



# PLANNING RATIONALE

772082 HIGHWAY 10  
TOWNSHIP OF SOUTHGATE | COUNTY OF GREY

PREPARED FOR: 772 082 HIGHWAY 10 INC.

MARCH 2026



INNOVATIVE PLANNING SOLUTIONS

PLANNERS • PROJECT MANAGERS • LAND DEVELOPERS

# 772082 HIGHWAY 10

Township of Southgate

APPLICATION FOR

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## OFFICIAL PLAN AMENDMENT

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PREPARED BY

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ON BEHALF OF

**772082 Highway 10 Inc.**

772082 Highway 10, Township of Southgate

MARCH 2026

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## 1.0 INTRODUCTION

Innovative Planning Solutions (**‘IPS’**) has been retained by 772082 Highway 10 Inc. (**‘Owner/Applicant’**) to complete a Planning Justification Report (**‘PJR’**) in support of an Official Plan Amendment (**‘OPA’**) application for lands located at 772082 Highway 10 (**‘Subject Lands’**) in the Township of Southgate, Ontario (**Figure 1**).

The purpose of the subject application is to bring the Subject Lands into the Settlement Area of Dundalk to facilitate future development. A conceptual Site Plan is provided for discussion purposes only and should not be considered the final design and layout for the site; the actual use and built form on the Subject Lands will be provided for full review in a subsequent application for a Zoning By-law Amendment and Draft Plan of Subdivision. The purpose of this PJR is to review the subject application in terms of consistency, compliance, and conformity with the relevant Provincial and municipal policies, plans, guidelines, and regulations.

This report will review the following planning documents:

- Planning Act, RSO 1990, As Amended;
- Provincial Planning Statement, 2024 (PPS);
- County of Grey Official Plan (2019);
- Township of Southgate Official Plan (2022); and
- Township of Southgate Zoning By-law 19-2002

### Requested Applications and Amendments

The Owner/Applicant is requesting the following Official Plan Amendments as part of the subject application:

1. An amendment to the County of Grey Official Plan to redesignate a portion of the Subject Lands from ‘Rural’ to ‘Primary Settlement Area’. Portions of the Subject Lands are currently designated ‘Provincially Significant Wetlands’ and ‘Hazard Lands’; these lands have been evaluated as part of the subject application to ensure the boundaries are accurate and all sensitive/hazardous lands will remain as undevelopable areas.
2. An amendment to the Township of Southgate Official Plan. The Subject Lands are currently designated ‘Hazard Land’, ‘Provincially Significant Wetland’ and ‘Special Policy Area 5.6.6’. The specific provisions of the latter designation are:

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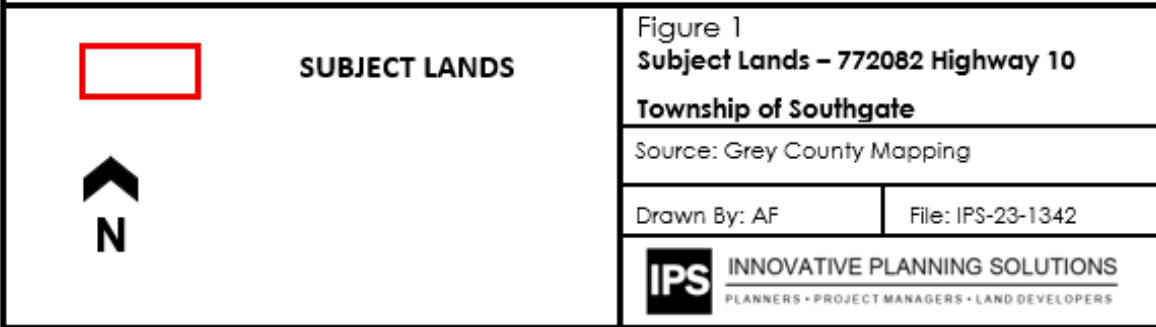
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- *Lands having the special policy number 5.6.6 on Schedule A (Map 1) and described as Lots 235, 236 and 237, Concession 1, SWTSR, Geographic Township of Proton, Township of Southgate shall be only be used for agricultural purposes and uses legally existing on January 1, 2022, and in no instance shall new buildings be erected or existing buildings be expanded. The intent of this policy is to prohibit new land uses or buildings that might otherwise interfere with the future expansion of Dundalk onto these lands. The Township's Zoning By-law shall reflect this policy.*

The intention of the designation is therefore to allow for the eventual expansion of the Dundalk Settlement Area onto these lands. The current designation does not prescribe a specific future use, allowing applicants the opportunity to work with the Township to determine the best use of the lands at the time they are formally brought into the Settlement Area.

In that regard, the requested amendment is to redesignate the 'Special Policy Area 5.6.6' lands and a portion of the 'Hazard Land' area to 'Arterial Commercial' and 'Neighborhood Area' to allow for a mix of commercial, residential, and complementary uses such as parks/open space on the property. The commercial/mixed-use development would be focused along the Highway 10 corridor.

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**Figure 1:** An aerial illustration of the Subject Lands. Aerial imagery provided by Grey County Mapping

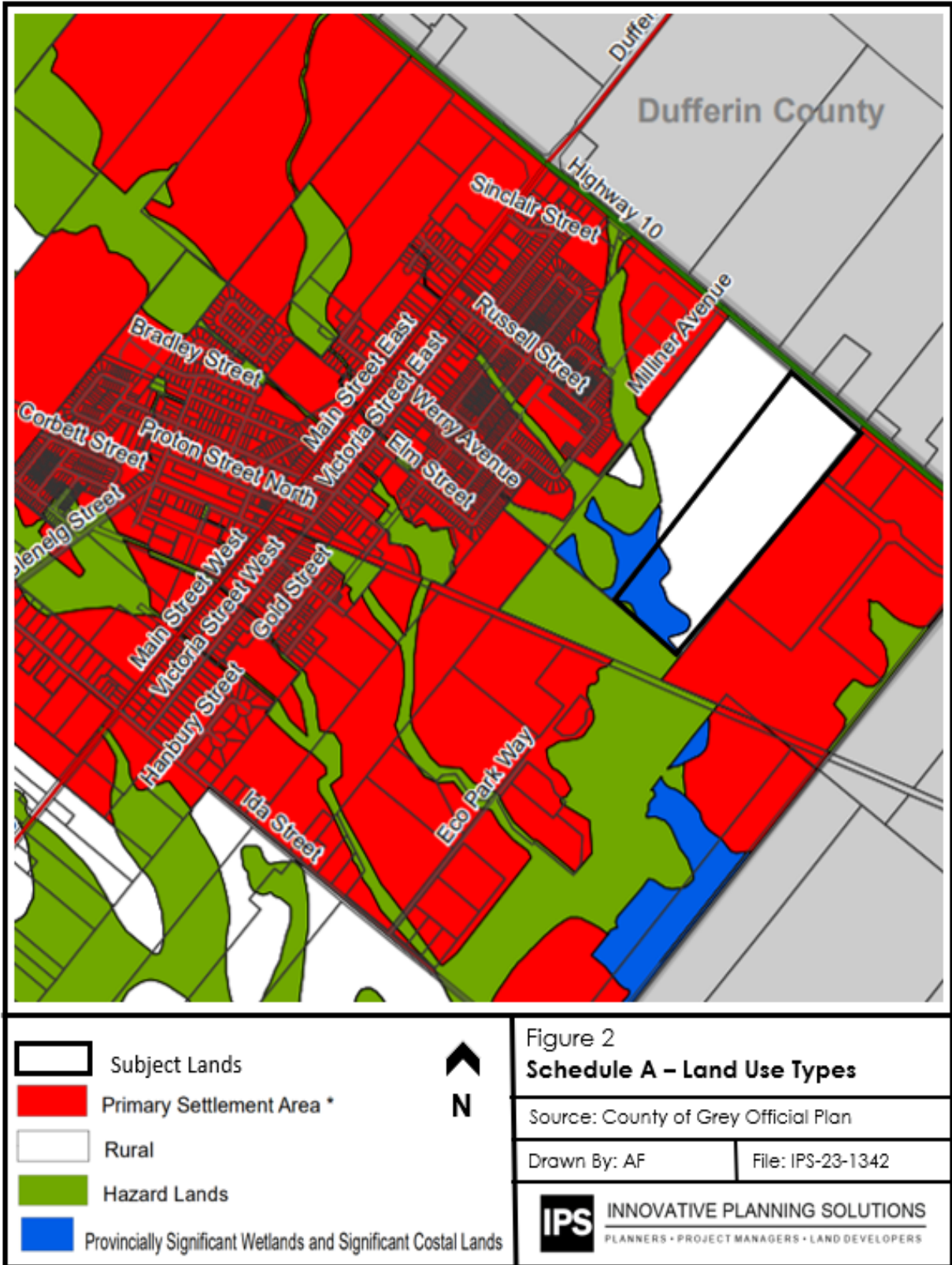
## 2.0 THE SUBJECT LANDS

The Subject Lands are located within the Township of Southgate, adjacent to the existing Settlement Area of the community of Dundalk, as shown on *Schedule 'A' Map 2* in the Township of Southgate Official Plan (**Figure 2**). As shown in this Figure, the Subject Lands are almost entirely surrounded by lands within the Settlement Area, and have been leapfrogged over when lands to the southeast were added to the Settlement Area. This will be discussed further in Section 2.2 of this PJR.

The Subject Lands are municipally known as 772082 Highway 10 and are located along the western side of Highway 10, approximately 1.2km south of Main Street in Dundalk. The Subject Lands are rectangular-shaped, with a width of approximately 310m and a depth of approximately 1,009.58m for an area of approximately 31.3 hectares (77.34 acres). The Subject Lands are currently vacant and a portion of the site has most recently been tilled for agricultural purposes by a tenant farmer. Access to the site is currently from Highway 10 via an existing unpaved driveway.

The Subject Lands have a variety of existing natural heritage features present, including a Provincially Significant Wetland. Technical studies have been completed as part of the subject application to delineate the boundaries of any important natural heritage features and ensure they are preserved, including any appropriate buffers. These studies are described in Section 4.0 of this Report. The lands that are proposed to be included in the Settlement Area and developed with residential and commercial development are primarily the existing agricultural lands.

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**Figure 2:** An overlay of the Subject Lands on ‘Schedule A’ of the County of Grey Official Plan

## **2.1 Surrounding Land Uses**

The surrounding land uses are described below and illustrated in **Figure 3**. For the purposes of this section, Highway 10 is considered to be a north-south street even though it is technically northwest-southeast at this location.

### **North:**

- Immediately to the north is a parcel with dense woodlot, designated 'Hazard Land', 'Provincially Significant Wetland' and 'Special Policy Area 5.6.6' by the Township of Southgate, which are the same designations as the Subject Lands. The Owner/Applicant of the subject application approached the owner of these lands to suggest a joint application to bring both properties into the Settlement Area. The abutting owner declined to be included, so there are no proposed changes to these lands as part of the subject application.
- The next property to the North is located within the Dundalk Settlement Area and has been approved for development as part of a larger subdivision currently being built out in phases. The development on these lands includes a road stub to connect to the properties to the south, which form part of the road network and connections to the Subject Lands.
- Further North is the existing built-up portion of the Settlement Area of Dundalk; this area contains a mix of residential, commercial, and institutional uses. Some of the community services that would service the Subject Lands are listed below:
  - Dundalk Fairgrounds (500m – 1 min. drive, 7 min. walk)
  - Dundalk Arena & Community Centre (800m – 1 min. drive, 11 min. walk)
  - Dundalk and Proton Community School (Public, Grades JK-2) (2.4km – 4 min. drive, 30 min. walk)
  - Highpoint Community School (Public, Grades 3-8) (2.5km – 3 min. drive, 35 min. walk)
  - Dundalk Park, which has a pool, baseball diamond, basketball court, skate park, and more (1.5km – 2min. drive, 20 min. walk)
  - Restaurants, shops, churches, and other important amenities for local residents.

**East:**

- To the east of the Subject Lands is Highway 10, which acts as the boundary to Dufferin County.
- Across Highway 10 are agricultural lands, with associated residential and agricultural buildings.

**South:**

- To the south of the Subject Lands are currently vacant lands which are within the Dundalk Settlement Area. These lands are currently designated as 'Arterial Commercial', 'Neighbourhood Area', 'Industrial', and 'Hazard Land' and have the overlying designation of 'Special Policy Area 5.6.10'. The specific provisions of the Special Policy Area are:
  - *Lands having the special policy number 5.6.10 on Schedule A (Map 1) and described as Part Lot 238-240, Concession 1; and Part of Lot 238, Concession 2 (Southwest of the Toronto and Sydenham RD), Township of Southgate shall be used in accordance with the Hazard Land designation policies, Neighbourhood Area designation policies, Industrial designation policies, and Arterial Commercial designation development policies of 5.2.3.2.*
  - *Within the Arterial Commercial designation, all uses listed in the General Commercial (C2) zone of the Township's Zoning By-law (By-law No. 19-2002) shall be permitted in addition to medical clinics, veterinary clinics, drive-through facilities, fitness clubs, gas bars, shopping centres, supermarkets, open storage areas and open display areas.*
  - *With the Neighbourhood Area designation, Industrial Area designation and Arterial Commercial designation, all uses listed in the Community Facility zone (CF) of the Township's Zoning By-law (No. 19-2002) are permitted. The development policies of 5.2.1.2.14 b) to e) shall apply to any community facility use.*

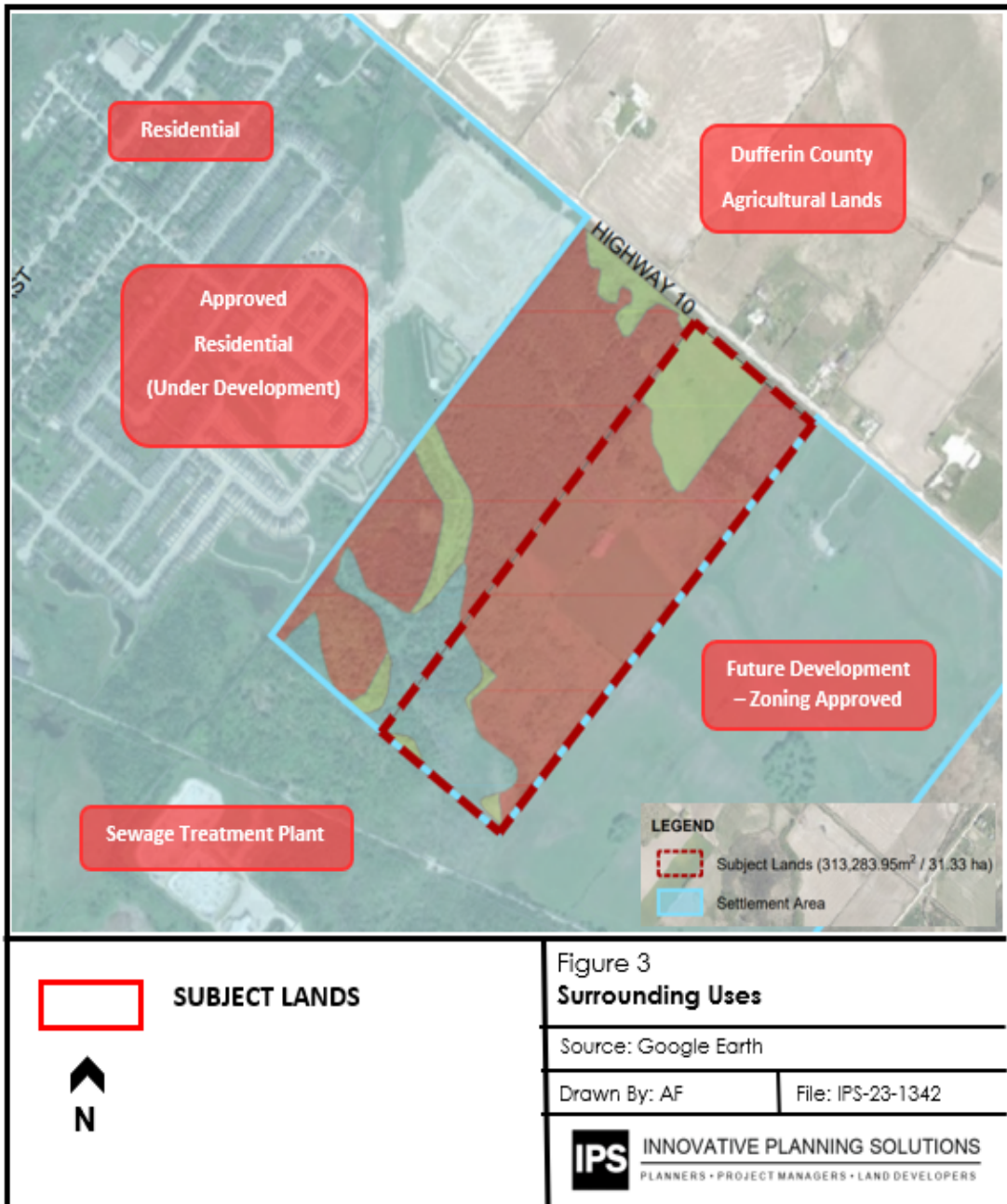
The lands are therefore designated for development; the property owner is in the process of getting subdivision approval.

**West:**

- To the west of the Subject Lands are lands within the Dundalk Settlement Area.

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- Lands immediately to the west are designated as ‘Hazard Lands’ by both the County and Township. The lands have existing natural heritage features, including dense woodlot and provincially significant wetlands.
- Beyond the Hazard Lands area is the County Rail Trail followed by a property which houses the Lystek sewage treatment plant.



**Figure 3:** An overlay of the Subject Lands on ‘Schedule A’ of the County of Grey Official Plan

## **2.2 History of the Dundalk Settlement Area Boundaries**

As shown on **Figures 2 and 3** and detailed above, the Subject Lands are surrounded on three sides by the Settlement Area of Dundalk. The lands to the south were subject to a Minister's Zoning Order (MZO) under Ontario Regulation 166/22 (O. Reg. 162/22) which was approved on March 4, 2022. The MZO zones the lands for a variety of uses including residential, commercial, and industrial uses. The developer is now seeking Draft Plan of Subdivision approval from the County of Grey to facilitate the development of the lands.

