

# Planning Justification Report

Zoning By-law Amendment—New On-farm Diversified Use

501320 Hwy 89 Grand Valley Ontario

Roll Number: 220400000217600

Owner: 89 MFG INC. (Paul & Ina Martin)

Prepared by Eli Sherk

## Summary

The subject property is a 39-hectare agricultural parcel located at 501320 Hwy 89. The owner of the property wants to Amend the Grand Valley Zoning By-law to permit the establishment of a new on-farm diversified use. The proposed on-farm diversified use has a designated area of 5500 m<sup>2</sup> the proposed dry manufacturing shop will be up to 685 square meters in area and that will have an associated 600 square meter outdoor storage area. The use could include but not limited to metalworking, woodworking or plastic molding. This planning report provides justification for this proposal and demonstrates the application is consistent with the Provincial Planning Statement (PPS) and conforms to the Dufferin County Official Plan.

## Planning Act Requirements

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

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

## Planning Analysis

### Provincial Planning Statement

The subject lands are designated as agricultural by the Dufferin County Official Plan. The agriculture policies of section 4.3 of the PPS are therefore applicable to the proposed amendment. The proposed dry manufacturing shop qualifies as an “on-farm diversified use” (OFDU) under the PPS, and is therefore permitted within the Agricultural designation as per section 4.3.2.1 of the PPS:

*In prime agricultural areas, permitted uses and activities are: agricultural uses, agriculture-related uses and **on-farm diversified uses** based on provincial guidance. 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 provincial guidance or municipal approaches, as set out in municipal planning documents, which achieve the same objectives.*

The PPS provides the following definition for on-farm diversified uses:

**On-farm diversified uses:** means uses that are secondary to the principal agricultural use of the property, and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, Agri-tourism uses, uses that produce value-added agricultural products, and electricity generation facilities and transmission systems, and energy storage systems.

The “provincial guidance” that is referred to in section 4.3.2.1 is provided by way of the Guidelines on Permitted Uses in Ontario’s Prime Agricultural Areas, Publication 851—which is a guidance document that is published by OMAFRA. The determination of whether or not a proposed land use can be considered an “on-farm diversified use” requires a review of the criteria that are established for these uses within the OMAFRA publication.

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

**1. Located on a farm**

The subject property is 39 hectares in area and has an active Forestry operation on approximately 34 hectares of the property. The Forestry operation will continue after the OFDU is established, and the area of the Forestry operation will not be reduced

Secondary to the principal agricultural use of the property

The OFDU will be confined to the 5,500 square meter area that the site-specific zoning provisions will be applied to. This area represents roughly 1.4% of the total lot area, and the building and storage area will only use up to 15% of the area that is proposed to be rezoned. The Forestry use accounts for roughly 85% of the total lot area. The agricultural operation will remain as the dominant land use with the OFDU being secondary to this principal use.

**2. Limited in area**

Publication 851 recommends that a maximum of 2% of the lot area be used for an OFDU, and that the gross floor area of related OFDU buildings be limited to 20% of the area that is zoned for the use. The proposed spot zoning approach that limits the possible area of the OFDU to 5,500 square meters ensures that the area devoted to the use is restricted.

Furthermore, the site-specific zoning provisions that limit the floor area of the building to 685 square meters ensures that the building will be well under 20% of the total area that is to be rezoned for the OFDU.

