



Working together with our community

Council-In-Committee Meeting – December 14, 2021

Subject: Growth Management Study Comprehensive Review Phase 1: Long Term-Growth Analysis

Report Number: CD 21-129
Division: Community Development
Department: Planning
Purpose: For Decision

Executive Summary:

Norfolk County retained the services of Watson & Associates Economists Ltd. to prepare new long-term population, household and employment forecasts and allocations to the year 2051. This work will be utilized for multiple initiatives. It represents Phase 2B of the Growth Management Study, as described in the terms of reference (Report CD 21-47) and forms part of a comprehensive review studying our land supply and future growth scenarios as part of an Official Plan provincial policy conformity amendment. In addition, the new projections align and are being utilized with the Development Charges Background Study Update and will be valuable for future master planning exercises.

The report attached as Appendix A, titled Comprehensive Review Phase 1: Long-Term Growth Analysis analyzes recent development activity, population, housing and employment growth as well as the regional and local economic trends that may impact growth within Norfolk County.

Over last 20 years, Norfolk County has experienced uneven population growth, which can be attributed to periods of regional economic growth and contraction. Between the years 2001 to 2016, the population grew at a moderate annual pace of 0.3%. From 2016 to 2021 the annual population growth rate increased to 0.9% and has been supported by steady new housing construction.

Watson & Associates Economists Ltd. have provided three long-term permanent population and housing forecasts, including a low, medium (Reference) and high scenario. The Reference scenario projects a population growth rate of 0.8% over the forecast period. This scenario anticipates a total population of 88,800 people by 2051, which equates to approximately 22,400 additional residents. Additionally, an annual growth rate of 1.0% is anticipated for employment growth across the County.

The next phase of the comprehensive review will be to utilize the new forecasts, the inventory of land (both residential and non-residential/industrial), the policy and growth framework (as outlined in Report CD 21-69) to assess the long-term land supply needs and growth scenarios. This will involve a variety of engagement in the new year as per the Growth Management Study Engagement Plan.

Discussion:

Phase 2B of the Growth Management Study, as described in the terms of reference (Report CD 21-47), is the update of the long-term population, household and employment forecasts and allocations to the year 2051. Norfolk County hired Watson & Associates Economists Ltd. to complete the first phase of the comprehensive review to align with the Development Charges study. The report attached as Appendix A, titled Comprehensive Review Phase 1: Long-Term Growth Analysis is an update to the previous work completed in 2014 and analyzes recent development trends, population, housing and employment growth as well as the regional and local economic trends that may impact growth within Norfolk County.

The growth management study is intended to satisfy the requirements of PPS policies 1.1.3.8, regarding the expansion of a settlement area, and 1.3.2.4, regarding the conversion of land within Employment Areas. This report is phase 1 of the work required to satisfy the PPS requirements of a comprehensive review and our Official Plan policies, which are discussed in detail through staff report CD 21-69.

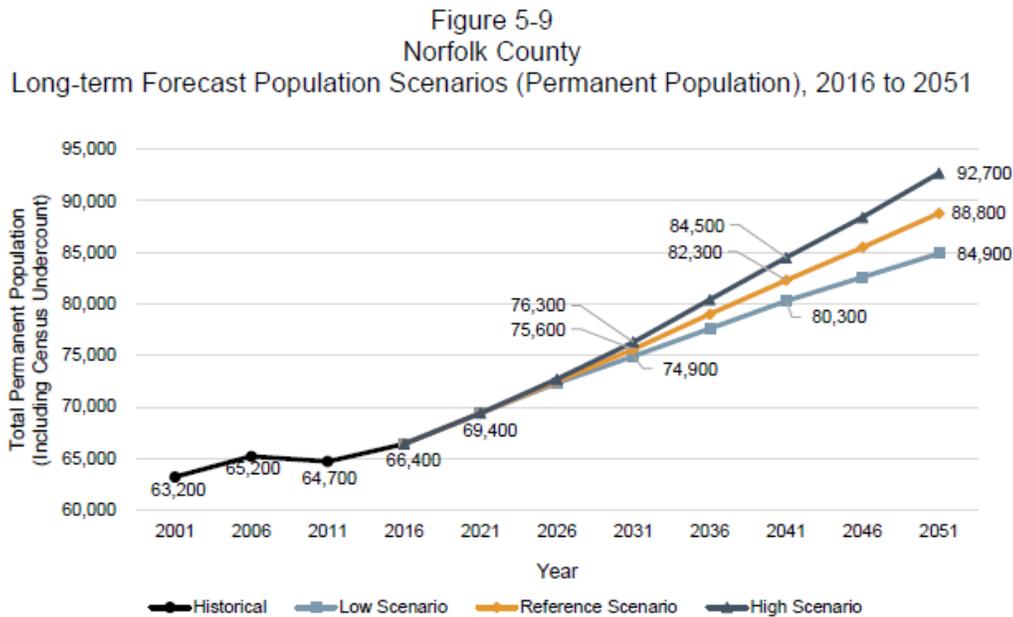
During the previous 20 years, Norfolk County has experienced uneven population growth, which can be attributed to periods of regional economic growth and contraction. Between the years 2001 to 2016, Norfolk County's population grew at a moderate annual pace of 0.3%. From 2016 to 2021 the annual population growth rate increased to 0.9% and has been supported by steady new housing construction.

