Lot Creation Policies and the Future of Agriculture in Ontario

Planning Considerations
May 2023

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(with contributions from Dr. Pam Duesling)

Proposed Provincial Planning Statement

- Released on April 6, 2023
- Posted on the Environmental Registry of Ontario (ERO), for a 60-day commenting period until June 5, 2023
- Proposed to combine and replace the Provincial Policy Statement, 2020 (PPS), and A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan)
- Integrating the PPS and the Growth Plan is intended to assist the Province of Ontario in creating 1.5 million homes over the next 10 years
- New Provincial Planning Statement is anticipated to be in effect Fall 2023

Current vs Proposed Lot Creation Policies

2.3.4 Lot Creation and Lot Adjustments

2.3.4.1 Lot creation in *prime agricultural areas* is discouraged and may only be permitted for:

a) *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;
b) *agriculture-related uses*, provided that any new lot will be limited to a minimum size needed to accommodate the use and appropriate *sewage and water services*;
c) a *residence surplus to a farming operation* as a result of farm consolidation, provided that:
   1. the new lot will be limited to a minimum size needed to accommodate the use and appropriate *sewage and water services*; and
   2. the planning authority ensures that new residential dwellings are prohibited on any remnant parcel of farmland created by the severance. The approach used to ensure that no new residential dwellings are permitted on the remnant parcel may be recommended by the Province, or based on municipal approaches which achieve the same objective; and
d) *infrastructure*, where the facility or corridor cannot be accommodated through the use of easements or rights-of-way.

2.3.4.2 Lot adjustments in *prime agricultural areas* may be permitted for *legal or technical reasons*.

2.3.4.3 The creation of new residential lots in *prime agricultural areas* shall not be permitted, except in accordance with policy 2.3.4.1(c).

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 policy 1.1.3.8.

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*; or
b) limited non-residential uses, provided that all of the following are demonstrated:

4.3.3 ~~2.3.4~~ Lot Creation and Lot Adjustments

1. ~~2.3.4.1 Lot~~Residential lot creation in *prime agricultural areas* is ~~discouraged and may~~ only ~~be~~ permitted in accordance with provincial guidance for:

   a) new residential lots created from a lot or parcel of land that existed on January 1, 2023, provided that:
      1. agriculture is the principal use of the existing lot or parcel of land;
      2. the total number of lots created from a lot or parcel of land as it existed on January 1, 2023 does not exceed three;
      3. any residential use is compatible with, and would not hinder, surrounding agricultural operations; and
      4. any new lot:
         i. is located outside of a *specialty crop area*;
         ii. complies with the *minimum distance separation formulae*;
         iii. will be limited to ~~a~~the minimum size needed to accommodate the use ~~and~~while still ensuring appropriate *sewage and water services*;[47]
         iv. has existing access on a public road, with appropriate frontage for ingress and egress; and
         v. is adjacent to existing non-agricultural land uses or consists primarily of lower-priority agricultural lands.

   b) ~~c)~~ a *residence surplus to ~~a farming~~an agricultural operation* as a result of farm consolidation, provided that:
      1. the new lot will be limited to a minimum size needed to accommodate the use ~~and~~while still ensuring appropriate *sewage and water services*; and
      2. the planning authority ensures that new residential dwellings are prohibited on any remnant parcel of farmland created by the severance. The approach used to ensure that no new residential dwellings are permitted on the remnant parcel may be recommended by the Province, or based on municipal approaches which achieve the same objective~~:~~.

2. Official plans and zoning by-laws shall not contain provisions that are more restrictive than policy 4.3.3.1 (a) except to address public health or safety concerns.

3. Non-residential lot creation in *prime agricultural areas* is discouraged and may only be permitted, in accordance with provincial guidance, for:

[47] 2.3.4.1 c) 1.

Current vs Proposed Lot Creation Policies

4.3.2 ~~2.3.3~~ **Permitted Uses**

1. ~~2.3.3.1~~ 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 ~~guidelines developed by the Province~~provincial guidance or municipal approaches, as set out in municipal planning documents, which achieve the same objectives.

2. ~~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.

3. ~~2.3.3.3~~ New land uses in *prime agricultural areas*, including the creation of lots and new or expanding livestock facilities, shall comply with the *minimum distance separation formulae*.

4. A principal dwelling associated with an agricultural operation may be permitted in *prime agricultural areas* as an agricultural use, in accordance with provincial guidance, except where prohibited in accordance with policy 4.3.3.1 b).

