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YORK REGION VACANT RESIDENTIAL UNIT SUPPLY INVENTORY

The Planning and Economic Development Committee recommends the following:

- 1. The presentation by Paul Bottomley, Manager, Growth Management/Economy and Information Research, Long Range and Strategic Planning Branch, be received; and**
- 2. The recommendations contained in the following report January 12, 2006, from the Commissioner of Planning and Development Services, be adopted:**

1. RECOMMENDATIONS

It is recommended that:

1. The Regional Clerk forward this report to local councils and staff, the Urban Development Institute and the Ministry of Public Infrastructure Renewal.
2. Staff be directed to continue to work with the local municipalities to refine and update the vacant residential unit supply inventory in light of the new Provincial forecasts.

2. PURPOSE

Regional Official Plan policy 4.3.1 states:

It is the policy of Council to ensure an adequate supply of housing by:

- a) maintaining a minimum 10 year supply of land designated for housing;
- b) maintaining a 3 – 7 year supply of draft approved and/or registered lots and blocks for housing; and
- c) encouraging the production of an average of 8,000 housing units on an annual basis.

This report provides a statistical basis for assessing the achievement of this policy. This inventory is also used to identify residential development trends and to provide a basis for comment on recent Provincial initiatives.

The Vacant Residential Unit Inventory is current to June 30, 2005. A preliminary supply/demand analysis has been prepared to the regional level. A range of years supply is provided based on the *Regional Official Plan* forecast, the *Provincial Growth Plan* forecast, and historical completion data as compiled by the CMHC.

It is the Region's intention to continue to update the vacant residential unit inventory database in conjunction with staff from the local municipalities on a regular basis utilizing the Region's Development Tracking and Geographic Information Systems. It is anticipated that an up to date vacant residential unit inventory will be an integral component of York Region's growth management system for monitoring the pace of growth, thereby allowing for more regular reports to Council.

3. BACKGROUND

3.1 Provincial and York Region Initiatives

Over the last several years, the Province has embarked upon a number of key initiatives dealing with growth management and urban development issues in Ontario. These initiatives include:

- The Oak Ridges Conservation Plan in 2001
- The release of the new Provincial Growth Forecasts in January 2005
- Planning Act Reform
- Approval of the Greenbelt Plan in February 2005
- The release of the Proposed Growth Plan for the Greater Golden Horseshoe in November 2005
- Investment in transit within York Region.

The proposed *Growth Plan for the Greater Golden Horseshoe* includes an updated forecast for York Region of 1.5 million people and 780,000 jobs by 2031. In addition, the *Growth Plan* outlines a 40 per cent intensification target for new growth to occur within a municipality's existing built-up urban boundary.

This scale of growth indicates that by 2031, the Region's population is expected to increase by approximately 600,000 people from the July 1, 2005 estimate of 904,000. Similarly, employment is anticipated to increase by approximately 330,000 jobs from the current estimate of approximately 450,000.

In order to meet the new forecasts in the *Growth Plan*, additional designated Greenfield Area may be required for development. The Minister of Public Infrastructure Renewal, in consultation with upper-tier municipalities, will determine the need for and maximum amount of Greenfield Area required to accommodate growth. Settlement Area boundary expansions will only be permitted as part of a comprehensive municipal review.

As a result of the recent Provincial growth management and urban development initiatives, York Region is currently undertaking a comprehensive Growth Management Review and Official Plan update that includes a number of separate tasks in determining the amount of growth the Region will accommodate over the next 26 years and where

and how this growth will occur. The key components of this work plan include:

- The preparation of an updated forecast for York Region and the nine local municipalities.
- An inventory of both vacant employment land and vacant residential land to be used as input into the need for additional employment and residential lands outside of existing settlement areas (initial vacant employment land inventory report submitted to Planning and Economic Development Committee in September 2005).
- An examination of intensification opportunities to determine what the provincial 40% intensification target means to York Region and how this target can be achieved (initial intensification report submitted to Planning and Economic Development Committee in November 2005).
- A land budget (land demand/supply) exercise to determine how much land will be required to accommodate the future population and employment growth.
- A fiscal impact analysis exercise to assess the costs of infrastructure and services required by growth.

