

Peel's Growth Management Program, Development Charge Performance, and Census Results

2021 Overview and Progress

June 23, 2022

Michael Skelly, Growth Management Strategist
Planning & Development Services

Growth Management Program @ a Glance

Outcome: To achieve a financially sustainable complete community where the location and servicing of growth is optimized



Four Implementation Strategies:



Working with our internal partners to ensure master plans along with the sequencing and timing of infrastructure is delivered to support Council's principles of Growth Management



Leveraging Business Intelligence

Integrates land use planning, infrastructure, and financial data to help support decision making on the prioritization of infrastructure investments



Manage Revenues and Expenditures

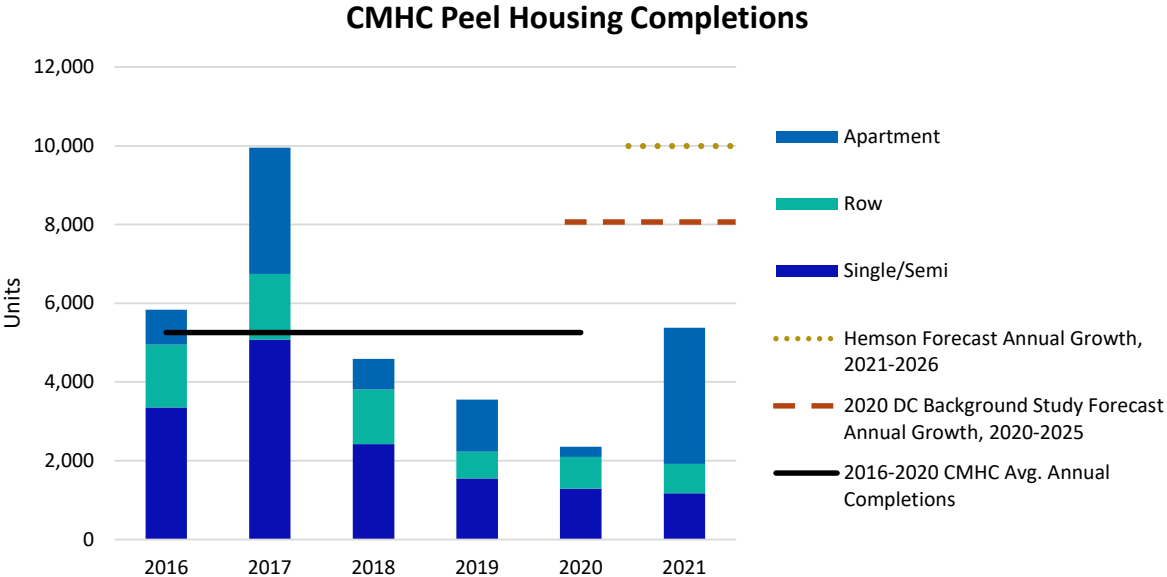
Delivery of the Region's DC By-law and associated financial tools to ensure growth pays for growth and we minimize our financial risk



Internal and External Collaboration

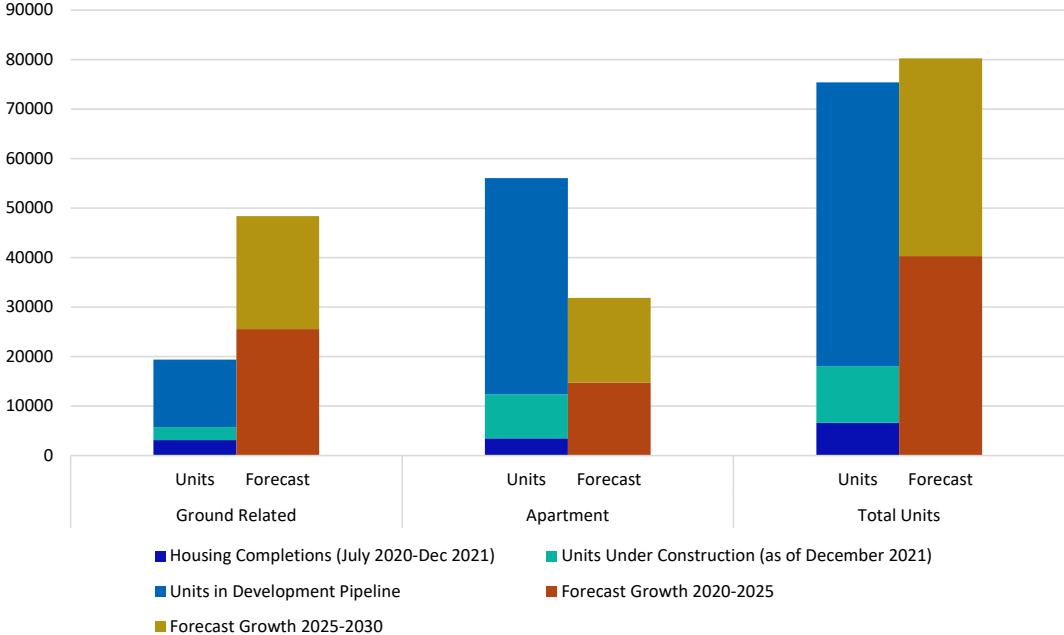
Proactive dialogue and decision making with key internal and external stakeholders including the development industry

