

An architectural rendering of a residential development. The scene shows a paved road with a black car on the left and a silver car on the right. A pedestrian is walking on a sidewalk in the center. In the background, there are modern houses with dark roofs and light-colored walls. A large, dark, multi-story building is visible on the right side. The sky is dark with several birds flying. The overall tone is somewhat somber due to the dark sky and the dark color palette of the rendering.

Grey Road 19

Housing Market Justification Study

February 18, 2026

Parcel

PREPARED FOR:

2483302 Ontario Inc.

PREPARED BY:

Parcel Economics Inc.

250 University Avenue, #217, Toronto, Ontario, M5H 3E5

info@parceleconomics.com

416-869-8264

February 18, 2026

2025-0103

This document is available in alternative formats upon request.

Cover Image: CMV Group Architects



Table of Contents

Executive Summary.....	1
1.0 Introduction.....	3
1.1 Context.....	5
1.2 Background & Proposed Concept Plan.....	8
1.3 Purpose.....	10
1.4 Scope of Work.....	11
2.0 Policy Context.....	12
2.1 Provincial Planning Statement, 2024.....	13
2.2 Grey County Official Plan.....	14
2.3 Town of The Blue Mountains Official Plan.....	17
2.4 The Town of The Blue Mountains Housing Needs Assessment.....	18
2.5 South Georgian Bay Tourism Industry Workforce Housing Research and Business Case.....	23
3.0 Market Context.....	25
3.1 Population Growth.....	26
3.2 Population by Age.....	29
3.3 Household and Dwelling Size.....	30
4.0 Land Need Assessment Review.....	33
4.1 Grey County Population and Household Projections.....	34
4.2 Future Supply of Units.....	38
5.0 Conclusion.....	41
5.1 Summary.....	42

Table of Figures

Figure 1.1 Location of Subject Site	4
Figure 1.2 Subject Site Land Use Designation, Recolour Grey	6
Figure 1.3 Subject Site Location and Land Use Designation	7
Figure 1.4 Blue Mountain Village Area Land Use Schedule A-5	9
Figure 1.5 Proposed Concept Plan for the Subject Site	10
Figure 2.1 Population Growth Estimates (2016-2046)	16
Figure 3.1 Population Growth (2011-2021)	26
Figure 3.2 Total Migration into Grey County (2001-2024)	27
Figure 3.3 Net Migration by Location of Origin to Grey County (2001-2024)	28
Figure 3.4 Average Annual net Migration To and From Grey County (2017-2022)	28
Figure 3.5 Age Cohorts of Total Population (2021)	29
Figure 3.6 Ontario and TBM Housing Propensity by Age Group (2021)	30
Figure 3.7 Household Size (2021)	31
Figure 3.8 Household Size vs. Dwelling Size, TBM (2021)	32
Figure 3.9 Housing Status, TBM (2021)	32
Figure 4.1 Population Growth (Grey County)	35
Figure 4.2 Household Growth Forecast, Grey County (2021-2046)	36
Figure 4.3 Grey County Household Growth by Dwelling Type	37
Figure 4.4 TBM Apartment Development Applications	39
Figure 4.5 Apartment Forecasted Demand vs. Development Pipeline	40

Executive Summary

Parcel Economic Inc. ("Parcel") has been retained by 2483302 Ontario Inc. (the "Landowner"), who owns lands in the Town of The Blue Mountains ("TBM" or "the Town"), on the south side of Grey Road 19, adjacent to Crosswinds Boulevard, hereafter referred to as the subject site. The subject site is directly south of the Windfall subdivision and approximately 2 kilometres southeast of Blue Mountain Village, or an approximate 25-minute walk.

Proposed Concept Plan for the Subject Site

The Landowner and their consultants have prepared a concept plan for the subject site, which includes 603 residential apartment units across eight buildings ranging in height from 3-storeys to 5-storeys. It is our understanding that these apartment units are proposed to be purpose-built rental tenure, as there is a shortage of this tenure in the Town and it is anticipated that these units will fill the need for workforce housing and appeal to people working in the service industry, specifically in Blue Mountain Village, as well as other locations in TBM.

Policy Context

- The proposed concept plan is consistent with Provincial, County and local planning policy, as it will provide a full range and mix of housing options in the Town. Based on our review of development application data, there is not a sufficient supply of apartment units in the application process to address forecast demand. The approval of 603 apartment units on the subject site will help provide a full range and mix of housing options in the Town.
- The proposed purpose-built rental apartment units will also help the Town achieve many of the Strategic Objectives identified in the Official Plan, including ensuring there is an appropriate supply of housing for development (Objective #1), ensuring a full range of housing opportunities is available (Objective #2) and ensuring a viable amount of rental housing is available in the community (Objective #5)
- Recolour Grey and the Town Official Plan explicitly mention the need for both seniors and workforce housing within the community. Providing apartment units in the Blue Mountains addresses the specific needs of seniors and the tourism workforce for smaller homes.

Blue Mountains Housing Needs Assessment

- Within the Blue Mountains Housing Needs Assessment, there are five gaps identified within the existing housing market:
 - Affordable Housing
 - Purpose-Built Rentals
 - Smaller Units
 - Seniors Housing
 - Workforce Housing
- The concept plan as proposed directly addresses the need for purpose-built rental housing, smaller units, and workforce housing in the Blue Mountains. Given the propensity for seniors to desire smaller units as they downsize, the concept plan also supports goals to better accommodate seniors, even without being a seniors' facility. By providing smaller units that are typically less expensive, the concept plan would provide more attainable housing options to residents.

Land Needs

- Based on the October 2024 Ontario Population Projections and unit mix assumptions in the GMS, there is forecast demand for an additional 908 apartment units in the Town. This is approximately 290 units more than forecast in the GMS. By comparison, the Town only has 513 units in active development applications. Therefore, there is a "need" for an additional 395 units to accommodate demand to 2046. This increases to a "need" for an additional 558 units by 2051 to accommodate forecast demand.
- This "need" is anticipated to be even greater when considering pent-up demand that may exist in the market from (i) "over housed" populations who are desiring smaller units or; (ii) employees who work in Blue Mountain and cannot currently find housing in the Town. The 603 purpose-built rental apartment units proposed for the subject site will address this pent-up demand, as well as forecast growth in the Town.

1.0

Introduction

Parcel Economic Inc. ("Parcel") has been retained by 2483302 Ontario Inc. (the "Landowner"), who owns lands in the Town of The Blue Mountains ("TBM" or "the Town"), on the south side of Grey Road 19, adjacent to Crosswinds Boulevard, as shown in Figure 1.1. The subject site is directly south of the Windfall subdivision that is currently in its sixth phase of development and includes a mix of unit types, including single-detached, semi-detached and condominium apartment units. The subject site is also located approximately 2 kilometres southeast of Blue Mountain Village, or an approximate 25-minute walk.

Figure 1.1

Location of Subject Site



Source: Parcel based on Grey County GIS website.

1.1 Context

As shown in Figure 1.2, the subject site is designated *Recreational Resort Settlement Area* in Schedule A, Land Use Types, Map 2 of *Recolour Grey, County of Grey Official Plan*, adopted by Grey County Council in October 2018 and approved by the Province in June 2019 ("Recolour Grey"). The *Recreational Resort Settlement Area* land use designation is the same land use designation as Windfall subdivision to the north of the subject site.

Section 3.3 of Recolour Grey identifies the various types of settlement areas in the County. As it relates to settlement areas, Recolour Grey states:

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

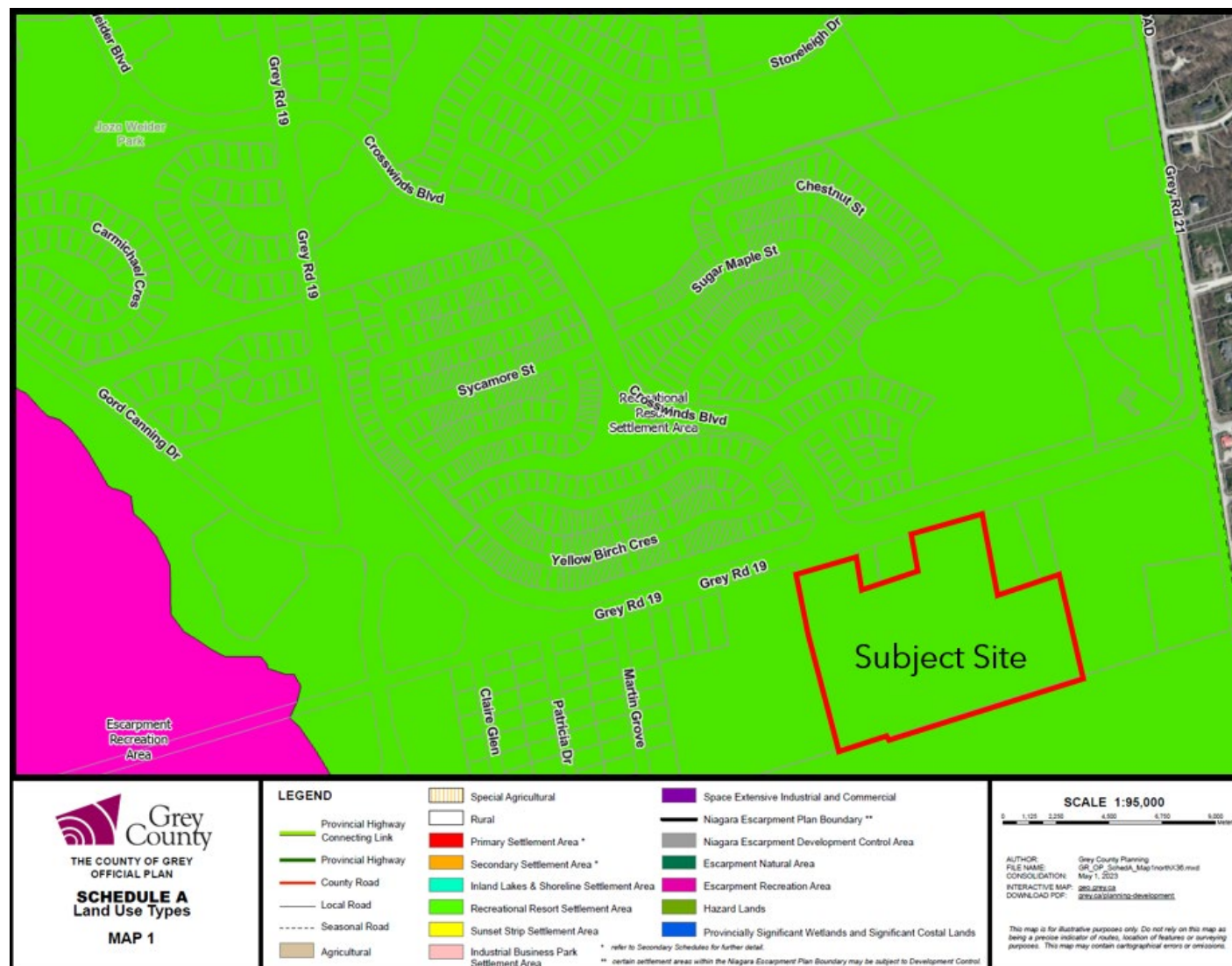
...

