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ECONOMIC AND DEVELOPMENT REVIEW MID-YEAR 2010

The Planning and Economic Development Committee recommends:

- 1. Receipt of the presentation by Paul Bottomley, Manager, Growth Management, Economy and Information Research, Planning and Economic Development Services; and**
- 2. Adoption of the recommendation contained in the following report dated September 8, 2010 from the Commissioner of Planning and Development Services.**

1. RECOMMENDATION

It is recommended that:

1. The *Economic and Development Review Mid-Year 2010 (Attachment 1)* be circulated by Planning & Development Services in print and electronic form to the public, local municipalities and agencies, and be made available on the corporate website.

2. PURPOSE

The purpose of the Economic and Development Review Mid-Year 2010 is to examine key economic and demographic indicators in York Region. The report assesses the competitiveness of York Region's economy, as compared to its regional and national counterparts, particularly through building activity. The report also aims to provide Regional Council with a broader perspective on economic indicators. This information is used to prepare key economic policy and aids in the development of public and private sector economic investment strategies.

3. BACKGROUND

The Economic and Development Review has been published on a semi-annual basis since 1995. Mid-year reports are abbreviated versions that highlight a number of mid-year economic indicators, which show that the Region continues to grow and housing resales are stable for the first six months of 2010.

4. ANALYSIS AND OPTIONS

HIGHLIGHTS

- In the first half of 2010, York Region's population grew by 11,600 people to reach 1,044,300.
- Unemployment in York Region fell to an estimated 8.5% from 8.8% this time last year.
- York Region's unemployment rate was lower than the Provincial (8.8%) and GTA (9.5%) averages and slightly higher than the Canadian average (8.0%).
- Building permit activity in the Region was up 50.3% compared to the first half of 2009.
- With 3,438 permits, York Region was ranked sixth across Canada for the number of residential units with permits issued during the first half of 2010.
- The Region's total estimated value of construction totalled \$1.45 billion by mid-year 2010, an increase of 47.1% from mid-year 2009; ICI construction accounted for \$587 million by mid-year 2010, an increase of 36.6% from mid-year 2009.
- By mid-year 2010, York Region had 3,115 housing starts, an increase of 48.8% from mid-year 2009, and 3,377 housing completions, a decrease of 15.6%.
- As of June 2010, semi-detached, town/row/attached, and apartment/condominium units accounted for 29% of the Region's total housing stock.
- The average price of a single detached dwelling unit increased by 16.2% from \$494,605 to \$574,598.

POPULATION AND EMPLOYMENT

York Region's population growth moderated and unemployment rates decreased in the first six months of 2010

The total population of York Region was estimated to be 1,044,300 by mid-year 2010 (*see Table 1*). Growth during the first half of the year was 11,600, down slightly from previous years. Population growth for the first half of 2008 and 2009 was 14,737 and 12,650 respectively. It is anticipated that growth in the second half of 2010 will be higher compared to 2009 levels due to a higher inventory of units under construction.

Table 1
York Region Population – Mid-Year 2010

Municipality	Population
Aurora	54,300
East Gwillimbury	23,300
Georgina	46,000
King	20,700
Markham	306,300
Newmarket	83,700
Richmond Hill	184,300
Vaughan	289,200
Whitchurch-Stouffville	36,400
York Region	1,044,300

Source: York Region Planning and Development Services Department, 2010.

In June 2010, York Region's unemployment rate fell to an estimated 8.5% from 9.7% at this time last year. This was lower than the Provincial (8.8%) and GTA (9.5%) averages and slightly higher than the Canadian average (8.0%).

PROPERTY MARKET AND BUILDING ACTIVITIES

York Region's residential real estate market resales and the average price of all dwelling units increased

A total of 9,340 residential resales occurred during the first six months in 2010 – an increase of 18.6% from the same time period in 2009. Similar increases were also seen across the GTA. Among all residential resales in York Region between January and June 2009, 29% were multiple unit dwellings. The value of all resales reached a record total of over \$4.6 billion for the mid-year. The average price of all residential dwellings increased by 14.7%, from \$355,668 in 2009 to \$407,941 in 2010. The average price of a single detached dwelling unit increased by 16.2% from \$494,605 to \$574,598.

The number of new residential building permits were up significantly

During the first half of 2010, York Region issued building permits for 3,438 new residential units. When compared with the number of new units created in the first half of 2009, this represents an increase of 50.3%. Residential building permits for the first half of 2008 and 2009 were 4,603 and 2,287 respectively. When compared to other cities, regions and regional districts across Canada, York Region ranked sixth for the number of new residential units with permits issued in 2010 (*see Table 2*).

Table 2
Cross Canada Comparison Mid-Year 2010:
Residential Units with Building Permits Issued

Rank	Municipality	# of Units with Permits Issued
1	City of Toronto	8,829
2	Greater Vancouver Regional District	7,417
3	City of Québec	3,822
4	City of Calgary	3,763
5	City of Ottawa	3,556
6	York Region	3,438
7	City of Edmonton	3,229
8	City of Montréal	3,251
9	Peel Region	2,348
10	Halton Region	1,604

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2010;
York Region Planning and Development Services Department, 2010.

Note: List includes cities, regions, and regional districts as defined locally.

The number of total housing starts grew 48.8% by mid-year 2010, increasing from 2,094 in 2009 to 3,115 in 2010. The number of housing completions that occurred during the first half of 2009 decreased to 3,377, a 15.6% decrease from mid-year 2009.

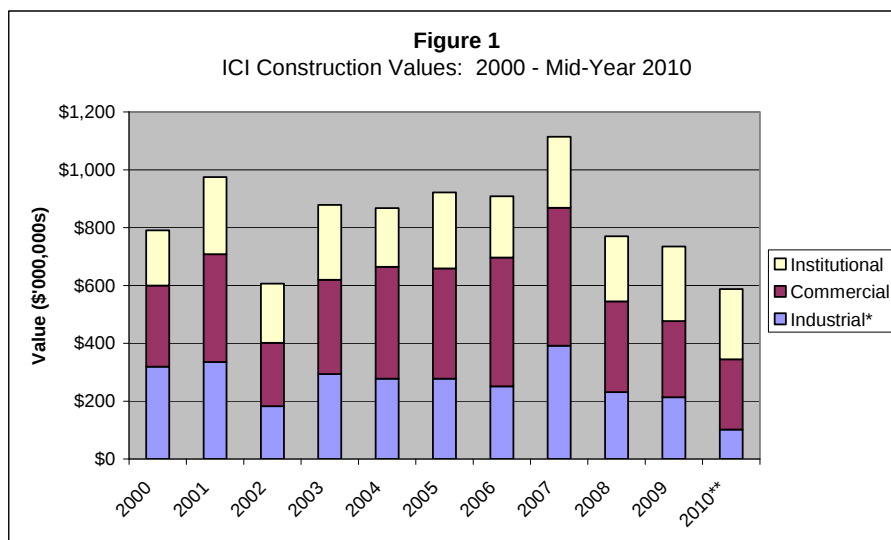
The Region's Housing Directions Report and Regional Official Plan call for a balance between single detached and multiple unit dwellings in new home construction. Multiple unit dwellings, consisting of semi-detached, row/town/attached, and condominium/apartment units, accounted for 23.8% of the residential units completed by mid-year 2010. This is a decrease from mid-year 2009, when 43.1% of housing completions were multiple unit dwellings.

York Region's total value of construction increased across most sectors, and ranked 5th highest across Canada

Total construction in York Region during the first half of 2009 was valued at \$1.45 billion – an increase of approximately \$460 million when compared to mid-year 2009 figures. Residential construction values increased by 55.2% from \$555.7 million in 2009 to \$862.5 million at mid year 2010.

