



# Township of Southgate

## Residential Land Needs Assessment

March 18, 2026

# Parcel

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# Executive Summary

Parcel Economics Inc. ("Parcel") has been retained by 772082 Highway 10 Inc. who owns land located adjacent to the existing Primary Settlement Area boundary of Dundalk, in the Township of Southgate (the "Township" or "Southgate").

## Background & Policy Context

In 2021, Hemson Consulting Ltd. ("Hemson") prepared an update to the County of Grey Growth Management Strategy ("GMS"). The GMS allocated growth of 4,170 persons and 2,040 households to Southgate between 2021 and 2046. Subsequent to the completion of the GMS, the Minister of Municipal Affairs and Housing filed three Minister's Zoning Orders ("MZOs") in March 2022 for lands located in the Township of Southgate. These MZOs represent 214.0 hectares of developable lands and could accommodate 2,513 units, in addition to lands for commercial and industrial uses.

On November 28, 2022, Grey County Official Plan Amendment Number 11 ("OPA 11") was adopted by Grey County Council. The purpose of OPA 11 was to implement the GMS and extend the planning horizon of the County Official Plan to 25 years. OPA 11 expanded the Primary Settlement Area boundary of Dundalk to include the MZOs. Based on this expanded Primary Settlement Area, the subject lands and the lands to the north are a "hole in the donut", as they are boarded by the Primary Settlement Area to the north, west and south.

Recently the Ministry of Municipal Affairs and Housing released the *Provincial Planning Statement ("PPS"), 2024*. Section 2.1.1 directs planning authorities to base population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance ("MoF"). Therefore, the purpose of our retainer has been to prepare a Residential Land Needs Assessment ("LNA") for Southgate over the 2046 planning horizon using the Ministry of Finance Ontario Population Projections released in Summer of 2025.

In preparing this Residential LNA, we have also relied on policy direction in the Grey County Official Plan, specifically as it relates to intensification targets and residential density targets.

## Growth Trends

In recent years, the most significant change to the population growth rates relate to recent rates of immigration to Canada and the Federal immigration targets, both of which have increased substantially in recent years and resulted in Canada experiencing unprecedented population growth.

Within Grey County, net intra-provincial migration, which is people moving to Grey County from elsewhere in Ontario, has increased substantially. Although growth in 2022 through 2025 was below the peak experienced in 2021, it was still well above historical trends. In terms of net intra-provincial migration, there is a very clear trend of people moving to the County from the Greater Toronto Area ("GTA").

Recent migration trends have resulted in elevated population growth across Grey County since 2015. The population in Grey County grew by an average of nearly 200 persons per year between 2001 and 2015. Since 2015, average annual population growth has been ten-times higher (1,930 person per year) than rates experienced between 2001 and 2015. Over this period, Southgate has accounted for approximately 1 in 5 new people in Grey County (i.e. 21% of population growth).

## Population & Household Growth Projections

In forecasting population and household growth in Grey County, we have relied on the Summer 2025 Ontario Population Projections prepared by the MoF, as directed in Section 2.1.1 of the PPS, 2024. The most recent forecasts for Grey County forecast a population of approximately 141,926 persons by 2046. **This is nearly 14,800 persons more** than the population forecasts contained in the GMS prepared by Hemson in July 2021. The Summer 2025 Ontario Population Projections also forecast population growth to 2051 and anticipate nearly 148,600 persons in the County.

Parcel has translated the population growth forecasts from the MoF into household growth using household formation rates (i.e. headship rates) from the 2021 Census of Canada.

Based on this headship rate methodology, there are forecast to be 59,180 households in Grey County by 2046, or growth of 16,860 households between 2021 and 2046. This is in comparison to the GMS, which forecast growth of 12,040 households over this same period. Therefore, based on the Summer 2025 Ontario Population Projections and headship rates from the 2021 Census of Canada, **the County will add 4,820 households more than anticipated in the GMS**, or a 40% increase in the number of housing units.

## Residential Land Needs

In allocating household growth to the nine lower-tier municipalities in Grey County, we have utilized the allocation of household growth in the GMS. Assuming that 17% of household growth in Grey County occurs in Southgate,

there is estimated to be demand for 2,860 new households in the Township between 2021 and 2046. Increasing to 3,350 units between 2021 and 2051.

Within the Primary Settlement Area, Policy 3.4 1) and Table 6 of the Grey County Official Plan identifies a 10% intensification target to the Primary Settlement Area in Southgate. Applying a 10% intensification rate to the 2,690 units in the Primary Settlement Area results in 260 units being accommodated through intensification, with the remaining 2,310 residential units accommodated in the Greenfield.

We have prepared a land supply analysis for the Primary Settlement Area of Dundalk. This supply analysis is based on an effective date of mid-2021 to align with the household growth forecasts. Based on this analysis, there is an opportunity to accommodate 1,754 residential units in the Greenfield of Dundalk as of mid-2021.

We note that in addition to units that could be accommodated in the Primary Settlement Area boundary that existed in Recolour Grey, that are also residential units that could be accommodated on the MZO lands in Dundalk. We have excluded these MZO units from our analysis based on Section 2.1.3 of the PPS, 2024, which states that MZO units are in addition to projected needs over the planning horizon.

Relying on household forecasts and the housing supply analysis detailed above, we have then calculated Greenfield land needs in Dundalk to 2046. This analysis demonstrates a need to expand the Dundalk Primary Settlement Area boundary to accommodate an additional 44.5 hectares.

It is our understanding that the subject lands represent 25.1 hectares of developable land. Furthermore, the lands directly to the north of the subject lands represent approximately 18.2 hectares of developable land. Therefore, these two sites combined represent 43.3 hectares and are warranted for inclusion in the Primary Settlement Area of Dundalk to accommodate growth to 2046 and 2051.

This settlement area boundary expansion is consistent with with Policy 2.3.2.1 a) of the PPS, 2024 and Policy 3.4.2.1) of the Grey County Official Plan, as it ensures sufficient lands in Dundalk to accommodate an appropriate range and mix of land uses and is based on the share of household growth allocated to Southgate in the Grey County Official Plan as well as the intensification and residential density targets.

# 1.0

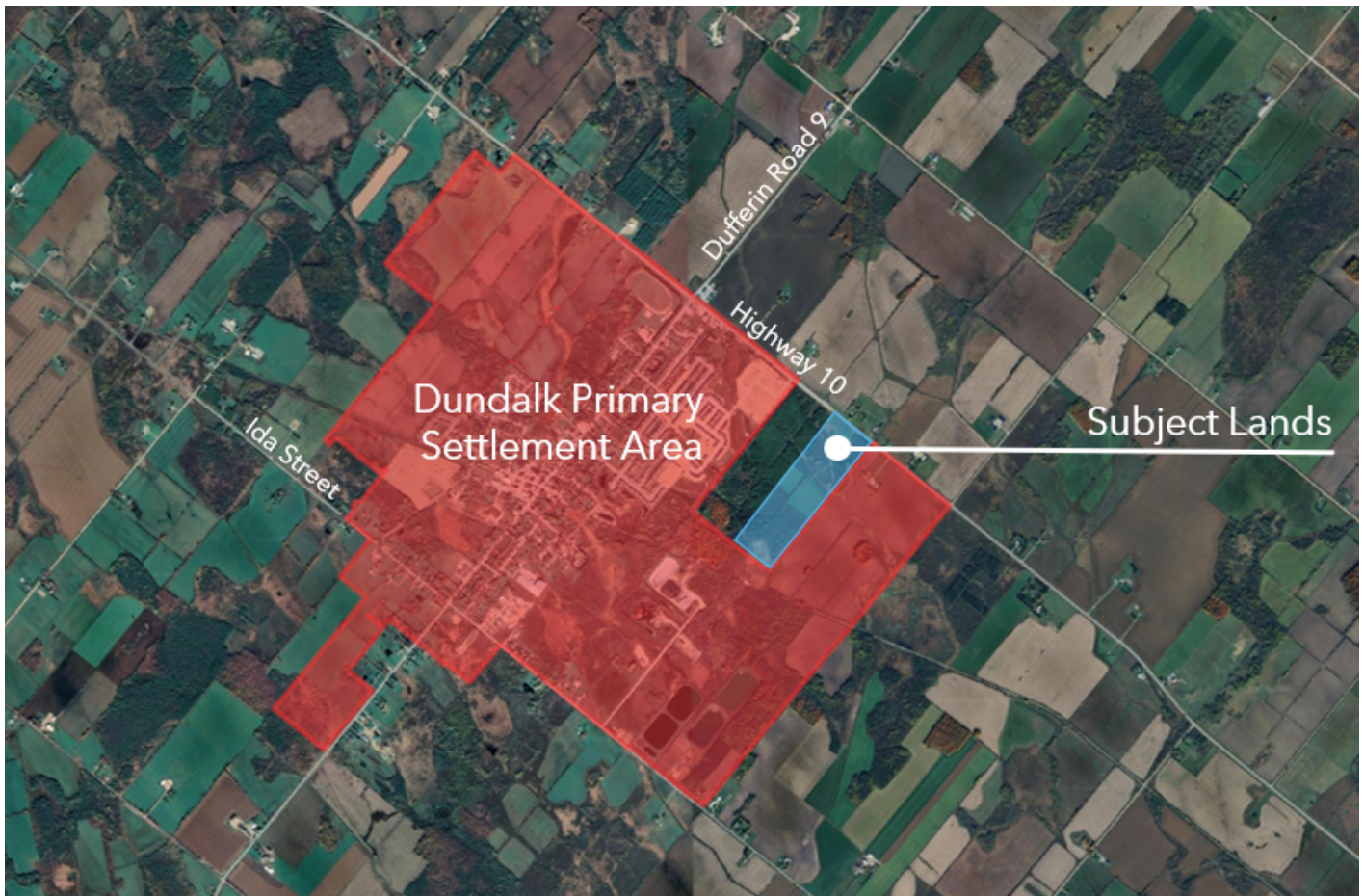
## **Introduction**

Parcel Economics Inc. ("Parcel") has been retained by 772082 Highway 10 Inc. (the "landowner") who owns land located adjacent to the existing Primary Settlement Area boundary of Dundalk. As shown in Figure 1.1 the subject lands, which comprise approximately 25.1 hectares of developable land, are bordered by lands designated as Primary Settlement Area to the south and west.

The landowners are submitting an application for a privately initiated Official Plan Amendment to expand the Dundalk settlement area boundary in the Township of Southgate. This Residential Land Needs Assessment ("LNA") has been prepared to determine the amount of Residential land that will be required to support population growth in the Township of Southgate to 2046.

