

Clause 3 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 25, 2017.

3

Growth and Development Review 2016

Committee of the Whole recommends:

1. Receipt of the presentation by Paul Bottomley, Manager, Policy, Research and Forecasting, Planning and Economic Development.
2. Adoption of the following recommendation contained in the report dated May 5, 2017 from the Commissioner of Corporate Services and Chief Planner:
 1. This report be received for information.

Report dated May 5, 2017 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, 2016 (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 and Previous Council Direction

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 2016 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 publish 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 Implications

The strengthening U.S. economy benefits York Region businesses

In 2016 the Global economy recorded moderate GDP growth of 3.1%. According to the International Monetary Fund (IMF), activity is projected to pick up pace in 2017, with Global GDP expected to rise to 3.4% and U.S. GDP anticipated to increase to 2.3% from 1.6% in 2016. Interest rates are expected to remain low in 2017 by historical standards. Oil prices increased to \$52.62 a barrel in 2016 from \$36.57 per barrel in 2015 and are anticipated to remain below the \$100 mark last seen in August 2014.

While the forecast for the U.S. is uncertain due to potential policy changes in the new American administration, it assumes a fiscal stimulus will lead the GDP growth of 2.3%. Steady U.S. growth in the employment and housing markets will continue to bode well for the Canadian economy and York Region. The IMF GDP forecast for Canada is 1.9% in 2017, up from 1.3% in 2016.

York Region's economy continues to create jobs, with total employment increasing steadily by approximately 3% annually over the past five years. As reported in the York Region Employment and Industry report to Council on [February 9, 2017](#), from 2015 to 2016, there were approximately 15,100 jobs added for an estimated total of 595,200 jobs in the Region. The population to jobs activity rate is equal to a ratio of approximately 2:1, which is in line with the YROP 2010 target.

York Region's population grew by 20,500 in 2016, accounting for 16% of GTHA growth

It is estimated that York Region's population grew by 20,500 (1.8%) in 2016 to 1,186,900 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). The Region is below the 2016 forecast, but with the current average annual growth of the past few years, it is on track to reach the 2031 forecast, where an annual population growth of approximately 21,600 is required between now and then.

Statistics Canada recently released the May 2016 Census population figure for York Region of 1,109,648. The Census population figure is lower than staff's mid-year 2016 population estimate. Statistics Canada tries to capture everyone in the Census, however, some people are not counted. For instance, people may be travelling, dwellings could be missed, or some people may refuse to participate. Statistics Canada accounts for this through the use of an undercount adjustment. For previous Census releases, the adjustment rate for York Region has ranged between 3% and 4%. The rate for the 2016 Census is not yet available, but it is anticipated to be released in 2018, following which staff will recalibrate the Region's population figures. If the undercount rate for the 2016 Census remains within the 3% to 4% range, staff's population figures will likely be adjusted lower than currently estimated.

All municipalities within York Region experienced growth in 2016. Vaughan, Markham and Richmond Hill recorded the greatest increases in population of approximately 6,000, 3,900 and 3,700 respectively (Figure 1). Aurora experienced the greatest rate of growth in York Region for 2016 at 4.2%.

Figure 1
York Region 2016 Population Increase and % Rate of Growth
by Local Municipality

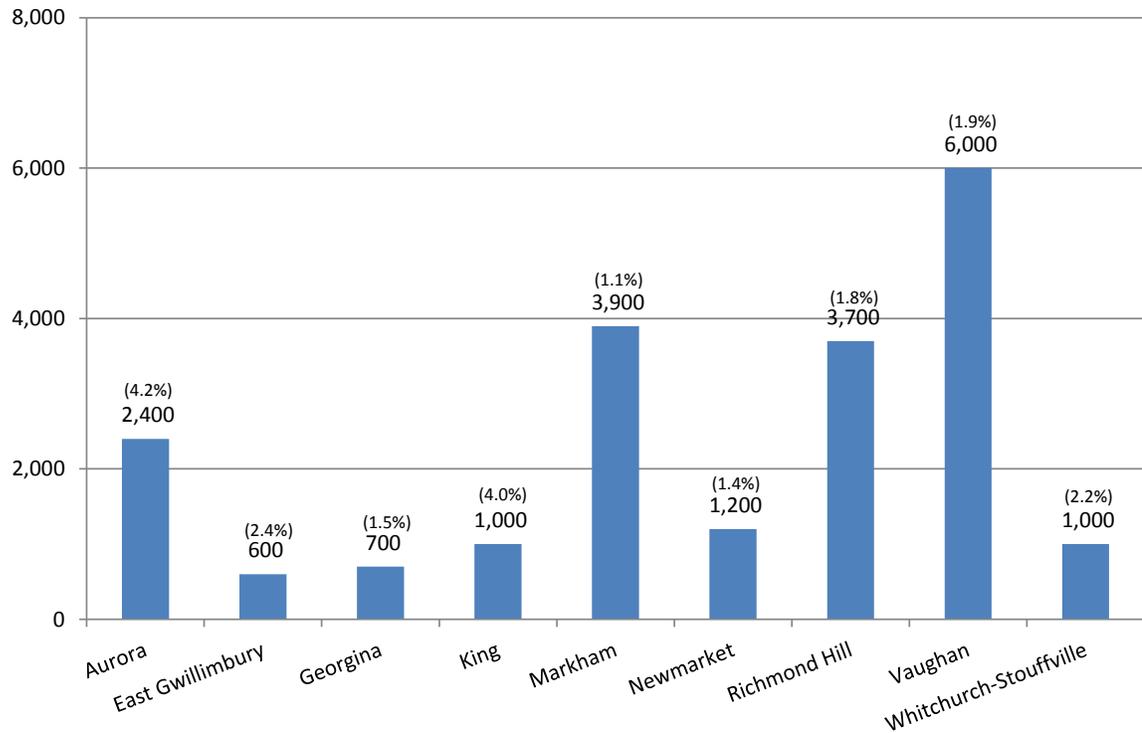
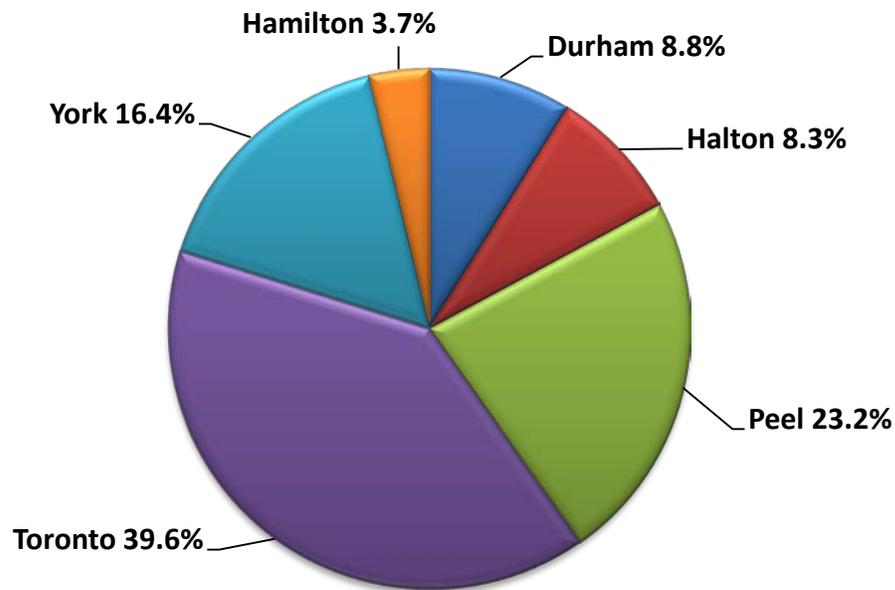


Figure 2
GTHA 2016 Population Growth: Shares by Municipality



York Region’s growth of 20,500 people represented a 16% share of GTHA growth in 2016 (Figure 2), which decreased from its 2015 share of 24%. This share decrease is attributed to a large increase in Toronto’s population growth for the year, which is related to a high number of recent condominium apartment completions. The Region’s share of population growth in 2016 was third to Peel’s share of 23% and the City of Toronto’s share of 40%. 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.

Housing prices in York Region continue to increase with the average price of a resale unit in 2016 increasing by 22% from 2015

The residential resale housing market continues to be active within York Region. Total resale numbers between 2010-2015 ranged from a low of 16,502 in 2010, to a high of 19,146 in 2015. In 2016, a new high of 22,212 resale units was reached, increasing by 16% over 2015.

Housing prices within the Region continue to rise. The average cost of a resale residential unit (all dwelling types) in 2016 was \$947,484 (Table 1) and the average cost of a resale single detached unit increased by 24% to \$1,167,889 compared to \$943,441 in 2015. York Region’s average resale housing price (all dwelling types) is almost 30% higher than the Greater Toronto Area average of \$729,922 (GTHA data not available).

Research studies conducted by several different sources have suggested that there are both supply and demand based factors that are contributing to increasing housing prices. According to the Toronto Real Estate Board, the strong price growth experienced in 2016 can also be explained by a constrained supply of resale listings, which were at their lowest point in a decade-and-a-half. Increasing housing prices and high demand for home ownership is also attributed to a relatively strong regional economy, low unemployment and very low borrowing costs, as the GTHA population continued to grow in 2016. Condominium apartments recorded the strongest annual rate of sales growth in 2016 followed by detached homes.

Table 1
Total Number of Resales and Average Price in York Region
2015 and 2016 (all dwelling types)

	Sales		Average Price	
	2015	2016	2015	2016
Aurora	1,091	1,406	\$745,673	\$957,101
East Gwillimbury	335	461	\$623,104	\$783,680
Georgina	1,050	1,300	\$410,452	\$520,218
King	426	480	\$1,006,760	\$1,289,422
Markham	5,309	6,136	\$803,695	\$964,759
Newmarket	1,753	2,007	\$618,428	\$778,433
Richmond Hill	3,846	4,409	\$887,198	\$1,103,486
Vaughan	4,402	4,968	\$797,682	\$943,088
Whitchurch-Stouffville	934	1,045	\$789,706	\$967,210
York Region Total	19,146	22,212	\$777,927	\$947,484

The gap between the maximum affordable housing threshold of \$467,739 and average resale price of homes in York Region is increasing

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

Through the affordable housing monitoring exercise, it has been determined that YROP 2010 affordability targets are being met region-wide. However, 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.

In order to better understand and react to these issues, The York Region Local Municipal Housing Working Group was formed in December 2016 to tackle affordability issues faced by the mid-range household income group (household incomes between \$79,697 and \$116,370 in 2016). The working group was created to further explore options to address housing supply and affordability issues including the development of an affordable ownership and rental housing incentives framework.

Residential building permits are up 11% from 2015, while housing completions decreased slightly by 1.8%

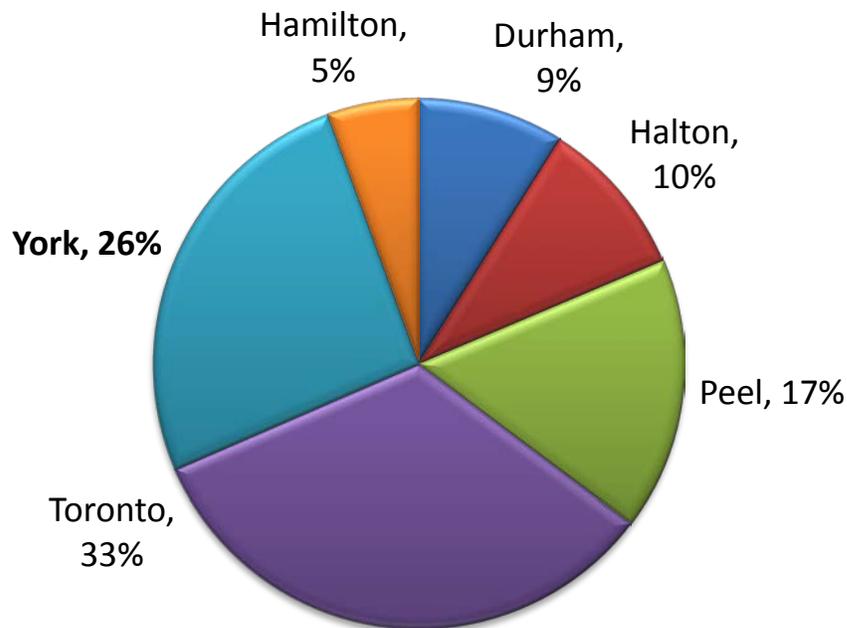
Trends in new housing activity can be assessed by looking at building permit activity and housing completions. Building permits show construction underway (or soon to be underway), while housing completions provide a record of units recently occupied, or ready to be occupied.

New residential building permits were issued in 2016 for 10,597 dwelling units, representing an 11% increase from the 2015 total of 9,546 units. Markham, Richmond Hill and Vaughan accounted for approximately 62% of the total residential building permit activity in 2016 with 24%, 20% and 18% respectively.

The number of building permits issued in Aurora and Markham increased from 2015 levels by 49% and 45% respectively. These increases are predominantly a result of the increasing numbers of apartment units in these two municipalities. The number of building permits issued in East Gwillimbury increased from 2015 levels by 1,096% (from 140 to 1,674) due to a large new development phase that is now occurring.

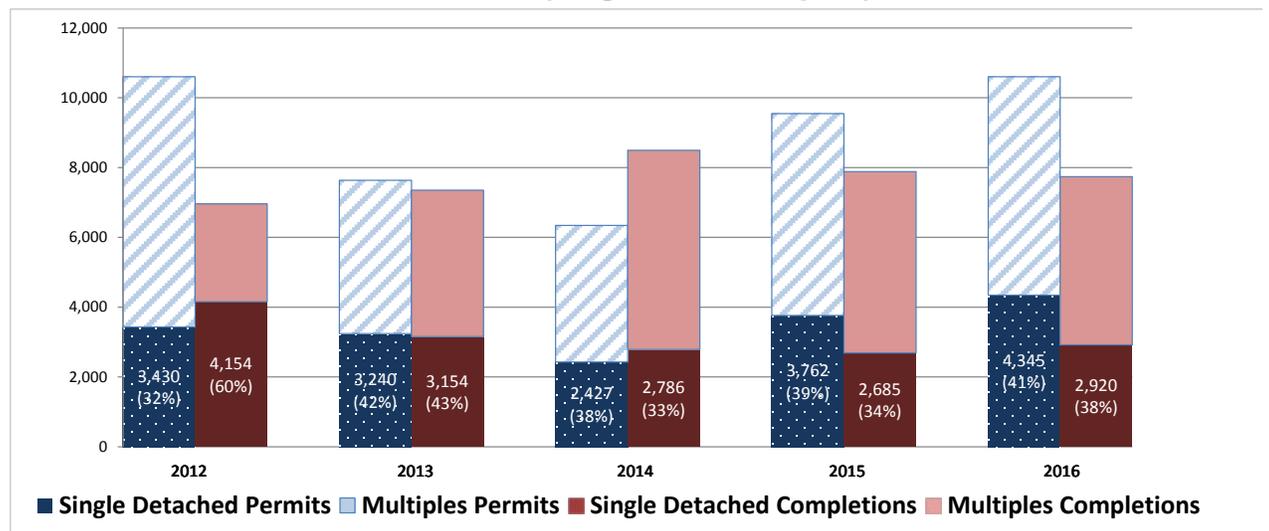
Although housing completions in the Region decreased by 1.8% from the 2015 numbers, York Region continues to be a strong contributor to GTHA development activity accounting for a 26% share of 2016 GTHA residential building permit activity (Figure 3), second only to the City of Toronto.

Figure 3
2016 GTHA Residential Building Permit Activity: Shares by Municipality



A review of York Region building permits and housing completions over the last five years (Figure 4), confirms that the mix of housing types available continues to diversify. In 2016, multiple unit dwellings accounted for 59% of new residential permits issued. The 2016 breakdown of residential building permits was 41% single-detached, 3% semi-detached, 25% row and 31% apartment units.

Figure 4
York Region Residential Building Permits and Housing Completions 2012-2016 (singles vs. multiples)

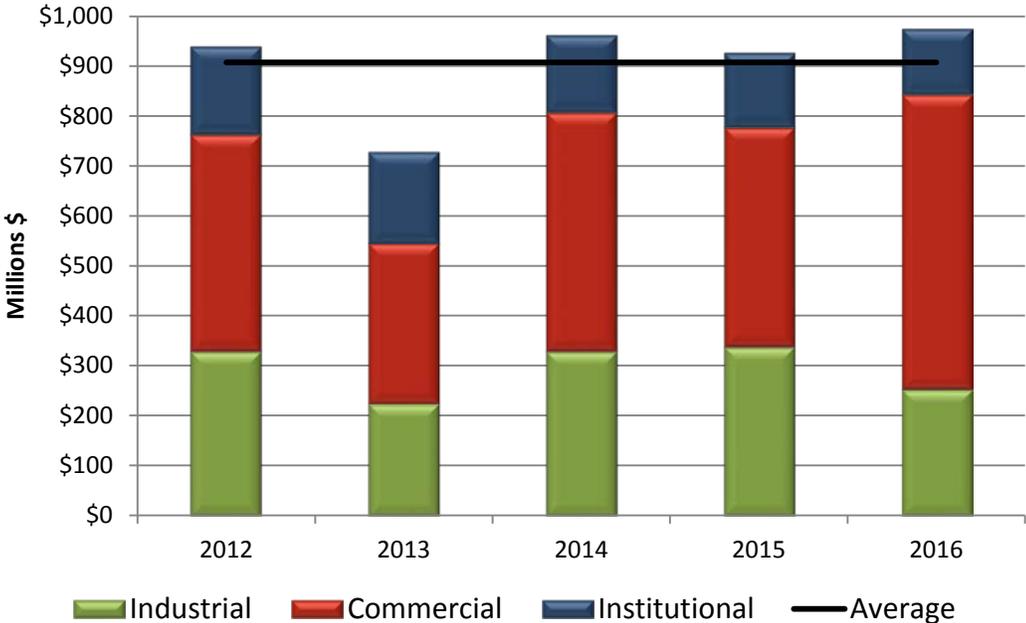


As outlined in the 2016 Development Activity Summary report to Council on [April 20, 2017](#), registration of plans of subdivision and plans of condominium for 2016 has remained strong. In total, 70 plans of subdivision and condominium were issued clearances for registration, for a total of 6,663 residential units in 2016. Therefore, it is anticipated that building permit and housing completion activity will remain steady in the coming year.

Total Industrial, Commercial and Institutional construction values increased by approximately 5% in 2016

The total Industrial, Commercial, and Institutional (ICI) construction value for the year of 2016 was \$976 million. The 2016 ICI is slightly above the average ICI value of the last five years (Figure 5). Vaughan and Markham’s share of ICI construction accounted for 80% of the total value with 48% and 32% respectively.

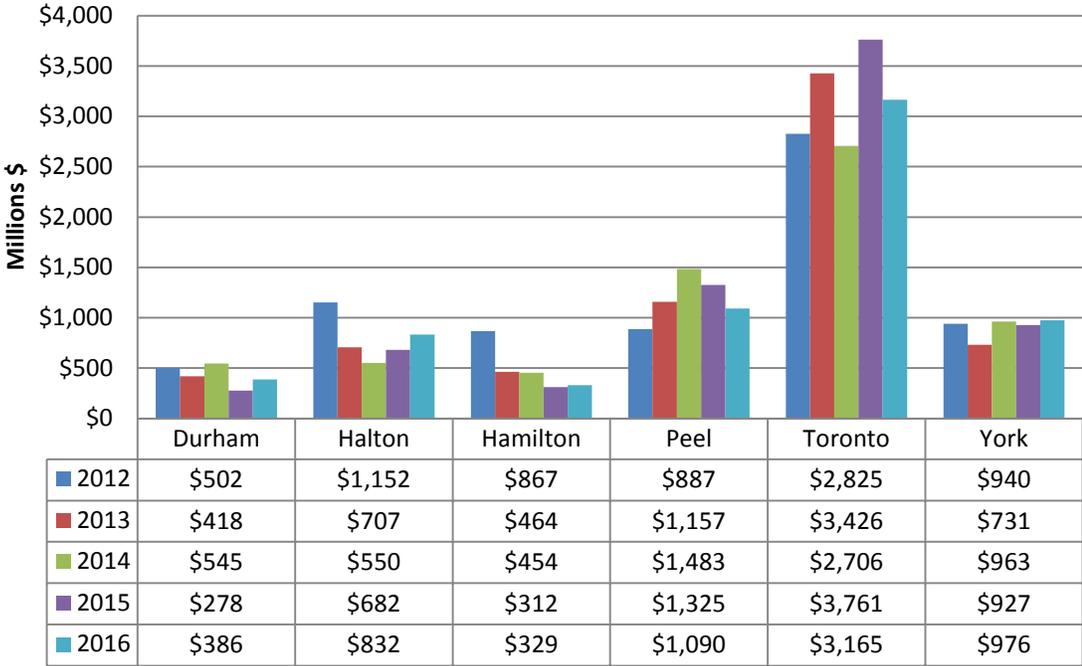
Figure 5
York Region ICI Construction Values 2012-2016



A few high-value building permits can result in large annual fluctuations in ICI building permit values. Notable ICI projects for which building permits were issued in 2016 and contributed to the strong overall ICI permit values included the \$180 million York Region Administrative Centre Annex office building in Newmarket, two permits for a commercial and hotel building for the Toronto Marriott Markham in Markham Centre issued for \$148 million, and a \$56 million permit for the construction of a Seneca College facility in King.

Within the GTHA, York Region accounted for over 14% of the total ICI construction values for 2016 (Figure 6). Overall, the GTHA recorded a 7% decrease in the value of ICI construction from 2015. Peel and Toronto recorded decreases in total ICI construction, while the remaining four GTHA regional municipalities experienced increases.

**Figure 6
GTHA ICI Construction Values 2012-2016**



As investment in new ICI development has occurred, so have employment opportunities within the Region. York Region’s employment growth once again outpaced provincial and national averages in 2016, posting a gain of 3.1%.

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

York Region remained 7th in 2016 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.

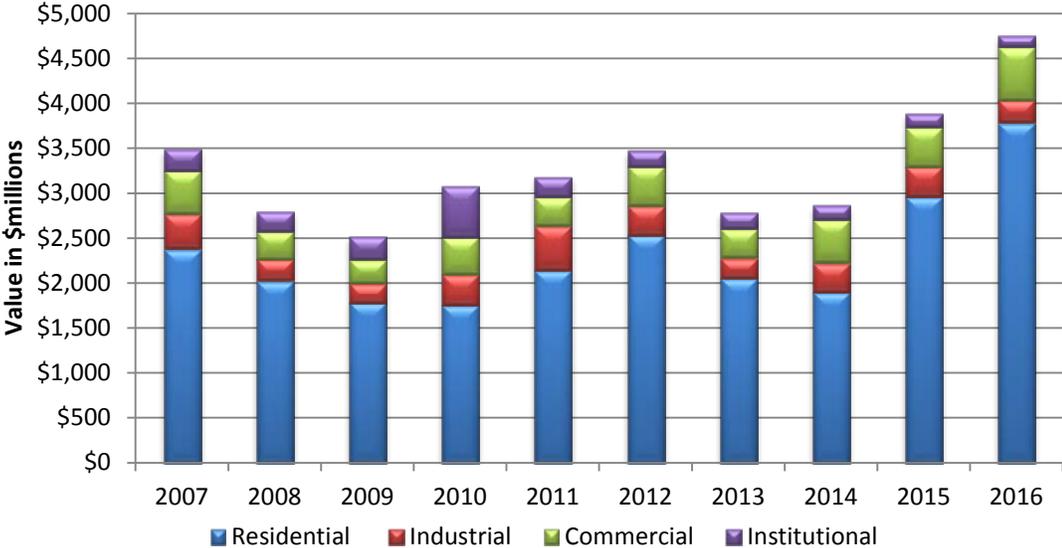
York Region continued to record steady growth in 2016. A review of building permits issued and housing completions reveals that York Region continues to provide a mix of new housing. This is in line with the direction in the YROP 2010, which is to increase the variety, mix and type of multi-unit dwelling types being

developed. This will assist in providing more affordable housing options within the Region.

