

BACKGROUND REPORT & RECOMMENDATIONS OFFICIAL PLAN FIVE-YEAR UPDATE

June 2022



Prepared for

Municipality of Southwest Middlesex
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Official Plan Review – Background Report & Recommendations

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1. INTRODUCTION

1.1 Purpose

Monteith Brown Planning Consultants (“MBPC”) has been retained by the County of Middlesex to undertake a Five-Year Update to the Southwest Middlesex Official Plan. The current Municipality of Southwest Middlesex Official Plan was adopted on December 19, 2007 and approved by the County of Middlesex on December 8, 2008. Since the previous Five-Year Review has taken place, only one application to amend the Official Plan was filed and approved, which is an indication that the current Official Plan has served relatively well since its approval.

Since its adoption in 2007, several significant legislative and policy changes have come into effect which impacts the Southwest Middlesex Official Plan. The purpose of this Official Plan Review is to evaluate necessary changes to the current Official Plan and provide recommendations to ensure that the Official Plan conforms to the changes made to relevant legislation and Provincial and County policies. This includes changes to the Provincial Policy Statement 2020 and the *Planning Act* through various pieces of provincial legislation, including the Smart Growth For Our Communities Act, 2015 (Bill 73), Building Better And Conserving Watersheds Act, 2017 (Bill 139), More Homes, More Choice Act, 2019 (Bill 108), More Homes for Everyone Act (Bill 109), Plan to Build Ontario Together Act, 2019 (Bill 138) and the COVID-19 Economic Recovery Act, 2020 (Bill 197).

The update of the Official Plan will add to the local vision of the Municipality of Southwest Middlesex and address changes to local priorities and accommodate changes to provincial interests. This Official Plan Review process is not intended to contemplate site-specific amendments to the Official Plan, since there has been only one amendment to the Official Plan since its approval, and the review of each individual request can lengthen the review process.

The Municipality is located in the southwest corner of Middlesex County and is situated between Highways 401 and 402 and approximately halfway between London and Chatham. The Municipality consists of primarily agricultural land with the urban communities of Glencoe and Wardsville, and hamlet areas of Appin, Melbourne, Middlemiss and Pratt Siding. The population of Southwest Middlesex in 2021 was 5,893 with approximately 2,405 households. Growth forecasts for each of the County’s lower-tier municipalities were prepared by Watson & Associates Economists that project changes in population over the 25-year planning horizon using a low growth, reference growth, and high growth scenarios. The report concluded that under all the growth scenarios, all of the County’s municipalities are projected to experience a moderate to

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strong rate of growth in housing to 2046. The number of households is anticipated to increase by between 2,790 in the low growth scenario and 3,060 in the high growth scenario from 2016 to 2046. This would result in an increase of between approximately 440 and 710 dwelling units needed to meet the anticipated increase in population.

A comprehensive review was not included within the scope of the Official Plan Review, and therefore, the assessment of residential and employment land supply within the Municipality was not included as part of this analysis. A land inventory review is anticipated to be conducted by the County. Southwest Middlesex has also undertaken a servicing review for the Municipality and additional information is to be provided throughout the Official Plan Review process.

2. POLICY REVIEW & RECOMMENDATIONS

This section is intended to provide a brief overview of the recommended policy revisions to the existing Municipality of Southwest Middlesex Official Plan. The list of recommendations is not intended to be exhaustive at this time. It is anticipated that the recommendations will evolve as the process nears completion and with additional input from agencies, the public, and Council. The final recommendations will form the basis of an official plan amendment.

2.1 Settlement Areas

Settlement Area Expansion

A municipality may only allow the expansion of a settlement area during the time of a municipal comprehensive review and only where it has been demonstrated that the proposed expansion would meet certain criteria under the Provincial Policy Statement. These criteria were amended to include policies that would require municipalities to provide justification that in prime agricultural areas, alternative locations for an expansion have been considered and there are no reasonable alternatives. The Official Plan should address the need to reference the PPS and provide wording for the inclusion of a review of alternate locations for expansion that would avoid agricultural areas and apply MDS formulae.

