



Jurisdictional Analysis and Best Practices for Land Use Planning Affecting Direct Marketing and Agri-tourism Operations in Ontario



**Report Prepared for the
Ontario Farm Fresh Marketing Association**

by

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Commissioned by the

**Ontario Farm Fresh Marketing Association
(OFFMA)**

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Forward by OFFMA's President

The Ontario Farm Fresh Marketing Association (OFFMA) was founded in 1973 as a not-for-profit, educational and promotional organization. Its general membership is made up of dedicated Ontario farmers with a keen interest in promoting the direct farm sales industry, which includes on-farm markets, agri-tourism, and pick-your-own operations. OFFMA members are growers dedicated to maintaining consumer confidence by producing fresh, top quality, healthy food in a friendly and fun environment.

Since OFFMA's inception over 30 years ago, the direct farm market industry has seen monumental changes. Many OFFMA members started with a picnic table by the side of the road, hoping to catch a few motorists' attention with fresh sweet corn or baskets of peaches. The picnic tables were replaced with roadside stands which often grew into permanent farm market structures.

Diversification and innovation are key to our industry and we are a very creative bunch. Most recently, some of our members have run into challenges from local planners or by-law officers in regards to some of the expansion activities they have undertaken. In many cases because they are so innovative, it is difficult to slot them into an established category. In commissioning this report, it was hoped that by reviewing some of the activities of the various municipalities across the province, some guidelines could be established for all local officials.

Wayne Caldwell has done an excellent job of presenting examples from several counties and regions. His findings are summarized in the 'Key Principles for Best Practices' and 'Best Practices: Learning for Experience' sections of this document. It is OFFMA's hope that this document will assist its members as well as municipal stakeholders to make educated decisions around advancing direct farm marketing and agri-tourism operations in Ontario.

On behalf of OFFMA's Board of Directors, I would like to express our thanks to all the municipal planners who provided assistance during the research, to all the OFFMA members who responded to the initial questionnaire, and to the Agricultural Adaptation Council and Horticultural Crops Ontario for their financial assistance in making this report a reality.

A handwritten signature in blue ink, appearing to read 'Wayne Caldwell', with a long horizontal flourish extending to the right.

Frank Whittamore, Whittamore's Farm Market
OFFMA President 2006-2007

Best Practices for Land Use Planning Affecting Direct Marketing and Agri-tourism Operations in Ontario

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Best Practices for Land Use Planning Affecting Direct Marketing and Agri-tourism Operations in Ontario

1. Introduction and Background

1.1 Introduction and Project Objectives

Ontario's farmers have a long tradition of obtaining income through a variety of on-farm diversified activities. The pressing of apples for cider, the production of maple syrup, the production, delivery and retail of fruits and vegetables are all examples of activities with the potential to add value. Additionally, over the years individual farmers developed expertise as mechanics, welders, or carpenters, and would often practice these trades from their farm. Baking, and sewing are other examples of small scale home based businesses that existed throughout the province. This tradition of on-farm diversification continues today, although, perhaps, in this time of economic uncertainty there is a renewed sense of importance.

For a variety of reasons, individual farmers continue to pursue diversification as an economic survival strategy. Today, most food moves from the farm gate to the consumer through a process that provides the farmer with only a fraction of the retail food price. As such, there is growing dissatisfaction from farmers who continue to receive low commodity prices. Many farmers have responded to this trend by increasing the value of their agricultural product through direct farm marketing and agri-tourism. Both approaches involve selling products and/or experiences directly to the consumer. Direct farm marketing can take a variety of forms, such as roadside stands or farm stores, u-pick operations, farmers' markets, and direct sales to restaurants. Agri-tourism adds a recreational component to food consumption. Many agri-tourism operations are able to draw urban people to farm communities where they experience a farm atmosphere and can purchase fresh produce, specialty items and services.

Over the last 30 years or so, municipalities and the province have become much more involved in the planning of rural areas. Provincial policy has been developed under the authority of the Planning Act, and municipalities have adopted official plans and zoning by-laws that regulate land use, including on-farm diversification. These by-laws and plans play an important role – they establish a framework for current and future land use planning decisions that guide municipal decisions and set criteria that can be helpful to society. As agriculture changes, however, and as the needs of the community evolve it is important that these policies remain current.

In this context the Ontario Farm Fresh Marketing Association (OFFMA) initiated this study establishing three key objectives:

- To complete a jurisdictional analysis of key municipalities regarding local planning policies and related official plan amendments
- To gather best practice models from across the province to assist OFFMA members as well as municipal stakeholders to make educated decisions

around advancing direct farm marketing and agri-tourism operations in Ontario.

- To distribute copies of the final report to OFFMA members, key municipal and provincial government officials, and related stakeholders. The report will serve as an educational and awareness document to grow the sector.

1.2 Definitions and Jurisdiction

The Ontario Farm Fresh Marketing Association represents approximately 170 full members and 20 associate members. The Association was founded in 1973 as a not-for-profit, educational, and promotional organization. Its general membership is made up of Ontario farmers with an interest in promoting the direct farm sales industry (which includes roadside marketing and pick-your-own operations) and encouraging improvements and maintaining integrity in the industry. As such the membership of the Association tends to focus on a variety of activities including pick your own operations, on-farm sales of produce and related processed goods, on-farm entertainment, hospitality, special events and educational tours, among others. From a land use planning perspective different municipalities may use different terms, but in general local planning documents tend to refer to these activities as agricultural uses, agri-tourism, secondary uses, farm wineries and cideries and in some instances agricultural-related commercial or industrial uses. This report shall use the generic term ***Direct Marketing and Agri-tourism Operations*** to include this range of activities.

The establishment and operation of *Direct Marketing and Agri-tourism Operations* are subject to provincial and local laws. Producers must be compliant with a variety of provincial standards related to employment, safety, and the environment, among others. At the local level they must also adhere to a variety of by-laws and standards. County and Regional Health units for example have an important role to play in the regulation of the food services industry and municipalities are responsible to ensure compliance with the provisions of the Ontario Building Code. While recognizing that there is a broad regulatory regime that impacts *Direct Marketing and Agri-tourism* this report focuses on land use planning as the key framework that determines whether or not the *Direct Marketing and Agri-tourism* use will be allowed to establish or expand.

Through legislation (the Ontario Planning Act) much of the responsibility for land use planning has been given to municipalities. The province does, however retain important responsibilities in at least 3 areas.

- i) The province has established the Provincial Policy Statement (PPS). The PPS is a collection of policies that state the provincial interest in land use planning in Ontario. There are policies related to agriculture and rural. Under the Planning Act municipalities through their own planning documents must be consistent with Provincial Policy.
- ii) The province plays an important role reviewing, monitoring and in some instances approving local planning applications and documents. Provincial staff often comment on municipal plans and local applications. The province also issues important approvals (such as highway entrance permits onto provincial highways).

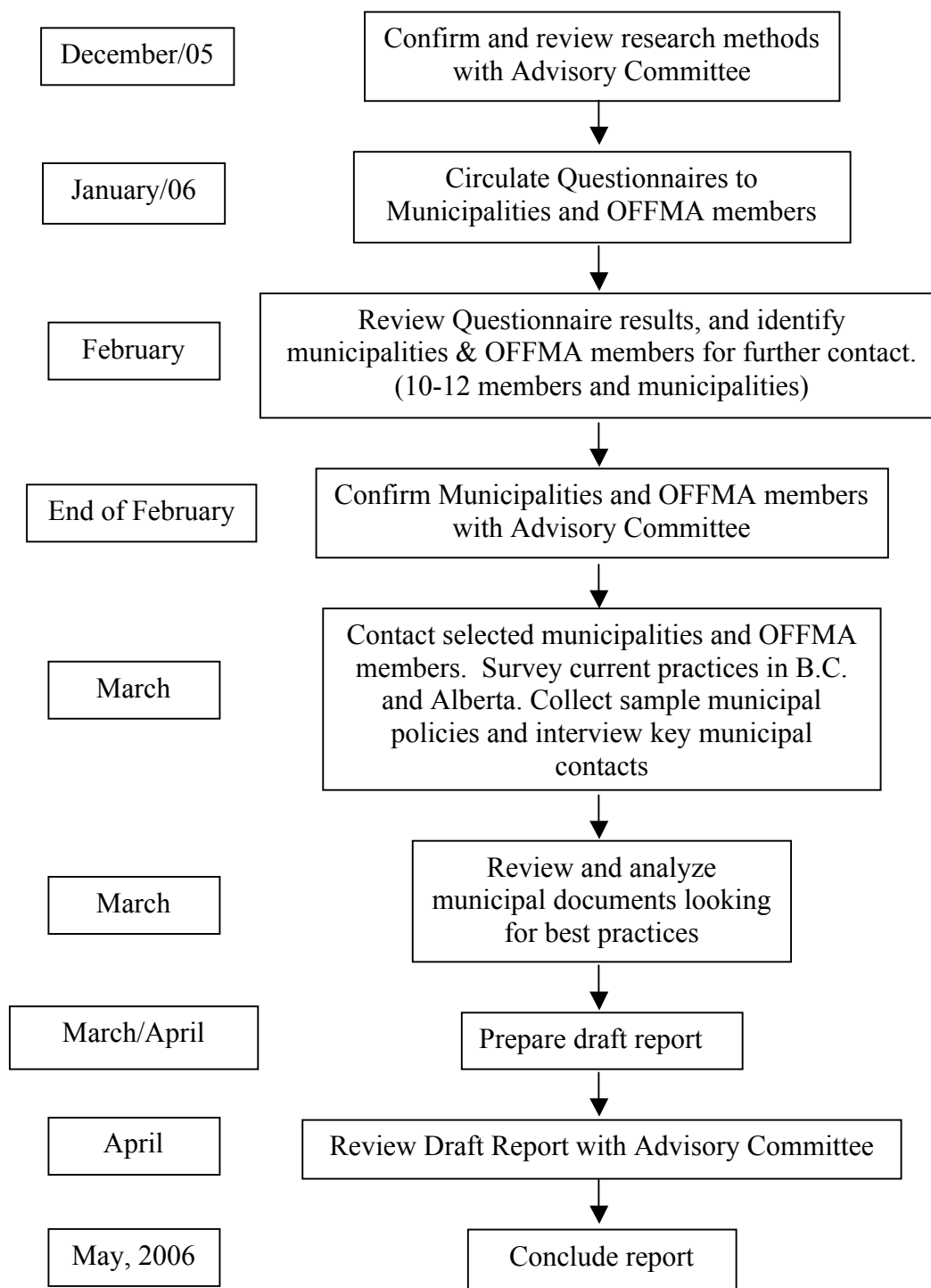
- iii) There is also related legislation that may take precedence over local planning authority. The Niagara Escarpment Act, the Oak Ridges Moraine Act, Greenbelt Legislation and Places to Grow are all examples that may override or impact local jurisdiction.

The official plan and zoning by-law are the key municipal planning documents. Within Ontario, most Counties and Regions have official plans. Where there is a two-tier system (for example a County and a local town or township) the lower tier plan shall conform with the upper tier plan. Both upper and lower tier plans shall be consistent with the Provincial Policy Statement. Moreover, local zoning by-laws must conform with the municipal official plan. Given that building permits can only be issued where they comply with all applicable law (including zoning) there is a clear relationship that connects provincial policy, with official plans, with zoning by-laws and the eventual issuance of a building permit. There is a clear implication for the approval of *Direct Marketing and Agri-tourism* operations.

1.3 Approach to the Study

This study was initiated in the fall of 2005. Key methods and the timing of the research are profiled in Figure 1. The basic goal was to develop an understanding of current land use planning practices across the province and to identify those policies which held the most promise for the future of the industry. Although the key focus was on municipal approaches and policy it was also important to understand the experiences of producers in dealing with the planning process. An initial survey of both producers and municipalities was completed. In total 22 responses were received from Counties and Regions and 53 responses were received from producers. The questionnaires are attached as *Appendix 1 and 2*. The questionnaire results were used to help identify a sub-list of producers and municipalities that were consulted to acquire a more detailed understanding of different municipal approaches. A summary of the more detailed discussions with producers is attached as *Appendix 3*. The consultation with municipalities included discussions with County and Regional planners. In addition a number of lower tier planners were also contacted. Planning documents from these jurisdictions were obtained and reviewed. British Columbia and Alberta were selected as two other provinces which have an important agricultural industry and which like Ontario are experiencing considerable growth pressures. Contacts were established in each of these provinces and detailed results are provided as *Appendix 4*.

Figure 1: Jurisdictional Analysis and Best Practices for Land Use Planning Affecting Direct Marketing and Agri-tourism Operations in Ontario
Research Flowchart

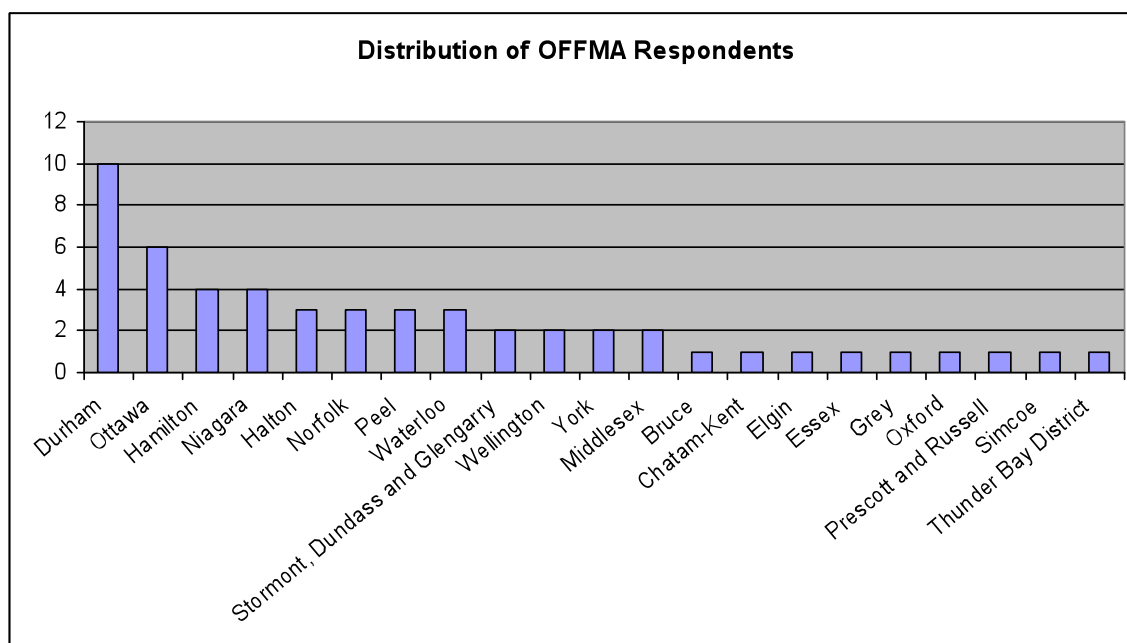


2. Land Use Planning, Direct Marketing and Agri-tourism Operations: A Producer and Municipal Perspective on the Issues

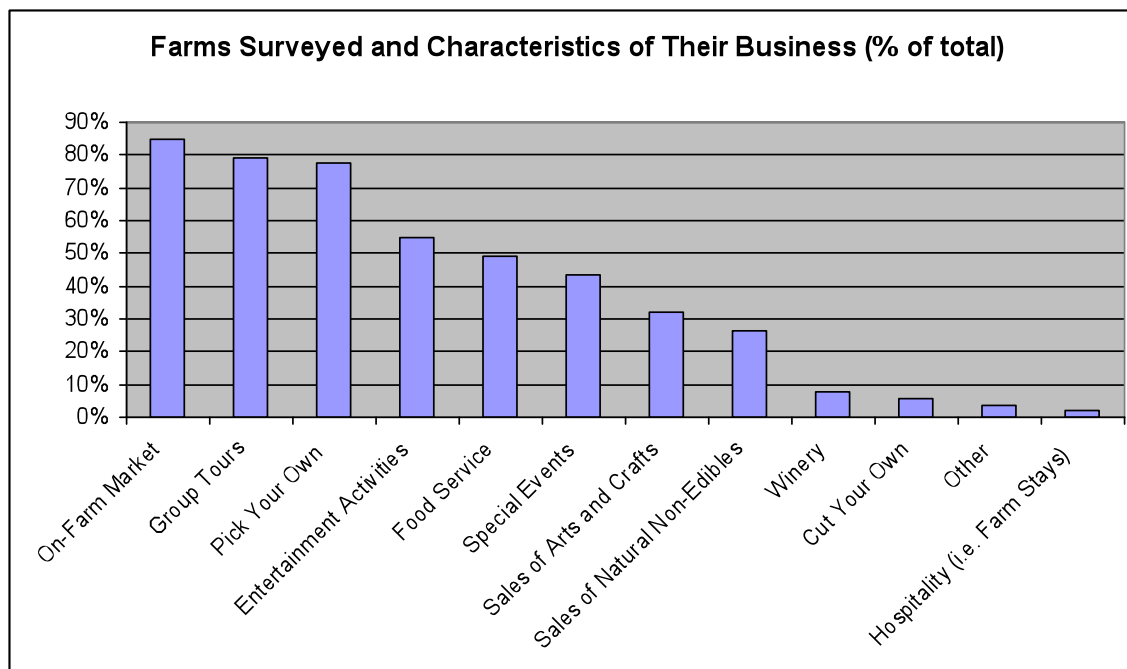
2.1 The Perspective of OFFMA Members

Questionnaire Response

In order to better understand the specific interests of the OFFMA membership, an initial survey was provided to the 170 members of the Association. In total 53 responses were received. The largest concentration of respondents came from Durham (10), followed by Ottawa (6), Hamilton (4) and Niagara (4). Of these respondents 45 (85%) had direct farmgate sales. Agri-tourism was also important to at least 62% of the respondents and 43% indicated that they had some other form of on-farm related secondary use.



The specific components of these farm businesses are diverse and help to explain their relationship to municipal planning documents. Almost all of the membership (85%) had on-farm markets. Group tours (79%), and pick your own (77%) were nearly as prevalent. Entertainment activities (55%) were important to more than half of the respondents. Food service (49%), special events (43%), the sale of arts and crafts (32%) and the sale of natural non-edibles (26%) were all important aspects of the businesses of OFFMA members. In Ontario there has been a proliferation of small - large wineries, and bed and breakfast facilities are relatively commonplace across rural Ontario. Although OFFMA membership does not have strong representation from these sectors the planning policies that regulate these types of uses are likely to share much in common with the policies that apply to the OFFMA membership.



