

VMC Sub-Committee Report

DATE: Wednesday, February 19, 2025 WARD: 4

TITLE: VMC SECONDARY PLAN - PHASE IV UPDATE

FROM:

Vince Musacchio, Interim Deputy City Manager, Planning, Growth Management and Housing Delivery

ACTION: FOR INFORMATION

Purpose

To provide an update on the status of the Vaughan Metropolitan Centre Secondary Plan ('VMCSP') currently in Phase IV – Draft Secondary Plan, which involves the development of a draft Secondary Plan based on the Preferred Option endorsed by VMC Sub-committee in Phase III and updated based on VMC Sub-committee's direction to implement a new development framework that sets parameters for minimum heights and densities without prescribed maximums.

Report Highlights

- The VMCSP project is currently in Phase IV, which involves the development of a new draft Secondary Plan for the VMC
- The new VMCSP will implement VMC Sub-committee's direction to set parameters for minimum heights and densities without prescribed maximums
- Analyses have been undertaken to estimate the new total development capacity and build-out timeframes for the VMC
- The VMCSP will be updated to reflect the new development capacity and build-out timeframe to ensure the overall goals of the VMC are achieved
- The VMCSP schedules are being updated based on the new development framework and stakeholder feedback
- The VMCSP will be brought to Statutory Public Meeting in April 2025

Recommendation

1. That the VMC SECONDARY PLAN – PHASE IV UPDATE report be received for information.

Background

The VMC is the City's emerging downtown and central business district

The VMC, as shown on Attachment 1, is bounded by Highway 407 to the south, Highway 400 to the west, approximately one parcel north of Portage Parkway to the north, and Creditstone Road to the east. The VMC is poised to be the financial, innovation and cultural centre of the City, with a vibrant sense of place, a high-quality public realm and environmentally sustainable design practices. The VMC is envisioned to become a complete and balanced community encompassing different built form typologies, and a mix of uses that are transit supportive and pedestrian friendly.

The current and in-force VMCSP provides a strong vision and policy foundation for the VMC and has helped guide development since its partial approval by the Ontario Land Tribunal ('OLT', formally the Ontario Municipal Board and Local Planning Appeal Tribunal) in 2015. Since this time, development interest in the VMC has exceeded expectations, resulting in an intensity of development that was not anticipated when the VMCSP was initially developed.

The City is developing the new VMCSP to address provincial and regional policy updates and to produce a renewed policy framework that supports the completion of a downtown and Central Business District ('CBD') as a complete community with a balance of uses that are well supported by municipal services and social infrastructure to 2051 and beyond.

The VMCSP seeks to manage the current intense and heavy residential development trends through the promotion of a balanced delivery of mixed-use development through varied building typologies; as well as a recalibration of hard and soft infrastructure, including parks, community services and civic facilities, transportation, and municipal servicing systems in order to achieve a healthy, balanced, complete and successful community.

VMC Sub-committee directed staff to proceed with making the required changes to the VMC Secondary Plan to set parameters for minimum heights and densities without prescribed maximums

In January 2024, staff were directed by Senior Leadership to explore the implementation of 'unlimited height and density' ('UHD') regimes within municipalities. Throughout Q1 of 2024, staff undertook consultation with municipalities that had implemented, or were exploring implementing, an UHD regime. Staff met with planning staff from Brampton, Mississauga, Toronto and Kitchener to gain insight on the UHD regimes implemented within these municipalities. These findings were summarized and presented to VMC Sub-committee on April 24th, 2024. At the June 26, 2024, VMC Sub-committee Meeting, staff were directed to proceed with updating the VMC Secondary Plan to set parameters for minimum heights and densities without prescribed maximums.

The VMCSP is currently within the fourth of a five-phase project

The VMCSP was initiated in August 2020 and is being undertaken by the City's Policy Planning and Special Programs Department supported by a consulting team that includes Gladki Planning Associates, DTAH, and Parcel Economics (the 'consultant team').

The VMCSP is being undertaken in five phases, structured as follows:

- Phase I Background and Issues
- Phase II Prepare and Develop Land Use Options
- Phase III Elaborate a Preferred Framework
- Phase IV Draft Secondary Plan
- Phase V Final Implementation of Secondary Plan Update

Phase I - Background and Issues was completed and presented to the VMC Sub-committee on March 2, 2021. Through Phase I, challenges, risks, and concerns for the VMC were identified by the public, landowners, and other stakeholders through an online survey and a comprehensive review of existing policies, initiatives, development studies and background reports. The project vision and guiding principles were established, which lay the foundation for the Phase II work.

