

Town of Niagara-on-the-Lake Official Plan Review

Discussion Paper: Agricultural Background



Prepared for:
The Town of Niagara-on-the-Lake

October 15, 2015



PLANSCAPE INC.
Building Community through Planning
Bracebridge, Ontario

**Town of Niagara-on-the-Lake
Official Plan Review**

**Agricultural Background
Discussion Paper**

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Town of Niagara-on-the-Lake Official Plan Review

Agricultural Background Discussion Paper

1.0 Introduction

1.1 Project Overview

Since the Town of Niagara-on-the-Lake's (the Town) current Official Plan was adopted in 1994, the policy framework in Ontario has changed and expanded. The introduction and subsequent updating of a Provincial Policy Statement (2014) (PPS), enactment of the Ontario Greenbelt Plan (2005) (GBP) and the Places to Grow Growth Plan for the Greater Golden Horseshoe (2006) (Growth Plan) has established a comprehensive provincial policy framework within which municipalities must work. There have been updates to the Niagara Escarpment Plan (NEP) and to Region of Niagara Official Plan (ROP) which also impact the Town. Although there have been numerous amendments to the Town's Official Plan since 1994, the document is out-of-date. Due to these circumstances and the requirements in the Planning Act for regular reviews of local official plans, an Official Plan review is being undertaken to guide land use and development in the Town over the next 25 years.

PLANSCAPE has been retained to lead a consulting team in assisting the Town with their Official Plan update. To do so a series of discussion papers are being prepared to address the major issues that must be addressed in the plan. This discussion paper focuses on the agricultural sector and highlights the changes that must be considered to be consistent with current policy and legislation and outlines options for how the Town may address these requirements.

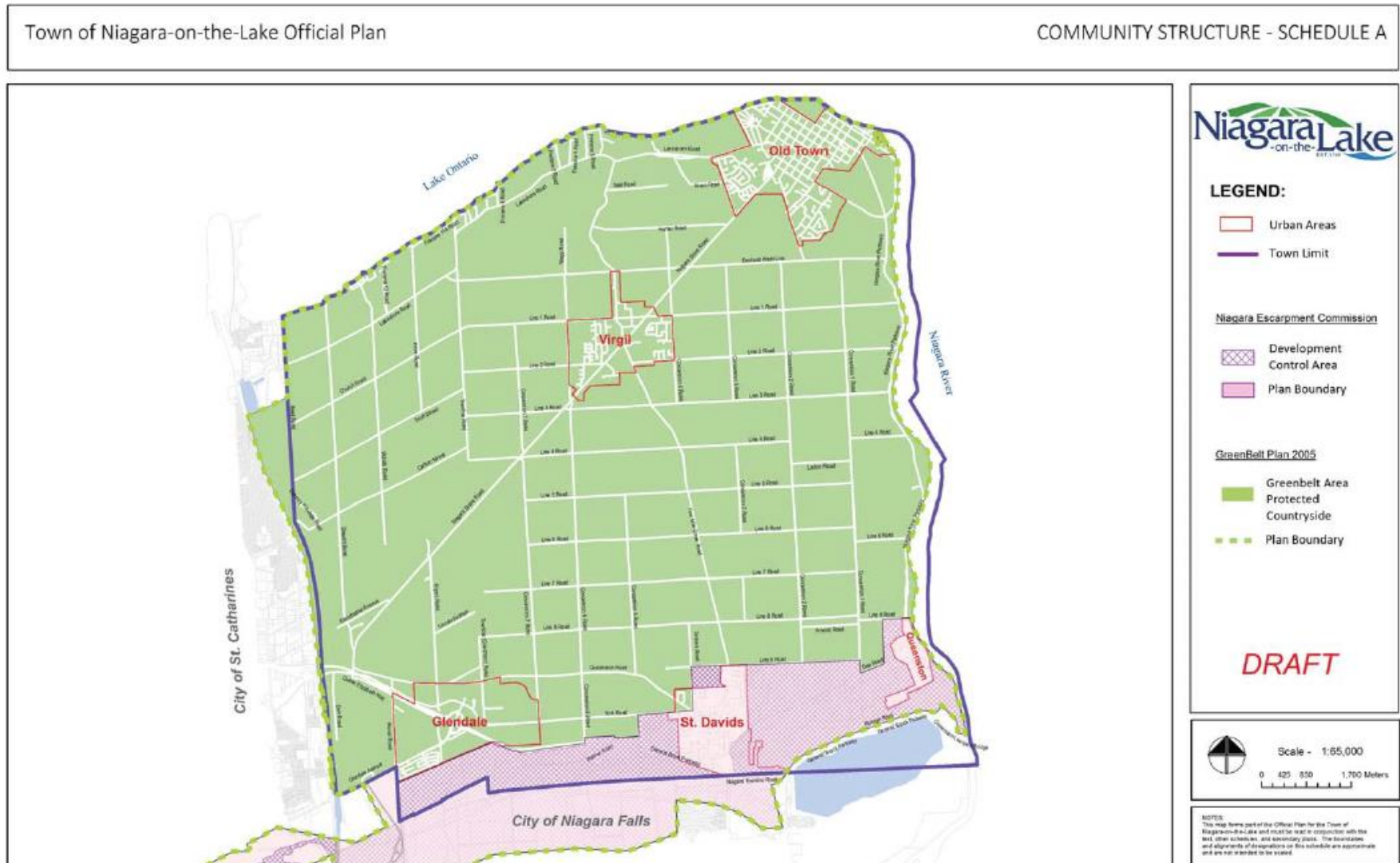
The Town is home to a nationally unique and valuable agricultural sector which occupies the majority of the municipal land base and is integral to the Town's character and economy. The agricultural community has a long and proud history. Consideration of agricultural issues will be a key focus of the updated Official Plan.

1.2 Study Area Overview

The Town is located in Niagara Region, east of the Niagara River and south of Lake Ontario, within the Greater Golden Horseshoe. The Town's location south of Lake Ontario in the shadow of the Niagara Escarpment, creates a benevolent micro climate which supports productive agricultural lands that produce crops, many of which cannot be grown elsewhere in Ontario.

Based on this unique resource, the Town has a long established history and a deep rooted agricultural heritage. Agriculture is an integral part of the character of the Town and occupies the majority of the land base. As shown on [Figure 1](#), all of the Town's area, with the exception of the five urban areas: Glendale, Old Town, Virgil, St. David's and Queenston and the portion subject to the NEP, is part of the Greenbelt Protected Countryside.

Figure 1 Niagara-on-the-Lake Official Plan – Schedule A



In addition to being designated as Protected Countryside in the GBP, the agricultural lands in the Town have been identified as Tender Fruit and Grape lands. As such they are part of one of only two specialty crop areas currently designated in the province and are subject to a more rigorous level of protection.

The agricultural profile of the Town is unique. Policies to manage the agricultural land base must be thoughtful and progressive to protect the special characteristics of the area while allowing the agricultural sector to thrive.

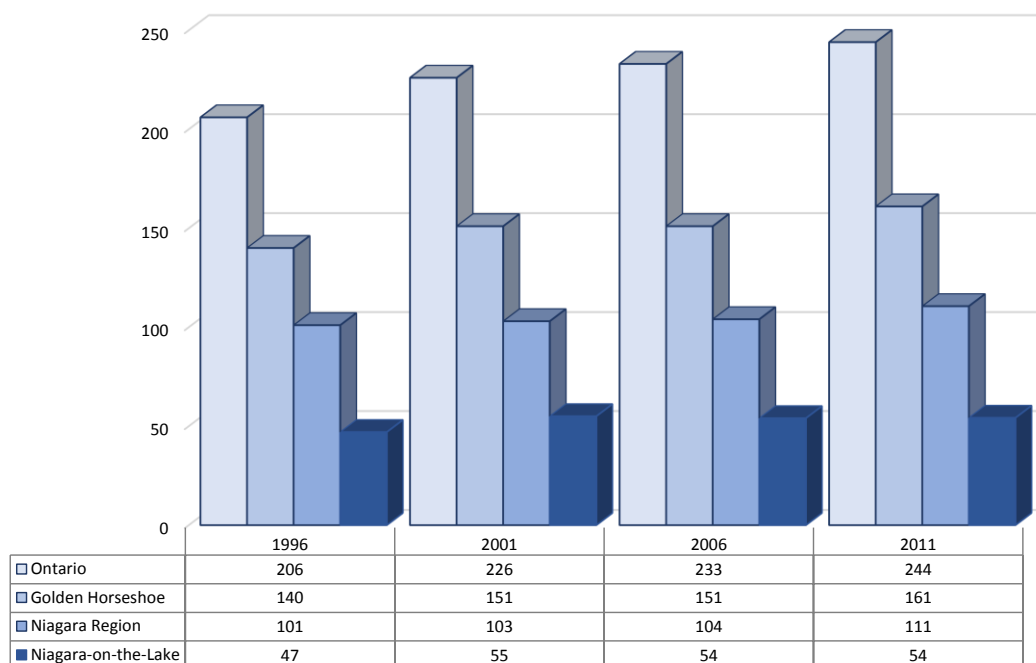
2.0 Agricultural Profile

To understand the issues and pressures affecting agriculture in the Town, a scan of key statistics was conducted.

Average Farm Operation

The most significant characteristic of the Town's agriculture that differentiates it from other parts of the province, is the average size of farm operations. **Figure 2** shows that the average size of a farm operation in Ontario in 2011 was 99 hectares (244 acres); in Niagara Region the average size was 45 hectares (111 acres); in Niagara-on-the-Lake it was 22 hectares (54 acres)¹.

