

Subject: Economic Development Rural Plan

File Number: ACS2026-SI-ED-0004

Report to Agriculture and Rural Affairs Committee on 7 May 2026

and Council 13 May 2026

**Submitted on April 27, 2026 by Sheilagh Doherty, Director, Economic
Development Services**

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Ward: Citywide

Objet : Plan de développement économique en milieu rural

Numéro de dossier : ACS2026-SI-ED-0004

Rapport présenté au Comité de l'agriculture et des affaires rurales le 7 mai 2026

et au Conseil le 13 mai 2026

**Soumis le 27 avril 2026 par Sheilagh Doherty, Directrice, Services de
développement économique**

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That the Agriculture and Rural Affairs Committee recommend Council:

- 1. Receive the Economic Development Rural Plan, attached as Document 1.**
- 2. Direct staff to initiate the recommendations described in this report and summarized in Document 2.**

RECOMMANDATION(S) DU RAPPORT

Que le Comité de l'agriculture et des affaires rurales recommande au Conseil :

- 1. de prendre connaissance du Plan de développement économique en milieu rural ci-joint (document 1).**
- 2. de demander au personnel d'amorcer les recommandations décrites dans le présent rapport et résumées dans le document 2.**

EXECUTIVE SUMMARY

Ottawa's rural area is a defining component of the city's identity and economy, representing more than 80 per cent of the municipality's land base and home to approximately 17 per cent of its population. Rural communities support a diverse range of economic activities, including agriculture, tourism, manufacturing, retail and services, and construction, while contributing to the city's overall prosperity and quality of life. Recognizing the importance of rural economic development, Council approved the [Economic Development Strategy and Action Plan](#) in April 2024, which committed to updating the [Rural Economic Development Strategy and Action Plan](#) (2020).

The Economic Development Rural Plan provides a refreshed, evidence-informed framework to support rural economic growth. It builds on previous initiatives and aligns with municipal, provincial, and federal priorities, while also reflecting input from the 2024 Ottawa Rural Summit.

Rural Ottawa is characterized by low population density, a growing but aging population, relatively high household incomes, and above-average rates of self-employment. These factors underscore the importance of tailored programming that supports entrepreneurship, workforce development, and business succession. Key sectors include agriculture, which remains foundational to the rural economy; tourism and recreation, supported by natural and cultural assets; retail and services, which

sustain village economies; and construction, manufacturing, and related industries that contribute to employment and regional supply chains.

The Rural Plan was informed by research, data analysis, and extensive consultation, including over 40 one-on-one interviews and public engagement through Engage Ottawa. Feedback emphasized the need to improve access to business and funding supports, strengthen marketing and promotion, expand on-farm diversification, and address broader challenges related to infrastructure, transportation, and planning processes.

In response, the Rural Plan identifies twelve recommendations focused on enhancing business support services, supporting key sectors, and advancing economic opportunities. Central to implementation is the establishment of a dedicated Rural Business Liaison within Economic Development Services. This role will act as a single point of contact for rural businesses, support coordination across City departments, and ensure rural economic considerations are reflected in decision-making processes.

Implementation will begin in 2026 within existing resources and includes the first dedicated rural economic development staff position. The Plan is intended to build a strong foundational step, with outcomes informing future programs, services, and potential budget considerations in the next Term of Council. Progress will be reported annually to the Agriculture and Rural Affairs Committee, aligned with the broader Economic Development Services update to Council.

RÉSUMÉ

Représentant plus de 80 % du territoire de la municipalité et comptant environ 17 % de sa population, le secteur rural d'Ottawa est un élément déterminant de l'identité et de l'économie de la ville. Les communautés rurales soutiennent un éventail diversifié d'activités économiques, notamment l'agriculture, le tourisme, la fabrication, le commerce de détail et les services, ainsi que la construction, tout en contribuant à la prospérité et la qualité de vie globales de la ville. Reconnaissant l'importance du développement économique en milieu rural, le Conseil a approuvé la Stratégie de développement économique et le Plan d'action en avril 2024, qui s'engageaient à mettre à jour la Stratégie et le plan d'action relatifs au développement économique en milieu rural (2020).

