Employment Lands Strategy – Phase 1

Town of Lakeshore

Final Report

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List of Acronyms and Abbreviations

A.I.	**Artificial Intelligence**
C.M.A.	**Census Metropolitan Area**
E.L.S.	**Employment Land Strategy**
EMSI	**Economic Modeling LLC**
G.D.P.	**Gross Domestic Product**
G.F.A.	**Gross Floor Area**
G.I.S.	**Geographic Information Systems**
G.T.A.	**Greater Toronto Area**
I.C.I.	**Industrial, Commercial, and Institutional**
L.Q.	**Location Quotient**
M.O.F.	**Ministry of Finance**
N.A.I.C.S.	**North American Industrial Classification**
N.F.P.O.W.	**No Fixed Place of Work**
P.M.I.	**Purchasing Manager's Index**
P.P.U.	**Persons Per Unit**
U.S.M.C.A.	**United States Mexico and Canada Agreement**

Executive Summary

Executive Summary

Watson & Associates Economists Ltd., in partnership with W.S.P. Canada Group Limited, were retained in the spring of 2019 by the Town of Lakeshore to conduct an Employment Lands Strategy (E.L.S.) for the Town as background to the Town's Official Plan (O.P.) review. The primary purpose of this study is to provide a comprehensive update of the Town's long-term employment land needs over the next 20 to 25-years. More specifically, this study provides the following:

- A brief overview of recent economic trends within the Windsor-Essex Region and the Town of Lakeshore;
- A long-term Town-wide population and housing growth forecast by structure type;
- A Town-wide forecast of long-term employment growth by major sector; and
- An assessment of future long-term employment land needs, which the Town of Lakeshore may use to support future draft amendments to their O.P.

This analysis represents the first phase of an Employment Lands Strategy (E.L.S.) for the Town of Lakeshore. Phase 2 of this E.L.S. will provide further direction regarding strategic planning policy recommendations, building on the Phase 1 technical analysis. It is noted that a long-term assessment of the Town's residential land needs has not been provided as part of this study and will be addressed separately as part of the Town's O.P Review process.

The following provides a summary of the key findings provided in this report:

- The Town of Lakeshore's population is forecast to steadily increase from approximately 37,800 in 2016 to 50,500 by 2046. This represents an annual population increase of approximately 1% over the 30-year forecast period. During the latter half of the forecast period, it is expected that the rate of forecast growth will begin to slow due to the aging of the regional population and labour force base.
- The proportion of the Town's seniors' population is forecast to steadily increase over the next several decades. This is anticipated to place increasing demand on the need for medium and high-density housing forms including seniors' and affordable housing.

- Similar to the broader regional area as a whole, population growth within the Town is expected to be driven by net migration. As the Town's population continues to age, population growth associated with natural increase (births less deaths) is expected to decline.
- By 2046, the Town's housing base is forecast to increase to approximately 19,500. This represents an increase of approximately 6,400 households over the 30-year forecast period and an annual housing growth forecast average of 210 households per year.
- Over the past five years, the regional economy has continued to recover from the 2008/2009 global economic downturn. During this time period, the Town of Lakeshore's local industrial base has steadily grown in sectors primarily related to manufacturing, administrative and support, waste management and remediation services, transportation, warehousing, and construction. The Town has also experienced moderate to strong employment growth within the health care and social assistance, professional, scientific, and technical services, education, wholesale trade, retail trade, and accommodation and food services sectors.
- Looking forward, the Town's total employment is forecasted to increase from approximately 13,500 in 2016 to 21,700 in 2046. This represents an increase of approximately 8,200 total jobs or just under 1.6% annually. The rate of Town-wide employment growth is forecast to slightly decline over time largely due to the aging of the regional population and labour force base.
- The Town has approximately 189 net ha (468 net acres) of vacant, potentially developable employment land. Despite the availability of vacant employment land, the Town continues to have a limited number of serviced, large, vacant industrial parcels conducive for larger-scale industrial development.
- Over the 2019 to 2039 planning horizon, the Town is forecast to add a total of approximately 3,000 jobs to its designated Employment Areas. To accommodate this employment growth, the Town is forecast to absorb 90 net ha (223 net acres) of its vacant employment land inventory. Based on the Town's existing supply of developable vacant employment land, the Town has a sufficient supply of employment lands to meet long-term employment land needs over the next 20 to 25 years, assuming the Town's developable designated employment lands are serviced in a timely manner.

- It is noted that the Town has a considerable amount of vacant employment lands which are identified as being constrained with respect to water and wastewater servicing, representing approximately 70% of the total vacant employment land supply or 220 ha (544 acres). It is important for the Town to address these constrained lands as they currently form a large part of the Town's potential urban employment lands inventory. As such, these constrained sites potentially inhibit the Town's ability to rationalize the expansion of the Town's existing urban Employment Areas.
- If the constrained employment lands within the Town's employment land supply were removed, the Town would potentially experience an employment land shortfall of between 33 to 53 net ha (81 to 132 net acres) over the 20 to 25-year forecast period.
- This identified net land need does not reflect site-specific takeouts, including open space, arterial roads/rail, stormwater ponds and easements which require an upward adjustment to determine gross land. Assuming a 75% net to gross land area ratio, this translates into a minimum requirement of 45 gross ha (112 gross acres) by 2039 and 80 gross ha (198 gross acres) by 2044. It is also noted that forecast gross employment land needs do not include environmentally sensitive lands.

Chapter 1
Introduction

1. Introduction

1.1 Terms of Reference

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1.2 Background

This report represents an update to the Growth Analysis Study prepared for the Town in November, 2015.[1] It is noted that the 2031 Town-wide population, housing and employment forecast prepared through the 2015 Growth Analysis Study was derived from the Essex County August 2011 Foundation Report: Essex County Official Plan

[1] Town of Lakeshore Official Plan Review. Growth Analysis Study. November 27, 2015.

(O.P.) Review, hereafter referred to as the Foundation Report.[1] As summarized in the County of Essex O.P., the County adopted the Low Growth Scenario provided in the Foundation Report.[2] The updated growth forecast provided herein provides a re-examination of the Town's long-term population, housing and employment growth outlook to the year 2046 in five-year increments utilizing the 2016 Statistics Census as a base.

1.2.1 What are Employment Lands?

Employment lands typically include a broad range of designated lands, including light, medium and heavy industrial lands, business parks and rural industrial lands. Employment lands accommodate primarily export-based employment, including a wide range of industrial uses (e.g. manufacturing, distribution/logistics, transportation services), as well as specific commercial and institutional uses (e.g. office, service, ancillary/accessory retail) which generally support the industrial/business function of the employment areas. Within the Town of Lakeshore, designated employment lands (identified in blue in Schedule A of the Town O.P.) are primarily located in Maidstone, Stoney Point and Comber.

1.2.2 Why are Employment Lands Important?

Employment lands form a vital component of the Town of Lakeshore's land-use structure and are an integral part of the local economic development potential of the Town and County. They are also home to many of the Town's largest private-sector employers.

Through development of its industrial land base, the Town is better positioned to build more balanced, complete and competitive communities. Development typically accommodated on employment lands generates relatively strong economic multipliers (i.e. spin-off effects) that benefit the Town of Lakeshore and Essex County directly and indirectly. In addition, employment lands development generates employment opportunities which can improve local socio-economic conditions (i.e. live/work opportunities). Furthermore, achieving non-residential growth adds to a community's

[1] Foundation Report: Essex County Official Plan Review. The County of Essex, August 2011. N. Barry Lyon Limited.
[2] County of Essex Official Plan. Adopted February 19, 2014. Approved by MMAH April 28, 2014.

assessment base, which can help support lower property taxes and stronger municipal service levels. Employment lands development also tends to produce more positive net fiscal benefits for the community than other types of development (e.g. residential and retail). Thus, a healthy balance between residential and non-residential development is considered an important policy objective for Essex County and its local municipalities.

Chapter 2
Overview of Macro-Economic Employment and Demographic Trends

2. Overview of Macro-Economic Employment and Demographic Trends

The following chapter provides a summary of the macro-economic trends influencing regional labour force and employment trends within Ontario, the Windsor-Essex Area, and Essex County over the past two decades.

2.1 Ontario Economic Outlook within the Canadian Context

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

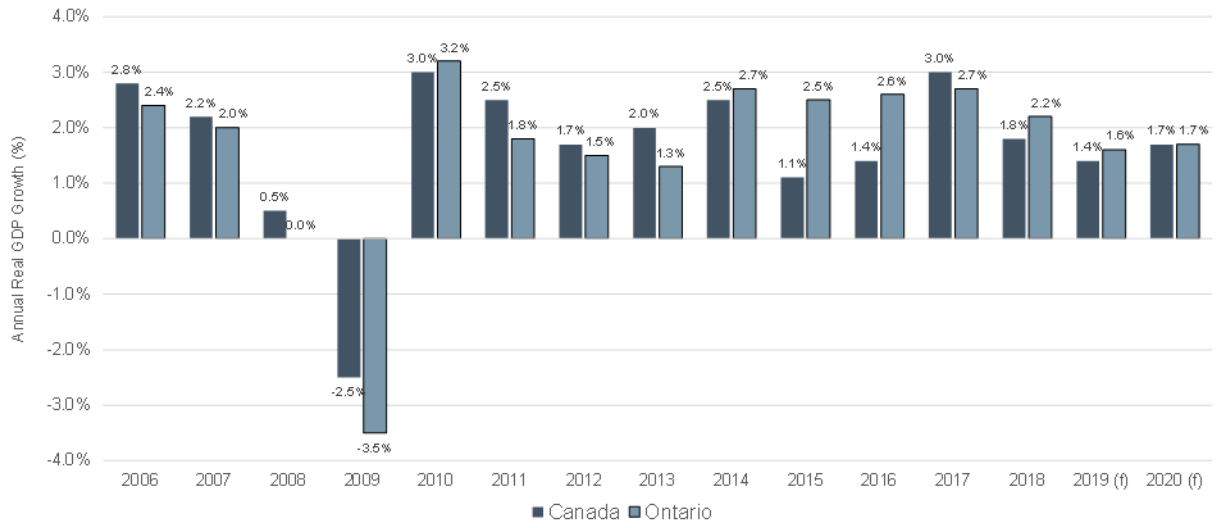
While manufacturing remains vitally important to the provincial economy with respect to jobs and economic output, this sector is not anticipated to generate significant labour-force growth across the Province. In general, globalization has led to increased outsourcing of production processes to overseas manufacturers and while there will continue to be a manufacturing focus in Ontario, industrial processes have become more capital/technology intensive and automated. To summarize, the highly competitive nature of the manufacturing sector will require production to be increasingly cost effective and value-added oriented, which bodes well for firms that are specialized and capital/technology intensive.

Over the past decade, the Ontario economy has experienced a steady rebound in economic activity since the 2008/2009 downturn; however, this recovery was relatively slow to materialize. That said, provincial G.D.P. levels have sharply rebounded since 2013, as illustrated in Figure 2-1. This economic rebound has been partially driven by a gradual recovery in the manufacturing sector which has been fueled by a lower-valued Canadian dollar and the gradual strengthening the U.S. economy.[1] Looking forward,

[1] Valued at approximately $0.76 U.S. as of November, 2019.

provincial G.D.P. growth is anticipated to ease from just over 2.2% in 2018 to approximately 1.7% by 2020, largely as a result of a tightening labour market and slowing global economic growth.[1]

Figure 2-1
Province of Ontario and Canada
Annual Real G.D.P. Growth, Historical (2006 to 2018) and Forecast (2019 to 2020)



Source: Derived from BMO Capital Markets Economics, Provincial Economic Outlook, April 20, 2018 and Provincial Monitor, Spring 2019 by Watson and Associates Economists Ltd.
Note: 2019 and 2020 are forecasts by B.M.O. Capital Markets Economics.

While the performance of the Ontario economy is anticipated to remain positive over the near term, there are potential risks to the national and provincial economies that are important to recognize. This includes risks with respect to the adoption of protectionist trade measures in the U.S., rising global debt and slowing global economic growth in the near-term. That said, the potential adoption of the U.S.M.C.A. (United States Mexico and Canada Agreement) is anticipated to provide greater clarity for trade between Canada, Mexico and the United States. Domestically, the housing market continues to pose a risk to the overall economy. The sharp rise in Ontario's housing prices – particularly in the Greater Toronto Area (G.T.A.) – has contributed to record consumer debt loads and eroded housing affordability. Ontario household debt reached record levels in 2016 at 171% of disposable income, placing an increasing share of income required to service debt payments. Ultimately, increasing debt levels may force

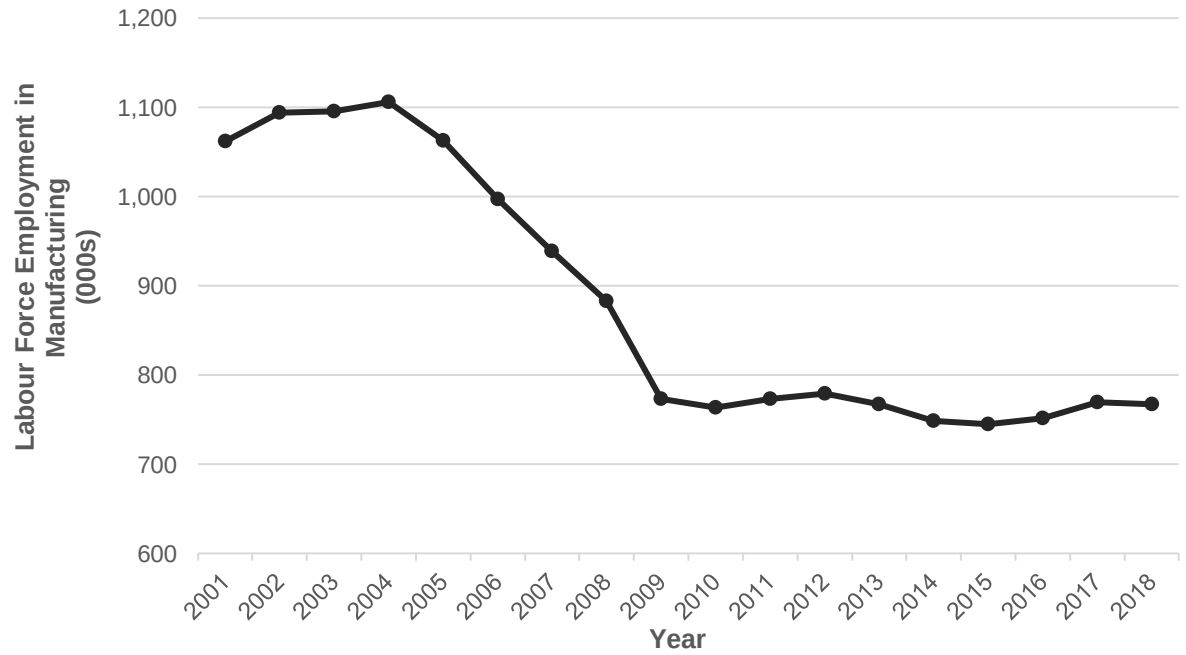
[1] BMO Provincial Outlook, Spring 2019.

consumers to scale back on other spending and potentially result in negative implications for the economy.[1]

2.1.1 Outlook for Ontario's Manufacturing Sector

As summarized in Figure 2-2, the manufacturing sector in Ontario experienced significant declines between 2004 and 2009. Between 2009 and 2018, provincial labour force levels have stabilized in the manufacturing sector. According to the Purchasing Manager's Index (P.M.I.), the first half of 2019 has shown a weakening in the manufacturing sector relative to the previous 10 years. Looking forward, modest labour force growth is anticipated in this sector across the Province of Ontario.

Figure 2-2
Manufacturing Labour Force Employment in Ontario, 2001 to 2018



Source: Data from Statistics Canada Labour Force Survey, CANSIM Table 282-0125 by Watson & Associates Economists Ltd., 2019.

[1] Economic and Budget Outlook. Financial Accountability Office of Ontario (F.A.O.). Assessing Ontario's Medium-Term Budget Plan, Spring 2018.

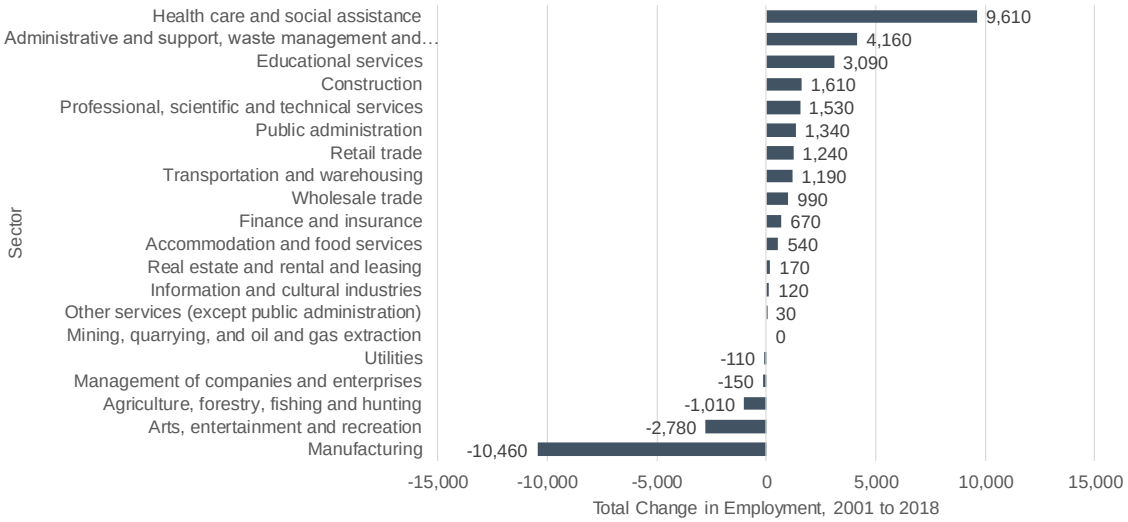
2.2 Regional Economic Trends

This section examines labour force trends over the past 15 years in the Windsor-Essex Area. These trends are important to understand when considering Lakeshore's growth outlook given the close relationship between regional labour force growth, net migration and population growth.

2.2.1 Windsor-Essex Area Employment, 2001 to 2018

Figure 2-3 summarizes the annual change in employment by sector for the Windsor-Essex Area[1] over the 2001 through 2018 period. As shown, the Windsor-Essex Area experienced a significant decrease of 10,500 manufacturing jobs during this period. In contrast, institutional sectors, including health care and social assistance; administrative, support, waste management and remediation services; as well as educational services experienced a steady increase in the number of jobs. Other notable growth sectors include construction; professional, scientific and technical services; public administration, retail trade, as well as transportation and wholesale trade. Overall, total employment in the Windsor-Essex Area increased by 14,400.

Figure 2-3
Windsor-Essex Area
Total Change in Employment (Number of Jobs), 2001 to 2018

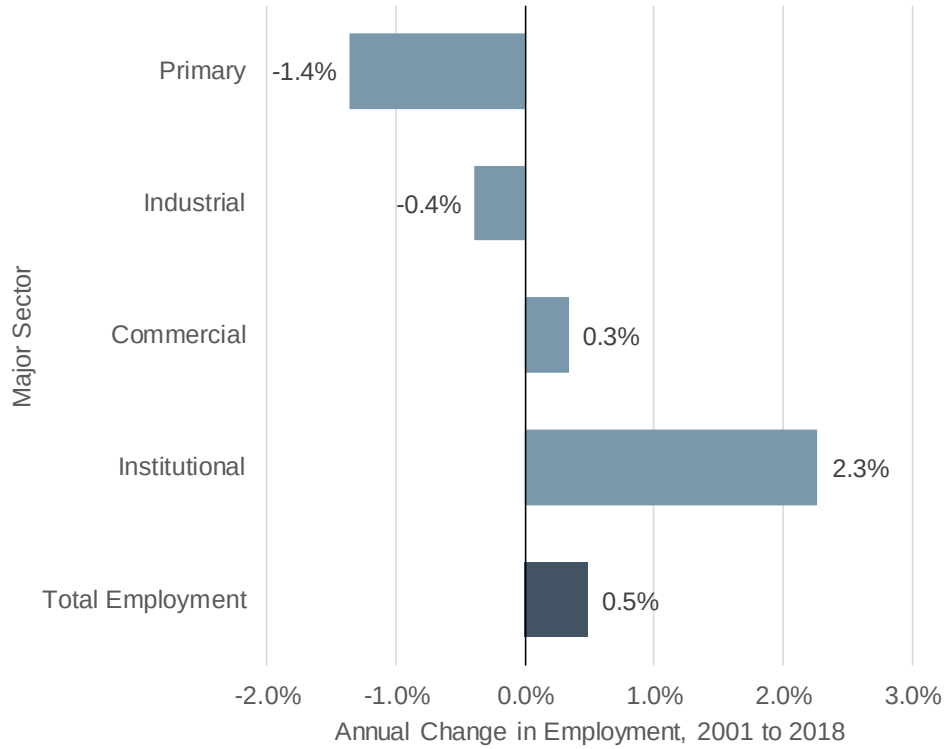


Source: Derived from EMSI dataset Q2 2019, by Watson & Associates Economists Ltd., 2019.