By mid-year 2010, the value of ICI construction in York Region reached \$586 million. This represents an increase of 36.6% from mid-year 2009 numbers. The industrial sector experienced a decrease in total value, dropping by \$13.7 million, while the institutional and commercial sectors increased by 41.1% and 70.6% respectively. The proportion of the Region's total construction value accounted for by ICI construction was 40.5% in

2010 (see *Figure 1*). The first half of 2010 shows a strong bounce back in ICI construction value from a weak 2009.



Source: York Region Planning and Development Services, 2010.

Note: *Agricultural permits are included under the Industrial category

**2010 values represent mid-year numbers; remaining years represent full year numbers.

When compared to cities, regions, and regional districts as defined locally across Canada, York Region's performance was fairly consistent with previous years (see Table 3). In the first half of both 2008 and 2009, York Region held the 4th highest total value across Canada. In 2010, York Region dropped a rank to 5th highest.

Table 3
Cross Canada Comparison Mid-Year 2010:
Values of Total Construction (\$'000's)

Rank	Municipality	Total Value
1	City of Toronto	\$3,359,754
2	Greater Vancouver Regional District	\$2,460,303
3	City of Calgary	\$1,573,027
4	City of Edmonton	\$1,570,349
5	York Region	\$1,449,479
6	Peel Region	1,051,515
7	City of Montréal	\$964,730
8	City of Ottawa	\$918,457
9	City of Québec	\$912,317
10	Durham Region	\$615,238

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2010;

York Region Planning and Development Services Department, 2010.

Note: List includes cities, regions, and regional districts as defined locally.

Relationship to Vision 2026

The Economic and Development Review Mid-Year 2010 helps to promote Regional economic vitality as outlined in both the Regional Official Plan and Vision 2026. The monitoring of economic trends allows York Region to assess the competitiveness of its economy and evaluate and respond to changes in the economic climate. Furthermore, the Economic and Development Review Mid-Year 2010 is a vehicle for highlighting and showcasing the Region as a destination to live, work and play.

5. FINANCIAL IMPLICATIONS

The majority of York Region's capital expenditures are due to growth; as such, Development Charges are a major source of funding for the Region's capital plan. The total DC's collected as of June 30, 2010 is \$69.2 million compared to \$62.8 million for the same period in 2009.

The economic indicators presented in this report will allow York Region Council to effectively monitor, evaluate and respond to variations in the Region's economic landscape. Printing and distributing the Economic and Development Review Mid-Year 2010 is provided for in the 2010 approved budget.

6. LOCAL MUNICIPAL IMPACT

Regional economic indicators are important in evaluating economic trends across the Region. The Economic and Development Review, Mid-Year 2010 provides local municipal economic development and planning officials with a summary of York Region's economy. The information is used as a basis for making decisions, devising strategies and attracting new businesses to the Region.

7. CONCLUSION

The Region's population was estimated to be 1,044,300 in June 2010 – an increase of 11,600 over year-end 2009. The number of new residential building permits issued (3,438) and the total value of construction (\$1.45 billion) within York Region have increased from mid-year numbers in 2009. The value of ICI construction reached \$586 million – an increase of 36.6% from the value recorded at mid-year 2009. The total number of residential resales was up by 18.6% for 9,438 resales, resulting in a total value of \$4.6 billion.

It is proposed that the attached Economic and Development Review Mid-Year 2010 be printed and distributed to local municipalities, Chambers of Commerce, Boards of Trade, involved business groups, libraries and other stakeholders. Additionally, the document will be made available through the Region's website. The Region's Economic Development Department will also use this report to channel vital data on the Region to employers in York Region, and aid businesses in establishing or relocating within York Region.

For more information on this report, please contact Paul Bottomley, Manager of Growth Management, Economy & Information Research at (905) 830-4444, Ext. 1530, or John Waller, Director of Long Range and Strategic Planning at Ext. 1525.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)

Economic & Development Review Mid-Year 2010

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*Please note that numerical data in this report has been rounded and, therefore, some totals may be affected.

Highlights

- In the first half of 2010, York Region's population grew by 11,600 people to reach 1,044,300.
- Unemployment in York Region fell to an estimated 8.5% from 8.8% this time last year.
- York Region's unemployment rate was lower than the Provincial (8.8%) and GTA (9.5%) averages and slightly higher than the Canadian average (8.0%)
- Building permit activity in the Region was up 50.3% compared to the first half of 2009
- With 3,438 permits, York Region was ranked sixth across Canada for the number of residential units with permits issued during the first half of 2010
- The Region's total estimated value of construction totalled \$1.45 billion by mid-year 2010, an increase of 47.1% from mid-year 2009; ICI construction accounted for \$587 million by mid-year 2010, an increase of 36.6% from mid-year 2009
- By mid-year 2010, York Region had 3,115 housing starts, an increase of 48.8% from mid-year 2009, and 3,377 housing completions, a decrease of 15.6%
- As of June 2010, semi-detached, town/row/attached, and apartment/condominium units accounted for 29% of the Region's total housing stock
- The average price of a single detached dwelling unit increased by 16.2% from \$494,605 to \$574,598.

1. Population

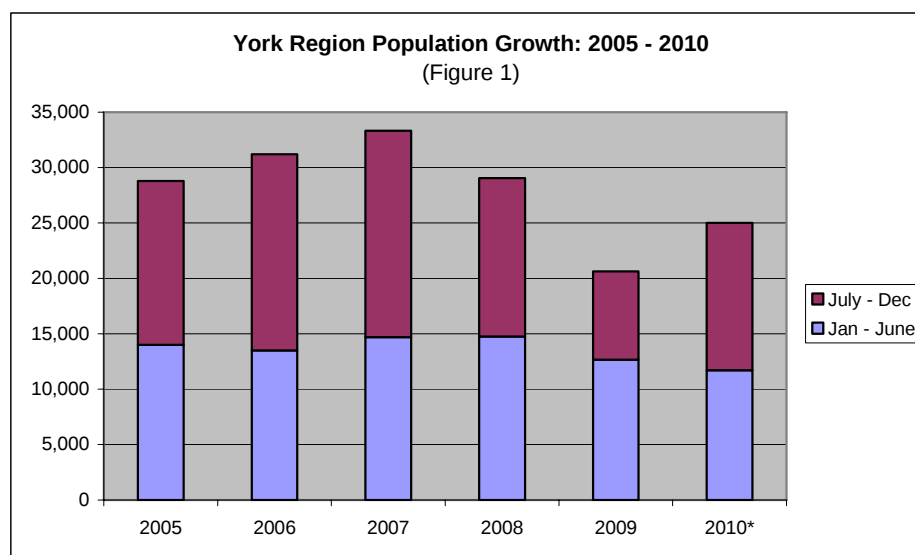
York Region's Population Growth

Since York Region's creation in 1971, its population has risen dramatically. In just under 40 years, the Region's population has increased more than sixfold, from 169,000 to 1,044,300 by June 2010 (Table 1). Over the last five years, the Region has experienced an average annual growth rate 3.1%, equivalent to roughly 28,500 people per year. As illustrated in Figure 1, growth during the first half of the year was 11,600, down slightly from previous years. Population growth for the first half of 2008 and 2009 was 14,737 and 12,650 respectively. It is anticipated that growth in the second half of 2010 will be higher compared to 2009 levels due to a higher inventory of units under construction.

York Region Population - 6 Months Growth Year-End 2009 - Mid-Year 2010 (Table 1)				
	Year-End 2009	Mid-Year 2010	Population Increase	Change (%)
Aurora	53,700	54,300	600	1.1%
East Gwillimbury	23,100	23,300	200	0.9%
Georgina	45,900	46,000	100	0.2%
King	20,600	20,700	100	0.5%
Markham	304,100	306,300	2,200	0.7%
Newmarket	83,000	83,700	700	0.8%
Richmond Hill	183,200	184,300	1,100	0.6%
Vaughan	283,900	289,200	5,300	1.9%
Whitchurch-Stouffville	35,100	36,400	1,300	3.7%
York Region Total	1,032,650	1,044,300	11,600	1.1%

Source: York Region Planning and Development Services Department, 2010.

