

PLANNING JUSTIFICATION REPORT



January 2026

Proposed Official Plan & Zoning By-law Amendments and Consent to Sever

Subject lands:

221513 GREY ROAD 9
CONCESSION 14 W PART LOT 13
Municipality of West Grey
County of Grey

Prepared for:

J & K Agro Services Inc.
File: 25012

Prepared by:



978 First Ave West
Owen Sound, ON, N4K 4K5
Tel: 519-372-9790
Email: cuesta@cuestaplanning.com

TABLE OF CONTENT

TABLE OF CONTENT	i
1.0 BACKGROUND AND CONTEXT	1
1.1 Purpose of Report	1
1.2 Location and Description of Subject Lands and Environs (<i>Figures 1 & 2</i>)	1
1.3 Background and Description of Proposal (<i>Figure 3</i>)	4
1.4 Pre-Submission Consultation and Required Approvals	4
2.0 LAND USE POLICY CONSIDERATIONS	7
2.1 Provincial Planning Statement (PPS)	7
2.2 County of Grey Official Plan (CGOP) (<i>Figure 4</i>)	8
2.3 Municipality of West Grey Zoning By-law 37-2006	12
3.0 SUMMARY AND CONCLUSIONS	13

LIST OF FIGURES

Figure 1: Location	2
Figure 2: Subject Lands and Surrounding Lands	3
Figure 3: Site Plan	6
Figure 4: County of Grey Official Plan – Schedule A	9

LIST OF TABLES

Table 1: Approvals Required	5
Table 2: Municipality of West Zoning By-law – Agriculture (A1) Zone Provisions	12

LIST OF ADDITIONAL APPLICATION MATERIALS

Appendix A: Consent Application	
Appendix B: Official Plan Amendment Application	
Appendix C: Zoning Bylaw Amendment Application	
Appendix D: Site Plan	
Appendix E: Agricultural Brief	

1.0 BACKGROUND AND CONTEXT

1.1 Purpose of Report

Cuesta Planning Consultants Inc. (CPC) has been retained by J & K Agro Services Inc. (the Applicant) to submit Planning Act applications for an official plan amendment, a zoning by-law amendment and a consent to sever to permit the creation of a lot for an existing residential dwelling on lands municipally described as 221513 Grey Road 9 in the Municipality of West Grey, County of Grey. The existing farmhouse is surplus to the needs of the Applicant.

This report will examine the merits of the proposed severance by evaluating the proposal against the policies of the 2024 Provincial Planning Statement (PPS), the County of Grey Official Plan (CGOP), and the Municipality of West Grey Zoning By-law 37-2006.

This report, the accompanying applications and supporting materials, are intended to satisfy the requirements of the Planning Act, RSO 1990 regarding the submission of a complete application.

1.2 Location and Description of Subject Lands and Environs (Figures 1 & 2)

The subject lands are located approximately 3.7 kilometres (km) east of Neustadt and approximately 3.4km north/northwest of Ayton. The subject lands are approximately 21.37ha in area with 145m of frontage on Grey County Road 9. The principal use of the subject lands is cash cropping as part of a larger farming operation. The subject lands contain a single detached dwelling, a shed and a small bank barn. All three structures are proposed to be located on the lot being severed.

The buildings are accessed by an existing laneway. The lane and farmhouse areas contain mature deciduous tree cover. There is a minor drainage system in the southwestern portion of the Site that has been channelled to create more tillable area. A farm access is located at the southeast corner of the Site. The Site is located in an agricultural area of the Municipality of West Grey (West Grey). The channeled drain on the farm is part of a minor drainage system that meanders westward towards a tributary of the Saugeen River.

The Site is one (1) of four (4) 20ha farms in the immediate area along the north side of Grey County Road 9. An east-west woodland corridor is located along part of the rear lot lines of the lots fronting along Grey County Road 9. The farm lots in the vicinity, both 20ha and 40ha, contain farm residences. One (1) 20ha farm (221466 Grey County Road 9) nearby has had its farmstead severed. The original farmstead immediately southeast of the Site has also been severed from this

20ha farm. This severance includes the drainage system which meanders north then west across the Site.



