

June 30, 2025

Our File No. 306694

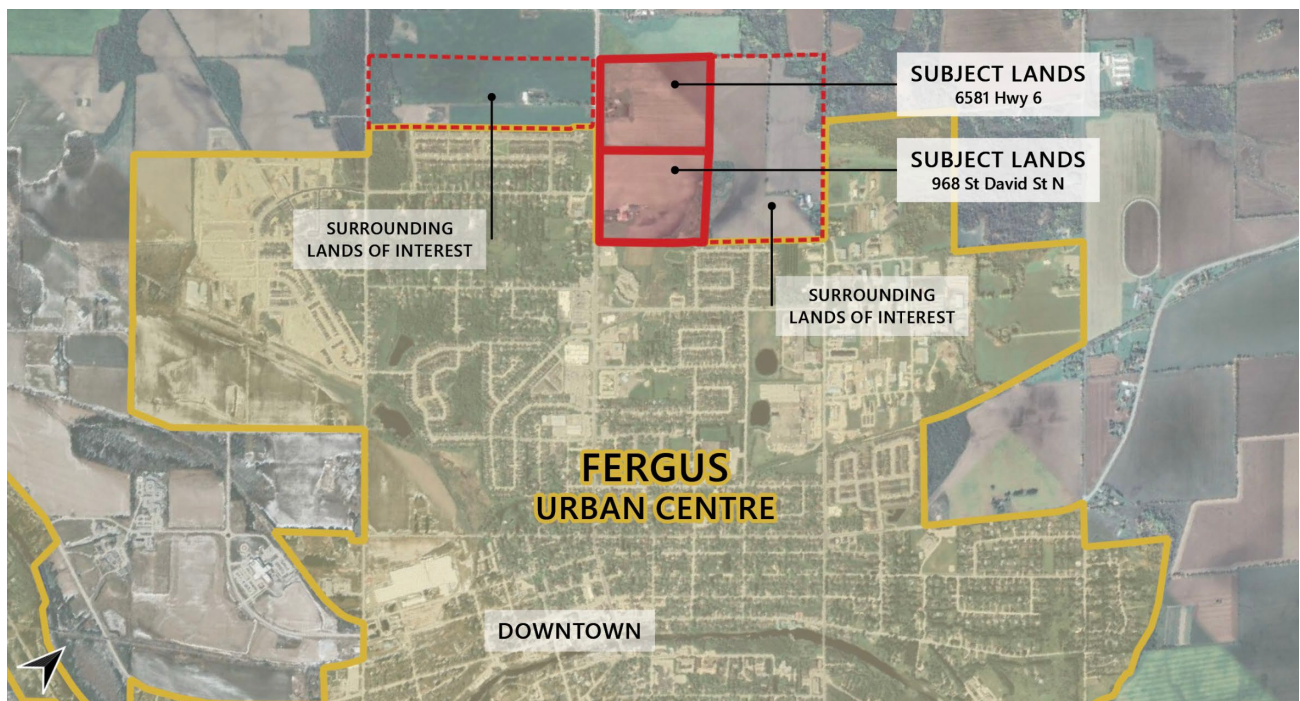
Hon. Rob Flack
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, ON M7A 2J3

Dear Minister Flack:

**Re: Wellington County Official Plan Amendment 126
ERO Posting 025-0554
Request for Modifications
Request for Referral to Ontario Land Tribunal Pursuant to S.17 (55) of the
*Planning Act***

We act for Polocorp Inc. with respect to this matter. Polocorp are owners of lands in the community of Fergus, in Centre Wellington Township, in Wellington County.

The lands are located on the edge of the current urban boundary, as shown in the plan below.



The southern half of the lands are being included in settlement area by virtue of Wellington Official Plan Amendment 126. The northern portion, however, has not been included. We are requesting that the Minister approve the Official Plan Amendment insofar as it includes the southern portion of the lands.

We are also requesting that the Minister modify Official Plan Amendment 126 to include the northern portion in the Fergus settlement area.

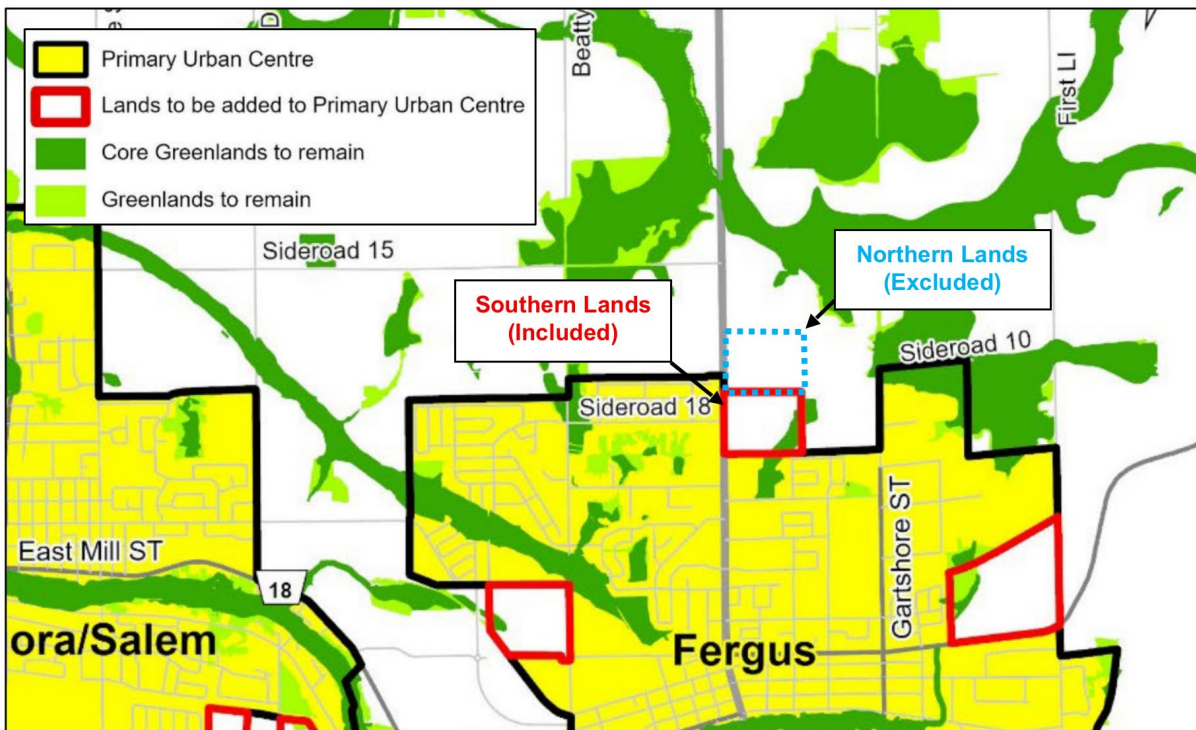


Figure 2: Adopted County of Wellington OPA 126 – Schedule “A-2”

A Land Needs Analysis report from Antony Lorus of Dillon Consulting is attached, and a planning report from UpConsulting is also attached. These clearly support the request to include all the Polocorp lands in settlement area.

Wellington County adopted Official Plan Amendment 126 on February 2, 2025. It was part of their staged implementation of a Municipal Comprehensive Review, addressing the population forecasts for the County and its constituent lower tier municipalities through to the planning horizon of 2051.

The amendment does not conform with Provincial policy, as it is based upon outdated population forecasts. It is not consistent with the Provincial Policy Statement, as it will not result in sufficient land being made available to accommodate growth to the planning horizon of 2051. It is now before the Minister for his consideration.

The amendment as adopted does not provide sufficient land for future growth.

The Ontario Ministry of Finance has released updated Population Projections for the Province. Based upon these updated Provincial Population Projections, the Wellington County Official Plan understates the level of population growth in County by 16,042 people, and has a shortfall of 5,791 households.

This converts into a shortfall in the forecasts in the Fergus Urban Centre portion of Centre Wellington, where Dillon demonstrates a land need of 137 hectares, based upon the Ministry of Finance Population Projections alone.

In addition, the Provincial Planning Statement requires that housing be supplied “to meet projected needs of current and future residents of the regional market area”, which in the case of Wellington County in the Ministry of Finance Projections includes the City of Guelph.

Because Guelph has already completed its Official Plan Review, and has fallen short of its share of regional market area growth, the result is a displacement of growth to the balance of the regional market area - Wellington County. According to Dillon’s Land Needs Analysis, this results in an additional land need in Wellington County of 400 hectares, of which the share that should be attributed to the Fergus Urban Centre is an additional 189 hectares.

The total land need for the Fergus Urban Centre, under Provincial Policy is thus 326 hectares - significantly more than the 90 hectares contemplated for Fergus in Wellington Official Plan Amendment 126.