In September 2005 a report on the York Region Vacant Employment Land Inventory was submitted to the Planning and Economic Development Committee. In this report, it was determined that there is an 18.5 year supply of employment lands region wide and that there are long term employment land supply shortages in some local municipalities. The preservation of strategically located lands is a key issue.

In November 2005, a staff report was submitted to Planning and Economic Development Committee to provide an understanding of what the Provincial intensification target of 40% means to York Region in terms of absolute numbers, built form and how this target can be achieved. Based on the updated Provincial forecast for York Region prepared by Hemson Consulting, the Region will require an additional 231,000 new units to 2031. The Provincial target of 40% intensification requires the Region to accommodate 81,000 of these new units within the existing built boundary. The remaining 60% of the Regions forecasted growth between 2006 and 2031 (150,000 units) would be accommodated in existing approved Greenfield Development Areas as well as in lands yet to be designated.

The vacant residential land inventory update provides preliminary information that can be used to determine the potential to accommodate future residential growth within existing settlement areas and to determine the need for extending settlement area boundaries into Greenfield areas.

More detailed analysis of the vacant residential unit supply will be required in order to determine the intensification potential and requirements for each local municipality. This analysis will provide further information on the need for additional Greenfield areas.

3.2 Methodology/Definitions/Data Classification

The information contained in this report is current to June 30, 2005 and includes all approved official plan designations as well as rural areas, with the addition of the Newmarket Southeast, North Leslie and West Gormley Secondary Plans, which are awaiting final approval.

The Vacant Residential Unit Inventory has been divided into three categories for analysis:

- **Inventory Areas** are those lands that are located within Secondary Plans or Block Plans that have the potential to accommodate major new residential development.

(Secondary Plans that have been identified as Inventory Areas are: Aurora 2A, Aurora 2B, Aurora South and Aurora Northwest in Aurora; Holland Landing, Mount Albert, Queensville, Green Lane West and Sharon in East Gwillimbury; Pefferlaw, Sutton and Keswick in Georgina; Schomberg, King City and Nobleton in King; Swan Lake, Angus Glen, Cornell, Rouge Northeast, Berczy, Wismer Commons, Cathedral, Woodbine North, Greensborough and Box Grove in Markham; Newmarket Northwest, Newmarket Southwest and Newmarket Southeast in Newmarket; Jefferson, North Leslie, West Gormley, Yonge East, Yonge West, Duke of Richmond and Crossmar in Richmond Hill; North Maple, Maple, Kleinberg, Blocks 10, 11, 12, 17, 18, 32, 33E, 33W, 39, 40, 40/47 and Block 53 in Vaughan; and Stouffville and Ballantrae in Whitchurch-Stouffville. Newmarket Southeast, North Leslie and West Gormley Secondary Plans are awaiting final approval.)

- **Infill Areas** are those lands that are located within approved urban areas that are not included in the Inventory Areas. These areas do not include a complete analysis of intensification potential. Generally, these areas include older established urban communities within the Region such as Central Aurora, Central Newmarket, Milliken Mills in Markham, Richvale in Richmond Hill or Old Woodbridge in Vaughan, as well as the Regional Centres.
- **Rural Areas** are those lands that are not located within approved urban areas, towns and villages. These areas include developments in estate residential and hamlet areas.

Maps of each local municipality, depicting these categories can be found in Appendix 3.

Vacant residential data was collected for each of these areas at the plan of subdivision and plan of condominium scale. The units included in the inventory are categorized by

development status and include:

- **Registered Vacant** units, estimated for each local municipality through a review of the York Region Development Tracking and Building Permit systems.
- **Draft Approved** lots in a plan of subdivision or plan of condominium which has received draft approval but has not received final approval.
- **Pending** lots in a plan of subdivision or condominium which has been submitted but has not received draft approval.
- **No Application** units calculated based on the total build-out number of units for the Inventory Area Secondary Plans and Block Plans minus the units already built and the units under application. These are areas within Secondary Plans and Block Plans that do not as yet have a subdivision application.