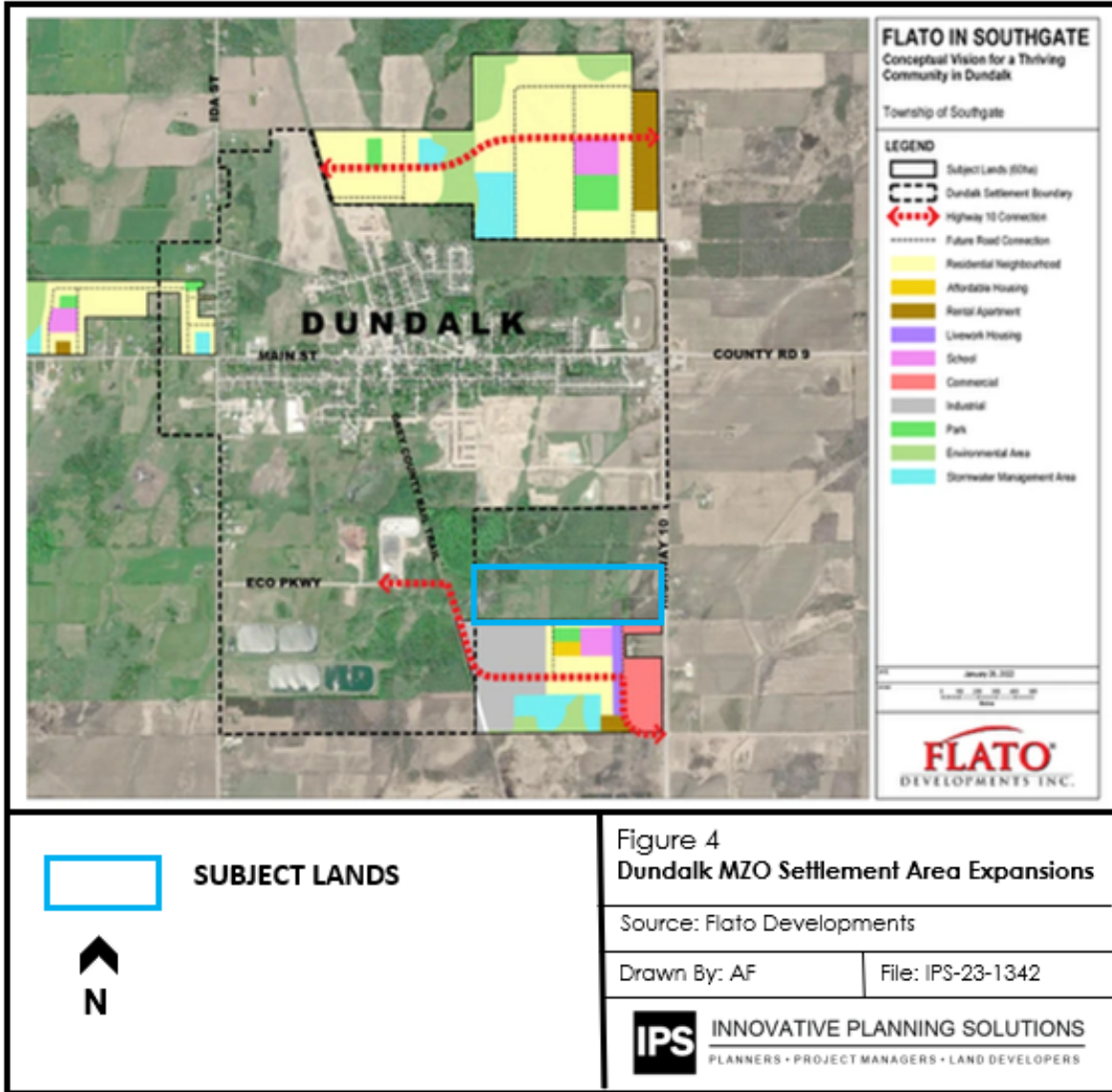
The lands to the south were not part of the Settlement Area of Dundalk prior to the approval of the MZO and thus were added to the Settlement Area by the Province. **Figure 4** below was prepared by the owner/developer of the lands to the south prior to approval of the MZO and illustrates the Settlement Area boundary as it was prior to the MZO.

MZOs are approved by the Province, not the local Municipalities. In approving the lands to the south as Settlement Area, the Subject Lands as well as the lands directly to the north of the Subject Lands were leapfrogged over. As will be discussed later in this PJR, the exclusion of the Subject Lands is contrary to Provincial and Municipal policies which encourage contiguous and logical expansion of Settlement Areas to ensure the efficient use of public infrastructure and resources.

The subject application aims to rectify this situation by requesting the inclusion of the Subject Lands in the Settlement Area. Approval of the subject application would allow for the contiguous and logical growth of the community of Dundalk.

Figure 3: An aerial illustration of the surrounding land uses. Aerial imagery provided by Google Earth mapping.

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**Figure 4:** Map of the Dundalk Settlement Area prior to the MZO approval with requested expansions.

### 3.0 SUBJECT APPLICATION

The main purpose of the subject application is to bring the Subject Lands into the Settlement Area of Dundalk, and as such the subject application is for Amendments to the Official Plans of the County and Township only and does not propose specific zoning at this time. The subject application includes a conceptual site plan for discussion purposes only, which is included as **Figure 5** below. Technical studies have been completed based on the conceptual site plan; however, the actual final design may be different from what is shown. The final proposed site design will be presented with subsequent applications for Zoning By-law Amendment and Draft Plan of Subdivision. Updated and more detailed technical studies will also be included with subsequent applications.

Although the conceptual layout is subject to change, there are some site features that are anticipated to remain and should be highlighted:

- The lands closest to Highway 10 are proposed to be Arterial Commercial, in line with properties to the north and south along Highway 10. This portion of the Subject Lands is planned to have the highest density and will include a commercial component. The conceptual plan envisions low- or mid-rise mixed-used commercial/residential development with associated parking, but this could be amended based on market need closer to project build-out.
- Main site access will be from abutting properties to the north and south. Since the property immediately to the north of the Subject Lands has declined to be part of the subject application, the north access may not be available for the first phase of the project build-out. Instead, access will be through the lands to the south using the planned Street 'A' shown on the Draft Plan of Subdivision for those lands (**Figure 6**), which will be a collector street with a 30m right-of-way. Street 'A' will connect to Sideroad 240 as well as a new collector street within the proposed subdivision, which in turn will connect to a future extension of Eco Park Way already planned by the municipality.
  - Further information on the road connections is provided in the Traffic Impact Study prepared by Tatham Engineering which is included with the subject application under separate cover. Specific site configuration and other associated considerations will be detailed through future applications.

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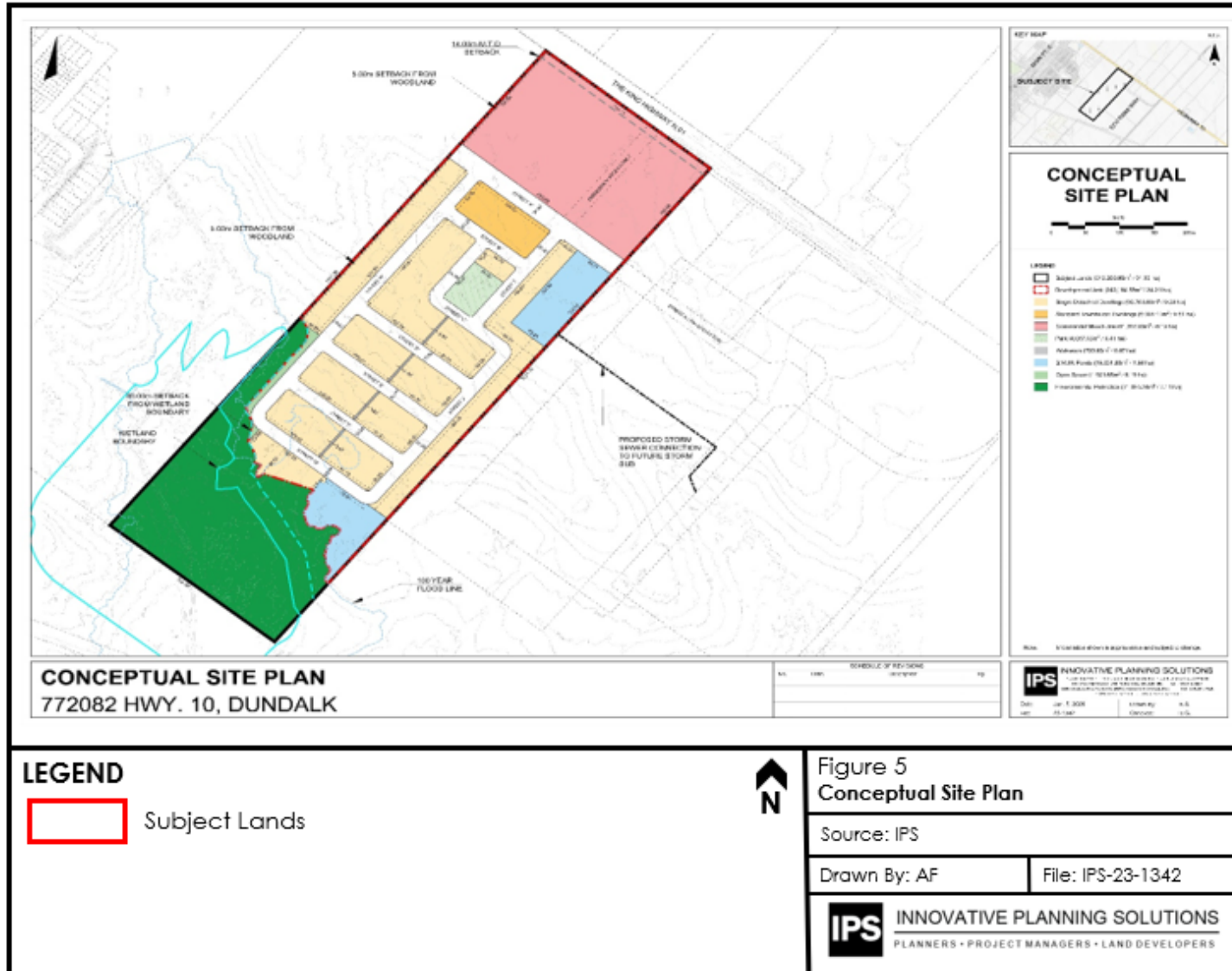
- Direct access off Highway 10 is not permitted for the Subject Lands due to the proximity of the existing Milliner Avenue Highway 10 access point. However, emergency vehicles will need a secondary point of access, so one is proposed along Highway 10. This will be closed with a gate or similar barricade when not in use by emergency vehicles.
- A Park block is proposed as an amenity for future residents.
- There is also the potential for a portion of the Subject Lands to be used for a public purpose such as a school. This can be discussed between the Owner/Applicant and the relevant government agencies at subsequent applications and closer to project build-out.

As part of the pre-consultation notes prepared by the County and Township on November 13, 2024, the following was noted:

*any future development applications on your client's lands should consider the lands to the northwest, and ideally any planning exercise would include the two properties in tandem, rather than dealing with one property now, and the other at a later date.*

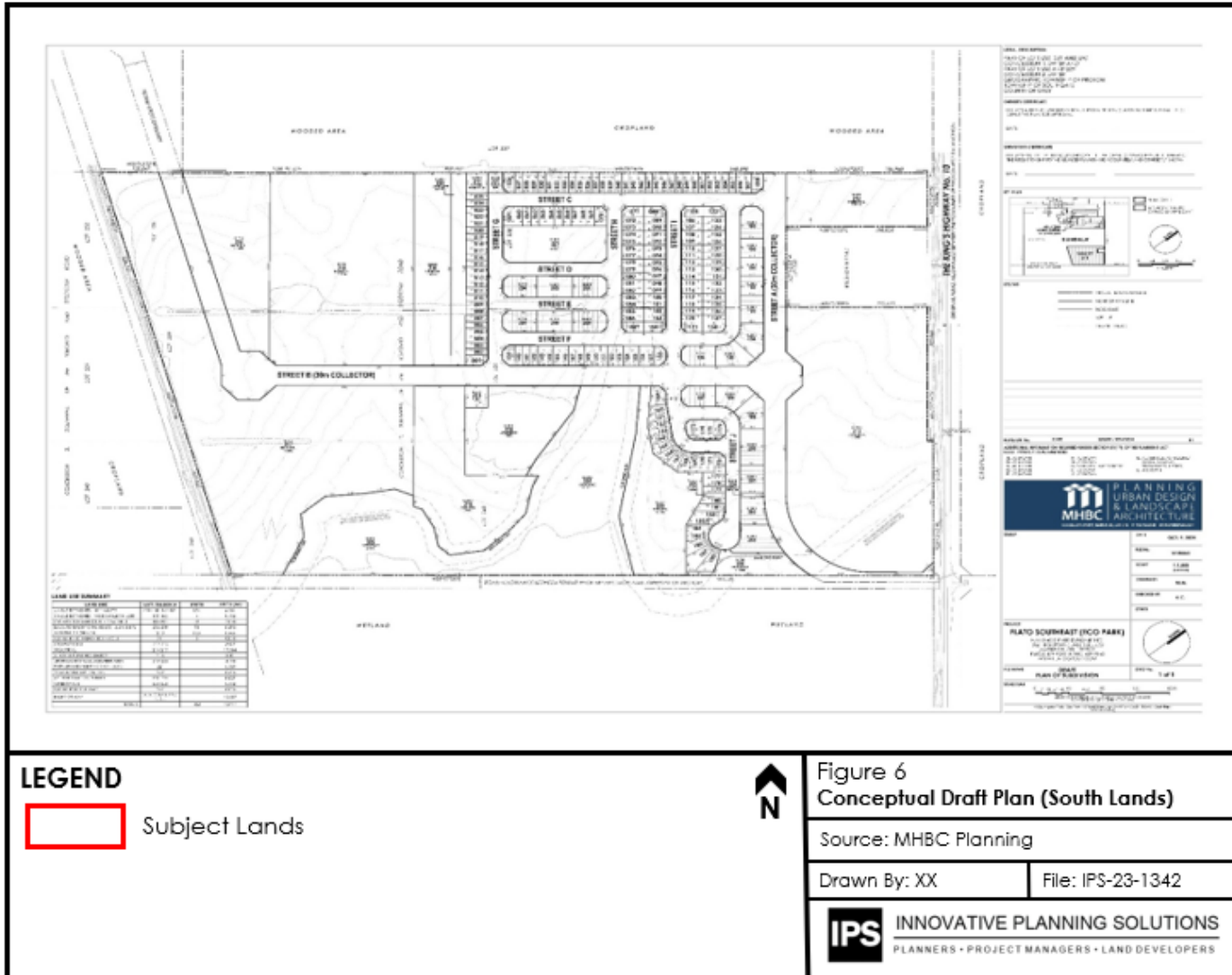
As mentioned above, the Owner/Applicant did approach the owner of the lands to the northwest and proposed a joint application which would include both parcels. The property owner to the northwest declined to be included in the subject application. The conceptual site plan has been designed to ensure that development is feasible on the lands to the northwest in the future. Of note, Street 'A' is proposed to run through the Subject Lands in order to connect the lands both to the south and north, ensuring connections between all the planned and future development lands.

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**Figure 5:** The Conceptual Site Plan as prepared by Innovative Planning Solutions Inc., dated February 2026.

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**Figure 6:** Proposed Draft Plan of Subdivision for lands to the south of the Subject Lands, October 2024 (source: [Planning Applications and Public Notices | Township of Southgate](#), accessed March 2026)

## 4.0 TECHNICAL REPORTS AND STUDIES

The following section will provide a summary of the reports and studies conducted in support of the subject application.

### 4.1 Traffic Impact Study

A Traffic Impact Study (TIS) was completed by Tatham Engineering, dated February 12, 2026. The TIS concluded that, given the current development applications in Dundalk, a variety of traffic improvements are recommended as outlined below. These recommended improvements are based on the full build-out of both the Subject Lands and the lands to the south by 2035.

- 2030 Horizon (50% build out)
  - upgrade the intersection of Highway 10 / 240 Sideroad / Eco Park Way from stop control to signalized intersection
  - add dedicated left-turn lanes with appropriate storage, parallel deceleration, and taper lengths to enhance traffic flow and accommodate peak-hour demands
  
- 2035 Horizon (100% build out)
  - increase capacity on Highway 10 to a 4-lane cross section (2 lanes per direction) with advanced green for left turning movement for northbound traffic on intersection of Highway 10 / 240 Sideroad / Eco Park Way and Highway 10 / Country Road 9 / Grey Road 9
  - Right turn storage lane on Highway 10 / County Road 9 / Grey Road 9 for eastbound traffic and additional left turn storage lane for eastbound traffic on Eco Park Way
  
- For 2040 and 2045 horizons, no further upgrades are required.
  
- The TIS also notes that the development to the south of the Subject Lands is the main reason for the increased traffic volumes and subsequent required upgrades:
  - *“Under total conditions when full build-out of all background developments and the subject development is achieved (assumed by 2035 in this study), the Dundalk Southeast development will account for 68% and 84% of the eastbound left turning volumes during AM and PM peak conditions, respectively.”*

#### **4.2 Archaeological Study**

A Stage 1 Archaeology Assessment was completed by Irvin Heritage, dated February 18, 2026. The Stage 1 Assessment was entered into the Ontario Public Register of Archaeological Reports on February 24, 2026. The Stage 1 Assessment noted that no previous archaeological assessments have occurred in the Study Area and that the Study Area retains archaeological potential. As a result, a Stage 2 Archaeological Assessment is required. The Stage 2 field work will be completed once weather conditions allow; the associated report will be provided with the second submission of the subject application.

#### **4.3 Preliminary Functional Servicing & Stormwater Management Report**

A Preliminary Function Servicing & Stormwater Management Report was prepared by Tatham Engineering, dated February 11, 2026. The Report found that:

- The development can be serviced with municipal watermains which connect to watermain stubs in the lands to the south of the Subject Lands, and with gravity sewers which discharge to sanitary sewer stubs in the lands to the south of the Subject Lands.
- The Dundalk water and wastewater systems will require significant upgrades to accommodate full build-out of all planned development, including the MZO development to the south of the Subject Lands. The Township has noted that timing of these upgrades will be dependent on the pace of future development.
- Runoff during a Regional (Hurricane Hazel) Storm will drain to a combination of (1) the existing Foley drain and (2) a future downstream wetland system to be built out on the lands to the south. Two stormwater management ponds are also proposed.

