

To: Mayor and Members of East Zorra-Tavistock Council

From: Oxford County, Community Planning Office

Agricultural Zoning Review – Initiation of proposed amendments to the Township Zoning By-Law

REPORT HIGHLIGHTS

- Official Plan Amendment (OPA) 269, to update the County's agricultural policies was adopted by County Council on May 25, 2022, and approved by the Province on February 8, 2024. The Planning Act requires municipalities to update their zoning by-laws following the update of an Official Plan (OP).
- The purpose of this report is to formally initiate a review and update of the Township Zoning By-Law required to support and implement the new OP agricultural policies, as approved through OPA 269. The review and updates are intended to establish clear zoning direction with respect to the various potential uses that may now be permitted within the Township's agricultural areas and applicable development standards.
- This report summarizes key areas for change to the identified by planning staff through the preliminary review that has been undertaken to date. This summary is intended to serve as the basis for obtaining initial feedback to help inform the development of a draft Zoning By-Law Amendment for formal public and agency consultation.
- There will be opportunities for agency and public consultation as part of the Zoning By-Law Amendment process, including a public open house, statutory public meeting, as well as targeted input from other community groups and agencies (e.g. Rural Oxford Economic Development Corporation, Agricultural and Planning Advisory Committee, etc.)

DISCUSSION

Background

On February 8, 2024, the County of Oxford received a decision from the Ministry of Municipal Affairs and Housing approving OPA 269 to amend the Agricultural Policies within the Oxford County OP. The Planning Act requires that the area municipal council amend the implementing Zoning By-Law to conform with the OP within three years from the day the OP amendment comes into effect.

The primary purpose of the current Agricultural Zoning Review, is to ensure the zoning provisions are consistent with applicable Provincial and County plans and policies, as required by the Planning Act. Updates to the agricultural zoning provisions are also proposed to support more consistent interpretation within zoning categories, improve processes and requirements for

development applications, update related technical matters such as mapping, and better reflect each local municipal context.

Staff have been working on a preliminary background review which has included: reviewing the current zones and related provisions for the agricultural and rural zoning categories; looking at other agricultural zoning practices from other municipalities; and reviewing related Provincial guidance, and other academic or best practice resources which focus on or support effective zoning approaches in agricultural areas.

In addition, planning staff have had preliminary discussions with, and considered feedback from, area municipal staff regarding the overall proposed approach and related considerations, which are discussed further below.

Key Highlights

The following provides a high-level overview of the potential zoning changes and approaches being considered as part of the current Agricultural Zoning review and update process. This information is intended to provide an initial basis for obtaining feedback on the overall intent, approach and scope of the updates proposed to be considered as part of this review. There will be further opportunities for Area Municipal and public input as part of the development of a draft zoning by-law amendment, as outlined under Next Steps below.

The potential updates to the agricultural and rural zoning categories currently being contemplated generally include, but are not limited to:

1. Updating agricultural and rural zoning categories to provide clarity and consistency in mapping and establish appropriate updated zone provisions (e.g. lot area), which will also assist with more consistent implementation and future monitoring;
2. Updating and introducing new defined terms to provide greater clarity and reflect updated Official Plan terminology;
3. Clarifying certain uses as 'agricultural uses' and developing regulations to permit these uses in the agricultural zones (e.g. cannabis production, Class I Anaerobic Digesters, and farm labour residences);
4. Introducing a new zone (e.g. 'A3') that would prohibit the construction of a new dwelling on a retained agricultural lot resulting from the severance of a surplus second farm dwelling, which is required by Provincial policy (PPS).
5. Introducing new zoning approaches (e.g. site-specific/overlay type zoning) and general provisions for 'on-farm diversified uses' and 'agriculture-related uses' to help support, inform and consistently implement individual zoning by-law amendments for such uses.
6. Retaining and updating the existing Agribusiness (AB) zone to ensure it conforms to current PPS and OP requirements, while also providing greater flexibility to locate 'agriculture-related uses' on certain existing AB zoned lots (i.e. those that already permit the full range of AB uses).
7. Introduce a new zone (e.g. REU) for Rural Entrepreneurial Uses and incorporate general provisions for REUs into zoning, to support and inform individual zoning by-law amendments for such uses.
8. Clarify and refine existing general provisions and related terminology to establish clear parameters around renewable energy projects permitted as per the Official Plan (i.e., small-scale solar)

These proposed updates have been informed by the background review to date and are elaborated further below.

