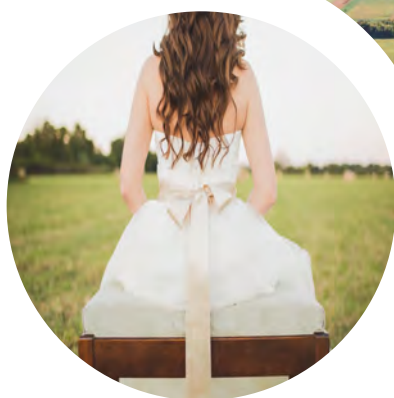


# Guidelines on Permitted Uses as a Tool to Achieve Farmland Protection, Farm Diversification and Economic Benefits:

Assessing effectiveness and identifying best practices



**November 2022**

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## List of Abbreviations

AAB	Agricultural Advisory Board
AAC	Agricultural Advisory Committee
AIA	Agricultural Impact Assessment
AODA	Accessibility for Ontarians with Disabilities Act
APTGGPGGH	A Place to Grow: Growth Plan for the Greater Golden Horseshoe
CFFO	Christian Farmers Federation of Ontario
CIP	Community Improvement Plans
CLI	Canada Land Inventory
DCs	Development Charges
FBR	Farm Business Registration
GBP	Greenbelt Plan (2017)
GGH	Greater Golden Horseshoe
Guidelines	Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas (2016)
LPAT	Local Planning Appeal Tribunal
LSPA	Lakeshore Special Policy Area
MDS	Minimum Distance Separation
MECP	Ministry of Environment, Conservation and Parks
MPAC	Municipal Property Assessment Corporation
NEC	Niagara Escarpment Commission
NEP	Niagara Escarpment Plan (2017)
NFU-O	National Farmers Union - Ontario
NIMBY	'Not In My Backyard'
OBC	Ontario Building Code
OBP	Ontario Barn Preservation
OFA	Ontario Federation of Agriculture
OFDU	On-Farm Diversified Use
OLT	Ontario Land Tribunal
OMAFRA	Ontario Ministry of Agriculture, Food and Rural Affairs
OMB	Ontario Municipal Board
OP	Official Plan
OPA	Official Plan Amendment
ORMCP	Oak Ridges Moraine Conservation Plan (2017)
PAA	Prime Agricultural Areas
PAL	Prime Agricultural Lands
PPS	Provincial Policy Statement (2020)





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SPC	Site Plan Control
YIMBY	'Yes' In My Backyard
ZBA	Zoning By-law Amendment
ZBL	Zoning By-law

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## Executive Summary

"We've been pushing hard for many years [for on-farm diversified uses] and continue to because it's so important. ... We've seen the industry thrive. And we've seen people make a living on their farm - and not just make a living but *thrive*. ...

This is, in my opinion, one of the only ways to truly preserve the 'family farm.'"

**- Southern Ontario Farmer  
and their experience with farm diversification**

Comprising less than 5% of Ontario's land base, Ontario's prime agricultural lands are a finite, non-renewable resource vital for local food production, agri-food exports, and rural economic prosperity (MMAH, 2020b). Despite this value, the Canadian Census of Agriculture (2021) reports that Ontario has lost 319 acres of farmland a day over the last five years. Yet, family farms remain the cornerstone of agriculture production in Ontario, with 98% of farms in Canada being family-owned (Statistics Canada, 2022). However, the number of small and medium-sized farms is dwindling while the number of larger farms is increasing (Statistics Canada, 2022). These numbers illustrate the difficulty smaller to mid-sized family farm operations are facing in prospering in the modern agricultural economy.



Many farmers diversify their land uses and revenue streams to make their agricultural operations viable. The Provincial Policy Statement (PPS; 2020b) and the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA; 2016a) Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas introduce on-farm diversified uses (OFDUs) as a permitted use in prime agricultural areas, allowing farmers to balance farmland preservation with development opportunities to generate additional revenue on the farm. These pivotal policies in rural land use planning provide an avenue for the land use planning profession to recognize that it is simply not enough to preserve farmland, but that society must also preserve the family farmer (Walton, 2003).

A key challenge for municipalities is reconciling how best to assist the next generation of family farmers while preserving Canada's farmland. The Guidelines suggest parameters and opportunities to protect farmlands while supporting on-farm diversified income-generating activities, subject to criteria, including limiting the secondary use in size and scale. Municipalities are tasked with translating the provincial guidance into a local policy appropriate for their community context.

This report is based on the research conducted over the last year by the University of Guelph with support from OMAFRA, various farm organizations, rural municipal planning departments, and over 150 farmers diversifying their operations across Ontario. The research aims to uncover best practices for OFDUs that the planning profession can implement in policy and process to assist the next generation of family farmers in their entrepreneurial endeavours. A snapshot of best practices, next steps, and recommendations for the state of OFDUs in Ontario, are summarized below.



Readers are encouraged to reflect on the ideas presented and think about ways these may be utilized or applied to their community or professional contexts:

- Municipalities, the provincial government, and the agricultural community should recognize the value of the Guidelines as a helpful tool; it provides a baseline to interpret policy and open the doors to balance farmland preservation with opportunities to promote agricultural viability for farmers.
- The Province could work with municipalities to utilize, interpret, and implement the guidelines into local-level policy, including training on how to carefully define “farm” in the Zoning By-law, size and scale criterion, as of right uses, the use of Site Plan Control appropriate for the agricultural area, and policies and tactics to encourage reuse of existing buildings.
- Agricultural areas would benefit from design specifications, both put out by the province and municipalities, to ensure that compatibility with and character of a farm is maintained.
- Municipalities are encouraged to have pre-consultation meetings with farmers as proponents, with all departments present, to have everyone learn more about what applications, timelines, and fees the proponent may require *before* applying for an OFDU. If this offer is not put forward, farmers are encouraged to ask municipal staff for a pre-consultation meeting. It should be used as an opportunity for open discussion.
- Where possible, responsible, and feasible, municipalities should scale back fees and requirements for farmers applying for OFDU development permissions. Examples could include exemptions on development charges, scaled back site plan requirements, or reduced application fees. For the agricultural community, planting and harvest seasons are busy, and the process for planning approvals must be timely and financially justifiable for their operation, particularly if they are doing so to remain viable in the first place.
- OFDUs could benefit from enhanced working relationships and collaborations between municipalities, such as planning and economic development departments, OMAFRA, and various farm organizations, to



provide resources to support OFDUs in the agricultural community. Examples of collaborative relationships and initiatives could include promoting local on-farm businesses as destinations, designing toolkits for farmers to understand the land use policy framework and the development process, as well as access to other training or resources for skill development related to OFDUs, such as business planning, succession planning, and more.

- Farmers are encouraged to maintain positive neighbourly relations with other farmers and non-farmers alike to ensure the most successful outcomes for farm operations and on-farm diversified businesses before, during, and after establishing (and while operating) their newly diversified business.

As the next generation of entrepreneurs establishes OFDUs on the family farm, they introduce uses never-before-seen in the prime agricultural area and create additional revenue streams that will inevitably enhance agricultural production in Ontario. The key to OFDUs is the critical balance of preserving *all* agricultural lands in Ontario - whether they are prime or not. Strong public planning policies and processes ensure that agricultural resilience will continue to preserve farmland, enhance agricultural viability, and support the family farmer.

"It's the [Province's and municipalities'] job to raise the bar and protect prime agricultural areas in Ontario. [Agricultural] lands aren't places where we expect businesses to grow, because these are places where we expect farm operations to flourish.

OFDUs were always intended to be small-scale - they were never intended to get to the point where they are large, successful commercial and industrial businesses."

**- Provincial Planner on On-farm Diversification**

# 1 Introduction

Ontario's prime agricultural land is a finite, non-renewable resource comprising less than 5% of Ontario's land base, vital for local food production, agri-food exports, and rural economic prosperity (MMAH, 2020b). Despite this value, farmland in Ontario has decreased by 65 percent since 1920, and 20 percent of this loss occurred between 1976 and 2016 (Canadians for a Sustainable Society, 2021; Ontario Farmland Trust, 2019), mainly due to urban sprawl (Fox & Wang, 2016; Caldwell et al., 2022). Most recently, it is estimated that Ontario loses approximately 319 acres of farmland per day (Statistics Canada, 2022). While 98% of farms in Canada are family-owned, the number of small and medium-sized farms is dwindling while the number of large farms has increased (Statistics Canada, 2022). These numbers illustrate the difficulty smaller to mid-sized agricultural operations are facing in prospering in the modern agricultural economy.

These socioeconomic trends now point to an emerging pattern: the family farm is changing, especially in rural Ontario. Many farmers are diversifying their land uses and revenue streams, both agricultural and non-agricultural, to keep their agricultural operations viable. In the context of Ontario, the Provincial Policy Statement (PPS; 2020) and the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas ('Guidelines'; 2016) introduces *on-farm diversified uses* (OFDUs) as a permitted use in prime agricultural areas, allowing farmers to balance farmland preservation with economic development opportunities, so if these on-farm diversified uses are limited in size and scale. These policy provisions and guidance documents provide an avenue for the land use planning profession to recognize that it is simply not enough to preserve farmland, but that society must also preserve the family farmer (Walton, 2003).

A key challenge for municipalities, however, is to reconcile how best to assist the next generation of family farmers while simultaneously preserving Canada's prime agricultural lands. The Guidelines suggest parameters and opportunities to protect prime agricultural lands while supporting on-farm diversified income-generating activities, subject to criteria, including limiting the secondary use in size and scale. Municipalities are tasked with translating the provincial guidance into local policy that is appropriate for their community context. This task is easier said than done.





### 1.1 Rationale and Background

Prime agricultural lands in Ontario are finite and require protection. In addition, a new generation of farmers continues to push the entrepreneurship envelope by introducing various agricultural diversified uses onto prime agricultural lands. The PPS (2020b) and the Guidelines (2016a) supports this activity. With regards to *agricultural, agriculture-related uses*, and OFDUs, the Guidelines provide guidance to support the implementation of the desired outcomes in the PPS. Clarity of policy is critical to help ensure growth in this sector. The Guidelines provide an excellent template for helping to establish municipal policy, however further clarification within the PPS will be of value to counterparts at the provincial, municipal, and individual farm levels.

### 1.2 Research Purpose and Objectives

This research aims to assess the effectiveness of the Guidelines including measuring their performance in terms of supporting farmland protection, assessing if provincial policy and the Guidelines have increased the number of new businesses, as well as exploring the benefits and costs for farmers and municipalities. This research also attempts to identify and assess best practices for land use planners to achieve policy objectives for agriculture-related and on-farm diversified uses.

This research has an overall goal of assessing the effectiveness of Guidelines on Permitted Uses in business establishments, and benefits and costs for farmers and municipalities. Effectiveness will be evaluated in terms of impact on farmland protection, new business establishments, and benefits and costs for farmers and municipalities. The research will also identify best municipal and provincial practices intended to assist the farm community. Overall, there are four main objectives in undertaking this research:

1. To evaluate the effectiveness of policy that allows for agriculture-related uses and OFDUs within Ontario (at individual farm, the municipal, and provincial level);
2. To identify existing policy and strategies used to encourage agriculture-related uses and OFDUs (at a County and Regional level);
3. To evaluate the specific effects of policy on individual farmers, and;

4. To identify best practices for policy and strategies for agriculture-related uses and OFDUs based on literature, jurisdictional scan, and an e-survey of Ontario municipalities (i.e., evidence-based policy for municipalities, the province, and agriculture).

### 1.3 Benefits of the Research

This research will help to ensure that the policy framework for agriculture-related uses and OFDUs is supportive of the joint goals of protecting farmland while contributing to the development of agricultural livelihoods. This research provides short term benefits for municipalities and the farm community as they work to implement Guidelines. It will also provide long-term benefits as OMAFRA prepares for review and potential revisions of the PPS. These initiatives help to ensure viable farms and a viable farm sector thereby contributing to the protection and retention of farmland.

There are three primary stakeholders that will benefit from this research:

1. **Municipalities** will have a better sense of what works and what does not work in designing and implementing policies and initiatives supportive of agriculture-related uses and OFDUs, which achieve a balance between farmland preservation and agricultural viability in their rural areas. This includes municipal councils, planning and building departments, economic development, as well as various committees, such as agricultural advisory committees. The information and best practices identified in this research will be shared across the Province and will lead to more consistent interpretation and application of the Guidelines.
2. **Farmers** will benefit from a more comprehensive, clear, and uniform application and understanding of policy at provincial, regional, and municipal levels. Farmers across the Province are working to establish agriculture-related uses and OFDUs and may be unsure of where to begin in establishing their use. Additionally, agricultural organizations such as Ontario Federation of Agriculture (OFA), local county federations, and commodity groups may wish to develop and communicate policy stances regarding the emergence of OFDUs and how they are approached in policy across the province. This research will provide them with the evidence to evaluate their positions and identify ways to support their members and governmental counterparts in achieving shared goals



for responsible planning of OFDUs. Moreover, the application of the most appropriate policy will help to facilitate new economic activity, benefiting both individual farms and the overall sector.

- 3. The provincial government** will have access to a thoughtful evaluation of existing policy related to agriculture-related uses and OFDUs. This will provide insight into the success of the Guidelines and assist with possible future updates and review of the next PPS. Moreover, this research will identify ways, based on the perspectives and experiences of municipal planners so far, where, and how the provincial government can next devote their efforts to developing enhanced training supports and resources for municipalities in designing and implementing policy supportive of OFDUs that is consistently interpreted and applied across Ontario.

Overall, this research will contribute to the overall economic and social development of rural Ontario. The research will contribute to entrepreneurship opportunities to grow small business on farmlands while helping to preserve prime agricultural areas.

### 1.4 Research Outputs and Deliverables

This research has led to the creation and dissemination of six primary deliverables, including:

- 1. A literature review and jurisdictional scan** of agriculture-related uses and OFDUs from North America and Europe. This is provided in chapter two, *Literature Review, Jurisdictional Scan, and Land Use Planning Policy Context*. This deliverable examines trends of on-farm diversification and their applicability to the current Ontario planning policy land use framework.
- 2. Results from surveys, interviews and focus groups** identifying the range of Ontario provincial and municipal policies and strategies used to encourage agriculture-related uses and OFDUs. This deliverable is available in chapter four, *Results and Interpretations*.
- 3. Results from surveys, interviews and focus groups** of the specific effects of provincial and municipal ARU and OFDU policies on individual

farmers across Ontario. This deliverable is available in chapter four, *Results and Interpretations*.

- 4. An evaluation of the related merits and effects** of different municipal policies and the Guidelines specifically. This deliverable is available in two parts: chapter four, *Results and Interpretations*, and chapter five, *Discussion*.
- 5. A collection of best practices** related to ARU and OFDU policy development and implementation. This collection of best practices is informed by the research, including the jurisdictional scan, and results from surveys, interviews, and the focus groups. These best practices are intended for provincial (i.e., OMAFRA) staff, municipal planners, and the farm community. This deliverable is available in chapters five, *Discussion*, and six, *Best Practices and Next Steps: Implementation and Recommendations*.
- 6. An evaluation tool to** assess the compatibility and effectiveness of municipal policy or an individual OFDU planning application in accordance with the guidance provided in the Guidelines. This tool, branded as the '5 Tests' of an On-Farm Diversified Use is in Appendix A. The tool is developed to identify opportunities for balancing OFDUs with the preservation of prime agricultural areas and agricultural compatibility across Ontario. Municipalities are encouraged to use this framework and adapt it to fit their own local contexts. This evaluation framework was based on the information gathered from the surveys, interviews, and focus groups specifically. The evaluation framework considers the collection of action items, recommendations, and best practices identified in this study. The intent behind the evaluation framework is to ensure a practical and useful tool is available for intended users such as OMAFRA staff, municipal planners, and farmers, to mobilize the results of this research into action. The evaluation framework helps to ensure that results are used to inform decisions and improve performances related to policy development and implementation.

### 1.5 Report Outline and Organization

This report consists of seven chapters which are outlined as follows:



Chapter one, *Introduction* describes the research rationale and background, research purpose and objectives, the benefits and value of the research for various stakeholder groups, inclusive of municipalities, the agricultural community, and the provincial government, and research outputs and deliverables and their utility for different stakeholder groups.

Chapter two, *Literature Review, Jurisdictional Scan, and Land Use Planning Policy Context* provides context for the research. It includes background and examples of farm diversification from across North America and Europe from both economic development and planning perspectives. The jurisdictional scan identifies best practices related to land use planning, on-farm diversification, and agricultural uses, focusing on the Canadian and international scholarship on the topic. The information in this chapter situating the relevance and significance of the localized policy context in Ontario and how it relates to on-farm diversification more broadly and assists to inform the development of our research design and methodology.

Chapter three, *Research Design and Methods*, provides detail into how this study was carried out and co-designed with various stakeholder groups, such as OMAFRA, municipal planners, and the agricultural community. This chapter will give special attention to the methods undertaken and our justifications for decisions made related to the research design to illustrate how the research team designed the study to ensure this research would be of utility to end-users (i.e., groups benefiting from the results). This chapter will outline the methods employed for data collection (inclusive of surveys, interviews, and focus groups), and approaches for analysis and discovery of results and recommendations. It concludes with a disclosure of research limitations and ideas to mitigate such limitations in future studies.

Chapter four, *Results and Interpretations*, will present and review our findings from the collected and analyzed data, including survey findings, interview findings, and focus groups with provincial planners, municipal planners, and individual farmers. Only key findings that directly address or inform our research objectives will be presented. Individual interpretations of the results and their significance will be explained.

Chapter five, *Discussion*, will build upon the previous chapter where individual results and their significance were outlined, to provide a higher-level discussion of collective research results' significance, relative to research goals, objectives, and justification for recommendations. This discussion will be framed and connected to the broader land use planning policy context of Ontario. Discussion will overview the key issues and



themes identified in the study and the perspectives of these issues from the planning and agricultural communities. Where applicable, best practice case studies will be presented to enrich and provide real-life examples of reasonings made in the discussion. By providing real-life examples of best practices shared by participants in our study, we hope to further illustrate concrete actions or pathways already taken by provincial governments, municipalities, and farmers to support on-farm diversification. Readers are encouraged to reflect on the best practices presented and think about ways these may be utilized or applied to their community or governmental contexts.

Chapter six, *Best Practices and Next Steps: Implementation and*

*Recommendations*, will provide concrete actions, items, recommendations, and next steps based on the evidence collected.

Recommendations will be organized and presented based on whom they are most applicable to: provincial governments, municipalities, and agricultural communities and sector.

Lastly, chapter seven, *Conclusion*, will summarize key findings of the research, identify

practical contributions of the research undertaken, and recommend potential



pathways for future areas of investigation related to on-farm diversification policy. It does so by relating back to the four research objectives which encompass our study.



## **2 Literature Review, Jurisdictional Scan, and Planning Policy Context**

As family farms continue to change, so does the family farmer. The following is a literature review and jurisdictional scan depicting the evolution of family farming to agriculture-related uses and OFDUs. This review specifically provides examples of on-farm diversification from North America and Europe where these uses are trending. This chapter will also provide an overview of the current Ontario planning policy land use framework which allows for on-farm diversified uses to be established.

### **2.1 Literature Review**

With an emphasis on theoretical and academic knowledge, this literature review will begin with the socioeconomic background on family farming history in agricultural societies over time. Discussion will bring focus to the concepts of ‘family farming,’ pluriactivity, and significance of gender dynamics and the division of labour in today’s agricultural systems. It will then expand into agriculture-related uses and on-farm diversification as a recent economic trend influencing family farmers around the globe today.

#### **2.1.1 Evolution of Family Farming**

Throughout history, family farming has evolved from a means of basic family food production to a modern high-tech business and/or the need and want for on-farm diversification. Farming continues to be innovative and is continuously changing. There are approximately 500 million family farms in the world which produce 80 percent of the world’s food (FAO UN, 2019; Graeub et al., 2016).

Family farms were originally labored by a nuclear family (i.e., a husband and wife with assistance from their children) or by extended family (LaLone, 2008). Today, family farms can include a variety of labor and ownership and are still the predominant form of agriculture both in developed and developing countries (FAO UN, 2019; Statistics Canada, 2022).

Although the concept of a family farm is generally understood, there is no one definition of a ‘family farm’ in literature, as the concept varies across countries depending on the context and motivation. While there is much discussion within





literature as to what constitutes a family farm (Brookfield & Parsons, 2007; Calus & Van Huylenbroeck, 2010; Garner & de la O Campos, 2014; Gasson et al., 1988; Hill, 1993; Knezevic et al., 2016; Krymowski, 2019; Morgan et al., 1993; Niekamp, 2002), for the purpose of this research a family farm is understood to be a farm owned and/or operated by a family.

Brookfield and Parsons (2007) identify that a family farm must operate at a size and scale that the family can manage: “Family farms need to be big enough to provide a viable family income, and small enough that the farming family can still have a meaningful relationship of care for the land and animals on their farms” (Farm and Food Care, 2017). According to Calus and Van Huylenbroeck (2010), family farms can be distinguished from corporate farms by the fact that both the management and entrepreneurship are controlled by the farming family and not shared with other persons.

According to the 2021 Census of Agriculture, just over half (50.9%) of all Canadian farms were sole proprietorships, while partnerships accounted for 23.7% of farms, 22.8% were family corporations and 2.4% were non-family corporations (Statistics Canada, 2022). The rate of incorporation among farm operations rose from 19.8% in 2011 to 25.1% in 2016 mainly due to succession planning (Statistics Canada, 2017a).

Vogeler (1981) boldly identifies that as the number of farmers decline and the size of farms increase it is evident that regardless of how hard family farmer’s work, they are not treated equally with large scale producers under capitalism. The genuine goal of farm families and the government’s goal to keep family farms in agriculture “is not being achieved” (Vogeler, 1981, p. 8). Although scholars such as Evans et al. (2002), Hill (1993), Morgan et al. (1993), Wender (2011), and Vogeler (1981) all identify that the family farming unit is changing, they also agree that family farming is a central concept in agriculture.

Family farms have evolved yet remain the cornerstone of agriculture and farming in western countries. Family farms remain resilient through generational succession planning; the ability to be flexible in budgeting; commitment to their social responsibilities linked to rural communities; diversifying; and by being respectful and responsible for the environment. Brookfield and Parsons (2007) believe that family farms can continue to flourish as an adaptable and efficient form of agriculture production.



According to Braun and Pippidis (2020), family farming is among the top ten stressful occupations. Farm families share daily stresses such as employment, childcare, household management, financial stability, and interpersonal relationships. The mixing of farm business and the family creates some unique stressors. Therefore, it is important to understand the various roles and responsibilities of the farm family and the farm business.

The division of labour on farm families of the past were typically split along gender lines. Male work was the typical farming duties – planting, cultivating, feeding the animals, and fixing the farm equipment. The female route of entry into farming was commonly through marriage and then their work was linked to the ideology of wifehood. Female identities and roles were defined in relation to their husbands and children. Females were found in the kitchen cooking, cleaning, doing laundry, sewing, and supporting their husbands through family and home obligations. Likewise, young females were expected to assist their mothers with domesticated indoor duties, and young males learned to farm like dad. Hence, the gender division of farm family responsibilities and duties continues throughout the history of farming (Brandth & Haugen, 2007).

As society changed, so did the family farm. Members of the family farm became more interested in job prospects off the farm as the labour market offered many opportunities for men and in particular women. The literature found that members of farm families chose to work off the farm for many reasons. Many farm families began to search for ways to increase the family income or desired work opportunities away from the farm. Part-time farming is an important activity, representing one method by which the farm family household can raise additional income and survive in agricultural business (Evans & Ilbery, 1993). Pluriactivity is when farmers and their families rely principally on non-agricultural or off-farm sources of income (Brookfield & Parsons, 2007). Farm diversification and part-time farming are, therefore, under the wider pluriactivity term (Evans & Ilbery, 1993). Fuller (1990) notes “pluriactivity accommodates a wide range of activities and income sources, for example, off-farm wages or salaries, self-employment, work on other farms, on-farm activities (i.e., agricultural, or non-agricultural), and investment income” (p. 367).

Primarily, pluriactivity was and still is considered a response to farm finances and operational constraints; however, pluriactivity also focuses on personal goals, as well as occupational/career-related and lifestyle considerations. Women wanted to make use of training or skills, enjoyed off-farm work, and wanted to assist in paying for their



children's post-secondary education; therefore, ensuring the next generation of family farm members had opportunities to work both on and off the farm (Bessant, 2006).

Since 1995, approximately 45% of farmers have engaged in off-farm activities (either working for additional income or operating another business) (Statistics Canada, 2017a, 2017b; Vanier Institute of the Family, 2018). In 2016, three out of ten farm operators reported that they worked an average of 30 hours a week or more off the farm (Vanier Institute of the Family, 2018). While about 15% of farming families in Canada and the USA had one member who worked at a non-farm business in which 5% to 20% of the farm family income was generated (Bollman, 2001).

Barlett (1986) investigated the complex layers of financial, personal, career and lifestyle factors influencing individuals to pursue pluriactivity. She discovered that off-farm employment offered personal and family financial assurance and safety which allowed farm families to worry less about risk, expenses, and the long hard hours of farming work. Pluriactivity was not just an option for additional income that could not be made on the farm, but a more broad-based strategy for improving long term economic security and raising living standards for the farm family.

Gender roles are intertwined in pluriactivity. Men typically branched out their well-rounded skill set to look for opportunities off the farm while continuing to farm on the side (Fuller, 1990). Women were then placed in evolving roles with gender obligations to their family, husbands, their off-farm work, and community which placed women in multiple subject positions (Morris et al., 2017; Tregear, 2011). The once gender specific roles were and are now blurred with overlapping responsibilities where men and women can both take care of their nuclear family and work on and off the farm. A family is now resilient during tough times not because of their specific gender roles on and off the farm, but because they work together at both farm and family duties and rely on their community of place, interest and/or beliefs (Braun & Pippidis, 2020).

According to Bock and Seuneke (2015) women are creating new work enterprises on family farms. Multifunctionality is a term used to describe the combination of agricultural production and environment with services to society. Examples include farm education, farm shops, agricultural day care, agricultural nature management and agri-tourism. Key to these services is the relationship women can offer between farms and consumers. Multifunctional agriculture is the reconnection of agriculture to the broader non-farming community and society and multifunctionality can be considered a type of pluriactivity (Fuller, 1990).





While modernization once pushed farm women into a peripheral position in agriculture, women are now succeeding in regaining a central position on family farms by integrating multifunctional uses and contributing to the survival of family farms. Bock and Seuneke (2015) concluded that farm women:

- 1.** Facilitate the introduction of unique identities and practices onto the farm;
- 2.** Provide access to new networks and learning environments, and;
- 3.** Initiate a negotiation process between production and multi functionally oriented through and action within the family.

According to Evans & Ilbery (1992), the woman has become a powerful component in the internal structure of the farm business in terms of on-farm diversification opportunities. "The gender aspects of entrepreneurship are essential building blocks to the development of multifunctional entrepreneurship by family farmers" (Bock & Seuneke, 2015, p. 48).

It is evident that today family farming looks much different than it did fifty years ago and much different than it did a hundred years ago. The evolution of both gender roles and pluriactivity have assisted in transitioning family farms in the twenty-first century into new entrepreneurship employment opportunities known as agriculture-related and/or on-farm diversification. Brookfield and Parsons (2007) do not expect the upcoming family farmers to experience conditions any more sympathetic than in the recent past but have confidence in the next generation's ability to not only survive but succeed in continuing to evolve and change the family farm.



### 2.1.2 Agriculture-Related Uses and On-Farm Diversification

"It's harder and harder for family farmers to make ends meet, so a side business is needed for income and to smooth out the peaks and valleys of farm income. If you're doing the same old, same old as everyone else that's no way to get ahead. Family farmers need to make a diversification choice that they are passionate about and also have the resources for. Use synergies if you can. There are always limits on resources, and spare time is always hard to find on a farm. You don't want a new enterprise to take away from your existing operation."

- **Mark Fournier, Agri-Business Instructor, Olds College, Alberta**

A growing number of family farms are expanding beyond the traditional growing of crops and raising of livestock to include new undertakings that are agriculturally and non-agriculturally related (Bagi & Reeder, 2012; Beshiri, 2005). There is a wide body of literature that provides evidence of the economic value of on-farm diversification as one alternative strategy farmers can utilize to survive and prosper on today's changing family farms (Alsos et al., 2003; Augere-Granier, 2016; Barbieri & Mahoney, 2009; Barbieri & Mshenga, 2008; Barbieri, 2013; Busby & Rendle, 2000; Evans & Ilbery, 1993; Ilbery, 1991; University of Tennessee, 2005; Wilson, 2010).

It should be noted that the literature utilizes the terms "on-farm diversification," "farm diversification," "agri-tourism," and "agricultural diversification." The different words utilized to represent agriculture-related and on-farm diversification in literature equates to a lack of a widely accepted definition which creates problems when attempting to compare the results of different case studies or assessing the importance of agriculture-related and on-farm diversification as a family farm adjustment strategy. The concept of agriculture-related and on-farm diversification is not amenable to a very precise definition and covers a wide range of possible activities (Busby & Rendle, 2000; Evans & Ilbery, 1993; Ilbery, 1991). One definition identified by Ilbery (1991) was that "on-farm diversification refers to the development of non-traditional farm enterprises and covers a multitude of situations which can often only be adequately defined as doing different" (p. 2).



For the purposes of this research which will be based in Ontario, we will refer to the agriculture-related and on-farm diversification definitions, specifically agriculture-related uses and OFDUs, in the PPS (2020b):

**Agriculture-related uses:** means those farm related commercial and farm-related industrial uses that are directly related to farm operations in the area, support agriculture, benefit from being in close proximity to farm operations, and provide direct products and/or services to farm operations as a primary activity (p. 40).

**On-farm diversified uses:** means uses that are secondary to the principal agricultural use of the property, and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value added agricultural products. Ground-mounted solar facilities are permitted in prime agricultural areas, including specialty crop areas, only as on-farm diversified uses (p. 48).

Developing a typology of agriculture-related and on-farm diversification is complex, mainly because farmers are constantly creating new ventures as an adjustment strategy to their changing contexts (Barbieri, 2013).

Agri-tourism is an important segment of the \$3 trillion worldwide tourism industry (Che et al., 2005a). Agri-tourism is a business strategy to market rural landscapes and livelihoods to support agricultural production by tapping into long-standing romantic and agrarian traditions and recent trends towards environmental and family-oriented travel (Che et al., 2005a).

According to Barbieri (2013) there is an increase in USA family farms diversifying their operations “through different on-farm enterprises, especially agri-tourism, to adjust the farm business to challenging and changing realities” (p. 253). Ilbery (1991) and Eckert (2004) found that family farmers are choosing to diversify to generate extra income. Approximately 80% of the USA farmers surveyed in Ilbery’s (1991) study cited creating additional income as the single most important factor for beginning agricultural diversification businesses and Steeden (2017) indicate that 62% of all farms

in England have diversified in some way responding to the changing position of the agricultural economy.

Sustainable agriculture is when the environment creates a system for raising crops and livestock while considering the needs and wants of the economy and requirements for social values (Earles & Williams, 2005; Giddings et al., 2001). The literature outlines that throughout agricultural history it has been either the economy or the environment that have been given priority (Giddings et al., 2001). However, the reality is that, although the economy dominates global decision making, it should be noted that without the environment, which is irreplaceable we cannot have an economy (Farrington & Kuhlman, 2010). According to Wilson (2010), rural community resilience and multifunctional agriculture must therefore be a balance between the economy, environment, and social needs. Such a balanced resilience comes from a community commitment to finding ways to address internal and external challenges.

Lamie et al. (2021) suggests that having a consistent global understanding of the agri-tourism concept would be useful for developing agriculture-related and on-farm diversification policies, conducting research, and creating programs that support creative ideas on working family farms. There is much confusion about agri-tourism rules and regulations from community to community. If definitions for agri-tourism are too undefined, then the tourism industry can be saturated, and the quality of agri-tourism can suffer. If too restrictive, then agri-tourism is often expensive and can be seen as elitist or too small to matter (Lamie et al., 2021).

According to Lamie et al. (2021), there is a theoretical conceptual framework in the United States which outlines that the nature of true agri-tourism is based only on operations that are directly connected to a working farm. Figure 1 illustrates the core activities are generally accepted as agri-tourism, while the peripheral activities may or may not be considered agri-tourism and can lead to misunderstanding and controversy (Lamie et al., 2021).

Agriculture-related and on-farm diversification provides family farms with innovative ways to be profitable and maintain family farms, be environmentally responsible, and bring people back to the farm to educate and experience farming in new and exciting ways (Barbieri, 2013; Hein, 2020). It is the actions and responses of not only individual family farmers but also a rural community together that shapes a community's overall resilience, and the maximization of such resilience that should be at the heart of policy makers' efforts to help rural communities with their struggles to survive (Pretty, 1995; Wilson, 2010).









Overall, the literature identifies that the history of farming, including pluriactivity and gender roles, has led to the evolution of on-farm diversification, which is now a growing trend across the world and within Ontario as various entrepreneurial farmers are looking for additional ways to supplement the family farm income.

## **2.2 Jurisdictional Scan**

This section of the research provides examples of agriculture-related and on-farm diversification from abroad in the United Kingdom, United States of America, Canada, and finally, bringing focus to Ontario, where this research is undertaken.

The following were chosen because of their comparable governmental contexts (e.g., the Commonwealth) and agricultural production systems and provide valuable examples on the types of agriculture-related and on-farm diversification that is occurring worldwide.

This section will outline agriculture-related uses and on-farm diversification in an international scope, with specific examples of farm stays, care farming, and farm vending within the United Kingdom, as well as farm stands, wineries, and dude ranches within the United States of America.

### **2.2.1 Agriculture-Related Uses and On-Farm Diversification in the United Kingdom**

#### ***Farm Stays***

Among all the types of agriculture-related and on-farm diversification in the United Kingdom, farm-based tourist accommodations are an important element in the growth of rural tourism and the most common option for on-farm diversification (Walford, 2001).

Between 1980 and 2000 the number of United Kingdom farms participating in agriculture tourism, many which included overnight farm stays, doubled. In 1980 approximately 23 percent of farms in the United Kingdom included tourism (Busby & Rendle, 2000 and Che et al., 2005b) and by 2000, Busby & Rendle (2000) suggested that there were over 10,000 farms in the United Kingdom that provided on-farm

accommodations. England, along with France, Germany, and Austria have dominated the global vacation farm industry with 20,000 - 30,000 enterprises in each (Busby & Rendle, 2000).

Farm households have attempted to tap into the rural tourism market by offering small-scale, high-quality accommodation for discerning customers and/or by developing specialist attractions for non-residential visitors, including museums, demonstrations of agricultural production, farm walks and war games. From a locational perspective, these enterprises are more likely to succeed in rural areas that are either accessible to large urban population centres or have a natural environment that facilitates the pursuit of physical, outdoor activities and enjoyment of an aesthetically pleasing, tranquil countryside. In these instances, the farm accommodation operators may be able not only to market themselves but also the places in which they exist (Walford, 2001, p. 332).

On-farm stays are offered in a variety of forms including bed and breakfasts within the farmhouse, camping, glamping, cottage rentals, wigwams, yurts, and more. The following is an example of an on-farm stay in the United Kingdom:

Glamping is a tourism experience where individuals, couples, or groups seek to immerse themselves in the natural environment by going back to basics and re-connecting with nature from a luxurious base. A glamping pod, wigwam, or yurt is a freestanding and self-contained structure located in an area of spectacular natural beauty with all the standard creature comforts found in a hotel or bed and breakfast. In recent years, glamping has proved to be a very popular short-stay holiday escape for couples and/or small groups who want to escape the busy city lifestyle and enjoy the tranquil surroundings of the countryside (SAC Consulting Food and Drink, 2019, p. 8).

Set in Petersfield in the Hampshire region, Brocklands Farm Glamping (Image 1) offers two luxury safari tents nestled into a grassy meadow. Each tent is tastefully furnished and well equipped with all the comforts of home. Guests can play games around the range wood-burner in the living area; chat in the gentle light provided by the fairy lights; enjoy a sundowner on the deck while watching the sunset; children love the cabin bed and rope swing and there is room to roam in the meadow, build dens in the wood and the hares and pheasants come right past your tent while buzzards and red kites soar overhead. The farm is close to many tourist amenities including a national park and local historical sites (Brocklands Farm Glamping Holidays, 2022).





Image 1. Example of a Farm Stay in the United Kingdom. Photos from Brocklands Farm Glamping Holidays.

### **Care Farming**

One form of diversification that is becoming increasingly common in many European countries but which is particularly prevalent in the United Kingdom is care farming. The growth of care farming in the United Kingdom stems partly from demand for the service and partly from the economic necessities associated with modern farming (Custance et al., 2015, p. 75).

Care farming, sometimes known as 'green care,' is defined as "the use of commercial farms and agricultural landscapes as a base for promoting mental and physical health, through normal farming activity" (Hine et al., 2008). Care farming is a growing movement to provide health (both mental and physical), benefits and rehabilitation through farming including animal husbandry, crop and vegetable production and woodland management (Custance et al., 2015; Hine et al., 2008).

Farm guests can include psychiatric patients, those suffering from mild to moderate depression, people with learning disabilities, people with a drug history, disaffected youth or elderly people, as well as those suffering from the effects of work-related stress or ill-health arising from obesity (Hine et al., 2008). Approximately 3,000 people utilize care farms per week in the United Kingdom (Bragg, 2013). Many care farms

work with client groups as part of a structured care, rehabilitation, therapeutic or educational program: "Care farming is a partnership between farmers, health and social care providers and participants" (Hine et al., 2008, p. 12).

The health benefits of nature are linked to people's ability to think and to forget their worries, regain sanity and serenity and to enjoy solitude. A restorative environment is one which promotes recovery from fatigue by allowing people to distract, to relax, to free their minds and to distance themselves from ordinary stresses of life to help them concentrate and think more clearly.

Care farms have a mix of field enterprises and livestock, typically grazing, vegetables and woodland with chickens, sheep, pigs, and cattle, and their sizes ranges from 0.4 to 648 ha, with the average size being 49 ha (Bragg, 2013). The link between health and the natural environment is a short but logical step to agriculture (Custance et al., 2015; Hine et al., 2008).

The number of farms in the United Kingdom offering care farming had increased from 40 in 2005 to 170 in 2011 and in 2015 there were a further 180 farms considering becoming care farms (Custance et al., 2015).

An example of such a diversified use in the United Kingdom is Clynyfw Care Farm. This 300-acre care farm is situated eight miles from Cardigan Bay, in Pembrokeshire, South Wales, which is an area of the United Kingdom that is renowned for farming and agritourism and first welcomed visitors in the late 1960s. The care farm uses 10 acres of the overall farm for its enterprise and is run as an organic enterprise with cattle, pigs, sheep, and organic crops including oats and barley as well as a 100-acre woodland with established paths for long walks as well as a sculpture trail. The farm includes overnight stays in the form of cottages and the main hall can accommodate around 60 people and is ideal for courses, parties, rehearsals, classes, conferences, or retreats.

Clynyfw focuses on working with clients who are living with disabilities. The destination is advertised as a place to relax in a quiet, beautiful environment with stunning views of local valleys and countryside and within easy distance of the beaches at Cardigan Bay. It is aimed mainly at families who have special needs members as most of the cottages are fully accessible. Some visitors come to Clynyfw independently, while others come with their own families or support workers. This care farm will have about 15 participants per week.



The animals play an important role for those engaged in care farming as there are over 40 rescue chickens that allow clients to participate in egg collection. In addition, there are pigs, ewes, and lambs to look after. Participants in the care farming enterprise also assist with growing fruit and vegetables in two polytunnels, a fruit cage, five raised beds and an acre of land. One of the most popular activities juicing and bottling apple juice, started in 2012 with the planting of 100 apple trees consisting of 33 traditional varieties.

When Clynyfw started in the 1960s they had one full-time employee and three part-time people working from the local area. The on-farm diversified use now has seven full-time, seven part-time and 26 volunteers or people involved in supported employment projects (Custance et al., 2015). It could be identified that this on-farm diversified use is no longer a family farm business as more than half of its employees are employed from outside the family (Brookfield, 2008).

### ***Farm Vending***

Farm shops and farm vending is an ever evolving and fast-growing segment of the food and culinary experience in the United Kingdom. A farm shop or store is a permanent or semi-permanent structure where farm products from a specific farm or multiple farms, both fresh and processed (such as jams, honey, and cheese) are offered for direct sale to consumers. Shops are normally open to the public year-round and often provide snacks, a bakery or butchery and a small café. (Slocuma & Curtis, 2017). "Farm shops are a unique food tourism opportunity – currently more common in Europe and New Zealand than in the US – that create expanded benefits to operators in terms of consistent revenue generation, an outlet for new product offerings, and employment for family members" (Slocuma & Curtis, 2017, p. 37). Farm shops are especially popular with the ever-growing "foodie" market as foodies often seek out quality food experiences as a lifestyle choice (Slocuma & Curtis, 2017).

Slocuma and Curtis (2017) identify that "agricultural entrepreneurs must create a unique identity or brand for their operation, build networks, develop knowledge and talent, and build business acumen in order to creatively overcome obstacles and manage diverse operations" (p. 35). As a result, farm vending is now bridging technological advancements with the experience of place and food.

Farm vending (Image 2) is a novel method of selling fresh farm produce directly to consumers. The farm vending concept began when producers, selling produce via an





honesty box system, were often left out of pocket as customers would walk off without paying. Farm vending allows consumers to purchase fresh local produce such as potatoes, vegetables, eggs, soft fruit, jams, and preserves 24 hours per day 365 days per year. Farm vending cuts out the 'middleman', provides farmers with significantly higher profit margins than mainstream markets, and ensures that any profits made are retained at the farm gate (SAC Consulting Food and Drink, 2019, p. 9).



*Image 2. Raw milk and meat farm vending machines in the United Kingdom. Photos from Tim Scrivener (left) and Lower Thorneybank Farm Shop (right).*

Typical farm shop operators encountered several common obstacles, including governmental regulations, lack of infrastructure and access to capital financing. These obstacles or constraints required farm shop operators to sharpen their business management skills and think out of the box to increase their potential for success (Slocuma & Curtis, 2017).

The farm shop industry in the United Kingdom is very competitive, requiring niche strategies to distinguish product offerings, develop promotional strategies, and create a unique brand or image in the mind of the consumers (Koh, 2002 in Slocuma & Curtis, 2017). Specific areas of importance included providing innovative experiential components to their operations. The innovative and entrepreneurial spirit of farm shop

operators is highlighted in the following examples of farm vending in the United Kingdom.

Many dairy farmers who do not achieve a price they would consider “fair” for their milk through the milk supply chain have diversified into farm vending to increase profit margin. Milk vending is growing in popularity in Scotland. Aberdeenshire based Forest Farm Dairy, was the first Scottish dairy farm to invest in milk vending technology and it has proved to be a huge success. The farm sells, on average, 300 litres of milk per day via their 200l and 400l vending machines. Milk vending allows customers to buy fresh, pasteurized milk directly from the farm in a branded, refillable glass bottle which is fashionable, and environmentally friendly (SAC Consulting Food and Drink, 2019, p. 9).

Lower Thorneybank Farm Shop (Image 2), based near Inverurie, Aberdeenshire, originated in the 1970s and was a simple cart at the side of the road selling home grown vegetables. Over the years the entrepreneurs/farmers have grown and developed the shop into what it is today. In December 2018 they opened a refurbished farm shop installing a new ‘Lock Blox’ vending machine. The vending machine stocks delicious home bakes, potatoes, vegetables, eggs, and other produce sources from the farm as well as the local area. The farm shop and farm vending machine are located on a main thoroughfare and easy for customers to access. The Lower Thorneybank Farm Shop has flexible hours which makes it very easy and convenient for customers as well as the entrepreneurs/farmers as the shop does not need to be staffed like a typical farm shop due to the Lock Blox technology (SAC Consulting Food and Drink, 2019, p. 9).

### **2.2.2 Agriculture-Related Uses and On-Farm Diversification in the United States of America**

#### ***Farm Stands***

Farm stands are most likely the oldest and most renowned form of agriculture-related and on-farm diversification across the world. Direct marketing practices such as roadside stands are the most practical form of on-farm diversification that can be followed by farm families. A wide variation exists in the types of facilities, products, and services provided by farmers' roadside markets. Some farm stands are only a sign saying that one or more food items can be obtained at the farmhouse or other farm



building and other farm stands are elaborate buildings that offer many products from the farm and surrounding farms (Lomasney & Bevan, 1955).

The Michigan Fruit Belt is located around the North American Great Lakes in western and north-western Michigan. The Michigan Fruit Belt is known for its ripe, ready-to-eat produce including cherries, stone fruit, and apples. Michigan is known for over 200 varieties of apples and as a result there are many local roadside fruit and vegetable stands. Over the years these fruit stands have evolved to include production of products, tea rooms, children educational experiences, restaurants and more (Che et al., 2005a).



*Image 3. Example of a farm stand, Nye's Apple Barn & Farm Market, in the United States. Photos from Nye's Apple Barn and Farms.*

A regional Fruit Belt food culture has evolved in Michigan as trails and routes connecting farm stands create destinations. According to Che (2010), sign-posted, planned trails and routes can yield synergistic effects. Itineraries through a well-defined area (region, province, viticultural area) that link farms foster visitors to discover a region and all it has to offer collectively in terms of activities, food, and drinks (Brunori & Rossi, 2000 in Che, 2010). Collaboration between producers and operators can promote on-farm destinations, which in turn generates additional on-site and related merchandise sales (Che, 2010). Che explains that diversified farmers in Michigan

utilize a cooperative approach, rather than a competitive one and this has helped strengthen the area's agri-tourism reputation, which in turn benefits all farmers (Che et al., 2005a).

As an example, Nye's Apple Barn and Farm Market (Image 3) is in St. Joseph, Michigan and is part of a family farm dating back to the late 1800s. The farm stand has been open since 1968 and offer quality fruits and vegetables. Whatever is not grown directly on the farm is gathered from local farmers. You can find Amish made goods and canings and well as local honey and maple syrup. They offer hanging baskets and planters in the spring and their own family recipe of apple cider in the fall. The farm market is open seasonally (Local Harvest, 2020).

Overall, Michigan farms work together to develop and exploit niche markets that collectively attract tourists to the farm stands of the Michigan Fruit Belt. These new strategies include specialized production (organic, local-branded, or seasonal crops such as hops, Christmas trees, pumpkins, and gourds) and direct selling (community supported agriculture and agricultural tourism) (Veeck et al., 2016).

### **Wineries**

A natural progression of farming fruits such as grapes and strawberries is to produce and sell wines on farms. The Finger Lakes is a popular tourist geographical region in western-central New York consisting of several counties and eleven lakes. The rural lands that surround the Finger Lakes are known as one of the largest wine regions in the USA which is home to over 100 wineries (Christopherson, 2015). The lakes' great depth provides a lake effect that is prominent to growing vineyards. The wineries have grown into additional on-farm diversified uses including tasting rooms, tours, gift shops, restaurants, live entertainment venues and wedding establishments (Seneca County New York Chamber of Commerce, 2020).

Between 2008 and 2014, Christopherson (2015) identified that the number of wineries in New York State (many of which were in the Finger Lakes Region) increased from 241 to 320 while the number of winery satellite stores rose from 27 to 52 in this same time. The economic impact of the wine industry in New York State was approximately 4.6 billion in 2014. Further, the counties of the Finger Lakes Wine Region saw private sector employment increase significantly from 2000 - 2013 (7.5%, 12%, 15%, and 18% for Seneca, Ontario, Schuyler, and Yates Counties, respectively).





## BEST PRACTICES FOR ON-FARM DIVERSIFIED USES

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As a result of expanded agricultural and culinary tourism development, the community's diverse working landscapes are a valued source of economic vitality. Family owned and operated farms and locally owned wineries, breweries, cideries and other food producers and providers of agri-culinary experiences are supported in developing high-quality products and services for visitors. Innovative farm, food, restaurant, and tourism industry entrepreneurs generate vital income to sustain their operations (Tompkins County Strategic Tourism Planning Board, 2020, p. 3).

Fulkerson Winery is an example of a farm winery in the Finger Lakes Region in the USA (Image 4). Family owned and operated since 1805, the Fulkerson Winery is a seventh-generation family farm winery that today produces more than 25 varieties of wine all produced, bottled, and sold on site.



*Image 4. A farm winery, Fulkerson Farms & Winery, in the Finger Lakes region of the United States. Photos from Fulkerson Farm & Winery.*

The farm offers a tasting room, accommodations, events, tours, u-pick fruit, wine making, corporate and business meeting space etc. Fulkerson Winery is also located among many other farm wineries in the Finger Lakes region within a 30-minute drive and caters to group winery tours among their neighbours (Fulkerson Winery, 2020).

### **Dude Ranches**

Cattle ranches and cowboys are cultural icons in the US, however like many other types of farming the high costs to maintain ranches have farmers looking at alternative incomes. Dude Ranches are horse-oriented establishments that primarily offer American-style dining, provide accommodations, and promote weeklong stays. The core principles of dude ranching are “horses, hats, hospitality, heritage, honesty, and heart” (Templeton & Lee, 2016).

Dude ranches are like resort hotels in that not all accommodations are the same. There are three main types of dude ranches: working guest ranches, (functional cattle or sheep ranches); dude ranches (where horseback riding is the main component) and resort dude ranches (which are typically larger and more luxurious than the other two ranches and usually include both horseback riding and a spa) (Templeton & Lee, 2016).

Templeton and Lee (2016) assume that consumers who choose dude-ranch vacations are looking to escape the hustle and bustle of city life. “Westerns were popular on television and in the movies, providing viewers an escape from life's tensions, promoting the family ideal, and reasserting masculinity in a domesticated family culture” (p. 6). Overall, dude ranch vacations are a popular OFDU in the USA.

The heaviest concentration of ranches can be found throughout the West and Southwest USA. Dude ranches have been particularly popular in the western region including Montana and Colorado and are developing in Tennessee and Oregon (Pegas et al., 2013; Templeton & Lee, 2016). In 1980 across 50 states there were known to be 419 ranches participating in OFDUs of various sizes offering a variety of tourism. Approximately 56 percent of dude ranches were in areas with other significant tourism industries (Busby & Rendle, 2000).

Dude ranch visitors in the US grew from 15,000 visitors per year in 1936 to an estimated 40,000 guests per year in 2011. More than 87,000 people look for the American dude-ranch experience annually (Templeton & Lee, 2016).

The University of Tennessee on behalf of a Tennessee agri-tourism initiative under agreement with the Tennessee Department of Agriculture and U.S. Department of Agriculture completed a study in 2003 of 210 existing OFDUs in Tennessee. It was determined that on-farm diversification had a significant impact on the Tennessee economy. Respondents accounted for approximately 3.5 million visitors in 2002 and



these customers spent up to \$400 per visit. These dude ranch enterprises accounted for a significant number of full- and part-time jobs both year-round and seasonally and approximately 63 percent of respondents had plans to expand their dude ranch operations in the next three years (University of Tennessee, 2005).

Overall, there are many dude ranches in the USA that offer accommodations, entertainment, and horseback riding which assist farmers with an additional stream of revenue other than ranching. The following is an example of a dude ranch in Oregon.



*Image 5. The Wilson Ranches Retreat Bed & Breakfast is an example of an American dude ranch. Photos from The Wilson Ranches Retreat Bed & Breakfast.*

The Wilson Ranches Retreat Bed & Breakfast (Image 5) in Oregon offers various holidays catered to single cowgirls, romantic getaways for couples or family vacations on their 9,000 acre working cattle and hay ranch in the beautiful Butte Creek Valley, three miles west of the small town of Fossil, Oregon. This dude ranch is an active cattle farming ranch that offers year-round retreats and stays that include guided horseback riding adventures and fossil stone viewing and collecting (Wilson Ranches Retreat, 2020).



### 2.2.3 Agriculture-Related Uses and On-Farm Diversification in Canada

This section will outline agriculture-related uses and on-farm diversification in a Canadian context, using examples of farm wedding venues, sugar bush experiences, and value-added processing.

#### ***Farm Wedding Venues***

Many millennials are choosing to start their married lives in simple, natural, farm settings. Approximately 15 percent of couples chose a barn, farm, or ranch for their wedding reception in 2017 (Kitchener, 2018). According to Kitchener (2018), formality, for many millennials, feels awkward and they no longer desire formal weddings at the plaza and instead look for venues that offer simple celebrations that reflect themselves. Barns and farms are places where family and friends can sit at long tables, clink glasses, dance in bare feet and eviscerate that pressure with their inherent informality (Kitchener, 2018).

Many farms focus on wedding ceremonies only, while others cater to both ceremonies and receptions in the outdoors, tents, or barns. It should be noted that across Canada and the USA there are many articles outlining the complication of zoning, building, fire code and septic system regulations for on-farm and in particular barn weddings (Clysdale, 2019; Dunning, 2019; Follert, 2017; Lewis, 2019; Rothweiler, 2015; and Stewart, 2015).



*Image 6. Example of an on-farm wedding venue in British Columbia. Photo from Bird's Eye Cove Farm.*

"It is important for farmers to have a solid understanding of the zoning and building code requirements in place in their local municipalities or regional districts as these

will not only depict the types of activities permitted on the farm but also control or influence the scale, type or size of operation that can take place” (Vaugeois et al., 2017, p. 27).

Bird’s Eye Cove Farm is a 300-acre farm in Cowichan Valley on Vancouver Island (Image 6). The farm raises naturally grown beef, pork and chicken and grows a large assortment of produce. Bird’s Eye Farm also offers take away meals such as meat pies, shepherd’s pies, an assortment of pasta dishes and a farm-to-fork wedding and event venue in a 3,600 ft<sup>2</sup> traditional timber frame barn. Guests to the farm can enjoy the pristine views the farm has to offer while also enjoying a delicious meal produced and grown on site. Also available for rent are two separate accommodations on the property; a romantic fully equipped timber frame cabin and a 900 ft<sup>2</sup> lofted timber frame suite: “The farm offers a variety of wedding packages allowing visitors to design the wedding of their dreams while staying true to the farm’s vision of being a working farm first” (Bird’s Eye Cove Farm, 2021; Vaugeois et al., 2017, p. 17).

### ***Sugar Bush Experiences***

A farm where maple syrup is produced is called a sugar wood, sugar shack or sugar bush. Sugar bushes are an important aspect of Canadian culture and are a good example of on-farm diversifications as these types of farms have evolved into on-farm markets, educational tours, and restaurants. Canada produces over 80% of maple syrup in the world with approximately 7,000,000 gals produced per year. A great percentage of maple syrup produced in Canada comes from the Province of Quebec making it the largest producer of maple in the world with about 75% of the global production accounting for 6,300,000 gals. There are 7,639 maple syrup farms in Quebec; 2,673 in Ontario; 191 in New Brunswick and a small number of farm producers in other Canadian provinces (Chepkemoi, 2017).

