



MTSA Planning Areas Market Analysis

City of Burlington

Final Report

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.S.P.	Area Specific Plan
CMHC	Canada Mortgage and Housing Corporation
E.L.E.	Employment land employment
G.F.A.	gross floor area
G.G.H.	Greater Golden Horseshoe
G.T.A.	Greater Toronto Area
G.T.H.A.	Greater Toronto and Hamilton Area
M.O.E.	Major Office employment
MTSA	Major Transit Station Area
P.R.E.	Population-related employment
Q.E.W.	Queen Elizabeth Way (highway)
sq.ft.	square foot/feet
sq.m	square metre(s)
SWOC	strengths, weaknesses, opportunities, challenges
UGC	Urban Growth Centre



1. Introduction

1.1 Terms of Reference

The City of Burlington has retained a Consultant Team led by Dillon Consulting Limited to prepare Precinct Plans for Burlington's three Major Transit Station Areas (MTSAs): Downtown Burlington Urban Growth Centre (UGC)/Burlington GO, Appleby GO, and Aldershot GO. As part of the Consultant Team, Watson & Associates Economists Ltd. (Watson) was retained to prepare a market analysis as a background report to inform the City's MTSA Area-Specific Planning (A.S.P.) process.

The market analysis was undertaken to establish the context for understanding future residential and non-residential development potential and prospects within Burlington's MTSAs. This included an overview and analysis of the macro-economic factors, growth drivers, and socio-economic and demographic trends that are anticipated to influence growth patterns and intensification potential within Burlington's MTSAs through 2051. The assignment focuses on identifying the long-term growth potential of Burlington's MTSAs and assesses the marketability of the mix of land uses and built forms identified in the (Recommended) Preferred Precinct Plans and informs the preparation of the A.S.P.s. Further, the study is expected to inform the City's development of a Housing Strategy including preparation of an Inclusionary Zoning Municipal Assessment Report.

This analysis builds on and updates the Market Analysis prepared for the 2017-2019 Mobility Hubs Study^[1] as well as considers other recent planning, economic and market studies prepared for the City.

Key updates from the 2017-2019 Mobility Hubs market analysis reflected herein include:

- Broader analysis of economic and demographic factors influencing the development potential of Burlington's MTSAs;
- Inclusion of 2021 Census population and housing data;
- Update of local growth and development trends;
- More in-depth review of the market potential of Burlington's MTSAs for non-residential development, including the office sector;

^[1] GO Station Mobility Hub Market Analysis, August 2017, NBLC.



- Extension of the planning horizon from 2031 to 2051; and
- Market assessment of the Preferred Precinct Plans.

1.2 Context

Recognizing the evolving nature of the broader economy and planning requirements, as well as the infrastructure assets and intensification opportunities that exist, the City of Burlington has a unique opportunity through the repositioning of MTSAs to create high-quality employment, residential and mixed-use growth.

In planning for MTSAs and other strategic growth areas, municipalities need to have regard for target sectors and to accommodate mixed uses in these locations, developing high-quality urban environments that provide for a mix of live/work opportunities, along with high-order transit and access to amenities. There is also a need to advocate for a more flexible planning approach and stronger integration with planning and economic development perspectives, recognizing the need for a range of adaptive re-use of buildings, and the redevelopment and infill required to accommodate the desired uses.

1.2.1 Provincial and Regional Policy Direction

Satisfying the key guiding principles aimed at achieving healthy and complete communities, as outlined in the Growth Plan, 2019 and other provincial documents such as the Provincial Policy Statement, 2020, necessitates a shift in current development patterns towards a more compact and transit-supportive built form. The Growth Plan, 2019 and other relevant provincial planning documents recognize that these guiding principles must be balanced against economic and real estate market demand factors that are anticipated to influence the growth of the local job market as well as the types of housing that residents are willing and able to purchase.

Burlington's MTSAs are envisioned to ultimately contribute to the broader policy objectives of the Growth Plan, 2019, as well as the Halton Region Official Plan and the City of Burlington Official Plan, by facilitating the development of complete urban communities comprising a balanced mix of residential, non-residential, and public uses served by strong transit infrastructure. With a mix of transit-oriented development, ultimate land uses are expected to achieve relatively high population and employment densities through a range of built forms and heights.



1.2.2 Major Transit Station Area, Area-Specific Planning Project

The City is currently undertaking an MTSA A.S.P. Project for Burlington's three MTSA's: Downtown Burlington UGC/Burlington GO, Appleby GO, and Aldershot GO. This multi-phase study is expected to identify long-term visions and policy direction for the three MTSA's, focusing on the development of compact and complete communities intended to accommodate a large share of Burlington's future growth. The City recently prepared an interim report^[2] which documents the work undertaken to develop Recommended Preferred Precinct Plans and associated policy directions for each of the MTSA's, laying the foundation for the development of A.S.P.s and the Official Plan to guide future development within the MTSA's.

1.2.3 City of Burlington's Housing Strategy

To provide for greater housing options for Burlington's existing and future residents, the City is currently undertaking a Housing Strategy. The City's Housing Strategy is expected to provide direction for the MTSA's, with respect to inclusionary zoning. Inclusionary zoning is a tool available through the *Planning Act* that can be used by municipalities to ensure the provision of affordable housing. Through Bill 108, the *More Homes, More Choice Act, 2019*, inclusionary zoning now serves as an affordable housing planning and policy tool that is focused on MTSA's. Municipalities may use inclusionary zoning to require affordable housing units be included in residential development in these locations.

As part of the Housing Strategy, an Inclusionary Zoning Municipal Assessment Report is being prepared. The creation of an inclusionary zoning by-law needs to consider how it can help meet housing needs in the community but also how it can work for the housing developer from a financial viability perspective.

The market analysis presented herein is intended to help inform the City's Inclusionary Zoning Study Assessment Report requirements. Building on this market analysis, the City's Inclusionary Zoning Study will also need to consider demographics, household incomes, housing supply by type, anticipated demand for affordable housing, and average market prices and rents, including the financial impact analysis of inclusionary

^[2] City of Burlington Major Transit Station Area, Area-Specific Planning Project Interim Report (Final) December 2021.



zoning. Collectively, this will provide direction on the range and depth of affordability the inclusionary zoning Official Plan policies and by-law have the potential to address.

2. Regional Growth and Development Trends

2.1 Macro-economic Trends Influencing Development Trends

Future population and employment growth within Burlington is strongly correlated with the growth outlook and competitiveness of the regional economy, which in this case is largely represented by the Greater Golden Horseshoe (G.G.H.). Potential employment opportunities within Burlington and the surrounding commuter-shed, most notably within the Greater Toronto and Hamilton Area (G.T.H.A.), represent the primary driver of net migration to this area. Net migration, particularly international net-migration, has been the key contributor to population growth across the G.T.H.A., including Halton Region and Burlington, over the past two decades.

As identified in the Growth Plan, 2019, the long-term outlook for the G.G.H. is positive, characterized by strong population growth fueled by economic expansion that is increasingly concentrated in large urban centres. The population of the G.G.H. is forecast to increase from 9.5 million in 2016 to 14.9 million in 2051. This represents a population increase of 5.3 million people (153,000 annually), or 1.3% annually between 2016 and 2051. With respect to the region's economic potential, the G.G.H. employment base is forecast to increase from 4.6 million in 2016 to 7 million in 2051. This represents an employment increase of 2.4 million jobs (69,000 annually), or 1.2% annually between 2016 and 2051. Currently, the G.G.H. represents the fourth largest and one of the fastest growing larger City/Regions in North America.

Similar to the provincial economy as a whole, the nature of the G.G.H. economy is changing. Over the past decade, the composition of the G.G.H.'s employment base has gradually shifted from a goods-producing economy to a services-producing economy, led by employment growth in a range of "knowledge-based and creative-class economy"^[3] sectors including professional, scientific and technical services; financial

^[3] Richard Florida, *The Rise of the Creative Class*. 2002.



services; information and cultural industries; educational services; health care and social assistance; as well as real estate.

Within the service sector, economic growth has been particularly strong for small- to medium-scale knowledge-based businesses that are focused on innovation and entrepreneurship. With an increasing emphasis on these knowledge-based sectors, major office,^[4] flex office and multi-purpose facilities encompassing office and non-office uses are becoming an increasingly dominant built form.

Halton Region is part of the Toronto-Waterloo Innovation Corridor, a technology supercluster that includes the G.T.H.A., Region of Waterloo and the City of Guelph. Collectively, this corridor accommodates over 15,000 technology-based companies providing approximately 205,000 jobs.^[5] The Toronto-Waterloo Innovation Corridor offers strong economic and employment growth potential based on its established presence as the largest technology cluster in Canada, a critical mass of post-secondary institutions and incubators, access to skilled labour and a high quality of life.

The G.T.H.A. has also experienced significant employment growth in the Goods Movement sector over the past decade comprised of transportation/warehousing and wholesale trade. This sector is highly concentrated within the Regions of Peel, York, and Halton, which are located within proximity to the Toronto Pearson International Airport. Other regional infrastructure attributes, including access to 400-series highways as well as existing and planned intermodal facilities in Brampton, Vaughan, and Milton, continue to play a key role in driving demand within this sector across the G.T.H.A. Increased outsourcing of manufacturing production to emerging global markets continues to drive the need for new consolidated, land-extensive warehousing facilities to store and manage the distribution of goods produced locally as well as goods imported from abroad. This continues to drive demand for increasingly larger, more land-extensive warehousing facilities, generally in greenfield Employment Areas.

^[4] In this report, the phrase “major office” is generally used in regard to office buildings greater than 1,900 sq.m (20,000 sq.ft.).

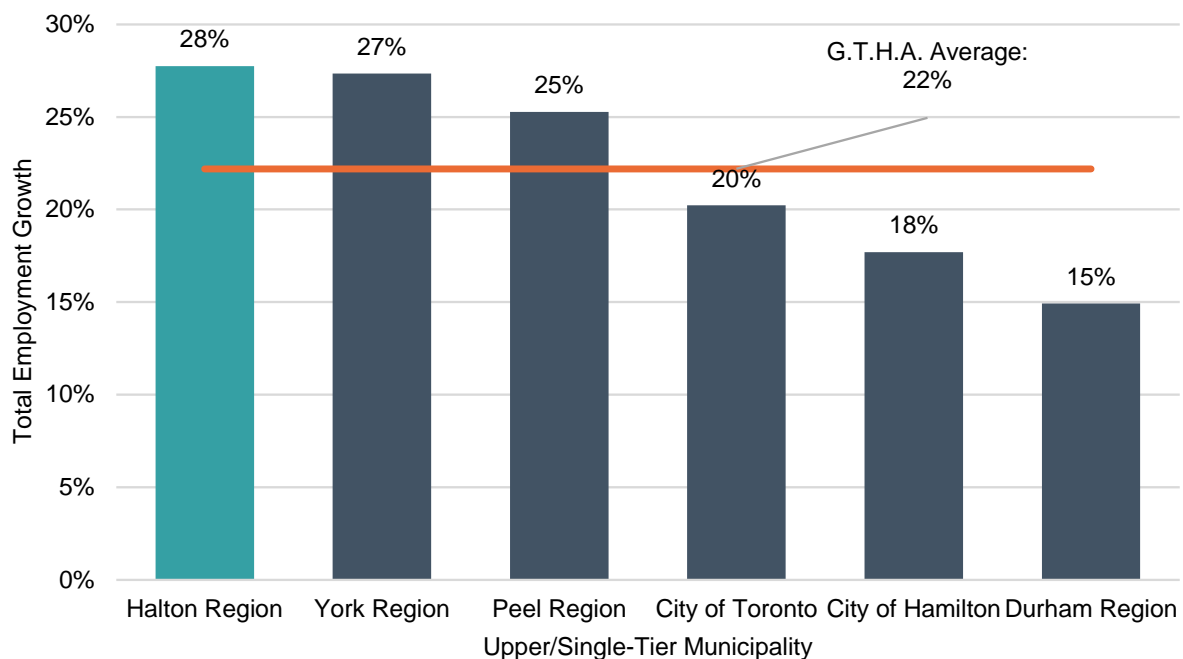
^[5] Toronto-Waterloo Innovation Corridor White Paper, prepared by McKinsey & Company, December 2016.



2.1.1 Halton Region Employment Growth Trends

Figure 1 summarizes the overall employment growth rate in Halton Region compared to other upper/single-tier municipalities in the G.T.H.A. over the 2011 to 2021 period. As shown, Halton Region exhibited the strongest employment growth (in percentage terms), with growth of 28%. This is compared to the G.T.H.A. average of 22% and 27% in York Region, 25% in Peel Region, 20% in the City of Toronto, 18% in the City of Hamilton and 15% in Durham Region.

Figure 1: G.T.H.A. Total Employment Growth by Upper/Single-Tier Municipality, 2011 to 2021



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2021.

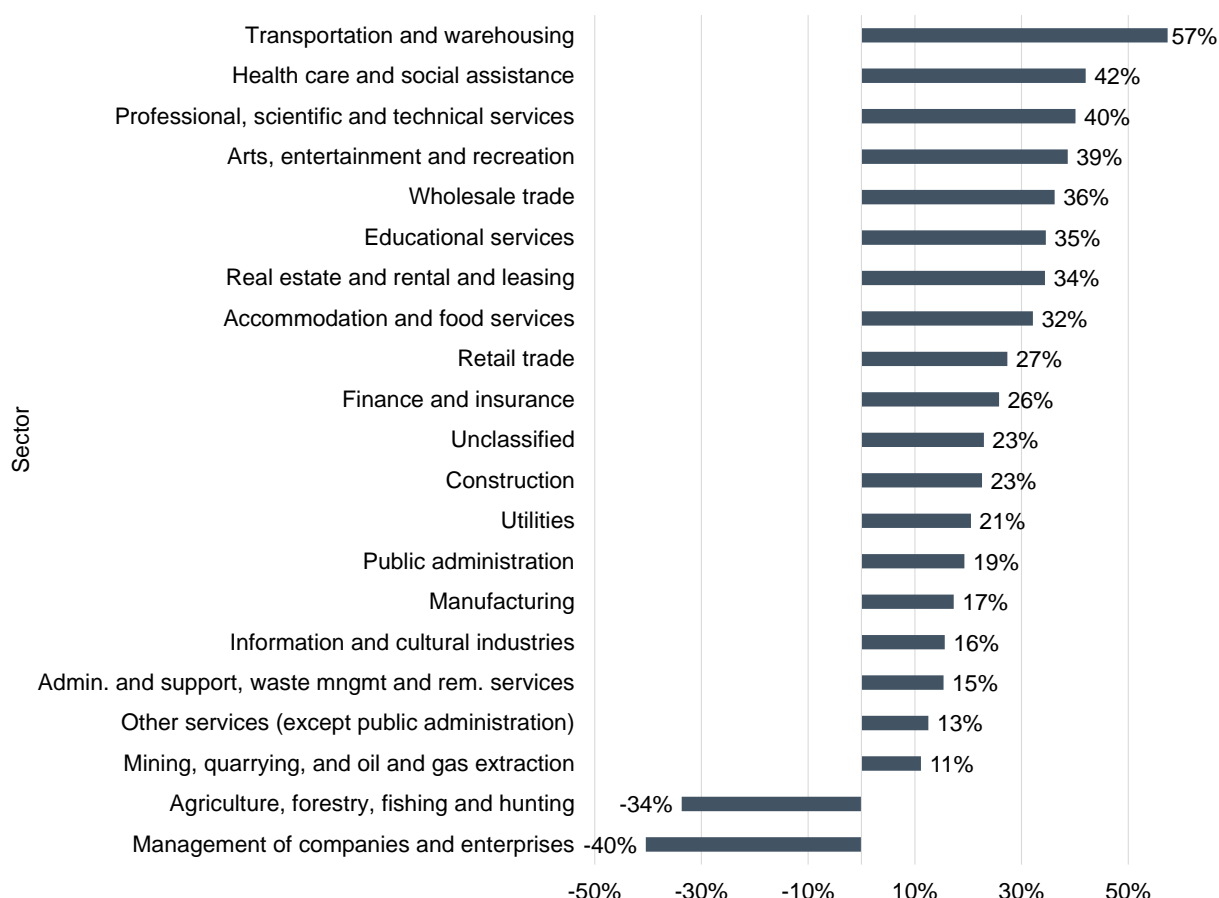
Note: Figure includes employed and self-employed jobs.

Many of the largest and fastest growing employment sectors across the G.T.H.A. have also experienced strong growth and expansion over the past several decades in Halton Region, as outlined in Figure 2. Similar to the G.T.H.A. as a whole, the Region has also experienced strong employment growth in a number of knowledge-based and goods-producing sectors from 2011 to 2021, including transportation and warehousing; health care and social assistance; professional, scientific and technical services; and arts, entertainment and recreation. Strong population growth across Halton Region has also



fueled steady growth in population-related employment sectors including retail, and accommodation and food services. Also, development activity has supported strong employment growth in the real estate and rental and leasing, and construction sectors.

Figure 2: Halton Region Change in Employment, 2011 to 2021



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2021.

Note: Figure includes employed and self-employed jobs.

Providing for a balanced ratio of people and jobs in G.G.H. municipalities is also a key objective of the Growth Plan, 2019. As set out in Schedule 3 of the Growth Plan, 2019, Halton Region's employment base is forecast to steadily increase over the next several decades. By 2051, Halton Region's employment base is forecast to reach 500,000,

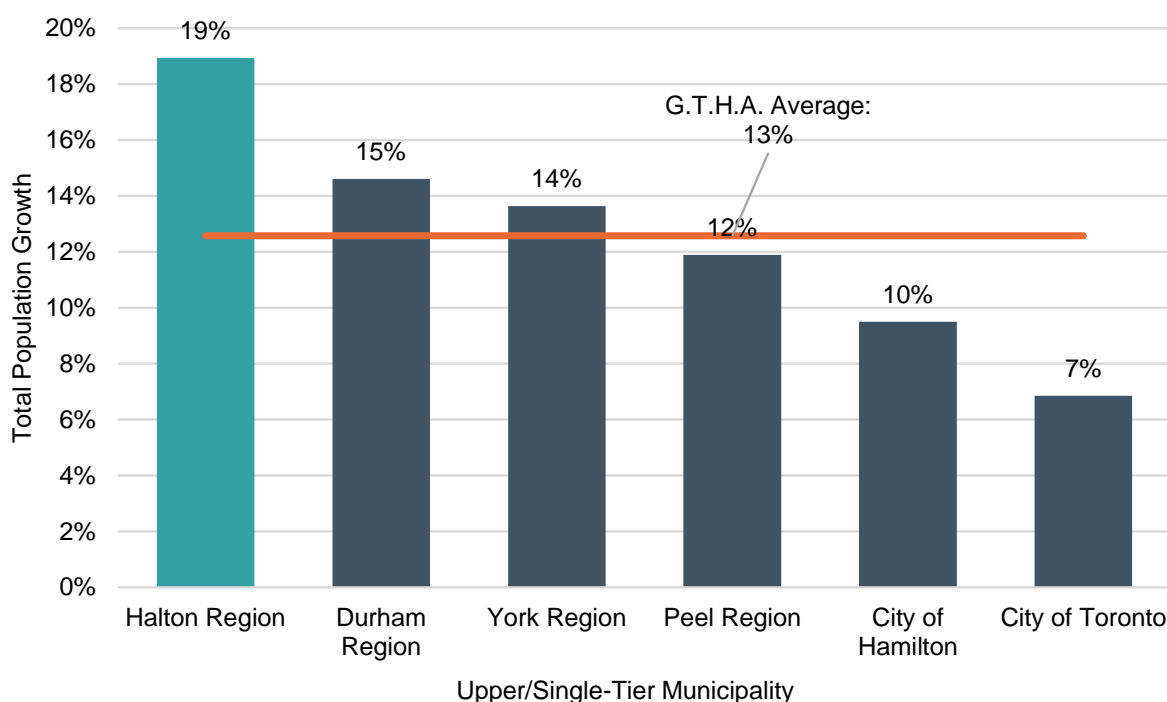


which represents an estimated increase of 221,800 jobs from the Region's 2021 job base of 278,200.^[6]

2.2 Population and Housing Market Trends

Figure 3 summarizes the overall population growth rate in Halton Region compared to other upper/single-tier municipalities in the G.T.H.A. over the 2011 to 2021 period. As shown, Halton Region exhibited the strongest population growth (in percentage terms), with a growth of 19%. This is compared to the G.T.H.A. average of 13%, and 15% in Durham Region, 14% in York Region, 12% in Peel Region, 10% in the City of Hamilton and 7% in the City of Toronto.

Figure 3: G.T.H.A. Population Growth by Upper/Single-Tier Municipality, 2011 to 2021



Source: Derived from Statistics Canada Census, 2011 to 2021 by Watson & Associates Economists Ltd., 2022.

^[6] Statistics Canada Census, 2016.



With an estimated population of 614,500 as of 2021,^[7] Halton Region is expected to grow to approximately 1.1 million people by the year 2051 in accordance with the Growth Plan, 2019. As the Region's population grows, providing affordable and appropriate housing for residents across all life stages will be an ongoing challenge. Between 2021 and 2051, it is estimated that over 179,000 new households will be required across the Region, largely within existing and future urban areas.^[8]

As Halton Region and Burlington continue to mature, new housing development activity is anticipated to densify, with a greater share of new housing development occurring through more compact medium- and high-density housing forms. To accommodate future residents, there is also an increasing need to develop new and innovative approaches to housing development within areas that are pedestrian oriented and transit supportive. This includes options that provide greater opportunities for mixed-use development planned within intensification nodes and corridors, including secondary suites, live/work units, and a range of affordable housing opportunities.

To maintain well-balanced and healthy communities and ensure long-term sustainability, it is vital that municipalities offer a wide range of housing options to a broad range of income groups, including a provision for rental and affordable housing. The availability of housing is a key factor in attracting and retaining people and businesses to a community. In an increasingly knowledge-based environment, the ability to cultivate, retain, and attract talented workers is increasingly important. Attracting and retaining people of working age and their families, which is necessary to support a broad range of employment opportunities, requires a diverse housing stock.

The average age of the population base in Halton Region and Burlington is getting older, due to the large concentration of Baby Boomers.^[9] The aging of the population base further reinforces the need to attract younger age groups to the Region, particularly those characterized as Millennials and Generation Z as well as other future generations.^[10] Not only is the Baby Boom age group large in terms of its population share, but it is also diverse with respect to age, income, health, mobility, and lifestyle/life

^[7] Statistics Canada Census, 2021, adjusted for net Census population undercount.

^[8] Watson & Associates Economists Ltd.

^[9] Baby Boomers are generally defined as those born between 1946 and 1964.

^[10] Millennials are generally defined as those born between 1980 and 1992. For the purposes of this study, we have assumed that those born between 1993 and 2005 comprise Generation Z.



stage. When planning for the needs of older adults, it is important to consider these diverse physical and socio-economic characteristics relative to younger age groups. On average, seniors, particularly those in the 75+ age group, have less mobility, less disposable income, and typically require increased health care compared to younger seniors (65-74 age group) and other segments of the younger working-age population. Typically, these characteristics associated with the 75+ age group drive the demand for relatively higher density housing forms (e.g., apartments and seniors' homes) that are in proximity to urban amenities (e.g., hospitals/health care facilities, amenities, and other community services geared towards older seniors).

Halton Region and Burlington has historically been a highly desirable location for middle- and upper-income households and families. The existing housing base largely reflects this demographic base, comprised of a large share of low-density housing (single detached/semi-detached dwellings) and high levels of home ownership relative to the G.T.H.A. and the provincial average. Comparatively, there are fewer higher-density and rental options in Halton Region and Burlington relative to the broader regional market area.

In accordance with the 2021 Census, Halton Region had a total of 208,601 occupied residential dwelling units. Historically, the majority of total housing in the Region has been comprised of low-density dwelling units. In 2021, 55% of housing was comprised of low-density dwellings (single and semi-detached) compared to 19% and 26% for medium- (townhouses, rowhouses) and high-density (condominium and rental apartments) units, respectively. The share of low-density dwellings in the Region has been declining over the past 15 years with an increasing percentage of new dwellings comprised of medium- and high-density housing forms.

Halton Region has a strong tradition of home ownership with approximately 76% (54,540 units) of housing units defined as owner occupied.^[11] The Region's owner-occupied households are largely comprised of freehold grade-related housing units, including detached dwellings and townhouses. Over the past two decades, the Region has also experienced moderate growth in condominium development.

^[11] 2016 Statistics Canada Census.



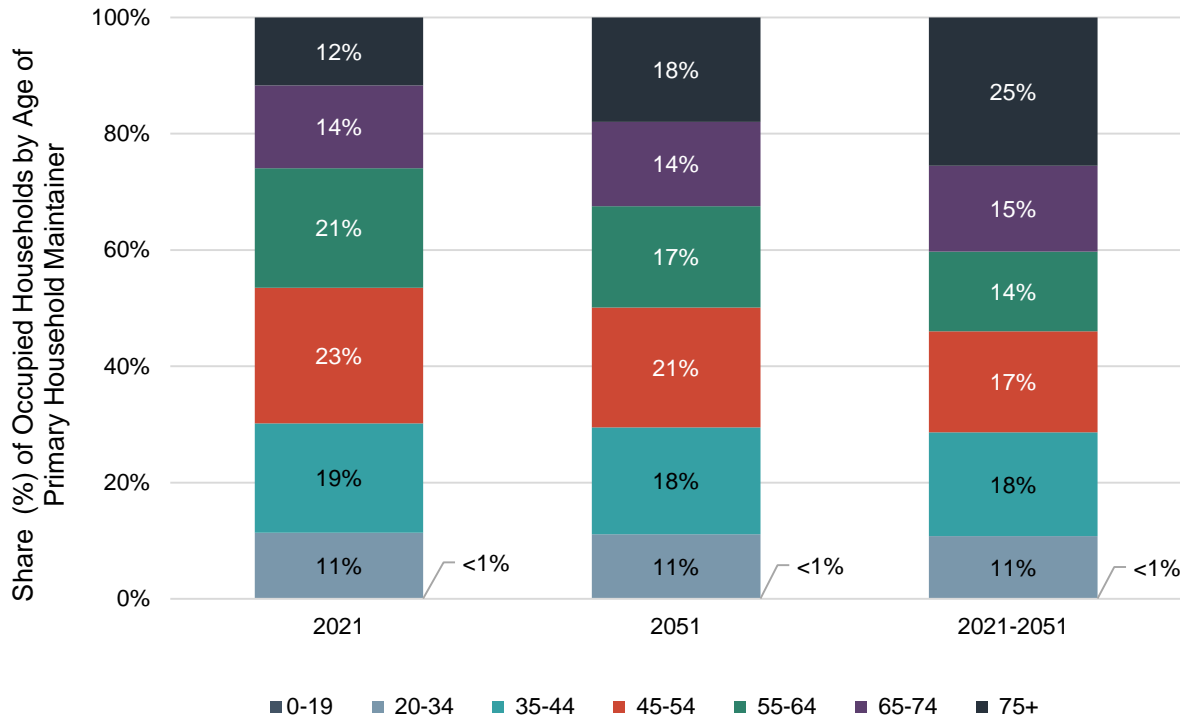
Demographic trends strongly influence both housing need and form. Across the G.T.H.A. the population is getting older on average, due to the aging of the Baby Boomers. The first wave of this demographic group turned 75 years of age in 2021.

Over the 2021 to 2051 period, Halton Region's housing base is expected to increase by 175,800 units.^[12] Figure 4 provides a summary of Halton Region's forecast growth in households by primary age of maintainer for 2021 and 2051. As shown, the primary age of household maintainer is anticipated to shift to a greater share of older households, with the strongest anticipated household growth expected for those aged 75+, accounting for 25% of household growth, followed by empty nesters/young seniors (65-74 age group). On an aggregate basis, approximately 40% of household growth over the 2021 to 2051 period is expected to be in households where the primary age of maintainer is 65 or older.

^[12] Region of Halton Land Needs Assessment, 2022.



Figure 4: Region of Halton Households by Primary Age of Maintainer, 2021 and 2051



Source: Adapted from Halton Region Land Needs Assessment, 2022 by Watson & Associates Economists Ltd., 2022.

Burlington is anticipated to accommodate a growing share of young adults and new families seeking competitively priced home ownership and rental opportunities. Population growth associated with young adults is anticipated to be primarily driven by net migration. Growth is expected to be concentrated in the 25-44 age cohort, including couples with and without children with varying levels of income. The strong population growth in the 65+ age group is anticipated to be driven by the aging of the existing population as well as in-migration from this age group. These two demographic groups represent the strongest market segment for higher-density dwellings such as apartments and condominiums.

2.3 Emerging Industry and Labour Force Trends

Recent structural changes in the macro-economy experienced over the past several decades have been well documented. At the provincial level, Ontario's economic base,



as measured by gross domestic product output, has shifted from the goods-producing sector (i.e., manufacturing and primary resources) to the services-producing sector. Much of this shift has occurred during the past two decades, driven by gross domestic product declines in the manufacturing sector which were most significant immediately following the 2008/2009 global economic downturn. In contrast, service-based sectors such as financial and business services have experienced significant increases over the past several years.

Continued structural changes in the global economy and technological advancements will require municipalities to be increasingly responsive and adaptive to changing industry needs and disruptive economic forces. The following provides an overview of key industry and labour force trends that are expected to influence growth and development patterns in Burlington over the coming decades.

E-Commerce as a Major Disruptor for the Retail and Logistics Sectors

At the national level, retail e-commerce sales have risen steadily, with the proportion of online sales to total retail trade rising from 2.4% in 2016 to 6.3% percent in 2020.^[13] Further, the digital impact of retail sales is even greater with mobile purchasing platforms (e.g., uberEats, Skip the Dishes) that support retail sales of local retailers by providing alternative platforms for purchasing products and services. Since May 2020, government-imposed lockdowns have driven higher demand for on-line retail purchases; however, it is anticipated that e-commerce levels will eventually decline in the near term with the gradual re-opening of stores, restaurants and other service commercial uses across Canada as coronavirus disease (COVID-19) restrictions continue to ease in 2022. Although growth in e-commerce sales has reduced, it is anticipated that e-commerce will continue to place downward demand on retail square footage, in particular retail space for goods-based retailers.^[14]

Increasing growth in e-commerce is also having a significant impact on employment growth and land demand related to the logistics sector. Delivery expectations within this sector are increasing on an annual basis. As delivery times decrease, it is anticipated

^[13] Derived from Statistics Canada. Table 20-10-0072-01 Retail e-commerce sales.

^[14] Goods-based retailer refers to retail facilities that sell goods to be used or consumed at home, including food-oriented retail (supermarkets and convenience stores), beer, wine and liquor stores, pharmacies and personal care stores, home improvement stores and stores selling general merchandise, apparel and furniture.



that demand for regional fulfilment centres will increase. Further, it is estimated that 25% to 30% of online merchandise is returned which is also driving the need for reverse logistics and return centres.

Potential Impacts of Technology on Commercial Services

Digital and mobile technologies are making it easier to access goods and services on-demand which has led to alternative platforms to purchase products and services. Among these platforms are those that support the sharing economy which provides opportunities for individuals to earn an income by leveraging under-utilized assets. These platforms are providing customers with an alternative to traditional buy/selling platforms, including those in hospitality (e.g., hotels and taxis) and in office leasing (office sharing). It is anticipated that further advancements in the sharing economy will have increasingly negative impact on the need for non-residential building space and continued growth in precarious employment. Other alternative purchasing platforms are providing income-earning opportunities for individuals to perform services or tasks that are typically not outsourced by households (e.g., assembling furniture, small household repairs, picking up food at fast food restaurants, meal preparation, grocery pick-up and delivery).

