



**STRIK
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PLANNING • CIVIL • STRUCTURAL • MECHANICAL • ELECTRICAL

PLANNING JUSTIFICATION REPORT

ZONING BYLAW AMENDMENT

**10651 GOLD CREEK DRIVE, KOMOKA
MUNICIPALITY OF MIDDLESEX CENTRE**

Prepared by:

Strik, Baldinelli, Moniz Ltd.
301, 1599 Adelaide Street North
London, ON

S251182

Prepared for:

Dairy Lane Systems Ltd.
6403 Egremont Drive
Komoka, ON

January 20, 2026

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1 INTRODUCTION

Strik, Baldinelli, Moniz, Ltd. (SBM) has been retained by Dairy Lane Systems Ltd., to assist with a Zoning Bylaw Amendment (ZBA) application for lands municipally addressed 10651 Gold Creek Drive in Middlesex Centre. This Planning Justification Report and planning policy analysis have been prepared in support of the ZBA application to permit the construction of a new agricultural-related manufacturing facility.

This report outlines the proposed development and assesses the applicable planning policy and regulatory framework, including the Provincial Planning Statement, Middlesex County Official Plan, Middlesex Centre Official Plan and the Middlesex Centre Zoning By-law.



Figure 1: Subject Lands and proposed Development Area
Source: Middlesex County Mapping

2 SITE DESCRIPTION

The subject lands are located on the south side of Gold Creek Drive, west of the Hamlet of Lobo. The large agricultural parcel has a total area of ± 82.4 hectares (± 203.6 ac) and is municipally addressed of 10651 Gold Creek Drive in Middlesex Centre; hereinafter referred to as the 'subject lands' (Figure 1).

The subject lands include an existing single detached dwelling (addressed 10651 Gold Creek Drive) and several agricultural buildings. The surplus farm dwelling at 10723 Gold Creek Drive was previously severed (B2/2021) from the subject lands and rezoned SR (ZBA 04/2021), being surplus to the needs of the agricultural operations and multiple agricultural buildings were removed. The remaining lands were rezoned A3 Zone (ZBA 04/2021) and amalgamated with their adjacent land holdings And are cumulatively addressed 10651 Gold Creek Drive and contains a residential home and barn.

The lands proposed to be developed are located at the northeast corner of the subject lands and encompass approximately 7.9 hectares (19.5 acres) of land; hereafter referred to as the “Development Area”. Presently, the Development Area is vacant agricultural lands used for crop production (**Figure 2**).

Gold Creek Drive is classified as a local gravel roadway with a rural two-lane cross-section and ditches on each side (**Figure 2**).



Figure 2: Aerial view of the proposed Development Area.

Source: Google Streetview

3 SURROUNDING CONTEXT

The subject lands are located within the rural landscape of the Municipality of Middlesex Centre, west of the hamlet of Lobo. Immediately surrounding the Development Area to the west and south are the subject lands and ongoing agricultural operations. To the north across Gold Creek Drive is one single detached dwelling and

agricultural uses. To the east, within the Hamlet of Lobo are a mix of single detached dwelling uses, and commercial/industrial business uses (Figure 3).

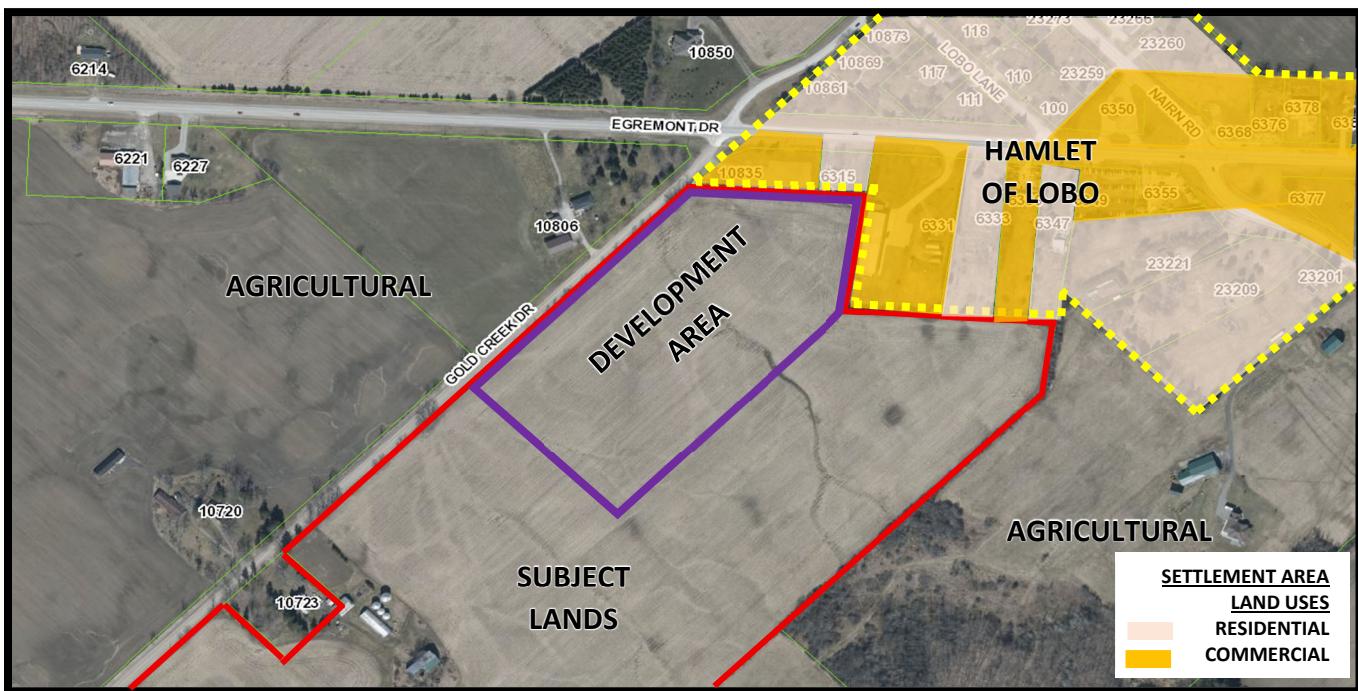


Figure 3: Surrounding Context

Source: County of Middlesex Online Mapping

4 DEVELOPMENT PROPOSAL

The Applicant intends to construct a new 125,000 square foot agricultural equipment fabrication facility with associated office and 50 parking spaces. Dairy Lane Systems Ltd. is a manufacturer of innovative dairy equipment, offering design and production to meet the needs of dairy farmers locally and beyond. The proposed facility will reflect their current operations located at 6403 Egremont Drive (Figure 4).

The Applicant is seeking an opportunity to expand their established business in Lobo to continue, and expand on, the business's current offering of services including, but not limited to consultation, research and development, design, and fabrication of milking, stabling, feeding, manure and ventilation systems to support the dairy industry.

The proposed Development Area is 7.9 hectares (19.5 acres) in area and would accommodate the building, a private stormwater facility and septic facility, parking and landscaping as well as appropriate setbacks for the development (Figure 5).

On site parking would provide 50 spaces, located at the front of the building next to the office entrance, for the anticipated 42 staff at this location, plus 8 customer spaces. Truck loading and bay doors would be located to the east entrances of the building to allow for easy access to products throughout the fabrication process.



