

Clause 4 in Report No. 9 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on May 19, 2016.

4

Growth and Development Review 2015

Committee of the Whole recommends:

1. Receipt of the presentation by Paul Bottomley, Manager, Policy, Research and Forecasting.
2. Adoption of the following recommendation contained in the report dated April 28, 2016 from the Commissioner of Corporate Services and the Chief Planner:
 1. This report be received for information.

Report dated April 28, 2016 from the Commissioner of Corporate Services and Chief Planner now follows:

1. Recommendation

It is recommended that this report be received for information.

2. Purpose

The purpose of the Growth and Development Review, 2015 (Attachment 1) is to provide Council with key development and population indicators in York Region and report on the competitiveness of York Region's economy within the Greater Toronto and Hamilton Area (GTHA), the Province and Canada.

3. Background

Annual Growth and Development Review reports provide a broad perspective on important economic indicators

Since 1995, York Region has published a Growth and Development Review report each year. This report highlights a number of key economic indicators which illustrate general trends in the economy. The 2015 report includes information on:

- Economic outlook
- Population growth
- Residential market and building activity
- Industrial, Commercial and Institutional (ICI) market and building activity, and
- Overall construction value and tax assessment

Data for this review is sourced from Statistics Canada, the Canada Mortgage and Housing Corporation, the Toronto Real Estate Board and private firms which published documents summarizing key trends within the GTHA and beyond. A thorough understanding of this information provides background for effective policy development, York Region Official Plan, 2010 (YROP-2010) monitoring, and economic strategy initiatives.

4. Analysis and Options

The strengthening U.S. economy benefits York Region businesses

In 2015 the Global economy recorded moderate GDP growth of 3.1%. The outlook for 2016 continues to be moderate, with Global GDP expected to rise to 3.4% and U.S. GDP expected to be 2.6%. Interest rates, expected to remain low in 2016, will continue to spur economic activity. Additionally, oil prices in 2015 declined from \$55.58 per barrel in 2014 to \$36.26 in 2015. It is anticipated that the GTHA will directly benefit from lower energy costs, as this will increase demand for exports in the U.S. as well as lower business operational costs.

The U.S. economy continues to remain resilient and is anticipated to record steady growth in the employment and housing markets, which bodes well for the Canadian economy and York Region. The U.S. is York Region's largest trading partner, with the Region exporting approximately \$4 billion in goods annually, mostly to the U.S. In addition, close to 60% of all foreign direct investment in York Region is from the U.S. and the majority of foreign-owned companies with

facilities in the Region are U.S. based. For these reasons, growth in the U.S. economy has a direct impact on growth on York Region’s economic activity.

York Region’s economy continues to create jobs, with total employment increasing steadily by 3.1% annually since 2011. As reported in the York Region Employment and Industry report to Council on March 24, 2016, from 2014 to 2015, there were approximately 13,300 jobs added for an estimated total of 577,600 jobs in the Region. The population to jobs activity rate is equal to a ratio of 2:1, which is in line with the YROP-2010 target.

York Region’s population grew by 21,500 in 2015, accounting for 23.8% of GTHA 2015 growth

York Region’s population grew by 21,500 (1.9%) in 2015 to 1,166,300 people. The YROP-2010 includes forecasted population targets of 1,200,100 in the year 2016 (mid-year) and 1,500,000 in 2031 (mid-year). It is anticipated the Region will be slightly below the 2016 forecast. To reach the 2031 forecast, annual population growth of approximately 22,250 would need to occur between now and then.

All municipalities within York Region experienced growth in 2015. Markham, Vaughan and Richmond Hill recorded the greatest increases in population of approximately 8,000, 5,600 and 3,700 respectively (Figure 1). King Township experienced the greatest rate of growth in York Region for 2015 at 3.8%.

Figure 1
York Region 2015 Population Increase and % Rate of Growth
by Local Municipality

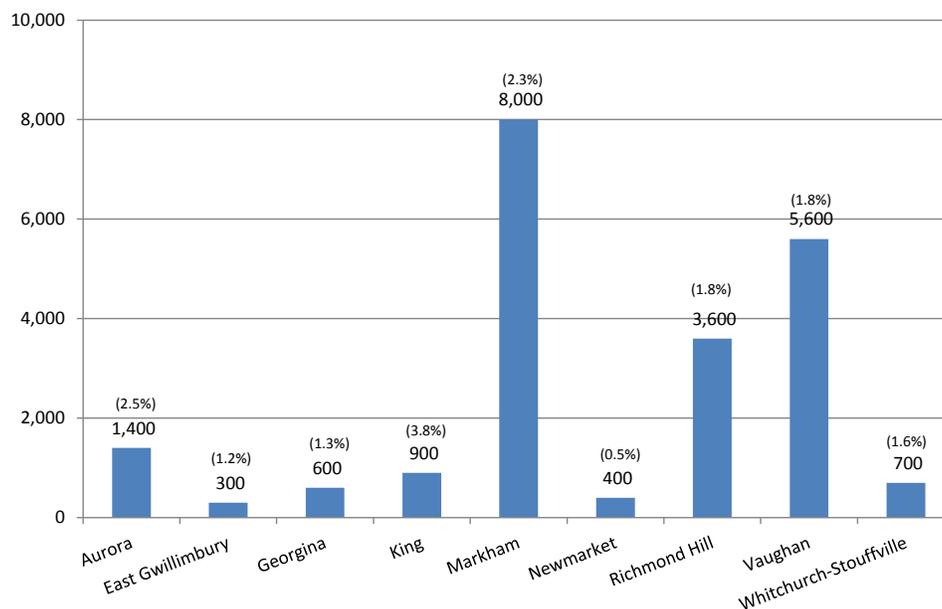
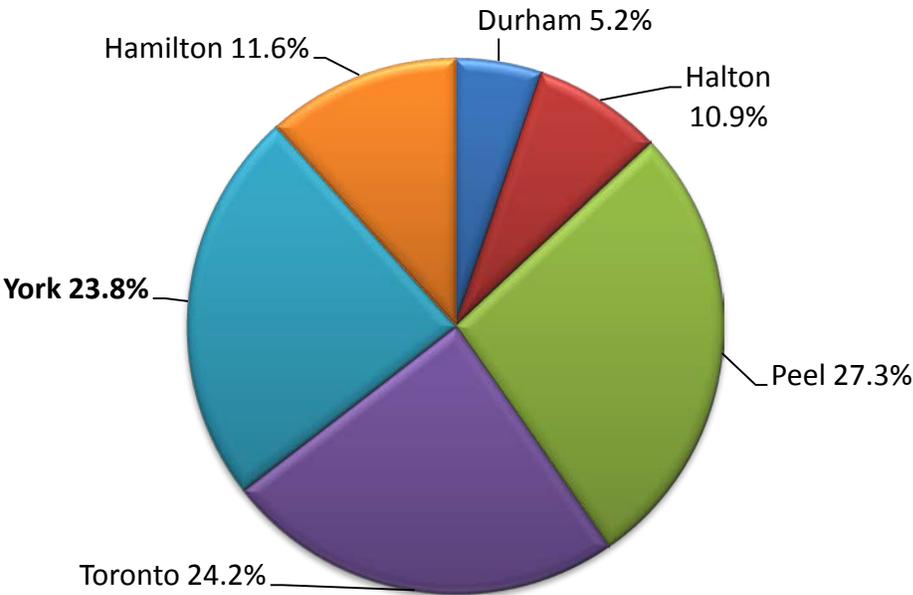


Figure 2
GTHA 2015 Population Growth: Shares by Municipality



York Region’s share of the total GTHA population has been relatively stable since 2011, accounting for approximately 16% of the GTHA population over the past five years. York Region’s growth of 21,500 people represented a 23.8% share of GTHA growth in 2015 (Figure 2), which decreased slightly from its 2014 share of 26%. The Region’s share of population growth in 2015 was third to Peel’s share of 27.3% and the City of Toronto’s share of 24.2%.

Housing prices in York Region continue to increase with the average price of a resale unit in 2015 increasing by 13.5% from 2014

The residential resale housing market continues to be active within York Region. Total resale numbers fluctuated very little between 2010-2014, ranging from a low of 16,502 in 2010, to a high of 17,085 in 2014. In 2015, a new high of 19,146 resale units was observed, increasing by 12.1% over 2014. The 5 year average for resales (2011-2015) was 17,270 units.

House prices within the Region continue to rise, with the average cost of a resale residential unit (all dwelling types) being \$777,927 (Table 1) and the average cost of a resale single detached unit increasing by 15% in 2015 to \$943,441 compared to \$820,378 in 2014. York Region’s average resale housing price (all dwelling types), is roughly 25% higher than the Greater Toronto Area average of \$622,217 (GTHA data not available).

According to the Toronto Real Estate Board, the strong price growth experienced in 2015 can be explained by a constrained supply of listings, resulting in more competition and aggressive offers. Increasing housing prices can also be partially attributed to the high desirability of living in York Region. The Region continues to attract a highly skilled workforce, a key element that makes the Region an attractive destination for potential employers.

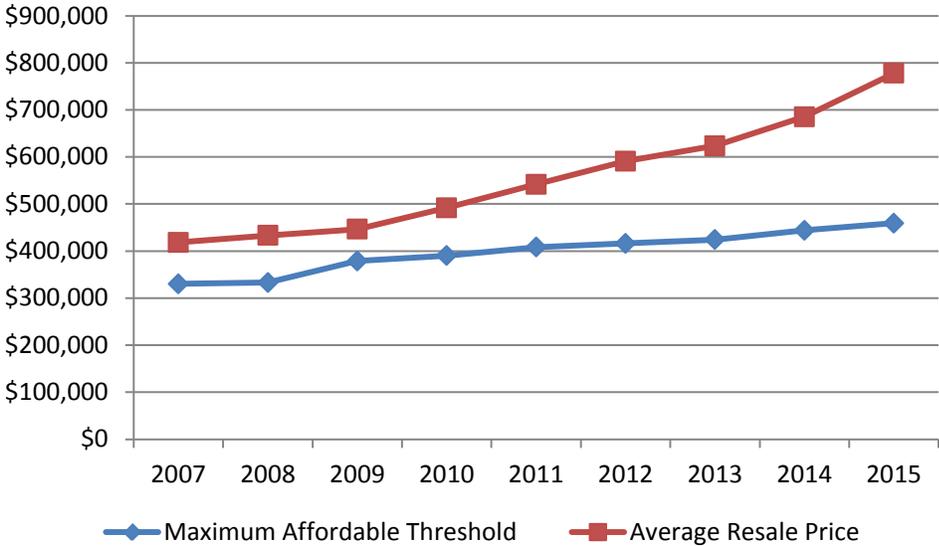
Table 1
Total Number of Resales and Average Price
2014 and 2015 (all dwelling types)

	Sales		Average Price	
	2014	2015	2014	2015
Aurora	929	1,091	\$654,665	\$745,673
East Gwillimbury	361	335	\$589,417	\$623,104
Georgina	901	1,050	\$366,729	\$410,452
King	327	426	\$977,899	\$1,006,760
Markham	4,737	5,309	\$707,968	\$803,695
Newmarket	1,478	1,753	\$531,265	\$618,428
Richmond Hill	3,534	3,846	\$762,258	\$887,198
Vaughan	3,985	4,402	\$716,365	\$797,682
Whitchurch-Stouffville	833	934	\$657,987	\$789,706
York Region Total	17,085	19,146	\$685,200	\$777,927

The gap between the maximum affordable housing threshold of \$459,170 and average resale price of homes in York Region is increasing

The *Provincial Policy Statement, 2014* and *Growth Plan for the Greater Golden Horseshoe, 2006* include an affordable housing definition that establishes upper affordable housing price thresholds. In 2015, the year-end maximum affordable ownership price in York Region was calculated to be \$459,170, compared to the average resale price (all unit types) of \$777,927. While the average resale price of homes (all dwelling types) increased by 13.5% over the 2014 price of \$685,200, the maximum affordable ownership price increased only by 3.4% (\$443,874 in 2014). This gap has been steadily increasing since 2006 (Figure 3). While affordable housing targets in the YROP-2010 are associated with new housing developments, resale units have been used as an indicator due to data limitations with new home prices.

Figure 3
York Region Affordable Threshold vs. Average Resale Price, 2007 to 2015



As resale and new home prices within York Region continue to rise, offering and increasing the range of affordable housing options remains an ongoing priority. The YROP-2010 includes requirements for a diversity of housing types and a minimum requirement that 25% to 35% of new housing developments be affordable. In addition, the Affordable Housing Measuring and Monitoring Guidelines were developed in conjunction with the 10-Year Housing Plan in order to ensure a comprehensive approach to addressing housing in the Region.

Based on an analysis of new residential dwellings currently on the market, affordable options include condominiums throughout the Region and singles, semis and rows within select municipalities. Monitoring to date indicates that while the YROP-2010 affordability targets are being met region-wide, it is clear that the needs of all households are not being met due to the uneven geographic distribution of affordable units, the lack of affordable family sized units and the lack of units available at below the affordability threshold. Ongoing strategic initiatives continue to address housing affordability and monitor progress towards affordable housing targets.

The recent Federal budget proposes to invest \$2.3 billion in affordable housing over two years starting in 2016-2017. The Region will continue to advocate the Province and Federal government to commit to integrated and sustainable provincial and national housing strategies.

Residential building permits are up 51% from 2014, while housing completions decreased by 7%

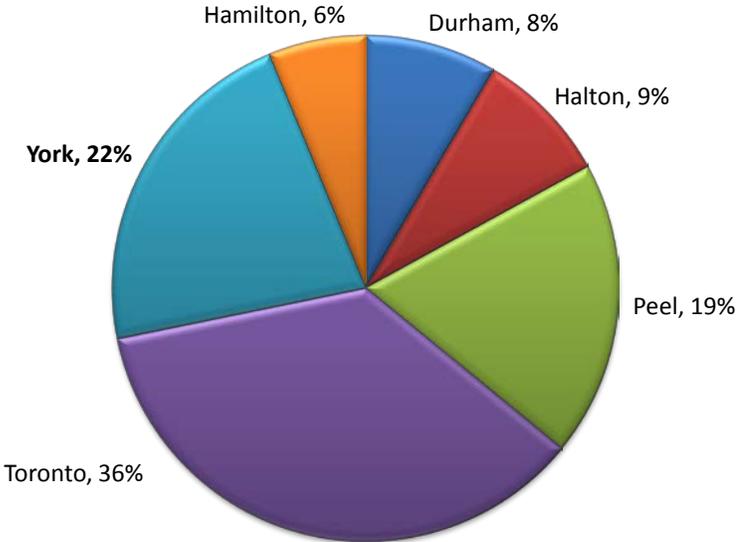
Trends in new housing activity can be assessed by looking at the building permits issued and housing completions. Building permits show construction underway (or soon to be underway), while housing completions provide a record of units recently occupied, or ready to be occupied.

New residential building permits were issued in 2015 for 9,546 dwelling units, representing a 51% increase from the 2014 total of 6,339 units. Vaughan and Markham accounted for approximately 50% of the total residential building permit activity in 2015 with 31% and 19% respectively.

The number of building permits issued in Whitchurch-Stouffville, Vaughan and the Town of Newmarket increased from 2014 levels of 529%, 239% and 147%. These increases are predominantly a result of the increasing numbers of apartment units within these local municipalities.

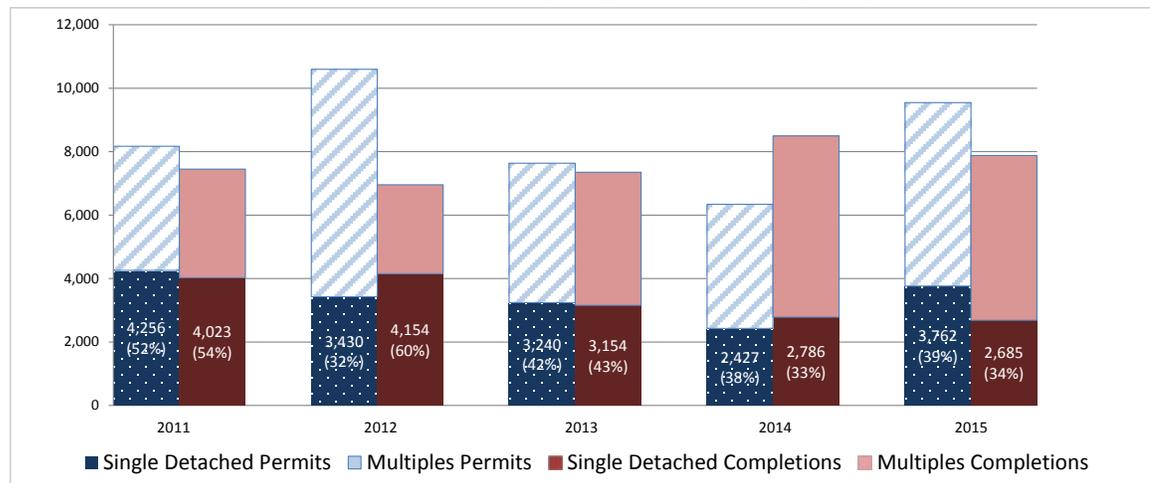
Although housing completions in the Region decreased by 7% from the 2014 numbers, York Region continues to be a strong contributor to GTHA development activity accounting for a 22% share of 2015 GTHA residential building permit activity (Figure 4), second only to the City of Toronto.

Figure 4
2015 GTHA Residential Building Permit Activity: Shares by Municipality



A review of York Region building permits and housing completions over the last five years (Figure 5), confirms that the mix of housing available continues to diversify. In 2015, multiple unit dwellings accounted for 61% of new residential permits issued. The 2015 breakdown of residential building permits was 39% single-detached, 2% semi-detached, 23% row and 36% apartment.

Figure 5
York Region Residential Building Permits and Housing Completions
2011-2015 (singles vs. multiples)

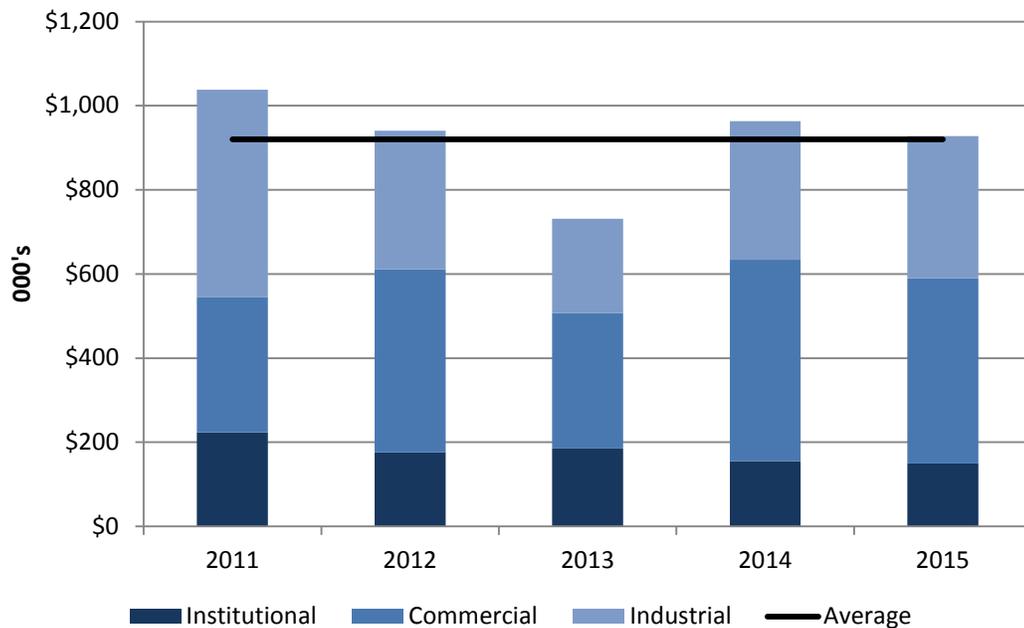


As outlined in the 2015 Development Activity Summary report to Council on March 24, 2016, registration of plans of subdivision and plans of condominium for 2015 has remained strong. In total, 42 plans of subdivision and 7 plans of condominium were issued clearances for a total of 8,942 residential units in 2015. Therefore, it is anticipated that building permit and housing completion activity will remain steady in the coming year.

Total Industrial, Commercial and Institutional construction value decreased slightly by approximately 4% in 2015

The total Industrial, Commercial, and Institutional (ICI) construction value for the year of 2015 was \$927 million. Despite the slight decrease from 2014, the value remains strong in 2015, slightly above the average ICI value of the last five years (Figure 6). Vaughan and Markham’s share of ICI construction accounted for 80% of the total value with 48% and 32% respectively.

