

Residential Lands Comprehensive Review

For Councils Review

2024 Official Plan Update
Town of Perth

June 4, 2024

Jp2g Project # 22-7124A



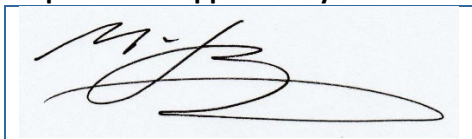


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Author and Review Panel

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1 Introduction

The Town of Perth retained the services of Jp2g Consultants Inc. (the Consultant) to undertake a review and update of its Official Plan in the spring of 2023, in accordance with Section 26 of the Planning Act, R.S.O.1990. A Special Meeting, under Section 26 of the Planning Act, R.S.O.1990, was held on August 29, 2023. The Consultant provided the Town of Perth Council with a “Preliminary Planning Issues and Policy Options Report” dated March 4, 2024, which was subsequently reviewed and accepted by Town Council on March 12, 2024. One of the issues highlighted in the Report was Growth Management.

The primary policy option recommendation related to growth management stated that:

“As part of the Official Plan Update the Town should undertake a comprehensive review in order to assess the assumptions of OPA #16 and recent development proposals involving the golf course lands - the development proposal involving the golf course lands triggers the need for a comprehensive review under the policies of Section 8.8 of the Official Plan.”

Town Council provided direction to the Consultant to undertake the necessary comprehensive review as part of the Official Plan Update project. This Report is intended to represent the Residential Lands Comprehensive Review associated with the 2024 Update of the Town of Perth Official Plan, consistent with the above recommendation and in accordance with Section 1.1.3 of the 2020 Provincial Policy Statement (PPS).

2 Background

It is understood that the Town of Perth went through an extensive exercise in 2018 to identify sufficient lands for future residential growth and development, which culminated in Official Plan Amendment #16 (OPA #16). OPA #16 included an analysis and identification of lands within the Town of Perth for intensification and redevelopment, as well as sufficient lands to accommodate the population allocation from Lanark County of 8,085 persons to the year 2038. This work was consistent with the direction set out in Section 1.1.3 of the 2014 PPS.

It is the intent of this Report to not duplicate the 2018 Comprehensive Review by the Town of Perth, but rather to critique the assumptions and conclusions of the 2018 work to determine if it is still relevant or if there are elements that need to be reconsidered as part of the Town’s current Official Plan Update, specifically the amount of lands designated “Residential”. The focus of this report will be exclusively on residential development and will not consider commercial or industrial lands.

In undertaking this Residential Lands Comprehensive Review, there will be a summary of the past, current, and proposed provincial policy statements as they relate to comprehensive reviews, and an assessment of the OPA #16 assumptions. There will also be a review of Town of Perth development activity and population changes since 2018, and an assessment of the intensification and redevelopment lands identified in OPA #16 to determine if they are still relevant in relation to the current inventory prepared by the Town staff. There will also be a summary of draft Lanark County 2023 Growth Study, and overview of changes in the social context since 2018 and the approval of OPA #16.

This Report will determine if there is a justification to designate additional lands for residential development within the revised planning period.

2.1 Provincial Policy Statement

The Provincial Policy Statement provides policy direction on matters of provincial interest related to land use planning and development. It sets out the policy foundation for regulating the development and use of land. It also recognizes that municipal official plans are the most important vehicle for implementation of the Provincial Policy Statement and for achieving comprehensive, integrated, and long-term planning. Section 3 of the Planning



Act and the PPS require that local official plans identify provincial interests and set out appropriate land use designations and policies which are “consistent with” the provincial policy statements.

The 2014 PPS was in force and effect during the preparation of OPA #16. Section 1.1.3 of the 2014 PPS recognized “Settlement Areas” as the focus of growth and development within Ontario. The policies went further and stressed that “planning authorities shall identify appropriate locations and promote opportunities for intensification and redevelopment where this can be accommodated, taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.”

The 2014 PPS also stressed that “new development taking place in designated growth areas should occur adjacent to the existing built-up area and shall have a compact form, mix of uses, and densities that allow for the efficient use of land, infrastructure, and public service facilities.”

Relevant to this report, Section 1.1.3.8 of the 2014 PPS made clear that:

“1.1.3.8 A planning authority may identify a settlement area or allow the expansion of a settlement area boundary only at the time of a comprehensive review and only where it has been demonstrated that:

- a) Sufficient opportunities for growth are not available through intensification, redevelopment and designated growth areas to accommodate the projected needs over the identified planning horizon;
- b) the infrastructure and public service facilities which are planned or available are suitable for the development over the long term, are financially viable over their life cycle, and protect public health and safety and the natural environment;
- c) in prime agricultural areas:
 - a. the lands do not comprise specialty crop areas;
 - b. alternative locations have been evaluated, and
 - i. there are no reasonable alternatives which avoid prime agricultural areas; and
 - ii. there are no reasonable alternatives on lower priority agricultural lands in prime agricultural areas;
- d) the new or expanding settlement area is in compliance with the minimum distance separation formulae; and
- e) impacts from new or expanding settlement areas on agricultural operations which are adjacent or close to the settlement area are mitigated to the extent feasible.

