich and accessible work environments are increasingly important in the location decisions of employers, particularly in knowledge and creative industries. Access to transit along with high-quality urban environments is important to the attraction of new business investment in office-type uses as well as industrial development, which have been increasingly marketed with an emphasis on amenities to attract workers. One of the key competitive advantages driving the recent concentration of employment growth in Toronto has been the City's ability to provide access to a labour pool that is both wide and deep. As the economy continues its transition toward knowledge-intensive activities, developing high quality urban environments accessible by higher order transit will be critical in attracting and retaining the Region's talented labour force.

The Region's commitment to infrastructure investments and transportation expansion will increase the Region's competitiveness for economic development by improving access to talent. Viva bus rapid transit and the Spadina Subway extension into Vaughan support tremendous office and residential construction and business attraction. Regional Council continues to place

a priority on future infrastructure improvements such as the Yonge subway extension and two-way GO service that will support new business opportunities.

In addition to transit investment, it will be important for the Region to recognize the importance of other attributes of urban environments that contribute to business and talent attraction. Prioritizing the development of high-quality, walkable public realms with access to amenities in areas that are already served by higher order transit will help create attractive employment nodes that are accessible to the broader GTHA labour force.

Demand for employment areas expected to remain strong

Future demand for employment area development in York Region is anticipated to remain strong. Growth in e-Commerce has driven a surge in demand for distribution space close to major urban centres such as the GTHA. Mixed-use areas are not appropriate to support growth in these sectors because of the higher land costs associated with these areas and because businesses in these industries often have specific location requirements that are incompatible with sensitive uses such as residential and institutional.

Manufacturing will continue to play an important role with fewer workers and more robots relative to the past. This new space demand is likely to be off-set by the simultaneous repurposing of older manufacturing space, as has been the case for many years, to accommodate other types of employment uses.

Growth in employment areas will be driven by increasing demand for large sites with superior transportation access and evolving trends towards office uses in non-office forms in employment areas closer to transit with access to amenities. An appropriate land supply will be required for all types of industry to provide flexibility for employers in high quality locations over the long-term.

While the increasing prevalence of office uses in employment areas is likely to continue to result in increasing employment areas densities overall, densities by employment area are likely to vary significantly as a result of their location within the Region as well as their sectoral composition.

The role of the Region's three employment nodes is expected to evolve and strengthen

The three major employment nodes all play distinct roles in the regional economy in terms of the amount and types of employment, the occupied and vacant land supply, and growth expectations moving forward:

1. Markham/Richmond Hill

The employment node at Highway 404 and 407 has the highest employment density among employment areas in the GTHA, owing in part to the significant amount of office activities occurring in the industrial building stock in the area, including a number of major office buildings. Moving forward, this area is likely to continue to accommodate the highest employment area densities in the Region and will remain important for accommodating the existing employment base and new office development.

2. Central and West Vaughan

Given current trends in e-Commerce and industrial land markets, strong demand for employment areas is likely to continue and the Region's ability to provide large parcels of development lands is a major competitive advantage. The West Vaughan Employment Area, for example, is one of the largest employment areas remaining in the GTHA and likely to be in very high demand, particularly for large distribution uses and transportation/logistics providers in close proximity to the CP intermodal yard. Retention of these lands will be critical. The key challenge from a Regional perspective will be to ensure that lands are brought to market in a timely and orderly fashion in order to take advantage of these opportunities.

3. 404 North

The employment node in northern York Region along Highway 404 is characterized by a mixture of occupied and developing areas and demand for these areas is likely to be more long term. Given that many of these lands require servicing before they can be brought to market, the timing of development in these areas is tied in part to the timing of infrastructure delivery.

Retail locations anticipated to remain important as their role evolves to incorporate different types of retail delivery and support online retailers

Along with growth in e-Commerce and demand for industrial distribution there has been a shift in the pattern of retail development, as evidenced by recent closures of major large North American brick and mortar stores. While this trend may continue, it is being moderated by the establishment of retail stores by major online retailers, notably Amazon, to create a physical footprint for the sale and delivery of goods. Other related trends are growth in stand-alone pick up locations and the ability to order items online and pick up in stores ("click and collect").

The likely impact will be a reduced need for new retail space combined with the continued repurposing of existing stores to accommodate a wider range of uses. At a local scale, needs of residents still need to be met, and at the regional scale, there is still demand for space in regional malls because of the enduring appeal of the shopping experience. Most of the change will be in mid-scale developments such as community shopping centres as traditional anchor tenants move their business online.

The continued automation of routine-oriented service tasks will drive a number of shifts in retail jobs, moving away from traditional retail outlets towards other sectors, including warehousing and logistics.

Planning and economic development initiatives should continue to be considered by the Region to support business growth and attraction

Additional considerations and recommendations provided by Hemson include:

- Devoting the resources necessary to encourage expansion of the Regional innovation "ecosystem" (for example, initiatives such as ventureLab), particularly in regards to the commercialization of new products or processes.

- Proactively support and grow the regional office market through all available means, including planning tools, consideration of financial and other incentives, as well as ongoing economic development and investment attraction efforts
- Together with economic development, local municipalities, post-secondary institutions and other partners, support and advance current skills training initiatives and consider additional strategies to attract and retain local talent in sectors that are of strategic importance to the Region as well as those at high risk of automation
- Consider place based strategies to focus redevelopment and renewal initiatives on the locations with the best market prospects and development potential
- Carefully balancing opportunities for residential and non-residential development in Urban Growth Centres and Major Transit Station Areas

5.4 Key Observations

1. The employment growth outlook for York Region is favourable and is anticipated to be characterized by stable growth in manufacturing and rapid growth in services including high-skilled jobs in knowledge and creative industries
2. Despite 24 per cent of the Region's labour force being at risk of automation, York Region is well positioned to withstand the impacts of automation with an economy increasingly focused on higher skilled activities. Impacts of automation and AI are likely to be slow and gradual. Automation will impact all economic sectors and likely create more jobs in the long run.
3. Amenity rich and transit accessible work environments are increasingly important for the location decisions of employers to attract talent. Regional Centres and Corridors are well positioned to attract highly skilled, knowledge-based job
4. Demand for employment areas will remain strong and will be driven by land-extensive logistics and warehouse facilities as the role of e-Commerce continues to expand as well as increasing shares of service sector employment in small offices and industrial multiples. The overall impact is likely to be an increase in density in employment areas.
5. Investing in and supporting a highly skilled labour force will be critical in remaining competitive in the midst of the dramatic restructuring of the GTHA economy.

