

**To: Warden and Members of County Council**

**From: Director of Community Planning**

## **Phase 1 Official Plan Review - Draft Agricultural Policies**

### **RECOMMENDATIONS**

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- 1. That County Council direct Planning staff to initiate Phase 1 of the County Official Plan Review process, consisting of proposed updates to the agricultural policies, in accordance with the requirements under the Planning Act and as generally outlined in Report No. CP 2021-337;**
- 2. And further, that Report No. CP 2021-337 be circulated to the Area Municipalities for information.**

### **REPORT HIGHLIGHTS**

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- This report provides highlights of the key changes to the agricultural policies currently being proposed by County planning staff as a result of their review to date.
- The policies discussed and included in this report represent a proposed 'consultation draft' intended for community engagement and public feedback. A comprehensive engagement framework is outlined in this report which will provide multiple opportunities for the public and other stakeholders to participate, ask questions and submit comments.

### **Implementation Points**

The proposed review and update of the County's agricultural policies represents the first phase of the current Official Plan review process. The primary purpose of this review is to identify any updates to the policies that may be required to ensure they are consistent with relevant Provincial legislation, plans, policies, and guidelines, as required by the Planning Act, including changes made to the Provincial Policy Statement (PPS), 2020. However, revisions to improve overall intent, clarity, and implementation, and to better reflect local goals and objectives are also being proposed.

## Financial Impact

No immediate implications beyond this year's approved budget. Any additional funding that may be required for future phases will be considered as part of the annual budget process.







## Communications

Community engagement will be an important component of the Official Plan review process, including the proposed review and update of the County's agricultural policies (i.e. Phase 1 of the current OP review process). Engagement to date has included preliminary consultation with Township staff and Councils, County Agricultural and Planning Advisory Committee (APAC) and Rural Oxford Economic Development Corporation (ROEDC) on the proposed overall policy direction. An overview of the feedback received to date is provided in the Background Research and Preliminary Consultation section of this report.

Planning staff are proposing a comprehensive engagement framework to provide a range of opportunities for input on the draft agricultural policies that will meet and exceed the minimum statutory requirements under the Planning Act. This framework is described in further detail under the Next Steps section of this report.

Communication of the proposed engagement opportunities will be provided through a combination of newspaper advertising, social media and digital marketing.

## Strategic Plan (2020-2022)

					
<b>WORKS WELL TOGETHER</b>	<b>WELL CONNECTED</b>	<b>SHAPES THE FUTURE</b>	<b>INFORMS &amp; ENGAGES</b>	<b>PERFORMS &amp; DELIVERS</b>	<b>POSITIVE IMPACT</b>
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## DISCUSSION

### Background

The Planning Act requires that municipalities review and revise their Official Plan policies to ensure they comply with any new and/or updated land use related legislation and regulations; have regard for matters of Provincial interest listed in the Planning Act; and are consistent with policy statements issued under Section 3(1) of the Act (e.g. Provincial Policy Statement, 2020), including any associated guideline documents.

The existing agricultural policies in the Official Plan are largely consistent with the 2020 PPS, including placing a strong emphasis on ensuring the County's prime agricultural areas are protected for long-term agricultural use, preventing further land fragmentation and limiting the establishment of new non-agricultural uses. However, these policies would benefit from a number

of revisions to better reflect the updated agricultural policies contained in the 2020 PPS and additional Provincial guidelines and requirements related to agricultural land use, including:

- *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas* which provide detailed guidance on the Province's expectations with respect to the implementation of the agricultural use policies contained in the PPS;
- *Guidance for Agricultural Impact Assessments* (draft) which outlines the recommended process for assessing the impacts and appropriateness of non-agricultural uses and settlement area expansions in prime agricultural areas; and
- *Minimum Distance Separation Formulae* which establishes the setbacks required between livestock facilities and sensitive land uses (i.e. residential, institutional, commercial, settlement areas etc.)

#### Importance of Agriculture in Oxford

The County's agricultural policies generally apply to all lands located outside of designated settlements, which comprise approximately 87% of the County's total land area. As such, in Oxford County, these policies are particularly important for ensuring that the County's land resources are protected and sustainably managed.

