

Appendix 8

Middlesex County Official Plan Amendment
No. 4 Final Report
January 2026



County Council

Meeting Date: January 13, 2026

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Subject: County Official Plan Amendment No. 4

EXECUTIVE SUMMARY:

The purpose of this report is to seek County Council approval and adoption of the proposed County Official Plan Amendment No. 4. Amendment No. 4 addresses changes to provincial policy since the last update of the Official Plan in 2022, clarifies existing County policies where appropriate, updates the Plan to align with the 2025 County Council Strategic Plan, reflects sound land use planning principles, and aligns the County planning framework with provincial objectives related to growth management and population, housing, and employment forecasts. The proposed amendment also supports consistency and coordination between the County and local municipal official plans.

This report represents the conclusion of the County Official Plan Update and provides an overview of the steps undertaken, input received through the Middlesex 2056 engagement process, applicable legislative requirements, and staff analysis across five topic areas: Agriculture, Economy, Growth and Development, Housing, and Additional Considerations. The report concludes with a recommendation to approve Amendment No. 4, subject to any further direction from Council.

BACKGROUND:

The County's Official Plan is a municipal policy document created under the Planning Act that sets out a land use policy vision based on long-term goals and objectives. The Plan provides a policy framework for topics such as resource management, growth management, and the provision of physical services by dealing with issues of Provincial and County interest. The Official Plan recognizes the planning powers and authorities vested in local municipalities and does not set out detailed local policies.

The Plan is Council's primary tool for making land use decisions and managing physical change and provides a way to evaluate and settle conflicting land uses while meeting local, County and Provincial interests. The Planning Act states that no public work shall be undertaken, and no by-law shall be passed, that does not conform to the Official Plan.

The primary subject matter initiatives, undertaken in support of the Official Plan Review, and considered by the County's Planning Advisory Committee (PAC), can be summarized within five themes.

Agriculture – the predominant land use within the County and an important component of the economy and culture. Middlesex County's agricultural lands and agricultural operations are important locally, provincially, and nationally. A review of agricultural issues was undertaken including minimum farm parcel size, surplus dwellings, additional residential units (ARUs), and implementing an agricultural systems approach.

Housing – a complex issue that has important implications for local communities. The County undertook an Attainable Housing Review that examined the housing continuum and identified gaps in the provision of housing and corresponding strategies. The Official Plan update proposes policies that implement the land use recommendations of the Attainable Housing Review, as well as enhancing housing-enabling policies such as housing targets and policies pertaining to ARUs.

Economy – land use planning can help attract workers and entrepreneurs, and contribute to communities that boast a wide range of businesses, including agri-business, to enhance and diversify the local economy. The Official Plan update proposes policies to reflect changed provincial requirements that enhance the protection of employment areas. Additionally, the Official Plan update proposes a framework for the identification by local municipalities of regionally significant employment areas and implements the land use recommendations of the Tourism Toolkit.

Growth & Development – over the next 30 years, it is expected that the County will grow at a faster rate with the population projected to increase to as many as 151,500 people. Managing this growth while protecting agriculture and the natural environment is a key challenge. Updated Population, Housing and Employment Forecasts are included within Amendment No. 4 and are intended to be used by the County and local municipalities to assist in managing growth and development. Growth Forecasts were completed to reflect a 30-year planning horizon, Ministry of Finance Projections, and informed by growth-related data, economic and demographic trends.

Provincial Change – the County Official Plan acts as a 'bridge' between Provincial Policy and local municipal official plans by providing guidance at a level of detail reflective of upper-tier policies. The Ontario government has implemented a new Provincial Planning Statement (PPS) aimed at guiding land use planning and development across the province. The PPS requires that planning authorities keep their Official Plans up to date with it to ensure that they provide clear, reasonable and attainable policies to protect Provincial interests and facilitate suitable development. Amendment No. 4 would bring the County's Official Plan into conformity with the policies of the updated PPS.

Additional Considerations – engagement with Indigenous Communities was undertaken as part of the Official Plan Review and it is proposed to expand upon the

language that was incorporated by way of the last amendment to the County Plan to identify the County's Indigenous partners and expand upon Indigenous consultation. There are minor or technical changes to update wording to reflect changed Provincial or other terminology, as well as updated mapping schedules to reflect newer information and data. Further, Amendment No. 4 incorporates policies that speak to solutions-oriented planning and additional flexibility for local municipalities to rely on the policies of the County Official Plan.

ANALYSIS:

1.0 OFFICIAL PLAN UPDATE PROCESS

The Official Plan Update involved a seven-phase study process.

Phase 1: Project Initiation – at the commencement of the Official Plan Update, Council held a [Special Meeting](#) to discuss the revisions that might be required in accordance with Section 26 of the Planning Act and on January 14, 2025 County Council passed the following resolutions:

THAT the County Official Plan Update – Section 26 Meeting report be received for information;

AND THAT in accordance with Section 26 of the Planning Act, staff be directed to proceed with the Official Plan Update.

THAT staff be directed to include consideration of agriculture parcel size as part of the OPA.

Phase 2: Background Reports and Policy Formulation – a background and policy formulation process was undertaken that included both the completion of reports in support of the Official Plan Review and the incorporation of related work including:

[Attainable Housing Review](#)

THAT the Attainable Housing Review presentation be received for information;

THAT the Attainable Housing Review Interim Final Report be received for information;

AND THAT staff be directed to prepare an Attainable Housing Review Implementation Report.

[Tourism Toolkit](#)

THAT the Tourism Investment Toolkit presentation be received for information.

[Middlesex County Strategic Plan](#)

THAT the Rooted in Community, Growing Toward Tomorrow - Middlesex County Strategic Plan (2025-2030) Report be received for information;

THAT County Council adopt the Rooted in Community, Growing Toward Tomorrow - Middlesex County Strategic Plan (2025-2030), attached as Appendix 'A';

AND THAT County Council approve the Implementation Plan, attached as Appendix 'B' as the initial operational framework to support execution of the Strategic Plan.