Phase II – Prepare and Develop Land Use Options was presented to the VMC Subcommittee on June 21, 2022. It involved utilizing the key messages identified from Phase I to develop two preliminary land use options that addressed the challenges and constraints. The two land use options that were developed also took into consideration fixed and variable elements, such as approved and proposed development, the natural heritage network, roads and highways under the jurisdiction of other levels of government, etc., and balanced these with development interest to deliver on Council's vision of a world class downtown and complete community. Land Use Option 1 maintained the intensity of development with a lens on achieving built form variety and supplying adequate social infrastructure. Land Use Option 2 recalibrated uses to deliver a thriving CBD, utilizing an Office Feasibility Assessment that was undertaken to improve the feasibility of development that delivered office and non-residential uses.

Phase III - Elaborate a Preferred Framework focused on developing the preferred option based on the feedback received through the Phase II consultation process, as well as the conclusions from the Office Feasibility Assessment. The approach behind the preferred option analysis and recommendation has always been to create a vibrant, diverse, thriving downtown and CBD, through a balanced and complete community that includes a mix of building typologies with unique residential, office and mixed-use development serviced with soft and hard infrastructure that supports the needs of a successful city centre.

The Preferred Framework also incorporated two new expansion areas. Expansion Area A extended the existing boundary east to Creditstone Road on the south side of Highway 7 following the existing Protected Major Transit Station Area ('PMTSA') 56 boundary, resulting in a continuous, linear east boundary line. Expansion Area B

extended the existing boundary north, incorporating the lots on the north side of Portage Parkway, the new boundary line would follow the existing PMTSA 54 and 67 boundaries respectively.

The Preferred Framework was endorsed by the VMC Sub-Committee at the October 4th, 2023, Sub-Committee meeting, including Expansion Area A and B.

Phase IV – Develop a new Secondary Plan for the VMC involves the development of a draft Secondary Plan for the VMC, through consultation with key stakeholders. Secondary Plan policies are being developed to align the Plan with the Preferred Network developed through Phase IV, to address provincial and regional policy updates, and to implement a new development framework based on minimum heights and densities without prescribed maximums.

Phase V – Final Implementation involves the implementation of the new VMCSP and will involve presenting a final VMCSP to the VMC Sub-Committee and the Committee of the Whole and Council for final approvals.

Consultation continues to take place with the public, landowners, and other stakeholders.

A strategy for public and landowner engagement has been implemented throughout the project to ensure that meaningful engagement is achieved during each phase of this project. Comprehensive engagement summaries have been prepared for Phase II and Phase III of the project, which can be found in Attachment 2. Consultation for Phase IV has mainly focused on meetings with key stakeholders, including, but not limited to, landowners, TRCA, CN Rail, York Region District School Board, and the York Catholic District School Board, and will also include consultation and feedback through the Statutory Public Meeting process.

The new VMCSP is being coordinated with other supporting studies

The VMCSP is being coordinated with concurrent projects in the VMC, including the VMC Parks and Wayfinding Master Plan ('VMC PWMP'), the VMC Transportation Master Plan ('VMC TMP') Update, the VMC Functional Servicing Strategy Report ('VMC FSSR'), the City's Community Spaces Plan ('CSP'), and the City's New Vaughan Official Plan 2025 ('VOP 2025'). To date, work from the now finalized VMC PWMP has been incorporated into the land use plan and has helped inform the parks strategy.

The VMC TMP is currently in Phase 2 (final phase) of the Study, where transportation solutions have been identified and assessed to support the recommended land use framework, and population and job projections developed as part of the VMCSP. The Preferred Transportation Networks and Policy recommendations were presented to technical agencies, landowners and public in January 2025 for review and comment. The feedback received will be utilized to finalize the Preferred Transportation Networks (Active Transportation, Transit and Road), update of road cross-sections, and policy recommendations, develop an implementation plan and prepare the VMC TMP Report,

which will be presented to Council for approval (targeting May 2025). The Final VMC TMP Report will be filed for a 30-day public review period following Council approval.

The Functional Servicing Strategy Report for the study areas of the City of Vaughan's Integrated Urban Water Master Plan ('IUWMP'), which includes the VMC were finalized in 2024. The City issued the Notice of Completion with the required 30-day period in 2024, which follows the Municipal Class Environmental Assessment process. The IUWMP and its FSSR were finalized in 2024 and submitted to MECP for approval.