[1] Includes the City of Windsor and Essex County.

As summarized in Figure 2-4, the average annual employment growth rate over the 2001 to 2018 period was 0.5%. Primary and industrial sectors declined over the 2001 to 2018 period, while the commercial and institutional sectors as a whole experienced a moderate to strong rate of employment growth.

Figure 2-4
Windsor-Essex Area
Annual Change in Employment (Percentage Change), 2001 to 2018



Source: Derived from EMSI dataset Q2 2019, by Watson & Associates Economists Ltd., 2019.

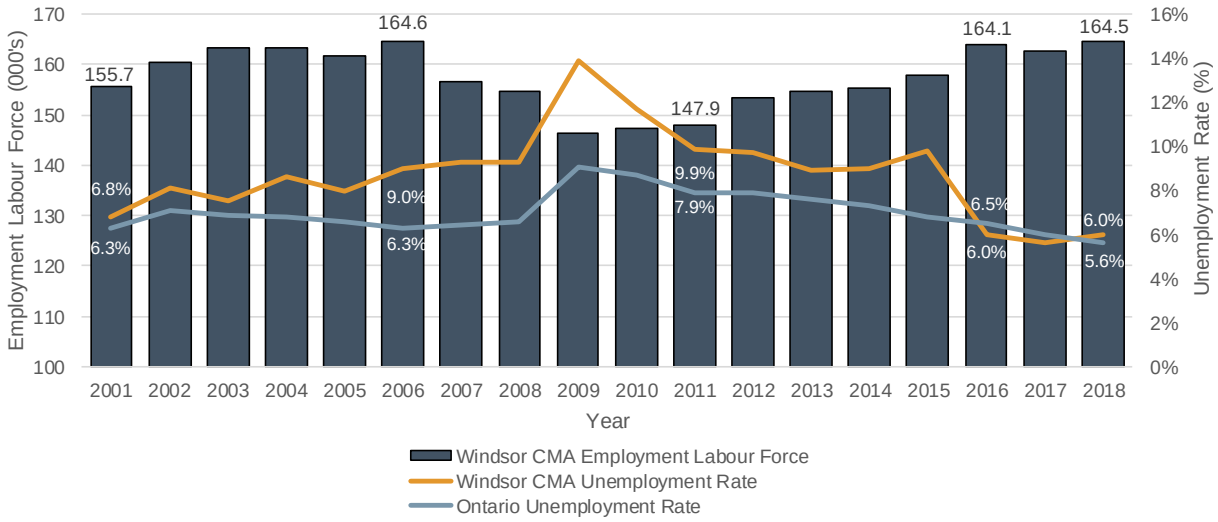
2.2.2 Windsor Census Metropolitan Area (C.M.A.) Labour Force Trends, 2001 to 2018

Figure 2-5 outlines labour force trends for the Windsor C.M.A. between 2001 to 2018. This analysis highlights the negative impact of the 2008/2009 global economic downturn on regional labour force growth and the regional unemployment rate particularly through the 2009 to 2013 period. In 2016 the average unemployment rate for the region declined sharply to 6% and has remained relatively comparable to the province-wide unemployment rate since that time. As of 2018, the regional labour force base is now comparable to peak historical levels experienced in 2006. During the 2011 to 2016

period, labour force growth was relatively strong in both goods producing and servicing providing sectors. Since 2016, labour force growth has shown continued strength in the service sector, however broader demand in goods producing sectors has "cooled" corresponding to weaker global strength in the manufacturing sector over the past year.

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

Figure 2-5
Windsor C.M.A.
Labour Force Trends, 2001 to 2018



Note: Statistics Canada Labour Force Survey and Census labour force statistics may differ.
Source: Derived by Watson & Associates Economists Ltd from Statistics Canada. Windsor CMA employed labour force from Statistics Canada Table 14-10-0098-01 and unemployment rate from Table 14-10-0096-01. Province of Ontario unemployment rate from Statistics Canada Table 14-10-0090-01.

2.2.3 Windsor-Essex County Area Industry Cluster Analysis

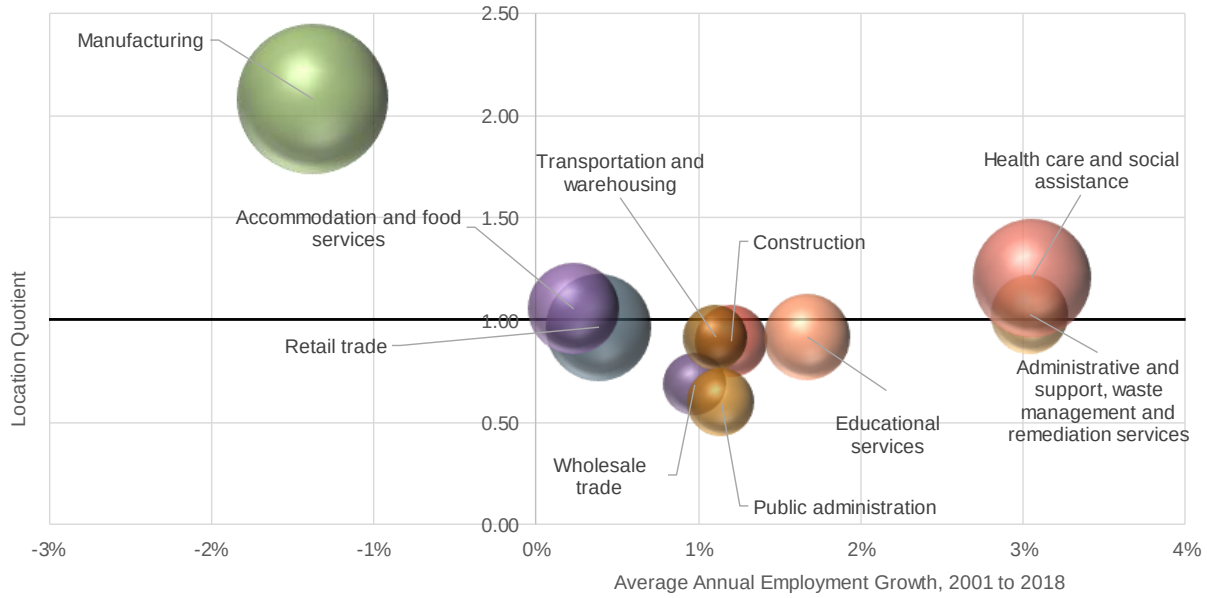
Location Quotients (L.Q.s) are a commonly used tool in regional economic analysis to identify and assess the relative strength of industry clusters. They assess the concentration of economic activities within a smaller area relative to the overarching region in which it resides.[1]

Employment sectors with a relatively high L.Q. generally serve both the local population base as well as employment markets which extend beyond the boundaries of the municipality. Alternatively, employment sectors with an L.Q. of less than 1 are generally under-serving the needs of the local economy.

Figure 2-6 summarizes the concentration of employment clusters in the Windsor-Essex Area relative to the Province. The figure also illustrates the relative size of each industry cluster and its average annual employment growth rate between 2001 and 2018 according to available employment data sources.[2] As illustrated, the Windsor-Essex Area has a strong presence in health care and social assistance; educational services; and retail trade. The manufacturing sector also has a strong presence, representing the largest sector in the area; however, this sector experienced a steady decline in employment over the historical period. As previously identified, commercial sectors, including accommodation and food services and administrative and support, waste management and remediation services are also relatively large, with relative concentration to the rest of the Province. While not displayed in this figure, emerging growing sectors such as professional, scientific and technical services, are relatively small but growing steadily and increasingly important to the overall regional economy.

[1] The L.Q. for a given municipality or local geographic area is calculated by dividing the percentage of total local employment by sector by the percentage of total broader employment base by sector. An L.Q. of 100% identifies that the concentration of employment by sector is consistent with the broader employment base average. An L.Q. greater than 100% identifies base average, which suggests a relatively high concentration of a particular employment sector.
[2] Only the top 10 largest industries in the Windsor-Essex area are displayed in this figure based on E.M.S.I. data (Economic Modeling Specialists Intl.)

Figure 2-6
Windsor-Essex Area
Industry Cluster Size and Growth Matrix, 2001 to 2018



Source: Derived from EMSI dataset Q2 2019, by Watson & Associates Economists Ltd., 2019.
Note: Only the top 10 largest cluster in Windsor-Essex area are shown in figure.

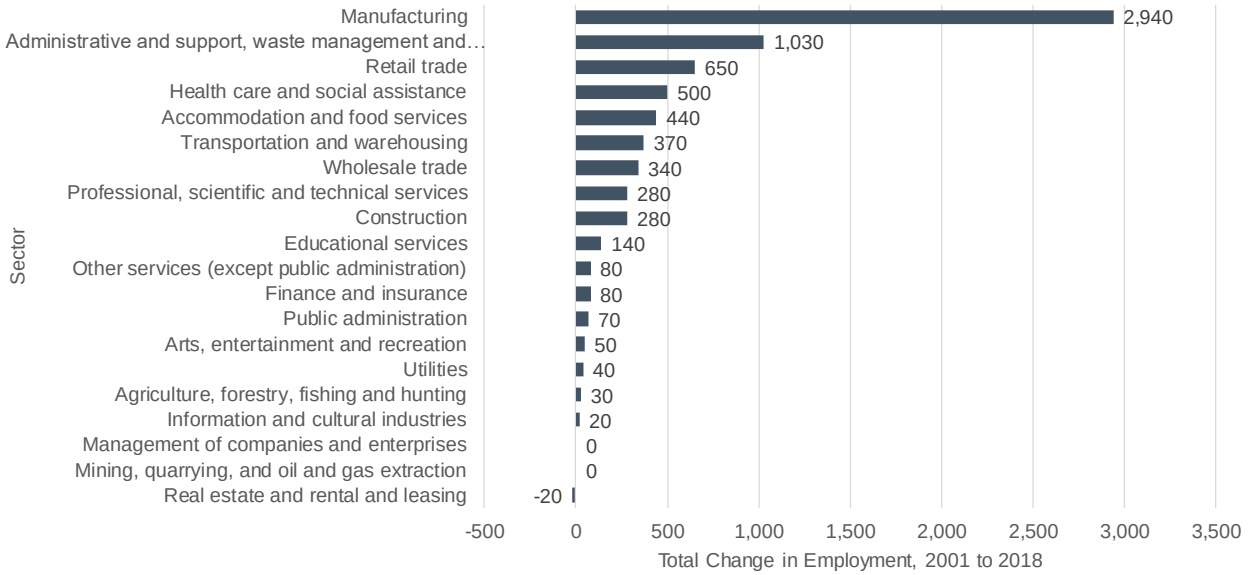
2.3 Local Economic Trends

2.3.1 Town of Lakeshore Employment Growth Trends by Sector, 2001 to 2018

Figure 2-7 summarizes the change in employment by sector for the Town of Lakeshore from 2001 to 2018. As shown, the Town of Lakeshore has steadily recovered from 2008/2009 regional economic downturn. Between 2001 to 2018, the Town added roughly 2,900 jobs in the manufacturing sector as well as approximately 700 jobs in transportation and warehousing; and construction. Commercial and institutional sectors, including health care and social assistance; educational services; accommodation and food services; and retail trade also experienced modest to strong job growth. Other industrial and knowledge-based sectors, such as administrative and support, waste management and remediation services; professional and scientific services; and education also showed strong signs of employment growth during recent years. Overall, the Town of Lakeshore employment base increased by 7,600 jobs over

the 2001 to 2018 period, of which approximately 50% of this employment increase was experienced between 2011 and 2018.

Figure 2-7
Town of Lakeshore
Total Change in Employment (Number of Jobs), 2001 to 2018



Source: Derived from EMSI dataset Q2 2019, by Watson & Associates Economists Ltd., 2019.

2.3.2 Town of Lakeshore Industry Cluster Analysis

Figure 2-8 summarizes the concentration of employment within the Town of Lakeshore relative to the Windsor-Essex Area. Similar to Figure 2-6, the relative size and rate of employment growth by industry cluster over the 2001 to 2018 period are also summarized. As illustrated, the following industry clusters have a relatively high concentration within the Town of Lakeshore:

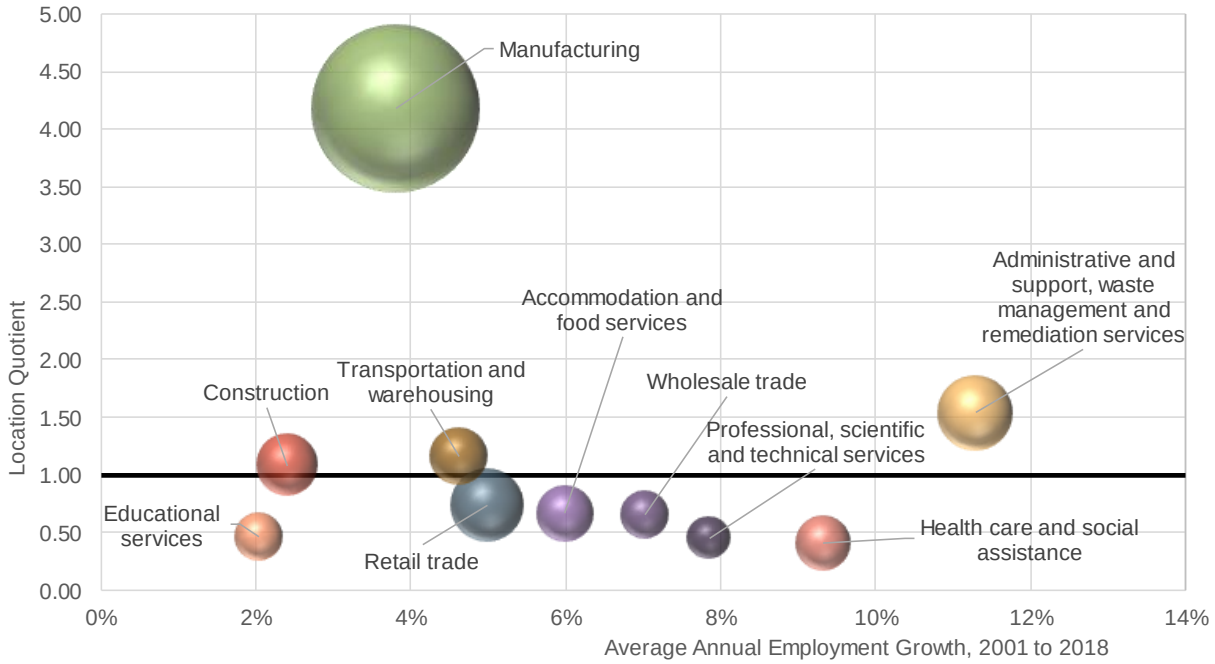
- Manufacturing;
- Administration and support, waste management and remediation services;
- Construction; and
- Transportation and warehousing;

In contrast to the Windsor-Essex area, the Town of Lakeshore has displayed strong employment growth in the manufacturing sector between 2001 to 2018. The annual employment growth rate of the manufacturing sector over the 2001 to 2018 period in the

Town of Lakeshore was 3.8%, compared to -1.4% for the Windsor-Essex Area. While relatively small in terms of total employment, the following industry clusters are emerging in the Town as they have experienced strong annual employment growth over the past two decades and are concentrated relative to the Essex-Windsor Area:

- Health care and social assistance;
- Professional, scientific and technical services;
- Wholesale trade;
- Retail trade;
- Accommodation and food services; and
- Educational services.

Figure 2-8
Town of Lakeshore
Industry Cluster Size and Growth Matrix, 2001 to 2018

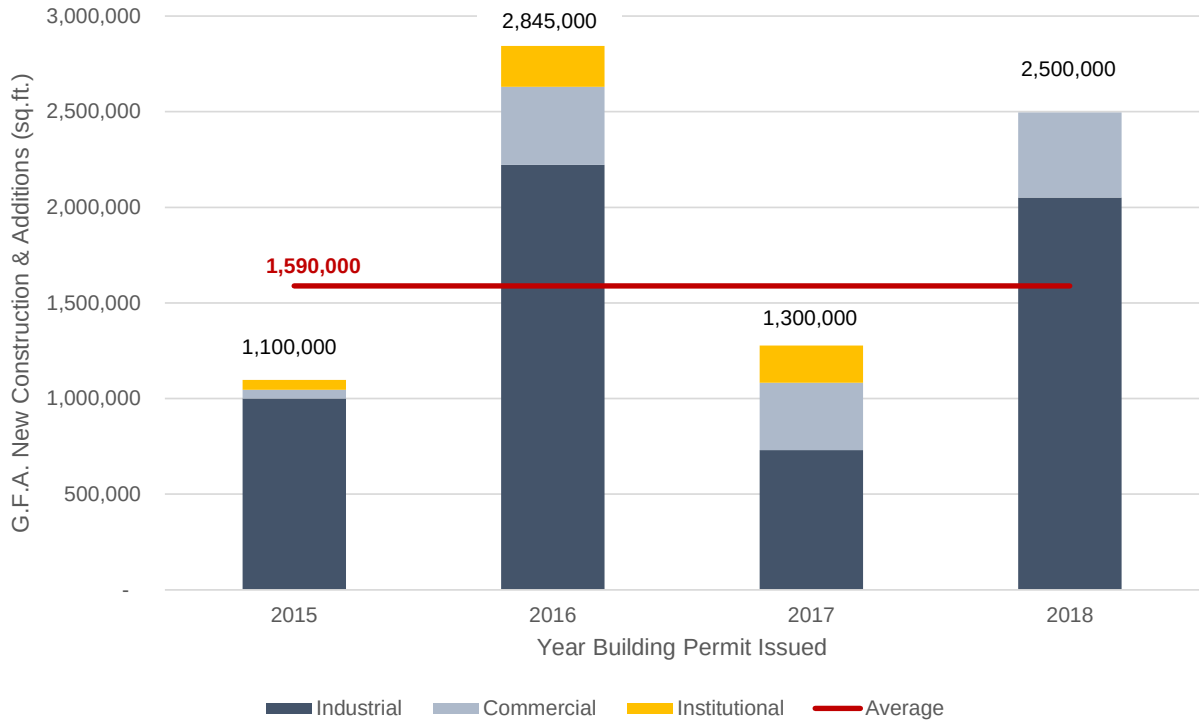


Source: Derived from EMSI dataset Q2 2019, by Watson & Associates Economists Ltd., 2019.
Note: Only the top 10 largest cluster in the Town of Lakeshore are shown in figure.

2.3.3 Historical Non-Residential Building Permit Activity by Industrial-Commercial-Institutional (I.C.I.), 2015 to 2018

Figure 2-9 summarizes non-residential building construction by industrial, commercial and institutional sector (I.C.I.) for the Town of Lakeshore during the 2015 to 2018 period expressed in G.F.A. (sq.ft.). The Town of Lakeshore has averaged 1,590,000 sq. ft. of non-residential building activity over the 2015 to 2018 period. Construction of industrial buildings accounted for 77% of recent non-residential activity, while construction activity related to commercial accounted for 17%. Well over half (64% of G.F.A.) of the non-residential building activity has been accounted through the construction of new buildings. The majority of development (90% of G.F.A.) associated with addition/expansions to existing buildings has occurred within the industrial sector.

Figure 2-9
Annual G.F.A. Development Activity (sq.ft.) by I.C.I. Sectors, 2015 to 2018



Source: Derived by Watson & Associates Economists Ltd. from Town of Lakeshore building permit data (July 2019)

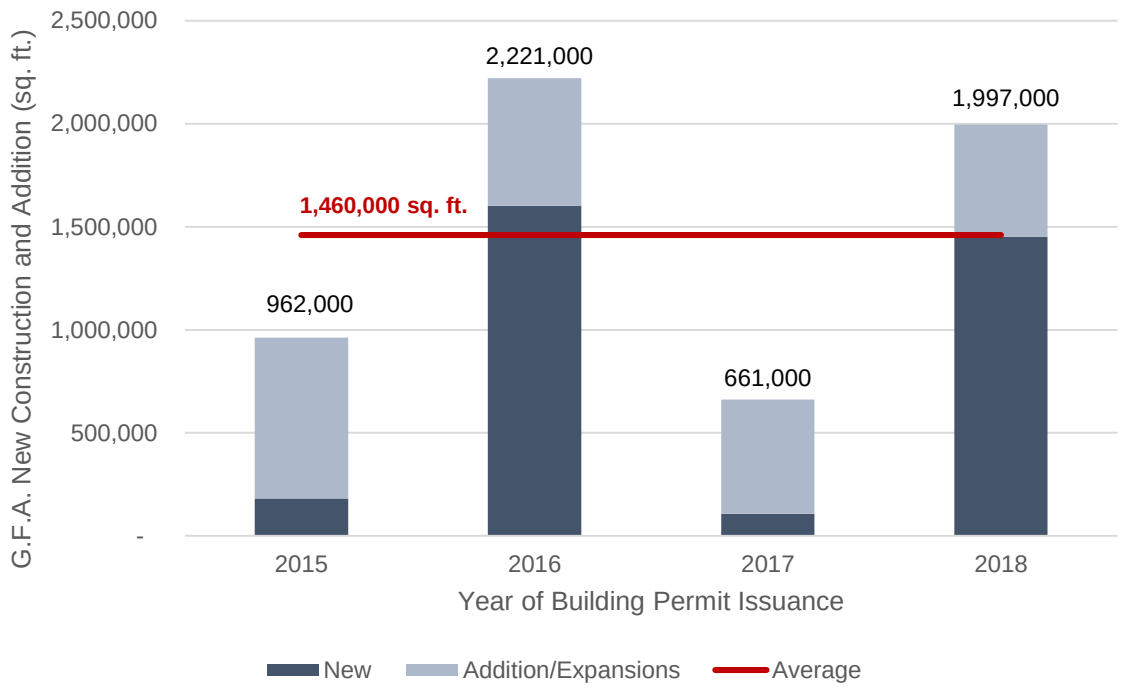
Figure 2-10 summarizes non-residential building construction in Lakeshore's Employment Areas during the 2015 to 2018 period, expressed in G.F.A. (sq.ft.). As shown, the Town's Employment Areas have averaged 1,460,000 sq.ft. annually in non-

residential building activity over the 2015 to 2018 period, which accounts for 25% of Town-wide non-residential development activity. Construction activity in Employment Areas has been dominated by new construction, accounting for 57% of building construction activity.