Total 2016 estimated value of construction of \$4.76 billion is the highest value on record for York Region

Total estimated value of construction in 2016 was approximately \$4.76 billion, compared to \$3.89 billion recorded in 2015, a significant increase of 22.5%, and the highest value on record for the Region (Figure 7). 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.

Figure 7
York Region Construction Value by Type 2007-2016



As noted above, York Region continues to experience job growth. According to the Cushman & Wakefield MarketBeat, low interest rates and the expectation of a stronger U.S. economy means that the GTHA’s industrial markets are expected to experience a strong demand from the U.S. for goods and services, translating to further growth in 2017.

The Growth and Development Review 2016 provides information regarding 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.

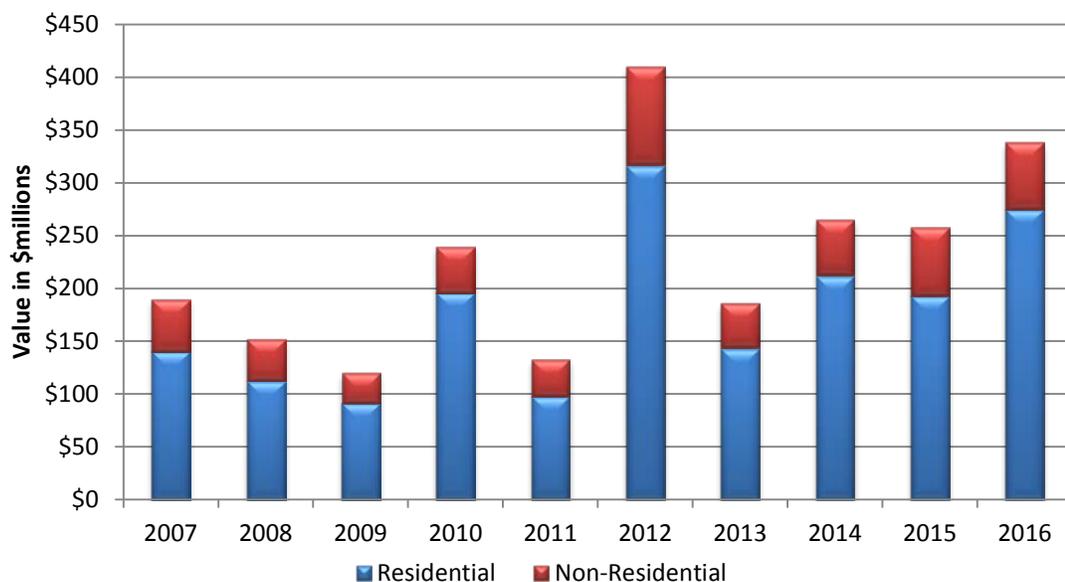
The 2015-2019 Strategic Plan includes strategic priority areas that aim to ‘Strengthen the Region’s Economy’ and ‘Support community health and well-being’. It seeks to ‘increase the range of available and affordable housing choices’ and ‘foster an environment that attracts growth and maintains businesses’. 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 Considerations

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 2016 was \$338.5 million compared to \$258.3 million in 2015 (Figure 8). It should be noted that the DC bylaw is being updated as of June 2017 and DC rates will be revised.

Figure 8
York Region Development Charges Collected 2007-2016



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 2016 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

In 2016, York Region continued to demonstrate growth in population, employment, construction values and the housing market. York Region continues to exhibit growth in these key areas. The projected strength of the U.S. economy in 2017 will bode well for York Region businesses.

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)

While affordable housing continues to be a challenge, York Region's Affordable Housing Measuring and Monitoring Guidelines, 10 Year Housing Plan and The York Region Local Municipal Housing Working Group are helping to address this issue by encouraging a mix of housing choices for residents. Low interest rates and the strong economy forecasted for 2017 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 funding strategies, and monitor the Federal government on their \$11.2 billion investment (over 11 years) towards affordable housing as guided by a National Housing Strategy.

The Growth and Development Review 2016 report monitors and reports on key performance measures and highlights York Region as a destination to live, work and play.

It is proposed that the attached Growth and Development Review 2016 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 1-877-464-9675 ext. 71530.

The Senior Management Group has reviewed this report.

May 5, 2017

Attachments (1)

#7587884

Accessible formats or communication supports are available upon request



2016 Growth and Development Review



May 2017


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 2016*, 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 2017 to 3.4% over 2016 levels of 3.1%
- Both Canada and the U.S. are expected to record increases in GDP growth rates in 2017, at 1.9% and 2.3% respectively
- The U.S. federal reserve is expected to keep interest rates low compared to historical levels in 2017 as is the Bank of Canada
- In 2017, U.S. employment and housing starts are both anticipated to continue the upward trend of the previous 5 years

Population Growth

- York Region recorded 20,500 new residents (1.8% population growth) in 2016, to a year end population of 1,186,900
- Over the last 5 years, population growth within the Region has averaged 1.9%
- **York Region's activity rate (ratio of employment to population) has been increasing since 2010 and is currently 50.1%, or 1 job for every 2 residents**
- All municipalities experienced population growth in 2016, with growth rates ranging between 1.1% in Markham to 4.2% in Aurora
- Vaughan and Markham experienced the greatest population increases of 6,000 and 3,900 people respectively
- York Region accounted for a 16.4% 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 16.0% to a total of 22,212 units
- The value of York Region residential resales was \$20.89 billion, up from \$14.97 billion in 2015
- The average resale price increased by 21.8% to \$947,484
- The gap between the affordable threshold (\$467,739 for 2016) and average resale price continues to increase

- The number of residential building permits issued, 10,597, is up 11% from 2015, and higher than the 5 year average of 8,950
- Multiple unit dwellings accounted for 59% of new residential permits issued
- **York Region's intensification share within the built boundary has ranged** between 31% to 61% over the last 11 years, and was 49% in 2016
- Markham, Richmond Hill and Vaughan accounted for approximately 62% of the total residential building activity in 2016
- The number of residential building permits issued in York Region was the fifth highest in Canada in 2016
- The mix of housing completions in York Region for 2016 included 43% apartments
- Residential completions in York Region decreased by 1.8% in 2016 to 7,738 housing units

Industrial, Commercial and Institutional market and Building Activity

- According to Cushman & Wakefield, the GTA industrial market has over 781.3 **million square feet of inventory with York Region's inventory at 150.2 million, a 19.2% share**
- Commercial construction values increased from 2015 levels by 34%, while industrial and institutional values decreased by 25% and 12% respectively
- Notable ICI projects for which building permits were issued in 2016 and contributed to the strong overall ICI permit values included a \$180 million York Region Administrative Centre Annex office building in Newmarket, two permits for a commercial and hotel building for the Toronto Marriott Markham in Markham Centre for \$148 million, and a \$56 million permit for the construction of a Seneca College facility in King.

Overall Construction Value, Development Charges and Tax Assessment

- Total estimated construction values for building permits issued in 2016 was the highest ever recorded in York Region, at approximately \$4.65 billion, up 19.5% from \$3.89 billion recorded in 2015
- York Region ranked fifth in total construction value among Canadian municipalities
- **York Region's overall assessment growth (new assessments and reassessments) was 7.1% in 2016**
- **York Region's share of the GTA's total assessment in 2016 was 20.1%, second to the City of Toronto which had a 45.2% share**

According to the International Monetary Fund (IMF) Global Growth is expected to pick up pace in 2017 over 2016 levels

Emerging/developing economies projected to increase from 4.1% in 2016 to 4.5% and 4.8% in 2017 and 2018 respectively

China's growth to slow from 6.7% to 6.5% while India is forecast to increase from 6.6% to 7.2%

Advanced economies to rise to 1.9% (a 0.3% increase)

Euro area growth outlook to remain steady at 1.6%

Russia to increase to 1.1% in 2017 and 1.2% in 2018

The U.S. economy is anticipated to rise from 1.6% in 2016 to 2.3% for 2017

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

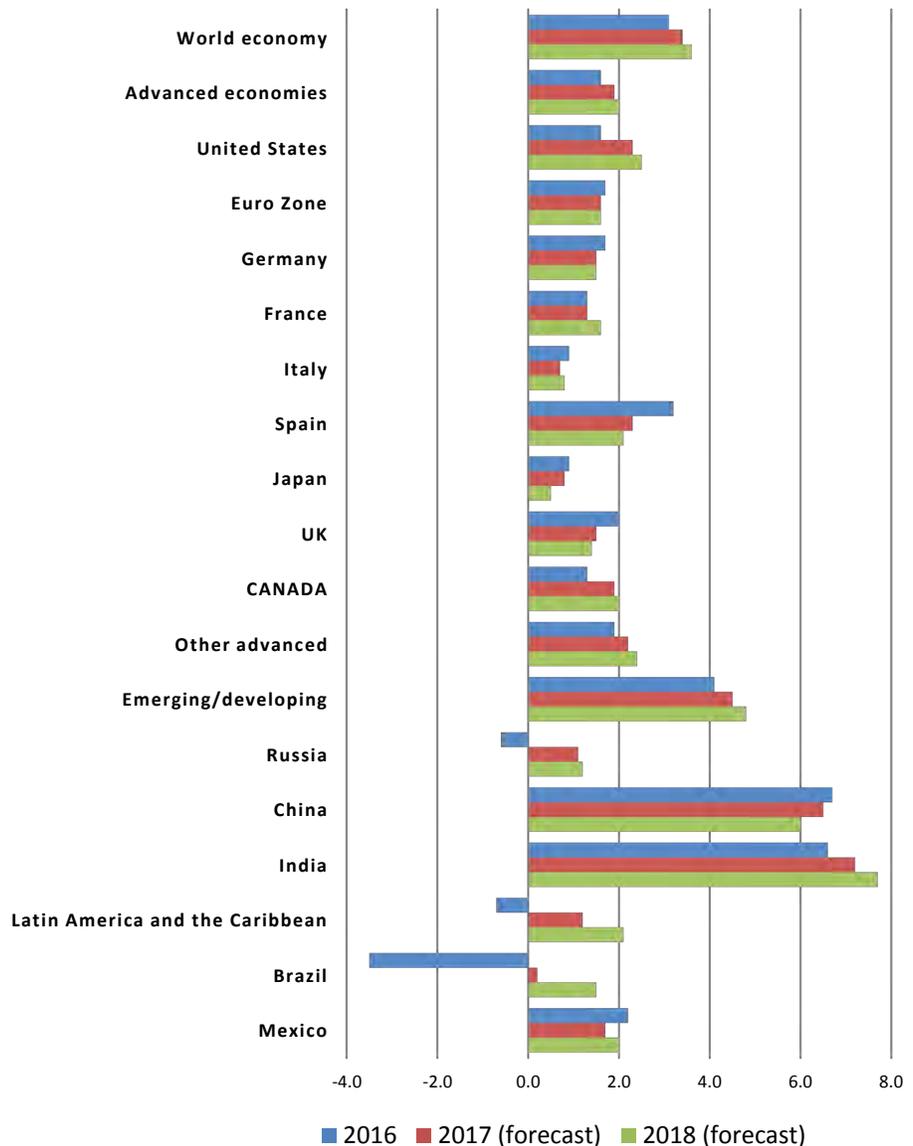
The U.S. federal reserve raised short term interest rates in 2016. Rates are anticipated to remain low compared to historical levels. The Bank of Canada is also expected to keep interest rates low.

1. Economic Outlook

Global and United States GDP forecast to accelerate in 2017

- Global economic activity is projected to rise from 3.1% in 2016 to 3.4% in 2017 and 3.6% in 2018
- The U.S. economy is expected to grow to 2.3% and 2.5% for 2017 and 2018, up from 1.6% in 2016
- Canada's growth output is expected to rise from 1.3% in 2016 to 1.9% in 2017 and 2.0% in 2018

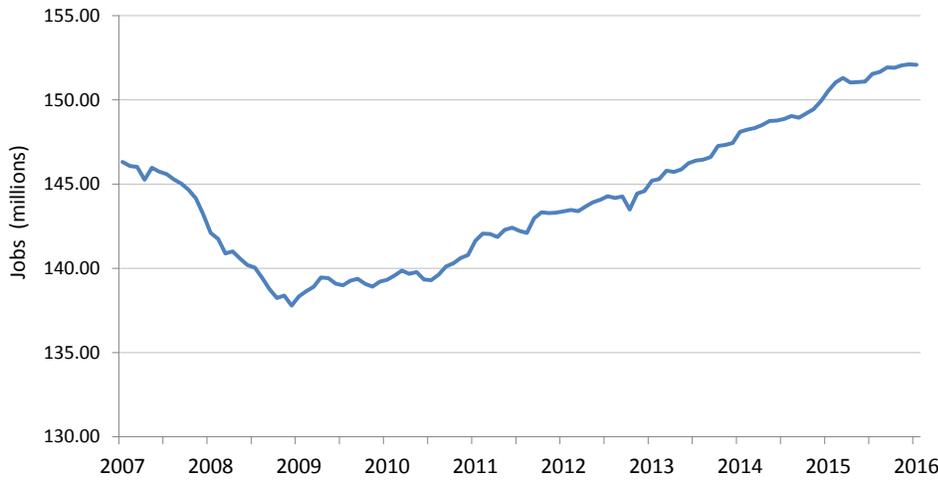
**Figure 1.1
Global Growth Forecast (%)**



Source: World Economic Outlook (January 2017): IMF

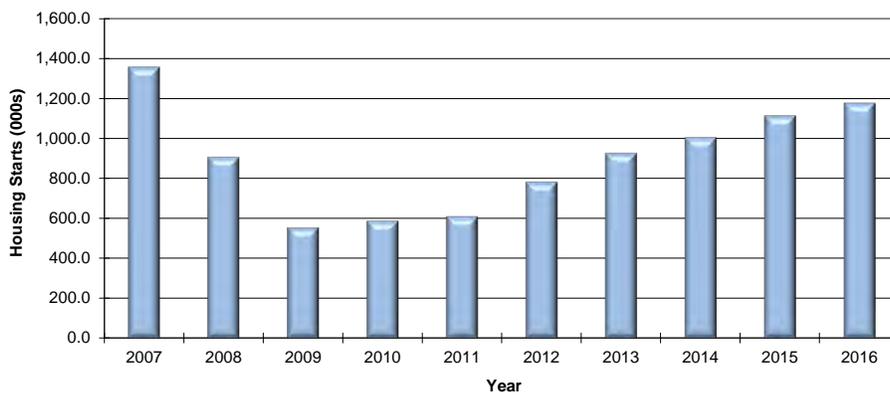
- U.S. employment trends continued to show positive job creation in 2016 (Figure 1.2)
- U.S. job numbers increased to 152.1 million, adding almost 2.2 million jobs in 2016
- A strengthening U.S. economy bodes well for York Region businesses that export to the U.S. market

Figure 1.2
U.S. Job Growth Trends, 2007-2016



Source: U.S. Bureau of Economic Research

Figure 1.3
U.S. Annual Housing Starts, 2007—2016



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

- U.S. housing starts recorded a 5.7% increase over 2015, to a total of 1.2 million in 2016
- Since 2011, U.S. job growth rates and annual housing starts have been 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 import of U.S. goods and services

Oil prices increased in 2016, but remain well below \$100 per barrel, last seen in August 2014

The price of oil at the end of 2016 was \$52.62 per barrel, compared to \$36.26 in 2015 and \$55.58 in December of 2014

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

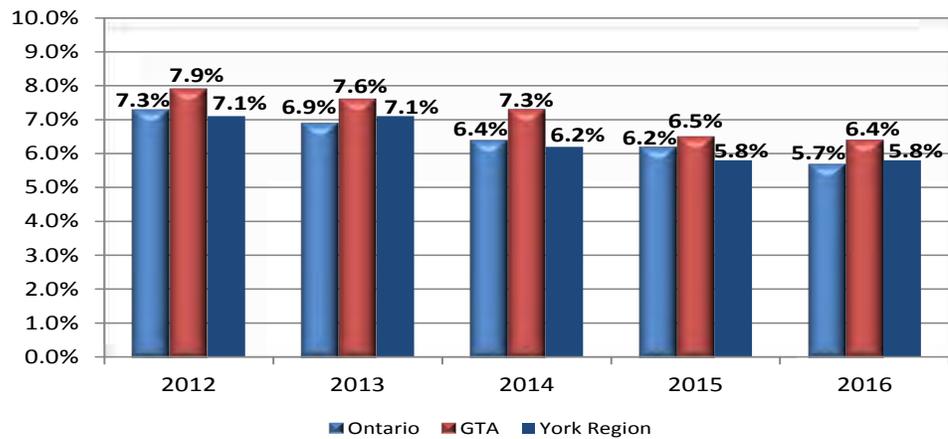
Go Transit expansion

Vaughan Hospital

Economic Activity in Ontario, the GTA and York Region

- Economic prospects have taken a notable upturn over last year, according to the Toronto Dominion Bank Provincial Economic Forecast Update. A key part of the positive forecast for Ontario relates to housing, both new and resale, where strong momentum is setting the stage for higher residential construction and retail oriented activity
- The provincial unemployment rate has been decreasing steadily since 2012, from 7.3% down to 5.7% in 2016
- The unemployment rate in the Greater Toronto Area has also been decreasing since 2012, from 7.9% to 6.4% in 2016
- York Region’s unemployment rate was 5.8% at year-end 2016, better than the GTA rate and only slightly higher than Ontario’s rate

**Figure 1.4
Ontario, GTA and York Region Unemployment Rates 2012-2016**



Source: Statistics Canada
Note: Based on unadjusted 3-month moving averages

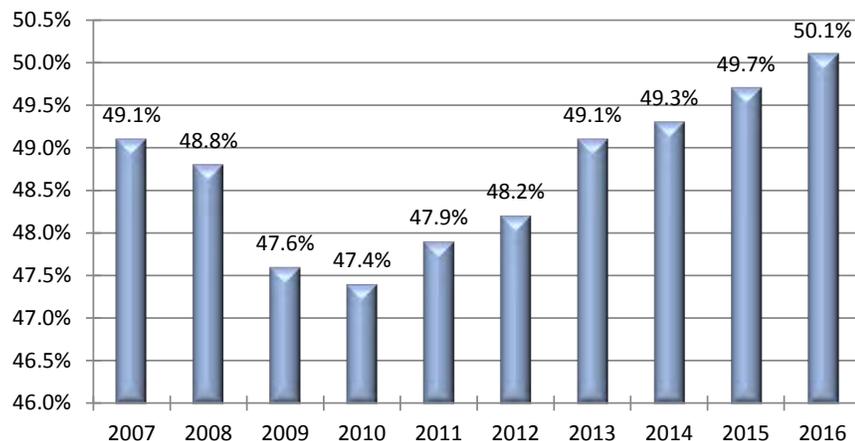
Activity Rate

The activity rate compares the rate of total employment to total population. One of York Region’s Official Plan (ROP) objectives is to create high-quality employment opportunities for residents, with a goal of 1 job for every 2 residents.

An activity rate of 50% is consistent with the ROP target.

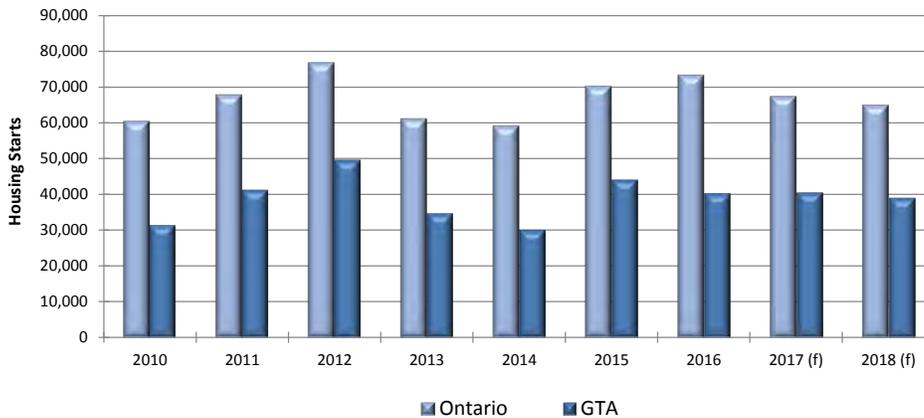
York Region’s activity rate has been increasing since 2010, as shown on Figure 1.5, and is currently 50.1%.

**Figure 1.5
York Region Activity Rate**



- According to the Canadian Mortgage and Housing Corporation, housing starts in the GTA decreased by almost 9% in 2016, to 40,300
- CMHC predicts that GTA housing starts will remain similar in 2017 and 2018

Figure 1.6
Ontario and GTA Housing Starts, 2009-2016

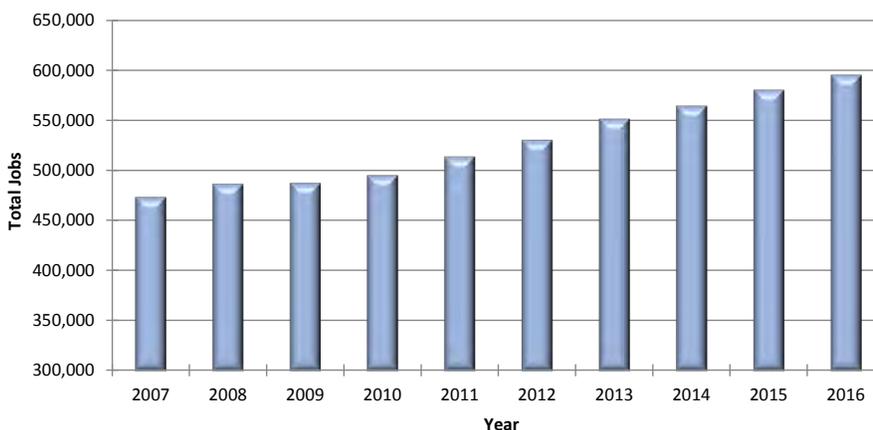


Source: Canada Mortgage and Housing Corporation

(f) - forecast

York Region's Economy Continues to Create Jobs

Figure 1.7
York Region Total Employment, Mid-year 2007—2016



- From 2015 to 2016, there were approximately 15,100 jobs added for an estimated total of 595,200 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 professionals 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 2016 with 3,448 job postings or 4.1% of total

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

- A review of 2016 job postings within the Region indicates a vibrant local economy and job market
- 90% 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 2016 is consistent with overall trends in the Canadian labour market
- Over 88% of the job postings were for employers in southern York Region, consistent with the geographic distribution of businesses

**Table 1.1
York Region 2016 Job Posting Activity**

Occupational Category (NOC)	No. of Job Postings	Per Cent of All Job Postings
Sales and service occupations	21,266	25%
Business, finance and administration occupations	14,316	17%
Trades, transport and equipment operators and related occupations	10,759	13%
Natural and applied sciences and related occupations	10,371	12%
Management occupations	6,913	8%
Occupations in education, law and social, community and government services	5,674	7%
Health occupations	4,450	5%
Occupations in manufacturing and utilities	3,904	5%
Not Classified	3,849	5%
Occupations in art, culture, recreation and sport	1,439	2%
Natural resources, agriculture and related production occupations	422	1%
Unavailable	138	0%
Total Number of Job Listings	83,501	100%

Source: Wanted Analytics Inc. 2016

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 1.8% Growth in 2016

- The Region's population increased by approximately 20,500 persons in 2016 to a total population of 1,186,900
- The 2016 annual growth rate decreased slightly from 1.9% in 2015 to 1.8% (Figure 2.1)

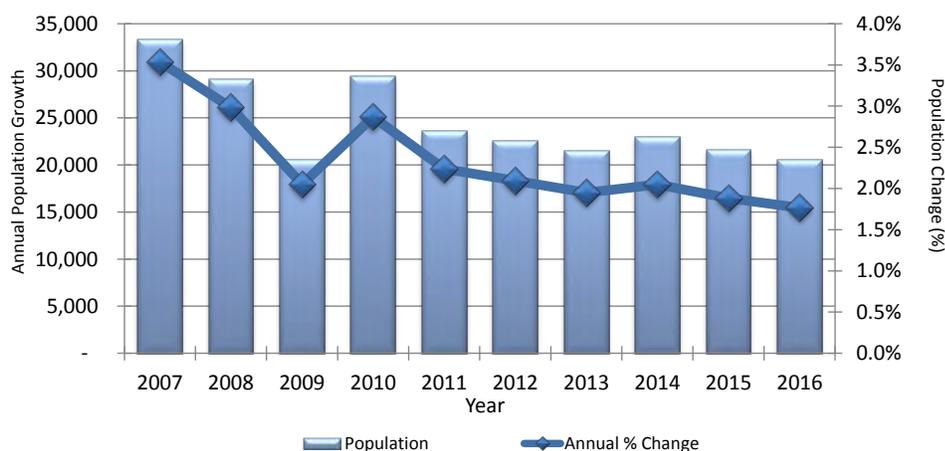
Table 2.1
York Region Population, 2015-2016