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

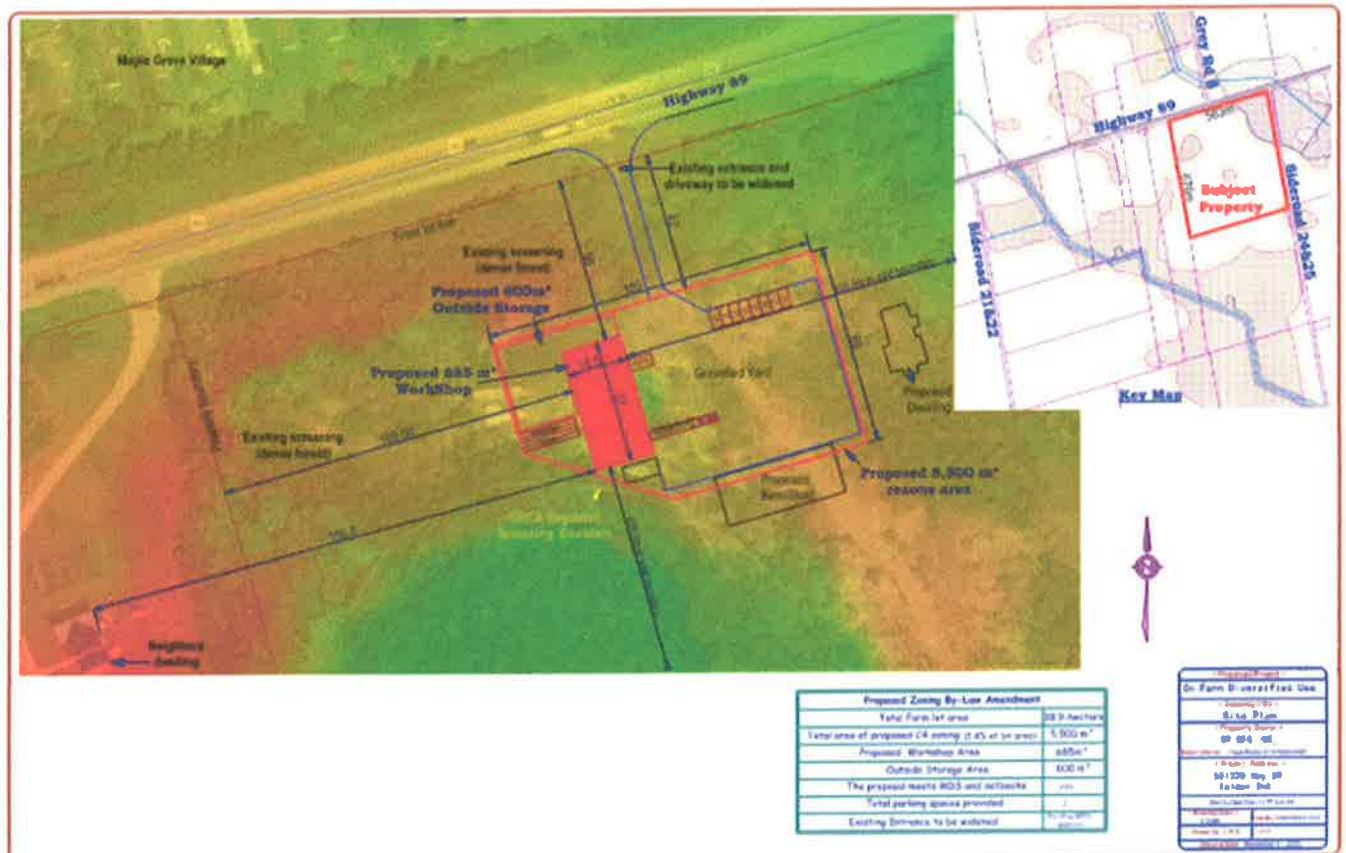
The PPS and Publication 851 do not require that OFDUs be directly related to agriculture. The PPS and Publication 851 indicate that home industries are permitted as OFDUs. The proposed dry manufacturing shop is a common form of home industry that is commonly permitted as an OFDU in Wellington County,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

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

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

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

**Figure 1. Area to be rezoned.**



## Dufferin County Official Plan

- e) On-farm diversified uses, will be permitted which include but are not limited to: home occupations, home industries, and those uses which add value to farm produce such as the processing, preserving, storing and packaging of the farm's products on the farm property, sales outlets for agricultural products produced on the farm, and agritourism uses such as farm machinery and equipment exhibitions (on a temporary basis), farm tours, petting zoos, hay rides and sleigh rides, processing demonstrations, pick-your-own produce establishments, small scale farm theme playgrounds for children and small-scale educational establishments that focus on farming instruction. On-farm diversified uses are secondary to the principal agricultural use of the property, and are limited in area. Proposed on-farm diversified uses will be compatible with, and will not hinder, surrounding agricultural operations. The local municipal official plan will establish land use policies and provisions related to on-farm diversified uses. The local municipality may permit on-farm diversified uses as of right.*
- g) Home industries will be permitted in accordance with the policies of the local municipal official plan and zoning by-law and provided the use is conducted in whole or in part in an accessory building (e.g., shed or farm building). In order to ensure that the scale of the home*