In determining the most appropriate direction for expansions to the boundaries of settlement areas or the identification of a settlement area by a planning authority, a planning authority shall apply the policies of Section 2: Wise Use and Management of Resources and Section 3: Protecting Public Health and Safety.”

This policy was interpreted to only permit the expansion of an urban settlement boundary or identify new designated growth areas within existing settlement areas if there was not sufficient intensification/redevelopment lands or existing designated growth areas to accommodate the planned growth. This policy was considered a “hard” cap on growth and was intended, in part, to promote intensification and redevelopment and minimize new designated growth areas (i.e. greenfield lands) in order to manage and control urban sprawl and promote the efficient use of existing infrastructure.

The current 2020 PPS replicates most of the Section 1.1.3 policies of the 2014 PPS. The 2020 PPS states that “Settlement Areas” are the focus of growth and development. Intensification and redevelopment are preferred locations for development. The policies also stress the need to establish and implement phasing policies to ensure intensification and redevelopment targets are achieved prior to, or concurrent with, new development in designated growth areas and the orderly progression of development within designated growth areas and the timely provision of infrastructure.



Section 1.1.3.8 remains largely the same and allows for the expansion of the settlement area boundary only at the time of a comprehensive review and only where it has been demonstrated that:

- a) Sufficient opportunities to accommodate growth and to satisfy market demand are not available through intensification, redevelopment, and designated growth areas to accommodate the projected needs over the identified planning horizon.
- b) The infrastructure and public service facilities which are planned or available are suitable for the development over the long term, are financially viable over their life cycle, and protect public health and safety and the natural environment.
- c) Avoid prime agricultural areas, comply with minimum distance separation formulae, and mitigate impacts on agricultural operations.

The concept of a hard cap on the introduction of new designated growth areas is consistent between the 2014 PPS and the current 2020 PPS.

There is currently a new draft 2024 PPS under consideration and posted on the Environmental Bill of Rights. This “new draft 2024 PPS” no longer refers to “comprehensive reviews” but does contain similar policies related to settlement areas being the focus for growth and development. It also suggests that at the time of an Official Plan Update, “sufficient lands shall be made available to accommodate an appropriate mix of land uses to meet projected need for a time horizon of at least 20 years, but not more than 30 years informed by provincial guidance”. The removal of reference to a comprehensive review and the expansion of the planning horizon to 30 years, are significant deviations from both the 2020 PPS and the 2014 PPS.

The new draft 2024 PPS policies also requires that “the land and unit supply maintained by the municipality shall be based on and reflect the allocation of population and units by the upper tier”.

When considering boundary expansion, the municipality must consider the need to designate and plan for additional land to accommodate an appropriate mix and range of land uses and that sufficient infrastructure capacity exists or is planned to support the development. There are also the same statements regarding minimizing impact on agriculture.

In general, the new draft 2024 PPS appears to be less rigid than the 2020 PPS or 2014 PPS in terms of identifying new designated growth areas but is consistent with the requirement for a “need” to identify additional lands and the ability to service the lands. It could be argued that the new draft 2024 PPS is more of a “soft” cap on new designated growth areas and is less concerned with containing and managing urban sprawl.

2.2 Official Plan Amendment #16 to the Town of Perth Official Plan

Official Plan Amendment #16 to the Town of Perth Official Plan, adopted in 2018, was the culmination of nearly two decades of efforts to identify additional residential lands for development within the Town’s urban settlement boundary. Specifically, OPA #16 identified 11.19 ha of additional lands to be designated “Residential” to accommodate a population allocation of 8,085 by the year 2038.

In 2009 three parcels of land were annexed into the boundary of the Corporation of the Town of Perth. The three properties were commonly known as the Tayview property, Meadows property, and Golf Course property. In 2013 there was a Class EA process initiated to establish an infrastructure master plan for existing “North of 7” designated growth areas and the annexed Meadows property, focusing on road network, sanitary sewer services, water supply services, and stormwater sewer infrastructure. A similar EA project was carried out for the annexed Tayview and Golf Course properties in 2017/2018.

In 2017 Lanark County (approval authority) undertook a Growth Study which ultimately became Official Plan Amendment #8 to the Lanark County Sustainable Communities Official Plan (LCSCOP). OPA #8 provided a population allocation, in accordance with Section 1.2.4 of the 2014 PPS, to the eight lower tier municipalities which comprise Lanark County. Through this process, the Town of Perth was allocated a population of 8,085 to the year 2038, representing a 2,155 person increase over the 2016 Town population of 5,950 persons. At the time, consistent with the 2014 PPS, this was considered a “hard cap” on the growth for the Town of Perth and

that the amount of land designated for residential development, including existing designated lands and intensification opportunities, should not exceed the 8,085 population allocation.

In 2017 the Town of Perth upgraded its sanitary treatment system, adding a “Submerged Attached Growth Reactor (SAGR)” (Phase1) to the sanitary treatment stream, increasing the treatment capacity of the Town from 6,100 to 8,100 persons. Phase 2 of the SAGR has been planned and designed, but not constructed. Phase 2 would have the potential to accommodate a Town population of 10,500 persons.

