

Planning Justification Report

Zoning By-law Amendment—New On-farm Diversified Use
384721 Conc.4 Priceville Ontario
Roll Number: 420522000508800
Owner: Pomside Enterprises Inc.
Prepared by Eli Sherk

Summary

The subject property is a 40.5-hectare agricultural parcel located at 384721 Conc.4 Glenelg. The owner of the property wants to Amend the West Grey Zoning By-law to permit the establishment of a new on-farm diversified use. The proposed on-farm diversified use has a designated area of 5,880 m² the proposed dry manufacturing shop will be up to 930 square meters in area and that will have an associated 500 square meter outdoor storage area. The use could include but not limited to Metal fabricating, cutting and forming sheet metal products. This planning report provides justification for this proposal and demonstrates the application is consistent with the Provincial Planning Statement (PPS) and conforms to the Grey County Official Plan.

Planning Act Requirements

Sections 2 and 5 of the Planning Act require that all municipal decisions affecting a planning matter have regard for provincial interest and be consistent with provincial policy statements. A planning decision affecting the subject property must therefore be consistent with the Provincial Planning Statement (PPS, 2024). Section 24 of the Planning Act further requires that all by-laws passed by a municipal council or planning board conform to all Official Plans. A planning decision affecting the subject property must therefore conform to the Grey County Official Plan

The proposed zoning amendment conforms to the Grey County Official Plan;

Planning Analysis

Provincial Planning Statement

The subject lands are designated as Rural and Hazard by the Grey County Official Plan. The Rural policies of section 2.5 of the PPS are therefore applicable to the proposed amendment.

The proposed dry manufacturing shop qualifies as an “on-farm diversified use” (OFDU) under the PPS, and is therefore permitted within the Rural designation as per section 2.6.1. of the PPS:

1. *On rural lands located in municipalities, permitted uses are:*
 - 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 PPS provides the following definition for 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. On-farm diversified uses include, but are not limited to, home occupations, home industries, Agri-tourism uses, uses that produce value-added agricultural products, and electricity generation facilities and transmission systems, and energy storage systems.

Publication 851 establishes five tests for on-farm diversified uses. The tests and the conformity of the proposal with the tests are as follows:

1. Located on a farm

The subject property is 40.5 hectares in area and has an active Farming operation on approximately 25 hectares of the property. The Farming operation will continue after the OFDU is established, and the area of the Farming operation will not be reduced and will be secondary to the principal agricultural use of the property

The OFDU will be confined to the 5,880 square meter area that the site-specific zoning provisions will be applied to. This area represents roughly 1.5% of the total lot area, and the building area will only use up to 16% of the area that is proposed to be rezoned. The agricultural operation will remain as the dominant land use with the OFDU being secondary to this principal use.

2. Limited in area

Publication 851 recommends that a maximum of 2% of the lot area be used for an OFDU, and that the gross floor area of related OFDU buildings be limited to 20% of the area that is zoned for the use. The proposed spot zoning approach that limits the possible area of the OFDU to 5,880 square meters ensures that the area devoted to the use is restricted.

Furthermore, the site-specific zoning provisions that limit the floor area of the building to 930 square meters ensures that the building will be well under 20% of the total area that is to be rezoned for the OFDU.

3. Includes, but is not limited to, home occupations, home industries, Agri-tourism uses and uses that produce value-added agricultural products

The PPS and Publication 851 do not require that OFDUs be directly related to agriculture. The PPS and Publication 851 indicate that home industries are permitted as OFDUs. The proposed dry manufacturing shop is a common form of home industry that is commonly permitted as an OFDU in Wellington County, Grey County, and Melancthon Township.

