

TOWNSHIP OF MELANCTHON

COMMITTEE OF THE WHOLE

AGENDA

THURSDAY, OCTOBER 15, 2015 - 4:00 P.M.

- 1. Call to Order
- 2. Approval of Draft Minutes April 16, 2015
- 3. Business Arising from the Minutes
- 4. General Business
 - 1. OMAFRA'S Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas
 - 2. Memorandum from Chris Jones, Township Planner regarding On Farm Uses By-law and Ontario Guideline for Ag-related Uses
- 5. Adjournment and Date of Next Meeting

Denise Holmes

From:

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OMAFRA Guidelines (OMAFRA) < OMAFRA-Guidelines@ontario.ca>

Sent: To: February-12-15 3:23 PM

10.

Undisclosed recipients:

Subject:

DRAFT Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas - Lignes

directrices sur les utilisations permises dans les zones agricoles à fort rendement de

l'Ontario

OMAFRA's new "Draft Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas" for input

Please note that the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) has posted on its website <u>Draft</u> <u>Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas</u> for review and input.

The Guidelines are intended to help municipalities, decision-makers, farmers and others interpret the policies in the 2014 Provincial Policy Statement on the range of uses permitted in prime agricultural areas.

To submit your thoughts and ideas, you can fill out the <u>questionnaire</u> posted on OMAFRA's website or send an email or letter. We are inviting comments until **May 13, 2015**.

Email: OMAFRA-Guidelines@ontario.ca

Mailing Address:

Draft Guidelines on Permitted Uses
Food Safety and Environmental Policy Branch
Ontario Ministry of Agriculture, Food and Rural Affairs
1 Stone Rd. West, 3rd Floor
Guelph, ON N1G 4Y2

Nouveau document du MAAARO, ébauche des *Lignes directrices sur les utilisations permises dans les zones agricoles* à fort rendement de l'Ontario, pour commentaires.

Veuillez noter que le ministère de l'Agriculture, de l'Alimentation et des Affaires rurales de l'Ontario (MAAARO) a affiché sur son site Web une ébauche de <u>lignes directrices sur les utilisations permises dans les zones agricoles à fort</u> rendement de <u>l'Ontario</u> pour examen et commentaires.

L'objet de ces lignes directrices est d'aider les municipalités, les décideurs, les agriculteurs, etc., à interpréter les politiques relatives à la Déclaration de principes provinciale sur la gamme d'utilisations permises dans les zones agricoles à fort rendement.

Pour nous faire connaître votre point de vue et vos idées, vous pouvez remplir le <u>questionnaire</u> affiché sur le site Web du MAAARO ou nous envoyer un courriel ou une lettre. Nous vous invitons à nous communiquer vos commentaires avant le **13 mai 2015**.

Courriel: OMAFRA-Guidelines@ontario.ca

Adresse postale :

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OCT 1 5 2015

Ébauche de lignes directrices sur les utilisations permises



FEB 1 9 2015

Direction des politiques de l'environ nent et de la salubrité des aliments Ministère de l'Agriculture, de l'Alimentation et des Affaires rurales de l'Ontario 1, rue Stone Ouest, 3^e étage Guelph (Ontario) N1G 4Y2

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Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas

Draft for input and discussion

February 2015 Ontario Ministry of Agriculture, Food and Rural Affairs

Disclaimer

This document is provided for public input and discussion purposes only. It is not the final approved Guidelines on Permitted Uses in Ontario's Prime Agricultural Area.

These draft Guidelines may be updated or amended without further notice. They may not be the only applicable standard. Other federal, provincial or municipal laws may also apply.

It is the sole responsibility of the person using the Guidelines to verify the accuracy and appropriateness of the Guidelines to their particular situation. The Government of Ontario accepts no liability regarding the accuracy, completeness, security or reliability of the information obtained directly or indirectly from the use of the Guidelines.

Most images are from Shutterstock. The mushroom farm photo in Figure 1 is courtesy of Mushrooms Canada. Drawings in Appendix 2 are by Michael Custode.

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Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas

1. INTRODUCTION

1.1 Purpose and Scope of the Guidelines

The Guidelines on Permitted Uses in Ontario's Prime
Agricultural Areas will help municipalities, decision-makers,
farmers and others interpret the policies in the Provincial
Policy Statement, 2014 (PPS) on the uses that are permitted
in prime agricultural areas.¹ It comprises the provincial
guidelines referred to in Policy 2.3.3.1 of the PPS.

This document provides guidance on:

- agricultural, on-farm diversified and agriculturerelated uses described in Policy 2.3.3 of the PPS.
- removal of land for new and expanding settlement areas (Policy 2.3.5) and limited non-residential uses in prime agricultural areas (Policy 2.3.6.1 b).
- mitigation of impacts from new or expanding nonagricultural uses (Policy 2.3.6.2)

Relevant policies and definitions from the PPS referred to in these Guidelines are included in Appendix 1.

These Guidelines are meant to complement, be consistent with, and explain the intent of the PPS policies and definitions. Where specific parameters are proposed, they

PPS Policy 2.3.3.1

In prime agricultural areas, permitted uses and activities are: agricultural uses, agriculture-related uses and onfarm diversified uses.

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 guidelines developed by the Province or municipal approaches, as set out in municipal planning documents, which achieve the same objective.

represent best management practices rather than specific standards that must be met in every case. These parameters are based on the judgement and experience of the Ministry of Agriculture, Food and Rural Affairs (OMAFRA) and the Ministry of Municipal Affairs and Housing (MMAH) on how to be consistent with PPS policies.

¹ Words in *italics* are defined in Appendix 1 in accordance with the PPS.

1.2 Ontario's Prime Agricultural Areas

Ontario's prime agricultural land is a finite, non-renewable resource comprising less than five per cent of Ontario's land base. It is the foundation for food, fibre and fur production, the local food economy, agri-food exports, economic prosperity and the growing bio-based economy.

The PPS requires that Ontario's prime farmland remain available for long-term agricultural use, and defines prime agricultural areas as areas where prime agricultural lands predominate. Planning authorities (e.g. municipalities) are required to designate² prime agricultural areas in their official plans, including specialty crop areas, Canada Land Inventory Classes 1, 2 and 3 land, and associated Classes 4 to 7 land. Controlling the types and scale of uses that are permitted in prime agricultural areas is an important way of protecting Ontario's best farmland.

Application to Rural Lands

These Guidelines focus on the land uses permitted in prime agricultural areas, but they also have relevance for rural lands. The PPS states that agricultural uses, agriculture-related uses, on-farm diversified uses and normal farm practices should be promoted and protected on rural lands based on provincial standards. PPS policy and these Guidelines comprise the provincial standards. The province's Introduction to the Provincial Policy Statement, 2014: Rural Ontario provides more detail.

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
- 2) supporting a thriving agricultural industry and rural economy

These objectives may at times compete. These Guidelines are intended to help decision-makers balance the objectives. This can be done by ensuring all applicable criteria are met for the permitted uses.

Table 1 summarizes the specific criteria for agricultural, agriculture-related and on-farm diversified uses. The criteria cover all key descriptors referred to in Policies 2.3.3.1, 2.3.3.2 and 2.3.3.3 of the PPS and the applicable PPS definitions. Each criterion is discussed in detail in these Guidelines.

² The term "designate" is not defined in the PPS. The province's preferred approach to designating *prime* agricultural areas in official plans, and one that is followed by most municipalities, is to have "agriculture" or "prime agricultural area" as a category of land use identified on a land use schedule or map, with corresponding policies in the official plan. Other approaches that achieve the same objectives of 1) mapping the lands and 2) through policies, provide for their protection and identify permitted uses, may also be acceptable.

Table 1: Criteria for Permitted Uses in Prime Agricultural Areas

Type of Use	Criteria as Provided by PPS Policies and Definitions
Agricultural	 The growing of crops, raising of livestock and raising of other animals for food, fur or fibre
· ·	Includes associated on-farm buildings and structures, such as livestock facilities, manure storage and value-retaining facilities, and accommodation for full-time farm labour when additional labour is required
	3. All types, sizes and intensities of these uses are promoted and protected
	 Normal farm practices are promoted and protected in accordance with provincial standards
Agriculture-	1. Farm-related commercial and farm-related industrial uses
Related	2. Compatible with and shall not hinder surrounding agricultural operations
	3. Directly related to farm operations in the area
	4. Supports agriculture
	Provides direct products and/or services to farm operations as a primary activity
	6. Benefits from being in close proximity to farm operations
On-Farm	1. Located on a farm
Diversified	2. Secondary to the principal agricultural use of the property
·	3. Limited in area
	4. Includes, but is not limited to, home occupations, home industries, agritourism uses and uses that produce value-added agricultural products
	5. Compatible with, and shall not hinder, surrounding agricultural operations

These Guidelines focus on meeting the PPS policies and definitions of permitted uses for land use planning purposes. This may be different from the categorization of land uses for tax assessment purposes. Users of this document should be aware that a change in land use may result in a change in tax assessment. More information on tax assessment may be obtained from the <u>Municipal Property Assessment Corporation</u>. New buildings or additions or modifications to or changes in the use or occupancy of buildings, could also have Building Code implications, as discussed in Section 2.5.7.

1.4 Principles of Permitted Uses

The intent of the PPS and these Guidelines is to allow uses in prime agricultural areas that ensure:

- agriculture remains the dominant use and is safeguarded for future generations
- land taken out of agricultural production, if any, is minimal
- regard is given to the long-term (multi-generational) impact on prime agricultural areas
- normal farm practices are able to continue
- local agricultural character and heritage are maintained as much as possible

- · there is compatibility between nearby uses
- the uses make a positive contribution to the agricultural industry, either directly or indirectly
- servicing requirements (e.g. water and wastewater) fit with the agricultural context

1.5 Municipal Consistency

These Guidelines aim to increase the consistency of municipal approaches to permitted uses in *prime* agricultural areas across the province. To maintain the wide variety of uses that the PPS permits, municipalities are encouraged to adopt policies that explicitly reflect PPS policies and the criteria identified in this document.

While consistency with these Guidelines is preferred, Policy 2.3.3.1 of the PPS allows municipalities to develop their own criteria for permitted uses in municipal planning documents as long as they achieve the same objectives as the provincial guidelines. To do so, municipalities would need to ensure they can demonstrate consistency with all PPS policies and criteria for the permitted uses.

Permitting a wide range of compatible uses in *prime agricultural areas* enables:

- agriculture and farm owners to prosper
- development of new farm products
- valued/necessary rural services to be available
- diversification of the rural economy and tax base
- job creation that helps stabilize and grow rural communities
- greater awareness and appreciation of local agriculture

Policy 4.9 of the PPS indicates that planning authorities and decision-makers may go beyond the PPS's minimum standards to address matters of importance to a specific community, unless doing so would conflict with any policy of the PPS.

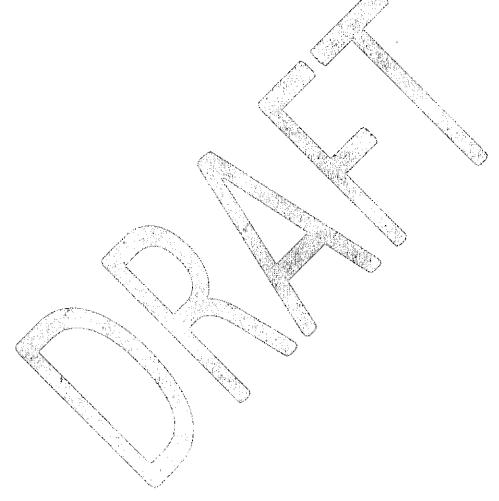
Some municipalities have elected to be more restrictive than the PPS on the types of uses permitted in their *prime agricultural areas*, where further restrictions may be warranted based on local circumstances. While this may be appropriate in some instances, being more restrictive may limit options for farmers and local economic development. In some cases, being more restrictive may also be inconsistent with the PPS and the objectives and criteria for permitted uses.

When assessing municipal consistency with the PPS, the following should be considered:

- Municipal approaches must be consistent with all PPS policies.
- The PPS permits agricultural, agriculture-related and on-farm diversified uses in prime agricultural areas. None of these categories of uses can therefore be excluded.
- PPS policy 2.3.3.2 states that all types, sizes and intensities of agricultural uses are permitted.
 Therefore, restricting any types, sizes or intensities of agricultural uses must be avoided.

1.6 Relationship to Provincial Plans

These Guidelines are specific to the PPS and may not address all aspects covered by provincial plans including the Greenbelt Plan, the Niagara Escarpment Plan, the Oak Ridges Moraine Conservation Plan and the Growth Plan for the Greater Golden Horseshoe. Provincial plans build upon the policy foundation in the PPS and are to be read in conjunction with the PPS. Provincial plans take precedence over the PPS to the extent of any conflict, except where legislation establishing provincial plans provides otherwise. Decision-makers in areas covered by provincial plans will need to rely on the specific policy direction of provincial plans and any associated guidance material, where it exists.



2.0 PERMITTED USES

2.1 Agricultural Uses

As described in the PPS definition for agricultural uses, these uses comprise the farms and farmland that produce agricultural products.

2.1.1 PPS Criteria for Agricultural Uses

The PPS criteria for agricultural uses recognize that these uses include the growing of crops and raising of animals. They may be of any type, size or intensity and respect normal farm practices.

