



PLANNING JUSTIFICATION REPORT

**Official Plan & Zoning By-Law
Amendments**

185673 Grey Road 9,
Township of Southgate

File no. 2350B

January 20, 2025



PLANNING
URBAN DESIGN
& LANDSCAPE
ARCHITECTURE

Your Vision
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1.0 Introduction

1.1 Purpose of the Application

MacNaughton Hermsen Britton Clarkson Planning Limited (hereinafter “MHBC”) has been retained by EMS Construction Inc., to provide planning rationale in support of a proposed Official Plan Amendment and Zoning By-law Amendment for the lands addressed as 185673 Grey Road 9 in the Township of Southgate, Grey County (the subject lands). The owner of the subject lands currently operates an on-farm diversified use (workshop and lumber yard) on a portion of the property. The owner is proposing to increase the size of the workshop and yard. In order to facilitate the increase, amendments to the County Official Plan, Township Official Plan and Zoning By-law are required.

The lands are designated in the Grey County Official Plan and Township of Southgate Official Plan as ‘Rural’ and ‘Hazard Lands’. The Official Plan policies for Rural lands permit on-farm diversified uses up to a maximum of 2% of the total lot area. The Township Zoning By-law zones the lands ‘A1-530’ (Agricultural) and ‘EP’ (Environmental Protection). The A1-530 zone has site specific regulations that allow small scale industrial uses and limit outdoor storage to 500m². The proposal is to increase the maximum size of the on-farm diversified use to 9,300m² (2.25% of the lands) as well as increase the maximum area for outdoor storage to 2,500m².

This planning justification report has been prepared outlining the merits of the proposal. The Township did not identify any other studies or reports to be submitted as part of a complete application.

1.2 Subject Lands

The subject lands are legally described as Part Lot 18 Concession 13. The lands are on the north-east corner of Grey Road 9 and Sideroad 13 Southgate. The lands have an area of 41.8 hectares (103 acres) with approximately 420 metres of frontage on Grey Road 9. The predominant land use consists of agriculture (crops and livestock) with some natural heritage. A portion of the lands are used as a lumber yard consisting of an outdoor storage area and a workshop.

As illustrated on **Figure 1**, the surrounding area is characterized as a rural landscape with agricultural, natural heritage, aggregate and dry industrial uses. The immediate surrounding context is described in detail below.

- North:** The area to the north is mostly comprised of natural heritage features in the form of woodlots, with some smaller agricultural parcels, as well as rural residential lots.
- East:** Grey Road 9 east of the lands has a mix of agricultural parcels and smaller rural residential and industrial lots on the south frontage.

South: To the south along Sideroad 13 are several rural residential lots within natural heritage/woodlots. Further south are agricultural parcels and some dry industrial uses.


West: To the west and opposite the lands is the Township of Southgate government building. Further west is the settlement area of Hopeville. There are also some agricultural land uses.

The subject lands are located on Grey Road 9 which is designated as a County Arterial Road. County Arterial roads are the major roads of the County intended to serve high volumes of traffic and connect to provincial highways. Sideroad 13 is a local road.



**Figure 1
Context Map**

LEGEND

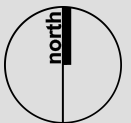
 Subject Lands

Date: December 2024

Scale: 1:25,000

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185673 Grey Road 9
Township of Southgate
Grey County

Source: Google Satellite Imagery (2022)



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2.0 Proposed Development

2.1 Overview of Proposed Development

The primary use of the lands is agricultural, consisting of crops and livestock (sheep and horse). The farmer and owner of the lands resides on-site. In 2022 the lands were re-zoned to an Agricultural special zone (A1-530) to establish site specific regulations to allow for an on-farm diversified use consisting of a lumber yard on a portion of the property. The lumber yard is a secondary use to the primary agricultural operation.

The landowner has identified a need for additional storage to continue the successful operation of the on-farm diversified use. In order to meet current and anticipated demands and inventory, the lumber yard needs to expand. The intent of the proposal is to support the continued economic viability of the property. While the agricultural use is a primary economic contributor, the lumber yard plays a critical role in the viability of the property and supports the overall farm operation.

The proposal includes increasing the area for outdoor storage and adding a covered storage area. A concept plan has been prepared (**Figure 2**) to illustrate the proposed changes to the A1-530 zone:

- An area for incoming lumber is proposed, identified as "F" on the site plan. This area is 1,125m² in size and is already within the boundary of the A1-530 zone, however, is not currently utilized.
- A proposed covered storage building is identified as "B-3" on the site plan. The area proposed for covered storage is 373m². This area is outside of the A1-530 zone and will need to be added.
- Additional outdoor storage is identified as "A" on the site plan is 762.5m². This area is outside of the A1-530 zone and will need to be added.

The purpose of the proposal is to increase the amount of storage space for lumber. The covered storage structure will be an open-air structure with a roof (no walls) to provide a protected area for some materials. The owner has experienced unpredictable weather conditions that can cause damage to the lumber. The covered structure will provide an opportunity for storing materials securely for extended periods. The Ontario Building Code defines a building as having a roof or walls but does not require both a roof and walls to be considered a building. The covered storage structure is therefore considered a building.

Currently, the lumber yard is 7,998m² in area, as determined by Schedule A of the A1-530 zone. With the addition of areas "B-3" and "A", the area would increase to 9,300m², approximately 2.25% of the total property area. Additionally, the outdoor storage area would increase by 2,000m² to 2,500m². The new structure would increase the building footprint to 1,123m². The table below describes the alterations proposed to the existing use.

Table 1.0

Existing area of the lumber yard	7,998m²
Area to be added (B-3 & A)	1,302m ²
New total area of lumber yard	9,300m²
Building area to be added (B-3)	373m ²
New total building footprint	1,123m²
Outdoor storage to be added (F & A)	2,000m ²
New total outdoor storage area	2,500m²

2.2 Planning Applications

2.2.1 Official Plan Amendment

County Official Plan Amendment

The County requires that on-farm diversified uses occupy a maximum of 2% of a farm property. The proposal will increase the use to 2.25% of the property. A County Official Plan Amendment is required to increase the size of the on-farm diversified use to occupy 2.25% of the property area.

Southgate Official Plan Amendment

Similar to the County, on-farm diversified uses can occupy up to 2% of the total lot area. Additionally, the Township restricts building area of on-farm diversified uses to 20% up to a maximum of 750m² of the area dedicated to the on-farm diversified use.

The proposal will result in the enlargement of the area occupied by the on-farm diversified use to 2.25% of the total lot. The proposal also includes the construction of a covered storage area, which will increase the building footprint from 750m² to 1,123m². An amendment to the Official Plan is required to establish a site specific policy to permit an on-farm diversified use with a maximum area of 2.25% and a building footprint of 1,123m².

2.2.2 Zoning By-law Amendment

The proposed application is to amend the A1-530 zone regulations and schedule in order to expand the on-farm diversified use, its outdoor storage area, and building footprint. Schedule A of the A1-530 zone applies to an area of 7,998m². The amendment seeks to increase the area of the A1-530 zone to 9,300m².