The potential number of housing units by structure type (single-detached, semi-detached, rows, apartments), and by development status is provided for each municipality in the tables in Appendixes 1 and 2. For registered unbuilt units, the total estimated units are distributed by structure type based on the distribution of CMHC supply of units under construction as of June 2005. For draft approved and pending plans of subdivision and condominium the number of housing units by structure type are based on the actual plan of subdivision or condominium proposal. The potential supply of no application units are distributed by structure type based on a 50/50 split assumption (50% single-detached, 10% semi-detached, 20% row, and 20% apartments).

This inventory does not include a complete analysis of intensification potential within the Region's built boundary. The proposed *Growth Plan* sets out a minimum 40% intensification target to occur within the Regions built boundary from 2015 to 2031. This inventory does not differentiate between the unit supply in intensification and Greenfield areas. The inventory does not include vacant parcels outside of the Inventory Areas with no subdivision or condominium application (generally small in size) that may be developed through infilling or redevelopment. The draft approved and pending applications in these areas are included. *Figure 1* provides an overview of the extent of this vacant residential unit supply inventory by category and development status. In the next update to the residential unit supply inventory, the units built inside of the provincially defined built boundary will need to be differentiated from the total supply in order to correctly calculate intensification.

FIGURE ONE
Extent of Vacant Residential Unit Supply Inventory

Area	Development Status			
	Registered Vacant	Draft Approved	Pending	No Application
Inventory Areas	Data collected at the Local Municipal scale only. Based on a review of the York Region Development Tracking and Building Permit systems. Assumed to be 100% in Inventory Areas.	Based on Draft Approved Plans of Subdivision and Plans of Condominium.	Based on Plan of Subdivision and Plan of Condominium Applications.	Based on total build-out units for Secondary or Block Plan minus those units already existing or applied for.
Infill Areas		Based on Draft Approved Plans of Subdivision and Plans of Condominium.	Based on Plan of Subdivision and Plan of Condominium Applications.	Data not collected.
Rural Areas		Based on Draft Approved Plans of Subdivision and Plans of Condominium.	Based on Plan of Subdivision and Plan of Condominium Applications.	Data not collected.

3.3 Sources of Data

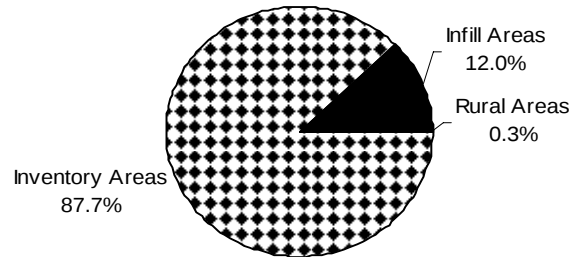
The sources of data used to compile this inventory included local official plans, plan of subdivision and condominium applications, the York Region Development Tracking System, the York Region Building Permit Database, York Region Geographic Information System, and 2002 and 2005 aerial photographs. In addition, staff from the local municipalities reviewed and commented on the material.

