

COMMITTEE OF THE WHOLE MAY 11, 2010

HOUSING ANALYSIS AND EMPLOYMENT LAND NEEDS REPORT FILE NO. 25.5.3

Recommendation

The Commissioner of Planning in consultation with the Director of Economic Development recommends:

1. That the conclusions and recommendations outlined in the report, "Housing Analysis and Employment Land Needs", April 2010, prepared by Hemson Consulting Ltd., be received and that the new Official Plan contain appropriate policies having regard for the findings of the study; and
2. That the Hemson report be forwarded to York Region for its information and review.

Contribution to Sustainability

The Province and the Region of York have embarked on an ambitious vision and policy framework for managing growth and to achieve more efficient land use. The findings of the Housing Analysis and Employment Land Needs report will be reflected in the City's draft new Official Plan that will direct growth to 2031 while balancing the needs of a growing population base, developing a healthy economy and protecting vital natural environment for future generations.

Economic Impact

The economic impact to the City will be strongly positive in terms of the value of investments and assessment which will ultimately result from introducing new employment and residential development opportunities via new development, redevelopment and new employment.

Communications Plan

The results of the analysis have been communicated to the public through two major open houses for the Official Plan process, and the Where and How to Grow Report published in June 2009 and located on the Vaughan Tomorrow website (where the draft Hemson report has also recently been added).

The consultation process to-date included regular meetings with City and Regional staff members, the members of the Official Plan Consulting Lead Team, Urban Strategies Inc, and a status and update presentation of the draft report to the Official Plan Review Committee on September 15, 2009 and April 1, 2010.

Purpose

The purpose of this report is to inform Council of the work completed to date on the technical analysis of housing and employment land needs that will accompany and support the City's draft new Official Plan and the future vision for growth.

Background - Analysis and Options

In 2007 the City began the process of preparing a new Official Plan as part of the City's Consolidated Growth Management Strategy. A major element of the City's future vision is to accommodate much of its future residential growth through intensification opportunities which will be reflected in the City's new Official Plan. This will bring the City into conformity with new Provincial and Regional policies that seek to achieve higher densities in a more compact urban

form. As part of the ongoing Official Plan review, Hemson Consulting was retained by the City to undertake additional background research and analysis in preparation of the new growth management plans. The Hemson report addresses how Vaughan will accommodate forecast future growth in population and housing. This report formed part of the basis for the "*Where and How to Grow*", June 2009 report that identified the future growth outlook and key policy directions for the City to accommodate it to 2031.

The Policy and Planning Context

Provincial Policies

The Province of Ontario released a Growth Plan for the Greater Golden Horseshoe (GGH) - Places to Grow in 2006. The Growth Plan sets out a vision for growth in the GGH to the year 2031. This includes a set of long-range growth forecasts and directions on how growth should be accommodated and managed effectively. As the City prepares the new Official Plan, the land use policies must reflect and support this new planning policy environment. The Growth Plan contains a set of population and employment allocations that the Region of York and municipalities in the GGH must adhere to for long-range planning and managing growth. Some of the key points in the document include:

- Directing growth to built-up areas where the capacity exists to best accommodate the expected population and employment growth.
- Providing strict criteria for any settlement area boundary expansions.
- Providing strict criteria to preserve employment areas for future economic opportunities and to minimize the conversion of employment lands.
- Setting a minimum 40% target for residential intensification within the built up areas.
- Requiring designated Urban Growth Centres (UGC) in the Growth Plan to achieve a minimum 200 persons plus jobs per hectare. The Node within the Vaughan Metropolitan Centre is currently identified as an Urban Growth Centre.
- Promoting densities along transit-supportive corridors and providing a healthy mix of residential and employment land uses.

Given that a comprehensive analysis of residential and employment land needs is required to justify any urban expansion for the City's new Official Plan, these Provincial policies must be taken into consideration in drafting the Official Plan's land use policies for the entire City.