On-farm Characteristics: Number and Percent of Respondents

On-Farm Characteristics	Number of Respondents	%
On-Farm Market	45	85%
Group Tours	42	79%
Pick Your Own	41	77%
Entertainment Activities	29	55%
Food Service	26	49%
Special Events	23	43%
Sales of Arts and Crafts	17	32%
Sales of Natural Non-Edibles	14	26%
Winery	4	8%
Cut Your Own	3	6%
Other	2	4%
Hospitality (i.e. Farm Stays)	1	2%

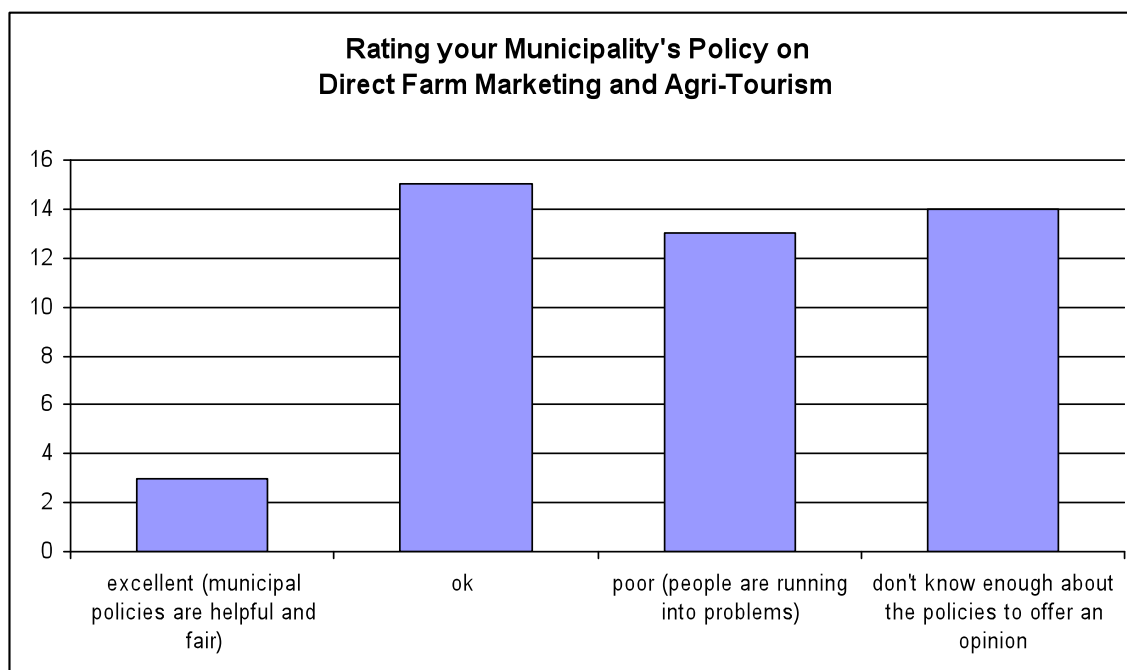
An initial review of these characteristics against the policies of many municipalities suggests that some aspects of these businesses will be routinely approved by municipalities whereas other aspects will be more challenging. For example, the on-farm marketing (or farm gate sales as it is sometimes referred to) of farm produce has a tradition that most municipal by-laws will allow “as-of-right.” Likewise pick your own operations tend to be routinely accepted. In contrast, entertainment activities, food services, group tours and special events are more recent phenomenon that do not have the same level of tradition in many rural communities. Although this will be discussed in

more detail later, it is relevant to consider this range of uses given the experience of OFFMA members in securing municipal approvals.

In total, 49% of members required municipal approvals within the last 5 years to expand or establish their operation. These approvals are largely driven by the requirement for a building permit, which can only be issued in compliance with the municipal zoning by-law (which in turn must conform with the local official plan, which must conform with the regional or county plan). The experience of members in obtaining approvals points to why this is an important and at times controversial issue.

Of the 25 respondents who expanded (or established) within the last five years, 10 (40%) had no significant delay or problem and 13 (52%) reported a problematic experience (8% responded “other”). The fact that 52% of these applications were problematic (implying that the municipality was not supportive or did not know how to deal with the request, or that there were delays etc.) is from the perspective of the applicants a major concern. As a minimum it suggests that the aspirations of the applicants were incongruent with the policy of the municipality.

Respondents were also asked to rate the adequacy of municipal policies in their municipality. In total 40% of respondents rated the policy as excellent or ok, 29% found them to be poor and 31% didn’t know enough about their policies to offer an opinion. Of course, the response that people provide to this question will reflect their own personal experience. A co-operative and helpful municipal staff implementing policies that leads to rapid approvals will likely lead to positive comments. Related to this of course is the degree to which the proposed use is considered to be “routine” vs. a more “unique” use.



Interview Response

The questionnaires provided a useful overview of the industry and its experience with municipal planning. The results of the questionnaire were also helpful in the identification of 15 members who were contacted for further input (of these 15, one business was closed for the season and one was unavailable for contact). These individuals were selected based on the following criteria:

- 1) They expanded or established within the last 5 years (and therefore had reasonably current experience working with municipalities)
- 2) They were willing to be interviewed
- 3) They represented a variety of regions from across the province
- 4) They may have provided additional comments in the initial questionnaire response identifying issues for further discussion.

The results of these interviews are summarized as individual case studies and are attached as Appendix 3.

There tend to be a number of themes that run through these interviews.

- 1) All of the businesses consulted have been actively growing and for many, further expansion is anticipated. As a minimum, one can conclude that these operations have found a niche that is helping them to cope in today's difficult economic circumstances.
- 2) Producers were engaged in a combination of traditional and non-traditional activities. Most had on-farm direct sales of agricultural products. Pick-your-own and pre-picked produce was often available. Specialty products (jams and jellies) were common as were other related local goods and produce. For the most part these types of uses tended to be more routinely approved by municipalities. Non-traditional activities, including bakeries, seasonal attractions (such as corn maze, farm tours, goat walks, and live entertainment) and special events (ranging from weddings to pig races).
- 3) Issues beyond land use planning sometimes cause difficulties for proposed expansions. Hydro services and septic permits were noted as problems for some producers and in one instance there was an issue with the Health Unit over an existing bakery and proposed petting zoo.
- 4) Issues related to planning often included concerns over parking and traffic safety. An archaeological study was noted by one individual. Collectively these studies can be expensive and time consuming.
- 5) Many of the farmers brought in off-site, but locally produced goods and produce.
- 6) When the operation reached a certain size they were often faced with either staying the same or applying for a more specific zoning. Some producers had decided that they would not expand because of this.
- 7) One individual had pursued 2 non-traditional activities including snow tubing and a haunted barn. These uses were forced to stop owing to by-law conformity, fire code and liability concerns.

- 8) Neighbours need to be considered. In at least one instance, concerns from neighbours led to regular inspections by the municipality and for the same farm they chose to discontinue the production of sweet corn based on a neighbour's concerns over "bird bangers."
- 9) Producers were often looking for ways to extend the season – to help the farm contribute to income on a year round basis.
- 10) A helpful and understanding municipality, predictably lead to a more positive experience from the producer's perspective.

2.2 A Municipal Perspective

Similar to the approach used to gather input from OFFMA members municipalities (Counties and Regions) were asked to complete a survey which was followed up with personal interviews of planners from a selected number of municipalities (upper and lower tier). The surveys (Appendix 2) provided general information concerning municipal by-laws that impact the establishment and operation of direct farm marketing and agri-tourism operations. This included special studies, specific official plan policies and other pertinent regulations. In total, responses were received from 22 Counties and Regions. These counties and regions include 60% of Ontario's farmers (2001).

Region/County	Relevant Studies	Relevant Official Plan Policies	Other Regulations	Local Municipality Identified
Chatham-Kent	no	yes	no	no
Durham	no	yes	no	no
Elgin	no	no	no	no
Essex	no	yes	no	no
Frontenac	no	no	no	no
Haliburton	no	no	no	no
Halton	yes	yes	--	no
Hastings	no	no	no	no
Huron	no	yes	yes	no
Kawartha Lakes	yes	yes	no	no
Lambton	yes	yes	no	yes
Middlesex	no	no	yes	no
Niagara	yes	yes	no, but...	yes
Norfolk	yes	yes	no	no
Oxford	no	yes	yes	no
Peterborough	no	no	no	no
Prescott - Russell	no	no	no	no
Renfrew	no	no	no	no
Stormont, Dundas & Glengarry (S, D&G)	no	yes	no	no
Simcoe	no	yes	no	yes
Sudbury	no	no	yes	no
York	yes	no	no	yes

The survey results indicate significant variation between the counties and regions. In total 6 of 22 noted the presence of specific studies or reports related to the planning or economic impact of agri-tourism, direct farm marketing or other related on-farm secondary uses. These studies

tended to include agricultural impact studies that also dealt with aspects of the agri-tourism industry. More important from the perspective of this study is the fact that 12 of 22 counties and regions have specific policies in their official plans that deal with agri-tourism, direct farm marketing or other related on-farm secondary uses. These results are reviewed in more detail in Section 3. The respondents were in general agreement that there were no other pertinent regulations to consider at the county or regional level (although parallel regulations of the Health Unit were noted). Of the 22 counties and regions there were only 4 that identified a local municipality that “has provided leadership with this issue (innovation or particularly successful in addressing this issue.”)

From these 22 counties and regions, 10 were selected for further discussion based on meeting the following 2 criteria:

- 1) Relevant official plan policies to review
- 2) Represent a variety of regions across the province

In addition, the comments from the OFFMA members played a role in helping to make the final selections (i.e. residence and experience of members). This led to the inclusion of several lower tier municipalities that did not complete the initial survey (Caledon, Clarington, Clearview and Lincoln). The selected Counties and Regions included:

- Durham
- Halton
- Huron
- Kawartha Lakes
- Lambton
- Niagara
- Norfolk
- Ottawa
- Oxford
- Simcoe
- The Town of Clarington in Durham Region
- The Town of Clearview in Simcoe County
- The Town of Lincoln in Niagara Region
- The Town of Caledon in Peel Region was subsequently added.

Based on the survey results, the interviews and a review of documents the following issues can be identified from a municipal perspective:

Process considerations. Essentially, there are three ways from a process perspective with which Official Plan policies may treat *Direct Marketing and Agri-tourism Operations*.

- Policies can be included in the official plan that will allow the use to establish as an accepted part of an agricultural designation. For example, the production of livestock tends to be an inherent right on lands designated agriculture and building permits subject to certain regulations will be issued. Likewise many by-laws will list a farm produce sales outlet or a bed and breakfast establishment as an accessory use. The implication is that these uses may establish as-of-right subject to compliance with by-law provisions.

- Policies can be included in the official plan that will allow the use to establish subject to a by-law amendment. This implies a higher level of municipal review, the need to make an application for a zoning change and the potential need for certain studies etc. It also leads to the requirement for a public meeting. Once the zoning is established building permits may be issued subject to compliance with by-law provisions.
- Finally, policies may be included that simply do not allow for a proposed use (although an application could be made to change official plan policies, although such an amendment would need to be consistent with the Provincial Policy Statement). For example other than bed and breakfast establishments or potential farm-stays it would be unusual to find policies in official plans that allowed more substantive commercial accommodations in an agricultural designation.

Municipalities often struggle with trying to find the right balance between these 3 approaches. Assuming that a use is acceptable in a given land use designation an as-of-right zoning is administratively very simple – it can yield benefits to both the municipality and the property owner. Conversely, the requirement for a zoning by-law amendment can provide criteria to allow a use to establish that might not otherwise be accepted. It can also provide the opportunity for public input which may be essential for certain uses.

Land use compatibility. Municipalities through the land use planning system wish to see that direct farm marketing/agri-tourism uses are compatible with neighbouring uses and that the neighbouring uses are compatible with them. While concepts related to land use compatibility can be somewhat nebulous, the concept is important in the context of *Direct Marketing and Agri-tourism Operations*. Discussions with municipal officials indicate that while direct marketing and agri-tourism operations need to be compatible with their neighbours, neighbouring uses also need to be compatible with the direct marketing/ agri-tourism use. For example, agricultural designations tend to allow uses ranging from livestock production to grain drying facilities. Some of these uses may be problematic depending on the nature of the direct marketing/agri-tourism use. Likewise depending on the nature of the agri-tourism use there can be impacts for neighbouring uses.

A report completed by Caldwell and Aston (2000) identified a range of uses often associated with the wine industry and based on a number of criteria categorized these uses into one of 3 categories- compatible, somewhat compatible and least compatible. This research report concluded that those listed as compatible should be permitted as-of-right, those identified as somewhat compatible could be permitted by rezoning under appropriate official plan policies, while those rated as least compatible may not be appropriate.

Summary of Compatibility Ratings – Winery Uses With Their Neighbours

Compatible	Somewhat Compatible	Least Compatible
• Tours and Tastings • Wine Sales • Gift Boutique • Sale of Local Products • Outdoor Barbecue • B & B (max. 3 rooms)	• Bus Tours • Outdoor Events • Indoor Events • Small Restaurant • Restaurant • Fine Dining • Weddings & Reception • Banquet Facilities • Conference Rooms • B & B (max. 6 rooms) • Guest Cottage • Inn	• Sale of Non-local Products • Helicopter Tours • Large Gourmet • Large Overnight

Caldwell, W. and D. Aston. 2000. Planning for the Future Development of Ontario's Wine Industry. University of Guelph. www.waynecaldwell.ca.

Land Use Considerations - Preservation of Agriculture. Municipalities also want to support agriculture. Virtually all of the reviewed planning documents and interviews of municipal staff indicated strong support for agriculture. The related goal of protecting prime farm lands tends to lead to support for those uses which are agricultural in nature while discouraging those uses which are not. The notion of protecting agricultural lands for agricultural uses is supported across the province- both within provincial policy and also within local planning documents. Under the challenging economic climate that many farmers face (and escalating property values in some parts of the province) farmers are challenged with finding ways to produce sufficient income to justify remaining in agriculture. On-farm diversification is one strategy that can help to support agriculture. This strategy is being pursued by farmers and is often supported by municipalities. The challenge for municipalities, however, is coming to grips with the degree to which the use needs to be related to agriculture. For the most part municipalities have required that there be some direct connection to production on the farm.

Related to the intent to protect farmland is the general belief that urban-related uses should be located in urban areas (especially if the local property tax structure places the urban based use at a relative disadvantage). It was noted by one staff person that at times there may be a sense that the region is putting up hurdles or that they are too restrictive, however, the point was made that the Region has a responsibility to ensure that good land use planning decisions are made.

It should be noted that the municipality under the provisions of the planning act and the related Provincial Policy Statement is required to protect Prime Agricultural lands. The ability of the municipality to allow for non-farm uses is clearly limited by legislation.

Safety. Municipalities have a mandate to ensure the safe movement of people, goods and services. Depending on the nature of a given use there can be traffic implications. If the property is located on a busy highway, the owner will require appropriate documentation in support of the application.

Signage. Signage has been identified as a challenging issue. Local sign by-laws often regulate the size and location of a sign. Where local Agricultural Advisory Committees exist there is the potential to have them review signage requirements, helping to ensure that the signage requirements meet the needs of agriculture.

Fairness in the Property Tax System. There is a general consensus in Ontario that agricultural land should receive fair treatment under the municipal property tax system (for example farm properties satisfying the eligibility requirements are taxed at 25% of the municipal residential tax rate). The farm residence and one acre of land surrounding it continue to be taxed as part of the Residential class. Likewise uses which have a less direct connection to agriculture (for example a restaurant) should not be taxed at a rate which is substantially different than what these uses would encounter in an urban area.

Geographic location. Policies associated with direct marketing/agri-tourism uses tended to vary across the province. In the key production areas of the southwest, for example, there are fewer urban pressures and less opportunity for direct marketing/agri-tourism relative to the GTA and Niagara. The nature of the agricultural industry also varies significantly between different areas reflecting differences in land values and competition for land among other issues. The result is that there is perhaps a more urgent need to deal with this issue in those agricultural areas facing the greatest pressures from urbanization. Evolving policies in Ottawa and Peel (Caledon) are examples of municipal attempts to deal with this evolving issue.

3.0 Municipal Approaches- Existing and Pending Practices¹

The variation that exists across the province in the regulation of direct marketing and agri-tourism means that farmers have significantly different approaches to deal with from one jurisdiction to another. These policies are instrumental in determining the potential to undertake a new business initiative. Two of the key objectives to this report are:

- To complete a jurisdictional analysis of key municipalities regarding local planning policies and related official plan amendments
- To gather best practice models from across the province to assist OFFMA members as well as municipal stakeholders to make educated decisions around advancing direct farm marketing and agri-tourism operations in Ontario.

The following section addresses these objectives by providing a detailed analysis of a number of Counties and Regions. In addition, planning policy (official plan and zoning by-laws) was reviewed for several lower tier municipalities. These municipalities were selected reflecting the questionnaire results from both municipalities and producers.

¹ At the time when the research was being completed for this report some of the policies identified for Clearview and Caledon were in various stages of review and approval. The user of this report should confirm the final version of these municipal policies.

3.1 Regional Municipality of Durham

Durham Region has an important agricultural industry, but faces intense urbanizing pressures. It is impacted by the provinces Greenbelt Plan, the Growth Plan for the Greater Golden Horseshoe and the Oak Ridges Moraine Conservation Plan. The Region is in the midst of an Official Plan review. Although the current plan doesn't speak specifically to farm marketing/agri-tourism, they are generally permitted as long as they remain "accessory" to the farm. The region has been challenged by a local toboggan hill that was established as an agricultural use and the requisite decision as to whether this was agriculturally related or tourism. The proposed revisions to the plan are likely to be considered by regional council prior to the end of the summer of 2006. The regional plan provides direction to local plans.

There is a recognition that production needs to be predominantly related to produce from on-site vs. off-site. Durham also has an Agricultural Advisory Committee that has been instrumental in helping to develop and review these policies.

In a 2003 discussion paper entitled Protecting our Rural Resources as part of the Region Official Plan Review the following comments on Accessory Farm Uses were offered:

The ROP permits uses that are accessory to agricultural operations, such as retail stands for the sale of farm produce and a second dwelling to accommodate full-time farm help. An accessory use is defined as the use of land, buildings or structures, which is subordinate to, and exclusively devoted to, the principal use and is located on the same lot. Severances for accessory uses are not permitted by the ROP.

Agri-tourism uses, such as farm vacation homes, cottage wineries (production of wine and limited retail sales of wine as part of the farm operation), bed and breakfast establishments, pick-your-owns, and farm tours that offer the "farm experience" are permitted. Such uses, which give a farmer the opportunity to supplement income derived from the farm, must be incidental or subordinate to the principal agricultural use, and are permitted only if they are small in scale and directly related to or exclusively devoted to the existing farm operation. Although these accessory uses are not specifically identified in the ROP, each proposal is evaluated for conformity with the intent of the Plan.

Home occupations/businesses contained within residential dwellings (such as hairdressing, music lessons), and small-scale home industries normally contained within existing farm out buildings (such as small engine repairs, sawmills) are also permitted, provided such uses do not alter the principal use of the property for agriculture.

