



Report to Growth Planning Steering Committee

From: Warden Grant Jones, Chair of the Growth Planning Steering Committee
Mat Vaughan, Director of Planning and Development

Date: March 11, 2025

Subject: Updated growth forecasts and land needs assessment for County of Elgin

Recommendation(s):

THAT the report titled “Updated growth forecasts and land needs assessment for County of Elgin” from the Chair of the Growth Planning Steering Committee and Director of Planning and Development dated March 11, 2025, be received and filed.

AND THAT County Council direct planning staff to update the County’s adopted Official Plan with the new population and employment projections by requesting that the Ministry of Municipal Affairs and Housing incorporate the changes as part of their Elgin County Official Plan approval process.

Introduction:

As the County continues to work towards finalizing its Official Plan approval process with the Ministry of Municipal Affairs and Housing, several factors influencing population and employment growth have recently changed which have caused the need to revisit the County’s 2022 Population and Employment forecasts. Hemson Consulting has been retained to update the forecasts and has recently shared the update with planning staff. The results and conclusions of Hemson’s update is included herein, along with staff’s recommendations for next steps with the County’s adopted Official Plan.

Background and Discussion:

As part of the Elgin County Official Plan Review Background Analysis, along with other studies, the completion of population and employment projections were completed by Hemson Consulting Ltd. to determine how and where Elgin County would grow.

On November 15, 2023, as part of an update to the Hemson Growth Forecasts and Land Needs Analysis Report, Hemson Consulting Ltd provided a memorandum analyzes on the effect of the Volkswagen EV batter plant in St. Thomas on the long-term growth prospects including population, employment and associated land needs. The overall conclusions of the memorandum were that planned housing growth in Elgin,

as well as planned employment areas, remain an appropriate basis for the County Official Plan and need not be revised.

In a memorandum dated August 30, 2024, Hemson Consulting Ltd provided comments on the proposed expansion of the Norman-Lyndale Tier I settlement area in the Municipality of Central Elgin, which at the time, was based on an increase of 3,000 homes, or 10,000 new residents. The comments were included in a report entitled “Norman-Lyndale Settlement Boundary Expansion” which was presented to Council on September 10, 2024. The memorandum was provided to address the need for additional residential land uses in Central Elgin, and more broadly in the County of Elgin and City of St. Thomas. The outlook on the long-term growth prospects for the County and Central Elgin remained consistent with the conclusions of Hemson’s two previous reports *Population, Housing and Employment Forecasts and Associated Land Needs Analysis* (2022), and an *Update to Hemson Growth Forecasts and Land Needs Analysis Report* (2023).

Based on new information, population projections for the area changed and now estimated at 7,500 - 15,000 residents (2,000 – 7,000 homes). These new projections tipped the scale in reference to current population and employment projections and required an update to the County’s 2023 Population and Employment projections. On October 8, 2024 County Council approved to contract Hemson Consulting Ltd., to update the County’s Population and Employment Projections.

Hemson’s updated growth forecast and land needs assessment examines population, housing, and employment forecasts and incorporates recent developments such as the Fall 2024 Ministry of Finance (MOF) Ontario Population Projections, Volkswagen’s proposed EV battery plant in St. Thomas, and the proposed expansion of the Norman-Lyndale Tier I settlement area.

Key points from Hemson’s assessment include:

1. **Population Projections:** The 2024 MOF Projections estimate a population of 141,600 permanent residents in the Elgin Census Division by 2051, an increase of 9,500 residents compared to previous forecasts.
2. **Volkswagen EV Battery Plant:** Expected to create 2,000 to 3,000 on-site jobs and additional spin-off jobs, significantly impacting regional employment and growth.
3. **Norman-Lyndale Expansion:** Proposed expansion involves 270 acres for residential or mixed uses, potentially increasing Central Elgin’s population growth.
4. **Growth Distribution:** Most additional population and housing growth will occur in Central Elgin, while employment growth will be concentrated in Central Elgin and Southwold.

The projected population growth for Central Elgin from 2021 to 2051 is an additional 3,910 people. This increase is attributed to the potential expansion

of the Norman-Lyndale settlement area and its proximity to the Volkswagen EV battery plant.

Aylmer is projected to grow by 1,480 housing units from 2021 to 2051. This growth is distributed across intensification within the built-up area, development in designated growth areas (DGA), and rural areas.

5. **Land Needs Assessment:** Elgin County has sufficient designated residential land to meet growth projections to 2051, except for Aylmer and Central Elgin, which face land deficiencies.

Based on the housing unit allocations and density assumptions, Aylmer requires 43.9 hectares of net land for the DGA, which translates to 73.1 hectares of gross land when accounting for public lands and infrastructure needs.

The County's employment area land supply is adequate to meet forecast employment growth.

6. **Caution with MOF Projections:** These projections should be interpreted with caution due to their variability and sensitivity to changing Federal policies.
7. **Recommendations:** The assessment suggests that the proposed expansion area in Norman-Lyndale is suitable for urban development, provided municipal services can be extended cost-effectively.

The current analysis indicates that Aylmer faces a land deficiency and will need additional land to meet its long-term residential needs. Aylmer faces a land deficiency of 35.6 hectares to accommodate its projected housing growth by 2051

The memorandum concludes that the updated forecasts align with Provincial planning requirements and provide a framework for addressing the County's evolving land use and growth management needs.

The effects of the VW Plant on Central Elgin

The memorandum indicates that Central Elgin is projected to run out of vacant land before 2051. Specifically, the updated analysis shows that Central Elgin will have a land deficiency of 19.9 hectares by 2051. This is a change from the previous study, which had projected a surplus of 36.7 hectares. Despite having enough vacant land within its Tier 1 and Tier 2 settlement areas to accommodate near-term and long-term housing growth, the vacant residential land in Central Elgin's Tier 1 settlement areas is insufficient to meet long-term residential land needs to 2051.

Therefore, the proposed expansion of the Norman-Lyndale settlement area is considered a suitable solution to address this deficiency, provided that municipal water and wastewater services can be extended to the area cost-effectively.

Financial Implications:

N/A

Alignment with Strategic Priorities:

Serving Elgin	Growing Elgin	Investing in Elgin
<input type="checkbox"/> Ensuring alignment of current programs and services with community need. <input checked="" type="checkbox"/> Exploring different ways of addressing community need. <input checked="" type="checkbox"/> Engaging with our community and other stakeholders.	<input checked="" type="checkbox"/> Planning for and facilitating commercial, industrial, residential, and agricultural growth. <input checked="" type="checkbox"/> Fostering a healthy environment. <input type="checkbox"/> Enhancing quality of place.	<input type="checkbox"/> Ensuring we have the necessary tools, resources, and infrastructure to deliver programs and services now and in the future. <input type="checkbox"/> Delivering mandated programs and services efficiently and effectively.

Local Municipal Partner Impact:

Two LMPs with notable changes in the latest Population and employment lands needs assessment are Central Elgin and Aylmer.

Communication Requirements:

This information should be circulated to all of the local municipalities.

Conclusion:

Hemson's updated analysis aligns with Provincial planning requirements and provides a framework for addressing the County's land use and growth management needs. Based on this analysis, staff are seeking direction from Council to accept Hemson's updated analysis and update the County's adopted new Official Plan with the information contained in the memorandum and bring the Official Plan to a future Council meeting for their review and consideration.

All of which is Respectfully Submitted

Approved for Submission

Mat Vaughan
Director of Planning and Development

Blaine Parkin
Chief Administrative Officer/Clerk