5. Subordinate to the principal dwelling, up to two additional residential units may be permitted in *prime agricultural areas*, provided that:

   a) any additional residential units are within, attached to, or in close proximity to

[46] Highlighted language was in policy 2.3.2

This is an unofficial comparison prepared by Osler, Hoskin & Harcourt LLP

the principal dwelling;

b) any additional residential unit complies with the *minimum distance separation formulae*;

c) any additional residential unit is compatible with, and would not hinder, surrounding agricultural operations; and

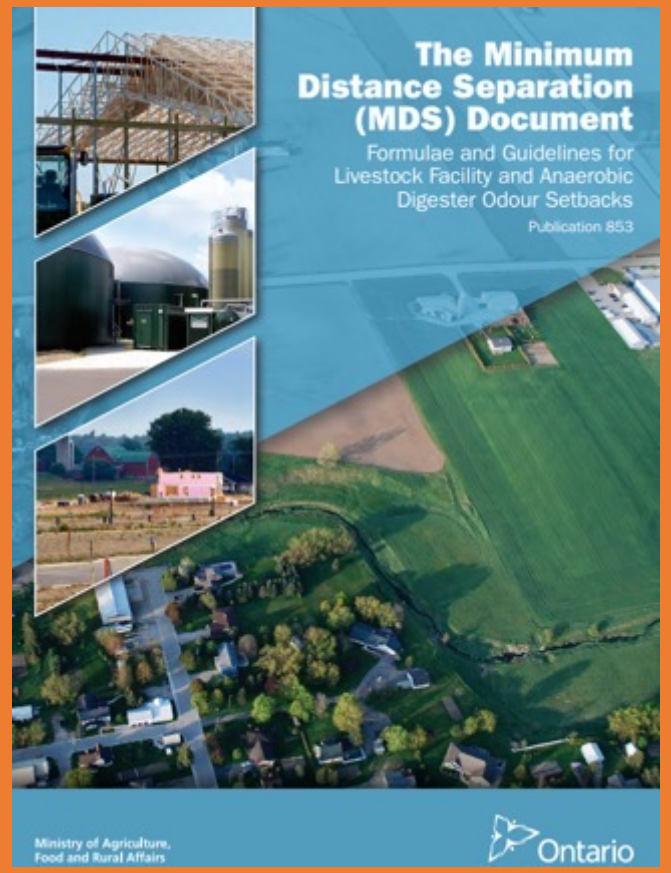
d) appropriate *sewage and water services* will be provided.

The additional residential units may only be severed from the lot containing the principal dwelling in accordance with policy 4.3.3.1.

4.3.3 ~~2.3.4~~ **Lot Creation and Lot Adjustments**

Putting this into land use context in Ontario

- Stats Canada (2022) reported 48,346 farms in Ontario in 2021
- While the ratio will vary across the province there are approximately 3.5 parcels per farm (170,000 parcels).
- 170,000 x 3 acres (assuming an average lot size of 1 acre – which is probably on the low side) = 510,000 acres taken out of agricultural production
- The overall impact is much, much larger with virtually all prime agricultural land exposed to many residences and related MDS impacts.
- Stats Canada (2022) reported 11,766,071 acres of farmland in Ontario in 2021
- Not only will this policy lead to the loss of farmland it will impact farms in many ways (ranging from impacts on land values, to trespass, to road safety, to concerns over manure application etc).
- Less than 5% of Ontario's land base is prime agricultural lands (OMAFRA, 2016)
- According to Ontario Farmland Trust, Ontario is already losing 319 acres of farmland every day (farmland transitioned to other uses)



- Ontario has some of the largest percentage of livestock farms in Canada at present

Table 1
Number of farms by farm type, Ontario and Canada, 2021

	Ontario	Canada	percent
Dairy and milk production	3,188	9,403	33.9
Beef farming and feedlots	7,986	39,633	20.2
Hog and pig farming	1,189	3,016	39.4
Poultry and egg production	2,061	5,296	38.9
Sheep and goat farming	1,309	3,575	36.6
Other animal production	4,556	15,873	28.7
Oilseed and grain farming	18,194	65,135	27.9
Vegetable and melon farming	1,562	5,076	30.8
Fruit and tree nut farming	1,211	7,101	17.1
Greenhouse, nursery and floriculture production	1,672	5,256	31.8
Other crop farming	5,418	30,510	17.8
Total	48,346	189,874	25.5

Source: Statistics Canada, Census of Agriculture, 2021 (3438).

- This new lot creation policy will ultimately reduce opportunities to create and expand livestock in Ontario.

Wayne Caldwell @waynecaldwell · Apr 22

Agriculture & Aggregates often share the same space. Has the Province examined revised PPS impacts on aggregates? Similar to Agriculture: Sterilization of the resource/challenges of establishing in the midst of an agricultural area with up to 90 new residences / concession block

2 8 13 1,646

Wayne Caldwell @waynecaldwell · Apr 21

I wonder if MTO has given thought to the PPS proposed severance policy for agricultural areas? Given 2 sides of a provincial highway, and 5 farms on each side this could result in up to 30 requests for new entrance permits for a concession road frontage per 1.25 miles.

5 18 34 8,983

Wayne Caldwell @waynecaldwell · Apr 16

On a typical concession block the proposed new PPS will allow at least 30 new residential lots. With MDS there will be virtually no space for growth in the livestock sector. Indeed, we should ask the question: Is this the beginning of the end for animal agriculture in Ontario?

15 43 55 20.2K

Wayne Caldwell @waynecaldwell · Apr 15

While Greenbelt changes caused much concern, the province's proposed new PPS agricultural severance policy is in many ways much worse. It would allow hundreds of thousands of new lots and many more residences scattered amongst farms. How will agriculture cope in this new reality?