Figure 2 Average Farm Operation Size (Acres)



The parcels that comprise farm operations in the Town are even smaller. **Figure 3** maps the property fabric in the Town by parcel size and illustrates that of the 352 farms reported in Niagara-on-the-Lake in 2011, 94 were under 4.5 hectares in area, 191 were under 28 hectares. Many of the farm operations are comprised of multiple small properties that are not contiguous. This profile creates unique challenges in trying to conform to provincial and agency policies, many of which were developed for much larger farm operations.

¹ Statistics Canada, Census of Agriculture 2011.

Figure 3 Niagara-on-the-Lake – Lot Sizes



Number of Farms

Over time the number of farms has been dropping in Niagara-on-the-Lake (**Figure 4**), although the decline between 2006 and 2011 was lower in the Town than in either the Region of Niagara or the province during the same period.

Figure 4 Number of Farms

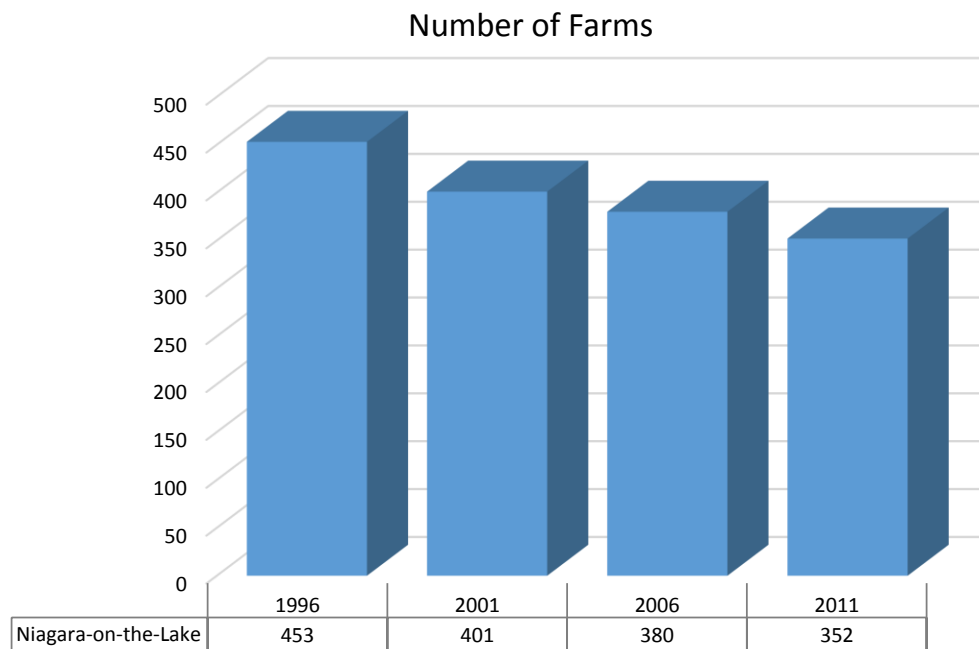
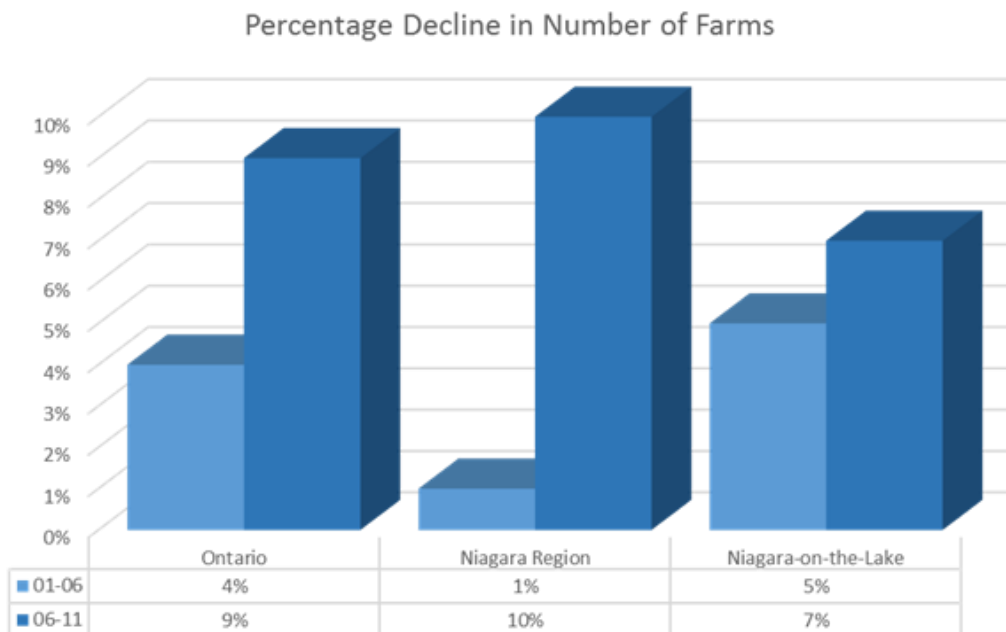


Figure 5 Percentage Decline in Number of Farms



Farmland under Production

A decline in the number of farms is not necessarily of concern since farm amalgamation has been an ongoing trend in Ontario over the past decades. A more accurate measure of ongoing farming activity is the area of land under production. In Niagara-on-the-Lake this statistic is of some concern. The rate of decline in the Town at 7%, has been consistently higher than in either the Province or the Region. This represents a loss of over 1,339 acres (542 ha) in each census period since 2001.

Figure 6 Farmland Area (Acres)

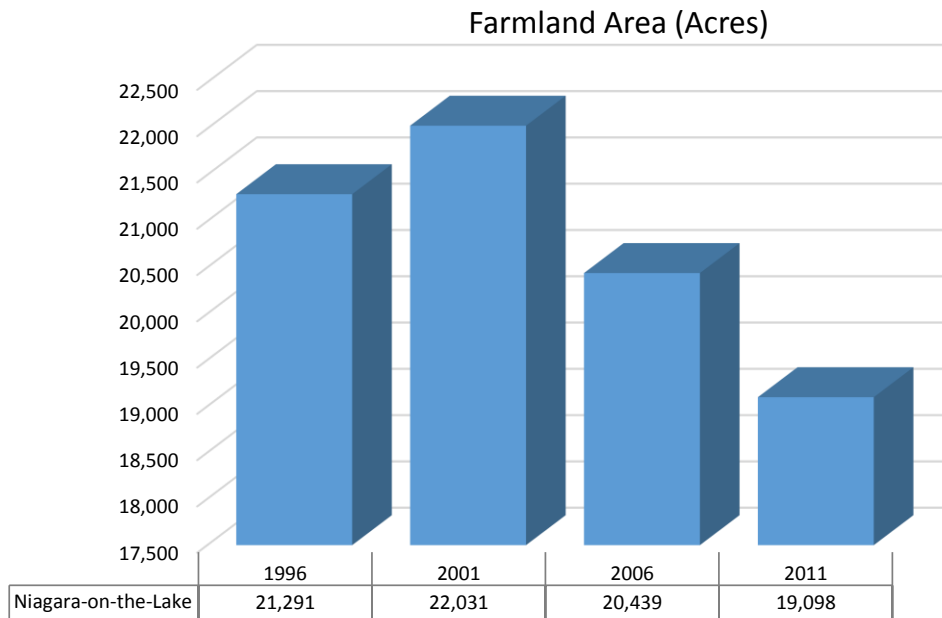
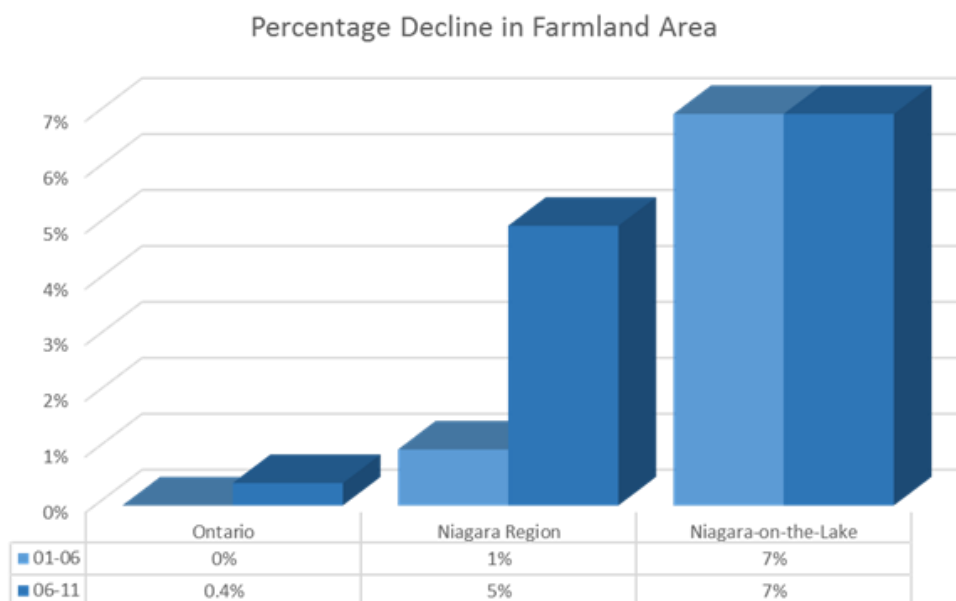


Figure 7 Percentage Decline in Farmland Area



Farmland Rental Rates

One statistic that is reassuring is the low percentage of farmland that is rented in the Town. **Figure 8** shows that provincially in 2011, the average rental rate for farmland was 29%, in Niagara Region it was 37% and in the Golden Horseshoe it was 45%. In contrast, Niagara-on-the-Lake had a rental rate in 2011 of 19%, down from 25% in 2006. A low rental rate is typically associated with a stable farming community. Stability is important given that the type of crops that predominate in the Town (i.e. fruit, grapes, nursery and greenhouse) require a significant investment in time and capital. This investment is unlikely to be made on land that is rented under year by year agreements. Stability and certainty about the future are important.