- 4) *The Recreational Resort Area land use type applies to areas within the Town of The Blue Mountains and the Municipality of Grey Highlands which exhibit a mix of seasonal and permanent residential and recreational growth on full municipal services. While these settlement areas are fully serviced they do not contain the same range of uses as a traditional urban centre or Primary Settlement Area and are instead focused on a recreational component as the basis for development. Detailed development policies are contained within Section 3.8 of this Plan and the applicable Local Official Plans.*

Therefore, the subject site is located within a settlement area based on Recolour Grey and these lands are intended to accommodate future development.

Figure 1.2

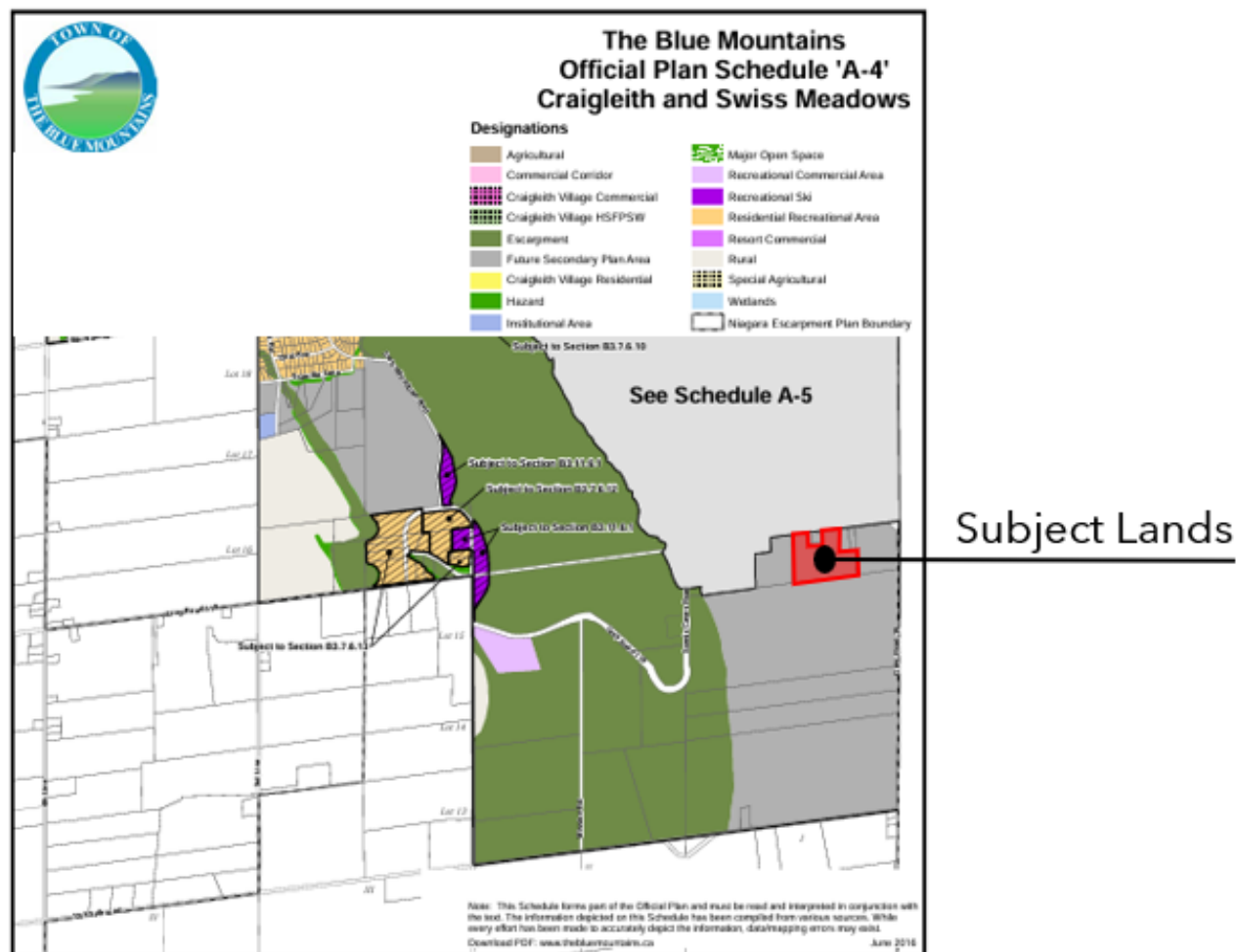
Subject Site Land Use Designation, Recolour Grey



Source: Parcel based on Grey County GIS website.

As shown in Figure 1.3, the subject site is designated *Future Secondary Plan Area* in Schedule A-4 of the Town of The Blue Mountains Official Plan, June 2016 (the "Town OP"). The subject site is also located adjacent to the boundary of the Blue Mountain Village Area, as shown in Town OP Schedule A-5.

Figure 1.3
Subject Site Location and Land Use Designation



Source: Parcel based on Town of the Blue Mountains Official Plan, July 2016, Schedule A-4.

As it relates to the *Future Secondary Plan Area* designation, the Town of Blue Mountain Official Plan (“Blue Mountain OP”) states in Section B3.13.1 Objectives:

It is the intent of this Plan to:

- *identify lands intended to be developed in the future, when additional lands are required for development;*

- *allow for the continued, interim use of these lands provided any use, buildings or structures are constructed and located in a manner which would not adversely affect the long-term development of the lands;*
- *identify lands for which additional study is required to determine its ultimate land use; and,*
- *establish the process by which these lands will be designated for development in the Official Plan.*

Section B3.13.4 Land Use Policies goes on to state that:

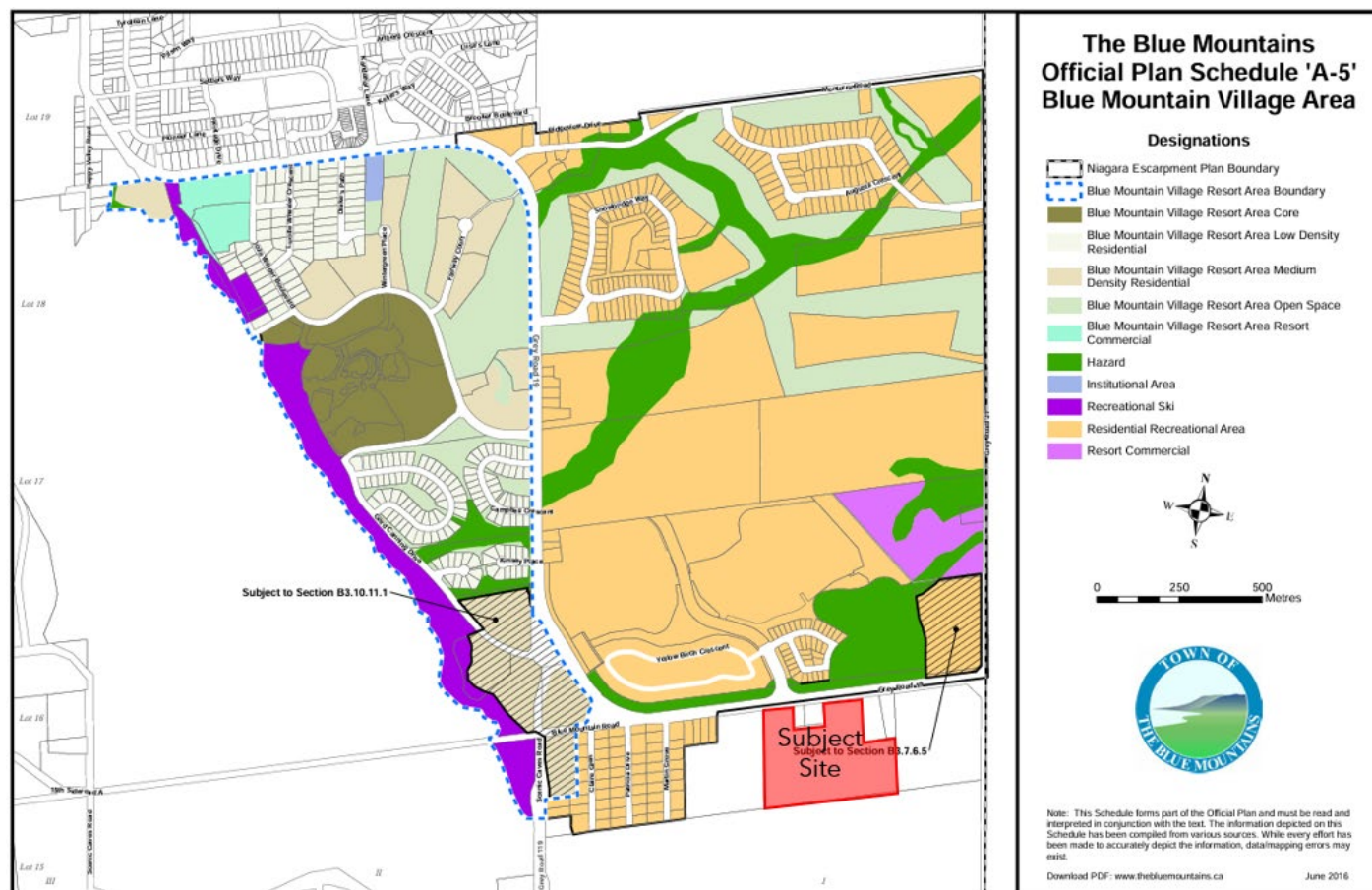
- In order that Future Secondary Plan Area lands retain their ultimate development potential, individual consents to divide the lands shall not be permitted, except in cases where it can be proven that an individual consent will not adversely impact future development potential of the land.*
- The determination of appropriate future land use designations for lands within a Future Secondary Plan Area shall be made based on the results of further study. This study shall take the form of a secondary plan or can be considered in the context of a Town initiated Comprehensive Review, subject to the policies of this Plan. The determination of appropriate land use designations may also be the result of a Community or Neighbourhood Plan, as set out in Section B3.13.5.*

1.2 Background & Proposed Concept Plan

In April 2024 a representative for the Landowner presented to Town of The Blue Mountains Council to present a preliminary concept plan for the subject site and request that the lands be re-designated from *Future Secondary Plan Area* to *Residential Recreational Area*, which is consistent with the designation of the Windfall subdivision to the north and the lands to the west of the subject site, along Claire Glenn, Patricia Drive and Martin Grove, as shown in Figure 1.4.