Le Plan de développement économique en milieu rural constitue un cadre actualisé et fondé sur des données probantes visant à soutenir la croissance économique rurale. Le cadre repose sur des initiatives antérieures et s'harmonise avec les priorités

municipales, provinciales et fédérales, tout en intégrant les commentaires du Sommet rural 2024 d'Ottawa.

La zone rurale d'Ottawa se distingue par sa faible densité démographique, une population croissante, mais vieillissante, des ménages à revenus relativement élevés et des taux d'emploi autonome supérieurs à la moyenne. Ces facteurs soulignent l'importance d'élaborer des programmes adaptés qui appuient l'entrepreneuriat, le perfectionnement de la main-d'œuvre et la relève d'entreprise. Les secteurs clés comprennent l'agriculture, qui demeure fondamentale pour l'économie rurale; le tourisme et les loisirs, soutenus par des actifs naturels et culturels; le commerce de détail et les services, qui appuient l'économie des villages; et la construction, la fabrication et les industries connexes qui contribuent à l'emploi et aux chaînes d'approvisionnement régionales.

L'élaboration du Plan de développement économique en milieu rural a été orientée par des recherches, des analyses de données et de vastes consultations, comptant notamment plus de 40 entrevues individuelles ainsi que la contribution du public par l'entremise de Participons Ottawa. La rétroaction souligne la nécessité d'améliorer l'accès aux soutiens pour les entreprises et au financement, de renforcer les efforts de marketing et de promotion, d'élargir la diversification des exploitations agricoles et de relever les défis plus larges liés à l'infrastructure, au transport et aux processus de planification.

En réponse à cela, le Plan de développement économique en milieu rural propose 12 recommandations axées sur l'amélioration des services d'appui aux entreprises, le soutien des secteurs clés et la promotion des avenues de développement économique. La création d'un poste d'agent de liaison avec les entreprises rurales au sein des Services de développement économique est au cœur de la mise en œuvre de ces recommandations. Cette personne servira de point de contact unique pour les entreprises rurales, appuiera la coordination entre les directions générales et veillera à ce que les considérations économiques rurales soient prises en compte dans les processus décisionnels.

La mise en œuvre débutera en 2026 en respectant les limites des ressources existantes et comprendra le tout premier poste dédié au développement économique rural. Le Plan vise à établir une solide étape fondamentale, dont les résultats orienteront les programmes et les services futurs ainsi que les considérations budgétaires éventuelles au cours du prochain mandat du Conseil. Les progrès seront présentés

annuellement au Comité de l'agriculture et des affaires rurales, en même temps que la mise à jour générale des Services de développement économique soumise au Conseil.

BACKGROUND

Ottawa's rural area is a defining element of the city's identity and economy. It spans the majority of the municipality's land base and includes villages, farms, natural landscapes, and a diverse mix of businesses. Rural Ottawa contributes to the City's overall prosperity, sustainability, and quality of life. Its communities support a broad range of economic activity, including agriculture, tourism, retail and services, manufacturing, and construction, while offering unique cultural heritage, recreational opportunities, and a strong sense of place.

Council approved the City's [*Economic Development Strategy and Action Plan*](#) in April 2024, identifying rural economic development as a priority and committing to update the [*Rural Economic Development Strategy and Action Plan*](#) approved by Council in April 2020. While many economic fundamentals are shared across urban and rural contexts, rural businesses face distinct challenges and opportunities, requiring approaches tailored to rural realities and developed in collaboration with rural businesses.

The Economic Development Rural Plan builds on previous initiatives, including the Rural Business Toolkit, rural tourism itineraries and cycling routes, advocacy to improve rural internet connectivity, and the creation of Ottawa's Innovation Farm (formerly the Smart Farm), operated by Invest Ottawa.

