LEEDS GRENVILLE OFFICIAL PLAN GROWTH & SETTLEMENT ANALYSIS

Final Report

HEMSON Consulting Ltd.

August 6, 2014

EXECUTIVE SUMMARY

MMM Group in collaboration with Hemson Consulting Ltd. is assisting the United Counties of Leeds Grenville (UCLG) in the preparation of its first official plan, which will guide land use planning and establish a shared vision for future growth and development in the Counties. As part of the early stages of the official plan process, this report provides the results of a Growth and Settlement Analysis, which included the preparation of Counties-wide population, housing and employment forecasts, examined growth and trends at the local member municipal level and distributed forecast growth to Leeds Grenville member municipalities to provide a basis for planning under the forthcoming UCLG official plan.

Recommendations are made for managing growth and change in the Counties in a manner consistent with Provincial policy and responsive to the diverse characteristics and priorities of Leeds Grenville member municipalities. The growth forecasts have been prepared and distributed to member municipalities in a manner consistent with the Provincial Policy Statement, 2014 which articulates the Province's direction on land use planning and managing urban and rural growth and development.

Recent population growth in the Counties has been modest, largely as a result of an aging population. This will have important implications for planning. Housing growth has been outpacing population growth owing to declining average household size, a result of an aging population. Employment declined in the Counties over the 2006-2011 period, a result of the recent recession and a shift away from manufacturing in eastern Ontario and throughout the Province.

While generally stable, the growth in population and housing is largely tied to the Ottawa region. Ottawa-related growth has caused increased development activity particularly in the north eastern part of the Counties. As the Ottawa Region continues to grow rapidly, Leeds Grenville is anticipated to continue to see growth in commuter-based housing. However, recent trends suggest all municipalities surrounding Ottawa in eastern Ontario and Quebec are drawing on Ottawa-related growth, many to a greater extent than Leeds Grenville. To a much lesser extent, Kingston-related growth affects the western edge of the Counties.

Counties-wide 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. The key local conditions are the stability of most of the Counties but with Ottawa-related growth in North Grenville, Merrickville-Wolford and Edwardsburgh/Cardinal. Three forecast scenarios were prepared incorporating varied assumptions about the Counties future economic outlook – a low, reference and high growth scenario – based on varying levels of future in-migration to the Counties. The reference scenario represents the most likely outcome and an appropriate basis for planning in Leeds Grenville.

The Counties-wide forecast results indicate moderate growth in population over the period from 2011 to the 2031 planning horizon. Housing growth is anticipated to out-pace population due to declining average household size. Leeds Grenville, like all of Ontario, is anticipated to experience a slow recovery from the recent recession through to 2016, followed by a decline in employment as the aging population results in a smaller working age population. The net effect is that employment in the Counties is forecast to remain relatively stable over the 2011 to 2031 period.

The Counties-wide growth forecasts were allocated to each of the ten Leeds Grenville member municipalities to be used as a basis for planning. The distribution of forecast growth to the member municipalities is based on a combination of local factors including; local planning policy, historic and recent growth trends, market demand and the capacity to accommodate growth from land supply and servicing perspectives. Key considerations in this regard include the following:

- The distribution of recent growth in permanent population and housing within Leeds Grenville has been strongly influenced by the City of Ottawa, proximity to which has contributed to high levels of growth in North Grenville relative to other member municipalities.

- Proximity to natural amenities also has an influence on housing demand in the Counties, with seasonal housing growth an important planning consideration for many Leeds Grenville municipalities, most notably in Rideau Lakes and Leeds and the Thousand Islands, where recreational and vacant units comprise over 20% of the total housing stock. The share of housing not occupied by usual residents has declined in recent Census periods, suggesting a higher incidence of conversions from seasonal units to permanent housing.

- All member municipalities have been experiencing net out-commuting, largely to job opportunities in the partner municipality of Brockville as well as Kingston, Ottawa and the United Counties of Stormont, Dundas and Glengarry. Out-commuting of Leeds Grenville residents is anticipated to continue over the period to the 2031 forecast horizon.

- The extent of commutersheds relative to employment opportunities is an important consideration in the forecasts and represents a key determinant of the distribution of future population and housing growth within the Counties.

- The designated land supply available to accommodate future growth in housing and employment is sufficient Counties-wide and within each member municipality, meaning there is no need to consider settlement area boundary expansions at this time. Servicing capacity places limits on growth for many member municipalities.

A summary of growth forecast results by member municipality is provided in the tables below.

Historical & Forecast Total Population by Member Municipality United Counties of Leeds Grenville, 2006-2031						
Municipality	Total Population				**2011-2031**	
	2006	2011	2021	2031	Net Change	Growth Rate
Athens	3,190	3,195	3,220	3,240	45	1.4%
Augusta	7,755	7,615	7,720	7,820	205	2.7%
Edwardsburg/Cardinal	6,910	7,130	7,470	7,700	570	8.0%
Elizabethtown-Kitley	10,535	9,965	9,960	10,010	45	0.5%
Front of Yonge	2,895	2,745	2,790	2,830	85	3.1%
Leeds & The Thousand Islands	9,745	9,505	9,770	9,990	485	5.1%
Merrickville-Wolford	2,960	2,920	3,010	3,100	180	6.2%
North Grenville	14,665	15,455	17,150	19,340	3,885	25.1%
Rideau Lakes	10,690	10,460	10,900	11,220	760	7.3%
Westport	665	645	680	710	65	10.1%
Leeds Grenville	70,010	69,635	72,670	75,960	6,325	9.1%

Historical & Forecast Occupied Housing Units by Member Municipality United Counties of Leeds Grenville, 2006-2031						
Municipality	Occupied Housing Units				**2011-2031**	
	2006	2011	2021	2031	Net Change	Growth Rate
Athens	1,115	1,180	1,220	1,240	60	5.1%
Augusta	2,770	2,860	2,980	3,050	190	6.6%
Edwardsburg/Cardinal	2,650	2,815	3,060	3,210	395	14.0%
Elizabethtown-Kitley	3,605	3,625	3,760	3,840	215	5.9%
Front of Yonge	1,060	1,035	1,100	1,140	105	10.1%
Leeds & The Thousand Islands	3,650	3,700	3,940	4,100	400	10.8%
Merrickville-Wolford	1,125	1,115	1,220	1,290	175	15.7%
North Grenville	5,250	5,700	7,080	8,150	2,450	43.0%
Rideau Lakes	4,165	4,220	4,560	4,770	550	13.0%
Westport	325	325	350	370	45	13.8%
Leeds Grenville	25,715	26,575	29,270	31,160	4,585	17.3%

Historical & Forecast Total Place of Work Employment by Member Municipality United Counties of Leeds Grenville, 2006-2031						
Municipality	Total Employment				**2011-2031**	
	2006	2011	2021	2031	Net Change	Growth Rate
Athens	890	910	950	890	(20)	-2.2%
Augusta	1,240	1,130	1,170	1,100	(30)	-2.7%
Edwardsburg/Cardinal	1,280	1,390	1,470	1,390	-	0.0%
Elizabethtown-Kitley	3,670	2,580	2,680	2,500	(80)	-3.1%
Front of Yonge	520	530	550	510	(20)	-3.8%
Leeds & The Thousand Island	1,790	1,860	1,960	1,840	(20)	-1.1%
Merrickville-Wolford	1,190	910	980	900	(10)	-1.1%
North Grenville	4,520	5,270	5,730	5,690	420	8.0%
Rideau Lakes	1,620	1,620	1,720	1,630	10	0.6%
Westport	720	320	330	310	(10)	-3.1%
Leeds Grenville	17,440	16,520	17,540	16,760	240	1.5%

Figures are rounded.

TABLE OF CONTENTS

List of Tables

List of Exhibits

I INTRODUCTION

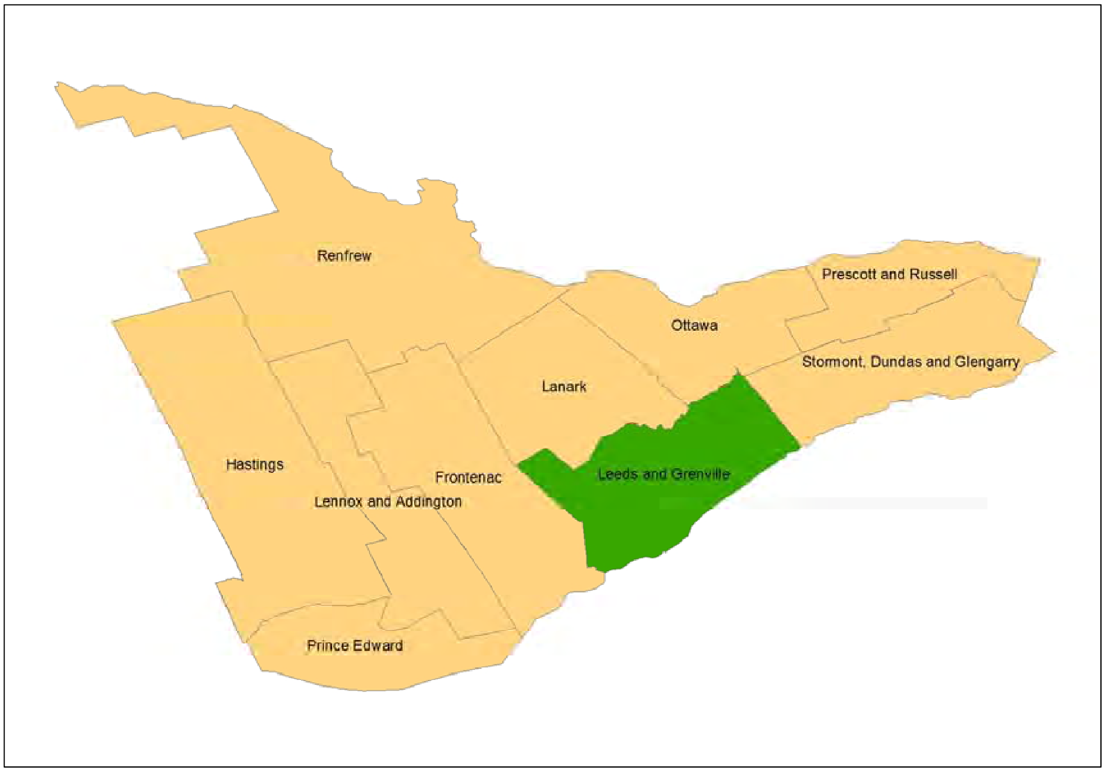
The United Counties of Leeds Grenville (the "Counties" or UCLG) is in the process of preparing its first official plan, which will guide land use planning and establish a shared vision for future growth and development. This *Growth and Settlement Analysis* is part of the first stage of the official plan process, which focuses on background research, policy options and directions. A draft Phase One report (May 2, 2014) took a high level look at Leeds Grenville within an Eastern Ontario context, examined economic and demographic trends affecting future growth and development, and provided Counties-level forecasts of population, housing and employment from a 2011 to a 2031 horizon. A draft Phase Two report (June 2, 2014) examined local level trends and factors affecting historic and future distribution of growth and development within Leeds Grenville, allocated forecast growth to the member municipalities, and made policy recommendations for consideration in the development of the *United Counties of Leeds Grenville Official Plan*. This consolidated *Growth and Settlement Analysis* report provides the results of the Phase One and Phase Two analyses and refined forecasts of population, housing and employment, updated to reflect additional analysis and feedback received from Counties staff, the Official Plan Project Steering Committee and key stakeholders.

The *Growth and Settlement Analysis* has concluded that population growth in the Counties since 2001 has been modest and will continue to be moderate to the forecast horizon of 2031. Housing growth will continue to outpace population growth, owing to declining average household size—a result of an aging population. Employment declined in the Counties over the 2006 to 2011 period, a result of the recent recession and a shift away from manufacturing in eastern Ontario and throughout the Province and will be relatively stable over the 2031 horizon.

Three forecast scenarios of Counties-wide population, housing and employment were prepared from a 2011 to 2031 horizon, in order to provide a range on the future outlook in UCLG. The Counties endorsed the reference scenario, which is considered the most appropriate basis for growth management and planning purposes in Leeds Grenville.

Planning for the future of the Counties will be challenging due to broad and varied geographic and demographic characteristics. Leeds Grenville is a largely rural municipality covering nearly 3,400 km^2 of eastern Ontario and is bordered by the County of Frontenac to the west, the County of Lanark and the City of Ottawa to the north, United Counties of Stormont, Dundas and Glengarry to the east and New York State to the south.

UNITED COUNTIES OF LEEDS AND GRENVILLE IN AN EASTERN ONTARIO CONTEXT



The Counties comprise ten member municipalities, including: the Townships of Athens, Augusta, Edwardsburgh/Cardinal, Elizabethtown-Kitley, Front of Yonge, Leeds and the Thousand Islands and Rideau Lakes; the Municipality of North Grenville; and the Villages of Merrickville-Wolford and Westport.

The City of Brockville and the Towns of Gananoque and Prescott are partner municipalities, geographically situated within Leeds Grenville but administratively distinct. These municipalities are larger, more urban communities and are employment and service centres for residents of the Counties. Close connections between municipalities through commuting, retail, personal and social services, and infrastructure provision are important considerations for planning.

UCLG – Member and Partner Municipalities

Source: United Counties of Leeds and Grenville.

A. PURPOSE OF STUDY

UCLG is one of few upper-tier municipalities in the Province that does not yet have an official plan. In recent years, the Province has taken a more direct role in growth management and the public has become more interested in major planning decisions, especially related to infrastructure, employment lands and settlement area boundaries. On March 19, 2013 the Ontario Ministry of Municipal Affairs and Housing brought Amendment 101/13 of *Planning Act* Regulation 352/02 into effect, which requires any upper-tier municipality that does not have an official plan in place to adopt one by March 30th, 2015. Creating an official plan is a great opportunity to establish a common vision for the Counties.

The official plan is being prepared within the context of the Provincial policy framework for land use planning, notably the *Provincial Policy Statement* (*PPS*), which articulates Provincial direction for managing growth in Ontario. The official plan will be required to be consistent with the 2014 *Provincial Policy Statement*, which amends and strengthens the direction of the *PPS*, 2005 and came into effect on April 30, 2014. The PPS requires forecasts of future land needs as a basis for good planning.

This *Growth and Settlement Analysis* is key input to the development of the Leeds Grenville official plan. Population, housing and employment forecasts have been prepared from 2011 to a 2031 planning horizon and allocated to Leeds Grenville member municipalities based on a combination of planning policy, historic trends, market demand and capacity to accommodate growth from land supply and servicing perspectives. Recommendations are made for appropriately managing long term growth and development within the Counties.

