

Committee Report

To:	Warden Matrosovs and Members of Grey County Council
Committee Date:	July 24, 2025
Subject / Report No:	PDR-CW-49-25
Title:	Final Report for Grey County Official Plan Amendment 21, Martin
Prepared by:	Derek McMurdie
Reviewed by:	Scott Taylor
Lower Tier(s) Affected:	Municipality of West Grey

Recommendation

1. That report PDR-CW-49-25 be received; and
2. That all written and oral submissions on Official Plan Amendment Number 21 were considered and helped to make an informed recommendation and decision; and
3. That proposed County Official Plan Amendment Number 21 on lands legally described as Part of Lot 75, Concession B, being Part 1, Reference Plan 17R531, geographic Township of Normanby, now in the Municipality of West Grey, be approved to redesignate the lands from 'Rural with Exceptions' and 'Hazard Lands' to 'Space Extensive Industrial and Commercial (with site specific exceptions)', 'Rural', and 'Hazard Lands', and a by-law to adopt the County Official Plan Amendment be prepared for consideration by County Council.

Executive Summary

Grey County has received and reviewed a County official plan amendment (OPA) 21 application, initiated by the owners of the property, and submitted by Loft Planning Inc. The lands subject to OPA 21 feature an existing metal fabrication and paint shop, which received site-specific permissions through a previous County OPA #138. The applicants are now seeking to re-designate a portion of the property to 'Space Extensive Industrial and Commercial' and to adjust the boundaries of the 'Hazard Lands' designation. The effect of the OPA would be to permit the current business to expand their outdoor storage area by 2,283 m², for a total area of the business and outdoor storage of 5,980 m². The subject property is currently designated 'Rural with Exceptions' and 'Hazard Lands' on Schedule A of the County's Official Plan.

This report recommends that Committee receives the report for approval of OPA 21, and that staff be directed to bring forward a by-law for adoption by County Council.

Background and Discussion

Grey County has received and reviewed a County official plan amendment (OPA) 21 application to adjust land-use permissions on a property containing an existing on-farm diversified use (OFDU), being a metal fabrication shop. An initial merit report (PDR-CW-40-24) was presented to Committee of the Whole on August 8, 2024 and is linked in the Attachments section of this report.

Proposed County OPA 21 would re-designate a portion of the lands from 'Rural with Exceptions' and 'Hazard Lands' to 'Space Extensive Industrial and Commercial', 'Rural', and 'Hazard Lands' to permit a 2,283 m² expansion of the permitted outdoor storage area. The area containing the current on-farm diversified use (which includes parking facilities, industrial building, etc.) would also be included within the area to be re-designated, although no change of use would occur to the building or parking. In total, approximately 5,980 m² would be redesignated to 'Space Extensive Industrial and Commercial' for the expanded outdoor storage, as well as the existing building and parking. A link to the draft County OPA is included in the Attachments section of this report.

The applicant has also submitted a zoning by-law amendment (ZBA) to West Grey (file number ZA16.2024), to alter zoning permissions to permit the expanded storage. The rezoning will also implement the updated Natural Environment (NE) zone mapping, as per correspondence from the Saugeen Valley Conservation Authority (SVCA). At the time of writing this report, the ZBA application has been approved, subject to approval of OPA 21. A joint public meeting was held on February 18, 2025, during which no comments were received.

The subject lands are described as Part of Lot 75, Concession B, being Part 1 Reference Plan 17R531, geographic Township of Normanby, now in the Municipality of West Grey. This property has frontage and access off Highway 89 and is municipally known as 6724 Highway 89. The property is approximately 12.2 hectares (30.19 acres) in size, of which approximately 0.57 hectares are actively used for the purposes of the current approved OFDU. The remaining 11.63 hectares of the property are used for agricultural purposes. Previously, County Council approved a site-specific OPA on the subject property (OPA 138), which permitted the following uses on the property:

"In addition to the permitted uses of the Rural land use type, a metal fabricating and paint shop, not to exceed 557.4 square metres in building size and 442.6 square metres in outdoor storage and display, is also a permitted use (OPA#138)."

The floor area of the shop will not increase from the existing 557.4 m² structure that currently exists. The subject OPA will only permit an expansion of the outdoor storage, from 442.6 m² to 2,283 m². The outdoor storage area would be located towards the rear of the commercial area, which will result in less visual impact from the highway and neighboring properties.