Trends in Work at Home and No Fixed Place of Work Employment

Technological innovation and improved broadband regional telecommunications have been, and will continue to be, key drivers of economic expansion in knowledge-based sectors as well as the steady rise of the gig economy.^[15] Looking forward, continued advances in technology and telecommunications (e.g., 5G technology) is anticipated to further enable remote work patterns and ultimately increase the relative share of off-site employees over the long term. Over the coming decades, work at home and no fixed place of work employment^[16] in Halton is expected to steadily increase as a result of these trends. Demographics and socio-economics also play roles in the future demand for off-site and work at home employment within an increasingly knowledge- and

^[15] The gig economy is characterized by flexible, temporary, or freelance jobs, often involving connecting with clients or customers through an online platform.

^[16] Statistics Canada defines no fixed place of work employees as “persons who do not go to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.”



technology-driven economy. It is anticipated that many working residents in Burlington, particularly younger adults as well as older adults (i.e., Baby Boomers) approaching retirement or semi-retirement, will utilize technology to allow them to supplement their income in more flexible ways in contrast to traditional work patterns.

The rise in work at home and remote working may increase demand for larger dwelling units that accommodate home office/work space and the proximity of place of residency to employer is potentially of decreasing importance.

COVID-19 and the New Economy

COVID-19 has had a significant negative impact on short-term macro-economic growth. Despite the near-term challenges, employment levels largely recovered in 2021 and long-term economic growth is expected to remain positive in Burlington.

Due to the social and economic modifications previously stated, COVID-19 has accelerated changes in work and commerce as a result of technological disruptions which were already taking place prior to the pandemic, including growth in e-commerce, the gig economy, and automation. Under COVID-19, enterprises are increasingly required to rethink the way they conduct business with an increased emphasis on remote work enabled by technology. These trends are anticipated to have a direct influence on commercial and industrial real estate needs over both the near and longer terms. In light of these anticipated trends, it is important to consider the manner in which these impacts are likely to influence the nature of employment by type, as well as by place of work.

2.4 Observations

A broad range of considerations related to demographics, economics and socio-economics is anticipated to impact population and employment growth trends throughout the Region of Halton and Burlington over the coming decades. These factors will not only affect the rate and magnitude of growth but will also influence the form, density and location of residential and non-residential development.

As summarized above, a range of broad factors such as macro-economics, demographics, competitiveness will continue to influence the future population and employment potential of Halton Region over the 2021 to 2051 planning horizon.



Burlington also faces opportunities and challenges resulting from the structural changes and disruptions that are occurring within the macro economy. Similar to the Province as a whole, Burlington's economy has transitioned away from goods production and towards service delivery. Ultimately, this will continue to influence local planning, economic development, and marketing initiatives which will be increasingly geared to the knowledge-driven economy.

As a result of continuing structural changes occurring in the macro-economy, it is important to recognize that the above-mentioned trends will generate both positive and disruptive economic impacts related to labour force demand, and residential, industrial, commercial, and retail space requirements.

3. City of Burlington Growth Trends

Based on Census data and other information sources available, the following provides a demographic, socio-economic and economic assessment of Burlington and the city's three MTSA's within the context of the surrounding regional economy.

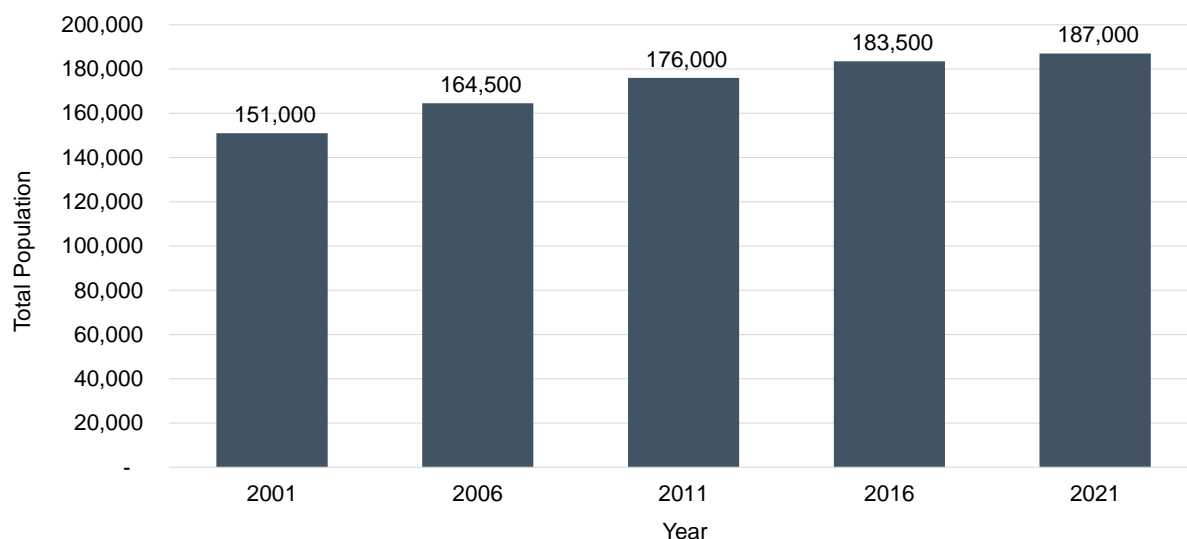
3.1 City of Burlington Population Growth Trends

3.1.1 *Population Growth Trends*

Figure 5 and Figure 6 summarize historical population growth rates for Burlington in accordance with Statistics Canada Census data. For comparative purposes, historical population growth rates have also been provided for Halton Region and the Province of Ontario. As illustrated, Burlington's population base increased from 151,000 in 2001 to 187,000 in 2021. Over the past two decades, Burlington's population base has increased by approximately 1,800 persons or approximately 1.20% per year, exhibiting a lower growth rate than Halton Region which increased at a rate of 2.95% annually over the same period. In contrast, the population base for the Province grew at a slower rate (1.23% annually) during the same time period.

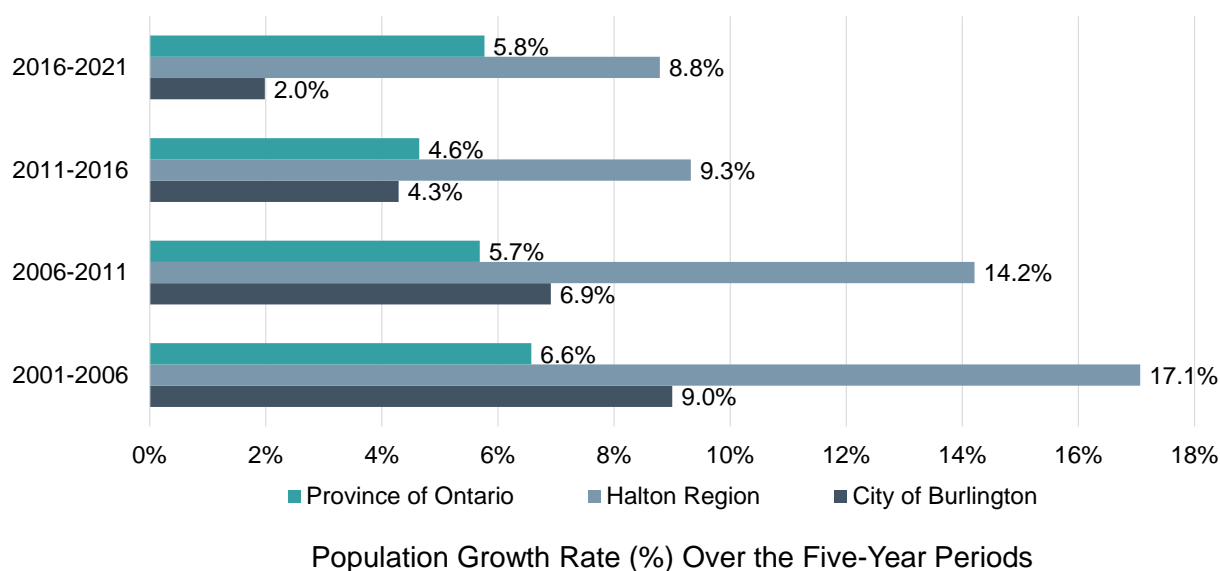


Figure 5: City of Burlington Historical Population, 2001 to 2021



Source: Derived from Statistics Canada Census, 2001 to 2021 by Watson & Associates Economists Ltd., 2022.

Figure 6: City of Burlington Population Growth Rate, 2011 to 2021

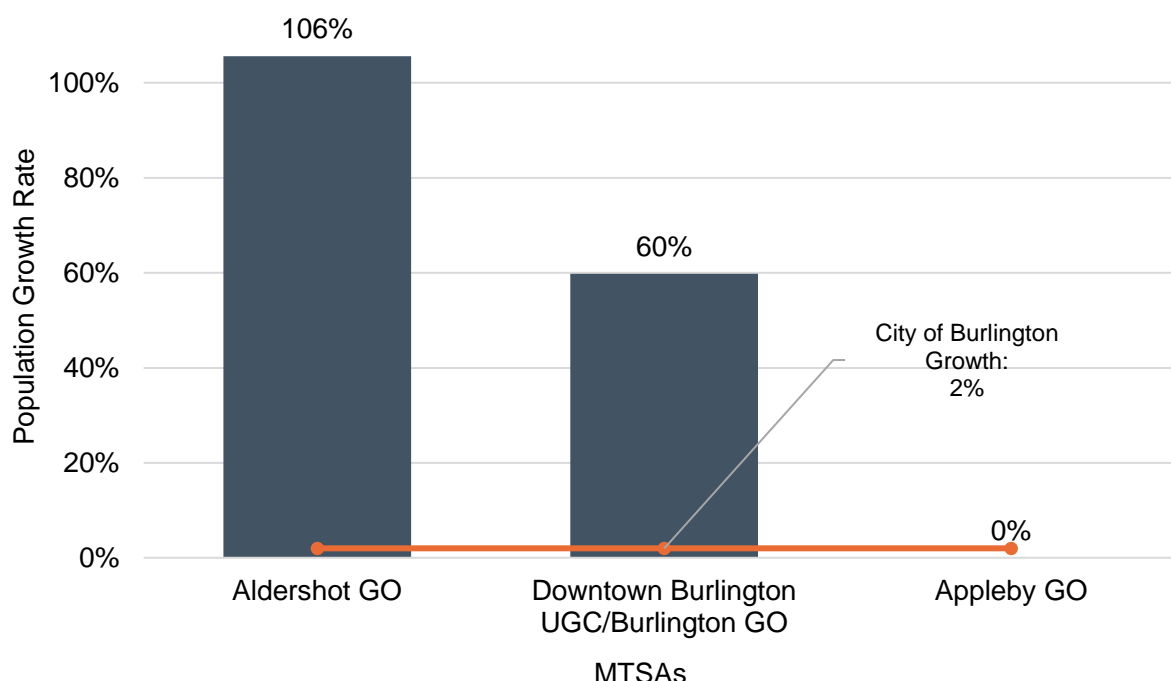


Source: Derived from Statistics Canada Census, 2001 to 2021 by Watson & Associates Economists Ltd., 2022.



As shown in Figure 7, over the past five years (2016 to 2021), Aldershot GO and Downtown Burlington UGC/Burlington GO MTSA experienced strong population growth of 106% and 60%, respectively. This is compared to 2% population growth for Burlington city-wide over the period. Appleby GO MTSA, which is currently predominantly non-residential land-use based, experienced no population growth over the 2016 to 2021 period.

Figure 7: MTSA Population Growth Rate, 2016 to 2021



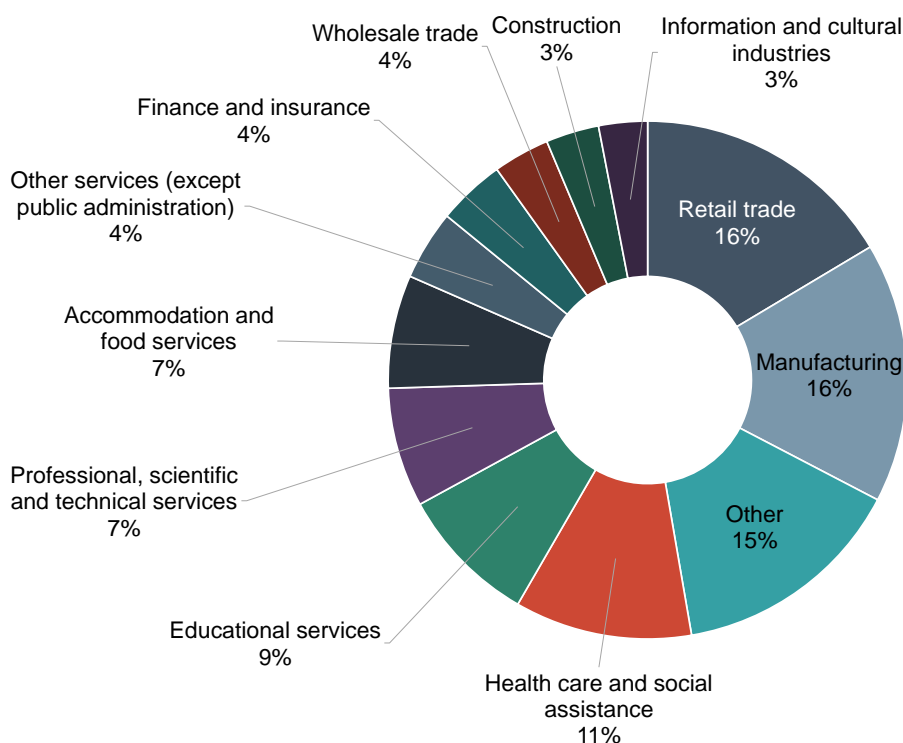
Source: Derived from Halton Region Land Needs Assessment, 2022, and City of Burlington Data by Watson & Associates Economists Ltd., 2022.

3.2 City of Burlington Employment Growth Trends

Burlington has a diverse employment base, as illustrated in Figure 8. The largest sectors in Burlington are retail trade and manufacturing which account for 16.4% and 16.2%, respectively, of the total employment base. Other key sectors include retail, health care and social assistance, educational services, and professional, scientific and technical services which comprise 11%, 9% and 7%, respectively, of the total employment base.