#### **4.4 Natural Hazards Assessment**

A Natural Hazards Assessment was prepared by Tatham Engineering, dated May 20<sup>th</sup>, 2025. The Assessment found that:

- The majority of the Subject Lands are outside of the regulatory floodplain and are suitable for development.
- There is a backwater condition which affects the floodplain limits across the Subject Lands, in part because of the limited hydraulic capacity of the Grey County CP Rail Trail culvert crossing. The floodplain limits therefore extend through a low-lying area near the centre of the property. **Figure 7** illustrates the floodplain as well as the backwater condition.
- The Assessment notes that the backwater condition can be resolved through cut/fill compensation strategies, potential improvements to hydraulic capacity,

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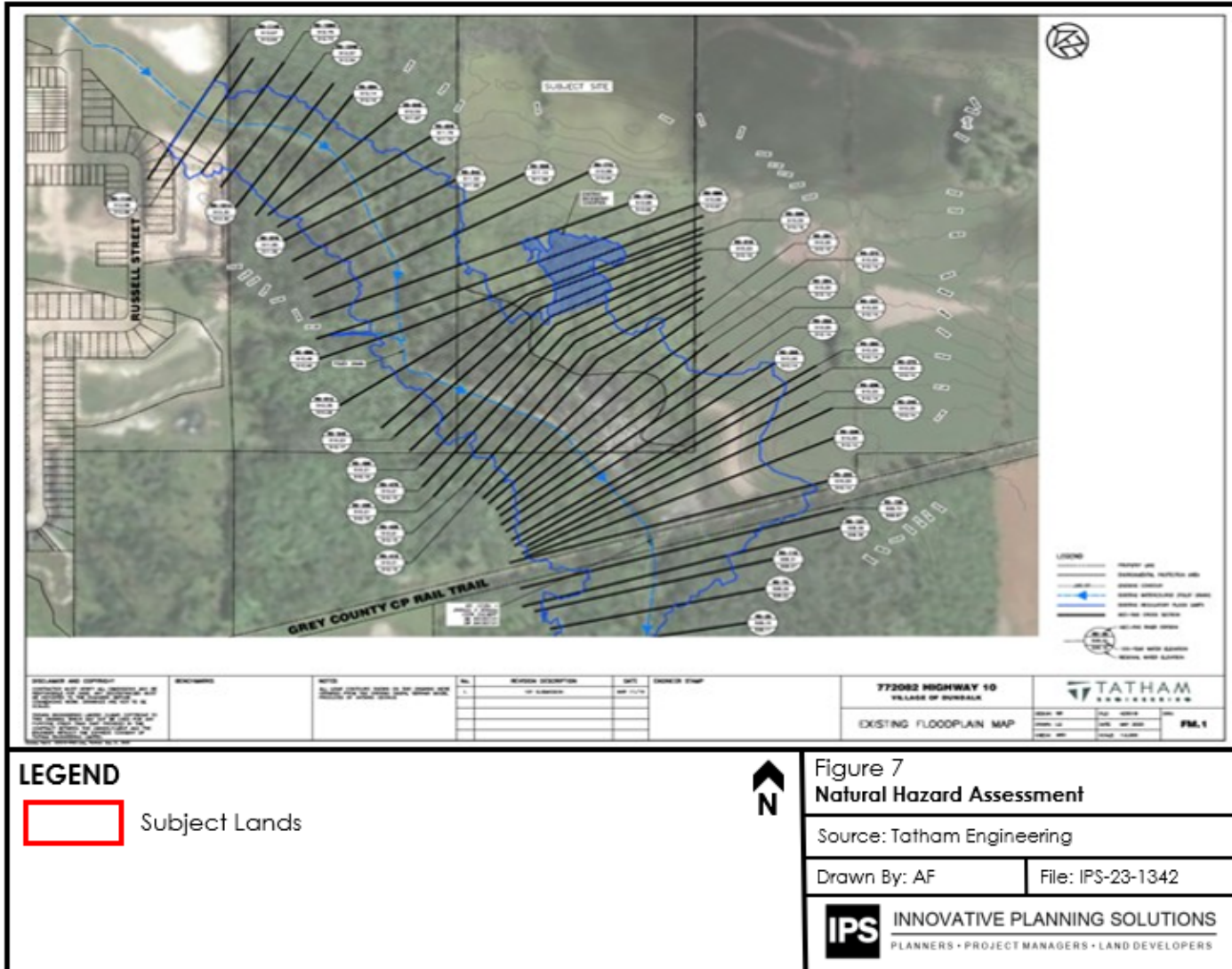
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or a combination of both. These possible solutions will need to be discussed with the Conservation Authority.

A more refined Natural Hazard Assessment will be prepared in support of the final development plan in conjunction with a future application for Zoning By-law Amendment and Draft Plan of Subdivision/Site Plan Control.

It is important to note that the Natural Hazard Assessment did not find any hazards in the portion of the Subject Lands closest to Highway 10 which are currently designated 'Hazard Lands' in the Township Official Plan.

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**Figure 7:** The existing floodplain map showing the backwater condition (blue hatched area), extracted from the Natural Hazard Assessment prepared by Tatham Engineering.

#### **4.5 Environmental Impact Study**

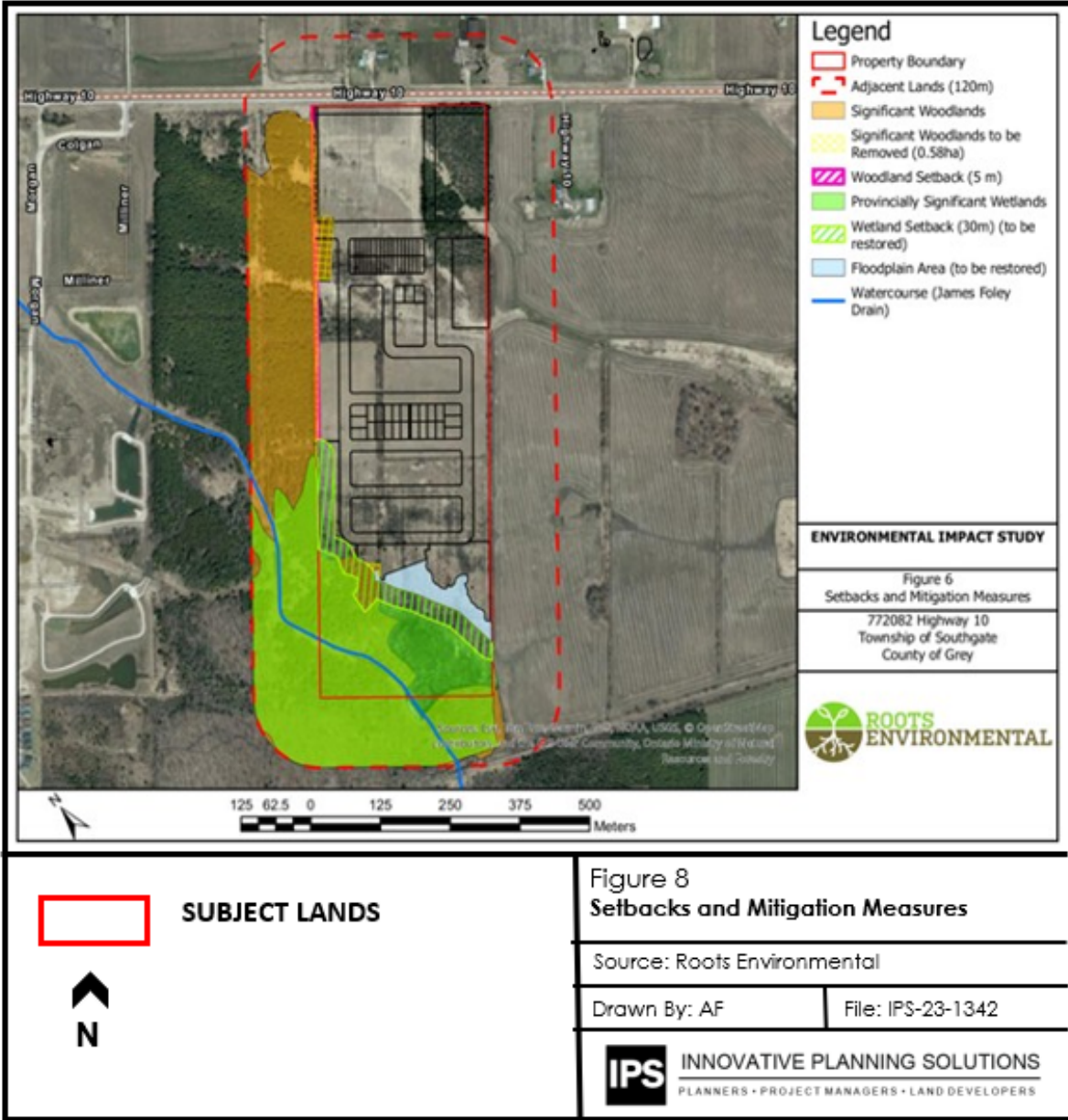
An Environmental Impact Study (EIS) was prepared by Roots Environmental, dated March 1<sup>st</sup>, 2026. The purpose of the EIS is to identify the presence of any natural heritage features on or within 120 metres of the Subject Lands, assess any possible impacts from the proposed development of the Subject Lands, and identify any preventative, mitigative, or remedial measures to ensure no negative impacts. The EIS included both a desktop review and field work. The EIS found the following:

- The Provincially Significant Melancthon Wetland Complex #1 (PSW) is in the southwestern part of the Subject Lands. Unevaluated wetlands were identified adjacent to the PSW within the Subject Lands; these wetlands will now be included in the PSW.
  - A development setback of 30 meters is recommended and this setback should be restored with native vegetation through a landscaping plan to be provided at the detailed design stage.
  - Silt fencing should be placed at the limit of the wetland during restoration and at the limit of development during construction.
  - A spring 2026 delineation will be completed with Grand River Conservation Authority (GRCA) and County staff to confirm the boundaries of the wetland.
- Significant Woodlands were identified on the Subject Lands and the lands to the northeast of the Subject Lands.
  - A small 0.58 hectare Significant Woodland is proposed to be removed from the Subject Lands, to be mitigated through compensation planting in the setback to the PSW and the Floodplain Area.
  - Mitigation measures are proposed including a 5-metre setback along the northwest property line.

**Figure 8** below shows the limits of the PSW, Significant Woodlands, Floodplain, and proposed setbacks as determined through the EIS.

It is important to note that the EIS did not find any wetlands or other natural heritage features in the portion of the Subject Lands closest to Highway 10 which are currently designated Hazard Lands in the Township Official Plan and identified as a wetland per GRCA mapping.

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**Figure 8:** The calculated setbacks and mitigation measures proposed for the Subject Lands, extracted from the Environmental Impact Study prepared by Roots Environmental

#### **4.6 D-Series Assessments**

A Land Use Compatibility (D2 and D6) Study was prepared by Sonair Environmental, dated July 17<sup>th</sup>, 2025. The purpose of the assessment was to determine if dust, odour and noise/vibration emissions from surrounding sources would adversely impact the proposed sensitive land uses within the development. Through their assessment, Sonair Environmental was able to conclude that dust, odour and noise/vibration concerns from identified facilities are not expected to adversely impact any future residential or other sensitive development on the Subject Lands.

#### **4.7 Minimum Distance Separation (MDS) Calculation**

The Minimum Distance Separate (MDS I) calculation was conducted by Innovative Planning Solutions on March 3, 2026. The calculation found that any potential livestock was located more than the minimum required distance from the Subject Lands.

#### **4.8 Residential Land Needs Assessment**

A Residential Land Needs Assessment for the Township of Southgate was prepared by Parcel Economics Inc., dated March 19, 2026. The Assessment relied on Summer 2025 Ontario Population Projections prepared by the Ministry of Finance which forecast a population of approximately 141,930 persons by 2046, which is nearly 14,800 more than the population forecasts from the most recent County of Grey Growth Management Strategy (GMS) from July 2021. This translates to 59,180 households in Grey County by 2046, which is 4,820 (40%) more than anticipated in the GMS. As a result of these projections, there is a need to expand the Dundalk Primary Settlement Area by 44.5 hectares to meet the expected population growth. The RLNA concludes that there is a need to include the Subject Lands in the Primary Settlement Area to accommodate growth and need.

## 5.0 PROVINCIAL AND MUNICIPAL LAND USE POLICY ANALYSIS

The Subject Lands are subject to the following legislation and policies:

- The Planning Act., RSO 1990, c. P. 13;
- The Provincial Planning Statement (2024);
- County of Grey Official Plan (2019);
- Township of Southgate Official Plan (2022); and
- Township of Southgate Zoning By-law 19-2002

This section of the PJR provides an analysis of the subject application and how the proposed Official Plan Amendments address each of the relevant governing policy documents.

### 5.1 Planning Act

The *Planning Act*, RSO 1990, c. P. 13 (The *Planning Act*), is provincial legislation governing land development in Ontario. The approval of any land development application in Ontario must have regard for matters of provincial interest and be consistent with provincial policy statements. The purpose of this section is to confirm how these matters have been addressed by the subject application.

Section 2 of the *Planning Act* requires that all land use planning activities under the Act shall have regard for matters of Provincial Interest. In our assessment, relevant interests include:

<b>Matter of Provincial Interest</b>	<b>Planning Rationale</b>
<i>(a) the protection of ecological systems, including natural areas, features and functions;</i>	The subject application includes protections for sensitive areas, as identified by our technical team, including preservation of the identified Provincially Significant Wetland (PSW), a 30 metre buffer from the PSW, and a 5 metre setback from the significant woodlands identified on the abutting property to the northwest.
<i>(d) the conservation of features of significant architectural, cultural, historical, archaeological or scientific interest;</i>	A Phase One Archaeological Assessment was conducted by Irvin Heritage. A Phase Two Assessment is required and will be completed once weather permits.

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<p><i>(e) the supply, efficient use and conservation of energy and water;</i></p>	<p>The subject application can connect to existing municipal water and sanitary service lines. Expansion of municipal water and wastewater facilities will be necessary to accommodate all of the planned growth in Dundalk, including properties already in the Settlement Area.</p>
<p><i>(f) the adequate provision and efficient use of communication, transportation, sewage and water services and waste management systems;</i></p>	<p>The subject application would provide for contiguous development in Dundalk, ensuring the most efficient use of municipal services and infrastructure.</p>
<p><i>(j) the adequate provision of a full range of housing, including affordable housing;</i></p>	<p>The subject application would allow for the provision of additional housing stock in the Dundalk community, and would contribute to the creation of a complete community in Dundalk through new commercial and residential development similar to adjacent land uses.</p> <p>The subject application has the potential to provide a wide range of housing options to residents, including the potential for more attainably-priced housing typologies such as townhouses and mid-rise apartments or condominiums.</p>
<p><i>(k) the adequate provision of employment opportunities;</i></p>	<p>The subject application would allow for economic development by providing commercial and office employment opportunities in a strategic location along an established corridor.</p>
<p><i>(l) the protection of the financial and economic well-being of the Province and its municipalities;</i></p>	<p>The subject application would ensure the contiguous growth and development of Dundalk, ensuring the most efficient use of Provincial and Municipal infrastructure investment funding.</p>



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<p><i>(p) the appropriate location of growth and development;</i></p>	<p>The subject application supports the appropriate location of growth and development on lands which are surrounded on three sides by Settlement Area.</p>
<p><i>(q) the promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians;</i></p>	<p>The Owner/Applicant will ensure the project is built with sidewalks which connect to surrounding streets and developments. Further details about pedestrian connections will be provided at the detailed design stage. The subject application would ensure the contiguous growth and development of Dundalk, which would in turn provide the densities needed to support future transit networks.</p>
<p><i>(r) the promotion of built form that,</i></p> <ul style="list-style-type: none"> <li>• <i>is well-designed,</i></li> <li>• <i>encourages a sense of place, and</i></li> <li>• <i>provides for public spaces that are of high quality, accessible, attractive and vibrant.</i></li> </ul>	<p>Although the site plan is conceptual at this stage, the Owner/Applicant will ensure the project will be well designed and will meet appropriate urban design and development standards. Further details will be refined at the detailed design stage.</p>

It is our professional opinion that the proposed Official Plan Amendments have regard for matters of Provincial interest as identified through Section 2 of the *Planning Act*.

## **5.2 Provincial Planning Statement (2024)**

The Provincial Planning Statement (2024), ('PPS'), came into effect on October 20<sup>th</sup>, 2024 and replaces the Provincial Policy Statement (2020) and the Growth Plan for the Greater Golden Horseshoe (2020). The PPS is the primary policy statement issued under Section 3 of the *Planning Act* and provides direction on matters of Provincial interest.

The Official Plan Amendments which form the subject application are consistent with the PPS, specifically with regard to Sections 2.1, 2.2, 2.3, 2.5, 3.6, 4.1, 4.6, and 5.2 of the PPS.

Section 2.1 – Planning for People and Homes outlines the general guidelines to provide residents of Ontario with improved quality of life and essential needs. Of particular interest, sub-policy 2.1.6 prescribes the framework for achieving 'Complete Communities':

*2.1.6. Planning authorities should support the achievement of complete communities by:*

*a) accommodating an appropriate range and mix of land uses, housing options, transportation options with multimodal access, employment, public service facilities and other institutional uses (including schools and associated child care facilities, long term care facilities, places of worship and cemeteries), recreation, parks and open space, and other uses to meet long-term needs;*

*b) improving accessibility for people of all ages and abilities by addressing land use barriers which restrict their full participation in society; and*

*c) improving social equity and overall quality of life for people of all ages, abilities, and incomes, including equity-deserving groups.*

The Subject Lands are not currently part of the Settlement Area of Dundalk as they were leapfrogged over when the Province approved development on the lands to the south of the Subject Lands through an MZO. The request to bring the Subject Lands into the Settlement Area would connect the MZO lands to the rest of the Dundalk community, ensuring a more complete community with more contiguous development. This in turn makes it easier for the Township and County to provide infrastructure and services such as transit, sidewalks, and bike lanes. The conceptual site plan includes commercial space in order to create a continuous

corridor along Highway 10 and amenities for existing and future residents. The conceptual site plan also envisions a variety of housing options, including multi-family and single-family, which would promote social equity by providing housing options for different income levels, family sizes, and needs.

Section 2.2 – Housing of the PPS states:

*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 by:*

*b) permitting and facilitating:*

*1. all housing options required to meet the social, health, economic and wellbeing requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities; and*

*2. all types of residential intensification, including the development and redevelopment of underutilized commercial and institutional sites (e.g., shopping malls and plazas) for residential use, development and introduction of new housing options within previously developed areas, and redevelopment, which results in a net increase in residential units in accordance with policy 2.3.1.3;*

*c) promoting densities for new housing which efficiently use land, resources, infrastructure and public service facilities, and support the use of active transportation; and*

*d) requiring transit-supportive development and prioritizing intensification, including potential air rights development, in proximity to transit, including corridors and stations.*

The subject application is consistent with Section 2.2 as summarized below:

- The conceptual site plan proposes a full range of housing options to meet the needs of current and future residents, including multi-family and single-family units.
- Development of the Subject Lands would ensure that Dundalk grows and develops in a contiguous manner without leapfrogging.

