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Amherstview West Secondary Plan

**Growth Management Report for
Amherstview Secondary Plan**

Update: November 2023





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Prepared for:
Loyalist Township

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TO: Bohdan Wynnyckyj, RPP, Chief Planner – Special Projects, Loyalist Township

FROM: Nadia De Santi, MCIP, RPP, Practice Lead

SUBJECT: Growth Management Report for Amherstview West Secondary Plan

DATE: July 28, 2021; Updated: November 2022 and November 2023

1 Introduction

Loyalist Township is a lower-tier municipality located in the County of Lennox and Addington in Eastern Ontario. It has a land area of approximately 342.72 km² (2021 Census) and consists of a number of communities, including: Amherstview, Bath, Amherst Island, Odessa, the hamlets of Millhaven, Morven, Stella, Violet, and Wilton, and surrounding agricultural, rural, and residential communities, as illustrated in **Figure 1**.



Figure 1: Loyalist Township Key Map



Loyalist Township is undertaking a Secondary Plan for Amherstview West. The Secondary Plan will provide a policy and implementation framework to guide the future growth and development of this area for the next 25 years. The Secondary Plan will address the extension of Amherstview to the west, to accommodate future growth and development in the community for the next 25 years. It will consider future needs and priorities for the new community, including housing types, urban design, community amenities, protection of the natural environment, and transportation, including active transportation.

As shown in **Figure 2**, the Secondary Plan study area is located to the west of County Road 6 and the existing built-up area in Amherstview, and between Taylor-Kidd Boulevard (County Road 23) to the north and Bath Road (Highway 33) to the south.



Figure 2: Amherstview West Secondary Plan Study Area

As part of the Secondary Plan process, a growth management analysis is required to assess the ability to accommodate projected future residential and employment growth and development in Amherstview West. The population, household, and employment forecasts and the growth management analysis are based on the information provided in the:

- Population, Housing and Employment Projections Study (September 2019) prepared by Hemson Consulting Ltd.;
- subsequent correspondence with Hemson Consulting Ltd., the County of Lennox and Addington, and Township staff in Spring 2021, Fall 2022 and Summer 2023; and



- the recommendations of the Growth Analysis and Urban Land Needs Final Report, (September 2023) prepared by Watson & Associates Economists Ltd. in support of the County of Lennox and Addington’s ongoing Official Plan Review.

This Growth Management Report (the “Report”) includes the results of a growth management analysis consisting of the following sections:

- **Section 2:** Planning Policy Context, including:
 - An overview of the growth management policies relevant to Amherstview West that are contained in the Provincial Policy Statement (2020), County of Lennox & Addington Official Plan (Consolidated Version, February 13, 2018), and Official Plan for the Township of Loyalist Planning Area (Amendment No. 38, Five Year Review) (Council Adoption September 27, 2021);
- **Section 3:** Population, dwelling, and employment projections for Loyalist Township prepared by Hemson Consulting Ltd. and documented in the report titled “Population, Housing, and Employment Projections to 2046” (September 2019). Hemson’s report is included in **Appendix A** of this Report;
- **Section 3.1:** An overview of follow-up correspondence with Hemson Consulting Ltd., the County of Lennox and Addington, and Township staff to determine the specific population, dwelling, and employment allocations for Amherstview West;
- **Section 4:** The identification of the required land areas to accommodate projected Residential and Employment land needs, and to be designated for Residential and Employment land uses, in the Amherstview West Secondary Plan Study Area;
- **Section 5:** An update to this Report, detailing the updated Secondary Plan growth projection opinion from Hemson Consulting Ltd. (dated October 7, 2022) in response to the July 2022 announcement that large-scale industrial investment will be coming to Loyalist Township, with operations planned for late 2025. Hemson’s updated memo is included as **Appendix B** of this Report;
- **Section 6:** A further update to this Report, including an overview of the key growth-related recommendations related to Amherstview West as detailed in the report titled “Growth Analysis and Urban Land Needs” that was prepared by Watson & Associates Economists Ltd. in September 2023 for the County of Lennox & Addington. The Report includes a comprehensive assessment of the County’s long-term population, housing and employment growth potential as well as urban land needs to the year 2051. An updated residential growth analysis is also included to incorporate the recommendations from Watson’s Report, which is included in **Appendix C** of this Report; and
- **Section 7:** Conclusion to this Report.



2 Planning Policy Context

2.1 Provincial Policy Statement (2020)

The 2020 Provincial Policy Statement (PPS) came into effect on May 1, 2020 and replaced the 2014 PPS. The new PPS was prepared as part of the Province’s “More Homes, More Choice: Ontario’s Housing Supply Action Plan”. The goal of the Action Plan is to increase the mix and supply of housing and to stream the development approvals process. The PPS provides policies on matters of provincial interest including quality of the natural and built environment and public health and safety. All land use planning decisions shall be consistent with the policies of the PPS.

Part IV: Vision for Ontario’s Land Use Planning System identifies that land use must be carefully managed to accommodate appropriate development to meet the full range of current and future needs. Planning authorities are encouraged to permit and facilitate a range of housing options, including new development as well as residential intensification, while promoting efficient development patterns that promote a mix of housing, including affordable housing. Growth should also be focused within settlement areas and away from significant or sensitive resources and areas which may pose a risk to public health and safety.

A summary of the policy sections and policies related to the Amherstview West Secondary Plan is provided below.

Housing

- Planning authorities are encouraged to permit and facilitate a range of housing options, including new development, as well as residential intensification, to respond to current and future needs (Part IV).
- A new definition for “housing options” has been added: “a range of housing types such as, but not limited to single-detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings. The term can also refer to a variety of housing arrangements and forms such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, land lease community homes, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.” (6.0 Definitions)
- A revised definition for “residential intensification” is included: “intensification of a property, site or area which results in a net increase in residential units or accommodation and includes:
 - a redevelopment, including the redevelopment of brownfield sites;
 - b the development of vacant or underutilized lots within previously developed areas;
 - c the conversion or expansion of existing industrial, commercial and institutional buildings for residential use; and
 - d the conversion or expansion of existing residential buildings to create new residential units or accommodation, including accessory apartments, additional residential units, rooming houses, and other housing options.” (6.0 Definitions)



- Planning authorities are required to provide adequate land for a 25-year planning horizon, rather than the 20-year horizon in the 2014 Provincial Policy Statement (Policy 1.1.2).
- Planning authorities are also required to maintain at all times a minimum 15- year supply of lands which are designated and available for residential development (Policy 1.4.1 a), and land servicing capacity sufficient to provide at least a three-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans (Policy 1.4.1 b). Upper-tier and single-tier municipalities may choose to maintain land with servicing capacity sufficient to provide at least a five-year supply of residential units (Policy 1.4.1).
- Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents by permitting and facilitating “all housing options required to meet the social, health, economic and well-being requirements of current and future residents [...]”, and “all types of residential intensification, including additional residential units, and redevelopment [...]” (Policy 1.4.3).

Employment Lands

- Employment areas planned for industrial and manufacturing uses shall provide for separation and mitigation from sensitive land uses to maintain the long-term operational and economic viability of the planned uses and function of these areas (Policy 1.3.2.2).
- Employment areas planned for industrial or manufacturing uses should include an appropriate transition to adjacent non-employment areas (Policy 1.3.2.3).

Implementation

“Designated and available,” is defined as “lands designated in the official plan for urban residential use. For municipalities where more detailed official plan policies (e.g. secondary plans) are required before development applications can be considered for approval, only lands that have commenced the more detailed planning process are considered to be designated and available for the purposes of this definition.”

2.2 County of Lennox & Addington Official Plan (Consolidated Version, February 13, 2018)

The County of Lennox & Addington Official Plan (Consolidated Version, February 13, 2018) (“County OP”) directs how and where growth should occur in the County of Lennox and Addington (“County”), and contains population, employment, and housing projections and allocations for the member municipalities. The County is expected to grow to a population of 9,395 persons and 2,552 jobs from 2011 to 2036. The population projection for Loyalist Township forecasts that the Township is expected to increase by 4,177 persons by 2036 (25.75%) (**Table 1**). The employment projection forecasts an increase by 720 jobs by 2036 (+25.75%) (**Table 2**). It is forecasted that the number of household units in Loyalist Township will increase by 1,702 units by 2036, including 1,328 low-density units and 374 medium density units, as shown in **Table 3**. It should be noted that the County OP does not identify the type of housing that constitutes low density and medium density unit types.



Table 1: Population Growth Forecast for Loyalist Township, 2011-2036 (Excerpt from County OP Table A)

	Population Growth (2011 to 2036)	Growth Rate (2011 to 2036)
Loyalist Township	4,177	25.75%

Table 2: Employment Growth Forecast for Loyalist Township, 2011-2036 (Excerpt from County OP Table B)

	Employment Growth (2011 to 2036)	Growth Rate (2011 to 2036)
Loyalist Township	720	25.75%

Table 3: Housing Forecast for Loyalist Township, 2011 – 2036 (Excerpt from County OP Table C)

	Low Density Units	Medium Density Units	Total
Loyalist Township	1,328	374	1,702

Section B1(a) of the County OP directs that where a local municipality has one or more Urban Areas, growth shall be focused in the Urban Area(s). Section B1(c) gives power to the local municipalities to develop their respective growth management strategies.

Section B6 identifies a minimum intensification target of 10% for Amherstview by 2036, however Section B8 states, “The population, employment and housing targets set out in Tables A, B and C do not have an impact on the ability of the County and local municipalities to consider applications to develop lands that are within an Urban Area or Rural Settlement boundary that existed on the date this Plan came into effect.” **A meeting was held with the County and the County’s planning consultant on April 1, 2021. At the meeting, the County confirmed that the Secondary Plan for Amherstview West is not required to conform to the planning horizon or population, employment, and housing forecasts in the County OP as the study area is located within an urban settlement area. Per Section B8 of the County OP, local municipalities are permitted to exceed the forecasts in this case.**

2.2.1.1 Housing Policies

Section B14.1 of the County OP requires that local municipalities with Urban Areas ensure that there is a 10-year supply of land for residential development in Urban Areas.

2.3 Official Plan for the Township of Loyalist Planning Area (Amendment No. 38, Five Year Review) (Council Adoption September 27, 2021; County Approval March 25, 2022)

Loyalist Township completed a five-year comprehensive review of the Official Plan for the Township of Loyalist Planning Area in 2021. The New Official Plan was adopted through Amendment No. 38 (By-law 2021-062) by Township Council on September 27, 2021, and approved by the County of Lennox and Addington on March 25, 2022 (“Township OP”).



Section 3.6 – Growth Management Goal, includes the following growth management objectives that are relevant to the Amherstview West study area to:

- Accommodate the population and growth forecasts to 2036 (Policy 3.6.1.1).
- Promote the growth and development of the Township at suitable locations in a planned orderly manner consistent with the Township’s ability to absorb such development. **Development shall proceed according to the policies of Section 4 of this Plan (Growth Management).** Council will, generally focus development to the **urban settlement** areas where full municipal services are available (Policy 3.6.1.2).
- Focus residential intensification and infilling to the urban settlement areas of Amherstview, Bath and Odessa (Policy 3.6.1.3).
- Encourage a diversity of residential types, mix of land uses and densities at appropriate locations to satisfy social and economic needs of the population, **that will ultimately minimize the negative impacts to air quality and climate change** (Policy 3.6.1.5).
- Encourage the creation of “**complete communities**” in the design of new neighbourhoods (Policy 3.6.1.11).

Part 4 – Growth Management, Policy 4.2.1 sets out new population and employment forecasts for the entire Township to the year 2036. **Policy 4.2.2 states that, “The population forecasts noted in 4.2.1 above shall not prevent the development of a Secondary Plan for the Amherstview West Area to accommodate a growth forecast to 2046.” As such, Policy 4.2.2 of the Township OP permits the planning horizon of the Amherstview West Secondary Plan to the year 2046.**

Part 4 also details the Township’s strategy for growth within settlement areas. The Township is projected to accommodate a population of approximately 20,398 people by the year 2036 and 3,515 jobs (Policy 4.2.1). It is noted that the Township OP’s planning horizon is to 2036 and includes population and employment projections to the year 2036 derived from the County OP. Township staff noted that this was done to be consistent with the County OP planning horizon. Further discussion with the County and Township staff (meeting held on April 1, 2021) confirmed that Section B1 of the County OP gives power to local municipalities to develop their own growth management strategies for lands designated for future development within existing settlement areas, with differing planning horizons than that of the County OP.

Per Policy 4.2.3, the minimum residential intensification target for Amherstview is 10%. It is important to note that this target is for the entirety of Amherstview and not for Amherstview West specifically.

The Township provides further policies for growth management in Section 4.2, which are summarized below:

- Per Section 4.2.6, the Township will encourage intensification and redevelopment through the development of vacant or underutilized land, or through the redevelopment of existing buildings. Consideration will also be given to compatibility with surrounding properties, specifically the:
 - provision of sufficient parking;
 - protection of natural and cultural heritage features;
 - availability of suitable or planned infrastructure and public services; and
 - suitability of building type, lot size, building height and exterior design.



- Section 4.2.7 states that the Township will promote design and orientation which:
 - a) maximizes energy efficiency and conservation, and considers the mitigating effects of vegetation;
 - b) maximizes opportunities for the use of renewal energy systems and alternative energy systems; and
 - c) maximizes vegetation within settlement areas, where feasible.

Section 5.7 of the Township OP includes policies with revised targeted maximum residential net densities for the Residential-designated lands within all Urban Settlement Areas. The residential net densities reflected in the Township OP are summarized in **Table 4**.

Table 4: Maximum Residential Net Densities – Township OP (Council Adoption September 27, 2021; County Approval March 25, 2022)

Land Use Designation	Maximum Net Residential Density	Policy Reference
Suburban Residential (includes single-detached dwellings on large fully serviced estate type lots; applied to certain lands within the Windermere Estates Secondary Plan Area in Bath and does not apply to lands in Amherstview)	10 units / net hectare	Policy 5.7.1.4(c)
Low Density Residential (includes single-detached dwellings, semi-detached dwellings, duplexes, and accessory uses)	37.5 units / net hectare	Policy 5.7.1.5(a)
Medium Density Residential (includes Low Density Residential uses, triplexes, quadruplexes, maisonettes, row or cluster housing, converted single-detached dwellings creating not more than four (4) dwelling units, street front townhouses, low-rise apartment dwelling houses, other forms of multiple-unit housing, and accessory uses)	75 units / net hectare	Policy 5.7.1.6(b)
High Density Residential (includes uses permitted in the Medium Density Residential designation, as well as stacked townhouses and apartment dwelling houses. New single-detached, semi-detached, and duplex dwellings shall not be permitted.)	120 units / net hectare	Policy 5.7.1.7(b)

Section 10.22 – Definitions, Subsection 10.22.16 of the Township OP defines “Net Density” as “the ratio of the number of residential units to one (1) net hectare. Net hectare means the area of land to be developed less any lands to be dedicated to the Municipality for public roads, walkways, open space, parks, community facilities such as but not limited to libraries, fire stations, recreation facilities, schools, and which are not an environmental category where they would be considered inappropriate as part of the parkland dedication under the Planning Act.”



3 Population, Housing, and Employment Projections to 2046 (Hemson Report, September 18, 2019)

As part of the Loyalist Township Official Plan Review that was completed in 2021, Hemson Consulting Ltd. (“Hemson”) prepared a Population, Housing and Employment Projections Study “(Hemson Report)” dated September 2019, for a planning horizon to 2046 (**Appendix A**). The Hemson Report examined the demographic and economic growth and change in Loyalist Township within the context of recent trends and the 2016 Census, development, and land supply information. The Hemson Report presented population, housing, and employment forecasts for the entire Township and local allocations for Amherstview, Bath, Odessa, and Amherst Island, and the Rural Area, to be used as a basis for planning for future growth and development. The findings of the Hemson Report were presented to Township Council on July 29, 2019.

In support of their growth projection analysis, Hemson conducted a background review of servicing and land supply. This review is not included in their Report, but it concluded that local public infrastructure and servicing constraints which have historically affected housing supply in Loyalist Township have been alleviated in recent years, creating new possibilities for future development.

The Hemson Report did not include a vacant land supply analysis for Loyalist Township.

The Hemson Report presents three forecast scenarios – low, reference, and high growth – which incorporate varied assumptions about the Township’s future economic outlook. Hemson recommends that the Reference Scenario be used as a basis for planning and as such, is the scenario that was referenced in the preparation of this Growth Management analysis.

Based on the Hemson Report, the projected population, household, and employment growth for the entirety of Amherstview to the year 2046 is shown in **Table 5** is summarized below:

- The population of Amherstview is anticipated to grow by 2,640 people from 2021 to 2046, for a total population of 12,400 people by 2046.
- The number of occupied households in Amherstview will increase by 1,540 households from 2021 to 2046, for a total of 5,310 households by 2046.
- Employment in Amherstview will increase by 620 jobs from 2021 to 2046, for a total of 2,950 jobs by 2046.

Table 5: Forecast Population, Households and Total Employment Allocations for Amherstview, 2016-2046, Reference Scenario (Hemson Consulting Ltd., September 2019)

Year	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2016	9,150	-	3,450	-	2,180	-
2021	9,760	610	3,770	320	2,330	150
2026	10,450	690	4,150	380	2,510	180
2031	11,040	590	4,510	360	2,640	130
2036	11,510	470	4,780	270	2,750	110



Year	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2041	11,960	450	5,030	250	2,830	80
2046	12,400	440	5,310	280	2,950	120
2016-2031		1,890		1,060		460
2031-2046		1,360		800		310
2016-2046		3,250		1,860		770

As shown in **Table 6**, average household size in Loyalist Township was 2.47 persons per residential unit in 2016 (2016 Statistics Canada Census). The Hemson Report projects that the average household size will decrease in Loyalist Township from 2.46 persons per residential unit (2016) to 2.42 persons per residential unit by 2021, and will continue to decrease to 2.15 persons per residential unit by 2046.

Table 6: Historical and Forecast Average Household Size (Persons Per Unit) Loyalist Township, 2001-2046 (Hemson Consulting Ltd., September 2019)

Year	Persons Per Unit
2001	2.66
2006	2.57
2011	2.53
2016	2.47
2021	2.42
2026	2.36
2031	2.29
2036	2.24
2041	2.20
2046	2.15

The Hemson Report includes historical and forecast housing by unit type (**Table 7**). It is anticipated that single-detached dwellings will continue to be the dominant housing form in Loyalist Township to 2046, however a moderate increase in rowhouse dwellings is also expected. As part of the Secondary Plan process, other housing forms will be explored including semi-detached dwellings and low-rise apartments as an additional housing form to single-detached and rowhouse dwellings.

Table 7: Historical and Forecast Housing by Unit Type, Loyalist Township, 2001-2046 (Hemson Consulting Ltd., September 2019)

Year	Housing by Unit Type			
	Single/Semi	Row	Apts	Total
2001	4,160	400	570	5,130
2006	4,630	350	580	5,560



Year	Housing by Unit Type			
	Single/Semi	Row	Apts	Total
2011	4,990	400	580	5,970
2016	5,310	560	560	6,430
2021	5,590	790	580	6,960
2026	5,910	1,050	610	7,570
2031	6,270	1,310	630	8,210
2036	6,570	1,520	650	8,740
2041	6,830	1,700	670	9,200
2046	7,140	1,910	680	9,730
2016-2046	1,830	1,350	120	3,300

3.1 Identifying Population, Housing, and Employment Projections for Amherstview West

As the Hemson Report did not include specific local population, housing, and employment allocations for Amherstview West to 2046, follow-up with Hemson was required. This section provides a summary of meetings and correspondence with Hemson, the County of Lennox and Addington, and Township staff that occurred in March and April 2021.

The County confirmed that Section B8 of the County OP permits local municipalities to develop their own growth management strategies. Although the Township OP’s planning horizon is to 2036 to be consistent with the County OP, the County confirmed that the Township can proceed with setting a planning horizon for Amherstview West Secondary Plan that exceeds that of the County OP. As such, the Township OP includes a site-specific policy for the Secondary Plan area to enable a 25-year planning horizon to the year 2046:

“The population forecasts noted in 4.2.1 above shall not prevent the development of a Secondary Plan for the Amherstview West Area to accommodate a growth forecast to 2046” (Policy 4.2.2).

Residential Projections

Hemson confirmed that the lands east of the Amherstview West Study Area (southeast of County Road 6 and Taylor Kidd Boulevard) are anticipated to be fully built out by 2028. According to Hemson, as of April 2021, there will be a supply of approximately 860 residential units at full build out of this area, 320 of which are anticipated to be completed by May 2021. The remaining 540 residential units will be built out by 2028, at an anticipated rate of 76 units/year from 2021 to 2026, and 72 units/year from 2026 to 2031. **As such, Hemson concluded that the remaining 1,000 residential units of the 1,860 units that they had originally forecasted for Amherstview in the Hemson Report (as shown in Table 5) should be allocated to Amherstview West.** Hemson’s methodology in their April 21, 2021 correspondence is summarized in **Table 8**.



Table 8: Hemson – Residential Dwelling Projection for Amherstview West (to 2046)

Residential Growth from 2016-2046 Amherstview (Table 14, Hemson Report)	1,860 units
Units to be Built in Amherstview (2016-2021)*	320 units
Units to be Built in Amherstview (2021-2028)*	540 units
Remaining Supply to be Allocated to Amherstview West (2028 – 2046)	Total Residential Growth in Amherstview (2016-2046) – Built Units (2016-2028) = 1,860 units – (320 units + 540 units) = 1,860 units – 860 units = 1,000 units

*Per Hemson’s email dated April 21, 2021, these residential units are anticipated to be built beyond the Secondary Plan Study Area within Amherstview (east of Amherstview West).

Commercial Employment Projections

Hemson provided commercial employment projections to 2046 for Amherstview West. It is important to note that Hemson provided commercial employment projections using a different 2016 population figure for Amherstview than was referenced in the Hemson Report as additional 2016 Census employment information (i.e. Employment by place of work by Census Dissemination Area (DA)) was received since the preparation of the Hemson Report. In 2016, the population of Amherstview was approximately 8,200 people and there were approximately 300 to 350 commercial jobs in Amherstview (2016 Census).

From this, Hemson calculated that there was about 3.7 to 4.3 commercial jobs per 100 people in Amherstview. Applying the ratio of 3.7 to 4.3 commercial jobs per 100 people to Amherstview West, results in a projected 110 to 130 commercial jobs by 2046. Hemson recommended that the high scenario should be used for planning purposes. **For the purposes of this Growth Management Report, the 2016 population figure for Amherstview was used as the base for the commercial employment land calculations. Commercial employment land calculations were prepared using Hemson’s methodology in their May 14, 2021 correspondence.**

4 Growth Management Analysis

This section provides an analysis of population projections, and residential and employment land supply to determine whether the Township has existing, designated, and available land to accommodate the future residential and employment demand within Amherstview West.

4.1 Apply Gross-Up Factor

A “gross-up” factor is applied to go from net hectares to gross hectares and involves adding a percentage of land which will accommodate infrastructure and other considerations.

A 25% “gross-up” factor will be applied to the Residential Growth Analysis to account for required infrastructure (transportation, servicing, parks, and other community facilities), based on best practices.



A 25% “gross-up” factor will be applied to the Employment Growth Analysis to account for associated infrastructure and required buffering, based on best practices.

4.2 Population Growth Analysis

The following assumptions have been applied to the population growth analysis:

- 1,000 residential units will be added to Amherstview West by 2046.
- Hemson’s historical and forecast average household sizes for Loyalist Township (**Table 6**) are applied to Amherstview West.

The below scenario for future population growth in Amherstview West has been prepared referencing the 2021 average household size for Loyalist Township.

Using the current 2021 average household size (2.42 persons per residential unit) and applying Hemson’s assumption that there will be 1,000 residential units added to Amherstview West by 2046, the population of Amherstview West is expected to increase by approximately 2,420 people by 2046 as calculated below:

- Population growth (Amherstview West) = 1,000 units * 2.42 = 2,420 people

4.3 Residential Growth Analysis

This section provides an analysis of future residential growth in Amherstview West to determine the required area of land to accommodate and be designated for future residential development.

Assumptions

The following residential density ratio and assumptions will be used to determine the future residential growth potential on the unplanned vacant parcels within Amherstview West:

- It is assumed that all, if not most of the residential growth in the Amherstview settlement area from 2021 to the year 2046 will be directed to Amherstview West, and that a total of 1,000 residential dwelling units will need to be accommodate in Amherstview West by 2046.
- Assumptions regarding the number of dwelling units per net hectare are derived from the applicable policies in Section 5.7 of the Township OP.
- Residential land was not allocated to the Suburban Residential designation as this designation only applies to lands part of the Windermere Estates Secondary Plan in Bath.
- Using the Hemson Report’s forecast housing by unit type as shown in **Table 7**, dwelling type proportions were calculated and allocated to the Residential designations in the following manner:
 - Low Density Residential – single/semi-detached dwellings;
 - Medium Density Residential – rowhouses; and
 - High Density Residential – apartments.



- Hemson’s forecasted housing numbers by unit type for Loyalist Township (**Table 7**) were applied to the dwelling type proportion calculations for Amherstview West.
- A 25% “gross-up” factor was applied to the Residential Land Analysis to account for required infrastructure (transportation, servicing, parks, and other community facilities), based on best practices.

Residential Land Demand

By taking the forecasted housing numbers by unit type for Loyalist Township in **Table 7**, the required dwelling type proportions for Amherstview West (2016-2046) were calculated as follows:

- Single/Semi-Detached Dwellings (Low Density Residential)
 - [(Single/Semis added from 2016-2046 (Table 8)) / (Total units added from 2016-2046 (Table 8))] * 100
 - = (1,830 units/3,300 units) * 100 = 55%
- Rowhouses (Medium Density Residential)
 - [(Rowhouse units added from 2016-2046 (Table 8)) / (Total units added from 2016-2046 (Table 8))] * 100
 - (1,350 units/3,300 units)*100 = 41%
- Apartments (High Density Residential)
 - [(Apartment units added from 2016-2046 (Table 8)) / (Total units added from 2016-2046 (Table 8))] * 100
 - (120 units/3,300 units)*100 = 4%

The above dwelling type proportions were then applied to the allocation of 1,000 residential units for Amherstview West (to 2046) as provided by Hemson in their April 21, 2021 email to determine the number of dwelling unit demand by type:

- Single/Semi-detached Dwellings (Low Density Residential) – 55% * 1,000 units = 550 units
- Rowhouses (Medium Density Residential) – 41% * 1,000 units = 410 units
- Apartments (High Density Residential) – 4% * 1,000 units = 40 units



Based on the Township's residential density ratios and assumptions, the results of the residential land demand analysis for Amherstview West are summarized in **Table 9**.

Table 9: Residential Land Demand Analysis - Amherstview West (Unplanned Parcels) (July 2021)

Residential Designation (Dwelling Types)	Dwelling Type Proportion	Residential Land Demand		
		Dwelling Units (of 1,000)	Max. Gross Density (units/net ha)	Land Requirement (net ha)
Low Density	55%	550	37.5	14.67
Medium Density	41%	410	75	5.47
High Density	4%	40	120	0.33
Net Residential Land Demand			20.47 net ha	
Gross Residential Land Demand greater 25%)			25.89 ha	

*The net area applies to a gross-up factor of 25% for infrastructure, parks, etc. Figures are rounded.

At the time of initial growth management analysis completed in 2021, it was anticipated that there would be a need for 20.47 net hectares of land (25.91 gross hectares) comprised of unplanned parcels, to accommodate new residential development in Amherstview West.

Due to the publication of the County of Lennox and Addington's Growth Analysis and Urban Land Needs Report in October 2023, the residential analysis required an update as a result of the County's report recommendations. This report and updated analysis are included in Section 6 of this Report.

4.4 Employment Growth Analysis

This section provides an analysis of the projected employment allocations to 2046 for Amherstview West to determine the area of land that will be required to accommodate the additional employment demand.

Assumptions

The required employment land area calculations for Amherstview West were prepared in accordance with the following assumptions:

- As noted by Township staff, Loyalist East Business Park is currently under development on the lands northwest of County Road 6 and Taylor Kidd Boulevard. At the time of this Growth Management analysis, the Township anticipated that the future employment uses for Loyalist East Business Park will likely be mainly industrial and that future industrial employment areas will be concentrated outside of the Amherstview West study area. As such, Hemson did not prepare projections for industrial employment in Amherstview West, and employment land needs calculations have been prepared for commercial employment only. Per the Township OP and Township Draft OP, commercial uses include: retail facilities, automobile sales and service establishments, places of entertainment, eating establishments, studios, and offices.
- Calculations were prepared using the 2016 population figure (9,150 people) for Amherstview from the 2019 Hemson Report (see **Table 5**).



- Per correspondence with Hemson (May 14, 2021), it is assumed that there were 300 to 350 commercial jobs in Amherstview in 2016, with approximately 35 m² of commercial employment space per employee. The high scenario (350 jobs) was used for planning purposes as was recommended by Hemson in their May 14, 2021 correspondence.
- Population and commercial employment figures in Amherstview were applied to Amherstview West.
A 25% “gross-up” factor was applied to the Employment Growth Analysis to account for required infrastructure (transportation, servicing, parks, and other community facilities), based on best practices.

Commercial Employment Land Demand

The below scenario was prepared using the 2046 population projections calculated in Section 4.2 of this Report. **On July 15, 2021, Township staff confirmed that the Population Growth Analysis should proceed with Scenario 1. As such, the Commercial Employment Land Demand Analysis shall proceed with Scenario 1 as described below.**

Scenario 1 assumes that there will be a population growth of 2,420 people in Amherstview West by 2046.

For commercial employment, the employment density was calculated as follows:

- 350 commercial jobs / 9,150 people = 3.8 commercial jobs per 100 people

The commercial employment projection for 2046 was calculated using the above density:

- (3.8 jobs per 100 people) * (2,420 people * 0.01) = 91.96 commercial jobs
= 92 commercial jobs in Amherstview West by 2046.

The area of commercial land using the commercial employment projection and jobs per m² was then calculated:

- 92 jobs * 35 m² commercial floor space per employee = 3,220 m² of commercial floor space = 0.322 net hectares of commercial floor space.

In the May 14, 2021 correspondence from Hemson, they advised that there is currently approximately 10,250 m² of commercial floor space that exists on a total of 4.2 hectares of land in Amherstview. This translates to an approximate Floor Space Index (FSI) of 25% as calculated below.

- 10,250 m² = 1.025 hectares of commercial floor space
- FSI = (Ground Floor Area / Total Area) * 100
= (1.025 hectares / 4.2 hectares) * 100
= 24.4%

If an FSI of 24.4% is applied to West Amherstview, this results in a commercial land need of

- Commercial land need = Total Area/ FSI
= 0.322 hectares / 0.244 FSI
= 1.32 net hectares of commercial land area



A 25% gross-up factor is added to the above land area to account for associated infrastructure and buffering, based on best practices. The net commercial land area is calculated below.

- 1.32 net hectares * 0.25 = 0.33 hectares
 - 0.33 hectares + 1.32 hectares
- = 1.65 gross hectares of commercial land area

5 Hemson Update (October 7, 2022)

On July 13, 2022, Belgium-based company, Umicore N.V., announced a \$1.5B investment to build an industrial scale cathode and precursor materials manufacturing plant on a 161.64 hectares (350 acre) site at Taylor Kidd Industrial Park, which is located approximately 4.7 kilometres west of Amherstview West Secondary Plan Study Area and east of County Road 4 in Loyalist Township. Construction start is targeted for 2023, and Umicore hopes to have the new plant in full operation by 2025. Additionally, on January 26, 2022, Latham Group Inc. announced their intent to site new operational plants at Taylor Kidd Industrial Park, which is now currently under construction.

Subsequently, the Township requested that Hemson Consulting Ltd. prepare an updated opinion to advise if this new large-scale industrial investment in Loyalist would have an impact on the population, housing, and employment forecasts for the Amherstview West Secondary Plan. The findings of the update, “Assessment of Need to Revise Loyalist Township Growth Outlook and Amherstview Secondary Plan”, prepared by Hemson Consulting Ltd, dated October 7, 2022 (“Hemson Memo”) is included as **Appendix B** to this Report.

The Memo concludes that the housing and commercial employment growth projections previously prepared for Amherstview West, as discussed in Section 3 of this Report, meet demand to 2046 and remain an appropriate basis for the Secondary Plan. As such, the projections do not need to be revised at this time for the following reasons detailed in the Memo:

- It is anticipated that the construction labour and permanent operating employment for Umicore, Latham, and Tomlinson will be from the Kingston Census Metropolitan Area (CMA) and from other parts of Eastern Ontario. Growth will not necessarily occur in the immediate vicinity of the Taylor Kidd Industrial Park, and by extension, the Secondary Plan Study Area.
- Should growth accelerate in Amherstview West beyond the prepared projections, there is opportunity to review, revise, and expand the projection figures as part of a future five-year Official Plan Review, as necessary. This would be applicable to growth regardless of its relation to Umicore, Latham, and Tomlinson.

6 Growth Analysis and Urban Land Needs Report, County of Lennox & Addington – Final Report (October 2023)

As of the time of writing of this November 2023 update, the County of Lennox and Addington had initiated an update to their Official Plan (Consolidated Version, February 13, 2018) and in doing so, has undertaken an assessment of the County’s long-term growth potential and urban land needs to the year 2051 to help inform the update. The Growth Analysis and Urban Land Needs Final Report, prepared by



Watson & Associates Economists Ltd. (September 2023) (“Watson Report”) was presented to County Council for information on October 11, 2023.

Population and Employment Growth

The Watson Report determined the County of Lennox and Addington is anticipated to experience steady population and employment growth over the next several decades. A large contributor to the future economic growth is due to the planned Umicore E.V. battery manufacturing facility, as discussed in **Section 5** of this Report. The County is anticipated to achieve a relatively stronger rate of industrial absorption over the long-term planning horizon.

COVID-19 Impacts

The County of Lennox and Addington faced impacts to the population, employment growth and non-residential spaces due to COVID-19 over the last two years. The Watson Report determined over the next five (5) to ten (10) years, housing demand across all the County’s Area Municipalities is anticipated to remain strong, fueled by continued growth pressure from the Kingston area and local employment opportunities, particularly within the County’s growing export-based economy. However, over longer-term average rate of annual housing development is anticipated to gradually slow across all local municipalities, relative to recent residential development activity, driven by slower regional and provincial economic growth associated with an aging population and labour force. COVID-19 also impacted work and commerce, requiring businesses to rethink where people work, increasing the use of remote work. In turn, these trends are anticipated to place downward pressure on long-term non-residential space needs for the County associated with the commercial real estate sector.

Housing Needs in the County

Over the next 30 years, the County is expected to experience growth that will require approximately 222 new households per year. The residential growth is anticipated to shift away from low-density housing forms and will shift to a more diverse range of housing. The population is expected to become more urban, increasing the demand on urban infrastructure, municipal services and other urban amenities.

The population of the County is aging, requiring a broader range of housing options to serve older residents across a range of income levels. The housing demands from the 55 to 74 age group, and the 75+ age group is anticipated to drive future needs for urban housing across all Area Municipalities in County of Lennox & Addington.

Urban Land Needs Assessment, 2023 to 2024

The Watson Report identified that within the County, there is a surplus of residential- designated lands, **with the exception of the Amherstview settlement area, which is anticipated to have a small residential housing supply deficit of about 8 gross ha, or 105 units, in Amherstview.** The Watson Report recommends that these lands can be accommodated in the Amherstview West Secondary Plan Area, based on an average density of approximately 15 units per gross developable hectare. **Considering that the planning horizon for Loyalist Township as set out in the Township is 2046, the Watson Report further notes that the housing deficit for the Settlement Area of Amherstview will reduce to approximately 92 units or seven (7) gross hectares.**

Additionally, based on the assessment of long-term employment lands needs provided herein, a surplus of Employment Area lands has been identified over the 25-year planning horizon for the County. **There are no changes to the commercial employment forecasts for Amherstview West as a result of the Watson Report.**



6.1 Updated Residential Growth Analysis (November 2023)

With the publication of the Watson Report in September 2023, the original residential growth analysis completed in 2021 for Amherstview West has been updated to incorporate **Watson's recommendation to accommodate an additional seven (7) gross hectares of residential land in Amherstview West Secondary Plan Area**, based upon an average density of approximately 15 units per gross developable hectare.

If the same 25% gross-down factor is applied as was in the original residential growth analysis completed in 2021 (**Section 4.3** of this Report), this would result in approximately 5.25 net hectares being added to Amherstview West within the 25-year planning horizon. As such, the Residential Lands Needs Analysis is updated as shown in **Table 10**.

Table 10: Updated Residential Lands Analysis - Unplanned Parcels (November 2023)

Residential Designation (Dwelling Types)	Dwelling Type Proportion	Residential Land Demand		
		Dwelling Units (of 1,000)	Max. Gross Density (units/net ha)	Land Requirement (net ha)
Low Density	55%	642	37.5	19.92
Medium Density	41%	410	75	5.47
High Density	4%	40	120	0.33
Net Residential Land Demand			25.72 net ha	
Gross Residential Land Demand greater 25%)			32.15 ha	

7 Conclusion

In summary, the population of Amherstview West is expected to grow by approximately 2,420 people by 2046.

It is anticipated that approximately 1,092 residential dwelling units will be added to Amherstview West by 2046.

The results of the residential land analysis, which was updated in November 2023, indicate that 25.72 net hectares of residential land will be required to accommodate the 1,092 residential dwelling units to be added to Amherstview West by 2046. Low density residential (642 units) will require 19.92 net hectares of land, 5.47 net hectares for medium density residential (410 units), and 0.33 net hectares for high density residential (40 units).

Furthermore, the results of the commercial employment land analysis show that 1.32 net hectares (1.65 gross hectares) of commercial employment land will be needed to accommodate the forecasted commercial jobs.

Appendix

A

Population, Housing, and
Employment Projections to 2046
(September 2019), prepared by
Hemson Consulting Ltd.

POPULATION, HOUSING AND EMPLOYMENT PROJECTIONS TO 2046



FINAL REPORT

HEMSON Consulting Ltd.

September 18, 2019

EXECUTIVE SUMMARY

The Township of Loyalist retained Hemson Consulting Ltd. to prepare a Population, Housing and Employment Projections Study. A key purpose of the study is to re-evaluate and update the population, housing and employment projections prepared for the Township in 2008 using the most currently available data. The study involves examining demographic and economic growth and change in the Township within the context of recent trends and current Census, development and land supply information. It is undertaken in a manner consistent with the Provincial Policy Statement, 2014. Study results will provide a basis for planning for future growth and development in Loyalist. Forecasts of population, housing and employment have been prepared for the Township from 2016 to a 2046 horizon, along with local allocations of forecast growth to each of the Amherstview, Bath and Odessa communities, Amherst Island and the rural area.

Key study findings include:

- Loyalist has continued to experience moderate growth in population and households over the last three Census periods. The Township added 2,250 residents and 1,300 households over the 2001 to 2016 timeframe. The rate of housing growth in Loyalist has been outpacing population growth since 2001, owing to declining average household size, which is a result of demographic change underway in the Township.
- The aging population results in a declining average household size as older populations generally have households with more “empty nesters”, fewer children, and more single people due to divorce and widowhood. The effect is that a greater number of housing units is required to house the same amount of population than if that population were younger. Within the context of an aging population, the population would stabilize and begin to decline in the absence of in-migration.
- Loyalist is most strongly linked with the City of Kingston and is part of the Kingston Census Metropolitan Area (CMA). Many Loyalist residents work in Kingston and to a lesser extent Greater Napanee, The Township also provides employment opportunities to residents from these areas and the broader Central Eastern Ontario region.
- The Township’s employment base increased by 460 net jobs between 2001 and 2016 within the context of a shifting economic base and employment decline

in both Census periods between 2001 and 2011, followed by significant growth over the most recent Census period. Most of the Township's employment base continues to be in population-services with traditional industries also comprising a significant proportion the local job base.

- The distribution of growth within Loyalist has been largely influenced by the location of communities in relation to the City of Kingston, with which the Township has significant commuting and resident migration flows. Within Loyalist, the community of Amherstview is the largest population settlement area and the focal point of residential growth. The Bath community also experienced growth over recent Census periods, while population in Odessa has remained relatively stable.
- Three forecast scenarios were prepared incorporating varied assumptions about the Township's future economic outlook – a low, reference and high growth scenario based on assumptions about varying levels of future in-migration to Loyalist. The reference scenario represents the most likely outcome and an appropriate basis for planning.
- The forecast results indicate moderate growth in population over the period from 2016 to the 2046 planning horizon. Housing growth is anticipated to continue to out-pace population due to declining average household size. Modest employment growth is expected to continue over the forecast horizon, reflecting changes in labour force participation related to the aging population and a continued shift to services-based sectors and some growth in traditional industry employment.
- The historical pattern within Loyalist is anticipated to continue through the forecasts, reflected in the local allocations of growth.

Summary results by forecast scenario for population, households and total place of work employment are shown below.

Summary Results by Forecast Scenario				
Loyalist Township, 2016-2046				
	2016	2046		
		Forecast Scenario		
		Low	Reference	High
Population*	17,390	18,320	22,600	23,280
Households	6,430	7,240	9,730	10,360
Employment	4,710	4,960	6,140	6,330

*Total Population Including Census Net Undercoverage

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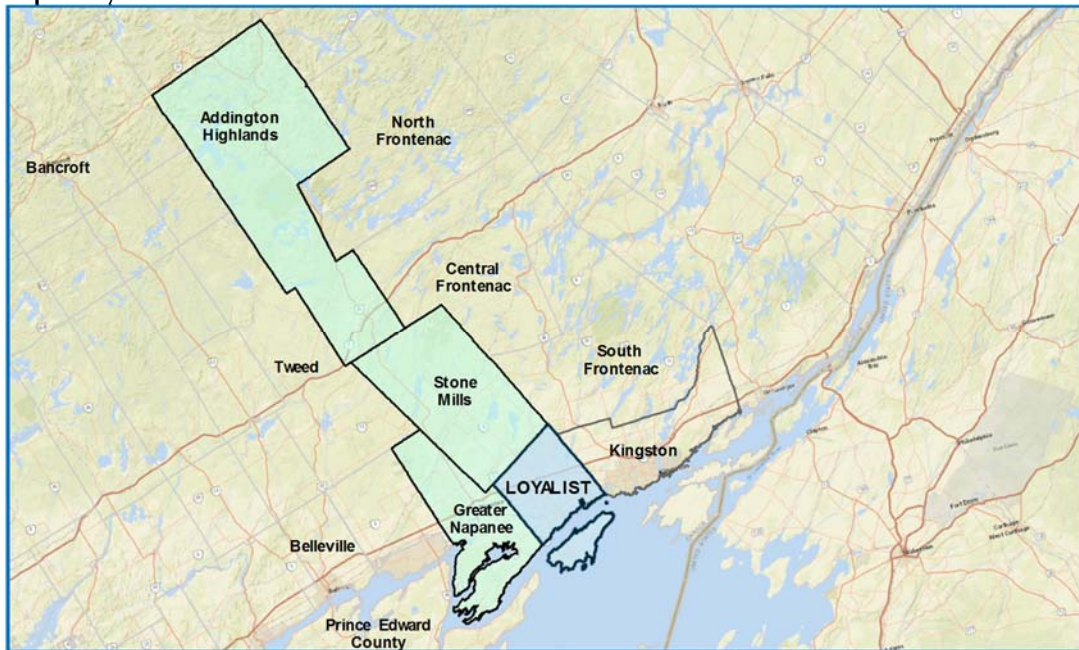
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I INTRODUCTION

Loyalist Township is one of four lower-tier municipalities, along with the Town of Greater Napanee and the Townships of Stone Mills and Addington Highlands, located within the County of Lennox & Addington in central Eastern Ontario. The Township is 340 square kilometres and comprises the residential communities of Amherstview, Bath and Odessa, a large rural agricultural area and Amherst Island.

Map 1: Loyalist in a Central Eastern Ontario Context



In 2016, Loyalist reached a population of 17,380 (including Census net undercoverage) residing in 6,430 households with an employment base of 4,700 jobs. Highway 401 runs through the Township abutted by the Odessa community and providing linkages to Greater Napanee, the City of Kingston and the rest of eastern Ontario. Loyalist is part of the Kingston Census Metropolitan Area (CMA) and neighbours the City to the west, exhibiting strong economic ties to the City where many Loyalist residents are employed. The Town of Greater Napanee to the west, which is the County seat of Lennox & Addington is also an important employment centre for the Township. Many residents from these areas benefit from employment opportunities in Loyalist as well.

A. PLANNING POLICY FRAMEWORK

Planning and growth management in Lennox & Addington and the Township is undertaken in the context of the Provincial policy framework, and must be consistent with Provincial land use planning policies and priorities, notably those set out in the Provincial Policy Statement (PPS), 2014.

The PPS provides direction for land use planning and appropriately managing growth and urban development in Ontario while protecting and enhancing natural heritage features. The Province released an updated PPS in 2014, including a number of strengthened policies for directing the distribution of growth, the protection of natural and agricultural lands, planning for employment lands and other key growth management policies. The PPS 2014 also placed greater emphasis on the unique characteristics and planning challenges for rural communities.

Municipal official plans are the implementing vehicles of Provincial planning direction. The County of Lennox and Addington adopted the first County Official Plan on September 30, 2015. The plan establishes a broad, upper tier policy framework that provides guidance to local Official Plans, Official Plan Amendments and zoning by-laws. As a lower-tier municipality within the County, Loyalist's growth projections and planning account for the County's updated policy framework.

The Township of Loyalist formed on January 1, 1998, through the amalgamation of Amherst Island Township, Ernestown Township, and Bath Village. The *Loyalist Township Official Plan* consolidated the prior official plans for the former Townships and sets out local priorities and guidance for managing growth and development within Loyalist. The Township is currently undertaking an official plan review that, among other matters, will update the planning document for consistency with the County Official Plan and the PPS, 2014. The Population, Housing and Employment Projections study will provide a key input to updating the forecasts that provide a basis for the Official Plan, as well as extending the growth outlook for Loyalist Township over the longer-term to a 2046 horizon.

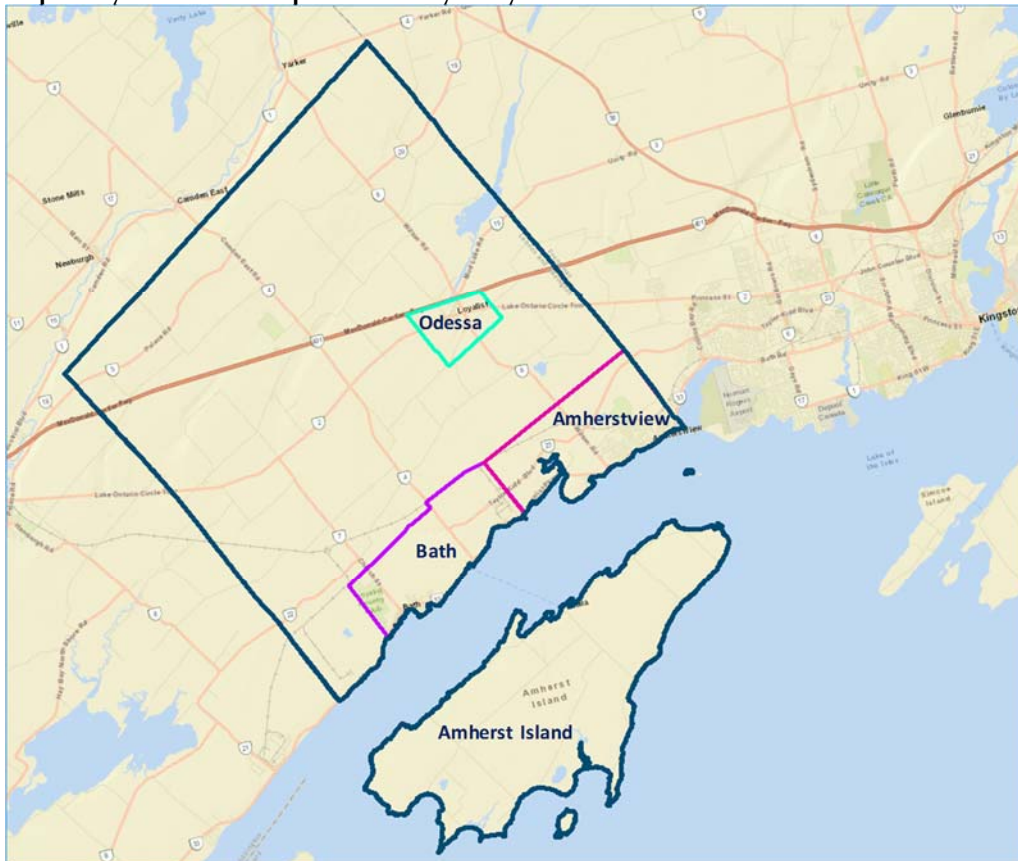
B. BACKGROUND AND STUDY PURPOSE

The Township of Loyalist retained Hemson Consulting Ltd. to prepare the Population, Housing and Employment Projections Study. A key purpose of the study is to re-evaluate and update the population, housing and employment projections last prepared for the Township in 2008, using the most currently available data, including

results of the 2016 Census. The City of Kingston has also very recently updated the projections and extended the growth outlook for the broader Kingston CMA to a 2046 horizon. This recent update was partly in response to forecasts prepared in 2013, which did not appear to be accurately capturing the growth picture for the region, notwithstanding but also highlighting the inherent uncertainty in forecasting and importance of regular review of long-range growth projections, based on the most current understanding of demographic and economic trends and data.