Notwithstanding the policies noted above, Section 1.1.3.9 of the Provincial Policy Statement provides for the ability of adjustments to the settlement boundary to be considered outside of a municipal comprehensive review. The Official Plan should include policies that implement the changes to Section 1.1.3.9 of the PPS, which would permit the expansion of settlement boundaries at the time of a comprehensive review, and adjustments to settlement area

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boundaries outside a comprehensive review subject to sufficient planning justification being provided as permitted under the PPS 2020.

As previously noted in this report, a comprehensive review is not being undertaken as part of the current Official Plan Review process.

2.2 Housing

Affordable Housing

The provision of a full range of housing options, including affordable housing, has been added as a matter of provincial interest under the *Planning Act* and the Provincial Policy Statement. Under provincial legislation, a municipality's Official Plan is required to be updated to implement policies that require development applications to provide information on how affordable housing and the provision of a range of housing options has been considered as part of the development application.

Additional Residential Units

Section 16(3) of the *Planning Act* permits the establishment of additional residential units (ARU's), which are dwelling units that are self-contained and are secondary to the primary or main dwelling. Official Plans are required to implement policies that would specifically permit the establishment of additional residential units within single detached dwellings, semi-detached dwellings, and rowhouse dwellings, and the establishment of an additional dwelling unit within a building or structure that is accessory to a primary dwelling unit. The County Official Plan supports allowing up to a total of three residential units on properties that are eligible.

While Official Plans are required to be amended to include these policies, the *Planning Act* also provides the ability for municipalities to establish specific criteria that would regulate the location, size, and servicing of additional residential units. The County Official Plan proposes matters that local Official Plans shall address, such as the provision of adequate services and access, the location of ARUs outside of natural hazard areas. Policies should also be included that would require ARU's to comply with Minimum Distance Separation requirements. It is recommended that the Official Plan permit additional residential units within residential areas, as well as in rural areas.

It is anticipated that an amendment to the Southwest Middlesex Zoning By-law may be required to implement more specific regulations for permitting additional residential units in appropriate zones.

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Temporary Garden Suites

The Official Plan should be updated to reflect changes in the permitting of temporary garden suites, or granny flats as they are identified in the current Official Plan. Section 39 of the *Planning Act* regulates the establishment of temporary garden suites and was amended to increase the length of time that they can be permitted for from 10 years to 20 years. The County Official Plan has also introduced criteria for temporary farm labour, including encouraging local municipalities to include policies in their local official plan addressing considerations including demonstration of need, minimizing the loss of agricultural land, building size, the provision of adequate of services, access, and Minimum Distance Separation.

Future Growth & Intensification

The Provincial Policy Statement now requires that municipalities maintain a minimum 15-year supply of designated residential land, an increase from the previous minimum 10-year supply that was previously required. The PPS also contains requirements for promoting intensification of development and the County Official Plan proposes requirements for 15 percent of all development to proceed by way of intensification and development.

The policies of the Official Plan should be updated to address these changes and include the population and growth projections completed during the County Official Plan Review. The population projections include three separate growth scenarios for the Municipality: a low scenario, a middle scenario, and a high scenario. This approach provides for flexibility in determining which projections are best suited to the local Municipality. Under all three scenarios, the County and its local Municipalities are anticipated to experience moderate to strong population growth. 2021 Census data reported the population of Southwest Middlesex to be 5,893. The population is projected to increase to 6,100 in the low growth scenario, to 6,400 in the middle growth scenario, and 6,590 in the high growth scenario. As previously noted, a land inventory is anticipated to be conducted by the County to confirm the supply of land in the Municipality.

2.3 Agriculture & Rural Areas

Permitted Uses in Agricultural Areas

The Provincial Policy Statement emphasizes the protection of agricultural resources. Permitted uses in agricultural areas are described in Section 2.2.3 of the PPS, and were amended to include agricultural uses, agricultural-related uses, and on-farm diversified uses. The PPS directs that agricultural-related and on-farm diversified uses shall not hinder agricultural operations and provides municipalities the ability to include land use criteria for these types of land uses.

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The Ontario Ministry of Agriculture, Food, and Rural Affairs has published the Guidelines for Permitted Uses in Ontario's Prime Agricultural Areas, which assists in defining the range of uses that may be permitted in prime agricultural areas. The document also provides a basis for criteria that municipalities can use to regulate agricultural-related and on-farm diversified uses to ensure they are compatible with the surrounding area.