- Development in a contiguous manner allows for the efficient provision of services and infrastructure such as transit, sidewalks, and bike lanes, to be developed to service the wider community and create connections as Dundalk grows.
- Expansion of municipal services will be necessary to service the development, and the Township has indicated that they will time completion of the necessary upgrades based on the pace of development.
- Approval of the Settlement Area expansion will allow the development of currently undeveloped lands which, while currently outside of the existing Settlement Area boundary, are strategically located adjacent to the Settlement Area on three sides, and are therefore a logical location for Settlement Area boundary expansion.

Section 2.3 – Settlement Areas and Settlement Area Boundary Expansions of the PPS outlines policies for Settlement Areas and Settlement Area Expansions. Through the requested Official Plan Amendments, a Settlement Area boundary expansion is proposed; the provisions of Section 2.3 of the PPS are therefore important for the subject request.

Section 2.3.1, General Policies for Settlement Areas, states that:

- 1. Settlement areas shall be the focus of growth and development. Within settlement areas, growth should be focused in, where applicable, strategic growth areas, including major transit station areas.*
- 2. Land use patterns within settlement areas should be based on densities and a mix of land uses which:
  - a) efficiently use land and resources;*
  - b) optimize existing and planned infrastructure and public service facilities;*
  - c) support active transportation;*
  - d) are transit-supportive, as appropriate; and*
  - e) are freight-supportive.**
- 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.*

The Official Plan Amendments which form the subject application are consistent with Section 2.3.1 of the PPS in that:

- The subject application intends to focus growth and development in a proposed Settlement Area Boundary expansion.
- The subject application would provide new residential housing and offers the opportunity to provide varying densities, including mid-rise mixed-use development.
- The subject application would contribute to transit-supportive densities which would allow for future transit operations in the area.
- The subject application will contribute to the creation of a complete community by providing a variety of built forms as well as the potential for commercial, office, and/or institutional uses.

In relation to Settlement Area Boundary Expansion, Policy 2.3.2 provides that:

*2.3.2 New Settlement Areas and Settlement Area Boundary Expansions*

*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;*

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*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.*

*2. Notwithstanding policy 2.3.2.1.b), planning authorities may identify a new settlement area only where it has been demonstrated that the infrastructure and public service facilities to support development are planned or available.*

Given that the Official Plan Amendments which form the subject application are specifically for a Settlement Area Boundary Expansion, consistency with Section 2.3.2 of the PPS is essential. Each of the provisions above are addressed below:

<i>need to designate and plan for additional land to accommodate an appropriate range and mix of land uses</i>	As noted in the RLNA, there is need for additional Settlement Area lands to accommodate the forecasted population growth over the next two decades.
<i>sufficient capacity in existing or planned infrastructure and public service facilities</i>	As noted in the Preliminary Functional Servicing Report, the Township will need to expand its municipal water and wastewater facilities to accommodate anticipated development within the current Settlement Area of Dundalk. Inclusion of the Subject Lands in the Settlement Area will ensure that the anticipated demand from the future development of the Subject Lands will be included in the upgrades.

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<i>applicable lands comprise specialty crop areas</i>	The Subject Lands are currently farmed for common crops and are not specialty agricultural lands.
<i>evaluation of alternative locations which avoid prime agricultural areas</i>	The Subject Lands are not designated Agriculture and are not considered a Prime Agricultural Area.
<i>minimum distance separation formulae</i>	The MDS I calculation concluded that existing livestock facilities were located more than the minimum required distance from the Subject Lands.
<i>impacts on the agricultural system are avoided, or where avoidance is not possible, minimized and mitigated to the extent feasible</i>	The Subject Lands are currently farmed for common crops by a tenant farmer with other farming operations in the area. The Subject Lands are a small portion of the farmer's holdings and will not have a large impact on the overall food production system in the area. In addition, the Subject Lands are constrained by existing Natural Heritage features and proposed development to the north and south which prevent a larger farming operation in the immediate vicinity. Development of the Subject Lands will therefore have minimal impact on the agricultural system.
<i>new or expanded settlement area provides for the phased progression of urban development</i>	The proposed Settlement Area expansion will ensure a more contiguous development and will avoid leapfrogging, helping to ensure a more orderly and efficient build-out of Dundalk.
<i>planning authorities may identify a new settlement area only where it has been demonstrated that the infrastructure and public service facilities to support development are planned or available</i>	There are existing water and sanitary stubs located adjacent to the Subject Lands, and the Township will need to expand servicing to accommodate all planned growth, including on lands



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	already in the Settlement Area. Inclusion of the Subject Lands in the Settlement Area will ensure that the anticipated demand from the future development of the Subject Lands will be included in the upgrades.
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Section 2.5 – Rural Areas in Municipalities describes the provincial direction as it relates to the building of existing rural areas, and the utilization of rural infrastructure in an efficient manner. The subject application intends to redesignate lands that currently hold the ‘Rural’ designation in the Grey County Official Plan. Therefore, this section is not relevant since the subject application would remove the Subject Lands from the Rural area.

Section 3.6 – Sewage, Water and Stormwater of the PPS calls for the efficient use and optimization of existing municipal sewage services and municipal water services. Dundalk currently operates on full municipal services, and existing municipal services will need to be expanded to accommodate the development of the Subject Lands. The Owner/Applicant will work with the municipality to ensure the timely and efficient use of existing capacity, per Policy 3.6.

Policy 3.6.2 states that municipal services are the preferred form of servicing for Settlement Areas, and the Subject Lands can be accommodated on full municipal services, making them appropriate for the Settlement Area.

Further details on consistency with the policies of Section 3.6 will be provided in subsequent, more detailed applications showing the exact proposed build-out of the Subject Lands.

Section 4.1 – Natural Heritage of the PPS provides policies to protect Natural Heritage Features by restricting or prohibiting development in areas that contain environmentally sensitive features including but not limited to: significant wetlands, significant woodlands, and significant wildlife habitat. An Environmental Impact Study (EIS) was completed in support of the subject application and included with this submission under separate cover. The conclusions of the EIS are described in Section 4.5 of this PJR and recommendations have been incorporated into the subject application.

Section 4.6 – Cultural Heritage and Archaeology of the PPS provides policies to protect the cultural and archaeological features of Provincial lands. A Stage 1 Archaeological Assessment was completed and a Stage 2 Archaeological Assessment will be completed in Spring 2026 to ensure consistency with Section 4.6 of the PPS.

Section 5.2 – Natural Hazards of the PPS aims to ensure public safety by presenting guidelines and development policies associated with Hazard Lands within the Province. The Subject Lands have a floodplain limit associated with the James Foley Drain, a municipal drain which is a tributary to the Grand River. As a result, the policies of Section 5.2 are applicable to the subject application.

Relevant policies include:

- 2. Development shall generally be directed to areas outside of:*
  - a) hazardous lands adjacent to the shorelines of the Great Lakes -St. Lawrence River System and large inland lakes which are impacted by flooding hazards, erosion hazards and/or dynamic beach hazards;*
  - b) hazardous lands adjacent to river, stream and small inland lake systems which are impacted by flooding hazards and/or erosion hazards; and*
  - c) hazardous sites.*
- 3. Development and site alteration shall not be permitted within:*
  - a) the dynamic beach hazard;*
  - b) defined portions of the flooding hazard along connecting channels (the St. Marys, St. Clair, Detroit, Niagara and St. Lawrence Rivers);*
  - c) areas that would be rendered inaccessible to people and vehicles during times of flooding hazards, erosion hazards and/or dynamic beach hazards, unless it has been demonstrated that the site has safe access appropriate for the nature of the development and the natural hazard; and*
  - d) a floodway regardless of whether the area of inundation contains high points of land not subject to flooding.*
- 5. Despite policy 5.2.3, development and site alteration may be permitted in certain areas associated with the flooding hazard along river, stream and small inland lake systems:*

*a) in those exceptional situations where a Special Policy Area has been approved. The designation of a Special Policy Area, and any change or modification to the official plan policies, land use designations or boundaries applying to Special Policy Area lands, must be approved by the Ministers of Municipal Affairs and Housing and Natural Resources and Forestry prior to the approval authority approving such changes or modifications; or*

*b) where the development is limited to uses which by their nature must locate within the floodway, including flood and/or erosion control works or minor additions or passive non-structural uses which do not affect flood flows.*

*6. Development shall not be permitted to locate in hazardous lands and hazardous sites where the use is:*

*a) an institutional use including hospitals, long-term care homes, retirement homes, preschools, school nurseries, day cares and schools;*

*b) an essential emergency service such as that provided by fire, police, and ambulance stations and electrical substations; or*

*c) uses associated with the disposal, manufacture, treatment or storage of hazardous substances.*

*7. Where the two zone concept for flood plains is applied, development and site alteration may be permitted in the flood fringe, subject to appropriate floodproofing to the flooding hazard elevation or another flooding hazard standard approved by the Minister of Natural Resources and Forestry.*

*8. Further to policy 5.2.7, and except as prohibited in policies 5.2.3 and 5.2.6, development and site alteration may be permitted in those portions of hazardous lands and hazardous sites where the effects and risk to public safety are minor, could be mitigated in accordance with provincial standards, and where all of the following are demonstrated and achieved:*

*a) development and site alteration is carried out in accordance with floodproofing standards, protection works standards, and access standards;*

*b) vehicles and people have a way of safely entering and exiting the area during times of flooding, erosion and other emergencies;*

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*c) new hazards are not created and existing hazards are not aggravated; and*

*d) no adverse environmental impacts will result.*

The Official Plan Amendments which form the subject application are consistent with Section 5.2 of the PPS in that:

- The subject application includes a supporting Natural Hazard Assessment prepared by Tatham Engineering which delineates the floodplain. The Assessment concluded that the majority of the Subject Lands are outside of the regulatory floodplain and are suitable for development.
- There is a backwater condition which affects the floodplain limits across the Subject Lands, in part because of the limited hydraulic capacity of the Grey County CP Rail Trail culvert crossing. The floodplain limits therefore extend through a low-lying area near the centre of the property. The Assessment notes that the backwater condition can be resolved through cut/fill compensation strategies, potential improvements to hydraulic capacity, or a combination of both. More details will be provided at the detailed design stage.

Conclusion

After reviewing Sections 2.1, 2.2, 2.3, 2.5, 3.6, 4.1, 4.6, and 5.2, it is my professional opinion that the Official Plan Amendments which form the subject application are consistent with the PPS.

### **5.3 County of Grey Official Plan (2019)**

*Recolour Grey: County of Grey Official Plan* (“CGOP”) was approved by the Province on June 6<sup>th</sup>, 2019. The most recent consolidation of the Official Plan occurred on May 6<sup>th</sup>, 2025. The intent of the CGOP is to provide policy direction for all growth and development within County limits, and to oversee the division of development, resources, and allocation across the municipalities and communities in the County. This PJR reviews how the Official Plan Amendments which form the subject application conforms with, or maintains the general intent and purpose of, the applicable policies set out in the CGOP.

The CGOP designates the Subject Lands primarily as ‘Rural’, with a very small portion designated ‘Hazard Lands’ and a portion designated ‘Provincially Significant Wetlands and Significant Costal Lands’ as identified through *Schedule A – Land Use Types – Map 2’* of the County of Grey Official Plan. **Figure 2**, which is in Section 2.0 of this PJR, illustrates the land use designation of the Subject Lands and surrounding properties. Figure 2 also illustrates how the Subject Lands and the abutting property to the northwest have been skipped over in the Settlement Area – lands to the north, west, and south are all in the Settlement Area, but these two parcels are not. The subject application aims to rectify this situation through an amendment to the Official Plan to include the Subject Lands within the ‘Primary Settlement Area’ designation.

As noted, a portion of the Subject Lands are designated ‘Hazard Lands’ and ‘Provincially Significant Wetlands’ – these designations will remain, but the boundaries are proposed to be altered to reflect the findings of the technical studies completed as part of this application. The boundaries are shown in the proposed County Official Plan Amendment schedule found in Appendix 2 of this report.

#### **5.3.1 Permitted Uses**

Section 5.4 – ‘Rural Land Use Type’ of the CGOP prescribes the intent, permitted uses, and development policies associated with the ‘Rural’ land use designation. It provides the following permitted uses under Policy 5.4.1:

- 1) *The Rural land use type on Schedule A shall permit all uses permitted in Section 5.2.1 of this Plan (the Agricultural land use type).*
- 2) *In addition to the uses listed in Section 5.2.1, the following additional uses will be permitted in the Rural land use type:*
  - a) *Resource based recreational uses,*
  - b) *Small scale transport terminals,*

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- c) Buildings and yards associated with trades, including contractors yards, plumbing, electrical, heating/cooling shops, etc.,*
  - d) Residential farm cooperatives*
  - e) Agri-miniums,*
  - f) Institutional uses including cemeteries, churches, or schools,*
  - g) Recreational or tourist-based rural clusters (e.g. cottages, yurts, or a similar form of development under common ownership)*
- 3) All permitted uses listed under Section 5.4.1(1) and 5.4.1(2) shall satisfy the development criteria policies as outlined in Section 5.4.2*

The proposed use of the Subject Lands for residential and commercial development does not conform to the 'Rural' designation, which permits only a very limited scope of uses. The purpose of the proposed amendment to the CGOP is to redesignate the lands designated 'Rural' to 'Primary Settlement Area', and the proposed use of the Subject Lands will conform to the 'Primary Settlement Area' policies.

Section 7.2 – 'Hazard Lands' prescribes the general guidelines and development policies of 'Hazard Lands' within the County. Only a small portion of the Subject Lands have this designation, and the area is at the southwestern portion of the site, adjacent to the Provincially Significant Wetland (which is described below). Permitted uses in the 'Hazard Lands' designation are found in sub-policy 7.2.2:

- 2) Permitted uses in the Hazard Lands land use type are forestry and uses connected with the conservation of water, soil, wildlife and other natural resources. Other uses also permitted are agriculture, passive public parks, public utilities and resource based recreational uses. The aforementioned uses will only be permitted where site conditions are suitable and where the relevant hazard impacts have been reviewed.*

The subject application is not proposing any development within the 'Hazard Lands' designation, so the Official Plan Amendment will conform to the requirements of this designation.

Section 7.3 – 'Wetlands', and specifically sub-policy section 7.3.1, discusses the regulations and considerations for 'Provincially Significant Wetlands and Significant Coastal Wetlands' within the County of Grey. The portion of the Subject Lands with this designation is on the southwestern end of the parcel. The permitted uses are listed in sub-policy 7.3.1.1-3:

1) *No development or site alteration is permitted within the Provincially Significant Wetlands and Significant Coastal Wetlands land use type (shown on Schedule A), except where such activity is associated with forestry and uses connected with the conservation of water, soil, wildlife, and other natural resources but does not include buildings and will not negatively impact the integrity of the Wetland.*

2) *No development or site alteration may occur within the adjacent lands of the Provincially Significant Wetlands and Significant Coastal Wetlands land use type unless it has been demonstrated through an environmental impact study, as per Section 7.11 of this Plan, that there will be no negative impacts on the natural features or their ecological functions.*

*Development or site alteration within the adjacent lands of the Provincially Significant Wetlands and Significant Coastal Wetlands land use type will require a permit from the appropriate conservation authority.*

3) *Changes to the Provincially Significant Wetlands and Significant Coastal Wetlands land use type or the adjacent lands requires the approval of the Ministry of Natural Resources and Forestry or its delegated authority.*

The portion of the lands that falls within this designation is an identified Provincially Significant Wetland (PSW) and as such development is not permitted on this portion of the property. The subject application does not propose any changes to this land use designation, nor is any development proposed in this area.

Through the analysis of Sections 5.4, 7.2 and 7.3 above, a County Official Plan Amendment will be required, to change the designation from 'Rural' to 'Primary Settlement Area' for the portion of the property identified as developable area by the technical studies submitted in support of the Subject Request.

### **5.3.2 Additional Policy Considerations**

Section 2 – Managing Growth discusses the projected population increase within the County into the year 2046, specifically through Tables 1 to 3 within Section 2.1 – Growth Projections. Within Table 1, the permanent population growth projections for the Township of Southgate are as follows:

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<b>Year</b>	<b>2021</b>	<b>2026</b>	<b>2031</b>	<b>2036</b>	<b>2041</b>	<b>2046</b>	<b>Growth</b>
Township of Southgate	8,610	9,500	10,330	11,140	11,930	12,780	4,170

Parcel Economics Inc. prepared a Residential Land Needs Assessment (RLNA) to evaluate the Township of Southgate’s need for additional development lands. The RLNA is included with the subject application under separate cover. A brief summary of the RLNA was provided in Section 4.8 of this PJR, and a more fulsome discussion is provided in Section 5.4.2 of this PJR. Important notes from the RLNA are:

- Since the County’s last Growth Management exercise in 2021, the influx of new residents to the County, particularly driven by new Canadians moving from the GTA, has increased significantly.
- Summer 2025 Ontario Population Projections prepared by the Ontario Ministry of Finance (MoF) show nearly 14,800 more residents in 2046 than the forecasts provided in the County’s Growth Management Study, which equates to approximately 4,820 more households County-wide than anticipated.
- As a result, the above numbers from the CGOP are underestimating the actual growth that will occur County-wide and within the Township of Southgate.

The subject application would directly contribute to additional housing stock within the Township of Southgate, ensuring there is sufficient housing to accommodate the population growth projections of the CGOP and MoF forecasts.

Similar projections are provided within Table 3 regarding Employment Growth:

<b>Year</b>	<b>2021</b>	<b>2026</b>	<b>2031</b>	<b>2036</b>	<b>2041</b>	<b>2046</b>	<b>Growth</b>
Township of Southgate	2,120	2,320	2,500	2,700	2,910	3,120	1,000

The subject application would directly contribute to additional employment opportunities within the Township of Southgate, specifically through the inclusion of Arterial Commercial uses located adjacent to Highway 10 within the Conceptual Site Plan. The subject application would also provide housing for anticipated new residents as a result of new employment opportunities. In particular, the proposed mid-rise buildings would provide a housing typology that has not traditionally been built in the area but which could provide more suitable and affordably-priced housing opportunities for employees of nearby existing and proposed industrial uses.



Section 3.3 – Settlement Area Land Use Types describes the different types of Settlement Areas, including cities, towns, villages, and hamlets, as well as growth areas along shorelines and in recreational areas. The policies of Section 3.3 direct growth and development to Settlement Areas within the County, with a hierarchy of five main land use types for development. Of the five, the most appropriate for the Subject Lands is ‘*Primary Settlement Areas*’, which is defined as “*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.*”

Dundalk is designated as a Primary Settlement Area and, as mentioned above, the Subject Lands are surrounded on three sides by lands designated Primary Settlement Area. As a result, connections to municipal water and wastewater servicing are available for the Subject Lands, as demonstrated in the Preliminary Functional Servicing and Stormwater Management Report provided with the subject application under separate cover. In addition to water and wastewater servicing, the existing community of Dundalk provides a wide range of amenities for local residents (see Section 2.1 of this PJR), with more planned as the community continues to grow and develop.