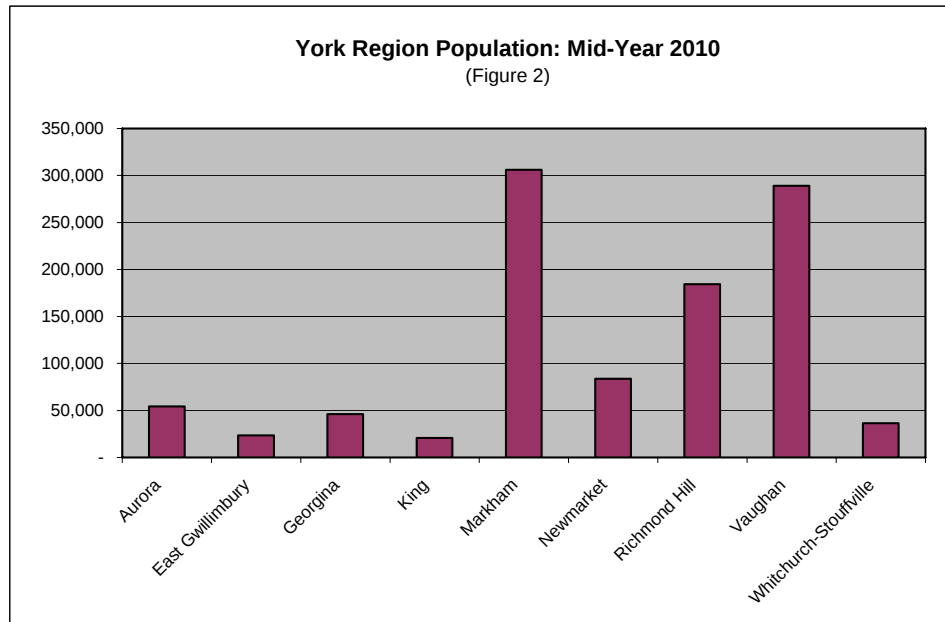
Note: All figures in the Table are rounded.



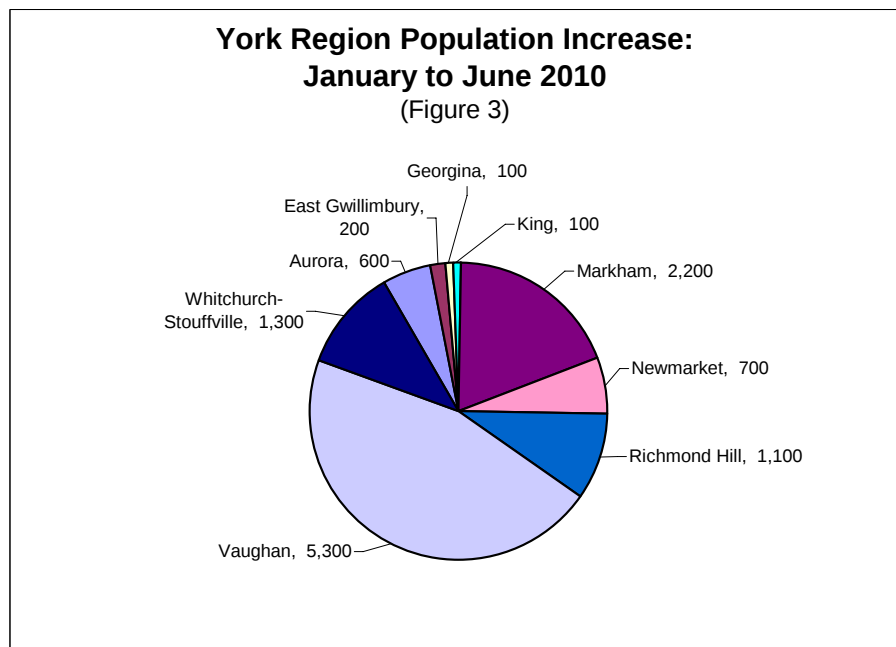
Source: York Region Planning and Development Services Department, 2010.

Note: *July to December 2010 values are based on population forecasts.

All of the nine local municipalities within York Region continue to experience population growth, with the more urban southern areas receiving the largest population increases (Figure 2). By mid-year 2010, the largest increases in population had occurred in Vaughan (5,300 people), followed by Markham (2,200 people), and Whitchurch-Stouffville (1,300 people) (Figure 3).



Source: York Region Planning and Development Services Department, 2010.



Source: York Region Planning and Development Services Department, 2010.

Note: All values in the Figure are rounded.

2. Economic Activity

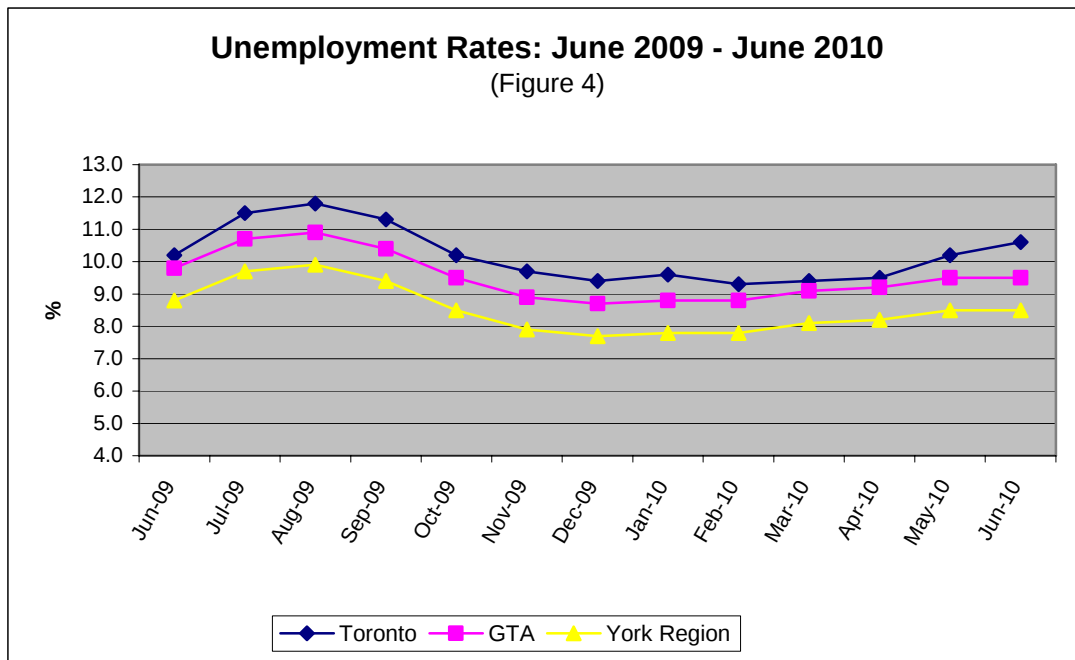
Labour Market Conditions

Statistics Canada estimates that between June 2009 and June 2010, over 350,000 jobs have been gained within Canada. Canada's unemployment rate in June 2010 was 8.0%, slightly lower than the rate recorded one year earlier of 8.4%.

The unemployment rate in Ontario for June 2010 at 8.8% was higher than the national average of 8.0%, and has decreased from the June 2009 figure of 9.4%.

The City of Toronto's unemployment rate increased from 10.2% in June 2009 to 10.6% in June 2010, while the GTA's unemployment rate decreased from 9.8% to 9.5%.