The CSP is being undertaken to guide how City-owned community spaces and services are provided to Vaughan residents. To date, the CSP project team has completed research and an assessment review and is currently engaging stakeholders and the community. The CSP will identify current needs and future facility provision strategies, aligning with the City's commitment to safe, accessible, and community-responsive parks and facilities that serve diverse interests and abilities. The CSP will provide key inputs for the new VMCSP, specifically addressing major community facility needs in the VMC area. A Facilities Plan, Implementation Strategy, and Final Report, along with a Risk Assessment, will be developed and presented to the Library Board and Vaughan Council in June 2025.

The City is in the process of developing a new Vaughan Official Plan (VOP) 2025. The new Draft VOP 2025 will be consistent with new Provincial policies, plan and growth targets for people and jobs. Once approved, the new VOP 2025 will implement the long-term vision for Vaughan, to the year 2051, through land use policies that direct density, housing supply, protection of environmental features and agricultural areas, to create a vibrant city for people to live, work and play. The VMCSP has been coordinated with the new VOP 2025, to ensure consistency between the two plans.

Updates from these related studies, as well as work on VOP 2025, will continue to guide the policy framework and inform the final recommendations of the new VMCSP.

Previous Reports/Authority

The following are links to previous reports regarding the VMC Secondary Plan update:

- VMC Studies Update, November 10, 2020, VMC Sub-committee Report (Report No. 2, Item 3)
- 2. VMC Secondary Plan Update Phase I, March 2, 2021, VMC Sub-committee Report (Report No. 1, Item 1)
- 3. VMC Secondary Plan Update Phase 2 Approach, June 8, 2021, VMC Subcommittee (Report No. 2, Item 1)
- 4. VMC Secondary Plan Update: Phase 2 Land Use Options, June 21, 2022, VMC Sub-committee (Report No.2, Item 2)
- 5. VMC Studies Update April 2023, April 11, 2023, VMC Sub-committee (Report No. 3, Item 4)
- 6. VMC Secondary Plan Update: Phase IV Recommendations, October 4, 2023, VMC Sub-committee (Report No.1, Item 4)

Analysis and Options

Phase IV of the new VMCSP involves the development of a draft Secondary Plan, to align the new VMCSP with the Preferred Framework developed in Phase III and refined through Phase IV, to address provincial and regional policy updates, and to implement a development framework based on minimum heights and densities without prescribed maximums. Analyses have been undertaken to understand how the development framework of minimum heights and densities without prescribed maximums will impact the VMC.

Analyses were undertaken to estimate the new total development capacity for the VMC

The first step in understanding the implications of implementing a new development framework without prescribed height and density maximums, was to understand the changes to the development capacity within VMC. In order to forecast the potential development yield in the VMC without height or density limitations, a research exercise was undertaken to build a market-driven understanding of the development potential that could be realized within the VMC. This exercise, which was primarily based on precedent research and extrapolations specific to the VMC included, but was not limited to, the following steps:

- undertaking a review of the densities currently being achieved by completed, under construction, approved and proposed projects within the VMC, and identifying the average density (units per acre)
- identifying several completed, in-progress and proposed mixed-use developments which are introducing heights and densities that are greater than/higher than their surrounding contexts, reflecting an environment where market capacity and construction limitations are the primary determinant, rather than the land use policy framework;
- reviewing the scale of development contemplated at each project, collecting, where possible, information on the number of residential units proposed or in progress, property parcel size, number of storeys and height, and unit mix;
- estimating the population which will ultimately be supported at each project upon full build out, based on standard person per unit factors;
- calculating the number of residential units and population contemplated on a per acre basis for each of the projects proposed; and,
- based on the findings above, providing a range for the total population and number of units estimated at the VMCSP at full build out.

In order to develop population forecasts in a scenario where the VMC has no height and density constraints, it was also important to identify and assess other limitations which ultimately could shape the scale of development in the area. Although such constraints may not be explicit, they nonetheless present considerations which developers must consider as plans are developed. These other market and economic constraints

included, but were not limited to, development feasibility, market demand, sales and leasing fluctuations, and provision of non-leasable space.

The purpose of this analysis was ultimately to provide a high-level estimation of the range of potential residential units and population which could be realized in the VMC absent height and density maximums, recognizing the challenges associated with the lack of limitations on this potential condition.