Following these actions, OPA #16 was initiated to ensure there was sufficient land to accommodate the projected growth (need) and ensure that the Town of Perth met its obligations under Section 1.1.3 of the 2014 PPS. OPA #16 concluded the following:

- Existing Designated Growth Areas (i.e. Existing Vacant Residential Lands) = 44.87 ha of vacant lands. If developed at approximately 16 units/ha (gross density), these lands could accommodate approximately 731 residential units or 1,367 persons (assuming 1.87 persons per household).
- Intensification/Redevelopment (Existing infill & brownfield lands) = 5.76 ha of available lands and if developed at roughly 42.5 units/ha (gross density) could accommodate 245 residential units or 458 persons (assuming 1.87 persons per household).
- New Designated Growth Area (i.e. new Vacant Residential Lands) = 11.19 ha and developed 16 units/ha could accommodate 179 residential units or 335 persons (assuming 1.87 persons per household).
- The need to accommodate an additional 2,055 persons would be achieved through existing vacant residential lands (63%), existing intensification lands (21%), and new vacant residential lands (16%).
- This approved growth strategy provided for equal distribution of available servicing capacity in different locations throughout the Town, with different densities by different developers offering a wide variety of housing mix and designs spread throughout the community.
- It was also projected that there would need to be roughly 58 new residential units constructed per year over the 20-year planning horizon (2038) to achieve the population allocation.

It was concluded through the OPA #16 exercise that not all of the annexed lands were required to make up the additional 11.19 ha of new “Residential” lands to reach the 8,085 population by 2038. It was determined through the various servicing master plan exercises undertaken by the Town for the annexed lands, that the development of the Golf Course lands required very high servicing input costs, partly due to the need for a second access/bridge to address public health and safety concerns. As a result, the Golf Course lands were deemed, at the time, to be cost prohibitive to develop, and were therefore not included in the new 11.19 ha of Designated Growth Areas identified through OPA #16. This decision was seen to be consistent with Section 1.6.1 of the PPS which required infrastructure to be financially viable.

It is worth noting that prior to OPA #16, an 8.05 ha portion of the Golf Course lands had been designated “Residential” and allocated 129 residential units. This designation remains in place but was not increased through OPA #16. The balance of the Golf Course lands remained within the “Special Policy Area” designation (approximately 41 ha).

In addition to the high costs of servicing the Golf Course lands due to the second access/bridge, it was acknowledged in comments by the RVCA that there was no approved stormwater servicing strategy achieved through the EA Servicing Master Plan for the Golf Course lands, and that development of the Golf Course lands was, in their opinion, premature.

It was also concluded that only 40% (6.9 ha) of the Meadow lands was required as new 11.19 ha of additional designated growth areas. OPA #16 recognized that there was an approved servicing strategy for the entire Meadows holding, and redesignated the balance of the Meadows lands as “Future Development” designation (approximately 17 ha). It was understood and clarified in Section 8.8 of the Perth OP, that the Meadow lands and Golf Course lands were not identified as new designated growth areas, and would be considered for residential development only when a comprehensive review of the Perth OP was undertaken and/or in



conjunction with a comprehensive review of growth allocations by Lanark County providing additional population allocation (i.e. there was justified need for additional designated growth areas).

2.3 Official Plan Amendment #16 to the Town of Perth Official Plan: Assumptions

2.3.1 Intensification Lands

OPA #16 identified a total of 5.76 ha of lands for potential intensification/infill residential development, representing potential for 245 residential units or 458 people. Since 2018, two of the seven infill properties, representing 2.38 ha, have been developed with a total of 139 units. Originally, the two newly developed infill properties had an estimated density of 117 units. The remaining five properties are still vacant and represent valid infill/intensification properties.

Town staff have also provided information that indicates an additional 2.1 ha of intensification/infill property has been identified, and that there has been some development pre-consultation. Staff have also identified a further 2.4 ha of land with some infill/intensification potential, but there have been no development discussions on these lands.

Intensification/infill lands are the most preferred, efficient, form of residential development, typically requiring minimal new infrastructure. Intensification/infill lands are also prioritized in the PPS (2014 & 2020 & draft 2024). Maintaining +/- 20% of the Town's reserve sanitary capacity for new intensification projects, represents good land use planning and is strongly encouraged as a matter of Official Plan policy. Clarification of this point in the pending update of the Official Plan will be recommended.

The assumption that 20% of future residential development will be in the form of intensification/infill development is deemed to be a valid assumption established through OPA #16.

2.3.2 Residential Densities

OPA #16 assumed a residential density of roughly 16 units per hectare for designated growth area lands (green field), and an average density of 42 units per hectare for intensification/infill lands. It is generally held that intensification projects are typically of a higher density than green field lands, often involving multiple residential development typologies (townhouses, apartments). Green field residential development tends to be of a lower density, involving more of a mix of housing types (i.e. a mix of single detached, semi-detached, townhouses, and apartments).