Figure 1.1

## Subject Lands Location

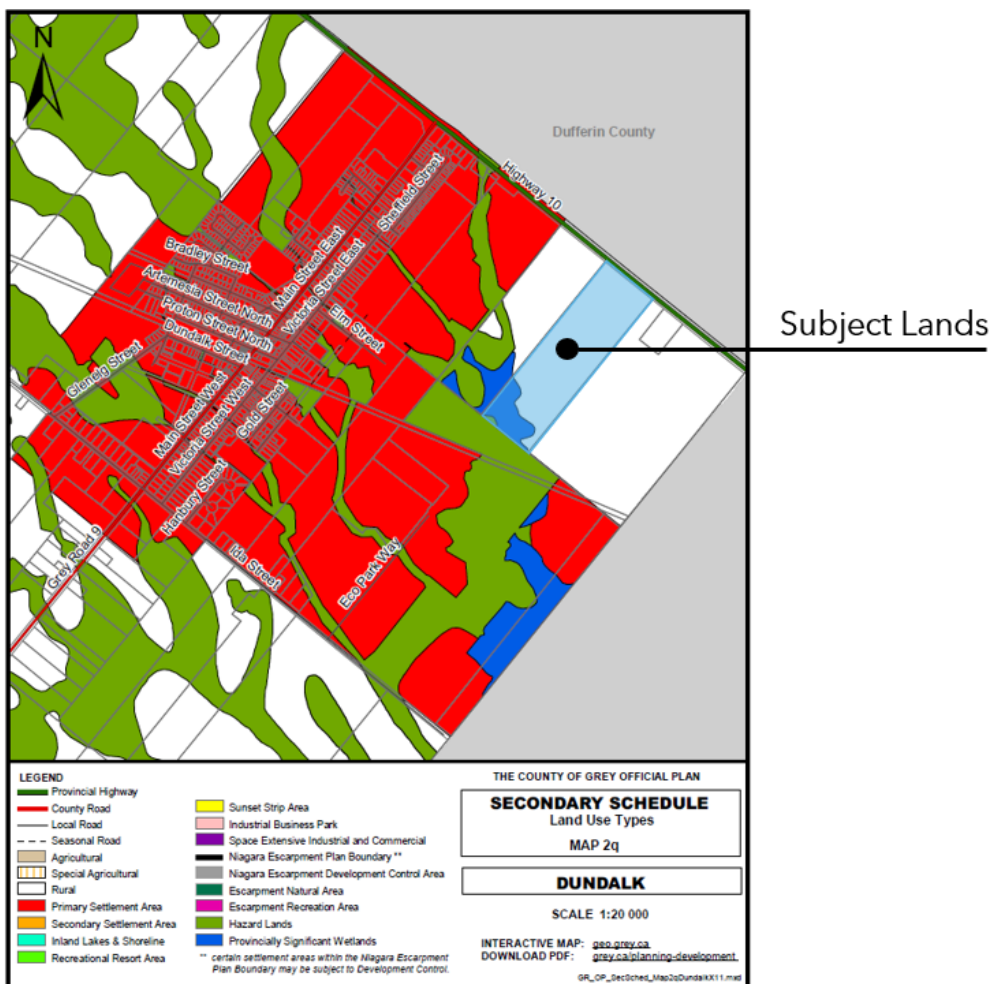


Source: Google Earth

# 1.1 Background

Recolour Grey: County of Grey Official Plan ("Recolour Grey") was adopted by Grey County Council on October 25, 2018 and approved by the Province on June 6, 2019. Recolour Grey directed growth for a 20-year planning horizon to 2038, including in the Township of Southgate. Table 1 in Recolour Grey identified a forecast of 9,620 persons in Southgate by 2038, while Table 2 identified 3,490 households by 2038. To accommodate this growth in Southgate, Secondary Schedule Land Use Types Map 2q identified a Primary Settlement Area boundary for Dundalk. As shown in Figure 1.2, the subject lands were not included in the Primary Settlement Area of Dundalk.

Figure 1.2  
Recolour Grey, Secondary Schedule Map 2q, Dundalk



Source: Parcel based on Recolour Grey, Secondary Schedule Land Use Types, Map 2q.

As part of the comprehensive review of Recolour Grey, to bring it into conformity with the policies in the Provincial Policy Statement (“PPS”), 2020, Grey County retained Hemson Consulting Ltd. (“Hemson”) to prepare a growth management strategy, which resulted in the preparation of a report titled *Update to the County of Grey Growth Management Strategy* (the “GMS”), July 14, 2021.

The purpose of the GMS was to, in part, provide population, household and employment forecasts for Grey County to the year 2046 to be consistent with the minimum 25-year planning horizon identified in the PPS, 2020. As part of the GMS, Hemson forecast that Grey County would grow by 23,800 persons, 12,030 households and 8,680 jobs between 2021 and 2046.

As part of the GMS, Hemson also allocated the population, household and employment growth forecasts to each of the lower-tier municipalities, including Southgate. The GMS forecast that Southgate would grow to 12,780 persons and 5,320 households by 2046. As it relates to growth in Southgate, the GMS states:

*The Township of Southgate added more than 1,000 permanent residents between 2016 and 2020, and is forecast to continue to grow at a faster-than-historical pace throughout the forecast period. With the addition of over 4,000 permanent residents by 2046, the Township will need most of its current plans of subdivisions to develop. The Township’s rapid growth means that its share of the County’s population and employment will increase over the forecast horizon.*

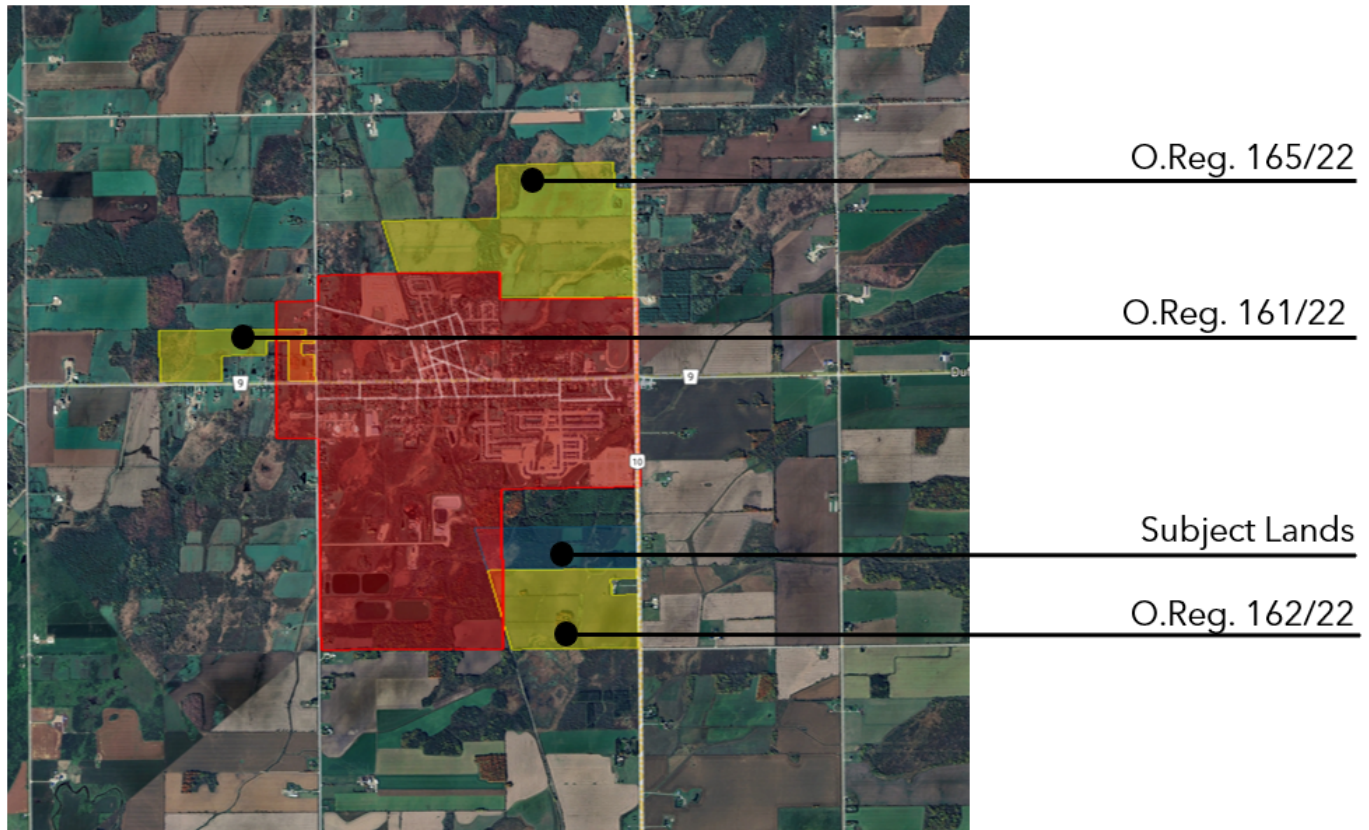
*With its proximity to GTA employment, the Township is poised to experience rapid development in the early part of the forecast period. In light of this, it is recommended that the County monitor the progress of Southgate’s development, particularly the timing of additional wastewater servicing capacity, to ensure the Township’s projections can be accommodated. If the Township does complete an upgrade to their wastewater facility, another review of the growth forecasts will likely be required.*

(page 10) (emphasis added)

After the completion of the GMS, the Minister of Municipal Affairs and Housing filed three Minister’s Zoning Orders (“MZOs”) in March 2022 for lands located in the Township of Southgate. These MZOs include Ontario Regulation (“O.Reg”) 161/22, O.Reg 162/22 and O.Reg 165/22. All three MZOs relate to lands owned by FLATO Developments Inc. (“Flato”).

Based on a submission by Flato in January 2022, these MZOs represent 214.0 hectares of developable lands and could accommodate 2,513 units, in addition to lands for commercial and industrial uses. The location of each MZO is shown in Figure 1.3. As shown in Figure 1.3, aside from a portion of O.Reg. 161/22, the location of each MZO was outside of the Primary Settlement Area boundary that existed in Recolour Grey.

Figure 1.3  
Location of Flato MZO in Dundalk



Source: Parcel based on concept plans prepared by Minister's Zoning Order Request Submission - FLATO Developments Inc., prepared by MHBC Planning, Urban Design & Landscape Architecture, January 17, 2022.

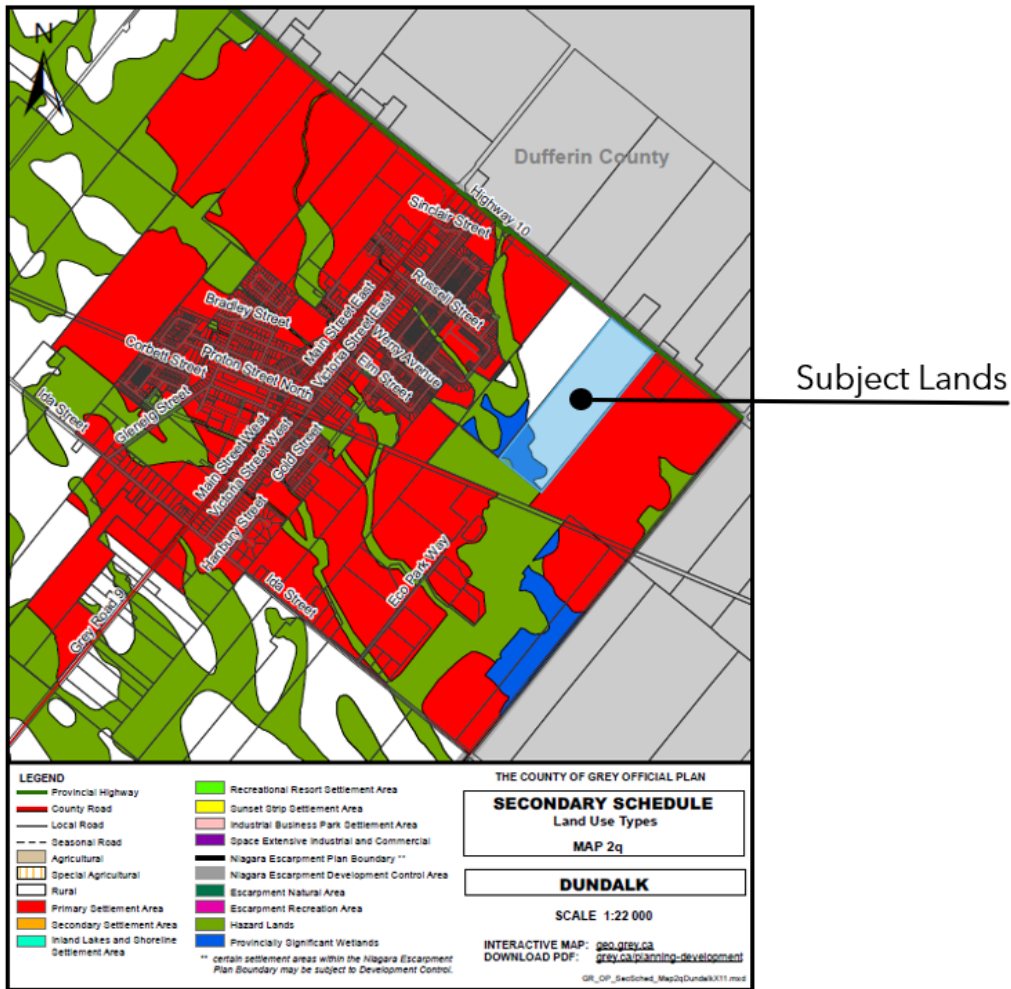
On November 28, 2022, Grey County Official Plan Amendment Number 11 ("OPA 11") was adopted by Grey County Council. The purpose of OPA 11 was to implement the GMS and extend the planning horizon of the County Official Plan to 25 years.