Through these analyses, the final development capacity identified for the VMC estimated a full buildout population of 194,700 residents and 27,700 jobs, for a total of 222,400 people and jobs. It should be noted that, without planning constraints, such as maximum heights and densities, these estimates are based on a series of assumptions regarding anticipated market conditions, development technologies, growth patterns and feasibility.

Full build-out timeframes were identified, based on the estimated total development capacity

Based on the results of the total development capacity for the VMC, an exercise was undertaken to estimate how long the buildout of the highest density outcome could be, under current and potential future market and absorption conditions. This exercise focused on evaluating the rate of growth between 2025 and full build-out and involved the following approach:

- working within the prescribed start (2025) and modelling out a growth "arc" in order to achieve full build-out;
- determining a reasonable rate, or scale of construction activity, based on historical growth patterns, competitive realities, economic growth trends, immigration, as well as consideration of development nodes throughout Vaughan and competitive areas of the GTA; and,
- determining the quantum of space that currently exists and is under construction and estimating a market entry of that space.

In developing potential build-out timelines, the following general assumptions were made in establishing the population and employment forecasts for the VMC:

- projects currently under construction within the VMC are expected to be completed by 2031;
- the VMC's current standing as the predominant high-rise development site in Vaughan, and one of select few current and planned subway-connected nodes in York Region will persist into the future;
- the VMC will continue to attract a significant share of the city of Vaughan's high and mid-rise development activity as a result of strong locational attributes;
- Vaughan's population and non-residential development growth, as with the rest
 of the Greater Toronto Area, will continue to rely significantly on federal
 immigration policy. It is assumed that over the long-term Canada's annual
 immigration targets do not significantly deviate from historical trends;

- the VMC will continue to develop public and private amenities which ensure that it remains an attractive and desirable place for current and new residents, businesses and visitors; and,
- the relative cost / price of real estate at the VMC compared to other nodes in the Greater Toronto Area will remain generally consistent for the foreseeable future.

Based on approach and assumptions outlined above, three high level scenarios were developed to estimate how the VMC may grow to full build-out, as outlined below. For the purposes of these analyses, employment (non-residential) growth was assumed to grow at the same pace as residential growth.

Scenario #1: Modest Growth – The modest growth scenario assumes that completions at the VMC will reflect the historical ten-year trend, which has captured a wider range of market activity and fluctuation, including the most recent development momentum following the completion and opening of the subway station. Under this scenario, the VMC would achieve full buildout in about 120 years, shortly after 2146.

Scenario #2: Baseline Growth – The baseline scenario assumes that development momentum will average the VMC's historical five-year unit completion trend for apartment dwellings. Under this scenario, full buildout is anticipated in just over 70 years, by approximately 2096. This essentially reflects a continuation of the overall pace of development that has occurred more recently at the VMC, commensurate with the continued advancement and availability of critical underlying infrastructure to enable such a growth trajectory relative to a decade ago (e.g., established road network, subway access, etc.).

Scenario #3: High Growth – The high growth scenario considers a situation in which average annual apartment dwelling completions at the VMC are equivalent to the number of apartment completions realized in 2023, which represents the highest number of completions in a given year since 2010 (approximately 2,800 units annually). Buildout is anticipated in about 30 years, by approximately 2056. It should be noted that achieving this level of sustained completion activity at the VMC is highly unrealistic.

With no prescribed maximum limits on height and density, the estimated development potential of the VMC is significant. Projected growth to full buildout is anticipated to exceed minimum density targets by a large margin. However, greater development potential lengthens the timeline to full buildout and increases the requirements of the hard and soft infrastructure necessary to support growth. Based on the analysis above, the growth scenario that most accurately reflects a realistic pace of development and achieves full build-out in a moderate timeline is Scenario #2 – Baseline Growth. This growth scenario will be used to establish the population and growth timelines for the VMCSP.

The VMCSP will be updated to reflect the new development capacity and build-out timeframe to ensure the overall goals of the VMC are achieved

Although the development framework for VMC has changed with the removal of height and density constraints, the overall goals of the VMCSP remain the same. The VMC will become the City of Vaughan's downtown, with the highest densities and widest mix of uses. A key objective of the VMCSP will be to ensure the VMC develops as a complete community, with a balanced mix of uses to support the significant population growth.