Agricultural uses may also include associated on-farm buildings and structures.

 The growing of crops, raising of livestock and raising of other animals for food, fur or fibre (from the PPS agricultural uses definition)

The PPS definition of agricultural uses is very broad, with a range of examples provided. To qualify as an agricultural use, crops must produce a harvestable product such as:

- fruit
- vegetables
- grain
- biomass
- horticultural crops
- firewood
- medicinal herbs
- sod
- seeds

Animals must be raised, live on or be used on the farm.

Agricultural uses: means the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agroforestry; maple syrup production; and associated onfarm building and structures, including, but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for full-time farm labour when the size and nature of the operation requires additional employment.

PPS, definitions

2. Includes associated on-farm buildings and structures, such as livestock facilities, manure storage and value-retaining facilities, and accommodation for full-time farm labour when additional labour is required (from the PPS agricultural uses definition)

On-farm buildings and structures for agriculture that are integral to the farm operation are considered to be *agricultural uses*. Such *agricultural uses* are primarily for use by the farm owner or farm operator.

Examples include livestock barns, manure storages, feed storages, silos, grain bins, drive sheds, greenhouses for growing plants, a primary farm residential dwelling and value-retaining facilities.

Value-retaining facilities located on farms serve to maintain the quality of raw commodities produced on the farm (i.e. prevent spoilage) to ensure they remain saleable. These facilities include those involving refrigeration (cold storage), controlled-atmosphere storage, freezing, cleaning, grading, drying (e.g. grains, oilseeds, tobacco) and simple packaging that helps maintain the quality of farm products. Value-retaining facilities may also include operations that provide a minimum amount

Value-Retaining versus Value-Added Facilities - Maintain the quality of new - Transform raw commediaes into a commodites (i.e. prevent spoilage), or provide a forms that enhance that minimum amount of processing to make a ferm product. - Releied to the farm operation Examples almosphere controlled storage, easing apples and cleaning, preding, drying, soming, bottling elder, wineevaporating of maple syrup, making, grain miling, noney extraction cherry pitting and preserving, grain reasting for liveratock feed agricultural use, on-larm Type of on-larm diversited use or diversified use or agriculture egriculture related oes

of processing to make a farm product saleable, such as grading eggs, evaporating maple syrup and extracting honey.

A value retaining facility should be related to the type of farm operation where it is located. For example, a cold storage facility for apples that are grown on the same farm would be an *agricultural use*, while a cold storage facility serving multiple farms could be an *on-farm diversified* or *agriculture-related use*, depending on the operation.

Policy 2.3.3.2 of the PPS states that all types, sizes and intensities of agricultural uses and normal farm practices shall be promoted and protected. As agricultural uses, value-retaining facilities on the farm must be permitted without the need for an official plan or zoning by-law amendment. In some cases, however, it may be appropriate for the municipality to enter into a site plan agreement to address specific layout details (See Section 2.5.3).

Value-added facilities differ from value-retaining facilities. Value-added facilities <u>transform</u> raw commodities into new forms that enhance their value, such as pressing apples and bottling cider, making wine, milling grain, processing cherries, and preserving and roasting grain for livestock feed.

Value-added facilities that do not meet the PPS definition of agricultural uses may meet the PPS definition for agriculture-related uses or on-farm diversified uses, depending on the nature of the operations and if they are located on a farm.

PPS policy allows "accommodation for full-time farm labour when additional labour is required" in *prime agricultural areas*. This applies to farms of a size and nature requiring additional labour on a year-round basis for the day-to-day operation of the farm (e.g. livestock operations) or on a seasonal basis over an extended growing season (e.g. horticultural operations that require labour for several months each year to amend the soil, and to plant, transplant, prune, weed and harvest crops). Housing for full-time farm labour should be located within the farm building cluster.

Since the labour needs of farms may change over time, a best practice would be for farmers to consider alternatives to building a new, separate dwelling for farm help. Alternatives could include:

- a second dwelling unit within an existing building on the farm
- a temporary structure, such as a trailer or other portable dwelling unit.
- an existing dwelling on a parcel of land that is part of the extended farm operation, or located in a nearby settlement area or on a rural lot

Severance of land with housing for farm labour is not permitted as land division fragments the agricultural land base. Fragmentation of the land base can affect the future viability of agriculture over the long term.

Farms in *prime agricultural areas* requiring temporary workers for just a few weeks a year – i.e. NOT requiring day-to-day or extended seasonal labour as noted above – <u>must</u> provide an alternative to a new permanent dwelling structure, e.g. a temporary structure on the farm or off-farm housing. Housing for workers must meet minimum health and living conditions and may require a building permit. Information on the minimum conditions can be found in the <u>Seasonal Farm Worker Housing Guidelines</u>. However, prospective employers are urged to consult with local public health, building departments and other agencies to ensure they comply with all applicable regulations and policies for their circumstances.

3. All types, sizes and intensities of these uses are promoted and protected (from PPS policy 2.3.3.2)

The PPS does not limit the type, size or intensity of agricultural uses in prime agricultural areas. For example, it would be inappropriate for a municipality to adopt policies in its planning documents to prohibit certain types of agricultural uses (e.g. mushroom farms or aquaculture) or farm sizes (e.g. livestock facilities for a certain number of animals). Agriculture is a dynamic industry and changes over time depending on consumer demands/preferences, equipment, plant varietals, farmers' skills, labour, processing capacity and technology. Changes in the type of agricultural uses shall not trigger Planning Act applications or approvals. While the PPS does not limit the establishment or intensity of livestock operations, other provincial guidelines or regulations may apply, such as:

- minimum distance separation formulae requirements (i.e. odour setbacks between livestock facilities and other land uses)
- Nutrient Management Act, 2002 (provincial nutrient management standards)
- Clean Water Act, 2006 (protection of drinking water)

Lot size affects agricultural viability. For traditional field crops, large lots are optimal. On the other hand, specialty crop areas tend to be comprised of higher value crops on smaller parcels. In all cases, lots should be large enough to maintain flexibility for future changes in the type or size of agricultural operation. Generally speaking, the larger the farm parcel, the more flexibility it provides and the more efficient it is to run the farm. The Greenbelt Plan sets 16 hectares (40 acres) as the minimum lot size for specialty crop areas and 40.5 hectares (100 acres) as the minimum lot size within *prime agricultural areas* in the Greenbelt. The Greenbelt standard may also be appropriate in other areas where livestock and cash crop operations are the dominant forms of agriculture.

4. Normal farm practices are promoted and protected in accordance with provincial standards (from PPS Policy 2.3.3.2)

A normal farm practice follows accepted customs and standards for farm operations, and makes use of innovative technology to advance farm management. The Farming and Food Production Protection Act (FEPPA) protects the rights

Normal farm practices: means a practice, as defined in the Farming and Food Production Protection Act, 1998, that is conducted in a manner consistent with proper and acceptable customs and standards as established and followed by similar agricultural operations under similar circumstances; or makes use of innovative technology in a manner consistent with proper advanced farm management practices. Normal farm practices shall be consistent with the Nutrient Management Act, 2002 and regulations made under that Act.

PPS, definitions

of all rural Ontario residents. It protects farmers from nuisance complaints made by neighbours related to noise, odour, dust, light, vibration, smoke or flies if normal farm practices are used. It also protects neighbours from unacceptable nuisances from farms where a farm practice is determined to not be normal.

The FFPPA protects farmers from municipal by-laws that restrict their *normal farm practices*. Such by-laws would not apply to a practice that has been established as a *normal farm practice*. The Normal Farm Practices Protection Board is responsible for determining whether an activity in a particular location qualifies as a *normal farm practice*.

Some agricultural uses may involve activities that are normal farm practices but may not be fully understood or accepted by neighbours or visitors (e.g. the use of bird bangers and wind machines for growing tender fruit and grapes, or the spreading of manure as part of raising livestock and maintaining

soil nutrients). When these practices have been designated as *normal farm practices*, the FFPPA allows the farmer to continue to operate without interference, to allow the farm operation to succeed. Communication between neighbours is often the key to maintaining good relations.

2.1.2 Examples of Agricultural Uses

Figure 1 provides examples of the uses that could be *agricultural uses* if they meet all of the applicable PPS criteria described above.

2.1.3 Examples of Uses that Would Not be Agricultural Uses

Examples of uses that would NOT be agricultural uses include:

- dog kennels
- grain dryers or mechanical garages serving several producers/customers
- · greenhouses used for retailing plants
- landscape businesses
- off-season vehicle storages
- recreational facilities such as a campsites, golf courses, fairgrounds, racetracks or ball parks
- restaurants

While not meeting the criteria for agricultural uses, some of these uses may fit under agriculture-related uses or on-farm diversified uses.

Figure 1: Examples of Agricultural Uses Provided All PPS Criteria are Met



Cropland (all crops incl. biomass and sod)



Pastureland



Feedlot



Fish farm



Christmas trees and nurseries



Barns, manure storages and other associated buildings and structures



Feed storages, e.g. bunkers, silos or gravity bins for livestock



Accommodation for full-time farm labour



Cold storage (for own farm's use)



Mushroom farm



Washing, sorting, grading (of own farm's products)



Machine shed (for own farm's use)



Greenhouse for growing plants



Minimum amount of processing to make a produce saleable (e.g. evaporating maple sap)



Horse farm (breeding, raising, boarding, maintaining, training) including stables and indoor or outdoor riding arena/tracks



Tobacco kiln or smoke barn

2.2 Agriculture-Related Uses

As described in the PPS definition, agriculture-related uses are farm-related commercial and industrial uses that add to the vitality and economic viability of prime agricultural areas because they service the local agricultural community. These uses may be located on farms or on separate commercial or industrial properties.

2.2.1 PPS Criteria for Agriculture-Related Uses

All of the following criteria must be met to qualify as agriculture-related uses.

1. Farm-related commercial and farm-related industrial uses (from the PPS definition of agriculture-related uses)

Farm-related commercial operations may include retailing (e.g. farm supply co-ops), livestock assembly yards, local farm product retailers (selling products like wine, cider, fruits, vegetables and meat), farmers' markets and farm equipment repair shops

Agriculture-related uses:
means 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.

PPS, definitions

Farm-related industrial operations may include processing of local farm products such as abattoirs, feed mills, grain dryers, cold/dry storage facilities, fertilizer storage and distribution facilities, food processors, wineries, agricultural biomass pelletizers and cheese factories. These uses add value to the farm commodity.

Residential, recreational and institutional uses do not fit the definition of agriculture-related uses.

2. Compatible with, and shall not hinder, surrounding agricultural operations (from PPS Policy 2.3.3.1) Note: this policy applies to both agriculture-related uses and on-farm diversified uses.

To be compatible with and not hinder surrounding agricultural operations, agriculture-related uses should meet all of the following:

• Ensure surrounding agricultural operations are able to pursue their agricultural practices without impairment or inconvenience. For example, while agriculture-related uses (and on-farm diversified

uses) may or may not be subject to the *minimum distance separation formulae*³, proximity to nearby livestock facilities may be a consideration in locating these uses. This may help to avoid conflict between new uses and farming due to odour or other nuisances related to *normal farm practices*. Examples of other potential sources of conflict include noise that disturbs nearby farm owners and their livestock, trespass incidents, soil compaction, dust and impacts on water quantity or quality. In addition, some uses can result in an increase in traffic that may conflict with slow-moving farm vehicles on local roads. Such uses should be avoided or their impacts mitigated in *prime agricultural areas*.

Uses should be appropriate to available rural services, i.e. uses that do not require the level of road access, water and wastewater servicing and utilities typically found in settlement areas. Approval for a new land use on a property with individual, on-site water and sewage services requires demonstration of "no negative impacts" as per Policy 1.6.6.4 of the PPS. Urban-type uses typically unsuitable in prime agricultural areas include large food processing plants. These facilities should be on municipal services.

In broad terms, wineries and cideries may fit the definition of agriculture-related uses if they are able to meet all PPS criteria for that category of uses. However, care must be taken to ensure these uses are appropriate to available rural water and wastewater services. High water use/effluent generation operations may be incompatible in prime agricultural areas and may be better suited to areas on full urban services. The appropriate scale to qualify as an agriculture-related use needs to be assessed on a case-by-case basis.

Policy 2.3.4.1 b) addresses lot creation for agriculture-related uses. Lot creation may be permitted for agriculture-related uses provided that any new lot is limited to a minimum size needed to accommodate the use and their sewage and water servicing requirements.

- Maintain the agricultural/rural character of the area. Compatibility may be achieved by:
 - o re-using existing buildings or locating businesses within existing buildings unless an alternative location reduces overall impacts on agriculture in the area
 - o designing new structures to fit in aesthetically with the agricultural area
 - minimizing outdoor storage and lighting
 - o avoiding major modification of land and removal of natural heritage features and areas
 - visually screening uses from neighbours and roadways
 - o limiting the use of signage and ensuring that any signage fits with the character of the area

³ See Minimum Distance Separation Implementation Guidelines for details. Link to be added when available

- Meet all applicable provincial air emission, noise, water and wastewater standards and receive all relevant environmental approvals. For example, a use that will result in air, noise or odour emissions (e.g. fabrication plant or equipment repair shop) may require an Environmental Compliance Approval issued under the Environmental Protection Act. Likewise, some uses that have high water requirements or generate a significant amount of wastewater (e.g. produce washing, food processing, wine-making) could require a Permit to Take Water and/or sewage works approvals under the Ontario Water Resources Act.
 - 3. Directly related to farm operations in the area (from the PPS definition of agriculture-related uses)

Agriculture-related uses must relate directly to farms in the area, providing services to a large extent by the local agricultural industry. For example, a winery using grapes grown in the area could be an agriculture-related use.