The Minister of Municipal Affairs originally modified Wellington County Official Plan Amendment 119 and approved the inclusion of all the Polocorp lands as settlement area. However, this decision was reversed by Bill 150, and the resulting consequential decision of Wellington County to pause consideration of Official Plan Amendment 123. As a result, the delivery of an anticipated 1,000 homes anticipated on the Polocorp lands has been delayed.

The Minister should modify Wellington County Official Plan Amendment 126 making modifications to reflect the population and housing forecasts found in this submission, which reflect the 2024 population projections from the Ontario Ministry of Finance. As a result, additional lands should be incorporated into the settlement area in Wellington County, particularly in the Fergus community in Centre Wellington.

In the alternative, the appropriate lands for settlement area expansion in Wellington County identified in County Official Plan Amendment 126 should be referred to the Ontario Land Tribunal for a hearing pursuant to section 17 (55) of the *Planning Act*.

Wellington County is an Increasingly Attractive Destination for New Homeowners in the Greater Golden Horseshoe

As housing prices continue to rise, and the supply of family housing is further restricted in Toronto, families continue to move out seeking their first home. While singles and couples may be content to live in an apartment (often as a temporary arrangement), once they have children, the demand is overwhelmingly for grade-related housing - especially detached and semi-detached homes. As the supply of that form of housing shrinks, families are looking further afield to find their homes.

A result has been the growing popularity of Wellington County as a destination to call home. Communities, such as Fergus, in Centre Wellington, represent the most attractive places to settle down.

Past market trends show that Wellington County has been delivering only 14% of its new housing in the form of apartments (2001 to 2016). Single family homes and semi's are the preferred choice of homebuyers for new homes - with 81% opting for this form of housing.

Ontario Ministry of Finance has Released Updated Population Projections for Wellington County - The Official Plan Should be Updated to Reflect these Updated Projections

In October 2024, the Ontario Ministry of Finance released updated population projections. These saw a significant increase in the forecast population for the Wellington Census Division (consisting of Wellington County and the City of Guelph, in Growth Plan terms).

In fact, according to the Ontario Ministry of Finance, the new projections show that Wellington will surpass the Schedule 3 Growth Plan Population projections for 2051, in 2041 - a full ten years earlier than anticipated under the now outdated Growth Plan forecasts.

This faster than anticipated growth is a reflection in the significant changes in federal immigration policy that have occurred subsequent to Hemson having undertaken the forecasting work that produced the Growth Plan Schedule 3 population forecasts. Immigration is the primary driver of population growth in Ontario - without it, population would actually be declining. The Hemson forecasts were prepared under an assumption that annual immigration to Canada would be 350,000 in 2021, and would increase only very gently after that. In fact, 2021 immigration was 405,000, with steep increases in the targets after that. The 2023 target was 485,000, with annual targets after that set at 500,000 per year. Recently, the Federal Government has set "reduced" targets for 2025 (395,000), 2026 (380,000) and 2027 (365,000). These are still above the assumptions used by Hemson in the preparation of the Growth Plan population forecasts. The difference between the 2019 Hemson forecasts and the 2023 Ministry of Finance Population projections is largely attributable to these unanticipated new higher federal immigration levels.

It should also be observed that actual population growth has far exceeded the new higher immigration targets in recent years largely as a result of a significant increase in "non-permanent resident migration". While these numbers are not reflected in the federal immigration levels, many - like students - do enjoy a policy pathway to stay in Canada after completing their education.

It is clear that the Ontario Ministry of Finance Population projections are certainly more accurate and updated than the Growth Plan Schedule 3 population forecasts. This is in no way a criticism of the forecasting work undertaken by Hemson - it was certainly based upon valid assumptions in 2019. However, the Ontario Ministry of Finance Population Projections have been able to take advantage of more updated and accurate assumptions, based on the 2021 census, and knowledge of current immigration policy and levels.

Provincial Announcement of May 12, 2024 Indicates Need for Municipalities to Revisit Population Forecasts to Reflect Higher 2024 Ministry of Finance Population Projections

The Minister of Municipal Affairs made an announcement on May 12, 2025, in conjunction with the introduction of Bill 17. This announcement touched on a range of new policy initiatives aimed at increasing delivery of housing supply from the Province. This included direction to municipalities to rely upon the Ministry of Finance October 2024 Population Projections to determine growth requirements to 2051.

The technical briefing indicated that some municipalities were experiencing growth beyond the levels previously estimated. Such municipalities are to be required “to update their official plans to align with the Ministry of Finance’s October 2024 population forecast, or approved upper tier forecasts, whichever is higher.”