Sugar Moon Farm (Image 7) is a working maple farm, woodlot, and restaurant located in Nova Scotia. The farm began in 1973 and today has 2,500 running taps producing 0.87 liters of maple syrup per tap. The on-farm diversification uses began in 2001 with the opening of a store, tours of the log sugar camp, hiking/cross country skiing/snowshoe trails and a year-round restaurant. Sugar Moon Farms proudly continues the spring tradition of creating exceptional maple syrup over an evaporator fired with mountain hardwood. The farm has more than 20 seasonal employees and supports various local farmers, food producers and small businesses in the area. The restaurant serves a maple-inspired brunch year-round and throughout the year at



various times the farmers invite inspired local Chefs to showcase their talents at Sugar Moon Farm for a perfect evening of exquisite food and choice wines. The restaurant space hosts corporate events, meeting retreats, school and educational sessions and even small weddings (Sugar Moon Farm, 2020).



*Image 7. Examples of sugar bush experiences, such as educational tours, value-added processing, and a restaurant in Nova Scotia. Photos from Sugar Moon Farms.*

### **Value-Added Processing**

Value-added agriculture is production and processes that adds economic value to a raw agricultural product. This concept traditionally referred primarily to food processing activities, such as milling, meat preparation, vegetable canning and dairy product manufacturing. However, today the value-added chain is a dynamic evolving industry (Standing Senate Committee on Agriculture and Forestry, 2019).

Much of the value-added to agricultural and agri-food products is in response to emerging consumer demands. Consumers are demanding not only safe food, but also more transparency, improved sustainability, and additional ethnic food options. Today's consumers tend to have more of a social conscience and more public

health, food safety and affordability concerns (Standing Senate Committee on Agriculture and Forestry, 2019).

The value-added agriculture and agri-food sector are one of the largest economic sectors in Canada. The Standing Senate Committee on Agriculture and Forestry (2019) reports that the food and beverage processing sector is the largest manufacturing industry in the country. This sector accounted for \$28.5 billion, or 16.4% of the GDP in 2016. The value-added sector employed 256,456 people, or 17.3% of the manufacturing employment population in 2016. Canada's agriculture and agri-food sector is highly trade-oriented. In 2016, Canada exported nearly \$56 billion of agricultural and agri-food products, while imports totaled \$44.4 billion, resulting in a trade surplus of over \$11 billion in Canada. However, Canada only processes 50% of its agricultural output - in comparison, the Netherlands (a Country with 34 times less agricultural land) exported more than twice as much as Canada in terms of processed food and beverages in 2016 (Standing Senate Committee on Agriculture and Forestry, 2019).

Canadian provinces like Alberta are getting on board to launch strategies and provide funding to family farmers to grow value-added agriculture and the Canadian federal government is committing \$950 million into value-added agriculture and super food clustering in 2021 (Simes, 2020).

Lakeside Farmstead in Sturgeon County, Alberta (Image 8) has been a family beef, dairy, and potato farm since 1976. In 2018, the farm expanded into the realm of cheese processing after a devastating farm fire in 2017 that razed their dairy barn, taking over a hundred cows with it. The cheese processing idea came from a young Quebec man who came to the Lakeside Farmstead as part of an agricultural placement project for his education. This young man's father was a cheesemaker who built a friendship with the Nonay family. Lakeside Farmstead Cheesery is now one of ten commercial cheeseries in Alberta.

Every cheese from the firm morel cheddar to the whipped ricotta-like fromage blanc is made from milk provided by the Holstein herd in the dairy operation. The farm produces approximately 500kg of cheese a week which is sold in local stores and various Alberta retailers. (Campbell, 2021; Ma, 2020).





Image 8. On-farm value-added cheese processing on a dairy farm in Alberta. Photos from Lakeside Farmstead.

### 2.2.3 Agriculture-Related Uses & On-Farm Diversification in Ontario, Canada

Now that agriculture-related and on-farm diversification has been discussed abroad and across Canada, it is appropriate to provide more examples of agriculture-related and on-farm diversification specific to Ontario to provide further context. Examples spoken to will include adventure tourism, wineries, breweries, and distilleries, home occupations and home-based businesses, and lastly, home industries.

It should be noted that literature examples of on-farm diversification in Ontario were challenging to locate. According to Colton and Bissix (2005), the broader academic literature examining on-farm diversification is surprisingly sparse in specific provinces, such as Ontario. Van Camp (2014) suggests that there is limited literature not because farm diversification does not exist in Ontario, but because on-farm diversification is not as plentiful as in other countries such as the United Kingdom as Ontario farmers may be focused more on their primary source of farming rather than promoting the agriculture-related and/or OFDUs.

Ontario is home to a variety of unique types of on-farm diversification. The examples below provide a more in-depth illustration of agriculture related and on-farm diversification activities across the Province.



### ***Adventure Tourism***

According to Ainley and Smale (2010) the top five rural tourism types in Canada are agriculture, heritage, nature, rural sports, and adventure tourism. In terms of demographics, “tourists visiting farms appeared to be somewhat older, less affluent, and less well educated, and particularly likely to live in Ontario and the Prairie provinces” (p. 70). However, the younger, more affluent travelers comprised the rural sports and rural adventure tourist groups and these tourists placed higher levels of importance on the family and learning benefits (Ainley & Smale, 2010).

Below are a few examples of Ontario farms exemplifying adventure tourism as a diversification business strategy in Ontario:

### ***Clovermead Adventure Farm, Elgin County***

Clovermead is a fourth-generation bee farm with more than 50 adventure attractions focused on children’s play and learning (Images 9 & 10). The farm is in southwestern part of the province, in Aylmer, Elgin County, and is a seasonal operation. The on-farm diversification uses include a honeybee-themed retail space with a variety of farm-made honey products, in addition to a splashpad, corn maze, petting zoo, zip lines, play parks, sandboxes, hay climbs, wooden mazes, spray mazes, quad bikes, a bumble bee train, tractor rides, face painting, grain boxes, bee demonstrations, snack shack and much more. There are new entertainment activities that keep families with young children coming back year after year. The farm also caters to school trips, birthday parties, and seasonal celebrations such as fall festivals and pumpkin carving (Clovermead, 2020).



## BEST PRACTICES FOR ON-FARM DIVERSIFIED USES



Image 9. Tourist attractions at Clovermead Honey Shop and Adventure Farm in Elgin County, Ontario. Photos from Clovermead.



Image 10. Map outlining all attractions available at Clovermead Honey Shop & Adventure Farm. Map from Clovermead.





### **Windmill Lake Wake & Eco Park, Huron County**

As the name suggests, Windmill Lake is home to a revived giant Dutch-style windmill – once the only wind-driven sawmill in North America – in the middle of a 40-acre lake surrounded by 200 acres of forest and cropland (Falconer-Pounder, 2016). Along Lake Huron, Windmill Lake (Image 11) is a recreational outdoor and water sports park offering wakeboarding, canoeing, an aqua park, and more to visitors far and wide. As an “eco-park,” environmental and social sustainability is a dedicated part of business operations (Rural Voice, 2021).

With Windmill Lake, there was an opportunity to utilize an existing lake, distanced away from active fields, to concentrate business activities rather than take agricultural areas out of production. Success has not come without public and municipal opposition and hesitation to accept how “diversification” could manifest on a farm. While not agriculturally related, the attraction of Windmill Lake as a destination now piques the interest of visitors keen to explore the neighbourhood and other local food and agri-food producers, including farm-gate stands, markets, and farm-based breweries in the Bayfield area of Huron County, Ontario.



*Image 11. Wakeboarding and other water sports attractions at Windmill Lake Wake & Eco Park. Photos from Windmill Lake Wake & Eco Park.*

### **Walters Music Venue, Oxford County**

Walters Theatre (Image 12) is a remarkable story of on-farm diversification in Ontario; a talented family of five brought their passion for music back to the farm by establishing an on-farm theatre. Walters Theatre also transformed a centuries-old wood-beamed barn founded on the Walters Family Estate into a global entertainment destination where visitors can celebrate local heritage. There are not too many heritage barns adorned with chandeliers, theatre seating, and a stage. Over 22 years, the Walters Family Theatre welcomed over 500,000 guests, 1,200 musicians and produced over 2,200 shows. Walters Theatre has become a well-received asset in Oxford's rural tourism economy and is further diversifying to host events such as weddings and photoshoots in the future (Walters Music Venue, 2022).

Walters Music Venue is an example of some Ontario farmers who are expanding diversified uses to use productive land for temporal and non-permanent, income-generating activities, much to the excitement of urbanites exploring the idyllic countryside. Temporal uses can include farm fields or orchards used for seasonal photoshoots, wedding ceremonies, or concerts.



*Image 12. Walters Theatre Music Venue includes a restored barn containing theatre-style seating and regularly scheduled performances. Photos from Walters Theatre.*

### ***Wineries, Breweries, and Distilleries***

Ontario's farm wineries, breweries and distilleries continue to grow in popularity as tourists are captivated by locally produced spirits and food. From award-winning ice wines in the Niagara Wine Region to winery tours in Prince Edward County, southwestern Ontario produces some of the best wine because of the precise climate and temperate soils located along the Great Lakes (Wine Country Ontario VQA., 2019).

In the late 20th century, Ontario consumers began asking for more beer product diversity, wanting beer with a quality like imported beers. As a result, the craft brewing businesses began to proliferate (Rothenburger, 2020). According to Beer Canada (2020), Ontario is currently the province with the most breweries in Canada and 80.2% of total beer sales in Ontario in 2018 were domestic. Furthermore, the volume of Ontario craft beer sold has increased by over 36% over the last three years (Beer Canada, 2020).



### ***GoodLot Farmstead Brewing Co., Peel Region***



GoodLot Farmstead Brewing Co. in Caledon, Ontario, is the first farm-to-barrel brewery in the Greenbelt (Image 13). This family-run on-farm diversification venue makes fresh, local, estate-quality ales & lagers, using ingredients raised on their own farm in combination with locally grown grains. GoodLot was established in 2009 as an extension of a family organic farm. This



brewery embraces a holistic approach to agriculture to produce quality, nutrient-dense ingredients. The brewery hosts social events such as music and comedy shows (GoodLot Farmstead Brewing Co., 2019).



Image 13. Photos of hop yard and on-farm brewery and outdoor seating area. Photos from Goodlot Farmstead Brewing Co.

### **Willibald Farm Distillery & Brewery, Waterloo Region**

Ontario farm distilleries have been slower to establish than farm wineries and breweries. However, an example of a successful Ontario farm distillery is Willibald Farm Distillery and Brewery (Image 14) in the village of Ayr, Ontario, where they offer farm-to-table cocktails, foods, and events (Willibald Farm Distillery & Brewery, 2022).

Willibald is the first on-farm distillery and brewery in Ontario. Located on a 100-acre farm in the prime agricultural area, Willibald is a mixed farming operation. Much of the land is rented to grow organic cash crops, along with production of three acres of lavender, sustainably pastured beef cattle, and 28 beehives. Willibald works with a



local farmer to serve their hamburger beef in their restaurant. If one is not able to enjoy a drink or a meal on-farm, they are also able to purchase their products from their on-farm and online retail shop.

Willibald touts their business's success, with twenty employees and almost 30,000 visitors to the farm annually. Their products are also featured in the LCBO, and most recently their products are exported to Europe and Japan. Evidently the economic impact of this little farm in a tiny village is great, becoming a provincial destination which now has global influence.



Image 14. Photos of the restored barn used for the farm distillery, brewery, and restaurant. Photos (top left and right) from EC Sousa (2021). Photo bottom left from Willibald.

### **Home Occupations and Home-Based Businesses**

Home occupations and/or home-based businesses can include professional offices, bookkeepers, land surveyors, art studios, hairdressers, massage therapists, daycares, exercise classes, music lessons and much more (OMAFRA, 2016). These agriculture-related and/or on-farm diversification uses are often difficult to locate as they are small in nature and can be located either within the family home, external farm buildings or outside. The following are three examples of home occupations/businesses that could be utilized as OFDUs:

### **Perfect Paws Dog Grooming & Boarding, Middlesex County**

Perfect Paws was established in 2013 and offers dog grooming and boarding (Image 15). The business is located on a 50-acre farm on the outskirts of Strathroy. Perfect Paws offers 40 indoor and outdoor runs, five spacious outdoor play areas and two grooming salons for all dogs of any age, size, or breed (Perfect Paws Dog Grooming & Boarding, 2021).



Image 15. Perfect Paws Dog Grooming and Boarding home-based business. Photos from Perfect Paws.

### **Rose Family Farm & Play Barn, York Region**

Rose Family Farm and Play Barn (Image 16) is a multi-generational family farm in East Gwillimbury, York Region. The Rose family began farming in 1840 and has farmed livestock and several crops over the years including pigs, cows, pumpkins and now, potatoes. This farm has diversified into various uses on the farm including both a farm stand and a potato chip truck; however, the newest on-farm diversification is that of an extensive indoor playground. Anna Rose had the idea for the playground and her husband Trevor thought it was a clever way to expand their



Image 16. Photos of Rose Family Farm & Play Barn as a home-based business. Photos from York Region.

farm business. The play barn is open seasonally and admission is \$10.00 (Martin, 2017).

### ***Circus in the Trees, Norfolk County***

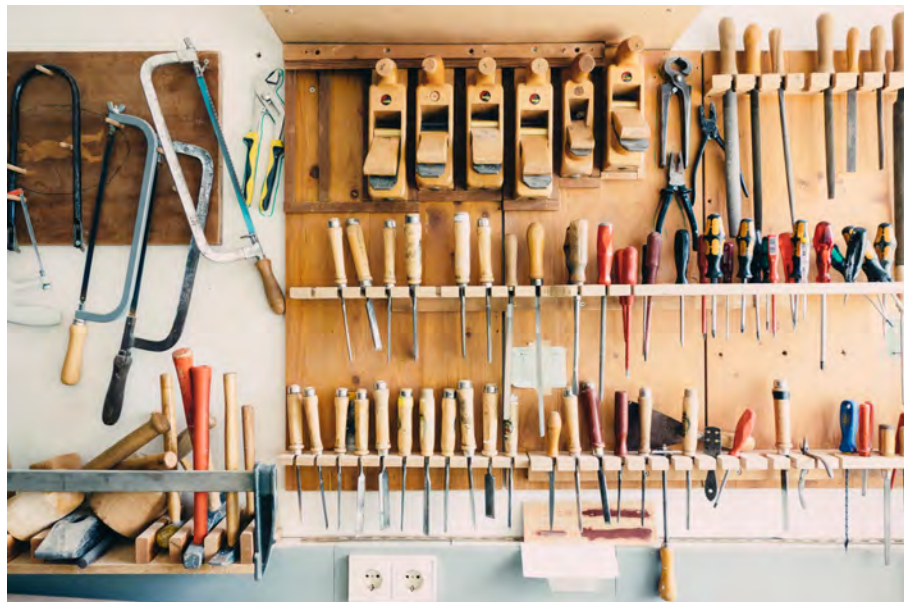
A unique home business is that of Circus in the Trees in Scotland, Ontario. Circus in the Trees is a circus arts studio specializing in aerial, parkour and ninja warrior classes and includes an aerial performance team. Sabrina Pringle (Image 17) and her husband Jonah Logan moved home to their family farm in 2010 after a long career in performing arts, pyrotechnics, and stunt clowning. They opened Circus in the Trees in 2013 utilizing a farm outbuilding and outdoor green space. Today Circus in the Trees is a successful on-farm diversified use that employs approximately six staff and accommodates approximately 300 students (Circus in the Trees, 2021).



*Image 17. Circus in the Trees' Sabrina Pringle. Photo from Circus in the Trees.*

### ***Home Industries***

Home industries and/or businesses can include sawmills, welding or wood crafting shops, manufacturing fabrication, equipment repair or seasonal storage of boats and trailers (OMAFRA, 2016).





**Leading Edge Equipment Ltd., Oxford County**

Leading Edge Equipment Ltd. is an independent Manufacturers Representative for several companies manufacturing agricultural implements in Ontario and the eastern Canadian regions. The company is managed by family farmers with well over 60 years of experience in the farm equipment field (Image 18). The home



*Image 18. Field cultivator. Photo from Leading Edge Equipment Ltd.*

industry is also backed by an office staff and set-up crew who provide warehousing and shipping of parts and whole goods from their central location near Woodstock (Leading Edge Equipment Ltd., 2021).



**Wiebe's Welding Inc., Essex County**

Wiebe's Welding Inc. (Image 19) started in 2002 when Peter Wiebe Sr. started building trailers in a tiny shop in his backyard. Word got around and farmers began coming to him for equipment repairs and machining needs. To serve the farming community, Peter Sr. built a bigger shop in 2004 and his son Pete Wiebe Jr. began working with him. As the Leamington agricultural area transitioned into more and more greenhouses, local farmers requested more complex machining needs. Wiebe's Welding



Inc. expanded yet again to meet the needs of their clients in 2009 by building a bigger shop. From conveyors to complete packing lines, crop shredders and water filtration systems. The greenhouse and agricultural industries are rapidly changing, and Wiebe's Welding Inc. continues to customize farm equipment and is now a full-service Fab Shop with the ability to handle projects large and small. Wiebe's Welding Inc. serves not only the agricultural industry but also the automotive industry as well as many others (Wiebe's Welding, 2021).



Image 19. Photo of Peter Wiebe Sr. and Peter Wiebe Jr. in the welding shop. Photo from Wiebe's Welding Inc.

### **2.2.5 Summary of Jurisdictional Scan on Agriculture-Related Uses and On-Farm Diversification**

Overall, agriculture-related uses and on-farm diversification is incredibly varied both abroad and in Ontario. The size and sale of these operations differ according to use and how much amenity space such as parking is required for the venue. Uses on farmland are changing. Therefore, it is planning policy that is required to provide a balanced approach to opportunities for farmers to create additional revenue streams on their family farms while at the same time being mindful of the preservation of agriculture in Ontario.

## 2.3 Ontario Land Use Planning Policy Context

As society accepts both the normative and moral ideals of new diversified land uses on family farms to provide additional opportunities for economic growth then the enabling land-use policy should be the prerequisite for responsible family farming (Ainley, 2014).

This section of the research introduces the land use public planning policy regime in Ontario and identifies the importance of agricultural preservation within that policy framework while also introducing the Guidelines as the first policy document to assist supporting Ontario's agriculture-related and OFDUs.

Civil societies depend on a series of rules and regulations to organize and structure land use to achieve goals related to land allocation and efficiencies. Land use planning policies create a structured community that allows property owners and developers to build in compatibility with the existing environment. Western democracies have instituted processes, generically referred to as land use planning, that balance competing public interests through processes of citizen engagement, democratic principles, and the basic principle of planning for the common good. Land use planning policies guide both urban and rural development of lands.

Planning policies and regulations differ among countries, provinces, and local municipalities, as each community is distinct and has different characteristics. Land use planning deals with many complex issues, such as environmental conservation, urban sprawl, traffic congestion, land use conflicts and rural preservation. Planning solutions can be complex or simple depending on the situation and some options are better than others in each circumstance or time (Grant, 2008).

In Ontario, land use planning operates within a democratic system. Planners make recommendations to local Councils, local politicians then make a decision and, if appealed, the Province has the ultimate responsibility for the decision. As professionals, planners have the responsibility to offer ideas, encourage deep thinking, and address significant social issues. Land use planning decisions may not be popular with everyone as policy and development are rarely favored by all, yet the work of planning in Ontario is vitally important to communities, the economy and natural resources. Land use planning shapes where we live and the environments our grandchildren will inherit (Grant, 2008).

For planners to do their work well, planners utilize conceptual guidelines and policies to help answer the challenges they face. Land use planning policies are an important tool in local government as they regulate how land can be used and developed within a geographical area: “Government land-use regulations must be reasonable and designed to achieve a public purpose. They must guide developers to create developments that fit with the public interest and help avoid or mitigate negative impacts” (Daniels & Bowers, 1997, p. 34). Land use planning involves a public process that is meant to plan for the overall population and public interest while taking into consideration all public perspectives, the economy, and the environment (MMAH, 2022).

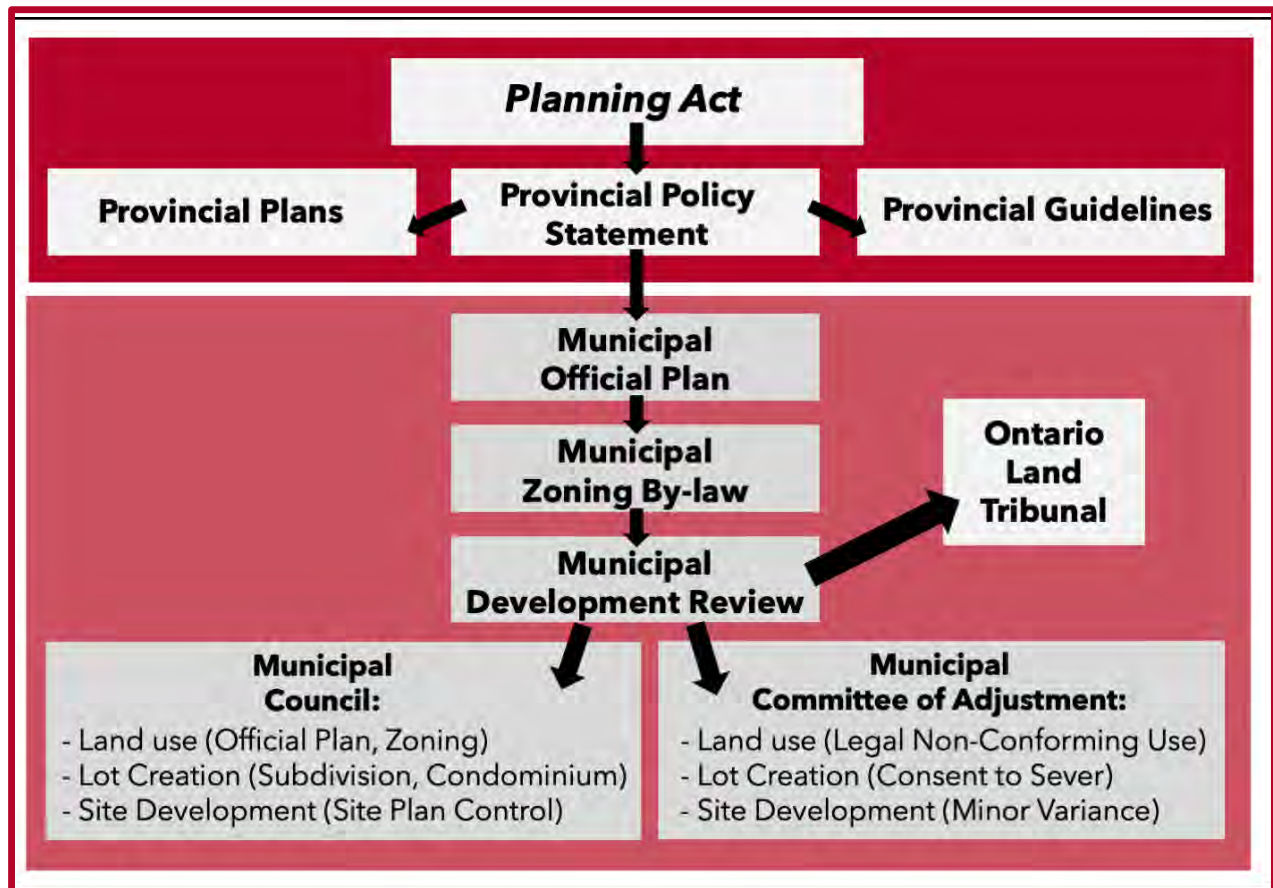


Figure 2. Diagram of Ontario's land use planning policy framework and development process. Created by P Duesling and EC Sousa (2022).

In Ontario, the responsibility for long-term planning is shared between the province and municipalities. Figure 2 is a diagram of the Ontario land use planning policy and

the development process. Ontario sets the ground rules and directions for land use planning through two specific pieces of legislation and policy: the *Planning Act* (1990) and the Provincial Policy Statement (PPS; 2020). Municipalities and planning boards then implement Ontario's land use planning policy framework by preparing Official Plans which are further implemented through regulatory provisions in municipal Zoning By-laws (MMAH, 2022).

### **2.3.1 Breakdown of the Ontario Planning Policy Regime**

#### ***The Provincial Role***

##### ***Planning Act***

In Ontario, the *Planning Act*, R.S.O. 1990 (hereinafter the "Planning Act") sets out the ground rules for land use and describes how land uses may be controlled, and by whom. The Ontario Ministry of Municipal Affairs and Housing (MMAH) is responsible for overseeing and enforcing the provisions of the Planning Act. The MMAH does so as a one-window provincial body that is the primary contact for advice and information on land use planning regulation (MMAH, 2022).

The *Planning Act* is a piece of provincial legislation passed by elected provincial representatives to:

- 1.** Promote sustainable economic development in a healthy natural environment;
- 2.** Provide for a land use planning system led by provincial policy;
- 3.** Integrate matters of provincial interest into provincial and municipal planning decisions;
- 4.** Provide for planning processes that are fair by making them open, accessible, timely, and efficient;
- 5.** Encourage cooperation and coordination among various interests, and;



6. Recognize the decision-making authority and accountability of municipal councils in planning (MMAH, 2022).

There is widespread support in Ontario for meaningful citizen participation within the public planning process. Public consultation is a mandatory part of the planning process under the Planning Act and includes the input of developers, communities, Indigenous communities, and individuals to help the province and municipalities achieve their goals and implement the policy frameworks (MMAH, 2022).

Under the *Planning Act*, the MMAH may, from time to time, issue provincial statements on matters related to land use planning that are of provincial interest.

### **Provincial Policy Statement (2020)**

The PPS plays a key role in Ontario's planning system as it sets the policy foundation for regulating development and use of land in Ontario. It is the basis of the province's policy-led planning system, and supports the provincial goals of strong, livable, and healthy communities. The PPS provides for appropriate development while protecting resources of provincial interest, public health and safety, and the quality of the natural and built environment. The PPS is based on sound planning principles and applies to all communities in Ontario (MMAH, 2022).

The PPS is a consolidated statement of the government's policies on land use planning. It gives provincial policy direction on key land use planning issues that affect communities, such as:

1. Efficient use and management of land and infrastructure;
2. The provision of sufficient housing to meet changing needs, including affordable housing;
3. The protection of the environment and resources including farmland, natural resources (for example, wetlands and woodlands) and water;
4. Opportunities for economic development and job creation;
5. The appropriate transportation, water, sewer and other infrastructure needed to accommodate current and future needs, and;

- 6.** The protection of people, property, and community resources by directing development away from natural or human-made hazards, such as flood prone areas (MMAH, 2020b).

There is significant diversity in local communities across Ontario, specifically in matters such as population distribution, economic activity, development pressures and physical and natural features. The PPS recognizes that local contexts vary and permits different approaches for achieving the desired outcomes. However, Section 3 of the Planning Act requires that local municipal planning decisions “shall be consistent with” the PPS or any other provincial plan (MMAH, 2022). The “shall be consistent with” provision requires that provincial interests remain an essential part of decision making at the local level so that provincial policies are implemented across Ontario (MMAH, 2005).

The policies of the PPS provide minimum standards and municipalities are encouraged to build upon these minimum standards to address matters that are important and specific to a community or area. When Ontario municipalities create local planning policy or approve local development, the PPS is intended to provide direction and provincial consistency while allowing local flexibility.

The PPS is updated by the MMAH periodically to reflect changes to the Planning Act and the Ontario Government's mandates and goals. The PPS (2020b) focuses on:

- 1.** Encouraging an increase in the mix and supply of housing;
- 2.** Protecting the environment and public safety;
- 3.** Reducing barriers and costs for development and providing greater certainty;
- 4.** Supporting rural, northern, and Indigenous communities, and;
- 5.** Supporting the economy and job creation (MMAH, 2020b).

In certain parts of Ontario, further provincial land use plans provide more detailed and geographically specific policies to meet certain objectives, such as managing growth, or protecting agricultural lands and the natural environment. The Greenbelt Plan (2017a), Niagara Escarpment Plan (NEP; 2017), the Oak Ridges Moraine Conservation



Plan (ORMCP; 2017b), the Growth Plan for the Greater Golden Horseshoe (hereinafter the “Growth Plan”; 2020a) and the Growth Plan for Northern Ontario (2011) are examples of geography-specific regional plans. These plans work together with the PPS and take precedence over the PPS in the geographic areas where they apply. For example, the Greenbelt Plan (2017a) protects farmland, communities, forests, wetlands, and watersheds. The Greenbelt currently includes over 800,000 has of land and extends 325 km from the eastern end of the Oak Ridges Moraine in the east, to the Niagara River in the west (MMAH, 2022).

The Province has also developed various guidelines which are not as formal as land use policy but are tools to assist municipalities with land use development across Ontario. As an example, the Minimum Distance Separation (MDS) Formulae (2017) is a guideline that determines setback distances between livestock barns, manure storages or anaerobic digesters and surrounding lands uses. The objective of the MDS is to minimize land use conflicts and nuisance complaints related to odour (OMAFRA, 2016b).

The Province promotes provincial interests, such as protecting farmland, natural resources, and the environment, as well as promoting development that is designed to be sustainable (MMAH, 2020b). In Ontario, farmland protection is primarily completed by restricting development on farms, permanently protecting those lands, or minimizing conflicts between existing agricultural operations and new development through provincial plans and regulatory Zoning By-laws. According to Caldwell et al. (2017), “although the importance of Ontario’s agricultural industry is generally recognized, the commitment of the public and different levels of government to its long-term protection has wavered” (p. 49). It was well documented that farmland and specialty crop lands were being lost to urbanization and development in the early 1950s, but it was not until 1978 that the province adopted the Foodland Guidelines as agricultural planning policy (Krueger, 1959 in Caldwell et al., 2017). Over time, the Foodland Guidelines morphed into what is known today as the PPS.

The PPS directs local governments to designate prime agricultural areas in municipal Official Plans to assist with implementation of the agricultural policies of the PPS and to ensure that these lands are clearly identified and protected. Designating prime agricultural areas helps to ensure these finite, non-renewable resources are protected (OMAFRA, 2016a).

In contrast, the PPS (2020) also brought with it more entrepreneurial opportunities on prime agricultural lands. Specifically, policy 2.3.3.1 of the current PPS (2020b) identifies



those prime agricultural areas may be used for activities that are agricultural uses, agriculture-related uses, and OFDUs. The policy goes on to outline that these uses should not hinder surrounding agricultural operations and that criteria for these uses may be based on Provincial guidelines or municipal approaches through municipal planning documents (MMAH, 2022).

Ontario's agricultural planning policy should be up to date and consistent in the context of new agricultural practices and processes. Agricultural development is multifaceted in nature and unfolds into a wide array of different and sometimes interconnected practices. Among these are agriculture-related and on-farm diversification in a variety of forms and functions. Involvement in these types of enterprises results in new forms of social cohesion and, in many cases, a variety of activities that are combined in an integrated way. Farm units should acquire new roles and new interrelations that are established through policy. What we now need are new local theories that adequately reflect these new networks, practices, and identities (Van der Ploeg et al., 2000).

### ***Municipal Planning Tools***

A municipality makes local planning decisions that will determine the future of communities. They prepare planning documents that are consistent with the PPS, such as an Official Plan which sets out the municipality's general planning goals and policies, and a Zoning By-law that sets the rules and regulations that control development as it occurs. The public can be involved with land use policy and development through consultation and meetings. All changes to local municipal land use planning policy documents are provided to the public and/or neighbouring residents as per Planning Act requirements. The public can provide input at public meetings or expressing views of development proposals or changing policy directly to municipal councils or committees of adjustments (MMAH, 2022).

The following are detailed descriptions of local municipal planning policy tools that could directly affect on-farm diversification in Ontario.

### ***Municipal Official Plan***

An Official Plan (OP) is a legal document that addresses matters of provincial interest defined by the PPS and the Planning Act. According to the Planning Act, an OP shall



contain goals, objectives and policies established primarily to manage and direct physical change and the effects on the social, economic, and natural environment of the municipality (MMAH, 2022).

An OP is meant to contain the policy framework and long-term visions to guide how a municipality's land will be used and manage growth and development within a specific planning horizon. An OP is prepared by the municipality with input from the community. This is done through public engagement, short- and long-term planning, strategic thinking, and creation of key policy directions. An OP helps to ensure that future planning and development will meet the specific needs of a community. The Province of Ontario requires a municipality to plan for at least thirty years into the future and to review its OP at least every five years.

It is important to note that if an OP policy is changed by a local municipal council that is not consistent with the PPS or as prescribed in the Planning Act, the province of Ontario can appeal the local decision to the Ontario Land Tribunal (OLT). If a local resident has also been involved in the OP amendment process and is not in favor of the local council's decision, they too can also appeal to the OLT for a planning reason.

The policies contained in a municipal OP help guide day-to-day decision making on land use issues at the local level. OP policies are not meant to be read in isolation and are generally organized by land use designations and include corresponding maps. Municipal OPs are an important local planning policy document that oversees and directs local land use.

### ***Municipal Zoning By-law***

One key to translating OP policies into "on the ground" land use is the municipal Zoning By-law. Zoning By-laws (ZBL) are enabled by Section 34 of the Planning Act to regulate the use of lands and the location of buildings and structures. Matters such as land use and building height, volume, density, distances from lot lines and parking requirements are addressed in a Zoning By-law. Local Zoning By-laws are consistent with municipal OPs and assist in carrying out the planning objectives of municipalities. ZBLs are constructed around a framework of building blocks known as "zones." Zones are categories of similar or compatible land uses with specific regulations. As an example, a category in a ZBL may be residential but there may be residential 1/2/3/4/5 zones which enable different regulations in terms of use, height, density, etc. These zones are applied to the land via zoning maps to recognize the

established character of an area, while providing opportunities for compatible new development. ZBLs are generally composed of several parts that work together with other layers of regulations in the Zoning By-law to provide the fundamental structure of the by-law. These parts are typically as follows:

- 1.** A set of rules for administering and interpreting the ZBL;
- 2.** Regulations that apply on a broad municipal level (e.g., parking and accessory uses);
- 3.** Zones that are applied to each property in the municipality (e.g., residential, commercial, institutional, agricultural, and more, as well as special provisions that are specific to a certain property and allow detailed development) and;
- 4.** Maps that illustrate how the zones are applied to each property in the municipality.

All development must comply with the provisions of a local ZBL. If a development proposal does not comply, relief can be granted through either a minor variance (which is approved by a local committee of adjustment) or a ZBL amendment (which is granted by a municipal council).

It is important to note that like an OP policy change, a local municipal decision that is not consistent with the PPS or as prescribed in the Planning Act, can be appealed by the province to the OLT. If a local resident has also been involved in the ZBL amendment process and is not in favor of the local decision, they too can also appeal to the OLT for a planning reason.

It is also important to recognize that prior to a building permit being issued in the province of Ontario under the Ontario Building Code Regulation, all legislation must be complied with, including the regulatory municipal ZBL.

Although a municipal OP may contain policies on a large range of planning issues, Section 34 of the Planning Act limits the range of matters that can be addressed in a ZBL. Policy matters that cannot be addressed through zoning can often be addressed in other municipal by-law such as a sign by-law, noise by-law, and fence by-law or through planning processes such as heritage building designations or Site Plan Control.



### ***Municipal Site Plan Control***

Site Plan Control (SPC) is a land use planning tool that is used by municipalities to make sure that land development is appropriate, safe, functional and minimizes potential impacts on neighbouring properties. Section 41 of the Planning Act described the regulations about SPC (MMAH, 2022). The site plan approval process is delineated to a specific area/land uses within a municipality's OP and ZBL and typically is applied to properties such as commercial, industrial, institutional, multi-residential and intensive livestock developments. Typically, local councils also delegate municipal staff to grant site plan approval.

Essentially, a site plan is a drawing or a set of drawings that illustrate the proposed property improvements such as buildings, driveways, parking areas, pedestrian sidewalks, landscaping, fences, lighting, grading, drainage, and municipal services. It should be noted that interior structure and design is excluded from SPC. Sometimes additional studies such as traffic, environmental or photometric plans, are also required as part of a SPC application.

Reviewing SPC applications usually involves many municipal staff including planners, engineers, arborists, landscape architects, fire and/or building officials, and technical experts as required. Once drawings are reviewed and approved a legal land use agreement is typically registered on title and securities are taken from the developer to ensure that the proposed development is built to the satisfaction of the municipality in accordance with the approved site plan.

Overall, the Ontario land use planning policy regimen can be perceived as intense, complex, and detailed. However, the Ontario planning policy regimen can also be perceived as all-inclusive, wise, and proactive. The Ontario land use planning policy



regimen is indeed a system that produces responsible development for the betterment of communities which include opportunities for public participation in accountable decision making. There are also various local municipal land use planning policies and process tools that could directly affect agriculture-related and on-farm diversification in Ontario.

### **2.3.2 Agricultural Land Preservation and Land Use Planning in Ontario**

Farmland preservation is an important tool for continuing the production of agriculture in Ontario and is reflected in various Ontario land use planning policy documents. As new land uses are introduced on family farms it is important that land use policies continue to balance preservation and entrepreneurship to maintain the family farm.

Public planning policy is important in determining how agriculture prospers in Ontario. Land use policies are created to balance the wants of farmers and landowners with the needs of the overall public, especially in terms of food production and conflicting land uses. Caldwell et al. (2017) identifies that there are five overriding reasons that the protection of farmland is in the public interest:

- 1.** Food production;
- 2.** Food security;
- 3.** Economic contributions;
- 4.** Stewardship and amenity of the countryside, and;
- 5.** A resource for future generations.



Farmland preservation policies in Ontario have been reasonably supported, but the success of preservation, stewardship and entrepreneurialism varies by region and municipality (Caldwell et al., 2017). Local land use policies in agricultural areas should balance on-farm diversification with farmland preservation. Land use planning reveals



a strong linkage between practice and policy as planning requires both the art of the possible and the politics of the important (Van der Ploeg et al., 2000; Grant, 2008).

Although there are many reasons to preserve agricultural lands such as creating local jobs, protecting family farm history, supporting the environment and safeguarding the rural landscape; the greatest reason to preserve agricultural lands is to ensure a stable high-quality global food system (Caldwell et al., 2017; Capone et al., 2014; Floros et al., 2010; Godfray et al., 2010; Grote, 2014; Kopittkea et al., 2019; Smith, 2019; Tschardt et al., 2012; Van der Ploeg et al., 2000). The Earth's population is rapidly expanding and with that expansion comes the need for more food resources. It is estimated that the global population will reach more than 9 billion people by 2050, requiring an increase in food production by at least 70% to meet the demands of the upcoming booming population (Caldwell et al., 2017; Kopittkea et al., 2019; Smith, 2019). Therefore, farming is essential to produce human food for the expansion of the Earth's population.

Yet, farmland is miniscule across the world's geography. Farmland is only 6.8% (93.4 million acres) of Canada's land mass and 5.4% (12.3 million acres) of Ontario's land mass (Algie, 2014; Statista, 2020; Statistics Canada, 2017a; The World Bank Group, 2019). According to Cunningham (2020), nearly 10 million acres of agricultural land is lost worldwide each year to the conversion of other uses. Agricultural land is steadily lost through both non-farm development and soil erosion. Canadians for a Sustainable Society (2021) and the Ontario Farmland Trust (2019) estimates there has been a 65% loss of farmland in Canada since 1920 and 20% of that loss occurred between 1976 and 2016. Likewise, the Ontario Federation of Agriculture (2022b) outlines Ontario consistently loses 319 acres of farmland every day.

The need to preserve agricultural lands in Ontario cannot be discussed without explaining the rapid conversion of agricultural lands to urban sprawl. The urban-rural fringe was and continues to be a significant source of development pressure as landowners develop primarily single residential housing into the agricultural and rural lands (Burda, 2008; Canadians for a Sustainable Society, 2021; Sullivan, 1994; Tandon, 2011). Each year Canada loses 20,000 to 25,000 hectares of prime farmland to urban expansion and for every million people we add to Canada's population, we lose 530 km<sup>2</sup> of prime farmland near our large urban areas (Canadians for a Sustainable Society, 2021).

According to Bunting et al. (2002), Canada's urbanized land area increased by 77% between 1971 - 1996 even though Canada's population only increased 37% during



this time. Between 2001 - 2006, the populations of Canada's suburban areas of 33 census metropolitan areas grew rapidly at double the national population average (Tindal & Tindal, 2009).

Nowhere has urban sprawl been worse in Canada than in southern Ontario. According to the Neill et al. (2003), since 1981, Ontario has lost nearly 5,000 km<sup>2</sup> of prime farmland. Ontario's best farmland overlaps almost directly with Ontario's most urbanized areas, which includes both the Greater Golden Horseshoe area and the Ottawa area. Ontario cities are infamous for their sprawling, built environment, characterized by low-density housing and large networks for roadways (Burda, 2008). In 1967, over 62% of the Greater Toronto Area (GTA) was class 1-3 farmland and in 1997, this figure had dropped to 44% (Neill et al., 2003). The continuous transformation of such lands compromises the ability of present and future generations to grow food near their populations (Tandon, 2011). Ontario's municipalities are very aware of the amount of farmland being lost to urban sprawl yet continue to face immense pressures from land developers.

In response to urban sprawl, the Province of Ontario has generated a variety of planning regulations and policies to direct growth and better protect agricultural land from conversion. For example, Ontario's Growth Plan and Greenbelt Plan work together to protect greenspace, farmland, wetlands, and natural areas in the Greater Golden Horseshoe area. Yet, even with these policies, as Ontario's population continues to increase, so does the expansion of urban areas and the continual loss of prime agricultural lands.

Prime agricultural areas are those lands in Ontario that are defined as specialty crop areas and/or areas with a Canada Land Inventory (CLI) Classes 1-3 lands (OMAFRA, 2016a). Most prime agricultural lands are concentrated south of the Canadian Shield and are a very limited resource in Canada (OMAFRA, 2016a). The best farming regions in Canada are in Ontario and Quebec, where prime agricultural lands predominate (Maclean's, 2014).

Only 5% of the Canadian land mass is made up of prime agricultural land and only 0.5% of the Canadian land mass is Class 1 lands (Walton, 2003). Ontario contains 52% of Canada's Class 1 land, even though only 6.8% of the Province's total land area is suitable for agriculture (Caldwell & Hiltz, 2005). A total of 5,126,667 acres are classified as prime agriculture land in Ontario, and most of these acres (86%) are in Southern Ontario (Fox & Wang, 2016). Prime agricultural areas are a finite, limited resource and



agricultural uses are to remain the principal use in prime agricultural areas (OMAFRA, 2016a).

Ontario has land use policies that protect prime agricultural lands. Specifically, the PPS outlines:

### **Section 2.3.1**

*Prime agricultural areas shall be protected for long-term use of 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.

### **Section 2.3.2**

*Planning authorities shall designate prime agricultural areas and specialty crop areas in accordance with guidelines developed by the Province, as amended from time to time.*

Planning authorities are encouraged to use an agricultural system approach to maintain and enhance the geographic continuity of the agricultural land base and the functional and economic connections to the agri-food network (MMAH, 2020)

The PPS takes a geographical approach to implementing the protection of prime agricultural lands in Ontario. According to Wilson (2008), not all Ontario geographical areas are the same and, therefore, the way that we protect farmland and the way we plan for farm differences cannot apply to all farms everywhere. According to Phelan and Sharpley (2010), municipal local planning policies reduce the dependency of traditional agriculture while also providing opportunities to protect individual farmland while diversifying from normal farming practices.

### 2.3.3 Guidelines on Permitted Uses in Ontario’s Prime Agricultural Areas

In 2016, the Province of Ontario created Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas (Guidelines; see Image 20). These Guidelines include agriculture, agriculture-related, and OFDUs and ensure that prime agricultural lands remain for crop production and farming purposes (OMAFRA, 2016). These Guidelines were enacted to help local municipalities, decision makers, farmers and others interpret the policies in the PPS on the uses that are permitted in prime agricultural areas at a geographical and local level. These Guidelines are the first important direct step within the Ontario land use planning policy regime assisting local family farmers with on-farm diversification permissions.

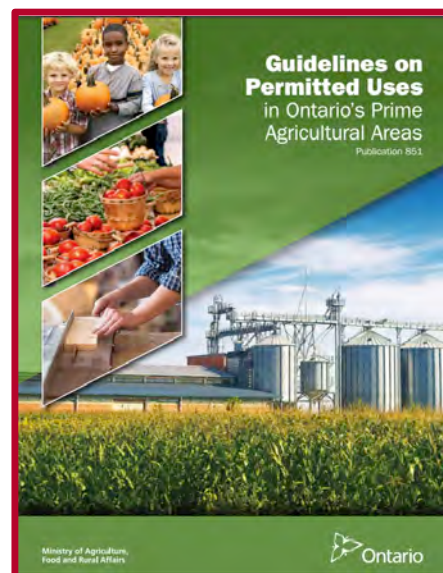


Image 20. Title page for the Guidelines on Permitted Uses in Prime Agricultural Areas.

The following criteria are identified in Guidelines and depict the difference between agricultural, agriculture-related uses and OFDUs for clarity (Table 1).

Table 1. Criteria for Identifying Agriculture, Agriculture-Related and On-Farm Diversified Uses (adopted from OMAFRA, 2016, p.3)

Type of Use	Criteria as Outlined by PPS Policies and Definitions
<i>Agricultural</i>	<ol style="list-style-type: none"> <li>1. The growing of crops, raising of livestock and raising of other animals for food, fur, or fibre</li> <li>2. Includes associated on-farm buildings and structures, including, but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for full-time farm labour when the size and nature of the operation requires additional employment</li> <li>3. All types, sizes and intensities of <i>agricultural uses</i> shall be promoted and protected in accordance with provincial standards</li> <li>4. <i>Normal farm practices</i> shall be promoted and protected in accordance with provincial standards</li> </ol>
<i>Agriculture-Related</i>	<ol style="list-style-type: none"> <li>1. Farm-related commercial and farm-related industrial uses</li> <li>2. Shall be compatible with and shall not hinder surrounding agricultural operations</li> <li>3. Directly related to farm operations in the area</li> <li>4. Support agriculture</li> <li>5. Provides direct products and/or services to farm operations as primary activity</li> <li>6. Benefits from being near farm operations</li> </ol>



<i>On-Farm Diversified Use</i>	<ol style="list-style-type: none"><li>1. Located on a farm</li><li>2. Secondary to the principal <i>agricultural use</i> of the property</li><li>3. Limited in area</li><li>4. Includes, but is not limited to, home occupations, home industries, <i>agri-tourism uses</i> and uses that produce value-added agricultural products</li><li>5. Shall be compatible with, and shall not hinder, surrounding agricultural operations</li></ol>
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Section 2.5 of the Guidelines provide suggestions for implementation, including utilizing municipal OPs and ZBLs to set policies and provision for on-farm diversification. Section 2.5.3 identifies that municipalities may find it useful to apply SPC to OFDUs given the broad range of uses permitted (both farm- and non-farm-related uses) and further recommend that an expedited site plan approval process may be appropriate (OMAFRA, 2016).

The Guidelines provide some clarity, measurement, and examples of what is and is not appropriate for agriculture-related uses' and OFDUs' development on prime agricultural lands. As a result of these Guidelines, some rural Ontario municipalities are beginning to create OP policies and ZBL provisions, as well as other municipal procedures, to assist the process of agriculture-related and on-farm diversification.



## 2.4 Conclusion

Overall, the above literature review, jurisdictional scan, and overview of the provincial land use planning policy context in Ontario provide an overview on the history and



current policy framework for agriculture-related uses and OFDUs. However, there is much more to learn about agriculture-related uses and on-farm diversification. For example, how many municipalities are utilizing the Guidelines? Are

there certain areas of Ontario that are seeing more agriculture-related uses and OFDUs? If so, why? Are the parameters of the guidelines of size, scale and definition working well or should there be adjustments? How many municipalities have included policies at the local level in OPs or ZBLs? Are the Guidelines working in terms of balancing opportunities for entrepreneurial farmers and preserving agricultural lands, and how can this be defined? Should each municipality in Ontario have a consistent on-farm diversification policy regime?

One thing remains consistent: planning policy plays a critical role in whether a farm family decides to introduce and persist with agriculture-related uses and on-farm diversification (Walford, 2001).

The decisions made today will fundamentally affect options available to future generations. The ability to produce food, to regulate the system of production to reflect the values of society, to maintain the important economic contributions of agriculture, and to retain the important role that farmers play in managing the countryside is dependent on retaining farmers and the lands essential to their livelihood.

**- Caldwell et al., 2017, p. 61 in "Farmland Preservation: Land for Future Generations"**

### **3 Research Design and Methods**

The following section is a brief overview of the research design and methods undertaken in this study. These research methods are explained below in more detail. Please note all social research was carried out with approval from the University of Guelph Research Ethics Board (see Appendix B for approval certificate). This chapter will conclude with a disclosure of the limitations of the research and ideas to mitigate these limitations in future areas of inquiry.

#### **3.1 Research Co-Design and Advisory Committee**

At the onset of the research, an ad-hoc advisory committee was established to provide input on desired deliverables and outcomes of the research. This research was designed with the input and advice from a multitude of stakeholders, including counterparts at the Ontario Ministry of Agriculture, Food, and Rural Affairs, municipal planning professionals from rural municipalities across Ontario who volunteered their time, as well as agricultural organizations including the Ontario Federation of Agriculture (OFA), National Farmers Union - Ontario (NFU-O), Christian Farmers Federation of Ontario (CFFO), and Farm Fresh Ontario (FFO). The input provided from these contributors greatly influenced the design of the study to ensure the questions asked and information gathered would be of most value in informing useful recommendations for the province, municipalities, and farmers alike.

#### **3.2 Methods**

To begin, this research uses a mixed-method research design employing both qualitative and quantitative methods to address the research objectives, previously identified in Section 1.2 of this report. Specifically, our study assessed on-farm diversification in Ontario as it relates to the research objectives at three different scales: provincial, municipal, and individual farm levels, across Ontario. See Figure 3 for a map of the municipalities (either through participation of a farmer or municipality, or both) in undertaking this study.

For the sake of brevity, specific methods utilized in this study will be briefly outlined at the onset of each subsection. Readers may read further for more detail.



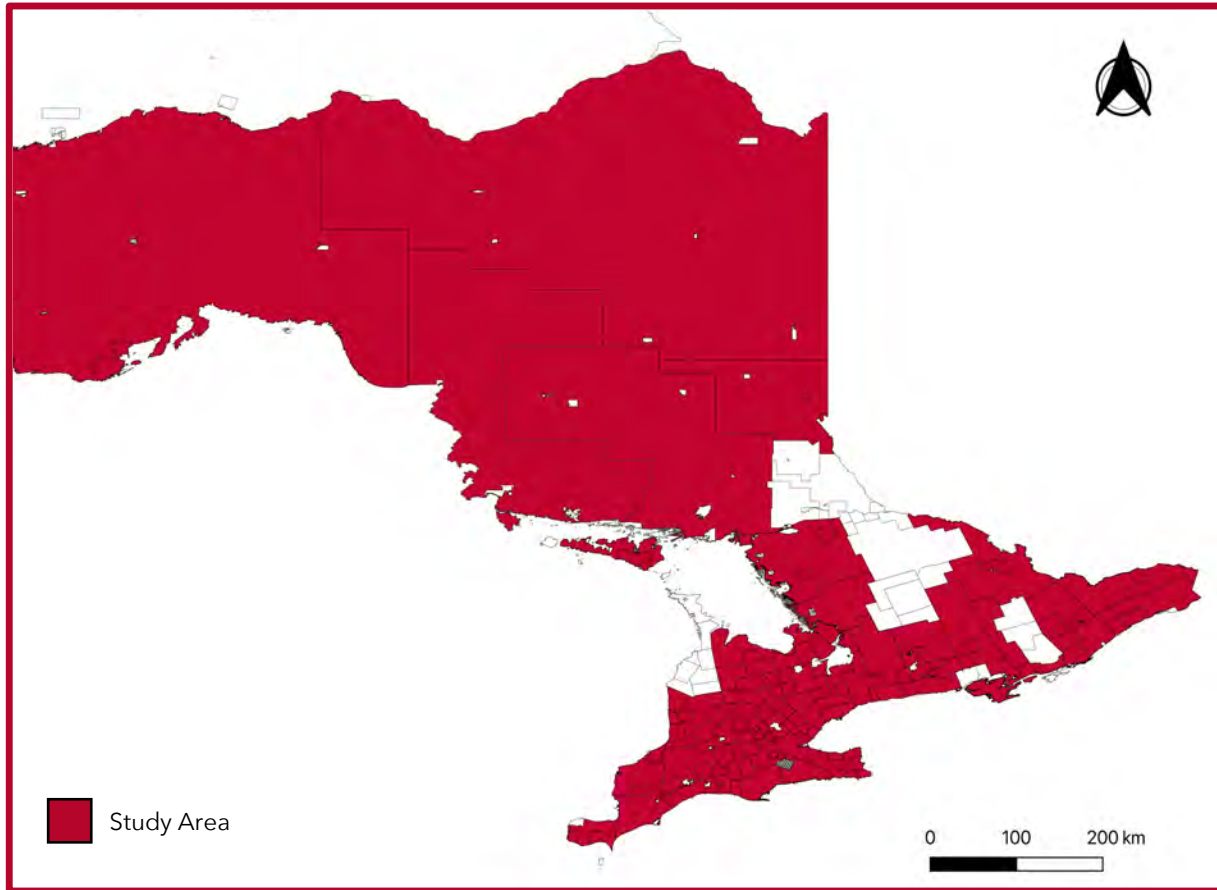


Figure 3. Map depicting areas across Ontario where municipalities and farmers had participated in the study. Created by EC Sousa (2021).

### 3.2.1 Surveys

1. Survey of rural upper-tier and single-tier municipalities and planning boards across Ontario, as well as the Niagara Escarpment Commission (NEC), and;
2. A survey of farmers who currently own an OFDU, retired from an OFDU, or are amidst establishing an OFDU (either in initial business planning or have a land use planning application in the system)

Two separate online surveys consisting of both closed and open-ended questions were prepared and circulated to Ontario municipal planners and farmers diversifying their businesses. These surveys are in Appendices C and D, respectively. Surveys were designed and administered using Qualtrics XM Online Survey Software.



The surveys overall identified various Ontario municipal policy approaches related to agriculture-related and on-farm diversified uses. The surveys also evaluated experiences working with the Guidelines and sought input from municipal planners and farmers who established agriculture, agriculture-related uses, and OFDUs.

### ***Surveys to Rural Municipalities***

The first online survey was administered to 58 'rural' municipal planning departments and planning boards across Ontario. 'Rural' can mean many things. To be considered 'rural' in this study, municipalities and planning boards had to be represented by one of the following criteria:

- 1.** Municipality has listed contacts (either director, manager, or senior planner) in the Ontario County Planning Director 2021 directory;
- 2.** Municipality is a member of the Rural Ontario Municipal Association;
- 3.** Municipality is represented by the Regional Planning Commissioners with a contact listed, and/or;
- 4.** Is a planning board in Northern Ontario with contacts listed on a directory provided by the MMAH.