Human Resources and Social Development Canada estimates put York Region's historical unemployment rate at 1 – 2% lower than the GTA. Thus, York Region's unemployment rate in June 2010 was approximately 8.5% - marginally lower than the 8.8% recorded in June 2009 (Figure 4).



Source: Toronto Economic Development Division, Toronto Economic Indicators, 2009 & 2010.

Note: Based on unadjusted 3-month moving averages; York Region unemployment figures are estimates.

3. Property Market

Residential Property Market

The Toronto Real Estate Board's Market Watch Report tracks home resales across the GTA. The report notes that the number of resales in 2010 has increased from last year's numbers. The Toronto Real Estate Board sees the market slowly shifting towards a better balance between sellers and buyers, after several years of favouring sellers. The number of resales that occurred from January to June 2010 in York Region totalled over 9,340 units (Table 2) an increase of 18.6% from mid year 2009. The total value of resales reached a record of over \$4.6 billion.

York Region Resales & Average Prices All Dwelling Types, 2010 (Table 2)								
	Detached		Semi		Town/Row/Attach		Condo/Apt	
	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price
Aurora	328	\$555,626	65	\$339,315	121	\$373,862	18	\$285,794
East Gwillimbury	139	\$462,577	1	\$332,500	19	\$267,574	0	N/A
Georgina	441	\$289,382	13	\$249,108	25	\$191,786	4	\$162,000
King	156	\$727,770	2	\$348,000	1	\$296,000	2	\$221,000
Markham	1,558	\$611,258	187	\$410,607	427	\$375,746	284	\$319,340
Newmarket	519	\$457,298	115	\$309,612	167	\$303,395	38	\$241,540
Richmond Hill	1,314	\$655,450	137	\$410,476	451	\$409,443	442	\$279,567
Vaughan	1,170	\$591,627	242	\$419,998	307	\$388,311	285	\$308,392
Whitchurch-Stouffville	284	\$579,106	33	\$356,420	45	\$292,144	0	N/A
York Region Total	5,909	\$574,598	795	\$387,859	1,563	\$373,346	1,073	\$295,961

Source: Toronto Real Estate Board, Market Watch, 2010.

Multiple unit dwellings consist of semi-detached, row/town/attached, and condominium/apartment units. The resale of multiple unit dwellings in York Region totalled just over 3,400 units between January and June 2010. This represents an increase of 17.2% (500 units) from last year's mid-year period. Of all the residential resales that occurred in York Region during this period, 36.7% were multiple unit dwellings. In 2009, 37.2% of all resales were multiple unit dwellings.

Table 3 compares the number of resales and the average price of single detached dwellings in each municipality during the first six months of 2009 and 2010. The average price of all residential dwellings increased by 14.7%, from \$355,668 in 2009 to \$407,941 in 2010. The total number of single detached resales increased by 19.2%, and the average price increased by 16.2% to \$574,598.

York Region Resales and Average Prices: Single Detached Dwellings January to June 2009 & 2010 (Table 3)				
	Mid-Year Sales		Mid-Year Avg. Price	
	2009	2010	2009	2010
Aurora	283	328	\$488,893	\$555,626
East Gwillimbury	92	139	\$384,716	\$462,577
Georgina	349	441	\$274,535	\$289,382
King	94	156	\$718,607	\$727,770
Markham	1,446	1,558	\$503,406	\$611,258
Newmarket	439	519	\$386,102	\$457,298
Richmond Hill	1,151	1,314	\$558,140	\$655,450
Vaughan	920	1,170	\$524,412	\$591,627
Whitchurch-Stouffville	184	284	\$504,540	\$579,106
York Region Total	4,958	5,909	\$494,605	\$574,598

Source: Toronto Real Estate Board, Market Watch, 2009 - 2010.

Industrial Property Market

Cushman & Wakefield LePage tracks the industrial market in five of the nine area municipalities in York Region: Aurora, Markham, Newmarket, Richmond Hill and Vaughan. According to Cushman & Wakefield LePage, the total inventory of industrial buildings in York Region increased slightly (1.2%) between the second quarters of 2009 and 2010. The Region's vacancy rate fluctuated throughout the year, finishing the second quarter of 2010 at 7.0% - a decrease from the 7.6% recorded in the second quarter of 2009 (Table 4).

Vacancy Rates and Total Inventory of Industrial Buildings in York Region: 2009 - Mid-Year 2010 (Table 4)												
	1st Qtr. 2009		2nd Qtr. 2009		3rd Qtr. 2009		4th Qtr. 2009		1st Qtr. 2010		2nd Qtr. 2010	
	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate
Aurora	6,235,892	9.0%	6,235,892	7.6%	6,252,186	9.1%	6,274,532	10.8%	6,422,532	10.5%	6,427,252	9.7%
Markham	35,728,680	6.6%	35,829,984	8.0%	35,885,334	7.0%	35,542,216	8.0%	35,539,673	5.8%	35,594,338	5.9%
Newmarket	6,633,658	5.9%	6,658,480	7.2%	6,716,350	5.7%	6,778,032	5.2%	6,778,032	2.2%	6,865,032	2.4%
Richmond Hill	13,935,070	4.5%	13,808,877	6.1%	13,848,127	5.2%	13,893,384	4.8%	13,920,595	4.8%	13,551,683	7.4%
Vaughan	88,294,987	7.8%	88,352,533	7.6%	88,688,334	7.3%	89,475,386	6.3%	89,888,159	5.5%	90,241,990	7.6%
Total	150,828,287	7.2%	150,885,766	7.6%	151,390,331	7.1%	151,963,550	6.7%	152,548,991	5.6%	152,680,295	7.0%

Source: Cushman & Wakefield LePage, Marketbeat: Greater Toronto Area Industrial Report, 2009Q1 - 2010Q2.

Commercial/Office Property Market

CB Richard Ellis tracks three different office nodes in York Region: Markham North & Richmond Hill, Steeles/Woodbine, and Vaughan. At the end of the second quarter in 2010, the vacancy rates of these nodes ranged from 8.1% in Vaughan to 14.7% in Markham North & Richmond Hill. The vacancy rate for the GTA at the end of the second quarter in 2010 was 9.6%. When compared to the second quarter of 2009, the vacancy rate increased in all areas, with the largest increase occurring in the Markham North & Richmond Hill node, with 11.1% in 2009 and 14.7% in 2010 (Table 5).

Selected Office Market Vacancy Rates: 2007 - Mid-Year 2010 (Table 5)														
Office Nodes	2007				2008				2009				2010	
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
Markham North & Richmond Hill	10.8%	10.2%	9.3%	8.4%	9.2%	8.7%	7.8%	8.8%	9.8%	11.1%	12.5%	12.9%	14.8%	14.7%
Steeles Woodbine	7.3%	9.5%	8.9%	7.8%	7.6%	5.4%	7.7%	8.2%	8.6%	9.1%	9.1%	9.7%	9.3%	9.7%
Vaughan	6.0%	5.5%	5.9%	5.1%	8.4%	6.5%	6.7%	4.5%	6.6%	6.9%	8.6%	7.8%	8.2%	8.1%
GTA Total/Average	8.2%	8.2%	7.6%	7.2%	6.8%	6.7%	6.6%	6.8%	7.7%	8.4%	9.1%	9.4%	9.6%	9.6%

Source: CB Richard Ellis, Office Market Review, 2007 - 2010.

At the end of the second quarter of 2010, the lease rates per square foot in York Region ranged from \$13.74 (Steeles/Woodbine) to \$18.49 (Vaughan). The office market lease rate for the GTA increased from \$16.24 per square foot in the second quarter of 2009, to \$17.12 per square foot in 2010 (Table 6).