The subject application therefore proposes an Official Plan Amendment to redesignate the Subject Lands to the ‘Primary Settlement Area’ designation, aligning the Subject Lands with neighbouring and abutting properties. Further analysis of the requested change of land use designation is provided below.

Section 3.4 – General Policies Affecting Settlement Area Land Use Types provides the following:

- 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.*
- 6) Development within growth areas should occur adjacent to the existing built-up area and will have a compact form, mix of uses, and densities that allow for the efficient use of land, infrastructure, and public service facilities.*
- 9) It is the policy of this Plan to accommodate appropriate development in settlement areas in accordance with the servicing policies of this Plan as outlined in Section 8.9.*
- 10) Growth should be compatible with historic features or areas, archaeological sites, and properties with potential or identified as having*

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*significant cultural heritage value or interest, cultural heritage landscapes, or areas of archaeological potential by ensuring adverse impacts to heritage resources are mitigated through conservation or preservation in advance of development.*

*14) It is a policy of this Plan that development of communities occur with a wide range of housing types, including detached, semi-detached, townhouse, and apartment units, be provided, along with a mix of affordable housing, including additional residential units and special needs housing, range of alternative locations, forms and densities of housing, and price ranges to meet a variety of housing needs. Targets in relation to this objective are stated in Section 4.1 of this Plan. Local municipal official plans and zoning bylaws must facilitate the provision of a range of housing types and affordable housing.*

The requested Official Plan Amendment maintains the general intent and purpose of Section 3.4 of the County Official Plan in that:

- The Subject Lands are adjacent to lands already designated Settlement Area; lands to the southeast of the Subject Lands, which are farther from the built-up area of Dundalk, have already been approved for development, leapfrogging the Subject Lands. Inclusion of the Subject Lands in the Settlement Area will ensure the contiguous development of Dundalk.
- While the Site Plan is conceptual at this stage, the intention is to provide greater densities than what has historically been built in the area, particularly in the portion of the Subject Lands which are closest to Highway 10, ensuring compliance with the intensification goals of the CGOP and efficient use of land.
- Housing typologies such as multi-family and townhouse units will be more affordable than traditional single-family housing, fulfilling a need for housing that is currently underrepresented in the existing housing stock.
- The Subject Lands can be serviced by full municipal services, as required for a Primary Settlement Area.
- Irvin Heritage has completed a Stage 1 Archaeological Assessment and will perform field work in Spring 2026 to check for archaeological resources and ensure the proposed development does not pose adverse impacts to any heritage resources on the Subject Lands.

Section 3.4.2 – Settlement Area Expansions (Comprehensive Reviews) is important for consideration given the intent of the subject application is to facilitate a Settlement Area Expansion.

- 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*

The PPS 2024 removed the requirement that settlement area expansions could only be approved at the time of a comprehensive municipal review, allowing for owner/applicant-initiated settlement area expansion requests such as the subject request. Section 3.4.2 of the CGOP is therefore outdated, and is superseded by the PPS 2024.

As a substitute for the Comprehensive Municipal Review, Parcel Economics Inc. prepared a RLNA to evaluate the Township of Southgate's need for additional development lands. The RLNA is included with the subject application under separate cover. The RLNA concluded that additional lands are needed within the Settlement Area of Dundalk to meet to meet the need for housing as well as roads, school sites, parks, commercial sites, stormwater management ponds, and other associated uses. A brief summary of the RLNA was provided in Section 4.8 of this PJR, and a more fulsome discussion is provided in Section 5.4.2 of this PJR.

As has been mentioned, the Subject Lands are surrounded on three sides by the existing Settlement Area of Dundalk. The Subject Lands and the abutting lands to the north were leapfrogged over when the Province approved an MZO on the lands to the southeast of the Subject Lands, amending the Settlement Area boundary. The subject application for Official Plan Amendments to include the Subject Lands within the Settlement Area would create a more logical Settlement Area boundary which avoids leapfrogging and ensures contiguous development.

In addition, as previously mentioned in Section 3.0 of this PJR and further detailed below, the Subject Lands are identified as 'Special Policy Area 5.6.6' within the Township of Southgate Official Plan, which prohibits any development which may prevent the future expansion of the Dundalk Settlement Area onto the Subject Lands. In that regard, the proposed expansion of the Dundalk Settlement Area has been previously contemplated by the Township, which conforms with Section 3.4.2 of the County OP.

Section 3.5 – Primary Settlement Areas of the County Official Plan identifies the intent of Settlement Areas as the primary focus of development:

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1) *Primary Settlement Areas as identified in Table 5 and shown on Schedule A of this Plan include existing major urban settlement areas on full municipal services*

2) *Land use policies and development standards in areas designated Primary Settlement Areas will be in accordance with local official plans and/or secondary plans*

3) *This Official Plan promotes the development of Primary Settlement Area land use types for a full range of residential, commercial, industrial, recreational, and institutional land uses. These areas will be the focus of the majority of growth within the County. Lands may be designated to accommodate the growth projected in Tables 1, 2, and 3 of this Plan;*

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;*

*a. Notwithstanding subsection (5) above, where a municipality has adopted detailed municipal official plan policies and land use designations, municipalities may consider densities less than 25 units per net hectare for Primary Settlement Areas in low-density residential areas, provided other medium or high-density areas provide for densities that exceed the above minimum densities. Municipalities shall achieve overall minimum residential densities for new development of 25 units per net hectare in Primary Settlement Areas.*

*b. In the absence of detailed municipal official plan policies and land use designations, the County shall not consider new residential development, redevelopment, or infill development, by way of plan of subdivision, plan of condominium, or multiple consent applications that do not meet the above noted minimum residential development densities, unless two of the three following criteria can be met;*

*i. The development includes a range of residential unit types including single-detached, semi-detached, townhouses and/or rental apartments,*

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*ii. Demonstration that it not feasible to meet the minimum lot density based on natural features, existing abnormal lot configuration (e.g. limited road frontage), or lack of suitable infrastructure, or*

*iii. Demonstration that the infrastructure is financially sustainable throughout its life-cycle, including replacement costs. This demonstration should include an analysis of the current costs of the infrastructure, as well as projected maintenance and replacement costs, versus the tax dollars the development will generate. Coordination with municipal or county asset management plans is recommended here*

*7) The County recognizes the need for additional apartment buildings and/or mixed-use development with residential dwellings above commercial or office development within Primary Settlement Areas. The lot densities described in subsection (5) above represent minimum targets only. In most cases mixed use development or apartment buildings will far exceed the County's 25 units per net hectare minimum density requirement. Density policies within this Plan shall not limit such development from exceeding those minimum requirements.*

Since the subject application proposes the "Primary Settlement Area" Land Use Designation, the above policies are key considerations. Specifically, the proposed Official Plan Amendment conforms to Section 3.5 of the County Plan in that:

- As noted, there are connections to existing municipal water and sanitary service lines. Expansion of municipal water and wastewater facilities will be necessary to accommodate all of the planned growth in Dundalk, including properties already in the Settlement Area. Further details about exact servicing demand and planned upgrades will be provided at a later, more detailed stage in the process.
- The Owner/Applicant will ensure the applicable land use policies are aligned with the associated policies in the local Official Plan, specifically in that of the proposed 'Neighbourhood Area' and 'Arterial Commercial' designations. The Township of Southgate Official Plan will be discussed in greater detail in the next section.
- The conceptual site plan contemplates a range of residential built forms at varying densities as well as commercial uses in mixed-use buildings, in accordance with sub-policies 3.5(3) and 3.5(7).

- The conceptual site plan proposes to exceed the minimum density required for Settlement Areas of 25 units per hectare, and the Owner/Applicant is open to future discussions with the County and Township to determine the appropriate density and built form for the Subject Lands.
- Inclusion of the Subject Lands in the Settlement Area will ensure the contiguous development of Dundalk which in turn would create a corridor with the density necessary to support a future transit connection along Highway 10.

Section 4.1 – Housing Policy of the County Official Plan provides further direction relating to residential built form within the County, specifically relating to Supply, Variety, and Residential Intensification:

Supply:

*The County will ensure that residential growth can be accommodated for a minimum of 15 years through residential intensification, redevelopment and if necessary, lands which are designated and available for new residential development.*

Variety:

*The County will aim to provide a variety of housing types to satisfy the present and future social, health, safety, and well-being requirements of residents. In doing so, we want to prioritize housing accessibility and affordability.*

Residential Intensification:

*This Plan contains policies encouraging intensification mainly in Primary Settlement Areas but also, to a lesser extent to Secondary Settlement Areas. The strategic approach to intensification intends to retain small town character and revitalize downtown areas through:*

- 1) Supporting increased densities in newly developing areas with a broad mix of housing types and integrated mixed-use developments, accessible housing and integrated services, and housing forms;*
- 5) Encouraging intensification within Primary Settlement Areas along major roadways and arterial roads;*
- 6) Conserving built heritage, cultural heritage landscape, and archaeological resources where feasible, as built up areas are*

*intensified and infilled, promoting construction distinguishable from, while sensitive and complementary to, existing built fabric and the overall streetscape attributes;*

*11) Ensuring adequate infrastructure is, or will be, established to serve the anticipated development.*

The Official Plan Amendment which forms the subject application conforms to the above policies through the following:

- The proposed development would provide lands for new housing supply on lands adjacent to existing, under construction, and proposed development, ensuring contiguous development.
- The RLNA, completed by Parcel Economics and included with the subject application under separate cover, concluded that additional lands need to be added to the Settlement Area to meet the projected 2046 population estimates. Inclusion of the Subject Lands in the Settlement Area will assist in ensuring that the County has sufficient land available for residential development for the next 20+ years.
- The conceptual site plan proposes a mix of housing typologies as well as mixed-use buildings to support the present and future needs of residents. In addition, the site plan is conceptual at this time and can be amended based on updated market trends and community needs.
- The proposed development would provide intensification, including mixed use buildings, along a major roadway.
- Technical studies have been completed to ensure any future development is sensitive to existing features including existing natural heritage features, natural hazards, and archaeological features. More information will be provided at future stages of development, once a more robust development concept is ready.
- The Subject Lands would be developed on full municipal servicing. More information will be provided at future stages of development, once a more robust development concept is ready.

Section 4.3 – Our Community of the County Official Plan calls for the establishment of a Healthy Community within the County, to be achieved as follows:

*Minimize adverse health effects (such as respiratory inflammation) of odour, air pollution, water pollution, noise or vibration, and other contaminants with sensitive land uses. Further, consider buffering and appropriate separation distances from industrial operations, airports, transportation infrastructure and corridors, marine facilities, sewage treatment facilities, waste management systems, oil and gas pipelines, energy generation facilities and transmission systems, and resource extraction activities, to reduce any land use compatibility concerns.*

The proposed Official Plan Amendment conforms to Section 3.5 of the County Plan in that:

- A Land Use Compatibility Study was completed by Sonair Environmental which concluded that dust, odor, and noise/vibration concerns from nearby facilities are not expected to impact the proposed development.

Section 7.2 – Hazard Lands outlines the restrictions associated with this designation:

*New development shall generally be directed away from Hazard lands. The policies of this section of the Plan work together with MNR Natural Hazards Technical Guidelines, as well as conservation authority regulations, and policies.*

*3) In the Hazard Lands land use type buildings and structures are generally not permitted. Minor extensions or enlargements of existing buildings and structures may be permitted subject to the policies of Section 7. Non-habitable buildings connected with public parks, such as picnic shelters, may be permitted.*

*4) Development and site alteration is not permitted within the floodway portion of the floodplain or defined portion of the dynamic beach. The floodway is the entire floodplain, unless the Two-Zone Concept is in use.*

*9) In the Hazard Lands land use type development and site alterations will only be considered if all of the following can be satisfied:*

*a) The hazards can be safely addressed and new hazards are not created or existing ones aggravated;*

*b) No adverse environmental impacts will result. The County, in consultation with the conservation authority, may require an environmental impact study to be prepared at the proponent's expense, in accordance with this Plan;*

*c) Vehicles and people have a way of safely entering and exiting at all times;*

d) *The development does not include;*

*i. Institutional uses including hospitals, nursing homes, pre-school, school nurseries, day care and schools, where there is a threat to the safe evacuation of the sick, the elderly, persons with disabilities or the young during an emergency as a result of flooding, failure of flood proofing measures or protection works, or erosion; or*

*ii. Emergency services such as that provided by fire, police, and ambulance stations and electrical substations, which would be impaired during an emergency as a result of flooding, the failure of flood proofing measures and/or protection works, and/or erosion; or*

*iii. Involve hazardous substances, and their disposal, manufacture, treatment or storage of.*

The Official Plan Amendment as proposed conforms to the policies within Section 7.2 of the County Plan in that:

- The existing Hazards Lands on the southwest portion of the site will be maintained.
- New Hazard Lands areas are proposed to be added, as shown on the proposed OPA Schedule included in Appendix 2 of this report, based on the findings of technical studies, including a Natural Hazard Assessment prepared by Tatham Engineering.

Section 7.3.1 - Provincially Significant Wetlands and Significant Coastal Wetlands is one of the land use designations afforded to the Subject Lands under the County Official Plan near the western portion of the lands. Section 3.0 of this Report identified the permitted uses of this designation, which is extremely restrictive. In that regard, this application conforms to Section 7.3.1 through the following:

- No lands currently afforded this designation are contemplated to be developed, and an appropriate buffer is to be provided as recommended by the EIS included with this submission under separate cover.
- The EIS provided in response to the above has been prepared in accordance with Section 7.11.1 Environmental Impact Study within the County Official Plan.

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Section 8.3.1 – Provincial Highways of the County Plan is pertinent for review given Highway 10's classification as a Provincial Highway. In that regard, the following policies apply:

*There are five Provincial highways located with the County (Highways 6, 10, 21, 26 and 89). These Provincial Highways are under the control and jurisdiction of the Ministry of Transportation (MTO).*

- 1) *All proposed development located adjacent to a Provincial Highway or located within the MTO's permit control area under the Public Transportation and Highway Improvement Act will be subject to MTO approval. Early consultation with MTO is encouraged to ensure the integration of planning initiatives with provincial transportation planning. Direct access to a Provincial Highway will be discouraged and often prohibited. MTO policy is to allow only one entrance for each existing lot of record. Development is encouraged to utilize local roads and shared access wherever possible. New, altered, or expanded land uses, parcels, signs, and entrances adjacent to Provincial Highways will be subject to approvals or prohibitions as may be required by MTO.*
  
- 2) *The following table summarizes MTO's permit control areas under the Public Transportation and Highway Improvements Act:*

<b>An MTO permit is required if you want to...</b>	<b>Within this distance...</b>
Place a building, structure, entrance on any road.	45 metre of the limit of any highway  180 metre of the centre point of any intersection (on King's highways)  395 metre of the centre point of any intersection or interchange (on controlled-access highways)
Place a sign.	400 metre of the limit of the highway
Change the use of land in a way that will generate large amounts of traffic. All roads are considered to be large traffic generators.	800 metre of the limit of the highway

- 6) *For large development proposals that will generate large volumes of traffic that are located within MTO's permit control area, MTO may require an applicant to prepare a Traffic Impact Study in accordance with MTO's 'General Guidelines for the Preparation of Traffic Impact Studies'. The main purpose of a Traffic Impact Study is to demonstrate how transportation impacts of a*

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*proposed development or redevelopment can be mitigated and addressed in a manner that is consistent with the objectives of MTO. The Traffic Impact Study also serves as the basis for the identification and evaluation of transportation related improvements or measures to be included as a condition of access approval, including funding, for the development or redevelopment.*

The subject Official Plan Amendment conforms to the above-noted policies, and conforms to Section 8.3.1 of the County Plan in that:

- The Subject Lands are within the MTO permit area as they are within 800 meters of Highway 10. In that regard, the MTO has been contacted and a pre-consultation has been completed. We also understand that the County and Township will circulate the subject application to MTO for review and comment.
- In response to sub-policy 6), a Traffic Impact Study (TIS) has been prepared by Tatham Engineering and included under separate cover with this application. Details of this report can be found in Section 5.1 of this PJR. Based on the TIS, the proposed development as shown on the conceptual site plan can reasonably be accommodated by existing and planned connections and infrastructure provided certain improvements are made as outlined in the TIS.

Section 8.9.1 – Services and Section 8.9.2 – Stormwater Management are closely related and discuss the provisions relating to servicing within the County. Prior to development, municipal capacity is anticipated to be expanded to accommodate the many approved and proposed developments in the community. The adequate provision of servicing for the development will be reassessed at a later stage in the process, closer to project build-out, in conformity with Sections 8.9.1 and 8.9.2 of the County Official Plan.

In accordance with Pre-Consultation comments received on August 12<sup>th</sup> 2024, special consideration was requested for the following policy:

*8.9.1.16) Local municipalities must comply with recommended buffer separation guidelines as presented in the Ministry of the Environment, Conservation and Parks D-2 Guideline or its successor document, for compatibility between wastewater treatment facilities/sewage treatment works as shown on Appendix A and those outside of but within 400 metres of the Grey County boundaries, and sensitive land uses. Municipalities are encouraged to identify in their official plans and/or zoning by-laws the*

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*locations of municipal and communal sewage treatment works as shown as wastewater treatment facilities on Appendix A and those outside of but within 400 metres of the Grey County boundaries.*

The Official Plan Amendment application conforms to this policy in that:

- The D-2 Land Use Compatibility Study prepared by Sonair Environmental has confirmed that based on the analysis of the various facility operations in the vicinity of the Proposed Development, there are no anticipated impacts against the MECP D-2 and D-6 guidelines.

**Summary**

Based on a review of the County of Grey Official Plan, the Official Plan Amendments which form the subject application generally conform to, or maintain the general intent and purpose of, policies 2.1, 3.3, 3.4, 3.4.2, 3.5, 4.1, 4.3, 5.4, 7.2, 7.3.1, 7.11.1, 8.3.1, and 8.9.1. A County Official Plan Amendment is requested to bring the Subject Lands into the Settlement Area and facilitate the proposed development.

#### **5.4 Township of Southgate Official Plan (2022)**

The Township of Southgate Official Plan was approved by Township of Southgate Council on May 4<sup>th</sup>, 2022, then subsequently approved by County of Grey Council on October 27<sup>th</sup>, 2022 when it came into full force and effect. The Township Official Plan provides the general framework for how land can be used in the Township of Southgate, in accordance with the community's land use, development, and conservation goals. This PJR reviews the proposed Official Plan Amendment application and how it conforms with, or maintains the general intent and purpose of, applicable policies set out in the Township of Southgate Official Plan.

