

**To:** Warden Ehgoetz and Members of Council  
**Meeting Date:** April 6, 2023  
**Prepared By:** Sally McMullen, Manager of Planning Services  
**Subject:** Update on Municipal Comprehensive Review - Watson and Associates Memo regarding Land Needs Assessment.

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**Recommended Action:**

THAT Council receives the “Update on Municipal Comprehensive Review - Watson and Associates Memo regarding Land Needs Assessment.” report; and  
THAT County Council receive a presentation from Watson and Associates regarding growth projections and next steps.

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**Executive Summary:**

An interim memo from Watson and Associates is attached to this report that provides a summary of the analysis and resulting land needs assessment for growth planning purposes within the County of Perth. The memo builds on their previous memo, received by Council on October 20, 2022 that provided the analysis and projections for population and job-related growth.

In 2022, staff from both tiers produced an update of the inventory of lands that are currently available to accommodate housing, employment and commercial growth. This land needs assessment provided by Watson and Associates measures the amount of additional land that needs to be allocated throughout the County to accommodate the projected growth over the long term.

As directed by the Provincial Policy Statement, 2020 planning authorities shall ensure that land is made available to meet the needs of the community's growth for a 25 year period.

Perth County is considered as a singular market region by the Province. Watson and Associates calculates that in addition to the current inventory, a total of 310 gross hectares are needed to accommodate growth over the next 25 years for residential, commercial, institutional and employment needs as well as space for associated infrastructure such as storm water management areas and new streets as examples.

**Background Information:**

In 2018 Council commissioned a CR analysis and report, which Watson and Associates finalized in April 2020. The CR provided growth projections for housing and employment including a breakdown of housing types and the amount of land needed to accommodate the expected growth.

In June 2021, Council initiated an update of the comprehensive review in light of increases at the time in building permit activity, the upcoming census results and changes in economic trends resulting from the Covid 19 Pandemic.

**Comments:**

The inventory of land available for growth includes lands that are designated and currently vacant that permit residential, commercial and industrial uses. Most of these lands are within the current settlement boundaries. Some of the available lands in the inventory are found in the areas currently designated urban fringe and a few properties in the inventory have agricultural designations where a special policy has been granted through past Official Plan Amendments to permit employment uses. One property in the inventory is the result of a Minister's Zoning Order granted in 2021. The inventory was compiled by Planning Staff and reviewed by staff at each member municipality. It is a listing of each property for tracking and record purposes and includes information for geo-referencing/mapping capabilities.

Some serviced settlement areas show deficits and some have a surplus for certain types of uses which each contribute to the overall land need for this market area - the whole of Perth County. Since the area is viewed as one market area, it is possible to expand the boundary of any serviced settlement area.

Staff will be using the land needs assessment to finalize a proposed growth plan that includes consideration of all serviced settlement areas and is based on known land use and servicing constraints.

**Public Engagement:**

When Watson and Associates have completed the land needs assessment a final report can be reviewed by Council and incorporated into the Growth Plan section of the New Official Plan. A fulsome public consultation will be conducted for the New Official Plan.

**Financial Implications:**

None at this time - the scope of work is currently within an approved budget item for 2022.

**Connection to Strategic Plan:**

Goal 1 – Growth & Economic Development

Goal 2 – Regionalization & Service Effectiveness

Goal 4 – Community Development & Planning

**Attachments:**

[Perth County CR - Perth County Growth Allocations and Land Needs Memorandum \(March 22 2023\) \(002\)](#)

**Reviewed By:**

Lori Wolfe, CAO

# Memorandum

<b>To</b>	Sally McMullen, Manager of Planning
<b>From</b>	Jamie Cook, Managing Partner, Adam Fischer, Senior Project Coordinator
<b>Date</b>	March 22, 2022
<b>Re:</b>	Perth County Comprehensive Review Land Needs Update