<http://www.region.durham.on.ca/departments/planning/opreview/discussion/ProtectingRural.pdf>

In 2006, the Region is considering revisions to their Official Plan. The proposed revisions are presented below:

Proposed Policies for the Region of Durham Official Plan
A Consolidation Including a Proposed Amendment to Incorporate Official Plan Review
Directions and Related Matters NOVEMBER 15, 2005
 (expected review by Regional Council, Summer, 2006)

9A.2.4	<i>Retail stands for the sale of agricultural products from the farm unit upon which the stand is to be situated shall be permitted in Prime Agricultural Areas. Area municipal zoning by-laws shall include regulations to limit the size and scale of such stands. Severances for such uses shall not be granted.</i>
9A.2.5	<i>In Prime Agricultural Areas, uses accessory to the principal agricultural use of the property are permitted, including small-scale home occupations/businesses and home industries, provided such uses do not alter the principal use of the property for agriculture. In addition, small-scale uses secondary to the agricultural use, that produce value-added agricultural products, such as cottage wineries, and agri-tourism uses, such as bed and breakfast establishments, farm vacation homes, and farm tours are permitted as secondary agricultural uses, provided such uses are directly related to, or exclusively devoted to the existing farm operation.</i> <i>Area municipal official plans shall include detailed policies to limit the scale and number of secondary agricultural uses, and include policies to address compatibility with surrounding uses.</i> <i>Severances for secondary agricultural uses shall not be granted.</i> http://www.region.durham.on.ca/departments/planning/opreview/commreports/2005-P-92Att2.pdf

The Town of Clarington is one of 9 lower tier municipalities located within Durham Region. They have developed their own official plan and zoning by-law. Consistent with the Region's Official Plan the Town has decided to allow Bed and Breakfasts, Vacation Farms and Farm Gate Seasonal in agricultural areas as of right. It was also noted that the Town of Clarington has their own Agricultural Advisory Committee and staff who were very conversant with the agricultural industry.

3.2 Regional Municipality of Halton

Like other areas in the GTA, Halton Region is experiencing intense urbanizing pressures and increasing provincial involvement in land use planning. The Region has a long tradition of supportive agricultural land use planning policies. The Region has also been a strong supporter of the GTA Agricultural Action Plan. Other evidence of the Regions support includes the Halton Agricultural Advisory Committee and knowledgeable staff with an appreciation for agricultural issues.

In June, 2004 Regional Council adopted Official Plan Amendment 25. Although this amendment was appealed in its entirety (which means that none of the 509 items in ROPA25 are in effect until the Ontario Municipal Board makes a decision on the appeals) it is worthwhile to look at the direction established by the Regional Official Plan and OPA 25. The Official Plan provides clear direction related to home occupations, bed and breakfast establishment and for a range of permitted uses on a commercial farm and secondary to the farming operation. The provisions related to home industry, retail uses, agricultural-related tourism and for businesses that may not be related to agriculture are noteworthy and more flexible than policy included in many official plans. Specific details are provided below:

Halton Regional Official Plan (June 23, 2004)

Note: The entire Plan has been appealed to the Ontario Municipal Board.

Note: Only those sections with direct relevance for Farm marketing/ Agri-tourism are included below:

Agricultural Rural Area

99. The objectives of the Agricultural Rural Area are:

- (7) To promote a diverse, innovative and economically strong agricultural industry in Halton by tailoring its products and marketing to meet local and regional needs and demands.
- (8) To promote agriculture-related tourism and direct sales of farm produce and accessory products to visitors and local businesses.

100. Subject to other policies of this Plan and applicable Local Official Plan policies and Zoning Bylaws, the following uses may be permitted:

- (14) home occupations and cottage industries with a gross floor area not exceeding 100 sq m or 25 per cent of the residential living area, whichever is lesser,
- (15) bed and breakfast establishments with three or fewer guest bedrooms,
- (21) following uses only if located on a commercial farm and secondary to the farming operation:
 - a) home industries with a gross floor area not exceeding 200 sq m,
 - b) retail uses with a gross floor area not exceeding 500 sq m and the majority of the commodities for sale, measured by monetary value, produced or manufactured on the farm,
 - c) agricultural-related tourism uses with a gross floor area not exceeding 250 sq m, and
 - d) businesses that may not be related to agriculture provided that:
 - [i] such uses are permitted by specific Niagara Escarpment Plan policies if applicable, Local Official Plan policies and Local Zoning Bylaws;
 - [ii] their scale is minor and does not change the appearance of the farming operation;
 - [iii] their impact such as noise, odour and traffic on surrounding land uses is minimal and will not hinder surrounding agricultural uses; and
 - [iv] they meet all Regional criteria as stated in the On-Farm Business Guidelines adopted by Council;

101. It is the policy of the Region to:

- (2) Recognize, encourage and protect agriculture as an important industry in Halton and as the primary long-term activity and land use throughout the Agricultural Rural Area, and to this end:
- (4) Recognize, encourage, protect and support Halton's farmers and agricultural operations and to this end:
 - f) Promote diverse and innovative farming that caters to local and regional specialty markets.
 - g) Introduce programs that will encourage visitors to experience and understand agricultural operations in Halton.
 - h) Support a farm-fresh produce network that promotes direct sales of farm produce and related products to residents, local businesses and visitors.
 - j) Encourage the Local Municipalities to:
 - [ii] adopt Zoning Bylaws that will allow home occupations, cottage industries, home industries

- on commercial farms, on-farm businesses and agriculture-related tourism in accordance with policies of this Plan.
- [iii] permit or provide permanent or temporary facilities for farmers' markets in the Urban Areas or Hamlets.

3.3 County of Huron

Huron is the most dominant agricultural county in Ontario. The planning policies of the county have been strongly supportive of agriculture for more than 35 years. Relative to many areas, however, it has minimal pressure from urban growth.

Huron's agricultural industry is different from that of the GTA. Farmers tend to be more focused on livestock production and common field crops such as corn and soybeans. There are, however, many producers offering specialty foods, pick your own, processing and related value added. The County has been supportive of this industry through the development of supportive brochures and promotional materials. Local by-laws also speak to bed and breakfast facilities, farm gate sales, home occupations and home industries.

The agricultural policies of the County Official Plan (1998) provides direction to local municipalities with the following statement: *"On-farm business activities that are compatible with neighbouring uses and secondary to the farm will be encouraged in recognition of their positive contribution to the farm economy."* Related policies in a sample local Official Plan (Huron East) speak to home occupations and home industries as permitted uses in agricultural areas. The related zoning by-law for Huron East lists a bed and breakfast establishment, a farm produce sales outlet, a home industry and a home occupation as a permitted use.

3.4 City of Kawartha Lakes

Kawartha Lakes is a single tier municipality built on the amalgamation of the former County of Victoria with the local municipalities. Kawartha Lakes has an active farm fresh and agri-tourism industry (www.kawarthafarmfresh.com/agritourism.html). They have also established an Agricultural Development Advisory Board and have an Agricultural Development Officer. There is an obvious commitment to working with agriculture.

Kawartha Lakes is currently developing a new Official Plan (still in draft form). It is anticipated that the new Official Plan will be adopted by the end of 2006. The new Official Plan will replace the old Official Plan from the County of Victoria and the 16 local municipal plans that apply across the city. They have also recently completed an Agricultural Impact Study that considers the benefits of agri-tourism.

It was reported that small scale direct marketing and agri-tourism uses are routinely approved, but that large scale operations are problematic. It was reported that the new Official Plan includes additional policies that may alleviate some of these issues.

· Although the new Official Plan policies were not available during the research for this report future users of this report may wish to review these policies.

3.5 County of Lambton

Agriculture is an important and dominant activity in Lambton County. Like much of southwestern Ontario, however, it is not subject to significant urbanizing pressures. The challenge in Lambton, as in other regions, is to find ways to bolster economic activity on the farm.

Lambton County has a two tier planning system in which planning responsibilities are divided between the County and the local municipality. The approach and content of the County Official Plan anticipates an additional level of planning policy detail, including a General Local Official Plan that will be used to provide a common set of local planning policies.

As far back as 1996, the County recognized the importance of encouraging the development of value-added agricultural-based products (County of Lambton Official Plan Background Reports, Issue paper No. 3, Agriculture). On-farm economic diversification and farm related commercial and economic development was recognized as a survival strategy for agriculture. The 1996 report noted that “One means of supplementing the farm income is on-farm economic diversification, or the undertaking of other income producing activities (e.g. auto body work, machine shop, accounting, baking). There is general support for the concept provided that the activity remains small in scale and secondary to farming.” The report went on to note that on-farm economic diversification offers the following benefits:

- opportunities to put to use vacant agricultural buildings;
- flexibility for a farmer to work at a secondary activity when farming activity is at a lull;
- increase viability of the farm associated with generating additional income;
- stability and security of income during periods of falling commodity prices
- generation of value-added component to a farm commodity (e.g., primary food processing) resulting in a more valuable product; and,
- for the local community, farm diversification keeps money within or could generate additional money for the local economy.

The Official Plan that was adopted by the County reflects the direction recommended in the 1996 report. In a section entitled Agricultural Viability the following goal was established:

“To ensure the continued viability of the agricultural industry, including farms, secondary farm uses, farm related businesses, and the rural communities, and to ensure that uses that would conflict with agricultural activities are not established in farming areas.”

Specific policies speak to on-farm diversification as follows (and it is noted that these uses are permitted “as-of-right” in the agricultural zones):

10. On-farm economic diversification will be encouraged to provide farmers greater opportunity to obtain additional sources of income. Such uses will include home occupations, home-industries and industrial and commercial uses that produce value-added agricultural products from the farm operation. Such uses are to be addressed in local official plans and zoning by-laws, and municipalities are encouraged to control their operation through policies which deal with the following:

- a) the types and scale of the uses that are permitted, especially for uses not directly related to agriculture;*
- b) the need to ensure that the activity is secondary to the main farm operation;*
- c) the desirability of ensuring that these lands should remain in the agricultural official plan designation;*
- d) where the activity is to be permitted on the property;*

- e) the criteria under which the activity will be allowed to expand;
- f) the need to ensure that the area occupied by the activity will not be severed from the existing lot; and,
- g) other matters of local interest.

Although the plan speaks favourably towards agri-tourism as noted below:

“6.1.8. The County will promote the development of agri-tourism in the rural areas that does not interfere with agricultural operations.”

there does not appear to be any specific policies integrating this use into agricultural areas.

The County Plan is also supportive of commercial and industrial uses (by zoning amendment) which provide services to agriculture.

The County has also produced a local Official Plan template for use by local municipalities. The following wording applies to permitted uses in the rural area:

- a) *Uses that are secondary to the principal agricultural use of the property, including home occupations, home industries, bed and breakfast establishments, and uses that produce value-added agricultural products from the farm operation of the property.”*

There is no specific definition of “value-added agricultural products” although implicitly it could be interpreted to include processing and activities that add value to agricultural production.

3.6 Regional Municipality of Niagara

Niagara has one of the most unique and special agricultural resources in the country. Tender fruit production, and more recently the proliferation of the estate wine industry represents a unique and valuable resource. In fact, the specialty crop areas consisting of the Niagara Peninsula Tender Fruit and Grape Area have received unparalleled protection under the Greenbelt Plan and Provincial Policy Statement. Historically, this area has been the focus of significant growth pressure and the loss of tender fruit lands was documented as early as the 1950's. Current provincial policy has the goal of protecting remaining specialty crop lands for the long-term future.

There is an irony, however. The vibrancy of much of the Niagara agricultural industry is based on an evolving non-traditional agricultural industry. (It is noted that there are significant differences with the industry above and below the escarpment – above the escarpment livestock production (especially poultry) and common field crops are much more prevalent relative to the specialty crop lands below the escarpment). The Region includes 87% of the province's peach production, 48% of the province's sour cherries and 86% of the province's grapes. Moreover, the greenhouse industry has a 2001 value of \$217,600,000 or 43% of the Region's total agricultural value. When added to the value of grapes (\$50,000,000), fruit (\$48,000,000) and nursery crops (\$27,700,000) these non-traditional uses represent 67% of the value of agricultural production in the Region. Connected to all of these activities, and especially the grape industry (winery) is significant potential for agri-tourism. The Grape and Wine and Peach Festivals, farm markets, pick-your-own operations, winery restaurants, wine tastings and cycling and bus tours along the Wine Route are just a few examples of agri-tourism. With retail sales of \$275 million, Ontario's grape and wine industry is an important contributor to the local and provincial economies.

The challenge for the Region's planning policies has been to evolve with the changing face of agriculture, and to support and encourage diversification "without killing the goose that laid the golden egg." The Region has for example received and denied applications for residential development, accommodations, and a conference center among other uses that alleged that they were connected to agriculture. Over the past few years, there has been an increase in the number and scale of agri-tourism proposals in Niagara. The Region has noted that some of these applications have raised questions about what types of developments should be permitted and the relationship between agri-tourism and farming activity. The Regions Official Plan provides specific policies for the regulation of the industry. Key Sections are outlined below:

Extracts from The Regional Niagara Policy Plan (2004)

Policy 6.A.7 Small-scale commercial and industrial uses directly related to, serving, and requiring close proximity to the surrounding agricultural areas may be permitted... if it is not possible for such uses to locate in designated Hamlets, Villages, Rural Areas, or Urban Areas. These uses should be located so the effect on surrounding unique and good general agricultural lands as well as viable farm operations is minimized. Farm markets in agricultural areas should be seasonal in nature with the majority of retail floor space devoted to the sale of domestic produce. Local municipal official plans and zoning by-laws should establish maximum retail floor space area provisions and other site design criteria.

Policy 6.A.8 Non-agricultural uses should not be located in Agricultural Areas. The introduction of new non-agricultural development of all types into the Agricultural Areas has an adverse impact on the agricultural and natural resources and shall be strictly limited. However, applications for individual non-agricultural uses may be received. These applications will be reviewed through a Regional Policy Plan Amendment using the following review criteria:

- (a) the quality of the agricultural land including soils, climate, and the nature of agricultural activity in the area. ... These uses are not permitted on unique agricultural lands;
- (b) the need for and desirability of the proposed use to the community;
- (c) the availability of alternative sites in Urban Areas and Rural Areas;
- (d) non-agricultural uses shall not be permitted in Unique Agricultural Areas. Furthermore, estate residential development is not permitted in Agricultural Areas and/or in close proximity to agricultural activity;
- (e) the degree of conflict with surrounding agricultural uses. This would depend on the size and nature of the proposed use, the existing agricultural uses, and on any buffering factors between them. For example, creeks, roadways, and other prominent features would be helpful in defining and screening a non-agricultural use from surrounding farms;
- (f) impact on the environment and on rural resources such as forestry and fisheries; and
- (g) compliance with other policies contained in the Regional Policy Plan.

Secondary Uses

Policy 6.A.18 Home industries such as welding shops, small engine repair, carpentry, electrical; home occupations within residences such as bed and breakfast facilities with up to six guestrooms and personal services; and uses that produce and market value added agricultural products are permitted as secondary uses to the principal use of a property in an agricultural area provided that:

- (i) the use is small in scale and remains ancillary to the principal use of the property, and
- (ii) any value-added agricultural products are from the farm operation on the property, and
- (iii) all of the property remains designated and zoned agricultural, and
- (iv) new secondary uses are compatible with and do not hinder surrounding agricultural uses, and
- (v) home industries are permitted by zoning by-law amendment, and
- (vi) the use complies with other policies in the Regional Policy Plan, and

No future severance of these secondary uses is permitted.

The local municipalities are expected to incorporate more detailed policies in their Official Plans and Zoning By-laws to regulate secondary uses (i.e., lot size, lot coverage, setbacks, and the need for site plan control) so that any negative effects on agriculture are minimized.

As noted above the Regional Official Plan provides a general framework with more specific policies included in the local official plans. Niagara on the Lake, St. Catharines and the Town of Lincoln are identified as municipalities with a strong agri-tourism industry. To provide further insight into local policy, the Town of Lincoln was consulted, as was the zoning by-law from Niagara on the Lake.

In the case of the Town of Lincoln, they amended their Official Plan approximately 5 years ago to recognize wineries (although the plan is currently being updated these policies are not likely to change). The plan distinguishes between a farm and estate winery (above a certain size an Official Plan amendment is required). It is noted that the agricultural zoning allows agricultural processing as-of-right up to 500 square metres and above that size a zoning amendment is required. Likewise, farm markets are permitted as-of-right up to a certain size, above which a rezoning is required.

The zoning provisions (Draft) from the Town of Niagara on the Lake are also instructive. The dominant zoning category for agricultural uses is the Agricultural (A) Zone. The uses permitted in this zone are listed below:

Permitted Uses in the Agricultural Zone- Town of Niagara on the Lake (2006)

12.1 Agricultural (A) Zone

In the Rural Community Zoning District - Agricultural (A) Zone, no land shall be used and no building or structure shall be used, altered or erected except in accordance with the following uses and provisions:

12.1.1 Permitted Uses:

- a) an agricultural use or farm
- b) an existing agricultural market
- c) a nursery
- d) a farm or cottage winery in accordance with Section 6.18
- e) a greenhouse subject to a site plan agreement
- f) a kennel
- g) a single detached dwelling on an existing lot of record
- h) a bed and breakfast establishment in accordance with Section 6.8
- i) a group home in accordance with Section 6.21
- j) a home industry in accordance with Section 6.24
- k) a home occupation or home profession in accordance with Section 6.25
- l) an agricultural produce storage building
- m) an agricultural stand or seasonal home grown produce stand accessory to an agricultural use in accordance with Section 6.4
- n) an agricultural produce processing facility accessory to an agricultural use
- o) accessory buildings and structures in accordance with Section 6.1

<http://www.notl.org/files/{0A5E3109-ADA4-4753-9352-567A7D4EA620}notlzonebl.pdf>

The Zoning by-law also includes a whole series of site specific zoning provisions that have been created to accommodate individual Wineries. The range of uses varies somewhat between different wineries and ranges from bakeries to a hospitality room to a conference room. The range of permitted uses from a sample winery are listed below:

Permitted Uses for a Specific Winery Zone - Town of Niagara on the Lake (2006)

12.8.11 ** Road (***** Winery) Niagara on the Lake**

Notwithstanding the provisions of the Agricultural (A) Zone, lands identified as A-12 on Schedule 'A-4', the following permitted uses and zone requirements shall apply:

12.8.11.1 Permitted Uses:

- a) an agricultural use or farm
- b) an estate winery
- c) a restaurant with commercial cooking equipment
- d) the retail sale of wine
- e) a hospitality room
- f) tasting room
- g) conference room
- h) an agricultural market or gourmet shop
- i) education centre
- j) accessory buildings and structures in accordance with Section 6.1

3.7 The County of Norfolk

The agricultural industry of Norfolk County has been forced through a major adjustment with the decline in the tobacco industry. Fruit and vegetable production has helped to fill some of the void left by the decline in tobacco and it was reported that “wineries are springing up.” Clearly many farmers are seeking new and diversified opportunities.