The Loyalist projections study involves examining demographic and economic growth and change in the Township within the context of recent trends and current Census, development and land supply information. Results of the study will provide a basis for planning for future growth and development in Loyalist. Population, housing and employment forecasts from 2016 to a 2046 horizon have been prepared for the Township. Three forecast scenarios – a low, reference and high – were prepared for consideration by Township Staff and Loyalist Council. Local allocations of forecast growth to each of the Odessa, Bath and Amherstview communities, Amherst Island and the rural area were also prepared based on the reference scenario.

Map 2: Loyalist Sub-Municipal Community Study Area



C. REPORT CONTENTS

Following this introductory section, the balance of this report is organized into three sections:

- **Section 2** examines the level and distribution of recent residential and employment growth and discusses demographic and economic trends affecting the future growth outlook for Loyalist. An overview of recent growth and change within Loyalist communities is also provided;
- **Section 3** provides an overview of the forecast methodology and assumptions that underpin the growth outlook and the results of the population, housing and employment forecast for three growth scenarios as well as allocations of the reference scenario growth forecasts to communities within Loyalist; and
- **Section 4** concludes the Loyalist Population, Housing, and Employment Projections Study report.

II GROWTH IN LOYALIST OCCURING AMIDST DEMOGRAPHIC AND ECONOMIC CHANGE

This section provides an overview of residential growth and demographic change occurring within the Township, which are key considerations in assessing the future growth outlook in Loyalist.

A. LOYALIST ADDED POPULATION AND HOUSEHOLDS DURING EACH CENSUS PERIOD SINCE 2001

Loyalist experienced moderate growth in population and households over the last decade. The Township added 2,250 residents and 1,300 households over the three Census periods since 2001, as shown in Tables 1 and 2 below. Population growth picked up significantly during the ten-year period from 2006 to 2016, relative to more modest growth in the early 2000s. Growth in households has remained relatively constant over the last three Census periods, while the average annual rate of household growth has been faster than of population for reasons described later in this section.

Table 1: Historical Population Growth, Loyalist Township, 2001-2016

Historical Population Loyalist Township, 2001 - 2016			
Year	Total Population ¹	Growth	
		Net Change	Average Annual Growth Rate
2001	15,140		
2006	15,570	430	0.6%
2011	16,630	1,060	1.3%
2016	17,390	760	0.9%
2001-2016		2,250	1.0%

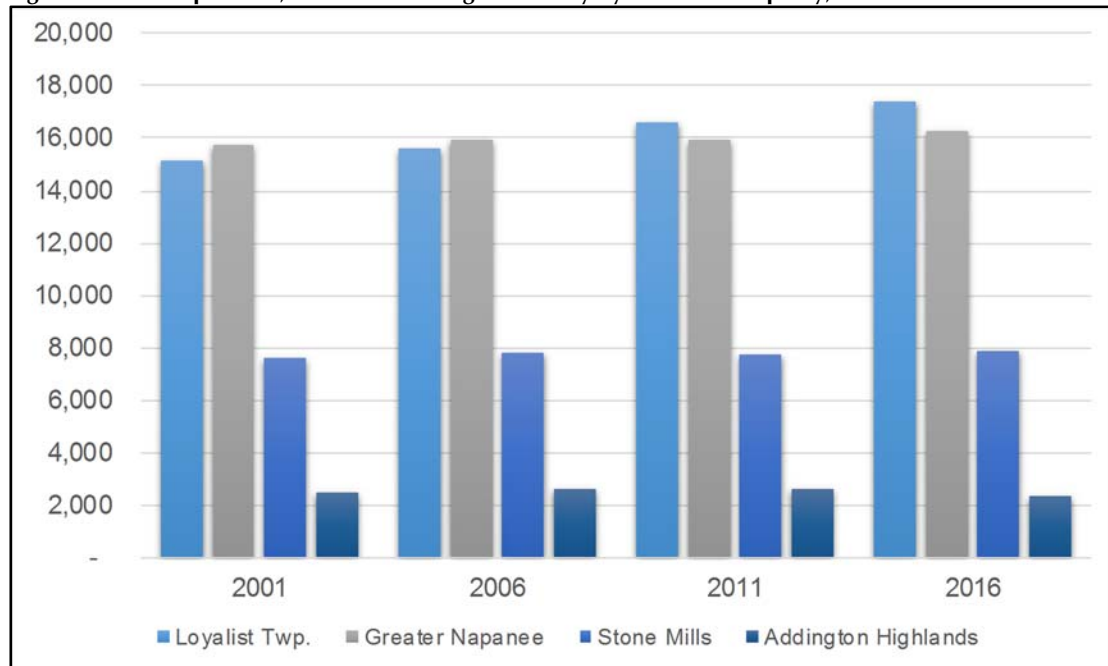
¹ Total population including Census Net Undercoverage

Table 2: Historical Occupied Household Growth, Loyalist Township, 2001-2016

Historical Households Loyalist Township, 2001 - 2016			
Year	Occupied Households	Growth	
		Net Change	Average Annual Growth Rate
2001	5,130		
2006	5,560	430	1.6%
2011	5,970	410	1.4%
2016	6,430	460	1.5%
2001-2016		1,300	1.7%

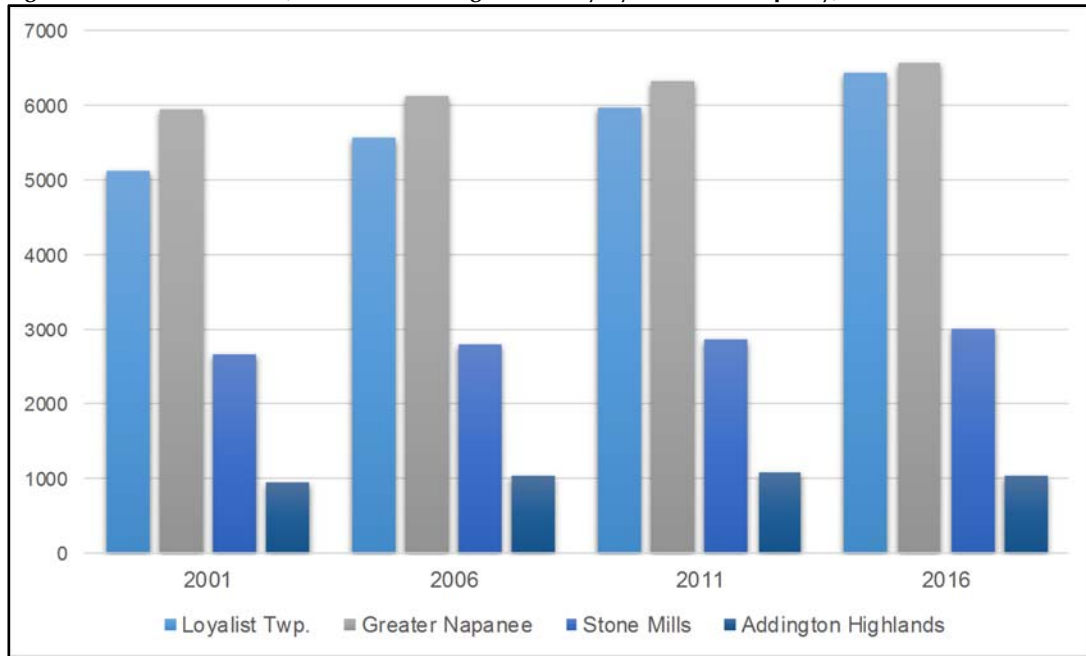
Source: Statistics Canada.

As of 2011, Loyalist became the largest population centre within the County of Lennox and Addington, modestly surpassing the Town of Greater Napanee in total population. The Township had a 2016 population of nearly 17,400 residents (total population including Census net undercoverage), which represents 40% of the County's population base. Greater Napanee, still however, maintains the largest housing and employment base in the County. The balance of the County Townships are more rural in nature by comparison to Loyalist and Napanee. The figures below illustrate total population, household and employment in Lennox & Addington from 2001 to 2016.

Figure 1: Total Population, Lennox & Addington County by Local Municipality, 2001-2016

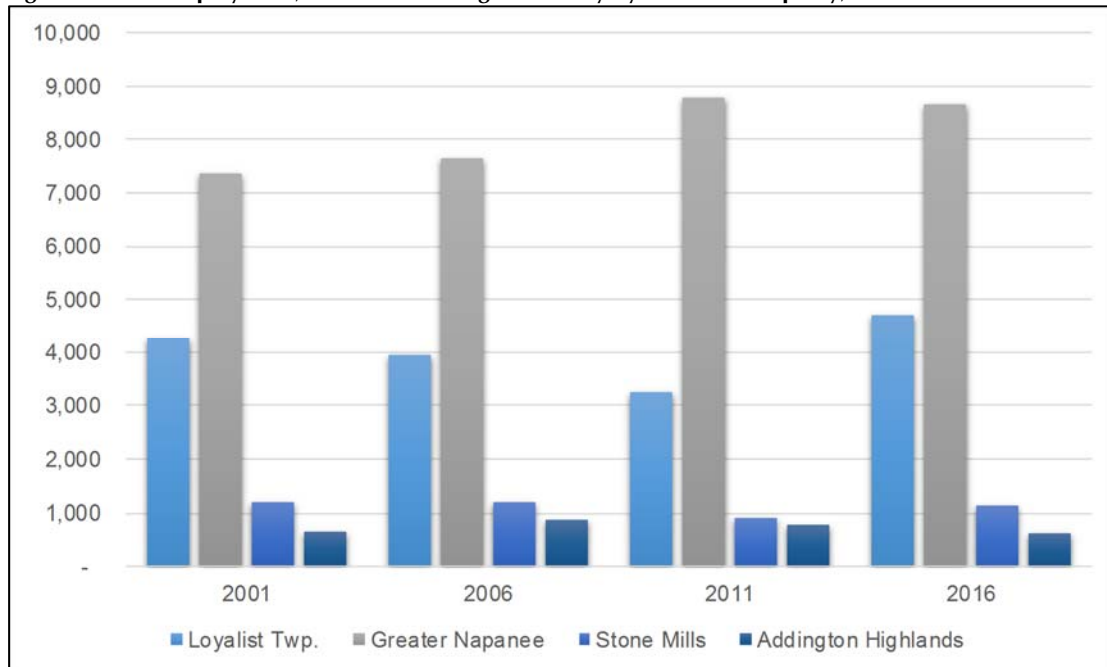
Source: Statistics Canada.

Figure 2: Total Households, Lennox & Addington County by Local Municipality, 2001-2016



Source: Statistics Canada.

Figure 3: Total Employment, Lennox & Addington County by Local Municipality, 2001-2016

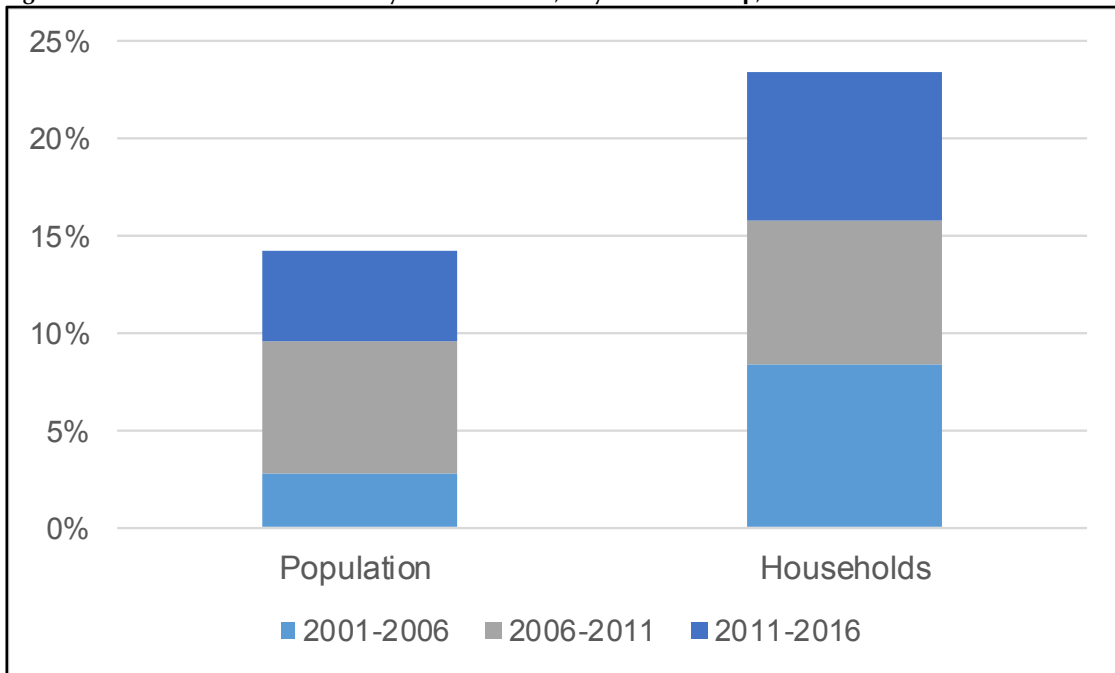


Source: Statistics Canada.

B. HOUSING GROWTH OUTPACING GROWTH IN POPULATION

The rate of housing growth in Loyalist has been outpacing population growth since 2001, owing to declining average household size, which is a result of demographic change underway in the Township. The different growth rates between population and households, as shown in Figure 4 is due in large part to an aging population, a demographic feature of Loyalist that mirrors most of Ontario, particularly in communities outside major urban centres. The aging population results in a declining average household size as older populations generally have households with more “empty nesters”, fewer children, and more single people due to divorce and widowhood. The effect is that a greater number of housing units is required to house the same amount of population than if that population were younger. The sustained fall in average household size that has occurred in Loyalist is highlighted in Table 3.

Figure 4: Residential Growth Rates by Census Period, Loyalist Township, 2001-2016



Source: Hemson Consulting based on Statistics Canada information.

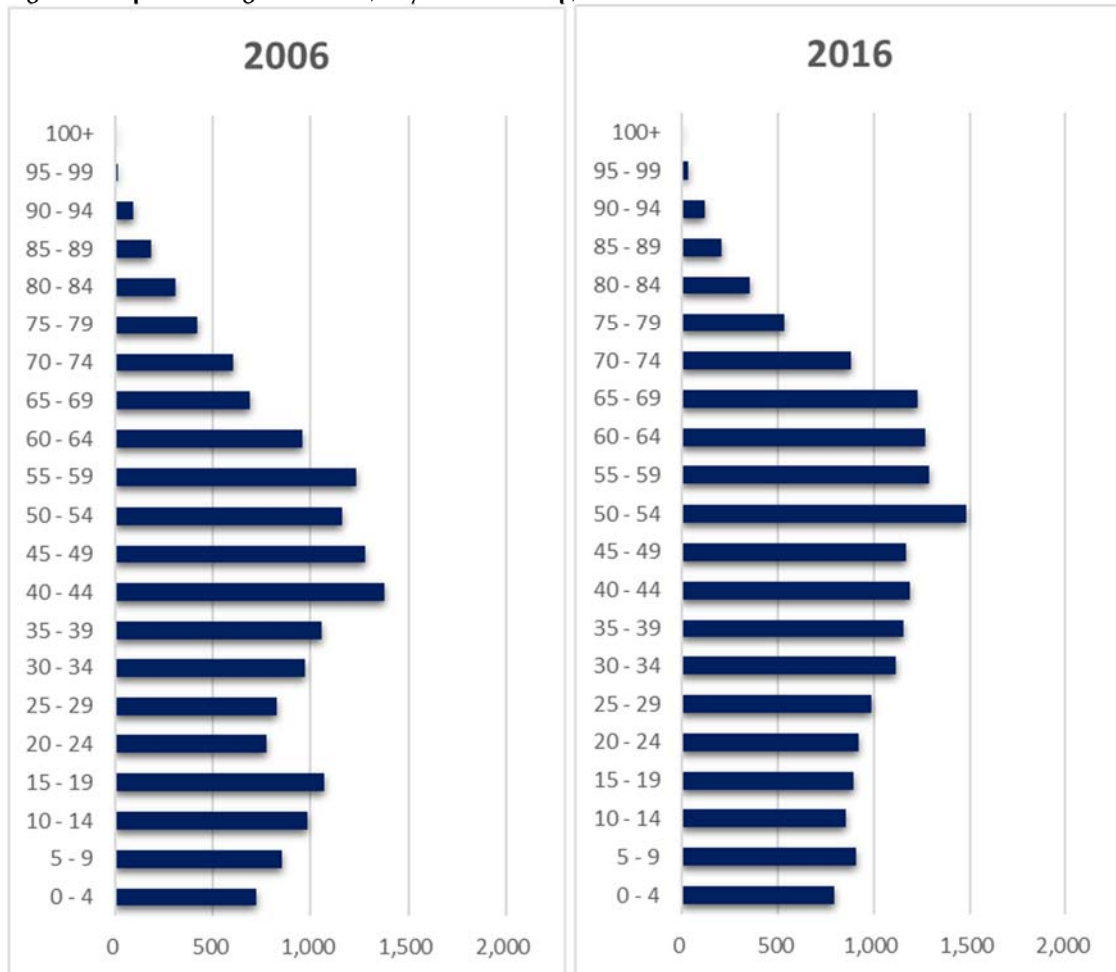
Table 3: Historical Average Household Size (Persons Per Unit)

Historical Average Household Size (Persons Per Unit), Loyalist Township, 2001-2016	
Year	Persons Per Unit
2001	2.66
2006	2.57
2011	2.53
2016	2.47

Source: Statistics Canada.

Figure 5 illustrates the change in the age structure of the population Loyalist since 2006. The aging demographic trend is anticipated to continue and is a key determining factor when forecasting future growth and change in the Township. Within the context of an aging population, the population would stabilize and begin to decline in the absence of in-migration.

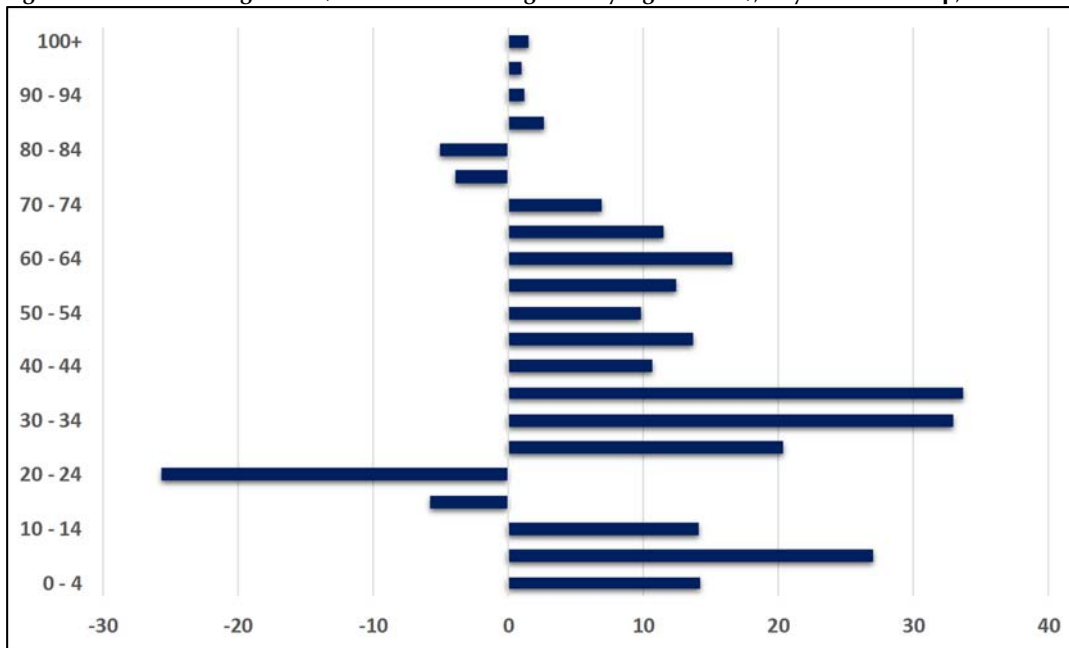
Figure 5: Population Age Structure, Loyalist Township, 2006-2016



Source: Hemson Consulting based on Statistics Canada information.

The age-structure of migrants is also a key consideration in understanding recent growth and change in Loyalist and assessing the future growth outlook. Figure 6 sets out annual net-migrants by age group over the 2006 to 2016 period. As shown, there is significant out-migration of younger aged adults, who are drawn to education and employment opportunities in larger urban centres. The pattern of some young adults leaving for the “big city” is common throughout the province with the recipient communities largely limited to the Greater Toronto Area and Ottawa.

Figure 6: Historical Migration (Number of Net Migrants by Age Cohort), Loyalist Township, 2006-2016



Source: Hemson Consulting based on Statistics Canada information.

C. TOWNSHIP EXPERIENCED MODERATE NET EMPLOYMENT GROWTH SINCE 2001 WITHIN SHIFTING ECONOMIC BASE

Employment in Loyalist has been variable over the last three Census periods, with significant declines in total employment in the 2000’s followed by significant growth in total employment over the most recent 2011 to 2016 period. Following the publication of Loyalist’s last projections in 2008, Ontario was impacted by the 2008 to 2009 global recession and the significant economic shifts that followed. The changes over this period resulted in noteworthy shifts in employment activity, which have had significant implications on the outlook for various economic sectors and employment land uses within Loyalist and the broader County of Lennox & Addington and Kingston CMA.

Table 4 indicates change in total employment in Loyalist since 2001. As shown, the Township's employment base increased by 460 net jobs between 2001 and 2016 within the context of a shifting economic base and employment decline in both Census periods between 2001 and 2011, offset by the notable growth over the most recent Census period.

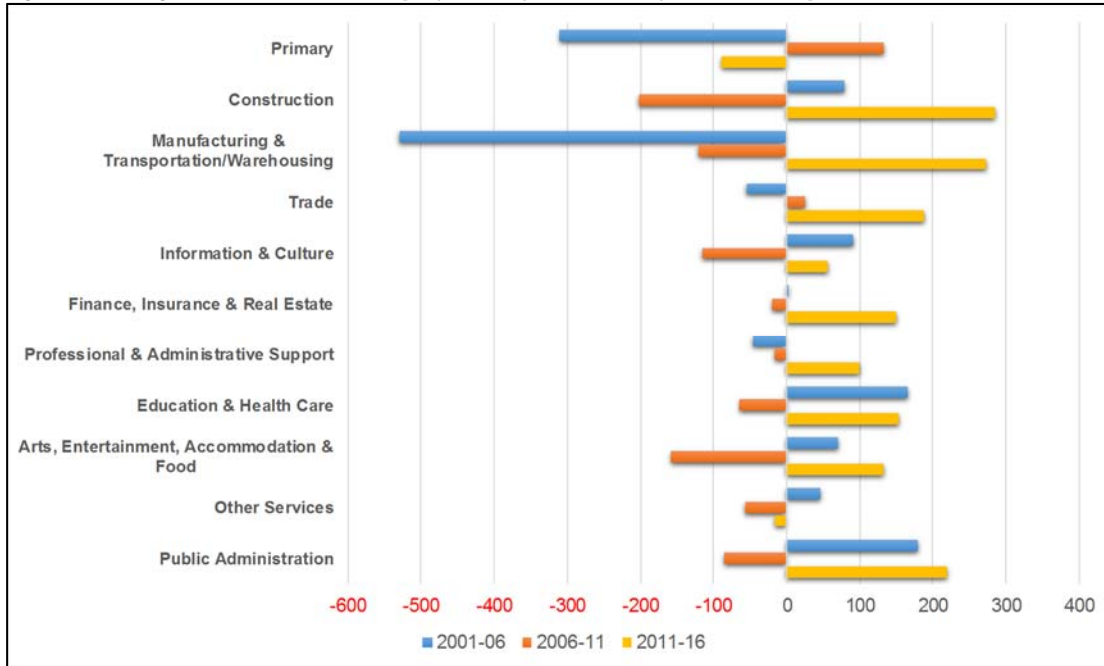
Table 4: Historical Place of Work Employment, Loyalist Township, 2001-2016

Historical Total Place of Work Employment Loyalist Township, 2001 - 2016			
Year	Total Place of Work Employment¹	Growth	
		Net Change	Average Annual Growth Rate
2001	4,250		
2006	3,940	(310)	-1.5%
2011	3,260	(680)	-3.7%
2016	4,710	1,450	7.6%
2001-2016		460	0.7%

¹ Place of Work employment refers to the number of jobs in Loyalist, irrespective of where the employee resides

As demographic change is affecting Loyalist's population and housing base, so too is economic change affecting opportunities for employment within the Township. Similar to communities throughout Ontario, Loyalist has experienced a significant increase in population-serving employment sectors, such as retail trade and healthcare. Growth in the public administration sector has also continued and accounts for Loyalist's largest employment sector, with over 900 jobs, most of which are related to correctional institutions located in Bath. Other sectors of note include Finance, Insurance and Real Estate, which more than tripled in terms of the number of total jobs since 2006, and Education, which declined by nearly one-third, losing over 100 jobs. The graphic below indicates net change in employment by sector for the three Census periods since 2001.

Figure 7: Change in Place of Work Employment by NAICS¹, Loyalist Township, 2006-2016



Source: Statistics Canada.

¹North American Industry Classification System.

For the purposes of assessing and forecasting employment growth and associated land needs, employment is divided into three land-use-based categories:

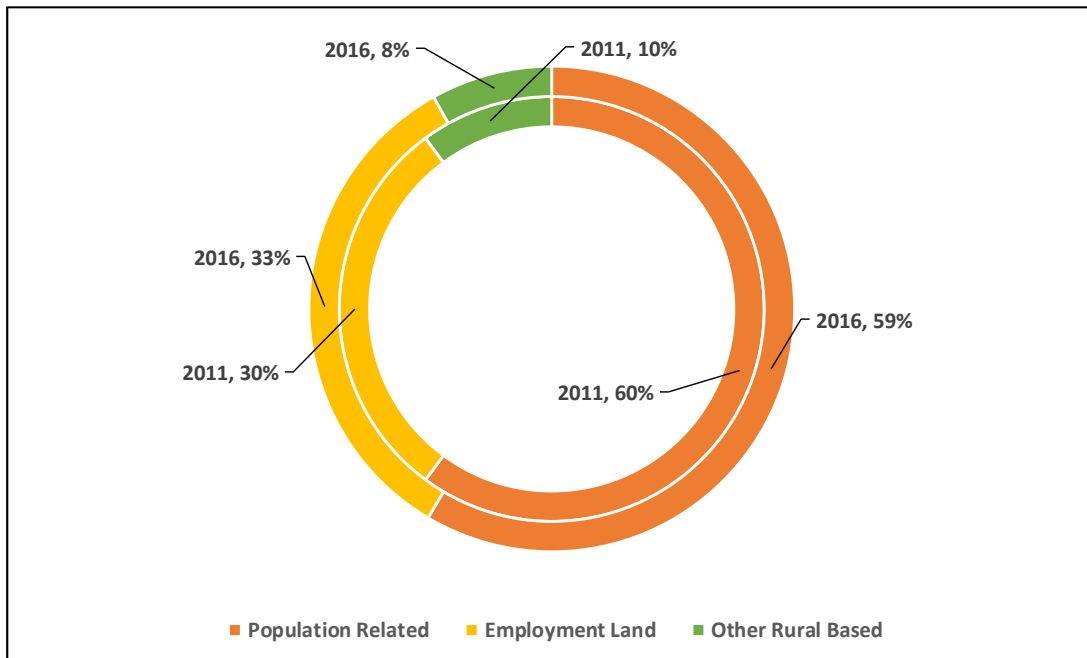
- Population-related Employment, which is employment that primarily serves a resident population and includes retail, education, healthcare, and local government. This generally grows in line with population growth and is located on a range of commercial and community area designations.
- Employment-land Employment, which refers to traditional industrial-type employment primarily accommodated in low-rise industrial buildings in business parks and employment areas. This is the type of employment that would locate on designated industrial lands.
- Other Rural-based Employment, which refers to jobs scattered throughout the rural area, primarily related to agricultural and primary industries.

Most of the Township's employment base continues to be in population-services with traditional industries also comprising a significant proportion the local job base. Table 5 indicates estimated employment by land use category in Loyalist since 2006 and Figure 8 illustrates the relative shares of employment by land-use based category in 2011 and 2016.

Table 5: Estimated Historical Employment by Type, Loyalist Township, 2006-2016

Estimated Historical Employment by Type Loyalist Township, 2006 - 2016				
	Population Related	Employment Land	Other Rural Based	Total
2006	2,300	1,320	320	3,940
2011	1,960	970	330	3,260
2016	2,750	1,570	380	4,710
2006-16	450	250	60	760
Annual				
2006-16	45	25	6	76
2006-16	2.0%	1.9%	1.9%	2.0%

Figure 8: Employment by Population-Serving, Traditional Industry and Rural-based, Loyalist Township, 2011 & 2016



Source: Hemson Consulting based on Statistics Canada information.

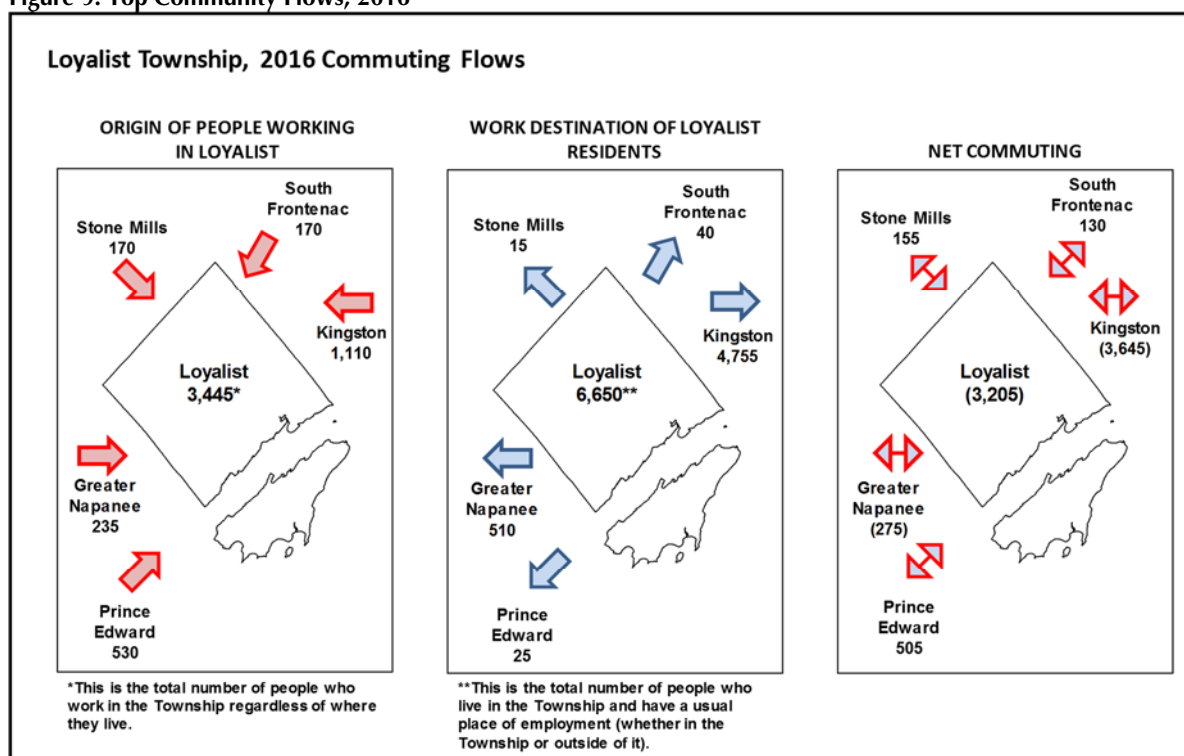
Loyalist exhibits a strong relationship with the surrounding region, most notably with the City of Kingston, and within Lennox & Addington, the Town of Greater Napanee. The Township experienced net out-commuting with the greatest number of Loyalist residents working in the City of Kingston. The next largest commuting flow is between Loyalist and Greater Napanee, the two most populous of Lennox & Addington municipalities. Table 6 and Figure 9 below indicate the largest commuting flows into and out of Loyalist in 2016.

Table 6: Commuting Patters, Loyalist Township, 2016

2016 Commuting Patterns, Loyalist Township			
Area	Number of People Commuting to Loyalist for Work	Destination of Loyalist Residents for Work	Net Commuting Flow
Belleville	75	100	-25
Greater Napanee	235	510	-275
Kingston	1,110	4,755	-3645
Ottawa	0	35	-35
Prince Edward	530	25	505
South Frontenac	170	40	130
Stone Mills	170	15	155
All Other Remaining Areas	165	180	-15
Total Commuters	2,455	5,660	-3205
Live and Work in Loyalist	990	990	0
Total Usual Place of Work	3,445	6,650	-3205

Source: Hemson Consulting based on Statistics Canada information.

Figure 9: Top Community Flows, 2016



Source: Hemson Consulting Ltd. based on Statistics Canada Place of Work and Resident Employment Labour Force data. The graphic illustrates the most significant flows of commuters into and out of the Township. 900 Loyalist residents both live and work within the Township. Note: Work at home employment is excluded from the above figures.

D. LOCAL DISTRIBUTION OF RECENT GROWTH WITHIN LOYALIST REINFORCES HISTORICAL PATTERNS

A key task of the projections study is to allocate forecast Township growth to community areas within Loyalist. Analysis was undertaken of recent growth and change within the communities of Amherstview, Bath and Odessa based on analysis of Census data at the Dissemination Area (DA) level, employing the sub-municipal study areas provided by the Township. Results are discussed below for population, households and employment at the local level within Loyalist.

The distribution of growth within Loyalist has been largely influenced by the location of communities in relation to the City of Kingston, with which the Township has significant commuting and resident migration flows. Within Loyalist, the community of Amherstview is the largest population settlement area and has continued to be the focal point of residential growth in the Township, accounting for roughly 70% of the net growth in population and household over the 2006-2016 timeframe. The Bath community also experienced growth over the last two Census periods, much more moderately during the latter 2011 to 2016 Census period. Odessa has remained relatively constant in total population between 2006 and 2016.

Background review of servicing and land supply in Loyalist suggests the housing supply in the Township has historically been affected by local public infrastructure and servicing constraints, some of which may have been alleviated in recent years, enabling future development should the market demand be realized. In particular, this may positively affect the future growth prospects for the Odessa community, where the adjacency to the Highway 401 would suggest an ideal location, particularly for residents commuting to Kingston and other parts of Lennox & Addington and central Eastern Ontario; as well as for employment lands.

Employment within in the Township is also largely concentrated in the Amherstview community, which accounted for nearly half of the net growth in employment in Loyalist between 2006 and 2016; however each study area within the Township did experience employment growth over the latter 2011-2016 period. The net decline in employment during the 2001 to 2011 period were more than compensated for over the most recent Census period. Much of the employment based in Loyalist is attributed to the significant institutional uses within the Township. Tables 7, 8 and 9 below indicate estimated total population, households and employment as well as net change during the last two Census periods, average annual growth and growth rates.

Table 7: Historical Total Population, Loyalist Township by Sub-Municipal Areas, 2006-2016

Historical Total Population					
Loyalist Township by Sub-Municipal Areas, 2006 - 2016					
	Amherstview	Bath	Odessa	Rural*	Loyalist Township
2006	7,890	2,760	1,270	3,650	15,570
2011	8,410	3,340	1,250	3,640	16,640
2016	9,150	3,420	1,270	3,540	17,380
2006-2011	520	580	-20	-10	1,070
2011-2016	740	80	20	-100	740
Annual Avg. 2006-16	126	66	0	-11	107
Avg. Annual 10-yr Growth Rate	1.6%	2.4%	0.0%	-0.3%	1.2%

*Rural includes Ernstown and Amherst Island

Source: Hemson Consulting based on Statistics Canada Information.

Table 8: Historical Occupied Households, Loyalist Township by Sub-Municipal Areas, 2006-2016

Historical Occupied Households					
Loyalist Township by Sub-Municipal Areas, 2006 - 2016					
	Amherstview	Bath	Odessa	Rural*	Loyalist Township
2006	2,870	950	460	1,290	5,570
2011	3,150	1,030	470	1,320	5,970
2016	3,450	1,150	490	1,340	6,430
2006-2011	280	80	10	30	400
2011-2016	300	120	20	20	460
Annual Avg. 2006-16	58	20	3	5	40
Avg. Annual 10-yr Growth Rate	2.0%	2.1%	0.7%	0.4%	1.5%

*Rural includes Ernstown and Amherst Island

Source: Hemson Consulting based on Statistics Canada Information.

Table 9: Estimated Historical Total Employment, Loyalist Township, 2006-2016

Estimated Historical Total Employment					
Loyalist Township by Sub-Municipal Areas, 2006 - 2016					
	Amherstview	Bath	Odessa	Rural*	Loyalist Township
2006	1,820	910	420	770	3,920
2011	1,510	750	350	640	3,250
2016	2,180	1,090	510	920	4,700
2006-2011	-310	-160	-70	-130	-670
2011-2016	670	340	160	280	1,450
Annual Avg. 2006-16	36	18	9	15	-67
Avg. Annual 10-yr Growth Rate	2.0%	2.0%	2.1%	1.9%	2.0%

*Rural includes Ernstown and Amherst Island

Source: Hemson Consulting based on Statistics Canada Information.

Analyses of local demand, land supply and servicing capacities to accommodate growth helped to inform allocations of forecast growth within the Township, provided later in this report. The allocations are based on the results of the evaluation and taking into account consultation with key stakeholders and Township staff.

III FORECASTS ARE FOR MODERATE RESIDENTIAL AND EMPLOYMENT GROWTH TO 2046

This section sets out the method and key assumptions that were used in the Loyalist Township forecast and provides the results of the population, household and employment forecasts by five-year Census intervals, from a 2016 base to 2046. The forecasts for Loyalist are considered in the larger context of trends influencing growth, change across the economic region, and incorporate all currently available data on existing development, population and employment in the Township.

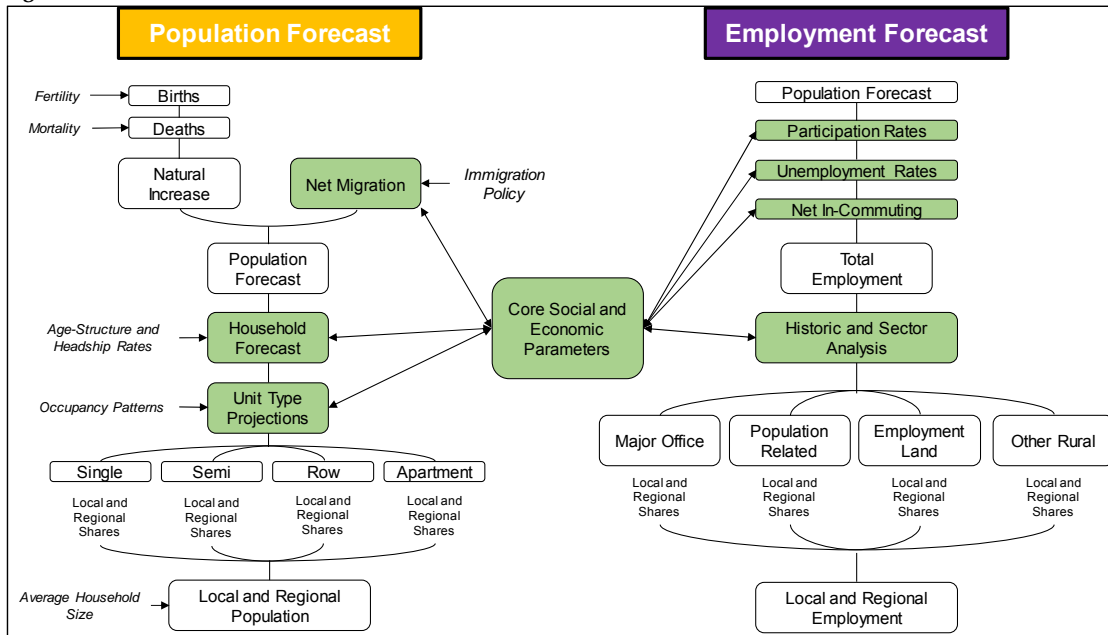
The growth forecasts were prepared using Hemson's well-established forecast modeling techniques based on Provincial forecasting and planning policy guidelines and rooted in the broader economic and demographic outlook for the Province and Eastern Ontario. This is combined with a locally-based economic and demographic outlook that takes account of local conditions. Taking into account prior forecasts and the role of Loyalist within the Kingston Census Metropolitan Area (comprising Loyalist, the Frontenac Islands, South Frontenac and the City of Kingston), the County of Lennox & Addington and the broader Eastern Ontario region, projections of population, housing and employment growth to a 2046 horizon have been prepared.

Three forecast scenarios were prepared incorporating varied assumptions about the Township's future economic outlook – a low, reference and high growth scenario – based on assumptions about varying levels of future in-migration to Loyalist. The reference scenario represents the most likely outcome and is, in our view, an appropriate basis for planning.

A. FORECAST METHOD AND ASSUMPTIONS

The forecasts of population, households and employment are based upon the well-established standard cohort-survival forecast model. The forecast method is illustrated in Figure 10 below.

Figure 10: Forecast Method



The approach begins by forecasting population, housing and employment for the Kingston CMA, Lennox & Addington and Loyalist based on national and provincial economic and demographic trends. The results of the forecast are then distributed to communities within Loyalist based on households and shares of Township-wide housing growth.

The forecasts are prepared by applying a set of principal assumptions within the forecast model related to Ontario's economic future and its social context. This set of core economic and social parameters include: the broader outlook and composition of the Ontario economy; migration and settlement patterns, such as national immigration policies and increasing concentration in urban centres; and demographic change, such as aging of the population. The forecasts of Loyalist's population, household and employment growth begin with these core economic and social parameters.

The current broad economic and demographic trends are expected to continue over the forecast horizon. The Ontario economy is expected to continue to grow at a moderate pace over the coming decades, consistent with average rates of growth over recent decades. This growth will occur within the context of a continued small shift towards a population-related employment in a more service-sector-based economy, owing to higher levels of population growth and the transition in the broader Ontario

economy to services. At the same time, in Loyalist, employment land employment is expected to continue to represent a significant share of the employment base.

Migration has come to represent the largest share of population growth throughout Ontario; levels of natural increase continue to decline and in many areas are now negative. This is due to the decrease in fertility rates and the general aging of the population. However, the baby boom echo (millennial) population is now entering its peak child-bearing years, so there will be a significant number of births as the “echo-echo” generation is born. Once that is complete, there is little natural increase likely in most populations.

Growth in Loyalist will continue to be largely dependant on intra-provincial migration and most greatly influenced by the Townships’s proximity to the City of Kingston and adjacency to Ottawa Region. By the 2030s, due to the aging demographic and fertility rates below replacement, the population of Loyalist would decline without net in-migration. The natural decrease in the base population will in part, counterbalance the population growth generated by in-migrants seeking new housing.

While Loyalist and Lennox & Addington as a whole are likely to continue to experience the out-migration of some young adults, it will be balanced by in-migration of that age group from other areas and by a large net in-migration of those in their 30s and 40s, seeking (mostly) family-oriented housing. The Township is forecast to experience modest net in-migration over the forecast.

The forecast results which follow represent a best estimate of future growth and change based on the most current available data and assumptions about past and future economic and demographic conditions. Given an inherent uncertainty in long-term demographic and economic forecasting, regular reviews are prudent and it is recommended that the forecasts be revisited at each five-year official plan review. The forecasts are prepared by five-year intervals corresponding with the Census from a 2016 base to a 2046 horizon.

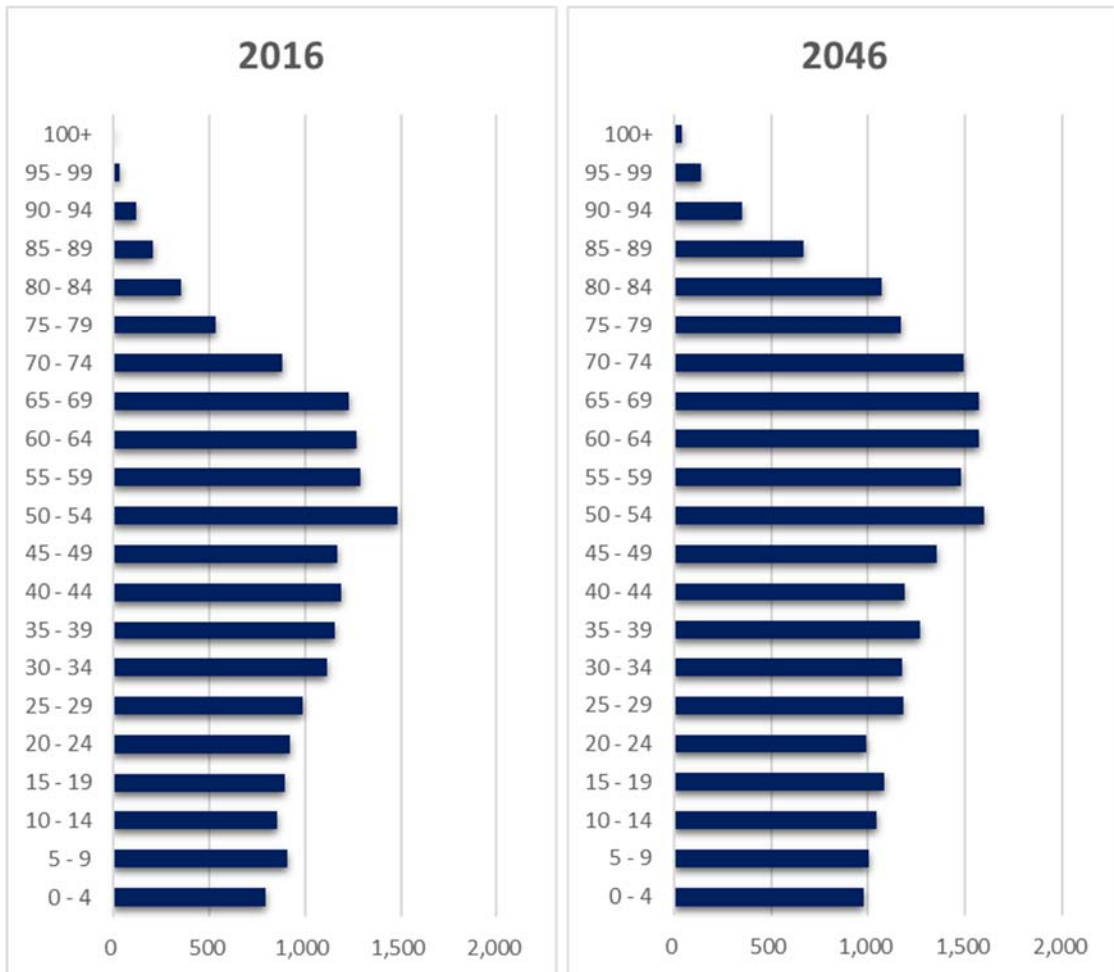
The forecast results indicate moderate growth in population over the period from 2016 to the 2046 planning horizon. Housing growth is anticipated to continue to out-pace population due to declining average household size.