Figure 8 Niagara Region, Farmland Area (Acres) Owned and Rented showing Percentage of Total Area (Acres), 2006 and 2011

Geographic Location	Total Area of Land Operated by This Operation (Acres)	Total Area Owned (Acres)	Percentage of Total Area Owned	Total Area Rented/Leased/ Crop Shared From All Sources	Percentage of Total Area Rented, Leased, or Crop Shared
2006					
Niagara Region	231,728	152,459	66%	87,007	34%
Fort Erie	12,659	7,434	59%	X	41%
Port Colborne	12,814	7,434	58%	5,083	42%
Wainfleet	38,090	25,195	66%	13,791	34%
West Lincoln	67,078	42,253	63%	26,801	37%
Pelham	17,698	10,400	59%	7,773	41%
Welland/Thorold	12,324	6,082	49%	5,491	51%
Niagara Falls	8,588	5,135	60%	3,540	40%
Niagara-on-the-Lake	20,439	15,402	75%	4,253	25%
St. Catharines	4,573	4,353	95%	X	5%
Lincoln	29,081	22,460	77%	8,175	23%
Grimsby	8,384	6,311	75%	2,341	25%
2011					
Niagara Region	222,911	139,365	63%	88,787	37%
Fort Erie	9,314	6,830	73%	2,478	27%
Port Colborne	11,778	6,743	57%	4,989	43%
Wainfleet	34,635	22,175	64%	12,505	36%
West Lincoln	76,781	45,220	59%	34,454	41%
Pelham	17,937	9,480	53%	8,739	47%
Welland/Thorold	10,600	4,356	41%	5,818	59%
Niagara Falls	9,608	5,266	55%	4,518	45%
Niagara-on-the-Lake	19,098	15,440	81%	4,071	19%
St. Catharines	3,135	2,903	93%	472	7%
Lincoln	24,050	16,424	68%	8,015	32%
Grimsby	5,975	4,528	76%	2,007	24%

x – Data is suppressed due to confidentiality by Statistics Canada

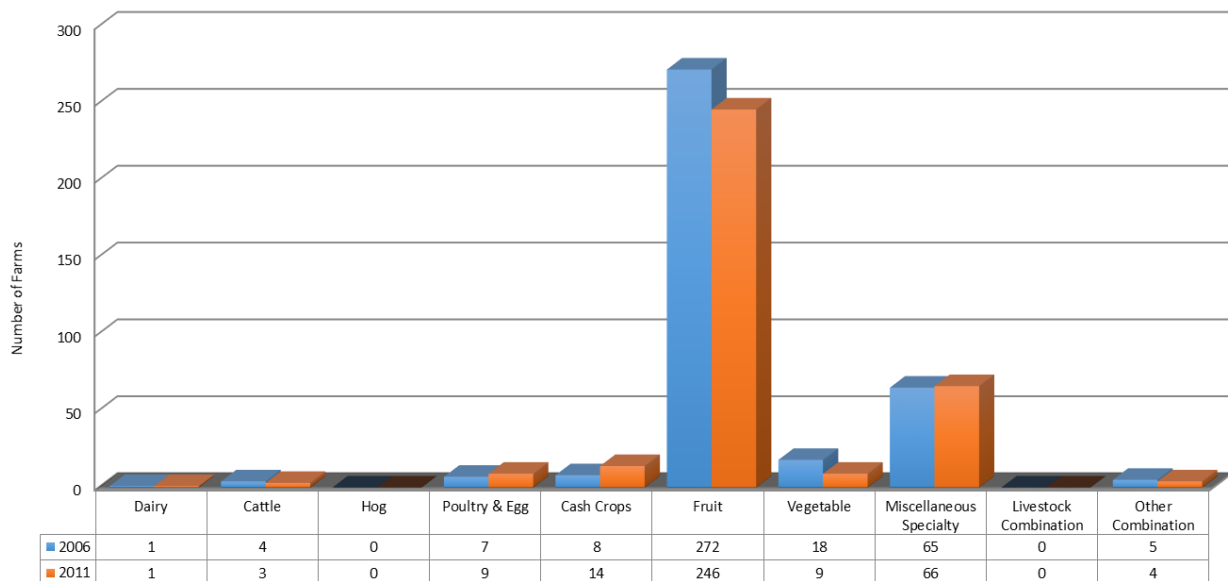
Percentage of Total Area Rented/Leased/Crop shared is calculated by subtracting Percentage of Total Area Owned from 100
Total Area Owned and Total Area Rented/Leased/Crop Shared MAY NOT equal Total Area (Acres) due to Suppressions.

Source: Statistics Canada – 2006 and 2011 Farm Operator Data – Census of Agriculture – Special Order.

Commodity Profile

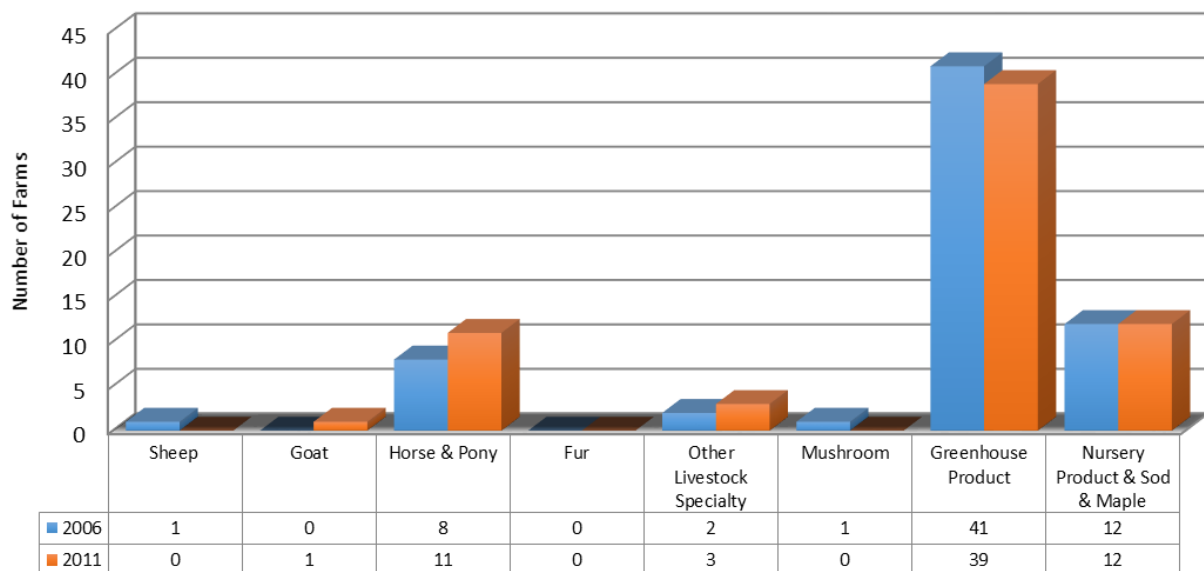
Despite being renowned for its tender fruit and grape production, as shown on [Figures 9 and 10](#), the Town has a diverse commodity profile with most major commodity groups represented.

Figure 9 Commodity Profile – Top Ten Commodities, 2006 & 2011



NOTE: Based on commodity generating 50% or more of GFRs.

Figure 10 Commodity Profile – Breakdown of Miscellaneous Specialty



The sector generating the highest gross farm receipts (GFR's) in 2011 was fruit. This is not unexpected given the unique growing conditions and history of production in the area. What is somewhat surprising is the strength of the greenhouse sector. Although in 2011 there was a drop in greenhouse GFR's, in 2006 it was the top ranked commodity in terms of GFR's in Niagara-on-the-Lake.

Figure 11 Commodity Profile – Gross Farm Receipts 2006 & 2011 showing Percentage of Change

Rank	Commodity	Gross Farm Receipts (\$) 2006	Gross Farm Receipts (\$) 2011	Change (\$)	Percentage Change
1	Greenhouse Product	\$58,302,740	\$42,922,332	-\$15,380,408	-26%
2	Fruit	\$56,471,607	\$70,752,313	\$14,280,706	25%
3	Poultry & Egg	\$4,045,528	x	x	x
4	Nursery Product & Sod & Maple	\$21,562,112	\$19,016,528	-\$2,545,584	-12%
5	Cash Crops	\$744,890	x	x	x
6	Other Combination	x	x	x	x
7	Dairy	x	x	x	x
8	Hog	\$0	\$0	x	x
9	Horse & Pony	\$259,968	x	x	x
10	Cattle	\$23,484	x	x	x
11	Vegetable	\$958,838	x	x	x
12	Fur	\$0	\$0	x	x
13	Livestock Combination	\$0	\$0	x	x
14	Other Livestock Specialty	x	x	x	x
15	Goat	\$0	x	\$0	0%
16	Sheep	x	\$0	x	x
17	Mushroom	x	\$0	\$0	0%
	TOTAL	\$143,297,060	\$157,280,430	\$13,983,370	

Due to the changes in data collection made by Statistics Canada – The category of Cash Crops includes the former categories of Wheat, Grains & Oilseeds and Field Crops

2006 Number of Farms and Total Gross Farm Receipts Classified by Farm Type Classification (SIC Codes)
2011 Number of Farms and Total Gross Farm Receipts Classified by Farm Type Classification (NAICS Codes)

The breadth of production in the Town underscores the importance of implementing flexible policies that will manage the land base while providing support for a range of existing and emerging agricultural products.