The Perth OP recommends low density development at between 15 and 25 units per ha, medium density development at between 25 and 60 units per ha, and high-density development at between 60 and 100 units per ha.

In a scan of similar municipalities, the blended residential density ranges between 15 and 25 units per ha, with the average around 23 units per ha. The density assumption in the Official Plan for medium and high-density for intensification projects appears to be representative of the general range of infill densities through the industry scan, although the average of 43 units per ha used in OPA #16 is slightly on the low side.

It would appear that the density assumption for new designated growth areas and intensification lands expressed in OPA #16 are on the low end of the density range in the Official Plan and appear to be lower than the industry average. Going forward, a designated growth area projected density of between 20 to 25 units per gross hectare, and infill/intensification lands at 45 units per gross hectare would be appropriate.

2.3.3 Persons Per Household

The assumption of the number of persons per household for OPA #16 was 1.87 persons per household. This figure was based on historic occupancy levels. The 2021 Census for the Town of Perth confirmed that the current occupancy level is 1.89 persons per household.



The difference between the OPA #16 persons per household and the current 2021 Census figure, is quite minor and generally seen to be similar. Going forward, the figure of 1.87 persons per household used as an assumption in OPA #16 is deemed to be valid for future projections.

2.3.4 Sanitary Treatment and Water Supply Capacity

The current sewage treatment system for the Town of Perth has an Environmental Compliance Approval (ECA) for processing 7,718 m³/day, which equates to a design population of 8,100 persons. With the addition of the planned and engineered fifth SAGR Unit, 800 m³/day of treatment capacity would be added to the system, increasing the design population to roughly 10,500 persons. The Town of Perth currently has an application into the provincial government requesting assistance in the funding of the construction of the planned and engineered fifth SAGR Unit.

The Town's water supply system currently has an ECA for a designed production of 9.1ML/day of potable water. It has been confirmed that the Water Plant is currently running at roughly 3.6 ML/day, or 40% of designed capacity. It is estimated that the Water Plant has the capacity to support a population in excess of 10,500 people.

The assumptions of OPA #16 that the Town of Perth has the "existing" sanitary treatment and water supply servicing capacity to support a population of 8,100 is valid and confirmed. Further, it is confirmed that the Town of Perth has the "planned" sanitary treatment and water supply servicing capacity to support a population of 10,500.

2.3.5 Population Estimates

OPA #16 was predicated on the population allocation by Lanark County through OPA #8 to the LCSCOP. For the Town of Perth, this represented a population allocation of 8,085 to the year 2038. This figure was arrived at through the 2017 Lanark County Growth Study.

Between 2016 and 2021, the 2021 Census for the Town of Perth indicated that the population increased 9.1 %, from 5,930 to 6,469, an increase of 540 persons or 108 persons per year, which represents one of the highest rates of growth for the Town of Perth in decades. This rate of growth is found to be very consistent with the assumptions in OPA #16 for 58 new residential units per year, which would equate to roughly 108 persons per year (58 units X 1.87 persons/household).

Recently, Lanark County has undertaken a new 2023 Growth Study prepared by Watson & Associates. This study, which is in draft form as of this writing, demonstrated that between 2016 and 2022 Lanark County grew by 1.6% per year, doubling the historic rate of growth. The report also suggested that the Ministry of Finance is now projecting a 2036 Lanark County population of approximately 95,300 persons. It is worth noting that OPA #8 to the LCSCOP projected the Lanark County population to be approximately 96,443 by 2038, slightly higher but generally similar to the most recent Ministry of Finance projection.

Watson and Associates presented a high, medium, and low growth scenario for Lanark County, and suggested a 2036 population ranging between 83,500 and 92,700 by 2036, lower than the estimates found in OPA #8 and the Ministry of Finance projections. The Watson and Associates projections also identified an increase in the percentage of medium and high-density residential development over time, and approximately 8,500 new housing units County-wide by 2036.

Going forward, Watson and Associates anticipate the Town of Perth's population to continue to increase with roughly 127 new persons per year (68 units per year or a 1.6% per year increase), resulting in a potential population of 10,290 by the year 2051. This would represent a population of roughly 8,628 persons by the year 2038, higher than the population allocation used for the Town of Perth in OP #16. (Note – this figure is derived from the 2021 Census population of 6,469 and 17 years of 127 new persons/year to equal 8,628 persons by the year 2038).

When using the Watson and Associates figures to project 20 years from 2024, the 2044 population would be 9,009 persons using the same methodology as noted above.



Population projections are challenging to rationalize, given the range of variables and unknowns. It is common, from a land use planning perspective, to use medium to high projections so that sufficient lands are identified for development. This also ensures a community does not run the risk of being caught short with a booming economy and not having sufficient lands to accommodate proposed development - advancing the concept that it is better to over supply development lands than under supply. It is worth noting that the 2014 PPS challenged this approach in an effort to promote more intensification/infill and reduce urban sprawl.