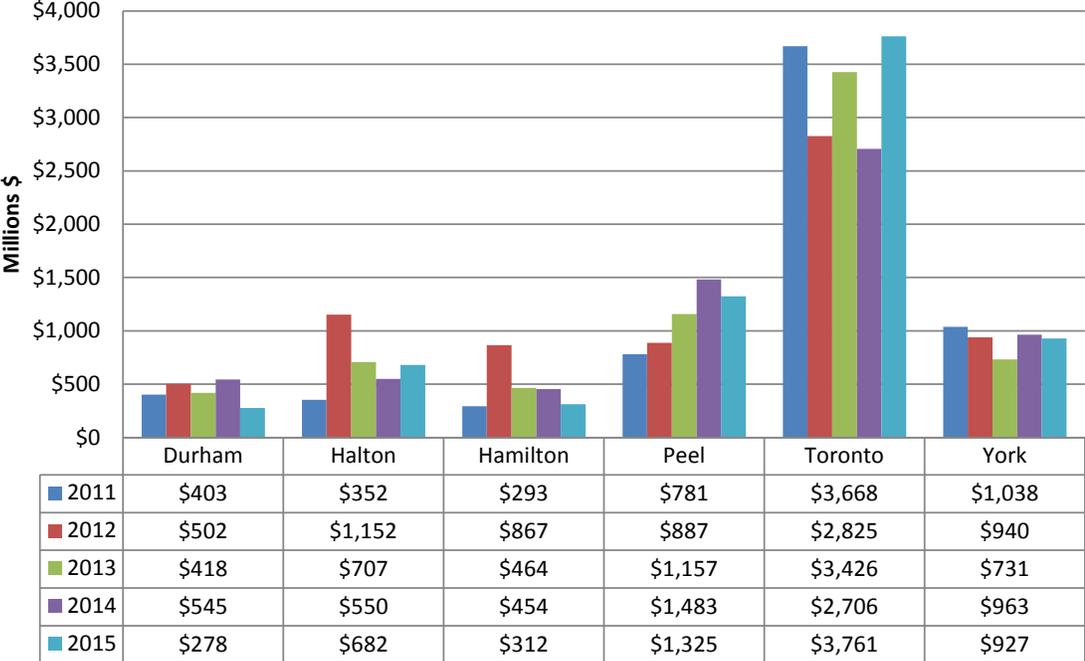
Figure 6
York Region ICI Construction Values 2011-2015



A few high-value building permits can result in large annual fluctuations in ICI building permit values. Some notable ICI projects for which building permits were issued in 2015 and contributed to the strong overall ICI permit values included a \$50 million 13 storey commercial building for Aviva's new headquarters in Markham and two building permits issued for \$56 million for the construction of Mobis' (Hyundai Canada) new warehouse, also in Markham.

Within the GTHA, York Region accounted for 12.7% of the total ICI construction values for 2015 (Figure 7). Overall, the GTHA recorded a 9% increase in the value of ICI construction from 2014. Halton and Toronto recorded increases in total ICI construction, while the remaining four GTHA regional municipalities experienced declines.

**Figure 7
GTHA ICI Construction Values 2011-2015**



As investment in new ICI development has occurred, so have employment opportunities within the Region. As noted in the York Region Employment and Industry Report 2015, before Council in March 2016, York Region’s growth once again outpaced provincial and national averages in 2015, posting a gain of 2.4%. York Region exhibited positive employment growth in 2015 with total employment estimated at 577,600, an increase of 13,300 jobs from 2014.

York Region’s economic activity and population growth continues to be a significant contributor to the provincial and national economies

York Region continued to record steady growth in 2015. A review of building permits issued and housing completions reveals that York Region continues to provide a mix of new housing. This is in line with the direction in the YROP-2010, which is to increase the variety, mix and type of multi-unit dwelling types being developed. This will assist in providing more affordable housing options within the Region.

York Region remained 7th in 2015 for the value of ICI construction across Canada. Within the GTHA, York Region ranked third for the value of ICI construction behind Toronto and Peel Region.

Total 2015 estimated value of construction of \$3.89 billion is the highest value on record for York Region

Total estimated value of construction in 2015 was approximately \$3.89 billion, compared to \$2.86 billion recorded in 2014, a significant increase of 35.8%, and the highest value on record for the Region. Total construction value, including residential and non-residential values, is important as it is correlated with the new development component of tax assessment growth over subsequent years.

York Region continues to experience job growth. According to the Cushman & Wakefield MarketBeat, the drop in the international price of oil and the stronger U.S. dollar means that the GTHA's industrial markets are expected to experience a strong demand from the U.S. for goods and services, translating to expected growth in 2016.

In summary, York Region continues to be a significant contributor to the provincial and national economies, ranking within the top ten municipalities in relation to:

- The Region's contribution to Canada's population
- Number of residential building permits issued
- Value of new ICI construction
- Value of total construction (ICI and residential combined)

Link to key Council-approved plans

The Growth and Development Review 2015 provides information that monitors the Region's economy as required in the YROP-2010 and Vision 2051. 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 Growth and Development Review report is a vehicle for highlighting and showcasing the Region as a destination to live, work and play.

The 2015-2019 Strategic Plan includes strategic priority areas that aim to 'Strengthen the Region's Economy' and 'Support community health and well-being'. It seeks to 'increase the range of available and affordable housing choices' and 'foster an environment that attracts growth and maintains businesses'. The Growth and Development Review report monitors and reports on the Region's performance in these areas.

The Growth and Development Review report also supports the ongoing monitoring and progress of the Region's 10-Year Housing Plan by reporting on the affordable home ownership thresholds, average resale and new home prices.

5. Financial Implications

Development Charges (DCs) are a major source of funding for the Region's Capital Plan. Regional DCs are collected when a plan of subdivision is registered and when a building permit is issued. The total Regional DCs collected in 2015 was \$258.3 million compared to \$264.2 million in 2014. It should be noted that DC rates are expected to increase as of June 2017 when York Region's DC bylaw is updated.

The economic indicators presented in this report will assist Council to effectively monitor, evaluate and respond to variations in the Region's economic landscape.

6. Local Municipal Impact

Regional economic indicators are important in evaluating economic trends across the Region. The Growth and Development Review 2015 report provides local municipal economic development and planning officials with a summary of York Region's economy. The information is used as a basis for informing decision making, devising strategies, and attracting new businesses to the Region.

7. Conclusion

York Region continued to demonstrate growth in key areas such as population, employment, construction values and the housing market. York Region's economic activity is a significant contributor to the provincial and national economies, as it continues to exhibit growth in these key areas. The projected strength of the U.S. economy in 2016 will bode well for York Region businesses as lower energy costs and a lower Canadian dollar drive demand for exports.

While affordable housing continues to be a challenge, York Region's Affordable Housing Measuring and Monitoring Guidelines and 10 Year Housing Plan are starting to address this issue in encouraging a mix of housing choices for residents. Low interest rates forecasted for 2016 will continue to spur activity in the housing market. The Region will continue to advocate for the Province and Federal government to commit to integrated and sustainable provincial and national housing strategies, and to provide long term, stable and flexible funding for the provision and maintenance of affordable housing.

The Growth and Development Review 2015 report monitors and reports on key performance measures and highlights York Region as a destination to live, work and play.

Growth and Development Review 2015

It is proposed that the attached Growth and Development Review 2015 report be posted on the Region's website for use by municipalities and agencies, local chambers of commerce and board of trade, and the public.

For more information on this report, please contact Paul Bottomley, Manager, Policy, Research and Forecasting at ext. 71530.

The Senior Management Group has reviewed this report.

April 28, 2016

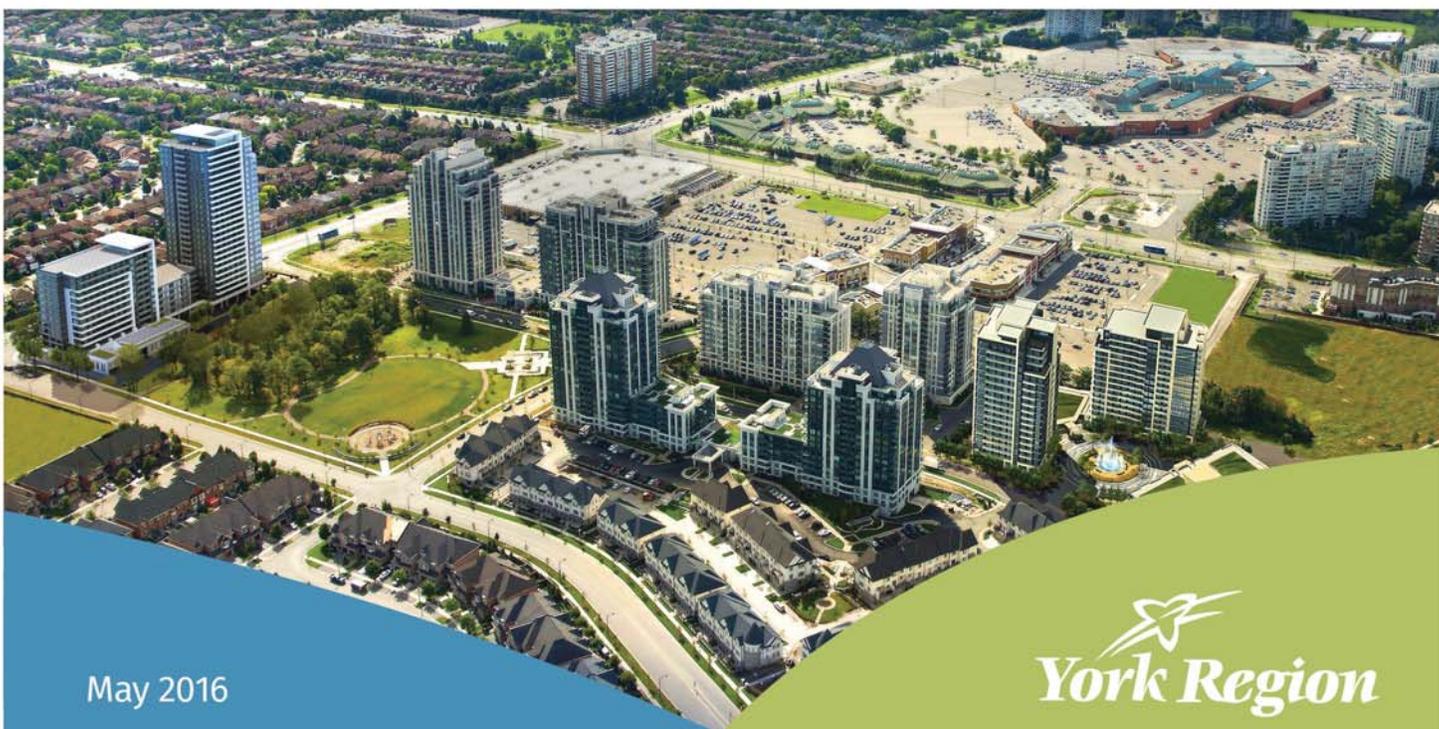
Attachments (1)

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Accessible formats or communication supports are available upon request



2015 **Growth** and **Development** Review



May 2016


York Region



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Highlights

Data Sources

- The source for the information summarized in this report is *York Region, Corporate Services, Long Range Planning Division 2015*, unless otherwise noted

Economic Outlook

- York Region's GDP growth is strongly related to U.S. GDP growth
- According to the International Monetary Fund (IMF), global growth is expected to increase in 2016 to 3.4% over 2015 levels of 3.1%
- Both Canada and the U.S. are expected to record increases in GDP growth rates in 2016, at 1.7% and 2.6% respectively
- The U.S. federal reserve is expected to keep interest rates low in 2016 as is the Bank of Canada
- In 2016, U.S. employment and housing starts are both anticipated to continue the upward trend of the previous 5 years

Population Growth

- York Region recorded 21,500 new residents (1.9% population growth) in 2015, to a year end population of 1,166,300
- Over the last 5 years, population growth within the Region has averaged 1.9%
- All municipalities experienced population growth in 2015, with growth rates ranging between 0.5% in Newmarket to 3.8% in King Township
- Markham and Vaughan experienced the greatest population increases of 8,000 and 5,600 people respectively
- York Region accounted for a 23.8% share of the GTHA population growth, and now accounts for 16.2% of the total GTHA population
- York Region is the sixth largest municipality in Canada

Residential Market and Building Activity

- Residential resales recorded a significant increase of 12.1% to a total of 19,146 units
- The value of York Region residential resales was \$14.97 billion, up from \$11.7 billion in 2014
- The average resale price increased by 13.5% to \$777,927
- The gap between the affordable threshold (\$459,170 for 2015) and average resale price continues to increase
- The number of residential building permits issued, 9,346, is up 50.6% from 2014, and higher than the 5 year average of 8,500
- Multiple unit dwellings accounted for 61% of new residential permits issued
- Markham and Vaughan accounted for approximately 50% of the total

residential building permit activity in 2015

- York Region accounted for 22% of the GTHA's residential building permit activity, second to the City of Toronto's 36% share
- The number of residential building permits issued in York Region was the fifth highest in Canada in 2015, following behind the City of Calgary
- Residential completions in York Region decreased by 7.0% in 2015 to 7,883

Industrial, Commercial and Institutional market and Building Activity

- According to Cushman & Wakefield, the GTA industrial market has over 777.5 million square feet of inventory with York Region's inventory at 148.3 million, a 19.1% share
- Industrial construction values increased from 2014 levels by 3%, while commercial and institutional decreased by 8% and 4% respectively
- Notable ICI projects for which building permits were issued in 2015 included a \$50 million 13 storey commercial building for Aviva's new headquarters in Markham and two permits issued for combined for a grand total of \$56 million for the construction of Mobis' (Hyundai Canada) new warehouse, also in Markham.

Overall Construction Value, Development Charges and Tax Assessment

- Total estimated construction values for building permits issued in 2015 was the highest ever recorded in York Region, at approximately \$3.89 billion, up 35.8% from \$2.86 billion recorded in 2014
- York Region ranked sixth in total construction value among Canadian municipalities
- York Region's overall assessment growth (new assessments and reassessments) was 7.9% in 2015
- York Region's share of the GTA's total assessment in 2015 was 20.0%, second to the City of Toronto which had 45.1% of the share

According to the International Monetary Fund (IMF) Global Growth is expected to rise moderately in 2016 over 2015 levels

Emerging/developing economies projected to increase from 4.0% in 2015 to 4.3% and 4.7% in 2016 and 2017 respectively

China's growth to slow from 6.9% to 6.3% while India will grow from 7.3% to 7.5%

Advanced economies to rise to 2.1% (a 0.2% increase)

Euro area growth outlook to remain steady at 1.7%

Russia to decline by 1.0% for 2016 amid geopolitical tensions

The U.S. economy remains resilient and will rise from 2.5% in 2015 to 2.6% for 2016

York Region GDP growth is related to the global recovery, particularly the U.S. recovery

Key External factors influencing growth of the Canadian, Ontario, and York Region economies

U.S. economy (largest market for York Region' businesses that export)

Oil prices

Value of the Canadian dollar

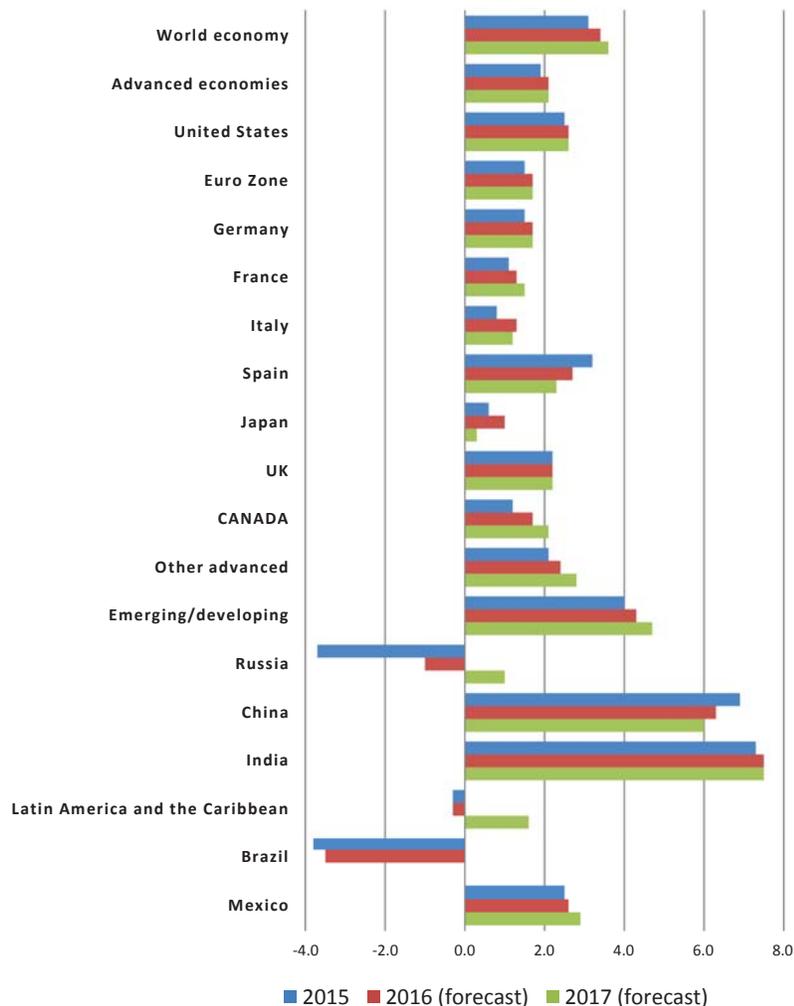
The U.S. federal reserve is likely to hold interest rates to historic lows through 2016, the Bank of Canada is expected to also keep interest rates low

1. Economic Outlook

Global and United States GDP projected to continue to record moderate growth in 2016

- Global economic activity is projected to be gradual rising from 3.1% in 2015 to 3.4% in 2016 and 3.6% in 2017
- Three key factors are influencing the global outlook: the slowdown of China and its rebalancing towards consumption and services, lower prices for energy and commodities, and a gradual tightening in U.S. monetary policy
- The U.S. economy remains resilient with GDP expected to be 2.6% for both 2016 and 2017, up slightly from 2.5% in 2015
- Due to lower oil and commodity prices, Canada's growth output is expected to remain low but rise from 1.2% in 2015 to 1.7% in 2016 and 2.1% in 2017

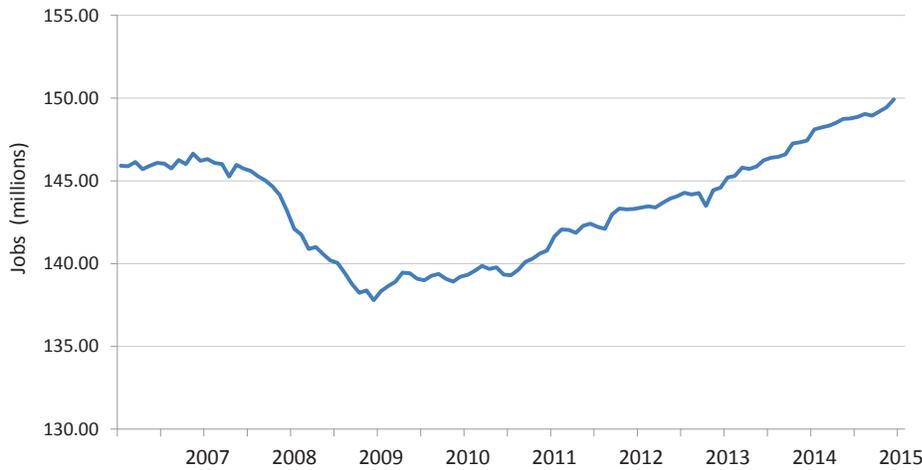
**Figure 1.1
Global Growth Forecast (%)**



Source: World Economic Outlook (January 2016); IMF

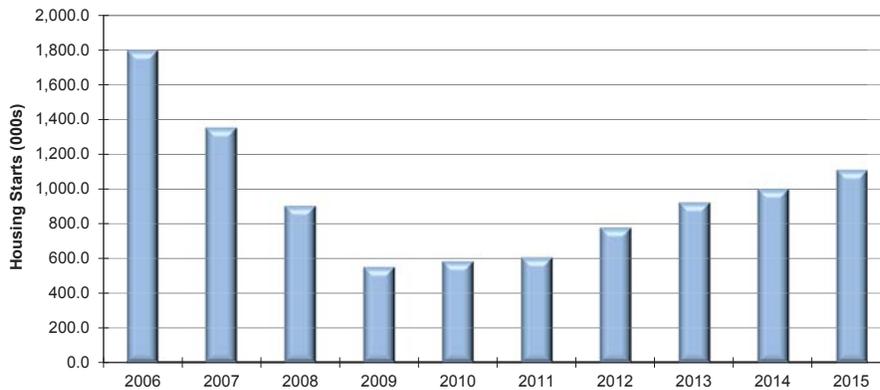
- U.S. employment trends continue to show positive job creation in 2015 (Figure 1.2)
- U.S. job numbers increased to 149.9 million, adding almost 2.5 million jobs in 2015
- A strengthening U.S. economy bodes well for York Region businesses that export to the U.S. market

Figure 1.2
U.S. Job Growth Trends, 2006-2015



Source: U.S. Bureau of Economic Research

Figure 1.3
U.S. Annual Housing Starts, 2006—2015



Source: U.S. Census Bureau—U.S. Department of Commerce

- U.S. housing starts recorded a 10.8% increase over 2014, to a total of 1,111.8 million in 2015
- Since 2011, U.S. job growth rates and annual housing starts are showing positive growth

There is a strong trade relationship between Canada and the U.S.