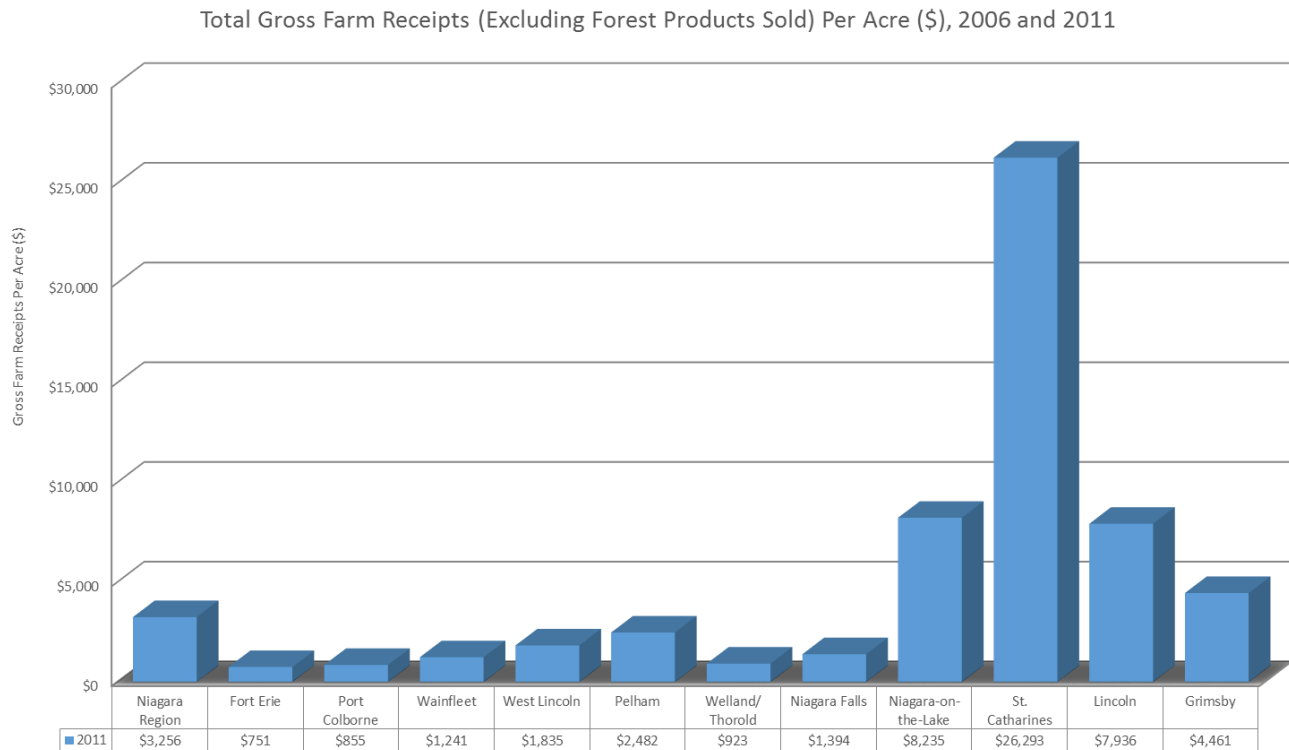
The changes in the value of production over time also need to be noted. Cultivation of the type of product that predominates in the Town is capital intensive and return on investment is over a long time frame. This makes the sector more vulnerable to economic conditions or uncertainties about the future. In revising the Official Plan policies, the need to create certainty about the right-to-farm and to create circumstances which support the ongoing sustainability of the agricultural sector will be of critical importance.

Gross Farm Receipts

The value of production in Niagara-on-the-Lake, on a relatively small land base, is reflected in the high gross farm receipts generated per acre. It is one of the highest in the province, and the second highest in

the Region. It is second only to St. Catharines ([Figure 12](#)), where the high gross farm receipts per acre are related to the amount of greenhouse acreage that exists in that municipality.

Figure 12 Niagara Region, Total Gross Farm Receipts (Excluding Forest Products Sold) per Acre (\$), 2011



These returns emphasize the importance of preserving as much of the land base as possible. It is a unique and non-renewable natural resource.

Revenue versus Expenses

Although gross farm receipts indicate a relatively high rate of return for farm operations in the Town, to understand the economic impact of the sector, revenue must be considered in reference to expenses. As [Figure 13](#) confirms, farm operating expenses both per farm and per acre in Niagara-on-the-Lake are amongst the highest in Niagara Region.

Figure 13 Niagara Region, Farm Operating Expenses and Operating Costs showing Costs per Acre (\$) and Costs per Farm (\$), 2011

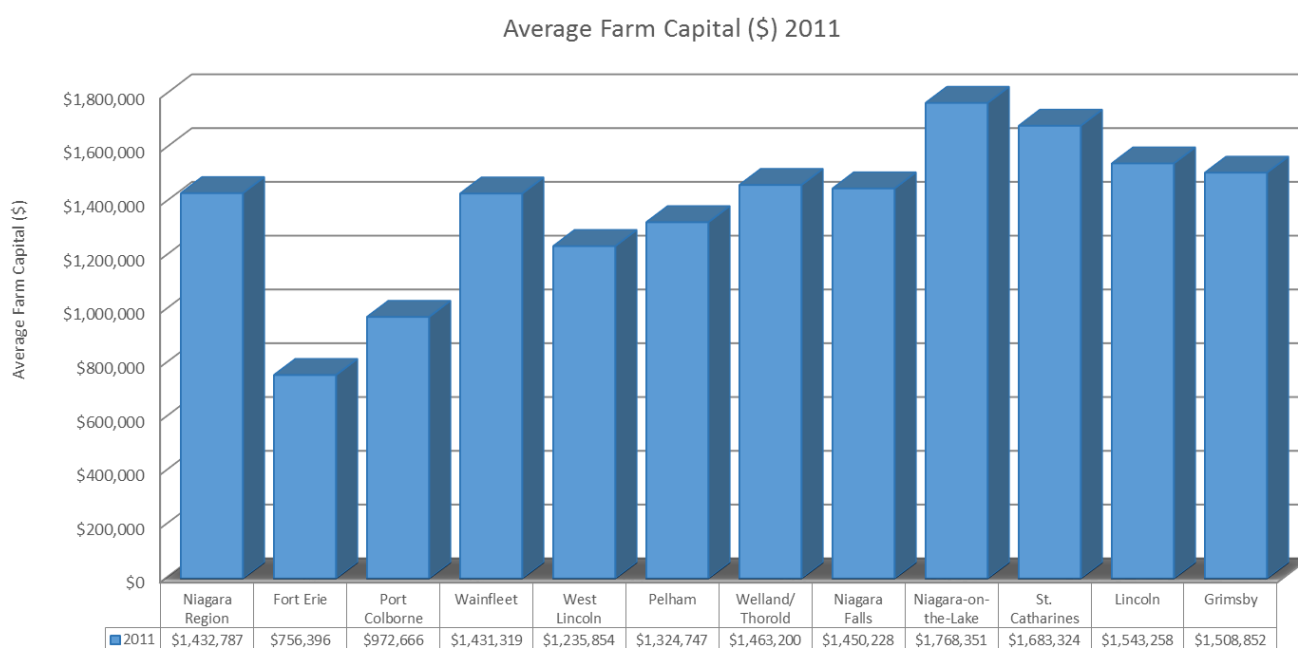
Geographic Location	2011				
	Number of Farms	Farmland Acres	Farm Operating Expenses	Per Acre (\$)	Per Farm (\$)
Niagara Region	2,014	222,911	\$636,591,140	\$2,856	\$316,083
Fort Erie	77	9,314	\$6,347,637	\$682	\$82,437
Port Colborne	72	11,778	\$8,451,901	\$718	\$117,388
Wainfleet	178	34,635	\$35,846,753	\$1,035	\$201,386
West Lincoln	444	76,781	\$116,026,590	\$1,511	\$261,321
Pelham	174	17,937	\$39,640,101	\$2,210	\$227,817
Welland/Thorold	54	10,600	\$7,178,311	\$677	\$132,932
Niagara Falls	88	9,608	\$11,410,713	\$1,188	\$129,667
Niagara-on-the-Lake	352	19,098	\$135,746,687	\$7,108	\$385,644
St. Catharines	75	3,135	\$74,639,332	\$23,808	\$995,191
Lincoln	395	24,050	\$177,140,043	\$7,365	\$448,456
Grimsby	105	5,975	\$24,163,072	\$4,044	\$230,124

These higher costs are offset by the value of production. This point is notable. The commodities grown in the Town are somewhat unique and the land use policies put in place must be flexible and supportive to sustain a range of profitable commodities.

Investment in Agriculture

The importance of agriculture to the local Niagara-on-the-Lake economy is confirmed by the investment in farm capital. As shown on [Figure 14](#), in 2011 the Town ranked highest in both farm capital and average farm capital in Niagara Region.

Figure 14 Niagara Region, Average Farm Capital (\$) 2011



Supporting and sustaining this sector is critical to the Town's economic prosperity. In addition to acknowledging the contribution of agriculture to the Town's character, quality of life and landscape, the Official Plan must support the circumstances for agriculture to prosper.