B. REPORT OUTLINE

This report is divided into six sections:

- Following this introductory section, **Section II** discusses growth and economic and demographic trends at the Counties-wide level and examines recent change in member municipal population, housing and employment;
- **Section III** discusses the forecast method and presents the Counties-wide reference scenario results;
- **Section IV** examines the policy framework for the local growth allocations and recent building activity at the member municipal level and provides the results of the local supply capacity analysis for residential and employment lands;
- **Section V** provides the member municipal distribution of forecast population, housing and employment; and
- **Section VI** presents official plan policy recommendations to achieve a healthy growth outlook and appropriately manage urban growth and development.

II MODEST GROWTH HAS BEEN UNEVENLY DISTRIBUTED AMONG MEMBER MUNICIPALITIES

This chapter begins with a high level look at historic and recent growth and change that has been occurring across the UCLG Census Division[1] level and examines local level trends within Leeds Grenville member municipal and factors affecting the local distribution of forecast population, housing and employment growth and change.

Recent Counties-wide growth in population and housing has been slow, with employment declining marginally. The amount and distribution of recent population, housing and employment growth has varied with the unique geographic and amenity characteristics of member municipalities.

A. COUNTIES-WIDE GROWTH HAS BEEN SLOW IN RECENT YEARS

Leeds Grenville has seen slight population growth in the past few years. The population reached just over 99,300 in 2011, representing growth of approximately 3,000 residents, or 3.1%, from 1996 to 2011. However, as shown in Table 1 below, most recently growth in the Counties has slowed, with Leeds Grenville adding a modest 100 residents, growing by 0.1%, over the 2006 to 2011 Census period.

Table 1

Population Growth
Leeds Grenville, 1996 - 2011

Year	Census Population	Net Change	Growth Rate	Total Population*	Net Change	Growth Rate
1996	96,280	-	-	98,850	-	-
2001	96,610	330	0.3%	100,800	1,950	2.0%
2006	99,210	2,600	2.7%	102,430	1,630	1.6%
2011	99,310	100	0.1%	101,750	-680	-0.7%

*Includes Census Net Undercoverage

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. *Includes partner municipalities. Figures are rounded.

[1] *The Census Division is the entire geographic Counties, that includes the UCLG member municipalities and the partner municipalities of Brockville, Gananoque and Prescott.*

This growth has been less than other eastern Ontario municipalities, as shown in Table 2 below. The growth in eastern Ontario is concentrated in the two major urban centres of Ottawa and Kingston. Lanark, Renfrew, and Prescott & Russell have had moderate growth mainly through adding Ottawa-focussed commuter-based housing. At the Census Division level, Leeds Grenville and Stormont, Dundas & Glengarry have attracted somewhat less of this type of growth to date.

Table 2

Historical Census Population Growth
Leeds Grenville and Selected Eastern Ontario Census Divisions, 2006 - 2011

	2006	2011	Net Change	Growth Rate
Lennox & Addington	40,540	41,825	1,285	3.2%
Frontenac	143,870	149,740	5,870	4.1%
Leeds Grenville	**99,210**	**99,310**	**100**	**0.1%**
Lanark	63,790	65,670	1,880	2.9%
Renfrew	97,550	101,330	3,780	3.9%
Ottawa	812,130	883,390	71,260	8.8%
Prescott and Russell	80,180	85,380	5,200	6.5%
Stormont, Dundas and Glengary	110,400	111,160	760	0.7%

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. *Includes partner municipalities. Figures are rounded.

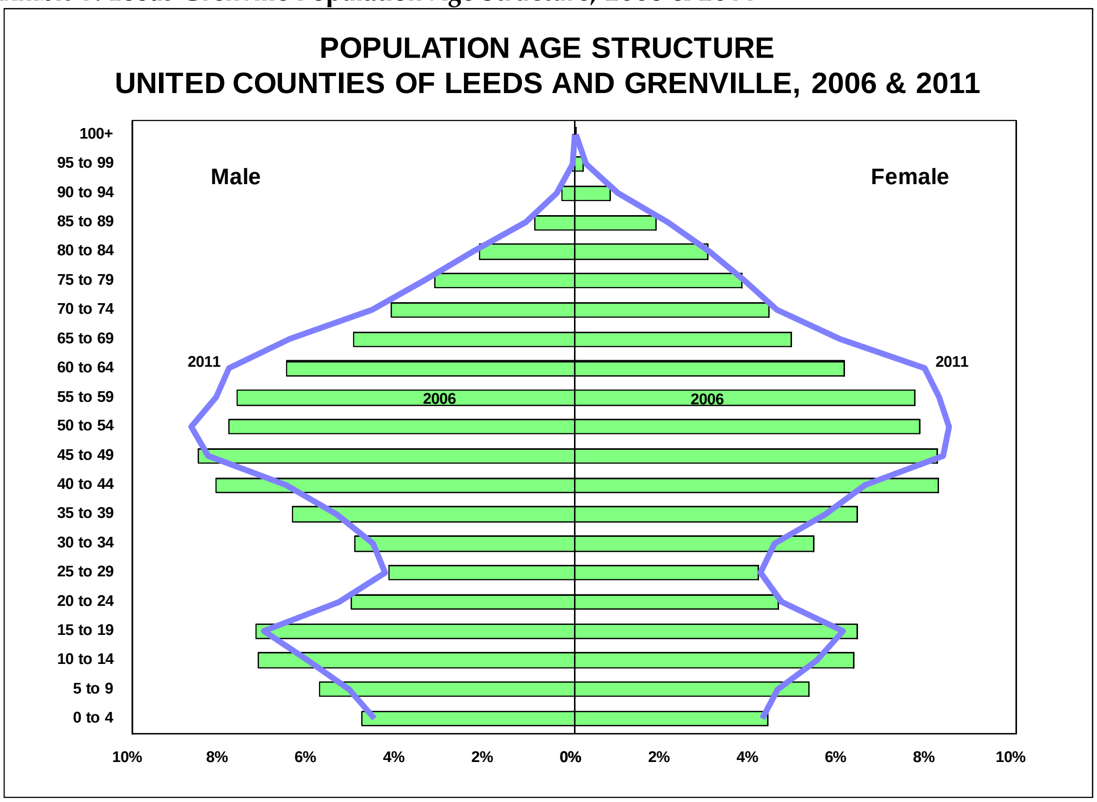
1. Aging is the dominant trend in Leeds Grenville

The population of Leeds Grenville is aging. Similar to many communities across Ontario and Canada, the proportion of seniors is growing. Canada has reached its highest proportion of senior residents ever, with 15% of the population over age 65 in 2011. Similarly, in Ontario overall, 15% of the population is now over age 65 and 27% over age 55.

The baby boomers are getting older, people are generally still having few children and people are living longer. The aging of the population is usually perceived as being primarily a product of the baby boom—the significant increase in births experienced during the 20 years following World War II. Baby boomers are now between the ages of 50 and 70. Low fertility rates since the 1970s will eventually have the effect of reducing the population over time except where migration is larege enough to counter the “natural decrease”. Mortality rates continue to decline as the general health of the population improves and medical advances are made. Altogether, the trend is towards an aging population.

The Counties' population age structure is shown in Exhibit 1 below. The aging trend is anticipated to continue along with the out-migration of young adults as they seek education and employment opportunities in other parts of the province. Like many rural communities in the Province, Leeds Grenville has a higher-than-Ontario-average proportion of older aged residents, with 20% of the Counties current population over age 65, and 36% over 55; proportions which have increased from 17% and 31% respectively since the 2006 Census.

Exhibit 1: Leeds Grenville Population Age Structure, 2006 & 2011



Source: Hemson Consulting Ltd. based on Statistics Canada 2006 & 2011 Census of Canada.

2. Number of households growing faster than population

The number of households and therefore the number of occupied housing units is increasing because of the aging population. An older population forms more households because they have fewer children and are more likely to be divorced or widowed (where women still typically live longer than their male spouses). The result is a greater proportion of "empty-nester" households and of single-person households. Therefore, housing growth out-paces growth in population. Going forward, it is expected that growth in new units will accommodate proportionally less population overall. The following tables illustrate these recent trends in Leeds Grenville from 2001 to 2011:

- Table 3 shows the decline in persons per unit.

Table 3 Historical Persons Per Unit Leeds Grenville, 2001 - 2011	
Year	**PPU (All Unit Types)**
2001	2.52
2006	2.49
2011	2.42

- Table 4 shows the Counties added nearly 3,000 occupied housing units, representing growth of 8% compared to population growth of less than 3% over the same time frame. Occupied households represent units in which the permanent population resides, while total private dwellings represent the Counties' total housing unit stock.

Table 4 Historical Occupied Housing Unit Growth Leeds Grenville, 2001 - 2011			
Year	**Households**	**Net Change**	**Growth Rate**
2001	38,310	-	-
2006	39,870	1,560	4.1%
2011	41,100	1,230	3.1%

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Includes partner municipalities. Figures are rounded.

- Housing in Leeds Grenville is predominately characterized by lower-density ground-related units—single-detached, semi-detached, and row houses—reflecting the more rural nature of many Leeds Grenville communities. Apartment-type units are a smaller proportion of the overall number of units. As shown in Table 5, the housing unit mix has remained constant since 2001.

Table 5 Historical Occupied Housing Units by Type Leeds Grenville 2001 - 2011						
Unit Type	**2001**		**2006**		**2011**	
	Total	**Share**	**Total**	**Share**	**Total**	**Share**
Single	29,845	77.9%	30,955	77.6%	32,015	77.9%
Semi	1,605	4.2%	1,730	4.3%	1,785	4.3%
Row	1,140	3.0%	1,220	3.1%	1,350	3.3%
Apmt	5,715	14.9%	5,965	15.0%	5,950	14.5%
Total	**38,305**	**100.0%**	**39,870**	**100.0%**	**41,100**	**100.0%**

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Includes partner municipalities. Figures are rounded.

3. Leeds Grenville economy is shifting

Employment has been undergoing a major shift. As shown in Table 6 below, the resident employed labour force, meaning the number of Leeds Grenville residents who are employed either within the Counties or elsewhere, increased by 12% between 2001 and 2006, and then declined by 2% over the 2006 to 2011 Census period. The decline is related to the recent recession experienced throughout Ontario, which saw a shift away from manufacturing across the broader eastern Ontario region. The resident employed labour force for 2011 is from the National Household Survey (NHS), which replaced the old long form Census, the source of the 2001 and 2006 data. There are some concerns about the comparability of the Census data to the NHS data, so the calculated small decline in employment should not be over emphasized.

Table 6 Resident Employed Labour Force Leeds Grenville, 2001 - 2011			
Year	**RELF**	**Net Change**	**Growth Rate**
2001	43,150	-	-
2006	48,370	5,220	12.1%
2011	47,390	-980	-2.0%

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Includes partner municipalities. Figures are rounded.

Many Leeds Grenville residents are commuters. The relationship of Leeds Grenville with the broader eastern Ontario economic region is highlighted by the commuting patterns of the residents of the Leeds Grenville Census Division. As shown in Table 7 and Exhibit 2 below, Leeds Grenville is a net exporter of labour, with roughly 32% of employed residents commuting regularly to job opportunities outside of Leeds Grenville in 2011; a rate which increased marginally from 30% in 2006.

Table 7

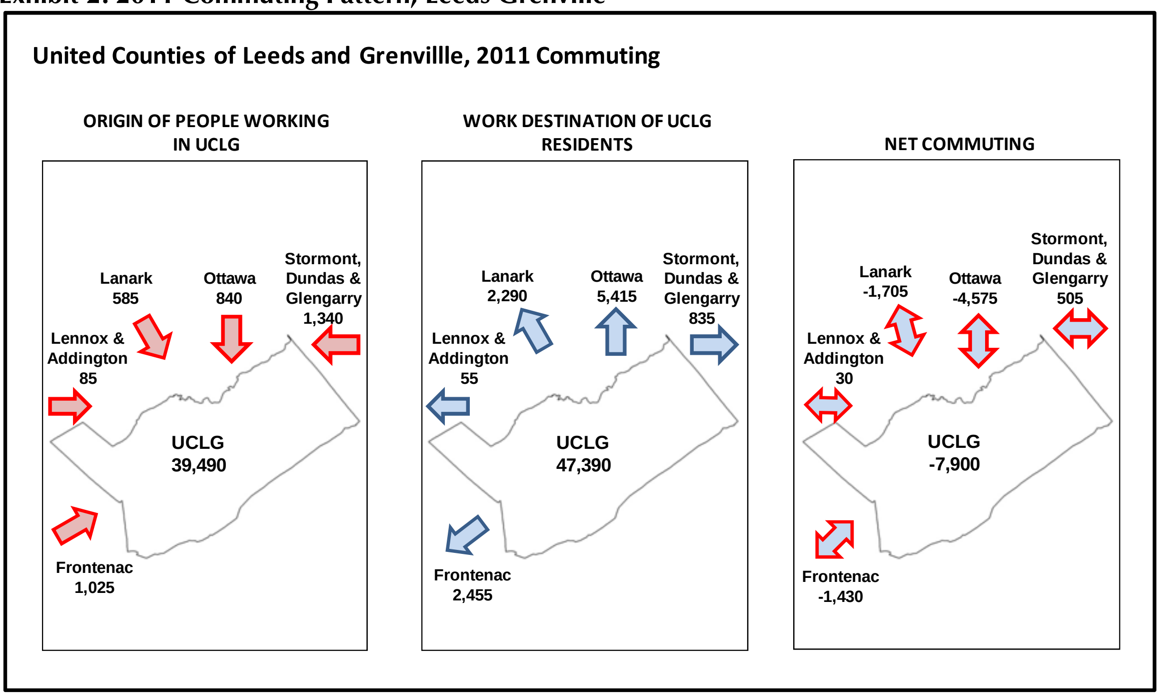
Net Commuting
Leeds Grenville, 2006 - 2011

Year	Usual Place of Work Empoyment	Usual RELF Employment	Net Commuting
2006	31,735	39,825	(8,090)
2011	30,870	38,765	(7,895)

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Includes partner municipalities.

Ottawa is the top destination for commuters within the Leeds Grenville Census Division, followed by the Counties of Frontenac, Lanark and Stormont, Dundas and Glengarry:

Exhibit 2: 2011 Commuting Pattern, Leeds Grenville



Data on resident employed labour force tells us how many Leeds Grenville residents are employed and place-of-work data tells us how many jobs there are in the Counties.

- As shown in Table 8 below, overall employment in the Census Division increased marginally by 1% over the 2001 to 2011 period; however this included an increase of nearly 1,300 jobs between 2001 and 2006, followed by a significant decline of 790 jobs, or -2%, from 2006 to 2011.