York Region businesses export an average of \$4 billion worth of goods and services annually. Regional businesses directly benefit from increased trade activity

The falling Canadian dollar promotes exports with the U.S. but impacts the importing of U.S. goods and services

Oil prices in 2015 continued their dramatic drop

The price of oil at the end of 2015 was \$36.26 per barrel, compared to \$55.58 in 2014 and \$99.15 in 2013

Home sales reflect confidence in the U.S. economy and can increase demand for Canadian goods such as raw building materials and manufactured products

Provincial Investment in Infrastructure will continue to stimulate the Provincial and York Region Economies

Toronto Transit Commission (TTC) expansion (within Toronto and into York Region)

400 series highways

VIVA Next

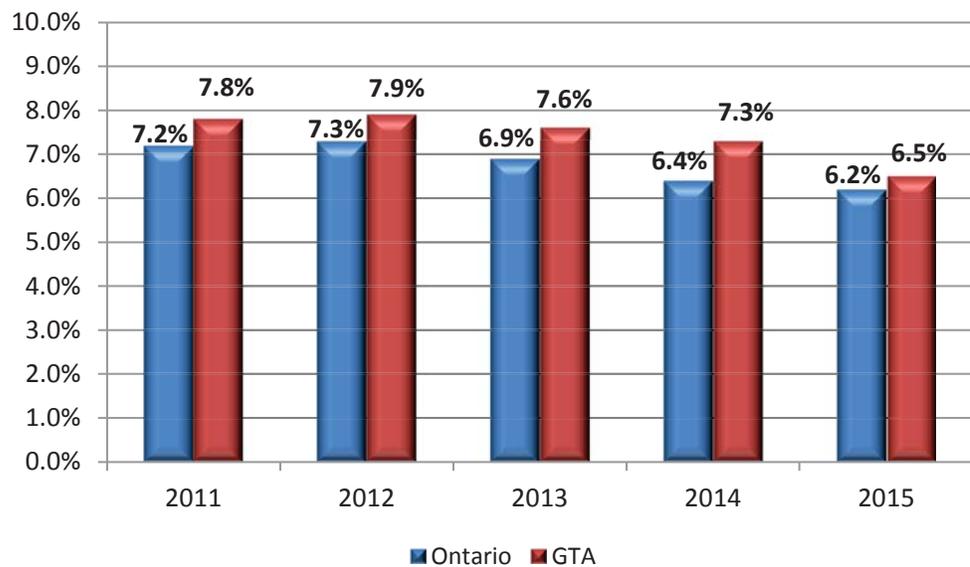
Go Transit

Vaughan Hospital

Economic Activity in Ontario, the GTA and York Region

- Non-resource based economies, such as Ontario, are projected to benefit from the depreciation of the Canadian dollar and energy cost savings associated with the drop in the price of oil, according to the Toronto Dominion Bank Provincial Economic Forecast Update
- The provincial unemployment rate has been decreasing steadily since 2012, from 7.3% down to 6.2% in 2015
- The unemployment rate in the Greater Toronto Area has also been decreasing since 2012, from 7.9% to 6.5% in 2015.
- York Region's unemployment rate was 5.7% at year-end 2015, better than both the Ontario and GTA rates

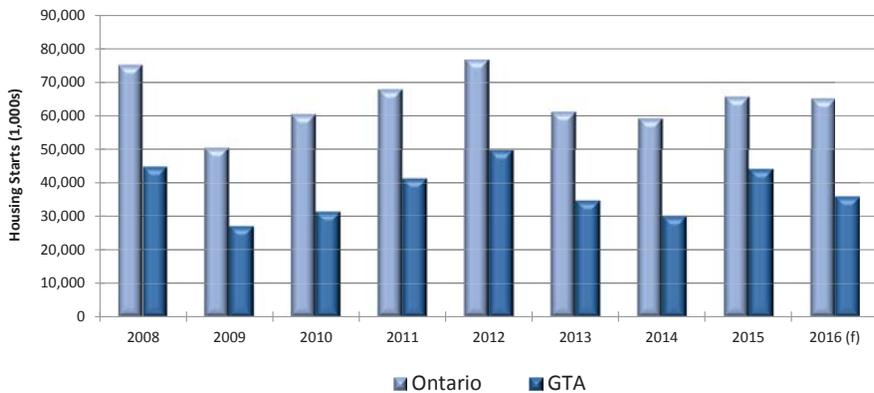
Figure 1.4
Ontario and GTA Unemployment Rates 2011-2015



Source: Toronto Economic Development Division, Toronto Economic Indicators
Note: Based on unadjusted 3-month moving averages

- According to the Canadian Mortgage and Housing Corporation housing starts in the GTA increased by almost 47% in 2015
- CMHC predicts that GTA housing starts will moderate in 2016, returning to levels seen during 2013 and 2014

Figure 1.5
Ontario and GTA Housing Starts, 2008-2015

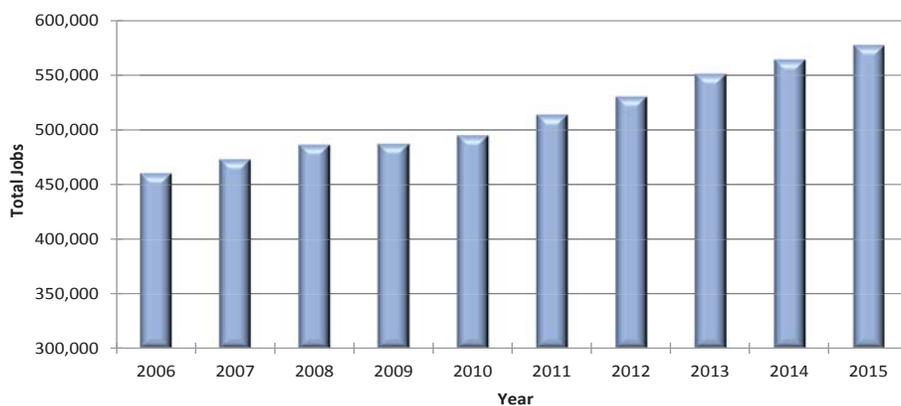


Source: Canada Mortgage and Housing Corporation

(f) - forecast

York Region’s Economy Continues to Create Jobs

Figure 1.6
York Region Total Employment, Mid-year 2006—2015



- From 2014 to 2015, there were approximately 13,300 jobs added for an estimated total of 577,600 jobs in York Region
- Total employment within York Region continues to steadily increase, averaging a 3.1% rate of increase since 2011

Local demand for computer and information systems professions reflects the strength of York Region’s Information Technology sector

Computer and Information Systems Professionals (part of the “Natural and Applied Sciences” category) was the most in-demand sub-occupation by local employers in 2015 with 2,729 job postings or 3.8% of total

Service-oriented occupations represented 77% of job postings from employers within York Region

- A review of 2015 job postings within the Region indicates a vibrant local economy and vibrant job market
- 88% of postings were for permanent positions
- 77% of postings were service-oriented positions, including sales and customer service, business and finance, sciences, management and healthcare
- The 77%/23% trend (service-oriented jobs to trades and manufacturing) recorded in 2015 is consistent with overall trends in the Canadian labour market
- Almost 86% of job postings were for employers in southern York Region, consistent with the geographic distribution of local businesses

**Table 1.1
York Region 2015 Job Posting Activity**

Occupational Category (NOC)	No. of Job Postings	Per Cent of All Job Postings
Sales and service occupations	17,352	24%
Business, finance and administration occupations	12,865	18%
Natural and applied sciences and related occupations	9,648	14%
Trades, transport and equipment operators and related occupations	9,542	13%
Management occupations	5,493	8%
Occupations in social science, education, government service and religion	4,000	6%
Occupations unique to processing, manufacturing and utilities	3,823	5%
Health occupations	3,470	5%
Not Classified	2,768	4%
Occupations in art, culture, recreation and sport	1,309	2%
Natural resources, agriculture and related production occupations	398	1%
Unavailable	238	0%
Total Number of Job Listings	70,906	100%

Source: Wanted Analytics Inc. 2015

Note: Job Posting data includes both newly created jobs and replacement jobs. Therefore, they cannot be used as an indicator for employment growth estimates..

2. Population Growth

York Region's Population Continues to Rise with 1.9% Growth in 2015

- The Region's population increased by approximately 21,500 persons in 2015 to a total population of 1,166,300
- The 2015 annual growth rate decreased slightly from 2.0% in 2014 to 1.9% (Figure 2.1)

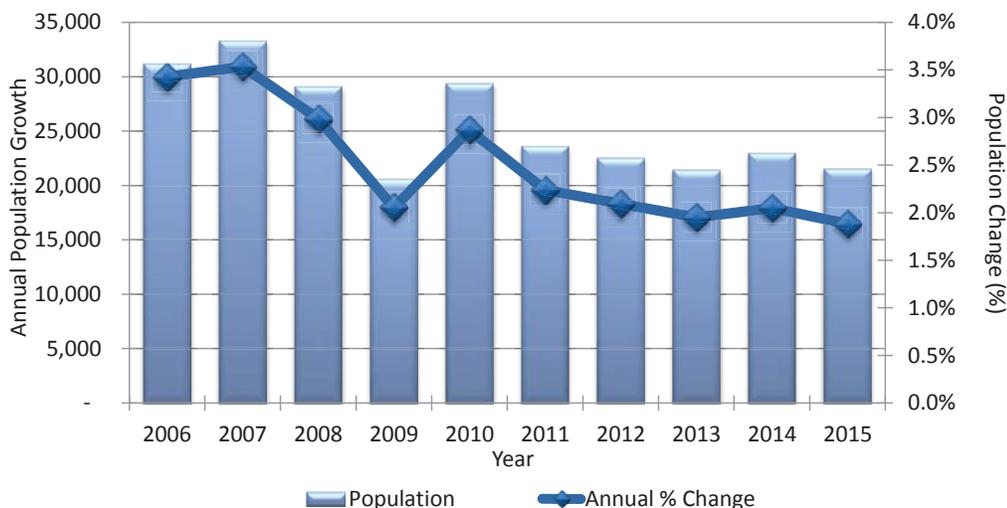
Table 2.1
York Region Population, 2014-2015

	2014	2015	Population Growth	Change (%)
Aurora	56,200	57,600	1,400	2.5%
East Gwillimbury	24,300	24,600	300	1.2%
Georgina	46,900	47,500	600	1.3%
King	24,000	24,900	900	3.8%
Markham	342,000	350,000	8,000	2.3%
New market	85,700	86,100	400	0.5%
Richmond Hill	203,200	206,900	3,700	1.8%
Vaughan	317,900	323,500	5,600	1.8%
Whitchurch-Stouffville	44,600	45,300	700	1.6%
York Region Total	1,144,800	1,166,300	21,500	1.9%

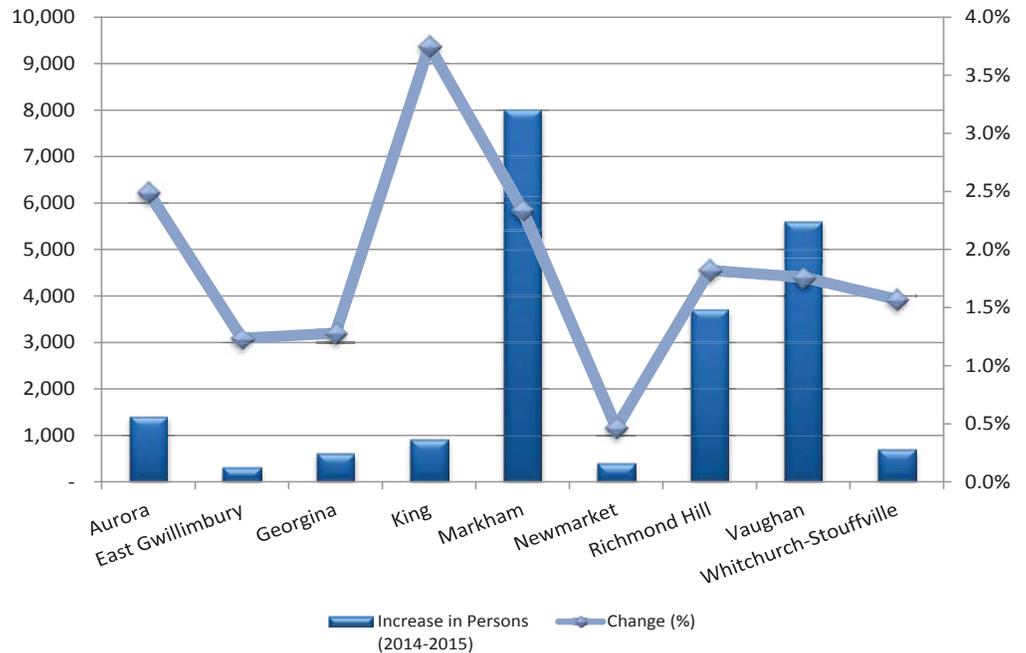
Source: York Region, Corporate Services, Long Range Planning Branch, 2014 and 2015.
Note: Numerical data in this report has been rounded, some totals may be affected.

- Population growth within York Region has been steady for the last several years averaging 1.9% per year since 2011

Figure 2.1



**Figure 2.2
Population and Annual Increase by Local Municipality (2014-2015)**



York Region is part of the broader GTHA Region encompassing over 7 million people

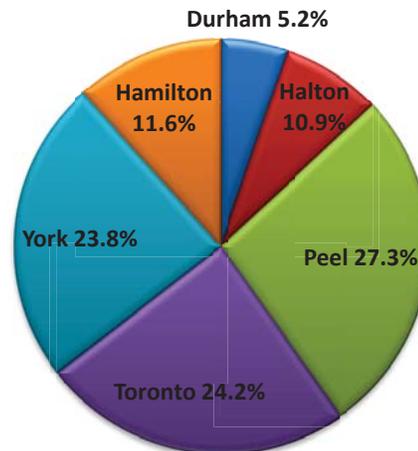
An expanding transportation network, high quality of life, vibrant diversified economy and availability of serviced land all contribute to York Region being a major growth area in the GTHA

- All municipalities in York Region are growing (Figure 2.2) with the largest population increases in the Region’s southern half

York Region’s Contribution to GTHA Growth is Significant

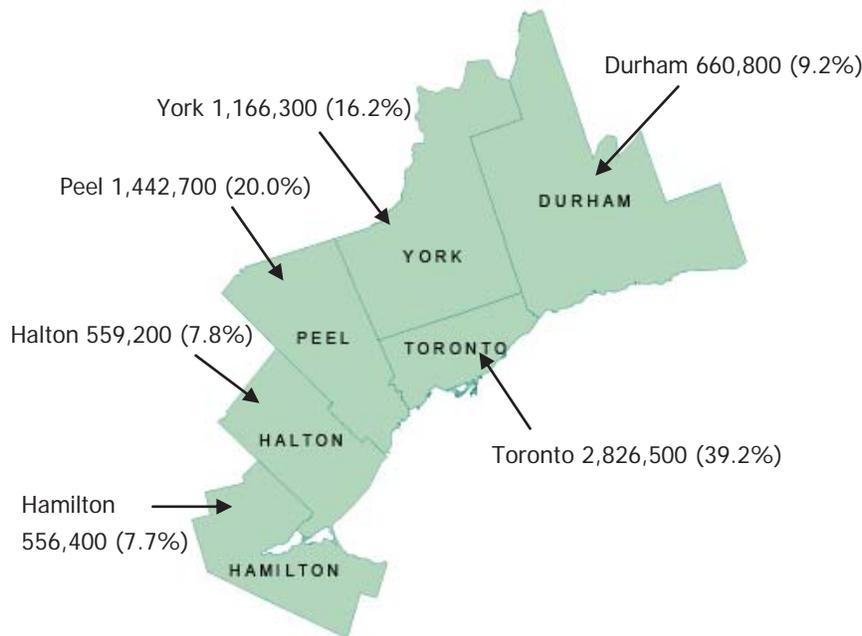
- By the end of 2015, the GTHA population was estimated at 7.2 million people, an increase of approximately 90,400 or 1.3% from 2014
- In 2015 York Region’s share of the GTHA’s growth was 23.8%

**Figure 2.3
2015 Share of GTHA Growth by Municipality**



Source: GTHA Municipalities, 2015

Figure 2.4
Share of 2015 GTHA Population by Municipality



York Region is one of the Largest Municipalities in Canada

- As of December 2015, York Region was the sixth largest municipality in Canada (Table 2.2)

Table 2.2
Canada's Largest Municipalities by Population, 2015

Rank	Municipality	Est. Population (2015)
1	City of Toronto	2,826,500
2	Greater Vancouver Regional District	2,513,900
3	City of Montréal	1,999,800
4	Peel Region	1,442,700
5	City of Calgary	1,230,900
6	York Region	1,166,300
7	City of Ottawa	960,800
8	City of Edmonton	903,000
9	City of Québec	806,400
10	City of Winnipeg	718,400

Source: Various Municipalities, 2015.

Note: List includes cities, Regions, and Regional Districts as defined locally.



The greater Toronto economic region is generally defined to include Hamilton in recognition of its contribution to this urban centre; the Greater Toronto and Hamilton Area, or GTHA. Within this report, data has been presented for the GTHA where available. Data which does not include Hamilton has been referenced accordingly (i.e. GTA).

Resale Homes Generate Significant Economic Activity

Use the services of a variety of professionals including: real estate agents, lawyers, appraisers, and surveyors

Generate taxes and fees

Generate associated spending on appliances, furniture, fixtures etc.

Key 2015 York Region Resale Home Facts

Accounted for 20.6% of total number of GTA resales

Accounted for 22.2% of total GTA resale value

Average number of days a residential dwelling was on the market - 21 days

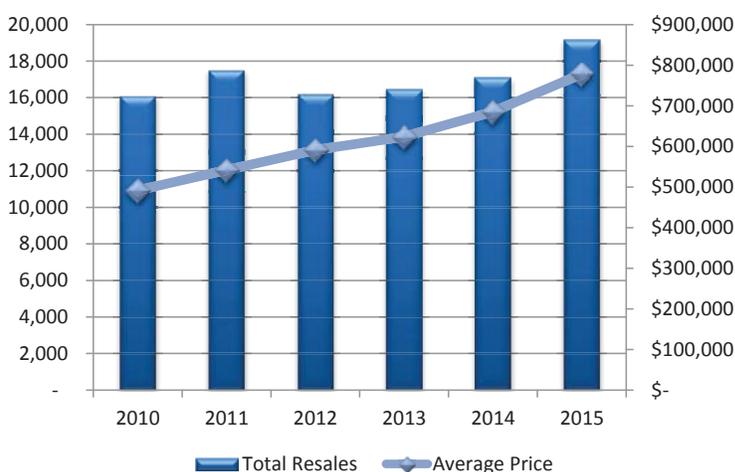
Average selling price - 100% of list price

3. Residential Market and Building Activity

The Residential Property Market was active in 2015, housing prices continue to increase

- The number of residential resales in York Region during 2015 totalled 19,146 dwelling units (Figure 3.1), an increase of 12.1% (2,061 units) from 2014
- Total value of all York Region residential resales in 2015 was approximately \$14.97 billion – up from \$11.7 billion in 2014 and \$10.3 billion in 2013

Figure 3.1
York Region Total Resales and Average Price, 2010-2015



Source: Toronto Real Estate Board, Market Watch 2010-2015.

