

Clarington

Staff Report

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Report To: Planning and Development Committee

Date of Meeting: March 7, 2022 **Report Number:** PDS-012-22

Submitted By: Ryan Windle, Director of Planning and Development Services

Reviewed By: Mary-Anne Dempster, CAO **By-law Number:**

File Number: **Resolution#:** PD-018-22

Report Subject: Building Activity Update January 1 to December 31, 2021

Recommendation:

1. That Report PDS-012-12 be received for information.

Report Overview

In 2021 we experienced an increase in construction value across all sectors with the exception of the residential sector. In the residential sector, Clarington experienced a reduction in the number of residential building permits, new units created and construction value. However, it is anticipated that the residential sector will make a significant rebound in 2022 as there are several large residential projects which were applied for in 2021 and early 2022 that once approved would combine to produce approximately 700 new residential units.

1. Introduction

- 1.1 The Building Permit Activity Report presents market activity statistics that are intended to provide a clear picture of development activity within Clarington during the period analyzed. The period of analysis for this current report is January 1 to December 31, 2021 and will be analyzed against the same period in 2020. A comparison of the current statistics against a five-year average is also being provided to give an indication of the status of the current building market.

2. Concepts & Definitions

- 2.1 “Complete Building Permit Application” – is a building permit application that meets the requirements of the Ontario Building Code which include, plans, specifications, documentation and fees, which are in compliance with all applicable law.
- 2.2 “Permit” – is formal permission to begin the construction, demolition, addition, or renovation. As part of the building permit process, Municipality of Clarington staff must review the plans and documents submitted to ensure they comply with the Ontario Building Code, local Zoning By-laws, and all other Applicable Law.
- 2.3 “Residential” – refers to construction and permit activity resulting from the creation of all new residential dwelling units as well as accessory structures (detached garages, sheds, etc.), and additions (decks, new additions to a home, etc.).
- 2.4 “Non-residential” – refers to construction and permit activity that is related to non-residential development such as site servicing, industrial, commercial, institutional, and agricultural.
- 2.5 “Total Construction Value” – refers to the total dollar value of construction activity within a defined period because it is a measure of economic activity as a whole.
- 2.6 “Total Construction Value Residential” – provides a specific measure of the dollar value of construction within the residential sector. The number of new residential units provide an indication of population growth and need for additional commercial services.

2.7 “Total Construction Value Non-residential” – provides a specific measure of the dollar value of construction within the non-residential sector and is an indicator of business development within Clarington.