4. ANALYSIS AND OPTIONS

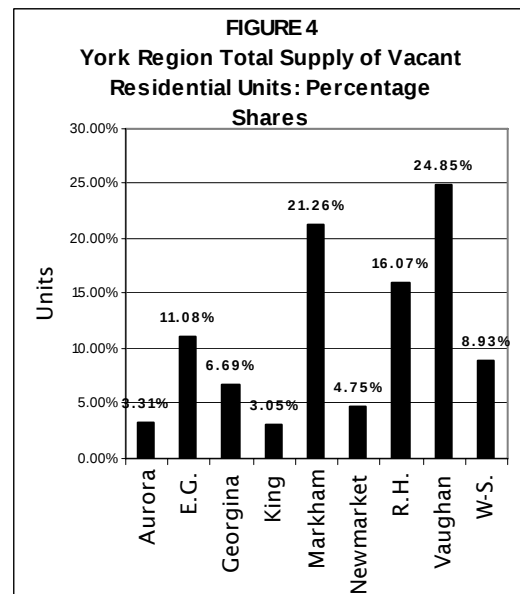
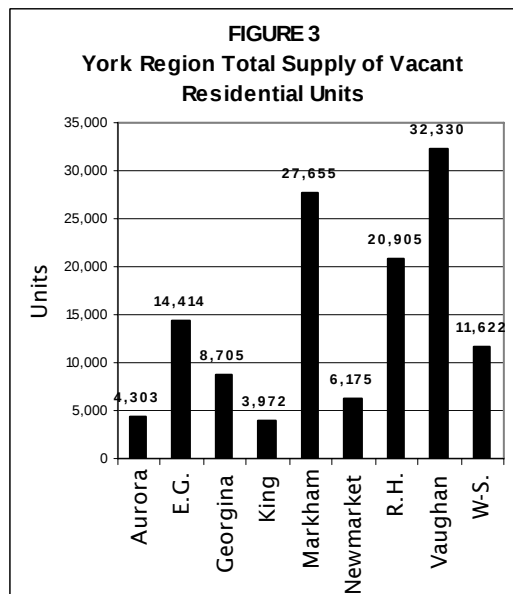
4.1 Supply of Residential Units

There is a total potential supply of 130,080 vacant residential units in the Region of York as of June 30, 2005. This supply includes potential residential units in the Region in Inventory Areas, Infill Areas and a small number of units in Rural Areas. No Application data is provided for Inventory Areas only. Inventory Areas contain 114,036 units (87.7%), Infill Areas contain 15,674 units (12.0%) and Rural Areas contain the remaining 371 units (0.3%) of the total supply (*See Figure 2*).

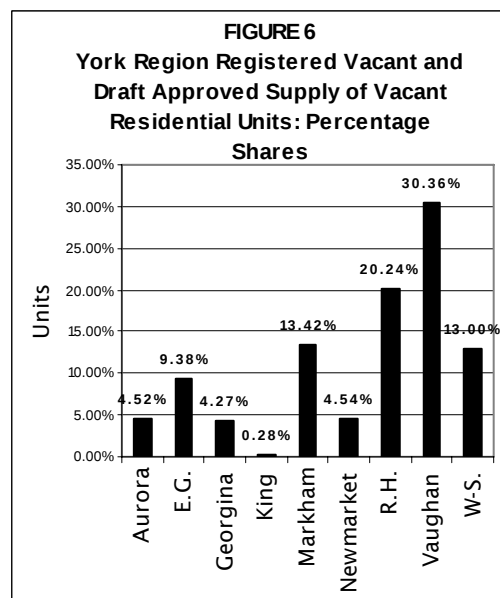
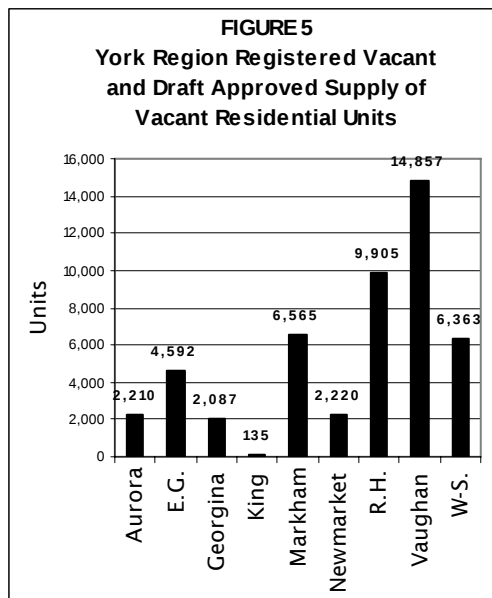
FIGURE 2
Supply of Vacant Residential Units
Total 130,080 Units



The total vacant residential supply ranges from 3,972 units in King Township to 32,330 units in the City of Vaughan (See Figures 3 and 4).



There are currently 48,933 vacant residential units registered or draft approved for residential development. The total supply of registered and draft approved residential units varies from 135 in the Township of King to 14,857 units in the City of Vaughan (See Figures 5 and 6).