As it relates to planning for growth, Section 2.1 Growth Projections includes population and household growth projections for Grey County and each lower-tier municipality in Table 1 and Table 2. For Southgate, the 2046 forecasts anticipate 12,780 persons and 5,320 households. This represents growth of 4,170 persons and 2,040 households between 2021 and 2046 and is consistent with the forecasts contained in the GMS.

Based on the MZO, the Primary Settlement Area boundary for Dundalk was also expanded, as shown in Figure 1.4. As shown, lands to the south of the subject lands, which represent the Flato Southeast subdivision (O.Reg. 162/22) were included in the Primary Settlement Area boundary. Based on Map 2q in OPA 11, the subject lands and the

lands to the north are a “hole in the donut”, as they are boarded by the Primary Settlement Area to the north, west and south.

Figure 1.4  
OPA 11, Secondary Schedule Map 2q, Dundalk



Source: Parcel based on OPA 11.

Subsequent to the Council adoption of OPA 11 in November 2022, on December 13, 2023, the Ministry of Municipal Affairs and Housing identified MZO for enhanced monitoring as they had made limited progress. O.Reg. 161/22 and O.Reg 162/22 were both identified as MZO with enhanced monitoring. As it relates to enhanced monitoring, the Environmental Registry Office states:

*The Ministry will closely monitor the progress of the Minister Zoning Order (MZO) sites listed below over the next 18 months and consider them for potential revocation or amendment in the future if there is a lack of significant progress.*

Subsequent to the announcement regarding enhanced monitoring for some MZOs, in April 2024, the Ministry of Municipal Affairs and Housing (“MMAH”) released the *Provincial Planning Statement, 2024* (the “PPS, 2024”), which ultimately came into effect on October 20, 2024. The PPS, 2024 replaces the *Provincial Policy Statement, 2020*.

The PPS, 2024 directs municipalities to use the Ontario Population Projections prepared by the Ontario Ministry of Finance in determining land needs. Specifically, Policy 2.2.1. identifies **that planning authorities shall base population and employment growth forecasts on Ontario Population Projections published by the MoF** when determining land needs.

## 1.2 Purpose

Based on the PPS, 2024, we have prepared a Residential LNA for Southgate utilizing the Summer 2025 Ontario Population Projections to determine if a settlement area boundary expansion is required to accommodate growth in Southgate to 2046.

# 2.0

## **Policy Context**

The following provides a review of relevant sections of the *PPS 2024* and the *County of Grey Official Plan* that informed this Residential LNA

## 2.1 Provincial Planning Statement, 2024

The PPS, 2024 is issued under the authority of Section 3 of the *Planning Act* and is the primary provincial land use planning policy document, applying across Ontario.

In determining the need to designate or plan for land to accommodate growth, Section 2.1 Planning for People and Homes, provides guidance on the population and employment forecasts that shall be used in planning for growth, where it states:

1. *As informed by provincial guidance, planning authorities shall base population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance and may modify projections, as appropriate.*
2. *Notwithstanding policy 2.1.1, municipalities may continue to forecast growth using population and employment forecasts previously issued by the Province for the purposes of land use planning.*
3. *At the time of creating a new official plan and each official plan update, sufficient land shall be made available to accommodate an 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, informed by provincial guidance. Planning for infrastructure, public service facilities, strategic growth areas and employment areas may extend beyond this time horizon.*

*Where the Minister of Municipal Affairs and Housing has made a zoning order, the resulting development potential shall be in addition to projected needs over the planning horizon established in the official plan. At the time of the municipality's next official plan update, this additional growth shall be incorporated into the official plan and related infrastructure plans.*  
(emphasis added)

As noted in Section 2.1.1., municipalities shall now base population growth forecasts on the forecasts prepared by the MoF. As will be discussed later in this Residential LNA, the latest MoF forecasts were prepared in Summer 2025.

As it relates to housing in MZOs, it is stated that development included in MZOs shall be in addition to projected needs over the planning horizon. Even when the municipality updates their official plan, development within MZOs is identified as “additional growth”.

Our interpretation of Policy 2.1.3 in the PPS, 2024 is consistent with the interpretation of Simcoe County, where a staff report<sup>1</sup> in September 2024 states:

*The changes to Policy 2.1.3 apply to approved MZOs such as the Orbit in the Town of Innisfil, and the lands needs outlined in the County’s MCR through COPA No. 7. As an example, the MCR work included the anticipated growth expected on MZO lands within the calculations of municipal land needs. Since the PPS 2024 is clear that the development potential of MZO is in addition to the projected needs of municipalities, the County will be working with affected local municipal partners to understand if any updates to the land needs will be necessary. (emphasis added)*

Therefore, based on our interpretation of Policy 2.1.3., the 2,513 units contained in the three MZOs in Southgate and associated population are considered to be in addition to the Summer 2025 Ontario Population Projections for Grey County.

As it relates to intensification and density targets, Section 2.3 Settlement Area and Settlement Area Boundary Expansions states:

3. *Planning authorities shall support general intensification and redevelopment to support the achievement of complete communities, including by planning for a range and mix of housing options and prioritizing planning and investment in the necessary infrastructure and public service facilities.*
4. *Planning authorities shall establish and implement minimum targets for intensification and redevelopment within built-up areas, based on local conditions.*
5. *Planning authorities are encouraged to establish density targets for designated growth areas, based on local conditions. Large and fast-growing municipalities are encouraged to plan for a target of 50 residents and jobs per gross hectare in designated growth areas.*

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<sup>1</sup> Item Number CCW-2024-259, Subject: Provincial Planning Statement 2024 Summary, September, 24, 2024.

The PPS, 2024 does not identify a minimum intensification target. As noted in Policy 2.3.1.5 of the PPS, 2024, large and fast-growing municipalities are encouraged to plan for a density target of 50 residents and jobs per hectare across the designated growth area. However, Southgate is not identified as a large and fast-growing municipality.

As it relates to Settlement Area Boundary Expansions, Section 2.3.2 states:

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;*
  - b) *if there is sufficient capacity in existing or planned infrastructure and public service facilities;*
  - c) *whether the applicable lands comprise specialty crop areas;*
  - 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;*
  - e) *whether the new or expanded settlement area complies with the minimum distance separation formulae;*
  - 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*
  - g) *the new or expanded settlement area provides for the phased progression of urban development.*

The purpose of this Residential LNA is to satisfy Policy 2.3.2.1.a) by determining if there is a need to designate additional land to accommodate an appropriate range and mix of land uses.

## 2.2 County of Grey Official Plan

The County of Grey Official Plan, Consolidated August 9, 2024 (the “Grey County Official Plan”) includes policies associated with land development across the County in Section 3 – Develop Grey. This includes guidance and direction on land developed for commercial, industrial and residential uses.

Section 3.3. Settlement Area Land Use Types recognizes the diversity of lands across the County and specifies the role of settlement areas as the focus for urban growth across lower-tier municipalities, including where it states:

*The majority of growth will be directed to settlement areas. Development within settlement areas will occur on full municipal services, where available. For the purposes of this Plan, the County Plan establishes five main land use types for areas of concentrated development:*

- 1) **Primary Settlement Areas** – larger settlements with full municipal servicing, and a wide range of uses, services, and amenities which are intended to be the primary target for residential and non-residential growth

...

As noted earlier in this Residential LNA, Dundalk is identified as a Primary Settlement Area in Table 5 of the Grey County Official Plan.

Policies specific to development across the County’s settlement areas are more directly included in Section 3.4. As it relates to intensification, the Grey County Official Plan states:

- 3.4.1) *In order to support achieving the growth allocation targets established in Table 2, this Plan sets an overall intensification target for new growth at 15%. Table 6 establishes residential intensification targets for Primary and Secondary Settlement areas within local municipalities. Intensification is defined in Section 9.18 of this Plan.*

Where intensification is defined in Section 9.18 as:

*INTENSIFICATION means the development of a property, site or area at a higher density than currently exists through:*

- 1) *Redevelopment, including the reuse of brownfield sites;*

- 2) *The development of vacant and/or underutilized lots within previously developed areas;*
- 3) *Infill development; and*
- 4) *The expansion or conversion of existing buildings.*

Where Table 6 of the Grey County Official Plan identifies an intensification target of 10% for Primary Settlement Areas in Southgate.

As it relates to general policies affecting settlement area land use types, Section 3.4 also states:

3.4.4) *Local official plans and/or secondary plans should allocate land use types or sufficient land area to accommodate development potential for a minimum of ten years to a maximum of 25 years.*

...

3.4.20) *To accommodate growth within settlement areas, intensification (Section 3.4.1) should be considered prior to considering comprehensive reviews (Section 3.4.2) and municipal boundary restructuring (Section 3.4.3).*

Policies related to Settlement Area Expansions are identified in Section 3.4.2, including when expansions will be considered or allowed. This includes opportunity where it has been demonstrated that the expansion is needed to meet projected development needs, specifically:

3.4.2.1) *The County may identify a settlement area or allow the expansion of a settlement area designation only at the time of a comprehensive review or an updated comprehensive review and only where it has been demonstrated that:*

- a) *It is based on a review of population and growth projections and which reflect projections and allocations by the County; and considers alternative directions for growth; and determines how best to accommodate this growth while protecting provincial, County, and local interests;*
- b) *Sufficient opportunities for growth are not available through intensification, redevelopment and designated growth areas to accommodate projected needs over the identified planning horizon;*

Development across Primary Settlement Areas is included in Section 3.5. This includes direction on the efficient use of land and infrastructure necessary to meet the County and municipalities growth needs. As lands that include full municipal services, lands in Primary Settlement Areas are expected to promote the development of a full range of residential, commercial, industrial, recreational and institutional uses. Furthermore, land in Primary Settlement Areas is encouraged to be used efficiently:

- 3.5.5) *Within Primary Settlement Areas a minimum residential development density of 25 units per net hectare will be achieved for new residential development. In calculating the minimum residential development densities, the possibility for future additional residential units shall not be included in the density calculation. The County encourages new development to be of a form and density which is supportive of future transit needs in accordance with the Province's Transit Supportive Guidelines, or to develop similar municipal guidelines that achieve the same objective;*

In preparing this Residential LNA, we have relied on the intensification target and residential development density targets outlined in the Grey County Official Plan. Based on the PPS, 2024, we have also relied on the Summer 2025 Ontario Population Projections prepared by the Ontario Ministry of Finance in determining residential land needs.