Table 3.1
Total Number of Resales and Average Price (all dwelling types) by Local Municipality, 2014 and 2015

	Sales		Average Price (\$)	
	2014	2015	2014	2015
Aurora	929	1,091	\$654,665	\$745,673
East Gwillimbury	361	335	\$589,417	\$623,104
Georgina	901	1,050	\$366,729	\$410,452
King	327	426	\$977,899	\$1,006,760
Markham	4,737	5,309	\$707,968	\$803,695
Newmarket	1,478	1,753	\$531,265	\$618,428
Richmond Hill	3,534	3,846	\$762,258	\$887,198
Vaughan	3,985	4,402	\$716,365	\$797,682
Whitchurch-Stouffville	833	934	\$657,987	\$789,706
York Region Total	17,085	19,146	\$685,200	\$777,927

Source: Toronto Real Estate Board, Market Watch, 2014 - 2015.

Table 3.2
2015 Resales & Average Prices by Local Municipality and Dwelling Type

	Detached		Semi		Town/Row/Attach		Condo/Apt	
	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price
Aurora	712	\$880,914	89	\$540,057	221	\$509,473	69	\$371,875
East Gwillimbury	277	\$667,705	17	\$471,059	41	\$384,820	0	n/a
Georgina	935	\$418,579	26	\$388,077	81	\$345,194	8	\$194,125
King	361	\$1,089,915	1	\$900,000	29	\$727,392	35	\$383,606
Markham	2,963	\$1,030,017	384	\$677,819	1,025	\$597,422	937	\$365,246
Newmarket	1,168	\$701,219	226	\$483,258	287	\$467,032	72	\$303,147
Richmond Hill	2,255	\$1,150,458	176	\$649,484	782	\$625,384	633	\$338,895
Vaughan	2,477	\$1,013,148	432	\$634,481	686	\$599,326	807	\$392,310
Whitchurch-Stouffville	725	\$868,494	82	\$543,265	119	\$489,179	8	\$645,875
York Region Total	11,873	\$943,441	1,433	\$606,779	3,271	\$575,427	2,569	\$366,283

Source: Toronto Real Estate Board, Market watch, 2015.

- Region wide, the average price of a resale unit increased by 13.5% for all unit types, from \$685,200 in 2014 to \$777,927 in 2015 (Table 3.1)
- Average price of single detached units increased by 15.0%, from \$820,378 in 2014 to \$943,441 in 2015

Table 3.3
York Region 2015 New Home Prices (\$1,000s)

	Detached	Semi	Row	Condo/Apt
Aurora	\$885 - \$2.5M	n/a	\$640 - \$920	\$330 - \$768
East Gwillimbury	\$583 - \$2.2M	n/a	\$490 - \$611	n/a
Georgina	\$276 - \$1.2M	\$546 - \$570	\$380 - \$565	\$269 - \$1.3M
King	\$950 - \$2.8M	n/a	\$675 - \$740	\$270 - \$643
Markham	\$381 - 2.6M	n/a	\$280 - \$1.5M	\$213 - 2.3M
Newmarket	\$815 - \$1.2M	n/a	\$576 - \$685	n/a
Richmond Hill	\$572 - 2.8M	n/a	\$399 - \$1.1M	\$246 - \$1.1M
Vaughan	\$399 - \$3.1M	n/a	\$384 - \$1.2M	\$263 - \$1.5M
Whitchurch-Stouffville	\$338 - \$865	n/a	\$440 - \$635	\$335 - \$1.2M
York Region	\$276 - \$3.1M	\$546 - \$570	\$280 - \$1.5M	\$213 - \$2.3M

Source: RealNet, January 2016

Note: New home data only provides a snapshot of projects currently for sale with the range of prices asked. Some municipalities may only have one or two projects contributing to the data.

- Single-detached homes range from \$276,000 in the Town of Georgina to \$3.1 million in the City of Vaughan

Total sales in the GTA's residential resale market increased by 9.2% in 2015 (101,299) compared to 92,782 in 2014

Average resale price (all dwelling types) in the GTA was \$622,217, an increase of 9.8% in comparison to the average of \$566,624 in 2014



What is considered a "Multiple Unit Dwelling"?

- Semi detached Units
- Town and Row Units
- Condominiums
- Apartments

The Importance of Diverse Housing Options

Well planned, diverse mix of housing supports healthy communities, the economy, the transportation system, the environment, as well as public health and social services. Building complete communities begins with appropriate housing that meets the needs of residents and workers.



York Region Official Plan - 2010 Affordable Housing Targets for New Development

25% Region-wide

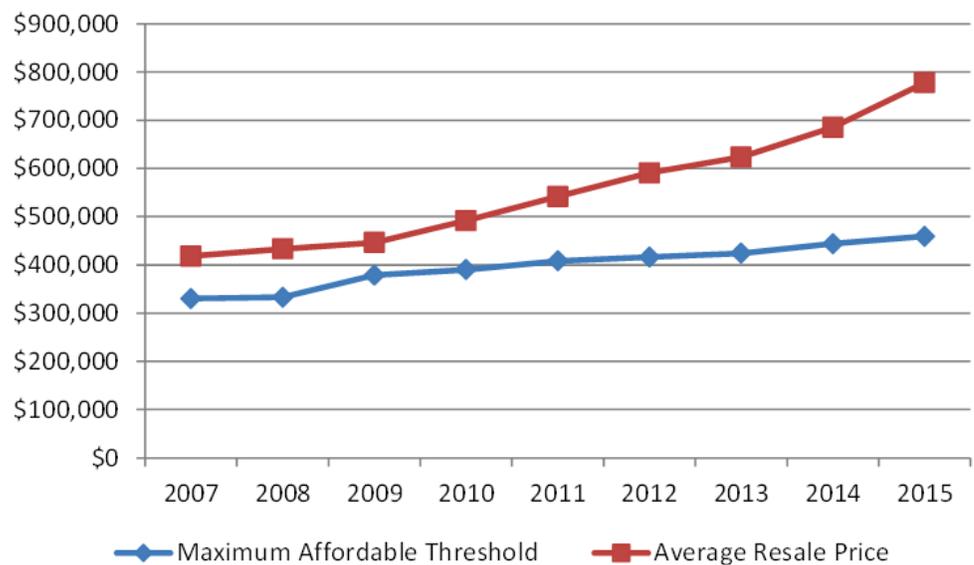
35% within Regional Centres and Key Development Areas

While York Region cannot control the affordability of the resale market, reporting resale values is important as an overall reflection of housing affordability in the Region

Affordable Housing, Although Challenging, Remains a Priority for York Region

- The Region calculates affordable housing thresholds annually based on the provincially legislated definition of affordable
- The 2015 year-end maximum affordable ownership price in York Region was \$459,170, up from \$443,874 in 2014
- The average 2015 resale price (all unit types) was \$777,927
- Figure 3.2 identifies that there is an increasing gap between the affordable threshold and average resale price

Figure 3.2
York Region Affordable Threshold vs. Average Resale Price, 2007-2015



Source: Toronto Real Estate Board, Market Watch 2007-2015; York Region Corporate Services, Long Range Planning Division, 2015

New Affordable Housing Initiatives:

- The Region has developed Affordable Housing Measuring and Monitoring Guidelines which outline steps to measure progress towards achieving the affordable housing targets of the York Region Official Plan - 2010 (YROP - 2010)
- The York Region 10-Year Housing Plan assesses housing needs and proposes actions to address these needs
- The Human Services Planning Board of York Region is spearheading an initiative to create rental housing options for those who cannot afford or do not wish to own a home

Residential Building Permits are Up 50.6% from 2014

- A total of 9,546 new residential building permits were issued in York Region in 2015
- 2015 figures represent a 50.6% increase from the 2014 permit total of 6,339
- Within the GTHA, only Toronto experienced a decline in residential permit activity in 2015
- Overall, the number of building permits for the GTHA increased in 2015 by over 15%

Table 3.4
New Residential Units with Permits Issued in York Region, 2014-2015

Municipality	2014	2015	% Change
Aurora	512	1,000	95%
East Gwillimbury	166	140	-16%
Georgina	249	469	88%
King	304	461	52%
Markham	2,663	1,771	-33%
New market	135	849	529%
Richmond Hill	1,255	1,460	16%
Vaughan	859	2,912	239%
Whitchurch-Stouffville	196	484	147%
York Region Total	6,339	9,546	50.6%

Source: Local Municipal Building Permit Reports, 2014 and 2015; York Region Corporate Services, Long Range Planning Division, 2015.

- In 2015, multiple unit dwellings accounted for 61% of new residential permits issued, an indication of York Region's progress towards creating a more diversified housing stock (Figure 3.3)
- In contrast, the 2010 proportion of new residential permits for multiple unit dwellings was 46%
- Vaughan and Markham accounted for approximately 50% of the total residential building permit activity in 2015 (31% and 19% respectively)
- Newmarket and Vaughan experienced the largest percentage increase in 2015 in the number of building permits issued over 2014, with 529% and 239% respectively

Building permit activity is an essential yardstick used to measure local investments and economic performance

Buying Affordable in York Region

The Affordability Threshold in York Region for 2015 was \$459,170

Based on an analysis of new residential dwellings currently on the market (Table 3.3), affordable options include:

- Condominiums throughout the Region
- Row/town houses within select municipalities
- Semis and singles in various parts of York Region

The resale market (Table 3.2) provides more options, with some singles and more semis being affordable

Encouraging Affordability through New Development

The YROP - 2010 requires affordable housing implementation strategies for all new secondary plans which include:

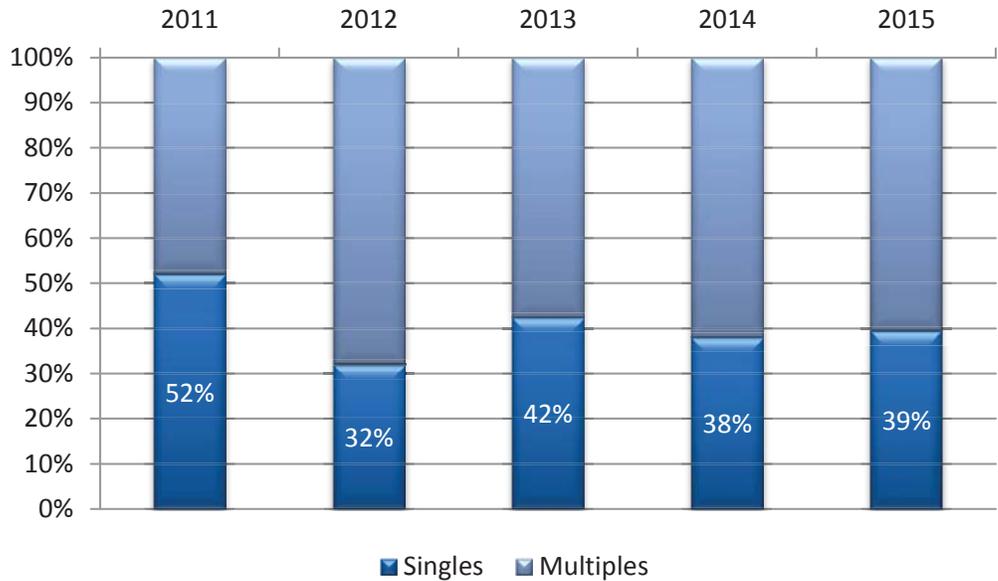
Specifications on how affordable housing targets will be met

Policies to achieve a mix and range of housing types within each level of affordability

Policies to ensure affordable larger sized family units

Consideration of locations for social housing developments

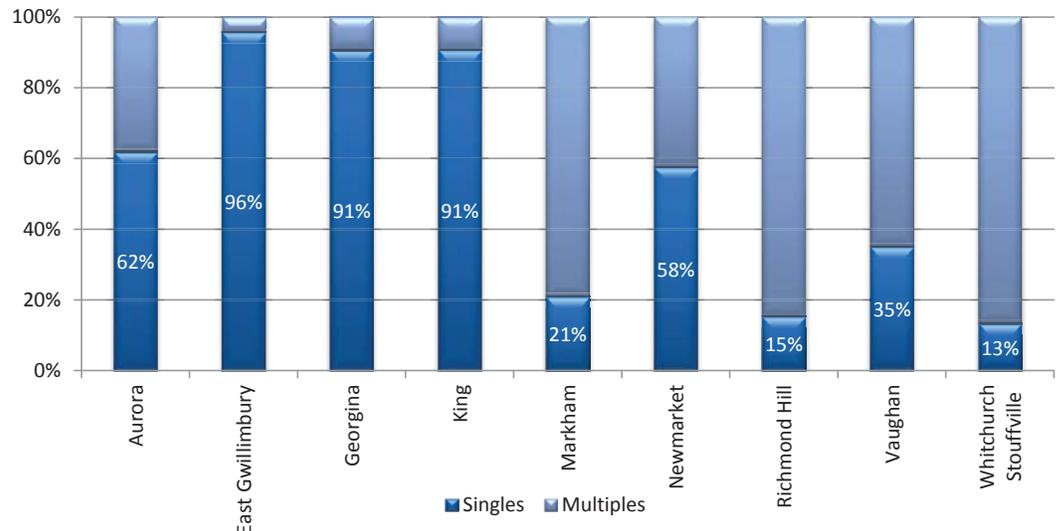
**Figure 3.3
York Region Residential Building Permit Mix 2011-2015**



Source: Local Municipal Building Permit Reports, 2014 and 2015; York Region Corporate Services, Long Range Planning Division, 2015.

- The 2015 breakdown of residential building permits was 39% single detached, 2% semi-detached, 23% row and 36% apartment
- The Cities of Vaughan, Markham and Richmond Hill issued the greatest number of building permits for multiple unit dwellings in 2015, with 1,891, 1,400 and 1,238 respectively (Figure 3.4)

**Figure 3.4
2014 New Residential Building Permit Mix by Local Municipality**



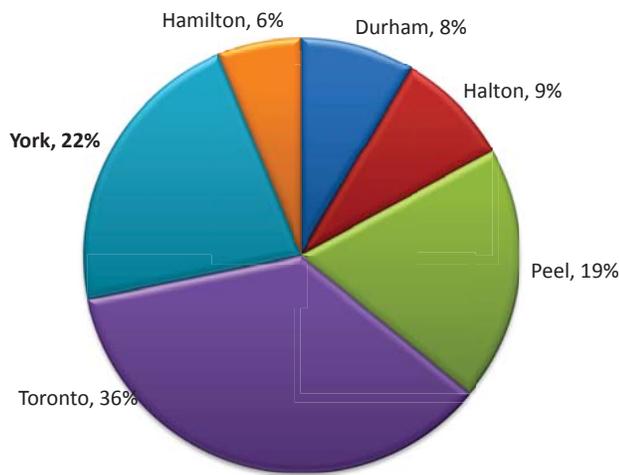
**Table 3.5
York Region Residential Building Permits
with 10 Highest Construction Values, 2015**

Project	Value \$000s	Municipality
Centro Square Condos Phase 2 - Tower A (33 Storey)	\$65,349	Vaughan
Legacy Park Condos (25 Storey)	\$54,460	Vaughan
Centro Square Condos Phase 2 - Tower B (31 Storey)	\$47,034	Vaughan
Xpression Condos on Yonge (14 Storey)	\$41,504	Richmond Hill
The Clarence Condos (4 Storey)	\$27,972	Vaughan
Grand Palace Condominiums (15 Storey)	\$26,162	Richmond Hill
Davis Drive Apartments (Rental) (15 Storey)	\$25,000	Newmarket
Arthouse Condos (14 Storey above grade and 2 Storey below grade)	\$24,662	Markham
Riverside Condos (18 Storey)	\$22,000	Markham
Riverside Condos (8 Storey)	\$17,000	Markham

York Region Continues to Contribute Significantly to Residential Building Permit Activity in the GTHA

- In 2015, 43,356 building permits were issued for new residential units across the GTHA, an increase from 37,600 in 2014, or approximately 15.3%
- Only Toronto experienced a decline in the total number of building permits issued in 2015
- York Region accounted for 22% of the GTHA's residential building permit activity, second to the City of Toronto's 36% share

**Figure 3.5
GTHA Residential Building Activity 2015 : shares by municipality**



Source: Local Municipal Building Permit Reports, 2015; Statistics Canada Table 32.2 (unpublished) 2015.

York Region Recorded the 5th Largest Number of Residential Building Permits Issued in Canada

- York Region continues to be a major contributor of new residential development in Canada, ranking 5th for building permits issued, up from 7th place the previous year

Table 3.6
Cross Canada Comparison 2015: Residential Building Permits

Rank	Municipality	# of Permits	% Change from 2014
1	Greater Vancouver Regional District	25,080	33.0%
2	City of Toronto	15,554	-8.2%
3	City of Edmonton	13,343	6.2%
4	City of Calgary	12,684	-1.8%
5	York Region	9,546	50.6%
6	Peel Region	8,186	38.2%
7	City of Montréal	7,219	-12.5%
8	Québec City	5,413	0.5%
9	City of Ottawa	4,385	-38.7%
10	City of Winnipeg	4,203	-22.6%

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2015; York Region Corporate Services, Long Range Planning Division, 2015

Note: Ranking is in comparison to cities, Region's and Regional Districts as defined locally.

Residential Completions were down for 2015

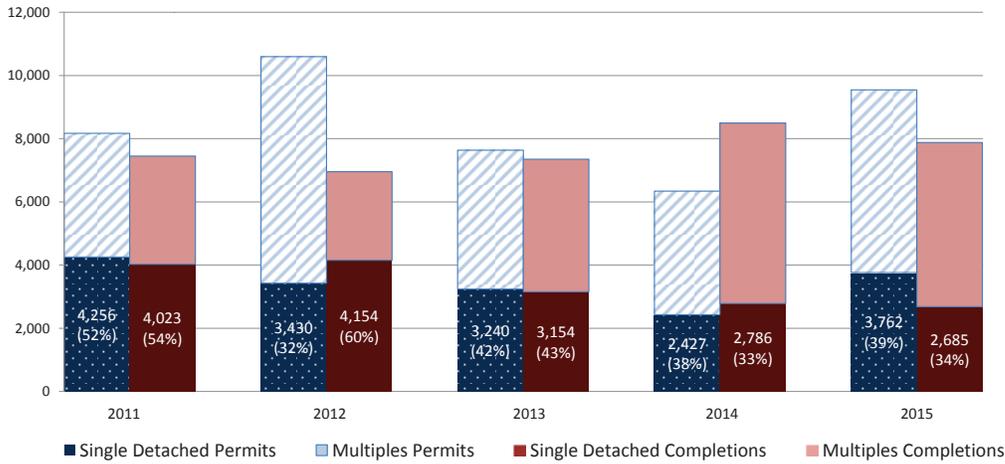
- Housing completions in the Region decreased by 7%
- The mix of housing completions in 2015 was 2,685 (34%) single detached, 320 (4%) semi-detached units, 1,419 (18%) row houses and 3,459 (44%) apartments

Table 3.7
York Region Residential Completions 2014 and 2015

Municipality	2014	2015	% Change
Aurora	413	429	4%
East Gwillimbury	62	88	42%
Georgina	306	215	-30%
King	335	290	-13%
Markham	3,725	3,015	-19%
Newmarket	342	108	-68%
Richmond Hill	1,408	1,328	-6%
Vaughan	1,768	2,124	20%
Whitchurch-Stouffville	136	286	110%
York Region Total	8,495	7,883	-7%

- The number of residential building permits issued and housing completions in 2015 are the second highest figures recorded over the last 5 years

Figure 3.6
2011-2015 Building Permit and Housing Completions:
Single Detached vs. Multiples



A more diversified housing stock provides more choice in the market for both existing and future residents