Review of Agricultural and Rural Residential Zones

Similar to the agricultural OP policies, it has been some time since a fulsome review of the agricultural and rural zoning approaches has been undertaken. As such, as part of the proposed updates to the zoning categories, Staff have identified opportunities to improve the ability to monitor changes across the landscape, as well as update the overall approach to improve consistency and make it easier to implement, respond to inquiries, and process applications.

For example, the Township currently divides agricultural zones into two different categories: Limited Agricultural (A1) zone and the General Agricultural (A2) zone. Previously, these zones were differentiated to implement certain restrictions for existing, built undersized agricultural lots (e.g. regulating/limiting farm building development and restricting the number of livestock), through the application of the A1 zone, and to allow a full range of agricultural uses on A2 zoned lots, provided minimum lot size requirements are met.

However, given the various changes to Provincial planning legislation and policy that have occurred over the years, some of these existing zoning approaches are likely no longer necessary and/or appropriate and would benefit from review and update. As such, staff are proposing to review all Agriculturally zoned lots across the Township to ensure they are appropriately zoned moving forward. This is proposed to include more clearly differentiate those agricultural lots that are considered undersized from those that are not (see Table 1). Doing so would allow Township staff and others to more easily determine whether a building permit for an agricultural use could be issued for the property, or whether further planning approvals would be required to consider permission of such use (e.g. where a lot does not meet the minimum agricultural lot area). This approach would also assist in the implementation of other potential agricultural area use policies where limitations or permissions are tied to lot area (e.g. OFDUs, dwellings on existing undersized agricultural lots).

Table 1. Proposed Zoning Review of Agricultural Lots Based on Lot Area

Zone Code	Zone Name (Revised)	Lot Area
A1	Undersized Agricultural	Less than 16 ha
A2	Agricultural	16 ha or greater

The residential zones in the agricultural area, which generally consist of the Rural Residential (RR), Residential Existing (RE), and Estate Residential (ER) zones, are also proposed to be reviewed and updated to better differentiate residential lots located outside of a designated settlement area from those located within a settlement area (i.e. rural clusters) and reflect the potential differing use permissions and development standards for residential lots in settlement versus non-settlement areas, in accordance with the applicable Official Plan policies.

Updating Terms and Definitions

The County introduced new definitions into the Official Plan through OPA 269 (e.g. ‘farm winery’, ‘rural entrepreneurial use’). As a result, there will be recommended updates to the zoning by-law terminology and definitions to support implementation of these permitted OP uses and to help further expand or refine certain use requirements and standards and clarify the zoning implementation process and expectations.

Clarifying Permitted Agricultural Uses

OPA 269 introduced and clarified some additional uses to be permitted in the agricultural area as 'agricultural uses,' subject to criteria. The Zoning By-Law review will include proposed updates to clarify which uses are intended to be permitted as agricultural uses (i.e. subject to a building permit and meeting any applicable zone provisions), including farm labour residences, cannabis production (but not associated production/value-added uses such as laboratories, processing, packaging, and shipping) and class 1 anaerobic digestors.