Figure 4: Existing Dairy Lane Systems facility at 6403 Egremont Drive, Lobo

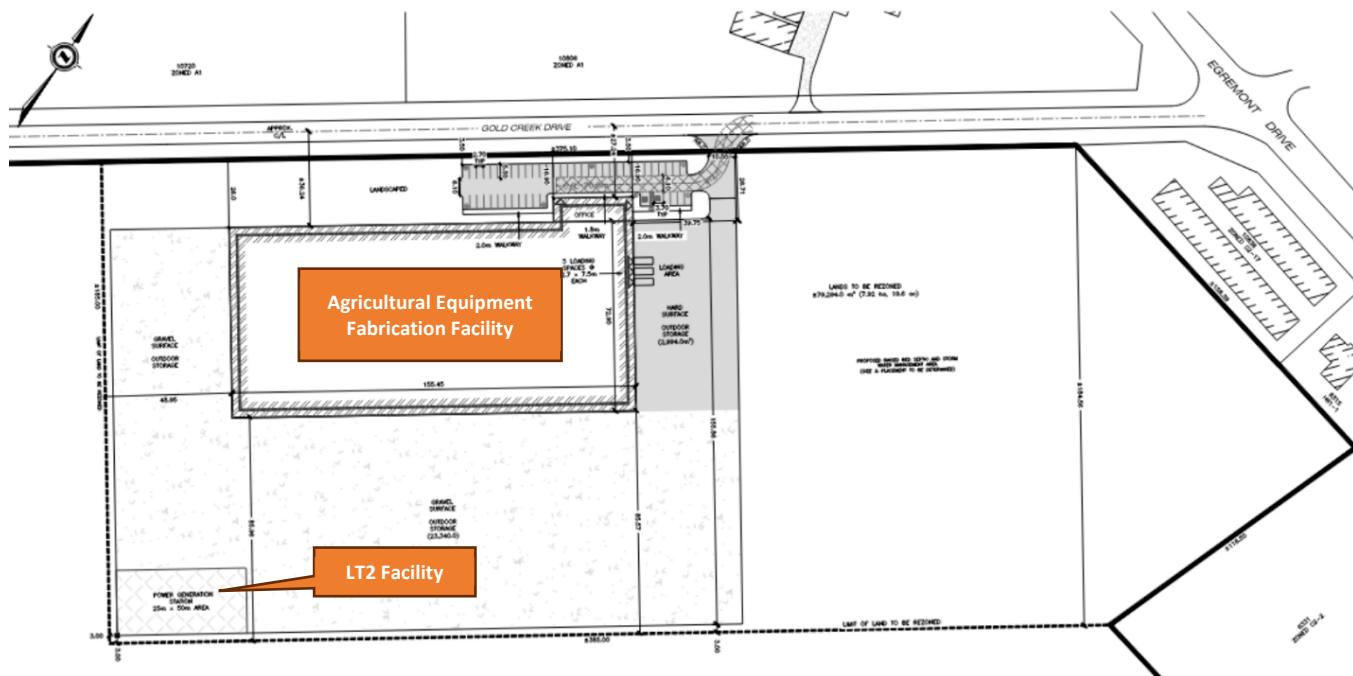


Figure 5: Conceptual Site Plan - Development Area

The applicant is concurrently seeking permissions to incorporate a peak demand power generating facility within the southwest corner of the Development Area. The Long-Term 2 Energy Supply Request (LT2) is issued by the Independent Electricity System Operator (IESO). The proposed LT2 Facility, would consist of up to four (4)

reciprocating gas engines located to the rear of the site, remaining subordinate to the principal use of the site. These engines would be installed in weatherproof enclosures with noise abatement equipment (Figure 6). In addition to the reciprocating gas engines, the facility would include ancillary equipment such as electrical switchgear and transformers. The proposed power generation facility would be utilized during times of peak energy demand as authorized by the IESO. These high-efficiency engines are anticipated to run an estimated 500-1,000 hours per year and are designed to subsidize the main power grid, preserving power supply quality during periods of high demand. In addition to power generation, the facilities can be utilized for combined heat and power generation, serving dual functionality within planned manufacturing facility.

The proposed LT2 facility is currently within the review process with the IESO and is be reviewed under separate development application(s). IESO Decisions regarding the procurement of LT2 contracts, are anticipated no earlier than June 2026.



Figure 6: Example Image of Reciprocating gas Engines (CEM Engineering)

5 TECHNICAL REVIEW

5.1 SERVICING FEASIBILITY STUDY

A Servicing Feasibility Study has been completed by SBM Ltd., dated November 25, 2025. The report outlines anticipated water demand and required capacity for privately constructed facilities proposed on-site. Preliminary findings indicate that sufficient capacity can be provided on private services within the land area allotted for the proposed development. A summary of the findings in included below.

Water Servicing:

- There is no municipal watermain in proximity to the subject lands, private services are required.
- Private water supply to be installed (potable water), SFS outlines minimum required flow volumes.
- Location and depth of private water supply to be determined.
- Private water supply for fire suppression (cistern system with dry hydrant) required.

Sanitary Servicing:

- There are no municipal sanitary services in proximity to the subject lands, private services required.
- Geotechnical/soils study recommended prior to finalizing septic design to determine soil conditions and percolation rates.
- Conceptual septic design incorporates ‘worst case senior’ calculation (slowest infiltration rates) for the purpose of determining land area – once a geotechnical/soils study is completed, the septic mantel size may be reduced based on the confirmed infiltration rates.

Storm Servicing and Stormwater (SWM) Management:

- The Development Area includes a tributary of the McKellar Drain; outlet of the drain will remain unchanged (**Figure 7**).
- SWM quantity controls will be addressed via an on-site wet pond with sufficient storage to attenuate storm flows to predevelopment conditions.
- Stormwater quality controls will be designed to meet the SWM criteria and environmental targets identified for the site. These controls will comply with the standards set by the Ministry of the Environment, Conservation and Parks (MECP) and will be assessed at the detailed design phase of the project.

Based on the Servicing Feasibility Study, adequate land on site has been allotted for the installation of appropriate private servicing that would be capable of meeting on site demand.

