



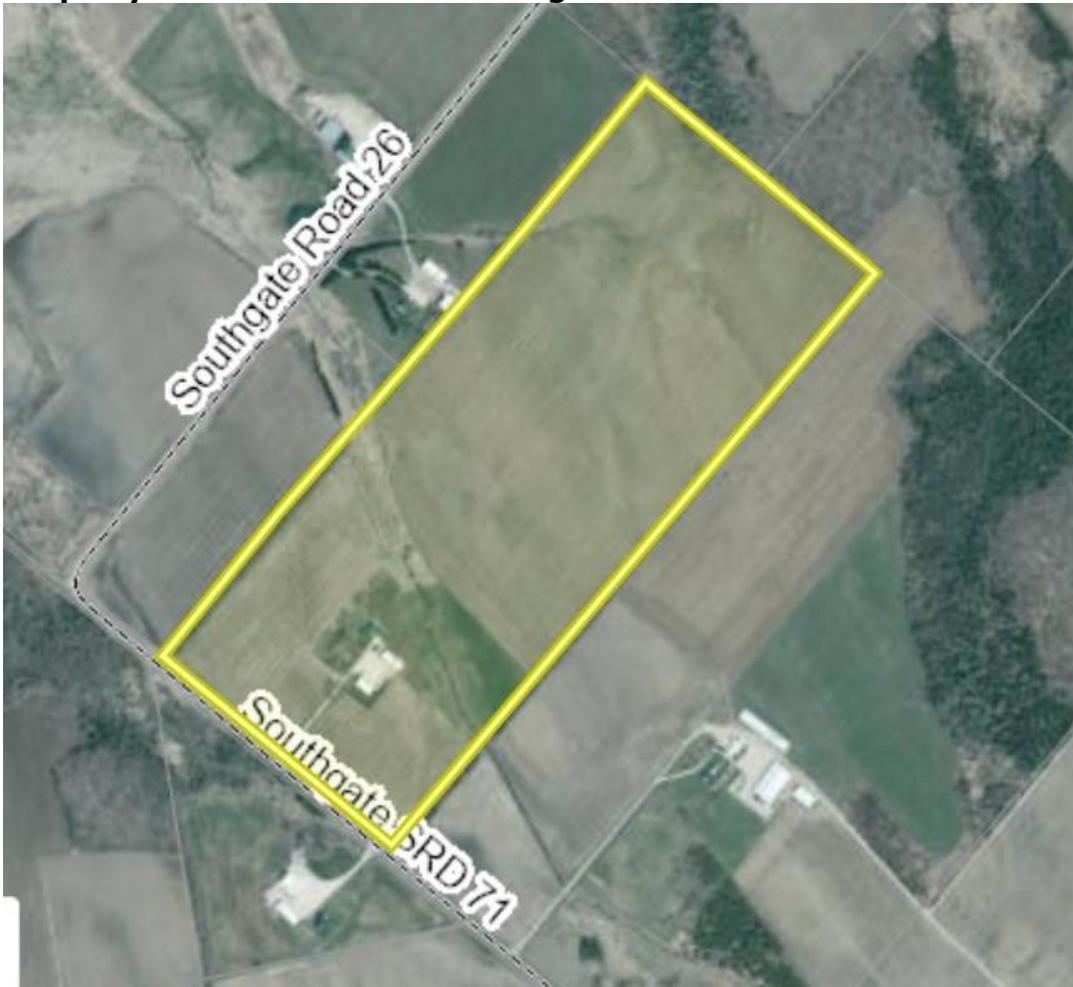
Staff Report PL2023-024

Title of Report: PL2023-024-C2-23 NJM Machine Inc
Department: Planning
Council Date: May 3, 2023

Recommendation:

Be it resolved that Council receive Staff Report PL2023-024 for information; and
That Council consider approval of By-law 2023-046.

Property Location: 712789 Southgate Sideroad 71



Subject Lands:

The subject lands are described as Con 4 SWTSR, Lot 202 to 203, Geographic Township of Proton and are approximately 40ha (102 acres). The lands have frontage on Southgate Sideroad 71 and are alternately described as 712789 Southgate SRD 71.

The proposed zoning bylaw amendment application is to expand the zoned area of the existing shop to allow for a second building to store plumbing supplies, tools, and parts. The total building area, including shop, office, storage building and power room is proposed to be up to 750m² with outside storage of approximately 500m².

The Effect of the proposed zoning by-law amendment would be to increase the size of the existing A1-308 exception zoned area to 7571m² on a portion of the subject lands.

Background

A Public meeting was held in the Holstein Council Chambers on March 15, 2023. Supporting documents and comments posted on the website are available at:

<https://www.southgate.ca/en/municipal-services/planning-applications-public-notice.aspx#C2-23-NJM-Machine-Inc->

The comments received include:

The Public Works Department indicate that the entrance is existing and the road is a rural asphalt standard.