In the case of Wellington County and Centre Wellington, the Ministry of Finance Projections are higher, and should be used to guide future growth management decisions and settlement area expansions.

Unfortunately, proposed Official Plan Amendment 126 was adopted before the Minister’s May 12, 2025 announcement, and the anticipated growth does not reflect the Ministry of Finance Population Projections.

However, the attached Dillon Land Needs Analysis is based upon the Ministry of Finance October 2024 Population Projections, and the requirements of the Provincial Planning Statement. As such, the Dillon analysis provides a sound policy basis upon which the Minister can rely in order to follow his own policy direction from the May 12, 2025 announcement, and to make appropriate modifications to Wellington Official Plan Amendment to reflect current provincial policy direction.

Consideration of Up-to-Date 2024 Ontario Ministry of Finance Population Projections Should Result in Changes to Wellington Official Plan Amendment 126

The Ontario Ministry of Finance updated population projections can be applied to determine appropriate modifications to Wellington Official Plan Amendment 126. The assumptions and figures below demonstrate how such a consideration of the updated projections can be applied. The Ontario Ministry of Finance Population Projections combine Wellington County and Guelph as a single census unit for their numbers. The numbers below set out the assumptions for separating these on a basis parallel to that in the Growth Plan forecasting.

County Land Needs Assessment

County Population

2021 101,000

2051 160,000

Growth 2021-2051 59,000

Centre Wellington Population

2021 34,100

2051 58,200

Growth 2021-2051 24,100 (40.7% of County Growth)

Census 2021 Populations

Wellington 101,340

Guelph 149,729

Total W & G 251,069

<i>Growth 2021-2051</i>	<i>W & G</i>	<i>Wellington</i>	<i>Guelph</i>
Census 2021	251,069	101,340	149,729
Growth Plan 2021-2051	111,931	58,660	53,271
Growth Share		(52.4%)	(47.6%)

Ministry of Finance 2024 Population Projections Wellington Plus Guelph

2021	241,026
2051	400,166
2021-2051 Growth	159,140

Difference Between Growth Plan Schedule 3 2051 Forecast and Ministry of Finance Projections to 2051

Growth Plan 2051 Guelph + Wellington	363,000
Finance Projections to 2051 Guelph + Wellington	400,166
Total Finance Growth Exceeding Growth Plan	37,166

Based upon the Dillon Land Needs Analysis, this forecast additional growth (based upon the Ministry of Finance projections) over what was planned in the County Land Needs assessment converts into a regional market area need (Guelph plus Wellington) for an additional 13,032 housing units, of which 5,791 should be in Wellington County.

In addition, through their Official Plan review process, the County has further reduced growth needs below those anticipated in the Growth Plan forecasts based upon the Hemson technical report for the Growth Plan. As well, the Provincial Planning Statement requires a regional market area approach to establishing need - meaning that there is a need for Wellington County to accommodate displaced demand (undelivered supply) from the City of Guelph.

The overall result is that just short of 900 hectares of new settlement area lands are actually required in Wellington County (composed of 480 hectares of land need based on the Ministry of Finance Population Projections, and an additional 413 hectares based upon displaced demand from Guelph). Within Centre Wellington, approximately 326 hectares of new settlement area required for the Fergus Urban Centre Settlement Area. This is composed of 137 hectares based upon the Ministry of Finance Population Projections plus an additional 189 hectares of displaced land need from Guelph.

These above land needs produced by the Dillon analysis exceed the County's identified land need, upon which Official Plan Amendment 126 is based, of 293.5 hectares in Wellington County (reduced from 335 hectares based on the Hemson Provincial forecast for the County) of which 90 hectares is to be provided in the Fergus Urban Centre of Centre Wellington.

Provincial Policy Statement Requires that Sufficient Land Be Made Available to Accommodate Growth - Based Upon Most Up-to-Date Information, Wellington OPA 126 Will Not Result in Sufficient Land Supply Being Provided

The Provincial Policy Statement requires in policy 1.1.2, that “sufficient land be made available” to accommodate growth to the planning horizon (which is 2051).

However, because Official Plan Amendment 126 is based upon now out-of-date population forecasts, its approval will result in a shortfall of land to accommodate the anticipated growth in the Provincial Population Projections. As such, any approval of Wellington OPA 126 as adopted, will not be consistent with the Provincial Policy Statement.

In order for a Minister’s decision respecting Official Plan Amendment 126 to be consistent with the Provincial Policy Statement, as is required in law by section 3 of the *Planning Act*, the Amendment will need to be modified to ensure that “sufficient land be made available”, which will only happen if the policy is modified to reflect the October 2024 Ministry of Finance Population Projections.

