



Biz 2Biz

Economic Development Report



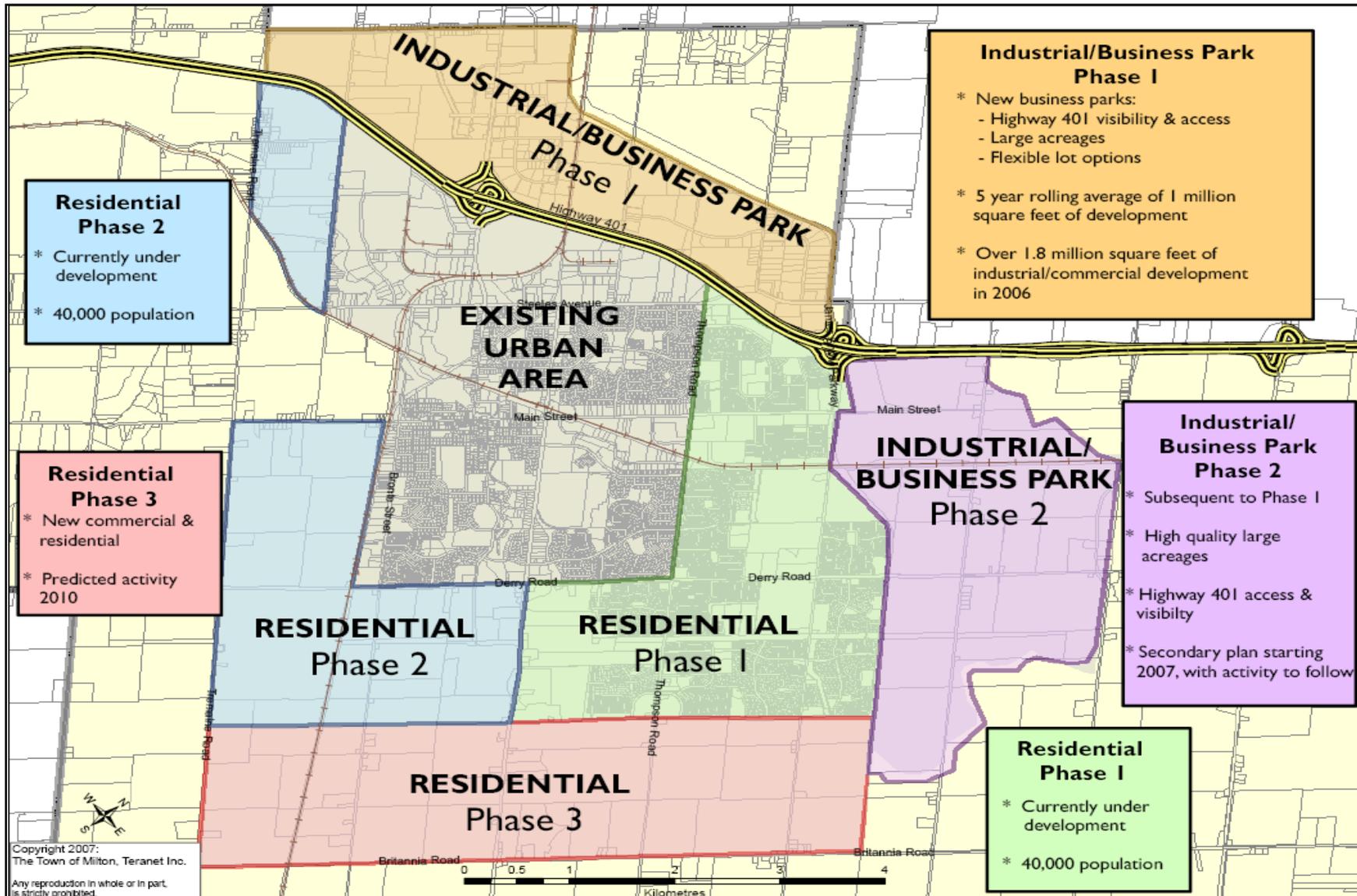
PROGRESS, CHALLENGES, & OPPORTUNITIES

Context

- Current population 70,000, with 6,000 per year growth
- Young, Diverse and Educated: National Median Avg. Age 39.5
- Milton Median age is 34.4, nearly four years younger than in 2001.
- Major Population Cohorts: 0 to 14 represent 21.3% and 25 to 44 represent 36%
- Population Projection: 150,000 by 2021
- Employment:
 - 2001: 20,400
 - 2007: 36,867
 - 2021: 71,000
- Industrial & Commercial Growth:
 - 2004: 9 Million SF
 - 2007: 13.5 Million SF
 - 2021: 25 Million SF



PHASES OF GROWTH



ECONOMIC DEVELOPMENT SERVICE AREA MASTER PLAN

- **Strategic Goals:**

1. Manage the employment land base for the long term.
2. Focus on the future in business retention, expansion and attraction initiatives.
3. Secure the role of the downtown as Milton's distinctive centre.
4. Sustain the rural/agricultural and tourism sectors.
5. Refresh the Town's marketing and communications materials and messages.

