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Subject: Information Report – City of Brampton Development Activity Report 2009

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Overview:

- As part of the City's Growth Management Program, staff are to provide an update of the development activity in the City of Brampton.
- The City of Brampton 2009 Development Activity Report provides a development activity summary of the 2009 calendar year.
- Staff are currently preparing a separate report providing the City's annual Development Allocation of up to 5,500 units in accordance with the City's Growth Management Program.
- There were a total of 398 development applications received, 325 approved development applications and 3,418 building permits issued in the City of Brampton in 2009.
- In 2009, there was a total of 1,835 units in received residential applications, 4,803 units draft approved, and 1,326 units registered in plans of subdivision.
- There was a total of 1,260 residential units issued in building permits and 1,229 housing starts in 2009.
- In spite of significant growth in past years, the City has maintained a relatively consistent supply of land available for housing. In 2009, the land supply increased by approximately 25%.
- Brampton's supply of draft approved, vacant registered and lands rezoned for intensification meets the Province's requirement for a 3 year supply.
- In 2009, Brampton experienced one of the highest amounts in growth in the GTA. This is due, in part, to a large share of greenfield land.
- Staff will continue to monitor development activity in the City.

Recommendation:

1. **That** this Report entitled “City of Brampton Development Activity Report 2009” dated Wednesday, March 31st 2010, be received.

Background:

The 2009 Development Activity Report is the first of its type to be prepared in this format and is intended to complement other key documents that form part of the Growth Management Program. The Development Activity Report is a factual summary of what happened in 2009 in terms of Planning applications. Aspects of the background, particularly as it relates to land supply, inform the Development Allocation Strategy, which assigns development activity permissions for the upcoming year relative to availability of infrastructure and servicing. Two other key documents that are released from the Growth Management Program are the Development Outlook Report and updates to the City-wide population and employment forecasts, both which rely on the historic and short term activity to forecast the long term. The city-wide population and employment forecast to 2031 was recently updated in the spring of 2009 as part of the City’s Growth Plan conformity exercise. The Development Outlook Report is a more detailed report that details the forecasts for specific geographies in Brampton. All of the Growth Management documents complement each other and work together to document growth trends within the City of Brampton.

The purpose of the 2009 Development Activity Report is to summarize and analyze residential and non-residential (commercial, industrial, institutional) development activity. Growth patterns will be examined and comparisons with historical development trends will be drawn where available.

Current Situation:

Nationally, development activity experienced a slow start in the first half of 2009. Ontario was not the only province that was affected by the decreasing housing market. Housing starts decreased in nearly all provinces during the first half of 2009.

There is still some uncertainty as to when the economy will fully recover from the global economic recession.

Ontario is beginning to see a shift in housing trends, where the housing market is supplying more high-rise type development for a younger generation with fewer children, and for an aging population.

Similar to other municipalities in the GTA, the City of Brampton experienced an overall decrease in new development applications. Although the number of new development applications was reduced, the City had approved a higher than average number of development applications.

Development Application Activity

The following are highlights of the development application activity as detailed in the attached City of Brampton 2009 Development Activity Report.

In 2009, there were a total of 398 development applications received and 325 development applications approved in 2009. In total, there were 1,835 units submitted for approval in residential development applications, and 5,577 dwelling units approved. Additionally, 1,326 dwelling units were registered through plans of subdivision.

The majority of subdivision development is occurring in developing communities in the West and East areas of the City in Secondary Plans 40 (Bram West) and 41 (Bram East). Other residential approvals are occurring in the Central Area and built-up area of the City.

New home sales in Brampton remained strong in 2009, totaling 3,542 new home sales with twice as many new homes being sold on the east side of Brampton. Although housing sales are down from 2008, there were proportionally more executive lots sold in Brampton in 2009. The average price of an absorbed single detached unit in the City of Brampton rose by 6.2% from \$433,461 to \$460,487. This sets Brampton as a desirable location to new families moving to the GTA looking for affordable, well built homes.

Economic Stimulus Initiatives

Brampton City Council developed a series of initiatives to stimulate economic development while maintaining the City's Growth Management objectives and sustainable vision for the City. These initiatives included identifying priority applications which would deliver key infrastructure for the City and focus efforts on moving these applications to approval. Of these applications, 80% of the plans of subdivision approved in 2009 were in plans identified as Priority Applications. The City also undertook the review of Development Charges as they applied to certain dwelling unit types, as well as streamlining the Planning approvals process. Combined, all these initiatives proved beneficial to minimizing the overall decrease in development activity in Brampton.

Central Area

Over the last 5 years, the Central Area has steadily received applications for new high rise development. Many of the high-rise developments that were issued building permits in Brampton in 2008 are currently under construction within the Central Area.