Also of note is the importance of Oxford's agricultural sector, both locally and provincially, due to factors such as:

- the size and quality of the agricultural land base;
- favorable climate and high crop yields;
- the large percentage of higher grossing farms and the level of capital investment per farm;
- size, type and productivity of agriculture operations;
- impact on local and Provincial economies (employment, assessment, expenditures etc.); and
- being highly accessible to both Canadian and US markets.

The above indicates the importance of Oxford continuing to protect its agricultural systems and resources for the long term, so that agriculture can continue to thrive.

The Province's best farmland is often located near larger population centres which can result in enormous pressure for that land to be divided into smaller lots/fragmented and/or developed for non-agricultural uses. Most non-agricultural uses are not compatible with agriculture; do not support or contribute to agricultural operations; and do not generally need to be located outside of a settlement (i.e. often simply a desire for more space, cheaper land, lower taxes/fees, rural setting, less scrutiny/regulation etc.). Over time, the cumulative impacts from such uses can negatively impact the continued viability of agricultural operations/areas by increasing operational pressures and constraints resulting from:

- land price competition, fragmentation, traffic, vandalism, crop damage, manure handling restrictions, setbacks for livestock facilities etc.; and
- complaints regarding noise, dust, odour, chemical use, hours of operation etc.

Once agricultural lands are lost to non-agricultural use, they rarely return. Establishing appropriate land use policies for agricultural areas can help to avoid or mitigate many of the potential negative pressures on agricultural operations/areas that can result from such uses and help to ensure agricultural operations can maintain the flexibility to adapt and thrive. The proposed updates to the County's agricultural policies will provide an opportunity to ensure that they remain effective and up to date and, to the extent possible, tailored to the County's specific land use context.

#### Background Review and Preliminary Consultation

In addition to review of relevant legislation, regulations, policies and guidelines as noted above, Planning staff have also completed extensive background research and review of various documents, reports, data and other information related to the agricultural policies including, but not limited to:

- Official plans from other municipalities with similar land use contexts (e.g. prime agricultural areas with a mix of urban and rural settlements), with a focus on those currently under review or that have been recently reviewed and approved by the Province;
- Relevant planning applications and related local and Ontario Municipal Board/Local Planning Appeal Tribunal decisions;
- Review of various related studies, research reports, presentations and other materials; and
- GIS analysis of spatial data and related information (e.g. land use, parcel sizes, zoning, environmental constraints etc.)

Preliminary consultation with the Province, Township staff and Councils, APAC and ROEDC has also been undertaken to obtain initial feedback and insight on various agricultural policy considerations and potential approaches. This feedback has helped to inform and refine the proposed draft policies presented in this report.

In general, the preliminary feedback indicated overwhelming support for maintaining strong policies for the protection of the County's prime agricultural area for long term agricultural use, but with some variations in opinion as to how that should best be achieved (e.g. from stricter limitations on settlement expansions and non-agriculture uses to providing more flexibility for development and non-agriculture uses). There was general support for the initial policy directions proposed by Planning staff, particularly with respect to the increased flexibility for the establishment of agriculture-related uses, on-farm diversified uses and rural entrepreneurial uses, and the revised policy direction for existing undersized agricultural lots. There was also considerable concern expressed with respect to introducing too much flexibility for the establishment of non-agricultural uses, and to some extent agriculture-related and on-farm diversified uses, citing reasons such as the loss of irreplaceable agricultural land; conflict with and impacts on agriculture; environmental concerns; and the need to focus growth within existing settlements, land price competition, etc.

As such, particular caution was advised in that regard. However, some feedback indicated a desire for greater flexibility with respect to development and the establishment of certain uses in agricultural areas (e.g. agricultural business, on-farm diversified uses, etc.), citing reasons such as the need to provide economic development opportunities, support rural tourism, increase assessment and maintain rural populations.

It is clear from the range of feedback received to date, that there are varying perspectives, interests and opinions when it comes to exactly how, and to what extent, Oxford's agricultural areas should be protected for long term agriculture use. As such, further consultation and engagement on the proposed draft policies will be key to informing the final draft policies and ensuring an appropriate balance for Oxford can be achieved.

## **Commentary**

The proposed updates to the agricultural policies represent the first phase of the County's multiple phase Official Plan review process.