OUR GROWTH

TABLE 1 POPULATION

<i>Year</i>	<i>Halton</i>	<i>Burlington</i>	<i>Oakville</i>	<i>Milton</i>	<i>Halton Hills</i>
1996	340,000	136,800	128,600	32,300	42,300
1997	346,000	139,700	131,100	32,000	43,200
1998	352,600	142,500	134,000	31,800	44,300
1999	359,700	145,300	137,300	31,600	45,500
2000	367,400	148,200	141,000	31,400	46,800
2001	375,300	151,000	144,900	31,300	48,100
2002	386,900	153,500	149,200	34,600	49,600
2003	399,300	156,200	153,400	38,600	51,100
2004	412,100	158,900	157,500	43,200	52,500
2005	425,500	161,600	161,600	48,400	53,900
2006	439,200	164,400	165,600	53,900	55,300
2007	453,700	167,400	169,800	59,800	56,700
2008	467,200	170,100	173,600	65,800	57,700
2009	480,000	172,400	177,200	71,700	58,700
2010	492,100	174,300	180,500	77,400	59,900
2011	503,600	175,800	183,700	82,700	61,400
2012	516,600	177,100	187,500	88,900	63,100
2013	529,500	178,200	191,400	95,300	64,600
2014	541,700	178,900	195,500	101,600	65,700
2015	553,700	179,300	200,000	107,900	66,500
2016	565,100	179,300	204,700	114,000	67,100
2017	576,900	179,500	209,300	120,500	67,600
2018	589,300	179,900	214,000	127,200	68,200
2019	601,800	180,300	218,900	133,900	68,700
2020	615,000	181,000	224,100	140,600	69,300
2021	628,900	182,000	229,500	147,400	70,000

TABLE 11 EMPLOYMENT

<i>Year</i>	<i>Halton</i>	<i>Burlington</i>	<i>Oakville</i>	<i>Milton</i>	<i>Halton Hills</i>
1996	159,000	64,000	62,200	17,600	15,200
1997	163,490	66,538	64,592	17,120	15,241
1998	168,883	69,013	67,144	17,244	15,482
1999	175,031	71,429	69,820	17,888	15,894
2000	181,786	73,790	72,584	18,968	16,443
2001	189,000	76,100	75,400	20,400	17,100
2002	197,178	78,262	78,485	22,554	17,877
2003	205,476	80,449	81,354	25,026	18,646
2004	213,854	82,645	84,042	27,762	19,406
2005	222,275	84,834	86,579	30,705	20,158
2006	230,700	87,000	89,000	33,800	20,900
2007	238,827	89,130	91,277	36,867	21,554
2008	246,854	91,209	93,502	39,930	22,213
2009	254,646	93,223	95,690	42,878	22,855
2010	262,073	95,158	97,851	45,605	23,458
2011	269,000	97,000	100,000	48,000	24,000
2012	276,663	98,707	102,410	50,813	24,733
2013	284,288	100,278	104,974	53,542	25,494
2014	291,882	101,694	107,734	56,166	26,288
2015	299,451	102,941	110,729	58,659	27,122
2016	307,000	104,000	114,000	61,000	28,000
2017	314,226	105,040	117,088	63,326	28,771
2018	321,195	105,960	120,244	65,511	29,480
2019	327,851	106,760	123,456	67,533	30,102
2020	334,138	107,440	126,712	69,370	30,617
2021	340,000	108,000	130,000	71,000	31,000

YOUNG & DIVERSE

Milton	2001	%	2006	%
Total - All persons (3)	31,470		53,940	
Age 0-4	1,530	4.9	4,585	8.5
Age 5-14	4,250	13.5	6,925	12.8
Age 15-19	2,540	8.1	3,035	5.6
Age 20-24	2,170	6.9	3,050	5.7
Age 25-44	8,965	28.5	19,320	35.8
Age 45-54	5,585	17.7	7,145	13.2
Age 55-64	3,125	9.9	5,370	10.0
Age 65-74	1,775	5.6	2,490	4.6
Age 75-84	1,140	3.6	1,515	2.8
Age 85 and over	395	1.3	500	0.9
Median Age of the Population	38.3		34.4	

Median Age	2001	2006
Canada	37.6	39.5
Ontario	37.2	39.0
Milton	38.3	34.4
Brampton	32.9	33.7

Source: Statistics Canada, Census 2006

BALANCED GROWTH

- Maintain balanced growth between residential base and the industrial and commercial base.
- Balanced growth vital for future economic and community sustainability.