Figure 8: City of Burlington Employment Base by Sector, 2020



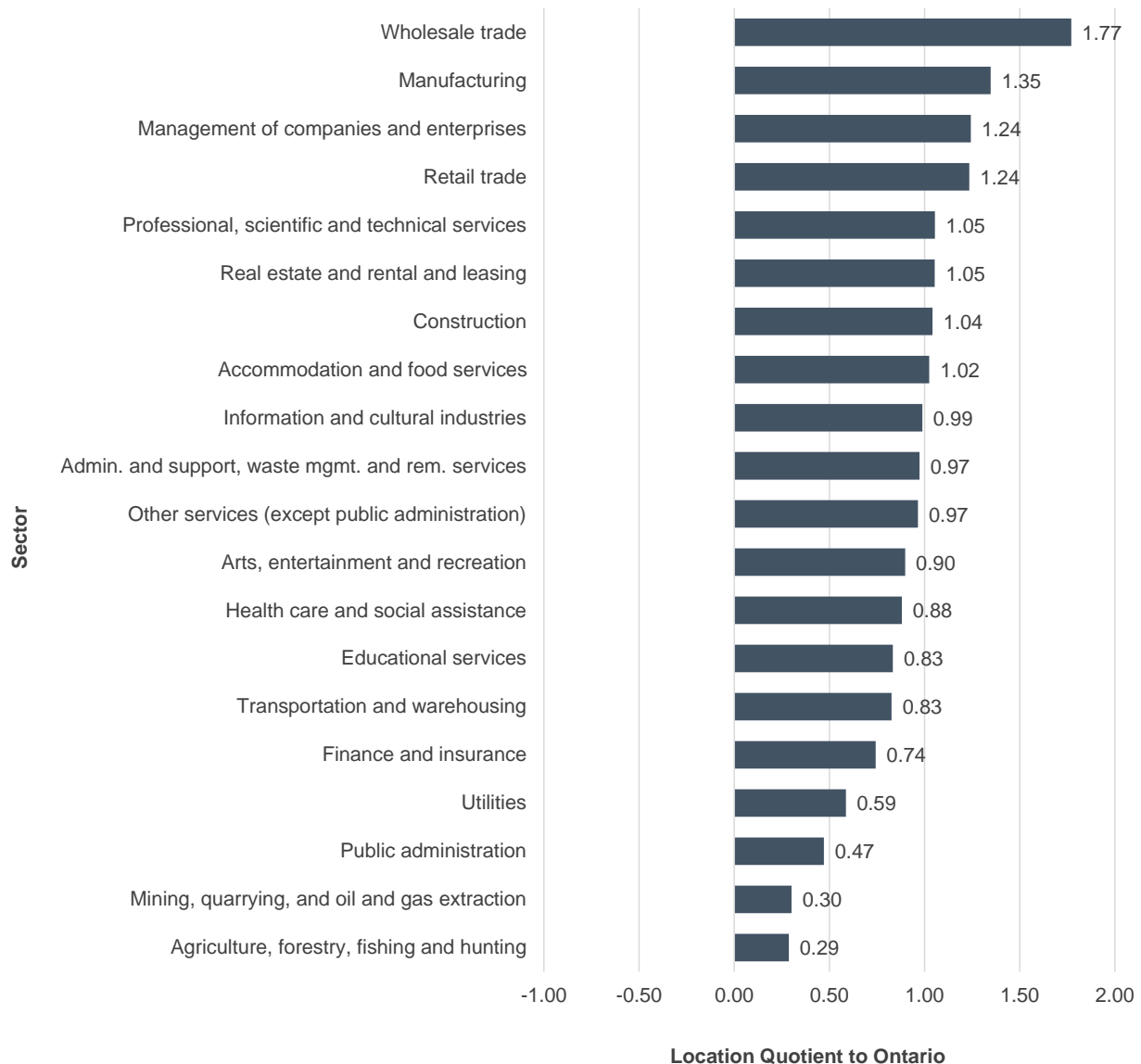
Source: Derived from Halton Region 2020 Employment Survey by Watson & Associates Economists Ltd., 2022.

3.2.1 City of Burlington Industry Clusters

Figure 9 illustrates the strength of employment sectors in the City of Burlington relative to the Province using Location Quotients. As shown, Burlington's economy is well balanced with a strong orientation towards industrial and commercial sectors including wholesale trade, manufacturing, management of companies and enterprises, retail trade and professional, scientific and technical services. Burlington has a relatively low concentration of employment in a number of sectors, including finance and insurance, utilities, public administration and primary sectors.



Figure 9: City of Burlington Location Quotient Relative to Ontario, 2016



Source: Derived from 2016 Statistics Canada Place of Work data by Watson & Associates Economists Ltd., 2019.

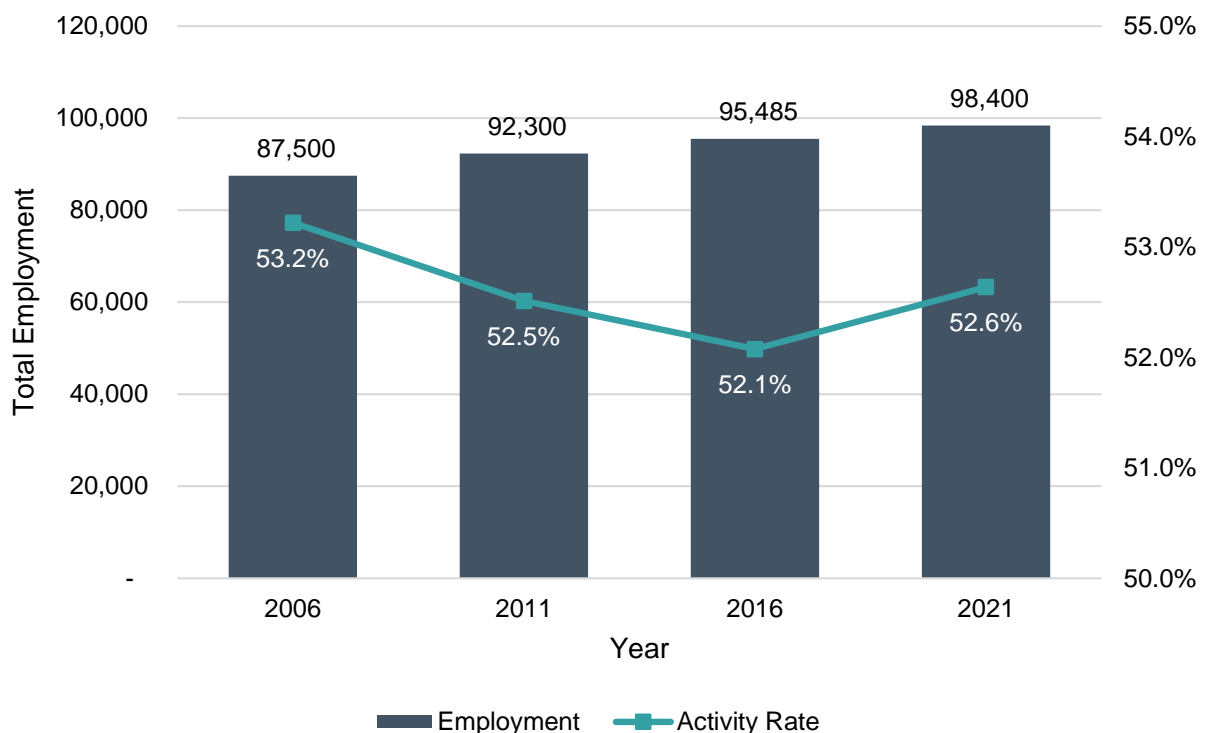
3.2.2 Employment Growth Trends

The total employment base for Burlington grew by 12% over the 2006 to 2021 period, increasing from approximately 87,500 to 98,400 jobs, as illustrated in Figure 10. Since 2006, employment growth has averaged 0.8% annually in Burlington, slightly lower than



the growth rate in Halton Region.^[17] Over the same period, the City's employment activity rate^[18] remained stable at approximately 53% from 2006 to 2021, indicating that the local employment base is increasing at the same rate as the local population base. As of 2021, Burlington's employment activity rate was above that of the Halton Region average.^[19]

Figure 10: City of Burlington Employment Base, 2006 to 2021



Source: Derived from Statistics Canada Labour Force data and Halton Region Land Needs Assessment, 2022 by Watson & Associates Economists Ltd., 2022.

Over the past five years, the fastest growing employment sectors were well balanced in the services/knowledge-based sectors, including retail trade; arts, entertainment and

^[17] Based on Watson & Associates Economists Ltd.'s estimate, 2006 to 2021 total employment growth in Halton Region averaged 2% annually.

^[18] An employment activity rate is defined as the number of local jobs in a municipality divided by the resident population.

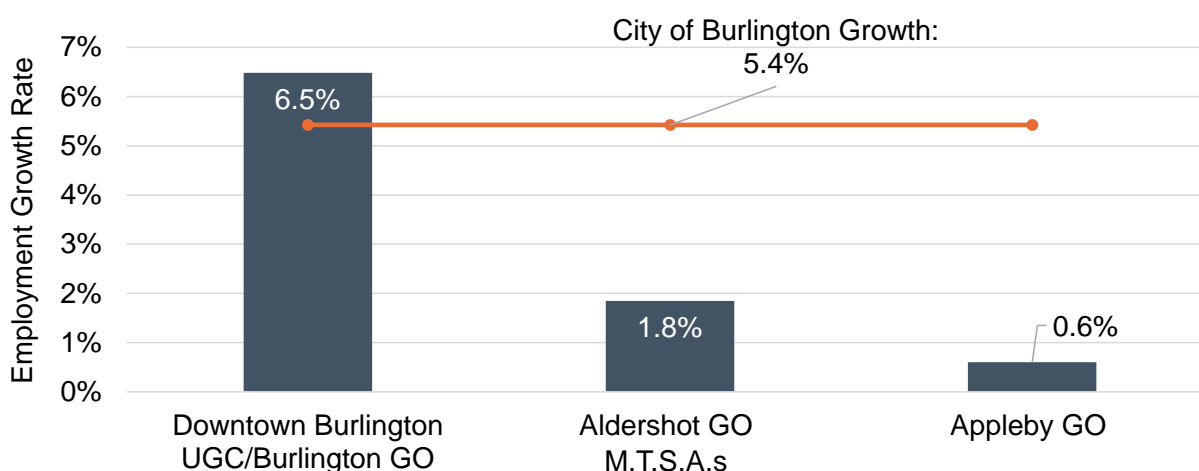
^[19] Statistics Canada Labour Force Data and Halton Region Land Needs Assessment, 2022.



recreation; construction; utilities; health care and social assistance; and accommodation and food services.

As shown in Figure 11, between 2014 and 2019, Downtown Burlington UGC/Burlington GO MTSA experienced strong employment growth at 6.5%. This is compared to 5.4% employment growth for Burlington city-wide over the 2014 to 2019 period. During this period, Aldershot GO and Appleby GO MTSA's experienced more limited employment growth of 1.8% and 0.6%, respectively.

Figure 11: Employment Growth Rates for MTSA's and the City of Burlington, 2014 to 2019



Source: Derived from Halton Region Employment Survey Data, 2014 to 2019 by Watson & Associates Economists Ltd., 2022.

3.3 Burlington Housing Market Trends

Burlington's current housing base comprises a range of typologies, with low-density housing (single detached/semi-detached) accounting for 55% of units, medium density (townhouses) for 20%, and high density (apartments) for 25% of units.^[20]

The City has experienced a steady rate of Census housing growth over the past 20 years. During this period, the City's housing base has increased by approximately 28%

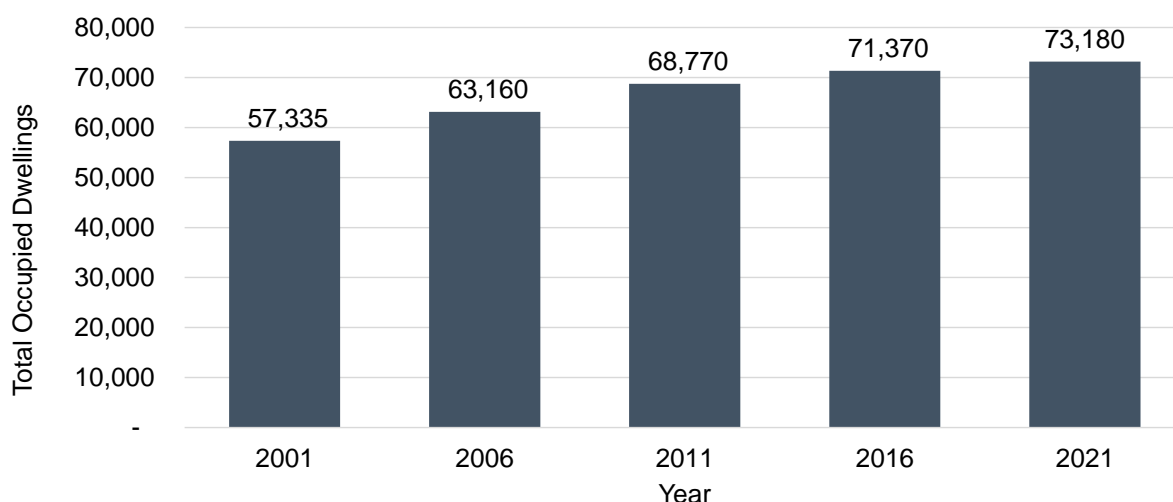
^[20] Adapted from Region of Halton Regional Official Plan Review Land Needs Assessment Appendix, February 2022.



from 57,340 to 73,180, which represents an increase of approximately 790 housing units per year. Figure 12 summarizes housing growth between 2001 and 2021.

Historically, the majority of total dwellings units in Burlington comprised low-density housing; however, this share has been declining in the past two decades. Recent housing growth between 2001 to 2021 has been primarily in medium- and high-density housing forms. Over the next 20 years, it is anticipated that housing development within Burlington will be highly concentrated in high-density forms, largely driven by the lack of greenfield land for further ground-oriented development, housing affordability and the aging of the city's population base.

Figure 12: City of Burlington Housing Growth Structure, 2001 to 2021



Source: Derived from Statistics Canada Census, 2001 to 2021 by Watson & Associates Economists Ltd., 2021.

Figure 13 summarizes average housing occupancy in Burlington in comparison to Halton Region and the provincial average over the 2001 to 2021 period. This is expressed as the average number of persons per dwelling unit (P.P.U.).^[21] As shown, average P.P.U.s have declined significantly in Burlington and the Province over the past two decades, while P.P.U.s in Halton Region have increased over the past decade.

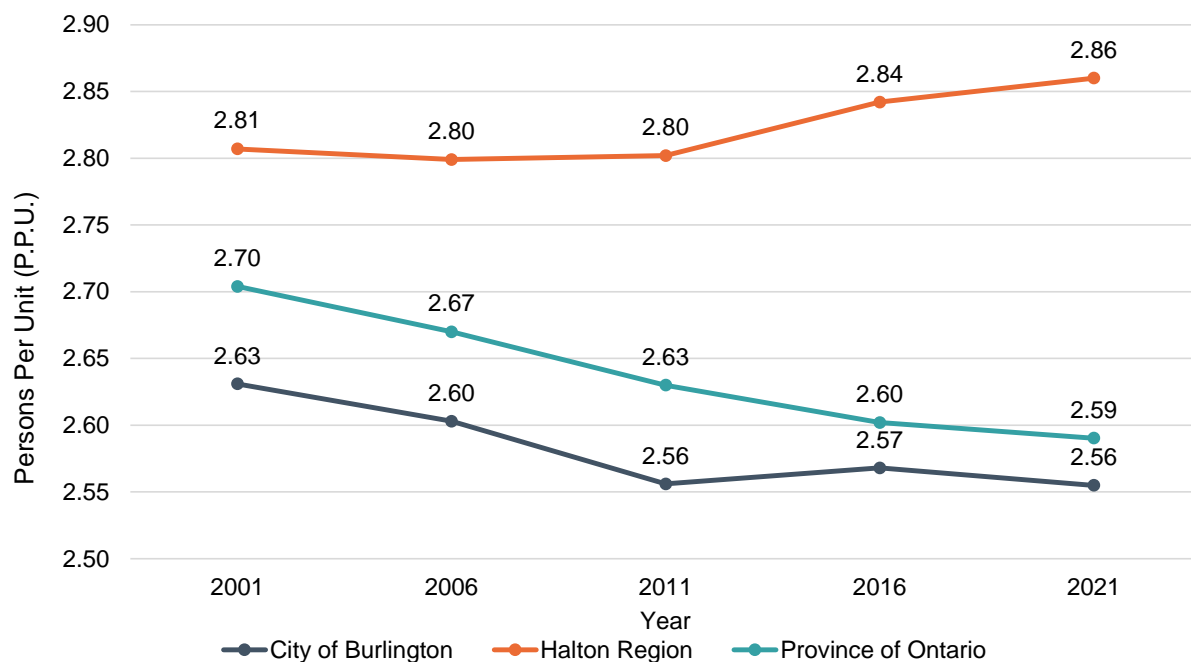
^[21] Average number of persons per unit (P.P.U.) defined as the total population divided by the number of occupied dwelling units.