3 49 60 9,215

Wayne Caldwell @waynecaldwell · Apr 14

In the 1970's Ontario released Countryside Planning/Foodland Guidelineswaynecaldwell.ca/publications/h.... Both championed agriculture over residential sprawl. Variations of this guided planning for 50 years. The new PPS introduces much uncertainty for the future of Ontario agriculture.

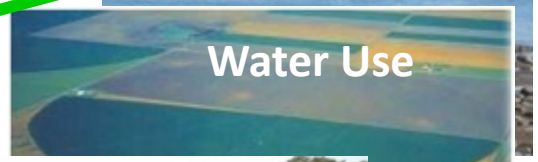
24 31 2,075

Wayne Caldwell @waynecaldwell · Apr 13

The proposed new Provincial Policy Statement (PPS) will force municipalities to allow up to 3 new residential lots per farm parcel and 2 accessory residential unit's on each of these new parcels. This is a radical shift in 50 years of planning for agricultural lands in Ontario.

13 28 42 19.3K

Thinking about the Future of Agriculture

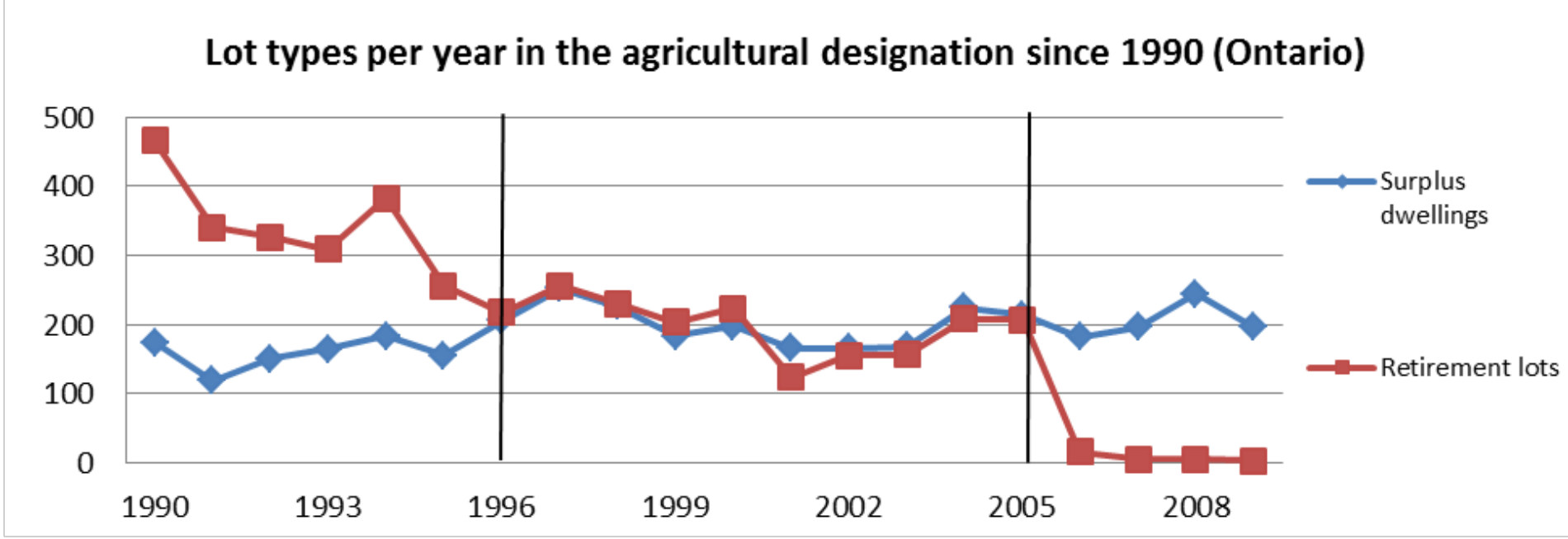


I would never have thought that our Provincial Land Use Policy could be such a threat to the Future of Agriculture in Ontario