Norfolk County is in the midst of developing a new Official Plan. Existing policies are drawn from the Official Plan for the former Regional Municipality of Haldimand-Norfolk. Looking to the future the new policies included in the draft Official Plan are most relevant. These policies support uses which add value to farm products. The policies speak clearly to value added related to locally grown produce. The policies also support on-farm secondary businesses, although the use must clearly be accessory (secondary) to the farm business. Relevant details have been extracted from the Draft Official Plan and are presented below:

Agricultural Designation- Selected Permitted Uses Norfolk Draft Official Plan

http://www.norfolkofficialplan.on.ca/pdfs/2006_mar_16_official_plan_final_draft

4.2.1 Permitted Uses

Subject to the other policies of this Plan, the following policies shall apply in determining uses permitted on land designated Agricultural on Schedule “B”.

- c) Permitted uses shall also include those which add value to farm produce. These may include such uses as processing, preserving, storing and packaging of farm produce on farms. Such facilities may be used co-operatively among farms, but at a scale not to exceed the needs of the surrounding agricultural community of the County.
- d) Outlets for the retail sale of local farm produce shall also be permitted on farms.
- e) Agricultural events shall be permitted.
- i) The following uses may also be permitted, provided these uses do not conflict with existing farming operations, or with any policies related to Provincially Significant Features or Natural Heritage Features:

- ii) Home occupations, subject to the policies of Section 4.2.2 (a) ;
- iii) On-farm secondary businesses, subject to the policies of Section 4.2.2 (c);
- iv) Agriculture-related commercial and industrial operations, subject to the policies of Section 4.2.2 (d);

Land Use Policies

The following policies apply to lands designated Agricultural.

- c) On-farm secondary businesses comprise a gainful occupation conducted in whole or in part of an accessory building (shed or farm building) by a member of the farm family, with support of up to three employees. In order to ensure that the scale of the business is clearly accessory to the farm use, the gross floor area of the on-farm secondary business shall not exceed the gross floor area of the residential unit. Outside storage associated with the on-farm secondary business shall be temporary, limited in scale and screened from view from surrounding roads. On-farm secondary businesses shall have no negative impact on Natural Heritage Features. On-farm secondary businesses shall be subject to site plan control, if warranted and appropriate, in accordance with the policies of Section 9.6.5 (Site Plan Control).

3.8 City of Ottawa

The City of Ottawa is a single tier municipality including all of the rural lands from the former rural municipalities of the Regional Municipality of Ottawa-Carleton amalgamated with the former City of Ottawa. These rural lands include significant agricultural lands. The complexity of this amalgamation is evident in the fact that there are 36 remnant zoning by-laws from the former Region that are still administered. Not surprisingly the city is in the process of creating a new city wide zoning by-law. While this new by-law will not be available for public review until the end of May 2006, initial indications based on discussions with staff suggest that there may be some important differences. In particular, proposed policy and definitions related to agri-tourism and farm produce outlet should be reviewed in detail once they are available.

3.9 County of Oxford

The County of Oxford is one of the most important agricultural areas within the province. The County is a leader in both crop and livestock production. The policies of the County Official Plan speak to on-farm diversification, although they maintain a strong position aimed at protecting the existing agricultural industry. As a result these uses are only permitted following a rezoning. By avoiding "as-of-right" zoning, the County ensures a public process and a level of control that helps to ensure compliance with the policies. Related policies require that the use be secondary to the main agricultural use and there are a number of use restrictions. The size, number of employees and restrictions on potential severances exist. These policies reflect a desire to ensure compatibility with neighbouring livestock operations. They also reflect the County's strong commitment to protect and enhance the existing agricultural industry by avoiding uses that might be in conflict with existing agricultural uses.

County of Oxford – Official Plan Policies on On-farm Diversification

3.1.4.1.2 On-Farm Diversification

ON-FARM DIVERSIFIED USES AND CRITERIA On-farm diversification refers to uses that are secondary to the farm operation and do not alter the principal use of the property for agriculture. Diversified uses are intended to provide opportunities for farm operators to supplement their income while remaining on the farm and therefore, these uses will only be permitted where the on-farm diversified use is clearly secondary and ancillary to the farm operation. Diversified activities are differentiated from "home occupations" by the size and scale of the activity. On-farm diversified activities will be subject to the following criteria:

ZONE CHANGE The establishment of a diversified use shall only be permitted through an amendment to

	the Zoning By-Law of the Area Municipality.
<i>PERMITTED USES</i>	An on-farm diversified use must be small-scale and may include secondary occupations directly related to agriculture such as the sale of seed; value-added processing or packing operations for agricultural goods produced on the farm; warehousing or storage; a shop for a trade occupation, a contractor, a craftsperson or an artist, or a commercial operation involving animals; a "Bed and Breakfast" or a "Farm Vacation" establishment.
<i>SECONDARY TO THE FARM OPERATION</i>	An on-farm diversified use shall be clearly secondary and ancillary to the farm operation. For the purpose of establishing an on-farm diversified use, the owner of the farm on which the on-farm diversified use is established must reside on the property and must be actively involved in the farm operation.
<i>USE RESTRICTIONS</i>	Open storage of raw or finished products is not permitted. The general wholesaling or retailing of goods, wares or merchandise is not permitted except for goods, wares or merchandise produced, assembled, processed or fabricated on the farm.
<i>NUMBER OF ACTIVITIES</i>	Only one permanent diversified activity will be permitted per farm lot in addition to seasonal or intermittent activities associated with or ancillary to agricultural pursuits. Such seasonal or intermittent activities will be permitted in sequence such that one activity follows another.
<i>EMPLOYEES</i>	The diversified activity shall directly involve the farm operator and resident on-farm family members and shall be limited to one additional full-time employee. The employment of additional seasonal employees may be permitted.
<i>SIZE</i>	Buildings or structures or portions thereof existing on the date of adoption of this Official Plan and forming part of the <i>farm unit</i> may be used for a diversified use. The use of such existing buildings or structures shall be limited to not more than 225 sq. m. (2,422 sq. ft.) of total floor area. In addition, new buildings or structures or portions thereof required for a diversified use may also be erected and the same floor area limitations apply.
<i>LOCATION</i>	The diversified use shall be undertaken as part of the farm operation and as such, all new buildings, structures or facilities used or constructed for the diversified use shall be located in close proximity to the principal farm building complex and being capable of conversion to an agricultural use in the future.
<i>SITE PLAN APPROVAL</i>	Only proposals stating a specific on-farm diversified use will be considered by the Area Council. To ensure that the land area proposed for a specific use will be consistent with the requirements of the use, any proposal for an on-farm diversified use shall be accompanied by a detailed site plan showing the location of buildings and structures; wells and septic beds; areas for parking, storage and landscaping; points of access; and any other information deemed to be relevant to the proposal. All on-farm diversified <i>development</i> may be placed under site plan control to address those matters noted above and, subject to the nature of the use, containment facilities for on-site spills.
<i>SERVICE LEVELS</i>	Private water and on-site sewage facilities for an on-farm diversified use will be established in accordance with the requirements of the County and the Board of Health and the policies contained in Section 3.2, Environmental Resource Policies, relating to water quality and quantity, as appropriate.
<i>RESTRICTIONS ON</i>	On-farm diversified uses are to be considered as part of the <i>farm unit</i> and the severance

<i>SEVERANCE</i>	of an on-farm diversified use shall not be permitted.
<i>RESTRICTIONS ON EXPANSION</i>	The expansion of a diversified use beyond the permitted number of activities or employees, or in excess of the floor area limitation established for all buildings or structures may be permitted where such expansion is approved by the Area Municipality through an amendment to the Zoning By-Law. Such expansion will only be considered where the proposal meets all of the criteria for agriculturally related commercial and or industrial uses as set out in Section 3.1.4.6

3.10 County of Simcoe

The County of Simcoe is facing significant urbanizing pressures. The City of Barrie, along with other urban centres in the County will experience considerable growth over the foreseeable future. There are related impacts on agriculture, including opportunities for direct marketing and agri-tourism. At the County level, there are general policies in the Official Plan requiring the protection of prime agricultural lands. These policies allow a range of permitted uses including agriculture related uses and secondary uses, processing of agricultural products, and agricultural produce sales outlets generally relating to production in the local area. Simcoe is, however, a two tier planning system where much of the policy related to direct marketing and agri-tourism exists at the local level. In this context, the Township of Clearview was also consulted.

County of Simcoe – Township of Clearview

The *Township of Clearview* is located west of Barrie and south of Collingwood. The Township has experienced some controversy with this issue and had a situation that led to the enforcement of by-law provisions. From the Township perspective, this unfortunately overshadowed some of the work that was undertaken in support of agricultural diversification (increasing farm incomes through diversification including agricultural tourism). As part of this, the township hopes to allow for more vertical integration/value added activity on the farm as well as allowing for compatible uses which may diversify income as well as extend income opportunities through the year. The township's initiatives include a revised zoning by-law which in May, 2006 was in the midst of public consultation. (The municipal Official Plan was adopted in September, 2001). Details concerning agriculture in the new proposed zoning by-law were obtained from the document "What Uses can Occur on Agricultural Lands?"

(<http://www.clearviewtp.on.ca/media/Agricultural-Land-Uses-1.pdf>)

The Township has identified the following context for the agricultural policies of their new zoning by-law:

"The main purpose of agricultural lands is for commercial agricultural production. Uses which are compatible with and related to agriculture will also be permitted.

We also want to ensure that farmers are able to run their operations efficiently, and that there is enough flexibility to respond to changing market conditions.

We want to provide opportunities to diversify farm income that are compatible with farm uses and strengthen the viability of farming.

We propose to allow such uses with appropriate conditions to ensure that our agricultural resources will continue to be protected and productive for future generations.

· While insightful, the Clearview policies were still being reviewed during the research for this report. The final status of these policies should be confirmed by the reader of this report.

To ensure flexibility, while also protecting the land base and residents, some farm uses will be permitted on all agricultural lands, while others will be more appropriately permitted in related agricultural commercial and agricultural industrial zones.”

The proposed by-law includes a number of zones. The two which are most relevant to this report include the Agricultural (AG) zone and the Agriculturally Related Commercial (AGC) zone.

The Agricultural zone (which will apply to the vast majority of farms) lists a number of permitted uses. Those uses which are listed below have a potential connection to direct marketing and agri-tourism and they will be permitted “as-of-right” in this zone category. These uses are as follows:

- an accessory farm produce roadside retail stand (defined as including the retail sales of produce, including processed produce, predominantly from the farm. Such produce may include food products or non food products manufactured from organic products, such as, but not limited to, wood or hemp products).
- a home occupation;
- a home industry;
- an accessory bed and breakfast;
- an accessory agricultural processing plant, which involves processing only produce from the farm operation;
- passive recreation uses;
- an accessory riding club; or,
- greenhouses and plant nurseries and an associated retail outlet as an accessory to the production of plants on the same lot on which the garden centre or plant nursery is located and for the exclusive sale of plant material produced on the farm.”

The Agriculturally Related Commercial (AGC) zone provides a mechanism to allow a diversity of uses not normally found in a general agricultural zone. Agriculturally Related Commercial (AGC) uses would establish subject to a by-law amendment allowing the specific use. The AGC provisions have a number of objectives including: “providing for appropriate and compatible agriculturally related commercial uses to serve the agricultural sector, to promote a broader public understanding of agriculture and its importance to the economy and society and increase agricultural economic diversity.”

Those permitted uses proposed for the Agriculturally Related Commercial zone which have a potential connection to direct marketing and agri-tourism are listed below.

- farm related tourism establishments;
- a farm produce sales outlet;
- a farmers market; and,
- accessory and primary open storage; or,
- accessory display and sales.”

The municipality provides the following additional explanation of a farm related tourism establishment.

“A farm related tourism establishment may incorporate temporary accommodation related to agri-tourism and associated uses including recreational facilities. A farm related tourism establishment may also consist of, or include, a dining facility in which food products produced primarily on the farm or surrounding farms are prepared and served. The aggregate area of a farm related tourism establishment including all associated uses such as but not limited to parking, loading areas, recreational amenities, and accommodation areas located on a lot shall not exceed 1 ha. Such uses must be clearly farm related through ongoing interaction with agricultural activities, and shall not include facilities for dining or accommodation which have no, or only minimal, agricultural interaction and local agriculturally related input or components.

As an accessory agricultural use, a farm related tourism establishment shall be considered an agricultural use for the purposes of Minimum Distance Separation provisions and shall not be subject to separation requirements for either the introduction of new farm related tourism establishments or new livestock operations.”

The above zoning provisions for Clearview are instructive in that they provide a relatively clear policy context for Direct Marketing & Agri-tourism Operations. It should be remembered, however, that these policies were in public circulation as of May, 2006 and were not yet adopted. Discussion with staff pointed to the important role of the province in helping to confirm that these provisions are compliant with the Provincial Policy Statement.

3.11 Town of Caledon (in Peel Region)

The Town of Caledon, located within the Region of Peel has a significant agricultural industry, but it is also subject to significant urban growth pressure. The town is impacted by the Niagara Escarpment Plan, the Greenbelt Plan, Places to Grow, and the Oak Ridges Moraine Conservation Plan. The town was identified as a local municipality that has developed policy in response to changes both within agriculture and within the community more generally. In particular, OPA 179 adopted in October of 2003 include amendments that are relevant for direct marketing and agri-tourism (OPA 179 has been adopted but has not yet been approved by the Ontario Municipal Board).

Official Plan Amendment 179 is instructive because of the definitions it includes and the policies related to Secondary Uses, Farm Wineries and Cideries and Agri-tourism Uses. The amendment includes a specific goal “ *To protect prime agricultural lands by encouraging the business of agriculture, by providing for innovation and diversification within agriculture, by providing additional economic opportunities through secondary uses, and by limiting non-agricultural uses and non-agricultural severances.*” In support of this goal the plan includes specific policies in support of Secondary Uses, Farm Wineries and Cideries and Agri-tourism Uses.

Secondary uses as discussed in the plan are to be small scale (generally less than 3000 square feet) and a rezoning may be required. The plan specifies that the ancillary promotion and retail sale of secondary use products shall be permitted for products produced on-site. The specific definition included in the plan is as follows:

Secondary Uses: *shall mean uses secondary to the principal use of the property, including home occupations, farm-based home industries, and uses that involve the production and sale of value-added agricultural products produced from the farm operation on the property. The promotion and sale of value-added products could occur through such secondary uses as, farm markets, farm produce stands, farm vacation establishments, farmhouse dining rooms, farm wineries or cideries, and bed and breakfast establishments.*

Farm Wineries and Cideries are allowed in Prime Agricultural Areas. The plan includes a number of criteria related to the source of the raw material (i.e. acreages of grapes produced on site and percentage of total juice produced from within the region). Ancillary uses include processing, bottling, storage and retail sales, tours and a hospitality room. The specific definition included in the plan is as follows:

Farm Winery or Cider: *shall mean buildings or structures used for the processing of grapes, fruit or honey in the production of wines or ciders, including, the fermentation, production, bottling,*

aging or storage of such products as a secondary use to a farm operation. The winery or cidery may include a laboratory, administrative office, hospitality room and retail outlet and if required, must be licenced or authorized under the appropriate Act.

Agri-tourism activities are also allowed in prime agricultural areas. Such uses are to be subsidiary to the farm operation, they shall not be of a high intensity use out of character with the surrounding agricultural community and they shall be reflective of agriculture and agrarian themes and heritage. In some instances they will be permitted as of right and in other situations a zoning amendment will be required. Specifically, “*Agri-tourism uses must remain compatible with existing uses; have safe ingress and egress from a public road; have the ability to accommodate on-site services, including parking, water and sewage disposal; be located so as to have minimal impacts on the principal farm operation and on surrounding farm operations; maintain an aesthetic balance compatible with the open countryside landscape character; and, have no adverse environmental impacts.*” The plan specifically prohibits overnight seasonal tent and trailer camping, main-use restaurants and amusement parks but “Special events, such as corporate picnics, weddings and pancake breakfasts, may be permitted by a temporary use by-law.” The specific definition included in the plan is as follows:

Agricultural Tourism or Agri-tourism: means the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education or active involvement in the activities of the farm where the principle activity on the property remains as farming and where products used in the activity are produced on the property or related to farming. Such activities may include: a hay or corn maze; petting zoo; hay rides and sleigh, buggy or carriage rides; farm tours; processing demonstrations; pick-your-own-produce; and, a farm theme playground for children.

4.0 Provincial Approaches

4.1 Approaches in Ontario.

The Ontario government has the responsibility to support and nurture agriculture, while at the same time ensuring an efficient and responsible land use planning system. While these 2 goals can be mutually supportive the challenge is to find the right mix of policy that addresses this. In this context the two primary positions of the province of Ontario which impact planning approvals for direct marketing and agri-tourism are the Provincial Policy Statement and the Greenbelt Legislation.

Provincial Policy Statement (2005)

In Ontario, the Provincial Policy Statement (2005) is the most wide reaching land use policy impacting the establishment of direct marketing and agri-tourism facilities. For the vast majority of the province outside of the Greater Golden Horseshoe, the Provincial Policy Statement provides the most wide reaching provincial policy affecting planning approvals for direct marketing and agri-tourism.

The Provincial Policy Statement (PPS) articulates the provincial interest and municipal planning documents must be consistent with this position. It is critical to acknowledge this relationship between provincial policy and municipal planning documents. Municipalities are legislatively bound to be consistent with the PPS. Consequently municipal policy, while building on provincial directions is not likely to stray far from the provincial position.

In the case of agriculture the PPS stipulates that:

“Prime agricultural areas shall be protected for long-term use for agriculture. Prime agricultural areas are areas where prime agricultural lands predominate. Specialty crop areas shall be given the highest priority for protection, followed by Classes 1, 2 and 3 soils, in this order of priority.” The policy goes on to stipulate:

“2.3.3.1 In *prime agricultural areas*, permitted uses and activities are: *agricultural uses, secondary uses and agriculture-related uses.*

Proposed new *secondary uses* and *agriculture-related uses* shall be compatible with, and shall not hinder, surrounding agricultural operations. These uses shall be limited in scale, and criteria for these uses shall be included in municipal planning documents as recommended by the Province, or based on municipal approaches which achieve the same objective.”

While there are a number of policies related to agriculture, the following definitions of secondary uses and agriculture-related uses are most relevant for direct marketing and agri-tourism operations:

Agriculture-related uses: means those farm-related commercial and farm-related industrial uses that are small scale and directly related to the farm operation and are required in close proximity to the farm operation.

Secondary uses: means uses secondary to the principal use of the property, including but not limited to, home occupations, home industries, and uses that produce value-added agricultural products from the farm operation on the property.

It is noted that there is no direct mention of agri-tourism in the Provincial Policy Statement. The words that most closely speak to agri-tourism are included in the definition of Secondary Uses which speaks to “uses that produce value-added agricultural products from the farm operation on the property.” The provisions that allow for home occupations and home industry also provide some latitude when considering these types of uses.

It should also be noted that non-prime lands can be classified as “rural” and farms which are included in this category may find that they are subject to less stringent criteria.

The Greenbelt Plan (2005)

The Greenbelt Plan represents a major change for municipalities and property owners. While municipalities are still evaluating the implications of this plan and related legislation it does strengthen the provincial role in working to ensure the protection of the agricultural lands of the Greater Golden Horseshoe. Interestingly, however, the policies of the plan, insofar as they relate to agriculture do not significantly deviate from the agricultural policies of the Provincial Policy Statement. There are, however, two exceptions that should be noted.