It appears that the year 2038 projected population for the Town of Perth advanced in OPA #16 of 8,085 persons has merit when compared to current growth projections, however may be on the low side. When originally conceived, it was seen to be on the high end of the population projection. Based on the Watson and Associates figures and the Ministry of Finance figures, it seems that the OPA #16 population allocation may be closer to the mid-range than the high range, especially given the surge in population between 2016 and 2021 experienced by the Town of Perth.

As part of the pending Town of Perth Official Plan update, a new 20-year planning horizon to the year 2044 should be used, with a recommended projected Town of Perth population of 9,009.

Assuming the new draft 2024 PPS is put in place as currently written, it would be appropriate to consider a 25–30-year planning horizon, in which case a 2051 population projection of 10,500 for the Town of Perth would appear to be appropriate. This is based on the Watson and Associates projections and the Town’s planned sanitary treatment capacity.

2.3.6 Building Permit Activity 2019 to 2023

The annual building permit summary reports for 2019 to 2023 have been reviewed. Table 1 demonstrates that there have been 245 new residential units constructed in the Town during the past five years, 30 of which were single detached dwellings and the balance, 215 units, being in multi-unit residential apartments. Apartment style residential units, whether on green field or as infill projects, are emerging as a dominant form of new residential units within Perth. This is consistent with regional and national observed trends for higher density residential development projects increasing in response to the national housing crisis. The lack of any new residential construction in 2022 and 2023 would appear to be indicative of the post COVID downturn in the economy and rising interest rates.

Table 1: New Residential Building Permits - 2019 to 2023

| Residential Building Permit Types | 2019 | 2020 | 2021 | 2022 | 2023 | Total |
|-----------------------------------|-----------|-----------|------------|----------|----------|------------|
| Single Detached | 21 | 5 | 4 | 0 | 0 | 30 |
| Apartment | 18 | 69 | 126 | 2 | 0 | 215 |
| TOTAL | 39 | 74 | 130 | 2 | 0 | 245 |

The takeaway from Table 1 is that there has been a reduction in the supply of single detached lots by 30, since OPA #16. There has also been a reduction in the supply of greenfield apartment lots by 1, and a reduction in the supply of apartment infill lots by 3 since the approval of OPA #16 in 2018.

2.3.7 Pending Residential Activity 2024 to 2036

Town Planning Staff recently prepared a Pending Residential Development Table summarizing all of the pending development projects, based on preconsultation, draft plan submissions, and expressions of interest, which they have been made aware of in the past 24 months. Table 2 consists of a wide variety of projects, some of which are deemed construction ready, while others require various planning approvals. The Perthmore, Brownlee, Tayside Estates, and Loblaw projects are all located on existing greenfield residential lands. The Caivan



developments are largely on Special Policy Area lands, although Caivan’s earliest projects appear to be largely on existing designated Residential lands. The balance of the projects appears to be infill and intensification projects. There appears to be a total of approximately 617 residential units on existing designated greenfield properties, 941 residential units on existing designated Residential lands, and 936 residential units on future residential lands.

Table 2: Pending Residential Development Projects

| Development Name / Identifier | Estimated Residential Units | Projected Start Year | Greenfield Existing Designated | Greenfield Future Residential | Intensification & Infill Projects |
|-------------------------------|-----------------------------|----------------------|--------------------------------|-------------------------------|-----------------------------------|
| 55 57 Drummond | 18 | 2024 | | | X |
| Gore St E | 6 | 2024 | | | X |
| 63 Halton St (Perthworks) | 15 | 2025 | | | X |
| Craig St | 18 | 2025 | | | X |
| 85 Wilson St | 16 | 2025 | | | X |
| Maple Leaf | 104 | 2025 | | | X |
| Herriott St | 32 | 2025 | | | X |
| 125 Wilson St W | 63 | 2025 | | | X |
| Perthmore Phase 6 | 93 | 2026 | X | | |
| Caivan | 64 | 2026 | X | | |
| Caivan | 160 | 2027 | X | | |
| Kippen St | 42 | 2027 | | | X |
| Caivan | 160 | 2028 | | X | |
| Harbouredge | 130 | 2028 | | | X |
| Provost | 8 | 2028 | | | X |
| Tayview | 150 | 2028 | | | X |
| Tayside Estates | 40 | 2028 | X | | |
| Perthmore Infill (Lola Lane) | 15 | 2029 | | | X |
| Caivan | 160 | 2029 | | X | |
| Perthmore Ent Phase 7 | 180 | 2030 | X | | |
| Brownlee Phase 3/4 | 104 | 2030 | X | | |
| Caivan | 160 | 2030 | | X | |
| Caivan | 160 | 2032 | | X | |
| Caivan | 160 | 2034 | | X | |
| Loblaw | 300 | 2035 | X | | |
| Caivan | 136 | 2036 | | X | |
| TOTAL | 2494 | | 941 | 936 | 617 |

The total of 2,494 units that appear to have development potential over the next 12 years, would represent an increase in population of 4,664 persons, using 1.87 persons per household. When added to the 2021 Census population for the Town of Perth, the population by 2036 could exceed 11,133 persons, assuming a Net 0 balance on births and deaths.

