



# Economic Snapshots



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## 2018 Update: Building Activity in our Township

Spring 2018

Building activities continue to be one of the largest economic activities in the Township of Muskoka Lakes. In 2017 the value of all construction permits issued in the Township was over \$129,000,000. That figure represents the amount of money that the applicants plan to spend on their construction projects. That's a lot of money being invested locally! It would be even better if that money stayed invested in the Township. Unfortunately trade wages and contractor profits often go outside the Township since many tradesmen and contractors live elsewhere. Supplies for these projects are often purchased from businesses based outside our Township. We need to work on ways to keep those dollars here.

The following chart shows the number of permits issued by category

Units	2015	2016	% chg.	2017	% chg.
Single Family	25	24	-4%	39	63%
Renovation/Addition	27	22	-19%	28	27%
Cottage	75	71	-5%	65	-8%
Renovation/Addition	85	70	-18%	92	31%
Commercial	8	34	325%	28	-18%
Renovation/Addition	21	8	-62%	19	138%
Accessory Building	92	99	8%	109	10%
Docks	192	193	1%	234	21%
Boathouse	62	70	13%	70	0%
Sewage / Septic	190	234	23%	207	-12%
Total	777	825	6%	891	8%

Next let's look at the dollar value of those permits.

	2015	2016	% chg.	2017	% chg.
Single Family	\$8,594,000	\$7,940,640	-8%	\$19,504,649	146%
Renovation/Addition	1,150,060	2,076,200	81%	3,770,000	82%
Cottage	45,404,830	42,037,250	-7%	43,632,519	4%
Renovation/Addition	5,403,261	7,820,925	45%	6,312,430	-19%
Commercial	2,274,440	22,334,087	882%	12,606,549	-44%
Renovation/Addition	1,311,800	335,303	-74%	2,103,900	527%
Accessory Building	5,777,428	9,063,900	57%	8,365,506	-8%
Docks	9,338,401	10,423,060	12%	14,048,251	35%
Boathouse	11,050,950	14,162,800	28%	11,930,750	-16%
Sewage / Septic	3,634,900	4,935,520	36%	4,799,300	-3%
Total	\$93,940,070	\$121,129,685	29%	\$127,073,854	5%

If we divide the dollar value by the number of permits issued we can see the average price of the projects.

	2015	2016	% chg.	2017	% chg.
Single Family	\$343,760	\$330,860	-4%	\$500,119	51%
Renovation/Addition	42,595	94,373	122%	134,643	43%
Cottage	605,398	592,074	-2%	671,270	13%
Renovation/Addition	63,568	111,728	76%	68,613	-39%
Commercial	284,305	656,885	131%	450,234	-31%
Renovation/Addition	62,467	41,913	-33%	110,732	164%
Accessory Building	62,798	91,555	46%	76,748	-16%
Docks	48,638	54,005	11%	60,035	11%
Boathouse	178,241	202,326	14%	170,439	-16%
Sewage / Septic	\$19,131	\$21,092	10%	\$23,185	10%

What can we learn from these numbers? Since the number and value of permits are both going up, it seems clear that the township is seen as a good place to invest, at least in recreational properties. The number of commercial projects has not advanced in the same way as houses and cottages but we know that the 2016 numbers were unusually high as camps made large investments in infrastructure in that year. The MRA has some concerns about gentrification of Muskoka. More and more often, affordable cottages are being acquired, demolished, and replaced with expensive structures that are unaffordable to the majority of seasonal and local residents. If we want a vibrant, well rounded community, we need to have a balance in property availability so that all who want to live here can.

As was mentioned earlier, money being spent on wages and supplies to build our community are often ending up in other communities. If the tradesmen who work here live in Gravenhurst or Bracebridge for instance, that's where they spend their money. If the supplies they buy to build in our community come from suppliers outside of the township, the dollars spent end up elsewhere.

What can we do as a community to help build our Township? We can ask our Councillors to help us create a place where people want to live and do business. We need to provide good schools so that families want to settle here. We need to provide recreational opportunities so that parents see that the township has a lot to offer their families. We need to make sure that our seniors see the township as a place that they would like to retire. We need to be sure that affordable housing is available in our community.

As the municipal elections approach (scheduled for this Fall), the MRA will be asking candidates to share their vision for a liveable community with the voters. We will also want to know what steps they will take to implement their vision. Stay tuned for more information to come on the municipal elections from the MRA.