Figure 1.4

Blue Mountain Village Area Land Use Schedule A-5



Source: Parcel based on Town of the Blue Mountains Official Plan, July 2016, Schedule A-5.

In April 2024, the Landowner was proposing 13 apartment buildings ranging in height from 3 to 5-storeys. In total, the development would have included 1,032 apartment units that would all be purpose-built rental units in tenure. At that time, the Landowner was requesting the re-designation to accommodate this development be facilitated through Council's support for a Community Infrastructure and Housing Accelerator Order ("CIHA").

As part of Bill 185, the Cutting the Red Tape to Build More Homes Act, 2024, which was passed in June 2024, the CIHA was removed from the *Planning Act*. The Landowner is now submitting an application for an Official Plan Amendment ("OPA") to re-designate the lands from *Future Secondary Plan Area* to *Residential Recreational Area*.

The Landowner and their consultants have also prepared an updated concept plan for the subject site, which is shown in Figure 1.5. As shown, the concept plan anticipates 603 residential apartment units across eight buildings

ranging in height from 3-storeys to 5-storeys. It is our understanding that these apartment units are still proposed to be purpose-built rental tenure, as there is a shortage of this tenure in the Town and it is anticipated that these units will fill the need for workforce housing and appeal to people working in the service industry, specifically in Blue Mountain Village, as well as other locations in TBM.

The need for purpose-built rental housing and workforce housing was identified by Parcel in *The Town of the Blue Mountains Housing Needs Assessment* (the “HNA”), completed as part of the Town’s Official Plan Review. The purpose of the HNA was to identify existing and potential future housing “gaps” in the Town and recommend policies to improve housing outcomes for current and future residents.

Figure 1.5

Proposed Concept Plan for the Subject Site



Source: Ware Malcomb.

1.3 Purpose

The purpose of this Housing Market Justification Study is to demonstrate how the proposed concept plan for the subject site will help address housing gaps identified in the HNA and the need for housing in the Town.

1.4 Scope of Work

Document Review and Policy Context

To understand the alignment of the concept plan with existing policy and the HNA, Parcel:

- Collected, reviewed and synthesized all relevant provincial, regional and municipal planning documents. This included the Provincial Planning Statement (“PPS”), 2024, Recolour Grey, the Town OP and the recently adopted Amendment No. 5 to the Town OP.
- Reviewed and provided commentary on background reports prepared to the Blue Mountains Official Plan Review, including the HNA. A key aspect of this analysis included summarizing the alignment of the proposed concept plan for the subject site with the housing gaps identified in the HNA.

Market Justification

To identify potential market justification for purpose-built rental apartment units on the subject site, Parcel reviewed:

- Population growth trends and migration as reported by Statistics Canada. This included a review of recent population growth in TBM, as well as where new migrants to the municipality are coming from.
- Trends in demand for housing types by age group. These trends were assessed and compared to population growth by age group to determine the types of housing that will be needed to accommodate future growth.
- Recent housing construction activity in TBM, based on available building permit information.

Land Needs Assessment

Finally, to understand the potential demand for housing in the future, Parcel compared:

- Household growth forecasts by housing type contained in Grey County Official Plan Amendment 11 (“OPA 11”) to updated population projections from the Ontario Ministry of Finance. This projected need was then compared to recent unit completions and proposed supply in TBM to determine if there is a sufficient supply of housing, by unit type, to accommodate growth to 2046 and 2051.

2.0

Policy Context

2.1 Provincial Planning Statement, 2024

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

Chapter 1 of the PPS, 2024 identifies a Vision to:

increase the supply and mix of housing options, addressing the full range of housing affordability needs. Every community will build homes that respond to changing market needs and local demand. Providing a sufficient supply with the necessary mix of housing options will support a diverse and growing population and workforce, now and for many years to come.

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

1. *As informed by provincial guidance, planning authorities shall base population and employment growth forecasts on Ontario Population Projections published by the Ministry of Finance and may modify projections, as appropriate.*
2. *Notwithstanding policy 2.1.1, municipalities may continue to forecast growth using population and employment forecasts previously issued by the Province for the purposes of land use planning.*
3. *At the time of creating a new official plan and each official plan update, sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of at least 20 years, but not more than 30 years, informed by provincial guidance. Planning for infrastructure, public service facilities, strategic growth areas and employment areas may extend beyond this time horizon.*

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

As noted in Section 2.1.1, municipalities shall now base population growth forecasts on the forecasts prepared by the Ontario Ministry of Finance.

As it relates to intensification and density targets, Section 2.3.1 states:

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

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

Based on the concept plan for the subject site, which proposes 603 apartment units, it could accommodate 905 persons based on a factor of 1.50 persons per unit. This results in a density of 91 persons per hectare based on a site area of 9.9 hectares. This exceeds the density target identified for large and fast-growing municipalities in the PPS, 2024

Section 2.3.2 identifies policies related to settlement area boundary expansions. However, as identified in Figure 1.2, the subject site is already located within a settlement area in Recolour Grey. Similarly, the *Future Secondary Plan Areas* designation is identified as a Urban Land Use Designation in the Town OP. Therefore, a settlement area boundary expansion is not required to facilitate the proposed development.

2.2 Grey County Official Plan

Recolour Grey was adopted by Grey County Council on October 25, 2018, and most recently consolidated in May 6, 2025 to include additional amendments.

Section 1.4.1 of Recolour Grey includes 11 opportunities for the County. Opportunities that are relevant to the proposed development on the subject site include:

1) *Aging Demographics*

The population of Grey County is growing. One of the more prominent demographic trends in the area is population aging. When compared to provincial statistics, the median age within Grey County is older. This represents a planning opportunity for the community, where the County needs to consider an age-friendly approach to development, design, and decision-making.

2) *Supporting Young Families, Youth and Newcomers*

We need to consider the reasons why we have fairly high out-migration of youth and the implications this may have on our community in the future. The needs of our youth and young families must be valued to ensure we improve population retention. Newcomer attraction will be key in addressing our workforce needs. It will be important to consider how we can accommodate the needs of those who migrate to Grey County in the future. A few of these needs include attainable housing, recreation, and childcare. Our planning approach intends to be inclusive, with the hopes of better informing how we build environments that provide for youth, young families, and newcomers to the area.

...

7) *Challenges of Affordability*

Housing prices are an ongoing challenge in most communities in Ontario, as they continue to fluctuate and generally increase. Policy makers, government officials, developers and other stakeholders in community development need to prioritize housing affordability in Grey County. Some of the opportunities to do so include housing intensification, secondary dwelling units in existing homes and mixed use development.

To ensure purposeful development, the Grey County OP also outlines a number of key objectives that the County aims to fulfill in addition to quantitative targets. As part of the Housing Policy (Section 4.1), Recolour Grey states:

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.

This plan encourages housing opportunities that address the needs of seniors and persons with physical, sensory, and mental health disabilities. We want people to be able to remain in a neighbourhood as housing needs change over time.

The proposed development on the subject site will assist the County in achieving the opportunities identified in Recolour Grey by providing purpose-built rental apartment units that will allow seniors to age in place in the community and will also provide housing for young families and newcomers to the community.

Official Plan Amendment 11

As part of OPA 11, the County updated the population and household growth forecasts. The growth forecasts contained in OPA 11 were prepared by Hemson Consulting Ltd. ("Hemson") in July 2021 and forecast growth to 2046 based on a 25-year planning horizon.

Table 1 in OPA 11 provides population growth forecasts for Grey County and the Town, which are summarized in Figure 2.1. As shown, the population in Grey County was anticipated to reach 127,130 persons by 2046. In the Town, the population is forecast to reach 16,300 persons, or growth of 6,750 persons between 2021 and 2046.

Figure 2.1

Population Growth Estimates (2016-2046)

	2021	2026	2031	2036	2041	2046
Grey County	103,320	108,650	113,450	118,150	122,680	127,130
The Blue Mountains	9,550	10,960	12,310	13,620	14,900	16,300

Source: Grey County Official Plan Amendment No. 11, 2022.

A report titled *County of Grey Growth Management Strategy - Updated 2021, Growth Forecasts to 2046*, July 14, 2021, (the "GMS") prepared by Hemson was prepared as background to the population, household and employment forecasts contained in OPA 11. The GMS forecasts that the Town is expected to grow by 2,480 single-detached and semi-detached units, 490 row units, and 620 apartment units between 2021 and 2046.

As it relates to employee housing, OPA 11 also adds a policy, which states:

Employees, whether part time or full time, shall have the opportunity to access affordable and livable employee housing. Recolour Grey promotes a diverse range of housing types, densities, and tenures to support the needs of the County's range of housing needs. This diverse range includes purpose-built employee housing where occupancy may be restricted to at least one of its occupants being employed by the business. Employee housing may be owned and operated by a specific employer, or it may be privately operated (i.e. not owned by the employer).

While the concept plan for the subject site will not be employee housing, as defined in Recolour Grey, based on the proposal for purpose-built rental apartment units within two kilometres from Blue Mountain Village, it is anticipated that this type of housing will appeal to people working in Blue Mountain Village.

2.3 Town of The Blue Mountains Official Plan

Consistent with the PPS, 2024 and Recolour Grey, the Town OP identifies the importance of providing a range and mix of housing options, where Section A3.10 identifies a Goal to:

...provide an appropriate housing supply and range of housing choices to meet the needs of present and future residents.

To achieve this Goal, Section A3.10.2 outlines Strategic Objectives, including:

- 1. Ensure that there is an appropriate supply of land for residential development subject to the availability of water and wastewater capacity.*
- 2. Assist in the achievement of residential intensification and affordable housing by encouraging opportunities for mixed-use development in appropriate locations.*
- 3. Ensure that a full range of housing opportunities is available for residents in the Town.*
- 4. Encourage the development of seniors housing in the Town.*
- 5. Ensure that a viable amount of rental housing continues to be available.*

6. *Participate in County, Provincial and/or Federal housing programs that support appropriate housing development in the Town.*
7. *Support universal physical access and encourage the building industry to incorporate such features in new residential structures.*

The proposed purpose-built rental apartment units on the subject site help the Town achieve many of these Strategic Objectives, including ensuring there is an appropriate supply of housing for development (Objective #1), ensuring a full range of housing opportunities is available (Objective #2) and ensuring a viable amount of rental housing is available in the community (Objective #5).

2.4 The Town of The Blue Mountains Housing Needs Assessment

As part of the Five-Year Official Plan Review, the Town retained Parcel to complete a Housing Needs Assessment (the “HNA”).