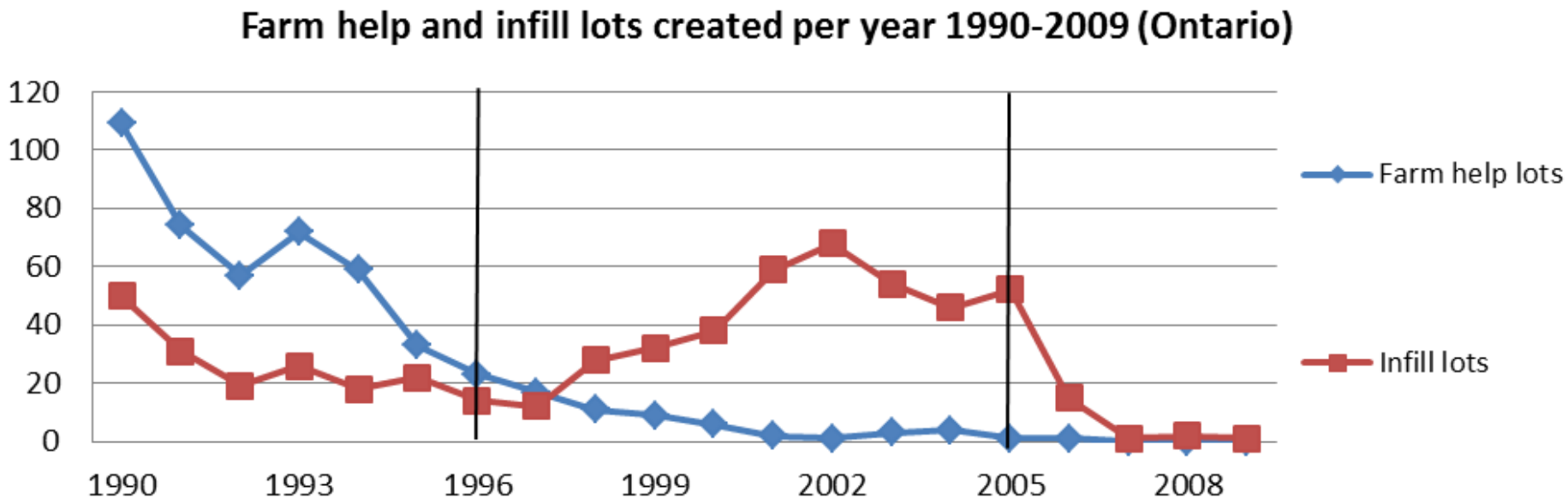
Past **Present** **Future**

This may seem funny , but this voice is at risk…

Surplus and Retirement Lot Trends

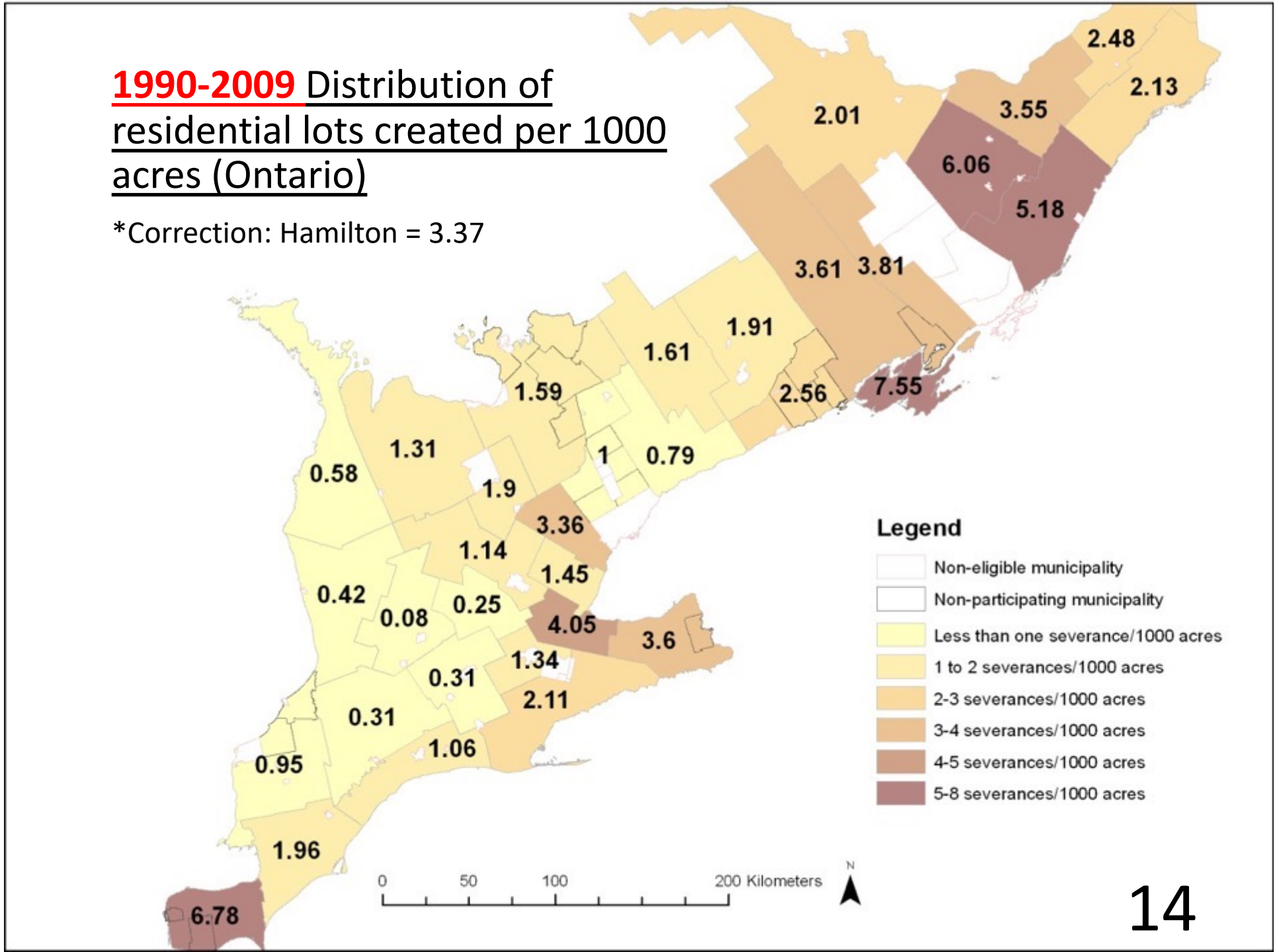


Farm Help and Infill Lots

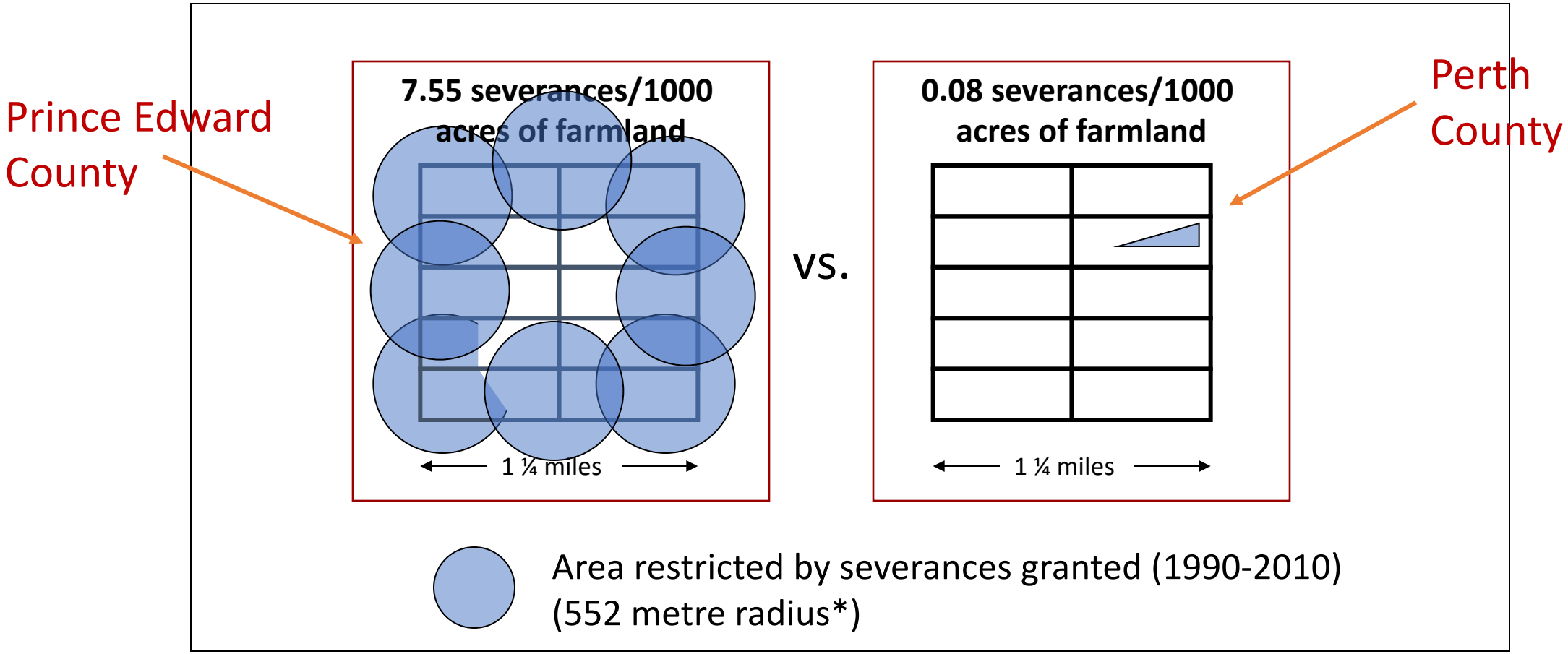


1990-2009 Distribution of residential lots created per 1000 acres (Ontario)

*Correction: Hamilton = 3.37



Agricultural Land Restricted by the Creation of Non-farm Residential Lots (1990- 2010)

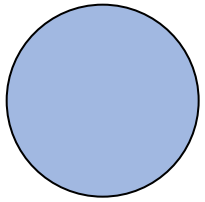


*** The area identified as restricted is based on the application of Minimum Distance Separation for a proposed 2000 feeder hog operation on liquid manure**

(7.55 vs. .08 represents the county/region with the highest number of lots approved vs. the lowest)