A key consideration in forecasting future growth in Loyalist is the aging demographic trend. As described earlier, the Township, like many communities in Ontario, is experiencing an aging population, which has important implications in planning for

future growth and development and is a key consideration in the projection update for a number of reasons including: an aging population requires different forms of housing and age affects labour participation rates.

The graphic below illustrates the age structure of the population at 2016 and as anticipated at 2046¹.

Figure 11: Current and Forecast Population Age Structure, Loyalist Township, 2016 & 2046



Source: Hemson Consulting Ltd. using data from Statistics Canada Census, 2016; Hemson, forecast.

¹ For the purpose of the age structure forecasts, the institutional populations of the Millhaven and Bath correctional facilities are treated separately in order to account for the disproportionate number of males in the 25-40 year age cohorts.

The aging demographic trend is anticipated to continue and is a key determining factor when forecasting future growth and change in the County. Within the context of an aging population, the population would stabilize and begin to decline in the absence of in-migration.

B. THREE FORECAST SCENARIOS HAVE BEEN PREPARED

Three forecast scenarios – a low, reference and high outlook – based on varied assumptions about future migration patterns and economic conditions, have been prepared. The reference is in our view, the most likely outcome and is based on an assumption of lower net out-migration of young adults than the Township has experienced over the recent decade. The high scenario was developed to test the effects of reduced out-migration of young adults and higher in-migration for most other age groups. The low scenario would represent a continuation of current out-migration patterns and reduced labour force participation over the forecast horizon.

The outlook for housing is affected by an aging population. However, housing will grow at a faster rate than population because more households are needed to accommodate the same population as it ages: there are more empty nesters and single elderly people and fewer families with children at home. This results in a gradual decline in the average household size over the forecast horizon. Table 10 below indicates historical and continued change in average household size anticipated to occur over the forecast horizon to 2046.

Table 10: Historical & Forecast Average Household Size (Persons Per Unit)

Historical and Forecast Average Household Size (Persons Per Unit) Loyalist Township, 2001 - 2046	
Year	Persons Per Unit
2001	2.66
2006	2.57
2011	2.53
2016	2.47
2021	2.42
2026	2.36
2031	2.29
2036	2.24
2041	2.20
2046	2.15

Moderate employment growth is expected to continue over the forecast horizon, reflecting changes in labour force participation related to the aging population; and a continued shift to services-based sectors and continued most growth in traditional industry employment.

The results are provided below.

- From a current (2016) total population of 17,390, the Township's population in the first 20 years of the forecast to 2036 could range from a low of 18,310, to a mid-range total of 22,260 under the reference scenario, or even to a high of 22,500 should economic conditions and migration to the City, notably by young adults, significantly change.
- In the final 10 years of the forecast to 2046, the effect of aging and fewer births and death result in a slowing of growth in the low scenario to a population of 18,350 and in the reference scenario to 22, 600.
- The high scenario results in continued growth after 2036 with a 2046 population of 23,780.

Summary results by forecast scenario for population, households and total place of work employment are shown below.

Table 11: Summary Results by Forecast Scenario, Loyalist Township, 2016-2046

Summary Results by Forecast Scenario Loyalist Township, 2016-2046				
	2016	2046		
		Forecast Scenario		
		Low	Reference	High
Population*	17,390	18,320	22,600	23,280
Households	6,430	7,240	9,730	10,360
Employment	4,710	4,960	6,140	6,330

*Total Population Including Census Net Undercoverage

Detailed results of the reference scenario for population, households and employment are provided in the table that follows. Forecasted growth by community within Loyalist is further estimated by Census Tract within Loyalist for the purposes of local servicing and infrastructure planning. Results for the 2016 to 2046 forecast period is provided by Attachment.

Table 12: Historical and Forecast Population, Occupied Households and Total Employment Reference Scenario, Loyalist Township, 2001-2046

Historical and Forecast Population, Occupied Households and Total Employment Reference Scenario Loyalist Township, 2001 - 2046						
	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2001	15,140		5,130		4,250	
2006	15,570	430	5,560	430	3,940	-310
2011	16,630	1,060	5,970	410	3,260	-680
2016	17,390	760	6,430	460	4,710	1,450
2021	18,390	1,000	6,960	530	4,980	270
2026	19,450	1,060	7,570	610	5,260	280
2031	20,430	980	8,210	640	5,530	270
2036	21,260	830	8,740	530	5,760	230
2041	21,960	700	9,200	460	5,960	200
2046	22,600	640	9,730	530	6,140	180
Periods						
2001-16		2,250		1,300		460
2016-31		3,040		1,780		820
2031-46		2,170		1,520		610
2016-46		5,210		3,300		1,430
Annual						
2001-16		150		87		31
2016-31		203		119		55
2031-46		145		101		41
2016-46		174		110		48
2001-16		1.0%		1.7%		0.7%
2016-31		1.2%		1.8%		1.2%
2031-46		0.7%		1.2%		0.7%
2016-46		1.0%		1.7%		1.0%

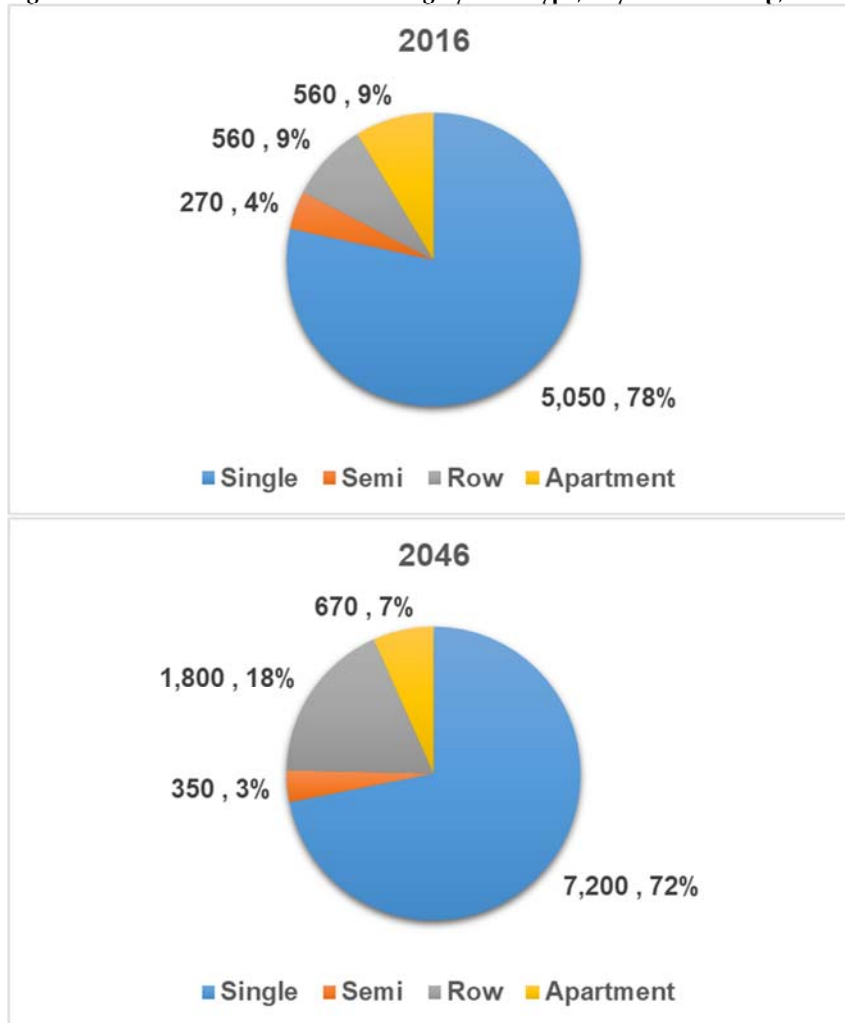
Note: Total Population includes Census Net-Undercoverage.

Table 13 below indicates historical and forecast housing by unit type. The general pattern of residential development is anticipated to continue over the forecast horizon, with single-detached dwellings continuing to be the dominant housing form, within the context of a moderate increase in the relative proportion of rowhouses in the overall housing unit mix at 2046, as shown in Figure 12.

Table 13: Historical and Forecast Housing by Unit Type, Loyalist Township, 2001-2046

Historical and Forecast Housing by Unit Type, Loyalist Township, 2001-2046				
Year	Housing by Unit Type			
	Single/Semi	Row	Apts	Total
2001	4,160	400	570	5,130
2006	4,630	350	580	5,560
2011	4,990	400	580	5,970
2016	5,310	560	560	6,430
2021	5,590	790	580	6,960
2026	5,910	1,050	610	7,570
2031	6,270	1,310	630	8,210
2036	6,570	1,520	650	8,740
2041	6,830	1,700	670	9,200
2046	7,140	1,910	680	9,730
2016-2046	1,830	1,350	120	3,300

Figure 12: Current and Forecast Housing by Unit Type, Loyalist Township, 2016-2046



The forecasts are considered within the context of prior forecasts for the Township. In this regard, it is noted that:

- The forecasts prepared for the Township in 2009 were based on 2006 Census data and forecast a Census population of 16,380 (16,870 total including Census net undercoverage) at 2016 and 18,550 Census (19, 110 with undercount) at a 2031 forecast horizon, under a “medium” scenario.
- The current forecasts are based on 2016 Census data and extend the forecast horizon to 2046. As of 2016, the Township had a total population of 17,390. This is 520 residents more than was forecast for 2016 in the prior forecast study. The current reference forecasts are for 20,430 total population at 2031, higher than the prior forecasts but taking into account recent growth and development and based on the most current understanding of demographic and economic trends affecting the growth outlook for Loyalist.

C. SUB-MUNICIPAL GROWTH ALLOCATIONS

Allocations of the reference forecast scenario growth to community areas within Loyalist are presented below. The allocations take into account historical development patterns within the Township, recent growth and change and land supply and servicing capacity. The general distribution within Loyalist is anticipated to continue through the forecasts. The allocations were provided in draft for review by Township Staff and presented to Loyalist Council in June 2019. The local allocations of the Township-wide forecasts of population, households and total place of work employment are shown in Tables 14 to 17.

Table 14: Forecast Population, Households and Total Employment, Amherstview, 2001-2046

Forecast Population, Occupied Households and Total Employment Reference Scenario Amherstview, 2016 - 2046						
	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2016	9,150		3,450		2,180	
2021	9,760	610	3,770	320	2,330	150
2026	10,450	690	4,150	380	2,510	180
2031	11,040	590	4,510	360	2,640	130
2036	11,510	470	4,780	270	2,750	110
2041	11,960	450	5,030	250	2,830	80
2046	12,400	440	5,310	280	2,950	120
2016-31		1,890		1,060		460
2031-46		1,360		800		310
2016-46		3,250		1,860		770

Table 15: Forecast Population, Households and Total Employment, Bath, 2001-2046

Forecast Population, Occupied Households and Total Employment Reference Scenario Bath, 2016 - 2046						
	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2016	3,420		1,150		1,090	
2021	3,710	290	1,310	160	1,190	100
2026	3,980	270	1,480	170	1,290	100
2031	4,270	290	1,690	210	1,410	120
2036	4,540	270	1,890	200	1,490	80
2041	4,740	200	2,060	170	1,580	90
2046	4,890	150	2,250	190	1,630	50
2016-31		850		540		320
2031-46		620		560		220
2016-46		1,470		1,100		540

Table 16: Forecast Population, Households and Total Employment, Odessa, 2001-2046

Forecast Population, Occupied Households and Total Employment Reference Scenario Odessa, 2016 - 2046						
	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2016	1,270		490		510	
2021	1,320	50	510	20	560	50
2026	1,370	50	540	30	600	40
2031	1,430	60	580	40	650	50
2036	1,480	50	620	40	690	40
2041	1,520	40	650	30	750	60
2046	1,550	30	690	40	760	10
2016-31		160		90		140
2031-46		120		110		110
2016-46		280		200		250

Table 17: Forecast Population, Households and Total Employment Reference Scenario, Amherst Island and Rural Area, 2001-2046

Historical and Forecast Population, Occupied Households and Total Employment Reference Scenario Amherst Island and Rural Area, 2001 - 2046						
	Total Population	Growth	Occupied Households	Growth	Total Employment	Growth
2016	3,540		1,340		920	
2021	3,600	60	1,370	30	900	(20)
2026	3,650	50	1,400	30	860	(40)
2031	3,690	40	1,430	30	830	(30)
2036	3,730	40	1,450	20	830	-
2041	3,740	10	1,460	10	800	(30)
2046	3,760	20	1,480	20	800	-
2016-31		150		90		(90)
2031-46		70		50		(30)
2016-46		220		140		(120)

IV CONCLUSIONS AND RECOMMENDATIONS

This report provides an overview of growth and change in Loyalist and discusses key demographic and economic trends affecting the future growth outlook for the Township. The results of the population, housing and employment forecasts from a 2016 base to a 2046 horizon and local allocations of growth to the Amherstview, Odessa, Bath communities, Amherst Island and the rural area have also been prepared.

Key study conclusions include:

- Loyalist experienced moderate growth in population and households over recent Census periods, adding 2,250 residents and 1,300 households between 2001 and 2016. The rate of housing growth has been outpacing population growth, owing to declining average household size, which is a result of key demographic change underway. Within the context of the aging population, population would stabilize and begin to decline in the absence of in-migration.
- The Township's employment base increased by 460 net jobs between 2001 and 2016 within the context of a shifting economic base and employment decline in both Census periods between 2001 and 2011, followed by significant growth over the most recent Census period.
- The forecasts are of moderate growth in population over the period from 2016 to the 2046 planning horizon. Housing growth is anticipated to continue to out-pace population due to declining average household size. Modest employment growth is also expected to continue over the forecast horizon, reflecting changes in labour force participation related to the aging population and a continued shift to services-based sectors and some growth in traditional industry employment
- The distribution of growth within Loyalist has been largely influenced by the location of communities in relation to the City of Kingston. Within Loyalist, the community of Amherstview is the largest population settlement area and the focal point of residential growth. The Bath community also experienced growth over recent Census periods, much more moderately between 2011 and 2016; while population in Odessa has remained relatively stable. The historical pattern within Loyalist is anticipated to continue through the forecasts, reflected in the local allocations of growth.
- The draft forecast results were presented at Public Information Centre and to Township Council on June 24, 2019. Minor refinements to the forecasts were made following however the overall growth outlook to 2046 remains consistent with the draft forecasts.

The reference growth scenario provided herein represents the recommended population, housing and employment forecasts for planning and growth management in the Township.

Regular forecast review and update is prudent, given inherent uncertainty in forecasting. It is recommended that the Township continue to monitor growth and development and review the forecasts at regular intervals as new information becomes available.

Appendix

B

Hemson Memo – Assessment of Need to Revise Loyalist Township Growth Outlook and Amherstview Secondary Plan (October 7, 2022), prepared by Hemson Consulting Ltd.



Hemson Consulting Ltd.

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October 7, 2022

Bohdan Wynnyckyj, RPP
Chief Planner – Special Projects
Loyalist Township
Economic Growth &
Community Development Services
Loyalist Township
P.O. Box 70
18 Manitou Crescent West
Amherstview, Ontario
K7N 1S3

Via email: bwynnyckyj@loyalist.ca

Dear Mr. Wynnyckyj:

**Re: Assessment of Need to Revise Loyalist Township Growth Outlook
and Amherstview Secondary Plan**

In 2019, Hemson prepared population and employment growth forecasts for the Township of Loyalist for the period to 2046 as the basis for the Town's growth management policies including an updated Township Official Plan, a Secondary Plan for the expansion of Amherstview community, and a growth-related capital forecast and related Development Charge Background Study. Additional analysis prepared later in 2020 and 2021 provided guidance on land needs and densities for residential and non-residential uses to assist in the preparation of the Amherstview Secondary Plan.

While the Amherstview Secondary Plan work remains underway, Umicore has recently selected Loyalist Township as the location for a major new manufacturing plant. The significance of this investment cannot be overstated for a municipality the size of Loyalist Township. Not surprisingly, landowners in the Amherstview Secondary Plan area and others have raised the question as to whether the planned growth within the expansion area of Amherstview remains sufficient in light of the new industrial investment. In the summer of 2022, Loyalist Township retained Hemson to address this question. This letter provides our opinion on the matter.

The conclusion, as described below, is that the planned housing growth in Amherstview, as well as the planned commercial lands, remain an appropriate basis for the Secondary Plan and need not be revised at this time for several reasons:

- Firstly, large industrial investments of this type do not necessarily generate significant growth in the immediate vicinity. Nearly all the construction labour and much of the permanent operating employment will be commuters drawn from across the Kingston Census Metropolitan Area (CMA) and from parts of Eastern Ontario well beyond the Kingston CMA.
- Secondly, the forecasts that serve as the basis for Amherstview's expected growth were based on economic and employment growth occurring in Loyalist and in the Kingston area over the life of the secondary plan, (recognizing it was not anticipated that so much of the growth would occur through a single large investment).
- Thirdly, plans are reviewed on a regular basis. If growth accelerates in Amherstview beyond the level forecast, and whether or not the faster development is attributable to Umicore, the plan can be reviewed, revised and expanded, as necessary, during a regular five-year official plan review or at any other time, as may be required.

Planned Growth in the Amherstview West Secondary Plan

In 2020 Hemson estimated the remaining vacant capacity of the existing Amherstview area at mid-2016 as 840 units. Units completed since mid-2016 plus those under construction as of August 2022 account for 380 units, leaving 460 still to be built out in that area, likely over the next five years.

The forecast occupied dwelling units for Amherstview from 2016 to 2046 is 1,860, less the 840-unit supply in 2016, meaning the expansion area to be planned through the Amherstview West Secondary Plan needs to accommodate about 1,000 units with a population of about 2,420 people in 2046. In addition, 1.3 net hectares of commercial land need is forecast within Amherstview West. The commercial lands are sufficient to accommodate convenience retail and some of the personal services and restaurants for the planned population. Amherstview at 2046 would not be a large enough market for larger retail outlets, especially given the proximity to the significant retail base in Kingston.

Proposed Industrial Investments in the Taylor Kidd Industrial Park

In July 2022 Umicore N.V. announced that it had selected the Kingston area and specifically a site in Loyalist Township to build what the company describes as "a manufacturing facility

for cathode active battery materials (CAM) and their precursor materials (pCAM).” The plant is further described as a “first of its kind in North America...completing the missing link in Canada’s battery value chain, from natural resources to electric mobility.” Umicore is a Belgium-based global metallurgy and materials company headquartered in Brussels.

The project is extremely significant, both for the Township and, more broadly, for the long-term economic future of Ontario with likely upstream links to existing and proposed mining operations in Northern Ontario and downstream links to major automobile and battery manufacturers, such as the enormous LG-Stellantis battery plant now being constructed in Windsor. The materials produced at the plant will be integral to the batteries expected to power nearly all new North American vehicles by the mid-2030s. For the Township, the plant will generate an unprecedentedly large increase in employment. The investment is made possible, in part, by the availability of a large suitable site that is currently under municipal ownership.

The proposed plant will occupy a 350-acre site in Loyalist Township’s Taylor Kidd Industrial Park. To the north of the site is the existing Alstom plant (formerly Bombardier’s rail division) and to the east is Northlands Power and the former Invista plant, now proposed as a new Tomlinson Cement facility. Umicore is targeting a construction start in 2023 with the plant completed and in full operation by the end of 2025. During the construction phase, the project will provide construction employment for about 1,000 workers.

At full operation, Umicore expects employment of approximately 700, most of whom will be well educated and highly skilled, including a large number of engineers in chemical, materials, metallurgical, and mining disciplines as well as technicians in related disciplines. It is understood that Umicore is working with Queen’s University engineering to help provide the needed skilled labour force. Similarly, many of the needed technicians are likely to come from the programs at St. Lawrence College’s campuses in Kingston and east and from Loyalist, Fleming, and Algonquin Colleges in other Eastern Ontario communities.

While the scale of the facility earns Umicore the industrial investment headlines, there are two other new industrial investments occurring in Loyalist that are significant in their own right. Latham Group Inc., North America’s largest in-ground residential swimming pool manufacturer, is currently building a 160,000 sq.ft. plant to manufacture fibreglass swimming pools in the Taylor Kidd Industrial Park, to the east of Jack Snow Drive. It is expected to employ about 200 workers when fully operational in 2024.

The Tomlinson Group is currently proposing a large new ready mix concrete plant, to be located on the former Invista site, just east of Umicore. By their nature, such facilities do not generate a large number of jobs; in this case, employment of about 35 is expected.

However, the plant will still be an important capital investment associated with the construction industry in the Kingston area. Tomlinson's facility is also important to Umicore because Tomlinson's proposed Lake Ontario process water facility can be sized to meet the process water needs of the Umicore plant.

Effect of Industrial Development on Growth and Land Need in the Amherstview West Secondary Plan Area Largely Depends on Commuting Patterns

The total demand for housing to 2046 in both the existing Amherstview community and in the expansion area in the Amherstview West Secondary Plan is unlikely to be significantly affected by the new industrial investments. The forecasts for growth in Loyalist that serve as the basis for the Amherstview West housing demand also included an associated employment forecast. The forecast indicated growth of about 1,400 jobs overall in Loyalist from 2016 to 2046, with about 600 of those jobs being Employment Land Employment (essentially Industrial employment).

Implicit in the forecast is that a (small) portion of the new workers would occupy the new housing in the adjacent Amherstview area. The new industrial investments amount to about 900 jobs, exceeding the forecast for this type of employment to 2046. The nearby housing demand generated by the forecast 600 industrial jobs is already in the Amherstview housing demand. For the additional 300 industrial jobs beyond the forecast, about 20% or 60 workers are expected to live within Loyalist and, perhaps, half of those in Amherstview, generating demand for about 30 additional housing units. To adjust a 30-year demand forecast of 30 units (about 1½%) out of a total forecast growth of 1,860 units would imply an excessive level of precision in the forecasts.

The relatively small effect on housing demand from the proposed new industrial jobs nearby is a product of the commuting patterns of workers. In 2016, 29% of all jobs located in Loyalist Township were filled by residents and 71% of jobs were filled by those commuting into Loyalist¹. By comparison, 21% of Manufacturing jobs and 22% of Public Administration jobs in Loyalist were held by residents. These figures demonstrate a labour market pattern of large employers that need specific skill sets drawing their labour force from a broad geographic area. These large employers are typically manufacturers and often include shift workers (which allow for longer commutes due to off-peak travel). Workers typically see these manufacturing jobs as well-paid "good" jobs, making the longer commutes

¹ Commuting data from Statistics Canada's Census is provided for those with a Usual Place of Work, which we have used for the commuting figures offered in this letter. We have not included Work at Home employment, since by definition those who work at home at all times do not commute. As well, by definition there can be no commuting data for those with No Fixed Place of Work,

worthwhile. There are some large employers outside of manufacturing that have similar characteristics of drawing labour force from a wide area due to skills, compensation, job security and shift work arrangements. In Loyalist, Correctional Service Canada employment (representing about 90% of the Public Administration jobs) shows the same pattern of drawing labour force from a wide area. Quite reasonably, Umicore is expecting to draw its workforce from a very broad geographic area.

Statistics Canada Census data for smaller communities where a single large employer dominates its sector demonstrates the broad-area commuting pattern of workers at these large employers. Table 1 shows the commuting pattern for Loyalist and the adjacent communities of Kingston and Greater Napanee. Table 2 provides the data for three selected Ontario communities with a very large single employer: Ingersoll (CAMI Automotive), New Tecumseth (Honda Canada), and Kincardine (Bruce Nuclear Power Station).

Table 1: Commuting Pattern for Large Employers in Loyalist, Kingston and Greater Napanee

Commuting Data Show Large Manufacturers or Specialized Employers Draw Workers from a Larger Area than Other Employers				
Loyalist Township				
Large Employers: Alstom (former Bombardier Rail Division), LafargeHolcim Cement, Correctional Services Canada				
Employment		Manuf. & Public Admin.	All Other	Total
		1,200	2,250	3,450
Employee	Loyalist	22%	32%	29%
Place of Residence	Rest of Kingston CMA	53%	29%	37%
	Areas Beyond Kingston CMA	25%	39%	34%
City of Kingston				
Large Manufacturing Employers: Invista, Novelis, Cancoil				
Employment		Manufacturing	All Other	Total
		2,800	63,060	65,860
Employee	Kingston	52%	69%	68%
Place of Residence	Rest of Kingston CMA	25%	16%	17%
	Areas Beyond Kingston CMA	23%	15%	15%
Town of Greater Napanee				
Large Employer: Goodyear				
Employment		Manufacturing	All Other	Total
		1,190	5,660	6,840
Employee	Greater Napanee	28%	45%	42%
Place of Residence	Adjacent Municipalities	35%	30%	31%
	Areas Beyond	36%	25%	27%

Note The analysis is based on 2016 Census Place of Work Commuting Pattern Data. For the purposes of commuting analysis, the employment data do not include workers who solely Work at Home or those with No Fixed Place of Work

Source: Based on a Statistics Canada Census employment data "special run" cross-tabulating Place of Work and Place of Residence by NAICS categories for Canada, the Provinces, Census Divisions and Census Subdivisions.

**Table 2: Commuting Pattern for Large Employers in Comparison
Communities of Ingersoll, New Tecumseth and Kincardine**

Commuting Data Show Large Manufacturers or Specialized Employers Draw Workers from a Larger Area than Other Employers				
Town of Ingersoll				
Large Employer: CAMI Automotive (General Motors)				
Employment		Manufacturing	All Other	Total
		4,190	3,800	7,990
Employee	Ingersoll	17%	41%	28%
Place of Residence	Adjacent Municipalities	10%	18%	14%
	Areas Beyond	73%	41%	58%
Town of New Tecumseth				
Large Employer: Honda Canada				
Employment		Manufacturing	All Other	Total
		7,280	9,240	16,520
Employee	New Tecumseth	21%	44%	34%
Place of Residence	Adjacent Municipalities	22%	28%	26%
	Areas Beyond	57%	28%	40%
Town of Kincardine				
Large Employer: Bruce Nuclear Power Station				
Employment		Utilities	All Other	Total
		5,430	4,180	9,600
Employee	Kincardine	25%	51%	36%
Place of Residence	Adjacent Municipalities	44%	28%	37%
	Areas Beyond	32%	21%	27%

Note The analysis is based on 2016 Census Place of Work Commuting Pattern Data. For the purposes of commuting analysis, the employment data do not include workers who solely Work at Home or those with No Fixed Place of Work

Source: Based on a Statistics Canada Census employment data "special run" cross-tabulating Place of Work and Place of Residence by NAICS categories for Canada, the Provinces, Census Divisions and Census Subdivisions.

For each community the tables show the number of employees from the 2016 Census and the share of employees in the large employers' sector living within the municipality, those living in the adjacent or very nearby municipalities and those living beyond the nearby municipalities. The table compares the pattern of the large employers' sector to all of the rest of the employment. The expected pattern is that of the large employer's sector having a lower share of jobs filled by residents of the community itself and a higher share of the large employers' sector coming from the adjacent communities and from the areas at a greater distance.

Overall, the expected pattern is demonstrated in all cases shown, though this is not apparent in two areas. Where the data precisely show the expected pattern, the figures in

the table are highlighted in green. There two places in the tables that appear not follow the expected pattern. In Loyalist in Table 1, the area beyond Kingston CMA has more long-distance commuters for the All Other employment than for the Manufacturing and Public Administration employment. The reason for this reverse pattern is not related to the large employers. Rather, it is in the All Other employment where Loyalist has an unusually high number of long-distance commuters. In particular, it is workers in retail and food services that commute from Prince Edward County into Loyalist, that create this unusual pattern. In Table 2, Ingersoll does not follow the pattern for the adjacent municipalities because these are quite small rural communities and the bulk of the commuting is from much larger places at a greater distance, being London, St. Thomas, Woodstock, and Tillsonburg.

The result of the pattern of where Umicore's employees are likely to live indicates that, despite the scale of the Umicore workforce, it will not likely to have a large effect on the housing demand in Amherstview than is otherwise currently planned.

As to the commercial lands in Amherstview West, the planned 1.3 hectare does not warrant revision at this time. We understand that the operation of the Umicore facility will be relatively stand alone in that it will not require other industrial or commercial operations in the immediate vicinity as support to the plant operations. As a result, any effect on commercial land needs would arise from retail or services for workers on their way to and from work:

- Commuters to Umicore would provide a good trade to gasoline stations on the major routes leading into the site. There is a fuel station on County Road 6 near Highway 401 in Odessa, but there are no fuel stations on either Taylor Kidd Boulevard into Kingston or on County Road 4 to Highway 401. Notably, by 2046, the vast majority of passenger vehicles will be electric powered.
- There will be convenience retail demand created from the workers on their way to and from work. One of several routes to and from Umicore are close to the planned retail in Amherstview West. The convenience retail spending from the subset of workers that would be using this route would be helpful to a convenience retail operation, but is unlikely to be sufficiently large to generate need for additional lands or retail space beyond what is currently planned.
- Food services are the remaining commercial use that might be affected by the workers at Umicore. Large manufacturing employers typically have on-site food services, so we would not expect significant demand for off-site full meals or fast food. However, there is likely to be demand from commuters for coffee and related goods. Currently, there is one Country Style Donut outlet in the older part of

Amherstview. It would not be *en route* for many of the Umicore workers. The Umicore workers themselves would not be sufficient demand support, for example, a Tim Horton's or Starbucks outlet in Amherstview West. However, a growing resident population, once development begins, combined the existing and future workers to the west will likely justify a coffee outlet during the period of the period of plan. The planned highway commercial and neighbourhood retail lands are sufficient to accommodate this use.

Therefore, the planned commercial lands remain an appropriate basis for the Secondary Plan and need not be revised at this time.

Any Course Corrections Needed in the Amherstview West Secondary Plan Can Be Undertaken as Part of Periodic Official Plan Reviews

If growth hastens in Amherstview West beyond the level forecast, whether or not the faster development is attributable to Umicore, the plan would be reviewed, revised and expanded, as or when necessary. Such a review would generally occur during the regular five-year official plan review, though, if necessary, the municipality could initiate a review for this purpose at any time. An Official Plan with a horizon year 25 years out from the current time will be subject to four Official Plan review process, over the 25 years. During one or more of those reviews, the horizon year will have been revised to a later date. For example, in 2036, the current plan, including Amherstview West, could well be on its third review, could be updating the planning horizon to 2061 and could be expanding its urban area to account for the growth that had occurred since 2021 and the growth that is then expected to 2061.

The only time at which faster growth might be a problem that cannot be met through the regular reviews is if the 25-year residential or commercial land supply is unexpectedly absorbed within a five to ten year period and there is insufficient time to undertake planning for additional growth. It is highly unlikely growth would accelerate to this degree.

Loyalist is taking action to assure that its planning is nimble enough that it could accommodate a large sudden uptick in residential growth. In 2022, Loyalist Council directed the Amherstview West Secondary Plan scope of work be expanded to consider a generalized land use and infrastructure plan for not-yet-designated lands in the Amherstview West area. While not approving these additional elements as part of the Official Plan (with the attendant financial risks of doing so), Loyalist would have in hand much of the planning needed for a quick review and expansion of Amherstview West should that become necessary.

Conclusion

The Amherstview West Secondary Plan is nearing conclusion at a time when much new industrial development is about to occur in the vicinity. The Plan's residential and commercial growth expectations and land needs) meet demand to 2046. The planned growth need not be revised in response to the significant new industrial investments. These new jobs in Loyalist will be filled by people from all parts of the Kingston CMA and beyond and are unlikely to generate significant new housing demand beyond the current planning for Amherstview West. If growth does accelerate beyond the levels currently forecast, it can be addressed through the regular reviews of the Official Plan. If an expansion to Amherstview West is required in the future, it can be completed quickly because of the recent direction also to prepare a generalized land use and infrastructure plan for a potential future expansion area.

Please call if you have any further questions on the Amherstview West matter or require any further detail on the contents of this letter.

Yours Truly,

HEMSON Consulting Ltd.

A handwritten signature in black ink, appearing to read "Russell Mathew". The signature is fluid and cursive, with a long horizontal stroke at the end.

Russell Mathew, RPP, MCIP, PLE, LAI, MRICS
Partner

Appendix

C

Growth Analysis and Urban Land Needs Report, County of Lennox & Addington – Final Report (September 2023), prepared by Watson & Associates Economists Ltd.



Staff Report to County Council

Prepared by: Anna Geladi, Planner, Community and Development Services

Subject: Growth Analysis for the New County Official Plan

Date: October 3, 2023

Recommendation:

That the October 3, 2023 – staff report re: Growth Analysis for the New County Official Plan (Planner, Community and Development Services) be noted and received.

Preamble:

In 2021 County Council approved funding to update population and growth projections for the County and lower-tier municipalities. The population and growth projections will support a number of initiatives and assist with long-range planning for a variety of departments and organizations.

Watson & Associates Economists Limited was retained to complete the required forecasting work.

Information/Discussion/Analysis:

Watson & Associates Economists Limited has prepared a Growth Analysis and Urban Land Needs report dated September 2023 for the County of Lennox and Addington. The analysis has been discussed with County Staff and lower-tier municipal planning staff.

Watson reviewed background information including development applications, Official Plan policies, building permits, MPAC information and other data as well as a significant amount of data from Statistics Canada. This background information was used to produce estimates for changes in population and demographics projections from 2021 to 2051.

This analysis will serve as a technical background document to the County's Official Plan. The document, among other things, identifies and allocates population, housing and employment projections for lower-tier municipalities, identifies areas where growth will be directed, identifies targets for intensification and redevelopment to ensure that the lower-tier municipalities can continue to plan for growth within their respective areas until 2051.

While the report contains much detail on growth, forecasts, allocations and land needs, several key points emerge as follows:

- All places will grow
- The County's population is aging. By 2051, 35% percent of the County population will be 65+ years of age or older, up from 25% in 2021

- Growth focused in serviced settlement areas - Of the total housing units forecast for the County of Lennox & Addington, 83% are expected in the County's urban areas and 17% are anticipated in the rural areas
- Loyalist Township is expected to accommodate the largest share of housing growth over the 2021 to 2051 forecast period
- New residential development within County of Lennox & Addington is anticipated to gradually shift away from low-density housing forms
- The largest share of second home dwelling growth is anticipated in the Township of Addington Highlands
- Of the total jobs forecast for the County of Lennox & Addington, approximately 82% are expected in the County's urban areas and approximately 18% are anticipated in the rural areas
- The Town of Greater Napanee is forecast to accommodate about a third of the County's urban employment growth
- Forecasted job growth is anticipated to be accommodated through home occupations, home-based businesses and off-site employment
- The supply opportunities for industrial development are primarily focused on the urban settlement areas within the County, but there is also interest and opportunities to accommodate growth in the County's rural areas
- One key area designated for industrial use outside of the urban settlement areas in the County is the Business Park in the Township of Stone Mills.

Since the Watson Report is a more technical document, staff will need to draft appropriate policies. Meridian Planning Consultants have been tasked with this item. Further, for those circumstances where additional revision is needed, staff and Meridian Planning Consultants will work closely with local municipalities to assist in identifying gaps.

Next Steps

Meridian Planning Consultants will work to draft new Official Plan policies that include growth analysis as well as updated policies from the Provincial Planning Statement 2023, once it has been formally adopted by the Province. In addition the following steps will also need to be carried out:

1. Meridian Planning Consultants to work on draft Official Plan Amendment
2. Circulate draft OPA to the Ministry of Municipal Affairs and Housing
3. County staff & Meridian Planning to meet with lower-tier municipalities to receive any additional comments on the draft OPA
4. County to hold required Open House and Public Meeting (following the 90-day review period MMAH has)
5. County staff & Meridian Planning to review comments received on draft OPA and prepare the final OPA
6. Meet with Council to present final OPA and request adoption
7. Circulate final OPA to MMAH
8. Review any proposed modifications from the MMAH; and,
9. Prepare report to Council on modifications from the MMAH.

On the basis of the above, it is recommended that an Open House and Public Meeting be held in April / May 2024.

The staff report and Growth Analysis Report will be added to the County's website for review and the information will be made available to the public in draft form.

Financial Impact:

No budgetary impact.

Attachments:

- Growth Analysis and Urban Land Needs Report

Approvals:

Brenda Orchard, Chief Administrative Officer

Approved – October 3, 2023



Mission

To enhance the quality of life and sense of place in Lennox and Addington through teamwork, innovation, sustainability and customer service excellence.

Vision

To be a vibrant, viable and healthy community celebrating our rich historic and natural assets while supporting opportunities for future generations.



Growth Analysis and Urban Land Needs Report

County of Lennox & Addington

Final Report

September 2023

Watson & Associates Economists Ltd.
905-272-3600
info@watsonecon.ca

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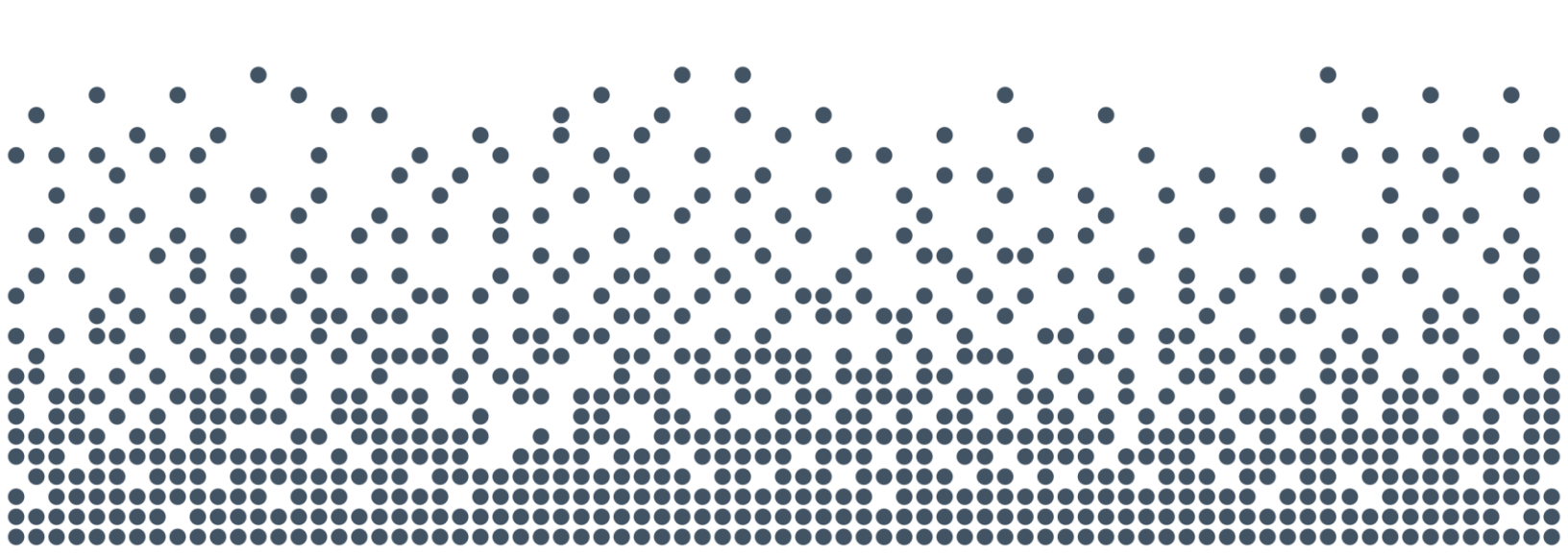
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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
COVID-19	Coronavirus disease
C.R.	Comprehensive Review
E.O.R.N.	Eastern Ontario Regional Network
E.V.	electric vehicle
G.D.P.	Gross domestic product
G.G.H.	Greater Golden Horseshoe
G.T.A.	Greater Toronto Area
G.T.H.A.	Greater Toronto and Hamilton Area
IPCC	Intergovernmental Panel on Climate Change
L.Q.	Location quotient
M.O.F.	Ministry of Finance
N.F.P.O.W.	No fixed place of work
NHS	National Household Survey
N.P.R.	Non-permanent residents
O.P.	Official Plan
P.M.I.	Purchasing Managers' Index
P.P.S.	Provincial Policy Statement
P.P.U.	persons per unit
U.S.	United States



Executive Summary



Executive Summary

Introduction

The Lennox & Addington Official Plan (O.P.) was adopted on September 30, 2015, and approved by the Ministry of Municipal Affairs and Housing with modifications on March 9, 2016. The County is now undergoing an update to its O.P and has engaged Meridian Planning Consultants (Meridian) and Watson & Associates Economists Ltd. (Watson) to undertake an assessment of the County's long-term growth potential and urban land needs to the year 2051 which will inform this update. This analysis will serve as a technical background document to the County's O.P. as well as other critical decision making at the County and local municipal level.

County of Lennox & Addington Population, Housing and Employment Growth Trends, 2001 to 2021

Over the 2001 to 2016 time period, the County of Lennox & Addington experienced a steady population growth at an annual growth rate of about 0.5%. Since 2016, the rate of population growth across the County has increased substantially. Between 2016 and 2021, the County's annual population doubled to a rate of 1.0%, fueling steady demand for new housing construction throughout the County.

Strong population growth during this time was largely driven by outward growth pressure from the Kingston Census Metropolitan Area (C.M.A.) as well as other large urban centres across southern Ontario, namely the Greater Golden Horseshoe (G.G.H.) During this time, the County's local economy has also experienced steady economic growth following the gradual recovery of the regional economy since the 2008/2009 global economic recession, which has further driven the increase in housing demand across the County. While coronavirus disease (COVID-19) had very disruptive impacts on the regional economy, particularly in retail, accommodation and food and tourism-based sectors largely during 2021, the pandemic further accelerated housing development activity broadly across the region between mid-2020 through to the spring of 2022. The building permit activity for these two years grew substantially.

Looking forward over the next five to 10 years, housing demand across the county is anticipated to remain strong relative to recent historical levels, fueled by steady immigration as well as positive net migration from elsewhere in Ontario and Canada.



Regional employment opportunities also represent a key driver of population growth across the County of Lennox & Addington. It is noted, however, that continued housing appreciation and declining housing affordability, combined with a range of broader economic headwinds, including tightening monetary policy (i.e. rising interest rates, quantitative tightening), persistently high inflation rates, rising household debt and increased geo-political uncertainty are anticipated to moderate housing demand, particularly ownership housing, in the near term relative to recent trends experienced between mid-2020 to early 2022.

Historically, residential development activity within County of Lennox & Addington has been heavily concentrated in low-density housing forms (i.e., singles and semi-detached). In recent years, from 2015 to 2022, the County has experienced a gradual shift toward a higher share of medium-density and high-density housing forms, which have accounted for approximately 25% of all new residential construction.

The population base of County of Lennox & Addington is older on average and aging at a slightly faster rate than the Province as a whole. The County is also highly attractive to empty nesters and retirees within the 55+ age group, given the opportunities that the County provides associated with both urban and rural living within its vibrant Urban Areas, Hamlets, Villages and remaining rural areas. Access to recreation associated with the Lake Ontario shoreline as well as the County's natural heritage, rural countryside and in land lakes also represents a key draw to this area.

As the County's Baby Boom population continues to age, the 75+ age group is anticipated to represent the fastest growing population segment within the County. While strong net migration within the 55+ age group generates considerable economic development opportunities for the broader region, the aging of the County's population base also poses challenges for the County. First, an aging population is anticipated to place downward pressure on the rate of long-term total population growth within the County due to declining growth from natural increase (i.e., births less deaths). Similar to the Province as a whole, the County will increasingly become more reliant on net migration as a source of population growth as a result of these demographic conditions. Second, an aging labour force is also anticipated to place downward pressure on long-



term economic growth driven by a declining labour force participation and potential labour shortages.¹

It is also important to recognize that forecast population growth rates are not anticipated to be homogenous across the County. In the County's Rural Areas, forecast population growth rates are anticipated to be relatively lower in areas that offer limited new housing growth potential. Conversely, the aging population base is anticipated to place increasing development pressures on the County's more developed urban areas which have available municipal servicing capacity and public amenities. For example, the aging of the County's population is anticipated to drive the need for seniors' housing and other housing forms geared to older adults (e.g., assisted living, affordable housing, adult lifestyle housing) that are not available, or cannot be provided for, in smaller communities or within the surrounding rural area.

In summary, the demographic and socio-economic trends explored in this report will continue to have broad implications on the amount, type and density of future housing needs, municipal service needs and public infrastructure requirements for the County over the long-term.

County of Lennox & Addington Employment Growth Outlook to 2051

It is important to recognize that future population and employment growth within County of Lennox & Addington strongly correlated with the growth outlook and competitiveness of the broader Kingston C.M.A. and surrounding region, specifically the surrounding municipalities which fall within the County's commuter-shed.

The County's urban and rural landscapes form a large part of the foundation which creates the "quality of place" that continues to increasingly attract new residents to this area. Over the past two years, COVID-19 has acted as a near-term driver of housing demand, led by increased opportunities for remote, or distributed, work and the reconsideration by some Ontario residents to trade "city lifestyles" for a greater balance of urban and rural living. It is recognized, however, that the longer-term population and employment growth potential for the County will be heavily dependent on sustained economic growth potential of the broader economic region. As such, it is important not

¹ The labor force participation rate is defined as the percentage of the population that is actively participating in the labor force.



to overstate, or simply extrapolate, the near-term impacts of COVID-19 on housing demand in County of Lennox & Addington over the long term.

Over the past decade, County of Lennox & Addington has experienced steady employment growth across a broad range of sectors including health care and social services, manufacturing, retail, accommodation and food services, professional, technical, and scientific services, and agriculture. Looking forward, each of the County's established and emerging employment sectors are anticipated to experience employment growth to varying degrees, particularly, those sectors which are more closely tied to the knowledge-based economy. While the County's employment base is comprised of a broad range of business by size, it is anticipated that employment growth across the County will continue to be geared towards small businesses, including home-based occupations.^[1]

Steady future economic growth is anticipated across the County, most notably associated with the need for local supply chains to support the planned Umicore electric vehicle (E.V.) battery manufacturing facility. Umicore plans to invest over \$1.5 billion CAD to establish the facility, which is scheduled to be operational by 2025 and estimated to create over 1,200 direct and indirect jobs.^[2] Anticipated export-based job growth (i.e., industrial and commercial office jobs) within the County also generates population-related employment to service the needs of the growing employment and population base (e.g., retail, accommodation and food, personal services and institutional services).

Given the competitive position of existing and planned Employment Areas across the County, as measured in terms of location/access to major North American employment markets and large population centres, parcel size, price per acre, and competitive development costs, etc., County of Lennox & Addington is anticipated to achieve a relatively stronger rate of industrial absorption over the long-term planning horizon under all three long-term growth scenarios.