Diversified housing is important for:

providing affordable options

housing residents at different stages in their lives

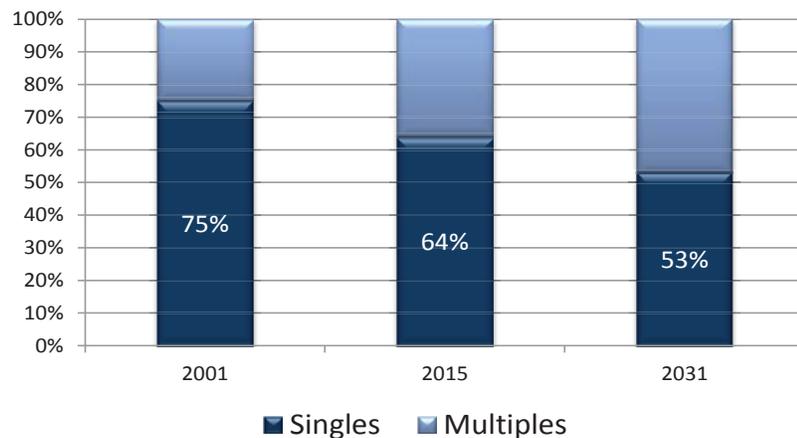
reaching the Region's intensification targets

creating more compact, transit supportive development

The Diversity of Total Housing Stock Continues to Improve

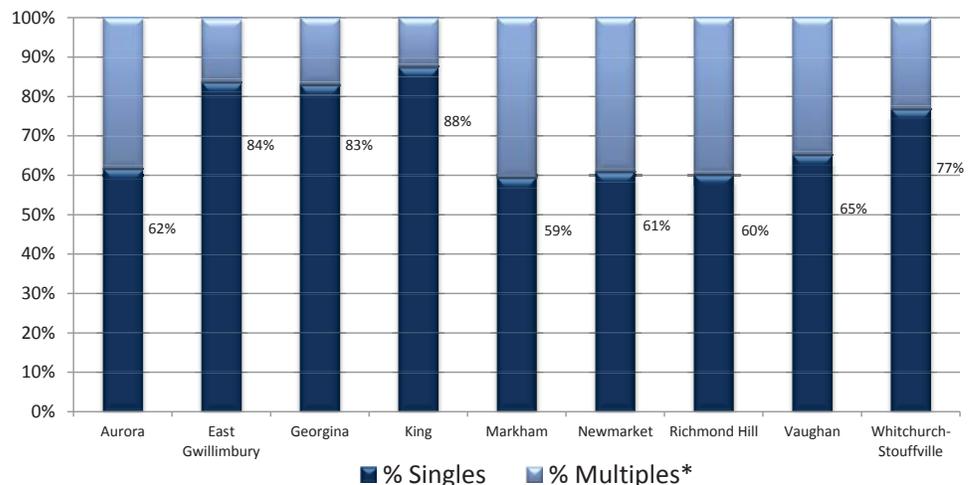
- While the Region’s new housing stock becomes increasingly diversified over time, the existing housing stock is composed primarily of single detached dwellings
- The proportion of multiple unit dwellings in the Region’s housing stock increased from 25% in 2001 to 36% in 2015
- The proportion of multiple unit dwellings is forecasted to be 47% by 2031

Figure 3.7
Mix of Housing Stock in York Region



- The overall housing stock in 2015 was composed of 64% single detached dwellings, 6% semi-detached units, 12% row house units and 18% apartment units
- King Township had the lowest proportion of multiple unit dwellings, with 12% of its total housing stock (Figure 3.8)

Figure 3.8
Mix of Total Housing Stock by Local Municipality 2015



Note: *Multiples include semi-detached, row and apartment units

4. Industrial, Commercial and Institutional Market and Building Activities

Industrial & Commercial Property Market

- It is anticipated that with the combination of a relatively lower Canadian dollar value, low interest rates and a strong demand from the U.S economy, businesses in Ontario will continue to grow
- Industrial development in Markham was active in 2015 with 548,785 square feet of new supply coming onto the market

**Table 4.1
York Region Industrial Market Overview, 2015**

	Vacancy Rate	Avg. Net Rent	Avg. Sale Price
Aurora	4.3%	\$4.96	n/a
Markham	3.7%	\$6.00	\$126.04
Newmarket	7.6%	\$5.38	n/a
Richmond Hill	5.7%	\$6.96	n/a
Vaughan	2.2%	\$5.31	\$105.05
Total	3.1%	\$5.74	\$110.49

Source: Cushman & Wakefield LePage, Marketbeat: Greater Toronto Industrial Report (2015)

- York Region's vacancy rate at the end of 2015 was 3.1%, lower than the GTA average of 4.0%
- The Region's industrial sale prices per square feet were \$110.49 at year-end 2015 compared to \$103.17 at year end 2014

GTA statistics and observations presented in this section are based on the Cushman & Wakefield Marketbeat Industrial Snapshot for the GTA (2015). The York Region municipalities included in their summaries are Aurora, Markham, Newmarket, Richmond Hill and Vaughan.

GTA's average vacancy rate of 4.0% is the lowest it has been since 2007, prior to the 2008/2009 recession

Net rental rates (referenced in tables 4.1 and 4.2) reflect the asking amount of dollars per square foot of space, not including related property taxes or utilities

Average net rent and average sale price are per square foot

- According to CB Richard Ellis' Toronto Office MarketView (Q4 2015), the GTA Office market has over 155.1M square feet of inventory, with just over 8% (12,904,740 sq. ft.) located in York Region's 3 key office districts (Table 4.2)

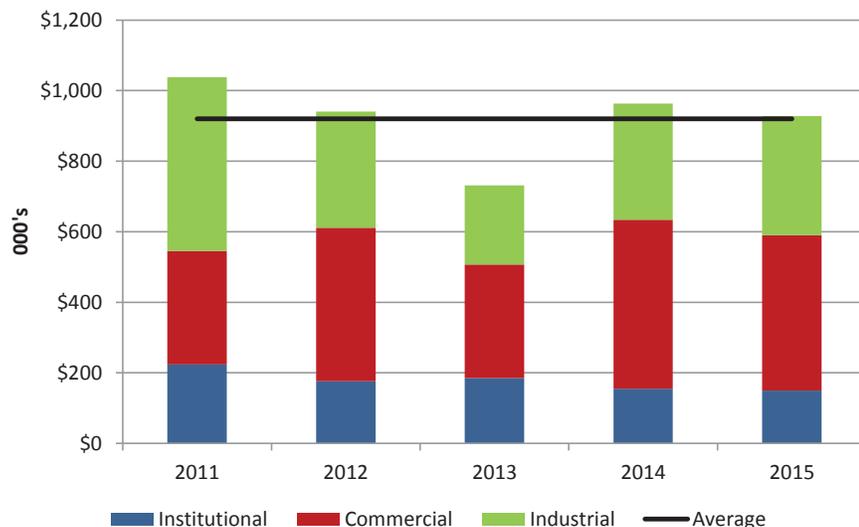
**Table 4.2
York Region Office Market Overview, Q4 2014**

	Total Inventory	Total Vacancy Rate	Absorption (YTD)	Average Net Rent	Under Construction
Markham North & Richmond Hill	7,558,327	13.6%	-5,711	16.73	313,476
Markham South	3,167,526	13.8%	-144,159	14.49	0
Vaughan	2,178,887	5.9%	159,194	16.50	425,000
GTA Total/Average	155,132,537	9.6%	667,019	17.69	5,416,485

Institutional, Commercial and Industrial Building Activity in York Region decreased slightly in 2015

- Total ICI construction in 2015 had a combined construction value of \$928 million, a decrease from the 2014 value of \$963 million (Figure 4.2)
- The Region's ICI market remained stable for 2015 when compared to the 2014 values and the five year average
- Industrial construction values increased from 2014 levels by 3%, while commercial and institutional values decreased by 8% and 4% respectively

**Figure 4.2
York Region ICI Construction Values 2011-2015**



**Table 4.3
York Region Industrial Building Permits
with 10 Highest Construction Values, 2015**

Project	Value \$000s	Municipality
Mobis (Hyundai Canada) Warehouse/Offices	\$34,441	Markham
FedEx Distribution Centre	\$34,336	Vaughan
New Home Depot Distribution Centre	\$22,516	Vaughan
Mobis (Hyundai Canada) Warehouse/Offices	\$22,000	Markham
Industrial Space for Lease by MetrusProperties	\$15,483	Vaughan
Underground Parking Garage and Shoring (Linvest Properties)	\$13,000	Markham
Colliers International Phase 2 Construction (Industrial space for lease)	\$12,662	Vaughan
Athena Automation (Manufacturer)	\$12,512	Vaughan
Expansion of Sobeys Capital Incorporated Distribution Centre	\$11,600	Vaughan
Northern Transformer Industrial Building	\$8,768	Vaughan

- Some notable ICI projects for which building permits were issued in 2015 included:
 - ◆ \$50M 13 storey commercial tower in Markham for Aviva's new head office
 - ◆ \$34.4M and \$22.0M Warehouse and Office complex in Markham for Mobis
 - ◆ \$34M Distribution Centre in Vaughan
 - ◆ \$52M 5 storey retail building in Markham

**Table 4.4
York Region Commercial Building Permits
with 10 Highest Construction Values, 2015**

Project	Value \$000s	Municipality
Remington Group Phase 1 Retail Programme (5 Storey Building)	\$52,049	Markham
Aviva's New Office Building (13 Storey)	\$50,000	Markham
Offices at Centro Square	\$37,202	Vaughan
Life Time Athletic (Recreational Facility)	\$33,400	Vaughan
Le Parc Dining & Banquet	\$12,000	Vaughan
Demolition of Rona / New Commercial Space for rent	\$11,885	Vaughan
3 Commercial Buildings being developed by Cecchini Group	\$7,157	Vaughan
New Construction of Highland Farm (Grocery Store) by Embee Properties Ltd.	\$6,776	Vaughan
Relocation of Sterne Acura Automotive Dealership	\$5,600	Aurora
Thornhill Golf and Country Club	\$5,000	Vaughan

**Table 4.5
York Region Institutional Building Permits
with 10 Highest Construction Values, 2015**

Project	Value \$000s	Municipality
Unnamed Secondary School (Cornell) (3 Storey)	\$36,264	Markham
Training Facility for York Region Police	\$27,000	East Gwillimbury
Elementary School By York Region District School Board (2 Storey)	\$12,000	Whitchurch-Stouffville
Johnny Lombardi Public School	\$11,209	Vaughan
Unnamed Kleinburg Elementary School	\$10,872	Vaughan
The Salvation Army of Central York Region	\$5,645	Aurora
Markham Sport Dome (Air Supported Dome Structure for indoor sports on existing outdoor sports field)	\$4,866	Markham
Toronto-York Spadina Subway Extension	\$3,700	Vaughan
New Fire Station	\$3,086	Vaughan
Kinderschool Adlerian Nursery	\$3,000	Richmond Hill

- York Region accounted for 12.7% of the GTHA's total ICI construction value, a decrease from 14.4% in 2014

**Figure 4.2
GTHA ICI Construction Values by Municipality 2011–2015**



Source: Local Municipal Building Permit Reports, 2015; Statistics Canada Building Permit Reports, 2015.

- Overall, the GTHA recorded a 8.7% increase in the value of ICI construction from 2014
- York, Durham, Hamilton and Peel recorded decreases in total ICI construction, while both Halton and Toronto experienced increases

Table 4.6
2015 Cross Canada Comparison: Values of ICI Construction (\$1,000's)

Rank	Municipality	Total Value
1	City of Toronto	\$3,760,724
2	City of Calgary	\$2,510,184
3	Greater Vancouver Regional District	\$2,347,072
4	City of Edmonton	\$1,485,163
5	City of Montréal	\$1,366,987
6	Peel Region	\$1,324,777
7	York Region	\$927,467
8	City of Ottawa	\$899,525
9	Halton Region	\$681,654
10	City of Winnipeg	\$616,940

Source: Local Municipal Building Permit Reports, 2015; Statistics Canada Building Permit Reports, 2015.

Note: List includes cities, Regions, and Regional Districts as defined locally.

York Region ranked seventh across Canada for the value of its ICI construction in 2015 (Table 4.6). This is the same position as 2014, but an improved ranking from eighth position in 2013.

5. Overall Construction Value, Development Charges and Tax Assessment in York Region

Total Construction Value

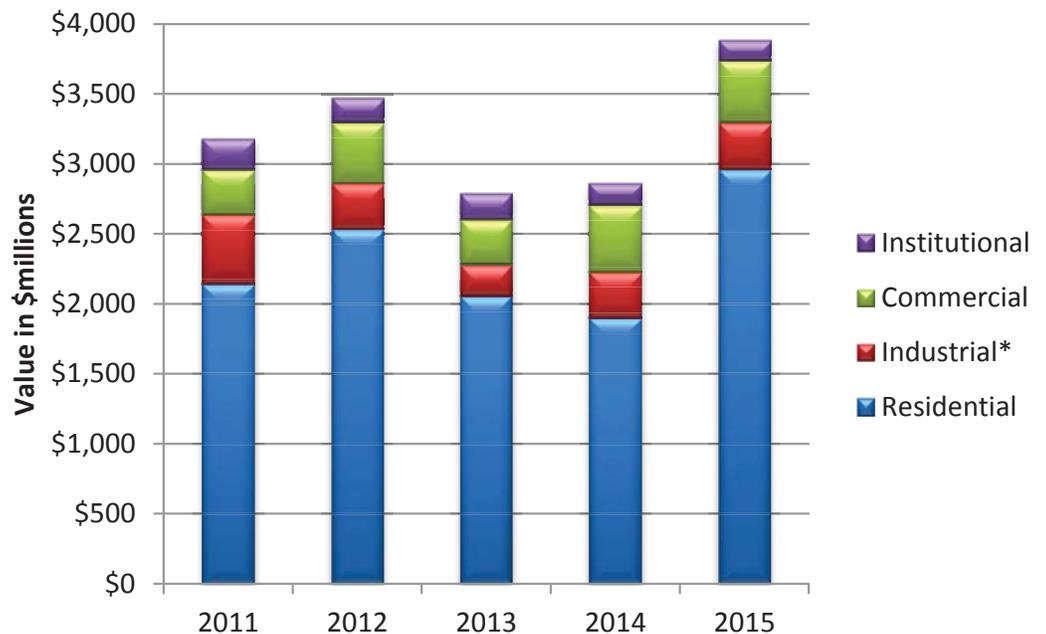
- Total estimated value of construction in 2015 was approximately \$3.89 billion, compared to \$2.86 billion recorded in 2014, a significant increase of 35.8% over 2014 values
- The 2015 total construction value of \$3.89 billion is the highest ever recorded value for York Region

An ICI share of total construction value within the range of 30% means that job opportunities continue to be provided to match the growth in the Region's labour force

In 2015, York Region's ICI share of total construction value was 24%

The 5 year ICI share average for York Region is 28.7%

Figure 5.1
York Region Construction Value by Type—2011-2015



Source: Local Municipal Building Permit Reports, 2011- 2015

Note: *Agricultural permits are included under the industrial category

- Overall construction value is important as it is correlated with the new development component of tax assessment growth over subsequent years

Table 5.1
Estimated Value of Total Construction (Residential and ICI)
by Local Municipality 2014 and 2015 (\$1,000's)

Municipality	2014	2015	% Change
Aurora	\$370,034	\$645,240	74%
East Gwillimbury	\$58,983	\$70,607	20%
Georgina	\$77,858	\$148,922	91%
King	\$170,796	\$254,301	49%
Markham	\$881,064	\$697,159	-21%
Newmarket	\$69,224	\$281,891	307%
Richmond Hill	\$260,055	\$284,104	9%
Vaughan	\$888,950	\$1,399,723	57%
Whitchurch-Stouffville	\$86,217	\$105,567	22%
York Region Total	\$2,863,182	\$3,887,514	35.8%

Source: Local Municipal Building Permit Reports, 2014 and 2015; Corporate Services, Long Range Planning Division, 2015

- As identified in Table 5.1, the only decrease in total construction value was seen in Markham (-21%), while all other municipalities recorded increases ranging between 9% (Richmond Hill) and 307% (Newmarket)
- The Region's value of residential construction increased significantly by 56% from \$1.9 billion in 2014 to \$2.9 billion in 2015 (Table 5.2)

Table 5.2
Estimate of Value (\$1,000's) of Construction* by Local Municipality
2014-2015

Municipality	Residential		Industrial**		Commercial		Institutional		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Aurora	\$285,928	\$590,503	\$32,490	\$9,723	\$29,337	\$35,218	\$22,279	\$9,796	\$370,034	\$645,240
East Gwillimbury	\$40,277	\$40,867	\$1,509	\$1,082	\$4,355	\$1,546	\$12,843	\$27,113	\$58,983	\$70,607
Georgina	\$65,820	\$141,856	\$6,884	\$1,538	\$3,254	\$4,179	\$1,900	\$1,349	\$77,858	\$148,922
King	\$137,978	\$236,974	\$7,441	\$3,665	\$9,917	\$12,758	\$15,460	\$904	\$170,796	\$254,301
Markham	\$627,309	\$401,603	\$135,754	\$97,689	\$92,138	\$153,424	\$25,863	\$44,443	\$881,064	\$697,159
Newmarket	\$46,564	\$265,727	\$3,341	\$560	\$15,696	\$13,514	\$3,622	\$2,090	\$69,224	\$281,891
Richmond Hill	\$199,910	\$248,183	\$1,673	\$13,014	\$47,810	\$15,613	\$10,663	\$7,294	\$260,055	\$284,104
Vaughan	\$440,125	\$951,339	\$127,192	\$202,995	\$270,191	\$201,551	\$51,441	\$43,839	\$888,950	\$1,399,723
Whitchurch-Stouffville	\$56,274	\$82,996	\$12,672	\$7,412	\$6,256	\$2,413	\$11,015	\$12,746	\$86,217	\$105,567
York Region Total	\$1,900,185	\$2,960,047	\$328,956	\$337,678	\$478,955	\$440,216	\$155,086	\$149,573	\$2,863,182	\$3,887,514

Source: Local Municipal Building Permits Reports, 2014 & 2015; Statistics Canada Building Permits Reports, 2014 & 2015; York Region Corporate Services, Long Range Planning Division, 2015.

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

**Agricultural permits are included under the industrial category

The total current value assessment for taxable properties of \$226.3 billion includes both growth from new development and reassessments of existing inventory

Figure 5.2 only pertains to assessment growth associated with new development

Construction Activity - National Comparisons

- York Region ranked sixth in total construction value among Canadian municipalities, with a value of \$3.89 billion (Table 5.3)
- Previously, York Region ranked seventh, with a value of \$2.86 billion in 2014

Table 5.3
Cross Canada Comparison 2015: Values of Total Construction (\$000's)

Rank	Municipality	Total Value	% Change from 2014
1	Greater Vancouver Regional District	\$8,780,642	24.1%
2	City of Toronto	\$7,808,400	9.7%
3	City of Calgary	\$6,152,740	-0.4%
4	Peel Region	\$4,412,010	54.1%
5	City of Edmonton	\$4,320,790	-10.8%
6	York Region	\$3,887,514	7.2%
7	City of Montréal	\$2,904,932	-35.9%
8	City of Ottawa	\$2,101,610	-18.9%
9	Halton Region	\$1,794,752	17.4%
10	City of Winnipeg	\$1,586,391	-18.9%

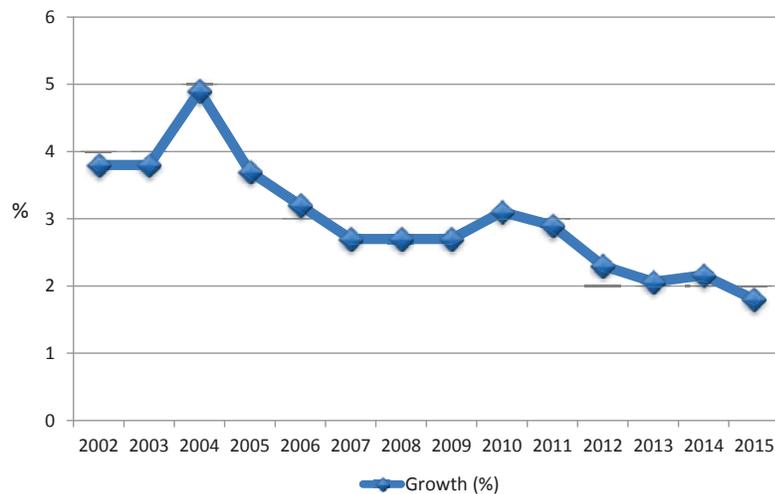
Source: Local Municipal Building Permit Reports, 2015; Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2015.

Note: List includes cities, Regions, and Regional Districts as defined locally.

Taxable Assessment

- York Region's assessment growth for 2015 was 7.9% or \$16.5 billion
- Assessment growth attributed to new development was 1.8% in 2015

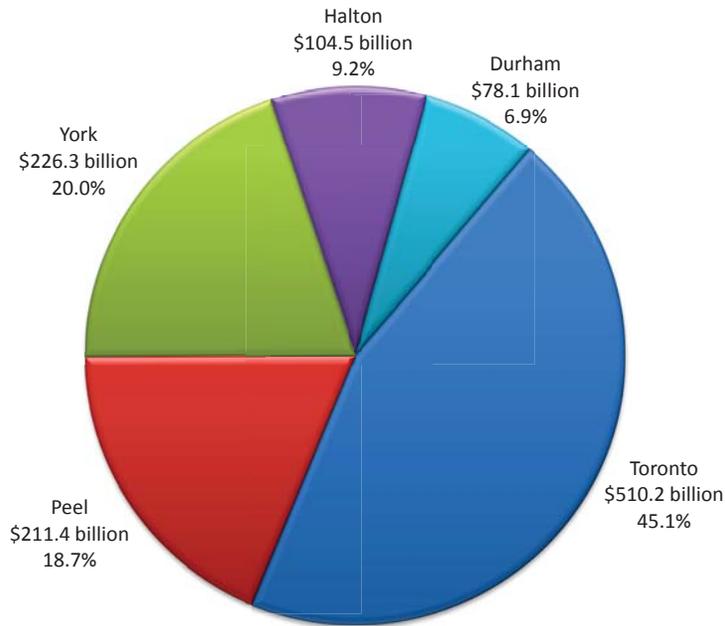
Figure 5.2
York Region Assessment Growth Attributed to New Development 2002-2015



Source: York Region Finance Department

- York Region's share of the GTA's total assessment in 2015 was 20.0%, the largest share after the City of Toronto
- While Peel Region has a higher population, York Region has the higher assessment value

Figure 5.3
GTA Taxable Assessment 2015 by Municipality



Source: York Region Finance Department.

