

LOT CREATION IN ONTARIO'S AGRICULTURAL LANDSCAPE: TRENDS, IMPACTS, POLICY IMPLICATIONS

Understanding severance trends, farmland fragmentation, and policy implications

This research provides the most comprehensive analysis of lot creation and severance activity in Ontario's agricultural designations, examining trends across virtually all prime agricultural areas in the province over a 20-year period (1990–2009).

INTRODUCTION

Non-farm lot creation—often through severances—can fragment farmland, limit farm operations, increase conflict, and raise costs for municipalities.

This study examines how lot creation affects agricultural viability, community well-being, and the long-term sustainability of rural Ontario. It includes a comprehensive review of severance activity and trends across Ontario's prime agricultural areas and assesses the effectiveness of Provincial Policy Statement (PPS) changes introduced in 1996 and 2005.

ABOUT THE RESEARCH



- Analyzed all lot creation in the agricultural designations of 102 municipalities across Ontario.
- Merged data from 1990–1999 (previous study) with new data from 2000–2009.
- Profiles and trends prepared at provincial, regional and municipal levels.
- Included municipal surveys, case studies, and interviews with several agricultural organizations and municipalities.

WHY IT MATTERS



Protects Ontario's most productive farmland and helps secure the future of a world-class agri-food sector.



Supports healthy rural communities by balancing growth with farm viability and quality of life.



Reduces conflict between farmers and non-farm residents and strengthens social cohesion.



Helps municipalities plan for sustainable growth and manage service costs.

WHAT WE HEARD FROM STAKEHOLDERS

Interviews with agricultural organizations and municipalities highlighted concerns about farmland fragmentation, MDS constraints, rising conflict, and higher municipal service costs. Stakeholders emphasized the need for policies that support the economic viability of farming, protect farmland for future generations, and ensure that rural growth is sustainable and cost-effective.



KEY FINDINGS



- Nearly 20,000 new lots created in agricultural areas**
Between 1990 and 2009, 19,703 new lots were created in agricultural designations across Ontario, including 15,505 residential lots and 3,240 farm-related lots. Agricultural severances represented approximately 18% of all severance applications reviewed in the study.
- Residential severances remain the dominant source of fragmentation**
Residential lot creation accounted for almost four out of every five new lots created in agricultural designations.
- Provincial policy changes reduced residential lot creation**
Residential lot creation rates decreased in agricultural designations at almost twice the rate of decreases in other designations. Policy changes in 1996 and 2005 were followed by 48% and 59% reductions in residential lots, respectively (average lots per year in each policy period).
(Source: Report 3: Impacts and Analysis – Executive Summary)
- Cumulative impacts continue to constrain farming**
Thousands of lots created over two decades fragment the landscape, constrain farm practices, and threaten the long-term viability of agricultural operations.
- Non-farm lots increase farming constraints and costs**
Lots introduce Minimum Distance Separation (MDS) setbacks, reduce land available for farm expansion, limit farm management options, and increase operating costs.
- Rural conflict and municipal costs rise**
More non-farm residents can lead to complaints, conflict, and pressure for higher municipal services—yet severed lots often cost municipalities more than they generate in tax revenue.

PLANNING AND POLICY IMPLICATIONS



- ✓ Continue and strengthen PPS policies that limit scattered residential lot creation in prime agricultural areas.
- ✓ Apply consistent, enforceable rules to reduce fragmentation and cumulative impacts.
- ✓ Use local data and context to guide decisions and support farm-friendly development.
- ✓ Support farmers and rural communities through education, dialogue, and tools to manage change.

RESEARCH CREDITS



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