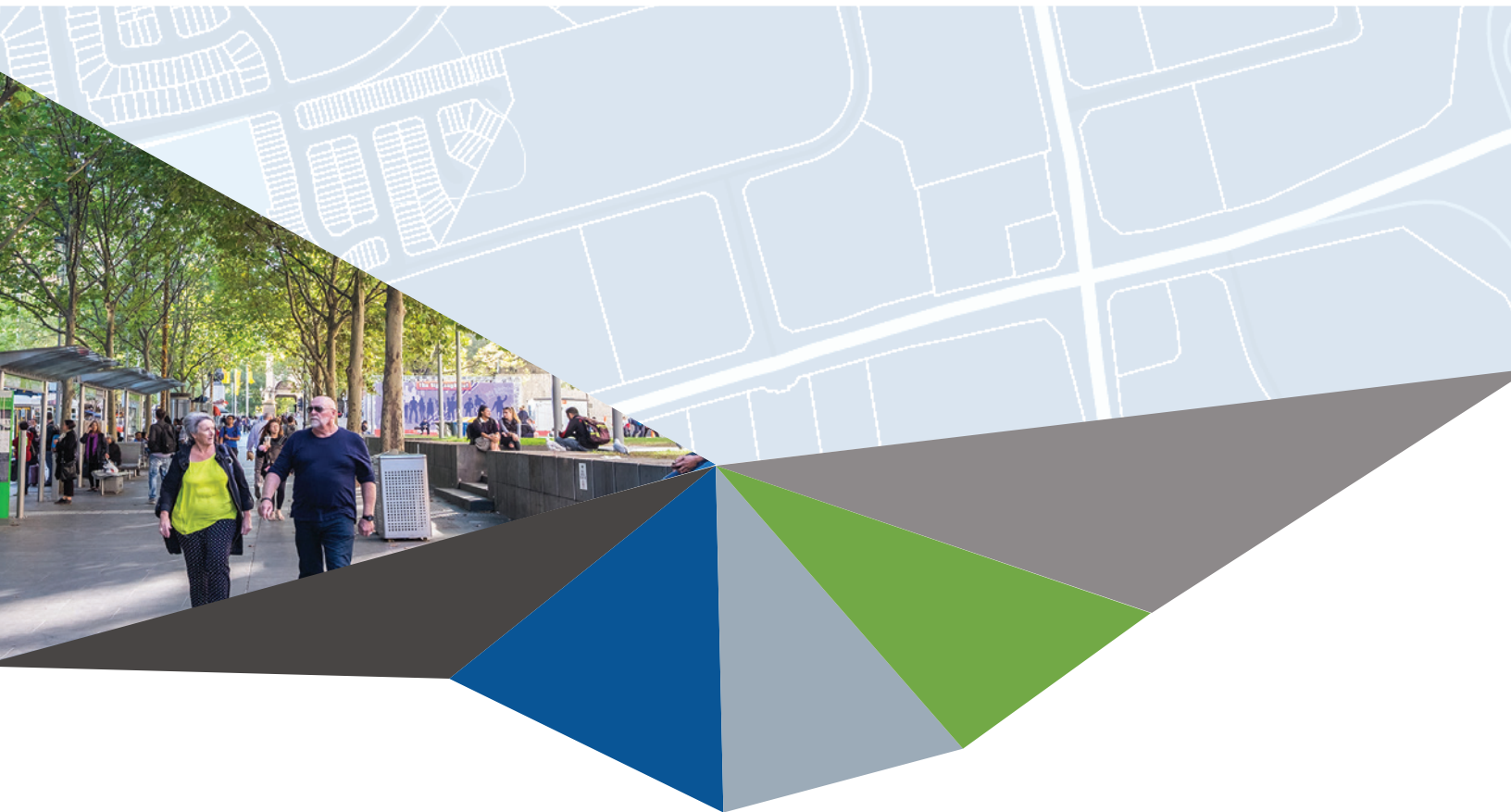


POPULATION AND EMPLOYMENT OUTLOOK AND COMMERCIAL USE ASSESSMENT

APPENDIX 2

October 29, 2018



HEMSON

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MEMORANDUM

To: Leigh McGrath
Mark Reid
Urban Strategies

From: Russell Mathew and Yousaf Shah

Date: October 25, 2018

Re: Weston7 Secondary Plan Population and Employment Outlook
and Commercial Use Assessment