The County's current agricultural policies, as contained in Section 3.1 of the Official Plan, are largely consistent with, and generally exceed, the minimum requirements for Agricultural Areas as set out in the 2020 Provincial Policy Statement (PPS). That said, the County's agricultural policies will still require and/or benefit from, a number of revisions to:

- Ensure consistency with current Provincial legislation, policies and guidelines. This will include the incorporation of a number of new/updated terms to reflect current terminology and providing increased flexibility for the establishment of certain uses (e.g. value retaining facilities, on-farm diversified uses, agriculture-related uses etc.);
- Better reflect local goals and objectives and address various issues and considerations identified through background policy research and preliminary consultation; and
- Improve the readability and clarity of the policies and reduce repetition.

The revisions being proposed are reflected in the 'consultation draft' of the County's agricultural policies included as Attachment 1 to this report.

The general intent of the current agricultural policies and proposed revisions is to continue to protect the County's prime agricultural areas for long-term agricultural use, support viable and sustainable agriculture, and ensure the vitality of rural settlements, while also providing increased opportunities to establish rural and agriculture-related businesses and maintain rural populations, where appropriate.

The following subsections provide an overview of the key changes being proposed, including applicable PPS policy requirements, general planning rationale and comparison with other municipal approaches, where applicable.

**a) The Agricultural Reserve Designation**

The Agriculture Reserve designation, as currently identified on the Land Use Schedules of the Official Plan, generally applies to all lands in the County that are located outside of a designated settlement. This designation serves to identify the County's 'prime agricultural area' as required by the PPS. No changes to the general application and mapping of this designation are currently being proposed.

**b) Agricultural Uses**

The County's existing agricultural use policies generally permit the full range of agricultural uses as defined in the PPS. This remains essentially unchanged in the proposed draft policies, with the exception of the incorporation of the term "value retaining facility" into the definition of 'agricultural use' to reflect the addition of that term to the PPS definition. To be considered an agricultural use, such facilities must exclusively serve the agricultural operation upon which they are located. Value retaining facilities that serve multiple properties or farms may be permitted as On-farm diversified uses (OFDUs) or agriculture-relates uses, as described later in this report.

Cannabis as an Agricultural use

The Province has clarified that the growing of cannabis is considered an agricultural use, similar to growing any other crop, including those grown in greenhouses or other buildings and structures.

That said, the processing, refinement and other accessory uses related to the processing and packaging of cannabis are not generally considered to be an agricultural use. However, such accessory uses could potentially be considered as OFDUs, agricultural related uses, or non-agricultural use depending on the type and scale of the proposed use. The proposed draft agricultural policies provide further clarity on this distinction to ensure that any proposed accessory uses to the growing of cannabis in the County's agricultural areas would be subject to the policies for OFDUs, agriculture related uses or non-agricultural uses, as applicable. As these uses all require rezoning and site plan approval, it would ensure any such accessory uses are subject to a full municipal review and public process, in addition to any applicable Provincial and Federal requirements. This proposed approach is in keeping with the policy approaches recently approved by the Province in a number of other municipalities.

Livestock and Poultry Operations

Minor updates to the County's policies with respect to livestock and poultry operations are being proposed to better reflect the requirements of the current Minimum Distance Separation Formulae (MDS) requirements and the Nutrient Management Act.

On-Farm Dwellings

The current OP policies direct that a residential dwelling is only permitted on agricultural lot as accessory to the principal agricultural use. This is consistent with the requirements under the PPS and not proposed to change.

However, the proposed policies do clarify the existing criteria for permitting additional temporary (e.g. mobile homes, garden suites) and/or permanent dwellings on agricultural lots. Additional dwellings (with the exception of converted dwellings and garden suites) would generally be permitted only where they are required to accommodate full-time farm labour required for the operation and will be located in immediate proximity to the principal dwelling (i.e. within the existing farm building cluster).

It should also be noted that Planning staff are in the process of developing new policies for the establishment of Additional Residential Units (ARUs), in accordance with the regulations under the Planning Act. These policies are expected to provide some additional flexibility to establish additional permanent dwelling units on a farm (e.g. in the main farm dwelling and/or an accessory structure close to the main dwelling) for other purposes (i.e. retiring farmer, on-going care/family support etc.). The ARU policies are proposed to be introduced through a separate amendment process, which will be initiated shortly.