The vacant residential units are well distributed in the four categories of approval:

FIGURE 7
Distribution of Units by Development Status

Registered Vacant	9,026	(6.9%)
Draft Approved	39,907	(30.7%)
Pending	31,053	(23.9%)
No Application	50,095	(38.5%)
Total	130,080	(100.0%)

4.2 Supply/Demand Analysis

A supply/demand analysis was prepared based on York Region *Official Plan* forecasts, Provincial *Growth Plan* forecasts, and CMHC housing completions data:

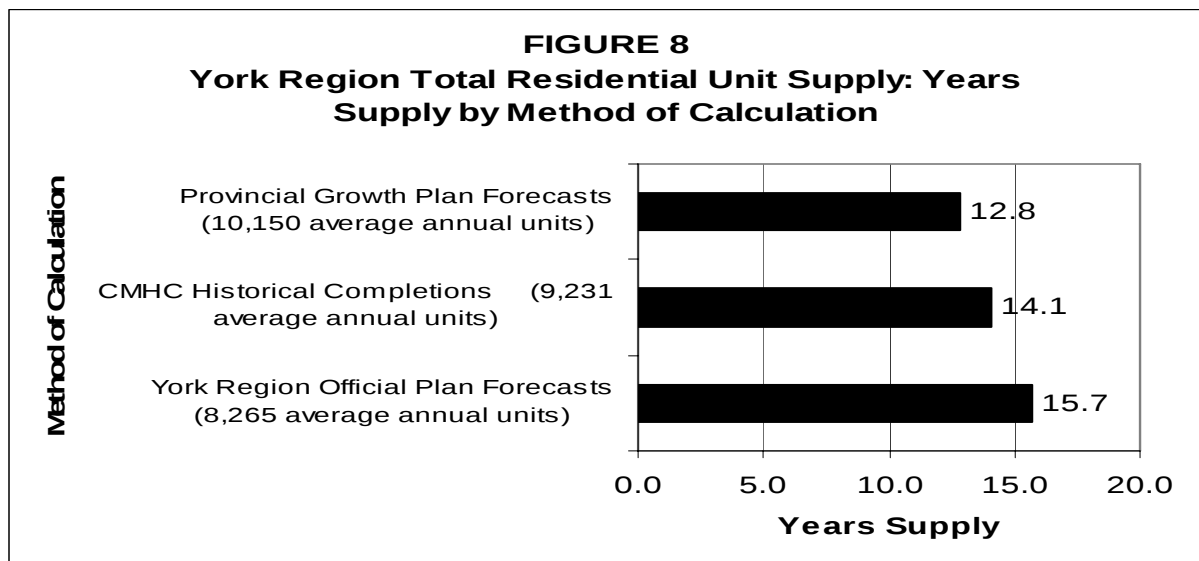
- **York Region Official Plan Residential Unit Forecasts** are based on the *Regional Official Plan* population and housing forecasts. Average unit growth from 2006 to 2016 was used to calculate demand. Estimated average demand for this time period is 8,265 additional housing units per year.
- **Provincial Growth Plan Forecasts** – Released in November 2005 the Growth Plan proposed by the Provincial Ministry of Infrastructure Renewal (PIR) included an updated residential forecast for all upper tier municipalities in the Greater Golden Horseshoe. Based on a linear interpolation of the available data for the years 2001,

2011 and 2021, the updated residential forecast for York Region anticipates an average of 10,150 additional housing units per year from 2006 to 2016.

- **CMHC Historical Completion Data** in the Region of York from 1995 to 2004 ranged from a low of 4,563 units per year in 1996 to a high of 12,474 units per year in 2002. The average annual completions in this ten year period were 9,231 units per year. The average annual completions for the last five years were 11,300 units per year (2000-2004) and the average annual completions first five years were 7,161 units per year (1995-1999).

The *Regional Official Plan* targets a minimum 10 year total supply of residential units.

