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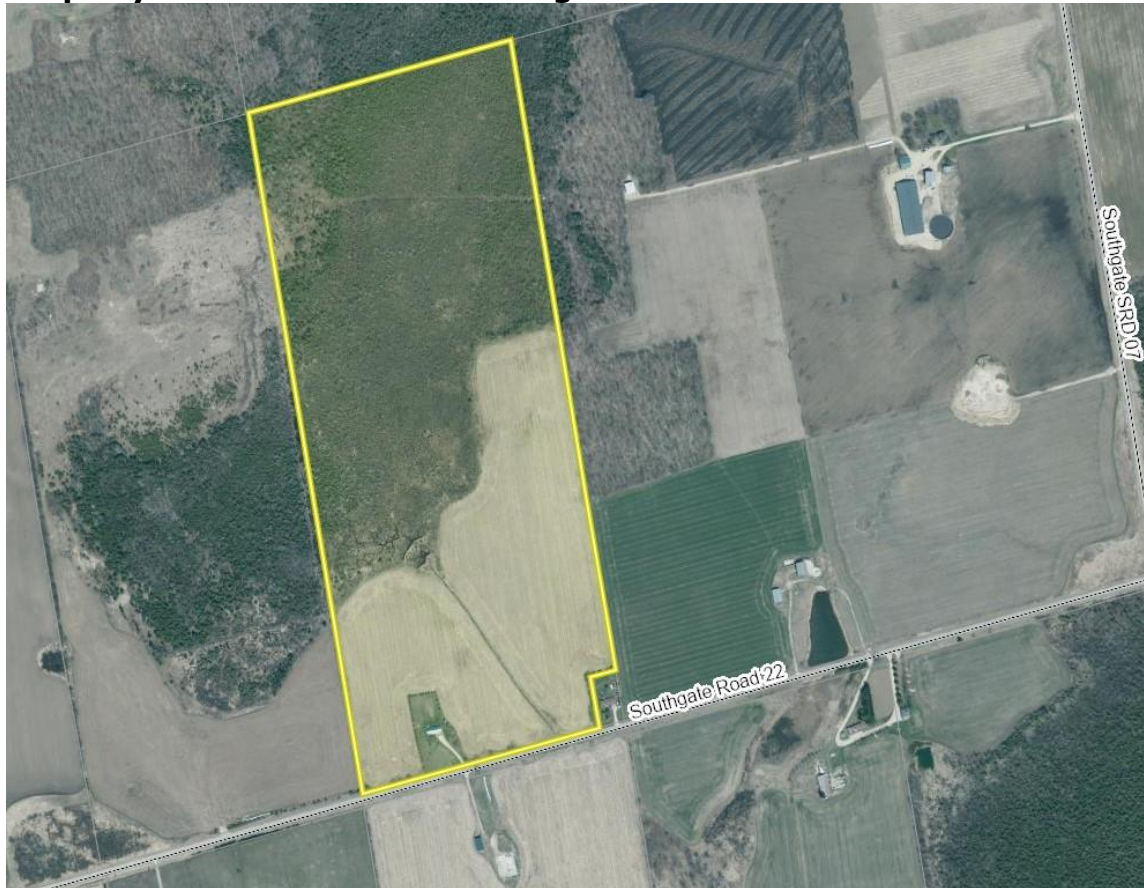
## **Staff Report PL2022-003**

**Title of Report:** PL2022-003-C27-21 Powell Furniture Inc.  
**Department:** Clerks  
**Branch:** Planning Services  
**Council Date:** January 19, 2022

**Recommendation:**

**Be it resolved that** Council receive Staff Report PL2022-003 for information; and  
**That** Council consider approval of By-law 2022-008.

**Property Location: 225165 Southgate Road 22**



**Subject Lands:**

The subject lands are described as Con 15, Lot 5 Less Rp 17R2514 Pt 1, Geographic Township of Proton and are approximately 40ha (100 acres). The lands have frontage on Southgate Road 22.

The Purpose of the zoning by-law amendment is to allow for an Agricultural related use being a small scale Industrial Use shop. The owners wish to add the shop to the

list of permitted uses for the Agricultural A1 zone. The shop including office and power room are proposed to be up to 750m<sup>2</sup> with outside storage of approximately 500m<sup>2</sup>. If the shop is less than 750m<sup>2</sup> the outside storage area may be enlarged provided the combined storage and shop area do not exceed 1250m<sup>2</sup>.

The Effect of the proposed zoning by-law amendment would be to change the zone symbol on a portion of the subject lands to permit the Industrial Use shop within a new agricultural exception zone (A1-508). Any Environmental Protection Zone Boundary may be adjusted based on Conservation Authority comments.

## Background

A Public meeting was held virtually on November 24, 2021. Supporting documents and comments posted on the website are available at:

<https://www.southgate.ca/en/municipal-services/planning-applications-public-notice.aspx#C27-21-Tilman-and-Maryann-Bauman>

The comments received include:

The Public Works Department indicate that a Commercial Entrance and paved apron are required.

The County of Grey staff indicate that provided D6 Guidelines can be achieved and that positive comments are received from the Conservation Authority, County Staff have no further concerns.

The SVCA indicate the proposal is generally acceptable to SVCA staff and consistency with the PPS and County and Township Official Plans has been demonstrated.

No comments were received from members of the public.

## Financial Considerations:

The following is an example of the increased tax revenue associated with the addition of a 600m<sup>2</sup> industrial shop on a residential farm property:

<b>2020</b>	<b>Assessment</b>	<b>Tax Rate</b>	<b>Taxation</b>
RT (Residential)	\$ 250,000	1.279978%	\$ 3,199.95
FT (Farm)	\$ 300,000	0.283931%	\$ 851.79
	<u>\$ 550,000</u>		<u>\$ 4,051.74</u>
 <b>2021</b>	 <b>Assessment</b>	 <b>Tax Rate</b>	 <b>Taxation</b>
RT (Residential)	\$ 400,000	1.301060%	\$ 5,204.24
FT (Farm)	\$ 365,468	0.288527%	\$ 1,054.47
	<u>\$ 765,468</u>		<u>\$ 6,258.71</u>

JT (Industrial)	\$ 150,000	2.982098%	\$ 4,473.15
	<u>\$ 915,468</u>		<u>\$ 10,731.86</u>

Of the total taxes of \$10,731.86 above, the Township receives \$5,917.93 (\$2,154.73 pertaining the shop), The County receives \$2,742.13 and the local Board of Educations receive \$2,071.79.

This is increased revenue every year and therefore after a period of 10 years one shop without including the residence or its portion of Education and County taxes, would generate \$21,547.30 in additional tax revenue for the Township. The entire tax revenue generated could be directed by the Township to the Road budget if necessary, however it should be pointed out, that roads often have a lifespan greater than 10 years. Building the industrial shop would also generate \$17,857.34 in Development Charge revenue.

With the above information we can compare projected revenues from pre and post development. Over a 10-year period, without the development, the Township would collect \$40,517.40 in property taxes. This number would further be divided by the County and Education portions of the taxes collected. Over a ten-year period, with the development, the Township would collect \$125,175.94 in property taxes and development charge revenue, which is 3.09 times that if nothing had developed.

### **Staff Review**

Staff have reviewed this application based on the Planning Act, the Provincial Policy Statement (PPS), Southgate Official Plan and the Zoning By-law.

### **The Provincial Policy Statement 2020 (PPS)**

The PPS has been reviewed in its entirety, however, only the most relevant policies have been identified below. The subject land would constitute "Rural Area" under the definition of the PPS. The PPS allows for a variety of uses in the rural areas:

1.1.4.1 In rural areas located in municipalities:

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

The PPS supports the diversification of the rural economy. The proposed expansion to the Industrial use shop will support farming and grow the rural economic base. The lands are further categorized as Agricultural lands by the PPS. The subject lands are considered as Agricultural; below is a review of those policies.

The permitted uses for agricultural lands are listed below.

### **"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.”

The definitions of Agricultural use, Agricultural related use and on farm diversified use are provided below from the PPS. All of the shops being proposed within the Township at the present time fall within one of the three definitions below and are therefore consistent with the definitions within the Provincial Policy.