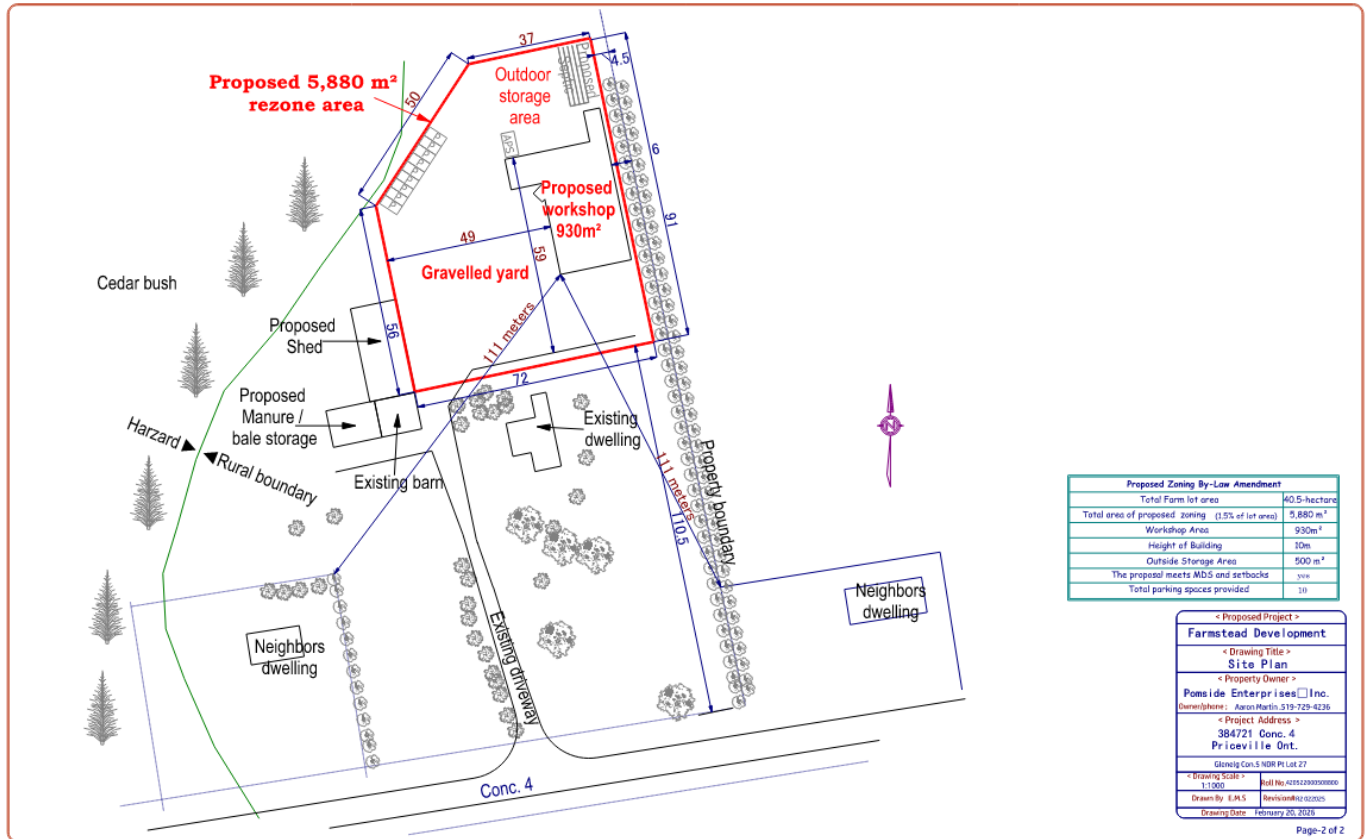
4. Shall be compatible with, and shall not hinder, surrounding agricultural operations

Publication 851 suggests that certain uses that are incompatible with agricultural operations are not to be permitted as OFDUs. Examples of incompatible characteristics include uses that attract large numbers of people onto the farm for non-farm events for recreational purposes that could result in soil compaction on the farm itself, excessive noise and trespass issues that may be incompatible with surrounding agricultural operations, or commercial or industrial uses that have a large number of employees or a large number of customers.

The proposed OFDU will have a total of approximately five employees, will generally not have any customers on-site, and will involve an average of one truck delivery per day. Furthermore, the use will operate during regular weekly business hours, and will not generate an abnormal amount of noise in a farming environment. A spatial screening of potential noise conflicts is provided later in this report using the framework established by the Provincial D6 Guidelines.