Note: Based on Municipal Property Assessment Corporation data and does not include 'Payments in Lieu' (PIL) and exempt properties.

6. Final Observations

- York Region grew by 21,500 (1.9%) people and 13,300 (2.4%) jobs
- York Region's population reached 1,166,300 in December 2015 and there were an estimated 577,600 jobs
- York Region ranked sixth in total construction values among Canadian municipalities, recording its highest ever total of \$3.89 billion
- In 2015, residential building permits increased by 51% over 2014 levels, while ICI construction values were consistent with the 5 year average
- In the GTHA, the Region recorded the second highest share of residential building activity behind Toronto, and the fifth highest across Canada
- While housing prices continue to be high within the Region, affordable options are available through a combination of unit types and location
- Growth and development within York Region is strongly influenced by U.S. and global growth, which are projected to grow by 2.6% and 3.4% respectively in 2016
- Moving forward into 2016, continued economic activity in the U.S. is a welcome sign for the Canadian economy and for export firms in York Region, as lower energy costs and a lower Canadian dollar drive demand for exports

Growth and Development Review 2015

Presentation to
Committee of the Whole

Paul Bottomley

May 12, 2016

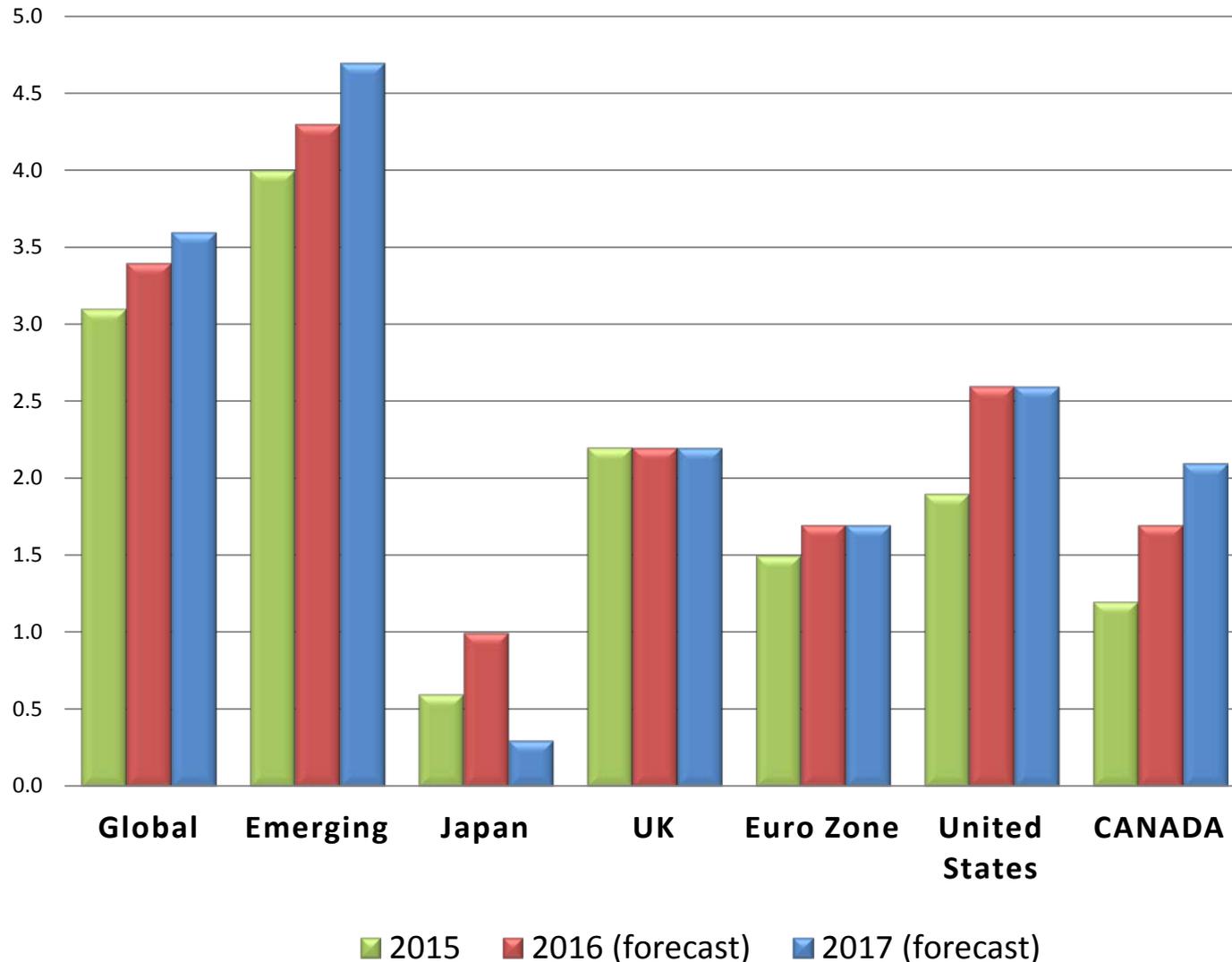


Presentation Outline

- Economic Outlook
- Population and Employment Growth
- Property / Market Outlook
- Building Activity
- Conclusions

Economic Outlook

Global GDP growth is projected to rise from 3.1% in 2015 to 3.4% in 2016



10-YEAR CRUDE OIL PRICES

U.S. DOLLARS PER BARREL (WTI)



SOURCE: US ENERGY INFORMATION ADMINISTRATION

THE CANADIAN PRESS

10-YEAR CANADIAN DOLLAR

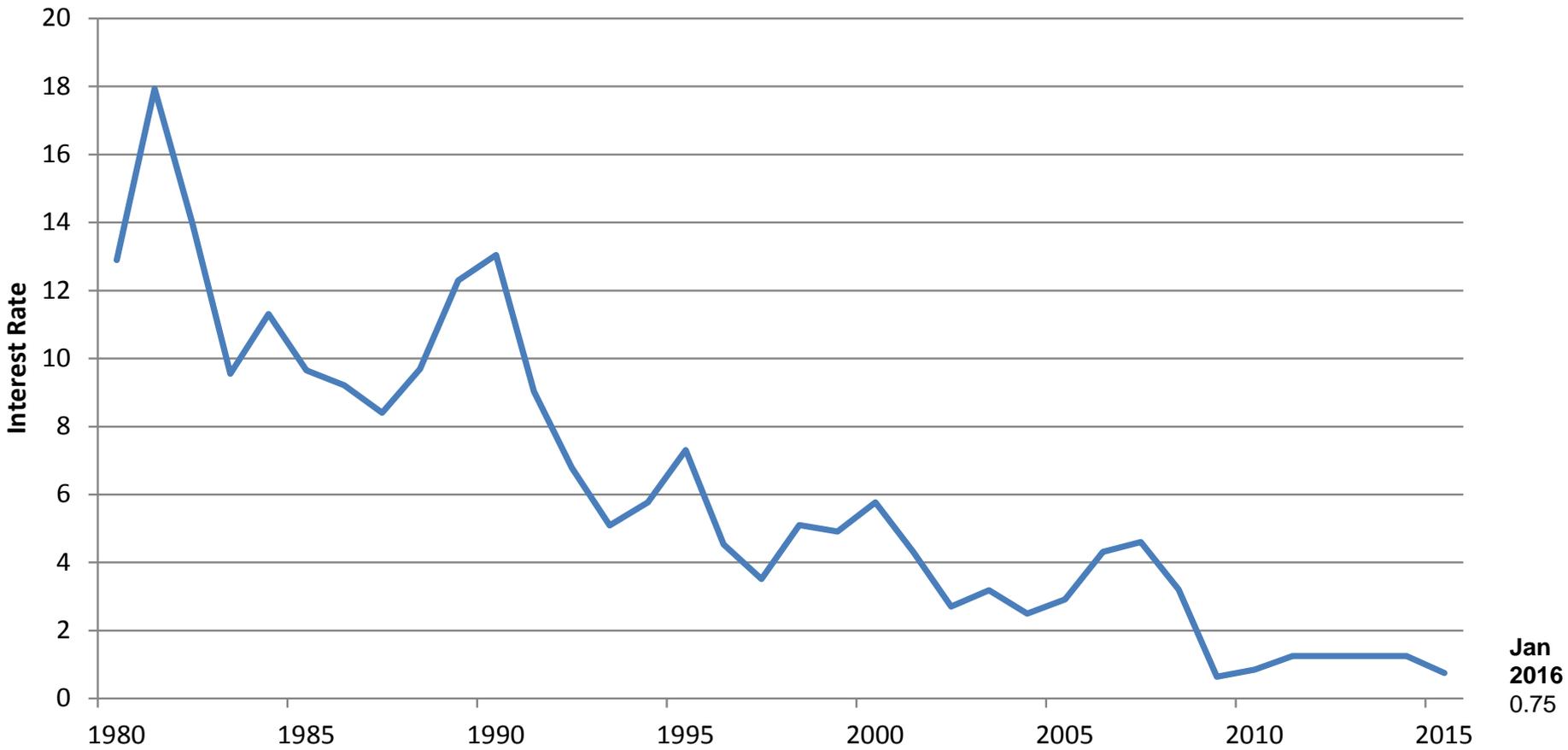
DAILY NOON RATE IN U.S. CENTS



SOURCE: BANK OF CANADA

THE CANADIAN PRESS

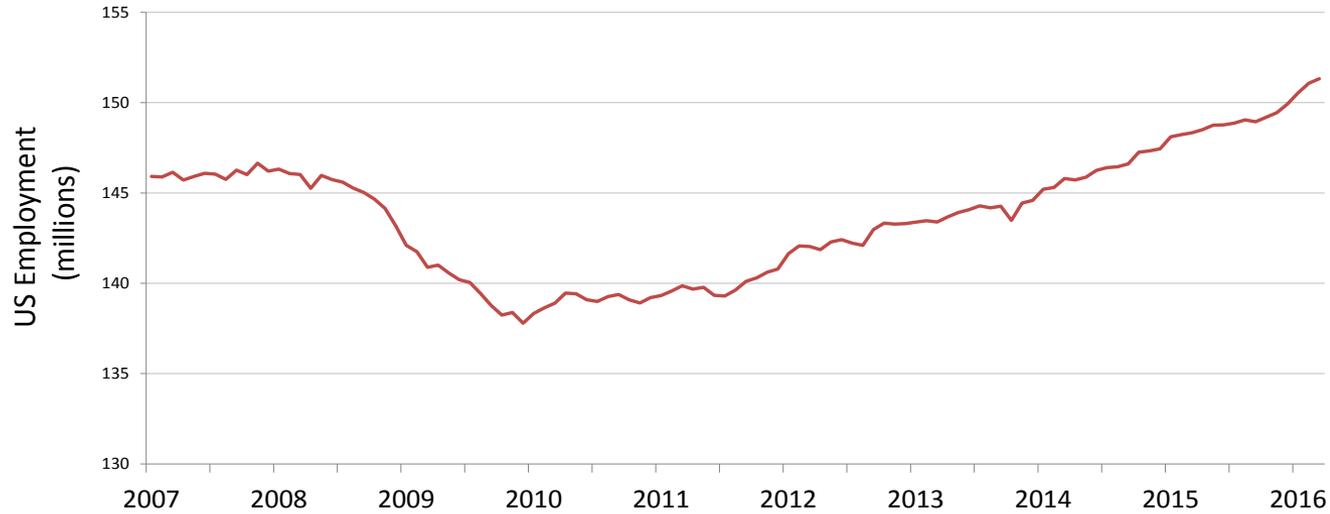
Canadian Interest Rates Remain Near Historic Lows



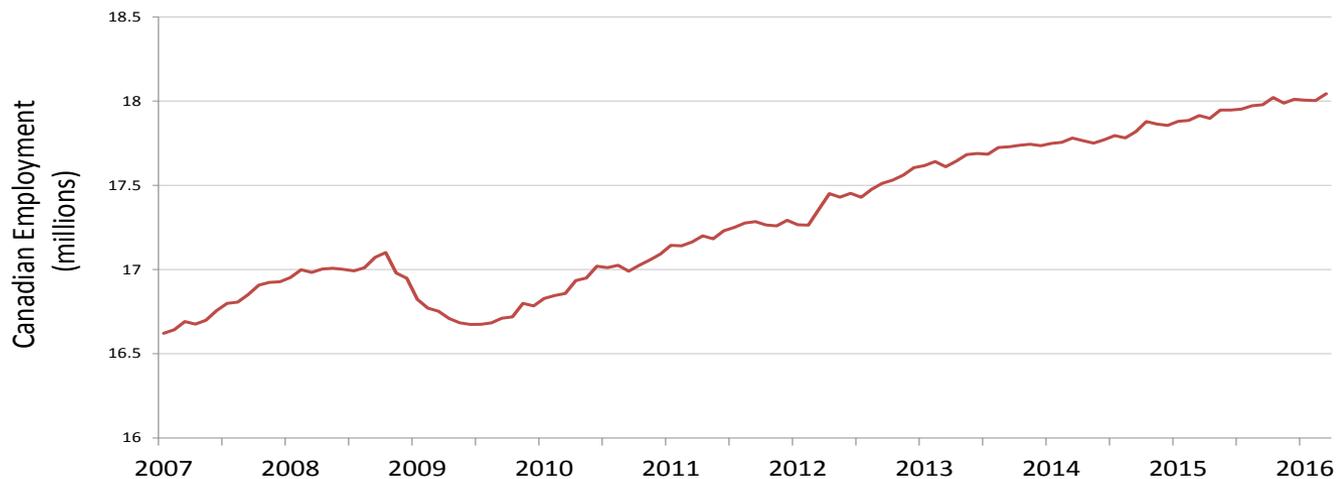
Source: Bank of Canada

U.S. and Canadian Employment Trends Continue to Show Positive Job Creation

U.S. Employment 2007-2016 (millions)

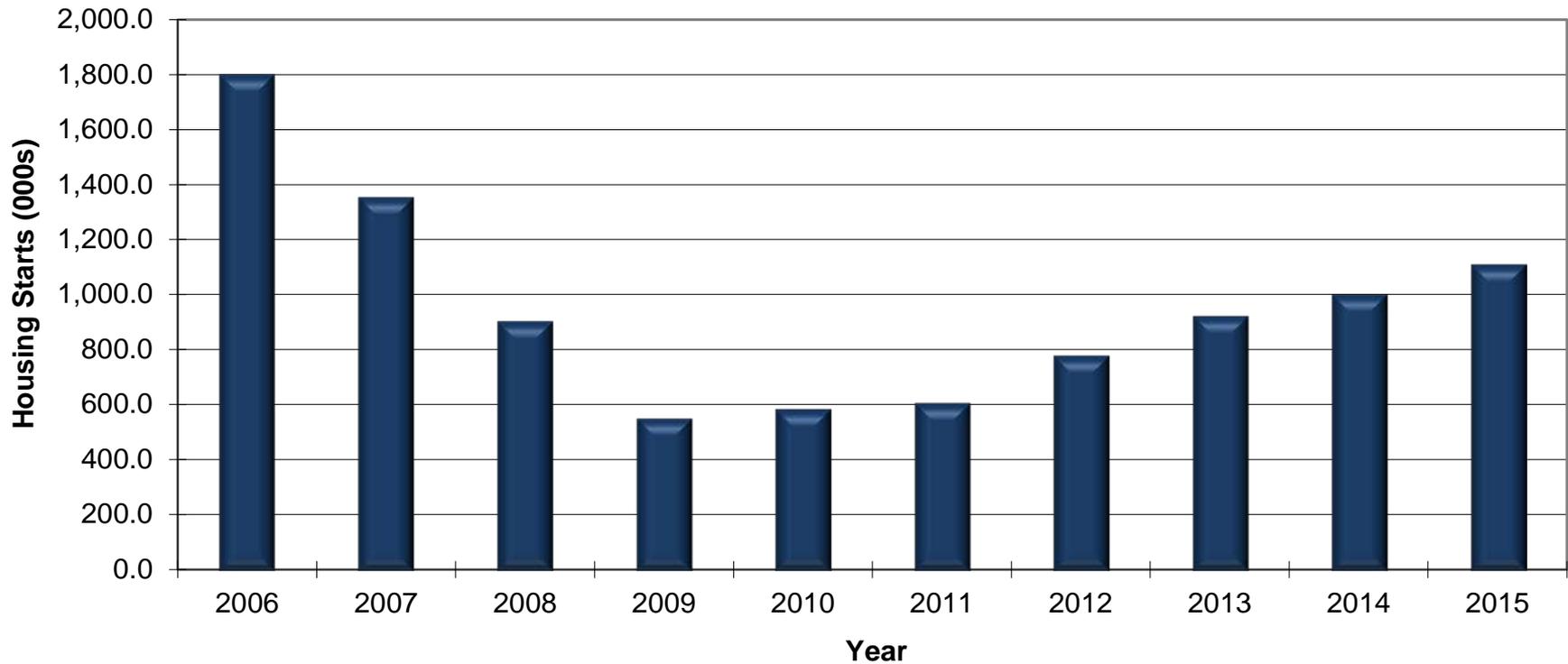


Canadian Employment 2007-2016 (millions)



Source: U.S. National Bureau of Economic Research and Statistics Canada.