The total Regional supply of potential residential units in registered vacant, draft approved and pending plans of subdivision as well as no application units in inventory areas is 130,080, which represents a 12.8 to 15.7 year supply, depending on the method of calculation (See Figure 8). The distribution of potential units by unit type and by area municipality is shown on Tables 1 and 4 in Appendix One. The percentage shares of the distribution are shown on Tables 2 and 5.



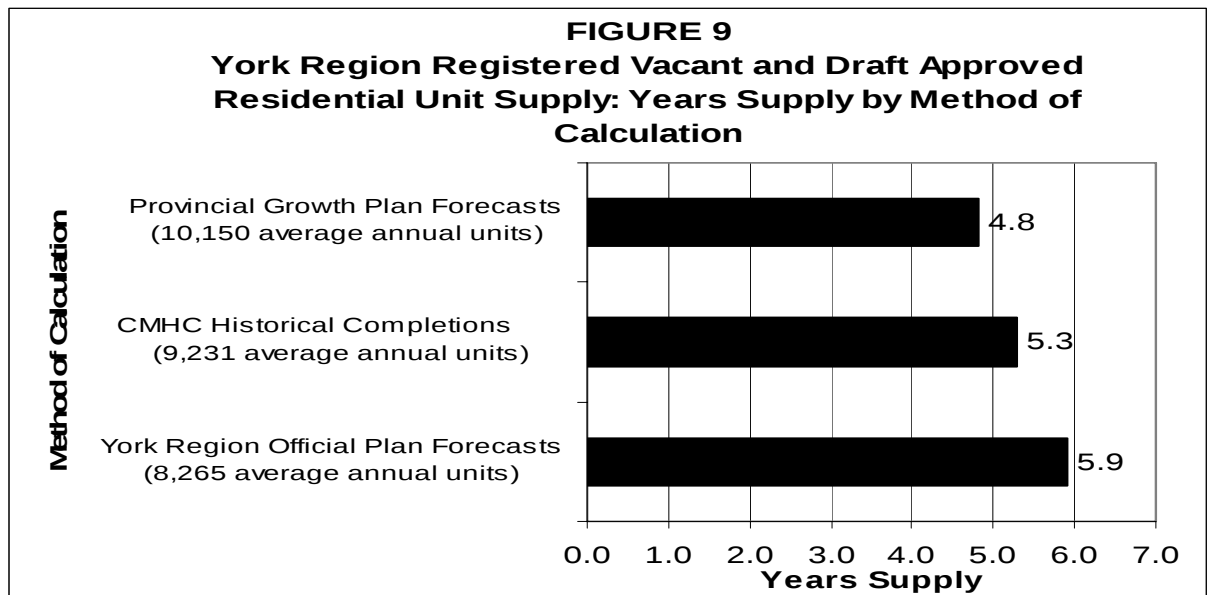
Regional Centres were not categorized as Inventory Areas for this analysis, therefore the no application units from the Centres have not been accounted for in the years supply calculations. In addition to the units applied for in Markham, Richmond Hill and Vaughan Centres, there is an estimated minimum additional 10,300 no application units. These units provide for an approximately 1 year additional supply. No Application units in the Newmarket Regional Centre have not been included in this analysis pending the completion of the Newmarket Official Plan review.

Development applications outside of plans of subdivision and condominium have also not been accounted for in the inventory. These include for example, Site Plan, Zoning and Consent applications. Based on local municipal data there is an estimated minimum 1.5 years supply in the municipalities of Markham, Richmond Hill and Vaughan for these types of applications. Most of these units would be classified as intensification potential.

Together, the potential additional supply within the Regional Centres and for development applications outside of subdivisions and condominiums adds a minimum two and half year additional supply to the inventory. Regional staff will further refine these numbers in consultation with local municipal staff. A more detailed analysis of intensification potential will be included in the next update to the inventory.

The *Official Plan* targets a 3 year supply of vacant registered and draft approved residential units.

The Regional supply of registered vacant and draft approved units of all types is 48,933 units. This represents a 4.8 to 5.9 year supply (See Figure 9). The distribution of potential units by type and by area municipality is shown on Table 1 in Appendix One. The percentage shares of the distribution are shown on Table 2.