3.0 Municipal Policies and Goals

3.1 Community Vision and Strategy

Throughout its history agriculture has always been recognized as a cornerstone of the Town's identity. In its 2012 Community Vision, Strategic Pillars and Goals one of the key strategic pillars focuses on agriculture. **Strategic Pillar 7: A Prosperous and Sustainable Agricultural Sector** – a premiere agricultural area where agriculture and farming thrive.

3.2 Existing Official Plan Policies

Although the existing Official Plan dates from 1994, it has been amended over the intervening years to address issues as they arose. In its present form, the seven goals and objectives identified for agriculture include:

7.2 GOALS AND OBJECTIVES

- (1) To help ensure the preservation of prime agricultural lands for farming with particular emphasis on the preservation of specialty crop lands.**
- (2) To help preserve the existing and potential agriculturally productive land giving highest priority to Good Tender Fruit/Grape Lands.**
- (3) To allow flexibility to farm operations in both type and size and to permit the expansion and contraction of farm operations as necessary provided that the farm remains economically viable and that the size of the farm is appropriate and common in the area.**
- (4) To permit a limited amount of farm-related development by way of retirement lots, selectively located small scale agriculturally related commercial and industrial developments.**
- (5) To ensure that existing small scale industries and commercial uses supportive of agricultural operations are allowed to expand where appropriate, while requiring new development or redevelopment not primarily related to agriculture is to locate in appropriately designated areas (i.e. Light Industrial, General Commercial, etc.).**
- (6) To ensure that agricultural areas are protected from harassment and conflict from non-farm residents and non-farm related uses through measures such as preventing the development of non-farm uses in the Agricultural designation.**
- (7) To consider the impact on agriculture as the primary guideline in evaluating development proposals in the agricultural areas.**

The underlying intent of these goals and objectives, to protect the agricultural land base and provide flexibility for operators, will be maintained in the updated Official Plan. However a number of the objectives, specifically those related to lot creation and non-farm development are outdated and will be reviewed and revised in compliance with current provincial and regional policies and to respond to present day conditions. There will be a focus on addressing the important role agriculture plays in supporting the natural heritage system.

The existing preamble in the current Official Plan supporting the goals and objectives outlined above, emphasizes the uniqueness of the Town's agricultural resource and focuses on preservation of the land. In doing so, it also acknowledges the importance of the agricultural sector to the Town's economy and the need to allow flexibility for farmers to adjust to changing conditions and operate profitably. These commitments will be carried forward in the updated Official Plan.

The policies related to agriculture in the current Official Plan confirm the focus the Town has on agriculture and reflect the unique nature of the Niagara-on-the-Lake agricultural sector. In addition to the standard agricultural policies found in most official plans, the Town's current Official Plan acknowledges or addresses:

- Secondary uses;
- Estate wineries;
- Farm wineries;
- Escarpment wineries;
- Additional dwellings;
- Retirement lots;
- Farm size;
- Farm amalgamations;
- Impact of economic circumstances;
- Climatic conditions
- Soil variations.

In developing the policies for the new Official Plan, the lessons to be learned from existing policies must be considered. Creating circumstances which support successful farm operations and protect them from conflicting uses will be key. There are a number of issues such as surplus farm dwellings that have been or currently are being considered by Council which will be incorporated in the new Official Plan.

3.3 Background to the Official Plan

One of the earlier background reports prepared to support the Official Plan review focused on agriculture and the natural environment. In that report, policy ideas and options identified for further consideration as part of the Official Plan review included:

- Minimum Vegetation Protection Zones and the interface with agriculture;
- Lot creation and adjustments in agricultural areas;
- Rural character and agricultural landscape preservation;
- Second units and farm help housing; and
- Value added agriculture.

Each of these topics will be considered in developing the policies for the revised Official Plan.

4.0 Provincial Policies

In developing its Official Plan, the Town is obligated to be consistent with and conform to the various provincial policies and plans in place. The main policy documents which must be addressed in the process include:

- The Planning Act;
- Provincial Policy Statement 2014 (PPS);
- Greenbelt Plan 2005 (GBP);
- Growth Plan for the Greater Golden Horseshoe 2006 (Growth Plan); and
- Niagara Escarpment Plan (NEP).

The PPS was updated in 2014 and contains some significant changes that will impact the agricultural policies. The revised PPS policies tightened control on specialty crop and prime agricultural areas but expanded the policies related to on-farm diversified and on-farm related uses. These changes will be addressed in the updated Official Plan.

It is acknowledged that the other provincial policy documents – the GBP, the Growth Plan and NEP are currently undergoing a review and are scheduled for revisions over the next year or so. However, until this review is complete and the revised policies approved, the Town is obligated to conform to what is currently in effect. Once the provincial plans are revised, this will trigger a requirement to review the Town's Official Plan and once more bring it into conformity with provincial policy.

4.1 The Planning Act

The *Planning Act* is the main authority for land use planning in Ontario. Section 2 of the Act defines provincial interests which all planning authorities within the province must “have regard for”. Item 2(b) on the defined list of provincial interests is:

(B) the protection of the agricultural resources of the province.

Section 3 of the Act requires that all municipal governments and agencies shall exercise their authority in a manner that is consistent with provincial policy statements and in conformity with provincial plans. It is under this authority that the Provincial Policy Statement (PPS) is issued.

4.2 Provincial Policy Statement, 2014

The Provincial Policy Statement updated in 2014, applies to all of Ontario. It articulates the provincial interests in matters that contribute to good planning and support's the province's goals of building strong, healthy communities, wisely using and managing resources, and protecting public health and safety.

The PPS aims to protect prime agricultural areas for long-term use for agriculture by focusing growth and development within settlement areas, limiting lot creation and providing for the wise use and management of agricultural resources.

The protection of “*prime agricultural areas*” is a key principle in the PPS.

Section 2.3.1 states:

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 Canada Land Inventory Class 1, 2 and 3 lands and any associated Class 4 through 7 lands within the **prime agricultural area**, in this order of priority. ²

Specialty crop area is defined as:

(...) areas designated using guidelines developed by the Province, as amended from time to time. In these areas specialty crops are predominantly grown such as tender fruit (peaches, cherries, plums) grapes, other fruit crops, vegetable crops, greenhouse crops, and crops from agriculturally developed organic soil, usually resulting from:

- a) Soils that has suitability to produce specialty crops or lands that are subject to special climatic conditions or a combination of both;
- b) Farmers skilled in the production of specialty crops; and
- c) A long-term investment of capital in areas such as crop, drainage, infrastructure and related facilities and services to produce, store, or process specialty crops.³

Niagara-on-the-Lake is part of one of only two specialty crop areas currently designated in Ontario.

Protection of agricultural areas has been continually strengthened through revisions to the PPS.

Changes in the 2014 PPS include:

- Requiring municipalities to designate prime agricultural and specialty crop areas
- Permitting more on-farm diversified uses (e.g. agri-tourism) and providing flexibility for larger agriculture-related uses (e.g. grain dryers) to service the broader farming community
- Further protection of agriculture from impacts of non-farm development
- Supporting agricultural uses in rural areas
- Supporting local food and promoting the sustainability of agri-food and agri-business

The Town must demonstrate that in developing and adopting its Official Plan, it has been consistent with these policies in the PPS.

4.3 The Growth Plan for the Greater Golden Horseshoe

The Growth Plan enacted under the Places to Grow Act, 2005, covers the area shown on [Figure 15](#). This area includes Niagara Region and the Town of Niagara-on-the-Lake.

The 2031 vision for the GGH anticipates a “(...) great place to live”. Its communities will be supported by the pillars of a strong economy, a clean healthy environment and social equity⁴. Among the elements of

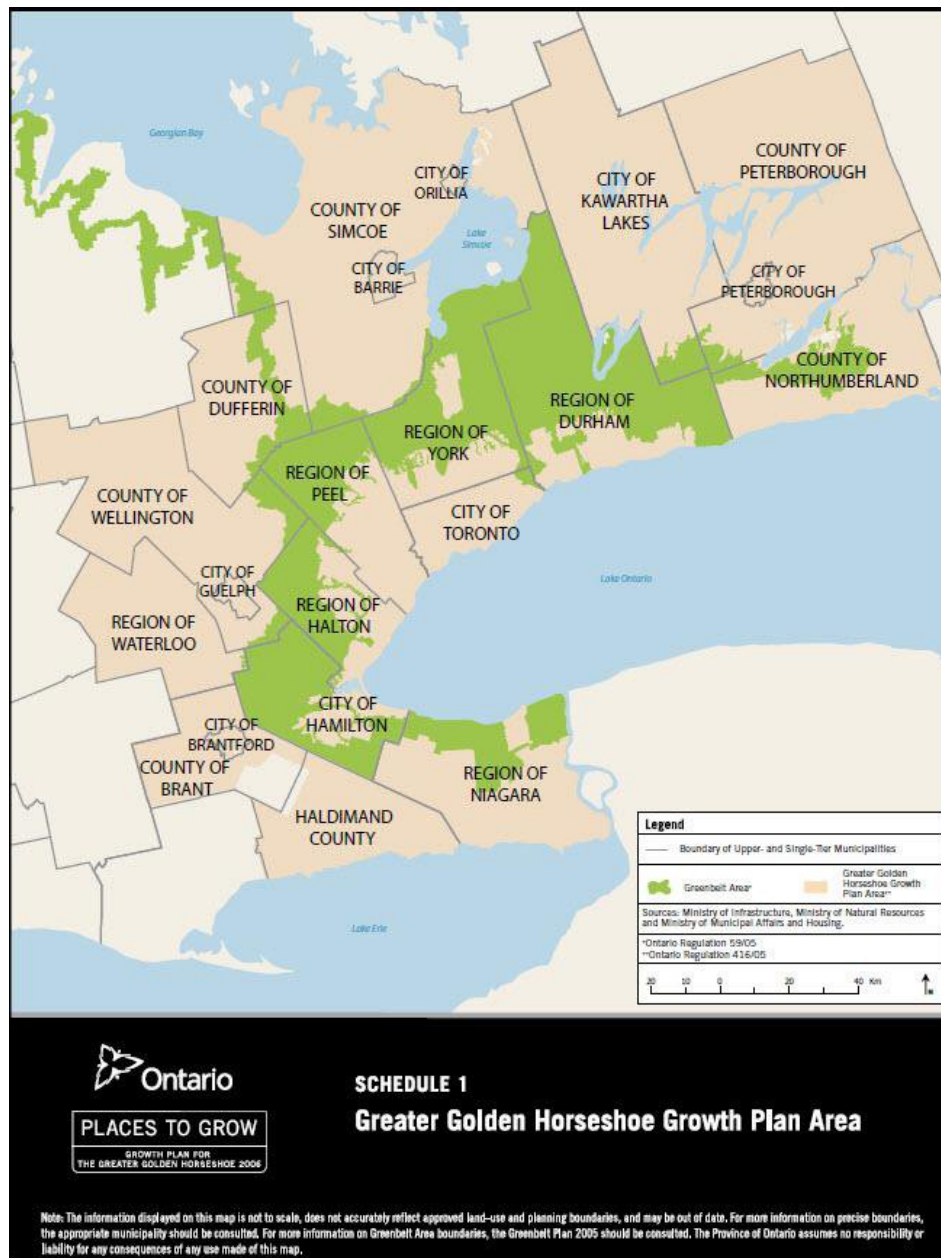
² Province of Ontario, Provincial Policy Statement 2014, Section 2.3.1 pg. 24