#### Creating New Agricultural Lots

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

The Provincial standard for minimum agricultural lot size for the types of agriculture common in most of Southwestern Ontario is generally 40 ha (100 ac). However, Planning staff are of the opinion that maintaining the current 30 ha (75 ac) lot size contained in the Official Plan has generally been achieving the same intent as the Provincial standard (i.e. preventing further land fragmentation and splitting of existing farm lots), while providing greater flexibility for the reconfiguration of existing agricultural lots and/or lot additions.

Therefore, as a starting point for formal consultation with the Province, the draft policies are proposing to maintain the County's current minimum parcel size of 30 ha (75 acre) for the creation of new agricultural lots, but remove the existing policy which allows for the consideration of smaller lot size through submission of a farm viability plan. Preliminary feedback from consultation to date seems generally supportive of this proposed approach.

The proposed policies also clarify the development review criteria for agricultural consents (e.g. flexibility, suitability, fragmentation, tillable area and environmental considerations) to reflect updated terminology, clarify the requirements and improve the readability and consistency throughout the agricultural policies as a whole.

#### Existing Undersized Agricultural Lots

The OP contains specific policies for existing undersized agricultural lots (i.e. agriculturally zoned lots less than 16 ha in area).

The current policies require a rezoning, supported by a farm viability study, to allow for a dwelling and/or other farm structures to be established on a vacant existing undersized lot. The intent being to ensure such dwelling and/or farm structures are clearly required to support a viable farm operation on the lot. Over the years, there have been a number of implementation challenges with the farm viability plan approach and it has not been particularly effective at ensuring the intent

of the policy is achieved and maintained over time (i.e. that the lot is used for productive agriculture, not just as a hobby farm or large estate residential lot).

The general intent of these policies is to ensure that the approximately 27,000 acres of the County's total agricultural land base that such lots comprise is preserved for productive agricultural use over the long term, wherever possible. Staff estimate that there are currently approximately 1850 such lots in the County, with varying size, shape, and attributes (i.e. natural heritage features and/or natural hazards).

The 1350 undersized agricultural lots that contain an existing dwelling provide a range of potential sites for the establishment of agricultural operations that may not necessarily require larger acreages to be viable (i.e. intensive greenhouse operations, organic farms, speciality crops etc.). Most of the 500 existing vacant undersized agricultural lots are currently utilized for crop production, often as part of a larger farm operation. Allowing the construction of a dwelling on these lands could result in a significant direct loss of agricultural land (i.e. 500-1,000 ac) and even greater potential indirect loss of land for productive agriculture (i.e. if the lot was to be utilized simply for estate residential, or hobby farm type uses) and make these lots less likely to be retained or acquired for strictly agricultural use. As such, the primary focus of the current and proposed policies is protecting these lots from such development.

For the above noted reasons, the draft policy updates propose to replace the current farm viability plan requirements with updated development criteria that would allow for the establishment of a dwelling on a small (i.e. 1 acre) portion of an existing vacant undersized agricultural lot, in exchange for legally merging the remaining agricultural lands with an abutting agricultural lot and subject to addressing various development criteria (i.e. MDS, dwelling location with least impact on agriculture, servicing, access etc.). The general intent is to maximize the amount of agricultural land on undersized agricultural parcels that is protected and secured for productive long term agricultural use (i.e. minimizing the direct and indirect loss of land for productive agriculture), while also creating larger, more flexible agricultural lots that can support a broader range of productive agricultural operations and allowing for some limited residential development. For similar reasons, policies to encourage the consolidation of existing built undersized agricultural lots with abutting agricultural lots were also considered (e.g. revised requirements for date of dwelling, minimum resulting lot size etc.), however, have not yet been incorporated into the current consultation draft.

The proposed policies also include some flexibility on the maximum size permitted for the retained residential lot in circumstances where allowing for a larger lot would directly facilitate the preservation of existing significant natural heritage features.

**c) On-farm Diversified Uses (OFDUs)**

The PPS indicates that “on farm diversified uses (OFDUs)” may be permitted in prime agricultural areas provided that they are compatible with, and do not hinder, surrounding agricultural operations.