Assessment Breakdown

YEAR	RESIDENTIAL (RT,R1,RH)	NON-RESIDENTIAL (remaining classes)	TOTAL	% NON-RESIDENTIAL
2004	3,669,972,435	1,198,978,930	4,868,951,365	24.62%
2005	4,265,045,159	1,625,491,141	5,890,536,300	27.59%
2006	5,249,390,662	1,857,270,918	7,106,661,580	26.13%
2007	5,873,547,127	1,915,000,393	7,788,547,520	24.59%
2008	6,401,509,557	1,997,814,846	8,399,324,403	23.79%

DEVELOPMENT ACTIVITY OVERVIEW

YEAR	PERMITS	FLOOR AREA SQFT	CONSTRUCTION VALUE	NEW/ADD
2003	102	572,698	\$58,186,870	360,229
2004	102	2,021,928	\$99,335,550	1,661,932
2005	111	1,143,748	\$55,707,519	650,181
2006	124	2,211,210	\$111,882,600	1,926,244
2007	207	2,505,270	\$166,816,857	1,901,383

- Significant industrial and commercial development the past two years.
- 5-Year Rolling Average of 1.3 million SF of space added

2007 DEVELOPMENT ACTIVITY OVERVIEW

Significant Industrial Projects: (Mostly Speculative)

- Panattoni Development Company constructed a 755,347 SF warehouse and distribution centre for Whirlpool Canada on Boston Church Road.
- O.R.E. currently developing a new speculative multi-tenant 320,000 SF industrial facility in the James Snow Business Park.
- Recochem Inc. is a producer, formulator, contract packager and wholesale distributor of chemical products (with 150 employees) and has purchased the old Russell Metals site on Holgate Crescent. Recochem has been approved for a 107,186 SF expansion to the property.
- Roxul Inc. plans to build a second production line which will increase the size of the facility to 700,000 SF. Completion expected for early 2009. Currently Roxul employs 170 individuals, however once completed the expansion is expected to create approximately 100 new permanent jobs.

2007 DEVELOPMENT ACTIVITY OVERVIEW

Significant Commercial Projects: (Mostly Speculative)

- "High Point Corporate Centre", 48,000 SF multi-phased Class 'A' office development. Represents Milton's first speculative Class 'A' office development in the 401 Industrial Business Park.
- Trinity Common, 240,000 SF retail centre at the corner of Thompson Road and Main Street. The retail centre anchored by Loblaws' Superstore and includes the LCBO, Scotiabank, Starbucks, East Side Mario's and more.
- Three auto dealership projects: Honda, Toyota and Hyundai.
- In efforts to move into the retail grocery industry, Wal-Mart Canada has been approved for a 59,635 SF expansion.
- Mattamy 30,000 SF commercial retail plaza at Holly Ave.
- Additional 53,000 SF retail space at RioCan development on Maple Ave.
- Milton Professional Centre, 39,353 SF professional office complex at 410 Bronte Street.

NEW BUSINESSES (TENANTS)

- **Many businesses have decided to make Milton their new home.**
 - **SYSCO Pronamic:** Distribution for SYSCO Canada
 - **Assured Logistics:** Distribution for Lowe's Canada
 - **TransPro Freight Systems:** North American transportation services
 - **DIY Marketing:** Sales, marketing and distribution services to Canada's home improvement industry
 - **Princess Auto:** Distribution for retail outlets (hard goods for hands on users in rural, industrial and urban markets)
 - **Coremark International:** Long-term supply agreement for Couche-Tard's Central Canada Region, which operates over 600 stores in Ontario under the Mac's banner.
 - **Clarion Marketing:** Sign, Display and Advertising Products
 - **Dresser Canada (DI):** Global energy product and instruments servicing company
 - **Merley Chains:** Importer/marketer of conveyor systems, chains, belts etc.

DEVELOPMENT ACTIVITY OVERVIEW

Why Businesses Are Choosing Milton:

- Pressure for affordable and accessible land in GTA West.
- Strategically located:
 - Western edge of GTA, close to Airport and within easy access to U.S. markets.
 - Strategically situated at the junction of Highways 401, 407, 25, and minutes away from Highways 410, 403, 427 and the Queen Elizabeth Way.
 - Proximity to customers (GTA 5th largest metropolitan area in North America)
- Both national rail lines serve Milton – CN and CP.
- Population doubled since 2001 and projected to double again by 2021.
- High quality of life, small town ambiance, safe neighborhoods and beautiful natural setting.
- Milton offers some of the most advantageous tax rates in the GTA.