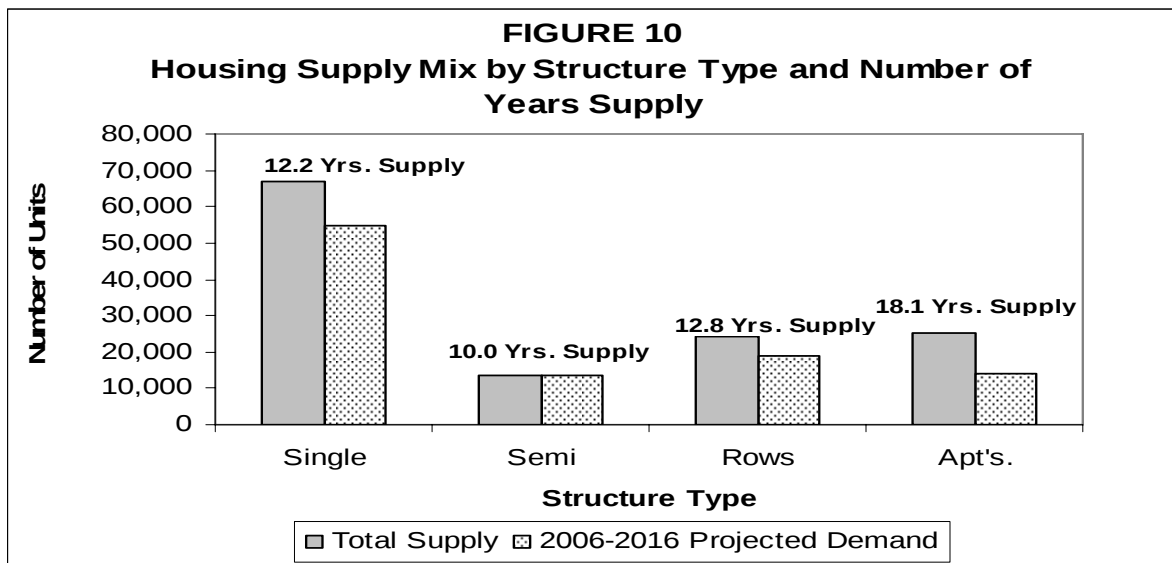
The supply of potential units in registered and draft approved plans of subdivision is predominately single detached units. Potential infill and redevelopment sites which may be suitable for multiple units have not been identified in this inventory.

Both the three year minimum target for registered vacant and draft approved units and the ten year minimum target for all potential units stipulated in the *Regional Official Plan* are met based on all three methods of calculation.

Regional staff will continue to refine and update the inventory supply data as some discrepancies between regional and local municipal data sets were observed. In particular there was a difference between the Region's and Markham's data.

4.3 Supply of Residential Units by Structure Type

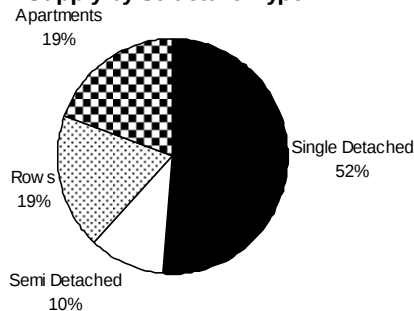
A supply/demand analysis by structure type for the total residential unit supply was conducted using the Provincial forecast. This analysis is displayed graphically on *Figure 10* on page 10.



Short term demand (2006-2016) was used to estimate years supply to determine any short term supply issues by structure type. The demand for residential units based on the Provincial forecast is greater in the first ten years of the planning period (2006-2016) than in the latter 15 years (2016-2031). The forecasted demand for 2006-2016 averages 10,150 units per year and the forecasted demand for 2016-2031 averages 8,133 units per year.

The total supply will satisfy forecasted demand for 12.8 years. The supply will satisfy single detached demand for 12.2 years and semi-detached demand for 10.0 years whereas the demand for apartment units will be satisfied for 18.1 years. The demand for rows will be satisfied for 12.8 years. The distribution of the total supply by structure type is illustrated in *Figure 11*.