The City of Vaughan has retained Hemson Consulting as part of a team led by Urban Strategies to undertake the first phase of work towards the development of a secondary plan for the Weston Road and Highway 7 Secondary Plan Area (Weston7 SPA). Hemson's role in the project is to prepare a growth outlook to assist other members of the team to prepare land use and infrastructure plans for the area. This memo describes the work undertaken for the Background Review and Needs Assessment in Stage 2 of the work plan. The following sections detail the methods and assumptions used to establish the growth outlook and commercial use assessment for the Weston7 SPA. The analysis involved preparing estimates of employment and development trends in the study area, supplemented with recent development application data in the Vaughan Metropolitan Centre (VMC). Following discussions with City staff, development potential was also assessed with regards to the Major Transit Station Area (MTSA) density requirements for the vivaNext Highway 7 Corridor station areas.

The growth outlook and commercial use assessment were based on assumptions of the development capacity in the study area as well as the demand for new residential and non-residential development in the VMC, which was used to inform assumptions on

the type and scale of development in the absence of existing applications in Weston⁷. In addition to a general understanding of the outlook for growth in the broader Vaughan and York Region markets, the following background materials informed the assumptions for the growth outlook:

- Population and housing data in the 2016 Census, Statistics Canada;
- Planning and development applications, City of Vaughan; and
- York Region Employment Survey 2007-2017.

The assumptions and estimates used to form the population and employment growth outlook are informed by both policy considerations as well as market trends within the local and regional contexts. These assumptions and estimates are intended to provide guidance to the subsequent planning and land-use policy development and not to be interpreted as prescriptive targets. The following sections of the memo describe each component of the study in detail, starting with the population and employment outlook and followed by the commercial use assessment.

I POPULATION AND EMPLOYMENT OUTLOOK

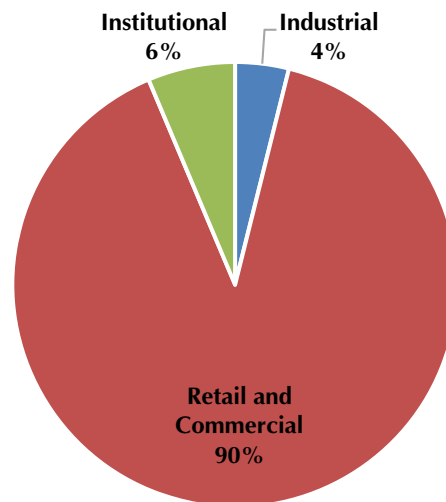
The Population and Employment Outlook describes Task 5.1 of Part 1 of Stage 2 of the study. This component of the scope of work describes the assumptions used to estimate population and employment outlook based on a series of density targets.

A. EXISTING CONDITIONS

The Weston7 SPA as it exists today is largely a commercial employment area. As of Census day in 2016, it hosted approximately 4,800 jobs and no residents. Since then, with the completion of the residential development at 7777 Weston Road in 2017, approximately 1,700 new residents have moved to the study area and total employment has increased to approximately 5,000 jobs, mostly in retail and commercial activities (see Figure 1). The overall shares of employment by type have stayed consistent since 2007.

Employment by Sector Groups for Weston7, 2017

Figure 1



Source: York Region Employment Survey

Total employment in the Weston7 SPA has grown steadily during the 10 years of data reported in the York Region Employment Survey: from 4,500 total jobs in 2007 to just over 5,000 jobs in 2017, with most of the growth occurring in the retail sector. Of the businesses that have remained in the area to 2017, 80% of the businesses (accounting for 60% of the employment) were established after 2000.

The following sections will describe the development assumptions used to estimate demand to higher levels of density.

B. DEVELOPMENT ASSUMPTIONS

Development assumptions for the Weston7 SPA are determined in conjunction with planning for the MTSA's to comply with policy 2.2.4.3 of the *Growth Plan for the Greater Golden Horseshoe*:

Major transit station areas on priority transit corridors or subway lines will be planned for a minimum density target of:

b) 160 residents and jobs combined per hectare for those that are served by light rail transit or bus rapid transit;

Per Vaughan City staff's discussions with York Region regarding the boundaries of the MTSA's, the Weston7 SPA study area falls completely within the boundaries of two MTSA's. As a result, the development outlook for Weston7 takes into consideration density requirements for conformity to the *Growth Plan*, starting with planning to 160 persons-and-jobs per gross ha as the minimum density target. For reference, Figure 2 shows the boundaries of the Weston7 SPA and how it intersects with the two MTSA's.