Selected Office Market Lease Rates (\$/sq.ft.): 2007 - Mid-Year 2010 (Table 6)														
Office Nodes	2007				2008				2009				2010	
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
Markham North & Richmond Hill	14.09	14.02	15.53	14.51	15.63	15.41	15.19	14.81	15.22	14.86	15.68	15.63	15.79	15.98
Steeles Woodbine	12.31	13.24	12.81	13.32	13.47	13.29	14.25	14.41	14.24	13.78	13.62	13.51	13.70	13.74
Vaughan	13.86	13.81	14.64	14.58	16.42	17.56	17.46	16.58	18.54	18.64	18.37	18.29	18.40	18.49
GTA Total/Average	14.91	15.00	15.92	16.46	16.62	16.75	16.62	16.77	16.93	16.24	17.31	17.35	17.40	17.12

Source: CB Richard Ellis, Office Market Review, 2007 - 2010.

4. Building Activity

Residential Building Permits

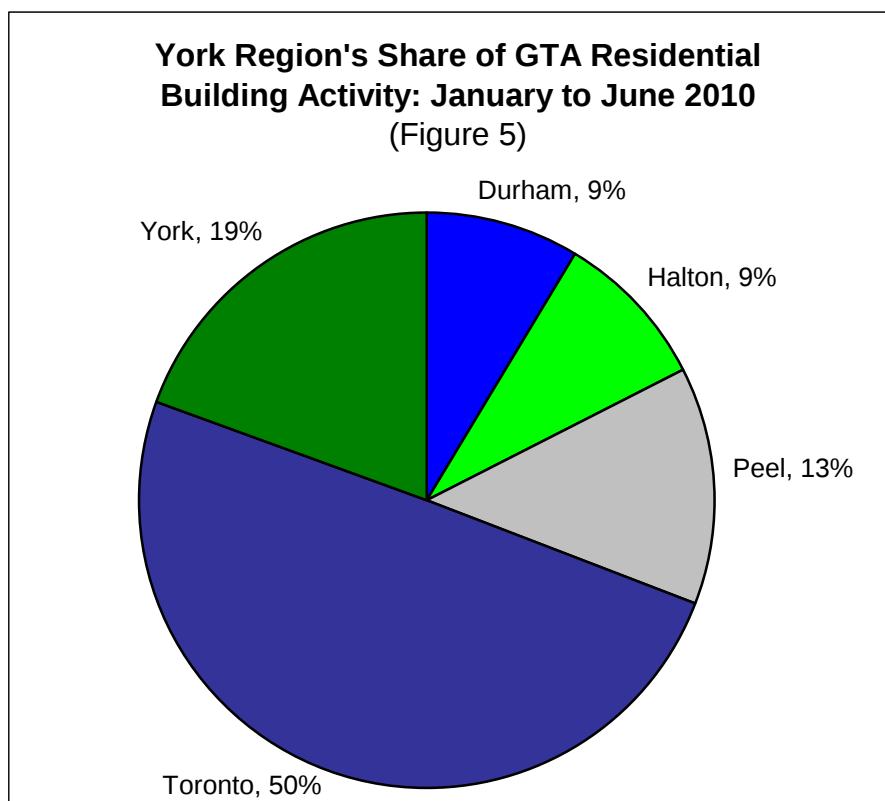
Building permit activity is a standard indicator of local investment and economic performance. In the first half of 2010, York Region experienced a 50.3% increase over the first half of 2009 in the number of new residential units with permits issued. The strong growth in permits issued occurred during the second half of 2009, with a 110% increase from the previous two quarters. This growth has begun to decline into the first half of 2010 (Table 7).

Number of New Residential Units with Permits Issued in York Region: January 2009 to June 2010 (Table 7)			
Municipality	2009		2010
	Jan - June	July - Dec	Jan - June
Aurora	255	270	130
East Gwillimbury	52	114	80
Georgina	41	71	77
King	32	85	168
Markham	544	677	674
Newmarket	149	237	127
Richmond Hill	253	714	520
Vaughan	695	1,910	1,378
Whitchurch-Stouffville	266	744	284
York Region Total	2,287	4,822	3,438

Source: Local Municipal Building Permit Reports, 2009 and 2010;

York Region Planning and Development Services Department, 2010.

Building permits were issued for 17,726 new residential units in the GTA between January and June 2010, up from 13,464 for the first half of 2009, a 31.7% increase. Permits issued within York Region accounted for 19% of these units. Within the GTA, York Region had the second highest proportion of new units with permits issued, behind the City of Toronto. This is consistent with recent years, with the exception of 2007 where York Region placed first. The shares of other Regions in the GTA, including Durham (9%), Halton (9%), Peel (13%), and Toronto (50%), are displayed in Figure 5.



Source: Local Municipal Building Permit Reports, 2010;
Statistics Canada Table 32.2 (unpublished), 2010.

York Region is among the top municipalities across Canada for the number of new residential units with permits issued during the first half of 2010 (Table 8). It must be noted that this ranking is in comparison to cities, regions, and regional districts as defined locally. In recent years, York Region has ranked 3rd, 4th, and 5th at the mid-years for 2007, 2008, and 2009, respectively.

Cross Canada Comparison Mid-Year 2010: Residential Building Permits (Table 8)		
Rank	Municipality	# of Permits
1	City of Toronto	8,829
2	Greater Vancouver Regional District	7,417
3	City of Québec	3,822
4	City of Calgary	3,763
5	City of Ottawa	3,556
6	York Region	3,438
7	City of Edmonton	3,229
8	City of Montréal	3,251
9	Peel Region	2,348
10	Halton Region	1,604

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2010;
York Region Planning and Development Services Department, 2010.

Note: List includes cities, regions, and regional districts as defined locally.

Construction Value

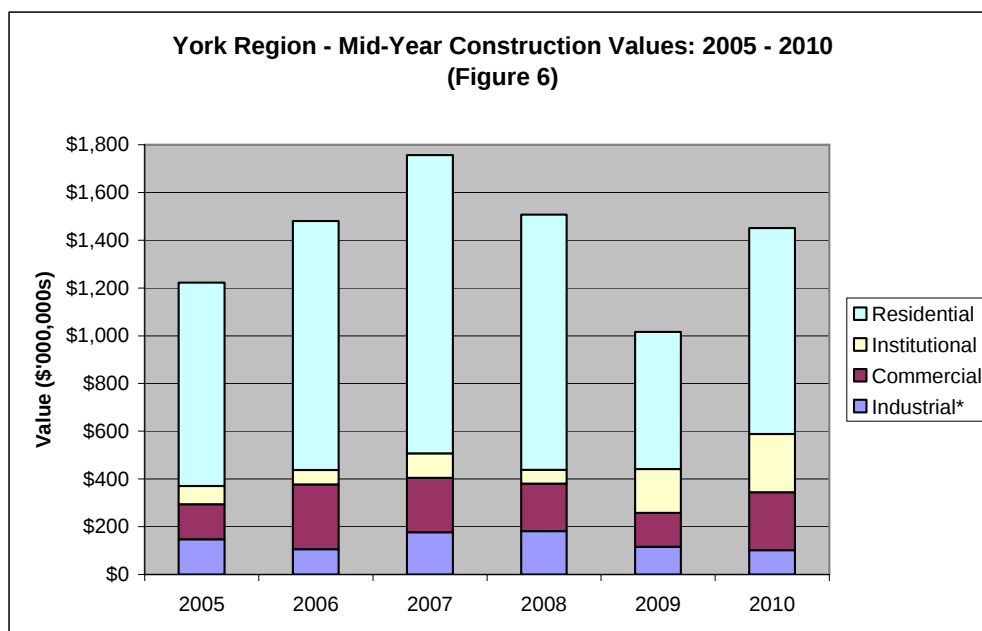
The value of construction that occurred within the Region during the first half of 2010 reached over \$1.4 billion – 47.1% higher than that recorded in the first half of 2009. Table 9 shows the value of construction experienced by each municipality, broken down by the various sectors. The industrial sector was the only sector to experience a decrease in its value of construction over last year's mid-year figures. The proportion of residential to ICI sector construction remained fairly stable in comparison to 2009. In 2010, ICI sector construction accounted for 40.5% of the total value of construction – a decrease from last year's 43.6%. An increase in commercial construction activity during the first half of 2010 helped ensure that total ICI values remained stable. The first half of 2010 shows a strong bounce back in ICI construction value from a weak 2009 (Figure 6).

