Staff Report PL2019-059

Department: Clerks
Branch: Planning Services
Council Date: September 18, 2019

Recommendation:
Be it resolved that Council receive Staff Report PL2019-059 for information; and
That Council Consider approval of By-law 2019-135.

Property Location: 046570 Southgate Road 04

The Subject Lands

The subject lands are described as the Con 2, lot 36 in the Geographic Township of Proton, Township of Southgate. The lands are approximately 40 ha (98.9 acres) in size.

The Proposal
The proposed zoning bylaw amendment, if approved, would allow for the establishment of a small scale woodworking shop to operate on the property.
The shop, including an office and power room will be approximately 648m² in size. The outside storage area will be approximately 350m². The expected truck traffic is up to 3 truck trips per day.

**Background**
A Public meeting was held on August 28, 2019 at 1pm in the Township Council Chambers.

Supporting documents and comments posted on the website are available at:


The comments received include:

GRCA has no objection to the proposed zoning by-law amendment.

The County of Grey planning staff have no concerns with the application provided the development can be adequately serviced and MDS requirements can be met.

Township Public Works indicate that the road is a Rural Asphalt standard and that a commercial entrance will require a paved apron.

Historic Saugeen Metis have no objection or concerns with the proposed development.

Township Building Department indicate they have no concerns or objections with the application. The development will require applicable permits before construction. A barrier free washroom will be required with Septic System.

There were no comments received from the public on this application.

**Financial Considerations:**
The following is an example of the increased tax revenue associated with the addition of a 600m² industrial shop and a replacement residence on a farm property:
### 2017 Assessment, Tax Rate, Taxation

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<th>Assessment</th>
<th>Tax Rate</th>
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<td>RT (Residential)</td>
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<td>$10,686.75</td>
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Of the total taxes of $10,686.75 above, the Township receives $5,451.03 (a net increase of $3,730.19 pertaining the shop and residence), The County receives $2,765.40 and the local Board of Educations’ receive $2,470.32.

This is increased revenue every year and therefore after a period of 10 years the industrial shop and residence generates $37,301.90 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 $15,764.83 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 $28,374.10 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 $122,632.33 in property taxes and development charge revenue, which is 4.32 times that if nothing had developed.

Based on the above it is clear that the proposal has significant benefits to the Township of Southgate from a growth in assessment and reducing the tax burden.

**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 2014 (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 secondary use shop will support farming and grow the rural economic base.

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 shop is considered a permitted use in the rural area and considered as “other rural land uses”.

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 this proposal 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. It is anticipated that the majority of trucking will utilize Southgate Road 04 to Grey Road 8 which is a paved road designed for truck traffic.
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 proposed shop 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 secondary metal shops and wood working 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 shop 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.

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.”

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 information provided 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 “Rural”, “Wetland” and “Hazard lands”. The development is outside of the adjacent lands for the Wetland designation and therefore no additional studies were required. The OP provides for small scale commercial and industrial uses on properties greater than 20ha to a maximum of 750m² in size. The maximum outside storage is 500m² in addition to the 750m² building size. The proposal is to construct a shop with an office and a power room which will be 648m² in size. The outdoor storage area is proposed to be 350m². The proposal complies with the above policy when you look at the definition of small scale below.

The Official Plan defines Small Scale in the Rural designation on parcels larger than 20 hectares as: a maximum structure size of 750m² and a
maximum outdoor storage display area of 500m² will be permitted. If the structure is less than 750m², the outside display area may be increased to a maximum, so that the combined outside display area and structure does not exceed 1250 square meters.

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

The Township Official Plan section 5.2.1 Rural 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 Rural Designation.

Section 5.2.3 Development Policies

“5. For new or expanding small scale commercial and industrial uses, where the arm parcels are greater than 20 hectares, a maximum structure size of 750 square metres and a maximum outdoor storage size of 500 square meters will be permitted. 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. For those parcels less than 20 hectares, a maximum structure size of 250m² and a maximum outdoor storage area of 750m² will be permitted. The applicant must demonstrate that the proposed use is not better suited in a designated settlement area. These uses will only be permitted, subject to satisfying the Development Policies as outlined in this Section. Council may, in future limit the commercial or industrial use through the implementing zoning By-law Amendment.

6. That the location of the non-farm use imposes no operating constraints to an existing farm operation. Any non-farm land use must comply with the Minimum Distance Separation Formulae.”

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 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 subject property is currently zoned Agricultural A1), Wetland (W) and Environmental Protection (EP). The proposed amendment create an exception that would add to the list of permitted uses of the A1-451 zone to allow for the shop and outside storage. 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 residential land use is over 350m away 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:** __________
Clinton Stredwick, BES, MCIP, RPP

**Dept. Head:** __________
Joanne Hyde, Clerk

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CAO Approval: ____________________________

Dave Milliner, CAO

Attachments: