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ECONOMIC AND DEVELOPMENT REVIEW MID-YEAR 2011

The Planning and Economic Development Committee recommends:

- 1. Receipt of the presentation by Paul Bottomley, Manager, Growth Management, Economy and Information Research, Long Range and Strategic Planning; and**
- 2. Adoption of the recommendation contained in the following report dated September 20, 2011, from the Acting Commissioner of Planning and Development Services.**

1. RECOMMENDATION

It is recommended that:

1. The *Economic and Development Review Mid-Year 2011 (Attachment 1)* be circulated by Planning & Development Services in 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 2011 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.

4. ANALYSIS AND OPTIONS

HIGHLIGHTS

- In the first half of 2011, York Region's population grew by 11,200 people to reach 1,073,200.
- Unemployment in York Region fell to an estimated 7.6% from 8.5% this time last year.
- York Region's unemployment rate was lower than the Provincial (7.9%) and GTA (8.6%) averages and slightly higher than the Canadian average (7.5%).
- Building permit activity for new residential units in the Region was up 4.0% compared to the first half of 2010.
- With 3,574 permits, York Region was ranked fifth across Canada for the number of residential units with permits issued during the first half of 2011.
- The Region's total estimated value of construction totalled \$1.61 billion by mid-year 2011, an increase of 11.0% from mid-year 2010; ICI construction accounted for \$595 million by mid-year 2011, an increase of 1.4% from mid-year 2010.
- By mid-year 2011, York Region had 3,962 housing starts, an increase of 27.2% from mid-year 2010, and 3,605 housing completions, an increase of 6.8%.
- As of June 2011, semi-detached, town/row/attached, and apartment/condominium units accounted for 30% of the Region's total housing stock.
- The average resale price of a single detached dwelling unit increased by 11.1% from \$574,598 to \$638,158.

POPULATION AND EMPLOYMENT

York Region's population increased by 11,200 and unemployment rates decreased in the first six months of 2011

The total population of York Region was estimated to be 1,073,200 by mid-year 2011 (*see Table 1*). Growth during the first half of the year was 11,200, down slightly from previous years. Population growth for the first half of 2009 and 2010 was 12,650 and 11,600 respectively. It is anticipated that growth in the second half of 2011 will be higher compared to 2010 levels due to a larger inventory of units under construction.

Table 1
York Region Population – Mid-Year 2011

Municipality	Population
Aurora	55,600
East Gwillimbury	23,700
Georgina	46,500
King	21,400
Markham	312,100
Newmarket	84,600
Richmond Hill	189,600
Vaughan	300,600
Whitchurch-Stouffville	39,000
York Region	1,073,200

Source: York Region Planning and Development Services Department, 2011.

In June 2011, York Region's unemployment rate fell to an estimated 7.6% from 8.5% at this time last year. This was lower than the Provincial (7.9%) and GTA (8.6%) averages and slightly higher than the Canadian average (7.5%).

PROPERTY MARKET AND BUILDING ACTIVITIES

York Region's residential real estate market resales increased by 1.3% and the average price of all dwelling units increased by 8.5% to \$442,673

A total of 9,466 residential resales occurred during the first six months in 2011 – an increase of 1.3% from the same time period in 2010. Similar increases were also seen across the GTA. Among all residential resales in York Region between January and June 2010, 38.4% were multiple unit dwellings. The value of all resales reached a record total of over \$5.0 billion for the first six months of 2011. The average price of all residential dwellings increased by 8.9%, from \$493,014 in 2010 to \$536,865 in 2011. The average resale price of a single detached dwelling unit increased by 11.1% from \$574,598 to \$638,158.

The number of new residential building permits increased by 4.0%

During the first half of 2011, York Region issued building permits for 3,574 new residential units. When compared with the number of new units created in the first half of 2010, this represents an increase of 4.0%. Residential building permits for the first half of 2009 and 2010 were 2,286 and 3,438 respectively. When compared to other cities, regions and regional districts across Canada, York Region ranked fifth for the number of new residential units with permits issued in 2011 (*see Table 2*).

Table 2
Cross Canada Comparison Mid-Year 2011:
Residential Units with Building Permits Issued

Rank	Municipality	# of Units with Permits Issued
1	Greater Vancouver Regional District	8,908
2	City of Toronto	5,640
3	City of Montréal	5,318
4	City of Calgary	4,140
5	York Region	3,574
6	City of Edmonton	3,412
7	City of Québec	3,397
8	Peel Region	3,299
9	City of Ottawa	2,893
10	Halton Region	2,141

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2011;
York Region Planning and Development Services Department, 2011.

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

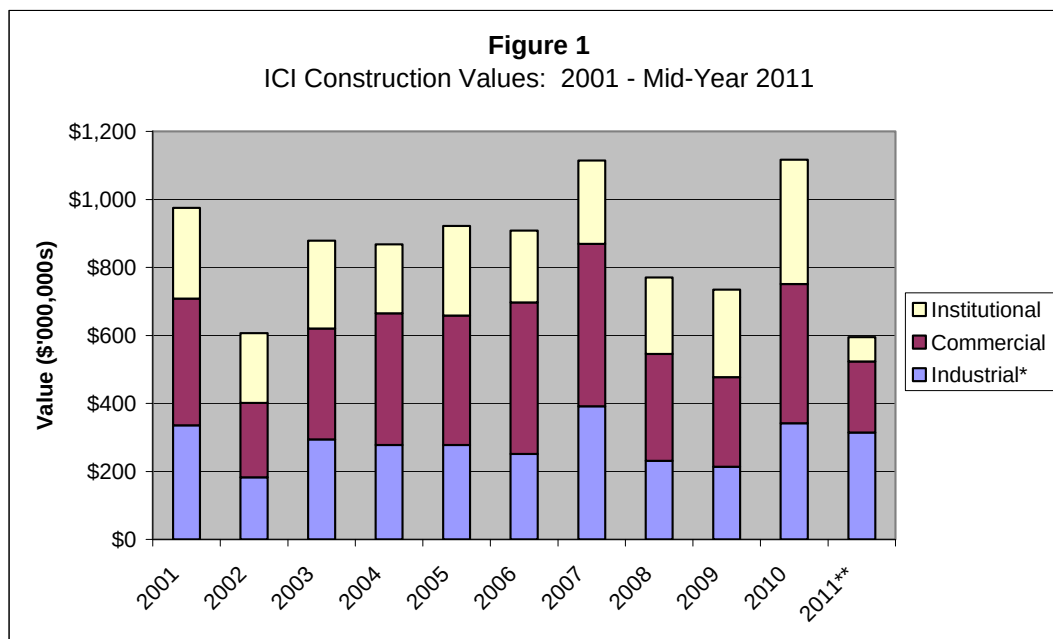
The number of total housing starts grew 27.2% by mid-year 2011, increasing from 3,115 in 2010 to 3,962 in 2011. The number of housing completions that occurred during the first half of 2011 increased to 3,605, a 6.8% increase from mid-year 2010.

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 47.9% of the residential units completed by mid-year 2011. This is an increase from mid-year 2010, when 23.8% of housing completions were multiple unit dwellings.

York Region's total value of construction increased by 11.0% and ranked 5th highest across Canada

Total construction in York Region during the first half of 2011 was valued at \$1.61 billion – an increase of approximately \$160 million when compared to mid-year 2010 figures. Residential construction values increased by 17.5% from \$862.5 million in 2010 to \$1,013 million at mid year 2011.