Housing completions increased in 2021, slightly above recent historic average

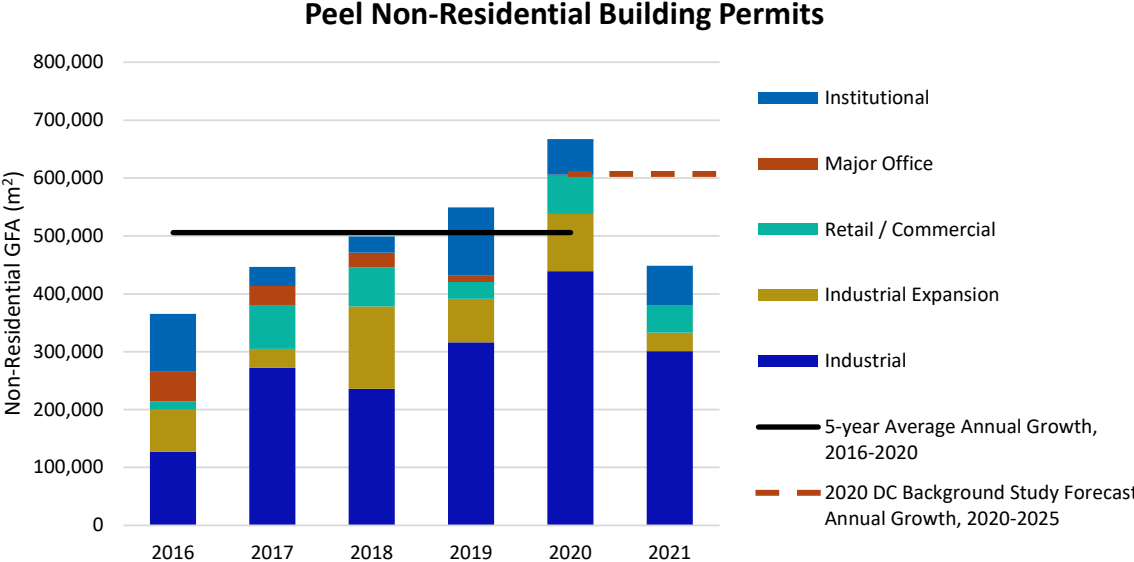


Peel is positioned to achieve the short-term residential housing forecast, but ground-related housing may be at risk of underperforming

Housing Completions, Units Under Construction, and Units in Approvals Process Compared to 2020 DC Background Study Forecast