Figure 2

Weston7 SPA and MTSA Boundaries

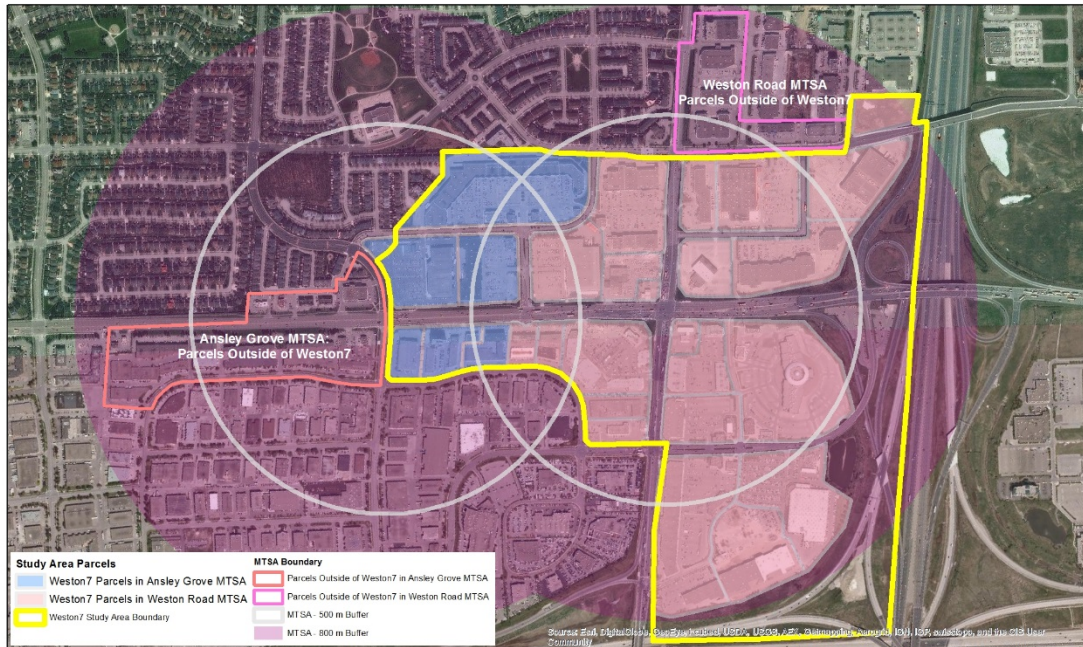


Table 1 describes the gross land area, parcel area (after taking out roads and highways) and developable area for the Weston7 SPA¹. The total gross area of the Weston7 SPA is approximately 126 ha, of which approximately 22 ha make up parts of the Highway 400/407 interchanges and another 20 ha make up existing local roads and the storm water management pond (SWM), leaving 84 ha of parcel area on which future development may occur.

¹ The same assumptions and outlook for the two MTSA's that intersect with the SPA are provided in section D.

Table 1

Weston7 SPA Land Area Estimates

Category	Land Area (ha)
Total Land Area	126
- Highway 400/407 Lands	(22)
Gross Land Area (for density calculation)	104
- Current Local Roads and SWM	(20)
Developable area	84
Net Developable Area (25% Gross-to-Net)	63
Net Developable Area (30% Gross-to-Net)	59

Note: Numbers may not add due to rounding.

The 84 ha is reduced by 25–30% as a gross-to-net factor to account for new local roads, storm water infrastructure and park space², resulting in a range of 59–63 ha of net developable land. These net developable land areas are used to calculate the new floor space, population and employment in the Weston7 SPA. The gross-to-net factor is a generalized estimate of take-outs to account for local infrastructure and open space requirements prior to the preparation of detailed engineering estimates, which can inform more precise requirements for community infrastructure further in the process.