If the agriculture-related use is a value-added facility, "in the area" refers to the area where the feedstock (e.g. crops or livestock) originates. A cane sugar refinery, for example, could not be an agriculture-related use, while an abattoir processing meat raised locally could be.

4. Supports agriculture (from the PPS definition of agriculture-related uses)

This criterion limits uses to those primarily focused on supporting and benefitting agriculture. For example, a grain elevator used by local farmers supports and benefits farms in the area.

An example of an operation in a *prime agricultural area* that supports local agriculture is the Elmira Produce Auction. The co-operatively-run produce auction creates a market for regional produce in the Waterloo area. It aims to support local growers and increase family farm revenue by encouraging local farms to diversify into higher-value fruits and vegetables. The auction has affected crop production in the area, with more land now devoted to fruit and vegetable production to supply a growing number of area restaurants and institutions.

5. Provides direct products and/or services to farm operations as a primary activity (from the PPS definition of agriculture-related uses)

This criterion underscores the point that *agriculture-related uses* must service the local agricultural industry as a primary activity.

Since agri-tourism uses do not provide products or services to farm operations, they would not qualify as agriculture-related uses. If located on farms, these uses may, however, be on-farm diversified uses.

Commercial or industrial uses must, as a primary activity, sell their products and/or services to farm operations to meet this criterion. For example, a veterinary clinic treating large animals such as cattle may be considered an agriculture-related use.

General-purpose commercial or industrial uses like building supply centres, window manufacturers, fencing companies and pre-cast concrete businesses may serve farm operations but are NOT agriculture-related uses. As a rule, these businesses should be located outside of prime agricultural areas.

In the past, some farm implement dealerships and repair shops were located in *prime agricultural areas* because of land availability and to be close to customers. Municipalities may have allowed such uses in *prime agricultural areas* so that land in *settlement areas* could be retained for uses that help to achieve efficient land use and *development* patterns.

Based on the need to provide direct products and/or services to farm operations as a primary activity, a farm equipment dealership or repair shop could be justified as an agriculture-related use in a prime agricultural area if servicing agriculture is a primary focus of the business. However, businesses that sell or repair farm implements, along with items catering to non-farming needs such as lawn-mowers, snow blowers, other machinery, parts, toys and clothing, should be directed to settlement areas, rural lands, or lower priority agricultural lands as discussed in Section 3.2.

To assess whether a proposed use meets the test of providing direct products and/or services to farm operations as a primary activity, municipalities should require evidence demonstrating that the use would service the local agricultural industry as a primary business activity. As a best practice, municipalities may also require evidence that the use cannot be located in *settlement areas* or on *rural lands*.

6. Benefits from being in close proximity to farm operations (from the PPS definition of agriculture-related uses)

To meet this criterion, agriculture-related uses need to be located near the farm operations they serve. Farm operations benefit from this proximity. For example, proximity may reduce the need to transport large loads over long distances. Uses that do not benefit nearby farm operations but simply wish to take advantage of lower land costs in prime agricultural areas would not be classified as agriculture-related uses.

2.2.2 Examples of Agriculture-Related Uses

Figure 2 provides examples of uses that could be classified as agriculture-related uses if they meet all of PPS criteria.

2.2.3 Examples of Uses that Would Not be Agriculture-Related Uses

Examples of uses that would NOT be agriculture-related uses include:

- large food processing plants or micro-breweries that are high-water-use facilities and are better suited to locations with full urban services
- antique businesses
- · art or music studios
- · automobile wrecking yards
- recreational facilities, campgrounds or fairgrounds
- · conference centres, hotels, guest houses or restaurants
- equipment or vehicle dealerships
- furniture makers
- institutions such as schools or clinics
- · landscaping businesses
- paint or building suppliers
- seasonal storage of boats, trailers or cars
- small animal veterinary clinics[§]
- trucking yards

While not meeting the criteria for agriculture-related uses, some of these uses may fit under on-farm diversified uses.

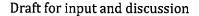
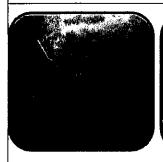


Figure 2: Examples of Agriculture-Related Uses Provided All PPS Criteria are Met



Apple storage and distribution centre



Farmers' market selling local produce



Food processing plant for local produce (e.g. cider-making, pitting, canning, quick-freezing, packing)



Grain dryer serving several local farmers



Agricultural research (centre



Winery using local grapes



Abattoir processing and selling local meat



Flour mill for local grain



Farm equipment repair shop



Livestock assembly yard or stock yard for local farmers



Auction for local produce



Farm input supplier (e.g. feed, seeds, fertilizer)

2.3 On-Farm Diversified Uses

As described in the PPS definition, a wide variety of uses fit under on-farm diversified uses as long as they meet the criteria described below. On-farm diversified uses should be related to agriculture, supportive of agriculture or able to co-exist with agriculture without conflict.

2.3.1 PPS Criteria for On-Farm Diversified Uses

All of the following criteria must be met to qualify as on-farm diversified uses, in accordance with the PPS.

 Located on a farm (from the title "on-farm" diversified uses and from the definition's requirement that the use be secondary to the principal "agricultural use" of the property) On-farm diversified uses: means uses that are secondary to the principal 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.

PPS, definitions

On-farm diversified uses must be located on a property that is actively farmed. The planning authority may require evidence that the property is actually farmed, requiring proof that the property qualifies for the Farm Property Class under the Assessment Act.

2. Secondary to the principal agricultural use of the property (from the PPS definition of *on-farm diversified uses*)

An on-farm diversified use must be less significant than the agricultural use on the property in spatial or temporal terms. Area limits to demonstrate that the use is secondary in spatial terms are addressed under the "limited in area" criterion below. Temporal considerations apply to uses that are temporary or intermittent, such as events. To meet this criterion, the timing of events held on the farm matters. Since agricultural uses take precedence over on-farm diversified uses in prime agricultural areas, the frequency and timing of events must not interfere with cropping cycles or other agricultural practices.

3. Limited in area (from the PPS definition of on-farm diversified uses)

While PPS policies enable a wide variety of on-farm economic opportunities, the PPS also requires those uses to be limited in area. This approach is intended to:

- limit the land taken out of agricultural production
- ensure agriculture remains the main land use in prime agricultural areas
- limit off-site impacts (e.g. traffic, changes to the agricultural-rural character) to ensure compatibility with surrounding agricultural operations

The guidance below on meeting the "limited in area" criterion is based on a review of existing municipal approaches in Ontario, tempered by the observations and experiences of OMAFRA staff across the province. This guidance is also based on the consideration of realistic scenarios to predict how much land could be used for on-farm diversified uses while meeting other PPS prime agricultural area policies. To that end, Appendix 2 provides onfarm diversified use scenarios for small, ... medium and large farms. Appendix 3 provides. an example of an existing farm with a combination of permitted uses, illustrating how the *on-farm diversified uses* portion of the property is calculated.

OMAFRA's approach below to the "limited in area" criterion should help to

- achieve the balance between farmland protection required by the PPS and economic opportunities for farmers
- improve consistency among municipalities
- level the playing field for different types of on-farm diversified uses
- provide flexibility as on-farm uses and owners change
- simplify implementation

The "limited in area" requirement should be based on the total land area that is unavailable for agricultural production as a result of the *on-farm diversified use*, (i.e. the footprint occupied by the use, expressed as a percentage of lot coverage). The area calculation should account for all aspects related to an *on-farm diversified use* such as buildings, outdoor storage, landscaped areas, berms, parking and new access roads. Lot coverage ratio should be based on the size of the individual parcel of land where the use is located, not the total area of a farm operation which could include several parcels.

Background on Current Municipal Approaches

Many municipalities indirectly limit the size of on-farm diversified uses (referred to as secondary uses in the previous PPS) by capping the number of employees, businesses, and/or students in lessons at one time; specifying that employees must reside on the farm; and/or requiring that that a certain percentage of products sold are produced on the farm. However, these requirements do not have a direct bearing on the amount of farmland displaced by the uses.

Many municipalities also limit the floor area of buildings and/or outdoor storage. However, floor area limits account for only some of the land occupied by the use; they do not include land for parking, laneways and landscaping.

A small number of municipalities use lot coverage ratios to address the "limited in area" requirement. This is the recommended approach.

Where available, uses should be located within existing buildings or structures no longer needed to support agricultural production. Reusing existing buildings or structures will help to:

- · reduce the amount of farmland displaced
- maintain the agricultural/rural character of the area
- ensure existing buildings are kept in good repair or improved

As farmers expand and modernize their operations, they often prefer to build new structures based on current standards rather than retrofit older buildings. This can result in surplus buildings that could be repurposed for new uses. It is therefore recommended that for "limited in area" calculations, the area of existing buildings used for *on-farm diversified uses* be discounted at an appropriate rate (e.g. 50 per cent). Proponents should be aware that a change in the use of a building may result in a change in Building Code requirements (see Section 2.5.7).

Likewise, if an on-farm diversified use occupies the same footprint as a demolished building, the land area for the use may be similarly discounted. This recognizes that it is unlikely that land under a demolished building will be returned to an agricultural use. However, preference should be given to reuse of existing buildings where possible for the reasons noted.

It is also recommended that the area of existing laneways not be included in area calculations. This will encourage on-farm diversified uses to locate within existing farm building clusters and minimize impacts on agricultural production.

Recommended Area Calculations for On-Farm Diversified Uses

- Existing laneways shared by on-farm diversified uses are not counted
- Area of existing buildings or structures occupied by the uses is discounted (e.g. 50 per cent)
- Area of new buildings, structures, setbacks, outdoor storage, landscaped areas, berms, laneways, parking, etc. are counted at 100 per cent
- On-farm diversified uses may occupy no more than two per cent of the property on which the uses are located, to a maximum of one hectare (ha) or 10,000 metre-square (m²)

For example, if an existing barn is restored for an *on-farm diversified use* with the same foundation/footprint as the existing barn, only 50 per cent of the building's footprint is counted in the area calculations. Likewise, the footprint of a home occupation in an existing residence or outbuilding may be calculated at 50 per cent of the area of the office. However, 100 per cent of the area needed for parking and outdoor storage would be included. Existing laneways would not be counted in the area calculations but 100 per cent of the area for new laneways would be included.

"Limited in area" is a relative term. For example, a use occupying one ha on a 50-ha farm may be "limited in area," while a one ha use on a 15-ha farm may not be. These Guidelines recommend that the

standard for the acceptable area occupied by an *on-farm diversified use* is up to two per cent of a farm parcel to a maximum of one ha (10,000 m²). The examples of *on-farm diversified uses* in Appendix 2 show the variety of uses that could be placed on different-sized parcels of land, while staying well within the recommended maximum lot coverage of two per cent.

It should be noted that, in the case of *on-farm diversified uses* that are intermittent, such as events, "limited in area" may mean an area greater than the general recommendations above. Also, when calculating the area for agri-tourism uses such as wagon rides or corn mazes, lands producing a harvestable crop are *agricultural uses* that do not need to be included in area calculations. However, areas such as playgrounds and loading areas for hayrides should be included.

If more than one *on-farm diversified use* is proposed on a single property, the combined area of all *on-farm diversified uses* should be within the above area and lot coverage guidelines.

If the area of a proposed *on-farm diversified use* exceeds the recommended area thresholds in these Guidelines, a municipality should require the proponent to apply for a zoning by-law amendment or relocate to an area outside of the *prime agricultural area*, as appropriate.

4. Includes, but is not limited to, home occupations, home industries, agri-tourism uses and uses that produce value-added agricultural products (from the PPS definition of *on-farm diversified uses*)

The PPS definition provides a number of examples of on-farm diversified uses. Beyond these examples, other uses may also be suitable, subject to meeting all PPS criteria.

5. Compatible with, and shall not hinder, surrounding agricultural operations (from PPS Policy 2.3:3.1)

Please refer to the discussion of this policy under agriculture-related uses (Section 2.2 above) as it applies equally to on-farm diversified uses. Some uses that meet other on-farm diversified uses criteria may not meet the compatibility criterion. In particular, uses that attract large numbers of people onto the farm for non-farm events or for recreational purposes could result in soil compaction, excessive noise and trespass issues that may be incompatible with surrounding agricultural operations. In addition, some uses may be better suited to settlement areas where municipal services are available, as per Policy 1.6.6 of the PPS. Municipalities should consider how effectively any impacts can be mitigated before allowing different uses in prime agricultural areas.

In broad terms, nano or micro-breweries and small distilleries may fit the definition of *on-farm* diversified uses if they are able to meet all PPS criteria for that category of uses. However, care must be taken to ensure these uses are appropriate to available rural water and wastewater services. High water

use/effluent generation operations may be incompatible in *prime agricultural areas* and may be better suited to areas on full urban services. The appropriate scale to qualify as an *on-farm diversified use* needs to be assessed on a case-by-case basis.