Table 8
Place of Work Employment
Leeds Grenville, 2001 - 2011

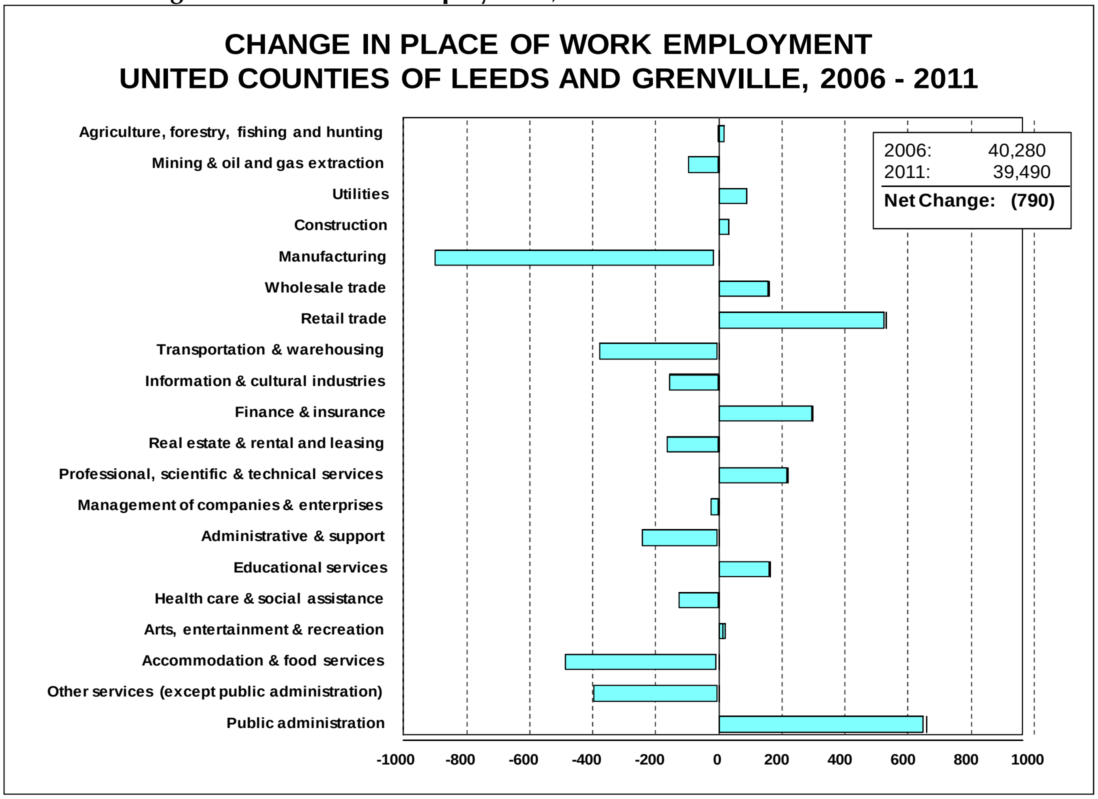
Year	Place of Work Employment	Net Change	Growth Rate
2001	38,985	-	-
2006	40,280	1,295	3.3%
2011	39,490	-790	-2.0%

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Census Division - includes partner municipalities Brockville, Gananoque and Prescott.

The decline in employment is attributed to the 2008-09 recession but a shift in the types of jobs has been significant.

- As shown in Exhibit 3 on the following page, although there was a net loss of 790 jobs, notable growth occurred in the public administration and retail sectors coupled with a significant decline in manufacturing.

Exhibit 3: Change in Place of Work Employment, 2006-2011



Source: Hemson Consulting Ltd. based on Statistics Canada 2011 National Household Survey & 2006 Census of Canada.
Census Division – includes partner municipalities Brockville, Gananoque and Prescott.

- Table 9 below illustrates the Counties recent employment decline within the context of a sample of surrounding eastern Ontario Census Divisions. As shown, between 2006 and 2011 many eastern Ontario communities experienced a similar economic downturn.

Table 9

Historical Place of Work Employment Growth
Leeds Grenville and Selected Eastern Ontario Census Divisions, 2006 - 2011

	2006	2011	Net Change	Rate
Frontenac	77,230	81,320	4,090	5.3%
Lanark	26,410	25,475	(935)	-3.5%
Renfrew	44,410	46,030	1,620	3.6%
Ottawa	499,665	540,615	40,950	8.2%
Prescott & Russell	28,110	29,480	1,370	4.9%
Stormont, Dundas & Glengarry	46,570	44,705	(1,865)	-4.0%
Leeds Grenville	**40,275**	**39,490**	**(785)**	**-1.9%**

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Figures are rounded.

Although Leeds Grenville appears to not be faring as well as some of its eastern Ontario counterparts, a significant decline in manufacturing is also being experienced in other parts of the region. As shown in Table 10 below, *all* Census Divisions sampled experienced notable declines in manufacturing and most in associated transportation and warehousing. At the same time, most of the growth was in public administration, healthcare and social assistance sectors.

Table 10

Historical Net Change of Usual Place of Work Employment by NAICS
Leeds Grenville and Selected Eastern Ontario Census Divisions, 2006 - 2011

Industry	Lennox & Addington	Frontenac	Lanark	Renfrew	Ottawa	UCPR	SDG	Leeds Grenville
11 Agriculture, forestry, fishing and hunting	(80)	(115)	-	(20)	(90)	210	(45)	290
21 Mining and oil and gas extraction	(35)	140	5	45	5	-	(10)	(70)
22 Utilities	70	15	(35)	85	(25)	(5)	35	55
23 Construction	80	305	20	(120)	1,675	155	(205)	(345)
31-33 Manufacturing	**55**	**(495)**	**(750)**	**(1,150)**	**(3,655)**	**(795)**	**(1,790)**	**(735)**
41 Wholesale trade	20	(175)	(120)	(225)	980	(110)	215	225
44-45 Retail trade	290	(60)	100	220	1,895	660	80	390
48-49 Transportation and warehousing	**85**	**(120)**	**105**	**(90)**	**(990)**	**(65)**	**100**	**(180)**
51 Information and cultural industries	(45)	70	-	130	(1,600)	(30)	(60)	(75)
52 Finance and insurance	135	45	(40)	130	1,750	25	185	275
53 Real estate and rental and leasing	30	90	-	(5)	(365)	(25)	125	(155)
54 Professional, scientific and technical services	65	590	-	230	(1,170)	160	95	115
55 Management of companies and enterprises	-	-	(10)	35	20	20	50	(25)
56 Administrative and support	(10)	(230)	40	215	(2,505)	(240)	(640)	(490)
61 Educational services	40	1,995	(35)	20	6,090	225	(370)	95
62 Health care and social assistance	**160**	**420**	**(30)**	**495**	**6,855**	**555**	**320**	**35**
71 Arts, entertainment and recreation	(60)	(245)	-	(10)	(280)	85	(75)	105
72 Accommodation and food services	(300)	495	65	(45)	1,475	(40)	(250)	(365)
81 Other services (except public administration)	(50)	(390)	(240)	(375)	1,040	(45)	-	(400)
91 Public administration	**(50)**	**1,305**	**-**	**1,680**	**24,340**	**60**	**305**	**360**
Total	**395**	**3,650**	**(935)**	**1,240**	**35,435**	**775**	**(1,940)**	**(870)**

Source: Hemson Consulting Ltd. based on information from Statistics Canada Census of Population and National Household Survey. Figures are rounded.

The implication of this shift raises concern over the longer-term health of the eastern Ontario economy, since growth in the public sector is ultimately not sustainable without growth in the private sector. The manufacturing base in eastern Ontario has not recovered since the recession, although over the longer term, some recovery is anticipated.

Overall, growth in population, housing and employment across the Leeds Grenville Census Division has been modest since 2001, amidst demographic change and a shifting economy. The population of Leeds Grenville is aging, which will have important implications in planning for future growth in the Counties. At the same time, the economy is shifting away from traditional manufacturing to more service-oriented jobs in retailing and the public sector. Many communities in the Counties have a high degree of connectivity with other eastern Ontario municipalities, as shown by the overall numbers of commuters among Leeds Grenville residents.

Next, the analysis considers growth and change occurring within Leeds Grenville member municipalities.

B. A NUMBER OF KEY FACTORS INFLUENCE GROWTH AND CHANGE WITHIN LEEDS GRENVILLE MEMBER MUNICIPALITIES

There are two main drivers of growth within Leeds Grenville member municipalities: job opportunities in other parts of eastern Ontario, most notably in the City of Ottawa; and the attraction of natural heritage and recreational amenities. Communities characterized by these two characteristics have seen growth and change in population and housing, while other municipalities within the Counties have remained relatively stable or experienced decline over recent Census periods.

1. Population has grown modestly or declined in most member municipalities

The population of Leeds Grenville member municipalities grew very modestly in recent years. The distribution of that growth within the Counties has been uneven—both over time and across member municipalities—with some losing residents and some gaining as shown in Table 11.

Table 11

Historical Census Population by Member Municipality
Leeds Grenville, 2001-2011

Municipality	Census Population			Net Change			Growth Rate		
	2001	2006	2011	2001-06	2006-11	2001-11	2001-06	2006-11	2001-11
Athens	3,050	3,090	3,120	40	30	70	0.26%	0.19%	0.45%
Augusta	7,640	7,510	7,430	(130)	(80)	(210)	-0.34%	-0.21%	-0.56%
Edwardsburg/Cardinal	6,670	6,690	6,960	20	270	290	0.06%	0.79%	0.85%
Elizabethtown-Kitley	10,040	10,200	9,720	160	(480)	(320)	0.32%	-0.96%	-0.65%
Front of Yonge	2,640	2,800	2,750	160	(50)	110	1.18%	-0.36%	0.82%
Leeds & The Thousand Islands	9,070	9,440	9,280	370	(160)	210	0.80%	-0.34%	0.46%
Merrickville-Wolford	2,810	2,870	2,850	60	(20)	40	0.42%	-0.14%	0.28%
North Grenville	13,580	14,200	15,090	620	890	1,510	0.90%	1.22%	2.13%
Rideau Lakes	9,690	10,350	10,210	660	(140)	520	1.33%	-0.27%	1.05%
Westport	650	650	630	-	(20)	(20)	0.00%	-0.62%	-0.62%
Leeds & Grenville	**65,840**	**67,800**	**68,040**	**1,960**	**240**	**2,200**	**3.0%**	**0.4%**	**3.34%**

Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population and National Household Survey, 2001, 2006 & 2011. Figures are rounded.

- As shown, North Grenville has been the fastest-growing local municipality within the Counties over recent Census periods. The municipality added just over 1,500 residents between 2001 and 2011, representing growth of 11%, amidst population decline in many other member municipalities over the same time frame. Population growth in North Grenville is driven by the municipality's location, being the closest to the City of Ottawa. Proximity and access to this urban economic centre, enhanced by the completion of Highway 416, and complemented by relatively more affordable housing, makes the municipality very attractive to commuters.

- The significance of proximity to job markets becomes even clearer when looking at the net population change that occurred within the Counties over the 2006 to 2011 period. Seven of the ten member municipalities lost population over this period. North Grenville experienced an increased level of growth amidst this decline, as the municipality with the best access to the Ottawa job market. The Township of Edwardsburgh/Cardinal, also along Highway 416 and the closest Leeds Grenville municipality to job opportunities in Stormont, Dundas and Glengarry, also added population over both Census periods from 2001 to 2011.

- For many Leeds Grenville member municipalities, population grew over the 2001 to 2006 period then declined over the most recent Census period. This was the case for the Townships of Elizabethtown-Kitley, Front of Yonge, Leeds & the Thousand Islands, Merrickville-Wolford, Rideau Lakes and Westport. This recent decline in population base is the result of a number of factors, including aging of the population, the out-migration of young adults to larger urban centres during the recent recession.

2. All member municipalities continue to add households

While many Leeds Grenville member municipalities experienced population decline in recent years, all member municipalities still experienced growth in households over the 2001 to 2011 period. Again, this is largely owing to the aging of the population which results in declining average household sizes and more households overall. An older population forms more households because they have fewer children and are more likely to be divorced or widowed. The result is a greater proportion of "empty-nester" households and of single-person households and in turn less population is accommodated within the existing housing base and more units are required to house just the existing residents. This relationship highlights how population growth and physical change in a community are connected but do not necessarily move in lockstep.

Table 12 below indicates occupied household growth by Leeds Grenville member municipality over the 2001 to 2011 time frame.

Historical Occupied Household Growth by Member Municipality United Counties of Leeds Grenville, 2001-2011									Table 12
Municipality	Households			Net Change			Growth Rate		
	2001	2006	2011	01-06	06-11	01-11	01-06	06-11	**01-11**
Athens	1,095	1,115	1,180	20	65	85	2%	6%	**8%**
Augusta	2,775	2,770	2,860	(5)	90	85	0%	3%	**3%**
Edwardsburg/Cardinal	2,590	2,650	2,815	60	165	225	2%	6%	**9%**
Elizabethtown-Kitley	3,465	3,605	3,625	140	20	160	4%	1%	**5%**
Front of Yonge	980	1,060	1,035	80	(25)	55	8%	-2%	**6%**
Leeds & The Thousand Islands	3,475	3,650	3,700	175	50	225	5%	1%	**6%**
Merrickville-Wolford	1,060	1,125	1,115	65	(10)	55	6%	-1%	**5%**
North Grenville	4,905	5,250	5,700	345	450	795	7%	9%	**16%**
Rideau Lakes	3,845	4,165	4,220	320	55	375	8%	1%	**10%**
Westport	320	325	325	5	-	5	2%	0%	**2%**
Leeds Grenville	**24,510**	**25,715**	**26,575**	**1,205**	**860**	**2,065**	**5%**	**3%**	**8%**

Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population and National Household Survey, 2001, 2006 & 2011. Figures are rounded.

- As shown, North Grenville has been leading the Counties in terms of household growth, adding nearly 800 households, representing growth of 16% between 2001 and 2011. There is less of a gap between population growth and housing growth in North Grenville, suggestive of a somewhat younger population and a large commuter base.

- The Township of Edwardsburgh/Cardinal experienced more significant growth in households over the 2006 to 2011 period compared with the prior Census period, suggesting the further geographic extension of the Ottawa commutershed into Leeds Grenville.