[Population, Housing and Employment Projections Report](#) and [Growth Analysis Update](#)

THAT the Population, Housing and Employment Projections report be received for information;

THAT the Growth Analysis Update Middlesex County Final Report dated April 25, 2025, be endorsed as the basis for the projected growth scenarios most likely to occur over the 20- to 30-year planning horizon;

THAT the Medium-High Growth Scenario for Population and Housing, and the Medium Growth Scenario for Employment, be identified as the recommended growth scenarios for long-term planning to the year 2056;

AND THAT the Report be included in the draft amendment to the County Official Plan for the purposes of consultation.

The Middlesex County Planning Advisory Committee held multiple meetings at which detailed information was presented and considered and in some instances the Committee passed motions.

[Planning Advisory Committee Meeting - Monday, February 3, 2025](#)

[Planning Advisory Committee Meeting - Wednesday, March 5, 2025](#)

THAT County Council consider including language in the OP to prohibit the severance of ARUs in rural areas and to address size, reverse ARUs and clustering.

[Planning Advisory Committee Meeting - Thursday, April 24, 2025](#)

[Planning Advisory Committee Meeting - Wednesday, May 14, 2025](#)

[Planning Advisory Committee Meeting - Wednesday, June 26, 2025](#)

THAT County Council maintain the existing policy framework and minimum agricultural lot size of about 40 hectares (100 ac).

Phase 3: Middlesex 2056 Engagement – the Public Engagement phase ('Middlesex 2056') included updated web content, undertaking of social and traditional media messaging, outreach to commenting agencies, collaboration with local municipalities, Indigenous Community outreach, a community survey, the holding of interest holder workshops, Open Houses, and a Public Meeting.

Non-statutory Open House – May 20th, 2025

Statutory Open House – November 25th, 2025

Statutory Public Meeting – December 9th, 2025

Phase 4: Draft Official Plan Amendment Refinement – in addition to consultation undertaken on specific topic areas, a Draft Working Copy Official Plan Amendment and a Consultation Official Plan Amendment were completed for interest holder, agency and public review. Policies were further revised based upon the comments received. In accordance with the Planning Act, the proposed Official Plan was circulated to the Ministry of Municipal Affairs and Housing for a 90-day review period. Ministry comments have been considered and incorporated into the proposed amendment where appropriate.

Phase 5: Finalize Official Plan Amendment – a finalized Proposed Official Plan Amendment and accompanying report has drafted based on the background reports and input received.

Phase 6: County Council to Consider and Adopt Official Plan Amendment – subject to County Council direction, a final Official Plan Amendment is to be considered for adoption.

Phase 7: Approval of Official Plan by Ministry of Municipal Affairs and Housing – should County Council adopt the Official Plan Amendment; it will be submitted to the Ministry in accordance with the Planning Act. Ultimately the Minister of Municipal Affairs and Housing must approve Amendment No. 4.

2.0 OFFICIAL PLAN UPDATE TOPICS

The primary subject matter initiatives undertaken in support of the Official Plan Update, and considered by the County's PAC, can be summarized within five key themes: Agriculture, Economy, Growth and Development, Housing, and Additional Considerations.

2.1 Agriculture

2.1.1 Overview

- **Agriculture is the predominant land use within the County and an important component of the economy and culture.**

- A review of agricultural issues was undertaken, and considerable input was received through Middlesex 2056 Engagement and discussion by the PAC.
- Proposed changes would address ARUs in prime agricultural areas, implementing an agricultural systems approach, surplus dwellings, inadvertent lot mergers, and policies to support farm related businesses.
- The proposed changes have been refined through Middlesex 2056 Engagement feedback and comments received at the Public Open House and Public Meeting.

2.1.2 Analysis

Agriculture is the predominant land use within the County and an important component of the economy and culture. The topic of agriculture was discussed in depth by the PAC and remained a central theme throughout the Middlesex 2056 engagement process. PAC members emphasized the importance of the protection of prime agricultural lands, supporting the long-term viability of the agricultural land base, and recognizing agriculture as a keystone of the County's identity. PAC discussions explored balancing growth and farmland protection, including how land use policies can minimize potential impacts on agricultural operations, minimum farm parcel size and ARUs in prime agricultural areas.

ARUs in Prime Agricultural Areas – Additional Residential Units in prime agricultural areas were a key policy addition in the PPS; reflecting the desire to support farm families, intergenerational living arrangements, and on-farm labour needs, while minimizing farmland fragmentation, land use conflicts, and impacts on surrounding agricultural operations. The Official Plan currently provides high level policy direction that permits the establishment of ARUs in the Agricultural Area but through the Middlesex 2056 engagement and PAC deliberation, it was determined that refinements to these policies would be necessary. The PAC passed the following motion:

“THAT County Council consider including language in the OP to prohibit the severance of ARUs in rural areas and to address size, reverse ARUs and clustering.”

After considering all input received, it was concluded that appropriate siting, servicing, size, and compatibility measures are needed to protect the agricultural land base and to ensure that the introduction of ARUs does not lead to the incremental loss of farmland or create undue impacts on existing livestock operations.

With respect to reverse ARUs, where an existing residence is converted to an ARU through the construction of a new dwelling, a balanced approach is proposed. This would permit a landowner with an existing dwelling of a ground floor area of 1,500 sq ft (140 m²) or less, to construct a new dwelling, provided that its' gross floor area does not exceed 200 percent of the ground floor area of the existing dwelling, which would then be converted to an ARU. The proposed policies reflect an approach that staff believe is appropriate to Middlesex County, while achieving sound land use planning objectives.

Minimum Farm Parcel Size – A key component of maintaining the agricultural land base is the general discouragement of agricultural lot creation to avoid the unwarranted fragmentation of agricultural land and to ensure that viable agricultural parcels are available to support current and future farming practices.

The PPS only permits lot creation in prime agricultural areas for agricultural uses provided that the lots are of a size appropriate for the type of agricultural uses common in the area and are sufficiently large to maintain flexibility for future changes in the type or size of agricultural operations.

The Official Plan currently limits the creation of new farm parcels to 'about 40 hectares' (100 acres) in size for both the severed and retained parcels, but also provides a qualifier policy for local municipalities:

"A different minimum farm parcel size for local municipalities may be considered through an amendment to the County Official Plan provided that a study is carried out by the local municipality with the guidance and assistance of the Province, to demonstrate that the different farm parcel size is appropriate for the type of agricultural uses common in the local area, yet is sufficiently large enough to maintain flexibility for future changes to the type or size of agricultural operations."

