# COUNTY OF WELLINGTON

## Committee Report

**To:** Chair and Members of the Planning Committee
**From:** Sarah Wilhelm, Manager of Policy Planning
**Date:** Thursday, November 14, 2024
**Subject:** **County Official Plan Review – OPA 126 Urban Boundary Expansions**

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## 1.0 Purpose of Report

This report provides an overview of draft Official Plan Amendment 126 (OPA 126). This County-initiated amendment identifies urban boundary expansions in Centre Wellington, addresses County-wide policy updates related to growth, and housekeeping changes. This amendment is part of Urban Phase 3A of the County's Official Plan Review.

## 2.0 Report Highlights

- This report sets the stage for staff to seek feedback and prepare for future public consultation on proposed OPA 126.
- No decisions on the proposed amendment are being requested of Council at this time.
- The amendment includes the following:

    1. Centre Wellington focused changes to expand the urban area boundaries of Fergus and Elora/Salem.
    2. County-wide changes to address urban growth matters including intensification and density targets, phasing, agricultural impact mitigation, targeted 2024 Provincial Planning Statement updates, and changes of a housekeeping nature.
    3. Greenbelt focused changes of a housekeeping nature which impact Erin and Puslinch.

## 3.0 Background

The County's ongoing Official Plan Review was launched in late 2019 as a joint municipal comprehensive review (MCR) and 5-year review. Since that time, the County's primary focus has been on completing the MCR component to fulfill the requirements of the Provincial Growth Plan for the Greater Golden Horseshoe. However, the Province has recently concluded a two-year process to streamline and combine the 2020 Provincial Policy Statement and 2019 Growth Plan for the Greater Golden Horseshoe (Growth Plan). As a result, the 2024 Provincial Planning Statement (2024 PPS) came into effect October 20, 2024 and all land use planning decisions are required to be consistent with its policies.

The County would have completed its settlement area boundary expansions prior to October 20, 2024 were it not for the following:

- 2-year Provincial delay on final approval of County of Wellington Official Plan Amendment 119 (County Growth Structure) from time of Council adoption in May 2022 to final Provincial decision on Bill 162 in May 2024.

- 1-year+ Provincial delay on final approval of County of Wellington Official Plan Amendment 120 (County Growth Forecast) from the time of Council adoption February 2023 to final Provincial decision in July 2024.
- 1-year of uncertainty concerning the finalization of the 2023 draft PPS.
- Reviewing, responding and pivoting to a multitude of legislative, policy, and regulation changes introduced by the Government since 2019.

One key change brought about by the new PPS is the elimination of the requirement for a municipal comprehensive review. As a result, staff has shifted the work plan to the 5-year component of the Official Plan Review. Given where the County is in its review cycle and in the absence of new Provincial guidance, staff will continue to implement the results of the following council-approved technical work: the Phase 1 MCR Report - Urban Structure and Growth Allocations and the Phase 2 MCR Report - Urban Land Needs Assessment prepared by Watson and Associates Land Economists Ltd.

As noted above, the Province has recently approved the County's population, household and employment forecasts to 2051 as part of OPA 120 which implements part of the Phase 1 technical work. The Phase 2 analysis identifies the land requirements for the County's primary urban centres (Community Areas and Employment Areas) and provides further recommendations for accommodating growth in Wellington.

Recently adopted OPA 123 implements Phase 2 by addressing recommendations primarily related to Future Development lands that are already within urban boundaries and recommended employment conversions. The County's urban land need has been partially addressed through Provincial modifications to OPA 119 and 120 to expand Clifford, Drayton and Moorefield.

The County retained Colville Consulting Inc. to prepare an Agricultural Impact Assessment related to the identification of preferred urban expansion locations for Centre Wellington. The work was completed in two phases:

| | |
|---|---|
| Phase 1 | Minimum Distance Separation (MDS) Study to identify potential constraints for development and refine the study area for potential urban boundary expansion locations. |
| Phase 2 | Addresses the Agricultural Resources criteria of the County's Urban Boundary Expansion Framework. |

The Agricultural Impact Assessment informed the County's review of the Township's recommended locations for expansion and is available on the Official Plan Review website for reference.