6.0 EMPLOYMENT AREA PLANNING

6.1 Designating Employment Areas in the Regional Official Plan

Employment areas are those designated for employment uses in official plans

The existing York Region Official Plan defines employment areas as lands that are designated for employment uses including land designated as industrial and business park in local municipal official plans.

From a regional standpoint, uses currently not permitted in employment areas include residential, major retail, and other non-ancillary retail and commercial. Local municipalities differentiate between types of employment areas with additional official plan designations. These designations are usually reflective of sectoral employment or location based categories. Local municipal Official Plan designations provide explicit direction on permitted uses for those lands.

The Growth Plan requires the Region to map and designate employment areas in the Regional Official Plan

As previously mentioned in section 4.1 of this report, the economic landscape of the GTHA, including York Region, has undergone significant transformation over the past several decades as the regional economy continues to evolve. In response to the ever-changing economy, it is increasingly important to have employment policies in place that provide a supply of employment areas that allow flexibility for business location decisions and that protect and preserve employment areas over the long term.

The Growth Plan has reinforced the protection of employment areas by introducing new policy direction for employment area planning. One of the most significant changes of the 2017 Growth Plan was for upper tier municipalities to designate and map employment areas in their Official Plans, a responsibility previously assumed by local municipalities. While the existing Regional Official Plan does not map employment areas, the Region does have a high level policy framework for their planning and protection.

The Growth Plan requires upper-tier municipalities to set density targets for employment areas and encourages them to make more efficient use of employment areas by considering opportunities for intensification. Intensification and density assumptions for employment areas will be used when determining existing capacity in the Region's employment areas as input to the land needs assessment.

Existing Regional Official Plan policies are premised on the long term protection and high quality design of employment areas

The employment area planning policy framework in the existing Regional Official Plan states that the ongoing viability of employment areas is contingent upon long term protection, effective planning and design, and a shift towards increasingly sustainable and innovative industrial processes. At a high level, policies aim to:

- Ensure a sufficient supply of employment areas
- Protect, maintain, and enhance the long term viability of employment areas by requiring that employment areas are designated and protected in local municipal official plans for employment area uses
- Limit ancillary uses (retail and commercial uses servicing the needs of the employment area) to a maximum of 15 per cent of an employment area
- Encourage intensification and higher density employment uses, particularly in centres and corridors

- Direct municipalities to establish criteria for conversion of employment areas to non-employment uses

There are currently 24 different employment area designations across the Region

Prior to designating employment in the Regional Official Plan, it was important for staff to gain an understanding of existing employment designations across the Region, staff performed an analysis of employment designations in each of the nine local municipalities and organized them into four broad categories. The results of this analysis are provided in Appendix C.

The main conclusion of the analysis was that there were differences across the Region in the way in which local municipalities designate employment areas. There are 24 different employment designations across the Region, all with varying extents to which specific uses are permitted. While all nine municipalities have designations that allow for traditional industrial and manufacturing uses, there are differences in the extent to which retail and office uses are permitted employment designations. Additionally, only six municipalities have a specific designation that allows for a broad range of employment uses, including industrial, office, and retail.

6.2 Planning for employment areas

Municipalities in Canada and around the world are changing the way in which they plan for employment areas

The employment trends presented in this analysis are reflective of broader national and global economic trends that are challenging employment policy planning. To better understand and plan for the changing nature of employment, municipalities worldwide have recently completed studies and reviews of their employment areas. Through these reviews, jurisdictions in Canada such as Toronto, Waterloo, Milton, Victoria British Columbia, and Surrey, British Columbia and others around the world such as Sydney (Australia), London (England), Stockholm (Sweden), and Anaheim (California) have created new policy direction to help prepare and plan for change. The common findings of these studies are presented below while Attachment 3 provides a matrix with additional detail on each review.

There is continued emphasis on protecting “core” employment areas for traditional employment uses

Despite an overall trend toward increasing flexibility in employment areas to accommodate a broader range of uses, jurisdictions identified the need to continue to protect and preserve employment areas, specifically inner and core areas, for more industrial, manufacturing, and land-intensive employment uses.

Municipalities recognize that these types of “traditional” employment area uses typically have lower employment densities, have specific location requirements adjacent to goods-movement corridors, and have the potential to create land use conflicts with sensitive uses such as residential. As a result, jurisdictions identified the need to protect employment areas that meet these criteria. An example of this is the Town of Milton, which has identified areas meeting these criteria as “historical industrial areas” and has provisions in its Official Plan to preserve them.

A broader range of employment uses are being permitted in strategic locations on the fringe of employment areas and within centres and nodes

Several jurisdictions studied are recommending employment area designations that permit a wide range of employment uses in areas that are adjacent to major road arteries or within broader community nodes. In doing so, municipalities are aiming to better align these areas with other city building initiatives. The premise is that more flexibility will create a better integration of employment areas with adjacent non-employment uses and attract high density employment uses that could benefit from more mixed-use and amenity rich environments with access to transit.

The intent is also to provide amenities for businesses within or in close proximity to employment areas. For example, the City of Toronto has a provision in their Official Plan that states that “uses that support the prime economic function of employment areas, such as parks, small scale retail stores and services to meet the daily needs of businesses and employees, workplace daycare and restaurants, must also be readily accessible within employment areas.”

Guidelines and implementation plans are being developed to improve the built form and public realm in employment areas

Aging built form has commonly been identified as a weakness of employment areas. In response, municipalities are developing guidelines, implementation plans, and programs to improve the built form and public realm of employment areas. In order to become more attractive to employers and more desirable to employees, studies identified the importance of improving the integration of urban design with natural features, improving connectivity between buildings, and creating an improved sense of community, place, and character. An example of this is the City of Anaheim with landscape design guidelines and a mobility and connectivity plan as part of a multi-faceted approach to improve the built form of employment areas and create a safer & healthier pedestrian environment.