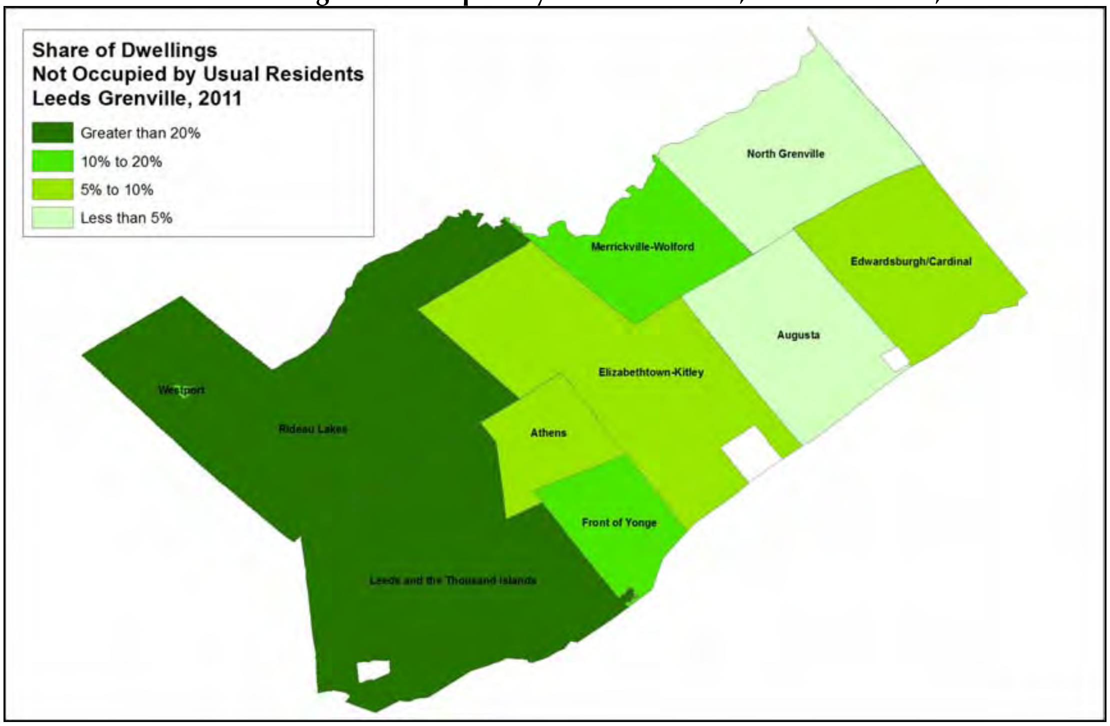
- For the communities of Athens, Augusta, Edwardsburgh/Cardinal and North Grenville, household growth picked up over the 2006 to 2011 period while for all other Leeds member municipalities, housing growth waned somewhat during the most recent Census period, which may be a result of the recent recession and demographic factors.

3. Member municipalities with unique natural amenities experience differing growth dynamics

Just as location within key commutersheds has influenced the distribution of population growth and housing development trends among Leeds Grenville member municipalities, so too does proximity to unique natural heritage features and recreational amenities contribute to differing population and housing market dynamics. Leeds Grenville is located at the edge of the Canadian Shield and includes the Rideau Canal, the scenic Thousand Islands region and a host of unique natural features. The geography is diverse and characterized by extensive natural heritage and recreational amenities, including inland lakes, river ways and locks, forests, trail systems, and provincial and national parks. For those member municipalities with greatest access to these amenities there is different housing demand than in places where the market is driven by proximity to job opportunities. This is illustrated in part through the proportion of total private dwellings within a municipality that are not occupied by permanent residents, which provides an indication of seasonal and recreational units.

Exhibit 4 below illustrates the share of total dwellings within each member municipality that are seasonal or vacant[2] which is identified through the increment of occupied households and total private dwellings and the number of recreational and vacant units above about ~4% would be a good guidelines for the number of seasonal and recreational units.

Exhibit 4: Share of Dwellings Not Occupied by Usual Residents, Leeds Grenville, 2011



[2] *It is noted that the map illustrates an average at the Census Subdivision level – the distribution of seasonal housing within each member municipality will also be uneven, in response to the location of natural and recreational amenities.*

- As shown, the proportion of seasonal and vacant units highest within the Townships of Leeds and the Thousand Islands and Rideau Lakes, each of which has greater than 20% of the housing stock not occupied by permanent residents.

- The Township of Front of Yonge, and Villages of Merrickville-Wolford and Westport also have significant seasonal housing components.

- For those communities with less access to the natural heritage features, or where housing demand is driven by commuting, the shares of seasonal and vacant dwellings are generally low.

The share of seasonal dwellings is an important consideration in planning for future growth within municipalities with a high proportion of these units. Second home and seasonal unit buyers affect housing demand but do not contribute to total permanent population. They are important contributors to the local economy as well as users of municipal services.

The share of seasonal or vacant units as a proportion of total housing stock within many Leeds Grenville member municipalities remains high however somewhat of a shift has been occurring, in part attributed to the aging of the population and in part a cyclical trend.

- As shown in Table 13 below, within the Townships of Rideau Lakes, Leeds and the Thousand Islands and Athens, there has been a noteworthy decline in the share of total dwellings not occupied by usual residents, with seasonal or vacant units comprising roughly 10% less of the total housing stock within each of these communities in 2011 than they did in 2001.

Table 13 Change in Share of Total Dwellings Not Occupied by Usual Residents (Seasonal / Vacant Units) Leeds Grenville, 2001-2011			
Municipality	**% Seasonal / Vacant Dwellings**		
	2001	2006	2011
Athens	15.5%	15.8%	6.9%
Augusta	3.2%	3.2%	2.1%
Edwardsburg/Cardinal	7.1%	6.6%	5.7%
Elizabethtown-Kitley	4.5%	5.6%	6.1%
Front of Yonge	16.4%	12.6%	12.1%
Leeds and The Thousand Island	33.1%	31.2%	21.8%
Merrickville-Wolford	5.2%	6.7%	10.7%
North Grenville	3.7%	4.9%	3.5%
Rideau Lakes	41.5%	35.6%	32.6%
Westport	12.1%	11.8%	14.0%
Leeds Grenville	**14.1%**	**12.9%**	**10.5%**

Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population and National Household Survey, 2001, 2006 & 2011.

This shift suggests a greater incidence of conversions of seasonal units to permanent residences, a trend with important implications for community planning, since permanent population places a greater demand on municipal services than do seasonal residents. It is noted that in many areas throughout the province where such conversions have become more prevalent, there is also often a trend back towards seasonal units over time, related to generational tenure changes and demographic change.

4. Most member municipalities experienced decline in employment in recent years

Overall, Leeds Grenville experienced declining employment over the 2006 to 2011 Census period, owing to the recent recession and decline in Ontario's manufacturing base. Within Leeds Grenville, this change varied across member municipalities.

- As shown in Table 14 below, within Leeds Grenville, the communities of Athens, Edwardsburgh/Cardinal, Front of Yonge, Leeds & the Thousand Islands and North Grenville experienced some growth in total place of work employment over the 2006 to 2011 period within decline at the Counties-level. North Grenville experienced the highest level of growth, adding over 700 jobs amidst declining employment in many member municipalities.

- The largest declines in employment were experienced in Elizabethtown-Kitley and Merrickville-Wolford. Elizabethtown-Kitley experienced a decline of over 1,000 jobs, representing nearly 30% of the 2006 employment base, an important outcome of broader decline in traditional industries.

Municipality	2006	2011	Net Change	Growth Rate
Athens	890	910	20	2.2%
Augusta	1,240	1,130	(110)	-8.9%
Edwardsburg/Cardinal	1,280	1,390	110	8.6%
Elizabethtown-Kitley	3,670	2,580	(1,090)	-29.7%
Front of Yonge	520	530	10	1.9%
Leeds & The Thousand Islands	1,790	1,860	70	3.9%
Merrickville-Wolford	1,190	910	(280)	-23.5%
North Grenville	4,520	5,270	750	16.6%
Rideau Lakes	1,620	1,620	-	0.0%
Westport	720	330	(390)	-54.2%
Leeds Grenville	17,440	16,530	(910)	-5.2%

Table 14

Historical Total Place of Work Employment by Member Municipality
United Counties of Leeds Grenville, 2006-2031

Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population and National Household Survey, 2006 & 2011. Total place of work includes work at home and no fixed place of work. Figures are rounded.

While overall employment in the Counties declined by 5% over the 2006 to 2011 Census period, change in the number of employed Leeds Grenville residents was less significant, declining marginally by 2% across member municipalities, again, with variation at the local level marked by growth in some communities and decline in others. Table 15 below indicates change in resident employed labour force at the member municipal level over the 2006 to 2011 Census period.

Table 15

Historical Resident Employed Labour Force by Member Municipality
United Counties of Leeds Grenville, 2006-2011

Municipallity	2006	2011	2006-11	2006-11
Athens	1,510	1,480	(30)	-2.0%
Augusta	3,790	3,880	90	2.4%
Edwardsburg/Cardinal	3,070	3,370	310	9.8%
Elizabethtown-Kitley	5,250	4,900	(350)	-6.7%
Front of Yonge	1,580	1,240	(350)	-21.5%
Leeds & The Thousand Islands	4,900	4,820	(80)	-1.6%
Merrickville-Wolford	1,440	1,350	(90)	-6.3%
North Grenville	7,580	8,180	600	7.9%
Rideau Lakes	4,980	4,360	(630)	-12.4%
Westport	310	270	(40)	-12.9%
Leeds Grenville	**34,410**	**33,850**	**(570)**	**-1.6%**

Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population and National Household Survey, 2006 & 2011. Figures are rounded.

- As shown, Edwardsburgh/Cardinal and North Grenville experienced the highest levels of growth in employed residents, highlighting the importance of proximity to employment centres outside of the Counties to those communities within a reasonable commuting distance.

- Elizabethtown-Kitley, Front of Yonge, Rideau Lakes and Westport experienced the greatest declines in employed residents over the last Census period, in part a result of loss of local employers and greater distance of the municipalities to job opportunities in larger job markets.

C. COMMUTING PATTERNS HIGHLIGHT IMPORTANCE OF OTTAWA ECONOMIC REGION TO LEEDS GRENVILLE MEMBER MUNICIPALITIES

As discussed earlier, a key determinant of the distribution of population and housing growth within Leeds Grenville is proximity to job opportunities, elsewhere in UCLG or outside the Counties. Previously we examined commuting patterns at the Census Division level; table 16 below indicates the commuting patterns within Leeds Grenville member municipalities.

Table 16

Member Municipal Commuting Patterns
Leeds Grenville, 2006 & 2011

Municipality	% of RELF that Lives and Works within Own Municipality		% that Commutes to Other Municipality within UCLG Census Division		% that Commutes to Municipalities Outside of UCLG Census Division	
	2006	2011	2006	2011	2006	2011
Athens	23%	18%	62%	70%	14%	12%
Augusta	6%	6%	80%	81%	14%	13%
Edwardsburgh/Cardinal	18%	17%	52%	51%	30%	32%
Elizabethtown-Kitley	13%	13%	66%	67%	21%	19%
Front of Yonge	6%	8%	83%	72%	11%	20%
Leeds 1000	17%	n/a*	51%	n/a	32%	n/a
Merrickville/Wolford	25%	16%	18%	19%	58%	65%
North Grenville	35%	30%	6%	6%	59%	64%
Rideau Lakes	17%	14%	22%	24%	61%	62%
Westport	60%	33%	0%	12%	40%	55%
UCLG Member Municipalities	19%	18%	43%	41%	37%	41%

Note: RELF refers to Resident Employed Labour Force.

- Only 18% of employed residents Counties-wide, live and work within their own municipality, with the balance split between those who work within another UCLG municipality (including the partner municipalities of Brockville, Gananoque and Prescott), and those who leave the Counties altogether, to job opportunities in surrounding areas.

- The Counties-wide pattern varies at the local level, with a larger proportion of Westport and North Grenville residents (roughly a third) working with their own community. At the other end of the spectrum, less than 10% of employed residents of Augusta or Front of Yonge both live and work within the community.

- Recently, the municipalities of Front of Yonge, Merrickville-Wolford and Westport commuters experienced increases in the rate of commuters leaving the Counties.

- The share of employed residents who live and work within their own community declined in every member municipality over the 2006 to 2011 period.

Table 17 on the following page indicates where employed residents of Leeds Grenville member municipalities that out-commute, work. The top three destinations of out-commuters are shown for 2006 and 2011.

- As shown, the partner municipalities of Brockville, Prescott and Gananoque are important employment centres for residents of Leeds Grenville member municipalities, with Brockville being the number one destination for out-commuters from most Leeds Grenville member municipalities.

- The City of Ottawa is the top destination for UCLG commuters as a whole (including from the partner municipalities), and became the top destination for commuters from North Grenville and Merrickville-Wolford, the closest Leeds member municipalities to the urban centre.

Table 17

Top 3 Destinations of Leed Grenville Commuters, 2006 & 2011

Municipality	2006		
	1st	2nd	3rd
Athens	Brockville	Elizabethtown-Kitley	Smiths Falls
Augusta	Brockville	Prescott	Elizabethtown-Kitley
Edwardsburgh/Cardinal	Prescott	Ottawa	Brockville
Elizabethtown-Kitley	Brockville	Smiths Falls	Ottawa
Front of Yonge	Brockville	Elizabethtown-Kitley	Gananoque
Leeds and the Thousand Islands	Gananoque	Kingston	Brockville
Merrickville/Wolford	Smiths Falls	Ottawa	North Grenville
North Grenville	Brockville	Merrickville/Wolford	Gatineau
Rideau Lakes	Smiths Falls	Westport	Perth
Westport	Perth	Kingston	Smiths Falls
UCLG Census Division*	Ottawa	Lanark	Frontenac
Municipality	**2011**		
	1st	2nd	3rd
Athens	Brockville	Elizabethtown-Kitley	Smiths Falls
Augusta	Brockville	Prescott	Elizabethtown-Kitley
Edwardsburgh/Cardinal	Brockville	Ottawa	Prescott
Elizabethtown-Kitley	Smiths Falls	Ottawa	Athens
Front of Yonge	Brockville	Kingston	Ganaoque
Leeds and the Thousand Islands	n/a	n/a	n/a
Merrickville/Wolford	Ottawa	Smiths Falls	North Grenville
North Grenville	Ottawa	Brockville	North Dundas
Rideau Lakes	Smiths Falls	Kingston	Perth
Westport**	Leeds & Grenville	Frontenac	
UCLG Census Division*	Ottawa	Frontenac	Lanark

*includes Brockville, Gananoque and Prescott

**No data available below the Census Division level.

Growth in the Counties has been modest over recent Census periods, with housing outpacing population and total employment declining. Within Leeds Grenville growth and change has varied by member municipality owing to the geographic distribution and differing amenities at the local level. The next chapter describes the forecast method and presents the Counties-level results for forecast population, housing and employment.

III FORECAST METHOD AND COUNTIES-WIDE RESULTS

This chapter describes the forecast method. Key assumptions and inputs to the forecasts are discussed, then the steps involved in the forecast method and finally, the Counties-wide results for population, employment and housing growth over the 2011 to 2031 period. The forecasts are based on the standard cohort model and incorporate a set of key underlying economic and demographic assumptions, including aging of the population and migration patterns.

A. FORECASTS BASED ON WELL-ESTABLISHED MODEL

The forecasts for the Counties are considered within the larger context of trends influencing growth and change across the economic region and incorporate all currently available data on existing development, population and employment in Leeds Grenville and in Ontario, generally.

Forecasting future population and employment levels is challenging as many factors must be taken into account. The past few years have seen continued global economic restructuring with traditional manufacturing moving away from the United States and Canada to countries with low wages but with an increase in "knowledge sector" economies and manufacturing in telecommunications, pharmaceuticals, and business and computer services.