# 3.0

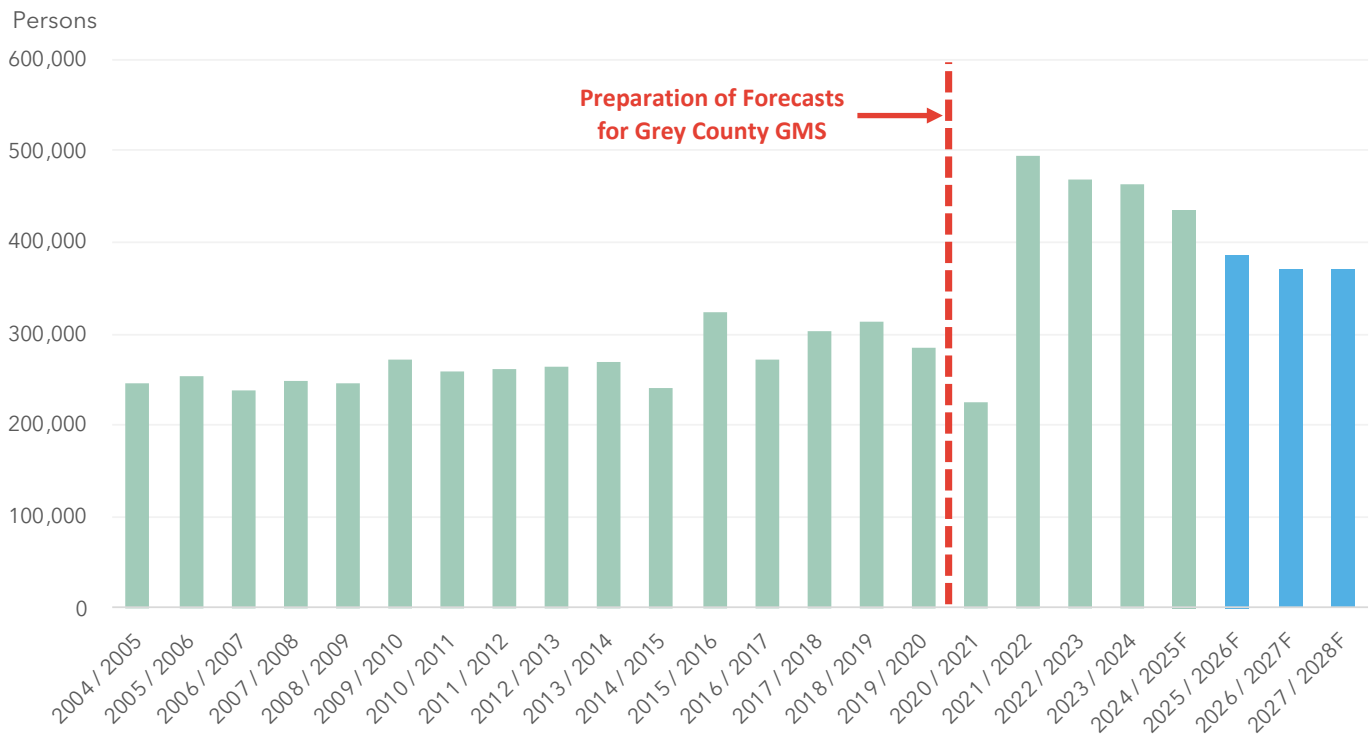
## **Population Growth Trends**

In preparing this Residential LNA, we have reviewed recent population growth trends in Grey County and the Township of Southgate to determine if there have been any recent changes that could impact future growth.

## Population Growth Trends

In recent years, the most significant change to the population growth rates relate to recent rates of immigration to Canada and the Federal immigration targets, both of which have increased substantially in recent years and resulted in Canada experiencing unprecedented population growth. In the 20-years prior to the preparation of the population forecasts contained in GMS, Canada welcomed approximately 260,000 international immigrants per year. The level of international immigration increased to nearly 420,000 new residents per year between 2021 and 2025.

Figure 3.1  
International Immigration to Canada (2004-2027)

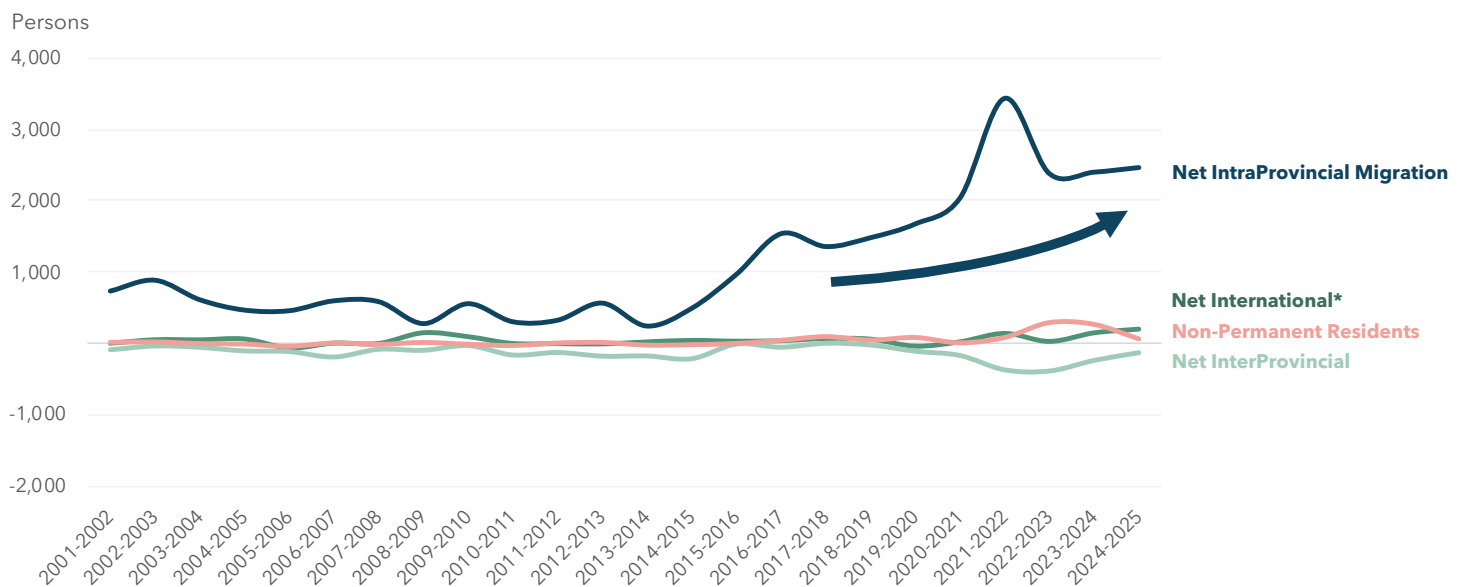


Source: Parcel based on Statistics Canada (green) and Federal immigration targets (blue).

On October 24, 2024, the Federal Government revised international immigration targets for Canada to the year 2028. For 2026, the Federal Government is targeting immigration of 385,000 persons, declining to 370,000 immigrants in 2027 and 2028. These revised targets are lower than previous targets released by the Federal Government in 2023, which targeted 500,000 immigrants per year. Despite the decline, these targets remain higher than levels of immigration achieved prior to the COVID-19 pandemic.

Increased migration to Canada is being felt in Grey County. While population growth is less related to international migration, Figure 3.2 shows that net international migration, excluding non-permanent residents, increased in 2021/2022 and has remained elevated relative to previous years. More notably however, Figure 3.2 shows that net intra-provincial migration, which is people moving to Grey County from elsewhere in Ontario, has increased substantially. Although growth in 2022 through 2025 was below the peak experienced in 2021, it was still well above historical trends. Furthermore, the reduction in international immigration targets by the Federal government are likely to have less of an impact on Grey County, as the majority of population growth is fueled by migration from elsewhere in Ontario.

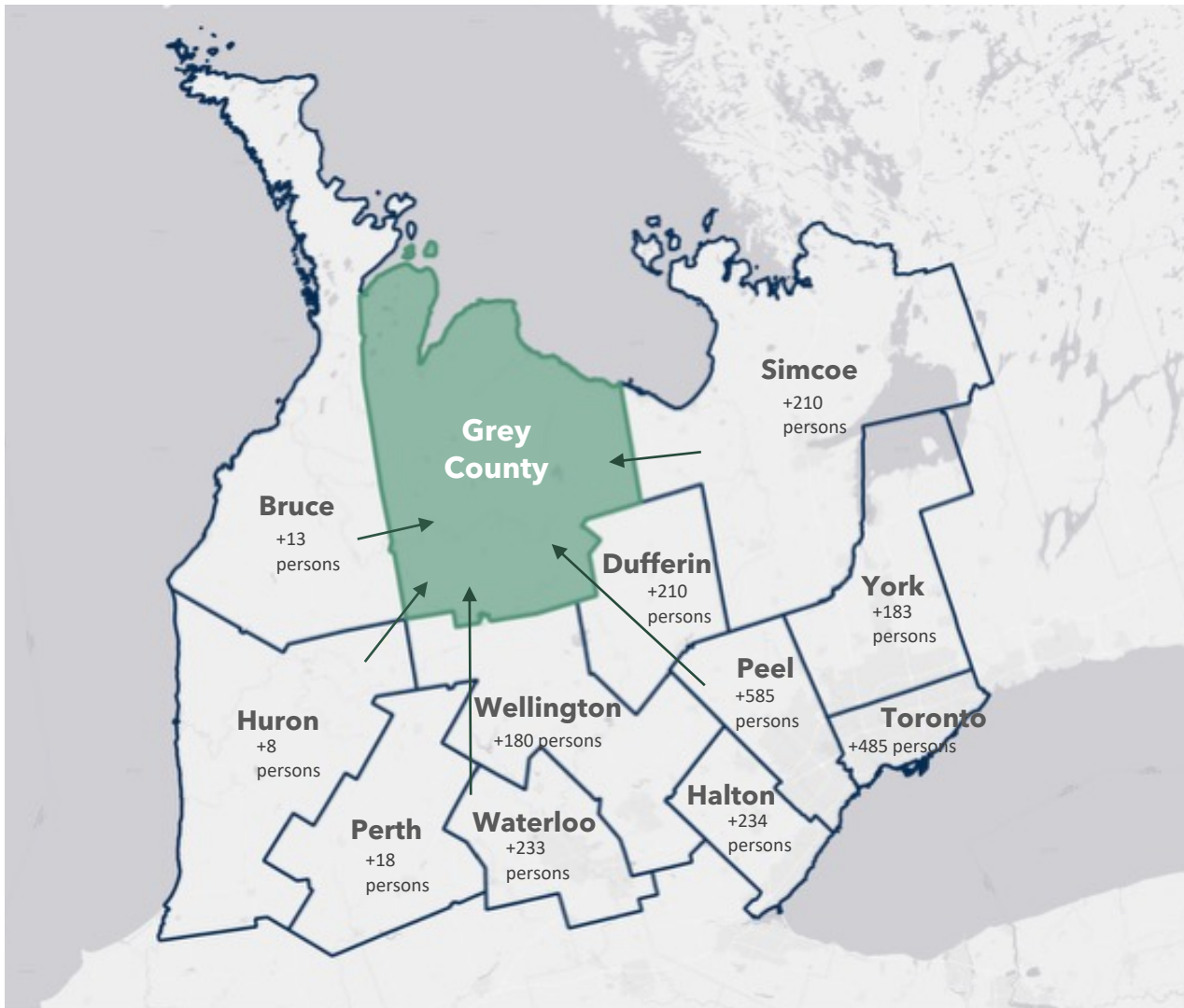
Figure 3.2  
**Grey County, Net Intra-Provincial Migration**



Source: Parcel based on Statistics Canada.

