

Township of Southgate

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Staff Report CAO2021-043

Title of Report: Southgate's Future Population & Development Growth and the Importance of the Grey County Growth Management Study

Department: Administration

Council Date: June 2, 2021

Council Recommendation:

Be it resolved that Council receive Staff Report CAO2021-043 as information; and

That Council discuss this report, provide feedback to Southgate's Grey County Council members and direction to Township staff on how we proceed in discussions with Hemson Consulting Ltd. and the Grey County Planning Department staff.

Background:

At the present time Grey County is undertaking a Growth Management Study being completed by Hemson Consultants, with staff leadership by the County Planning Department staff.

On May 12, 2021 Southgate Council at a Special Meeting received a presentation by Scott Taylor from the Grey County Planning Department on the draft Hemson Grey County Growth Report. Prior to this presentation Southgate's Planner and CAO has met several times with Hemson and Grey County Planning staff to present Southgate development data that significantly supports increased growth numbers. We also voiced our concerns with the draft report being low in population projections for the next 25 year development window.

Staff Comments:

Why are the present growth numbers in the Draft Hemson Growth Report so important to be correct for Southgate?

The Grey County Growth Study report will be used over the next 25 years to support municipal infrastructure projects. One can say we will see a new growth study in about 5 years when corrections can be made then. However, over the next 5 years we will see municipal servicing projects being developed, under the Environmental Assessment process and/or in the construction phase based today's growth numbers that could cause the scope of the projects to be undersized and inefficiently invested in based on today's long term growth projections.

What should the Southgate Growth Numbers be for the next 25 years?

The draft Hemson Consulting Report suggest that our population growth that they recently adjusted up will increase in population by 3,000. Southgate staff suggest they should increase our projection to 5,000 as a better number to reflect Township growth and still that would be conservative. County Planners have recognized that our rental apartment growth numbers are still low and they will be discussing this with Hemson staff.

What will be the actual Southgate growth numbers be in the next 5 years based on the planned development project in 2021 to 2025?

Year	Residential Development	Res Units	Population (2.5 /unit)
➤ 2021	<ul style="list-style-type: none"> ▪ Building Permits issued YTD ▪ Flato North Phase 6 ▪ Flato Glenelg Phase 1 	95 units 20 units 90 units	
	2021 Total	210 units	525
➤ 2022	<ul style="list-style-type: none"> ▪ Flato East Phase 7, 8 & 10 ▪ Flato Glenelg Phase 1 ▪ White Rose Phase 3 	90 units 93 units 30 units	
	2022 Total	213 units	532
➤ 2023	<ul style="list-style-type: none"> ▪ Flato East Phase 9 ▪ Flato East Phase 11, 12 & 13 ▪ White Rose Phase 3 	47 units 227 units 30 units	
	2023 Total	304 units	760
➤ 2024	<ul style="list-style-type: none"> ▪ Flato Glenelg Phase II ▪ White Rose Phase 3 	152 units 41 units	
	2024 Total	193 units	482
➤ 2025	<ul style="list-style-type: none"> ▪ Flato Ida Street Apartments ▪ Flato Eco Park 	250 units 75 units	
	2025 Total	325 units	812
5 Year Total		1,245 units	3,111

Note: 1. Shaded developments that already have allocated service capacity.
 2. See Attachment #1 for planned future growth over the next 10 yrs.
 3. Other mapping has been created to show the future development and growth plan over the next 25 years around Dundalk. This mapping has been provided for the purposes of the Grey County growth study project, but is concept planning that could create property speculation that would be counter productive to future development in our community if made public.

Why is the present Grey County Growth Study Report so important to Southgate and its future development planning?

Southgate relies on County Growth Study data to support and justify servicing projects and their Environmental Assessment (EA) Studies that provincial Ministries approve. The scope of future population growth data is used in the approval process of an EA as a consideration for future sizing of infrastructure projects for water projects like elevated water towers, production wells and for wastewater infrastructure for pumping stations, treatment capacity expansion, etc.

Population growth projection data is used to plan, design and construct the correct sizing for infrastructure like water towers to ensure it is not under or overbuilt operationally for the needs of a community as it grows in population. At the present time Triton Engineers are completing final design work for a new Water Tower. Part of that process includes gaining approval from MOECP to ensure the size fits with our growth data projections. Triton and Southgate staff do not feel we can rely on the draft Hemson growth report numbers for our new water tower project planning. Triton's engineering work must look out 50 years for the water tower project and our growth data projections based on 5 and 10 year growth projections are very different than the draft Hemson data. Triton projects Southgate's population in 2071 at 19,220. These growth numbers are based on 2045 population projections and 2% growth annually (or 200 population increase per year) for the following 25 year horizon.

Today, Southgate's population is on a steep increase and has not yet reached a plateau of steady annual growth increases that we project will conservatively be 200 new residential builds and 500 climb in population annually. Further our future development projections do not consider a third developer project we anticipate or infill residential or other multi-residential building permit requests.