By mid-year 2011, the value of ICI construction in York Region reached \$595.4 million (see *Figure 1*). This represents an increase of 1.4% from the mid-year 2010 ICI value of \$587 million. The industrial sector increased by \$212.1 million to a total value of \$313.9 million, while the institutional and commercial sectors decreased to \$72.3 million and \$209.2 million respectively. The proportion of the Region's total construction value accounted for by ICI construction was 37.0% in 2011.



Source: York Region Planning and Development Services, 2010.

Note: *Agricultural permits are included under the Industrial category

**2011 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 2009 and 2010, York Region held the 4th and 5th highest total value across Canada. In 2011, York Region held the rank of 5th highest.

Table 3
Cross Canada Comparison Mid-Year 2011:
Values of Total Construction (\$'000's)

Rank	Municipality	Total Value
1	City of Toronto	\$3,615,646
2	Greater Vancouver Regional District	\$2,723,860
3	City of Calgary	\$2,321,955
4	City of Montréal	\$1,747,126
5	York Region	\$1,608,700
6	City of Edmonton	\$1,381,231
7	Peel Region	\$1,287,371
8	Waterloo Region	\$897,374
9	City of Québec	\$876,021
10	City of Ottawa	\$823,501

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2011;

York Region Planning and Development Services Department, 2011.

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

Relationship to Vision 2026

The Economic and Development Review Mid-Year 2011 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 2011 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 value of DC's collected as of June 30, 2011 is \$55.7 million compared to \$59.8 million for the same period in 2010.

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. Distributing the Economic and Development Review Mid-Year 2011 is provided for in the 2011 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 2011 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 1,073,200 in June 2011 – an increase of 11,200 over year-end 2010. The number of new residential building permits issued (3,574) and the total value of construction (\$1.61 billion) within York Region have increased from mid-year numbers in 2010. The value of ICI construction reached \$595 million – an increase of 1.4% from the value recorded at mid-year 2010. The total number of residential resales was up by 1.3% for 9,466 resales, resulting in a total value of \$5.0 billion.

It is proposed that the attached Economic and Development Review Mid-Year 2011 be distributed electronically to local municipalities, Chambers of Commerce, Boards of Trade, 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 at (905) 830-4444, Ext. 1530, or Barbara Jeffrey, Acting Director of Long Range and Strategic Planning at Ext. 1526.

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 2011

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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 2011, York Region's population grew by 11,200 people to reach 1,073,200.
- Unemployment in York Region fell to an estimated 7.6% from 8.5% this time last year.
- York Region's unemployment rate was lower than the Provincial (7.9%) and GTA (8.6%) averages and slightly higher than the Canadian average (7.5%)
- Building permit activity for new residential units in the Region was up 4.0% compared to the first half of 2010
- With 3,574 permits, York Region was ranked fifth across Canada for the number of residential units with permits issued during the first half of 2011
- The Region's total estimated value of construction totalled \$1.61 billion by mid-year 2011, an increase of 11.0% from mid-year 2010; ICI construction accounted for \$595 million by mid-year 2011, an increase of 1.4% from mid-year 2010
- By mid-year 2011, York Region had 3,962 housing starts, an increase of 27.2% from mid-year 2010, and 3,605 housing completions, an increase of 6.8%
- As of June 2011, semi-detached, town/row/attached, and apartment/condominium units accounted for 30% of the Region's total housing stock
- The average resale price of a single detached dwelling unit increased by 11.1% from \$574,598 to \$638,158.

1. Population

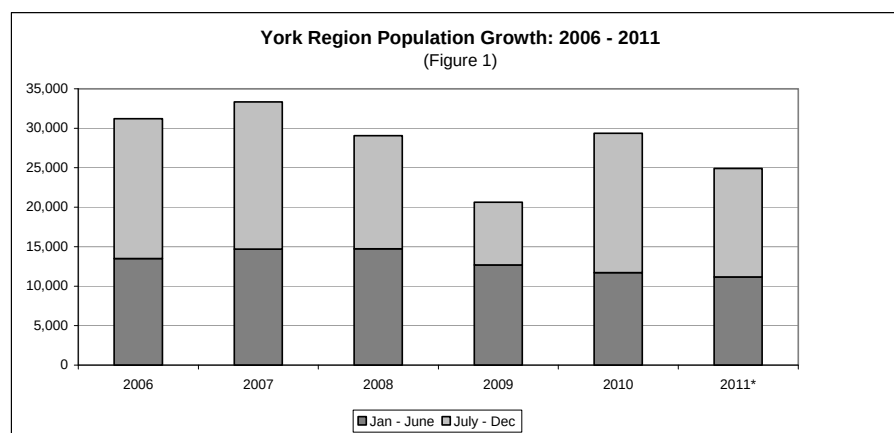
York Region's Population Growth

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 six fold, from 169,000 to 1,073,200 by June 2011 (Table 1). Over the last five years, the Region has experienced an average annual growth rate of 2.9%, equivalent to roughly 28,300 people per year. As illustrated in Figure 1, growth during the first half of the year was 11,200, down slightly from previous years. Population growth for the first half of 2009 and 2010 was 12,650 and 11,700 respectively. It is anticipated that growth in the second half of 2011 will be higher compared to 2010 levels due to a larger inventory of units under construction.

York Region Population - 6 Months Growth Year-End 2010 - Mid-Year 2011 (Table 1)				
	Year-End 2010	Mid-Year 2011	Population Increase	Change (%)
Aurora	55,000	55,600	600	1.1%
East Gwillimbury	23,600	23,700	100	0.4%
Georgina	46,300	46,500	200	0.4%
King	21,100	21,400	300	1.4%
Markham	308,800	312,100	3,300	1.1%
Newmarket	84,400	84,600	200	0.2%
Richmond Hill	187,800	189,600	1,800	1.0%
Vaughan	296,900	300,600	3,700	1.2%
Whitchurch-Stouffville	38,200	39,000	800	2.1%
York Region Total	1,062,000	1,073,200	11,200	1.1%

Source: York Region Planning and Development Services Department, 2011.

Note: All figures in the Table are rounded.

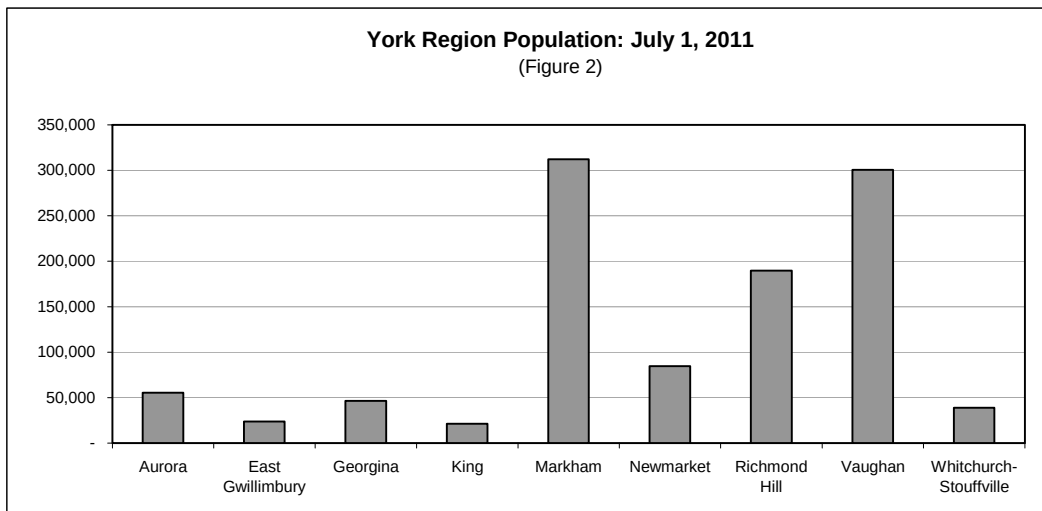


Source: York Region Planning and Development Services Department, 2011.

