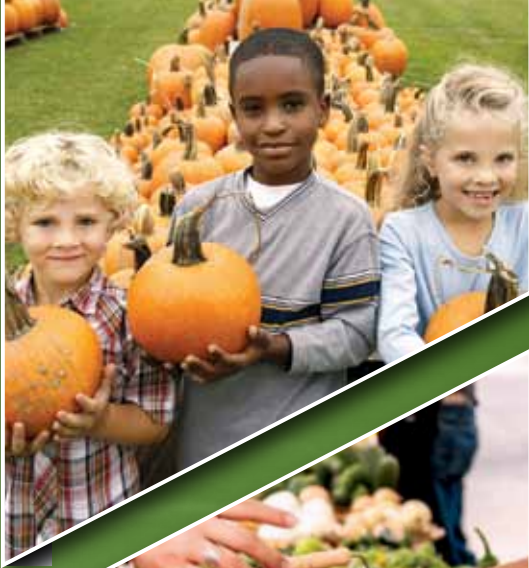


Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas

Publication 851



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CONTENTS

1. INTRODUCTION	1
1.1 Purpose and Scope of the Guidelines	1
1.2 Ontario's Prime Agricultural Areas	1
1.3 Objectives and Criteria for Permitted Uses	2
1.4 Principles of Permitted Uses	3
1.5 Municipal Consistency	4
1.6 Relationship to Provincial Plans	4
 2. PERMITTED USES	 5
2.1 Agricultural Uses.....	5
2.1.1 PPS criteria for Agricultural Uses.....	5
2.1.2 Examples of Agricultural Uses.....	10
2.1.3 Examples of Uses that Would Typically Not be Agricultural Uses	11
2.2 Agriculture-Related Uses	11
2.2.1 PPS Criteria for Agriculture-Related Uses	11
2.2.2 Examples of Agriculture-Related Uses	16
2.2.3 Examples of Uses that Would Typically Not be Agriculture-Related Uses	17
2.3 On-Farm Diversified Uses	17
2.3.1 PPS Criteria for On-Farm Diversified Uses	17
2.3.2 Examples of On-Farm Diversified Uses	22
2.3.3 Examples of Uses that Would Typically Not be On-Farm Diversified Uses	23
2.4 Categories of Permitted Uses.....	24
2.5 Implementation	28
2.5.1 Official Plans	28
2.5.2 Zoning By-laws.....	28
2.5.3 Site Plan Control.....	29
2.5.4 Development Permits	30
2.5.5 Lot Creation.....	30
2.5.6 Municipal By-laws	30
2.5.7 Building Permits.....	30
 3. BEYOND PERMITTED USES	 33
3.1 Settlement Areas and Prime Agricultural Areas	33
3.1.1 Preliminary Assessment	33
3.1.2 Alternative Locations.....	34
3.1.3 Impact Mitigation	36
3.2 Limited Non-Agricultural Uses in Prime Agricultural Areas	38
3.2.1 Preliminary Assessment	39
3.2.2 Demonstration of Need	40
3.2.3 Alternative Locations.....	40
3.2.4 Impact Mitigation	41

4. FREQUENTLY-ASKED QUESTIONS 43

4.1 General	43
4.2 Compatibility Issues	44
4.3 Agriculture-Related Uses.....	45
4.4 On-Farm Diversified Uses.....	45

TABLES

Table 1: Criteria for permitted uses in prime agricultural areas.....	3
Table 2: Categories of uses permitted in prime agricultural areas provided all PPS criteria are met	25
Table 3: Components of on-farm diversified uses on a small farm.....	53
Table 4: Components of on-farm diversified uses on a medium farm.....	54
Table 5: Components of on-farm diversified uses on a large farm.....	55
Table 6: Components of multiple permitted uses on 19 ha farm	57

FIGURES

Figure 1: Examples of agricultural uses provided all PPS criteria are met	10
Figure 2: Examples of agriculture-related uses provided all PPS criteria are met	16
Figure 3: Examples of on-farm diversified uses provided all PPS criteria are met	23
Figure 4: Clustering of farm buildings.....	29
Figure 5: Example of on-farm diversified uses on a small farm	53
Figure 6: Example of on-farm diversified uses on a medium farm	54
Figure 7: Example of on-farm diversified uses on a large farm.....	55
Figure 8: Example of multiple permitted uses on 19 ha farm.....	57

APPENDICES

Appendix 1: PPS 2014 Policies and Definitions.....	47
Appendix 2: Area Calculation Examples for On-Farm Diversified Uses.....	53
Appendix 3: Example of an Existing Farm with a Combination of Permitted Uses	57

1. INTRODUCTION

1.1 Purpose and Scope of the Guidelines

The Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas will help municipalities, decision-makers, farmers and others interpret the policies in the Provincial Policy Statement, 2014 (PPS) on the uses that are permitted in *prime agricultural areas*¹. It comprises the provincial guidelines referred to in Policy 2.3.3.1 of the PPS.

This document provides guidance on:

- *agricultural, agriculture-related and on-farm diversified* uses described in Policy 2.3.3. of the PPS
- removal of land for new and expanding *settlement areas* (PPS Policy 2.3.5) and limited non-agricultural uses in *prime agricultural areas* (PPS Policy 2.3.6)
- mitigation of impacts from new or expanding non-agricultural uses (PPS Policy 2.3.6.2)

Relevant policies and definitions from the PPS referred to in these guidelines are included in Appendix 1.

These guidelines are meant to complement, be consistent with and explain the intent of the PPS policies and definitions. Where specific parameters are proposed, they represent best practices rather than specific standards that must be met in every case. These parameters are based on the judgement and experience of the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) and the Ontario Ministry of Municipal Affairs (MMA) as well as consultation with municipalities and stakeholders on how to be consistent with PPS policies.

PPS Policy 2.3.3.1

In *prime agricultural areas*, permitted uses and activities are: *agricultural uses, agriculture-related uses and on-farm diversified uses*.

Proposed *agriculture-related uses* and *on-farm diversified uses* shall be compatible with, and shall not hinder, surrounding agricultural operations. Criteria for these uses may be based on guidelines developed by the Province or municipal approaches, as set out in municipal planning documents, which achieve the same objective.

1.2 Ontario's Prime Agricultural Areas

Ontario's *prime agricultural land* is a finite, non-renewable resource comprising less than 5% of Ontario's land base. It is the foundation for food, fibre and fur production, the local food economy, agri-food exports, economic prosperity and the growing bio-based economy.

The PPS states that Ontario's *prime agricultural areas* shall be protected for long-term use for agriculture and defines *prime agricultural areas* as areas where *prime agricultural lands* predominate. Planning authorities (e.g., municipalities) are required to designate² *prime agricultural areas* in their official plans, including *specialty*

¹ Words in *italics* are defined in Appendix 1 in accordance with the PPS.

² The term "designate" is not defined in the PPS. The province's preferred approach to designating *prime agricultural areas* in official plans, and one that is followed by most municipalities, is to have "agriculture" or "*prime agricultural area*" as a category of land use identified on a land use schedule or map with corresponding policies in the official plan. Other approaches that achieve the same objectives of 1) mapping the lands and 2) through policies, provide for their protection and identify permitted uses, may also be acceptable.

crop areas, Canada Land Inventory Classes 1, 2 and 3 land, associated Classes 4–7 land and additional areas where there is a local concentration of farms which exhibit characteristics of on-going agriculture. Controlling the types and scale of uses that are permitted in *prime agricultural areas* is a key way of protecting Ontario's best farmland.

Application to Rural Lands

These guidelines focus on the land uses permitted in *prime agricultural areas*, but they also have relevance for *rural lands*. Policy 1.1.5.8 of the PPS states that “*agricultural uses, agriculture-related uses, on-farm diversified uses and normal farm practices* should be promoted and protected on *rural lands* in accordance with provincial standards.” In this context, the provincial standards include the PPS policy that these guidelines support.

Permitted uses on *rural lands* are more permissive than in *prime agricultural areas*. The province's **Introduction to the Provincial Policy Statement, 2014: Rural Ontario** provides more detail (ontario.ca/cvg5).

1.3 Objectives and Criteria for Permitted Uses

The criteria for the uses permitted in *prime agricultural areas* are specifically derived from PPS policies and definitions. They revolve around two key objectives:

1. maintaining the land base for agriculture (PPS Policy 2.3.1)
2. supporting a thriving agricultural industry and rural economy (PPS Vision and PPS Policy 1.1.4)

These objectives may at times compete with each other. These guidelines are intended to help decision-makers balance the objectives. This can be done by ensuring all applicable criteria are met for the permitted uses.

Table 1 summarizes the specific criteria for *agricultural, agriculture-related and on-farm diversified uses*. The criteria cover all key descriptors referred to in Policies 2.3.3.1, 2.3.3.2 and 2.3.3.3 of the PPS and the applicable PPS definitions. Each criterion is discussed in detail in these guidelines.

These guidelines focus on meeting the PPS policies and definitions of permitted uses for land use planning purposes. This focus may be different from the categorization of land uses for tax assessment purposes. Users of this document should be aware that a change in land use may result in a change in tax assessment. More information on tax assessment may be obtained from the Municipal Property Assessment Corporation. New buildings or additions or modifications to or changes in the use or occupancy of buildings, could also have building code implications (Section 2.5.7).

Table 1. Criteria for permitted uses in *prime agricultural areas*

Type of use	Criteria as provided by PPS policies and definitions
Agricultural	<ol style="list-style-type: none"> 1. The growing of crops, raising of livestock and raising of other animals for food, fur or fibre 2. Includes 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 3. All types, sizes and intensities of <i>agricultural uses</i> shall be promoted and protected in accordance with provincial standards 4. <i>Normal farm practices</i> shall be promoted and protected in accordance with provincial standards
Agriculture-Related	<ol style="list-style-type: none"> 1. Farm-related commercial and farm-related industrial uses 2. Shall be compatible with and shall not hinder surrounding agricultural operations 3. Directly related to farm operations in the area 4. Supports agriculture 5. Provides direct products and/or services to farm operations as a primary activity 6. Benefits from being in close proximity to farm operations
On-Farm Diversified	<ol style="list-style-type: none"> 1. Located on a farm 2. Secondary to the principal <i>agricultural use</i> of the property 3. Limited in area 4. Includes, but is not limited to, home occupations, home industries, <i>agri-tourism uses</i> and uses that produce value-added agricultural products 5. Shall be compatible with, and shall not hinder, surrounding agricultural operations

1.4 Principles of Permitted Uses

The intent of the PPS and these guidelines is to allow uses in *prime agricultural areas* that ensure *settlement areas* remain the focus of growth and *development* and:

- agriculture remains the principal use in *prime agricultural areas*
- *prime agricultural areas* are protected for future generations
- land taken out of agricultural production, if any, is minimal
- regard is given to the long-term (multi-generational) impact on *prime agricultural areas*
- *normal farm practices* are able to continue unhindered
- agricultural and rural character and heritage are maintained as much as possible
- uses are compatible with *agricultural uses*
- they make a positive contribution to the agricultural industry, either directly or indirectly
- servicing requirements (e.g., water and wastewater, road access, fire services, policing) fit with the agricultural context

Permitting a wide range of compatible uses in *prime agricultural areas* is intended to enable:

- agriculture and farm operators to prosper
- development of new farm products
- valued/necessary rural services to be available
- diversification of the rural economy and tax base
- job creation that helps stabilize and grow rural communities
- greater awareness and appreciation of agriculture in the area

1.5 Municipal Consistency

Given the wide differences in municipal approaches to permitted uses, these guidelines aim to increase the consistency across the province. To maintain the wide variety of uses that the PPS permits, municipalities are encouraged to adopt policies that explicitly reflect PPS policies and the criteria identified in this document.

While consistency with these guidelines is preferred, Policy 2.3.3.1 of the PPS allows municipalities to develop their own criteria for permitted uses in municipal planning documents as long as they achieve the same objectives as the provincial guidelines. To do so, municipalities would need justification that ensures they are consistent with all PPS policies and criteria for the permitted uses.

Policy 4.9 of the PPS indicates that planning authorities and decision-makers may go beyond the PPSs minimum standards to address matters of importance to a specific community, unless doing so would conflict with any policy of the PPS.

Some municipalities have elected to be more restrictive than the PPS on the types of uses permitted in their *prime agricultural areas*, where further restrictions may be warranted based on local circumstances. While this is appropriate in some instances, being more restrictive may limit options for farmers and local economic development. Being more restrictive may also be inconsistent with the PPS and the objectives and criteria for permitted uses.

When assessing municipal consistency with the PPS, the following should be considered:

- Municipal approaches shall be consistent with **all** PPS policies.
- The PPS permits *agricultural*, *agriculture-related* and *on-farm diversified uses* in *prime agricultural areas*. None of these categories of uses can therefore be excluded.
- PPS policy 2.3.3.2 states that all types, sizes and intensities of *agricultural uses* shall be protected and promoted, in accordance with provincial standards³. Therefore, prohibiting or restricting any types, sizes or intensities of *agricultural uses* must be avoided (Section 2.1.1 (3)).

1.6 Relationship to Provincial Plans

These guidelines are specific to the PPS and may not address all aspects covered by provincial plans including the Greenbelt Plan, the Niagara Escarpment Plan, the Oak Ridges Moraine Conservation Plan and the Growth Plan for the Greater Golden Horseshoe. Provincial plans build upon the policy foundation in the PPS and are to be read in conjunction with the PPS. Provincial plans take precedence over the PPS to the extent of any conflict, except where legislation establishing provincial plans provides otherwise. Decision-makers in areas covered by provincial plans will need to rely on the specific policy direction of provincial plans and any associated guidance material, where it exists.

³ Provincial standards are established in legislation and policy statements such as the *Farming and Food Production Protection Act, 1998*; *Nutrient Management Act, 2002*; other laws; and the Provincial Policy Statement, 2014.

2. PERMITTED USES

Three categories of uses permitted in *prime agricultural areas* are discussed in this section: *agricultural uses*, *agriculture-related uses* and *on-farm diversified uses*. If a use proposed for a *prime agricultural area* does not meet PPS policies and definitions for at least one of these three categories of uses, then consider proceeding under PPS Policy 2.3.5 and Policy 2.3.6, as discussed in Section 3 of these guidelines.

The PPS states that all types, sizes and intensities of *agricultural uses* and *normal farm practices* shall be promoted and protected in *prime agricultural areas*. Where *agriculture-related* or *on-farm diversified uses* are located in *prime agricultural areas* in accordance with the PPS, they are intended to support agriculture as the dominant use in *prime agricultural areas*.

If an *agriculture-related* or *on-farm diversified use* is to be located in a *prime agricultural area*, a best practice is to place the use on lower-capability agricultural lands. In addition, consideration should be given to directing *agriculture-related* and *on-farm diversified uses* to *settlement areas* (the focus of growth and development) or *rural lands* (where recreation, tourism and other economic opportunities are promoted).

When siting, designing and operating permitted uses in *prime agricultural areas*, care must be taken to ensure PPS environmental policies are met. For example, the environment is clean and healthy; any undesirable effects of *development*, including impacts on air, water and other resources, are minimized; land, resources and biodiversity are conserved; and the quality and quantity of water resources are protected, improved and restored.

2.1 Agricultural Uses

As described in the PPS definition for *agricultural uses*, these uses comprise the farms and farmland that produce agricultural products. These uses are undertaken with the expectation of gain or reward. *Agricultural uses* are the primary use in *prime agricultural areas* and the basis of the agri-food industry.

Agricultural uses: 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.

PPS, definitions

2.1.1 PPS Criteria for Agricultural Uses

The PPS criteria for *agricultural uses* recognize that these uses include the growing of crops and raising of animals. They may be of any type, size or intensity and should respect *normal farm practices*. *Agricultural uses* may also include associated on-farm buildings and structures.

1. **The growing of crops, raising of livestock and raising of other animals for food, fur or fibre.**
(from the PPS *agricultural uses* definition)

The PPS definition of *agricultural uses* is purposefully broad, with a range of examples provided.

To qualify as an *agricultural use*, crops generally produce a harvestable product such as fruit, vegetables, mushrooms, field crops including cereal crops, corn, soybeans and forage crops, biomass, nursery crops, trees for harvest/agro-forestry, medicinal herbs, sod/turf grass and seeds.

Crops may be used for a variety of purposes such as food for humans, livestock feed, bedding, medicinal purposes, bio-products, firewood and Christmas trees.

Cover crops planted to improve soil health (e.g., reduce soil erosion, improve soil fertility) or reduce weeds or pests, may or may not be harvested. These are also considered crops under *agricultural uses*.

Woodlots, riparian buffers and fencerows may or may not be harvested, but are integral to *agricultural uses*. Other conservation uses such as interpretative centres are not included as *agricultural uses*.

Agricultural uses include the raising of livestock and other animals for food, fur or fibre. Animals must be raised, live on or be used on the farm; this would not include companion animals or zoo animals. Some examples from the PPS definition and the *Farming and Food Production Protection Act, 1998* are livestock (including horses), poultry and ratites, fish/aquaculture, apiaries, fur-bearing animals, deer and elk, game animals and birds.

2. Includes 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.

(from the PPS *agricultural uses* definition)

On-farm buildings and structures that are used for agricultural purposes and that are integral to the farm operation are *agricultural uses*. Such buildings and structures are used by the farm operator. Examples include livestock barns, manure storages, feed storages, silos, grain bins, drive sheds, tobacco kilns, farm implement buildings/drivesheds, greenhouses for growing plants, a primary farm residential dwelling and value-retaining facilities.

Value-retaining facilities located on farms serve to maintain the quality of raw commodities produced on the farm (i.e., prevent spoilage) to ensure they remain saleable. This includes facilities involving refrigeration (cold storage), controlled-atmosphere storage, freezing, cleaning, grading, drying (e.g., grains, oilseeds, tobacco), as well as simple, bulk packaging that helps maintain the quality of farm commodities. Value-retaining facilities may also include operations that provide a minimum amount of processing to make a farm commodity saleable, such as grading eggs, evaporating maple syrup and extracting honey. Agricultural commodities undergoing value-retaining processes are often shipped in bulk to value-added operations.

Based on the PPS definition of *agricultural uses*, a value-retaining facility is an example of “associated on-farm buildings and structures.” This requires the use to be on-farm and related to the type of farm operation where it is located. For example, a cold storage facility for apples that are grown on the same farm would be an *agricultural use*, while a cold storage facility serving multiple farms would not be. Such a facility could be an *agriculture-related* or *on-farm diversified use*, depending on the operation.

Policy 2.3.3.2 of the PPS states that all types, sizes and intensities of *agricultural uses* and *normal farm practices* shall be promoted and protected. Value-retaining facilities on the farm must be recognized and permitted as *agricultural uses* in official plans and zoning by-laws. Zoning requirements such as location of buildings or structures may need to be met and where applicable, site plan control may be required to address matters such as site specific layout details (Section 2.5.3).

Value-added facilities differ from value-retaining facilities. Value-added facilities process agricultural commodities into new forms or products that enhance their value. They may involve the addition of ingredients or processing of agricultural commodities (e.g., chopping and canning vegetables, pressing apples and bottling

cider, making wine, milling grain, cherry pitting and preserving, and preserving and roasting grain for livestock feed). Value-added uses may include retail-oriented packaging. Value-added facilities do not meet the PPS definition of *agricultural uses* but may still satisfy the PPS definition for *agriculture-related uses* or *on-farm diversified uses*, depending on the nature of the facilities and if they are located on a farm.

Value-Retaining Facilities

Characteristics

- maintain the quality of agricultural commodities (i.e., prevent spoilage) or provide a minimum amount of processing to make an agricultural commodity saleable
- agricultural commodities are produced on the farm

Examples

- controlled-atmosphere storage, cleaning, grading, drying, sorting, evaporating maple sap into syrup, honey extraction, simple (bulk) packaging

Type of Use

- *agricultural uses* or *agriculture-related uses*

Value-Added Facilities

Characteristics

- process agricultural commodities into new forms that enhance their value
- may add off-farm inputs

Examples

- pressing apples and bottling cider, wine-making, grain milling, cherry pitting and preserving, chopping and canning carrots, grain roasting for livestock feed, retail-oriented packaging

Type of Use

- *agriculture-related uses* or *on-farm diversified uses*

PPS policy allows “accommodation for full-time farm labour when additional labour is required” in *prime agricultural areas*. This applies to farms of a size and nature requiring additional labour on a year-round basis for the day-to-day operation of the farm (e.g., livestock operations) or on a seasonal basis over an extended growing season (e.g., horticultural operations that require labour for several months each year to amend the soil, and to plant, transplant, prune, weed and harvest crops). To minimize impacts on agriculture, locate housing for full-time farm labour within the farm building cluster. If this is not possible, place housing on lower-priority agricultural lands that meet the province’s *minimum distance separation (MDS) formulae* requirements and take as little land out of agricultural production as possible.

While the PPS permits accommodation for farm help, the labour needs of farms may change over time. A best practice is for farmers to consider alternatives to building a new, separate, permanent dwelling for farm help. Alternatives include:

- a second dwelling unit within an existing building on the farm
- a temporary structure, such as a trailer or other portable dwelling unit
- an existing dwelling on a parcel of land that is part of the extended farm operation, or located in a nearby settlement area or on a rural lot

Severance of land with housing for farm labour is not permitted as land division fragments the agricultural land base. Fragmentation of the land base can affect the future viability of agriculture over the long term.

Farms in *prime agricultural areas* requiring temporary workers for just a few weeks a year (i.e., NOT requiring day-to-day or extended seasonal labour as noted above) must provide an alternative form of housing to a new permanent dwelling structure (e.g., a temporary structure on the farm or off-farm housing). Housing for workers must meet minimum health and living conditions and may be subject to zoning and building permit requirements. Information on the minimum conditions is found in the Seasonal Farm Worker Housing Guidelines (www.farmsontario.ca/pdf/MOH_Rec.pdf). However, prospective employers are urged to consult with local public health officials, building departments and other agencies to ensure they comply with all applicable regulations and policies for their circumstances.

3. All types, sizes and intensities of *agricultural uses* shall be promoted and protected in accordance with provincial standards.
(from PPS policy 2.3.3.2)

The PPS protects and promotes all types, sizes and intensities of *agricultural uses* in *prime agricultural areas*. Therefore, it would be inappropriate for a municipality to adopt policies in its planning documents to prohibit certain types of *agricultural uses* (e.g., mushroom farms or aquaculture) or farm sizes (e.g., livestock facilities for a certain number of animals) except in specific circumstances where it is necessary to meet other PPS policies or legislation (e.g., *Nutrient Management Act, 2002*). Agriculture is a dynamic industry and changes over time depending on consumer demands/preferences, equipment, plant varieties, farmers' skills, labour, processing capacity and technology. Changes in the type of *agricultural uses* should not trigger *Planning Act, 1990*, applications or approvals, but may have MDS implications. While the PPS does not limit the establishment or intensity of livestock operations, other provincial standards (e.g., guidelines or regulations) may affect the location, intensity or design of these operations, such as:

- *minimum distance separation formulae* (MDS) requirements (e.g., odour setbacks between livestock facilities and other land uses)
- *Nutrient Management Act, 2002* (provincial nutrient management standards)
- *Clean Water Act, 2006* (protection of drinking water)
- *Conservation Authorities Act, 1990*

This criterion is not intended to suggest that small farm lots may be created. In general, the larger the farm parcel, the more adaptable it is to changing conditions and the more efficient it is to run the farm. Keeping farms large enough to maintain flexibility is key to agricultural viability and to achieving the PPS requirement of protecting *prime agricultural areas* for long-term use in agriculture.

Lot size may vary depending on the *agricultural use*. For traditional field crops, large lots are optimal. Higher-value specialty crops tend to be located on smaller parcels. In all cases, lots must still be large enough to maintain flexibility for future changes in the type or size of the agricultural operation. Policy 2.3.4 of the PPS addresses lot creation in *prime agricultural areas*. Other guidelines will address lot creation in more detail.

4. Normal farm practices shall be promoted and protected in accordance with provincial standards.
(from PPS Policy 2.3.3.2)

A *normal farm practice* follows accepted customs and standards for farm operations or makes use of innovative technology to advance farm management. The *Farming and Food Production Protection Act, 1998*, (FFPPA) protects the rights of all rural Ontario residents. It protects farmers from nuisance complaints made by neighbours related to noise, odour, dust, light, vibration, smoke or flies if *normal farm practices* are used. It also protects neighbours from unacceptable nuisances from farms where a farm practice is determined to not be normal.

Normal farm practices: means a practice, as defined in the *Farming and Food Production Protection Act, 1998*, that is conducted in a manner consistent with proper and acceptable customs and standards as established and followed by similar agricultural operations under similar circumstances; or makes use of innovative technology in a manner consistent with proper advanced farm management practices. *Normal farm practices* shall be consistent with the *Nutrient Management Act, 2002* and regulations made under that Act.

PPS, definitions

The FFPPA protects farmers from municipal by-laws that restrict their *normal farm practices*. Such by-laws would not apply to a practice that has been established as a *normal farm practice*. The Normal Farm Practices Protection Board (NFPPB) is responsible for determining whether an activity in a particular location qualifies as a *normal farm practice*.

Some *agricultural uses* may involve activities that are *normal farm practices*, but may not be fully understood or accepted by neighbours or visitors (e.g., the use of bird bangers and wind machines for growing tender fruit and grapes, or the spreading of manure as part of raising livestock and maintaining soil nutrients). When these practices have been determined to be *normal farm practices* by the NFPPB, the FFPPA allows the farmer to continue operating without interference. This provides the operational flexibility for the farm to succeed. Communication between neighbours is often the key to maintaining good relations.

2.1.2 Examples of Agricultural Uses

Figure 1 provides examples of uses that may be *agricultural uses* if they meet all of the applicable PPS criteria.



Cropland (all crops including biomass and sod)*



Pastureland



Feedlot



Aquaculture



Christmas trees and nurseries*



Barns, manure storages and other associated buildings and structures



Grain dryers and feed storages (e.g., bunkers, silos or gravity bins for farm's own use only)



Accommodation for full-time farm labour*



Cold storage (farm's own use only)



Mushroom farm**



Washing, sorting, grading (farm's own commodities only)*



Farm implement/driveshed (farm's own use only)*



Greenhouse for growing plants



Minimum amount of processing to make a produce saleable (e.g., evaporating maple sap, extracting honey)*



Horse farm (breeding, raising, boarding, maintaining, training) including stables and indoor or outdoor riding arena/tracks*



Tobacco kiln or smoke barn*

Figure 1. Examples of *agricultural uses* provided all PPS criteria are met.

*Source: Shutterstock

**Source: Mushrooms Canada

2.1.3 Examples of Uses that Would Typically Not be Agricultural Uses

Examples of uses that would typically not be *agricultural uses* because they do not meet PPS definitions or criteria include:

- dog kennels
- grain dryers or mechanical garages serving several producers/customers
- retail operations
- landscape businesses
- off-season vehicle storages
- recreational facilities such as campsites, golf courses, fairgrounds, racetracks or ball parks
- restaurants

While not satisfying the definition and criteria of *agricultural uses*, some of these uses may meet the definitions and criteria for *agriculture-related uses* or *on-farm diversified uses*.

2.2 Agriculture-Related Uses

As described in the PPS definition, *agriculture-related uses* are farm-related commercial and industrial uses. They add to the vitality and economic viability of *prime agricultural areas* because they are directly related to and service farm operations in the area as a primary activity. These uses may be located on farms or on separate *agriculture-related* commercial or industrial properties.

Agriculture-related uses: means those farm-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.

PPS, definitions

2.2.1 PPS Criteria for Agriculture-Related Uses

All of the following criteria must be met to qualify as *agriculture-related uses* in *prime agricultural areas*.

1. **Farm-related commercial and farm-related industrial use.**
(from the PPS definition of *agriculture-related uses*)

Farm-related commercial uses may include uses such as retailing of *agriculture-related* products (e.g., farm supply co-ops, farmers' markets and retailers of value-added products like wine or cider made from produce grown in the area), livestock assembly yards and farm equipment repair shops if they meet all the criteria for this category of uses.

Farm-related industrial uses may include uses such as industrial operations that process farm commodities from the area such as abattoirs, feed mills, grain dryers, cold/dry storage facilities, fertilizer storage and distribution facilities, food and beverage processors (e.g., wineries and cheese factories) and agricultural biomass pelletizers if they meet all the criteria for this category of uses. Many of these uses add value to the agricultural commodities produced in the area.

Residential, recreational and institutional uses do not fit the definition of *agriculture-related uses*.

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

(from PPS Policy 2.3.3.1) Note: this policy applies to both *agriculture-related uses* and *on-farm diversified uses*.

“Surrounding agricultural operations” are interpreted in these guidelines to include both the property on which the use is located and the area of potential impact around the property. The area of impact may vary depending on the use. To be compatible with and not hinder surrounding agricultural operations, *agriculture-related uses* should meet all of the following:

- **Ensure surrounding agricultural operations are able to pursue their agricultural practices without impairment or inconvenience.** While *agriculture-related uses* (and *on-farm diversified uses*) may or may not be subject to the *minimum distance separation formulae*⁴, proximity to nearby livestock facilities may still be a consideration in locating these uses. This will help to avoid conflict between new uses and farming due to odour or other nuisances related to *normal farm practices*. Examples of other potential sources of conflict include noise that disturbs nearby farm operators and their livestock, trespass incidents, soil compaction, dust and impacts on water quantity or quality. Some uses can result in an increase in traffic that may conflict with slow-moving farm vehicles on local roads. Avoid these uses or mitigate their impacts in *prime agricultural areas*.
- **Uses should be appropriate to available rural services (e.g., do not require the level of road access, water and wastewater servicing, utilities, fire protection and other public services typically found in *settlement areas*).** Approval for a new land use on a property with individual, on-site water and sewage services requires demonstration of “no *negative impacts*” as per Policy 1.6.6.4 of the PPS. Urban-type uses typically unsuitable in *prime agricultural areas* include large food or beverage processing plants. These facilities should be on municipal services.

Wineries and cideries may fit the definition of *agriculture-related uses* if they are able to meet all PPS criteria for that category of uses. These uses require licensing from the Alcohol and Gaming Commission of Ontario (www.agco.on.ca) in order to operate. Ensure these uses are appropriate to available water and wastewater services. High water use/effluent generation operations would normally be incompatible in *prime agricultural areas* and may require capacity beyond what is available on the site. The appropriate scale to qualify as an *agriculture-related use* needs to be assessed on a case-by-case basis. A necessary first step is to identify required approvals and other requirements to be met to support the use. Examples include a Permit to Take Water or Environmental Compliance Approval under the *Ontario Water Resources Act, 1990*, and a Building Permit under the *Ontario Building Code, 1992*.