On January 14, 2025 County Council passed the following resolution:

THAT staff be directed to include consideration of agriculture parcel size as part of the OPA.

It is argued that farming practices are supported by larger farm parcels are: operationally more efficient (tile drainage, large farm equipment, etc), the most fiscally viable option for crop production, maintain greater flexibility, more suitable for livestock, less expensive on a per-hectare basis, and less likely to face non-farmer ownership competition.

In contrast, it is argued that smaller farm parcels are: less expensive to purchase, support young farmers, support specialty farm operations, support local food initiatives, and support value added agriculture.

The County retained Stovel and Associates to review the findings of the Agricultural Parcel Size Analysis completed as part of the 2021 Official Plan Review. The purpose of the review was to assess whether circumstances had changed since 2021 and to support direct engagement with the PAC.

Stovel and Associates advised that the County continues to exhibit a diverse and healthy agricultural system, supported by high quality soils and a favourable climate that enable a wide range of crop production. All arable land is actively cultivated, and parcel size is not considered a barrier to either cash crop or livestock farming. Variations in farm parcel sizes are largely the result of historic and current agricultural practices, as well as

fragmenting features such as railways, highways, and rivers in certain areas. Average parcel sizes are also influenced by the presence of smaller, often non-farm parcels.

The County includes a broad range of farm sizes, with all arable parcels cultivated regardless of size, and operational efficiency is generally related to field size, with larger parcels offering greater flexibility. Based on this analysis, a minimum parcel size of 38 hectares (94 acres) is considered sufficient to provide opportunities for the establishment of new livestock operations.

The PAC considered this matter at length and passed the following motion:

“THAT County Council maintain the existing policy framework and minimum agricultural lot size of about 40 hectares (100 ac).”

Agricultural Systems Approach - An Agricultural System can generally be defined as *“..a group of inter-connected elements that collectively create a viable, thriving agricultural sector. It has two components:*

1. *An agricultural land base comprised of prime agricultural areas, including specialty crop areas, and rural lands that together create a continuous productive land base for agriculture;*
2. *An agri-food network which includes infrastructure, services and assets important to the viability of the agri-food sector.”*

An Agricultural System approach is intended to support proactive planning for agriculture and rural economic development based on reliable mapping, data, and analytical tools, while enhancing the long-term viability of agriculture and supporting continued growth of the agri-food sector. The approach also seeks to strengthen the protection of the agricultural land base, increase consistency and certainty in land use planning across municipalities, and reinforce the functional relationships between agricultural lands, natural heritage features, and water systems in accordance with provincial policy.

In the absence of agricultural system implementation guideline documents from the province, the proposed Amendment No. 4 incorporates policy direction that emphasizes the importance of the agricultural land base and other agri-supportive services and assets, promotes compatibility between agricultural operations and non-farm uses and requires the use of Agricultural Impact Assessments for non-farm proposals in proximity to existing agricultural operations.

Surplus Farm Dwellings - To protect agricultural land for long-term agricultural use and to avoid land use conflicts, new residential lots are prohibited within the agricultural area with the single exception of surplus farm dwellings. As farm operations have increased in size to often include several parcels, the intent of policy is to facilitate the severance of farm dwellings where they are not needed for an expanding farming operation.

While this type of lot creation has been permitted in the PPS and County Official Plan for several years, the policies of the PPS were refined to qualify that one new residential lot

per farm consolidation for a residence surplus to a farming operation is permitted, subject to criteria. Amendment No. 4 would update the surplus farm dwelling policies to be consistent with updated provincial policy.

Inadvertent Merger – the Planning Act controls the division of land and through the technical application of the Act can lead to situations where abutting properties that were separately conveyable properties merge as a result of being in the exact same name / ownership. The Planning Act has been changed to deal with the inadvertent merger as a result of the death of a spouse but does not address other cases of merger. Based on discussion and input of the PAC, Amendment No. 4 would include a general policy to allow a local municipality to consider the correction of an inadvertent lot merger, subject to criteria.

2.2 Growth and Development

2.2.1 Overview

- **Across the County, development activity has stabilized but remains higher than historical averages.**
- **The PPS removes the need for a Municipal Comprehensive Review to expand settlement areas, requires municipalities to plan for a minimum 20-year but not more than 30-year horizon, and requires municipalities to base growth forecasts on the Ministry of Finance Projections.**
- **The proposed changes would incorporate a policy framework to review privately initiated requests to expand settlement area boundaries based on PPS requirements and feedback received through the Middlesex 2056 engagement process.**
- **The proposed changes provide population, housing and employment projections to 2056, based on the Ministry of Finance projections.**

2.2.2 Analysis

Settlement Area Boundary Expansions - Recent changes to the Planning Act and PPS have removed the requirement for a Municipal Comprehensive Review (MCR) to expand settlement areas and now permit privately initiated applications for boundary expansions, which applicants can also appeal to the Ontario Land Tribunal. The removal of the MCR process may lead to uncoordinated development, loss of agricultural land, and the loss of municipally led long-term growth planning. Given the acceleration in development across all planning application types in the County, as well as increasing complexity of planning applications and development pressures generally, Amendment No. 4 would provide an evaluation framework to uphold long-term planning objectives.

The proposed evaluation framework builds upon the settlement expansion policies of the PPS. Amendment No. 4 would apply this framework by setting out an evaluation approach that assesses the need for additional lands, confirms that sufficient capacity exists within existing and planned infrastructure to support development, and ensures that agricultural considerations are appropriately addressed.

Consistent with the PPS, Amendment No. 4 would require the evaluation of alternative locations to avoid prime agricultural areas, with any unavoidable development directed to lower-priority agricultural lands. It would also require compliance with the minimum distance separation formulae to reduce the potential for conflicts with agricultural operations. Where agricultural lands may be affected, Amendment No. 4 would require an agricultural impact assessment or equivalent analysis to ensure that potential impacts on the agricultural system are minimized or mitigated.

Finally, Amendment No. 4 would reflect PPS direction by requiring that any new or expanded settlement area be planned to support the phased and orderly progression of development, aligned with available infrastructure and long-term sustainability objectives.