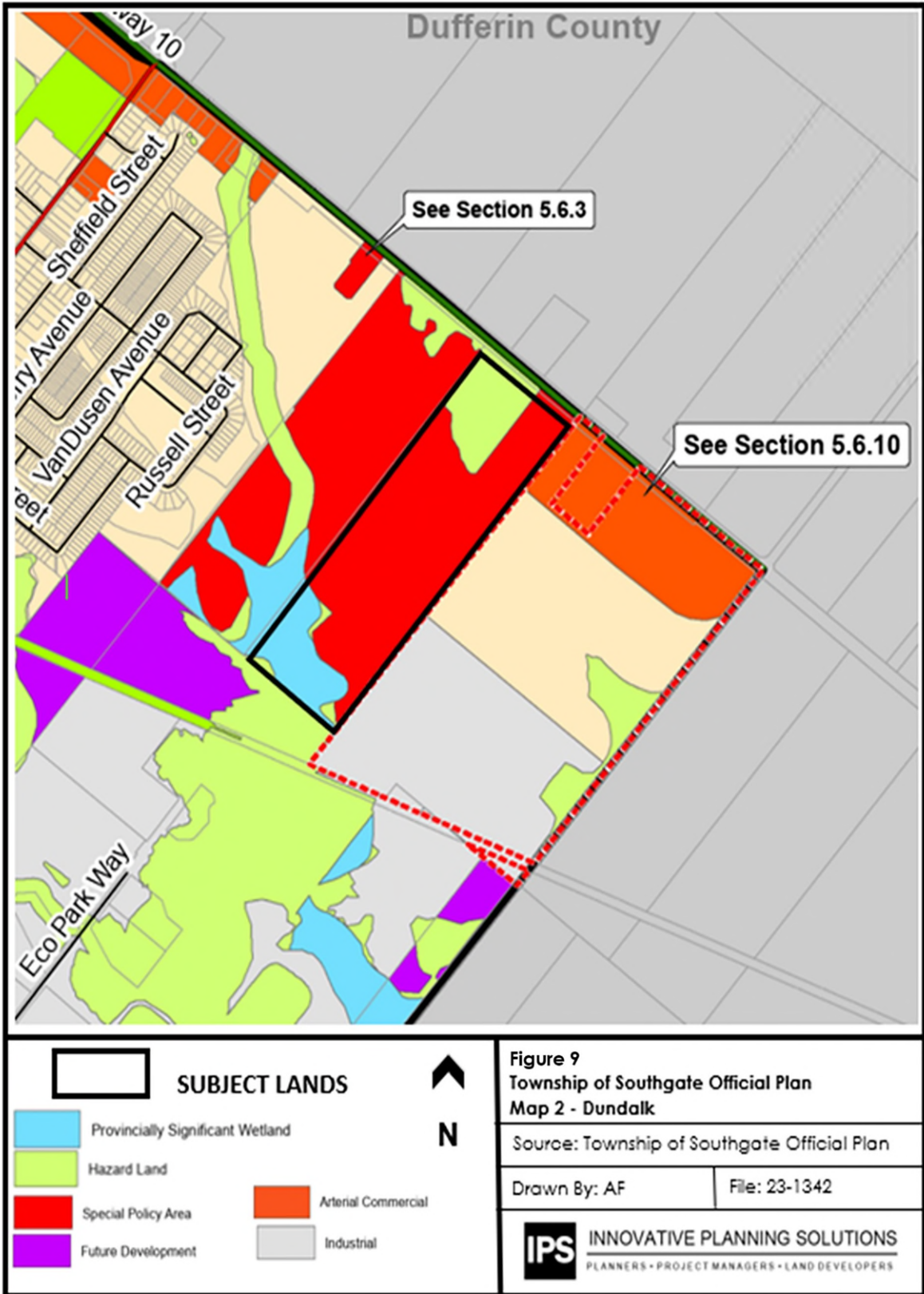
The Township of Southgate Official Plan designates the subject lands as 'Provincially Significant Wetlands', 'Hazard Lands' and 'Special Policy Area 5.6.6.' as identified through Schedule A Map 2 – 'Dundalk Land Use'. **Figure 9** below shows the land use designations of the Subject Lands and surrounding properties.

The 'Provincially Significant Wetlands' and 'Hazard Lands' designations on the southwestern portion of the site are generally proposed to remain with some boundary modifications per the findings of the technical studies prepared in support of this application. Overall, the area assigned to these restrictive land use designations in the southwestern portion of the property is proposed to be increased.

There is another area currently designated 'Hazard Lands' in the northeastern portion of the Subject Lands. This area, along with the area currently designated 'Special Policy Area 5.6.6', are proposed to be redesignated through an Official Plan Amendment. The proposed amendment would redesignate the northeastern portion of the lands, closest to Highway 10, as 'Arterial Corridor' while the remainder of the developable lands are proposed to be redesignated as 'Neighbourhood Area'. The proposed Township Official Plan Amendment schedule can be found in Appendix 3 of this report.

This section has been divided into three sub-sections to address (1) the permitted uses of the current and proposed land use designations, (2) the justification for an expansion of the settlement area, and (3) additional policy considerations from the Official Plan.

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**Figure 9:** Property overlay on the Township of Southgate Official Plan – Map 2 – Dundalk

### 5.4.1 Permitted Uses

Section 5.5.1 – ‘Provincially Significant Wetland’ of the Township of Southgate Official Plan describes the guidelines and development restrictions placed on lands with this designation. These areas have been determined to be critical to the Provincial Wetlands system and must be protected for the long-term viability of the Province’s ecological features. Sub-policy 5.5.1.1 prescribes the permitted uses associated with this land use designation:

*1) No development or site alteration is permitted within the Provincially Significant Wetlands designation except where such activity is associated with forestry and uses connected with the conservation of water, soil, wildlife, and other natural resources and will not negatively impact the integrity of the wetland, but shall not include buildings. With regard to forestry, selective cutting practices are acceptable whereas clearcutting is not permitted. In all instances, the Conservation Authority must be consulted prior to tree/vegetation removal to ensure conformity with the Conservation Authority’s regulation. Clearcutting in wetlands is considered an interference with a wetland, which is prohibited in the ‘Development Interference with Wetlands, and Alterations to Shorelines and Watercourse Regulation’.*

No development or site alteration is proposed to occur on the lands that hold this designation, in conformity with Section 5.5.1. In addition, as recommended by the EIS, a 30 metre buffer is proposed from the staked wetland area.

Section 5.5.2 – ‘Hazard Lands’ of the Township of Southgate Official Plan outlines the limitations placed on this designation, which is also generally restrictive of development. Policies regarding ‘Hazard Lands’ are generally intended to protect the public health and the safety of area residents by directing development away from these areas. Sub-policy 5.5.2.1 establishes the permitted uses as the following:

#### 5.5.2.1. Permitted Uses

*1) Permitted uses in the Hazard Lands designation are: forestry and uses connected with the conservation of water, soil, wildlife and other natural resources; agriculture; passive public parks; public utilities; and, resource based recreational uses. The aforementioned uses will only be permitted where site conditions are suitable and where the relevant hazard impacts*

*have been reviewed and found to be acceptable to the Township in consultation with the Conservation Authority.*

*2) Buildings and structures are generally not permitted; however, non-habitable buildings connected with public parks, such as picnic shelters, may be allowed. Minor extensions or enlargements of other types of existing buildings and structures may be permitted provided the appropriate conservation authority supports such extensions or enlargement. A Planning Act application (e.g., Zoning By-law Amendment, Permission To Enlarge A Legal Non-Conforming Use or Minor Variance) may also be required.*

No development or site alteration is proposed for the Hazard Lands located at the southwestern portion of the Subject Lands. In fact, new lands are proposed to be added to the 'Hazard Lands' designation per the results of supporting technical studies.

A portion of the northeastern part of the Subject Lands is currently designated 'Hazard Land'; this area is proposed to be redesignated to allow development. Therefore, an Official Plan Amendment is required. In order to justify the change from a more restrictive to a less restrictive land use designation, a Natural Hazard Assessment was completed which determined that this portion of the Subject Lands is not within the floodplain. In addition, the EIS concluded that there are no wetlands in this area. As a result, there is no reason that this portion of the Subject Lands cannot be used for development.

Special Policy Area 5.6.6 is the remaining designation afforded to the Subject Lands, which is described as follows:

*Lands having the special policy number 5.6.6 on Schedule A (Map 1) and described as Lots 235, 236 and 237, Concession 1, SWTSR, Geographic Township of Proton, Township of Southgate shall be only be used for agricultural purposes and uses legally existing on January 1, 2022, and in no instance shall new buildings be erected or existing buildings be expanded. The intent of this policy is to prohibit new land uses or buildings that might otherwise interfere with the future expansion of Dundalk onto these lands. The Township's Zoning By-law shall reflect this policy.*

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As outlined above, this land use designation plans for future development and the expansion of the existing community of Dundalk. The current designation does not prescribe a specific future use, allowing applicants the opportunity to work with the Township to determine the best use of the lands at the time they are formally brought into the Settlement Area. The subject application proposes the 'Arterial Commercial' and 'Neighbourhood Area' designations, which are intended to complement what has been approved on abutting lands and to meet the needs of the community and the goals of the Official Plan.

Policy 5.2.3.1 – 'Arterial Commercial' prescribes the permitted uses of the associated designation to include the following:

*Permitted uses in the Arterial Commercial designation should complement, not compete with, uses in the downtown commercial core area. Permitted uses shall include, but shall not be limited to: hotels/motels; private recreational facilities; business and professional offices; motor vehicle and recreational vehicle sales and service establishment; building supply outlets; nurseries and garden centres; motor vehicle gasoline outlets; farm implement sales and service; laundromat; nursery and greenhouses; farmers' markets; restaurants; taverns; convenience stores; and, uses accessory to a permitted commercial use.*

This designation promotes primarily commercial and office uses, with some flexibility to allow a mix of uses and uses accessory to a permitted use.

Policy 5.2.1.1 prescribes the permitted uses in the 'Neighbourhood Area':

*1) Permitted uses in the Neighbourhood Area designation shall be predominantly residential dwelling units. The types of dwelling units permitted shall be: low density housing such as detached dwellings, semidetached dwellings and duplexes; medium density housing such as triplexes, quadraplexes and townhouses; and, high density housing such as apartments. An additional residential unit (apartment) within a principal dwelling shall also be permitted.*

*2) Uses of land which are complementary to and compatible with the above noted residential uses shall also be permitted. Such uses include: nursing homes, senior citizen/retirement homes; nursery schools, daycare facilities, funeral homes, group homes, auxiliary group homes and crisis care group homes; schools, child care and child care centres; places of worship; home occupations; bed and breakfast establishments; parks, playgrounds and open space uses; and neighbourhood convenience commercial uses.*

This designation is broad and permits a variety of residential uses and uses complementary to residential neighbourhoods.

The conceptual Site Plan included with the subject application shows low/mid-rise mixed-use buildings fronting Highway 10, townhouses along the main through street, and low-density residential uses towards the back of the Subject Lands, closest to the wetland and hazard lands. The layout is subject to change but the overall concept of mixed-use commercial along Highway 10 and residential uses in the interior portion of the Subject Lands is expected to remain, per the requested land use designations.

In summary:

- The existing 'Hazard Land' and 'Provincially Significant Wetland' designations at the southwestern portion of the Subject Lands will be retained/expanded per the results of the technical studies and reports prepared in support of the subject application.
- An Official Plan Amendment is required to redesignate the lands designated 'Special Policy Area 5.6.6' and the lands designated 'Hazard Land' located in the northeast portion of the Subject Lands to 'Arterial Commercial' and 'Neighbourhood Area' to accommodate the proposed development.
- A delineation of these designation boundaries is presented in the Official Plan Amendment Figure, found in Appendix 3 of this Report.

#### **5.4.2 Justification for Additional Settlement Area**

As discussed throughout this PJR, the majority of the Subject Lands are designated as 'Special Policy Area 5.6.6' within the Township of Southgate Official Plan, which calls for 'the future expansion of Dundalk onto these lands'. Given this, it can be concluded that the expansion of the Settlement Area onto these lands is at the very least contemplated already in the Official Plan and the only question is about timing – although the lands have been planned for future development, the current land use

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designation is for a *future* expansion, with no metric for determining when that future might be. In the absence of a Municipal Comprehensive Review, Parcel Economics Inc.'s RLNA evaluates the Township of Southgate's need for additional development lands. Some notable conclusions from the RLNA are as follows:

- The County completed a Growth Management Strategy (GMS) in 2021 which allocated growth of 4,170 persons and 2,040 households to Southgate between 2021 and 2046.
- After completion of the GMS, the Province approved multiple MZOs in March 2022 which represent 214 hectares of land and as many as 2,513 new residential units, in addition to lands for commercial and industrial uses. When those lands were brought into the Settlement Area of Dundalk, the Subject Lands and the abutting property to the northwest were leapfrogged over, creating a “hole in the donut” situation as they are almost completely surrounded by lands within the Primary Settlement Area.
- The PPS directs planning authorities to base population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance (MoF).
- Growth in Grey County has largely been driven by new Canadians and people moving to the County from elsewhere in Ontario, mostly from the Greater Toronto Area. The RLNA notes that:

*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).*

- Summer 2025 Ontario Population Projections prepared by the MoF show nearly 14,800 more residents in 2046 than the forecasts provided in the GMS, which equates to approximately 4,820 more households County-wide than anticipated, or a 40% increase in the number of housing units.
- After taking into account local Southgate needs and anticipated intensification rates, an additional 44.5 hectares of land is required to be added to the Primary Settlement Area of Dundalk to meet demand from the anticipated population growth to 2046.

- The Subject Lands represent 25.1 hectares of developable land and the lands directly to the north represent approximately 18.2 hectares of developable land for a total of 43.3 hectares. The RLNA concludes that there is a need to include the subject lands in the Primary Settlement.

Given the above findings, it is our professional Planning opinion that the time to add these “future development” lands into the Settlement Area is now. Population growth to Grey County and the Township of Southgate has increased rapidly in recent years. While there are a number of developments in the pipeline, these are not sufficient to meet demand for the next twenty years. Given the lengthy timelines involved in development, the Township should prepare for future growth by bringing new lands into the Settlement Area now, before the Settlement Area is built up.

In addition, if it is established that new lands need to be added to the Settlement Area, the Subject Lands are the most logical location since they were leapfrogged over during the last Settlement Area Expansion. Inclusion of the Subject Lands in the Settlement Area will help rectify the “hole in the donut” situation; this in turn will ensure:

- New development is contiguous,
- New development is connected to the existing built-up area of Dundalk,
- Development is concentrated along a corridor in order to support active transportation and future transit,
- Servicing expansion is provided in the most efficient manner possible,
- Servicing expansion plans include the Subject Lands so that new infrastructure can be built out to accommodate all planned development, and
- There are no orphaned areas of Dundalk, and the community can continue to feel whole, even as it grows.

Given the above, the proposed Settlement Area expansion is necessary and justified.

### **5.4.3 Additional Policy Considerations**

#### Proposed Land Use Designations

As indicated through the introductory statements of this Section, the requested Official Plan Amendment intends to redesignate the lands from ‘Hazard Lands’ and ‘Special Policy Area 5.6.6’ to ‘Arterial Commercial’ for lands fronting Highway 10, and ‘Neighbourhood Area’ for lands internal to the site. While the land use permissions

were discussed above, additional relevant policy considerations relating to these designations are presented below.

#### 5.4.3.1 Arterial Commercial

The Arterial Commercial Designation is prescribed in Section 5.2.3 of the Township of Southgate Official Plan and is intended to accommodate commercial activities which require larger land and building requirements than uses in the downtown commercial core.

##### *5.2.3.2 Development Policies*

*1) Arterial Commercial uses should be located on arterial roads and should not be permitted to infiltrate unnecessarily into adjoining residential areas. Such uses shall be encouraged to locate in groups at major intersections.*

*2) Adequate parking and loading facilities shall be provided.*

*3) New uses shall provide a desirable appearance. New or redeveloping uses shall incorporate landscaping plans to enhance the site and to buffer adjoining uses. Outdoor storage areas shall be screened through the use of fencing or landscaping and shall not be visible from the road or surrounding properties.*

*4) Where a proposed use abuts or is in close proximity to a residential use, fencing, landscaping, berming or a combination of these buffers shall be required in order to ensure adequate screening.*

*5) New entrances to Provincial Highway 10 and Grey Road 9 shall be approved by the appropriate road authority.*

*6) Development shall be subject to a Site Plan Control Agreement.*

The proposed Official Plan Amendment conforms to the development policies of the Arterial Commercial Designation in Section 5.2.3.2 in that:

1. The Arterial Commercial land use is positioned adjacent to Highway 10.
2. Sufficient parking will be provided; the location and parking ratios will be finalized during a future, more detailed application phase.

3. Landscape plans and details will be provided during a future, more detailed application phase. The Arterial Commercial lands will be the gateway to this new community and the Owner/Applicant is committed to high quality design.
4. The Arterial Commercial lands will be separated from the lower density residential development by a Collector street which will provide a 30 metre buffer.
5. Through pre-consultation review, MTO has indicated that no access to Highway 10 will be permitted as the Milliner Avenue entrance is too close to the Subject Lands. An entrance for emergency vehicles only is shown on the Site Plan.
6. The subject request is for Official Plan Amendments only; any further Planning approvals needed will be applied for at a later date and prior to any development of the Subject Lands.

#### 5.4.3.2 Neighbourhood Area

The Neighbourhood Area Designation is prescribed in Section 5.2.1 of the Township of Southgate Official Plan and encompasses a wide variety of residential built form including detached dwellings, semidetached dwellings and duplexes; medium density housing such as triplexes, quadraplexes and townhouses; and high density housing such as apartments. Uses complementary to residential uses such as parks and schools are also permitted.