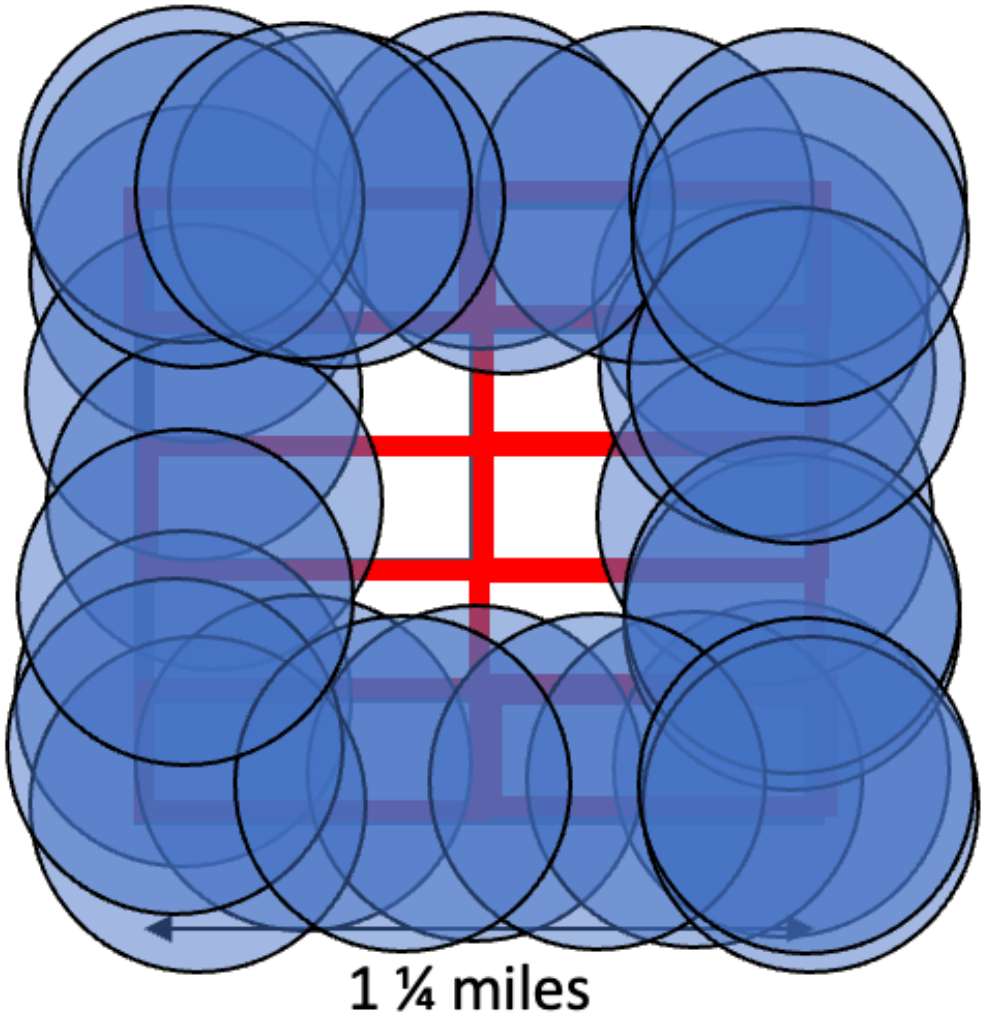
What the future could look like:

Additional MDS Restrictions from 30 new severances on a typical concession block (one side of the road only)….



- **The area identified as restricted is based on the application of Minimum Distance Separation for a proposed 2000 feeder hog operation on liquid manure**

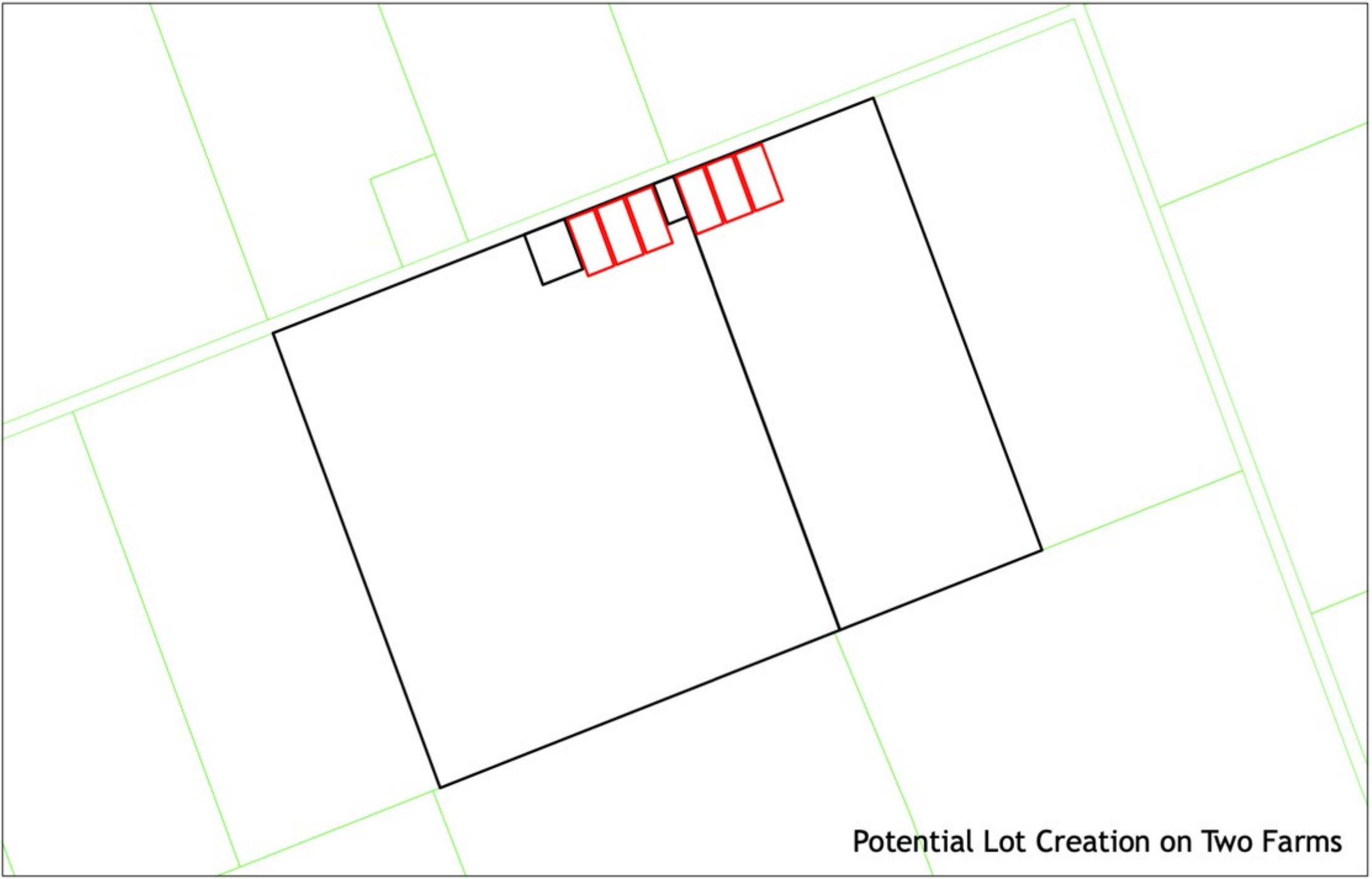
(note: for a 4000 feeder hog barn the distance would be even greater – radius of 700 metres)