Watson & Associates Economists Ltd. note that future population and employment growth within Norfolk County is strongly correlated with the growth outlook and competitiveness of the local economy and the surrounding region, which is largely represented by the Greater Golden Horseshoe. Over the past two decades, Norfolk County has experienced relatively steady employment growth across a range of sectors including health care and social services, manufacturing, retail, accommodation and food services, professional, technical and scientific services and agriculture. To varying degrees, the established employment sectors are all anticipated to experience employment growth consistent with the long-term economic outlook for the broader economy.

Chapter 5 of the Watson report includes three long-term permanent population and housing forecasts for Norfolk County, including a low, medium (Reference) and high scenario. A range of forecasts have been generated based on varying assumption

regarding annual net migration. The Reference scenario projects a population growth rate of 0.8% over the forecast period.

Figure 1: Figure 5-9 from Comprehensive Review Phase 1: Long-Term Growth Analysis



Source: Forecast by Watson & Associates Economists Ltd.
Note: Population includes net Census undercount.

Norfolk County Total Permanent Population Growth					
	2016	2051	2016-2051	Annual Growth	Annual Growth Rate
Low Scenario	66,400	84,900	18,500	530	0.7%
Reference Scenario	66,400	88,800	22,400	640	0.8%
High Scenario	66,400	92,700	26,300	750	1.0%

Source: 2016 derived from Statistics Canada Census data and 2051 by Watson & Associates Economists Ltd.

Based on the review completed by Watson & Associates Economists Ltd. the Reference scenario represents the “most likely” growth forecast for Norfolk County. This scenario anticipates a total population of 88,800 people by 2051, which equates to approximately 22,400 additional residents. Additionally, an annual growth rate of 0.9% is anticipated for permanent households, representing an increase of approximately 9,700 households by 2051.

It is anticipated that long-term occupancy, or the average person per unit (P.P.U), will continue to decline largely as a result of the aging population and the shift to medium and higher density building forms.

Regarding the total share of housing growth within the urban areas, it is anticipated that recent trends observed will continue anticipating that Simcoe and Port Dover will accommodate approximately two-thirds of the County-wide housing growth from 2016 to

2051 (30% and 27% respectfully), followed by Waterford (14%), Delhi (9%), Port Rowan (7%) and Courtland (1%). All urban areas are anticipated to accommodate a significant share of low-density housing, although an increasing number of medium and high density built forms are anticipated with the exception of Courtland. It is important to note that the forecasts are intended to assist with future infrastructure and servicing capacity needs, rather than reflect the existing servicing capacity for each urban area. The population forecast will inform the ongoing infrastructure work being completed by the Environmental & Infrastructure Services Division.

Hamlets and rural areas are expected to accommodate approximately 12% of the housing growth between 2016 and 2051. It is anticipated that development will include 95% low-density and 5% medium density built forms.

The total employment base is forecast to grow to approximately 32,600 jobs, representing an increase of approximately 9,200 jobs between 2016 and 2051, or at an average annual rate of 1%. Similarly to population growth, economic growth is anticipated to be concentrated within Norfolk County's urban areas, accounting for 84% of the County wide growth. The hamlets and rural areas are forecast to account for the remaining 16%. It is expected that Simcoe will accommodate over one-third (36%) of the employment growth over the 30-year forecast period. Port Dover is forecast to comprise 17% of employment growth followed by modest growth for Waterford (12%), Delhi (10%), Port Rowan (5%) and Courtland (3%).