The PPS defines OFDUs as “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. Ground-mounted solar facilities are permitted in prime agricultural areas, including specialty crop areas, only as on-farm diversified uses.”

The overall intent of the proposed OP policies for OFDUs is to provide reasonable opportunities for farmers to establish a small business use (i.e. home industry, value retaining/value added agricultural facility, smaller scale agricultural related use, or farm-related tourism use) as a secondary use on their farm to supplement their income from farming and/or diversify their farming operation.

The proposed policy approach for home occupations and OFDUs on agricultural lots is generally summarized as follows:

- Permit ‘rural home occupations’ in a dwelling or accessory residential structure on agricultural lots as of right (i.e. must be small scale, secondary to the residential use and meet all local zoning requirements). It is noted that minor revisions to the existing home occupation policies in the OP are proposed to provide some increased flexibility on permitted size and scale (i.e. max. 40 m<sup>2</sup> and 25% of GFA of dwelling, 2 non-resident employees etc.) for such uses;
- Permit other forms of OFDUs (i.e. rural home industry, farm-related tourism uses, value added agricultural facilities and value retaining facilities) subject to a zone change and site plan approval process. The proposed use would need to address various development review criteria to ensure it is limited in scale and secondary to the principal agricultural use and is compatible with and does not hinder agricultural operations. Such development review criteria include, but are not limited to:
  - Limiting the area that may be occupied by such uses to the lesser of 2% of the lot area or 0.8 ha (2.0 ac);
  - Limiting the maximum cumulative gross floor area of 557 m<sup>2</sup> (6,000 ft<sup>2</sup>);
  - Requiring that the farm owner reside on the lot the OFDU use is located on and be involved in the operation of the OFDU and limiting the number of non-resident employees;
  - Avoid locating the OFDU on productive agricultural land to the greatest extent possible (e.g. within existing farm building cluster), with re-use of existing agricultural buildings encouraged as a first priority,
  - Use existing servicing, driveways and other infrastructure as well as demonstrate that the servicing is suitable or can be made suitable for the proposed use;
  - Must be compatible with surrounding uses, (i.e. not generate excessive noise, odour, and traffic, visual or other impacts that may have an adverse impact on adjacent properties);
  - Must satisfy *MDS* / requirements, unless deemed not to be required by the Area Municipality based on the nature of the use;
  - Clarifying various uses that are not permitted as OFDUs and requirements for specific types of OFDUs (i.e. farm-related tourism uses; seasonal storage; alcohol producing uses (i.e. winery, brewery) and farm vacation rentals); and
  - An OFDU cannot be severed from the agricultural lot upon which it is located.
- Include new definitions for rural home occupations, rural home industry, farm-related tourism uses, value added agricultural facility and value retaining facility.

It is noted that the proposed policy approach is generally similar to other municipalities reviewed, however, there is variation in how each municipality specifically regulates the scale and secondary nature of such uses to reflect provincial guidelines. The proposed GFA for ODFUs has been increased somewhat in response to preliminary feedback. That said, it is anticipated that the specific size and scale criteria for such uses will remain a key focus area for discussion during the proposed consultation and engagement process.

**d) Agriculture-Related Uses**

The PPS generally defines agriculture-related uses as farm-related commercial and industrial uses which 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. Such use must be compatible with, and not hinder surrounding agricultural operations.

The existing OP policies generally support the establishment of agriculture-related uses on a farm, where they are directly related to that farm operation and required in close proximity to that farm operation. This is more limiting than is permitted by the current PPS policies for such uses.

The proposed policies for agriculture-related uses provide increased flexibility for the establishment of such uses to reflect the current provincial direction. The overall intent is to ensure such uses meet the definition of an agriculture-related use, require a location outside of a settlement, are directed to existing lots that are already constrained for agriculture as a first priority, are compatible with and do not hinder agricultural operations, are appropriate for rural services, do not undermine or conflict with the employment and service function of settlements, and satisfy any other provincial or local requirements.