By addressing the need for urban boundary expansions in Centre Wellington, proposed OPA 126 will bring the County's current urban expansion work to a conclusion.

## 4.0 Purpose of the Official Plan Amendment

The purpose of this amendment is to make sufficient urban area land available in Centre Wellington (Fergus and Elora/Salem) to accommodate an appropriate range and mix of land uses in Wellington

County over the long-term. The amendment also supports intensification, increased densities and phasing of growth and development County-wide.

This amendment will:

- Add urban expansion lands for Fergus and Elora/Salem as identified by the Township of Centre Wellington, subject to refinements.
- Implement intensification and density targets.
- Introduce new policies to set out a framework for local municipalities to phase new growth.
- Introduce new policies to address agricultural impact mitigation.

This amendment also makes targeted changes related to the 2024 Provincial Planning Statement to:

- Specify a 20 to 30 year planning period.
- Remove references to the municipal comprehensive review.
- Maintain policy connections in the Greenbelt Plan Area to the Provincial Policy Statement (2020) and Growth Plan for the Greater Golden Horseshoe (2019, as amended).

Housekeeping changes proposed through this amendment include:

- Updated mapping for Sourcewater Protection Schedules in accordance with the approved Source Protection Plans.
- Removal of specific land use policies in the Official Plan which are a duplication of the approved Source Protection Plans.
- Removal of local planning policy in Centre Wellington for Community Planning Study Area.
- Removal of Fergus and Elora/Salem urban expansion lands and 300 m buffer from Mineral Aggregate Resource Overlay.
- Updated mapping for the Provincially-expanded Greenbelt lands in Erin in 2023 to reflect the in-effect Greenbelt Protected Countryside and Greenbelt Natural Heritage System.
- Other minor policy changes.

## 5.0 Main Changes Proposed to the Official Plan

This section provides a more detailed description of the main changes resulting from proposed OPA 126.

### 5.1 Centre Wellington Focused Changes

**Urban Boundary Expansions**

To ensure that Centre Wellington has an appropriate supply of land to accommodate its allocation of urban population, household and employment growth to 2051 the draft amendment includes:

- New designated greenfield areas and employment areas for expansions to Fergus and Elora/Salem
- New designated Primary Urban Centre lands for expansions to Fergus and Elora/Salem (existing Core Greenlands and Greenlands to remain).

The municipal comprehensive review (MCR) Phase 2 Land Needs Assessment identified a need for additional Community Area and Employment Area lands in Centre Wellington to accommodate growth to 2051 (Figure 1 – row 1).

**Figure 1 Township Increased Density Scenario**
**Centre Wellington Land Need**

| Township of Centre Wellington Land Need | Community Area[1] | Employment Area[2] | TOTAL |
|---|---|---|---|
| County MCR Phase 2 Results | 238 ha | 160 ha | 398 ha |
| South Fergus Secondary Plan Adjustment | 204 ha | 194 ha | 398 ha |
| **Township Scenario Review Adjustment (Basis for Township Recommendation)** | **132 ha** | **194 ha** | **326 ha** |

[1] Community Area is mainly residential but also commercial, office and institutional
[2] Employment Area is industrial designated land

The land need has been adjusted due to the conclusion of the South Fergus Secondary Plan. The final approved version of the Plan did not include 34 ha of Employment Area originally anticipated. This caused the need to adjust the land needs assessment accordingly to reflect the decrease of Employment Area and corresponding increase of Community Area (Figure 1 – row 2).

The Township of Centre Wellington also retained Watson to complete a further review of different intensification and designated greenfield area density scenarios for Community Areas. The scenario approved by Township Council is shown in row 3 of Figure 1 and is the basis for the Township's recommended expansion areas. This scenario implements a higher density for new growth to reduce prime agricultural land consumption. These efforts resulted in a 72 ha (178 ac) or an almost 20% reduction of new urban area land required for expansion in the Township.