= Excellent Investment Opportunity

DEVELOPMENT ACTIVITY OVERVIEW

- Highest vacancy rate across the GTA at 20.9% in 2006.
2006 Third Quarter Industrial Snapshot by Cushman, Wakefield and LePage.
- Vacancy currently at 14.3%
- Should not be misinterpreted as an issue or indicator of economic slowdown but rather rapid investment.
- 1 million SF of new product in first nine months of 2007 – 600,000 SF absorbed.
- Likely to continue significant absorption of industrial space = new businesses & jobs.
- Expect development to continue on both speculative and design build basis in 2008.....BUT.....

TOP EMPLOYERS

Company Name	Employees	Company Name	Employees
KARMAX HEAVY STAMPING	850	AFFINIA CANADA CORP. MILTON	90
MODATEK SYSTEMS	850	FRESH START FOODS INC.	90
SOBEY'S MILTON RETAIL SUPPORT CENTRE	705	DARE FOODS LIMITED	88
ROL-LAND FARMS LIMITED	400	SPRINGRIDGE FARM	85
GORDON FOOD SERVICE	354	INTERNATIONAL LANDSCAPING INC.	80
SKD COMPANY	326	VAN DONGENS LANDSCAPING & NURSERIES LTD.	76
MERITOR SUSPENSION SYSTEMS CO.	317	NUTECH ENGINEERING INC.	75
TRANSPRO FREIGHT SYSTEMS	250	ROBERTSON INC.	75
JOHNSON CONTROLS LTD.	200	ROYAL LEPAGE MEADOWTOWNE REALTY	60
ROXUL INC.	170	LOOK COMMUNICATIONS INC.	60
NORTHSTAR AEROSPACE CANADA INC.	160	CHUDLEIGH'S	58
ACTIVE TRANSPORT INC.	130	M. PUTZER HORNBY NURSERY LTD.	58
HARROW TRUCK LINES	118	STERITECH GROUP CORPORATION	58
GOODFELLOW INC.	105	PERMACON	55
SMURFIT - M B I	104	MICRO-TECH MACHINE INC.	54
HALTON FORMING LTD.	100	TOMBRO TRUCKING LTD.	50
PARKER HANNIFIN CANADA - MOTION AND CONTROL DIVISION	100	WAJAX INDUSTRIES	50

BUSINESS PARK 2 - CHALLENGES

NEW/ADD SF 5 YR ROLLING AVERAGE:	1,300,000
ABSORPTION 5 YR ROLLING AVERAGE:	99
VACANT EMPLOYMENT LANDS (232 Ha):	+/- 500 ACRES
SUPPLY IN YEARS: (Min. Options)	5.3

*NOTE: Using a 30% area coverage

Business Park 2

- Accommodate majority of future employment land growth.
- Unserviced Land (Servicing by Region Critical)
- Secondary Plan must be completed.
- Submission to Town Council Fall 2008.

- Supply of developable lands leaves Milton in critically short position.
- 401 Industrial/Business Park rapidly building out & short on diversified options.
- Industrial land controlled by a few developers.
- Waiting on, or anticipating, larger projects in excess of 350,000 sf and high as 1 million sf.
- Vulnerable to losing smaller or more diversified projects.
- To sustain success and ensure balanced economy, need to proceed with Business Park II.

JOBS & LABOUR - CHALLENGES

Company Name:	Employees
The Steritech Group	7
Fastenal	8
Clarion Marketing	5
Merley Chains	4
Dresser Canada (DI)	15
Russ Palser Manufacturing	4
Acrylics By Design	2
Assured Logistics	36
Princess Auto	25
Coremark International	600
SYSCO Pronamic	n/a
DIY Marketing Inc	13
Transpro Freight Systems	250
969	

- Over 1,000 new jobs in Milton's industrial sectors – just in the past year. *(Does not include the large demand for retail and other support labour)*
- Searching for Skilled Labour.
- Searching for General Labour.
- Lack of public transportation into 401 Business Park.
- Milton's labour force: young, educated, dynamic & employed elsewhere.....so *opportunities do exist for this challenge to become a positive in the future.....*

THE FUTURE - OPPORTUNITIES

- Attract Knowledge/Skill Based Businesses
- Post Secondary Initiative: Gaining Traction
- Business Park 2: Design & Type of Development Critical
- Office Developments: Influenced by BP 2