The forecasts for Leeds Grenville are based on Hemson's well-established method and models used to understand the outlook for many Ontario municipalities, including forecasts prepared for the Province's *Growth Plan for the Greater Golden Horseshoe* in 2006 and 2013. The method is consistent with the Province of Ontario's *Projection Methodology Guidelines* for forecasting population, housing need, employment and related land requirements

Three forecast scenarios were prepared—a reference, low and high—to provide a range on the future outlook in the Counties. The reference scenario presented herein represents the most likely outcome and a reasonable basis for planning in Leeds Grenville under the forthcoming Counties official plan.

Key inputs and assumptions that were used in the United Counties of Leeds and Grenville forecast are summarized below.

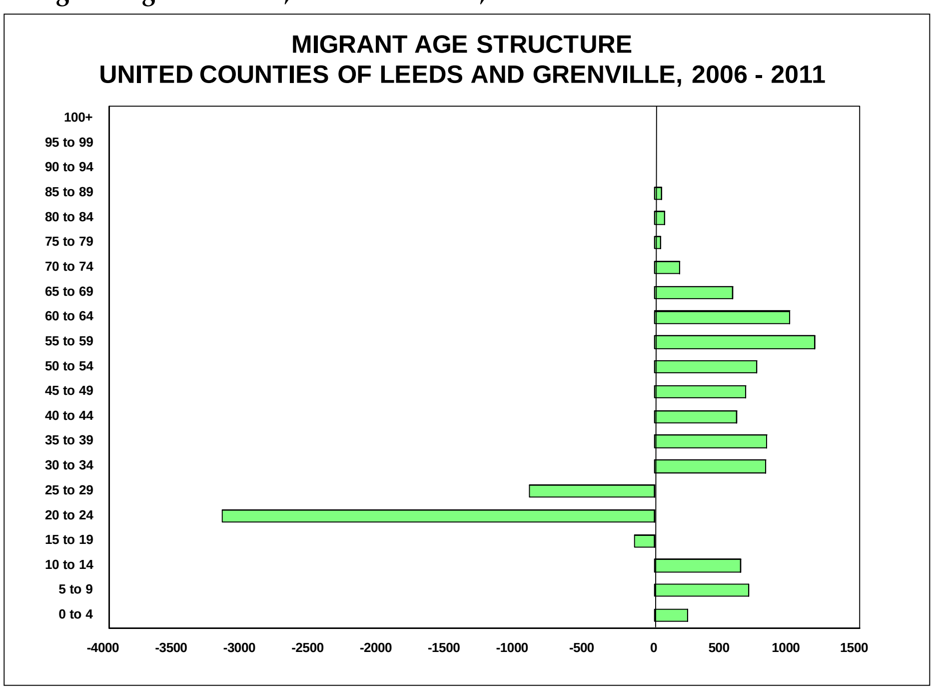
1. Migration is Key Forecast Assumption

Migration will be an important determinant of future growth in Leeds Grenville. Over the past 20 years, migration has come to represent the largest share of population growth throughout Ontario.

Population growth is the result of three components: births, deaths and migrants. In places where levels of natural increase continue to decline (and in many areas is now negative due to the decrease in fertility rates and the aging of the population), migration drives population growth. Given that the baby boom population is now beyond its child bearing years (even the youngest boomers are just turning 50), there will be even fewer births going forward.

Without in-migration, population in the Counties will decline. To even maintain the current population will require in-migration. This is an important consideration as most communities in Ontario outside of the Toronto and Ottawa centres, including Leeds Grenville, are experiencing out-migration of young adults, as illustrated through the recent age-structure of the County's migrants, shown below.

Exhibit 5: Migrant Age Structure, Leeds Grenville, 2006-2011



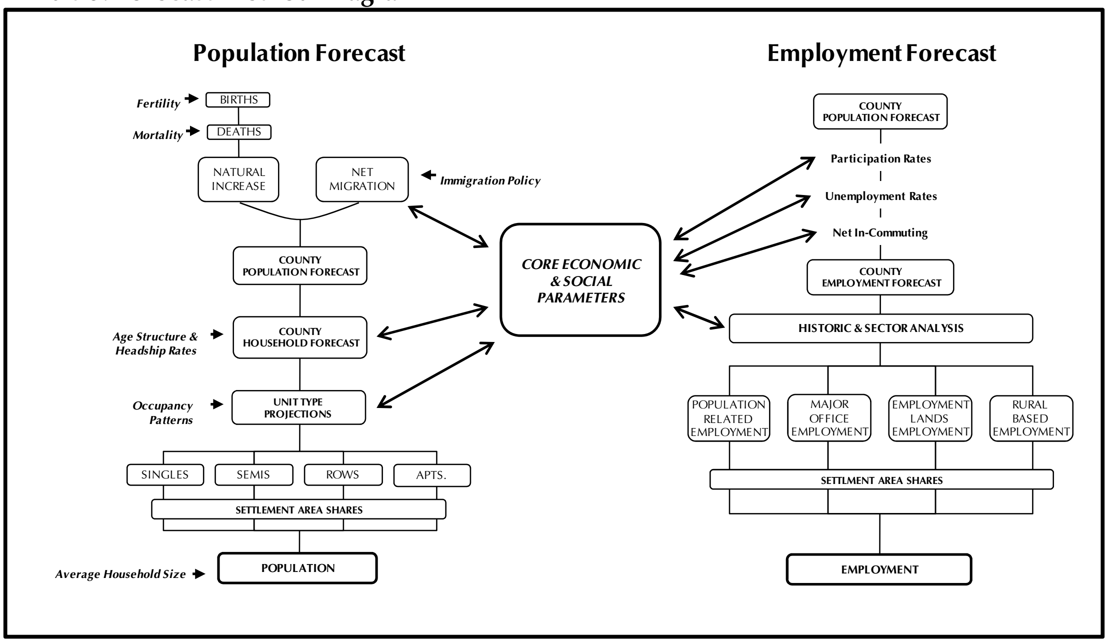
Source: Hemson Consulting Ltd. based on Statistics Canada 2006 & 2011 Census of Canada.

2. The Cohort Survival Model

The forecasts of population, households and employment at the Counties level are based upon the standard cohort-survival forecast model. The approach begins by forecasting population and employment based on national and provincial economic and demographic trends. The results of the Counties-level forecast are then distributed to the ten member municipalities based upon shares of household growth.

The forecast method is illustrated in Exhibit 5 and described below.

Exhibit 6: Forecast Method Diagram



- **Core Parameters**

  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 Leeds Grenville population, household and employment growth begin with these core economic and social parameters.

- **Population**

The population forecast for the Counties is based on information from a wide range of sources including the 2011 Census and Statistics Canada Annual Demographic Statistics. The forecast accounts for: births by age of mother, deaths by age and sex, and migration by its seven components, each also by age and sex, at both Provincial and sub-provincial geographies. The model operates by taking a five-year age group (e.g. 20 to 24 in 2011), aging them by five years (they become 25 to 29 in 2016), deducting deaths in that age group (the "natural increase") and, finally, adding net migration for that age group. Births during the five year period produced by this age group are then added to the 0 to 4 year age group.

Age-specific fertility and mortality rates for Leeds Grenville are calculated based upon the most recent data available. In general, a slight increase in total fertility rates is expected along with continued decline in mortality rates. These patterns are consistent with those used by the Ministry of Finance in its demographic forecasts. These rates are applied to the population age structure to determine growth through natural increase.

Migration by age and sex is then added to determine total population. Assumptions about future levels of migration are an important determinant of the forecast. International and inter-provincial migration increments have little net effect on Leeds Grenville. Most of the migration movement is within Ontario. Mainly, the out-migration of young adults in their 20's is balanced by in-migration in most other age groups. Leeds Grenville is anticipated to experience net-in migration to the forecast horizon.

- **Households**

The household forecast is based upon age-specific household formation data for Leeds Grenville from the 2011 National Household Survey. This is the share of population within an age group that typically maintains or is the head of a household, otherwise referred to as the "headship rate". The 2011 National Household Survey data also provides the unit-type preference by the household heads within each age group. Generally, apartments are preferred by younger age groups but this preference declines rapidly and shifts to ground-related units during the years when most family households are formed. A preference for apartment living returns among the elderly and typically only when people can no longer maintain their homes due to declining health or the death of a spouse. The longer we live and the healthier we remain in old age, the longer we remain in ground-related housing. Age-specific household formation rates and housing unit type preferences by age for 2011 are held constant over the course of the forecast.

- **Employment**

  The employment forecast is driven by the economy in Leeds Grenville but is calculated based on the population forecast, prepared by applying age-specific labour force participation rates to the population forecast and adjusting for unemployment and commuting patterns.

  The Counties' employment forecast has been prepared based on 2011 National Household Survey employment data. The Reference scenario is based on the following assumptions:

  - 2011 commuting patterns are held constant over the forecast horizon. It is anticipated that Leeds Grenville will continue to experience net out-commuting to job opportunities in the broader economic region, especially to the City of Ottawa;

  - 2011 age- and sex-specific labour force participation rates increase in the short term with economic recovery and then remain stable over the remaining forecast period;

  - the 2011 unemployment rate of 7% declines gradually to 5% over the forecast horizon; and

  - the 2011 activity rate (the ratio of employment to population within the Counties) of 40% remains relatively stable.

3. Low, reference and high scenarios

Low, reference and high range forecasts were prepared in order to provide a broad picture of the future growth outlook. The purpose of the low and high range scenarios is to illustrate growth prospects under deliberately aggressive and conservative assumptions about the future economy and levels of net in-migration to the Counties. The Counties endorsed the reference scenario, which represents the most appropriate basis for planning in Leeds Grenville is presented in the next section.

B. REFERENCE FORECAST PROVIDES BASIS FOR MEMBER MUNICIPAL GROWTH ALLOCATIONS

The results of the Counties-wide forecasts for population, housing and employment are provided in the Tables 18a, 18b and 18c below. Forecast results are shown for the UCLG Census Division, including the partner municipalities of Brockville, Gananoque and Prescott, as well as for administrative Leeds Grenville. The reference scenario growth will be allocated to the ten member municipalities as a basis for the forthcoming Counties official plan.

Table 18 a

Population, Housing and Employment Growth Forecasts
United Counties of Leeds Grenville 2011-2031
Reference Forecast Scenario

	2011	2031	Net Change	Growth Rate
Total Population*				
Member Municipalities	69,630	75,960	6,330	9.1%
Partner Municipalities (Brockville, Gananoque, Prescott)	32,120	33,510	1,390	4.3%
UCLG Census Division	101,750	109,470	7,720	7.6%
Housing Units				
Member Municipalities	26,580	31,160	4,580	17.2%
Partner Municipalities (Brockville, Gananoque, Prescott)	14,520	16,040	1,520	10.5%
UCLG Census Division	41,100	47,200	6,100	14.8%
Total Place of Work Employment				
Member Municipalities	16,530	16,760	230	1.4%
Partner Municipalities (Brockville, Gananoque, Prescott)	22,950	22,680	(270)	-1.2%
UCLG Census Division	39,480	39,440	(40)	-0.1%

*Includes Census Net Undercoverage.

Figures are rounded.

Table 18 b

Population, Housing and Employment Growth Forecasts
United Counties of Leeds Grenville 2011-2031
Low Forecast Scenario

	2011	2031	Net Change	Growth Rate
Total Population*				
Member Municipalities	69,630	69,950	320	0.5%
Partner Municipalities (Brockville, Gananoque, Prescott)	32,120	31,640	(480)	-1.5%
UCLG Census Division	101,750	101,590	(160)	-0.2%
Housing Units				
Member Municipalities	26,580	29,340	2,760	10.4%
Partner Municipalities (Brockville, Gananoque, Prescott)	14,520	15,510	990	6.8%
UCLG Census Division	41,100	44,850	3,750	9.1%
Total Place of Work Employment				
Member Municipalities	16,530	15,580	(950)	-5.7%
Partner Municipalities (Brockville, Gananoque, Prescott)	22,950	21,730	(1,220)	-5.3%
UCLG Census Division	39,480	37,310	(2,170)	-5.5%

*Includes Census Net Undercoverage.

Figures are rounded.

Population, Housing and Employment Growth Forecasts United Counties of Leeds Grenville 2011-2031 *High Forecast Scenario*				Table 18 c
	2011	**2031**	**Net Change**	**Growth Rate**
Total Population*				
Member Municipalities	69,630	80,610	10,980	15.8%
Partner Municipalities (Brockville, Gananoque, Prescott)	32,120	34,910	2,790	8.7%
UCLG Census Division	101,750	115,520	13,770	13.5%
Housing Units				
Member Municipalities	26,580	32,670	6,090	22.9%
Partner Municipalities (Brockville, Gananoque, Prescott)	14,520	16,480	1,960	13.5%
UCLG Census Division	41,100	49,150	8,050	19.6%
Total Place of Work Employment				
Member Municipalities	16,530	17,790	1,260	7.6%
Partner Municipalities (Brockville, Gananoque, Prescott)	22,950	23,530	580	2.5%
UCLG Census Division	39,480	41,320	1,840	4.7%

*Includes Census Net Undercoverage.

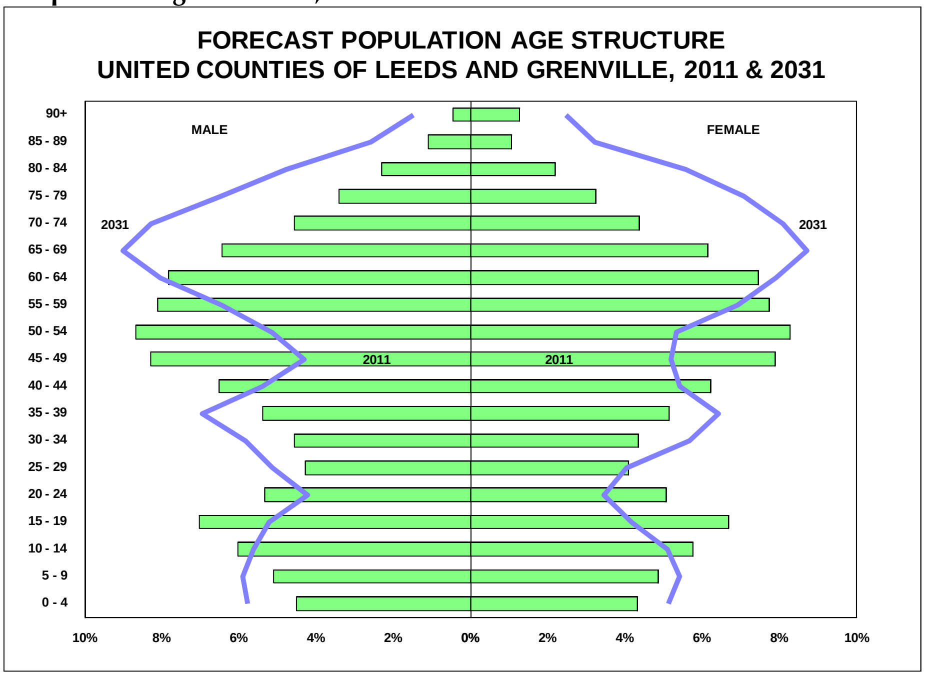
Figures are rounded.

