

Growing Wisely: Township of Centre Wellington



How we're growing:

- 10.3% population growth between 2016 and 2021, significantly outpacing the provincial growth rate (5.8%)
- Projected growth of 87.2% between 2021 and 2051, to reach 58,200 residents
- A key driver for growth is urban sprawl from the Greater Toronto Area
- Most planned growth for Wellington County will be in Centre Wellington
- Significant developer interest in the Township
- The Township recently recommended an urban boundary expansion to the Province, to secure additional land for growth between 2041 and 2051
- There are 5 developer-initiated urban boundary expansions over and above the Township initiated expansion (under review)
- Council decision has been to increase density to meet targets while preserving agricultural land and limiting sprawl

Key Learnings

- Focusing on achievable and actionable asset management recommendations helps with momentum and achieving long-term results.
- Growth does not pay for growth; current growth funding mechanisms are insufficient to meet projected growth-driven infrastructure requirements.
- Centralizing data governance and maintenance, and establishing cross-functional work makes for an informed asset management plan and decisions.

Population projection data sources:

- Historical population: Government of Canada Census of Population
- Current population: provided by Township Growth projections: Wellington County

COMMUNITY PROFILE

Population of 35,080 (31,093 in 2021)

Mixed urban/rural municipality made up of six communities (Town of Fergus, Village of Elora and the Townships of Nichol, Pilkington, West Garafraxa and a portion of Eramosa)

Amalgamated in 1999

Located in South-Central Ontario

Lower-tier municipality

Located within Wellington County (one of the fastest-growing municipalities within it)

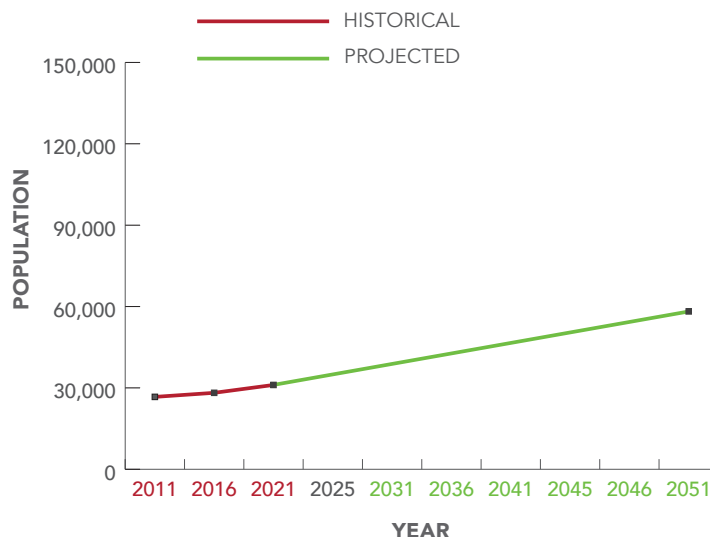
Situated on the traditional lands of the of the Anishinaabe and the Haudenosaunee

Major sectors include manufacturing, retail, education, accommodation/food services, agriculture and natural resources

Significant indigenous population (14.1%), visible minority population (7.5%)



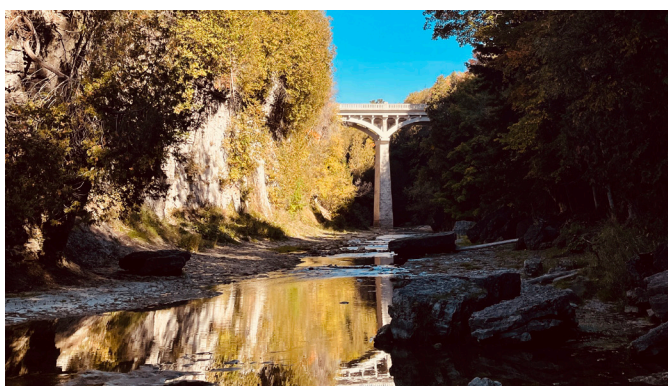
TOWNSHIP OF CENTRE WELLINGTON-POPULATION PROJECTIONS



The Township of Centre Wellington is planning for significant growth over 87% over thirty years to 2051, significantly outpacing historical growth rates of ~10%.