The proposed OFDU meets the PPS definition of an on-farm diversified use and is permitted within the Agricultural designation. The use is consistent with the permitted use policies of the PPS and other PPS policies that encourage economic activity in appropriate areas.

Figure 1. Area to be rezoned.



County of Grey Official Plan:

i. Land Use Designation

The subject lands are designated ‘Rural’, and ‘Hazard Lands’ on Schedule A of the Grey County Official Plan, The proposed shop, storage area, parking lot, and graveled area will be situated on lands designated ‘Rural’.

ii. On-Farm Diversified Uses

The Grey County Official Plan gives consideration to on-farm diversified uses in both the ‘Rural’ and ‘Agricultural’ land use designations. Table 7 of the Official Plan provides examples of on-farm diversified uses, which include “home industries (e.g. sawmill, welding or woodworking shop, manufacturing / fabrication, storage of boats or trailers, biomass pelletizer)”. The proposed manufacturing of plastic products would fall under this classification.

The relevant policies for on-farm diversified uses are found in Section 5.2.2 Agricultural Development Policies, as follows:

15) New on-farm diversified uses shall be limited in size and scale, as per Table 8 below and to those uses that can be sustained by local service and infrastructure levels. New agricultural-related uses shall also be limited to uses that can be sustained by local service levels. Municipal official plans may choose to set local road standards required for such uses, which are in-line with the level and type of traffic being generated by the uses. Traffic Impact Studies may be required to determine the impact of the proposed operation on the local road network, as per section 8.3 of this Plan. Servicing or Noise Studies may also be required for new or expanded on-farm diversified or agricultural-related uses. Municipal official plans or zoning by-laws may also choose to limit individual uses that could otherwise be directed to settlement areas. Agricultural-related uses are not required to be limited in size, whereas on-farm diversified uses are required to be limited to the sizes shown in Table 8. Subject to the size limitation requirements of Table 8 of this Plan and section 5.2.2(17), on-farm diversified uses may be considered on lots less than 10 hectares in size in the Rural land use type.

Notwithstanding the above, home rural occupations may be permitted in the Rural land use type on lots less than 10 hectares in size, which exceed the size limitations in Table 8, only were permitted in municipal zoning by-laws, or were adequate justification has been provided in support of a zoning amendment.

Table 8: On-farm Diversified Use Size Criteria

<i>Land use type</i>	<i>Property Size</i>	<i>On-farm diversified Use Maximum Size</i>
<i>Agricultural</i>	<i>20 hectares or greater</i>	<i>The lesser of;</i> <ul style="list-style-type: none"> • <i>2% of the total size of the property, or</i> • <i>a maximum combined area of the use of 8,000 square metres</i>
	<i>Less than 20 hectares</i>	<i>Bed and breakfasts and/or home rural occupations within the dwelling only.</i>
<i>Special Agricultural</i>	<i>10 hectares of agriculturally productive area or greater</i>	<i>The lesser of;</i> <ul style="list-style-type: none"> • <i>2% of the total size of the property, or</i> • <i>a maximum combined area of the use of 8,000 square metres</i>
	<i>Less than 10 hectares of agriculturally productive area</i>	<i>Bed and breakfasts and/or home rural occupations within the dwelling only.</i>
<i>Rural</i>	<i>20 hectares or greater</i>	<i>The lesser of;</i> <ul style="list-style-type: none"> • <i>2% of the total size of the property, or</i> • <i>a maximum combined area of the use of 8,000 square metres</i>
	<i>Less than 20 hectares</i>	<i>The lesser of;</i> <ul style="list-style-type: none"> • <i>2% of the total size of the property, or</i> • <i>a maximum combined area of the use of 2,000 square metres</i>

16) When determining the size of the on-farm diversified use it shall include buildings, laneways, parking, outdoor storage, servicing, exhibition areas, and/or amenity areas occupied by the on-farm diversified uses. Shared laneways / servicing, farm buildings, or landscaped areas also used by the farm shall not be included in the calculation of total use size. The passing of an implementing zoning by-law amendment will generally be required to permit new on-farm diversified uses, unless otherwise permitted 'as-of-right' in municipal zoning by-laws.