In *prime agricultural areas* with multiple *on-farm diversified uses* on several farms, the cumulative impact of these uses should be limited and not undermine the agricultural nature of the area. Whether a proposed new *on-farm diversified use* is compatible depends at least in part on other *on-farm diversified uses* in the area and how the area would be affected by all of these uses.

2.3.2 Examples of On-Farm Diversified Uses

Figure 3 provides examples of the uses that could be classified as *on-farm diversified uses* if they meet all the PPS criteria.

2.3.3 Examples of Uses that Would Not be On-Farm Diversified Uses

Examples of uses that would typically NOT be on-farm diversified uses because they would not meet PPS criteria include:

- large-scale equipment or vehicle dealerships, hotels, landscape businesses, manufacturing plants, trucking yards that exceed the "limited in area" criterion
- uses with high water and sewage needs and/or that generate significant traffic, such as large food processors, distribution centres, full-scale restaurants, banquet halls, large-scale recurring events with permanent structures
- Institutional uses (e.g. churches, schools, nursing homes, cemeteries)
- large-scale recreational facilities such as golf courses, soccer fields, ball diamonds or arenas

Figure 3: Examples of On-Farm Diversified Uses Provided All PPS Criteria are Met



Value-added uses (e.g. processor, packager, winery, cheese factory, bakery, abattoir)



Home occupations (e.g. professional office, bookkeeper, land surveyor, art studio, hairdresser, massage therapist, daycare, veterinary clinic, kennel, classes or workshops)



Home industries (e.g. sawmill, welding or woodworking shop, manufacturing/fabrication, equipment repair, seasonal storage of boats or trailers, biomass pelletizer)



Agri-tourism uses (e.g. farm vacation suite, bed and breakfast, hay rides, petting zoo, farm-themed playground, horse trail rides, corn maze, seasonal events, equine events, wine tasting)



Retail uses (e.g. farm market, antique business, seed supplier, tack shop)



Café/small restaurant, cooking classes, food store (e.g. cheese, ice cream)

2.4 Categorization of Permitted Uses

Defining a use as an agricultural, on-farm diversified or agriculture-related use depends on a number of considerations. These considerations include where the use is located (farm/off-farm), if it is used primarily for the farm operation on which it is located and if it services the local agricultural community. For example, a grain dryer would be an agricultural use if it dries grain primarily produced on the farm where it is located. A grain dryer used to dry and store grain from multiple farms in the area could be either an on-farm diversified use or agriculture-related use. If the grain dryer is not located on a farm, it would be an agriculture-related use.

In terms of the scale of the operation, agricultural uses and agriculture-related uses do not have size limitations. On-farm diversified uses must be limited in area according to the criteria outlined above. Agriculture-related and on-farm diversified uses must be compatible with and shall not hinder surrounding agricultural operations.

Table 2 provides examples of uses and when they may be permitted as agricultural uses, on-farm diversified uses or agriculture-related uses. These examples are not necessarily the same as those provided in Figures 1, 2 or 3. Together, all of the examples in these Guidelines help to identify the many situations that may arise.

Table 2: Categorization of Uses Permitted in Prime Agricultural Areas Provided all PPS Criteria are Met

- F.U		A A Section of the se	0 5 5: 10: 1
Type of Use	Agricultural Use	Agriculture-Related	On-Farm Diversified
		Use	Use
	Growing of crops or	May or may not be on	On a farm; secondary
	raising of animals;	a farm; farm-related	use; limited in area;
	includes associated on-	commercial or	includes, but is not
	farm buildings and	industrial use;	limited to, home
	structures; all types,	compatible with	occupations, home
, "	sizes and intensities;	surrounding	industries, agri-
	normal farm practices	agricultural	tourism uses and
	are promoted and	operations; directly	value-added uses;
	protected	related to farms in the	compatible with
	,	area; supports	surrounding
		agriculture, provides	agricultural
* * * * * * * * * * * * * * * * * * *		products or services	operations
	· · · · · · · · · · · · · · · · · · ·	to farms; benefits	
		from proximity to	
		farms	
Greenhouse	₹	₹	*
	For growing plants	For retailing plants	For growing or
		grown in the area	retailing plants or a
			variety of non-plant
		<u></u>	items

Type of Use	Agricultural Use	Agriculture-Related Use	On-Farm Diversified Use
	Growing of crops or	May or may not be on	On a farm; secondary
	raising of animals;	a farm; farm-related	use; limited in area;
	includes associated on-	commercial or	includes, but is not
	farm buildings and	industrial use;	limited to, home
	structures; all types,	compatible with	occupations, home
	sizes and intensities;	surrounding	industries, agri-
	normal farm practices	agricultural	tourism uses and
	are promoted and	operations; directly	value-added uses;
	protected	related to farms in the	compatible with
		area; supports	surrounding
		agriculture, provides	agricultural
		products or services	operations
	200	to farms; benefits	
		from proximity to	
		farms	
Value-retention of			
farm products e.g.	Duine authorfor Chicara		
grain drying, cold	Primarily for products	Could service farms in	No restriction on
storage, grading,	produced on own farm	the area	products or where
maple sap	The state of the s		they are from
evaporating			
Accommodation for			
full-time farm labour	On-farm housing for		Cauld have a second
\	own workers		Could house workers
	Own workers		from own or
Value-added process		VALUE AND A STATE OF THE STATE	neighbouring farms
e.g. food processing		X V Y	
c.g. root processing		Could do value-added	No restriction on
		processing of farm	what could be
		products grown in the	processed or its
		area	origin
Winery, cidery		*	*
		Fruit used is primarily	No restriction on
		from farms in the	where fruit is grown;
	The state of the s	area; could include	may include other
		tasting and retailing;	permitted uses (e.g.
		appropriate servicing	tasting and retailing);
• • • • • • • • • • • • • • • • • • •		(water and	appropriate servicing
		wastewater) must be	(water and
		available⁴	wastewater) must be
		·	available ⁴

⁴ High water uses/effluent generators should be on full urban services.

Growing of crops or raising of animals; includes associated onfarm buildings and structures; all types, sizes and intensities; normal farm practices are promoted and protected products or services to farms; benefits from proximity to farms Small-scale microbrewery, distillery Small-scale microbrewery, distillery Agri-tourism venture e.g. bed & breakfasts, playgrounds, hayrides, corn mazes, haunted barns Home occupation May or may not be on a farm; secondar use; limited in area; compatible with surrounding agricultural operations; directly related to farms in the area; supports agriculture, provides products or services to farms; benefits from proximity to farms Unless local agricultural operations Unless local agricultural operations Unless local agricultural operations Appropriate servicing (water and wastewater) must be available available available available available All types Must provide Products or services to local farms (e.g. farm business advisor) All types All types	Type of Use	Agricultural Use	Agriculture-Related	On-Farm Diversified
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			<u>. </u>	All types
			products or services	
to local farms			to local farms	
Landscaping business	Landscaping business	8	8	**

⁵ Area limits, rural servicing and Building Code requirements may restrict uses such as large wedding and banquet facilities.

Type of Use	Agricultural Use	Agriculture-Related	On-Farm Diversified	
Type of Ose	Agricultural Ose	Use	Use	
	Growing of crops or	May or may not be on	On a farm; secondary	
[1] 经图象 (1903)	raising of animals;	a farm; farm-related	use; limited in area;	
	includes associated on-	commercial or	includes, but is not	
	farm buildings and	industrial use;	limited to, home	
	structures; all types,	compatible with	occupations, home	
	sizes and intensities;	surrounding	industries, agri-	
	normal farm practices	agricultural	tourism uses and	
	are promoted and	operations; directly	value-added uses;	
	protected	related to farms in the	compatible with	
		area; supports	surrounding	
		agriculture, provides	agricultural	
		products or services	operations	
		to farms; benefits		
		from proximity to		
Industrial use		farms		
industrial use	•			
		Must support local	All types	
		agriculture		
Machinery repair			A	
shop	Y ()	Z X	<u> </u>	
	For own use	Must support local	All types	
Agricultural research (/agriculture		
Agricultural research (centre (i.e.			*	
government or	The growing of crops			
associated with an	or raising of animals			
academic institution)	would need to be the			
	primary activity			
Veterinary clinic		¥	4	
		I avec animal elimin	<u>▼</u>	
		Large animal clinic	Large or small animal clinic	
Marie Contraction of the Contrac	OTHER	IISES	Clinic	
Renewable energy	<u> </u>	he Green Energy Act and	do not need approval	
facilities (e.g. solar,		under the Planning Act.	and the mean approved	
wind, biogas) under		See Section 4.1 #5		
the Green Energy Act	~ <i>x</i>			
Mobile/Non-	These uses do not require a building permit or land use change under			
stationary use (e.g.	the Planning Act. If they are normal farm practices, they are promoted			
cider press, pelletizer,	and protected in <i>prime agricultural areas</i> .			
hoof trimmer, seed				
cleaner)				

2.5 Implementation

This subsection identifies tools available to municipalities to implement the PPS's permitted uses policies under the Planning Act and Municipal Act. More information is available on the <u>Ministry of Municipal Affairs and Housing's website</u>. Municipalities should be consulted on any local requirements.

2.5.1 Official Plans

The official plan is the most important tool for implementing the PPS. PPS Policy 2.3.3.1 permits agricultural uses, on-farm diversified uses and agriculture-related uses in prime agricultural areas. Accordingly, municipal official plan policies under the Planning Act should explicitly state that these uses are permitted. Criteria for these uses may be based on these provincial Guidelines or municipal approaches that achieve the same objectives. These uses would then be permitted without the need for official plan amendments. They may, however, be subject to zoning by-law requirements, site plan control and other local requirements. Some municipalities may be more restrictive on the types of uses permitted in certain parts of their prime agricultural areas based on local circumstances, unless doing so would conflict with any PPS policy. As discussed, this may be appropriate in some instances but may limit options for farmers and local economic development.

2.5.2 Zoning By-laws

Under the Planning Act, municipal zoning by-laws may regulate matters such as:

- /use of the land
- erection of buildings or structures
- type of construction and its height, bulk, location, size, floor area, spacing, character and use of buildings or structures, frontage and depth, and proportion of the land area that any building or structure may occupy
- loading or parking facilities
- · area, density and height

Municipalities may choose to specify setbacks for some of the permitted uses in *prime agricultural areas* (e.g. to protect a municipal drinking water system⁶, provide fire

Partial Lot Zoning

Municipalities may wish to consider using partial lot zoning for on-farm diversified uses. The portion of the property dedicated to on-farm diversified uses would be zoned for those uses, with the remainder of the property in an agricultural zone. The area zoned for the on-farm diversified use may be up to the recommended land area limit discussed in these Guidelines.

protection, mitigate odour, noise or dust, meet requirements under the Nutrient Management Act or

Municipalities with Source Protection Plans in place may require setbacks based on the Clean Water Act.

meet Ministry of the Environment and Climate Change's D-series Guidelines on Land Use Compatibility). Reasonable setbacks will vary with the use and applicable legislation.

Municipalities should adopt "as-of-right" zoning for agricultural uses and other permitted uses that are clearly compatible and appropriate in prime agricultural areas. This would mean that landowners could establish any of these uses as long as they comply with other applicable by-law requirements for the uses. For example, value-retaining uses (e.g. storage, grading, drying), home offices in existing buildings and small produce stands could be permitted as-of-right. Other uses may require site-specific consideration to ensure issues like traffic and site layout are compatible with surrounding agricultural uses.

Temporary use zoning by-laws zone land or buildings for specific uses over a set period of time. They may be used to allow a trial period for *on-farm diversified uses* or *agriculture-related uses*. Temporary use zoning by-laws may also be an effective way to deal with event-type uses such as concerts, rodeos and farm shows. As a general rule, however, if these temporary uses could be accommodated in existing facilities nearby that are designed for such uses (e.g. fairgrounds, parks and bandshells), on-farm locations should be avoided.

Zoning by-law amendments require public notification and consultation in accordance with the Planning Act. At least one public meeting must be held before a by-law is passed.

2.5.3 Site Plan Control

Section 41 of the Planning Act allows municipalities to control the form of development through the use of site plan control. Areas under site plan control must be described in the municipal official plan and designated as such in a site plan control by-law.

As a best practice, most municipalities exempt agricultural uses from site plan control and this practice should continue. Municipalities may find it useful, however, to apply site plan control to on-farm diversified uses given the broad range of uses permitted (both farm- and non-farm- related uses). Site plan control may also be beneficial for some agriculture-related uses.

Site plan control may be used to ensure that new uses fit in with the agricultural character of the area and are compatible with surrounding agriculture. For example, municipalities could use site plan control to address elements such as:

- entrances, parking, pedestrian pathways and emergency vehicle access
- lighting, walkways and the appearance and design of buildings

- · site grading, fencing, landscaping and drainage
- outdoor storage, visual screening and loading areas

It is recommended that where any agriculture-related uses and on-farm diversified uses are under site plan control, municipalities consider an expedited site plan approval process (e.g. delegated authority for planning departments to approve) to help reduce the regulatory burden on farmers.

2.5.4 Development Permits

Increasingly, municipalities are using a development permit system to streamline the land-use planning process by combining zoning, site plan and minor variance processes. This may provide greater certainty upfront and speeds up approvals. More information is available from the Ministry of Municipal Affairs and Housing website.

2.5.5 Lot Creation

The PPS discourages lot creation in prime agricultural areas (Policy 2.3.4).