First, the plan includes a goal in support of agri-tourism. Of interest, this goal appears to be limited to the specialty crop area of the Niagara Peninsula.

- b) *Support for the Niagara Peninsula specialty crop area as a destination and centre of agriculture focused on the agri-food sector and agri-tourism related to grape and tender fruit production;*

Although agri-tourism is not defined in the Greenbelt Plan, there is a clear recognition of this use which is not present in the Provincial Policy Statement.

Second, the Greenbelt Plan indicates that in Specialty Crop Areas and in Prime Agricultural Areas “a *full* range of agricultural, agriculture-related and secondary uses are supported and permitted.” In contrast to the Provincial Policy Statement the emphasis here is on the word “*full*” (which is absent in this context from the PPS). The significance of this word is that it implies a relatively broad interpretation of agricultural, agriculture-related and secondary uses. It is noted that both farmers and municipalities have at times felt constrained by what has been perceived to be a narrow interpretation of these terms.

4.2 Approaches in Other Provinces

The approaches to direct marketing and agri-tourism vary across North America. It is helpful to review these approaches as a point of reference concerning what is happening in Ontario. A detailed review of the approaches in British Columbia and Alberta are provided in Appendix 4. They are briefly summarized below.

British Columbia Policies Affecting Farm Direct Marketing and Agri-tourism

There is significant support for farm direct marketing and agri-tourism activities on agricultural land at a provincial level in British Columbia. Most agricultural land in British Columbia is included in the Agricultural Land Reserve. These areas are subject to the Agricultural Land Commission Act and its subsequent regulations. The Agricultural Land Commission Act (ALCA) requires the policies and by-laws of local governments to be consistent with the Act and its regulations.

Through regulation, the Agricultural Land Commission has established what is considered a permitted farm use in the Agricultural Land Reserve. Farm product processing, wineries and cideries, farm retail sales, agri-tourism activities, and agri-tourism accommodation are all considered farm uses within the Agricultural Land Reserve. Of these land uses, local government is required to permit farm product processing, wineries and cideries, farm retail sales, and agri-tourism activities. Local government is given a choice as to whether they wish to permit agri-tourism accommodation.

As it is a legislative requirement for local plans to be consistent with the Agricultural Land Commission Act and its regulations, it is expected that there is significant support for direct farm marketing and agri-tourism land uses in local land use plans.

While there is significant legislative support for direct farm marketing and agri-tourism activities in British Columbia, the example of the economic strategy for agriculture undertaken in Lower Mainland, British Columbia illustrates that even within a supportive legislative environment, there are other pressures that municipalities must try to balance with allowing agricultural activities.

The Lower Mainland case study demonstrates the value that can be gained at a local level when government comes together in partnership with the local agricultural industry. This example demonstrates that where this partnership between local government and agricultural producers exists it is likely that municipalities will develop more supportive land use policies because they have a better understanding of the industry.

Alberta Policies Affecting Direct Marketing and Agri-tourism Operations

At the provincial level, Alberta is very supportive of agricultural producers engaging in direct farm marketing and establishing agri-tourism operations. The Alberta Ministry of Agriculture, Food and Rural Development publishes information, holds workshops, has local representatives and has initiated an agri-tourism cluster development program. All this work has been done to encourage producers to capture more economic value from agricultural products produced in Alberta.

While the province issues provincial land use policies, the policies are quite general and there is no provincial legislation or guidelines to direct municipalities to permit direct farm marketing and agri-tourism in local land use by-laws.

There is considerable variability in land use policies regulating direct farm marketing and agri-tourism operations across Alberta because municipalities are responsible for drafting their own land use policies². As such, the type of land use policies that are in place is likely to depend on the familiarity of a municipality with the local agricultural economy and having up-to-date policies that are sensitive to these new land uses.

As a result of the activities at the provincial level through the Alberta Ministry of Agriculture, Food and Rural Affairs, and the establishment of agri-tourism clusters with local coordinators, more municipalities may be informed about these types of value added agricultural activities and may choose to work with local agri-tourism operators to develop more sensitive land use planning policies about farm direct marketing and agri-tourism operations.

British Columbia and Alberta- Some Observations:

In an environment where agricultural producers are asking provincial and federal governments for assistance as they struggle with record low commodity prices, there is an increased interest by both government and agricultural producers in developing successful value-added forms of agriculture.

Examples in British Columbia and Alberta demonstrate how provincial and local governments have recognized and supported initiatives to encourage the establishment of value-added agriculture through direct farm marketing and agri-tourism.

Based on a cursory jurisdictional analysis of land use policies affecting direct farm marketing and agri-tourism in Alberta and British Columbia, it is possible to draw the following observations:

² Conversation with Ag Tourism Director, Stoney Plains, Alberta Agriculture, Food, and Rural Development, April 12, 2006.

- Where detailed land use policies or guidelines are drafted at a provincial level, there is a greater potential that municipalities will have similar policies about the types of direct farm marketing and agri-tourism land uses permitted and how they should be regulated.

For example, the regulations drafted by the Agricultural Land Commission regarding what is considered a farm use in the Agricultural Land Reserve creates an opportunity for consistency between municipalities, which allows direct farm marketing and agri-tourism businesses to operate on an equal playing field.

- Success in the direct farm marketing and agri-tourism business is at least partly dependent on the formation of partnerships between multiple levels of government and the agricultural industry itself.

For example, while Alberta has a very supportive and successful program to encourage agricultural producers to develop direct farm marketing and agri-tourism businesses, the province provides no guidelines or direction to municipalities concerning these uses in their municipal land use policies. As such, it is possible for producers who are working with the province to establish a direct farm marketing and/or an agri-tourism business to encounter significant frustration at the municipal level if the local land use planning policies do not permit that particular land use.

Any initiative to encourage agricultural producers to engage in direct farm marketing or agri-tourism must include the level of government responsible for land use planning in order to be implemented successfully.

- A municipality that has an understanding of the direct farm marketing and agri-tourism industry is likely to develop more supportive land use planning policies, than a municipality that has limited understanding of the industry.

Municipalities have a responsibility to balance competing land use issues. Often municipalities come under pressure from different interests over the same resource. Municipalities often hear from urban interests before hearing from agricultural interests. In these situations there is significant value in local agricultural groups engaging with and educating municipal staff and politicians.

In conclusion, there is an opportunity to learn from experiences with the land use policies that regulate direct farm marketing and agri-tourism in British Columbia and Alberta. As the direct farm marketing and agri-tourism industry develops in Ontario, there is an opportunity to build on these practices.

5. Key Principles for Best Practices

Best Practice in the context of this report is intended to imply land use policy that fairly and objectively meets the collective interest of producers and municipalities, while respecting broader community interests. It is hoped that the findings of this report may influence provincial or local policy in a way that is supportive of the direct farm marketing and agri-tourism industry in Ontario. It is understood that if changes are contemplated, these proposals would be reviewed in the context of a public process.

Section 6 of this report identifies some of the “best” municipal and provincial practices in support of the direct marketing and agri-tourism industry. The identification of these policies is based on a series of filters that can best be described as “key principles.” That is, in order for a policy to meet the criteria as a “best practice” it is expected that it would meet the test of these principles. These principles reflect the author’s perspective on this issue, having reviewed numerous planning documents, spoken to producers and interviewed municipal staff.

Principle 1: On-farm diversification is critical to economically sustainable agriculture in Ontario. There seems to be universal agreement that on-farm diversification offers benefits to producers, municipalities and communities. It helps to keep farmers on the land, helps to sustain the industry, improves income streams, creates a local food industry, provides employment and leads to interest and diversity in the local community. It is supported in provincial documents, many local plans and is advocated by the agricultural industry.

Principle 2: Local agriculture and locally available produce is good for the health of the community and good for the local economy. Locally produced and available produce has a number of advantages. It is fresher, often tastes better and can help to establish a connection between consumers and food production. It also provides employment opportunities and contributes to a more diverse agricultural economy.

Principle 3: Sound land use planning is good. Land use planning speaks to the needs of current and future generations. It can lead to decisions that protect resources, build opportunity and contribute to vibrant communities. It can provide clear guidelines that allow private individuals to invest with confidence, while providing the community with a fair opportunity to influence local development.

Principle 4: Protection of agricultural land is good. Much effort has been exerted to protect the province’s remaining prime and specialty farmland. This supports agriculture today and into the future. It is also critically important that there be adequate economic support for agriculture to ensure the long-term viability and prosperity of the farm industry.

Principle 5: An evolving definition of agriculture is good. As demonstrated through this research there is considerable opportunity for farmers as they pursue new diversified initiatives. The opportunity exists to expand upon the definition of agriculture in a way that maintains the connection to farms and farming.

Principle 6: A connection to agriculture is good. Direct farm marketing and agri-tourism is primarily about providing opportunities for farmers. In the context of agri-tourism, a farming operation that is in itself a “draw” can benefit from related spin-off activity. As long as this connection to the farm is clear and maintained there may be additional opportunities for the farm. Direct farm marketing and agri-tourism is a mechanism by which some farmers will be able to economically survive.

Principle 7: Flexibility is good. As-of-right zoning permitting a wider range of direct farm marketing and agri-tourism uses should be extended to as many producers as possible. For those uses which are less compatible, with a less direct connection to agriculture, official plans should anticipate these uses and provide criteria against which zoning applications may be evaluated. Certain proposals will be outside the range of anticipated uses and will not be permitted unless they are able to successfully amend the official plan.

Principle 8: Clarity is good. At times planning policies have been subject to differing interpretations. To the degree that it is possible, definitions and policy should be clearly presented.

Principle 9: Compatibility between different land uses is good. Although this will vary across the province there is a need to ensure that farm diversification and agri-tourism uses are appropriately integrated into the local community. Sometimes direct farm marketing and agri-tourism uses can be disruptive to neighbours (noise, traffic, hours of operation etc.). Conversely these uses can be the recipient of a non-compatible use (for example a livestock operation adjacent to certain agri-tourism uses might be problematic). Setbacks, separation distances, and policy based on the nature of the dominant agricultural industry may be helpful.

Principle 10: Fairness in the property tax system is good. On-farm diversification is about providing farmers with more opportunities to diversify their farm operations. The property tax system needs to support the agricultural nature of direct farm marketing and agri-tourism.

Principle 11: Recognizing different geographies is good. There is a clear difference in the needs and aspiration of the farm community in the livestock and cropping focus of Oxford County versus the urbanizing regions associated with the Greater Golden Horseshoe. Communities will benefit from policy that addresses local needs, although there will always be farmers who may benefit from on-farm diversification policy in virtually every agricultural region of the province.

6.0 Municipal Approaches - Best Practices: Learning from Experience

This section presents a series of land use planning practices that have the potential to support direct farm marketing and agri-tourism operations. These practices were initially presented in Section 3 (Municipal Approaches- Existing Practices) and have been selected following a review of interviews, planning documents and the key principles presented in Section 5. They are intended for use by municipalities.

Best Practice 1. Clarity in the Official Plan for On-farm Diversification

Many of the reviewed Official Plans speak favourably towards on-farm diversification.

In Durham Region for example:

“uses accessory to the principal agricultural use of the property are permitted, including small-scale home occupations/businesses and home industries, provided such uses do not alter the principal use of the property for agriculture. In addition, small-scale uses secondary to the agricultural use, that produce value-added agricultural products, such as cottage wineries, and agri-tourism uses, such as bed and breakfast establishments, farm vacation homes, and farm tours are permitted as secondary agricultural uses, provided such uses are directly related to, or exclusively devoted to the existing farm operation”

and in Halton Region an objective has been established:

“To promote agriculture-related tourism and direct sales of farm produce and accessory products to visitors and local businesses.”

Similar supportive wording exists in Lambton, Clearview and Caledon. Most plans include wording supportive of the concept of a home occupation or a home industry. The municipal challenge, however, is to establish a policy framework in support of some of these general directions.

Perhaps the Town of Caledon has developed the most thoughtful policy addressing this issue. The Town has established a goal:

“To protect prime agricultural lands by encouraging the business of agriculture, by providing for innovation and diversification within agriculture, by providing additional economic opportunities through secondary uses, and by limiting non-agricultural uses and non-agricultural severances.”

In support of this goal the plan includes specific policies in support of Secondary Uses, Farm Wineries and Cideries and Agri-tourism Uses.

Secondary Uses are intended to be small (Caledon for example has used a standard of less than 3000 square feet) and a rezoning may be required. In addition to a minimum building size there may be advantages, depending on the nature of the use and size of property with using percent lot coverage. The specific definition included in the Caledon plan is as follows:

Secondary Uses: *shall mean uses secondary to the principal use of the property, including home occupations, farm-based home industries, and uses that involve the production and sale of value-added agricultural products produced from the farm operation on the property. The promotion and sale of value-added products could occur through, such secondary uses as, farm markets, farm produce stands, farm vacation establishments, farmhouse dining rooms, farm wineries or cideries, and bed and breakfast establishments.*

Farm Wineries and Cideries are allowed in Prime Agricultural Areas. The plan includes a number of criteria related to the source of the raw material (i.e. acreages of grapes produced on site and percentage of total juice produced from within the region). Ancillary uses include processing, bottling, storage and retail sales, tours and a hospitality room. The specific definition included in the plan is as follows:

Farm Winery or Cidery: *shall mean buildings or structures used for the processing of grapes, fruit or honey in the production of wines or ciders, including, the fermentation, production, bottling, aging or storage of such products as a secondary use to a farm operation. The winery or cidery may include a laboratory, administrative office, hospitality room and retail outlet and if required, must be licensed or authorized under the appropriate Act.*

Agri-tourism activities are also allowed in prime agricultural areas. They are to be reflective of agriculture and agrarian themes and heritage. In some instances they will be permitted as of right and in other situations a zoning amendment will be required.

Specifically,

“Agri-tourism uses must remain compatible with existing uses; have safe ingress and egress from a public road; have the ability to accommodate on-site services, including parking, water and sewage disposal; be located so as to have minimal impacts on the principal farm operation and on surrounding farm operations; maintain an aesthetic balance compatible with the open countryside landscape character; and, have no adverse environmental impacts.”

The plan specifically prohibits overnight seasonal tent and trailer camping, main-use restaurants and amusement parks but *“Special events, such as corporate picnics, weddings and pancake breakfasts, may be permitted by a temporary use by-law.”* The specific definition of agri-tourism is also listed under Best Practice 4 but is repeated here for clarity:

Agricultural Tourism or Agri-tourism: *means the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education or active involvement in the activities of the farm where the principle activity on the property remains as farming and where products used in the activity are produced on the property or related to farming. Such activities may include: a hay or corn maze; petting zoo; hay rides and sleigh, buggy or carriage rides; farm tours; processing demonstrations; pick-your-own-produce; and, a farm theme playground for children.*

Best Practice 2. Use as-of-right zoning to the extent possible.

Agricultural properties are normally placed into an Agricultural zoning (AG or A). Certain as-of-right uses are normally identified. When listed as a permitted use for a given zone the owner of the property has a legal right to establish the use subject to compliance with by-law provisions. This would normally include permitted and accessory uses such as a dwelling or buildings in support of agriculture as defined (such as a livestock barn). In the case of Huron East in Huron County for example, accessory uses in a general agriculture zone include (among others) the following uses:

- *bed and breakfast establishment*
- *commercial greenhouse*
- *farm produce sales outlet*
- *home industry*
- *home occupation*

The Town of Niagara on the Lake goes even further with its listing of permitted uses in the Agricultural zone. Additional relevant uses listed by the Town include:

- *A farm or cottage winery*
- *An agricultural stand or seasonal home grown produce stand accessory to an agricultural use*

- *An agricultural produce processing facility*

Each of these uses may be of help to a farmer in achieving a certain level of on-farm diversification.

Best Practice 3. Clearly identify uses permitted through zoning amendments.

Municipalities frequently create policies in their official plans that allow a given use in a given area subject to a zoning by-law amendment. This requirement for rezoning is often established for larger uses that may have greater off-site impacts. For example, a grain drying facility or an abattoir may be appropriate in a rural area, but a municipality would not want to allow this through a widely dispersed zoning. In the context of direct farm marketing or agri-tourism for example this requirement has been established in the Town of Niagara on the Lake for wineries above a certain size and in Clearview for farm related tourism establishments. The Town of Lincoln has also differentiated farm and estate wineries. While producers may see this as “red tape”, provided there are policies in the municipal plan that allows the use, this is a standard and acceptable level of review. Review should focus on issues such as servicing, traffic safety, compatibility with neighbouring uses, etc.

In the case of the Town of Niagara on the Lake for example, the following zoning provisions have been extended to a specific winery (providing quite a wide range of supportive permitted uses)

12.8.11.1 Permitted Uses:

- a) an agricultural use or farm*
- b) an estate winery*
- c) a restaurant with commercial cooking equipment*
- d) the retail sale of wine*
- e) a hospitality room*
- f) tasting room*
- g) conference room*
- h) an agricultural market or gourmet shop*
- i) education centre*
- j) accessory buildings and structures in accordance with Section 6.1*

Best Practice 4. Provide a clear definition and policy related to agri-tourism.

Both producers and municipalities struggle with what this term actually means. The Town of Caledon offers the following definition in their Official Plan (OPA 179):

Agricultural Tourism or Agri-tourism: *means the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education or active involvement in the activities of the farm where the principle activity on the property remains as farming and where products used in the activity are produced on the property or related to farming. Such activities may include: a hay or corn maze; petting zoo; hay rides and sleigh, buggy or carriage rides; farm tours; processing demonstrations; pick-your-own-produce; and, a farm theme playground for children*

The Township of Clearview[•] offers the following additional explanation of a farm related tourism establishment:

“A farm related tourism establishment may incorporate temporary accommodation related to agri-tourism and associated uses including recreational facilities. A farm related tourism establishment may also consist of, or include, a dining facility in which food products produced primarily on the farm or surrounding farms are prepared and served. The aggregate area of a

[•] The Clearview policies were still being reviewed during the research for this report. The final status of these policies should be confirmed by the reader of this report.

farm related tourism establishment including all associated uses such as but not limited to parking, loading areas, recreational amenities, and accommodation areas located on a lot shall not exceed 1 ha. Such uses must be clearly farm related through ongoing interaction with agricultural activities, and shall not include facilities for dining or accommodation which have no, or only minimal, agricultural interaction and local agriculturally related input or components.

Both sets of comments make it clear that the use is to be connected to agriculture, but includes recreational uses such as a corn maze, or educational uses. The Clearview definition also speaks to dining and accommodations of an appropriate scale³.