Fax

Courier

Mail

Email

## 1. Background

As part of its Official Plan update, Perth County retained WSP, in association with Watson & Associates Economists Ltd. (Watson) in 2018, to undertake an assessment of the County's long-term development potential and associated urban land needs to the year 2046. On April 21, 2020, Watson provided an updated report for Perth County titled, *Official Plan Update – Comprehensive Review (2020 C.R.)*. The C.R. forms a key input to developing a policy framework that directs how and where the County will grow and ensuring that matters of provincial interest are protected, including sustainable infrastructure and the wise management of land and resources. Responsibly managing this growth and change is a core function of land use planning and one that benefits from the broad input and perspectives of a community. This 2020 C.R. provided the following:

- A brief overview of macro-economic and regional development conditions influencing future development trends within Perth County;
- An assessment of demographic and housing trends within Perth County and its local municipalities;
- Forecast long-term housing, population and employment change in Perth County by urban serviced settlement area as well as by remaining urban and rural area to the year 2046; and
- An assessment of the County's residential and Employment Area needs by urban serviced settlement area over the next 25 years.

Since the release of this report, County staff have revised the inventory of vacant residential and non-residential lands. Furthermore, the County has been experiencing



stronger than anticipated urban growth pressures. As a result of these recent growth pressures, as well as broader macro-economic shifts brought about by the COVID-19 pandemic, Watson has prepared the following memorandum which summarizes the updated residential and non-residential forecast for Perth County, as well as the associated urban land requirements to 2048. After the draft findings outlined in this memorandum are endorsed by Perth County Council, a final Comprehensive Review report will follow.

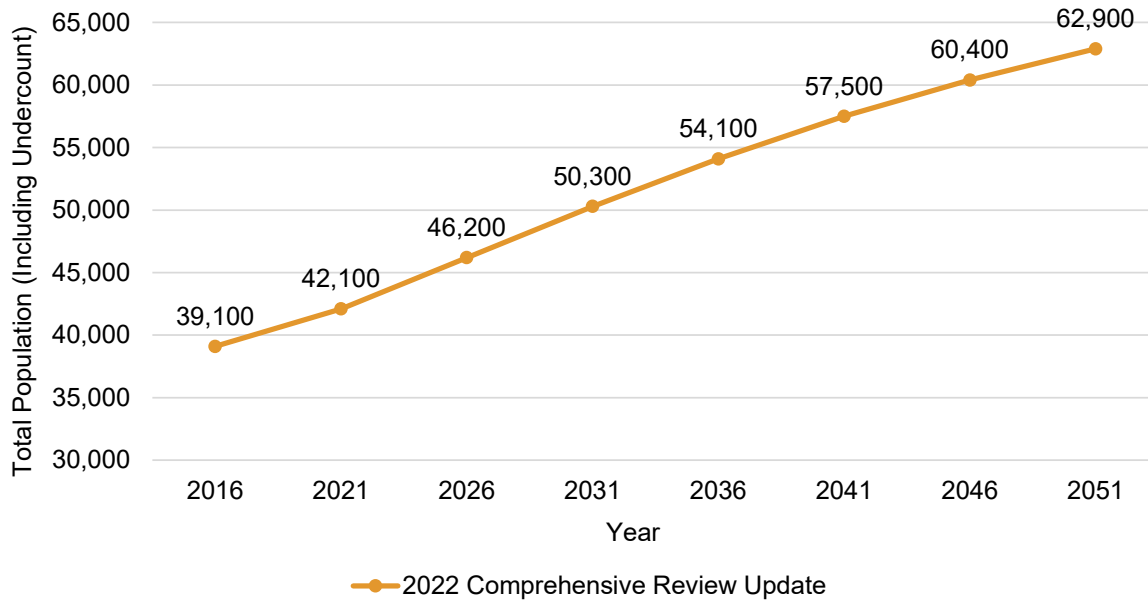
## 2. Long-term Population, Housing, and Forecast, 2021 to 2051

The September 29, 2022 Growth Forecast Memorandum established the population, housing, and employment forecasts for Perth County between 2021 and 2051. Further details regarding the growth assumptions can be found in the Growth Forecast Memorandum. Figure 1 through Figure 3 display the Perth County forecasts to 2051. The following summarizes the results:

- Perth County population is forecast to increase from 42,400 in 2021 to 62,900 in 2051, representing an incremental increase of 20,500 residents;
- Approximately 290 units are forecast to be constructed across the County annually; and
- Perth County is forecast to reach 29,700 jobs by 2051, representing an increase of 10,900 between 2021 and 2051.