The Rural Plan aligns with existing municipal, provincial, and federal strategies. It supports the 2023–2026 *City Strategic Plan*, which identifies economic development as a priority, and complements Ottawa Tourism's 2022 *Destination Stewardship Plan*, which promotes rural assets as part of a broader tourism strategy. It also reflects national and provincial priorities, including the federal strategy *Rural Opportunity, National Prosperity: An Economic Development Strategy for Rural Canada* (2024) and the Province of Ontario's *Enabling Opportunity: Ontario's Rural Economic Development Strategy* (2025). Positioning Ottawa's rural economy within these frameworks ensures local actions are coordinated with broader policy objectives and best practices.

The Rural Plan also builds on the outcomes of the 2024 Ottawa Rural Summit, which provided a forum for rural residents, businesses, and organizations to engage directly with City leaders on key issues affecting rural communities. The summit reinforced the importance of improving rural service delivery, strengthening rural representation, and establishing dedicated rural leadership within City departments.

DISCUSSION

The Rural Plan focuses on Wards 1 (Orléans East–Cumberland), 5 (West Carleton–March), 19 (Orléans South–Navan), 20 (Osgoode), and 21 (Rideau–Jock). Together, these Wards encompass a diverse rural landscape that includes agricultural lands, natural areas, villages, hamlets, and dispersed rural residential communities.

The Rural Plan aims to reduce barriers to services for businesses, leverage rural strengths and assets, and respond to emerging opportunities so rural Ottawa can continue to thrive as a vital and dynamic part of the city’s economy. It was developed through a process that combined research, data analysis, and interest holder consultation, ensuring that the Plan is evidence-informed, grounded in local perspectives, and aligned with City priorities.

Phase 1: Research and Data Collection

This phase focused on building a strong analytical foundation. It included a review of available rural economic data, relevant policy documents, and existing business support programs and services.

Geography

Although Ottawa is widely perceived as an urban capital city, it is geographically predominantly rural. Of the city’s approximately 2,790 square kilometres, just over 80.0 per cent is rural, while housing 17.0 per cent of the population. Rural population density averages about 83.5 people per square kilometre, compared with approximately 1,806 people per square kilometre in urban and suburban areas.

The proximity of a large urban market provides rural businesses with access to customers, employees, and services. In turn, urban residents benefit from rural tourism offerings, recreation, and locally produced goods. This urban–rural relationship is a defining advantage that supports a resilient regional economy.

Population & Demographics

In 2021, rural Ottawa had 181,480 residents, representing 17.8 per cent of the city’s population. By 2025, the rural population increased to 197,093, or 17.0 per cent of residents. This reflects rural growth of approximately 8.6 per cent, compared with overall city growth of 14.2 per cent. Rural areas continue to grow, but at a slower pace than suburban and urban areas.

Rural Ottawa has an older age profile. In 2025, the median age of household maintainers in rural areas was 57, compared with 51 citywide. Rural households also report relatively strong incomes, with 15.0 per cent earning more than \$300,000 annually, compared with 10.6 per cent across Ottawa.

Self-employment is more common in rural wards. In 2019, 14.2 per cent of the rural labour force was self-employed, compared with 11.9 per cent citywide. Self-employment rates exceeded 17.0 per cent in Wards 20 and 21 and approached 19.0 per cent in Ward 5. These trends reflect the importance of small businesses, agriculture, and home-based enterprises.

Together, this data highlights rural Ottawa as a low-density, growing, and economically active area with a strong culture of entrepreneurship. It underscores the need for programming and services that respond to an aging population while supporting business succession and workforce development.

Key Industries

Rural Ottawa's economy is anchored by agriculture, tourism, recreation, retail and services, and development, construction and manufacturing. Each sector plays a critical role in long-term economic vitality.

Agriculture is a cornerstone of the rural economy and a defining feature of the landscape. According to the 2021 Census of Agriculture, rural Ottawa is home to more than nine hundred farms. The sector includes a diverse mix of small- and mid-sized operations, strong participation in direct marketing and value-added production, and specialization in high-value and niche commodities. This diversity supports economic resilience, strengthens local food systems, and creates opportunities for growth in agri-food innovation, agritourism, and farm-based entrepreneurship.

Tourism and recreation are supported by natural landscapes, heritage sites, attractions, fairs, and trail networks. These assets attract residents and visitors year-round, with most rural tourism driven by day trips that generate spending on food, retail, services, and local experiences. Coordinated promotion and continued collaboration between the City, Ottawa Tourism, and rural partners can further expand this sector.

Retail and service businesses form the backbone of rural villages. They provide essential goods and services, local employment, and social gathering spaces that reinforce community identity. Strengthening village economies improves service access, supports employment, and enhances the attractiveness of rural communities for

residents and visitors. Investment in infrastructure and place-based economic development are important to sustaining this role.

The development and construction sectors are an important contributor to economic activity in rural Ottawa and play a central role in supporting growth and infrastructure renewal. Rural development activity includes residential, agricultural, commercial, and industrial projects, infrastructure works, and the extraction of aggregates that supply essential materials for construction across the region. Together, these activities support local employment, supply chains, and skilled trades, while enabling the continued growth of rural communities.

Manufacturing is an important and often under-recognized component of rural Ottawa's economy, contributing to local employment, value-added production, and supply chain activity. Rural areas provide space and flexibility for industrial uses that are more difficult to accommodate in urban settings, supporting activities such as food processing, fabrication, logistics, and light manufacturing. Ottawa's manufacturing businesses often serve both local and regional markets, strengthening economic linkages between rural producers and urban consumers.

Business Support Services

Business support services in Ottawa are primarily delivered through Invest Ottawa, which provides a wide range of programs to support entrepreneurs and businesses. Invest Ottawa's services are available to individuals across the city, including those in rural areas. This support is particularly relevant in rural Ottawa, where self-employment rates are higher than the city average.

Despite this, rural participation across Invest Ottawa's programs and services is comparatively low. Between 2020 and 2025, rural residents represented 6.2 per cent of workshop attendees, 12.1 per cent of advisory clients, 5.5 per cent of business retention and expansion clients, 5.7 per cent of smart mobility clients served at Area X.O, and 6.7 per cent of Ottawa Innovation Farm clients. Consultation findings suggest there is an opportunity to increase rural participation by reducing distance-related barriers and strengthening awareness of the services available.

In addition to services provided by Invest Ottawa, the City supports rural economic diversification through its On-Farm Diversified Uses By-law. It also helps entrepreneurs develop and grow their businesses with the Small Business Navigator tool on Ottawa.ca and guidance on regulatory requirements through the Business Ambassador Service for Food Establishments, which helps businesses navigate approvals and compliance

processes. Together, these tools and services form a strong foundation of support for rural businesses, however, improving awareness, accessibility and tailoring business support services for rural entrepreneurs will be key to maximizing their impact.

Phase 2: Consultation

Extensive consultation was undertaken to ensure the Rural Plan reflects the experiences and priorities of the rural community. More than 40 one-on-one interviews were conducted with rural Councillors, business owners, Business Improvement Areas, community organizations, and City departments. Interviewees highlighted the need for rural-specific approaches that improve infrastructure and planning and policy frameworks, expand access to business supports, and strengthen municipal advocacy to address provincial policies that limit competitiveness. Interest holders also emphasized the need for stronger marketing and promotion, film and event development, agri-food support, coordinated business to business connections, and decentralized service models. Input from these discussions was consolidated to identify shared themes, key challenges, and emerging opportunities, and was used to inform the development of a draft Rural Plan.

The draft Rural Plan was presented to the Agriculture and Rural Affairs Committee in March 2026 and posted on Engage Ottawa for a 30-day consultation period, providing an opportunity for rural businesses, business and community associations, and other interested parties to provide input. The engagement was promoted through Engage Ottawa, the Rural Affairs e-newsletter, Councillors' newsletters, and rural business networks.

Participants were invited to complete an online survey on the Engage Ottawa platform, which included questions on overall agreement with the draft recommendations, prioritization of specific recommendations, and open-ended feedback. Direct written submissions were also accepted. A total of 63 survey responses were received, of which 38 respondents indicated they had reviewed the recommendations. Three additional written submissions were provided directly to City staff.