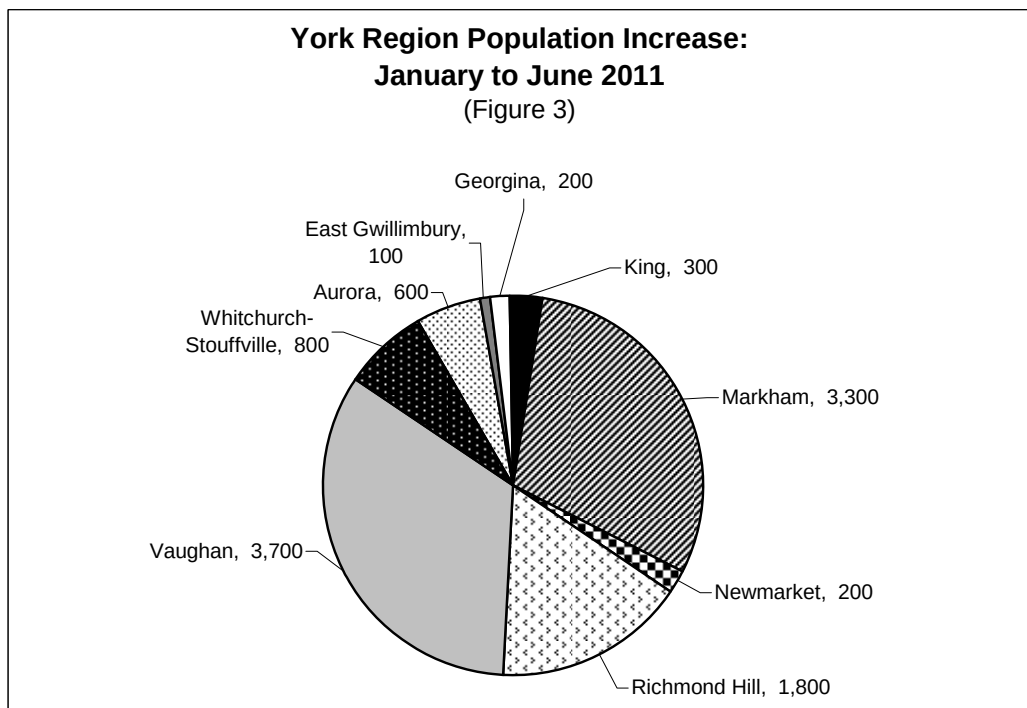
Note: *July to December 2011 values are based on population forecasts.

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 2011, the largest increases in population had occurred in

Vaughan (3,700 people), followed by Markham (3,300 people), and Richmond Hill (1,800 people) (Figure 3).



Source: York Region Planning and Development Services Department, 2011.



Source: York Region Planning and Development Services Department, 2011.

Note: All values in the Figure are rounded.

2. Economic Activity

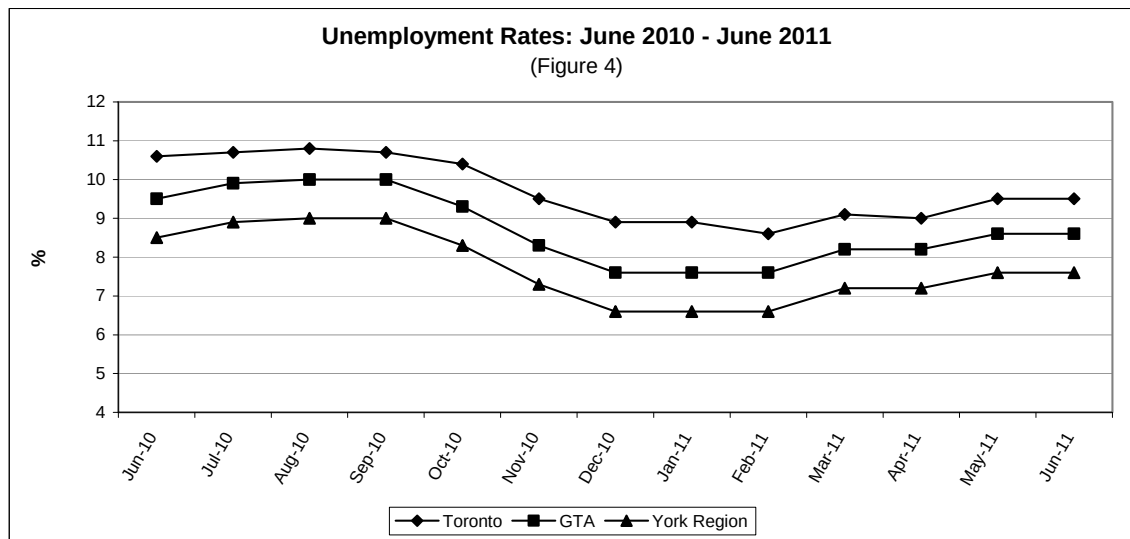
Labour Market Conditions

Statistics Canada estimates that between June 2010 and June 2011, over 238,000 jobs were created within Canada. Canada's unemployment rate in June 2011 was 7.5%, a half point lower than the rate recorded one year earlier.

In Ontario, the unemployment rate for June 2011 was 7.9%, which was higher than the national average of 7.5%, and has decreased from the June 2010 figure of 8.8%.

The City of Toronto's unemployment rate decreased from 10.6% in June 2010 to 9.5% in June 2011, while the GTA's unemployment rate decreased from 9.5% to 8.6%.

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 2011 was approximately 7.6% - almost a percentage point lower than the 8.5% recorded in June 2010 (Figure 4).



Source: Toronto Economic Development Division, Toronto Economic Indicators, 2010 & 2011.

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 2011 has increased from last year's numbers. The number of resales that occurred from January to June 2011 in York Region totalled over 9,466 units (Table 2), a slight increase of 1.3% from the same period in 2010. The total value of resales reached a record of over \$5.08 billion.

York Region Resales & Average Prices All Dwelling Types, 2011 (Table 2)								
	Detached		Semi		Town/Row/Attach		Condo/Apt	
	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price
Aurora	313	\$623,221	46	\$358,915	143	\$383,444	35	\$357,008
East Gwillimbury	122	\$471,659	1	\$265,000	22	\$271,415	1	\$190,000
Georgina	379	\$285,198	12	\$240,500	35	\$191,586	4	\$158,975
King	118	\$816,201	0	\$0	2	\$366,250	4	\$232,420
Markham	1,503	\$670,529	200	\$444,951	455	\$396,323	361	\$337,458
Newmarket	492	\$467,530	108	\$336,110	155	\$328,110	37	\$263,071
Richmond Hill	1,461	\$727,825	131	\$465,319	454	\$441,120	411	\$293,866
Vaughan	1,152	\$680,274	213	\$445,744	333	\$420,058	373	\$323,807
Whitchurch-Stouffville	293	\$616,058	49	\$376,908	48	\$277,625	0	\$0
York Region Total	5,833	\$638,158	760	\$420,158	1,647	\$396,417	1,226	\$315,959

Source: Toronto Real Estate Board, Market Watch, 2011.

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 3,630 units between January and June 2011. This represents an increase of 5.9% (202 units) from last year's mid-year period. Of all the residential resales that occurred in York Region during this period, 38.4% were multiple unit dwellings. In 2010, 36.7% 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 2010 and 2011. The average price of all residential dwellings increased by 8.9%, from \$493,014 in 2010 to \$536,865 in 2011. The total number of single detached resales decreased by 1.3%, while the average price increased by 11.1% to \$638,158.