The development policies for the 'Neighbourhood Area' designation are found within Section 5.2.1.2, with relevant sub-policies as follows:

##### 5.2.1.2 Development Policies

*1) New residential development shall occur by intensification, infilling and development of vacant greenfield areas.*

*2) Residential development through intensification is strongly encouraged in order to increase the amount of residential accommodation and to utilize land and municipal infrastructure in an efficient manner. Residential intensification may occur through, among other means: the development of vacant or underutilized lots within previously developed areas: infilling; the conversion or expansion of existing residential buildings to create new residential units or accommodation, including accessory apartments, additional residential units*

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*and rooming houses; and, redevelopment, including the redevelopment of brownfield sites.*

*3) It is recognized that intensification may require relief from one or more provisions of the Township's Zoning By-law. Such relief shall be granted where Council is satisfied that proper land use planning is occurring.*

*4) Residential intensification shall take into consideration the character of the neighbourhood.*

*5) The residential portion of all subdivisions, condominiums or multi-unit/multi-lot developments shall provide a density of no less than 25 dwelling units per net hectare.*

The proposed Official Plan Amendment conforms to the general development policies of the 'Neighbourhood Area' designation in that it provides the following:

1. The Subject Lands are considered a vacant greenfield with existing and approved development on three sides. The built-up area of Dundalk is currently fairly small and there are a number of obstacles to intensification including existing wetlands and natural hazard areas as well as existing industrial uses. While a limited amount of intensification is possible, most of the growth will need to be accommodated through greenfield development.
2. The proposed development represents a more intense use than what has traditionally been built in the area, with the highest densities concentrated in a strategic location adjacent to a Provincial Highway.
3. An application for Zoning By-law Amendment will be made following approval of the requested Official Plan Amendments.
4. The overall site layout and design will also be refined at a future, more detailed phase of the process. The conceptual site plan provided with the subject application has been designed to complement the existing and proposed development on adjacent lands.
5. Based on preliminary calculations, the proposed density throughout the entirety of the development is approximately 35 units per hectare of developable area, and as such conforms to the minimum density.

Within the 'Neighbourhood Area' general development policies, there are additional policy considerations regarding low, medium and high-density residential

developments. While conceptual, the site plan currently contemplates all three densities for the Subject Lands. As such, policies 5.2.1.2(9) and (10) have been considered by the subject application:

*9) Low Density Residential*

*a) The Township considers detached dwellings, semi-detached dwellings, duplex dwellings and converted dwellings with no more than two units to constitute low density residential development.*

*10) Medium and High Density Residential*

*a) The Township considers triplexes, fourplexes, townhouses, three-story apartments, converted dwellings of three or more units, and similar multi-unit forms of housing as medium density residential development.*

*b) The Township considers multi-unit development exceeding 50 units per net hectare as high-density residential development.*

*c) The various types of medium-density and high-density housing shall be regulated in terms of specific use, density, yard requirements, etc. by establishing one or more medium-density zones and a high-density zone in the Comprehensive Zoning By-law.*

*d) Medium-density residential housing will likely be required in most new multi-lot or multi-unit developments in order to achieve the minimum density requirement of this Official Plan. High-density residential housing shall also be encouraged, in appropriate locations.*

*e) The following shall be taken into consideration when reviewing the appropriateness of a new medium or high-density development:*

*i) The proposed use shall generally be compatible with existing uses in close proximity of the subject lands. The word “compatible” does not necessarily mean the same as or similar to existing nearby built form. Being compatible shall mean that the proposed use can co-exist with the existing nearby built form without causing undue adverse impacts with regard to dwarfing of buildings, shadowing, existing views, increased noise, traffic, etc.*

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*ii) Adequate buffering, landscaping and building setbacks shall be provided to protect the privacy of the adjacent residential properties.*

*iii) The roads in the area shall have the ability to handle the expected traffic increase. Medium and high-density housing will generally be encouraged to locate in areas near arterial or collector roads in order to minimize traffic congestion and facilitate access to commercial areas.*

*iv) Municipal water and sanitary sewer capacity shall be available to service the proposed development.*

*v) Adequate off-street parking shall be provided to serve the proposed development.*

*vi) The design of the medium and high-density development shall take into consideration the height, bulk and siting of buildings shall achieve harmonious design and integrate with the surrounding area.*

*vii) Appropriate open space, landscaping and buffering shall be provided on site to maximize the privacy and enjoyment of the residents residing on the property and to minimize any potential impact on adjacent lower density uses.*

*f) During the next update of the Township's Zoning By-law, and also at other appropriate times, the Township will give consideration to rezoning specific properties or general areas of Dundalk to allow for increased densities and facilitate affordable or attainable housing, including rental units.*

*g) Medium and high-density residential development in the form of apartments shall also be considered within the Downtown Commercial designation either as a part of mixed-use building or as a stand along apartment building.*

*h) All medium and high-density development may be subject to a Site Plan Control Agreement.*

The subject application is still at a conceptual stage and does not include the level of detail outlined in Sections 5.2.1.2(9) and (10). However, the subject application conforms to the policies in these sections in that it contemplates a mix of densities based on the surrounding existing and proposed land uses – higher density and commercial uses are proposed near the highway, in line with adjacent properties,

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low density housing is proposed closest to sensitive environmental features in order to minimize impacts, and density is proposed to be transitional in between. Further details about the proposed built form will be provided with subsequent applications.

Section 3.1 – Growth Projections of the Township of Southgate Official Plan discusses the projected growth within the Township, and through sub-policy 3.1.1 calls for 4,000 new permanent residents that will be added to the population base by 2046, and 2,040 new households over that same time period as per policy 3.1.2.

- As has been mentioned, the proposed Settlement Boundary Expansion request and the proposed development would contribute to a demonstrated need for additional development lands and housing in order to accommodate planned and forecasted growth in the Township of Southgate.
- The Subject Lands represent the most logical location for an expansion of the Settlement Area since they are the “hole in the donut” of the current Settlement Area.
- The RLNA submitted with the subject application under separate cover found that the actual population estimates are higher than originally expected and so the need for new housing exceeds what will be provided within the existing Settlement Area.

Section 3.2 – Settlement Areas builds on the previous section by further directing projected growth within the Township. Of particular interest within this section are policies 3.2.1, 3.2.3 and 3.2.4 which provide the following:

*1) it is the intent of the Official Plan to generally direct development to the designated settlement areas of the Township, which are Dundalk, Holstein, Varney, Dromore, Swinton Park, Cedarville, Hopeville and Wilder Lake. The boundaries of these settlement areas are identified in the series of Schedule A maps of this Official Plan. Expression of these designated settlement areas will not be permitted without an approved Comprehensive Review as per the definition provided in this Official Plan.*

*3) Dundalk, on the other hand, offers full municipal services and has been experiencing significant growth over the last few years, and this is expected to continue as explained in Section 3.1. The demand for new homes will occur predominantly within this particular urban centre.*

*5) The Township supports the anticipated residential and employment population growth within Dundalk but also encourages new institutional and recreational opportunities in order to create a more complete community.*

The proposed Official Plan Amendment conforms to Section 3.2 of the Township of Southgate Official Plan for the following reasons:

- The Subject Lands are contiguous to the Settlement Area of Dundalk, a community which offers full municipal services and which is expected to experience the most growth within Southgate.
- The conceptual site plan includes a park block to serve the local community.
- The subject application is to facilitate a settlement area boundary expansion to ensure that the community of Dundalk is able to achieve its projected growth and intensification goals.

Section 3.4 – Housing of the Official Plan calls for the Township to ensure a variety of housing types are provided to residents in order to satisfy the future social, health, safety, and well-being of the population. The following policies are relevant to the subject request:

*1) The Township will ensure that a variety of housing types is provided to satisfy the present and future social, health, safety, and well-being requirements of residents.*

*2) Particular attention needs to be given to housing for people with special needs, including assisted housing for low-income households, seniors housing and housing for persons with disabilities, etc.*

#### **3.4.1**

*2) Given the servicing limitations within the settlement areas, however, most of the residential growth in the Township will occur within Dundalk. Lower density development within the unserviced settlement areas may be considered where the site conditions are suitable for communal or individual wells and septic systems and where permitted by this Official Plan. Medium and high-density housing shall generally only be considered in Dundalk.*

#### **3.4.2**

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*1) Residential intensification shall be achieved by: developing vacant or underutilized lots within existing developed areas; allowing for a secondary dwelling unit (i.e., apartment) within new dwellings; converting or expanding existing residential buildings to create new residential dwellings; converting or expanding existing industrial, commercial and institutional buildings for residential use; and, redeveloping brownfield sites.*

The proposed Official Plan Amendment conforms to for the policies as identified in Section 3.4 given that:

- The conceptual site plan proposes a variety of housing options, allowing for different levels of affordability and accessibility.
- The proposed Settlement Area Expansion would contribute to the planned expansion of the community of Dundalk, which is contemplated as the main area of focus for development. As has been mentioned, the Subject Lands represent the most logical location for the next Settlement Area expansion since they were leapfrogged over during the last Settlement Area expansion.
- The conceptual site plan proposes a denser development than has traditionally been built in the Dundalk community through the provision of mixed-use low- to mid-rise buildings along Highway 10.

Section 3.5 – Employment Opportunities of the Township Official Plan directs population-related economic growth and other employment opportunities to existing community areas, specifically that of Dundalk:

*3) This Official Plan also provides opportunities for the new population-related economic growth which includes retail stores, groceries stores, schools, accommodation, local government, work-at-home jobs, etc. Most of the new businesses of this nature are expected to occur within Dundalk where the vast majority of the anticipated population increase will occur.*

The proposed Official Plan Amendment conforms to the policies as identified in Section 3.5 given that:

- The ‘Arterial Commercial’ uses contemplated along Highway 10 would provide land for new employment opportunities in Dundalk., including possible retail, service, and office space.

Section 3.7 – Services of the Township of Southgate Official Plan provides the general direction and requirements for servicing allocation and requirements within the Township. Section 3.7.1.1 specifically references the community area of Dundalk, and provides the following:

*3.7.1.1 Dundalk*

- 1) New development within Dundalk shall be serviced with municipal water and sanitary sewers.*
- 2) In certain cases, connecting new development to municipal water and sanitary sewers will require extensions and/or improvements to the existing piped systems. In these situations, the extensions and/or improvements will be financed by the developer for works that are not subject to Development Charges.*
- 3) The Township shall not approve severance applications nor support a Plan of Subdivision or Condominium proposal unless adequate uncommitted reserve water and sewage treatment capacity is available or planned to accommodate the proposed development. Water and sewage treatment capacity shall be allocated at the Draft Approval stage for Plans of Subdivision and Condominiums. The availability of uncommitted reserve capacity shall be based on the Ministry of the Environment, Conservation and Parks policies and guidelines.*
- 4) Dundalk's wastewater treatment facility is shown on Schedule E of this Official Plan. In order to ensure compatibility between the wastewater treatment facility and nearby sensitive land uses, development on lands within the general vicinity of this facility shall be in compliance with the recommended buffer separation guidelines of the Ministry of the Environment, Conservation and Parks D-2 Guideline or its successor document.*
- 5) The municipal drinking water systems for Dundalk and neighbouring Mount Forest are to be protected in accordance with the Source Water Protection policies of Section 4.1 of this Official Plan and the associated mapping of these sensitive areas shown on Schedule E of this Official Plan.*

The proposed Official Plan Amendment conforms with the policies as identified in Section 3.7 given that:

- The development can be serviced with municipal watermains which connect to watermain stubs in the lands to the south of the Subject Lands, and with gravity sewers which discharge to municipal sanitary sewer stubs in the lands to the south of the Subject Lands.

- The Dundalk water and wastewater systems will require significant upgrades to accommodate full build-out of all planned development, including the MZO development to the south of the Subject Lands. The Township has noted that timing of these upgrades will be dependent on the pace of future development.

Section 3.8 – Transportation of the Township of Southgate Official Plan provides the general direction and requirements for means of access and general transportation guidelines within the Township. Of particular interest for the Official Plan Amendment application are the following policies:

*2) The policies of this Official Plan are intended to enable vehicles and pedestrians to move safely and efficiency throughout the Township.*

*3) New development proposing access onto Provincial highways and County roads will be generally discouraged in order to facilitate the controlled use of these roads as major transportation corridors.*

*14) A Traffic Impact Study may be required to examine the impact of traffic generated by a new use at its access and at nearby intersections, and to determine necessary road improvements. The need for a Traffic Impact Study shall be determined in consultation with one or more of the road authorities having jurisdiction in the area.*

The proposed Official Plan Amendment conforms to the policies identified in Section 3.8 given that:

- Through pre-consultation review, MTO has indicated that no access to Highway 10 will be permitted as the Milliner Avenue entrance is too close to the Subject Lands. An entrance for emergency vehicles only is shown on the Site Plan.
- A Traffic Impact Study has been prepared by Tatham Engineering in response to sub-policies 2 and 14 listed above. Within that study, several recommendations for improvement were provided to ensure compliance with sub-policy 2; these recommendations are summarized within this PJR under Section 4.1 – Traffic Impact Study. The Owner/Applicant will work with neighbouring land owners and the Township, County, and MTO to ensure the build-out of this area allows for safe and efficient transportation for pedestrians and vehicles.

Section 3.12 – Community Improvement Areas of the Township of Southgate Official Plan has identified the entire Township of Southgate as a Community Improvement Area, thereby providing for a variety of grants to support development within its limits. This section will be reviewed in greater detail closer to project build-out.

Section 5.5.1 – Provincially Significant Wetlands Designation of the Township of Southgate Official Plan calls for the protection of these environmentally significant areas and is generally restrictive of any development as identified within the applicable section of this Report. The development policies in Section 5.5.1.2 further expand on this:

*5.5.1.2 Development Policies*

- 1) Development Policies No development or site alteration may occur within the adjacent lands of the Provincially Significant Wetlands designation unless it has been demonstrated through an Environmental Impact Study that there will be no negative impact on the natural feature or its ecological functions.*
  
- 2) Development or site alteration within the adjacent lands of the Provincially Significant Wetlands designation will require a permit from the appropriate Conservation Authority.*
  
- 3) Changes to the Provincially Significant Wetlands designation boundaries requires the approval of the Ministry of Northern Development, Mines, Natural Resources and Forestry or its delegated authority.*

The Official Plan Amendment as currently proposed conforms to the restrictive and conservative nature of Section 5.5.1 of the Official Plan in that:

- The EIS included with the subject application under separate cover delineates the boundaries of the existing wetlands on the Subject Lands; these boundaries have been used to verify the boundaries of the Provincially Significant Wetlands designation in the subject Official Plan Amendment application.
- A 30 metre buffer from the staked wetlands is recommended in the EIS and included as part of the development limits of the subject application.
- A spring 2026 delineation will be completed with GRCA and County staff to confirm the boundaries of the wetland.

- Lands which will be designated 'Provincially Significant Wetland' through the subject Official Plan Amendment application will be subject to the requirements of this land use designation, in conformity with Section 5.5.1.

Section 5.5.2 – Hazard Lands Designation of the Township of Southgate Official Plan calls for appropriate buffers to be provided between any proposed development and lands designated as 'Hazard Lands'. Portions of the Subject Lands have been designated as 'Hazard Lands'. The development policies for this designation prescribe the following:

*1) Placing, removing, or re-grading fill material of any kind, whether originating on the site or elsewhere, is not permitted without written approval of the appropriate Conservation Authority in the 'Hazard Lands' designation.*

*2) Certain public or private works which, by their nature, must locate within Hazard Lands designation, shall be permitted to do so, subject to section 5.4.2.2 4) below. These works include flood and erosion control, drainage, water works, those directly required for the management or maintenance of the natural environment, and other necessary works of approved design.*

*3) Replacement of existing buildings or structures may be permitted if the hazard risk does not increase from the original condition, meaning the original footprint and area of habitable space does not increase from preexisting conditions.*

*4) Development and site alterations noted in sections 5.5.2.2 1) and 5.5.2.2 2) above will only be considered if all of the following can be satisfied:*

*a) The hazards can be safely addressed and new hazards are not created or existing ones aggravated, and where the effects and risk to public safety are minor and could be mitigated in accordance with provincial standards for floodproofing, protection works, and access.*

*b) No adverse environmental impacts will result. The Township, in consultation with the relevant Conservation Authority, may require an Environmental Impact Study, Floodplain Assessment, or other technical studies to be prepared.*

*c) Vehicles and people have a way of safely entering and exiting at all times;*

*e) The advice or approval where required of the appropriate Conservation Authority shall be obtained. The Township and the Conservation Authority*

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*will consider the mitigation of effects on vegetation, wildlife and fishery resources, and the natural features of the site.*

- f) *There is no feasible location for the development outside of the Hazard Lands designation and the development is located where it is least susceptible to damage.*

The proposed Official Plan Amendment conforms to Section 5.5.2 of the Township Official Plan in that:

- The Natural Hazard Assessment included with the subject application under separate cover delineates the boundaries of the existing floodplain; these boundaries have been used to verify the boundaries of the Hazards Lands designation in the subject Official Plan Amendment application.
- Lands which will be designated 'Hazard Lands' through the subject Official Plan Amendment application will be subject to the requirements of this land use designation, in conformity with Section 5.5.2.

In my professional planning opinion, the proposed Official Plan Amendment conforms to, and/or maintains the general intent and purpose of, the Township of Southgate Official Plan, specifically with regard to Sections 3.1, 3.2, 3.4, 3.7, 3.8, 3.12, 5.2., 5.2.3, 5.5.1, 5.5.2, and 5.6.6.

## **5.5 Township of Southgate Zoning By-law 19-2002**

The Township of Southgate Comprehensive Zoning By-law 19-2002 came into effect in 2002 and was most recently consolidated as of March 2025. The Township-wide Zoning By-law establishes the governing by-laws that implement the Township of Southgate Official Plan and broader Provincial interests.

The Township of Southgate Zoning By-law 19-2002 zones the Subject Lands 'Agricultural – A1' and 'Environmental Protection – EP'. The proposed development is not permitted by the current zoning and an application for a Zoning By-law Amendment will be required to facilitate development. During pre-consultation discussions, it was determined that the appropriate initial application is for Official Plan Amendments only. The municipality would like to review the requested Settlement Area Boundary Expansion first; should the subject applications be successful, the Owner/Applicant would submit for subsequent Zoning By-law and Draft Plan of Subdivision applications.

For the purposes of the subject application, existing land use permissions have been provided below; however, no additional consideration will be given to the related zoning requirements.

### **Permitted Uses**

The Township of Southgate Zoning By-law 19-2002 zones the Subject Lands 'Agricultural – A1' and 'Environmental Protection – EP'. The Agricultural Zone has a narrow list of permitted uses, as outlined in Section 6.1:

- (a) Agricultural uses and commercial greenhouses*
- (b) One single detached dwelling on a lot*
- (c) A Bed and Breakfast*
- (d) A Home industry*
- (e) A Home occupation*
- (f) A Vacation Farm*
- (g) Temporary Farm Help Accommodation*
- (h) A Wayside pit or Quarry*
- (i) Forestry or conservation*
- (j) Uses, buildings or structures accessory to a permitted use*
- (k) Maximum two Additional Residential Units where a single detached dwelling is permitted – see 6.13*

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Section 29 prescribes the permitted uses for the 'Environmental Protection' zone category, which includes the following:

- (a) Forestry or Conservation use,*
- (b) Passive Recreational use,*
- (c) Public Park,*
- (d) Agricultural use*
- (e) Parking area*

In general, development is not permitted under the current zoning. However, as stated previously, the subject application intends to obtain only Official Plan Amendments at this time. Applications for a Zoning By-law and Draft Plan of Subdivision will follow, once the Subject Lands have been brought into the Settlement Area through the requested amendments to the Official Plan. The subsequent application will also have more detailed information about the proposed development.