	2015	2016	Population Growth	Change (%)
Aurora	57,600	60,000	2,400	4.2%
East Gwillimbury	24,600	25,200	600	2.4%
Georgina	47,500	48,200	700	1.5%
King	24,900	25,900	1,000	4.0%
Markham	350,000	353,900	3,900	1.1%
New market	86,100	87,300	1,200	1.4%
Richmond Hill	206,900	210,600	3,700	1.8%
Vaughan	323,500	329,500	6,000	1.9%
Whitchurch-Stouffville	45,300	46,300	1,000	2.2%
York Region Total	1,166,400	1,186,900	20,500	1.8%

Source: York Region, Corporate Services, Long Range Planning Division, 2015 and 2016.
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
York Region Annual Population Growth, 2007-2016



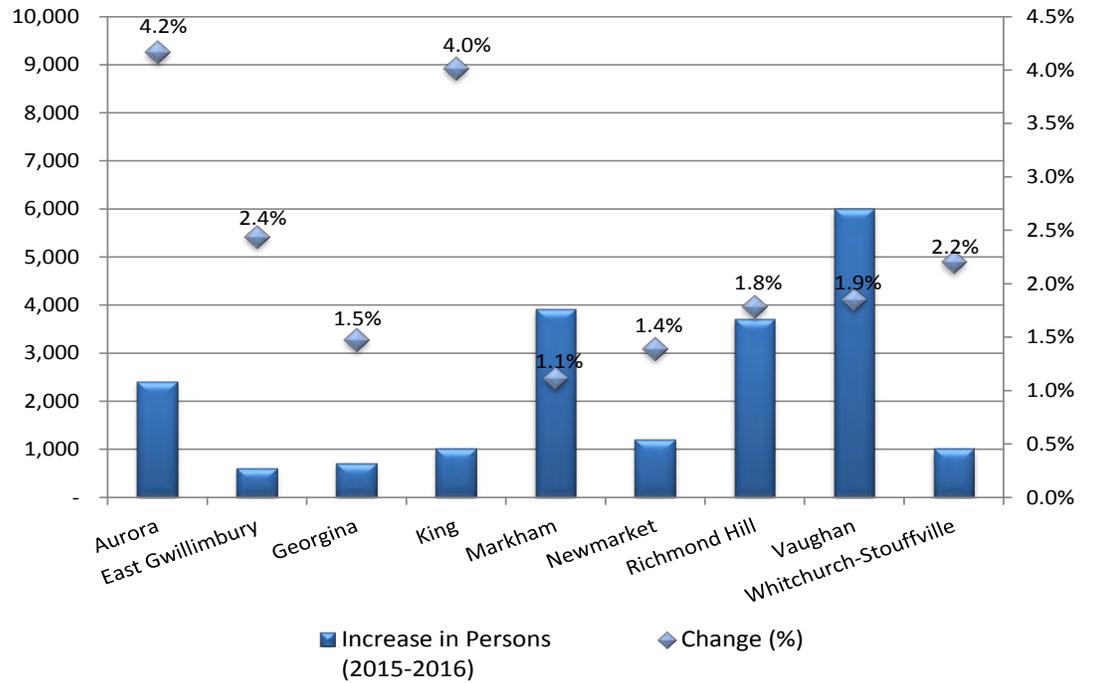
The 2016 Census Population Figure for York Region

Statistics Canada recently released the 2016 Census population figure for York Region at 1,109,648. This figure is not adjusted for the undercount, where approximately 3% to 4% of the population is missed. Preliminary analysis indicates the Census population figure is lower than York Region's mid-year 2016 population estimate (unadjusted for the undercount). An undercount study and revised population figure will be provided by Statistics Canada in 2018, after which time York Region will recalibrate the population figures.

York Region is part of the broader GTHA Region encompassing over 7.3 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

**Figure 2.2
Population and Annual Increase by Local Municipality (2015-2016)**



- All municipalities in York Region are growing (Figure 2.2) with the largest population increases in the southern part of the Region

York Region’s Contribution to GTHA Growth is Significant

- By the end of 2016, the GTHA population was estimated at 7.34 million people, an increase of approximately 125,000 or 1.7% from 2015
- In 2016 York Region’s share of the GTHA’s growth was 16.4%

**Figure 2.3
2016 Share of GTHA Growth by Municipality**

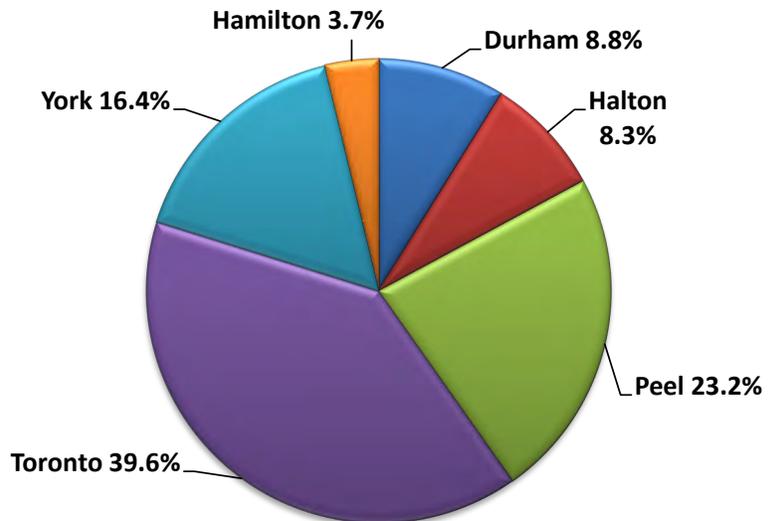
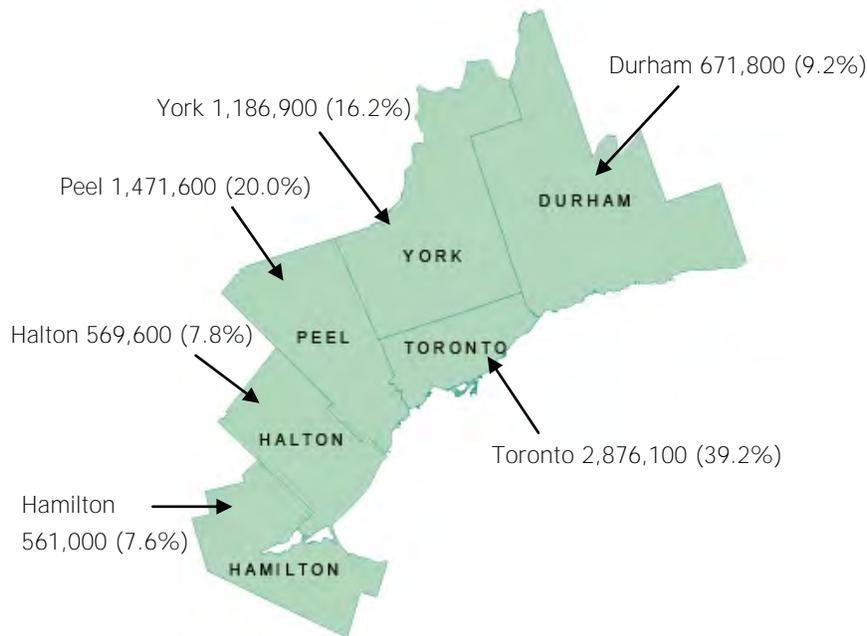


Figure 2.4
Share of Total 2016 GTHA Population by Municipality



York Region is one of the Largest Municipalities in Canada

- As of December 2016, York Region was the sixth largest municipality in Canada (Table 2.2) in population

Table 2.2
Canada's Largest Municipalities by Population, 2016

Rank	Municipality	Est. Population (2016)
1	City of Toronto	2,876,100
2	Greater Vancouver Regional District	2,550,400
3	City of Montréal	2,014,200
4	Peel Region	1,471,600
5	City of Calgary	1,260,900
6	York Region	1,186,900
7	City of Ottawa	973,500
8	City of Edmonton	933,000
9	City of Québec	826,400
10	City of Winnipeg	730,400

Source: Various Municipalities, 2016.

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).

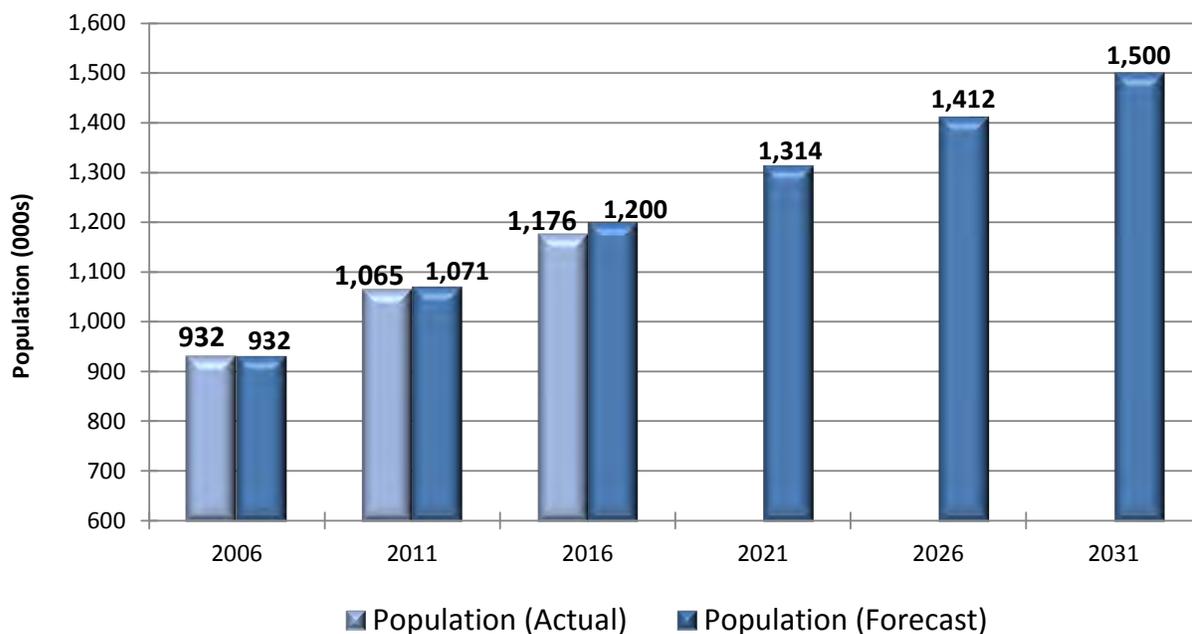
Indicator : Population and Employment Forecasts

Population and employment growth forecasts form the basis for determining urban land needs, infrastructure and service planning, financial planning, and determining development charges.

Population and Employment Forecasts

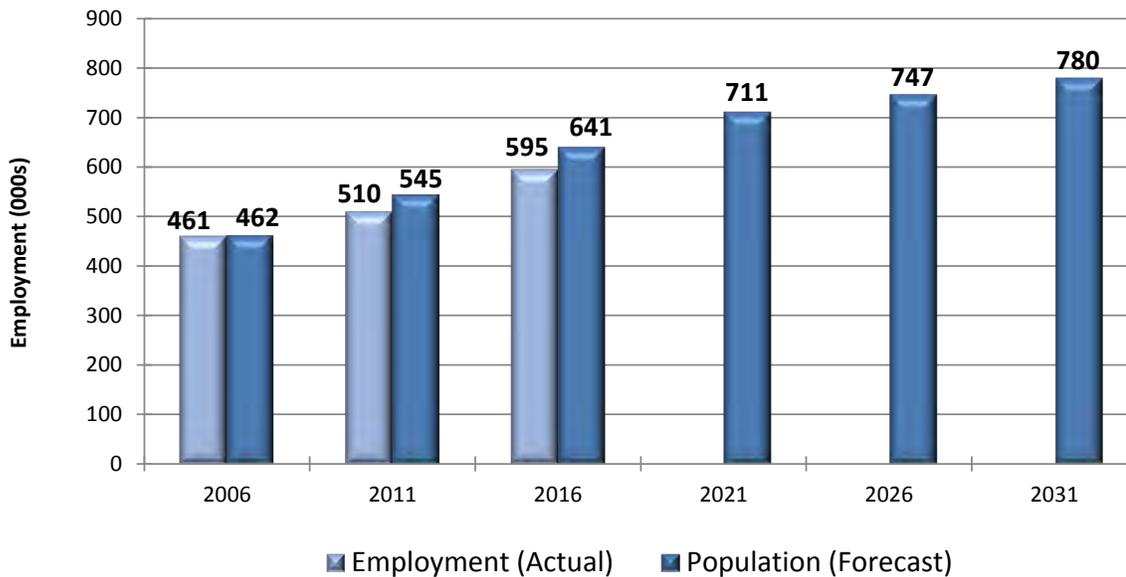
- York Region’s mid year 2016 population was estimated to be 1,175,690, which is 2.1% (24,410) lower than the Region’s YROP (2010) forecast of 1,200,100
- The Region is below the 2016 forecast, but is on track to reach the 2031 forecast, where an annual population growth of approximately 21,600 is required between now and then

**Figure 2.5
Population Growth (Actual and Forecast), 2006-2031**



- Due to the 2008-2009 economic recession, employment levels are below the Regional projection
- **In 2016, York Region's employment was approximately 595,200 while the YROP (2010) forecast employment for 2016 was 640,500, a 45,300 difference**
- Annual employment growth of 12,000 is required to meet the 2031 employment forecast. The Region has been growing by approximately 16,000 jobs per year during the past 4 years

**Figure 2.6
Employment Growth (Actual and Forecast), 2006-2031**



Resale Homes Generate Significant Economic Activity

Use of professional services including: real estate agents, lawyers, appraisers, and surveyors

Generate taxes and fees

Generate associated spending on appliances, furniture, fixtures etc.

Key 2016 York Region Resale Home Facts

Accounted for 19.6% of total number of GTA resales

Accounted for 25.3% of total GTA resale value

Average number of days a residential dwelling was on the market - 16 days

Average selling price - 103% of list price

3. Residential Market and Building Activity

Highest number of residential resales recorded in 2016, housing prices continue to rise

- The number of residential resales in York Region during 2016 totalled 22,212 dwelling units (Figure 3.1), an increase of 16.0% (3,066 units) from 2015
- Total value of all York Region residential resales in 2016 was approximately \$20.89 billion – up from \$14.97 billion in 2015 and \$11.7 billion in 2014

Figure 3.1
York Region Total Resales and Average Price, 2011-2016



Source: Toronto Real Estate Board, Market Watch 2011-2016.

Table 3.1
Total Number of Resales and Average Price (all dwelling types) by Local Municipality, 2015 and 2016

	Sales		Average Price (\$)	
	2015	2016	2015	2016
Aurora	1,091	1,406	\$745,673	\$957,101
East Gwillimbury	335	461	\$623,104	\$783,680
Georgina	1,050	1,300	\$410,452	\$520,218
King	426	480	\$1,006,760	\$1,289,422
Markham	5,309	6,136	\$803,695	\$964,759
Newmarket	1,753	2,007	\$618,428	\$778,433
Richmond Hill	3,846	4,409	\$887,198	\$1,103,486
Vaughan	4,402	4,968	\$797,682	\$943,088
Whitchurch-Stouffville	934	1,045	\$789,706	\$967,210
York Region Total	19,146	22,212	\$777,927	\$947,484

Source: Toronto Real Estate Board, Market Watch, 2015 - 2016.

Table 3.2
2016 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	930	\$1,143,545	92	\$656,703	305	\$611,672	79	\$445,701
East Gwillimbury	398	\$829,467	11	\$601,680	48	\$488,880	4	\$266,000
Georgina	1,173	\$531,216	17	\$464,553	99	\$430,092	11	\$244,591
King	403	\$1,430,916	3	\$812,671	26	\$772,533	48	\$411,244
Markham	3,363	\$1,300,083	393	\$800,175	1,037	\$688,453	1,343	\$386,590
Newmarket	1,415	\$871,580	238	\$600,894	284	\$564,810	70	\$365,849
Richmond Hill	2,609	\$1,443,901	195	\$797,005	779	\$747,073	826	\$436,742
Vaughan	2,803	\$1,211,819	465	\$749,748	764	\$712,437	936	\$422,647
Whitchurch-Stouffville	794	\$1,079,225	75	\$643,874	170	\$601,971	6	\$533,967
York Region Total	13,888	\$1,167,889	1,489	\$730,149	3,512	\$676,432	3,323	\$410,188

Source: Toronto Real Estate Board, Market watch, 2016.

- Region wide, the average price of a resale unit increased by 21.8% for all unit types, from \$777,927 in 2015 to \$947,484 in 2016 (Table 3.1)
- The average price of single detached units increased by 23.8%, from \$943,441 in 2015 to \$1,167,889 in 2016

Table 3.3
York Region 2016 New Home Prices (\$1,000s)

	Detached	Semi	Row	Condo/Apt
Aurora	n/a	n/a	\$600 - \$740	\$350 - \$935
East Gwillimbury	n/a	n/a	\$520 - \$639	n/a
Georgina	n/a	n/a	\$380 - \$620	\$269 - \$942
King	\$1.6M - \$2.8M	n/a	n/a	n/a
Markham	\$381 - \$2.4M	n/a	\$284 - \$1.7M	\$247 - \$2.45M
Newmarket	n/a	n/a	n/a	n/a
Richmond Hill	n/a	n/a	\$399 - \$1.2M	\$258 - \$1.0M
Vaughan	\$399 - \$3.2M	n/a	\$384 - \$1.4M	\$259 - \$1.5M
Whitchurch-Stouffville	n/a	n/a	\$465 - \$545	\$335 - \$1.2M
York Region	\$381 - \$3.2M	n/a	\$284 - \$1.7M	\$247 - \$2.45M

Source: RealNet, January 2017

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.

- New prices for single-detached homes range from \$381,000 in the City of Markham to \$3.2 million in the City of Vaughan

Total sales in the GTA's residential resale market increased by 11.8% in 2016 (113,133) compared to 101,299 in 2015

Average resale price (all dwelling types) in the GTA was \$729,922, an increase of 17.3% in comparison to the average of \$622,121 in 2015



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

Affordable Housing, An Increasing Challenge, Remains a Priority for York Region

- 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 2016 year-end maximum affordable ownership price in York Region was \$467,739, up from \$459,170 in 2015
- 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
- The York Region Local Municipal Housing Working Group was formed in December 2016 to tackle affordability issues faced by the mid-range household income group (household incomes between \$79,697 and \$116,370 in 2016)

Residential Building Permits are Up 11% from 2015

- A total of 10,597 new residential building permits were issued in York Region in 2016
- 2016 figures represent an 11% increase from the 2015 permit total of 9,546
- Within the GTHA, only York Region and Halton Region experienced increases in residential permit activity in 2016
- Overall, the number of building permits for the GTHA decreased in 2016 by almost 6%

Table 3.4
New Residential Units with Permits Issued in York Region, 2015-2016

Municipality	2015	2016	% Change
Aurora	1,000	1,485	49%
East Gwillimbury	140	1,674	1096%
Georgina	469	250	-47%
King	461	354	-23%
Markham	1,771	2,560	45%
Newmarket	849	172	-80%
Richmond Hill	1,460	2,087	43%
Vaughan	2,912	1,948	-33%
Whitchurch-Stouffville	484	67	-86%
York Region Total	9,546	10,597	11.0%

Source: Local Municipal Building Permit Reports, 2015 and 2016; York Region Corporate Services, Long Range Planning Division, 2016.

- In 2016, multiple unit dwellings accounted for 59% 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%
- Markham, Richmond Hill and Vaughan accounted for approximately 62% of the total residential building permit activity in 2016 (24%, 20% and 18% respectively)
- East Gwillimbury, Aurora and Markham experienced the largest percentage increases in 2016 in the number of building permits issued over 2015, with 1,096%, 49% and 45% 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 2016 was \$467,739

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
 - Singles in various parts of York Region
-

Encouraging Affordability through New Development

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

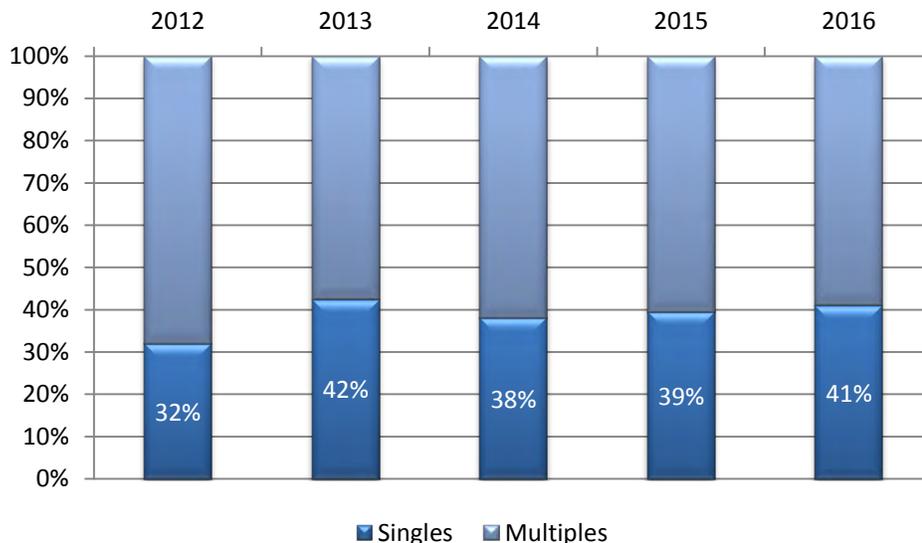
Specifications on how affordable housing targets will be met

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

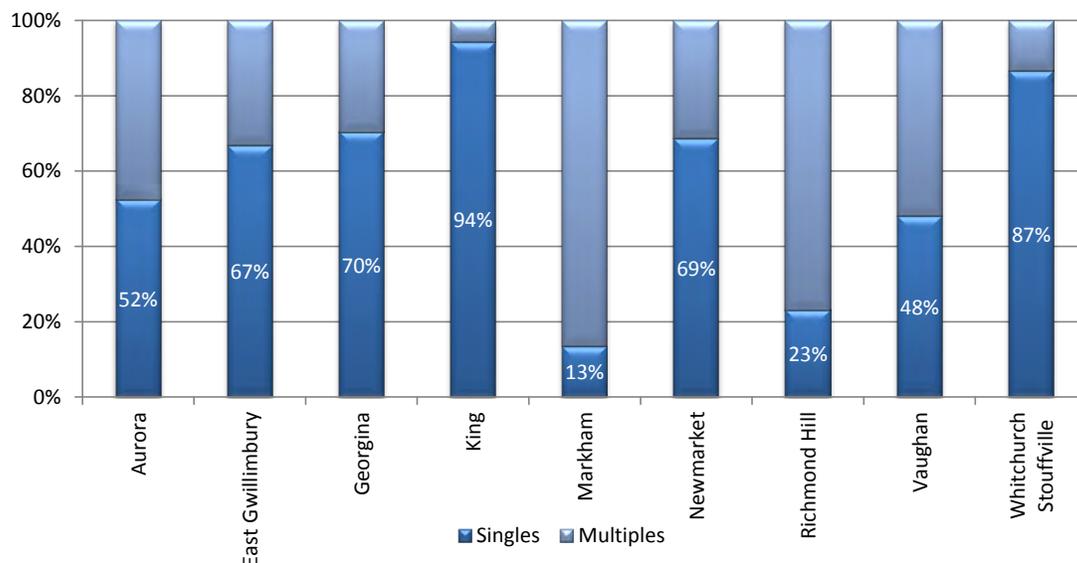
**Figure 3.2
York Region Residential Building Permit Mix 2012-2016**



Source: Local Municipal Building Permit Reports, 2012 to 2016; York Region Corporate Services, Long Range Planning Division, 2016.