For additional context, Figure 2 identifies the intensification targets for the final Centre Wellington Community Area and Employment Area land need compared with the original County-wide targets.

**Figure 2 Centre Wellington and County-wide Growth Targets**

| Target | Centre Wellington | County-wide |
|---|---|---|
| **Intensification Target** | Minimum 20% per year | Minimum 15% per year |
| **County MCR Phase 2 Greenfield Area Density Target** | Minimum of 47 people and jobs per hectare<br>(48 for Fergus and 43 for Elora/Salem) | Minimum of 40 people and jobs per hectare |
| **Township Refined Greenfield Area Density Target** | 55 people and jobs per hectare<br>(56 for Fergus and 53 for Elora/Salem) | Minimum of 40 people and jobs per hectare |

**Evaluation of Township of Centre Wellington Expansion Requests**

Urban boundaries are designated in the County Official Plan and there are rules governing how to change them. In a report of February 2024 (PD2024-08), County staff provided information about the following:

- key Provincial and County policies for reviewing urban boundary expansions;
- an inventory of requests received by the January 2024 cutoff for Centre Wellington; and
- the framework developed to screen and evaluate where expansion should occur.

The Urban Boundary Expansion Review Framework contained in that report was endorsed by County Council. The Framework formed the basis for the evaluation of the most appropriate location for growth through the expansion of the boundaries of Fergus and Elora/Salem. Township of Centre Wellington led the evaluation process in consultation with County staff. Those results are available in a Township Report dated October 28, 2024 (PLN2024-38) and posted on the County's Official Plan Review website at: www.wellington.ca/planwell.

Some landowners and consultants opted to submit supplemental information in support of their request(s) for urban boundary expansions in Centre Wellington. Such submissions were not requested as part of the evaluation process and were reviewed by County staff for context only. Direct responses to these submissions are not contained in this report, but the submissions are available for review in the project file.

Through a resolution of October 28, 2024, Township of Centre Wellington Council recommended urban boundary expansions. The Township's recommended boundaries were used as a starting point for drafting OPA 126; however, the County has made changes for further consideration through the circulation of the draft OPA. These changes are identified in Figure 3.

Many of the changes made by the County represent minor rounding out of the urban boundary to include small existing developed lots (see Area A and D) and natural features (see Area E and G) to create logical boundaries. Given the constraints to developing these lands, they have not been factored into the tabulation of land need.

The County has also considered the fragmentation of agricultural parcels, potential creation of landlocked agricultural parcels and Minimum Distance Separation encroachment resulting from the Township's recommended boundary. In response, the draft mapping has been revised to include additional Community Area Land in Elora/Salem (Area G) and Fergus (Area B) to eliminate remnant landlocked agricultural parcels. There is a Minimum Distance Separation encroachment in the southern portion of Area G.

Employment Area Land in Fergus (Area C) was reconfigured by removing the westerly parcel and extending the boundary of the properties on the east side of Highway 6. This eliminates multiple remnant parcels of landlocked agricultural land and reduces a Minimum Distance Separation encroachment.