Based on feedback through Middlesex 2056 and input from the PAC, Amendment No. 4 would build on the PPS criteria with additional requirements including logical integration with local servicing master plans, the financial viability of expanding infrastructure; regard for intensification and redevelopment targets; an options analysis to determine how best to accommodate future development; and that the new or expanded settlement area serves as a continuous and logical expansion to the existing built-up area.

Population, Housing and Employment Projections – Population, Housing, and Employment Projections are included within the County's Official Plan and are intended to be used by the County and local municipalities to assist in managing growth and development. The County's Projections were last updated in 2021.

The 2021 projections were completed based upon local growth assumptions for a 25-year planning horizon, as was required by the Provincial Policy Statement in place at that time, whereas the Provincial Planning Statement now provides for a 20 to 30-year planning horizon and requires that municipalities base projections on the Ministry of Finance Population Projections. The projections have therefore been updated to reflect up to a 30-year planning horizon, the Fall 2024 Ministry of Finance projections, the most recent Census data, the development that is occurring within the County as best can be captured, and the passing of time. To support this work, Watson & Associates Economists (Watson) were engaged to complete updated projections.

Watson used base data from the Ministry of Finance (MoF), which provides long-term forecasts by age cohort at the census division level, which for Middlesex County includes the City of London. As a result, the data must be disaggregated to separate Middlesex County from London, using local demographic trends and building activity. Watson then applied a cohort-survival model that accounts for births, deaths, and net migration over time. To further refine the projections, they incorporate localized inputs such as housing trends, historical growth patterns, regional economic drivers, and local planning policy.

Over the past five years, the London-Middlesex Area's annual population growth rate, in accordance with the MoF projections, has increased from 1.3% to 1.8%. By 2051, the population of the London-Middlesex Area is forecast to reach approximately 883,100

people. The MoF projections also illustrate population growth trends for the London-Middlesex Area to 2051, as well as the County's share of the total population within the broader London-Middlesex Area over this period.

Figure 4-6
Ministry of Finance Population Forecasts for London-Middlesex Area (Census Division), 2001 to 2051

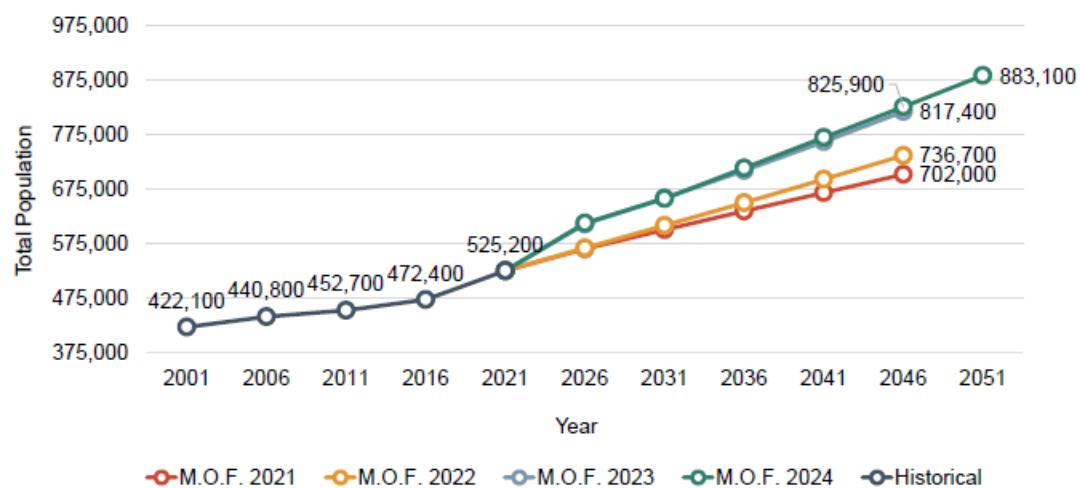
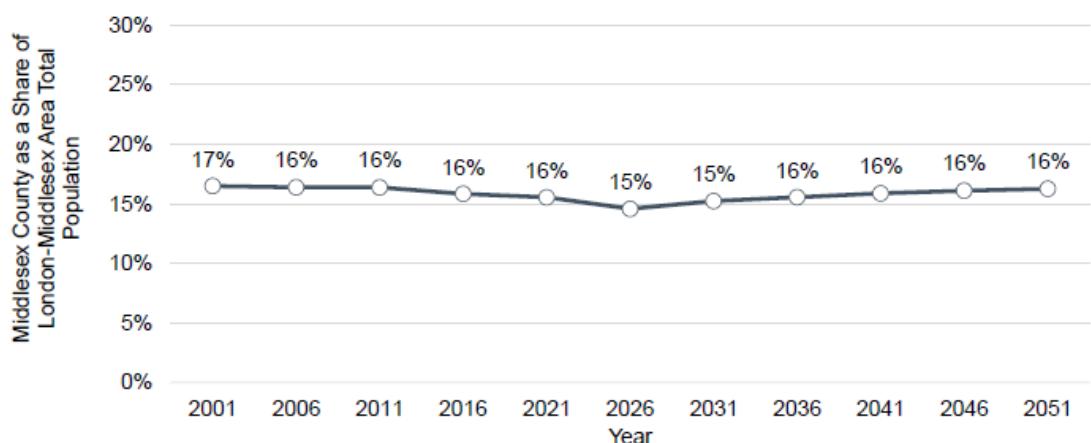


Figure 4-7
Middlesex County
Share of London-Middlesex Population, Reference Scenario, 2001 to 2051



Four population growth scenarios (Low, Medium, Medium-High and High) were completed specific to Middlesex County without the City of London. Each of the population growth scenarios indicate that the long-term population growth outlook for Middlesex will be strong relative to growth trends the County has experienced over the past two decades even accounting for recent increased development activity.