This major population increase has spurred the Township to submit for a boundary expansion to secure sufficient land to support growth. Developers have further initiated additional boundary expansions beyond this.

This type of growth will include a major focus on greenfield development, requiring the Township to address major infrastructure servicing constraints amidst an already challenging fiscal sustainability context.



Service Impact Examples

Water: Water supply is a short-term bottleneck for the community, where it is anticipated that the Township will have insufficient supply as early as 2027/28. To address this urgent capacity challenge, the Township has purchased land for the next four wells and has initiated the Environmental Assessment (EA) process for two. New water supply is expected to come online in 2027.

Wastewater: A significant expansion to the Fergus wastewater treatment plant will be required to accommodate growth in the next ten years.

Transit: The Township is currently initiating a transit feasibility study to introduce transit services in the Township, potentially connecting to nearby urban centres.

Active Transportation and Parks and Recreation: There is significant pressure from residents to expand these service areas as the community grows.

RISKS, OPPORTUNITIES & ISSUES



Pressure on housing supply and affordability

Housing supply and affordability:

The Township lacks sufficient housing to support current and future needs. Affordability is a concern, with the average price per home between \$800,00-\$900,000. Developer-provided housing is typically not affordable based on the provincial definition. While housing construction is occurring, there is a lack of demand for the types of homes being built by developers.



Intensification and/or greenfield development

Unplanned growth and land availability:

Though the Township has already initiated an urban boundary expansion, developers are suggesting that the expansion is insufficient to support desired development and are applying for expansions further/faster than the municipality's plan. Developers may apply at any time and if denied, may appeal. This unplanned growth is promoting urban sprawl, increasing the cost of growth, increasing the uncertainty of infrastructure investment and phasing, and increasing pressure on the Township.



Increased need to upgrade, extend, and upsize infrastructure

Existing and intensified infrastructure funding gap:

The Township already has a significant infrastructure funding gap that is expected to widen as populations and resident expectations increase. Infrastructure: Master plans indicate that asset and infrastructure upgrades will be required across all services including Transportation, Water, Wastewater, Stormwater, Active Transportation, Parks & Recreation, and Fire.

Growth is not paying for growth:

While development charges are being utilized, they are funding a fraction of the required investment for asset upgrades to enable growth. Recent and ongoing legislative changes are further inhibiting the Township's ability to fund growth-related capital.

Growth phasing and timing: Developers keen to begin their development projects are sometimes seeking to "jump the queue" and move forward before the Township is ready to accommodate them through servicing and staffing.

What are we working on?

- Approval of [Asset Management Plan](#) in mid-2025, which was 100% internally developed by Township staff, with only one dedicated full-time-equivalent (FTE)
- Recent approval of [Housing Needs Assessment](#) by Council, with next steps to include developing a Housing Action Plan in 2026, subject to Council approval. This is critical to define the Township's role in housing going forward and identify how the Township can partner with non-profits and the development community to make housing more affordable.
- Master Plans for both core and non-core services:
 - Active Transportation and Mobility Plan
 - Parks & Recreation Master Plan
 - Energy Conservation Demand Management Plan
 - Fire Master Plan
 - Trails Master Plan
 - Transportation Master Plan
 - Water Supply Master Plan
 - Downtown Parking Strategy
 - Water and Wastewater Servicing Master Plan
- Restructuring teams and human resources to support asset management and asset information management (GIS)
- Creating policies in assist in phasing and staging growth, including water/wastewater service allocation policies
- Updating DC Background Study and Bylaw to account for updated and new master plans and growth to 2051
- Continuous re-evaluation of its financial strategy and use of available funding mechanisms, including assignment of dedicated sources for renewal that are not compromised by growth investment demands
- Stormwater Charge Study that will consider the implementation of a stormwater utility rate charge
- Economic Development and Tourism Strategy that will assess impacts and solutions to the growing business and tourism base in the Township, including how these sectors can assist with growth

How do we integrate growth and asset management?