Published in November 2023, the report identifies existing and potential future housing “gaps” in the Town. Specifically, the report explores demographic, building construction, tenure, and affordability trends within the Town. By doing so, the report identified where there may be a misalignment between the potential needs of populations in the Blue Mountains and the existing housing supply. The HNA also provided recommendations for how these housing gaps can be addressed.

Based on a review of recent and emerging trends in demographics, tenure, housing type, and affordability, a total of five of gaps in the TBM housing market were identified in the HNA. The gaps are listed and summarized below:

Gap 1: Affordable Housing (Ownership and Rental)

- There is a clear need for affordable housing options, both ownership and rental. Based on the Housing Assessment Resource Tool methodology, there is a need for approximately 215 affordable housing units in the town, while forecasts indicate that as many 40% of new housing units would need to be affordable to accommodate projected population growth.

Addressing Gap 1

The proposed development on the subject site has not committed to providing affordable units, as defined in the Town OP. However, some of the smaller units proposed in the development would be more attainable to people in the Town.

Gap 2: Purpose-Built Rental Housing

- Rental housing stock in TBM is limited and there are currently no purpose-built rental units. This puts pressure on the secondary rental market, where renter households are likely to rent larger and more expensive housing typologies (singles, semis, rows) than may be desired. It also signals to the increased occurrence of cost burdened households and households in core housing need.

Addressing Gap 2

As a purpose-built rental apartment complex, the concept plan as proposed **directly** addresses the need for additional purpose-built rental housing in TBM.

Gap 3: Smaller Housing Units

- There is a lack of smaller housing units in TBM. As a result, roughly 70% of households can be considered “over housed” – as in there are more bedrooms than number of persons in a dwelling unit.
- The need for smaller housing units is expected to increase in the future due to an aging population and its anticipated need to “downsize”, allowing such residents to age in place within the community.

Addressing Gap 3

The current concept plan **directly** addresses this gap for smaller units in the housing market by providing apartment units that are smaller than the existing stock of single-detached units in the Town. This development creates more diverse housing options and provides opportunities for those who are currently “over housed” to relocate to smaller housing units.

Gap 4: Seniors Housing and Long-Term Care

- Despite the greater proportion of residents aged 60 years and over in TBM, relative to Grey County and the province, there is no dedicated seniors housing or long-term care homes in the town. This limits opportunities for elderly residents to age in place.
- Filling the smaller housing units, purpose-built rental, and affordable ownership and rental housing gaps may also help to meet the need of seniors in the community.

Addressing Gap 4

People over the age of 60 have a higher propensity to live in apartment units. By providing rental apartment units, the concept plan as proposed ensures that a variety of housing options are available in TBM to meet the varied housing needs of elderly residents, allowing them to age in place within the community.

Gap 5: Workforce Housing

- There is a significant need for workforce housing in the town. A large share of the TBM workforce commutes from neighbouring municipalities, particularly workers in the accommodations and food services industries, which also tend to have lower wages. As per the HNA, ideally, employment and housing should be balanced such that the housing stock in a community is affordable based on local wages/salaries.
- Filling the gaps in smaller housing units, purpose-built rental, and affordable ownership and rental housing may also help to meet workforce housing needs.

Addressing Gap 5

As a project targeted at providing workforce housing, the proposed development on the subject site directly addresses the need to create housing opportunities for employees in TBM.

Even without the direct tie to workforce housing, a more diversified housing stock generally helps address the need for workforce housing; this is particularly true for many workers in the accommodation and food services industries. The provision of smaller housing units makes housing more accessible for lower income households and/or commuting employees.

As examined above, the 603 purpose-built rental apartment units directly address three of these five gaps, including the need for rental housing (Gap 2), the need for smaller housing units (Gap 3) and the need for workforce housing (Gap 5). The proposed development could also indirectly address the other two gaps (Gap 1 and Gap 4) by decreasing market pressure and providing housing for seniors in the community looking to downsize.

Official Plan Amendment No. 5

On June 23, 2025, Council of the Town of The Blue Mountains adopted Official Plan Amendment No. 5 ("OPA 5") as part of the Town's five-year Official Plan Review.

As it relates to housing mix, Section D7.3 of OPA 5 states:

The 2023 Housing Needs Assessment should be considered for new development that assists in achieving identified housing gaps and supporting required housing mix shall be encouraged. In addition, Official Plan Amendment applications that propose the down-designation of sites from medium and high-density housing shall be discouraged, since these sites will ultimately assist in achieving an appropriate balance of housing in the Town.

Section A3.10 Housing in the Town OP is now titled Affordable and Attainable Housing in Section A3.11 of OPA 5. Section A3.11.2 outlines Strategic Objectives, including:

- 1. Further the objectives of the Housing Needs Assessment and address the identified gaps in the Town's housing inventory.*
- 2. Ensure that there is an appropriate supply of land for residential development within settlement areas subject to the availability of water and wastewater capacity.*
- 3. Assist in the achievement of residential intensification and affordable housing and attainable housing by encouraging opportunities for mixed-use development in appropriate locations.*
- 4. Ensure a full range of housing opportunities within settlement areas by providing a mix and range of housing types at various price points for all ages and stages of life.*
- 5. Ensure a full range of housing opportunities within settlement areas are available for those who work in the Town of The Blue Mountains, including the provision of purpose-built employee housing.*
- 6. Establish minimum targets to ensure affordable and attainable housing units are achieved as part of new residential and mixed-use developments.*
- 7. Establish minimum density requirements for greenfield development sites to achieve density targets.*
- 8. Encourage the maximum use of buildings in Downtown areas with upper levels used for residential units.*
- 9. Encourage the development of additional dwelling units (second and third residential units) on existing residential properties.*

10. *Consider pre-zoning sites exclusively for ground related multiple units and low-rise apartments*
11. *Encourage the development of seniors housing in the Town.*
12. *Ensure that a viable amount of rental housing continues to be available.*
13. *Participate in County, Provincial and/or Federal housing programs that support appropriate housing development in the Town.*
14. *Support universal physical access and encourage the building industry to incorporate such features in new residential structures.*

Consistent with noted in our review of the Town OP, the proposed purpose-built rental apartment units on the subject site will directly address many of the strategic objectives identified in Section A3.11 of OPA 5.

2.5 South Georgian Bay Tourism Industry Workforce Housing Research and Business Case

In 2018, the Blue Mountain Village Association retained N. Barry Lyon Consultants Ltd. ("NBLC") to prepare the *South Georgian Bay Tourism Industry Workforce Housing Research and Business Case*, hereafter referred to as the Workforce Housing Study. This study specifically evaluated the potential in South Georgian Bay to improve housing options for the tourism-related workforce. In the Workforce Housing Study, Blue Mountain Village (in the Town of the Blue Mountains) is shown to have a significant concentration of tourism-related workers, with 20% of the South Georgian Bay Tourism workforce.

The report suggests that South Georgian Bay (i.e., Grey County, Simcoe County, Bruce County) as a housing market "does not appear to have the ability to address the attainable workforce housing issue" in its existing state. More specifically, it states that:

Those employed in South Georgian Bay, at local wages, are left to compete with buyers and renters with significantly higher incomes. [This] undermine[s] the viability of local businesses that depend on this workforce. In the fall of 2017, a labour shortage of over 800 tourism-related positions was

estimated across Bruce, Grey, and Simcoe Counties. Based on local income levels, over 2,000 households are potentially facing housing challenges.

To combat the shortage of workforce housing and, subsequent, labour shortages in the region, the report suggests that intervention in the housing market is required. It primarily highlights that:

there are three target housing types that will be required in South Georgian Bay to address the tourism labour shortage and the wider need for attainable workforce housing. These include: entry-level, dorm-style housing; purpose-built rental housing, and attainable home ownership options. The severity and level of need of each of these three housing types varies, however, all three will be needed in the coming years to solve the labour shortage issues. (emphasis added)

It further flags that attainable or affordable housing prices are not sufficient to house tourism-related workers without ample supply. Notably, it comments that:

Even if average rents were attainable, there is such a small supply of purpose-built rental units in the South Georgian Bay market that many workers seeking a rental unit are likely to have difficulty finding suitable housing.

The same can be said for higher density ownership housing like condominium apartments, typically considered an entry-level ownership housing option.

Therefore, by providing purpose-built rental apartment units, the proposed concept plan addresses the specific gap for tourism-related workforce housing in the Town. It is also important to note that no purpose-built rental apartment units have been completed in the Town since the Workforce Housing Study was completed in 2018.

3.0

Market Context

Key Findings

- Population growth in TBM outpaces growth within Grey County and Ontario, highlighting the need for additional housing.
- Growth in Grey County is largely a product of migration, with most migration to Grey County coming from elsewhere in Ontario (Intraprovincial migration).
- Relative to Grey County and the Province, TBM has a larger share of its population over the age of 60. The population over the age of 60 has a higher propensity to live in apartment units.
- As the population of Grey County ages, they increasingly relocate from larger dwellings (i.e. single-detached homes) to smaller dwellings (i.e., townhomes, apartments, etc.)
- There are 2,945 households in TBM are considered to be “overhoused”, meaning there are more bedrooms than people in the dwelling unit.
- The relatively lower propensity of TBM residents living in apartment units and large share of the population considered to be “overhoused” suggests pent-up demand for apartment units in the Town.
- The proposed concept plan for the subject site, which includes 603 apartment units will help address this pent-up demand.

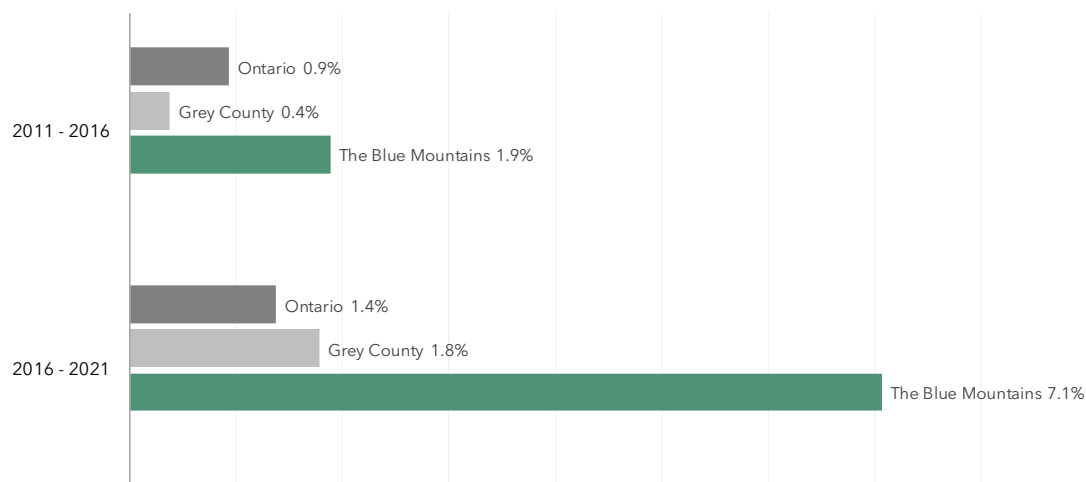
This section of the study examined market-based factors that are anticipated to impact demand for the type of purpose-built rental apartment units proposed on the subject site. This includes trends in population growth and migration, as well as the age profile of residents and household sizes.