Major expansions and new construction activity in the Town's Employment Areas over this period have largely occurred within the Patillo/Advance Industrial Area. This is largely due to the availability of servicing which has been able to support the expansion of existing employment lands and new development on vacant employment lands within the area. Recent Windsor Industrial Market Reports show lower vacancy rates in the industrial sector within the last three years (2016 to 2019) than what has historically been observed in the Windsor-Essex region.[1] This recent downward trend in industrial vacancy rates occurred during a period of relatively strong industrial development activity but modest industrial absorption within the Town of Lakeshore. This suggests that a share of recent industrial growth in the Town has occurred within existing vacant buildings. Further details on the Town's employment lands supply can be found in Chapter 4.

[1] Windsor Quarterly Statistics Q3 2019 Industrial CBRE Research

Figure 2-10
Town of Lakeshore
Annual G.F.A. Development Activity (sq.ft.) on Employment Lands, 2015 to 2018

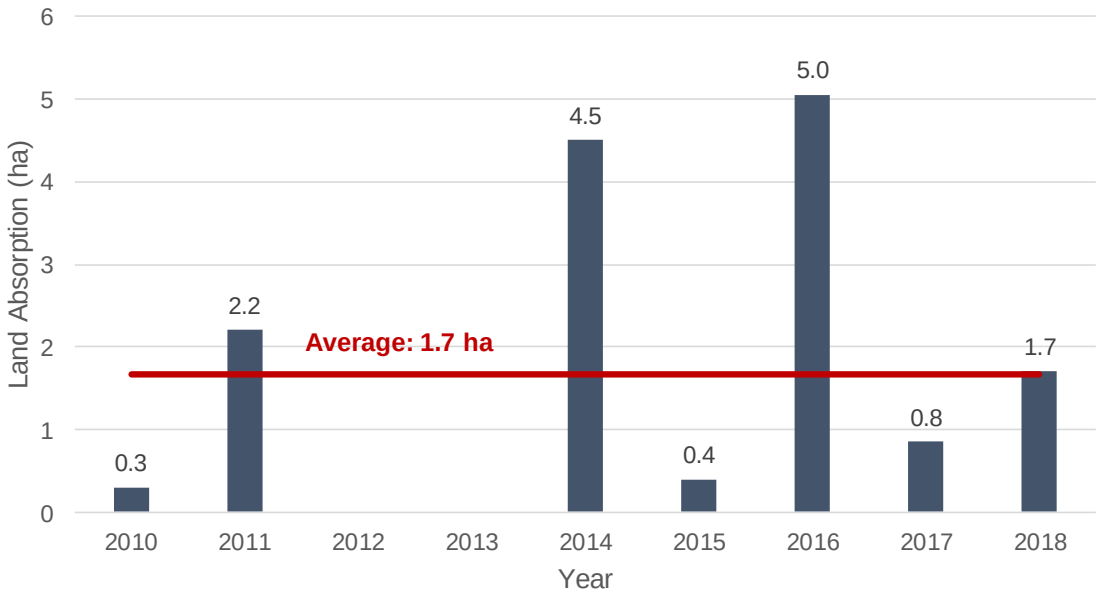


Source: Derived by Watson & Associates Economists Ltd. from Town of Lakeshore building permit data (July 2019)

2.3.4 Recent Industrial Land Absorption Activity, 2010 to 2018

Figure 2-11 summarizes recent absorption on employment lands in the Town of Lakeshore from 2010 to 2018. During this period a total of 15 ha (37 acres) have been absorbed in the Town's Employment Areas, which represents an average of 1.7 ha (4.2 acres) per year. Recent employment absorption activity has primarily been in the Patillo/Advance Industrial Area in the Maidstone Urban Area. As previously mentioned, construction activity in this area has been mixed between new construction and expansions/additions.

Figure 2-11
Town of Lakeshore
Industrial Land Absorption on Employment Lands (net ha), 2010 to 2018



Source: Derived by Watson & Associates Economists Ltd. from Town of Lakeshore building permit and G.I.S. data, and a desktop review (July 2019)

2.4 The Growth Drivers and Disruptors of the Town of Lakeshore

This section explores growth drivers and disruptors for the Town of Lakeshore from a regional and local perspective. A broad range of considerations related to demographics, economics, socio-economic and infrastructure are anticipated to drive future economic and population growth in the Town of Lakeshore over the next several decades.

2.4.1 Geographic Location

Location plays a key role in the geographic distribution of the dominant industry clusters visible across Ontario today. In addition to its proximity to the City of Windsor and close access to the U.S. border, the Town benefits from its location along Highway 401, which serves as Canada's major trade corridor and links major urban centres in Ontario and Quebec to the U.S. The proposed Gordie Howe International Bridge will provide direct connections to Highway 401 in Ontario and Interstate 75 in Michigan and provide broad

economic opportunities by increasing the capacity for trade and investment to this region and more broadly across Canada and the U.S. It is further anticipated that the bridge will benefit local businesses responsible for providing raw materials and services during the construction phase. Permanent jobs will also be created related to the operation and maintenance of the bridge and ports of entry once the bridge is opened.[1]

The Town's employment lands are centrally located to serve major North American employment markets in southwestern Ontario and the northeastern U.S. The Town also benefits from being located within proximity to the Windsor International Airport.

2.4.2 Regional Economic Opportunities

As identified in Sections 2.2 and 2.3, the regional and local export-based economy has been steadily recovering over the past several years. Looking forward, the regional economy is anticipated to continue to expand, albeit, at a relatively slower rate than experienced between 2014 and 2019.[2] Continued export-based economic growth throughout the local and surrounding regional economy has, and will continue to, generate demand for new housing within the Town of Lakeshore, particularly the Town's key development areas. New housing construction and associated local population growth is anticipated to generate demand for local industries within the Town related to the construction sector as well population-related employment sectors such as retail, accommodation, and food, plus other personal service uses. Other local "knowledge-based" and "creative class" employment sectors such as information and cultural industries, arts, entertainment, and recreation and professional, scientific and technical services are also beginning to experience moderate employment growth. Population growth combined with the aging of the existing population base will also place increasing demands on employment sectors and municipal services related to the growing population base of seniors, primarily related to the health care and social assistance sector.

The local economic base is also oriented towards small businesses and home-based occupations. Such businesses act as incubators for local economic development and stimulate innovation and entrepreneurialism within the Town. Over the forecast period, work at home employment in the Town is expected to steadily increase, driven by

[1] Infrastructure Canada. Government of Canada. https://www.infrastructure.gc.ca/pont-gh-bridge/
[2] Conference Board of Canada. 2019.

continued opportunities in the knowledge-based and creative class economy. This will be facilitated by opportunities related to telecommuting and increased technology. Demographics also play a role in the employment outlook for work at home employment. As the population and labour force continue to age, it is likely that an increased number of working and semi-retired residents will be seeking lifestyles that will allow them to work from home on a full-time or part-time basis.

Over the next several decades, the Town's key development areas are anticipated to represent an increasing share of the total Town population given the attractiveness of these areas to new families as well as older, retired residents living within the surrounding rural areas. These identified trends are anticipated to place increasing pressure for urban amenities, including municipal infrastructure, programs and services, as well as increased options for shopping and entertainment. In turn, such growth pressures are anticipated to drive the need for future population-related employment services, placing demands on the local labour force as well as the housing market to support this growing local population and employment base.

2.4.3 Attracting Millennials and Generation Z

Future housing needs in the Town of Lakeshore will be increasingly impacted by the Millennial generation. While there is no standard age group associated with the Millennial generation, persons born between 1980 and 1992 best fit the definition of this age group. Given the age and size of this cohort, Millennials will play a key role with respect to labour force supply, which as previously mentioned is critical to the steady growth of the regional and local population. The extent to which the broader region and Town of Lakeshore can capitalize on potential demand from this demographic group is subject to a number of economic and socio-economic variables (e.g. relative housing costs/affordability, general cost of living, local and regional employment opportunities, lifestyle preferences and quality of life.

In an effort to retain and attract a segment of this population group, opportunities should be explored across the Town of Lakeshore to provide a mix of future housing across a range of density types, to accommodate those with varying levels of income within new greenfield locations as well through intensification areas within the Town.

2.4.4 Population Growth of the 55+ Age Group

Population growth of the 55+ age group across Ontario will continue to be a key driver of housing growth in the Town over the next 30 years. For the Province of Ontario as a whole, the percentage of the 55+ age group to the total population is projected to increase from 30% in 2016 to 35% in 2046.[1] The source of net migration to the Town within the 55+ age category will largely be from the surrounding regional area as well as from larger urban centres across Ontario, namely the G.T.A.

As previously identified, opportunities for competitively priced, low- and medium-density housing, combined with a relatively milder climate, good access to the U.S. border and access to the rural countryside offer an attractive quality of life that is especially appealing to those entering their retirement years. The Town's attractiveness to retirees and empty nesters is anticipated to be one of the key drivers of population growth from 2019 to 2046. This will generate an increasing need to accommodate a growing number of seniors in a broad range of housing forms including affordable housing and seniors' housing options as they age.

2.4.5 Assessing the Impacts of Technology and Innovation on Economic Development and Population Growth

Long-term labour force growth potential across the national, provincial, regional and local levels, will be directly influenced by continued structural changes and disruptions driven by technology and automation. According to the Brookfield Institute for Innovation + Entrepreneurship, over the next 10 to 20 years, 42% of the Canadian labour force is at high risk of being affected by automation, either through significant task restructuring or elimination. Jobs that are anticipated to be most highly impacted by automation are primarily within occupations that are administrative, routine, or oriented towards sales and service. The Brookfield Institute report also notes that highly skilled occupations are expected to grow much more quickly than the rest of the labour force and are at a lower risk of being negatively affected by automation. This suggests that more highly skilled labour will be a significant driver of Canada's future economic growth.[2]

[1] Ministry of Finance, Summer 2019 Update, Table 7: Population of Ontario by five-year age group, 2018-2046, reference scenario.
[2] The Talented Mr. Robot. The impacts of automation on the Canadian workforce. Brookfield Institute for Innovation + Entrepreneurship. June 2016.

Considerable research has recently been undertaken by institutions and consulting agencies to assess the potential impacts of artificial intelligence (A.I.) to businesses as well as its broader impacts to the global economy. A report prepared by PWC in 2017 identifies that the net impacts to global G.D.P. resulting from A.I. are anticipated to contribute up to $15.7 trillion to the global economy in 2030, more than the current output of China and India combined.[1] The report also identifies that over the next decade, A.I. will generate massive disruption as both established businesses and new entrants drive innovation and develop new business models.

To prevent an undesirable, lose-lose scenario associated with anticipated technological change in the economy – talent shortages, unemployment and growing inequality – a number of critical actions are needed. This includes businesses assuming an active role in supporting their existing workforce through reskilling and upskilling, individuals taking a proactive approach to their own lifelong learning, and governments creating an enabling environment to assist in these efforts.[2]

While the long-term net economic impacts of automation and/or A.I. appear to be positive, global competition from both established and emerging markets looking to capitalize on potential opportunities related to this technology will be increasingly fierce. Building on its strong community foundations, the Town of Lakeshore has the opportunity to influence its readiness towards an ever-evolving knowledge-based economy through on-going leadership and investment. Ultimately, these efforts are important to enhance youth in-migration, talent attraction, and local employment opportunities geared towards an increasingly skilled labour force.

2.4.6 Quality of Life

Quality of life is a key factor influencing the residential location decisions of individuals and their families. It is also a factor considered by companies regarding location decisions. Typically, quality of life encompasses several sub-factors such as employment opportunities, cost of living, housing affordability, crime levels, quality of schools, transportation, recreational opportunities, climate, arts and culture,

[1] Sizing the Prize. What's the real value of AI for your business and how can you capitalise? PWC. 2017.
[2] World Economic Forum. Insight Report. The Future of Jobs Report. Centre for the New Economy and Society. 2018.

entertainment, amenities and population diversity. The importance of such factors, however, will vary considerably depending on life stage and individual preferences.

As previously mentioned, the Town offers a high quality of life which is expected to drive net migration from a broad range of demographic groups, including first time home buyers, families, empty nesters and seniors. It also has a reputation for being an affordable location in which to live in Ontario, with access to a wide range of recreational opportunities within the Town and surrounding countryside. Furthermore, given the Town's strategic location between major markets such as the City of Windsor, Detroit, and Toronto, and its proximity to Highway 401, the Town is well-positioned to develop and expand its economic base.

Chapter 3
Population, Housing and Employment Forecast, 2016 to 2046

3. Population, Housing and Employment Forecast, 2016 to 2046

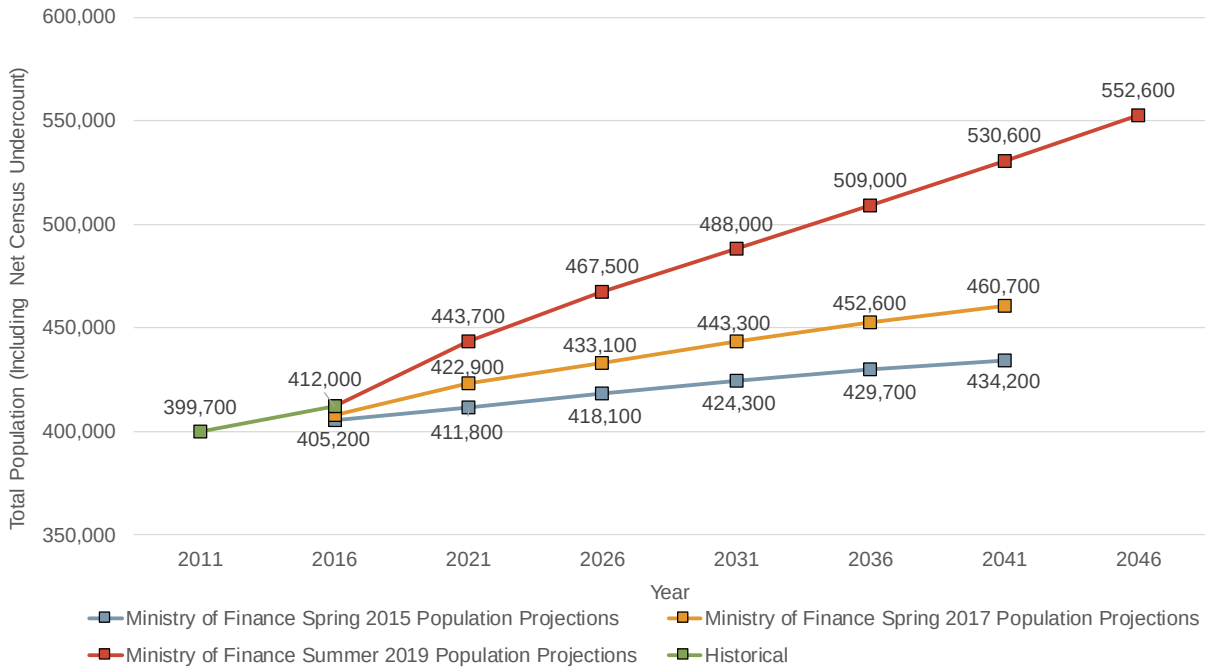
This chapter explores the growth outlook within the Windsor-Essex Area, based on recent Statistics Canada data and other available information sources. It is noted that the historical time period investigated varies throughout this chapter, subject to data availability. In accordance with recent demographic, economic and socio-economic trends, as well as the growth drivers identified for the Windsor-Essex Area, a long-term population, housing and employment forecast for the Town of Lakeshore has been summarized below.

3.1 Windsor-Essex Area Growth Outlook

3.1.1 Ministry of Finance Population Projections

Figure 3-1 presents the three most recent long-term population projections prepared by the Ministry of Finance (M.O.F.) for the Windsor-Essex Area, between 2015 and 2019. It is noted that between 2015 and 2019, the Ministry of Finance has increased its population projections for the Windsor-Essex Area, signaling relatively stronger population growth prospects for this Area over the past four years. More specifically, the M.O.F. currently (2019) projects that the population of the Windsor-Essex Area will reach a population of 530,600 by 2041, which is comparatively 96,400 persons higher than the 2041 population projections prepared by the M.O.F. in 2015. It is noted that the M.O.F. does not specify population growth trends between the City of Windsor and Essex County. However, relatively stronger population and employment growth trends experienced in both Essex County and the City of Windsor are anticipated to be driving the higher growth outlook behind the updated M.O.F. forecast for the Windsor-Essex Area.

Figure 3-1
Essex-Windsor Area
Ministry of Finance Population Projections, 2016 to 2046



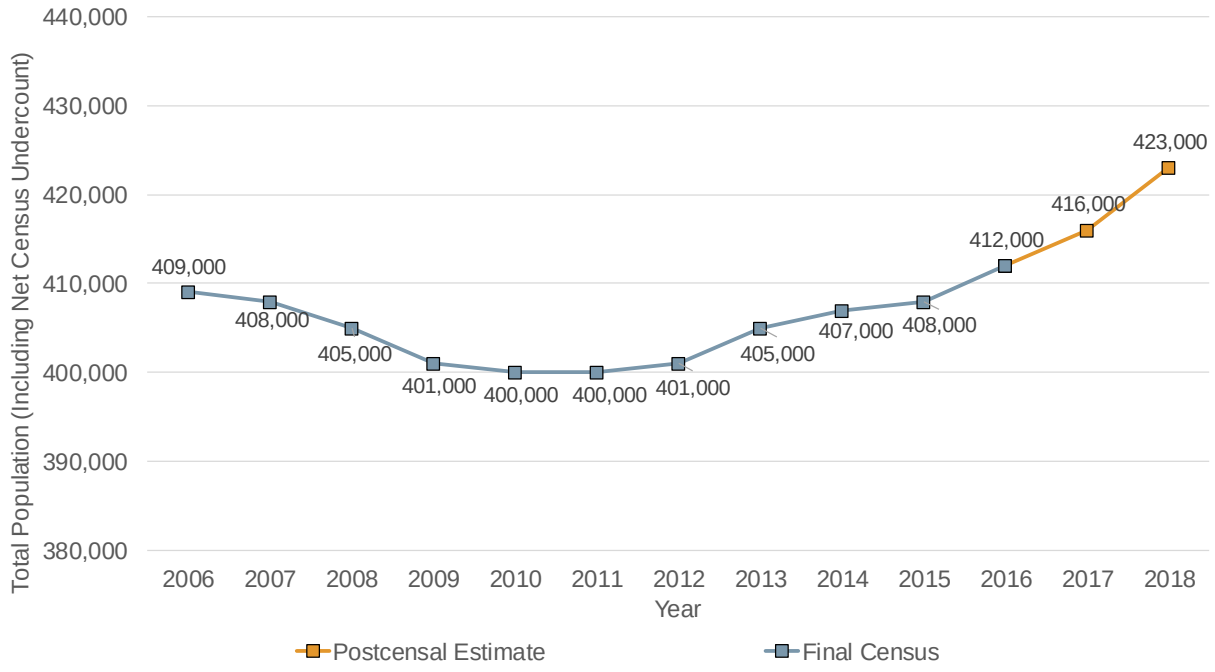
Source: Ministry of Finance Population Projections. 2011 and 2016 from Statistics Canada Census.