The Guidelines provide examples of permitted uses and uses that would typically not be permitted. Official Plan reviews should specifically review these guidelines and ensure policies are appropriate. Official Plans may be updated to reference the Guidelines, or they may expand current policies to clarify what is permitted.

The Official Plan should be amended to reflect the expansion of permitted uses and language should be updated to include changes from 'secondary uses' to 'on-farm diversified uses'. It is also recommended that the Municipality implement criteria to regulate the size and scale of agricultural-related and on-farm diversified uses, consistent with the Guidelines for Permitted Uses in Prime Agriculture Areas. The County Official Plan also contains criteria for on-farm diversified uses, including the provision of adequate servicing, the locating of such uses in agricultural areas to avoid land use conflicts, and compliance with Minimum Distance Separation Formulae. Current policies relating to the regulation of home-based businesses should also be reviewed to reflect any overlap in policies relating to permitting on-farm diversified uses.

The Official Plan policies for community improvement plans are recommended to be updated to recognize opportunities for supporting agri-tourism.

Lot Creation

The Provincial Policy Statement limits lot creation in agricultural areas to a limited range of purposes. The Official Plan contains criteria for agricultural severances including discouraging fragmentation of agricultural land requirements for minimum farm parcel size. Section 2.3.4.2 of the PPS permits lot adjustments in prime agricultural areas provided they are for legal or technical reasons. This policy should be included within the Official Plan agricultural severance policies.

Residential lot creation is prohibited in prime agricultural areas except for the severance of a farm dwelling that has become surplus to the needs of a farmer that owns the agricultural land. The PPS includes criteria that must be met for this type of severance to take place, which were amended to include direction that the severed parcel be a "minimum size needed to accommodate the use and appropriate sewage and water services". The County Official Plan encourages addressing matters including minimizing the loss of agricultural land, addressing the

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retention of outbuildings with the residence surplus to a farming operation, and Minimum Distance Separation requirements. The policies of the Official Plan should be amended to reflect these changes to the criteria for surplus farm dwellings, and may also consider changes such as ensuring the habitability of the dwelling and rezoning of the severed parcel to an appropriate zone.

Minimum Distance Separation Guidelines

To ensure the continuance of normal farm practices and protect agricultural operations, the Minimum Distance Separation (MDS) Guidelines were updated in 2017 and the policies required that municipalities reference the MDS Guidelines within the Official Plans. The Provincial Policy Statement also introduced changes under Section 2.3.6.2 that would require non-agricultural uses to comply with the MDS policies and that alternative locations for these types of uses are evaluated before being established in agricultural areas. It is recommended that the current provisions within the Official Plan be reviewed to ensure conformity with the MDS Guidelines.

2.4 Industry & Employment

Conversion of Employment Lands

Under the previous version of the PPS, the conversion of employment lands to non-employment lands was only permitted at the time of a Municipal Comprehensive Review and that it can be demonstrated that there is a need for the conversion. Section 1.3.2.5 of the PPS now permits the conversion of employment lands outside of the comprehensive review process, provided that there is sufficient rationale to justify the conversion. The Official Plan should be amended to permit the conversion of employment areas outside of a comprehensive review subject to sufficient planning justification being provided and as now permitted under the PPS 2020. The County Official Plan also includes criteria to be addressed including, but not limited to ensuring that the proposed conversion does not result in incompatible land uses, the suitability of the site for employment uses has been evaluated, and the site does not offer opportunities for future expansion

Compatibility of Employment Lands

The Provincial Policy Statement has been modified to include requirements that would ensure that employment lands are compatible with the surrounding areas, particularly land uses that are more sensitive in nature. Employment areas planned for industrial and manufacturing uses shall provide for separation or mitigation from sensitive land uses to maintain the long-term operational and economic viability of the planned uses and function of these areas.

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2.5 Recreation

On September 15, 2021, the Municipality approved the Southwest Middlesex Facilities & Recreation Master Plan which was prepared to review community priorities for parks, recreation, and cultural services over a ten-year period. As part of the assessment, several recommendations were included to ensure that the Municipality's parkland needs are met. This included changes to the Official Plan that would allow for the maximization of parkland dedication that is permitted under the *Planning Act*.

