



Staff Report

Report No. PDS-035-25

To: Mayor and Council

From: Senior Planner

Meeting Date: June 23, 2025

Subject: Amended Guideline for Additional Residential Units

Recommendation:

THAT Report No. PDS-035-25 **BE RECEIVED** for information.

Purpose:

For Council to review and receive this report as information respecting the revised “Thames Centre Guide to Additional Residential Units” which will assist residents in navigating ARU development in both urban and rural areas.

Background:

In response to provincial direction on expanding housing options, particularly through the addition of up to three residential units per lot, Thames Centre adopted initial permissions for ARUs within the urban boundary, subject to full municipal services. Currently, there is no policy basis to permit Additional Residential Units (ARU's) in rural or agricultural areas until appeals on the new Thames Centre's Proposed Official Plan from 2022 (OPA27) and the Middlesex County Official Plan and Review are settled, scoped, or in force and effect.

At the April 28, 2025, Council meeting, staff presented Report PDS-018-2025 in response to Council's request for clarity on rural secondary dwellings and ARU options. That report outlined provincial legislation, local policy, and current practices regarding ARUs, including a review of 12 local ARU applications and broader trends observed across Middlesex County.

The report highlighted:

- Strong and increasing interest in ARUs, particularly on agricultural properties.
- Provincial policy now requires municipalities to permit up to three residential units per lot in most urban settings and up to two ARUs on rural lots.

- Implementation challenges include clustering, servicing capacity, and sizing—especially in rural and agricultural areas.
- Thames Centre's current OP and Zoning By-law permit ARUs only within fully serviced settlement areas. Applications in rural areas require Zoning By-law Amendments.
- The County's and Thames Centre's OP Amendments (OPA 27) to expand permissions that currently remain under appeal.

In the absence of in-force policy for rural ARUs, a revised ARU information guide has been prepared to provide practical, non-binding guidance for all applicants, both rural, and urban.

Discussion:

Given the challenges with updated legislation under appeal, and the issues this causes with bringing any concrete policy into effect, staff have prepared an amended ARU Guideline. This updated guide provides clear information to assist residents in both urban and rural contexts. While it does not create new policy, it outlines Thames Centre's general expectations for ARUs in rural areas, helping to ensure consistency and transparency.

The guide encourages:

- Clustering ARU's near the main dwelling to preserve farmland and reduce servicing impacts.
- Shared servicing subject to professional verification.
- Subordinate size and scale, in line with PPS 2024 and local planning direction.
- Design compatibility with rural character and farm operations.

This proactive tool aims to clarify local positioning on the vision for ARU's and reduce confusion while policy appeals are resolved.

It is the Municipality's goal that once appeals are resolved, a Zoning By-law amendment, in line with the approved local and County OP direction, will be initiated and brought forth to Council by Staff for consideration and approval.

Strategic Plan Link:

Pillar: *Smart Planning*

Goal: *Make smart planning decisions to grow the community, while maintaining a "hometown feel"*

Attachments:

PDS-018-2025 Information Report on Additional Residential Units

Current Guide on Additional Residential Units

Amended Guide on Additional Residential Units

Prepared by: Lindsay Nooren, Senior Planner

Reviewed by: A. Storrey, Director of Planning & Development Services

Reviewed by: D. Barrick, Chief Administrative Officer