3.1.2 Windsor-Essex Area Short-Term Population Estimates, 2006 to 2018

Figure 3-2 summarizes the annual intercensal and postcensal population estimates for the Windsor-Essex Area provided by Statistics Canada. The 2018 postcensal population is estimated at 423,200 by Statistics Canada. The population growth rate between 2015 and 2018 for the Windsor-Essex Area is tracking noticeably higher when compared to historical levels from 2006 to 2015, however, it is recognized that the 2018 population estimates are preliminary and are subject to change. Based on Statistics Canada components of population growth data,[1] the main driver of population growth from 2016 to 2018 primarily relates to an increase in intra-provincial migration (i.e. immigration to the Windsor-Essex Area from other areas of Ontario) as well as an increase in interprovincial migration (immigration from other provinces in Canada).

[1] Statistics Canada. Table 17-10-0140-01 Components of population change by Census division, 2016 boundaries.

Figure 3-2
Windsor-Essex Area
Short-Term Population Growth, 2011 to 2018



Source: Statistics Canada Postcensal Esimates, 2006 to 2018.

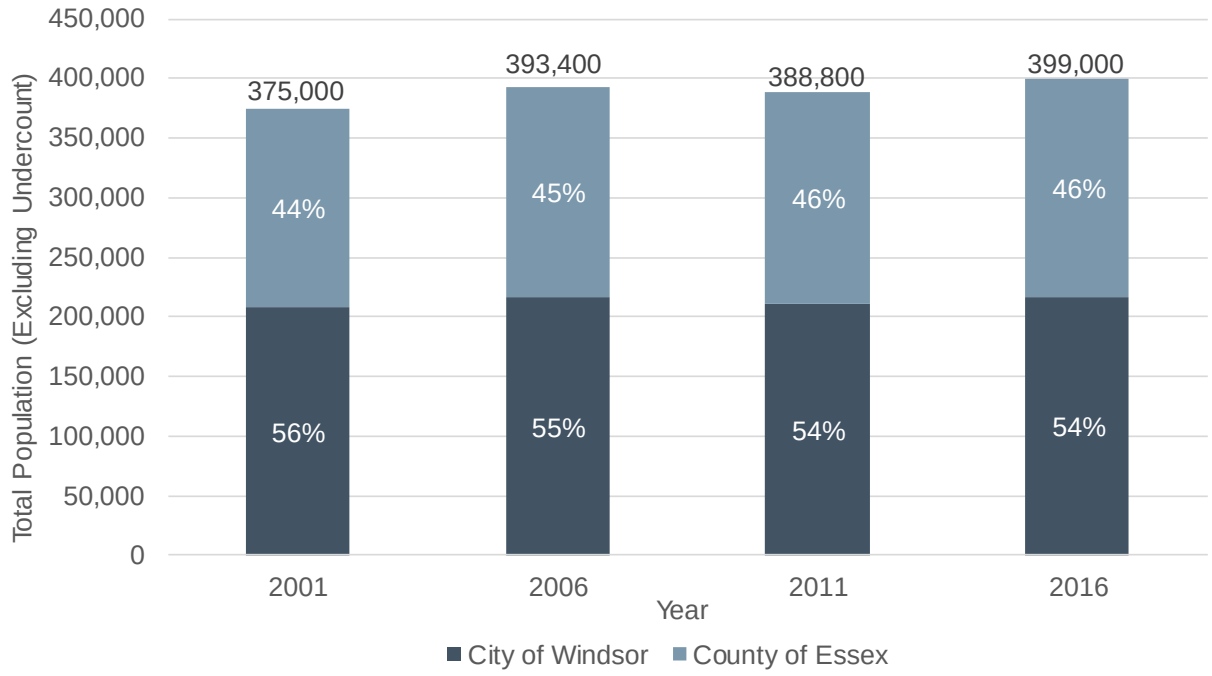
3.1.3 Share of Windsor-Essex Area Growth

Both the M.O.F. projections and the Statistics Canada postcensal estimates categorize the City of Windsor and Essex County together. For the purposes of this study, it is important to recognize and understand the share of population growth between these two geographies, given that the City of Windsor is administratively separated from Essex County. While future population and employment growth potential within the Town of Lakeshore is influenced by the growth outlook of the broader Windsor-Essex Area, the Town's O.P. population and employment forecast must be considered specifically within the context of the growth allocations by Area Municipality within Essex County.

As summarized in Figure 3-3, between 2001 to 2016, Essex County accounted for 63% of total population growth in the Windsor-Essex Area. As a result, the City of Windsor's share of total Windsor-Essex Area population declined from 56% to 54% respectively. This indicates that Essex County has been growing at a relatively faster rate than the

City of Windsor. In accordance with historical population growth patterns, this trend is anticipated to continue over the long-term forecast period.

Figure 3-3
Windsor-Essex Area
Share of Total Population, 2001 to 2016



Source: Data from Statistics Canada Census, 2001 to 2016.

3.2 Town of Lakeshore Population Growth Forecast, 2016 to 2046

Figure 3-4 summarizes the population growth forecast for The Town of Lakeshore from 2016 to 2046 in five-year increments. Historical population trends between 2001 and 2016 are also provided for additional context. The following observations and key findings are provided:

- The Town of Lakeshore's population is forecast to modestly increase from approximately 37,800 in 2016 to 50,500 by 2046.1 This represents an annual population increase of approximately 1% over the 30-year period.

[1] Excluding the net Census undercount.

- During the latter half of the forecast period, it is expected that the rate of forecast growth will begin to slow down due to the aging of the Town's population base; and
- Similar to the broader regional area as a whole, population growth within the Town is expected to be largely driven by net migration. As the Town's population continues to age, population growth associated with natural increase (births less deaths) is expected to decrease over the forecast period.

Additional details regarding population by age, net migration by age, fertility rates and mortality rates, are provided in Appendix A.

Figure 3-4
Town of Lakeshore
Population Forecast, 2016 to 2046

	Year	Population (Including Census undercount)	Population Excluding Census Undercount
Historical	*Mid-2001*	29,900	28,700
	Mid-2006	34,500	33,200
	Mid-2011	35,500	34,500
	Mid-2016	37,800	36,600
Forecast	*Mid-2021*	40,400	39,300
	Mid-2026	42,800	41,700
	Mid-2031	45,000	43,800
	Mid-2036	47,100	45,800
	Mid-2041	48,800	47,500
	Mid-2046	50,500	49,200
Incremental	**Mid-2001 to Mid-2006**	4,600	4,500
	Mid-2006 to Mid-2011	1,000	1,300
	Mid-2011 to Mid-2016	2,300	2,100
	Mid-2016 to Mid-2021	2,600	2,700
	Mid-2016 to Mid-2026	5,000	5,100
	Mid-2016 to Mid-2031	7,200	7,200
	Mid-2016 to Mid-2036	9,300	9,200
	Mid-2016 to Mid-2041	11,000	10,900
	Mid-2016 to Mid-2046	12,700	12,600

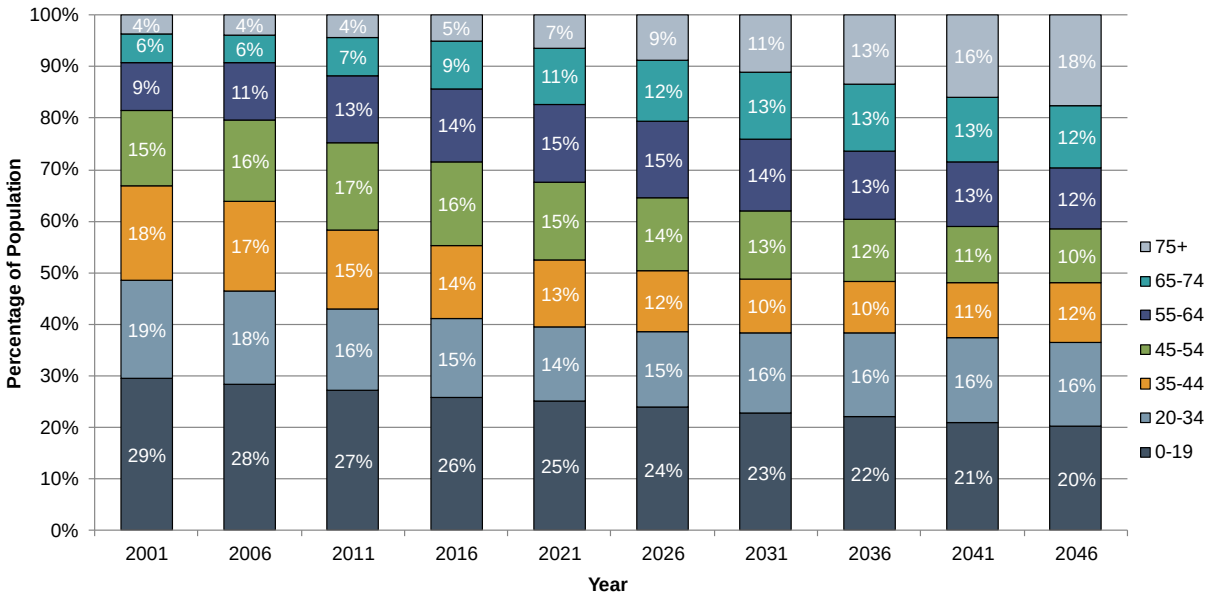
Source: Data from 2001 to 2016 from Statistics Canada Demography Division by Watson & Associates Economists Ltd., 2019.

Note: Census undercount estimated at 2.8%.

Figure 3-5 summarizes historical and forecast trends in population structure by age cohort over the 2016 to 2046 period by major age group. Key observations regarding the Town of Lakeshore's population by age include the following:

- In 2016, the youth population (0 to 19 years old) in the Town of Lakeshore accounted for just over a quarter of the total population. The proportion of population in this age group is anticipated to steadily decline to approximately 20% by 2046;
- The proportion of the Town's adult population between 20 to 54 years of age is forecasted to steadily decrease from 45% in 2016 to 38% in 2046;
- By 2046, the Town's empty-nesters and younger seniors' population (55 to 74 years old) is expected to slightly increase to 24% from 23% in 2016; and,
- The proportion of population related to the Town's older seniors age group (75 years old and over) is forecasted to substantially increase from 5% in 2016 to 18% in 2046. Looking forward, this is anticipated to place increasing demand on the need for seniors' housing, affordable housing, as well as community and social services to support the Town's growing population base of older residents.

Figure 3-5
Town of Lakeshore
Population Age Structure, 2001 to 2046



Source: Population forecast by age from 2001 to 2016 Statistics Canada census by Watson & Associates Economists Ltd., 2019. 2016 to 2046 population forecast by age prepared by Watson & Associates Economists Ltd., 2019.

3.2.1 Planning for Both Older and Younger Generations in the Town of Lakeshore

Demographic trends strongly influence both housing needs and form (i.e. structure type and density). As previously mentioned, the average age of the population base in the Town of Lakeshore is getting older, due to the large concentration of Baby Boomers (born between 1946 and 1964). These broad demographic trends are similar for Canada as a whole. The first wave of this demographic group turned 70 years of age in 2016.

Not only is the Baby Boom age group large in population, but it is also diverse with respect to age, income, health, mobility, and lifestyle/life stage. Accommodating empty-nesters/seniors is a key planning issue across Canadian municipalities including the Town of Lakeshore, as a growing percentage of the population will reach 65 years of age and older over the next 15 years. As previously mentioned, the aging of the Town's population is anticipated to drive the need for seniors' housing and other housing forms geared to older adults (i.e. assisted living, affordable housing, adult lifestyle housing).

When planning for the needs of older adults, it is important to recognize that the physical and socio-economic characteristics of the 75+ age group (on average) are considerably different than those of younger seniors and the rest of working-age adults (population 20-64 years of age). On average, older seniors have less mobility, less disposable income and typically have increased health care needs compared to younger seniors. Typically, these characteristics associated with this age group drive their relatively higher demand for medium- and high-density housing forms that are in proximity to urban amenities (e.g. hospitals/health care facilities and other community facilities geared towards older seniors).

As previously mentioned, the Town of Lakeshore is also anticipated to accommodate a growing number of young adults and new families seeking competitively priced home ownership and rental opportunities. Access to local employment opportunities within the surrounding commuter-shed of the City of Windsor and Essex County represents the primary draw to young adults and families. Housing demand associated with young adults and families is anticipated to be primarily strong for low and medium-density development – such as single and semi-detached dwellings, townhouses, stacked/back-to-back townhouses and to a lesser extent low to mid-rise high-density rental and ownership housing options.

3.3 Town of Lakeshore Population Growth Outlook – Comparison to Existing Official Plan Population Forecasts

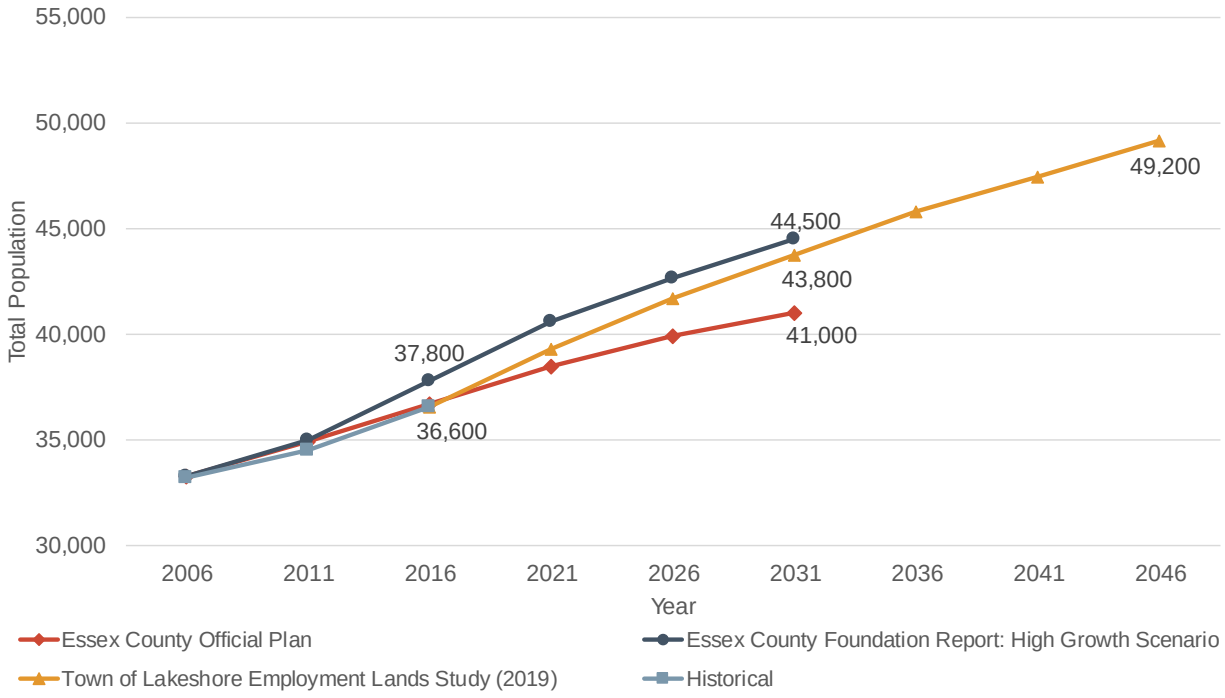
Figure 3-6 compares the recommended population forecast to the current Town of Lakeshore O.P. and Essex County Foundation Report High Scenario. It is noted that the Essex County O.P. forecast for the Town of Lakeshore has been derived from the Essex County Foundation Report (Low Scenario) and extends to a 2031 planning horizon.[1] The population forecast set out in the Town of Lakeshore O.P. is consistent with the Essex County O.P.

Recent demographic and housing trends between 2016 and 2019 suggest that that Town of Lakeshore population forecast is tracking higher than the Town of Lakeshore O.P. forecast. Over the longer-term (i.e. 2031), it is anticipated that the population

[1] The Essex County Official Plan assumes the Low Scenario from the Foundation Report.

forecast for the Town of Lakeshore will more closely align to the Essex County Foundation Report High Scenario by 2031.

Figure 3-6
Town of Lakeshore
Long-Term Population Forecast Comparison, 2006 to 2031



Source: Historical data from Statistics Canada Census, 2001 to 2016. Derived by Watson & Associates Economists Ltd., 2019.
Note: Population figures exclude the net Census undercount estimated at 2.8%.

3.4 Town of Lakeshore Housing Growth Forecast, 2016 to 2046

Figure 3-7 summarizes the housing forecast for the Town of Lakeshore over the 2016 to 2046 period compared to historical housing trends between 2001 and 2016. Key findings regarding the Town-wide housing forecast are outlined below:

- By 2046, the Town's housing base is forecast to increase to approximately 19,600. This represents an increase of approximately 6,400 households over the 30-year forecast period;
- Average housing occupancy levels or persons per unit (P.P.U.) have declined across the Town from 3.02 in 2001 to 2.86 in 2016. This trend is largely driven by the aging of the population base as households occupied by older residents

typically have fewer children than households occupied by younger adults. This declining trend and average housing occupancy levels is expected to continue over the forecast period with average P.P.U. levels forecast to decline to 2.58 by 2046; and

- More than half of new housing growth (67%) is anticipated to be in the form of low-density housing (i.e. single detached/semi-detached) over the 2016 to 2046 period. However, the proportion of medium- and high-density housing forms is forecast to anticipated to gradually increase over the longer-term, driven largely by the aging of the population as well as the gradual erosion of housing affordability.

Figure 3-7
Town of Lakeshore
Summary of Forecast Housing Growth, 2016 to 2046

	Year	Population (Including Census Undercount)	Housing Units					Person Per Unit (P.P.U.): without undercount
			Singles & Semi-Detached	Multiple Dwellings[2]	Apartments[3]	Other	Total Households	
Historical	*Mid-2001*	29,900	9,400	200	200	100	9,900	3.020
	Mid-2006	34,500	11,100	300	200	100	11,700	2.949
	Mid-2011	35,500	11,600	300	200	300	12,400	2.863
	Mid-2016	37,800	12,300	400	200	300	13,200	2.864
Forecast	*Mid-2019*	39,400	13,100	400	200	300	14,000	2.814
	Mid-2021	40,400	13,500	400	300	300	14,500	2.786
	Mid-2026	42,800	14,300	700	400	300	15,700	2.726
	Mid-2031	45,000	15,000	900	500	300	16,700	2.695
	Mid-2036	47,100	15,600	1,200	700	300	17,800	2.646
	Mid-2041	48,800	16,100	1,400	800	300	18,600	2.624
	Mid-2046	50,500	16,600	1,700	1,000	300	19,600	2.577
Incremental	**Mid-2001 to Mid-2006**	4,600	1,700	100	0	0	1,800	
	Mid-2006 to Mid-2011	5,600	500	0	0	200	700	
	Mid-2011 to Mid-2016	2,300	700	100	0	0	800	
	Mid-2016 to Mid-2019	1,600	800	0	0	0	800	
	Mid-2016 to Mid-2021	2,600	1,200	0	100	0	1,300	
	Mid-2016 to Mid-2026	5,000	2,000	300	200	0	2,500	
	Mid-2016 to Mid-2031	7,200	2,700	500	300	0	3,500	
	Mid-2016 to Mid-2036	9,300	3,300	800	500	0	4,600	
	Mid-2016 to Mid-2041	11,000	3,800	1,000	600	0	5,400	
	Mid-2016 - Mid-2046	12,700	4,300	1,300	800	0	6,400	

Source: Watson & Associates Economists Ltd., 2019.

[1] Census undercount estimated at approximately 2.8%.

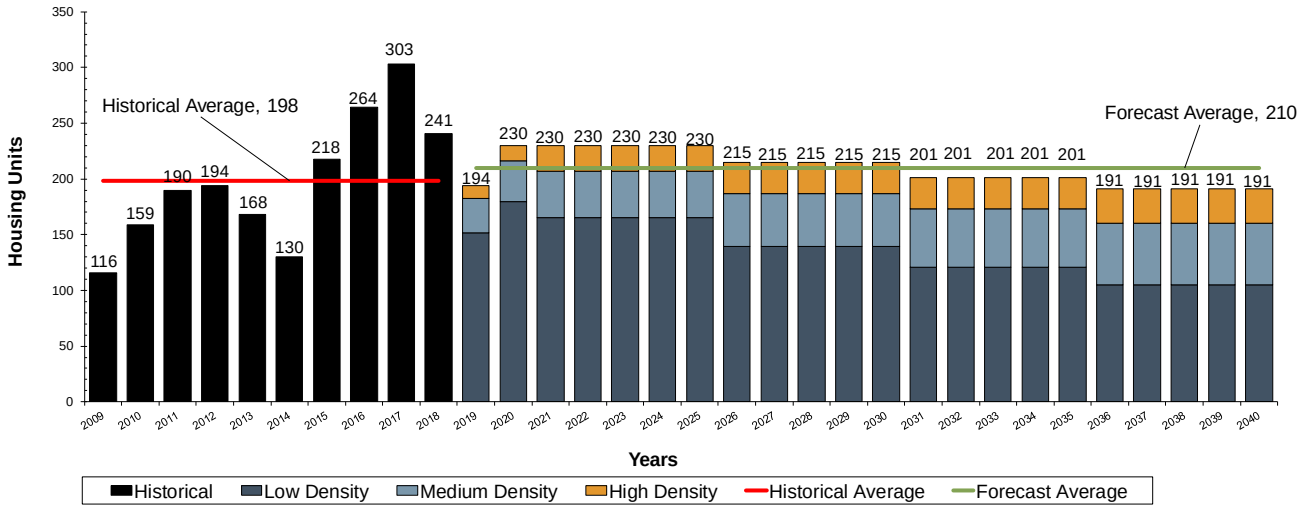
[2] Includes townhouses and apartments in duplexes.