York Region Resales and Average Prices: Single Detached Dwellings January to June 2010 & 2011 (Table 3)				
	Mid-Year Sales		Mid-Year Avg. Price	
	2010	2011	2010	2011
Aurora	328	313	\$555,626	\$623,221
East Gwillimbury	139	122	\$462,577	\$471,659
Georgina	441	379	\$289,382	\$285,198
King	156	118	\$727,770	\$816,201
Markham	1,558	1,503	\$611,258	\$670,529
Newmarket	519	492	\$457,298	\$467,530
Richmond Hill	1,314	1,461	\$655,450	\$727,825
Vaughan	1,170	1,152	\$591,627	\$680,274
Whitchurch-Stouffville	284	293	\$579,106	\$616,058
York Region Total	5,909	5,833	\$574,598	\$638,158

Source: Toronto Real Estate Board, Market Watch, 2010 - 2011.

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 by 3.2% between the second quarters of 2010 and 2011. The Region's industrial vacancy rate fluctuated throughout the last year, finishing the second quarter of 2011 at 6.3% - a decrease from the 7.0% recorded in the second quarter of 2010 (Table 4).

Vacancy Rates and Total Inventory of Industrial Buildings in York Region: 2010 - Mid-Year 2011 (Table 4)												
	1st Qtr. 2010		2nd Qtr. 2010		3rd Qtr. 2010		4th Qtr. 2010		1st Qtr. 2011		2nd Qtr. 2011	
	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	6,422,532	10.5%	6,427,252	9.7%	6,361,206	12.6%	6,211,422	10.8%	6,243,913	10.9%	6,271,282	12.8%
Markham	35,539,673	5.8%	35,594,338	5.9%	35,737,560	6.2%	35,484,680	5.2%	35,627,318	5.0%	35,720,864	5.5%
Newmarket	6,778,032	2.2%	6,865,032	2.4%	6,864,258	5.1%	6,744,315	3.9%	6,794,315	4.5%	6,902,657	7.0%
Richmond Hill	13,920,595	4.8%	13,551,683	7.4%	15,245,927	6.4%	15,634,517	5.6%	15,657,205	6.5%	15,650,531	3.9%
Vaughan	89,888,159	5.5%	90,241,990	7.6%	93,437,810	7.3%	93,368,178	6.5%	92,598,219	6.4%	93,012,318	6.5%
Total	152,548,991	5.6%	152,680,295	7.0%	157,646,761	7.1%	157,443,112	6.1%	156,920,970	6.2%	157,557,652	6.3%

Source: Cushman & Wakefield LePage, Marketbeat: Greater Toronto Area Industrial Report, 2010Q1 - 2011Q2.

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 2011, the commercial vacancy rates of these nodes ranged from 4.5% in Vaughan to 11.6% in Markham North & Richmond Hill. The commercial vacancy rate for the GTA at the end of the second quarter in 2011 was 8.2%. When compared to the second quarter of 2010, the commercial vacancy rate decreased in all areas, with the largest decrease occurring in Vaughan, from 8.1% in 2010 to 4.5% in 2011 (Table 5).

Selected Office Market Vacancy Rates: 2008 - Mid-Year 2011															
(Table 5)															
Office Nodes	2008				2009				2010				2011		
	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	9.2%	8.7%	7.8%	8.8%	9.8%	11.1%	12.5%	12.9%	14.8%	14.7%	13.5%	12.0%	11.7%	11.6%	
Steeles Woodbine	7.6%	5.4%	7.7%	8.2%	8.6%	9.1%	9.1%	9.7%	9.3%	9.7%	8.3%	8.7%	8.3%	7.6%	
Vaughan	8.4%	6.5%	6.7%	4.5%	6.6%	6.9%	8.6%	7.8%	8.2%	8.1%	5.2%	5.1%	3.9%	4.5%	
GTA Total/Average	6.8%	6.7%	6.6%	6.8%	7.7%	8.4%	9.1%	9.4%	9.6%	9.6%	9.4%	9.1%	8.7%	8.2%	

Source: CB Richard Ellis, Office Market Review, 2008 - 2011.

At the end of the second quarter of 2011, the lease rates per square foot in York Region ranged from \$12.71 (Steeles/Woodbine) to \$16.15 (Vaughan). The office market lease rate for the GTA decreased slightly from \$17.12 per square foot in the second quarter of 2010, to \$17.08 per square foot in 2011 (Table 6).

Selected Office Market Lease Rates (\$/sq.ft.): 2008 - Mid-Year 2011															
(Table 6)															
Office Nodes	2008				2009				2010				2011		
	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	15.63	15.41	15.19	14.81	15.22	14.86	15.68	15.63	15.79	15.98	15.91	15.95	15.78	15.09	
Steeles Woodbine	13.47	13.29	14.25	14.41	14.24	13.78	13.62	13.51	13.70	13.74	12.55	12.50	12.51	12.71	
Vaughan	16.42	17.56	17.46	16.58	18.54	18.64	18.37	18.29	18.40	18.49	17.55	17.35	16.29	16.15	
GTA Total/Average	16.62	16.75	16.62	16.77	16.93	16.24	17.31	17.35	17.40	17.12	16.98	16.92	16.44	17.08	

Source: CB Richard Ellis, Office Market Review, 2008 - 2011.

4. Building Activity

Residential Building Permits

Building permit activity is a standard indicator of local investment and economic performance. In the first half of 2011, York Region experienced a 4.0% increase over the first half of 2010 in the number of new residential units with permits issued. A strong growth in permits issued occurred during the second half of 2010, with a 29% increase from the previous six months of 2010 (Table 7).

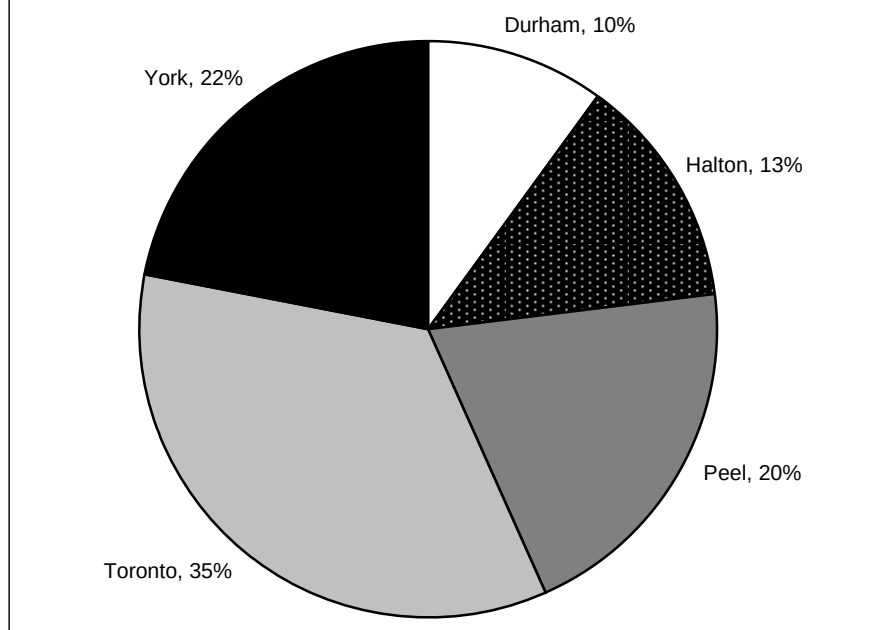
Number of New Residential Units with Permits Issued in York Region: January 2010 to June 2011 (Table 7)			
Municipality	2010		2011
	Jan - June	July - Dec	Jan - June
Aurora	130	71	18
East Gwillimbury	80	89	63
Georgina	77	95	82
King	168	83	179
Markham	674	814	1,449
Newmarket	127	106	97
Richmond Hill	520	980	509
Vaughan	1,378	1,635	776
Whitchurch-Stouffville	284	566	401
York Region Total	3,438	4,439	3,574

Source: Local Municipal Building Permit Reports, 2010 and 2011;

York Region Planning and Development Services Department, 2011.