Land uses surrounding the subject property include the following:

- active farmland to the north,
- low density rural residential lands and forested lands to the west, and
- low-density rural residential lands and active farmland to the east and south (note the southside of Highway 89, across from the subject lands, is the County of Wellington and the Town of Minto).

Map 1 below shows the subject lands highlighted in blue and the surrounding area. Map 2 shows current Schedule A land use designations from the County Official Plan. The Rural designation is shown in white, and Hazard Lands are shown in green. Map 3 shows the portions of the property to be redesignated as Space Extensive Industrial and Commercial and Hazard lands.

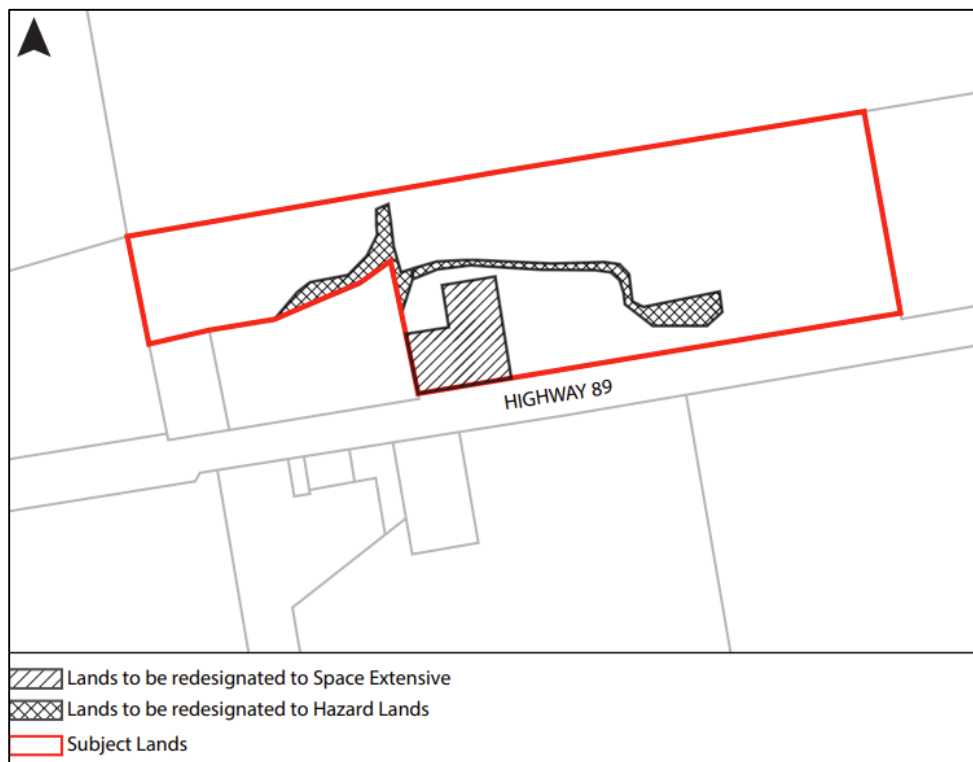
Map 1: Location of Subject Lands



Map 2: Subject Property with Current Schedule A designations from the County Official Plan



Map 3: Subject Property with Proposed Official Plan Amendment and Zoning By-law Amendment Boundaries



Pre-submission consultation between the Municipality of West Grey and the County identified the submission requirements for the County OPA. The applicant submitted a Planning Justification Report, an Archaeological Assessment, and a Stormwater Management Report with the application. Copies of all background reports and plans can be found on the [County of Grey Website](#).

Public/Agency Comments Received

As part of the development application process, County and Municipal staff received comments from several agencies.

Correspondence was received from the following agencies:

Historic Saugeen Metis:

The Historic Saugeen Metis provided comments to indicate “no objections”.

Ministry of Transportation (MTO):

The MTO provided comments to indicate that the applicant must apply for a new Encroachment Permit and Entrance Permit. The applicant must also complete a 'Property Owner Acknowledgement - Home Occupation and Home Industry' from the MTO. Further, the comments also state the general requirements, such as setbacks, for new development along Highway 89.