Municipalities are developing creative solutions to rejuvenate employment areas and stimulate economic growth

Municipalities are recognizing that older employment areas may be in transition and strategies and policies are being developed to support redevelopment where appropriate. Implementation techniques include the use of Community Improvement Plans and marketing strategies in Waterloo and the identification of Business Improvement Areas or Creative Districts supported by financial incentives to encourage office development in Victoria BC.

North Okanagan is taking this one step further and prioritizing parcels of land that would yield the most benefit in terms of employment area development and identifying these areas as Investment Zones. These areas were defined as having sufficient infrastructure, accessibility, visibility, and market (investor) attractiveness to attract new development.

7.0 PRELIMINARY POLICY CONSIDERATIONS

The PPS, Growth Plan, and existing York Region Official Plan provide a policy framework for employment growth moving forward. The following provides a review of the existing employment policy framework as well as considerations for potential changes and/or additions in order to conform to the Growth Plan. A matrix providing a comparison between employment policies in the PPS, Growth Plan, existing Regional Official Plan, and the following policy considerations is attached in Appendix D.

7.1 Supporting and growing a resilient and diverse employment base

York Region is located in one of the most attractive and vibrant economic areas in North America. Employment in the Region is distributed across a diverse economy within a broad range of industry sectors. Knowledge-based sectors are anticipated to play a more important role in the Region's economy, including information and communication technologies, health and life sciences, engineering and building, transportation and logistics, and advanced manufacturing. There are also a number of emerging sectors in York Region including green industries, such as sustainable agriculture and alternative energy. Attracting high quality jobs that match the skills in the labour force will generate good paying employment opportunities for York Region residents, increase live-work opportunities, and continue to foster the high standard of living in the Region.

Policy considerations may include:

- Continuing to provide York Region residents with access to high quality jobs by maintaining the 2:1 people to jobs target
- Continuing to emphasize the development of complete communities with access to transit to facilitate attracting talent and the skills of the York Region and GTHA labour force
- Improving coordination with the Region's Economic Development initiatives (including the 2019 update to the Economic Development Action Plan)
- Encouraging and strengthening public and private partnerships with local municipalities, York Region Boards of Trades, Chambers of Commerce, and Post-Secondary Institutions etc. to improve live-work opportunities and reduce commute times for York Region residents by focusing on attracting high quality jobs that match the skills in the Region's labour force
- Strengthening the Region's economic clusters by developing a built form that supports a better linking of talent to employers

7.2 Positioning Centres and Corridors as the primary location for office development

Regional Centres and Corridors are a focal point of commerce, business, and cultural activities. The Region and local municipalities should continue to support the development of Regional Centres and Corridors by encouraging attractive, compact community design, and the clustering

of economic activities. This will promote creativity, the exchange of ideas, ease of business transactions and an increased opportunity for economic spin-offs.

Policy considerations may include:

- Continuing to plan Regional Centres and Corridors for the highest concentration of major office, mixed-use commercial, and high-density residential development
- Integrating employment areas in Centres and Corridors with Major Transit Station Areas and other intensification areas
- Further exploring the potential for financial incentives to attract new office development

7.3 Fostering innovation and attracting talent

Both the Hemson and Neptis studies emphasize the growing importance of access to a large and talented workforce in the location decisions of employers. It will be important for the Region to develop a policy framework that is directed at attracting and retaining talent as well as growth in knowledge-based industries. Developing these areas as high quality urban environments where employees want to spend their time will also be important.

Policy considerations may include:

- Developing a policy framework that is tailored to support growth in knowledge-based industries, skills development, and investment in business supportive resources
- Strengthening relationships with higher education and post-secondary institutions and attracting investments supporting training, research, and higher education
- Continuing to promote high quality business resources such as the Regional broadband strategy
- Prioritizing high quality urban environments that are accessible by transit
- Recognizing that multi-modal transportation access is increasingly important
- Improving the competitiveness of major office nodes accessible by transit

7.4 Protecting employment areas over the long term

York Region is committed to maintaining and enhancing the long term viability of employment areas. Employment areas are major drivers of economic activity and contain over 50 per cent of the Region's employment. These areas play a significant role in the Region's economy, primarily accommodating industrial and business uses. Employment areas are strategic to the Region and critical to maintaining an appropriate balance between population and employment growth over the long term, which exceeds the 20-year planning horizon.

The ongoing viability of these lands is contingent upon long term protection, effective planning and design, and a shift towards increasingly sustainable and innovative industrial processes. Employment areas located within close proximity to 400-series highways and other goods-movement corridors are particularly important as highway access continues to be important to export based businesses. These sites also provide access to labour as well as exposure.

Policy considerations may include:

- Protecting employment areas over the planning horizon and beyond for businesses with specific locational requirements
- Maintaining a sufficient supply of employment areas to accommodate the employment forecast, including continuing to monitor employment area supply on a regular basis to ensure an adequate supply of sites that provide choice in location, site size etc.
- Ensuring servicing and critical infrastructure are available in employment areas to attract investment
- Supporting the goods movement network by ensuring protection of employment areas adjacent to existing and future freight rail and highway corridors
- Ensuring an adequate supply of employment land in all three of the Region's major employment area nodes as well as in northern communities to promote live/work opportunities
- Protecting employment areas from conversion to non-employment uses through incorporating employment area conversion criteria into the Regional Official Plan
- Continuing to restrict major retail and limit retail uses in employment areas

7.5 Planning for and designating employment areas in the Regional Official Plan

In light of the Growth Plan requirement to map and designate employment areas in the Regional Official Plan, further consideration should be given to increasing flexibility in employment area designations, where appropriate. The Region's trends analysis, literature from the Neptis Foundation, and the jurisdictional scan performed by regional staff have indicated that employment areas are continuing to see a broader range of uses than in the past. In response to this, some municipalities studied are recommending fewer, and more general designations in employment areas, while others are proposing to loosen permissions in fringe areas along corridors and in local nodes. The Growth Plan policy for integrating employment areas with adjacent non-employment areas and developing vibrant, mixed-use areas and innovation hubs, where appropriate, provides further justification for this policy direction.