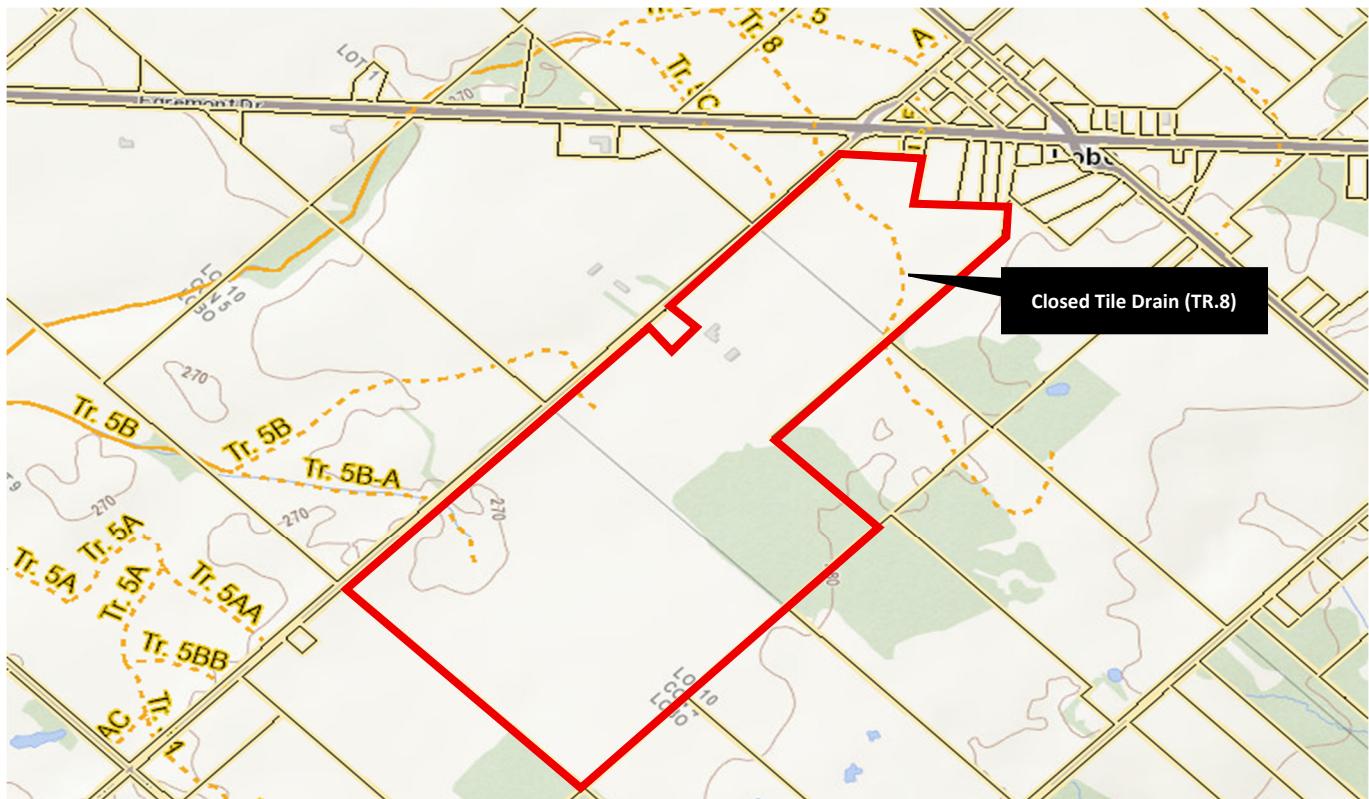


Figure 7: Existing Drainage Map

Source: OMAFRA; AgMaps online

5.2 OMAFRA GUIDELINES ON PERMITTED USES IN ONTARIO'S PRIME AGRICULTURAL AREA

OMAFRA's *Guidelines On Permitted Uses In Ontario's Prime Agricultural Area, Publication 851*, is intended to provide guidance on "agricultural, agriculture-related and on-farm diversified uses" and to create consistency in the decision-making process. Related policies for the proposed zoning application include the following:

1.3 Objectives and Criteria for Permitted Uses

The criteria for the uses permitted in prime agricultural areas are specifically derived from PPS policies and definitions. They revolve around two key objectives:

1. *maintaining the land base for agriculture (PPS (2014) Policy 2.3.1)*
2. *supporting a thriving agricultural industry and rural economy (PPS (2014) Vision and PPS Policy 1.1.4)*

The proposed rezoning application is conscious of the amount of land being utilized for the proposed development. The proposed facility would remove 7.9 hectares (19.5 acres) of land from active agricultural operations to accommodate the desired building, storage area, private stormwater management and septic facilities. In return, the proposed agricultural-based business would continue to expand and contribute to the local economy through employment opportunities, expanding tax base, and the growth of local secondary businesses, all while offering an in-demand service for agricultural operations.

Under the Guidelines, the proposed land use is categorized as an “Agriculture-Related Use” as:

2.2 Agriculture-Related Uses

As described in the PPS definition, agriculture-related uses are farm-related commercial and industrial uses. They add to the vitality and economic viability of prime agricultural areas because they are directly related to and service farm operations in the area as a primary activity. These uses may be located on farms or on separate agriculture-related commercial or industrial properties.

The proposed agricultural fabrication facility meets the definition of an “agricultural-related” industrial use as it is serving the local dairy industry, would benefit from being in proximity to the existing facility in Lobo, and will contribute to the economic vitality of the farm operations as their primary activity within a defined market area.

2.4 Categories of Permitted Uses

In terms of the scale of the operation, agricultural uses and agriculture-related uses do not have specific size limits, but their scale may be affected by servicing and other compatibility considerations. Agriculture-related and on-farm diversified uses must be compatible with and shall not hinder surrounding agricultural operations.

Table 1 of Publication 851 lists the *Criteria for Permitted Uses in Prime Agricultural Areas* to determine the appropriateness of proposed development:

1. Farm-related commercial and farm-related industrial uses

As per the PPS (2014) & PPS (2024), Agriculture-related uses are defined as:

“those farm-related commercial and farm-related industrial uses that are directly related to farm operations in the area, support agriculture, benefit from being in close proximity to farm operations, and provide direct products and/or services to farm operations as a primary activity.”

The proposed facility, as its primary activity, will fabricate and assemble equipment required for the dairy and agriculture industry to produce custom order products which support specialized agricultural operations within the local market area. The proponent of the application currently serves and provides local clients with consulting services and goods to operate in the dairy industry.

2. Shall be compatible with and shall not hinder surrounding agricultural operations

The lands to be rezoned have been limited to the area required to accommodate appropriate building, storm water management, private water and septic services for the proposed use. By clustering the industrial agricultural related use in proximity to the Lobo settlement area, the potential or perceived impact of the development is limited and would not disconnect or fragment farmland due to the introduction of expanded facility.

3. Directly related to farm operations in the area

4. Supports agriculture

5. Provides direct products and/or services to farm operations as a primary activity

The above three criteria are inter-related, as the primary activity would fabricate and assemble dairy-industry equipment in addition to custom order products, which support specialized agricultural operations within the local market area. The proposed facility is intended to offer a wide range of offerings and services to support the agricultural community including facility design, consulting services, fabrication of milking parlour equipment, stabling systems, and other pieces of equipment associated with the dairy farming industry. As an Agricultural-Related Use, the proposed facility will manufacture farm-related equipment and products to service their existing and future farm clients.

6. Benefits from being in close proximity to farm operations.

The Applicant is seeking an opportunity to expand their established business within the immediate vicinity the current operations. The subject lands are already owned by the Applicant providing additional incentive to remain within the vicinity. Proximity of operation will allow for shared utilization of resources, increasing efficiency and operational productivity. The proposed development area offers convenient access to the surrounding agricultural community to which it serves.

It is the intent of the above noted policies to ensure that agricultural operations remain the primary focus for prime agricultural areas. The proposed rezoning application would limit the amount of land to be rezoned and used for the needs of the proposed facility. The proposed development would not impact or hinder surrounding agricultural operations, it will support the local agricultural industry, and meets the above-listed criteria as a farm-related industrial use.

5.3 CANADA LAND INVENTORY (CLI) / SOILS CAPABILITY

A review of the OMAFRA digital soil and CLI database was conducted. By examining local CLI mapping, it can be concluded that Middlesex Centre is predominantly categorized as Prime Agricultural Land and comprises high capability soils Class 1, 2 or 3 considered Prime Agricultural Lands, as defined in the PPS 2024.

Areas identified as Non-Prime Agricultural Land consist of water courses, ravines, or settlement areas. Given the nature of the surrounding rural landscape avoidance of soils is unachievable within Middlesex Centre. **Figure 8** illustrates the CLI within the subject site and Development Area, which consists mainly of Class 2 soils.