Additionally, Regulation (b) of the A1-530 zone requires that:

- *The maximum combined size of the workshop, power room, office and lunchroom shall be 750m²*

The proposal includes adding a covered storage area consisting of an open air structure (roof with no walls). The covered storage area is considered a building per the Ontario Building Code and will form part of the workshop. Therefore, the amendment proposes to increase the size of the workshop from 750m² to 1,123m².

Regulation (c) states that:

- *The maximum size of all outdoor storage shall be 500m². If the size of the shop is less than 750m² the outside storage area may be expanded provided the combined size of outdoor storage and building area does not exceed 1250m².*

The proposal includes increasing the amount of outdoor storage area from 500m² to 2,500m².

3.0 Policy Context & Analysis

3.1 Provincial Planning Statement, 2024

The Provincial Planning Statement (PPS) was issued under section 3 of the *Planning Act* and came into effect October 20, 2024. The PPS outlines the land use policy for Ontario, establishing the policy foundation for regulating the development and use of land to achieve the provincial goal of meeting the needs of a fast-growing province while enhancing the quality of life. The PPS recognizes the inter-relationships among environmental, economic, health and social factors in land use planning, supporting an integrated and long-term approach to planning. One of the key considerations of the PPS is that planning decisions "*shall be consistent with*" the Planning Statement. The PPS has 6 chapters, which establish policies for the various aspects of land use planning. Relevant policies are addressed within the context below.

3.1.1 Rural Areas and Rural Lands

The PPS provides policies for Rural Areas in section 2.5. Rural Areas are a system of land that comprise rural settlement areas, rural lands, prime agricultural areas, natural heritage and resource areas. Policy 2.5.1 promotes diversification of the economic base and providing increased economic activities. The subject lands comprise rural lands within a rural area and are designated 'Rural' in the County and Township Official Plans.

Policy 2.6 speaks more specifically to rural lands and outlines permitted uses, which include:

- a) *the management or use of resources;*
- b) *resource-based recreational uses (including recreational dwellings not intended as permanent residences);*
- c) *residential development, including lot creation, where site conditions are suitable for the provision of appropriate sewage and water services;*
- d) *agricultural uses, agriculture-related uses, on-farm diversified uses and normal farm practices, in accordance with provincial standards;*
- e) *home occupations and home industries;*
- f) *cemeteries; and*
- g) *other rural land uses.*

The subject lands are designated Rural in both the County and Township Official Plans. While the lands are not designated Agriculture, agricultural uses are permitted as the lands form part of the rural area.

On-farm diversified uses are permitted on agricultural and rural lands. Subsection 3.1.3 of this report reviews the agricultural and on-farm diversified policies of the PPS.

3.1.2 Natural Heritage

Chapter 4 of the PPS outlines policies for the wise use and management of resources, which include natural heritage and agriculture. Natural heritage policies are within section 4.1 of the PPS, providing that natural features and areas are to be protected for the long term and the ecological functions should be maintained. Development or site alteration is not permitted on adjacent lands to natural heritage features unless no negative impacts have been identified.

The subject lands contain natural heritage features and a portion of the lands are designated Hazard Lands, comprising woodland features. No change is proposed within the area containing the natural heritage. The proposal is simply proposing to utilize un-used space in the Rural designation for additional storage. No development within or adjacent to the natural heritage features is proposed.

3.1.3 Agriculture

Policies for agriculture are provided in section 4.3 of the PPS, which require municipalities to use an agricultural systems approach to maintain an agricultural land base. As part of the agricultural land base, prime agricultural areas are to be designated and protected for long-term use for agriculture. The subject lands are not recognized in the County or Township Official Plan as prime agricultural. However, the Zoning By-law has zoned a portion of the lands as Agricultural.

The PPS provides a definition for '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 with a local concentration of farms which exhibit characteristics of ongoing agriculture. Prime agricultural areas may be identified by a planning authority based on provincial guidance or informed by mapping obtained from the Ontario Ministry of Agriculture, Food and Agribusiness and the Ontario Ministry of Rural Affairs or any successor to those ministries."

The subject lands have CLI classification of 6, 4, 2 and 1. The portion of the lands where the on-farm diversified use is located is classified as 6 and 4 (identified with limitations due to topography). The lands are also within an area that has characteristics of ongoing agriculture. Therefore, the lands can be considered to be prime agricultural in the context of the PPS.

In prime agricultural areas, permitted uses are agricultural uses, agricultural related uses and on-farm diversified uses. On-farm diversified uses means uses that are secondary to the principal agricultural use of the property, and are limited in area. Among the many uses permitted as an on-farm diversified use include home occupations and home industries. On-farm diversified uses shall be compatible with, and shall not hinder, surrounding agricultural operations. The suitability of on-farm diversified uses is determined through Provincial Publication 851, the *Guidelines on Permitted Uses in Prime Agricultural Areas*, as well as through local policies.

The primary use of the lands is agricultural, with a secondary on-farm diversified use, consisting of a home industry. A previous Zoning By-law amendment was submitted to establish the home industry use on the property. The home industry use is ancillary to the agricultural operation of the lands and

provides a form of income to support agricultural investment and opportunity for the farm family. Chapter 1 of the PPS outlines the vision for planning in Ontario, stating that Ontario's agricultural sector will contribute to the province's economic prosperity. This is echoed in the Rural Areas policies which encourage economic opportunity and diversification in the rural areas. The proposal is to increase the size of the on-farm diversified use such that it can continue to be a successful supplemental income to the farm. To accommodate this increase, lands not currently in agricultural use that abut the home industry will be converted into additional storage. The proposal will not hinder the primary agricultural operation on the lands, will provide additional economic opportunity and therefore meets the policies of the rural areas and prime agricultural areas.

3.2 Guidelines on Permitted Uses in Prime Agricultural Areas

The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas (Publication 851) is a tool to assist with the interpretation of the PPS policies relating to agricultural uses. As provided in policy 4.3.2.1 of the PPS, any proposed on-farm diversified use is to meet the provincial criteria established for such uses. At this time, the most current provincial criteria referenced within this policy is contained in Publication 851.

Specifically, section 2.3 of Publication 851 outlines the criteria for on-farm diversified uses and are set out below.

1. *Located on a farm.*

The on-farm diversified use must be located on a farm property that is actively in agricultural use.

The subject lands are in active agricultural use. The on-farm diversified use is an existing use that was established through site specific regulation A1-530 on a portion of the property.

2. *Secondary to the principal agricultural use of the property.*

The current agricultural use of the property must remain the primary use of the property. This is determined in both spatial and temporal terms. Spatially, the use is to be secondary to the agricultural use. Temporal refers to an intermittent or temporary use and is not applicable to this proposal.

The primary use of the lands is, and will continue to be, agricultural. The existing home industry is a secondary use, subordinate to the agricultural operation. The use is located in an area that is removed from the agricultural use and does not impede on the ability to farm the land.