The NEC was not originally included in the scope of our study but was included upon contacting the research team and expressing interest in participating.

The online surveys were distributed throughout Spring 2021 for a six-week period. Surveys were completed by either the director, manager, or identified senior planner (as a delegate on behalf of director or manager) of the planning department. Only one response was recorded from each participating government agency.

Surveys to municipalities, planning boards, and the NEC yielded a total of 37 responses, resulting in a response rate of approximately 64%. This included 28 upper- and single-tier municipalities, seven planning boards, and the NEC. Please see Figure 4 for a map of all participating municipalities and planning boards included in the scope of the survey.



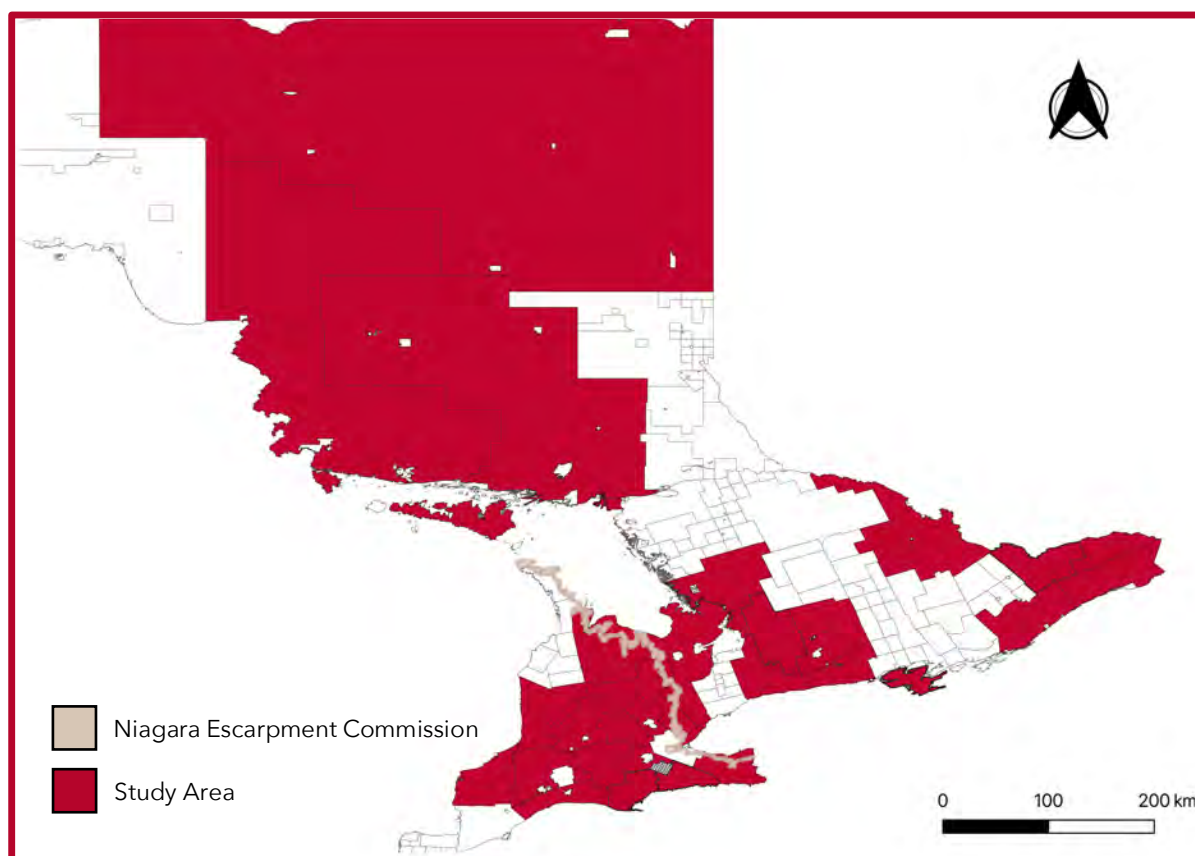


Figure 4. Map of municipalities represented in the scope of the survey (from participating municipalities, planning boards, and the NEC). Created by EC Sousa (2021).

At the end of the survey, respondents from the municipal sample could indicate at the end if they were interested in participating in a follow-up interview.

### **Surveys to Farmers with On-Farm Diversified Uses**

This second online survey allowed farmers from across Ontario to provide information, opinions, and suggestions for on-farm diversification at the municipal and farm level based on their experiences in Ontario.

The survey was administered to over 38,000 Ontario farmers. An exact number of farmers reached is not available, but this estimation is based on the number of farmers (i.e., Registered Farm Businesses) who are members with the OFA which is the largest general farm organization in Ontario (OFA, 2022a). The OFA, NFU-O, CFFO, as well as FFO, all administered the survey to their members. A survey invitation and information letter, and link to the survey were distributed to these agricultural organizations’

membership email lists in Spring 2021 for a six-week period (Appendices D and E, respectively).

Given the wide distribution list, several parameters were put in place in the survey to ensure participants reflected the population of farmers with OFDUs in Ontario. In doing so, farmers were asked a few questions prior to the survey to ensure they were qualified to participate. To qualify, participants had to be over 18 years of age, the owner of the farm and OFDU (or their identified designate), and either currently operate an OFDU on their farm currently, retired from one, or are planning to establish one (either in an initial business planning stage or have a planning application in the system). If not, they were prevented from completing the survey, and if they qualified, they could proceed. Survey responses were recorded based on IP address, to ensure no participant could fill the survey out more than once (at least based on IP address). Parameters to ensure accuracy of a sample are listed in the survey instrument in Appendix D.

In total, the survey yielded a total 146 responses based on qualifying criteria of respondents. It is important to note that data on the exact or estimated number of on-farm diversified uses in Ontario is limited. As a result, researchers were unable to calculate a response rate in absence of this data informing population parameters. While a challenge, this points to a future research opportunity to inquire how the province or municipalities are collecting disaggregated data on land use applications (if any) to ensure better representation and accuracy in data used for evidence-based policy and decision-making. Please see Figure 5 for a map of all participating farmers included in the scope of the survey.

At the end of the survey, respondents from the farmer sample could indicate at the end if they were interested in participating in a follow-up interview.

### ***Analysis of Survey Data***

Both survey datasets were analyzed using descriptive statistics (measures of frequency, central tendency, and dispersion/variation) in IBM SPSS Statistics Software. These results are shared in chapter four, *Results and Interpretations*. Any text responses to open-ended questions were extracted from the dataset and reviewed for frequently shared themes or sentiments amongst respondents. Where provided, these comments have been added alongside the quantitative analysis and charts presented throughout chapter four.

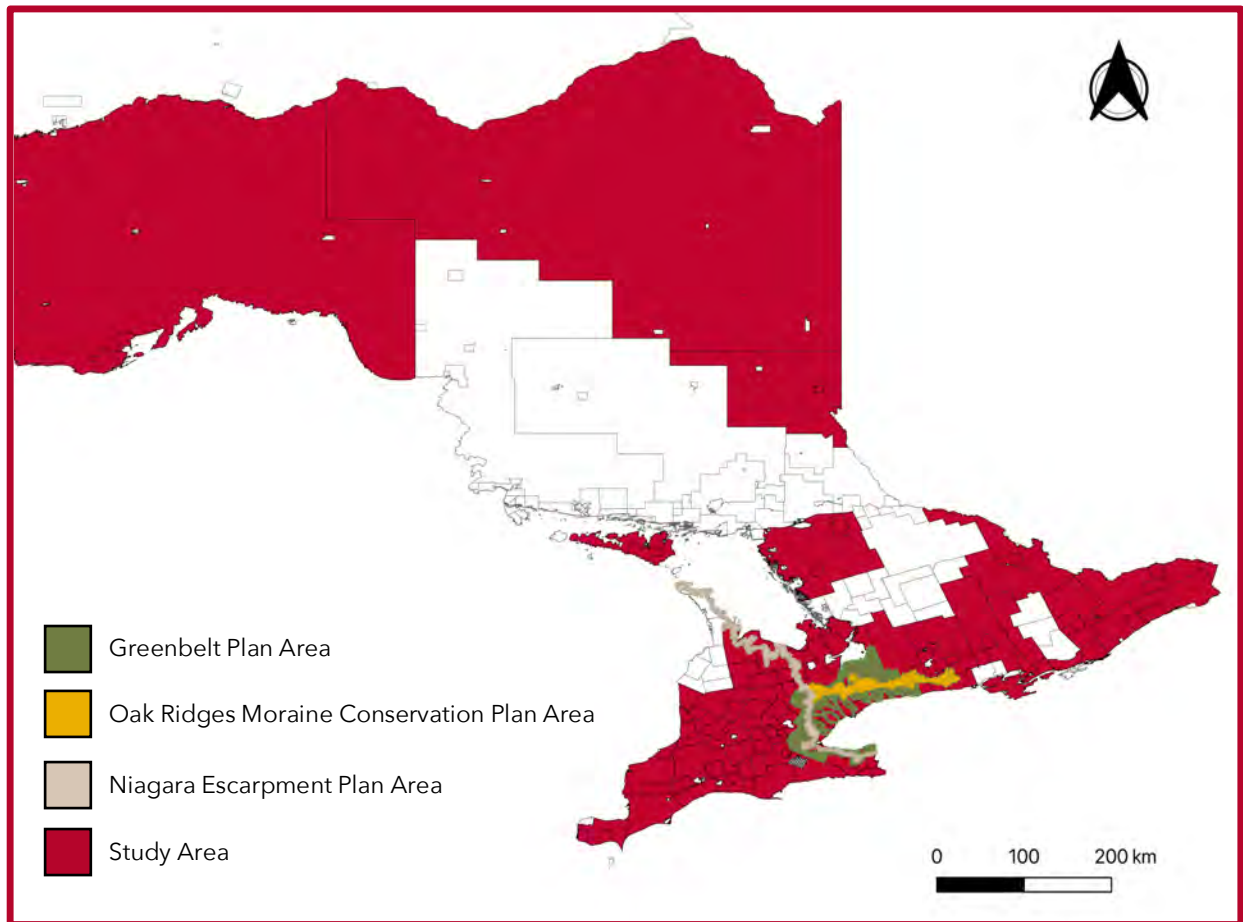


Figure 5. Map of farmers represented in the scope of the study by municipality and overlying provincial plan areas. Created by EC Sousa (2021).

### 3.2.2 Semi-Structured Interviews

1. Semi-structured interviews with provincial staff including policy advisors, rural planners, and economic development staff at OMAFRA;
2. Semi-structured interviews with rural municipal planners, and;
3. Semi-structured interviews with farmers who currently own an OFDU, retired from an OFDU, or are amidst establishing an OFDU (either in business planning stage or have a land use planning application in the system).

Based on the survey respondents, several planners from municipalities, planning boards, the NEC, and farmers were identified for a follow-up interview. The point of



these interviews was to provide a more in-depth discussion and analysis of their responses, as well as personal experiences and opinions regarding OFDU policy, which could not be captured in the survey.

Interviews were used to develop a detailed understanding of the policy, planners' experiences, and the experiences, diversity and success of individual farmers working with the Guidelines. These interviews provided information and an in-depth understanding on the challenges and opportunities planners and farmers were experiencing in creating on-farm diversification as well as the economic impacts including job creation, impact on municipal tax base, and farm viability. Results from interviews held with provincial staff, municipal planners, and farmers informed the development of case studies, which illustrated successes and lessons-to-be-learned in OFDU policy development and implementation. These case studies were selected on geographic distribution, innovative policy, and range of diversity of on-farm diversified use activity occurring in the municipality. These case studies will be presented in chapter five, *Discussion*.

The interviews were completed via phone, Microsoft Teams, or Zoom Video Conferencing Software throughout the Summer 2021. Based on an interview guide, each of the interviews consisted of approximately 20 questions and prompts and lasted from 30-60 minutes in length. It is important to note that not all interviews followed the guides exactly to allow for a conversational flow; participants were free to lead the conversation, diverge off topic, and share additional information that was not necessarily inquired about, but was of value to the research. With participants' consent, each interview was recorded to allow researchers to recall specific details, follow-up, and take notes. Upon concluding each interview, a transcript was produced using Otter.ai Automated Transcription Software. Interviews with each group were concluded once all staff had been interviewed, or theoretical saturation (i.e., no new information was being shared by participants) had been reached.

The following sections describes processes for semi-structured interviews held with provincial staff, rural municipal planners and farmers diversifying operations:

### ***Interviews with Provincial Staff***

The first round of semi-structured interviews was conducted with 15 Provincial staff representing the MMAH and OMAFRA, including:

- 13 OMAFRA Staff in both land use planning and economic development roles; while some participants included former employees of OMAFRA, these key informants worked extensively on the development of the Guidelines thus justified their participation in the study, and;
- 2 MMAH Managers

It was important to gather the in-depth experiences and information which these government employees offered. It should be noted that these provincial staff work in various regions across Ontario, which may be governed by various layers of provincial policy, such as the Greenbelt Plan, the Growth Plan, ORMCP, and/or the NEP. As a result, these interviews provided examples and information from geographical contexts across all of Ontario. The interview guide for provincial staff is included in Appendix F.

### ***Interviews with Rural Municipal Planners***

The second round of semi-structured interviews were conducted with 17 professional planning staff working in municipalities or planning boards from across Ontario, as well as the NEC. These interviewees identified as having on-farm diversification policies, initiatives, or planning applications included within their professional portfolios. Participants were selected based on interest in undertaking an interview as well as their geography or jurisdiction. Geographical representation across the province was important in this study, as some municipal planners design, implement, and enforce planning policy in jurisdictions governed by various levels of planning policy. These include the Greenbelt Plan, the Growth Plan, ORMCP, and/or the NEP. The interview guide for the municipal planner sample is included in Appendix G.

The interviews with municipal planners also lead to the creation of a comparative Zoning By-law Definitions Chart, located in Appendix H. This definition chart recognizes common definitions related to agriculture-related and on-farm diversification from diverging and converging municipal perspectives. The definitions compared in this matrix include *Home Occupation*, *Home Industry*, *Bed & Breakfast*, *Agri-tourism*, and *Farm*. This chart assists with comparing, contrasting, and analysing the comments from the interviews conducted with municipal planning staff.

### ***Interviews with Farmers Diversifying Operations***

The third round of semi-structured interviews were conducted with 40 farmers or business operators who are diversifying their farm business operations (or have diversified, meaning they have retired) in Ontario. These farmers were also selected from the list of survey respondents expressing an interest to be interviewed to share more about their experiences. Again, it was ensured that the sample farmers represented a diverse range of geography and land use planning policy contexts from across Ontario. This includes those operating their farms or OFDUs under Greenbelt, Growth Plan, ORMCP, or NEP jurisdictions. The interview guide used in conversation with participating farmers is available in Appendix I.

### ***Analysis of Interview Data***

Interview transcripts were read, organized, and coded by researchers to identify and organize common themes shared by the perspectives of provincial staff, municipal planners, and farmers. These results are shared in chapter four, *Results and Interpretations*.

#### **3.2.3 Focus Groups**

- 1.** A focus group with provincial staff including policy advisors, rural planners, and economic development staff at OMAFRA;
- 2.** A focus group with rural municipal planners, and;
- 3.** A focus group with farmers who currently own an OFDU, retired from an OFDU, or are amidst establishing an OFDU (either in business planning stage or have a land use planning application in the system).

Commencing the results of the surveys and interviews, three focus groups were initiated to review research results with participants and ensure accurate interpretation of these results, discuss best practices, co-identify recommendations, and discuss next steps forward. The focus groups served as an educational role as the different participants were able to learn from one another. Lastly, focus groups were used to help brainstorm the relative merits of different policy options by asking the groups 3-4 different questions (to be discussed in further detail in chapter four, *Results and*

*Interpretations*). In brief, these focus groups gathered input on three main themes of contention identified in the research. Namely:

1. How should a 'farm' be defined within provincial and municipal policy?
2. The inclusion of agriculture-related uses and their size and scale criteria in the Guidelines, and;
3. The size and scale criteria as well as thresholds or tools to be used to ensure compatibility of on-farm diversified uses with surrounding agricultural operations.
4. What training or support related to the Guidelines do you think are needed? What areas of the Guidelines do you need the most assistance with?

These focus groups were held with participants from the interview phase of the research and who were interested in further contributing to the discussion and development of recommendations. The focus groups with provincial staff, municipal planners, and farmers had 12, 17, and nine participants, respectively. Focus groups were held virtually using Zoom Video Conferencing Software in Fall 2021 and lasted between 90 minutes in length. With participants' consent, each focus group was recorded to allow researchers to recall specific details, follow-up, and take notes. Upon concluding each focus group, a transcript was produced using Otter.ai Automated Transcription Software which was used to analyze data. Focus group transcripts were read, organized, and coded by researchers to identify and organize common themes shared by the perspectives of provincial staff, municipal planners, and farmers, based on the 3-4 questions asked. These results are shared in chapter four, *Results and Interpretations*.

### **3.3 Research Limitations**

There were several limitations in undertaking this research:

Firstly, due to the COVID-19 pandemic and the need to limit in-person interactions, all research was conducted virtually and at a distance. This limited the ability to be able to visit individual farm operations with OFDUs in person and be able to verify the accuracy of claims made in the interview stage. Where appropriate and when participants



provided consent, they provided researchers with images, application files, or address information to be able to verify the veracity of claims made. This information is all kept confidential. While all attempts were made to verify details related to land use planning where possible, the researchers cannot guarantee complete accuracy of information presented in this report.

Along the line of relying on virtual methods to undertake the research includes the inability to reach certain groups of respondents which, in turn, affects response bias. Specifically, this includes the inability to reach farmers who do not use technology for religious, cultural, or other personal reasons, or the inability to reach individuals due to unreliable broadband access. As a result of our sampling procedures, our results may not reflect an accurate representation of the population of farmers engaging in on-farm diversification.

Secondly, as mentioned in section 3.2.1, there is a lack of disaggregated baseline data regarding the number of OFDUs (and their types) across the province. This lack of data limited analyses. Where possible, municipal planning departments provided data on the number and types of OFDUs established within their boundaries over time, however, approaches to collecting and reporting this data was highly variable, if it existed. This has led to an inconsistent understanding of the state of OFDUs across the province. As noted previously, there are opportunities for the province and municipalities to establish protocols to consistently collect and report on this data, even if in an aggregated fashion, to ensure better representation and accuracy in data used for evidence-based policy and decision-making.

Lastly, related to points previously noted above, it should be disclosed that the research did not empirically measure the cumulative impacts of OFDUs. This includes the cumulative loss of farmland because of OFDUs in the prime agricultural areas, as well as the cumulative demands OFDUs place on communities, such as strains on local infrastructure or increased demands for servicing (i.e., roads, water, policing, fire protection). While this knowledge was an anticipated outcome of this research as identified in partnership with OMAFRA, little to no data tied to OFDUs and their cumulative effects in municipalities was available. Attempts were made to gather preliminary and anecdotal information in the surveys, interviews, and focus groups. This data will be presented in chapter four, *Results and Interpretations*. It is estimated that more effort and time is required for on-farm diversified uses to evolve in municipal policy to yield reliable, consistent, and rigorously collected evidence on the matter of cumulative effects. As will be noted in further detail in chapter five, *Discussion*, opportunities for research on the matter of cumulative impacts of on-farm diversified

uses in Ontario remain and should be empirically explored in future land use planning and policy research.



## **4 Results and Interpretations**

This chapter will outline the results obtained from analyses conducted with survey, interview, and focus group data. The chapter will break down results based on three categories: surveys, interviews, and focus groups. Each subsection will further organize results based on the group the information was gathered from, including provincial staff, municipal planners, and farmers. Where possible, interpretations of individual results will be provided.

### **4.1 Survey Results**

This section will outline results gathered from the surveys sent to rural municipal planning departments and planning boards and farmers diversifying operations, respectively.

#### **4.1.1 Municipal Planners Survey Results**

##### ***Profile of Municipal Sample***

##### ***Breakdown of Participants by Government Structure***

In total, the final sample size of the survey directed to planners is 37 respondents ( $n = 37$ ), representing 23 upper-tier and six single-tier municipalities, seven planning boards, and the Niagara Escarpment Commission.

##### ***Proportion of Prime Agricultural Areas in Municipal Boundaries***

Of the municipalities surveyed, the proportion of rural areas (specified as land outside of the settlement area) designated as prime agricultural areas (PAAs) in their OP is distributed relatively evenly across the sample (Figure 6). Specifically, 18.9% have 100% of their rural area (specified as land outside of the settlement area) designated as PAAs in their OP, followed by 18.9% of respondents with 75%, 18.9% of respondents with 50%, 27% of respondents with just 27%. Only 16.2% of respondents identified not having any PAA in their OP at all. This survey sample included rural municipalities with no PAA on the basis that farms do not necessarily need to be in the PAA to have OFDUs



or businesses, as the principles of the Guidelines have applicability to rural areas more as well.

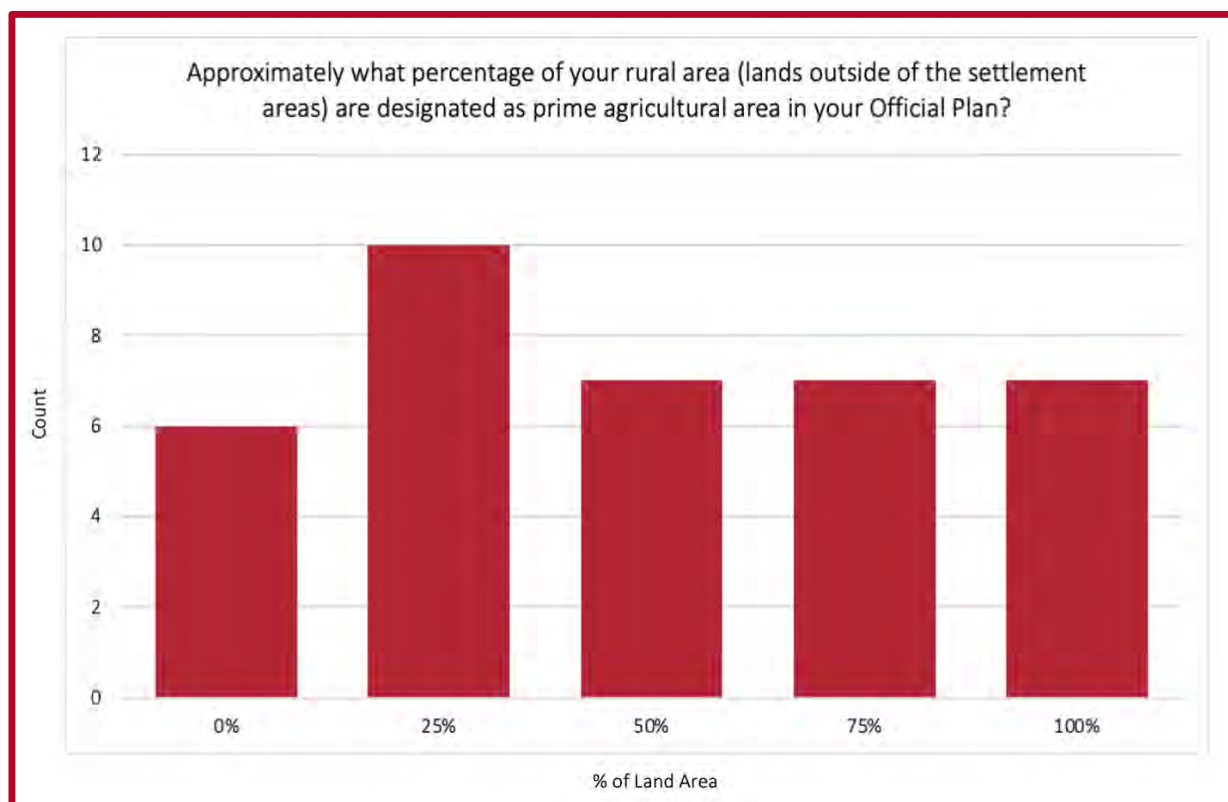


Figure 6. Proportion of rural area designated as prime agricultural area in the municipalities' Official Plans.

### **Characterizing OFDUs in Municipalities**

#### **Estimated Number of OFDUs in Municipality, Based on PPS Definitions**

As far as researchers are aware, there is no aggregated data available on the number of on-farm diversified uses in municipalities across the Province. To better understand the prevalence of farms diversifying revenue streams and land uses, this survey asked planners to *estimate* the number of on-farm diversified uses within their jurisdiction, specifically "uses that are secondary to the principal agricultural use of the property and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value-added agricultural products."

Majority of respondents (22.2%) identified having between 50-100 OFDUs within their municipalities. Counties of Grey and Huron self-reported having the most OFDUs,



reporting between 500-1000 OFDUs within their municipal boundaries, and Counties of Brant, Stormont, Dundas, and Glengarry, Norfolk, and Prince Edward, along with Niagara Region, self-reporting between 250-500 OFDUs within their municipal boundaries (see Figure 7).

It is important to reflect that these numbers are self-reported based on various data sources available to municipalities, including number of registered businesses or Zoning By-law amendments, and may not include uses which are permitted as-of-right, uses which are non-zoning compliant, pre-existing uses permitted as an *accessory use* on-farm prior to the term *on-farm diversified uses* being introduced into policy, or uses that are established at the lower-tier level without upper-tier involvement.

### **Estimated Number of OFDUs in Municipality, Excluding As-of-right Uses**

Planners were then asked to estimate the number of OFDUs within their municipal boundaries, but to eliminate home occupations, home industries, bed and breakfasts, and other as-of-right farm uses as per municipal definitions, based on their best estimation (see

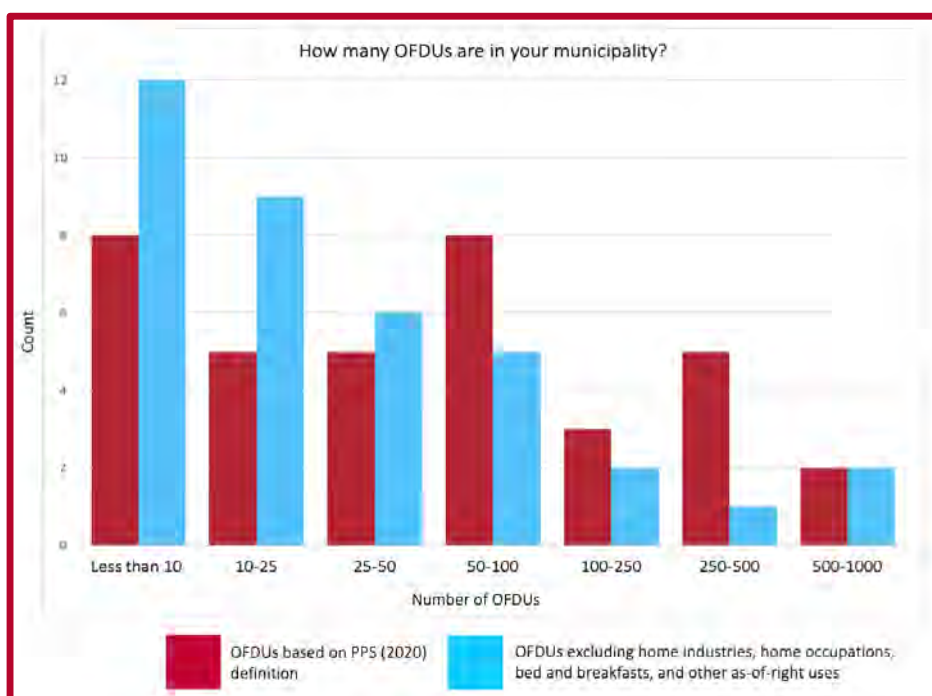


Figure 7. Counts of OFDUs in municipalities, based on PPS definition and excluding home industries, home occupation, bed and breakfasts, and other as of right uses.

Figure 7). Results show that self-reported numbers of OFDUs across estimated categories dropped overall once home occupations, home industries, bed and breakfasts, and other as-of-right farm uses as per municipal definitions were excluded from the total number of OFDUs in the municipality.

### As-of-right Definitions in Zoning By-laws

While the PPS (2020b) and Guidelines (2016a) define *on-farm diversified uses* to include home occupations, home industries, agri-tourism uses (inclusive of bed and breakfasts), many municipalities define these uses exclusively from OFDUs within their Official Plans and Zoning By-laws, and/or permit them as-of-right, aside from OFDUs. Moreover, 61.5% of respondents stated that their municipality define 'home occupation,' 44.1% define 'home industry,' 55.9% define 'bed and breakfast,' and 32.4% define 'agri-tourism' within their Zoning By-laws. Half (50%) of respondents indicated that these uses are defined at the lower-tier Zoning By-law (Figure 8).

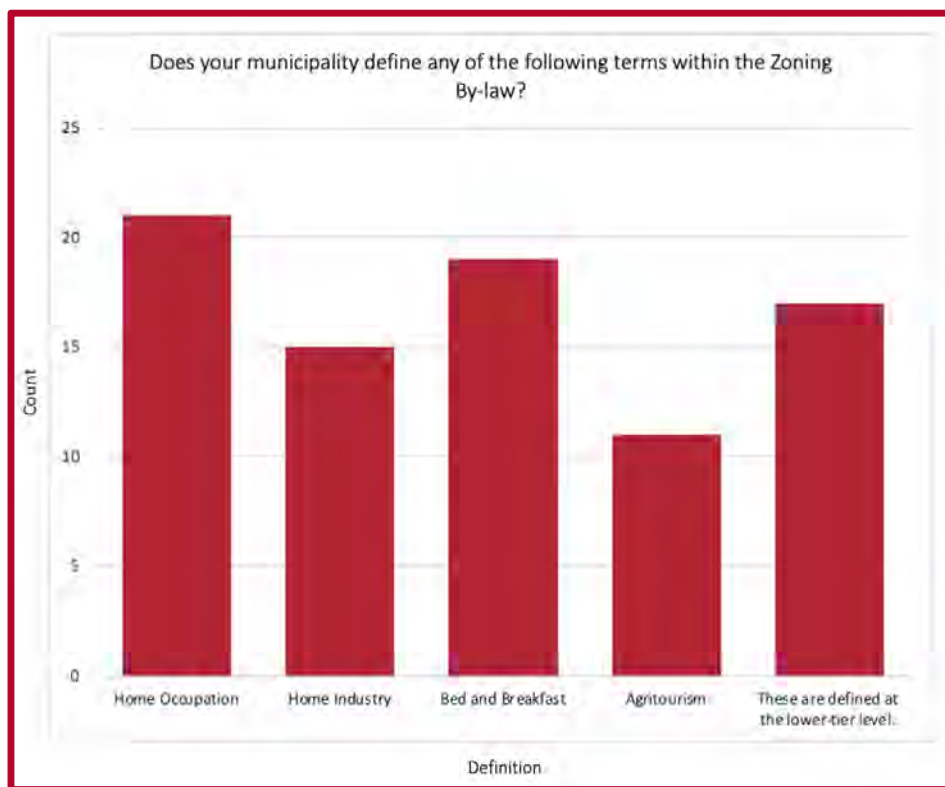


Figure 8. Proportions of as-of-right definitions included in the Zoning By-law.

### OFDUs in Municipality by Type

The survey asked planners to “select all” types of OFDUs that exist within their municipality (Figure 9). Amongst the entire sample, the most common OFDUs owned and operated amongst the sample are home occupations (81%), followed by retail operations (75%), *agri-tourism* and recreational uses (75%), defined as “means those farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm

operation” according to the PPS (2020b) definition (p. 40), home industry (69%), value-added uses (67%), café/small restaurant, cooking classes, or food store (such as cheese or ice cream) (36%), and ‘other’ uses not identified on the list (22%), which planners

identified as event venues used for weddings or concerts, institutional uses (such as research or training facilities), or other unspecified uses, recognizing that OFDUs could be any business as long as they fit within the criteria of the Guidelines and conform to local Zoning By-laws.

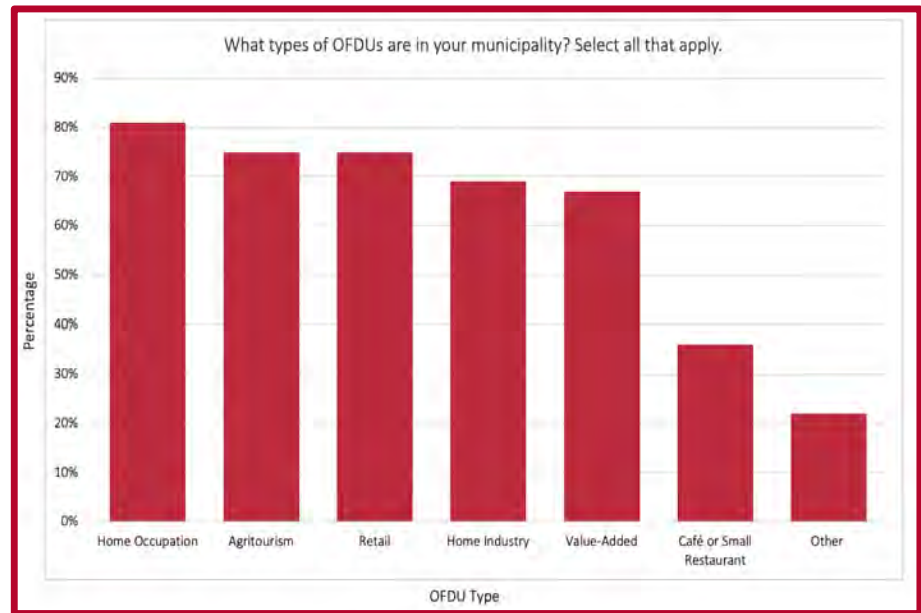


Figure 9. Frequencies of OFDUs by type in municipalities surveyed.

### **Ranking Contributions of OFDUs to the Municipality**

Planners were asked to rank, based on their opinion, whether or how on-farm diversified uses contributed to the following benefits from 1 to 11 (with 1 being the most important). The following contributions were identified within literature on farm diversification, in consultation with the research advisory committee, as well as within the Guidelines.

Planners ranked the following contributions of OFDUs from most important to least important (see Table 2):

## BEST PRACTICES FOR ON-FARM DIVERSIFIED USES

Table 2. Contributions of OFDUs to the community as ranked by surveyed municipalities.

Placement	Contribution	Count (n)	Mean Score*	Range
1	Agricultural viability	81	2.4	8
2	Local food production, consumption, and awareness and appreciation of agriculture	129	3.8	7
3	Entrepreneurship and job creation opportunities	139	4.1	7
4	Diversification of the rural economy and tax base	143	4.3	8
5	Tourism and recreation	178	5.2	9
6	Farm succession	184	5.4	8
7	Farmland and environmental protection	206	6.1	10
8	Creating and supporting local partnerships	245	7.2	6
9	Supporting young families	258	7.6	7
10	Welcoming and retaining newcomers in the community	328	9.6	5
11	Other (Providing additional income to farmers which is invested back into land or operation to enhance productivity)	353	10.4	10

*\*Ranking is based on 1 being most important, and 11 being least. Cumulatively higher scores equate to less importance as ranked by respondents.*

Evidently respondents' ranked contributions of OFDUs which appear to have a greater benefit to the broader interest of rural economic development, including agricultural viability, food production and consumption, entrepreneurship and job creation opportunities, and diversification of the rural economy and tax base (Table 2). Interestingly, planners also ranked the ability of OFDUs to contribute to "farmland and environmental protection" relatively low (7<sup>th</sup>), in contrast to farmers (who ranked it 4<sup>th</sup>, as will be discussed in Section 4.1.2), suggesting there is a professional opinion or consensus that OFDUs provide more economic benefit to rural communities than mechanisms for farmland preservation. Perceived importance of contributions of OFDUs to communities amongst our sample may suggest that there is a professional





view or opinion that OFDUs favour economic development over farmland preservation, rather balancing these two often competing land-use objectives as the Guidelines intend.

Planners responded to this question with additional comments and considerations, noting that not all contributions are positive:

“We are seeing a trend where on-farm diversified uses are disconnected from the agricultural use. Progressively, the on-farm diversified uses being seen by our planning department are moving away from related uses and towards an independent business model.”

“[OFDUs] create pressure to extend municipal services, can create noise, traffic and parking problems and other land use compatibility issues (particularly wedding/concert/event venues). [OFDUs] also create an expectation on the part of the farm owner that they will be allowed as-of-right.”

“OFDUs will likely be an emphasis for farmers as this can contribute greatly to farm revenues and may detract from farmers focusing on alternatives to driving revenues for primary agricultural activities. [OFDUs] will remove some prime agricultural land out of production.”

**- Municipal Survey Participants**

### ***Municipal Planners’ Experiences with the Guidelines***

#### ***Professional Familiarity with the Guidelines***

Planners were asked to identify their level of familiarity with the Guidelines. Majority of respondents (94.5%) expressed some level of familiarity with the Guidelines, specifically 45.9% of respondents expressing *some* familiarity in addition to 48.6% of respondents being very or extremely familiar with the Guidelines. Fewer respondents (5.4%) expressed not being familiar with the Guidelines at all.



**Reliance on Guidelines when OFDUs are Proposed**

Majority of respondents (73%) identified that they use the Guidelines when on-farm diversified uses are proposed, relative to 18.9% who do not use the Guidelines at all, and 8.1% who do not use the Guidelines as they have implemented the Guidelines as prescriptive policy for OFDUs at the municipal level (Figure 10).

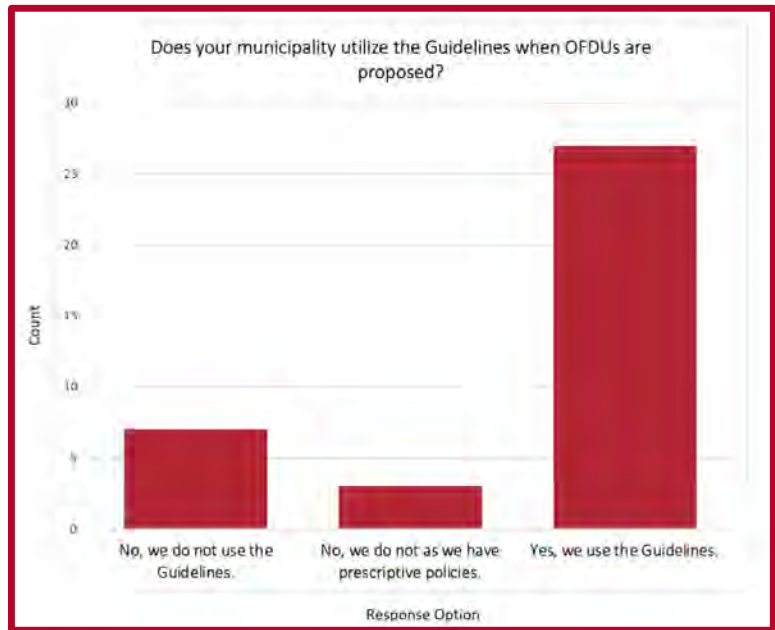


Figure 10. Proportion of municipalities categorizing how the Guidelines are used and/or implemented.

**Experience and Thoughts in Using the Guidelines**

Of this sample, 10.8% of respondents expressed never having to have used the Guidelines before. Of the sample of planners who have utilized or consulted the Guidelines prior, 10.8% expressed that they did not find them helpful, 54.1% expressed that the Guidelines were “helpful, but not always,” and 24.3% found the Guidelines to be very helpful. Please see Figure 11 for a breakdown of responses.

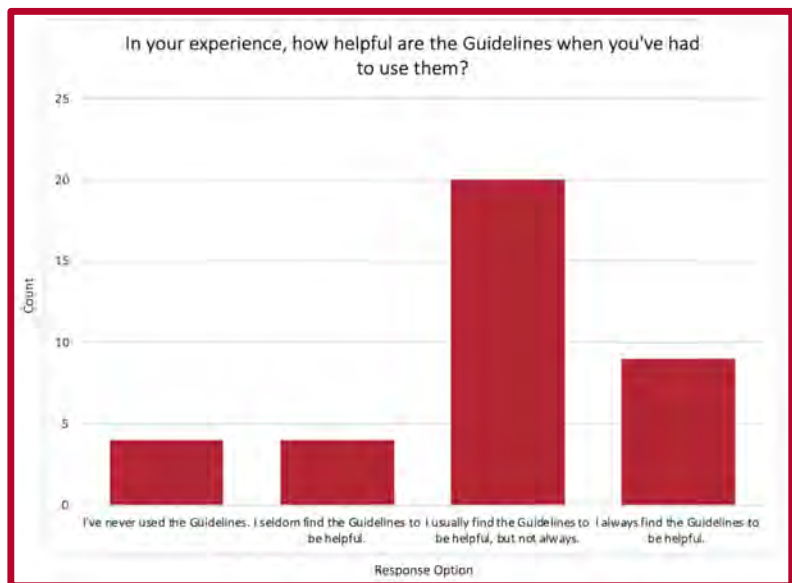


Figure 11. Experiences in using the Guidelines as ranked by municipal planners.



Planners had the opportunity to provide additional comments related to their experience in utilizing the Guidelines and identified numerous benefits, challenges, and suggestions for improvement in doing so.

Firstly, planners expressed that while the Guidelines are valuable and help to determine if the number of “unique proposals” coming to the municipality qualify as an OFDU, that the flexibility in what could qualify as an OFDU often requires clarification from the Province as to whether the use is appropriate for the agricultural area, or would better serve the nearby settlement area or industrial park. Examples included wedding venues or event spaces, commercial, or other industrial uses, and specifically, how to manage impacts of such uses to surrounding farm operations.

Secondly, planners expressed that while the Guidelines outline clear criteria between agriculture-related uses and OFDUs there is often overlap in these categories with respect to planning applications, making differentiations and control for size and scale difficult, in addition to ensuring the OFDU remains secondary to the principal agricultural use of the property.

Thirdly, there appears to be misunderstanding in that the Guidelines should only apply to municipalities with *prime agricultural lands*. Several planners expressed that the Guidelines did not apply to their municipality as there were no designated *prime agricultural lands* within their jurisdiction. The comments illustrate that there is a level of misunderstanding when it comes to utilizing the Guidelines as a resource, as the Guidelines have applicability to agricultural production occurring *beyond prime agricultural lands* or within the *prime agricultural area*.

Lastly, planners expressed that in terms of land use, the Guidelines could better assist in providing more detail, clarity in definitions and criteria, and “black and white direction.” As one planner noted, “it often comes down to subjectively reviewing size, scale, and whether it's impacting neighbouring farms – and it's easy for consultant planners to put something together that makes this case.” Planners referred to needing to learn more about ways to ensure that the parcel in question *is* and *will remain*, actively farmed, how to manage demands for on-farm servicing, how to implement the Guidelines relative to other provincial plans and tools, such as the NEP or MDS, and how to manage the cumulative effects of OFDUs on a farm parcel and within the greater agricultural area.

Collectively, these findings suggest that while an available resource and valuable tool used to open the discussion on how to use OFDUs to promote agricultural viability, the



Guidelines are just a start. Planners who have utilized the Guidelines within this sample may benefit from additional training material or resources to assist with interpreting the Guidelines, in addition to translating and implementing the Guidelines at the municipal level in a way which is appropriate for the local context.

### ***Sharing the Guidelines with Local Farmers***

Amongst municipalities surveyed, over half (52.8%) share the Guidelines with farmers, compared to 30.5% who do not, and 16.7% who do not because the municipality has prescriptive policies for OFDUs (Figure 12). Of those municipalities who share the Guidelines with farmers, they described doing so in different ways:

- On a case-by-case basis with both farmers and consultants; often as an educational or interpretational resource during pre-submission consultation inquiries or as part of the development application process;
- On a general basis, by disseminating the Guidelines to local Agricultural Advisory Committees, Economic Development Departments, Ag Round Tables, or with County Federations of Agriculture to make the agricultural community aware of their existence and utility, and;
- As a general resource, to be made aware of for both farmers and neighbours to be aware of and consult for further reading if they have interest of concern, often made available on municipal websites or through links to the Guidelines on OMAFRA's website.

Some planners expressed additional efforts to make the Guidelines more accessible to farmers. Specifically, "that policies need to be designed in such a way as to be easy for rural residents uneducated in development processes to understand." Others expressed that while there is benefit in sharing the Guidelines with farmers, such as building consensus around purpose and intent of OFDUs and the application process, there are challenges with sharing the document with farmers. Technical jargon, lack of direction for "next steps" in the application process and building understanding around the layers and hierarchy of documents are challenges in sharing the documents with farmers looking to diversify their farm operations. Additional documents or "toolkits" which are catered to local municipal policies may be more accessible and of better utility for farmers in this regard, rather than relying on the general provisions of



the Guidelines, in planning for OFDUs. Such toolkits could be crafted in collaboration with municipal planning and economic development staff.

Other planners expressed *not* sharing the Guidelines for reasons related to limiting an increasingly open discussion on permitting non-agricultural uses in the prime agricultural area. For example, one planner notes that “to date, we

have not shared the guidelines with farmers in any specific, coordinated way (e.g., link on website), but often do so on a case-by-case basis. That said, if there becomes a general awareness among non-farmers of how permissive the guidelines are with respect to commercial and industrial type OFDUs that are not related to farming, it could create significant challenges (e.g., competition for farms from non-farmers, undermining the employment role of rural settlements).”

For example, one planner notes that “to date, we have not shared the guidelines with farmers in any specific, coordinated way (e.g., link on website), but often do so on a case-by-case basis. That said, if there becomes a general awareness among non-farmers of how permissive the guidelines are with respect to commercial and industrial type OFDUs that are not related to farming, it could create significant challenges (e.g., competition for farms from non-farmers, undermining the employment role of rural settlements).”

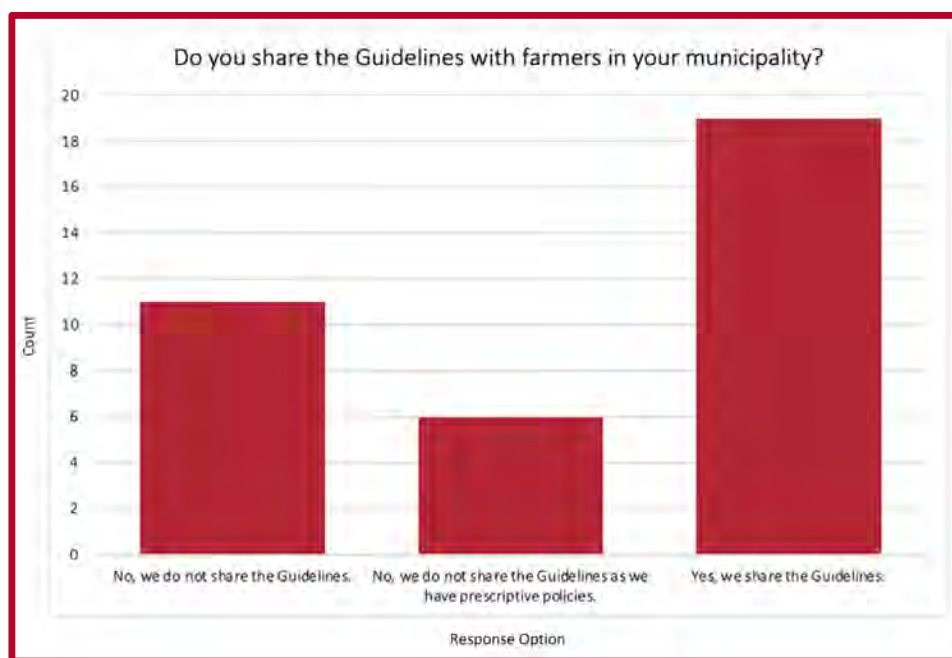


Figure 12. Proportion of municipalities who share the Guidelines with local farmers.

### **Best Practices: Policy Design, Development, and Implementation**

#### **As-of-right Uses and Definitions: Home Industries, Home Occupations, and Bed and Breakfasts**

Planners were asked whether they think home industries, home occupations, and bed and breakfasts should be included in the definition of OFDUs within the Guidelines (Figure 13).

Majority of planners (71.4%) agreed that these uses should be included in the definition of OFDUs, relative to those who disagreed (28.6%). Of those planners who agreed, most opted to express that these uses may be relatively limited in size and scale, can be operated in existing buildings, can be complementary to the rural or ‘farm experience,’ and provide a viable source of additional income to the farm.

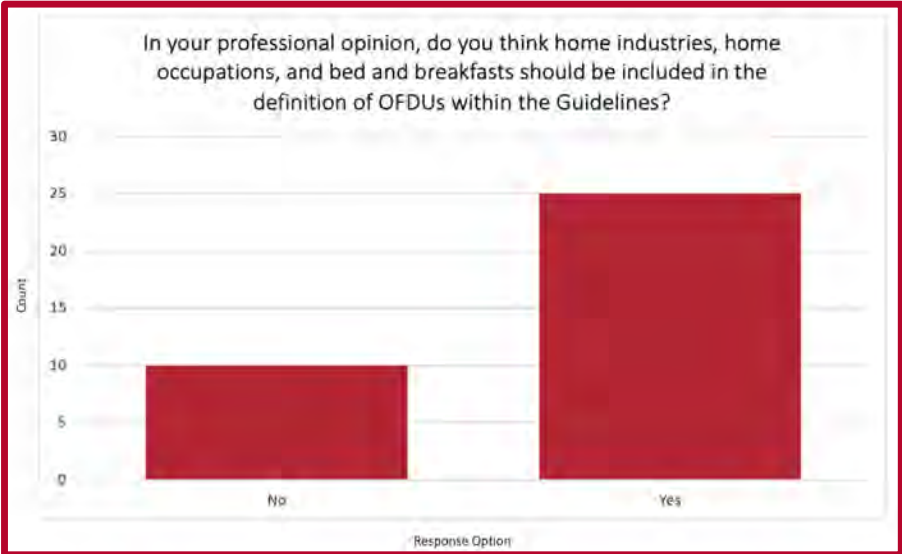


Figure 13. Municipal planners' preferences for whether home industries, home occupations, and bed and breakfasts should be included in the OFDU definition.

Additionally, in some cases, planners noted that such uses are already permitted as-of-right and limited in scale within the Zoning By-law, both within rural and urban areas. Those who objected mainly identified that these uses are *already permitted* in residential areas and are limited in size and scale to a threshold much smaller than the Guidelines identify. These statements led to a general argument that it seems “unfair to group them in [the] agricultural area” and that “it would be more prudent not to [include these uses in the definition] unless more appropriate size and scale standards and evaluation criteria are established.” Others objected against including these uses on the professional opinion that types of OFDUs “should support the farm operation as a whole.”

The notion behind as-of-right uses in local municipal policies is to permit landowners in undertaking certain endeavors without the added resources required of the applicant and municipality to secure planning approvals. These uses should, in theory, be permitted as-of-right if there is such a need or demand for them which is beneficial from a “good planning” perspective within the local context. As-of-right OFDUs, in principle, should allow farmers to undertake certain diversified businesses without needing to invest time and money to secure the necessary approvals, if they are conforming and are at an appropriate size and scale.

### ***As-of-right Uses and Definitions: Other Uses***

One-third (33.3%) of respondents identified having as-of-right policies for on-farm wineries, breweries, and/or distilleries within an Official Plan or Zoning By-law, as opposed to two-thirds (66.7%) who do not. Planners had an opportunity to identify other as-of-right uses in their local Zoning By-law, including: farm experience activity, farm produce outlets, on-farm processing, abattoirs, recreational farm events and activities, farm tours, industrial uses such as welding shops, blacksmithing, metal working, and carpentry, farm vacation homes, rural home businesses, on-farm retail, petting zoos, day camps, pick-your-own produce establishments, playgrounds, educational establishments focusing on farm instruction, and accessory dining facilities. Interestingly, the City of Ottawa is proposing to permit any sort of use, contingent on a maximum gross floor area criterion and other zoning requirements, to allow for innovation and to alleviate challenges with enforcement. Other provisions include permitting wedding venues and other places of assembly as OFDUs, albeit at a much more limited gross floor area relative to other permitted OFDUs, to keep occupancy down. Similarly, Niagara Region specified that while some lower-tier municipalities permit wineries as-of-right, they have further nuanced and differentiated uses into different categories (e.g., 'farm winery' versus an 'estate winery') and require different permissions for each, depending on the land use designation.

### ***Beyond Prime Agricultural Areas: Applying Criteria to Rural Areas***

Respondents were asked to identify, based on their professional opinion, whether the Guidelines for on-farm diversified uses should be used in all rural areas (Figure 14). Over half (63.6%) specified "yes," relative to 36.4% who said "no." Those specifying "yes" argue that the applicability of the Guidelines to rural areas is to "create an even playing field," with respect to farms that may be located in the rural area, are not utilizing soil or are farming on less productive land, thus providing opportunities to make more revenue out of the *farm located on a rural property*. There is a general understanding amongst those specifying that the Guidelines should be used in all rural areas as the Guidelines will promote agricultural viability in permitting secondary uses beyond *prime agricultural areas*.

However, planners who objected noted that there is a pre-existing broader range of uses permitted and contemplated in rural areas, so applying the policies in areas *not* containing vital prime agricultural lands may undermine the policies in place to preserve farmland and promote agricultural viability in prime agricultural areas.



Moreover, as one planner noted with importance, “rural lands are meant to protect the rural nature of the lands, and rural does not necessarily equal agriculture, especially when you look at the wider context in Ontario.” While this sentiment is true and provides a forewarning to not let OFDUs trump the vitality and needs of *rural areas* more generally, the presumption of applying the Guidelines to *rural areas* should only be on the basis that five criteria of OFDUs could be met, including first and foremost, that the OFDU is “located on a *farm*” [emphasis added]. Thus, if applied in rural areas, the property in question should be in active agricultural use.

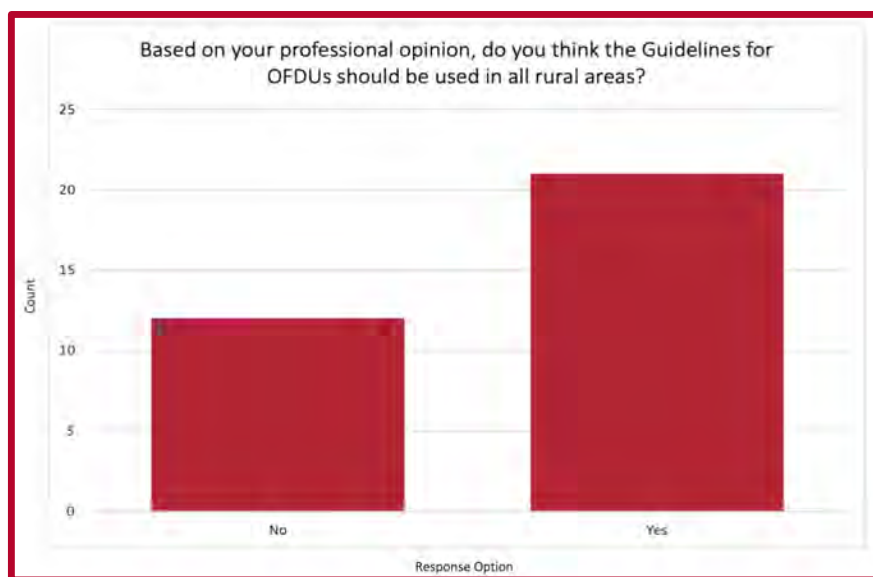


Figure 14. Proportion of municipal planners who recognize the Guidelines' applicability to rural areas.