The next phase of the comprehensive review / growth management study process will utilize the results of the new population growth scenarios and analysis to assess the long-term urban land needs for both residential and non-residential uses (including further assessment of intensification opportunities and settlement boundary areas). This will involve addressing provincial and Official Plan policies along with a public engagement process for community members and development stakeholders.

Financial Services Comments:

The report as presented does not contain any direct financial implications.

The Growth Management Study, along with the Official Plan, will guide staff during the development of the annual 10 Year Capital Plan and Asset Management Plan. Projects that are growth related will be funded in accordance with the development charges study that is typically completed every 5 years; otherwise funding is budgeted based on capital funding policies. The new long-term growth analysis from this report is an input to the Development Charges Background Study that is underway.

Interdepartmental Implications:

The attached report is anticipated to form the basis of the Development Charges Study currently underway through Corporate Services – Finance and aid in the long-term water and wastewater system planning through Environmental & Infrastructure Services. Understanding the long-term population and economic forecasts for Norfolk County will assist in planning and financing growth over the planning horizon. The

forecasts can also assist in prioritizing large infrastructure projects to ensure that development can occur in a coordinated manner.

Consultation(s):

The attached report was circulated to the Growth Management Study technical committee for comment and no concerns were raised.

Strategic Plan Linkage:

This report aligns with the 2019-2022 Council Strategic Priorities "Foster Vibrant, Creative Communities", "Create an Optimal Place for Business" "Build and Maintain Reliable, Quality Infrastructure" "Focus on Service" and "Build Solid Foundations".

Explanation:

The Growth Management Study aligns with each of the strategic priorities identified by Council. The comprehensive review, Phase 1 report prepared by Watson & Associates Economists Ltd., provides the background and foundational piece of the long range planning study to ensure that Norfolk County can continue to facilitate the development of a beautiful, safe neighbourhood with a strong sense of community while promoting opportunities for a diverse and attractive mix of housing options with the intension of increasing affordability,

Strong long-term forecasts for economic development will help Norfolk County to foster an environment for growth and innovation, with the expectation of creating new partnerships and forward thinking approaches.

Collaborating with County departments, such as Environmental & Infrastructure Services and Corporate Services, will ensure that long-term infrastructure planning is proactive and a strategy to address future water and wastewater capacity is sufficient to support the anticipated demand for development within Norfolk County. Understanding the population and economic forecasts will assist with prioritizing long-term infrastructure projects and lead to a more streamlined process for reviewing development applications and building permits.

This report provides foundational information that will form the basis of recommendations towards a strategy for Norfolk County to accommodate the anticipated long term growth in a financially sustainable way, including effective long-term asset management practices and the County's future success.

Conclusion:

In conclusion, the attached report forms phase one of the comprehensive review, as described by the PPS and provides the long-term population and economic forecasts from 2016 to 2051. It is recommended that a moderate long-term population growth rate scenario of 0.8% and a long-term employment growth scenario of 1.0% be applied to

Norfolk County as it is the “most likely” to occur based on the factors outlined in the Watson report.

Phase 2 of the comprehensive review will assess its long-term urban land needs and existing Official Plan policies in accordance with the results of the Phase 1 analysis. The new growth projections will help form the basis of the County’s upcoming Development Charges Background Study update and be utilized to inform future infrastructure and master planning reviews.

Recommendation(s):

THAT Report CD 21-129, Comprehensive Review Phase 1: Long-Term Growth Analysis, prepared by Watson & Associates Economic Ltd., be received for information;

AND THAT the growth projections (including the population Reference Scenario and the employment scenario) identified in Comprehensive Review Phase 1: Long-Term Growth Analysis, prepared by Watson & Associates Economic Ltd., attached as Appendix A to Staff Report CD 21-129, be approved;

AND FURTHER THAT staff be directed to incorporate the Comprehensive Review Phase 1: Long-Term Growth Analysis, prepared by Watson & Associates Economic Ltd., attached as Appendix A to Staff Report CD 21-129, into long range County wide initiatives throughout the Corporation in which population, housing, and employment data is required.

Attachment(s):

Appendix A – Comprehensive Review – Phase 1: Long-Term Growth Analysis, prepared by Watson & Associates Economists Ltd., December 7, 2021

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