- The 2016 breakdown of residential building permits was 41% single detached, 3% semi-detached, 25% row and 31% apartment
- Markham, Richmond Hill and Vaughan issued the greatest number of building permits for multiple unit dwellings in 2016, with 2,216, 1,605 and 1,012 respectively (Figure 3.3)

**Figure 3.3
2016 New Residential Building Permit Mix by Local Municipality**



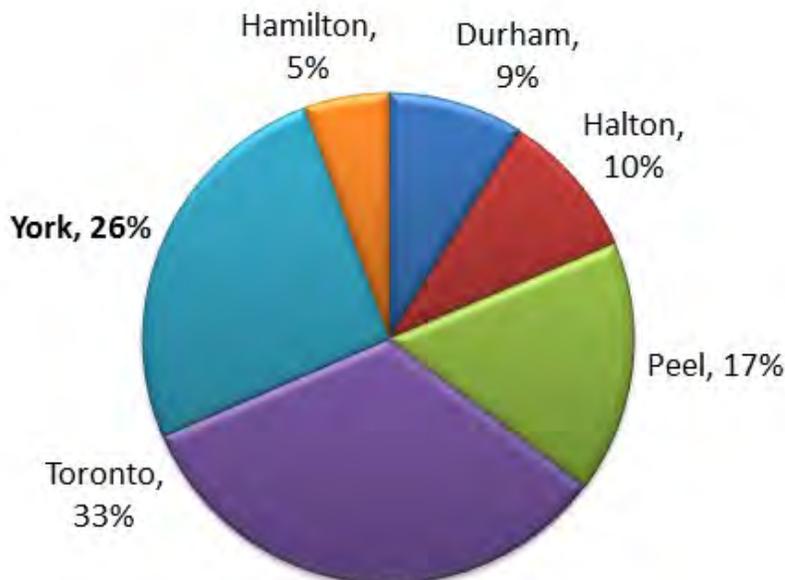
**Table 3.5
York Region Residential Building Permits
with 10 Highest Construction Values, 2016**

Project	Value \$000s	Municipality
The Meadows of Aurora	\$91,576	Aurora
The Beverly Hills	\$86,422	Richmond Hill
Condominium (Senior's Home)	\$84,079	Markham
Expo II	\$64,404	Vaughan
Sky City II	\$46,467	Richmond Hill
Mon Sheong Court (Senior's Home)	\$43,190	Markham
Residential Condominium	\$32,209	Aurora
South Unionville Square - Markham Condos	\$30,934	Markham
The Mark Condos	\$26,404	Markham
Residential Condominium	\$16,375	Markham

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

- In 2016, 40,822 building permits were issued for new residential units across the GTHA, a decrease from 43,356 in 2015, or approximately 5.8%
- Only York Region and Halton Region experienced increases in the total number of building permits issued in 2016
- York Region accounted for 26% of the GTHA's residential building permit activity, second to the City of Toronto's 33% share

**Figure 3.4
GTHA Residential Building Activity 2016 : Shares by Municipality**



Source: Local Municipal Building Permit Reports, 2016; Statistics Canada Table 32.2 (unpublished) 2016.

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.

Table 3.6
Cross Canada Comparison 2016: Residential Building Permits

Rank	Municipality	# of Permits	% Change from 2015
1	Greater Vancouver Regional District	22,275	-11.2%
2	City of Toronto	13,571	-12.7%
3	City of Edmonton	11,678	-12.5%
4	City of Calgary	11,657	-8.1%
5	York Region	10,597	11.0%
6	City of Ottawa	6,988	59.4%
7	Peel Region	6,786	-17.1%
8	City of Montréal	6,733	-6.7%
9	Simcoe County	4,731	44.7%
10	Québec City	4,650	-14.1%

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2016; York Region Corporate Services, Long Range Planning Division, 2016

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

Residential Completions Decreased Slightly for 2016

- Housing completions in the Region decreased by almost 2%
- The mix of housing completions in 2016 was 2,920 (38%) single detached, 164 (2%) semi-detached units, 1,319 (17%) row houses and 3,335 (43%) apartments

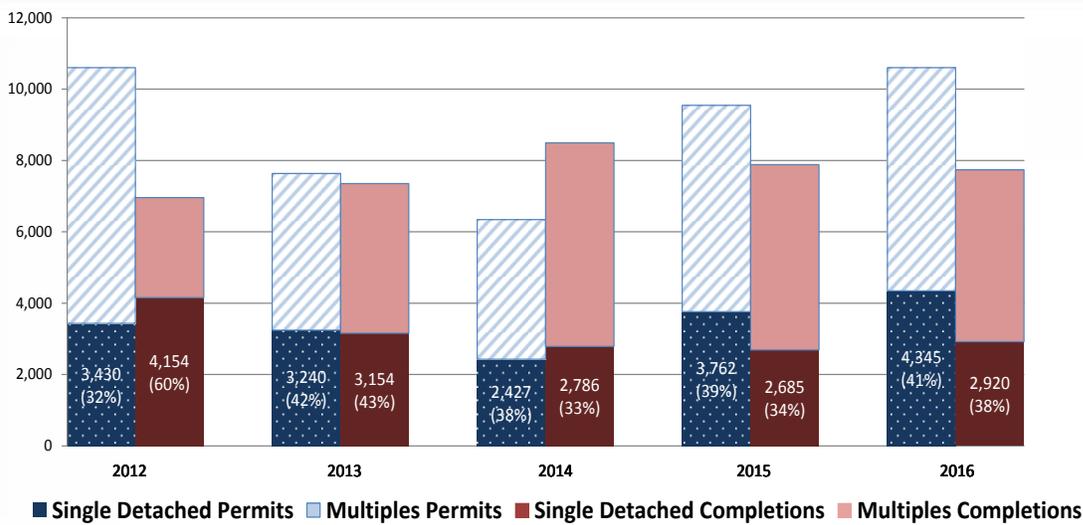
Table 3.7
York Region Residential Completions 2015 and 2016

Municipality	2015	2016	% Change
Aurora	429	790	84%
East Gwillimbury	88	189	115%
Georgina	215	349	62%
King	290	334	15%
Markham	3,015	1,645	-45%
Newmarket	108	391	262%
Richmond Hill	1,328	1,534	16%
Vaughan	2,124	2,122	0%
Whitchurch-Stouffville	286	384	34%
York Region Total	7,883	7,738	-1.8%

Source: CMHC, 2016;

- The number of residential building permits issued and housing completions in 2016 are the second and third highest figures recorded over the last 5 years

Figure 3.5
2012-2016 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

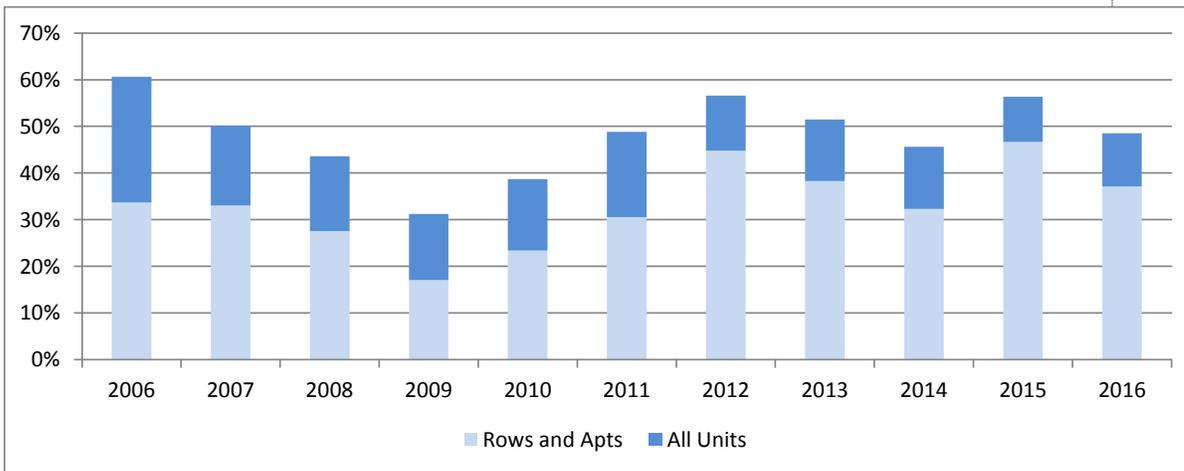
Diversified housing is important for:

- providing affordable options
- housing residents at different stages in their lives

reaching the Region's intensification targets

creating more compact, transit supportive development

Figure 3.6
Intensification within the Built-Up Area, York Region, 2006-2016



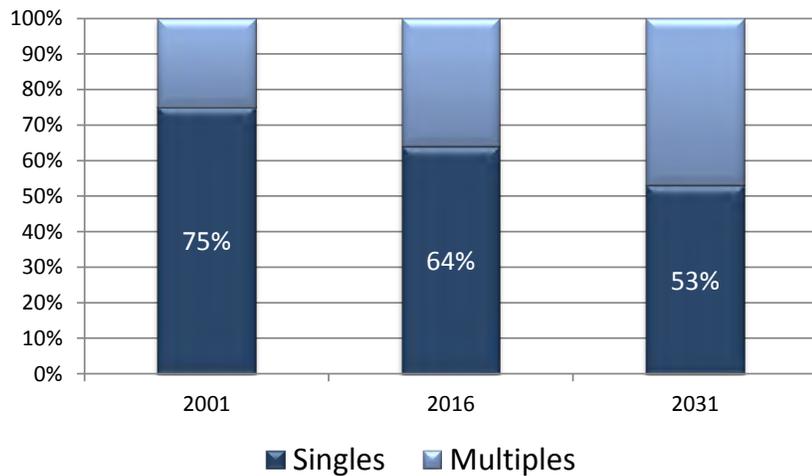
Source: Statistics Canada Building Permit Reports, 2016;
 York Region Corporate Services, Long Range Planning Division, 2016

- York Region's intensification share within the built up area has ranged from 31% to 61% over the last 11 years, and was 49% in 2016
- The continuing development of the Region's Centres and Corridors and other intensification areas will contribute to achieving the minimum 40% intensifi-

The Total Housing Supply Continues to Diversify

- 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 2016
- The proportion of multiple unit dwellings is forecasted to be 47% by 2031

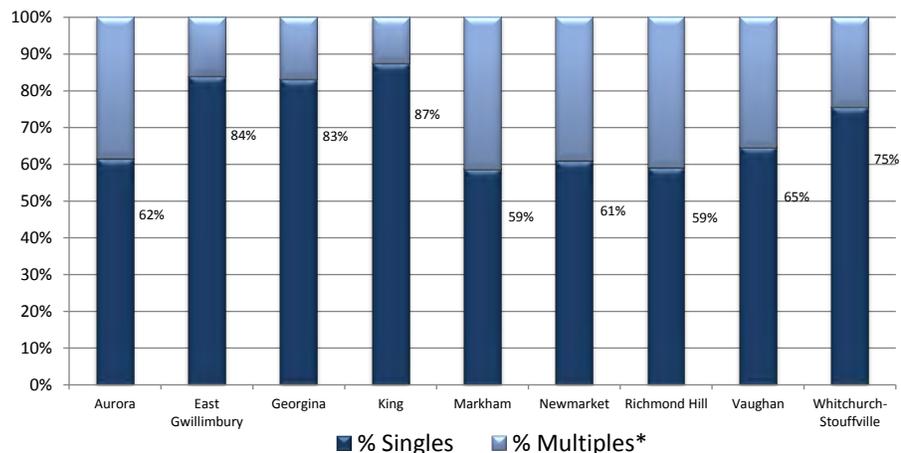
Figure 3.7
Mix of Housing Stock in York Region



Source: CMHC, 2016; York Region Corporate Services, Long Range Planning Division, 2016

- The overall housing stock in 2016 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 13% of its total housing stock (Figure 3.9)

Figure 3.8
Mix of Total Housing Stock by Local Municipality 2016



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 low Canadian dollar value, low interest rates and a strong demand from the U.S economy, businesses in Ontario will continue to grow
- Industrial development was most active in Vaughan in 2016 with 631,872 square feet of new supply coming onto the market

Table 4.1
York Region Industrial Market Overview, 2016

	Vacancy Rate	Avg. Net Rent	Avg. Sale Price
Aurora	1.0%	\$4.57	n/a
Markham	3.1%	\$6.19	\$150.00
Newmarket	7.4%	\$5.48	\$178.03
Richmond Hill	3.0%	\$6.86	n/a
Vaughan	2.6%	\$5.87	n/a
Total	2.9%	\$5.97	\$155.56

Source: Cushman & Wakefield LePage, Marketbeat: Greater Toronto Industrial Report (2016)

Note: Average net rent and average sale price are per square foot

- York Region's vacancy rate at the end of 2016 was 2.9%, lower than the GTA average of 3.3%
- The Region's industrial sale prices per square foot were \$155.56 at year-end 2016 compared to \$110.49 at year end 2015

GTA statistics and observations presented in this section are based on the Cushman & Wakefield Marketbeat Industrial Snapshot for the GTA (2016). The York Region municipalities included in their summaries are Aurora, Markham, Newmarket, Richmond Hill and Vaughan.

GTA's average vacancy rate of 3.3% 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

- According to CB Richard Ellis' Toronto Office MarketView (Q4 2016), the GTA Office market has over 160.6M square feet of inventory, with over 8.5% (13,583,216 sq. ft.) located in York Region's 3 key office districts (Table 4.2)

**Table 4.2
York Region Office Market Overview, Q4 2016**

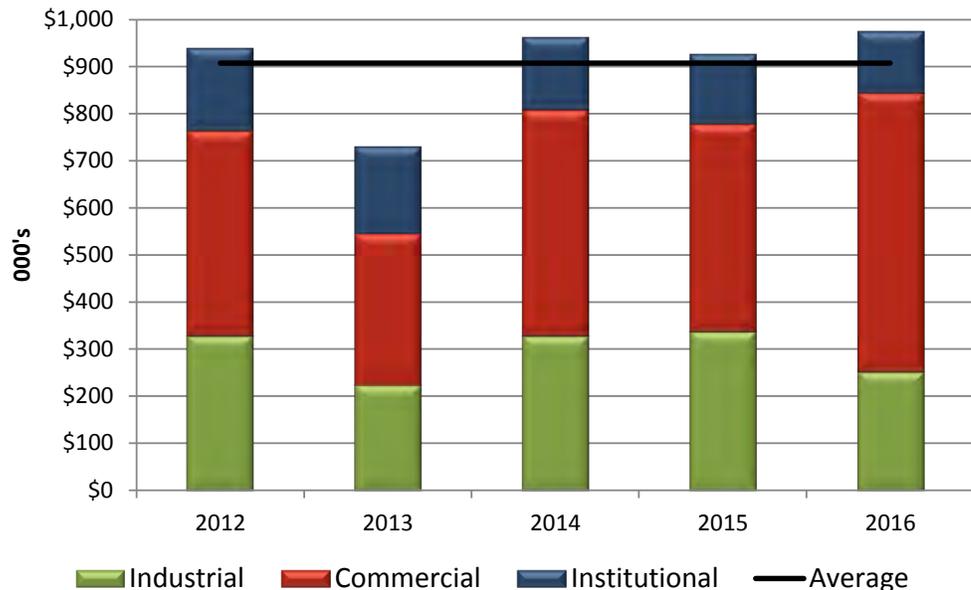
	Total Inventory	Total Vacancy Rate	Absorption (YTD)	Average Net Rent	Under Construction
Markham North & Richmond Hill	7,871,803	12.3%	376,721	17.15	0
Markham South	3,167,526	6.9%	218,485	14.32	0
Vaughan	2,543,887	5.1%	146,158	23.58	234,000
GTA Total/Average	160,644,295	9.2%	3,425,801	17.53	1,994,010

Source: CB Richard Ellis

Institutional, Commercial and Industrial Building Activity in York Region increased in 2016

- Total ICI construction in 2016 had a combined construction value of \$976 million, an increase from the 2015 value of \$928 million (Figure 4.2)
- The Region's ICI market remained stable for 2016 when compared to the 2014/15 values and the five year average
- Commercial construction values increased from 2015 levels by 34%, while industrial and institutional values decreased by 25% and 12% respectively

**Figure 4.1
York Region ICI Construction Values 2012-2016**



**Table 4.3
York Region Industrial Building Permits
with 10 Highest Construction Values, 2016**

Project	Value \$000s	Municipality
Costco Distribution Centre	\$47,758	Vaughan
Public Storage Canadian Properties	\$35,942	Richmond Hill
Unspecified Industrial Space	\$12,750	Richmond Hill
Linvest Properties (Cornell)	\$11,970	Markham
Industrial Facility by Colliers International	\$10,578	Aurora
Blue Bird Self Storage	\$10,050	Vaughan
Snap-On	\$9,665	Newmarket
Dynamic Tire Corporation	\$6,909	Vaughan
Digital Realty	\$6,100	Markham
Sharon Mushroom Farm	\$6,000	East Gwillimbury

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2016;
York Region Corporate Services, Long Range Planning Division, 2016

**Table 4.4
York Region Commercial Building Permits
with 10 Highest Construction Values, 2016**

Project	Value \$000s	Municipality	Address
Toronto Marriott Markham (Hotel / Commercial Structure)	\$86,609	Markham	170 Enterprise Boulevard
Toronto Marriott Markham (Foundation / Parking)	\$61,851	Markham	170 Enterprise Boulevard
Retail Unit	\$22,214	Vaughan	441 Clark Avenue
KPMG	\$12,709	Vaughan	1 Apple Mill Road
Aviva Insurance Company of Canada	\$8,505	Markham	10 Aviva Drive
Beacon Hall Golf Club	\$8,200	Aurora	14121 Yonge Street
Cesaroni Holdings Limited	\$7,866	Markham	525 Cochrane Drive
Auto Sales and Service Station	\$7,000	Vaughan	230 Sweetriver Boulevard
Retail/Service Commercial Unit	\$5,924	Markham	101 McNabb Street
The Arlington Estate	\$5,622	Vaughan	8934 Huntington Road

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2016;
York Region Corporate Services, Long Range Planning Division, 2016

- Some notable ICI projects for which building permits were issued in 2016 included:
 - ◆ \$180M multi storey tower in Newmarket for the York Region Administrative Centre Annex building
 - ◆ \$148M for a commercial and hotel building for the Toronto Marriott Markham in Markham Centre
 - ◆ \$56M for the construction of a Seneca College facility in King

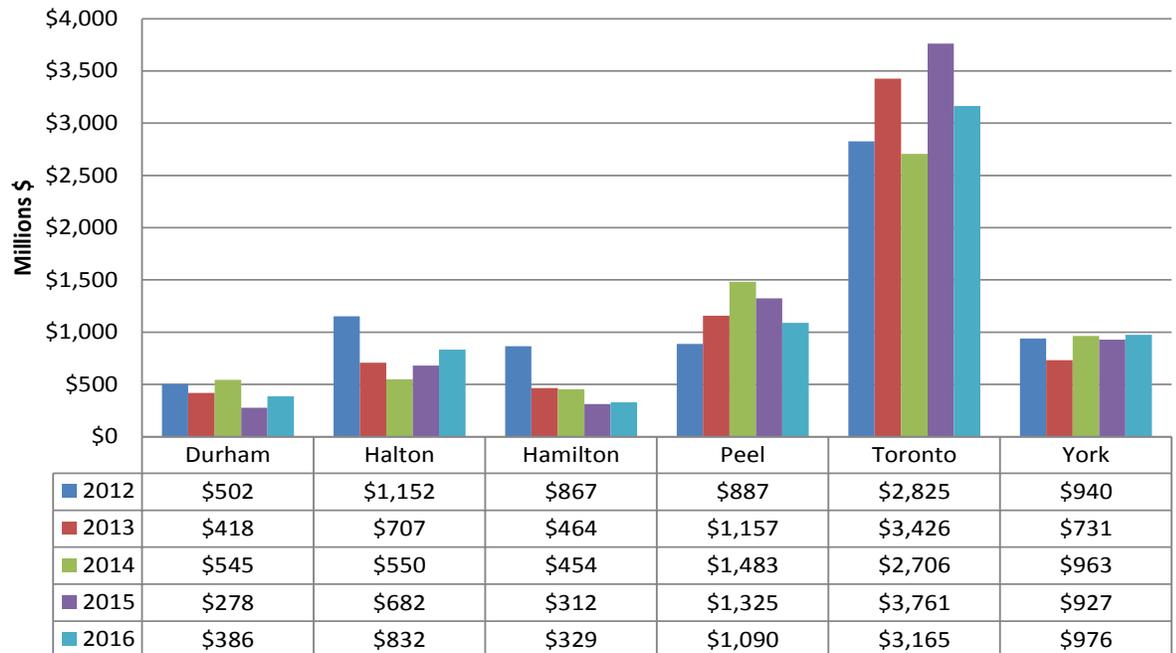
Table 4.5
York Region Institutional Building Permits
with 10 Highest Construction Values, 2016

Project	Value \$000s	Municipality
York Region Administrative Centre Annex, Court House	\$180,000	Newmarket
Seneca College	\$56,000	King
Government Building	\$11,400	Vaughan
York Catholic School Board	\$8,500	East Gwillimbury
Unspecified Institutional Building	\$8,200	Richmond Hill
Southlake Regional Health Centre - Residential Hospice	\$5,735	Newmarket
Holy Trinity School	\$5,000	Richmond Hill
Unspecified Institutional Building	\$3,200	King
Paramedics Response Station	\$2,800	East Gwillimbury
Mahamevawa Buddhist Monastery and Meditation Center of Toronto	\$2,313	Markham

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2016;
 York Region Corporate Services, Long Range Planning Division, 2016

- York Region accounted for 14.4% of the GTHA's total ICI construction value in 2016, an increase from 12.7% in 2015

Figure 4.2
GTHA ICI Construction Values by Municipality 2012–2016



Source: Local Municipal Building Permit Reports, 2016; Statistics Canada Building Permit Reports, 2016.

- Overall, the GTHA recorded a 7.0% decrease in the value of ICI construction from 2015
- York, Durham, Halton and Hamilton all recorded increases in total ICI construction, while both Toronto and Peel experienced decreases

Table 4.6
2016 Cross Canada Comparison: Values of ICI Construction (\$1,000's)

Rank	Municipality	Total Value	% Change from 2015
1	City of Toronto	\$3,165,341	-15.8%
2	City of Calgary	\$2,375,166	-5.4%
3	City of Edmonton	\$2,158,000	45.3%
4	City of Montréal	\$2,032,713	48.7%
5	Greater Vancouver Regional District	\$2,027,995	-13.6%
6	Peel Region	\$1,090,300	-17.7%
7	York Region	\$975,512	5.2%
8	City of Ottawa	\$955,247	6.2%
9	City of Winnipeg	\$955,096	54.8%
10	Halton Region	\$832,460	22.1%

Source: Local Municipal Building Permit Reports, 2016; Statistics Canada Building Permit Reports, 2016.

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 2016 (Table 4.6). This is the same ranking as 2015, but an improved ranking from eighth position in 2013.

