

To:	Warden Milne and Members of Grey County Council
Committee Date:	November 9, 2023
Subject / Report No:	PDR-CW-47-23
Title:	Recommendation Report OPA 18
Prepared by:	Stephanie Lacey-Avon
Reviewed by:	Scott Taylor
Lower Tier(s) Affected:	Township of Southgate
Status:	

Recommendation

1. That all written and oral submissions on Official Plan Amendment Number 18 were considered and helped to make an informed recommendation and decision; and
2. That report PDR-CW-47-23 be received; and that Amendment Number 18 to the County of Grey Official Plan to permit the redesignation of ‘Agricultural’ lands to the ‘Agricultural – Site Specific’ designation, for the purposes of permitting an on-farm diversified use on the lands legally described as Part Lot 27, Concession 16, as in GS148863, geographic township of Proton, now in the Township of Southgate, be supported, and a by-law to adopt the County Official Plan Amendment be prepared for consideration by County Council.

Executive Summary

The purpose of the report is to explore the planning merits of a County Official Plan amendment (OPA) application which would have the effect of permitting an on-farm diversified use (OFDU) on an undersized Agricultural lot, being 10 hectares (ha) in size. This report highlights the proposal’s compliance with key policy documents and related guidelines, including the Provincial Policy Statement (PPS), Ontario Ministry of Food and Rural Affairs (OMAFRA) Guidelines on Permitted Uses in Ontario’s Prime Agricultural Areas, the County Official Plan, and the Township Official Plan. Staff’s analysis also evaluates the proposal’s potential to support economic activities for the farming community. It notes that the subject lands are relatively small but emphasizes the importance of considering diversified economic uses for small agricultural properties to sustain the viability of agriculture. The proposal is considered to meet the necessary criteria for on-farm diversified uses without significantly impacting agricultural production. Based on the individual planning merits of this proposal, County staff recommend approval of the subject application, permitting an on-farm diversified use on the subject property.

Background and Discussion

The County has received an application from NB Martin MFG Inc., represented by Kristine Loft, Loft Planning Inc., to amend the County Official Plan (OP). This amendment would extend the permissions of the subject site to permit an on-farm diversified use on an undersized Agricultural lot, being 10 ha. Generally, on-farm diversified uses are not permitted on Agricultural designated lands with a lot area of under 20 ha, except for bed & breakfast establishments and/or home rural occupations within the dwelling only.

The proposed use includes a shop (238 m²), power room (11.89 m²), skid steer room (41.8 m²), outdoor storage area (250 m²) and gravel yard (902 m²). In total, the development would span 2,000 m² in area, comprising 2% of the total area of the subject lands.

Amendments to the Township of Southgate Official Plan and zoning by-law are also required but will be addressed following a decision made on the subject County OPA. A joint public meeting was held on September 27, 2023.

The subject lands are municipally known as 192748 Southgate Sideroad 19 (Part Lot 27, Concession 16, Proton) in the Township of Southgate. They are located on the west side of Southgate Sideroad 19 and south of Southgate Sideroad 24. Access to the site is by Southgate Sideroad 24.

The subject lands are designated 'Agricultural' and 'Hazard Lands' under the County Official Plan. There is currently an existing single-detached residence, accessory structure, and barn on site. Within the accessory structure is an existing home occupation that would be discontinued should these planning applications be approved. The property has 8 hectares of tillable land and there is a coverall barn for meat goats. Surrounding the subject property is mostly agricultural lands and environmental protection areas.

A planning justification report (PJR), Minimum Distance Separation (MDS) calculations, agricultural impact assessment (AIA), and D-6 guideline assessment have been submitted as part of the complete application for the subject file.

Map 1 below shows an aerial photo of the subject lands, while Map 2 shows the proposed site layout.

Map 1: Aerial Photo of the Subject Lands



Map 2: Current Site Plan



Agency Comments Received

Historic Saugeen Metis – August 2023

No objection or opposition to the proposed County Official Plan Amendment.

Enbridge Gas – August 2023

No objection.

Public Comments Received

None.

[Link to Public Meeting Minutes](#)

Analysis of Planning Issues

Provincial Policy Statement

While Section 1.1.3 of the PPS notes that “settlement areas shall be the focus of growth and development,” Sections 1.1.4 and 1.1.5 of the PPS provide guidance on land use and economic growth within Rural Areas and Rural Lands within municipalities. Healthy, integrated, and viable rural areas should be supported by:

- a) building upon rural character and leveraging rural amenities and assets.
- f) 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;
- i) providing opportunities for economic activities in prime agricultural areas, in accordance with policy 2.3.