There are two significant land holdings within the current urban settlement boundary of the Town of Perth which are identified as “Future Development” and “Special Policy Area”, and which have been identified as having potential for residential development.



The “Meadows” Future Development lands is estimated at approximately 17 ha, with the potential to accommodate 340 residential units at a density of 20 units per gross hectare. This would represent the ability to accommodate a population of 636 using 1.87 persons per household.

The “Golf Course Lands” Special Policy Area lands available for development is estimated at 41 ha, with the potential to accommodate 820 residential units at a density of 20 units per gross hectare. It is acknowledged that the current development proposal for the Golf Course Lands is estimating 975 residential units (roughly 24 units per hectare). At 820 residential units, a population of 1,534 people could be expected on the property using 1.87 persons per household. This could increase to 1,823 persons using the density currently proposed for the property.

2.4 Changes to Social Context of Official Plan Amendment #16

Every official plan planning policy expression is carried out within a certain social context that underlays the intent of the policy such as historic growth rates, servicing capacity, new infrastructure, community facilities, commuter patterns, and provincial priorities/policies. OPA #16 was put forward during a time in which the Town of Perth had realized very little historic residential growth, had a stable but aging population, had pressure from owners of annexed lands to permit the development of their properties, and had just completed a significant new investment in sewage treatment capacity to facilitate growth. It could be said that the robust projection of population growth to 8,085 by the year 2038 was extremely optimistic given the historic low growth rate of the Town. However, the Council was committed to putting the community in a position to be able to respond positively to new growth demands within the planning structure of the 2014 PPS.

Since 2018, there have been significant changes to the provincial and local social context affecting the projected residential development in the Town of Perth:

1. A new Draft 2024 Provincial Policy Statement (PPS)
2. COVID Population Migration to Small Town/Rural Communities
3. Remote Work Options, Post COVID
4. Surge in Population Growth of Perth between 2016 and 2021
5. National/Provincial/Local Housing Crisis & Changing Provincial Planning Policies
6. Purchase of the “Golf Course Lands” by an established Housing Developer
7. 2023 Growth Study for Lanark County – Area Municipal Growth Allocations (April 24, 2024)

2.4.1 New Draft 2024 PPS

As noted earlier in this report, the PPS is an overriding policy document which local municipalities must be consistent with when developing Official Plan policies. The planning direction of 2014 PPS and the new 2024 Draft PPS are very different. Where the 2014 PPS was advancing tighter urban boundaries, limiting urban sprawl, and promoting intensification, the new draft 2024 PPS appears to have a single focus of addressing the housing crisis and promoting all forms of housing, including low density greenfield residential development.

It is clear that the new draft 2024 PPS appears to be less rigid than the 2014 PPS in terms of identifying new designated growth areas, however the 2024 PPS still requires a municipality to identify a “need for the lands” and an “ability to service the lands”. It could be argued that the new draft 2024 PPS establishes a “soft” cap on new designated growth areas and is less concerned with containing and managing urban sprawl, while addressing the pressing needs to build more houses.

It is very important and germane to this report that the new draft 2024 PPS has explicitly eliminated the reference to a “comprehensive review”, and now simply makes the statement that a municipality shall, at the time of an official plan update, make available to accommodate development and appropriate range and mix of land uses to meet projected needs for a time horizon of at least 20 years, but not more than 30 years. This is the first time that a PPS provided for a planning horizon beyond 20 years (note the 2020 PPS) allowed for infrastructure planning beyond 20 years). The policies still require that the land and unit supply, maintained by the lower-tier municipality, be based on, and reflect the allocation of population and units by the upper-tier



municipality. The policies also indicate that there must be a “need” for the designated lands and the “ability to service” the lands with existing or planned infrastructure.

Although it is found that the new draft 2024 PPS is similar to the current 2020 PPS and the 2014 PPS in many ways, it is considered to be much less rigid in terms of the need for a formal comprehensive review exercise to justify new designated growth areas. There is still a requirement to rely on upper tier population allocation (need) and the ability to service (sanitary and water reserve capacity), but it is more in line with a “soft” cap on land allocation than the “hard” cap of the 2014 PPS. This new flexibility in the 2024 PPS for identification of new designated growth areas, significantly alters the social context compared to that which existed in 2018 with the approval of OPA #16.

2.4.2 COVID Population Migration, Remote Work Opportunities Empirical Population Increase

The attractiveness of a complete communities such as the Town of Perth with robust health care services and a hospital, a wide variety of education services including two high schools and three elementary schools, and a wide variety of recreation opportunities all within a one-hour drive of the City of Ottawa and the City of Kingston, became evident during the COVID Pandemic. Like many rural and small-town communities in eastern Ontario, Perth experienced a surge in population growth and new people moving to the community between 2020 and 2021, as is demonstrated in the unprecedented 2021 Census population growth. This, combined with more flexible remote work options for many employees post COVID, means living in a community such as Perth can be attainable without a long daily commute to larger urban areas.