As the local employment base continues to grow and diversify, County of Lennox & Addington will continue to be a desirable location for workers to live and work, leading to steady population growth across the County. Over the next 30 years, the County's local

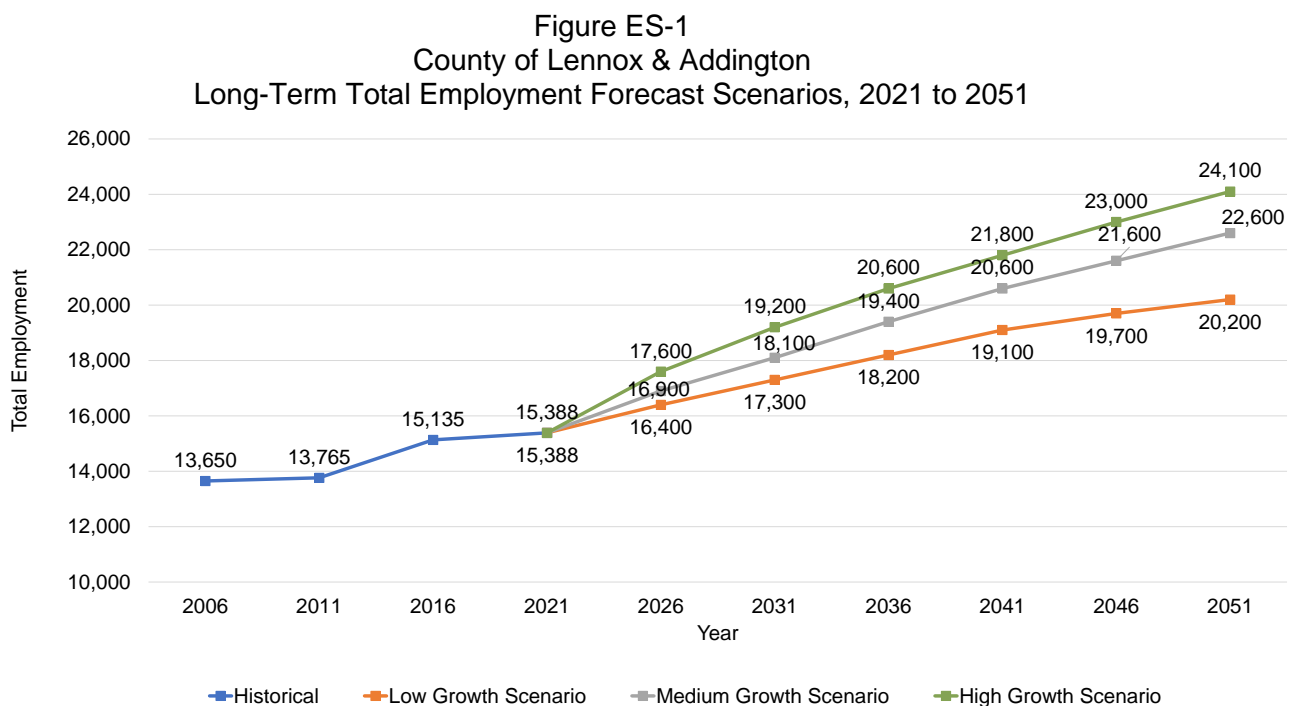
^[1] As of 2021, it is estimated that 13% of employment in County of Lennox & Addington is comprised of Work at Home jobs.

^[2] <https://globalnews.ca/news/9533043/loyalist-township-battery-plant-land-preparation/>



employment base is anticipated to benefit from the local and regional economic expansion anticipated within the County and the surrounding area. In particular, economic opportunities across the broader economy are noted in established and emerging knowledge-based employment sectors related to advanced manufacturing, agri-business, professional, technical and scientific services, other business services, health care and education and information technology. As such, raising the economic profile of County of Lennox & Addington by leveraging the economic opportunities and strengths of the broader regional economy is recommended as a key long-term economic development strategy for County of Lennox & Addington.

Figure ES-1 summarizes three long-term employment forecast scenarios for County of Lennox & Addington over the 2021 to 2051 forecast period relative to historical employment trends between 2001 and 2021. By 2051, County of Lennox & Addington's employment base is forecast to grow to between approximately 20,200 and 24,100. This represents an increase of approximately 4,800 to 8,700 jobs between 2021 and 2051.



Source: Historical data from Statistics Canada. Forecast prepared by Watson & Associates Economists Ltd., 2022.
Note: Total employment includes work at home and no fixed place of work.



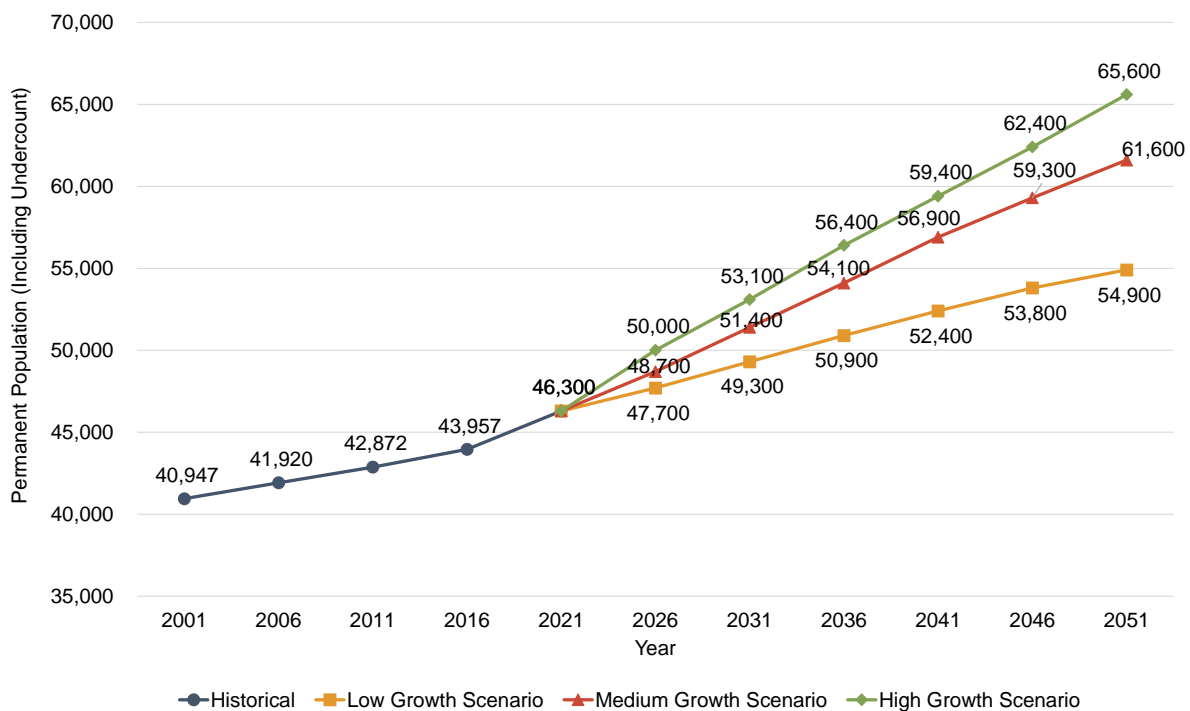
Employment Growth Scenario	2021	2051	2021-2051	Annual Growth	Annual Growth Rate
Low Growth Scenario	15,390	20,220	4,830	160	0.9%
Medium Growth Scenario	15,390	22,590	7,200	240	1.3%
High Growth Scenario	15,390	24,110	8,720	290	1.5%

Source: 2021 derived from Statistics Canada Census data and 2051 by Watson & Associates Economists Ltd.

County of Lennox & Addington Population and Housing Growth Outlook to 2051

Figure ES-2 summarizes three long-term population forecast scenarios for County of Lennox & Addington over the 2021 to 2051 forecast period relative to historical population between 2001 and 2021. By 2051, County of Lennox & Addington’s total population base is forecast to grow to approximately 54,900 to 65,600. This represents an increase of approximately 8,600 to 19,300 persons between 2021 and 2051.

Figure ES-2
County of Lennox & Addington
Long-term Forecast Population Scenarios, 2021 to 2051





Population Growth Scenario	2021	2051	2021-2051	Annual Growth	Annual Growth Rate
Low Growth Scenario	46,310	54,930	8,620	290	0.6%
Medium Growth Scenario	46,310	61,570	15,260	510	1.0%
High Growth Scenario	46,310	65,560	19,260	640	1.2%

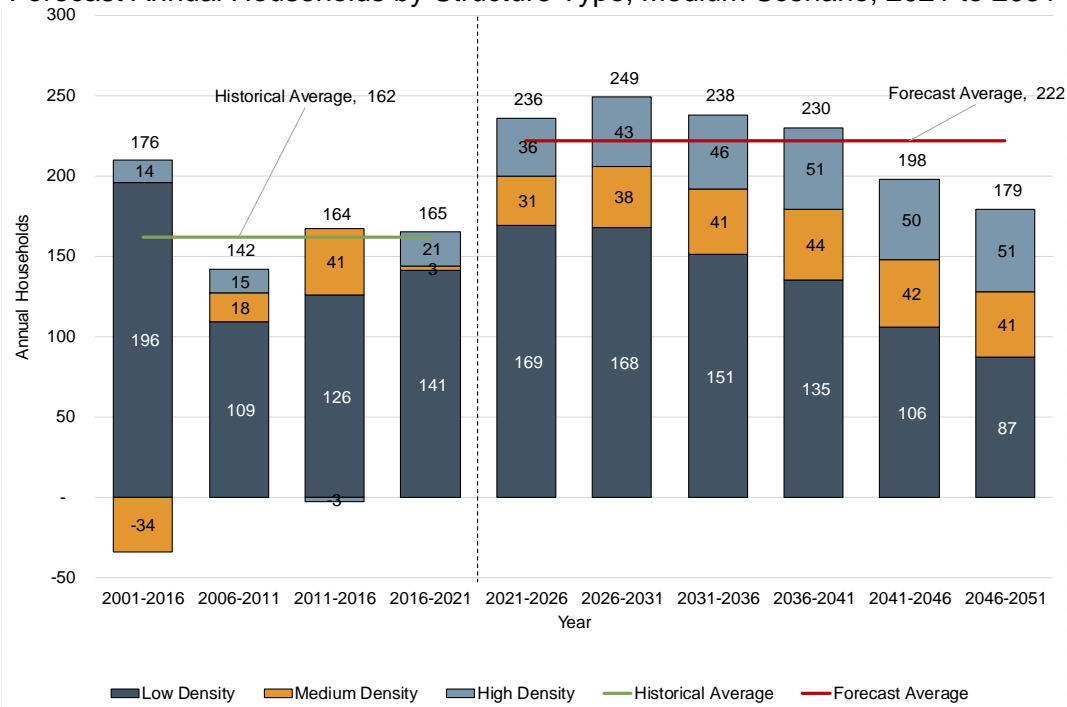
Source: 2021 derived from Statistics Canada Census data, and 2051 by Watson & Associates Economists Ltd.

In accordance with past trends and a review of growth opportunities, it is recommended that the Medium Growth Scenario is used for long-range planning purposes as the Reference Growth Scenario. Appendix B provides more details in regard to key assumptions for each of the growth scenarios.

To accommodate the reference long-term Population Growth Scenario, the County will require approximately 6,600 additional households over the 2021 to 2051 planning horizon. Figure ES-3 provides a summary of the County's anticipated housing needs by structure type in five-year increments over the 2021 to 2051 based on the Reference Growth Scenario. For additional context, historical housing growth trends by structure type in five-year increments are also provided. Over the 30-year forecast period County of Lennox & Addington is forecast to average just under 220 new households per year, representing a 40% increase in annual housing activity when compared to annual housing development over the past 20 years in accordance with Statistics Canada data. New residential development within County of Lennox & Addington is anticipated to gradually shift away from low-density housing forms, largely driven by declining housing affordability associated with low-density housing options, as well as the increased demand for high-density housing associated with the County's growing seniors' population. This shift in the share of medium and high-density housing forms is anticipated to be more pronounced in the County's Urban Areas associated with the stronger market demand and available infrastructure to support residential intensification and higher density housing forms in these areas. Over the 2021 to 2051 forecast period, new housing development is projected to comprise 61% low-density (singles and semi-detached), 18% medium-density (townhouses) and 21% high-density (apartment) housing units.



Figure ES-3
County of Lennox & Addington
Forecast Annual Households by Structure Type, Medium Scenario, 2021 to 2051



Notes:

- Low density includes single and semi-detached units.
- Medium density includes townhouses and apartments in duplexes.
- High density includes stacked townhouses, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have fewer than five stories, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have five or more stories, and secondary suites.
- Housing by type has been inferred based on Statistics Canada’s classification of dwellings by structural type.

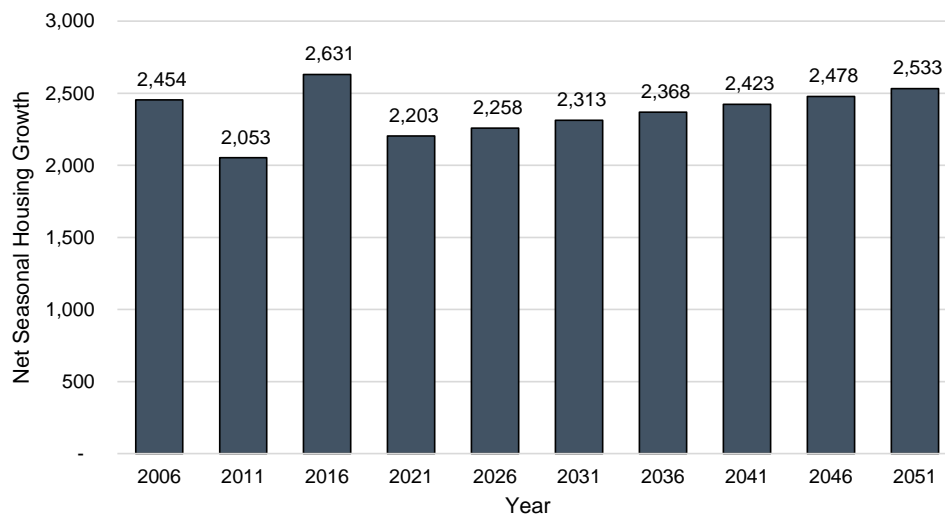
Source: 2001 to 2021 from Statistics Canada Census 2001-2021. Forecast by Watson & Associates Economists Ltd.

In addition to permanent housing, the County is also anticipated to accommodate continued demand for new second home dwelling. The County’s proximity to larger urban centres in the Central and Eastern Ontario region continues to be a major driver of population growth residing within second homes. Figure ES-4 summarizes the total second home dwelling forecast for the County of Lennox & Addington over the 2021 to 2051 forecast period. Over the next 30 years, approximately 11 net new second home dwelling units are forecast to be developed annually, totaling just over 330 new second home dwelling units across the County. This includes about 15 new second home units



annually and 4 units annually being converted from second home to permanent dwellings.

Figure ES-4
County of Lennox & Addington
Second Home Unit Forecast, 2021 to 2051



Population and Employment Growth Allocations by Area Municipality and Urban Settlement Area, 2021 to 2051

Figures ES-5 to ES-10 summarize the County’s long-term population, housing and employment forecast by Area Municipality and urban settlement area over the 2021 to 2051 planning horizon under the Medium Growth Scenario.

While forecast population, housing and employment growth rates vary across each of the Area Municipalities within County of Lennox & Addington, they share several relatively common attributes with respect to long-term residential development and demographic trends, including:

- All the local municipalities within County of Lennox & Addington are anticipated to experience higher levels of annual population and housing growth over the 2021 to 2051 forecast period relative to the past 20 years. Under each of the



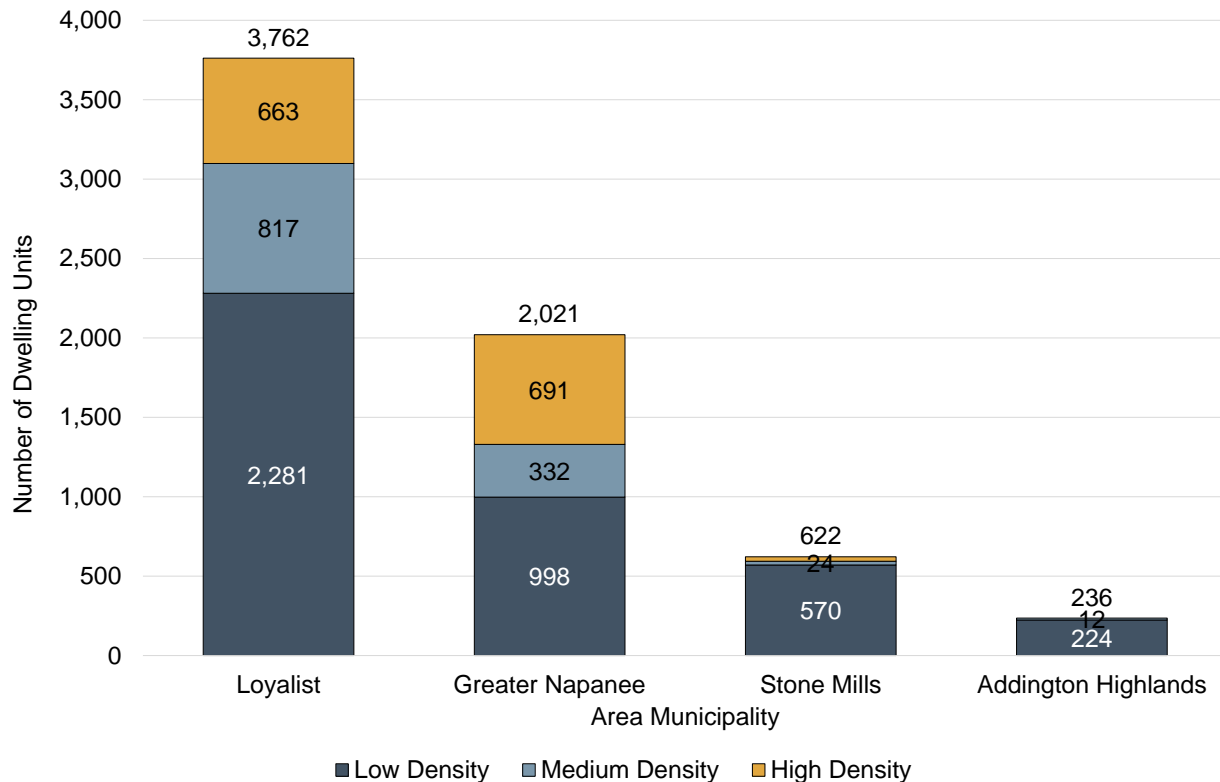
long-term range growth scenarios, the share of population and employment growth by local municipality is anticipated to remain relatively consistent.

- Over the longer term (i.e. 10+ years), the average rate of annual housing development is anticipated to gradually slow across all local municipalities within County of Lennox & Addington, relative to recent residential development activity. This trend is anticipated due to slower regional and provincial economic growth associated with an aging population and labour force over the long-term planning horizon.
- Within County of Lennox & Addington, new housing construction is anticipated across a diverse range of housing forms. Increased market demand is anticipated over the next three decades for medium-density and high-density housing as the regional population base continues to age and diversify. As previously noted, declining housing affordability also represents a key driver contributing to a higher portion of medium- and high-density housing forms.
- Average housing occupancy levels are forecast to decline over the long-term forecast period for all Area Municipalities in County of Lennox & Addington. This demographic trend is largely associated with the aging of the County's population base associated with the Baby Boomer, Generation X and Millennial generations.
- The share of future housing demand is anticipated to continue to increase in the County's urban areas largely driven by new families in search of competitively priced, ground-oriented housing located within proximity to local urban amenities (i.e., schools, retail, personal service uses) and surrounding employment markets.
- Housing demands from the 55 to 74 age group (empty nester/younger seniors) and the 75+ age group (older seniors) are also anticipated to drive the future need for urban housing across all Area Municipalities in County of Lennox & Addington. As previously noted, housing demand associated with older seniors (75+) is largely anticipated from the existing population base and, to a lesser extent, through net migration.

Market demand and the rate of new housing construction within each of the County's four local municipalities is anticipated to vary considerably given the expansive geographic area covered by the County. In turn, this impacts the amount and rate of population and employment growth by local municipality.



Figure ES-5
County of Lennox & Addington
Share of Permanent Housing Growth by Local Municipality, 2021 to 2051

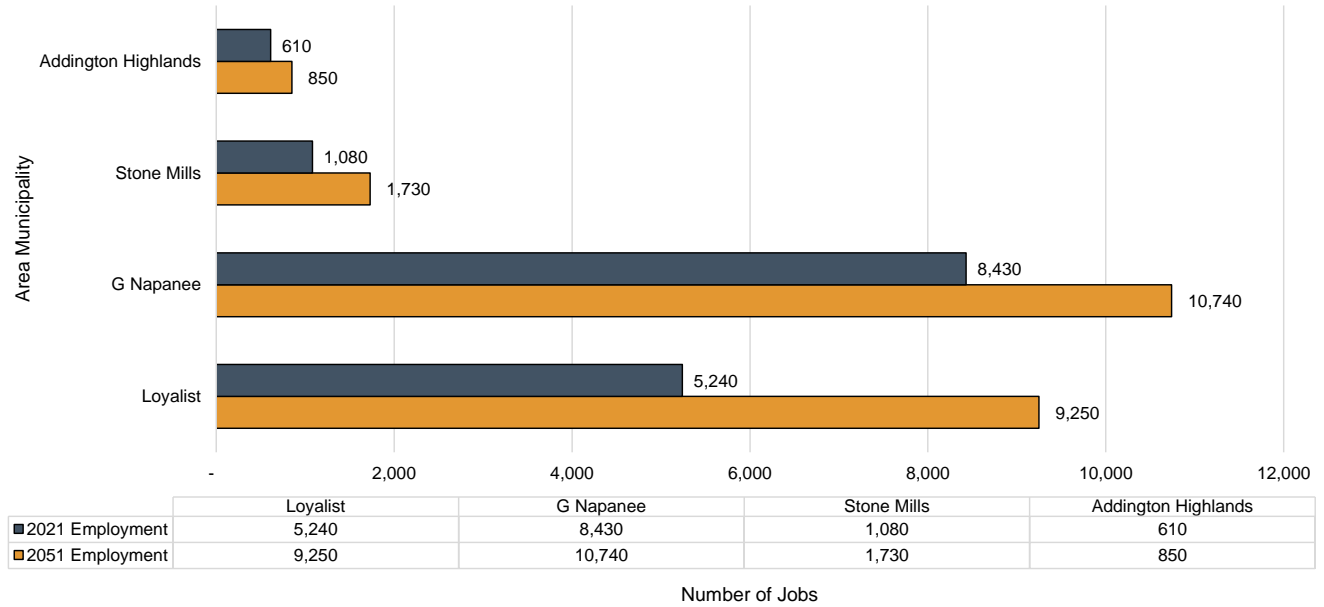


- Low density includes single and semi-detached units.
- Medium density includes townhouses and apartments in duplexes.
- High density includes stacked townhouses, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have fewer than five stories, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have five or more stories, and secondary suites.
- Housing by type has been inferred based on Statistics Canada's classification of dwellings by structural type.
- It is recognized that the housing unit mix provided above is a long range forecast based on a review of past trends, development application pipeline, and anticipated demographic and socio-economic trends discussed in Section 4.5 and 4.6. The housing unit mix for each of the area municipalities in the above figure or this report is not considered a mandate that needs to be achieved over the planning horizon.

Source: Watson & Associates Economists Ltd., 2022.



Figure ES-6
County of Lennox & Addington
Employment Forecast by Local Municipality, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.

Figure ES-7
County of Lennox & Addington - Loyalist Township
Household Forecast by Settlement Area, 2021 to 2051

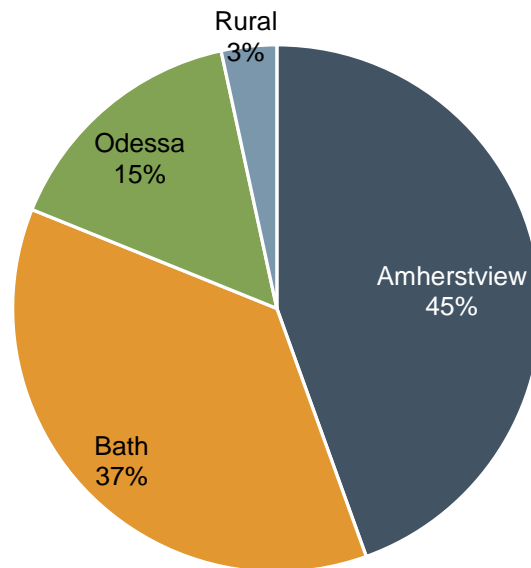
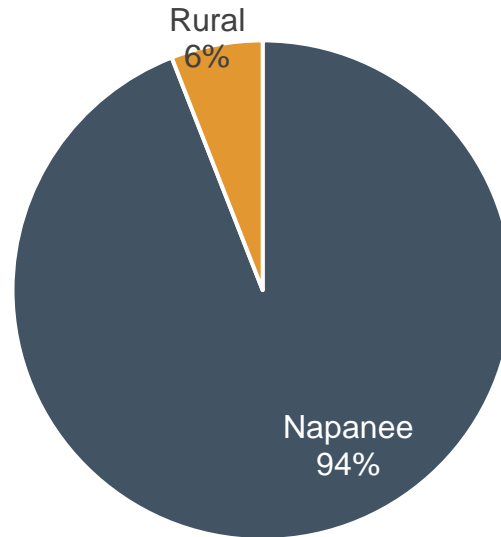


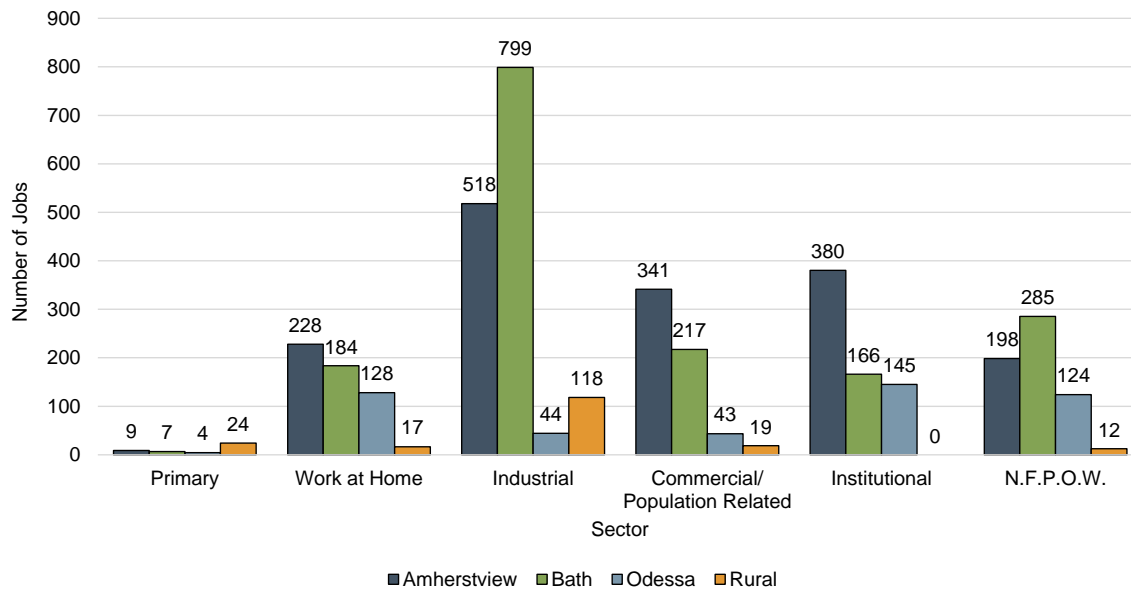


Figure ES-8
 County of Lennox & Addington - Town of Greater Napanee
 Household Forecast by Settlement Area, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.

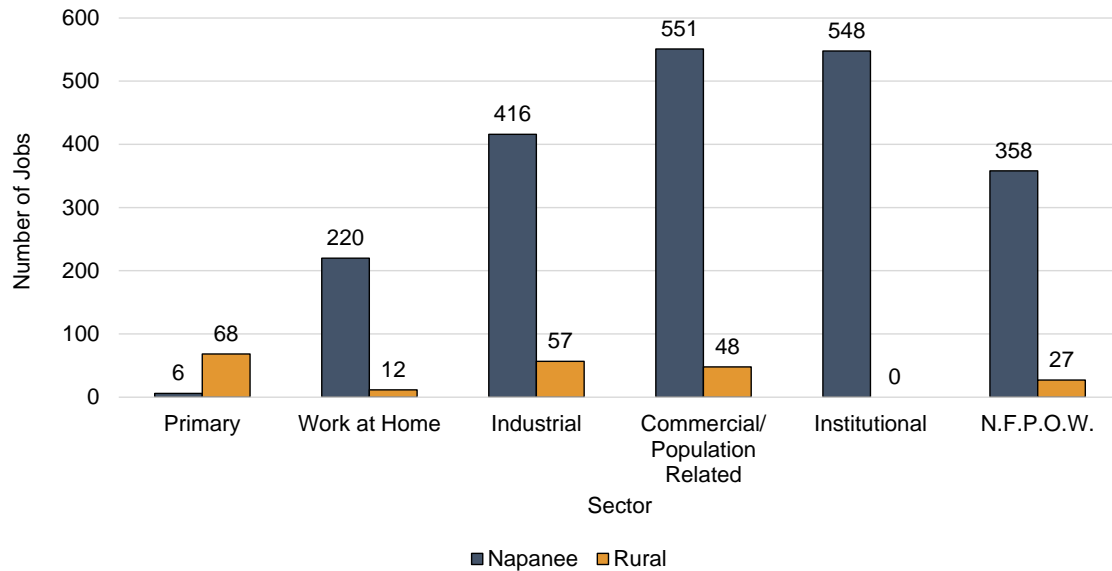
Figure ES-9
 County of Lennox & Addington – Loyalist Township
 Urban Employment Growth Allocation, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.



Figure ES-10
County of Lennox & Addington – Town of Greater Napanee
Urban Employment Growth Allocation, 2021 to 2051

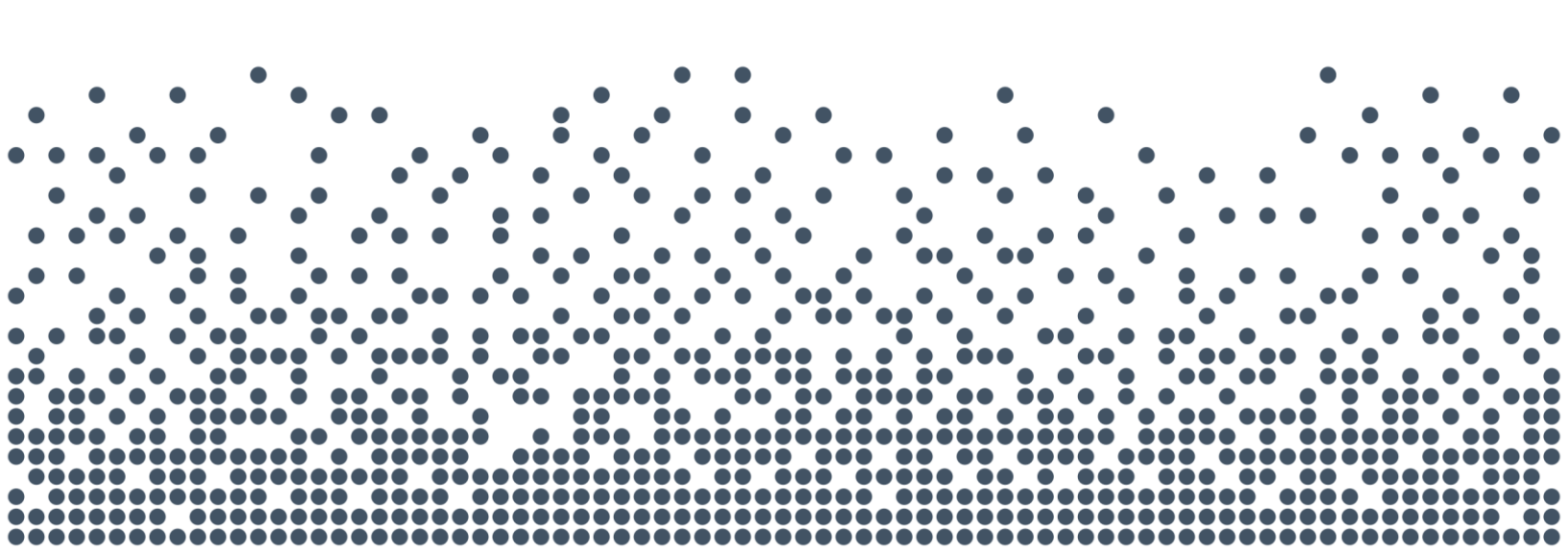


Source: Watson & Associates Economists Ltd., 2022.

Urban Land Needs Assessment, 2023 to 2048

Based on the 25-year assessment of urban residential land needs, it is observed that the County has a surplus of lands designated residential with a small shortfall of about 8 gross ha in Amherstview, which can be accommodated in the Amherstview West Secondary Plan area in accordance with identified needs. Based on the assessment of long-term employment lands needs provided herein, a surplus of Employment Area lands has been identified over the 25-year planning horizon for the County.

It is recommended that going forward, the County and Area Municipalities should continue to monitor development trends and urban land absorption on an annual basis to ensure that sufficient urban lands are provided over the long-term.



Report



Chapter 1

Introduction



1. Introduction

1.1 Terms of Reference

Meridian Planning Consultants (Meridian), in conjunction with Watson & Associates Economists Ltd. (Watson), was retained by the County of Lennox & Addington in 2022 to undertake an assessment of the County's long-term growth potential and urban land needs. This analysis has been prepared to inform the County's Official Plan (O.P.) update. The study has been undertaken in two phases:

- **Phase 1: Population, Household and Employment Growth Forecast to the Year 2051**, including growth allocations by local municipality by urban settlement area and remaining rural area based on the 2021 Census data (where available).^[1]
- **Phase 2: Urban Land Needs Assessment** over a 25-year planning horizon in accordance with approved provincial planning policy. It is noted that long-term population and employment forecast scenarios for the County and the municipal growth allocations have been extended to the year 2051 to allow additional flexibility regarding the assessment of long-term urban land needs. Urban land needs are assessed over a 25-year period from the anticipated timing of O.P. approval.

1.2 What is an Official Plan and Why is an Update to the Official Plan Required

The County of Lennox & Addington is currently undertaking an update of its O.P. An O.P. is a long-range land use planning document and growth management tool. A key purpose of the O.P. is to guide and manage residential and non-residential development across the County over the next 25 years. The County's O.P. provides direction on how and where planned change should take place and identifies the services and facilities needed to support the development of healthy and complete communities, while providing measures to conserve the County's natural and cultural heritage.

^[1] It is proposed that all 2021 population and household figures will be based on the 2021 Statistics Canada Census.



The provincial *Planning Act* requires each municipality to update its O.P. every five years, or every 10 years after the approval of a new O.P. The O.P. must be consistent with the Provincial Policy Statement (P.P.S.), 2020, a provincial document that includes policy direction on matters of provincial interest related to land use planning and development. The O.P. update is also an opportunity to ensure that O.P. policies continue to address evolving local priorities and changing community needs. The O.P. update will incorporate the outcomes and priorities of recently completed studies and plans at the County and local municipal level.

1.3 What is a Comprehensive Review

According to the P.P.S., 2020, a Comprehensive Review (C.R.) is defined as an O.P. review or an O.P. amendment which is initiated by a planning authority, for the purposes of policies 1.1.3.8 (expansion of a settlement area) and/or 1.3.2.4 (conversion of land within Employment Areas). The P.P.S., 2020 identifies that, “In undertaking a comprehensive review the level of detail of the assessment should correspond with the complexity and scale of the settlement boundary or development proposal.”^[1] This C.R. process forms the basis to establish a long-term vision and planning framework for the County and its Area Municipalities that fosters a sustainable approach to future residential growth and economic development.

1.4 Provincial Planning Context

1.4.1 Provincial Policy Statement, 2020

The P.P.S., 2020 provides policy direction on matters of provincial interest relating to land use planning and development. It is issued under the authority of section 3 of the *Planning Act* and requires that all planning decisions “shall be consistent with” the P.P.S., 2020 (*Planning Act*, R.S.O. 1990, c. P. 13 s. 3).

The P.P.S., 2020 came into effect on May 1, 2020.^[2] Its purpose was to update the P.P.S., 2014 so that it worked together with changes to the provincial land use planning system that occurred around the same time. This included changes to the *Planning Act*

[1] Provincial Policy Statement, 2020. Under the *Planning Act*. Ministry of Municipal Affairs and Housing. Ontario. p. 41.

[2] Provincial Policy Statement, 2020. Under the *Planning Act*. Ontario.



through Bill 108, the *More Homes, More Choice Act, 2019*. Additional reasons for the update largely related to the need to increase urban housing supply, support the economy and job creation, and reduce barriers and costs to the land use planning system in order to provide greater predictability.

A significant change in the P.P.S., 2020 regarding housing policy is the provision of a housing option approach to address an appropriate range and mix of housing, and to specifically meet market-based needs of current and future residents (policy 1.4.3). Providing for housing options adds broader considerations related to built form, ownership structure, affordable housing and other housing arrangements. Housing options are defined as:

“A range of housing types such as, but not limited to single detached, semi-detached, rowhouses, townhouses, stacked townhouses, multiplexes, additional residential units, tiny homes, multi-residential buildings and uses such as, but not limited to life lease housing, co-ownership housing, co-operative housing, community land trusts, affordable housing, housing for people with special needs, and housing related to employment, institutional or educational uses.” p. 45

Throughout the P.P.S., 2020, there is strong encouragement to consider the market when addressing planning matters such as managing growth overall, identifying market-ready sites to improve economic development and competitiveness, and providing for a range and mix of housing options. Although this may assist with managing growth and development in a way that may more accurately reflect market realities, it could make it more challenging for municipalities to transition to other types of development forms they have not historically had considerable success in implementing. As such, when discussing the outlook for the real estate market, it is important to discuss both existing conditions as well as the driving factors that are anticipated to encourage and disrupt housing market demand by structure type and built form. Furthermore, while market demand is important when considering long-range land use planning, this demand must be considered within the context of broad provincial interests, namely: ensuring the efficient use of land, resources, and infrastructure; providing a clean and healthy environment for current and future generations; and diversifying an economic base and supporting job creation.

The P.P.S., 2020 also acknowledges the significant economic contribution of Employment Areas, and the importance of protecting and preserving them. It provides



details on how municipalities should plan for employment. The P.P.S., 2020 suggests preparing and readying Employment Areas by identifying strategic sites, monitoring the availability and suitability of employment sites with a focus on market-ready sites, and actively seeking to address potential barriers to investment (policy 1.3.2). The policy further outlines that, during an O.P. review or update, planning authorities assess Employment Areas in local O.P.s to ensure the designation is appropriate for the planning function of the Employment Area (policy 1.3.2.2).

1.5 More Homes Built Faster Act, 2022 (Bill 23)

On October 25, 2022, the Ontario government introduced the *More Homes Built Faster Act, 2022* (Bill 23). Following Bill 108 and Bill 109, Bill 23 is part of a long-term strategy to address the housing crisis by facilitating the construction of 1.5 million homes over the next 10 years. Bill 23 received Royal Assent by the provincial legislature on November 28, 2022. The Bill is intended to increase housing supply and provide a mix of ownership and rental housing types for Ontarians.

The Bill's proposed changes to the *Development Charges Act*, the *Planning Act*, and the *Conservation Authorities Act* intend to reduce and exempt fees to spur new home construction and reduce the cost of housing. This includes ensuring affordable residential units, select attainable residential units, inclusionary zoning housing units, and non-profit housing developments will be exempt from the payment of municipal development charges and community benefits charges, and the parkland dedication provision.

To support the provincial commitment to getting 1.5 million homes built over the next 10 years, Bill 23 proposes sweeping and substantive changes to a range of legislation, as well as updates to regulations and consultations on various provincial plans and policies. This identified need for additional housing relates to the demand associated with both existing Ontario residents and newcomers to the Province through immigration. Through the *More Homes Built Faster Act*, the Province has assigned 10-year municipal housing targets to 29 of Ontario's largest and generally fastest growing single/lower-tier municipalities. The municipal housing targets collectively account for



1,229,000 housing units, representing about 82% of Ontario's overall target for 1.5 million new homes.^[1]

It is important to emphasize that perceived housing demand established through the *More Homes Built Faster Act* does not represent a prescribed minimum forecast that municipalities are required to achieve. Rather, it establishes housing targets that represent a desired state, expressed as a policy objective.

1.5.1 Proposed Provincial Planning Statement, 2023

On April 7, 2023, the Province of Ontario released a new P.P.S. in concert with introducing Bill 97: *Helping Homebuyers, Protecting Tenants Act, 2023*. Bill 97 proposes amendments to seven provincial statutes, including the *Planning Act*. The proposed P.P.S., 2023 is intended to simplify and integrate existing provincial policies (A Place to Growth: Growth Plan for the Greater Golden Horseshoe and the P.P.S., 2020) while providing municipalities and the Province with greater flexibility to deliver on housing objectives. A key focus of the proposed P.P.S., 2023 is that it recognizes that the approach for achieving housing outcomes will vary by municipality and, as such, it moves away from a prescriptive guideline approach.

According to the proposed P.P.S. 2023, at the time of each O.P update, sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of at least 25 years. The previous P.P.S. required that municipalities accommodate projected needs up to 25 years.

Generally unchanged from the P.P.S, 2020, the proposed P.P.S., 2023 still requires planning authorities to maintain at all times the ability to accommodate residential growth for a minimum of 15 years through lands which are designated and available for residential development. It is noted, however, that the emphasis on intensification and redevelopment in this regard has been removed. Planning authorities are also required to maintain at all times, where new development is to occur, land with servicing capacity

^[1] These housing targets are broadly adapted from the housing needs assessment provided in the "Ontario's Need for 1.5 Million More Homes" report, prepared by Smart Prosperity Institute (SPI), dated August 2022. In certain cases, the housing targets by Census Division vary between the referenced SPI report and Bill 23.



sufficient to provide at least a three-year supply of residential units, available through lands suitably zoned, including units in draft approved or registered plans.

Another key change in the proposed P.P.S., 2023 is that planning authorities are allowed to extend their growth forecasts and land needs assessments for infrastructure, public service facilities, Employment Areas and Strategic Growth Areas beyond a 25-year time frame. The P.P.S., 2020 allows for the planning of the long-term protection of Employment Areas beyond a 25-year horizon; however, it does not allow for designation of Employment Areas beyond a 25-year horizon.

In regard to rural areas, the P.P.S., 2023 includes additional provisions for housing and economic activities. The P.P.S. 2023 lays a greater emphasis on the Municipality's ability to service the settlement area and allows for regeneration, including the redevelopment of brownfield sites in rural areas. The proposed P.P.S. further reduces the focus on permitting development that is compatible with the existing rural landscape. Locally appropriate lot creation is added as a permitted use on rural lands, as are agricultural uses, agriculture-related uses, on farm diversified uses and normal farm practices, in accordance with provincial standards.

1.6 County of Lennox & Addington Official Plan

The Lennox & Addington O.P. was adopted on September 30, 2015 and approved by the Ministry of Municipal Affairs and Housing with modifications on March 9, 2016. The current in-effect version is the Consolidated Official Plan dated February 13, 2018 which incorporates Amendments #1 and #2 that came into effect on November 3, 2017 and September 17, 2017, respectively. This document has been reviewed as it relates to the County's growth management, housing, and long-term population and employment growth potential.

The County of Lennox & Addington's O.P. land use designations include two types of settlement areas: Urban Areas, which are settlement areas with both water and wastewater services; and Rural Settlement Areas, which are settlement areas that are not Urban Areas. Growth management policies in the O.P. direct local municipalities to focus growth on their Urban Areas and promote their vitality and regeneration, while local municipalities that do not have Urban Areas shall direct growth towards their Rural Settlement Areas instead. Urban Areas in the County include:



- Amherstview (Loyalist Township);
- Bath (Loyalist Township);
- Odessa (Loyalist Township); and
- Napanee (Town of Greater Napanee).

Rural Settlement Areas in the County are located throughout each of the County's Townships.

Section B of the O.P. provides details regarding growth management policies. The policies emphasize the concept of complete communities, with a strong live-work ratio, a range of housing types, and available social infrastructure to support the population. The O.P. also sets out population, housing and employment forecast for each of the area municipalities to 2036. According to Section B6, the minimum intensification target for Greater Napanee and Amherstview is 10%; for Odessa and Bath it is 20%. Section B14 further details housing policies in the O.P. that have been set with a goal to meet the current and future housing needs. Section C1.1.3 of the O.P. identifies planning objectives for Employment Areas, which include the provision of an appropriate mix and range of employment and institutional uses, to provide opportunities for a diversified employment base within the County, and to ensure the necessary infrastructure is provided for Employment Areas.^[1] This section, along with Section B16 of the O.P., also emphasizes preserving and protecting the County's Employment Areas.

1.7 What Drives Long-Term Population and Employment Growth?

A broad range of considerations related to demographics, economics and socio-economics are anticipated to impact future population and employment growth trends throughout the County of Lennox & Addington over the 2021 to 2051 planning horizon. These factors will not only affect the rate and magnitude of growth but will also influence the built-form, urban density, and location of residential and non-residential development.

^[1] It is noted that according to the proposed P.P.S., 2023, institutional uses are no longer included as part of Employment Areas (Ref. section 7 of the proposed P.P.S., 2023 document). The approved provisions will need to be incorporated in the next O.P. update.



As a starting point, it is important to recognize that future population and employment growth within the County of Lennox & Addington is highly correlated with the growth outlook and competitiveness of the broader regional economy (i.e., commuter-shed, which largely comprises the Kingston C.M.A.). This is discussed in further detail in Chapters 2 and 4. The employment base within the County of Lennox & Addington and the surrounding commuter-shed can be grouped into two broad categories: export-based sectors and community-based sectors. The latter primarily refers to local population-serving employment. Export-based sectors comprise industries producing goods that reach markets outside the community, such as agriculture and primary resources, manufacturing, research and development, as well as other knowledge-based industries.

Economic growth in the regional export-based economy generates wealth and economic opportunities which, in turn, stimulates community-based or population-related employment sectors, including retail trade, accommodation and food, and other service sectors. Economic development subsequently drives the need for labour force growth, which is largely generated from positive net migration.

Ultimately, population growth in the County of Lennox & Addington within the 0 to 64 age group, similar to the Country as a whole, will continue to be largely driven by net migration associated with the working-age population and their dependents (e.g. children and spouses not in the labour force). On the other hand, population growth in the 65+ cohort will continue to be largely driven by the aging of the County's existing population and, to a lesser extent, the attractiveness of the County to older adults and seniors through net migration.

A total of three long-term population and employment scenarios have been developed for the County in Chapter 4. Each of these long-term growth scenarios consider a range of macro-economic factors, demographic conditions and regional growth trends that are anticipated to drive and disrupt future development trends across the County. The medium growth scenario has been further allocated by Area Municipality, which is discussed in detail in Chapter 5.



Chapter 2

Overview of the Macro- Economic Outlook and Growth Trends



2. Overview of the Macro-Economic Outlook and Regional Employment Trends

This chapter summarizes the global, national, provincial and regional economic trends that are anticipated to continue to influence the population and employment growth outlook for the County of Lennox & Addington over the next three decades.

2.1 Global Economic Outlook

In its latest World Economic Outlook, the International Monetary Fund (I.M.F.) is forecasting global economic growth to moderate from 3.4% in 2022 to 2.8% in 2023 and 3.0% in 2024. For advanced economies, economic growth of 2.7% in 2022 exceeded the I.M.F.'s forecast of 2.4% from its October 2022 projections. Looking forward the outlook has slightly improved from its October 2022 projections with growth of 1.3% in 2023 and 1.4% in 2024. However, the advanced economy economic growth forecast is half of what it was achieved in 2022, with 90% of advanced economies projected to experience a sharp slowdown due to higher unemployment. Growth prospects for emerging markets and developing economies are much more varied, but overall have strengthened from the I.M.F.'s October 2022 outlook and are noticeably stronger relative to advanced economics with economic growth projections of 3.9% in 2023 and 4.2% in 2024. ^[1]

Within the United States (U.S.), real Gross Domestic Product (G.D.P.) grew by a relatively moderate 2.1% in 2022, and for the remainder of 2023 and all of 2024 U.S. growth is projected to decrease to 1.3% and 1.4%, respectively. This outlook is due to a number of factors including high household debt, rising interest rates, relatively high inflation, a tightening in financial conditions, and slowdown in global trade.