17) The gross floor area of the buildings (combined total for all buildings associated with the on-farm diversified use) shall not exceed 20% of the total area of the on-farm diversified use.

Comment: The new 930 square meter workshop represents about 16% of the area to be rezoned, which is well under the allowed 20%.

18) Municipalities may choose to limit the size and accessory uses related to wineries, cideries, breweries, Meadery's, or distilleries, based on local characteristics, and/or the availability of servicing.

Comment: This policy is not relevant.

19) Prior to considering a new on-farm diversified use, it shall be demonstrated that the following criteria can be met:

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

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

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

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,

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

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,

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

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

Comment: The proposed business should not have a negative impact on any adjacent land uses or residents, nor should it be disruptive to the nearby agricultural operations. More information on potential impact, specifically in regard to the Province's D-6 Guidelines, is provided below.

The new use will not place additional demand for services on the Municipality.

The workshop will meet all requirements of the Ontario Building Code.

Agricultural activity will continue on the subject lands. By locating the development within a partially treed area, no lands will be removed from agricultural use. It is recognized that the amount of land that will be cropped is not significant. The property is appropriate for an on-farm diversified use as it is large, and it will include the Martin's family residence. As well, the majority of the existing trees will be maintained, thereby providing for a very effective screening of the workshop and outdoor storage from public view.

Mr. Martin intends to operate the business Monday to Friday, from 7 am to 5 pm, and occasionally on Saturdays. Agricultural activities on the property or adjacent lands should not be hindered by the new use, as explained above, regardless of the hours of operation.

Servicing

The proposed shop will be serviced with a private on-site well and septic system. A new septic system will be designed to accommodate the shop in compliance with the Building Code. The existing drilled well will be used to provide water to the shop. The manufacturing activities in the shop require minimal water relating to the use of a washroom and incidental use for cleaning. The manufacturing process itself does not require water. This is a land use that commonly exists in the countryside in neighboring municipalities and that does not require advanced servicing considerations. The septic design will be confirmed following site plan approval and prior to the issuance of a building permit.

D6 Guidelines

The development of new employment uses and sensitive land uses will have regard for the Ministry of the Environment guidelines respecting separation distances between industrial uses and sensitive land uses.

The Ministry of Environment guidelines on separation distances is known as the "D-6 Guideline". The objective of this policy and of the D-6 Guidelines more generally is to minimize the encroachment of new industrial land uses (e.g. industrial on-farm diversified uses) upon existing sensitive land uses (e.g. residential uses) and vice versa. These land uses can be incompatible due to potential adverse effects of industrial operations such as noise, vibration, and odor.

The D-6 Guideline requires the following steps to be taken to determine if a new Industrial use is compliance with the Guideline:

1. Determine the Class of the proposed industrial use.
2. Analyze the Area of Influence based on the Class of the proposed use to determine if there are any existing sensitive receptors.
3. If there are any existing sensitive receptors, determine if the proposed use meets the minimum required setback from the existing sensitive receptors.

Class of Use

The D-6 Guideline categorizes industrial facilities into the following three classes:

Class I Industrial Facility

A place of business for a small-scale, self-contained plant or building which produces/stores a product which is contained in a package and has low probability of fugitive emissions. Outputs are infrequent, and could be point source or fugitive emissions for any of the following: noise, odor, dust and/or vibration. There are daytime operations only, with infrequent movement of products and/or heavy trucks and no outside storage. See [Appendix A of this guideline](#) for classification criteria and examples to categorize a specific industry.