3.1 Population Growth

Over the decade between 2011 and 2021, the Town of the Blue Mountains outpaced population growth rates in both Grey County and Ontario. As seen in Figure 3.1, between 2016 and 2021 the population in the Town grew 7%, a rate almost four times Grey County's growth rate and five times Ontario's growth rate.

Figure 3.1

Population Growth (2011-2021)

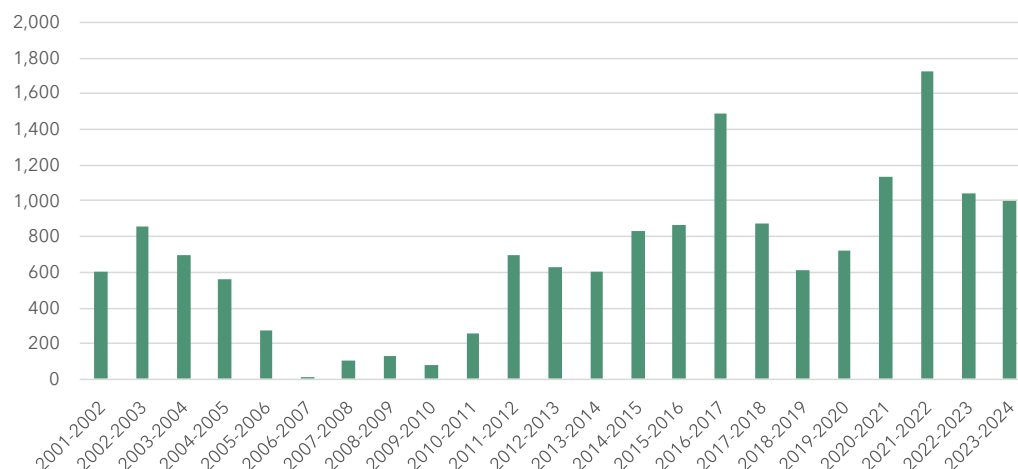


Source: Parcel, based on Statistics Canada Census 2011, 2016 and 2021.

Population growth in Grey County and TBM is a result of migration into the County, as opposed to a natural increase in the population (births minus deaths). As seen in Figure 3.2, total migration to the County has been trending higher since a low reached in 2006.

Figure 3.2

Total Migration into Grey County (2001-2024)



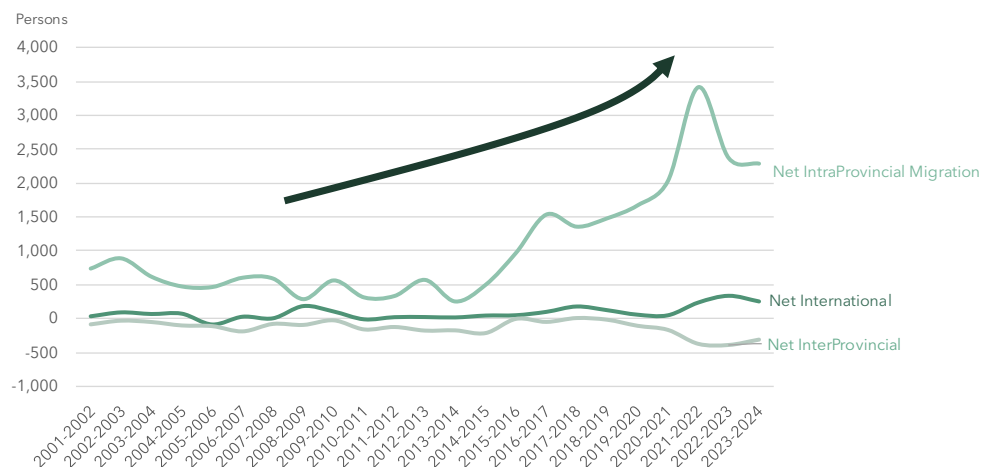
Source: Parcel, based on Statistics Canada.

As shown in Figure 3.3 intraprovincial migration (i.e. people moving from other regions in Ontario to Grey County) has accounted for the most significant share of net migration to the County, with very little growth attributable to net international migration.

It is also clear from Figure 3.3 that this trend started before the COVID-19 pandemic. Since 2014, there has been stable growth in the number of residents moving to Grey County from other parts of Ontario. While there has been a dip since 2022, inflow of migrants to the County remains above historical trends. Most individuals moving to Grey are re-locating from the Greater Golden Horseshoe ("GGH") including Peel Region and the City of Toronto (see Figure 3.4).

Figure 3.3

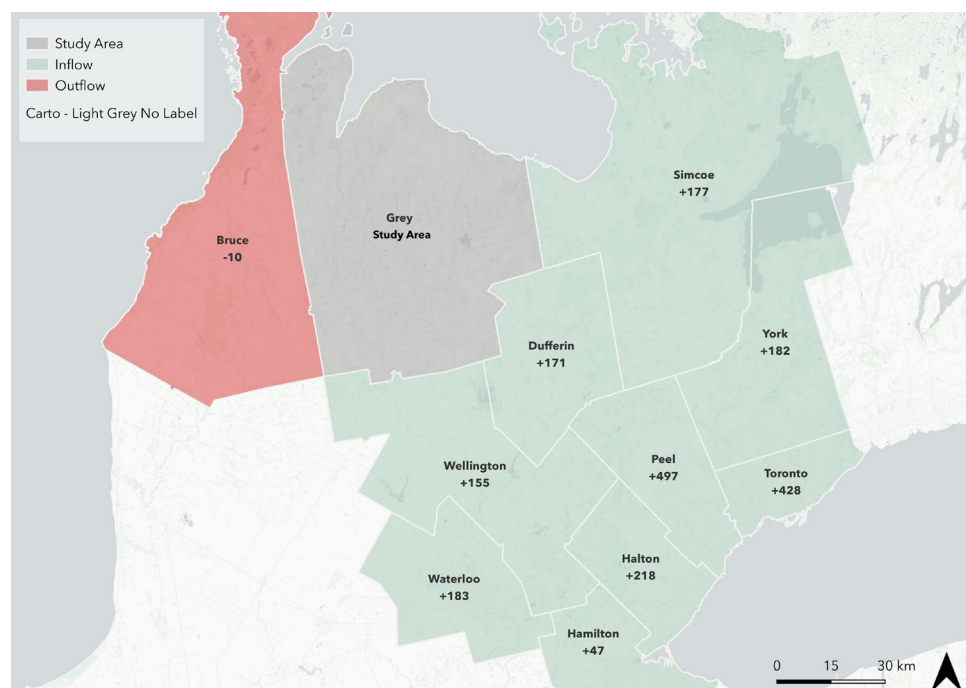
Net Migration by Location of Origin to Grey County (2001-2024)



Source: Parcel, based on Statistics Canada.

Figure 3.4

Average Annual net Migration To and From Grey County (2017-2022)



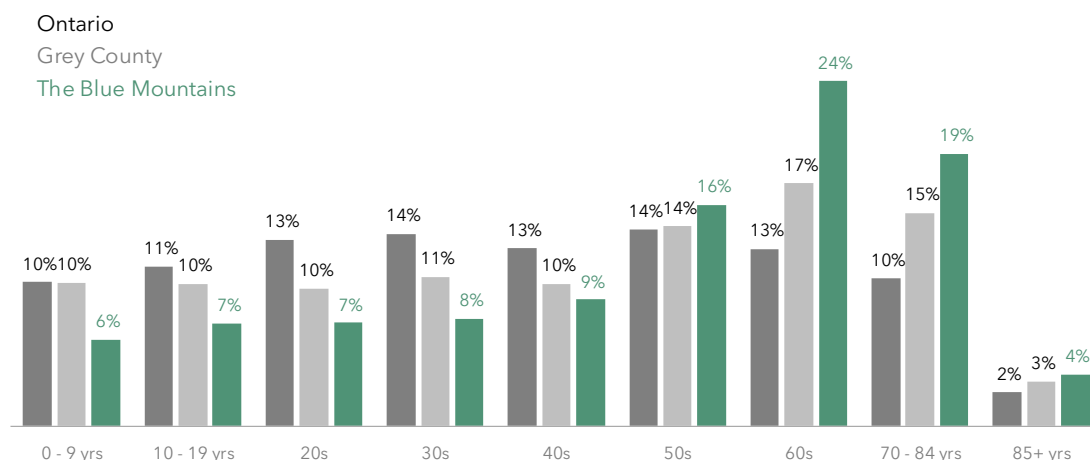
Source: Parcel, based on Statistics Canada.

3.2 Population by Age

TBM and Grey County are home to an older population, relative to Grey County and the province, as shown in Figure 3.5. Within TBM, 63% of the population is over the age of 50, compared to just 39% of Ontarians. This supports the need for the type of housing that appeals to this demographic.

Figure 3.5

Age Cohorts of Total Population (2021)



Source: Parcel, based on Statistics Canada 2021 Census.