Parkland Dedication Rate

Sections 3.4.5.2 and 4.4.3.3 of the Official Plan contain policies for parkland dedication. The Official Plan requires a dedication of 5% of land for residential development and 2% for all other forms of development. The Official Plan also contains a specific requirement of one hectare per 300 dwelling units for medium density development as permitted under Section 42(3) of the *Planning Act*. Section 3.4.5.2 of the Official Plan permits cash-in-lieu of parkland to be provided. The Facilities and Recreation Master Plan recommends that parkland dedication policies of the Official Plan be updated to permit an alternative rate for cash-in-lieu of one hectare per 500 dwelling units, as provided under the *Planning Act*.

Suitability of Parkland

Section 3.4.5 of the Official Plan contains policies that provide direction for the dedication of parkland. The Parks & Recreation Master Plan includes recommendations that the Official Plan policies be updated to include additional criteria for the suitability of land that is proposed to be dedicated.

It is recommended that the policies be updated to ensure that land that is accepted for parkland dedication is suitable for supporting a variety of active and passive park activities. The Master Plan further recommends that parkland conveyed to the Municipality should be greater than 0.5 hectares, unless there is a need to reconcile a gap area. The Municipality may wish to consider accepting cash-in-lieu of parkland in cases where the area is adequately supplied with parkland or the development proposal is too small to result in a meaningful park parcel.

The acquisition of naturalized parkland (or hazardous lands) should be permitted over and above the parkland dedication requirements permitted through the *Planning Act*. This exclusion should also be extended to stormwater management ponds given its limited ability to accommodate active parkland facilities.

2.6 Natural Heritage

Energy Conservation & Climate Change

The Provincial Policy Statement provides direction that municipalities consider and prepare for the impacts of climate change in their Official Plans. This includes the promotion of efficient use of land and resources, active transportation, energy conservation, building design and orientation that maximizes energy efficiency, and maximizing vegetation within settlement areas, where feasible.

Protection of Natural Heritage Features

The Middlesex Natural Heritage Systems Study 2014 (“MNHSS”) includes recommendations for municipalities to implement the findings of the study. It is recommended that the County Official Plan and local official plans refer to the MNHSS 2014 as the study that is relied on to identify significant features and areas and the significant natural heritage system in the County of Middlesex Planning area.

The MNHSS identifies that some natural features and ecological functions may not currently be included in the Natural Heritage System and may require further field studies and evaluation. Policies within the County Official Plan require that where development is proposed, a Development Assessment Report (DAR) is to be completed to determine the significance and protective measures of any natural heritage features, including natural heritage features not currently included in the MNHSS 2014, fish habitat identified by the Federal Department of Fisheries and Oceans, significant habitat of endangered species, and significant wildlife habitat.

The province has a recommended approach for identifying natural heritage systems, but municipal approaches that achieve or exceed the same objective may also be used. The MHSS recommends that policies in the Official Plan encourage the restoration of natural heritage features that make up the natural heritage system.

Special Development Area – Krista Lane

Section 5.4.3.5 of the Official Plan contains policies regarding a Special Development Area along Krista Lane, including several undeveloped lots. As the undeveloped lots lie within the provincially significant Thomson Wetland, any development requires the approval of the Lower Thames Conservation Authority. A Development Agreement for the undeveloped lots on Krista Lane was updated in 2014 that required certain matters be addressed before development could take place on the subject lots, including addressing potential impacts to groundwater, Stormwater management, natural heritage features, species-at-risk, and servicing. It is recommended that the

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Official Plan be updated to include these conditions as part of development approval within the Plan’s policies.

Thomson Wetland

Upon approval of the Official Plan by the County of Middlesex the mapping associated with the wetland was deferred and remains an outstanding issue. The reason for the deferral was to provide additional time for the Ministry of Natural Resources and Forestry to re-evaluate the status and the boundaries of the wetland. There were some discrepancies regarding the boundary of the wetland between the Official Plan and the mapping that was later conducted by the Ministry. As a result, the status of the wetland was upgraded from a Locally Significant Wetland to a Provincially Significant Wetland in 2001, although this change in status was not conveyed to the Municipality or the County until 2010. It is recommended that the ‘Deferral’ on the cover of the Official Plan be removed. Schedule amendments may be required in consultation with the Lower Thames Valley Conservation Authority.