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

Total Construction Value

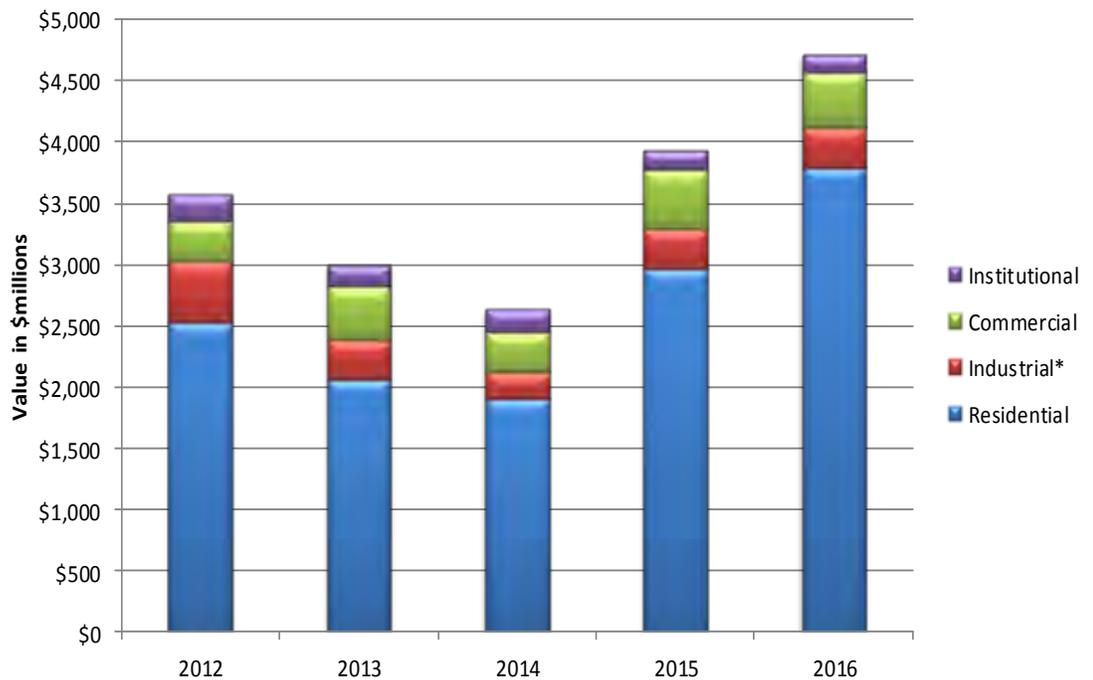
- Total estimated value of construction in 2016 was approximately \$4.76 billion, compared to \$3.89 billion recorded in 2015, a significant increase of 22.5% over 2015 values
- The 2016 total construction value of \$4.76 billion is the highest ever recorded value for York Region

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 2016, York Region's ICI share of total construction value was 20%

The 5 year ICI share average for York Region is 26%

Figure 5.1
York Region Construction Value by Type—2012-2016



Source: Local Municipal Building Permit Reports, 2012- 2016

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 2015 and 2016 (\$1,000's)

Municipality	2015	2016	% Change
Aurora	\$645,240	\$1,047,146	62%
East Gwillimbury	\$70,607	\$436,358	518%
Georgina	\$148,922	\$93,644	-37%
King	\$254,301	\$334,294	31%
Markham	\$697,159	\$807,193	16%
Newmarket	\$281,891	\$263,002	-7%
Richmond Hill	\$284,104	\$612,914	116%
Vaughan	\$1,399,723	\$1,122,445	-20%
Whitchurch-Stouffville	\$105,567	\$43,302	-59%
York Region Total	\$3,887,514	\$4,760,297	22.5%

Source: Local Municipal Building Permit Reports, 2015 and 2016; Corporate Services, Long Range Planning Division, 2016

- As identified in Table 5.1, the largest increases in total construction value were seen in East Gwillimbury (518%) and Richmond Hill (116%), while the greatest decreases were recorded in Whitchurch-Stouffville (-59%) and Georgina (-37%)
- The Region's value of residential construction increased significantly by 28% from \$2.9 billion in 2015 to \$3.8 billion in 2016 (Table 5.2)

Table 5.2
Estimate of Value (\$1,000's) of Construction* by Local Municipality
2015-2016

Municipality	Residential		Industrial**		Commercial		Institutional		Total	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Aurora	\$590,503	\$1,002,540	\$9,723	\$18,196	\$35,218	\$25,292	\$9,796	\$1,118	\$645,240	\$1,047,146
East Gwillimbury	\$40,867	\$408,864	\$1,082	\$8,335	\$1,546	\$7,610	\$27,113	\$11,549	\$70,607	\$436,358
Georgina	\$141,856	\$80,204	\$1,538	\$9,833	\$4,179	\$3,010	\$1,349	\$598	\$148,922	\$93,644
King	\$236,974	\$254,317	\$3,665	\$7,565	\$12,758	\$11,265	\$904	\$61,147	\$254,301	\$334,294
Markham	\$401,603	\$571,222	\$97,689	\$26,926	\$153,424	\$200,640	\$44,443	\$8,405	\$697,159	\$807,193
Newmarket	\$265,727	\$50,375	\$560	\$10,957	\$13,514	\$13,315	\$2,090	\$188,355	\$281,891	\$263,002
Richmond Hill	\$248,183	\$514,725	\$13,014	\$59,781	\$15,613	\$21,807	\$7,294	\$16,601	\$284,104	\$612,914
Vaughan	\$951,339	\$868,245	\$202,995	\$119,201	\$201,551	\$116,265	\$43,839	\$18,734	\$1,399,723	\$1,122,445
Whitchurch-Stouffville	\$82,996	\$34,295	\$7,412	\$1,943	\$2,413	\$5,148	\$12,746	\$1,916	\$105,567	\$43,302
York Region Total	\$2,960,047	\$3,784,786	\$337,678	\$262,737	\$440,216	\$404,353	\$149,573	\$308,422	\$3,887,514	\$4,760,298

Source: Local Municipal Building Permits Reports, 2015 & 2016; Statistics Canada Building Permits Reports, 2015 & 2016; York Region Corporate Services, Long Range Planning Division, 2016.

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

**Agricultural permits are included under the industrial category

The 2016 total current value assessment for taxable properties of \$242.3 billion (Figure 5.3) 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 fifth in total construction value among Canadian municipalities, with a value of \$4.76 billion (Table 5.3)
- Previously, York Region ranked sixth, with a value of \$3.89 billion in 2015

Table 5.3
Cross Canada Comparison 2016: Values of Total Construction (\$'000's)

Rank	Municipality	Total Value	% Change from 2015
1	Greater Vancouver Regional District	\$8,115,645	-7.6%
2	City of Toronto	\$7,255,690	-7.1%
3	City of Calgary	\$5,707,692	-7.2%
4	City of Edmonton	\$5,455,424	26.3%
5	York Region	\$4,760,297	22.5%
6	City of Montréal	\$3,578,881	23.2%
7	Peel Region	\$3,495,173	-20.8%
8	City of Ottawa	\$2,605,300	24.0%
9	Halton Region	\$2,142,663	19.4%
10	City of Winnipeg	\$1,795,388	13.2%

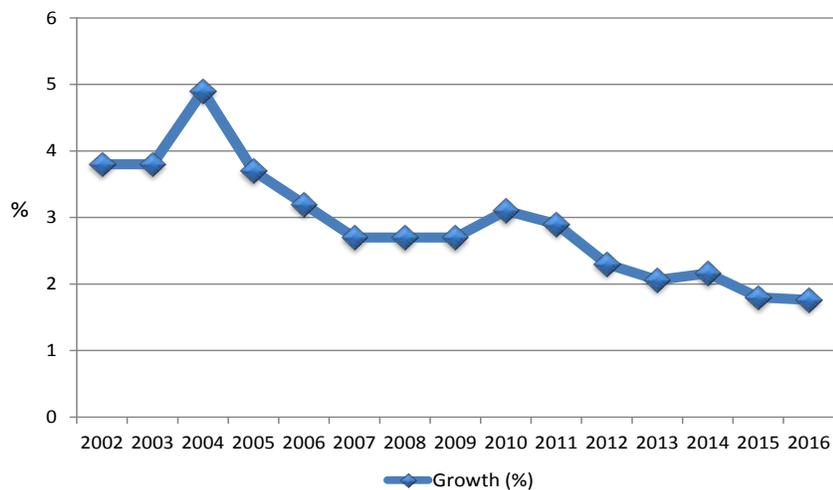
Source: Local Municipal Building Permit Reports, 2016; Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2016.

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

Taxable Assessment

- York Region's assessment growth for 2016 was 7.1% or \$16 billion
- Assessment growth attributed to new development was 1.76% in 2016

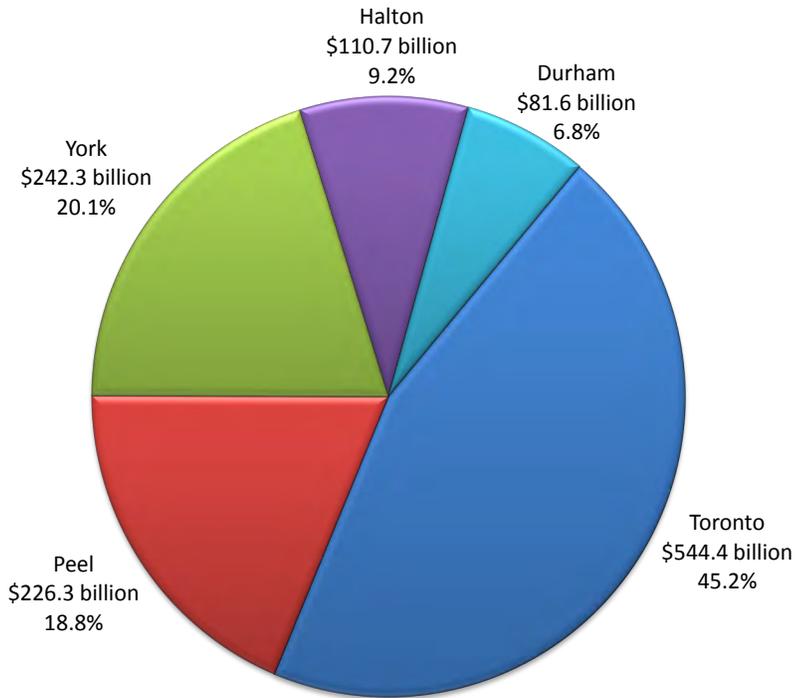
Figure 5.2
York Region Assessment Growth Attributed to New Development 2002-2016



Source: York Region Finance Department

- York Region’s share of the GTA’s total assessment in 2016 was 20.1%, the largest share after the City of Toronto
- While Peel Region has a higher population, York Region has the higher assessment value

Figure 5.2
GTA Taxable Assessment 2016 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 20,500 (1.8%) people and 15,100 (3.1%) jobs
- **York Region's population reached 1,186,900 in December 2016 and there were an estimated 595,200 jobs**
- **York Region's activity rate (ratio of employment to population) has been increasing since 2010 and is currently 50.1%, or 1 job for every 2 residents**
- York Region ranked fifth in total construction values among Canadian municipalities, recording its highest ever total of \$4.76 billion
- In 2016, residential building permits increased by 11% over 2015 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
- **York Region's intensification share within the built boundary has ranged between 31% to 61% over the last 11 years, and was 49% in 2016**
- Growth and development within York Region is strongly influenced by U.S. and global growth, which are projected to grow by 2.3% and 3.4% respectively in 2017
- Moving forward into 2017, continued growth in the U.S. economy is a welcome sign for the Canadian economy and for export firms in York Region
- The Region is below the 2016 forecast, but is on track to reach the 2031 forecast, where an annual population growth of approximately 21,600 is required between now and then

Growth and Development Review 2016

Presentation to
Committee of the Whole

Paul Bottomley

May 18, 2017

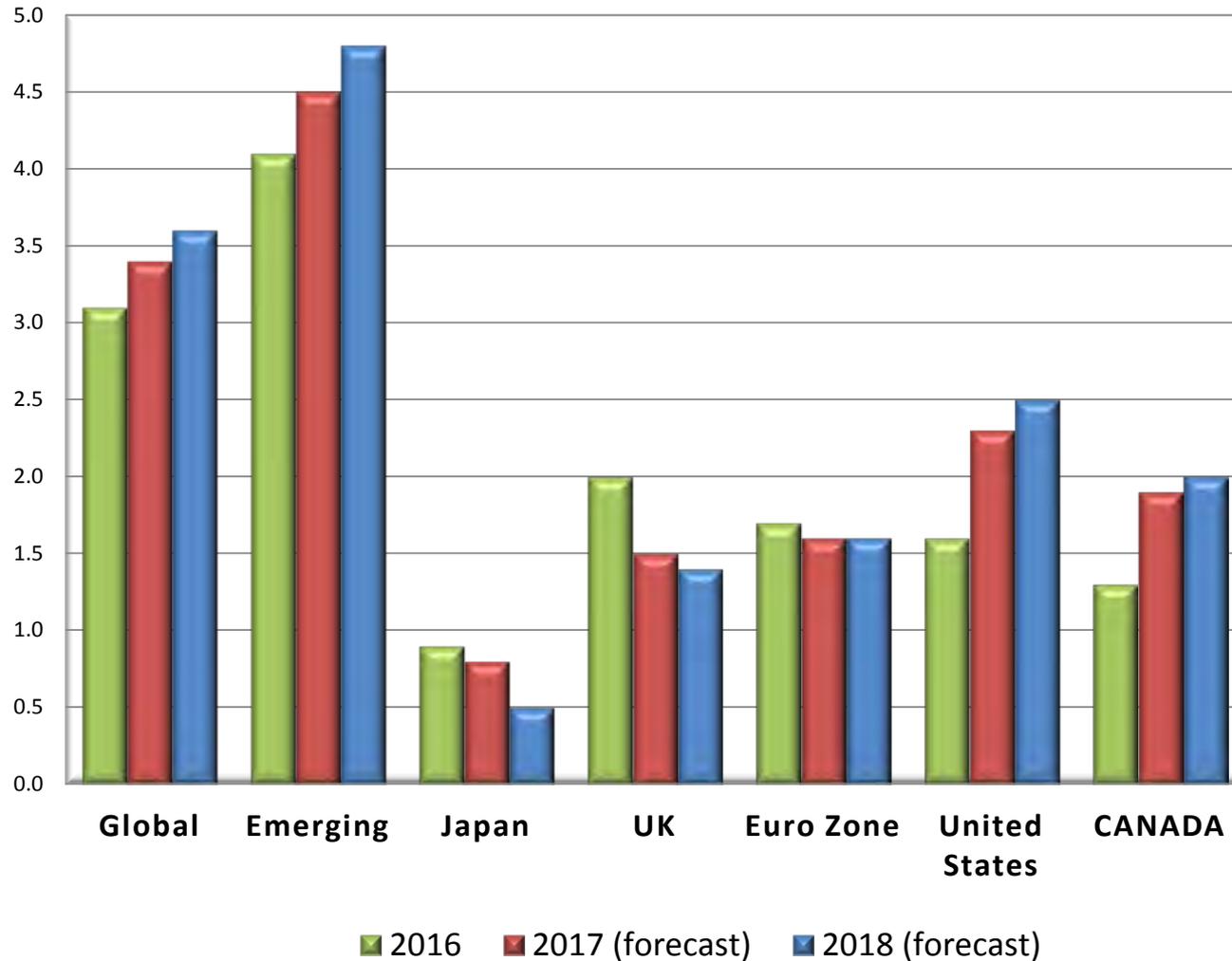


Presentation Outline

- Economic Outlook
- York Region Population and Employment Growth
- Building Activity
- Centres and Corridors Activity
- Conclusions

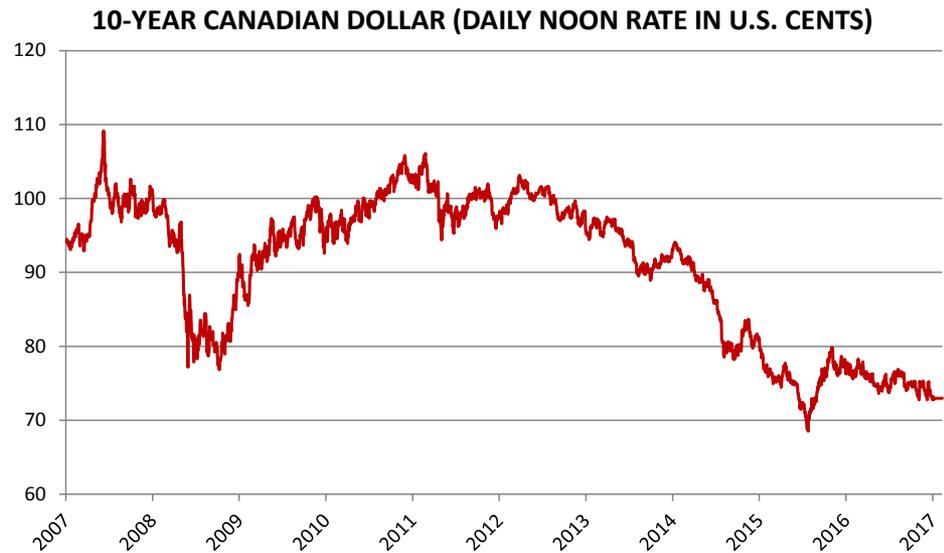
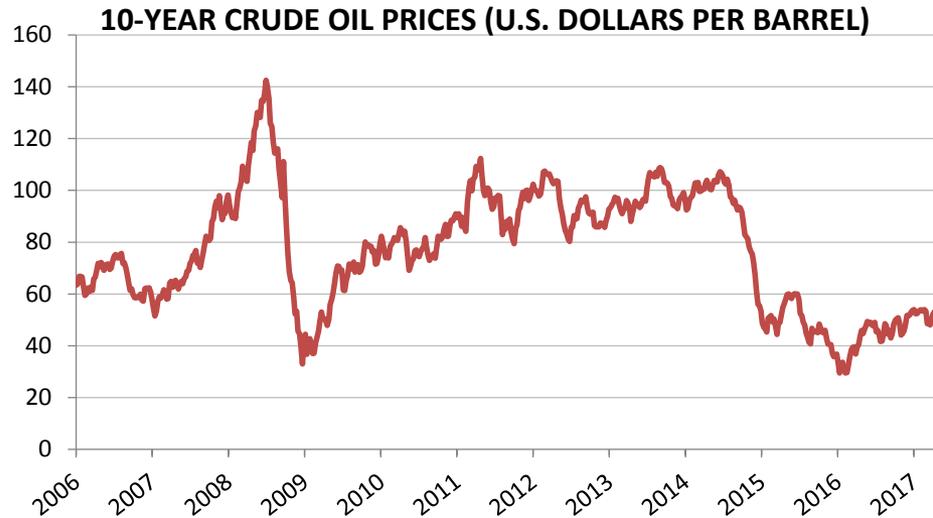
Economic Outlook

Global GDP growth is projected to rise from 3.1% in 2016 to 3.4% in 2017

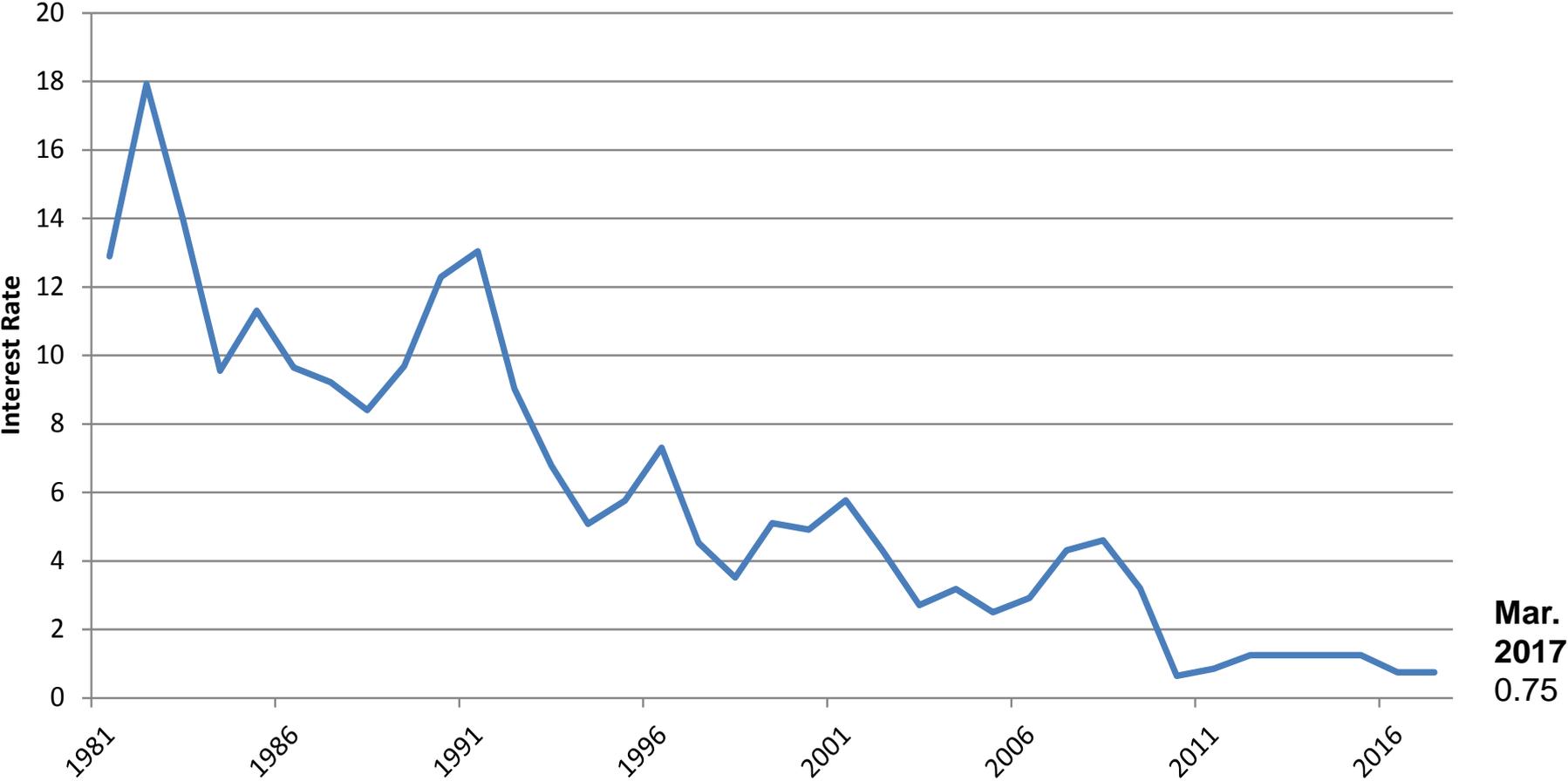


Source: GDP Growth, International Monetary Fund, World Economic Outlook Database

Key External Factors that Influence Growth



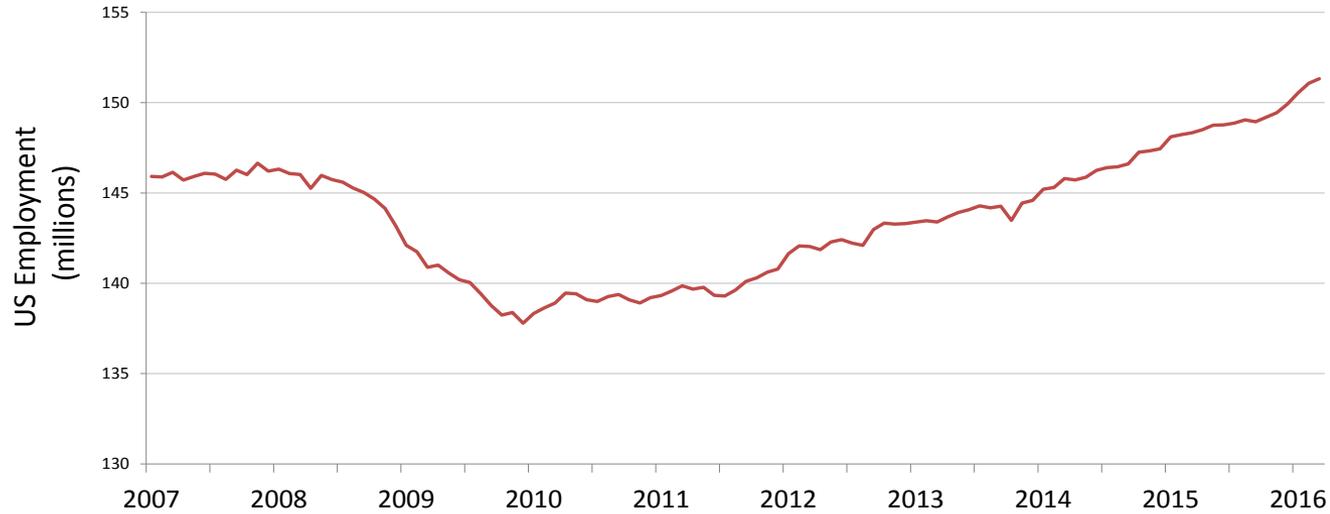
Canadian Interest Rates Remain Near Historic Lows