Emerging from this discussion is the recognition that agriculture is diverse and takes on many shapes and sizes which go beyond producing on prime agricultural lands - these different *agricultural* uses not exclusively existing or needing prime agricultural lands include apiculture, greenhouses,

aquaculture, and more. As one respondent added, “the Guidelines for OFDUs are of value in guiding development on all farm properties.” Hence, it is important to recognize that farms located in the rural area, as well as the broader agricultural and agri-food system in Ontario, may also benefit from OFDUs, if criteria for OFDUs as per the Guidelines can be met.

### **Size and Scale Criterion**

The Guidelines recommend a size and scale maximum of “2% of the property on which the uses are located, to a maximum of 1 ha” to protect farmland while enabling economic opportunities (OMAFRA, 2016, p. 21). Planners were asked to identify, based on their professional opinion, if they believed this recommendation is an appropriate size for all OFDUs (Figure 15). Respondents were almost split, with just



over half (52.9%) identifying “yes,” compared to 47.1% who identified “no.” Based on these results, the researchers interpret that the size and scale criteria put out by the Province may be one that meets a middle ground. Comments from participants however share details as to how flexibility with the Guideline may serve beneficial depending on circumstances:

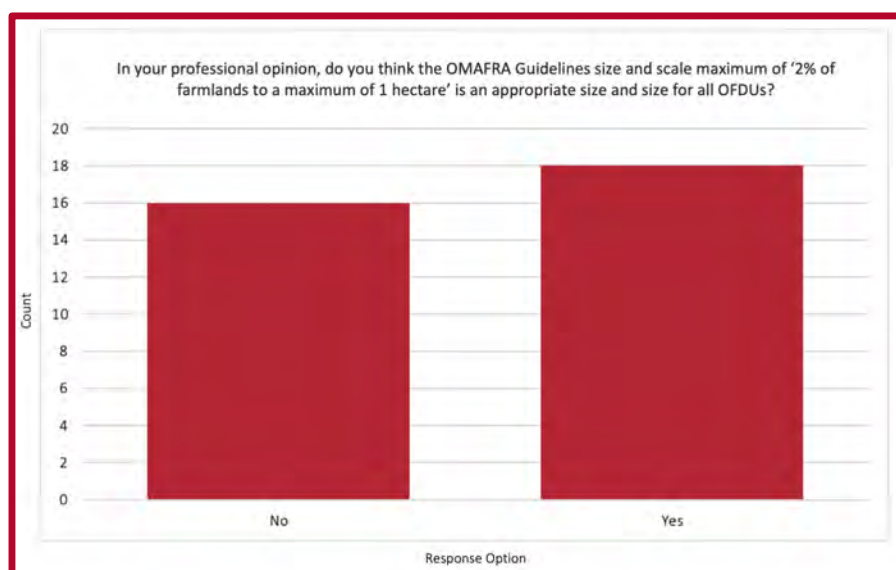


Figure 15. Municipal planners' surveyed opinions on whether the Guidelines' "size and scale" criterion is appropriate for all OFDUs.

Many planners expressed that the '2% size and scale guideline to a maximum of 1 ha' is an appropriate recommendation for all OFDUs, recognizing that it provides farmers with the flexibility and spirit to establish an economically viable business, particularly for uses

which may require a more extensive amount of space. Planners noted however, that the maximum 1 ha appears to be generous, particularly with discounted buildings in addition to agriculture-related uses unlimited in size and scale are considered, and if anything, could be reduced and should be in cases where it is possible to manage the balance between farmland protection and economic viability. Others argued that the space is relatively limited once new construction, driveways, parking, loading ramps, and extended services are included in the calculation. Others expressed concerns over applying the size and scale criterion to smaller farm lots and the ability to balance objectives for agricultural viability, economic development, and farmland preservation in doing so. Many expressed that the Guideline is just a *guideline* and that uses should be limited in size and scale depending on the use or property in question, to prioritize compatibility and “secondary to the farm operation” first, and to use caution to avoid setting precedents for related planning decisions in the future.

### **Incentives to Reuse Existing Buildings**

As agricultural industries and practices evolve, there may be built heritage structures (i.e., barns or dwellings) that could disappear because of no longer being required for agricultural purposes. The adaptive reuse of such structures provides several opportunities to use them for OFDUs. The Guidelines recommend that for the "limited in area" criteria calculations, the existing buildings used for OFDUs be discounted at an appropriate rate (e.g., 50%). The understanding is that such guidelines are in place to encourage the preservation of historic buildings and cultural heritage resources.

Planners were asked whether their municipality has policies to promote the reuse of existing buildings and structures. Majority of respondents (72.2%) stated "no," that their municipality has no such policies in place, relative to only 27.8% who stated "yes," they do have policies to promote the reuse of existing buildings and structures (Figure 16).

Of those that do have policies in place, planners expressed various tactics to encourage the reuse of existing buildings or spaces: some expressed that their municipal Zoning By-laws extend the discount to OFDUs with footprints similar to a

demolished building; others expressed using their Community Improvement Plan (CIP) to provide such incentives for reusing buildings when it comes to agri-tourism and other uses; others specified that size and scale criteria, specifically gross floor area maximums, are higher for conversions (e.g., 600 m<sup>2</sup>) relative to new developments.

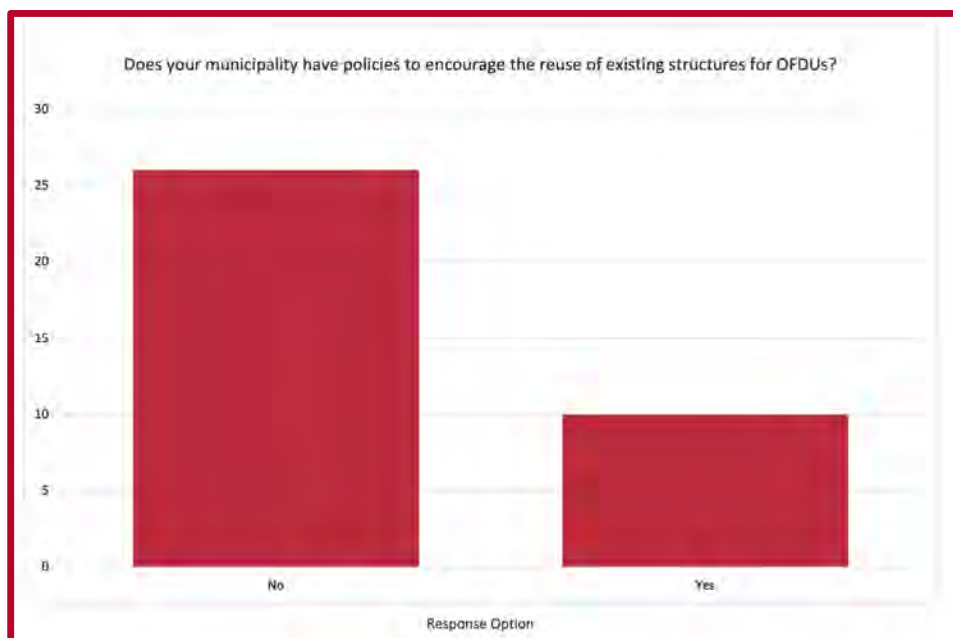


Figure 16. Proportion of municipalities with policies to encourage reuse of existing buildings for OFDUs.

**Best Practices: Compatibility with Surrounding Land Uses**

**Compatibility Issues Arising from OFDUs in the Agricultural Area**

Planners were asked whether their municipality experienced challenges with compatibility arising from on-farm diversified uses (e.g., traffic concerns, visitors' respect for farm properties, trespassing, noise/light pollution, preserving heritage). Respondents were almost split, with just over half (52.8%) identifying “no,” compared to 47.2% who identified “yes.”

Of those dealing with compatibility issues, the most frequently encountered issues include (in order of times mentioned by respondents): traffic, noise, “other,” trespassing, light, and maintaining or preserving agricultural character and heritage. Within the “other” category, planners noted concerns over privacy, safety, biosecurity, cumulative effects of OFDUs in the agricultural and rural area, lack of adequate servicing (i.e., water, septic, and fire suppression), neighbourly conflicts, and hydrogeological impacts (Figure 17).

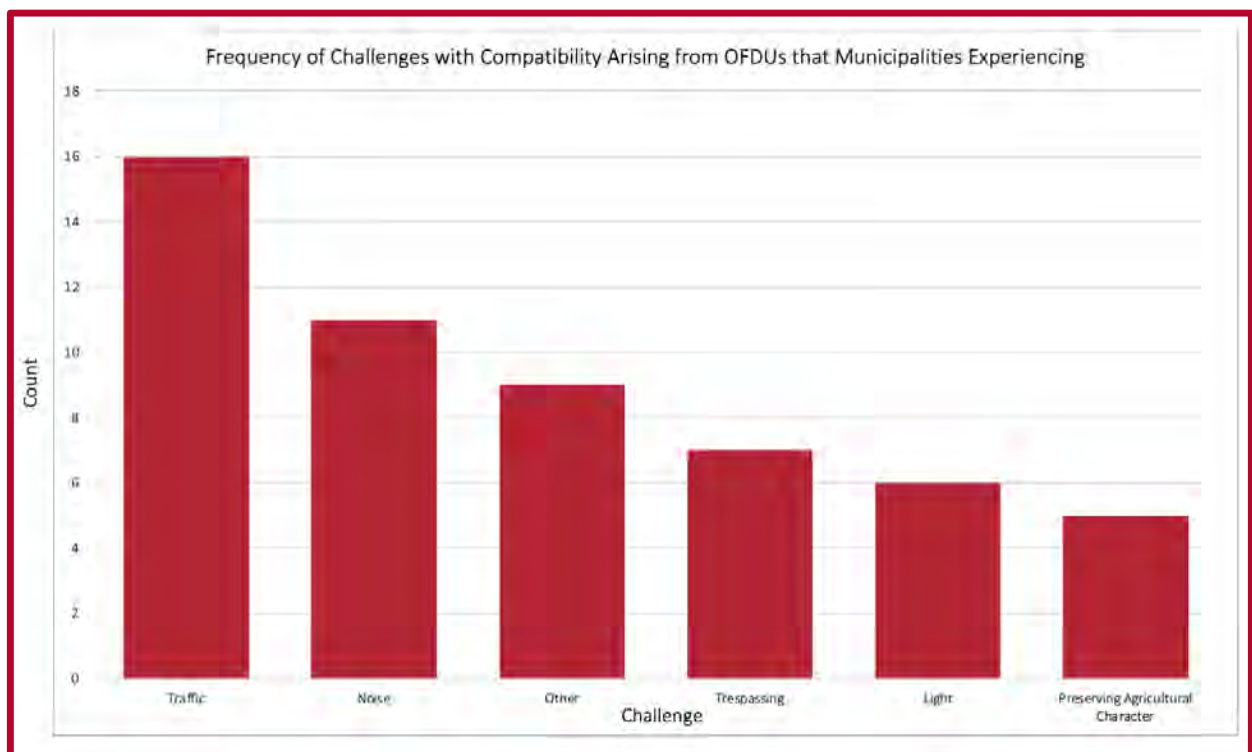


Figure 17. Frequency of compatibility challenges municipalities have experienced because of OFDUs.

### ***Using the Guidelines to Manage Compatibility***

Planners were asked to identify, based on their professional opinion, whether the Guidelines will help (or have helped) to manage compatibility issues related to OFDUs. Most respondents (82.4%) identified “yes,” relative to only 17.6% who stated “no.”

Those who agreed specified that the Guidelines assist in managing compatibility issues do so based on helping to interpret and apply PPS policies as well as provide municipalities with tools to manage uses at an appropriate size, scale, and intensity. This is to ensure that OFDUs do not become too intrusive on the farm operation or neighbouring properties.

As one planner notes, however, “[the Guidelines] have both helped and hurt compatibility. On the one hand they've given us tools to help measure scale and compatibility, and useful examples of what is and isn't an on-farm diversified use. However, on the other hand they may have opened the interpretation of on-farm diversified uses to extents not realized back when the former PPS simply permitted secondary uses. Proponents can (and do) now point to the guidelines to say to municipalities that they should and/or need to be permitting such uses at scales that retentive municipal planners may not otherwise have been comfortable with.” Another planner added to this comment with specific examples from their local experience: “We had a solid approach to home occupations/home industries prior to the Guidelines. For [municipality name], the guidelines have created a 'grey area' we didn't previously have. Some are likely fine – home gyms, antique retail outlets on farms, etc. but the larger ones require careful analysis, and the Guidelines make it difficult for local planners to recommend against.”

Another planner added to this comment in a corresponding way: “The guidelines do help draw a line between agriculture-related and on-farm diversified and give departments tools to evaluate uses. The only issue is that uses that meet all the criteria can still produce incompatible uses if not regulated through processes such as site plans to ensure mitigation efforts are enforced and less-desirable features are discouraged or removed from developments.”

Those who disagree that the Guidelines are insufficient to address compatibility issues noted that translation of the Guidelines to local contexts is up to the municipality to determine, and that a “a 'live' document that is updated regularly with a canvas of municipal examples and how well they have managed compatibility issues would be a useful reference documents for OMAFRA to maintain.”



### **Utilizing Site Plan Control**

In an open-ended question, planners were asked whether (and how) their municipality utilizes SPC for OFDUs. Overall, responses indicate that SPC is applied relatively inconsistently across those municipalities surveyed:

- Several municipalities expressed that the application of SPC for on-farm diversified uses is applied inconsistently, both at upper-tier and lower-tier levels. Upper-tier municipalities commonly expressed that within their boundaries, SPC is utilized but varies by lower-tier municipality, with some lower-tiers requiring SPC for *all* OFDUs, on an “as needed basis,” or not at all.
- When SPC agreements are utilized, its utility varies in terms of how the tool is used to limit size and scale, location, outdoor storage capacity, buffering, hours of operation, and water and wastewater impacts. One municipality specified using site plan agreements require leasees of an on-farm event venue to sign a legal acknowledgement of the potential for *normal farm practices* (e.g., nearby odours from hog operations) to impact the event.
- Others expressed that *all* on-farm diversified uses a trigger SPC, but that depending on the type of the use proposed, either a regular or a *minor* site plan application is required. Others expressed that with respect to OFDUs specifically, they were working to implement (or currently do) have a “scaled-down” SPC process within the by-laws to “promote” on-farm diversified uses, to make it easier for farmers to undergo this part of the approval process.
- Few municipalities apply SPC to large, more intensive, and potentially incompatible OFDUs, such as large-scale facilities (e.g., larger commercial or industrial uses, such as wedding venues or manufacturing facilities). Others do not exempt such commercial or industrial uses from SPC, based on a minimum size.
- Some expressed that OFDUs are only permitted through a Zoning By-law amendment, in which case, conditions for approval would be addressed during this amendment application process. The option to undergo SPC during this process depends on the application and is at the discretion of



the lower-tier municipality to require the applicant to undergo this process.

- Some municipalities do not require or utilize SPC at all for OFDUs.

Overall, these municipal examples of how SPC is utilized for OFDUs expresses that generally, SPC is applied inconsistently to OFDUs across our sample of municipal planning departments. Some municipalities are using the tool as a key means to minimize size and scale of the OFDU and to ensure it remains a secondary use to the principal agricultural use of the property, including using SPC to manage impacts of the OFDU *beyond* the built environment or land area, including impacts to noise, smell, and protection of normal farm practices. Others utilizing SPC for OFDUs are streamlining the process to ensure it is not an additional burden or deterrent to farmers securing approvals, either by including SPC in as-of-right Zoning By-laws to avoid securing a Zoning By-law amendment or scaling down the process in terms of requirements and fees for SPC agreements. Overall, the use of SPC is a tool at the hands of planners to manage size and scale, as well as compatibility of OFDUs, to achieve the precarious balance between agricultural viability, economic development, as well as farmland preservation.

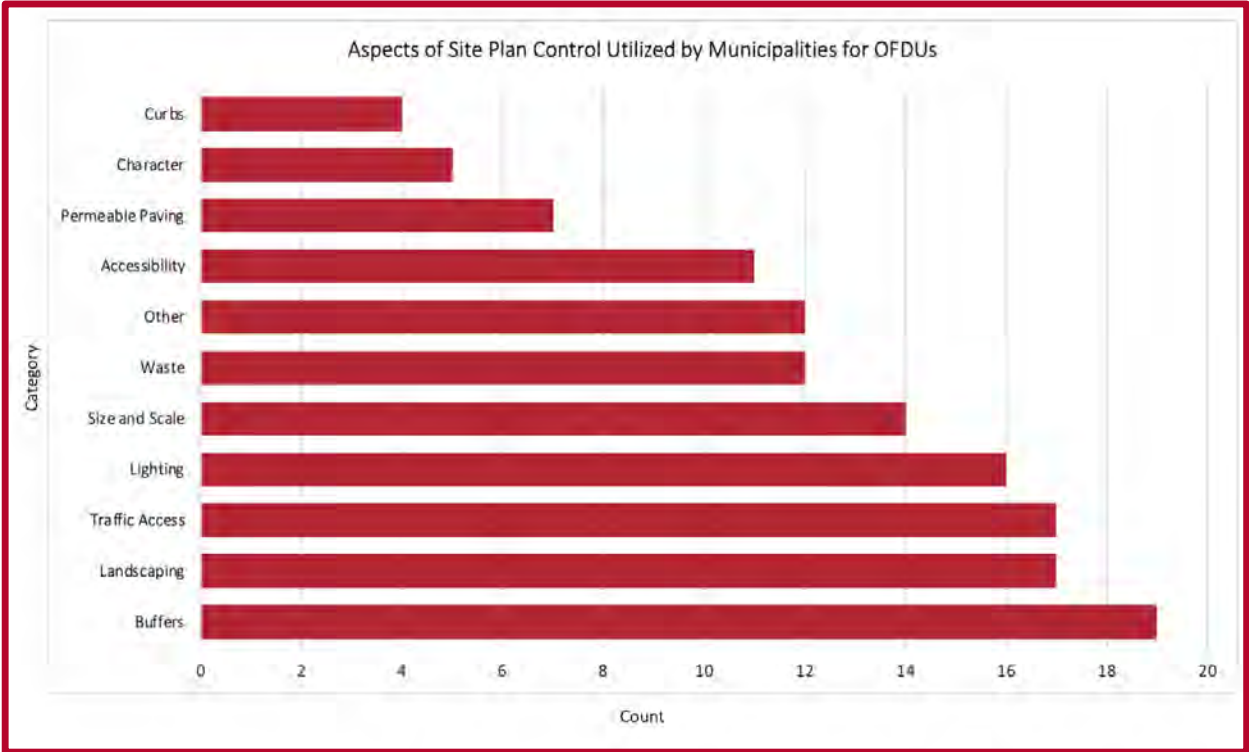


Figure 18. Aspects of Site Plan Control most frequently used by municipalities for OFDUs.

Of those utilizing SPC as part of the municipal approval process for OFDUs, the most frequently controlled aspects related to the site as mentioned by municipal planners were (in order of times mentioned by respondents): buffers, landscaping, traffic access, size and scale, waste, “other,” accessibility, permeable paving, character, curbs, and bicycle parking (Figure 18). Within the “other” category, planners noted the use of SPC for noise abatement, hours of operation, visual impact assessments, parking, limited visitor capacity, as well as requirements that the OFDU must register with local health units.

### ***Concluding Thoughts: Balancing Farmland Protection and Economic Development***

In concluding the survey, planners had the opportunity to share “any other thoughts on how to best allow diverse uses in the prime agricultural area while ensuring prime agricultural areas are protected and economic development is promoted”?

Planners expressed using temporary use by-law amendments to ‘test’ OFDUs for conflicts for a short amount of time. This would be to ensure the OFDU does not introduce conflict into the area, and if it does, to find ways to mitigate these conflicts prior to granting permanent permissions. It was noted by a respondent, however, that this would be a risk the property owner would have to be willing to take.

Special events, and how they should be treated in the agricultural area, were raised on several occasions. Specifically, planners expressed needing guidance on other best practices, tools, and strategies, beyond those in the Planning Act, such as by-laws and licensing to help manage particularly challenging OFDUs.

Planners noted the precarious balance in designing OFDU policy to meet a diversity of needs in the agricultural area, especially for different types of farm operations: “There may be some thought put into reducing the minimum lot size in special policy areas to provide areas for young farmers, or those interested in innovative practices, but it can be difficult to eliminate the possibility of estate lots overtaking smaller agricultural lots. It is certainly a very precarious balance.

Planners noted the desire for research to be done on taxation rates, specifically how commercial or industrial uses as OFDUs are taxed in agricultural areas versus their counterparts in urban areas. While this was not explored in our study, it is noted as an important consideration for municipalities and their decision-making on OFDUs.



Planners would like to see continuous emphasis in policy that “the primary use should be agriculture” and that allowing an OFDU “does not mean an open-ended opportunity to bring commercial uses unrelated to agriculture into the countryside and create pressure to extend municipal services.”

Planners noted the need to look in greater depth at disaggregated data, specifically the types of OFDUs that bring visitors into the agricultural area and the cumulative issues that they can raise (e.g., impact on roads, traffic, parking, trespassing, noise, water, and wastewater) and to learn at what point the number of OFDUs in an area end up turning the agricultural community into a ‘decentralized industrial park.’ Further, planners noted the desire to have policy measures that allow OFDUs, but first require demonstration on why the proposed use cannot be located in settlement areas and hamlets:

“Vitality of small towns are being undercut as businesses which could locate in town are now on a farm. Those uses which are related to the farm are perfectly appropriate. Small scale uses such as a home occupation for a single practitioner is reasonable. However, allowing a massage therapy business with multiple practitioners to locate on a farm feels beyond the pale. This is not sustainable as it requires people to drive significant distance to reach the business, has no connection to the farm, it exceeds the appropriate scale, and requires significant increase to servicing (multiple septic systems getting closer to 10,000L/day threshold, requirement for well to be registered and regularly tested).”

Planners noted additional criteria or limits that OMAFRA may want to (re)consider, such as lowering the size and scale criteria, or limit the number of uses to one on a farm or property owner (i.e., that owners of multiple properties have multiple OFDUs), to help limit “the opening of prime agricultural areas to non-farm uses.” On this note, participants expressed a need to reinforce policy measures to ensure the policy for permitting OFDUs benefits farmers, and not non-farming proponents who look to OFDUs as a cheaper alternative to serviced industrial lands.

## 4.1.2 Farmers Survey Results

### Profile of Farmer Sample

#### Breakdown of Participants by OFDU Status

This survey was directed to three groups of farmers: those who currently have an OFDU on their property (82.9%); those who are amidst planning for an OFDU, either in initial business planning stages or by having planning applications within the system (13%); and those who have retired from having an OFDU on their property (with no timeframe from when this OFDU may have been operated) (13%). Most respondents (82.9%) in our sample currently have an OFDU on their property.

#### Age and Gender of Participants

Over half (55.1%) of respondents were over the age of 55 years old (Table 3), which is consistent with the aging demographic of farm operators in Ontario (Statistics Canada, 2017a). Of the 146 respondents, 73.1% identified as men and 26.9% identified as women, again consistent with national averages (Statistics Canada, 2018).

Table 3. Ages of farmers surveyed.

Age Range (Years)	Count (N)	%
18 - 24	4	2.1%
25 - 34	1	12.4%
35 - 44	5	13.8%
45 - 54	1	16.5%
55 - 64	1	26.2%
65 - 74	1	24.1%
75 - 84	2	4.8%

#### Breakdown of Participants by Municipality

There is a consistent distribution of participants across the province. Some municipalities, including Perth (11), Waterloo (11), Grey (10), Wellington (8), Norfolk (7), Simcoe (7), Dufferin (5), Durham (5), and Hamilton (5) had a relatively higher proportion of respondents. Respondents by upper- and single-tier municipality are available in Table 4, where municipalities with three or more respondents are highlighted in grey.

Table 4. Number of farmers surveyed by municipality.

Municipality	Count (N)	%
Chatham-Kent	1	0.7%
City of Brantford	1	0.7%
City of Hamilton	5	3.4%
City of Kingston	1	0.7%
City of London	1	0.7%
City of Toronto	1	0.7%
Cochrane	1	0.7%
Dufferin County	5	3.4%
Durham Region	5	3.4%
Elgin County	3	2.1%
Essex	3	2.1%
Grey	10	6.8%
Haldimand County	2	1.4%
Halton Region	4	2.7%
Hastings County	2	1.4%
Huron County	2	1.4%
Kawartha Lakes	1	0.7%
Lambton County	3	2.1%
Lanark County	2	1.4%
Leeds and Grenville	3	2.1%
Lennox and Addington	2	1.4%
Manitoulin	1	0.7%
Middlesex County	1	0.7%
Niagara Region	3	2.1%
Norfolk County	7	4.8%
Northumberland County	2	1.4%
Ottawa	1	0.7%
Oxford County	3	2.1%
Parry Sound	2	1.4%
Peel Region	2	1.4%
Perth County	11	7.5%
Peterborough County	4	2.7%
Prescott and Russell	2	1.4%
Prince Edward County	1	0.7%
Renfrew County	1	0.7%
Simcoe County	7	4.8%
Stormont, Dundas and Glengarry	2	1.4%
Thunder Bay	1	0.7%
Timiskaming	3	2.1%
Town of Smith Falls	1	0.7%
Waterloo Region	11	7.5%
Wellington County	8	5.5%
York Region	3	2.1%
Missing (not disclosed)	11	7.5%

## Profile of Farm Operations

### Breakdown of Farm Size (Acreage)

This survey asked farmers about the acreage of their properties, both in terms of acreage allocated to production and the acreage allocated to the OFDU (Figure 19).

In terms of total farm parcel acreage, most respondents had parcels under 179 acres in size (61.4%), specifically those with farm parcels 130-179 acres (10.3%), 70-129 acres (33.1%), 10-69 acres (15.9%), and under 10 acres in size (2.1%). A smaller proportion of respondents had relatively larger farm sizes over 180 acres in size, specifically those with farm parcels more than 560 acres (14.5%), 400-559 acres (6.9%), 240-399 acres (7.6%), 180-239 acres (9.6%) in size.

The fact that most farmers with OFDUs in this sample have smaller farm sizes perhaps speaks to the importance of OFDUs to agricultural viability, particularly for those with smaller parcel sizes where it may be more difficult to achieve economies of scale in production due to limited parcel sizes.





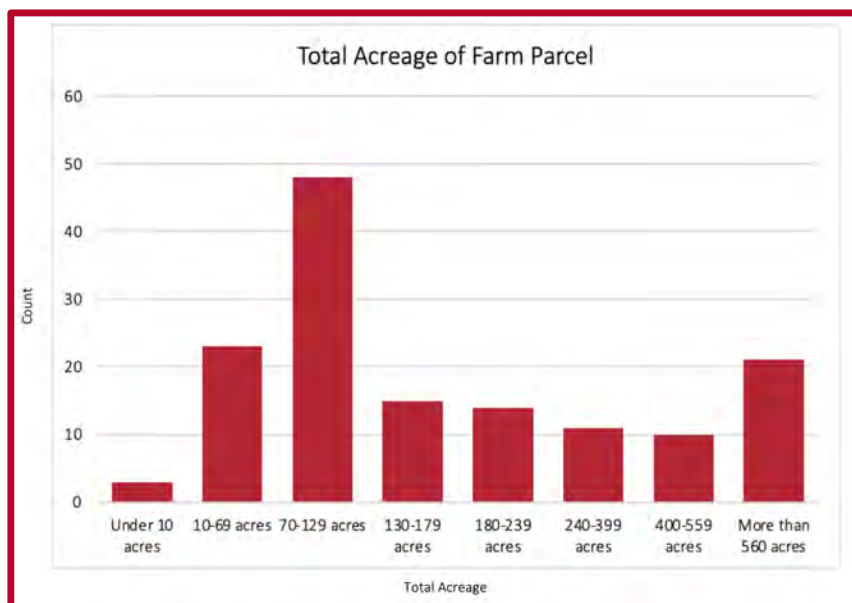


Figure 19. Breakdown of farm parcel sizes amongst farmers surveyed.

### **Breakdown of Farm by Production Type**

Respondents could identify their main production type to be either cash or field crops (36.3%), livestock or poultry, including dairy, aquaculture, and apiculture (44.4%), or specialty crops, including hops, market gardens, landscape, and greenhouse crops (18.8%).

### **Length of Time in Operating Farm (Years)**

Most respondents have operated their current farm between 21-30 years (27.4%), followed by 31-40 years (16.4%), 6-10 years (15.1%), 11-20 years (13%), 1-5 years (11.6%), 41-50 years (8.9%), 51-60 years (2.7%), less than a year (2.7%), and more than 60 years (2.1%).

### **Farm Characteristics: Family Farming and Pluriactivity**

Respondents overwhelmingly stated that they consider their farm to be a 'family farm' (92.5%). Participants who identified having a 'family farm' were asked to select all reasons why they consider this to be the case. Within this sample, the most cited reason is that the farmers' family lives and primarily works on the farm (56.2%), the farm had been handed down (specifically purchased from) the previous generations of family (41.1%). Other reasons selected included having the family live and work on the farm but relying mainly on off-farm sources of income (19.2%), having the family work on the farm but not live directly on the parcel (6.2%), having the family live on the farm and rent out the land (1.4%), and lastly, having the family manage and make decisions about the farm, but without living or working on the farm themselves (1.4%). Fewer respondents opted to use the 'other response' option to specify specific family

dynamics and scenarios as to why they considered their farm to be a family farm, namely being a combination of the pre-identified survey response options (Figure 20).

While many farmers in this sample identified being a 'family farm' because they either currently live and work on the farm or have had the farm in the family for generations, these findings point to the dynamic and changing landscape of what is a 'family farm' in Ontario. Specifically, from the perspective of the agricultural landowner, what or 'who' may be perceived as a 'family farmer' may include agricultural landowners who do not farm themselves at all, despite having on-farm diversified uses, which are intended to support agricultural viability and incentivise and support farms to remain in agriculture by providing an additional and secondary revenue stream. In recognizing that some 'family farms' with on-farm diversified uses may not be run by landowners who are producing agricultural goods themselves but technically still own a 'farm,' as identified under Guidelines criteria for OFDUs, planners must keep 'land use' rather than 'land user' in mind when planning for OFDUs, speaking to the importance of defining criteria in permitting OFDUs, including what is a 'farm' under municipal by-law definitions.

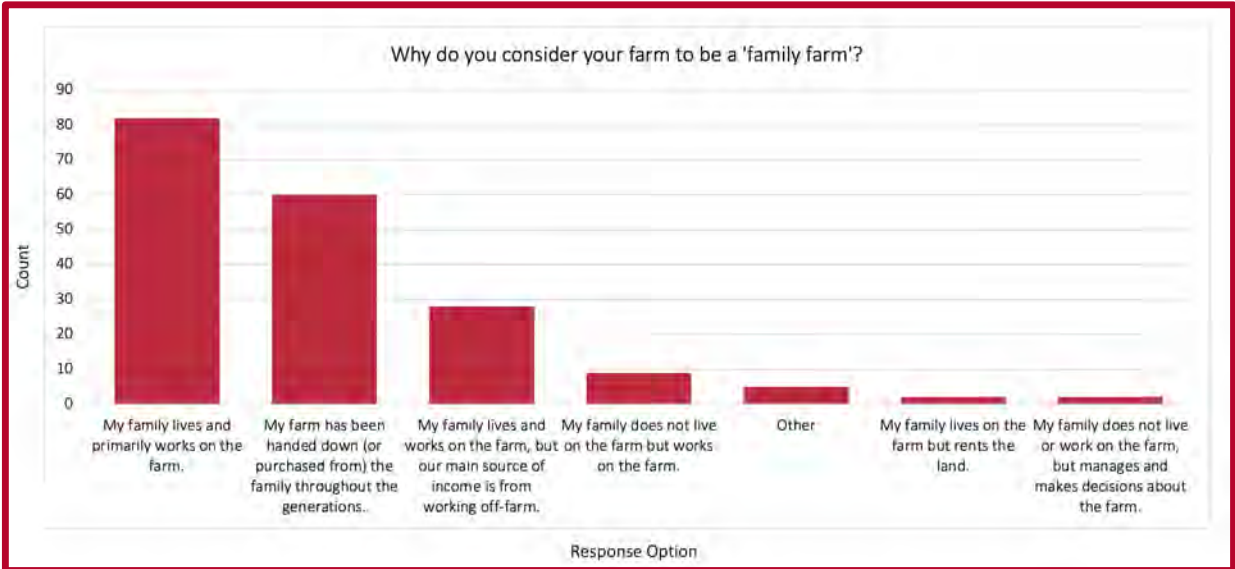


Figure 20. Bar chart showing reasons surveyed farmers' reasons why they consider their farm to be a 'family farm.'

This survey asked about the motivations and scenarios of farmers for undertaking different income generation activities and pluriactivity of family farmers. Majority of

respondents (61%) stated that they solely work on the farm, compared to 30.1% of respondents who work both on *and* off the farm. A smaller proportion of respondents stated that they were 'retired' specifically from working *off* the farm (8.2%), in addition to only one individual who specified that they solely rely on working *off* the farm (0.7%).

Of those who work (or have worked) off the farm, most identified having other professional careers on the side (45.6%), compared to those in trades (14%), manufacturing (14%), commercial or retail (7%), industry (5.3%), primary production elsewhere [including another farm (5.3%)], and hospitality (1.8%). 'Other' (7%) response options were re-coded and reduced to two other groups which were not originally captured in our initial response options. These two groupings are 'transport' meaning truck driving or other transport-related career, as well as unspecified on-farm businesses.

Depending on off-farm work, there may be an opportunity for farmers to bring their additional careers and skills back to the farm for on-farm diversified uses. For example, the finding that most respondents who do work off-farm also work in a professional career (e.g., accounting, massage therapy) may engage in careers that may take place in their home, providing heightened opportunities for home occupations to be utilized as on-farm diversified uses. Said opportunities to assist farmers in bringing their off-farm careers back to the farm may be of benefit for on-farm diversification, recognizing that home occupations are more to be limited in size and scale, likely using existing space on-farm and take up relatively less land for additional development, relative to other off-farm careers such as industry, trades, or retail skills which may require additional space or considerations for agricultural compatibility.

### **Profile of Farmers' OFDUs**

#### **Division of Labour on the Farm and with OFDU**

To understand the contributions of OFDUs to pluriactivity, and agricultural viability and compatibility, this survey inquired as to *whom* on the farm is managing or making decisions regarding on-farm diversification (Figure 21). Majority of respondents [i.e., farmers or agricultural landowners (54.2%)] specified that they manage and make the decisions about the on-farm diversified use. The next most selected scenario in our sample includes farmers who "share the responsibility with someone else on the farm to manage the on-farm diversified use" (38.2%). This scenario is followed by a lesser proportion of respondents who identified that someone else on the farm manages and

makes the decisions about the on-farm diversified use (5.5%), or that outside help is hired to manage the on-farm diversified use (1.4%). A smaller proportion of respondents (0.7%) who selected 'other' and specified that they have a lease agreement to manage the on-farm diversified use but provided no other additional details.

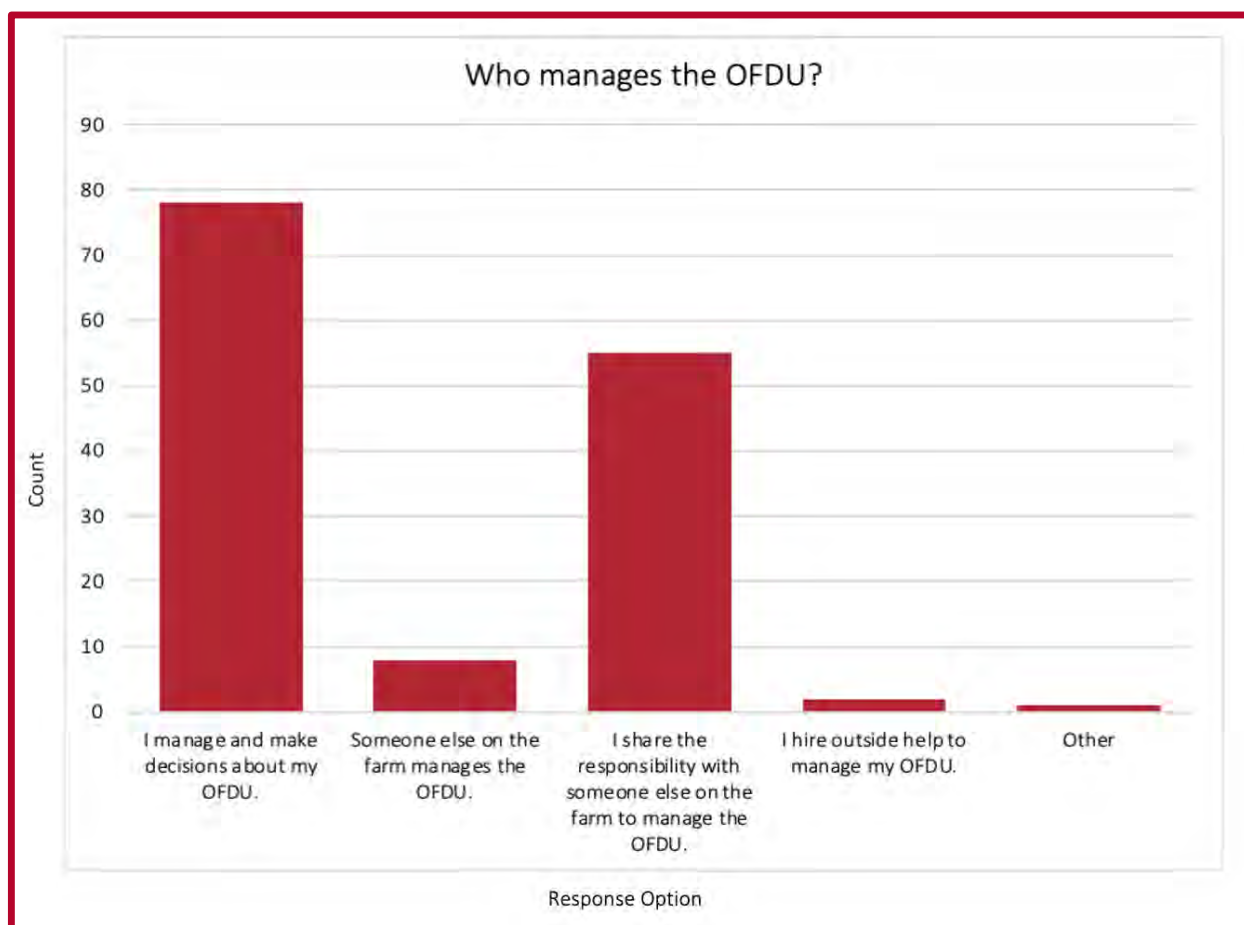


Figure 21. Breakdown of farmers' scenarios in terms of who and how their OFDU is managed.

Evidently, there are several ways OFDUs are managed within the farm operation, ranging from farmers taking the sole responsibility to outsourcing the management responsibilities. While not included within the scope of this study, these scenarios point to several considerations which should be considered by farm operator to consider potential impacts to the farm operation:

- What factors have farmers considered when establishing the OFDU? For instance, if outside help is hired to manage the OFDU, what

arrangements are made to ensure compatibility between the two uses and that impacts to the farm operation are minimized?

- What opportunities for succession planning are there with the ways OFDUs are managed?
- How does a farmer, who also manages an OFDU, navigate responsibilities and time needed to manage both the farm operation and OFDU?

### **OFDUs in the Prime Agricultural Area**

Majority of respondents (75.2%) stated that their on-farm diversified use was located, in whole or in part, in the prime agricultural area, according to the PPS (2020b) definition (Figure 22). Fewer respondents (16.5%) stated their OFDU was *not* in the prime agricultural area, compared to 8.3%

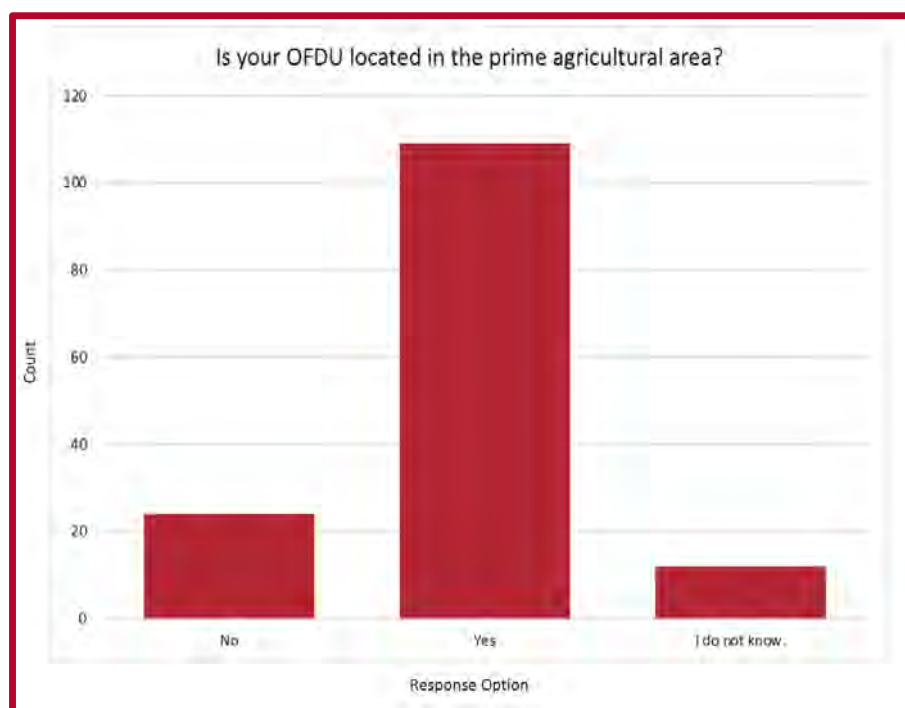


Figure 22. Proportion of farmers whose OFDU is in the prime agricultural area.

who were unsure as to whether their OFDU was (either partially or in whole) in the prime agricultural area. This study was not limited to farmers who own and operate on-farm diversified uses in the prime agricultural area, recognizing that the Guidelines and on-farm diversified use size and scale criteria have applicability to other agricultural and *rural areas* (under PPS (2020b) definitions) more broadly.



**Time Ago the OFDU Was Established**

To understand the legislative and policy context existing at the time of respondents’ OFDU application(s), this survey asked respondents to identify roughly when the OFDU was established (Figure 23). Response options were grouped to understand whether farmers were establishing OFDUs at the time of the publication of the Guidelines and their implementation into municipal policy.

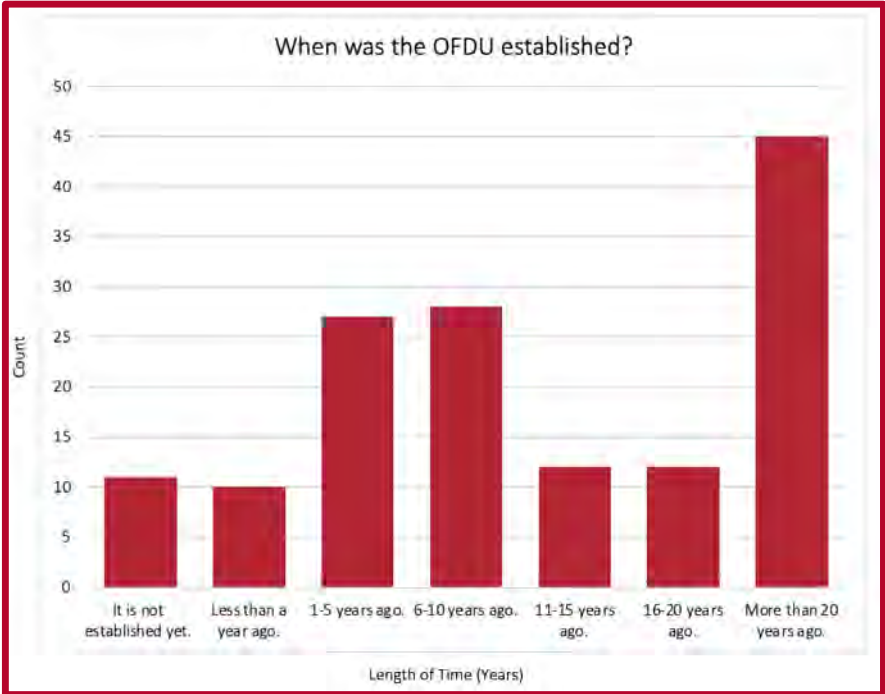


Figure 23. Breakdown of when surveyed farmers’ OFDUs were established (2021).

In 2021, approximately a third of respondents (33.1%) have established or are in the process of establishing their OFDU within the last five years, at the time or introduction of the Guidelines. Specifically, 18.6% have established their OFDU between 1-5 years ago, 6.9% who have established the OFDU less than a

year ago, and 7.6% who are in the process of establishing their OFDU. Given that approximately a third of the survey’s sample are establishing OFDUs within the last five years suggests there may be an increasing contemporary interest amongst farmers to diversify their farms. Alternatively, that the timing and introduction of the guidelines have introduced the pathways for farmers to diversify their revenue streams and business operations when previous guidance from the Provincial government on how to undertake this process may have been otherwise lacking.

A larger proportion of respondents (66.9%) have established their OFDUs *prior* to the introduction of the Guidelines: 19.3% established their OFDU between 6-10 years ago, 11-15 years ago (8.3%), 16-20 years ago (8.3%), and more than 20 years ago (31%). While most respondents in this sample established OFDUs during a different planning

policy landscape, *prior to* the introduction and implementation of the Guidelines, their insight and experiences provide lessons to be learned in what works, what does not work, and best practices for farmers and municipalities alike in planning for OFDUs now and in the future. Moreover, it is important to consider the proportion of farmers which have diversified uses on their farms, established prior to the Guidelines, and how new policy provisions and criteria for OFDUs may impact their ability to expand or adjust their business operations in the future from a land use planning perspective. Many of these respondents who have owned and operated OFDUs prior to the Guidelines being introduced participated in interviews which will be spoken about in Section 4.2.3.

### **Types and Numbers of OFDUs on the Farm**

The survey asked respondents to “select all” types of OFDUs that exist on their property and are part of their farm operation (Figure 24). Amongst the entire sample, the most common OFDUs owned and operated amongst the sample are home industries (39.7%), followed by retail operations (33.3%), *agri-tourism* and recreational uses (32.6%), defined as “means those farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm operation (PPS, 2020, p. 40), value-added uses (27.6%), home occupations (11.3%), café/small restaurant, cooking classes, or food store (such as cheese or ice cream) (7.8%), and ‘other’ uses not identified on the list (7.8%), which farmers identified as event venues used for weddings or concerts, institutional uses such as historic sites, ag-related uses, as well as several microFIT renewable energy projects used to generate income rather than supply their own home with renewable energy). The inclusion of microFIT projects as an OFDU was considered by the research team upon considering that the definition of *on-farm diversified uses* in the PPS (2020b) includes renewable energy ventures, specifically: “Ground-mounted solar facilities are permitted in *prime agricultural areas*, including *specialty crop areas*, only as *on-farm diversified uses*” (p. 48).

Over a third of respondents (34.2%) have multiple OFDUs ranging in size and scale on their property, compared to 65.8% of respondents who specified having only a single type of OFDU on their property (Figure 25). Within this survey sample, the average number of OFDUs on an agricultural parcel is 1.6 uses, ranging from 1 type of OFDU to 5 different types of OFDU on their properties (possible score of 7). These findings illustrate that in many cases farmers may have multiple diversified revenue streams accumulating within the on-farm diversified use or business on the property. These

additional uses may range in size and scale, as well as compatibility with existing agricultural production and OFDUs on the property [e.g., a pick-your-own strawberry patch (agritourism) may have an on-farm market (retail) in addition to a commercial kitchen (value-added) for processing and preserving of goods produced on-farm]. This may compare to farms which may have multiple OFDUs which are not as complementary to one another or the agricultural production in question.

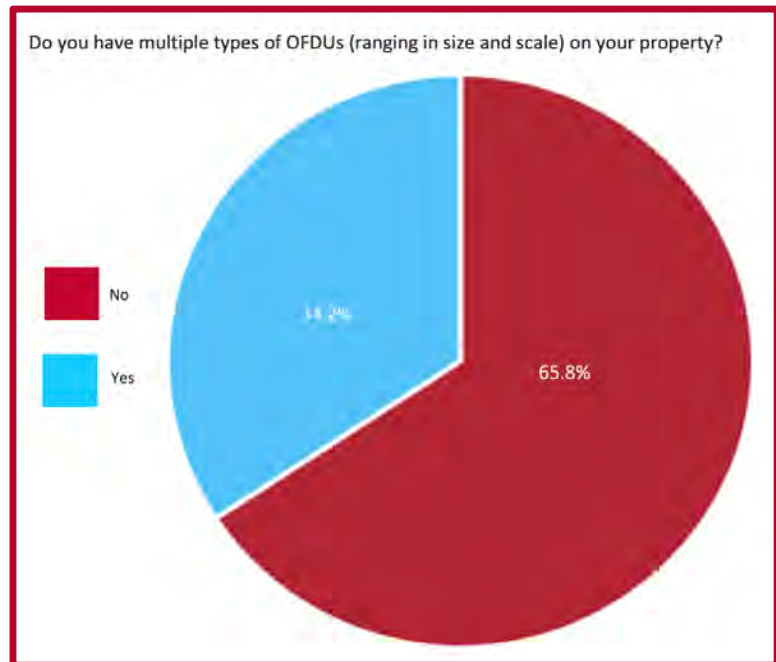


Figure 24. Proportion of farmers who have more than one OFDU on their operation.

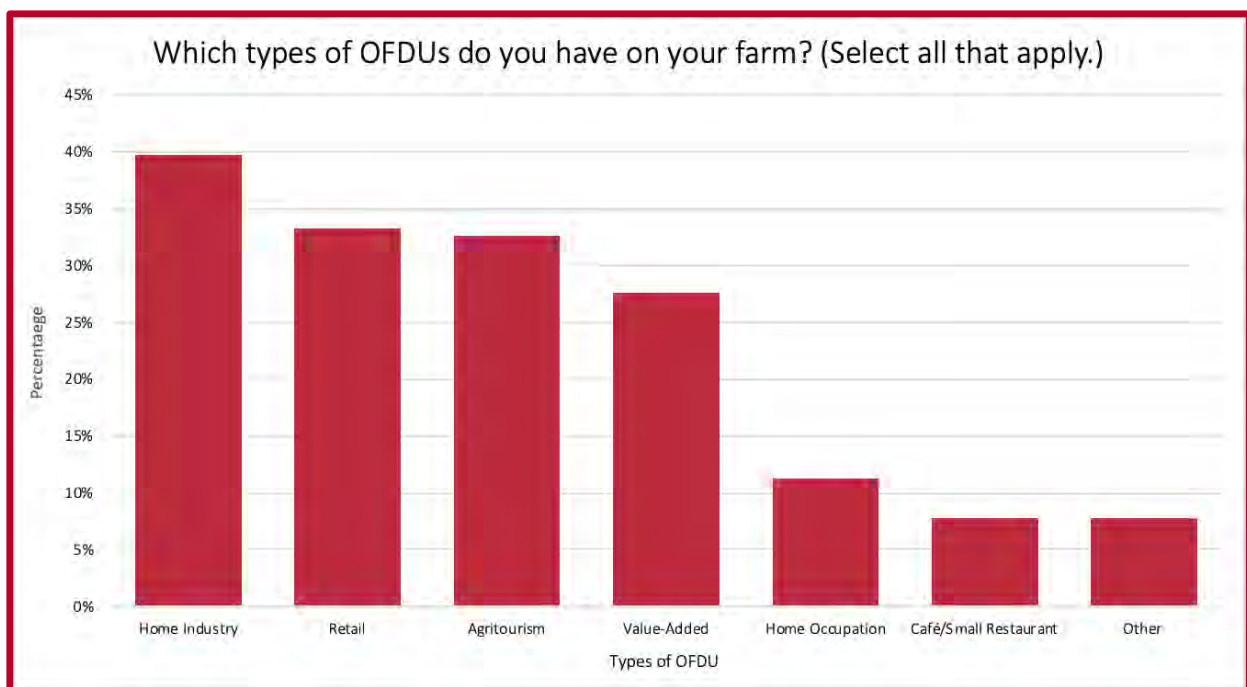


Figure 25. Breakdown of types of OFDUs found on surveyed farmers' operations.

### ***Reasons for Diversifying***

To assess the impact of OFDU policies on farmers, the survey inquired into the main motivations of farmers for establishing the OFDU, allowing farmers to select up to three reasons provided in the outlined response options (Figure 26). The top three reasons cited among our farmers in our sample are “I needed additional income” (48.6%), followed by “I am an entrepreneur and there was an opportunity to start a new business” (32.2%); and that the on-farm diversified business “related to the farm’s production” (31.5%). These results are perhaps unsurprising, recognizing that the GL for OFDUs provide avenues for farmers to diversify their revenue streams to earn additional income, remain viable in agriculture, and to support the entrepreneurial spirit of farmers in taking advantage of economic benefits to the farm.

Subsequent reasons cited included: “I wanted to find a way to keep the farm in the family and community for future generations” (21.9%), “to provide educational opportunities for others (e.g., to teach about food, the environment, farming, or other” (17.1%), “to provide opportunities for succession planning” (14.4%), as well as “to create employment opportunities for my children” (14.4%).

These reasons, from a cumulative perspective, suggest there is a recognition amongst farmers of the roles OFDUs play in preserving not only the future of the farm and the farmland, but also the concept of the ‘family farmer,’ particularly in ensuring opportunities exist for youth, farming children, as well as others, to get involved with agriculture and agri-food, by providing employment and raising awareness and fostering understanding about agriculture. Moreover, these motivations highlight the contributions OFDUs *theoretically* provide for rural communities, including enhancing and preserving agricultural areas, providing employment and skill-building opportunities, and providing opportunities or strategies to attract and retain youth in rural and agricultural communities, as well as the industry.

Interestingly, respondents selected ‘other’ (11%) citing reasons including: enhanced opportunities to provide additional goods and services to the community, farm integration and allowing farmers to better control the value chain and capture more profit, providing opportunities for new entrants in agriculture to become competitive or viable, to maintain or preserve the heritage of the agricultural area, to mitigate risk and generate income year-round, as well as to entice new visitors to the rural area and contribute to local economic development (i.e., tourism).