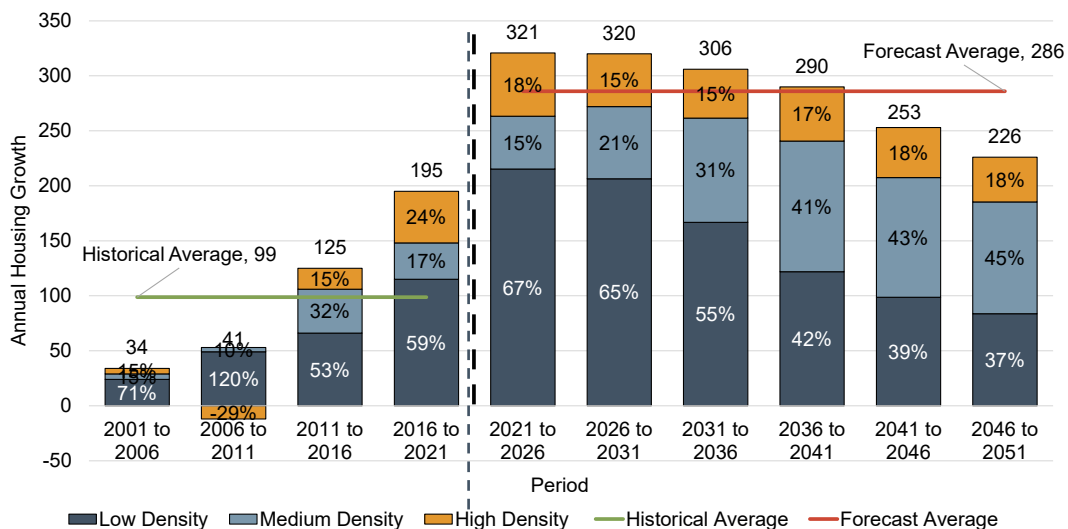


Figure 1  
Perth County  
Long-Term Population Forecast, 2021 to 2051



Source: 2016 and 2021 from Statistics Canada Census. Forecast by Watson & Associates Economists Ltd, 2022.

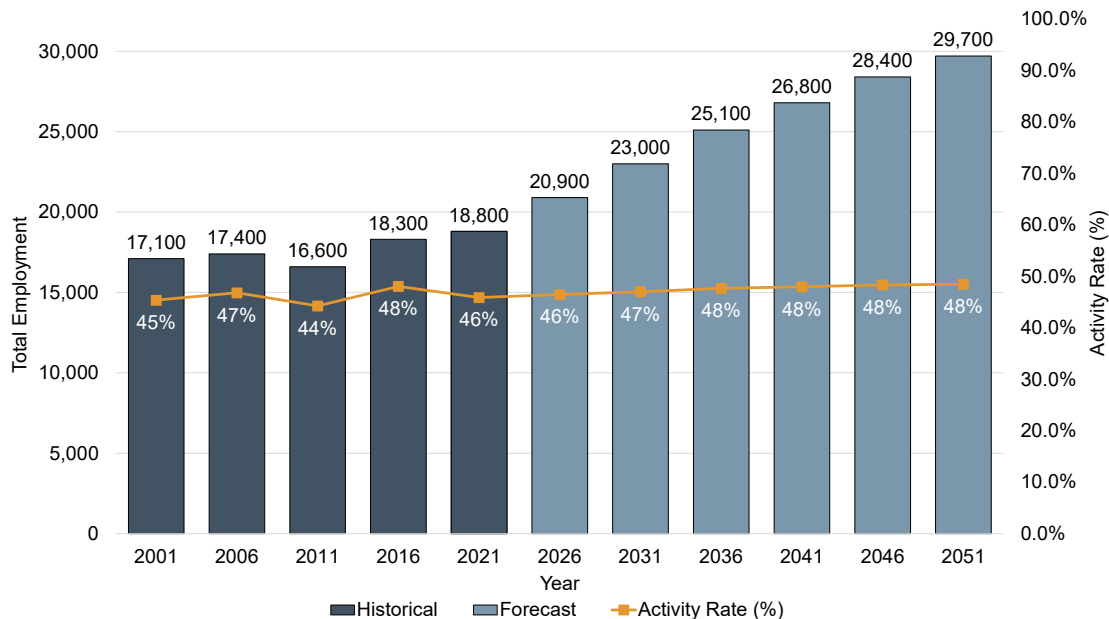
Figure 2  
Perth County  
Five-Year Incremental Housing Growth – Historical and Forecast, 2001 to 2051