The following is a summary of some of the key policy criteria proposed for such uses:

- Require a zone change and site plan approval for a specific agriculture-related use;
- Must demonstrate the use is compatible with agricultural uses, appropriate for rural level services and cannot be located in settlement areas;
- Establish applicable development criteria and requirements (e.g. traffic, servicing, application of MDS, etc.);
- Clarify uses that are not permitted as an agriculture-related use;
- Refine the definition of agriculture-related use to clarify that such uses are, “required in close proximity to farm operations”, rather than simply “benefit from proximity to farm operations” (as per the PPS);
- Require that such uses specifically consider certain sites as a first priority (i.e. existing agri-business, non-farm rural residential, industrial, commercial or institutionally zoned lots or existing undersized agricultural parcels that are 2 ha or less in area and contain a dwelling). Where such sites are not available, a location on a portion of a larger agricultural lot may be considered, but only where the use is directly related to the farm operation on that lot and requires a location in immediate proximity to that farm operation.

Oxford’s proposed policy approach is generally in keeping with the approach applied to such uses in other comparable municipalities reviewed, but with some variation in terms of specific development review criteria.

**e) Non-Agricultural uses**

The PPS states that planning authorities may only permit non-agricultural uses in prime agricultural areas for the extraction of minerals, petroleum resources and mineral aggregate resources, or limited non-residential uses, provided that all of the following are demonstrated:

- the land does not comprise a specialty crop area;
- the proposed use complies with the minimum distance separation formulae;
- there is an identified need within the planning horizon for additional land to accommodate the proposed use; and
- alternative locations have been evaluated, and
  - there are no reasonable alternative locations which avoid prime agricultural areas; and
  - there are no reasonable alternative locations in prime agricultural areas with lower priority agricultural lands.

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

These requirements support the Provincial objectives that agricultural areas are to be protected for long term agricultural use and that need, alternative locations and impact on agriculture must be specifically addressed for any non-agricultural use to be considered.

**ICI, Recreation and Infrastructure Uses and Settlement Expansions**

The existing policies for non-agricultural uses already largely reflect the Provincial requirements. Therefore, the proposed changes are largely focused on simplifying and clarifying the policies and updating terminology to reflect the PPS. The key changes are generally summarized as follows:

- Update/clarify review criteria for minor expansions and minor changes in use to existing industrial, commercial and institutional uses located outside of settlements (e.g. need for expansion, impact on agriculture, compatibility etc.).
- Update/clarify review criteria for the establishment of new non-agricultural uses and settlement expansions in prime agricultural areas to better reflect Provincial policies and guidelines.
- Combining the policies for existing Industrial, Commercial, Institutional (ICI) and Recreational policies to reduce duplication.
- Requiring the preparation of an Agricultural Impact Assessment (AIA) study as part of the justification for a proposed settlement expansion or non-agricultural use, to formalize the process for evaluating and addressing the potential impacts on agriculture.
- Replacing the current OP policies for renewable and/or alternative energy systems (i.e. wind, solar, biogas etc.) with a revised policy approach that better reflects and integrates the current process and requirements for such systems (i.e. following the repeal of the Green Energy Act).

The proposed policies would require most renewable and/or alternative energy systems (i.e. wind, ground mounted solar, anaerobic digester etc.) to be evaluated as non-agricultural uses. However, certain types of systems (i.e. biogas facilities using primarily farm source material,

ground mounted solar and roof/building mounted solar on existing buildings) could be considered as an agricultural or on-farm diversified use, subject to meeting applicable requirements.

### Rural Residential Uses

There are roughly 1,300 existing rural residential lots located outside of settlement areas within the County. The proposed draft policies are intended to provide some increased flexibility for rural residential lot creation and the establishment of small business uses on an existing rural residential lot.

### Rural Entrepreneurial Uses

The current OP policies permit a home occupation on an existing rural residential lot and these policies are proposed to be maintained. However, the updated policies are also proposing to permit a new form of use, called a 'rural entrepreneurial use' on an existing residential lot to complement the planned employment and service function of designated rural settlements, by providing additional live-work opportunities for non-farmers in the rural area of the County.