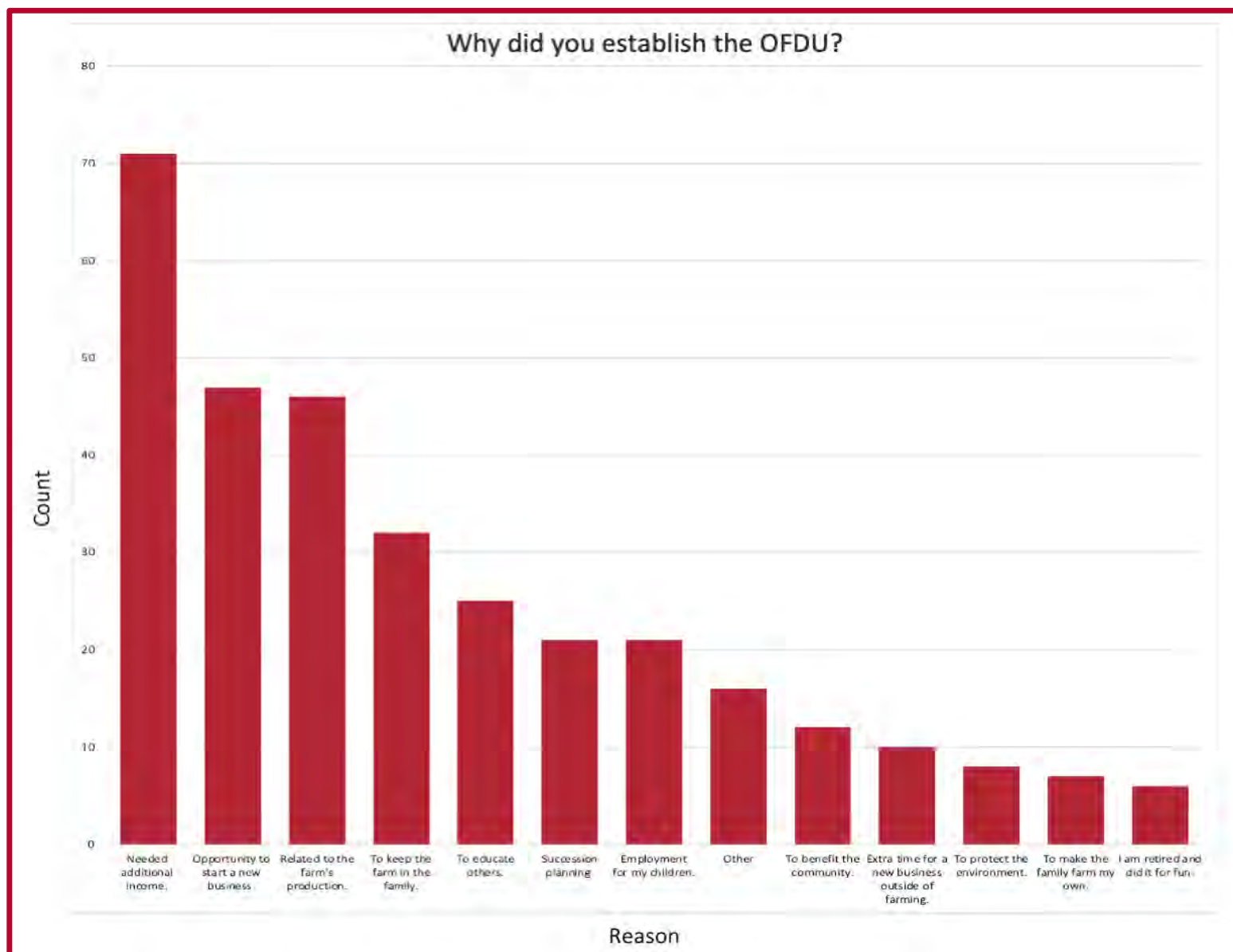


Figure 26. Reasons why farmers established their OFDU.



**Annual Gross Revenue Earned from the OFDU versus Farm Production**

This survey inquired behind the relative levels of annual gross revenue earned from both respondents’ on-farm diversified uses as well as annual gross revenue earned from agricultural production (excluding revenue earned from the OFDU). Of those who have an OFDU currently established, the levels of gross annual revenue earned from the OFDU are distributed relatively evenly across all response categories, ranging from under \$10,000 to more than \$2,000,000 in annual gross revenue. This compares to annual gross revenue earned from the farm, exclusive of income earned from the OFDU business. Table 5 illustrates that while revenue earned from either use within the sample are distributed relatively evenly across all categories of revenue earned, income from farm production tends to exceed that of OFDUs in most response categories.

Table 5. Categories of annual gross revenue earned from the OFDU versus the farm.

Categories of Annual Gross Revenue	% Respondents Earning Revenue from OFDU	% Respondents Earning Revenue from Farm
<b>Under \$10,000.</b>	14.8%	10.2%
<b>\$10,000 - \$24,999</b>	13.0%	15.1%
<b>\$25,000 - \$49,999</b>	10.4%	13.4%
<b>\$50,000 - \$99,999</b>	12.2%	9.4%
<b>\$100,000 - \$249,999</b>	8.7%	13.4%
<b>\$250,000 - \$499,999</b>	12.2%	15.7%
<b>\$500,000 - \$999,999</b>	11.3%	11.8%
<b>\$1,000,000 - \$1,999,999</b>	11.3%	3.9%
<b>\$2,000,000 and over.</b>	6.1%	7.1%

Table 6. Annual gross revenue earned from the OFDU versus agricultural production.

Response Option	Count (N)	Proportion (%)
<b>No</b>	41	37%
<b>Yes</b>	36	33%
<b>It is equal.</b>	33	30%

To further describe the relationship between revenue generated by



OFDUs relative to revenue earned by the principal agricultural use of the property across the sample, responses were recoded by case and analyzed by frequency to compare whether the OFDU generated more, less, or about the same amount of revenue relative to the farm operation (Table 6).

Our results show that of those respondents who have an established OFDU and were willing to disclose their annual gross revenue, most respondents are earning more (32.7%) or about the same amount (30%) of revenue from their OFDU when compared to their farm business. Fewer respondents (37.3%) indicated that the OFDU *does not* generate more revenue than agricultural production on site. However, in all cases the OFDU provides some supplementary income to the farmer, whether the revenue is greater than income earned from production.

While generalizations cannot be made across these findings as a whole, it can be interpreted that within some scenarios there are cases where having the additional revenue stream resulting from OFDUs may help farmers enhance their capacity to earn additional income in agricultural production, by reinvesting profits earned from the OFDU back into production and growing their farm business as a result, as possibly illustrated based on findings in Tables 5 and 6. This is a pattern that was identified in our interview findings which will be discussed later on in Section 4.2.3. Exploring how farmers and planners utilize OFDUs to support agricultural production as the principal use of the property, rather than abandon or withdraw from agriculture in pursuit of potentially higher-generating and diversified on-farm revenue streams, is an emerging point of discussion and further consideration in this study.

### **Provincewide Characterization of OFDUs**

#### **Size and Scale of the OFDU**

When asked about how much land is (or was) required for the OFDU, most respondents (64.8%) identified that they use a maximum of 1 ha of land or less, according to size and scale criteria outlined in the Guidelines. Most respondents indicated that they use less than a ha of land (28.2%), followed by respondents whose OFDU is in their house, out-building, or barn, and they require no additional space other than parking (27.5%), and respondents who use a maximum of 1 ha for the OFDU (9.1%). These findings indicate that most OFDUs within our sample are within the confines of the 2% size and scale criteria as outlined in the Guidelines (Figure 27).

Just over a third of respondents (35.2%) stated their OFDU is beyond the 2% size and scale criterion using more than 1 ha of land for their OFDU, with 21.8% using between 1 to 5 hectares of land (21.8% of respondents), and 13.4% using more than 5 hectares of land for their OFDU. These numbers illustrate that although size and scale criteria are now in place to guide the development of OFDUs on prime agricultural lands, the existence of OFDUs in the agricultural area that exceed size and scale are more than what may otherwise be appropriate for balancing economic development opportunities with farmland preservation.

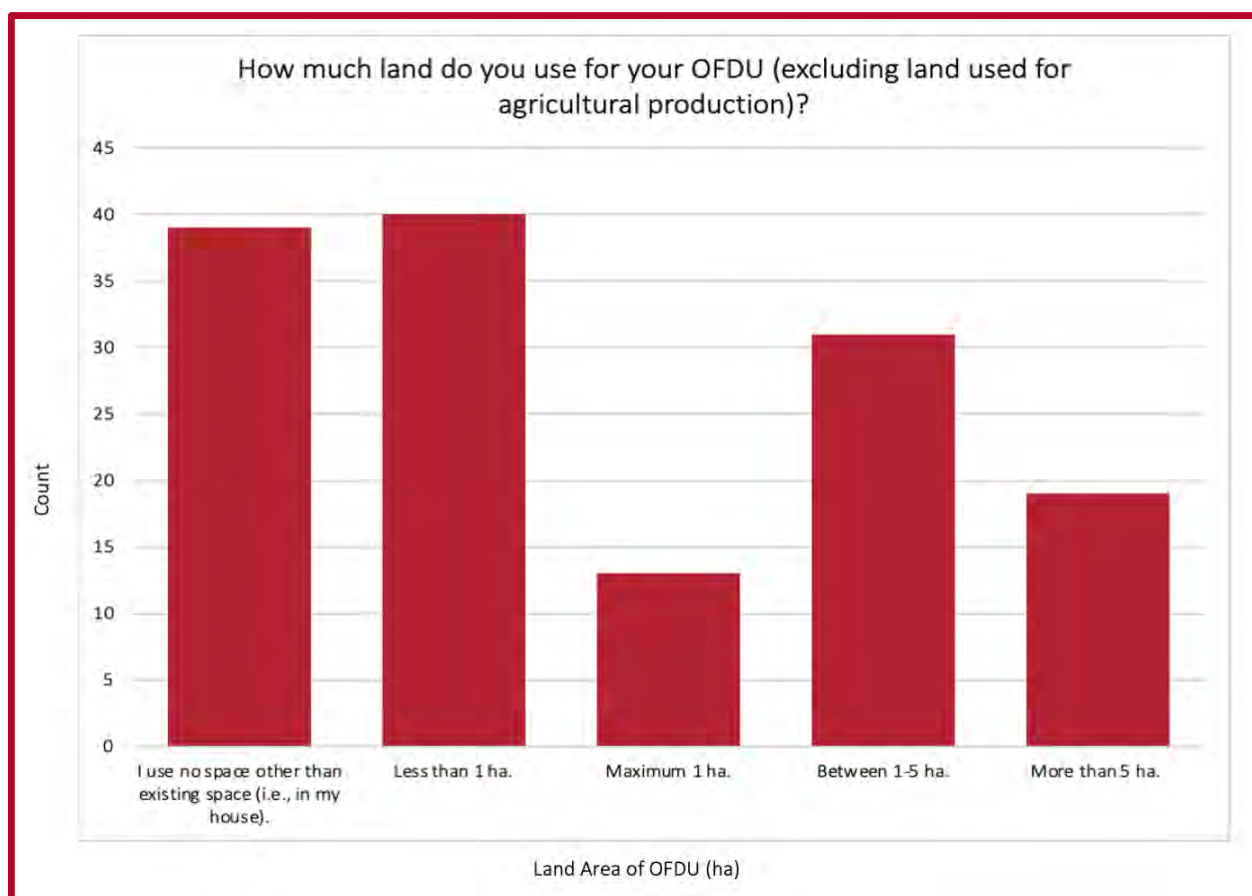


Figure 27. Proportion of space used for OFDUs amongst farmers.

### **Year the OFDU was Established Versus OFDU Size and Scale**

To assess the relationship between the age of the OFDU (i.e., the amount of time ago the on-farm diversified business was established) and the size of the OFDU (in terms of land area), a rank-based nonparametric test (i.e., Kruskal-Wallis H test) was conducted to examine differences on the size of the OFDU in terms of land area (hectares)

according to the year the OFDU was established. These variables were selected based on the hypothesis that OFDUs established in more recent years will have less farmland area allocated to them, resulting from a policy context and period of land use planning decisions that more firmly prioritize farmland preservation, including the Guidelines.

It was found that the differences between three categories of participants: respondents with a maximum one ha allocated to their OFDU established within the last 6-10 years, respondents with less than a ha allocated to their OFDU established within the last 6-10 years, and respondents who use no additional space for their OFDU established within the last 6-10 years, each of which compare to respondents who use more than 5 hectares of land allocated to their OFDU established more than twenty years ago (3–5, 2–5, and 1–5, respectively), were statistically significant ( $p$ -value < 0.050). Therefore, these findings suggest rejecting the null hypothesis that there is *no* relationship between the timing of when OFDUs were established, and the amount of land area allocated to them. See Table 7 and Figure 28 for a full depiction of the results, including  $p$ -values for the statistically significant categories identified. It is important to note that these results are dependent on data self-reported anonymously by participating farmers.

Table 7. Kruskal-Wallis H test for area allocated to OFDU ( $n = 142$ ) and time ago OFDU is established ( $n = 145$ ).

OFDU Acreage of Respondent	Length of Time (Years) OFDU is Established *
<b>Minimum Space</b>	6 - 10 years ago
<b>Less than 1 ha</b>	6 - 10 years ago
<b>Maximum 1 ha</b>	6 - 10 years ago
<b>More than 5 hectares</b>	More than 20 years ago

These results suggest that within this sample there is a statistically significant difference between the timing when OFDUs are being established versus the land area used for OFDUs, specifically farmers are keeping their OFDUs to a minimal amount of space, keeping their OFDUs under 1 ha, or using up to a maximum of 1 ha, within the last 6-10 years of establishing OFDUs, compared to farmers using more than 5 hectares in

land area for their OFDUs (represented by \* in Table 7). Results indicate that over recent years OFDUs are decreasing in land area compared to those established over a longer period. This trend is likely due to a period where emphasis is increasingly placed on prioritizing farmland preservation in land use planning decisions, as well as a period in provincial policy where the Guidelines were being developed. Based on these findings, it may be interpreted that provincial priorities for farmland preservation as well as policy development related to the Guidelines are working to keep OFDUs under 1 ha in size, providing a balance between economic benefit and farmland preservation (at a 95% confidence interval).

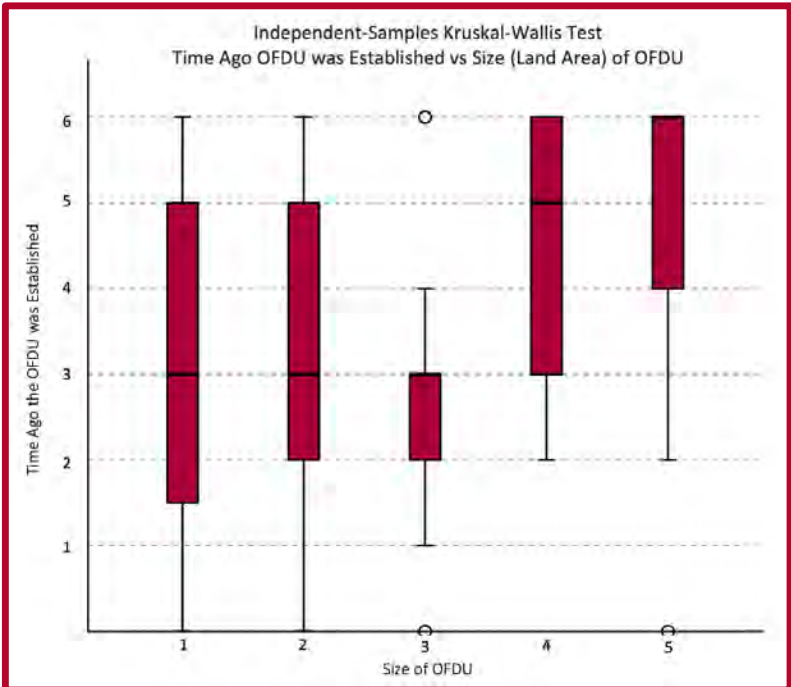


Figure 28. Kruskal-Wallis H test for area allocated to OFDU (n = 142) and time ago OFDU is established (n = 145).

Within this sample, there are fewer OFDUs which have been established after the Guidelines. As such, it is not possible to illustrate whether this association would continue with OFDUs established over more recent years, and whether this period aligning with the design and dissemination of the Guidelines would also influence the size and scale of newly established OFDUs. However, based on our results and the sudden halt in OFDUs size and scale during the last 6-10

years during this introductory period farmland preservation policies relative to on-farm diversification, we interpret that the trend of OFDU land area remaining under 1 ha in size should continue.

While these findings suggest that provincial policy and guidance have worked to limit farmland loss within the scope of on-farm diversified uses at an individual farm parcel level, these findings should not be discussed without acknowledging the cumulative effect of OFDUs across a landscape. Specifically, the potential cumulative impact of multiple farms adopting smaller portions of farmland for OFDUs across the provincial



landscape. This study did not explore the cumulative impact of OFDUs over time and their amount of land required for development taken out of production.

### **Economic Impacts of OFDUs**

#### **Impacts on Job Creation**

To assess the contributions of OFDUs to local economic development, this survey asked respondents to indicate the number of jobs created within the family unit, as well as outside the family unit, resulting from the OFDU. Respondents reported a mean (SD) of 3.1 ( $\pm$  9.1) jobs created within the family unit because of the OFDU, followed by a mean (SD) of 9 ( $\pm$  23.9) jobs created outside the family unit because of the OFDU. These findings (Table 8) illustrate that there is a contribution of OFDUs to job creation, both within and outside the family unit, but that OFDUs may create more jobs that provide employment opportunities beyond the family unit to benefit the community.

Table 8. Overview of jobs created because of OFDUs included in the survey sample.

	<b>How many jobs were created within your family unit because of your on-farm diversified use?</b>	<b>How many jobs were created outside your family unit because of your on-farm diversified use?</b>
<b>N Valid</b>	135	126
<b>N Missing</b>	11	20
<b>Mean</b>	3.08	9.01
<b>Standard Deviation (SD)</b>	9.1	23.9
<b>Range</b>	91	160
<b>Minimum</b>	0	0
<b>Maximum</b>	91	160
<b>Sum</b>	416	1135

Within the total sample, over 1100 jobs were created because of OFDUs. These findings point to an evident positive contribution to the local economy. However, as Table 8 illustrates, some farms self-reported having up to 160 employment positions available because of their OFDU. Interviews, as will be discussed in section, Section

4.2.3 verified these claims, and more detail will be provided later. These numbers, while positive for local economic development, also illustrate the size and scale at which some OFDUs across the province are operating, particularly in terms of employment needed to run the business.

### **Ranking Personal Values of the Contributions of OFDUs**

Farmers were asked to rank, based on their opinion, whether or how on-farm diversified uses contributed to the following benefits from 1 to 11 (with 1 being the most important). The following contributions were identified within literature on farm diversification, in consultation with the research advisory committee, as well as within the Guidelines.

Farmers ranked the following contributions of OFDUs from most important to least important (Table 9):

Table 9. Contributions of OFDUs as ranked by farmer sample.

Placement	Contribution	Count (n)	Mean Score*	Range
1	Agricultural viability	332	2.5	9
2	Local food production, consumption, and awareness and appreciation of agriculture	511	3.8	9
3	Farm succession	593	4.4	10
4	Farmland and environmental protection	604	4.5	10
5	Entrepreneurship and job creation opportunities	627	4.6	8
6	Diversification of the rural economy and tax bas	800	5.9	9
7	Supporting young families	876	6.5	9
8	Creating and supporting local partnerships	930	6.9	10
9	Tourism and recreation	967	7.2	10
10	Welcoming and retaining newcomers in the community	1233	9.1	10
11	Other (Farm integration and providing additional goods and services to the agricultural community).	1439	10.7	10



*\*Ranking is based on 1 being most important, and 11 being least. Cumulatively higher scores equate to less importance as ranked by respondents.*

Evidently respondents' ranked contributions of OFDUs which appear to have a direct personal and economic benefit to the farm and farm family, including agricultural viability, food production and consumption, as well as farm succession. Interestingly, farmers also ranked the ability of OFDUs to contribute to "farmland and environmental protection" relatively highly (4<sup>th</sup>), potentially recognizing the (counterintuitive) value diversification has for enhancing agricultural viability and ensuring farmers remain in production.

### **OFDU Clientele**

In terms of visitors to OFDUs, majority of respondents (62%) with clients or customers reported that most of their clients or customers are local, visiting from a 1-50 km radius, followed by those whose clients come from a distance [50+ km radius in the province (35%)], and fewer whose clients are predominately out of province (0.7%) or abroad/international (2.2%). Evidently majority of clients or customers supporting OFDUs are within the province of Ontario, providing opportunities to support provincial agriculture and agri-food networks, local food production, and sustainable local economic development and tourism.

Of those clients and customers visiting OFDUs, 36.6% indicated visitors are from urban areas, followed by rural areas (29.8%), or a mix of both (33.6%).

### **Planning for OFDUs**

#### **Complaints and Conflicts Stemming from OFDUs**

With respect to complaints regarding OFDUs, only 12.3% of respondents indicated they had experienced conflicts (such as complaints related to light, traffic, or sound) with neighbours about their on-farm business. Respondents had the opportunity to provide additional comments whereby they explained the nature of the complaints. These open-ended responses generated a word cloud which featured the most mentioned complaints (Figure 29).

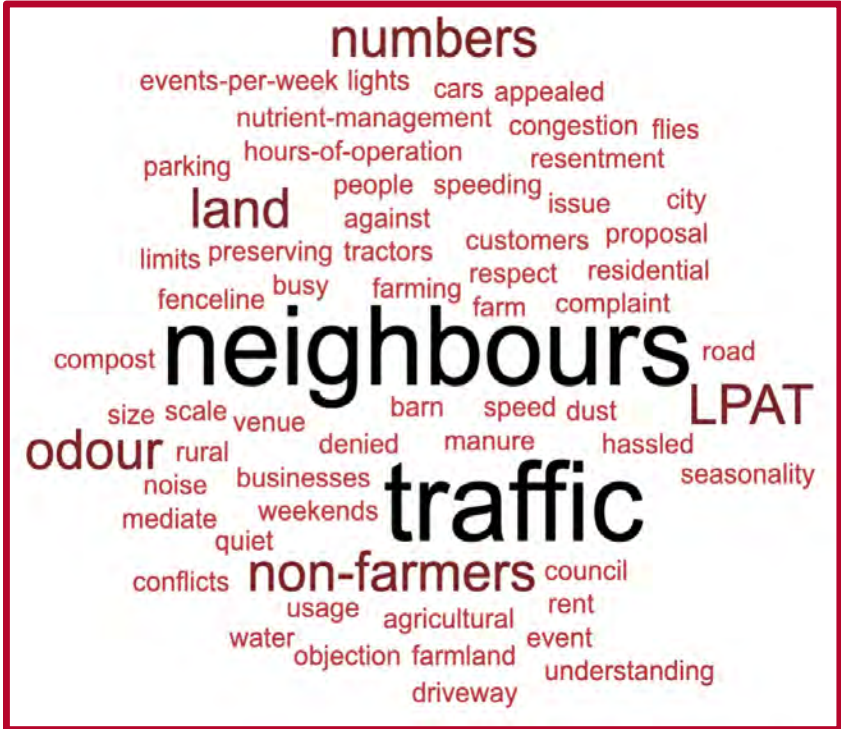


Figure 29. Word cloud illustrating most common complaints received about OFDUs.

Complaints from neighbors about lights, noise, traffic and parking, or the concern over loss of amenity or farmland in rural areas, were concerns commonly mentioned. The word cloud also features using certain quantifiers (e.g., hours-of-operation, events-per-week, seasonality) to help reach a compromise in the impact the size and scale OFDUs would have on the community or agricultural area.

Other comments include complaints about normal farm practices, such as flies, odour, dust, etc., and the ability of the OFDU to not impact the ability of normal farm practices in agriculture to continue. This word cloud provides us with an understanding that while OFDUs have their benefits, they do have their challenges for communities, neighbours, and other farmers who may not be diversifying, too. Managing these impacts is important to ensure both OFDUs and agricultural production can be successful.

**Planning Approvals Required**

The survey inquired about whether the respondent required any planning approvals for the OFDU (e.g., Official Plan amendment, zoning amendment, SPC) (Figure 30).

Over half of respondents (54.8%) specified that they did not require planning approvals for the on-farm diversified use as the use was already permitted as-of-right in local municipal Official Plans and Zoning By-laws. Further, 26.7% of respondents stated that they did require and sought out the necessary approvals, compared to 18.5% of respondents who specified they did not seek any approvals for their OFDU. This finding speaks to the potential value of as-of-right permissions in Official Plans and



Zoning By-laws, and whether a lengthy approval process may hinder farmers from seeking out ways to operate their business in ways that conform to local municipal policies and regulations.

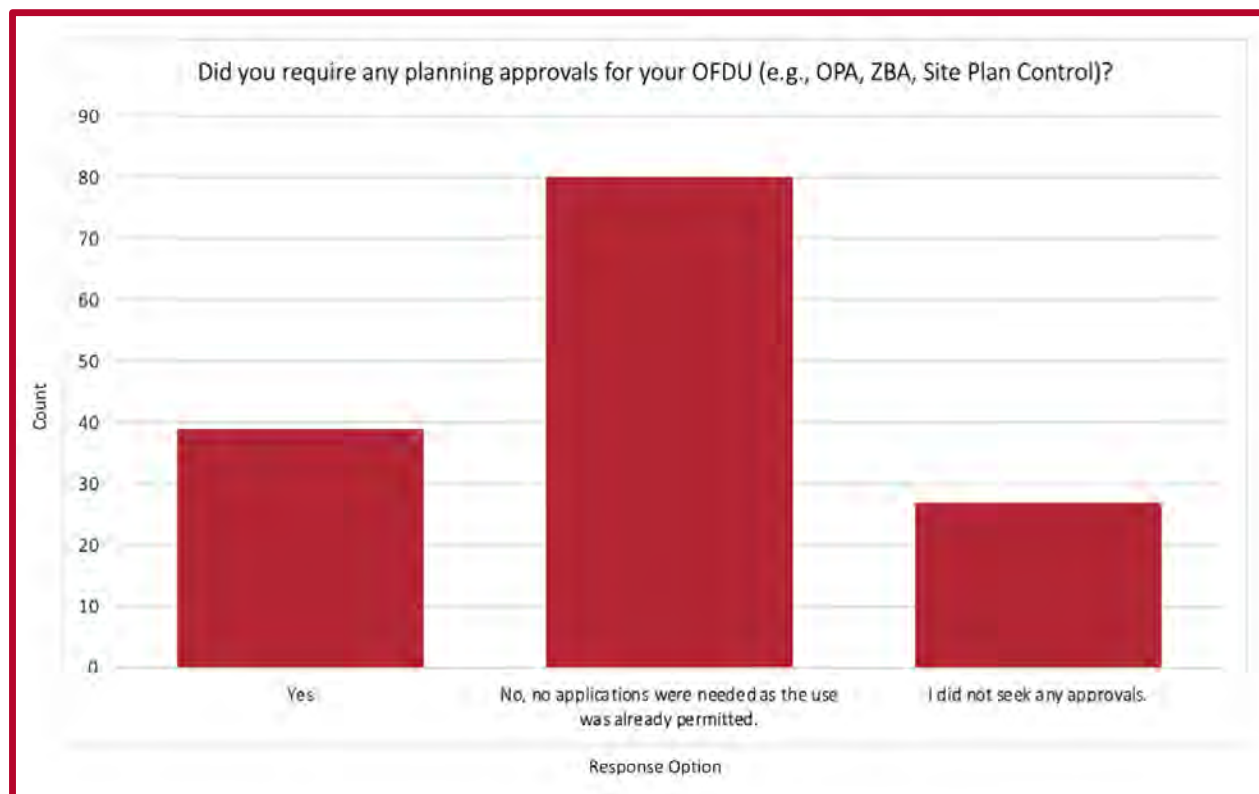


Figure 30. Proportion of farmers who needed planning approvals for their OFDU.

Of those participants who sought planning approvals, 7.9% ranked their overall experience with the planning approval process to be 'excellent,' compared to 28.9% who thought it was 'good,' 15.8% who thought it was fair, 18.4% who thought it was 'poor', and 28.9% who thought it was 'terrible' (Figure 31).



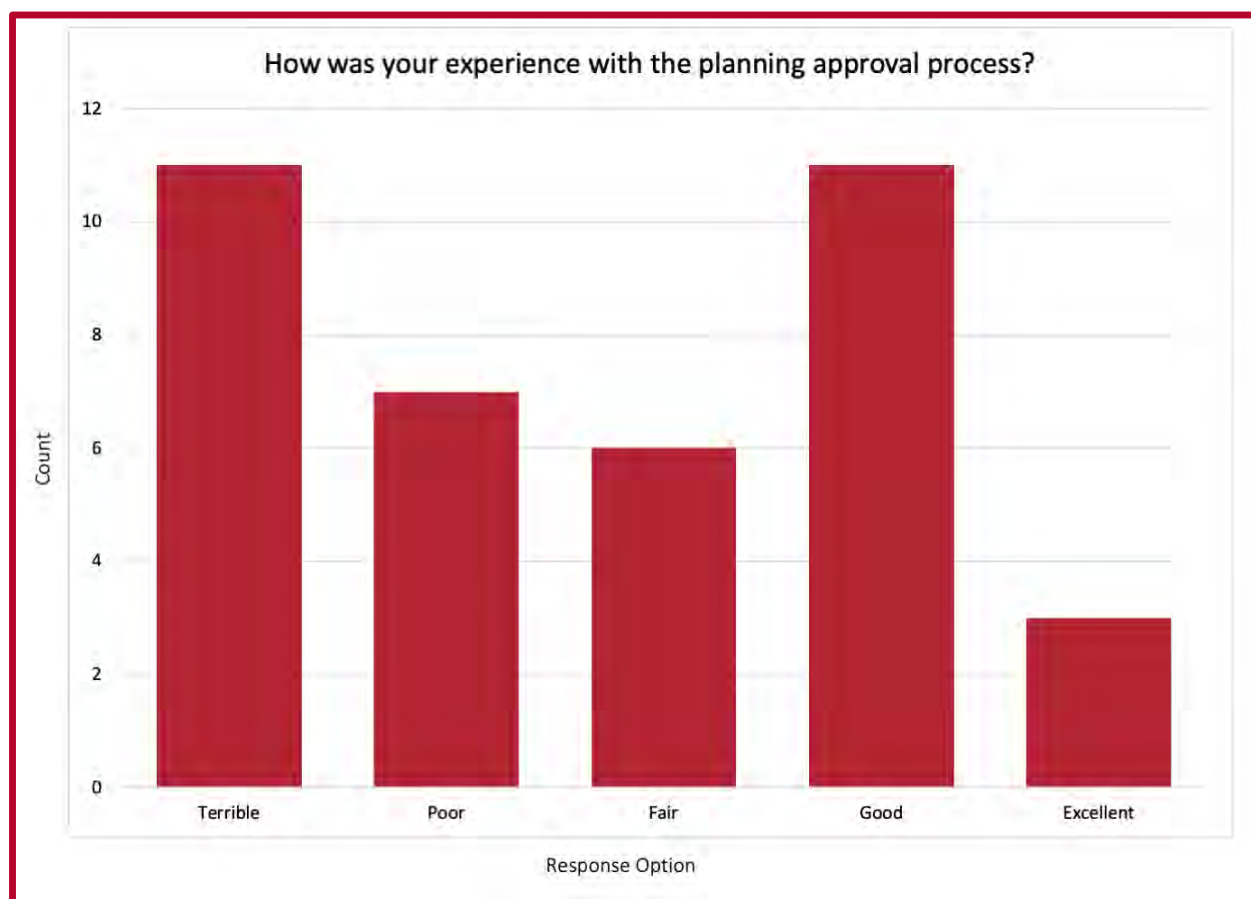


Figure 31. Farmers' ranked experiences with the OFDU planning approval processes.

Respondents had the choice to provide more detail. Of those who rated the experience as 'terrible,' they expressed frustrations over having to visit the Local Planning Appeal Tribunal (LPAT, formerly the Ontario Municipal Board). Others who rated the process as poor, fair, and good commented on timely or lengthy processing times of application, complexity of applications, lack of guidance or support from municipal staff in navigating the policy and application process, having to navigate multiple layers of policy and jurisdiction over land use planning matters (i.e., Niagara Escarpment Commission), high fees (e.g., application fees, development charges) required of applicants, 'antiquated by-laws' which have outdated provisions relative to neighbouring townships or municipalities, neighbourly complaints and public scrutiny, having to undergo SPC, lack of as-of-right uses in the ZBL triggering ZBAs, the need to hire costly consultants to manage lengthy or major approvals, a perceived lack of understanding or misinterpretation of OFDU policy on part of the municipality (i.e., too stringent on types of OFDUs, view that they must be related to the farm, proving what is a farm, farms on rural lots and not within the prime agricultural area).

A comment from a respondent who disclosed owning multiple OFDUs provided a great amount of detail to illustrate the frustrations they experienced in securing approvals when approaches by municipality vary and are inconsistent:

“We haven’t gone through it yet but have gone through it with a different municipality for our other farm and it was absolutely terrible. We were traumatized from that experience and are now being told we need site plan approval for this farm. We have had to hire a consultant just to advocate on our behalf, which really, we should not have to do. We also must have multiple lawyers based on our past experience. It is very unfortunate that because municipalities move at a snail’s pace when it comes to changing their municipal plan and by-laws and other legal documents and processes. The farms that are changing so fast to meet the needs and demands of the community, are railroaded.”

**- Farmer Survey Participant**

**Challenges Experienced When Establishing the OFDU**

Respondents were asked about the challenges they experienced when trying to establish the OFDU or when contemplating an expansion of the OFDU and to ‘select all that apply.’ The following challenges are listed in ascending order of the most frequently experienced challenges amongst respondents (Table 10):

*Table 10. Most frequently experienced challenges when establishing an OFDU.*

Placement	Challenge	Count (n)*
1	Financial capital required to start a business	56
2	Planning approvals (Site Plan Control)	36
3	Planning approvals (zoning)	34
4	Liability and insurance	34
5	Building approvals	32



## BEST PRACTICES FOR ON-FARM DIVERSIFIED USES

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<b>6</b>	Public health regulations	24
<b>7</b>	Servicing requirements	22
<b>8</b>	Other	21
<b>9</b>	Natural environment constraints	17
<b>10</b>	Neighbours' concerns or public scrutiny	15
<b>11</b>	Licensing (e.g., liquor sales)	11
<b>12</b>	Fire codes	10

*\*Note that ranking is based on a sum of the challenges selected amongst respondents. A higher score translates to a more commonly experienced challenge.*

Interestingly, 'other' was selected as the eighth most frequently encountered challenge, with respondents reporting challenges with:

- Navigating competition between and amongst other businesses;
- Needing time and energy to establish the OFDU;
- Troubles with navigating jurisdictional complexity and multiple layers of policy, such as with establishing an OFDU in the NEP Area;
- Access to labour and skilled expertise;
- Development charges and expensive application fees;
- Access to reliable broadband in rural areas;
- Impacts of COVID-19 related closures on businesses;
- Parking and traffic control;
- Working with regulatory compliance bodies (e.g., Ministry of labour, Workplace Safety and Insurance Board, and the Canadian Food Inspection Agency), and;



- Accessing resources and support to learn more about OFDU business planning.

### **Plans to Expand the OFDU in the Future**

Of those respondents who have established their OFDU, over half (55.2%) plan to expand operations in the future, followed by 7.5% who have already expanded (Figure 32). These findings compare to just 37.3% of respondents who do not plan to expand. These findings relate to previous findings on the number of respondents who have more than one OFDU(s) ranging from size and scale on the property, signalling that there may be opportunities to expand, change, or add to operations as the OFDU begins to succeed.

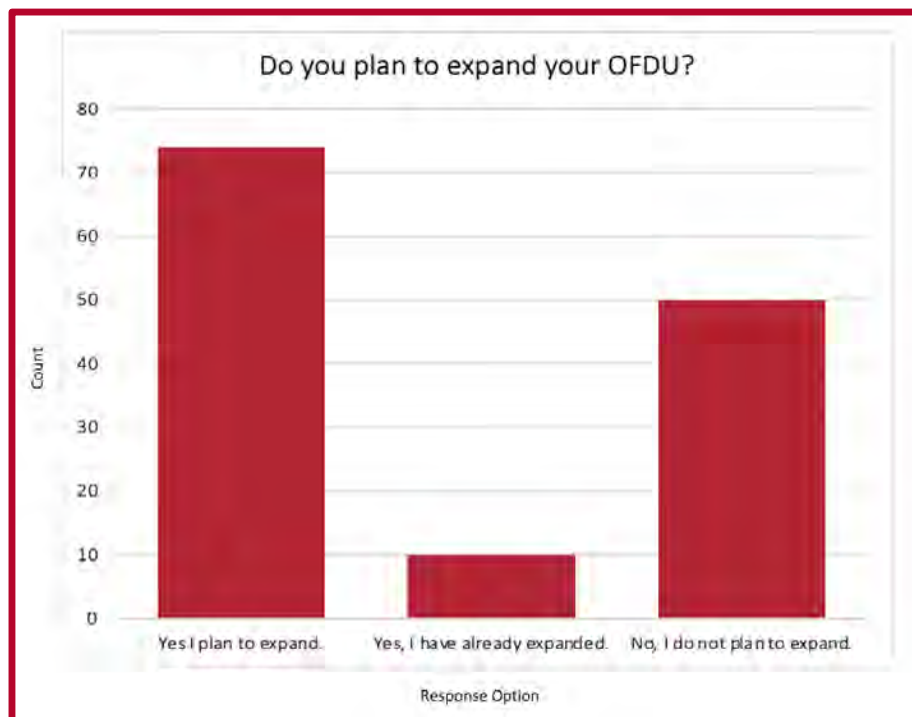


Figure 32. Proportion of farmers with plans to expand their OFDU.

### **Experience with the Guidelines**

The Guidelines are a guidance document intended for use for farmers and municipal planners alike to assist with interpretation and implementation of policy. Respondents were asked about their level of familiarity with the Guidelines (Figure 33).

Majority of respondents (66.6%) expressed some level of familiarity with the Guidelines, specifically 51.3% of respondents expressing *some* familiarity in addition to 15.3% of respondents being very or extremely familiar with the Guidelines. Fewer respondents (33.3%) expressed not being familiar with the Guidelines at all. How

respondents have come across or accessed the Guidelines, if at all, is a question that was further explored in the interview stage of this research process, which will be discussed further in Section 4.2.3.

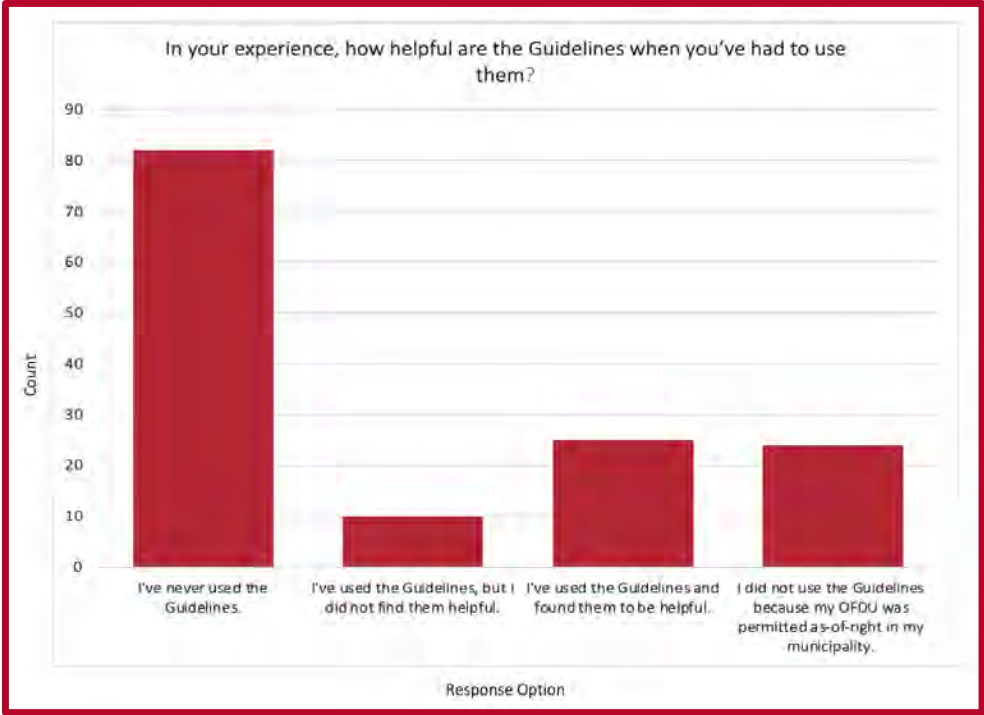


Figure 33. Farmers' experiences in using the Guidelines.

The Guidelines may be a useful educational and guidance document for farmers, particularly in helping them understand the current policy context behind permitting OFDUs in the agricultural area, the challenges, and considerations behind their permittance, as well as the requirements, priorities for compatibility, and criteria imposed on OFDUs to balance farmland protection with economic development opportunities. Reflecting on results shared in Section 4.1.1, there are opportunities for municipalities to share and disseminate the Guidelines, along with local Official Plans and Zoning By-laws, to assist farmers with interpreting policies and recognizing what uses may be appropriate for their community when applying.

Majority of respondents (75.2%) have not used the Guidelines themselves, however, 24 respondents (17%) of this sample noted that they have not needed to consult the Guidelines as their municipality has permitted their OFDU as-of-right in local Zoning By-laws. Of those 35 respondents who did use the Guidelines (24.8%), 71.4% found the Guidelines to be useful, compared to 28.6% who did not find them to be helpful. Overall, these findings suggest that the Guidelines are a valuable tool for all players to utilize throughout this process, particularly farmers - the value is in understanding the policy context, process, and considerations for OFDUs in the prime agricultural area, and using the document to build a baseline understanding or interpretation of provincial policy and help facilitate the planning application process, even if at a high-level.





### 4.2 Interview Results

This section will outline results gathered from the interviews held with provincial staff at OMAFRA and MMAH, rural municipal planning departments and planning boards, and farmers diversifying operations, respectively.

#### 4.2.1 Provincial Staff Interview Results

##### ***Value of the Guidelines***

The provincial planners interviewed collectively agreed that the Guidelines provided value to both municipal planners and farmers across Ontario. The Guidelines are the first land use tool that promotes agriculture-related and on-farm diversification uses for Ontario farmers and assists with providing boundaries for responsible development. The Guidelines were created to apply consistency across municipalities and provide easy to use examples that would assist municipal land use planners to support an additional revenue stream for farmers while creating more jobs and capitalizing on economic opportunities in rural and agricultural communities.

Below in the text box are quotations from provincial staff to illustrate the communicated value of the Guidelines amongst the province, municipalities, and the agricultural community:

“OMAFRA’s role is to provide guidance materials to help implement the policies of the PPS” (P41).

“PPS policies are short and sweet. They need to be built upon, they need to be elaborated upon. The Guidelines are intended to complement the PPS policies and ensure that there's a consistent approach to implementing them across the Province” (P42).

“What was permitted in one municipality, was not permitted in an adjoining municipality. Just the inequity of that was challenging the Province. We knew we needed to provide support for municipalities that were struggling, and at the provincial and municipal level, we all needed to stop wasting time dealing with one-off issues. The Guidelines were

meant to achieve consistency, provide clarity on the PPS, and understand how to interpret those policies” (P47).

### **- Provincial Staff Participants**

The Guidelines are part of the provincial “one-window approach,” where provincial ministries (i.e., OMAFRA) can connect with MMAH to “implement the PPS and provide expertise and assistance to municipal planners” (P50). Further, the Guidelines were created “to fix compatibility issues that were coming to light” and referenced that “private planners” may create challenges with interpretations of provincial and municipal plans by “stretching existing policies” (P52). Likewise, others agreed that “the Guidelines were created to aim for more consistency across municipalities” but outlined that the Guidelines are taking time for municipalities to “adopt and utilize because of the slow, municipal Official Plan process” (P55). It is understood from all provincial staff interviewed that the Guidelines were created to assist implement the PPS and assist local municipalities with consistency, giving the Guidelines value albeit at a slow pace for implementation at the local municipal level.

### ***Applicability to Rural Areas***

When asked if the Guidelines should be utilized in non-prime agricultural areas as well as prime agricultural areas, all provincial staff interviewed identified that the Guidelines could be utilized on both types of lands depending on what the municipality’s desires were. For instance, as one provincial staff member noted:

“There’s a text box in the Guidelines about application to rural lands. In some municipalities, the rural lands are the dominant agricultural area. Municipalities may want to take a more protective approach than an area that has some rural lands mixed in with prime agriculture. It could be considered a best practice for rural lands, but certainly it is not required” (P47).

### **- Provincial Staff Participant**



Another participant noted that rural lands are not an area of provincial interest, at least from the perspective of protecting the agricultural land base: “The focus of the Guideline ties back to the policies in the PPS that OFDUs are intended to minimize impacts to agriculture resources – whether it’s the land base or the operations. Rural areas are really the leftovers because they’re not an area of provincial interest. ... I think rural lands are supposed to be more ‘hands-off’ areas in Ontario to encourage a fuller range of development that’s not encumbered by guidance or policy to the extreme or extent of the PPS” (P46).

Similarly, another participant noted that “the Guidelines can be utilized in non-prime agricultural areas”, but it was their personal professional perspective that “it might be better to just use them in prime agricultural areas to be stricter on their uses. ... By allowing the rules for OFDU to be more lenient in those areas that are not prime agriculture, could keep [OFDU development] tighter in prime agriculture areas” (P48).

Further, one participant was convinced the Guidelines should be used in both prime and non-prime agricultural areas: “A lot of the same issues that we see in a prime agricultural area, you’re going to see those in rural areas, too, in terms of wanting to make sure you’re mitigating impacts, supporting normal farm practices, maintaining rural character, and all those things. In my personal opinion, there’s certainly something to be gained from the Guidelines being used in rural areas. But I also know that the PPS has a broader stroke in terms of more economic opportunities in rural areas” (P52).

Overall, provincial staff were amenable to the applicability of the Guidelines in rural areas. Where professional opinions differed is whether their applicability should be as strict or lesser than the application of provincial policies to prime agricultural areas.

### ***Implementation of the Guidelines Across the Province***

Most provincial participants expressed that they believed the Guidelines were slowly being taken up by municipal counterparts: “Government works at a slow pace. The Guidelines are also being implemented and utilized at a slow pace – which is ‘normal’” (P51). One participant further emphasized how they thought the Guidelines were slow to be implemented but not without value in doing so:

“When municipalities are updating their Official Plans – whether it’s through their five-year review, or a housekeeping amendment – municipal planners are starting to give more attention and credence to the Guidelines. The Guidelines are slowly starting to make their way into policies that are eventually implemented. In the absence of municipalities adopting policies and provisions that are drawn from the Guidelines, I also think the Guidelines are still used by practitioners. I think they’re making a difference in helping policies to be implemented consistently” (P46).

**- Provincial Staff Participant**

Provincial planners also stated that they repeatedly hear from farmers that the Guidelines are not being implemented into local policy “fast enough,” as municipalities have not yet introduced or *chosen not to introduce* the Guidelines into local policy: “This lack of quick implementation of the Guidelines into local policy frameworks and processes is proving a lack of support for local farmers – ultimately creating expensive and time-consuming processes for farmers to endure” (P43). Others strongly outlined that the local municipal process for updating Official Plans is too time-consuming and therefore Guidelines or OFDU policies are not implemented in a timely fashion. Many Provincial staff outlined frustration with “never-ending” changes to provincial policies, where municipalities are never seemingly able to “catch up,” leaving them with out-of-date policies that are behind the intent of the provincial government:

“This [policy lag] isn’t unique to OFDUs... when there is a change in policy at the provincial level there is typically a lag time in terms of local planning documents being updated to reflect new provincial policy direction. For example, local Official Plans may be outdated. But more often than not, it’s the implementation of Zoning By-laws that are not working. Municipalities typically update Zoning By-laws with a certain degree of frequency to ensure that they are keeping consistent with provincial direction from a land use policy perspective. But in my experience, Zoning By-laws can take a little bit more time to update. If the Zoning By-law is not up to date, there may be a need to seek certain types of planning approvals to permit OFDUs. So, there’s always going to be a lag, especially with the frequency in which provincial land use policies are

evolving” (P45).

### **- Provincial Staff Participant**

One provincial staff participant specified that while the Guidelines could be perceived as ‘working, their interpretation depends on the perspective of the user, referring to this scenario as “wrestle wording”: “The Guidelines represent best practices rather than specific standards. That part is always hard because municipalities want something more if they're doing a Zoning By-law Amendment. They want that specific standard... It's hard to strike that medium of providing direction without restricting economic development” (P52).

Overall, provincial staff were seeing a slow transition to utilizing the Guidelines across the Province and were sympathetic to the policy context municipal planners are working within. It also seemed as though OMAFRA and MMAH staff were utilizing the Guidelines much more frequently one-on-one with municipal planners, rather than with farmers’ diversifying operations. However, provincial staff identified wanting to be able to provide more direct assistance with respect to the Guidelines, other than identifying them as exclusively as a best practice.

### ***Challenges with Implementing OFDUs***

When provincial staff were asked what the obstacles were for farmers or entrepreneurs in establishing OFDUs, many respondents identified that the diversifying farmers did not understand what they needed to do secure planning approval, why they needed to secure certain planning approvals, and why a neighbouring municipality had different requirements. The complexity of the planning process for OFDUs makes it difficult for farm businesses to thoroughly investigate the proper steps for establishing an OFDU, as well as potential impacts on their operations, leading to conflict with municipal enforcement authorities and neighbours. Inconsistencies exist in how municipalities interpret and implement the Guidelines, creating barriers to establishing legal OFDUs in agricultural areas. Some obstacles include having to secure costly and time-consuming Official Plan or Zoning By-law Amendments and cost-prohibitive policies such as development charges, SPC, and more.

For example, one participant stated that “it's often a lack of clarity in what a municipality would require in order [for the OFDU] to be considered... and which ones require



more hoops to jump through... The goal should be to match the level of risk with the requirements to justify a use" (P47).

Further it was specified a whole range and numerous required studies get thrown at applicants, some well-intentioned while other may not be appropriate: "Do archaeology studies need to be carried out for on-farm diversified uses?" (P46). Also, participants questioned the costs of some of these applications and whether they were conducive to OFDUs:

"Municipal fee structures are ridiculous. Some planning applications for on-farm diversified uses are over \$10,000. This starts to become cost-prohibitive when you're rolling the dice on whether you [the applicant] are going to get that approved. People get put off when they're already taking a risk on starting a new business - then they're met with municipal technical hurdles - you must do this, this, this, and this, and it's going to take you this much time and cost you this much money. It's the unknown, the no assertions that an OFDU will be successful, even if farmers didn't have all these studies to carry out and pay for. It's just slowing down farmers' innovation" (P46).

"It seems to be that municipalities put everything out there. It becomes a barrier because there's going to be \$24,000 in studies before an entrepreneur can even start anything! Most of the entrepreneurs don't understand what they must do versus what they could do. And, a lack of knowledge of what sort of professional supports [entrepreneurs] should be bringing in and where to find people who are qualified to do the studies.... Often, they should just be bringing in a professional to help them and they're trying to do it on their own" (P55).

"It can be costly to do OFDU. Costly to provide whatever kind of documentation or justification a municipality may want.... One thing we hear all the time is about challenges that may arise when there's modifications to structures. Unfortunately, that's the Building Code. We often hear there are challenges trying to change the occupancy of a building, but it is what it is, those rules are in place. And, you know, despite general support from a provincial level, and potentially even locally, there could be these other outside factors, whether it be Building

Code, potential tax implications, or a host of other things that could arise by pursuing OFDUs” (P50).

**- Provincial Staff Participants**

One participant outlined that their perceived hardest obstacle for farmers is the agricultural community’s lack of understanding the purpose or intent of the Guidelines. Often, farmers may be thinking about their viability needs and potential development opportunities to support these needs, and not the bigger picture of farmland preservation. Farmers further may not be understanding why it is important to define a farm or have a size and scale requirement in OFDU policy. For example, one participant expressed how non-farming proponents may be taking advantage of the PPS OFDU policies: “I had a proposal from a church organization that had purchased a mansion that had some land with it. It was on the Escarpment, and I’m sure it was quite beautiful. They wanted to use it as a retreat center. And so because it was so big, they had bedrooms and meeting spaces. So then they kind of had to turn it into a farm by planting some fruit trees. Is that a farm?” (P44).

This participant, in addition to others, continued to explain that entrepreneurs are pushing to interpret the Guidelines in favour of their needs and wants: “I had a proposal for a junkyard - vehicles, trailers, and things. It was quite large and was already established. It wasn’t going through the process of examining the potential impacts of the use and making sure that it was compatible with the surrounding agricultural area. Entrepreneurs are using OFDUs as a catch all to interpret that they can do anything in the agriculture area” (P44).

“The best thing and the worst thing about the Guidelines are the same - the Guidelines are constantly being interpreted to someone’s advantage, whether it’s the neighbour who doesn’t like the proposal beside them, or the applicant who thinks that their proposal meets the Guidelines to a tee. OMAFRA is constantly defending the intention of the Guidelines. What really matters is what the municipality has put in place in terms of the approval authority” (P47).

**- Provincial Staff Participant**



Since the Guidelines have been released in 2016, provincial staff identified that improvements could be made to the Guidelines, such as more details and case examples of successful agriculture-related and OFDUs. Provincial staff emphasized that these additions or updates to the Guidelines should still maintain flexibility and options for municipalities to design policy as they see fit for their local context, as no two municipalities work the same or have the same Council priorities for local economic development. Examples of updates to the Guidelines identified by provincial staff included items such cumulative effects, multiple uses on farms, definition or criteria of a farm, and large-scale events such as concerts or event barns.

### Best Practices & Lessons Learned

Provincial staff were asked whether they had lessons learned or best practices to offer for municipalities to consider when planning for OFDUs. Suggestions included creating as-of-right policies and zoning provisions at the local level, streamlining processes, reducing fees, and defining key provisions and specifying definitions. Provincial staff provided the following details and examples throughout the interviews:

**“Pre-consultation** is so critical. You need to get everyone at the table right off the bat. You can’t have someone coming in economic development and not understand or check in on the land use side of things. It’s important to be upfront and outline the requirements” (P52).

“Ensure you have the necessary information from the applicant to evaluate the criteria for the use. As an example, what are the servicing requirements? Is there a requirement for a Permit to Take Water? **Ensure that you're getting enough information and planning justification from the landowner/applicant to support the review**” (P45).