Figure 1: Location



Figure 2: Subject Lands and Surrounding Lands

1.3 Background and Description of Proposal (Figure 3)

The Applicant acquired the Site in 2011 as part of his overall farming operation. The Applicant's operation includes over 2100ha of cash crop land (owned and rented), along with a grain drying operation. The Applicant has previously severed off surplus residences as he resides on his home farm in the Town of Minto.

In this instance, the original farmstead (residence, bank barn and outbuilding) is proposed to be located on a new .48ha lot. No arable land will be removed as part of the consent application and the Applicant will continue farming the remaining 20ha.

Following the severance, the retained parcel will continue to be accessed via an existing farm entrance located in the southeast corner of the subject lands. The retained parcel would be zoned to prohibit further residential development.

1.4 Pre-Submission Consultation and Required Approvals

CPC Inc. consulted with County of Grey staff throughout 2025 in preparation for the submission of the application, with County of Grey planning staff providing feedback in March and July 2025. Staff identified concerns with the proposal related primarily to the following issues:

- The potential for future land use compatibility issues to be introduced, not in keeping with the provincial Minimum Distance Separation (MDS) Guideline Document.
- The future viability and flexibility of the remnant parcel should the house be severed, given that the County of Grey minimum lot area for agricultural parcels is 40ha and the proposal would be for a 20ha parcel.

In response to the staff concern, a Planning Justification Report along with an Agricultural Brief is being submitted in support of the application.

It is important to recognize that Guideline # 9 of the Provincial MDS Document does not require an MDS I calculation or setback for a surplus farm residence consent when the barn is to be located on the same lot as surplus farm residence as proposed by this application. An Agricultural Brief has been provided in support of this application in lieu of an Agricultural Impact Assessment (AIA). AIAs are completed when a non-agricultural use is proposed in a prime agricultural area and/or agricultural lands are proposed for removal. Neither of these scenarios are contemplated by this application.

The concern with the ability of the retained lot to function as a stand alone operation is somewhat theoretical as the removal of the .48ha from the total holding will have no effect on current operations and reflects a status quo scenario. Although a 20ha parcel could be viable as a market garden operation or a specialized orchard, in this area of Grey County, it will generally form part of a larger farming operation.

Table 1: Approvals Required

Application	Approval Authority
<u>Completion of a County Official Plan Amendment</u> The purpose of the OPA is to obtain relief from the minimum farm lot size requirement (5.2.3.1).	County of Grey
<u>Zoning By-law Amendment</u> To recognize all existing buildings and structures as is at the time of its passing.	Municipality of West Grey
<u>Consent to Sever</u> A surplus farmhouse consent severing lot of ±0.48ha in size, with the retained parcel maintain a size of ±20.89ha.	Municipality of West Grey