The development outlook assumes new development will occur at a ratio of 87% residential space and 13% non-residential space, comprised of supportive retail, commercial and service employment for the future residents of the Weston7 SPA, as well as additional office space either in freestanding buildings or as part of mixed-use developments. Development densities to determine total unit counts and non-residential space are determined as follows:

² The range from 25-30% covers increasing community infrastructure requirements as increased density levels demand more land for transportation, servicing and park space. Park space in particular is assumed as a share of the net-to-gross factor as with increasing density the amount of parkland required increases significantly. It is assumed that as density increases some developers may opt for a cash-in-lieu option rather than providing the full amount of park space required per the parkland calculation used by the City.

- Within the residential development outlook, we assume a 20–80% split between townhouses (including stacked townhouses) and apartment units. The overall floor space demand is based on a blended rate for unit sizes based on 167 m² for townhouses and 87 m² for apartments. Resident population is estimated using 3 persons-per-unit for townhouses and 2 persons-per-unit for apartments, as per the draft guidelines prepared by York Region for MTSA planning ; and
- Non-residential development is based on the 13% of the total new developable area for commercial office, retail and service institutional activities locating in the Weston7 SPA. Overall, the employment outlook assumes a mix of 25% office employment, 60% retail employment and 15% institutional employment to arrive at a blended rate of 44 m² per employee for floor space estimation.

The 13% allocation of non-residential space assumes a reintroduction of the portion of the existing commercial activities in new mixed-use developments, described in further detail in the following section and in the Commercial Use Assessment.

C. DEVELOPMENT OUTLOOK

Using the assumptions and land areas from section B, Table 2 provides a breakdown of the development outlook based on a range of densities, using the *Growth Plan* persons and jobs per ha measure³. The development scenarios start with 160 persons and jobs per gross ha on the low end (to reflect the minimum density target for MTSA planning) and transition to 200 persons and jobs per gross ha (reflecting the density target for VMC and most urban growth centers in the Greater Toronto Area and Hamilton). Densities higher than 200 are provided for illustrative purposes to 400 persons and jobs per gross ha, the density target for the Downtown Toronto Urban Growth Centre (UGC). The following development outlook begins with the minimum thresholds of development required to meet a 160 persons and jobs target at

³ Growth Plan *densities are calculated on a community-wide basis rather than on a site-specific basis, incorporating the actual developable area as well as the land required for local infrastructure.*

the low end by a horizon year of 2041. As the visioning process for the Weston7 SPA proceeds, the outlook will evolve based on the recommended development scenario.

Table 2**Weston7 SPA Population and Jobs Outlook**

Development Scenario (persons+jobs/ha)	160	200	250	300	400
Gross Land Area (ha)	104	104	104	104	104
Total persons+jobs	16,600	20,700	25,900	31,100	41,400
Persons+jobs to remain	(1,900)	(1,900)	(1,900)	(1,900)	(1,900)
New Persons and Jobs	14,700	18,800	24,000	29,200	39,500

Note: Numbers may not add due to rounding.

Table 3 shows the breakdown of population into units and Table 4 shows the new jobs by type. Table 5 shows estimates of the total floor space demand for residential and non-residential required on new development sites in the Weston7 SPA to accommodate this growth.

Table 3**Weston7 SPA Population and Residential Unit Demand**

Development Scenario (persons+jobs/ha)	160	200	250	300	400
Total Population	12,740	16,340	20,830	25,330	34,320
Persons-per-unit	2.2	2.2	2.2	2.2	2.2
Total Residential Units	5,790	7,430	9,470	11,510	15,600

Note: Numbers may not add due to rounding.

Table 4**Weston7 SPA Employment by Type**

Development Scenario (persons+jobs/ha)	160	200	250	300	400
Office Employment	470	610	770	940	1,270
Retail and Institutional Employment	1,460	1,870	2,390	2,900	3,930
Total Employment	1,930	2,480	3,160	3,840	5,200

Note: Numbers may not add due to rounding.

Table 5

Weston7 SPA Floor Space Outlook

Development Scenario (persons+jobs/ha)	160	200	250	300	400
Floor Space per Unit (m ²)	103	103	103	103	103
Floor Space per Employee (m ²)	44	44	44	44	44
Total New Floor Space (m ²)	679,600	871,400	1,111,200	1,351,000	1,830,700
Net Developable Land Area (ha)	63	63	59	59	59

Note: Numbers may not add due to rounding.