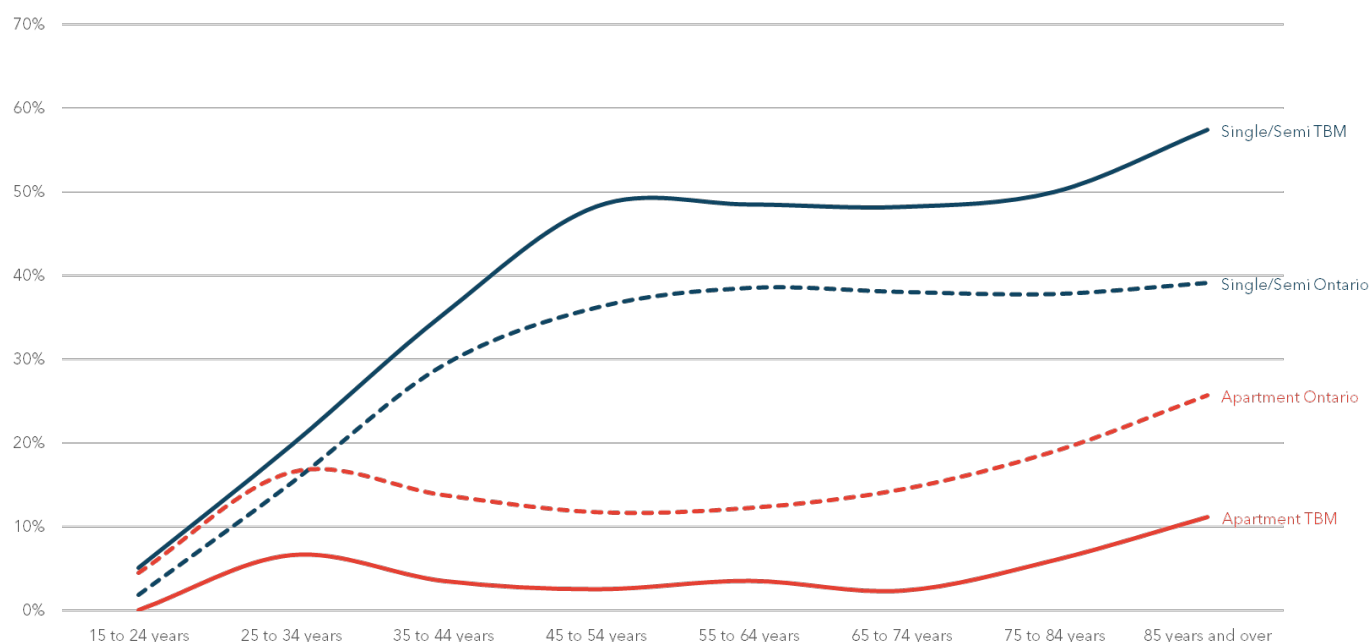
In terms of housing demand by age group, Figure 3.6 summarizes housing type propensities by age group from the 2021 Census for Ontario and TBM. As shown, for both single/semi-detached units and apartment units, propensities in Ontario and TBM follow a similar trend. For single/semi-detached units, propensities increase until the age 45, then start to level off. For apartment units, propensities are high in the 25-34 age group when households are starting out and have a need for more affordable housing options. Then propensities decline, before starting to increase again in the 65 and over age group.

One significant difference between Ontario and TBM is that TBM propensities are higher in all age groups for single/semi-detached units and lower for apartment units. This implies pent-up demand for apartment units, as there is not a sufficient supply to meet the needs of residents.

As shown previously in Figure 3.5, TBM has a large concentration of people age 60 and over in the municipality, relative to Grey County and the Province. This suggest that not only is there pent-up demand for apartment units in the Town, but that this demand is anticipated to intensify as residents age.

Figure 3.6

Ontario and TBM Housing Propensity by Age Group (2021)



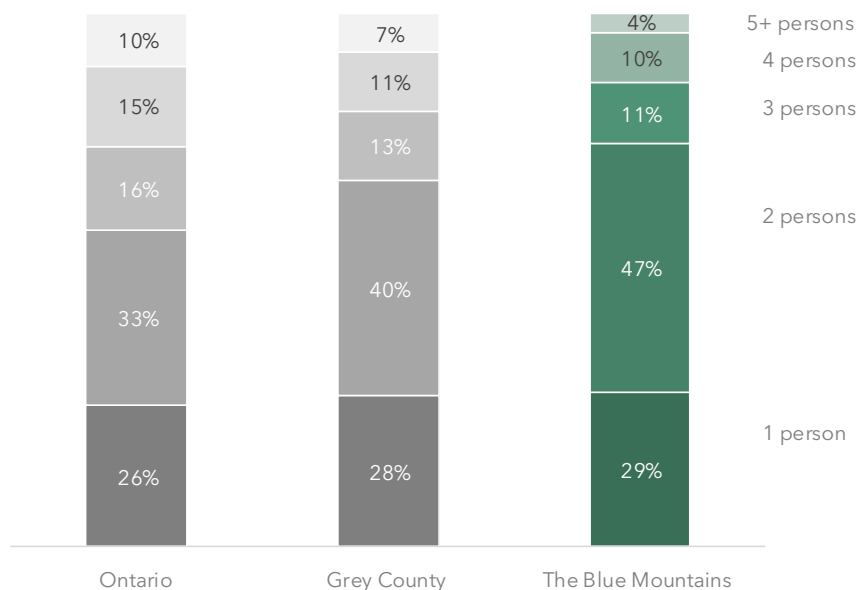
Source: Parcel, based on Statistics Canada.

3.3 Household and Dwelling Size

Additionally, as seen in Figure 3.7, TBM has smaller average household sizes than both Grey County and the Province of Ontario. As shown, three quarters (76%) of households in TBM have two or less individuals. This suggests that there is likely demand for smaller units within TBM, as proposed on the subject site.

Figure 3.7

Household Size (2021)



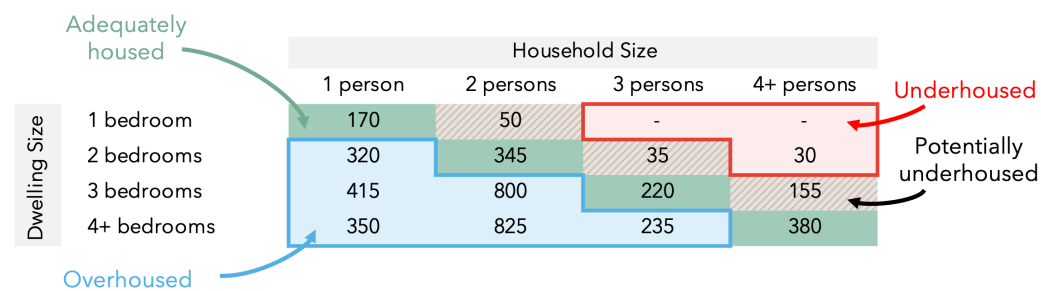
Source: Parcel, based on Statistics Canada 2021 Census.

As part of our analysis in the HNA, Parcel considered housing suitability to help identify potential pent-up demand for various forms of housing in the Town. Housing suitability is defined as having enough bedrooms for the size and composition of the household, by comparing household sizes to dwelling sizes.

As shown in Figure 3.8 and Figure 3.9, there are 2,945 households (68% of households) in the Town are considered to be “over housed”, meaning there are more bedrooms than persons in the dwelling unit. This mismatch between household size and dwelling size highlights a potential need for smaller housing units (i.e. apartment units) in TBM.

Figure 3.8

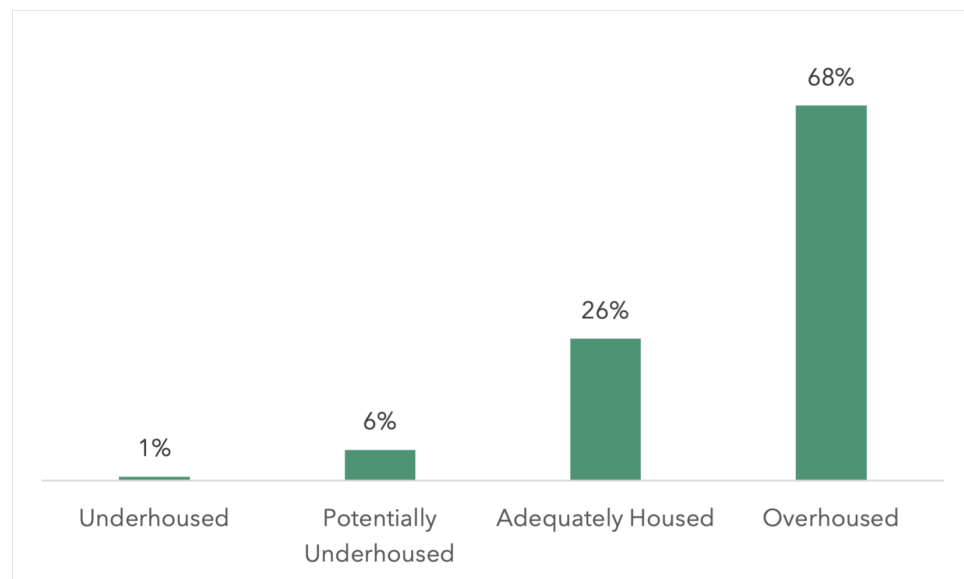
Household Size vs. Dwelling Size, TBM (2021)



Source: Parcel, based on Statistics Canada.

Figure 3.9

Housing Status, TBM (2021)



Source: Parcel based on Statistics Canada Data.

4.0

Land Need Assessment Review

Key Findings

- Updated Ministry of Finance forecasts suggest that population growth in both Grey County and The Blue Mountains are outpacing projections from the Grey County OPA No. 11.
- Based on the October 2024 Ontario Population Projections and assumptions in the GMS, there is anticipated to be demand for 908 apartment units in TBM between 2021 and 2046, growing to 1,071 units between 2021 and 2051. This exceeds the forecast of 620 units identified in the GMS.
- Based on our review of development application data in the Town, there is only a supply of 513 apartment units that are proposed for development.
- This indicates that there could be a shortfall of 395 units by 2046, increasing to a shortfall of 558 units by 2051. Further, we anticipate that the shortfall could be even greater, as it does not account for pent-up demand from the existing population.
- This analysis demonstrates that there is a “need” for additional apartment units in the Town to accommodate forecast demand.
- The 603 purpose-built rental apartment units proposed on the subject site can help address this need for housing to 2046 and 2051.

In this section of the study, we have forecast demand for housing in TBM using the Ontario Population Projections to 2046 and 2051. For focus of this section in on forecast demand for apartment units, as this is the unit type proposed on the subject site. We have then compared forecast demand for apartment units to the proposed supply of units to determine if additional units are required to accommodate forecast demand.

4.1 Grey County Population and Household Projections

As part of GMS that informed Grey County OPA 11, Hemson prepared population projections from 2021 to 2046 for both Grey County and the Blue Mountains. Based on their projections, it was forecasted that Grey County would grow to 127,130 persons, as shown earlier in Figure 2.1.