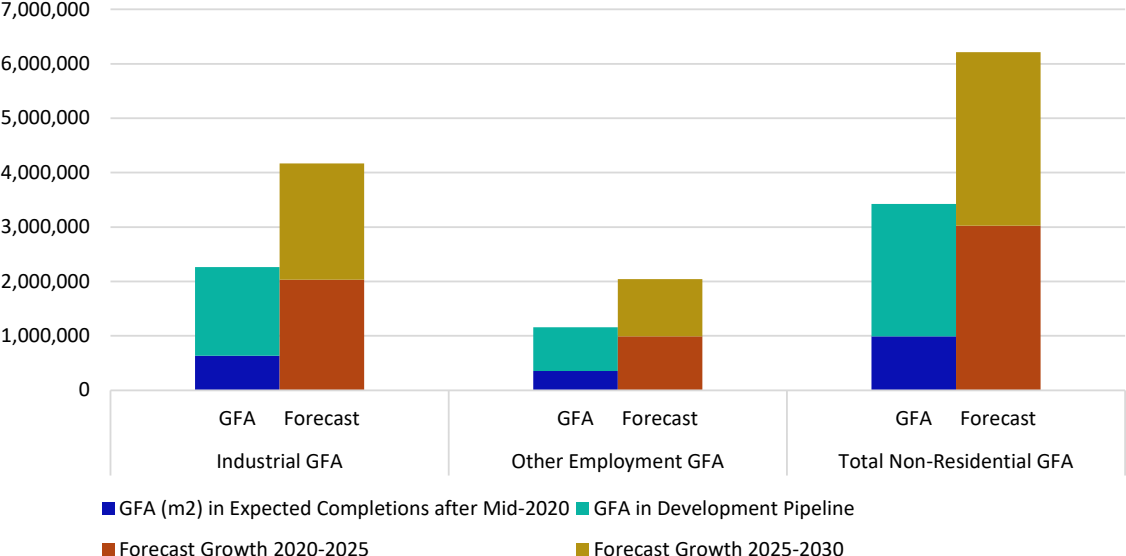


2021 Non-residential permits dipped below historic average and are below forecast level



Applications in the development pipeline provide the potential to meet short term forecast non-residential growth

Expected Non-Residential Development Plus Development in the Pipeline Compared to 2020 DC Background Study Forecast

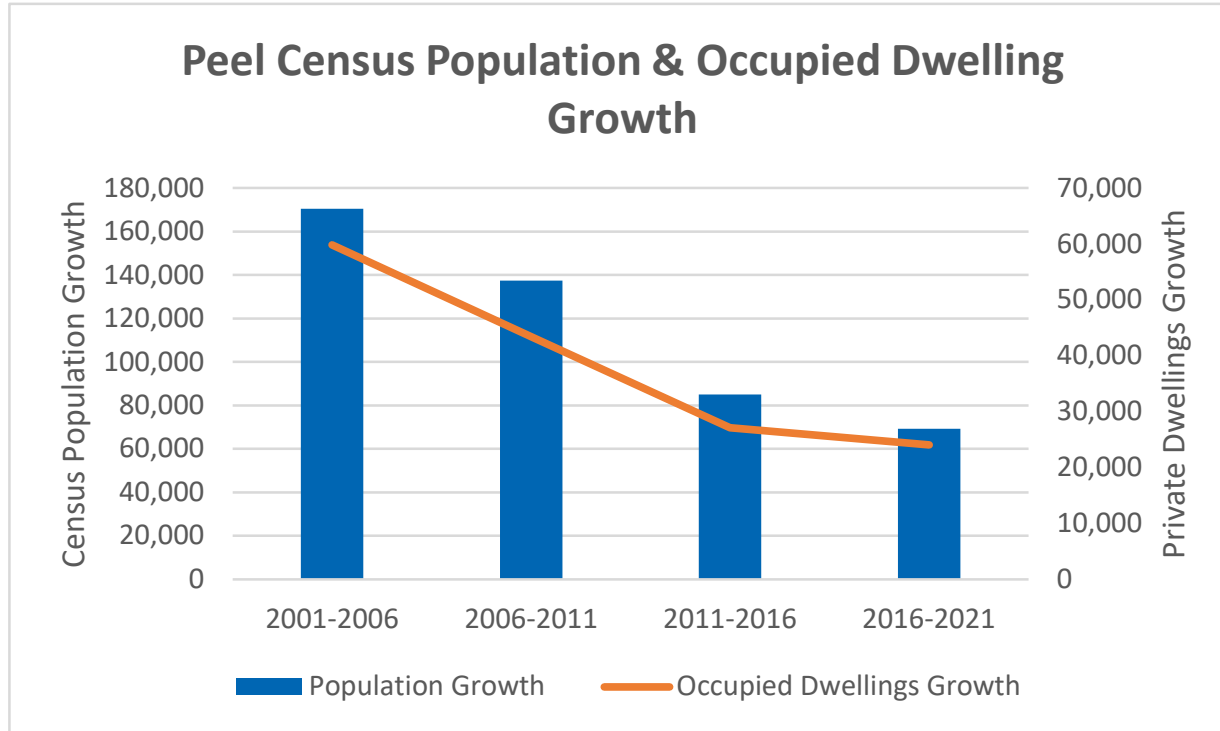


Census Population and Occupied Total Dwelling Units

Census Population				
Municipality	2016	2021	Growth	Percent Change
Brampton	593,638	656,480	62,842	10.6%
Caledon	66,502	76,581	10,079	15.2%
Mississauga	721,599	717,961	-3,638	-0.5%
Peel Region	1,381,739	1,451,022	69,283	5.0%

