



Value-Added: the Provincial Policy Context



Enabling Value-Added Agricultural Policies Workshop



Golden Horseshoe Food and Farming Alliance and Friends of the Greenbelt



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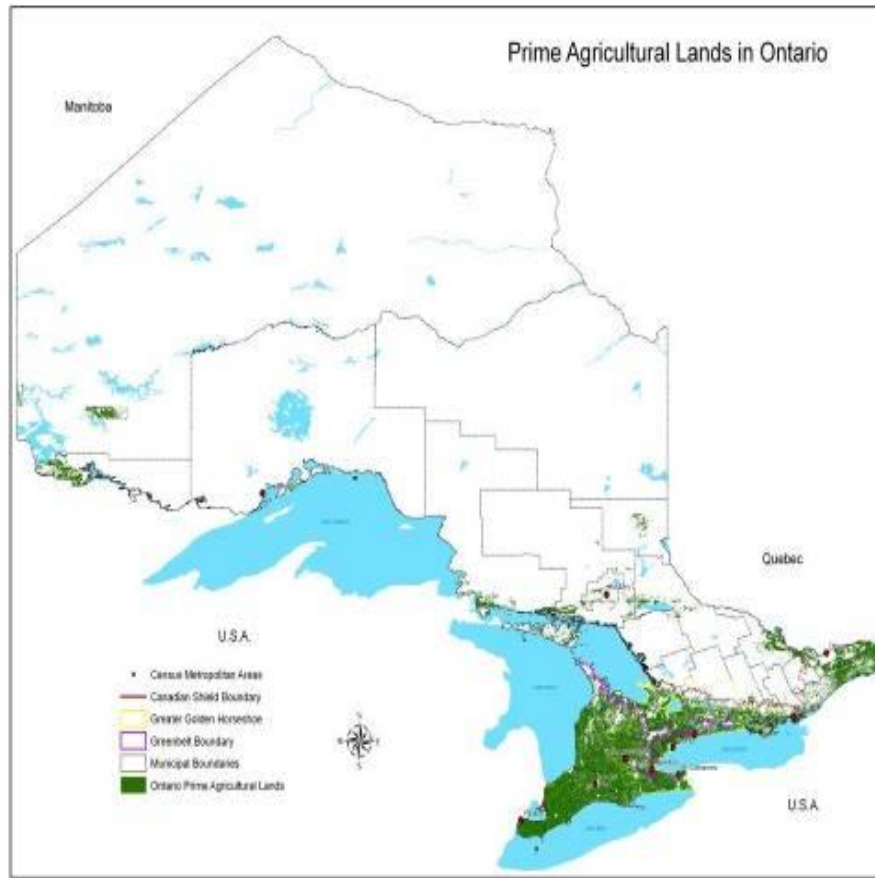
Presentation Outline

- Context on prime agricultural areas
- New PPS policies
- Uses permitted in prime agricultural areas
- Interpretation challenges related to value-added
- Implementation tools

Prime Agricultural Policies in the Provincial Policy Statement

- **Prime agricultural land:**
 - Defined as specialty crop areas and CLI Classes 1-3 land
 - Must be protected for long-term agricultural use
- **Current Status**
 - ~ 30% of prime agricultural land is used for non-agricultural uses (e.g. urban, natural heritage, aggregate sites, roads and infrastructure, recreational uses) and is unavailable to agriculture

Value of Ontario's Prime Agricultural Land



- Only ~4.5% of Ontario has prime agricultural land (CLI Classes 1-3)
- North American leader in food and beverage industry; 2nd largest manufacturing sector in Ontario
- One of the most diverse food industries in world, producing >200 commodities
- \$11.8 B/year in farm cash receipts
- \$11 B year in agri-food exports

Introducing the New PPS

- Released on Monday, February 24, 2014
- In effect April 30, 2014

Key Changes to Prime Agricultural Area Policies:

- Prime Agricultural Areas now need to be protected and designated
- A broader range of economic opportunities are permitted on farms and in prime agricultural areas
- Strengthened requirement for new or expanding non-agricultural uses to mitigate impacts to surrounding agricultural operations

Changes to Permitted Use Policies

PPS 2005	PPS 2014
Permitted uses: agricultural uses, <u>secondary uses</u> and agriculture-related uses	Permitted uses: “ <u>on-farm diversified uses</u> ” replaces “secondary uses”
Agricultural uses: growing of crops and raising of animals, including associated buildings and structures	Agricultural uses definition also includes <u>value-retaining facilities</u>
Secondary uses: <u>small scale</u> ; include home occupations, home industries and uses that produce value-added agricultural products <u>from the farm operation on the property</u>	On-farm diversified uses: <u>limited in area</u> ; definition includes <u>agri-tourism uses</u> and uses that produce value-added agricultural products (i.e. <u>may service multiple farms in the area</u>)
Agriculture-related uses: <u>small scale</u> farm-related commercial and industrial uses; directly related to <u>the farm operation</u> ; required in <u>close proximity to the farm operation</u>	Agriculture-related uses: <u>no scale limitation</u> ; must be directly related to <u>farm operations in the area</u> and <u>provide direct products and services to farm operations as a primary activity</u>

Range of Permitted Uses

If all PPS criteria are met

Growing of crops and raising of animals

Value-retaining uses

Uses that produce value-added agricultural products

Farm buildings and structures

Home occupations

Farm-related commercial and industrial uses

Housing for farm help

Home industries

Agri-tourism uses

Objectives for New Permitted Use Policies

1. To maintain the *prime agricultural areas* for long-term use in agriculture
2. To support a thriving agricultural industry and rural economy

Permitting a wide range of compatible uses enables:

- Agriculture and farm owners 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 or grow rural communities
- Greater awareness and appreciation of local agriculture

Principles of Permitted Use Policies

- Agriculture remains the dominant use in the *prime agricultural area*
- Land taken out of agricultural use, 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 without conflicting with non-farm land uses
- Local agricultural character and heritage are maintained as much as possible
- Uses make a positive contribution to the agricultural industry directly or indirectly
- Servicing requirements fit with the rural context

Criteria for Permitted Uses

Based on PPS policy and definitions

Type of Use	Criteria
Agricultural	<ul style="list-style-type: none">• Means the growing of crops, raising of livestock and raising of other animals for food, fur or fibre• Includes associated on-farm buildings and structures such as livestock facilities, manure storage and value-retaining facilities, and accommodation for full-time farm labour when additional labour is required• All types, sizes and intensities of these uses are promoted and protected• <i>Normal farm practices</i> are promoted and protected in accordance with provincial standards
On-Farm Diversified	<ul style="list-style-type: none">• Located on a farm• Secondary to the principal agricultural use of the property and limited in area• Include but not limited to home occupations, home industries, agri-tourism uses and uses that produce value-added agricultural products• Compatible with and shall not hinder surrounding agricultural operations
Agriculture-Related	<ul style="list-style-type: none">• Farm-related commercial and industrial uses• Compatible with, and shall not hinder, surrounding agricultural operations• Directly related to farm operations in the area• Supports agriculture by providing direct products and/or services to farm operations as a primary activity• Benefits from being in close proximity to farm operations

Agricultural Uses



Growing of crops and raising of livestock



Associated on-farm buildings and structures

Including value-retaining facilities and accommodation for full-time farm labour



All sizes and intensities of these uses are promoted and protected



Normal Farm Practices are promoted and protected

The minimum distance separation formulae may also need to be met₁

On-Farm Diversified Uses

May or may not be associated with agriculture



Located on a Farm



Secondary to the principal agricultural use of the property and limited in area (Note: Secondary is not an economic consideration)



Include but are not limited to home occupations, home industries, agri-tourism uses and uses that produce value-added agricultural products



Compatible with and shall not hinder surrounding agricultural operations

Agriculture-Related Uses



Farm-related commercial and industrial uses



Compatible with and shall not hinder surrounding agricultural operations



Directly related to farm operations in the area



Supports agriculture by providing direct products or services to farm operations as a primary activity



Benefits from being in close proximity to farm operations

Categorization of Uses

- Categorizing a use as *agricultural*, *on-farm diversified* or *agriculture-related* depends on factors such as
 - Where the use is located (farm vs. non-farm)
 - Whether it is used for the farm operation on which it is located
 - Whether it services the local farm community

For example, a grain dryer could be an



- » ***Agricultural use*** if it is associated with the growing of crops on the farm (mainly dries grain produced on the farm)
- » ***On-farm diversified use*** if it is limited in area and dries grain from farms in the area
- » ***Agriculture-related use*** if it is not located on a farm

Value-Added Uses and Interpretation Challenges

- Municipalities use different terminology; some use terms interchangeably e.g. “value-retaining”, “value-added”, “secondary”, “agriculture-related”, “on-farm business”
- Different interpretations of “small scale” (now “limited in area”)
 - Some municipalities define based on # of employees, # of non-family member employees, % of product grown on the farm, % of living space used, etc.
 - These tests are hard to implement and may not have a direct bearing on farmland protection
- Wide variation in the uses permitted
 - Municipalities may be more restrictive than PPS but doing so limits economic opportunities
- Guidelines on Permitted Uses will provide clarity
 - Under development

Value-Retaining vs. Value-Added Uses



	Value-Retaining Uses	Value-Added Uses
Characteristics	<ul style="list-style-type: none">- <u>Maintain</u> the quality of raw commodities (i.e. prevent spoilage), or provide a <u>minimum</u> amount of processing to make a farm product saleable- Related to the farm operation	<ul style="list-style-type: none">- <u>Transform</u> raw commodities into new forms that enhance their value
Examples	atmosphere controlled storage, cleaning, grading, drying, sorting, evaporating of maple syrup, honey extraction	pressing apples and bottling cider, wine-making, grain milling, cherry pitting and preserving, grain roasting for livestock feed
Type of use	agricultural, on-farm diversified or agriculture-related uses	on-farm diversified or agriculture-related uses

Are These Value-Retaining or Value-Added?



Implementation Tools

Tool	Use	Application to Permitted Uses
Official Plan Policy	<ul style="list-style-type: none"> - Identifies the uses that are permitted in <i>prime agricultural areas</i> 	<ul style="list-style-type: none"> - Policies must be consistent with PPS & should reflect Guidelines - May allow uses as-of-right if zoning and SPC are met
Zoning Bylaw	<ul style="list-style-type: none"> - May regulate use of the land, erection of bldgs, setbacks, sightlines, etc. 	<ul style="list-style-type: none"> - Options include partial lot zoning, as-of-right zoning for some uses, temporary zoning
Site Plan Control	<ul style="list-style-type: none"> - May cover signage, lighting, landscaping, storage, grading, etc. 	<ul style="list-style-type: none"> - Area under SPC must be identified in official plan - Can help achieve compatibility
Municipal Bylaws	<ul style="list-style-type: none"> - May address noise, hours of operation, etc. (Municipal Act) 	<ul style="list-style-type: none"> - Can help achieve compatibility with surrounding agricultural operations
Building Permits	<ul style="list-style-type: none"> - Design & construction stds (Building Code) 	<ul style="list-style-type: none"> - Required before construction begins over a certain size



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THANK YOU!