Key findings of the member municipal reference forecasts include:

- Total population of Leeds Grenville member municipalities is anticipated to grow by 9% from roughly 69,600 in 2011 to nearly 76,000 residents in 2031. The Counties will add nearly 4,600 housing units over the same period, growing by 17%. Employment is forecast to remain relatively stable, representing a slow recovery from the recent recession, adding roughly 200 jobs, representing total place-of-work employment growth of 1.4%, over the forecast horizon.

- The population of the Counties will continue to age significantly, with residents over the age of 65 anticipated to represent 33% of the Leeds Grenville population by 2031. The forecast population age structure is illustrated in Exhibit 7 below.

Exhibit 7: Population Age Structure, 2011 & 2031



Source: Hemson Consulting Ltd. based on Statistics Canada 2011 Census of Canada.

- Given the aging population, only limited growth will occur through natural increase within the existing resident base and population and housing growth in the Counties will be strongly tied to migration over the forecast horizon.

- Migration is the key determinant of future growth in the Counties. The greatest contribution to future in-migration to Leeds Grenville will come from within the Province.

- Housing growth in the Counties is anticipated to outpace growth in population owing to declining average household size, a result of the aging population.

- Total employment is forecast to be variable but ultimately stable over the forecast horizon owing to factors such as the aging population which affects labour force participation rates, the continued out-migration of younger age cohorts to education and employment opportunities elsewhere in the Province, and the general decline in Ontario's manufacturing base.

- The employment forecast highlights the importance of the relationship of Leeds Grenville to the broader eastern Ontario economic region. The longer-term economic outlook is positive however, a slow recovery from the recent recession is anticipated along with limited return of the manufacturing base in many parts of Ontario.

- Commuting of Leeds Grenville residents to job opportunities elsewhere in the eastern Ontario region will continue over the forecast horizon.

The Counties-level forecasts are distributed to the Counties ten member municipalities based on planning policy, historic growth patterns, anticipated market shifts and the capacity to accommodate growth at the local level from land supply and servicing perspectives.

Given the large geographic area and diversity of Leeds Grenville member municipalities within the Counties, the distribution of population, housing and employment growth varies across municipalities. Factors such as commuting distance to future employment, the quality of natural amenities attracting permanent or seasonal migrants, proximity to existing and planned urban service centres will affect future growth.

It is noted that the forecasts represent a best estimate of future growth and change in population, housing and employment 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 Counties revisit the forecasts at each five year official plan review.

IV LOCAL FORECAST DISTRIBUTION BASED ON PLANNING POLICY, MARKET SHARES AND CAPACITY TO ACCOMMODATE GROWTH

The allocation of the Counties-level forecasts of population, housing and employment growth considers Leeds Grenville member municipalities within the context of Provincial and local planning policy direction, historic growth patterns and the capacity to accommodate growth from land supply and servicing perspectives.

A. PPS (2014) SETS THE FRAMEWORK FOR GROWTH ALLOCATIONS AND PLANNING AT THE LOCAL LEVEL

The preparation of the forecasts as input to the Counties' first official plan is being undertaken within the context of the Provincial Policy Statement, which articulates the Province's direction for land use planning and appropriately managing growth and urban development in Ontario while protecting and enhancing natural heritage features. The Province has released an updated PPS, which came into effect on April 30^{th}, 2014 and includes a number of strengthened directions and considerations in planning for anticipated growth and development in Leeds Grenville.

- The new PPS (2014) reflects a revised provincial approach to land use planning for rural communities. It recognizes the diversity of rural communities in Ontario and the new policies are timely for the creation of a Counties official plan, where the diversity of rural communities just within the Counties is so broad.

- Rural communities, according to the Province's *Introduction to the PPS 2014: Rural Ontario*, differ in terms of economy, geography, population density, culture and society. Each of these characteristics differs within the Counties, given the large scale of the planning area. The Counties has its population spread out over a large area, which is a challenge for all kinds of servicing. Efficient use of infrastructure is important for future planning.

- The PPS acknowledges the "lifestyle advantages" of some rural areas, especially those with access to cultural heritage and nature areas, a key consideration for many Leeds Grenville member municipalities.

- The PPS now includes policies (1.1.5) differentiating between "rural areas" and "rural lands". The important distinction for Leeds Grenville will be that the new Official Plan will identify "urban areas" and rural areas. Rural areas refers to the entirety of the broad, integrated system of land uses outside of urban areas. Rural lands, a sub-set of rural areas, refers to lands outside of prime agricultural areas and rural settlement areas. Rural lands may include natural heritage features and resource areas.

- The updated PPS requires the designation of prime agricultural areas (2.3) and permits more diverse uses on farms than previously in order to promote economic development (1.1.5.8).

- New housing and other development is to be focused on existing settlement areas. Limited resource-based recreational uses and residential development may be permitted but dispersed development, e.g. estate residential, is not encouraged. It is recognized that the costs of dispersed development are very high and although rural communities may wish to welcome any and all development, it is often not in the long-term fiscal interest of the municipality or the province. The Counties official plan will need to identify criteria for permitting limited residential development and then monitor whether the policies are effective directing lot creation only in desired areas.

- Within both urban and rural settlement areas, intensification (1.1.3) is intended to accommodate a mix and range of housing types.

- Settlement area expansions are only to be considered through comprehensive reviews. The preparation of the official plan gives member municipalities of Leeds Grenville another opportunity to consider their future land needs within the context of the new Counties-wide planning framework. The PPS indicates that it is important for municipalities to consider the need for expansion, capacity of planned or available infrastructure, alternative directions for growth that avoid primary agricultural areas and to consider redevelopment and intensification before greenfield development.

- Communal servicing (6 or more lots) may now be considered as long as the test of no "negative impacts", i.e. long-term effects on the environment, is achieved. Lake capacity assessments are important for understanding these long-term effects for those municipalities in the Counties with demand for waterfront cottage development.

In the context of the PPS, the forecasts prepared at the Counties-level and distributed to Leeds Grenville member municipalities in this analysis will provide a basis for planning under a UCLG official plan.

The ten Leeds Grenville member municipalities include 74 urban and rural settlement areas at the local level. Each member municipality is responsible for planning for growth and change at the local level, including allocating forecast growth to their designated settlement areas.

- The distribution of growth within the Counties must be consistent with direction in the PPS (2014). As such, most growth and development is directed to urban settlement areas, which are those with a broad range of land uses and full municipal water and wastewater services. More limited growth is directed to rural settlement areas, (including hamlets, villages and community settlement areas), which are largely residential and have partial or private services.

- For many member municipalities, limits will be placed on growth by the rural and privately serviced nature of their settlement areas, while future development will be directed through the Counties official plan to urban serviced settlement areas.

- Shares of household growth are allocated to each member municipality within the framework of the PPS, local planning policy, historic growth, anticipated market shifts and the capacity to accommodate growth from land supply and servicing perspectives. The forecast population is then determined by applying average household sizes to the household forecast.

The next section considers recent development activity with Leeds Grenville member municipalities and the capacity of the locally designated residential and employment land supply to accommodate future growth as a basis for the local growth allocations.

B. RECENT RESIDENTIAL DEVELOPMENT ACTIVITY HAS BEEN CONCENTRATED IN FEW KEY LOCATIONS

A review of residential building permit activity was undertaken as a complement to our analysis of data on population and household growth and change in the Counties, based on permit information provided by Leeds Grenville member municipalities and Statistics Canada. A summary of historical and recent residential building permit activity reported by the member municipalities is shown in Table 19.

Table 19

Residential Building Permits by Member Municipality
Leeds Grenville 2002-2013

Municipality	# of New Units	Share of Member Municipal Total
Athens	85	2%
Augusta	223	6%
Edwardsburgh/ Cardinal	324	9%
Elizabethtown-Kitley	287	8%
Front of Yonge	100	3%
Leeds and the Thousand Islands	424	12%
Merrickville-Wolford	131	4%
North Grenville	1,502	42%
Rideau Lakes	461	13%
Westport	n/a	n/a
Member Municipalities	3,537	100%

Source: Hemson Consulting Ltd. based on information provided by Leeds Grenville member municipalities.

- As shown, North Grenville has received the bulk of residential development over the past twenty years, with just over 40% of member municipal residential development, representing over 1,500 units built over the 2002 to 2013 time frame. Again, the location of North Grenville is a key factor contributing to its relatively high levels of growth within the Counties.

- Roughly 450 units were built within each of Rideau Lakes and Leeds and the Thousand Islands, which taken together represent 25% of building permit activity in the Counties. The natural amenity attraction of these communities is high, contributing to more one hundred additional units in each of these municipalities, reported over the 2002 to 2013 timeframe.

- Edwardsburgh/Cardinal and Elizabethtown-Kitley each accounted for just fewer than 10% of new units, with the remainder member municipalities developing more modestly over the past two decades, reflective of the rural character of most Leeds Grenville communities.

As shown in Table 20 below, in more recent years, North Grenville has captured an even greater share of Leeds Grenville residential development, ranging between 47% and 59% of Counties-wide permits between 2011 and 2013. For most other member municipalities, recent development activity has remained relatively in line with the longer term trend, some declining marginally in respective share of permits.

Table 20

Member Municipal Residential Building Permits
Leeds Grenville, 2011-2013

Municipality	2011					
	Single	Semi	Row	Apt	Total	Share
Athens	3	0	0	0	3	1%
Augusta	16	0	0	0	16	4%
Edwardsburg/Cardinal	33	0	3	0	36	10%
Elizabethtown-Kitley	15	0	0	1	16	4%
Front of Yonge	6	0	0	0	6	2%
Leeds & The Thousand Islands	23	0	0	1	24	7%
Merrickville-Wolford	6	0	0	0	6	2%
North Grenville	111	0	17	90	218	59%
Rideau Lakes	42	0	0	0	42	11%
Westport	0	0	0	1	1	0%
Leeds Grenville	**255**	**0**	**20**	**93**	**368**	**100%**

Municipality	2012					
	Single	Semi	Row	Apt	Total	Share
Athens	10	0	0	0	10	3%
Augusta	11	0	0	1	12	3%
Edwardsburg/Cardinal	23	0	3	0	26	7%
Elizabethtown-Kitley	15	0	0	1	16	4%
Front of Yonge	6	0	0	0	6	2%
Leeds & The Thousand Islands	35	0	0	1	36	9%
Merrickville-Wolford	13	0	0	0	13	3%
North Grenville	88	13	15	113	229	58%
Rideau Lakes	49	0	0	0	49	12%
Westport	0	0	0	0	0	0%
Leeds Grenville	**250**	**13**	**18**	**116**	**397**	**100%**

Municipality	2013					
	Single	Semi	Row	Apt	Total	Share
Athens	5	0	0	0	5	2%
Augusta	14	0	0	0	14	5%
Edwardsburg/Cardinal	22	0	0	5	27	10%
Elizabethtown-Kitley	14	0	0	0	14	5%
Front of Yonge	7	0	0	0	7	3%
Leeds & The Thousand Islands	25	0	0	0	25	9%
Merrickville-Wolford	12	0	0	0	12	4%
North Grenville	81	12	10	23	126	47%
Rideau Lakes	34	0	0	0	34	13%
Westport	2	4	0	0	6	2%
Leeds Grenville	**216**	**16**	**10**	**28**	**270**	**100%**

C. ANALYSIS OF LAND SUPPLY INDICATES SIGNIFICANT CAPACITY TO ACCOMMODATE RESIDENTIAL GROWTH

The PPS requires municipalities to maintain an adequate supply of land to support anticipated housing growth at the regional market area level, generally considered the upper-tier municipality. An analysis was undertaken of the available designated supply of lands within each member municipality in order to determine the capacity to accommodate anticipated residential growth at the local level and Counties-wide.

Given its largely rural nature, expansive geographic area and relatively slow growth, residential development in the Counties has been predominately low density. Single family dwellings comprised roughly 92% of Leeds Grenville member municipal wide housing over the 2001 to 2011 period. Table 21 below indicates housing mix shares by member municipality in 2001, 2006 and 2011. Again, the Counties-wide average includes variation at the local level.

Table 21

Occupied Housing Mix by Type
Leeds Grenville Member Municipalities, 2001-2011

Municipality	2001				2011			
	Single	Semi	Row	Apmt	Single	Semi	Row	Apmt
Athens	94%	1%	0%	5%	95%	3%	0%	2%
Augusta	97%	1%	0%	3%	97%	1%	0%	1%
Edwardsburg/Cardinal	88%	5%	0%	6%	88%	4%	1%	7%
Elizabethtown-Kitley	95%	1%	1%	3%	96%	1%	1%	2%
Front of Yonge	95%	1%	0%	4%	96%	0%	1%	2%
Leeds & The Thousand Islands	96%	1%	0%	3%	97%	1%	0%	2%
Merrickville-Wolford	88%	2%	0%	10%	91%	2%	0%	8%
North Grenville	88%	2%	4%	6%	88%	3%	4%	5%
Rideau Lakes	95%	1%	0%	4%	95%	1%	1%	3%
Westport	66%	3%	3%	28%	66%	5%	5%	25%
Leeds Grenville	**92%**	**2%**	**1%**	**5%**	**93%**	**2%**	**1%**	**4%**

Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population and National Household Survey, 2001, 2006 & 2011.

The housing mix observed in the Counties is relatively consistent with what would typically be expected in more rural and slower growing communities outside of major urban centres, such as most Leeds Grenville member municipalities. However, a shift towards a greater share of higher density housing types should be encouraged through the forthcoming Counties official plan. The provision of a range and mix of housing types is a key PPS policy direction in support of housing affordability, efficient infrastructure investment, the minimization of agricultural land consumption and works towards the creation of complete communities where housing, jobs and services are concentrated rather than spread across the landscape.

Based on information provided by the Counties and member municipalities, the total designated supply from each municipality was identified and natural heritage features were excluded consistent with provincial policy. The gross residential supply by member municipality is shown in Table 22 below.

Table 22

Member Municipal Designated Residential Land Supply
Leeds Grenville, 2014

Municpality	Vacant Designated Residential Land Supply (total ha)
Athens	27
Augusta	75
Edwardsburgh/Cardinal	70
Elizabethtown-Kitley	137
Front of Yonge	78
Leeds and 1000 Thousands	97
Merrickville/Wolford	63
North Grenville	144
Rideau Lakes	163
Westport	19
UCLG Member Municipalities	871

Based on data provided by the Counties.