Rural entrepreneurial uses are proposed to include small business uses that exceed the permitted size and/or scale of a home occupation, but remain secondary to the rural residential use of the property. The proposed policies for rural entrepreneurial uses would:

- Establish a definition for rural entrepreneurial use;
- Require a rezoning and site plan approval to establish such as use;
- Establish permitted use, size, scale, compatibility and locational criteria to ensure such uses remain secondary to the residential use, including:
  - Limiting the gross floor area to a maximum of 280 m<sup>2</sup> (3,014 ft<sup>2</sup>), or 10% of the total lot area, whichever is less;
  - Limiting the number of employees (maximum of two non-resident) and outdoor storage;
  - Wholesaling, retail and/or office uses only permitted as accessory and ancillary to the proposed use;
  - Requiring that the proposed use be small scale and not detract from the residential character of the property and constructed/designed to maintain or complement the residential character of the property;
  - Other typical development criteria (e.g. traffic, access, servicing, etc.); and
  - Clarifying uses that would not be permitted as a rural entrepreneurial use.

The proposed scale limitations and range of uses were developed based preliminary in consultation with area municipal staff, and consideration of existing Area Municipal zoning provisions for accessory structures and a number of other factors.

### Rural Residential Lot Creation

Non-farm rural residential development is considered to be incompatible with agriculture as it can create conflicts with farming activities and removes land from agriculture use.

The PPS states that new residential development is to be directed to settlement areas and only permits the creation of new rural residential lots through the severance of an existing dwelling rendered surplus as a result of a farm consolidation. The resulting residential lot must be as small as possible to accommodate the dwelling and services.

The current OP policies use a point based system, supported by justification requirements to evaluate proposals for the creation of a new rural residential lot, which is only permitted in the following circumstances:

- A proposal to retain an existing, permanent dwelling constructed prior to December 31<sup>st</sup>, 1995 that is rendered surplus as a result a farm consolidation involving two abutting agricultural lots being merged into one larger agricultural lot under identical ownership; and
- A proposal to rezone an existing ICI zoned lot to permit a dwelling, provided the lot is less than 1ha in area.

Any such proposal also must comply with various development review criteria (i.e. servicing, MDS, not in an aggregate resource area, traffic and access, etc.).

The proposed policy updates are intended to simplify and clarify the current policies for the severance of surplus farm dwellings by replacing the current points based evaluation system with a development criteria based framework. The proposed policies maintain the existing scenarios for the creation of a new rural residential lot and also introduce a third scenario as follows:

- a proposal to sever one existing dwelling from an agricultural lot that contains two existing permanent dwellings built prior to 1995 where such dwelling has been rendered surplus as a result of a farm consolidation involving two or more non-abutting agricultural lots.

Similar to the existing policies, any proposal for the creation of a new residential lot would also need to satisfy various development criteria including:

- all existing permanent dwellings on the lot are habitable at the time of the application;
- the proposal does not result in the removal of the only dwelling from an agricultural lot,
- where the proposal does not involve the merger of abutting agricultural lots, the retained agricultural lot shall be rezoned to prohibit the construction of any new dwelling;
- the lands must be zoned for agricultural use;
- the proposed rural residential lot is as small as possible and not generally exceed 2 acres;
- the proposed non-farm rural residential lot shall not contain any barns or other farm structures unless they are suitable to be used as accessory structures to a residential use
- is not located in a quarry area, limestone resource or sand and gravel resource area or a future urban growth area; and
- other typical development requirements (e.g. servicing, MDS, access and traffic, etc.).

Staff currently estimate that there are approximately 500 existing agricultural lots with two houses built prior to 1995 in the County that could potentially be eligible to sever a surplus dwelling under the proposed new scenario.

There is currently considerable variation in approaches to surplus farm dwelling severances in other comparable municipalities, from somewhat more flexible than is currently proposed for Oxford to more restrictive (i.e. prohibition). The proposed policies for Oxford are intended to provide some increased opportunities for rural residential lot creation, while at the same trying to prevent further land fragmentation and compatibility issues/constraints for agricultural uses, particularly livestock operations.