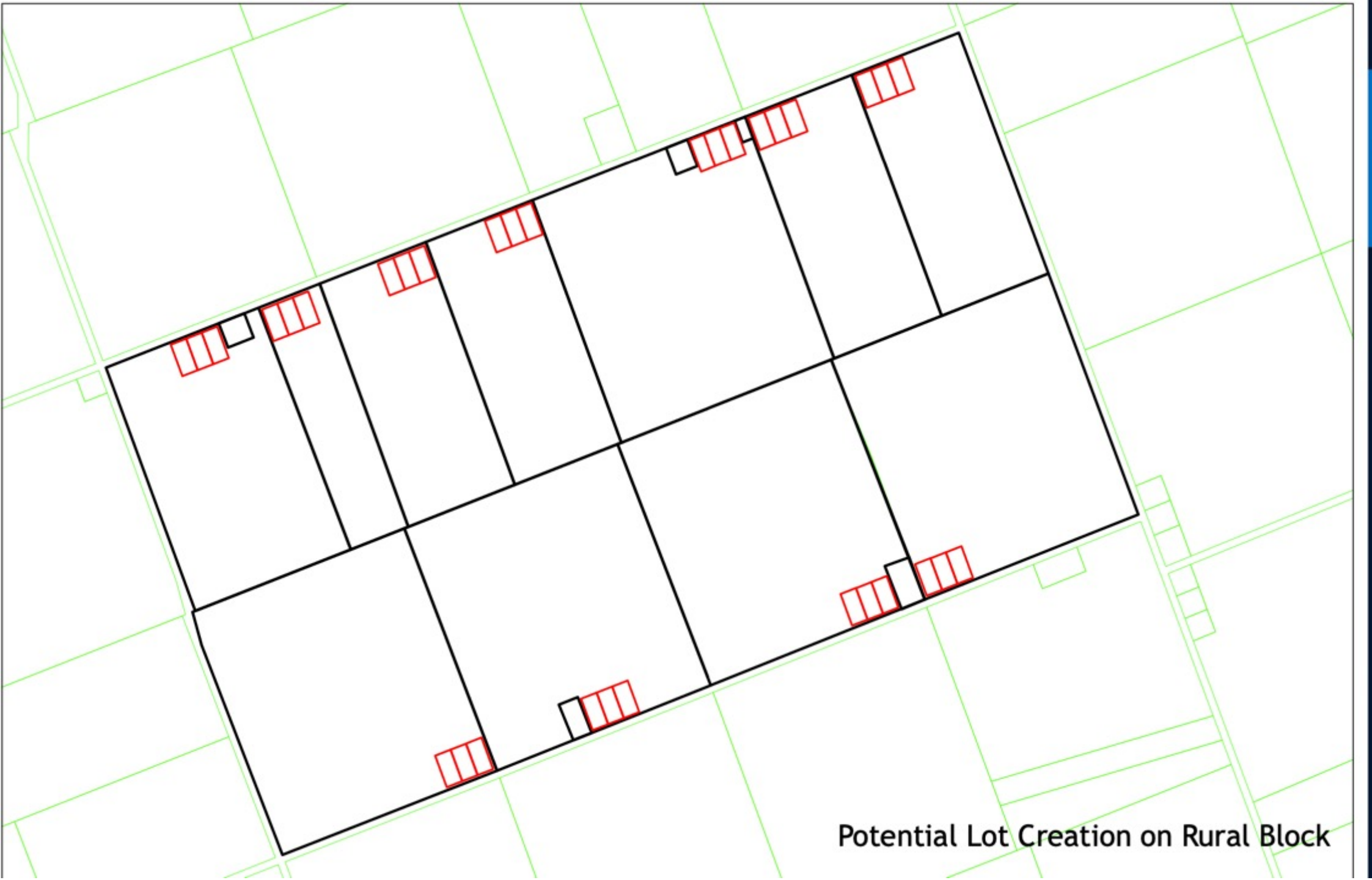


Area restricted by severances granted (552 metre radius*)