Agriculture-related uses that are compatible when first established may expand and grow over time. Before building permits are issued, the municipality needs to be satisfied that zoning requirements are met. If the compatibility criterion or any other PPS criteria cannot be met, the building permit may be withheld and the expanded business may need to be relocated to a suitable location outside of the *prime agricultural area*.

PPS Policy 2.3.4.1 b) addresses lot creation for *agriculture-related uses*. Lot creation may be permitted for *agriculture-related uses* provided that any new lot is limited to a minimum size needed to accommodate the use and its wastewater and water servicing requirements. A best practice is to consider alternatives before creating a new lot.

⁴ See Minimum Distance Separation Implementation Guidelines for details (ontario.ca/cvge).

- **Maintain the agricultural/rural character of the area (in keeping with the principles of these guidelines and PPS Policy 1.1.4).** Compatibility may be achieved by:
 - re-using existing buildings or locating businesses within existing buildings unless an alternative location reduces overall impacts on agriculture in the area
 - designing new structures to fit in aesthetically with the agricultural area
 - minimizing outdoor storage and lighting
 - avoiding major modification of land and removal of natural heritage features
 - visually screening uses from neighbours and roadways
 - limiting the use of signage and ensuring that any signage fits with the character of the area
- **Meet all applicable provincial air emission, noise, water and wastewater standards and receive all relevant environmental approvals.** A use that will result in air, noise or odour emissions (e.g., fabrication plant or equipment repair shop) may require an Environmental Compliance Approval issued under the *Environmental Protection Act, 1990*. Some uses that have high water requirements or generate a significant amount of wastewater (e.g., produce washing, food processing and wine-making) could require a Permit to Take Water and/or sewage works approvals under the *Ontario Water Resources Act, 1990*.
- **The cumulative impact of multiple uses in *prime agricultural areas* should be limited and not undermine the agricultural nature of the area.** Whether a proposed new use is compatible depends in part on other uses in the area and how the area would be affected by all of these uses. For example, the cumulative impact on ground and surface water in the area, wear and tear on roads, traffic safety and demand for policing and fire protection are basic compatibility considerations. The principles of permitted uses identified in Section 1.4 and all compatibility components discussed in this section are to be maintained.

The PPS requires *prime agricultural areas* be protected for long-term *agricultural use* and that impacts from non-agricultural uses in the *prime agricultural area* are mitigated. The discussion on impact mitigation in Sections 3.1.3 and 3.2.4 may also be applicable to *agriculture-related uses* and *on-farm diversified uses*.

3. Directly related to farm operations in the area. (from the PPS definition of *agriculture-related uses*)

Agriculture-related uses must be directly related to farms in the area, primarily providing products or services that are associated with, required by or that enhance agricultural operations in the area. “Directly related to” means that the use should reflect the type of agricultural production in the area. Examples include:

- vegetable processing around the Holland Marsh
- processing tomatoes in the Leamington and Chatham-Kent areas
- farm equipment repair, farm input suppliers and grain drying in major cash crop areas
- ginseng drying and distributing in Ontario’s Sand Plain area

For a value-added facility to be classified as an *agriculture-related use*, “in the area” would refer to the area where the feedstock (e.g., crops or livestock) originates. “In the area” is not based on a set distance or on municipal boundaries. It is based on how far farmers will reasonably travel for the agriculture-related products or services. Some commodities are transported further than others. In Ontario, grain elevators usually store bulk grain for farms within a few kilometers as it is not economical to transport grain a long distance. Reasonable travel distance varies, however, with the bulk of the commodity and the density of agricultural operations. In areas with a high density of agricultural activity, the area within which feedstock is transported may be closer than in Northern Ontario or elsewhere where the density of agricultural activity is relatively low.

For example, a winery primarily using grapes grown in the area could be an *agriculture-related use*. A winery making wine from grapes or concentrate shipped in from another region of Ontario, another province or another country, would not be. A winery that brings in grapes or concentrate from another area, may, however, be an *on-farm diversified use* if all the criteria for that category of uses are met. Uses that are not directly related to farm operations in the area, because they use agricultural products from outside the area, may be *on-farm diversified uses* if all the criteria for those uses are met.

There may be instances when *agriculture-related uses* that normally provide products or services to farm operations in the area need to bring agricultural commodities in from outside of the area. An apple storage and distribution facility may need to bring in apples grown elsewhere in the province or country to meet customer demand when crop losses occur locally. However, the primary feedstock for *agriculture-related uses* must be farms in the area.

To qualify as *agriculture-related uses*, farmers' markets must sell produce grown in the area. Farmers' markets selling a variety of produce, both from the area and beyond, and potentially non-agricultural items like baked goods, coffee and crafts, could have both *agriculture-related* and *on-farm diversified* components. The criteria for both categories of use would need to be met.

Uses that provide products or services beyond the immediate agricultural area such as cold storage facilities near airports or other transportation hubs, or meat packing plants that process meat from a long distance, often shipped by transport truck or shipping container, are not *agriculture-related uses*. They do not directly relate to farm operations in the area. Even if these uses provide some products or services to farms in the area, they are located in serviced industrial or commercial land in *settlement areas*, rather than *prime agricultural areas*.

4. Supports agriculture.

(from the PPS definition of *agriculture-related uses*)

This criterion limits uses to those primarily focused on supporting agriculture. For example, a grain elevator used by farmers in the area supports and benefits area farms.

An example of an operation in a *prime agricultural area* that supports area agriculture is the Elmira Produce Auction. The co-operatively-run produce auction creates a market for regional produce in the Waterloo area. It aims to support growers in the area and increase family farm revenue by encouraging local farms to diversify into higher-value fruits and vegetables. The auction has affected crop production in the area, with more land now devoted to fruit and vegetable production to supply a growing number of area restaurants and institutions.

5. Provides direct products and/or services to farm operations as a primary activity.

(from the PPS definition of *agriculture-related uses*)

This criterion requires that *agriculture-related uses* directly service farm operations as a primary activity.

"Direct products and/or services" refers to uses that serve an agricultural need or create an opportunity for agriculture at any stage of the supply chain (e.g., seed or fertilizer supplier, farm equipment repair, value-added food and beverage processing and distribution or retail of agricultural commodities grown in the area).

General-purpose commercial and industrial uses that serve a broad customer base (e.g., building supply centres, window manufacturers, fencing companies, paint stores, pre-cast concrete businesses and contractors' yards) are not *agriculture-related uses* even if they have farm operators as customers.

Serving farm operations must be a primary function or main activity of the business. As a rule, general purpose commercial and industrial uses should be located outside of *prime agricultural areas* (i.e., in *settlement areas* or on *rural lands*).

Many hamlets, villages and towns near active agricultural areas cluster general purpose and *agriculture-related uses* within their *settlement areas*, within easy access to farm operations. Some provide servicing to encourage economic development. Directing growth and *development* that is not imperative in *prime agricultural areas* to *settlement areas* is consistent with PPS Policy 1.1.4.2.

In the past, some farm implement dealerships and repair shops have located in *prime agricultural areas* because of land availability and proximity to customers. Municipalities may have permitted this to achieve efficient development patterns in *settlement areas*. Given that current PPS policy emphasizes the need for *agriculture-related uses* to provide direct products and/or services to farm operations as a primary activity, a farm equipment dealership or farm equipment repair shop might be justified as an *agriculture-related use* in a *prime agricultural area* if servicing farm operations in the area is a primary focus of the business and all other *agriculture-related uses* criteria are met. However, businesses that sell or repair farm implements, along with items catering to a broad customer base such as lawn mowers, snow blowers, other machinery, parts, toys and clothing, should be directed to *settlement areas*, *rural lands* or lower priority agricultural lands as discussed in Section 3.2.

Uses that process and/or store predominantly non-agricultural source materials (e.g., compost, leaf and yard waste, food processing waste, sewage biosolids) are not *agriculture-related uses*, even if the products of such facilities are spread on farmland. The primary function of such facilities is to manage non-agricultural waste streams, rather than produce a product for application to farmland. Facilities that process and/or store agricultural source materials from agricultural operations in the area as their primary activity may fit the definition of *agriculture-related uses*.

Uses that do not benefit from being close to farm operations but wish to take advantage of lower costs in *prime agricultural areas* would not be classified as *agriculture-related uses*.

Since *agri-tourism uses* do not provide products or services to farm operations, they would not qualify as *agriculture-related uses*. If located on farms and meeting all other criteria, these uses may be *on-farm diversified uses*.

To assess whether a proposed use meets the test of providing direct products and/or services to farm operations as a primary activity, municipalities should require evidence demonstrating that the use will service farm operations as a primary business activity (i.e., inputs are primarily produced in the area or customers are primarily farm operators in the area). As a best management practice, municipalities may require evidence that the use cannot be located in *settlement areas* or on *rural lands*.

6. Benefits from being in close proximity to farm operations. (from the PPS definition of *agriculture-related uses*)

To meet this criterion, *agriculture-related uses* must benefit from or need to be located near the farm operations they serve. Benefits may include more effective or efficient operations due to access to feedstock, roads suited to slow-moving farm vehicles, reduced transportation distance and risk of spoilage and marketing opportunities associated with being part of an agricultural cluster.

2.2.2 Examples of Agriculture-Related Uses

Figure 2 provides examples of uses that could be classified as *agriculture-related uses* if they meet all of the PPS criteria.



Apple storage and distribution centre serving apple farm operations in the area



Farmers' market primarily selling products grown in the area*



Processing of produce grown in the area (e.g., cider-making, cherry pitting, canning, quick-freezing, packing)*



Grain dryer farm operations in the area



Agricultural research centre*



Winery using grapes grown in the area*



Abattoir processing and selling meat from animals raised in the area*



Flour mill for grain grown in the area



Farm equipment repair shop*



Livestock assembly yard or stock yard serving farm operating in the area



Auction for produce grown in the area



Farm input supplier (e.g., feed, seeds, fertilizer (serving farm operations in the area

Figure 2. Examples of *agriculture-related uses* provided all PPS criteria are met.

* Source: Shutterstock

2.2.3 Examples of Uses that Would Typically Not be Agriculture-Related Uses

Examples of uses that would typically not be *agriculture-related uses* because they do not meet PPS definitions or criteria include:

- large food processing plants, large wineries and other uses that are high-water-use or effluent generators and are better suited to locations with full municipal services
- micro-breweries and distilleries
- contractors' yards, construction companies, landscapers, well drillers, excavators, paint or building suppliers
- sewage biosolids storage and composting facilities for non-agricultural source material
- antique businesses
- art or music studios
- automobile dealerships, towing companies, mechanics shop or wrecking yards
- rural retreats, recreational uses and facilities, campgrounds or fairgrounds
- conference centres, hotels, guest houses or restaurants
- furniture makers
- institutions such as schools or clinics
- seasonal storage of boats, trailers or cars
- veterinary clinics
- trucking yards

While not meeting the criteria for *agriculture-related uses*, some of these uses may fit under *on-farm diversified uses* if all criteria for that category of uses are met.

2.3 On-Farm Diversified Uses

A wide variety of uses may qualify as *on-farm diversified uses* based on the PPS definition, as long as they meet the criteria described below. *On-farm diversified uses* should be related to agriculture, supportive of agriculture or able to co-exist with agriculture without conflict. *On-farm diversified uses* are intended to enable farm operators to diversify and supplement their farm income, as well as to accommodate value-added and *agri-tourism uses* in *prime agricultural areas*.

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.

PPS, definitions

2.3.1 PPS Criteria for On-Farm Diversified Uses

All of the following criteria must be met to qualify as *on-farm diversified uses*, in accordance with the PPS.

1. Located on a farm.

(from the label "*on-farm*" *diversified uses* and from the definition's requirement that the use be secondary to the principal "*agricultural use*" of the property)

On-farm diversified uses must be located on a farm property that is actively in *agricultural use*. The *on-farm diversified uses* provisions in the PPS do not apply to small residential lots in the *prime agricultural area*.

As noted in Section 2.1 of these guidelines, *agricultural uses* occur on a farm with the expectation of gain or reward. This does not include production primarily for use or consumption by members of the household of the owner or operator of the agricultural operation, for purposes of pastime or recreation, or in a park, on a property used primarily for residential purposes or in a garden located in a public space. The planning authority may require evidence that the property is actively farmed. For example, proof may be required that shows the property qualifies for the Farm Property Class under the *Assessment Act, 1990*.

2. Secondary to the principal *agricultural use* of the property.
(from the PPS definition of *on-farm diversified uses*)

While the PPS definition of *on-farm diversified uses* allows for a wide range of on-farm economic opportunities, it also requires those uses be secondary to the principal *agricultural use* of the property. In other words, *agricultural uses* must remain the dominant use of the property. This is measured in spatial and temporal terms. Spatially, the use must be secondary relative to the *agricultural use* of the property. The spatial limits are addressed below under the “limited in area” criterion.

Temporal considerations apply to uses that are temporary or intermittent, such as events. Given that *on-farm diversified uses* (and *agriculture-related uses*) must be compatible with surrounding agricultural operations, the frequency and timing of any events must not interfere with cropping cycles or other *agricultural uses* on the farm or in the surrounding area.

Even temporary uses must meet all criteria for *on-farm diversified uses*. Acceptable uses must be compatible with and able to coexist with surrounding agricultural operations, and:

- permanently displace little-to-no agricultural land, within the limits discussed under the “limited in area” criterion
- do not require site grading and/or drainage unless it improves conditions for agricultural production
- are one-time uses or held infrequently when impacts to agriculture are minimal
- any land used for a temporary use must be immediately returned to agriculture
- a harvestable crop is produced on the land the year in which the temporary use is implemented (if applicable)
- meet compatibility requirements (e.g., do not require significant emergency, water and wastewater services; maintain reasonable noise and traffic levels in the area)
- impacts to the site itself and surrounding agricultural operations are mitigated (e.g., compaction, drainage, trespassing)

If all criteria are met, events may be accommodated through a temporary use zoning by-law under the *Planning Act, 1990*, provided no permanent alterations are proposed to the land or structures (e.g., stages, washrooms or pavilions). The temporary zoning must be structured in a way that the farmland is returned to agriculture immediately following the event (e.g., detailed provisions to avoid soil compaction, timing events to avoid impacts on cropping systems). The intention is that these uses are permitted only on an interim basis.

The Municipal Act, 2001, authorizes municipalities to pass by-laws, issue permits and impose conditions on events. These by-laws may require site plans, traffic plans, emergency plans and security plans. These by-laws can help ensure uses are reasonable without the need for other approvals.

Large-scale, repeated or permanent events are not *on-farm diversified uses* and should be directed to existing facilities such as fairgrounds, parks, community centres and halls, *settlement areas* or *rural lands*. Guidelines on new venues in *prime agricultural areas* are provided in Section 3.2 Limited Non-Agricultural Uses.