2.2 Evolving Macro-Economic Trends Associated with COVID-19

Since the pandemic was declared by the World Health Organization on March 12, 2020, the economic impacts of coronavirus disease (COVID-19) on global economic output

^[1] International Monetary Fund, World Economic Outlook, A Rocky Recovery, April 2023.



have been significant. Economic sectors such as travel and tourism, accommodation and food, manufacturing, and energy were hit particularly hard by COVID-19 social-distancing measures. On the other hand, many employment sectors, particularly knowledge-based sectors, that have been more adaptable to the current remote work environment and evolving hybrid work-from-home/work-at-office environment have been less negatively impacted, and in certain cases have prospered. Furthermore, required modifications to social behavior (i.e., physical distancing) and increased work-at-home requirements resulting from government-induced containment measures and increased health risks have resulted in significant economic disruption, largely related to changes in consumer demand and consumption patterns. Lastly, escalating tensions and constraints related to international trade, which remain elevated since the onset of COVID-19, have also begun to raise questions regarding the potential vulnerabilities of globalization and the structure of current global supply chains. This has been further exacerbated with the geopolitical unrest that has arisen due to the 2022 Russian invasion of Ukraine.

For many Ontario municipalities, including the County of Lennox & Addington, the COVID-19 pandemic has been a significant driver of ownership housing demand. This was largely led by the ultra-low interest rate environment generated throughout 2020 and 2021 in response to the pandemic, combined with steady outward growth pressure during this period from the larger urban centres of the Province. It is recognized, however, that the longer-term population and employment growth potential for the County will be heavily dependent on the overall sustained economic growth potential of the Kingston C.M.A. and the surrounding economy. As such, it is important not to overstate, or simply extrapolate, the recent impacts of COVID-19 on housing demand in the County of Lennox & Addington over the long term.

Looking ahead over the next year, there are growing macro-economic headwinds of which to be aware that are influencing economic conditions within the County and the surrounding economic region. Most notably, persistently high global and national inflation levels have required an aggressive response by central banks to tighten monetary conditions through sharp increases in interest rates and quantitative tightening. It is noted that as of August 2022, Canada's inflation rate reached 7.6%, a level not seen since 1983.^[1] Current measures by central banks have worked to moderate inflation; however, on-going trade disruptions, geo-political conflict and tight

[1] [Canada Inflation Rate \(CPI\) - July 2022 Update | WOWA.ca](#)



labour conditions continue to aggravate global supply shortages of goods and services. In turn, this limits the ability of tighter monetary conditions to ease rising inflationary pressures.

Rising public-sector debt due to pandemic response measures and increasing household debt loads resulting from sharp housing price appreciation in many areas of Canada, most notably the Country's largest urban centres, is also a concern. While the national housing market is now starting to show cooling signs as a result of higher mortgage rates, rising borrowing costs and upward pressures on rents are further exacerbating challenges associated with declining housing affordability through increases in monthly household carrying costs. These impacts, combined with the broader inflationary concerns outlined above, are increasingly likely to result in potential near-term setbacks in the economic recovery path for Ontario, and more broadly for Canada. Despite these consequences of COVID-19 and the near-term economic headwinds discussed above, the long-term economic and housing outlook for Eastern Ontario, the Kingston C.M.A., and Lennox & Addington County remains positive as the region continues to be attractive to international investment and newcomers alike.

2.2.1 COVID-19 and the Changing Nature of Work

In addition to its broader impacts on the economy, COVID-19 is also accelerating changes in work and commerce as a result of technological disruptions which were already taking place prior to the pandemic. Businesses are increasingly required to rethink the way they conduct business with an increased emphasis on remote work enabled by technologies such as virtual private networks, virtual meetings, cloud technology and other remote work collaboration tools. These disruptive forces continue to broadly impact the nature of employment by place of work and sector, and have a direct influence on commercial, institutional and industrial real estate space needs.

As of 2021, it is estimated that approximately 14% of the County of Lennox & Addington's workforce is working from home on a full-time basis, up from 10% in 2016.^[1] The percentage of workers who reported having no fixed place of work (N.F.P.O.W.) was approximately 16% in 2021, remaining relatively stable compared to

^[1] It is important to note that the 2021 Census enumeration occurred during the COVID-19 pandemic, when many employees across Canada were required to work remotely, making it likely that this number is higher than the actual work at home number.



2016.^[1]^[2] Current initiatives such as the Cell Gap project by EORN (Eastern Ontario Regional Network) have resulted in an investment of more than \$300 Million through a public-private partnership between Rogers Communications Inc., federal and provincial governments, and the Eastern Ontario Mayor's Caucus. To better serve rural Eastern Ontario, spread over an area of about 50,000 square kilometers, the project will involve construction of more than 300 new telecommunication sites and will upgrade more than 300 existing sites over the next four to five years.^[3]

It is anticipated that the percentage of people who work from home on a full-time and part-time basis, as well as those who do not have a fixed place of work, will remain high across Lennox & Addington County over the long term, driven by continued growth in knowledge-based employment sectors and continued technological advancement. As the percentage of work at home and off-site employment continues to steadily rise, it may reduce the relative need for future commercial office, retail and institutional building space, which has been reviewed and factored into the land needs assessment discussed in Chapter 6.

2.3 Canadian Immigration Targets

In November 2022, the Canadian federal government released its Immigration Levels Plan for the next three years. Canada has continued to raise its immigration targets and aims to welcome 465,000 new permanent residents in 2023, 485,000 in 2024 and 500,000 in 2025. Immigration accounts for almost 100% of Canada's labour force growth and nearly 80% of its population growth. With 960,000 currently unfilled

[1] Work at home and N.F.P.O.W. employment derived from 2001 and 2016 Statistics Canada Census data.

[2] Statistics Canada defines N.F.P.O.W. employees as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."

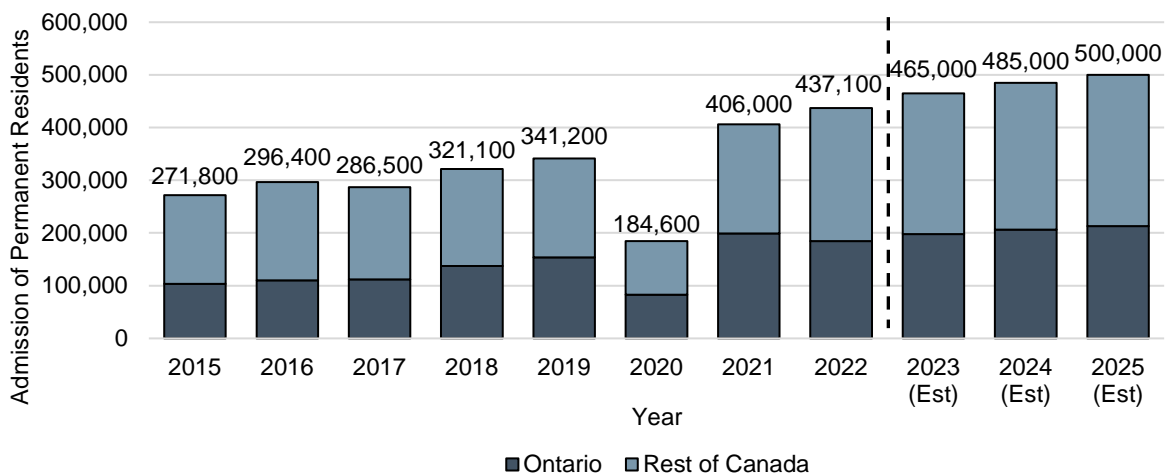
[3] <https://www.eorn.ca/en/news/better-cellular-services-coming-to-eastern-ontario-residents-and-businesses.aspx>, March 19, 2021.



positions across all sectors and an estimated worker-to-retiree ratio of only 3:1 by 2030, Canada has a strong economic need for increased immigration.^{[1] [2]}

Figure 2-1 shows annual admissions to Canada and Ontario since 2015. In 2020, national and provincial immigration levels sharply declined due to COVID-19. Immigration in 2021 rebounded strongly, resulting in 405,000 permanent residents admitted to Canada in 2021, roughly half of which were accommodated in the Province of Ontario that year. Based on 2022 data and looking forward through 2023 and beyond, immigration levels to Canada and Ontario are anticipated to remain strong, exceeding pre-pandemic averages between 2015 and 2019.

Figure 2-1
Admission of Permanent Residents in Ontario and Canada
Historical (2015 to 2022) and Forecast (2023 to 2025)



Source: 2015 to 2022 derived from IRCC December 31, 2022 data. 2023 to 2025 federal targets from Government of Canada's Immigration Levels Plan for 2023-2025, and Ontario target estimated based on historical share of about 45% of the Canadian PR Admissions from 2018 to 2022, by Watson & Associates Economists Ltd.

[1] <https://www.canada.ca/en/immigration-refugees-citizenship/news/notices/supplementary-immigration-levels-2023-2025.html>

[2] <https://www.canada.ca/en/immigration-refugees-citizenship/news/2022/02/infographic-immigration-and-canadas-economic-recovery.html>



2.4 Planning within the Context of an Evolving National and Provincial Economy

2.4.1 Ontario Outlook within the Canadian Context

Similar to the broader Canadian economy, the economic base of Ontario, as measured by gross domestic product (G.D.P.) output, has shifted from goods-producing sectors (i.e., manufacturing and primary resources) to services-producing sectors over the past several decades. This shift has largely been driven by G.D.P. declines in the manufacturing sector which were accelerated as a result of the 2008/2009 global economic downturn. It is noted, however, that these G.D.P. declines in the manufacturing sector have started to show signs of stabilization over the past few years, both prior to the pandemic as well as through the more recent economic recovery.

Over the past decade, the Ontario export-based economy experienced a rebound in economic activity following the 2008/2009 downturn; however, this recovery was relatively slow to materialize with levels sharply rebounding by 2014, as illustrated in Figure 2-2. This economic rebound has been partially driven by a gradual recovery in the manufacturing sector, fueled by a lower-valued Canadian dollar combined with the gradual strengthening of the United States' (U.S.) economy.^[1] Provincial G.D.P. growth eased in 2019 to 2.1%, largely as a result of a tightening labour market and slowing global economic growth.^[2]

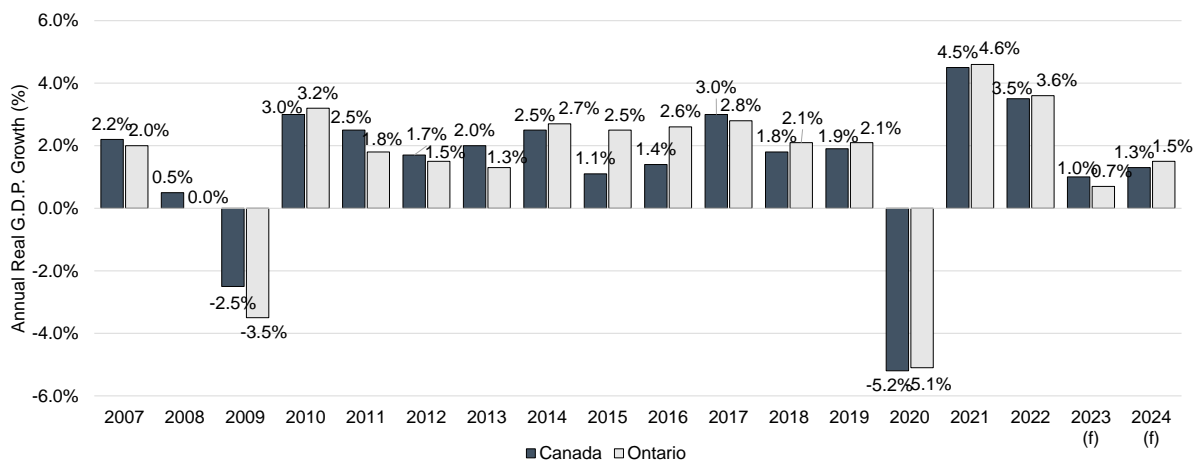
As illustrated in Figure 2-2, the Ontario economy contracted by 5.1% in 2020 before rebounding by 4.6% in 2021. Throughout 2022, the Ontario economy continued its momentum and grew by 3.6%, while the overall Canadian economy grew by 3.5%. BMO Capital Markets has forecast that G.D.P. will decline by 0.7% in Ontario in 2023 and will stagnate at 1.0% overall for Canada; however, in 2024, they forecast a 1.5% G.D.P. growth provincially and a 1.3% growth for all of Canada.

[1] Valued at approximately \$0.76 U.S. as of September 2, 2022.

[2] Provincial Economic Outlook, BMO Capital Markets, January 13, 2023.



Figure 2-2
Province of Ontario and Canada
Annual Real G.D.P. Growth, Historical (2006 to 2022) and Forecast (2023 to 2024)



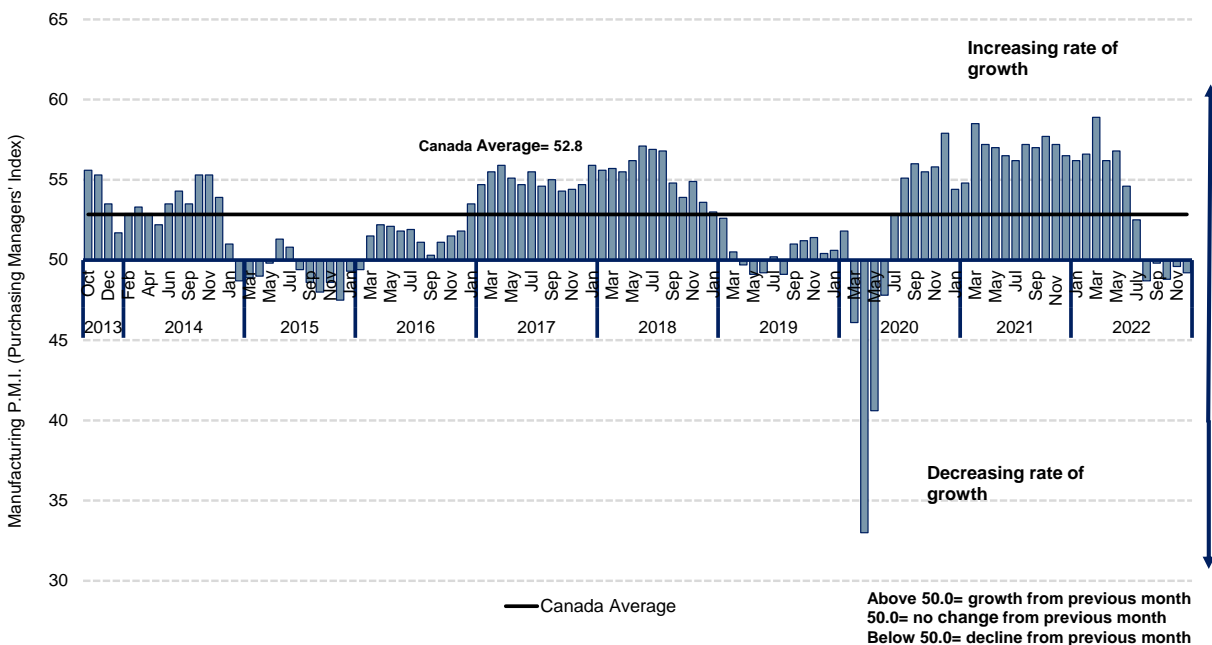
Source: Derived from BMO Capital Markets Economics, Provincial Economic Outlook, April 13, 2023, by Watson & Associates Economists Ltd.
 Note: 2023 and 2024 are forecast by BMO Capital Markets Economics.

2.4.2 Outlook for National and Provincial Manufacturing Sector

The Purchasing Managers' Index (P.M.I.) is a prevailing economic indicator for economic trends in the manufacturing and services sectors which is based on the purchasing managers' market condition outlook and serves as a key measure of the direction of the manufacturing sector on a monthly basis. The P.M.I. ranges between a number of 1 to 100. A P.M.I. value greater than 50 represents an expansion relative to the previous month, while a P.M.I. value less than 50 represents a contraction. Figure 2-3 summarizes the P.M.I. for Canada between 2013 (October) and 2022 (December). As illustrated in Figure 2-3, the P.M.I. largely indicated moderate to strong expansion between 2013 and 2021, with the exception of 2015, 2019 and 2020 where the index showed sustained monthly contractions. The P.M.I. presents steep contractions in manufacturing at the beginning of March 2020 due to the negative effects of COVID-19 on the global economy, international trade, and the general demand for goods and services. These conditions worsened into April 2020; however, they showed signs of a strong rebound by July 2020 before moderating by July 2022. For the remainder of 2022, the index showed sustained monthly contractions.



Figure 2-3
Purchasing Managers' Index for Canada, October 2013 to December 2022



Source: HIS Markit Canada, Canada PMI Index, June 2012 to July 2022 summarized by Watson & Associates Economists Ltd., 2022.

As summarized in Figure 2-4, from 2004 to 2009, the labour force and G.D.P of Ontario's manufacturing sector decreased significantly. Between 2009 and 2019, however, provincial labour force levels stabilized in this sector, while G.D.P. output steadily increased. Since stabilizing in 2010, labour force levels in the manufacturing sector have remained relatively steady except for the mid-2020 decline and sharp recovery following the onset of COVID-19.

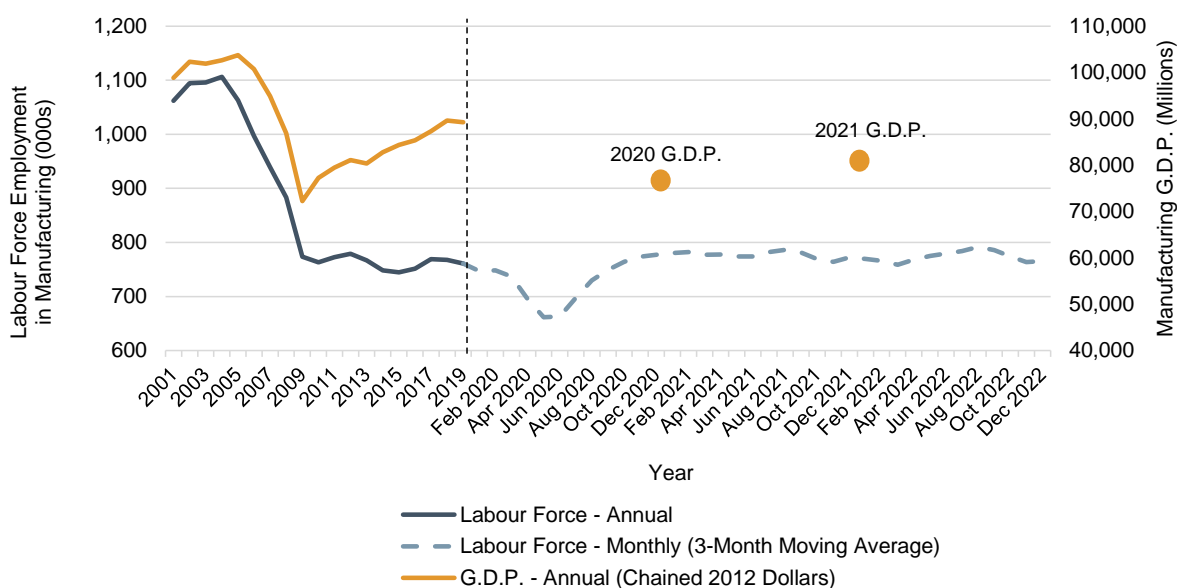
While manufacturing remains vitally important to the provincial and regional economy with respect to jobs and economic output, this sector has not represented an employment growth sector at the provincial or regional level over the past several decades. Notwithstanding these recent trends, within the Kingston-Pembroke economic region the manufacturing sector has experienced a relatively strong recovery over the past decade (refer to section 2.5).

While there will continue to be a manufacturing focus in Ontario, the nature of industrial processes is rapidly shifting, becoming more capital/technology intensive and



automated, with lower labour requirements. The highly competitive nature of the manufacturing sector will require production to be increasingly cost effective and value-added oriented, which bodes well for firms that are specialized and capital/technology intensive. As a result of increased technological efficiencies in the manufacturing sector, provincial G.D.P. levels related to the manufacturing sector are anticipated to outpace labour force growth over the next decade, indicating increasing G.D.P. output per employee.

Figure 2-4
Manufacturing Labour Force Trends in Ontario, 2001 to December 2022



Source: Annual labour force data from Statistics Canada Labour Force Survey, Table 282-0125, 2020 monthly data from Table 14-10-0091-01, and 2021 to 2022 monthly data from Table 14-10-0388-01. Annual G.D.P. data from Statistics Canada Table 36-10-0402-01, by Watson & Associates Economists Ltd.

2.5 Regional and Local Labour Force Trends

2.5.1 Broader Regional Economic Outlook, 2001 to 2023

Figure 2-5 illustrates total labour force and unemployment rate trends for the Kingston-Pembroke Economic Region alongside the unemployment rate in Ontario.^[1] Labour

[1] Based on the levels of geography for which the data on labour force and employment rate trends is maintained, Economic Region level data is the closest regional data available for the County of Lennox & Addington.

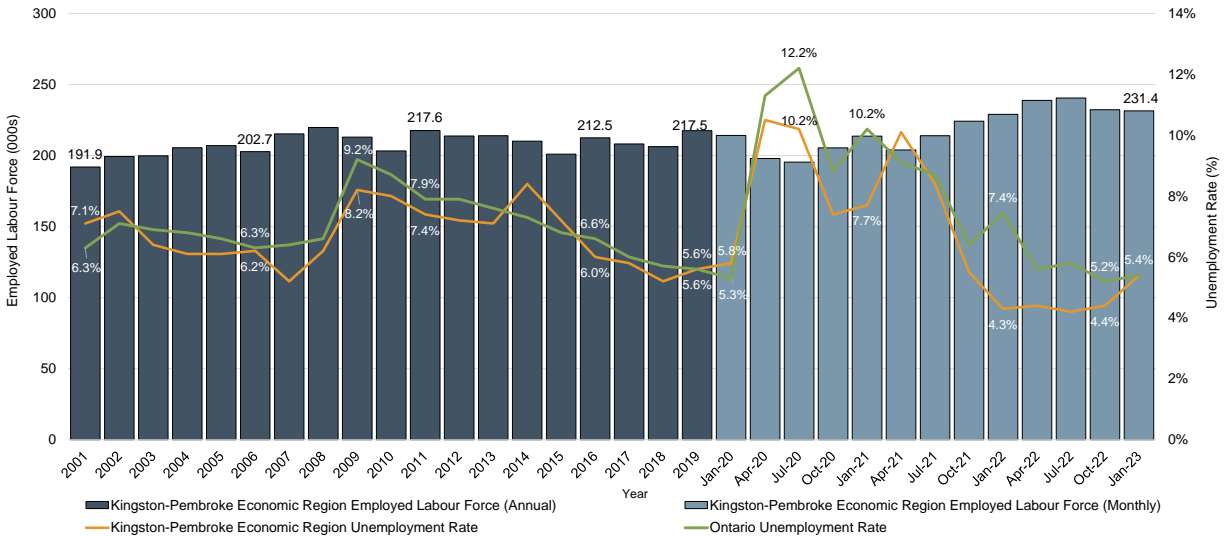


force data represents the number of residents who live in the Kingston-Pembroke Economic Region and are part of the labour force, regardless of where they work. This includes residents who live and work in the region, those who work from home, and those who commute outside the region for work. Key observations include:

- The unemployment rate in the Kingston-Pembroke Economic Region rose to 9.1% in 2009, coinciding with the 2008/2009 global economic recession, and subsequently fell to 5.6% in 2019, before peaking in May 2020 at 14.0% as a result of the COVID-19 pandemic.
- After the second quarter of 2020, the region's labour force steadily recovered, reaching new record heights in May 2022.
- Coinciding with the labour force growth in the second quarter of 2022, the Kingston-Pembroke Economic Region's unemployment rate dropped to historical lows that have not been reached within the past two decades.
- From 2001 to 2023, the total labour force within the region increased by approximately 27.5%, from 192,000 to 245,000.
- To ensure that economic growth is not constrained by future labour shortages, a continued effort will be required by the municipalities within the Kingston-Pembroke Economic Region (working with their public- and private-sector partners) to explore ways to attract and accommodate new skilled and unskilled working residents within a broad range of rental and ownership housing options.



Figure 2-5
Kingston-Pembroke Economic Region
Total Labour Force and Unemployment Rate Trends, 2001 to 2022



Note: Statistics Canada Labour Force Survey and Census labour force statistics may differ.
Source: Statistics Canada Data Tables 14-10-0090-01, 14-10-0393-01, 14-10-0387-01, 14-10-0327-01, and 14-10-0017-01. Data derived by Watson & Associates Economists Ltd., 2023.

2.6 Overview of County of Lennox & Addington Economic Trends

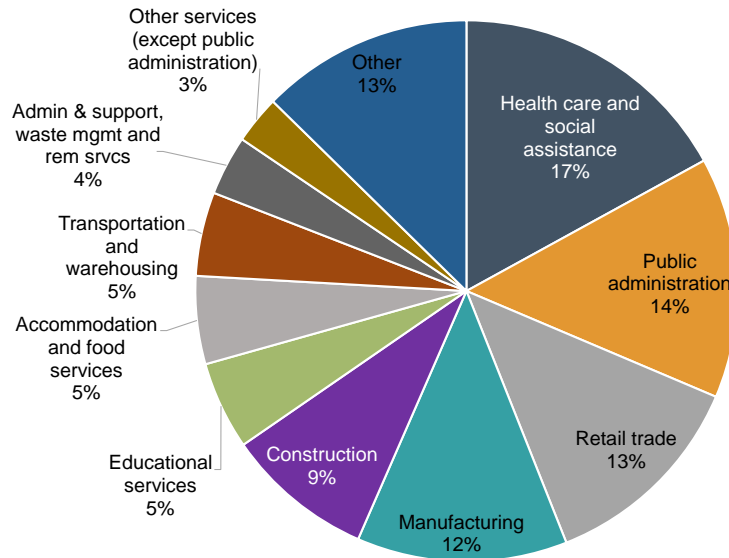
2.6.1 Recent Employment Growth Trends by Sector

2.6.1.1 2021 Employment Base

Figure 2-6 summarizes business changes by industry sector over the 2021 employment base in the County of Lennox & Addington. As shown, the County has a diverse share of commercial, institutional and industrial sector employment, with the highest share of employment in the health care and social services sector, followed by the public administration, retail trade and manufacturing sectors. These four key sectors constitute over half of the County’s employment in 2021.



Figure 2-6
County of Lennox & Addington
Employment Base, 2021

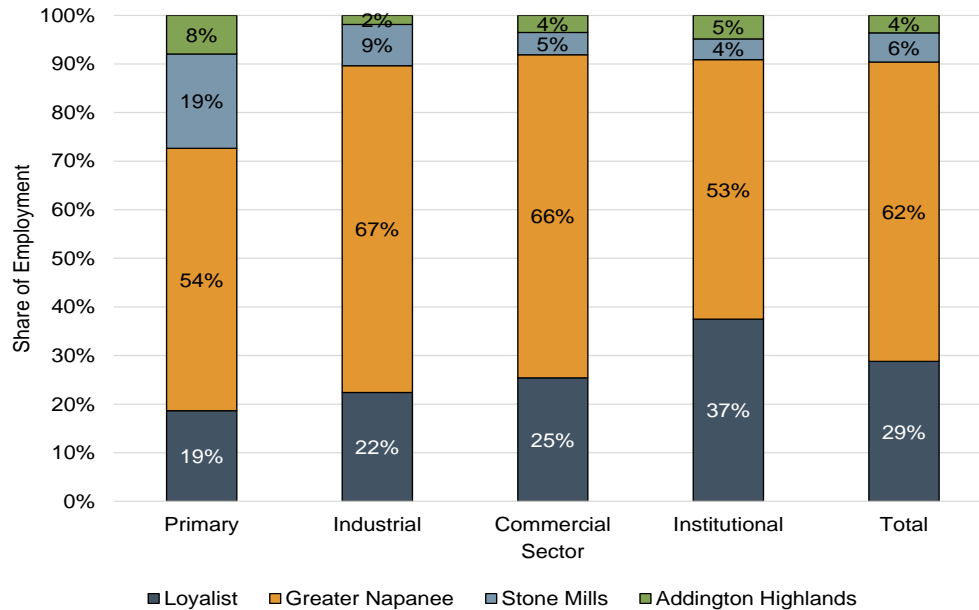


Source: Derived from EMSI Data by Watson & Associates Economists Ltd., 2022.

Figure 2-7 presents the share of employment by major sector (i.e., primary, industrial, commercial and institutional) for each Area Municipality in the County. As shown in the figure, most of the County's employment base is located in Greater Napanee with 62%, followed by Loyalist with 29% of total County employment. Stone Mills and Addington Highlands, combined, have an overall share of about 10% of the County's employment base in 2022.



Figure 2-7
County of Lennox & Addington
Employment Base, 2021



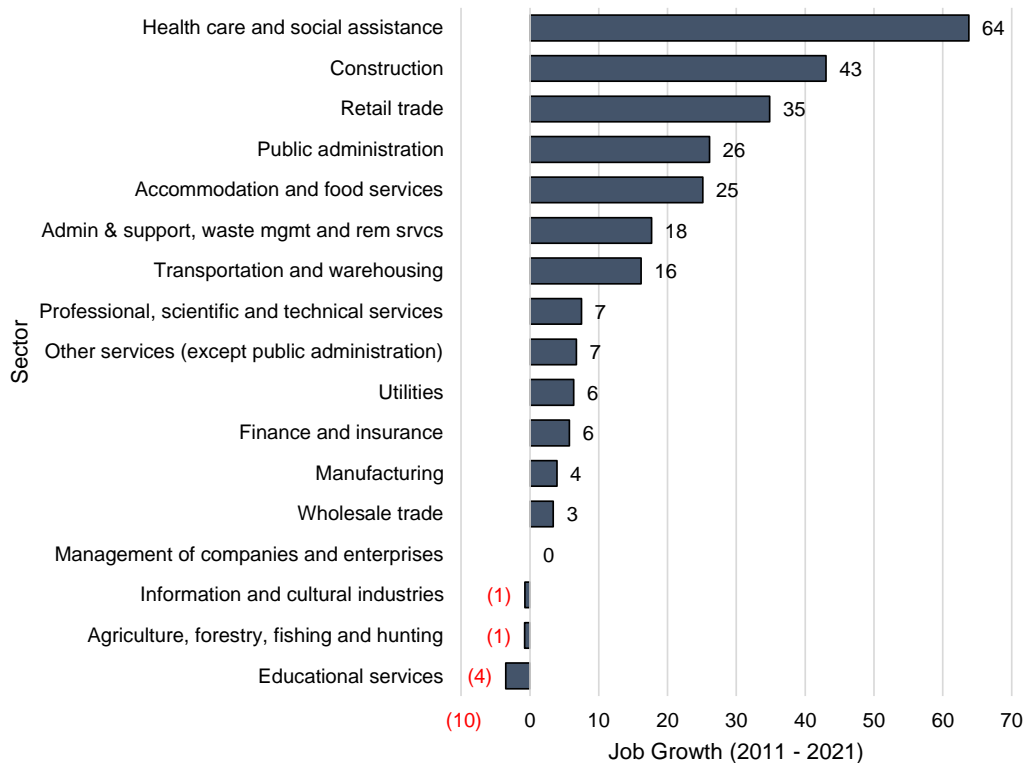
Source: Derived from EMSI Data by Watson & Associates Economists Ltd., 2022.

2.6.1.2 *Employment by Place of Work and Sector*

The County's employment growth by sector between 2011 and 2022 is presented below in Figure 2-8. As shown in the figure, most employment sectors, particularly health care and social assistance, retail, construction and public administration, have experienced positive employment growth. A few sectors, such as educational services, have experienced a loss in overall employment, though to a small degree.



Figure 2-8
County of Lennox & Addington
Employment Growth by Sector, 2011 to 2022



Source: Derived from EMSI Data by Watson & Associates Economists Ltd., 2022.

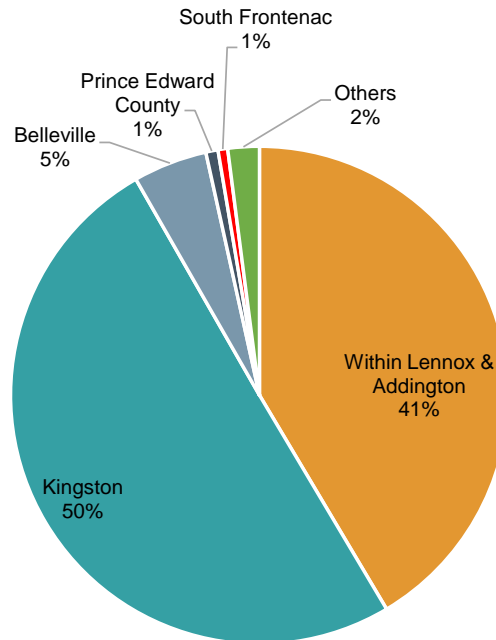
2.6.1.3 Commuting Trends

Figure 2-9 depicts commuting patterns in the County based on 2016 Statistics Canada Census data, i.e., where the residents of Lennox & Addington commute to work. As previously identified, the County's commuter-shed is largely represented by the County together with the City of Kingston. Key observations include:

- Employed residents of Lennox & Addington primarily work in the City of Kingston (50%) and the County of Lennox & Addington (41%).
- A smaller portion of employed residents commute to Belleville, Prince Edward County and South Frontenac (7%).



Figure 2-9
County of Lennox & Addington
Place where County Residents Commute to Work



Source: Derived from Statistics Canada Census Data, 2016, by Watson & Associates Economists Ltd., 2022.

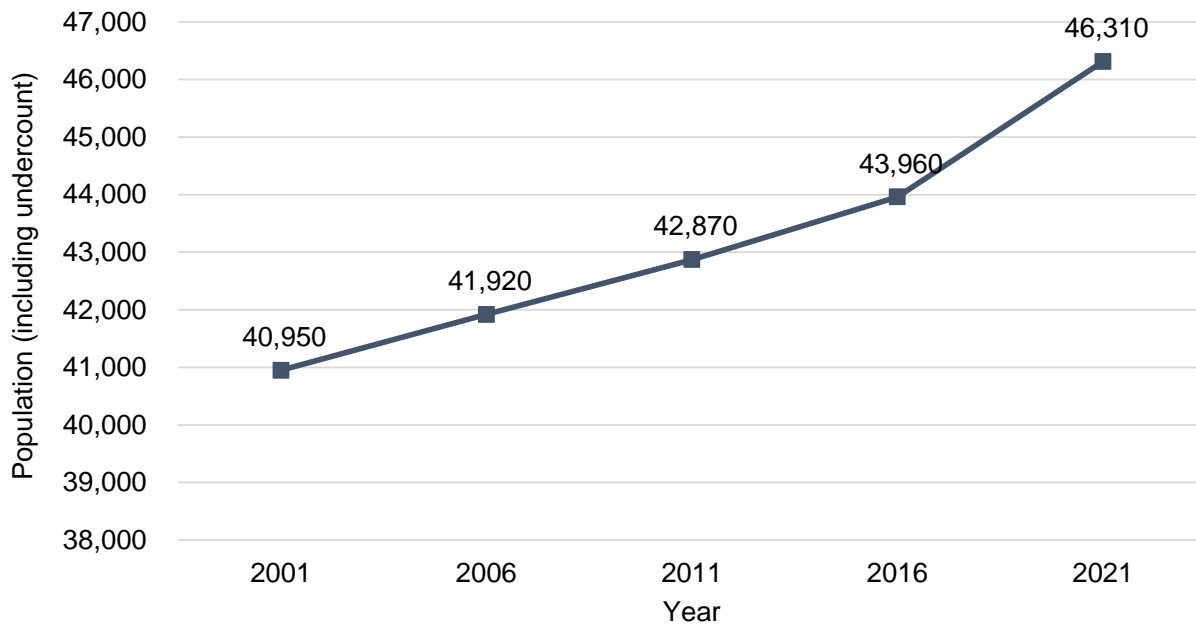
2.7 Overview of County of Lennox & Addington Historical Housing Trends

2.7.1 Historical Population and Housing Trends

Figure 2-10 summarizes historical permanent population trends for the County of Lennox & Addington between 2001 and 2021 based on Statistics Canada Census data. During this historical time period, the County's population increased from 40,950 in 2001 to 46,310 in 2021, a total increase of 5,360 residents or an annual increase rate of approximately 0.6%. Comparatively, the population base for the Province of Ontario grew at an average annual rate of 1.1% during the same time period.



Figure 2-10
County of Lennox & Addington
Historical Population, 2001 to 2021



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

2.7.2 Census Housing Growth Trends

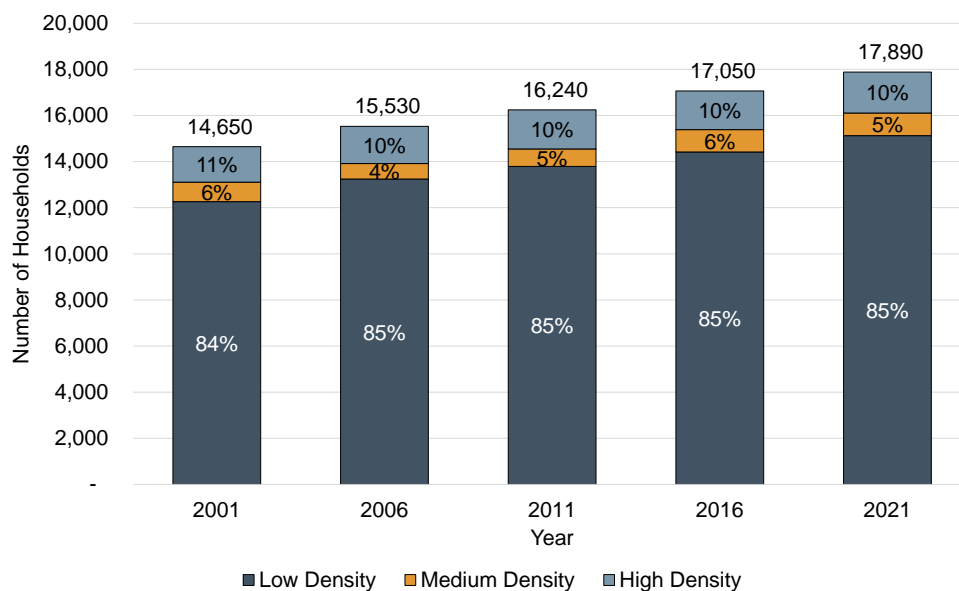
Similar to the recent population growth trends explored above, the County of Lennox & Addington has experienced a steady increase in housing over the past 20 years as measured by Statistics Canada Census data. Housing growth was particularly strong between 2001 and 2006, as well as during the 2016 to 2021 period, reflective of the steady regional economic recovery experienced throughout the County following the 2008/2009 global economic downturn.

Over the past 20 years, the County's housing base increased by 3,240 households from 14,650 to 17,890, which represents an increase of approximately 162 Census households per year. Figure 2-11 summarizes housing growth by density type between 2001 and 2021. Low-density households include single and semi-detached units, medium-density households comprise townhouses and apartments in duplexes, while apartments are included in the high-density category. Low-density housing made up



the majority of the housing base in 2021, with 85% of total households. Over the next 30 years, it is anticipated that housing development within the County will be increasingly concentrated in medium- and high-density forms. This shift will be largely driven by declining housing affordability associated with grade-related housing forms, combined with the aging of the County’s population base, which is anticipated to drive greater need for higher-density housing types, including seniors’ housing.

Figure 2-11
County of Lennox & Addington
Historical Population, 2001 to 2021



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

2.7.3 Historical Residential Building Permits Activity by Type, 2013 to 2022

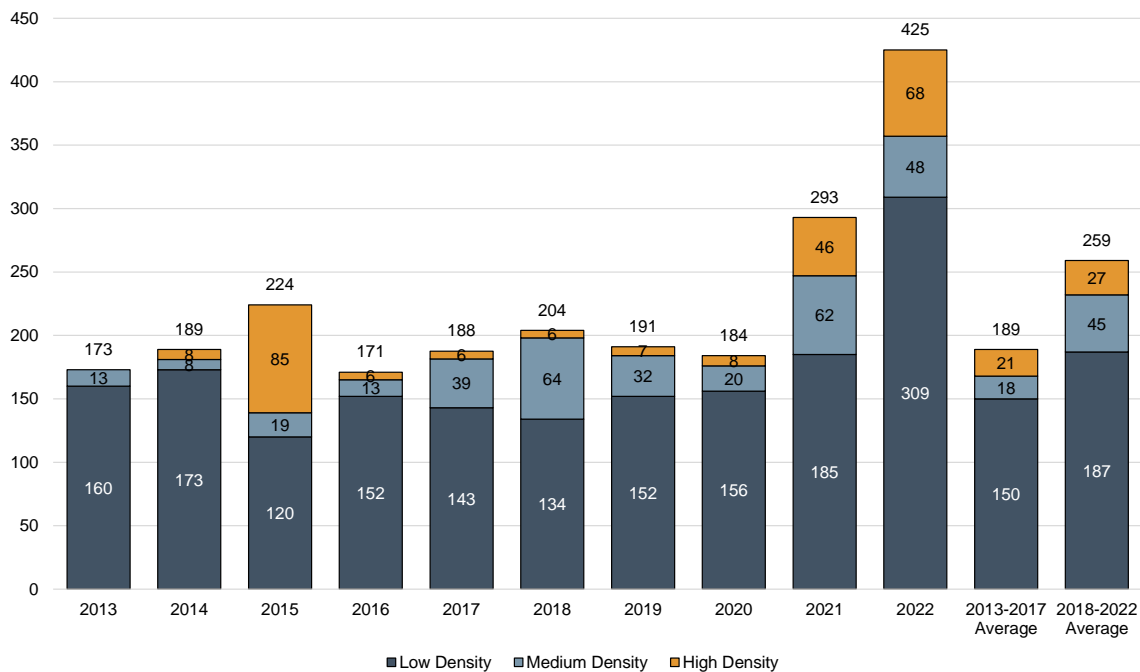
Figure 2-12 and Figure 2-13 summarize total building permits by structure type and the share of residential building permits by Area Municipality for new housing units from 2013 to 2022 within Lennox & Addington County. Key findings include:

- Over the 2013 to 2017 period, the County averaged 189 residential building permits per year which increased to 259 permits per year between 2018 and 2022;



- Historically, development activity has been largely dominated by low-density units; however, the share of building permits for medium- and high-density housing has increased, particularly in the last two years; and
- Of the total building permits issued for new dwellings from 2013 to 2022, approximately half were issued in Loyalist, followed by Greater Napanee with 33%, Stone Mills with 13% and Addington Highlands with 4% of the total permits (new dwellings only).

Figure 2-12
County of Lennox & Addington
Historical Residential Building Permits (New Dwellings Only), 2013 to 2022



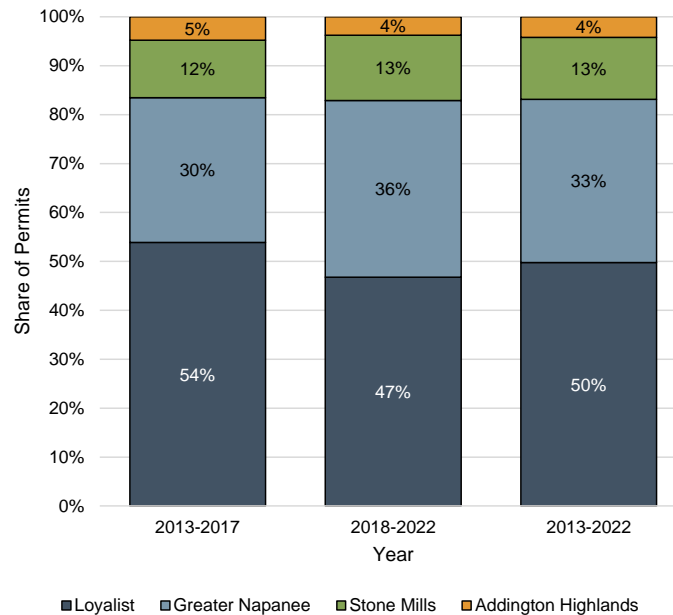
Notes:

- Medium-density includes townhouses and apartments in duplexes.
- High-density includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Source: Derived from Statistics Canada building permit data, 2013 to 2022, by Watson & Associates Economists Ltd.



Figure 2-13
County of Lennox & Addington
Historical Residential Building Permits, 2013 to 2022



Source: Derived from Statistics Canada building permit data, 2013 to 2022, by Watson & Associates Economists Ltd.

2.8 Observations

A broad range of considerations related to demographics, economics, and socio-economics are anticipated to impact employment and population growth trends in the County of Lennox & Addington over the coming decades. These factors will not only affect the rate and magnitude of growth but will also influence the built-form, density, and location of non-residential development and the need for employment lands over the long term.

The County of Lennox & Addington is characterized by a blend of expansive rural lands and vibrant urban areas. The County's urban and rural landscapes form a large part of the foundation which creates the "quality of place" that continues to increasingly attract new residents to this area. Since the onset of the pandemic, COVID-19 has acted as a near-term driver of housing demand, led by increased opportunities for remote work or hybrid at-home at-work models. This has led to the reconsideration by some Ontario



residents to trade “city lifestyles” for a greater balance of urban and rural living. It is recognized, however, that the longer-term population and employment growth potential for the County of Lennox & Addington will be heavily dependent on the sustained economic growth potential of the broader economic region, namely, the Kingston C.M.A.

Over the past several decades, the provincial economy has been steadily shifting away from goods-producing sectors and moving towards increasingly services-providing and knowledge-based sectors. As a result of these continued 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 employment growth, local business investment, and labour force demand. These disruptive forces are also anticipated to have long-term impacts on industrial, commercial, and retail space requirements, as well as long-term employment land needs, which must be considered and monitored on an on-going basis when planning for non-residential development within the County of Lennox & Addington.

The County’s employment base is particularly concentrated in employment sectors related to manufacturing, health care services, retail and construction. These sectors, as well as other emerging knowledge-based industries, are anticipated to represent the fastest growing segments of the County’s economy.

Owing to the strategic location of the County and its proximity to key Canadian and U.S. markets, the employment base of the County and the surrounding commuter-shed is anticipated to diversify, generating a range of new live/work and commuting opportunities. Accordingly, the County of Lennox & Addington will continue to be a desirable location for workers to live, leading to steady population growth across the County.



Chapter 3

Opportunities to Accommodate Urban Residential and Non- Residential Development



3. Opportunities to Accommodate Urban Residential and Non-Residential Development

3.1 Introduction

This chapter includes a summary of the urban residential and non-residential land supply opportunities within the County of Lennox & Addington. In accordance with the Provincial Policy Statement (P.P.S.), 2020, Watson has conducted the corresponding land needs analysis on settlement areas with full municipal servicing. Accordingly, this review has been undertaken to guide the amount, type and location of long-term growth as well as urban land needs in the County over the next 25 years. The County has four urban settlement areas:

- Amherstview (Loyalist Township);
- Bath (Loyalist Township);
- Odessa (Loyalist Township); and
- Napanee (Town of Greater Napanee).

The land supply and needs analysis conducted as part of this report is limited to these urban settlement areas. It is recognized that both the County's urban settlement areas and rural areas have a role to play in accommodating future development subject to available land supply, supporting infrastructure and scale of development. While rural settlement areas and remaining rural areas have not been included as part of the detailed urban land needs calculation prepared as part of this review, it is understood that rural land requirements will be addressed through the review of local O.P.s.