Private Dwellings Occupied by Usual Residents				
Municipality	2016	2021	Growth	Percent Change
Brampton	168,011	182,472	14,461	8.6%
Caledon	21,256	23,699	2,443	11.5%
Mississauga	240,913	244,575	3,662	1.5%
Peel Region	430,180	450,746	20,566	4.8%

Historic Population and Housing Growth



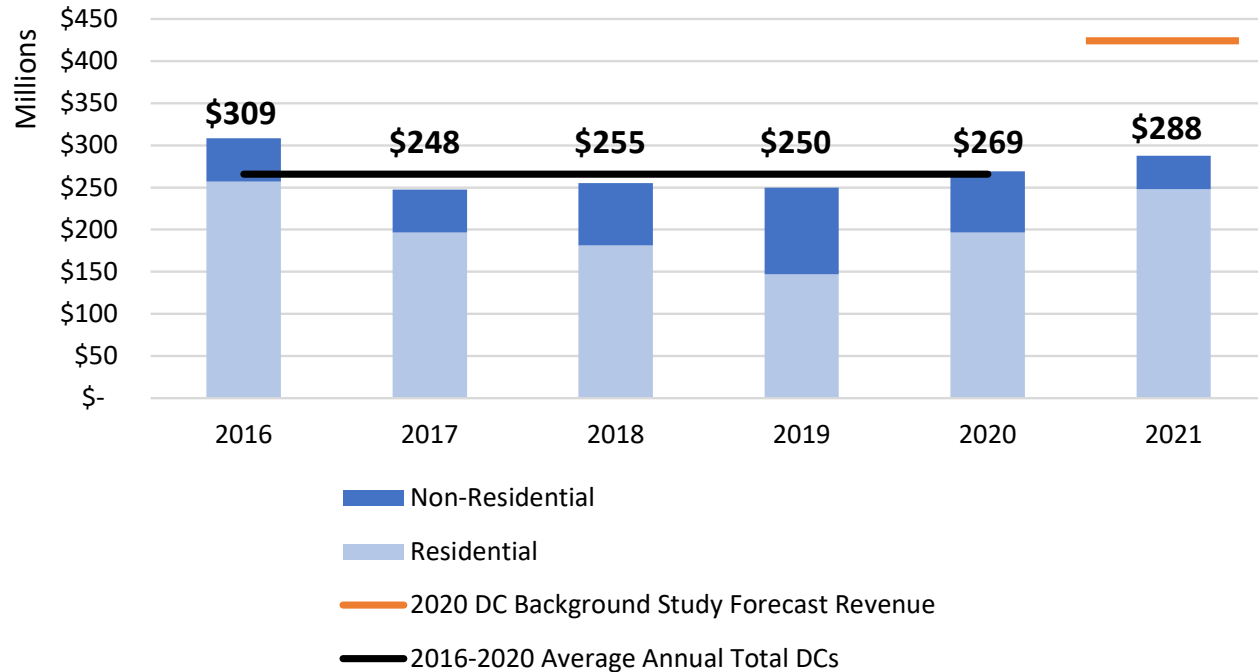
Comparison with Hemson Forecasts

Population Comparison					
Municipality	Hemson 2021 Forecast	Hemson forecast with undercount removed	2021 Census	Difference	Percent Difference
Brampton	703,000	674,918	656,480	18,438	2.8%
Caledon	80,000	76,804	76,581	223	0.3%
Mississauga	795,000	763,243	717,961	45,282	6.3%
Peel Region	1,578,000	1,514,965	1,451,022	63,943	4.4%

Occupied Household Comparison				
Municipality	Hemson 2021 Forecast	2021 Census	Difference	Percent Difference
Brampton	186,126	182,472	3,654	2.0%
Caledon	24,180	23,699	481	2.0%
Mississauga	247,039	244,575	2,464	1.0%
Peel Region	457,345	450,746	6,599	1.5%