The County of Grey staff indicate that provided D-6 Guidelines can be addressed; County Planning staff have no concerns with the subject application.

The SVCA indicate the proposal is generally acceptable to SVCA staff.

Building Department indicates that a change of use permit is required.

Historic Saugeen Metis have no objections to the application.

No comments were received from members of the public.

Staff Comments:

The D6 Guidelines require a minimum setback of 70m from a sensitive land use for this type of operation. The proposed expansion is approximately 300m away from the neighbouring dwelling which would meet this minimum requirement.

Financial Considerations:

The following is an example of the increased tax revenue associated with the addition of a 600m² industrial shop on a residential farm property:

	2020	Assessment	Tax Rate	Taxation
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>
-------------------	--------------------

2021	Assessment	Tax Rate	Taxation
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 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 Industrial use supports farming and grows the rural economic base. The subject lands are considered as Rural within the PPS; below is a review of those policies.

Section 1.1.5.2 On rural lands located in Municipalities, permitted uses are:

- a) the management or use of resources;
- b) resource based recreational uses (including recreational dwellings);
- c) limited residential development;
- d) home occupations and home industries;
- e) cemeteries; and
- f) **other rural land uses.**

The proposed expansion to the dry industrial use shop is considered an on farm diversified use and therefore "other rural land uses" within the context of the PPS.

Section 1.1.5.3 Recreational, Tourism and other economic opportunities should be promoted.

1.1.5.4 Development that is compatible with the rural landscape and can be sustained by rural service levels should be promoted.

The volume of traffic associated with the expansion can be sustained by rural service levels. The Site Plan Control process will also provide for screening and limitations on the operation to ensure that it remains small scale and blends in with the Rural area.

1.1.5.5 Development shall be appropriate to the infrastructure which is planned or available, and avoid the need for the unjustified and or uneconomical expansion of this infrastructure.

The expanded shop use is appropriate for the area and the Rural infrastructure currently in place and will not necessitate an expansion of infrastructure.

1.1.5.7 Opportunities to support a diversified rural economy should be promoted by protecting agricultural and other resource-related uses and directing non-related development to areas where it will minimize constraints on these uses.

This policy is directly supportive of Industrial shops and provides advice to the Township to promote them and direct non-agriculturally related uses to other areas of the Township.

1.1.5.8 Agricultural uses, Agricultural -related uses, on-farm diversified uses and normal farm practises should be promoted and protected in accordance with provincial standards.

Again, this policy advises the Township to promote and protect agricultural, agricultural related uses and on farm diversified uses. The proposed expansion to the industrial use will broaden the tax base and provide additional employment in the Township.

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. The proposed use will not offend these definitions.

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 expansion to the dry industrial use shop would be considered an on farm diversified use which is permitted in the rural area.

Minimum Distance Separation (MDS)

Regarding MDS, it has been reviewed and there are no barns that will be negatively impacted by the proposed metal and fabricating 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

Section 5.4.2.2 2) indicates that Notwithstanding Section 5.4.1.2, on-farm diversified use may be permitted in the Rural designation regardless of the lot size. These restrictions on area and building size apply only to on-farm diversified uses. Such uses are not allowed in the Agricultural designation on lots of less than 20 hectares in size, and therefore the Township's Zoning By-law will include a

provision requiring a review of the Official Plan to determine if the lands are designated Agricultural or Rural.

- i. On farm diversified uses on lots of 20 hectares or more in area in the Rural designation shall not occupy any more land than the lesser of 2% of the lot area or a maximum of 8,000 square meters, and the associated building(s) situated within this portion of the property shall not occupy more than 20% of the land devoted to the on-farm diversified use up to a maximum of 750 square meters.
- ii. On-farm diversified uses on lots of less than 20 hectares in area in the Rural designation shall not occupy any more land than the lesser of 2% of the lot area or a maximum of 2,000 square meters. The associated building(s) situated within this portion of the property shall not occupy more than 20% of the land devoted to the on-farm diversified use.
- iii. On lots less than 10ha in the Rural designation, home rural occupations may be permitted which exceed the size limitations noted in clause ii), above, only where permitted within the municipal zoning by-law, or where adequate justification has been provided in support of a zoning amendment.

Comment:

In this case based on the lots size of approximately 20ha, the zoned area can not be larger than 4100m² and the building size can not be larger than 750m². The proposal complies with this policy and all of the polices within the Official Plan development polices.

The proposal is consistent with the Official Plan.

Zoning By-law

The proposed zoning by-law amendment would change the provisions of the Agricultural Exception (A1-308) to expand the shop size permitted within the zone and amend the schedule to reflect the increased zoned area. All other provisions of the by-law will continue to apply. A Site Plan Amending Agreement 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 300m to the west across Southgate Sideroad 71.

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, and 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
Dina Lundy, CAO

- Attachments:**
1. Drawings submitted with application