York Region Estimated Value (\$000's) of Construction*: January to June 2008 & 2009 (Table 9)									
Municipality	Residential		Industrial**		Commercial		Institutional		Total
	Jan - June 2009	Jan - June 2010	Jan - June 2009	Jan - June 2010	Jan - June 2009	Jan - June 2010	Jan - June 2009	Jan - June 2010	Jan - June 2009 Jan - June 2010
Aurora	\$56,572	\$46,433	\$5,697	\$1,156	\$9,138	\$3,720	\$65,433	\$910	\$136,840 \$52,218
East Gwillimbury	\$9,566	\$18,313	\$336	\$1,250	\$2,251	\$141	\$180	\$10,339	\$12,334 \$30,042
Georgina	\$8,761	\$17,507	\$31,424	\$144	\$665	\$15,815	\$3,050	\$454	\$43,900 \$33,919
King	\$9,722	\$36,677	\$372	\$5,503	\$2,490	\$270	\$245	\$10,751	\$12,829 \$53,201
Markham	\$139,294	\$127,855	\$9,295	\$8,226	\$24,926	\$89,992	\$3,320	\$139,301	\$176,835 \$365,374
Newmarket	\$34,944	\$28,777	\$22,275	\$3,262	\$4,991	\$9,564	\$36,856	\$1,237	\$99,065 \$42,841
Richmond Hill	\$49,107	\$112,429	\$14,579	\$10,542	\$13,384	\$18,079	\$10,083	\$10,679	\$87,153 \$151,729
Vaughan	\$193,081	\$416,085	\$31,269	\$66,427	\$82,726	\$103,657	\$49,607	\$68,821	\$356,683 \$654,989
Whitchurch-Stouffville	\$54,690	\$58,433	\$319	\$5,319	\$1,680	\$1,404	\$3,078	\$10	\$59,767 \$65,165
York Region Total	\$555,738	\$862,508	\$115,566	\$101,827	\$142,251	\$242,642	\$171,851	\$242,501	\$985,406 \$1,449,479

Source: Local Municipal Building Permits Reports, 2009 & 2010; Statistics Canada Building Permits Reports, 2009 & 2010; York Region Planning and Development Services Department, 2009 & 2010.

Note: *Estimated values of construction include additions, renovations, temporary structures and new construction

**Agricultural permits are included under the industrial category



Source: York Region Planning and Development Services, 2010.

Note: *Agricultural permits are included under the Industrial category

When compared to other cities, regions, and regional districts as defined locally, York Region consistently ranks among the highest values of total construction (Table 10). In the first half of both 2008 and 2009, York Region held the 4th highest total value across Canada. In 2010, York Region dropped a rank to 5th highest.

Cross Canada Comparison Mid-Year 2010: Values of Total Construction (\$000's) (Table 10)		
Rank	Municipality	Total Value
1	City of Toronto	\$3,359,754
2	Greater Vancouver Regional District	\$2,460,303
3	City of Calgary	\$1,573,027
4	City of Edmonton	\$1,570,349
5	York Region	\$1,449,479
6	Peel Region	1,051,515
7	City of Montréal	\$964,730
8	City of Ottawa	\$918,457
9	City of Québec	\$912,317
10	Durham Region	\$615,238

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2010;

York Region Planning and Development Services Department, 2010.

Note: List includes cities, regions, and regional districts as defined locally.

A number of large scale construction projects have occurred within York Region during the first half of 2010. Table 11 is a list of the 20 highest valued building permits. This

list includes projects from three different municipalities and all economic sectors, demonstrating that the construction industry is not reliant upon a single economic sector or one particular area of the Region.

Building Permits with the 20 Highest Construction Values in York Region: January to June 2010 (Table 11)			
Project	Value \$000s	Use	Municipality
Hospital Building (Markham Stouffville Hospital)	\$121,356.00	Institutional	Markham
Recreation Facility (Joseph And Wolf Lebovic - Jewish Community Campus)	\$36,056.00	Institutional	Vaughan
Public Garage (Jade Kennedy Development Corporation)	\$26,149.00	Commercial	Markham
Rental Apartment Building (LIFE Construction)	\$21,596.00	Residential	Markham
Single Use Industrial Facility (Vaughan West II Limited)	\$21,265.25	Industrial	Vaughan
Hotel (Marriot Springhill)	\$20,507.65	Commercial	Vaughan
Hotel (Hilton Homewood Hotel)	\$19,359.10	Commercial	Vaughan
Retail Store (Walmart)	\$17,188.00	Commercial	Markham
Rental Apartment Building (LIFE Construction)	\$17,122.00	Residential	Markham
Single Use Industrial Facility (Longo's)	\$16,054.50	Industrial	Vaughan
Rental Apartment Building (LIFE Construction)	\$15,374.00	Residential	Markham
Religious Building (St. Mark's Coptic Orthodox Church)	\$14,374.00	Institutional	Markham
Hotel (Diamond Dennison Properties)	\$13,571.00	Commercial	Markham
Hotel (Vaughan Mills Hotel)	\$12,406.43	Commercial	Vaughan
Condominium Apartment Building (Reena Community Residence)	\$12,146.22	Residential	Vaughan
Retail Store (Lowe's)	\$11,951.10	Commercial	Vaughan
Nursing/Retirement Facility (Home Hesperus Fellowship Community of Ontario)	\$10,704.00	Institutional	Vaughan
Rental Apartment Building (Regional Municipality of York)	\$10,680.60	Residential	Vaughan
Elementary School (York Region District School Board)	\$10,157.40	Institutional	Vaughan
Government Building (EMS Operations Facility)	\$10,138.88	Institutional	East Gwillimbury

Source: Local Municipal Building Permit Reports, 2010.

Housing Starts

The number of total housing starts grew 48.8% by mid-year 2010, increasing from 2,094 in 2009 to 3,115 in 2010 (Table 12). The proportion of multiple unit dwelling housing starts decreased, from 51.7% by mid-year 2009 to 27.0% by mid-year 2010.

Housing Starts by Municipality in York Region: January to June 2009 & 2010

(Table 12)

Aurora	Jan - June	
	2009	2010
Singles	120	207
Semis	40	10
Rows	0	0
Apts.	153	0
Total	313	217

East Gwillimbury	Jan - June	
	2009	2010
Singles	7	28
Semis	4	0
Rows	33	40
Apts.	0	0
Total	44	68

Georgina	Jan - June	
	2009	2010
Singles	15	44
Semis	0	0
Rows	6	0
Apts.	0	0
Total	21	44

King	Jan - June	
	2009	2010
Singles	4	53
Semis	0	16
Rows	0	0
Apts.	0	0
Total	4	69

Markham	Jan - June	
	2009	2010
Singles	98	82
Semis	30	60
Rows	109	8
Apts.	138	0
Total	375	150

Newmarket	Jan - June	
	2009	2010
Singles	149	124
Semis	12	12
Rows	98	5
Apts.	0	0
Total	259	141

Richmond Hill	Jan - June	
	2009	2010
Singles	83	363
Semis	20	6
Rows	69	120
Apts.	0	0
Total	172	489

Vaughan	Jan - June	
	2009	2010
Singles	350	964
Semis	88	70
Rows	57	344
Apts.	225	0
Total	720	1,378

Whitchurch-Stouffville	Jan - June	
	2009	2010
Singles	186	409
Semis	0	76
Rows	0	74
Apts.	0	0
Total	186	559

York Region	Jan - June	
	2009	2010
Singles	1,012	2,274
Semis	194	250
Rows	372	591
Apts.	516	0
Total	2,094	3,115

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2009 and 2010.