Creating sufficient infrastructure and amenities will be necessary to support the development potential of the VMC. It is essential that development is paced to the provision of infrastructure, services and amenities, in terms of water, wastewater, stormwater and transportation systems, as well as parks and community services. The policies of the VMCSP will be updated to ensure the provision of hard and soft infrastructure, services and amenities are paced with development to ensure the creation of a balanced community.

In addition, as the City's goal is to achieve a CBD and true mixed-use downtown core that includes a significant proportion of office, retail and service commercial uses, the policies of the VMCSP will be updated to ensure that non-residential development is also paced to match the residential growth, to ensure a balanced mix of people and jobs.

The VMCSP schedules are being updated based on the new development framework and stakeholder feedback

Within Phase III of the project, a Preferred Framework was developed which included new schedules for the VMCSP. This framework was endorsed by the VMC Sub-Committee at the October 4th, 2023, Sub-Committee meeting, and included Expansion Area A and B. Since this time, further refinements have been made to the schedules through consultation with key stakeholders, including, but not limited to, landowners, TRCA, CN Rail, York Region District School Board, and the York Catholic District School Board. The schedules have continued to be refined since the Preferred Framework was endorsed in 2023, with the most-recent schedules being shared at the February 2024 VMC Sub-committee meeting. Refinements have been made to the following schedules as follows:

Schedule A – Area Boundary: A minor adjustment to the boundary of the VMCSP area is proposed in the northeast quadrant, north of Portage Parkway. This adjustment has been made based on the refinement of the alignment of Portage Parkway, and to align the northern boundary with the boundary of PMTSA 56 – Creditstone BRT Station.

Schedule D – Major Parks and Open Space: This schedule has been further refined based on the VMC Parks and Wayfinding Master Plan, which was approved by Council in October 2024. Adjustments have been made to the parkland located within the southeast quadrant, with the intention of providing greater equity in the distribution of parkland in this quadrant. The parkland

located in the northeast quadrant, south of Portage Parkway, has been relocated to the southwest quadrant.

Schedule F – Land Use: Minor refinements have been made to the land uses through consultation with key stakeholders. Within the southeast quadrant, there have been adjustments made to the Neighbourhood and Park designations, between Doughton Road and Peelar Road. The intent of these changes is to provide greater equity in the distribution of parkland within this quadrant. A minor adjustment has also been made in the northeast quadrant, south of Portage Parkway, to re-designate these lands from Park to Mixed-Use Non-residential.

Schedule H – Retail: Minor adjustments have been made to reflect the previously mentioned land use changes in the southeast quadrant.

The VMCSP schedules will continue to be refined based on the new development framework of minimum heights and densities without prescribed maximums. The schedules will be brought forward as part of the new VMCSP.

Financial Impact

There are no financial requirements for new funding associated with this report.

Broader Regional Impacts/Considerations

Ongoing collaboration with key stakeholders continues, which is an important factor in realizing the success of the VMC. Through Phase IV, additional consultation will be undertaken with internal and external stakeholders, including, but not limited to, York Region, CN Rail, Toronto and Region Conservation Authority, the York Region District School Board, and the York Catholic District School Board. Key stakeholders will continue to be engaged as part of the subsequent phases of this project, and their feedback will be instrumental in advancing the VMCSP.

Conclusion

The VMC is continuing to transform into a vibrant, modern urban centre encompassing all amenities required for a healthy urban lifestyle, complete with residential and mixed-use development. With the implementation of a new development framework without prescribed height and density maximums, it is imperative that this residential density be supported by hard and soft infrastructure. The VMCSP will deliver on Council's vision of a vibrant, diverse, thriving downtown and CBD that is a complete and balanced with unique residential, office and mixed-use development. It will be structured around a transit-oriented, fine-grain street network for all modes of transportation - including walking, driving and cycling – and plans for development linked by a network of high-quality parks, public squares, and open spaces.

For more information, please contact Gaston Soucy, Senior Manager, Planning and Urban Design, VMC, Policy Planning and Special Programs Department, ext. 8266.

Attachments

Attachment 1 - Study Area Boundary
Attachment 2 - Engagement Summaries (Phases 2 & 3)

Prepared by

Andrew Haagsma, Planner, ext. 8990
Alannah Slattery, Senior Planner, ext. 8776
Gaston Soucy, Senior Manager Planning and Urban Design VMC, ext.8266
Christina Bruce, Director, Policy Planning and Special Programs, ext. 8231