In terms of net intra-provincial migration, there is a very clear trend of people moving to the County from the GTA, including Peel, Halton, York and Toronto, as shown in Figure 3.3. These new residents are likely attracted by the quality of life afforded by Grey County, and the related opportunity to purchase ground-related housing.

Figure 3.3  
Average Annual Migration to Grey County, 2019-2024

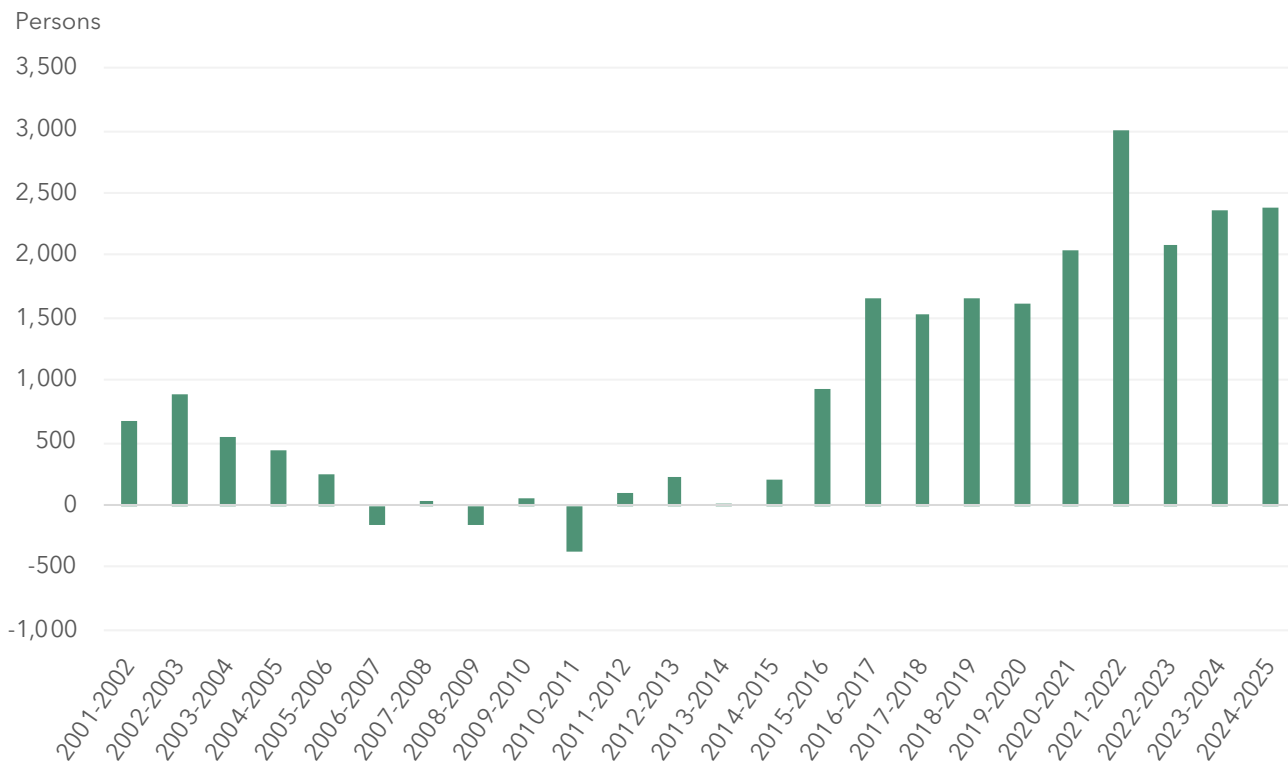


Source: Parcel based on Statistics Canada Tax Filer Migration Data.

## Population Growth

Recent migration trends have resulted in elevated population growth across Grey County since 2015. As shown in Figure 3.4, between 2001 and 2015, the population in Grey County grew by an average of nearly 200 persons per year. Since 2015, average annual population growth has been ten-times higher (1,930 person per year) than rates experienced between 2001 and 2015.

Figure 3.4  
Grey County Annual Population Growth, 2001-2025

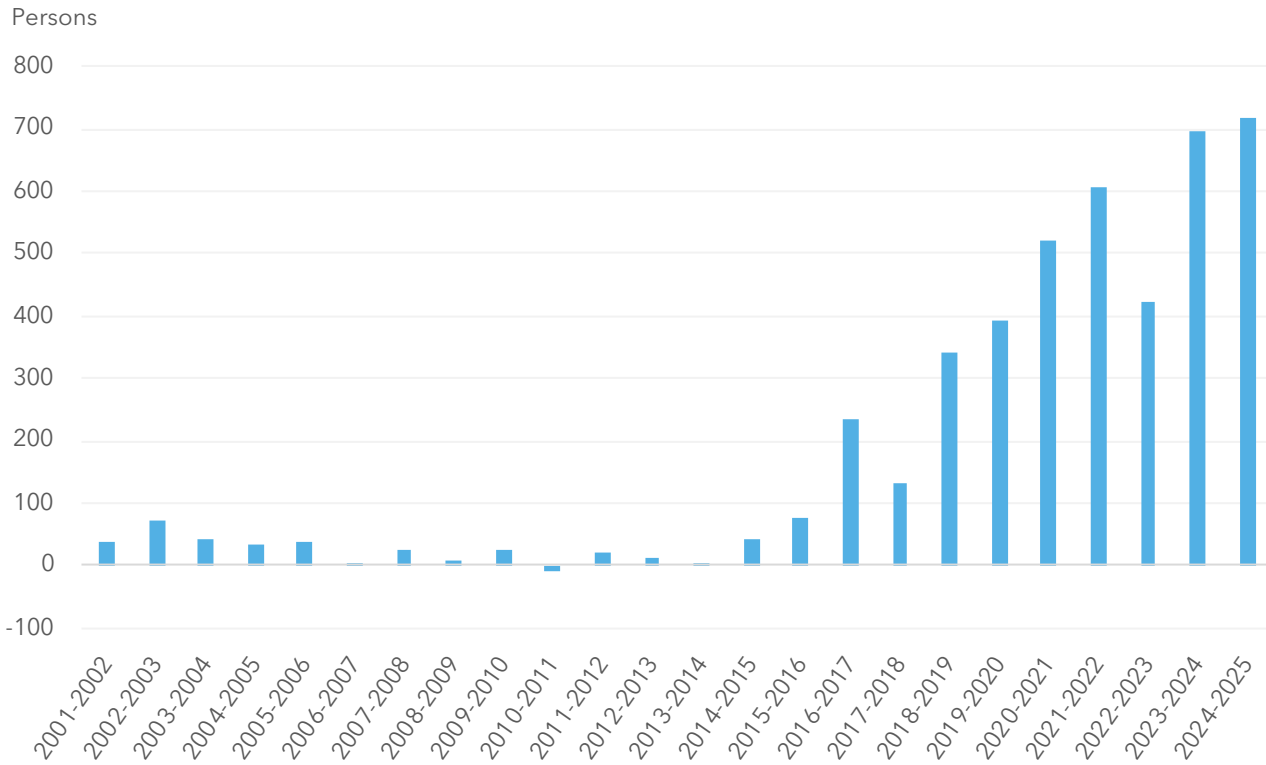


Source: Parcel based on Statistics Canada.

Elevated population growth evidenced across Grey County in recent years is also apparent across the Township of Southgate. Figure 3.5 shows average annual population growth across the Township each year. Prior to 2015, average annual growth per year was relatively minimal (about 26 persons per year). By contrast, over the last decade population growth has accelerated, averaging growth of 414 persons per year. To put this in perspective,

since 2015, Southgate has accounted for approximately 1 in 5 new people in Grey County (i.e. 21% of population growth).

Figure 3.5  
Township of Southgate Annual Population Growth, 2001-2025



Source: Parcel based on Statistics Canada.

# 4.0

## **Population & Household Growth Forecasts**

In forecasting population and household growth in Grey County, we have relied on the Summer 2025 Ontario Population Projections prepared by the MoF, as directed in Section 2.1.1 of the PPS, 2024.

## **4.1 Ministry of Finance Population Forecasts & Methodology**

The MoF prepares population forecasts for the province and each of the 49 Census Divisions annually. These forecasts are based on the most up-to-date trends and historical data. The MoF uses a cohort-component methodology that provides projections of births, deaths and five migration components (immigration, emigration, net change in non-permanent residents, interprovincial in-migration and out-migration and intra-provincial in- and out-migration).

The immigration levels used in preparing the MoF forecasts are based, in part, on federal government policy. The significant increase in federal immigration targets since 2020 has had an impact on population growth in the province and Grey County. While the federal immigration targets were recently adjusted for 2025 and over the near-term to 2028, with the intent of stabilizing national immigration policies, they are still above immigration levels seen historically.

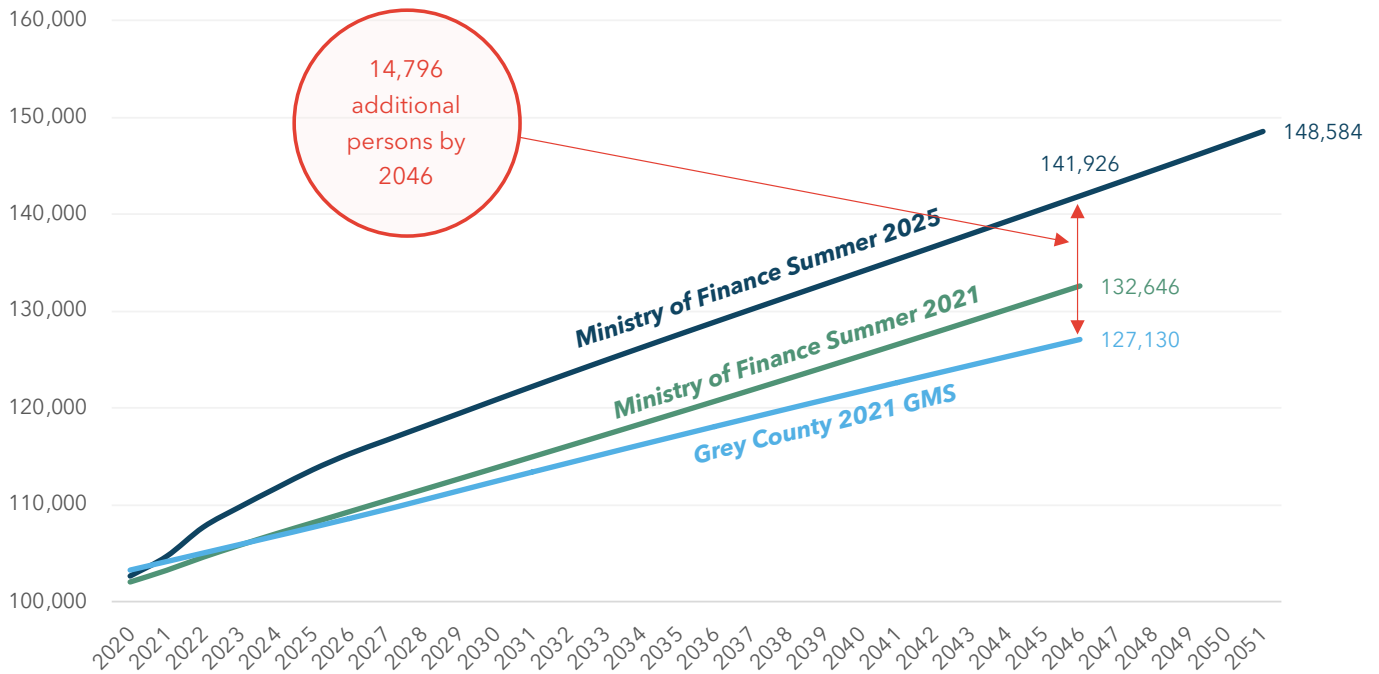
### **Ontario Ministry of Finance Forecasts for Grey County**

The most recent forecasts for Grey County forecast a population of approximately 141,926 persons by 2046. **This is nearly 14,800 persons more** than the population forecasts contained in the GMS prepared by Hemson in July 2021 and as shown in Figure 4.1.