Housing Completions

A total of 3,377 houses were completed within York Region during the first six months of 2010. In comparison, 3,999 homes were completed during the first half of 2009 (Table 13). This represents a decrease of 15.6% from the previous year. The proportion of these completions that were multiple unit dwellings also decreased. By mid-year 2009, 43.1% of housing completions were multiple unit dwellings. By mid-year 2010, this had decreased to 23.8% (Figure 7).

Housing Completions by Municipality in York Region: January to June 2009 & 2010

(Table 13)

Aurora	Jan - June	
	2009	2010
Singles	193	116
Semis	8	70
Rows	17	0
Apts.	0	0
Total	218	186

East Gwillimbury	Jan - June	
	2009	2010
Singles	25	23
Semis	38	2
Rows	16	44
Apts.	0	0
Total	79	69

Georgina	Jan - June	
	2009	2010
Singles	29	25
Semis	0	0
Rows	0	0
Apts.	0	0
Total	29	25

King	Jan - June	
	2009	2010
Singles	11	38
Semis	0	16
Rows	0	0
Apts.	0	0
Total	11	54

Markham	Jan - June	
	2009	2010
Singles	706	404
Semis	156	82
Rows	135	61
Apts.	562	120
Total	1,559	667

Newmarket	Jan - June	
	2009	2010
Singles	224	178
Semis	6	10
Rows	0	16
Apts.	0	0
Total	230	204

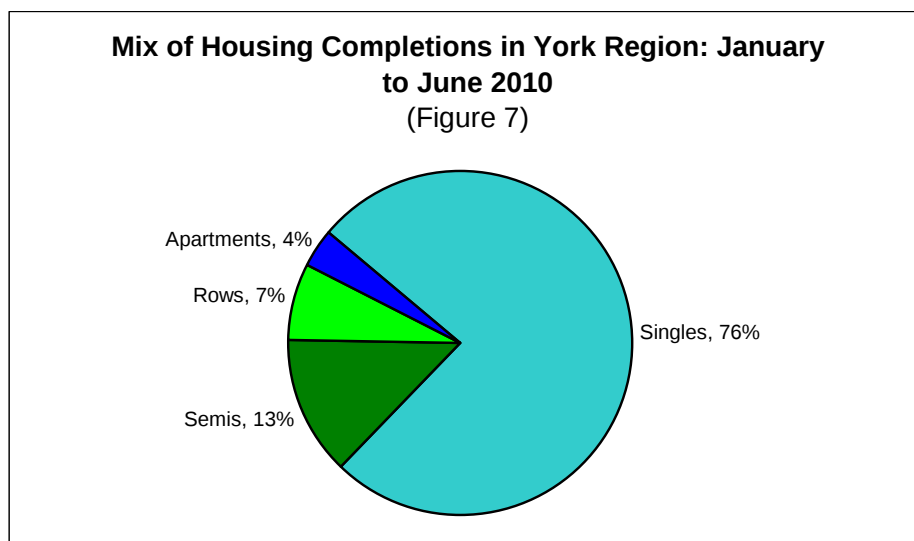
Richmond Hill	Jan - June	
	2009	2010
Singles	102	259
Semis	8	34
Rows	9	0
Apts.	221	0
Total	340	293

Vaughan	Jan - June	
	2009	2010
Singles	715	1223
Semis	112	140
Rows	120	51
Apts.	29	0
Total	976	1,414

Whitchurch-Stouffville	Jan - June	
	2009	2010
Singles	272	306
Semis	48	82
Rows	237	77
Apts.	0	0
Total	557	465

York Region	Jan - June	
	2009	2010
Singles	2,277	2,572
Semis	376	436
Rows	534	249
Apts.	812	120
Total	3,999	3,377

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2009 and 2010.



Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2010.

Residential units can be tracked throughout their construction cycle – from issued permits to starts to completions. A comparison of residential units in this cycle during the first half of 2009 and 2010 is illustrated in Table 14.

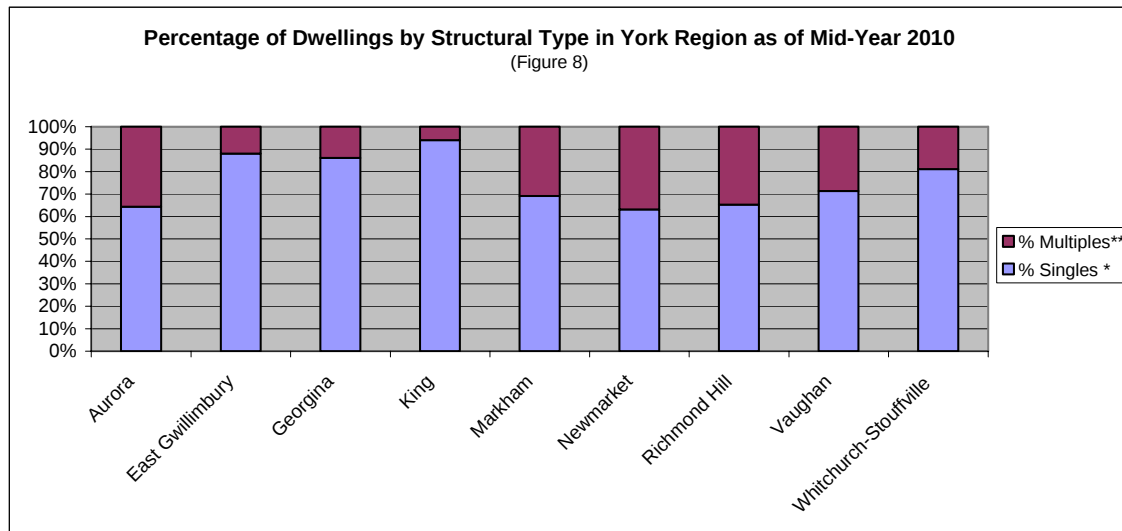
York Region Residential Building Activity: January to June 2009 & 2010 (Table 14)			
	Jan - June 2009	Jan - June 2010	% Change
New Residential Permits	2,287	3,438	50.3%
Housing Starts	2,094	3,115	48.8%
Housing Completions	3,999	3,377	-15.6%
Housing Resales	7,876	9,340	18.6%

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2009 and 2010;
Toronto Real Estate Board, Market Watch, 2010; York Region Planning and Development
Services Department, 2010

Housing Diversity

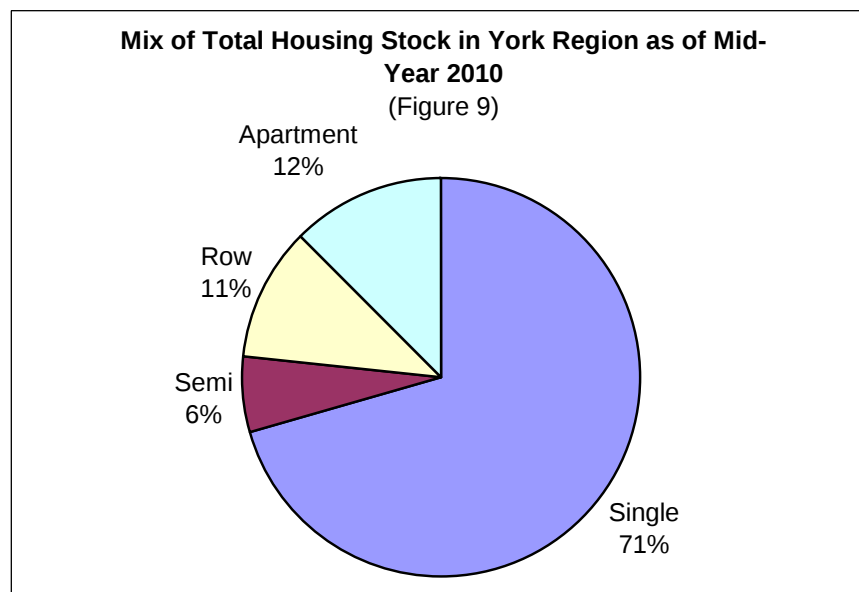
As outlined in the Region's Housing Supply Strategy, one of York Region's key goals is to encourage the further diversification of its housing stock. A balanced mix of housing types would ensure that the needs of the Region's workers and residents are better met. Although the Region's housing stock is composed primarily of single detached dwellings, the stock is becoming increasingly diversified.