**Figure 3 Centre Wellington Urban Boundary Expansions**
**Draft County OPA Comparison with Township Recommendations**

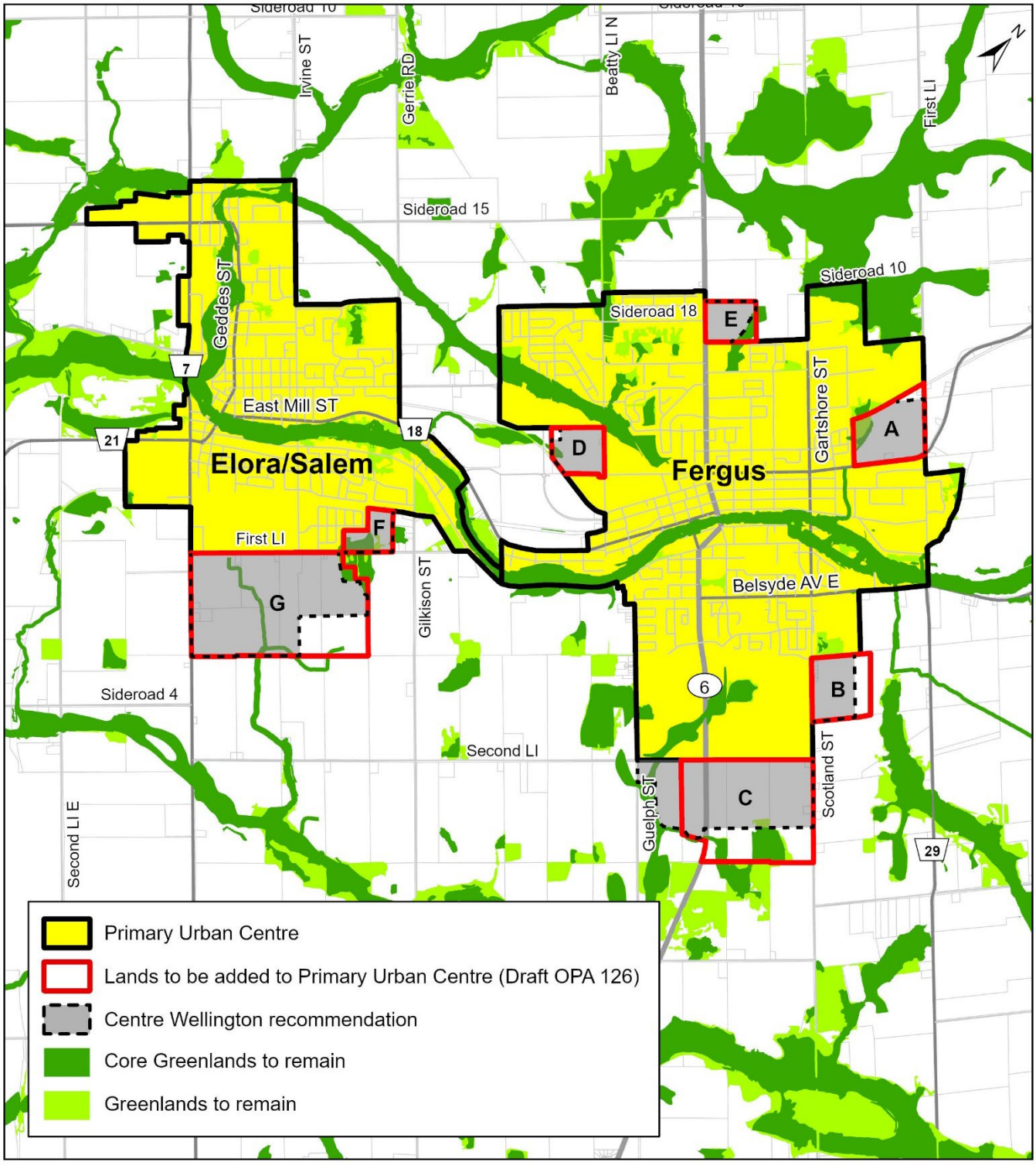



Figure 4 highlights the results of the County adjustments which are a total Community Area expansion of 169 ha and a total Employment Area expansion of 195 ha. This represents an increase of 38 ha of Community Area Land and an increase of 1 ha of Employment Area Land in the proposed OPA 126, compared to the Township's recommended scenario. Staff note that the increase is still below the County MCR Phase 2 base scenario.