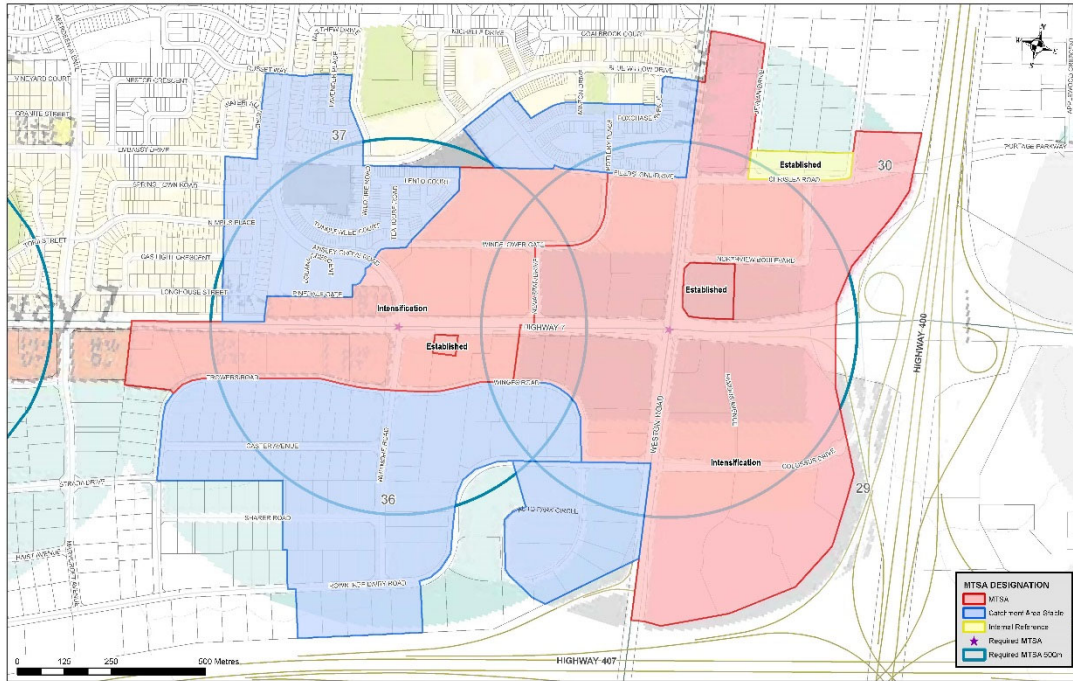
The persons and jobs to remain figure accounts for the 1,700 residents of the new residential development at 7777 Weston Road and includes an estimate of approximately 200 jobs estimated in the office building at 3901 Highway 7 (both listed as “established” sites under the MTSA designation (Figure 3)). The remaining jobs in the study area would be lost through redevelopment of the sites, although some may be reintroduced as part of the employment base in the new developments (for example, the Home Depot site on Northview Blvd could return as part of a new mixed-use development on that site, which means the new jobs would not be net new additions to the existing employment base of the study area, but would still be counted in the total employment in Table 4).

D. OUTLOOK FOR THE MTSAS

For the Ansley Grove MTSA and Weston Road MTSAs (shown in Figure 3), separate development outlooks illustrate the development thresholds required to meet the density targets, starting with 160 persons and jobs per ha as per the *Growth Plan*. The sum of the population and jobs outlook for the MTSAs will differ from that of the Weston7 SPA, as the boundaries of the individual MTSAs, as defined by Vaughan City staff, extend beyond the boundaries of the SPA.

Figure 3

Ansley Grove and Weston Road MTSA Boundaries



Source: City of Vaughan

Table 6 shows the land area estimates to determine the net developable areas for future population, housing and employment outlooks for each of the MTSA.

Table 6
Weston7 SPA Land Area Estimates

Sub-Area	Ansley Grove (ha)	Weston Road (ha)
Total Land Area	36	114
- Highway 400/407 Lands	(0)	(22)
Gross Land Area (for density calculation)	36	92
- Current Local Roads and SWM	(7)	(20)
Developable Area	29	72
Net Developable Area (25% Gross-to-Net)	22	54
Net Developable Area (30% Gross-to-Net)	20	50

Note: Numbers may not add due to rounding.