³ Ibid., Section 6.0 Definitions pg. 49.

⁴ Province of Ontario. Places to Grow, Growth Plan for the Greater Golden Horseshoe, 2006, pg. 9.

the Growth Plan's vision are vibrant and productive urban and rural areas, unique and high-quality agricultural lands protected for future generations, and productive, diverse and sustainable farming.

Figure 15 Greater Golden Horseshoe Growth Plan Area (Schedule 1)



The Growth Plan assists in protecting agricultural lands by directing growth to already developed areas, and providing strict criteria for settlement area boundary expansion. The Growth Plan provides density and intensification targets, directs settlement boundary expansions to areas that will avoid farmland and natural areas, and prohibits new settlement areas,

The Growth Plan supports and builds on the policy support given to agriculture under the PPS and underscores the position established in the PPS that it is not sufficient to simply protect agricultural lands

to sustain a healthy and viable agricultural sector. Identification and protection of integrated agricultural areas is also key. Section 4.2.2 of the Growth Plan articulates this goal:

*Through **sub-area** assessment, the Minister of Public Infrastructure and Renewal and other Ministers of the Crown, in consultation with municipalities and other stakeholders, will identify **prime agricultural areas**, including **specialty crop areas**, in the GGH, and where appropriate, develop additional policies for their protection.*⁵

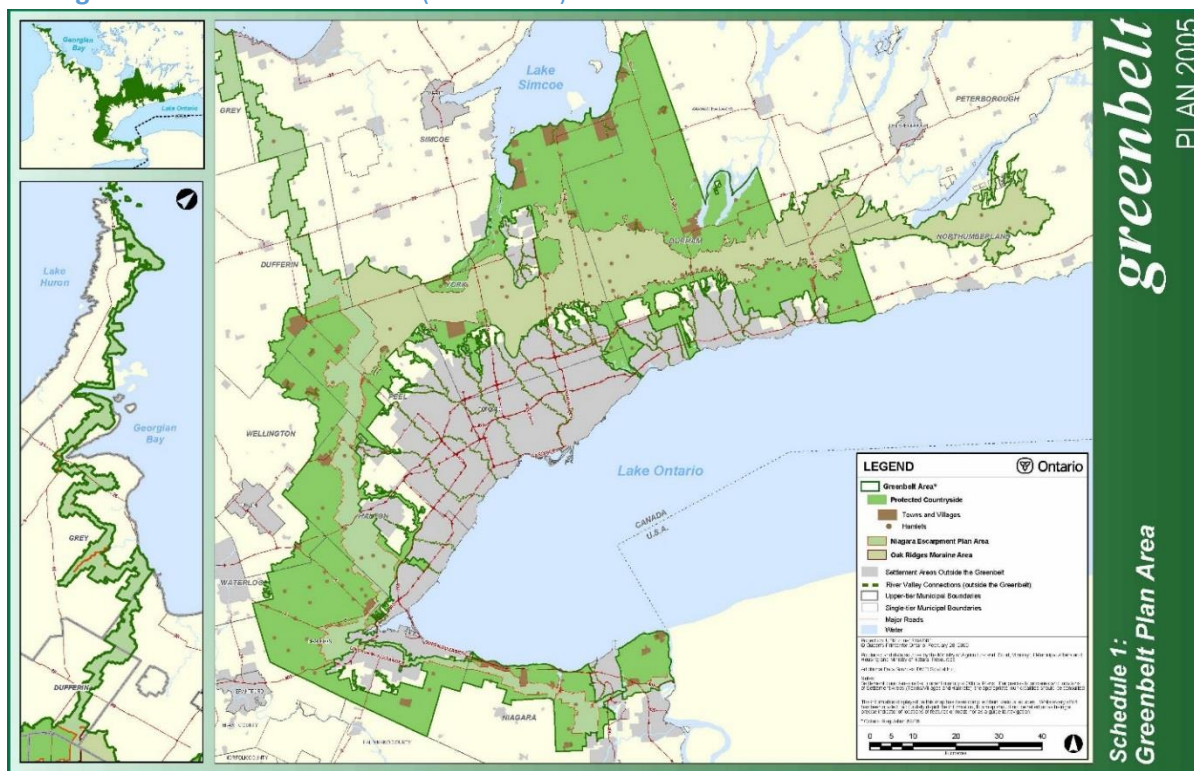
The Growth Plan sets up the framework for managing the agricultural resource using a systems-based approach based on identification of integrated agricultural areas; however, sub-area assessments for prime agricultural areas in the GGH have not been completed to date and an integrated systems approach has not been established.

The Growth Plan also acknowledges the need for municipalities to support farm-related infrastructure and consult with the agricultural community on an ongoing basis. Niagara-on-the-Lake is already a leader in addressing both of these requirements. The Official Plan should build on past actions in addressing these requirements.

4.4 Greenbelt Plan Policies

The Greenbelt Act enacted in 2005, designated the Greenbelt Area as shown on [Figure 16](#). This area is subject to the Greenbelt Plan (2005), and includes lands covered by the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan.

Figure 16 Greenbelt Plan Area (Schedule 1)

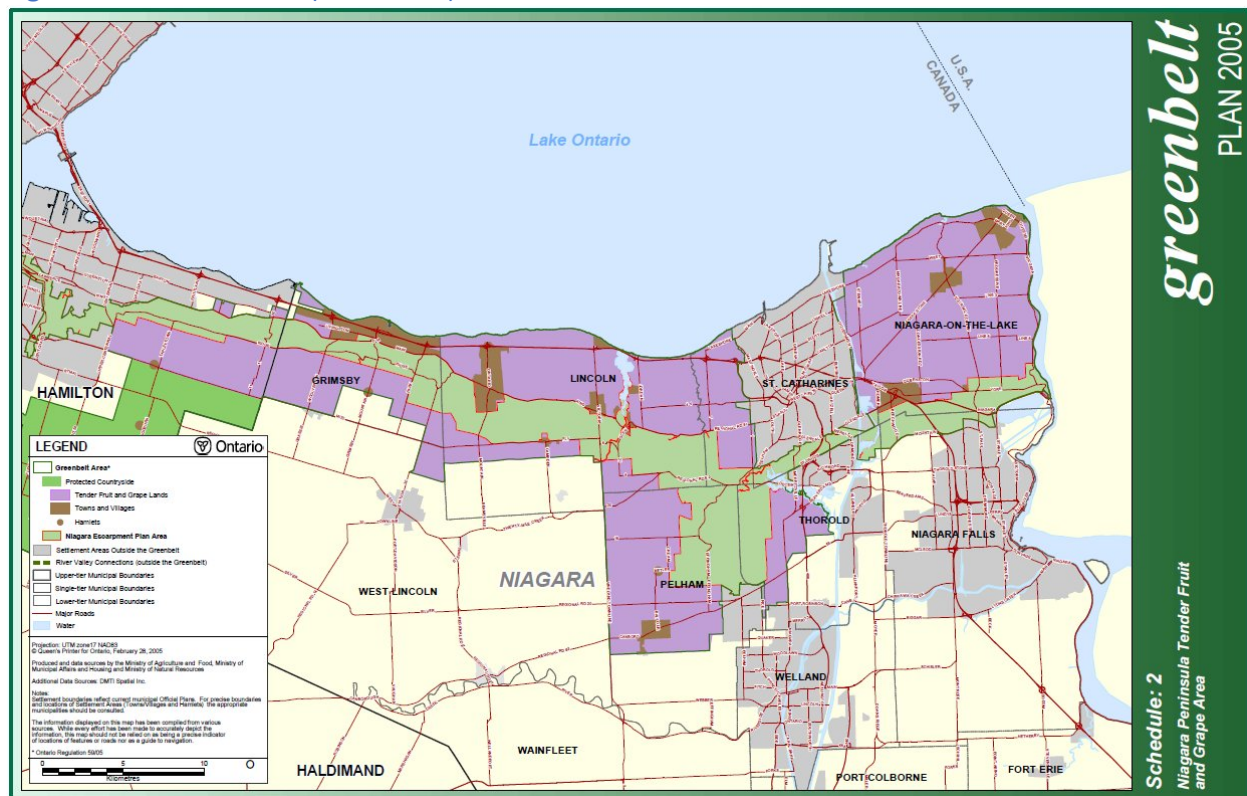


⁵ Ibid., pg. 31.