3.2 Potential Housing Supply

3.2.1 Supply Opportunities in Active Development Plans

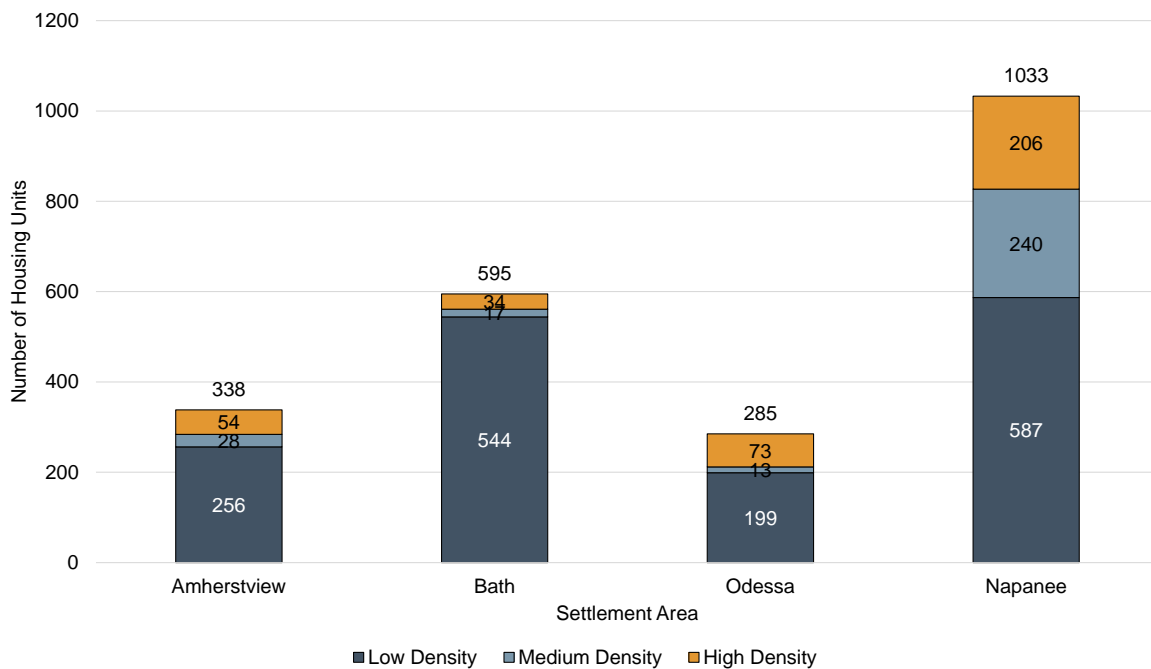
The County's active residential development application data was reviewed to provide insights into the demand for future housing by structure type and location at the area municipal level. This inventory includes potential new residential units in development applications (i.e., registered, unbuilt, and draft approved plans).



As of January 2023, approximately 2,251 units were identified within the development approvals process (i.e., application received, draft approved, pre-consultation, etc.) across the County’s urban settlement areas. Figure 3-1 summarizes the County’s potential urban housing supply by Area Municipality by development status. Key observations include:

- The County’s housing supply is geared towards low-density housing, accounting for 71% of the overall supply, while medium-density housing accounts for 13%, and high-density housing accounts for the remaining 16%.
- Of the County’s total future urban supply potential in active development plans, approximately 54% is located in Loyalist Township.

Figure 3-1
County of Lennox & Addington
Summary of Future Housing Supply in Active Development Plans by Urban Settlement Area and Stage of Development Approval, January 2023



Source: Derived from supply data provided by the Area Municipalities of Loyalist and Greater Napanee, presented by Watson & Associates Economists Ltd., 2023.

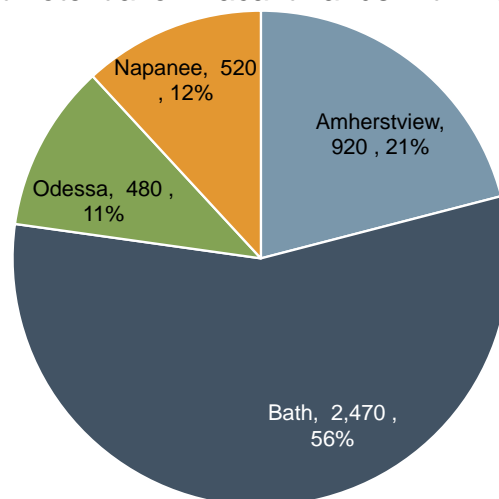


3.2.2 Vacant Urban Residential Supply

Figure 3-2 summarizes the County's housing supply on remaining vacant greenfield lands by urban settlement area as of early 2023. This represents all units outside the development approvals process that fall within designated residential lands within the urban settlement areas. Housing unit totals are derived from a review of vacant designated lands by local municipality.^[1] Key observations are as follows:

- The total residential housing supply within inactive vacant residential lands^[2] across the Lennox & Addington's urban settlement areas is 4,400 units.
- The distribution of housing unit potential on inactive vacant residential lands is concentrated in the settlement area of Bath followed by Amherstview.

Figure 3-2
County of Lennox & Addington
Estimated Housing Unit Potential on Vacant Lands within Urban Settlement Areas



Note: Supply in Amherstview includes 26 ha residential land from Amherstview West Secondary Plan.

Source: Derived from supply data provided by the Area Municipalities of Loyalist and Greater Napanee by Watson & Associates Economists Ltd., 2023.

^[1] The number of housing units has been calculated based on the vacant residential land supply by Urban Settlement Area and the forecast unit mix (detailed further in Chapter 5). A density assumption for low-, medium- and high-density units has been considered to arrive at the estimated number of units.

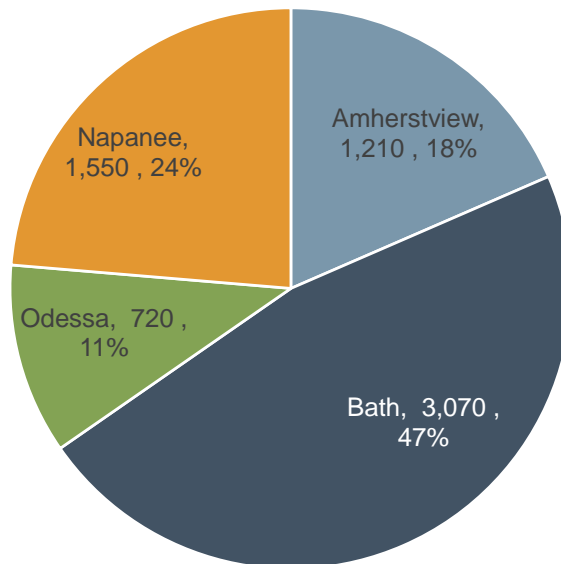
^[2] Includes housing potential within designated residential lands that do not have any development application attached to them.



3.2.3 Total Urban Residential Supply Potential

Figure 3-3 summarizes the County's total housing supply on vacant lands and lands under development applications, by urban settlement area as of early 2023. As shown in the figure, there is a total unit potential of approximately 6,550 units within the County's urban settlement areas. The urban area in Town of Greater Napanee accounts for about 24% of total housing unit capacity, while urban settlement areas within Loyalist Township account for 76% of the total residential supply potential.

Figure 3-3
County of Lennox & Addington
Estimated Housing Unit Potential on Vacant Lands within Urban Settlement Areas



Source: Derived from supply data provided by the Area Municipalities of Loyalist and Greater Napanee by Watson & Associates Economists Ltd., 2023.

3.3 Industrial Land Supply Opportunities

A summary of vacant industrial lands has been provided to assist in guiding the amount and location of industrial employment growth across the County over the long term. The need for this updated inventory is critical to the County and its local municipalities as the supply and quality of vacant industrial lands (also referred to as employment lands) can have a direct influence on the location of non-residential development as well as the economic competitiveness of the County over the long term.



Based on the most current inventory of urban industrial land provided by each Area Municipality, the County of Lennox & Addington has a total of 1,057 gross ha (2,612 gross acres) of vacant, designated industrial land, as outlined in



Figure 3-4. Of the total vacant urban industrial land identified within the County of Lennox & Addington, approximately 69% is located in the Town of Greater Napanee, while the remaining 31% is located in Loyalist Township (refer

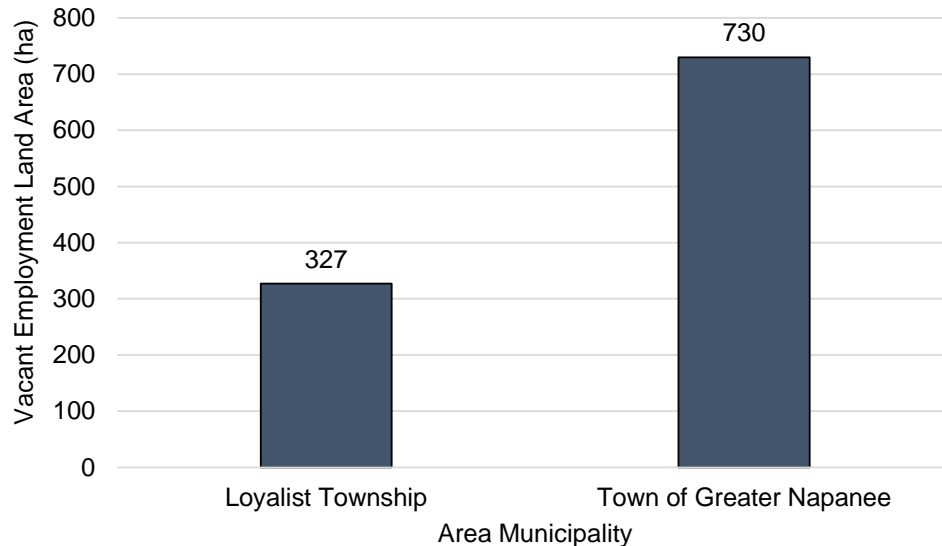


Figure 3-4).

As discussed previously, the supply opportunities presented in this section are primarily focused on the urban settlement areas within the County. It is noted that in addition to urban Employment Areas, there is also interest and opportunities to accommodate growth in the County's rural areas. One key area designated for industrial use outside of the urban settlement areas in the County is the Business Park in the Township of Stone Mills. The area has good connectivity and is located in proximity to Highway 401 adjacent to the boundary with the Town of Greater Napanee. Based on a geographic information systems (GIS) based desktop review of available data on the parcels, the Business Park has considerable supply opportunities available with approximately 180 ha of gross vacant land area available. This business park is anticipated to provide opportunities for rural / dry industries as well as industries to be developed on private services, and accommodate a major portion of the proposed industrial and ancillary employment growth within Stone Mills in accordance with policies detailed in Section 4.5 of the Township's OP.



Figure 3-4
County of Lennox & Addington
Summary of Gross Vacant and Net Vacant Urban Industrial Lands (Employment Lands)
by Area Municipality



Source: Vacant industrial land inventory provided by County of Lennox & Addington Area Municipalities, 2023.

As shown in Figure 3-5, of the total 1,057 gross ha of designated vacant employment lands identified herein, approximately 677 ha are considered available and developable after adjusting for environmental and servicing constraints, internal infrastructure (e.g., local roads, stormwater management facilities, local environmental features, open space, etc.) as well as long-term land vacancy. The adjustment for long-term employment land vacancy represents sites that are unlikely to development over the long term (i.e., 2021 to 2051) due to odd/small lot sizes and poor configuration, as well as underutilized employment sites, sites that may have long-term development constraints and inactivity/land banking which may tie up potentially vacant and developable lands. Long-term land vacancy is a common characteristic experienced in industrial areas throughout the County, the Province, and beyond. For the purposes of this analysis, an estimated 15% long-term land vacancy has been assumed. In addition to consideration to long term vacancy, it is noted that the Town of Greater Napanee has additional constraints with respect to servicing capacity and water pressure to service some of the designated employment lands and would need necessary upgrades and investment for enhancing servicing before being considered shovel ready.



Figure 3-5
County of Lennox & Addington
Settlement Employment Land Supply (Hectares)

Land Use Category	Total Gross Vacant Employment Land Less Environmental Constraints (ha) (A)	Adjustments for Roads and Other Internal Infrastructure (ha) ^[1] (C)	Net Developable Vacant Employment Lands (ha) D = A - (B + C)	Net Developable Vacant Employment Lands Adjusted for Land Vacancy (ha) E = D x 0.85	Share of Vacant Settlement Employment Lands (ha)
Amherstview	94	21	74	63	9%
Bath	227	55	171	146	22%
Odessa	6	1	4	4	1%
Loyalist Township	327	77	249	212	31%
Town of Greater Napanee	730	183	548	465	69%
Total	1,057	260	797	677	100%

^[1] Assumes 25% of the vacant land area net environmental features is required for roads and other internal infrastructure on sites greater than 4 ha in area.

Note: 15% long-term vacancy has been used.

Numbers may not add due to rounding.

Source: Data as of April 2023 from the County of Lennox & Addington, presented by Watson & Associates Economists Ltd., 2023.

3.3.1 Employment Area Intensification Opportunities

Intensification on employment lands can take a number of forms, including further development of underutilized and partially vacant lots (infill), expansion (horizontal or vertical) of existing buildings and redevelopment of employment land parcels. Intensification offers the potential to accommodate future employment growth and achieve increased land utilization resulting in higher employment density in existing Employment Areas. Higher land utilization on existing employment lands can also lead to more effective use of existing infrastructure (e.g., roads, water/sewer servicing). While outside of the scope of this Growth Analysis Report, future analysis through the County's O.P. review process could examine Employment Area intensification opportunities.



Chapter 4

County-wide Population, Housing and Employment Forecast, 2021 to 2051



4. County-wide Population, Housing and Employment Forecast and Growth Allocations by Area Municipality, 2021 to 2051

4.1 Introduction

This chapter summarizes three long-term employment, population and housing growth scenarios for the County building on the recent demographic, economic and socio-economic trends outlined in Chapter 2. A review of key growth drivers and disruptors which are anticipated to influence future growth trends across the County is also provided herein. In developing the County's long-term growth scenarios, further consideration has been given to the current long-term population, housing and employment forecasts for the surrounding economic region, Eastern Ontario and the Province as a whole.

4.2 Key Economic and Demographic Trends Anticipated to Influence Long-term Population and Employment Growth Across the County of Lennox & Addington

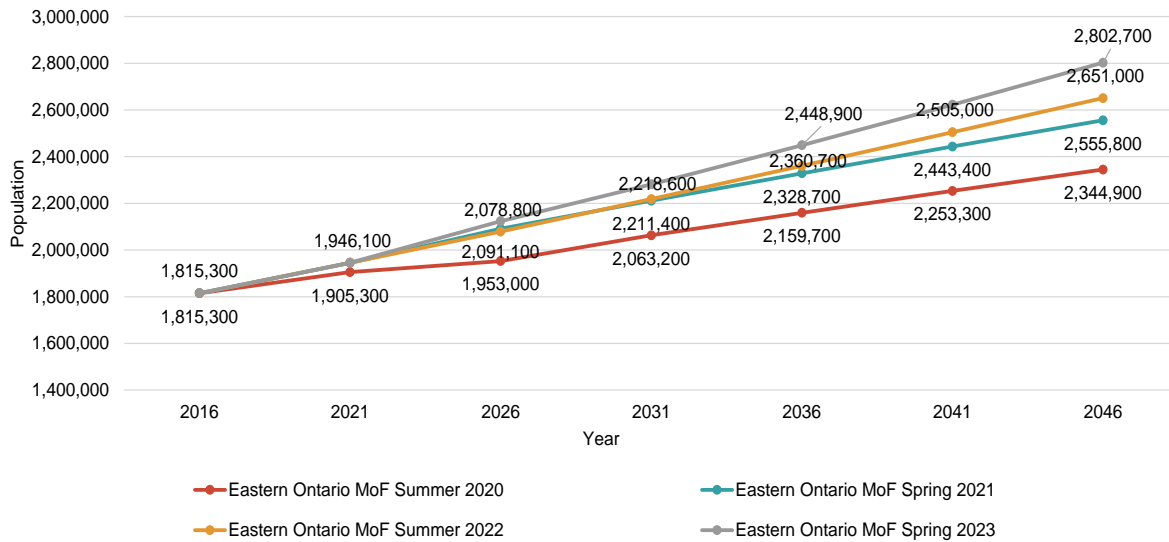
4.2.1 Stronger Regional Population Growth Outlook

Figure 4-1 compares the most recent population projections for Eastern Ontario prepared by the Ministry of Finance (M.O.F.) between 2020 and 2023. Under the most recent update prepared by the M.O.F. (Spring 2023), the 2046 population forecast for Eastern Ontario increased to 2,802,700, which represents an increase of approximately 457,8000 compared to the previous M.O.F. forecast prepared in 2020. Over the 2020 to 2023 period, the M.O.F. consistently projected strong population growth for this area. In accordance with the 2023 M.O.F. projections, the population growth rate for Eastern Ontario during the 2021 to 2046 period is approximately 1.5%, which is comparable to the population growth rate for the Province of Ontario for this same projection period.

Similar to Figure 4-1, Figure 4-2 summarizes the population projections to 2046 for Lennox & Addington County as prepared by the M.O.F. between 2020 and 2022. Based on these latest projections, the annual growth rate for the 2023 Spring forecast increased to 0.8%, compared to 0.3% for the 2020 Summer forecast.

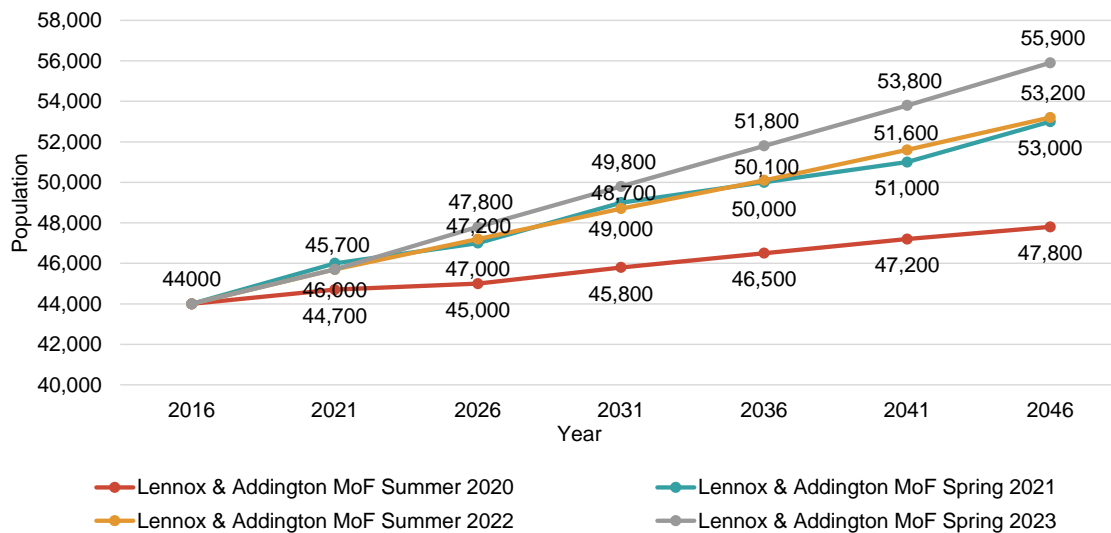


Figure 4-1
Eastern Ontario
Ministry of Finance Population Projections, 2016 to 2046



Note: Population includes net Census undercount. Figures have been rounded.
Source: Historical data derived from Statistics Canada Census, 2001 to 2021, and Ministry of Finance Projections from Summer 2020, Spring 2021 and Summer 2022, and Spring 2023 releases, by Watson & Associates Economists Ltd.

Figure 4-2
County of Lennox & Addington
Ministry of Finance Population Projections, 2016 to 2046



Source: Ministry of Finance Projections from Summer 2020 to Spring 2023 releases, by Watson & Associates Economists Ltd.



4.2.2 Local and Regional Economic Opportunities

As mentioned previously, population and employment growth in the County is closely tied to the growth opportunities and infrastructure available in the surrounding commuter shed, particularly the Kingston C.M.A. The County's proximity to the City of Kingston employment market and labour force is of particular importance when considering the opportunities and synergies that exist across the broader economic region.

With increased economic growth in knowledge-based industries anticipated across the economic region, demand for local skilled labour, including skilled trades, will continue in the coming years to address the growing needs of small-, medium- and large-scale businesses. The County's employment lands are strategically located to serve major North American employment markets in Eastern Ontario and the northeastern U.S. and provide opportunities in manufacturing, clean technology, transportation and warehousing, construction and food and agri-based sectors. One notable example is the Umicore electric vehicle (E.V.) battery plant (spanning over 350 acres and anticipated to begin plant production in 2025) is forecast to provide employment to approximately 1,000 people in the construction phase and employment for several hundred in the operations phase.^[1] Based on the current applications, and other growth pressures across the County, an increase of just over 2,000 industrial jobs has been estimated over the 2021 to 2051 planning horizon (refer to section 4.4).

The continued expansion of the County's and the broader Kingston C.M.A.'s employment markets is expected to be a major draw for commuting opportunities and new housing development within the County. The County of Lennox & Addington can anticipate continued population and housing growth, as potential employees look to live in locations that offer competitively priced housing options within proximity to work.

4.2.3 Continued Viability of the Agricultural Sector

Agricultural activities are significant to the overall County of Lennox & Addington economy. The agriculture and agri-food system encompasses several industries, including the farm input and service supplier industries, primary agriculture, food and beverage processing, food distribution, retail, wholesale, and food service industries, as well as other on-farm diversified uses. Currently, there are 495 farms in the Lennox & Addington region, with predominantly beef cattle and dairy farming. Most (37%) of the

[1] <https://inquire.ca/story/ev-battery-manufacturing-plant-coming-to-loyalist-township>



farms are greater than 200 acres in size.^[1] The agri-business and food processing sector provides an opportunity to deepen agricultural activity and increase productivity of the industry by providing value-added products and services to the regional economy, including the tourism sector. Furthermore, due to its rich natural heritage, the County has opportunities in the eco and agri-based tourism sectors.

According to the County's O.P., most lands designated for agriculture are located in Loyalist Township and the Town of Greater Napanee, while a smaller share is present within the Township of Stone Mills. A key planning principle for as set out in the County O.P. is to promote a diverse, innovative and economically strong agricultural industry and associated activities by enhancing their capacity to contribute to the economy of the County. The agricultural sector continues to be significant for the County's economy and current O.P. policies lay further emphasis on encouraging the preservation and promotion of the agricultural character of the County and its local communities.

4.2.4 The Impacts of an Aging County of Lennox & Addington Population

It is important to recognize that the population base in the County of Lennox & Addington is older on average and aging at a slightly faster rate relative to the Province as a whole. The County's 65+ age group has grown considerably over the past 25 years and is expected to increase in both percentage and absolute terms over the next several decades, largely due to the aging of the County's Baby Boom population (population born between 1946 and 1964). The aging of the County's population base is anticipated to place downward pressure on the rate of population and labour force growth within the County, given declining population growth resulting from natural increase (i.e., births less deaths) combined with downward pressure on the regional labour force participation rate.^[2]

Similar to the Province as a whole, the County will increasingly become more reliant on net migration as a source of population growth as a result of these demographic conditions. It is important to consider these demographic trends when examining the

[1] <https://data.ontario.ca/dataset/census-farm-data-collection>

[2] The labor force participation rate is defined as the percentage of the population that is actively participating in the labor force.



long-term growth outlook for the County, as they are anticipated to constrain population and economic growth rates over the next several decades.

The population age structure also has an impact on population growth rates by geographic area. Throughout the County's Rural Areas, the population is anticipated to grow at a relatively slower pace over the next several decades, given the limitations for large-scale development in these areas in the absence of municipal water and wastewater services. Furthermore, due to declining housing occupancy levels associated with aging residents, population growth may also be slow or even negative in some settlement areas (e.g., villages and hamlets). Notwithstanding these identified limits to potential development in the Rural Area, it is recognized that the County's Hamlets and Rural Areas also have a role to play in accommodating future development subject to available land supply, supporting infrastructure and scale of development. The County's Hamlet Areas represent service centres to the surrounding Rural Area and provide clusters of business operations that are essential to the County's future economic growth. As such, infilling and minor rounding out of existing development within Hamlet Areas is important to ensure these areas remain vibrant, sustainable and complete communities.

In certain cases, the aging population base is also anticipated to place increasing development pressures on the County's urban settlement areas. For example, the aging of the County's population is anticipated to drive the need for seniors' housing and other housing forms geared to older adults (e.g., assisted living, affordable housing, adult lifestyle housing) that are not available or cannot be provided in smaller communities and the surrounding Rural Area.

Given the diversity of the 65 to 74 and 75+ population age groups, forecast housing demand across the County of Lennox & Addington within this broad 65+ demographic group is anticipated to vary considerably. Within the 65+ age group, housing demand from the population aged 65 to 74 years is anticipated to be relatively strong for ground-oriented housing forms (i.e., single detached, semi-detached and townhouses) provided in locations that offer proximity to urban amenities, municipal services and community infrastructure. With respect to the 75+ population, the physical and socio-economic characteristics of this age group (on average) are considerably different from those of younger seniors, empty nesters and working adults with respect to income, mobility and health. Typically, these characteristics represent a key driver behind the increased propensity of the 75+ population age group for medium- and high-density housing forms



(including seniors' housing) that are in proximity to municipal and community services (e.g., health care services) as well as other community facilities that typically attract this age group.

4.2.5 Quality of Life

Quality of life is a key factor influencing the residential location decisions of individuals and their families. It is also a factor considered by companies in relocation decisions. Typically, quality of life encompasses several sub-factors such as employment opportunities, cost of living, housing affordability, crime levels, quality of schools, transportation, recreational opportunities, climate, arts and culture, entertainment, amenities and population diversity. The importance of such factors, however, varies considerably depending on life stage and individual preferences. As previously identified, the urban and rural character of the County offers a high quality of life which is expected to drive net migration from a broad range of demographic groups, including first-time home buyers, families, empty nesters and seniors.

To help ensure that economic growth is not unduly constrained by on-going labour shortages, continued effort will be required by Lennox & Addington County, working with its public and private partners, to explore ways to attract and accommodate new skilled and unskilled working residents to the County within a diverse range of housing options. Attraction efforts must also be linked to housing accommodation (both ownership and rental), infrastructure, municipal services, and amenities, as well as quality of life attributes that appeal to the younger mobile population, while not detracting from the County's attractiveness to older population segments.

4.2.6 Second Home Growth Opportunities

The County of Lennox & Addington has a sizable second home housing base, which is forecast to steadily increase over the next 30 years. Within the County, the Township of Addington Highlands has the largest second home housing base, as well as the highest growth between 2001 and 2021.^[1]

^[1] Second Homes are identified as dwellings that are unoccupied on a temporary basis. Number of second homes in Lennox & Addington has been derived by Watson from Census data as the difference of "occupied dwellings" and "total dwellings."



It is important to recognize the weight the population residing within second homes in the County has on future housing demand, infrastructure needs, economic development and municipal services. Market demand for second home housing is largely anticipated to be driven by the residents within the larger urban centres across Central and Eastern Ontario (including the Greater Golden Horseshoe (G.G.H.), Ottawa and the Kingston C.M.A.) all located well within a three-hour drive of the County's waterfront and rural areas. Over the next several decades, steady demand for second home housing is expected from these regional urban centres, largely driven by generations comprising Baby Boomers, Generation X and Millennials. This demographic trend is also anticipated to drive the potential for the conversion of second home dwellings to permanent households.

Demand for second home dwellings in the County of Lennox & Addington also places increasing demands on local/regional services and amenities (i.e., roads, recreational facilities, libraries, marinas, retail, etc.) during the peak summer season as the population residing within second homes continues to grow. Secondly, it adds to the permanent population growth rate over time as a portion of second home residents choose to live permanently at the "cottage" for an extended or indefinite period of time. Over the next 30 years, the conversion of second home dwellings to permanent housing units is anticipated to continue to contribute to permanent population growth across the County of Lennox & Addington.

4.3 County of Lennox & Addington Employment Growth Scenarios, 2021 to 2051

Building on the broader growth trends and growth drivers, three long-term employment growth scenarios have been developed for the County of Lennox & Addington including a Low Growth Scenario, Medium Growth Scenario and a High Growth Scenario, as summarized below in Figure 4-3. Key growth assumptions for each of the growth scenarios has been detailed in Appendix B.

Low Employment Growth Scenario

The Low Growth Scenario assumes that County of Lennox & Addington employment will grow at an average annual rate of 0.9% per year. Under the Low Growth Scenario, the County of Lennox & Addington employment base is forecast to increase steadily between 2021 and 2051 by approximately 4,800 jobs, from 15,400 to 20,200.



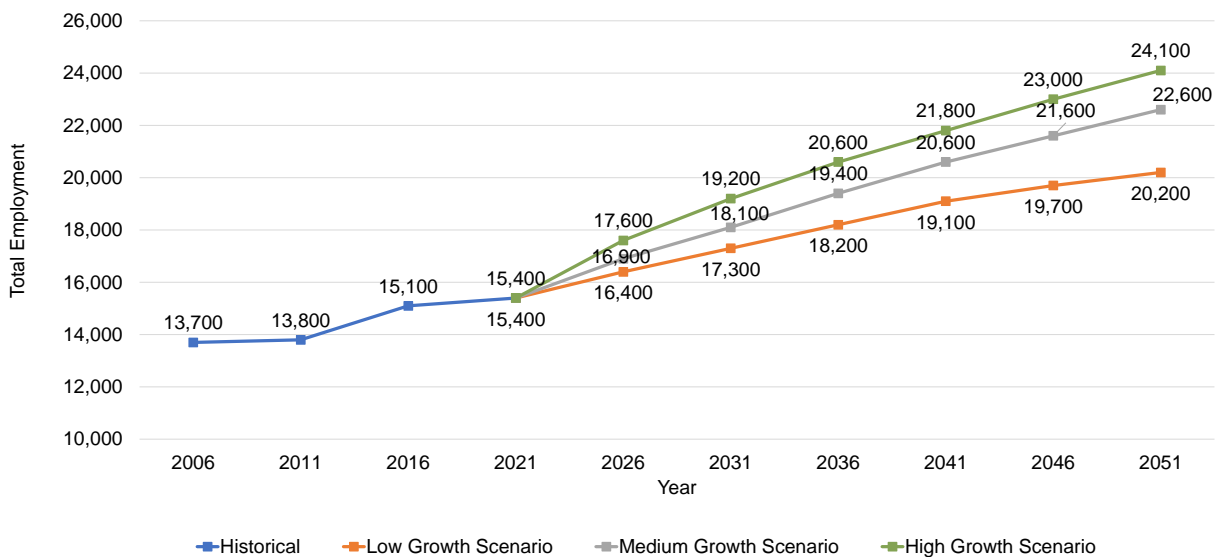
Medium Employment Growth Scenario

The Medium Growth Scenario assumes an annual growth rate of approximately 1.3% for the County of Lennox & Addington between 2021 and 2051. Under the Medium Scenario, the County of Lennox & Addington employment base is expected to increase by approximately 7,200 jobs by 2051, increasing from 15,400 in 2021 to 22,600 by 2051.

High Employment Growth Scenario

Under the High Growth Scenario, the County of Lennox & Addington's employment base is forecast to grow at an average annual rate of roughly 1.5% per year. Under the High Growth Scenario, the County of Lennox & Addington is anticipated to add approximately 8,720 jobs, increasing from 15,400 in 2021 to 24,100 by 2051.

Figure 4-3
County of Lennox & Addington
Long-term Total Employment Forecast Scenarios, 2021 to 2051



Source: Historical data from Statistics Canada. Forecast prepared by Watson & Associates Economists Ltd., 2022.
Note: Total employment includes work at home and no fixed place of work.

Employment Growth Scenario	2021	2051	2021-2051	Annual Growth	Annual Growth Rate
Low Growth Scenario	15,390	20,220	4,830	160	0.9%



Employment Growth Scenario	2021	2051	2021-2051	Annual Growth	Annual Growth Rate
Medium Growth Scenario	15,390	22,590	7,200	240	1.3%
High Growth Scenario	15,390	24,110	8,720	290	1.5%

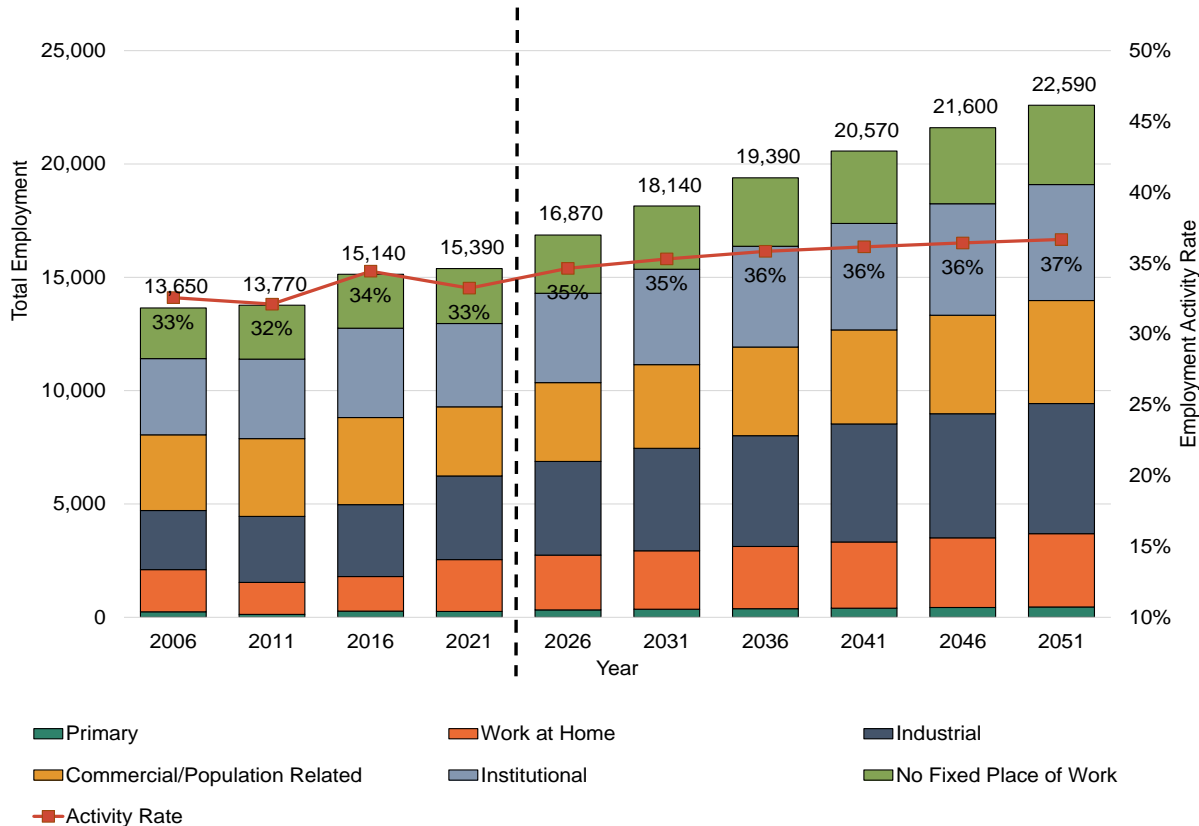
Source: 2021 derived from Statistics Canada Census data; 2051 forecast by Watson & Associates Economists Ltd.

4.4 Overview of the County of Lennox & Addington Medium Employment Scenario by Major Sector, 2021 to 2051

The following section provides additional details regarding the Medium Employment Growth Scenario, which is the recommended employment scenario for long-range planning purposes. Under the Medium Scenario, the County's employment activity rate (i.e., ratio of jobs to population) is anticipated to steadily increase from approximately 33% in 2021 to 37% by 2051, as summarized in Figure 4-4. This increase to the County's employment activity rate over the short term is anticipated to be driven by local employment opportunities associated within the County's export-based employment sectors (e.g., transportation and logistics, wholesale trade, construction, manufacturing and agri-business). Job growth potential within population-related employment sectors such as retail, accommodation and food, professional, scientific and technical scientific services, and education is also anticipated to drive near-term employment growth fueled by steady population growth. An increasing percentage of forecast job growth is anticipated to be accommodated through home occupations, home-based businesses and off-site employment, which is further discussed below.



Figure 4-4
 County of Lennox & Addington
 Historical and Forecast Employment Forecast, Medium Scenario, 2021 to 2051



Source: 2006 to 2021 derived from Statistics Canada Census data; 2026 to 2051 forecast by Watson & Associates Economists Ltd.

With respect to employment growth by major employment sector, the following observations have been made:

- Primary Employment** – Primary industries (i.e., agriculture and other resource-based employment) comprise an estimated 2% of the County’s employment base (i.e., jobs) as of 2021. This employment sector is anticipated to experience a net employment increase over the 2021 to 2051 forecast period of approximately 455 jobs. It is important to note that part of the primary employment is also captured in the work at home and N.F.P.O.W. categories. As such, total employment growth associated with the primary sector is anticipated to be considerably higher than the usual place of work employment numbers identified herein.



- **Industrial Employment** – The County’s industrial sector is anticipated to increase by approximately 2,100 jobs over the 2021 to 2051 period, accounting for 29% of total County-wide employment growth. Industrial employment growth is primarily anticipated to be concentrated in sectors related to utilities, small/ medium- and large-scale manufacturing, construction, wholesale trade, transportation and warehousing, utilities and other industrial sectors.
- **Commercial Employment** – Commercial/population-related employment, which includes the office and retail sectors, represents the County’s largest major sector with respect to total employment. This sector is mainly driven by demand generated from the local population base, including non-permanent residents. Commercial employment growth is forecast to increase by approximately 1,500 jobs over the 2021 to 2051 period, accounting for 21% of total employment growth.
- **Institutional Employment** – The County of Lennox & Addington is anticipated to add approximately 1,400 jobs to its institutional employment sector over the 30-year forecast period, representing 20% of total employment growth. This includes employment growth in education, health and social services and other institutional facilities (i.e., cultural, religious). The County is expected to experience an increase in demand for schools and training centres, public administration, health facilities and social services, including retirement homes, as well as other institutional-related development due to a growing, diversifying and aging population base.
- **Work at Home** – As of 2021, work at home employment is estimated to account for approximately 14% of all jobs within the County of Lennox & Addington. The number of work at home jobs for 2021 has been derived based on an assessment of regional trends. On a provincial level, it has been estimated that about 30% of the total labour force worked from home or worked in a hybrid “work from home/work at office” model in 2021. Based on data from Statistics Canada, most of the work at home jobs were within the commercial and office sector. It is recognized that the County has a lower share of jobs based in office-related sectors, which suggests a lower share of work at home and hybrid work at home/at office jobs for the County as compared to the Province. Looking forward, continued advances in technology and telecommunications are anticipated to further enable remote work patterns and ultimately increase the relative share of at home and/or off-site employment over the long term. As previously mentioned, demographics and socio-economics also play a role in the



future demand for off-site and work at home employment within an increasingly knowledge- and technology-driven economy. It is anticipated that many working residents in the County of Lennox & Addington will utilize technology to provide or supplement their income in more flexible ways in contrast to traditional work patterns. Investments in broadband infrastructure improvement projects will further enable a higher share of work at home jobs in the future. It is also likely that an increased number of working and semi-retired residents will be seeking lifestyles that will allow them to work from home on a full-time or part-time basis within the County of Lennox & Addington as they transition from the workforce to retirement. Over the forecast period, work at home employment in the County is expected to expand by slightly under 1,000 jobs (13%), largely driven by forecast employment growth related to knowledge-based occupations as well as primary employment, including diversified on-farm uses.

- **No Fixed Place of Work (N.F.P.O.W.)** – Off-site employment accounted for an estimated 15% of jobs in 2021. This employment category is expected to continue to steadily grow within the County over the long term, largely driven by labour force demands in the construction and transportation, warehousing and business service sectors. Over the forecast period, N.F.P.O.W. employment is expected to expand by approximately 1,100 jobs, 15% of the County’s total employment forecast.

4.5 County of Lennox & Addington Long-Term Permanent Population Growth Scenarios, 2021 to 2051

Figure 4-5 graphically compares the three long-term population growth forecasts for the County, including the Low, Medium and High Scenarios. It is noted that the long-term population growth scenarios include an upward adjustment of approximately 2.5% to account for the net Census undercount.^[1]

[1] The Census undercount represents the net number of permanent residents who are missed (i.e., over-coverage less under-coverage) during Census enumeration in accordance with Statistics Canada. All provincial population forecasts prepared by the Ministry of Finance (M.O.F.) referenced herein include an upward adjustment for the net Census undercount.



Low Population Growth Scenario

Under the Low Growth Scenario, it is assumed that the County of Lennox & Addington's permanent population base will grow at an average annual rate of 0.6% per year. Under the Low Growth Scenario, the County of Lennox & Addington's permanent population is forecast to increase moderately between 2021 and 2051 by 8,600, from 46,300 to 54,900.

Medium Population Growth Scenario

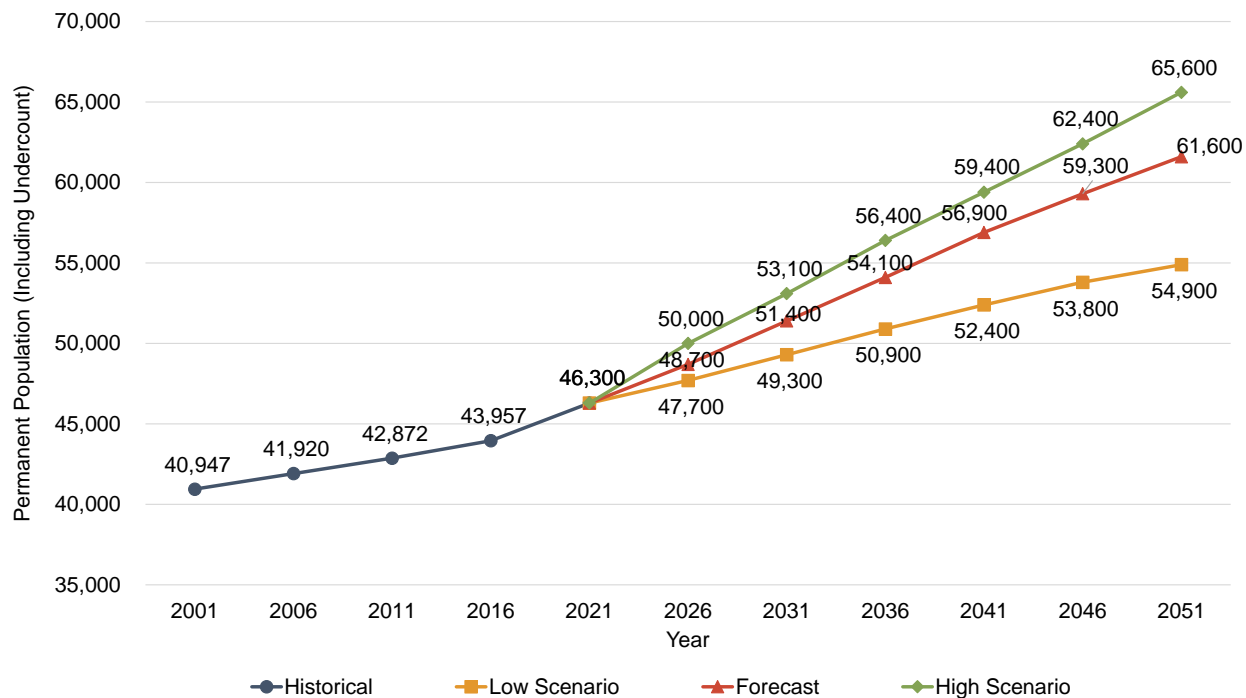
The County of Lennox & Addington's population is forecast to grow at an annual rate of approximately 1.0% under the Medium Growth Scenario. This represents an average annual growth rate that is well above the historical growth rate of 0.7% achieved within the County of Lennox & Addington from 2006 to 2021. The population is expected to reach 61,600 by 2051; this represents an increase of approximately 15,300 from 2021. Under this scenario as well as the other two scenarios, the rate of forecast population growth is anticipated to slow marginally in the latter half of the forecast period, due to the aging of the County's population base.

High Population Growth Scenario

Under the High Growth Scenario, the County's permanent population is forecast to grow at an average annual rate of 1.2% per year. Under this scenario, the population of the County of Lennox & Addington is anticipated to grow by approximately 19,300 persons, increasing from 46,300 in 2021 to 65,600 by 2051.



Figure 4-5
County of Lennox & Addington
Long-term Forecast Population Scenarios, 2021 to 2051



Source: Historical data from Statistics Canada. Forecast prepared by Watson & Associates Economists Ltd., 2022.
Note: Undercount estimated at 102.5%.

Population Growth Scenario	2021	2051	2021-2051	Annual Growth	Annual Growth Rate
Low Growth Scenario	46,310	54,930	8,620	290	0.6%
Medium Growth Scenario	46,310	61,570	15,260	510	1.0%
High Growth Scenario	46,310	65,560	19,260	640	1.2%

Source: 2021 derived from Statistics Canada Census data, and 2051 by Watson & Associates Economists Ltd.

4.5.1 Medium Population and Housing Growth Scenario, 2021 to 2051

Each growth scenario described above is based on a range of assumptions related to population and employment growth. As previously discussed, forecast net migration is largely driven by growth within the local economy and the surrounding commuter-shed,



as well as the County's attractiveness to empty nesters and seniors. In turn, population growth creates demand for new housing across the County, which is then allocated by Area Municipality, urban area, and remaining rural area (refer to Chapter 5).

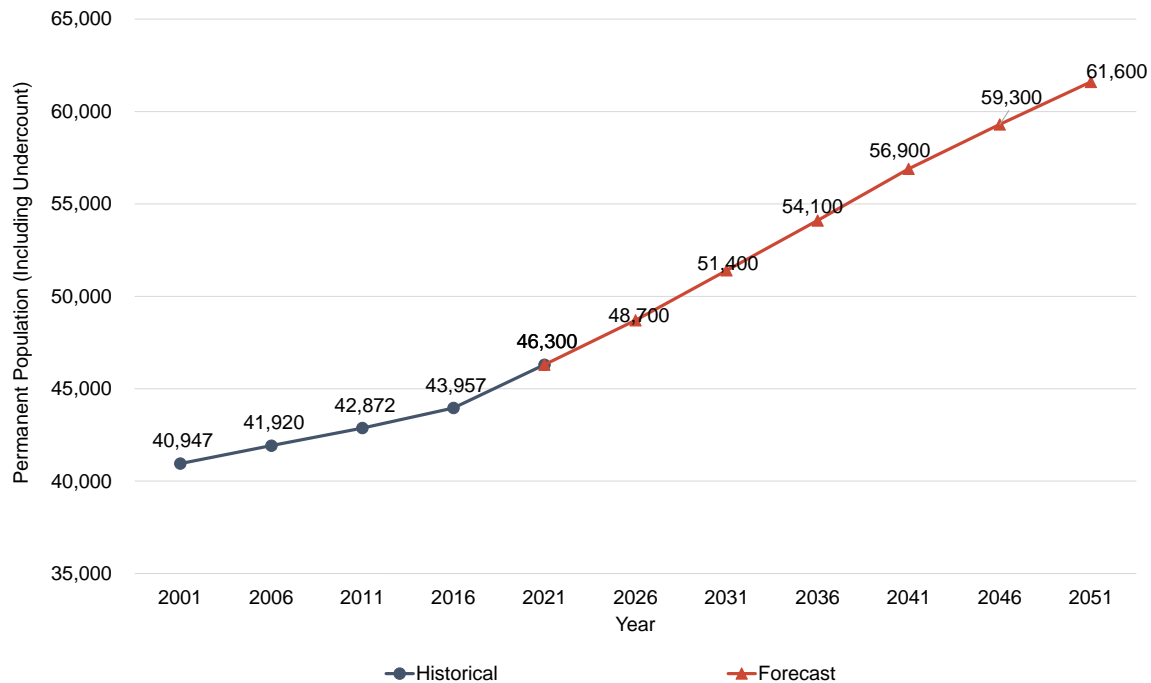
The permanent population scenarios represent the potential range of future growth which can be anticipated for the County over the next 30 years. Based on our review, the Medium (Reference) Growth Scenario is the recommended growth forecast scenario for the County of Lennox & Addington for the following reasons:

1. It represents a reasonable future ratio of population relative to the surrounding municipalities in comparison to historical and forecast trends.
2. The level of population growth in the 15 to 64 age group is reasonable given forecast job growth in the local and regional economy.
3. The forecast level of permanent and second home annual housing growth required to accommodate the Reference Scenario is reasonable in relation to historical trends observed based on residential building permit data, Statistics Canada Census data and Municipal Property Assessment Corporation (MPAC) data.

Figure 4-6 summarizes the Medium Growth Scenario for the County of Lennox & Addington from 2021 to 2051 in five-year increments. Additional details are provided in Appendix C.