Table 7 and Table 8 provide the details of new population, housing and employment required to meet these targets.

Table 7

Ansley Grove MTSA Development Outlook

Development Scenario (PJ/ha)	160	200	250	300	400
Gross Land Area (ha)	36	36	36	36	36
Total Persons+Jobs/ha (Gross)	5,900	7,400	9,200	11,100	14,800
Persons+jobs to remain	(200)	(200)	(200)	(200)	(200)
New Persons and Jobs	5,700	7,200	9,000	10,900	14,600
Total Population	4,980	6,270	7,870	9,480	12,690
Total Residential Units	2,270	2,850	3,580	4,310	5,770
Total Employment	760	950	1,190	1,440	1,920
New Floor Space (m ²)	265,800	334,300	420,000	505,600	677,000
Net Developable Land Area (ha)	22	22	20	20	20

Note: Numbers may not add due to rounding.

In Table 8, the persons and jobs to remain figure accounts for the 1,700 residents of the new residential development at 7777 Weston Road. The gross land area figure in Table 8 represents the total land area, minus estimates for the highway rights of way, as per the *Growth Plan*.

Table 8

Weston Road MTSA Development Outlook

Development Scenario (PJ/ha)	160	200	250	300	400
Gross Land Area (ha)	89	89	89	89	89
Total Persons+Jobs/ha (Gross)	14,300	17,800	22,300	26,700	35,700
Persons+jobs to remain	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)
New Persons and Jobs	12,600	16,100	20,600	25,000	34,000
Total Population	10,890	13,990	17,860	21,730	29,470
Total Residential Units	4,950	6,360	8,120	9,880	13,400
Total Employment	1,650	2,120	2,710	3,290	4,470
New Floor Space (m ²)	581,100	746,300	952,700	1,159,100	1,572,000
Net Developable Land Area (ha)	54	54	50	50	50

Note: Numbers may not add due to rounding.

With a smaller developable area, meeting the density targets requires higher density development in the Ansley Grove MTSA. Designed as “Mid-Rise Mixed Use” in Schedule 13 of the current *City of Vaughan Official Plan 2010*, some of the sites that make up the Ansley Grove MTSA are designated with FSI of 2.5-3.0. Treating both of these MTSAs independently would result in a significant concentration of

development on the smaller share of developable land area in the Ansley Grove MTSA. Consequently, overall densities would be lower in the Weston Road MTSA, which has a larger share of developable land area. In planning for these station areas with York Region, the City of Vaughan should take into account section 2.2.4.4(c) of the *Growth Plan* to average the density across all the MTSAs of the vivaNext Highway 7 Corridor.

E. PLANNING TO 2041

The population, housing and employment potential provided in the tables in this memo were prepared on the basis of a long-term ultimate development capacity and not planning to a specific horizon year. Part of the reason for taking this approach is the general age of development within the Weston7 SPA; as discussed under existing conditions in section I, 80% of establishments and 60% of the employment in the area are less than 20 years old. Additionally, with the exception of 7777 Weston Road and one development application for a new office project, evidence of redevelopment commitments from existing landowners only exist in the form of discussions with the team through stakeholder interviews. Whereas the policy guidelines for MTSA and secondary planning for Weston7 would consider the entirety of the study area for future redevelopment, from a market perspective the more recently established businesses on some of the sites may continue to operate through much of the planning timeframe to 2041.

On its own, planning to 2041, in terms of development applications and approvals, does not pose a challenge when taking into account discussions with landowners and the development pressure in the neighbouring VMC. However, based on forecasts for the City of Vaughan in York Region's *2041 Preferred Growth Scenario*, development applications already submitted for the VMC would account for 56% of the total forecast of apartments from 2016-2041 for the entire City of Vaughan. In planning for 160 persons and jobs per ha to 2041, the Weston7 SPA would account for 40% of the remaining potential, a significant figure considering the combined total outlook for apartments in other City of Vaughan area plans. In all, if Weston7 is continued to plan to achieve 160 persons and jobs per ha by 2041 and the applications submitted for the VMC are approved and constructed during the next 20 years, Weston7 and the

VMC will account for more than 70% of the forecast apartments in the City of Vaughan to 2041. This ratio increases for higher density scenarios.