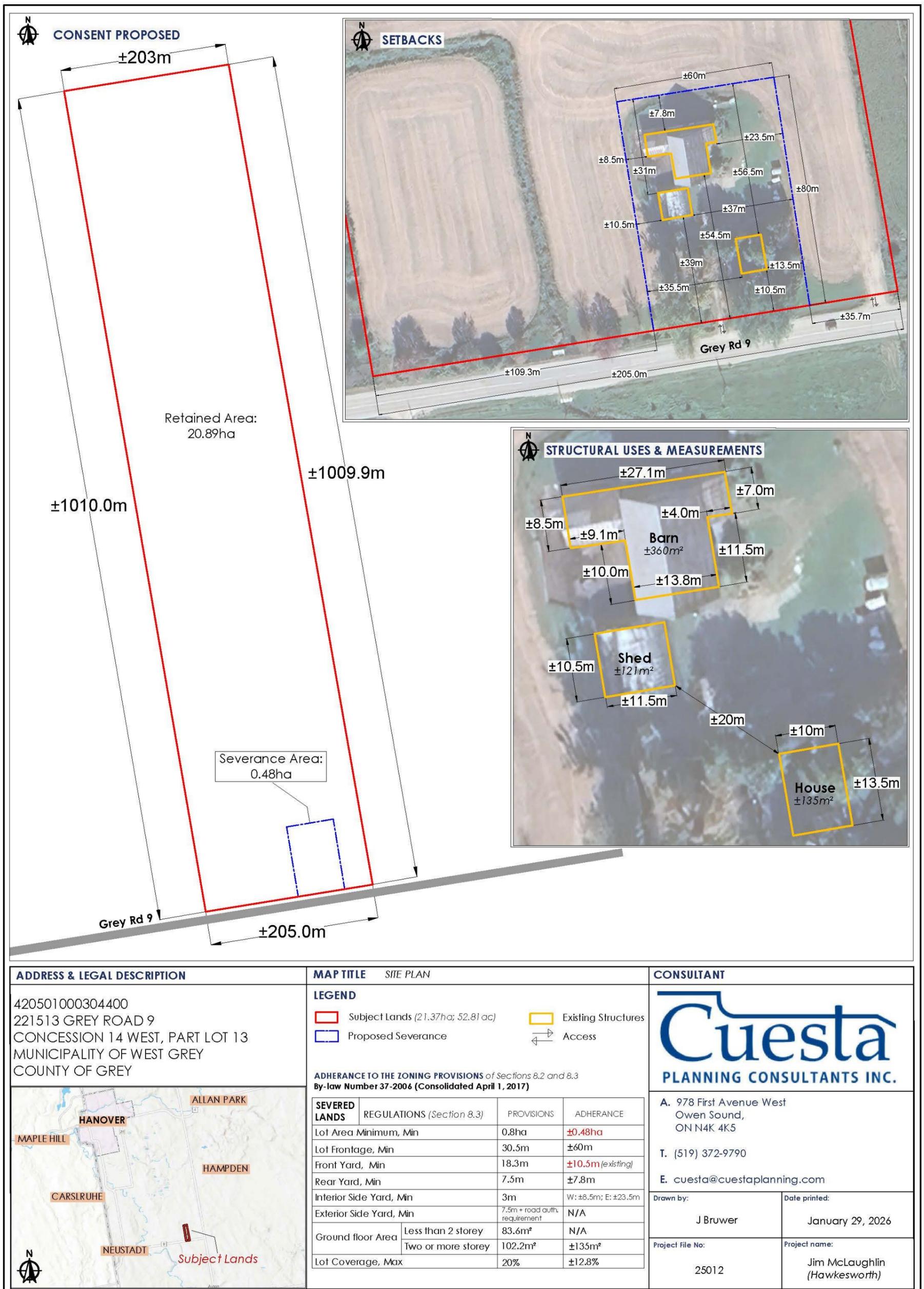


Figure 3: Site Plan (full size site plan provided as a separate appendix)

2.0 LAND USE POLICY CONSIDERATIONS

The following analysis of the applicable land use policies considers how the proposal will meet the goals and intent of the relevant land use policy and remain compatible with surrounding land uses. In addition to the Provincial Planning Statement, the County of Grey Official Plan (CGOP), and the Municipality of West Grey Zoning By-law No. 37-2006, will also be evaluated as land use policy applicable to the proposal. The Official Plan for the Municipality of West Grey does not apply to lands outside of the settlement areas of Durham and Neustadt.

2.1 Provincial Planning Statement (PPS)

As stated under Section 3 of the Planning Act, all decisions by any authority that affect a planning matter shall be consistent with the Provincial Planning Statement (PPS). Any decisions made on or after October 20, 2024 are to be consistent with the 2024 PPS. The following analysis will evaluate the proposal against applicable PPS policy. Although the PPS is to be read in its entirety, the following PPS policies are deemed to be the most applicable to the consideration of the proposal.

Chapter 4: “Wise Use and Management of Resources”

4.3 Agriculture

4.3.1 General Policies for Agriculture (in part)

- 1. Planning authorities are required to use an agricultural system approach, based on provincial guidance, to maintain and enhance a geographically continuous agricultural land base and support and foster the long-term economic prosperity and productive capacity of the agri-food network.**
- 2. As part of the agricultural land base, prime agricultural areas, including specialty crop areas, shall be designated and protected for long-term use for agriculture.**

Policy Compliance: J & K Agro Services Inc. is part of the agricultural system, from cash-cropping to grain drying and seed manufacturing operations. The subject lands, known as the Hawkesworth Farm, has been part of the system for 14 years. Removing the farmstead will not alter this system. This part of the agricultural land base will be protected for the long term as part of the Applicant's agricultural operations.