3. *Limited in Area*

This criterion is intended to: minimize the amount of land taken out of agricultural production, if any; ensure agriculture remains the main land use in prime agricultural areas; and limit off-site impacts (e.g., traffic, changes to the agricultural-rural character) to ensure compatibility with surrounding agricultural operations.

Generally, the guidelines require on-farm diversified uses to occupy up to 2% of the total property area. When occupying more than 2%, consideration for PPS policies on non-agricultural uses shall be had.

Table 1.0 expresses the existing and proposed area of the on-farm diversified use. Currently, the on-farm diversified use is 7,998m² in area, representing 1.9% of the total lot area. The proposal will expand the on-farm diversified use to 9,300m² which will occupy 2.25% of the total lot area. This is a slight increase to the maximum 2% lot coverage. Despite this small increase, policies on non-agricultural uses are to be considered.

Policy 4.3.5 sets out the policies for non-agricultural uses in prime agricultural areas. Limited non-residential uses on agricultural lands are permitted when a set of criteria have been met or demonstrated, set out below.

1. the land does not comprise a specialty crop area

The subject lands do not contain specialty crop area. While Grey County does contain one specialty crop area being an apple growing area, the subject lands are not part of this.

2. the proposed use complies with the minimum distance separation formulae

The MDS implementation guideline is issued under Publication 853 The Minimum Distance Separation document. Implementation guideline #10 requires MDS 1 setbacks for zoning or official plan amendments. However, it states that "Amendments to rezone or redesignate land already zoned or designated for a non-agricultural use, shall only need to meet the MDS I setbacks if the amendment(s) will permit a more sensitive land use than existed before". This means that for lands already permitted to have non-agricultural uses, compliance with MDS 1 is not required unless the land use is changing. In the case of the subject proposal, the amendment does not involve changing the land use. The subject lands are already zoned through A1-530 to permit the use. Therefore, the proposal is not required to comply with MDS 1.

3. there is an identified need within the planning horizon identified in the official plan for additional land to accommodate the proposed use

The Official Plan recognizes in section 3.5.4 that smaller scale industry uses established on farm parcels throughout the Township's countryside will continue. The Township Official Plan sets out policies for the Rural designation, which permits on-farm diversified uses. While the Official Plan does not identify a specific need for the land owner, it does encourage on-farm diversification and small scale industry uses in the Countryside. The land owner has identified a need for more storage to continue the successful operation of the on-farm diversified use. In order to meet current and anticipated inventory, the lumber yard needs to expand. The agricultural use is a primary economic contributor to the farm property, the lumber yard plays a critical role in the viability of the property and supports the overall farm operation.

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.

The portion proposed to accommodate the additional outdoor storage is not currently in agricultural production. The area proposed for outdoor storage consists of a gravel area, with some minor vegetation. The expansion would therefore not be removing productive agricultural land. Additionally, the subject lands are not designated Agricultural, they are intended for Rural use. The Rural designation permits uses such as contractors yards. The storage area would function similar to a contractors yard but on a smaller scale and therefore is considered reasonable in the context of the Rural designation. There are no other reasonable alternatives on the property, and the proposal is not removing active agricultural lands from production.

Based on the above analysis, the proposed increase in the lumber yard area to 2.25% is a slight increase to the maximum 2%. The proposal has been assessed against the policies of non-agricultural uses and have demonstrated compliance. In our opinion, the proposed increase is minor and appropriate for the existing operation resulting in no removal of active agricultural lands.

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)*

A previous Zoning By-law amendment was approved to permit the use on the property. The existing use is considered a home industry under the PPS definition of on-farm diversified use. The proposed new storage area will not alter or change the home industry use.

5. *Shall be compatible with, and shall not hinder, surrounding agricultural operations.*

Compatibility considerations include whether it hinders agricultural operations, if appropriate services and infrastructure are available, it maintains the agricultural character of the area, meets environmental standards and does not undermine the agricultural nature of the area.

The proposed outdoor storage area will not hinder the primary agricultural use of the subject lands. The area proposed to accommodate additional storage is not in agricultural use. The livestock and cropping uses will continue without impact to their operation. The proposed alteration to the on-farm diversified use includes landscape buffers from the agricultural uses, neighbouring properties and the public. The subject lands are also sloped and the lumber yard is not visible from the public roadway. The agricultural character of the lands will be maintained and the agricultural nature of the area will not be impacted. The proposed use will not impact the subject lands or surrounding agricultural character.

Based on the above analysis, the proposed changes to the on-farm diversified use are appropriate and are consistent with the guidelines for on-farm diversified uses. There are no changes to the number of employees, retail component or workshop. There will therefore be no increase in traffic or hours of operation. The proposal is appropriate as an on-farm diversified use that meets the required criteria. There are no adverse impacts expected on the subject lands or surrounding area. The primary use of the subject lands will continue to be agricultural, and the increase of the use to 2.25% of the property area is considered minor and appropriate for the continued operation of the farm property.

3.3 County of Grey Official Plan

3.3.1 Rural Land use Type

On Schedule A – Land Use Types (Map 2) the subject property is designated as 'Rural' (see **Figure 3**). The Rural land use type is one of five land use designations that comprise the County Countryside. The Official Plan provides the following land use types for the Countryside:

- Agricultural: prime agricultural farmland where agricultural land uses are the predominant uses;
- Special Agricultural: specialty crops around Georgian Bay and the Niagara Escarpment;
- Rural: a mix of farm, resource, forestry and recreational lands; and
- Mineral Resource and Aggregate Resource: extraction areas.

The County differentiates prime agriculture, specialty crop and rural land uses such that the subject property is not considered to be prime agriculture.

Section 5.4 of the County Official Plan states that Rural Land Use Types will predominantly be used and developed for agricultural, aggregate extraction, recreation and forestry. Rural lands are flexible in terms of lot creation, economic development, tourism, residential, and recreation with priority given to farming and resource uses. Permitted uses include buildings and yards associated with trades, including contractor's yards, plumbing, electrical, heating/cooling shops etc., as well as those permitted in the 'Agricultural' land use. On-farm diversified uses are permitted in the Rural designation.

The vision and principles of the County Official Plan include cultivating Grey with consideration given to the rural and agricultural areas, with the aim to make planning decisions that value growing the rural economy through innovation and on-farm diversified uses. This is further echoed in Section 5.2.2 which provides policies on agricultural development. Policy 5.2.2.1(e) states that Grey County supports strategies for encouraging young farmers and growing opportunities for economic development in agriculture. Among the strategies is the encouragement of on-farm diversification.

Table 8 of the Official Plan provides that on-farm diversified uses in the Rural designation are to be 2% of the total property area or a maximum of 8,000m². The gross floor area of all buildings associated with the on-farm diversified use is to be a maximum of 20% of the area of the on-farm diversified use.

The proposal is to increase the size of the existing on-farm diversified use to occupy 2.25% of the total lot area. The proposed covered storage area would be considered a building and would increase the building coverage of the use to 1,123m², however, this would be within the 20% building area maximum. An amendment is only required to the County Official Plan to increase the on-farm diversified use to exceed 2% (to 2.25%). The amendment is proposing to establish a site specific policy on the property allowing the existing on-farm diversified use to have a maximum area of 9,300m² and occupy 2.25% of the total property area (refer to **Figure 4**).

The Official Plan does provide policies when establishing a new on-farm diversified use.

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

The use is existing and no changes to the use are proposed. The use will therefore continue to be compatible with surrounding uses. As noted, the use is/will be screened from agricultural uses, neighbouring properties and the public. There are no changes to the intensity of the use in terms of employees, retail or traffic.

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

The use is served by private servicing including an existing on-site power room and existing on-site septic and water. No changes to the servicing needs are proposed and the use will continue with existing on-site servicing.

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

The proposed structure is considered to meet the definition of a building in the Ontario Building Code, however, it will not function as a true building considering it will only consist of a roof (i.e. not enclosed). The proposed covered storage structure will meet the Building Code requirements.

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

There are no changes proposed to the agricultural use of the property. The primary use is agricultural, consisting of crops and livestock. The on-farm diversified use will continue to be secondary to these primary agricultural functions, and operate within area not currently being used for agricultural purposes.

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

There are no changes to the timing or activities of the on-farm diversified use. This is an existing use and the only alteration proposed is to increasing the storage capacity. All functions of the use will maintained as usual.

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

This is not applicable to the use.

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

No change to the parking requirements or layout is proposed. The proposal does not affect the current parking demands for the existing uses.

There is no new on-farm diversified use proposed. The proposal is to expand the existing use and utilize a portion of the lands that is not currently in agricultural operation for storage. The expanded area will not interfere with the ongoing primary agricultural use of the lands, the use will continue to be supported by on-site infrastructure, and the proposed covered structure will be built in accordance with the OBC.

3.3.2 Hazard Land Use Type

A portion of the subject lands are designated Hazard Lands in the County Official Plan. Hazard Lands include floodplains, steep or erosion prone slopes, organic or unstable soils poorly drained areas, and lands along the Georgian Bay shoreline. Generally, these land types have poor drainage. Policies are set out in section 7.2, providing that development should be directed away from Hazard lands.

The existing on-farm diversified use is located in the Rural land use type and not within the Hazard Land area. The proposed expansion will be outside of the Hazard Land area. No development is therefore occurring within the Hazard Land designation.

3.3.3 Summary of Official Plan Amendment

In summary, the proposed use will require an amendment to the County Official Plan to permit an on-farm diversified use occupying up to 2.25% of the total property area. No development will occur within the Hazard Land area. The proposed expansion will utilize currently vacant lands that are not in agricultural use. The Official Plan amendment will not add a use to the property that is not already existing or permitted. The intent is to facilitate the ongoing success of the home industry use, which will also contribute to the financial viability of the primary agricultural operation.

3.4 Township of Southgate Official Plan

The subject lands are designated 'Rural' and 'Hazard Land' in the Township Official Plan (**Figure 5**). The permitted uses for the Rural land use type are set out in section 5.4.1 of the Official Plan and include "Buildings and yards associated with trades, including contractors yards, plumbing, electrical, heating/cooling shops, etc.,". The Rural land use type also permits on-farm diversified uses. For the purposes of this application, the existing lumber yard falls under an on-farm diversified use as a small scale home industry and is a permitted use.

Section 5.4.2.2 sets out the policies for on-farm diversified uses within the Rural land use type, which provides that

- 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.*

A Township Official Plan amendment is therefore required. The on-farm diversified use is proposed to be increased from 1.9% to 2.25% of the total property area and occupy a total area of 9,300m². The proposal also includes constructing a covered storage building that will increase the building footprint of the use from 750m² to 1,123m². The amendment will establish a site specific policy permitting an on-farm diversified use to occupy up to 9,300m² of the total property area, and permit buildings associated with the on-farm diversified use to have a maximum area of 1,123m² (refer to **Figure 6**).

The permitted size of an on-farm diversified use is guided by the province's Publication 851, which is assessed in section 3.2 of this report. The Guidelines provide that if a use is to occupy an area greater than 2% or 8,000m², consideration for PPS policies on non-agricultural uses is to be had. The PPS

policies for non-agricultural uses are provided in section 4.3.5. These policies have been assessed within section 3.2 of this report and conclude that:

1. the land does not comprise a specialty crop area.
2. MDS formulae does not apply as the land use is not changing.
3. While this specific need is not directly identified in the Official Plan, the Official Plan encourages small scale industrial uses to be established on farm parcels. The owner has identified a need to expand the storage area of the use, which will indirectly support the viability of the farm through supplemental income.
4. The proposed location of the expanded use is no in agricultural use currently. The lands are also not designated in the Official Plan as Agricultural and are intended for Rural use, which has less restrictive policies on land uses and is more conducive to alternative uses, including contractors yards. The proposed outdoor storage area could be considered a type of contractors yard where materials will be stored. The location of the expansion is appropriate.

The Official Plan amendment is considered appropriate for the land. The property is designated as Rural where similar uses are permitted without restriction. However, the home industry is considered to be an on-farm diversified use for the purposes of these applications in order align the zoning and official plans. The use will continue to support the primary agricultural use of the property without removing active agricultural lands or otherwise impacting the farm operations.

3.4.1 Hazard Land use Type

A portion of the lands falls within the Hazard Land use type, shown on **Figure 5**. Within the Hazard Land designation, the Official Plan states that buildings and structures are generally not permitted. The concern with development in Hazard Lands is to ensure human safety and safe access in the event of a flood. Lands within the Hazard Land designation are typically considered to have drainage issues where flooding could occur.

The subject lands do not currently have any buildings or structures within the Hazard Lands. The existing on-farm diversified is outside of the Hazard Lands, and the proposed extension to the on-farm diversified use will continue to be outside of the Hazard Lands area. Therefore, the policies of the Hazard Land use type are not applicable as no changes are proposed.

3.4.2 Summary of Official Plan Amendments

The subject lands are designated Rural and Hazard Land use types. The on-farm diversified use is well outside of the Hazard Lands area and will not be altered or impacted by the proposal. The amendments being sought propose to add site specific policies to the Rural designation on the property that permit:

- An on-farm diversified use with a maximum area of 9,300m², being 2.25% of the total land area
- A maximum building footprint of 1,123m² for all buildings and structures associated with the on-farm diversified use

The proposed amendment is required in order to support the continued success of the on-farm diversified use and provide sufficient storage area. There is no change proposed to the land use. The agricultural fields and the livestock operation will be maintained without alteration. The lumber yard is an existing use that is permitted. While the building area will also increase to 1,123m², this will be about

12% of the total on-farm diversified use, which is still within the maximum 20% building footprint. The proposed increases to the use and building footprint will not impede the ongoing agricultural operation of the lands and will support the agricultural use of the lands. The proposed amendments are considered appropriate.