Low density includes singles and semi-detached units. Medium density includes townhouses and apartments in duplexes. High density includes bachelor, 1-bedroom, 2-bedroom+ apartments.  
 Note: Figures may not add due to rounding.  
 Source: Historical 2001 to 2021 figures from Statistics Canada Census Profiles. Forecast prepared by Watson & Associates Economists Ltd., 2022.



Figure 3  
Perth County  
Historical and Forecast Employment Forecast, 2001 to 2051



Source: 2001 to 2016 from Statistics Canada Place of Work data. Forecast (2021 to 2051) is estimated by Watson & Associates Economists Ltd., 2022.  
Note: employment figures include work at home and no fixed place of work. Figures have been rounded.

### 3. Residential and Non-Residential Land Needs, 2023 to 2048

#### 3.1 Introduction

This section examines the County's long-term residential and non-residential land needs by settlement area over a 25-year planning horizon in accordance with subsection 1.1.2 of the Provincial Policy Statement (P.P.S.), 2020. This needs assessment is based on a detailed review of forecast demand and available vacant land supply by settlement area. Figure 4 provides a summary of forecast housing growth by urban area and remaining rural/hamlet areas over the 2023 to 2048 planning horizon. Approximately 90% of forecast housing growth across Perth County over the next 25 years is anticipated to be accommodated within the County's urban areas. This represents a total of approximately 6,560 new households over the 2023 to 2048 forecast period, or approximately 260 new households annually in the County's urban communities. The remaining 10% of forecast housing growth is anticipated to be accommodated within the County's hamlets and remaining rural areas.



**Figure 4**  
**Perth County**  
**Forecast Housing Demand, Urban and Rural Area, 2023 to 2048**

Development Location	Timing	Singles & Semi-Detached	Multiples <sup>1</sup>	High-Density <sup>2</sup>	Total Residential Units	Proportionate Share of Total
Urban Serviced Areas	2023-2048	3,280	2,160	1,118	6,558	90%
Remaining Urban and Rural Areas <sup>3</sup>		501	128	73	702	10%
Perth County		3,781	2,288	1,191	7,260	100%

Source: Watson & Associates Economists Ltd., 2023.

<sup>1</sup> Includes townhouses and apartments in duplexes.

<sup>2</sup> Includes accessory units, bachelor, 1-bedroom and 2-bedroom+ apartments.

<sup>3</sup> Includes remaining urban settlement areas such as villages and hamlets as well as rural areas in Perth County.

Note: Numbers may not add up precisely due to rounding.

### **3.2 Urban Residential Land Needs, 2023 to 2048**

Figure 5 summarizes the County’s long-term urban residential needs over the 2023 to 2048 planning horizon, based on forecast long-term demand and total available housing supply within the County’s urban communities.<sup>1</sup> It is important to note that the residential land needs analysis contains a provision of 65% to account for growth associated with commercial and institutional uses in residential areas. Comparing the anticipated housing development yield of the County’s designated urban residential lands that are either captured in an active development application or as vacant land (2,500 combined housing units), against forecast urban housing demand over the next 25 years (6,550 units), generates a potential deficit of approximately 4,050 housing units by 2048. As summarized, the County’s aggregate supply of designated land within its Urban Communities is not sufficient to accommodate urban housing demand over the 25-year planning horizon at a County-wide level. It is important to note that this deficit is forecast within the settlement areas of North Perth and West Perth, and the County’s other urban settlement areas are forecast to contain a residential land surplus

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<sup>1</sup> Including residential lands both within urban settlement areas and lands considered as “Urban Fringe” which have access to urban services.





over the next 25 years.<sup>1 2</sup> While some settlement areas contain a surplus, they are still eligible for an urban boundary expansion considering the land need at the County-wide level. Section 1.4 of the P.P.S. specifies the approach to identifying locations for urban expansion is done at the Regional Market Area level – in this context, Perth County is the Regional Market Area. This means that the 238 hectares of gross land required by 2048 are not limited to local municipal surpluses and deficits and can instead be identified across Perth County in a logical and efficient manner.