There are currently 5 projects under construction that will add approximately 950 dwelling units and roughly 1000 square metres of commercial floor area. There are 4 projects that have been approved and are awaiting construction. Combined, these developments will add 23,849 square metres of commercial floor area and 58 dwelling units. There are 17 applications that are presently under planning review process that could potentially add approximately 2,500 residential units and 8,950 square metres of commercial floor area.

The details of the projects and applications in the Central Area are discussed within the 2009 Development Activity Report.

Building Permits and Housing Starts

There were 3,418 building permits issued by the City of Brampton in 2009. Out of the 3,418 building permits, permits for 1,260 dwelling units were issued with 98% of the units in low rise dwellings, up by 19% over the 2008 low-rise total.

In 2008, a large proportion of the building permits issued were for high-rise development, whereas 2009 witnessed a return to more single detached, semi-detached and townhouses with a focus on singles and significantly more townhouses than previous years. Only 1 permit for apartments was issued in 2009 for 26 dwelling units

Overall, 2009 residential building permits were down by approximately 42% from the 2,186 building permits issued for new residential dwellings in 2008. This resulted in lower revenue collected from development charges. When compared to other GTA municipalities of comparable size, the City of Brampton had the second highest amount of issued building permits, after the City of Vaughan. Further details regarding building permits within the City of Brampton are included in the Building Division 2009 Year-End Report appended to this document.

According to CMHC, there were 1,229 housing starts in 2009, which was a 5 year low, down nearly 70% from 2008.

Non-Residential Development Activity

In 2009 there was a significant decrease in the number of permits issued for new industrial, commercial and institutional buildings. Non-residential building permit activity has fluctuated for the past several years with 2009 reaching a five-year low for total number of permits issued and total gross floor area.

In addition to a decrease in non-residential building permit activity, there was also a notable decline of approved industrial site plans. Approved industrial site plans decreased 50% from 2008 and were even lower compared to 2006 and 2007. The number of commercial site plan approvals has remained generally consistent since 2005.

Provincial Land Supply Requirements

The Provincial Policy Statement requires municipalities to maintain a three (3) year supply of land available for housing, in Draft approved, Registered and suitably zoned land. Based on the City of Brampton's recent past and forecasted average of housing starts for the near term, the City would need to accommodate growth of approximately 2,600 units per year, for a 3 year total demand of 7,800 units. However, given longer term trends, approximately 4,500 units per year is considered a typical average demand for Brampton. If this model is followed, the City would need to accommodate a 3 year total demand of approximately 13,500 units.

As of the end of 2009, the inventory of vacant lots in registered plans was 1,579 units and the draft approved inventory was 9,643 units, for a total registered and draft plan inventory of 11,222 units. With the addition of the Urban Growth Centre, there is more than sufficient land in draft approved units, vacant registered units, and land suitably zoned for development (in just the UGC) to meet the 3 year supply of land requirement, with a total land supply of approximately 21,222 units. This will result in an approximate eight (8) year supply using 2,600 units take-up per year, or nearly a five (5) year supply using 4,500 units take-up per year, a typical annual average.

Brampton is a desirable location for many seeking residency in the GTA. New residents fuel a strong demand for housing and require a broad range of housing types. Brampton continues to provide an abundant supply of land available for new housing construction with a range of dwelling types.

Growth Forecasts

The City of Brampton's population is forecasted to increase from approximately 498,000 persons in 2009 to approximately 738,000 by 2031 at which time the City will be near full build out in the greenfield residential neighborhoods. The number of jobs in Brampton is forecasted to nearly double from approximately 176,300 people in 2009 to approximately 318,800 by 2031.

Corporate Implications:

The Development Activity report summarizes and analyzes residential and non-residential development activity. The Development Activity report summarizes information collected from the City of Brampton Planning and Building divisions, as well as several selected local area municipalities. This information will be valuable to various City of Brampton departments as a basis for future decision making on budget, resource allocation and growth management programs.

Conclusion:

The Development Activity Report monitors, highlights and analyzes growth within the City of Brampton. Given the global economic recession coupled with the ongoing long term challenges of funding growth related infrastructure, the City of Brampton ended the year on a positive note out-performing other GTA municipalities. Brampton's housing and non-residential development market has several advantages which helped to achieve growth this year. Brampton's proximity to the GTA and major highways, along with extensive civic and cultural amenities make Brampton a desirable location for new residents and businesses to establish.

The development activity report allows planners to anticipate how development trends will affect the makeup of the City. It helps the development industry determine where and approximately

when development will occur. It is a snap shot that allows planners to review what happened and helps forecast future development needs and trends.

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Appendices:

Appendix 1: Building Division 2009 Year-End Report

Attachments:

City of Brampton Development Activity Report, 2009

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Appendix 1: Building Division 2009 Year-End Report