[3] Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

Figure 3-8 conceptually summarizes forecast annual housing growth between 2019 to 2041 for the Town of Lakeshore in accordance with the housing forecast summarized above in Figure 3-7. Recent residential building permit activity (average of 198 building permits issued per year for new dwellings between 2009 to 2018) is also provided for historical context. Key trends include:

- Over the 2019 to 2046 forecast period, annual housing growth is forecast average 210 households per year;
- New residential development within the Town of Lakeshore will continue to be concentrated in low-density housing forms, largely driven by demand from new families and empty-nesters/young seniors. However as mentioned previously, the share of medium- and high-density housing forms of future housing growth is anticipated to gradually increase primarily driven by demand from both young adults and seniors; and
- Housing growth activity is expected to be strongest across the 2021 to 2026 period with demand gradually diminishing over the remainder of the forecast period as population and labour force growth rates moderate over time.

Figure 3-8
Town of Lakeshore
Historical and Forecast Annual Housing Growth, 2009 to 2046



Source: Historical housing activity derived from Town of Lakeshore building permit data, 2008-2018.

3.5 Town of Lakeshore Employment Growth Forecast, 2016 to 2046

The Town of Lakeshore's long-term economic and employment growth potential is largely tied to the success of the broader regional, provincial and national economy. As previously discussed in Chapter 2, a broad range of economic conditions and development factors are anticipated to influence the growth potential and competitiveness of the Town of Lakeshore economy over the long term. As summarized in Figure 3-9, these economic and development factors can generally be grouped into four broad geographic categories or levels, including: national/provincial, regional, community and site-specific. These factors will not only impact the rate and magnitude of employment growth but they will also influence the form and density of non-residential development and corresponding demand for urban lands in employment and mixed-use commercial areas.

Figure 3-9
Economic and Regional/Local Development Factors Influencing Competitiveness

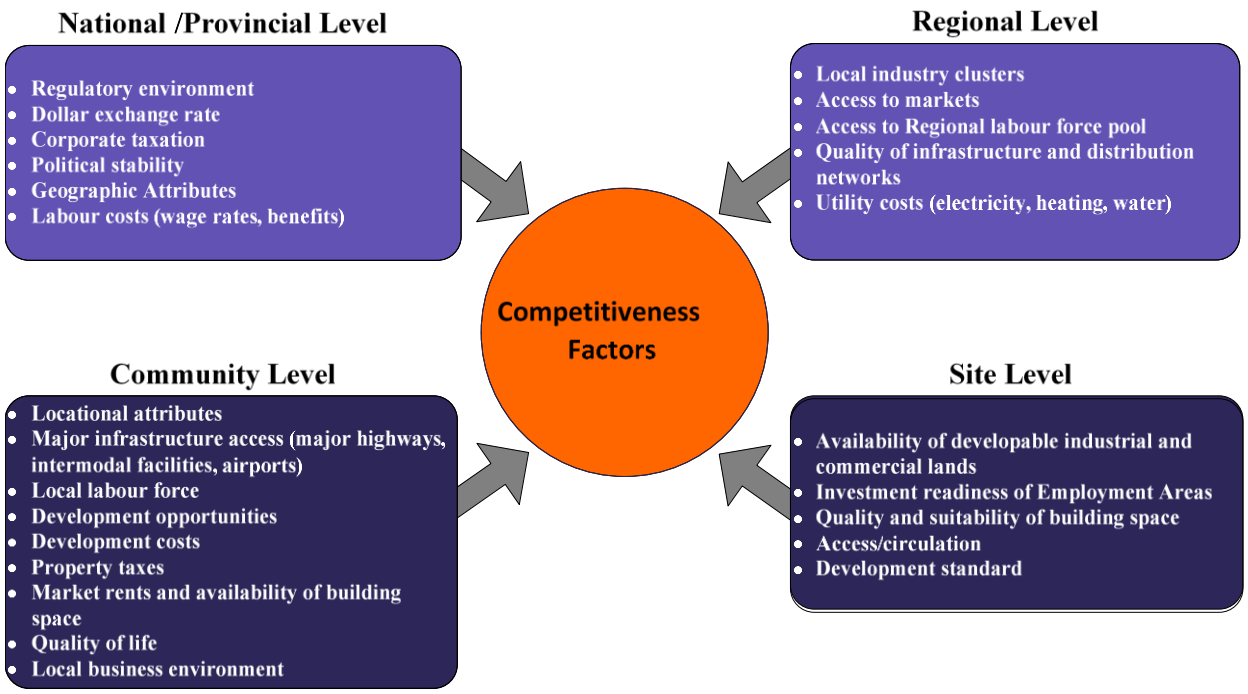


Figure 3-10 summarizes long-term employment growth potential for the Town of Lakeshore from 2016 to 2046.[1] This forecast is largely based on the activity rate method, which is defined as the number of jobs in the Town divided by the number of residents. In forecasting long-term employment trends for the Town, the following employment indicators were also considered:

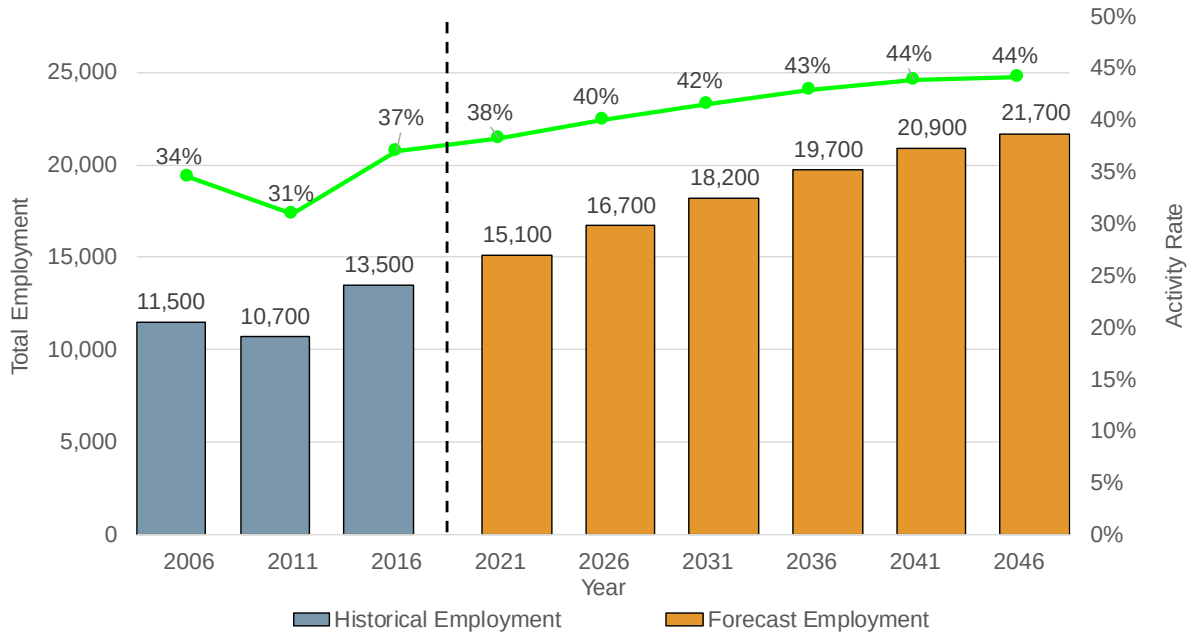
- Historical Census employment growth for the Town of Lakeshore, Essex County and City of Windsor (2001 to 2016);
- Historical non-residential building permit activity by employment sector (2010 to 2018) and employment absorption potential on employment lands;
- An assessment of key export-based industry sectors and their associated long-term growth potential, access; and
- Discussions with Town staff.

The following key observations have been made:

- Total employment is forecast to increase from approximately 13,500 in 2016 to 21,700 in 2046. This is an increase of approximately 8,200 total jobs;[2]
- During the forecast period, the Town's employment activity rate (i.e. ratio of jobs per population) is expected to increase from 37% in 2016 to 44% in 2046;
- Total employment base is forecast to grow at a rate of 1.6% annually over the total forecast period;
- The preferred employment forecast excluding N.F.P.O.W., is tracking from the Essex County Official Plan in 2016 towards the Essex County Foundation Report High Scenario by 2031; and
- The rate of Town-wide employment growth is forecasted to slightly decline over time largely due to the aging of the regional population and labour force base.

[1] Including work at home and No Fixed Place of Work (N.F.P.O.W.) employment. N.F.P.O.W. is defined by Statistics Canada as "persons who do not go from home to the same work place location at the beginning of each shift." Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.
[2] Total employment including work at home and no fixed place of work.

Figure 3-10
Town of Lakeshore
Employment Forecast, 2016 to 2046



Note: Activity rate is calculated with population including the net Census undercount.
Source: 2001 to 2016 from Statistics Canada place of work data including work at home and no fixed place of work.
2016 to 2046 employment forecast derived by Watson & Associates Economists Ltd., 2019.
Note: Numbers have been rounded

Figure 3-11 provides a more detailed forecast of employment growth by major sector for the Town across the forecast period in comparison to recent historical trends. Key observations by major employment sector include:

Primary Employment

Primary industries consist of agriculture and other resource-based employment and comprise a relatively small proportion of the Town's employment base. While this sector represents an important component of the regional economic base, it is not anticipated to experience significant employment growth within the near term or longer term within the Town of Lakeshore.

Industrial Employment

The Town's Employment Areas have a strong presence of manufacturers in the auto-sector. These manufacturers range in large (auto-parts manufacturers) and small-scale operations that service auto-sector manufacturers (e.g. tool and die operators). These

operations are concentrated in the Patillo/Advance Industrial Area and County Road 22 Corridor Employment Areas in the Maidstone Urban Area and represent a large portion of the Town's industrial base. As previously stated, the regional and local industrial sector was hit particularly hard during the 2008/2009 global economic downturn. Between 2006 to 2011, the Town's industrial base contracted by approximately 1,260 jobs, but has since rebounded steadily. Between 2011 and 2016, the Town added a total of 2,100 industrial jobs. As previously mentioned, the broader regional economy within the Windsor-Essex Area has also recovered steadily over the past several years. This recovery is expected to fuel steady local industrial employment growth over the long term, provided that an adequate supply of serviced employment land is provided within the Town's industrial areas.

By 2046, the Town's industrial employment base is forecast to reach approximately 10,300 employees, which represents an increase of 3,700 industrial jobs between 2016 and 2046, or approximately 45% of total employment growth. It is anticipated that this employment growth will be largely concentrated in sectors related to small/medium-scale manufacturing (primarily firms that are technology intensive), construction, energy and environmental technology, wholesale trade as well as transportation and warehousing.

Commercial Employment

Retail employment in the Town is anticipated to increase modestly over the forecast period through small- and medium-scale retail developments which primarily service the local population. These small- to medium-scale retail developments that service the local population can be seen in the Town's primary and second nodes such as Belle River, Comber Main Street Area, and Stoney Point Main Street Area. The Manning Road/Highway 22 and St. Clair Beach area includes some larger stores (20,000 to 50,000 sq.ft.) in the Town, while smaller retailers are located in the Town's nodes (e.g. Belle River), waterfront areas and hamlets. Regional shopping centres and big box retailers (greater than 50,000 sq.ft.) primarily found in the City of Windsor will continue to be major draws in the area.

Commercial employment (i.e. retail and office development) represents a key component of employment growth in the Town of Lakeshore. Over the forecast period, commercial employment within the Town is anticipated to increase by approximately 1,600 jobs, comprising approximately 20% of total employment growth. A large portion

of this employment growth will be directly related to population-related employment sectors, including retail and accommodation/food services. The Town is also expected to see a steady employment increase in the business service sector (i.e. real estate, finance, insurance and professional/scientific services), primarily in multi-tenant office space.

Institutional Employment

The Town's employment base is anticipated to steadily increase in the institutional sector driven by the need for increased health services, education and other institutional facilities (i.e. cultural, religious, schools) associated with population growth. The Town is also expected to see an increase in seniors' health facilities/services, including retirement homes and assisted living facilities, as well as other institutional-related development due to a moderately growing, but steadily aging population base. Between 2016 to 2046, the Town's institutional employment base is forecast to increase by approximately 900 jobs, accounting for 11% of total employment growth.

Work-at-Home Employment

In addition to reviewing employment trends by usual place of work, consideration has also been given to the employment outlook in the Town for employees who work at home. Over the forecast period, work at home employment in the Town is expected to expand by approximately 600 jobs and this will largely be driven by growth in the knowledge-based and creative sectors. Employment growth in this category will be facilitated by opportunities related to telecommuting and increased technology. Demographics also play a role in the future outlook for work at home employment. As the Town's population and labour force continues to age, it is likely that an increased number of working and semi-retired residents will be seeking lifestyles that will allow them to work from home on a full- or part-time basis.

No Fixed Place of Work (N.F.P.O.W.) Employment

Over the forecast period, N.F.P.O.W. is anticipated to increase by just over 1,200 jobs and account for 15% of total employment growth. Job growth over the long-term will largely be driven by steady employment growth in construction, goods movement and knowledge-based sectors.

Figure 3-11
Town of Lakeshore
Employment Growth Forecast by Sector, 2016 to 2046

Period	Population	Total Activity Rate	Employment							
			Primary	Work at Home	Industrial	Commercial	Institutional	Total	N.F.P.O.W. [1]	Total Employment (Including N.F.P.O.W.)
Mid-2006	33,200	0.345	140	1,200	5,800	2,500	900	10,500	1,000	11,500
Mid-2011	34,500	0.309	110	1,200	4,500	2,600	1,200	9,600	1,100	10,700
Mid-2016	36,600	0.370	160	1,200	6,600	2,900	1,400	12,200	1,400	13,500
Mid-2019	38,400	0.378	170	1,200	7,100	3,000	1,400	12,900	1,600	14,500
Mid-2021	39,300	0.383	180	1,300	7,300	3,100	1,500	13,400	1,600	15,100
Mid-2026	41,700	0.401	200	1,400	8,000	3,500	1,700	14,800	1,900	16,700
Mid-2031	43,800	0.416	230	1,500	8,600	3,800	1,900	16,000	2,100	18,200
Mid-2036	45,800	0.430	230	1,600	9,300	4,100	2,100	17,400	2,300	19,700
Mid-2041	47,500	0.440	250	1,800	9,900	4,300	2,200	18,400	2,500	20,900
Mid-2046	49,200	0.442	260	1,800	10,300	4,500	2,300	19,100	2,600	21,700

Source: Historical employment data from Statistics Canada Census. Forecast by Watson & Associates Economists Ltd., 2019.

[1] Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees as "persons who do not go from home to the same work place location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.

Chapter 4
Employment Land Supply

4. Employment Land Supply

The chapter provides an update of the results of the employment land supply analysis prepared as part of the 2015 Town of Lakeshore Growth Analysis Study. In the preparation of this update, the Consultant Team has worked collaboratively with Town staff to revise the 2015 employment land supply using Geographic Information Systems (G.I.S.) mapping software. The findings of this update include an analysis of current developed and vacant employment land supply by location. A further assessment has also been undertaking regarding the servicing characteristics of the vacant employment lands as well as potential development constraints by employment area.

4.1 Developed Employment Lands

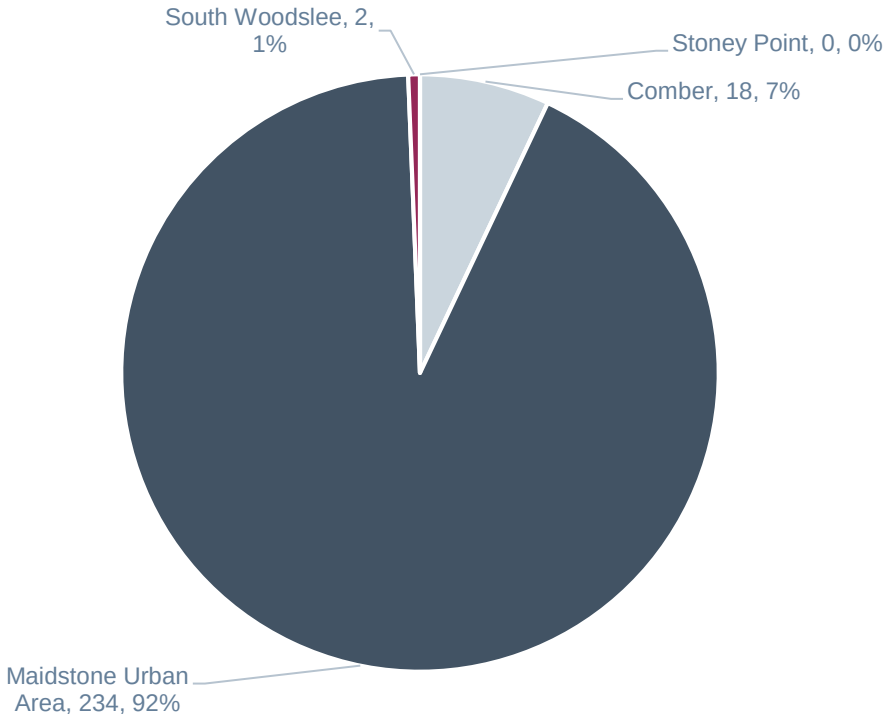
Figure 4-1 and Figure 4-2 summarize the Town's developed employment lands by key development area. As summarized, the Town has a significant amount of developed employment lands within the Maidstone Urban Area (approximately 234 net ha or 92% of total developed employment lands).

Figure 4-1
Developed Employment Lands by Geographic Location in the Town of Lakeshore
Employment Land Supply

Key Development Area	Total Developed (Net Ha)[2]
Comber	18
Maidstone Urban Area[1]	234
South Woodslee	2
Stoney Point	0
Total	**253**

Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.
[1] Excludes future potential development of the Designated Urban Reserve Lands (approximately 243 gross ha).
[2] For the Maidstone Urban Area, includes underutilized employment lands (approximately 24 gross h) and vacant employment lands that have become developed.

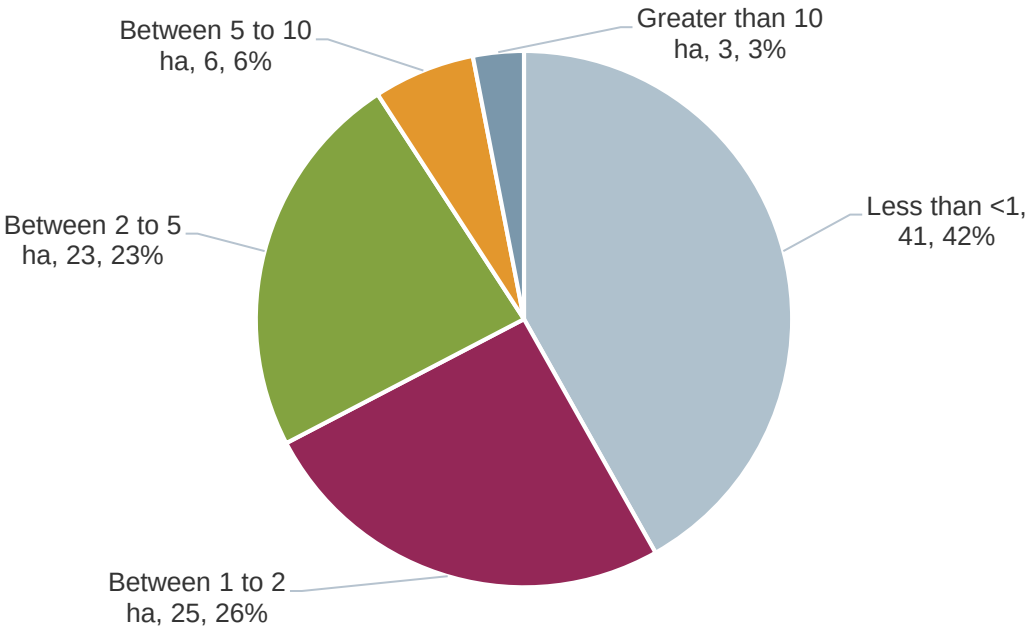
Figure 4-2
Share of Developed Employment Lands by Geographic Location in the Town of Lakeshore



Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.