Anticipation for redevelopment of the scale to meet the densities illustrated in this memo would require multiple applications for major redevelopment projects in the short-term, the first one of which would not be fully occupied until the late 2020s or early 2030s. On that basis, it is reasonable for the City of Vaughan to plan to achieve development densities up to 160 persons and jobs per ha by 2041, allowing it to meet the density targets for the Highway 7 MTSA within the time frame of the secondary plan, but achieving densities higher than that would require a longer-term outlook. The final density targets for the two Weston7 MTSA are also dependent on on-going work with York Region to plan for the entirety of the vivaNext Highway 7 Corridor.

In addition to planning to meet the minimum density targets, an additional item to consider is the relationship of the Weston7 SPA to the neighbouring VMC. Part of the planning for the Weston7 SPA is to ensure it meets the guidelines and ideals for secondary planning around Regional Corridors, but it must also function alongside the VMC, a Provincially-designated Urban Growth Centre. It is important that the Weston7 SPA plays a complementary role to the VMC and not compete for similar uses and development. As a result, the secondary plan may consider a limit to the development outlook to 2041 at 200 persons and jobs per ha to ensure the Weston7 SPA meets the guidelines for Regional Corridors, the minimum density target for the vivaNext Highway 7 Corridor and without coopting the VMC's role as an Urban Growth Centre.

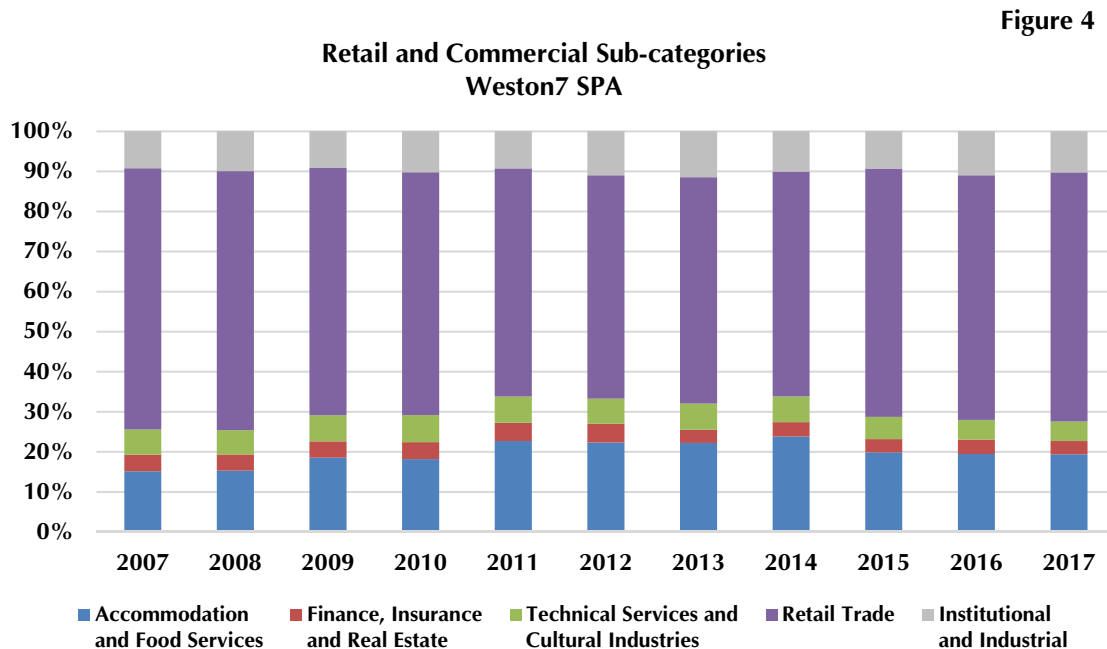
Given the plans currently in place, infrastructure yet to be built and a number of competing locations for new development, the outlook for the development potential for the Weston7 SPA into barely more than a 20-year time period is limited. In planning to 2041, we recommend City staff consider the growth outlook consistent with achieving the 160 persons and jobs per ha density target and plan to achieve higher densities in later phases.