York Region Official Plan (YROP)

The York Regional Official Plan is the upper tier planning document that provides the framework for achieving the Region's urban structure. Any amendments to the City's Official Plan must conform to the Region's Official Plan. The Regional Official Plan must also adhere to the Provincial policies articulated in the Growth Plan. A new Regional Official Plan was adopted by Regional Council in December 2009 as part of a conformity exercise to update its planning policies. The City's new Official Plan is required to reflect the vision of both plans including some of the more specific criteria relating to urban boundary expansion by the Region. Some of the key policies that relate to growth in the City of Vaughan include:

- The population forecast for Vaughan anticipates growth from 248,800 in 2006 to 418,000 by 2031.
- The employment forecast for Vaughan is for growth from 162,200 in 2006 to 266,100 jobs by 2031.
- Growth must be concentrated in the Vaughan Metropolitan Centre, a Regional Centre, and in the Highway 7 Corridor and along Yonge Street, as both are designated as Regional Corridors in the York Region Official Plan.

- Based on population growth forecasts, Vaughan must plan for residential intensification within the Built Boundary to accommodate approximately 45% of its forecast new housing needs to 2031.
- Highway 400 North and the Vaughan West Enterprise Zone are recognized as important employment areas, and the area along Highway 50 north of Nashville Road is foreseen as a future Employment Area beyond 2031.
- Transit-supportive densities are required via intensification along the designated Regional Corridors of Highway 7 and Yonge Street.

Analysis

The recent changes to provincial land use planning policy and legislation have created a new era in planning for growth across the GGH and for the City of Vaughan. As part of the growth management exercise, the main issues which the report addresses are the need for intensification within the Built Boundary and growth via urban boundary expansion, including both residential and employment growth. The report identifies these as two important quantitative aspects of the urban structure that the City will need to address during the preparation of the new Official Plan. In order to achieve the very ambitious provincial Growth Plan vision for more compact urban form, the Hemson report provides details on the amount and type of growth for which the City must plan. The report takes into consideration some of the historic patterns in housing and business location in order to better understand the extent to which the market needs to shift in order to fully implement the Growth Plan. The Growth Plan clearly aims to shift markets in favour of more intensified development for both residential and employment land. Therefore it is important to understand the changes that must be made to achieve the desired new planning environment. The Hemson report is essentially structured into three main parts:

1. Residential growth as it pertains to Vaughan, the shift in housing demand required to achieve intensification objectives, and the outlook for future residential land requirements.
2. Employment growth as it pertains to Vaughan and the outlook for future employment land requirements.
3. An assessment of and recommendations for employment land conversions to permit non-employment uses in Vaughan's new Official Plan.

Residential Growth Outlook

The Region has allocated to Vaughan a total population of 418, 800 by 2031 which represents a population growth of approximately 170,000 from 2006. A minimum of 45% of this growth must occur within the Built Boundary (defined as of June 2006). In order to assess the land requirements needed to achieve this goal, a three step analysis was conducted by Hemson, including:

1. Estimate the supply of residential units both inside and outside the built boundary.
2. Identify the demand based on population forecasts, and how it should be met to conform to the Growth Plan.
3. Compare supply and demand to identify any need for new urban lands.

Results and Findings:

Vaughan has sufficient potential to accommodate required residential intensification inside the Built Boundary. Together, the intensification potential and the estimated supply of additional units in Greenfield lands where urban development is already approved, provide sufficient capacity to address approximately 85% of the City's forecast housing demand to 2031. This leaves approximately 15% remaining that needs to be accommodated elsewhere.

The report emphasizes that, in order to conform to the Growth Plan targets and new Regional policies, a major shift in the demand for housing units by type needs to be achieved. A significant

shift in housing unit preference is required away from traditional single and semi-detached units and towards more compact and higher density units such as apartments.

Conclusion

The analysis by Hemson has concluded that Vaughan has sufficient housing capacity within the Built Boundary to meet intensification requirements under the Growth Plan. Designated Greenfield areas (approved but unbuilt as of June 2006) will also address a significant part of forecast demand to 2031. However, Hemson concludes that a deficit in housing supply of 9,630 units will result unless addressed by other measures. If additional Greenfield area beyond the existing urban boundary must be designated, approximately 480 hectares would be required, assuming densities of 20 units per hectare.