It is notable that the Summer 2025 Ontario Population Projections forecast population growth to 2051. As shown, the Grey County forecast to approximately 148,600 persons by 2051 represents an additional 21,454 persons above the 2046 forecasts included in the GMS.

Figure 4.1

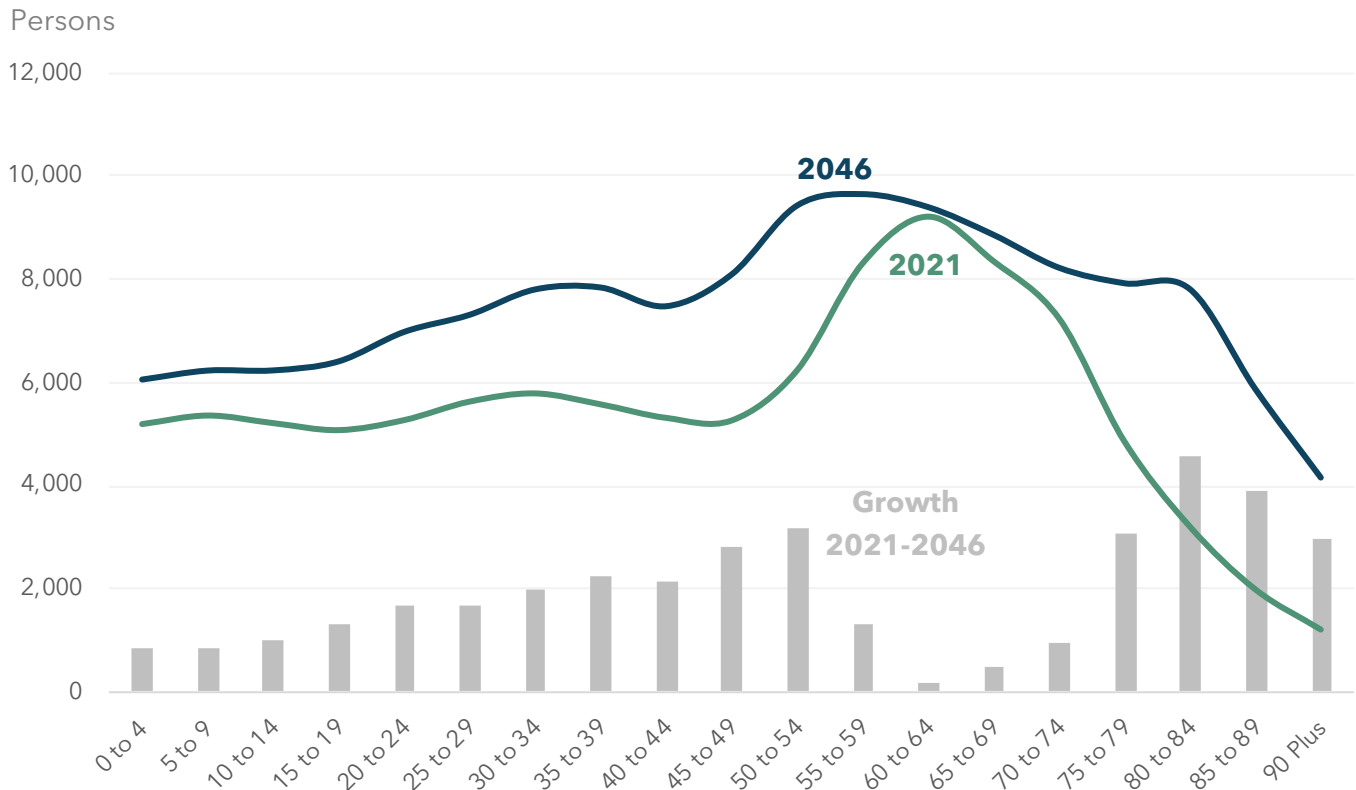
Grey County GMS and Ministry of Finance Population Projections, Grey County



Source: Parcel based on Ontario Population Projections, Summer 2021 and Summer 2025, and County of Grey Growth Management Strategy - Update 2021, as prepared by Hemson Consulting Ltd.

Figure 4.2 shows that the population in each 5-year age cohort in Grey County is anticipated to grow between 2021 and 2046. That said, per the MoF population projections from Summer 2025, the 45 to 54 and 75 and over age groups are anticipated to account for an outsized share of population growth over this period. Projected growth across these age groups will influence market-based demand for housing, as these demographic groups have higher propensities to live in certain types of housing units.

Figure 4.2  
 Grey County Population by Age Cohort, 2021 & 2046



Source: Parcel based on Ontario Ministry of Finance Summer 2025 Population Projections.

## 4.2 Household Growth by Dwelling Type

Parcel has translated the population growth forecasts from the MoF into household growth using household formation rates (i.e. headship rates) from the 2021 Census of Canada. This is an update from the GMS, which relied on household formation rates from the 2016 Census of Canada, the most current available information available at the time the GMS was completed.

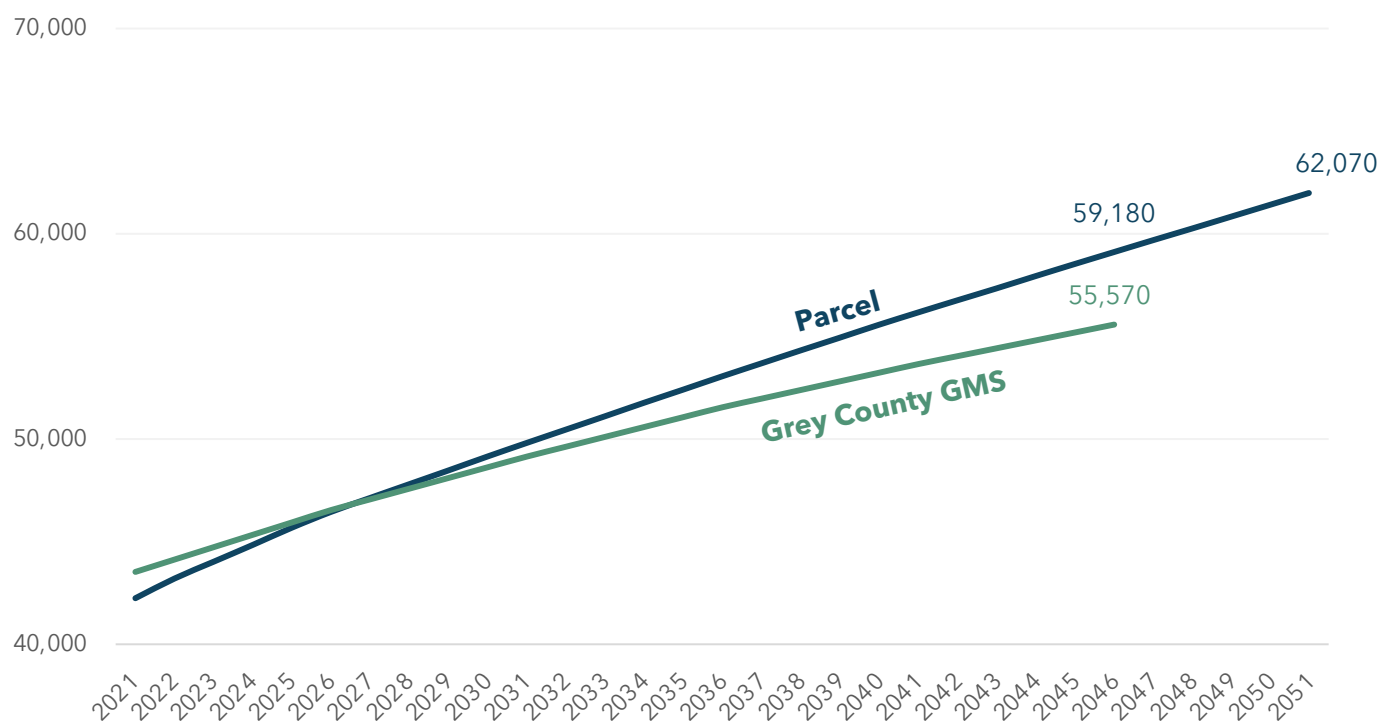
As shown in Figure 4.3, based on this headship rate methodology, there are forecast to be 59,180 households in Grey County by 2046, or growth of 16,870 households between 2021 and 2046. This is in comparison to the GMS, which forecast growth of 12,030 households over this same period. Therefore, based on the Summer 2025 Ontario

Population Projections and headship rates from the 2021 Census of Canada, **the County will add 4,840 households more than anticipated in the GMS**, or a 40% increase in the number of housing units.

Figure 4.3 also shows household growth to 2051 using this same methodology. By 2051 there are forecast to be 62,070 households in Grey County, or growth of 19,760 households over this 30-year period.

Figure 4.3

### Grey County Household Growth Forecasts, Parcel & GMS



Source: Parcel based on Ontario Population Projections, Summer 2025, 2021 Census of Canada and County of Grey Growth Management Strategy - Update 2021, as prepared by Hemson Consulting Ltd.

In determining the allocation of household growth between single-and-semi-detached units, row units, accessory units and apartment units, we have relied on housing type propensities by age group for Grey County from the 2021 Census to illustrate potential housing demand by unit type based on past trends.