Respondents who had reviewed the draft Rural Plan were asked to identify the recommendations they considered most important. Securing senior government funding and establishing a dedicated Rural Business Liaison emerged as the top priorities, each selected by more respondents than any other recommendation. Expanding on-farm diversified uses ranked third, reflecting strong interest from agricultural businesses, while marketing and promoting rural Ottawa as a filming destination also ranked high,

indicating interest in raising the profile of rural Ottawa. Overall, responses were broadly supportive of the draft Plan's direction, with strongest support for recommendations related to access to funding, business support, and marketing.

Open-ended feedback identified several consistent themes. Respondents strongly supported the creation of a Rural Business Liaison as a single point of contact to help navigate City processes. Many noted that foundational infrastructure, such as roads, broadband, water, and transit, is critical to economic growth but not sufficiently addressed in the Plan. Energy was identified as both a gap and an emerging opportunity, particularly in renewable energy and local generation. Agricultural interest holders emphasized the importance of protecting farmland, supporting diversified on-farm uses, and strengthening local food systems. Across sectors, respondents cited regulatory complexity and permitting timelines as barriers to growth. Feedback also called for enhanced rural tourism through improved marketing and visitor infrastructure, and for a broader approach to rural economic development that considers quality of life, arts and culture.

The feedback received through Engage Ottawa validated broad support of the Plan's direction. Staff used the feedback to inform refinements to the Economic Development Rural Plan prior to finalization.

Phase 3: Rural Plan Development

Insights from research and consultation informed the recommendations, aimed at fostering a strong rural economy that reflects the realities, priorities and character of rural businesses and communities.

The twelve recommendations and associated actions contained in the Economic Development Rural Plan are detailed in Documents 1 and 2 and include:

1. Establish a dedicated Rural Business Liaison position in Economic Development Services
2. Strengthen integration of rural business perspectives
3. Pilot decentralized business support services for rural businesses with a focus on key rural industries
4. Maintain ongoing dialogue and communication with rural businesses
5. Collaborate with local business associations to facilitate networking

6. Develop and implement a marketing campaign promoting rural tourism
7. Secure provincial and federal funding to support rural business growth projects
8. Promote rural Ottawa as a filming destination
9. Promote rural Ottawa as a destination for corporate and entertainment events
10. Commission a baseline evaluation and benchmark study of Ottawa's rural economy
11. Assess the competitiveness and capacity of Ottawa's employment lands to support projected economic growth, and identify priority locations for future industrial development
12. Explore opportunities to expand on-farm diversified uses to simplify ancillary business development and increase opportunities to enhance the long-term viability of rural farms

Consultation feedback consistently identified infrastructure, transportation, and planning-related challenges as key constraints to rural economic development. While these areas fall under the mandates of other City departments and are guided by separate Council-approved plans and policies, the Rural Plan is designed to complement and align with this work. Through a coordinated approach, the Plan supports improved integration of economic development considerations into broader City initiatives, while maintaining clear accountability across departments.

A central mechanism to advance this coordination is the establishment of a dedicated Rural Business Liaison. Acting as a single point of contact, the Liaison will lead delivery of the Rural Plan and proactively engage directly with rural businesses and interest holders to better understand how infrastructure limitations, transportation gaps, and planning processes impact economic activity. This includes identifying recurring issues such as servicing constraints, limited transit access, road safety concerns, and barriers within development approvals, and ensuring these considerations are communicated to the appropriate departments in a consistent and structured manner.

Through ongoing outreach and cross-departmental collaboration, the Rural Business Liaison in collaboration with the Rural Affairs Office will help bring forward practical, solutions-oriented responses to these challenges. This includes supporting the identification of opportunities for greater flexibility within existing processes, improving coordination between departments, and escalating systemic issues through established

corporate channels. In doing so, the role will help ensure that rural economic perspectives are more effectively reflected in City decision-making, contributing to a more responsive and enabling environment for rural businesses.

The City will also improve access to business support services by expanding and decentralizing services so rural businesses can more easily access support, advice, information and networking opportunities closer to where they operate. The City will pilot quarterly, in-person, decentralized business support services across all rural wards to improve access. These actions are intended to improve service delivery and strengthen local business capacity.

Implementation of the Rural Plan will begin in 2026 within existing resources. The Rural Plan aims to create a strong foundation and includes the first dedicated rural economic development staff position. Outcomes from the Rural Plan will inform future economic development programs and services in the next Term of Council, including associated budget considerations. Implementation outcomes will help identify what approaches are most effective, where additional investment is needed, and how services can be refined to improve access, strengthen rural competitiveness, and support long-term economic resilience. An update on rural economic development will be provided annually to the Agriculture and Rural Affairs Committee, aligned with the timing of the broader city-wide Economic Development Services update to Council.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the report. The initial implementation of the Rural Plan will be funded within the existing approved budget. Any additional operating costs will be brought forward to Council for consideration and approval and incorporated into the 2027 City Budget process.

LEGAL IMPLICATIONS

There are no legal implications associated with the recommendations in this report.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a city-wide report.

CONSULTATION

More than forty one-on-one interviews were conducted with rural Councillors, business owners, Business Improvement Areas, community organizations, and City departments.

In addition, the draft Rural Plan was presented to the Agriculture and Rural Affairs Committee in March 2026 and posted on Engage Ottawa for a 30-day consultation period, providing an opportunity for rural businesses, business and community associations, and other interested parties to provide input. The engagement was promoted through Engage Ottawa, the Rural Affairs e-newsletter, Councillors' newsletters, and rural business networks.

Participants were invited to complete an online survey on the Engage Ottawa platform, which included questions on overall agreement with the draft recommendations, prioritization of specific recommendations, and open-ended feedback. Direct written submissions were also accepted. A total of 63 survey responses were received, of which 38 respondents indicated they had reviewed the recommendations. Three additional written submissions were provided directly to City staff. Input from the interviews, Committee presentation and Engage Ottawa survey was consolidated to identify shared themes, key challenges, and emerging opportunities, and directly informed the recommendations and actions in the Rural Plan.

ACCESSIBILITY IMPACTS

All actions that arise from the Economic Development Rural Plan will adhere to the accessibility legislative framework, including the *Integrated Accessibility Standards Regulation* of the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA), the Ontario Human Rights Code, the Accessibility Policy, and the City of Ottawa Accessibility Design Standards (ADS) to the greatest extent possible.

Through its Accessibility Policy, the City of Ottawa is committed to providing equal treatment to people with disabilities with respect to the use and benefit of City services, programs and goods in a manner that respects their dignity and that is equitable in relation to the broader public, including those living in rural areas. Staff understand the disproportionate impact of rural residents with disabilities and older adults to accessing City services and programs and will ensure that the actions outlined in this plan reflect the initiatives that affect rural residents included in both the Provincially-mandated City of Ottawa Municipal Accessibility Plan (COMAP) and the federally-mandated OC Transpo Accessibility.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

CLIMATE IMPLICATIONS

There are no climate implications associated with the recommendations in this report.

DELEGATION OF AUTHORITY IMPLICATIONS

There are no delegation of authority implications associated with the recommendations in this report.

ENVIRONMENTAL IMPLICATIONS

Increasing awareness and appreciation of Ottawa's natural areas supports ongoing conservation and stewardship efforts. Encouraging residents to responsibly visit and experience rural environments helps build public support for protecting and maintaining these natural assets over the long term.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with the recommendations in this report.

RURAL IMPLICATIONS

The Economic Development Rural Plan recognizes that rural areas have different needs than urban areas and aims to reduce barriers to services, build on rural strengths and assets, and respond to emerging opportunities. The goal of the Plan is to foster a strong rural economy that reflects the realities, priorities, and character of rural businesses and communities.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with the recommendations in this report.

TERM OF COUNCIL PRIORITIES

The Economic Development Rural Plan supports the Term of Council priority of "A city with a diversified and prosperous economy." It provides a framework to guide economic growth, diversification, prosperity, and resilience in rural Ottawa through 2026 and 2027 and into the future.

SUPPORTING DOCUMENTATION

Document 1 – Economic Development Rural Plan

Document 2 – Economic Development Rural Plan Summary

DISPOSITION

Upon approval of the report by Council, staff from Economic Development Services will begin implementing the Economic Development Rural Plan recommendations in collaboration with key implementation partners as outlined in Document 1.