Building permits were issued for 16,288 new residential units in the GTA between January and June 2011, down from 17,726 for the first half of 2010, an 8.0% decrease. Permits issued within York Region accounted for 22% 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 (10%), Halton (13%), Peel (20%), and Toronto (35%), are displayed in Figure 5.

York Region's Share of GTA Residential Building Activity: January to June 2011
(Figure 5)



Source: Local Municipal Building Permit Reports, 2011;
Statistics Canada Table 32.2 (unpublished), 2011.

York Region is among the top municipalities across Canada for the number of new residential units with permits issued during the first half of 2011 (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 4th, 5th and 6th at the mid-years for 2008, 2009, and 2010, respectively.

Cross Canada Comparison Mid-Year 2011: Residential Building Permits (Table 8)		
Rank	Municipality	# of Permits
1	Greater Vancouver Regional District	8,908
2	City of Toronto	5,640
3	City of Montréal	5,318
4	City of Calgary	4,140
5	York Region	3,574
6	City of Edmonton	3,412
7	City of Québec	3,397
8	Peel Region	3,299
9	City of Ottawa	2,893
10	Halton Region	2,141

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2011;

York Region Planning and Development Services Department, 2011.

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

Construction Value

Total construction in York Region during the first half of 2011 was valued at \$1.61 billion – an increase of approximately \$160 million when compared to mid-year 2010 figures. Residential construction values increased by 17.5% from \$862.5 million in 2010 to \$1,013million at mid year 2011.

By mid-year 2011, the value of ICI construction in York Region reached \$595.4 million (see Table 9). This represents an increase of 1.4% from the mid-year 2010 ICI value of \$587 million. The industrial sector increased by \$212.1 million to a total value of \$313.9 million, while the institutional and commercial sectors decreased to \$72.3 million and \$209.2 million respectively. The proportion of the Region's total construction value accounted for by ICI construction was 37.0% in 2011.

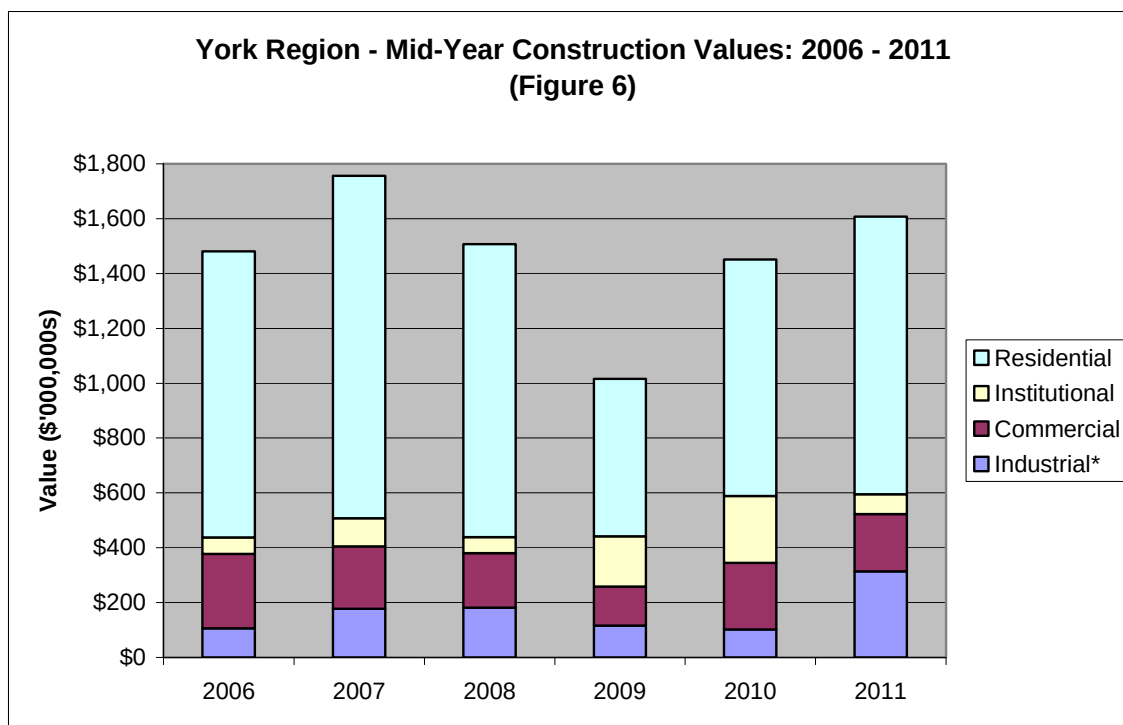
York Region Estimated Value (\$000's) of Construction*: January to June 2010 & 2011 (Table 9)										
Municipality	Residential		Industrial**		Commercial		Institutional		Total	
	Jan - June 2010	Jan - June 2011	Jan - June 2010	Jan - June 2011	Jan - June 2010	Jan - June 2011	Jan - June 2010	Jan - June 2011	Jan - June 2010	Jan - June 2011
Aurora	\$46,433	\$10,061	\$1,156	\$7,752	\$3,720	\$4,905	\$910	\$980	\$52,218	\$23,698
East Gwillimbury	\$18,313	\$15,076	\$1,250	\$240	\$141	\$5,597	\$10,339	\$493	\$30,042	\$21,406
Georgina	\$17,507	\$22,472	\$144	\$920	\$15,815	\$2,686	\$454	\$0	\$33,919	\$26,078
King	\$36,677	\$52,242	\$5,503	\$2,602	\$270	\$112	\$10,751	\$7,100	\$53,201	\$62,056
Markham	\$127,855	\$394,117	\$8,226	\$42,444	\$89,992	\$135,575	\$139,301	\$8,964	\$365,374	\$581,100
Newmarket	\$28,777	\$29,164	\$3,262	\$4,802	\$9,564	\$9,495	\$1,237	\$307	\$42,841	\$43,767
Richmond Hill	\$112,429	\$99,328	\$10,542	\$4,107	\$18,079	\$8,046	\$10,679	\$13,636	\$151,729	\$125,117
Vaughan	\$416,085	\$280,566	\$66,427	\$250,270	\$103,657	\$42,451	\$68,821	\$40,585	\$654,989	\$613,871
Whitchurch-Stouffville	\$58,433	\$110,272	\$5,318	\$750	\$1,404	\$304	\$10	\$280	\$65,165	\$111,606
York Region Total	\$862,508	\$1,013,298	\$101,827	\$313,887	\$242,642	\$209,171	\$242,501	\$72,344	\$1,449,479	\$1,608,700

Source: Local Municipal Building Permits Reports, 2010 & 2011; Statistics Canada Building Permits Reports, 2010 & 2011;

York Region Planning and Development Services Department, 2010 & 2011.

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, 2011.

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 2009 and 2010, York Region had the 4th and 5th highest total value across Canada. In 2011, York Region held the rank of 5th highest.