Although the surge in people moving to small town communities appears to have lessened since the peak of the pandemic, it is anticipated that the attraction of living and working remotely from a community such as Perth will remain significant on a go forward basis. Where much of Perth’s historic residential growth has relied on an older, retired population, the ability to now attract a younger, workforce population has the potential to provide the Town of Perth with the dynamics to have a broader population base and higher rates of residential growth. This represents a significant change in the social context compared to that which existed in 2018 when OPA #16 was approved.

2.4.3 Housing Crisis

The scale of the Housing Crisis was not evident in 2018 when the Town underwent its last Comprehensive Review. To address the housing crisis, the Government of Ontario has committed to building 1.5 million new housing units over the next decade. To this end, the Province, as well as the Federal government, have introduced numerous policy changes to enhance and encourage the construction of the 1.5 million new residential units. All senior levels of government are encouraging municipalities to reduce red tape, speed up approvals, and generally take a much more accommodating and flexible approach to increased densities, expanded greenfield development, and working with all levels of government, the private sector, and not-for-profit organizations.

The Housing Crisis represents a significant shift in the social context for land use planning in Ontario, since 2018 when OPA #16 was approved. The increased flexibility expressed in the 2024 PPS is only one example of the changing policies coming out of senior levels of government to encourage a rapid increase in new residential construction. It would not be an understatement to suggest this is the most significant change in social context since the approval of OPA #16.

2.4.4 Golf Course Lands Ownership Change

When the Golf Course Lands were annexed into the Town of Perth in 2009, it was at the request of the Owners who were operating the historic golf course and attempting to present a new “residential” vision for the property. They were not what would be considered established residential “developers”. It was widely known in 2018 that the Golf Course Lands were for sale. It was also known that the Town of Perth had previously allocated a limited amount of its servicing capacity and designated a small portion of the Golf Course Lands for residential development, expressed as 129 residential units in OPA #16.



As part of the 2018 Comprehensive Review, an assessment of the servicing of the Golf Course Lands led to the conclusion that a second bridge was needed to provide a second means of access to the property for public health and safety reasons. It was also concluded at that time, that the management of stormwater on the site was extremely challenging given the convergence of two watercourses, complex flooding characteristics, and the fact that the western boundary of the golf course was within a provincially significant wetland and protected from development. The conclusion of the OPA # 16/Comprehensive Review exercise was that the majority of the Golf Course Lands were extremely challenging to develop, compared to other vacant/annexed lands, and presented unique servicing challenges, particularly stormwater. As a result, the additional vacant lands at the Golf Course were not included in the new Residential Lands identified in OPA #16, and only the original 129 residential unit allocation remained designated Residential.

In 2022 the Golf Course Lands were purchased by Caivan, an established residential developer within the eastern Ontario market. They have proceeded to initiate an Official Plan Amendment and Draft Plan of Subdivision for the development of the entire Golf Course Lands, representing 975+ residential units. It is acknowledged that this proposed development is above and beyond what was projected with OPA #16, and challenges the assumptions of OPA #16, both in terms of the utilization of existing sanitary servicing reserves and the need for additional designated growth areas within the Town.

The fact that there is an experienced developer advancing the development of the Golf Course Lands, is a significant change in the social context compared to that which existed in 2018 with the approval of OPA #16.

2.4.5 2023 Lanark County Growth Study

OPA #16 was predicated on an allocation of population to the Town of Perth by Lanark County, through SCOP OPA #8 of 8,050 persons by the year 2038. It was understood at the time that this allocation was a “hard” cap on growth and the identification of designated growth areas, implying that the population of 8,050 was to be a ceiling to growth for the Town of Perth.

The 2023 Lanark County Growth Study – Area Municipal Growth Allocations (April 24, 2024), takes a very different approach to forecasting growth, is more in line with the new draft 2024 PPS, and makes the following statements:

- Forecasting growth is not intended to constrain municipalities. It is meant as a guiding document to, in part, ensure that there is a sufficient amount of serviced urban land to accommodate long-term growth.
- These growth forecast allocations can be thought of as minimums that each municipality strives to achieve.
- Nothing is stopping a municipality from exceeding these targets.
- Growth forecasts are intended to provide our best estimate of future growth, to ensure that each municipality is adequately prepared to accommodate growth through infrastructure planning, capital plans, and urban land requirements.

Although not yet reflected in Lanark County SCOP policies, this most recent “Growth Strategy” is a significant departure from the social context of that which existed with OPA #16, under the 2014 PPS. The most recent “Growth Strategy” would appear to be consistent with the direction of the new draft 2024 PPS. This would suggest that once implemented through the Lanark County Sustainable Communities Official Plan, that the new population allocation for the Town of Perth would be considered a “soft” allocation and not an upset limit on the amount of land that Perth could designate for residential. In fact, the document, as currently written, would suggest that the allocations are more aspirational in nature and that communities could plan to exceed the County allocations.

This new approach to population allocation is a significant change in the social context from what existed with the approval of OPA #16.