**Figure 5**  
**Perth County (Primary and Secondary Urban Community)**  
**Long-Term Urban Housing Needs, 2023 to 2048**

Local Municipality	Settlement Area	Total Supply Including Intensification <sup>1</sup>	Unit Forecast, 2023 to 2048	Unit Surplus/Deficit	Gross Land Surplus/Deficit
		<b>A</b>	<b>B</b>	<b>C = B - A</b>	<b>D = C / Units Per Gross ha<sup>2</sup></b>
Municipality of North Perth	Atwood	410	490	-80	-5
	Listowel	710	4,870	-4,160	-238
	<b>Total</b>	<b>1,120</b>	<b>5,350</b>	<b>-4,240</b>	<b>-243</b>
Township of Perth East	Milverton	560	460	100	4
	Shakespeare	85	50	35	3
	<b>Total</b>	<b>645</b>	<b>500</b>	<b>135</b>	<b>7</b>
Municipality of West Perth	Mitchell	750	700	50	-2
	<b>Total</b>	<b>750</b>	<b>700</b>	<b>50</b>	<b>-2</b>
<b>Grand Total</b>		<b>2,515</b>	<b>6,550</b>	<b>-4,055</b>	<b>-238</b>

Note: Numbers may not sum precisely due to rounding.

Total Supply includes units in active development plans as well as potential unit supply on vacant lands.

<sup>1</sup> Based on an intensification supply calculated as 10% of the total housing supply.

<sup>2</sup> Based on densities of 11 low density units, 20 medium density units, 49 high density units per gross ha.

Source: Watson & Associates Economists Ltd., 2023.

<sup>1</sup> Demand exists within the Village of Sebringville for additional housing development over the long-term planning horizon. Over long term (i.e. 25-year planning horizon), future urban expansion within the Village of Sebringville should be considered within the context of the County’s urban structure (i.e. urban settlement hierarchy) and the feasibility of providing municipal servicing within this area.

<sup>2</sup> The 2020 C.R. Report did not identify vacant residential lands in Milverton. The Milverton land supply has been reassessed and updated accordingly through this work.



### 3.3 Forecast Employment Area Land Needs, 2023 to 2048

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In assessing the County's long-term Employment Area land needs, consideration has been given to the following:

- Long-term employment growth potential by major sector;
- The share of employment growth on Employment Areas by major sector (industrial, commercial, institutional);
- Forecast employment density assumptions (i.e. employees/net hectare or acre) regarding existing and new businesses on Employment Areas;
- Forecast Employment Area absorption trends; and
- The amount of long-term net Employment Areas currently designated for employment uses but currently not developed (vacant) within Perth County.

Figure 6 summarizes forecast Employment Area land needs for Perth County by local municipality and settlement area over the 25-year planning horizon. Long-term land needs have been calculated against the County's supply of designated and developable vacant Employment Areas located within settlement areas, lands identified as Urban Fringe, and lands with permissions through special policies to allow employment growth. Over the 25-year planning horizon, the County's Employment Areas are anticipated to accommodate approximately 34% of the County's total urban employment growth, totaling 2,575 employees between 2023 and 2048. Based on the supply and forecast demand for these lands, a County-wide deficit of 47 net ha has been identified by 2048. It is noted that the identified Employment Area land needs are not uniform across the County. All settlement areas are forecast to experience an Employment Area land deficit by 2048, with the exception of Milverton. The following trends can be observed:

- North Perth has an Employment Area supply of 37 net ha and will require 132 net ha of Employment Area lands over the next 25 years. Accordingly, the Municipality is forecast to have a deficit of 95 net ha of Employment Area lands by 2048;
- Perth East has a forecast employment area demand of 15 net ha. Based on available employment land supply, the Township is forecast to have an employment land surplus of 57 net hectares by 2048;
- West Perth will accommodate the largest proportion of employment growth on employment lands in the County over the next 25 years. Accommodating this



- employment growth will require 32 net ha of employment area lands. Based on available supply, the Municipality will have a deficit of 3 net ha by 2048; and
- Perth South is forecast to have the lowest employment densities within the County and is expected to absorb 15 net ha of Employment Area lands over the next 25 years. By 2048 the Township is forecast to have an Employment Area deficit of 5 net ha.