Saugeen Ojibway Nation:

The Saugeen Ojibway Nation originally provided comments to indicate that an archaeological assessment would be required. A Stage 1 and 2 Archeological Assessment was completed and determined that a Stage 3 assessment was not required as no archeological resources were uncovered. Further, the applicant provided a Record of Indigenous Engagement showing continued consultation with the Saugeen Ojibway Nation through the process of creating the Assessment and that the Saugeen Ojibway Nation had no concerns with the Archeological Assessment.

Saugeen Valley Conservation Authority (SVCA):

The SVCA provided comments to indicate ‘the applications to be acceptable and noted a revised Hazard Lands mapping’.

Wellington County:

Wellington County provided comments to indicate “no comments or concerns”.

Public comments:

No comments were received through the public circulation process, or during the public meeting on February 18, 2025.

Analysis of Planning Issues

When rendering a land use planning decision, planning authorities must have regard for matters of provincial Interest under the *Planning Act*, be consistent with the Provincial Planning Statement (PPS) 2024 and conform to any provincial plans, as well as the County and municipal official plans that govern the subject lands. In this case, the County of Grey official plan has jurisdiction over the subject property. West Grey’s official plan only covers Durham and Neustadt, and as such, does not pertain to the subject lands. There are no provincial plans in effect for this area of the County.

Planning Act

Section 2 of the *Planning Act* outlines matters of provincial interest which planning authorities must have regard for. Amongst other considerations, the *Planning Act* speaks to the need to have regard for (a) the protection of ecological systems; (b) the protection of agricultural resources; (h) the orderly development of safe and healthy communities; (o) the protection of public health and safety; and (p) the appropriate location of growth and development. Staff comments on each of these matters are provided below.

(a) the protection of ecological systems

The proposed development is located on previously disturbed and developed land. In addition, the proposed development does not propose any new structures and would only permit a larger outdoor storage area located behind the existing on-farm diversified use.

(b) the protection of agricultural resources

The proposed development will be located on a portion of the property that is not farmed and will not remove farmland from the subject property.

(h) the orderly development of safe and healthy communities

The proposed development is located on a property used primarily for farming purposes. The proposed development would permit a larger outdoor storage area for the existing on-farm diversified use. Further, it would shift the outdoor storage further back from the frontage of the property, limiting the visibility of the outdoor storage from Highway 89 and neighbouring properties.

(o) the protection of public health and safety

As stated previously, the proposed development does not propose any new buildings or structures and would permit a larger outdoor storage area located behind the existing on-farm diversified use. The ability to have the outdoor storage area behind the existing structure would limit the visibility of finished products and materials for the on-farm diversified use from Highway 89 and the surrounding neighbours, without limiting the visibility of the existing business.

(p) the appropriate location of growth and development

Both the County official plan and PPS generally support on-farm diversified uses, provided they are secondary to the principle agricultural use and meet the County's on-farm diversified uses size requirements. The existing on-farm diversified use was created before the County's current policies were put in place and would exceed the size requirements if proposed today. The proposed development will not change the use of the land but will reclassify the on-farm diversified use as a Space Extensive Industrial and Commercial operation. The proposal will not increase the size of the shop but would permit a larger outdoor storage area that would exceed the County's on-farm diversified use size requirements. The business produces metal feed storage containers for farm operations and is currently located close to their target market. If it were to be located within a settlement area, it may be more difficult for them to access their market, which includes local farmers. This larger outdoor storage area would allow the owners to consolidate all finished products and materials in one location while improving the appearance of the site, by limiting visibility of the storage area for travelers on Highway 89 and surrounding neighbours.

Furthermore, the proximity to Highway 89 ensures that a Space Extensive Industrial and Commercial use will have easy access to their market area, as well as shipment of materials and finished products.

The proposal generally has regard for matters of provincial interest under the *Planning Act*.

Provincial Planning Statement (2024)

The PPS 2024 was issued under Section 3 of the *Planning Act* and came into effect on October 20, 2024. Chapter 2.3.1 of the PPS notes that '*Settlement areas shall be the focus of growth and development*', while chapters 2.5 and 2.6 of the PPS provide guidance on land uses and economic growth within Rural Areas and Rural Lands within municipalities. Chapter 2.5(1) of the PPS states that Rural Areas should be supported by:

(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

Further, Chapter 2.6(1) states that on Rural Lands permitted uses are:

(e) home occupations and home industries

In addition, Chapter 2.6(2) states,

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

Lastly, Section 2.6(4) states,

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.