**“Detail, detail, detail!** Detail is what I think is helpful. Putting in the extra effort upfront as a municipality to make sure that your zoning provisions and your Official Plan **policies are detailed enough to let you greenlight an OFDU** if it meets those policies or provisions. If a proposal does not meet the detail, then at least you have the avenue to ask for the Zoning By-law Amendment. In the absence of detail, it seems like a

Zoning By-law Amendment is the first thing asked for, and it's typically because there's not enough detail in the policies of the PPS" (P46).

"The City of Kawartha Lakes is undertaking their Zoning By-law Amendment and consolidation work. They've been working with their very agricultural-focused economic development staff there. **They've been going to their Agriculture Advisory Committee regarding OFDUs and are really making that a priority**" (P49).

"**Temporary Use Zoning Amendments** are a common approach and best practice. When I look back to a specific concert proposal in Norfolk County along the Lakeshore, it was a good example of a Temporary Use. Temporary Use permissions are common for a year, two years, or three years to give OFDUs a start and develop their use. Neighbours usually like this approach as they know the use is not permanent and they have time to see if it disturbs them or affects the agricultural area" (P41).

"The temporary camping and parking for a Mumford & Sons Concert by Live Nation in Norfolk County was a good best practice. Norfolk County had a good **Official Plan policy that set the tone and identified expectations** so only a Temporary Zoning By-law Amendment was required" (P46).

"Clarington has gone through the process to develop a guideline or by-law around uses. I haven't really seen that anywhere else. They have a few facilities that do on-farm weddings, and I believe they had a by-law related to allowing that. Clarington ended up going to the Tribunal [LPAT] over recurring wedding venues on a farm. And that's what sort of triggered that municipality in **developing an event by-law for OFDUs** and trying to meet all the requirements" (P55).

"The best practice is **communication**. Make sure policies are super clear and there are **lists of what is required and the costs** associated with it" (P47).

### - Provincial Staff Participants

### Next Steps for the Guidelines

Provincial staff offered many ideas and perspectives regarding potential future improvements to the Guidelines, specifically that “some of the pieces of the Guidelines could be added to and supplementary materials could be included” (P50). This participant argued along with others that “the biggest addition should be wedding venues or other on-farm event venues as this has raised a lot of questions from stakeholders” (P50). Others are arguing for expansions or addendums to the Guidelines to include “assessing agricultural impacts” and additional guidance on Agricultural Impact Assessments (AIAs) as they relate to OFDUs (P48). Lastly, a desire to provincially define some terms, such as ‘agricultural operation’ was posited as a potential update: “It's a constant balancing act between enabling municipalities to have that flexibility and giving municipality's guidance to implement the PPS. There are probably elements of the Guidelines that could go forward into policy, such as introducing a definition for an agricultural operation in the PPS” (P54).

Other ideas for next steps related to showcasing examples of successful OFDUs in municipalities and “how municipalities have used the Guidelines to refresh and enhance [the policies] that are already in place” (P53). Training on case studies to practically apply the Guidelines in various scenarios was also emphasized: “I think there

“Things can change very quickly in agri-tourism and ODFU businesses. Farming is a tough business. Farmers face many strong economic challenges. We need to keep farmers in business as much as we can. [OFDUs] helps to allow them to have some economic diversity...But OFDUs ultimately do have to remain secondary to the primary use of the land and this message needs to be at the forefront” (P53).

**- Provincial Staff Participant**

needs to be more opportunity for people to apply the Guidelines. Folks from the Province who are writing policy need to be able to talk out the challenges, concerns, and discuss community practices. People are looking for those examples of how OFDUs are applied” (P55).

Most provincial staff were keen on not entrenching the Guidelines into the PPS, namely, to ensure that flexibility for municipalities in designing their own OFDU policies is protected. Instead, provincial staff offered the notion that a further push on municipalities to utilize the Guidelines and recognize their value, was a more appropriate alternative.



Overall, the provincial planners outlined that the Guidelines should be utilized very similarly as the OMAFRA Minimum Distance Separation (MDS) Guidelines and cross referencing could be included in the PPS. The standalone Guidelines allow for municipal flexibility and opportunities for updates and improvements outside of the PPS.

### 4.2.2 Municipal Planner Interview Results

#### ***Familiarity with the Guidelines and Interpretation of OFDUs***

There were several different and unique perspectives gained from the interviews with municipal planners. Generally, the municipal planners interviewed were aware of the Guidelines' existence and general content, although some municipalities exercised the political will to utilize the Guidelines more pragmatically than others. However, it should be noted that while some municipal planners identified that they were familiar with the Guidelines, it was evident throughout some interviews that many planners did not understand the Guidelines' intent, and/or had not been implementing them in line with the best practices outlined in the Guidelines. For example, some municipal planners spoke to their perceived understanding of the relationship of the OFDU to the farm:

"The biggest challenge was that many farmers' proposals are not on-farm diversified uses. Some people are buying a farm, and then running a business that has nothing to do with farming. ...So, there's really no connection in any way shape or form to that primary farm use" (P71).

"Somebody purchased a farm that had an old barn on it and they wanted to run a pizza delivery business out of the barn. The owner struggled to understand why they couldn't get the various approvals. There was no connection to the farm as it is a cash crop farm. There's no connection to the farm..." (P71).

"I might be old school, but on-farm diversified uses need to be connected to the use of the farm" (58).

**- Municipal Planner Participants**

The Guidelines do not specify that the OFDU established must relate directly to the farm operation in question, as municipal planner participants are describing above.

### ***Distinguishing Size and Scale of Different Uses***

There was also general confusion between agriculture-related uses and on-farm diversified uses, especially related to wineries, breweries, and distilleries. This confusion related to wineries, breweries, and distilleries is an important distinction to highlight in the themes identified as the criterion for OFDUs have size and scale requirements whereas agriculture-related uses do not. A common question from participants was how to distinguish exactly when a winery or processing area, as an agricultural use, becomes a tasting room/retail shop for an OFDU?

The interviews also established that many municipalities had provisions in their Zoning By-laws that allowed agriculture-related uses as-of-right. Although, these uses were often not entitled 'agriculture-related uses,' but rather were referred to by older language predating the Guidelines, such as 'secondary uses' on a farm or definitions included under specific 'winery,' 'home occupation,' or 'home industry uses.' Many municipal planners identified that they experienced a lot of grey area and possible overlap between local definitions and as-of-right uses in their local Zoning By-laws, and the provincial criteria for agriculture-related uses or OFDUs. Some municipal planners questioned whether their municipalities were possibly providing double opportunities for uses like home industries, home occupations, bed and breakfasts, or agri-tourism, to be permitted as a use in addition to, and separate from, an OFDU:

"I am so confused! And certainly, the public and our local Council are also confused... because any of those definitions (home occupation, home industry, agri-tourism and bed and breakfast) can be considered an OFDU but are also already permitted in our local Zoning By-law as other things. Does that mean they can be both at the same time? The biggest confusion is that an OFDU can be anything. It doesn't have to be agriculture-related, right?" (P57).

**- Municipal Planner Participant**

Stemming from the idea shared by municipal participants that their municipality may have overlapping definitions for what could qualify as an OFDU, local Zoning By-law definitions were collected for comparison and are in Appendix H of this report. One municipal planner explained that they “considered occupations or industries to be agriculture-related or on-farm diversified uses that were above and beyond the Zoning By-law definitions of home industry and home occupation. Home occupations are limited to the dwelling and a home industry was limited to 1,000 ft<sup>2</sup>” (P70). It was noted the municipalities should be mindful of their current definitions and zoning provisions related to home industry, home occupations, bed and breakfast, agri-tourism, and others permitted as-of-right uses and possible future agriculture-related and on-farm diversified uses to ensure they do not provide more opportunities for consumption of agricultural land uses than intended.

### ***Implementing the Guidelines into Municipal Policy***

Municipalities including Norfolk County, Grey County, Region of Waterloo (specifically Township of Wellesley), County of Brant, and City of Ottawa have included the Guidelines into their Official Plans and local Zoning By-laws in some form or fashion. Municipal planner participants shared the following experiences with implementing them into municipal policy:

“In 2016, when the Province released those Guidelines, we soon thereafter updated our Official Plan and Zoning By-law to reflect those new Guidelines. Since then, I've come to another municipality... Within the last year, we've also updated our Official Plan and Zoning By-law to reflect those same changes... Right now we're at a point where we're starting to advertise through our social media networks through our website on OFDUs and we have a brochure for promotion. We're getting our economic development team involved in promoting it to farmers. So it's a relatively new thing here, we've had minor uptake with it, but I think we will get more uptake once we get the word out to our farming community” (P68).

“So, we've taken kind of a different approach to the Zoning than I think some other municipalities have. Parts of the Guidelines' talk about what a reasonable maximum area is for an OFDU. Our municipality has designed ours a little differently as ... it's difficult to make those distinctions in land

use. We've used area maximums, and some of the other tools that they talk about in the Guidelines. We're making use of Site Plan Control for all OFDU applications. We're producing our own guidance document for applicants to help them understand what they need [to apply] and what some of the fees might be" (P67).

"We updated our County Official Plan to reflect the Guidelines. We have historically had policies that predated the current Guidelines in our County Official Plan for a number of years, that talked about additional 'secondary uses' on farms. We have some municipalities that have implemented an older version of the County policies - they don't have quite the level of detail that they might have, say, five years from now, once they've all looked at their own municipal Official Plans, and then subsequently updated their Zoning By-laws" (P63).

### **- Municipal Planner Participants**

Some municipalities shared that they had some uptake on OFDUs where farmers, as proponents, went through OPAs, ZBAs, and site plan applications to establish the additional use on their property - leading the charge for a need to design 'green-light' policies on OFDUs. A rural municipal planner, working in Northern Ontario, was aware of the Guidelines' existence, however, the planning board was not using the Guidelines as there was no local demand for agriculture-related uses or on-farm diversified uses in the community at the time.

Municipalities consistently utilizing the Guidelines were located near more urban or tourism-intensive areas, where

"Each of our lower-tiers are so diverse. Some of them have much more OFDU action and rely on the Guidelines frequently as they are located near urban areas. Others are not located near urban centres, so they have less OFDU action. ... We don't believe that they should impose OFDU policies at a regional level, that it should be left to the local level. We have so much [on-farm diversification] in our Region. And because of our proximity with the GTA, we have lots of people who come out from Toronto on a weekend and several farmers have started to take advantage of that..." (P58).

### **- Municipal Planner Participant**



the demand for OFDUs (or on-farm experiences for the public) appears to be greater and therefore would need different policies relative to more rural neighbouring municipalities.

The municipal planner interviews show that there is a wide variability in how OFDUs at the local municipal level are implemented.

### ***Applicability to Rural Areas***

At times there is confusion from municipal planners on whether the Guidelines could be used for non-prime as well as prime agricultural areas. Some rural municipalities have not classified prime agricultural lands, nor have they distinguished between 'prime agricultural area' and 'rural area' in their municipal Official Plans (e.g., Brant County designates all agricultural/rural area as just 'agricultural'). Further, municipal planners identified that many local farmers may not reference or recognize agricultural lands as prime or not, and simply just refer to them as 'agricultural lands,' all of which are viewed as worthy of protecting.

It was recognized that municipalities are utilizing the Guidelines for all agricultural areas regardless of provincial interest or CLI classification:

"We allow a lot of things in the rural area which agriculture is wanting in eastern Ontario. When it comes to OFDUs, we basically toss up the Guidelines and try and see if it fits within the rural policies and make sure that it does not have any negative impacts on the immediate agricultural areas surrounding the proposal" (P59).

"We have categorized the entire County as prime agricultural area, and if there are little pockets out there of soil that are Classes 4-7, then they're surrounded by Classes 1-3 farming. So, we consider all our lands to be prime agricultural" (P62).

**- Municipal Planner Participants**

Overall, it was repeatedly outlined by participants that the Guidelines could be updated to better emphasize their applicability to *all* agricultural areas, despite the



Guidelines' current focus on prime agricultural areas. It was also noted that the title of the Guidelines' itself was confusing for many municipal planners, "Guidelines on Permitted Uses in Ontario's *Prime Agricultural Areas*" (emphasis added).

### **Benefits of As-of-right Zoning Provisions**

Many participants indicated that implementing as-of-right policies for OFDUs in relation to the Guidelines and corresponding processes for site plans and fee structures was not possible within a relatively quick timeframe. Reasons why were mainly attributed to lack of municipal resources and budgets internally to complete these works. Many smaller rural municipalities expressed an internal issue with capacity, and they were struggling with trying to keep up with continuous provincial policy updates. For example, one municipal planner identified that the County Official Plan had ARU and OFDU policies, which were almost verbatim from the Guidelines, to assist their local municipalities. However, many of the nine local municipalities in that rural County had both Official Plans and Zoning By-laws that were outdated, and therefore farmers were still required to complete OPAs and ZBAs to permit their proposed use. To complicate things further, some of the rural area was subject to the policies of the Niagara Escarpment Plan, where zoning is not typically in place, leaving farmers to apply for a development permit at the NEC.

### **Inconsistency with Other Provincial Policies**

The Niagara Escarpment Commission or 'NEC' was also interviewed as part of this research. Various interviews with municipalities in this process who are located within the Niagara Escarpment Plan Area noted that there was a policy in the Niagara Escarpment Plan (Policy 1.4.3.2) that permits OFDUs in prime agricultural areas only, rather than in other areas not designated as prime agricultural (i.e., rural areas) (MNRF, 2017, p. 19). This policy unintendedly directs OFDU development to

"Subject to Part 2, Development Criteria, the following uses may be permitted:

1. *Agricultural uses*
2. *Agriculture-related uses and on-farm diversified uses, in **prime agricultural areas**...*"

- **Niagara Escarpment Plan Policy 1.4.3 PERMITTED USES (p. 19)**

farmlands that are a higher priority for protection, and restricts OFDU opportunity in rural areas, where location of these uses may be more appropriate. Through the research it was identified that the NEC was aware of the interpretation of this policy, and a recent NEC agricultural policies discussion paper outlines opportunities to initiate a Plan Amendment to correct this policy to assist farmers wishing to diversify, as well as the Commission in interpreting these Plan policies within the provincial interest (NEC, 2021).

### ***Size and Scale Maximums***

Size and scale of OFDUs was also a widespread theme throughout the municipal interviews. When asked if the '2% of the farm to a maximum of 1 ha' size and scale guideline was an appropriate one for OFDUs, municipal planners generally agreed and thought this size and scale was appropriate to allow a successful secondary use on a farm while limiting the use of agricultural lands that were to be taken out of production. As one participant specified, "I think overall, 2% is a reasonable size. I think there just always needs to be room for some sort of local interpretation. And it might be those ones that trigger a planning application. There can be site-specific circumstances that warrant further consideration" (P56). On the contrary, a few other participants believed the size was too small and did not sufficiently account for parking.

Another participant stated that the principal issue they had with the 2% 'size and scale' guideline regarding applicants "pushing the envelope" (P57) They stated: "Of course, there are the discounts for existing laneways and buildings and some applications are not black-and-white as to what is agricultural production land and what is on-farm diversified use land. Sometimes it is both" (P57). Weddings, concerts, and agri-tourism venues were brought up as some of the hardest examples to manage size and scale for municipal planners, citing that parking was proposed on lands that could be used for seasonal production. Municipal planners could utilize more direction from the Guidelines regarding parking and large-scale and/or seasonal events.

### ***Defining a Farm***

Municipal planners also mentioned they struggled with the definition of a 'farm' and in many recent undertakings, applicants were very much pushing the boundaries to advocate that five- and ten-acre land parcels should be classified as 'farms.' Most



municipalities interviewed required applicants to provide Farm Business Registration (FBR) numbers or identify how they met the local definition of a 'farm,' if such definition existed. All municipal planners interviewed identified that they could use more assistance or criteria from the Province on what constitutes as a 'farm,' given that it is the first and foremost criterion for permitting an OFDU.

### ***Site Plan Control***

Most municipalities interviewed utilized the Guidelines when a development application arose and were requiring an Official Plan and Zoning By-law Amendment. Most municipalities interviewed were also requiring OFDUs to undergo SPC, but to varying degrees. For example, many municipalities treated OFDU planning applications like other planning applications, such as those in commercial or industrial areas, and treating the SPC process for each use as one in the same. The treatment of OFDUs as commercial or industrial uses required all the same planning documents, including engineered drawings and various studies (i.e., traffic, archeological, environmental, lighting, noise).

In contrast, some municipalities do not utilize SPC for OFDUs, and rely on Zoning provisions instead. As one municipal participant stated: "We don't put on-farm diversified uses through site plan. If they comply with our Zoning By-law, it is just a building permit process. We ask for a detailed site drawing with the building permit, but there's no application fee or corresponding agreement" (P70).

Planners were curious about how other municipalities controlled site plan applications for OFDUs, in terms of process (i.e., such as requirements and/or fees for a complete application) as well as features of the built environment for the site in question. For example, municipalities were curious how to ensure SPC applied to the OFDU was appropriate for the agricultural area and applied with a rural lens (e.g., should municipalities require paving of parking areas for OFDUs or not?). It is estimated that more training and education to municipal staff and identification of best practices of SPC for OFDUs would be of immense value.

### ***Protections of Heritage Barns***

No municipalities interviewed had policies or provisions in place to encourage the protection of heritage buildings as they applied to farm operations, such as heritage

barns. One participant outlined that despite not having heritage building or barn policies in place, they were facing pressure from advocacy groups to do so. Specifically, [Ontario Barn Preservation](#) (OBP), a not-for-profit organization dedicated to preserving, documenting, and promoting Ontario barns, is pushing for stronger municipal policies and strategies to preserve and adaptively reuse agricultural buildings with heritage value. With designations to the local council, OBP provides analysis to municipalities on the impact of surplus farm dwelling severances on barn take-downs and the value of OFDUs to encourage reusing of existing build structures and preserving history. As the planner noted, “We're investigating right now whether we need further policy on heritage buildings or barns. I think the challenge will be if a farmer doesn't choose to use that building or doesn't choose to maintain it, even if we designate it or it becomes an OFDU, it could still fall into disrepair” (P63).

To encourage reuse of existing buildings, some municipalities referred to hearing of others using agricultural or rural focused CIPs, such as King Township’s [‘Rural Resiliency Community Improvement Plan,’](#) (Image 21) to financially incentivize the maintenance of these buildings for different on-farm businesses. Overall, the interviews identified that more investigation is needed into if heritage buildings/barns in the agricultural area should be protected as part of future OFDUs.

Image 21. King Township’s Rural Resiliency CIP and various OFDU projects eligible for grant funding.

**KING TOWNSHIP'S RURAL RESILIENCY GRANT PROGRAM WILL MATCH UP TO 50% OF PROPERTY IMPROVEMENT EXPENSES FOR THESE QUALIFYING PROJECTS RELATED TO AGRI-TOURISM, ON-FARM DINING, SALE OF LOCAL PRODUCE AND VALUE ADD ACTIVITIES:**

<b>AGRI-TOURISM USES</b> 1 <ul style="list-style-type: none"> <li>Development or improvement to agri-tourism accommodation uses, such as a bed and breakfast, and other permitted agri-tourism uses.</li> </ul>	<b>ON FARM DINING</b> 2 <ul style="list-style-type: none"> <li>Establishment, improvement or expansion of a small-scale restaurant, café, retail use, farm micro-brewery, cidery, or winery or other similar use which is intended to principally serve the local farming community and/or contributes to agri-tourism.</li> </ul>	<b>SALE OF LOCAL PRODUCE</b> 3 <ul style="list-style-type: none"> <li>Development or improvement to a farmer's market, farm produce stand or similar use specializing in sale of produce grown on the associated farm or sourced principally from nearby farms.</li> </ul>
<b>VALUE ADD ACTIVITIES</b> 4 <ul style="list-style-type: none"> <li>Development or improvement to a value-add use, in which produce grown on the farm or supplemented from nearby farms is processed or prepared into other products or packaged.</li> </ul>	<b>SIGNAGE</b> 5 <ul style="list-style-type: none"> <li>Signage improvements of new signage related to the qualifying uses, including signage attached to the main building or a ground-mounted sign.</li> </ul>	<b>FAÇADE</b> 6 <ul style="list-style-type: none"> <li>Façade improvements related to the qualifying uses, but only in relation to a building that is designated under the Ontario Heritage Act, including painting, replacement and improvement of porches, awnings, windows and doors and other architectural elements, restoration of original building materials, replacement of any original siding material and treatment of brick or wood to ensure durability, restoration or for cleaning purposes.</li> </ul>
<b>INFRASTRUCTURE</b> 7 <ul style="list-style-type: none"> <li>Infrastructure related to the qualifying uses, including broadband, telecommunications, etc.</li> <li>Other infrastructure may also qualify.</li> </ul>	<b>PLANNING APPLICATION &amp; BUILDING PERMIT FEES</b> 8 <ul style="list-style-type: none"> <li>King Township planning, building and signage permit fee applications related to the qualifying uses.</li> </ul>	<b>PROFESSIONAL SERVICES &amp; RELATED COSTS</b> 9 <ul style="list-style-type: none"> <li>Professional engineer, consultant or architect fees, including required studies in support of an application or development proposal related to the qualifying uses.</li> <li>Costs for work related to Building Code / Fire Code compliance, energy efficiency and sustainable design elements, site preparation and related works.</li> </ul>
<b>TAX INCREMENTAL EQUIVALENT GRANT – NOT AVAILABLE IN COMBINATION WITH ANY OTHER GRANTS</b> 10 <ul style="list-style-type: none"> <li>An applicant will be eligible for up to 100% of the amount of the tax increase as a result of the improvement.</li> <li>The grant will be paid to the owner for a period of up to ten years, in decreasing amounts (e.g., 100% in year 1, 90% in year 2, etc.). The Township will give consideration to a lesser period (e.g. five years), as may be appropriate depending on the application.</li> </ul>		

**UP TO \$10,000 IN GRANTS AVAILABLE PER PROPERTY**

**GROW RESILIENCY ON YOUR FARM**

**KING**

### ***Municipal Obstacles and Opportunities for Further Training***

When participants were asked what the hardest obstacles were for farmers/entrepreneurs to establish OFDUs, two consistent themes arose from the interviews: lack of information to inform a complete application, and demand for wedding event venues.

Often, municipal planners express not receiving enough information from farmers as proponents, or their agents, when applying for an OFDU to ensure the application meets all the requirements for OFDUs under municipal policy. Many of the requirements for a site plan application, like noise, lighting, traffic, and a specific drawing related to various uses and size and scale each were difficult to receive from proponents, namely because local farmers were expressing a frustration over 'too many requirements' that were too costly and time-consuming. Municipal planners expressed a greater 'up front' need for farmers to fully establish their business plans prior to applying for an OFDU, and to factor in timelines and costs of requirements into business plans. Some municipal participants offered the following:

"Having a good business plan is essential. We hear lots of ideas, lots of visions. People get frustrated when they're going through the process. The feedback I always provide is that you need to have a good business plan, you need to understand what you need to do to get to your next success. That way, when you come for a pre-consultation meeting, when you start making your planning applications, or your site plan, you're investing your money well. Otherwise, at the end of the day, you're going to be frustrated because you're not getting what you want... You need to have a plan in place" (P71).

"[We're] trying to get municipal buy-in to look at more as-of-right uses in the Zoning, and not trigger that administrative Zoning By-law Amendment process, especially if municipalities are also applying Site Plan Control. It seems a redundant" (P63).

**- Municipal Planner Participants**



The second obstacle municipal planners were struggling with were the increasing number of proposals for converting historic barns no longer used for agriculture into wedding or event venues. Many municipal planners expressed frustration and a perceived lack of guidance from the Province on event venues, or specifically 'event barns,' as OFDUs. The following were some examples of comments on event barns from the municipal interviews:

"The most challenging obstacles are wedding venues. We've had a number of them and our staff are not sure whether they're actually OFDUs or not, because of the space requirements. We've made the determination that we're only going to evaluate them as a non-OFDU, similar to residential uses in the agricultural area and use the sections of the PPS that do not support them" (P57).

"Wedding barns are a challenge. For instance, if somebody has a winery, and they want to start a wedding banquet hall or something like that. One of the building code implications is having it go from an agricultural building to an assembly occupancy. There are some big changes that need to occur there and some big expenses. Usually, taxes are going to change from agricultural to a commercial use. When you talk to MPAC, a winery is classified under industrial taxes, and then with a commercial component like a banquet hall, the retail is commercial tax. You go from having relatively low taxes to incredibly high taxes and spend a lot of money to convert the building because of the new use. A lot of people do not consider all those requirements outside the Planning process" (P68).

"We seem to have a lot of questions about wedding venues. Neighbouring nuisances with noise, lighting, and traffic. We are not sure if things like restaurants and wedding venues meet the size and scale requirements for OFDUs because of the parking needed" (P59).

### **- Municipal Planner Participants**

Municipal planners interviewed outlined that they would appreciate more OFDU training to help them with various obstacles and appropriately accommodate OFDUs

at the local level. Many participants during their interviews wanted the opportunity to learn from the researchers and hear about what other municipalities were doing, or explicitly requested from the researchers to include examples and case studies that would be of value to them in the final report. The following are just a sample of participants' ideas related to further training:

"We're always interested in training, or even just a general discussion of how things are going in the Province. You know, examples of what others are working on is so helpful" (P68).

"It would be cool to hear from other municipalities – not just the training itself. It's the networking or the exposure to other examples or scenarios that have unfolded in other places that's valuable. I'd like to be prepared for things we have not experienced yet. I'd like to sit with colleagues and have them run through their experience. ... You learn more from that than you do from reading" (P62).

"There was one that your research put on just recently as an OPPI Friday Forum. It was so informative and helpful. We had all our staff sit in that session and it was very useful. So, if something similar was put on again, specifically for the Guidelines, we would participate in that" (P64).

### **- Municipal Planner Participants**

The research identified that there are different and on-going municipal obstacles related to OFDUs, however municipal planners are wanting to enrich their knowledge and build competencies related to agricultural viability and compatibility with OFDUs.

### ***Value of OFDUs to Family Farming Communities***

An area that was not introduced in the interview guide but emerged through discussion with municipal planners were the importance, challenges, and opportunities for OFDUs within Ontario's Anabaptist communities. With this community, many of them rely on traditional and non-mechanized forms of agricultural production, often on smaller parcels, making viability from production alone difficult.

Moreover, to assist with keeping the farm in the family, it was identified that the Anabaptist community may be *more* reliant on certain types of OFDUs, given their unique cultural considerations and contexts.

Many municipal planners identified that they were seeing planning applications from the Anabaptist communities for industrial on-farm uses, many which were beyond the local provisions for home industries. One municipality was experiencing between 20-30 applications per year for industrial uses on farms that went above and beyond the provisions in their Zoning By-law:

“Mennonite communities know exactly what the size limit is for home occupations and home industries. Quite often, our understanding is that the Zoning provisions are factors into their consideration for buying a farm. And we've got a lot of areas in the south of our County that were previously not great farmland. So, they bought what was otherwise marginal farmland, and because they knew they had the diversified income they've invested back in the land for farming too. We've seen an increase in the amount of farmable land” (P63).

**- Municipal Planner Participant**

The interviews revealed that often Anabaptist farm businesses do not have websites, signs or anything promoting their businesses:

“Many of these on-farm industries are producing massive quantities of gadgets with sophisticated technology. Mennonites are not just building buggies and farm implements, it's quite amazing. We've had the opportunity to tour a few of the industries and some of the technology and it's fantastic, but I don't know where they find their market? Our economic development people are just besides themselves because it's a consistent industry that's opening with absolutely no marketing” (P63).

**- Municipal Planner Participant**

Despite the benefits, of the 16 municipal interviews, approximately eight municipalities identified on-going challenges with Anabaptist communities and the potential overreliance on OFDUs. Many municipalities outlined that usually the Anabaptist community is working together on several different OFDUs to facilitate a single supply/value chain and create one product. While there are great economic benefits, the chain effect of multiple OFDUs in this manner creates cumulative impacts for the agricultural area. In essence three or more farms may cooperatively act as one large manufacturing facility, all while camouflaging the industrial use on the farm.

While outside of the scope of this research, there are further opportunities to research the importance of, and subsequent challenges with, culturally appropriate planning policy which is supportive of both the Anabaptists' needs for agriculture and OFDUs.

Overall, the municipal planner interviews provided a wide range of agriculture-related and on-farm diversified use considerations. It is evident that no two municipalities are the same and have various challenges and opportunities related to OFDUs based on their specific local communities and geography.

### **4.2.3 Farmer Interview Results**

#### ***Personal Motivations for and Experiences with On-Farm Diversification***

Interviews with farmers elicited greater detail into farmers' motivations for and experiences with on-farm diversification. Most incentives for diversifying the farm were economically motivated, relating to the need to enhance the viability of agricultural production and generate additional income to support the family. Moreover, from an economic perspective, most experiences with on-farm diversification were quite positive. Albeit there are considerations and exceptions. Such exceptions include the frequently encountered troubles farmers have had with navigating the municipal planning processes and securing planning approvals, challenges in running and operating their OFDU such as those with neighbours or compatibility issues. This section will provide more detail into the common themes emerging from the interviews held with farmers and present quotes from participants where possible.

### ***Benefits of OFDUs: Agricultural Viability***

Most participants expressed a tremendous economic benefit to having their on-farm diversified use, all related to agricultural viability. Subthemes include having additional sources of income, diversifying revenue streams and mitigating risk; enhancing control over the value chain and capturing more profit; capacity to invest in the farm further; succession opportunities; being able to spend more time on the farm; job creation and additional opportunities for skilled employment in agriculture.

### ***Enhanced Income Generation, Vertical Integration, and Profit Capture***

Farmers continuously shared stories about their OFDU ventures provided a second worthwhile revenue stream in addition to the income they earned from agricultural production. As a participant put it, "we did on-farm diversified uses because we needed more income than what the farm could produce" (P26). These diversified revenue streams provided additional income to support the farm and the family in the present and opportunities to support the family on the farm and expand the business into the future. For example, one farmer stated, "I think you have to diversify to be sustainable. If you don't diversify, your income is minimal, and you don't really have a lot of options to expand or bring in more income for the family. We have three kids, and we always say we want to diversify more if they were ever to come into the business because you'd have to make more income somehow to support their families" (P07).

Similarly, a farmer identifying as a member of the Anabaptist community spoke to the value OFDUs had for the ability of Anabaptist farmers and their families to remain in agriculture: "There are lots of benefits to having an on-farm diversified use. It's the only way a person can keep his farm. If we want something that our children can have, to pay for a farm, then we need some kind of on-farm diversified use." (P26). This participant then went on to elaborate and emphasize a common sentiment shared by other participants in this study: "The on-farm diversified use does not decrease our farming income –but it really helps with our on-farm income" (P26).

Some farmers articulated how OFDUs, specifically those that were value-added in nature, advanced their opportunities to vertically integrate farm operations, provide greater control over the quality of their product, and in turn, capture more profit from their agricultural commodities. Specific examples include beef farmers who began direct-to-consumer sales of meat; a sheep farmer who now processes and retails quality wool products; microbreweries that grow hops to brew and serve beer;





aquaponics operations that grow microgreens, raise fish, bottle organic waste as fertilizer to retail these goods; vineyards with on-farm wineries, and; a market garden that processes and engages in value-added activities with their farm kitchen and sell their products in an on-farm market, all on-site.

"I said, 'We've got to change how we do business. We've got to start doing direct-to-consumer sales, because we're not getting very much of the profit margin.' We developed a beef box program. ... We budgeted for two animals our first year for six months. That we far exceeded. We did seventy animals. I ended up having to buy animals from other farmers. ... Basically, this really went very, very, very well, and it continues to go very well" (P12).

"We were selling a whole cow for \$800, and sometimes it costs us \$780 to feed it. I can turn one \$800 cow into a \$3,600 cow, or even \$7,000 cow, if I cook it, prepare it, put it on the plate, and sell it. From \$5.25/pound, it could come out to \$17/pound. And that's with the value-added, right? Now the farm must support us, and this is the way to do it" (P32).

"When a sheep is shorn, you pay the shearer. Then you take your wool and send it up to the Canadian Cooperative Woolgrowers' place, and you're getting maybe 50% or 30% of what it costs you to get it there. I've been in yarn stores and seen that stuff that we're basically paying people to take off our hands - there's a good margin there between what the customer pays in retail for a skein of yarn and what we, the stupid sheep farmer, get. It's almost less than nothing! We thought we could come in there somewhere, which we have done. We now have eleven knitters" (P19).

"We just don't want anything to go to waste. We hate wasting. In the nineties, when we were processing, we had 24-hour shifts for processing required for pie companies out West. Then, these companies started bringing in produce from Europe, cheap. We couldn't compete with the price, so we lost that market. It was one cent cheaper than we could do it for, so the companies decided to go with a cheaper rhubarb. We just had to change what we did to make some money for the farm. My husband and I want ... to be able to produce everything as much as we can for our



own farm market. Baking and working in the kitchen. One year we grew so much basil and we had so much basil leftover, so, like I just started preparing it in different ways and started making recipes so now we make pesto. It's just about limiting waste and trying to make money because farming itself doesn't bring much money" (P07).

**- Farmer Participants**

### ***Being able to Reinvest Profits Back into The Farm***

Farmers who identified running profitable OFDUs stated that the OFDU generally generated more profit than the agricultural use on the property itself and that gains from the OFDU amplified their capacity to reinvest into the agricultural production side of the farm further. For example, as one farmer stated:

"After a while, [the OFDU] became profitable - and anything is way more profitable than farming. You just couldn't make a living. So, we had to diversify and then do something else. But diversifying our energies and our time in no way affected the productivity or what we were doing for the farm. What it did create was a means to supply the family and probably supply some cash to invest in farm equipment" (P02).

**- Farmer Participant**

Further, farmers shared similar stories about how the OFDU helped their financial ability to expand the agricultural operation. Examples include purchasing additional acreages for production and consolidating land parcels, converting more existing land to vineyards, investing in soil health, or purchasing or installing infrastructure such as high tunnels:

"We've worked hard. We've always reinvested... we bought more land, towards the north of us. We started with eleven acres that my parents had originally had. And then we bought twenty acres, then a couple of years



ago we bought another 20 acres. It's all one big chunk now - it's a small land base, but we're good for a long time" (P10).

"I would say that [the OFDU] has brought benefits to the farm because it is helping us to finance expansions to the farm. Without on-farm diversification, we wouldn't be able to finance it personally. All the money we make from the winery or the farm just gets put back into the winery and farm. ... And it's, it's challenging. I'm sure you've heard this from all of the people you've interviewed - farming is challenging. And you've got to look for ways to diversify and make extra money where you can. ... To put in an acre of vineyard is about \$20,000. It's an upfront cost, but then there are also maintenance costs. And the on-farm diversification, to make it real clear, is paying for our ability to have help" (P34).

"We used the profits from the first operation to restore the soil. There are many areas on the farm where the soil was basic, and nothing was growing but a little bit of moth lichen on the top of the soil because no organic material has been applied in a long time. The soil doesn't have all the life to it. So that's kind of our mission to bring that life back. Within another two or three years, we can be a more profitable operation" (P04).

"Our farming operation has grown with our diversified uses. We have more things going on from a farming point-of-view than we ever had. This summer, we're putting in two acres of high tunnels to grow long cane raspberries. ... Our two acres of high tunnels will cost about \$350,000. If we didn't have our diversified uses, we wouldn't have the cash to fund a project like that. ... It's the ability to put in high tunnels and do some of the things we're doing from an agricultural point-of-view to get a better price from our products. Our diversified uses have allowed the farm to invest and be more prosperous... and that allows the farm to grow. ... We're able to fund some of these projects that we're doing from the financial benefit we get from diversified uses" (P15).

### **- Farmer Participants**

Similarly, farmers expressed an economic benefit that allowed them to be more environmentally friendly in their efforts, including using the income generated from



OFDU to help contribute to environmental restoration projects, such as wetland restoration or fragile land retirement:

"We're taking [some land] out of production. ... That land area is very low, and it's too hard to sustain for farming. We're putting in ponds and wetlands down there. ... We understand that farming is important for societies and food, but we would like to see our farming change into something that's a little bit more environmentally friendly. The income we get from the weddings allows us to do this right now" (P38).

**- Farmer Participant**

### ***Reduced Reliance on Off-Farm Income***

One other way OFDUs contributed to agricultural viability amongst farmers was the ability of the OFDU to reduce farmers' reliance on off-farm income to stabilize income and mitigate risk. Farmers voiced concerns over farm income risk and household income variability as critical motivators for their initial decisions to work off-farm, albeit with compromises made to farm production (i.e., spending less time on the farm). However, OFDUs have allowed farmers our research to take advantage of on-farm income earned from OFDUs, with additional benefits to farmers' welfare and production decisions. These benefits include spending more time on the farm to concentrate efforts on maximizing on-farm feasibility, managing challenges with farmer mental health, and retaining family members to learn (i.e., tacit knowledge) and earn their livelihoods on the farm, both in the present and future. Several examples of how the OFDU provided participants opportunities to reallocate time and professional undertakings are listed in the following:

"I worked [off-farm] after university for ten years, and my brother worked full-time off the farm as well. And while we were working full-time and farming part-time, we wanted to find a way to supplement our income so that we could have an income without leaving the farm. That's when we started our first business. We started that to diversify ourselves and do business locally. Our goal was to earn an income, like a wage, you know? We weren't looking to make a whole bunch of money or anything. We

wanted to make enough to replace the off-farm income that we had from other locations" (P17).

"[The benefits of the OFDU] is the combination of the family members to work together outside of just the family role, of being the father, mother, the daughter, to everybody having their place in the greenhouse. Each of us has an agenda to achieve every day. Every role is related to one or the other, yet we don't step on each other's toes because we have all our roles, and we learned how to put our hats on. It's hard in the family - we were open-minded and open to everything in considering diversifying. You must sell your wishes to get your source of income [on the farm]" (P30).

"We made the change when we completely lost the barn in a barn fire. I was at a place in my career in the corporate world, and I'd worked my way up to management, and I was burnt out, depressed, and exhausted. I needed to make a life change. We never took a draw from the farm, didn't even separate farm and personal until we pushed for the change to diversify. Just the [diversified revenue] alone has been a benefit, but it's been good for me because I was so burnt out from the corporate world. It is much more labour-intensive, but the farm and direct-to-consumer sales have been very therapeutic" (P12).

"The benefits are that we now see a future to come back to our larger farm. The OFDU brings us close to my mom and helps her keep her farm across the road in good shape, doing things that she couldn't possibly do any more. The benefits also are making sure that our younger nieces know how to work on the farm. We are essentially the new lifeboat of farming families as we move forward" (P09).

### **- Farmer Participants**

These quotes illustrate that OFDUs, as a policy option, have facilitated pathways for farmers and their families to access enhanced opportunities for on-farm employment and, in turn, contribute to stabilizing income earned from agriculture and contributing to agricultural viability.





### **Succession Opportunities**

A positive impact on long-term and sustained agricultural viability shared amongst participants was the impact of the OFDU on farm succession planning. According to OMAFRA (2020b), succession planning or more commonly known as 'transition planning,' is the planning process for and implementation of strategies to transfer labour, knowledge, skills, management, decision-making and ownership of the farm business to the next generation based upon the personal, family and business goals and objectives.

It should note that most participants identified not having a formal succession plan; however, the majority expressed engaging in the succession planning process at some point in time and in some form or fashion. Perspectives ranged from long-time family farmers who were using a newly established OFDU to explore options for further succession planning; new farmers or OFDU-managers who were introduced to the business through a formal succession plan, and; farmers who were vulnerable to uncertainty in volatile industries and used the OFDU to create opportunities to succeed the farm:

“When we got out of the pigs, there really was nothing. We were broke! There wasn't a succession plan because there was no future in the farm at all. We sold off most of the working land. We have a 75-year old bank barn and a 100-year old farmhouse on the land. There's no future without the wedding venue. Certainly, the [wedding venue] created a succession opportunity” (P13).

“The writing was on the wall for the pigs. It wasn't going good. Not just for me, but for everybody. We set up a succession plan... Now, with the [cash crop farm and home industry] it has worked out fairly well” (P25).

“As far as succession planning goes, we haven't had formal legal chats, but we certainly talk to our kids about it. If they're interested, they're welcome to start their own enterprise or to get involved with the [event space]. We've hired our son to help us with some of the business management aspects as well as just general farm activities. But I think we still need to mature a little bit as a business to make it more resilient” (P04).

“When our kids all moved away from the farm for school, we didn't know if they'd ever come back. One of them even expressed interest in not coming back because [they] didn't find this as a place that he really relished. But eventually, they all did move back to this area and live here on the farm. We are planning on passing this on and having it be a third- or fourth-generation farm. The right word is ‘potential.’ They started dreaming about what they want to do with [the farm] ... and ideas of new ways to do things. It just gives you hope for the future” (P06).

“[The on-farm retail shop] has helped us with our transition planning. On our farm, I think everyone's just done the same thing that they did the year before for many years. Then when my husband and I took a lead on things, we thought, ‘how are we going to make sure there are things available on the farm in the future for our family?’ Will there still be full-time employment? What are we going to do to keep us going? What do we really want to do to make this farm better, or to improve the community and the soil? The diversification has benefit for succession and we're always thinking about that” (P07).

### - Farmer Participants

Farmers voiced that the OFDU opened the doors for more informal and formalized conversations with family members, staff on the farm and in the business, and other players about the farm's future. Diversification and business planning helped initiate conversations and formal planning to promote farm productivity and profitability in the present and to ensure its viability for future owners and operators. However, farmers did continuously note that while OFDUs did open the doors for these conversations on farm transition, that the actual process was still a challenging one. Despite the troubles with reaching consensus about present and future needs of the farm, as well as the catering to the interests of predecessors and successors in the succession planning process, farmers shared success stories of how the OFDU clarified business planning and operations, and in turn, succession planning processes:

“We have been through some of those [succession planning] processes to look at what everybody wants to do. Having the different diversified sort of avenues, allows us to have different revenue streams and different silos. It's easier to divvy out and clearly see who is going to be able to take



control of which avenues. It has allowed us to have a little bit more clarity as opposed to having the business and farm operation just sort of in one big clump" (P05).

**- Farmer Participant**

Based on the themes identified relative to agricultural viability, the authors interpret that OFDUs and the Guidelines provide various economic benefits and opportunities for farmers to enhance agricultural viability.

### ***Benefits of OFDUs: Local Economic Development***

#### ***Impacts on Job Creation and Local Employment***

Two predominant themes related to job creation and opportunities for skilled employment came about in interviews with farmers. First, many farmers spoke about how their established businesses created employment opportunities. Anecdotes shared related to work included creating multiple full-time and part-time jobs, whether those were year-round or seasonal. Farmers spoke consistently of providing youth with their first "real" job and summer employment for students in their communities. Others stated the potential that their OFDUs' growth had on creating work beyond agricultural production to include other forms of skilled jobs, such as those related to business management. Secondly, if opportunities to create employment opportunities for others had yet to come about from the OFDU, participants expressed that there was future potential to do so as their business would grow, expand, or adapt to change down the line.

Relative to the rest of the participant pool, very few farmers expressed having little to no potential to provide additional employment for others. Instead, these individuals shared that the nature of their operations was small-scale and sufficient to require only the time of the immediate family and offer enough to supplement income earned from production: "The potential is there that we could take on more staff. ... [The OFDU] has potential but won't be a huge impact on job creation because it's a relatively small operation" (P04).

However, all participants agreed that OFDUs were necessary for much-needed job creation opportunities in rural communities and the need to sustain rural economies



and societies in the long term to hone the multifunctional potential of agricultural operations. A couple of participants were particularly vocal about how local governments dismiss the prospect of OFDUs for local job creation at the expense of the future viability of agriculture, including the potential for succession planning:

"The only way I can get my kids to stay on the farm is if they can find some other useful kind of employment or enterprise. They're not staying here if I can't find that here [on the farm]. It's a dead-end for me then because I have nobody to take over [the farm] ... [OFDUs] should be encouraged because probably not one farm kid out of 10 wants to farm. We need to have jobs here for people to live in the rural area and participate in the local economy - you don't have to participate in the agricultural economy. ...I bring up this topic because it's unusual how we pretend that these [on-farm] businesses don't exist" (P02).

"There is one thing that I've been beating my chest about for many years. In Ontario, farmers aren't going anywhere. They're not a business that will pick up and leave and offshore their experience - they can't. These are the kinds of businesses that build community and create jobs, and they're never going anywhere. These are the types of businesses governments should be at least supporting and encouraging. We've found in our industry that as we continue to grow, we're hiring more people. People are walking to work in the countryside - what are the odds of that? And then just, as I said, creating jobs and some great lifestyles" (P37).

### **- Farmer Participants**

While interviews have illustrated the vast and diverse potential employment benefits of on-farm diversification, they also provided indicators of the size and scale of operations. Specifically, how policies should be designed to manage the growth and expansion of "successful" OFDUs to ensure they do not impose compatibility issues to the farm on-site or neighbouring ones and detract from the vitality of other areas (e.g., rural downtowns). One participant shared their business's story of growth, to the point where they now employ up to 300 staff in their OFDU alone:

"We started with just family and friends working here. Now we have nine full-time, year-round staff. Even though we're only open six or eight months of the year to the public, we have 50 staff this summer. We'll go up to 300 in the fall and about 100 and Christmas time. The economic development here on the farm has been good" (P37).

**- Farmer Participant**

### ***Creating and Supporting Local Partnerships***

Stories were shared, exemplifying the ability of OFDUs to enhance local partnerships and economic ripple effects. In the context of this study, economic ripple effects colloquially refer to a single action that a business will undertake that will have a multiplying impact on other businesses. For example, a farmer with an on-farm kitchen and market offered the following example of an economic ripple effect stemming from their OFDU:

"[The OFDU] employs many local people. It's created jobs for the community. Not just when we are making a product and selling it, but we're also purchasing labels from the local person or purchasing containers from a local company. There are so many different connections that we're supporting and including on our market. We're trying to fill [the market] with local products from local agribusiness. ... We buy from local beekeepers, bring in dairy from another local dairy, and connect with other businesses and say, 'I have this good, let's work together.' We're creating connections in the community and building the economy" (P07).

**- Farmer Participant**

Similar could be said from a farmer operating an event venue in their old bank barn:

"Lots of other businesses earn revenue from us. We recommend local bed and breakfasts and hotels for anybody in the accommodation





business. We've had weddings from people anywhere from Edmonton to Ottawa to far and wide. Beer. Taxis. Limo businesses. Florists. Landscapers. The other major one is rental businesses where people rent stuff, like supplying tables and chairs. We've done some work on the barn too. We've got the barn roof painted; otherwise, we wouldn't have done that! When you start looking at the spin-offs, you don't consider that as being value-added to the community, but it is" (P13).

**- Farmer Participant**

Others, specifically in the beverage industry, provided examples of their OFDU contributing to the local agri-food value chain and network across Ontario as another form of economic rippling:

"We were processing rhubarb for pie companies in the nineties. And then we had this runoff rhubarb juice from our processing line, which was great juice, but we were dumping it down the drain. We decided to collect it, and then we started selling it to some wineries. And over the years, it's just gotten busier and more diversified – Wellington brewery used it to make a rhubarb beer. Now Benjamin Cider makes a rhubarb cider. As we've expanded and we thought to sell our juice to other companies" (P07).

"Well, it's a natural handshake from the hops' perspective right? Yes, hops go in every beer. But what we found is that we are a complementary industry to others around us now too. For example, we started to buy different fruits from areas within 10 minutes of the farm... haskap, papaw, strawberries! Like at the end of the strawberry season, we buy an immense amount of bruised-up old strawberries at a little bit of a reduced rate, but it's money in the pocket of the local producer that would have just let them rot anyway. We've added money to their pockets, making these wonderful sets of beers – strawberry rhubarb, for example. We've got a pumpkin producer that we buy pumpkins from in the fall. It becomes a side industry - a side shuffle for these farmers - and it's offering a new layer of community that probably wasn't there before" (P09).

**- Farmer Participants**



Lastly, OFDU operators spoke about their on-farm business's role in creating and characterizing their community as a "destination" and the contributions their OFDUs had to local tourism and more significant economic development:

"Now, with the brewery/distillery side of the business, there's that opportunity to educate and provide that agricultural education to others. We went from literally having essentially just friends over to the farm to attracting 20,000 people a year to the farm. That's pretty a massive impact when you think about it. [The OFDU has] become a destination for our rural community. We've seen that small digression from like this small, sleepy town to what is a bustling community" (P23).

"We are one of the top drivers in tourism for Norfolk County. There are three wineries on one road. And we, being the largest winery in the area, it's been fantastic for the other wineries and the County. Visitors come from the other wineries and say, "Do the other wineries down the road take all the customers?' Heck no. We send visitors down to them, and they send visitors to us. That's the rising tide of all of us working together to promote the area as a wine destination. That's a strength the wineries bring to the table. Sometimes the projects that we have going on our side are high profile. That helps to raise everybody else as well. From a tourism perspective, it is big for Norfolk County" (P28).

"We've had a great relationship with Tourism Oxford. They've done a great job of creating guides and ways to tie farms and other local businesses together to encourage people to visit the area and spend more time here. ... Now more than ever, people are travelling more within the province and not going far away like they used to. We still have people visiting and asking, 'What else can we do?' We have brochures and maps from Tourism Oxford, and we'll tell them other places they can visit like the 'Cheese Trail' which we are on" (P36).

### - Farmer Participants



### ***Diversifying the Rural Tax Base***

Our interviews with farmers identified that most farmers with some form of built development for the OFDU experience an eventual change to their property tax assessment. In most cases, after receiving a building permit and constructing the OFDU, farmers experienced portions of their properties and buildings on-farm be reassessed from the 25% agricultural rate to the full commercial or industrial tax rate, contingent on the use (e.g., retail store, on-farm kitchen, event venue, processing facility, or home industry).

Some participants found the tax assessment for OFDUs to be frustrating and not in favour of farmers diversifying operations to remain viable. For example, as a farmer shared:

"There will be [a change in taxes] and that is a kick in the butt. As a farm, you can get a break on your taxes, up to 75%, and that's attractive. With MPAC, though, their little red flag suddenly pops up, and they go out and evaluate this use. Strangely enough, what used to be \$1,000 a year for taxes, now your entire one acre of [OFDU] plus your house is worth more money than your entire farm used to be. Consequently, your taxes are the same as they were before the agricultural tax rate was applied" (P18).

**- Farmer Participant**

However, some did farmers suggest these changes in tax assessment were manageable. Instead, few participants embraced them as a sign that they were a thriving business and were proud to contribute to the diversification of the rural municipal tax base: "The taxman caught up with me too. That's a good thing. If you're paying taxes, you're making money. If you're not paying any taxes, you're not making any money. I see a positive future for what we're doing" (P13).

Several participants expressed not knowing they would experience a change in their tax assessments once building the OFDU. Specifically, participants were unaware of this potential change for several reasons:



- 1.** Farmers expressed that the municipality had not let them know of the potential change in tax rate when planning and applying for their business.
- 2.** Upon constructing and operating the OFDU, the Municipal Property Assessment Corporation (MPAC) often had not reassessed the property tax rate for a few years despite running the business. Farmers expressed being aware of tax changes when MPAC came by to reassess.
- 3.** Farmers generally misunderstood that their OFDU would still qualify for the agricultural tax rate, particularly when the OFDU related directly to the farm (i.e., on-farm retail and a value-added processing facility charged commercial and industrial tax rates, respectively). As one farmer noted, "It's a hard pill to swallow. Why is converting an agricultural product to a value-added product, like grapes to wine, being taxed as industrial?" (P34).

Regardless of when the tax reassessment occurs, farmers wished they had known earlier on in the initial business planning stages and application stages of planning approval of the potential tax changes to better factor in the costs in their overall business plan. In contrast, some farmers expressed awareness of the possible tax changes during pre-submission consultation meetings for their proposed OFDU. In these meetings, municipal staff (i.e., finance, economic development) noted to farmers that there might be a potential change to their property tax rate due to the development.

Some participants shared that part of their motivation for establishing an OFDU on their farm, and not a business elsewhere in the downtown or industrial park, was to acquire the lower tax rate: "At that time, I was looking at buying a shop [in the town]. The prices were crazy, and the taxes were through the roof. So, it just seemed like this [OFDU] was a perfect idea" (P03).

Overall, the general concern for tax changes amongst farmers is the cumulative cost of establishing the OFDU, including the application fees, development charges, charges for professional drawings and studies, consultancy fees, and additional expenses (such as changes to tax rates) down the line. The potential for municipalities to scale back costs and fees for proponents of OFDUs, where applicable, was a strongly embraced idea by participants to make the up-front and long-term financial investment for OFDUs more feasible, as well as enticing, for farmers diversifying their operations.



Moreover, there were few instances of farmers converting existing agricultural buildings into commercial OFDUs (e.g., event barns) and not experiencing any change to their taxes, despite having gone through a Zoning By-law amendment, site plan process, and being issued various building permits. Discussions with key informants at MPAC explained how and when an OFDU would be assessed: if a structure is already evaluated and classified at a farmland tax rate, without a trigger (e.g., appeals, permits, sale of a property, tax applications) for MPAC to attend the property, MPAC would not be aware of changes on the property and therefore, would not make any changes to the property's assessment. However, if, when, and how MPAC is made aware that a structure is no longer utilized for farming purposes, and instead now for diversified uses, MPAC would inspect the property and assessable items and update the classification to the appropriate commercial or industrial rate.

Lastly, there were few instances where participants did not formally secure planning approvals for their OFDU, and other farmers legally running businesses were aware of their counterparts doing so. As one farmer disclosed, "there are many others that don't trust the town or the city, and they're fixing cars, tractors, or vehicles, and they're going on behind closed doors. We're likely not getting the tax assessment. And that's a bad thing; we need to get the tax money from these kinds of businesses" (P02). As a result, farmers are evading this tax assessment outcome (a loss of potential revenue to the municipality).

### ***Challenges with On-Farm Diversification***

#### ***Planning Approval Processes***

Farmers were asked to speak about their experiences navigating the planning approval process for on-farm diversified uses; precisely, their experience with their municipality's on-farm diversification policies and the scope in which the municipality aided (if at all) to navigate this process as well as general sentiments on the experience overall.

Farmers rarely expressed positive thoughts about their municipality's planning approval process for OFDUs. Seldomly did municipalities have "as-of-right" permissions, requiring farmers to undergo costly and time-consuming Official Plan Amendments or Zoning By-law Amendments, in addition to various other approvals such as minor variances, site plan approvals, and other fees and requirements such as engineered drawings, technical studies, development charges, and others.