## **Next Steps**

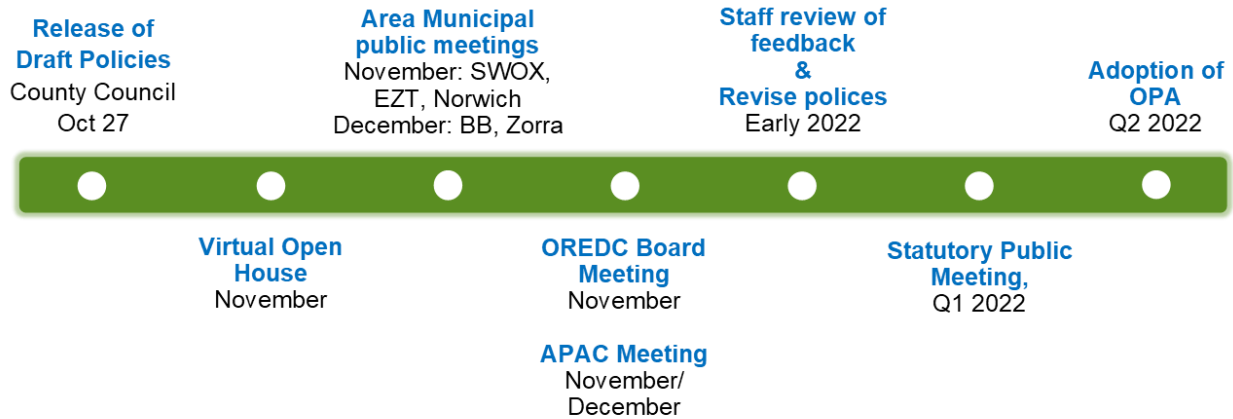
The intent is to initiate the community engagement process for this phase following the October 27, 2021 meeting of County Council and have it run through until mid December 2021. This engagement process is proposed to include:

- A virtual public open house to learn about the proposed policies and ask questions;
- Various online communication and engagement opportunities (e.g. Website, Speak Up Oxford, Social media), including the ability to review related information and materials and submit comments and feedback;
- Public consultation sessions to be held at each of the rural Area Municipalities (Blandford Blenheim, East Zorra-Tavistock, Norwich, South-West Oxford, and Zorra) to provide an opportunity for Councils to provide feedback and obtain input from the public on the draft policies. Consultation with the urban Area Municipalities may also be undertaken, where requested;
- Further consultation with the APAC and RODEC; and
- Any other consultation and engagement opportunities that may be identified as being required through the review process.

The opportunity to submit comments to the County Planning office via regular mail and email ([OPupdate@oxford.ca](mailto:OPupdate@oxford.ca)), and engage online, is currently expected to be available until mid-December, 2021.

Following the above noted consultation and engagement process and consideration of the feedback received, a statutory public meeting will held with County Council to consider a revised 'final draft' of the proposed amendments and any final public input. County Council would also potentially be in a position to adopt the proposed amendments at that meeting, if they are satisfied no further review or revision is required to address any final comments received. Figure 1 below illustrates the overall process and consultation timelines currently being proposed for the agricultural policy updates.

Figure 1. Timeline for Agricultural Policy Updates



**Speak up, Oxford!**

Online opportunities to provide feedback and ask questions through Mid December

Unlike other Official Plan amendments for which the County is the approval authority, the Province is the approval authority for any amendments undertaken as part of an OP review process. As such, following adoption by County Council, the proposed agricultural policy amendments will still be subject to Provincial approval. As part of their approval, the Province has the authority to impose any modifications to the County's adopted policies that it determines to be necessary to ensure they are consistent with Provincial legislation and policies. In an effort to streamline this process, staff have already been in contact with Provincial staff regarding the proposed OP updates (i.e. to discuss the proposed phased approach) and will be circulating the Province a copy of the current consultation draft of the agricultural policies for initial feedback, as required under the Planning Act.

## Conclusions

The purpose of this report is to present Council with the proposed 'consultation draft' of the agricultural policies that have been developed as part of the first phase of the County's broader Official Plan review process.

The proposed updates to the agricultural policies are intended to ensure they are consistent with current Provincial legislation, plans, policies, and guidelines, as required by the Planning Act, and also provide an opportunity to improve the overall intent, clarity and implementation of the policies and ensure they continue to reflect local planning goals and objectives.

Pending Council's approval of the report recommendations, staff will proceed with the next steps in the process as set out in this report, to obtain community and stakeholder input on the proposed policies.

## SIGNATURES

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### Report Author:

Original signed by  
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Original signed by  
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### Approved for submission:

Original signed by  
Michael Duben, B.A., LL.B.  
Chief Administrative Officer

## ATTACHMENT

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Attachment 1 Proposed Agricultural Policies, October 27, 2021