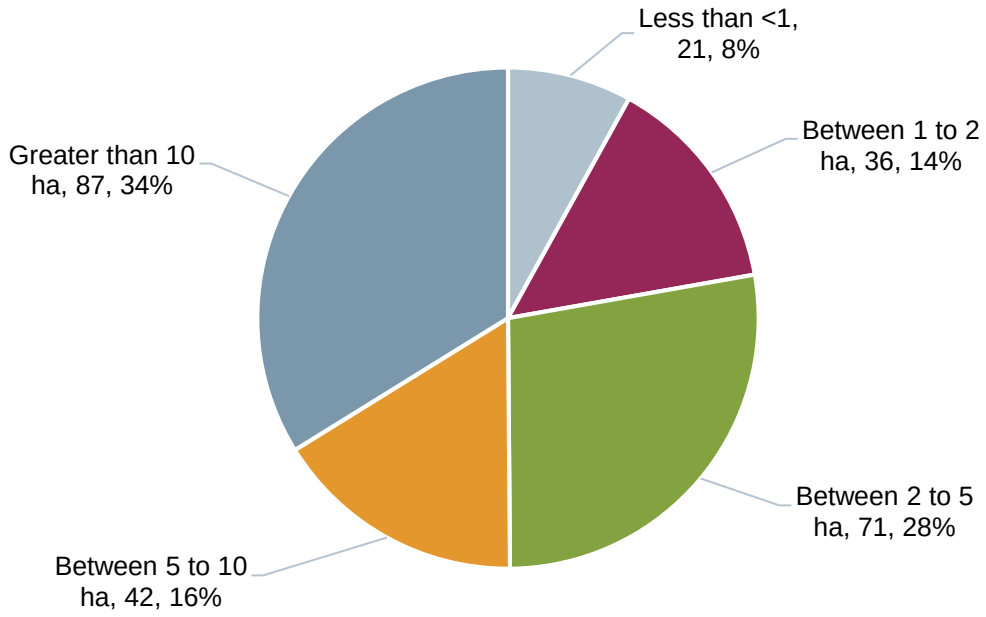
Figure 4-3 and Figure 4-4 summarize developed employment land area by parcel sizes in terms of total land area and number of parcels. Both figures show that though there are few land parcels that are greater than 5 net ha in size (9%). It is noted that parcels greater than 5 net ha in size represent 50% of the developed employment land area within the Town. In contrast, most of the Town's development employment parcels are less than 2 net ha in size (68%), but account for only 22% of the developed employment land area in the Town.

Figure 4-3
Share of Developed Employment Lands by Parcel Size (number of parcels, net ha) in the Town of Lakeshore



Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.

Figure 4-4
Share of Developed Employment Lands by Parcel Size (land area, net ha) in the Town of Lakeshore



Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.

4.2 Vacant Employment Lands

The supply and quality of the Town's vacant employment lands are major factors of the Town's future competitiveness. This updated analysis of vacant employment lands identifies that the Town has 315 gross ha (779 gross acres) of vacant land designated as "Employment Area". After adjusting for local infrastructure and long-term land vacancy, the Town's net developable designated vacant employment land supply is estimated at 189 net ha (468 net acres), as outlined in Figure 4-5.

Figure 4-5
Town of Lakeshore
Vacant Employment Land Supply

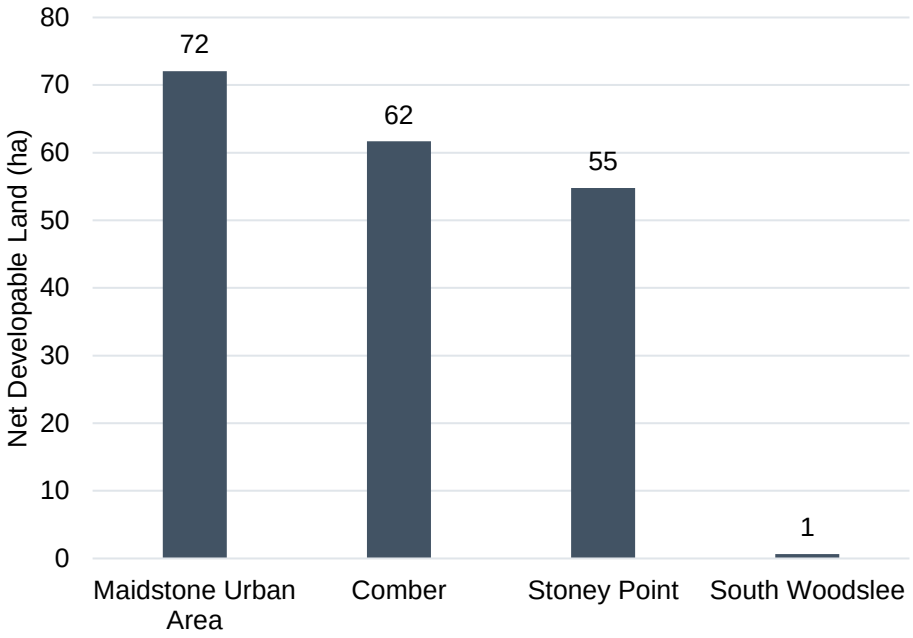
Key Development Area	Total Developed (net ha)[2]	Vacant Employment Land Supply (Gross Hectares)					Net Developable Land (ha)	
		Serviced[3],[4]	Serviceable (Medium Term)	Constrained (Long Term)	Wallace Woods Secondary Plan Area[5]	Total Vacant Land Supply (gross ha)	Net Developable Land (ha)[6]	Net Developable Land Adjusted for Long-Term Vacancy (ha)[7]
Comber	18	0	13	90	0	103	82	62
Stoney Point	0	0	0	91	0	91	73	55
Maidstone Urban Area[1]	234	4	48	37	31	120	96	72
South Woodslee	2	0	0	1	0	1	1	1
Total	253	4	61	220	31	315	252	189

Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.
Note: numbers may not add precisely due to rounding.
[1] Excludes future potential development of the Designated Urban Reserve Lands (approximately 243 gross ha).
[2] For the Maidstone Urban Area, includes underutilized employment lands identified by the Town (approximately 24 ha) and vacant employment lands that have become developed.
[3] Excludes underutilized lands. The Town has identified approximately 24 gross ha as underutilized in the Maidstone Urban Area.
[4] The Town has identified that the lands south of Jutras Drive and west of Patillo Road, covering a land area of 41 hectares, has a limited amount of servicing still available, however, the servicing would not cover the majority of the area.
[5] Based on the land identified as the Business Park in the Wallace Woods Concept Plan Report, April 15, 2013. The total land area of the Wallace Woods Secondary Plan Area is approximately 478 hectares which includes employment, residential, commercial and mixed uses.
[6] A downward adjustment of 20% of the gross area has been applied to account for internal infrastructure.
[7] Long-term industrial land vacancy adjustment of 25% of net developed and net vacant industrial lands. Accounts for industrial land sites which may not develop over the long term (i.e. 2041) due to odd/small lot size and poor configuration, underutilized employment sites, and sites inactive/land banking.

Long-term land vacancy (i.e. vacant industrial parcels) is a common characteristic which is experienced in mature industrial areas throughout Ontario, including the Town of Lakeshore. Typically, as industrial/business park lands are brought to market, the more marketable and developable industrial sites absorb first. Often the remaining less-marketable sites are fragmented throughout the industrial area, which limits their potential for larger scale development. Invariably, many of these sites remain vacant over the longer term, due to their limited market choice to end users. Accordingly, additional reductions to the net developable vacant industrial land supply have been made to account for long-term land vacancy, as summarized in Figure 4-5 above. This adjustment accounts for sites or portions of sites which are unlikely to develop over the long term due to odd/small lot sizes and poor configuration, unfavourable site conditions, underutilized industrial sites and site inactivity/land banking, which may tie up potentially vacant and developable lands. For the purpose of this analysis, an estimate of approximately 25% long-term land vacancy has been used.

The largest share of vacant designated employment lands is located within the Maidstone Urban Area (72 net ha) despite steady development activity since 2015 (Figure 4-6). These vacant designated employment lands include the Patillo/Advance Industrial Area, the County Road 22 Industrial Corridor, and the Lakeshore West/Manning Road Industrial Area. No changes have been made to the other Key Development Areas (e.g. Comber, Stoney Point, and South Woodslee) since the preparation of the 2015 Growth Analysis Study in terms of the vacant designated employment land supply for these areas.

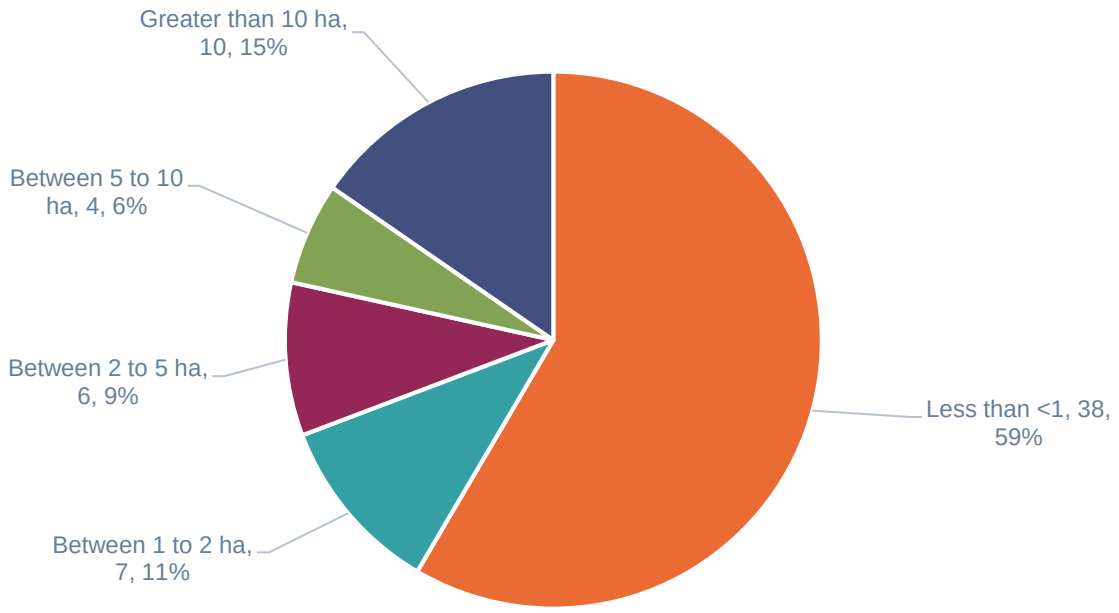
Figure 4-6
Town of Lakeshore
Net Supply of Vacant Employment Land Supply by Key Development Area



Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.
Note: Maidstone Urban Area Includes Wallace Woods Secondary Plan Area. Excludes potential from Urban Reserve Lands and Underutilized lands.

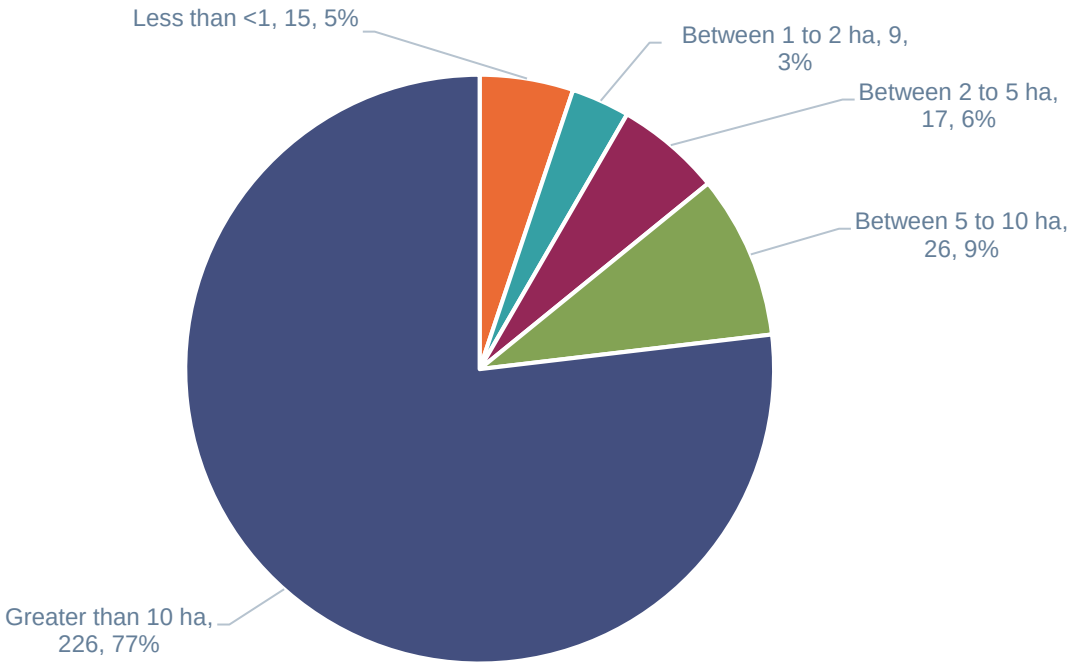
Figure 4-7 and Figure 4-8 summarize vacant employment land area by parcel sizes in terms of total land area and number of parcels. Figure 4-7 identifies that there are relatively few vacant parcels greater than 5 ha in size (21% of total vacant employment sites. Furthermore, many of these larger vacant parcels are constrained over the long-term. In contrast, although most vacant employment land parcels are less than 2 ha (70%), these sites comprise only 8% of the Town's vacant employment land supply in terms of developable land area.

Figure 4-7
Share of Vacant Employment Lands by Parcel Size (number of parcels, gross ha) in the Town of Lakeshore



Source: Derived by Watson & Associates Economists Ltd. from Town of Lakeshore data.
Note: does not account for Wallace Woods Secondary Plan of approximately 31 gross ha.

Figure 4-8
Share of Vacant Employment Lands by Parcel Size (land area, gross ha) in the Town of Lakeshore



Source: Derived by Watson & Associates Economists Ltd. from Town of Lakeshore data.
Note: does not account for Wallace Woods Secondary Plan of approximately 31 gross ha.

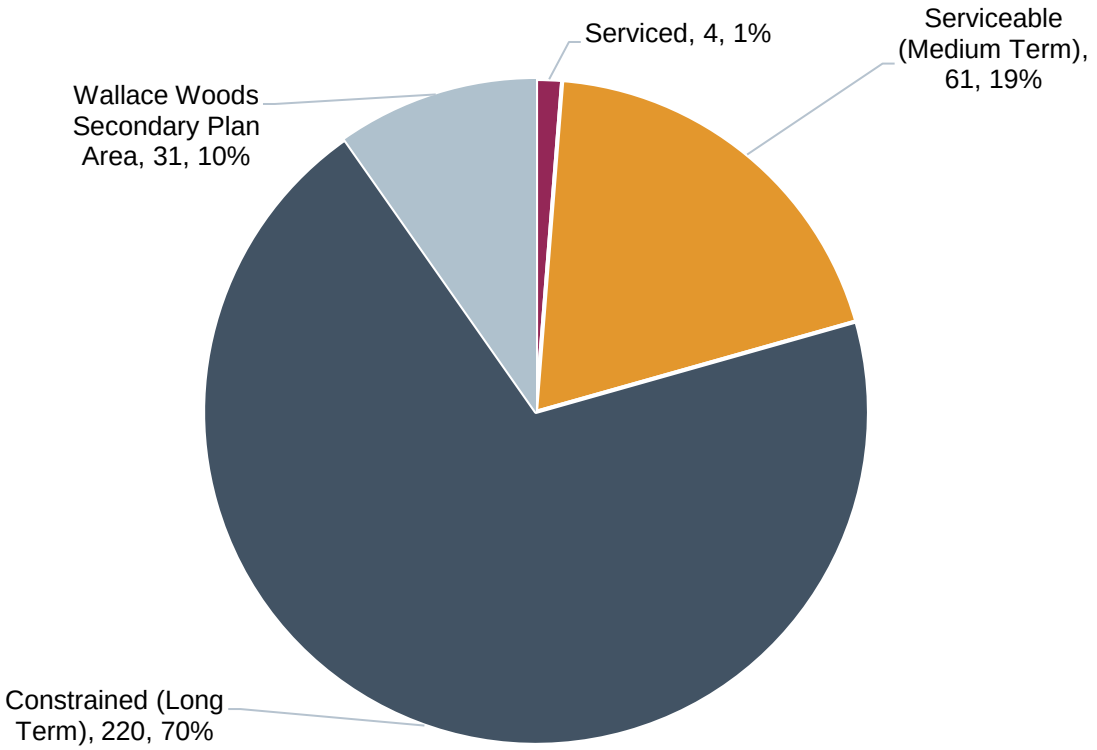
4.2.1 Supply of Serviced and/or Serviceable Vacant Employment Lands

Figure 4-9 summarizes the share of total designated employment land by stage of servicing. This figure identifies that approximately 1% of the Town's total designated vacant employment land supply is municipally serviced or shovel-ready for development. Comparably, the percentage share of vacant employment lands which can be defined as shovel-ready has decreased since the completion of the 2015 Growth Analysis Study largely as a result of recent development within the Maidstone Urban Area over the past 4 years.

It is also noted that the Town has a considerable amount of vacant employment lands which are identified as being constrained with respect to water and wastewater servicing, representing approximately 70% of the total vacant employment land supply

or 220 ha. It is important for the Town to address these constrained lands as they currently form part of the Town's potential urban employment lands inventory. These constrained sites potentially inhibit the Town's ability to rationalize the expansion of the Town's existing urban Employment Areas.

Figure 4-9
Designated Vacant Land Supply by Servicing Type in the Town of Lakeshore



Source: Derived by Watson & Associates Economists Ltd. based on discussions and G.I.S land supply data provided from Town of Lakeshore staff.
Note that serviced includes lands that are shovel-ready for development. Serviceable includes lands that could receive servicing within 10 years. Constrained includes lands that have servicing constraints and servicing these lands is beyond a 10-year period. Wallace Woods includes lands that are identified in the secondary plan as 'business park'.

4.3 Market Choice Requirements

From a market choice perspective, one of the most important industrial site selection criteria relates to ensuring that an ample supply of suitable vacant serviced (and serviceable) industrial land is available for purchase and absorption. This can be largely controlled by the Town by providing a readily available and serviced employment

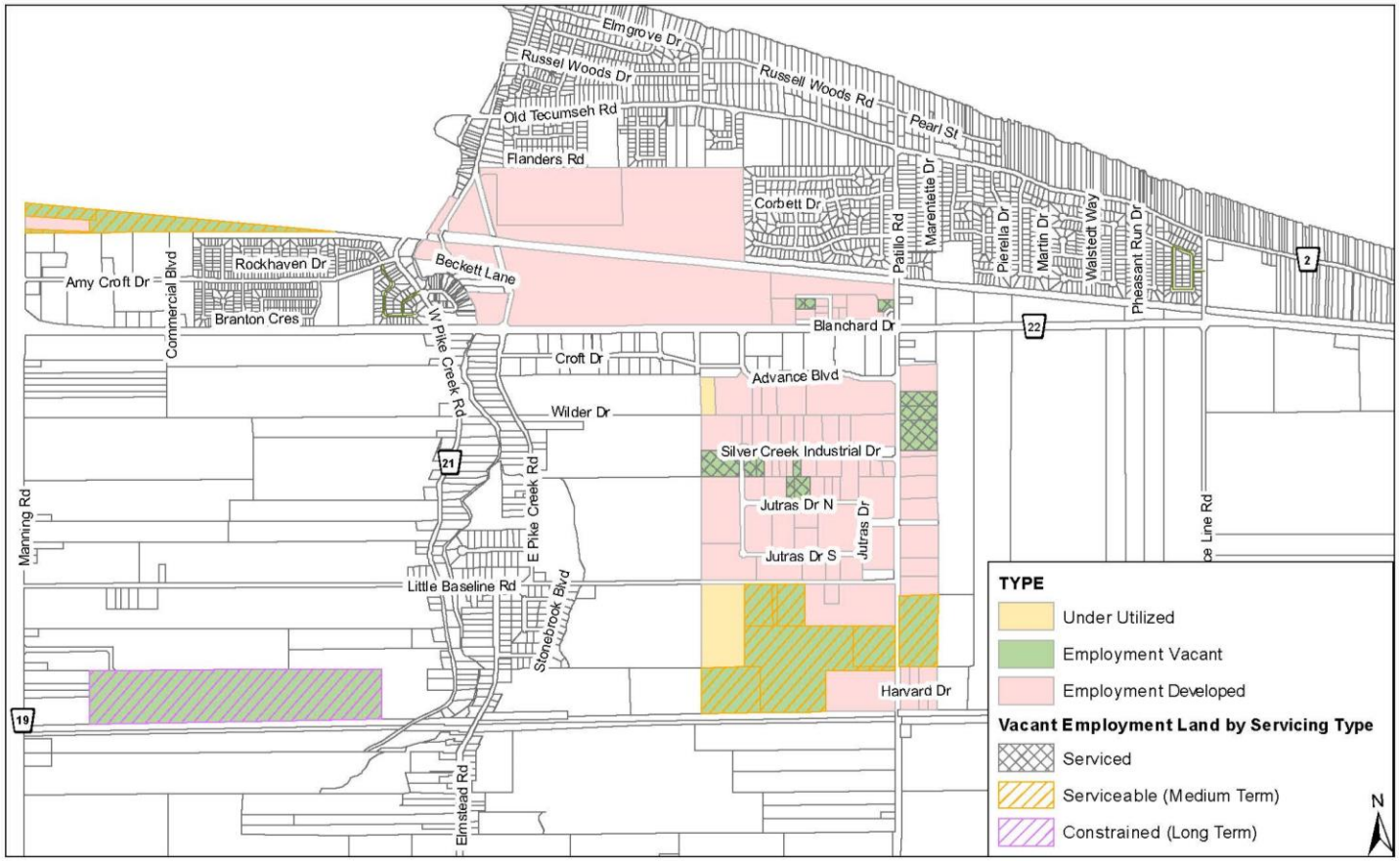
land supply that is beyond forecast absorption across a range of site selection choices in terms of:

- Price;
- Site size;
- Availability and cost of servicing;
- Neighbourhood and setting;
- Surrounding supportive uses and industries;
- Zoning;
- Visibility;
- Highway access;
- Other physical characteristics (topography, environmental conditions/soil conditions, buffering);
- Tenure (lease vs. design build vs. own); and,
- Other industrial land market requirements, including site proportioning (frontage to depth), timing of servicing, site expandability, etc.