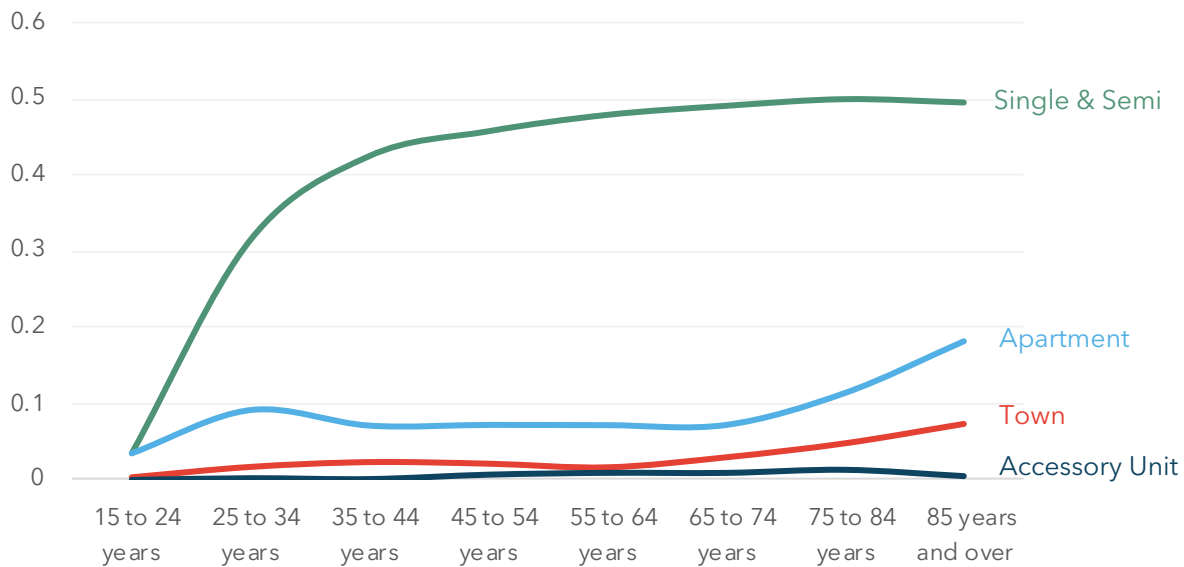
Housing type propensities by age group are summarized in Figure 4.4. As shown, the 55 and over age group, which represents a large share of population growth in Grey County between 2021 and 2051, has the highest propensity for single and semi-detached housing. Therefore, population growth in this age cohort will result in increased demand for single and semi-detached housing across the County. Figure 4.4 also shows an uptick in

demand for row houses and apartment units among those over the age of 55—albeit at a much smaller scale compared to single-and-semi-detached units—indicating there may be increased demand for these units given anticipated growth across older adults to 2046 and 2051.

Figure 4.4

### Grey County Housing Type Propensities by Age Group, 2021

Share of Households by Household Type

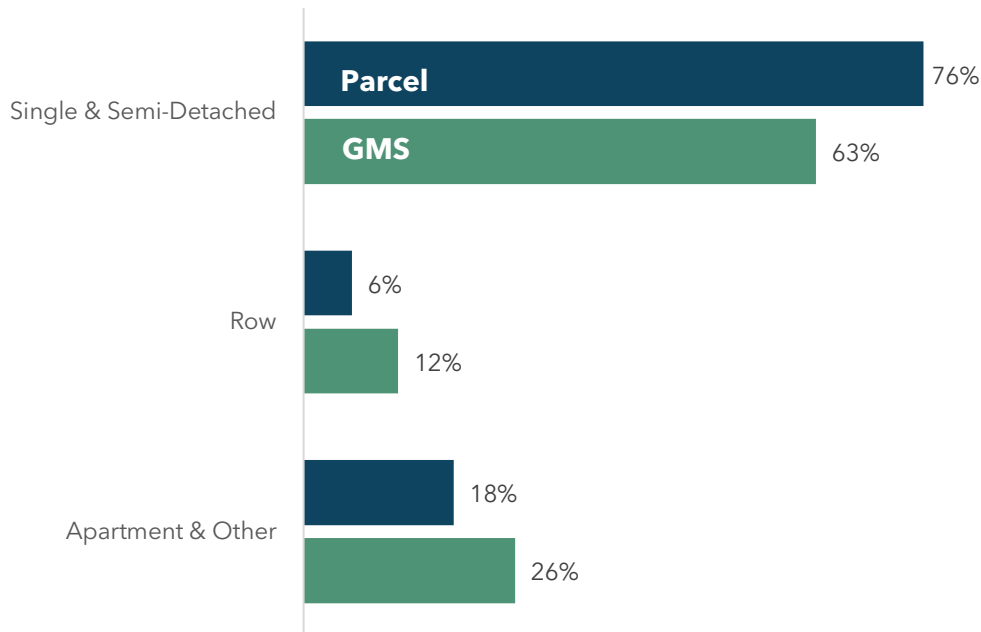


Source: Parcel based on 2021 Census of Canada.

Based on housing type propensities from the 2021 Census of Canada, 76% of household growth in Grey County would occur in single and semi-detached units, as shown in Figure 4.5. This share exceeds the share considered in the GMS, where only 63% of household growth is anticipated to occur in single and semi-detached units. The GMS anticipates a greater share of household growth in row and apartment units in comparison to historical trends.

Figure 4.5

Household Growth by Dwelling Type, 2021-2046, Parcel & GMS

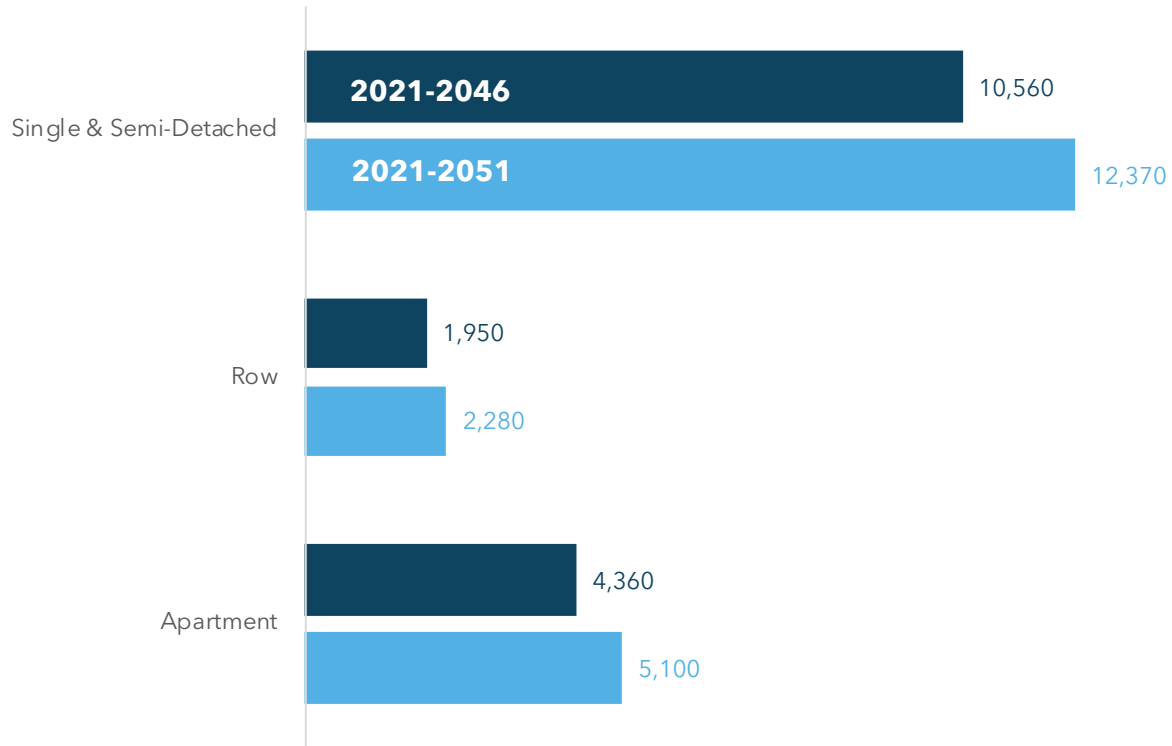


Source: Parcel based on Ontario Population Projections, Summer 2025, 2021 Census of Canada and County of Grey Growth Management Strategy - Update 2021, as prepared by Hemson Consulting Ltd.

For the purposes of this Residential LNA and to be conservative, we have adopted the housing type distribution in the GMS. These household growth forecasts are summarized in Figure 4.6 for the 2021-2046 period and 2021-2051 period.

Figure 4.6

### Grey County Forecast Household Growth by Dwelling Type



Source: Parcel.

# 5.0

## **Residential Land Needs Assessment**

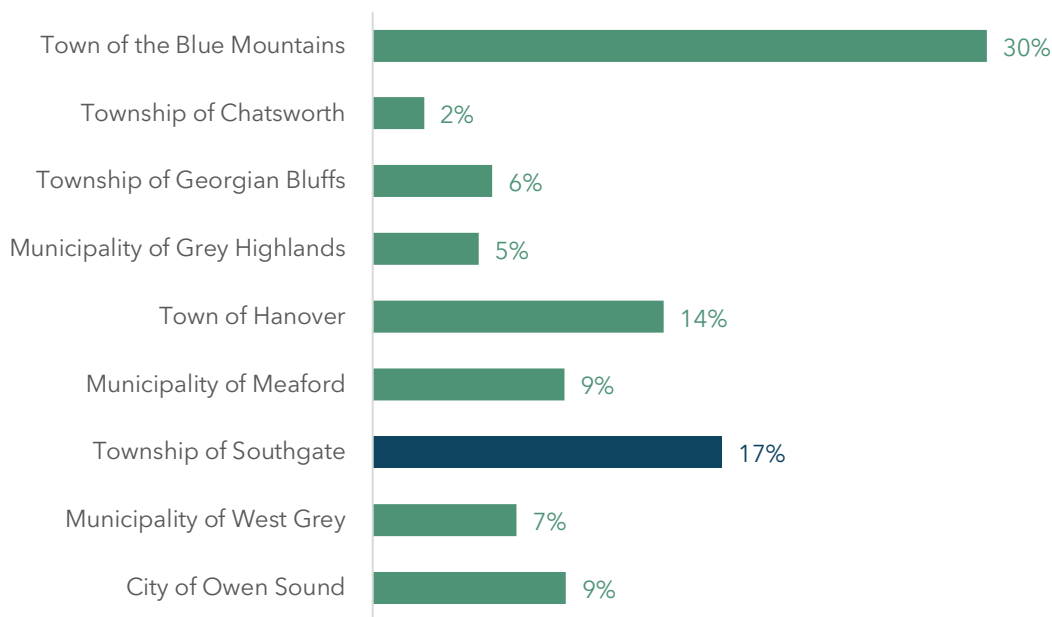
The following section estimates residential land needs based on the household growth forecasts outlined in Section 4.2 and the intensification and unit density targets identified in the Grey County Official Plan.

## 5.1 Household Growth Allocation

In allocating household growth to the nine lower-tier municipalities in Grey County, we have utilized the allocation of household growth in the GMS. This allocation is summarized in Figure 5.1. As shown, the Township of Southgate is allocated approximately 17% of household growth, the second largest share among Grey County municipalities. Based on Table 1 in the Grey County Official Plan, Southgate is also anticipated to account for 17% of population growth between 2021 and 2046. To put this in perspective, Southgate has accounted for about 21% of population growth in the County since 2015. **Therefore, there is justification for allocating a larger share of population growth to Southgate.**

Figure 5.1

### Grey County, Household Growth Allocations, 2021-2046



Source: Parcel based on the 2021 Grey County GMS.

Assuming that 17% of household growth in Grey County occurs in Southgate, there is estimated to be demand for 2,860 new households in the Township between 2021 and 2046. Increasing to 3,350 units between 2021 and 2051.