**Figure 4 County of Wellington Adjustments**
**Centre Wellington Land Need**

| Township of Centre Wellington Land Need | Community Area[1] | Employment Area[2] | TOTAL |
|---|---|---|---|
| County MCR Phase 2 Results | 238 ha | 160 ha | 398 ha |
| South Fergus Secondary Plan Adjustment | 204 ha | 194 ha | 398 ha |
| Township Scenario Review Adjustment (Basis for Township Recommendation) | 132 ha | 194 ha | 326 ha |
| **County Adjustments (Basis for OPA 126)** | **169 ha** | **195 ha** | **364 ha** |
| **Difference between Township and County** | **+37 ha** | **+1 ha** | **+38** |

[1] Community Areas is mainly residential, but also commercial, office and institutional
[2] Employment Area is industrial designated land

The County, through circulation of the proposed OPA, will seek feedback from the Township of Centre Wellington on the adjusted boundaries.

**Community Planning Study Area (CPSA)**
The County Official Plan currently identifies an area between the existing Fergus and Elora/Salem Urban Centres on the north side of the Grand River as a Community Planning Study Area (CPSA). Lands within the Area are subject to additional policies which were added to the County Plan at the Township's request in 2003. The policies provide for consideration of the area for future urban expansion subject to the Township undertaking and completing a Community Planning Study. Staff note that some of the technical work identified as part of the CPSA was completed prior to adding lands to the institutional campus at Wellington Place and for the Groves Memorial Community Hospital.

The Community Planning Study Area (CPSA) policies are now over twenty years old. Provincial planning policy, legislation and technical guidance documents have changed significantly since 2003. Removal of the CPSA is supported by Township staff as this will implement Centre Wellington's recommended directions for growth.

**Mineral Aggregate Resource Overlay**
Schedule D of the County Official Plan identifies lands within the Mineral Aggregate Resource Overlay. The Overlay indicates where aggregate deposits are likely to be available but does not presume that all conditions are appropriate to allow extraction or processing of the resource to proceed. The expanded urban boundaries of Fergus and Elora/Salem plus 300 metres beyond are proposed to be removed from the Overlay.

## 5.2 County-wide Changes

**Intensification Targets**
OPA 126 identifies a minimum intensification target of 15% for the County, encourages municipalities to exceed the target and encourages Centre Wellington and Wellington North to exceed a minimum target of 20%. This target is for infill development in the built up areas of primary urban centres.

**Density Targets**
OPA 126 encourages municipalities to exceed a minimum density target of 40 residents and jobs per hectare and encourages Centre Wellington to exceed a minimum density target of 55 residents and jobs per hectare for designated greenfield area development.

**Planning Period**
The OPA includes a text change to reflect the new PPS requirement for a 20 to 30 year planning period.

**Municipal Comprehensive Review**
References to the municipal comprehensive review are removed through proposed OPA 126 due to the Government's elimination of the Growth Plan.

**Phasing Growth**
New policies for phasing growth set out a framework for local municipalities (in coordination with the County) to identify the logical and timely extension and sequencing of growth in designated greenfield areas. Flexibility is built into the policy for municipalities to choose the approach that fits their needs and circumstances.

**Agricultural Impact Mitigation**
New policies for agricultural impact mitigation are included in the draft amendment for development proponents to address the interface between the boundary of primary urban centres and the prime agricultural area.

**Source Water Protection**
The Sourcewater Schedules in the Official Plan are proposed to be updated to be consistent with the approved Source Protection Plans. The general Source Water Protection policies are to remain in the Official Plan. However, OPA 126 proposes to remove the Source Protection Plan specific land use policies of subsection 4.9.5.5 because they are verbatim from the Source Protection Plans and represent policy duplication.

### 5.3 Greenbelt Focused Changes in Erin and Puslinch

**Mapping (Erin only)**
A map change of a housekeeping nature is proposed to identify the Provincially-mapped Greenbelt Protected Countryside and Greenbelt Natural Heritage System within the 2023 Greenbelt expansion lands in Erin.