II COMMERCIAL USE ASSESSMENT

The Commercial Use Assessment describes Task 7.7 of Part 2 of Stage 2 of the study. This component of the scope of work builds on the population and employment analysis and presents a high-level assessment of potential commercial uses to determine future requirements and inform land use scenarios.

A. EXISTING COMMERCIAL USES

A breakdown of employment by type in the Weston7 SPA (Figure 1) shows retail and commercial employment makes up 90% of total employment in the study area, a share that has stayed consistent since 2007. Within the retail and commercial employment category, Figure 4 describes the NAICS subcategories and their respective breakdown:



Source: York Region Employment Survey

Throughout the 2007–2017 period, the overall mix of employment by type has remained consistent (notwithstanding some fluctuation in the retail and food services categories from 2011–2014), while total employment has grown. As a whole, the area

plays an important role in providing retail and commercial services to a wide catchment area including residential uses to the northwest of the Weston7 SPA as well as the Highway 400 and Pine Valley employment areas. Moving forward, it is important for the study area to maintain its role as a commercial centre for a broader area than the immediate secondary plan boundaries.

B. OUTLOOK FOR COMMERCIAL USES

The outlook for commercial uses in the Weston7 SPA assumes the area's continued role as a regional commercial hub while also fulfilling demand for local commercial uses for new residents. The commercial use assessment in Weston7 is premised on market pressure to convert some of the existing commercial uses to residential mixed-use developments. In assessing the outlook for employment, consideration was given to the types of employment uses that may potentially stay, those that may relocate elsewhere and those uses that may be able to return or be introduced as part of new developments.

Determining the employment which would remain and what could potentially transition during the secondary plan timeframe involves an analysis of employment uses by age of business. In Weston7, the average age of businesses as of 2017, weighted by the size of the business, is 15 years. By this metric, approximately 2,500 jobs are in businesses in Weston7 that are more than 15 years old, with the opportunity to turn over or transition during the timeframe of the secondary plan. The remaining 2,500 jobs are in businesses that may continue to operate for some time.

Future employment uses are estimated to ensure there is enough service commercial and institutional employment in the Weston7 SPA to support the incoming residential uses, as well as the portion of the residential area to the northwest of the SPA that falls within the MTSA catchment area. Hemson's employment forecasting procedures used to determine employment growth for municipalities across the GTA estimate population-related employment as a function of population growth and results in a ratio of 1 job per 6 residents. By this metric and applying the appropriate employment densities for each of the employment types, the future retail and institutional employment demand (or population-related employment uses) makes up

approximately 11% of the total estimated developable floor space, with an additional 2% allocated to smaller-scale commercial office uses.

Per the policies in 5.4 Regional Centres and Corridors of the *York Region Official Plan* and 2.2.5 Intensification Areas in the *City of Vaughan Official Plan*, regional corridors and intensification areas must be planned to include a mix of uses including residential, commercial and institutional. As an existing commercial area with a regional catchment area, the employment outlook also accounts for a share of the employment as office use. Based on these criteria, the Weston7 SPA employment outlook is composed of approximately 25% office employment, ranging from 470 jobs at 160 persons and jobs per ha to 1,270 for 400 persons and jobs per ha. The overall demand for employment space by type, calculated from the employment estimates in Table 4, is shown in Table 9.

Table 9

**Weston7 SPA Employment Space by Type
New Development**

Development Scenario (PJ/ha)	160	200	250	300	400
Office Employment	470	610	770	940	1,270
Retail Employment	1130	1450	1850	2250	3050
Institutional Employment	330	420	530	650	880
Total Employment	1,930	2,480	3,150	3,840	5,200
Office Space (m ²)	12,700	16,500	20,800	25,400	34,300
Retail Space (m ²)	50,900	65,300	83,300	101,300	137,300
Institutional Space (m ²)	21,500	27,300	34,500	42,300	57,200
Total Non-Residential Space (m²)	85,100	109,100	138,600	169,000	228,800

The overall outlook for commercial and institutional space combined makes up approximately 13% of the demand for all new developable space. This is a preliminary estimate based on the employment needed to accommodate new incoming residents in a more local-focused development scenario. As the City of Vaughan proceeds with the planning for the Weston7 SPA, the relationship between residential and non-residential outlooks may change as the plan for the area develops and consideration is given to a broader role for non-residential development in the area.