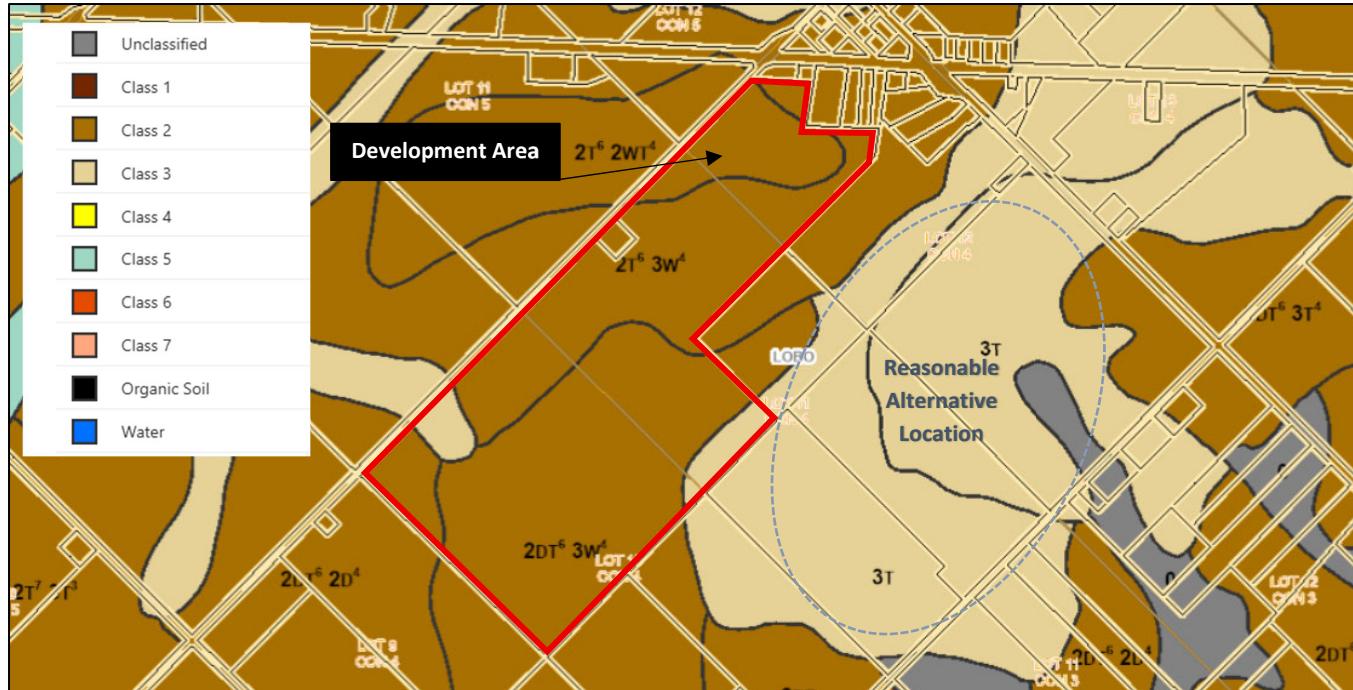


Figure 8. Canada Land Inventory

Source: OMAFA AgMaps

5.4 LAND USE COMPATIBILITY - D-6 GUIDELINES

The objective of the D-6 guideline is to prevent or minimize the conflict between sensitive land uses and industrial land uses. Conflict between land uses leads to adverse effects on sensitive land use and potential limitation on the industrial operations. The MECP D-6 Guidelines categorize industries into three classes based on its intensity of use and potential for nuisance.

In accordance with Guideline D-6-1, the Dairy Lane Systems facility could be categorized as Class II Industrial Use, which is defined as:

Definitions (2.0): Class II Industrial Facility

A place of business for medium scale processing and manufacturing with outdoor storage of wastes or materials (i.e. it has an open process) and/or there are periodic outputs of minor annoyance. There are occasional outputs of either point source or fugitive emissions for any of the following: noise, odour, dust and/or vibration, and low probability of fugitive emissions. Shift operations are permitted and there is frequent movement of products and/or heavy trucks during daytime hours.

Most operations will occur within the enclosed building resulting in a low probability for noise to be emitted off-site during daytime hours. Daily operations include cutting and assembly of metal products and includes welding within the facility. Other daily operations involve the delivery of goods to the site and the movement of goods on and around the site.

Thereby, in accordance with Guideline D-6-1, the manufacturing industry would be considered a Class II use in the context of the Industrial Categorization Criteria provided the following:

- The facility is medium in scale of operation.
- There is proposed outdoor storage of product and materials.
- Business operations primarily during daytime business hours.
- Movement of products and/or heavy trucks typically occurring during weekday operations.
- Therefore, is a moderate or infrequent probability of noise, dust, and odour emissions off-site.

The MECP D-6 Guidelines recommends a separation of 70 metres between Class II industrial uses and sensitive land uses. The Guidelines have been reviewed to provide the background for determining the compatibility with neighbouring sensitive uses.

Section 4.4 of the D-6 Guidelines outlines how the development setback is to be applied, which is typically from property line to property line to allow for a greater flexibility and where land uses are unknown. Under Section 4.4.3 of the D-6 Guidelines, areas that do not create adverse impacts may be included within the calculation, such as landscapes yards where facilities exist or where there is greater detail known within a Site Plan. **Table 1** lists the sensitive uses (residential single detached dwellings) in proximity to the proposed facility.

Table 1: D-6 Guideline - Separation Distance from Sensitive Land uses

Address	Building	Zone	Recommended Setback	Separation Distance	Compliance
10806 Gold Creek Dr	Residential Dwelling	A1	70 metres	± 78 m	Yes
6315 Egremont Dr	Residential Dwelling	HR1-1		± 263 m	Yes
6331 Egremont Dr	Residential Dwelling	C2-2		± 249 m	Yes
6333 Egremont	Residential Dwelling	C2		± 295 m	Yes
10723 Gold Creek Dr	Residential Dwelling	SR		± 213 m	Yes

* Approximate separation distance is measured building to building

Based on a review of the proposed site plan layout, the recommended separation distances of the MECP D-6 Guidelines can be maintained. Implementation of the site design and landscaping will be executed through the Site Plan Control process.

6 PLANNING POLICY FRAMEWORK

6.1 PROVINCIAL PLANNING STATEMENT

The 2024 Provincial Planning Statement (PPS) issued under the authority of Section 3 of the Planning Act *“provides policy direction on matters of provincial interest related to land use planning and development”* to ensure efficient, cost-efficient development and the protection of resources. The proposed development is consistent with the PPS and more specifically supports the following applicable policies:

2.5.1.e: promoting diversification of the economic base and employment opportunities through goods and services, including value-added products and the sustainable management or use of resources;

2.5.1.h: providing opportunities for economic activities in prime agricultural areas, in accordance with policy 4.3 (Agricultural Policies).

Dairy Lane Systems currently operates a facility within the hamlet of Lobo and is looking to expand its operations to provide its goods and services to the agricultural community. Its expansion anticipates a growth of 40-45 employees, contributing to the local economy.

The Applicant is seeking an opportunity to expand their established business within the Development Area, in proximity of their current operations to allow for shared resources, increased efficiency and operational productivity.

2.6.1. On rural lands located in municipalities, permitted uses are:

d) agricultural uses, agriculture-related uses, on-farm diversified uses and normal farm practices, in accordance with provincial standards;

As demonstrated through section 5.2 of this report, the proposed development is consistent with the definition of “Agriculture-Related” industrial use and would be permitted within the Prime Agricultural Area.

2.6.2. Development that can be sustained by rural service levels should be promoted.

2.6.3. Development shall be appropriate to the infrastructure, which is planned or available, and avoid the need for the uneconomical expansion of this infrastructure.

An initial investigation of the servicing feasibility has been prepared (refer to section 5.1 of this report) for the proposed development and concludes that the proposed facility could be accommodated using private stormwater, water and septic facilities. No municipal servicing extensions would be required to facilitate the proposed farm industrial use.

2.6.4. Planning authorities should support a diversified rural economy by protecting agricultural and other resource-related uses and directing non-related development to areas where it will minimize constraints on these uses.

Within the hamlet of Lobo, there are no suitable parcels of land available to meet the needs of the proposed development. Placement of the proposed development has taken into consideration all opportunities to minimize the impact of the proposed development on the surrounding agricultural farmlands.

2.6.5. New land uses, including the creation of lots, and new or expanding livestock facilities, shall comply with the minimum distance separation formulae.

At this time, it is not anticipated that a new lot will be required to accommodate the proposed development. The MDS formulae has been considered with regard to the proposed land use, which would not be adversely impacted by the surrounding agricultural operations that are primarily for cash-crops within the area of influence.

3.5.1. Major facilities and sensitive land uses shall be planned and developed to avoid, or if avoidance is not possible, minimize and mitigate any potential adverse effects from odour, noise and other contaminants, minimize risk to public health and safety, and to ensure the long-term operational and economic viability of major facilities in accordance with provincial guidelines, standards and procedures.

The MECP D-6 Guidelines have been reviewed to assess the recommended building and land use separation distances. With regard to anticipated nuisances or potential adverse impacts, the proposed development would be consistent and similar to the existing facility currently operating within the hamlet of Lobo. In review of the surrounding sensitive lands use, the recommended 70 metre separation distance would be appropriate for the Class II facility.

3.6.4. Where municipal sewage services and municipal water services or private communal sewage services and private communal water services are not available, planned or feasible, individual onsite sewage services and individual on-site water services may be used provided that site conditions are suitable for the long-term provision of such services with no negative impacts.

Based on the initial investigation as outlined in the servicing feasibility report (refer to section 5.1 of this report), adequate private services may be provided within the limits of the Development Area to facilitate the proposed facility. Similar to the existing facility within the hamlet of Lobo, the proposed facility would be established on private well and private septic services. The appropriate area has been allocated to meet the demand for those services and would be refined through the site plan control design and review process. The proposed development will not require the extension of municipal infrastructure for water, stormwater or sanitary servicing purposes.