Lots may only be created for agricultural uses provided:

- new and remaining lots are of a size appropriate for the type of agricultural use(s)
- the lots are large enough to maintain flexibility for future changes in the type or size of agricultural operations (Policy 2.3.4.1.a)

Lots may only be created for agriculture-related uses provided that any new lot is limited to a minimum size needed to accommodate the use, and to accommodate appropriate sewage and water services (Policy 2.3.4.1 b)

Finally, lot creation may be permitted for a residence surplus to a farming operation as a result of farm consolidation, provided specific conditions are met (Policy 2.3.4.1 c).

2.5.6 Municipal By-laws

If a municipality wants to control or restrict noise, hours of operation or signage on the site of agriculture-related or on-farm diversified uses, it could consider using its authority under the Municipal Act to pass specific municipal by-laws. These by-laws need to consider all relevant legislation, including the Farming and Food Production Protection Act.

2.5.7 Building Permits

The Building Code sets standards for the design and construction of buildings to meet health, safety, fire protection, accessibility, resource conservation and other objectives.

The construction of farm buildings is regulated by Ontario's Building Code (Code) (in particular Article 1.3.1.2. of Division A) and the model National Farm Building Code of Canada. The National Farm Building Code stipulates additional or different requirements than those found in the Code. In some cases, the requirements are lower for farm buildings than for other kinds of buildings.

According to the Code,

"Farm building means all or part of a building,

- (a) that does not contain a residential occupancy,
- (b) that is associated with and located on land devoted to the practice of farming, and
- (c) that is used essentially for the housing of equipment or livestock, or the production, storage or processing of agricultural and horticultural produce or feeds."

A building permit is normally required:

- before construction begins for new buildings and additions, or to replace or renovate existing structures
- if the occupancy of the building is changed
- to install, alter, repair or extend an on-site sewage system

The Nutrient Management Act establishes mandatory construction protocols for structures that store nutrient materials. Those requirements are referenced in the Code as an applicable law.

Municipalities are responsible for enforcing the Code. Enforcement activities include reviewing applications for building permits, issuing permits and conducting inspections. In some areas of Ontario, local health units and conservation authorities enforce the Code in respect to on-site sewage systems. Building permits are issued when the responsible authority is satisfied that the technical requirements of the Code and all applicable law as set out in the Code, including municipal zoning by-laws are satisfied.

For more information on building permits, please consult the Ministry of Municipal Affairs and Housing website and the local municipal building department.

3 BEYOND PERMITTED USES

Land uses that do not meet the criteria for agricultural, agriculture-related or on-farm diversified uses are considered non-agricultural uses. This includes new or expanding settlement areas, limited non-residential uses and the extraction of minerals, petroleum resources and mineral aggregate resources. This section provides guidance on removal of land from prime agricultural areas for new or expanding settlement areas and permission for limited non-agricultural uses in prime agricultural areas. Direction on the extraction of minerals, petroleum resources and mineral aggregate resources in prime agricultural areas may be the subject of future guidance material.

3.1 Settlement Areas and Prime Agricultural Areas

PPS Policy 2.3.5 allows the removal of land in *prime* agricultural areas for new or expanding settlement areas, subject to the conditions outlined in Policy 1.1.3.8. Provincial plans, such as the Growth Plan for the Greater Golden Horseshoe and the Greenbelt Plan, may apply to settlement area expansions and should be consulted where applicable.

The process to remove land in prime agricultural areas for new or expanded settlement areas is described below. It begins with a broad, landscape-level assessment of potential settlement areas. It then proceeds to the evaluation of alternative locations and identification of mitigation measures to reduce the impact on agriculture.

PPS Policy 2.3.5.1

Planning authorities may only exclude land from *prime* agricultural areas for expansions of or identification of settlement areas in accordance with policy 1.1.3.8.

3.1.1 Preliminary Assessment

Policy 2.3.2 of the PPS requires planning authorities to designate *prime agricultural areas* to clearly communicate that the area is intended for long-term use for agriculture.

Policy 1.1.3.8 states that removal of land from *prime agricultural areas* for new or expanding *settlement areas* can only be considered by planning authorities at the time of a <u>comprehensive review</u> of the municipal official plan. During *comprehensive reviews*, municipalities look at how best to manage growth while protecting provincial interests like *prime agricultural areas*. They look at opportunities broadly within their boundaries and consider cross-jurisdictional issues. Not all areas are amenable to growth and will particularly benefit from a diversity of permitted uses in *prime agricultural areas*.

The PPS directs growth to settlement areas to create sustainable and vibrant communities. During the comprehensive review, municipalities identify intensification, redevelopment and designated growth

area opportunities. Often times, these lands already are or could be connected to existing municipal services. The PPS requires that *infrastructure* and *public service facilities* be financially viable and protect public health, safety and the environment.

Beyond existing *settlement areas*, PPS Policy 1.1.1 d) suggests that the focus of any new settlement areas should be on lands adjacent or close to existing settlement areas.⁷

Removal of land from *prime agricultural areas* can only be considered where there are no reasonable alternatives outside of *prime agricultural areas* (Policy 1.1.3.8 c). In that instance, lower priority agricultural lands within *prime agricultural areas* must be identified.

Before considering new or expanded settlement areas in prime agricultural areas, municipalities must demonstrate that there are insufficient opportunities for development within existing settlement areas or on rural lands.

The PPS states that settlement areas shall not include lands that comprise specialty crop areas. Before a potential settlement area is designated, the PPS requires that the provincial minimum distance separation formulae be met.

The basis for the above approach is that settlement areas can be built on a range of soil and landscape types. In contrast, agriculture depends on soil, climate and other fixed-location factors to be productive.

3.1.2 Alternative Locations

If there are insufficient growth opportunities within existing settlement areas and on rural lands outside of prime agricultural areas, lower priority (i.e. poorer quality) land within prime agricultural areas needs to be identified and evaluated.

To identify these lower priority agricultural lands, the following factors should be considered. Typically, the alternative locations for *settlement areas* and surrounding lands (e.g. agricultural area within at least 1.5 kilometres of potential new settlement

Order of Priority for Protection of Farmland within *Prime*Agricultural Areas:

- 1. specialty crop areas
- 2. CLI Class 1, 2 and 3 lands
- any associated Class 4 through 7 lands
 (Based on PPS Policy 2.3.1)

If lands within settlement areas and rural lands are unavailable for non-agricultural uses, lower priority lands must be evaluated before more productive agricultural lands can be considered.

⁷ Within the Greater Golden Horseshoe, new *settlement areas* are prohibited. They must be contiguous to existing *settlement areas*.

areas⁸) should be evaluated, as appropriate, in terms of factors such as:

- existing official plan designation(s)
- Canada Land Inventory (CLI) mapping showing land capability for agriculture
- soil type and characteristics (as reported in <u>county soil reports</u>); <u>guidelines for soil surveys</u> are available for undertaking detailed soil surveys for land use planning
- current use of the land (identify both agricultural and non-agricultural uses)
- degree of fragmentation of the agricultural land base by non-agricultural uses
- farm parcel size relative to the type of agriculture in the area (e.g. cash crops and livestock farms generally require large parcels while specialty crops may not)
- access to water for agricultural use
- differing climatic conditions, if applicable (e.g. crop heat units, microclimate)
- presence, use and capital investment in farm buildings and infrastructure (e.g. tile drainage, irrigation)
- proximity to farm supply, storage, distribution or processing facilities (may be beyond two kilometres)

Identification of lower priority agricultural lands is a comparative exercise. For example, lower priority agricultural lands may have relatively lower capability land (based on CLI), fewer drainage or irrigation upgrades and poorer water access (where such upgrades or access is required for the type of agriculture common in the area) than surrounding agricultural areas. Lower priority agricultural lands may also have a relatively small area in agriculture, be fragmented by non-agricultural uses and/or have small parcel sizes.

Before or during a comprehensive review, municipalities may undertake agricultural land evaluation studies (e.g. a Land Evaluation and Area Review (LEAR) study or a provincially acceptable alternative land evaluation system) to help identify prime agricultural areas. These studies consider many of the same factors and may help inform consideration of alternative locations for new or expanding settlement areas. It should be noted that LEAR studies broadly characterize the landscape and are not intended to be used for site-specific purposes.

⁸ For consistency, the Minimum Distance Separation Implementation Guidelines provide a recommended investigation distance for identifying potential livestock facilities and the need to apply MDS. The recommended distances are 750 metres for Type A Land Uses (e.g. industrial uses, low-intensity recreational uses) and 1500 metres for Type B land uses (e.g. commercial uses, high-intensity recreational uses, settlement areas). Normally, 1500 metres would be reasonable for the consideration of localized impacts on agriculture from new or expanding settlement areas.

The potential to mitigate the impacts of new or expanding settlement areas on nearby agricultural operations is also a factor in the assessment of alternative locations.

3.1.3 Impact Mitigation

Policy 1.1.3.8 e) of the PPS requires that impacts from new or expanding *settlement areas* to surrounding agricultural operations be reduced as much as possible. As a first step, potential adverse impacts on neighbouring agricultural operations resulting from proposed new or expanding *settlement areas* should be identified.

Municipalities undertaking a comprehensive review of their official plan often complete studies to inform the review (e.g. traffic, agricultural and servicing studies). These studies may not only help with the identification of new settlement areas but also the identification of impacts and mitigation. An agricultural impact assessment is one such example:

Agricultural Impact Assessments

- Describe the agricultural area and uses
- Identify all agricultural operations that may be impacted by a proposed development
- Identify potential agricultural impacts including limitations on future farming options
- Recommend how impacts can be mitigated
- Identify net impacts to agriculture

Impacts may be short- or long-term and may affect agricultural production, infrastructure, operations or farmers' flexibility in carrying out their farming business. Examples of potential impacts include:

- loss of agricultural land
- increased traffic and safety risks for slow-moving farm equipment operators and people in passing vehicles
- nulsance complaints by new residents related to normal farm practices (may depend on wind direction) landforms, vegetation, etc.)
- farmer concern over lighting, noise, dust and other changes in settlement areas that are incompatible with agriculture (also dependent on physical site attributes)
- new or increased minimum distance separation requirements that may restrict future development or expansion of livestock facilities
- trespassing, vandalism, pets at large and litter/garbage disposal on farm properties
- change in water quality or quantity
- increased growth pressure on remaining agricultural lands

After identifying potential impacts, the study needs to identify ways to eliminate or reduce the impacts. Examples of mitigation measures municipalities might consider include:

Loss of agricultural land

 Minimizing the amount of land converted from agriculture by maintaining any surplus lands in agriculture.

Traffic and safety risk

- Ensuring signage is used on slow-moving farm vehicles (as required by the Highway Traffic Act) and along roads frequently used by farm vehicles.
- Designing roads and traffic controls to accommodate wide, slow-moving farm equipment (e.g. wider shoulders, no curbs, controlling access to new or expanding settlement areas, and reduced speed limits).
- Improving public transit in and to new settlement areas to reduce rural traffic.

Nuisance issues

- Designing subdivisions to reduce potential conflicts (e.g. urban-side buffers and screening between agricultural and non-agricultural uses, exterior lighting appropriate to rural character).
- Providing public education on normal farm practices.
- Providing education to farm operators on how to minimize nuisance impacts and develop 'good neighbour' relationships (e.g. maintain or enhance established farm windbreaks).
- Writing warning/notification clauses into non-agricultural property titles regarding location in agricultural areas and the potential for nuisance effects.
- Requiring air conditioning units as a standard inclusion for new buildings adjacent to agricultural areas.

Minimum Distance Separation (MDS)

- Giving existing livestock facilities space to operate by ensuring that MDS setbacks are
 established early in the land use planning process (i.e. at the time of an official plan amendment
 for new or expanding settlement areas rather than at the plan of subdivision stage).
- Placing employment areas, stormwater management systems or green space at the edge of settlement areas to further separate residential and agricultural areas.

Trespassing, Vandalism, Pets at Large and Litter/Garbage Disposal

Providing public education.

- Appropriately designing and maintaining fencing around the perimeter of non-agricultural uses abutting agricultural land.
- Erecting signage.
- Developing municipal by-laws that require pets to be kept on-leash.
- Providing regular garbage collection, municipal assistance in removing illegally dumped goods, etc.
- Enforcing by-laws (e.g. fines).

Water Issues

- Maintaining existing water supplies, agricultural drainage and irrigation infrastructure.
- Avoiding water erosion by minimizing impermeable surfaces and maximizing vegetated areas in new settlement areas.
- Ensuring effective stormwater management in new settlement areas.

Growth Pressure

- Developing firm urban boundaries (e.g. designation of permanent urban boundaries) that generally follow recognizable features (e.g. roads or rivers).
- Having strict control over the extension of municipal services (e.g. water and wastewater).
- Providing agricultural easements along the ruralurban fringe/interface.

Other

- Providing municipal economic development support for local agriculture (e.g. support for infrastructure such as farmers' markets, processing or distribution centres, community improvement plans for agricultural areas, agricultural liaison officer, signage, maps and websites to promote local agriculture).
- Creating a municipal agricultural advisory committee.