3. Limited in area.

(from the PPS definition of *on-farm diversified uses*)

While PPS policies enable a wide variety of on-farm economic opportunities, the PPS also requires those uses are 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*
- limit off-site impacts (e.g., traffic, changes to the agricultural-rural character) to ensure compatibility with surrounding agricultural operations

Many municipalities limit the scale of *on-farm diversified uses* by limiting the number or place of residence of employees, number of businesses, percentage of products sold that are produced on the farm or floor area of buildings and outdoor storage. However, these factors do not have a direct bearing on the amount of farmland displaced or fully account for all the land occupied by the uses. A preferred approach is to base “limited in area” on the total footprint of the uses, on a lot coverage ratio basis.

Guidance on the “limited in area” criterion is based on a review of existing municipal approaches in Ontario, observations and experiences of OMAFRA staff across the province, benchmarking against existing diverse farms, development of scenarios and stakeholder input. Realistic scenarios to predict how much land could be used for *on-farm diversified uses* on small, medium and large farms are provided in Appendix 2. Appendix 3 offers an example of an existing, diversified farm with a combination of permitted uses, illustrating how the *on-farm diversified uses* portion of the property is calculated.

The approach to the “limited in area” criterion is intended to:

- achieve the balance between farmland protection required by the PPS and economic opportunities for farmers
- improve consistency among municipalities in terms of the land area that could be used for such uses
- level the playing field for different types of *on-farm diversified uses*
- provide flexibility as *on-farm diversified uses* and owners change
- simplify implementation

The “limited in area” requirement should be based on the total land area that is unavailable for agricultural production as a result of the *on-farm diversified use* (i.e., the footprint occupied by the use, expressed as a percentage of lot coverage). The area calculation should account for all aspects related to an *on-farm diversified use* such as buildings, outdoor storage, landscaped areas, berms, well and septic systems, parking and new access roads. The lot coverage ratio should be based on the size of the individual parcel of land where the use is located, not the total area of a farm operation which could include several parcels. The rationale for using a lot coverage ratio is built on the premise that a large property is generally able to accommodate a larger *on-farm diversified use* than a small property while meeting compatibility requirements.

Where available, uses should be within existing agricultural buildings or structures no longer needed to support agricultural production. Reusing existing buildings or structures can help to:

- reduce the amount of farmland consumed
- maintain the agricultural/rural character of the area
- ensure existing buildings are kept in good repair or improved

As farmers expand and modernize their agricultural operations, they often prefer to build new structures based on current standards rather than retrofit older buildings. This can result in surplus buildings that could be repurposed. It is recommended that for “limited in area” calculations, the area of existing buildings used for *on-farm diversified uses* be discounted at an appropriate rate (e.g., 50%). Be aware that a change in the use of a building may result in a change in building code requirements (Section 2.5.7).

If an *on-farm diversified use* occupies the same footprint as a demolished building, the land area for the use may be similarly discounted. This recognizes that it is unlikely that land under a demolished building will be returned to an *agricultural use*. However, preference should be given to reuse of existing buildings where possible.

It is recommended that the area of existing laneways not be included in area calculations. This will encourage *on-farm diversified uses* to locate within existing farm building clusters and minimize impacts on agricultural production.

If an existing barn (or a barn destroyed by fire,) is restored for an *on-farm diversified use* with the same footprint as the existing barn, only 50% of the building's footprint is counted in the area calculations. Likewise, the footprint of a home occupation in an existing residence or outbuilding may be calculated at 50% of the area of the office. However, 100% of the area needed for parking and outdoor storage would be included. Existing laneways are not counted in the area calculations but 100% of the area for new laneways would be included.

These guidelines recommend that “limited in area” be relative to the size of the farm property on which the *on-farm diversified use* is located. The size of the entire farm property, including land subject to an easement, and not just the portion of a farm that is in *agricultural use*, should be considered. For example, a use occupying 1 ha on a 50 ha farm may be “limited in area,” while a 1 ha use on a 15 ha farm may not be. These guidelines recommend that the standard for the acceptable area occupied by an *on-farm diversified use* is up to 2% of a farm parcel to a maximum of 1 ha (10,000 m²). The examples of *on-farm diversified uses* in Appendix 2 show the variety of uses that could be placed on different-sized parcels of land, while staying within the recommended maximum lot coverage of 2%.

In the case of *on-farm diversified uses* that are intermittent, such as events, “limited in area” may mean an area greater than the general recommendations above (Section 2.3.1.1). When calculating the area for *agri-tourism uses* such as wagon rides or corn mazes, lands producing a harvestable crop are *agricultural uses* that are not included in area calculations. However, areas such as playgrounds and loading areas for hayrides should be included.

If more than one *on-farm diversified use* is proposed on a single property, the combined area of all *on-farm diversified uses* should be within the above area and lot coverage guidelines.

If the area of a proposed *on-farm diversified use* exceeds the recommended area thresholds in these guidelines, give consideration to PPS Policy 2.3.6 on non-agricultural uses in the *prime agricultural areas*. *On-farm diversified uses* that are proposed to grow beyond the area limits, either incrementally or otherwise, are not supported.

Since the PPS requires *settlement areas* to be the focus of growth and *development*, large-scale industrial and commercial buildings appropriate in *settlement areas* (due to servicing, accessibility, etc.) are not permitted in *prime agricultural areas*. It is recommended that the gross floor area of buildings for *on-farm diversified uses* be capped at a scale appropriate to *prime agricultural areas*. Municipalities may set the building size cap based on a maximum lot coverage ratio (i.e., proportion of the 2% of the property that may be used for *on-farm*

diversified uses to be covered by buildings).⁵ Alternatively, municipalities may define maximum gross floor area limits numerically (e.g., maximum gross floor area for properties 15–20 ha is 600 m², and so on for different sized properties). Regardless of how the cap is set, the area of existing buildings, should not be discounted when calculating the gross floor area of buildings for *on-farm diversified uses*.

Recommended Area Calculations for On-Farm Diversified Uses

- existing laneways shared between *agricultural uses* and *on-farm diversified uses* are not counted
- area of **existing** buildings or structures, built prior to April 30, 2014, occupied by *on-farm diversified uses* is discounted (e.g., 50%)
- area of **new** buildings, structures, setbacks, outdoor storage, landscaped areas, berms, laneways, parking, etc. are counted at 100%
- *on-farm diversified uses* may occupy no more than 2% of the property on which the uses are located, to a maximum of 1 ha
- the gross floor area of buildings used for *on-farm diversified uses* is limited (e.g., 20% of the 2%)

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 of *on-farm diversified uses*)

The PPS definition provides a number of examples of *on-farm diversified uses*. Beyond these examples, other uses may also be suitable, subject to meeting all PPS criteria.

The PPS language related to uses that are not related to agriculture (i.e., home occupations, home industries), suggests that in *prime agricultural areas*, these operations must be at a reasonable scale, as discussed under the “secondary to...” and “limited in area” criteria.

Municipalities may wish to encourage *on-farm diversified uses* that relate to agriculture (e.g., *agri-tourism* and value-added uses) by streamlining approvals for these uses.

5. **Shall be compatible with, and shall not hinder, surrounding agricultural operations.**
(from PPS Policy 2.3.3.1)

Refer to the discussion of this policy under *agriculture-related uses* (Section 2.2) as it applies equally to *on-farm diversified uses*. Some uses that meet other *on-farm diversified uses* criteria may not meet the compatibility criterion. For example, uses that attract large numbers of people onto the farm for non-farm events or for recreational purposes could result in soil compaction on the farm itself, excessive noise and trespass issues that may be incompatible with surrounding agricultural operations. Commercial or industrial uses that have a large number of employees or attract a large number of customers may also not be compatible in the *prime agricultural area*. In addition, some uses may be better suited to *settlement areas* where municipal services are available (PPS Policy 1.6.6). Municipalities should consider how effectively any impacts can be mitigated before allowing different uses in *prime agricultural areas*.

⁵ Maximum lot coverage ratios for rural commercial or rural industrial lots might provide a useful perspective in setting the cap on gross floor area for buildings used for *on-farm diversified uses*. For example, if the maximum lot coverage ratio for rural commercial or rural industrial lots is 30%, the appropriate ratio for the *on-farm diversified uses* portion of the farm might be lower given the agricultural setting (e.g., 20% of the 2%).

Compatibility Considerations

- does not hinder surrounding agricultural operations
- appropriate to available rural services and *infrastructure*
- maintains the agricultural/rural character of the area
- meets all applicable environmental standards
- cumulative impact of multiple uses in *prime agricultural areas* is limited and does not undermine the agricultural nature of the area

Nano or micro-breweries and small distilleries may fit the definition of *on-farm diversified uses* if they are able to meet all PPS criteria for that category of uses. However, these uses should be appropriate to available rural water and wastewater services. High water use/effluent generation operations are generally inappropriate in *prime agricultural areas* and may require capacity beyond what is available on the site. The appropriate scale to qualify as an *on-farm diversified use* needs to be assessed on a case-by-case basis.

In *prime agricultural areas* with multiple *on-farm diversified uses* on several farms, the collective impact of these uses should be limited and not undermine the agricultural nature of the area or the health of the environment. Whether a proposed new *on-farm diversified use* is compatible depends on other uses in the area and how the area would be affected by all of these uses.

2.3.2 Examples of On-Farm Diversified Uses

Figure 3 provides examples of the uses that could be classified as *on-farm diversified uses* if they meet all the PPS criteria.

Veterinary Clinics

Veterinarians who treat farm animals are usually based out of mixed animal clinics and provide mobile veterinary services. Mixed animal clinics are often located within *settlement areas*, but they could be *on-farm diversified uses* if all PPS criteria can be met.

Besides these examples, uses that share some characteristics with *agriculture-related uses* but that do not meet all of the criteria for *agriculture-related uses* (e.g., primarily provide products or services to agriculture in the area), could qualify as *on-farm diversified uses*. Storage for non-regional agricultural products is an example.



Value-added uses that could use feedstock from outside the surrounding agricultural area (e.g., processor, packager, winery, cheese factory, bakery, abattoir)



Home occupations (e.g., professional office, bookkeeper, land surveyor, art studio, hairdresser, massage therapist, daycare, veterinary clinic, kennel, classes or workshops)*



Home industries (e.g., sawmill, welding or woodworking shop, manufacturing/fabrication, equipment repair, seasonal storage of boats or trailers)



Agri-tourism and recreation uses (e.g., farm vacation suite, bed and breakfast, hay rides, petting zoo, farm-themed playground, horse trail rides, corn maze, seasonal events, equine events, wine tasting, retreats, zip lines)*



Retail uses (e.g., farm market, antique business, seed supplier, tack shop)*



Café/small restaurant, cooking classes, food store (e.g., cheese, ice cream)*

Figure 3. Examples of *on-farm diversified uses* provided all PPS criteria are met.

* Source: Shutterstock

2.3.3 Examples of Uses that Would Typically Not be On-Farm Diversified Uses

Examples of uses that would typically NOT be *on-farm diversified uses* because they would not meet PPS definitions or criteria include:

- large-scale equipment or vehicle dealerships, hotels, landscape businesses, manufacturing plants, trucking yards
- uses with high water and sewage needs and/or that generate significant traffic, such as large food processors, distribution centres, full-scale restaurants, banquet halls
- large-scale recurring events with permanent structures
- institutional uses (e.g., churches, schools, nursing homes, cemeteries)⁶
- large-scale recreational facilities such as golf courses, soccer fields, ball diamonds or arenas

⁶ Churches, schools and cemeteries that serve communities reliant on horse-drawn vehicles as a primary means of transportation may be limited non-residential uses, as discussed in Section 3.2 of these guidelines. The MDS Implementation Guidelines include a special provision for these types of uses.

2.4 Categories of Permitted Uses

Categorizing a use as an *agricultural*, *agriculture-related* or *on-farm diversified use* depends on a number of considerations. These include where the use is located (farm/off-farm), if it is used primarily for the farm operation on which it is located and if it services farm operations in the area. For example, a grain dryer would be an *agricultural use* if it dries grain primarily produced on the farm where it is located. A grain dryer used to dry and store grain from multiple farms in the area could be an *agriculture-related use*.

In terms of the scale of the operation, *agricultural uses* and *agriculture-related uses* do not have specific size limits, but their scale may be affected by servicing and other compatibility considerations. *On-farm diversified uses* must be secondary to the principal *agricultural use* of the property and limited in area according to the PPS policy criteria. *Agriculture-related* and *on-farm diversified uses* must be compatible with and shall not hinder surrounding agricultural operations.

Table 2 provides examples of uses and when they are permitted as *agricultural uses*, *agriculture-related uses* or *on-farm diversified uses*. These examples are not necessarily the same as those provided in Figures 1, 2 or 3. Together, all of the examples in these guidelines help to identify the many situations that may arise.

It is important to consider that uses may begin as one type of use and evolve into another over time. If this happens, the criteria for the new category of permitted uses would need to be met. For example, if the operator of an *agriculture-related use* wishes to expand their business, the municipality may need to consider who the business is serving and may serve in the future. If the expanded use would not meet all PPS criteria, the operator may need to consider a location outside of the *prime agricultural area* in order to expand.

Table 2. Categories of uses permitted in *prime agricultural areas* provided all PPS criteria are met

Type of Use	Agricultural Use	Agriculture-Related Use	On-Farm Diversified Use
	Growing of crops or raising of animals; includes associated on-farm buildings and structures; all types, sizes and intensities; <i>normal farm practices</i> are promoted and protected	May or may not be on a farm; farm-related commercial or industrial use; compatible with surrounding agricultural operations; directly related to farms in the area; supports agriculture, provides products or services to farms; benefits from proximity to farms	On a farm; secondary use; limited in area; includes, but is not limited to, home occupations, home industries, <i>agri-tourism uses</i> and value-added uses; compatible with surrounding agricultural operations
Greenhouse	Yes For growing plants	Yes For retailing plants grown in the area	Yes For growing or retailing plants or a variety of non-plant items
Value-retention of farm products (e.g., grain drying, cold storage, grading, maple sap evaporating)	Yes Primarily for products produced on own farm	Yes Would service farms in the area	Yes No restriction on products or where they are from
Accommodation for full-time farm labour	Yes On-farm housing for own workers	No	Yes Could house workers from own or neighbouring farms
Value-added process (e.g., food processing)	No	Yes Could do value-added processing of farm products grown in the area	Yes No restriction on what could be processed or its origin
Pick-your-own operation (with associated uses)	Yes Includes harvesting of crops	Yes Could include retailing of farm products grown in the area (e.g., farm stand)	Yes Could include retailing of products grown beyond the area or unrelated to agriculture, as well as visitor amenities (e.g., playground)

Type of Use	Agricultural Use	Agriculture-Related Use	On-Farm Diversified Use
	Growing of crops or raising of animals; includes associated on-farm buildings and structures; all types, sizes and intensities; <i>normal farm practices</i> are promoted and protected	May or may not be on a farm; farm-related commercial or industrial use; compatible with surrounding agricultural operations; directly related to farms in the area; supports agriculture, provides products or services to farms; benefits from proximity to farms	On a farm; secondary use; limited in area; includes, but is not limited to, home occupations, home industries, <i>agri-tourism uses</i> and value-added uses; compatible with surrounding agricultural operations
Winery, cidery, meadery	No	Yes Fruit or honey used is primarily from farms in the area; could include tasting and retailing; appropriate servicing (water and wastewater) must be available ⁷	Yes No restriction on where fruit or honey is produced; may include other permitted uses (e.g., tasting and retailing); appropriate servicing (water and wastewater) must be available ⁷
Small-scale micro-brewery, distillery	No	No Unless agricultural products from the area (e.g., grains) are the main input and appropriate servicing (water and wastewater) are available ⁷	Yes Appropriate servicing (water and wastewater) must be available ⁷
Agri-tourism venture (e.g., bed and breakfasts, playgrounds, hayrides, corn mazes, haunted barns)	No	No	Yes ⁸
Home occupation	No	No Unless it primarily provides products or services to farms in the area (e.g., farm business advisor)	Yes All types
Commercial use	No	Yes Must provide products or services to farms in the area	Yes All types that are appropriate in <i>prime agricultural areas</i>

⁷ High water uses/effluent generators should be on full municipal services.