Best Practices 5. Uses with a lesser connection to agriculture

As direct farm marketing and agri-tourism uses expand there is a natural inclination to identify additional business opportunities. On one hand these uses may not be viewed as traditional agriculture, while on the other hand they may contribute favourably to the overall viability of the farm. This report takes the position that these uses, if limited and in support of the overall farm operation, are acceptable. In the case of the Region of Halton a policy has been developed to allow limited non-farm activity “on a commercial farm and secondary to the farming operation”

d) businesses that may not be related to agriculture provided that:

- [i] such uses are permitted by specific Niagara Escarpment Plan policies if applicable, Local Official Plan policies and Local Zoning Bylaws;*
- [ii] their scale is minor and does not change the appearance of the farming operation;*
- [iii] their impact such as noise, odour and traffic on surrounding land uses is minimal and will not hinder surrounding agricultural uses; and*
- [iv] they meet all Regional criteria as stated in the On-Farm Business Guidelines adopted by Council;*

Likewise the Town of Caledon has developed a strategy to deal with uses that have a limited direct connection to agriculture:

“Special events, such as corporate picnics, weddings and pancake breakfasts, may be permitted by a temporary use by-law.”

Both of these policies provide a mechanism to deal with the occasional use that will significantly enhance a direct farm marketing or agri-tourism use, but which is a questionable fit with otherwise existing policy. From an agricultural perspective it is desirable to avoid the requirement for an event by event application. Temporary use by-laws or special agricultural zones can be used to allow for a broader range of uses (versus the need for an event by event application).

The key consideration relates to the connection to agriculture. The Provincial Policy Statement⁴ for example defines Secondary Uses as “secondary to the principal use of the property, included *but not limited to*, home occupations, home industries, and uses that produce value-added agricultural products from the farm operation on the property.” The words *but not limited to* are important in that they imply a broader range of uses, provided that they are secondary to the use of the property.

Best Practice 6. Minimum Distance Separation (MDS) may apply

³ The City of Ottawa is in the process of developing a new zoning by-law. Discussions with staff suggest that the by-law once released may include helpful definitions.

⁴ It is recognized that the Provincial Policy Statement (Section 2.3.5) speaks to limited non-residential uses in Prime Agricultural Areas. This may complicate the expansion of some uses above a given size.

If there are livestock buildings in proximity to the direct farm marketing or agri-tourism use MDS may apply. For example, municipalities are not likely to apply MDS to a roadside stand, but will likely apply it to a restaurant use associated with a winery. Refinements to the MDS formula are anticipated in the fall of 2006.

Best Practice 7. Make it clear to producers that direct farm marketing and agri-tourism uses are not likely to be severed from the property on which they are established.

Historically, many municipalities feared that if they allowed investment for the establishment of a direct farm marketing or agri-tourism use that they could expect an application for severance in a few years time. With much tighter provincial policies and the requirement for municipal consistency the chance of these applications being severed is much reduced. From a certain perspective municipalities can have a greater certainty that these uses will remain with the farm and therefore be more comfortable with their establishment.

The Region of Durham and the County of Oxford, for example, have made it clear that severances for these types of uses will not be permitted.

Best Practice 8. Establish an Agricultural Advisory Committee

Those municipalities that had the most thoughtful policy on this issue tended to have an Agricultural Advisory Committee. These committees bring a useful perspective to the development and review of policy. They can also encourage discussion and identify and share information or approaches from other jurisdictions. It is important that the municipality provide a regular reporting mechanism to ensure that comments from the Committee are brought to the attention of council.

Best Practice 9. Have dedicated and informed staff

The municipalities that seemed to be most prepared for these policy questions had planning staff that were informed, engaged with agricultural issues, enjoyed working with farmers and sought practical solutions to issues as they developed.

Best Practice 10. Site Plan Control

Under the Planning Act municipalities have the authority to receive, review and approve site plans. This tool can be helpful in avoiding some of the concerns (traffic, parking, etc.) that can accompany new developments. Historically municipalities have generally not used this tool in an agricultural context. It may help to alleviate concerns that may accompany some direct farm marketing and agri-tourism uses.

Best Practice 11. A Role for Provincial Leadership

The Province has an important role to play in this issue. As noted in British Columbia, a strong provincial perspective can fundamentally influence the approach followed by municipalities. It would be helpful to have a clear definition of agri-tourism that captures the provinces intent that: "a full range of agricultural, agriculture-related and secondary uses are supported and permitted". A thoughtful addition to the Provincial Policy Statement could significantly direct municipalities on this issue. Future amendments to the Planning Act or Provincial Policy Statement should be monitored for the development of new tools or policy that may lend additional support to direct farm marketing and agri-tourism uses.

7.0 Recommendations

This report provides a jurisdictional analysis of key municipalities regarding local planning policies and related official plan amendments as they relate to direct marketing and agri-tourism operations in Ontario. The report identifies policies and best practices from across the province to assist OFFMA members as well as municipal stakeholders to make informed decisions. The report was commissioned by the Ontario Farm Fresh Marketing Association and completed by Caldwell Consulting.

The following recommendations build on the Key Principles of Section 5 and Build on the Best Practices of Section 6.

- 1) Following review by the OFFMA Board and staff this report should initially be provided to the province for review and comment. Provincial support will give more weight to this report when considered by municipalities and other organizations such as the Greenbelt Foundation.
- 2) The province should be asked to develop a definition of agri-tourism and direct marketing (there are sample definitions provided within this report). An appropriate definition would assist the industry. Ideally this would be provided within a revised PPS, but in the interim could receive staff sanction that would be nearly as helpful.
- 3) Some of the issues that members have experienced could have been avoided with more communication between the producer and the municipality. It may be helpful to develop an information package for OFFMA members simply pointing to the basics – for example – be sure to consult with your local municipality before you change your operation.
- 4) The report has been structured to hopefully build support with municipalities. In my view most municipalities are trying to deal with this issue in a positive way. The report will hopefully be viewed as objective and non-partisan.
- 5) There is perhaps a direct message that could be developed for municipalities – perhaps a formal message from the OFFMA Board that endorses the key principles and encourages municipalities to implement the Best Practices.
- 6) OFFMA may wish to consider a letter from the Board president to municipalities asking them to consider the following actions in support of the industry and on farm diversification (these build on the Best Practices):
 - i) Municipalities are encouraged to add direct farm marketing and agri-tourism as a permitted use in the agricultural policies of their Official Plans and zoning by-laws. The following policy from Durham Region is relevant:

“uses accessory to the principal agricultural use of the property are permitted, including small-scale home occupations/businesses and home industries, provided such uses do not alter the principal use of the property for agriculture. In addition, small-scale uses secondary to the agricultural use, that produce value-added agricultural products, such as cottage wineries, and agri-tourism uses, such as bed and breakfast establishments, farm vacation homes, and farm tours are permitted as secondary agricultural uses, provided such uses are directly related to, or exclusively devoted to the existing farm operation”

- ii) In addition the following definitions from the Town of Caledon are helpful:

Secondary Uses: shall mean uses secondary to the principal use of the property, including home occupations, farm-based home industries, and uses that involve the production and sale of value-added agricultural products produced from the farm operation on the property. The promotion and sale of value-added products could occur through, such secondary uses as, farm markets, farm produce stands, farm vacation establishments, farmhouse dining rooms, farm wineries or cideries, and bed and breakfast establishments.

Farm Winery or Cider: shall mean buildings or structures used for the processing of grapes, fruit or honey in the production of wines or ciders, including, the fermentation, production, bottling, aging or storage of such products as a secondary use to a farm operation. The winery or cidery may include a laboratory, administrative office, hospitality room and retail outlet and if required, must be licensed or authorized under the appropriate Act.

Agricultural Tourism or Agri-tourism: means the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education or active involvement in the activities of the farm where the principle activity on the property remains as farming and where products used in the activity are produced on the property or related to farming. Such activities may include: a hay or corn maze; petting zoo; hay rides and sleigh, buggy or carriage rides; farm tours; processing demonstrations; pick-your-own-produce; and, a farm theme playground for children.

- iii) Municipalities should ensure that their general agriculture zones include the following permitted uses

- bed and breakfast establishment
- commercial greenhouse
- home industry
- home occupation
- farm or cottage winery
- agricultural stand or seasonal home grown produce stand accessory to an agricultural use
- agricultural produce processing facility

- iv) Municipalities should provide the opportunity for the establishment of a more intensive agri-tourism or winery uses through rezoning.
- v) Direct farm marketing or agri-tourism uses should fundamentally relate to the farm unit, however, there may be opportunity for limited additional on-farm diversification that is unrelated to agriculture. As long as the farm and agricultural connection remains primary additional limited activities have the potential to enhance farm viability.
- vi) Municipalities should develop appropriate locational criteria to help blend the direct marketing / agri-tourism use with other agricultural and community uses.
- vii) Agri-tourism and direct farm marketing uses should not be severed from the farm, but rather remain as an integral part of the farm unit
- viii) Municipalities should establish an Agricultural Advisory Committee
- ix) Municipalities are encouraged to have informed staff specifically dedicated to agricultural issues

Appendix 1: Questionnaire to OFFMA Membership

Direct Farm Marketing, Agri-tourism or Other On-farm Related Secondary Uses– Connections to Municipal By-laws

January 9, 2006

Dear Ontario Farm Fresh Marketing Association Member,

As you may be aware the Ontario Farm Fresh Marketing Association (OFFMA) is working with Dr. Wayne Caldwell to examine municipal by-laws that impact the establishment and operation of direct farm marketing, agri-tourism or other on-farm related secondary uses. This review will focus on the planning concerns of municipalities and the respective needs of our current and future members.

Our goal is to find policies that work well and examples of policies that are problematic. Consequently, we are contacting both municipalities and our members. We would like your help in answering the following few questions. Please respond by January 31, 2006 (the questionnaire should not take more than 5 minutes to complete).

Thanks you for your assistance.

Sincerely,

Frank Whittamore,
OFFMA President

Questionnaire

*Please mail (address below), fax (519-767-1686) or e-mail your response to Wayne Caldwell
waynecaldwell@hurontel.on.ca.*

Your Municipality: _____

Your name, phone number and e-mail address: _____

Does your business focus on:

- agri-tourism Yes () No ()
 direct farmgate sales Yes () No ()
 other on-farm related secondary uses Yes () No ()
 other Yes () No () (if yes please describe _____)

Please check all that apply to describe major aspects of your operation:

Pick Your Own Operation	()	On-Farm Entertainment Activities	()
Cut Your Own Operation	()	On-Farm Group Tours	()
On-Farm Market Operations	()	On-Farm Special Events	()
On-Farm Sales of Natural Non-Edibles	()	On-Farm Winery	()
On-Farm Sales of Arts and Crafts	()	On-Farm Hospitality (i.e. Farm Stays)	()
On-Farm Food Service	()	Other (please describe _____)	()

Have you within the last 5 years required municipal approval for the expansion or establishment of your operation? Yes () No ()

If yes would you categorize your dealings with the municipality as (check one response):

- Routine (no significant delay or problems getting approval)
- Problematic (they didn't know how to deal with my request, delays etc.)
- Other (describe) _____

From what you know of your municipality's policy on direct farm marketing and agri-tourism would you rate them as (check one response):

- excellent (the municipal policies are helpful and fair - the researchers should definitely talk to these folks)
- ok (there isn't anything particularly positive or negative in the municipal response)
- poor (people are running into problems- the researchers might want to talk to these folks to understand how not to do it)
- don't know enough about the policies to offer an opinion

The researchers hope to contact a sample of the OFFMA membership. Would you be willing to speak to the researchers to review your situation? Yes () No ()

Do you have any other comments you would like to add? _____

If you have any questions please contact either Cathy Bartolic or Wayne Caldwell.

Thank you for your participation.

Cathy Bartolic
 Executive Administrator
 2002 Vandorf Sideroad,
 Aurora, ON
 L4G 7B9

Wayne Caldwell
 Associate Professor, Rural Planning
 University of Guelph
 Guelph, Ontario
 N1G 2W1

If you have additional comments please attach a separate sheet.

Appendix 2: Questionnaire for Municipalities (Counties and Regions)

Best Practice For Regulating Direct Farm Marketing, Agri-tourism or Other Related On-farm Secondary Uses

Please fax the completed 1 page questionnaire to Wayne Caldwell at 519-767-1686

January 9, 2006

Dear Planning Director,

The Ontario Farm Fresh Marketing Association (OFFMA) has asked me to look into municipal by-laws that impact the establishment and operation of direct farm marketing and agri-tourism operations. My review of this issue will focus on the planning concerns of municipalities and the respective needs of farmers. We expect that the key documents will be Official Plans and Zoning By-laws.

The OFFMA membership consists of farmers working to promote the direct farm sales industry (which includes roadside marketing, agri-tourism, pick-your-own operations or other on-farm related secondary uses). We are working in cooperation with the Ontario Ministry of Agriculture Food and Rural Affairs.

At the outset we are contacting County and Regional Planning Departments to help identify the types of policy that exist across the province. In particular we are looking for examples of established policy which are working well from both a municipal and farmer perspective.

The attached questionnaire is intentionally brief to facilitate a quick response. Please respond prior to January 31, 2006.

If you have any questions please feel free to contact me at 519-824-4120 ext 56420 or by e-mail at waynecaldwell@hurontel.on.ca.

Thank you for your participation.

Wayne Caldwell
Associate Professor, Rural Planning
University of Guelph

Questionnaire

Best Practice For Regulating Direct Farm Marketing, Agri-tourism or Other On-farm Related Secondary Uses

Please fax or mail completed questionnaire to Wayne Caldwell prior to January 31, 2006.

*Mail: Professor Wayne Caldwell,
School of Environmental Design and Rural Development,
University of Guelph,
Guelph, Ontario
N1G 2W1*

Fax: 519- _____

Region or County: _____

Contact person and e-mail address: _____

1. Has your Department completed reports related to the planning or economic impact of agri-tourism, direct farm marketing or other related on-farm secondary uses? Yes () No ()

If yes would you please fax or e-mail the report or provide the name of someone we might contact to obtain a copy: Name and phone number of contact: _____

2. Do you have specific policies in your Regional or County Official Plan that deal with agri-tourism, direct farm marketing or other related on-farm secondary uses? Yes () No ()

If yes would you please fax or e-mail the policies or provide the name of someone we might contact to obtain a copy: Name and phone number of contact: _____

3. Are there any other pertinent regulations at the County or Regional level that we should consider? Yes () No ()

If yes can you please provide brief details:

4. It is recognized that the regulation of roadside sales/agri-tourism and other on-farm related secondary uses is largely a local municipal responsibility (unless you are a single tier municipality). Within your county or region can you identify a local municipality that in your opinion has provided leadership with this issue (innovative or particularly successful in addressing this issue). Yes () No ()

If yes, please provide the name and phone number of a local contact: _____

5. Would you like a copy of our final report Yes () No ()

If you have additional comments please attach a separate sheet.

Thank you for your assistance.

Please mail or fax to Wayne Caldwell at 519-767-1686

Appendix 3: Summary of Producer Interviews

Farmer A (Pick Your Own, On-Farm Market and On-farm Sales of Arts and Crafts)

Farmer A operates an on farm business in the Regional Municipality of Durham. The farm business is based around several aspects of direct farm marketing including pick your own area and a roadside retail area. Customers are able to drive to the farm and park in a large 30-car parking lot. From there, produce such as eggplant, pepper, tomatoes, and strawberries can be picked by the customer, or bought in the retail store. Also available is sweet corn which is brought in from a neighbouring farm, and during the month of December the farm sells Christmas trees.

Over the last few years the farm business has been growing. This has meant that some new building and renovations have occurred. A new pole barn has been built to house the retail area, as well as several new connected greenhouses. There were no real hassles reported in obtaining building permits for these expansions, just that the Town wanted engineered drawings of all of the buildings being applied for. Along with the building expansions came the need for an increase from 60 amp hydro service, to a 200 amp hydro service. The owners report that due to being a farm with an on farm business this was an expensive upgrade. The current limit for development of the business is the lack of an appropriate volume septic system. When interviewed the owner was in the process of gathering information on how to begin this next process.

The owner did note that the municipality has a requirement that 80% of what is being sold on the farm is produced on the property. The farm was inspected in 1992, 1993 and 1995 by the municipality to ensure compliance (inspections occurred in response to a neighbours complaint). A second issue occurred a few years ago when neighbours complained about “bird bangers” which were used to keep birds out of sweet corn. The municipality reviewed the complaint and concluded that there was no contravention of their noise by-laws. Still, the neighbours threatened legal action and the owner voluntarily chose to stop growing sweet corn (instead bringing corn in from off-site).

Farmer B (Pick Your Own, On-Farm Market Operations, On-Farm Food Service)

Farmer B operates an on farm business in Essex County. The farm business is based upon several aspects of direct farm marketing including pick your own, on farm market operations, and on farm food service. Customers come to the farm to pick their own blueberries, or to buy pre-picked berries. The farm has a newly built retail area and ample

on farm parking. Since the main product sold at the farm is blueberries, the business is open for roughly 7 weeks per year.

Over the last few years the farm business has grown. Farmer B moved from a small retail area into a new building, which was built to suit. The new pole barn is split between: coolers, packing area, kitchen, and retail area. Customers do not enter the building; they deal with retail staff, and food staff through “sales windows”. The kitchen area, serves as a place to cook ☐ ounci fries, and serve ice cream, both of which are sold to customers. Public washrooms are available, and make use of a properly designed septic system, which was built for this purpose.

Farmer B noted that while obtaining necessary permits to build his retail area, the local planning department was initially difficult to deal with, i.e. they requested a business plan, and a long-range development plan. Upon visiting Farmer B’s site, they realized the situation of the seasonal business, and became much more agreeable to the expansion without the need for the mentioned plans. Overall, Farmer B thinks his local building official, planning department, and ☐ ouncilors are very good. However, the local conservation authority is quite hard to deal with. They keep a regular tab on his activities, and have become very efficient at enforcing their policies. Farmer B is looking at expanding his retail / packing area again, but fears that applying for permits, will stir up difficulties with the conservation authority.

Farmer C (Pick Your Own, On-Farm Market Operations, On-Farm Non-Edibles, Arts and Crafts, Food Service, Entertainment, Tours, and Special Events)

Farmer C operates an on farm business in Norfolk County. The farm is focused on catering to agri-tourism. There is a pick your own area, a retail area, a bakery, and many seasonal attractions throughout the operating months of May-October.

The pick your own operation draws customers to pick asparagus, pumpkins, squash, sweet corn, and many other fruits and vegetables. The retail area sells produce from the farm, baked goods from the on-farm bakery, and some theme related giftware. The farm also attracts people to its annual corn maze, farm tours, and goat walk. Several weekends in the summer feature live entertainment, with one big festival featuring 20 local bands, which draws about 500 people to the farm. The farm can also be booked to host special events, such as birthday parties.

There have been several problems experienced by Farmer C. In order to build the retail area the planning department changed the zoning to an “agriculture special” classification. According to the farmer, this was a red-tape process that required a lawyer and had costs associated. Farmer C has also been unsuccessful at getting permission to have a petting zoo. The proximity of the bakery does not allow the petting zoo to be on the farm. Farmer C mentioned several other operations in her area that have been allowed to have animals close to a food service area. Farmer C also wished to create a small green space where customers could set up tents during the special events. This was turned down by the local

planning department, due to not complying with permitted uses for the land. Farmer C is unsure about how to approach future expansions of the business.