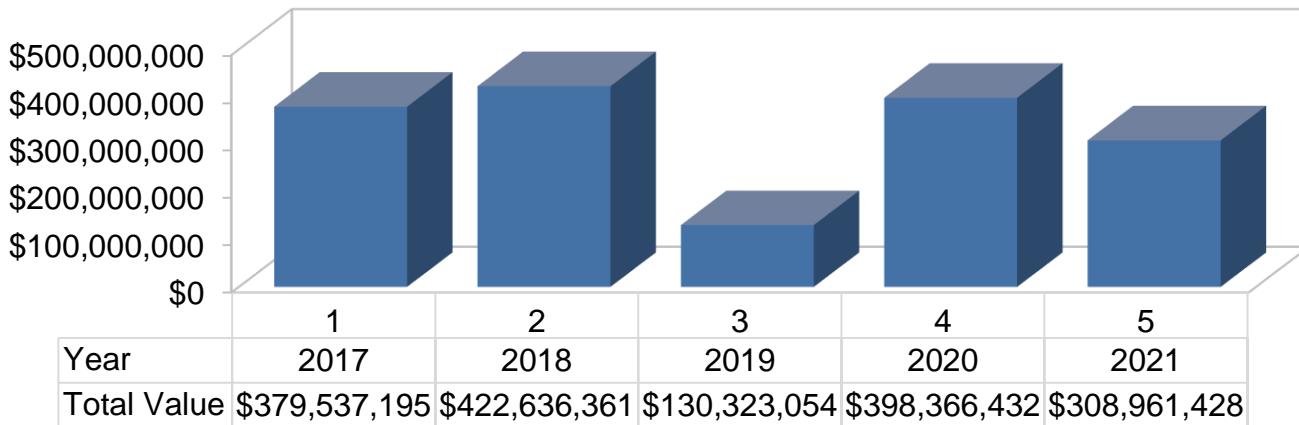
3. Total Construction Value & Activity

3.1 The following is a table showing the number of permits issued and the value of construction in each of the building categories for the period, January 1 to December 31 in 2021 and the year prior.

Building Category	Number of Permits 2021	Value of Construction 2021	Number of Permits 2020	Value of Construction 2020	% Change of Value 2021-2020
Residential	912	\$208,293,803	1,171	\$305,738,563	-31.9%
Industrial	13	\$4,888,178	23	\$33,847,815	85.6%
Government	21	\$69,420,680	9	\$43,699,000	58.9%
Commercial	81	\$13,932,692	65	\$11,781,534	18.3%
Institutional	19	\$7,559,140	11	\$2,741,213	175.8%
Agricultural	27	\$4,866,935	14	\$1,630,900	198.4%
Demolition	30	\$0	59	\$0	N/A
Total	1,103	\$308,961,428	1,352	\$399,439,025	-22.7%

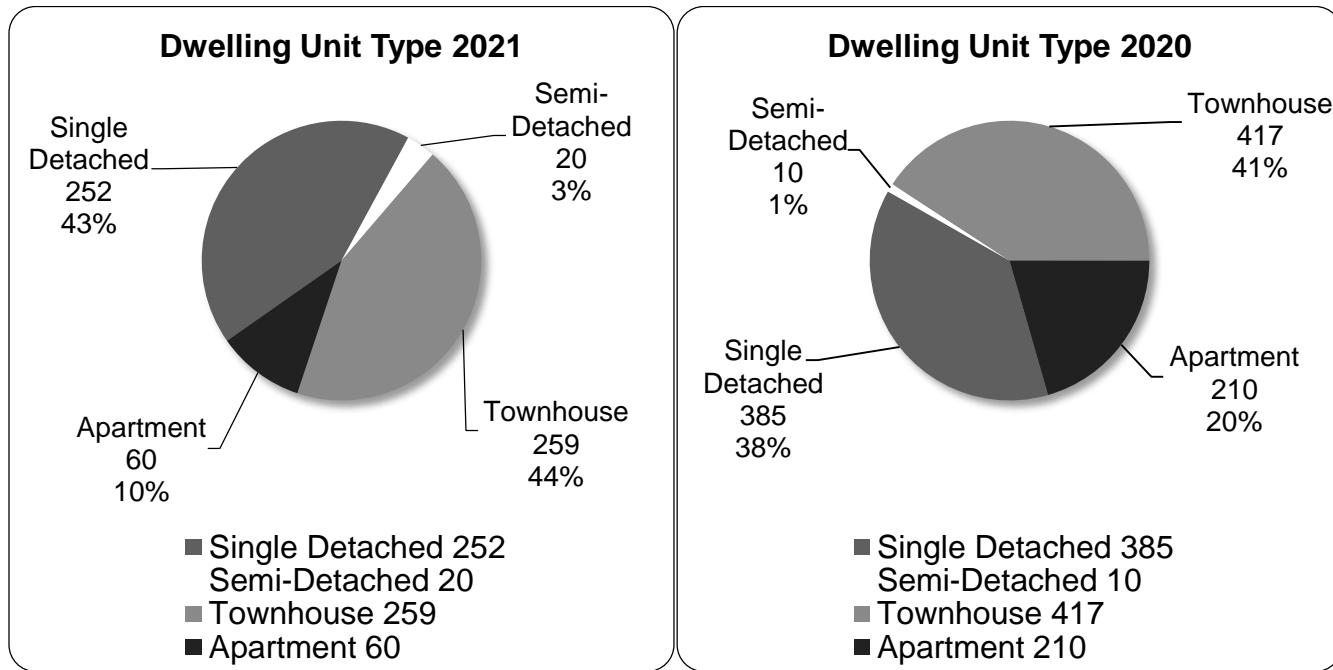
3.2 The following graph illustrates the January 1 to December 31 building permit comparison for the last five years.