Some Municipal Options for Mitigating Agricultural Impacts

- designating uses such as employment lands, stormwater management areas or open space between future residential and existing agricultural areas
- adopting official plan policies for rural/urban interface areas (e.g. City of London, Town of Mississippi Mills)
- identifying additional "complete application" standards in an official plan for Planning Act applications (e.g. agricultural impact assessment, stormwater management plan, transportation plan, etc. depending on the application)
- adopting zoning by-law provisions for buffers and fencing in specific interface areas
- passing a municipal noise by-law

if the municipality does not yet have one.

Some of these mitigation examples are standard practices in communities where agriculture and non-farm land uses co-exist. To specifically mitigate the impact of new or expanding settlement areas on prime agricultural areas, multiple mitigation methods may be needed. The above list is not exhaustive. Local circumstances, needs and opportunities must be factored in, typically through the completion of an agricultural impact assessment. Municipalities should consider how to ensure that the mitigation measures are implemented, and if necessary, monitored. Consultation with the municipal agricultural advisory committee may be helpful, where one is in place.

Policy 1.1.3.8 e) requires that impacts be mitigated "to the extent feasible." That means that mitigation is required when impacts are predicted and should be proportional to the estimated degree of impact or risk. For example, new settlement areas in prime agricultural areas that significantly increase traffic and risk of accidents on local roads on an on-going basis may require mitigation like a new access road, road upgrades and signage. Small new settlement area expansions that do not significantly increase traffic, or only on an occasional basis, would likely not necessitate such extensive mitigation.

Mitigation must also be economically reasonable in terms of the outcome to be achieved. For example, to mitigate potential trespassing onto an adjoining farm, fencing and signage along the property line may be feasible, whereas a five metre brick wall may not be.

Identification of mitigation measures should be followed by the assessment of net impacts, assuming the proposed mitigation is in place.

The preferred location for new or expanding settlement areas would be one that avoids prime agricultural areas or uses opportunities on rural lands. If this is not possible, the first option should be to use lower priority prime agricultural land where net impact on surrounding agricultural operations would be minimal, assuming other provincial interests are also satisfied.

3.2 Limited Non-Residential Uses in Prime Agricultural Areas

This section provides guidance on PPS Policy 2.3.6, addressing limited non-residential uses in *prime agricultural areas*, with the exception of Policy 2.3.6.1 a) addressing extraction of *minerals*, petroleum resources or mineral aggregate resources.

3.2.1 Preliminary Assessment

Prime agricultural areas are distinct from rural lands. On rural lands, Policy 1.1.5.2 provides for a wide range of non-agricultural uses such as the management or use of resources, resource-based recreational uses, home occupations and home industries, cemeteries and other rural land uses.

However, in prime agricultural areas, permitted uses are limited to agricultural, agriculture-related and on-farm diversified uses. Other uses should be directed to settlement areas or rural lands.

Policy 2.3.6.1 specifies the limited circumstances under which non-agricultural uses may be considered in prime agricultural areas. Any non-agricultural uses, excluding residential uses, must be outside of specialty crop areas and meet the minimum distance separation formulae setbacks. A proposal must demonstrate need for the use, evaluate alternative locations and identify how impacts will be mitigated.

New non-agricultural uses in prime agricultural areas typically require official plan and zoning by-law amendments. While new or expanded settlement areas permanently remove land from prime agricultural areas, permission for other non-agricultural land uses does not. The land remains part of the prime agricultural area. Should an approved non-agricultural use discontinue in the

PPS Policy 2.3.6 Non-Agricultural Uses in Prime Agricultural Areas

- 2.3.6.1 Planning authorities may only permit non-agricultural uses in *prime agricultural areas* for:
- a) extraction of minerals...; or
- b) limited non-residential uses, provided that all of the following are demonstrated:
 - 1. the land does not comprise a specialty crop area;
 - 2. the proposed use complies with the *minimum distance separation* formulae;
 - 3. there is an identified need within the planning horizon provided for in policy 1.1.2 for additional land to be designated to accommodate the proposed use; and
 - 4. alternative locations have been evaluated, and
 - i. there are no reasonable locations which avoid prime agricultural areas
 - ii. there are no reasonable alternative locations in prime agricultural areas with lower priority agricultural lands.

future, the prime agricultural area policies in the PPS and applicable official plan apply.

The assessment of need and evaluation of alternative locations for non-agricultural uses is geographically-based and depend on the type of use and the region from which clients/customers are drawn, as applicable. Part III of the PPS indicates that policies apply at a range of geographic scales. Policies need to be considered in the context of the municipality or planning area as a whole. This is further discussed below under Alternative Locations (Section 3.2.3).

3.2.2 Demonstration of Need

Policy 2.3.6.1 b) 3 states that need for land to accommodate the non-residential use must be justified "within the planning horizon provided for in Policy 1.1.2." i.e. over a time horizon of up to 20 years unless an alternate time period has been established. Non-residential uses are not permitted in *prime agricultural areas* if the need for land to accommodate the use within that planning horizon cannot be appropriately demonstrated.

Demonstration of need for a proposed limited nonagricultural use typically requires the completion of a justification study. The scope of this study depends on the proposed use and starts by identifying the specific geographic market or service area for the proposed use. It usually needs to include information on:

- __the demand for the product or service `
- an inventory of current suppliers/competitors
- how much of the current and future projected demand is met within a given market or service area
- distance to markets or clients
- economic impacts of the proposed use
- a preliminary assessment of the potential impacts on agricultural operations in the area

Limited Non-Residential Uses

In prime agricultural areas, limited non-residential uses are uses that include commercial, industrial, institutional or recreational uses but exclude residential uses. These uses may only be considered in prime agricultural areas if other locations are unavailable and if they meet the tests of PPS Policy 2.3.6.1 b).

Limited non-residential uses must be limited in area based on the land area that would no longer be available to agriculture. The term "limited" also suggests that the use may be a single use rather than an assembly of uses. For example, a proposed single industrial use occupying a small footprint that meets all other requirements under Policy 2.3.6.1 b) may be acceptable, while an industrial park would not be.

3.2.3 Alternative Locations

Under Policy 2.3.6.1 b) of the PPS, evaluation of alternative locations for limited non-agricultural uses is mandatory. Arguing that applicants own only one site, or that sites in *settlement areas* are unaffordable for the proposed use, are insufficient reasons and will not be considered as adequate justifications. Based on policy 2.3.6.1 b), applicants should look to lands outside prime agricultural areas first.

The geographic area within which to identify alternative sites varies with the use. Alternative sites should be considered within the entire market area/service area for the use. For example, OMAFRA, in consultation with other parties, has determined that an application for a new golf course should consider alternative locations within a one-hour driving distance of the target golfing population, or roughly a distance of 50 to 60 kilometres. This is the distance golfers are usually willing to drive for an 18-hole golf game (Royal Canadian Golf Association, 2006). The distance may be greater for an exclusive golf course.

Likewise, to identify alternative locations for a church, proponents would first need to look at sites within settlement areas and on rural lands within the service area. If no reasonable alternatives are available in these areas, lower priority areas within prime agricultural areas may be identified and evaluated.

The service area for non-agricultural uses in a community that relies on horse-drawn vehicles for transportation would be smaller than for uses that cater to customers using cars or trucks. Proponents of non-agricultural uses in communities reliant on horse-drawn vehicles would still need to consider sites within the service area in settlement areas, on rural lands

sites within the service area in settlement areas, on rural lands and on lower priority agricultural lands, in that order of priority.

To identify lower priority agricultural lands within prime agricultural areas, proponents would need to analyze the factors discussed in Section 3.1.2, such as official plan designation, CLI class and current use of the land. Depending on the scale of the proposed non agricultural use, the analysis of location alternatives may need to be more detailed and site-specific than for new settlement areas. For example, CLI mapping at 1:10,000 or 1:8,000 may be required:

Depending on local circumstances, sites with a previous non-agricultural use may be considered lower priority agricultural areas for the purpose of identifying alternative locations. Adaptive reuse of sites with commercial or industrial zoning, for example, may be suitable and would avoid greenfield development. Significantly disturbed sites that cannot be returned to an agricultural use could be considered lower priority areas. Sites historically approved for non-agricultural uses that have never been developed cannot be considered lower priority land - they remain as agricultural lands.

3.2.4 Impact Mitigation

Policy 2.3.6.2 requires the impacts of new non-agricultural uses in *prime agricultural areas* to mitigate impacts on surrounding agricultural operations as much as possible. Depending on the use, non-agricultural uses in *prime agricultural areas* may trigger the need to consider the types of mitigation

PPS Policy 2.3.6.2

Impacts from any new or expanding non-agricultural uses on surrounding agricultural operations and lands are to be mitigated to the extent feasible.

identified in Section 3.1.3. Impact mitigation for small-scale, non-agricultural uses that do not significantly conflict with agriculture may require a localized approach e.g. dust suppression, fencing, appropriate lighting, etc., as applicable. Large-scale uses that could significantly conflict with agriculture would require more extensive mitigation measures. Guidance on satisfying the "to the extent feasible" requirement is also provided in Section 3.1.3.

Identification of mitigation measures should be followed by the assessment of net impacts, assuming the proposed mitigation measures are in place. The preferred location for non-agricultural uses in *prime agricultural areas* would be on lower priority land where there would be minimal net impact on surrounding agricultural operations.



4.0 FREQUENTLY ASKED QUESTIONS

4.1 General

1. Would agricultural, agriculture-related and on-farm diversified uses trigger any Planning Act applications, such as official plan amendments, zoning amendments, minor variances or site plan control?

An official plan amendment would not be required if the uses permitted by the PPS and explained in these Guidelines are permitted in the *prime agricultural area* policies of the municipal official plan. Landowners have the right to establish these uses, provided other requirements are met (e.g. performance standards in zoning by-laws, building permits, site alternation or tree by-laws, site plan control, conservation authority permits, Endangered Species Act requirements). Zoning and site plan control may address issues such as setbacks, outdoor storage, lighting and parking.

If existing zoning by-law requirements are not met by the proposed development, an application for a minor variance or zoning by-law amendment may be required. Landowners must consult with the appropriate municipality or planning authority to identify local requirements.

2. Could a single property support more than one agricultural, agriculture-related or on-farm diversified use?

There could be more than one of these uses on a single property if all the principles identified in Section 1.1. and all the criteria for the uses can be met. For example, for more than one *on-farm diversified use* to be acceptable; the combined uses would need to be compatible with and not hinder surrounding agricultural operations, be secondary to the principal agricultural use of the property and be limited in area. An example of an existing property with a combination of uses is provided in Appendix 3.

3. Could a single property accommodate both an *on-farm diversified use* and an *agriculture-related use*?

An agriculture-related use may be located on a farm parcel or on a parcel of its own. If the agriculture-related use is located on a non-farm parcel, then an on-farm diversified use would not be permitted on the same parcel. On-farm diversified uses can only be located on farms. If both uses are proposed to be located on a farm, the applicant and municipality would need to assess whether all of the principles of permitted uses in prime agricultural areas (see Section 1.1) could still be met. If so, the uses would also need to meet all on-farm diversified use and agriculture-related use criteria.

4. Under what circumstances would severances be considered for permitted uses in *prime* agricultural areas?

In *prime agricultural areas*, severances are not permitted for *on-farm diversified uses*. Severances may be permitted only for *agricultural uses* and *agriculture-related uses* if certain conditions can be met.

While the PPS may allow severances for agriculture-related uses, there may already be properties in prime agricultural areas that could accommodate a proposed use, thereby avoiding the need for a severance. For example, a property previously used for another agriculture-related use may be available. Locating a new agriculture-related use on such a site is preferred over creating a new lot in a prime agricultural area.

5. Are renewable energy projects (e.g. solar facilities, wind turbines and biogas systems) permitted in *prime agricultural areas*?

Renewable energy projects fall under the Green Energy Act and are generally not subject to approval under the Planning Act. The Planning Act exemption means that land use planning instruments such as municipal official plans, zoning by-laws and site plan control do not apply to renewable energy projects. Nor, generally, do the PPS or these Guidelines.

Nevertheless, as a general guide, ground-mounted solar projects larger than 10 kilowatts may be restricted from being located on prime agricultural areas or on prime agricultural land. Other renewable energy technologies can co-exist with agriculture and may be permitted in prime agricultural areas if they are able to meet approval requirements. Details on the renewable energy program rules and approvals are available from the Ministry of Energy and the Ontario Power Authority.

4.2 Compatibility Issues

6. Do Minimum Distance Separation (MDS) Formulae apply to the permitted uses?

MDS I and II setbacks apply in rural areas to both rural lands and *prime agricultural areas* in accordance with the PPS. MDS I applies to proposed new non-farm development in proximity to existing livestock facilities. MDS II applies to proposed new or expanding livestock facilities in proximity to existing or approved non-farm development.

Depending on the local municipal official plan and zoning by-law, MDS may also apply to agriculture-related and on-farm diversified uses that could conflict with neighbouring livestock facilities. These uses are often characterized by having a high level of human activity, attracting visitors to the agricultural area. Examples include food services, accommodations, agri-tourism

uses and retail operations. Ultimately, direction on the application of MDS to agriculture-related uses and on-farm diversified uses comes from local planning documents. For more information, please see the MDS Implementation Guidelines (add link when available).

7. If an official plan or zoning by-law amendment is required for a new land use in a *prime* agricultural area, what studies would be required?