Farmer D (Pick Your Own, On-Farm Market Operations, Farm Tours)

Farmer D operates a seasonal market garden in the Waterloo area. It consists of a large 9000sq ft retail, packing, and storage area. The market opens for strawberry season and ends when corn and pumpkins are finished. To cater to customers there is also a pick your own area, as well as guided farm tours. There is ample on farm parking, and washrooms for the customers to use.

The retail store features a wide array of merchandise. Farmer D estimates that roughly 30% of the products are grown at the farm, the other 70% are brought in from other farms and vendors. The township has approved this as long as the goods being sold are agricultural, and not prepared grocery items (can goods, etc). Farmer D has experienced positive support from his township, and local health unit, who promote his business through a local “buy fresh – buy local” initiative.

An expansion of storage space was just completed, which brings the farm up to its maximum building envelope (no more buildings may be built). In this recent expansion a portion of the building was too close to an existing dwelling. Farmer D applied for a variance, which was granted by the municipality. However, the planning department has imposed a maximum on retail space, which in Farmer D’s case has already been met. Farmer D’s business has been expanding rapidly, and he is now out of floor space. In order to exceed the maximum set by the planning department, the farm would need to change from an agricultural zoning, to a commercial zoning. This is a step Farmer D is not prepared to take. Overall, Farmer D was quite pleased with the service he received from his local planning department.

Farmer E (Pick Your Own, On Farm Market Operations, Arts and Crafts, Entertainment, Tours, Special Events)

Farmer E operates a large on farm business in the Ottawa area. The market area sells a wide variety of produce, all of which is grown on the farm, except for some apples, which he purchases from another local farmer. Also in the retail area are some gift items and arts and craft items (locally made goods). Farm tours are available for customers, and the occasional special event is organized to draw a crowd.

The business began as a pick your own operation with a small table out by the road. Parking on the shoulder was causing some concern, so when the new retail space was built, it was moved 500 ft back from the road. Farmer E reported that building the new space had some initial challenges, but things worked out well. In order to build a large retail area the planning department required a change in zoning. The farm was originally zoned as agricultural. Now it has been re-zoned to agriculture restricted. Farmer E noted

that the “restricted” classification has not prevented him from doing anything as of yet, but he is unsure what it means for future applications. Farmer E’s business is operating smoothly, he is not too concerned with his municipalities by-laws hindering his operation.

Farmer F (Pick Your Own, On-Farm Market Operations, Arts and Crafts)

Farmer F operates his business on a 500-acre farm in the Uxbridge area. The farm is split between a pick your own area and cash crops. The farm market is open seasonally and sells produce from the farm as well as some jams, jellies, and honey. Every year for roughly 2 weeks Farmer F organizes a fall festival.

The festival offers customers a chance to come to the farm for the day and see various attractions. There are farm tours available, as well as: tractor rides, pig races, and pick your own pumpkins. He has also built a pumpkin cannon in the amusement area. The farm has a large hill, which customers can hike out to, and up. At the top there is a viewing platform that offers scenic views of the surrounding landscape.

In the winter of 2000 Farmer F set up a snow tubing operation on his farm. It was built on the farm’s large hill, and according to Farmer F, did not remove any land from production. The operation was a significant investment, since it required the purchase of snow making equipment, as well as specialized tubes and some grooming equipment. At the end of the winter he was told that he would no longer be able to operate his tubing business. The snow tubing operation did not meet the suggested uses for agricultural land. Farmer F went to his local council, but the decision was upheld. He has since sold most of the equipment. Since the winter was now out of the question, Farmer F decided to expand his fall festival attractions to include a haunted barn. Money was spent converting the upper level of an existing bank barn into a haunted maze. Unfortunately, this was also shut down due to fire code problems. Farmer F feels that his local municipality does not understand his operation, or how to adjust the zoning to fit his circumstances.

Farmer G (Pick Your Own, On-Farm Market Operations, Farm Tours)

Farmer G operates a seasonal roadside market in the Regional Municipality of Niagara. The business offers customers fresh produce, and the option to pick their own goods. 90% of the produce sold is grown on the farm. The market is generally open from the May long weekend until the end of October.

Farmer G reports that traffic was the city’s biggest concern – an on farm parking lot was required to stop cars from parking on the shoulder of the road. As the business shifted toward the building of the existing market Farmer G was required to comply with several requests. 1) Due to the proximity of the market to the road, a berm had to be built along the road. The berm is to stop potential accidents involving motorists along the road, losing control and crashing into the market. 2) Farmer G had to install a septic system and build a washroom for customers to use. Farmer G notes that so far customers haven’t used the washroom. 3) The land where the market is located is within the green belt. The planning department decided that because this was green-belt land no permanent

structures could be built. Farmer G decided to have a tent built for the market. Although it is a temporary building, it was still required to be approved by an engineer, which cost a considerable sum of money. So far Farmer G estimates that she has spent about the same cost as building a house on her temporary market. She would like to see the business' season extended into November, but is not yet sure that it is feasible due to the restrictions on building.

Farmer H (On-farm Market Operations, sales of arts and crafts, food services, entertainment activities, group tours, special events, winery (coming) and hospitality)

Farmer H operates a diverse agri-tourism, farm-gate sales and other related secondary use in Niagara Region. The agricultural operation includes peaches, sweet cherries and mixed tender fruits. A vineyard and winery will be established. Much of the operation focuses on the production and retail of specialty foods from jams and jellies to fruit syrup. The operation also hosts special events.

Farmer H has been challenged as expansion plans have been reviewed by the municipality. The question has been asked of the owners – “what do special events have to do with agriculture?” In the opinion of Farmer H, a wedding in a vineyard is a natural progression of the services they offer. To achieve greater flexibility in their programming, Farmer H has gone through the process of establishing a winery which will allow for a greater range of uses (such as a restaurant). To accomplish this they have acquired additional land, noting that the expense of this land, means that they need to continue to diversify and create value-added goods or services in order to retain the land in agriculture. Farmer C also noted the costs involved with completing a traffic and archaeological study. Apparently a Temporary use by-law has been used to authorize special events. In the opinion of Farmer H, they want to avoid being a museum of what agriculture was.

Appendix 4:

Land Use Policies Affecting Direct Farm Marketing and Agri-tourism Operations

**Examples from
Alberta and British Columbia**

Prepared for Ontario Farm Fresh Marketing Association

**Jurisdictional Analysis and Best Practice Models Regarding Land
Use Policies Affecting Direct Marketing and Agri-tourism
Operations in Ontario**

Caldwell Consulting

April 2006

Overview

In Ontario, most food moves from the farm gate to the consumer through a highly efficient system that takes advantage of economies of scale and specialization to keep processing and distribution costs low. In this system, the price paid to farmers for their product is often only a fraction of the retail food price. As such, there is growing dissatisfaction from farmers who continue to receive low farm commodity prices.

Many farmers have responded to this trend by increasing the value of their agricultural product through direct farm marketing and establishing agri-tourism operations. Both direct farm marketing and agri-tourism involves the practice of farm producers selling products and/or experiences directly to the consumer.

Direct farm marketing can take a variety of forms, such as roadside stands or farm stores, u-pick operations, farmers' markets, and direct sales to restaurants. Agri-tourism adds a recreational component to food consumption. Many agri-tourism operations are able to draw urban people to farm communities where they experience a farm atmosphere and can purchase fresh produce, specialty items and services.

Both direct farm marketing and agri-tourism provides an opportunity to develop a link between urban consumers and rural food producers. It also contributes to the rural economy by providing alternative marketing channels. Direct farm marketing and agri-tourism offers a number of related community benefits, including employment, cultural and education opportunities, and an enhanced agricultural sector.

The approval of direct farm marketing or agri-tourism operations can, however create challenges for municipalities. Many municipalities are legislated to plan for a variety of land uses. This includes establishing a range of permitted uses within the community as well as a range of regulations. Sometimes, however, municipalities are not familiar with agriculture and their policies may be outdated or insensitive to new land uses.

Much can be learned by looking at other jurisdictions and understanding how they are planning for these evolving agricultural land uses. This paper looks at British Columbia and Alberta as best practice models in planning for direct farm marketing and agri-tourism operations. Exploring how these provinces approach direct farm marketing and agri-tourism as a land use planning issue may be helpful as this issue is considered in Ontario.

Best Practice Model: British Columbia

British Columbia has a well developed farm direct marketing and agri-tourism industry. The industry includes vineyards and wineries, orchards, farm vacation homes and an extensive farmers' market network.

Much of the direct farm marketing and agri-tourism activity occurs on agricultural land within the Agricultural Land Reserve in British Columbia.

There is a series of legislation that is generally supportive of agriculture, including direct farm marketing and agri-tourism at the provincial level in British Columbia. The table below makes reference to some of the key pieces of legislation that regulate agriculture in British Columbia.

Table 1: Key Pieces of Provincial Legislation that Regulate Agriculture in British Columbia

Local Government Act	- Local governments may include in their official community plan policies respecting the maintenance and enhancement of farming or in an area designated for agricultural use in a community plan. - Provides the authority for local governments to adopt farm by-laws to regulate farm management activities in farm areas, subject to approval by the Minister of Agriculture, Food and Fisheries. - A local government must not prohibit or restrict the use of land for a farm business in a farming area unless the local government has received approval from the minister responsible for the Farm Practices Protection Act.
Farm Practices Protection Act	Protects farmers' right to farm; provides for guidelines for local government zoning in farm areas.
Land Title Act	An approving officer may refuse to approve a subdivision if "the anticipated development of the subdivision would unreasonably interfere with farming operations on adjoining or reasonably adjacent properties, due to inadequate buffering or separation of the development from the farm".
Agricultural Land Commission Act	A local government must ensure that its bylaws and plans are consistent with the Act, the regulations and the orders of the Agricultural Land Commission

Note: This table is not intended to provide a comprehensive list of legislation regulating agriculture in BC, but rather the legislation related to the regulation of direct farm marketing and agri-tourism.

Source: Agricultural Land Commission. 2005. Agricultural Land Reserve & Community Planning Guidelines. Burnaby, BC. http://www.alc.gov.bc.ca/publications/Community_Planning_Guidelines2.pdf

From the above table, the legislation that may have the most direct impact on affecting direct farm marketing and agri-tourism operation from a land use perspective is the Agricultural Land Commission Act (ALCA).

The Agricultural Land Commission Act was introduced in 1973 in response to the loss of prime agricultural land occurring at that time in British Columbia⁵. This legislation instituted a special land use zone called the Agricultural Land Reserve. This special zoning was put into place between 1974 and 1976. Initially the Agricultural Land

⁵Agricultural Land Commission website - http://www.alc.gov.bc.ca/alr/Establishing_the_Agricultural_Land_Reserve.htm

Reserve was comprised of 4.7 million hectares (5% of the province)⁶. The Agricultural Land Commission Act is administered by the Agricultural Land Commission.

The Agricultural Land Commission has three purposes: firstly, to preserve agricultural land; secondly, to encourage farming on agricultural land in collaboration with other communities of interest; and thirdly to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, by-laws and policies⁷.

The Commission encourages local governments to adopt official community plans and zoning by-laws that are supportive of farm activities and compatible uses in the Agricultural Land Reserve and that recognize the wide range of agricultural values, and the economic, social and environmental contributions of a healthy agricultural sector to communities and regions⁸.

The Agricultural Land Commission publishes guidelines and regulations that provide advice for local governments preparing and adopting plans and by-laws that recognize the provincial interest in preserving lands for agriculture and encouraging farming.

Where a plan or by-law includes land in the Agricultural Land Reserve, the Agricultural Land Commission requires the local government to ensure their plans and by-laws are compatible with provincial guidelines and regulations issued under the Agricultural Land Commission Act. Local governments must either refer official community plans to the Commission with a letter certifying the plan meets the Commission Guidelines or to forward the plan to the Commission for comment on whether the plan is consistent with the Act, regulations and orders of the Commission⁹. The Commission has the authority to require specific changes to be made in order to ensure the official community plan is consistent.

Activities Designated as a Farm Use in the Agricultural Land Reserve

Plans or by-laws must permit those farm uses and related uses permitted in the Agricultural Land Reserve established in the Agricultural Land Reserve Use, Subdivision and Procedure Regulation, under the Agricultural Land Commission Act. The regulation specifies “activities designated as farm use: that a local government may regulate but may not prohibit”.

⁶ Ibid.

⁷ Agricultural Land Commission. 2005. Agricultural Land Reserve & Community Planning Guidelines. Burnaby, BC. http://www.alc.gov.bc.ca/publications/Community_Planning_Guidelines2.pdf

⁸ Agricultural Land Commission. 2005. Agricultural Land Reserve & Community Planning Guidelines. Burnaby, BC. http://www.alc.gov.bc.ca/publications/Community_Planning_Guidelines2.pdf

⁹ Ibid.

Through its regulations, the Agricultural Land Commission has designated a number of activities as a farm use including: farm product processing¹⁰; wineries and cideries¹¹; farm retail sales¹²; agri-tourism activities¹³; and agri-tourism accommodation¹⁴.

Farm Product Processing in the Agricultural Land Reserve

Farm product processing has been established as a farm use in the Agricultural Land Reserve Use, Subdivision and Procedure Regulation under the Agricultural Land Commission Act¹⁵.

Farm product processing is defined as “storage, packing, product preparation or processing of farm products, if at least 50% of the farm product being stored, packed, prepared or processed is produced on the farm or is feed required for farm production purposes on the farm”¹⁶.

The regulation permits the construction, maintenance and operation of a building, structure, driveway, ancillary service or utility necessary for farm product processing. The regulation does not stipulate a building threshold area. A local government may regulate these uses by setting a maximum building area or maximum site coverage – but they cannot prohibit the use.

Wineries and Cideries in the Agricultural Land Reserve

Wineries and cideries have been established as a farm use in the Agricultural Land Reserve Use, Subdivision and Procedure Regulation under the Agricultural Land Commission Act¹⁷.

Under this regulation, a British Columbia licensed winery or cidery, and an ancillary use, is permitted as a farm use in the Agricultural Land Reserve if the wine or cider produced and offered for sale is made from farm product and:

- At least 50% of that farm product is grown on the farm on which the winery or cidery is located, or

¹⁰ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Farm Produce Processing. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol1-03_FarmProdProc.htm

¹¹ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Wineries and Cideries. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol3-03_Wineries.htm

¹² Agricultural Land Commission. 2003. Activities Designated as Farm Use: Farm Retail Sales. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol2-03_FarmRetailSales.htm

¹³ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Agri-tourism. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol4-03_agri-tourism.htm

¹⁴ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Agri-tourism Accommodation. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol5-03_agri-tourism-accom.htm

¹⁵ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Farm Produce Processing. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol1-03_FarmProdProc.htm

¹⁶ Ibid.

¹⁷ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Wineries and Cideries. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol3-03_Wineries.htm

- The farm that grows the farm products is used to produce wine or cider is more than 2 hectares in area, and, unless otherwise authorized by the commission, at least 50% of the total farm product for processing is provided under a minimum 3 year contract from a farm in British Columbia.

The following uses are permitted as ancillary uses for a licensed winery or cidery:

- Processing, storage and retail sales.
- Tours, including wine tasting or the free offering or sale of product samples.
- A food and beverage service lounge, if the area does not exceed 125 square metres indoors and 125 square metres outdoors.
- Picnicking areas are permitted as an ancillary use where the winery has a “picnicking endorsement” to its license.

This regulation does not permit breweries, U-brews and U-vins which are considered non-farm uses by the Agricultural Land Commission.

This regulation does not indicate that a local government can regulate any aspect of a winery.

Farm Retail Sales

Farm retail sales have been established as a farm use in the Agricultural Land Reserve Use, Subdivision and Procedure Regulation under the Agricultural Land Commission Act¹⁸.

The regulations stipulate that either all of the farm product offered for sale must be produced on the farm on which the retail sales are taking place, or at least 50% of the retail sales area is limited to the sale of farm products produced on the farm on which the retail sales are taking place and the total area, both indoors and outdoors, used for the retail sales of all products does not exceed 300 square metres¹⁹.

This regulation does not indicate whether a local government can regulate any aspect of a farm retail sales outlet.

Agri-tourism

Agri-tourism activities, other than accommodation, on land that is classified as a farm under the Assessment Act, if the use is temporary and seasonal and promotes or markets farm products grown, raised or processed on the farm is considered as a farm use in the Agricultural Land Reserve Use, Subdivision and Procedure Regulation under the Agricultural Land Commission Act²⁰.

¹⁸ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Farm Retail Sales. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol2-03_FarmRetailSales.htm

¹⁹ Ibid.

²⁰ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Agri-tourism. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol4-03_agri-tourism.htm

Under the regulation, temporary means a use or activity in a facility or area that is established and used on a limited time basis for agri-tourism activities. If a building or structure is required for this use, temporary use of the building or structure means a use for agri-tourism for less than 12 months of the year. The building or structure may be used for other permitted uses during the course of, or for the remainder of the year.²¹ Seasonal is considered to mean a use or activity in a facility or area for less than 12 months of the year²².

The regulation provides a list of sample agri-tourism activities that may be permitted, although this is not an exclusive list²³. The examples are included in Table 2.

Table 2: Examples of Agri-tourism Activities Permitted as a Farm Use in the Agricultural Land Reserve

• Agricultural heritage exhibit	• Farm related educational activities including cooking classes using farm products from the farm
• Farm tours and farm demonstrations	• Seasonal and special promotional events
• Horse riding including cattle drive activities	• Charity fund-raising events where farm products from the farm are offered for sale or by contribution and the majority of net proceeds are donated to a registered charity
• Horse or other livestock shows	• Catered food and beverage service special events where farm products from the farm are promoted, but not a service requiring the use of a permanent commercial kitchen
• Hay, tractor and sleigh rides	• Corn mazes
• Pumpkin patch tours and related activities	• Fishing (stocked pond)
• Picnicking	• Bird and wildlife refuges and rescue services.

The regulation does not establish a building threshold area stipulated for agri-tourism activities. The regulation states that a local government may regulate these uses, for example, by setting hours of operation, a maximum building area or maximum site coverage, but may not prohibit the uses.

Agri-tourism uses that do not meet the conditions established in the regulation are not temporary and seasonal, and do not promote or market farm products from the farm, require application to and approval from the Commission²⁴.

Agri-tourism Accommodation

²¹ Ibid.

²² Ibid.

²³ Ibid.

²⁴ Agricultural Land Commission. 2003. Activities Designated as Farm Use: Agri-tourism. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol4-03_agri-tourism.htm

Agri-tourism accommodation is permitted in the Agricultural Land Reserve subject to the Agricultural Land Reserve Use, Subdivision and Procedure Regulation under the Agricultural Land Commission Act²⁵.