It is noted that the subject lands currently contain a metal working OFDU, which the PPS permits in Rural Areas. Under the province's D-6 Guidelines, small-scale industrial uses are required to be set back a certain distance from sensitive land uses (such as neighbouring homes). OFDUs also provide additional financial support to the province's agricultural sector and help diversify the economy of Rural Areas. While portions of the land would be re-designated as 'Space Extensive Industrial and Commercial', the use of the property would not change, nor would the size of the shop building on site. The intensity of the use would generally remain consistent with the requirements of OFDUs, except that a larger outdoor storage area is required. An approval of the proposed OPA would only permit an increase to the permitted outdoor storage area, which would be located behind the shop. The proposed development would continue to use existing private water and septic servicing and it is not anticipated that servicing demands would increase with the increased outdoor storage area.

Chapter 4.5(4) of the PPS notes that,

Mineral aggregate operations shall be protected from development and activities that would preclude or hinder their expansion or continued use or which would be incompatible for reasons of public health, public safety or environmental impact

The proposed development would not significantly impact the future extraction of aggregate material as no new permanent structures are proposed, and no new sensitive receptor would be created that may impact the potential of future aggregate operations on surrounding lands.

Other sections of the PPS and the *Planning Act* include avoiding development in hazardous areas. The proposed development is partially located within the current mapped Hazard Lands. However, comments from SVCA were received and indicated that the applications were acceptable and a permit from the SVCA was granted on April 9, 2024. The associated zoning by-law amendment has updated the Hazard Lands boundary on the property, which would also be reflected within the subject OPA. As such, the proposed development would no longer be located within the Hazard Lands.

The proposed development is generally consistent with the PPS.

County of Grey Official Plan

The subject lands are designated Rural and Hazard Lands on Schedule A of the County's official plan. Similar to the PPS, the County's official plan supports the diversification of the Rural economic base and employment opportunities, while ensuring that development is compatible with the rural landscape. The official plan permits on-farm diversified uses, provided the size requirements in the County official plan are met. Through pre-submission consultation discussions with the applicant, County staff determined that the proposed development would be slightly beyond the scale of an OFDU and suggested that an application to redesignate a portion of the property to 'Space Extensive Industrial and Commercial' may be appropriate, with sufficient planning justification and technical reports.

The Planning Justification Report states that the existing shop's size is to remain at 557.4 m² with the proposed outdoor storage area being 2,283 m². For a lot of 12.21 hectares, the maximum area of the OFDU would be limited to 2,000 m² under the policies of the County's Official Plan. Further, the proposed development would not remove any farmland from production and would not impact the agricultural operations of the property.

A Stage 1 and 2 Archaeological Report were submitted with the application. The Report raised no significant concerns with the proposed development, as no archaeological resources were uncovered within the archaeological report. The Report also determined that no additional study is required.

Section 5.7.2 outlines a list of permitted uses in the Space Extensive Industrial and Commercial designation and a list of criteria to establish new uses not included in the permitted uses list. A portion of these permitted uses would not be included within the site-specific exceptions under OPA 21. The Planning Justification Report determined that the OFDU would fall under the category of "Farm machinery sales and service use," which is on the list of permitted uses. The Planning Justification Report also addresses how the use meets the criteria for a new Space Extensive Industrial and Commercial use. The criteria are listed below:

- a) *The use requires accessible sites to serve their market area;*

The use would have easy access to markets as it would be located on Highway 89, allowing for easy truck access. Further, it would continue to be close to the target market, being farm operations.

- b) *The use serves demands from highway traffic;*

Similarly to the above, the use is located on Highway 89, providing a direct route for trucks delivering raw materials or shipping the metal feed storage containers.

- c) *The use requires a large parking or outdoor storage area or require a large volume single purpose building;*

As stated previously, the proposed development is to permit a 2,283 m² expansion of the outdoor storage area, which would result in a total area for the use being approximately 5,980 m². This exceeds the permitted size requirements of the County's OFDU policies. The Province's Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas recommends capping the OFDU size to 2% of the overall size of the subject property. In this case, the area of the OFDU with the expanded outdoor storage area would occupy approximately 4.9% of the

subject property. The larger outdoor storage area is required to ensure that all finished products and materials are located in one location while also improving the appearance of the site, by limiting visibility of the storage area for travelers on Highway 89 and surrounding neighbours.