Generally speaking, a planning report is almost always required to outline how the proposed use is consistent with the PPS, these Guidelines and municipal planning documents. Other studies could also be required to assess impacts and deal with issues related to water and wastewater servicing, traffic, agriculture, and natural and cultural heritage. Municipalities may list the information and material required to deem an application "complete," depending on their official plan policies and the proposed use.

Under the PPS, proponents are required to complete environmental studies to demonstrate that the rural water and wastewater servicing is appropriate for the use, and that servicing can be provided in a manner that does not result in negative impacts on water quality and quantity. Traffic assessments may be needed for uses that have potential for off-site impacts such as increased traffic and safety concerns with slow-moving farm vehicles. Agricultural impacts assessments summarize all potential impacts and mitigation. Where historic farm buildings are proposed to be adapted to a new use, local guidelines may need to be followed and Local Architectural Conservation Advisory Committees consulted, where they exist. In some cases, a cultural or heritage assessment may be required.

Landowners must consult with the appropriate municipality or planning authority to identify local requirements.

8. How can conflicts be avoided between a farmer and a neighbouring on-farm diversified use?

Conflicts can be avoided by ensuring that the *on-farm diversified use* meets the requirements of the PPS and satisfies the provisions of these Guidelines. Good planning at the municipal level is essential. This may mean amending existing official plan policies or zoning by-laws. Some municipalities have an Agricultural Advisory Committee that provides Council and staff with local advice on agricultural issues. Consultation with these committees, as well as with local agricultural organizations and rural residents, can help to anticipate potential conflicts and identify appropriate courses of action.

Thoughtful consideration of neighbours is also helpful. Conflicts between farmers and nearby on-farm diversified uses can often be avoided through open communication and with the use of best management practices (e.g. tree planting along the property line, on-site dust suppression and noise control).

4.3 Agriculture-Related Uses

9. What happens to a non-farm property with an *agriculture-related use* that is no longer operational? What redevelopment opportunities are there for such a site?

Since the *prime agricultural area* policies of the PPS apply to these lands, any new uses must meet PPS policies and these Guidelines. If the site has been disturbed in a way that it could not reasonably be returned to active agricultural production, it could be used for another *agriculture-related use* that meets the PPS criteria discussed in these Guidelines.

4.4 On-Farm Diversified Uses

10. What happens if the owner of an on-farm diversified use wants to expand that use?

The owner can expand an *on-farm diversified use* if the use is consistent with PPS policies and these Guidelines and the post-expansion area remains under the identified thresholds. If the proposed expansion is larger than the thresholds, the business could be relocated to an alternative site that is zoned for the use typically to a site with commercial or industrial zoning inside or outside of *settlement areas*.

Under limited circumstances and only where adequate justification is provided, Section 2.3.6 of the PPS permits limited non-residential, non-agricultural uses in *prime agricultural areas*. This would typically involve an application for an official plan amendment and zoning by-law amendment.

11. Are events such as festivals permitted in prime agricultural areas?

Certain seasonal events could be considered on-farm diversified uses if they are located on farms, are limited in area and compatible with surrounding agriculture. Where these three conditions are met, such occasional events may be accommodated through a temporary zoning by-law provided no permanent structures (e.g. stages, washrooms or pavilions) are proposed. The temporary zoning must be structured in such a way that the farmland can be returned to agriculture after the event (e.g. detailed provisions to avoid soil compaction, timing events to avoid impacts on traditional cropping systems). The intention is that these types of uses be permitted only as interim uses provided the subject land can be returned to an agricultural use immediately after the event.

Large-scale repeated hosting of events in *prime agricultural areas* are considered non-agricultural uses and would require site-specific official plan and zoning by-law amendments in order to permit the permanent venues. In these instances, justification for the agricultural site is required in order to demonstrate that the event could not be hosted at existing facilities in the area.

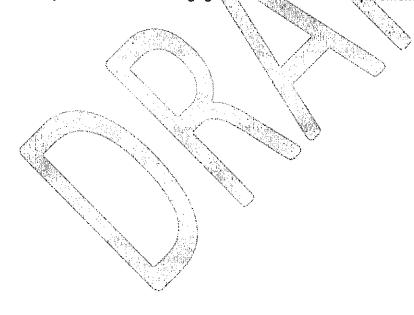
The scale of an event may be determined by the local municipality based on a variety of factors, including, but not limited to:

- the number of attendees permitted
- duration and frequency of occurrences
- presence of permanent structures
- ability of land to be returned to agriculture
- level of noise, traffic and parking
- required site grading and/or drainage
- · water and sanitary sewage requirements
- · fire and emergency service needs

In all cases, the event use should not interfere with agriculture on the farm or in the surrounding area (e.g. drainage or trespassing impacts must be mitigated).

12. Are conference centres a permitted use in prime agricultural areas?

Conference centres would not be permitted in *prime agricultural areas* unless they are small and meet all the criteria for *on-farm diversified uses*, i.e. limited in area, located on a farm and compatible with surrounding agriculture and meet the requirements in PPS Policy 2.3.6.2.



Appendix 1: PPS 2014 Policies and Definitions

PPS Policies

2.3.3 Permitted Uses

2.3.3.1 In *prime agricultural areas*, permitted uses and activities are: *agricultural uses*, *agriculture-related uses* and *on-farm diversified uses*.

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 guidelines developed by the Province or municipal approaches, as set out in municipal planning documents, which achieve the same objectives.

- 2.3.3.2 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.
- 2.3.3.3 New land uses, including the creation of lots, and new or expanding livestock facilities shall comply with the *minimum distance separation formulae*.

2.3.5 Removal of Land from Prime Agricultural Areas

- 2.3.5.1 Planning authorities may only exclude land from *prime agricultural areas* for expansions of or identification of *settlement areas* in accordance with policy 1.1.3.8.
- 1.1.3.8 A planning authority may identify a settlement area or allow the expansion of a settlement area boundary only at the time of a comprehensive review and only where it can be demonstrated that:
- a) sufficient opportunities for growth are not available through intensification, redevelopment and designated growth areas to accommodate the projected needs over the identified planning horizon;
- b) the *infrastructure* and *public service facilities* which are planned or available are suitable for the development over the long term, are financially viable over their life cycle, and project public health and safety and the natural environment;
- c) in prime agricultural areas:
 - 1. the lands do not comprise specialty crop areas;
 - 2. alternative locations have been evaluated, and
 - i. there are no reasonable alternatives which avoid *prime agricultural areas*; and ii. there are no reasonable alternatives on lower priority agricultural lands in *prime agricultural areas*;

- d) the new or expanding settlement area is in compliance with the minimum distance separation formulae; and
- e) impacts from new or expanding settlement areas on agricultural operations which are adjacent or close to the settlement area are mitigated to the extent feasible.

In determining the most appropriate direction for expansions to the boundaries of *settlement* areas or the identification of a *settlement* area by a planning authority, a planning authority shall apply the policies of Section 2: Wise Use and Management of Resources and Section 3: Protecting Public Health and Safety.

2.3.6 Non-Agricultural Uses in Prime Agricultural Areas

- 2.3.6.1 Planning authorities may only permit non-agricultural uses in *prime agricultural areas* for:
- a) extraction of *minerals*, *petroleum resources* and *mineral aggregate resources*, in accordance with policies 2.4. and 2.5; or
- b) limited non-residential uses, provided that all of the following are demonstrated:
 - 1. the land does not comprise a specialty crop area
 - 2. the proposed use complies with the minimum distance separation formulae;
 - 3. there is an identified need within the planning horizon provided for in policy 1.1.2 for additional land to be designated to accommodate the proposed use; and
 - 4. alternative locations have been evaluated, and
 - i. there are no reasonable alternative locations which avoid *prime agricultural* areas; and
 - ii. there are no reasonable alternative locations in prime agricultural areas with lower priority agricultural lands:
- 2.3.6.2 Impacts from any new or expanding non-agricultural use on surrounding agricultural operations and lands are to be mitigated to the extent feasible.

PPS Definitions

Agricultural uses: means the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including, but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for full-time farm labour when the size and nature of the operation requires additional employment.

Agri-tourism uses: means those farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm operation.

Agriculture-related uses: means 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.

Brownfield sites: means undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant.

Comprehensive review: means

- a) for the purposes of policies 1.1.3.8 and 1.3.2.2, an official plan review which is initiated by a planning authority, or an official plan amendment which is initiated or adopted by a planning authority, which:
 - 1. is based on a review of population and employment projections and which reflect projections and allocations by upper-tier municipalities and provincial plans, where applicable; considers alternative directions for growth or development; and determines how best to accommodate the development while protecting provincial interests;
 - 2. utilizes opportunities to accommodate projected growth or development through intensification and redevelopment; and considers physical constraints to accommodating the proposed development within existing settlement area boundaries;
 - 3. is integrated with planning for infrastructure and public service facilities, and considers financial viability over the life cycle of these assets, which may be demonstrated through asset management planning;
 - 4. confirms sufficient water quality, quantity and assimilative capacity of receiving water are available to accommodate the proposed development;
 - 5. confirms that sewage and water services can be provided in accordance with policy 1.6.6; and
 - 6. considers cross-jurisdictional issues.
- b) for the purposes of policy 1.1.6, means a review undertaken by a planning authority or comparable body which:
 - 1. addresses long-term population projections, *infrastructure* requirements and related matters:
 - 2. confirms that the lands to be developed do not comprise *specialty crop areas* in accordance with policy 2.3.2; and
 - 3. considers cross-jurisdictional issues.

In undertaking a comprehensive review the level of detail of the assessment should correspond with the complexity and scale of the settlement boundary or *development* proposal.

Designated growth areas: means lands within settlement areas designated in an official plan for growth over the long-term planning horizon provided in policy 1.1.2, but which have not yet been fully developed. Designated growth areas include lands which are designated and available for residential growth in accordance with policy 1.4.1(a), as well as lands required for employment and other uses.

Development: means the creation of a new lot, a change in land use, or the construction of buildings and structures requiring approval under the *Planning Act*, but does not include:

- a) activities that create or maintain *infrastructure* authorized under an environmental assessment process;
- b) works subject to the Drainage Act; or
- c) for the purposes of policy 2.1.4(a), underground or surface mining of minerals or advanced exploration on mining lands in significant areas of mineral potential in Ecoregion 5E, where advanced exploration has the same meaning as under the Mining Act. Instead, those matters shall be subject to policy 2.1.5(a).

Employment area: means those areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities:

Infrastructure: means physical structures (facilities and corridors) that form the foundation for development. Infrastructure includes: sewage and water systems, septage treatment systems, stormwater management systems, water management systems, electricity generation facilities, electricity transmission and distribution systems, communications/telecommunications, transit and transportation corridors and facilities, oil and gas pipelines and associated facilities.

Intensification: means the development of a property, site or area at a higher density than currently exists through:

- a) redevelopment, including the reuse of brownfield sites;
- b) the development of vacant and/or underutilized lots within previously developed areas;
- c) infill development; and
- d) the expansion or conversion of existing buildings.

Normal farm practices: means a practice, as defined in the Farming and Food Production Protection Act, 1998, that is conducted in a manner consistent with proper and acceptable customs and standards as established and followed by similar agricultural operations under similar circumstances; or makes use of innovative technology in a manner consistent with proper advanced farm management practices. *Normal farm practices* shall be consistent with the Nutrient Management Act, 2002 and regulations made under that Act.

Mineral aggregate resources: means gravel, sand, clay, earth, shale, stone, limestone, dolostone, sandstone, marble, granite, rock or other material prescribed under the Aggregate Resources Act suitable for construction, industrial, manufacturing and maintenance purposes but does not include metallic ores, asbestos, graphite, kyanite, mica, nepheline syenite, salt, talc, wollastonite, mine tailings or other material prescribed under the Mining Act.

Minerals: means metallic minerals and non-metallic minerals as herein defined, but does not include *mineral aggregate resources* or *petroleum resources*.

Minimum distance separation formulae: means formulae and guidelines developed by the Province, as amended from time to time, to separate uses so as to reduce incompatibility concerns about odour from livestock facilities.

On-farm diversified uses: means uses that are secondary to the principal 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.

Petroleum resources: means oil, gas, and salt (extracted by solution mining method) and formation water resources which have been identified through exploration and verified by preliminary drilling or other forms of investigation. This may include sites of former operations where resources are still present or former sites that may be converted to underground storage for natural gas or other hydrocarbons.

Prime agricultural area: means areas where prime agricultural lands predominate. This includes areas of prime agricultural lands and associated Canada Land Inventory Class 4 through 7 lands, and additional areas where there is a local concentration of farms which exhibit characteristics of ongoing agriculture. Prime agricultural areas may be identified by the Ontario Ministry of Agriculture, Food and Rural Affairs using guidelines developed by the Province as amended from time to time. A prime agricultural area may also be identified through an alternative agricultural land evaluation system approved by the Province.

Prime agricultural land: means specialty crop areas and/or Canada Land Inventory Class 1, 2, and 3 lands, as amended from time to time, in this order of priority for protection.

Public service facilities: means land, buildings and structures for the provision of programs and services provided or subsidized by a government or other body, such as social assistance, recreation, police and fire protection, health and educational programs, and cultural services. *Public service facilities* do not include *infrastructure*.

Redevelopment: means the creation of new units, uses or lots on previously developed land in existing communities, including *brownfield sites*.