Introducing a New Zone for Lots Severing a Surplus Farm Dwelling

OPA 269 introduced the ability for someone to sever a surplus additional farm dwelling through a farm consolidation of non-abutting farm parcels in instances where one of the parcels to be consolidated contains more than one farm dwelling constructed prior to December 1995. The PPS requires that planning authorities prohibit the construction of any **new** dwellings on a remnant agricultural parcel resulting from such a severance. As such, Staff are proposing to introduce a new zone category to meet this requirement: Agricultural – No New Dwelling (A3). Establishing an A3 zone will make it easier for the area municipalities to implement the required Provincial restrictions without the need to establish a new site-specific zone and provisions for each one and would also make for easier tracking of parcels where such dwelling restrictions apply. This zoning code would not be applied to surplus farm dwelling severances where a merger of the retained lands with an adjacent farm is proposed.

On-Farm Diversified Uses and Agriculture-Related Uses Zoning and Provisions

New and/or updated zoning provisions are being considered to support implementation of the on-farm diversified use (OFDUs) and agriculture-related use policies set out in the OP, by providing a local zoning framework to guide the establishment of such uses. These would be developed in consultation with area municipal staff to determine matters or provisions that may benefit from greater direction within local zoning regulations.

Staff are proposing a site-specific/overlay-type zoning approach for OFDUs and agriculture-related uses, to help regulate the size, scale, and location of such uses where they are proposed through an application for a site-specific zoning by-law amendment, in accordance with the OP policies applicable to the proposed use. This intent of this zoning approach would be to clearly delineate the specific area of the property within which the additional use is permitted, and any related special provisions, while also allowing the permitted uses of the underlying agricultural zone to continue should the OFDU or agriculture-related use cease operations in the future.

Retaining and Updating the Existing Agribusiness (AB) Zone

The Agribusiness (AB) zone presents both challenges and opportunities as part of the updates to the zoning by-law. Many permitted uses in the existing standard AB zone do not conform with the PPS and Official Plan policies pertaining to permitted uses in prime agricultural areas. That said, it is recognized that many of the existing AB-zoned lots were established well before the current PPS and OP policies came into place and, as such, serve as potential opportunity sites for a range of rural commercial and industrial uses that would not be permitted by the current policies. As a result, staff are exploring opportunities to retain the AB Zone for certain existing sites/properties that are in a standard AB zone (i.e. not site-specific AB zoning, with specific permitted uses and provisions), as those sites and uses were generally established prior to the current policy framework coming into effect.

Existing AB sites present potential opportunity sites for locating new agriculture-related uses without the need to consume agricultural land and, as such, are indicated as preferred locations

in the Official Plan. To support this direction, staff are exploring possibilities of adding certain additional agriculture-related uses (e.g., value-added facilities) to the standard AB zone as permitted uses, which would make it easier locate new agriculture-related uses on existing underutilized AB sites instead of productive agricultural land. Further, staff are also examining the merits of possibly permitting agricultural uses in the AB zone, subject to other applicable zoning provisions (e.g. MDS).

As previously noted, new 'agricultural-related uses' that were/are established in accordance with the current PPS and OP policy framework for such uses are proposed to be recognized through a new site-specific zoning category (i.e. site-specific AB zoning would no longer be used). Further, any new non-agricultural uses that may be permitted in the agricultural area in accordance with applicable PPS and OP policies would also be placed in an appropriate site-specific zone, but not a site-specific AB. These proposed changes will help to ensure the implementing zoning clearly identifies and reflects the specific type of use permitted, in accordance with the applicable OP policies.

Introducing a New Zone for Rural Entrepreneurial Uses

The Official Plan now provides greater flexibility for rural live-work opportunities with new policies allowing existing rural residential lots outside of settlements to be used for the establishment of a business use that may exceed the size and scale of a home occupation (i.e. Rural Entrepreneurial or 'REU'). REUs, such as a workshop for a trade occupation, are only permitted subject to a Zoning By-Law Amendment and must be clearly secondary to the residential use.