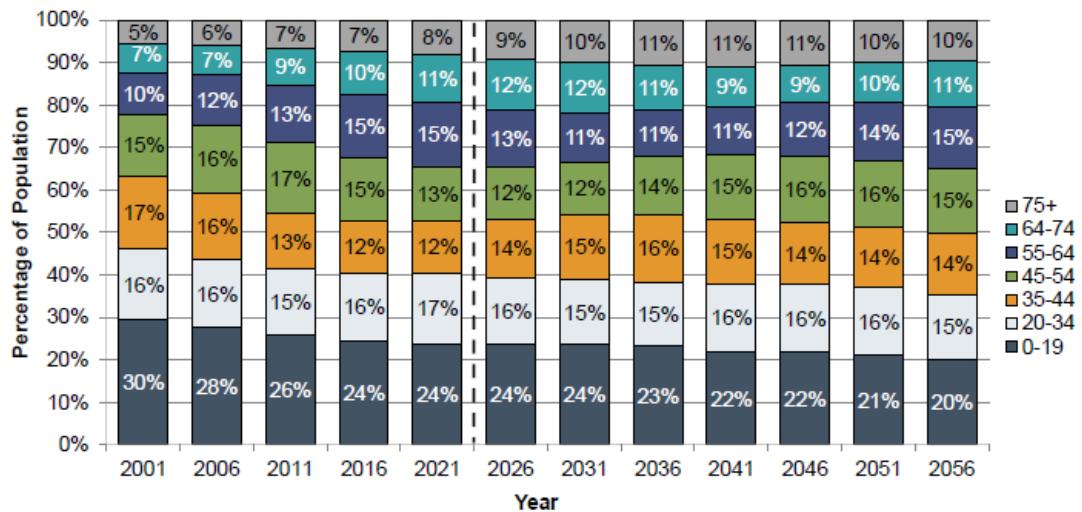
The updated 2024 population projections for Middlesex County reflect a notable upward revision from the 2021 forecasts, both in terms of growth rates and overall population

levels. The 2024 Medium-High Growth Scenario, based on the Fall 2024 MoF projections, presents a more accelerated forecast. Under this scenario, the County's population is expected to reach 151,500 by 2056, with an average annual growth rate of 1.8%.

Figure 5-1
Middlesex County
Population Forecast by Area Municipality, 2021 to 2056

Year	Township of Adelaide-Metcalfe	Township of Lucan Biddulph	Municipality of Middlesex Centre	Village of Newbury	Municipality of North Middlesex	Municipality of Southwest Middlesex	Municipality of Strathroy-Caradoc	Municipality of Thames Centre	Middlesex County
2001	3,300	4,400	14,900	400	7,200	6,400	20,000	13,000	69,700
2006	3,300	4,400	16,300	500	7,000	6,200	20,900	13,700	72,200
2011	3,200	4,500	17,200	500	7,000	6,100	21,900	13,600	74,000
2016	3,100	4,900	18,000	500	6,600	6,000	21,800	13,800	74,800
2021	3,100	5,900	19,800	500	6,600	6,200	25,000	14,600	81,700
2036	3,600	8,700	30,100	600	7,600	6,900	34,400	19,200	111,100
2046	4,200	9,900	37,500	700	8,500	7,600	41,200	23,400	133,100
2056	4,700	10,900	43,400	800	9,300	8,200	47,300	27,000	151,500
Total Population Growth									
2001 to 2021	-200	1,500	4,900	100	-600	-200	5,000	1,600	12,000
2021 to 2036	500	2,800	10,300	100	1,000	700	9,400	4,600	29,400
2021 to 2046	1,100	4,000	17,700	200	1,900	1,400	16,200	8,800	51,400
2021 to 2056	1,600	5,000	23,600	300	2,700	2,000	22,300	12,400	69,800
Annual Population Growth Rate									
2001 to 2021	-0.2%	1.5%	1.4%	0.2%	-0.4%	-0.2%	1.1%	0.6%	0.8%
2021 to 2036	0.9%	2.6%	2.8%	2.1%	0.9%	0.7%	2.2%	1.8%	2.1%
2021 to 2046	1.2%	2.1%	2.6%	1.9%	1.0%	0.8%	2.0%	1.9%	2.0%
2021 to 2056	1.1%	1.7%	2.3%	1.7%	1.0%	0.8%	1.8%	1.8%	1.8%

Figure 4-9
Middlesex County
Population by Age Group, 2001 to 2056



Consistent with broader provincial trends, the population of Middlesex County is aging, which is reflected in a steadily increasing median age. This trend is primarily attributed to the aging of the Baby Boomer generation. Within Middlesex County, the proportion of residents aged 55 and older increased from 22% in 2001 to 35% in 2021. Forecast trends in population age structure provide insights into future housing needs based on anticipated average household occupancy. Over the long-term planning horizon, the estimated Persons Per Unit (PPU) levels for the County are forecast to continue to decline to 2.61 by 2056.

Watson presented their findings to the PAC on May 14th, 2025 and a report was presented to County Council on June 24th, 2025.

[Population, Housing and Employment Projections Report](#) and [Growth Analysis Update](#)

THAT the Population, Housing and Employment Projections report be received for information;

THAT the Growth Analysis Update Middlesex County Final Report dated April 25, 2025, be endorsed as the basis for the projected growth scenarios most likely to occur over the 20- to 30-year planning horizon;

THAT the Medium-High Growth Scenario for Population and Housing, and the Medium Growth Scenario for Employment, be identified as the recommended growth scenarios for long-term planning to the year 2056;

AND THAT the Report be included in the draft amendment to the County Official Plan for the purposes of consultation.

When considering population projections, it's important to understand their limitations. Projections rely on past population trends, which can be accurate for large populations but are less reliable for smaller ones. Projections are based on assumptions that can be affected by external factors like declining birth rates, changes in migration and immigration, population aging, life expectancy, and shifts in commuting patterns. These factors are often influenced at a societal level and are difficult to control at the municipal level. The future population is largely shaped by the current population, so even major changes are often tempered by existing trends.

The inclusion of multiple growth scenarios allows the County to account for uncertainty related to migration, immigration, housing demand, and economic conditions, and to plan more effectively under a range of possible future outcomes. However, given current data and provincial policy direction, the Medium-High Growth Scenario is considered the most likely to occur.