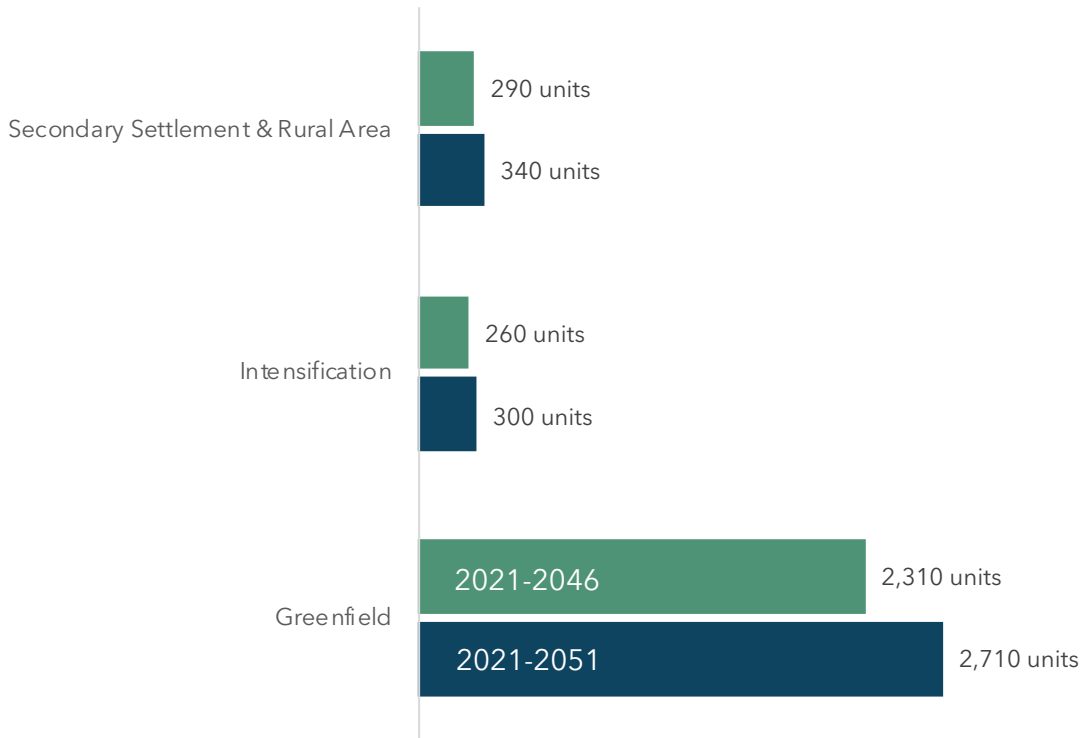
Based on the direction of the Grey County Official Plan, which identifies that the Primary Settlement Areas are intended to be the primary target for residential growth, we have allocated 90% of household growth to the Primary Settlement Area of Dundalk. This results in an allocation of 290 residential units to the Secondary Settlement Area and Rural Area of Southgate, as summarized in Figure 5.2. The remaining growth of 2,570 residential units between 2021 and 2046 are allocated to the Primary Settlement Area of Dundalk.

Within the Primary Settlement Area, Policy 3.4 1) and Table 6 of the Grey County Official Plan identifies a 10% intensification target for the Primary Settlement Area in Southgate. Applying a 10% intensification rate to the 2,570 units in the Primary Settlement Area results in 260 units being accommodated through intensification, with the remaining 2,310 residential units accommodated in the Greenfields.

We have also prepared forecasts to the 2051 horizon, which shows that between 2021 and 2051, Greenfield lands would need to accommodate 2,710 residential units. The allocation of household growth forecasts between these policy areas is summarized in Figure 5.2.

Figure 5.2

### Household Growth by Settlement Area, 2046 & 2051



Source: Parcel.

## 5.2 Greenfield Housing Supply

We have prepared a land supply analysis for the Primary Settlement Area of Dundalk. This supply analysis is based on an effective date of mid-2021 to align with the household growth forecasts. This parcel-by-parcel supply analysis is based on mid-2021 air photography as well as land use designations contained in the Grey County Official Plan and Southgate Official Plan. In instances where development applications have subsequently been submitted, we have incorporated these unit estimates into our supply analysis.

While our land supply analysis has focused on the capacity within Greenfields, we have also considered opportunities to accommodate intensification units. Based on our intensification analysis, there are approximately 39 units under application that are considered to be intensification units. Combined with approximately 6.3 hectares of developable intensification land not under application (shown in Figure 5.4), there is an opportunity to

accommodate 118 units through intensification. This is less than forecast intensification growth of 290 units between 2021 and 2046. Therefore, there is a need to accommodate additional units through intensification to meet the intensification target. If this intensification target cannot be achieved due to an insufficient supply of land, there will be need for additional and within the Greenfield to accommodate growth.

As it relates to the supply of residential units in the Greenfield, we have identified 1,116 units in registered and draft approved plans of subdivision. The majority of these units are located in the Flato West, Flato East and Flato North subdivisions that were located within the Primary Settlement Area boundary of Recolour Grey that was adopted by Grey County Council on October 25, 2018 and approved by the Province on June 6, 2019. The Greenfield supply also includes units in the Carriage House Dundalk development and units along Todd Crescent, as both of these developments were unbuilt as of mid-2021, as well as White Rose - Phase 1.

Figure 5.3

## Housing Units Under Application, Dundalk, Mid-2021

	Single / Semi- Detached	Row	Apartment	Total
Intensification	11	28	376	415
Greenfield	796	264	56	1,116
<b>Total</b>	<b>807</b>	<b>292</b>	<b>432</b>	<b>1,531</b>

Source: Parcel based on mid-2021 effective date.

In addition to the residential unit supply in registered and draft approved plans of subdivision, we have also identified 51.0 hectares of developable land in the Greenfield that are designated either Neighbourhood Area or Future Development. Based on a 50% net to gross adjustment to account for roads, school sites, parks, commercial sites and stormwater management ponds, only 25.5 hectares would be available for the development of residential units. Utilizing a density of 25 units per net hectare, as identified in Policy 3.5.5) of the Grey County Official Plan, these vacant lands not under application could accommodate 638 residential units.

Figure 5.4

## Housing Potential on Vacant Lands Not Under Application, Dundalk, Mid-2021

	Developable Land (Ha)	Net Developable Land <sup>1</sup> (Ha)	Residential Unit Potential <sup>2</sup>
Intensification	6.3	3.2	79
Greenfield	51.0	25.5	638
<b>Total</b>	<b>57.3</b>	<b>28.7</b>	<b>717</b>

<sup>1</sup> Assumes 50% net to gross ratio based on active developments in Dundalk.

<sup>2</sup> Based on 25 units per net hectare as per Policy 3.5.5) of Grey County Official Plan.

Source: Parcel based on mid-2021 effective date.

Therefore, combined with units under application, there is an opportunity to accommodate 1,754 residential units in the Greenfield of Dundalk as of mid-2021.

We note that in addition to units that could be accommodated in the Primary Settlement Area boundary that existed in Recolour Grey, that are also residential units that could be accommodated on the MZO lands in Dundalk. As previously mentioned, we have excluded these MZO units from our analysis based on Section 2.1.3 of the PPS, 2024, which states:

*Where the Minister of Municipal Affairs and Housing has made a zoning order, the resulting development potential shall be in addition to projected needs over the planning horizon established in the official plan. At the time of the municipality's next official plan update, this additional growth shall be incorporated into the official plan and related infrastructure plans.*  
(emphasis added)

As these MZO units are in addition to projected needs over the planning horizon, they have not been included in our supply analysis for the purposes of calculating residential land needs.

## 5.3 Greenfield Land Needs

Based on the above forecasts and supply analysis, we have calculated Greenfield land needs in Dundalk to 2046. As shown, based on a Greenfield household growth forecast of 2,310 units between 2021 and 2046 and a supply of 1,754 units, there is a shortfall of 566 units.

Figure 5.5

## Greenfield Land Needs Analysis, Dundalk, 2021-2046

**Greenfield Housing Demand**

Household Growth in Greenfield Area	2,310 units
-------------------------------------	-------------

**Greenfield Housing Supply**

Registered/Draft Approved & Under Application	1,116 units
Vacant Designated Lands Not Under Application	638 units
<b>Total Supply</b>	<b>1,754 units</b>

**Surplus/ (Shortfall) of Greenfield Units** (556) units

**Greenfield Land Needs**

Shortfall of Greenfield Units	556
Unit Per Hectare Density	25 uph
Residential Greenfield Land Needs (Net Hectares)	22.2 ha
Net to Gross Ratio	50%

**Developable Land Needs (ha)** **44.5 ha**

Source: Parcel.

Based on a density of 25 units per hectare, as identified in Policy 3.5.5) of the Grey County Official Plan, there is a net residential land need of 22.2 hectares. We have then applied a net to gross ratio adjustment to account for lands that will accommodate roads, school sites, parks, commercial sites, stormwater management ponds, etc. This results in a need to expand the Dundalk Primary Settlement Area boundary to accommodate an additional 44.5 hectares.

For context, we have also calculated land needs to 2051 based on the Summer 2025 Ontario Population Projections. Using the same methodology as outlined in Figure 5.5, results in the need to expand the Dundalk Primary Settlement Area boundary to accommodate an additional 76.5 hectares of land.

The **subject lands represent 25.1 hectares of developable land**. Furthermore, the lands directly to the north of the subject lands represent approximately 18.2 hectares of developable land. Therefore, these two sites combined represent 43.3 hectares and are **warranted for inclusion in the Primary Settlement Area of Dundalk to accommodate growth to 2046 and over the longer-term to 2051**.

# 6.0

## **Summary & Conclusions**

As it relates to the need to expand the Primary Settlement Area boundary of Dundalk, we have addressed policies in the PPS, 2024 and Grey County Official Plan that relate to land needs.

Policy 2.3.2.1 of the PPS, 2024 states:

***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;***

Based on Policy 2.1.1 of the PPS, 2024, planning authorities are now directed to base population and employment projections on forecasts published by the MoF. The most recent forecasts from the MoF were published in Summer 2025. Based on recent forecasts prepared by the MoF in Summer 2025 and utilizing household formation rates from the 2021 Census, as well as the shares of household growth allocations contained in the GMS, the Greenfield Area of Dundalk would need to accommodate 2,310 residential units between 2021 and 2046. Based on a housing supply analysis completed by Parcel, there is anticipated to be a shortfall of 488 units that would need to be accommodated through a settlement area boundary expansion. This results in the need to expand the Dundalk Primary Settlement Area boundary by 44.5 hectares to accommodate an appropriate range and mix of land uses.

The Primary Settlement Area of Dundalk needs to expand by 44.5 hectares to accommodate the Township's 2046 population forecast. This increases to 76.5 hectares when considering the 2051 forecasts. The subject lands and the lands to the north represent **43.3 hectares of developable land and are therefore warranted for inclusion in the Primary Settlement Area of Dundalk to accommodate growth to 2046 and 2051.**

As it relates to the Grey County Official Plan, Policy 3.4.2.1) states:

***3.4.2.1) The County may identify a settlement area or allow the expansion of a settlement area designation only at the time of a comprehensive review or an updated comprehensive review and only where it has been demonstrated that:***

***a) It is based on a review of population and growth projections and which reflect projections and allocations by the County; and considers alternative directions for growth; and determines how best to accommodate this growth while protecting provincial, County, and local interests;***

The Residential LNA is based on Policy 2.1.1 of the PPS, 2024 and utilizes the Summer 2025 Ontario Population Projections. It also utilizes the share of household growth allocated to Southgate in the Grey County Official Plan as

well as the intensification and residential density targets. Based on this analysis, there is a need to expand the settlement area of Dundalk.

- b) Sufficient opportunities for growth are not available through intensification, redevelopment and designated growth areas to accommodate projected needs over the identified planning horizon;***

As noted in this Residential LNA there are insufficient opportunities to accommodate additional growth through intensification in Dundalk. Furthermore, there is not a sufficient supply of residential units in Greenfield lands to accommodate growth when you exclude the unit potential within the MZOs.



**Parcel**