**Figure 6**  
**Perth County**  
**Forecast Employment Area Land Needs (Demand vs. Supply), 2023 to 2048**

Urban Employment Areas by Local Municipality		2023 to 2048					
		Forecast Employment	Forecast Employment on Employment Lands	Net Employment Area Demand (Net ha)	Net Employment Area Supply <sup>1</sup> (Net ha)	Employment Area Surplus/Deficit (Net ha)	Employment Area Surplus/Deficit <sup>2</sup> (Gross ha)
		A	B	C	D	E = D - C	F = E / 65%
Municipality of North Perth <sup>3</sup>	Atwood	505	95	7	2	-5	-8
	Listowel	5,485	1,705	125	35	-89	-138
	<b>Total</b>	<b>5,990</b>	<b>1,800</b>	<b>132</b>	<b>37</b>	<b>-95</b>	<b>-146</b>
Township of Perth East <sup>3</sup>	Milverton	695	170	12	73	60	93
	Shakespeare	110	40	3	0	-3	-5
	<b>Total</b>	<b>805</b>	<b>210</b>	<b>15</b>	<b>73</b>	<b>57</b>	<b>88</b>
Municipality of West Perth <sup>3</sup>	Mitchell	1,050	435	32	29	-3	-5
	<b>Total</b>	<b>1,050</b>	<b>435</b>	<b>32</b>	<b>29</b>	<b>-3</b>	<b>-5</b>
Township of South Perth <sup>4</sup>	South of St. Mary's	620	130	15	9	-6	-10
	<b>Total</b>	<b>620</b>	<b>130</b>	<b>15</b>	<b>9</b>	<b>-6</b>	<b>-10</b>
<b>Perth County</b>		<b>8,465</b>	<b>2,575</b>	<b>194</b>	<b>147</b>	<b>-47</b>	<b>-72</b>

Note: Numbers may not sum precisely due to rounding.

Net Employment Area Supply includes an intensification supply calculated as 5% of total forecast employment on employment lands.

<sup>1</sup> Based on a net to gross ratio of 85%.

<sup>2</sup> Gross land area references to the total land area, excluding natural heritage features, natural heritage systems, floodplains, cemeteries and rights-of-way electricity transmission lines, energy transmission pipelines, freeways, and railways. A net to gross ratio of 65% was applied to account for future internal infrastructure requirements (e.g. local roads, stormwater management facilities, local environmental features, and open space).

<sup>3</sup> Based on an employment density of 13 jobs per net ha.

<sup>4</sup> Based on an employment density of 8 jobs per net ha.

Source: Watson & Associates Economists Ltd., 2023.

## 4. Observations

This memorandum provides an assessment of the County's long-term population, housing, and employment growth potential and associated urban land needs to the year 2048, within the context of County-wide development trends, regional economic growth drivers and available urban land supply. A more detailed report providing further details regarding the growth forecasts and associated land needs is forthcoming. Overall, the findings of this memorandum have demonstrated the following:



- Overall, Perth County is anticipated to experience steady population and employment growth over the long-term. The County's long-term growth outlook has strengthened relative to previous population and employment projections which have been prepared for the County over the past decade;
- The County does not have a sufficient supply of designated urban residential lands to accommodate anticipated residential development over the next 25 years, resulting in a County-wide deficit of 238 gross hectares. The identification of urban boundary expansions can be achieved in all Perth County area municipalities. It is important to recognize that the gross residential land needs include a provision for commercial and institutional land uses; and
- All Settlement Areas within the County have a deficit of designated Employment Area lands to accommodate long-term needs, with the exception of Milverton. An Employment Area expansion of 47 net ha (72 gross ha) across the County is recommended to accommodate anticipated Employment Area land demand over the 25-year planning horizon.