2.3 Housing

2.3.1 Overview

- **Housing is a complex issue that has important implications for local communities, and the County is projected to see an annual housing growth rate of 2.0% to 2056, representing approximately 850 new housing units per year.**
- **The County undertook an Attainable Housing Review, which examined the Housing Continuum to identify gaps in the provision of housing and corresponding strategies for attainable housing with an emphasis on factors that can be locally influenced.**

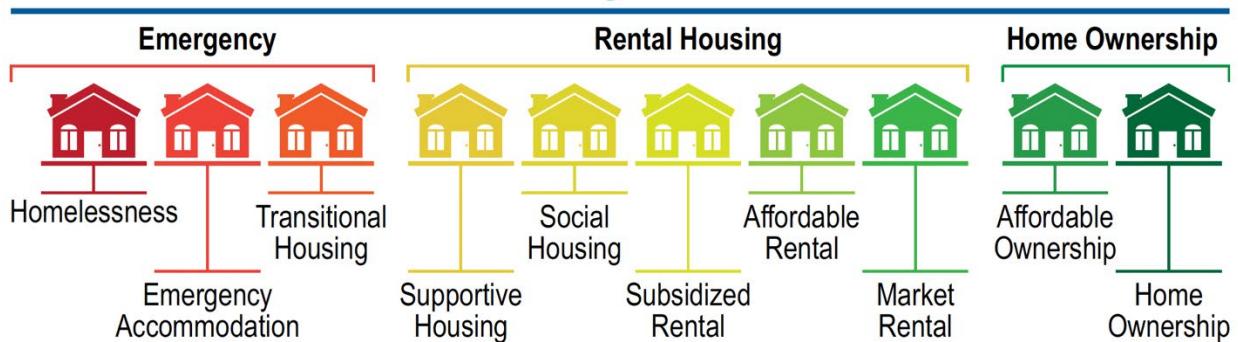
- The Attainable Housing Review provides land use recommendations, many of which are proposed to be included in this Official Plan Amendment.
- The proposed changes include expanded language and updated definitions, new housing targets, and amended direction pertaining to Additional Residential Units that would reflect updated provincial direction.
- Housing was identified as a key issue throughout the Middlesex 2056 engagement process and staff refined the policies largely based on feedback from previous iterations of the draft Official Plan Amendment.

2.3.2 Analysis

While residential development has stabilized across the County in recent years, it continues to occur at a much higher rate when compared to the past. This, coupled with other external factors, has contributed to increasingly pressing issues pertaining to housing affordability and attainability. Both housing purchase prices and rental costs have increased to rates that are both unaffordable and unattainable when compared to average income levels. Access to a range of housing forms, including attainable, affordable and accessible housing, is a priority within the County.

Official Plan policies influence the provision of housing including through direction concerning the development / redevelopment of a range of housing options, varying in form, type and location. Housing policies tend to focus on infilling and intensification, brownfield redevelopment, secondary suites, minimum / maximum density targets, and to encourage alternative (to single detached dwellings) built forms including townhouses, rowhouses, garden suites, apartments, tiny homes, ARUs, etc.

The Housing Continuum



The County retained Vink Consulting to undertake an 'Attainable Housing Review' that examined the Housing Continuum, from Emergency Shelter, Short-Term Supportive Housing, Long-Term Supportive Housing, Subsidized Rental Housing, Rental Housing, to Ownership Housing. The review identified gaps in the provision of housing and developed a corresponding municipal strategy. The project made recommendations to support both market and non-market housing that meets the needs of current and future residents, many of which had land use planning implications. The housing-related material was considered at a meeting of the PAC, and the committee was generally

supportive of the proposed policies. Much of the housing-related discussion focused on ARUs in the agricultural area.

The County Official Plan addresses housing primarily within Section 2.3.7 and directs local municipalities to create policies that encourage a range of housing types, housing densities and housing options. The current Official Plan sets a 20% affordability target and requires that 15% of all development occurs by way of intensification and redevelopment and that this occurs primarily within Settlement Areas where an appropriate level of servicing is available. Amendment No. 4 would make changes based on the recommendations of the Attainable Housing Review and updated provincial policy, as well as incorporate new or amended definitions as they relate to housing.

More specifically, Amendment No. 4 would establish the following aspirational targets:

- 10 percent of new housing units be Affordable Rental Housing
- 15 percent of new housing units be Affordable and Attainable Ownership Housing
- 10 percent of new housing units be purpose-built rental units
- 25 percent of new housing units be in the form of multiple units or apartment dwellings.

In terms of tracking and monitoring the above, the Official Plan would provide that the County will, in collaboration with the local municipalities, monitor the supply, range, and affordability of housing within the County to assess progress toward achieving the housing targets established in this Plan.

Additional Residential Units - Since 2018, the province has amended the Planning Act several times with a stated aim of increasing housing supply and affordability. Through Bill 23, the province introduced as-of-right permissions for ARUs on a parcel of urban residential land containing a single detached, semi-detached or rowhouse (townhouse). A parcel of urban residential land means a parcel of land that is within an area of settlement in which residential uses, other than ancillary residential uses, are permitted by by-law and that is fully serviced by municipal water and wastewater. The Planning Act defines an ARU as a second and third residential unit in addition to a primary residential unit, for a total of three (3) units, on a residential lot containing a detached house, semi-detached house or rowhouse.

The County Official Plan currently contains general policies that speak to ARUs however Amendment No. 4 would separate ARU policies based upon location, either in a settlement area or in the agricultural area and proposes limited change to the existing policies that speak to ARUs in settlement areas. It is noted that Amendment No. 4 would remove the three unit cap, which is intended to facilitate local municipalities allowing for up to four units.

2.4 Economy

2.4.1 Overview

- **Integrating Planning and Economic Development ensures that land use decisions align with local economic goals.**

- The previous update of the Official Plan included several policy changes including support for agriculture-related, agri-tourism, on-farm diversified uses and Rural Employment Areas.
- Economic Development and Planning undertook a Tourism Investment Toolkit, which included land use planning recommendations.
- The Planning Act and Provincial Planning Statement were amended to incorporate new direction as it relates to Employment Areas and Amendment No. 4 proposes to incorporate these changes and introduces the concept of Regionally Significant Employment Areas.

2.4.2 Analysis

Employment Areas – Employment areas support long-term economic prosperity by providing for a range of industrial, manufacturing, warehousing and related uses that contribute to job creation. The Planning Act and PPS have been amended in recent years as it relates to employment areas with key changes including a more scoped definition that focuses on traditional ‘heavier’ industrial type uses, the introduction of a 300-metre buffer zone between employment areas and sensitive land uses, and relaxing the policies for employment land conversions.

