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Sent: Wednesday, November 04, 2015 5:49 PM
To: Emmerson, Wayne; Mayor Maurizio Bevilacqua Vaughan; Regional Councillor Gino Rosati Vaughan; Regional Councillor Michael Di Biase Vaughan; Regional Councillor Mario Ferri Vaughan; Mayor Frank Scarpitti Markham; Regional Councillor Jim Jones Markham; Regional Councillor Joe Li Markham; Regional Councillor Nirmla Armstron Markham; dave.barrow@richmondhill.ca; vito.spatafora@richmondhill.ca; Mayor Margaret Quirk Georgina; dwheeler@georgina.ca; Regional Councillor John Taylor Newmarket; mayor.altmann@townofws.ca; Mayor Tony Van Bynen Newmarket; mayor@aurora.ca; Mayor Virginia Hackson East Gwillimbury; brenda.hogg@richmondhill.ca; Mayor Steve Pellegrini King; Deputy Mayor Jack Heath Markham
Cc: Shuttleworth, Valerie
Subject: General Comments on Growth Report E.2.1 Preferred Growth Scenario

Dear Regional Council,

I commend staff for their efforts on the above noted item. It is an extensive report. What a task!

My comments below are some respectful thoughts on the process, the evaluation of options as well as general market conditions and some “unintended consequences”.

1. York Regional Council endorsed 3 Growth Scenarios to be evaluated. 40% intensification, 50% intensification and No Urban Boundary Expansion. This is what the public, the industry and all the stakeholders have been operating on since Council endorsement. York Regional Council did not endorse a 4th scenario of 45% intensification. I am unsure why a 4th scenario was even evaluated, let alone recommended by staff. Why did Regional Council even bother endorsing the 3 options if there were going to be other options considered? If Regional Council wanted a “range” from 40%-No Urban Expansion, then Regional Council would have directed such or if Regional staff wanted a range, then staff should have asked for a range. This was not done and brings into question the whole process to begin with, the basis of the process and the integrity of the process.
2. The following Quotes from the Hemson Report are very telling:
 - a. Pg 16 “The large supply of apartment units in the GTA market and the more restricted availability of serviced greenfield land, in accordance with Growth Plan policy, may, at least be partially responsible for the widening gap between the prices of the two types of units [Ground-Related Housing vs. Apartments/Condos].”

- b. Pg 20 : “In the case of York Region, housing affordability is a key concern as rising housing costs have significantly outpaced household income growth for some time now.”
 - c. Pg 31: “York continues to be attractive to family aged households; that is, those in their 30s and 40s and their children. This pattern is closely aligned to the high demand for family-oriented ground-related housing in York Region.”
 - d. Pg 32 : “Alternatively, attracting more young families to live in high density apartment units would assist significantly in shifting demand in the overall GTA market. **However, this would be a major cultural shift in housing desires.** As already described, most households with children desire more space than is available in most apartments, typically want some private outdoor space (even if it is a small yard) as well as conveniences such as parking and garage storage immediately at hand (groceries for four or dealing with hockey equipment is simply far more difficult in an apartment with underground parking and elevators)”.
 - e. Pg 35-36: “planning policy intervention is changing the price structure of housing to make lower density housing relatively less attractive and higher density housing relatively more attractive. If use of the price mechanism is pushed too far beyond the levels envisioned by the Growth Plan, **unintended consequences** may occur. These consequences might include reduced housing affordability, resulting in the failure to attract household growth to the GTA. A land use policy that produces this effect may be seen as counter to other policies such as a desire for affordable housing for households in the GTA.”
3. The above quotes from the report are accurate in my opinion. There has **not been** a “cultural shift” towards higher density living and York Region remains the location for families. Policies restricting supply of ground related units has had one significant effect...driving up the price of ground related units. These policy directions and the collateral damage of unaffordable ground related units are driving people into condos and apartments. According to Hemson there has been no fundamental “cultural shift”, greater than historical demographic trends, moving families into condos. There is only an affordability shift. People don’t have a choice anymore. They cannot afford to purchase a home. If people still desire the backyards, more space and no parking garages (which they do), but cannot afford them, the quality of life for York Regional residents is degraded. The social costs associated with that degradation are difficult to quantify. I don’t believe that is the goal of York Regional Council, but it will be the “unintended consequence” of restricting supply of ground related units even more than they are already.
4. Our industry benefits substantially from the restriction of the land use as inventory within those urban boundary becomes more valuable, however, the consumer and the resident lose in this situation. Development charges are calculated on a unit rate, not a price of housing rate. Less units, means less Development Charges. The presumption that the unit count will be made up from intensification is fundamentally flawed as the market absorption rate for those intensification units is not real. Many York Region municipalities have seen the market pressures of “down zoning” where development sites approved for high rises are not marketable so developers are rezoning for lower density in order to move product. If York Region keeps doubling down on more intensification other than the bare minimum required by Legislation and making infrastructure investments based on those policy directions, there will be a vicious cycle

where product will not be built, Development Charges will not be collected and supply will dry up and affordability will be gone.

5. In conclusion, recommending an option of 45% not originally directed by Regional Council, as well as the social effects on the unaffordability of ground related housing due to a further constrain on supply, Regional Council should direct a 40% intensification strategy be implemented.

Yours Truly,

Cam Milani

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