Inclusion of Northern Parcel of Polocorp Lands In Settlement Area Is Supported By Provincial Policy

The Provincial Planning Statement 2024 establishes policies that govern the establishment of settlement area expansions. The inclusion of all of the Polocorp lands - including the northern parcel - is supported by Provincial policy.

Policy 2.2.1 (Housing) requires that:

2.2.1 Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected needs of current and future residents of the regional market area...”

The core of this test is a market-based need for housing for housing to accommodate growth for homes for families into the future. The work by Dillon Consulting clearly demonstrates a need for 326 hectares of new community area in Fergus (and a need for 137 hectares based solely on the application of the Ministry of Finance Population Projections October 2024).

Official Plan Amendment 126 only provides for 90 hectares of new community area land in Fergus, including the southern parcel of the Polocorp lands. As such, the addition to settlement area of the 20 hectares of land from the northern Polocorp parcel will help to address the 47 to 236 hectare deficit in land need for the Fergus Urban Centre community in Centre Wellington.

The inclusion of the northern Polocorp parcel is an important step towards satisfying the requirement of policy 2.2.1 from housing to meet the needs of current and future residents.

Section 2.3.1.2 of the Provincial Planning Statement sets out the general policies for settlement areas as follows:

Land use patterns within settlement areas should be based on densities and a mix of land uses which:

a) *efficiently use land and resources;*

The proposed residential and mixed-use development makes efficient use of land through compact form, and is directly adjacent to the settlement area boundary.

b) *optimize existing and planned infrastructure and public service facilities;*

The development connects to existing water and sanitary services along Highway 6. It integrates public service facilities and recreational areas. The school board has indicated a preference for a school site adjacent to the contemplated central park space, and traversing BOTH the north and south parcels - making inclusion of the northern parcel a more efficient approach to development.

c) *support active transportation;*

Mid-block pedestrian pathways, sidewalks, and a central amenity area (traversing both the north and south parcels) encourage walkability and supporting active transportation.

d) *are transit-supportive, as appropriate; and*

The proposal includes transit supportive densities, with a higher concentration of homes in the northern parcel, supporting future provision of public transit within the Township.

e) *are freight-supportive.*

Highway 6 remains as a main arterial.

Provincial Planning Statement Settlement Area Expansion Criteria Support Inclusion of All Polocorp Lands in Settlement Area

Section 2.3.2.1 of the Provincial Planning Statement establishes the criteria to be considered when contemplating a settlement area expansion:

2.3.2.1 *In identifying a new settlement area or allowing a settlement area boundary expansion, planning authorities shall consider the following:*

a) *the need to designate and plan for additional land to accommodate an appropriate range and mix of land uses;*

The Land needs analysis prepared by Dillon identifies a land need of 326 hectares for community area in Fergus. This a much greater need than the 90 hectares provided in Official Plan Amendment 126. As such, the need for the new housing to be provided by both Polocorp parcels is amply demonstrated.

b) if there is sufficient capacity in existing or planned infrastructure and public service facilities;

GEI Consultants Canada Ltd. confirm that the existing municipal water and sanitary services on St. David Street North have sufficient capacity to accommodate the proposed new settlement area expansion on the Polocorp lands.

c) whether the applicable lands comprise specialty crop areas;

This criteria is fully satisfied, as the subject lands are not located within a specialty crop area.

d) the evaluation of alternative locations which avoid prime agricultural areas and, where avoidance is not possible, consider reasonable alternatives on lower priority agricultural lands in prime agricultural areas;

The location of the Polocorp lands minimizes intrusion into prime agricultural areas and is immediately abutting the planned settlement area, avoiding any fragmentation of agricultural lands. The Township noted in an October 28, 2024, Settlement Area Boundary Expansion Recommendation Report that expanding into Prime Agricultural Areas cannot be avoided, as all land outside the Fergus Urban Centre is a Prime Agricultural Area.

e) whether the new or expanded settlement area complies with the minimum distance separation formulae;

The Agricultural Impact Assessment prepared by Stantec Consulting Ltd. in support of the development applications found two (2) properties may have potential to impact the northern lands if occupied at 100% barn capacity. However the livestock barns capacities and usage were confirmed. The assessment found the encroachment to be negligible, which would comply with the Minimum Distance Formulae and thus lands are suitable lands to be included within the settlement boundary, satisfying this criteria.

f) whether impacts on the agricultural system are avoided, or where avoidance is not possible, minimized and mitigated to the extent feasible as determined through an agricultural impact assessment or equivalent analysis, based on provincial guidance; and

The Provincial Planning Statement definition of agricultural system has two components: a) agricultural land base; and b) agri-food network. The definition of agri-food network includes elements like infrastructure, processing, agricultural services, farm markets, distributors, etc. There are no processing, agricultural infrastructure, agriculture services, distributors, farm markets or similar uses key to the agri-food network that would be lost through the development of the northern lands. Thus, the development of the land will have no negative impact on the Agricultural system, satisfying this criterion for settlement area expansion.

g) the new or expanded settlement area provides for the phased progression of urban development.