For example, in the last ten years, the proportion of single detached dwellings has fallen from 80% of the total housing stock to 71%. This percentage varies considerably between the various local municipalities. The highest proportion of single detached dwellings occurs in King, at 94%, with the lowest proportion occurring in Newmarket, at 63% (Figure 8).



Source: York Region Planning and Development Services Department, 2010.
Note: *Multiples include semi-detached, row, duplexes and apartment units.

As the percentage of single detached units has decreased, more housing choice has become available to the residents of the Region. As of June 30, 2009, 29% of York Region's total housing stock was made up of multiple unit dwellings – 6% semi-detached, 11% row houses, and 12% apartment units (Figure 9).



Source: York Region Planning and Development Services Department, 2010.

This is an encouraging trend, as the Region seeks to provide more housing options for its diverse population. The trend towards higher density development should also result in a more efficient land use pattern.



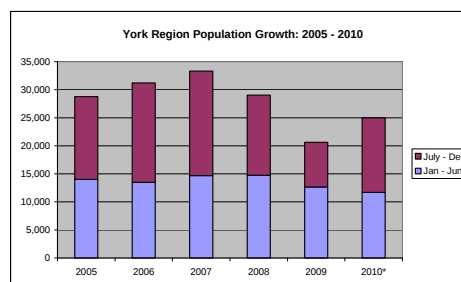
Economic and Development Review Mid-Year 2010

Presentation to Planning and
Economic Development
Committee

Paul Bottomley
September 8, 2010

Population Growth Remains Steady

- As of June 2010:
 - 1,044,300 total residents, representing growth of 11,600 from year-end 2009 (1.1% increase)
 - Forecast of approximately 1,057,600 people by year-end



Source: York Region Planning and Development Services Department, 2010.
Note: *July to December 2010 values are based on population forecasts.

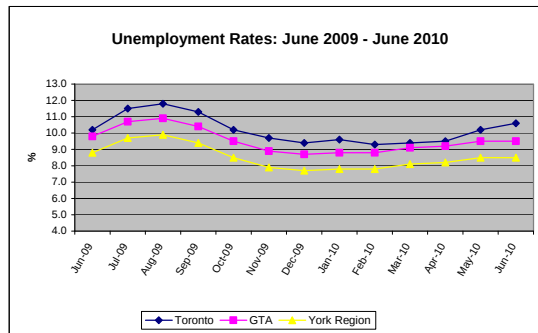


Planning and Economic Development Committee
September 8, 2010

Slide 2

York Region's Unemployment Rate has Decreased

- York Region's unemployment rate in June 2010 was 8.5% compared to 8.8% in June 2009



Source: Toronto Economic Development Division, Toronto Economic Indicators, 2009 & 2010.

Note: Based on unadjusted 3-month moving averages; York Region unemployment figures are estimates.

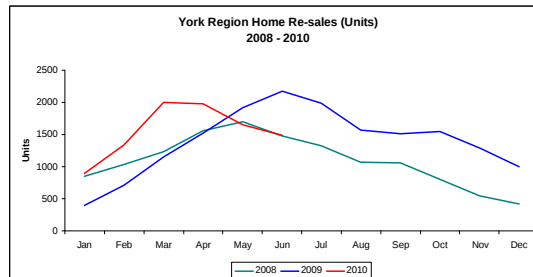


Planning and Economic Development Committee
September 8, 2010

Slide 3

Resale Residential Property Market increased in 2010

- By mid-year 2010, 9,340 resales recorded in York Region, valued at a record \$4.6B
- Average resale price for single detached dwellings increased 16.2% to \$574,598



Planning and Economic Development Committee
September 8, 2010

Slide 4

Industrial Vacancy Rates Declined while Commercial Vacancy Rates Increased

- ❑ York Region's industrial vacancy rate was 7.0%, down from 7.6%
- ❑ Vacancy rate in commercial/office nodes ranged from 8.1% to 14.7%
- ❑ Lease rates in commercial/office nodes ranged from \$13.74 to \$18.49 per square foot

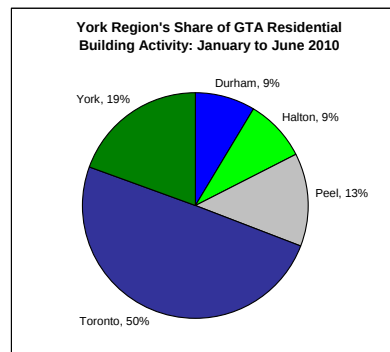


Planning and Economic Development Committee
September 8, 2010

Slide 5

Building Permits Issued for 3,438 New Residential Units

- ❑ Number of new residential units with permits issued up by 50.3%
- ❑ Permits were issued for over 17,750 new units in the GTA
 - ❑ York Region: 19% of GTA Total
- ❑ York Region ranked 6th in Canada



Source: Local Municipal Building Permit Reports, 2010;
Statistics Canada Table 32.2 (unpublished), 2010.

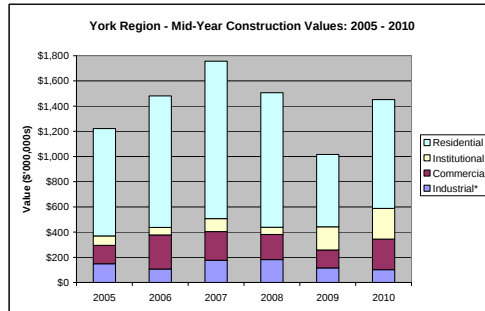


Planning and Economic Development Committee
September 8, 2010

Slide 6

Building Permit Construction Values Increased

- ❑ By mid-year 2010, the total value of construction reached nearly \$1.4 billion – up 47.1%
- ❑ 40.5% of total value from ICI construction



Source: York Region Planning and Development Services, 2010.
Note: *Agricultural permits are included under the Industrial category



Planning and Economic Development Committee
September 8, 2010

Slide 7

Housing Starts Increased while Housing Completions Decreased

- ❑ During the first half of 2010, 3,115 housing units were started – an increase of 48.8% from last year
 - ❑ 27% were multiple unit dwellings
- ❑ 3,377 housing units were completed – a decrease of 15.6% from last year
 - ❑ 24% were multiple unit dwellings



Planning and Economic Development Committee
September 8, 2010

Slide 8

Key Points for Mid-Year 2010

- ❑ Population increased by 11,600 to reach 1,044,300
- ❑ Unemployment Rate declined to 8.5%
- ❑ 2nd quarter strength in residential resale market – 9,340 sales valued at a record \$4.6 billion
- ❑ Total value of building permit construction valued at \$1.4 billion
 - ❑ ICI construction accounted for 40.5% of total
- ❑ Residential building permits and housing starts increased



Planning and Economic Development Committee
September 8, 2010

Slide 9

Staff Recommends Publication & Circulation of EDR Mid-Year 2010

- ❑ Circulate published EDR Mid-Year 2010 (printed and digital copies) to public, local municipalities, and agencies.
- ❑ Make available on corporate website.



Planning and Economic Development Committee
September 8, 2010

Slide 10