Burlington's current (2021) P.P.U. of 2.56 is notably lower than the Halton Region average of 2.86.

The downward trend in housing occupancy in Burlington has been driven by the aging of the population which increases the proportionate share of empty-nester and single-occupancy households.

Figure 13: City of Burlington Housing Occupancy Trends, 2001 to 2021



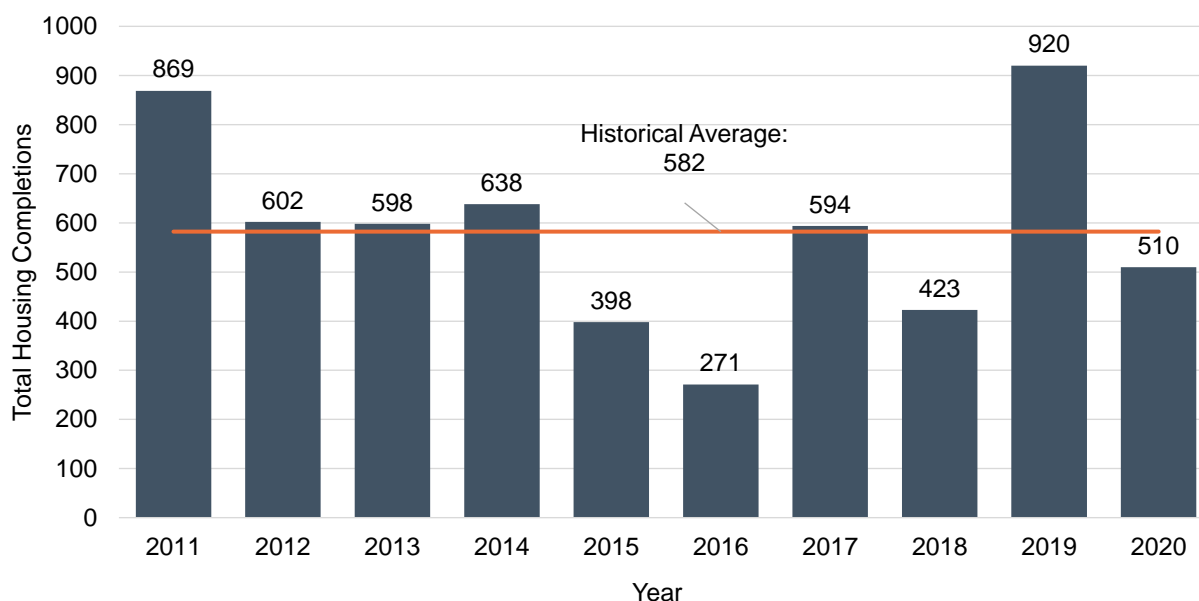
Source: Derived from Statistics Canada Census Data, 2001 to 2021 by Watson & Associates Economists Ltd., 2021.

3.3.1 Housing Development Activity Trends

Over the 2011 to 2020 period, housing development in Burlington remained relatively steady, averaging 582 residential unit completions per year, as illustrated in Figure 14. During this period, the built form and geographic location of residential development shifted significantly.



Figure 14: City of Burlington Housing Completions, 2011 to 2020

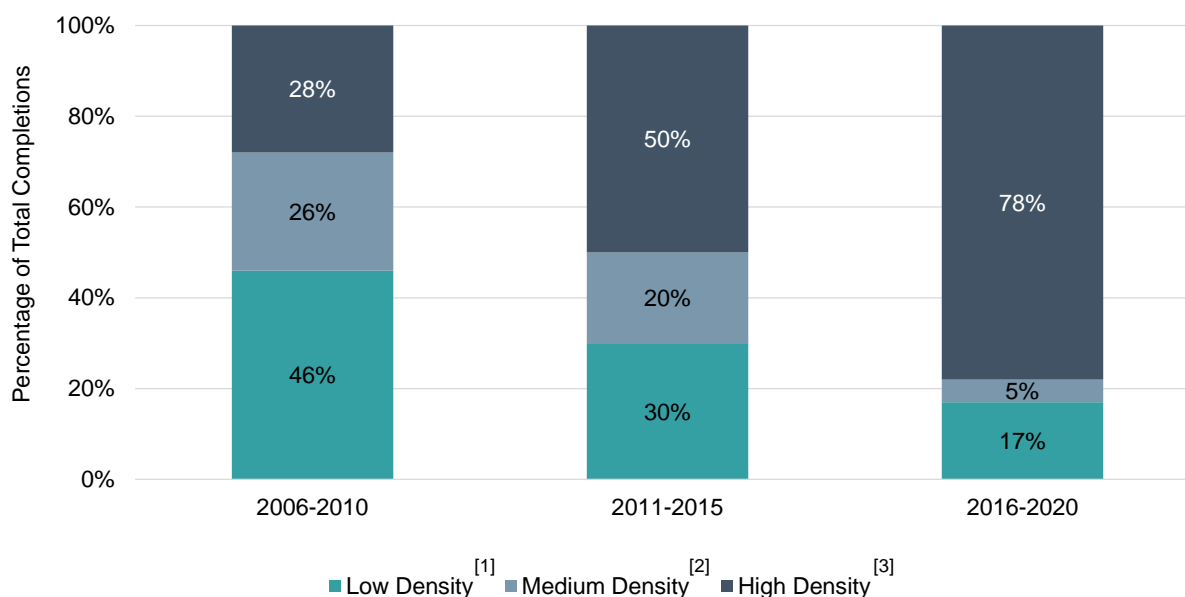


Source: CMHC Starts and Completions Survey, by Watson & Associates Economists Ltd., 2021.

Over the past 15 years, low-density housing construction has declined as a share of total housing development, with a significant increase in the share of high-density units (i.e., apartments and condominiums), as shown in Figure 15. Over the past five years (2016 to 2020), 78% of housing completions in Burlington were high-density units (condominiums, apartments).



Figure 15: City of Burlington Housing Completions by Housing Type, 2006 to 2020



[1] Includes single and semi-detached units.

[2] Includes townhouses and apartments in duplexes.

[3] Includes apartments and condos.

Source: CMHC Starts and Completions Survey, by Watson & Associates Economists Ltd., 2021.

Historically, Burlington's growth has been largely accommodated within greenfield areas. Over the past 15 years, however, an increasing share of residential development activity has been accommodated within the built boundary as greenfield supply opportunities have diminished. These shifts indicate there is a growing market for higher-density residential infill development in Burlington.

Figure 16 illustrates over the past ten years (2011 to 2021), approximately one-fifth of Burlington's housing development has been located in the MTSA's. Over the same period, 70% of housing units in the Downtown Burlington UGC/Burlington GO, Aldershot GO, and Appleby GO MTSA's have been in high-rise/mid-rise apartments, while 21% and 9% have been in townhouses and single/semi-detached, respectively.



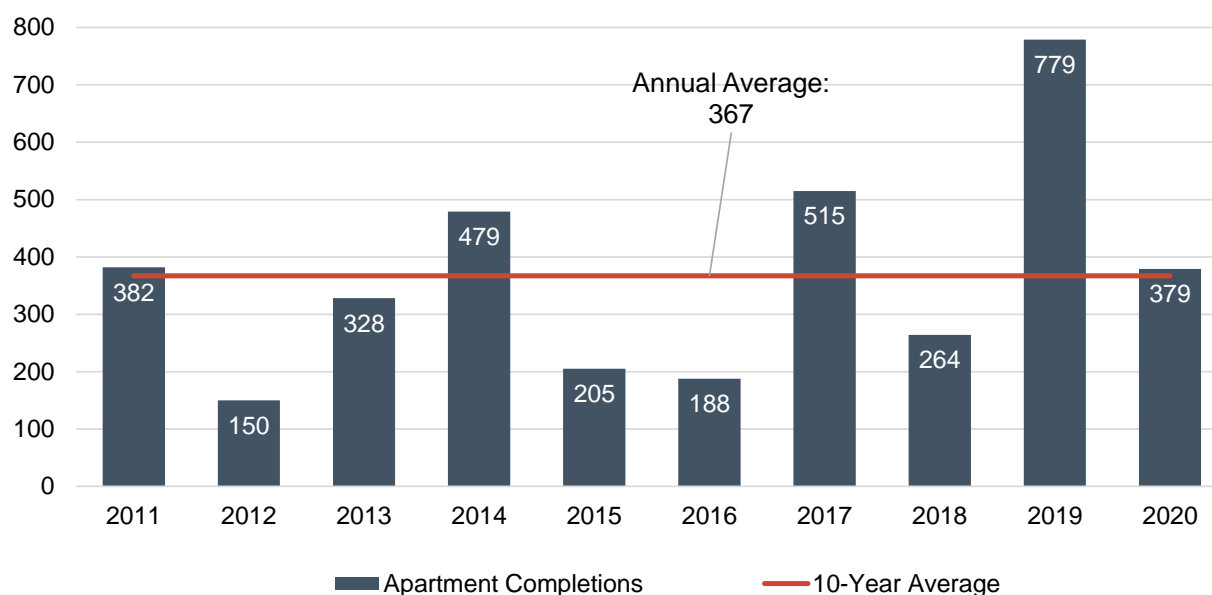
Figure 16: City of Burlington Housing Development Activity in MTSAs

MTSA	2006-2010	2006-2010	2011-2015	2011-2015	2016-2021	2016-2021
	Units	%	Units	%	Units	%
Downtown Burlington UGC/ Burlington GO MTSA	-	0%	175	6%	385	11%
Aldershot GO MTSA	470	9%	400	14%	245	7%
Appleby GO MTSA	5	0%	-	0%	-	0%
Other Locations	4,570	91%	2,335	80%	2,845	82%
City-Wide	5,050	100%	2,910	100%	3,475	100%

Source: Derived from City of Burlington Building Permit Activity Data by Watson & Associates Economists Ltd., 2022.

Over the past decade, Burlington has experienced strong development in the high-density residential housing sector, averaging 367 completions per year, as illustrated in Figure 17.

Figure 17: City of Burlington Apartment Completions, 2011 to 2020

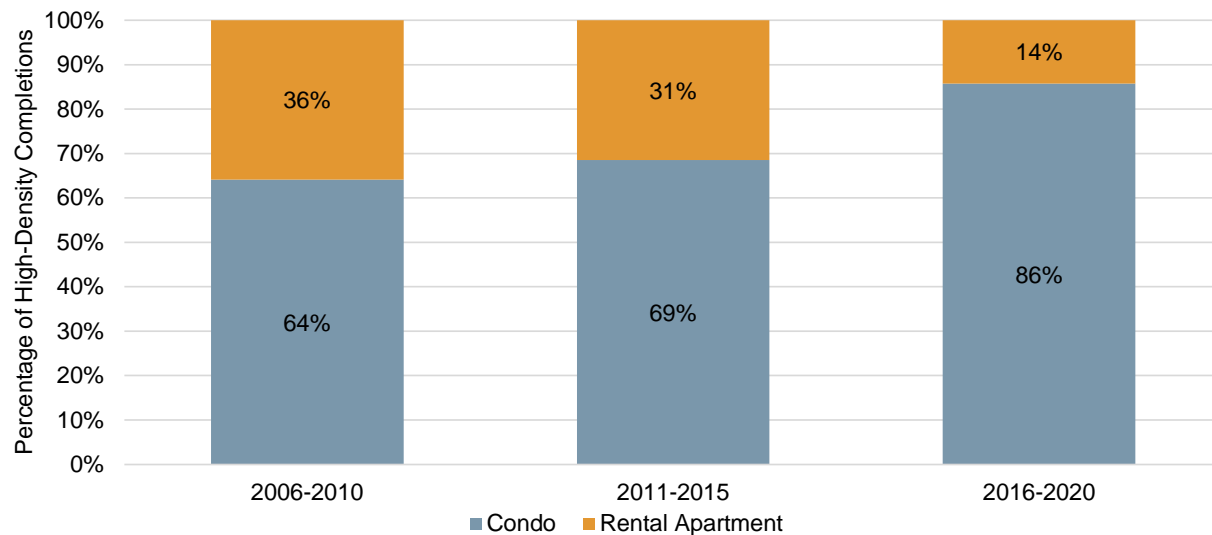


Source: CMHC Starts and Completions Survey, by Watson & Associates Economists Ltd., 2021.



Figure 18 summarizes the share of apartment dwelling unit completions attributed to condominiums versus rental apartments since 2011. As shown, condominiums have accounted for an increasing share of apartment completions in Burlington, accounting for 86% of units between 2016 and 2020.

Figure 18: City of Burlington Apartment Completions by Tenure, 2006 to 2020



Source: CMHC Starts and Completions Survey, by Watson & Associates Economists Ltd., 2021.

Similar to broader regional market trends, Burlington has experienced significant growth in the condominium market development over the past decade. Between 2011 and 2020, Burlington's condominium market expanded by 2,880 units.^[22] Recent condominium development has been highly concentrated in the built-up area and have been comprised largely of mid- to high-rise buildings.

^[22] CMHC Starts and Completions Survey, by Watson & Associates Economists Ltd., 2021.



Burlington has a well-established rental market with approximately 16,835 renter households as of 2016.^[23] Over the past five years (2016 to 2021), new purpose-built rental housing stock has expanded by approximately 300 units.^[24]

The limited supply of new purpose-built rental housing, combined with increasing demand, has driven the vacancy rate to record lows. Currently, the average vacancy rate for purpose-built rental units in Burlington is 1.2%, significantly lower than the provincial average of 3.4%.^[25] This is compared to a 3.0% vacancy rate typically observed in a balanced rental market, suggesting that Burlington's rental market is constrained with respect to supply.

3.3.2 Housing Affordability Trends

Figure 19 illustrates the average annual increase in condominium and rental market rates over the 2011 to 2021 period. As shown, over the period, annual apartment rental rates and condominium prices have increased by an average of 4% and 8%, respectively. The housing cost increases for all unit types were higher than the rate of inflation over the period, which averaged 2% over the same period, indicating an erosion in housing affordability in the local rental and condominium market.

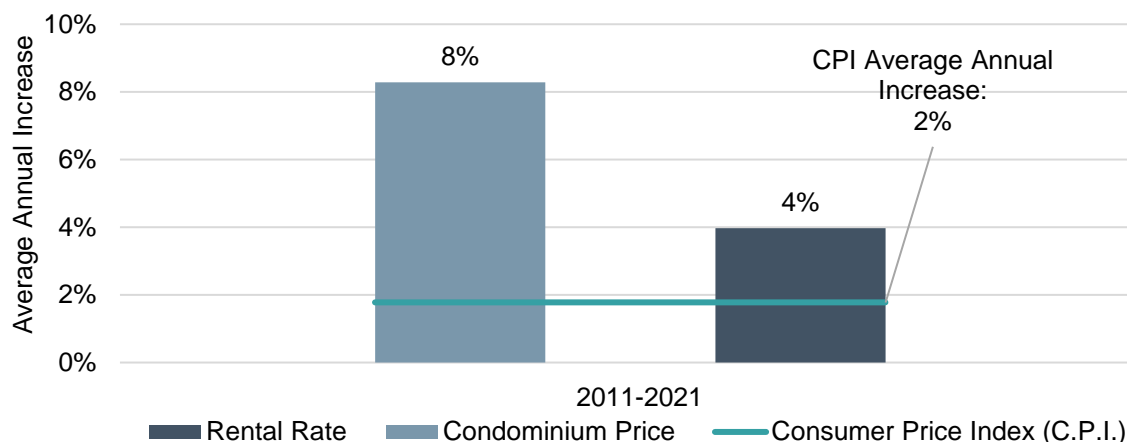
^[23] Statistics Canada Census, 2016.

^[24] CMHC Primary Rental Market, 2021.

^[25] Ibid.



Figure 19: City of Burlington Average Annual Rental Rate and Condominium Price (Re-Sale) Increase, 2011 to 2021



Source: Derived from CMHC Rental Market Survey, Statistics Canada Consumer Price Index, and Toronto Regional Real Estate Board Market Watch Archive by Watson & Associates Economists Ltd., 2022.