As the PPS, 2024 now directs municipalities to rely on the Ontario Population Projections prepared by the Ontario Ministry of Finance ("MoF") in determining land needs, we have compared the population growth forecasts for Grey County in OPA 11 to the Ontario Population Projections from October 2024 and the more recent August 2025 forecasts.¹

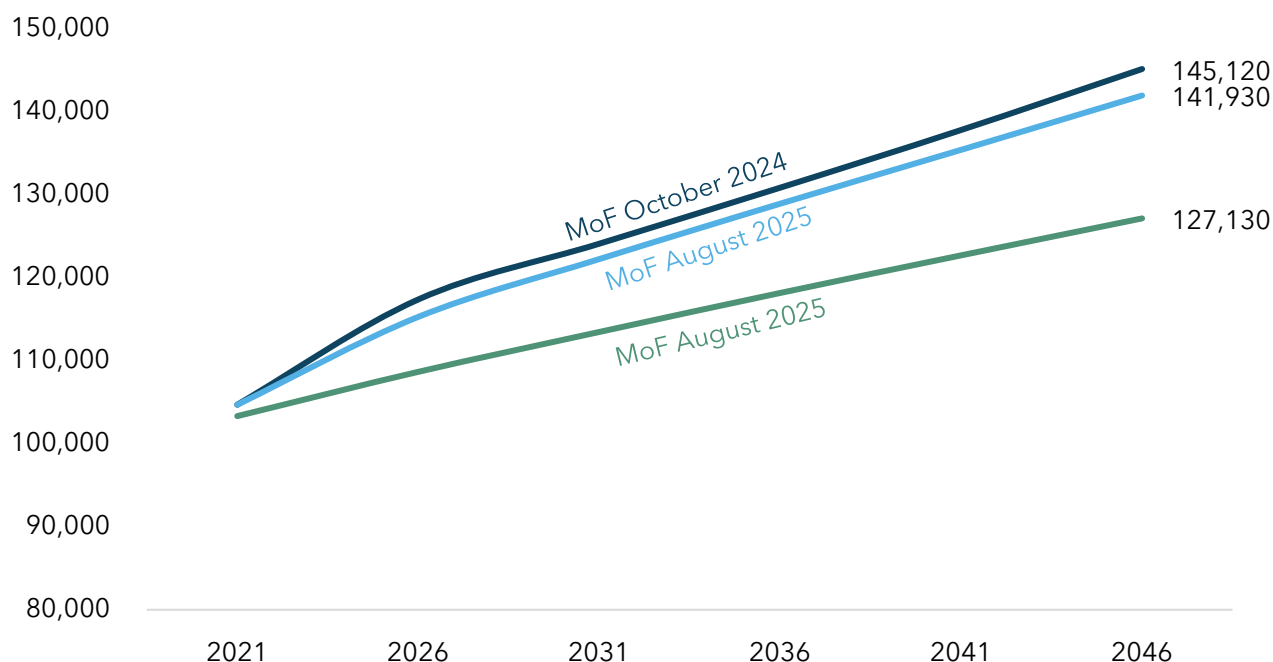
As shown in Figure 4.1, the population projections for Grey County that are identified in the October 2024 and August 2025 MoF forecasts are significantly higher than the forecasts contained in the in OPA 11. With the 2046 population anticipated to be between 14,800 and 17,990 persons more than anticipated in OPA 11.

By 2051, the MoF October 2024 forecasts anticipate a population of 152,900 persons in Grey County, which is 25,770 persons more than the 2046 forecasts contained in OPA 11. This demonstrates that there will be additional demand for housing in the County.

¹ The Ontario Population Projections are prepared at the Census Division level, which includes Grey County. Forecasts are not allocated to Census Subdivisions, including TBM.

Figure 4.1

Population Growth (Grey County)



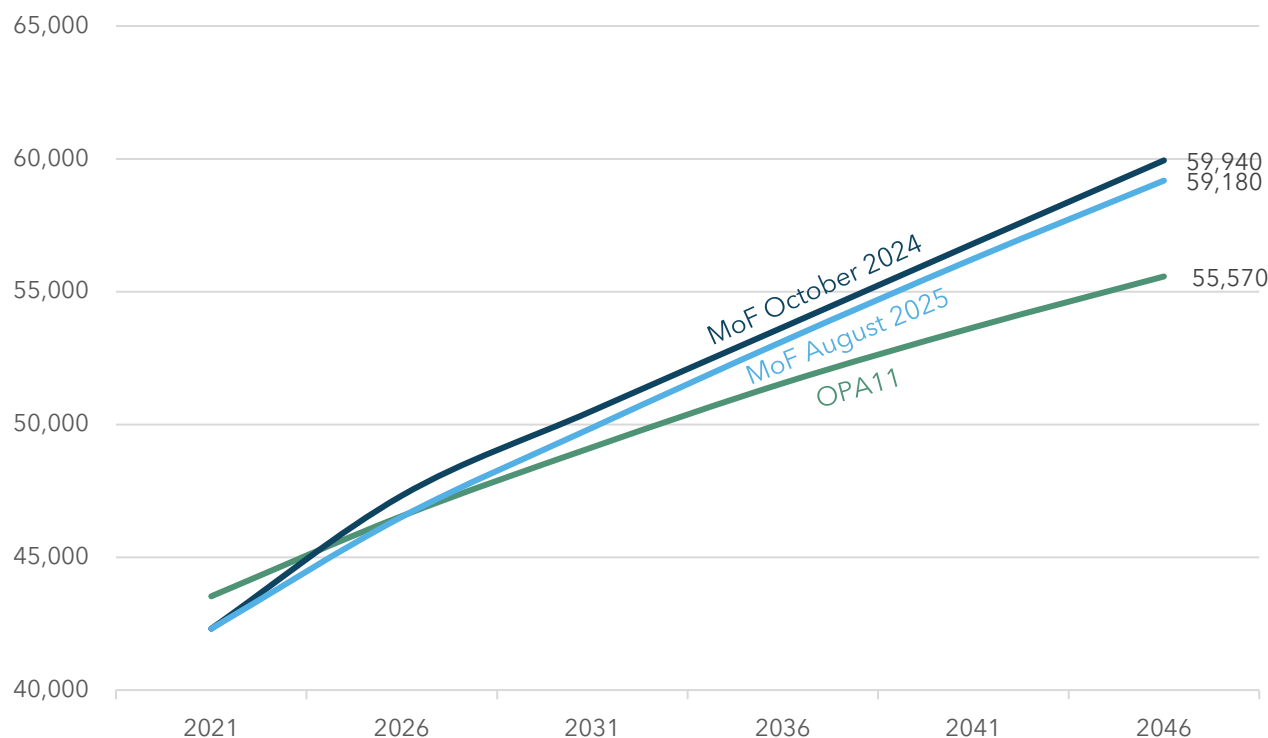
Source: Parcel, based on Grey County Official Plan Amendment No. 11 and Ministry of Finance Population Forecast 2024 & 2025.

Parcel has translated the population growth forecasts in Grey County to household growth forecasts based on headship rates in Grey County from the 2021 Census. As shown in Figure 4.2, there are anticipated to be 59,940 households in Grey County by 2046 based on the October 2024 Ontario Population Projections. This is 4,370 households more than anticipated in OPA 11.

Furthermore, we note that the Ontario Population Projections now extend to 2051, which aligns with the maximum 30-year planning horizon identified in the PPS, 2024. Based on population projections in Grey County to 2051 and existing headship rates, there are forecast to be 63,115 households in Grey County in 2051, or 7,545 households more than the 2046 forecasts contained in OPA 11.

Figure 4.2

Household Growth Forecast, Grey County (2021-2046)



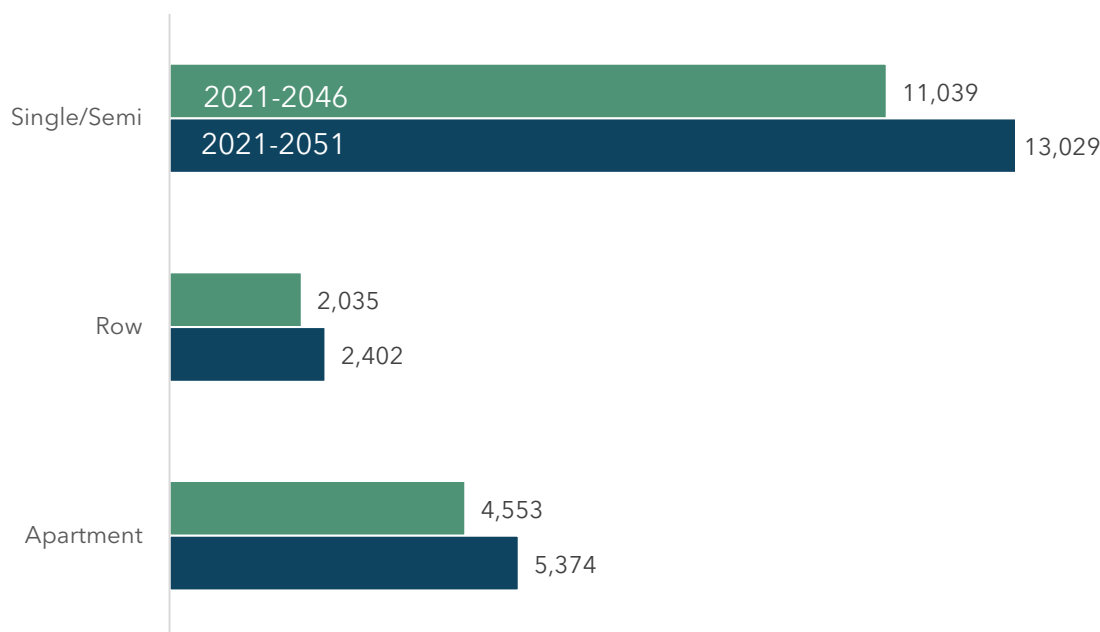
Source: Parcel, based on Grey County OPA No.11, Ministry of Finance Population Projections 2024 & 2025, and Statistics Canada.

We have allocated these household growth forecasts between single/semi-detached, row and apartment units based on the forecast share of growth contained in the GMS prepared by Hemson. The GMS assumed that within Grey County, between 2021 and 2046, 63% of household growth would occur in single/semi-detached units, 12% would occur in row units and 26% of household growth would occur in apartment units.

We have applied these shares to forecast household growth in Grey County based on the October 2024 Ontario Population Projections for the 2021 to 2046 period and the 2021 to 2051 period. As shown in Figure 4.3, this results in growth of 4,553 apartment units by 2046 and 5,374 apartment units by 2051.

Figure 4.3

Grey County Household Growth by Dwelling Type



Source: Parcel.

The Blue Mountains

To determine potential household growth in TBM, we have relied on the share of household growth by dwelling type allocated to TBM in the GMS. The GMS assumed that TBM would account for 33% of household growth in single/semi-detached units the County. It also assumed that TBM would account for 35% of household growth in row units and 20% of household growth in apartment units.

Using this methodology, it estimated that there is demand for 908 additional apartment units in TBM between 2046 and 2046, growing to 1,071 units between 2021 and 2051. This exceeds the forecast of an additional 620 apartment units identified in the GMS.