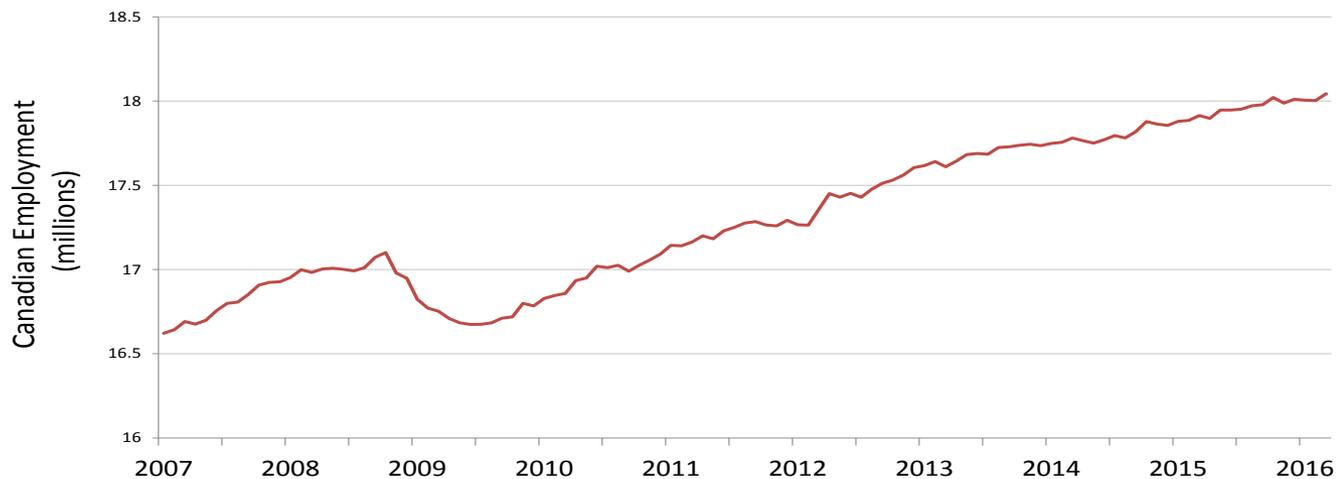
Source: Bank of Canada

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

U.S. Employment 2007-2016 (millions)



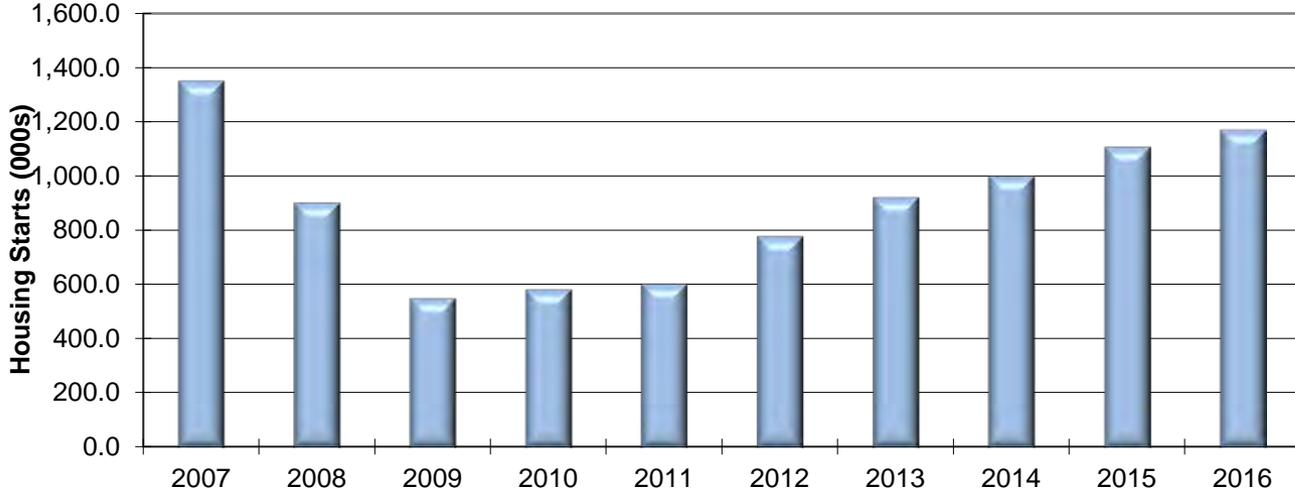
Canadian Employment 2007-2016 (millions)



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

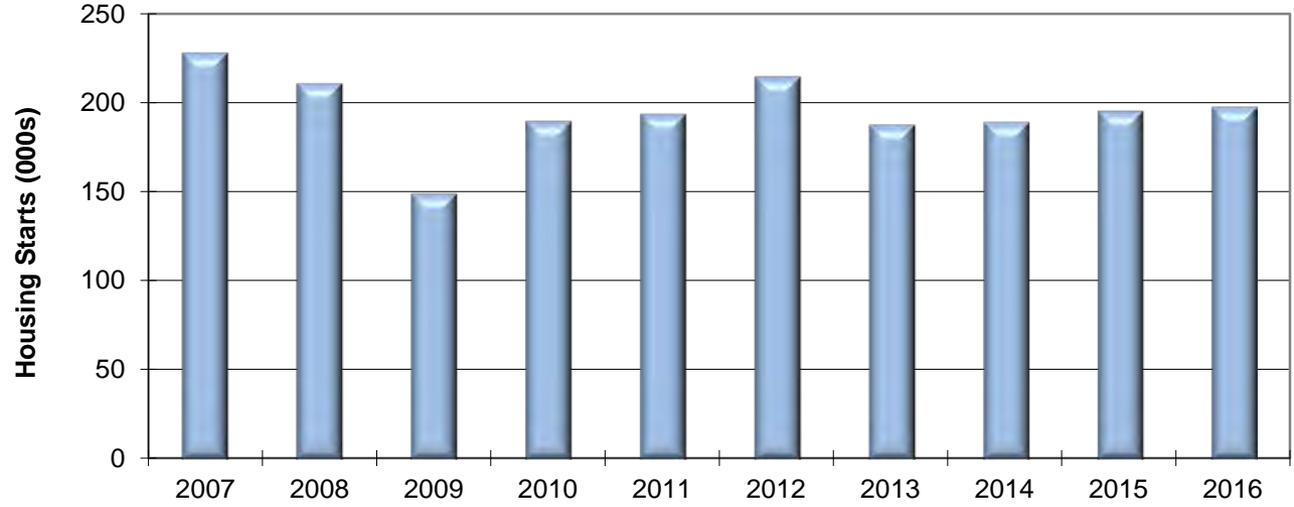
U.S. Housing Starts Show Strong Growth while Canadian Housing Starts Remain Steady

U.S. Annual Housing Starts 2007 - 2016



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

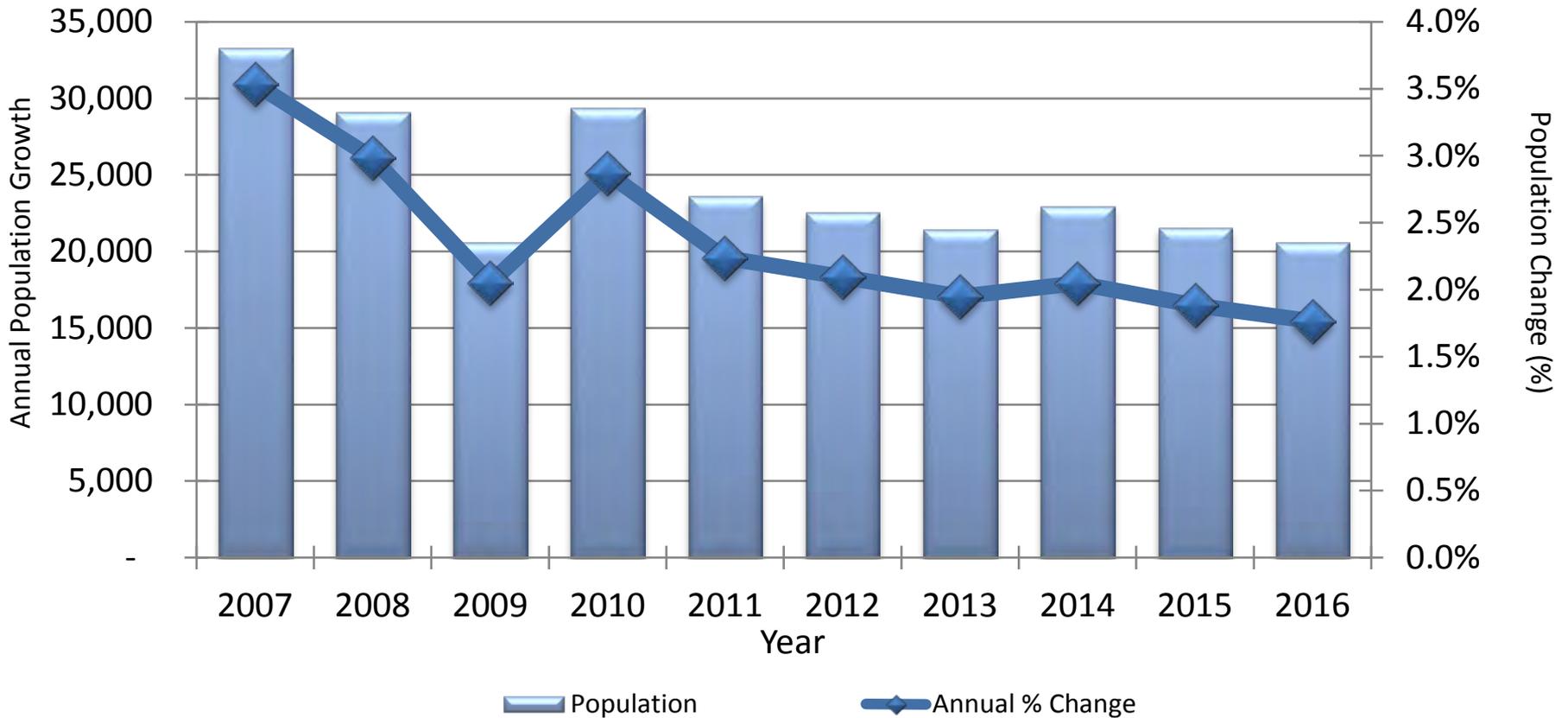
Canadian Annual Housing Starts 2007 - 2016



Source: Statistics Canada

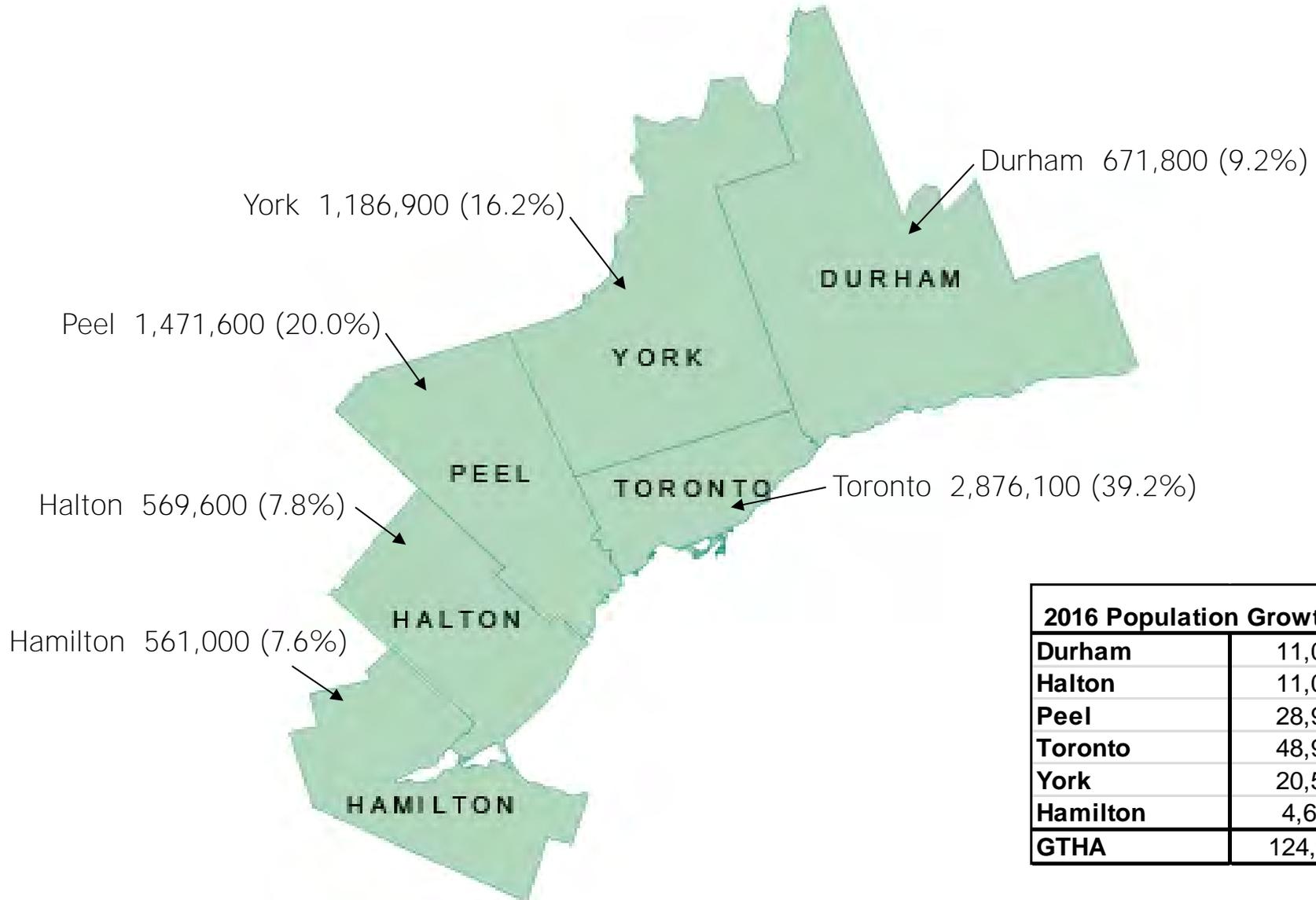
York Region Population and Employment Growth

Population estimated at 1.19 million in 2016

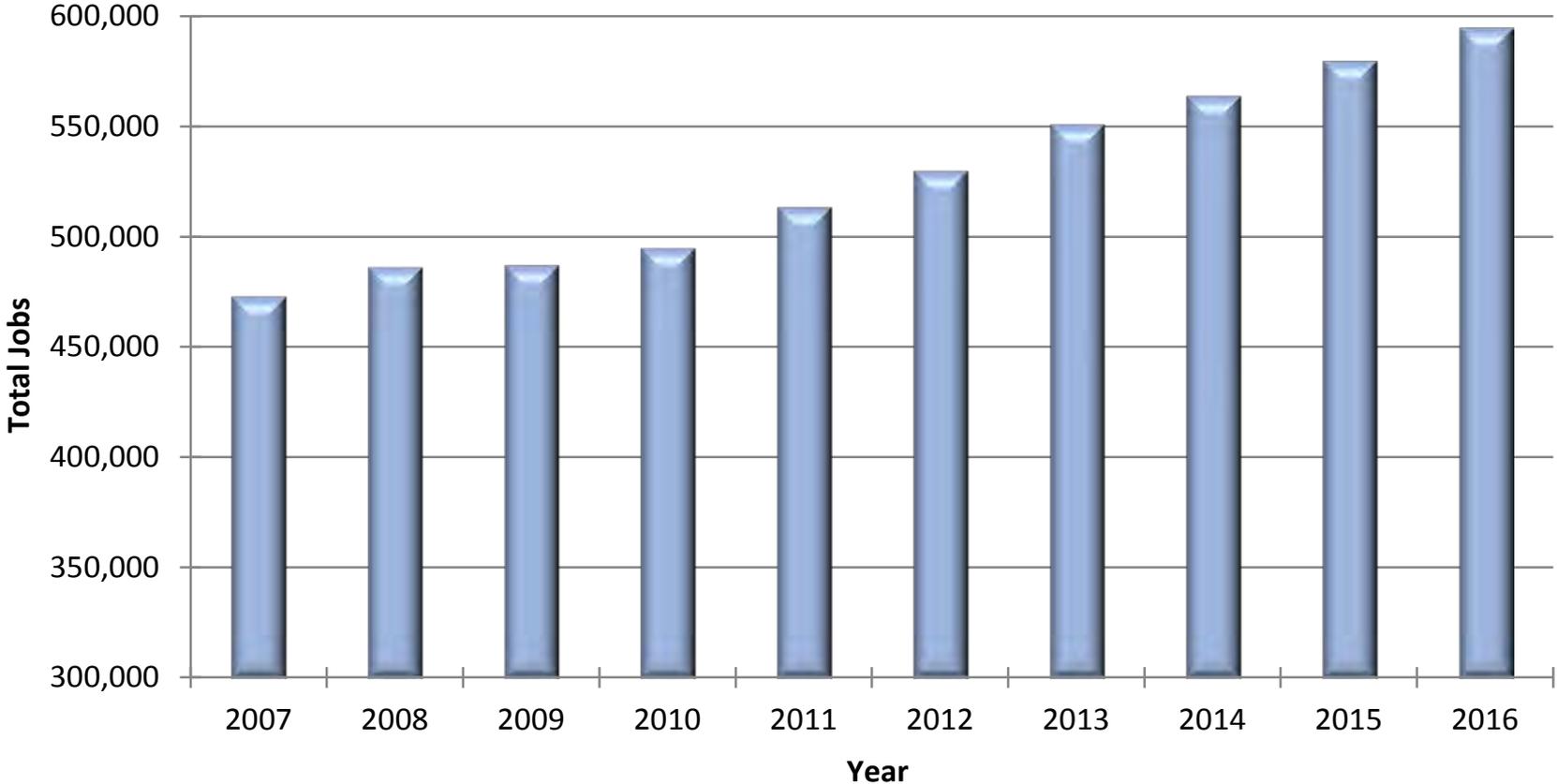


All local municipalities are growing

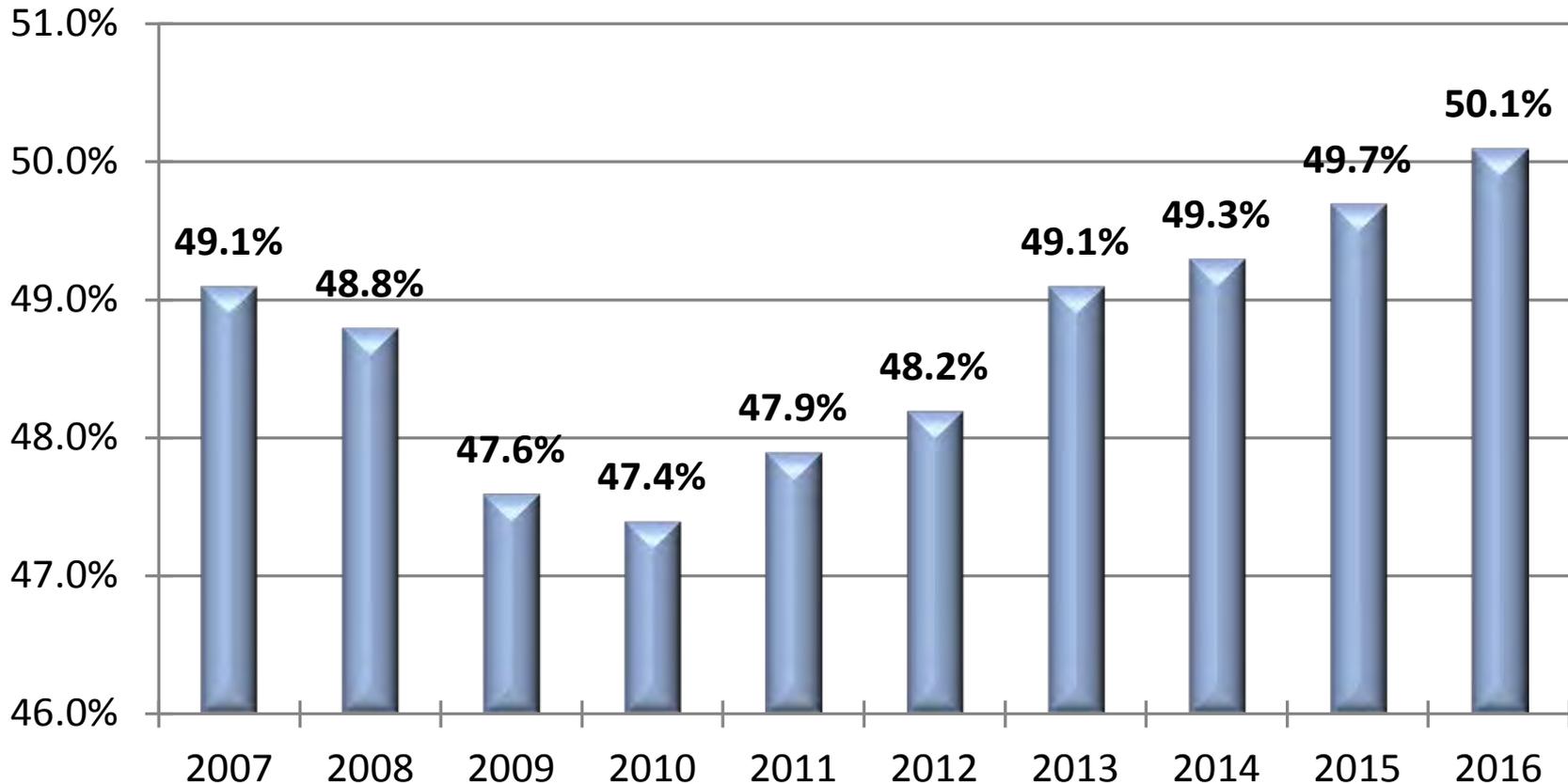
Total GTHA population estimated to be 7.3 million



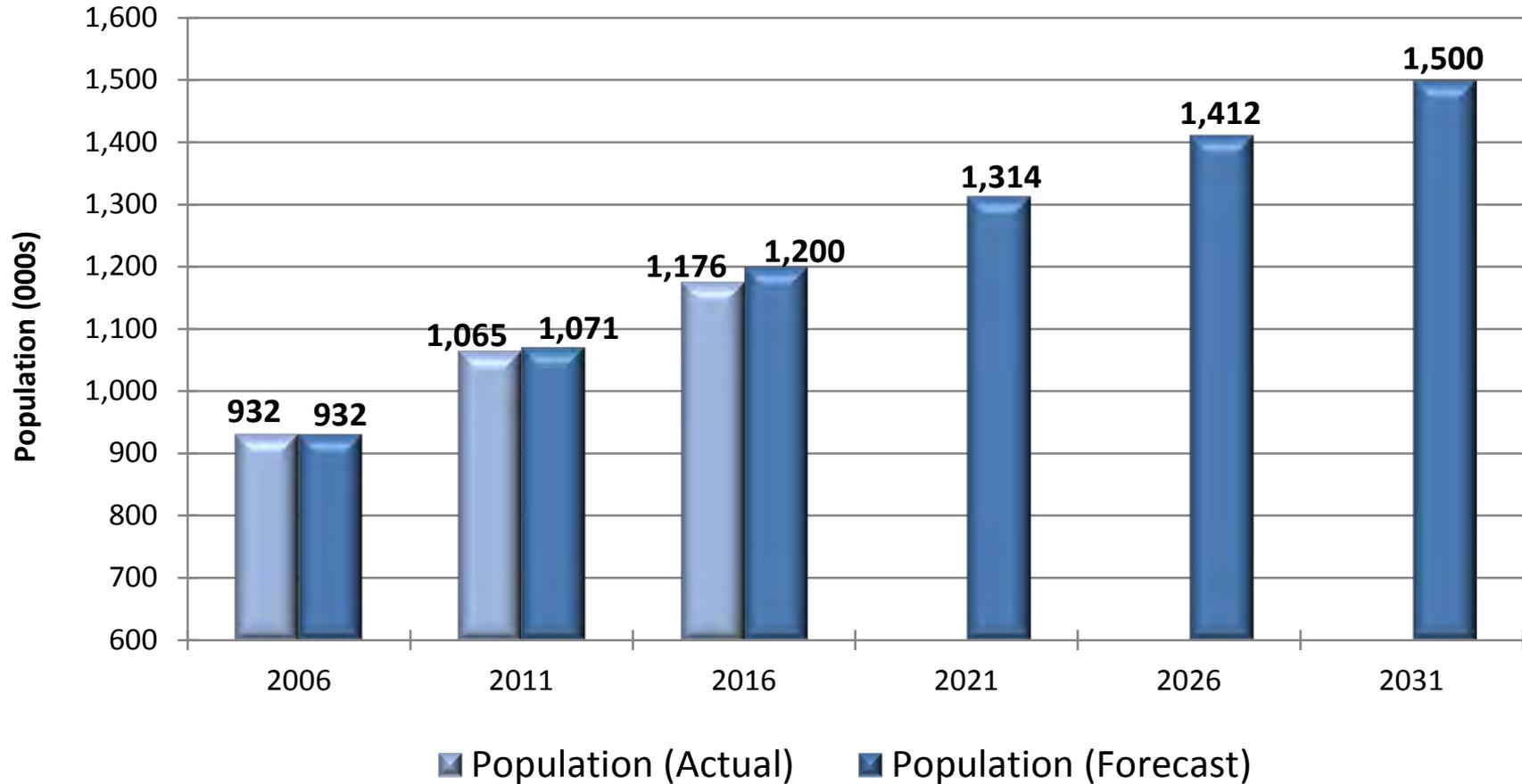
York Region's Economy Continues to Create Jobs