3.5 Zoning By-law

The subject lands are zoned A1 with a portion of the lands zoned A1-530 which is an Agricultural zone with special provisions (**Figure 7**). The A1-530 zone was established through a Zoning By-law amendment in 2022 which sought to add an on-farm diversified use to the property. The A1-530 zone regulations are as follows:

"additional permitted use of a small scale industrial use, being a dry industrial manufacturing use, which includes but is not limited to, a metal workshop for fabricating, welding manufacture of small equipment and repair shop, woodworking, and the retail sale of lumber and other associated construction materials. The following additional provisions apply.

- a) The use shall remain secondary to the principle use of the property, being an agricultural use*
- b) The maximum combined size of the workshop, power room, office and lunchroom shall be 750m²*
- c) The maximum size of all outdoor storage shall be 500m². If the size of the shop is less than 750m² the outside storage area may be expanded provided the combined size of outdoor storage and building area does not exceed 1250m².*
- d) All outside storage shall be screened from view by way of fencing or landscaped buffer,*
- e) The shop shall be setback a minimum of 75m from the front lot line along Grey Road 9.*
- f) The shop shall be setback a minimum of 93m from a side lot line.*
- g) g) A Saw mill use remains a prohibited use."*

The Zoning By-law does not provide any other regulations for on-farm diversified uses.

The proposed development will require amending the A1-530 zone as follows:

- Increase the area of the A1-530 zone. Currently, the A1-530 zone applies to an area of 7,998m², whereas the proposal is to increase the area to 9,300m²
- Revise regulation (b), which requires the maximum area of the buildings to be 750m². The proposal seeks to increase this to 1,123m²
- Revise regulation (c), which requires the maximum outdoor storage area to be 500m². The proposal seeks to increase the outdoor storage area to 2,500m²

All other regulations of the A1-530 zone will remain and will be carried forward. A draft by-law for the amendment is provided in Appendix A with the schedule seen on **Figure 8**.

The proposed amendment will not remove lands from agricultural use and the increase in area will support the continued viability of the property. There will be no changes to the land use or any significant alterations to the property. The increased size will allow greater flexibility for the use and ensure materials can be safely stored on-site. Given the foregoing, we are of the opinion that the proposed Zoning By-law amendment for the on-farm diversified use is appropriate and conforms with the County and Township Official Plans.

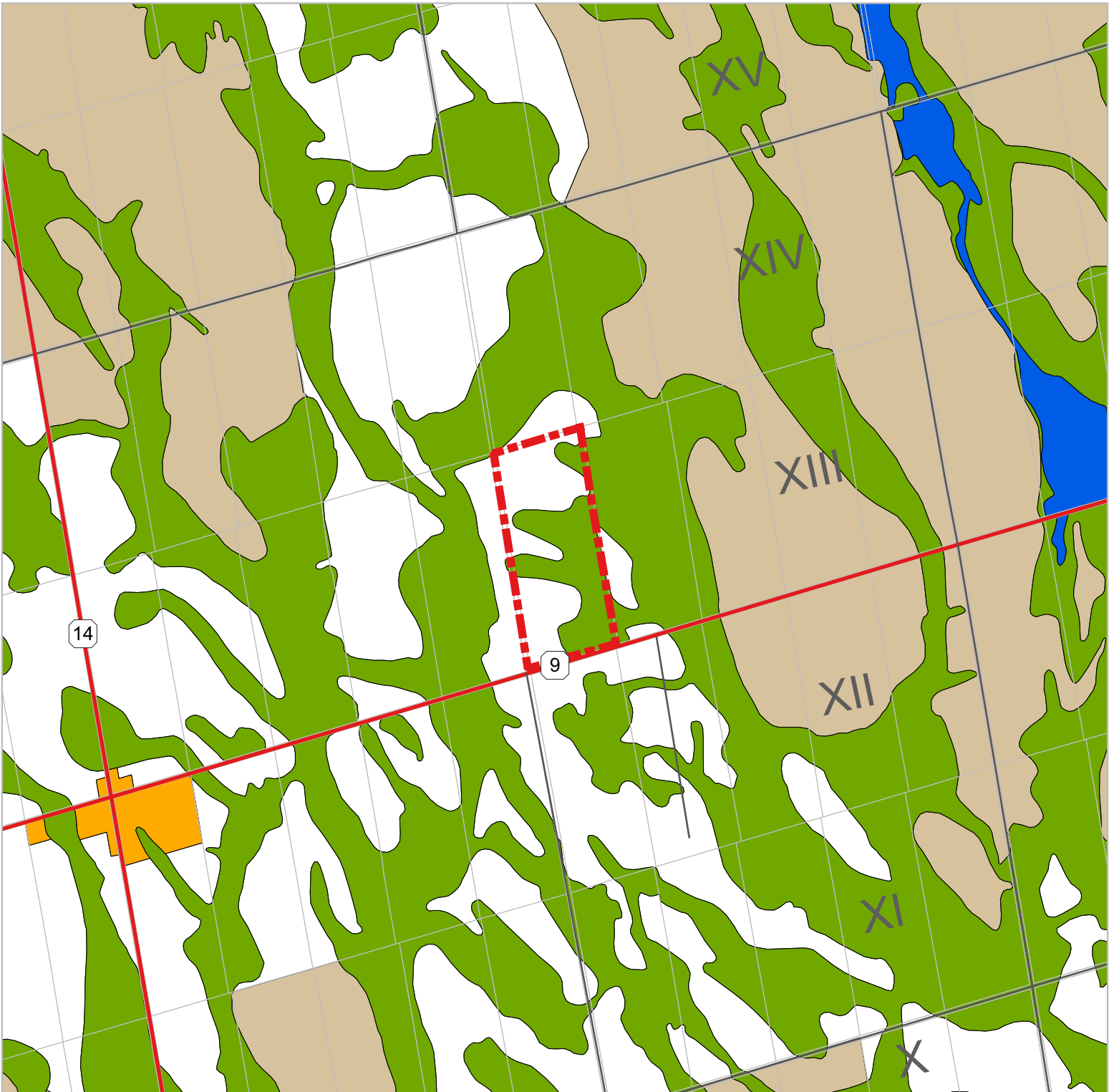










Figure 3
The County of Grey
Official Plan
Schedule A: Land
Use Types Map 2

185673 Grey Road 9
 Township of Southgate
 Grey County

LEGEND

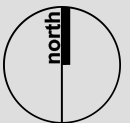
-  Subject Lands
-  County Road
-  Local Road
-  Agricultural
-  Rural
-  Secondary Settlement Area
-  Hazardous Lands
-  Provincially Significant Wetlands