**Text (Erin and Puslinch)**
Impacting both Erin and Puslinch, is a Provincial administrative amendment to the Greenbelt Plan approved on August 15, 2024 so that the policies of the Provincial Policy Statement (2020) and the Growth Plan for the Greater Golden Horseshoe (2019, as amended) will continue to apply where the Greenbelt Plan refers to them. New text has been included in proposed OPA 126 to reflect the Provincial intent to maintain existing policy protections for the Greenbelt.

## 6.0 2024 Provincial Planning Statement (PPS)

Key elements of the 2024 PPS that factor into staff's approach to the draft OPA 126 are detailed in the table below.

**Figure 5 Key Policy Areas of the 2024 PPS Factoring into OPA 126**

| Policy Area | Relationship to 2024 PPS |
|---|---|
| **Growth Forecasts** | • Wellington's 2051 forecasts and local allocations based on the Growth Plan were approved by the Province in July 2024.<br>• The new PPS does not require the County to base its population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance and allows the County to continue to use the 2019 Growth Plan forecasts to 2051. |
| **Land Supply Requirements** | • OPA 126 will make additional land available in Fergus and Elora/Salem to 2051, which satisfies the PPS requirement for a time horizon within a range between 20 and 30 years. |
| **Land Needs Assessment Requirements** | • OPA 126 will implement the results of the County's land needs assessment completed by Watson & Associates Land Economists Ltd. in accordance with the Land Needs Assessment Methodology for the Greater Golden Horseshoe (GGH LNA Methodology) together with a refined density scenario approved by Township of Centre Wellington Council.<br>• While municipalities are no longer required to use the GGH LNA Methodology, there is no Provincial guidance material available at this time about alternative approaches.<br>• The County is opting to implement the LNA results which are readily available, represent a considerable investment of staff time, consultant resources and public consultation. This also provides the most streamlined way to ensure sufficient land is available for new residential development in accordance with Provincial priorities. |
| **Intensification targets** | • The County is required by the 2024 PPS to establish and implement minimum targets for intensification.<br>• Municipalities may choose to implement intensification targets consistent with those in the 2019 Growth Plan. |
| **Density targets** | • The 2024 PPS encourages municipalities like Wellington to establish density targets for lands that have not been fully developed or have been added to settlement areas.<br>• Municipalities may choose to implement targets consistent with those in the 2019 Growth Plan. |
| **Phasing policies** | • Encourages County to establish and implement phasing policies.<br>• Phasing policies are included in OPA 126 to help manage and control the pace of development, ensuring that infrastructure and services can keep up with growth. |
| **Settlement area boundary expansion criteria** | • Criteria has been simplified and scoped in some areas and the proposed expansions to Fergus and Elora/Salem meet those policy thresholds. |

## 7.0 Conclusion

Planning staff are satisfied that the proposed amendment should be circulated to County departments, local municipalities, Indigenous communities, commenting agencies, and individuals or organizations on the mailing list, and should be made available to the public for comment and discussion at a public meeting.

The full draft OPA, companion document, and other relevant material is posted online at: www.wellington.ca/planwell

## Strategic Action Plan:

This report relates to the following objectives and priorities in the County's Strategic Action Plan:

Making the best decisions for the betterment of the Community

## Recommendations:

That the County Official Plan Review – OPA 126 Urban Boundary Expansions report be received for information.

That the County Clerk circulate this report to Member Municipalities for information.

That draft OPA 126 Urban Boundary Expansions be circulated for comments.

That staff be directed to schedule and hold an open house(s) under the Planning Act to provide the public with opportunities to review and comment on the amendment.

That the Planning Committee be authorized to hold a public meeting under the Planning Act at the appropriate time.

Respectfully submitted,



Sarah Wilhelm, RPP, MCIP
Manager of Policy Planning

**In consultation with/approved by:**
Aldo Salis, Director, Planning and Development
Scott Wilson, Chief Administrative Officer

Appendix A Map of Requested Urban Settlement Area Boundary Expansions

# Appendix A

## Map of Requested Urban Settlement Area Boundary Expansions (SABE)