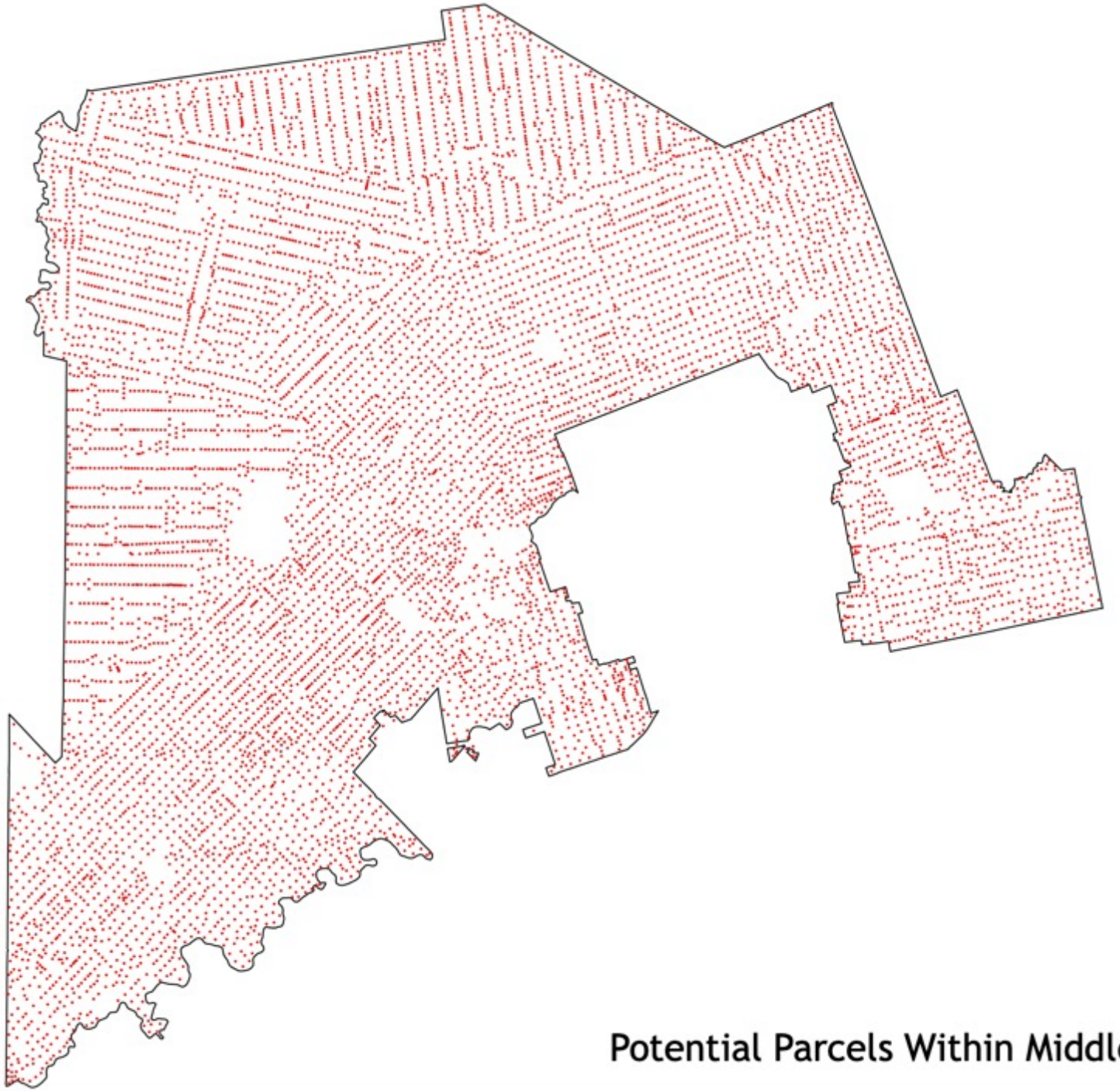
Proposed Provincial Planning Statement

Rural Municipality	Potential new Residential lots created on Agricultural lands
Huron County	24,900
Middlesex County	21,000
Essex County	18,700
Oxford County	17,000
Norfolk County	16,700
Bruce County	14,700
Wellington County	12,000
United Counties of Prescott and Russell	12,000
Grey County	10,000
Northumberland County	9,000
Haldimand County	8,800
County of Brant	7,700


Potential Lot Creation on Two Farms



Potential Lot Creation on Rural Block



Potential Parcels Within Middlesex County

Also…

Let’s not forget the implications for:

- Aggregate extraction
- Water availability and safety
- Natural Heritage
- Small Towns and Villages (devoid of development)
- School Boards
- Servicing
- Etc… Etc….

Discussion