Figure 4-6
County of Lennox & Addington
Population Growth Forecast (Medium Growth Scenario), 2021 to 2051



Source: Historical data from Statistics Canada. Forecast prepared by Watson & Associates Economists Ltd., 2022.
Note: Undercount estimated at 102.5%.

4.5.2 Medium Growth Scenario Population Forecast by Age Cohort, 2021 to 2051

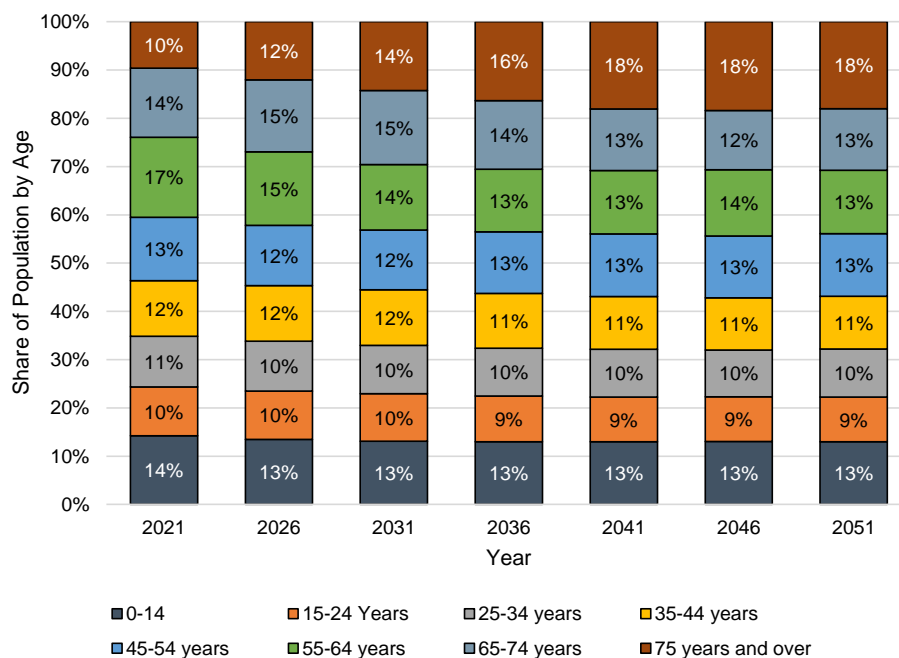
Figure 4-7 summarizes the population growth forecast by major age group over the 2021 to 2051 period for the County of Lennox & Addington. Key observations are as follows:

- The percentage of population in the 0 to 14 age cohort (youth population) is forecast to gradually decline from 14% in 2021 to 13% in 2051.
- The population share associated with the 15 to 54 age group is forecast to decline slightly from 45% in 2021 to 43% in 2051.
- The 55 to 74 age group (empty nesters/younger seniors) is forecast to decline from 31% in 2021 to 26% in 2051.
- The percentage of the population in the 75+ age group (older seniors) is forecast to increase over the 30-year period, from 10% in 2021 to 18% in 2051. Forecast



population growth associated with the 75+ age group will be largely driven by the aging of the existing Baby Boom population within the County of Lennox & Addington, and to a lesser extent, through net migration of older residents to the County. This suggests that the strong population growth anticipated within the 75+ age group will still be achieved even if the long-term 2051 population growth scenarios for the County are not fully realized due to lower net migration levels. As previously discussed, the aging of the County’s population is anticipated to place increasing demand on the need for seniors’ housing, affordable housing, as well as community and social services throughout the County of Lennox & Addington.

Figure 4-7
County of Lennox & Addington
Population by Age Forecast (Medium Growth Scenario), 2021 to 2051



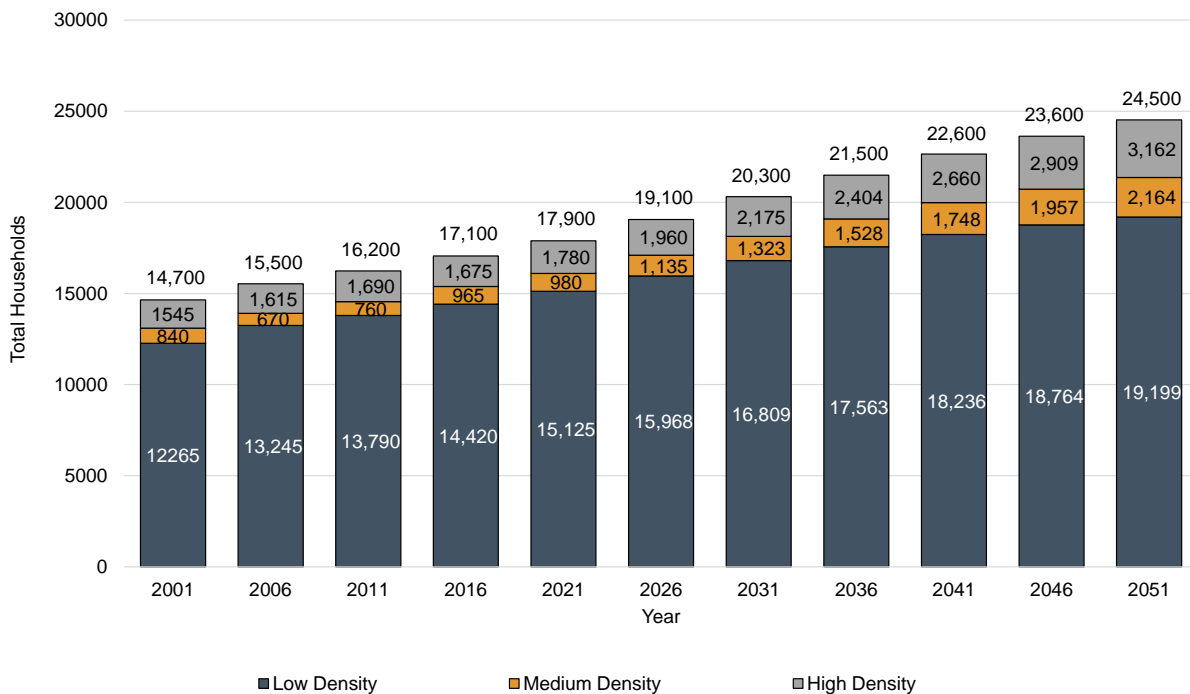
Source: Historical derived from 2001 to 2021 Statistics Canada Census and Demography Division data, and 2021 to 2051 forecast by Watson & Associates Economists Ltd.



4.6 County of Lennox & Addington Medium Housing Growth Scenario, 2021 to 2051

Figure 4-8 summarizes the County of Lennox & Addington household forecast from 2021 to 2051 under the Medium Growth Scenario. Housing trends between 2001 and 2021 are also provided for historical context. As illustrated in Figure 4-8, the County is projected to reach approximately 24,500 households by 2051 under the Medium Growth Scenario, increasing by 6,600 households from 17,900 in 2021. This represents an annual increase of approximately 220 households, or an annual housing growth rate of 1.1% per year. Comparatively, this rate of forecast housing growth is above the historical 20-year period (i.e., 2001 to 2021), during which the County experienced an annual average housing growth rate of 1.0%.^[1]

Figure 4-8
County of Lennox & Addington
Household Forecast (Medium Growth Scenario), 2021 to 2051



Source: Historical data from Statistics Canada. Forecast prepared by Watson & Associates Economists Ltd., 2022.

[1] In accordance with Statistics Canada Census data from 2001 to 2021.

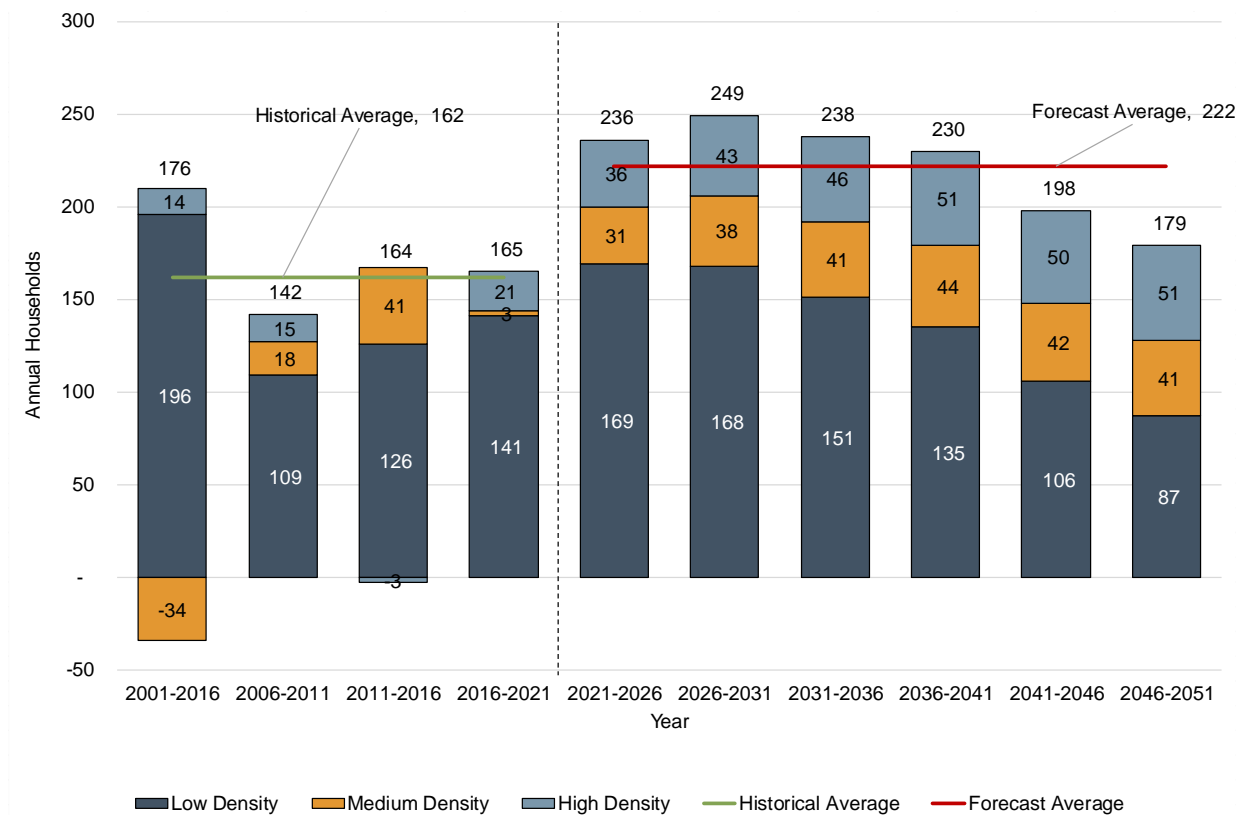


Figure 4-9 summarizes the historical and forecast annual housing growth for the County in five-year increments from 2006 to 2051 under the Medium Growth Scenario. The following trends can be observed:

- From 2001 to 2021, historical housing development averaged 162 households annually.
- Between 2021 and 2051, forecast housing development is expected to average 220 units annually.
- New residential development within the County of Lennox & Addington is anticipated to largely comprise grade-related housing. Over the long term, however, housing demand is anticipated to gradually shift away from single/semi-detached units towards townhouses as well as low- and medium-rise apartment dwellings, largely driven by declining housing affordability and increased demand associated with the County's senior population. The County's 65+ population is forecast to increase at approximately double the rate of the County's total population.
- This shift in the share of medium- and high-density housing forms such as townhouses and apartments is anticipated to be more pronounced in the County's urban areas associated with the stronger market demand and available infrastructure to support residential intensification and higher-density housing forms in these areas.
- Over the 2021 to 2051 forecast period, new housing development is projected to comprise 61% low-density (singles and semi-detached), 18% medium-density (townhouses) and 21% high-density (apartment) units.



Figure 4-9
 County of Lennox & Addington
 Historical and Forecast Households Incremental Growth (Medium Growth Scenario),
 2021 to 2051



Notes:

- Low density includes single and semi-detached units.
- Medium density includes townhouses and apartments in duplexes.
- High density includes stacked townhouses, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have fewer than five stories, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have five or more stories, and secondary suites.
- Housing by type has been inferred based on Statistics Canada's classification of dwellings by structural type.

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

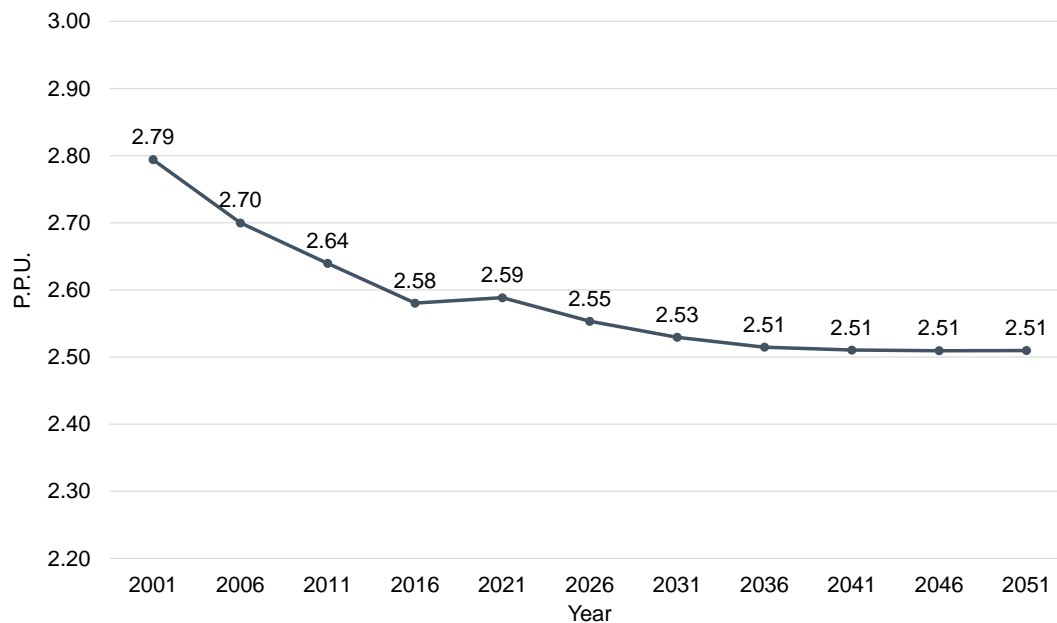
Figure 4-10 summarizes anticipated trends in long-term housing occupancy, or average persons per unit (P.P.U.), for the County of Lennox & Addington from 2021 to 2051 under the Medium Growth Scenario. Key observations include the following:

- Between 2001 and 2021, the average P.P.U. for the County of Lennox & Addington declined from 2.79 to 2.59.



- Over the forecast period, the average P.P.U. for the County of Lennox & Addington is anticipated to continue to gradually decline from 2.59 in 2021 to 2.51 in 2051, largely as a result of the aging of the County’s population combined with a gradual increase in Census non-family households.^{[1][2]}

Figure 4-10
County of Lennox & Addington
Forecast Population Per Unit (Medium Growth Scenario), 2021 to 2051



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

4.7 Second Home Housing Growth

According to Census data, second home dwellings represents approximately 11% (2,200) of total dwelling units as of 2021. As previously discussed, the County’s

^[1] It is noted that 2021 average P.P.U. levels may be temporarily inflated resulting from impacts associated with the COVID-19 pandemic.

^[2] Census non-family households refer to household members who do not belong to a Census family (e.g., unrelated room-mate).

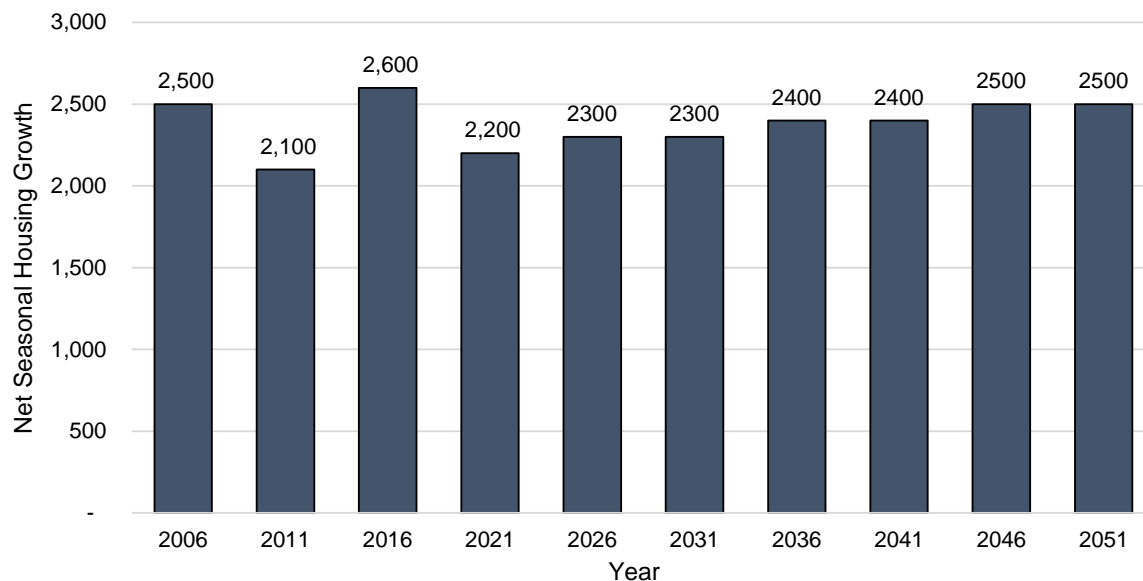


proximity to larger urban centres in Eastern Ontario continues to be a major driver of population growth residing in second homes.

Notwithstanding relatively strong demand for new second home dwelling construction over the next 30 years, the County of Lennox & Addington’s second home dwelling and population base is anticipated to increase moderately due to the conversion of existing second home dwelling units to permanent dwellings. This trend is consistent with recent trends experienced in the County of Lennox & Addington, as well as other municipalities in Ontario’s “cottage country.” Over the next 30 years, approximately 11 new second home dwelling units are forecast to be developed annually, totaling just over 330 new second home dwelling units across the County. This includes about 15 new second home dwelling units annually and four units annually being converted from a second home to permanent dwellings.

Figure 4-11 summarizes the total second home dwelling forecast for the County of Lennox & Addington over the 2021 to 2051 forecast period.

Figure 4-11
County of Lennox & Addington
Second Home Dwelling Unit Forecast, 2021 to 2051



Source: 2006 to 2021 from Statistics Canada; Forecast by Watson & Associates Economists Ltd., 2022.



4.8 Observations

By 2051, the County of Lennox & Addington's total population base is forecast to grow to approximately 61,600 persons. This represents an increase of approximately 15,300 residents between 2021 and 2051, or an average annual population growth rate of 1.0% during this time period. Comparatively, the population of the Province as a whole is forecast to increase at a rate of 1.5% over the 2021 to 2046 period.^[1]

It is important to recognize that while the County's population base is growing, it is also getting older. Between 2021 and 2051, the 75+ age group is forecast to represent the fastest growing population age group with an average annual population growth rate of 3.4%. With an aging population, the County will be more reliant on net migration as a source of population as opposed to natural increase. With respect to future housing needs, strong population growth in the 75+ age group is anticipated to place increasing demand on medium- and high-density forms including seniors' housing and affordable housing options. The County of Lennox & Addington is also 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.

Accommodating the forecast range in population growth across the County of Lennox & Addington will require approximately 6,600 new households, or approximately 220 new households annually. For historical context, the County averaged approximately 162 new households annually between 2001 and 2021. To adequately accommodate future housing demand across a diverse selection of demographic and socio-economic groups, a range of new housing typologies will be required with respect to built-form, location and affordability across the County.

The County's total employment base is forecast to steadily increase to approximately 22,590 jobs by the year 2051. This represents an increase of approximately 7,200 new jobs between 2021 and 2051, or an average annual employment growth rate of 1.3% during this time period. Employment growth is anticipated across a variety of export-based employment sectors (e.g., transportation and logistics, wholesale trade, construction, manufacturing and agri-business). Job growth potential within population-

^[1] Ministry of Finance Spring 2023 Population Projections, Reference Scenario for the Province of Ontario.



related employment sectors such as retail, accommodation and food, professional, scientific and technical scientific services, and education is also anticipated to drive near-term employment growth fueled by steady population growth.

Looking forward over the next five to 10 years and beyond, housing demand across all the County's local municipalities is anticipated to remain strong relative to recent historical levels, largely fueled by continued opportunities and outward growth pressure from the City of Kingston as well as continued local employment opportunities, particularly within the County's growing export-based economy. It is noted, however, that declining housing affordability and a range of broader economic headwinds, including tightening monetary policy (i.e., rising interest rates and quantitative tightening), persistently high inflation rates and rising household debt, are anticipated to moderate housing demand (particularly ownership housing) in the near-term relative to recent historical trends over the past two to three years.



Chapter 5

Allocation of Population, Housing, and Employment Growth Forecasts by Local Municipality



5. Allocation of Population, Housing, and Employment Growth Forecasts by Local Municipality

5.1 Introduction

This chapter provides a detailed analysis of the County's forecast population, housing and employment growth potential by local municipality as well as by primary urban area and remaining rural area. Additional details regarding the local municipal growth allocations by settlement area and remaining rural area are provided in Appendices C and D. The population and housing allocations by local municipality were developed based on a detailed review of the following local supply and demand factors:

Local Supply Factors

- Supply of potential future housing stock in the development approvals process by housing structure type and approval status;
- Local residential intensification opportunities and planning policy targets.
- Current inventory of net vacant designated urban “greenfield” lands not currently in the development approvals process;
- High-level consideration with respect to municipal water and wastewater servicing capacity based on discussions with County staff; and
- Provincial policy direction regarding forecast residential growth by urban and rural area.

Demand Factors

- Historical population, employment and housing trends based on 2001 to 2021 Statistics Canada (Census) data by urban settlement and remaining rural area;
- A review of recent residential and non-residential building permit activity by structure type by local municipality;
- Historical commuting trends and anticipated employment growth opportunities within the surrounding market area;
- A high-level review of local employment opportunities, including major business expansions/closures by major sector;
- Market demand for residential intensification by local municipality;



- The County's market appeal to young adults, families and empty nesters/seniors; and
- Demand for second home dwelling by local municipality.

Forecast population and employment growth rates are anticipated to vary significantly by geographic area across the County. Each of the local municipalities in County of Lennox & Addington, however, share a number of relatively common attributes with respect to near-, medium- and long-term residential development and demographic trends, including the following:

- All local municipalities, including each urban settlement area, are anticipated to experience housing growth over the long-term forecast period.
- While COVID-19 has been disruptive to the local economy, particularly in retail, accommodation and food and tourism-based sectors, it has been a key driver of higher housing development activity experienced across each of the County's local municipalities over the past three years.
- Looking forward over the near term (i.e., the next one to five years), housing demand across all the County's local municipalities is anticipated to remain strong relative to recent historical levels, fueled by continued outward growth pressure from the City of Kingston and local economic development associated with employment growth across a range of sectors, most notably manufacturing, transportation and warehousing, business services and tourism.
- Higher mortgage rates (relative to those experienced during the pandemic) are anticipated to contribute to a moderation in housing demand over the next year or two across all local municipalities in comparison to recent peak demand experienced between 2020 and 2022.
- Over the medium term (i.e., 5 to 10 years), housing demand across all municipalities in Lennox & Addington is anticipated to be strong, driven by higher rates of immigration and intra-provincial net migration; however, immigration is anticipated to be more concentrated in the Town of Greater Napanee and Loyalist Township.
- Over the longer term (i.e., 10+ years), the average rate of annual housing development is anticipated to gradually slow across all local municipalities, relative to recent residential development activity, driven by slower regional and provincial economic growth associated with an aging population and labour force.



- Future housing growth is anticipated to be dominated by low-density housing forms; however, increasing market opportunities will exist for medium-density and high-density housing within urban areas as the local and provincial population base continues to age.
- Average housing occupancy levels are forecast to steadily decline from 2021 to 2051. This demographic trend is largely associated with the aging of the County's Baby Boom, Generation X, and Millennial generations.
- Forecast demographic trends across the County suggest that the percentage share of future housing will continue to moderately shift towards urban settlement areas as new families are attracted to the County in search of affordably priced, ground-oriented housing located within proximity to local urban amenities (i.e., schools, retail, personal service uses) and surrounding employment markets.
- As previously discussed, housing demands from the 55 to 74 age group (empty nesters/younger seniors) and the 75+ age group (older seniors) are also anticipated to drive the future need for urban housing across all local municipalities in the County of Lennox & Addington.

5.2 Summary of Long-Term Growth Forecasts by Local Municipality, 2021 to 2051

5.2.1 Population and Permanent Housing Growth Allocations

Figure 5-1 through Figure 5-3 summarize the County's long-term population and housing forecast by local municipality over the 2021 to 2051 planning horizon. The following trends can be observed:

- The annual population growth rate for each local municipality is higher than the annual growth attained during the 2001 to 2021 historical period.
- The number of housing units forecast for Loyalist Township and the Town of Greater Napanee exceeds historical annual levels achieved between 2001 and 2021. The forecast annual housing unit growth for Stone Mills and Addington Highlands is consistent with past trends.



- Loyalist Township is expected to accommodate the largest share of housing growth over the 2021 to 2051 forecast period, with 59% of County-wide new housing development.
- The housing unit mix provided in Figure 5-3 is a long range forecast based on a review of past trends, development application pipeline, and anticipated demographic and socio-economic trends discussed in Section 4.5 and 4.6. The housing unit mix for each of the area municipalities in the above figure or this report is not considered a mandate that needs to be achieved over the planning horizon.

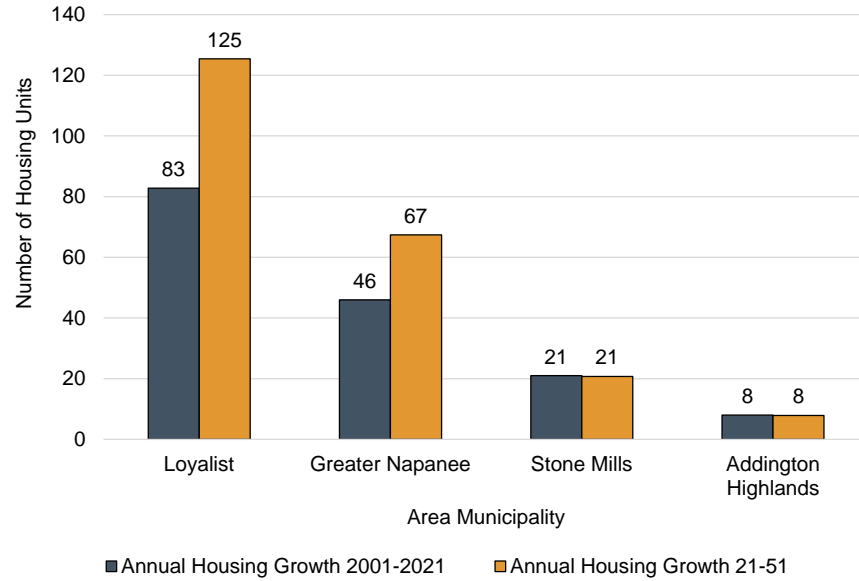
Figure 5-1
County of Lennox & Addington
Summary of Historical and Forecast Population by Local Municipality, 2001 to 2051

Characteristic	Loyalist	Greater Napanee	Stone Mills	Addington Highlands
Population 2001	15,139	15,702	7,613	2,492
Population 2021	17,943	17,300	8,021	2,597
Population Share 2021	39%	38%	17%	6%
Population 2051	27,600	21,500	9,600	3,200
Population Share 2051	45%	35%	16%	5%
Population Growth 2021-2051	9,657	4,200	1,579	603
Population Growth Share	60%	26%	10%	4%

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



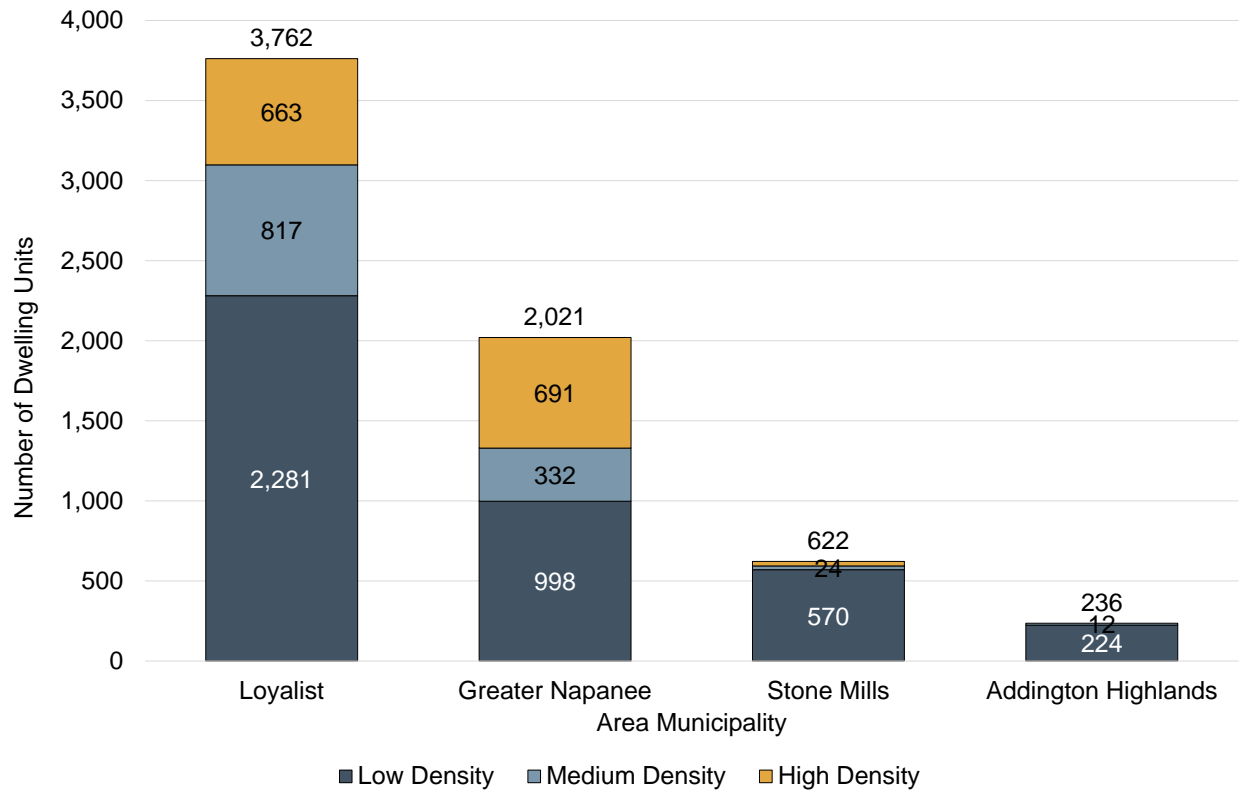
Figure 5-2
County of Lennox & Addington
Annual Housing Growth by Local Municipality, 2001 to 2021 and 2021 to 2051



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



Figure 5-3
County of Lennox & Addington
Share of Permanent Housing Growth by Local Municipality, 2021 to 2051



Notes:

- Low density includes single and semi-detached units.
- Medium density includes townhouses and apartments in duplexes.
- High density includes stacked townhouses, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have fewer than five stories, apartments (bachelor, 1-bedroom and 2-bedroom+) in buildings that have five or more stories, and secondary suites.
- Housing by type has been inferred based on Statistics Canada's classification of dwellings by structural type.
- It is recognized that the housing unit mix provided above is a long range forecast based on a review of past trends, development application pipeline, and anticipated demographic and socio-economic trends discussed in Section 4.5 and 4.6. The housing unit mix for each of the area municipalities in the above figure or this report is not considered a mandate that needs to be achieved over the planning horizon.

Source: Watson & Associates Economists Ltd., 2022.

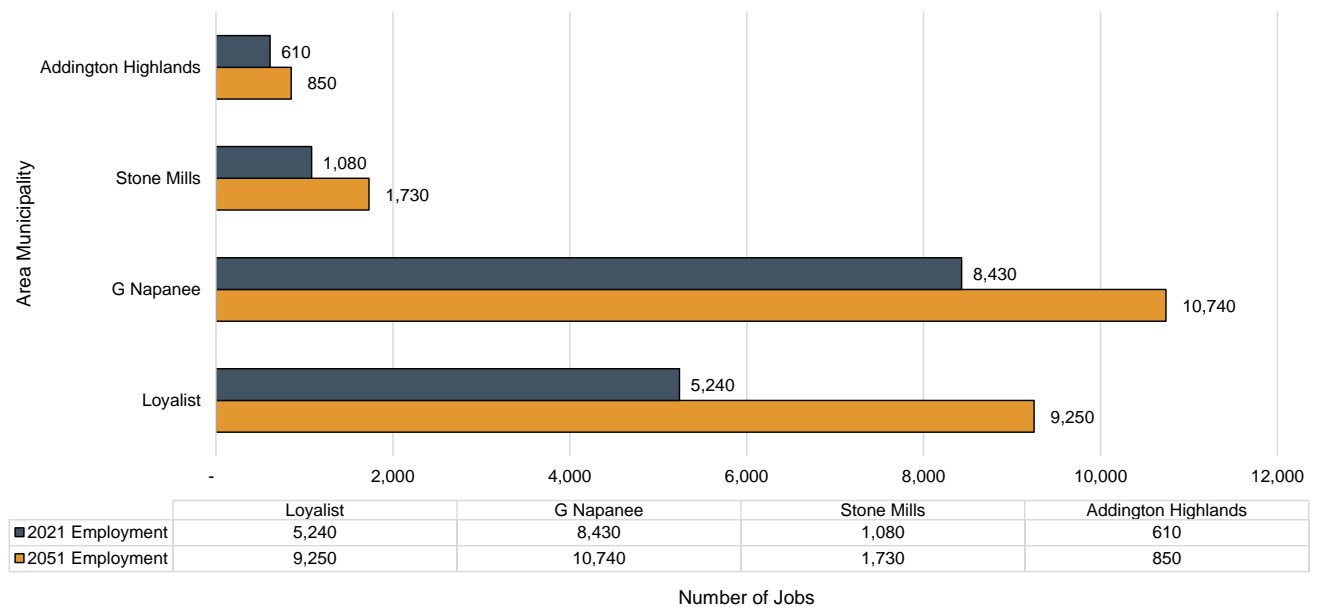


5.2.2 Employment Growth Allocations, 2021 to 2051

Figure 5-4 and Figure 5-5 summarize the County’s long-term employment forecast by local municipality over the 2021 to 2051 planning horizon. The following trends can be observed regarding employment allocation:

- The Town of Greater Napanee is expected to accommodate the largest share of employment in 2051, with 48% of County-wide employment.
- Loyalist Township is forecast to accommodate the highest forecast employment growth within the County with 56% of the overall employment growth.
- Township of Stone Mills and Addington Highlands are estimated to accommodate an employment growth of 650 and 240 jobs respectively.

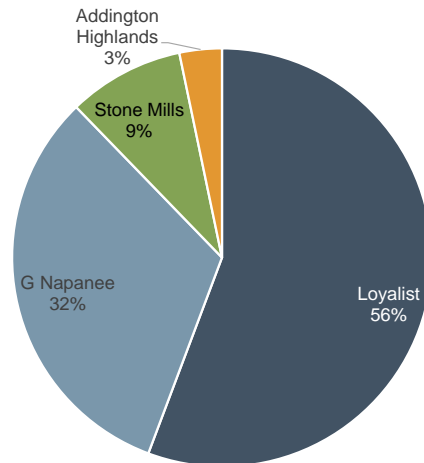
Figure 5-4
County of Lennox & Addington
Employment Forecast by Local Municipality, 2016 to 2051



Source: Watson & Associates Economists Ltd., 2022.



Figure 5-5
County of Lennox & Addington
Share of Employment Growth by Local Municipality, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.

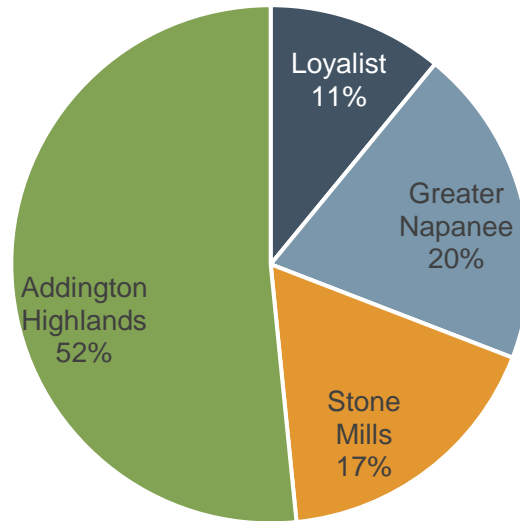
5.2.3 Second Home Growth Allocations, 2021 to 2051

Figure 5-6 summarizes the allocation of forecast second home dwelling growth for each of the County's local municipalities. The following trends can be observed:

- The County's existing population associated with second homes is largely concentrated in the Township of Addington Highlands (as discussed in Chapter 2).
- Similar to past trends, the largest share of second home dwelling growth is anticipated in the Township of Addington Highlands (approximately 52%), followed by the Town of Greater Napanee (20%).
- It is estimated that Loyalist Township and the Town of Greater Napanee will face relatively higher pressure for conversion of second homes into permanent dwellings compared to Stone Mills and Addington Highlands.



Figure 5-6
County of Lennox & Addington
Share of Second Home Dwelling Unit Growth by Local Municipality, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.



5.3 Detailed Review of Long-Term Growth by Local Municipality and Primary Urban Area

Building on the local municipal forecasts summarized in the previous sections, population, housing and employment forecasts have also been allocated by urban settlement area and remaining rural area within the County of Lennox & Addington. As mentioned previously in section 1.6, the County's growth management policies in the O.P. direct local municipalities to focus growth on their urban areas while local municipalities that do not have urban areas, shall direct growth towards their rural settlement areas. As previously noted, urban areas in the County are present in Loyalist Township and the Town of Greater Napanee and include:

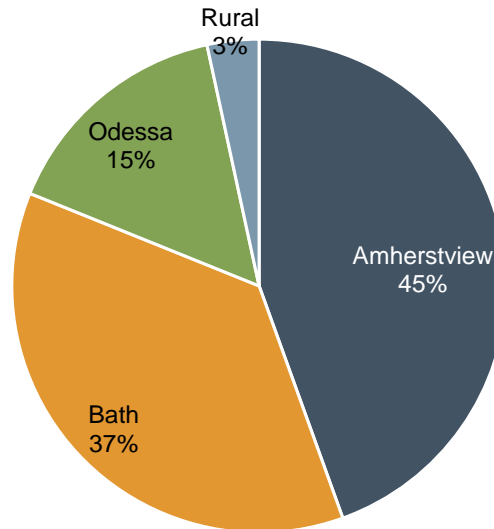
- Amherstview (Loyalist Township);
- Bath (Loyalist Township);
- Odessa (Loyalist Township); and
- Napanee (Town of Greater Napanee).

Figure 5-7 summarizes the share of forecast housing growth between 2021 to 2051 within the urban settlement areas. The following key observations are provided:

- Of the total 6,640 housing units forecast for the County of Lennox & Addington, 5,540 units (83%) are expected in the County's urban areas and 1,100 units (17%) are anticipated in the rural areas;
- The highest growth of all new urban housing development within the County is within the urban area of Napanee.
- Nearly all new medium- and high-density housing development is forecast to occur in urban areas.

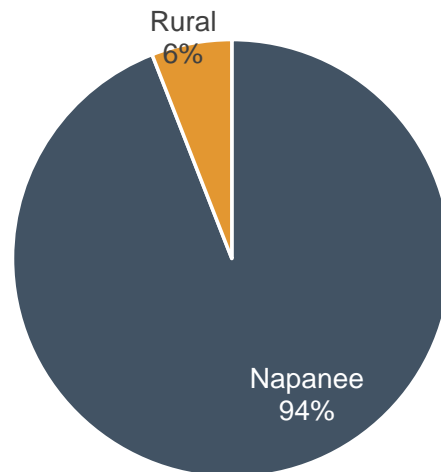


Figure 5-7
County of Lennox & Addington – Loyalist Township
Household Forecast by Settlement Area, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.

Figure 5-8
County of Lennox & Addington – Town of Greater Napanee
Household Forecast by Settlement Area, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.

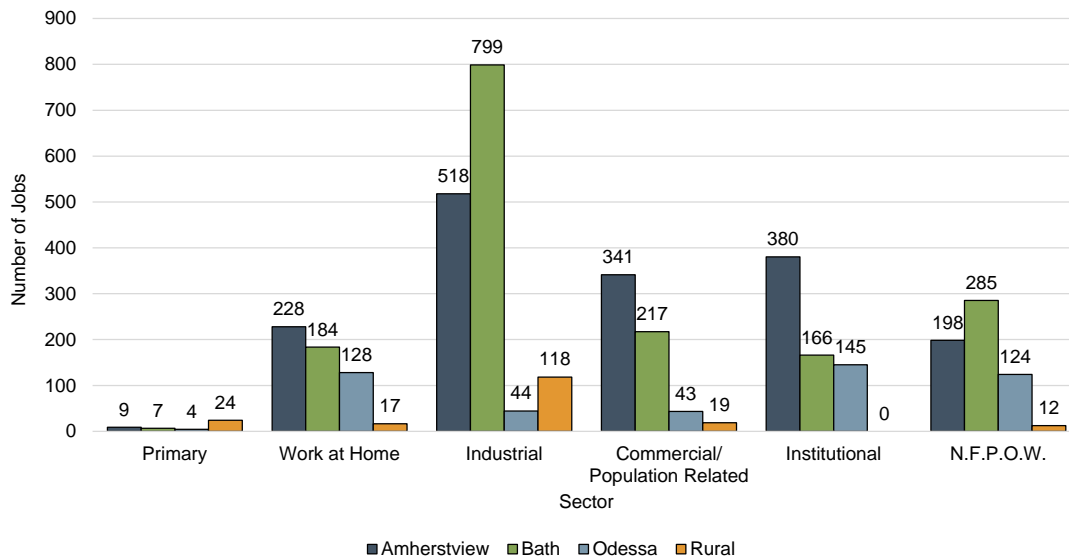


5.3.1 County of Lennox & Addington Urban Employment Growth Allocations

Figure 5-9 and Figure 5-10 summarize the County’s long-term employment forecast by urban settlement area and rural area between 2021 and 2051. Further details regarding the employment forecast by Area Municipality are provided in Appendix E. The following trends can be observed:

- Of the total 7,770 jobs forecast for the County of Lennox & Addington, approximately 6,410 jobs (82%) are expected in the County’s urban areas and approximately 1,360 jobs (18%) are anticipated in the rural areas.
- The Town of Greater Napanee is forecast to accommodate about a third of the County’s urban employment growth (34%) which is mainly attributed to commercial and institutional employment, followed by the settlement areas of Bath and Amherstview with 28%. Most of the job growth in Bath is within the industrial sector, while Amherstview has a greater balance between population-related and industrial employment growth.

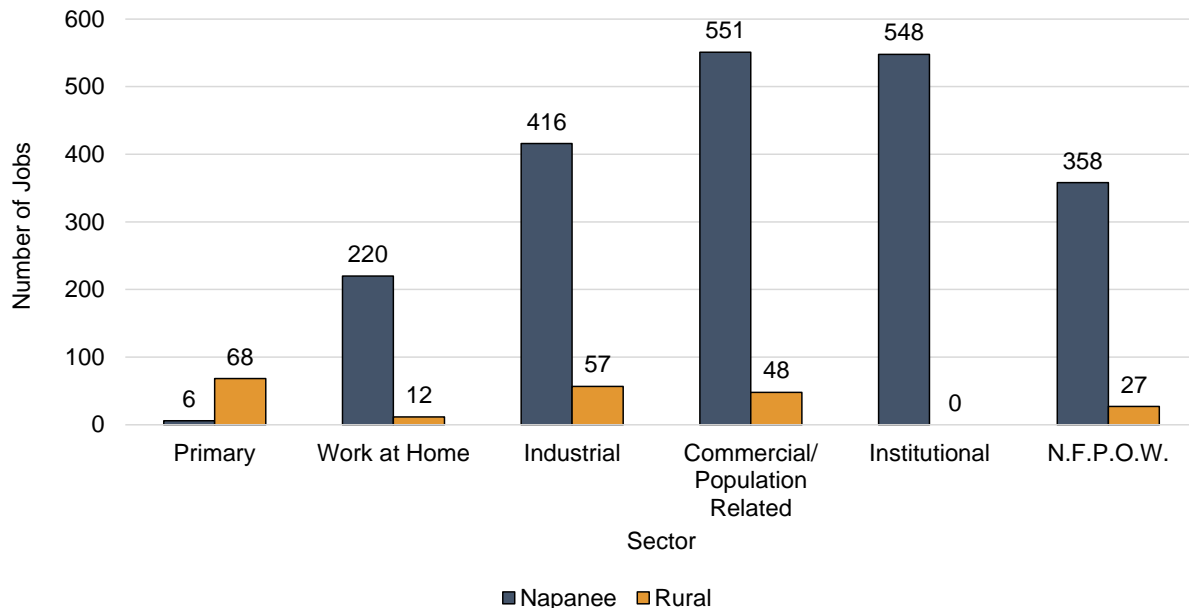
Figure 5-9
County of Lennox & Addington – Loyalist Township
Urban Employment Growth Allocation, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.



Figure 5-10
County of Lennox & Addington – Town of Greater Napanee
Urban Employment Growth Allocation, 2021 to 2051



Source: Watson & Associates Economists Ltd., 2022.

5.4 Observations

Market demand for future housing within each of the County's four local municipalities varies considerably given the expansive geographic area covered by the County. In turn, this impacts the amount and rate of population growth by local municipality. The allocations have been guided by a range of local demand and supply factors. For each of the local municipalities, the overall population and employment growth rate is forecast to be comparable or higher than the historical growth rate achieved over the past 20 years, with higher population and employment growth rates directed towards the urban areas of the Town of Greater Napanee and Loyalist Township. Forecast second home dwelling demand will continue to be weighted towards Addington Highlands and Greater Napanee.



Chapter 6

Urban Land Needs Assessment, 2023 to 2048



6. Urban Land Needs Assessment, 2023 to 2048

6.1 Introduction

This chapter examines the County’s long-term residential and non-residential land needs by urban settlement area over a three-year, 15-year and 25-year planning horizon in accordance with subsections 1.1.2 and 1.4 of the P.P.S., 2020. This needs assessment is based on a detailed review of forecast demand and available vacant land supply by urban settlement area. As discussed in Chapter 3, the County of Lennox & Addington has four urban areas within two of its area municipalities – Loyalist Township and the Town of Greater Napanee. The land needs analysis conducted as a part of this report is limited to the urban areas. It is recognized that the County’s hamlets and rural areas also have a role to play in accommodating future development subject to available land supply, supporting infrastructure and scale of development. Land needs for hamlets and rural areas may be further assessed by the local municipalities as part of their respective O.P. reviews.

6.2 Urban Residential Land Needs Assessment, 2023 to 2048

As previously identified, requirements for long-term residential land needs in Ontario municipalities are set out in the P.P.S., 2020. As such, the County of Lennox & Addington must plan for its long-term land needs in accordance with the requirements of the P.P.S., 2020. Section 1.1.2 of the P.P.S. states that:

“Sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of up to 25 years.^[1] However, where an alternate time period has been established for specific areas of the Province as a result of a provincial planning exercise or a *provincial plan*, that time frame may be used for municipalities within the area.”

[1] In accordance with the P.P.S., 2023, the time horizon has been updated to at least 25 years.



Section 1.4.1 of the P.P.S., 2020 further states:

“To provide for an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents of the *regional market area*,^[1] planning authorities shall:

- a) maintain at all times the ability to accommodate residential growth for a minimum of 15 years through *residential intensification* and *redevelopment* and, if necessary, lands which are *designated and available* for residential development; and
- b) maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units available through lands suitably zoned to facilitate *residential intensification* and *redevelopment* and land in draft approved and registered plans.”