Policy considerations may include:

- Increasing flexibility in select employment area designations, particularly along major arterial roads and nodes
- Focusing ancillary retail and office uses to locations that are transit-supportive and exhibit a compact built form
- Encouraging local municipal implementation plans and guidelines to improve built form, urban structure, and public realm
- Encouraging a safer, healthier, and more desirable built environment

- Encouraging high quality and sustainable urban design as well as a mix of amenities and open space to serve the workforce
- Planning for higher overall densities in employment areas while protecting for low employment densities uses in appropriate locations
- Strengthening policies for intensification in employment areas
- Exploring transit solutions for the workforce that address the “last mile” challenge in low density employment areas

7.6 Proactively planning for the changing nature of employment

An aging labour force, changing consumer preferences, e-Commerce, the changing nature of employment, and the impacts of automation and AI have the potential to significantly change the landscape of employment in the Region. Proactively addressing these evolving macro-demographic and economic trends and their impacts on employment will be critical in maintaining a resilient economic base.

Policy considerations may include:

- Preserving employment areas for land-extensive uses to support stabilizing growth in manufacturing and rapid growth in transportation, logistics, and warehouse facilities
- Planning for the evolving nature of the retail landscape, particularly mid-scale developments such as community shopping centres that are experiencing decreasing demand as more and more companies move their business online
- Encouraging innovation in the manufacturing sector
- Supporting and promoting high quality, transit supportive, urban environments that are attractive to office-type development as the knowledge economy continues to evolve and outpace growth in other goods and service based industries

8.0 CONCLUSIONS AND NEXT STEPS

The Planning for Employment Background report provides analysis and a draft framework for developing the Region’s Employment Strategy and satisfying the requirements of the Growth Plan. This work builds upon existing policies in the Regional Official Plan and incorporates key findings from a York Region Future Employment Trends Study undertaken for the Region by Hemson Consulting.

York Region is in competition with municipalities around the world to retain and grow its existing businesses, attract new employers, skilled employees, and good paying jobs. The attraction of new businesses and growth or expansion of existing business operations improves the overall quality of life for York Region residents by creating high quality, good paying jobs close to where they live. Providing residents with access to a full range of employment opportunities also contributes toward overarching goals of the Growth Plan of building complete communities and reducing the impacts of congestion.

York Region is well positioned to continue to attract employment growth. Transit investment in the Region's Centres and Corridors such as the extension of the Spadina Subway, Bus Rapid Transit, GO service improvements and planned future extension of the Yonge subway will support growth in knowledge-based and creative industries and be critical in the attraction and retention of talent.

Employment areas are vital to the Regional economy and will be in high demand moving forward, particularly for land extensive distribution and warehouse facilities as the role e-Commerce continues to expand, as well as smaller office and multi-unit industrial uses to support the increasing share of service sectors and knowledge-based jobs in employment areas. An adequate supply of employment areas will be important for all types of industry to provide flexibility for employers in high quality locations over the long term.

Finally, the Region's community and residential areas will continue to support local retail and personal services jobs to allow residents, workers, and visitors to purchase goods locally.

Over the coming months, Regional staff will be working with local municipalities to ensure the unique needs of each local municipality are considered when delineating and designating employment areas in the Region Official Plan. The work will incorporate the following:

1. Findings from the historical and future trends analysis and jurisdictional scan
2. Results of the assessment of site specific conversion requests
3. A broader review of the Region's employment areas in the context of the evolving urban structure, infrastructure investments, and the changing nature of employment

The work will also be coordinated with the update to the Economic Development Action Plan.

The Employment Strategy report, scheduled for the first quarter of 2020 will include the following components:

- Local municipal employment forecasts
- Delineation, designation, and density targets for the Region's employment areas
- Finalization of the employment framework including principles, key attributes, and the role of Centres and Corridors, employment areas, and community areas in attracting high quality jobs
- Employment policy recommendations
- Role of local municipalities in implementing the York Region Employment Strategy and recommended tools for implementation
- Framework for monitoring the progress in achieving the Employment Strategy
- How the York Region Employment Strategy conforms to the Growth Plan and PPS

APPENDIX A: Employment Area Density by Employment Area

Employment Area Densities

The following table is a summary of employment area densities in York Region. The employment area density calculation uses built area in net hectares as per the 2017 employment land inventory and 2018 surveyed employment data including major office and estimates for no contact employment.

Municipality	Employment Area	Employment Area Density
Aurora	AURORA 2C	-
Aurora	AURORA EAST	56
Aurora	INDUSTRIAL PARKWAY NORTH	68
Aurora	INDUSTRIAL PARKWAY SOUTH	48
Aurora	MAGNA/PRESERVE	50
Aurora	WELLINGTON/404	78
East Gwillimbury	BALES DRIVE	29
East Gwillimbury	GREEN LANE	47
East Gwillimbury	HIGHWAY 404/QUEENSVILLE	-
East Gwillimbury	HOLLAND LANDING	19
East Gwillimbury	MOUNT ALBERT	26
East Gwillimbury	ROPA 1	-
Georgina	KESWICK BUSINESS PARK	-
Georgina	PEFFERLAW	-
King	NOBLETON	-
King	KING CITY	29
King	SCHOMBERG	26
Markham	ROPA 3	-
Markham	407 LESLIE SOUTHWEST	-
Markham	ALLSTATE	97
Markham	ARMADALE	48
Markham	BOX GROVE	128
Markham	BULLOCK DRIVE	46
Markham	CACHET	72
Markham	CATHEDRAL	-
Markham	COCHRANE	144
Markham	COMMERCE VALLEY/LEITCHCROFT	289
Markham	CORNELL	-
Markham	DENISON STEELES	113
Markham	FOURTEENTH AVENUE	74
Markham	HIGHWAY 404 NORTH	20
Markham	LANGSTAFF - MARKHAM	-
Markham	MOUNT JOY BUSINESS PARK	45
Markham	RISEBOROUGH	93