- d) *The location of the proposed use in a general industrial block or general retail block in an urban centre is not feasible due to its storage area or building volume requirements;*

The proposed development would convert an existing OFDU into a Space Extensive Industrial and Commercial use. If the use were to be located in a serviced settlement area, the outdoor storage area would occupy a large portion of a serviced industrial lot. In addition, the landowners are part of the horse and buggy community, which requires that the use be located in close proximity to their homes.

- e) *New fuel distribution uses will not be permitted in areas where soil or topographic conditions make the environment particularly sensitive to fuel spills such as shallow overburden, karst, groundwater recharge and wellhead protection areas.*

The proposed development does not propose a new fuel distribution use; therefore, this section is not applicable to the proposed development. Given the above, the proposed use has planning merit as a 'Space Extensive Commercial and Industrial Use.'

Section 7.2(11) of the County Official Plan states,

Precise delineation of Hazard Lands will be shown in the local zoning by-laws. An amendment to the Official Plan will not be required to permit redefining of a Hazard Land boundary. Modifications to the Hazard Lands may occur through a zoning by-law amendment after consultation with the conservation authority and the approval authority.

The Hazard Lands designation is restrictive regarding the types of development permitted. The subject proposal seeks to re-designate a portion of 'Hazard Lands' to 'Rural', as the outdoor storage area would be partially within the Hazard Lands. As per the requirements listed above, the SVCA has already provided direction in support of the proposed development and has issued a permit for the proposed outdoor storage area. The Hazard Lands boundary has already been approved through the zoning by-law amendment, and the same boundary will be reflected within the subject OPA.

A Stormwater Management Report was also submitted with the application and determined that the stormwater quantity would be equal or lower than pre-development flows and stormwater quality would be higher than pre-development flows. The Report states that the higher stormwater quality is not expected to cause downstream concerns. Further, the Report states that stormwater quality would be provided by a treatment train approach consisting of lot level control, conveyance control, and end of pipe control measures. Lastly, the Report recommends that erosion and sediment controls be implemented prior to construction to ensure that the South Saugeen River is not impacted by the construction. The subject property is subjected to site plan control, at which point the erosion and sediment controls will be implemented.

Schedule B of the County OP indicates that the subject lands contain 'Aggregate Resource Area'. Section 5.6.2(7) notes that new non-agricultural uses that trigger an OPA shall generally require further testing to ensure that the use would not hinder future aggregate extraction opportunities. As the proposal would only extend an outdoor storage area, and no new

permanent structures nor new sensitive receptors would be created, County staff do not anticipate that any future extraction of aggregate material on the subject lands or surrounding lands would be significantly impacted by the proposed use.

Appendix B of the County Official Plan identifies 'Significant Valleylands', Significant Woodlands,' and a watercourse on the subject property. The South Saugeen River is located to the west and south of the subject property. County Planning Ecology staff determined that the potential impact to the natural heritage features would be negligible and an Environmental Impact Study would not be required, as the proposed development will be located on previously disturbed and developed lands.

Per Appendix D, the subject lands have frontage on Highway 89, which is a provincial highway under the jurisdiction of the Ministry of Transportation. The Ministry of Transportation provided supportive comments indicating that an Encroachment Permit and an Entrance Permit will be required.

Based on the above, staff would conclude that OPA 21 generally conforms to the goals and objectives of the County official plan.

Legislated Requirements

These applications will be processed in accordance with the *Planning Act*.

Financial and Resource Implications

There are no anticipated financial, staffing, or other resource considerations associated with the proposed County Official Plan Amendment, beyond those normally encountered in processing such applications. The County has collected the requisite application fee and peer review deposit for this application.

Relevant Consultation

- ☒ Internal: Planning, Planning Ecology, Transportation Services
- ☒ External: The public, Municipality of West Grey, Saugeen Valley Conservation Authority, Ministry of Transportation, and required agencies under the *Planning Act*

Appendices and Attachments

- [Draft OPA 21 By-law and Schedule](#)
- [OPA 21 Martin Merit Report PDR-CW-40-24](#)
- [Public Meeting Minutes – February 25, 2025](#)