3.3.3 Units in Development Approvals

Burlington currently has approximately 23,000 housing units at various stages of the planning process to potentially meet the forecast need for the short term. Of this, approximately 43% (10,000 units) is located within Burlington's MTSA as illustrated in Figure 20. Key observations include:

- The Downtown Burlington UGC/Burlington GO MTSA has 4,046 units, while the Aldershot GO MTSA and the Appleby GO MTSA have 16% (3,554 units) and 11% (2,476 units) housing units, respectively.
- Approximately 83% and 14% of the MTSA's housing units are in high-rise and mid-rise buildings, respectively. A limited share of the MTSA's housing unit supply is in low-rise buildings.



Figure 20: Residential Units in Development Approvals Process in MTSAs, 2021

Development Name	Address	Stage of Planning Process	Building Type			
			Low-rise	Mid-rise	High-rise	Total Units
Aldershot GO MTSA						
105 Plains Rd. E.	105 Plains Rd. E.	Approved		14		14
1085 Clearview Ave.	1085 Clearview Ave.	Approved		164		164
35 Plains Rd. E.	35 Plains Rd. E.	Approved		72		72
Adi Development Group	101 Masonry Ct.	Approved	253	172		425
Adi Development Group	1120 Cooke Blvd.	Pre-application			1,258	1,258
Camarro Developments Inc.	1062 Cooke Blvd.	Pre-application			762	762
Chelten Developments Inc.	92 Plains Rd. E.	Approved		49		49
Infinity Development	40 Plains Rd. E.	OPA/ZBA		360		360
Vrancor Group	53 Plains Rd. E.	Approved		450		450
Sub-Total			253	1,281	2,020	3,554
Appleby GO MTSA						
Branthaven Development Corp.	720 Oval Ct.	OPA/ZBA			2,086	2,086
Fairview GO Limited	5041 Fairview St.	Pre-consultation			390	390
Sub-Total			-	-	2,476	2,476
Downtown Burlington UGC / Burlington GO MTSA						
Camarro Developments Inc.	789 Brant St.	Pre-consultation			307	307
CLV Group	2269 Fairview St.	Approved			2,494	2,494
Molinaro Group	2089 Fairview St.	Approved			364	364
Molinaro Group	Brant St. & Ghent Ave.	OPA/ZBA		128	753	881
Sub-Total			-	128	3,918	4,046
Total			253	1,409	8,414	10,076

Building types are defined as follow:

High-rise: any building over 12 storeys

Mid-rise: any building between 4 and 11 storeys

Low-rise: any buildings with 3 storeys or less

OPA: Official Plan Amendment

ZBA: Zoning By-law Amendment

Source: Derived from City of Burlington Data by Watson & Associates Economists Ltd., 2022.

3.3.4 Observations

The market potential for high-density residential development in Burlington and more specifically within the MTSAs has expanded significantly over the past decade, as demonstrated by the higher development activity, strong price/rental rate appreciation and activity.

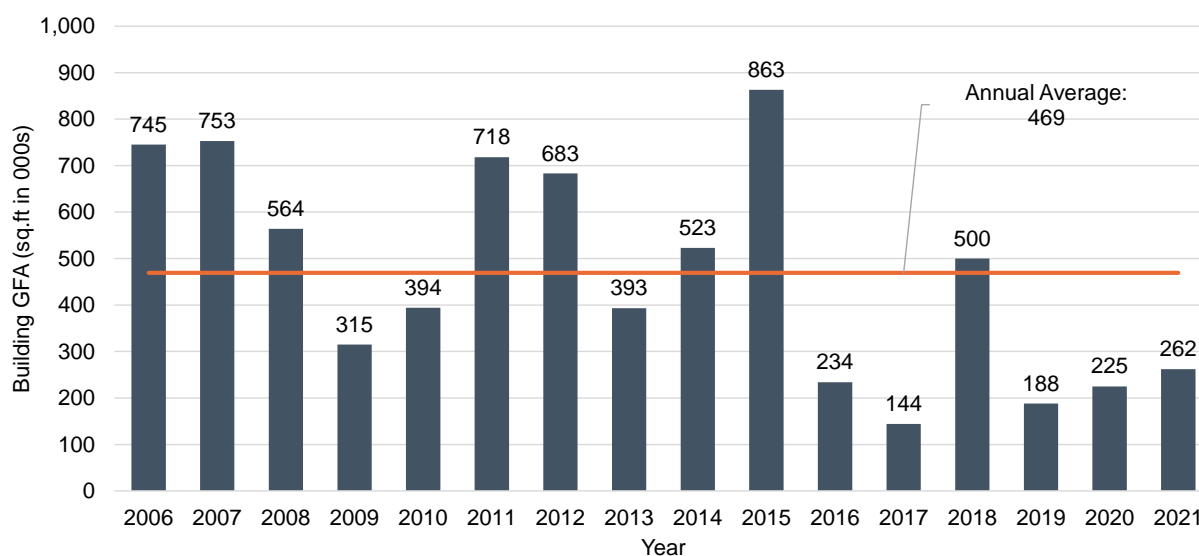


3.4 Commercial Market

3.4.1 Non-Residential Development Trends

Between 2006 and 2021 (year-to-date) the City of Burlington reported an annual average of 469,000 sq.ft. (43,571 sq.m) in non-residential (new construction) building permit activity (refer to Figure 21). As shown in Figure 22, 37% of non-residential development activity since 2012 has been in the industrial sector, compared to 21% for retail, 17% for institutional, and 15% for office.

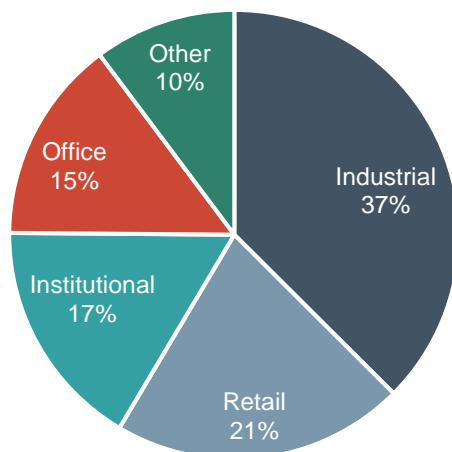
Figure 21: City of Burlington Annual Non-Residential Development (New Construction), 2006 to 2021 Year to Date



Source: Derived from the City of Burlington Data by Watson & Associates Economists Ltd., 2022.



Figure 22: Share of Non-Residential Development by Sector for the City of Burlington, 2012 to 2021

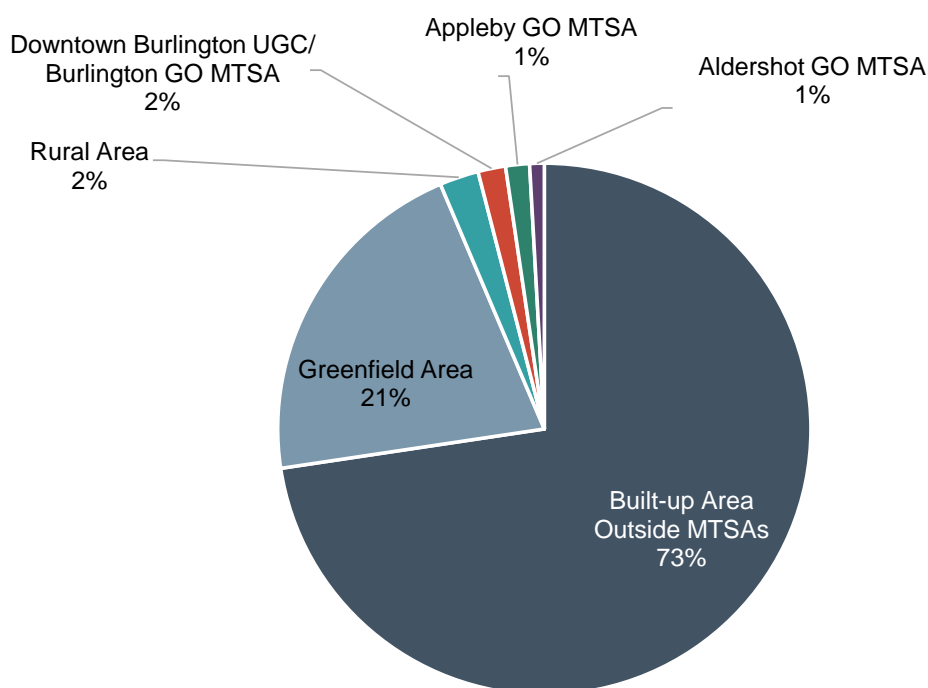


Source: Derived from the City of Burlington Data by Watson & Associates Economists Ltd., 2022.

Since 2012, a large share of non-residential development activity (77%) has occurred within the built boundary, as illustrated in Figure 23. This includes 1% in the Aldershot GO MTSA, 1% in the Appleby GO MTSA, and 2% in the Downtown Burlington UGC/Burlington GO MTSA.



Figure 23: Share of Non-Residential Development by Geographic Area, 2012 to 2021



Source: Derived from the City of Burlington Data by Watson & Associates Economists Ltd., 2022.

Burlington Non-Residential Site Plan Activity

Non-residential development currently at the site plan stage within the City of Burlington totals 2.6 million sq.ft. (240,456 sq.m) in gross floor area (G.F.A.). Of the total active non-residential site plan activity (i.e., G.F.A.), 99.9% is comprised of industrial developments (approximately 240.140 sq.m or 2,584,845 sq.ft. In comparison, retail development accounts for 0.1% (316 sq.m or 3,401 sq.ft.).

As shown in Figure 24, the built-up area outside MTSAs and greenfield areas have the largest share of non-residential site plan activity, totalling 1,463,300 sq.ft. (135,945 sq.m) and 1,124,900 sq.ft. (104,507 sq.m), respectively. In comparison, the Downtown Burlington UGC/Burlington GO MTSA, Appleby GO MTSA, and Aldershot GO MTSA have no share of non-residential site plan activity. The retail sector accounts for a limited share of non-residential site plan activity in the built-up area outside MTSAs while the share of office-related development is none.



Figure 24: Non-Residential Site Plan Activity by Geographic Area,
Total G.F.A. (sq.ft.) by Sector

Area	Industrial	Institutional	Office	Retail	Total
Aldershot GO MTSA	-	-	-	-	-
Appleby GO MTSA	-	-	-	-	-
Downtown Burlington UGC/ Burlington GO MTSA	-	-	-	-	-
Built-up Area Outside MTSA's	1,459,900	-	-	3,400	1,463,300
Greenfield	1,124,900	-	-	-	1,124,900
Rural	-	-	-	-	-
Total	2,584,800	-	-	3,400	2,588,200

Non-residential site plan activity data includes “Site Plan Under Review” and “Conditional Site Plan Approval.”

Source: Derived from the City of Burlington Data by Watson & Associates Economists Ltd., 2022.

3.4.2 Office Market Trends

Burlington has an office inventory of 5.13 million sq.ft.,^[26] representing a large share of the Halton Region total. Burlington’s Employment Areas have historically accommodated most of the City’s office development. Approximately four-fifths of Burlington’s major office inventory is concentrated in Employment Areas along the Q.E.W. corridor, with a more moderate amount located in Downtown Burlington.

A limited share of Burlington’s major office inventory is located in the MTSA’s. The Appleby GO MTSA accounts for 10% of Burlington’s office inventory (330,000 sq.ft.), while the Aldershot GO MTSA and the Downtown Burlington UGC/Burlington GO MTSA have no major office development.

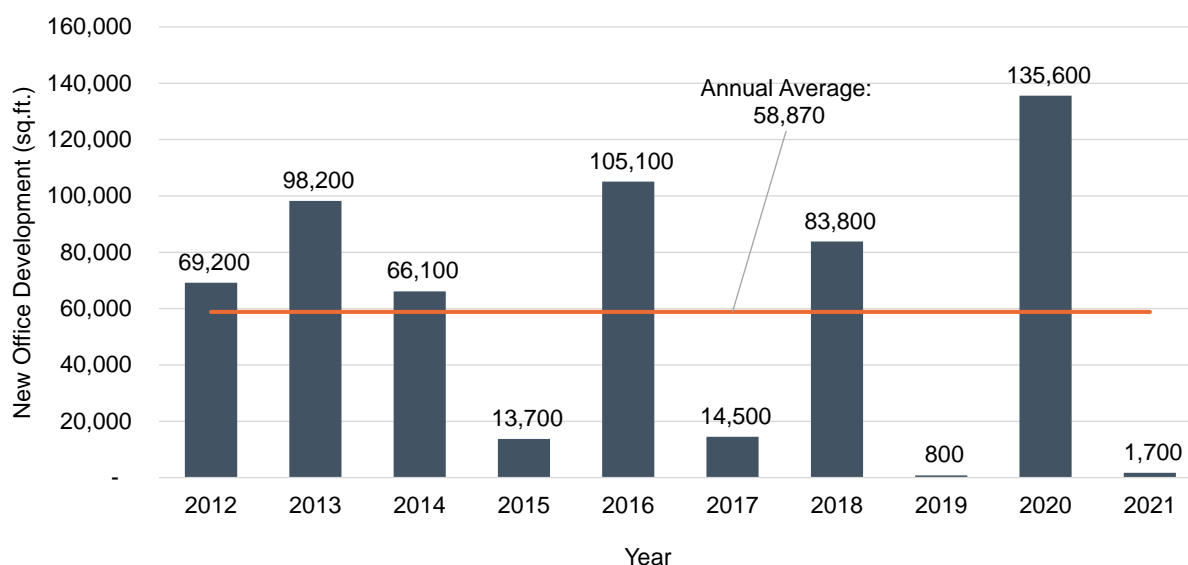
The Appleby MTSA major office inventory comprises four buildings totalling 330,000 sq.ft. consisting of a mix of Class A and Class B office space. No major office development has occurred in the area since 1999. The buildings are of traditional suburban office typology with surface parking.

^[26] Based on Colliers International – Greater Toronto Area Office Market Report Q4 2020.



Approximately one-quarter of Burlington's major office G.F.A. has been constructed since 2000, although there has been limited development activity over the past decade. Burlington has a significant amount of older office space, with 18% built prior to 1980. Most office buildings are less than 150,000 sq.ft. with five storeys or less in height. Over the 2012 to 2021 period, office development in Burlington averaged 58,870 sq.ft. (5,469 sq.m) per year, as illustrated in Figure 25.

Figure 25: Annual Office Development Activity for the City of Burlington, 2012 to 2021

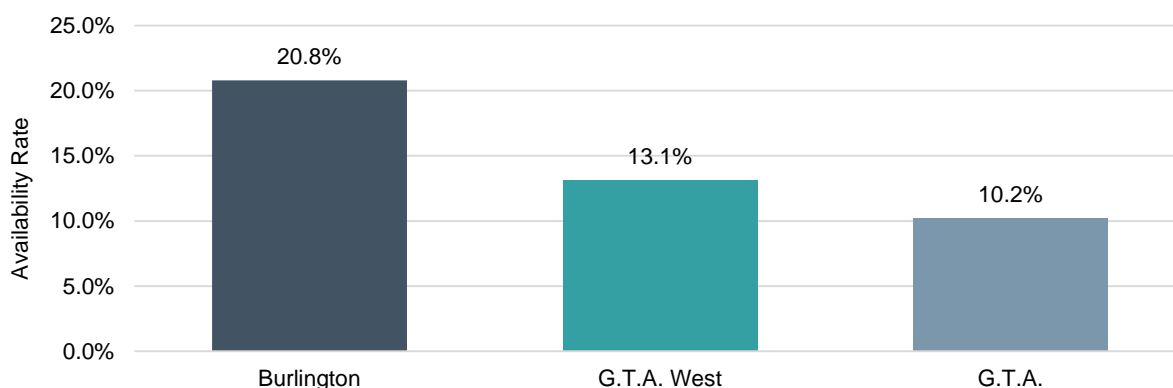


Source: Derived from City of Burlington Data by Watson & Associates Economists Ltd., 2022.