Employment Growth Outlook

The total employment in Vaughan is forecast to grow to approximately 266,100 jobs in 2031, an increase of over 130,000 new jobs from 2006. The structure of the economy and the strategic location of the City suggest that the long-term economic outlook will remain positive. The employment forecast is expected to grow steadily with continued economic growth in Vaughan. Therefore, taking into consideration the City's past strong economic performance, the Region's forecast is considered to be reasonable and appropriate for long range planning purposes.

Results and Findings:

Hemson identified three major categories in its forecasting of employment growth:

- a) *Major Office Employment* contained within a free standing building that is over (20,000 square feet) in size.
- b) *Population-Related Employment* that occurs in relation to a resident population (e.g. generally not located within employment or major office areas).
- c) *Employment Land Employment* refers to jobs accommodated primarily in low-rise industrial type building space and multiple industrial units that are mostly located in industrial areas.

A significant amount of major office employment is expected to be focused in the Vaughan Metropolitan Centre (which is identified by the Province as an Urban Growth Centre), as well as in other areas served by rapid transit, including Highway 7, Steeles West and Yonge/Steeles. The VMC is not expected to grow as rapidly as competing major office areas in the GTAH, which are relatively well-established and have more than ample capacity to accommodate future development. As a result, Vaughan will be faced with challenges to attract and encourage future major office uses to locate in the VMC.

To try to direct major office development to the VMC, the draft official plan establishes a hierarchy of office uses, requiring that those greater than 12,500 m² locate in the VMC or at other subway stations, while those between 7500 m² and 12,500 m² may locate in any Intensification Area including the VMC. Smaller office buildings may locate in Prestige Employment Areas. Within all Employment Areas, offices of any size will be permitted if they are directly associated with another employment use.

Employment land employment is forecast to account for more than half the total employment growth over 2006 to 2031. In order to take full advantage of future economic opportunities, the City will need to maintain almost all of its current supply of employment land. This includes the Highway 400 North Employment land in OPA 637 (ROPA 52) which has been adopted by Council, supported by York Region, and is currently under appeal at the Ontario Municipal Board.

Conclusion

The analysis by Hemson has determined that, with the addition of the Highway 400 North lands, Vaughan's forecast demand and supply of employment lands will be in balance through 2031. A minor discrepancy between supply and demand (e.g. a shortfall of about 30 hectares) is deemed negligible and would not justify further additions to the employment land supply at this time. (Note that these numbers are still under review and discussion with York Region.)

Employment Land Conversion

Although there are Provincial and Regional policies to minimize the conversion of employment lands as they are vital to economic vitality, there are some circumstances where conversions are appropriate. As identified in the Growth Plan in Section 2.2.6.5, municipalities may permit conversion of lands within employment areas, to non-employment use, only through a municipal comprehensive review where it has been demonstrated:

- a. there is a need for the conversion
- b. the municipality will meet the employment forecasts allocated to the municipality pursuant to this Plan
- c. the conversion will not adversely affect the overall viability of the employment area, and achievement of the intensification target, density targets and other policies of this Plan
- d. there is existing or planned infrastructure to accommodate the proposed conversion
- e. the lands are not required over the long term for the employment purposes for which they are designated
- f. cross-jurisdictional issues have been considered

For the purpose of this policy, major retail uses are considered non-employment uses.

Although the conversion of designated employment land is generally not recommended, Hemson has identified a number of locations in Vaughan where such conversions are recommended as good planning and appropriate. The following are the sites that have been identified and thoroughly examined by Hemson, and are considered to satisfy the tests for employment land conversion (Attachment 1) A full analysis of the criteria measured against each of these sites is summarized in the full report (Attachment 2).