2.7 Resources

Aggregate Resources

While the Municipality of Southwest Middlesex is considered to have no known deposits of aggregate materials that would be viable for extraction, the current Official Plan does contain policies that regulate extraction. The Provincial Policy Statement 2020 now requires that, where development is proposed adjacent to mineral deposits, it must be demonstrated that the potential resource extraction will not be hindered. Additionally, resource extraction is permitted as an interim use in prime agricultural areas provided that the site is rehabilitated back to an agricultural condition. Official plans should update mineral extraction policies to be consistent with the 2020 PPS.

Cultural Heritage

Official plans need to be updated to include cultural heritage and archaeology policies for development proposed on lands containing or adjacent to cultural heritage features. The PPS 2020 and the County Official Plan direct that municipalities shall engage with indigenous communities and consider their interests when identifying, protecting and managing cultural heritage and archaeological resources, as well as coordinate on land use planning matters. The Official Plan should also be updated to make reference to consultation with Indigenous communities during processes of conserving cultural heritage and archaeological resources.

2.8 General

Matters of Provincial Interest

The *Planning Act* sets out matters of Provincial interest that development applications must have regard to. Amendments to the *Planning Act* by Bill 51 and Bill 73 have included the addition of affordable housing, a built form that is well designed and encourages a sense of place, sustainable development, and pedestrian-oriented development as matters of provincial interest. The Official Plan should be updated to reference these matters as provincial priorities that development applications must have regard to.

Active Transportation

The Provincial Policy Statement promotes development that is designed to be oriented towards pedestrians and defines the term ‘active transportation’ as an alternative method of travel other than motorized vehicles. The County Official Plan has also been updated to recognize the important role active transportation has in promoting opportunities for physical activity and cost effective travel for its residents and visitors alike. The current Official Plan should be reviewed to identify opportunities to include additional policies that relate to pedestrian-oriented development, as well as define the term active transportation in keeping with the policies under the PPS. This may include references to the Middlesex County Cycling Strategy and existing infrastructure and trail network that exist in the community.

Requirements for Complete Applications

The *Planning Act* includes policies that set out requirements for complete submissions of development applications, including the provision of any information or materials that may be necessary for the review and evaluation of the application. Municipalities are required to implement these policies through the Official Plan that reference requirements for a complete application, including identifying a list of potential technical reports, studies, and/or drawings that may be required as part of a complete application submission. It is also recommended that the Official Plan set out requirements for pre-submission consultation before certain types of development applications are submitted.

Site Plan Control

Section 41 of the *Planning Act* was amended to identify additional matters that municipalities can regulate through site plan control approvals. This includes matters relating to the design of facilities having regard for accessibility for persons with disabilities in accordance with the *Planning Act*. Section 41 of the *Planning Act* was also amended by Bill 109 to allow for municipalities to require applicants to consult with municipalities prior to submission, as well as

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require additional information be provided with an application submission, but only where permitted within an Official Plan.

Source Water Protection

The County has conducted a review of its Source Water Protection land use planning policies for the County and the local Municipalities. The Source Water Protection Background Report includes recommended policies to be implemented as part of the Official Plan, including the protection of surface and groundwater resources, as well as water quantity and quality. Recommendations also include policies to address identifying, maintaining, and protecting or enhancing groundwater features, natural heritage features, and surface water features.

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3. NEXT STEPS

This background report represents the initial research undertaken to identify the necessary changes to the current Official Plan provide recommendations to ensure that the Official Plan conforms to County and Provincial policies and legislation.

The recommendations contained herein represent a land use planning response to the issues and opportunities that have been identified through the background research undertaken to date. These recommendations may change over the course of the Official Plan review process as further consultation occurs in the 2022. The consultation process will continue with additional meetings to obtain feedback on these recommendations and lead to changes to the Official Plan to enable the Municipality to move forward with its vision for land use planning over the next twenty-five years. Following this public and stakeholder input, a revised report will be presented to Council for consideration and discussion. It will form the basis of an amendment to the Municipality of Southwest Middlesex Official Plan which is adopted and approved in accordance with the requirements of the *Planning Act*.

Respectfully Submitted,

MONTEITH BROWN PLANNING CONSULTANTS