The regulation permits accommodation for agri-tourism on a farm, provided all of the following three criteria are met:

1. All or part of the parcel must be classified as a farm under the Assessment Act;
2. The accommodation must be 10 or fewer sleeping units including seasonal campsites, seasonal cabins or short term use of bedrooms, including bed and breakfast bedrooms; and
3. The total developed area for this use including buildings, landscaping and access, (driveways and parking), must be less than 5% of the total parcel area.

Unlike the regulations affecting other types of direct farm marketing and agri-tourism land uses, local governments may prohibit agri-tourism accommodation or allow this land use with the above restrictions. The local government may also have additional requirements for such things as parking, signage, setbacks etc.

Summary of Land Use Policy Affecting the Direct Farm Marketing and Agri-tourism Industry in the Agricultural Land Reserve in British Columbia

The above discussion clearly demonstrates that there is significant legislative support for direct farm marketing and agri-tourism activities in the Agricultural Land Reserve in British Columbia. The Agricultural Land Commission has gone so far as establishing permitted uses and providing specific regulations for those uses to assist municipalities who are developing policy and by-laws for lands within the Agricultural Land Reserve.

With the establishment of guidelines and regulations at the provincial level, and the fact that all municipal plans and by-laws must be consistent with the Agricultural Land Commission Act and its regulations, it is expected that the land use policies affecting direct farm marketing and agri-tourism activities are similar between municipalities, where the Agricultural Land Reserve is present.

The next section of the paper looks at the Lower Mainland area in British Columbia and examines how the land use policies in the area affect direct farm marketing and agri-tourism in that area.

Lower Mainland British Columbia and Land Use Policies affecting Direct Farm Marketing and Agri-tourism

²⁵ Agricultural Land Commission. 2003. Activities Designated as a Farm Use: Agri-tourism accommodation. Burnaby, British Columbia. http://www.alc.gov.bc.ca/legislation/policies/Pol5-03_agri-tourism-accom.htm

A significant component of the agricultural industry in British Columbia is concentrated in the Lower Mainland. In 2001, the Lower Mainland contained only 3.7% of the provincial farmland but generates 56% of BC's total gross farm receipts²⁶.

This area is subject to the same legislation, discussed above, that preserves agricultural land, encourages farming on agricultural land and encourages government to adopt plans and by-laws that are supportive of farm activities.

Despite protective legislation, the Lower Mainland area around Greater Vancouver is under significant pressures from urbanization and societal and economic trends.²⁷ Out of concern for the agricultural businesses located in Lower Mainland, British Columbia, a number of levels of government and local agricultural groups came together to initiate an economic strategy in 2000. The aim of the strategy was to address how the agricultural industry can ensure it remains economically viable and sustainable in the BC-Lower Mainland over the long term.²⁸

The final report for this project was released in 2002. This report documented the challenges faced by the agricultural industry in the Lower Mainland and identified strategic goals and initiatives.

It was acknowledged that in order for small farming operations to be profitable they must develop efficient, value-added operations. As such, related to land use policy, one of the actions coming out of the study was to encourage producers to target niche markets and develop specialty products.

The Economic Strategy established six major strategic goals and related priority activities for agriculture in the Lower Mainland²⁹. The six strategic goals are:

1. Protect the agricultural resource base.
2. Develop supportive policies and plans.
3. Streamline the regulatory process.
4. Support an expanded industry image/communication initiative.
5. Ensure availability of labour at the producer level.
6. Become market oriented and proactive.

While each one of these strategic goals has the potential to affect direct farm marketing and agri-tourism operations in the Lower Mainland, the fourth goal, developing supportive policies and plans has the potential to most significantly impact the establishment of these uses in the area.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Artemis Agri-Strategy Group. July 2002. An Economic Strategy for Agriculture in the Lower Mainland (BC) – Final Report. Burnaby, British Columbia. [http://www.gvrd.bc.ca/agriculture/pdf/3.Economic Strategy for Agriculture_Main%20\(July%202002\).PDF](http://www.gvrd.bc.ca/agriculture/pdf/3.Economic%20Strategy%20for%20Agriculture_Main%20(July%202002).PDF)

²⁹ Ibid.

It was identified that agricultural land and farming operations are under increasing pressure from encroaching urban development despite there being a number of tools available to support agriculture and protect rights of farmers to farm (e.g. Agricultural Land Reserve, Farm Practices Protection Act, Local Government Act).

One observation of the study was in response to urban pressure, there are a growing number of local by-laws aimed at restricting agriculture. In response to this observation, the study recommended the Greater Vancouver Regional District work with member municipalities and the Agricultural Land Commission to prepare Official Community Plans and Regional Growth Strategies that incorporate policies based on Right to Farm principles and protect the integrity of the Agricultural Land Reserve. It also recommended that by-laws should be reviewed to ensure they are consistent with Farm Practices Protection Act and contain by-law provisions for implementation and enforcement.

The observations of the Economic Strategy for Agriculture in the Lower Mainland of British Columbia are an important reminder that even in an environment where there is strong provincial legislation and regulation to support agricultural uses and provide guidelines and regulation for local government, local government continues to struggle with the task of balancing competing interests.

The strategic directions and action items identified in this study are an example of what can happen when local government is informed about and engaged with the local agricultural industry, regardless of the legislative environment. In this environment it is more likely that local land use policies will be supportive of agricultural activities, including value-added forms of agriculture such as direct farm marketing and agri-tourism.

Summary of British Columbia Policies Affecting Direct Farm Marketing and Agri-tourism

There is significant support for direct farm marketing and agri-tourism activities on agricultural land at a provincial level in British Columbia. Most agricultural land in British Columbia is included in the Agricultural Land Reserve. These areas are subject to the Agricultural Land Commission Act and its subsequent regulations. The Agricultural Land Commission Act (ALCA) requires the policies and by-laws of local governments to be consistent with the Act and its regulations.

Through regulation, the Agricultural Land Commission has established what is considered a permitted farm use in the Agricultural Land Reserve. Farm product processing, wineries and cideries, farm retail sales, agri-tourism activities, and agri-tourism accommodations are all considered farm uses within the Agricultural Land Reserve. Of these land uses, local government is required to permit farm product processing, wineries and cideries, farm retail sales and agri-tourism activities. Local

government is given a choice as to whether they wish to permit agri-tourism accommodations.

As it is a legislative requirement for local plans to be consistent with the Agricultural Land Commission Act and its regulations, it is expected that there is significant support for direct farm marketing and agri-tourism land uses in local land use plans.

While there is significant legislative support for direct farm marketing and agri-tourism activities in British Columbia, the example of the economic strategy for agriculture undertaken in Lower Mainland, British Columbia illustrates that even within a supportive legislative environment, there are other pressures that municipalities must try to balance with allowing agricultural activities.

The Lower Mainland case study demonstrates the value that can be gained at a local level when government comes together in partnership with the local agricultural industry. This example demonstrates that where this partnership between local government and agricultural producers exists it is likely that municipalities will develop more supportive land use policies because they have a better understanding of the industry.

Best Practice Model: Alberta

In Alberta the Ministry of Agriculture, Food and Rural Development strongly encourages agricultural producers to engage in direct farm sales and agri-tourism.

There are a range of services provided by the Alberta Ministry of Agriculture, Food and Rural Development³⁰ to support agricultural producers including: publishing a wide variety of publications to inform agricultural producers about regulations affecting direct farm marketing; financial planning; establishing and marketing agri-tourism operations; publishing directories of farmers markets and agri-tourism operations; and providing local contact people to assist producers with direct farm marketing and agri-tourism ventures in the area.

There are also several provincial associations that can provide support to agricultural producers including: the Alberta Farmers Market Association; Alberta Market Gardeners/Farm Fresh Producers Association; Alberta Greenhouse Growers Association; and the Alberta Fish Farmers Association.

The Alberta Ministry of Agriculture, Food and Rural Development has created an innovative program to promote agri-tourism operations in the province. This program is discussed in more detail below.

The Development of Agri-tourism Clusters in Alberta

³⁰ Alberta Ministry of Agriculture Website: www1.agric.gov.ab.ca

In the spring of 2003, staff from Alberta Agriculture, Food and Rural Development along with Travel Alberta and many other local stakeholders worked together in three pilot regions to develop agri-tourism clusters³¹. These projects were initiated to discover ways of partnering along an agri-tourism theme to increase exposure and awareness to their offerings, pool marketing resource, and ultimately experience increased income at the farm gate³².

The pilot region clusters included the Pincher Creek/Porcupine Hills area, Southwest Calgary, and Edmonton Region. For example the “Taste of the High Country” was an event that showcased producers and their products from Southwest Calgary³³. The concept of the event was that rather than the group of producers taking their products to the urban market, they brought the urban market to them. It was reported that this event had the benefit of producers getting immediate feedback from consumers and also connecting producers.

In 2004, Alberta Agriculture, Food and Rural Development began publishing a newsletter providing agri-tourism operators in Alberta news and information about Agri-tourism Clusters around the province and beyond. In addition to the newsletter, workshops and small conferences are offered by Alberta Agriculture, Food and Rural Development about marketing, growing clusters and networking with other agri-tourism operators.

In the winter of 2005, Alberta Agriculture, Food and Rural Development’s staff and partners were working proactively with seven agri-tourism clusters in the province – Northeast Alberta, Rural Edmonton, Red Deer, North Calgary, South Calgary, Southwest Alberta, and South Central Alberta. Each cluster has a local coordinator who is funded by the Ministry of Agriculture and Food.

Land Use Policies Affecting Direct Farm Marketing and Agri-tourism Operations in Alberta

At the Provincial level there is significant support for direct farm marketing and agri-tourism operations, but the control of these operations is left to local land use policies.

There is little discussion within the provincial literature about establishing direct farm market and agri-tourism activities in regards to local land use policies. A number of publications note that producers should contact the local municipality to understand zoning and by-law regulations.

³¹ Alberta Ministry of Agriculture, Food and Rural Development. Winter 2004 Agri-tourism Cluster News. Vol.1, Issue 1. [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/apa547/\\$FILE/cluster_newsletter_voll_issue1.pdf](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/apa547/$FILE/cluster_newsletter_voll_issue1.pdf)

³² Ibid.

³³ Ibid.

In Alberta, land use planning is primarily a municipal responsibility. Municipalities with a population greater than 3,500 people are required to have a municipal development plan³⁴. A municipal development plan is similar to an Official Plan in Ontario.

The provincial government issues Provincial Land Use Policies³⁵ that municipal plans, land use by-laws and planning decisions must be consistent with. The policies are quite general and do not provide local governments with specific policy and land use provisions to include in local by-laws. Under this legislative arrangement municipal land use by-laws can differ widely across the province.

To better understand how local land use planning policies affect direct farm marketing and agri-tourism operations in Alberta, a County land use by-law has been reviewed below.

Red Deer Cluster and Land Use Policies affecting Direct Farm Marketing and Agri-tourism

Red Deer County is situated between Edmonton and Calgary, and surrounds the City of Red Deer. This County has been featured in multiple issues of the Alberta Ag Cluster Newsletter.

In June 2004, Red Deer County held a Country Familiarization Tour³⁶. This was an event to help local operators get acquainted with each other. The key goal of the tour was for operators to see each other's operations and become more informed. The following summer the Red Deer cluster launched a driving tour called County Drive '05³⁷. They developed an ambitious promotional campaign that resulted in good publicity for local producers in the area.

Red Deer County is currently reviewing its Land Use By-law and in January 2006 circulated a draft of the new Land Use By-law for public comment. The Land Use By-law proposes to create an Agricultural District, with the purpose of this district being to accommodate and support an evolving agricultural industry and rural lifestyles³⁸.

³⁴ Ibid.

³⁵ Alberta Municipal Affairs. 1996. Provincial Land Use Policies. <http://www.municipalaffairs.gov.ab.ca/ms/pdf/landusepoliciesmga.pdf>

³⁶ Alberta Ministry of Agriculture, Food and Rural Development. Winter 2004 Agri-tourism Cluster News. Vol.1, Issue 1. [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/apa547/\\$FILE/cluster_newsletter_vol1_issue1.pdf](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/apa547/$FILE/cluster_newsletter_vol1_issue1.pdf)

³⁷ Alberta Ministry of Agriculture, Food and Rural Development. Winter 2005 Agri-tourism Cluster News. Vol.1, Issue 3.

[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/apa547/\\$FILE/winter_2005_vol_1_issue_3.pdf](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/apa547/$FILE/winter_2005_vol_1_issue_3.pdf)

³⁸ Red Deer County Planning Department. January 2006. Draft Land Use By-law Insert (Summary). http://www.reddeercounty.ab.ca/upload/lub_insert.pdf

Within the proposed agricultural district a number of land uses are permitted including the following³⁹: agricultural operation, intensive agricultural operation, bed and breakfast, guest ranch, home business–major, home business–minor.

The by-law defines an intensive agricultural operation⁴⁰ to include, but not be limited to uses such as greenhouses, market gardens, sod farms, bee keeping, tree farms, horse holding areas, and fur farms. A guest ranch⁴¹ is considered to be a working farm that offers tourists or visitors with overnight accommodation, with or without meals...that allow guests to participate in a range of farming or ranching activities.

From this cursory review of the land use by-law that has been drafted for Red Deer County it appears that as a County, the land use policies are supportive and permit a number of direct farm marketing and agri-tourism activities. The uses permitted in the agricultural district would allow for a variety of direct farm marketing and agri-tourism operations to be established in the County.

Summary of Alberta Policies Affecting Direct Marketing and Agri-tourism Operations

At the provincial level, Alberta is very supportive of agricultural producers engaging in direct farm marketing and establishing agri-tourism operations. The Alberta Ministry of Agriculture, Food and Rural Development publishes information, holds workshops, has local representatives and has initiated an agri-tourism cluster development program. All this work has been done to encourage producers to capture more economic value from agricultural products produced in Alberta.

While the province issues provincial land use policies, the policies are quite general and there are no provincial legislations or guidelines to direct municipalities to permit direct farm marketing and agri-tourism in local land use by-laws.

There is considerable variability in land use policies regulating direct farm marketing and agri-tourism operations across Alberta because municipalities are responsible for drafting their own land use policies⁴². As such, the type of land use policies that are in place is likely to depend on the familiarity of a municipality with the local agricultural economy and having up-to-date policies that are sensitive to these new land uses.

As a result of the activities at the provincial level through the Alberta Ministry of Agriculture, Food and Rural Affairs, and the establishment of agri-tourism clusters with local coordinators, more municipalities may be informed about these types of value added agricultural activities and may choose to work with local agri-tourism operators to develop more sensitive land use planning policies about direct farm marketing and agri-tourism operations.

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Conversation with Ag Tourism Director, Stoney Plains, Alberta Agriculture, Food, and Rural Development, April 12, 2006.

Other Jurisdictions:

Based on the review of other provincial websites, it appears that more provinces are initiating programs to explore opportunities to increase value added agricultural production and encourage economic development within agricultural communities.

For example, in April 2005, Manitoba introduced an initiative called “Growing Opportunities”⁴³. This initiative is in part a reaction by Manitoba Agriculture, Food and Rural Initiative to reflect the changing needs of modern agriculture and rural and northern communities. This initiative has an increased focus on capturing rural economic development opportunities associated with value-added processing, bio-energy, bio-fibre, agri-tourism and provision of ecological goods and services⁴⁴. The province of Saskatchewan has a similar program supporting rural development and value-added agriculture⁴⁵.

Conclusions:

In an environment where agricultural producers are asking provincial and federal governments for assistance as they struggle with record low commodity prices, there is an increased interest by both government and agricultural producers in developing successful value added forms of agriculture.

Examples in British Columbia and Alberta demonstrate how provincial and local governments have recognized and supported initiatives to encourage the establishment of value-added agriculture through direct farm marketing and agri-tourism.

Based on a cursory jurisdictional analysis of land use policies affecting direct farm marketing and agri-tourism in Alberta and British Columbia, it is possible to draw the following conclusions:

- Where detailed land use policies or guidelines are drafted at a provincial level, there is a greater potential that municipalities will have similar policies about the types of direct farm marketing and agri-tourism land uses permitted and how they should be regulated.

For example, the regulations drafted by the Agricultural Land Commission regarding what is considered a farm use in the Agricultural Land Reserve illustrates an opportunity for consistency between municipalities which allow direct farm marketing and agri-tourism businesses to operate on an equal playing field.

⁴³ Manitoba Agriculture, Food and Rural Initiatives. Winter 2006. Growing Opportunities Newsletter. Vol. 1, No.1 <http://www.gov.mb.ca/agriculture/news/gonews/index.html>

⁴⁴ Ibid.

⁴⁵ Saskatchewan Rural Development – Action Committee on the Rural Economy Website <http://www.rd.gov.sk.ca/acre/>

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- Success in the direct farm marketing and agri-tourism business is at least partly dependent on the formation of partnerships between multiple levels of government and the agricultural industry itself.

For example, while Alberta has a very supportive and successful program to encourage agricultural producers to develop direct farm marketing and agri-tourism businesses, the province provides no guidelines or direction to municipalities regarding permitting these types of uses in their municipal land use policies. As such, it is possible for producers who are working with the province to establish a direct farm marketing and/or an agri-tourism business to encounter significant frustration at the municipal level if the local land use planning policies do not permit that particular land use.

Any initiative to encourage agricultural producers to engage in direct farm marketing or agri-tourism must include the level of government responsible for land use planning in order to be implemented successfully.

- A municipality that has an understanding of the direct farm marketing and agri-tourism industry is likely to develop more supportive land use planning policies, than a municipality that has limited understanding of the industry.

Municipalities have a responsibility to balance competing land use issues. Often municipalities come under pressure from different interests over the same resource. Municipalities often hear from urban interests before hearing from agricultural interests. In these situations there is significant value in local agricultural groups engaging with and educating municipal staff and politicians.

In conclusion, there is a significant opportunity to learn from the land use policies that regulate direct farm marketing and agri-tourism industry in British Columbia and Alberta. As the direct farm marketing and agri-tourism industry develops in Ontario, there is an opportunity to build on these best practice models.

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[http://www.gvrd.bc.ca/agriculture/pdf/3.Economic Strategy for Agriculture_Main%20\(July%202002\).PDF](http://www.gvrd.bc.ca/agriculture/pdf/3.Economic%20Strategy%20for%20Agriculture_Main%20(July%202002).PDF)

Manitoba Agriculture, Food and Rural Initiatives. Winter 2006. Growing Opportunities Newsletter. Vol. 1, No.1 <http://www.gov.mb.ca/agriculture/news/gonews/index.html>

Red Deer County Planning Department. January 2006. Draft Land Use By-law Insert (Summary). http://www.reddeercounty.ab.ca/upload/lub_insert.pdf

Saskatchewan Rural Development – Action Committee on the Rural Economy Website
<http://www.rd.gov.sk.ca/acre/>

Other Resources

Alberta Farm Direct Marketing:
[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex3482](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex3482)

Alberta Agri-tourism:
[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/apa547?opendocument#cluster](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/apa547?opendocument#cluster)

Alberta Know the Regulations:
[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex3485?opendocument](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex3485?opendocument)

British Columbia Association of Farmers Markets
<http://www.bcfarmersmarket.org/web/index.htm>