⁸ Area limits, rural servicing and building code requirements may restrict uses such as large wedding and banquet facilities.

Type of Use	Agricultural Use	Agriculture-Related Use	On-Farm Diversified Use
	Growing of crops or raising of animals; includes associated on-farm buildings and structures; all types, sizes and intensities; <i>normal farm practices</i> are promoted and protected	May or may not be on a farm; farm-related commercial or industrial use; compatible with surrounding agricultural operations; directly related to farms in the area; supports agriculture, provides products or services to farms; benefits from proximity to farms	On a farm; secondary use; limited in area; includes, but is not limited to, home occupations, home industries, <i>agri-tourism uses</i> and value-added uses; compatible with surrounding agricultural operations
Landscaping business	No	No	Yes
Industrial use	No	Yes Must support farms in the area	Yes All types that are appropriate in <i>prime agricultural areas</i>
Machine repair shop	Yes For own use	Yes Must support agriculture in the area	Yes All types that are appropriate in <i>prime agricultural areas</i>
Agricultural research and training centre (i.e., government or associated with an academic institution)	Yes The growing of crops or raising of animals would need to be the primary activity	Yes Would need to provide products or services to farms in the area as a primary activity	Yes
Veterinary clinic	No	No	Yes Mixed or small animal clinic
OTHER USES			
Renewable energy facilities under the Green Energy Act, 2009 (e.g., solar, wind, biogas)	These uses fall under the <i>Green Energy Act, 2009</i> , and do not need approval under the <i>Planning Act, 1990</i> . See Section 4.1 #5		
Mobile/non-stationary use (e.g., cider press, pelletizer, hoof trimmer, seed cleaner)	These uses do not require a building permit or land use change under the <i>Planning Act, 1990</i> . If they are <i>normal farm practices</i> , they are promoted and protected in <i>prime agricultural areas</i> .		

2.5 Implementation

This section identifies tools available to municipalities to implement the PPSs permitted uses policies under the *Planning Act, 1990*, and *Municipal Act, 2001*. More information is available on the Ministry of Municipal Affairs website (ontario.ca/mmah). Municipalities should be consulted on any local requirements.

2.5.1 Official Plans

The official plan is the most important tool for implementing the PPS. PPS Policy 2.3.3.1 permits *agricultural uses*, *agriculture-related uses* and *on-farm diversified uses* in *prime agricultural areas*. Accordingly, municipal official plan policies under the Planning Act must explicitly state that these uses are permitted in *prime agricultural areas*. Criteria for these uses may be based on these provincial guidelines or municipal approaches that achieve the same objectives. Uses that meet the criteria may then be permitted without the need for an official plan amendment. They may however, be subject to zoning by-law requirements, site plan control and other local requirements. Some municipalities may be more restrictive on the types of uses permitted in their *prime agricultural areas* based on local circumstances, unless doing so would conflict with any policy in the PPS or any other applicable provincial plan. This may be appropriate in some instances but may limit options for farmers and local economic development.

Partial Lot Zoning

Municipalities may wish to consider using partial lot zoning for *on-farm diversified uses*. The portion of the property dedicated to *on-farm diversified uses* would be zoned for those uses, with the remainder of the property remaining in an agricultural zone. The area zoned for *on-farm diversified uses* may be up to the recommended land area limit discussed in these guidelines.

The PPS does not permit severances for *on-farm diversified uses* so partial lot zoning should not be considered a step towards lot creation.

2.5.2 Zoning By-laws

Under the *Planning Act, 1990*, municipal zoning by-laws may regulate matters such as:

- use of the land
- erection of buildings or structures
- type of construction and its height, bulk, location, size, floor area, spacing, character and use of buildings or structures, frontage and depth and proportion of the land area that any building or structure may occupy
- loading or parking facilities
- area, density and height

Municipalities may choose to specify setbacks for some of the permitted uses in *prime agricultural areas* (e.g., to protect a municipal drinking water system⁹, provide fire protection, mitigate odour, noise or dust or meet requirements under the *Nutrient Management Act, 2002* or Conservation Authority regulations). Setbacks will vary with the use and applicable legislation.

⁹ Municipalities with Source Protection Plans in place may require setbacks based on the *Clean Water Act, 2006*.

Municipalities should adopt “as-of-right” zoning for *agricultural uses* and other permitted uses that are clearly compatible and appropriate in *prime agricultural areas*. This means that landowners could establish any of these uses as long as they comply with applicable by-law requirements for the uses. For example, value-retaining uses (e.g., storage, grading, drying), home offices in existing buildings and small produce stands could be permitted as-of-right. Other uses may be located in *prime agricultural areas* subject to a minor variance or zoning by-law amendment to ensure issues such as site layout and traffic are compatible with surrounding *agricultural uses*.

Temporary use zoning by-laws permit the temporary use of land, buildings or structures for up to 3-year periods, as provided for in the *Planning Act, 1990*. They are inappropriate for uses involving physical changes to the site, new or improved buildings or structures, or uses that result in the creation of a new lot. Temporary use zoning by-laws are also an effective way to deal with event-type uses such as concerts, rodeos and farm shows. As a general rule, avoid using on-farm locations if these temporary uses can be accommodated in existing facilities nearby that are designed for such uses (e.g., fairgrounds, parks and band shells).

2.5.3 Site Plan Control

The *Planning Act, 1990*, allows municipalities to control the form of development through the use of site plan control. Areas under site plan control must be described in the municipal official plan and designated in a site plan control by-law.

As a best practice, most municipalities exempt *agricultural uses* from site plan control and this practice should continue. Municipalities may find it useful to apply site plan control to *on-farm diversified uses* given the broad range of uses permitted (both farm- and non-farm-related uses). Site plan control is also useful to apply to *agriculture-related uses* (Figure 4).

Site plan control may be used to ensure that new uses fit in with the agricultural character of the area and are compatible with surrounding agriculture. Use of this tool avoids the need for official plan and zoning by-law amendments. For example, municipalities could use site plan control to address elements such as:

- entrances, parking, pedestrian pathways and emergency vehicle access
- lighting, walkways and the appearance and design of buildings
- site grading, fencing, landscaping and drainage
- outdoor storage, visual screening and loading areas

It is recommended that where any *agriculture-related uses* and *on-farm diversified uses* are under site plan control, municipalities consider an expedited site plan approval process (e.g., delegated authority for planning departments to approve).



Figure 4. Clustering of farm buildings.

2.5.4 Development Permits

Municipalities may use a development permit system to streamline the land-use planning process by combining zoning, site plan and minor variance processes under the *Planning Act, 1990*. This can provide greater certainty upfront and speed up approvals. More information is available from the Ministry of Municipal Affairs website (ontario.ca/mmah).

2.5.5 Lot Creation

The PPS discourages lot creation in *prime agricultural areas* (PPS Policy 2.3.4).¹⁰

Lots may only be created for *agricultural uses* provided:

- the severed and retained lots are of a size appropriate for the type of *agricultural use(s)* common in the area
- the lots are sufficiently large to maintain flexibility for future changes in the type or size of agricultural operations (PPS Policy 2.3.4.1 a))

Lots may only be created for *agriculture-related uses* provided that any new lot is limited to a minimum size needed to accommodate the use and appropriate *sewage and water services* (PPS Policy 2.3.4.1 b)). The use for the severed lot should be known, as a speculative use does not allow for determining appropriate lot size or compliance with any other PPS policy.

Finally, lot creation may be permitted for a residence surplus to a farming operation as a result of farm consolidation or *infrastructure*, provided specific conditions are met (PPS Policies 2.3.4.1 c and d)).

Further details are provided in the guidelines on lot creation.

2.5.6 Municipal By-laws

If a municipality wants to control or restrict noise, hours of operation or signage on the site of *agriculture-related* or *on-farm diversified uses*, it can consider using its authority under the *Municipal Act, 2001*, to pass specific municipal by-laws. Some municipalities have special event by-laws to regulate temporary uses. Municipal by-laws need to consider all relevant legislation, including the *Farming and Food Production Protection Act, 1998*.

2.5.7 Building Permits

The Ontario Building Code sets standards for the design and construction of buildings to meet health, safety, fire protection, accessibility, resource conservation and other objectives.

The construction of farm buildings is regulated by Ontario's Building Code (code) (in particular Article 1.3.1.2. of Division A) and the model National Farm Building Code of Canada. The National Farm Building Code stipulates additional or different requirements than those found in the code. In some cases, the requirements are lower for farm buildings than for other kinds of buildings (e.g., smaller exit distance, smaller spatial separations and less stringent requirements for firefighting water supplies).

¹⁰ While the focus in these guidelines is on consistency with PPS lot creation policies, policies in any other applicable provincial plan may also apply.

According to the code,

“Farm building means all or part of a building,

- that does not contain a residential occupancy,
- that is associated with and located on land devoted to the practice of farming, and
- that is used essentially for the housing of equipment or livestock, or the production, storage or processing of agricultural and horticultural produce or feeds.”

A building permit is normally required:

- before construction begins for new buildings and additions or to replace or renovate existing structures
- if the occupancy of the building is changed
- to install, alter, repair or extend an on-site sewage system

The *Nutrient Management Act, 2002*, establishes mandatory construction protocols for structures that store nutrient materials. Those requirements are referenced in the code as an applicable law.

Municipalities are responsible for enforcing the code. Enforcement activities include reviewing applications for building permits, issuing permits and conducting inspections. In some areas of Ontario, local health units and conservation authorities enforce the code in respect to on-site sewage systems. Building permits are issued when the responsible authority is satisfied that the technical requirements of the code and all applicable law as set out in the code, including zoning by-laws are met.

For more information on building permits, please contact the local municipal building department and visit the Ministry of Municipal Affairs website (ontario.ca/mmah).

3. BEYOND PERMITTED USES

Land uses that do not meet the criteria for *agricultural, agriculture-related or on-farm diversified uses* are considered non-agricultural uses. This includes new or expanding *settlement areas*, limited non-residential uses and the extraction of *minerals, petroleum resources and mineral aggregate resources*. This section provides guidance on removal of land from *prime agricultural areas* for new or expanding *settlement areas* and permission for limited non-agricultural uses in *prime agricultural areas*. Direction on the extraction of *minerals, petroleum resources and mineral aggregate resources* in *prime agricultural areas* is not addressed in this document.

PPS Policy 2.3.5.1

Planning authorities may only exclude land from *prime agricultural areas* for expansions of or identification of *settlement areas* in accordance with PPS Policy 1.1.3.8.

While the focus of these guidelines is on consistency with PPS policies, *settlement area* and non-agricultural use policies in any other applicable provincial plan (e.g., Growth Plan for the Greater Golden Horseshoe, Greenbelt Plan) may also apply. Where other provincial plans are in effect, planning decisions must conform or not conflict with them, as the case may be.

3.1 Settlement Areas and Prime Agricultural Areas

PPS Policy 2.3.5 allows for the removal of land in *prime agricultural areas* for new or expanding *settlement areas*, subject to meeting all of the conditions outlined in PPS Policy 1.1.3.8.

The process to remove land from *prime agricultural areas* for new or expanded *settlement areas* begins with a broad, landscape-level assessment of potential *settlement areas*. It proceeds to the evaluation of alternative locations and identification of mitigation measures to reduce the impact on agriculture.

3.1.1 Preliminary Assessment

Policy 2.3.2 of the PPS requires planning authorities to designate *prime agricultural areas* and clearly indicate that the area shall be protected for long-term use for agriculture.

PPS Policy 1.1.3.8 states that removal of land from *prime agricultural areas* for new or expanding *settlement areas* can only be considered by planning authorities at the time of a *comprehensive review* of the municipal official plan (ontario.ca/cvgg). During *comprehensive reviews*, municipalities look at how best to manage growth (e.g., servicing feasibility, building complete communities) while protecting provincial interests like protecting *prime agricultural areas* for long-term use for agriculture. They look at opportunities broadly within their boundaries and consider cross-jurisdictional issues.

Before considering new or expanded *settlement areas* in *prime agricultural areas*, municipalities must demonstrate that there are insufficient opportunities for *development* within existing *settlement areas* or on *rural lands*.

The PPS directs growth to *settlement areas* to create sustainable and vibrant communities. During the *comprehensive review*¹¹, municipalities identify *intensification*, *redevelopment* and *designated growth area* opportunities. Often, these lands already are or could be connected to existing municipal services. The PPS requires that *infrastructure* and *public service facilities* be financially viable and protect public health, safety and the environment.

Beyond existing *settlement areas*, PPS Policy 1.1.1 d) suggests that the focus of any new *settlement areas* should be on lands adjacent or close to existing *settlement areas*.¹²

Removal of land from *prime agricultural areas* can only be considered where there are no reasonable alternatives outside of *prime agricultural areas* (PPS Policy 1.1.3.8 c)). In this case, lower-priority agricultural lands within *prime agricultural areas* must be identified and considered.

The PPS states that *settlement areas* shall not include lands that comprise *specialty crop areas*. The PPS also requires that new or expanding *settlement areas* comply with the provincial *minimum distance separation formulae*.

The basis for this approach is that *settlement areas* can be built on a range of soil and landscape types. In contrast, agriculture is a finite resource, dependent on soil, climate, topography and other fixed-location factors to be productive.

Order of Priority for Protection of Farmland within *Prime Agricultural Areas*:

- *specialty crop areas*
- CLI Class 1, 2 and 3 lands
- any associated Class 4 through 7 lands
(Based on PPS Policy 2.3.1)

If lands within *settlement areas* and *rural lands* are unavailable for non-agricultural uses, lower-priority lands must be evaluated before more productive agricultural lands can be considered.

3.1.2 Alternative Locations

If there are insufficient growth opportunities within existing *settlement areas* and on *rural lands* outside of *prime agricultural areas*, lower-priority (i.e., poorer-quality) land within *prime agricultural areas* needs to be identified and evaluated.

¹¹ These guidelines do not provide a full overview of the requirements for a *comprehensive review* and are intended to only address the removal of land from *prime agricultural areas* per PPS Policy 2.3.5.

¹² Within the Greater Golden Horseshoe, the Growth Plan prohibits the establishment of new *settlement areas*. Any new growth areas must be contiguous to existing *settlement areas*.