U.S. Home Starts Show Positive Signs

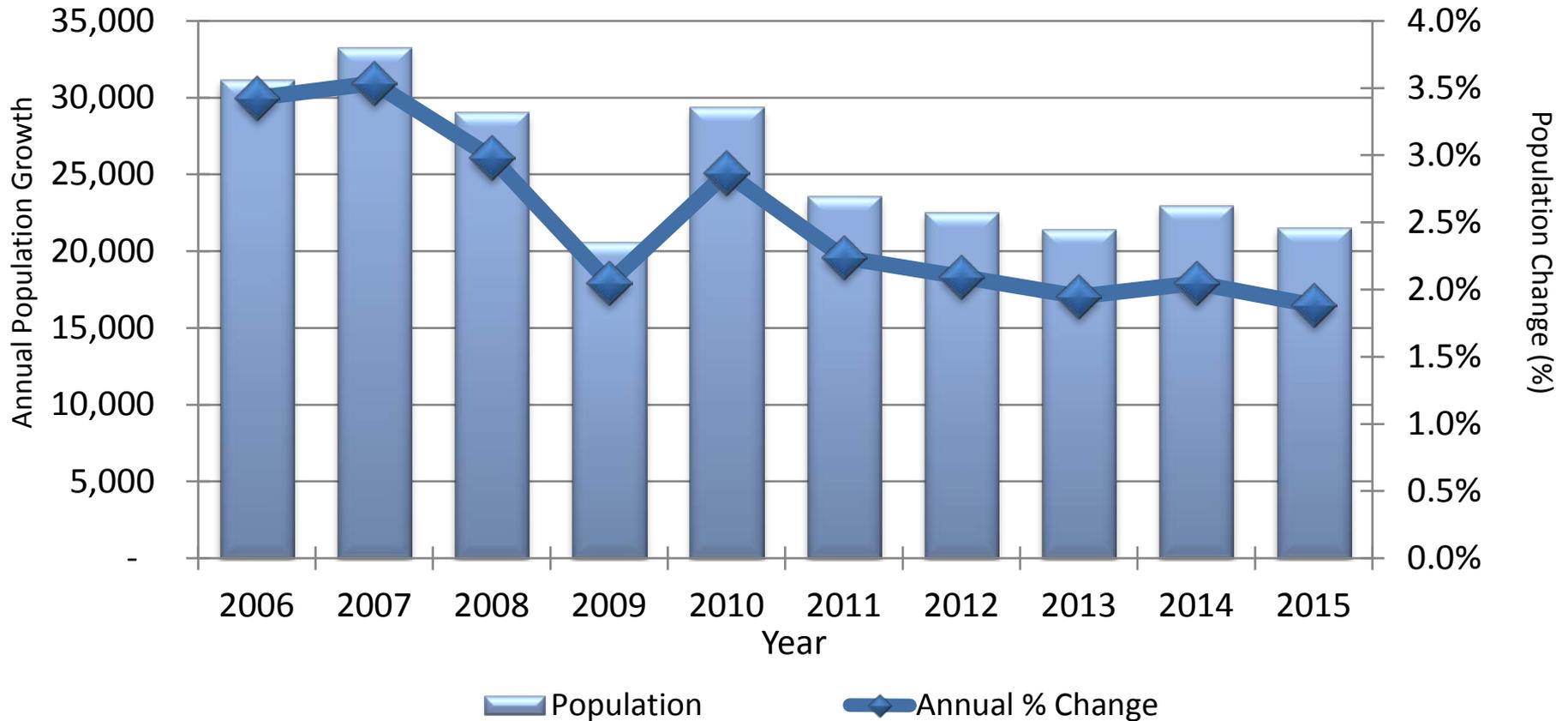


Source: U.S. Census Bureau – U.S. Department of Commerce

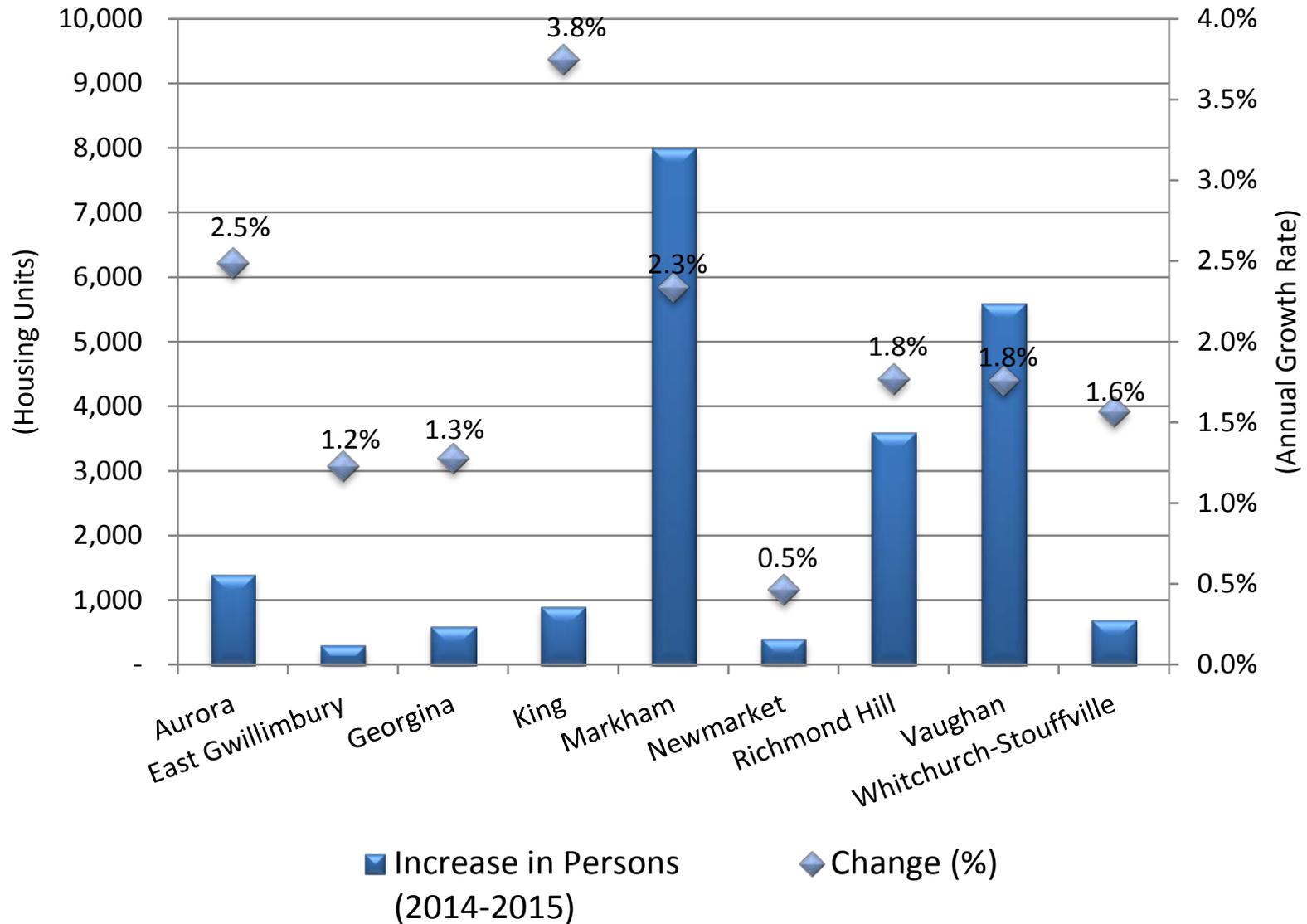
U.S. home construction can increase demand for Canadian goods such as raw building materials and manufactured products

Population & Employment Growth

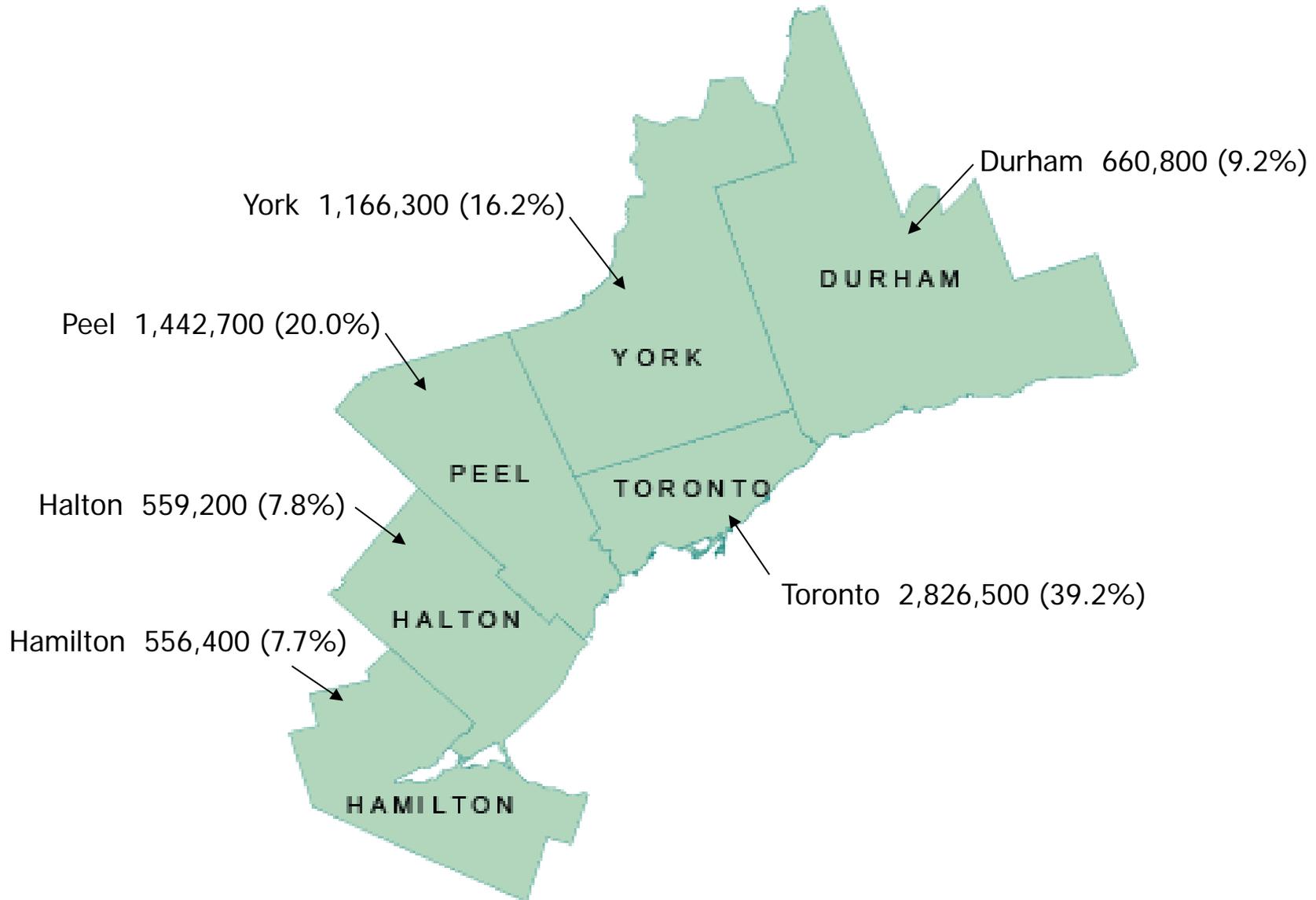
Population reached 1.17 million in 2015



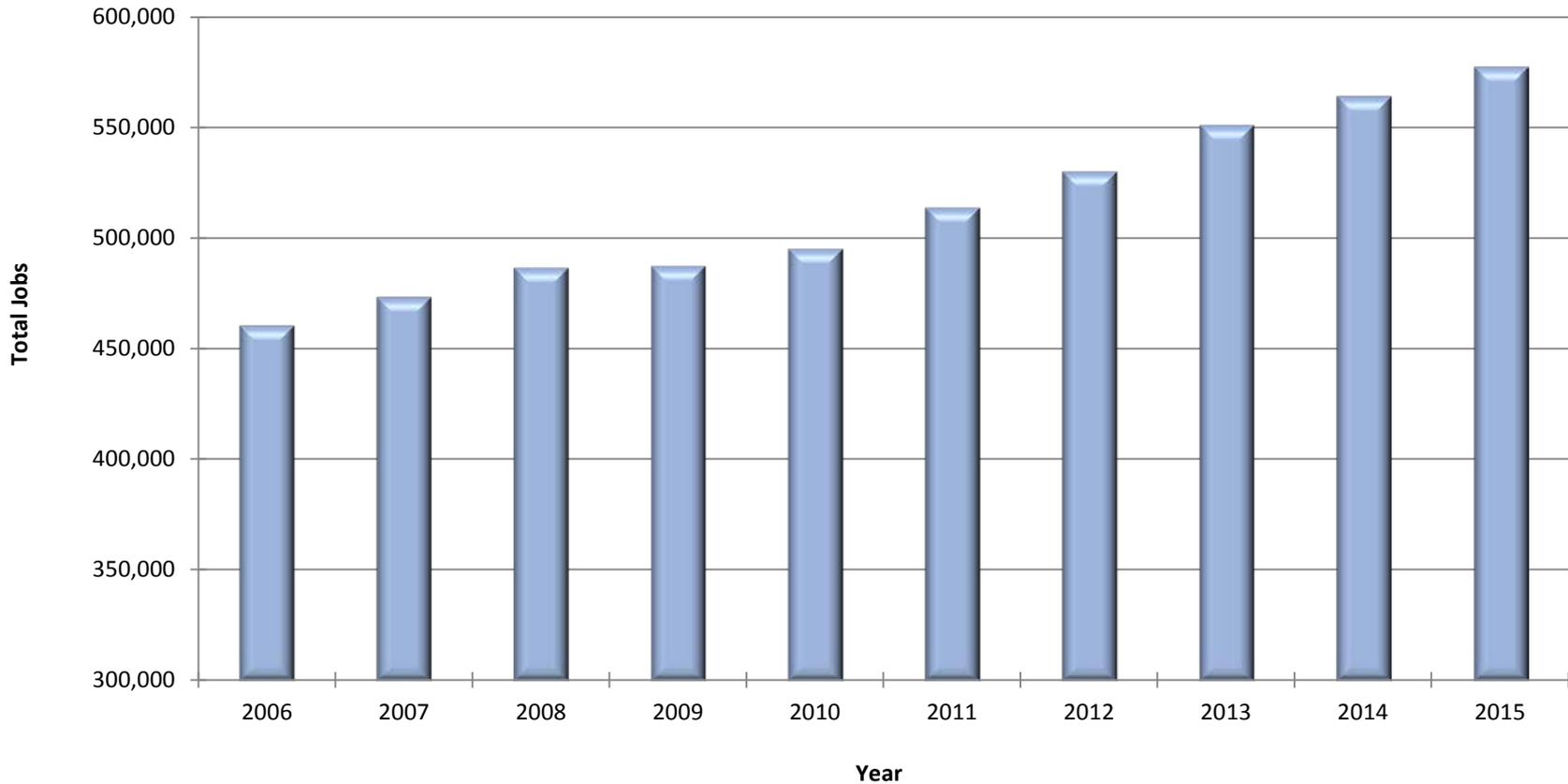
All Local Municipalities are Growing



Total GTHA population estimated to be 7.2 million



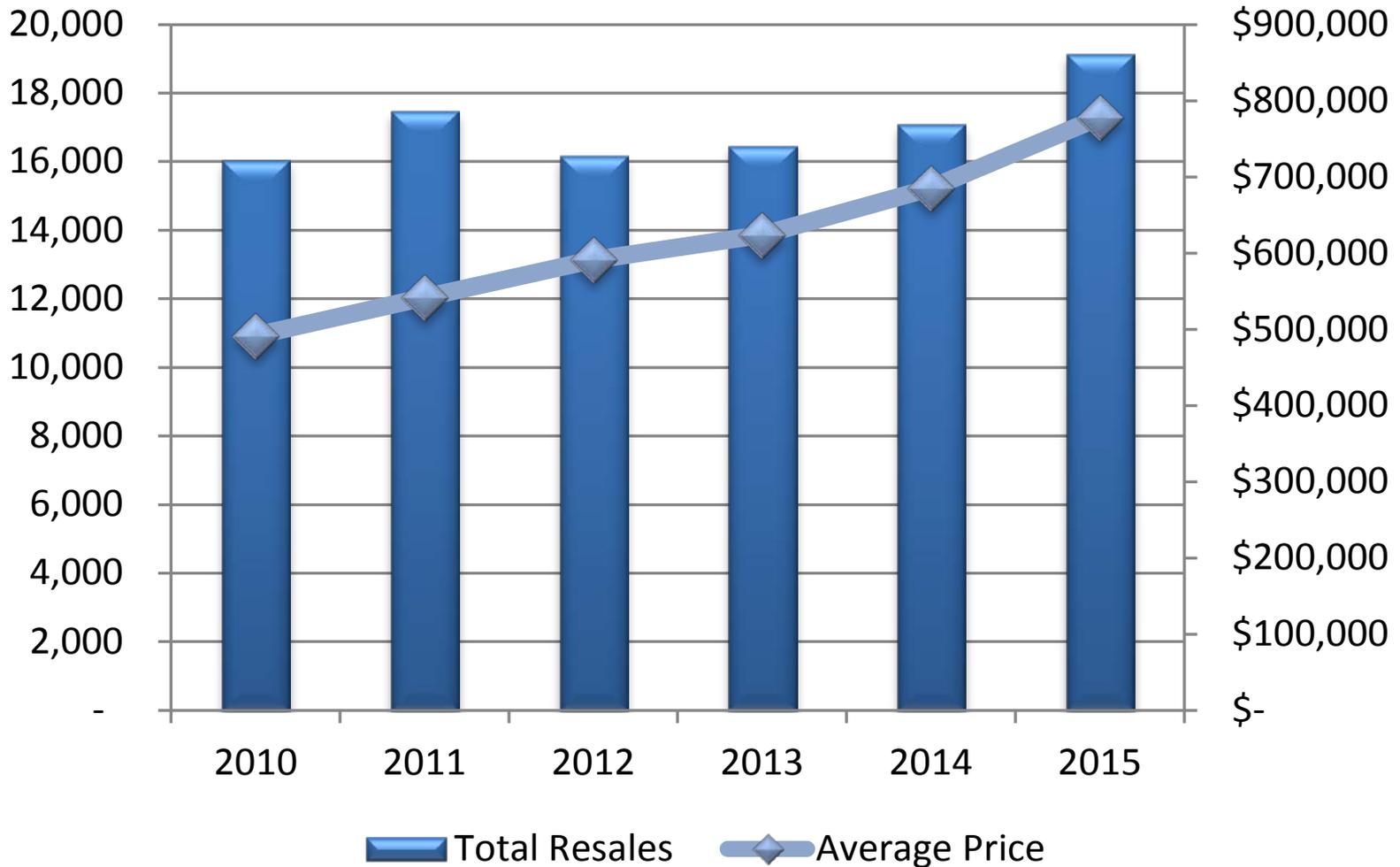
York Region's Economy Continues to Create Jobs



The population to jobs activity rate is in line with the ROP target of a 2:1 ratio

Property / Market Outlook

Average Resale Prices Increased by 13.5% to \$777,927



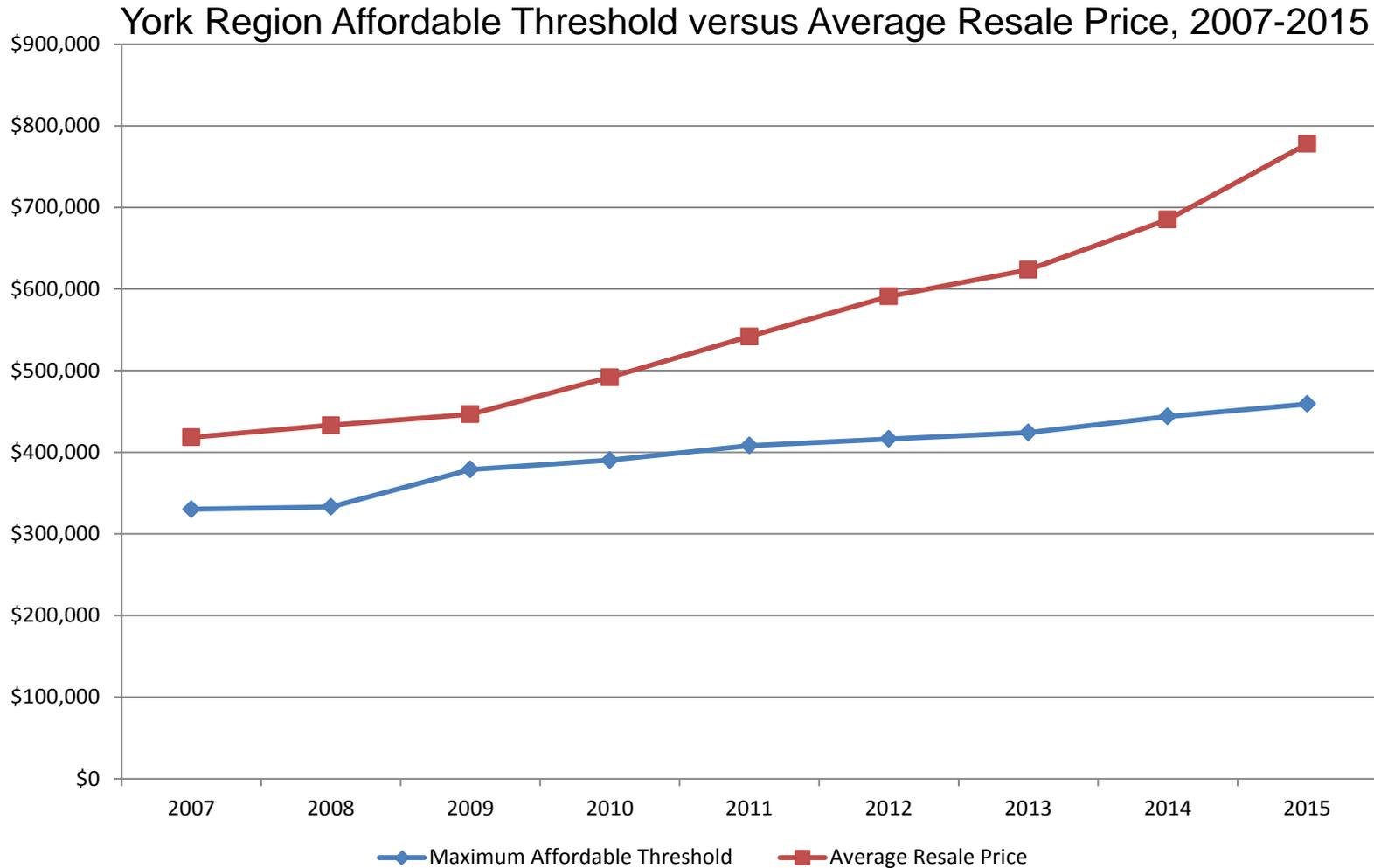
York Region Average Resale Price 25% Higher Than GTA Average

- GTA average resale price: \$622,217 (9.8% increase)

York Region Residential Resales 2015		
Unit Type	Avg. Price	2014-15 % Change
Single Detached	\$943,411	15.0%
Semi Detached	\$606,779	13.8%
Townhouse / Row	\$575,427	12.2%
Apartment	\$366,283	4.0%
Total (All Unit Types)	\$777,927	13.5%