4.3.2.1 In prime agricultural areas, permitted uses and activities are: agricultural uses, agriculture-related uses and on-farm diversified uses based on provincial guidance. Proposed agriculture-related uses and on-farm diversified uses shall be compatible with, and shall not hinder, surrounding agricultural operations. Criteria for these uses may be based on provincial guidance or municipal approaches, as set out in municipal planning documents, which achieve the same objectives.

4.3.2.2. In prime agricultural areas, all types, sizes and intensities of agricultural uses and normal farm practices shall be promoted and protected in accordance with provincial standards.

As an Agricultural-Related Use, the proposed facility would provide the opportunity for up to 45 employees to provide essential design and consulting services as well as research and fabricate equipment and products to service the existing and future agricultural clients.

Based on the above, it is the opinion of the writer that the proposed Zoning By-Law Amendment is consistent with the policies of the 2024 Provincial Planning Statement and would provide a benefit to the local farming community and overall Provincial interest.

6.2 MIDDLESEX COUNTY OFFICIAL PLAN

The Middlesex County Official Plan, Amendment No. 3 has been adopted and was approved by the Ministry of Municipal Affairs and Housing with modifications on July 7th, 2023. The proposed Development Area is located within the 'Agricultural Area' designation under the Middlesex County Official Plan – Schedule "A".

The County's Official Plan generally recognizes agriculture as the predominant land use and acknowledges its economic importance within the County. This proposed development has been assessed relative to the applicable policies of the Middlesex County Official Plan and is supported the following policies:

2.2.2.2 General Policies

Agriculture-related and on farm diversified uses shall be compatible with and not hinder, surrounding agricultural operations. Permitted agriculture-related and on-farm diversified uses shall be in accordance with the 2016 Guidelines for permitted uses in Ontario Prime agricultural Areas as released by the Province.

The proposed development would be located on a large landholding of farmland currently owned by the applicant. The Development Area would remove 9.7 hectares of farmland to facilitate the expansion of the Dairy Lane Systems operations to support the dairy industry. In accordance with the 2016 Guidelines (Publication 851), the proposed facility is categorized as an Agriculture-Related industrial use and would not impact the ongoing farm operations of the subject lands or the surrounding lands.

2.3.4.h) support opportunities to create a stronger and sustainable agricultural sector including the local agri-food system, including access to healthy and affordable food;

The proposed development would foster the expansion of an existing business within the County, to strengthen its local importance on employment and its dairy production in Middlesex.

2.3.9 Agriculture-related uses shall be directed to Settlement Areas except where they are essential to the functioning of agriculture, are consistent with the Guidelines on Permitted Uses in Prime Agricultural Areas, require a location in close proximity to agriculture or would cause conflicts in Settlement Areas.

The proposed Development Area would not be located within an existing settlement area; however, the existing Dairy Lane Systems facility is located at 6403 Egremont Drive, Lobo. Proximity to the existing facility is imperative to the success of the business expansion with sufficient land for growth. The Development Area is adjacent to the current hamlet area boundary and could be considered for expansion in the future. The proposed development

has been reviewed against the 2016 Guidelines on Permitted Uses in Prime Agriculture Area and the MECP D-6 Guidelines for Compatibility between Industrial Facilities. The proposed development would satisfy the necessary criteria such that no adverse impacts are anticipated and/or could be mitigated.

Under Section 3.3.3 of the County's Official Plan, Agricultural-Related uses are permitted in accordance with the following criteria listed under Section 3.3.5:

- a) the commercial or industrial operation agriculture-related and on-farm diversified uses cannot reasonably be located in a Settlement Area and must be located in proximity to farming activities;*

The intended development would extend the business that is currently located within the hamlet of Lobo; however, there are no available sites within the hamlet that are suitable for the expansion needed. The applicant presently owns and actively farms the subject lands that adjacent to the hamlet boundary. The general intent of this policy is met.

- b) such uses shall be located to conform with the Minimum Distance Separation Formula;*

The proposed development would not be adversely impacted by any livestock facilities in proximity of the Development Area; therefore this criterion is satisfied.

- c) where local zoning by-laws do not provide as of right zoning for agriculture related and on-farm diversified uses an site specific amendment to the Zoning By-law is approved;*

The applicant is submitting an application to amend the local Zoning Bylaw – refer to section 6.4 of this report.

- d) the commercial or industrial agriculture-related and on-farm diversified uses shall not require large volumes of water nor generate large volumes of effluent and shall be serviced with appropriate water supply and sewage treatment facilities;*

Strik Baldinelli Moniz Ltd has provided a preliminary review of the servicing feasibility of the site considering the proposed site layout and land availability, available soil data, and the proposed facility. There are no concerns with the ability to design private water, stormwater, and septic facilities for the facility.

- e) commercial and industrial agriculture-related and on-farm diversified uses shall be located and designed to minimize potential adverse impacts upon adjacent residential or other sensitive uses by buffering measures such as landscaping, berthing and building setback and layout;*

The MECP D-6 Guidelines have been assessed to determine the minimum recommended setbacks from sensitive land uses – refer to section 5.4 of this report. The proposed development would be considered Class II industrial use with a minimum separation distance of 70 metres from sensitive land uses. The proposed development would meet this requirement. Additional landscaping and mitigation measures may be implemented through the site plan control design and review process.

f) the location of commercial and industrial agriculture-related and on-farm diversified uses must provide for a minimum sight distances from the access points in either direction along a County or local road; and

Gold Creek Drive is a local road with a rural-cross section with direct access to County Road 22 (Egremont Drive). Improvements to the road and intersection may be required to permit the increase of trucks using this intersection. Additional traffic review and design improvement would be determined through the site plan control design and review process.

g) the site plan policies of local official plan.;

Prior to receiving building permit for the intended development, a site plan control application is required.

h) the agriculture-related or on-farm diversified uses shall be in accordance with the Provincial Guidelines on Permitted Uses in Prime Agricultural Areas;

The proposed development is consistent with the general intent of the applicable policies of the 2024 PPS – refer to section 6.1 of this report.

j) Agriculture-related and on-farm diversified uses are to remain within the Agricultural Areas land use designation and are permitted without the need to amend this plan; and

The proposed development would remain under the Agricultural Area designation and continue to be actively farmed until the intended development and all applicable zoning, site plan, and building permit approvals have been received, including any permit required from the Conservation Authority.

Based on the above, it is the opinion of the writer that the proposed Zoning By-Law Amendment is consistent with the policies of the Middlesex County Official Plan.

6.3 MIDDLESEX CENTRE OFFICIAL PLAN

The subject lands are designated “Agricultural” as per the Middlesex Centre Official Plan (Consolidation June 2025) on Schedule “A” Land Use Plan (**Figure 9**). A portion of the subject lands are designated under the Significant Woodland designation; however the Development Area is located more than 200m from the natural heritage feature and is therefore has not been assessed as part of this application (**Figure 10**). The proposed development has been assessed relative to the applicable policies of the Middlesex Centre Official Plan and more specifically supports the following policies:

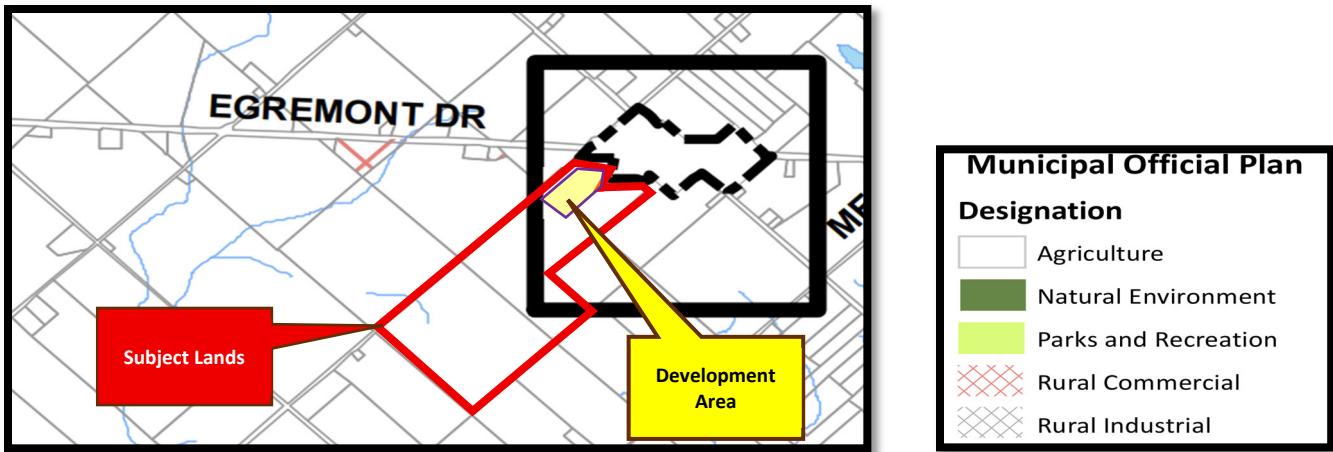


Figure 9: Land Use Plan, Schedule "A" (Excerpt)