1. *Highway 7 Corridor*
 - Only lands east of the GO Rail line north and south of the Highway 7 are recommended for residential uses.
2. *Weston 400 Employment Area Lands*
 - Only lands fronting onto Rutherford Road between Highway 400 and Weston Road are recommended for mixed-use.
3. *Lands Adjacent to Keele Valley Landfill (Alpa Lumber Group and Dufferin Concrete Maple)*
 - This older industrial area on the east side of Keele Street in Maple is recommended for residential uses.
4. *Hayhoe Mills site at Islington Avenue and Pine Grove Road*
 - A small part of the former mill site is recommended as acceptable for non-employment use.
5. *Former Motel Site at corner of Dufferin and Centre Street (northwest corner of Dufferin and Centre Street)*
 - Recommended for commercial or mixed-uses.
6. *East Elder Mills in the Vaughan Enterprise Zone*
 - A part of this area, east of the CP line recommended for residential uses
7. *Rutherford GO Station Parking Lot*

- The lands located on the south side of Rutherford Road, west of the Bradford GO line and currently used as the GO station parking lot are recommended for a range of uses, including higher density residential.

Conclusion

As emphasized in the report, the conversion of employment land is not recommended. However, the recommended conversions are minor and will not significantly affect the overall supply of employment lands in Vaughan. The recommended site-specific changes will make more efficient use of the existing urban land supply, public transit investments, and address some existing land use conflicts.

Relationship to Vaughan Vision 2020/Strategic Plan

The Housing Analysis and Employment Land Needs report is consistent with the Vaughan Vision 2020 Strategic plan, through the following initiatives, specifically:

Service Excellence:

- Lead & Promote Environmental Sustainability

Management Excellence:

- Enhance Productivity, Cost Effectiveness & Innovation
- Maintain Assets & Infrastructure
- Plan and Manage Growth & Economic Vitality
- Demonstrate Leadership & Promote Effective Governance

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

Regional implications include:

- Changes to servicing and road transportation requirements for future higher densities
- Increased YRT requirements
- Amendments to the Regional Official Plan as it pertains to expansion of the City's urban boundary

Conclusion

As the City continues to evolve into an increasingly urban place, the requirements for growth management policies are key to ensuring Vaughan remains environmentally, socially, and economically sustainable. The Hemson analysis has thoroughly examined the City's long term need for residential and employment lands, and identified sites throughout Vaughan where conversions of employment land to permit non-employment uses is appropriate. The results from the Housing Analysis and Employment Land Needs report support the new vision for the City to 2031, and one that will ensure that the new Official Plan conforms to the policies of the Province and Region.

Should Council concur with the recommendations, staff will proceed to incorporate the Hemson findings as part of the new Official Plan.

Attachments

1. Proposed Employment Land Conversion Map
2. Draft Housing Analysis and Employment Lands Needs Study, April, 2010 (Mayor and Members of Council ONLY)

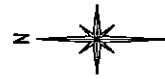
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Respectfully submitted,