## 6.0 CONCLUSION

The purpose of this PJR is to support a County Official Plan Amendment and Township Official Plan Amendment application to facilitate a settlement area boundary expansion to include the Subject Lands within the existing Primary Settlement Area of Dundalk. The Subject Lands, located on the southwest side of Highway 10 and just south of the existing community area of Dundalk, are municipally known as 772082 Highway 10 in the Township of Southgate.

To facilitate the subject request, an Official Plan Amendment will be required to both the County and Township Official Plans. Both requested amendments are described below:

1. An amendment to the County of Grey Official Plan to redesignate a portion of the Subject Lands from 'Rural' to 'Primary Settlement Area'. Portions of the Subject Lands are currently designated 'Provincially Significant Wetlands' and 'Hazard Lands'; these lands have been evaluated as part of the subject application to ensure the boundaries are accurate and all sensitive/hazardous lands will remain as undevelopable areas.
2. An amendment to the Township of Southgate Official Plan. The Subject Lands are currently designated 'Hazard Land', 'Provincially Significant Wetland' and 'Special Policy Area 5.6.6'. The specific provisions of the latter designation are:
  - *Lands having the special policy number 5.6.6 on Schedule A (Map 1) and described as Lots 235, 236 and 237, Concession 1, SWTSR, Geographic Township of Proton, Township of Southgate shall be only be used for agricultural purposes and uses legally existing on January 1, 2022, and in no instance shall new buildings be erected or existing buildings be expanded. The intent of this policy is to prohibit new land uses or buildings that might otherwise interfere with the future expansion of Dundalk onto these lands. The Township's Zoning By-law shall reflect this policy.*

The intention of the designation is therefore to allow for the eventual expansion of the Dundalk Settlement Area onto these lands. The current designation does not prescribe a specific future use, allowing applicants the opportunity to work with the Township to determine the best use of the lands at the time they are formally brought into the Settlement Area.

In that regard, the requested amendment is to redesignate the 'Special Policy Area 5.6.6' lands and a portion of the 'Hazard Land' area to 'Arterial

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Commercial' and 'Neighborhood Area' to allow for a mix of commercial, residential, and complementary uses such as parks/open space on the property. The commercial/mixed-use development would be focused along the Highway 10 corridor.

As stated earlier in this Report, The *Planning Act* establishes that the approval of any land development application in Ontario must have regard for matters of provincial interest and be consistent or comply with provincial policy statements. It is further recognized that any land development is subject to conformity with municipal land use planning documents. It is my professional opinion that the Official Plan Amendments requested through the subject application:

- Have regard to matters of provincial interest;
- Are consistent with the Provincial Planning Statement (2024);
- Conform to, and/or maintain the general intent and purpose of, the County of Grey Official Plan (2019); and
- Conform to, and/or maintain the general intent and purpose of, the Township of Southgate Official Plan (2022).

It is my opinion that the proposed Official Plan Amendments represent good planning, are in the public interest, and should be approved. The subject request allows for residential intensification in a strategic location with surrounding community uses that can adequately support new development. The subject request would allow for the contiguous development of Dundalk, ensuring efficient use of municipal resources and investment.

We appreciate your consideration of our applications and look forward to discussing this further with County/ Township Staff.

Respectfully submitted,  
**Innovative Planning Solutions**



Dafne Gokcen, MPL, RPP, MCIP  
**Senior Planner**

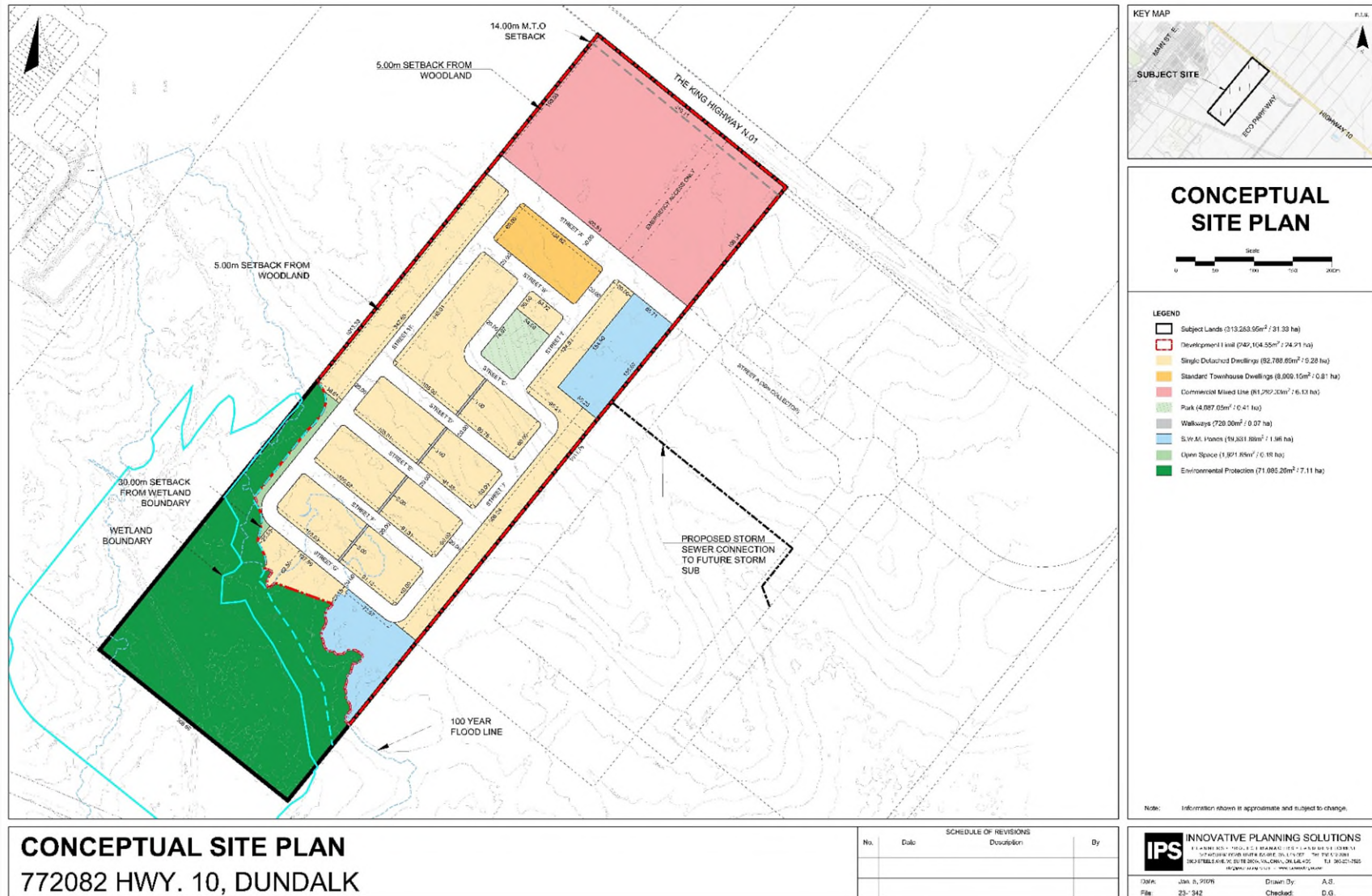


Adam Fiorini, B.Sc., MES.  
**Planner**

# APPENDICES



# APPENDIX 1: Conceptual Draft Plan



# APPENDIX 2: Proposed Official Plan Amendment – County

## Corporation of the County of Grey By-Law 51\_\_-26

A By-Law to Adopt Amendment No. **XX** to the County of Grey Official Plan affecting lands described as Part of Lots 236 & 237, CON 1 SWTSR S, Registered Plan 17R1178 PART 2, in the Township of Southgate.

The Council of the County of Grey, in accordance with the provisions of Sections 17 and 21 of the Planning Act, R.S.O. 1990, as amended, hereby enacts as follows:

1. Amendment No. 16 to the County of Grey Official Plan (2019) is hereby adopted.
2. This By-law shall come into force and take effect on the day of the final passing thereof, subject to the provisions of the Planning Act, R.S.O. 1990, as amended.

ENACTED AND PASSED this \_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
WARDEN

\_\_\_\_\_  
CLERK

Certified that the above is a true copy of By-Law 51\_\_-22 as enacted and passed by the Council of the County of Grey on the \_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
CLERK

# Amendment No. XX to the County of Grey Official Plan

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## Amendment No. XX to the County of Grey Official Plan

### The Constitutional Statement

Part A – The Preamble does not constitute a part of the Amendment.

Part B – The Amendment consisting of the following text and Schedule, constitutes Amendment No. 16 to the County of Grey Official Plan

Part C – The Appendices attached hereto do not constitute part of this Amendment.

These Appendices contain background data, planning considerations and public involvement associated with this Amendment.

## Part A – The Preamble

### Purpose

The purpose of the County Official Plan Amendment (File # XXX) is to permit the expansion of the Settlement Area of Dundalk on the subject lands.

### Location

The lands affected by the proposed Official Plan Amendment are described as Part of Lots 236 & 237, CON 1 SWTSR S, Registered Plan 17R1178 PART 2, Township of Southgate

### Basis

The proponent, in support of the application, provided a Planning Justification Report, and a variety of technical studies to address the requirements of the Planning Act, Provincial Planning Statement (PPS) and the County Official Plan. The Planning Justification Report was prepared to justify the expansion of the Settlement Area Boundary as shown on Schedule A, Map 2.

These background reports can be found in Appendix Z.

The County and the Township held a joint public meeting on XXX. There were XX public comments received at the public meeting or in writing. Written agency comments were received and are summarized in the staff report. Agency comments are detailed in the Addendum to Planning Report XXX, which can be found at Appendix Z.

The minutes from the public meeting are attached as Appendix Z.

Based on the supporting material, the Official Plan Amendment was recommended for approval to the Grey County Committee of the Whole. The reports of the Planning Department (XXX) are included in Appendices Y and Z.

## Part B – The Amendment

All this part of the document entitled “Part B – The Amendment” consisting of the following text and Schedules constitutes Amendment No. **XX** to the County of Grey Official Plan.

### Details of the Amendment

The Official Plan of the County of Grey Planning Area is amended as follows:

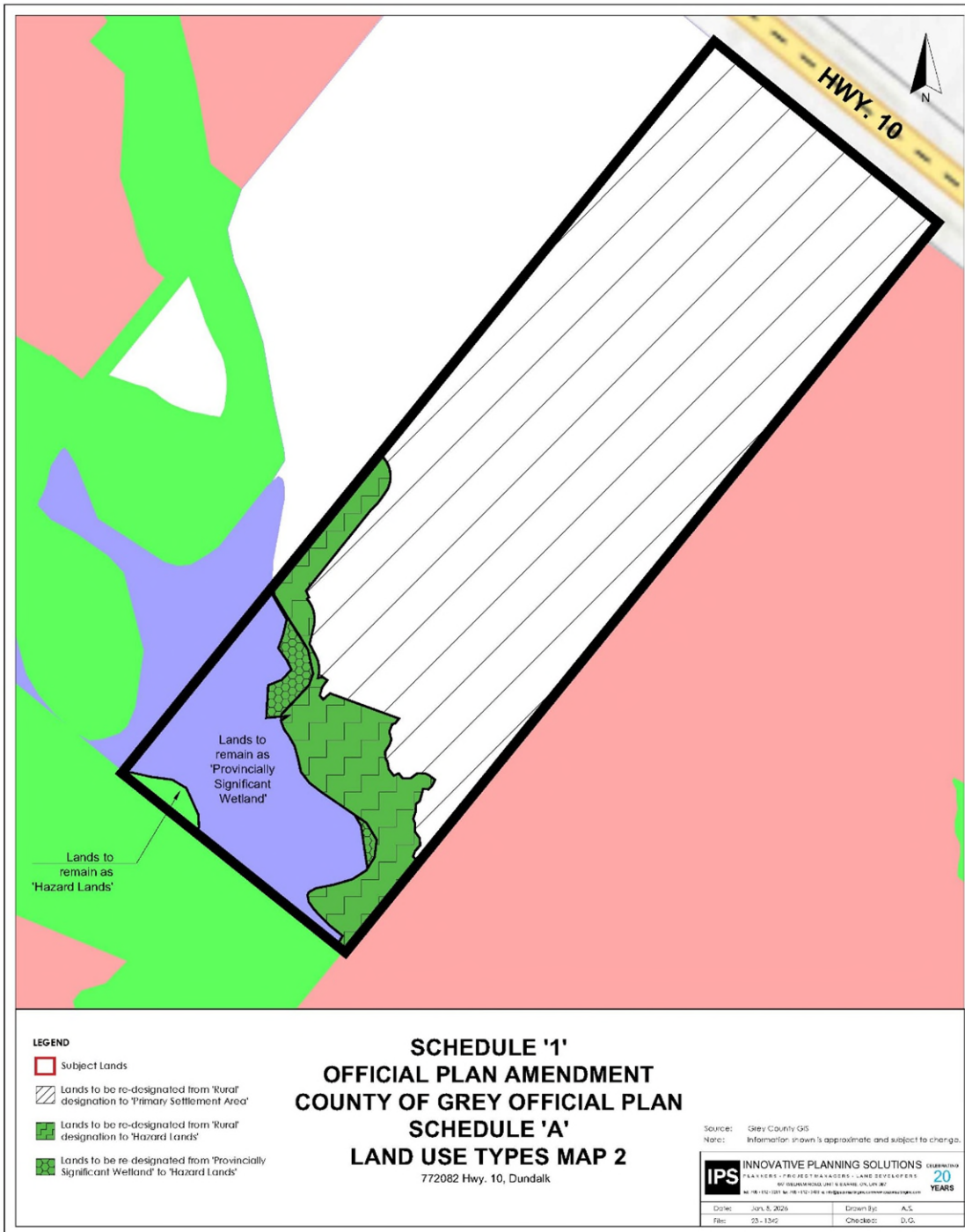
Schedule A, Map 2 – Land Use Types of the Grey County Official Plan is hereby amended by changing the designation of a portion of the lands, shown on Schedule ‘A’ affixed hereto from ‘Rural’ to ‘Primary Settlement Area’.

### Implementation and Interpretation

The changes to the Official Plan described in this Amendment shall be implemented in accordance with the implementation policy of the Official Plan of the County of Grey as contained in Section 9.3 thereof.

## Part C – The Appendices

The following Appendices do not constitute part of Amendment No. **XX** but are included as information supporting the Amendment.



# APPENDIX 3: Proposed Official Plan Amendment – Township

## Amendment No. **XX** to the Township of Southgate Official Plan

 2026

## The Corporation of the Township of Southgate

### By-law 2026-XXX

Being a by-law to adopt Amendment No. XX to the Township of Southgate Official Plan affecting the lands shown on Schedule 1, attached hereto, located in the Township of Southgate.

The Council of the Township of Southgate, in accordance with the provisions of Sections 17 and 21 of the Planning Act, R.S.O. 1990, as amended, hereby enacts as follows:

1. Amendment No. XX to the Township of Southgate Official Plan is hereby adopted.
2. This by-law shall come into force and take effect on the day of approval by the County of Grey.

Enacted and passed this XX day of \_\_\_\_\_, 2026.

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Mayor

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Clerk

**Amendment No. XX**  
**to the**  
**Township of Southgate Official Plan**

**Index**

**Part A – The Preamble**

The Preamble provides an explanation of the proposed amendment including the purpose, location, and background information, but does not form part of this amendment.

**Part B – The Amendment**

The Amendment describes the changes and/or modifications to the Township of Southgate Official Plan which constitutes Official Plan Amendment Number XX.

**Part C – Schedule 1**

Schedule 1 attached to this document is to be included as part of the amendment.

## PART A – THE PREAMBLE

### 1. Purpose of the Amendment:

The purpose of the Amendment is to amend the land use designation of the lands shown on Schedule 1, attached hereto, from “Special Policy Area 5.6.6” to “Arterial Commercial” and “Neighbourhood Area” to facilitate the future development of the subject lands.

### 2. Location:

This amendment applies to the lands shown on Schedule 1, attached hereto, located in the Township of Southgate.

### 3. Basis:

The proposed amendment is considered by Council to be appropriate for the following reasons:

1. The *Planning Policy Statement* (“PPS”) provides the policy foundation that regulates development in order to protect resources, public health and safety, and the quality of the natural and built environment. The PPS includes policies that foster an efficient land use planning system. Policy goals are to increase the housing supply by promoting a diverse range of housing; create a strong and competitive economy that continues to attract investment and provide opportunities to the people who live and work in the province; prioritize compact and transit-supportive infrastructure that will provide convenient access to housing, employment, services, and recreation; and recognize and protect the vibrant agricultural sector, natural resources, and sensitive areas by prioritizing development and urban and rural settlement areas. The proposed development is consistent with the principles and objectives of the PPS.
2. The subject lands are located adjacent to the “Primary Settlement Area” of Dundalk in the County of Grey Official Plan, and are a logical location for Settlement Area expansion to ensure contiguous growth.
3. The subject lands are primarily designated **Special Policy Area 5.6.6** in accordance with Schedule A (Land Use) of the Township of Southgate’s Official Plan (“Plan”), which allocates the lands for the future expansion of

Dundalk. The proposal to expand Dundalk onto the subject lands is therefore aligned with the stated policy goals of the Plan.

4. The development proposal will add units to the available stock of housing within the Township of Southgate and within the Dundalk community, thereby contributing to the Township's ability to achieve its intensification target with a balanced housing supply.
5. The proposed development will expand the diversity and availability of housing options in the community, including denser housing typologies that can be considered more affordable than ground related housing.
6. The proposed density of the development will efficiently use available infrastructure and public services, and will also promote and support active transportation in the area.

## **PART B – THE AMENDMENT**

All of this part of the document entitled Part B – The Amendment, consisting of the following text and schedule map constitutes Amendment No. **XX** to the Township of Southgate Official Plan.

## **DETAILS OF THE AMENDMENT**

The Township of Southgate Official Plan, as amended, is hereby further amended as follows:

Schedule 'A' Map 2 – Dundalk Land Use is amended per Schedule A attached hereto.