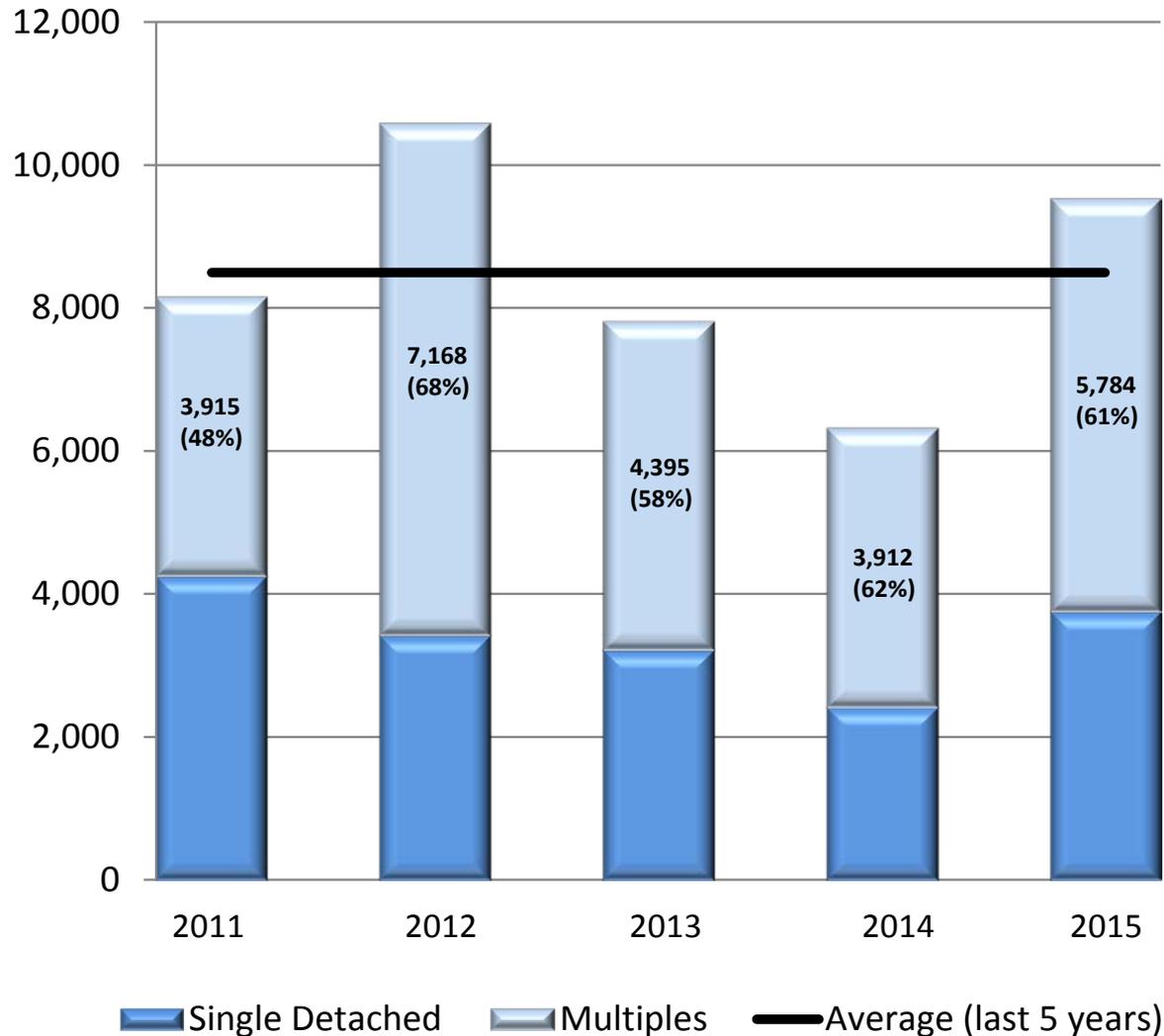
Only five years ago, the average York Region resale price was \$491,883

Increasing Gap between Affordable Threshold and Average Resale Price

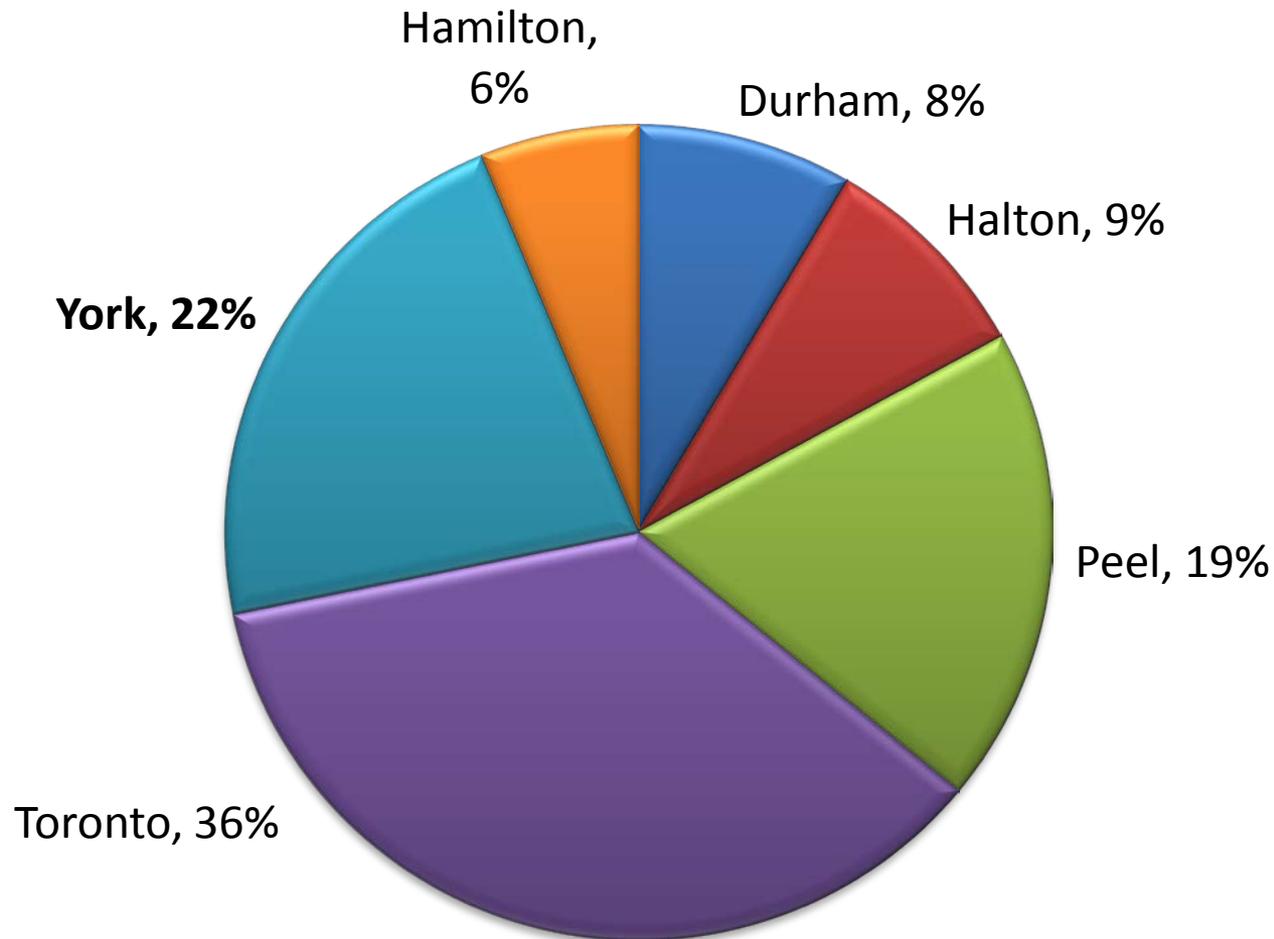


Building Activity

Building Permits Issued for 9,546 New Residential Units, a 51% Increase over 2014



York Region Retains the Second Highest Share of Building Activity in the GTA



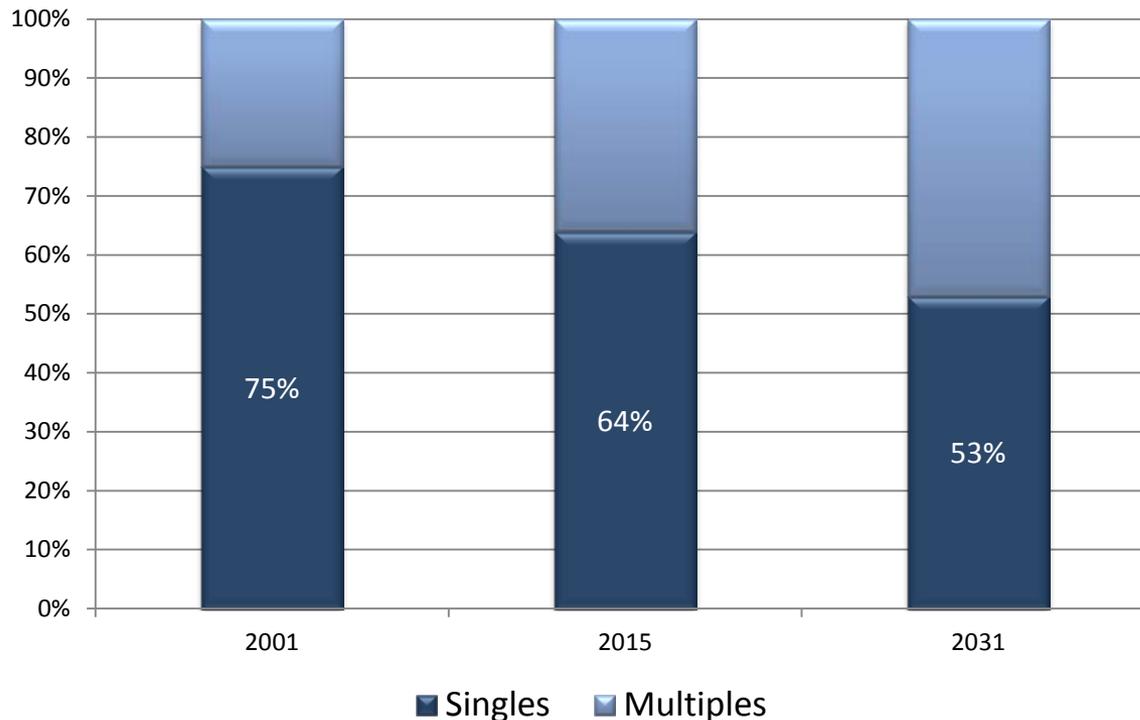
Across Canada, York Region 5th in Residential Building Permits Issued

Rank	Municipality	# of Permits	% Change from 2014
1	Greater Vancouver Regional District	25,080	33.0%
2	City of Toronto	15,554	-8.2%
3	City of Edmonton	13,343	6.2%
4	City of Calgary	12,684	-1.8%
5	York Region	9,546	50.6%
6	Peel Region	8,186	38.2%
7	City of Montréal	7,219	-12.5%
8	Québec City	5,413	0.5%
9	City of Ottawa	4,385	-38.7%
10	City of Winnipeg	4,203	-22.6%

Source: Statistics Canada Building Permit Reports, York Region.

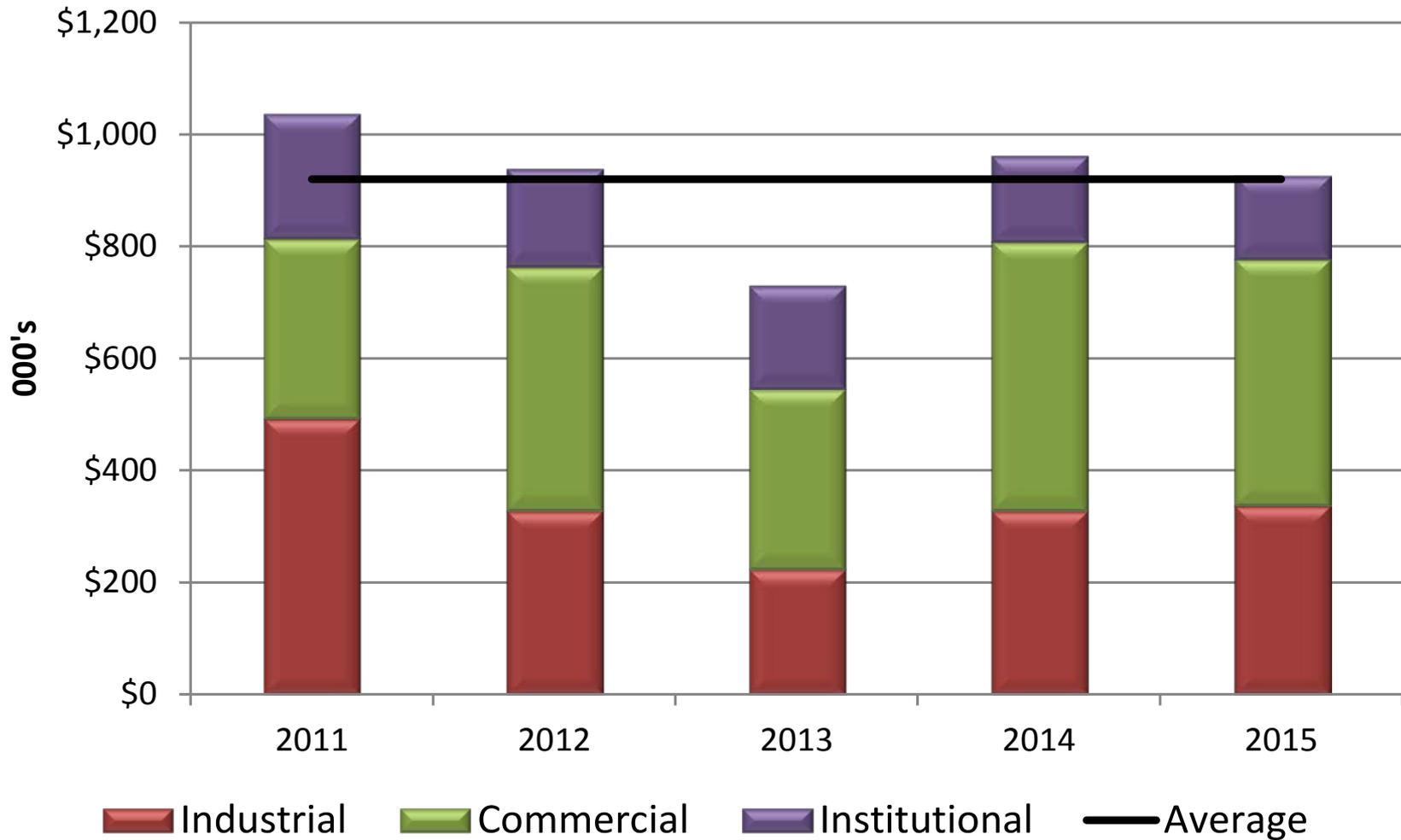
Total Housing Stock Continues to Diversify

Mix of Total Housing Stock in York Region



Diverse housing stock needed to meet the needs of the Region's residents and creates more compact, transit supportive communities

Value of ICI Construction Remains Strong

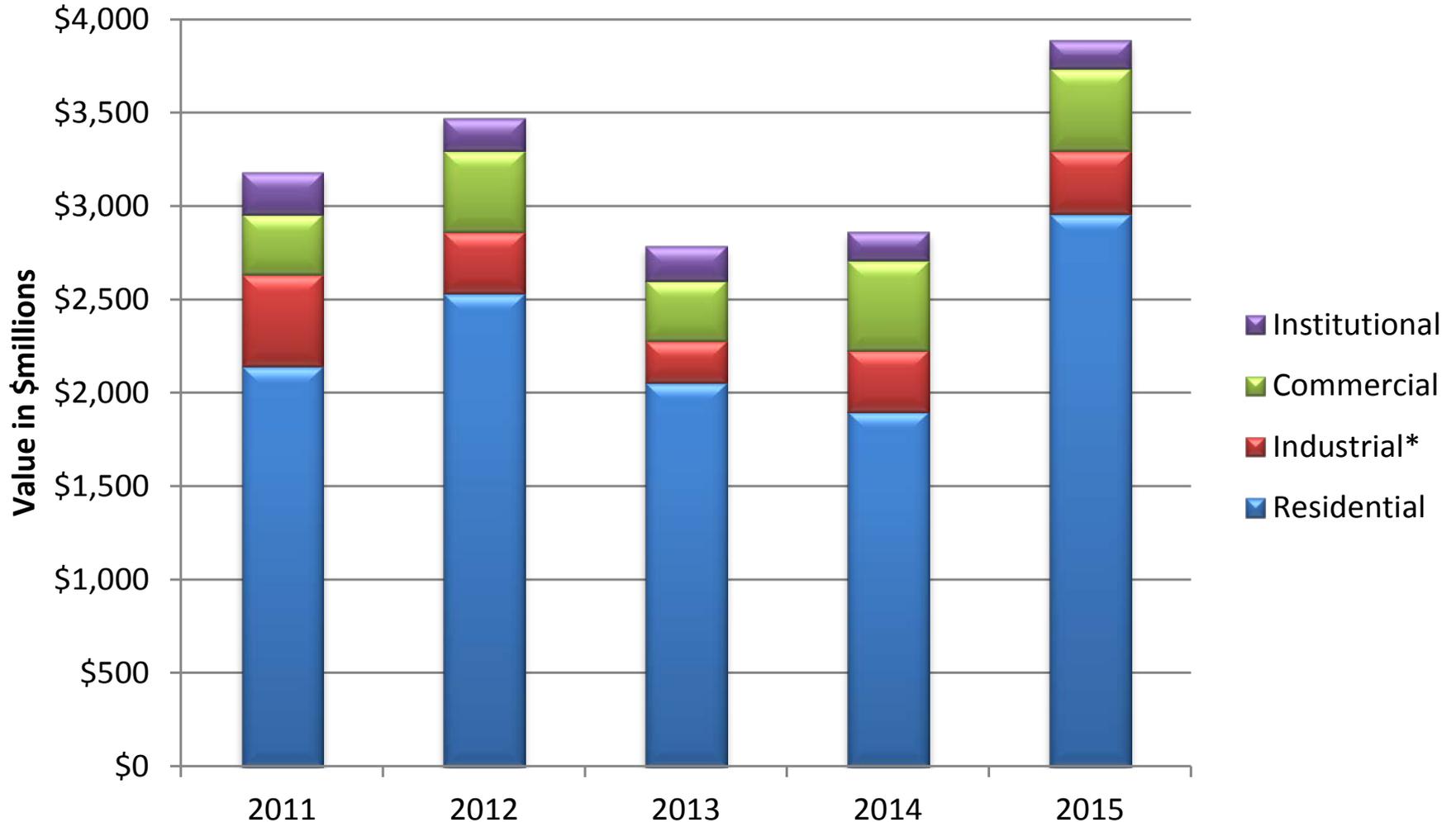


Across Canada, York Region 7th in ICI Value of Construction

Values of ICI Construction (\$000's)		
Rank	Municipality	Total Value
1	City of Toronto	\$3,760,724
2	City of Calgary	\$2,510,184
3	Greater Vancouver Regional District	\$2,347,072
4	City of Edmonton	\$1,485,163
5	City of Montréal	\$1,366,987
6	Peel Region	\$1,324,777
7	York Region	\$927,467
8	City of Ottawa	\$899,525
9	Halton Region	\$681,654
10	City of Winnipeg	\$616,940

Source: Statistics Canada Building Permit Reports, York Region.

2015 Total Construction Value is the highest ever recorded in York Region



Source: Statistics Canada Building Permit Reports, York Region.

Note: *Agricultural permits are included under the industrial category

York Region Remains among the Top Municipalities Across Canada for Total Permit Value

Values of Total Construction (\$000's)

Rank	Municipality	Total Value
1	Greater Vancouver Regional District	\$8,780,642
2	City of Toronto	\$7,808,400
3	City of Calgary	\$6,152,740
4	Peel Region	\$4,412,010
5	City of Edmonton	\$4,320,790
6	York Region	\$3,887,514
7	City of Montréal	\$2,904,932
8	City of Ottawa	\$2,101,610
9	Halton Region	\$1,794,752
10	City of Winnipeg	\$1,586,391

Source: Statistics Canada Building Permit Reports, York Region.

Conclusions

- Population and employment growth remains steady in York Region
- Low oil prices, low interest rates and a strong US dollar will continue to benefit the GTHA industrial market
- Steady US economic growth in to 2016 bodes well for York Region exports.

Staff Recommends Report be Received for Information

- Report will be available on the corporate website.



Thank you