To ensure that the market for employment lands is not unduly constrained, it is recommended that the Town of Lakeshore provide a balanced inventory of shovel-ready and designated developable vacant employment lands that is sufficient to meet demand in the short to medium term. If the Town of Lakeshore is to offer an adequate supply of industrial land over both the short- and long-term planning periods, it needs to provide a full range of industrial sites on the market, particularly larger developable sites (i.e. greater than 5 ha), which can accommodate medium to large-scale businesses as well as future expansion potential. Long term servicing constraints on many of the Town's vacant employment lands also remains a challenge. If these development constraints identified on larger-scale industrial sites are not addressed, potential forecast industrial absorption may be impeded.

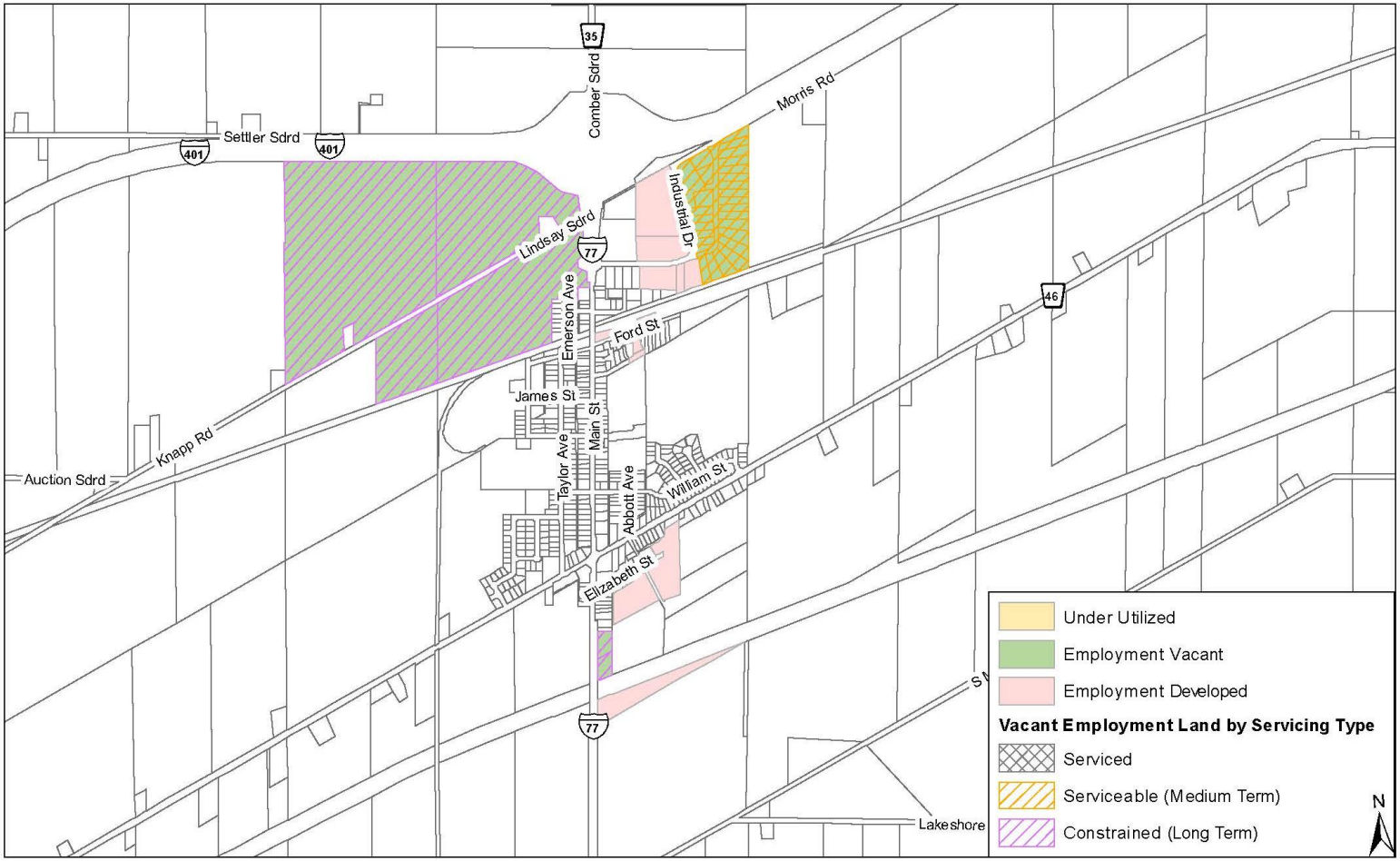
Map 4-1 to Map 4-4 illustrate the location of the Town's developed and vacant employment land supply by industrial area and availability (i.e. serviced, serviceable and constrained). As previously mentioned, the Maidstone Urban Area is the only employment area within the Town that has experienced development activity since the completion of the 2015 Growth Analysis Study. Most of this development activity has occurred on vacant serviced (shovel-ready) employment lands that were between 1 to 2 ha and within the Patillo Road industrial area.

Map 4-1
Maidstone Urban Area
Developed and Vacant Employment Land Supply



Source: Mapping provided by the Town of Lakeshore (Nov 2019)

Map 4-2
Comber Urban Area
Developed and Vacant Employment Land Supply



Source: Mapping provided by the Town of Lakeshore (Nov 2019)

Map 4-3
Stoney Point Urban Area
Developed and Vacant Employment Land Supply

Source: Mapping provided by the Town of Lakeshore (Nov 2019)

Map 4-4
South Woodslee Hamlet
Developed and Vacant Employment Land Supply

Source: Mapping provided by the Town of Lakeshore (Nov 2019)

Chapter 5
Employment Land Need

5. Employment Land Need

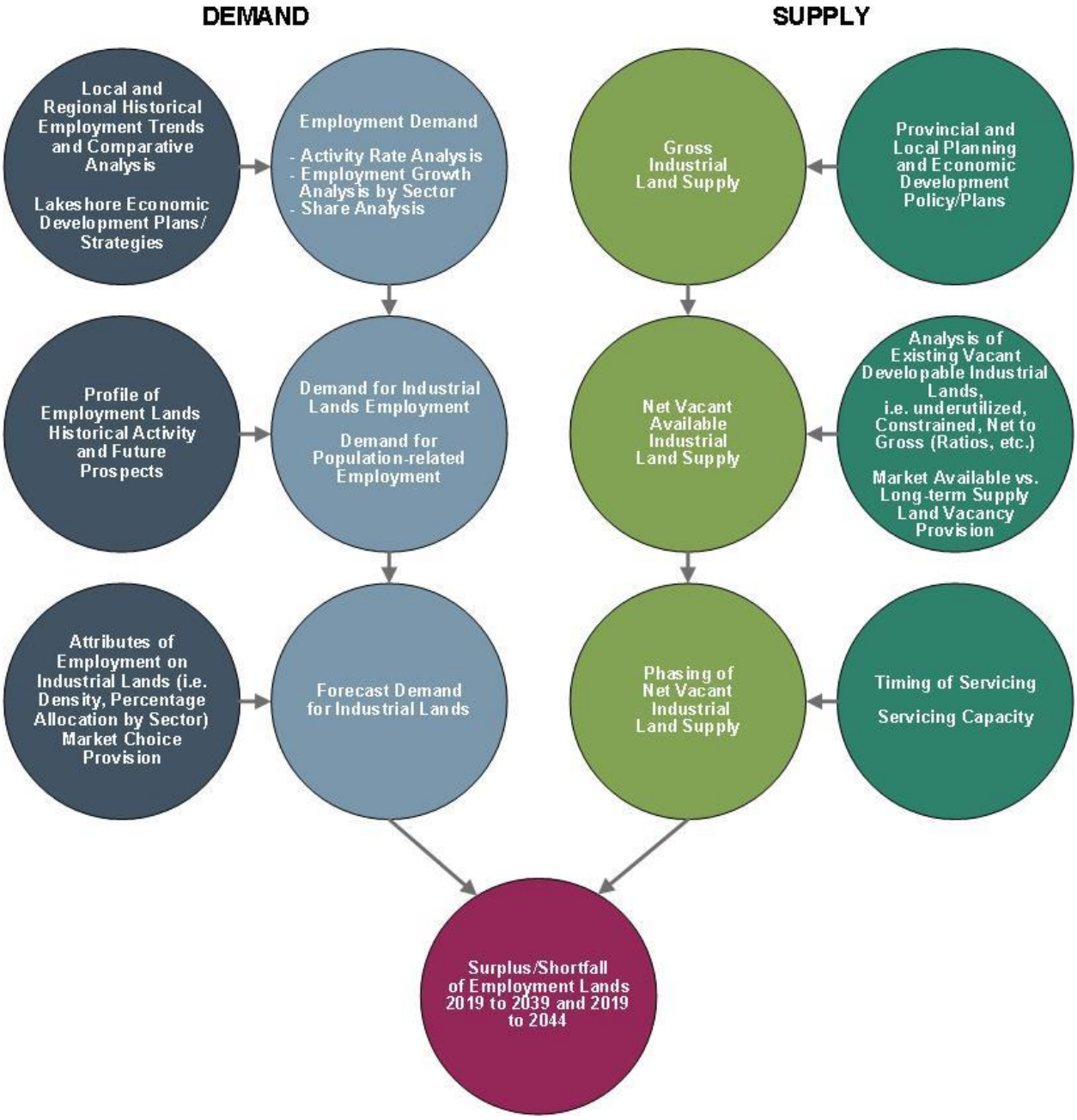
5.1 Employment Land Demand, 2019 to 2039 and 2019 to 2044

Building on the long-term employment forecast presented in Chapter 3, and employment lands supply summarized in Chapter 4, anticipated employment land needs requirements have been identified over the next 20 to 25 years based on consideration of the following:

- The share of employment growth on employment lands by major employment sector (i.e. industrial, commercial and institutional);
- Recent trends regarding historical non-residential building activity and absorption trends on employment lands by key growth area;
- Existing and forecast average density (i.e. employees per net acre/hectare) of employment on employment lands; and
- The amount of long-term vacant industrial lands in the Town of Lakeshore.

Figure 5-1 illustrates this approach graphically.

Figure 5-1
Schematic Approach to Forecasting Long-Term Need for Employment Lands



In generating employment land area requirements for the Town of Lakeshore, the following steps have been undertaken:

- **Remove Work-at-Home Employment**

As identified in the growth analysis provided in Chapter 3, forecast employment growth has been categorized into four major categories, including primary, industrial, commercial and institutional, based on 2016 Census data. These categories have been aggregated from specific employment sub-classifications based on the North American Industrial Classification (N.A.I.C.S.) system. As a first step, all estimated work at home and no fixed place of work employment has been excluded from the industrial land needs analysis, as these employees do not require land in designated industrial areas.

- **Determine the Amount of Industrial, Commercial, and Institutional (I.C.I.) Employees on Employment Lands**

A breakdown of employment by major sector (I.C.I.) on employment lands for the Town of Lakeshore was estimated in accordance with recent development activity. Figure 5-2 presents the percentage of employment by major sector (I.C.I.) on employment lands assumed during the long-term forecast period

Figure 5-2
Town of Lakeshore Proportion of Employment Growth on Urban Employment Lands by Major Employment Sector

Employment Sector	Percentage of Total Town Employment on Urban Employment Lands
Industrial	97%
Commercial	36%
Institutional	1%

Source: Derived from Watson & Associates Economists Ltd.
Note may not add precisely due to rounding

- **Forecast Employment on Urban Employment Lands, 2019 to 2044**

Figure 5-3 summarizes forecast employment on employment lands over the short-, medium- and long-term forecast periods, based on the assumed allocation of growth on employment lands assigned by I.C.I., as set out in Figure 5-2. Over the 2019 to 2039

period, Lakeshore's employment lands are anticipated to accommodate 57% of the Town's total employment growth, resulting in approximately 3,000 employees. Over the 2019 to 2044 period, Lakeshore's employment lands are anticipated to accommodate 60% of the Town's total employment growth, resulting in approximately 3,700 employees.

Figure 5-3
Employment Growth on Urban Employment Lands, 2019 to 2044

Employment by ICI	Employment Growth by Sector		Employment Growth on Employment		Percent on Employment Lands (2039)	Percent on Employment Lands (2044)
	2019 - 2039	2019 - 2044	2019 - 2039	2019 - 2044		
Primary	77	96	-	-	0%	0%
Work at Home	469	584	-	-	0%	0%
Industrial	2,607	3,263	2,529	3,165	97%	97%
Commercial	1,301	1,443	468	519	36%	36%
Institutional	818	821	8	8	1%	1%
Total	**5,272**	**6,206**	**3,006**	**3,693**	**57%**	**60%**

Source: Derived by Watson & Associates Economists Ltd.

Note may not add precisely due to rounding

- **Forecast Employment Density on Employment Lands**

Existing employment density on employment lands in Lakeshore was based on a review of a sample of recently developed employment land parcels in the Town of Lakeshore. Based on this review, recent employment density levels on employment lands in Lakeshore averaged 33 jobs per net ha (13 jobs per net acre). In accordance with regional trends in southwestern Ontario, the average density levels on employment lands are moderately declining and are anticipated to continue to do so over the long-term forecast period. Structural changes in the economy are also changing the character of economic activities on employment lands and impacting employment density. Recent trends primary include: 1) increasing demand for warehousing/logistics and transportation uses for the growing "goods movement" sectors which tend to be of lower employment density; and 2) increased automation in the manufacturing sector as domestic manufacturers focus their efforts on increased efficiency and competitiveness through automation.

Given these factors, it is foreseeable that future densities on employment lands in the Town of Lakeshore will be slightly lower on average than existing densities achieved on the Town's employment lands. Based on our review of recent development activity on

employment lands and anticipated market trends, an average employment density of 30 jobs per net ha (12 jobs per net acre) has been assumed over the long-term forecast period. The forecast employment land density identified herein has been used in generating future land demand on employment lands.

- **Determine Employment Land Demand within the Town of Lakeshore, 2019 to 2044**

Figure 5-4 summarizes forecast demand for employment lands from 2019 to 2039 and 2019 to 2044. Figure 5-5 illustrates forecast annual absorption for the Town of Lakeshore over the 2019 to 2039 period in comparison to historical trends. Key observations include:

- Over the planning horizon, an estimated 10% of the total employment growth forecast on employment lands is expected to be accommodated through intensification. It is anticipated that most of this intensification will be accommodated through infill, redevelopment and expansion of existing developed employment lands in the Maidstone Urban Area;
- The Town of Lakeshore is forecast to absorb an annual average of approximately 5 net ha per year (11 net acres per year) from 2019 to 2039;
- Over the 20 a 25-year planning horizon, employment land demand is forecast to total 90 and 111 net ha, respectively (223 and 274 net acres).

Figure 5-4
Town of Lakeshore Forecast Urban Employment Land Demand, 2019 to 2044

Growth Period	Total Employment on Urban Employment Lands	Intensification on Urban Employment Lands *	Total Employment on Employment Lands Adjusted for Intensification	Employment Density (jobs per net ha)	Total Urban Land Demand (ha)	Annual Urban Employment Land Absorption (ha)
2019 - 2039	3,006	301	2,705	30	90	5
2019 - 2044	3,693	369	3,323	30	111	4

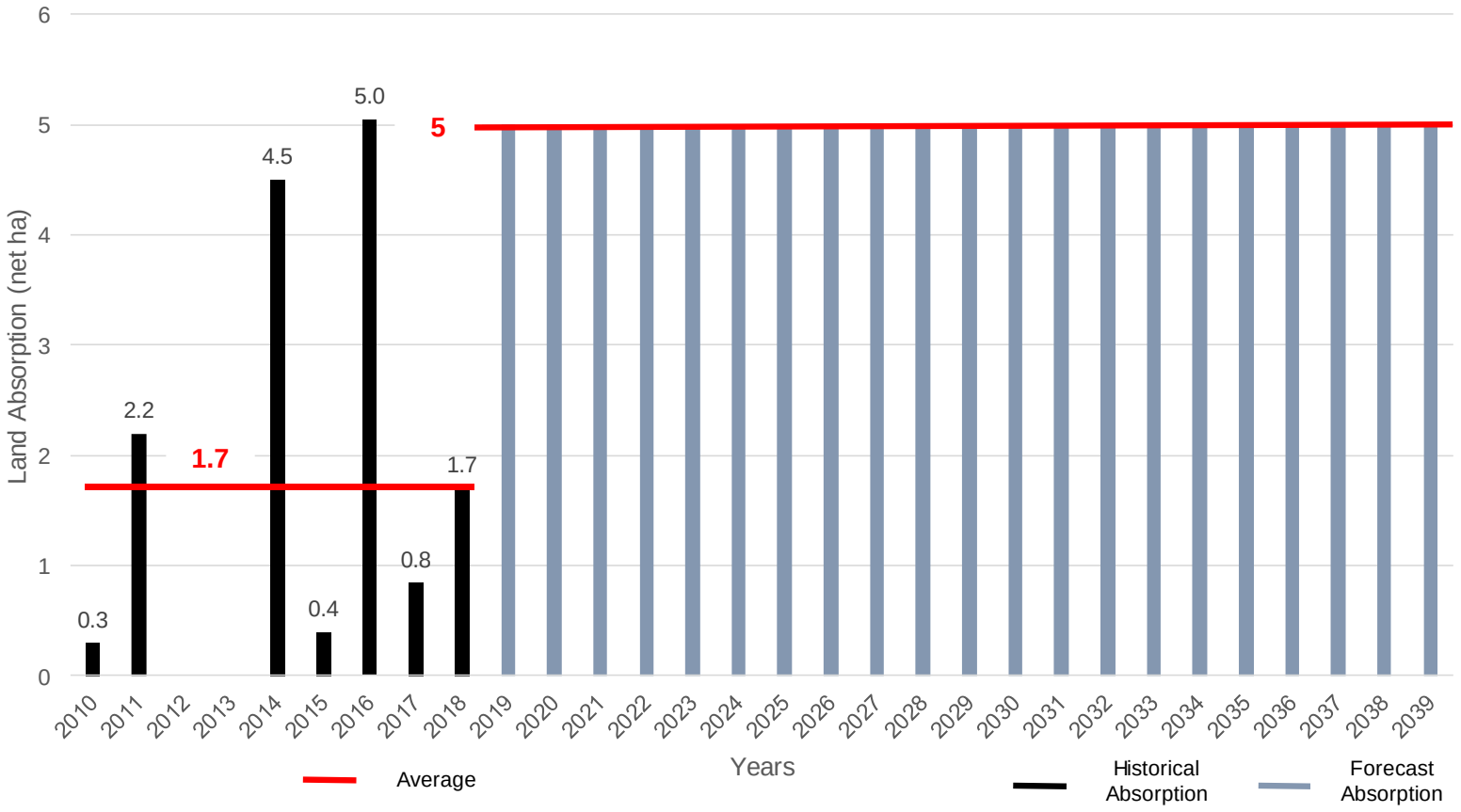
* Assumes 10% of employment will be accommodated through intensification.

Source: Derived by Watson & Associates Economists Ltd.

Note may not add precisely due to rounding

Figure 5-5 provides a conceptual illustration of forecast annual industrial absorption over the 2019 to 2039 period relative to historical absorption activity on employment lands between 2010 to 2018.

Figure 5-5
Annual Urban Employment Land Needs Forecast, 2019 to 2039



Source: Derived by Watson & Associates Economists Ltd.

5.2 Employment Land Needs within the Town of Lakeshore, 2019 to 2039 and 2019 to 2044

Figure 5-6 summarizes the long-term forecast need for employment lands within the Town of Lakeshore over a 20-year planning horizon. In accordance with the existing supply of developable vacant employment lands compared against long-term demand, Lakeshore has a surplus supply of approximately 99 net ha (245 net acres) of employment lands.