These growth numbers are also very important to justify our expansion of the settlement area of Dundalk. Township staff are keenly aware that Dundalk is running out of good serviced land that is available for development. As a result the Township is undertaking a growth study to justify an expansion of the settlement area. This will require an amendment to the County Official Plan. If they County adopts growth projections that are low it will be very difficult to justify the urban expansion based on our own figures. This Settlement area expansion is critical for the continued development of Dundalk from a commercial and industrial point of view, as well as a Residential Point of view. Getting these growth numbers wrong could stall future development and growth in Southgate.

We also realize that growth projections without history makes it hard for extremely conservative forecasting like Hemson Consulting is using to complete their study work. They are without a doubt using an approach to under forecasting and spread the growth around rather than being closer to our growth projections. Hemson do not want to be caught with their growth forecast data being higher than what will be realized in future years. Staff is recommending residential unit construction growth of 200 new homes per year would be a conservative approach since the last 3 years has seen the Township's new construction of residential units increase to this level. Projections based on the presently approved developments in the next 5 years and the planned projects for the 10 year horizon we feel will out pace Southgate's staff's conservative growth.

Why is Dundalk's recent accelerated future growth under increased pressures to continue at this rate compared to other parts of Grey County?

On May 25th, 2021 Southgate's Planner and CAO, Flato staff and their Planner MHBC Consultants met with Grey County Planning staff to discuss the Hemson Draft Growth Report specifically related to development in Dundalk. A lot of the

discussion related to Southgate was around why Dundalk should be looked at with a different lens related to population growth pressures.

Dundalk is seeing the start of unprecedented population growth that is increasing annually for the following reasons and the compounding of these reasons should be considered as why we are seeing this demand for residential properties. This growth demand will see Southgate's population double in population over the next 25 years which will not likely be experienced in other communities in Grey County. The planned development activity in the next 5 years and consumer demand waiting list for Housing is driving our growth being sustainable. We believe this growth will continue beyond downturns in the economy in other areas that could see real estate slowdowns compared to Southgate for these reasons:

- i. Opportunity to buy a home as Dundalk is still affordable compared to residential properties to the south;
- ii. Dundalk's proximity with a one hour or less commute to good paying jobs along the Hwy #10, #89 and #9 corridors in Alliston, Brampton, Orangeville and Peel Region areas;
- iii. Space available in the Dundalk homes and the size of the backyards;
- iv. Access to public open spaces, trails (ATV, snowmobile & walking) and outdoor rural lifestyle every day in our community;
- v. Affordability of local services and commodities compared to urban communities;
- vi. Lifestyle pressures to get out of GTA caused by COVID-19 restrictions;
- vii. Option to work virtually and still be close enough to employer's office to allow for commuting to work 1 to 3 days a week for all housing options (rental, single family dwelling to estate properties);
- viii. Opportunity to maintain lifestyle in Southgate and transition a career change in the region to reduce commute time;
- ix. Affordability of property (residential and commercial/industrial) and development costs to move their business and family to Southgate;
- x. Lack of availability of residential properties in all communities along the Hwy #10 corridor north of the GTA to the Township of Southgate. All of Flato's single family, semis and Townhome residential projects in Dundalk with assigned service capacity are sold out prior to being constructed. Further to being sold out Flato has a waiting list of buyers for future phased projects in Flato East Phases 9, 11, 12 & 13 and Flato Glenelg Phase II;
- xi. Access to our GTR transportation service and the features of the new CHC Medical Centre; and
- xii. Southgate's proximity to larger communities being a one hour or less drive to the features of urban places like Barrie, Brampton, Guelph, Hanover, K-W, Orangeville, Owen Sound, etc. and the regions recreational places like Beaver Valley, Georgian Bay and Collingwood for water and winter activities.

We also talked about the similar residential growth pressure from the Guelph, Cambridge and K-W areas that is likely to come around Mount Forest in Southgate

because the river and servicing challenges. With that said we assured County staff that should be considered at some level, but that Southgate data has not considered that type of development in our data presented to date.

Financial Impact or Long Term Implications

There is no financial impact as a result of this report other than capital infrastructure project costs that are already included in the 2021 budget.

There is a risk to the growth related portions of the Township revenues. Each year the current growth generates money in the form of increased assessment, tax dollars and development charges to help curb budgetary increases. If development growth is stalled will result in not being able to expand those reserve funds and will not be available for servicing expansion projects.

Communications & Community Action Plan Impact:

This report has been written and presented to Council to communicate accurate information to the public.

Goal 3 - Promoting Health Services and Housing Choices

Action 3: The residents and businesses of Southgate envision a caring community which meets the needs of all ages and incomes for a healthy and comfortable life, even as our population grows and changes.

Goal 5 - Upgrading our "Hard Services"

Action 5: The residents and businesses of Southgate recognize our linear services - roads, bridges, water and sewer works, for example - to be a fundamental purpose of municipal government. This infrastructure needs to be serviceable and sustainable so that our businesses and communities can thrive and grow.

Concluding Comments

1. That Council receive staff report CAO2021-044 as information.
2. That Council and staff discuss this report to ensure the impact of the present Grey County 2021 Growth Management is understood and presented to Grey County Planners and Hemson Consultants for consideration.

Respectfully Submitted,

CAO approval: Original Signed By

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Planners Approval: Original Signed By

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- Attachment #1 – Dundalk Development Map for the next 25 years