A key objective of this study is to address subsection 1.4.1 of the P.P.S., 2020 as it specifically relates to item (a) of subsection 1.1.3.8. If the requirements of subsection 1.4.1 of the P.P.S., 2020 are not satisfied, subsection 1.1.3.8 of the P.P.S. states that:

“A planning authority may identify a *settlement area* or allow the expansion of a *settlement area* boundary only at the time of a *comprehensive review* and only where it has been demonstrated that:

- a) sufficient opportunities to accommodate growth and to satisfy market demand are not available through *intensification*, *redevelopment* and *designated growth areas* to accommodate the projected needs over the identified planning horizon;

^[1] In accordance with the P.P.S., 2020, the *regional market area* refers to an area that has a high degree of social and economic interaction. The upper- or single-tier municipality, or planning area, will normally serve as the *regional market area*. Where a regional market area extends significantly beyond these boundaries, however, the *regional market area* may be based on the larger market area. Where regional market areas are very large and sparsely populated, a smaller area, if defined in an O.P., may be utilized. It is noted that under the proposed P.P.S., 2023, the term concept of regional market area has been applied only in the context of three-year and 15-year demand, and not for longer term demand. The proposed P.P.S., 2023 further removes the provision of intensification supply from the growth opportunities and enables municipalities to allow for settlement area boundary expansion at any time, without the need to go through a comprehensive review process.



- b) the *infrastructure* and *public service facilities* which are planned or available are suitable for the development over the long term, are financially viable over their life cycle and protect public health and safety and the natural environment;
- c) in prime agricultural areas:
 - 1. the lands do not comprise specialty crop areas;
 - 2. alternative locations have been evaluated and
 - i. there are no reasonable alternatives which avoid prime agricultural areas; and
 - ii. there are no reasonable alternatives on lower priority agricultural lands in prime agricultural areas;
- d) the new or expanding *settlement area* is in compliance with the *minimum distance separation formulae*; and
- e) impacts from new or expanding *settlement areas* on agricultural operations which are adjacent or close to the *settlement area* are mitigated to the extent feasible.”

Figure 6-1 summarizes the County’s ability to accommodate short-term housing demand^[1] based on potential housing supply identified within draft approved and registered plans, including identified housing intensification demand by urban settlement area. This analysis indicates that the County of Lennox & Addington has an adequate supply of potential housing units in registered and draft-approved plans, as well as intensification to accommodate housing demand over a three-year period, in accordance with section 1.4.1 (b) of the P.P.S., 2020. More specifically, it is anticipated that the County’s potential housing supply in active development applications plus identified residential intensification,^[2] can accommodate forecast housing demand for up to 13 years, which satisfies section 1.4.1 (b) of the P.P.S., 2020.

[1] Short-term housing demand has been derived from the 2023 to 2026 housing forecast within the County’s Urban Settlement Area.

[2] Potential intensification target has been based on the current County’s O.P. As discussed in Chapter 1, the intensification target varies between 10% and 20% for the County’s settlement areas.



Figure 6-1
County of Lennox & Addington
Three-Year Urban Housing Supply

Urban Area	Total Supply of Draft Approved and Registered Units	Annual Intensification Demand	Short-Term Average Demand	Annual Average Demand Excluding Intensification	Years of Supply
Amherstview	284	6	62	56	5
Bath	595	5	46	41	14
Odessa	234	2	18	16	14
Napanee	1,033	6	62	56	19
Total	2,146	19	188	169	13

Source: Watson & Associates Economists Ltd., 2022.

Figure 6-2 summarizes the potential supply of future housing units in draft-approved, registered plans, including identified intensification potential, plus vacant designated residential areas within County of Lennox & Addington by urban settlement area, as summarized in Chapter 5. In accordance with forecast housing growth over the next 15 years, County of Lennox & Addington can accommodate up to 37 years of anticipated housing demand within its Urban Areas.

Figure 6-2
County of Lennox & Addington
15-Year Urban Housing Supply

Urban Area	Total Supply of Draft Approved and Registered Units	Total Supply of Vacant Lands	Total Supply	Annual Intensification Demand	15 Year annual average demand (Excluding Intensification)	Years of Supply
Amherstview	284	924	1,208	6	57	21
Bath	595	2,471	3,066	5	42	73
Odessa	234	482	716	2	19	39
Napanee	1,033	522	1,555	7	59	26
Total	2,146	4,400	6,546	20	177	37

Source: Watson & Associates Economists Ltd., 2022.



Figure 6-3 summarizes the County's long-term urban housing needs over the 2023 to 2048 planning horizon, based on forecast long-term demand and total available housing supply within the County's urban settlement areas. Comparing the anticipated housing development yield of the County's designated vacant urban residential lands (7,200 housing units), against forecast urban housing demand over the next 25 years (4,700 units), generates a potential surplus of approximately 2,500 housing units by 2048. As summarized, the County's aggregate supply of designated land within its urban settlement areas is sufficient to accommodate urban housing demand over the 25-year planning horizons at a County-wide level. A surplus of designated urban lands is forecast across all of the County's Settlement Areas, except Amherstview which has a small forecast residential housing supply deficit of 105 units.^[1] Based on an average density of about 15 units per gross developable ha, it is recommended that 8 gross ha of additional residential lands are designated within Amherstview. It is recommended that this residential shortfall could be accommodated by adding additional residential land to the Amherstview West Secondary Plan area in accordance with identified needs. Section 6.3 identifies that sufficient lands are available within the Amherstview West Secondary Plan to support this recommendation.

^[1] Considering the planning horizon for Loyalist as 2046, the housing deficit for Settlement Area of Amherstview will reduce to approximately 92 units or 7 gross ha.



Figure 6-3
County of Lennox & Addington (Urban Settlement Areas)
Long-Term Urban Housing Needs, 2023 to 2048

Local Municipality	Urban Settlement Area	Unit Capacity of Vacant Residential Lands	Units in Active Development Plans	Total Housing Unit Supply on Vacant Lands	Intensification (%)	Intensification (Units)	Total Supply Including Intensification	Housing Unit Forecast, 2023 to 2048 ¹	Housing Unit Surplus/Deficit
		A	B	C = A + B	D	E = F*D	F = C + D	G	H = F - G
Loyalist	Amherstview	924	284	1,208	10%	146	1,354	1,460	-105
	Bath	2,471	595	3,066	20%	229	3,295	1,147	2,149
	Odessa	482	234	716	20%	100	816	501	315
	Total Loyalist Urban Settlement Areas	3,878	1,113	4,991		475	5,466	3,107	2,359
Greater Napanee	Napanee	522	1,033	1,555	10%	160	1,715	1,597	118
	Total Greater Napanee Settlement Areas	522	1,033	1,555		160	1,715	1,597	118
County of Lennox & Addington	Total	4,400	2,146	6,546	-	635	7,181	4,704	2,477

Source: Watson & Associates Economists Ltd., 2022.



6.3 Forecast Employment Area Land Needs, 2023 to 2048

6.2.1. Introduction

Employment Areas typically include a broad range of designated lands, including light, medium and heavy industrial lands, business parks and rural industrial lands.

Employment Areas accommodate primarily export-based employment, including a wide range of industrial uses (e.g. manufacturing, distribution/logistics, transportation services), as well as specific commercial and institutional uses (e.g. office, services, ancillary/accessory retail).

It is noted that according to the Planning Act, the definition of Employment Areas is “areas designated in an official plan for clusters of business and economic activities including manufacturing, research and development in connection with manufacturing, warehousing, goods movement, associated retail and office, and ancillary facilities. *Uses that are excluded from employment areas are institutional and commercial, including retail and office not associated with the primary employment use listed above.*”

It is noted that the amount of commercial and institutional employment projected to be accommodated in the County’s Employment Areas is minimal. As such, this change in definition is anticipated have a minimal impact on the Employment Area land needs.

Employment Areas form a vital component of urban land-use structure and are an integral part of the local economic development potential of the economic region. Through development of its industrial land base, the County is better positioned to build more balanced, complete and competitive communities. Development typically accommodated on Employment Areas generates relatively strong economic multipliers (i.e. spin-off effects) that benefit County of Lennox & Addington directly and indirectly. In addition, Employment Areas development typically generates high-quality employment opportunities which can improve local socio-economic conditions (i.e. live/work opportunities). Furthermore, achieving non-residential growth adds to the County’s assessment base, which can help support competitive property taxes and stronger municipal service levels. Employment Area development also tends to produce more positive net fiscal benefits for the community than other types of development (e.g. residential and retail). Thus, a healthy balance between residential and non-residential development is considered an important policy objective for County of Lennox & Addington.



In contrast to other urban land uses (e.g. commercial and mixed-use areas), Employment Areas provide an opportunity to accommodate export-based employment sectors that cannot be easily accommodated in other areas of the County. In order for County of Lennox & Addington to continue to be competitive and attractive to a broad range of industrial and commercial sectors, the County needs to ensure that it has a sufficient supply and market choice of serviced Employment Areas, as well as rural or dry employment areas. Most notably, this should include medium to larger sites with good transportation access as well as other local/regional transportation infrastructure.

6.3.1 Forecast Employment Area Land Needs, 2023 to 2048

In assessing the County's long-term Employment Area land needs consideration has been given to the following:

- Long-term employment growth potential by sector;
- The share of employment growth on Employment Areas by sector (industrial, commercial, institutional);
- Forecast employment density assumptions (i.e. employees/net hectare or acre) regarding existing and new businesses on Employment Areas;
- The Urban Employment Area land need requirements have been modified to include a market contingency factor in response to increased industrial demand;
- Forecast Employment Area absorption trends; and
- The amount of long-term net Employment Areas currently designated for employment uses but currently not developed (vacant) within County of Lennox & Addington (Chapter 3).

Figure 6-4 summarizes the County's employment forecast in Employment Areas over the next 25 years. For detailed information about each area municipality in County of Lennox & Addington, please refer to Appendix E. Over the 25-year planning horizon, the County's Employment Areas are anticipated to accommodate approximately 35% of the County's total urban employment growth, totaling 2,060 employees between 2023 and 2048.



Figure 6-4
County of Lennox & Addington
Employment Growth in Urban Settlement Areas, 2023 to 2048

Settlement Area	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	N.F.P.O.W.	Total	Employment growth in Employment Areas
Amherstview	7	226	481	283	357	193	1,547	598
Bath	5	182	752	180	156	278	1,553	804
Odessa	4	127	41	36	136	121	465	57
Napanee	5	219	393	513	526	349	2,005	630
County of Lennox & Addington	21	754	1,667	1,012	1,175	941	5,570	2,089

Source: Watson & Associates Economists Ltd., 2022.

In order to determine Employment Area land needs, it is important to understand existing employment densities for the County’s Employment Areas. Determining the target densities for the County required a desktop review to understand the type of businesses operating and under approval process in these areas as well as a comparison with surrounding municipalities of similar size and nature. Over the long-term planning horizon, the average Employment Area density for Lennox & Addington is forecast to average 7 to 10 jobs per net ha.

Figure 6-5 summarizes forecast Employment Area land needs for County of Lennox & Addington over the 25-year planning horizon. In accordance with the County’s supply of designated, developable vacant Employment Areas located in urban settlement areas and forecast demand for these lands, a County-wide surplus of 498 net ha (1,230 net acres) has been identified by 2048. It is noted that the identified Employment Area land needs are not uniform across the County. While Amherstview, Bath and Napanee have a large quantum of employment land area available for the plan horizon, Odessa’s Employment Areas are anticipated to be built out by 2048. It is noted that this identified net Employment Area land need does not reflect land requirements associated with local infrastructure and (e.g. local roads, stormwater ponds, utility easements, etc.)



Figure 6-5
County of Lennox & Addington
Forecast Employment Area Land Needs (Demand vs. Supply), 2023 to 2048

Area Municipality	LOYALIST			GREATER NAPANEE
	Amherstview	Bath	Odessa	Napanee
Settlement Area				
Employment Growth On Emp Lands (2023 - 2048)*	500	760	40	420
Growth Accommodated through Intensification	25	38	3	21
Employment Growth Adjusted for Intensification	475	722	37	399
Add Market Contingency Factor (15%)	546	830	43	459
Density Assumption (jobs/net ha)	10	7	10	10
Land Required (ha)	55	119	4	46
Vacant Employment Land (ha)	74	171	5	548
Land Vacancy Adjustment	11	26	1	82
Gross Vacant Employment Land adjusted for land Vacancy (ha)	63	145	4	466
Vacant Employment Area Land Need, Net Ha (Surplus)	8	27	0	420

* Excludes No Fixed Place of Work Employment

Source: Watson & Associates Economists Ltd., 2022.

6.4 Conclusions

Based on the 25-year assessment of urban residential land needs provided herein, it is observed that the County has a surplus of urban lands designated residential.



Notwithstanding this County-wide surplus, a small shortfall of about 105 housing units (about 9 gross ha) ^[1] has been identified in Amherstview. It is recommended that this residential shortfall could be accommodated by adding additional residential land to the Amherstview West Secondary Plan area in accordance with identified needs.

Based on the assessment of long-term employment lands needs provided herein, a surplus of Employment Area lands has been identified over the 25-year planning horizon for the County. It is noted that in addition to Employment Areas in urban settlement areas, there is potential for accommodating some growth in rural employment areas, hamlets and remaining rural areas.

It is further recommended that the County and Area Municipalities continue to monitor development trends and urban land absorption on an annual basis to ensure that sufficient urban lands are provided over the long-term.

[1] Gross developable land needs do not account for non-developable areas located within the County's environmental protection and natural heritage system areas.



Chapter 7

Conclusions



7. Conclusions

This study provides a comprehensive assessment of the County's long-term population, housing and employment growth potential as well as urban land needs to the year 2051. This analysis has been prepared within the context of regional economic conditions and growth drivers as well as County-wide and local development trends. The findings of the growth analysis and urban land needs assessment for the County of Lennox & Addington identify the following key findings.

The Long-Term Population and Economic Growth Outlook for County of Lennox & Addington is Positive

As discussed in detail throughout this report, County of Lennox & Addington is anticipated to experience steady population and employment growth over the next several decades, which is the horizon for this study.

Within the Kingston C.M.A., the County of Lennox & Addington continues to have a strong appeal to both businesses and residents. This appeal is largely attributed to the County's geographic location which offers good transportation connectivity, opportunities for urban and rural living within proximity to retail, entertainment and other urban amenities, access to urban indoor and outdoor recreational facilities, as well as access to recreational opportunities along the County's waterfront areas and across the rural countryside. These attributes make the County of Lennox & Addington an attractive destination for residents of all ages, students, as well as small, mid-sized and large-scale businesses.

Steady future economic growth is anticipated across the County, most notably associated with the need for local supply chains to support the planned Umicore E.V. battery manufacturing facility. Umicore will invest over \$1.5 billion CAD to establish the facility, which is scheduled to be operational by 2025 and estimated to create over 1,200 direct and indirect jobs.^[1] Anticipated export-based job growth (i.e., industrial and commercial office jobs) within the County also generates population-related employment to service the needs of the growing employment and population base (e.g., retail, accommodation and food, personal services and institutional services).

[1] <https://globalnews.ca/news/9533043/loyalist-township-battery-plant-land-preparation/>



Given the competitive position of existing and planned Employment Areas across County of Lennox & Addington, as measured in terms of location/access to major North American employment markets and large population centres, parcel size, price per acre, and competitive development costs, etc., County of Lennox & Addington is anticipated to achieve a relatively stronger rate of industrial absorption over the long-term planning horizon.

COVID-19 has had a Disruptive Impact on Population and Employment Growth as well as Non-Residential Space Needs

Over the past two years, COVID-19 accelerated already elevated residential development pressures across County of Lennox & Addington fueled by ultra-low interest rates combined with outward growth pressure from the City of Kingston and G.G.H. Conversely, tightening of monetary policy by the Bank of Canada in response to persistently high inflation rates is likely to continue to cool the housing market for the remainder of 2023. Looking forward over next five to 10 years, housing demand across all the County's Area Municipalities is anticipated to remain strong relative to recent historical levels, fueled by continued outward growth pressure from the Kingston area as well as continued local employment opportunities, particularly within the County's growing export-based economy. Over the longer-term (i.e. 10+ years), annual housing demand is forecast to remain above historical averages experienced over the past two decades. However, over longer-term average rate of annual housing development is anticipated to gradually slow across all local municipalities, relative to recent residential development activity, driven by slower regional and provincial economic growth associated with an aging population and labour force.

In addition to its broader impacts on the economy, COVID-19 is also accelerating changes in work and commerce as a result of technological disruptions which were already taking place prior to the pandemic. Businesses are increasingly required to rethink the way they conduct business with an increased emphasis on remote work enabled by technology. These disruptive forces are anticipated to continue to broadly impact the nature of employment by place of work and sector. In turn, these trends are anticipated to place downward pressure on long-term non-residential space needs for the County associated with the commercial real estate sector.



The County's Housing Needs will Continue to Grow and Diversify

To accommodate the range of future population growth projected across County of Lennox & Addington over the next 30 years, the County will require approximately 222 new households per year. This represents approximately a 40% increase in annual new housing construction levels achieved over the past 20 years (between 2001 and 2021). New residential development within County of Lennox & Addington is anticipated to gradually shift away from low-density housing forms, largely driven by declining housing affordability associated with low-density housing options as well as increased population diversity by income and ethnicity. Future housing growth is anticipated across a diverse range of housing forms. Notably, increased market demand is anticipated over the next three decades for medium-density and high-density housing as the local and provincial population base continues to age and diversify. Declining housing affordability also represents a key driver for an increasing share of medium- and high-density housing forms.

The share of future housing demand is anticipated to continue to increase within the County's urban areas largely driven by new families in search of competitively priced, ground-oriented housing located within proximity to local urban amenities (i.e., schools, retail, personal service uses) and surrounding employment markets. As such, the County's population share is anticipated to become more urban over the next three decades placing increasing demand on urban infrastructure, municipal services and other urban amenities.

The County's population is aging. By 2051, 35% percent of the County population will be 65+ years of age or older, up from 25% in 2021, with growth concentrated in the 75+ years of age group increasing from 10% in 2021 to 18% 2051. This will require a broader range of housing options to be provided to older residents across a range of income levels. Housing demands from the 55 to 74 age group (empty nester/younger seniors) and the 75+ age group (older seniors) is anticipated to drive the future need for urban housing across all Area Municipalities in County of Lennox & Addington. Housing demand associated with older seniors (75+) is largely anticipated from the existing population base and, to a lesser extent, through net migration. These socio-economic and demographic trends associated with a growing, aging and diversifying population base are also anticipated to increase the need for a broader range of rental housing options across the County.



The County-wide housing forecast includes both permanent and second home dwellings. It is estimated that the County will continue to have a modest growth of second home dwelling which will lead to increased demands on local services and amenities (i.e. roads, recreation facilities, marinas, retail, etc.).

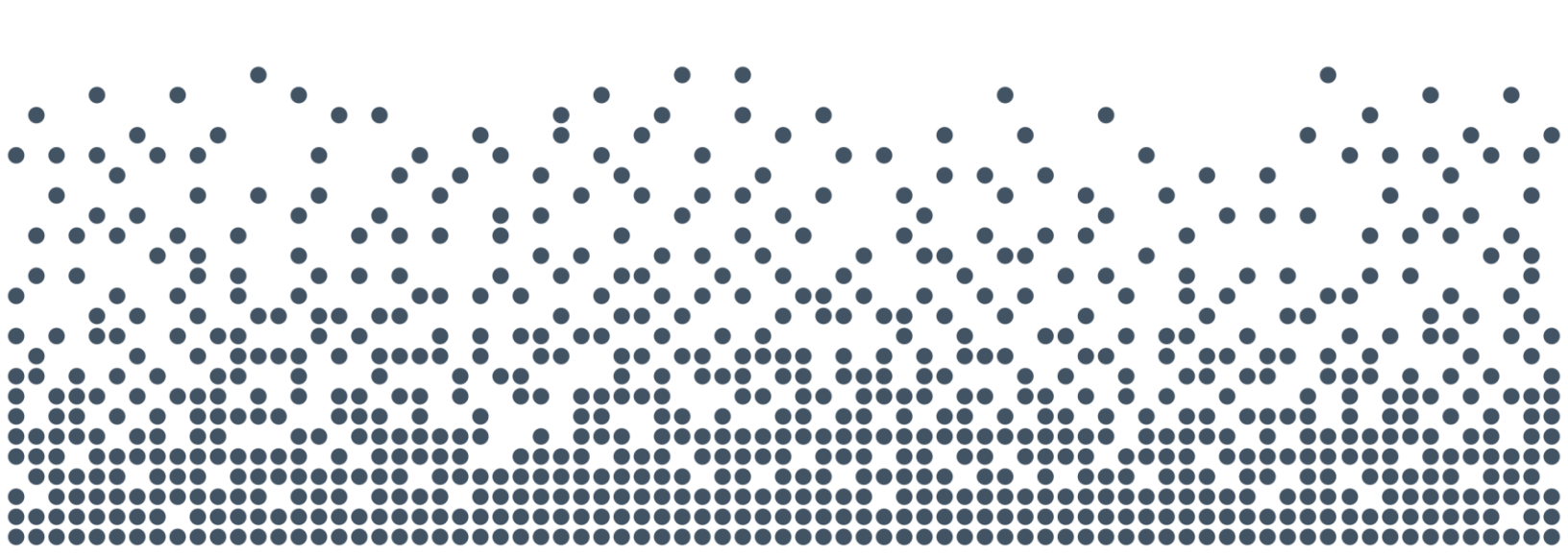
It is generally recognized that the accommodation of skilled labour and the attraction of new businesses are dependent on one another. As such, for the County's economic base to grow, effort will be required to continue to attract new skilled working residents to the region with suitable employment opportunities and relatively affordable housing, to ensure that economic growth is not constrained. Attraction efforts must also be linked to housing accommodation (both ownership and rental), municipal services and infrastructure, as well as quality of life attributes which appeal to the younger mobile population, while not detracting from the region's attractiveness to older population segments.

Urban Land Needs Assessment, 2023 to 2048

Based on the 25-year assessment of urban residential land needs, it is observed that the County has a surplus of lands designated residential with a small shortfall of about 8 gross ha in Amherstview,^[1] which can be accommodated in the Amherstview West Secondary Plan area in accordance with identified needs. Based on the assessment of long-term employment lands needs provided herein, a surplus of Employment Area lands has been identified over the 25-year planning horizon for the County.

It is recommended that going forward, the County and Area Municipalities should continue to monitor development trends and urban land absorption on an annual basis to ensure that sufficient urban lands are provided over the long-term.

[1] Gross developable land needs do not account for non-developable areas located within the County's environmental protection and natural heritage system areas.



Appendices



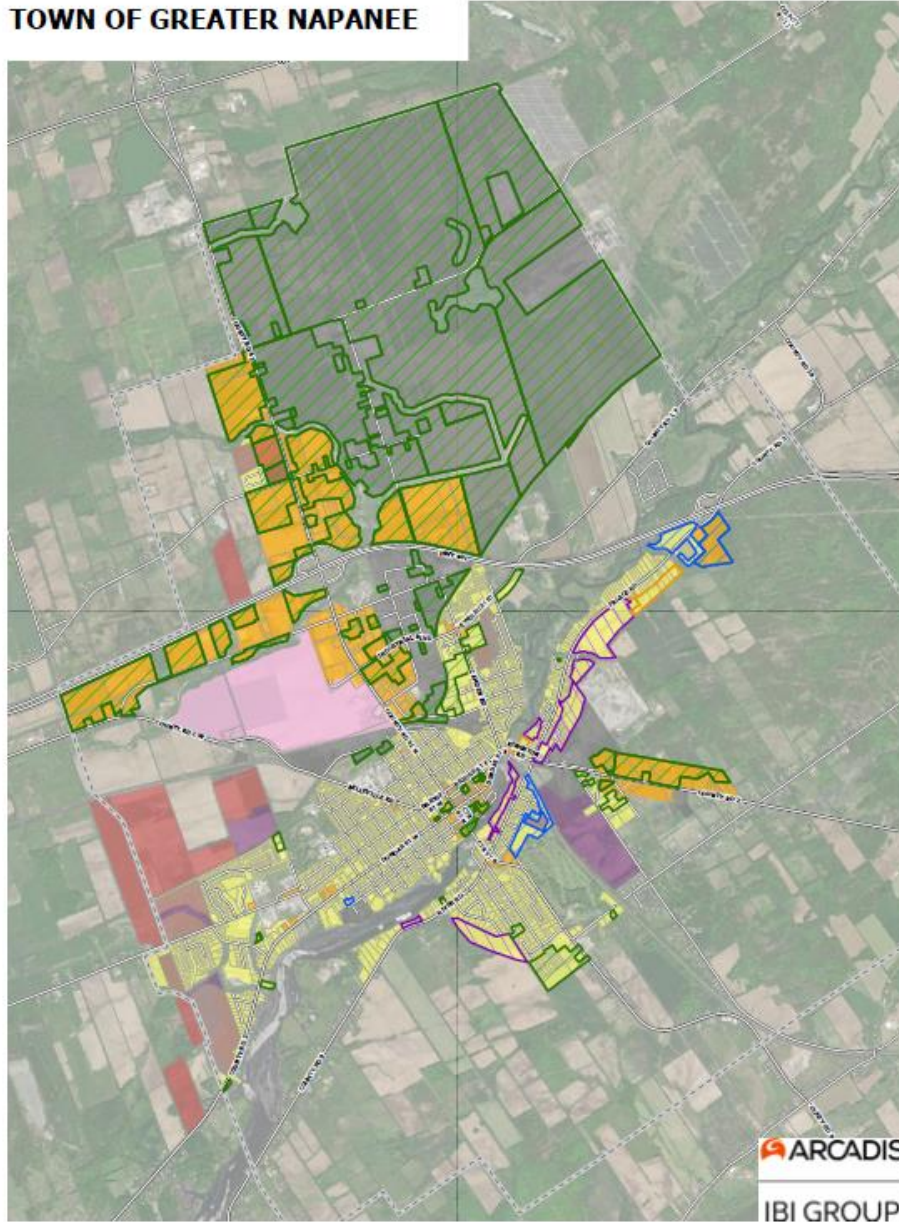
Appendix A

Vacant Land Supply Mapping



Vacant Urban Land Supply Mapping – Town of Greater Napanee

TOWN OF GREATER NAPANEE



ARCADIS
IBI GROUP

Legend

Official Plan

- Selby Creek Secondary Plan Total 96.6 ha
- Commercial - Total 308.9 ha
- Industrial - Total 894.3 ha
- Residential - Total 488.5 ha
- Expression of Interest
- Development Application

- Vacant (Greenfield) Residential - 26.5 ha
- Vacant Constrained - Ownership - 11.9 ha
- Vacant Constrained - Access - 5.7 ha
- Vacant Constrained - Physical/Competability - 34.4 ha

- Vacant Commercial - 190.8 ha
- Vacant Industrial - 730.5 ha

Note: Vacant Analysis Based on Aerial Imagery Dated June 2020



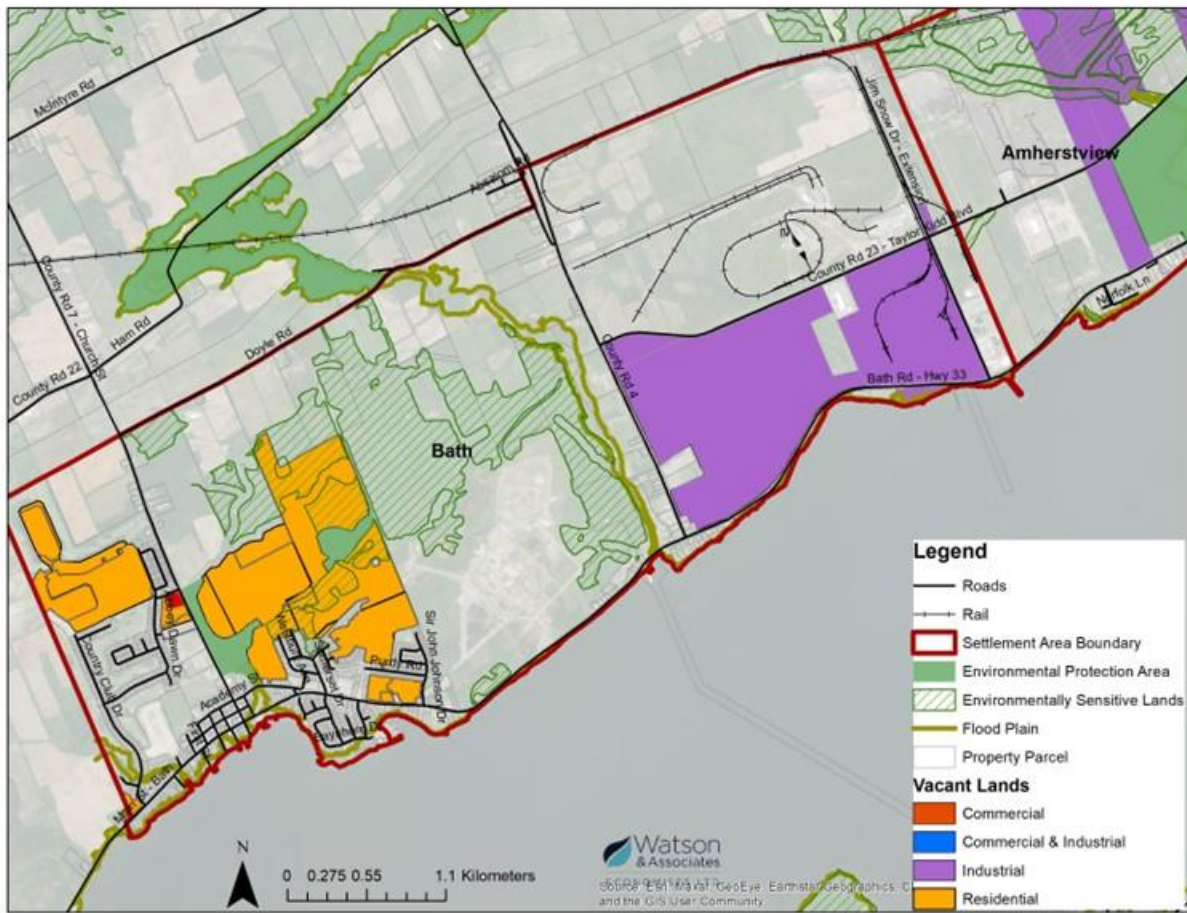


Vacant Land Supply Mapping – Loyalist Township (Amherstview)



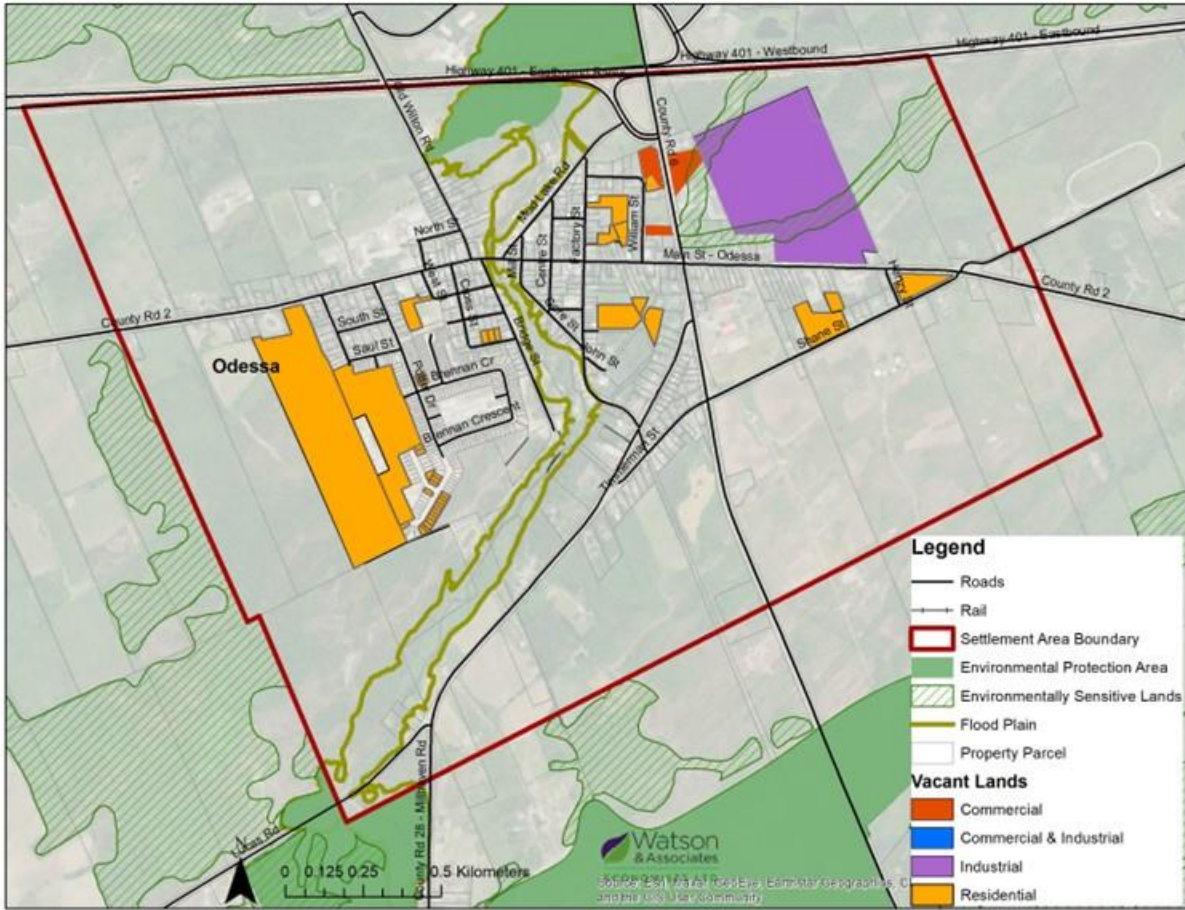


Vacant Land Supply Mapping – Loyalist Township (Bath)





Vacant Land Supply Mapping – Loyalist Township (Odessa)





Appendix B

County of Lennox & Addington Long-Term Growth Scenarios – Key Assumptions



County of Lennox & Addington Long-Term Growth Scenarios – Key Assumptions

Building on the regional economic and demographic assessment prepared in this report, as well as a review of relevant background reports prepared for County of Lennox & Addington and its local municipalities over the past two decades, a total of three long-term population housing and employment scenarios have been prepared for the County. Each of these scenarios are summarized in Chapter 4 of this report.

The following key growth assumptions inform the Low, Medium and High Growth Scenarios for County of Lennox & Addington from 2021 to 2051. These assumptions are categorized as follows:

- Macro-economic conditions;
- Federal immigration targets;
- Kingston C.M.A. demographic and economic trends; and
- Lennox and Addington County employment and demographic trends.

Macro-Economic Conditions

As previously discussed, the COVID-19 pandemic had a significant economic impact on the national and provincial economies in 2020 and 2021, as measured in terms of G.D.P. COVID-19 is anticipated to continue to influence the global and national macro-economic outlook over the next several years. Sections 2.2.1 provide a detailed discussion regarding forecast G.D.P. annual growth rates for Canada and Ontario. Under the Low Scenario, it is assumed that the provincial economy will underperform, on average, relative to near-term forecasts, while the Medium and High Scenarios, respectively, assume that the provincial G.D.P. growth will generally meet and exceed near-term provincial G.D.P. forecasts over the 2021 to 2051 planning horizon.

National Immigration Trends

Section 2.1.3 of this report provided a discussion regarding federal immigration targets for Canada and Ontario. Under the Low Scenario, it is assumed that national immigration will underperform relative to federal targets over the 2021 to 2051 planning horizon. The Medium Scenario assumes national immigration targets will be met, while the High Scenario assumes that immigration targets will be exceeded. Under each of



the long-term growth scenarios it is assumed that the share of total net migration Provincial net migration allocated to the County of Lennox & Addington will increase.

Lennox & Addington and Kingston-Pembroke Economic Region Population and Economic Trends

The following key trends have been assumed for the County of Lennox & Addington Regional Areas under the three long-term growth scenarios for County of Lennox & Addington:

- Under the Low Scenario, it is forecast that Lennox & Addington's population growth will be closer relative to the M.O.F.'s 2022 projections. Under the Reference Scenario, the County is anticipated to outperform the M.O.F.'s 2022 projections, while under the High Scenario the County is projected to significantly outperform the 2022 M.O.F. projections as well as subsequent provincial projection updates for the area (refer to section 5.2.1).
- County of Lennox & Addington comprised 11% population growth in the Kingston-Pembroke Economic Region from 2011 to 2021. This trend is anticipated to continue to slightly varying degrees over the forecast period under each of the long-term growth scenarios. Under the Medium Growth Scenario, it is assumed that the share of population growth allocated to County of Lennox & Addington within the Kingston C.MA. will modestly increase between 2021 and 2051. It is noted that long-term population and employment growth scenarios specifically for the remaining areas of the Economic Region have not been prepared as part this study.^[1]
- The Kingston-Pembroke Economic Region labour force has steadily recovered since the 2008/2009 recession, particularly between 2015 to 2019. The regional economy has strongly rebounded from the impacts of COVID-19, in which labour force levels recently bottomed out in June 2020.
- As previously noted, the Kingston-Pembroke Economic Region unemployment rate is currently near historical lows at 5.4%, while the employed labour force has

^[1] Kingston-Pembroke Economic Region consists of Kingston metropolitan area and the counties of Frontenac, Hastings, Lennox and Addington, Prince Edward, and Renfrew. 2011 to 2021 growth share has been based on Statistics Canada data. It is noted that the growth forecasts for remaining Census Divisions have not been undertaken as a part of this Study.



is at 245,000 as of January 2023, which is the higher than the employed labour force between 2001 - 2020.

- The industrial market has also been steadily recovering since the 2008/2009 economic downturn. Competitively priced industrial lands are an attractive aspect for industrial and export-based developers in the County.
- Employment growth in the regional economy represents a key driver of population growth for the County of Lennox & Addington. With respect to most recent commuting trends, 41% of County of Lennox & Addington residents work within the County, and 50% work in the City of Kingston (refer to section 2.4).
- Steady future economic growth is anticipated across the County, most notably associated with the need for local supply chains to support the planned Umicore electric vehicle (E.V.) battery manufacturing facility. Anticipated export-based job growth (i.e., industrial and commercial office jobs) within the County also generates population-related employment to service the needs of the growing employment and population base (e.g., retail, accommodation and food, personal services and institutional services).
- Furthermore, industrial development is also anticipated to generate induced economic impacts associated with the re-spending of labour income (i.e., household spending) throughout the County and beyond.
- Employment growth comprises two major categories, export-related and community-related employment:
 - Community-related job growth is tied to population growth. These jobs provide services such as retail, entertainment, and hospitality to the community. Under the Low Scenario, lower population growth relative to the other scenarios requires less community-based employment to service the needs of the population. As the population forecast increases under the Medium and High Scenarios, more community-based jobs are required to provide services to the increased population.
 - Export-related jobs are largely industrial based and consist of industries such as manufacturing and logistics. Local factors that can influence export-related employment growth within the County include, but are not limited to, price of industrial lands, availability of shovel-ready industrial lands with a broad range of sizes, access to labour force and localized supply-chain opportunities. These local factors are anticipated to influence the share of industrial employment accommodated within County



of Lennox & Addington within the broader region under each long-term growth scenario.

Demographic Trends

The following key demographic trends have been assumed under the three long-term growth scenarios for County of Lennox & Addington:

- The County of Lennox & Addington population is aging, driven by the Baby Boomer age group. As previously discussed, the share of population aged 65+ is forecast to sharply increase from 10% in 2021 to 18% in 2051. Accordingly, there is downward pressure on births as the population ages. These factors result in a declining natural increase (i.e., births minus deaths), with the natural increase forecast to be progressively negative from 2021 to 2051.
- Net migration impacts the population age structure. As the existing population ages, County of Lennox & Addington will become increasingly dependent on net migration to maintain its existing share of younger age groups. Under the Low Scenario, the share of population will be older by 2051 due to lower levels of net migration in younger age groups. Under the Medium and High Scenarios, the population age structure is forecast to remain relatively younger due to somewhat higher net migration levels associated with working age residents and their families.



Appendix C

County of Lennox & Addington

Residential and Non-Residential Growth
Forecast by Area Municipality



Loyalist Township

Year	Population (Excluding Census Undercount)	Population (Including Census Undercount)	Households				Persons Per Unit (PPU)
			Low Density	Medium Density	High Density	Total	
2016	16,971	17,395	5,270	620	485	6,375	2.66
2021	17,943	18,392	5,635	625	520	6,780	2.65
2026	19,361	19,845	6,090	727	604	7,421	2.61
2031	20,926	21,449	6,544	852	704	8,100	2.58
2036	22,464	23,025	6,952	987	810	8,748	2.57
2041	24,169	24,774	7,346	1,147	942	9,436	2.56
2046	25,554	26,193	7,636	1,289	1,062	9,988	2.56
2051	26,967	27,641	7,916	1,442	1,183	10,542	2.56
2021-2051	9,024	9,250	2,281	817	663	3,762	

Town of Greater Napanee

Year	Population (Excluding Census Undercount)	Population (Including Census Undercount)	Households				Persons Per Unit (PPU)
			Low Density	Medium Density	High Density	Total	
2016	15,892	16,289	5,175	305	1,085	6,565	2.42
2021	16,879	17,301	5,360	320	1,175	6,855	2.46
2026	17,405	17,840	5,554	362	1,265	7,181	2.42
2031	18,045	18,497	5,747	413	1,373	7,533	2.40
2036	18,720	19,188	5,921	468	1,487	7,876	2.38
2041	19,467	19,954	6,076	527	1,615	8,218	2.37
2046	20,153	20,656	6,197	584	1,740	8,520	2.37
2051	21,015	21,541	6,358	652	1,866	8,876	2.37
2021-2051	4,136	4,240	998	332	691	2,021	



Town of Stone Mills

Year	Population (Excluding Census Undercount)	Population (Including Census Undercount)	Households				Persons Per Unit (PPU)
			Low Density ²	Medium Density ³	High Density ⁴	Total	
2016	7,702	7,895	2,920	20	60	3,000	2.57
2021	7,826	8,022	2,975	20	70	3,065	2.55
2026	8,128	8,332	3,110	29	75	3,215	2.53
2031	8,468	8,679	3,244	41	82	3,367	2.51
2036	8,802	9,022	3,365	53	89	3,507	2.51
2041	9,097	9,325	3,473	51	88	3,611	2.52
2046	9,379	9,614	3,557	59	93	3,709	2.53
2051	9,331	9,564	3,545	44	98	3,687	2.53
2021-2051	1,505	1,542	570	24	28	622	

Township of Addington Highlands

Year	Population (Excluding Census Undercount)	Population (Including Census Undercount)	Households				Persons Per Unit (PPU)
			Low Density ²	Medium Density ³	High Density ⁴	Total	
2016	2,318	2,376	965	15	35	1,015	2.28
2021	2,534	2,597	1,065	20	20	1,105	2.29
2026	2,669	2,736	1,124	22	21	1,166	2.29
2031	2,809	2,879	1,183	20	22	1,225	2.29
2036	2,958	3,032	1,236	25	23	1,284	2.30
2041	2,999	3,074	1,252	28	20	1,299	2.31
2046	3,100	3,177	1,283	30	20	1,333	2.33
2051	3,127	3,205	1,289	32	20	1,341	2.33
2021-2051	593	608	224	12	-	236	



Permanent Housing and Second Home Dwelling Unit Forecast by Local Municipality

Development Location		Timing	Total Permanent Residential Units	Net Second home dwelling units
Loyalist	Amherstview	2021 - 2026	308	0
		2021 - 2031	640	0
		2021 - 2036	949	0
		2021 - 2041	1,276	0
		2021 - 2046	1,529	0
		2021 - 2051	1,674	0
	Bath	2021 - 2026	231	0
		2021 - 2031	460	0
		2021 - 2036	691	0
		2021 - 2041	940	0
		2021 - 2046	1,144	0
		2021 - 2051	1,378	0
	Odessa	2021 - 2026	92	0
		2021 - 2031	201	0
		2021 - 2036	302	0
		2021 - 2041	413	0
		2021 - 2046	505	0
		2021 - 2051	583	0
	Rural	2021 - 2026	9	2
		2021 - 2031	18	2
		2021 - 2036	26	4
		2021 - 2041	26	7
		2021 - 2046	29	9
		2021 - 2051	127	11
	Total	2021 - 2026	641	2
		2021 - 2031	1,320	4
2021 - 2036		1,968	7	
2021 - 2041		2,656	9	
2021 - 2046		3,208	11	
2021 - 2051		3,762	13	



Development Location		Timing	Total Permanent Residential Units	Net Second home dwelling units
Greater Napanee	Napanee	2021 - 2026	309	0
		2021 - 2031	645	0
		2021 - 2036	973	0
		2021 - 2041	1,301	0
		2021 - 2046	1,593	0
		2021 - 2051	1,901	0
	Rural	2021 - 2026	16	21
		2021 - 2031	33	21
		2021 - 2036	48	42
		2021 - 2041	61	63
		2021 - 2046	72	84
		2021 - 2051	120	105
	Total	2021 - 2026	326	21
		2021 - 2031	678	42
		2021 - 2036	1,021	63
		2021 - 2041	1,363	84
		2021 - 2046	1,665	105
		2021 - 2051	2,021	126
Stone Mills	Total	2016 - 2021		
		2021 - 2026	150	17
		2021 - 2031	302	34
		2021 - 2036	442	51
		2021 - 2041	546	69
		2021 - 2046	644	86
		2021 - 2051	622	103
Addington Highlands	Total	2021 - 2026	61	43
		2021 - 2031	120	85
		2021 - 2036	179	128
		2021 - 2041	194	171
		2021 - 2046	228	213
		2021 - 2051	236	256
Lennox-Addington	Total	2016 - 2021	825	55
		2021 - 2026	1,178	55
		2021 - 2031	2,422	110
		2021 - 2036	3,610	165
		2021 - 2041	4,759	220
		2021 - 2046	5,745	275
		2021 - 2051	6,640	330

Source: Watson & Associates Economists Ltd., 2022.



Employment Forecast by Area Municipality

Development Location	Timing	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	N.F.P.O.W. ¹	Total
Loyalist	2021 - 2026	17	71	332	213	134	83	850
	2021 - 2031	22	167	627	320	254	213	1,603
	2021 - 2036	28	263	892	411	369	347	2,310
	2021 - 2041	33	370	1,113	499	491	453	2,958
	2021 - 2046	39	464	1,285	565	597	534	3,483
	2021 - 2051	44	556	1,479	620	692	620	4,012
Greater Napanee	2021 - 2026	28	26	84	138	87	51	413
	2021 - 2031	37	65	159	207	201	130	799
	2021 - 2036	46	107	240	295	292	212	1,192
	2021 - 2041	56	154	327	395	388	276	1,596
	2021 - 2046	65	193	411	494	473	331	1,967
	2021 - 2051	74	231	473	599	548	385	2,309
Stone Mills	2021 - 2026	17	15	18	55	38	6	148
	2021 - 2031	22	36	34	82	61	14	249
	2021 - 2036	28	57	49	110	92	24	359
	2021 - 2041	33	76	62	139	123	31	463
	2021 - 2046	39	95	71	165	149	37	556
	2021 - 2051	44	114	82	190	173	43	645
Addington Highlands	2021 - 2026	14	7	8	24	12	1	67
	2021 - 2031	19	15	16	37	13	4	104
	2021 - 2036	24	25	18	49	15	6	137
	2021 - 2041	29	28	18	62	20	8	165
	2021 - 2046	33	35	20	74	25	18	205
	2021 - 2051	38	42	21	85	29	21	235
County of Lennox & Addington	2021 - 2026	75	119	443	430	270	141	1,478
	2021 - 2031	100	283	837	645	530	361	2,756
	2021 - 2036	125	451	1,199	865	769	589	3,998
	2021 - 2041	150	627	1,520	1,095	1,022	768	5,182
	2021 - 2046	175	786	1,787	1,298	1,244	920	6,211
	2021 - 2051	200	943	2,055	1,494	1,441	1,069	7,201

Source: Watson & Associates Economists Ltd., 2022.