The PPS provides that municipalities are required to promote economic development and competitiveness by ensuring an appropriate mix and range of employment, institutional, and broader mixed uses to meet long-term needs. This includes providing opportunities for a diversified economic base, maintaining a variety of suitable sites for employment uses that support a broad spectrum of economic activities and ancillary uses, and considering the needs of both existing and future businesses.

Municipalities must also identify strategic sites for investment, monitor the availability and suitability of employment sites, including market-ready options, and work to remove any potential barriers to investment. Encouraging the intensification of employment uses and supporting compatible, compact, mixed-use development is essential to achieving complete communities. Additionally, municipalities must address land use compatibility near employment areas by providing appropriate transitions to sensitive land uses.

The previous update to the County Plan introduced a suite of changes to the economic development policies largely based on the Economic Development Strategy. While limited changes are proposed to amend those policies, Amendment No. 4 would introduce a new subsection that identifies the types of uses permitted, provides for a 300-metre barrier and generally supports land use compatibility between employment uses and sensitive uses.

Regionally Significant Employment Areas – In addition to the PPS directed employment areas policies, Amendment No. 4 would introduce policies that provide a framework for the establishment of Regionally Significant Employment Areas by local municipalities. Regionally Significant Employment Areas are large, fully serviced land tracts designed to attract large-scale industries with regional benefits. These areas

support clusters of business and economic activities, ranging from manufacturing to knowledge-based sectors. Municipalities, in consultation with the County, would lead the identification and establishment of these areas. The process includes considering location criteria like transportation infrastructure, availability of municipal services, land use compatibility, and minimizing impacts on agricultural lands.

CBRE Tourism Investment Toolkit – The toolkit included an inventory of existing tourism assets in Middlesex County, along with an analysis to identify products and experiences that could best benefit and support the region. It also assessed potential sites for new tourism investment and outlined actions related to land use planning that supported tourism operators and investors. Additionally, the report provided a summary of best practices and case studies on successful tourism business development and expansion in Ontario. Finally, it identified any inconsistencies between Middlesex County's tourism development goals and the current planning policies and regulations.

While many of the recommendations of the toolkit are more appropriately implemented in local planning documents, Amendment No. 4 would introduce the definition of agri-tourism, which includes farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm operation. Further, Amendment No. 4 encourages the development of agri-tourism uses in accordance with provincial guidelines. On-farm diversified uses, agri-tourism and agriculture-related uses were discussed in depth by the PAC and remained a central theme throughout the Middlesex 2056 engagement process. As such, the policies as proposed are generally reflective of PAC and public feedback.

2.5 Additional Considerations

Indigenous Policies – Staff, along with the Warden, engaged in discussions with Indigenous communities that expressed interest in participating and continued to foster dialogue throughout the development of subsequent OPA drafts. Amendment No. 4 would introduce enhanced Indigenous consultation and engagement policies for all planning applications. Additionally, the policies now provide clearer direction for proponents of settlement area boundary expansion applications. Amendment No. 4 would also replace the term "interest holder" with "proponent" to align with current best practices.

Solutions-Oriented Planning Approach – Amendment No. 4 would include a policy that speaks to solutions-oriented planning approach. This policy emphasizes a flexible, solutions-oriented approach to interpreting and implementing planning policies, particularly for proposals that may not fit within the existing framework. Guided by the Provincial Planning Statement, the approach ensures that decisions are made in the public interest, align with policy objectives, and are responsive to the local context. It prioritizes transparency, procedural fairness, and early identification of issues, while also considering various process options. Meaningful engagement with interest holders is a key component. The goal is to balance innovation and responsiveness with the principles of sound planning and regulatory integrity.

County Strategic Plan – through a County Council led strategic planning process, strategic priorities that include goals, objectives, and outcome-based performance measures were developed and incorporated into the County Strategic Plan. These components collectively provide the foundation for decision-making, guide resource allocation, and help ensure that all efforts are aligned with the County's long-term vision and values.

In short, the strategic priorities established in the Middlesex County Strategic Plan as they pertain to land use planning emphasize the following goals: enhance overall economic well-being and community prosperity by fostering a sustainable and thriving local economy, strengthen collaboration with local municipalities and regional partners to improve economic efficiency, enhance service delivery, and support regional development in alignment with community priorities, expand and upgrade critical infrastructure to enhance resilience, efficiency, and accessibility while prioritizing sustainability and long-term cost-effectiveness, and modernize the County's administrative capabilities to strengthen decision-making, improve service delivery, and achieve better community outcomes.

3.0 MIDDLESEX 2056 CONSULTATION AND ENGAGEMENT

Consulting with people who live, work, or volunteer in the County was an important part of the Official Plan update – a campaign called 'Middlesex 2056'. The purpose of Middlesex 2056 was to engage interest holders and the broader public in meaningful conversations regarding how the County should plan to accommodate projected growth.

Four primary topic areas - Agriculture, Economy, Growth and Development, and Housing - formed the foundation for dialogue. Throughout the policy formulation process, meaningful two-way engagement was prioritized. Early and ongoing consultation allowed interest holders not only to comment on draft proposals, but to shape their direction.

The [Middlesex 2056 Engagement Summary Report](#) documents public and interest holder input undertaken to support the update of the Middlesex County Official Plan. Engagement activities included public open houses, focus groups, and a community survey involving residents, municipal representatives, agricultural interest holders, and the development and business community. The input was synthesized to identify key themes and priorities to inform the refreshed Official Plan.

A consistent theme across all engagement activities was the need to expand and diversify the County's housing supply. Participants identified housing affordability, limited infrastructure capacity, restrictive zoning, and processes as key barriers. There was strong support for a wider range of housing types, including smaller and more affordable units, additional residential units, and housing that supports aging in place. Feedback emphasized directing housing growth within existing settlement areas through intensification, infill, and redevelopment to balance housing needs with the protection of agricultural lands.