Source: Middlesex Centre Official Plan

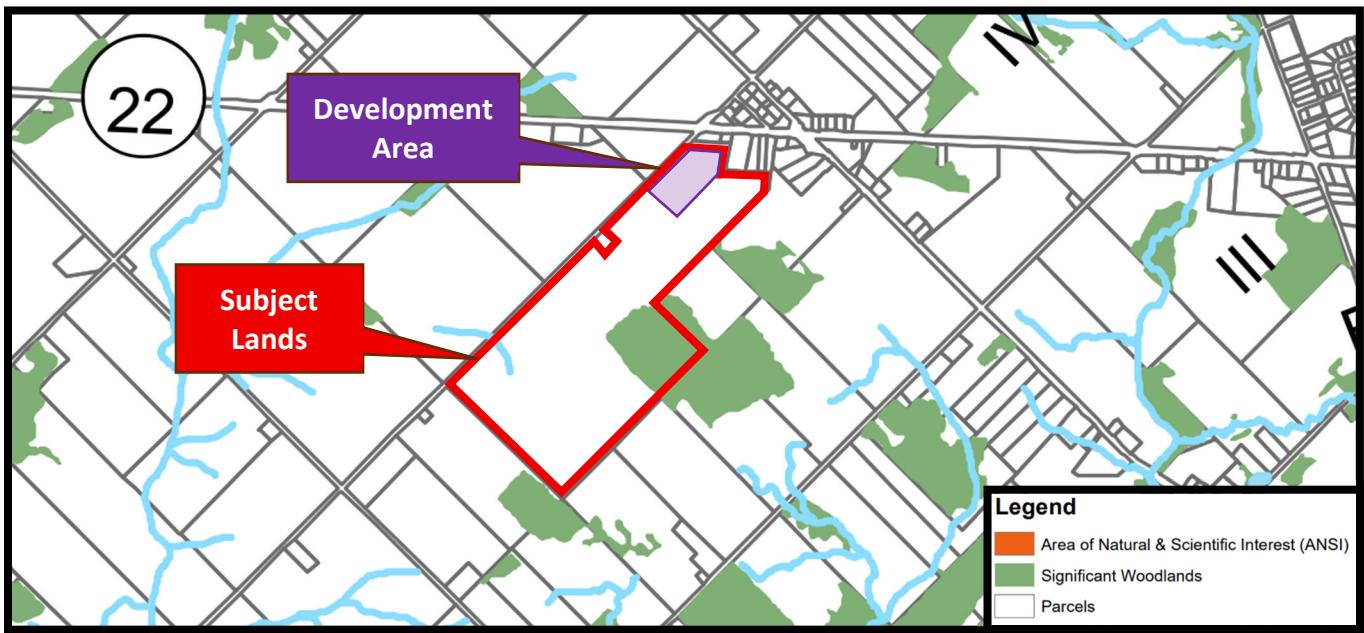


Figure 10: Greenlands System, Schedule 'B' (Excerpt), Middlesex Centre Official Plan

Source: Middlesex Centre Official Plan

2.3 PERMITTED USES IN AGRICULTURAL AREAS

Agricultural areas are intended to be used predominantly for agriculture and agriculture related uses. This includes all forms of farming, including the principal farm dwelling, related buildings and structures, practices and uses of land.

Other permitted uses in agricultural areas include the following:

- *Commercial or industrial activities directly related to agriculture and required in close proximity to associated farming operations*

As noted in Section 5.2 of this report, the proposed development meets the criteria outlined in OMAFRA Publication 851 to be defined as an Agricultural-Related use. Also noted within Section 2.5.1 of Publication 851 it states that:

2.4 AGRICULTURALLY RELATED COMMERCIAL AND INDUSTRIAL DEVELOPMENT

Commercial and industrial uses that are directly related to agriculture, and required in close proximity to farming operations, are permitted within the agriculture designation, subject to approval of a site-specific zone change application and the requirements of Site Plan Control under Section 10.5 of this Plan, having regard for the Municipality's Site Plan Manual and Urban Design Guidelines. A justification report may also be required by the Municipality at its discretion. Such uses are nevertheless encouraged to locate within settlement areas except where they are essential to the functioning of agriculture, require a location in close proximity to agriculture, or would cause conflicts in settlement areas.

When considering the establishment of new agriculturally related commercial, industrial or tourism uses, or the expansion of existing uses of this type, Council will consider the following criteria:

- a) *The loss of productive farmland in the accommodating of such uses, shall be discouraged. Uses will be encouraged to locate on lands of lower soil capability or lands proven to be unsuitable for farming due to lot size, shape or topography.*
- b) *The amount of land devoted to the use shall include only the minimum necessary to support the use and its servicing needs.*

The proposed development and the Development Area have been limited in area (9.7 hectares) to provide for the storm water management, private water and septic services, building and outdoor storage for the intended use limiting the amount of Class II soils to be removed from production.

- c) *The use must not require municipal sewer or water services. The method of servicing shall require approval by the appropriate regulatory bodies. Any industrial use shall be "dry" in nature.*

The proposed development is a "dry" industrial use as water is not a requirement of the fabrication or assembly process. The facility would be provided with private water service for domestic type uses (drinking water, bathrooms) and fire protection. A private water supply will be installed with sufficient capacity to meet required demand of the facility as well as septic facility.

- d) *Access shall be available from a public road of reasonable construction and year-round maintenance. Development is encouraged on a hard-surface, dust-free road.*

The lands to be rezoned have direct frontage onto Gold Creek Drive which is considered a local rural roadway. Site design places access ±180m from Egremont Drive which is a designated a four lane (County) Arterial Road. It

is anticipated that the owner would be required to improve this section of roadway to allow for year-round maintenance and truck access.

- e) *A site plan agreement shall be entered into with the Municipality. Such an agreement will require particulars relating to, at a minimum, access, traffic, drainage, and grading.*

A site plan agreement will be entered into with the Municipality as part of the next phase of the application process.

- f) *Compliance with minimum distance separation shall be required where a proposed agriculturally related commercial or industrial use is in proximity to livestock and/or poultry operations. The Municipality may exercise discretion, through the consideration of Minor Variance applications, based on the proposed type of commercial or industrial use, and the extent of its sensitivity to agricultural activities. Input from the appropriate agencies with respect to Minor Variance request will be sought by the Municipality. This Plan recognizes that such agriculturally related commercial or industrial uses may also have negative impacts on adjacent agricultural operations. Minimum distance separation shall also be used to address impact of such uses on sensitive agricultural uses.*

There are no livestock operations within 750m of the proposed development, MDS is not applicable.

- g) *Adequate separation distances and buffering shall be required where such uses are proposed adjacent to existing residential or other sensitive uses. Adequate visual buffering or landscaping will be required where such uses may generally impact the agricultural or rural character of the Municipality.*

By clustering the agriculturally related use in proximity to the Lobo settlement area, it reduces the impact on agricultural lands by limiting the opportunity for the agricultural land base to become disconnected or fragmented due to the introduction of agriculturally related activities.