Section 2.3 of the PPS guides planning in prime agricultural areas and emphasizes that prime agricultural areas shall be protected for long-term agriculture use. On-farm diversified uses are defined in the PPS as follows:

Means uses that are secondary to the principle agricultural use of the property and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value-added agricultural products. Ground-mounted solar facilities are permitted in prime agricultural areas, including specialty crop areas, only as on-farm diversified uses.

As per above, on-farm diversified uses are permitted in prime agricultural areas, and are directed to be compatible with, and shall not hinder surrounding agricultural operations. No minimum lot size requirements are specified under the PPS, but such uses are required to be limited in area.

Section 2.0 speaks about the wise use and management of resources. More specifically, section 2.1 requires that natural features and areas be protected for the long term. The lands are partially adjacent to a wetland feature, and there are identified hazard lands on the subject

property. The setback minimums to the wetland (30 metres as defined in the County OP) are met through this development, and no development is proposed within the hazard lands.

County of Grey Official Plan

Under the County OP, the subject lands are designated Agricultural and Hazard Lands. Section 5.2 of the County OP provides policies for the Agricultural land use type. This official plan amendment does not propose to change the Hazard Lands on-site. Table 8 of Section 5.2.2 outlines the current size criteria permitted for on-farm diversified uses under the County's OP. Section 5.2.2(19) further outlines the conditions that need to be met prior to considering a new on-farm diversified use, including a staff comment below each of the criteria.

- a) The use or activity does not interfere with, or generate off-site adverse impacts, and is *compatible* with surrounding uses,

Staff Comment: The proposed use would not be dissimilar to what is currently permitted within the area, including rural commercial uses, home industries, etc. As per the PJR, it was noted that there are two adjacent properties that contain small-scale industrial uses. Screening measures will be implemented along the public roadway, with vegetation plantings. D-6 guidelines were required to be addressed for this proposal, and they speak to the 'potential influence areas for industrial land uses'. Class I industrial uses (small-scale industrial uses) have a potential influence area of 70 m to surrounding homes. There are no off-site sensitive uses (i.e., residential properties) within 70 metres from the subject site. Class II requirements were also required, as the proposed use has an outdoor storage component. This classification has a 300 metre potential influence area. There are two residences within this area; however, with the proposed vegetation plantings, and the placement of the shop on the southside of the property, this will have the effect of mitigating any noise, dust, commercial lighting and/or other potential impacts from the proposed use.

- b) The use or activity can be sustained by local service levels and *infrastructure*,

Staff Comment: The proposed use would be serviced by private services, and the Township may collect development charges to assist with any road maintenance requirements.

- c) The buildings to be used meet all *Building Code* requirements for the type of use being proposed,

Staff Comment: Would be determined at the time of issuance of the building permit.

- d) The scale of the operation is secondary to the active agricultural use on the farm property, and appropriate to the site and the surrounding area,

Staff Comment: The proposed on-farm diversified use meets the development policies (in terms of size and scale) as outlined under the Rural land use designation when considering OFDU's on lots less than 20 hectares in size.

- e) The timing and duration of activities does not hinder agricultural operations on site or in the area,

Staff Comment: The owner intends to continue to till the land and manage their meat goats in the coverall barn. It is not anticipated that the proposed use will impact surrounding agricultural operations.

- f) For special events, the use or activity represents an occasional activity and is not a regular occurring activity and does not have permanent structures, and

Staff Comment: N/A

- g) On-site parking can be accommodated without impacting the agricultural operation.

Staff Comment: A total of 10 on-site parking spaces will be provided for the shop, no agricultural land will be removed to accommodate this need, and the existing entranceway that currently is used to access the home occupation will be utilized for the proposed shop.

Section 7.2 offers guidance that new development shall generally be directed away from Hazard Lands. Appendix B of the County OP also identifies a stream and 'other wetland' in proximity to the subject property. No development is proposed within the 30-metre setback minimum of the wetland, and no development is proposed within the hazard lands.

Section 9.3 of the County OP speaks to the considerations required when changes are proposed to the Plan. The subject landowner alongside their consultant have expressed that the proposed development would assist the farmer in furthering the viability of the agricultural operation. There would be no additional demand for services, as the land will continue to be serviced privately. Based on the proposed size of this operation, there would be a very minimal impact on local roads. Staff would suggest that there will be limited impact on the County's and local municipalities' ability to achieve the principles and policies expressed in all planning documents, policies, programs, and interests. The largest threat to the County's rural character is significant residential development and *non-agricultural uses*, as these uses tend to be classified as 'sensitive receptors – sensitive uses' and can have the effect of limiting operation, expansion, or growth of farm and resource extraction operations (both of which have been classified as important, and finite industries province-wide to protect). It is within the County's interest to prioritize on-farm and resource uses, over non-agricultural uses in the *countryside*. As this proposed use is classified as an *on-farm diversified use* (an agricultural use), the policy considerations that are required to be addressed when considering these types of uses aim to address any compatibility concerns and are intended to support agriculture as the dominant use in prime agricultural areas.