A review of local municipal official plans and on-the-ground densities within Leeds Grenville was undertaken in order to determine appropriate density ranges to apply to each municipality's vacant developable residential land supply, as a basis for identifying potential surpluses or shortages in the land supply relative to forecast housing growth in the Counties.

- For the rural serviced municipalities of Athens, Augusta, Elizabethtown-Kitley, Front of Yonge, Leeds and the Thousand Islands and Rideau Lakes, a density of 2 units per gross hectare was applied, reflective of the rural and privately serviced characteristics of these communities. The results are shown in Table 23 below.

Table 23

Rural Residential Land Supply Capacity Analysis
Leeds Grenville Member Municipalities, 2014

Municpality	Developable Residential Land Supply (gross ha)	Unit Capacity at 2 units / gross ha
Athens	27	53
Augusta	75	150
Elizabethtown-Kitley	137	273
Front of Yonge	78	155
Leeds and 1000 Thousands	97	194
Rideau Lakes	163	325
Total	575	1,151

Source: Hemson Consulting Ltd. based on information provided by the Counties.

- Consistent with direction found in existing local official plans, a density range of 70% low (8 to 12 units per ha), 20% medium (12 to 24 units per ha) and 10% high density (36 units per ha) was applied to the municipalities with urban serviced settlement areas, Edwardsburgh/Cardinal, Merrickville/Wolford and Westport.

- For North Grenville, a density range of 70% low (15 units per ha), 25% medium (33 units per ha) and 5% high density (45 units per ha) was applied, consistent with official plan policy and the more urban nature and complete community objectives of the municipality.

- The member municipal land supply capacity results are shown in Table 24 below. As shown, the Counties could accommodate an estimated 6,470 residential units at build-out of the currently designated vacant developable residential land supply, notwithstanding limits to servicing capacity.

Table 24

Residential Unit Capacity
Leeds Grenville Member Municipalities, 2014

Municipaltiy	Estimated Unit Capacity
Rural	1,151
Edwardsburgh/Cardinal	1,051
Merrickville/Wolford	954
North Grenville	3,030
Westport	285
Member Municipal Total	6,471

Source: Hemson Consulting Ltd. based on municipal land data.

This is a high level analysis and does not represent how the land supply *will* build out, however, it does provide a reasonable estimate of the potential unit capacity on the amount of designated land supply. No shortages in the amount of land required to accommodate forecast housing growth have been identified, meaning there is no present need to consider urban boundary expansion.

D. MEMBER MUNICIPAL OFFICIAL PLANS INDICATE LOCAL CAPACITY AND ASPIRATIONS FOR GROWTH

As a complement to the high level land supply and servicing capacity analysis, a review was undertaken of growth forecasts contained within in-force Leeds Grenville member municipal official plans in order to understand how each member municipality views its own growth potential and capacity to accommodate additional population and housing. Table 25 below indicates population growth being planned for at the member municipal level, where available, updated to reflect 2011 base Census information. It is noted that the forecast horizons vary by plan however the table gives an indication of the level of growth potential perceived at the member municipal level.

Table 25

Planned Population Growth Summary
Leeds Grenville Member Municipal Official Plans

Municipality	2011 Total Population	OP Forecast Horizon	OP Target Population	OP Planned Growth	Average Annual Growth Rate
Athens	3,195	2020	3,532	337	1.2%
Augusta	7,615	n/a	n/a	n/a	n/a
Edwardsburgh/ Cardinal	7,130	n/a	n/a	n/a	n/a
Elizabethtown-Kitley	9,965	2023	10,708	743	0.6%
Front of Yonge	2,745	2021	3,000	255	0.9%
Leeds and the Thousand Islands	9,505	2023	10,551	1,046	0.8%
Merrickville-Wolford	2,920	2023	4,000	1,080	2.8%
North Grenville	15,455	2028	26,668	11,213	4.3%
Rideau Lakes	10,460	2026	12,200	1,740	1.1%
Westport	645	n/a	n/a	n/a	n/a
Member Municipalities	69,635		n/a	n/a	

As shown, most Leeds Grenville member municipalities are planning for growth over the longer term. North Grenville has the highest anticipated average annual growth rate, reflective of current market demand and the community's aspirations for growth. The more rural municipalities where private services predominate are still planning for additional population, although at more modest rates of growth.

E. EMPLOYMENT LAND SUPPLY ADEQUATE TO SERVE ANTICIPATED DEMAND

A high-level review of the Counties' designated employment land supply was also undertaken to highlight the capacity of the available to supply to accommodate future jobs within each member municipality and across the Leeds Grenville regional market area.

The employment forecast is divided into three land-use based categories:

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

The employment land supply capacity analysis considers employment land employment on designated industrial and highway commercial lands in the Counties as these are the areas where traditional industrial employment is anticipated. Growth in population-related employment will occur on both lands for both residential and employment uses within the built up areas of communities and on vacant designated greenfields sine this type of employment grows in line with a resident population.

Only six of the ten member municipalities report having designated industrial land supply which would accommodate traditional employment land uses. Again, significant natural heritage lands were removed from the developable supply to identify a gross developable supply, consistent with Provincial policy.

The capacity analysis next involves reducing the gross developable supply to a net developable supply and applying a density ranges to determine the number of jobs that could potentially be accommodated within those communities with designated employment land supply and across Leeds Grenville.

- A net to gross adjustment is made, reducing the gross supply by 20% to account for roads, storm water drainage and other infrastructure.
- Another 10% reduction is made to account for long-term vacancy and under-utilization, which are industry standard adjustments when looking at greenfield employment land supply.
- To the net developable supply, a range of 10 and 20 jobs per net ha was applied, representing a relatively low density of employment, which could be expected in rural, outlying municipalities, such as Leeds Grenville.

The results are shown in Table 26 below.

Table 26

Employment Land Supply Capacity
Leeds Grenville, 2014

Municipality	Gross Developable Supply (Ha)	Adjustments*		Net Developable Supply (Ha)	Capacity (employees) at Density Range (jobs /ha)	
	Industrial +Highway Commercial	Net to Gross	Vacancy and Underutilization		10	20
Augusta	104.2	20.8	8.3	75.0	750	1,500
Edwardsburgh Cardinal	129.6	25.9	10.4	93.3	933	1,866
Elizabethtown-Kitley	26.8	5.4	2.1	19.3	193	386
Merrickville-Wolford	2.0	0.4	0.2	1.4	14	29
North Grenville	62.3	12.5	5.0	44.9	449	897
Westport	3.2	0.6	0.3	2.3	23	46
Leeds Grenville	**328.1**	**65.6**	**26.2**	**236.2**	**2,362**	**4,725**

*20% net to gross
*10% vacancy and underutilization
Source: Hemson Consulting Ltd.

- As shown, the amount of lands designated for traditional industry employment could potentially accommodate between 2,300 and 4,725 additional jobs in the Counties. It is noted that for some employment areas, a lack of servicing capacity may pose limits on the type and scale of employment uses that could be accommodated.
- An emphasis on protecting and enhancing the Counties employment land supply will be important to ensuring Leeds Grenville has land available to meet the needs of future employers, and potentially improve its economic outlook, in particular given the modest employment forecast.

- Even in areas where little net employment growth is expected, additional lands are required to accommodate new employers or replacement buildings for the existing employers, the addition of which compensates for the same employment declines that will eventually occur within the existing development in a community.

In determining local allocations of forecast growth, consideration has been given to the Provincial policy framework for managing growth and land use planning, historic and recent development activity and the capacity of each member municipality to accommodate future population, housing and employment growth. The diverse geographies, development patterns and capacities of Leeds Grenville member municipalities have contributed to varied levels of growth which will continue to influence the amount and location of future population, housing and employment over the forecast horizon. The next chapter presents forecast results by member municipalities.

V MEMBER MUNICIPAL FORECAST RESULTS

This section presents the results of the member municipal forecast growth allocations for population, housing and employment over the 2011 to 2031 horizon. Based on a combination of planning policy, historic growth, market trends and the capacity to accommodate growth from land supply and servicing perspectives, the Counties-wide forecasts of population, housing and employment have been distributed to Leeds Grenville member municipalities. The allocations presented herein are considered an appropriate basis for planning for future growth and development within the Counties under the forthcoming upper-tier official plan. Member municipalities will experience the effects of an aging population, proximity to Ottawa and access to natural amenities.

A. POPULATION WILL CONTINUE TO AGE

Population will continue to age in all Leeds Grenville member municipalities, an important consideration in planning for future growth and change in the Counties. Although the overall outlook for growth in population is modest for the Counties as a whole, demand for housing will be stronger in some communities due to the aging population. The number of households and therefore the number of occupied housing units relative to population is increasing according to the forecast because of the aging population. An older population forms more households because they have fewer children and are more likely to be divorced or widowed. The result is a greater proportion of "empty-nester" households and of single-person households. Therefore, housing growth out-paces growth in population, an outcome anticipated in all Leeds Grenville member municipalities over the forecast horizon.

B. COMMUTING TRENDS INFLUENCE FORECAST DISTRIBUTION

It is anticipated that Ottawa will continue to be a key driver of growth in the Counties. The distribution of growth within Leeds Grenville will largely be based on the reach of Ottawa's commutershed into the Counties. A number of factors suggest

Leeds Grenville growth will continue to be tied to the economy of Ottawa, including:

- Limits on urban expansion by the City of Ottawa will be the sources of some growth in Leeds Grenville. Ottawa is a fast-growing municipality in terms of people and jobs but not in terms of urban expansion. Current planning principles, guided by the Provincial Policy Statement (PPS, 2014) but already based on Ottawa's planning approach, seek to limit the extension of urban uses into the rural countryside. The *City of Ottawa Official Plan* directs growth into existing urban areas.

  Ottawa's policies for urban growth are encouraging higher density development and intensification within the city. This change in the City may result in, some of the demand for conventional suburban residential forms of housing shifting to neighbouring areas. This is observed in the recent increases in population and ground-related housing growth in surrounding municipalities and may continue to contribute to future demand in communities within Ottawa's commutershed. Communities such as Kemptville, Clarence-Rockland and Russell, for their part, are already planning to accommodate more urban growth, intensification and higher density development than has been the historic pattern in those communities.

- Ottawa's economic future will be based on its ability to continue to attract jobs in public policy, technology including digital media, health sciences, research, and education. These jobs are well suited to telecommuting and flexible work arrangements, allowing those employees who do not have to commute daily during rush-hour much greater choice in where they live. If Ottawa is successful in attracting these types of jobs, Leeds Grenville can expect to house some of these workers.

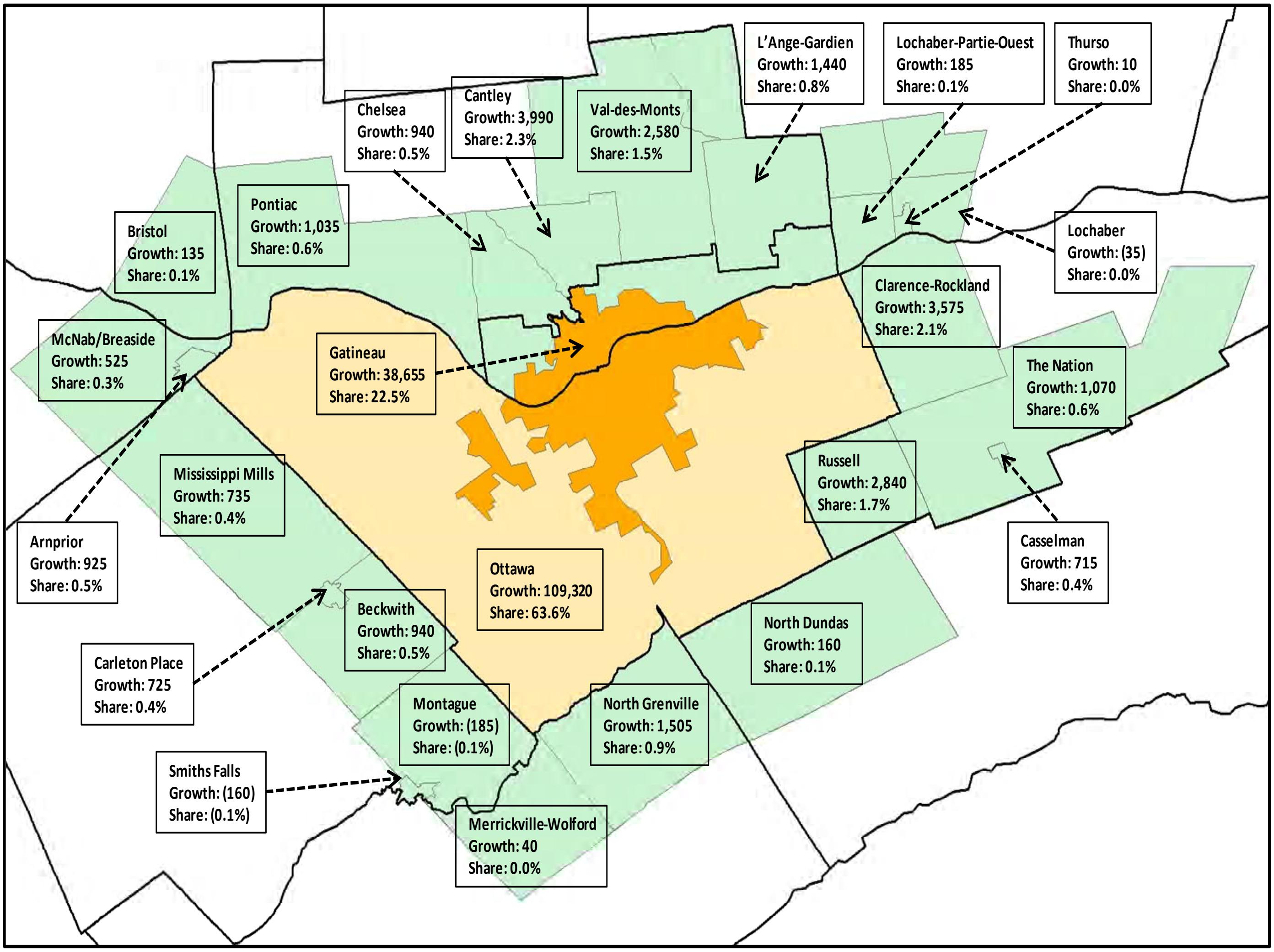
- Highway 416 runs through Leeds Grenville and is a key point of access to communities. On one hand, through-traffic now bypasses local communities but on the other, the travel time to Ottawa has decreased dramatically for many commuters and weekend tourists. North Grenville is closest to Ottawa along the 416 corridor. Edwardsburgh/Cardinal communities are also within commuting distance of Ottawa and other urban areas along Highway 401. Consideration of housing and employment lands within the area of influence of highways is a key consideration.