Cross Canada Comparison Mid-Year 2011: Values of Total Construction (\$000's) (Table 10)		
Rank	Municipality	Total Value
1	City of Toronto	\$3,615,646
2	Greater Vancouver Regional District	\$2,723,860
3	City of Calgary	\$2,321,955
4	City of Montréal	\$1,747,126
5	York Region	\$1,608,700
6	City of Edmonton	\$1,381,231
7	Peel Region	\$1,287,371
8	Waterloo Region	\$897,374
9	City of Québec	\$876,021
10	City of Ottawa	\$823,501

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2011;

York Region Planning and Development Services Department, 2011.

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 2011. Table 11 is a list of the 20 highest valued building permits. This list includes projects from five different municipalities and various 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 2011 (Table 11)			
Project	Value \$000s	Use	Municipality
Transportation Infrastructure (Vaughan Corporate Centre Subway Station)	\$205,000.00	Industrial	Vaughan
Parking Garage (3 Level Underground Parking Garage)	\$77,266.00	Commercial	Markham
Apartment Building (Springhill Developments)	\$32,000.00	Residential	King
Shopping Center (Belcomo Investments Ltd.)	\$28,000.00	Commercial	Whitchurch-Stouffville
Retirement Home (V!VA Thornhill Woods)	\$24,530.25	Institutional	Vaughan
Shell Building for Office/Warehouse (General Electric)	\$20,230.00	Industrial	Markham
Warehouse	\$19,885.00	Industrial	Markham
Senior Residences (130 Suite Units - Richmond Hill Retirement Inc.)	\$18,750.00	Residential	Richmond Hill
Office Building (2 Storey Retail/Office - Jade Kennedy Development Corp.)	\$14,984.00	Commercial	Markham
Institutional Addition/Alteration (Community Hebrew Academy)	\$12,000.00	Institutional	Richmond Hill
Warehouse	\$8,580.89	Industrial	Vaughan
Religious Building (Vaughan Community Church)	\$7,956.96	Institutional	Vaughan
Elementary School (Nobleton Senior Public School)	\$7,000.00	Institutional	King
Industrial Building (Vinylguard Windows & Doors)	\$5,712.45	Industrial	Vaughan
Office Building	\$5,435.00	Commercial	Markham
Commercial Addition/Alteration (Redcliff Realty Advisors Inc.)	\$5,190.00	Commercial	Markham
Office Building	\$5,150.00	Commercial	Markham
Institutional Addition/Alteration (Cedarwood Public School)	\$4,697.00	Institutional	Markham
Office Building (Jade Kennedy Development Corp.)	\$3,824.00	Commercial	Markham
Commercial Building	\$3,180.58	Commercial	Vaughan

Source: Local Municipal Building Permit Reports, 2011.

Housing Starts

The number of total housing starts grew 27.2% by mid-year 2011, increasing from 3,115 in 2010 to 3,962 in 2011 (Table 12). The proportion of multiple unit dwelling housing starts increased from 27.0% by mid-year 2010 to 47.2% by mid-year 2011.

Housing Starts by Municipality in York Region: January to June 2010 & 2011
(Table 12)

Aurora	Jan - June	
	2010	2011
Singles	207	25
Semis	10	0
Rows	0	0
Apts.	0	0
Total	217	25

East Gwillimbury	Jan - June	
	2010	2011
Singles	28	47
Semis	0	14
Rows	40	17
Apts.	0	0
Total	68	78

Georgina	Jan - June	
	2010	2011
Singles	44	74
Semis	0	0
Rows	0	0
Apts.	0	0
Total	44	74

King	Jan - June	
	2010	2011
Singles	53	42
Semis	16	2
Rows	0	0
Apts.	0	137
Total	69	181

Markham	Jan - June	
	2010	2011
Singles	82	648
Semis	60	116
Rows	8	51
Apts.	0	253
Total	150	1,068

Newmarket	Jan - June	
	2010	2011
Singles	124	81
Semis	12	0
Rows	5	0
Apts.	0	0
Total	141	81

Richmond Hill	Jan - June	
	2010	2011
Singles	363	251
Semis	6	4
Rows	120	115
Apts.	0	0
Total	489	370

Vaughan	Jan - June	
	2010	2011
Singles	964	537
Semis	70	164
Rows	344	214
Apts.	0	499
Total	1,378	1,414

Whitchurch-Stouffville	Jan - June	
	2010	2011
Singles	409	388
Semis	76	90
Rows	74	89
Apts.	0	104
Total	559	671

York Region	Jan - June	
	2010	2011
Singles	2,274	2,093
Semis	250	390
Rows	591	486
Apts.	0	993
Total	3,115	3,962

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2010 and 2011.

Housing Completions

A total of 3,605 houses were completed within York Region during the first six months of 2011. In comparison, 3,377 homes were completed during the first half of 2010 (Table 13). This represents an increase of 6.8% from the previous year. The proportion of these completions that were multiple unit dwellings also increased. By mid-year 2010, 23.8% of housing completions were multiple unit dwellings. By mid-year 2011, this had increased to 48.0% (Figure 7).

Housing Completions by Municipality in York Region: January to June 2010 & 2011

(Table 13)

	Jan - June	
	2010	2011
Aurora		
Singles	116	82
Semis	70	8
Rows	0	0
Apts.	0	153
Total	186	243

	Jan - June	
	2010	2011
East Gwillimbury		
Singles	23	37
Semis	2	2
Rows	44	15
Apts.	0	0
Total	69	54

	Jan - June	
	2010	2011
Georgina		
Singles	25	44
Semis	0	0
Rows	0	11
Apts.	0	0
Total	25	55

	Jan - June	
	2010	2011
King		
Singles	38	80
Semis	16	0
Rows	0	18
Apts.	0	0
Total	54	98

	Jan - June	
	2010	2011
Markham		
Singles	404	265
Semis	82	140
Rows	61	116
Apts.	120	735
Total	667	1,256

	Jan - June	
	2010	2011
Newmarket		
Singles	178	79
Semis	10	4
Rows	16	0
Apts.	0	0
Total	204	83

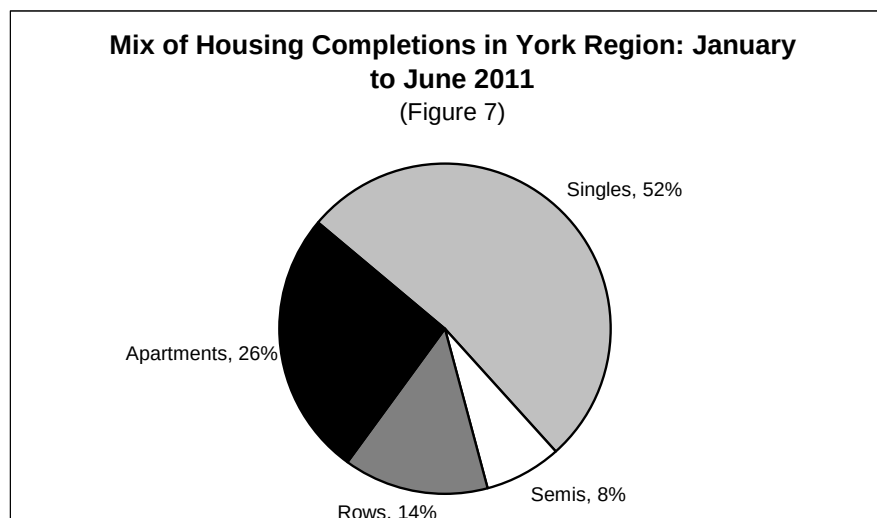
	Jan - June	
	2010	2011
Richmond Hill		
Singles	259	373
Semis	34	10
Rows	0	102
Apts.	0	25
Total	293	510

	Jan - June	
	2010	2011
Vaughan		
Singles	1,223	738
Semis	140	78
Rows	51	169
Apts.	0	30
Total	1,414	1,015

	Jan - June	
	2010	2011
Whitchurch-Stouffville		
Singles	306	182
Semis	82	32
Rows	77	77
Apts.	0	0
Total	465	291

	Jan - June	
	2010	2011
York Region		
Singles	2,572	1,880
Semis	436	274
Rows	249	508
Apts.	120	943
Total	3,377	3,605

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2010 and 2011.



Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2011.

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 2010 and 2011 is illustrated in Table 14.

York Region Residential Building Activity: January to June 2010 & 2011 (Table 14)			
	Jan - June 2010	Jan - June 2011	% Change
New Residential Permits	3,438	3,574	4.0%
Housing Starts	3,115	3,962	27.2%
Housing Completions	3,377	3,605	6.8%
Housing Resales	9,340	9,466	1.3%

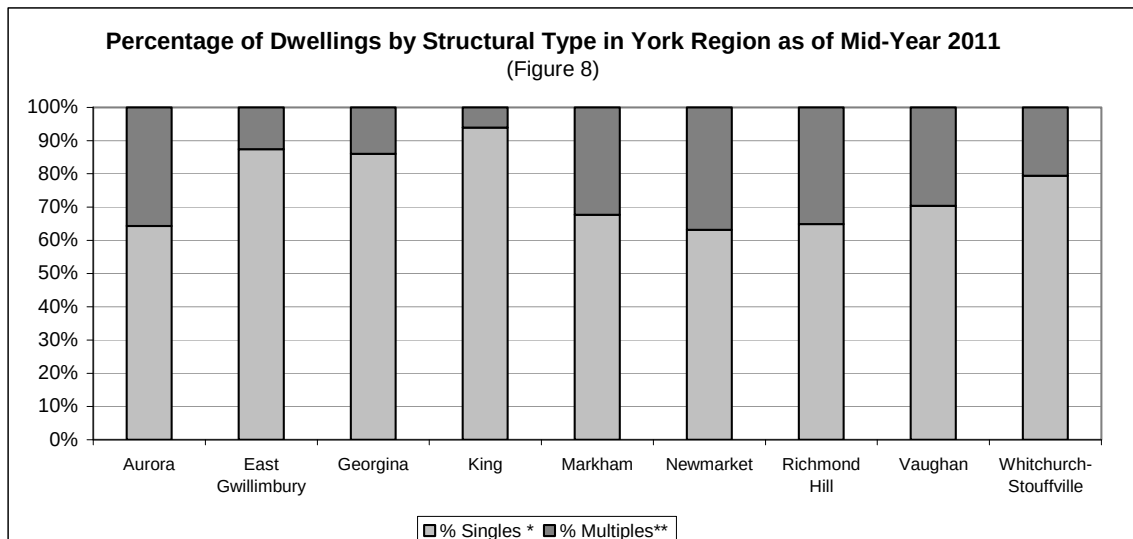
Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2010 and 2011;
Toronto Real Estate Board, Market Watch, 2010; York Region Planning and Development
Services Department, 2011

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 the Region's housing stock. A 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 70%. This percentage varies considerably

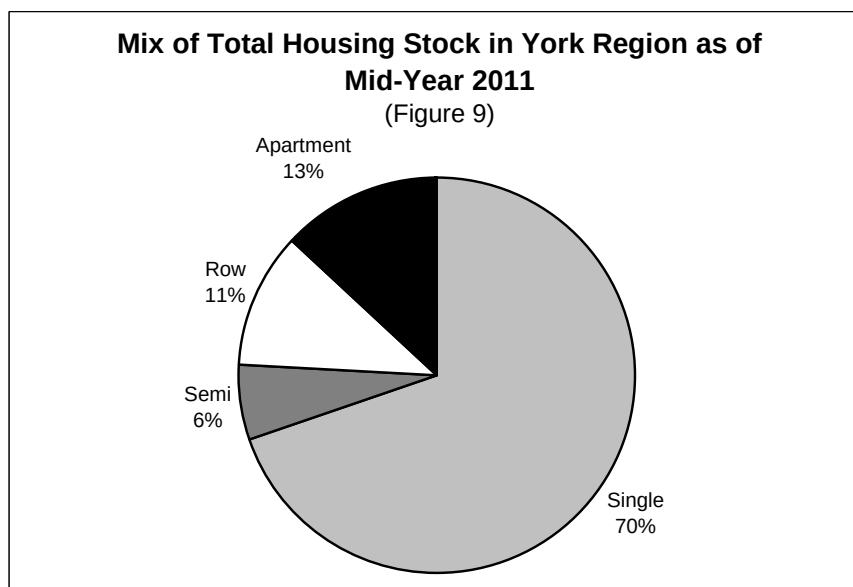
between the various local municipalities. The highest proportion of single detached dwellings occurs in King, at 94%, with the lowest proportion occurring in Newmarket, at 63% (Figure 8).



Source: York Region Planning and Development Services Department, 2011.

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, 2011, 30% of York Region's total housing stock was made up of multiple unit dwellings – 6% semi-detached, 11% row houses, and 13% apartment units (Figure 9).



Source: York Region Planning and Development Services Department, 2011.

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.



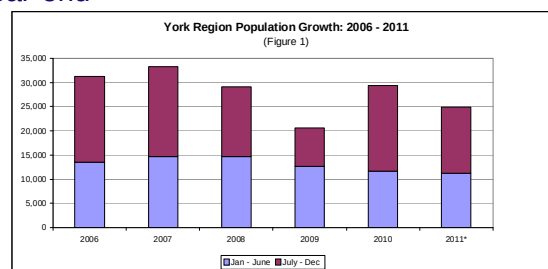
Economic and Development Review Mid-Year 2011

Presentation to Planning and
Economic Development
Committee

Paul Bottomley
October 5, 2011

Population Growth Remains Steady

- As of June 2011:
 - 1,073,200 total residents, representing growth of 11,200 from year-end 2010 (1.1% increase)
 - Forecast of approximately **1,087,000** people by year-end



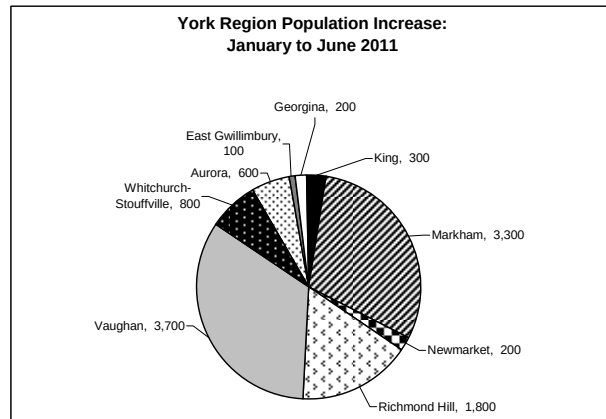
Source: York Region Planning and Development Services Department, 2011.
Note: *July to December 2011 values are based on population forecasts.



Planning and Economic Development Committee
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Slide 2

Population Growth Distribution



Source: York Region Planning and Development Services Department, 2011.
Note: All values in the Figure are rounded.