The most common challenge expressed by farmers was the prevalence of "antiquated" Official Plan policies and Zoning By-laws at the municipal level, which seldom permitted OFDUs as a permitted use. If they did, they required farmers to undergo Zoning By-law amendments regardless of the use proposed. Given the increasing prevalence of OFDUs as an option to undertake amongst farmers, as well as the popularity of some types of OFDUs versus others at the local level and an increasingly integrated part of agriculture (e.g., on-farm markets, agritourism, or value-added ventures), farmers expressed feeling a lack of leadership amongst municipal policies to design and implement OFDU policies in line with the PPS (2020b) and Guidelines (2016a). For example, some farmers expressed their frustration in navigating the municipal planning approval process and the need to update policy to reflect the changing needs of agriculture:

"So we did a rezoning application to allow for many of the things that we do here on the farm... the cafe, the bakery, events, and things like that. ... because a lot of the activities we do aren't 'traditional agriculture. ... It is very unfortunate that because municipalities move at a snail's pace when it comes to changing their municipal plan and by-laws and other legal docs/processes, the farms that are changing so fast to meet the needs and demands of the community, are railroaded" (P15).

"Every time I would go in, I'd get, 'Oh, it's you again. No, you can't do this or that.' I thought, 'How will I know the codes if you don't give me the codes?...' I thought, this is terrible - this is not the right way to teach people. Maybe the 'good' rules or the good scenarios for farm diversification were being built by younger or newer professionals who thought about it in a bigger sense, versus those planners in their fortieth year of doing it that way" (P09).

**- Farmer Participants**

In addition to securing various planning approvals, farmers continuously expressed frustration in navigating the process themselves. Few farmers said feeling comfortable with the process because they had dealt with planning applications before, could hire a consultant to assist them, or had supportive municipal staff who were willing to guide local farmers through the approval process:

"If we didn't have [the municipal planner] as our usher to our appropriate seats within the by-law committee, I think we would still be filling out forms now. It was a myriad of things to do, which was our own doing. Zoning changes, diversification plans, environmental studies, building permits... that's where it got sideways.... If you don't have ambassadors that help usher in people that know about how municipal by-laws and governments work, then we're prone to break the laws all the time and it doesn't really help people that want to do it themselves" (P09).

"We have had to hire a consultant to advocate on our behalf, which we should not have to do. We also had to have multiple lawyers as in our experience" (P15).

"A lot of the agricultural community, you know, by nature, farmers are, are doing it themselves... they know that they can do it, they'll figure it out, and that'll be the end of it. But sometimes, when dealing with the government, there's a lot more at play than just saying, 'Okay, I can do this.' It's sometimes hard for a farmer... it's mental gymnastics for people to wrap their head around [the planning application process]" (P23).

### **- Farmer Participants**

Additional indirect challenges as part of the planning approval process were the challenges of incorporating timelines into busy farming schedules, in addition to having to navigate public scrutiny and opposition from an unaware public who were concerned about the changing character of agricultural communities and the nature of agricultural industries and practices. Two participating farmers in the interview process were either currently defending their application at the LPAT or had previously defended their proposal at the Ontario Municipal Board.

"Some of the public complains a little bit, and then we have to answer their questions through a public meeting. Sometimes the neighbours complain or somebody else in the Township. Most of them are based on truck traffic, noise, and the air, but we can tell them we have to meet certain guidelines [for noise, air quality, and truck traffic]" (P26).

"We went to the political level and had public meetings about [the Zoning By-law amendment]. It was excruciatingly difficult. I wouldn't wish it on my worst enemy" (P37).

"It was quite the process and learning experience. We had public meetings where we were yelled at. But then we also had, you know, so many letters of support we had community members show up at our meetings and speak up on behalf of our business. It came out that we didn't need to resolve any issues - that we were well within our rights to operate as agriculture with exceptions" (P16).

"When we had to get permits, we had a lot of struggle at the municipal level. We had to go to meetings and get approval, and it was just a disaster. Finally, we got the plans drawn up, and we got everything organized, and then COVID hit, and the world went upside down. So that kind of plan stopped. But, when we were trying to put up that building, we had a lot of difficulties, and financially, it's huge, like a huge expense. Nothing ever ended up happening from it. I think the rules are very vague, and they weren't clear. No one gave clear answers about anything. So, one person said one thing and someone else said something different. There's not a streamlined process. I know we had to go to the municipal council and get things approved. It was just back and forth craziness for things that were approved and then not approved. The whole process isn't streamlined; the rules aren't very explicit. There wasn't someone who would sit down and say, 'This is the next step' or 'This is where you go, this is how you do it.' It was very expensive. By the time you get all your permits, it's too late even to start building. So that was another thing like by the time we finally get through everything, it's just too late. We spent a year on it, and now, you know, we can't even start building because it was too late in the year, and you can't build during the main harvest season. Farming is hard. Because you're always busy that there's never an off-season, except if it's snowing and blowing. But you can't be doing that in the winter. It's just a disaster" (P07).

**- Farmer Participants**



Two participants expressed the value of as-of-right OFDU policies appropriate for agriculture in the local area. These participants spoke to the benefit of efficiency and clarity that as-of-right policy provides farmers for planning permissions, as well as the encouragement for farmers to thoughtfully establish and implement OFDUs which conform to local policy, benefiting municipalities:

"... Because the whole farm is zoned as that "agricultural plus" designation, we're able to do those events without having to get any specific permits. That designation allows us to go forward without too much hassle. It'd be tough to do it if we were not designated that way" (P05).

"Our goal would be to have 'right-of-use,' because many farms want to do diversified uses, but they either don't have the time or the finances to rezone and fight the township. So instead, they either get discouraged, they do it without approval, or they just don't do it at all" (P15).

**- Farmer Participants**

Lastly, a farmer offered a quote that paralleled other participants' experiences and challenges (and, in turn, opportunities to improve) in navigating the municipal planning approval process. Experiences include a perceived lack of communication between municipal departments, including enhanced opportunities for planning and economic development departments to work together; and the desire for municipalities to design and implement policies supportive of on-farm diversification:

"The rhetoric is 'buy local, stay local, support local businesses.'... Municipal governments support those programs, but they forget to tell building, by-law, and planning that [on-farm diversification] is important. There's no discussion between the departments.

The [economic development committee] brought... planners and departments to our farm to show them what could happen [with OFDUs]. At the same point, I would walk down the hall to the planning department, who seemed to be doing everything to stop us because they didn't want to 'set a precedent.' They kept saying... 'if we allow you, we have to allow

everyone.' ... If you allow me, you've got this is how it's done. And you've got a pathway for the next [farmers] to come. ...

There is this idea that until it's done by a number of people, it can't be done... but then you can't do it until it's done by a number of people – it is a catch-22. We've been pushing hard for many years and continue to because it's so important. ... We've seen the industry thrive. And we've seen people make a living on their farm and not just make a living but thrive. This is, in my opinion, one of the only ways to truly preserve the family farm" (P37).

**- Farmer Participant**

### ***Compatibility and Normal Farm Practices***

Most participants were hesitant to speak to compatibility issues or normal farm practices; many expressed that they believed their OFDU naturally complemented the primary agricultural use of the property and provided more benefits than costs to the greater community. It was emphasized consistently by participants that "farmers should adopt 'farm first'" principles: "The whole idea is that we [farmers] need to diversify. As long as [OFDUs] don't interfere with agricultural capability. If you have a barn, we don't care if you got hogs in the barn, if you're refinishing mahogany boats, if you're storing old trailers - as long as it doesn't affect the agricultural potential, now or in the long run" (P02).

Unfortunately, OFDUs at times have impacted agricultural capability, as respondents have noted. This study did not explore the impact of OFDUs on neighbouring agricultural operations not diversifying - however, some components of this emerged in our interview process with farmers. Of those participants who shared stories about incompatibility between uses, they were often positioned by way of their OFDU, causing impacts on other farmers' ability to farm unbothered. It is important to note that within this study, most adverse effects on normal farm practices resulted from OFDUs that were public-facing, such as those in agri-tourism or on-farm event venue business models.



### ***Impacts of OFDUs on Neighbouring Farms***

For example, the owner of a farm-to-table and pick-your-own agritourism operation spoke about incompatibility between their OFDU and a neighbouring farm: "The only conflict I have had is when we had our pick-your-own blueberry season last year on a busy Saturday. The neighbours started spraying herbicides. It was a bit windy, and we watched the herbicide drift, so I had to talk to him. I could smell it" (P04).

Moreover, the owner of a wedding venue who rents out the property's farmland spoke to his agreement with the tenant to limit when manure is spread during the growing season so as not to elicit odour complaints from the weekly scheduled weddings:

"My neighbour ... puts down a lot of manure. I made it very clear to him that he cannot put down his manure at certain times of the year. If you impact my business, then you're not going to be able to rent my land anymore. It is this idea of spreading manure and stinking up the neighbourhood. We had one wedding on a Saturday when he started spreading - we went out and just stopped him and said, 'You cannot do this.' He gets a little frustrated sometimes if I talk to him about that. But the impact of the wedding venue has been zero on his farming besides the timing of the manure" (P38).

**- Farmer Participant**

### ***Impacts on the Principal Agricultural Use of the Property***

Others shared anecdotes about how their OFDU may have negatively impacted their farm operation. Issues related to heightened concerns over biosecurity, equipment, trespassing, and crop damage were mentioned as impacts farmers experienced due to engaging in on-farm diversification. For example, one farmer shared their experience regarding trespassers and crop damage: "We are having trouble with trespassers. People assume that we are our tourist destination. We have hundreds of people from the city coming up, flooding the fields, destroying our crops and property, and polluting. It's just terrible" (P07).



This farmer continued to share their solution to managing these adverse impacts of trespassers, but not without impacting their ability to farm. The participant said, "When we're planting sunflowers, we have to hide where we're planting because people just come in and think that they can go in for a photoshoot. People are destroying our field" (P07).

Similar instances shared by participants included the need to sacrifice productive land area to accommodate additional parking spaces on-site last minute due to an upswing of visiting guests: "Customers coming in were parking on my rows of hay. ... So, are there any impacts? A little bit. But customers are first, and it is a part of the business. It's just a part of life that [operations] will be modified to suit the customers' needs and their times" (P10). However, this entrepreneur then shared the creative solution of providing timed tickets online to address parking issues and the number of guests and expressed that this worked relatively well. Other interviewees mentioned that this seemed to be a growing best practice in the agritourism industry.

This farmer then further explained the need to move the principal agricultural use and value-added uses off-site from the parcel containing the agritourism venture because of impacts on production:

"We keep the [beekeeping] on other peoples' properties. We have over 1000 beehives. We have a real growing concern. We were doing our honey extraction on our farm, but when we had a truck coming with boxes and boxes full of honey, bees were flying off the truck, and those bees were confused. They don't know where they came from. So we moved our honey processing [off-farm]. When we started getting more into agritourism, we started moving the bees away. We still have bees on the farm, but just for display purposes" (P10).

**- Farmer Participant**

Lastly, this farmer openly shared their belief that OFDUs and agricultural production on the same property were largely incompatible, despite engaging in farm-diversification themselves:

"[The OFDU] has affected our farming. We try to move as much of the commercial [farming] activity away from the main place where people are coming and going because tractors are sitting around, and you don't want people playing on your commercial farm equipment. So, we've separated that as well. [On-farm diversification] does impact your farming activities - your main core farming business has to be isolated. I don't believe you can put the two on top of each other. It's just not safe. It's just like children playing with farm equipment, you hear all these tragic stories, and it's not good" (P10).

**- Farmer Participant**

While concerns regarding safety and compatibility are valid, some farmers offered ways they've made compromises to ensure successful outcomes for both their OFDU and their farm:

"We never spray the day before we have a wedding. We always wait. We may spray the pears because they're far enough away, but it is a different spray cycle. We do still operate [during weddings]. We tell the [guests] that you all might see the odd tractor go by. That has not changed - you will see a worker running by. We do turn the bird bangers off around two o'clock so that the guests don't get scared - and they only get shut off for six hours for one to two days [a week]" (P40).

**- Farmer Participant**

### ***Farmer Interview Results Summary***

Overall, results from the interviews with farmers illustrated that OFDUs have their benefits and challenges for both individual farmers and their communities alike, including multifaceted benefits for agricultural viability, rural economic development, and challenges including compatibility with agricultural operations, ensuring agriculture remains the dominant land use, and that normal farm practices can continue when interfaced with non-agricultural OFDU businesses. Frustration and feelings of being overwhelmed with the municipal planning approval process was also



a large challenge. Specifically, themes illustrated that farmers expressed feelings that entrepreneurs were ahead of policy, and that municipal policy implementation would be the hindering or determining factor behind encouraging diversification of the agricultural industry and long-term agricultural viability.

### **4.3 Focus Group Results**

This section will outline results gathered from the focus groups held with provincial staff at OMAFRA and MMAH, rural municipal planning departments and planning boards, and farmers diversifying operations, respectively. Each focus group was asked the same set of 3-4 questions (municipal planners were asked question 4, additionally):

- 1.** How should a 'farm' be defined within provincial and municipal policy?
- 2.** The inclusion of agriculture-related uses and their size and scale criteria in the Guidelines, and;
- 3.** The size and scale criteria as well as thresholds or tools to be used to ensure compatibility of on-farm diversified uses with surrounding agricultural operations.
- 4.** What training or support related to the Guidelines do you think are needed? What areas of the Guidelines do you need the most assistance with?

The above questions were only discussion points and participants were free to pose additional questions and points of conversation to guide discussion. In presenting the results, each section will review the discussion, emerging and recurring themes, and consensus reached by each group in discussing considerations, recommendations, and best practices for permitting OFDUs at the provincial, municipal, and farm levels. These results may not reflect the questions asked directly but represent the most prominent had amongst the groups.

#### **4.3.1 Provincial Staff Focus Group Results**

##### ***2% Size and Scale: Stifling or Stimulating Entrepreneurship and Innovation?***



With provincial staff, it was discussed and debated how the '2% to a maximum of 1-ha' size and scale criterion can balance farmland preservation with economic development opportunities and the impacts for farmers and municipalities in enforcing this criterion. For instance, some may argue the measure is too large, threatening the protection of agricultural lands and compatibility with surrounding operations. In contrast, others perceive it as too small, stifling opportunities for viable diversified business operations, especially considering when parking and amenity spaces were included in the final calculation.

One participant noted that the '2% to a maximum of 1 ha' guideline is a blunt instrument. From their experience, effective use of the size and scale guideline requires the collaboration of planners, economic development officers, and family farming entrepreneurs to find ways to maximize the efficiency of land area to ensure the size and scale of OFDUs is viable for the on-farm business:

"The two percent rule is a blunt instrument. It doesn't solve the root problem. I've talked with entrepreneurs who want to utilize land that's never been farmed, but because of the 2% rule, they can't expand into that area. Planners can work with the entrepreneurs or business owners to be flexible with the two percent to find an agreeable plan. Oh, you know, maybe there is a tree line here, let's move this there - let us come up with an agreeable plan instead of saying, 'No, you are at your 2%.'"

**- Provincial Staff Participant**

Moreover, it was noted that the size and scale guideline might not serve equitable opportunities for farmers based on their lot size: "We do have these niche farmers that want to do something like an event venue space or something small. But then we have these big cash crop farms where they have an RV park or RV storage on two and a half acres - it's an entirely different problem. There is a dichotomy of both."

Other staff noted that the thresholds are not the be all and end all and that "sometimes setting thresholds can stimulate creativity." For example, researchers said that farmers aware of parking being included in their 2% calculations adopted other means to efficiently invite and welcome visitors on site instead of allocating large swaths of area for parking. The example was given of farmers establishing a reservation system to



provide a timed ticket to their guests to manage crowds and the number of people coming on-site through a reservation online, rather than relying on a fixed parking area.

Ultimately, provincial staff agreed that the '2% to a maximum of 1 ha' guideline is just that – "a guideline, a starting point, and a parameter set for guidance" put in place to give municipalities and farmers the leeway needed to achieve objectives for diversified income generation opportunities without sacrificing farmland. The group widely acknowledged that the size and scale guidelines help prevent and mitigate "a heck of a lot of possible issues" with OFDUs.

Ultimately, the approach is up to municipalities to implement and provide a policy avenue for farmers to undertake these diversified operations on their farms, allowing them to earn additional income. In contrast, previous policies may have halted these efforts altogether. Participants emphasized that municipalities need to work closely with proponents so that both parties are "ultimately content with what that land use is." The Guidelines offer a starting point for governments, farmers, and the land use planning profession alike: "Having already something in guidance now at least gives us a foot in the door to editing that guidance down the road. And that's the other part of the challenge. If we don't have guidance on it, it's sometimes hard to get *new* guidance. It's much easier to edit existing guidance based on what we have learned."

### ***Green Tape over 'Red Tape'***

Provincial planners overwhelmingly emphasized the need to use planning policies and the principles behind planning for OFDUs to maximize the potential economic benefit of successful OFDU planning policy for municipalities. For instance, benefits of OFDUs to the municipal tax base, local job creation, and reinvestments back into the agricultural system were other objectives and goals of many rural municipalities and locally implemented OFDU planning policy could be a means for municipalities to achieve these outcomes. Messaging on the benefits of OFDUs on this front should occur going forward. This notion contrasts with having municipalities perceive OFDUs as 'incompatible' or 'inappropriate uses' in the agricultural area, and inadvertently stifling the potential for long-term agricultural community viability through potential 'overregulation.'

Provincial staff connected the need to showcase the economic value of OFDUs to the utilization of the Guidelines by municipal counterparts: "[Municipalities] are grappling with understanding the good use the Guidelines can bring – the interpretation and the

implementation of them. There is a sense of frustration from the client or farmers on that." The notion that a well-designed policy that appropriately balances opportunities for economic development *and* agricultural compatibility is a well-known precarious balance, but that a well-designed policy ("green tape") can achieve both.

### ***Additional Training for Municipal Interpretation and Implementation***

Provincial staff also acknowledged the value and potential need for additional training for municipalities on utilizing and interpreting the Guidelines, as well as localized options to implement OFDUs into municipal policy. The provincial staff mentioned the need to develop knowledge mobilization tools sooner rather than later. Many municipalities are in "a state of flux" in updating relatively outdated Official Plans and Zoning By-laws. Concerning updating outdated policy, OFDUs and their criteria are a relatively new concept introduced into provincial policy, and for municipalities, "it is still a bit of an unknown to them."

The demand for farmers looking for a second source of income on the farm is more prevalent than ever; it is acknowledged that given these pressures and short timelines, municipalities may be under pressure and require additional assistance to implement appropriate OFDU policy. Other participants within the group conceded that while there is the need for training for municipalities, the Guidelines were designed with flexible policy design and implementation in mind. This training should be a guided rather than prescriptive approach.

### ***Breaking Down Silos: Agricultural Advisory Committees, Economic Development, and Planning***

Similarly, staff spoke to their experiences in working with municipalities and farmers within their portfolios. The messaging on the potential opportunities and policy avenues for OFDUs needs to be communicated and made aware to farmers by municipal counterparts. As a participant noted, "There are farmers out there that are already entertaining an OFDU in a very informal sense. Maybe they've got a little woodworking shop in the back or something else going on. They don't realize that this could potentially have an OFDU to supplement their income. So, it isn't just looking at the policy that addresses [OFDUs]."

The provincial staff mentioned municipal agricultural advisory committees (AACs) on several occasions. Specifically, AACs are an asset to help bridge the gap between farmers' awareness of policy pathways for OFDUs, as well as implementing a municipal policy that maximizes the benefit for local agriculture: "[Agricultural advisory committees] are an excellent conduit between planning and economic development on the municipal side."

Provincial staff expressed their own experiences where economic development and planning staff may not communicate effectively to reach shared goals in their municipalities. As stated, "The economic development officers don't necessarily communicate often with the planners. There's this juxtaposition between wanting to push entrepreneurship and seeing that rural growth. Yet, the planners are saying 'no,' all the time." Municipalities could resolve this divide between planners and economic development staff by providing space for these departments to converge, collaborate, and communicate:

"Our communications, training, workshops, anything like that, would be through our economic development clients who could, in turn, invite planners to be at that table. This training serves two purposes: one would be that they're building that relationship and breaking down those silos within the municipalities. I know oftentimes it may be the first time they've [economic development] even met the planners because it's so divided. That would be a way of not only getting them at the table but getting on the same page in terms of the process, the definitions, everything else and getting that conversation about OFDUs going."

**- Provincial Staff Participant**

### ***Defining a 'Farm': Provisions to Uphold the Intent of the Guidelines***

Provincial staff were asked to provide comments, thoughts, and discussion related to the question: "How can a 'farm' be defined"? Researchers asked this question on the basis that the first criterion for what qualifies as an OFDU is that the OFDU "must be located on a farm" (OMAFRA, 2016, p. 17). This question was asked to garner participants' feedback on whether this should be defined and how.

While a farm is not defined in the PPS or specifically within the guidelines, it is helpful to define what a farm is at the municipal level. This definition is to help maintain the intent and the principles of the Guidelines, which is to help ensure that the policies established are to enhance agricultural viability *for farmers*. For example, interviews with municipal staff and farmers expressed concern over the lack of enforcement of 'farming' in municipal policy and the prevalence of non-farmers purchasing and utilizing agricultural properties as an investment opportunity for OFDUs. Many shared stories where this pattern has occurred where agriculture became secondary or non-existent in land use.

Provincial staff spoke to their own experience leading to the need to define a 'farm':

"There were a few cases where I strongly left with the impression that they were only creating a farm to create an OFDU. A mansion was already there [on the property] when [the landowners] bought it and expressed interest in doing an OFDU. So, they planted some apple trees. Well, is that a farm? I am skeptical of that. I guess that is a decision left to the municipalities. There was another one - a newly purchased small farm property. [The property owners] converted a lovely historic barn to a wedding venue. They had just a few acres of market garden. You know, it just comes down to that question of scale and what does it mean to 'farm'?"

**- Provincial Staff Participant**

Participants acknowledged the benefit of defining a 'farm' but expressed that it is likely easier said than done:

"I see that [defining a farm] as a slippery slope. It would be difficult to enforce or change anything where people take advantage of farming as a secondary use. It is not so much, 'how do you define the farm?', but making sure the process is actually in place and that the actual outcome is mapped to the proper outcome."

**- Provincial Staff Participant**

Provincial staff did note that the PPS (2020b) defines *agricultural uses*. As one participant expressed: "I feel the Guidelines do a pretty good job describing what is intended to be a farm when talking about *agricultural uses* specifically. To overcome some of these challenges, we should be trying to figure out what is an agricultural use versus what is a farm." However, other participants noted that properties can be *agricultural* in use at times but that non-farmers may be renting the land to a farmer. At the same time, landlords get to establish and solely own, operate and benefit from the income generated from the OFDU.

"The growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including, but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for full-time farm labour when the size and nature of the operation requires additional employment."

- **PPS (2020) Definition of Agricultural Uses (p. 40)**

The provincial staff mentioned that concerning AACs operating in their areas, there is a general concern amongst AACs that OFDU policy needs to be designed to serve the interests of farmers best. A participant shared, "[The AAC] wants to see the County implement the distinction between what is and is *not* a 'farmer.' They're seeing a lot of entrepreneurs coming out of the city, buying rural properties, and starting a new business such as a wedding event venue - that sort of thing - and claiming it to be an on-farm diversified use." Staff

expressed how the top priorities of the agricultural community and AACs are *both* agricultural land preservation and agricultural viability.

Yet, the current high-level policies in place for OFDUs may be falling short of serving the best interest of Ontario farmers as intended. Instead, 'loopholes' in policy may be taken advantage of by non-farmers looking for (cheaper) lands to establish their businesses or viewing OFDUs as an investment opportunity. An example was made of Peterborough County, where the local AAC is "trying to get the Official Plan amendment to have it so that an on-farm diversified use can only be for *farmers*" [emphasis added].

Participants expressed how FBR numbers may be an accessible and equitable means for farmers to prove that they farm. For example, FBR is available for producers who gross \$7,000 in agricultural income, subject to specific criteria each year. Registered farm businesses must maintain this \$7,000 in annual revenue to qualify continuously, meaning that they would continue to farm while operating the OFDU (or face tax ramifications, such as taxing the agricultural land at the total municipal tax rate). Flexibility is provided in the number of ways landowners may generate farm income, giving ample opportunities for producers to qualify.

Income earned from agricultural land rented is not eligible for FBR. Even new entrants into agriculture who have yet to gross \$7000 may apply for exceptions to qualify as a farm in the short term. However, it is noted that landowners may attain a tenant's FBR for tax or leasing purposes. Staff suggested that any provisions for using FBR could maintain that the FBR provided be in the same name as the owner of the OFDU (and, therefore, tied to the land). One provincial staff participant referenced the possibility of using definitions for a 'farming business' and "farming business registration number" under the provincial *Farm Registration and Farm Organizations Funding Act, 1993, S.O. 1993, c. 21*, as a legally defensible definition to utilize in the policy.

"Farming business" means a business that carries on farming activities and reports income from those activities to the Canada Revenue Agency;

"Farming business registration number" means a unique identifying number issues under this Act;

.....

Requirement to obtain a farming business registration number

2 (1) A person who carries on a farming business shall obtain a farming business registration number from the Director in accordance with the regulations if the annual gross income from the farming business, as determined in accordance with the regulations, is equal to or greater than the prescribed amount. 2019, c. 14, Sched. 3, s. 23

Obtaining a farming business registration number

(2) A person who is required to obtain a farming business registration number shall do so in accordance with the regulations. 2019, c. 14, Sched. 3, s. 23

Assignment of a registration number





(3) the Director shall assign farming business registration numbers in accordance with the regulations. 2019, c. 14, Sched. 3, s. 23

Validity of a registration number

...

(4) A farming business registration number expires at such time as set out in or determined in accordance with the regulations. 2019, c. 14, Sched. 3, s. 23

Renewal of registration number

(5) A person who holds a farming business registration number shall renew it in accordance with the regulations at such time as may be determined by regulations. 2019, c. 14, Sched. 3, s. 23

**- Farm Registration and Farm Organizations Funding Act, 1993, S.O. 1993, c. 21**

The discussion was premised on the idea that land-use planning policy is meant to guide land use and not the land *user*. However, additional safeguards such as policy provisions that define a 'farm' would be beneficial to ensure the intent of the Guidelines is upheld and benefit local producers. The participants mentioned hearing these concerns from local counterparts looking for clarity from the Province on how to define a "farm." Extending this definition to provincial policy, as well, maybe applicable for other rural and agricultural policies (such as severances).

### ***Educational Value of the Guidelines: Agriculture-Related Uses and OFDUs***

Provincial staff spoke about the differences between agriculture-related uses and OFDUs and the overlap occurring between two uses and how to distinguish or plan for each one: "Our rural planners spend a lot of their time trying to help municipalities differentiate between agriculture-related uses and OFDUs. There are times when amongst all staff, we debate, which category something falls into, and sometimes it is two categories. It is critical for knowing which criteria have been met – there is need for guidance on agriculture-related uses."

It was acknowledged that the Guidelines are a valuable tool for municipal counterparts and provincial staff to consult when differentiating and designing policy for the two

uses, particularly as an educational tool for staff who may have never dealt with related files before: "I think it's a good practice still to show that differentiation and further their definitions because again, a lot of the inquiries we receive some of them perhaps can be new staff, for instance, that just have not dealt in or worked in this type of area, whether it is land use planning or even on the economic development side."

Similarly, staff suggested how the Guidelines (i.e., criteria and examples of agriculture-related uses versus OFDUs) can be a communicative tool between planning staff and the agricultural community: "These uses may be obvious to the farming community but they're not necessarily obvious to newer planning staff on-board. OFDUs are the bulk of the conversations we have with municipalities, and close behind that would be the ARU category."

### **4.3.2 Municipal Planner Focus Group Results**

#### ***How to Permit 'Anything and Everything'?***

A more contentious part of discussions with municipalities was the difficulty in interpreting the Guidelines to the local community to mean that, subject to the five criteria, an OFDU could virtually be everything and anything. As one planner noted, "The number one thing that we get asked by municipal staff, and the farm community, is to clarify that OFDU can be anything. That it doesn't have to be related to agriculture or tourism - that it could be a little manufacturer or assembly, storage, or whatever. There seems to be some ambiguity about that." Planners specified a desire for municipalities across the Province to share their policies enabling OFDUs as-of-right and at what size and scale.

Planners noted that the regional variability in what can qualify as an OFDU would impact what types of OFDUs are permitted as-of-right in local Zoning By-laws, depending on local needs and interests. Reflecting on regional variability, there is some hesitancy in allowing flexibility of OFDUs in local policies. For example, one planner stated:

"If you're on the edge of the GTA, there might be a range of OFDUs which are more appropriate. In the context of rural southern Ontario, however, the sense is that a lot of these uses are contributing to the gutting of our downtowns. We are seeing services, like massage therapists, relocating

to farms... things that used to be in the downtown that are now on farms. Now we have people driving out into the countryside to get a service they used to get in town. Even a furniture manufacturer out on a farm could have been in the industrial park. Overall sustainability and climate resilience is not something I'm certain OFDUs have balanced well, at least not in the context of these more rural communities."

**- Municipal Planner Participant**

Following these comments, another planner shared similar experiences:

"Not so much in terms of our downtowns, but we see more and more OFDUs for on-farm industries. For municipalities requiring Zoning By-law amendments, one of the key questions that come up from neighbours is 'why isn't this in the business park?' There's not a great answer for that. We can say the PPS allows for it and our OP allows for it."

**- Municipal Planner Participant**

While some upper-tier municipalities allow as-of-right uses in the Official Plan, there is local opposition from lower-tier counterparts: "Our municipalities don't want to allow for the full suite of uses as-of-right in the zoning. Certain things like home occupation... then a lot of municipalities would allow for that as-of-right. Once we get into the uses that draw in the public or require higher usage, we typically see requests for Zoning By-law Amendments there."

There is an emphasis amongst municipal planners that while as-of-right uses for OFDUs are beneficial, the full suite of OFDUs should not be permitted as-of-right. Only a select few may be of more interest to the municipality, local council, and agricultural community (e.g., Niagara Region and the winery industry), where these may be as-of-right.

### ***Adaptive Reuse of Buildings***

The prevalence of reusing existing agricultural buildings as well as the barriers to doing so was part of discussions:

"I don't think [adaptive reuse] is happening as much as it could be because of the cost. It is likely very costly and sometimes challenging to renovate a building, an old drive shed, or a bank barn for human occupancy. To meet all the requirements of the government, you know, using a little old barn, is not easy to do. I think the preference for most people, which we see in the industrial and commercial world, is to construct new buildings."

**- Municipal Planner Participant**

Participants also noted the difficulties with active farming operations with limited existing space available or appropriate for OFDUs: "A lot of those buildings are still being used to store equipment or for livestock. There might not be extra buildings available."

These comments illustrate some of the considerations and barriers that come with municipal planning policy provisions for OFDUs, such as existing footprints or other incentives to reuse existing floor areas and buildings. Also, the cost and time required of farmers to have buildings conform to Ontario Building Code requirements is a challenge that should be explored further at the municipal and provincial level to learn how to assist farmers in meeting these requirements.

### ***Value of Design Guidelines and Scaled Back Site Plan Processes***

Municipal planning participants responded well to the need for both the Province and municipalities to create design guidelines for OFDUs in the area. Design guidelines would help streamline and manage expectations of how an OFDU may manifest or look like in terms of the site plan process, ensure compatibility between surrounding operations, preserve farmland, and maintain the character of a farm.



Asides from design guidelines, planners mentioned looking at procedures for parking and stormwater management on the farm in helping to streamline the approval process (such as with SPC) for OFDUs. One planner noted how design guidelines were critical for ensuring responsible and safe approvals for OFDUs, especially when looking to streamline and minimize time and cost requirements for farmers elsewhere in the application process:

"In Brant, we're looking at a way to streamline the site plan process for OFDUs. One of the difficulties with streamlining [the site plan approval process] is it to a point where we don't really get our engineers involved. Depending on what farmers are doing on-site, there may be implications for stormwater management. There should be a guideline to suggest that parking areas should remain pervious - rather than paving parking areas, they should remain in gravel or a different treatment. Those guidelines would be a way of alleviating run-off issues between one farm and the other and having on-site infiltration. Being prescribed through a guideline, rather than having all these studies done, might be helpful moving forward."

**- Municipal Planner Participant**

Planners noted the trouble with finding opportunities to scale back SPC: "When we talk about simplified site plans, I think it depends. I did one for a wedding barn, and we had to meet AODA. Really, there was no opportunity to scale things back. They had a difficult site to work with and it was very expensive for them in terms of both time and cost."

### ***Defining a 'Farm': Provisions to Uphold the Intent of the Guidelines***

Like the discussion held with provincial staff, municipal planners shared their insights into defining a 'farm' in policy to maintain the intent of the Guidelines. Municipal planners continuously expressed concern and local experiences with OFDU landowners not being farmers themselves but renting out the land and a need to tighten policy to ensure farmers may benefit from provincially permitted uses. All participants agreed it was necessary to define the term 'farm' and provide proof of active agricultural use, but how to do so was a point of debate.



One upper-tier municipality expressed various land use designations (e.g., agriculture, special agriculture, and rural), to permit agricultural production as permitted uses with distinctions in minimum farm size between the three. Proponents must meet these minimum farm size thresholds to permit uses outlined in the Guidelines; the planner acknowledged that minimum farm size has shortfalls in determining and maintaining whether the farm is actively being farmed.

A single-tier municipality described using an internal process (not defined in the Zoning By-law) to identify whether a proponent qualifies as a 'farm' based on five criteria. While informal, this planner expressed that these criteria help determine a 'farm' for the purposes of the Guidelines. Five criteria used to assess whether a proponent qualifies as a 'farm' includes:

- 1.** Does the proponent have a farm business registration number (or eligible exemption)?;
- 2.** Is the proponent's property currently taxed as a farm or as a residential lot?;
- 3.** Has the proponent grossed \$7,000 annually from the farm operation at the time of the application?;
- 4.** Is the proponent an active member of a general farm organization (i.e., OFA, NFU, or CFFO?) and can they provide their member number? and;
- 5.** Is the property currently active in agricultural use?

Fellow planners noted having discussions with staff to revise definitions of a 'farm' in local policy to move away from current definitions parallel to definitions of agricultural use in the PPS. The use of multi-tiered criteria, as mentioned above, is recognized as being increasingly necessary for municipalities to distinguish the relationship of a residence on a farm property to an active agricultural operation.

A regional municipality noted using criteria of whether the primary income earned on the property was from the farm use and whether the on-farm diversified use business would be secondary to the agricultural operation in terms of revenue: "Under a commercial farm it states, 'a farm which is deemed to be a viable farm operation which normally produces sufficient income to support the farm family.'" The planner who



provided this definition noted that this definition is subject to individual discretion as to whether a proponent would qualify based on the description.

Municipal planners also noted using FBR to define a farm but that the approach "is not perfect." Specifically, a participant offered the following comments:

"When somebody earns \$7,000 of gross farm income, and they do that once, then annually, they'll get their forms for renewal. They don't need to prove they earned \$7,000 in annual income over and over and over again. There isn't a check and balance, so it's not perfect. But, with a number, anyone can be an OFA member. We're struggling because we've got a lot of people that rent land and say that they're farming, but they're just interested in doing the OFDU portion."

**- Municipal Planner Participant**

Others expressed the trouble in accessing FBR as a checkpoint to validate whether a proponent qualified as a 'farm:'

"We do have some data that we could access on farm business registration, but unfortunately, if it's a new number, we may not have access to it. One thing I did learn is on OFA membership, two digits may indicate whether somebody has an FBR number. That could be another way of checking. But what do you do with proponents who may be members of newer organizations? Also, not to mention that there are privacy issues with the release of some of this information."

**- Municipal Planner Participant**

Finally, planners noted asking proponents for a site plan to ensure "that we see agriculture on some of these properties that are likely more of a rural estate, just to make sure it's legitimate, even if they might have an FBR number."

### ***Utility of the Guidelines' Criteria***

Planners were asked to discuss the value of the Guidelines in distinguishing the differences, such as size, scale, and weight to agriculture, between agriculture-related uses and OFDUs. As one planner put it plainly, OFDUs "tend to be very fluid and trying to separate these uses based on the categories [of agriculture-related uses and OFDUs] in the Guidelines leads to an interpretive problem when it comes to real application."

Overall, all participants commended OMAFRA on the guidance outlined in the Guidelines to help planners distinguish between agriculture-related uses and OFDUs:

"Sometimes there can be some confusion between ARU versus OFDU. I value how the Guidelines give examples - for instance, a winery, the production of wine is ARU because you're taking a commodity that's grown on a farm, you're adding value to it, and processing it into wine. Where the OFDU part of that comes in is the sale of that wine, such as with a retail shop or similar."

**- Municipal Planner Participant**

Moreover, planners expressed how the Guidelines help to provide context to professional staff who may be lacking lived agricultural experience when designing, implementing, or administering permitted uses policies: "We can't assume that all planners have experienced what farms are. We've had planning students from urban centers. While they're interested in rural and agricultural planning, they don't have that basis of knowledge. ... A lot of new planners don't have that lived experience."

### ***Size and Scale: Balancing Farmland Preservation with Economic Opportunity***

Municipal staff shared discussion and comments regarding whether the '2% in size and scale to a maximum of one ha and 20% building area' criterion in the Guidelines were appropriate for OFDUs within their areas.

Other planners expressed that the value of the Guideline is its conduciveness for scalability:



"When looked at comprehensively or collectively, I think [the policy] works. It's scalable, which is the intent. The nice thing about the policy is it's a guideline. If an applicant wanted to go above and beyond, and you had those policies and provisions in your OP and zoning, they can apply to go beyond that size and scale. At that point, it becomes a public process, and the surrounding area gets involved in the planning process, and they get to voice their opinion about whether or not they agree with what's being proposed."

**- Municipal Planner Participant**

Whether the Guideline was advantageous for smaller farm parcels, which may be more reliant on OFDUs to remain viable, was a point of consideration in evaluating the appropriateness of the size and scale guideline in policy: "That 2% is proportional to the size of the parcel. Often, we find that the *small* farm parcels are trying to diversify. Therefore, the 2% doesn't work for them. It is something we are wrangling with and where we could use some assistance." Similarly, another planner expressed how historical land division patterns have disadvantaged smaller farmers and inadvertently benefitted larger farms where agricultural land preservation efforts should be reinforced by policy staff. As stated:

"We've got the old farm sites that were divided many, many moons ago that are well below our minimums but have never consolidated with any neighbours. Then you've got bigger and bigger farms that keep consolidating. Does the 2% to a maximum of one ha in size achieve the objective of preserving that top layer of soil? Because that's what we're trying to do. In some cases, yes, we've seen that. But we've also seen some cases where it's not. I don't think the Guidelines are in such a position when it falls to the negative, that we have a lot of room to maneuver; it becomes very challenging."

**- Municipal Planner Participant**

The conversation on appropriate size and scale for OFDUs highlighted another critical consideration amongst the group: the cumulative loss of farmland and the efficacy of

the Guidelines, while beneficial in principle, for farmland preservation strategies. As a planner expressed:

"I continually struggle with how the additional on-farm uses, unless they are restricted to the 2% or maximum one ha, are protecting the resource - which is topsoil. It is the top six inches of soil that make a farm. I think this point is missed by OMAFRA and economic development officers. As much as we are talking about additional education to municipal planners on farmland preservation and OFDUs, I still see this as a challenge for OMAFRA to consider in implementing the Guidelines."

**- Municipal Planner Participant**

One planner was vocal about how discussions on size and scale could not occur exclusively from considerations for agricultural compatibility: "The other part of the policy is that it doesn't conflict with surrounding agricultural uses. If it is a large-scale use, it still must follow that other part of the policy. If the OFDU is hindering somebody's ability to spread manure, run their grain dryer, or something like that, and it's not a good fit, then it probably shouldn't be there in the first place."

A planner expressed that the '2% guideline' is "definitely too big" for some local townships when secondary impacts of OFDUs are accounted for. In lieu, the approach taken is to permit a 6,000 ft<sup>2</sup> building alongside space for parking and outdoor storage on a one-acre (0.41 ha) parcel as-of-right. The planner noted demand and pressure to increase this as-of-right threshold currently, and discussions were underway municipally looking at options to do so. The planner shared that the municipality errs on the side of caution to protect farmland and agricultural compatibility: "We are resisting going to the full one ha and 2%, not only for preserving prime farmland, but if it's just too large of an operation, whether it's an industry or some kind of tourism use out in an agricultural area, it does introduce secondary impacts like traffic, dust, and noise." Another planner shared similar thoughts: "We have approached the issue of size and scale by being very strict on area maximums - keeping 98% of the land reserved for agriculture either way. We have included in our zoning a maximum floor area, in addition to the maximums set out in the Guidelines."

On the contrary, some municipalities with fewer prime agricultural lands in their boundaries, such as those in Eastern Ontario, have taken a more liberal approach to



size and scale given limitations to agricultural productivity: “We’re a little bit different from a lot of the other areas. We want to get as much flexibility as possible for our land users. If there's a development that's going to be proposed in our area that is appropriate in the farm area, then that's something we'd like to support regardless of they might go over the one ha.” These comments illustrate the complexity and importance of local context and applicability when translating provincial guidance to local policy and the need to consider *how* OFDUs can be used to achieve desirable outcomes in municipalities, and not just of OFDUs as an outcome in and of itself.

### ***What's Next? Municipal Best Practices, Training, and Assistance***

Concluding the focus group were the questions posed to municipal planners, “How would you like to see training on the Guidelines rolled out?” and “What areas of Guidelines do you need assistance with?” It was emphasized by participants that resources for planners should be easily accessible without having to regularly rely on OMAFRA for clarification of policy. The following suggestions were raised amongst the group:

- Establishing networks amongst planners to exchange examples, best practices, success stories, and case studies, both for designing as-of-right zoning policies and more challenging 'unique' examples of OFDUs requiring a more rigorous planning approval process.
- Designing a pre-consultation checklist for on-farm diversified use for planners and farmers, such as probes for planners and farmers to consider in undergoing a site plan.
- A self-working group of planners who have dealt with the complex OFDU applications on the ground to convene and exchange expertise on the matter.
- Various farm tours to successfully permitted OFDUs for planners to learn and visually see the impact of the process on the ground and provide an opportunity to communicate with farmers about their experiences directly.

- Example site plans to illustrate how municipalities should map out maximum areas and size and scale criteria (and 50% discounts) on subject farmlands.
- Encouraging or mandating planning staff to undergo site visits to farms throughout the application process to find flexible and collaborative compromises with farmers in designing OFDUs before writing a planning report.
- Clarity from OMAFRA on various ways an OFDU can be evaluated or considered secondary to a farming operation.
- Additional guidance materials for municipalities to navigate and apply the National Farm Building Code standards and fire code requirements for OFDUs (specifically providing more detail to section 2.5.7 of the Guidelines).
- Developing a framework resource that outlines all requirements, costs, and timelines of the planning application process for farmers to consult *before* applying to ensure that applications are organized, complete, and meet most municipal expectations.
- Acknowledgement from the Province on the impacts of cumulative effects in rural municipalities stemming from OFDUs and concrete guidance on how municipalities should evaluate and manage these impacts (both agricultural and non-agricultural, such as strains on municipal infrastructure).
- Various OFDU design guidelines to streamline planning application processes for farmers that do not compromise health, safety, and overall "good planning" requirements.

### **4.3.3 Farmer Focus Group Results**

#### ***Inconsistent Interpretation and Implementation of Provincial Guidance***

Farmers shared their experiences acquiring permissions for OFDUs with one another. In doing so, farmers learned of the different ways municipalities have chosen to heed





OMAFRA guidance in interpreting and implementing the Guidelines into local policy, even if municipalities were both under the jurisdiction of the same upper tier. Farmers expressed frustration over learning some (neighbouring) municipalities were more permissive than others when it came to OFDUs, mainly when the OFDUs in question were similar: "What is the justification behind these planning decisions? I'm curious, and one of my biggest complaints is the inconsistency between areas." A farmer suggested that toolkits for municipalities and collaboration amongst neighbouring municipalities to share best practices may be "a way to cause a greening or spreading of best practices for OFDUs to have some types of uniformity across the province for municipalities that want OFDUs on their farms."

Others expressed concerns over how municipalities were interpreting OFDUs, precisely the misinterpretation by municipal planning staff that the OFDU must relate to the individual farm operation in question:

"They only gave us zoning to process our own meat - not to be able to set up and butcher, cut, and freeze for other farmers in the area, which we would have been able to do. Right now, there's such a limited supply of butchers and meat processors across the Province. We could have been processing for the community. That's the whole thing with diversification - it's the value-added and being able to service other farmers."

**- Farmer Participant**

Farmers shared frustration over how limited views of OFDUs have been a personal loss and a loss for the municipality and agricultural industry. Farmers expressed how more flexibility and consistency in policy interpretation could have generated additional tax revenue, employment opportunities, additional goods and services to the community, and a more significant economic ripple effect in rural Ontario. It is interpreted that these were otherwise lost opportunities because of limited and inconsistent interpretations of provincial guidance for OFDUs. In response to another participant sharing views of how perceivably narrow their municipality views agriculture and diversification, another participant replied: "Sounds like your municipality shares a lot of the same views as mine. It is very frustrating. Our experience with the municipality is that they only see in black and white. There are no grey areas and no room for flexible interpretation."

### ***Raising Awareness of the Value of OFDUs and Agriculture***

Farmers shared a general sentiment of acknowledging the value of the public planning process but expressed concern over the politics which perceivably influences decision-making that works against OFDUs. One participant shared concern: "How can we take the politics out of [OFDUs]? Even with the municipality, the planners... perhaps they're saying they like OFDUs, but it is just lip service. It's all "ag-first," and they all agree that on-farm diversification is great, but it still comes down to the politics. On-farm diversification is a hot municipal election issue."

Farmers agreed that there is a need to raise awareness of the value of OFDUs to the municipal sectors, inclusive of municipal departments, elected officials, and the public, to "grease the rails" and encourage more public support for OFDUs (i.e., 'YIMBY' over 'NIMBY'). Farmers expressed that the public and, at times, the municipal council is not as aware of the public benefit of agriculture to the local economy or community. There may be opportunities to raise awareness and showcase the value of agriculture to garner more significant support for responsible OFDU policy and projects. For example, a farmer spoke to the value of having agricultural perspectives on council to help build understanding of the value of OFDUs and back their implementation into policy: "We try to solicit farmers to run for council because I think that makes such a difference, as opposed to people who don't understand what farmers are going through."

Farmers continuously emphasized how important OFDUs have been to generate a second revenue and remain in farming. Yet, the establishment of OFDUs which do not align with 'traditional views' of agriculture has elicited public apprehension, scrutiny, and a perceived political decision-making process more influenced by electoral support rather than the public interest. As one participant stated: "It's an opportunity for farmers to have that second or additional revenue stream. The trick is balancing and preserving the agricultural lands and that opportunity for OFDUs. The education piece comes in knowing there are opportunities for both. If planning can do more of that education, that may help in the political realm." These comments stirred discussion, and the group agreed that education of the value of agriculture and OFDUs to municipal councillors and the public was just as essential to ensure that policy supports common goals of farmland preservation and development opportunity farmlands are kept at the local level.

### ***Guidance for Farmers Navigating the Planning Approval Process***

Like education, farmers shared what they considered a token of success in navigating the approval process for their OFDU. One participant noted having a 'chaperone' at the municipality to guide them through the process:

"Our [OFDU] was established before we officially had a policy pathway through our municipality. It was important to us to have a chaperone. And the chaperone was like our technician, who used the toolkit on-site, that we wouldn't have had access to. And so, using the personnel that were on-site allowed us to get through all the steps - which were scary, costly, and frustrating and all the things that sometimes can happen. But at the end of it all, we did it."

**- Farmer Participant**

### ***Breaking Down Silos and Sharing of Best Practices***

Farmers expressed receiving mixed messages about their proposals from various municipal departments and identified a need for better cross-departmental communication: "Municipal departments need to communicate with each other. They have their committees, their expert professional opinions, and directives, but the municipality doesn't seem to even bother or care about what's happening internally. They need to support the different departments." Examples were provided whereby economic development and tourism departments were eager to support and promote local OFDUs. Yet, planning departments were shutting down proposals, and councils were unfavourable towards OFDUs altogether. Farmers expressed how enhanced collaboration and consistent messaging across municipal departments could "slow down the stymies and the red tape" that hinder farmers' diversification plans.

### ***As-of-Right Uses and Timely Policies***

Farmers expressed a preference for permitting a range of 'as-of-right' OFDUs in municipal Official Plans and Zoning By-laws. The research identified only a handful of participating municipalities with as-of-right permissions for OFDUs. For example, some

participants shared that they had yet to acquire permissions for their OFDU formally but had begun discussions with the municipality. In these scenarios, municipalities expressed to proponents that they would need to pursue OPAs or ZBAs to receive planning permissions or wait until the Official Plan Review (which as-of-right permissions would be implemented):

"Our municipal plan was supposed to be done in 2017. As of today, it's still not done. The municipality told us that if we want to do on-farm diversified uses, we would have to apply for the Official Plan amendment - even though on-farm diversified uses will be in the new one. It'll be in the new plan that was supposed to be done five years ago and under OMAFRA's direction... So it is quite sad that the municipality is telling us to wait for the new plan to 'get it done for free.' You feel like you're going in a circle."

**- Farmer Participant**

A farmer shared their experience in currently rezoning their farm for OFDUs: "We have nothing in place yet at [our business]. We're going through the process of rezoning right now; it is slow and cumbersome."

Participants questioned why some municipalities adopted the as-of-right approach while others had not and what it would take to have their municipality thoughtfully implement as-of-right uses in their communities. An evident attraction of as-of-right uses for farmers included avoiding having to go through costly Official Plan Amendment or Zoning By-law Amendment applications. Other benefits include minimizing additional costs for required studies and applications and the ability to work with planners one-on-one rather than be open to public and council scrutiny during the public planning process. As one planner noted, "It's great if your municipality is on board and is easy to work with. If your municipality is difficult to work with, they will throw permits and fees at you at every turn and make the process more difficult than it already is."

Lastly, related to as-of-right uses was adopting policies more efficiently and promptly. Farmers expressed how municipalities move at a "snail's pace" when it comes to designing and implementing policy supportive of on-farm entrepreneurship:



"I would like to see [the municipality] move a little quicker. Ten or fifteen years is half a career for many of us entrepreneurs. If it takes ten to fifteen years for them to go from a recommendation from a province into something we can utilize as a farm business, then that's why everyone's operating not in compliance, because you can't wait five to ten years for recommendations to come through the pipeline. That's just what municipalities do. They take forever to do everything. We're small, independent businesses. We don't have that time."

**- Farmer Participant**

Farmers emphasized that where possible, provisions which support streamlined approvals would be beneficial for supporting farmers' OFDU applications, mainly when their time is already invested heavily into production, and they rely on OFDUs to remain viable.

### ***Defining a 'Farm' to Promote Agricultural Viability for Farmers***

As part of the discussion questions, farmers were asked to define a 'farm' in the policy. How this definition could be justified or proved by farmers without causing undue burden and whether they were required to provide proof that they farmed, or were classified as a farm, when securing approvals from the municipality for their OFDU were also discussed amongst the group.

Participants stressed the need for definitions or criteria of a 'farm' to be consistent with defining factors already in use by local and provincial organizations, such as the OFA and local County Federations of Agriculture. The consistency of definitions and criteria would maintain convenience and streamline approvals or certification amongst individuals, municipalities, and agricultural organizations. Most participants expressed how their local County Federations of Agriculture or National Farmers Union chapters, where they were members, used the FBR threshold of grossing \$7,000 in agricultural income annually to qualify as a farm.

Using FBR, which was tied to the proponent's name and the address on file, to avoid non-farming landlords using tenants' FBRs, was a favourable policy option amongst participants. Participants admitted a desire amongst retired farmers to keep their FBR,

which may disadvantage opportunities for active farmers wanting to diversify. A participant admitted and shared this concern: "The one thing we have to be concerned with is that you don't want to get out of that agricultural designation because there are a lot of tax implications if you get out of that designation - you will end up paying more taxes." Farmers shared experiences in the lengths retired farmers have gone to maintain farmland tax rates: "The big concern is keeping your FBR and taxes... many retirees don't want to maintain [the farm] and they don't want the hassle. So, they rent [the land]. It's all "hush hush" ... because everyone wants to keep that FBR in place. Making that FBR public might help policy."

Others emphasized having a more inclusive or potentially layered definition or set of criteria. Such criteria could include land parcel size, amount or types of income earned from agricultural activities, tax assessments, and land and soil classes as additional checkpoints to ensure farmers could benefit from the policy.

Farmers also noted that a definition of a 'farm' should be broad and account for different scenarios. Participants used the example of vertical farming to illustrate the changing and dynamic nature of agriculture and how 'unique' operations like vertical farms, under the FBR criteria, could classify as a farm. Similarly, farmers underlined the need for definitions to reflect the future of agriculture and the change and dynamism the industry is experiencing. For example, a participant shared their experience in trying to define a farm in discussion with their local agricultural advisory committee:

"Some people don't want anything to happen on a farm but farming cattle. [Someone] brought a paper to the meeting and circulated it to the group defining a 'farmer.' The paper was from 1989. It's not relevant - but that's the documentation we're working with. We're working with documentation that is over thirty years old. You're working off a gross farm revenue number of \$7,000. How long is that number have been in place? Thirty years? Twenty-five years? Or two years? It's not realistic to today, just like most of the regulations we're dealing with are not realistic in today's market."

**- Farmer Participant**

Farmers shared that to receive approvals for their OFDUs, their qualification was based on minimum lot size, FBR numbers and meeting annual income thresholds, and need





to educate the municipality on new niche crops and the type of infrastructure to support crop production.

### ***Size and Scale: An Entrepreneurial Farmer's Perspective***

Farmers had the opportunity to openly discuss whether the size and scale guideline of '2% of farmlands to a maximum of 1 ha' was an appropriate size and scale for a variety of OFDUs, noting that the idea for this guideline is to find a balance between farmland preservation and economic opportunities on the farm. Participants shared their thoughts based on their perspectives and experiences as OFDU business owners and farmers.

Participants were quick to agree that while the size and scale guideline is not prescribed in policy, farmers expressed dissatisfaction with the approach being taken as a "rule" by municipalities and thought size and scale should be evaluated on an individual basis. As one farmer noted:

"It's challenging to apply the blanket rule to everything, as opposed to a site-specific rule that takes into account the location of the farm. For instance, a 100-acre farm on a country road with a few neighbours versus a 100-acre farm on a busy highway is completely different in terms of what they can handle without interfering with their properties. I'm not a fan of a blanket-rule size and scale restriction."

**- Farmer Participant**

Similarly, participants expressed how this rule appears to benefit farms on larger parcels than smaller lots and a belief that land parcel size and relative viability from production should be considered within policy. A participant suggested, "that the 2% rule sometimes creates a lower limit of what you can do for a public-facing on-farm diversified use on a small parcel."

Participants with more extensive operations expressed frustration with the cap at 1 ha in land area. Specifically, some told that much more land was needed: "We do have site-specific zoning for our operation, which we do fit into the four acres. It was a juggling act. It doesn't allow us to grow into more diversified agriculture. It doesn't

allow us to add anything more. It accommodates our store and our parking, and that's about it." Amongst these participants, discussion on the preservation of agricultural lands was omitted mainly; however, participants maintained that the revenues earned from the OFDU have allowed them to purchase more farmland and expand agricultural production further.