Municipality	Employment Area	Employment Area Density
Markham	RODICK ROAD	49
Markham	THORNHILL	86
Markham	THORNLEA	41
Markham	TOWN CENTRE	123
Newmarket	BAYVIEW SOUTH	93
Newmarket	LESLIE DAVIS	65
Newmarket	LESLIE MULOCK	50
Newmarket	LESLIE NORTH	56
Newmarket	LESLIE SOUTH	76
Newmarket	MULOCK NORTH	42
Newmarket	MULOCK SOUTH	99
Newmarket	MULOCK SOUTHEAST	68
Richmond Hill	NORTH LESLIE	-
Richmond Hill	BARKER BUSINESS PARK	57
Richmond Hill	BEAVER CREEK	111
Richmond Hill	HEADFORD	84
Richmond Hill	NEWKIRK	70
Vaughan	HIGHWAY 400 NORTH - NORTHWEST	-
Vaughan	HIGHWAY 400 NORTH - TESTON EAST	-
Vaughan	HIGHWAY 400 NORTH - TESTON WEST	-
Vaughan	BEECHWOOD	15
Vaughan	EMERY CREEK	50
Vaughan	HIGHWAY 400 NORTH - NORTHEAST	-
Vaughan	HIGHWAY 427 EAST	60
Vaughan	HIGHWAY 427 WEST	27
Vaughan	JANE NORTH	58
Vaughan	JANE SOUTH	44
Vaughan	KEELE	51
Vaughan	LANGSTAFF - VAUGHAN	62
Vaughan	MAPLE	31
Vaughan	PINE VALLEY	89
Vaughan	STEELES CAMPUS	76
Vaughan	STEELES WEST	91
Vaughan	TUDOR EAST	83
Vaughan	TUDOR WEST	79
Vaughan	VAUGHAN 400	82
Vaughan	VAUGHAN 400 NORTH	85
Vaughan	VAUGHAN MILLS CENTRE	-
Vaughan	WEST VAUGHAN EMPLOYMENT AREA - ELDER MILLS	-

Municipality	Employment Area	Employment Area Density
Vaughan	WEST VAUGHAN EMPLOYMENT AREA - HUNTINGTON EAST	-
Vaughan	WEST VAUGHAN EMPLOYMENT AREA - HUNTINGTON WEST	30
Vaughan	WEST VAUGHAN EMPLOYMENT AREA - NASHVILLE	-
Vaughan	WEST WOODBRIDGE	54
Vaughan	WESTON 400	80
Vaughan	WESTON 400 NORTH	66
Vaughan	WESTON HIGHLANDS	93
Whitchurch-Stouffville	CARDICO DRIVE	26
Whitchurch-Stouffville	GORMLEY	20
Whitchurch-Stouffville	STOUFFVILLE EAST	-
Whitchurch-Stouffville	STOUFFVILLE NORTH	20
Whitchurch-Stouffville	STOUFFVILLE SOUTH	52
Whitchurch-Stouffville	VANDORF	46
York Region Total		71

Source: York Region Planning and Economic Development, 2019.

APPENDIX B: Intensification in Employment Areas

Measuring Intensification in Employment Areas

The Growth Plan requirement to identify opportunities for intensification on employment lands led staff to perform a detailed analysis of intensification trends over the 2011 to 2017 period. The analysis also identified further potential for intensification, for consideration in the development in the Region's draft forecast and land needs assessment.

A - Methodology:

Intensification in employment areas was considered in two main categories: Intensification on existing built parcels and intensification within existing buildings. Parcels containing major office buildings were excluded.

1. Intensification on vacant portions of built parcels refers to the construction of new building space on employment area parcels that are considered built in the Region's employment land inventory. Intensification through new building space can occur through expansion of an existing building or through construction of an entirely new structure on the same parcel.
2. Intensification within existing buildings refers to new jobs that are accommodated within the existing floor space of a building.

1. Intensification on existing parcels:

- I. York Region's Employment Land Inventory has been tracking intensification potential on parcels with a "built" status since 2011. For the purposes of this analysis, criteria was expanded to consider intensification potential for parcels that were identified as "storage" or "parking" in the inventory.
- II. Intensification potential on built parcels was assessed in two ways:
 - i. Through new buildings: Parcels where the vacant portion(s) have road access and vacant portions are >0.5 ha in size parcels that are >50 per cent vacant
 - ii. Through expansion: Parcels where the vacant portion(s) does not have road access and vacant portions are >0.25 ha
- III. An analysis was completed to identify the rate at which intensification on employment parcels was occurring and at what densities.
- IV. Densities were estimated using surveyed employment growth in the year the parcel was considered to be fully occupied.

2. Intensification within existing buildings:

- I. Analysis was conducted at a high-level (Region-wide) and in more detail using a sample employment area in the Region.
- II. Region-wide: Using only parcels that were built as of 2011 (excluding those which had been identified as having intensification potential in the analysis above), on an annual basis, the number of unoccupied parcels and total jobs accommodated by parcels that were built were assessed. The analysis was attempting to assess trends in region-wide employment area density within a fixed built space and the relationship between densities and the number of unoccupied parcels (if any).
- III. Sample employment area - More detailed analysis using parcels built as of 2011 in a specific employment area to measure year-over-year changes and on a parcel by parcel basis, assesses whether changes observed in Region-wide density trends were more likely due to re-occupancy of previously vacant buildings or through higher densities in occupied buildings.

B – Key Findings:

1. Intensification vacant portions of existing parcels:

- Between 2011 and 2017, 51 ha of employment land were intensified on 42 parcels, accommodating an estimated 1,300 jobs
- 29 intensified parcels (45 ha) were through expansion and 14 (6 ha) intensified parcels were through a new development
- Estimated densities for intensification were higher through expansion (38 jobs/ha) than through new development (31 jobs/ha)
- There was no significant re-development of parcels being used for parking or storage
- A further 330 ha of intensification potential was identified beyond 2017

2. Intensification within existing buildings:

Region-wide:

- Density of 2011 built parcels increased from 52 jobs/ha in 2011 to 58 jobs/ha in 2017
- The number of unoccupied parcels declined from 390 in 2011 to 230 in 2017

Sample employment area:

- The number of jobs accommodated through re-occupied parcels peaked in 2013 and has since declined
- An estimated 50 per cent of jobs created in the employment area between 2011 and 2017 were within buildings that were built as of 2011

3. Overall Impact:

- An estimated 60 per cent of jobs created in the employment area between 2011 and 2017 were within buildings that were built as of 2011

APPENDIX C: Local Municipal Employment Area Designations

Municipal Employment Area Use Designations by Regional Employment Category:

Municipality	Traditional Employment	Traditional Employment with Office	Business Park	Mixed Employment – Industrial, Office & Commercial
Aurora		Existing Employment – General Industrial	Business Park Uses	Existing Employment – Light Industrial Service
East Gwillimbury		General Employment Areas Prestige Employment Areas		
Georgina Keswick Business Park Secondary Plan Pefferlaw Secondary Plan	Business Park III Industrial	Business Park I (allows Institutional uses)		Business Park II
King				Employment Area
Markham	General Employment			Business Park Employment* Business Park Office Priority Employment Service Employment (with Commercial uses)
Newmarket		Business Park – General Employment		Business Park – Mixed Employment
Richmond Hill		Employment Area	Employment Corridor	
Vaughan	General Employment	Prestige Employment		Employment Commercial Mixed Use (Industrial uses not permitted)
Whitchurch- Stouffville	Prestige Industrial Industrial			Business Park

*Note that some employment area designations may fit within the definition of more than one regional employment category.