4.3.3 Lot Creation and Lot Adjustments (in part)

- 1. Lot creation in prime agricultural areas is discouraged and may only be permitted in accordance with provincial guidance for:**

a) agricultural uses, provided that the lots are of a size appropriate for the type of agricultural use(s) common in the area and are sufficiently large to maintain flexibility for future changes in the type or size of agricultural operations;

c) one new residential lot per farm consolidation for a residence surplus to an agricultural operation, provided that:

- 1. the new lot will be limited to a minimum size needed to accommodate the use and appropriate sewage and water services; and**
- 2. the planning authority ensures that new dwellings and additional residential units are prohibited on any remnant parcel of farmland created by the severance. The approach used to ensure that no new dwellings or additional residential units are permitted on the remnant parcel may be recommended by the Province, or based on municipal approaches that achieve the same objective;**

Policy Compliance: The Hawkesworth farm contains 20.89ha of arable land that will not be altered with the creation of a 0.48ha lot of non-arable land containing the farmstead. The Hawkesworth farm is one (1) of four (4) 20ha farms on the north side of Grey County Road 9. There are also a number of 20ha farms on the south side of the road that are actively farmed.

The creation of a lot for the existing farmhouse and outbuildings is sanctioned in subsection 4.3.3 1. c) of the PPS provided the retained portion has a residential restriction place on it. This restriction has been proposed by the subject application. The PPS does not restrict this policy to any particular size of agricultural parcel. In summary, the proposed consent for the existing surplus farmstead is consistent with the PPS.

2.2 County of Grey Official Plan (CGOP) (Figure 4)

The subject lands are within a large prime agricultural area and are so designated on Schedule A to the CGOP. A Hazard designation in the southwest corner of the subject property follows the existing drainage system of a tributary of the Saugeen River.

This area on the subject property has been rerouted to create a small agricultural field. This small drainage area is under the jurisdiction of the Saugeen Valley Conservation Authority (SVCA).



Figure 4: County of Grey Official Plan – Schedule A

The following CGOP policies are considered the most relevant to the subject application.

5.2 Agricultural Land Use Type (in part)

5.2.1 Uses Permitted Policies

a) All types, sizes and intensities of agricultural uses, and normal farm practices, including accessory uses (see Table 7);

Policy Compliance: It would appear that the 20ha retained parcel would conform to this policy.

5.2.3 Consent Policies (in part)

Lot creation in the Agricultural land use type is generally discouraged and may only be permitted for agricultural uses, agricultural-related uses, surplus farmhouse severances, infrastructure, and conservation lots in accordance with section 5.2.3 of this Plan.

1) A consent for one new lot may be permitted provided the original farm parcel is a minimum of 40 hectares. The options for consent would be:

b) New residential lots are not permitted in the Agricultural land use type. Where a house is deemed surplus to a farm operation as a result of farm consolidation, a lot may be severed provided that:

1) The owner of the lands to be severed is a 'bona fide farmer', or as a condition of the consent application the lands will be sold to a 'bona fide farmer'. For the purposes of this policy, the 'bona fide farmer' must have a farm business registration number. A 'bona fide farmer' is defined to include a limited company, sole proprietorship, incorporated company, numbered company, partnership, and other similar ownership forms.

Policy Compliance: J & K Agro Services complies with the above noted policy requirement for a "bona-fide" farmer.

2) The lot proposed for the surplus farmhouse (and accessory buildings if applicable) will be limited in area and shall only be of sufficient size to accommodate the surplus farmhouse to the farming operation, accessory buildings (including any unused livestock facility, if this does not make the lot excessively large), a well, and a sewage treatment and disposal system, while ensuring that as little land as possible is removed from the agricultural lands.

3) Unless added onto an abutting farm parcel that already contains a dwelling, the remnant farm parcel shall be rezoned to prohibit the future construction of a new residential dwelling of any type.

Policy Compliance: As noted in Figure 3, the lot being created will contain the farmhouse, outbuilding and the private services on a .48ha lot. The residential lot will be of adequate size to accommodate the use. There will be no loss in lands presently under cultivation.

4) The severance of a surplus farmhouse shall comply with Provincial MDS Formulae. For the purposes of this section, only livestock facilities situated on the farm parcel from which the surplus farmhouse is being severed, shall be used in determining Provincial MDS Formulae compliance

Policy Compliance: The MDS Document does not apply to consents that create a lot for a surplus farm residence unless the barn is part of the retained parcel. All outbuildings are included with the proposed residential lot therefore no MDS issue will be created.