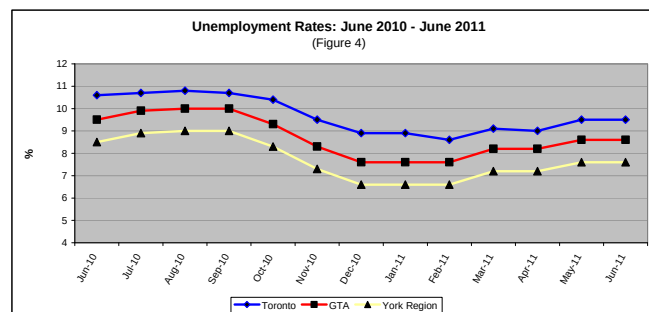


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Slide 3

York Region's Unemployment Rate has Decreased

- York Region's unemployment rate in June 2011 was 7.6% compared to 8.5% in June 2010



Source: Toronto Economic Development Division, Toronto Economic Indicators, 2010 & 2011.
Note: Based on unadjusted 3-month moving averages; York Region unemployment figures are estimates.

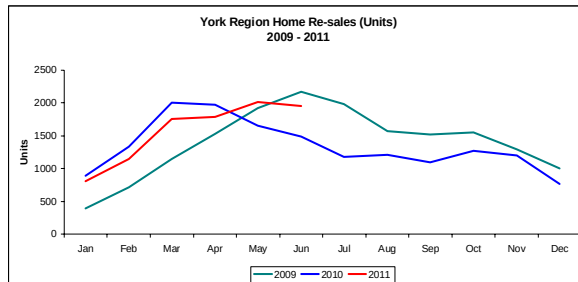


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October 5, 2011

Slide 4

Continued Strength in Resale Residential Property Market

- ❑ 9,466 resales recorded in York Region, valued at a record \$5.08B
- ❑ Average resale price for all dwelling types increased to \$536,865
- ❑ Average resale price for single detached dwellings increased 11.1% to \$638,158



Source: Toronto Real Estate Board, Market Watch, 2009 - 2011.



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Slide 5

Industrial and Commercial Vacancy Rates Declined

- ❑ York Region's industrial vacancy rate was 6.3%, down from 7.0%
- ❑ Vacancy rate in commercial/office nodes ranged from 4.5% to 11.6%
- ❑ Lease rates in commercial/office nodes ranged from \$12.71 to \$16.15 per square foot

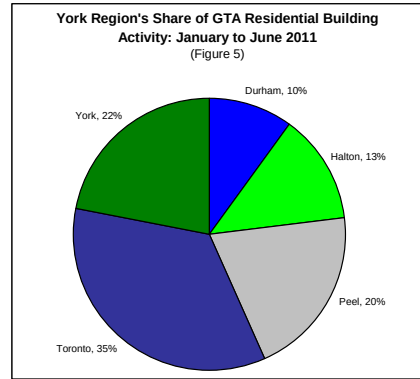


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Slide 6

Building Permits Issued for 3,574 New Residential Units

- ❑ Number of new residential units with permits issued up by 4.0%
- ❑ Permits were issued for over 16,288 new units in the GTA
 - ❑ York Region: 22% of GTA Total



Source: Local Municipal Building Permit Reports, 2011;
Statistics Canada Table 32.2 (unpublished), 2011.



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Slide 7

Across Canada, York Region 5th in Residential Building Permits

Cross Canada Comparison Mid-Year 2011: Residential Building Permits		
Rank	Municipality	# of Permits
1	Greater Vancouver Regional District	8,908
2	City of Toronto	5,640
3	City of Montréal	5,318
4	City of Calgary	4,140
5	York Region	3,574
6	City of Edmonton	3,412
7	City of Québec	3,397
8	Peel Region	3,299
9	City of Ottawa	2,893
10	Halton Region	2,141

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2011;
York Region Planning and Development Services Department, 2011.

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

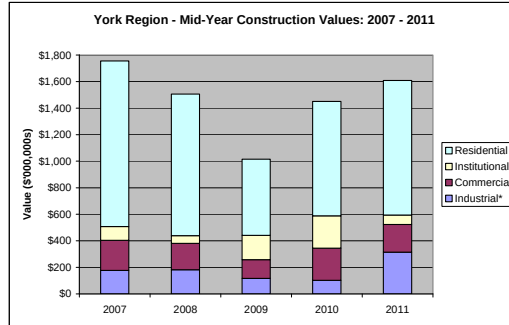


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Slide 8

Building Permit Construction Values Increased

- ❑ The total value of construction reached \$1.61 billion – up 11.0%
- ❑ 37.0% of total value from ICI construction



Source: York Region Planning and Development Services, 2011.
Note: *Agricultural permits are included under the Industrial category



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October 5, 2011

Slide 9

Housing Starts and Housing Completions Increased

- ❑ 3,962 housing units were started – an increase of 27.2%
 - ❑ 47.2% were multiple unit dwellings
- ❑ 3,605 housing units were completed – an increase of 6.8%
 - ❑ 48% were multiple unit dwellings



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Slide 10

Activity has Increased in all Residential Indicators

York Region Residential Building Activity: January to June 2010 & 2011			
	Jan - June 2010	Jan - June 2011	% Change
New Residential Permits	3,438	3,574	4.0%
Housing Starts	3,115	3,962	27.2%
Housing Completions	3,377	3,605	6.8%
Housing Resales	9,340	9,466	1.3%

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2010 and 2011;
Toronto Real Estate Board, Market Watch, 2010; York Region Planning and Development
Services Department, 2011



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Slide 11

Key Points for Mid-Year 2011

- ❑ Population increased by 11,200 to reach 1,073,200
- ❑ Unemployment Rate declined to 7.6% from 8.5%
- ❑ A 1.3% increase in residential resales (9,466) valued at \$5.08 billion
- ❑ Average residential resale prices:
 - ❑ All Units - \$536,865 (8.9% increase)
 - ❑ Single Detached - \$638,158 (11% increase)
- ❑ Total value of building permit construction valued at \$1.6 billion (%11 increase)
 - ❑ ICI construction accounted for 37.0% of total
- ❑ Residential building permits and housing starts and completions all increased



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October 5, 2011

Slide 12

Key Observations

- ❑ York Region's share of GTA residential permits has ranged between 22% to 29% since 2006
- ❑ Over last 6 months resale values for all structure types up between 6% to 10%
- ❑ Building permits below forecast - impact on DC collections
- ❑ 2011 ICI construction value (\$595 million) is the highest over last 5 years
 - ❑ subway accounts for \$205 million
- ❑ New multiple unit dwelling mix has increased from 41% to 48% since 2006



Planning and Economic Development Committee
October 5, 2011

Slide 13

Staff Recommends Circulation of EDR Mid-Year 2011

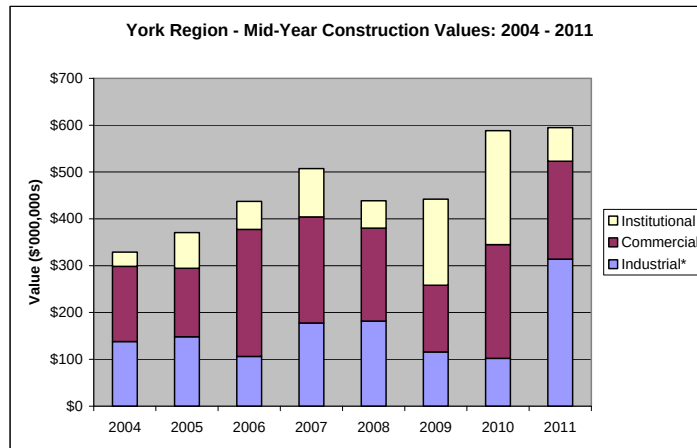
- ❑ Circulate digital version of EDR Mid-Year 2011 to public, local municipalities, and agencies.
- ❑ Make available on corporate website.



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October 5, 2011

Slide 14

Historical Mid-Year ICI Construction Values



Source: York Region Planning and Development Services, 2011.

Note: *Agricultural permits are included under the Industrial category.



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October 5, 2011

Slide 15