While major office availability rates have historically been relatively low in Burlington, the rates are currently relatively high, averaging 20.8%, as presented in Figure 26. This is comparable to the Greater Toronto Area (G.T.A.) West average of 13.1%, but significantly higher than the G.T.A. average of 10.2%.



Figure 26: Average Office Availability Rate for the City of Burlington, G.T.A. West and the G.T.A., 2021



Source: Adapted from Colliers International – Greater Toronto Area Office Market Report, Q4 2021, by Watson & Associates Economists Ltd., 2022.

Office net market rents have gradually increased over the past decade. The net rental rate for Burlington during the fourth quarter of 2020 averaged \$16.63 per sq.ft., which is slightly lower than the Toronto West Market average of \$16.77.^[27] Burlington's office rents are lower compared to more well-established areas that offer closer proximity to the Toronto core such as Oakville, Meadowvale and Mississauga City Centre.

Office development and the employment sectors they typically accommodate have certain site-specific requirements, including access to skilled labour; proximity to related industry clusters (companies and public institutions such as universities); access to high-order public transit and major highways; as well as access to on-site amenities/services and proximity to off-site services. These factors can strongly influence business location decisions, both for new development and expansions. Within the broader regional context, the relative importance of these attributes is evolving, which is impacting office development patterns.

Demand for standalone low-rise office, research and development facilities, flex office and multi-tenant commercial/industrial space is anticipated to continue to account for a growing share of building G.F.A. in Burlington. A large portion of demand is anticipated to be driven by growth in knowledge-based employment sectors, including information technology, business services, and professional and technical services, as well as

^[27] Colliers International – Greater Toronto Area Office Market Report, Q4 2021.



engineering and environmental services, and research and development. Flex office space has become a major trend across many markets in Canada, including Halton Region. Flex office space allows occupants flexibility in the use and allocation of space according to operation needs. Tenants of flex office space may include businesses that require a blend of office and industrial site characteristics.

While suburban locations, including those in Employment Areas, continue to be competitive locations for major office development, there is increasing demand for locations that offer access to high-order transit, a mixed-use environment, potential for live/work opportunities, and access/proximity to amenities and services. The quality, and locational attributes of new office space have become important factors in attracting and retaining talent. As such, urban mixed-use environments located relatively close to a large pool of potential skilled employees are becoming increasingly desirable locations for office-related businesses. These factors are particularly important to recognize given potential negative impacts on office space demand resulting from COVID-19.

3.4.3 Retail Market Trends

Burlington's retail base is concentrated primarily in ten commercial nodes that are located throughout the City. It was noted in the City of Burlington Official Plan Review Commercial Strategy Study, that the City's retail structure provides a balanced distribution of commercial space in relation to residential communities.^[28] This bodes well for the planning of transit-oriented communities in Burlington. In some urban areas, the commercial structure can be more concentrated and unevenly distributed across the urban area relative to population, resulting in longer trips for residents and often by automobile.

There have been some major retail trends influencing the commercial landscape across the country, which generally will influence the demand for retail and commercial space within Burlington. These trends are discussed below.

The majority of Canada's top retail players (e.g., Canadian Tire, Sobeys, and Loblaw), which have traditionally been "big-box" retailers, have developed small-store prototypes

^[28] City of Burlington Official Plan Review – Commercial Strategy, Part 1: Commercial Market Supply and Demand Analysis, prepared by urbanMetrics Inc., June 10, 2013.



that range in size from 5,000 to 20,000 sq.ft. (460 sq.m to 1,860 sq.m). The small-store prototype is about serving a more defined targeted demographic from a smaller local trading area and pursuing infill opportunities that may have been overlooked in the past. The small-store footprint provides developers with greater flexibility in incorporating retail into mixed-use developments and small infill retail sites.

Since the early 2000s, retail growth in Canada has primarily focused on infilling existing retail sites through “baby-box” retail pads (smaller retailers with a similar building design to big-box retailers) in power centres, expansions of regional shopping centres and retail growth oriented towards serving the local needs of a neighbourhood. National and regional retail trends suggest that retail growth will continue through infilling efforts on existing retail sites, with an emphasis on retail uses focused on local serving uses (e.g., food store, pharmacy), experiences (e.g., food services, escape rooms and bars), services (e.g., tutoring centres, dry cleaning, daycare, hair salon and medical/dental offices) and “bargain hunting” retail destinations with no e-commerce platforms (e.g., Dollarama, HomeSense and Winners). These retail uses tend to have a smaller retail footprint ranging from 1,500 sq.ft. (140 sq.m) up to 40,000 sq.ft. (3,700 sq.m) which provides more flexibility in accommodating mixed-use or intensification environments.

As summarized in Figure 27, based on non-residential building permit activity, the City has averaged approximately 85,000 sq.ft. of new retail G.F.A. annually over the past ten years. Approximately 4% of new retail development over the past ten years has been accommodated within the Aldershot GO MTSA, while the Appleby GO and Downtown Burlington UGC/Burlington GO MTSAs account for 1% and 1% of the City’s retail development in terms of G.F.A., respectively. Overall, approximately 5% of the Burlington’s retail development in terms of G.F.A. has been accommodated in the MTSAs.



Figure 27: City of Burlington, Annual Retail G.F.A. Development Activity within the MTSA's, 2012 to 2021

MTSA	G.F.A. (sq.ft.)	Share
Aldershot GO	31,150	4%
Appleby GO	10,635	1%
Downtown Burlington UGC/ Burlington GO	7,130	1%
Other Locations	796,440	94%
City-wide	845,355	100%

Source: Derived from City of Burlington Data by Watson & Associates Economists Ltd., 2022.

3.5 Burlington Growth Outlook to 2051

Strong population growth is expected in Burlington over the next 30 years with the population forecast to increase by 38% to 265,000 by 2051, as presented in Figure 28. Over the same period, Burlington's employment base is expected to expand to 125,000 by 2051, a 27% increase. With respect to housing growth, Burlington's housing base is forecast to increase by 47% to 107,765 by 2051.

Figure 28: City of Burlington Population and Employment Forecast, 2021 to 2051

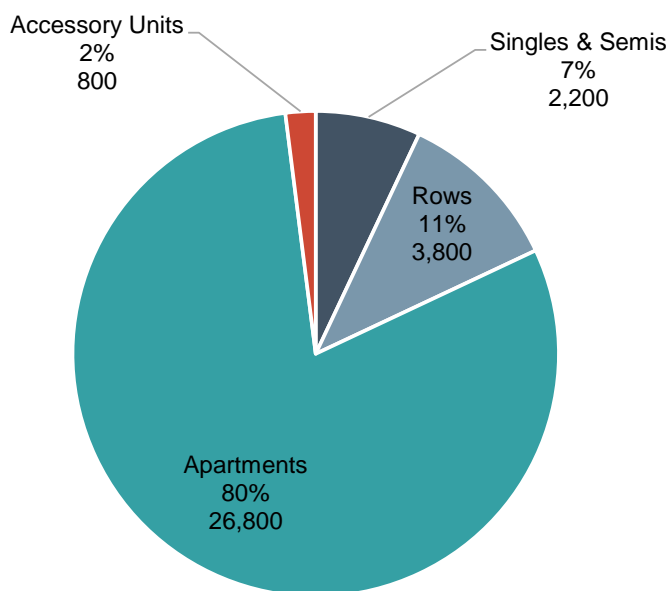
Category	2021	2051	2021-2051	% Growth 2021-2051
Population (incl. Undercount)	192,540	265,000	72,460	38%
Employment	98,400	125,000	26,600	27%
Housing	73,180	107,765	34,585	47%

Source: Derived from Statistics Canada Census data and Halton Region Land Needs Assessment, 2022 by Watson & Associates Economists Ltd., 2022.

As shown in Figure 29, of forecast housing growth over the 2021 to 2051 period, the majority (80% representing 26,766 units) is expected to be in the form of high-density units (apartments), followed by 11% for medium density (rowhouses) and 7% for low density (singles/semis). An additional 2% of housing is expected to be in the form of accessory units.



Figure 29: City of Burlington Housing Forecast by Density Type, 2021 to 2051



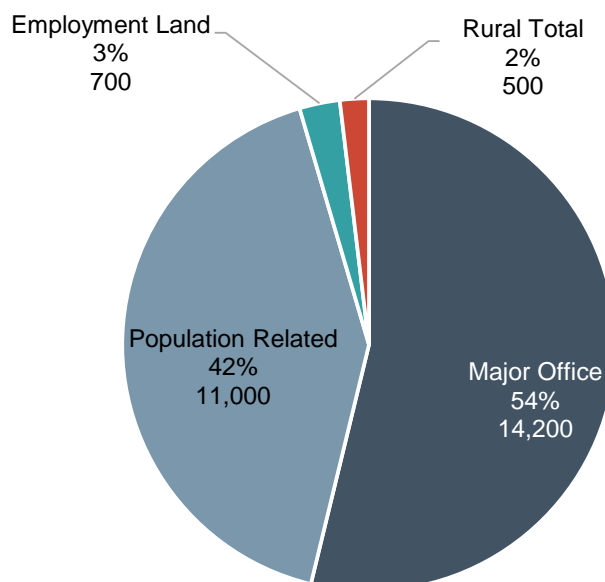
Source: Derived from Halton Region Land Needs Assessment, 2022 by Watson & Associates Economists Ltd., 2022.

With Burlington having a limited supply of greenfield supply opportunities to accommodate residential and non-residential growth, a significant share of residential growth will need to be accommodated within the existing built-boundary through intensification.

With respect to employment, as illustrated in Figure 30, Burlington is expected to experience strong growth in major office employment (M.O.E.) and population-related employment (P.R.E.), with growth of 54% (14,200 jobs) and 42% (11,000 jobs), respectively. This is compared to employment land employment (E.L.E.) growth of 3% (700 jobs) and Rural employment growth of 2% (500 jobs).



Figure 30: City of Burlington Employment Forecast by Land Use Type, 2021 to 2051



Source: Derived from Halton Region Land Needs Assessment, 2022 by Watson & Associates Economists Ltd., 2022.

- **Major Office Employment (M.O.E.)** Major Office Employment is comprised of jobs accommodated within freestanding office buildings largely on employment lands. The majority of M.O.E jobs are higher density uses and are increasingly encouraged to locate where intensification is sought and where transit accessibility can be provided. Typically, M.O.E. includes knowledge-based sectors such as finance, insurance and real estate; professional, scientific and technical services; information and cultural industries, rental and leasing sectors.
- **Population-Related Employment (P.R.E.)** sectors accommodate a broad range of employment sectors that primarily support the local and regional population base. A proportion of neighbourhood-serving population-related uses, such as home businesses, schools, and neighbourhood retail stores, can locate on residentially designated lands, subject to planning policies addressing their site-specific suitability. The majority of P.R.E. jobs, however, are accommodated in residential mixed-use, commercial, and institutional designations. Forecast population growth in Burlington is anticipated to drive demand for future P.R.E. growth in the City. This includes employment growth in retail, personal services,



accommodation and food, health and social services, and educational service sectors.

- **Employment Land Employment (E.L.E.)** sectors represent industrial-sector employment primarily accommodated in single storey industrial-type buildings within Employment Areas. Typically, E.L.E. includes manufacturing, warehousing and distribution, wholesale trade, transportation, construction, and utilities as well as a limited amount of employment associated with office commercial and employment-supportive uses. Over the 2021 to 2051 period, E.L.E. growth in Burlington is expected to be relatively limited compared to its existing base.

4. City of Burlington MTSAs Market Potential

Building on the market scan, an assessment of market demand opportunities and constraints for each of the MTSAs has been prepared. The evaluation considers both the broader regional and local site factors which are anticipated to drive market demand for residential, non-residential and mixed-use development within the subject locations of study.

4.1 MTSA Profile

The following provides a brief profile of each of Burlington's MTSAs, while Figure 31 provides a summary of existing population and employment characteristics.

Downtown Burlington UGC/Burlington GO MTSA – The MTSA covers an area of 102 gross ha (253 gross acres) located immediately north of Burlington Downtown. The area has access to Highway 403 and the Q.E.W. via Brant Street and Fairview Street, respectively. The area is served by the Burlington GO train station (Lakeshore West line). The area has a significant underutilized land base and is home to a population of 1,670 and an employment base of 2,680 jobs. Major employment sectors include retail trade, manufacturing and food and accommodation. Land abutting Brant Street and Fairview Street comprises largely retail commercial uses with some recent high-density residential development along the latter. Lands along Plains Road are largely general industrial in nature. A low-density residential area is located south of Fairview Street, east of Brant Street. The area is intersected by two CN rail lines which separate the area into two distinct areas to the north and south. With the exception of one



condominium project (Paradigm Midtown Burlington) located in proximity to the Burlington GO train station, the area has experienced limited development activity over the past decade.

Appleby GO MTSA – The Appleby MTSA is located south of the Q.E.W. at Appleby Line, with excellent access to the Q.E.W., and is served by the Appleby GO train station (Lakeshore West Line). The area is occupied largely by mature employment uses that exhibit a general industrial character, with residential townhouse complexes and small apartment buildings on the south side of Fairview Street. The MTSA covers an area of 179 gross ha (443 gross acres), and is home to a population of 1,140 and an employment base of 6,390 jobs. A large share of employment is in manufacturing, professional, scientific and technical services and finance and insurance. A significant share of land in the MTSA is underutilized or vacant. The area has experienced limited development activity over the past decade and has limited development activity identified through site-plan activity.

Aldershot GO MTSA – The Aldershot MTSA is situated immediately south of Highway 403, west of the Q.E.W. and Highway 407. The area is intersected by Plains Road and Waterdown Road which serve as the two main roadways. The area has excellent access to Highway 403 via Waterdown Road. The MTSA is serviced by regional commuter rail (GO train Lakeshore West line). With a gross land area of 86 ha (213 acres), the MTSA has a population of approximately 1,100, an employment base of 1,090 jobs, and comprises a mix of low-, medium- and high-density residential, retail/service commercial, industrial and institutional development. The area has experienced significant residential and mixed-use development over the past decade.

Figure 31: MTSA Demographic and Economic Characteristics Table

	Downtown Burlington UGC/ Burlington GO MTSA	Appleby GO MTSA	Aldershot GO MTSA
Population, 2021 (incl. undercount)	1,700	1,100	1,100
Employment, 2021	2,700	6,400	1,100
Gross Land Area (Ha)	102	179	86

Note: Values have been rounded to nearest 100.

Source: Derived from City of Burlington's Interim Report (Final) Prepared by Dillon Consulting, December 2021 by Watson & Associates Economists Ltd., 2022.



The Appleby GO MTSA has the highest overall existing utilization of lands, both with respect to building floor space index and employment base, followed by the Downtown Burlington UGC/Burlington GO MTSA and the Aldershot GO MTSA. While the Aldershot GO MTSA is the most underdeveloped with respect to non-residential land uses, it has the largest population base and has experienced the most development activity over the past decade (largely residential and mixed-use development).

4.2 Recommended Preferred Precinct Plans

4.2.1 Overview

As previously mentioned, Burlington's MTSA's are envisioned to comprise a range of residential, non-residential and mixed-use development. Figure 32 summarizes the planned precincts that are intended to accommodate residential, non-residential and mixed-use development within the MTSA's based on Recommended Preferred Precinct Plans prepared by the City. The recommended preferred precinct plans are expected to accommodate growth through the 2051 planning horizon.