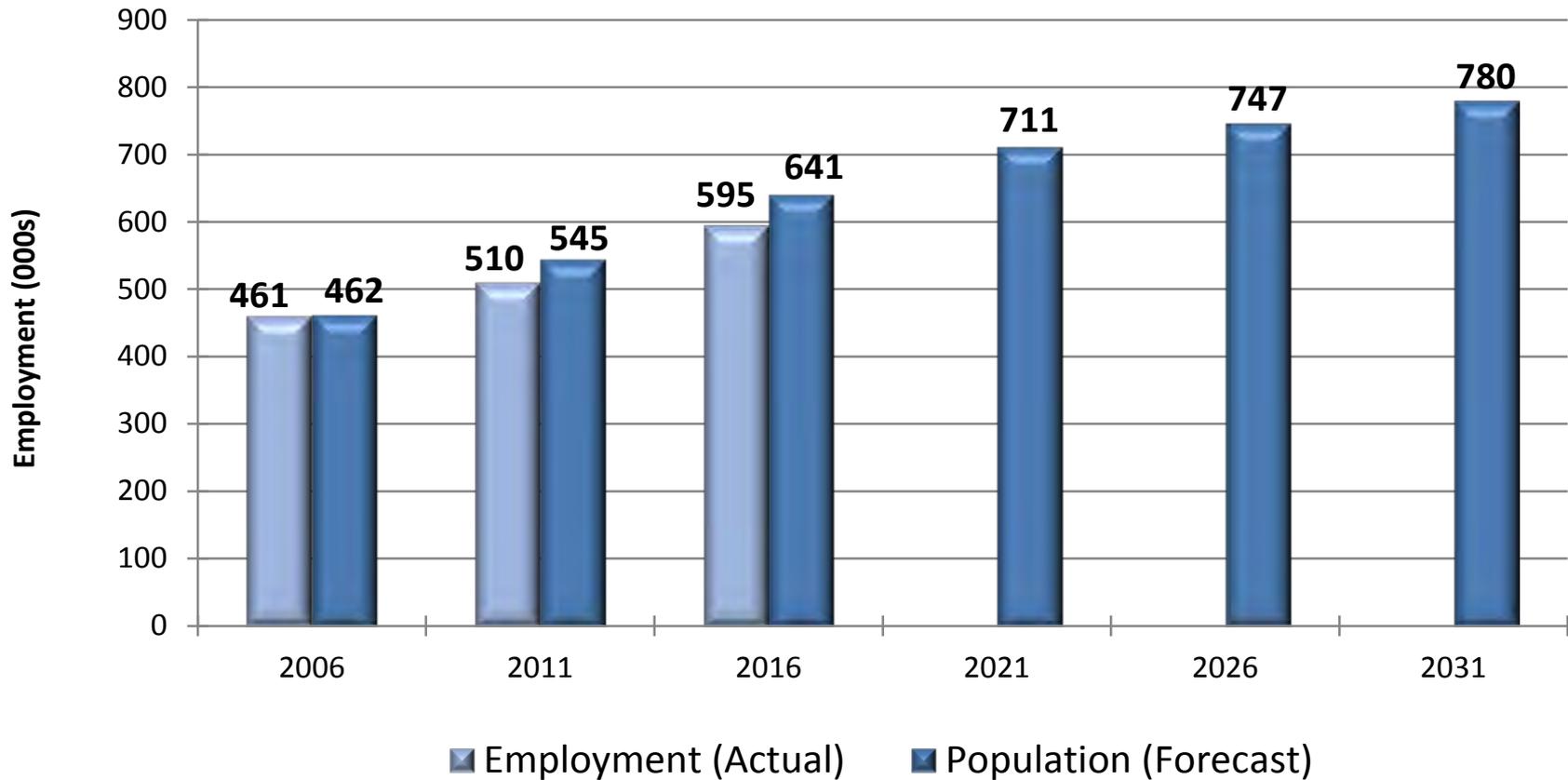
York Region's Activity Rate has been Increasing since 2010 and is currently 50.1%



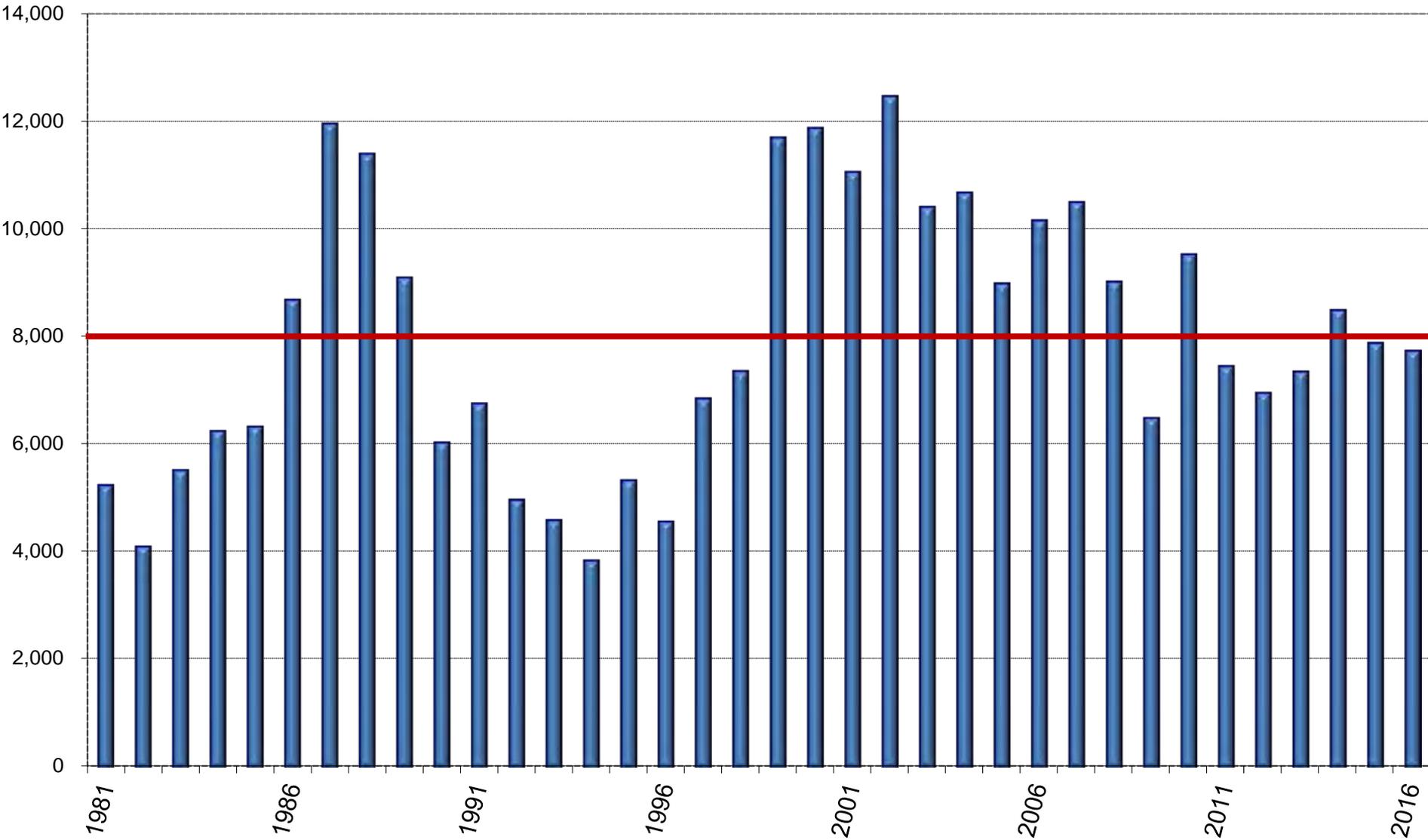
York Region's Population growth is on track to reach the 2031 YROP forecast of 1.5 Million



Annual Employment Growth of 12,000 required to meet the 2031 YROP employment forecast

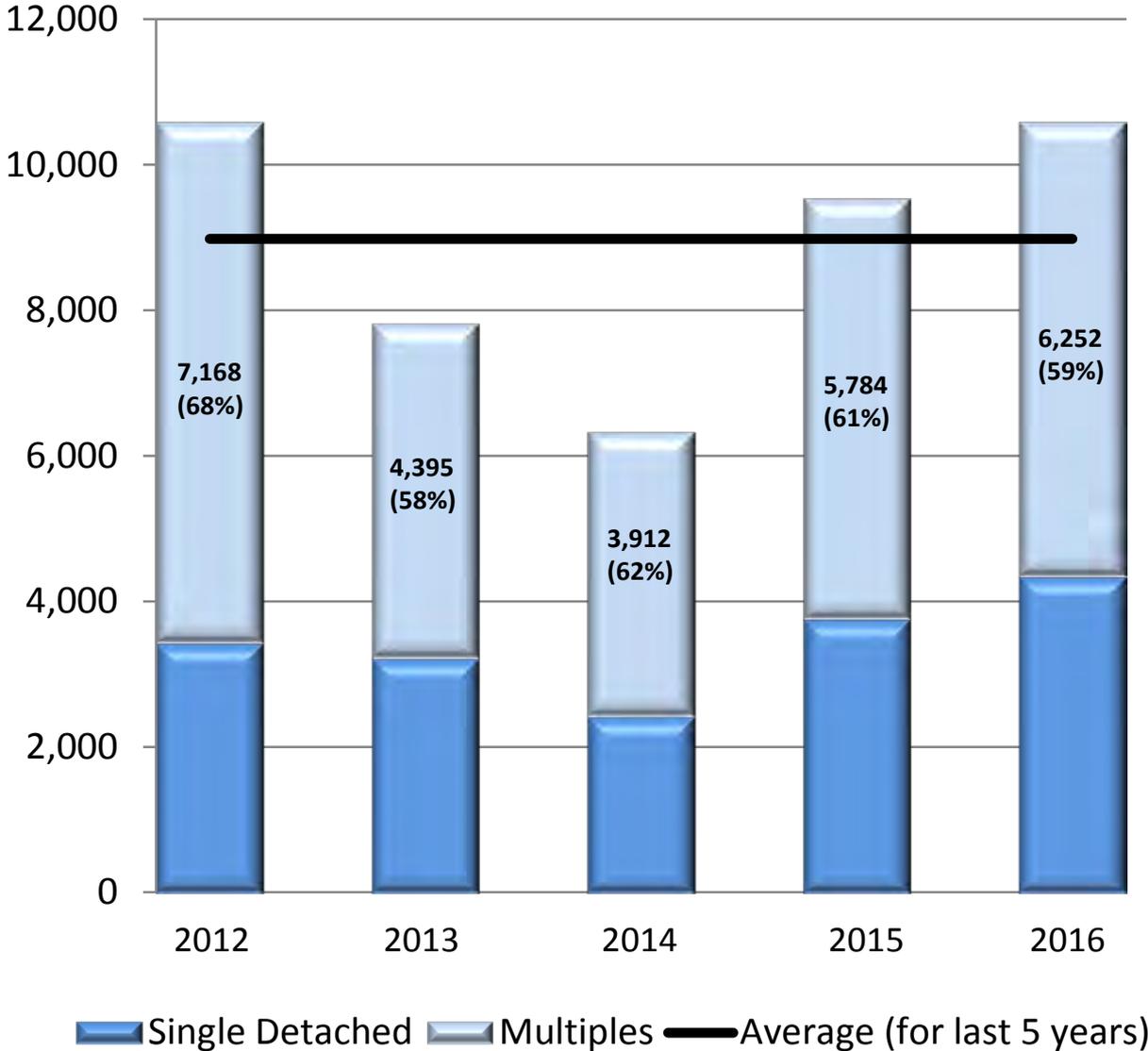


Housing Development is highly correlated to economic cycles

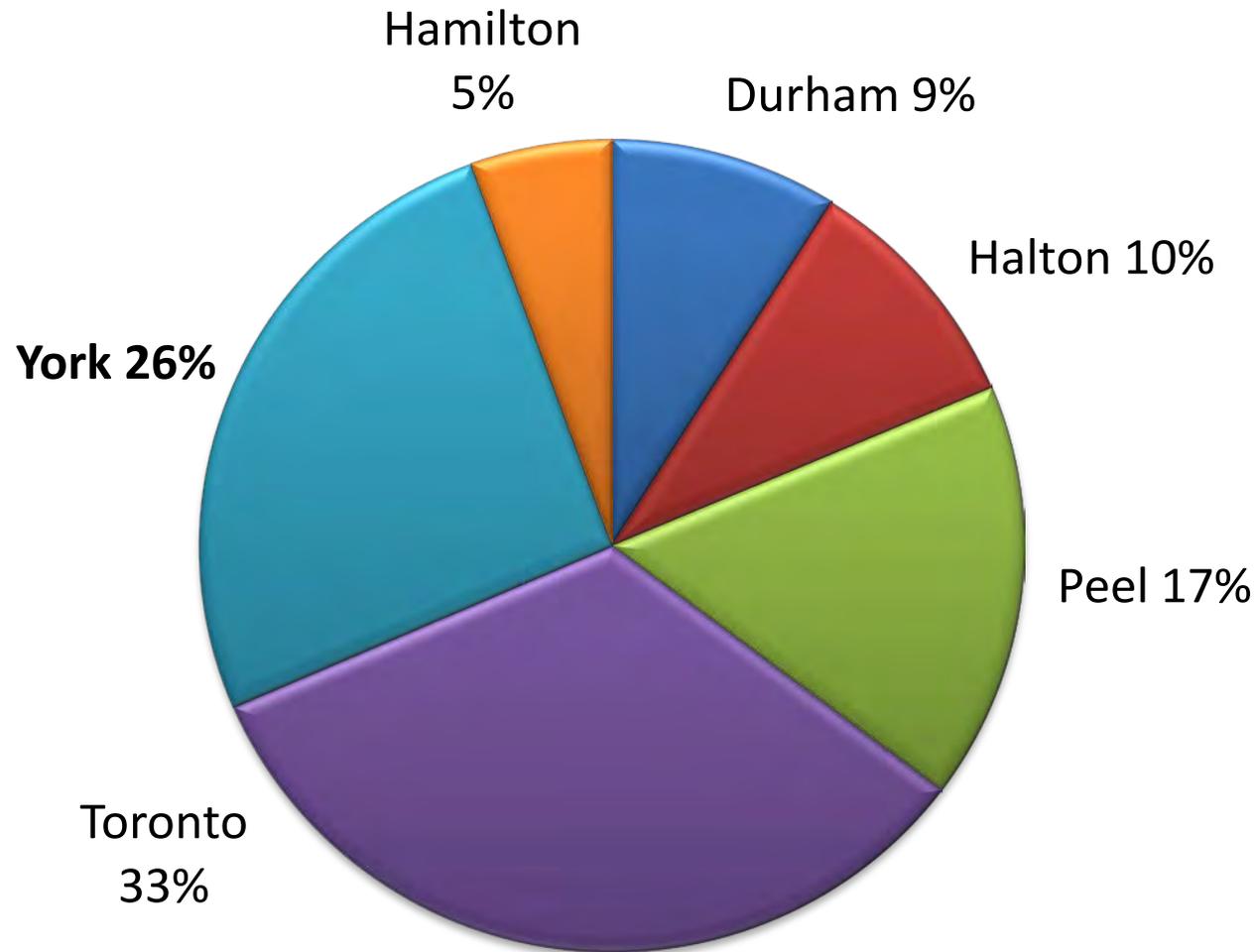


Building Activity

Building Permits Issued for 10,597 New Residential Units, an 11% increase over 2015



York Region Retains the Second Highest Share of Building Activity in the GTHA in 2016

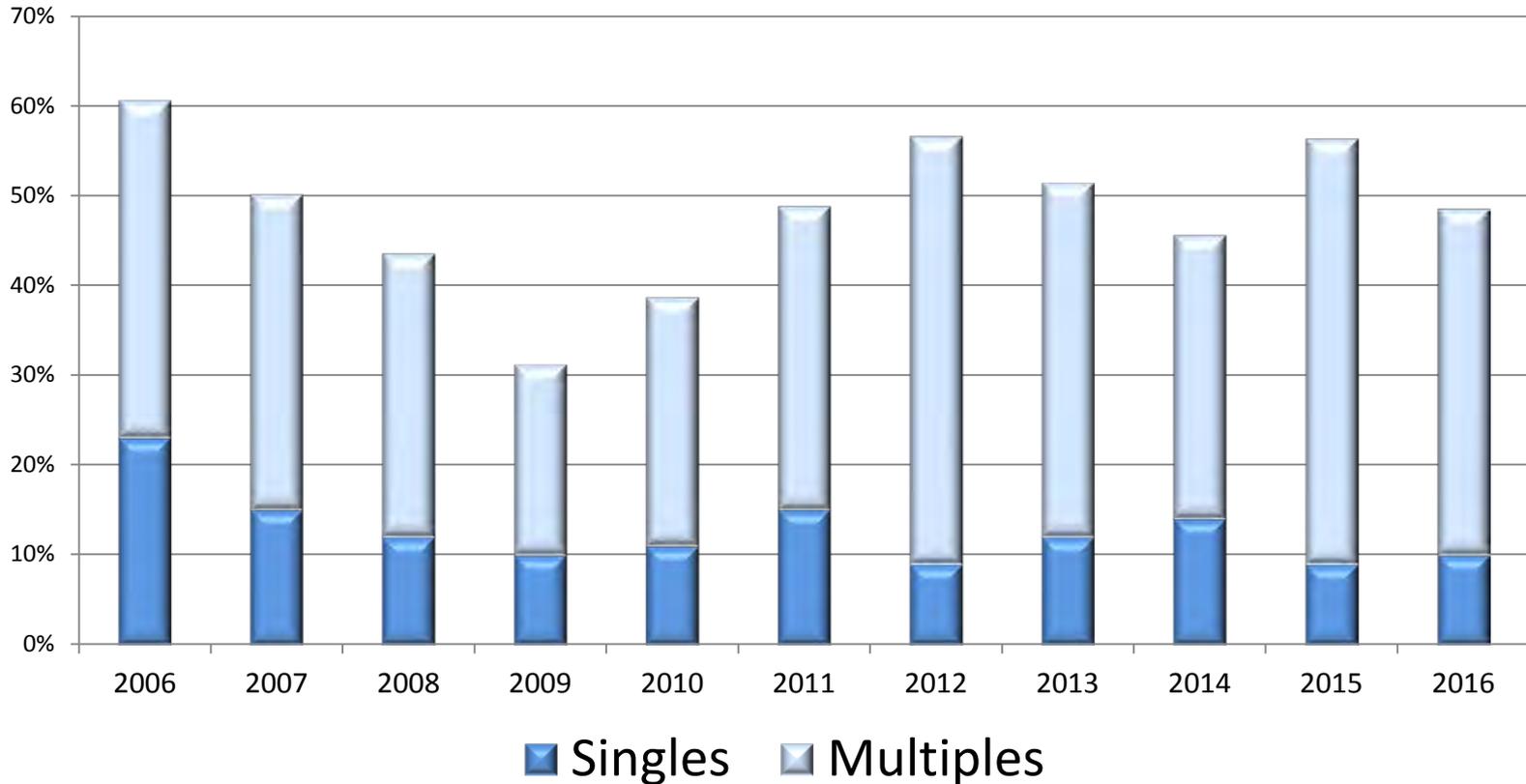


Across Canada, York Region is 5th in Residential Building Permits

Rank	Municipality	# of Permits	% Change from 2015
1	Greater Vancouver Regional District	22,275	-11.2%
2	City of Toronto	13,571	-12.7%
3	City of Edmonton	11,678	-12.5%
4	City of Calgary	11,657	-8.1%
5	York Region	10,597	11.0%
6	City of Ottawa	6,988	59.4%
7	Peel Region	6,786	-17.1%
8	City of Montréal	6,733	-6.7%
9	Simcoe County	4,731	44.7%
10	Québec City	4,650	-14.1%

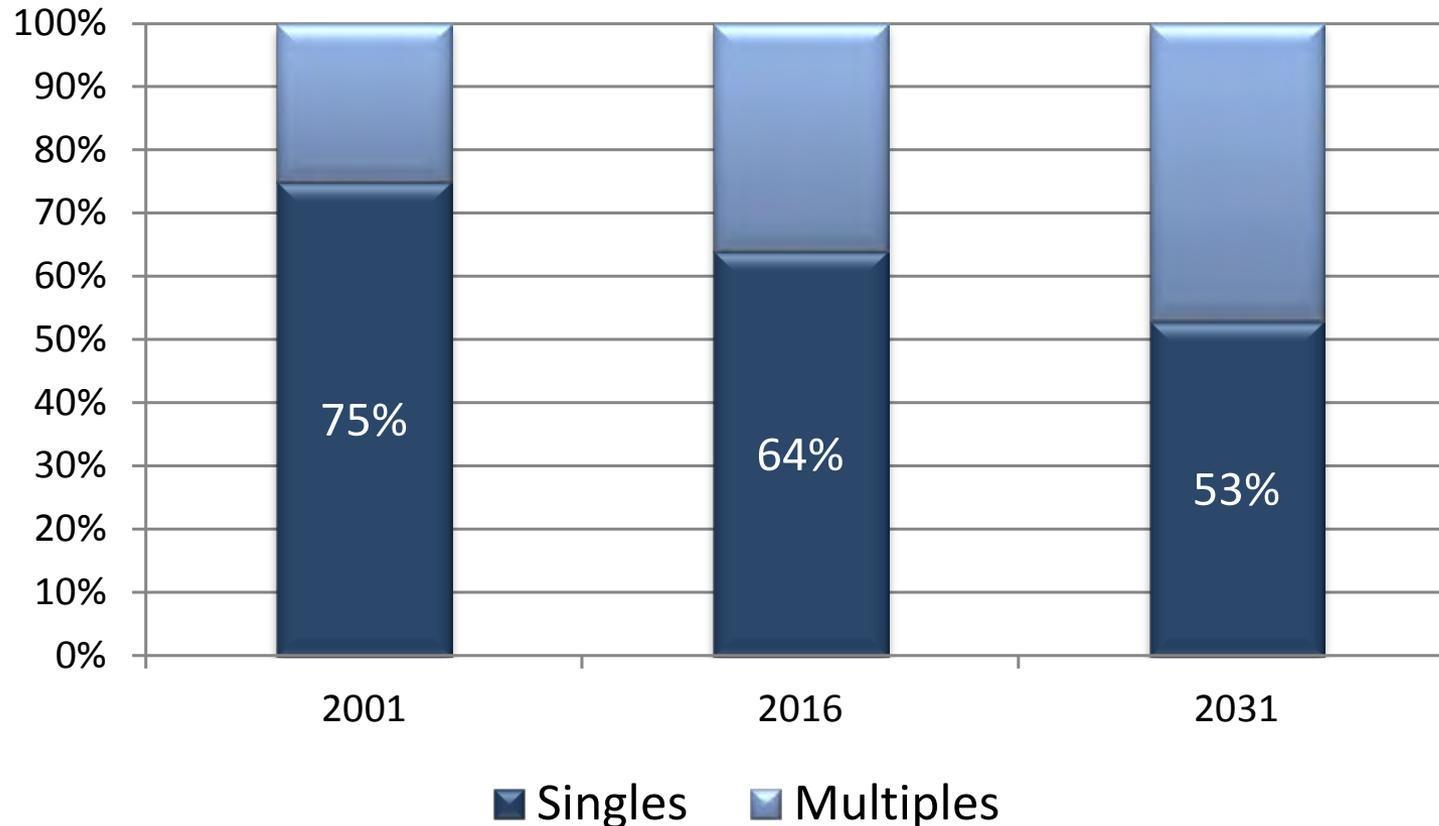
Source: Statistics Canada Building Permit Reports, York Region.