To identify lower-priority agricultural lands for potential alternative *settlement areas* locations, consider the following factors:

- existing official plan designation(s)
- Canada Land Inventory (CLI) mapping showing land capability for agriculture (ontario.ca/agmaps)
- soil type and characteristics (as reported in county soil reports (www.sis.agr.gc.ca/cansis/publications/surveys/on/index.html)); guidelines for soil surveys are available for undertaking detailed soil surveys for land use planning (ontario.ca/cvgf)
- current use of the land (identify both *agricultural* and non-agricultural uses)
- degree of fragmentation of the agricultural land base by non-agricultural uses
- farm parcel size relative to the type of agriculture in the area (e.g., cash crops and livestock farms generally require large parcels while specialty crops may not)
- access to water for *agricultural uses*
- differing climatic conditions, if applicable (e.g., crop heat units, microclimate)
- presence, use and capital investment in farm buildings and *infrastructure* (e.g., tile drainage, irrigation)
- proximity to farm supply, storage, distribution or processing facilities (may be beyond 1.5 km)

Normally this evaluation would consider both the lands required for *settlement areas* and an area extending 1.5 km from the potential *settlement areas*.¹³

Identification of lower-priority agricultural lands is a comparative exercise. For example, lower priority agricultural lands may have relatively lower-capability land (based on CLI), fewer drainage or irrigation upgrades and poorer water access (where upgrades or access is required for the type of agriculture common in the area) than surrounding agricultural areas. Lower-priority agricultural lands may also have a relatively small area in agriculture, be fragmented by non-agricultural uses and/or have small parcel sizes.

Before or during a *comprehensive review*, municipalities may undertake agricultural land evaluation studies (e.g., a Land Evaluation and Area Review (LEAR) study or a provincially-acceptable alternative land evaluation system) to help identify *prime agricultural areas*. These studies consider many of the same factors noted above and may help inform consideration of alternative locations for new or expanding *settlement areas*. Remember though that LEAR studies broadly characterize the landscape and are not intended to be used for site-specific purposes.

The potential to mitigate the impacts of new or expanding *settlement areas* on nearby agricultural operations is also a factor in the assessment of alternative locations.

3.1.3 Impact Mitigation

Policy 1.1.3.8 e) of the PPS requires that impacts from new or expanding *settlement areas* on agricultural operations, which are adjacent or close to the *settlement area*, be mitigated to the extent feasible. As a first step, identify potential adverse impacts on neighbouring agricultural operations resulting from proposed, new or expanding *settlement areas*.

¹³ For consistency, the Minimum Distance Separation Implementation Guidelines provide a recommended investigation distance for identifying potential livestock facilities and the need to apply MDS. The recommended distances are 750 m for Type A land uses (e.g., industrial uses, low-intensity recreational uses) and 1,500 m for Type B land uses (e.g., commercial uses, high-intensity recreational uses, *settlement areas*). Normally, 1,500 m would be reasonable for the consideration of localized impacts on agriculture from new or expanding *settlement areas*.

Municipalities undertaking a *comprehensive review* of their official plan complete studies to update the review (e.g., traffic, agricultural and servicing studies). These studies can help with the identification of new *settlement areas* and with the identification of impacts and mitigation. In order to satisfy PPS requirements in Policy 1.1.3.8 and Policy 2.3.6.2, municipal official plan policies should require agricultural impact assessments for new or expanding *settlement areas* or limited non-agricultural uses where appropriate.

Agricultural Impact Assessments

- describe the agricultural area and uses
- identify all agricultural operations that may be impacted by a proposed *development*
- identify potential agricultural impacts including limitations on future farming options
- recommend how impacts can be avoided, reduced and mitigated
- identify net impacts to agriculture

Impacts can be short- or long-term and may affect agricultural production, *infrastructure*, operations or farmers' flexibility in carrying out their farming business. Examples of potential impacts include:

- loss of agricultural land
- increased traffic and safety risks for slow-moving farm equipment operators and people in passing vehicles
- nuisance complaints by new residents related to *normal farm practices* (may depend on wind direction, landforms, vegetation, etc.)
- farmer concern over lighting, noise, dust and other changes in *settlement areas* that are incompatible with agriculture (also dependent on physical site attributes)
- new or increased *minimum distance separation* requirements that may restrict future development or expansion of livestock facilities
- trespassing, vandalism, pets at large and litter/garbage disposal on farm properties
- change in water quality or quantity
- increased growth pressure on remaining agricultural lands

After identifying potential impacts, the study must find ways to eliminate or reduce the impacts. Examples of the measures municipalities may need to implement to mitigate impacts include:

Loss of agricultural land

- ensuring only the land needed to accommodate the forecasted need within the planning horizon is removed from the *prime agricultural area*
- phasing development so that as much land as possible continues to be used for farming for as long as possible
- supporting urban agriculture in *settlement areas*

Traffic and safety risk

- ensuring signage is used on slow-moving farm vehicles at all times (as required by the *Highway Traffic Act, 1990*) and along roads frequently used by farm vehicles
- designing roads and traffic controls to accommodate wide, slow-moving farm equipment (e.g., wide shoulders, no curbs, reduced speed limits, designing traffic circles to safely accommodate large farm equipment), and controlling traffic access to new or expanding *settlement areas*
- improving public transit in and to new *settlement areas* to reduce rural traffic

Nuisance issues

- designing subdivisions to reduce potential conflicts (e.g., buffers on the urban side and screening between agricultural and non-agricultural uses, exterior lighting appropriate to rural character)
- providing public education on *normal farm practices*
- providing education to farm operators on how to minimize nuisance impacts and develop ‘good neighbour’ relationships (e.g., maintain or enhance established farm windbreaks)
- where appropriate, placing warning/notification clauses on non-agricultural property titles in *prime agricultural areas* regarding the potential for nuisance effects arising as a result of *normal farm practices*
- requiring air conditioning units as a standard inclusion for new buildings adjacent to agricultural areas

Minimum Distance Separation

- giving existing livestock facilities space to operate by ensuring that MDS setbacks are established early in the land use planning process (i.e., at the time of an official plan amendment for new or expanding *settlement areas* rather than at the plan of subdivision stage)
- placing *employment areas*, stormwater management systems or green space at the edge of *settlement areas* to separate residential and agricultural areas

Trespassing, vandalism, pets at large and litter/garbage disposal

- educating the public on laws they should be aware of (e.g., *Trespass to Property Act, 1990*) and avoidance of damage to agriculture
- appropriately designing and maintaining fencing around the perimeter of non-agricultural uses bordering agricultural land
- erecting signage
- developing municipal by-laws that require pets to be kept on-leash
- providing regular garbage collection, municipal assistance in removing illegally dumped goods, etc.
- establishing and enforcing related by-laws (e.g., fines)

Water issues

- maintaining existing water supplies, agricultural drainage and irrigation *infrastructure*
- avoiding water erosion by minimizing impermeable surfaces and maximizing vegetated areas in new *settlement areas*
- ensuring effective stormwater management in new *settlement areas*

Growth pressure

- developing firm urban boundaries that generally follow recognizable features (e.g., roads or rivers)
- imposing strict control on the extension of municipal services (e.g., water and wastewater)
- developing higher targets for *intensification* and *redevelopment* within *settlement areas*
- providing agricultural easements along the rural-urban fringe/interface

Other supportive measures

- providing municipal economic development support for agriculture in the area (e.g., support for *infrastructure* such as farmers’ markets, processing or distribution centres, community improvement plans for agricultural areas, agricultural liaison officer, signage, maps and websites to promote agriculture)
- if the municipality does not yet have one, creating a municipal agricultural advisory committee comprised of area farmers, representing the diversity of agriculture in the municipality, to advise council and staff on agricultural issues

Some Municipal Options for Mitigating Agricultural Impacts

- designating uses such as employment lands, stormwater management areas or open space between future residential and existing agricultural areas
- adopting official plan policies for rural/urban interface areas (e.g., buffers or other edge planning policies)
- identifying additional “complete application” standards in an official plan for *Planning Act* applications (e.g., agricultural impact assessment, stormwater management plan, transportation plan, etc. depending on the application)
- adopting zoning by-law provisions for buffers and fencing in specific interface areas
- passing a municipal noise by-law

Some of these mitigation examples are standard practices in communities where agriculture and non-agricultural land uses co-exist. To specifically mitigate the impact of new or expanding *settlement areas* on *prime agricultural areas*, multiple mitigation methods may be needed. The list above is not exhaustive. Local circumstances, needs and opportunities should be factored in, typically when completing an agricultural impact assessment. Municipalities should ensure that the mitigation measures are implemented, and if necessary, monitored. Consultation with the municipal agricultural advisory committee may be helpful.

PPS Policy 1.1.3.8 e) requires that impacts be mitigated “to the extent feasible.” That means mitigation is required when impacts are predicted and should be proportional to the estimated degree of impact or risk. For example, new *settlement areas* in *prime agricultural areas* that significantly increase traffic and risk of accidents on local roads on an on-going basis may require mitigation like a new access road, road upgrades and signage. Small new *settlement area* expansions that do not significantly increase traffic, or only on an occasional basis, would likely not need such extensive mitigation.

Mitigation must also be economically reasonable in terms of the outcome achieved. For example, mitigate potential trespassing onto an adjoining farm, installing fencing and signage along the property line may be feasible, whereas a 5 m high brick wall may not be.

Identification of mitigation measures should be followed by the assessment of net impacts, assuming the proposed mitigation is in place.

The preferred location for new or expanding *settlement areas* is one that avoids *prime agricultural areas* or uses opportunities on *rural lands*. If this is not possible, the first option should be to use lower-priority *prime agricultural land* where net impact on surrounding agricultural operations would be minimal, assuming other provincial interests are also satisfied.

3.2 Limited Non-Agricultural Uses in Prime Agricultural Areas

This section provides guidance on implementation of PPS Policy 2.3.6, addressing limited non-agricultural uses in *prime agricultural areas*, with the exception of Policy 2.3.6.1 a) which addresses the extraction of *minerals, petroleum resources or mineral aggregate resources*. Non-agricultural uses in this context include uses beyond those permitted in Policy 2.3.3 of the PPS (i.e., *agricultural, agriculture-related and on-farm diversified uses*).

PPS Policy 2.3.6 Non-Agricultural Uses in Prime Agricultural Areas

2.3.6.1 Planning authorities may only permit non-agricultural uses in *prime agricultural areas* for:

- a) extraction of *minerals*...; or
- b) limited non-residential uses, provided that all of the following are demonstrated:
 1. the land does not comprise a *specialty crop area*;
 2. the proposed use complies with the *minimum distance separation formulae*;
 3. there is an identified need within the planning horizon provided for in PPS policy 1.1.2 for additional land to be designated to accommodate the proposed use; and
 4. alternative locations have been evaluated, and
 - i. there are no reasonable locations which avoid *prime agricultural areas*; and
 - ii. there are no reasonable alternative locations in *prime agricultural areas* with lower priority agricultural lands.

3.2.1 Preliminary Assessment

Prime agricultural areas are distinct from *rural lands*. On *rural lands*, PPS Policy 1.1.5.2 provides for a wide range of non-agricultural uses such as the management or use of resources, resource-based recreational uses, home occupations and home industries, cemeteries and other rural land uses.

However, in *prime agricultural areas*, permitted uses are limited to *agricultural*, *agriculture-related* and *on-farm diversified uses*. Other uses must be directed to *settlement areas* or *rural lands*, unless they can be justified in accordance with Policy 2.3.6 of the PPS.

PPS Policy 2.3.6.1 specifies the limited circumstances under which non-agricultural uses may be considered in *prime agricultural areas*. Any non-agricultural uses must be non-residential, outside of *specialty crop areas* and meet the *minimum distance separation formulae* setbacks. A proposal must demonstrate need for the use, evaluate alternative locations and identify how impacts will be mitigated.

New non-agricultural uses in *prime agricultural areas* typically require official plan and zoning by-law amendments. New or expanded *settlement areas* permanently **remove** land from *prime agricultural areas* (i.e., the lands are no longer subject to PPS *prime agricultural area* policies). Permission for other non-agricultural land uses does not remove the land from the *prime agricultural area* so the *prime agricultural area* policies in the PPS and applicable official plan policies continue to apply. Should an approved non-agricultural use discontinue in the future, any future uses must meet the *prime agricultural area* policies.

The assessment of need and evaluation of alternative locations for non-agricultural uses are geographically-based and depend on the type of use and the region from which customers are drawn. Part III of the PPS indicates that policies apply at a range of geographic scales. Policies need to be considered in the context of the municipality or planning area as a whole. This issue is further discussed in Alternative Locations (Section 3.2.3).

Rigorous assessment of need, evaluation of alternative locations and mitigation of impacts should be required by municipalities as part of a complete application for non-agricultural uses in the *prime agricultural area*.

Limited Non-Residential Uses

In *prime agricultural areas*, limited non-residential uses are uses that include commercial, industrial, institutional or recreational uses but exclude residential uses. These uses may only be considered in *prime agricultural areas* if other locations are unavailable and if they meet the tests of PPS Policy 2.3.6.1 b).

Limited non-residential uses must be limited in area based on the land area that would no longer be available to agriculture. The term “limited” also suggests that the use may be a single use rather than an assembly of uses. For example, a proposed single industrial use occupying a small footprint that meets all other requirements under PPS Policy 2.3.6.1 b) may be acceptable, while an industrial park would not be.

3.2.2 Demonstration of Need

PPS Policy 2.3.6.1 b) 3 states that need for land to accommodate the non-residential use must be justified “within the planning horizon provided for in Policy 1.1.2.” (i.e., over a time horizon of up to 20 years unless an alternate time period has been established). Non-agricultural uses are not permitted in *prime agricultural areas* if the need for land to accommodate the use within the planning horizon cannot be appropriately demonstrated. In *prime agricultural areas*, only the minimal amount of land to accommodate the use should be considered.

Identification of need for a proposed limited non-agricultural use requires appropriate justification which is usually provided through a planning report and justification study. The scope of this study depends on the proposed use and starts by identifying the specific geographic market or service area for the proposed use. It usually includes information on and analysis of:

- the demand for the product or service
- an inventory of current suppliers/competitors
- how much of the current and future projected demand is met within a given market or service area
- distance to markets or clients
- economic impacts of the proposed use
- a preliminary assessment of the potential impacts on agricultural operations in the area

3.2.3 Alternative Locations

Under Policy 2.3.6.1 b) of the PPS, evaluation of reasonable alternative locations for limited non-agricultural uses is mandatory. Based on PPS policy 2.3.6.1 b), applicants must first look to lands outside *prime agricultural areas*.

The geographic area within which to identify alternative sites varies with the use. Alternative sites must be considered within the entire market area/service area for the use. For example, OMAFRA, in consultation with other parties, has determined that an application for a new golf course should consider alternative locations within a 1-hour driving distance of the target golfing population, roughly a distance of 50–60 km. This is the distance golfers are usually willing to drive for an 18-hole golf game (Royal Canadian Golf Association, 2006). The distance may be greater for an exclusive golf course.

Arguing that applicants own only one site, or that sites in *settlement areas* are unaffordable for the proposed use, are insufficient reasons and should not be considered adequate justification.

Likewise, to identify alternative locations for a church, proponents must first look at sites within *settlement areas* and on *rural lands* within the geographic area to be served. If no reasonable alternative locations are available in these areas, lower-priority areas within *prime agricultural areas* can be identified and evaluated.

The service area for non-agricultural uses in a community that relies on horse-drawn vehicles for transportation is smaller than for uses that cater to customers using cars or trucks. Proponents of non-agricultural uses in communities relying on horse-drawn vehicles would need to consider sites within the service area in *settlement areas*, on *rural lands* and on lower priority agricultural lands, in that order of priority.

To identify lower-priority agricultural lands within *prime agricultural areas*, proponents must analyze the factors discussed in Section 3.1.2, such as official plan designation, CLI class and current use of the land. Depending on the scale of the proposed non-agricultural use, the analysis of location alternatives may need to be more detailed and site-specific than for new *settlement areas*. For example, CLI mapping at 1:10,000 or 1:8,000 may be required.