The MTSA's contain a range of planned precincts which are designed to accommodate varying land uses including residential, mixed-use, office, retail, industrial and institutional uses. With the exception of the Employment Area, Mid-Rise Residential, and Main Street precincts, the planned precincts are largely oriented to high-rise development, with some mid-rise and low-rise development in appropriate locations. Higher densities are generally envisioned in locations within proximity to the major transit stations.



Figure 32: MTSA Planned Precincts – Existing and Planned Uses

Downtown Burlington UGC/Burlington GO MTSA

Planned Precinct	Existing Land Uses	Planned Land Uses	Planned Built Form
Leighland Node	Retail plazas	Residential, Mixed use with retail and commercial service	High-rise, mid-rise
Drury Node	Big box retail, high rise condos under construction Industrial uses	Mixed use residential	High-rise, mid-rise
Legion Node	Industrial uses, underutilized parcels	Residential with community hub function (public service facilities, retail and commercial uses)	Low-rise, mid-rise, high-rise
Low to Mid-Rise Residential	Industrial uses, underutilized parcels	Residential and mixed use	Low-rise, mid-rise
Mid-Rise Residential	Industrial uses, underutilized parcels	Residential and mixed use	Mid-rise, low-rise
Queensway Main Street	Retail commercial, industrial	Residential, retail, commercial,	High-rise, mid-rise
Upper Brant	Retail commercial, industrial	Mixed use, residential,	Low-rise, mid-rise, high-rise
Fairview Frequent Transit Corridor	Big box retail, high rise condos under construction Industrial uses, GO Train station, parking	Residential with ground floor retail/commercial, mixed use,	High-rise, mid-rise
Burlington GO Central	Retail commercial, industrial	Residential, retail, commercial, major office,	High-rise, mid-rise
Urban Employment Precinct	Industrial uses	Employment Uses - Office, R&D, IT technology, industrial, manufacturing, business/ economic activities	Urban employment



Appleby GO MTSA

Planned Precinct	Existing Land Uses	Planned Land Uses	Planned Built Form
Appleby GO Central	Industrial uses, underutilized lands, GO train station surface parking	Residential, retail and major office uses	Mid-rise
Fairview Frequent Transit Corridor	Industrial uses, underutilized lands, GO train station surface parking	Mixed-use (residential, retail and office)	High-rise
Urban Employment Precinct	Industrial uses, major office, underutilized lands	Employment Uses	Urban Employment
General Employment Precinct	Industrial uses, underutilized lands	Light industrial and office	Employment
Mid-Rise Residential	Retail commercial, medium-density residential	Residential and mixed use with ground floor retail/office uses	Mid-rise
Low to Mid-Rise Residential	Low-density residential	Residential	Low-rise, mid-rise

Aldershot GO MTSA

Planned Precinct	Existing Land Uses	Planned Land Uses	Planned Built Form
Aldershot GO Central	Industrial uses, underutilized lands, GO train station surface parking	Residential, major office and retail uses	High-rise, mid-rise
Aldershot Main Street	High density mixed-use residential, retail plazas, institutional uses, low density residential	Mixed Use residential with ground floor retail/commercial uses	Mid-Rise, low-rise
Emery Commons	Industrial uses, underutilized/ vacant parcels	Mixed use residential with ground floor retail/commercial uses, office uses* - employment conversion	High-rise, mid-rise, low rise
Cooke Commons	Industrial uses, underutilized/ vacant parcels	Mixed Use residential with ground floor retail/commercial uses, office uses* - employment conversion	High-rise, mid-rise
Mid-Rise Residential	Mid-rise residential, industrial uses, vacant parcels	Residential and mixed use with ground floor retail/office uses	Mid-rise, low-rise

Source: Adapted from City of Burlington MTSA Recommended Preferred Precinct Plans, December 2021 by Watson & Associates Economists Ltd.



4.2.2 Population and Employment Growth to Buildout (2051)

As shown in Figure 33, strong population and employment growth is expected in Burlington's MTSA's over the next 30 years. From 2021 to 2051, among Burlington's MTSA's, the Aldershot GO MTSA is forecast to have the highest population growth, followed by the Appleby GO and Downtown Burlington UGC/Burlington GO MTSA's. Over this period, the Downtown Burlington UGC/Burlington GO MTSA is expected to have the highest growth in employment, followed by the Appleby GO and Aldershot GO MTSA's.

Figure 33: MTSA's Population and Employment Growth, 2021 to 2051

MTSA	2021	2051	2021-2051	2021-2051 % Growth
Downtown Burlington UGC / Burlington GO				
Population	1,700	11,200	9,500	559%
Employment	2,700	8,400	5,700	211%
Appleby GO				
Population	1,100	8,500	7,400	673%
Employment	6,400	18,200	11,800	184%
Aldershot GO				
Population	1,100	14,600	13,500	1227%
Employment	1,100	2,600	1,500	136%
Total				
Population	3,900	34,300	30,400	779%
Employment	10,200	29,200	19,000	186%

Note: Values have been rounded to nearest 100.

Source: Derived from City of Burlington's Interim Report (Final) prepared by Dillon Consulting Limited, December 2021 by Watson & Associates Economists Ltd., 2022.

Figure 34 summarizes 2021 to 2051 growth in MTSA's as a share of forecast City of Burlington growth. From 2021 to 2051, the Aldershot GO, Appleby GO, and Downtown Burlington UGC/Burlington GO MTSA's, together, are expected to accommodate 43% and 71% of Burlington's population and employment growth, respectively. Over the same period, the Aldershot GO MTSA is forecast to accommodate approximately one-fifth of Burlington's population growth and the Downtown Burlington UGC/Burlington GO MTSA is anticipated to experience approximately one-fifth of Burlington's employment growth.



Figure 34: 2021 to 2051 Growth in MTSAs as a Share of Forecast City of Burlington Growth

Location	Population Growth, 2021-2051	% Share of City-wide Population Growth	Employment Growth, 2021-2051	% Share of City-wide Employment Growth
Downtown Burlington UGC / Burlington GO	9,500	13%	5,700	21%
Appleby	7,400	10%	11,800	44%
Aldershot	13,500	19%	1,500	6%
Burlington MTSAs Total	30,400	43%	19,000	71%
Other Burlington Locations	41,100	57%	7,600	29%
City of Burlington Total	71,500	100%	26,600	100%

Note: Values have been rounded to nearest 100.

Source: Derived from City of Burlington's Interim Report (Final) prepared by Dillon Consulting Limited, December 2021 and Halton Region Land Needs Assessment, 2022 by Watson & Associates Economists Ltd., 2022.

4.3 Market Potential

An assessment of Burlington's MTSAs, including a strengths, weakness, opportunities, challenges (SWOC) analysis which identifies the key market attributes, development characteristics, and market potential for residential and non-residential development, was undertaken. These observations are summarized in Figure 35.



Figure 35: Strengths, Weaknesses, Opportunities, Challenges (SWOC)

	Downtown Burlington UGC / Burlington GO MTSA	Appleby GO MTSA	Aldershot GO MTSA
Strengths/ Opportunities	<ul style="list-style-type: none"> Central location in Burlington in proximity to downtown core Intersected by three major roadways – Brant Street, Plains Road and Fairview Street A significant number of active residential projects in development approvals Vacant and underutilized lands available for development Access to high-order transit (GO train) 	<ul style="list-style-type: none"> A large contiguous and well-established Employment Area accommodating a broad range of uses Strong concentration of industrial development Presence of major office development Excellent access to 400-series highways Competitive land prices Underutilized and vacant lands available for redevelopment Moderate number of residential units in active development approvals suggests potential for residential sector is expanding Access to high-order transit (GO train) 	<ul style="list-style-type: none"> Existing population base comprised of a mix of housing typologies Area has recently experienced strong residential development activity – mid-rise condominiums and townhouse developments catering to a range of market segments A wide range of residential and mixed-use development in approvals, strong population growth potential in short to medium term Significant number of underutilized properties with market potential for intensification Market opportunities for ground-floor retail commercial in mixed-use development along Plains Road which serves as a “Main Street” Excellent access to major highways (Highway 403) Access to high-order transit (GO train)
Challenges/ Weaknesses	<ul style="list-style-type: none"> Dissected by two CN Railway corridors creating a somewhat fragmented parcel fabric No non-residential developments in active site plans Competition from Downtown Burlington 	<ul style="list-style-type: none"> Traditionally an Employment Area with no precedence for residential development; more challenging to create a mixed-use community Somewhat limited with respect to on-site amenities and lower marketability for residential uses than other MTSA Limited development activity over past decade No non-residential developments in active site-plans 	<ul style="list-style-type: none"> GO train station situated on north side of MTSA; not in direct proximity to Plains Road corridor No non-residential developments in active site-plans



As discussed in Chapter 3, Burlington is expected to experience significant population and employment growth over the 2021 to 2051 period. Numerous demographic and economic factors are anticipated to influence the manner in which Burlington matures and evolves over the forecast period. The distribution of population, housing and employment growth is expected to become more geographically diverse. This includes accommodating a range of residential and non-residential development in Burlington's MTSAs, which are expected to be increasingly marketable.

Residential Market Potential

The market potential for residential development within Burlington will be determined by a number of market factors, including demographic trends (population age structure, average household size or persons per unit), housing prices in the local market, the character of the study areas (community and retail amenities, work opportunities, access to high-order transit), site availability/suitability, local employment opportunities and access to employment markets.

As discussed in Chapter 3, recent trends suggest that the local market is evolving to include more opportunities for high-density residential development, in part due to eroding housing affordability, an aging population base, and diminishing greenfield supply opportunities. Housing location options within the City's MTSAs that offer proximity to employment, transit and services/amenities are anticipated to show strong market demand.

Office Market Potential

As previously mentioned, the G.T.H.A. office market is in a period of transition and structural change with an increasing demand for locations that offer access to high-order transit, a mixed-use environment potential for live/work opportunities, and access/proximity to amenities and services.

Given the potential market demand for knowledge-based sectors within Burlington and identified market attributes, office development is expected to be the dominant non-residential use accommodated within the MTSAs over the long term. This is anticipated to be largely in the form of major office and multi-tenant commercial buildings; some office space will be accommodated within the mixed-use development. There is also strong potential for incubator-type and accelerator space that caters to knowledge-



based sector start-up and small-scale businesses seeking flexible office spaces and lease structures.

While the long-term outlook for office development within the MTSAs is positive, the short-term prospects for major office development are less favourable due to relatively high vacancy rates in the sector and the impacts of COVID-19. The cost of urban standalone office development is also significantly higher than for suburban office development, due largely to higher construction costs (provision for structured parking) and typically higher land costs which are only partially offset by higher land utilization.

Under current market conditions, there are likely financial feasibility challenges for urban standalone major office development within Burlington's MTSAs, a trend observed in most locations within the G.T.H.A.'s 905 area. The financial viability of office development may be more favourable if integrated as part of a mixed-use development (i.e., combined with a residential component) and/or through the application of municipal financial incentives.

Industrial Market Potential

Burlington's MTSAs are not expected to accommodate many of the traditional industrial uses such as distribution/logistics, large-scale manufacturing and transportation uses, typical of larger, newer greenfield employment lands in Halton Region.

Reflective of recent development trends and broader employment growth trends in Employment Areas within Halton Region and the G.T.H.A., the City's employment lands are anticipated to be particularly attractive, over the long term, towards small to mid-size development (i.e., 1 to 5 ha) in the form of multi-tenant industrial space. Within the MTSAs, only Appleby GO has a provision for employment uses under the precinct plans that is oriented to accommodate industrial development.

Institutional Market Potential

Employment in the institutional sector comprises a large share of Burlington's employment base. It is anticipated that the share of institutional employment will remain relatively steady compared to total employment over the next 30 years, driven by the City's growing population base. Burlington has large and rapidly growing employment clusters within both the health care and education sectors. Looking forward, the City is expected to experience an increase in seniors' health facilities and services, including



retirement homes and assisted living facilities, due to its growing population base in the 65+ category, which is anticipated to drive increased demand for a number of occupations in the health sector.

Retail Commercial Growth Potential

The anticipated population growth in Burlington is expected to support demand for new local-serving retail, as consumers do not want to travel far to buy these products. Accommodating local-serving retail uses that contribute towards building walkable communities should be a key objective in planning for MTSA's

4.3.1 Market Potential by Planned Precinct

Figure 36 provides a summary of market potential for the planned land uses by MTSA precinct and the anticipated built form of development from a market perspective. Key observations include:

Residential Development

- Strong market potential in all three MTSA's for residential development across a broad range of precincts, offering the City an optimal opportunity to broaden market choice in housing supply.

Office Development

- Office development potential is considered strongest in the Aldershot GO and Appleby GO MTSA's, with the Appleby GO's Central and Urban Employment Precinct areas offering the highest prospects. While there is long-term potential for mid-rise standalone urban office development (with structured parking) in both locations, in the short to medium term, the market potential is more oriented to suburban major office buildings with surface parking.
- The Lehighland Node Precinct in the Downtown Burlington UGC/Burlington GO MTSA also offers moderate market potential for mid-rise suburban office development. Further, the General Employment Precinct in the Appleby GO MTSA offers moderate potential for multi-tenant/flex office development.
- Moderate opportunities for mid-rise urban office development exist in other locations in the Appleby GO MTSA including Appleby GO Central and Fairview Frequent Transit Corridor.



- Moderate potential for office space within mixed-use development also exists in the Aldershot GO MTSA (Aldershot Main Street) and the Downtown Burlington UGC/Burlington GO MTSA (Fairview/Brant Frequent Transit Corridor).

Population Related/Employment Supportive Retail/Institutional Uses

- Each MTSA offers high market potential for accommodating population-related/employment-supportive uses. Generally, the market potential is highest as ground-floor commercial within mixed-use developments.
- There are also opportunities for stand-alone institutional uses including schools, places of worship and health/social services.

Industrial Uses

- Industrial development has moderate market potential within the General Employment Precinct located in the Appleby GO MTSA.



Figure 36: City of Burlington MTSA Development Potential

Precinct	Residential	Office	Population Related/ Employment Supportive Retail/ Institutional	Industrial
Downtown Burlington UGC / Burlington GO MTSA				
Leighland Node	High	Low	High	
Drury Node	High	Low	Moderate	
Legion Node	High	Low	High	
Low to Mid-Rise Residential	Moderate	Low	Moderate	
Mid-Rise Residential	High	Low	Low	
Queensway Main Street	High	Low	Moderate	
Upper Brant	High	Low	Moderate	
Fairview Frequent Transit Corridor	High	Low	High	
Burlington GO Central	High	High	High	
Urban Employment Precinct	Low	High	Low	
Appleby GO MTSA				
Appleby GO Central	High	Moderate	Moderate	
Fairview Frequent Transit Corridor	High	Moderate	High	
Urban Employment Precinct	Low	High	High	
General Employment Precinct	Low	Moderate		Moderate
Mid-Rise Residential	High	Low	Moderate	
Low- to Mid-Rise Residential	High	Low	Low	
Aldershot GO MTSA				
Aldershot GO Central	High	High	Moderate	
Aldershot Main Street	High	Moderate	High	
Emery Commons	High	Low	Low	
Cooke Commons	High	Low	Low	
Mid-Rise Residential	High	Low	Moderate	

Source: Watson & Associates Economists Ltd., 2022.



5. Conclusions

Burlington's MTSA's represent a significant opportunity for the City to accommodate future population and employment growth in a more diversified capacity. Given the strong growth in housing and employment identified for the City, which is increasingly oriented to high-density developments and knowledge-based sectors, respectively, the MTSA's offer strong market attributes to accommodate these high-growth residential and non-residential development sectors.

To be successful, it is critical that the MTSA's be developed comprehensively, within a mixed-use framework that balances both residential and non-residential development. While the market potential for residential development is highly favourable in the MTSA's, the non-residential sector faces greater short- to medium-term challenges. To attract the identified employment sectors and meet the related employment targets, the MTSA's will need to be built to high development standards, oriented to office development that offers access/proximity to local services and amenities, public transit and live/work opportunities.