Agricultural use “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.”

Agricultural related uses: means those farm uses 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. 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.”

This proposed shop would be considered an on-farm diversified use which is permitted in a Prime Agricultural area.

#### **Minimum Distance Separation (MDS)**

Regarding MDS, it has been reviewed and there are no barns that will be negatively impacted by the proposed expansion to the existing shop. Staff have reviewed the MDS Guidelines and there are no concerns regarding MDS.

The proposal will not hinder surrounding agricultural operations and will not require infrastructure development. The proposal is consistent with the definitions and policies of the PPS including promoting diversification of the economic base and employment opportunities. Based on the foregoing, the proposal appears to be consistent with the PPS.

#### **Township Official Plan**

The Township of Southgate Official Plan (OP) designates the subject lands "Agricultural" and "Hazard lands". The OP provides for small scale commercial and industrial uses on properties greater than 20ha to a maximum of 750m<sup>2</sup> in size. The maximum outside storage is 500m<sup>2</sup> in addition to the 750m<sup>2</sup> building size. The proposal is to construct a shop up to 750 m<sup>2</sup> in size. The outdoor storage area can be up to 500m<sup>2</sup>. The proposal complies with the above policy as well as when you look at the definition of small scale below.

The Official Plan defines Small Scale on parcels larger than 20 hectares as: a maximum structure size of 750m<sup>2</sup> and a maximum outdoor storage display area of 500m<sup>2</sup> will be permitted. If the structure is less than 750m<sup>2</sup>, the outside display area may be increased, so that the combined outside display area and structure does not exceed 1250 m<sup>2</sup>.

The proposal meets this definition and is therefore considered small scale under the policies of the Township Official Plan.

The Township Official Plan section 5.1.1 Agricultural designation permitted uses include the following:

"iv. small scale commercial and industrial uses;"

As noted above, the proposal meets the Official Plan Definition of Small Scale and is therefore considered a permitted use in the Agricultural Designation.

#### Section 5.1.3 Development Policies

6. The maximum structure size for new or expanding small scale commercial and industrial uses shall be 750 square metres, with a maximum outdoor storage size of 500 square meters. Where the maximum structure size is less than 750 square metres, more outdoor storage space will be permitted up to a combined maximum of 1250 square metres. Such uses will only be permitted on farm parcels greater than 20 hectares, all subject to satisfying the Development Policies as outlined in this Section. Council may, in the future, limit the commercial or industrial use through the implementing Zoning Bylaw Amendment.

The proposal is consistent with the development policies of the Official Plan and through site plan control will blend in with the rural landscape. The proposal will assist the farming operation by providing support in the form of income and proximity to the farming operation to allow the farming operation to continue to be located in this area. While a use like this could potentially be situated in an industrial park, it is in my opinion, better suited to the rural area because it allows farming to continue on the property and supports the agricultural community. The establishment of the shop broadens the tax base and supports the rural economy while operating using minimal infrastructure and servicing. Furthermore, it allows those citizens who rely on animals for transportation to live and work in the same area.

## Zoning By-law

The proposed zoning by-law amendment would change the zone symbol on a portion of the subject lands to permit the Industrial Use Shop within a new agricultural exception zone (A1-508). The Environmental Protection Zone Boundary may be adjusted based on Conservation Authority comments. The zoning will also provide regulations for setbacks for the use. Site Plan control will also be required in order to implement specific control measures to address potential nuisance issues such as noise, dust and visual impact. The closest residence is 277m to the east.

## Conclusions

Based on the above policy review and the information provided and comments received, the proposal is consistent with the Policies of the Provincial Policy Statement, The County of Grey Official Plan, The Township of Southgate Official Plan. The proposed zoning by-law amendment should therefore be approved and is considered appropriate for the area and good land use planning.

Respectfully Submitted,

**Municipal Planner:** *Original Signed By*  
Clinton Stredwick, BES, MCIP, RPP



**CAO Approval:** *Original Signed By*  
Dave Milliner, CAO

**Attachments: None.**