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Director of Policy Planning



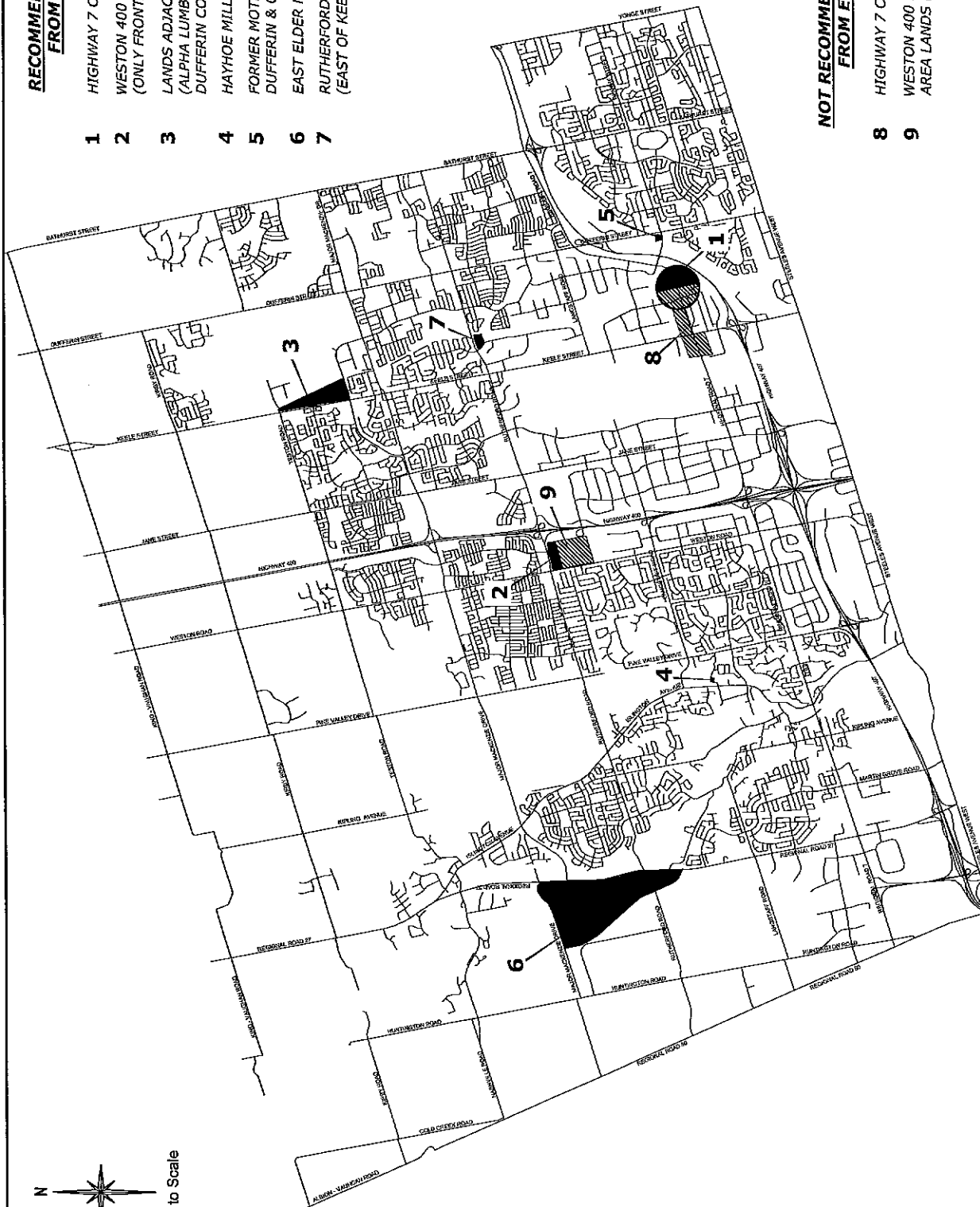
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**RECOMMENDED FOR CONVERSION
FROM EMPLOYMENT USES**

- 1** HIGHWAY 7 CORRIDOR (EAST CONCORD)
- 2** WESTON 400 EMPLOYMENT AREA LANDS
(ONLY FRONTAGE ON RUTHERFORD SOUTH SIDE)
- 3** LANDS ADJACENT TO KEELE VALLEY LANDFILL
(ALPHA LUMBER GROUP &
DUFFERIN CONCRETE MAPLE)
- 4** HAYHOE MILLS SITE (EAST OF ISLINGTON)
- 5** FORMER MOTEL SITE AT CORNER OF
DUFFERIN & CENTRE STREETS
- 6** EAST ELDER MILLS
- 7** RUTHERFORD GO STATION PARKING LOT
(EAST OF KEELE)

**NOT RECOMMENDED FOR CONVERSION
FROM EMPLOYMENT USES**

- 8** HIGHWAY 7 CORRIDOR (WEST CONCORD)
- 9** WESTON 400 EMPLOYMENT
AREA LANDS (NORTH OF BASS PRO MILLS DR.)



Proposed Employment Land Conversion Map

Applicant: City of Vaughan
Location: City Wide



The City Above Toronto
Policy Planning Department

Attachment

File: 25.5.3

Date: April 27, 2010

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