According to the province, the Greenbelt is a “cornerstone of Ontario’s Greater Golden Horseshoe Growth Plan” and “identifies where urbanization should not occur in order to provide permanent protection to the agricultural land base and the ecological features and functions occurring on this landscape”⁶.

In addition to mapping the Protected Countryside, as shown in Figure 16, the GBP also maps the Tender Fruit and Grape Lands. These lands, shown on Figure 17, are subject to additional protection under policies in Section 3.1.2 of the GBP.

Figure 17 Greenbelt Plan (Schedule 2)



The policies in the Niagara-on-the-Lake Official Plan applying to land identified as tender fruit and grape lands must conform to the policies as outlined below.

3.1.2 Specialty Crop Area Policies

For lands falling within the specialty crop area of the Protected Countryside the following policies shall apply:

1. *Within specialty crop areas, normal farm practices and a full range of agricultural, agriculture-related and secondary uses are supported and permitted.*

⁶ Province of Ontario, Greenbelt Plan 2005, pg. 3.

2. *Lands within specialty crop areas shall not be re-designated in municipal official plans for non-agricultural uses, with the exception of those uses permitted in the general policies of sections 4.2 to 4.6.*
3. *Towns/Villages and Hamlets are not permitted to expand into specialty crop areas.*
4. *New land uses, including the creation of lots, as permitted by the policies of this Plan, and new or expanding livestock facilities shall comply with the minimum distance separation formulae.*

3.1.3 Prime Agricultural Area Policies

For lands falling within the prime agricultural area of the Protected Countryside the following policies shall apply:

1. *Within prime agricultural areas, as identified in municipal official plans, normal farm practices and a full range of agricultural, agriculture-related and secondary uses are supported and permitted.*
2. *Prime agricultural areas shall not be re-designated in municipal official plans for non-agricultural uses except for:*
 - a. *Refinements to the prime agricultural and rural area designations, subject to the criteria identified in the municipal implementation policies of section 5.2; or*
 - b. *Settlement area expansions subject to the settlement area policies of section 3.4.*
3. *Other uses may be permitted subject to the general policies of sections 4.2 to 4.6.*
4. *New land uses and the creation of lots, as permitted by the policies of this Plan, and new or expanding livestock facilities shall comply with the minimum distance separation formulae.⁷*

The GBP also introduces the concept of an “*agricultural system*” as an integral part of the Greenbelt. Section 3.1.1 of the GBP identifies an agricultural system characterized as “*a continuous and permanent land base necessary to support long-term agricultural production and economic activity*”⁸ as an integral component of the Greenbelt. The Agricultural System is comprised of specialty crop areas, prime agricultural areas and rural areas.

The GBP also includes policies on permitted uses, lot creation, minimum distance separation, restrictions on non-agricultural uses, and criteria for considering town/village expansions at the 10-year review. Municipalities can be more restrictive than the GBP with respect to agriculture but cannot be less restrictive.

4.5 Niagara Escarpment Plan

The Niagara Escarpment Plan, in force in the area shown on [Figure 1](#), is ecologically based. Its purpose is:

To provide for the maintenance of the Niagara Escarpment and land in its vicinity substantially as a continuous natural environment and to ensure only such development as occurs as is compatible with the natural environment”.⁹

⁷ Province of Ontario Greenbelt Plan 2005, Section 3.1.2 pg. 12

⁸ Ibid., Section 3.1.1 pg. 12

⁹ Province of Ontario, The Niagara Escarpment Plan, Office Consolidation Nov 13, 2014, pg. 9.

The NEP has 7 land use designations; agriculture is supported in most designations, subject to development criteria. The agricultural policies in the NEP specifically *“encourage agricultural uses in agricultural areas, especially in prime agricultural and specialty crop areas (...)”*.

Over time the NEP has evolved to incorporate some very specific policies addressing certain agricultural and agriculturally related uses that are relatively unique to the area. The 2005 update of the NEP was focused on supporting the wine industry and in 2009 a further update was done to align the NEP policies with the agricultural policies for the Greenbelt Protected Countryside.

The NEP is implemented primarily through the Niagara Escarpment Commission which administers a development permit system.

The NEP has been around for sufficient time to be addressed in the current Niagara-on-the-Lake Official Plan. Section 17 contains detailed policies addressing the policies of the NEP. The revised plan will also incorporate policies to ensure conformity with the NEP in the portion of the Town that falls within the NEP area.

5.0 Region of Niagara Official Plan

The Regional Official Plan (ROP) (Consolidated Official Plan for August 2015) implements the Niagara Region Growth Management Strategy (Niagara 2031), and its content aligns with the PPS, the Growth Plan and the GBP. The Region’s commitment to agriculture is expressed throughout the ROP. In the strategic objectives that provide the context for the ROP sound management of the agricultural resource is one of the seven main objectives.

- 2.6 *To provide for the conservation and wise use of Niagara's agricultural and other natural resources, through environmentally sound resource use without compromising the needs of future generations.*
- a) *Advocate and support government policies and programs which promote the agricultural industry.*
 - b) *Protection of farmers' right-to-farm by minimizing the introduction of incompatible land uses within the agricultural areas.*
 - c) *Preserve agricultural lands with highest priority being given to the protection of the unique agricultural lands.*
 - d) *Preference for urban development on lower quality agricultural land.*
 - e) *Conservation of forest resources, fisheries, and significant landscape features.*
 - f) *Wise use of mineral aggregate resources.*

In addition to addressing agriculture as a resource, the ROP acknowledges agriculture as a significant component of Niagara’s economy and an employment generator.

3.B.1 Objectives for Rural Employment Lands

- Objective 3.B.1.1 To identify a strategy for rural employment lands that supports agriculture as the primary non-urban land use.*
- Objective 3.B.1.2 To support the rural economy and the agricultural economy through limited rural employment lands that balance job creation across Niagara with sustaining the non-urban land base.*
- Objective 3.B.1.3 To support sustainable private servicing of rural employment lands.*
- Objective 3.B.1.4 To ensure that rural employment lands are limited in size and scale to maximize support for agricultural and rural lands in the long-term.*

Specific agricultural and rural policies are covered in **Section 5. Rural and Agriculture**.

The Regional Official Plan establishes two agricultural land designations “Unique Agricultural Designations” and “General Agricultural Areas” as shown on [Figure 18](#). All of the non-urban areas in Niagara-on-the-Lake are designated as “Unique Agricultural Area”.

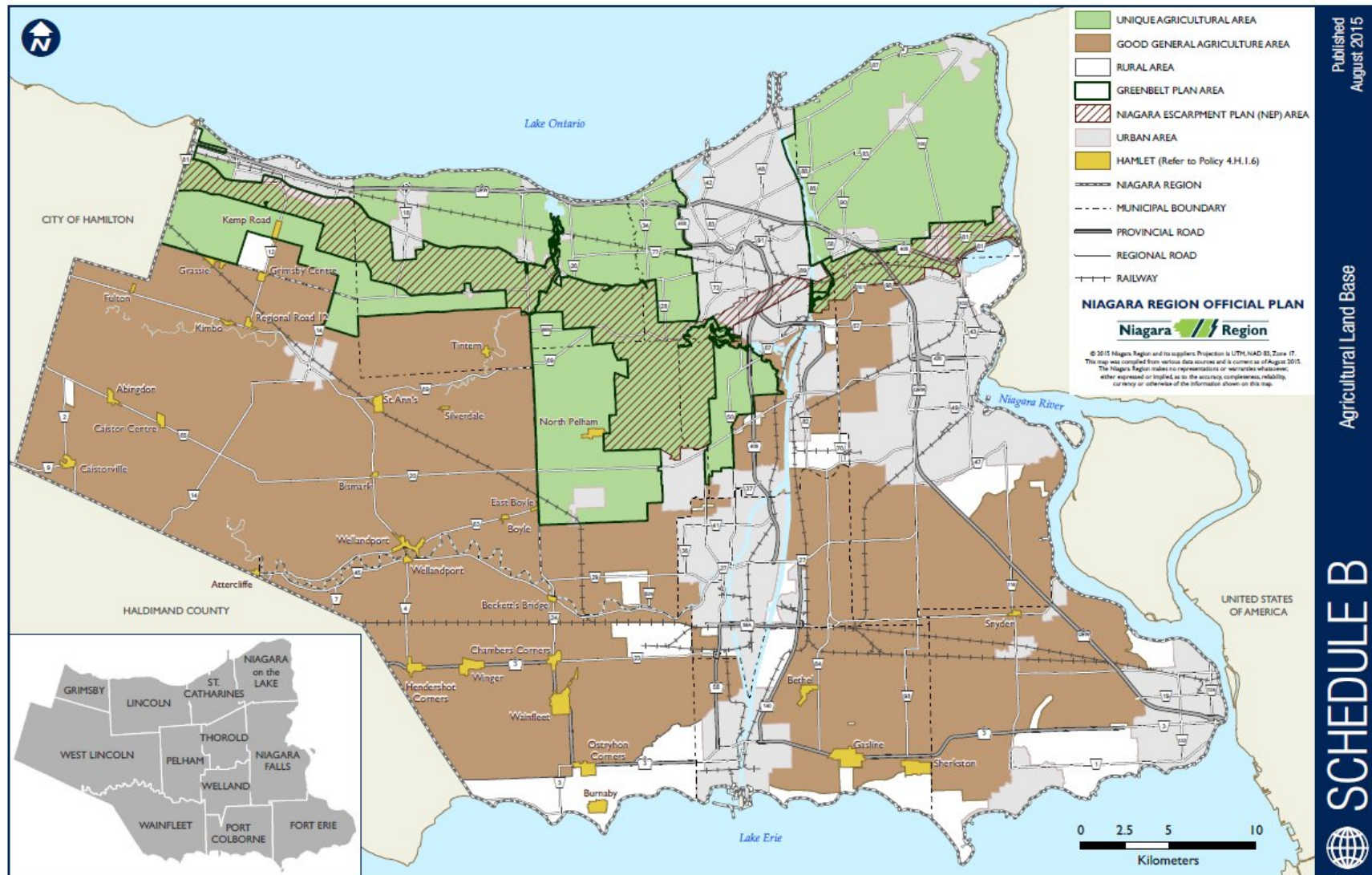
These designations are to be reviewed with local municipalities based on the strategic objectives of the NROP. In addition to the general objectives outline above specific objectives directed to agriculture are outlined in Section 5 of the ROP.