**Five Year Total Construction Value Comparison
2017 - 2021**



4. Total Construction Value & Activity Residential

4.1 The following pie chart showing the types of dwelling units issued between January 1 and December 31, 2021 as well as the types of dwelling units issued in the year to date 2020.



4.2 The following is a table showing the number of new residential units issued in each area of Clarington for January 1 to December 31, 2021. We have compared those totals to the year-end totals for each of the past eight years.

Year: Area	2021	2020	2019	2018	2017	2016	2015	2014	2013
Bowmanville	410	792	183	723	589	520	461	419	216
Courtice	88	32	12	14	112	292	290	153	97
Newcastle	54	168	67	42	227	149	154	51	92
Wilmot Creek	0	0	0	0	0	0	0	4	2
Orono	4	0	1	1	0	0	0	0	1
Darlington	14	10	10	11	12	6	8	9	12
Clarke	7	6	6	6	11	14	11	12	6
Burketon	0	0	0	0	0	0	0	1	1
Enfield	0	0	0	0	0	0	0	0	0
Enniskillen	0	1	4	4	15	3	0	1	2
Hampton	3	0	1	0	2	1	2	2	0
Haydon	0	0	0	0	0	0	0	1	0
Kendal	0	1	1	0	0	0	1	0	0
Kirby	0	0	0	0	0	0	1	0	1
Leskard	0	0	0	0	0	0	0	0	0
Maple Grove	0	0	0	0	0	0	0	0	0
Mitchell Corners	0	0	0	0	2	0	0	0	1
Newtonville	10	3	3	5	0	3	3	3	7
Solina	1	1	0	2	2	3	0	0	1
Tyrone	0	0	0	1	0	0	0	0	0
Total	591	1023	288	809	972	991	931	656	439

5. Total Construction Value & Activity

5.1 A measure of economic activity within Clarington may be found in part by looking at the non-residential space, such as industrial, commercial, and institutional as well as large multi-unit residential developments such as apartment buildings or condominiums. In this regard we find it helpful to provide information about permits that fit this criterion and exceed a construction value of \$1,000,000. The details about such activity in 2021 are provided as follows:

Owner	Location	Description	Value (\$)	Type
Regional Municipality of Durham	2188 Bloor Street, Darlington	DRPS Regional Support Centre	\$36,800,000	Governmental
Regional Municipality of Durham	2192 Bloor Street, Darlington	Centre of Investigative Excellence (DRPS)	\$17,600,000	Governmental
Regional Municipality of Durham	2188 Bloor Street, Darlington	Site Servicing	\$13,400,000	Governmental
1728589 Ontario Inc.	1635 Highway 2, Courtice	Multi-Use Building (Retail/Office)	\$3,231,760	Commercial
Kawartha Pine Ridge District School Board	49 Liberty Street North, Bowmanville	Replacement of Ductwork and Ceiling	\$1,700,000	Institutional
Kawartha Pine Ridge District School Board	1642 Nash Road, Courtice	Interior and Exterior Renovations	\$1,678,000	Institutional
Sunspace	260 Toronto Street, Newcastle	Warehouse Addition	\$1,449,228	Industrial