6) The existing farmhouse is habitable at the time of application.

Policy Compliance: The existing farmhouse is presently occupied by a tenant and is habitable.

Summary: It is evident from the foregoing analysis that, outside of the minimum lot area requirement of 40ha, the consent for the surplus farmstead lot is consistent with the CGOP policy in addition to the policies of the PPS. The 20ha lot has been cash cropped as part of a large agricultural operation for over a decade. The removal of the residence and outbuildings will not alter the use of the farm as no cropland is being removed.

Notwithstanding the foregoing, a request from staff was made requiring that some form of agricultural viability report be prepared and submitted with the planning justification report.

2.3 Municipality of West Grey Zoning By-law 37-2006

The by-law amendment that will facilitate the consent will require lot dimensions for the new lot to be established as well as a prohibition for new residential use on the retained lands. Please see the table below which outlines the provisions to be modified in an implementing by-law. As noted in Table 2, the minimum lot size does not meet the 0.8 ha minimum in the zoning by-law for a residential lot. It is evident that the lot size proposed, being over an acre in area, is appropriate as it is of sufficient size to contain the residence, outbuildings and servicing. Enlarging the lot to 0.8 ha would require a loss of tillable land. Prohibited Livestock Facilities provisions do not allow livestock facilities on lots less than 2ha which will require the existing barn to be used for storage purposes only. Relief may also be required to recognize the existing front yard setback and existing driveshed.

SECTION 8 – A1– AGRICULTURAL ZONE

8.1 PERMITTED USES *(in part)*

- Agricultural uses, buildings and structures
- A detached dwelling

Table 2: Municipality of West Zoning By-law – Agriculture (A1) Zone Provisions

A1 Zoning Provisions – Section 8.2		
Provisions	Regulations	Proposed Relief <i>(Retained lands only)</i>
<i>Minimum Lot Area</i>	40 ha	20.89ha
In addition to requiring relief from the lot area provision, the retained parcel will need to be zoned to prohibit residential use.		
A1 Zoning Provisions – Section 8.3		
Provisions	Regulations	Proposed <i>(Severed lands only)</i>
<i>Minimum Lot Area</i>	0.8ha	±0.48ha
<i>Minimum Lot Frontage</i>	30.5m	±60m
Front yard, Minimum	18.3m	±10.5m (existing)
Rear yard, Minimum	7.5m	±7.8m
Interior side yard, Minimum	3m	West: ±8.5m East: ±23.5m
Exterior Side Yard	7.5m + road width requirement	N/A
Ground Floor Area	<i>Less than 2 storey</i>	83.6m ²
	<i>Two or more storey</i>	102.2m ²
Lot coverage, max	20%	±12.8%

3.0 SUMMARY AND CONCLUSIONS

The proposed zoning amendment is intended to permit the creation of a lot for the Hawkesworth farmstead. The consent will not remove any arable land from cultivation. At present the arable land area, 20.48ha, is part of a larger agrarian operation owned and operated by the McLaughlin family. The McLaughlin's have an integrated agricultural operation that includes cash cropping and a major grain drying operation. The Hawkesworth farm contributes to the economic viability of the McLaughlin operation.

Based on the foregoing report and the associated Agricultural Brief, the following is concluded:

- 1) The proposed zoning amendment and consent to create a lot for a surplus farmstead is consistent with the PPS.
- 2) Except for retaining a 40ha remnant lot size, the proposed application is in conformity with the relevant sections of the Grey County Official Plan.
- 3) The removal of the farmhouse and outbuildings will have no impact on the agricultural use of the farm.
- 4) The by-law will need to include a provision to eliminate any potential for residential use on the retained lands in addition to prescribing a configuration for the proposed lot and relief from the 40ha lot size in this zone.
- 5) The Agricultural Brief substantiates the consistency of the zoning and consent with the PPS and the intent and purpose of the Grey County Official Plan.
- 6) Based on the foregoing, the proposal provides for appropriate agricultural land use.

Respectfully Submitted,



Prepared by Genevieve Scott (MCIP, RPP)

Cuesta Planning Consultants Inc.