Impact to Agricultural Lands

As mentioned, the proponent submitted an agricultural impact assessment (AIA) as part of their application. This assessment intends to evaluate the potential impacts of non-agricultural uses on agriculture, both in terms of the subject lands and the surrounding lands. The AIA explores ways to avoid or if it not possible, minimize and mitigate adverse impacts. Some of the key findings include:

- The subject lands have remained relatively unchanged since 2010, except for the expansion of the farming operation through the construction of a barn approx. 466 m² in size. Because of the barn expansion, this has reduced the overall land available for agricultural production from ~8.5 hectares to ~8 hectares.
- This property is predominantly located within an agricultural area.
- Two properties in proximity to the subject site currently have in-operation small-scale industrial uses.
- MDS requirements were met and it is not anticipated the proposed use will impact surrounding livestock facilities or agricultural operations.
- This application would have no effect of permitting the creation of new, small agricultural lots in the Township of Southgate.

Planning Merit

Staff have had the opportunity to review the PPS, Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas (OMAFRA), Grey County Official Plan, and Township Official plan, as it relates to the subject application. Emphasis on protecting agricultural lands is recognized as a consistent message throughout all policy guiding documents. Through this lens, there is also emphasis on recognizing that on-farm diversified uses are permitted in prime agricultural areas, but must be compatible with, and shall not hinder surrounding agricultural operations. There is also emphasis on allowing for and providing opportunities for economic activities in prime agricultural areas, encouraging strategies that support more young farmers, farm succession planning, and slowing the decline in the number of farmers.

Some of the key criteria needing to be ensured when considering new on-farm diversified uses includes ensuring the use is limited in area, minimizing the amount of land taken out of agricultural production, ensuring agriculture remains the main land use in prime agricultural areas, limit off-site impacts (e.g., traffic, changes to the agricultural-rural character), and ensuring compatibility with the surrounding agricultural operations.

Staff are of the perspective that the subject proposal has demonstrated compliance and conformity with the key tests that are required to be reviewed when assessing new on-farm diversified uses. Of prime importance, the subject proposal will not be removing lands from agricultural production. Furthermore, staff see this proposal as meeting the objectives outlined by the province by supporting economic activities for the farming community. The subject lands are small and may result in less overall agricultural output/yield in comparison to larger farm parcels. Despite this, the landowner is currently tilling 8 hectares of the subject property and has a coverall barn for meat goats. There are certainly undersized agricultural and rural lots that

would not be well suited to support on-farm diversified uses, as they may occupy very little viable agricultural land (i.e., a lot predominantly covered in hazard lands, significant woodlands, etc.), and these uses are required to be secondary to the principal agricultural use of the property. However, the proponent of the subject lands has clearly demonstrated that the proposed OFDU would be secondary to the agricultural use of the property, and the consultant has conveyed that a secondary stream of income may at times prove necessary on smaller parcels of land to sustain the viability of agriculture.

Staff recognize that through the recent OPA 11 process to amend the County Official Plan, the proposed policy that would permit on-farm diversified uses on agricultural designated lands less than 20 hectares in size was not included in the adopted version of the amendment. One of the reasons for this change to OPA 11 was to protect agricultural lands and ensure lands are not taken out of agricultural production (where possible). An additional reason for this decision was that council wanted to see additional consultation with the public, regarding the merits and reasoning behind the need for this permission to be considered. Despite this removal through OPA 11, members of the public are still permitted to proceed with an amendment to the County's OP on a site-specific basis for a similar permission. Generally, staff tend to monitor the theme of policy amendment requests and formal applications received to gauge whether existing policies need to be amended to better capture the interests of the public, while also balancing other planning considerations (i.e., natural environment, health and safety, access, resource protection, infrastructure needs, smart growth, etc.).

Staff are recommending approval of the subject application based on its standalone planning merits and believe the proposal:

- has regard for matters of provincial interest under the *Planning Act*;
- is consistent with the Provincial Policy Statement, and
- meets the goals and objectives of the County Official Plan.

Financial and Resource Implications

None.

Relevant Consultation

- Internal (list)
 - AODA Compliance (describe)
 - Contribution to Climate Change Action Plan Targets (describe)
- External: The public, Township of Southgate and required agencies and bodies under the *Planning Act*

Appendices and Attachments

[Link to Background Materials](#)

[PDR-CW-41-23 Merit Report OPA 18.docx](#)

Draft County OPA