Protecting farmland and supporting agricultural viability was identified as a priority. Interest holders emphasized the importance of directing growth inward, limiting encroachment on prime agricultural lands, and supporting farm operations through policies that enable on-farm housing (ARUs), diversified agricultural uses, and improved farm succession planning. The need for coordinated settlement boundary expansion processes, improved rural infrastructure, and the integration of environmental sustainability and climate resilience was also highlighted.

Economic development and growth management emerged as complementary priorities. Input supported a more focused strategy that builds on the County's strengths in agriculture, agri-business, advanced manufacturing, and emerging sectors. Participants called for streamlined processes, more flexible land use policies, and stronger regional partnerships to support investment and job creation. Settlement area expansions were consistently identified as requiring careful evaluation based on infrastructure capacity, fiscal sustainability, affordability, and meaningful community engagement.

Through the Middlesex 2056 engagement process, input was received from a highly engaged developer suggesting that the Watson forecasts underestimate future growth and offering an alternative forecast. Although a full comparison of the approaches is beyond the scope of this report, staff continue to recommend the Watson forecasts and note several key differences.

The alternative forecasts assign a much larger share of Census Division growth to the County compared to the City of London, assume smaller household sizes and a housing mix focused on single detached dwellings, and reallocate growth among local municipalities. These assumptions do not reflect current development patterns, demographic trends, or municipal policy direction. The Watson projections were included in the draft OPA circulated to MMAH, and no comments were received.

4.0 LEGISLATIVE REQUIREMENTS

The Planning Act requires that certain matters be addressed by County Council in the resolution to adopt Amendment No. 4. Section 26(5) requires that Council have regard for all submissions. Section 26(7) requires that Council declare that an official plan amendment does not conflict with provincial plans (however it is noted that there are no Provincial Plans that apply to Middlesex County), has regard to matters of Provincial interest listed in Section 2 of the Planning Act, and is consistent with the Provincial Planning Statement.

The Planning Act sets out matters of Provincial interest:

- (a) the protection of ecological systems, including natural areas, features and functions;
- (b) the protection of the agricultural resources of the Province;

- (c) the conservation and management of natural resources and the mineral resource base;
- (d) the conservation of features of significant architectural, cultural, historical, archaeological or scientific interest;
- (e) the supply, efficient use and conservation of energy and water;
- (f) the adequate provision and efficient use of communication, transportation, sewage and water services and waste management systems;
- (g) the minimization of waste;
- (h) the orderly development of safe and healthy communities;
- (h.1) the accessibility for persons with disabilities to all facilities, services and matters to which this Act applies;
- (i) the adequate provision and distribution of educational, health, social, cultural and recreational facilities;
- (j) the adequate provision of a full range of housing, including affordable housing;
- (k) the adequate provision of employment opportunities;
- (l) the protection of the financial and economic well-being of the Province and its municipalities;
- (m) the co-ordination of planning activities of public bodies;
- (n) the resolution of planning conflicts involving public and private interests;
- (o) the protection of public health and safety;
- (p) the appropriate location of growth and development;
- (q) the promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians;
- (r) the promotion of built form that,
 - (i) is well-designed,
 - (ii) encourages a sense of place, and
 - (iii) provides for public spaces that are of high quality, safe, accessible, attractive and vibrant;

(s) the mitigation of greenhouse gas emissions and adaptation to a changing climate.

FINANCIAL IMPLICATIONS:

The approval of development and the accompanied community growth has indirect long-term financial implications for the County, local municipalities, and partners. The Planning Act states that no public work shall be undertaken, and no by-law shall be passed that does not conform to the official plan.

ALIGNMENT WITH STRATEGIC FOCUS:

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Focus	Goals	Objectives
Economic Development 	Enhance overall economic well-being and community prosperity by fostering a sustainable and thriving local economy	<ul style="list-style-type: none">• Develop and implement an Economic Development approach for the County, focusing on key priorities, actions, and areas of growth while providing strong support for small businesses and entrepreneurs, including agriculture-related businesses.• Work towards providing access to ready-to-build land with the infrastructure and services needed to create jobs and grow the local economy.• Advance the County's planning framework that balances diverse land uses while protecting farmland and natural environment.
Collaboration & Partnerships 	Strengthen collaboration with local municipalities and regional partners to improve economic efficiency, enhance service delivery, and support regional development in alignment with community priorities	<ul style="list-style-type: none">• Optimize service delivery through inter-municipal collaboration and shared services to improve efficiency and seamless operations.• Build and enhance relationships with municipal, regional, First Nations, community, and private sector partners to align priorities, share resources, and implement joint initiatives that improve community well-being and economic growth.• Improve communication and transparency through open engagement, accessible information, and informed decision-making.

Strategic Focus	Goals	Objectives
Adaptability and Agility 	Modernize the County's administrative capabilities to strengthen decision-making, improve service delivery, and achieve better community outcomes	<ul style="list-style-type: none"> Transform, modernize and continuously improve administrative systems and processes to increase efficiency and enhance the experience of residents and partners. Strengthen internal administrative capabilities to ensure key support services have the necessary resources to meet community needs and support organizational growth.

RECOMMENDATION:

WHEREAS subsection 17(22) of the *Planning Act*, R.S.O. 1990, Chapter P. 13, as amended (*Planning Act*), states that when the requirements of subsections 17(15) and 17(21) of the Act, as appropriate, have been met, and a Council is satisfied that an official plan is suitable for adoption, that Council may by by-law adopt all or part of the said plan, and submit it for approval to the Minister of Municipal Affairs and Housing;

AND WHEREAS subsection 26(7) of the *Planning Act*, provides that each time a Council revises its official plan, Council shall, by resolution, declare to the approval authority that the official plan meets the requirements of clauses 26(1)(a)(b) and (c) of the Act.

NOW THEREFORE BE IT RESOLVED

THAT Official Plan Amendment No. 4 does not conflict with any Provincial plans, has regard to matters of Provincial interest as listed in section 2 of the *Planning Act* and is consistent with the Provincial Planning Statement;

AND THAT all statutory requirements for the preparation and adoption of an official plan amendment have been met.

RECOMMENDATION:

THAT the County Official Plan Amendment No. 4 Report be received for information;

AND THAT the by-law necessary to adopt Official Plan Amendment No. 4 be introduced at the January 13, 2026 meeting of Council.