Category Definitions:

Traditional Employment:

- The majority of the permitted uses are industrial, such as: manufacturing, processing, assembly, warehousing, & fabrication
- Ancillary retail & service uses are permitted

Traditional Employment – Office:

- The majority of the permitted uses are industrial, but with office uses also permitted
- Hotels & conference facilities are typically permitted where there is office uses
- Ancillary retail & service uses are permitted

Business Park:

- Office, including high-density in multi-storey buildings, is the primary use
- Hotels and conference centres, and ancillary retail & service uses are permitted

Mixed Employment:

- Wide range of permitted uses including: industrial, commercial, public & private recreational, retail, service, institutional, office & automobile related
- Note that Vaughan 'Employment Commercial Mixed Use' does not permit industrial uses

APPENDIX D: Policy Analysis

Employment Policy Analysis

Provincial Policy Statement, 2014	Growth Plan, 2017	Regional Official Plan, 2010	Preliminary Policy Considerations
Employment Policy Theme: Supporting and Growing a Resilient and Diverse Employment Base			
<p>1.3.1 Planning authorities shall promote economic development and competitiveness by:</p> <p>a) providing for an appropriate mix and range of employment and institutional uses to meet long-term needs;</p> <p>b) providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;</p> <p>d) ensuring the necessary infrastructure is provided to support current and projected needs.</p>	<p>2.2.5.1 - Economic development and competitiveness in the GGH will be promoted by:</p> <p>(a) Making more efficient use of existing employment areas</p> <p>(b) ensuring the availability of sufficient land, in appropriate locations, to accommodate forecasted employment growth</p> <p>(c) Planning to better connect areas with high employment densities to transit;</p> <p>(d) aligning land use planning and economic development goals</p> <p>2.2.5.14 - Upper- and single-tier municipalities, in consultation with lower-tier municipalities, the Province, and other appropriate stakeholders, are encouraged to undertake a coordinated approach to planning for large areas with high concentrations of employment that cross municipal boundaries and are major trip generators</p> <p>2.2.5.15 - In recognition of the importance of cross-border trade with the United States, recognize a Gateway Economic Zone and Gateway Economic Centre near the Niagara-United States border and promote opportunities for cross-border trade.</p>	<p>4.1.2 - To create high-quality employment opportunities with the goal of 1 job for every 2 residents.</p> <p>4.1.3 - To create vibrant and healthy communities that attract and retain youth, a highly skilled labour force, and quality employers.</p> <p>4.1.4 - To annually monitor the location, type and characteristics of business and the supply of serviced employment lands.</p> <p>4.1.5 - To create a business friendly environment.</p> <p>4.1.6 - To promote the Region as a location for knowledge-based activities by leveraging existing clusters and the Region's highly diverse workforce, and establishing and maintaining strong links to educational and research institutions and companies.</p> <p>4.1.7 - Continue working with local municipalities and the agricultural community.</p> <p>4.1.8 - Encourage and support the development of a green industry.</p> <p>4.1.9 - To research and analyze the Region's economy, including conducting an annual comprehensive survey of York Region businesses</p> <p>4.1.10 - To work with local municipalities to encourage telecommuting where appropriate</p> <p>4.1.11 - To work with local municipalities to promote work-at-home through the adoption of enabling zoning provisions that allow for live-work units where appropriate.</p> <p>4.1.12 To work with local municipalities, the Province and Federal government to ensure that the Region is a high-priority location for major sporting, trade, and convention facilities.</p> <p>4.1.1 - To invest in infrastructure to support job creation, strengthen the Regional economy and ensure an equal integration between economic vitality, the natural environment and healthy communities.</p>	<ul style="list-style-type: none"> • Continuing to provide York Region residents with access to high quality jobs by maintaining the 2:1 people to jobs target • Continuing to emphasize the development of complete communities with access to transit to facilitate attracting a talent and skilled labour force. • Encouraging partnerships with economic development, local municipalities, and public institutions to improve live-work opportunities and reduce commute times for York Region residents. • Improving coordination with the Region's Economic Development initiatives to develop and implement strategies to better match skills in the Region's labour force. • Maintaining and strengthening partnerships with York Region Boards of Trades, Chambers of Commerce, the Workforce Planning Board of York Region etc. • Strengthening the Region's economic clusters by promoting a built form that enhances the linking of talent to employers. • Continuing to promote high quality business resources like the recent regional broadband strategy <p>Proactively planning for the changing nature of employment by:</p> <ul style="list-style-type: none"> • Encouraging innovation in the manufacturing sector • Encouraging the education of York Region workers about the impacts of automation and promoting the retraining and skills development for those displaced by automation