Rural areas: means a system of lands within municipalities that may include rural *settlement* areas, rural lands, prime agricultural areas, natural heritage features and areas, and resource areas.

Rural lands: means lands which are located outside *settlement areas* and which are outside *prime agricultural areas*.

Settlement areas: means urban areas and rural settlement areas within municipalities (such as cities, towns, villages and hamlets) that are:

- a) built up areas where development is concentrated and which have a mix of land uses; and
- b) lands which have been designated in an official plan for development over the long-term planning horizon provided for in policy 1.1.2. In cases where land in designated growth areas is not available, the settlement area may be no larger than the area where development is concentrated.

Sewage and water services: includes municipal sewage services and municipal water services, private communal sewage services and private communal water services, individual on-site sewage services and individual on-site water services, and partial services.

Specialty crop area: means areas designated using guidelines developed by the Province, as amended from time to time. In these areas, specialty crops are predominantly grown such as tender fruits (peaches, cherries, plums), grapes, other fruit crops, vegetable crops, greenhouse crops, and crops from agriculturally developed organic soil, usually resulting from:

- a) soils that have suitability to produce specialty crops, or lands that are subject to special climatic conditions, or a combination of both;
- b) farmers skilled in the production of specialty crops; and
- c) a long-term investment of capital in areas such as crops, drainage, infrastructure and related facilities and services to produce, store or process specialty crops.

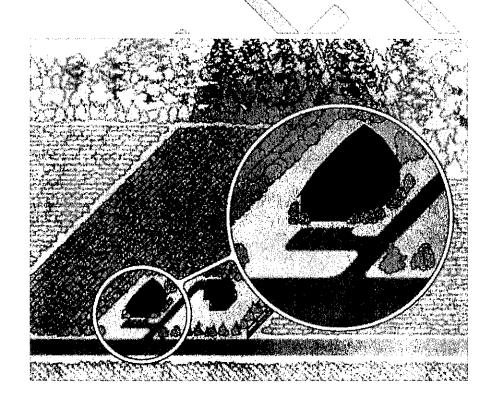
Appendix 2: Area Calculation Examples for On-Farm Diversified Uses

The following examples are based on the area calculations discussed in Section 2.3.1 of these Guidelines.

Example 1: Small Farm (15-hectare (ha) parcel)

m²	Use
0	Existing laneway
1,000	Existing barn
100	Parking area for four cars (25 m ² /vehicle)
1,100	Total area of the <i>on-farm</i> diversified use

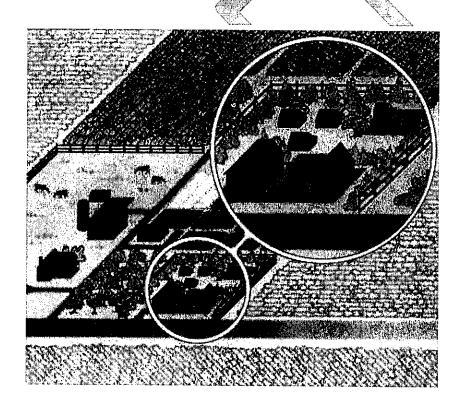
This on-farm diversified use uses an existing 2,000-metre-square (m²) barn for an antique shop. The existing laneway is used and four parking spaces are created around the barn. The maximum area for an on-farm diversified use on a lot this size is 3,000-m² (two per cent of 15-ha).



Example 2: Medium-Sized Farm (30-ha parcel)

m ²	Use
222	60 m of new laneway (3.7 m wide)
500	Parking for 20 cars (25 m ² /vehicle)
150	New building with café, bakery
	and commercial kitchen
195	Cabins (65 m ² X 3 cabins)
200	Farm market
200	Playground
2,000	Landscaped area
3,467	Total area of the <i>on-farm</i>
	diversified uses

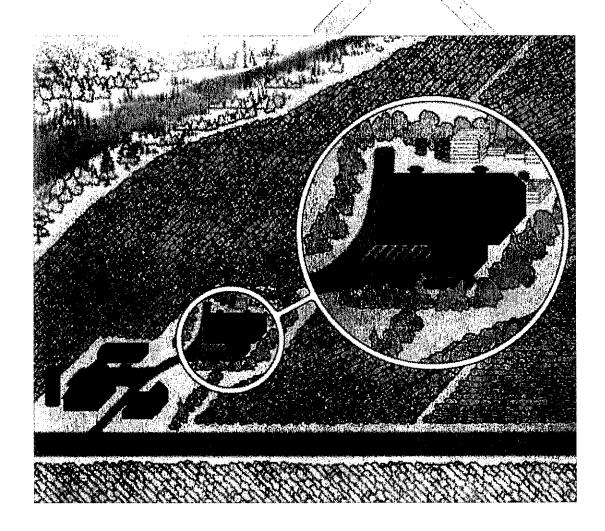
The *on-farm diversified uses* in this scenario are grouped away from the farm dwelling. A new 60-metre (m) laneway leads to a new building housing a 150-m² café with a commercial kitchen where cooking classes are offered and baked goods are sold, three 65 m² cabins for overnight farm stays, a 200-m² produce market, a 200-m² farm-themed playground and 2,000 m² of landscaping. The maximum area for *on-farm diversified uses* on a lot this size is 6,000-m² (two per cent of 30-ha).



Example 3: Large Farm (50-ha parcel)

m ²	Use
75	Office in a new building
0	Existing laneway
111	30 m of new laneway (3.7 m wide)
150	Parking for five cars and one delivery
	truck (25 m²/vehicle)
2,500	New fabrication plant
200	Outdoor storage
1,000	Landscaped area
4,036	Total area of on-farm diversified uses

This on-farm diversified use includes a 75-m² office in a new building, the existing laneway plus a 30-m extension, parking for five employees and a delivery truck, a new 2,500-m² building for a fabrication plant, a 200-m² outdoor storage area and 1,000-m² of landscaping around the use. The maximum area for on-farm diversified uses on a 50-ha lot or larger is one ha or 10,000-m² (two per cent of 50-ha or up to a maximum of one ha).



Appendix 3: Example of an Existing Farm with a Combination of Permitted Uses

m²	Area of the On-Farm Diversified Use
314	Half of the 627 m ² building
366	Half of the 40 spot parking (19 @ 18 m ² ; 1 @ 24 m ²)
400	Half of the 800 m2 landscaped area
_ 0	Existing laneway
1,080	Total area of the existing on-farm
	diversified uses

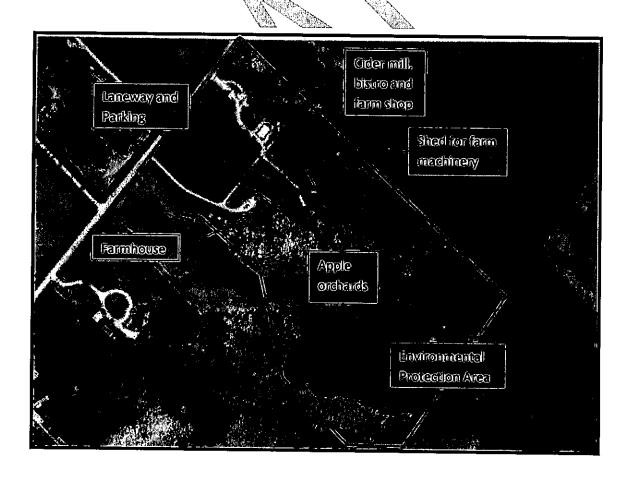
Note: areas shared between the agriculturerelated and on-farm diversified uses (building, parking, landscaped area) were allocated 50:50. This 18.77 hectare farm comprises:

Agricultural uses: apple orchards, shed for

farm machinery, farmhouse

Agriculture-related uses: cider mill, farm shop selling value-added farm products, laneway, parking, landscaped area

On-farm diversified uses: bakery, bistro (light meals), farm shop selling farm/food products not from this farm plus non-agricultural-related goods, parking, landscaped area.



· Municipal Planning Services Ltd. ·

MEMORANDUM

To:

Ms. Denise Holmes, CAO

From:

Chris D. Jones MCIP, RPP

Date:

May 4, 2015

Re:

On Farm Uses By-law and Ontario Guideline for Ag-related Uses

As per your request I have reviewed the draft document entitled "Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas", which was released by the Province in February 2015. I have also compared these proposed Provincial guidelines with the Township of Melancthon's On-Farm Uses By-law 44-2012.

The primary purpose of the new Provincial document is to provide municipalities with new insight and direction on how to define and implement the new Provincial Policy Statement definitions of "agricultural-related use" and "on-farm diversified use".

The draft guidelines establish the following criteria for "agricultural-related" and "on-farm diversified uses":

Criteria for Permitted Uses

Agricultural-Related Uses:

- Farm-related commercial and farm-related industrial uses;
- Compatible with and shall not hinder surrounding agricultural operations;
- Directly related to farm operations in the area;
- Support agriculture;
- Provide direct products and/or services to farm operations as a primary activity;
 and.
- Benefit from being in close proximity to farm operations;

On-Farm Diversified Uses:

- Located on a farm:
- Secondary to the principle agricultural use of the property;
- Limited in area:
- Includes, but is not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value added agricultural products; and,
- Compatible with, and shall not hinder, surrounding agricultural operations.

In my opinion, the key difference between the two uses is an agricultural-related use may be larger is scale and may exist independently from a farm (i.e. on its own), where an on-farm diversified use is required to be a secondary or accessory use to a farm

operation.

Provincial Policy Statement 2005 (PPS 2005)

The Township of Melancthon's On Farm Uses By-law was approved in 2012 under the authority of the former Provincial Policy Statement (i.e. PPS 2005). It is noted that under the former PPS, permissible uses within prime agricultural areas included:

Agricultural-related uses defined as "those farm-related commercial and farm-related industrial uses that are directly related to the farm operation and are required in close proximity to the farm operation"; and,

Secondary uses defined as "secondary uses to the principle use of the property, including but not limited to, home occupations, home industries, and uses that produce value-added agricultural products from the farm operation of the property".

In my opinion the key difference between the permissible uses under PPS 2005 and PPS 2014 are:

- Agricultural-related uses are to have a direct relationship to farm operations in the area and are to provide products or services to farm operations as a primary activity; and,
- On-farm diversified uses (formerly secondary uses) are now to be limited in lot area and may include agri-tourism uses.

Township of Melancthon By-law 44-2012 (On Farm Uses By-law)

Table 1, which is attached to this memo, lists the range of uses permitted by By-law 44-2012 and, for comparison, also lists examples of potential agricultural-related and on-farm diversified uses suggested by the new Provincial guideline.

Based on my review of the regulations in the Township's On-Farm Uses By-law it appears the By-law is premised on the primary requirement that all on-farm uses are to be "accessory" or "secondary" to an existing farm operation. This may have been intentional to avoid the establishment of new uses on vacant lots that do not include a farm operation.

Suggested Comments on the New Provincial Guidelines

Overall we find the intent of the Ministry to provide assistance with the interpretation of the definitions of permissible uses in prime agricultural to be helpful and supportive of

Municipal Planning Services Ltd.
 Chris D. Jones BES, MCIP, RPP
 51 Churchill Drive, Unit 1
 Barrie, Ontario
 (705) 725-8133

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agricultural based communities who rely upon agri-business as a primary economic driver. However, in our opinion we find the definitions themselves establish very definitive requirements that the proposed guidelines cannot change. Notwithstanding, we offer the following comments:

- The reference in Section 2.2 to an "agricultural-related use" being permitted on a separate "commercial or industrial property" is somewhat confusing as lands within a prime agricultural area are generally not zoned for commercial or industrial uses. It is suggested this statement would be clearer if it was revised to state, "These uses may be co-located with a farm operation or on a separate lot, independent of a farm operation, provided the lot is zoned to permit the use".
- 2. The definition of an agricultural-related use requires such a business to "provide direct products and/or services to farm operations as a primary activity". We note one of the examples provided in the draft guideline is, "winery using local grapes". In our opinion, such a use would not "provide products to farm operations as a primary activity". The guidelines should provide some clarification on the interpretation of this aspect of the definition.
- 3. Section 2.3.3 of the guideline identifies "institutional uses (churches, schools, cemeteries)" as examples of uses which would not meet the definition of an onfarm diversified use. However, Figure 3 lists "daycare", "classes" or "workshops" as examples of uses that would meet the definition. Given that the Township has recently experienced an in-migration of Mennonite residents we believe it would be appropriate and respectful to accommodate on-farm churches or schools in these communities as part of a farm cluster given such a use would be virtually the same as "daycare, classes or workshops".
- 4. The definition of an on-farm use requires such a use to be "limited in area", and Section 2.3.1, Item 1 of the guideline requires the host site for an on-farm use to be "actively farmed". Furthermore Item 2 states that such a use must be "less significant than the agricultural use on the property in spatial or temporal terms". In my experience, I have seen "active farming" interpreted to mean the keeping of a flock of chickens or the intermittent pasturing of someone else's livestock or the removal of a single hay crop. If the guidelines wish to see on-farm uses established in conjunction with more fulsome agricultural operations, it would be recommended that more definitive criteria be established with respect to this item.

If you have any questions with respect to this memo, do not hesitate to call me.
-original signed-
Chris D. Jones MCIP, RPP

Municipal Planning Services Ltd.
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 51 Churchill Drive, Unit 1
 Barrie, Ontario
 (705) 725-8133
 L4N 8Z5