Depending on local circumstances, sites with a previous non-agricultural use may be considered lower-priority agricultural areas for the purpose of identifying alternative locations. Adaptive reuse of sites with commercial or industrial zoning could be suitable and would avoid *greenfield development*. Significantly-disturbed sites that cannot be returned to an *agricultural use* could be considered lower-priority areas. Sites historically approved for non-agricultural uses that have never been developed cannot be considered lower-priority land — they remain as agricultural lands.

3.2.4 Impact Mitigation

PPS Policy 2.3.6.2 requires the impacts of new or expanding non-agricultural uses in *prime agricultural areas* on surrounding agricultural operations to be mitigated to the extent feasible. Depending on the use, non-agricultural uses in *prime agricultural areas* may trigger the need to consider the types of mitigation identified in Section 3.1.3. Impact mitigation for small-scale, non-agricultural uses that do not significantly conflict with agriculture may require a localized approach (e.g., dust suppression, fencing, appropriate lighting, etc.). Large-scale uses that could significantly conflict with agriculture would require more extensive mitigation measures. Guidance on satisfying the “to the extent feasible” requirement is also provided in Section 3.1.3.

PPS Policy 2.3.6.2

Impacts from any new or expanding non-agricultural uses on surrounding agricultural operations and lands are to be mitigated to the extent feasible.

Identification of mitigation measures should be followed by an assessment of net impacts, assuming the proposed mitigation measures are in place. The preferred location for non-agricultural uses in *prime agricultural areas* would be on lower-priority land where there is minimal net impact on surrounding agricultural operations.

4. FREQUENTLY-ASKED QUESTIONS

4.1 General

- 1. Would *agricultural, agriculture-related and on-farm diversified uses in prime agricultural areas* trigger any *Planning Act* applications, such as official plan amendments, zoning amendments, minor variances or site plan control?**

An official plan amendment would not be required if the uses permitted by the PPS and explained in these guidelines are permitted in the *prime agricultural area* policies of the municipal official plan. Landowners have the right to establish these uses, provided other requirements are met (e.g., applicable performance standards in zoning by-laws, building permits, site alteration or tree by-laws, site plan control, conservation authority permits, *Endangered Species Act, 1973*, requirements). Zoning and site plan control may address issues such as setbacks, outdoor storage, lighting and parking.

If existing zoning by-law requirements are not met by the proposed *development*, an application for a minor variance or zoning by-law amendment may be required. Landowners must consult with the appropriate municipality or planning authority to identify local requirements.

- 2. Could a single property in a *prime agricultural area* support more than one *agricultural, agriculture-related or on-farm diversified use*?**

There could be more than one of these uses on a single property if all the principles identified in Section 1.4. and all the criteria for the uses are met. For example, for more than one *on-farm diversified use* to be acceptable, the combined uses would need to be compatible with and not hinder surrounding agricultural operations, be secondary to the principal *agricultural use* of the property and be limited in area. An example of an existing property with a combination of uses is provided in Appendix 3.

- 3. Could a single property in a *prime agricultural area* accommodate both an *on-farm diversified use* and an *agriculture-related use*?**

An *agriculture-related use* may be located on a farm parcel or on a parcel of its own. If the *agriculture-related use* is located on a non-farm parcel, then an *on-farm diversified use* would not be permitted on the same parcel. *On-farm diversified uses* can only be located on farms. If both uses are proposed to be located on a farm, the applicant and municipality would need to assess whether all of the principles of permitted uses in *prime agricultural areas* (Section 1.4) could still be met. If so, the uses would also need to meet all *on-farm diversified use* and *agriculture-related use* criteria.

- 4. Under what circumstances would severances be considered for permitted uses in *prime agricultural areas*?**

In *prime agricultural areas*, severances are not permitted for *on-farm diversified uses*. Severances may be permitted only for *agricultural uses* and *agriculture-related uses* if certain conditions can be met.

While the PPS may allow severances for *agriculture-related uses*, there may already be properties in *prime agricultural areas* that could accommodate a proposed use, thereby avoiding the need for a severance. For example, a property previously used for another *agriculture-related use* may be available. Locating a new *agriculture-related use* on such a site is preferred over creating a new lot in a *prime agricultural area*.

5. Are renewable energy projects (e.g., solar facilities, wind turbines and biogas systems) permitted in prime agricultural areas?

Renewable energy projects fall under the *Green Energy Act, 2009*, and are generally not subject to approval under the *Planning Act, 1990*. The *Planning Act, 1990*, exemption means that land use planning instruments such as municipal official plans, zoning by-laws and site plan control do not apply to renewable energy projects. Nor, generally, do the PPS or these guidelines.

As a general guide, ground-mounted solar projects larger than 10 kilowatts may be restricted from being located on *prime agricultural areas* or on *prime agricultural land*. Other renewable energy technologies can co-exist with agriculture and may be permitted in *prime agricultural areas* if they are able to meet approval requirements. Details on renewable energy program rules and approvals are available from the Ministry of Energy (ontario.ca/energy) and the Independent Electricity System Operator (www.ieso.ca).

4.2 Compatibility Issues

6. Do Minimum Distance Separation (MDS) Formulae apply to the permitted uses in prime agricultural areas?

MDS I and II setbacks apply in *rural areas* to both *rural lands* and *prime agricultural areas* in accordance with the PPS. MDS I applies to proposed new non-farm *development* in proximity to existing livestock facilities. MDS II applies to proposed new or expanding livestock facilities in proximity to existing or approved non-farm *development*.

Depending on the local municipal official plan and zoning by-law, MDS may also apply to *agriculture-related* and *on-farm diversified uses* that could conflict with neighbouring livestock facilities. These uses are often characterized by having a high level of human activity, attracting visitors to the agricultural area. Examples include food services, accommodations, *agri-tourism uses* and retail operations. Ultimately, direction on the application of MDS to *agriculture-related uses* and *on-farm diversified uses* comes from local planning documents. For more information, please see the MDS Implementation Guidelines (ontario.ca/cvge).

7. If an official plan or zoning by-law amendment is required for a new land use in a prime agricultural area, what studies would be required?

A planning report is almost always required to outline how the proposed use is consistent with the PPS, these guidelines and municipal planning documents. Other studies could be required to assess impacts and deal with issues related to water and wastewater servicing, traffic, agriculture, and natural and cultural heritage. Municipalities may list the information and material required to deem an application “complete,” depending on their official plan policies and the proposed use.

Under the PPS, proponents are required to complete environmental studies to demonstrate that the rural water and wastewater servicing is appropriate for the use, and that servicing can be provided in a manner that does not result in negative impacts on water quality and quantity. Traffic assessments may be needed for uses that have potential for off-site impacts such as increased traffic and safety concerns with slow-moving farm vehicles. Agricultural impact assessments summarize all potential impacts and how they can be avoided, reduced and mitigated. Where historic farm buildings are proposed to be adapted to a new use, local guidelines may need to be followed and Municipal Heritage Committees consulted. In some cases, a cultural or heritage assessment may be required.

Landowners must consult with the appropriate municipality or planning authority to identify local requirements.

8. How can conflicts be avoided between a farmer and a neighbouring *on-farm diversified use*?

Conflicts can be avoided by ensuring that the *on-farm diversified use* meets the requirements of the PPS and satisfies the provisions of these guidelines. Good planning at the municipal level is essential. This may mean amending existing official plan policies or zoning by-laws. Some municipalities have an Agricultural Advisory Committee that provides Council and staff with local advice on agricultural issues. Consultation with these committees, as well as with local agricultural organizations and rural residents, can help to anticipate potential conflicts and identify appropriate courses of action.

Conflicts between farmers and nearby *on-farm diversified uses* can often be avoided through open communication with neighbours and with the use of best management practices (e.g., tree planting along the property line, on-site dust suppression and noise control).

4.3 Agriculture-Related Uses

9. What happens to a non-farm property in a *prime agricultural area* with an *agriculture-related use* that is no longer operational? What *redevelopment opportunities* are there for such a site?

Since the *prime agricultural area* policies of the PPS apply to these lands, any new uses must meet PPS policies and these guidelines. If the site has been disturbed in a way that it could not reasonably be returned to active agricultural production, it could be used for another *agriculture-related use* that meets the PPS criteria discussed in these guidelines.

4.4 On-Farm Diversified Uses

10. What happens if the owner of an *on-farm diversified use* in a *prime agricultural area* wants to expand that use?

The owner can expand an *on-farm diversified use* if the use is consistent with PPS policies and these guidelines and the post-expansion area remains under the identified thresholds. If the proposed expansion is larger than the thresholds, the business could be relocated to an alternative site that is zoned for the use, normally to a site with commercial or industrial zoning inside or outside of *settlement areas*.

Under limited circumstances and only where adequate justification is provided, Section 2.3.6 of the PPS permits limited non-residential, non-agricultural uses in *prime agricultural areas*. This would involve an application for an official plan amendment and zoning by-law amendment.

11. Are conference centres a permitted use in *prime agricultural areas*?

Conference centres would not be permitted in *prime agricultural areas* unless they are small and meet all the criteria for *on-farm diversified uses* (i.e., secondary to the principle *agriculture use* of the property, limited in area, located on a farm and compatible with surrounding agriculture).

Appendix 1: PPS 2014 Policies and Definitions

PPS Policies

2.3.3 Permitted Uses

2.3.3.1 In *prime agricultural areas*, permitted uses and activities are *agricultural uses*, *agriculture-related uses* and *on-farm diversified uses*.

Proposed *agriculture-related uses* and *on-farm diversified uses* shall be compatible with, and shall not hinder, surrounding agricultural operations. Criteria for these uses may be based on guidelines developed by the Province or municipal approaches, as set out in municipal planning documents, which achieve the same objectives.

2.3.3.2 In *prime agricultural areas*, all types, sizes and intensities of *agricultural uses* and *normal farm practices* shall be promoted and protected in accordance with provincial standards.

2.3.3.3 New land uses, including the creation of lots, and new or expanding livestock facilities shall comply with the *minimum distance separation formulae*.

2.3.5 Removal of Land from Prime Agricultural Areas

2.3.5.1 Planning authorities may only exclude land from *prime agricultural areas* for expansions of or identification of *settlement areas* in accordance with PPS Policy 1.1.3.8.

1.1.3.8 A planning authority may identify a *settlement area* or allow the expansion of a *settlement area* boundary only at the time of a *comprehensive review* and only where it can be demonstrated that:

- a) sufficient opportunities for growth are not available through *intensification*, *redevelopment* and *designated growth areas* to accommodate the projected needs over the identified planning horizon;
- b) the *infrastructure* and *public service facilities* which are planned or available are suitable for the development over the long term, are financially viable over their life cycle, and project public health and safety and the natural environment;
- c) in *prime agricultural areas*:
 - 1. the lands do not comprise *specialty crop areas*;
 - 2. alternative locations have been evaluated, and
 - i. there are no reasonable alternatives which avoid *prime agricultural areas*; and
 - ii. there are no reasonable alternatives on lower priority agricultural lands in *prime agricultural areas*;
- d) the new or expanding *settlement area* is in compliance with the *minimum distance separation formulae*; and
- e) impacts from new or expanding *settlement areas* on agricultural operations which are adjacent or close to the *settlement area* are mitigated to the extent feasible.

In determining the most appropriate direction for expansions to the boundaries of *settlement areas* or the identification of a *settlement area* by a planning authority, a planning authority shall apply the policies of Section 2: Wise Use and Management of Resources and Section 3: Protecting Public Health and Safety.

2.3.6 Non-Agricultural Uses in Prime Agricultural Areas

2.3.6.1 Planning authorities may only permit non-agricultural uses in *prime agricultural areas* for:

- a) extraction of *minerals, petroleum resources and mineral aggregate resources*, in accordance with policies 2.4. and 2.5; or
- b) limited non-residential uses, provided that all of the following are demonstrated:
 - 1. the land does not comprise a *specialty crop area*
 - 2. the proposed use complies with the *minimum distance separation formulae*;
 - 3. there is an identified need within the planning horizon provided for in PPS Policy 1.1.2 for additional land to be designated to accommodate the proposed use; and
 - 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.

2.3.6.2 Impacts from any new or expanding non-agricultural use on surrounding agricultural operations and lands are to be mitigated to the extent feasible.

PPS Definitions

Agricultural uses: 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.

Agri-tourism uses: means those farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm operation.

Agriculture-related uses: means those farm-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.

Brownfield sites: means undeveloped or previously-developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant.

Comprehensive review: means

- a) for the purposes of PPS policies 1.1.3.8 and 1.3.2.2, an official plan review which is initiated by a planning authority, or an official plan amendment which is initiated or adopted by a planning authority, which:
 - 1. is based on a review of population and employment projections and which reflect projections and allocations by upper-tier municipalities and provincial plans, where applicable; considers alternative directions for growth or *development*; and determines how best to accommodate the *development* while protecting provincial interests;
 - 2. uses opportunities to accommodate projected growth or *development* through *intensification* and *redevelopment*; and considers physical constraints to accommodating the proposed *development* within existing *settlement area* boundaries;

3. is integrated with planning for *infrastructure* and *public service facilities*, and considers financial viability over the life cycle of these assets, which may be demonstrated through asset management planning;
 4. confirms sufficient water quality, quantity and assimilative capacity of receiving water are available to accommodate the proposed *development*;
 5. confirms that *sewage and water services* can be provided in accordance with PPS Policy 1.6.6; and
 6. considers cross-jurisdictional issues.
- b) for the purposes of PPS Policy 1.1.6, means a review undertaken by a planning authority or comparable body which:
1. addresses long-term population projections, *infrastructure* requirements and related matters;
 2. confirms that the lands to be developed do not comprise *specialty crop areas* in accordance with PPS Policy 2.3.2; and
 3. considers cross-jurisdictional issues.

In undertaking a *comprehensive review*, the level of detail of the assessment should correspond with the complexity and scale of the settlement boundary or *development* proposal.

Designated growth areas: means lands within *settlement areas* designated in an official plan for growth over the long-term planning horizon provided in PPS Policy 1.1.2, but which have not yet been fully developed. *Designated growth areas* include lands which are designated and available for residential growth in accordance with PPS Policy 1.4.1(a), as well as lands required for employment and other uses.

Development: means the creation of a new lot, a change in land use, or the construction of buildings and structures requiring approval under the *Planning Act, 1990*, but does not include:

- a) activities that create or maintain *infrastructure* authorized under an environmental assessment process;
- b) works subject to the *Drainage Act, 1990*; or
- c) for the purposes of PPS Policy 2.1.4(a), underground or surface *mining of minerals* or *advanced exploration* on mining lands in *significant areas of mineral potential* in Ecoregion 5E, where advanced exploration has the same meaning as under the *Mining Act, 1990*. Instead, those matters shall be subject to PPS Policy 2.1.5(a).

Employment area: means those areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.

Infrastructure: means physical structures (facilities and corridors) that form the foundation for *development*. *Infrastructure* includes: sewage and water systems, septage treatment systems, stormwater management systems, water management systems, electricity generation facilities, electricity transmission and distribution systems, communications/telecommunications, transit and transportation corridors and facilities, oil and gas pipelines and associated facilities.