Date: December 2024

Scale: 1:25,000

File: 2350B

Drawn: PL



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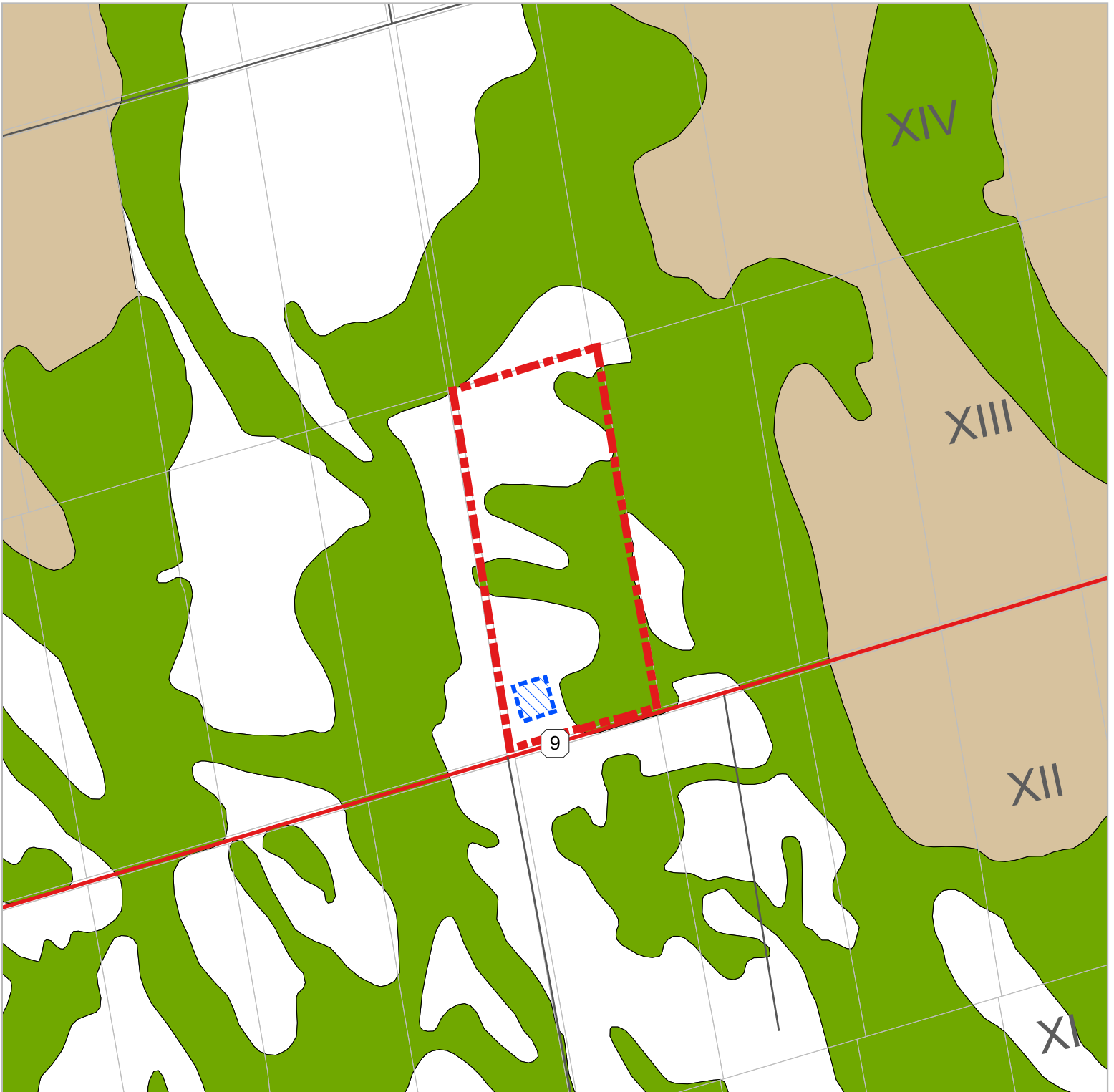







Figure 4
The County of Grey
Official Plan
Amendment

185673 Grey Road 9
 Township of Southgate
 Grey County

LEGEND

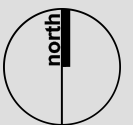
-  Subject Lands
-  Lands to be redesignated to Rural with Site Specific Policy Area
-  Agricultural
-  Rural
-  Hazard Lands

Date: January 2025

Scale: 1:15,000

File: 2350B

Drawn: PL



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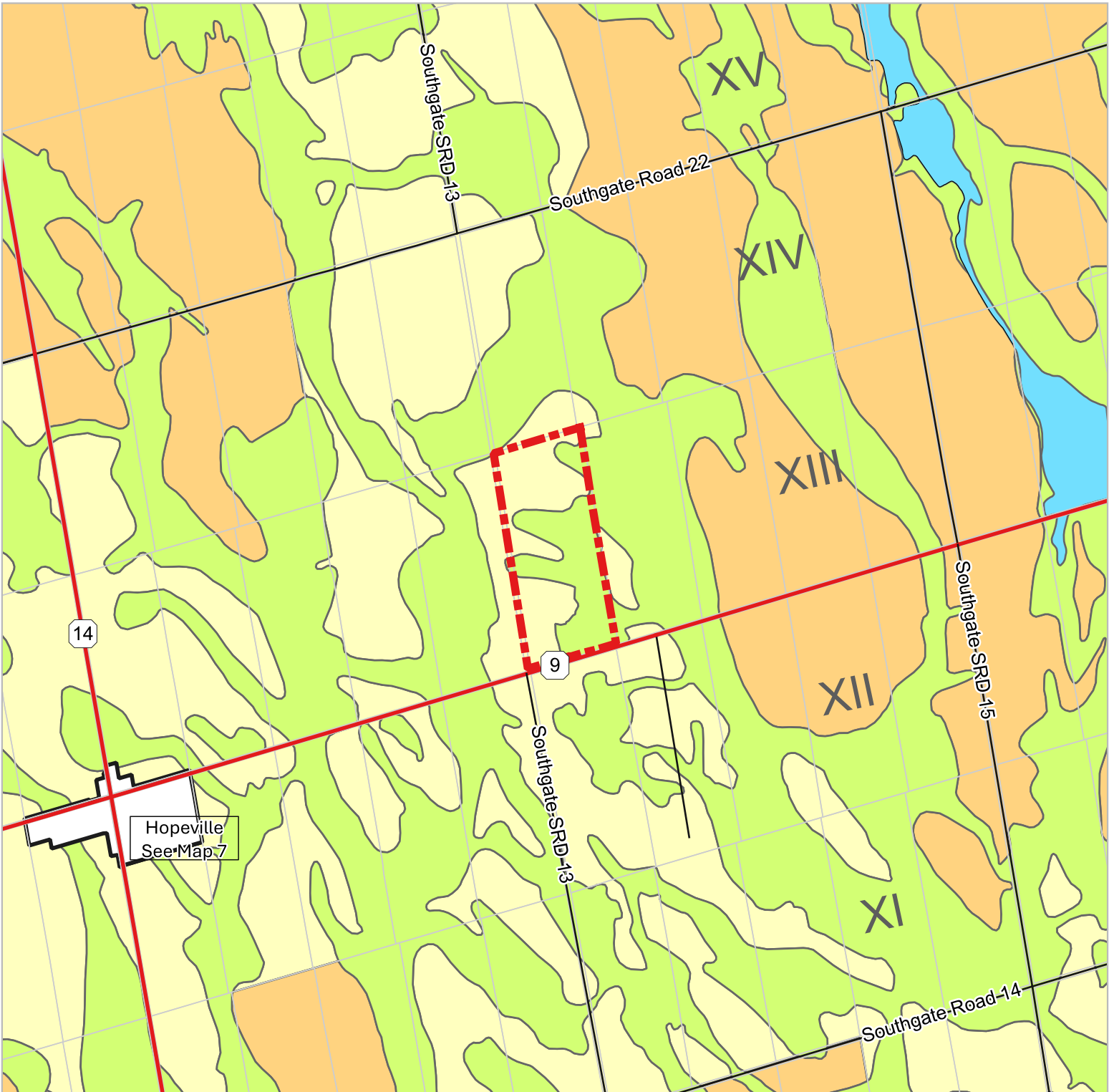