To effectively implement REUs, the applicable zoning will need to identify the specific permitted uses and establish appropriate size, scale, compatibility and locational provisions to ensure such uses remain secondary to the residential use, are compatible with surrounding uses, are appropriate for rural-level services and do not undermine or conflict with the employment and service function of rural settlement areas. Staff are suggesting that rural residential lots looking to permit an REU be rezoned to a new zone category: Rural Entrepreneurial Use (REU) to allow for the specific use and establish applicable zoning provisions. Similar to OFDUs and agriculture-related uses, the input from area municipal staff will be critical in the development of appropriate provisions for the REU zone.

Renewable Energy in the Agricultural Area

The County proactively ensured greater clarity surrounding planning requirements for renewable energy projects were established through the agricultural OP updates following the repeal of the Green Energy Act. These policy updates established the basic planning requirements for many types of renewable energy projects (e.g., wind, solar, biogas) in the agricultural area. Staff are proposing to clarify/refine the existing zoning provisions within the General Provisions section of the Zoning By-Law to:

- Permit roof and wall-mounted solar in Agricultural and Rural Residential zones on existing structures and buildings, as per the Ontario Building Code;
- Permit small-scale ground-mounted solar projects as an on-farm diversified use, subject to OP criteria and a rezoning application, where proposed on farms;
- Permit ground-mounted solar in Rural Residential zones at a certain scales;
- Permit Class I Anaerobic Digesters as agricultural uses, subject to OP criteria and MDS requirements.

Staff are also considering updates to related terminology and are also proposing to clarify that 'Energy Storage Systems' as defined in the PPS, 2024 are not intended to be permitted as infrastructure, so it is clear they are to be subject to applicable planning processes (e.g. zoning by-law amendment) to ensure such projects can be appropriately reviewed, prior to their establishment.

Next Steps

An important component of the Agricultural Zoning review process will be understanding and considering the public's and other stakeholders' input on the proposed draft provisions. As such, staff are proposing to undertake broader public and agency consultation to ensure awareness of the various amendments being proposed and provide opportunities for input and feedback.

The proposed approach for updating the zoning by-law is to include 5 main steps:

1. Project initiation (i.e., this report)
2. Early consultation and input on a proposed overall approach for updating the agricultural zoning (this will include a public open house and input from key stakeholder groups County Agricultural and Planning Advisory Committee and Rural Oxford Economic Development Corporation, etc.)
3. Release of a draft zoning by-law amendment
4. Statutory public meeting
5. Adoption of a recommended zoning by-law amendment

Area municipal staff will be engaged and have opportunities to provide input through the full process, with particular focus on preparing and reviewing the draft amendment. Similarly, various materials and information will also be made available online for the public and include opportunities to provide general feedback or connect with planning staff to discuss more detailed or specific concerns/questions, in addition to the opportunities that will be provided as part of the open house and public meeting.

Overall staff are proposing to work closely with the Area Municipalities to navigate this process, with the overall goal of having the updated zoning in place by early to mid 2025.

Conclusions

The proposed updates to the Township's Agricultural Zoning provisions will implement OPA 269 and ensure local zoning is consistent with the current Official Plan policies and any applicable Provincial legislation, plans, policies, and guidelines, as required by the Planning Act. The initiation of the Agricultural Zoning Review provides an opportunity to create a zoning framework that will help to support efficient, effective and consistent implementation of the agricultural policies at the local level, and to clarify their intent and ensure they reflect the local planning context and considerations, to the extent possible.

This report aims to provide the Township Council with an overview of the proposed updates and associated Zoning By-Law Amendment process and to seek their initial feedback so that it can be taken into consideration by Planning staff in the development of the initial draft updates to the zoning by-law.

RECOMMENDATIONS

1. That the Council of the Township of East Zorra-Tavistock receive report CP 2024-348 for information purposes; and,
2. That East Zorra-Tavistock Township Council direct staff to proceed with initiating amendments to the Township Zoning By-Law under ss. 26(9) and S. 34 of the Planning Act, to support the implementation of the agricultural policies within the Oxford County Official Plan.

SIGNATURES

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Attachments:

Attachment 1 – Agricultural Zoning Update Overview - presentation