While the amount and distribution of population and housing growth within Leeds Grenville has been, and will continue to be, largely driven by the proximity to the Ottawa commutershed, the degree to which this source of growth will contribute to future population and housing growth in the Counties, in particular for North Grenville and Merrickville-Wolford, needs to be considered within the context of the entire Ottawa region.

As shown in Exhibit 8 on the following page, the spread of Ottawa-centred commuter-based population is contributing to growth in *all* municipalities surrounding the economic centre, with the greatest shares of regional growth outside of Ottawa and Gatineau over the last decade occurring in Cantley and Val-des-Montes, Quebec and the municipalities of Clarence-Rockland and Russell in the United Counties of Prescott and Russell. North Grenville has captured roughly 1% of Ottawa-area growth over the last decade, accelerating somewhat over the most recent 2006-2011 Census period. The amount of growth that will ultimately need to be planned for will depend on a combination of future market demand and policy factors.

A review of growth forecasts from area official plans and growth management documents suggests many municipalities within the Ottawa commutershed are planning for significant shares of Ottawa's anticipated population and housing growth over coming decades, collectively, they overestimating the overall growth potential from this source. Although it is anticipated that Leeds Grenville, in particular North Grenville, will be a focus of this source of growth going forward, this will also continue to be shared among all Ottawa-area municipalities.

Exhibit 8: Ottawa Area Municipal Population Growth, 2001-2011



Source: Hemson Consulting Ltd. based on Statistics Canada Census of Population.

C. NATURAL AMENITIES WILL ATTRACT SEASONAL AND PERMANENT RESIDENTS

Natural Amenities will also remain an important contributor to growth and development within Leeds Grenville, with many member municipalities attracting both seasonal dwelling building activity and permanent residents, notably through in-migration of older aged cohorts attracted to the rural character and unique natural heritage features that define much of Leeds Grenville. Leeds and the Thousand Islands and Rideau Lakes, in particular, will likely experience pressure for new housing, notably along shorelines for seasonal units and for permanent residents as the population continues to age.

D. RESULTS

The distribution of forecast population growth to member municipalities is based on shares of housing unit growth, taking into consideration the policy, market, land supply and servicing factors discussed throughout the report.

- Table 27 below indicates the shares of housing growth that provided the basis for the population and housing distribution within Leeds Grenville.

  As shown, North Grenville is anticipated to capture the greatest share of future housing growth in the Counties over the forecast horizon; followed by Rideau Lakes, Edwardsburgh/Cardinal and Leeds and the Thousand Islands, each of which are anticipated to experience roughly a tenth of overall member municipal housing growth over the 2011 to 2031 period.

  The remaining member municipalities are expected to see more modest housing growth in keeping with the rural and slower growing nature of many Leeds Grenville communities.

Table 27
Forecast Shares of Member Municipal Housing Growth
United Counties of Leeds Grenville, 2011-2031

Municipality	Share of Forecast Housing Growth
Athens	1.31%
Augusta	4.14%
Edwardsburg/Cardinal	8.62%
Elizabethtown-Kitley	4.69%
Front of Yonge	2.29%
Leeds & The Thousand Islands	8.72%
Merrickville-Wolford	3.82%
North Grenville	53.44%
Rideau Lakes	12.00%
Westport	0.98%
Leeds Grenville	100%

1. Housing

Housing unit growth will continue to occur in all member municipalities. Table 28 below indicates growth in occupied housing units by member municipality over the 2011 to 2031 horizon.

As shown, North Grenville is anticipated to see the bulk of housing growth among member municipalities, nearly 2,500 housing units over the forecast horizon, owing in large part to its proximity to the Ottawa job market.

Rideau Lakes, Edwardsburgh/Cardinal and Leeds and the Thousand Islands are forecast to add nearly 1,400 units taken together, with the balance of member municipalities each adding between 45 and 200 units over the forecast horizon.

Table 28

Historical & Forecast Occupied Housing Units by Member Municipality
United Counties of Leeds Grenville, 2006-2031

Municipality	Occupied Housing Units				2011-2031	
	2006	2011	2021	2031	Net Change	Growth Rate
Athens	1,115	1,180	1,220	1,240	60	5.1%
Augusta	2,770	2,860	2,980	3,050	190	6.6%
Edwardsburg/Cardinal	2,650	2,815	3,060	3,210	395	14.0%
Elizabethtown-Kitley	3,605	3,625	3,760	3,840	215	5.9%
Front of Yonge	1,060	1,035	1,100	1,140	105	10.1%
Leeds & The Thousand Islands	3,650	3,700	3,940	4,100	400	10.8%
Merrickville-Wolford	1,125	1,115	1,220	1,290	175	15.7%
North Grenville	5,250	5,700	7,080	8,150	2,450	43.0%
Rideau Lakes	4,165	4,220	4,560	4,770	550	13.0%
Westport	325	325	350	370	45	13.8%
Leeds Grenville	25,715	26,575	29,270	31,160	4,585	17.3%

Figures are rounded.

2. Population

Table 29 below indicates growth in total population, including Census net undercoverage, for each member municipality over the 2011 to 2031 horizon.

Again owing to the effects of the aging population, housing growth is anticipated to outpace growth in population in all member municipalities over the forecast horizon, a result of declining average household size. Moderate population growth is anticipated for most member municipalities.

North Grenville is anticipated to see the bulk of member municipal population growth, adding nearly 4,000 of the 6,300 additional residents forecast for Leeds Grenville over the 2011 to 2031 horizon.

Leeds and the Thousand Islands and Rideau Lakes are also anticipated to experience more significant levels of population growth, taken together adding nearly 1,300 residents over the forecast horizon, owing in large part to the attractiveness of their natural amenities to older-aged migrants.

Table 29

Historical & Forecast Total Population by Member Municipality
United Counties of Leeds Grenville, 2006-2031

Municipality	Total Population				2011-2031	
	2006	2011	2021	2031	Net Change	Growth Rate
Athens	3,190	3,195	3,220	3,240	45	1.4%
Augusta	7,755	7,615	7,720	7,820	205	2.7%
Edwardsburg/Cardinal	6,910	7,130	7,470	7,700	570	8.0%
Elizabethtown-Kitley	10,535	9,965	9,960	10,010	45	0.5%
Front of Yonge	2,895	2,745	2,790	2,830	85	3.1%
Leeds & The Thousand Islands	9,745	9,505	9,770	9,990	485	5.1%
Merrickville-Wolford	2,960	2,920	3,010	3,100	180	6.2%
North Grenville	14,665	15,455	17,150	19,340	3,885	25.1%
Rideau Lakes	10,690	10,460	10,900	11,220	760	7.3%
Westport	665	645	680	710	65	10.1%
Leeds Grenville	70,010	69,635	72,670	75,960	6,325	9.1%

Figures are rounded.

3. Employment

Change in total place-of-work employment by member municipality is shown in Table 30 below.

Employment is forecast to remain relatively stable overall with variable growth and decline over the 2011 to 2031 forecast horizon owing to a number of factors including the aging of the population, decline in manufacturing and an anticipated slow recovery from the recent recession. This overall mdest growth includes growth in population-related employment, decline in employment land employment, and stable rural-based employment, varied by member municipality.

The result is net employment growth in North Grenville and Rideau Lakes to serve their growing populations and marginal decline in total employment in all other member municipalities over the forecast horizon.

Historical & Forecast Total Place of Work Employment by Member Municipality United Counties of Leeds Grenville, 2006-2031						Table 30
Municipality	Total Employment				2011-2031	
	2006	2011	2021	2031	Net Change	Growth Rate
Athens	850	950	1,040	980	30	3.2%
Augusta	1,230	1,040	1,150	1,080	40	3.8%
Edwardsburg/Cardinal	1,250	1,430	1,470	1,390	-40	-2.8%
Elizabethtown-Kitley	3,610	2,560	2,670	2,500	-60	-2.3%
Front of Yonge	500	410	450	420	10	2.4%
Leeds & The Thousand Islands	1,680	1,850	1,960	1,840	-10	-0.5%
Merrickville-Wolford	1,190	890	990	930	40	4.5%
North Grenville	4,550	5,240	5,730	5,690	450	8.6%
Rideau Lakes	1,680	1,420	1,500	1,420	0	0.0%
Westport	760	520	550	520	0	0.0%
Leeds Grenville	17,300	16,310	17,510	16,770	460	2.8%

Figures are rounded.

Tables 31 to 33 on the following page indicate change in employment by type – population-related, employment land employment and rural-based employment. As shown, growth in population-related employment will occur in some member municipalities, in response to growth in population.

It is noted that although the overall forecast for employment land employment is shown as declining and rural-based employment as stable, there will still be growth and change on-the-ground in the existing employment base as highly localized market conditions shift.

There will be opportunities for the Counties and its member municipalities to improve the economic and employment outlook, by ensuring an adequate supply of market-ready employment lands and through targeted economic development activities, notably in the recreation and tourism sector.

Table 31

Forecast Population-Related Employment by Member Municipality
United Counties of Leeds Grenville, 2011-2031

Municipality	Population-Related Employment			**2011-2031**
	2011	2021	2031	
Athens	300	310	290	-10
Augusta	490	510	480	-10
Edwardsburg/Cardinal	530	570	550	20
Elizabethtown-Kitley	1,140	1,160	1,080	-60
Front of Yonge	260	270	250	-10
Leeds & The Thousand Islands	870	920	870	0
Merrickville-Wolford	190	200	190	0
North Grenville	3,000	3,340	3,470	470
Rideau Lakes	800	860	820	20
Westport	160	160	160	0
Leeds Grenville	7,740	8,300	8,160	420

Table 32

Forecast Employment Land Employment by Member Municipality
United Counties of Leeds Grenville, 2011-2031

Municipality	Employment Land Employment			**2011-2031**
	2011	2021	2031	
Athens	390	410	380	-10
Augusta	450	470	430	-20
Edwardsburg/Cardinal	610	640	590	-20
Elizabethtown-Kitley	850	900	830	-20
Front of Yonge	170	180	160	-10
Leeds & The Thousand Islands	510	540	490	-20
Merrickville-Wolford	510	550	500	-10
North Grenville	1,530	1,610	1,480	-50
Rideau Lakes	440	460	430	-10
Westport	160	170	150	-10
Leeds Grenville	5,620	5,930	5,440	-180

Table 33

Forecast Rural-Based Employment by Member Municipality
United Counties of Leeds Grenville, 2011-2031

Municipality	Rural-Based Employment			**2011-2031**
	2011	2021	2031	
Athens	220	230	220	0
Augusta	190	190	190	0
Edwardsburg/Cardinal	250	260	250	0
Elizabethtown-Kitley	590	620	590	0
Front of Yonge	100	100	100	0
Leeds & The Thousand Islands	480	500	480	0
Merrickville-Wolford	210	230	210	0
North Grenville	740	780	740	0
Rideau Lakes	380	400	380	0
Westport	0	0	0	0
Leeds Grenville	3,160	3,310	3,160	0

Figures are rounded.

Leeds Grenville member municipalities are anticipated to grow moderately in population over the 2011 to 2031 period, with housing outpacing growth in population and total employment remaining relatively stable, growing marginally over the forecast horizon. Growth and change will be unevenly distributed throughout the Counties based on the varied locations, natural amenities, servicing capacities and a range of other factors that influence the distribution of population, housing and employment across member municipalities.

It is important to ensure that the Counties and its member municipalities plan for a realistic and sustainable vision for future growth in Leeds Grenville. The growth outlook will provide a basis for a number key planning initiatives including setting of development charges and key infrastructural investments, meaning planning for a forecast that is overly aspirational or conservative can have important implications on the long-term financial well-being of the Counties and its member municipalities. Should growth patterns shift in the future, they will be addressed within the regular five year official plan review process.

The distribution of forecast growth presented herein represents in our view, a reasonable basis for planning in the Counties. While the results indicate somewhat more moderate growth than is being planned for in many Leeds Grenville local official plans, the level of growth indicated is grounded in the broader economic and demographic outlook for Ontario and the eastern Ontario region and reflects the ability to accommodate growth as determined through available land supply, local servicing characteristics, and considering local aspirations for growth.

The next section provides policy recommendations aimed at appropriately managing growth and change under the forthcoming upper-tier official plan.

VI POLICY RECOMMENDATIONS FOR UCLG OFFICIAL PLAN

Leeds Grenville member municipalities are anticipated to experience relatively modest growth in population, with housing growth out-pacing growth in residents, and employment remaining relatively stable over the 2011 to 2031 horizon. Forecast population, housing and employment will be unevenly distributed across member municipalities in response to factors such as distance to larger urban job markets, proximity to natural amenities, available land supply, and servicing capacity and constraints. Consistent with provincial policy, most growth is directed to urban serviced settlement areas. The following policy recommendations are presented for consideration by the Counties in the development of a UCLG official plan that is consistent with the new PPS.

- Based on the level of population, housing and employment growth anticipated for Leeds Grenville member municipalities and the results of the land supply review and capacity analysis, the available land supply to accommodate growth is adequate and no need for the designation of additional lands for urban development has been identified. It is recommended that the Counties work in consultation with the member municipalities to annually monitor development and land supply absorption and maintain a Counties-wide land budget to ensure an appropriate supply over the longer term.

- Most residential growth should be directed to urban settlement areas where municipal services are available. Suitable lands for development within existing designated areas will depend on the availability of municipal water supply, sanitary and storm sewers, and parkland.

- The provision of apartment-style units, even within small settlements areas, should be considered to ensure long-term housing affordability for the aging population. Full consideration of longer-term objectives for compact development and the creation of complete communities should be addressed in contemplating the desirability of any proposed development.

- The PPS now includes latitude for municipalities to consider communal servicing, which may provide some additional opportunities for growth in more rural settlement areas. Consideration of targeted areas for increased tourism and amenity residential development on communal services is recommended.

Member municipalities, through their local official plans, will be responsible for distributing growth within their own settlement areas in a manner consistent with Provincial and Counties' policy. The diverse geographic, settlement type and housing market characteristics and varied growth expectations of Leeds Grenville member municipalities highlight the importance of flexibility in Counties and local planning, in order to support Provincial policy objectives in a manner that is sensitive to unique characteristics, growth drivers and priorities at the local level.

- In North Grenville for example, high housing demand for commuters may necessitate a greater policy emphasis on intensification and compact development.
- For Elizabethtown-Kitley, economic development and the protection and enhancement of employment lands may be a high priority.
- Westport may benefit from policies for strengthening local tourism and attracting older aged migrants through retirement-oriented residential development.
- For some communities, attracting growth will be an important policy driver, while for many member municipalities, maintaining rural character is a high priority.
- For many member municipalities, support for a more diversified agricultural economy should be considered, according to the broader uses allowed in the PPS. The potential for more on-farm value-added uses may improve the economic outlook for farming communities within the Counties.

The development of official plan policy that recognizes and is responsive to the diversity of Leeds Grenville member municipalities will be key to establishing and achieving a shared vision the future of growth and development in the Counties.