Figure 5-6
Employment Land Needs, 2019 to 2039

	2019 - 2039	
	Hectares	Acres
Net Employment Land Demand	90	223
Net Employment Land Supply	189	468
Net Employment Land Surplus	99	245

Source: Derived by Watson & Associates Economists Ltd.

Figure 5-7 summarizes the long-term forecast need for employment lands within the Town over a 25-year planning horizon. In accordance with the existing supply of developable vacant employment lands compared against long-term demand, Lakeshore has a surplus supply of approximately 78 net ha (194 net acres) of employment lands.

Figure 5-7
Employment Land Needs, 2019 to 2044

	2019 - 2044	
	Hectares	Acres
Net Employment Land Demand	111	274
Net Employment Land Supply	189	468
Net Employment Land Surplus	78	194

Source: Derived by Watson & Associates Economists Ltd.

It is noted that the employment land surpluses identified in Figure 5-6 and Figure 5-7 include the designated employment land supply within the Wallace Woods Secondary Plan, which is 31 gross ha (77 gross acres).

Previously discussed in this report, a large portion of the Town's employment lands are constrained. Figure 5-8 and 5-9 summarize the impact on the Town's long-term employment land needs by removing constrained employment lands from the Town's supply land supply inventory. If the constrained employment lands within the Town's employment land supply were removed, the Town would potentially experience an employment land shortfall of between 33 to 53 net ha (81 to 132 net acres) over the 20 to 25-year forecast period.

This identified net land need does not reflect site-specific takeouts, including open space, arterial roads/rail, stormwater ponds and easements which require an upward adjustment to determine gross land. Assuming a 75% net to gross land area ratio, this translates into a minimum requirement of 45 gross ha (112 gross acres) by 2039 and 80 gross ha (198 gross acres) by 2044. It is also noted that forecast gross employment land needs do not include environmentally sensitive lands.

Figure 5-8
Employment Land Needs, 2019 to 2039 (Constrained Employment Lands Excluded from Employment Land Inventory)

	2019 - 2039	
	Hectares	Acres
Net Employment Land Demand	90	223
Net Employment Land Supply	57	142
Net Employment Land Shortfall	-33	-81

Source: Derived by Watson & Associates Economists Ltd.

Figure 5-9
Employment Land Needs, 2019 to 2044 (Constrained Employment Lands Excluded from Employment Land Inventory)

	2019 - 2044	
	Hectares	Acres
Net Employment Land Demand	111	274
Net Employment Land Supply	57	142
Net Employment Land Shortfall	-53	-132

Source: Derived by Watson & Associates Economists Ltd.

Chapter 6
Conclusions

6. Conclusions

The following provides a summary of the key findings provided in this report:

- The Town of Lakeshore's population is forecast to steadily increase from approximately 37,800 in 2016 to 50,500 by 2046. This represents an annual population increase of approximately 1% over the 30-year forecast period. During the latter half of the forecast period, it is expected that the rate of forecast growth will begin to slow due to the aging of the regional population and labour force base.
- The proportion of the Town's seniors' population is forecast to steadily increase over the next several decades. This is anticipated to place increasing demand on the need for medium and high-density housing forms including seniors' and affordable housing.
- Similar to the broader regional area as a whole, population growth within the Town is expected to be driven by net migration. As the Town's population continues to age, population growth associated with natural increase (births less deaths) is expected to decline.
- By 2046, the Town's housing base is forecast to increase to approximately 19,500. This represents an increase of approximately 6,400 households over the 30-year forecast period and an annual housing growth forecast average of 210 households per year.
- Over the past five years, the regional economy has continued to recover from the 2008/2009 global economic downturn. During this time period, the Town of Lakeshore's local industrial base has steadily grown in sectors primarily related to manufacturing, administrative and support, waste management and remediation services, transportation, warehousing, and construction. The Town has also experienced moderate to strong employment growth within the health care and social assistance, professional, scientific, and technical services, education, wholesale trade, retail trade, and accommodation and food services sectors.
- Looking forward, the Town's total employment is forecasted to increase from approximately 13,500 in 2016 to 21,700 in 2046. This represents an increase of approximately 8,200 total jobs or just under 1.6% annually. The rate of Town-wide employment growth is forecast to slightly decline overtime largely due to the aging of the regional population and labour force base.

- The Town has approximately 189 net ha (468 net acres) of vacant, potentially developable employment land. Despite the availability of vacant employment land, the Town continues to have a limited number of serviced, large, vacant industrial parcels conducive for larger-scale industrial development.
- Over the 2019 to 2039 planning horizon, the Town is forecast to add a total of approximately 3,000 jobs to its designated Employment Areas. To accommodate this employment growth, the Town is forecast to absorb 90 net ha (223 net acres) of its vacant employment land inventory. Based on the Town's existing supply of developable vacant employment land, the Town has a sufficient supply of employment lands to meet long-term employment land needs over the next 20 to 25 years, assuming the Town's developable designated employment lands are serviced in a timely manner.
- It is noted that the Town has a considerable amount of vacant employment lands which are identified as being constrained with respect to water and wastewater servicing, representing approximately 70% of the total vacant employment land supply or 220 ha (544 acres). It is important for the Town to address these constrained lands as they currently form a large part of the Town's potential urban employment lands inventory. As such, these constrained sites potentially inhibit the Town's ability to rationalize the expansion of the Town's existing urban Employment Areas.
- If the constrained employment lands within the Town's employment land supply were removed, the Town would potentially experience an employment land shortfall of between 33 to 53 net ha (81 to 132 net acres) over the 20 to 25-year forecast period.
- This identified net land need does not reflect site-specific takeouts, including open space, arterial roads/rail, stormwater ponds and easements which require an upward adjustment to determine gross land. Assuming a 75% net to gross land area ratio, this translates into a minimum requirement of 45 gross ha (112 gross acres) by 2039 and 80 gross ha (198 gross acres) by 2044. It is also noted that forecast gross employment land needs do not include environmentally sensitive lands.

Appendices

Appendix A
Town of Lakeshore Components of Population Change

Appendix A: Town of Lakeshore Components of Population Change

Figure A-1 summarizes the population growth forecast by major age group over the 2016 to 2046 period for the Town of Lakeshore. Key observations include:

- The percentage of population in the 0-19 age cohort (youth population) is forecast to slightly decline from 26% in 2016 to 20% in 2046;
- The population share of the 20-34 age cohort is forecast to experience a minimal increase from 15% in 2016 to 16% in 2046;
- Population in Lakeshore within the 34-54 age group is forecast to steadily decline from 30% in 2016 to 22% in 2046;
- The 55-74 age group (empty-nesters/younger seniors) is forecast to slightly increase from 23% in 2016 to 24% in 2046; and
- The percentage of the population in the 75+ age group (older seniors) is forecast to more than triple over the 30-year period, from 5% in 2016 to 18% in 2046.

Figure A-1
Town of Lakeshore
Total Historical and Forecast Population by Age Cohort, 2001 to 2046

Population by Age Cohort (Excluding Census undercount) [1]

Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046
0-19	8,500	9,500	9,300	9,400	9,900	9,900	9,900	10,000	9,900	9,900
20-34	5,600	6,100	5,400	5,600	5,600	6,000	6,800	7,400	7,800	8,000
35-44	5,300	5,800	5,300	5,200	5,100	4,900	4,600	4,500	5,100	5,700
45-54	4,200	5,200	5,800	6,000	5,900	5,900	5,700	5,500	5,100	5,100
55-64	2,700	3,700	4,500	5,200	5,900	6,200	6,100	6,100	5,900	5,700
65-74	1,600	1,800	2,500	3,400	4,200	4,900	5,700	5,900	5,900	5,900
75+	1,100	1,300	1,500	1,800	2,500	3,600	4,800	6,100	7,600	8,600
Total	**29,000**	**33,400**	**34,300**	**36,600**	**39,100**	**41,400**	**43,600**	**45,500**	**47,300**	**48,900**

Percentage of Population by Age Cohort

Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046
0-19	29%	28%	27%	26%	25%	24%	23%	22%	21%	20%
20-34	19%	18%	16%	15%	14%	14%	16%	16%	16%	16%
35-44	18%	17%	15%	14%	13%	12%	11%	10%	11%	12%
45-54	14%	16%	17%	16%	15%	14%	13%	12%	11%	10%
55-64	9%	11%	13%	14%	15%	15%	14%	13%	12%	12%
65-74	6%	5%	7%	9%	11%	12%	13%	13%	12%	12%
75+	4%	4%	4%	5%	6%	9%	11%	13%	16%	18%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: 2001 to 2016 Derived from Statistics Canada, Demography Division (Catalogue no. 91C0005) , by Watson & Associates Economists Ltd. 2016 to 2046 Forecast by Watson & Associates Economists Ltd., 2019.

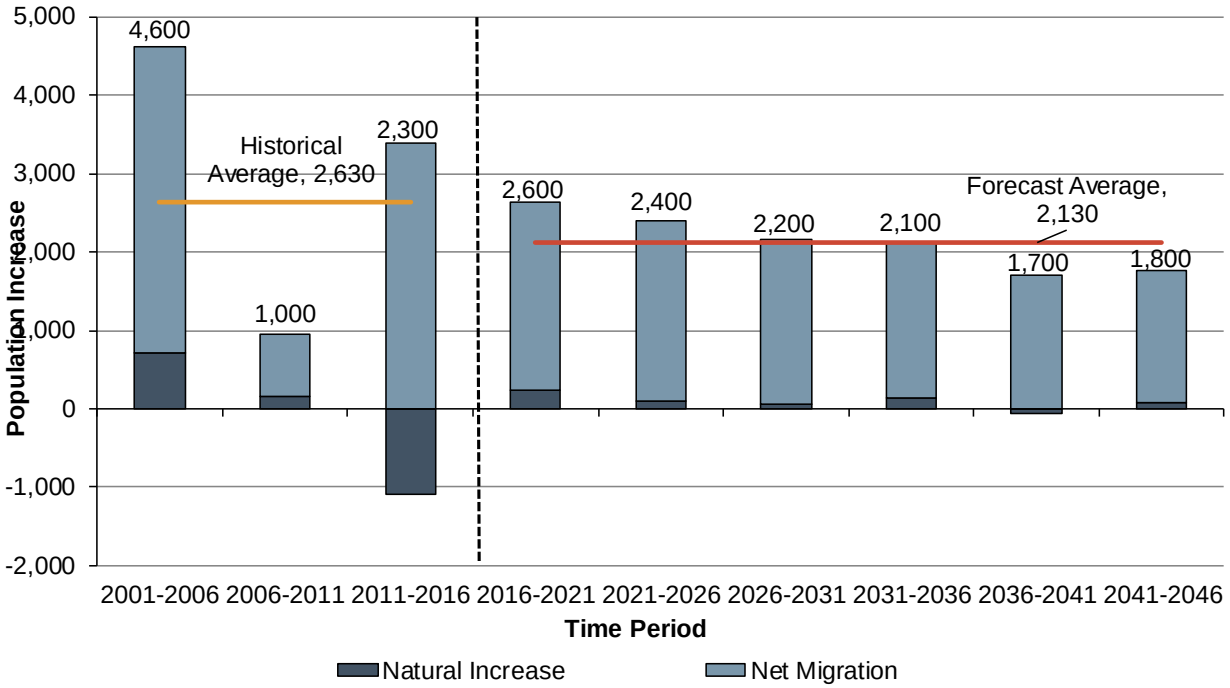
[1] Population excludes Census undercount of approximately 2.8%.

Note: Figures may not add precisely due to rounding.

Figure A-2 summarizes historical and forecast population change trends from 2001 to 2046, categorized by natural increase and estimated net migration. The following trends can be seen:

- Historical levels of net migration have been strong in Lakeshore, averaging approximately 2,700 new residents annually through immigration;
- Natural increase between 2001 and 2016 has been trending negatively, averaging a decline of roughly 80 persons annually; and
- Over the 2016 to 2046 period, net migration levels are anticipated to remain positive but slightly lower than historical levels. In contrast, population change associated with natural increase is anticipated to be positive across the forecast period.

Figure A-2
Town of Lakeshore
Historical and Forecasted Population Change by Natural Increase and Estimated Net Migration, 2001 to 2046

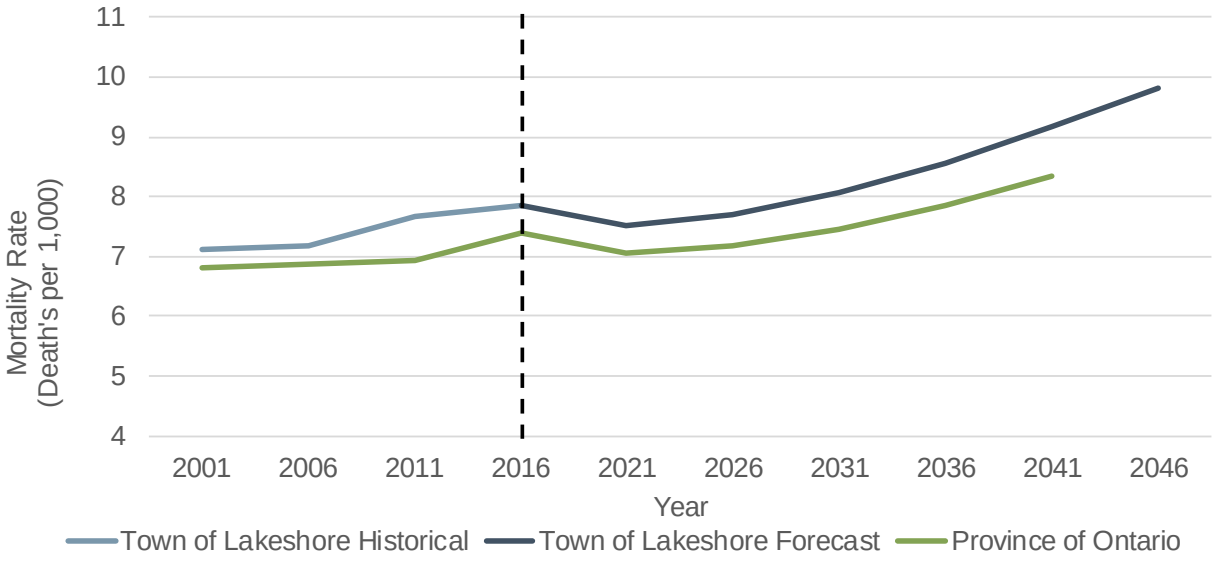


Source: 2001 to 2016 derived from Statistics Canada, Demography Division, by Watson & Associates Economists Ltd., 2019. 2016 to 2046 net migration forecast prepared by Watson & Associates Ecoomists Ltd., 2019.
Note: Includes Census undercount of approximately 2.8%.

Figure A-3 presents historical and forecast mortality rates for the Town of Lakeshore from 2006 to 2046. These rates are compared against the Province of Ontario's

historical and projected mortality rates which are generated by the Ministry of Finance. As summarized below per capita mortality rates are moderately higher in the Town of Lakeshore relative to the provincial average. Over the forecast period, mortality rates in Lakeshore are anticipated to rise similar to the Province due to the aging of the population base.

Figure A-3
Town of Lakeshore
Historical and Forecast Mortality Rates Compared to the Province of Ontario, 2001 to 2046

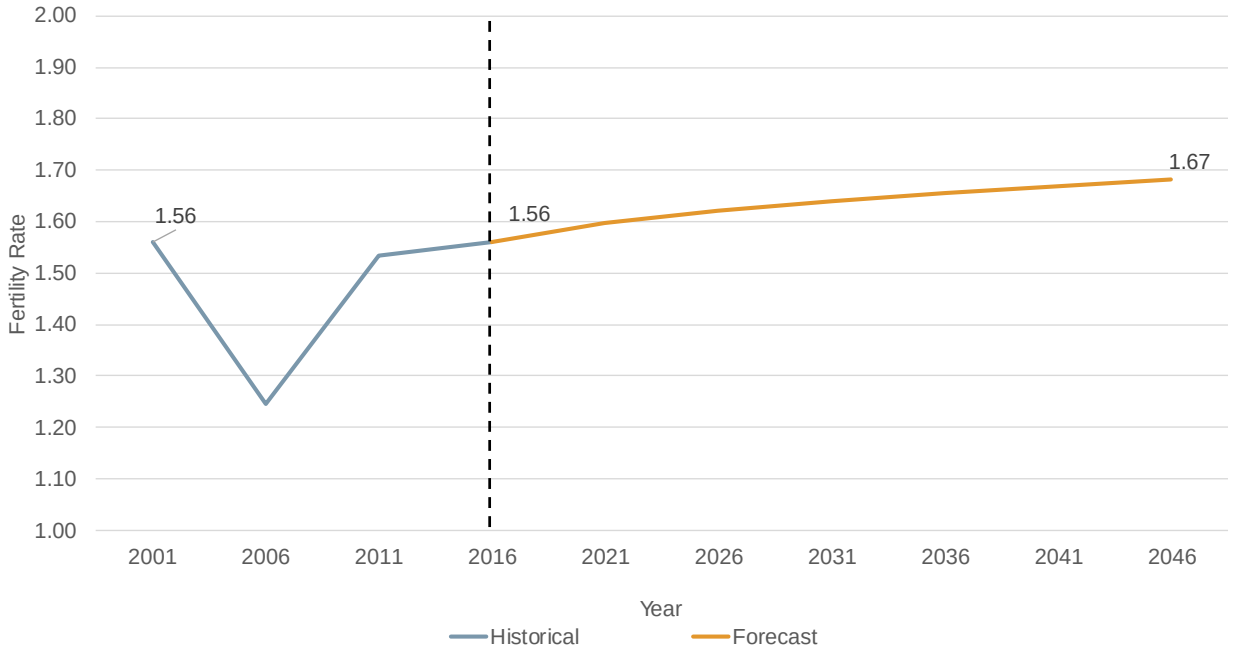


Source: Statistics Canada Demography Division (Catalogueno. 91C0005). Town of Lakeshore mortality rate from 2016 to 2046 forecast prepared by Watson & Associates Economists Ltd., 2019. Province of Ontario mortality rate forecast derived from Ministry of Finance (MoF), Ontario Population Projections Update, Spring 2018.

Figure A-4 summarizes historical and forecast fertility rates[1] for the Town of Lakeshore. In contrast to provincial trends, historical fertility rates in the Town have fluctuated over the past 15 years. For the purpose of this study the logarithmic function was used as the basis for determining the Town's forecast fertility rate. Using this calculation, fertility rates in Lakeshore are anticipated to increase from 1.56 in 2016 to 1.67 in 2046. The Ministry of Finance Spring 2018 Projections forecast a fertility rate of 1.5 to 1.6 for the Province as a whole.

[1] A fertility rate is defined as the average number of children a woman will bear in her lifetime.

Figure A-4
Town of Lakeshore
Historical and Forecast Fertility Rates, 2001 to 2046



Source: Historical fertility rate data by age of mother provided by Vital Statistics, Ontario, Office of the Registrar General. Total fertility rate data provided by Statistics Canada Demography Division (Catalogue no. 91C0005). Fertility rate forecast prepared by Watson & Associates Economists Ltd., 2019.

Appendix B
Town of Lakeshore Headship Rates

Appendix B: Town of Lakeshore Headship Rates

Figure B-1 provides a summary of forecast headship rates for the Town of Lakeshore by household maintainer. Key observations include:

- Between 2006 and 2016, the Town's total headship rate increased slightly from 0.34 to 0.35;
- Headship rates by age of household maintainer are not anticipated to vary over the forecast period; and
- By 2046, the Town's total headship rate is expected to continue to rise to 0.39.

Figure B-1
Town of Lakeshore
Historical and Projected Headship Rates, 2006 to 2046

Age Cohort	Household Headship Rates								
	2006	2011	2016	2021	2026	2031	2036	2041	2046
0-14	-	-	-	-	-	-	-	-	-
15-24	0.03643	0.03126	0.01755	0.01755	0.01755	0.01755	0.01755	0.01755	0.01755
25-34	0.39142	0.35308	0.33210	0.33210	0.33210	0.33210	0.33210	0.33210	0.33210
35-44	0.46693	0.49540	0.47968	0.47968	0.47968	0.47968	0.47968	0.47968	0.47968
45-54	0.54545	0.51442	0.52984	0.52984	0.52984	0.52984	0.52984	0.52984	0.52984
55-64	0.54266	0.57476	0.54692	0.54692	0.54692	0.54692	0.54692	0.54692	0.54692
65-74	0.54357	0.59310	0.57222	0.57222	0.57222	0.57222	0.57222	0.57222	0.57222
75+	0.69098	0.60429	0.59184	0.59184	0.59184	0.59184	0.59184	0.59184	0.59184
Total	**0.33680**	**0.34750**	**0.34865**	**0.35679**	**0.36374**	**0.37021**	**0.37486**	**0.38158**	**0.38670**

Source: Statistics Canada Census. 2016 to 2046 prepared by Watson & Associates Economists Ltd., 2019.

Note: Population Inclding an estimated undercount of 2.8%.