Intensification: means the *development* of a property, site or area at a higher density than currently exists through:

- a) *redevelopment*, including the reuse of *brownfield sites*;
- b) the *development* of vacant and/or underutilized lots within previously developed areas;
- c) *infill development*; and
- d) the expansion or conversion of existing buildings.

Mineral aggregate resources: means gravel, sand, clay, earth, shale, stone, limestone, dolostone, sandstone, marble, granite, rock or other material prescribed under the *Aggregate Resources Act, 1990*, suitable for construction, industrial, manufacturing and maintenance purposes but does not include metallic ores, asbestos, graphite, kyanite, mica, nepheline syenite, salt, talc, wollastonite, mine tailings or other material prescribed under the *Mining Act, 1990*.

Minerals: means metallic *minerals* and non-metallic *minerals* as herein defined, but does not include *mineral aggregate resources* or *petroleum resources*.

Minimum distance separation formulae: means formulae and guidelines developed by the Province, as amended from time to time, to separate uses so as to reduce incompatibility concerns about odour from livestock facilities.

Normal farm practices: means a practice, as defined in the *Farming and Food Production Protection Act, 1998*, that is conducted in a manner consistent with proper and acceptable customs and standards as established and followed by similar agricultural operations under similar circumstances; or makes use of innovative technology in a manner consistent with proper advanced farm management practices. *Normal farm practices* shall be consistent with the *Nutrient Management Act, 2002* and regulations made under that Act.

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.

Petroleum resources: means oil, gas, and salt (extracted by solution mining method) and formation water resources which have been identified through exploration and verified by preliminary drilling or other forms of investigation. This may include sites of former operations where resources are still present or former sites that may be converted to underground storage for natural gas or other hydrocarbons.

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 where there is a local concentration of farms which exhibit characteristics of ongoing agriculture. *Prime agricultural areas* may be identified by the Ontario Ministry of Agriculture, Food and Rural Affairs using guidelines developed by the Province as amended from time to time. A *prime agricultural area* may also be identified through an alternative agricultural land evaluation system approved by the Province.

Prime agricultural land: means *specialty crop areas* and/or Canada Land Inventory Class 1, 2, and 3 lands, as amended from time to time, in this order of priority for protection.

Public service facilities: means land, buildings and structures for the provision of programs and services provided or subsidized by a government or other body, such as social assistance, recreation, police and fire protection, health and educational programs, and cultural services. *Public service facilities* do not include *infrastructure*.

Redevelopment: means the creation of new units, uses or lots on previously developed land in existing communities, including *brownfield sites*.

Rural areas: means a system of lands within municipalities that may include *rural settlement areas*, *rural lands*, *prime agricultural areas*, natural heritage features and areas, and resource areas.

Rural lands: means lands which are located outside *settlement areas* and which are outside *prime agricultural areas*.

Settlement areas: means urban areas and *rural settlement areas* within municipalities (i.e. cities, towns, villages and hamlets) that are:

- a) built up areas where *development* is concentrated and which have a mix of land uses; and
- b) lands which have been designated in an official plan for *development* over the long-term planning horizon provided for in PPS Policy 1.1.2. In cases where land in *designated growth areas* is not available, the *settlement area* may be no larger than the area where *development* is concentrated.

Sewage and water services: includes municipal sewage services and municipal water services, private communal sewage services and private communal water services, individual on-site sewage services and individual on-site water services, and partial services.

Specialty crop area: means areas designated using guidelines developed by the Province, as amended from time to time. In these areas, specialty crops are predominantly grown such as tender fruits (peaches, cherries, plums), grapes, other fruit crops, vegetable crops, greenhouse crops, and crops from agriculturally developed organic soil, usually resulting from:

- a) soils that have suitability to produce specialty crops, or lands that are subject to special climatic conditions, or a combination of both;
- b) farmers skilled in the production of specialty crops; and
- c) a long-term investment of capital in areas such as crops, drainage, *infrastructure* and related facilities and services to produce, store or process specialty crops.

Appendix 2: Area Calculation Examples for On-Farm Diversified Uses

The following examples are based on the area calculations discussed in Section 2.3.1 of these guidelines.

Example 1: Small Farm (15 ha parcel)

Table 3. Components of on-farm diversified uses on a small farm

m ²	Use
0	Existing laneway
300	Existing barn (50% of 600 m ²)
100	Parking area for four cars (25 m ² /vehicle)
400	Total area of the <i>on-farm diversified use</i>

This *on-farm diversified use* includes a small, existing barn for an antique shop. The existing laneway is used and four parking spaces are created around the barn. The maximum area for an *on-farm diversified use* on a lot this size is 3,000 m² (2% of 15 ha). The building for the *on-farm diversified use* is within the recommended building size cap.

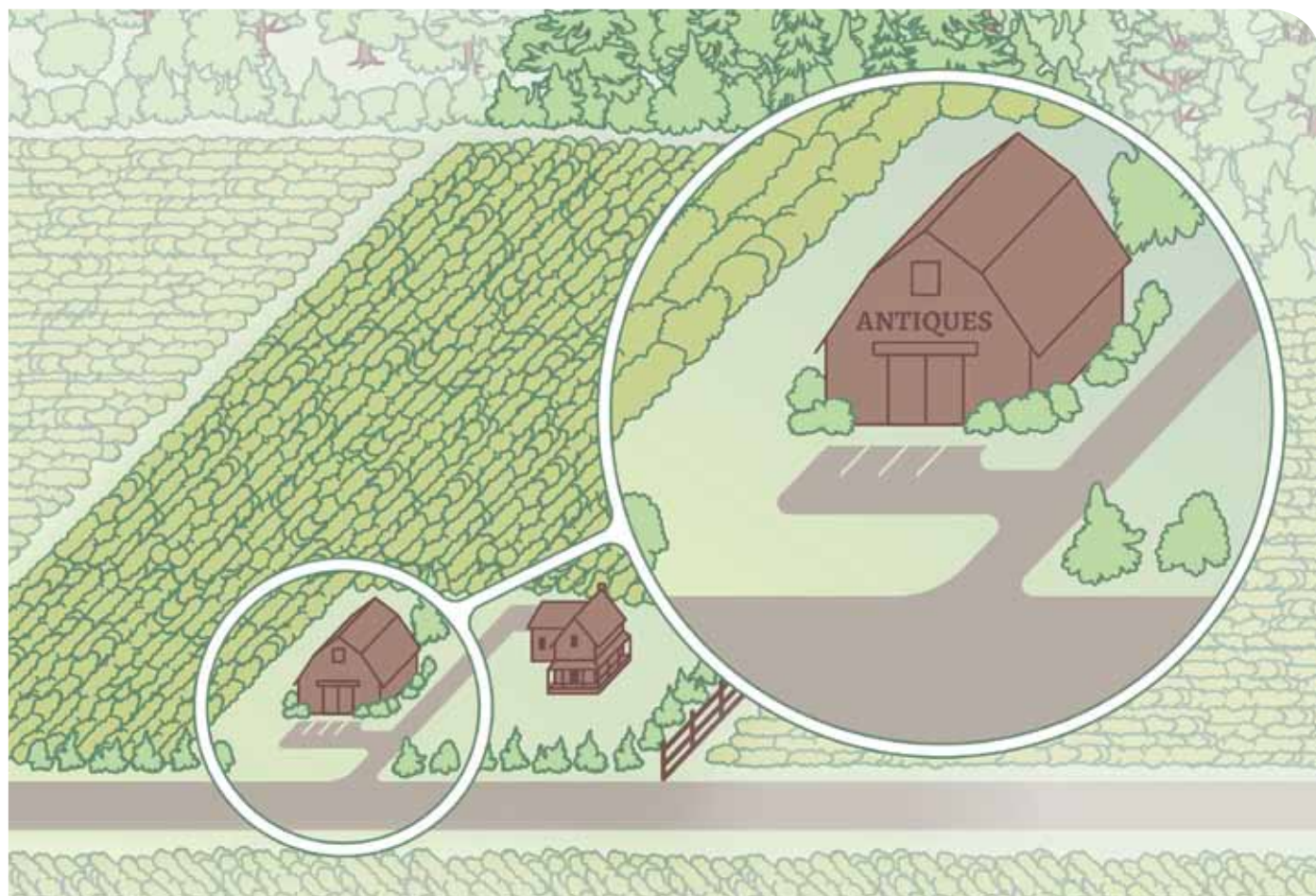


Figure 5. Example of *on-farm diversified uses* on a small farm.

Example 2: Medium-Sized Farm (30 ha parcel)

Table 4. Components of *on-farm diversified uses* on a medium farm

m ²	Use
222	60 m of new laneway (3.7 m wide)
500	Parking for 20 cars (25 m ² /vehicle)
150	New building with café, bakery and commercial kitchen
195	Cabins (65 m ² x 3 cabins)
100	Farm market (half of 200 m ²)
200	Playground
2,000	Landscaped area
3,367	Total area of the <i>on-farm diversified uses</i>

The *on-farm diversified uses* in this scenario are grouped away from the farm dwelling. A new 60 m laneway leads to a new building housing a 150 m² café with a commercial kitchen where cooking classes are offered and baked goods are sold, three 65 m² cabins for overnight farm stays, a 200 m² produce market (half of which is considered an *agriculture-related use* as it is used to sell produce from the farm and nearby agricultural area), a 200 m² farm-themed playground and 2,000 m² of landscaping. The maximum area for *on-farm diversified uses* on a lot this size is 6,000 m² (2% of 30 ha). Together, the buildings used for *on-farm diversified uses* occupy 445 m², which is well within the recommended building size cap.



Figure 6. Example of *on-farm diversified uses* on a medium farm.

Example 3: Large Farm (50 ha parcel)

Table 5. Components of *on-farm diversified uses* on a large farm

m ²	Use
75	Office in a new building
0	Existing laneway
111	30 m of new laneway (3.7 m wide)
150	Parking for five cars and one delivery truck (25 m ² /vehicle)
1,500	New fabrication plant
200	Outdoor storage
1,000	Landscaped area
3,036	Total area of <i>on-farm diversified uses</i>

This *on-farm diversified use* includes a 75 m² office in a new building, the existing laneway plus a 30 m extension, parking for five employees and a delivery truck, a new 1,500 m² building for a fabrication plant, a 200 m² outdoor storage area and 1,000 m² of landscaping around the use. The maximum area for *on-farm diversified uses* on a 50 ha lot or larger is 1 ha or 10,000 m² (2% of 50 ha or up to a maximum of 1 ha). Together, the buildings for the *on-farm diversified uses* occupy 1,575 m², within the recommended building size cap.

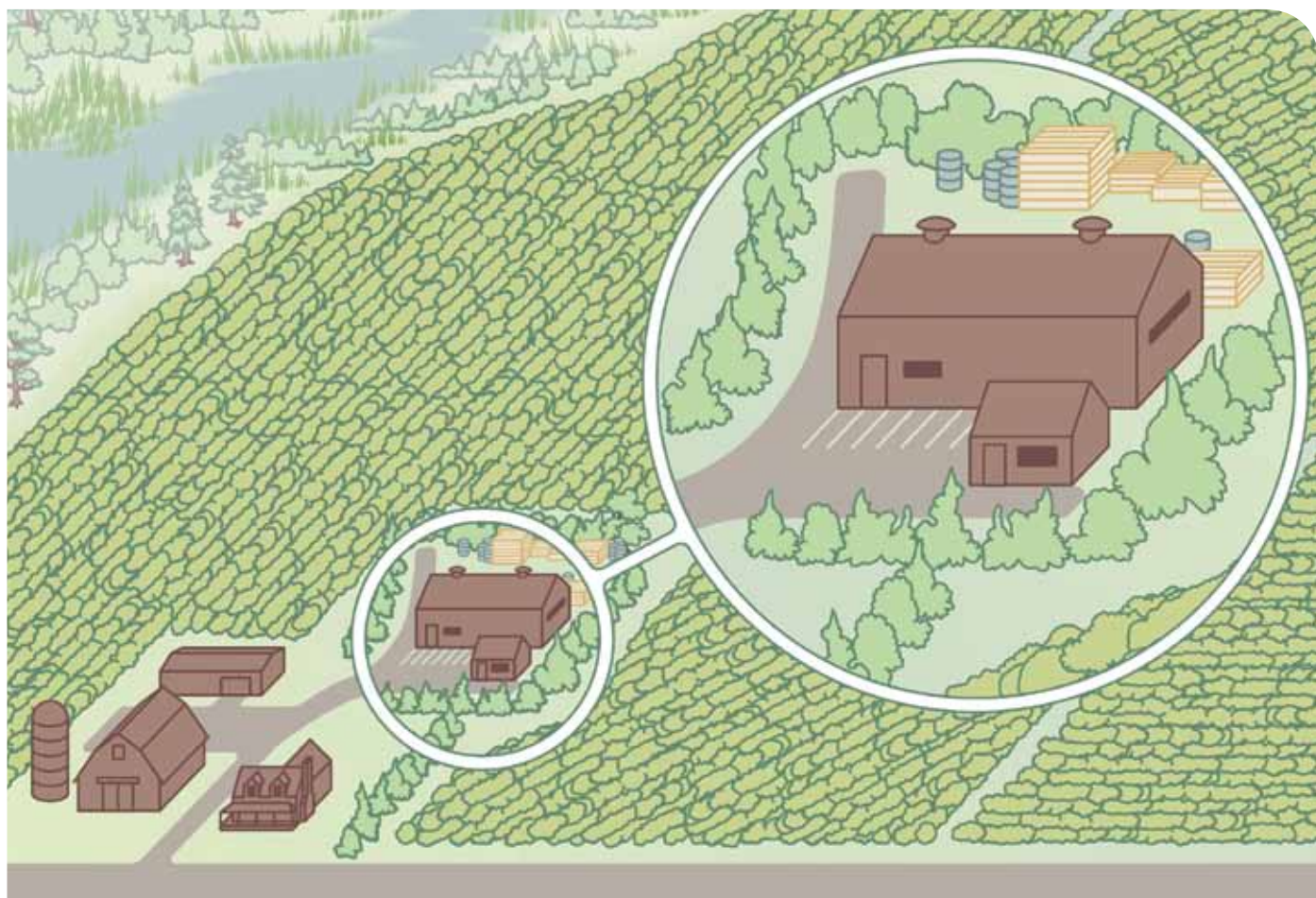


Figure 7. Example of *on-farm diversified uses* on a large farm.

Appendix 3: Example of an Existing Farm with a Combination of Permitted Uses

Table 6. Components of multiple permitted uses on 19 ha farm

m ²	Area of the <i>On-Farm Diversified Use</i>
314	Half of the 627 m ² building
366	Half of the 40-spot parking (19 @ 18 m ² ; 1 @ 24 m ²)
400	Half of the 800 m ² landscaped area
0	Existing laneway
1,080	Total area of the existing <i>on-farm diversified uses</i>

Note: areas shared between the *agriculture-related* and *on-farm diversified uses* (building, parking, landscaped area) were allocated 50:50

This 19 ha farm comprises:

Agricultural uses: apple orchards, shed for farm machinery, farmhouse

Agriculture-related uses: cider mill, farm shop selling value-added farm products from the area, laneway, parking, landscaped area

On-farm diversified uses: bakery, bistro (light meals), farm shop selling farm/food products not from the area plus non-agricultural-related goods, parking, landscaped area.

The *on-farm diversified uses* portion of the building is well within the recommended building size cap.



Figure 8. Example of multiple permitted uses on 19 ha farm.