FIGURE 11
Distribution of the Total Vacant Residential Unit Supply by Structure Type



4.4 Next Steps

The above analysis of the vacant residential unit supply will be used as input into the Region's Growth Management work and to assist with the new forecast distribution at the local municipal level. The new forecast distribution will be used to assess future demand and the need for additional residential lands.

The next steps to be addressed for the analysis of vacant residential units include:

- Further consultation with local municipalities.
- The distribution of the new Provincial forecast to the local municipalities.
- The establishment of a built boundary.
- Assessment of the inventory's supply that is accounted for in intensification areas based on the built boundary.
- Analysis of intensification potential by local municipality.
- A local municipal Land Budget including an assessment of future demand and the need for additional residential lands at the local municipal level based on the new forecast.
- Provide input into the Provincial Sub Areas Growth Assessments.

4.5 Relationship to Vision 2026

The York Region 2005 Vacant Residential Unit Supply Inventory supports the Vision 2026 goal of maintaining managed and balanced growth by addressing the action area of taking a strategic approach to growth management. By producing an inventory of the total supply of vacant residential units, we are better able to plan for future demand.

5. FINANCIAL IMPLICATIONS

There are no immediate financial implications associated with the residential unit supply work as it is being conducted with the existing Planning and Development Services Department staff complement and within approved budget allocations.

Staff have been investigating the role and impact of fiscal policy and financial tools in influencing the urban structure of York Region. Achieving the centres and corridors' vision, which will assist in meeting intensification targets, will require new and innovative funding tools to be put in place and a significant investment in supporting infrastructure.

6. LOCAL MUNICIPAL IMPACT

Vacant residential units from each of nine area municipalities of York Region are identified and analyzed in this report. Staff from the local municipalities reviewed and commented on the inventory of vacant residential units. When the supply/demand analysis is updated to account for the updated provincial population forecasts, further consultations with the local municipalities will be required.

7. CONCLUSION

The Region has a 4.8 year supply (48,933 units) of potential residential units in registered and draft approved plans of subdivisions based on the Provincial *Draft Growth Plan* forecasts and a 5.9 year supply based on the *Regional Official Plan* forecasts. This meets the 3 year minimum target in the *Regional Official Plan*.

There is a 12.8 to 15.7 year supply (130,080 units) in all approval categories which is above the 10 year target in the *Regional Official Plan* and *Provincial Policy Statement*. The 12.8 year supply is calculated based on the Provincial Growth Plan forecast.

The supply/demand analysis by structure type reveals there is a 12.2, 10, and 12.8 year supply for single detached, semi-detached, and row house units respectively. This supply of ground related units is a long term supply concern. This supply will have to be addressed in the near future.

Although the total supply is presently adequate, it will be necessary to address the need for urban expansions in the near future as the planning process generally can take up to 10 years and longer before new communities are built.

Regional staff will continue to refine and update the vacant residential unit supply inventory in collaboration and consultation with the local municipalities.

This vacant residential unit supply/demand analysis has been undertaken at the regional scale based on 2006-2016 *Regional Official Plan* forecasts, 2006-2016 *Proposed Growth Plan* forecasts, and 1995-2004 CMHC completions. Staff are currently working on distributing the updated Provincial forecast to the local municipalities.

Further analysis of the vacant residential unit inventory will include an updated analysis at the local municipal scale based on the Provincial forecasts, establishment of the built boundary and intensification calculations. This inventory does not include a complete analysis of intensification potential within the Region's built boundary. The residential unit supply, the regional built boundary, intensification forecasts, and the vacant employment land inventory will be consolidated to form an overall land budget. Further consultations with local municipal staff, Provincial staff and representatives from the development industry will be required for this exercise.

There is a need for careful monitoring of these inventory figures especially given the unpredictable nature of the housing market. It is proposed that the *Vacant Residential Unit Supply Inventory* continue to be updated on a regular basis in consultation with staff of the area municipalities.

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause are attached to this report.)