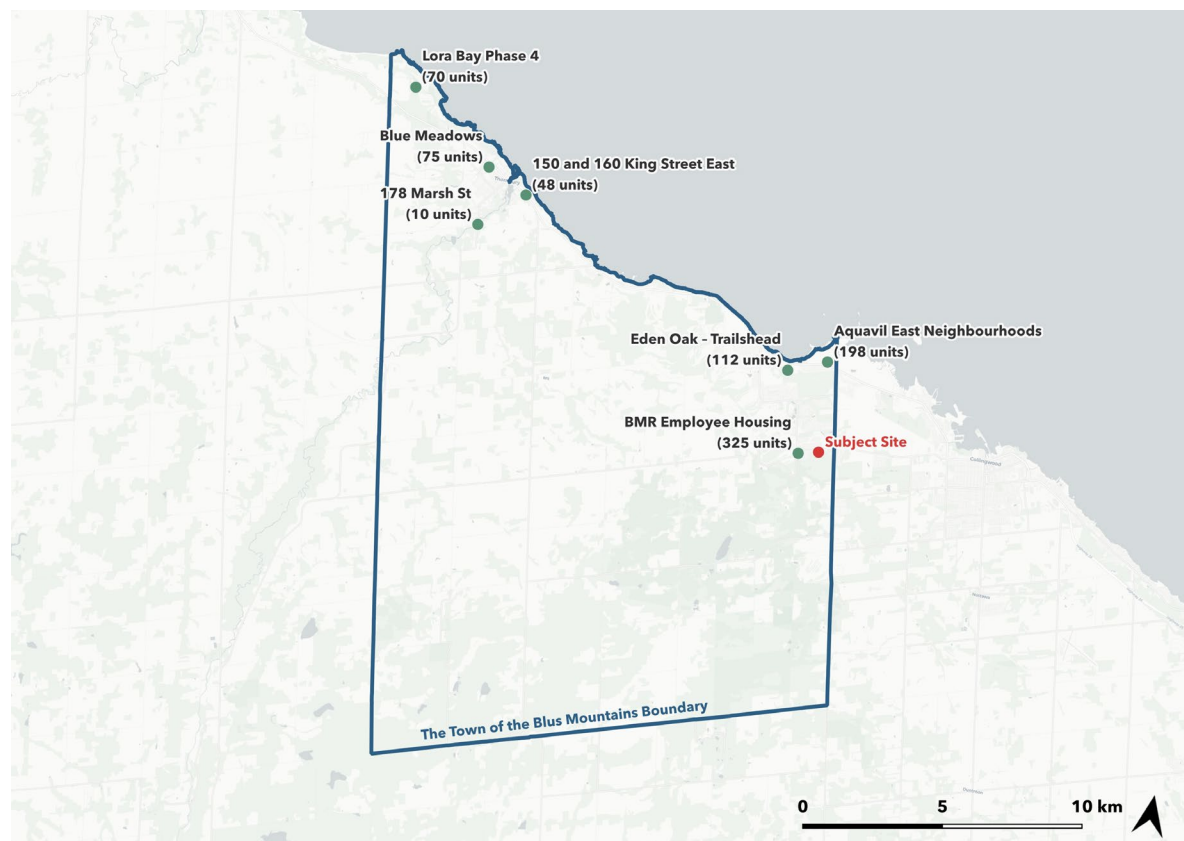
However, as noted above, this likely under-represents demand for apartment units, as there is pent-up demand from existing households, with as many as 2,945 households in the Town considered to be “overhoused”.

4.2 Future Supply of Units

We have compared the forecast growth in apartment units to the future supply of units in the Town based known development applications. The Town includes information on development applications on the Planning and Development Activity website.

The Town's website identifies a total of 838 apartment units in various stages of the application process. The location of these units is shown in Figure 4.4. As shown, only 380 units are in applications that have received a Council decision. There are an additional 133 units in application that are either under review or under appeal. In addition to these units, there are 325 units for a site that is awaiting a submission. The site awaiting submission was previously identified for employee housing for Blue Mountain Resort. The estimated unit yield was based on a presentation to TBM Council in November 2023, when the landowner was requesting a CIHA, similar to the process previously sought for the subject site. As this application has not progressed since November 2023, the represents the least certain supply identified by the Town.

Figure 4.4
TBM Apartment Development Applications



Planning Status	Apartment
Council Decision	380
Planning Review	58
Awaiting Submission	325
Under Appeal	75
Total	838

Source: Parcel.

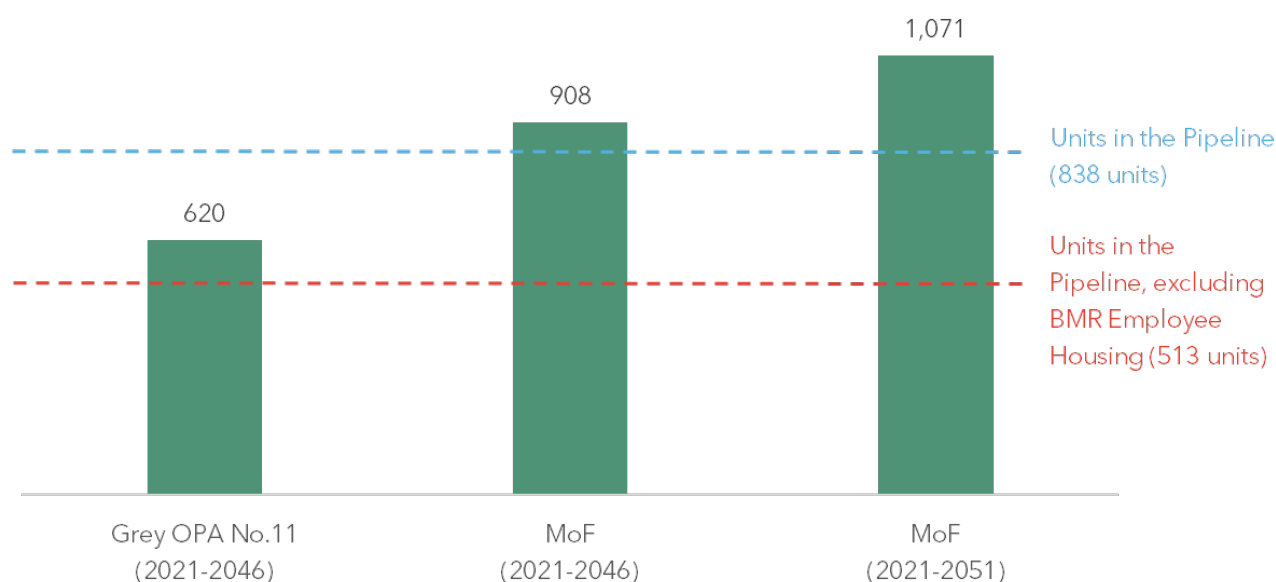
We have compared this supply of apartment units to forecast demand identified in the GMS, as well as the 2046 and 2051 forecast based on the October 2024 Ontario Population Projections. As shown in Figure 4.5, excluding the employee housing units proposed for Blue Mountain Resort, the Town does not have sufficient supply to accommodate forecast apartment demand identified in the GMS (a shortfall of 107 units). Using the forecasts in the October 2024 Ontario Population Projections, this shortfall by 2046 is anticipated to be 395 units. The 603 purpose-

built rental apartment units proposed on the subject site will help address this unit shortfall. By 2051, this shortfall is anticipated to be 558 units, which is similar to the number of units proposed on the subject site.

This shortfall is anticipated to be even greater when considering pent-up demand that may exist in the market from (i) "over housed" populations who are desiring smaller units or; (ii) employees who work in Blue Mountain and cannot currently find housing in the Town.

Figure 4.5

Apartment Forecasted Demand vs. Development Pipeline



5.0

Conclusion

5.1 Summary

Policy Alignment

The proposed concept plan, which includes 603 purpose-built rental apartment units is consistent with Provincial, County and local planning policy.

The subject site is located within a settlement area in Grey County. Therefore, the lands area available to accommodate growth. While the subject site is designated Future Secondary Plan Area, an Official Plan Amendment application is being submitted to redesignate the lands to Residential Recreational Area. This Housing Market Justification Study addresses Policy B3.13.4.b) of the Town's OP by demonstrating there is a "need" for additional apartment supply within the Town.

The PPS, 2024, Recolour Grey and Town OP also identify the need for a full range and mix of housing options. Based on our review of development application data, there is not a sufficient supply of apartment units in the application process to address forecast demand. Existing demographic data for the Town also suggests that there is substantial pent-up demand for apartment units, with as many as 2,945 households considered to be "overhoused". The approval of 603 apartment units on the subject site will help provide a full range and mix of housing options in the Town.

The proposed purpose-built rental apartment units on the subject site will also help the Town achieve many of the Strategic Objectives, including ensuring there is an appropriate supply of housing for development (Objective #1), ensuring a full range of housing opportunities is available (Objective #2) and ensuring a viable amount of rental housing is available in the community (Objective #5)

Additionally, Recolour Grey and the Town OP explicitly mention the need for both seniors and workforce housing within the community. Parcel's analysis has demonstrated that aging individuals tend to "downsize" to smaller units that are more manageable. Consequently, providing apartment units in the Blue Mountains addresses the specific needs of seniors for smaller homes.

The need for workforce housing is further emphasized in the Workforce Housing Study completed in 2018. The Workforce Housing Study identifies that tourism-related workers primarily look to smaller units given a lower median income. Within the existing market, it flags that these workers are facing a shortage of financially accessible housing which is resulting in a labour shortage in the community. To address the shortage, the report recommends a focus on developing purpose-built rental and "entry level housing," which is defined as higher-density smaller sized housing.

The proposed concept plan directly addresses a need to accommodate workforce housing through its tenure and built form.

Alignment with Housing Needs Assessment

Within the Blue Mountains Housing Needs Assessment, there are five gaps identified within the existing housing market:

- Affordable Housing
- Purpose-Built Rentals
- Smaller Units
- Seniors Housing
- Workforce Housing

The concept plan as proposed directly addresses the need for purpose-built rental housing, smaller units, and workforce housing in the Blue Mountains. Given the propensity for seniors to desire smaller units as they downsize, the concept plan also supports goals to better accommodate seniors, even without being a seniors' facility.

Further, throughout the report it is highlighted that singles & semis are the predominant housing type in the Blue Mountains, which are often more expensive due to their larger size. By providing smaller units that are typically less expensive, the concept plan would provide more attainable housing options to residents.

Land Needs

Based on the October 2024 Ontario Population Projections and unit mix assumptions in the GMS, there is forecast demand for an additional 908 apartment units in the Town. This is approximately 290 units more than forecast in the GMS. By comparison, the Town only has 513 units in active development applications. Therefore, there is a "need" for an additional 395 units to accommodate demand to 2046. This increases to a "need" for an additional 558 units by 2051 to accommodate forecast demand.

This "need" is anticipated to be even greater when considering pent-up demand that may exist in the market from (i) "over housed" populations who are desiring smaller units or; (ii) employees who work in Blue Mountain and cannot currently find housing in the Town. The 603 purpose-built rental apartment units proposed for the subject site will address this pent-up demand, as well as forecast growth in the Town.



Parcel

info@parceleconomics.com

416-869-8264

250 University Avenue, #217, Toronto, Ontario, M5H 3E5