Figure 5
The Township of Southgate Official Plan Schedule 'A'
Map1: Land Use

LEGEND

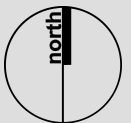
-  Subject Lands
-  Agricultural
-  Rural
-  Hazard Lands
-  Provincially Significant Wetlands

Date: January 2025

Scale: 1:25,000

File: 2350B

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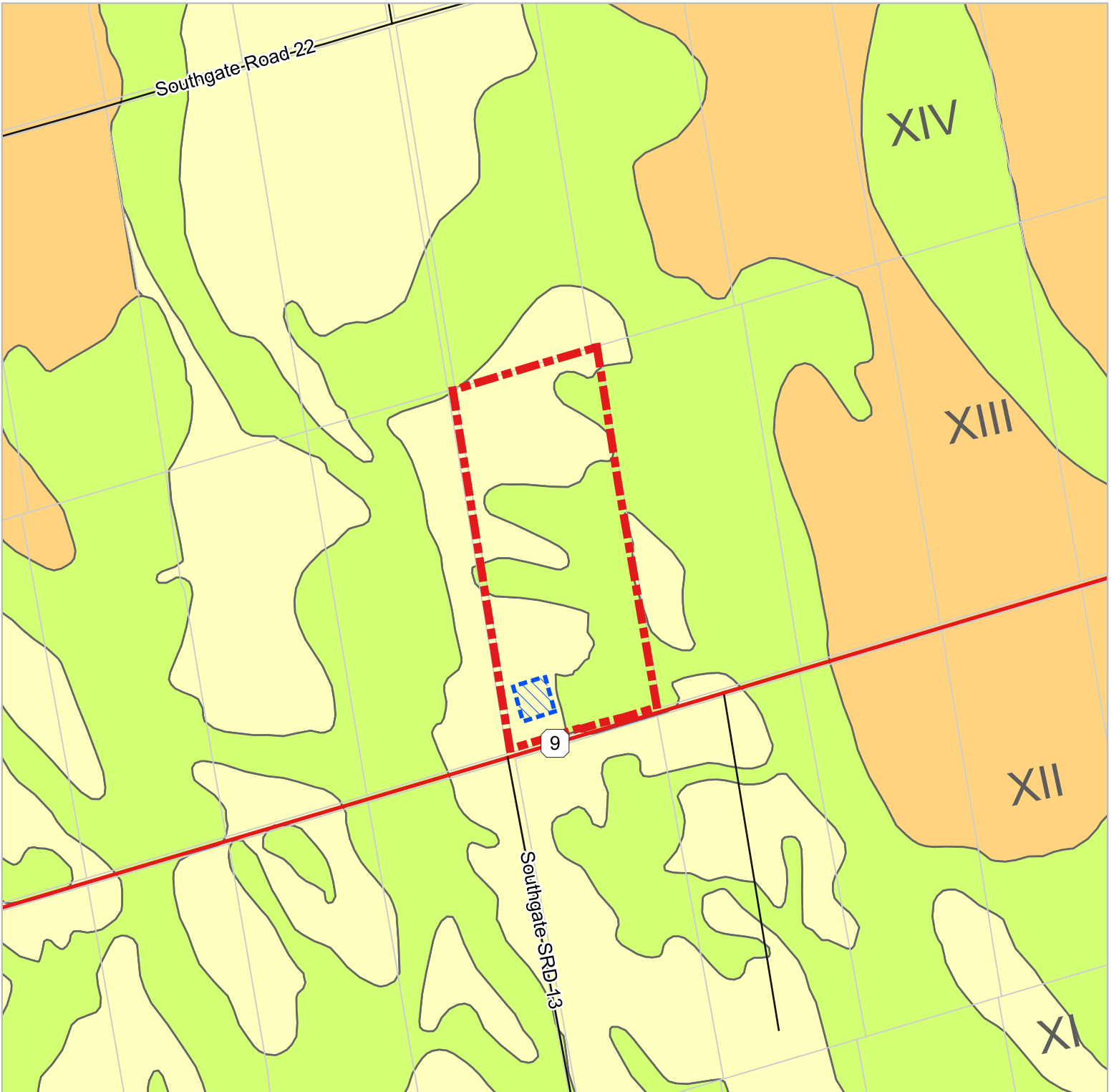


Figure 6
The Township of Southgate Official Plan Amendment

LEGEND

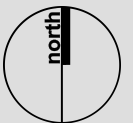
-  Subject Lands
-  Lands to be redesignated to Rural with Special Policy
-  Agricultural
-  Rural
-  Hazard Lands