The Region of Niagara has always been a strong supporter of the agricultural sector and the ROP policies reflect that support. Niagara has been a leader in implementing progressive policies to address on-farm uses, manage the relationship between agriculture and the natural environment and support economic prosperity for the sector. These policies will be relied on in developing the specific policies for the Niagara-on-the-Lake Official Plan.

Given that all of the non-urban lands in the Town are designated as “Unique Agricultural Area”, flexibility to implement agricultural policies is limited. However there are areas where the Town can build on work done by the Region to expand support for the agricultural sector.

The policies in the ROP that address farm diversification uses are progressive in their support of agriculture. As part of the update additional details regarding on-farm diversification uses and the specific performance criteria which will be used to manage them must be addressed. While the Region and the Town have both developed innovative policies to address these types of uses, the changes to the PPS coupled with the innovative policies in the ROP will be relied on to update these policies for the Niagara-on-the-Lake Official Plan.

Figure 18 Niagara Regional Official Plan – Schedule B



6.0 Key Issues

The value of the agricultural area in the Town is not to be underestimated. It is one of only two specialty crop areas designated by the Province based on its unique ability to sustain product that cannot be grown elsewhere in Ontario. It is a highly valuable, non-renewable resource that must be protected for future generations. However, it is also unique in the characteristics that define it: the small lot sizes, capital intensive investment in stock and infrastructure, the public irrigation system that sustains it and the associated uses that support it economically. Addressing all of these characteristics in conformity with Provincial, and to some extent Regional, policies that are designed for types of agriculture that dominate in most other parts of the Province presents challenges.

To achieve this, consideration will be given to implementing policies that will manage Niagara-on-the-Lake agriculture as a system, identifying the essential components required to sustain it, the linkages that support it, the services and businesses essential to its success and the potentially conflicting uses that could negatively impact it. To implement this approach, issues that must be addressed include:

- Lot fabric – specifically the implications of and management of small parcel sizes;
- Interface between agricultural and natural heritage features;
- Agriculture related and on-farm diversified uses;
- Maintaining and enhancing essential farm service infrastructure;
- Minimizing conflict between agriculture and non-agricultural rural land uses;
- Supporting agriculture in proximity to settlement boundaries;
- Adopting a systems approach to managing agricultural land;
- Preserving the land base; and
- Addressing economic sustainability.

7.0 Issue Analysis

7.1 Lot Fabric

As noted previously in this report, average lot size in the agricultural area of the Town is typically considerably smaller than the 40 ha (98.8 ac.) minimum lot size traditionally associated with farm properties. While the PPS does not contain numerical standards and therefore provides some flexibility in addressing lot size, the ROP does reference minimum lot sizes. While it is not the intent to allow ongoing fragmentation of the agricultural land base in the Town, discussions will be held with the Region to ensure that the standards set can allow flexibility to support ongoing management of smaller farm parcels. The reality is, that today's farm operations are typically comprised of numerous, physically separate parcels. Working with holdings while striving to maximize lot size and reduce fragmentation will be the focus.

7.2 Interface between agricultural and natural heritage features

The issue of what is designated as a natural heritage feature and how the interface between it and agricultural uses should be managed, is complicated by the presence of the public irrigation system that has been in place for a considerable period of time in the Town. This system is significant in the support it provides to producers and is the envy of farmers in other areas of the Province. However, over time, the

presence of the irrigation systems has resulted in the evolution of features that could be considered natural heritage features. Given the combination of the requirement for buffering of these features, the small parcel fabric of farms in the Town and the nature of the crops being grown, implementing certain controls could be devastating for the agricultural sector. This issue is addressed in the Environmental Discussion paper being undertaken as part of the Official Plan review. The findings of that review coupled with ongoing discussion with relevant agencies will be factored into the policies. However the potentially negative impact on the agricultural sector, should man made features be given the status of natural features, is one which must be mitigated to sustain production.

7.3 Agriculture related and on-farm diversified uses

The nature of the production in the Town generates a strong demand for both agriculture-related and on-farm diversified uses, as a result, this issue has been extensively considered by the Town over time. The Region, recognizing the importance of these uses, has some of the most progressive policies in the province to manage them. All of this background must be considered in reviewing the existing policies, assessing the additional flexibility incorporated in the 2014 update of the PPS, and recommending appropriate policies that will allow uses to support agricultural operations while maintaining and protecting agriculture as the principle use.

7.4 Maintaining and enhancing essential farm service infrastructure

To operate efficiently, farmers require access to farm services. While in established farming areas such as Niagara-on-the-Lake, services are typically in place, as industries evolve new requirements arise and there must be an ability to respond to changing demands.

The Town, with the restrictions placed on the land base due to the specialty crop designation, must manage its land supply carefully. In considering designations and the management of employment areas, accommodation for farm services and support businesses should be considered and addressed.

7.5 Minimizing conflict between agriculture and non-agricultural rural land uses

The agricultural area of Niagara-on-the-Lake is a charming, historic community, characterized by beautiful rural landscape and a small lot fabric. These circumstances make the area a desirable place to live. The size of the land holdings is such that they can be purchased and used for residential purposes with no particular incentive for renting the land out for farming. As farmers buy up property to increase the size of their operations and sell off surplus houses, non-farm residents move into the houses. This can result in conflict and impede the ability of farmers to operate efficiently.

The Official Plan policies must address this situation by minimizing the intrusion of non-agricultural uses into the agricultural areas. This will be in conformity with both Provincial and Regional policy. The Plan must also establish and protect the rights of farmers to operate using accepted farm practices in the agricultural area, unencumbered by the concerns of non-farm residents who choose to live there.

7.6 Supporting agricultural activities in proximity to settlement boundaries

The Town is constrained by the Greenbelt Plan in the area available to accommodate urban development. This constraint, coupled with the historic evolution of development in the area, has resulted in a close

relationship between urban and agricultural land uses. Rationalization of certain boundaries and efficient management of existing uses in the Official Plan will require some consideration of the urban/rural interface. Adjustments may be appropriate and must be carefully addressed to comply with provincial policy. In undertaking this exercise there will be an opportunity to implement edge management tools to reduce potential conflicts between agricultural and non-agricultural uses.

7.7 Adopting a systems approach to managing agricultural land

Section 3.1.1 of the Greenbelt Plan introduces the concept of an agricultural system, characterized as “*a continuous and permanent land base necessary to support long-term agricultural production and economic activity*”¹⁰ as an integral component of the Greenbelt. The systems approach has been successfully implemented to manage natural heritage resources but has not been implemented with the same degree of success for the agricultural sector. In implementing policies to manage the Town’s agricultural area, using a systems approach could support a comprehensive approach to protecting the agricultural resource while addressing related requirements such as linkages, services, accessory uses, and economic partnerships.

Consideration will be given to implementing a systems approach to managing agriculture. A systems approach can provide flexibility in managing uses that are integral to successful agricultural operations. It is a useful tool for addressing the issues and factors identified in this report, including the management of value added uses, farm help housing, farm support services, economic sustainability and the relationship with the natural heritage system.

7.8 Addressing economic sustainability and preserving the land base

Protection of the land base is an essential requirement of Provincial and Regional policy and has always been a priority of the Town. This position will not change and will be strengthened.

The most effective approach to protecting the agricultural land base is to ensure that farm operations are sustainable and profitable. To do so, the ability to farm efficiently supported by related services that support the sector is critical. The agricultural policies will address sustainability by supporting these conditions while ensuring that the land base is protected.

8.0 Conclusions

All of the policies outlined in this report will be considered in developing new progressive policies for the agricultural sector in the Town of Niagara-on-the-Lake Official Plan. However it should be noted that the Town is home to a unique agricultural sector with a long and established history. It is distinguished from other agricultural areas in the province by numerous factors including the lot fabric, the range and type of commodities that can be produced, the comprehensive municipal irrigation system that services the sector, the length of crop cycles, the range of on-farm uses that support production and the intensity of the operations. It deserves Official Plan policies that accommodate these differences and create an environment in which the sector can flourish. Innovative approaches to policies for the Official Plan will be proposed.

¹⁰ Province of Ontario, Greenbelt Plan 2005, Section 3.1.1, pg. 12.