In response to D6 guidelines, evaluated within Section 5.4 of this report, the proposed development satisfies the required 70.0m setback from sensitive land uses. Additionally, building placement, parking, and outdoor storage areas as illustrated in the concept plan, allow for adequate setbacks from surrounding land uses, limiting potential conflicts. A review of D6 guidelines has been completed to illustrated that conflict mitigation measures incorporated within the design are sufficient.

9.2 ECONOMIC DEVELOPMENT POLICIES

9.2.1 General Economic

Development The following policies apply to economic development within the Municipality.

- a) *It is a goal of this Plan to develop a diverse economic base within the Municipality, recognizing the importance of agriculture as the primary economic function. The Municipality shall endeavour to increase its tax base and job opportunities in a manner that improves the quality of life of*

existing and future Municipal residents, and balances various economic sectors to ensure a sustainable economic base.

b) The Municipality will balance the promotion of new business development, and the retention/expansion of existing businesses, to ensure growth in local employment opportunities.

h) The Municipality will encourage industrial development and practises which minimize negative effects on the natural environment, are dry in nature, and/or have minimal visual impacts on the surrounding community.

The development proposal would expand an existing business in the municipality and is anticipated to create 40-45 additional jobs, diversifying the local economy and supporting a strong agricultural sector. The site plan approval design and review phase would review the detail of the proposed building, parking/loading, and landscaping components of the development to reduce or avoid impacts to surrounding uses.

9.3.2 Servicing in Non-Settlement Areas

a) The principal means of sewage disposal in agricultural areas of the Municipality is the septic tank and weeping tile system. It is anticipated that such systems will continue to be the principal means of sewage disposal outside of settlements in the foreseeable future, however the consideration of alternative and improved technologies is encouraged. The installation of septic systems is subject to the approval of the authority having jurisdiction.

d) Appropriate approval shall be required for any new septic tank and tile bed systems. The Municipality may require a servicing options statement or report accompanying all development and redevelopment proposals to identify the most appropriate forms of servicing to ensure environmental protection.

f) In processing development applications, the Municipality and the applicants shall have regard to the principles of storm water management so that new development does not significantly increase downstream flows above existing levels or degrade water quality.

As part of a complete site plan application, it is understood that the applicant will complete the required engineering work as outlined by the Municipality to satisfy the requirements of fire, water, sanitary and storm water management for the proposed development.

Based on the above, it is the opinion of the writer that the proposed Zoning By-Law Amendment is consistent with the policies of the Middlesex Centre Official Plan.

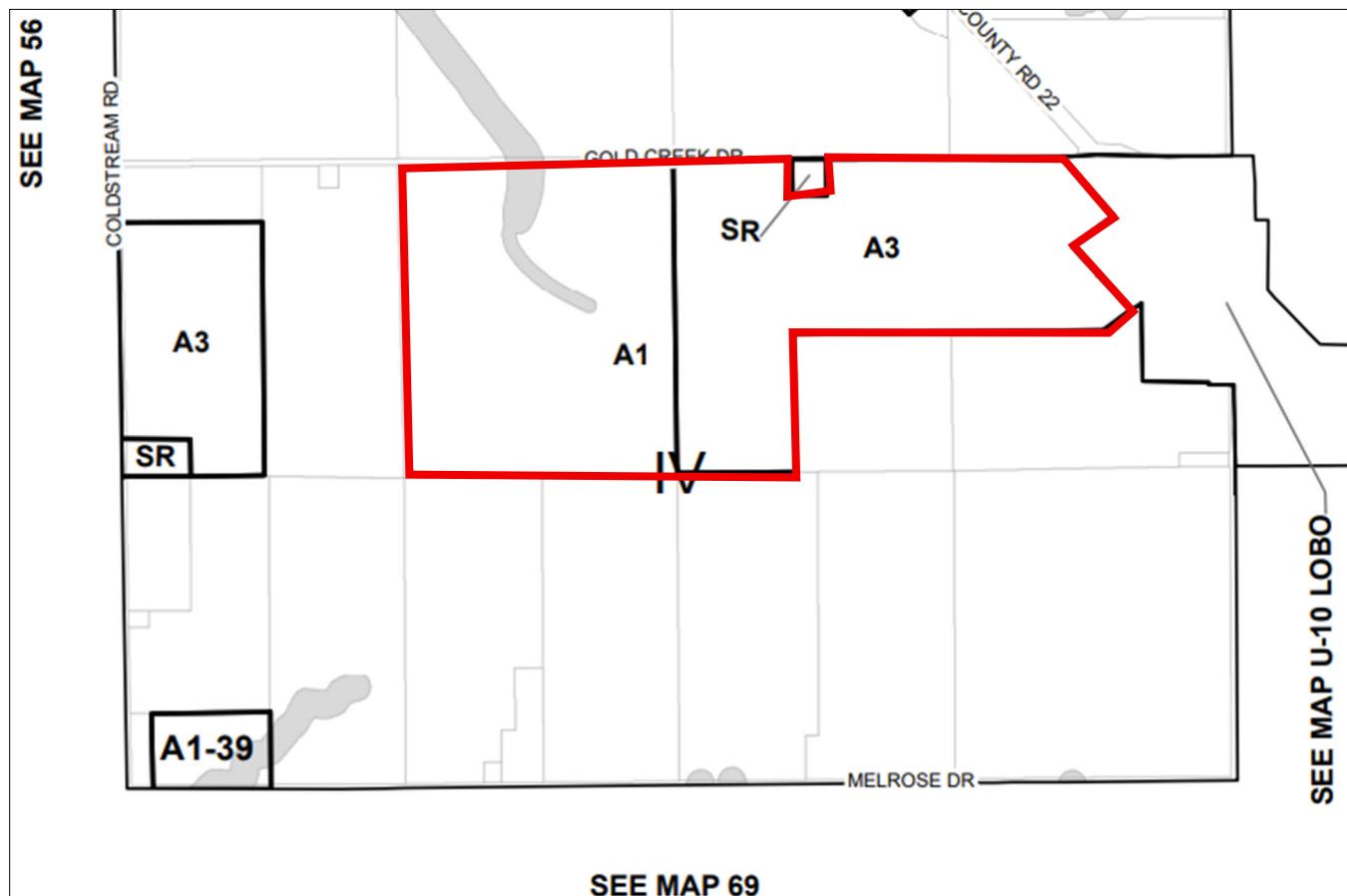


Figure 11: Existing Middlesex Centre Zoning Bylaw, Schedule A, Map: 57

6.4 MUNICIPALITY OF MIDDLESEX CENTRE ZONING BY-LAW (2005-005)

The subject lands are dual zoned: the western half of the subject lands are zoned 'Agricultural' (A1) and the eastern half of the subject lands, including the Development Area, are currently 'Restricted Agricultural' (A3) Zone. (Figure 11).

The A3 Zone is intended for agricultural lands that were previously severed as part of a surplus farm dwelling application and are not permitted construction of a new single detached dwelling. The A3 zone permits agricultural and accessory uses (excluding dwellings), conservation and forestry, existing grain handling facility, dog kennel and riding school, and uses related to a portable asphalt plant or wayside pit. The proposed facility would not be permitted under the listed uses and therefore requires a zoning bylaw amendment.

6.5 ZONING ANALYSIS

Dairy Lane Systems Ltd. is a manufacturer of innovative dairy equipment, offering consultation, research and development, design, and fabrication of milking, stabling, feeding, manure and ventilation systems to support the dairy industry. The proposed development consists of the facility with associated office and 50 parking spaces.

In review of the Zoning Bylaw, there is no Agriculture-Related land use definition to permit the proposed development; therefore, the following “General Industrial” definition would satisfy the intended land use to permit the manufacturing use with associated office. Additionally, the “Dry Industrial” definition includes General Industrial uses that do not require water and where wastewater is limited, such that they may be accommodated on-site without the need of municipal servicing.

Section 2.0 Definitions

2.87 INDUSTRY, DRY means a general or light industrial use which does not include or require the direct consumption of water and where the only wastewater discharges are from auxiliary facilities such as washrooms, the indirect cooling of machinery and/or pressure testing equipment.