The Polocorp lands immediately abut the settlement area, in a location where servicing is available. As such, the essential criterion for settlement area expansion of being able to accommodate phased progression of development is fully satisfied.

Centre Wellington Evaluation of Settlement Area Boundary Expansion Requests Gave Polocorp North And South Parcels High Scores for Inclusion

The Township of Centre Wellington undertook an evaluation of potential settlement area expansions. This comparative approach assigned scores based on how well the proposed addition parcels achieved criteria such as water servicing, wastewater infrastructure, and transportation.

The Polocorp parcels - including the north parcel - ranked very high on these criteria - in fact in second place on the list. This places the Polocorp north parcel (not included in Official Plan Amendment 126 settlement area) as a superior location for settlement area expansion from an infrastructure perspective, surpassing the scores achieved by several other parcels that were actually included in settlement area by the amendment.

This comparative evaluation exercise by Centre Wellington demonstrates clearly that the inclusion of all the Polocorp lands in settlement area is appropriate.

Inclusion of all the Polocorp Lands in the Fergus Primary Settlement Area Will Result In the Delivery of Approximately 860 New Homes - Polocorp Has a Proven Track Record of Building New Homes For Families Across Southwestern Ontario

The Polocorp lands have development plans established that will result in the delivery of approximately 860 new homes for families in Wellington County.

The most significant portion of this new housing supply are the contemplated 535 new homes on the northern Polocorp parcel - the lands not included in Official Plan Amendment 126, which we are asking the Minister to include in settlement area by way of modification.

This critically important new housing, proposed by a builder with a proven track record, will result in new family homes urgently needed in Ontario, and in Wellington County in particular.

Province Can Modify the Adopted Plan, or Refer It to The Ontario Land Tribunal for a Hearing

Under section 3 of the *Planning Act*, the Minister, in carrying out his responsibilities and making planning decisions, must make decisions consistent with the Provincial Policy Statement on Land Use Planning. A decision to approve Official Plan Amendment 126 as adopted by Wellington County will not be consistent with the Provincial Policy Statement.

In the case of the Growth Plan, conformity with the Plan and the Land Needs Assessment Methodology will be achieved if Official Plan Amendment 126 is modified to reflect the best and most up-to-date population forecasts available - those in the October 2024 Ministry of Finance Population projections.

In the case of the Provincial Policy Statement, the Minister can make a decision that is consistent with the policy requirement by making modifications to the Amendment to reflect the up-to-date population projections.

The following modifications should be made to Wellington Official Plan Amendment 126:

Modify Schedule “A-1” to include the lands at 6581 Highway 6 as “Lands to be added to the Designated Greenfield Area”.

Modify Schedule “A-2” to include the lands at 6581 Highway 6 as “Lands to be added to Primary Urban Centre”.

Modify Schedule “A-12” to include the lands at 6581 Highway 6 as “Lands to be added to Primary Urban Centre” and revise the “300 m Buffer Around Proposed Urban Centre Boundary” accordingly.

In Table 1 of the Wellington County Official Plan, Wellington County 2051 Population should read 176,382.

In Table 1 of the Wellington County Official Plan, Wellington County 2051 Households should read 63,715.

In Table 2 of the Wellington County Official Plan, Centre Wellington 2051 Population should read 64,166.

In Table 2 of the Wellington County Official Plan, Centre Wellington 2051 Households should read 23,957.

Similar proportional consequential modifications should be made to 2051 populations and households in Table 3 through Table 7 of Wellington County Official Plan reflecting the new figures for Table 1.

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In the alternative, the Minister should refer Wellington County Official Plan Amendment 126 to the Ontario Land Tribunal for a hearing, and to consider the issues reflected in this submission and the requested modifications above.

Yours truly,

AIRD & BERLIS LLP



Hon. Peter Van Loan, P.C., K.C.
Partner

Enclosures

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