Date: January 2025

Scale: 1:15,000

File: 2350B

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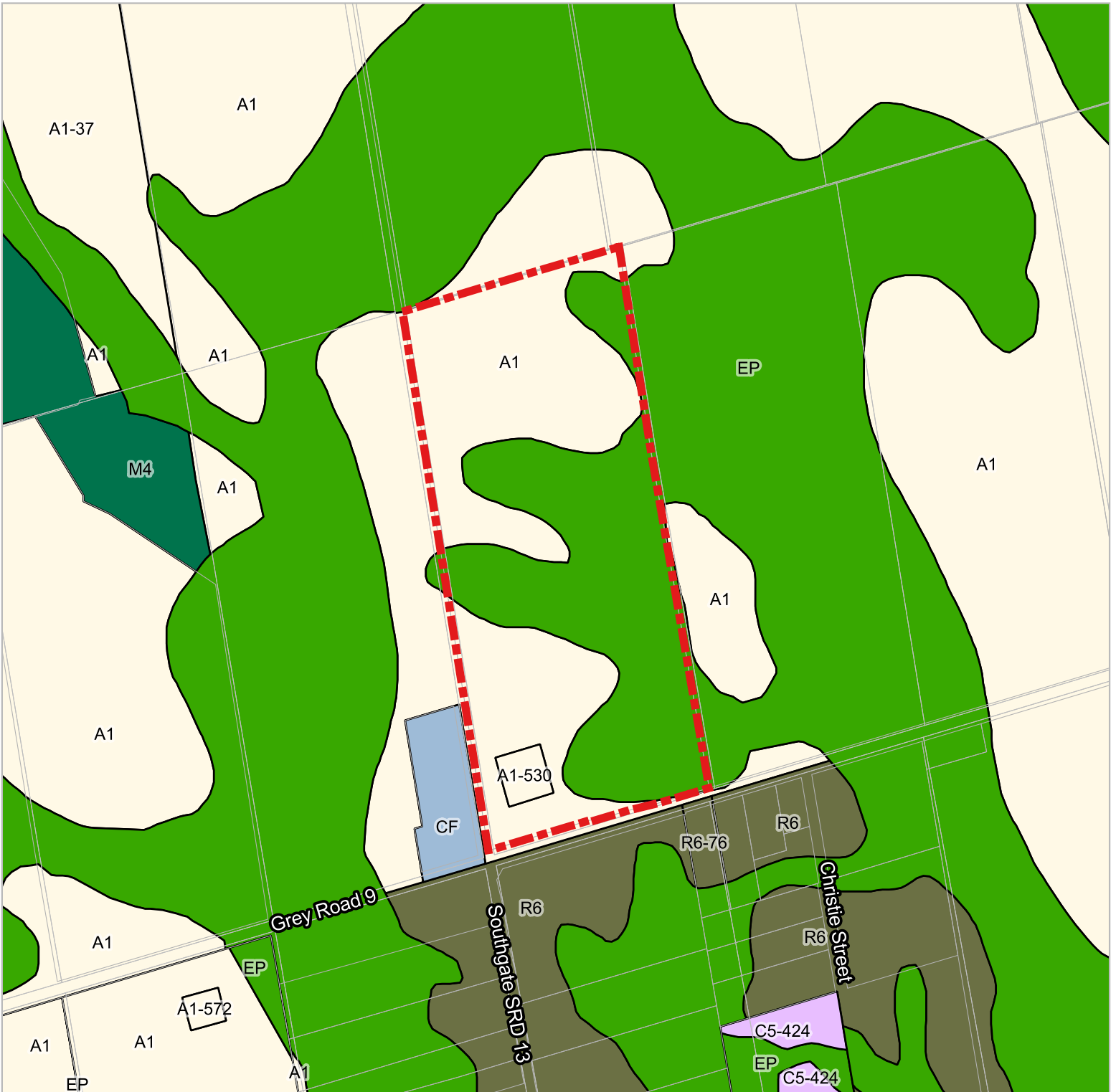









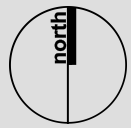
Figure 7
The Township of Southgate Zoning By-Law 19-2002

185673 Grey Road 9
 Township of Southgate
 Grey County

LEGEND

-  Subject Lands
-  A1 Agricultural
-  C5 Recreational Commercial
-  CF Community Facility
-  EP Environmental Protection
-  M4 Extractive Industrial
-  R6 Residential Type 6

Date:	December 2024
Scale:	1:10,000
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Figure 8
Proposed Zoning
By-Law Amendment

LEGEND

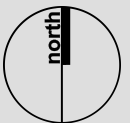
-  Subject Lands
-  Lands to be rezoned to A1-530 (A=9,300m²)
-  A1 Agricultural
-  CF Community Facility
-  EP Environmental Protection
-  R6 Residential Type 6

Date: January 2025

Scale: 1:6,000

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4.0 Summary and Conclusions

MHBC has prepared this Planning Justification Report in support of the Official Plan and Zoning By-law Amendments. The proposed development and proposed amendments have been assessed against the relevant planning framework, including provincial, county and local planning policies. This Report concludes that the proposal represents good planning for the following reasons:

- The proposal is consistent with the Provincial Planning Statement. The on-farm diversified use provides an opportunity to diversify the primarily agricultural economic base of the Municipality, it will protect the rural character of the area and will not interfere with the principal agricultural use of the property.
- The proposal meets the policies of the County Official Plan. The expanded area of the on-farm diversified use will continue to support the economic vision and principles of the County Official Plan by supporting and growing the rural economy. The use will continue to operate secondary to the existing agricultural operation of the property and will ensure that no agricultural lands will be impacted as a result.
- The lands are Rural in both the County and Township Official Plans. The Rural land use designation permits contractors yards on Rural lands. The proposal is to increase the storage area of the existing use, which will essentially operate as a storage yard. The proposal is not only maintaining an existing use, but may also be considered appropriate under the use as a yard.
- The proposal is in general conformity with the Zoning By-law. The proposed use is permitted on the subject property and will not introduce a land use that does not already exist in the Municipality.
- The proposed amendment will maintain that the agricultural use of the property continues to be the primary use of the property. The additional space will support the continued success of the on-farm diversified use, which will also support the agricultural operations of the property.

Based on these conclusions, it is our opinion that the applications for County Official Plan, Township Official Plan and Zoning By-law amendments are appropriate and should be considered for approval.

Respectfully submitted,

MHBC



Pierre Chauvin, BSc(Agr), MA, MCIP, RPP
Partner



Gillian Smith, MSc, MCIP, RPP
Senior Planner

We certify that this report was prepared jointly by the identified authors and under the supervision of a Registered Professional Planner (RPP) within the meaning of the Ontario Professional Planners Institute Act, 1994.

A

Appendix A: Draft By-law

The Corporation of the Township of Southgate
By-law Number 2025-0xx

Being a By-law to amend Zoning By-law No. 19-2002, of the Township of Southgate

Whereas the Council of the Corporation of the Township of Southgate deems it necessary to pass a by-law to amend Zoning By-law No. 19-2002; and

Whereas pursuant to the provisions of Section 34 of the Planning Act, R.S.O. 1990, as amended, by-laws may be amended by Councils of municipalities.

Now therefore be it resolved that the Council of the Corporation of the Township of Southgate enacts as follows:

1. Schedule "x" to Zoning By-law No. 19-2002 is hereby amended by changing the zoning regulations on a portion of the lands described as Part Lot 18 Concession 13, in the Township of Southgate and shown on Schedule "A", affixed hereto, in the Agricultural -1 Exception Zone (A1-530).
2. That By-law No. 19-2002 is hereby amended by changing the following regulations of Section 33-525:
33.530
 - a) The use shall remain secondary to the principle use of the property, being an agricultural use
 - b) The maximum size of the on-farm diversified use shall be 9,300m²
 - c) The maximum combined building footprint of the on-farm diversified use shall be 1,123m²
 - d) The maximum size of all outdoor storage of the on-farm diversified use shall be 1805m²
 - e) All outside storage shall be screened from view by way of fencing or landscaped buffer
 - f) The shop shall be setback a minimum of 75m from the front lot line along Grey Rd 9
 - g) The shop shall be setback a minimum of 93m from a side lot line
 - h) A Saw mill use remains a prohibited use
3. Schedule "A" and all other notations thereon are hereby declared to form part of this by-law
4. This by-law shall come into force and take effect upon being passed by Council subject to any approval necessary pursuant to the Planning Act R.S.O. 1990, as amended.

Read a first, second, and third time and finally passed this x day of x 2025.

Brian Milne – Mayor

Lindsey Green – Clerk



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