3 Summary and Conclusions

The Town of Perth is currently undertaking an Official Plan Update to bring their OP into compliance with the 2020 PPS. In doing so, Town Council is mindful of the fact that there is a new draft 2024 PPS, and the Planning Consultant has been directed to ensure the update considers both the current in-force-and-effect version of the 2020 PPS and the pending new draft 2024 PPS.

Town Council understands that the community went through a significant Official Plan Update in 2018 with the approval of OPA #16 under the 2014 PPS. That action established a growth strategy for future residential development to the year 2038, identifying lands for residential infill and intensification, confirming existing residential greenfield lands, and identifying 11.19 ha of new residential greenfield lands. These changes were consistent with the expanded sanitary treatment reserve capacity to support an allocated population of up to 8,085 persons by the year 2038.

The purpose of this report is to determine if the residential growth strategy approved through OPA #16 is still relevant and sufficient to accommodate the long-term growth of the Town of Perth for the next 20+ years, to the year 2044 and beyond. This report has reviewed the changes in the Provincial Policy Statement, the assumptions associated with OPA #16, and assessed the changes in social context to determine if there is justification to revise the residential development strategy established through OPA #16.

This report concludes that some of the basic assumptions of OPA #16 are valid:

- That a growth strategy focusing on prioritizing intensification/infill residential development is the most efficient and affordable way of accommodating future residential development. This element of OPA #16 should continue to be a key policy component of the Town's residential growth strategy.
- That locating residential growth and development evenly throughout the community, creating several growth poles, is an effective way of spreading both the positive and negative impacts of residential development throughout the community.

Other assumptions of OPA #16 are found to be less valid:

- The use of 16 units per ha as the gross density for greenfield residential, and 42 units per gross hectare for intensification residential, were both found to be on the low side. This did result in maximizing the amount of new land designated Residential through OPA #16. Using gross densities between 20 and 25 units per hectare for greenfield residential would appear to be more appropriate. Using a gross density of between 45 and 100 units per hectare for intensification residential development would appear to be more appropriate.

The report also concludes that there have been significant changes to the social context of the Town of Perth since the approval of OPA #16:

- The Housing Crisis and the changes being proposed through the new draft 2024 PPS have resulted in an enhanced focus on the need to accommodate new residential development, both in the form of higher density intensification developments and new greenfield development. The need for communities such as the Town of Perth to accelerate the approvals and accommodate new residential development to address the housing crisis is clearly evident, and much more acute than existed in 2018. This, along with the new draft 2024 PPS, suggests there is a need for planning policy to be less rigid, more flexible, and more willing to work collaboratively to achieve the desired outcome of more housing which is affordable to Ontario's growing population.
- The impact of COVID on small towns in Ontario, and the resulting surge in new residents, was partially captured in the Town of Perth's 2021 population of 6,469, an increase of 520 persons over the 2016 Census population.
- The hard cap of previous Lanark County population allocations appears to be evolving towards a softer "minimum" cap. Using a 20-year population allocation to the year 2044 for the Town of Perth of 9,009 persons, and a 25-to-30-year population allocation of 10,500, are both greater than the 8,085-person hard cap of OPA #16. These new 20 and 30-year projections can be supported by "existing" and "planned" sanitary reserve capacity and existing water supply services of the Town of Perth.



- Since 2018, there appears to be renewed interest by the development community in new residential investment in the Town of Perth. The 2,500 new residential units that staff have identified, are significantly more than what was anticipated in 2018. The new ownership of the Golf Course Lands is significant and has the potential to redefine the growth of the community.
- It is the conclusion of this report that there is a justification, need, and planned servicing infrastructure, necessary to expand the residential land base of the Town of Perth beyond what was established through OPA #16. There is sufficient existing and planned sanitary reserve treatment and water treatment capacity to support an anticipated population allocation of 10,500 persons, consistent with a 30-year planning horizon, an increase of 2,415 persons or 1,291 residential units, more than established through OPA #16.

4 Recommendations

The Town of Perth's existing urban settlement boundary includes approximately 58 hectares of "Future Development" and "Special Policy Area" lands which are available for residential development, with the ability to support a population of between 2170 to 2460 persons, depending on density of development. Combined with the additional intensification and infill opportunities identified by Town staff (totaling 5.5 ha), these vacant lands represent the maximum amount of potential residential lands currently available within the Town of Perth. It is also recognized that there are limited opportunities for future urban settlement boundary expansion to the north, east or west of the current Town limits due to significant natural heritage features. Future expansion to the south is also constrained by the existing sewage lagoon, landfill site, and business park.

By designating all the remaining vacant greenfield lands within the Town as Residential, it is anticipated that a population of 10,500 could be accommodated. This would be roughly 2,415 persons, or 1,290 residential units over what was identified through OPA #16.

Given the changes in social context and constrained boundaries of the Town, it is the principal recommendation of this report that the Town consider designating all the remaining vacant greenfield lands within the "Future Development" and "Special Policy Area" designations as "Residential" through the Official Plan Update. The existing Residential policies of the Town's Official Plan found in Section 8.1.4, New Residential Growth Designation, along with other relevant policies in the Official Plan, provide sufficient policy context and direction to guide the development of the new land proposed to be designated Residential.

End of report.