*industry is clearly accessory to the main use, the number of employees, the gross floor area and outside storage associated with a home industry will be limited in the local municipal implementing zoning by-law.*

*h) New land uses, including the creation of new lots, and livestock facilities and the expansion of existing livestock facilities will comply with the Minimum Distance Separation Formulae, as implemented through the applicable local municipal planning documents.*

*l) The local municipal official plans and zoning by-laws are encouraged to establish policies and provisions relating to build form, lot design, parking, screening/buffering, outside storage, and landscaping for any agriculture-related use and on-farm diversified use within the Agricultural Area.*

The proposed OFDU is consistent with the guidance provided by Publication 851 and therefore conforms to policies 4.2.2.e and 4.2.2.g of the Dufferin Official Plan.

### **Minimum Distance Separation**

The surrounding area of the site was inspected on October 15<sup>th</sup> to determine if there are any proximal livestock barns that could pose any minimum distance separation (MDS) concerns. Publication 851 and the Provincial MDS guideline both note that MDS I calculations do **not** need to be provided for OFDUs, but that MDS **may** be applied at the discretion of the municipality. The MDS Guideline provides the following direction regarding OFDUs:

*Municipalities have to decide whether or not they wish to require an MDS I setback for new or expanding agriculture-related uses and on-farm diversified uses. These uses are compatible with, and complement agricultural uses. Planning applications to permit these uses may not need to meet MDS I setbacks from existing livestock facilities or anaerobic digesters. However, some proposed agriculture-related uses and on-farm diversified uses may exhibit characteristics that could lead to potential conflicts with surrounding livestock facilities or anaerobic digesters. Therefore, it may be appropriate to require an MDS I setback to permit this subset of uses. Usually, these more sensitive uses are characterized by a higher density of human occupancy or activity, or uses that generate significant visitation by the broader public to an agricultural area. For example, food service, accommodation, Agri-tourism uses and retail operations such as a winery with an outdoor patio for light meals, an on-farm tea room, or a bed and breakfast with a farm-themed cooking school might be types of uses that a municipality could focus on ensuring meet the required MDS I setbacks. Conversely, industrial type on-farm diversified uses, such as an accessory welding fabrication shop or agriculture-related uses, such as a grain-handling facility may not be as sensitive of odor receptors, and therefore may be the types of uses that a municipality would continue to exempt from MDS I setbacks.*

This type of land use is **not** the type of OFDU that the MDS Guideline suggests MDS I calculations should still be applied to. The Dufferin County Official Plan under section 4.2.3.b indicates that MDS is to be applied for all land uses as per the location municipal planning documents:

*In order to avoid land use conflicts within the Agricultural Area designation, new land uses, including lot creation, and new or expanding livestock facilities will comply with the Minimum Distance Separation Formulae, to ensure appropriate standards for separating incompatible uses from existing, new or expanding livestock facilities. The Minimum Distance Separation Formulae will be implemented through the applicable local municipal planning documents.*

## **Servicing**

Section 4.2.3 of the Dufferin County Official Plan provides the following direction regarding servicing in Prime Agricultural Areas:

*Proposed development in Prime Agricultural Areas will be serviced with adequate sewage and water services. Development proposals for nonagricultural uses will demonstrate the suitability of the site for the proposed method of sewage and water services and stormwater management to the satisfaction of the local municipality, and any other required approval agencies.*

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

## **D6 Guidelines**

Section 6.3.5.d of the Dufferin County Plan imposes a relevant requirement with respect to noise:

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

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

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

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

## **Class of Use**

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

### **Class I Industrial Facility**

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



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

**Class III Industrial Facility**

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

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

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

	occasionally intense  Vibration: Possible groundborne vibration, but cannot be perceived off property		fugitive emissions	heavy trucks with the majority of movements during daytime hours	Manufacturing of dairy products  Dry cleaning services  Feed packing plant
Class III	Noise: sound frequently audible off property  Dust and/or Odour: Persistent and/or intense  Vibration: Ground-borne vibration can frequently be perceived off property	Outside storage of raw and finished products  Large production level	Open process  Frequent outputs of major annoyances  High probability of fugitive emissions	Continuous movement of products and employees  Daily shift operations permitted	Manufacturing of paint and varnish  Organic chemicals manufacturing  Breweries  Solvent recovery plants  Soaps and detergent manufacturing  Manufacturing of resins and costing  Metal manufacturing

The proposed use has the following characteristics:

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

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

Under section 4.1.1 of the Guideline, a Class II Industrial use has a 300-meter Area of Influence, and a 70-metre minimum setback from all existing sensitive land uses within that Area of Influence. If the use cannot be set-back a minimum of 70 meters from an existing Sensitive Use, then additional noise studies and mitigation measures may be required before the use can proceed. The nearest sensitive receptor is the dwelling to the northeast, which is over 500 meters from the area that is being rezoned. As demonstrated in Figure 4, there are no sensitive receptors within the 300-metre area of influence. There is no noise compatibility concern with the proposed OFDU under the D-6 Guideline framework.

### **Parking and Screening**

Section 4.2.2.1 of the County Plan provides direction to apply parking lot and storage area screening provisions within the zoning by-law. The proposed site layout indicates the OFDU building and storage area will be screened from Highway 89 by the existing forest; The Township can ensure appropriate screening of the parking and storage area is implemented through the site plan control process.

### **Natural Heritage**

Section 5 of the Dufferin Official Plan contains several policies that relate to the protection of natural heritage features. These policies prohibit development within several natural heritage features and their adjacent lands unless it is demonstrated there will be no negative impact to the feature. Table 5.1 specifies the extent of the “adjacent lands” to various natural heritage features found throughout the County. The largest adjacent lands extent is 120 meters from various different features.

The subject property contains a stream and is proximal to several significant woodland features; however, the closest feature is 250 meters away from the area that is proposed to be rezoned for the OFDU. As a result, an environmental impact study is not required as the proposed development is not within a concerning distance of any natural heritage features. Note that the mapped feature within the boundary of the subject property is a buffer around a stream. The extent of this mapped natural heritage feature on the property generally aligns with the extent of the area that is zoned Environmental Protection.



### **Dufferin Official Plan Summary**

The Dufferin County Official Plan permits and encourages On-farm Diversified Uses in the Agricultural designation in alignment with the PPS. The proposed OFDU is consistent with Publication 851, creates no MDS conflicts, creates no D6 Guideline conflicts, and is located outside of the adjacent lands of the natural heritage features within the surrounding area. The proposed amendments to the Grand Valley Zoning By-law conform to the Dufferin County Official Plan.

### **Zoning By-law**

Notwithstanding any other provisions of this By-law, the following uses are permitted in addition to all uses permitted within the Agriculture Zone:

A dry manufacturing shop with a maximum gross floor area of 685 square meters and a maximum outdoor storage area of 600 square meters subject to the following provisions:

1. A “metal works shop” means a building, structure or area where metal is stored, sanded, welded, and worked for use in the production of various products, and includes metal cutting, welding, and brazing facilities for metal working, and the distribution of such metal products on a wholesale basis.

#### ***A Woodworking Shop***

*Shall mean a building, structure or area where lumber is stored, cut, sawed or planed, and includes woodturning, facilities for kiln drying of lumber, and the distribution of such products on a wholesale basis. Also permitted is the storage of both raw materials (logs) and finished products (timber).*

2. The outdoor storage area shall be screened from the interior side lot line, the exterior side lot line, and the front lot line by a planting strip, fence, or building.
3. A minimum of one loading space is required.
4. A minimum of seven parking spaces is required.
5. Parking spaces and driveways may be constructed with gravel or an acceptable hard-top surface such as asphalt or concrete.

These provisions ensure that the OFDU is limited in scale in accordance with the direction of Publication 851, and they ensure that the parking and outdoor storage areas are appropriately laid out and/or screened from public view.

### **Conclusion**

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