- Projecting the financial impact of growth and integrating directly into budgets, forecasts, and the Asset Management Plan (AMP)
- Defining the optimal capital investment rate for tax supported infrastructure, water, and wastewater to guide levels of service and financial planning
- Assigning funding sources to support growth and renewal streams without compromising renewal sources
- Allocating 25% of property taxation assessment growth to asset management investment, to have growth provide a contribution to AM planning, offsetting the impact on existing residents and businesses
- Use of criticality ratings for each asset, with very refined calculations capturing many variables to define priorities

What's working for us?

Governance for Phasing of Growth-Driven Asset Construction

- Developer service financing agreements to fund up-front capital works required for development, to be signed in advance of developer- supporting infrastructure projects being released by the Township. If non-growth costs exist on these projects, they must compete for funding through the annual budgeting process
- Community-wide benefits forecasting: The Township plans for growth- driven assets that provide wide-spread benefit not assignable to one development, through its capital forecasting process

Lifecycle Planning Approach

The Township prepares a 1-year capital and operating budget annually.

Impacts of growth are integrated into budgets and forecasts annually, and into the AMP at minimum every 5 years (when it is published).

Funding Strategy

Development Charges (DCs): The Township utilizes development charges where possible. The municipality is currently in the process of updating its Development Charges Background Study and Bylaw to account for updated/new master plans and growth to 2051. DCs are not paying for growth fully, therefore there are impacts on property taxation, water, and water rates.

Grants: The Township dedicates Canada Community -Building Fund (CCBF) and Ontario Community Infrastructure Fund (OCIF) annual funds to tax supported non-growth needs, because these funds are needed to maintain the existing asset inventory – adhering to the principle that growth should pay for growth.

Debt: The Township funds significant growth-related capital through debt, maintaining a planned debt capacity limit of 15% keeping 10% for emergency/unplanned debt.

Utility Models and Rate-Supported Infrastructure: Water and wastewater already are funded through dedicated utility rate models. The Township is undertaking a study to consider implementing a Stormwater charge, which will split storm operating and capital costs from roads and wastewater, where they are funded now, and dedicate rate-generated funding.

What's working for us?

Asset Management Plan:

The AMP was recently approved by Council in June 2025. This version integrates Master Plans and Growth Plans into its analysis.

The Township has included the AMP, the Strategic Asset Management Policy, and other key documents on its website to support informing the public. This includes a depiction of the Township's Level of Service process.

Notably, the AMP features very specific guidance to support the annual budget development, including assumptions on funding sources.

Reach out!

Dan Wilson

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Organizational Model for Data Governance and Management

A recent organizational restructuring has combined the Township's GIS and asset management functions, centralizing roles for asset data management.

The Asset Management and GIS team increased its staff complement to have a Supervisor, one Asset Management Technician, and two GIS Technicians.

The group is the keeper of asset data across the organization, a corporate service responsible for ensuring accuracy and completeness. They tie asset data to GIS mapping spatially and use asset management software to make the Township's data management more efficient. This team sits on the Staff Asset Management Committee which includes representatives from all departments, with the CAO serving as Executive Lead and the Treasurer as Chair.

Planning Ahead for "Unassumed" Assets

The group also maintains asset data for "unassumed assets" – assets built and managed by developers that will eventually be Township owned and maintained. This proactive approach helps integrate these assets into AM planning processes. Growth impacts will be maintained annually by this group.



The Township's *Levels of Service Approach*, an accompaniment to the AMP, outlines how 10-year capital and operating plans are developed.