York Region's share of intensification within the built up area was 49% in 2016



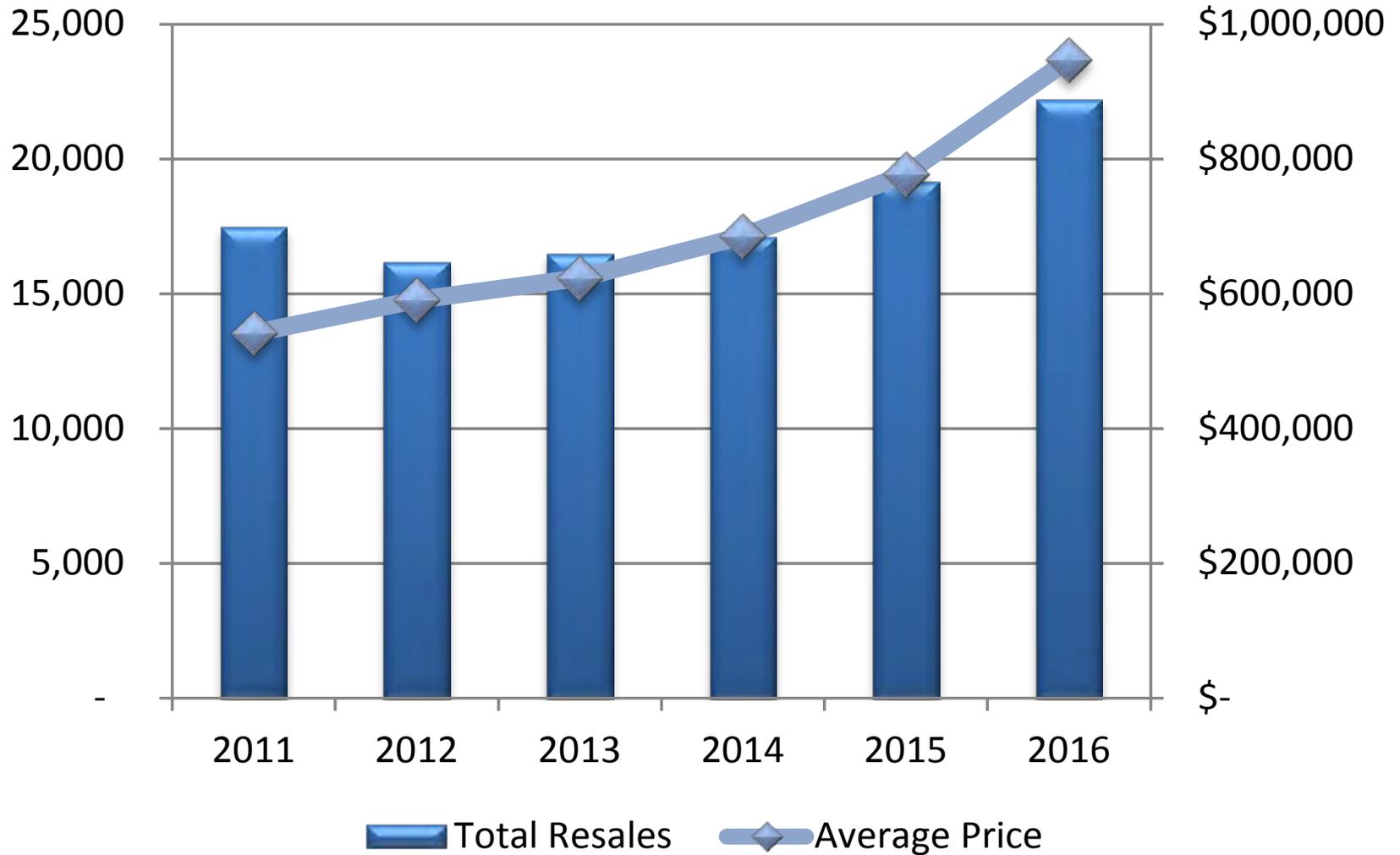
York Region's intensification share has ranged from 31% to 61% over the last 11 years

Total Housing Stock Continues to Diversify

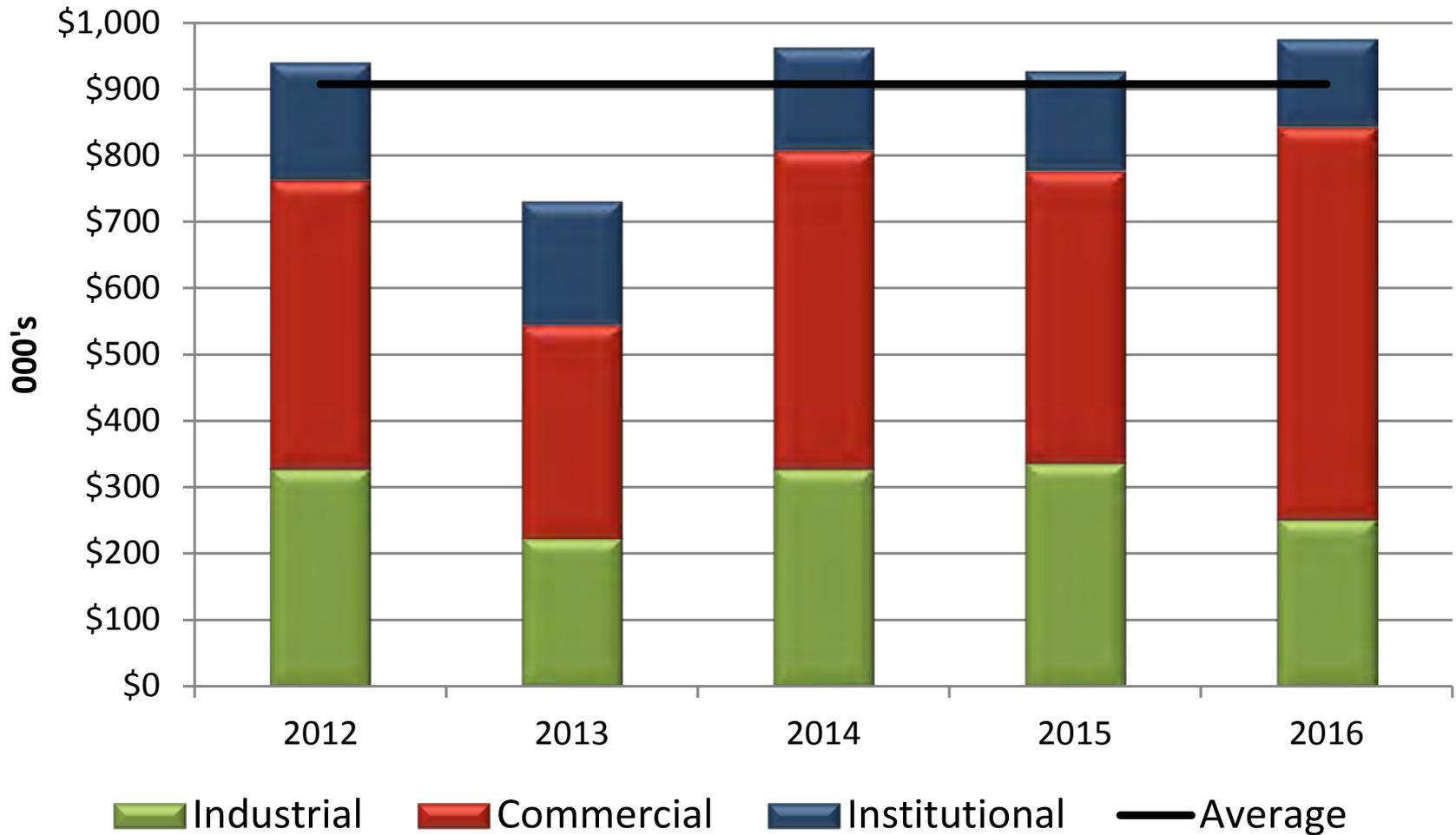


Diverse housing stock creates more compact, transit supportive complete communities

Average Resale Prices Increased by 22% to \$947,484



ICI Construction Value Remains Strong



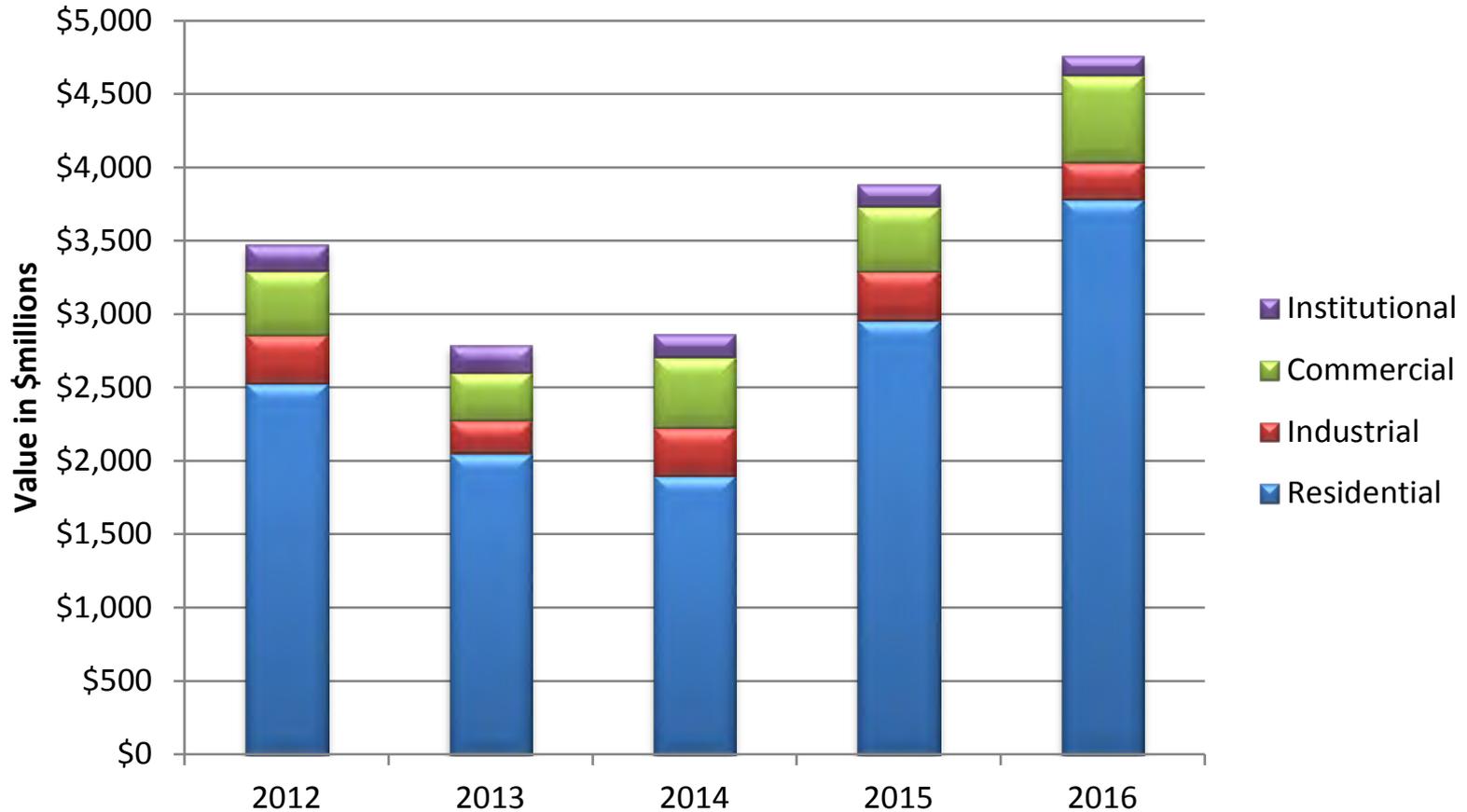
Across Canada, York Region is 7th in ICI Construction Value

Values of ICI Construction (\$000's)

Rank	Municipality	Total Value
1	City of Toronto	\$3,165,341
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3	City of Edmonton	\$2,158,000
4	City of Montréal	\$2,032,713
5	Greater Vancouver Regional District	\$2,027,995
6	Peel Region	\$1,090,300
7	York Region	\$975,512
8	City of Ottawa	\$955,247
9	City of Winnipeg	\$955,096
10	Halton Region	\$832,460

Source: Statistics Canada Building Permit Reports, York Region.

2016 Total Construction Value is the highest ever recorded in York Region

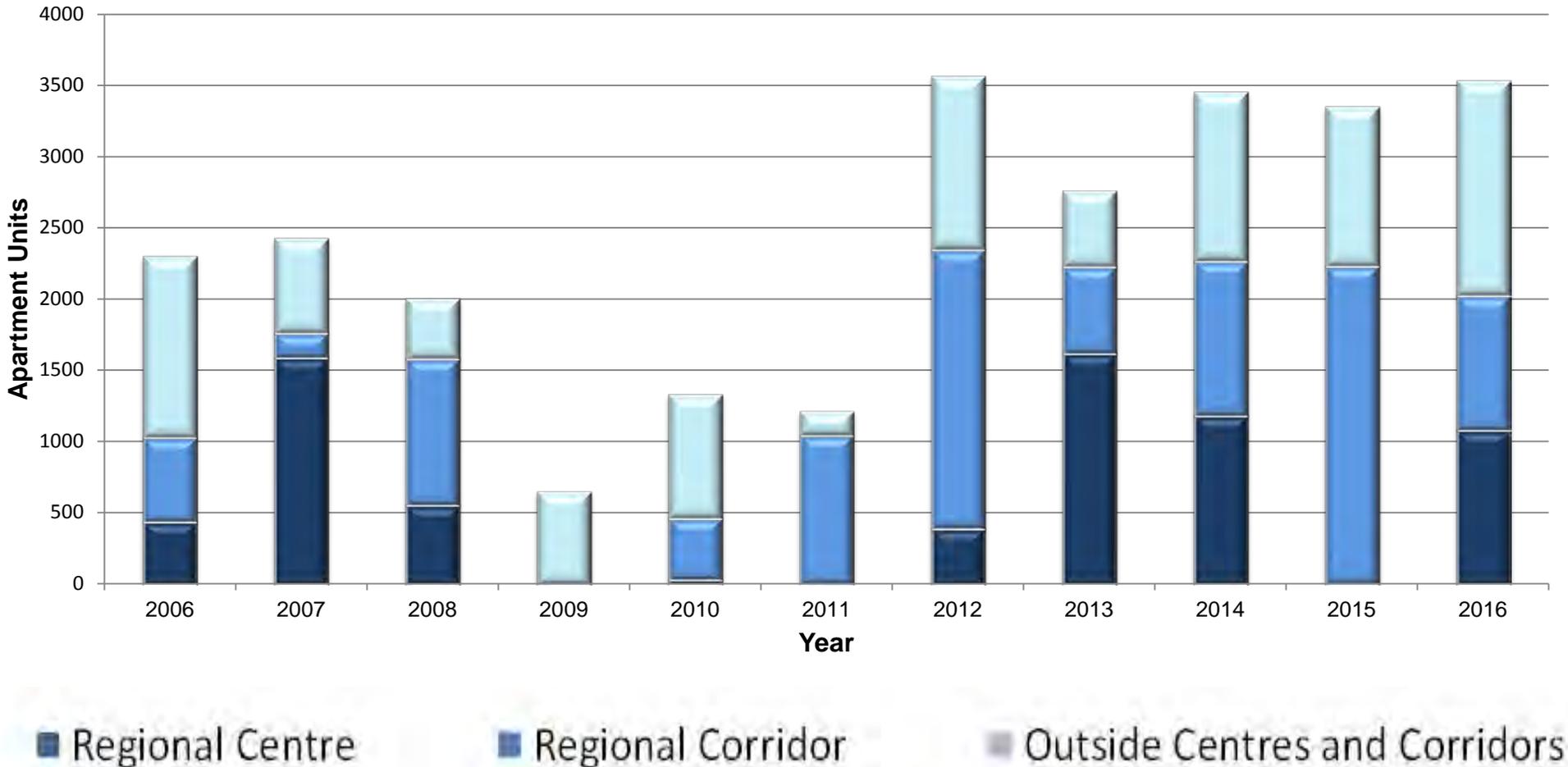


Source: Statistics Canada Building Permit Reports, York Region.

The Region ranks 5th across the country for total value of construction

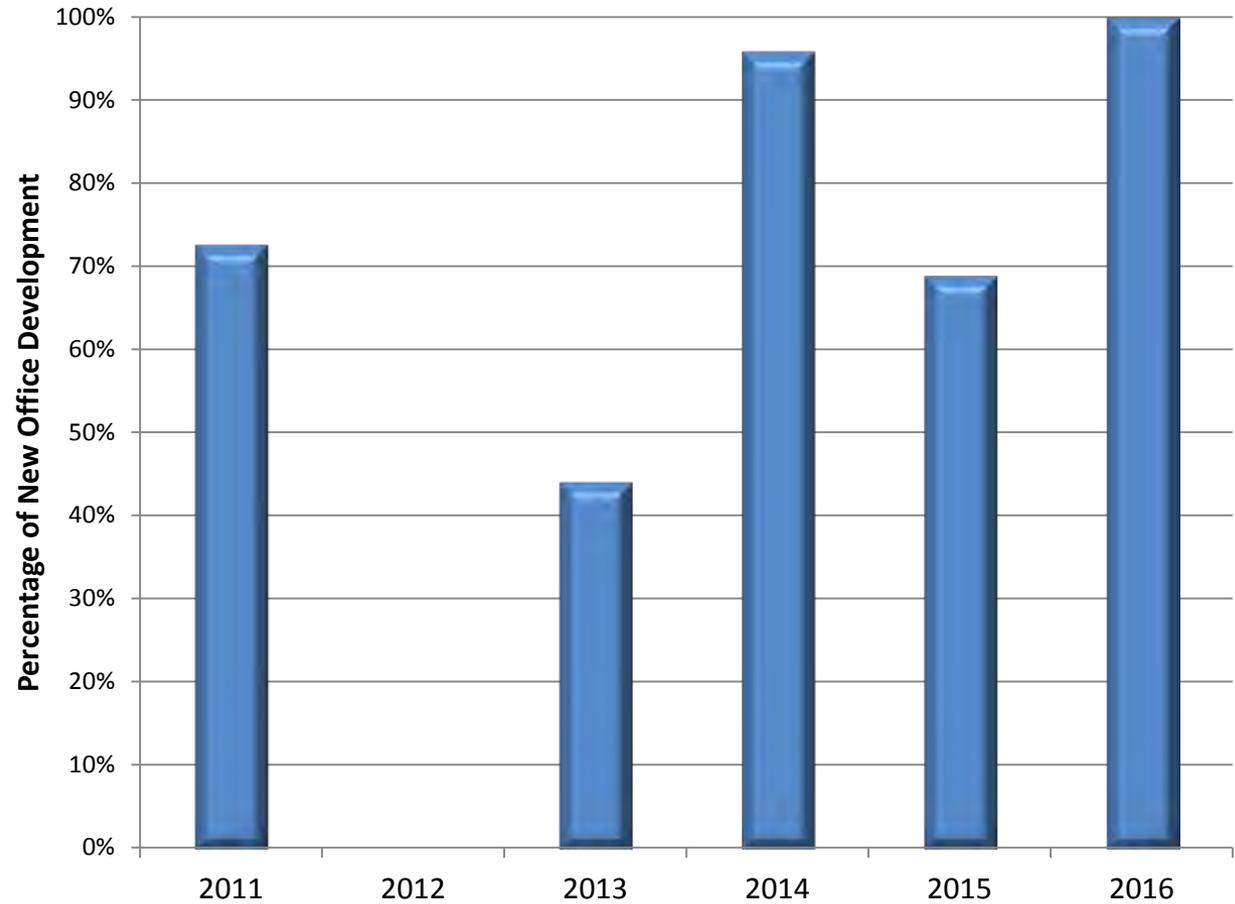
Centres and Corridors

The Centres and Corridors continue to be the focus of high density residential apartment development



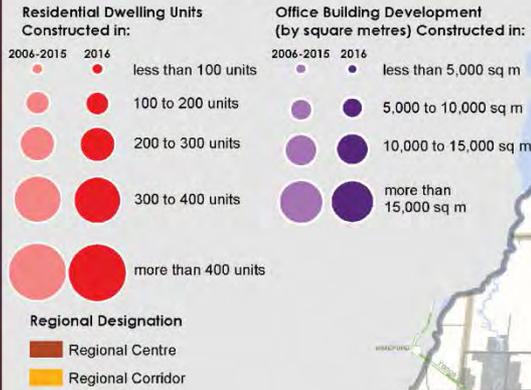


New Office Development Located in Centres and Corridors

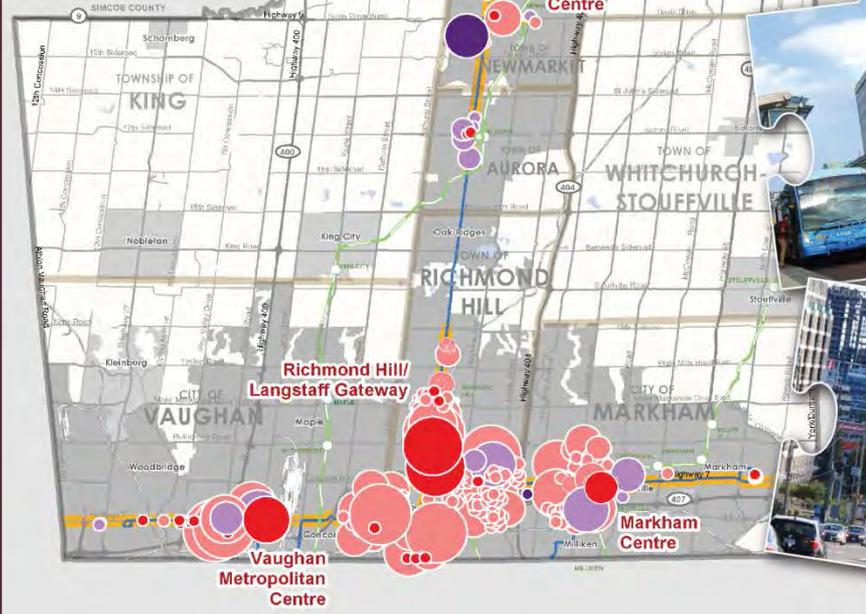


YORK REGION

RESIDENTIAL & OFFICE DEVELOPMENT ACTIVITY WITHIN CENTRES & CORRIDORS



* The dots showing proportional size of each development do not necessarily represent an exact location; rather, they illustrate a graphical representation of the level of development activity in a general area.



BASE MAP INFORMATION

	Provincial Freeway		Municipal Boundary
	Provincial Highway		Regional Boundary
	Road		Town or Village
	Railway		Urban Area
	GO Rail Commuter Line		
	Subway Extension		
	York Viva Bus Rapid Transit System		

York Region **yorkmaps**

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Corporate Services Department
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YORK LINK

WHERE TALENT AND OPPORTUNITY INTERSECT

Conclusions

- U.S. GDP growth, low oil prices, low interest rates and a strong US dollar will continue to benefit the GTHA economy
- Population and employment growth remains steady in York Region
- Infrastructure investment is having a positive impact on centres and corridors development
- York Region continues to be a significant contributor to the provincial and national economies

Staff Recommends Report be Received for Information

- Report will be available on the corporate website.