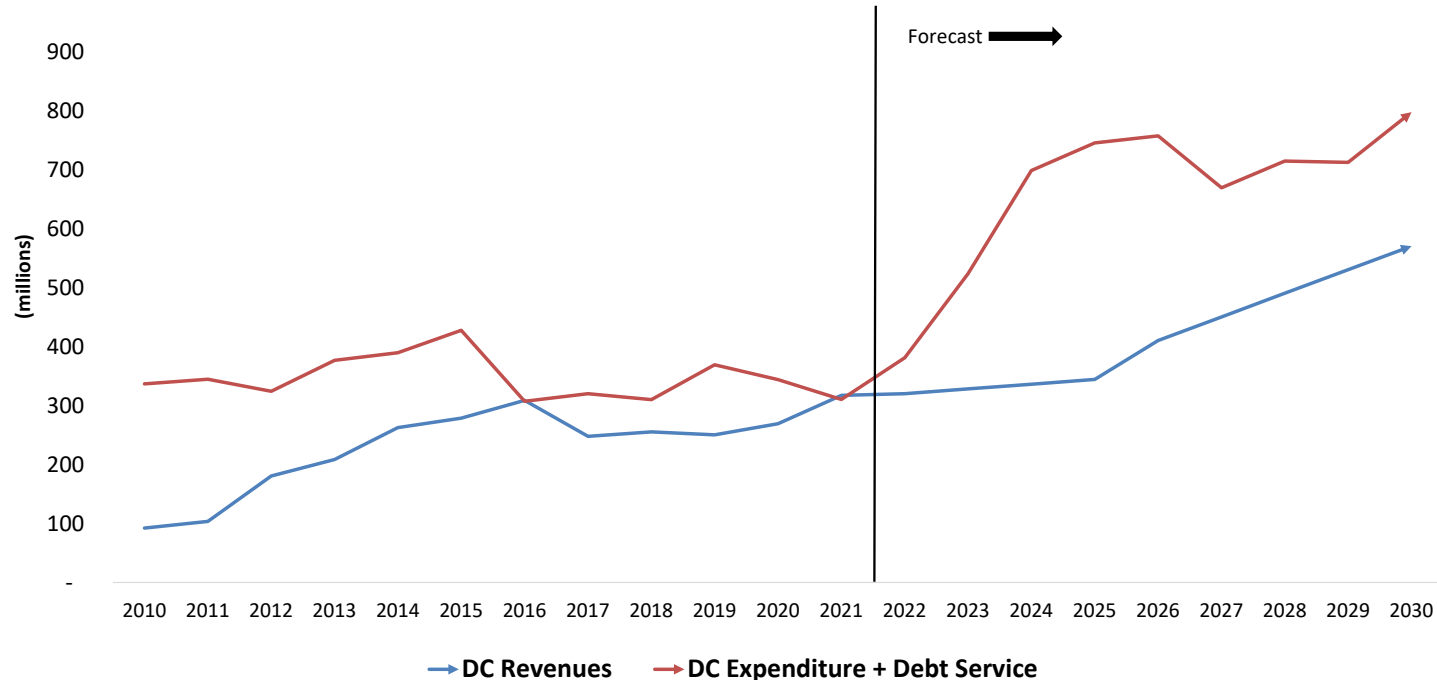
Development Charge Performance

Historical DC Revenue Collection (excludes GO Transit)



Development Charge Performance

Development Charge (DC) Revenues & Expenditures



Risk Considerations

- **Development Charge Revenues**

- DC revenues not meeting forecast levels – changing nature of work, DC Act changes, DC exemptions, rising home prices, and second units

- **Cost Escalation Pressures on DC Capital Programs**

- COVID-19 pandemic, supply chain challenges, rising inflation, public debt, rising labour costs and interest rates, and heightened geopolitical tensions
- Developing strategies to address impacts on existing new capital project budgets

- **Debt Management**

- Increased debt requirements for growth-related infrastructure puts pressure on the Region's financial flexibility

Summary

- Region is positioned to meet the short-term residential unit and non-residential space forecasts but ground-related housing as well as office and retail/commercial development are at risk of underperforming
- Development charge revenue in 2021, while below forecast levels, exceeded the previous five-year average
- Region's DC funded capital program continues to rely on debt to finance increased capital needs, especially for water and wastewater infrastructure
- Regional staff will continue to monitor risks associated with DC collections, cost escalation and debt management
- Recently commenced Financial Sustainability of Growth in Peel Study will recommend strategies to manage financial risks associated with the gap between realized DC revenues and growth-related infrastructure funding

Thank you

Contact info:

Michael Skelly, Growth Management Strategist
Planning and Development Services
Michael.Skelly@PeelRegion.ca