2.88 INDUSTRIAL USE, GENERAL means the use of land, buildings or structures or portions thereof, designed, used or intended for the purpose of manufacturing, assembling, preparing, inspecting, ornamenting, finishing, treating, altering, repairing, warehousing, or storing or adapting for sale of any goods, substance article or thing, including the storage of construction equipment and materials.

The application is requesting to amend the Zoning Bylaw for the Development Area, from A3 Zone to Farm Industrial (M3) Zone with the site-specific addition of two permitted uses: General Industrial and Dry Industrial.

Table 2 outlines the proposed development compliance with proposed M3 Zone regulations. A parking deficiency is identified with the proposed site plan under the M3 Zone. A site specific provision would be needed to:

- Reduce the required parking space to 50 spaces; whereas the required minimum parking is 121 spaces.

The requested reduction in parking is a result of the applicant’s current experience with their existing facility, based on the anticipated number of employees and limited need for visitor parking, the applicant is confident that the requested reduction of 71 parking spaces would be appropriate for their needs. The reduction in parking would also reduce the area needed to be paved and increase the permeable surface area of the site which would aid in stormwater management of the site.

Table 2: Zoning Comparison Chart – Farm Industrial Zone (M3) Zone

Item	Regulation (M3 Zone)	Required	Provided	Compliance
1	Lot Area (m) Minimum	3,000	79,294 m ²	Yes
2	Lot Frontage (m) Minimum	25.0	375	Yes
3	Front Yard Setback (m) Min (4.16 iii)	15.0	16.9	Yes
4	Exterior Side Yard Setback (m) Min.	20.0	n/a	n/a
5	Interior Side Yard Setback (m) Min.	6.0 (any other Zone) 15.0 (abutting Residential)	48.9 (Agricultural) 240 (Residential)	Yes
6	Rear Yard Setback (m) Minimum	6.0	85.9	Yes
7	Building Height (m) Maximum	12.0	<12.0	Yes
8	Lot Coverage for All Buildings (%) Maximum	35	14.7	Yes
9	Parking (Rate / Required) - Office (floor area: 280 m ²) - Industrial (floor area: 11,370 m ²)	1/40 (7 spaces) 1/100#(114 spaces) Total = 121 spaces	50 Spaces	No
10	Barrier Free Parking	For 25-50 Spaces = 2 Required	2 Provided	Yes
11	Loading Spaces (Rate / Required)	>4,000 m ² (GFA) = 2 PLUS 1 SPACE FOR EACH 10,000m ² PART THEREOF IN EXCESS OF 4,000 m ²	3 Spaces	Yes

7 DRAFT ZONING BYLAW AMENDMENT

The proposed Zoning Bylaw Amendment seeks to rezone the subject lands:

FROM: Agricultural (A3) Zone

TO: Farm Industrial (M3-XX) Zone with Site Specific Provisions

The following Site-Specific Provisions are requested:

M3-XX

(a) DEFINED AREA

M3-XX as shown on Schedule “A”, Map 27 to this Bylaw.

(b) PERMITTED USES

Industry, Dry

Industrial, General

(c) MINIMUM PARKING REQUIREMENT

50 parking spaces

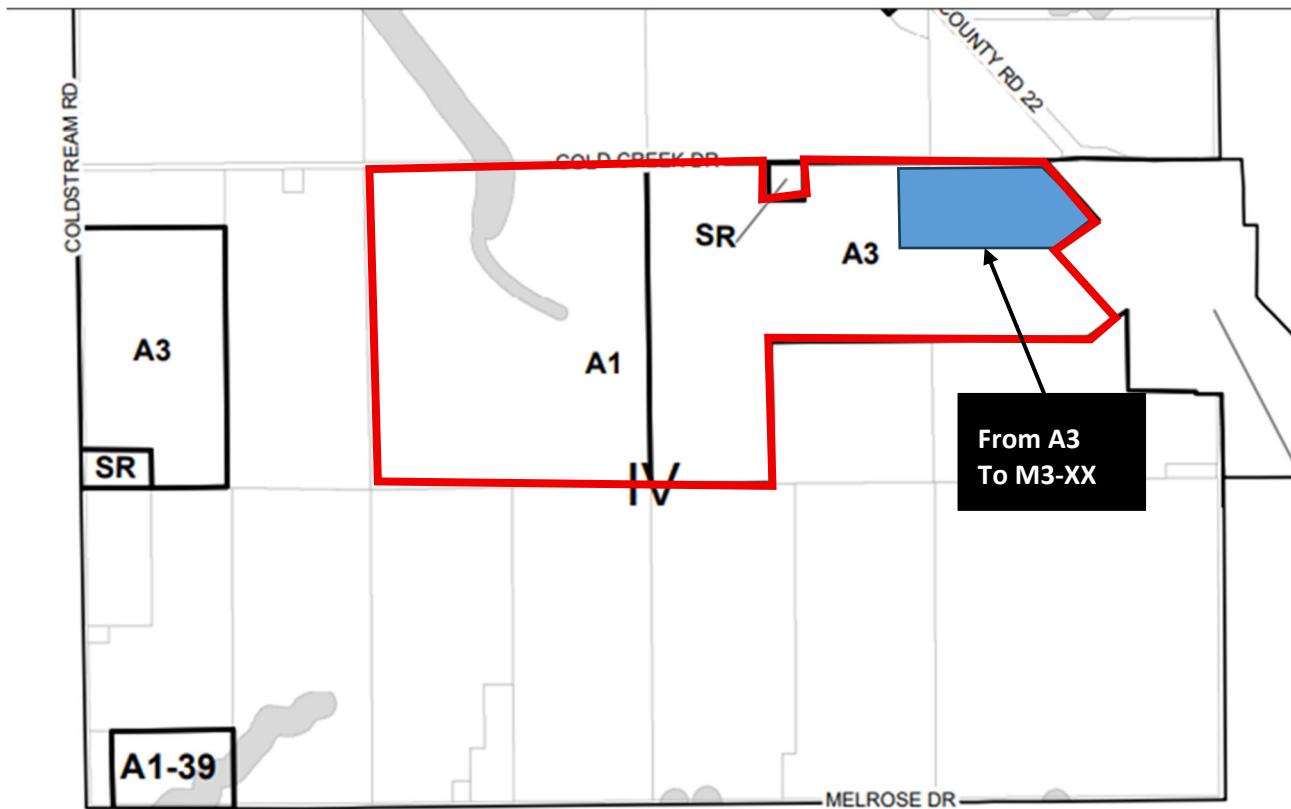


Figure 12: Proposed Map Change to Zoning By-law 2005-005, Schedule A – Map 57
Source: Zoning By-law 2005-005

8 CLOSING

The applicant is requesting a Zoning By-law Amendment to permit the additional “General Industrial” and ‘Dry Industry’ land uses with a maximum required parking of 50 parking spaces. This Report has reviewed the applicable planning policies and technical documents in support of the proposed development. Based on a review of the relevant policies and regulatory framework for the Subject Lands, the proposed Zoning By-law Amendment is justified for the following reasons:

- The proposal is consistent with the policies of the Provincial Planning Statement (2024), the County of Middlesex Official Plan and the Middlesex Centre Official Plan.
- Development will not adversely impact or hinder surrounding agricultural operations, supports the local agricultural industry, and is directly related to farming and farm operations
- The proposed facility is defined as an Agriculturally Related industrial use as it services the farm industry and will contribute to the economic vitality of the dairy farming within Middlesex County.

- The proposed development would be at a scale, form and intensity that is compatible with the character of the surrounding area within the hamlet of Lobo, meets the MECP D-6 guidelines for land use compatibility, and would not create adverse impacts on surrounding land uses; and
- The proposed development represents good land use planning in support of a strong and thriving agricultural sector.

Given the above considerations, it is recommended that the Municipality of Middlesex Centre approve the proposed Zoning By-law Amendment application.

Respectfully submitted,

Strik, Baldinelli, Moniz Ltd.

Planning • Civil • Structural • Mechanical • Electrical



Sandra Congdon, CPT
Planning Technician II

Reviewed by:



Nick Dujach, MCIP, RPP, CPT
Associate, Planning Division Manager