Owner	Location	Description	Value (\$)	Type
Kawartha Pine Ridge District School Board	3425 Highway 35/115, Clarke	Replacement of Ductwork, Ceiling, and 2 Air Handler	\$1,250,000	Institutional
2824538 Ontario Inc.	6 Spicer Square, Bowmanville	Commercial Building (Shell)	\$1,242,000	Commercial
Rekker Gardens Inc.	3104 Concession Road 4, Darlington	Greenhouse	\$1,229,250	Agricultural
Kawartha Pine Ridge District School Board	3421 Highway 35/115, Clarke	Interior Alterations	\$1,200,000	Institutional
Clearwater Structures Inc.	505 Lake Road, Bowmanville	Site Servicing	\$1,140,000	Industrial
The Canada Life Insurance Company	2320 Highway 2, Bowmanville	Sound Screening (Walmart)	\$1,100,000	Commercial
Municipality of Clarington	156 Church Street, Bowmanville	Interior Renovations & Barrier Free Access	\$1,000,000	Governmental
Gibson Farms Inc.	3671 Pollard Road, Clarke	Migrant Worker Housing	\$1,000,000	Residential

6. Durham Region Comparisons

6.1 The Durham Region comparisons are not available at this time. The Growth Trends Review typically issued in June will provide a comparison across the lower tiers.

7. Inspection Activity

7.1 The following is a table showing how many inspections were attended from January 1 to December 31, 2021 as well the same time period in 2020.

Type of Inspection Completed	2021	2020
Building Inspections	9,576	8,455
Plumbing and Heating Inspections	8,814	8,301
Pool Enclosure Inspections	203	137
Total	18,593	16,893

8. Mandated Response Timeframes

8.1 The Ontario Building Code mandates that complete building permit applications shall be issued or the applicant shall be notified that the permit is being refused and provided with the reasons why it is refused within a prescribed time period based on the type of building. From January 1 to December 31, 1,114 applications were received and 898, or 81%, of them were complete applications. This is an increase of 14% over 2020, For the complete application, the following table reports on the median number of days it took for the Building Division to either issue the permit or notify the applicant why the application was being refused.

Permit Type	Mandated Timeframe	Median Number of Days 2021	Median Number of Days 2020	Median Number of Days 2019
Residential	10	14	9	10
Small Buildings	15	10.5	11.5	12
Large Buildings	20	16	13	19
Complex Buildings	30	0	8	0

9. Insights and Outlook

9.1 The newly released Stats Canada report outlining municipal growth over five years indicates that Clarington is the fastest growing municipality in Durham Region. The population has grown by 10.2 per cent from 92,013 in 2016 to 101,427 in 2021 and the population is continuing to grow.

9.2 It is anticipated the residential sector numbers will increase in 2022 and continue to show the growth Clarington has been experiencing. We have several large residential projects which have been applied for and are under review which are expected to result

in approximately 700 new residential units. This does not include future applications that are expected over the balance of 2022.

- 9.3 The Large Municipality Chief Building Officials (LMCBO) construction values are used by the Building Division to determine the value of each building permit. However, these values have not been updated since 2017. The LMCBO cost schedule is not intended to reflect the actual construction cost of any individual building. They are representative construction values for typical buildings, provided for more consistent construction values reported by Building Departments across Ontario. In 2021, the LMCBO undertook to update the construction values based on the Atlas Canadian Cost Guide which provides construction cost ranges for public and private sector buildings across Canada. The values have not been updated in the last five years and the new list provides a much more detailed list of building types. As a result, there will be an increase in the reported value of construction in 2022 within Clarington and across Ontario.
- 9.4 In some circumstances Staff use the declared value the applicant has provided when the building is very specialized, for example OPG projects.

10. Concurrence

Not Applicable.

11. Conclusion

Clarington has had a strong year in 2021 for building activity. The year ahead appears that it will also be very strong with high demand for building permits, considering the permit applications and planning applications that have been submitted and/or are expected to be submitted in the coming months.

Staff Contact: Brent Rice, Chief Building Official, 905-623-3379 extension 2303 or brice@clarington.net.

Interested Parties:

There are no interested parties to be notified of Council's decision.