Class II Industrial Facility *A place of business for medium scale processing and manufacturing with outdoor storage of wastes or materials (i.e. it has an open process) and/or there are periodic outputs of minor annoyance. There are occasional outputs of either point source or fugitive emissions for any of the following: noise, odor, dust and/or vibration, and low probability of fugitive emissions. Shift operations are permitted and there is frequent movement of products and/or heavy trucks during daytime hours. See [Appendix A of this guideline](#) for classification criteria and examples to categorize a specific industry.*

Class III Industrial Facility

A place of business for large scale manufacturing or processing, characterized by: large physical size, outside storage of raw and finished products, large production volumes and continuous movement of products and employees during daily shift operations. It has frequent outputs of major annoyance and there is high probability of fugitive emissions. See [Appendix A of this guideline](#) for classification criteria and examples to categorize a specific industry.

Appendix A from the Guidelines is provided below where the characteristics of the proposed use have been highlighted:

Category	Outputs	Scale	Process	Operation /Intensity	Possible Examples
Class I	<p>Noise: Sound not audible off property</p> <p>Dust and/or Odour: Infrequent and not intense</p> <p>Vibration: No ground borne vibration on plant property</p>	<p>No outside storage</p> <p>Small scale plant or scale is irrelevant in relation to all other criteria for this Class</p>	<p>Self contained plant or building which produces/stores a packaged product.</p> <p>Low probability of fugitive emissions</p>	<p>Daytime operations only</p> <p>Infrequent movement of products and/or heavy trucks</p>	<p>Electronics manufacturing and repair</p> <p>Furniture repair and refinishing</p> <p>Beverages bottling</p> <p>Auto parts supply</p> <p>Packaging and crafting services</p> <p>Distribution of dairy products</p> <p>Laundry and linen supply</p>
Class II	<p>Noise: Sound occasionally audible off property</p> <p>Dust and/or Odour: Frequent and</p>	<p>Outside storage permitted</p> <p>Medium level of production allowed</p>	<p>Open process</p> <p>Periodic outputs of minor annoyance</p> <p>Low probability of</p>	<p>Shift operations permitted</p> <p>Frequent movement of products and/or</p>	<p>Magazine printing</p> <p>Paint spray booths</p> <p>Metal command</p> <p>Electrical production manufacturing</p>

1. The proposed use has the following characteristics:

2. Frequent sound *within* a contained building that is generally not audible off-property, with the occasional intense noise due to bay doors being temporarily open during sawing operations.
3. A small-scale facility with a maximum of 5 employees (excluding the owner).
4. Outdoor storage of raw materials and/or finished product.
5. Daytime operations only from 7:00 a.m. to 5:00 p.m., Monday to Friday.
6. Infrequent movement of trucks with one outgoing truck per day, and generally two flatbed truck deliveries per week.

Some characteristics of the use are typical of a Class I use; however, several aspects of the use disqualify it from falling entirely within that class and require the use to be treated as a **Class II** use. There are no characteristics of the use that require it to be treated as a Class III use.

Under section 4.1.1 of the Guideline, a Class II Industrial use has a 300-meter Area of Influence, and a 70-metre minimum setback from all existing sensitive land uses within that Area of Influence. If the use cannot be set-back a minimum of 70 meters from an existing Sensitive Use,

then additional noise studies and mitigation measures may be required before the use can proceed. The nearest sensitive receptor is the dwelling to the southeast, which is over 100 meters from the area that is being rezoned. There is no noise compatibility concern with the proposed OFDU under the D-6 Guideline framework.

Parking and Screening

The proposed site layout indicates the OFDU building and storage area will be screened from Conc.4 and the next-door neighbors by the existing tree hedges; The Township can ensure appropriate screening of the parking and storage area is implemented through the site plan control process.

Conclusion

The proposed On-farm Diversified Use is consistent with the PPS and Publication 851, and Conforms to the Grey County Official Plan. This is a form of OFDU that is commonly found throughout southwestern Ontario that supports the rural economy and that is compatible with rural land uses. The proposed amendments are supported by the policy framework and constitute good planning. We respectfully request and recommend that the Township of West Grey support the proposal by amending the Zoning By-law.