Provincial Policy Statement, 2014	Growth Plan, 2017	Regional Official Plan, 2010	Preliminary Policy Considerations
Employment Policy Themes: Positioning Centres and Corridors as the primary location for office growth and Fostering Innovation and access to talent			
<p>1.3.1 Planning authorities shall promote economic development and competitiveness by:</p> <p>c) encouraging compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities</p>	<p>2.2.5.2 - Major office and appropriate major institutional development will be directed to urban growth centres, major transit station areas or other strategic growth areas with existing or planned frequent transit service.</p>	<p>4.2.1 To recognize Regional Centres and Corridors as hubs of commerce, business and entertainment activities.</p> <p>4.2.2 To recognize Regional Centres and Corridors as the preferred location for major office uses and to develop incentives to attract major office uses to these locations.</p> <p>4.2.3 To encourage the Province and Federal government to provide incentives to attract major office, institutional, educational, cultural and entertainment facilities to Regional Centres and Corridors.</p> <p>4.2.5 That government, educational, institutional, major office, cultural, entertainment and other commercial uses be located and designed to support the Regional Centres and Corridors structure of this Plan.</p>	<ul style="list-style-type: none"> • Developing a policy framework that is tailored to support growth in knowledge-based industries and skills development, investment in business supportive resources • Continuing to plan Regional Centres and Corridors for the highest concentration of major office, mixed-use commercial and high-density residential development • Integrating employment areas in Centres and Corridors with Major Transit Station Areas and other intensification areas • Further exploring the potential for financial incentives to attract new office development • Strengthening relationships with higher education and post-secondary institutions • Prioritizing high quality urban environments that are accessible by transit
	<p>2.2.5.3 - Retail and office uses will be directed to locations that support active transportation and have existing or planned transit.</p> <p>2.2.5.4 - In planning for employment, surface parking will be minimized and the development of active transportation networks and transit-supportive built form will be facilitated.</p>	<p>4.4.4 - To direct a significant amount of mixed-uses, including street-related retail, to Regional Centres and Corridors.</p> <p>4.2.6 - To work with local municipalities to ensure that Regional Centres and Corridors include a significant amount of mixed-use, pedestrian-oriented, and street-related uses, including retail.</p>	<ul style="list-style-type: none"> • Recognizing that multi-modal transportation access is increasingly important • Improving the competitiveness of major office nodes accessible by transit <p>Proactively planning for the changing nature of employment by:</p> <ul style="list-style-type: none"> • Supporting and promoting high quality, transit supportive, urban environments that are attractive to office-type development for knowledge and creative industries

Provincial Policy Statement, 2014	Growth Plan, 2017	Regional Official Plan, 2010	Preliminary Policy Considerations
Employment Policy Themes: Protecting Employment Areas over the long term and Designating employment areas in the Regional Official Plan			
<p>1.3.2.1 Planning authorities shall plan for, protect and preserve employment areas for current and future uses and ensure that the necessary infrastructure is provided to support current and projected needs.</p> <p>1.3.2.3 Planning authorities shall protect employment areas in proximity to major goods movement facilities and corridors for employment uses that require those locations.</p> <p>1.3.2.4 Planning authorities may plan beyond 20 years for the long-term protection of employment areas provided lands are not designated.</p>	<p>2.2.5.6 - Upper- and single-tier municipalities, in consultation with lower-tier municipalities designate all employment areas, in official plans and protect them for appropriate employment uses over the long-term.</p> <p>2.2.5.7 - Municipalities will plan for all employment areas within settlement areas, with the exception of any prime employment areas, by: a) prohibiting residential uses and limiting other sensitive land uses that are not ancillary b) prohibiting major retail uses or establishing a threshold for any major retail uses c) integrating employment areas with adjacent non-employment areas and developing vibrant, mixed use, areas and innovation hubs, where appropriate.</p> <p>2.2.5.8 - Municipalities may identify employment areas near major goods movement corridors, as prime employment areas and plan for their protection over the long-term by: a) prohibiting residential, institutional, other sensitive uses b) prohibiting retail and office uses that are not associated with or ancillary c) planning for freight-supportive land use patterns</p>	<p>4.3.1 - That the employment forecasts be used as the basis for planning for employment lands. 4.3.2 - That a sufficient supply of employment lands based on the applicable municipal comprehensive review will be maintained to accommodate the employment growth forecasts. 4.3.4 - To require local municipalities to designate and protect employment lands in local municipal official plans. 4.3.5- To protect, maintain and enhance the long term viability of all employment lands designated in local municipal official plans for employment land uses. 4.3.6 - To protect strategic employment lands, including lands identified in Figure 2. These lands are identified based on their proximity to existing or planned 400-series highways and shall be designated for employment land uses in local municipal official plans. 4.3.7 - To require local municipalities to give priority to the strategic employment lands identified in Figure 2 when considering additional employment land designations. 4.3.15 - That employment land development be designed to be both walkable and transit accessible where possible. 4.3.23 - That the employment land designation policies and transportation corridor policies in ROPA 52 continue to apply to these lands. 4.3.24 - Lands located in the vicinity of Highway 48, Donald Cousens Parkway and the GO commuter rail line may have the potential to support future employment uses.</p>	<ul style="list-style-type: none"> • Continuing to protect employment areas over the planning horizon and beyond for businesses with specific locational requirements. • Maintaining a sufficient supply of employment lands to accommodate the employment forecast, including continuing to monitor employment area supply on a regular basis to ensure an adequate supply of sites that provide choice in location, site size etc. • Ensuring servicing and critical infrastructure are available in employment areas to attract investment. • Continuing to support the goods movement network by ensuring protection of employment areas adjacent to existing and future freight rail and highway corridors. • Ensuring an adequate supply of employment land in all three of the Region's major employment land nodes. • Continuing to restrict major retail and limit retail uses in employment areas • Encouraging high quality and sustainable urban design as well as a mix of amenities and open space to serve the workforce • Planning for higher overall densities in employment areas while protecting for low densities uses in appropriate locations • Strengthening policies for intensification in employment areas

Provincial Policy Statement, 2014	Growth Plan, 2017	Regional Official Plan, 2010	Preliminary Policy Considerations
<p>1.3.2.2 Planning authorities may permit conversion of lands within employment areas to non-employment uses through a comprehensive review, only where it has been demonstrated that the land is not required for employment purposes over the long term and that there is a need for the conversion.</p>	<p>2.2.5.9 -The conversion of lands within employment areas or prime employment areas to non-employment uses may be permitted only through a municipal comprehensive review where it is demonstrated that</p> <p>a) there is a need for the conversion;</p> <p>b) the lands are not required over the horizon of this Plan for the employment purposes for which they are designated;</p> <p>c) the municipality will maintain sufficient employment lands to accommodate forecasted employment growth;</p> <p>d) the proposed uses would not adversely affect the overall viability of the employment area or the achievement of targets</p> <p>e) there are existing or planned infrastructure and public service facilities to accommodate the proposed uses</p> <p>2.2.5.10 - The re-designation of an employment area to a designation that permits non-employment uses is considered a conversion and may occur only through a municipal comprehensive review</p> <p>2.2.5.11 - Any change to an official plan to permit new or expanded opportunities for major retail in an employment area may occur only through a municipal comprehensive review</p>	<p>4.3.3 - To recognize that employment lands are strategic and vital to the Regional economy and are major drivers of economic activity in the Region</p> <p>4.3.8 - That the conversion of employment lands to non-employment land uses is not permitted. For the purposes of this policy:</p> <p>a. employment lands are lands that are designated for employment uses including land designated as industrial and business park in local official plans;</p> <p>b. uses not permitted on employment lands include residential, major retail and other retail and commercial non ancillary uses</p> <p>4.3.9 - The conversion of employment lands to non-employment land uses may only be considered, at the time of a municipal comprehensive review in accordance with the applicable policies and population/employment forecasts of the Region.</p> <p>4.3.10 - To require local municipalities to include employment land conversion policies within local official plans and secondary plans that are consistent with the employment land conversion policies of the Province and the Region.</p> <p>4.3.11 - Provided that the proposed uses are intended to primarily service businesses in the employment lands, that ancillary uses collectively do not exceed 15 per cent of an employment area as defined in the local official plan.</p> <p>4.3.12 - To require local municipalities, through local official plan policies, to determine the location, amount and size of ancillary uses on employment lands based on the planned function, size and scale of the overall employment land area.</p> <p>4.3.13 - That local municipalities include official plan and secondary plan policies and zoning provisions to allow only employment and ancillary uses on Local Corridors and major streets within employment lands.</p> <p>4.3.17 - To work with local municipalities to provide a diverse mix of lot sizes on employment lands.</p> <p>4.4.6 - That major retail is not permitted on designated or strategic employment lands.</p>	<p>Proactively planning for the changing nature of employment by:</p> <ul style="list-style-type: none"> • Preserving employment areas for land-extensive uses to support growth in manufacturing and rapid growth in transportation, logistics, and warehouse facilities • Protecting employment areas from conversion to non-employment uses through incorporating employment land conversion criteria into the Regional Official Plan. • Exploring transit solutions for the workforce that address the “last mile” challenge in low density employment areas • Improving the competitiveness of major office nodes accessible by transit • Encouraging a safer, healthier and desirable built environment • Developing implementation plans and guidelines to improve built form, urban structure and public realm. • Increasing flexibility in specific employment area designations, particularly along major arterial roads and nodes. • Encouraging targeted redevelopment and rejuvenation of employment areas through marketing strategies and incentives

Provincial Policy Statement, 2014	Growth Plan, 2017	Regional Official Plan, 2010	Preliminary Policy Considerations
	<p>2.2.5.5 - Upper- and single-tier municipalities, in consultation with lower-tier municipalities, the Province, and other appropriate stakeholders, will each develop an employment strategy that:</p> <ul style="list-style-type: none"> a) establishes a minimum density target for all employment areas, measured in jobs per hectare, that reflects the current and anticipated type and scale of employment that characterizes the employment areas and aligns with policy 2.2.5.1; b) identifies opportunities for the intensification of employment areas on sites that support active transportation and served by existing or planned transit; c) will be implemented through a municipal comprehensive review, including official plan policies and designations and zoning by-laws. 	<p>4.3.14 - That local municipalities, in consultation with York Region, prepare comprehensive secondary plans for new employment lands.</p> <p>4.3.16 - That development on fully serviced employment lands be compact and achieve a region-wide average minimum density of 40 jobs per hectare in the developable area. This target is expected to be higher for lands adjacent to centres and corridors.</p> <p>4.3.18 - To require flexible and adaptable employment lands that include street patterns and building design and siting that allow for redevelopment and intensification.</p> <p>4.3.19 - To work with local municipalities to review and monitor opportunities for employment land intensification.</p> <p>4.3.20 - To require local municipalities to conduct 5-year reviews of employment lands to accommodate employment intensification.</p> <p>4.3.21 - To encourage employment intensification and higher density employment uses in Regional Centres and Corridors.</p>	
	<p>2.2.5.13 - Existing office parks will be supported by:</p> <ul style="list-style-type: none"> a) improving connectivity with transit and active transportation networks; b) providing for an appropriate mix of amenities and open space to serve the workforce; c) planning for intensification of employment uses; d) approaches to transportation demand management that reduce single-occupancy vehicle use 	<p>4.2.4 - To require a mixed-use pedestrian environment in Regional Centres and Corridors that promotes transit use and enhances these areas as destinations for business, entertainment and recreation.</p>	

Provincial Policy Statement, 2014	Growth Plan, 2017	Regional Official Plan, 2010	Preliminary Policy Considerations
Employment Policy Theme: Supporting the retail sector			
	<p>2.2.5.12 - The retail sector will be supported by promoting compact built form and intensification of retail and service uses and areas and encouraging the integration of those uses with other land uses to support the achievement of complete communities</p>	<p>4.4.1 - To require that retail be designed to be walkable, transit-supportive, and integrated into communities and pedestrian and cycling networks, with high-quality urban design.</p> <p>4.4.2 - To work with local municipalities to improve urban design in new retail developments and to identify opportunities for the intensification and revitalization of existing retail.</p> <p>4.4.5 - To require local municipalities to define major retail uses within the context of the local commercial hierarchy.</p> <p>4.4.7 - That major retail sites should be designed to support redevelopment or retrofitting.</p> <p>4.4.8 - To work with local municipalities to plan comprehensively for all retail uses, including major retail uses, that are integrated and provided for within the community. Planning should include the identification and designation of lands to accommodate these uses.</p> <p>4.4.9 - That new retail facilities in excess of 30,000 gross leasable square metres shall require a Regional impact analysis.</p> <p>4.4.10 - To undertake a study of the Region's retail sector.</p>	<ul style="list-style-type: none"> • Continuing to work with local municipalities ensure that retail is designed to be walkable, transit-supportive, and integrated into communities and pedestrian and cycling networks, with high-quality urban design. • Continuing to work with local municipalities to improve urban design in new retail developments and to identify opportunities for the intensification and revitalization of existing retail. <p>Proactively planning for the changing nature of employment by:</p> <ul style="list-style-type: none"> • Planning for the evolving nature of the retail landscape