Beyond land area, farmers shared their thoughts about the value of using site-specific quantifiers on operations, such as hours of operation, seasonality, or number of guests on-site, as other means to manage size and scale:

"Now there's that event by-law in Clarington. We were having a lot of trouble figuring out how many people should be at a wedding. How many people can be at a wedding? How many weddings can you do on the weekend? And instead of answering all those questions for everyone, they've decided on a site-specific recommendation. If your site can handle the traffic and the parking, you can host more people. I'm a big fan of site-specific recommendations. I know it adds a factor of judgment and politics that can make it unfair for certain players because it's not impartial. But you can't treat all the farms the same."

**- Farmer Participant**

Lastly, farmers expressed just as not all farms can be treated the same, not all OFDUs should have the same size and scale rules. For example, farmers said that OFDUs, which relate more closely to agriculture, food production, and agritourism, could directly benefit agriculture and agri-food and, in turn, should be subject to more flexible criteria. A farmer compared their agricultural-related OFDU to non-agricultural activities to illustrate a benefit:

"A wedding is a wedding - and a wedding is not agriculture. But if you're serving a farm-to-table dinner at the wedding, does that not make it diversified agriculture? Even if it's done on a repeated basis? If your business plan is to raise beef to serve at weddings, is that not agriculture? Many components aren't agriculture related with our events, but it's

always tied back to strawberries, apples, pumpkins, lavender, and sunflowers. Even if it is just for Instagram, it's still an agricultural crop."

**- Farmer Participant**



### 5 Discussion

In this section of the report, we will discuss the results presented and their significance and relevance to the four objectives of the research:

1. To evaluate the effectiveness of policy that allows for agriculture-related and on-farm diversified uses within Ontario (at individual farm, the municipal, and provincial level);
2. To identify existing policy and strategies used to encourage agriculture-related and on-farm diversified uses (at a County and Regional level);
3. To evaluate the specific effects of policy on individual farmers, and;
4. To identify best practices for policy and strategies for agriculture-related and on-farm diversified uses based on literature, jurisdictional scan and an e-survey of Ontario municipalities (i.e., evidence-based policy for municipalities, the province, and agriculture).

#### 5.1 Effectiveness of Policy Allowing for OFDUs within Ontario

Overall, the Guidelines are a helpful tool and foundation for balancing agricultural preservation and on-farm entrepreneurship. The Guidelines are the first tool that provides family farming entrepreneurs and municipalities with guidance to create agricultural-related and OFDUs. Undoubtedly, the Guidelines are an implementation tool of the PPS and bring many benefits to entrepreneurs and their communities by providing a framework to support the creation of second revenue streams to maintain livelihoods on their family farms. The research indicated that Province created the Guidelines to implement the PPS, provide consistency, and implement best practices for agricultural, agriculture-related uses, and OFDUs in Ontario to ultimately support and protect the long-term viability of agriculture and agri-food.

The PPS and the Guidelines permit agriculture-related uses and OFDUs. Still, local municipal policy documents may need to be updated, leaving farmers to endure potentially costly, time-consuming, and risky planning processes to apply for an OFDU (without guaranteed approval). However, the research also indicated that the success of OFDUs is left up to individual municipalities in how they choose to utilize, interpret, and implement the Guidelines. As one provincial planner interviewed stated, “when it

comes down to it, it depends on the municipality and the characteristics of that municipality... the way they implement and interpret and apply the PPS and guidance documents is important.” Overall, the surveys, interviews and focus groups reiterate that farmers as proponents, were using the Guidelines as both an educational and advocacy tool to plead their case. Yet, when some farmers went to their local municipalities, they learned that the municipality did not yet incorporate the Guidelines as-of-right to local policies and provisions, which hindered their diversification approvals, or if implemented, the municipality’s interpretation of Guidelines was different from that of other municipalities.

Generally, the research suggests that the farmers and municipalities view the Guidelines as a valuable tool to provide stakeholders with appropriate guidance to promote OFDUs, albeit with slow uptake to implement this guidance. Municipalities are generally utilizing the Guidelines on a case-by-case basis as inquiries about specific OFDU developments on a farm arise. A relatively small proportion of municipalities sampled have implemented as-of-right OFDU policies and subsequent provisions through housekeeping amendments to streamline applications and build consensus across the municipality on appropriate expectations for permissible OFDUs. However, farmers’ experiences and expectations suggest the implementation of local policies and best practices for safeguarding OFDUs should already be mainstreamed at the local level.

Our findings support the conclusion that the policy framework for OFDUs supports the common goals of protecting farmland while contributing to the development of agricultural livelihoods. However, while the Guidelines provide an excellent template for interpreting and implementing policy, further clarification at the provincial and municipal levels would be helpful. As an example, OFDUs can virtually be anything and everything if they meet the five criteria under the Guidelines as stated below:

- 1.** The OFDU is located on a farm;
- 2.** The OFDU is secondary to the principal agricultural use of the property;
- 3.** The OFDU is limited in area;
- 4.** Includes, but is not limited to, home occupations, home industries, agri-tourism and uses that produce value-added agriculture, and;

- 5.** The OFDU shall be compatible with and shall not hinder surrounding agricultural operations.

Despite the above criteria, many municipal planners did not understand or use the 'limited in area' related to the 50% of the building size provision outlined in the Guidelines. There was much confusion about when and how to apply this criterion. Also, most provincial and municipal planners identified that a consistent definition of a 'farm' would be constructive as every municipality seems to determine a farm and qualify farms for OFDUs differently (if they do at all). Further, there were few details about utilizing SPC in the Guidelines, and many municipal planners had questions about the process and requirements, such as Site Plan fees and which studies should be required to assist in limiting the upfront costs for local farmers.

Parking, traffic, and noise were identified as the most common concerns from neighbours of agriculture-related uses, or OFDUs. Sharing best practices of ways to mitigate these concerns at the individual parcel level would be valuable for farmers and municipalities alike. Throughout the interviews, there needed to be more clarity over whether home industries and occupations were as-of-right uses, separate from OFDUs (or should be included as OFDUs), as many local municipalities have provisions in their Zoning By-laws for such uses already. Many municipalities were also unsure if proponents could "double-dip" and utilize both as-of-right zoning provisions for home industries and home occupations and agriculture-related uses/OFDUs simultaneously on the same farm property. In this regard, it is recommended that municipalities review their local municipal Zoning By-laws to ensure that existing definitions, permitted uses, and development criteria and provisions are clear and distinct from OFDUs. Appendix H is a sample of some of the lower-tier municipalities' definitions.

Municipal planners also clearly identified in the focus groups that the Guidelines do not offer examples of by-laws or other strategies and implementation tools which would be most helpful in adopting best practices and streamlining implementation. Details such as definitions, use of SPC, building size, enforcement opportunities and implementable by-laws could be considered and add further value to the Guidelines. Many provincial and municipal planners also had questions about the 'stacking' of multiple uses and the cumulative effects of numerous agriculture-related/OFDUs amongst the agricultural community, as well as how to manage these on a landscape scale, as the Guidelines are relatively silent on this challenge.

Overall, the Guidelines are an appropriate and effective guidance tool for balancing priorities of creating additional revenue streams on family farms with farmland



preservation in the provincial planning policy framework. However, the Guidelines are not well understood by municipal planners or farmers and are generally not being implemented appropriately or quickly at the municipal level to implement effective economic change and agricultural preservation. Some alterations, clarifications, and additions can be suggested in the existing Guidelines, as well as training and extension opportunities, to fill in the gaps in the interpretation and implementation of OFDUs by municipalities across the province.

### **5.2 Existing Municipal Policies, Strategies, and Best Practices for OFDUs**

This section of the report provides detailed case studies on the municipalities that have implemented the Guidelines into local policies, as well as adopted other best practices and strategies to endorse OFDUs and achieve their balance in preserving farmland and promoting economic development. These examples go beyond just consulting the Guidelines on a case-by-case basis as OFDU planning applications arise.

#### **5.2.1 Grey County**

Grey County is in southwestern Ontario and is a rural municipality that incorporates nine lower-tier municipalities including: City of Owen Sound, Grey Highlands, Meaford, West Grey, Hanover, Blue Mountains, Chatsworth, Georgian Bluffs, and Southgate.

Agriculture is predominant and a valued industry in Grey County. Based on 2021 data, Grey County has grossed \$473.9 million in total farm sales (Statistics Canada, 2022), while also contributing over 18,000 jobs and \$1,221 million to provincial GDP in the agri-food value chain (OMAFRA, 2022). In total, Grey County has 2,178 farms operating on over 495,000 acres of arable land (Statistics Canada, 2022). Grey County agriculture is known for hay as being the most predominant field crop, apples being the largest fruit crop, sweet corn being the most predominant vegetable crop, and beef cattle farming and ranching consisting of the largest agricultural industry (OMAFRA, 2022). Parts of Grey County are under the jurisdiction of the NEP.

While participating in the study, Grey County municipal staff identified that the Guidelines have been extremely useful to Grey County planning policy design. Grey County's Planning and Development department utilized the Guidelines as a tool in

draft format and when finalized until the approval of their 2019 new Official Plan in which the Guidelines were then included verbatim:

“Agricultural Opportunities: Agriculture is an important aspect of the County’s economy and it will be critical for the County to continually adapt to changes in this industry. The Ministry of Agriculture, Food and Rural Affairs Guidelines on Permitted Uses in Ontario’s Prime Agricultural Areas will be used to assist in determining the appropriate types of development within the Countryside. This guideline offers opportunities for farmers to diversify their income by developing agricultural-related uses and on-farm diversified uses.”

**- Grey County Official Plan (2019, p. 10).**

Directly within their Official Plan, Grey County has incorporated a table (Table 11) to provide examples of agricultural, agricultural-related uses, and OFDUs. Their Official Plan explicitly states that this table “shall not be considered an exhaustive list, where other uses can meet Provincial, County, and municipal criteria for agricultural, agricultural-related uses, or on-farm diversified uses” (Grey County Official Plan, 2019, p. 70). The Official Plan then goes on to say that the County will rely on guidance from the Province’s Guidelines on Permitted Uses in Ontario’s Prime Agricultural Areas for guidance when determining additional uses which may not be as-of-right (Grey County Official Plan, 2019, p. 70).

Table 11. Permitted use examples in Agricultural and Rural Land Use Types. Adopted from Grey County Official Plan (2019).

Agricultural Use	Agricultural-related Use	On-Farm Diversified Use
<ul style="list-style-type: none"> <li>• Growing of all types of crops</li> <li>• Raising of all types of livestock</li> <li>• Livestock barns/facilities/manure storage</li> <li>• Pastureland</li> <li>• Feedlot</li> <li>• Residential uses associated with farming such as houses on existing lots of record, farm help accommodation, and second units</li> <li>• Fish farm or aquaculture</li> </ul>	<ul style="list-style-type: none"> <li>• Apple storage and distribution centre (for multiple farms use)</li> <li>• Farm gate sales or farmers market selling locally grown produce/goods</li> <li>• Agricultural research centre</li> <li>• Winery, cidery, meadery using mostly local fruit or honey</li> </ul>	<ul style="list-style-type: none"> <li>• Home rural occupations (e.g., professional office, bookkeeper, land surveyor, art studio, hairdresser, massage therapist, daycare, classes or workshops)</li> <li>• Home industries (e.g., sawmill, welding or woodworking shop, manufacturing/fabrication, storage of boats or trailers, biomass pelletizer)</li> <li>• Veterinary clinic</li> <li>• Kennel</li> </ul>

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<ul style="list-style-type: none"> <li>• Mushroom farm</li> <li>• Christmas tree farms/nurseries</li> <li>• Greenhouses</li> <li>• Grain dyers and feed storage of own farm's use</li> <li>• Feed storage</li> <li>• Washing, sorting, grading (of farm's own commodities only)</li> <li>• Machine shed (for own farm's use)</li> <li>• Cold storage (for own farm's use)</li> <li>• Indoor outdoor riding arenas/tracks</li> <li>• Minimum amount of processing to make a produce saleable (e.g., evaporating maple sap or honey extraction)</li> <li>• Marijuana/Cannabis production in accordance with any federal laws</li> </ul>	<ul style="list-style-type: none"> <li>• Flour mill for local grain</li> <li>• Grain dryer/storage for multiple local farms</li> <li>• Farm equipment repair shop</li> <li>• <i>Livestock assembly yard</i>, or stockyard for local farmers</li> <li>• Auction for local produce or local <i>livestock</i></li> <li>• Farm input supplier</li> <li>• Abattoir selling and processing local meat</li> <li>• Food processing plant for local produce (e.g., cider-making, pitting, canning, quick-freezing, packing)</li> </ul>	<ul style="list-style-type: none"> <li>• Café/small restaurant, cooking classes, food store (e.g., cheese, ice cream)</li> <li>• Agri-tourism and <i>recreational</i> uses (e.g., farm vacation suit, bed and breakfasts, hay rides, petting zoo, farm-themed playground, horse trail rides, corn maze, seasonal events, horse/pony events, wine tasting)</li> <li>• Distillery or brewery partially using some local farm inputs</li> <li>• Value-added uses (e.g., processor, packager, cheese factory, bakery)</li> <li>• Retail uses (e.g., farm market, antique business, tack shop)</li> <li>• Food banks, second harvest, or gleanings operations</li> </ul>
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Grey County's Official Plan also includes size and scale requirements for OFDUs and outlined these criteria in a size chart (see Table 12). Their policy states:

"New on-farm diversified uses shall be limited in size and scale, as per Table 8 below and to those uses that can be sustained by local service and infrastructure levels. ... Municipal Official Plans may choose to set local road standards required for such uses, which are in-line with the level and type of traffic being generated by the uses. Traffic Impact Studies may be required to determine the impact of the proposed operation on the local road network... Municipal Official Plans or Zoning By-laws may also choose to limit individual uses that could otherwise be directed to settlement areas. ...

"When determining the size of the on-farm diversified use it shall include buildings, laneways, parking, outdoor storage, servicing, exhibition areas, and/or amenity areas occupied by the on-farm diversified uses. Shared laneways/servicing, farm buildings, or landscaped areas also used by the farm shall not be included in the calculation of total use size. The passing of an implementing Zoning By-law amendment will generally be required to permit new on-farm diversified uses, unless otherwise permitted 'as-of-right' in municipal zoning bylaws.



“The gross floor area of the buildings (combined for all buildings associated with the on-farm diversified use) shall not exceed 20% of the total area of the on-farm diversified use.”

**- Grey County Official Plan (2019, pp. 77-78).**

Table 12. On-farm Diversified Use Size Criteria. Adopted from Grey County Official Plan (2019).

Land Use Type	Property Size	OFDU Maximum Size
Agricultural	20 ha or greater	The lesser of; <ul style="list-style-type: none"> <li>• 2% of total property size, or</li> <li>• A maximum combined area of the use of 8,000 m<sup>2</sup></li> </ul>
	Less than 20 ha	Bed and breakfasts and/or <i>home rural occupations</i> within the <i>dwelling</i> only.
Special Agricultural	10 ha of agriculturally productive area or greater	The lesser of; <ul style="list-style-type: none"> <li>• 2% of total property size, or</li> <li>• A maximum combined area of the use of 8,000 m<sup>2</sup></li> </ul>
	Less than 10 ha of agriculturally productive area	Bed and breakfasts and/or <i>home rural occupations</i> within the <i>dwelling</i> only.
Rural	20 ha or greater	The lesser of; <ul style="list-style-type: none"> <li>• 2% of total property size, or</li> <li>• A maximum combined area of the use of 8,000 m<sup>2</sup></li> </ul>
	Less than 20 ha	The lesser of; <ul style="list-style-type: none"> <li>• 2% of total property size, or</li> <li>• A maximum combined area of the use of 2,000 m<sup>2</sup></li> </ul>

Grey County Official Plan policy further states that “municipalities may choose to limit the size and accessory uses related to wineries, cideries, breweries, meaderies, or distilleries, based on local characteristics, and/or the availability of servicing” (Grey County Official Plan, 2019, p. 77-78).

The County has strong policies on criteria that must be met before an OFDU can be considered (below), including qualifiers similar to the Guidelines, such as ‘limited in size and size’ and ‘secondary to the principle agricultural use of the property.’ Notably, Grey County policies also reference policies for special events and considerations for parking:

“Prior to considering a new on-farm diversified use, it shall be demonstrated that the following criteria can be met:

- a) The use or activity does not interfere with, or generate off-site adverse impacts, and is compatible with surrounding uses,
- b) The use or activity can be sustained by local service levels and infrastructure,
- c) The buildings to be used meet all Building Code requirements for the type of use being proposed,
- d) The scale of the operation is secondary to the active agricultural use on the farm property, and appropriate to the site and the surrounding area,
- e) The timing and duration of activities does not hinder agricultural operations on site or in the area,
- f) For special events, the use or activity represents an occasional activity and is not a regular occurring activity and does not have permanent structures, and;
- g) On-site parking can be accommodated without impacting the agricultural operation. ..."

**- Grey County Official Plan (2019, pp. 78-79).**

Although not a regulatory provision in the Official Plan, Grey County does encourage the reuse of existing agricultural buildings, and more specifically, buildings with heritage potential:

*"As farming practices evolve, there may be built heritage structures (i.e., barns or dwellings) that could disappear as a result of no longer being required for agricultural purposes. The adaptive reuse of such structures for residential, agricultural-related uses, or on-farm diversified uses is permitted. Appropriate standards addressing variation in the size due to the architecture of such structures may be implemented through site-specific zoning provisions. Building Code requirements shall be met for the re-use of the existing structure for new purposes."*

**- Grey County Official Plan (2019, p. 79).**

Grey County's Official Plan policies are a good example of land use support for OFDUs in an Official Plan. However, the implementation of this policy is the responsibility of



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the nine lower-tier municipalities. Eight of the nine municipalities have their own Official Plans, but some of those lower-tier Official Plans only apply to local settlement areas. For several lower-tier municipalities in Grey, the County Official Plan would be the primary policy document dealing with on-farm diversification in both rural and agricultural areas.

Although Grey County offers a wide variety of options for potential OFDUs (Images 22 and 23), there are still some hurdles for family farmers as much of lower-level policy is outdated relative to upper-tier policies for OFDUs. Our interviews with Grey informed us that it may take an additional five years for lower-tier policies and provisions for OFDUs to be up to date in local Zoning By-laws.

It is recognized that even though the County of Grey has a well-written and supportive OFDU policy in their Official Plan, that the implementation of OFDUs is not always the most user-friendly for farmers based on areas of the municipality being subjected to multiple jurisdictions of policy. For example, the two-tier system is compounded by the fact that Grey is also subject to the policies of the NEP, adding an additional layer of complexity for farmers. In the NEP areas, zoning is not typically in place and a proponent (i.e., farmer) would have to apply for development permits through the NEC for an OFDU.



Image 22. Still Fields Farmhouse Brewery in the Municipality of Meaford. Photos from Visit Grey.





Image 23. Grey & Gold Cidery in the Town of Blue Mountains. Photos from Visit Grey.

### 5.2.2 Norfolk County

Norfolk County is a single-tier rural municipality located in Southwestern Ontario with a population of 67,500 and includes the urban areas of Simcoe, Delhi, Waterford, Port Dover, Courtland, and Port Rowan (Statistics Canada, 2021). Norfolk County is also known for its tourism destinations of Long Point and Turkey Point along Lake Erie. Norfolk is known for their Class 1-3 sandy soils and prime agricultural lands. Based on 2021 data, Norfolk County agriculture contributed to a total value of more than \$1 billion in total value of sales (Statistics Canada, 2022). There are over 1000 farm operations and over 1400 agri-food businesses in Norfolk County (OMAFRA, 2022), spanning over 128,500 acres in the Haldimand-Norfolk area (Statistics Canada, 2022). Norfolk County promotes itself as 'Ontario's Garden' as County farmers are the leading growers of asparagus, cabbage, tart cherries, ginseng, peppers, cucurbits, strawberries, and other vegetables (Norfolk County Economic Development, 2017b; OMAFRA, 2022). Overall, Norfolk County is the fifth largest agricultural region in Ontario, averaged on a per-farm basis (Norfolk County Economic Development, 2017b).

Norfolk has a rich history of tobacco production; up to 90% of all tobacco in Canada was grown in Norfolk during the 1990s (Johnson, 2017). However, with an increasingly

reduced demand for tobacco, Norfolk producers have adapted and diversified their production. Finding other crops that were as profitable as tobacco had been a challenge; however, due to being located within the Lake Erie Great Lakes Basin, Norfolk County has a unique sandy loam soil profile and microclimate providing optimal conditions for grape growing and other market garden crops (Shaw, 2017). The demand for locally grown fruit and vegetables has increased and has provided viable and sustainable crop production options in place of tobacco, albeit with a profit margin difference. As Norfolk County farmers transitioned from growing primarily tobacco to various alternative high-value crops such as grapes, they also desired to incorporate new uses on their farms. Such uses include wineries, breweries, zip-lines, on-farm 'glamping' accommodations, circus schools, and more (Image 24). The strong demand for on-farm diversification amongst local farmers prompted Norfolk County Planning Department to utilize the Guidelines quickly upon being established in 2016 and incorporate similar policies and provisions in their Official Plan and Zoning By-law in 2019, allowing as-of-right opportunities for farming entrepreneurs. See Appendix H.

Here is an excerpt from the Norfolk County Official Plan outlining requirements for OFDUs:

"b) On-farm diversified uses 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. On-farm diversified uses shall be subject to all of the following policies:

- i) the use is located on a parcel of land which has an existing farm operation established on it;
- ii) the use is secondary to the principal agricultural use of the property;
- iii) the use is limited in area, as outlined in Section 7.2.2 c);
- iv) the use may include, but is not limited to, home occupations, home industries, agri-tourism uses including overnight tourist accommodation and uses that produce value-added agricultural products, including those that use crops from other producers;
- v) the use is compatible with, and will not hinder, surrounding agricultural operations;
- vi) the use is appropriate to available rural services and infrastructure;
- vii) the use maintains the agricultural/rural character of the area;
- viii) the use meets all applicable environmental standards; and
- ix) outside storage areas, associated with the on-farm diversified use shall

be included in the limited area calculations outlined in Section 7.2.2 c). Outside storage areas shall be screened from the road and residential buildings on adjacent properties.

c) On-farm diversified uses shall be limited in size in accordance with the following policies:

i) the acceptable area occupied by an on-farm diversified use is up to 2% of a farm parcel to a maximum of 1 ha (10,000 m<sup>2</sup>);

ii) the gross floor area of buildings used for on-farm diversified uses is limited to an approximate 20% of the acceptable land area, as calculated in 7.2.2 c) i);

iii) the land area and the area of existing buildings used for on-farm diversified uses may be discounted at the rate of 50%. Where the on-farm diversified use occupies the same footprint as a demolished building, the land area for the use may be similarly discounted by 50%;

iv) where the on-farm diversified use uses an existing farm laneway, the area of the laneway will not be included in the area calculations;

v) 100% of the area needed for parking and outdoor storage for the on-farm diversified uses will be included in the area calculation;

vi) If more than one on-farm diversified use is proposed on a single property, the combined area of all on-farm diversified uses shall be within the land area and building area requirements

vii) On-farm diversified uses that are proposed to grow beyond the area limits, either incrementally or otherwise, will not be permitted and will be encouraged to locate in areas of the County appropriately designated for the use;

viii) On-farm diversified uses will be subject to Site Plan Control, where warranted and appropriate (e.g., for those uses requiring outdoor storage areas, visitor parking and/or a new farm access, etc.), in accordance with the policies of Section 9.6.5 (Site Plan Control).

ix) Severances to separate the on-farm diversified uses from the farm property will not be permitted."

**- Norfolk County Official Plan (2021, pp. 132-133).**

The Norfolk County Official Plan also has a specific policy related to agricultural events and the opportunity for temporary use Zoning Amendments: "Agricultural events, that are beyond the scale of an on-farm diversified use, shall only be permitted on a

temporary basis through a temporary Zoning By-law amendment or where the event is of a reoccurring or permanent nature it can be justified in accordance with the criteria outlined in Section 7.2.2 j)” (Norfolk County, 2021a, p. 135).

The following is Norfolk County’s Zoning By-law provisions for OFDUs:

“12.3.1 Any on-farm diversified use shall be subject to the following provisions:

**a) an on-farm diversified use shall only be permitted on an existing farm operation;**

**b) no on-farm diversified use shall exceed a combined total of one (1) hectare;**

c) the gross floor area of all buildings used for an on-farm diversified use shall not exceed 20 percent of the acceptable land area, as calculated in 12.3.1 b);

d) the land area and the area of existing buildings used for an on-farm diversified use may be discounted at the rate of 50 percent. Where an on-farm diversified use uses the same footprint as a demolished building, the land area for the use may be similarly discounted by 50 percent;

e) 100 percent of the area needed for a parking space and outdoor storage for the on-farm diversified use will be included in the area calculation.

f) where an on-farm diversified use uses an existing farm laneway, or parking area, the area of the laneway or parking area will not be included in the area calculations” (emphasis added).

**- Norfolk County Zoning By-law (2021, p. 131).**

It should be noted that policy 12.3.1 (b) (emphasis above) is a relatively significant difference from the Guidelines as well as the Norfolk County Official Plan policy. The most significant difference between the Guidelines and the Norfolk County Zoning By-law provisions is the size and scale criteria. In Norfolk County, “no on-farm diversified use shall exceed a combined total of (1) hectare” (Norfolk County, 2021b). In layman’s terms, every farm regardless of its size can utilize 1 ha of land for on-farm diversification (Norfolk County, 2021b). This policy removing the ‘2%’ provision was amended at the request of Norfolk County council. Historical land division patterns and decisions in

Norfolk have resulted in many small remnant parcels, so it is understood that the '2%' provision was removed from the Zoning By-law to allow for farmers with smaller lot sizes to dedicate more of their land to OFDU.

For example, if an agricultural parcel was 1 ha in size and could meet the other OFDU provisions including being defined as a 'farm', then the entire parcel could be used for an OFDU. Similarly, if an agricultural parcel was 2 ha of 5 ha in size, a total of 1 ha could be utilized for an OFDU. Over time it should be observed and noted how the primary use of agriculture on small parcels is maintained once OFDUs are increasingly established at this size and scale.

In the interview process, it came to light that this missing provision would allow more prime agricultural land to be lost to OFDU, raising potential concerns for prime agricultural land preservation in Norfolk. In contrast, it was revealed that there is little concern over the risk of prime agricultural land loss as many other regulations in place (i.e., SPC) along with business start-up costs would limit OFDU applications in overtaking parcels of prime agricultural land. As identified in interviews with municipal planners, Norfolk County Planning Department is currently creating a streamlined process for on-farm diversified Site Plan Applications, which will be used as a tool to balance agricultural production and farmer retention, prime agricultural land availability, and OFDUs.

With Norfolk County's unique microclimate and need to diversify agricultural land use from tobacco production, an evident focus has been placed on fostering farmer entrepreneurial spirit to encourage various alternative uses for agricultural land. Overly restrictive policies may, in turn, leave out the flexibility in which OFDU can help farmers, their families, communities, and the land they live and work. For instance, while permissive, Norfolk County's OFDU policy has allowed for the growth of an agritourism industry - benefiting economic development in the County, farmers' livelihoods, and the idea that farming on smaller parcel sizes can be viable. A balance is needed, however, to ensure OFDU does not detract, but rather add value, to economic opportunities in urbanized areas. Existing assets in urbanized areas should be leveraged to enhance the potential of OFDU, to balance development across the County.



### **Lakeshore Special Policy Area Secondary Plan**

In addition to the Official Plan and Zoning By-law, Norfolk County also has a Lakeshore Special Policy Area (LSPA) Secondary Plan, which applies to the prime agricultural lands along the North Shore of Lake Erie. The LSPA Secondary Plan promotes sustainable recreational and economic development opportunities, such as agritourism, along the lakeshore and in its nearby prime agricultural areas (Norfolk County, 2009). The LSPA Secondary Plan states that wineries are permitted as a primary use in areas designated Agricultural, on the condition that the wines produced are to be made from a minimum of 30% of the fruit grown on-site (Norfolk County, 2009). The LSPA Secondary Plan promotes the growth of the grape-growing and winery sector as part of the agricultural industry in Norfolk while protecting the long-term agricultural use of the land and ensuring benefits from the wineries are to be captured by the local economy.



*Image 24. Burning Kiln Winery in Norfolk County. Photos from Burning Kiln Winery.*

### **Agricultural Advisory Board**

The Agricultural Advisory Board (AAB) advises Council on agricultural matters in Norfolk County, including advice on land use policy, municipal infrastructure, and other policies and programs relevant to supporting agriculture in Norfolk (Norfolk



County AAB, 2013). As such, the AAB impacts the preservation of prime agricultural lands and development of OFDU policy within Norfolk County. During the Zoning By-law review, AAB provided input to Norfolk County planners and Council to amend the Norfolk County Zoning By-law to permit as-of-right accessory uses to farm wineries, breweries, and distilleries (Norfolk County Economic Development, 2018). Currently, accessory uses to farm wineries, breweries and distilleries require additional SPC to include such things as wedding receptions, banquet halls and concerts. In contrast, restaurants and retail spaces are permitted as-of-right.

The AAB strongly supports the adoption of more flexible OFDU policies in the Norfolk County Official Plan to enable farmers to adapt to challenges in agriculture, as well as to ensure OFDU are compatible with surrounding agricultural operations (Norfolk County Economic Development, 2017a).

### **5.2.3 County of Brant**

The County of Brant is a single-tier rural municipality in Southwestern Ontario. It has a growing population of approximately 37,000 people and includes the urban areas of Paris, St. George, Burford, and Cainsville, and the County surrounds the City of Brantford which is a single-tier municipality. Agriculture is one of the largest sectors in the County of Brant and is a fundamental staple of the community's economy. Based on 2021 data, Brant County currently has 669 farm operations over 165,000 acres of productive agricultural lands (Statistics Canada, 2022). Brant County farmers are known for apples as being their predominant fruit crop, green/wax beans as their largest vegetable crop, corn for grain being the largest field crop, and oilseed and grains overall being the largest agricultural industry (OMAFRA, 2022). As Brant County is part of the Greater Golden Horseshoe, the County is subject to the policies of the provincial Growth Plan.

The County of Brant is proud of its rural roots and supported on-farm diversification by approving a staff-initiated Official Plan and Zoning By-law Amendment in 2020 which is reflective of the Guidelines. Brant County Official Plan policies on OFDUs include the following:

"On-farm diversified uses 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. On-farm diversified uses shall be subject to all of the following policies:

- i. The use is located on a parcel of land which has an existing farming operation established on it;
- ii. The use is secondary to the principle agricultural use of the property;
- iii. The use is limited in area as outlined within Section 3.3.2.1 g of this Plan;
- iv. The use may include, but is not limited to, home occupations, agritourism uses, including overnight tourist accommodation and uses that produce value-added agricultural products, including those that use crops from other producers;
- v. The use is compatible with, and will not hinder, surrounding agricultural operations;
- vi. The use is appropriate to available rural services and infrastructure;
- vii. The use maintains the agricultural /rural character of the area;
- viii. The use meets all applicable environmental standards; and
- ix. Open storage areas, associated with the on-farm diversified use shall be included in the limited area calculations outlined in Section 3.3.2.1 g.

On-farm diversified uses shall be limited in size in accordance with the following policies:

- i. The acceptable area occupied by an on-farm diversified use is up to 2% of the farm parcel to a maximum of 1 ha (10,000 m<sup>2</sup>), whichever is lesser;
- ii. The gross floor area of the buildings used for on-farm diversified uses is limited to an appropriate 20% of the acceptable land area, as calculated in Section 3.3.2.1 g. i) of this Plan;
- iii. The area and the area of existing buildings used for on-farm diversified uses may be discounted at the rate of 50%. Where the on-farm diversified use occupies the same footprint as a demolished building, the land area for the use may be similarly discounted by 50%;
- iv. Where the on-farm diversified use utilizes an existing farm laneway, the area of the laneway shall not be included in the area calculations;
- v. 100% of the area needed for parking and outdoor storage for the on-farm diversified uses shall be included in the area calculation;
- vi. If more than one on-farm diversified use is proposed on a single property, the combined area of all on-farm diversified uses shall be within the land area and building area requirements;



- vii. On-farm diversified uses that are proposed to grow beyond the area limits, either incrementally or otherwise, will not be permitted and will be encouraged to locate in areas of the County appropriately designated for the use;
- viii. On-farm diversified uses shall be subject to Site Plan Control, where warranted and appropriate (e.g. for those uses requiring outdoor storage areas, visitor parking and/or a new farm access, etc.) in accordance with the policies of Section 6.7 j. of this Plan;
- ix. Severances to separate the on-farm diversified uses from the agricultural or farm property shall not be permitted.
- x. On-farm diversified uses shall be subject to the Ontario Building Code, the Ontario Fire Code, municipal Implementation Guidelines, and all other applicable requirements."

**- County of Brant Official Plan (2021, p. 3-9).**

The County of Brant Official Plan also has a specific policy related to agricultural events and the opportunity for temporary zoning requirements: "Agricultural events that are beyond the scale of an on-farm diversified use shall only be permitted on a temporary basis through a temporary Zoning By-law amendment or where the event is of reoccurring or permanent nature it can be justified in accordance with the criteria outline within Section 3.3.2.1 f. and g. of this Plan" (County of Brant Official Plan, 2021, p. 3-10).

Brant County's Zoning By-law outlines the following development criteria for OFDUs:

"On-farm diversified uses accessory to principal farming operations may be permitted subject to the following criteria:

1. An on-farm diversified use shall only be permitted accessory to a farm Operation on the same lot.
2. On-farm diversified use(s) shall not exceed a combined total of either one (1) hectare or two percent (2%) of the area of the lands on which the use is proposed, whichever is lesser.

3. The gross floor area of all buildings or structures used for an on-farm diversified use shall not exceed twenty percent (20%) of the land area, as stated in clause 2 above.

4. The land area and the area of existing buildings or structures used for an on-farm diversified use may be discounted at the rate of fifty percent (50%). Where an on-farm diversified use uses the same footprint as a demolished agricultural building, the land area for the on-farm diversified use may be similarly discounted by fifty percent (50%).

5. One hundred percent (100%) of the area needed for parking areas and outdoor storage for the on-farm diversified use shall be included in the area calculation. ...

6. Where an on-farm diversified use uses an existing farm laneway, or parking area, the area of the laneway or parking area shall not be included in the area calculations.

7. Services required for the use proposed are provided on the same lot, to the satisfaction of the County of Brant, and shall not have any negative impacts on neighboring and surrounding land uses.

8. On-farm diversified uses that include agri-tourism and farm experience activities shall be directly related to the principle agricultural use.

9. Production lands which are used for the growing of crops and are simultaneously used as part of an activity area, such as a corn maze, shall not be included in the area calculations for the on-farm diversified use. However, these activity areas shall not exceed five percent (5%) of the total lot area of the subject lands.

10. An on-farm diversified use shall be subject to the Minimum Distance Setbacks (MDS) Guidelines, except where an On-farm diversified use does not generate a significant amount of visitors and does not include agri-tourism or food services or provide accommodations on site.

11. The on-farm diversified use must meet all applicable requirements of the Ontario Building Code, the Ontario Fire Code, municipal implementation Guidelines, and requires an approved building permit to legally establish the use. ...

12. The on-farm diversified use shall not be permitted in natural heritage features or wetlands identified in Schedule 'B' or Schedule 'C' or as per Section 2.3.2.1 of the County of Brant Official Plan except for expansions to existing buildings and structures where it is demonstrated that there is no alternative, the expansion into the feature is minimized and is directed away from the feature to the maximum extent possible and the impact is minimized and mitigated to the maximum extent possible.

13. A vegetation protection zone is to be maintained as natural self-sustaining vegetation that is no less than 30 metres for wetlands, permanent and intermittent streams, fish habitat, and significant woodlands.

14. Prior to an on-farm diversified use being established on a property, Site Plan Control shall be applicable to mitigate the impacts of items such as but not limited to traffic, parking, emissions, noise, water and wastewater usage, relevant environmental approvals, landscaping, buffering, size and scale in relation to the applicable requirements of By-Law 61-16. ...

15. Wineries, craft breweries, cideries and distilleries are considered on-farm diversified uses and shall be subject to the requirements of Subsection 6.4.

16. An agricultural event is considered an on-farm diversified use and shall be subject to all requirements within Subsection 6.4 of the By-Law. Agricultural events that are beyond the scale of an on-farm diversified use shall only be permitted on a temporary basis through a temporary Zoning By-law amendment.”

**- County of Brant Zoning By-law (2021, p. 6-3, 6-4).**

The County of Brant policy and provisions for OFDU are an excellent example of an as-of-right opportunity for family farm entrepreneurs as they clearly outline development criteria and are reflective of provincial guidance. Since the implementation of the Official Plan policy and Zoning By-law provisions, the County has introduced a reduced Site Plan Fee and Site Plan Approval process specific to OFDUs. This scaling back of fees and streamlining of SPC allows for farmers to navigate the process with fewer barriers in terms of complexity, cost, and time. For example, the County does not require engineered drawings and required studies are scoped on a case-by-case basis by staff. This process allows on-farm diversified uses to be processed and approved quickly and efficiently at the staff level with little cost to the proponent.

The County is now focusing on the promotion of on-farm diversified uses in the municipality as the Economic Development department is working collectively with the Planning and Development Department to not only walk proponents' inquiries for on-farm diversified uses through the streamlined process, but also to create promotional and public outreach materials to encourage more on-farm diversification in the municipality. The County has created a ['Planning Your Agriculture-Related Use or On-](#)



[Farm Diversified Use Project](#)’ brochure (Image 25) to walk an entrepreneur through the process to secure planning approval for such uses. The County has also recently created other promotional items to encourage more OFDUs, such as social media outputs, enhanced website information, and a [promotional video](#) specifically outlining existing OFDUs in the County and the easy-to-navigate and streamlined Site Plan process.

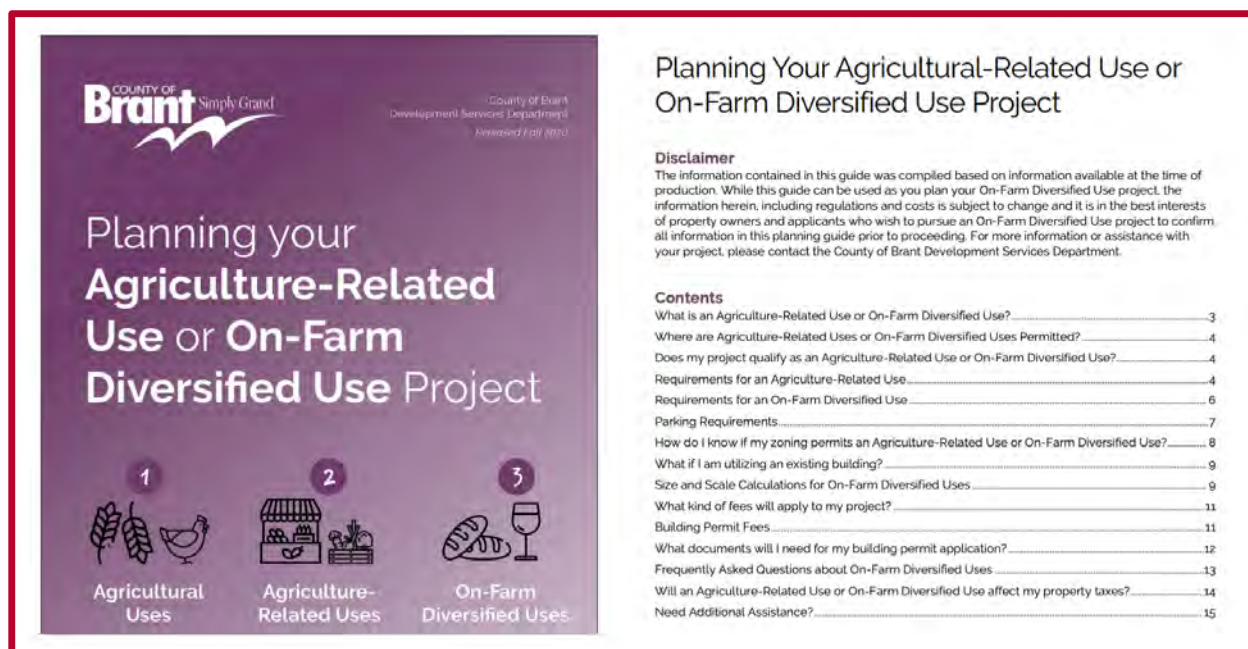


Image 25. County of Brant's 'Planning your Agriculture-Related Use or On-Farm Diversified Use Project' Guide for Farmers.

### 5.2.4 City of Ottawa

The City of Ottawa is the capital city of Canada and is located on the south bank of the Ottawa River in the eastern portion of southern Ontario. The City was created in 2001, where an amalgamation merged urban and rural municipalities together into a single regional government, now responsible for services to a population of about 940,000 living in an area of 2,760 km<sup>2</sup> (City of Ottawa, 2017).

Unique amongst most Canadian cities, Ottawa’s urban boundaries are bordered by a diverse countryside and prime agricultural lands (City of Ottawa, 2017). Over 10,000 jobs related to agriculture contribute to Ottawa’s local economy, with approximately 40% of the municipality’s rural lands containing over 250,000 acres of workable lands



and 733 farm operations and 4,630 agri-food businesses (City of Ottawa, 2019; OMAFRA, 2022). Ottawa agriculture is known for soybean cash-crop and dairy farming livestock industries, with several other agricultural-related businesses include nurseries, tree farms, beekeeping, farm supply businesses, veterinarians, agronomists, specialty niche operations, and agri-tourism (City of Ottawa, 2019; OMAFRA, 2022).

According to the interviews, 80% of the land area in the City of Ottawa is rural and they have utilized the Guidelines since its inception to assist rural innovation and opportunities for economic development in the agricultural area. The City of Ottawa has most recently updated their OFDU policies and provisions to go above and beyond the Guidelines to include zoning that regulates principally based on size and scale. The following is an excerpt from the City of Ottawa Official Plan regarding OFDUs:

"On-farm diversified uses and agriculture-related uses that are compatible with, and do not hinder surrounding agricultural operations, may be permitted subject to the criteria below and the Provincial Guidelines. ...

a) On-farm diversified uses are secondary to the principle agricultural use of the property. They are to be limited in area and include but are not limited to; home industries, retail, agri-tourism and uses that produce value-added agricultural products. A Zoning By-law amendment is required for any increase to the permitted size of an on-farm diversified use. [Amendment #180, November 8, 2017] [Amendment #259, August 11, 2021]."

**- City of Ottawa Official Plan (2022).**

The City of Ottawa's Zoning By-law outlines development criteria for OFDUs:

"(1) On-farm diversified uses are subject to the following provisions:  
(a) An on-farm diversified use is permitted if the principal use of the lot is agricultural;

(b) On-farm diversified uses are limited to 2% of the total lot area, to a maximum of 1 hectare;

(c) the area of on-farm diversified uses on a lot includes: (i) The total area of buildings, structures and outdoor storage associated with home-based businesses, and (ii) The total area of buildings and structures built after November 8, 2017 associated with the on-farm diversified use, and (iii) 50% of the area of buildings or structures built prior to November 8, 2017 that have been converted to an on-farm diversified use, and (iv) The area of laneways and septic systems that were developed on or after November 8, 2017, and (v) Parking areas, outdoor storage areas, and landscaped areas that are associated with an on-farm diversified use, and (vi) Despite the above, the area of agri-tourism uses associated with activities such as wagon rides or corn mazes on lands producing harvestable crops are not included in the area calculations;

**(d) The total floor area occupied by on-farm diversified uses may not exceed 20% of the total land area permitted for on-farm diversified uses on the lot, to a maximum of 600 square metres (except where otherwise stated), and; (i) The total floor area occupied by on-farm diversified uses, limited to place of assembly, instructional facility and restaurant uses, whether located in new or existing buildings, may not exceed 150 square metres; (ii) The total cumulative floor area of all on-farm diversified uses on a lot may not exceed 600 square metres, with a maximum of 300 square metres for floor area built after November 8, 2017; (iii) Floor area used for processing that may incorporate inputs grown off-site does not need to be counted towards the maximum total floor area and is subject only to the maximum areas under b) above.**

(e) Any outdoor storage or parking areas associated with an on-farm diversified use must be screened from view from a public street or a residential use on an abutting lot.

(f) Outdoor storage areas and parking areas associated with an on-farm diversified use must not be located within 10 metres of any lot line.

(g) Maximum number of heavy vehicles, including recreational vehicles, associated with an on-farm diversified use: 3

(h) Required parking is as identified under Table 101 for the use proposed.

(i) Every effort should be made to cluster on-farm diversified uses, make use of existing laneways, and locate on areas of poorer soil"

**- City of Ottawa Zoning By-law (2022, p. 3-2, emphasis added).**

In addition to a maximum lot coverage, the policies limit building floor areas under a couple of broad categories to meet the intent of provincial legislation (emphasis above). This ensures a size and scale criteria for uses that are intended to limit negative impacts and maintain such uses as secondary to the principal agricultural use. These innovative provisions limit the total floor area occupied by OFDUs to 20% of the permitted lot coverage (2% of land area as suggested by the province) for OFDUs. Maximum of 300 m<sup>2</sup> (3,229 ft<sup>2</sup>) for new builds is permitted, with additional floor area permitted if retrofitting existing buildings (cumulative total of 600 m<sup>2</sup>).

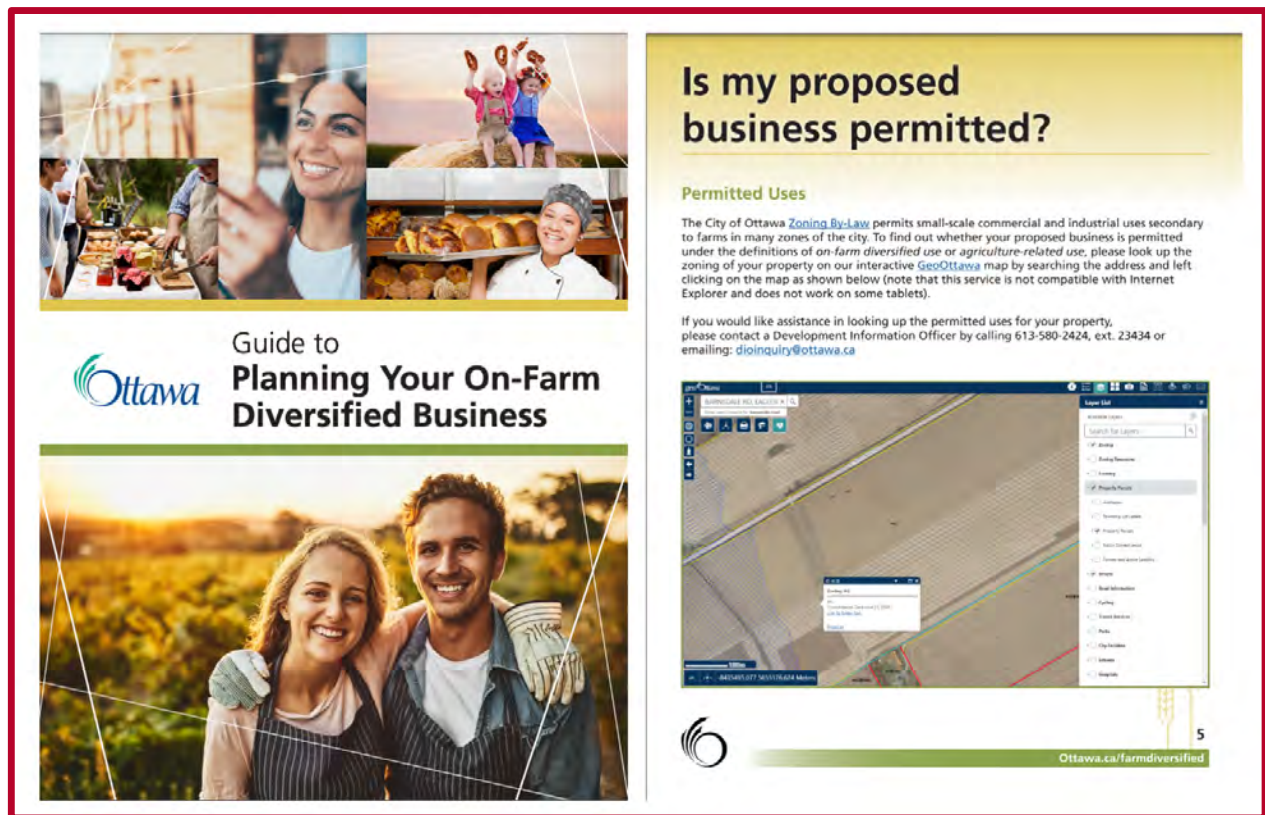


Image 26. City of Ottawa's 'Guide to Planning Your On-Farm Diversified Business.'

The Zoning By-law also outlines a separate and smaller total floor area of 150 m<sup>2</sup> (1,614 ft<sup>2</sup>) for assembly type uses where larger gatherings are proposed, including a place of assembly, instructional facility, and restaurant, whether located in a new or existing

building. This is thought to prevent occupancies that would lead to significant building code requirements for significantly high occupancies. Places of assembly are considered higher impact uses, and at a large scale, are better suited to locations outside of prime agricultural areas. The intent is to keep occupancy below 100 people as large group gatherings may be incompatible with surrounding farm uses due to high traffic volumes, parking, and noise.

The City of Ottawa identified that adopting limitations according to size and location on a lot are believed to best address potential compatibility issues, while permitting the desired opportunities for innovation. This municipality focuses on supporting flexibility in use rather than flexibility in size.

Similar to the County of Brant, the City of Ottawa has also developed a '[Guide to Planning Your On-Farm Diversified Business](#)' which explains permitted uses for OFDUs under the Zoning By-law (Image 26).

### **5.2.5 Municipality of Clarington**

The Municipality of Clarington is one of eight lower-tier municipalities in the Regional Municipality of Durham. Clarington is home to over 105,000 residents and growing, given that it is a community mixed with city living and rural charm on the eastern boundary of the Greater Toronto Area (Municipality of Clarington, 2022).

There are over 300 working farms and 437 agri-food businesses in Clarington spanning over 74,749 acres (OMAFRA, 2022; Statistics Canada, 2022). Agriculture is the largest industry and primary economic driver in the municipality (Municipality of Clarington, 2021). In terms of commodities, Clarington agriculture is diverse, including sheep, lamb, and beef livestock industries, greenhouse, nursery, and floriculture (Image 27), field crops, and oilseed and grain farming (OMAFRA, 2022). When it comes to planning policy, Clarington is subject to the policies of the Growth Plan, Greenbelt Plan, and ORMCP.

It is understood that neither the regional Official Plan nor the local Official Plan have incorporated the Guidelines in their policy documents to date, but there is latitude for additional regulatory tools to regulate uses on a farm under existing provincial legislation.



According to the Guidelines, OFDUs must be compatible with and shall not hinder surrounding agricultural operations. In this respect, managing relations with neighbouring agricultural property owners can be challenging for OFDUs, particularly if the uses may be incompatible, have greater impacts, and lead to complaints (such as noise, lighting, and traffic). Some OFDUs with potentially higher impacts include event venues, wineries, breweries, distilleries, restaurants, concerts, agri-tourism, or weddings. It is important for entrepreneurs to maintain good working relations with their neighbours to eliminate preventable, minimizable, or mitigatable complaints to municipal by-law.

If an OFDU does create neighbouring challenges once established, municipal enforcement tools can be created to minimize conflicts. For example, the Municipality of Clarington recently imposed a new [On-Farm Special Event By-law](#) (Image 28) that captures regulatory components that may be too difficult to implement through the zoning and site plan approval processes. Examples include operating hours, event frequency, and noise levels. The media attention around municipal opposition for an agritourism and event-space [OFDU application from Graham Creek Farm](#), and subsequent LPAT decision ([case no. PL170178](#)) in 2018, in addition to a number of illegitimate OFDUs led the Municipality of Clarington to impose a new On-Farm Special Events By-law. This is in response to a growing local trend and desire for event venues as forms of OFDUs, despite the Guidelines stating that “large-scale, repeated or permanent events” are not OFDUs (OMAFRA, 2016, p. 18). Evidently, the On-Farm Special Events By-law is a way to meet middle ground and regulate contentious uses being pushed by local proponents safely.



Image 27. Pingle's Farm and flower field in the Municipality of Clarington. Photo from Pingle's.

An 'On-Farm Special Event' is for any proposed commercial event or activity (for profit) that is not currently allowed on lands

where farming is permitted and would be secondary to the principal farming operation or agricultural use of the property. The license is required after appropriate Zoning and Site Plan Approvals. The license outlines that no person shall conduct an on-farm special event without a license even when OFDU planning approvals are in place.

The license fee is \$250 and includes proof of a valid Ontario FBR number. This ensures that if the farm operation ceases, the OFDU would also have to be removed. The license is valid for two years and is enforced by set fines for offense of conducting an event without a valid license, contravening a condition of the Site Plan approval, failure to display the license, and failure to comply with any conditions of the license such as maximum number of people. Penalties can include personal fines between \$10,000-\$25,000 for every occurrence and/or the corporation of not more than \$50,000 for a first offence and not more than \$100,000 for subsequent convictions (Municipality of Clarington, 2021).

The image shows a two-page document titled "On-Farm Special Events Guidelines" from the Municipality of Clarington. The left page contains an introduction, a definition of an on-farm special event, and sections for "Approvals and Licensing", "Step 1: Rezoning", "Step 2: Site Plan", and "Considerations". The right page contains "Step 3: Licence", "Other Requirements", "Fees", and "Contact Us". The document includes contact information for the Planning and Development Services Department and the On-Farm Special Events Licence application process.

**On-Farm Special Events Guidelines**

Hosting on-farm special events in Clarington can offer farmers an opportunity to add to their income and support local tourism. However, it's essential that these planned events are compatible with ongoing farm operations and don't have an undue impact on neighbouring property owners. If you are thinking of hosting one or more special events on your farm, you will need to follow the requirements below and consider them when developing an events plan.

**What is an On-Farm Special Event?**  
An on-farm special event is any proposed event or activity unrelated to normal farm practices and not currently allowed on lands where farming is permitted (e.g. commercial wedding events). The events must not detract from the principal farming operation or agricultural use of the property.

**Approvals and Licensing**  
Farm owners wanting to host an on-farm special event require a Zoning By-law Amendment, Site Plan Approval and an On-Farm Special Event Licence.

**Step 1: Rezoning**

1. Property owner books a pre-consultation meeting with Municipal staff to better understand the application requirements and process.
2. Property owner submits a Rezoning Application.\*
3. Public Notice is sent to all area property owners located within 300 metres of the property where the event is to be held and any interested parties.
4. Public Meeting is held to gather feedback.
5. A recommendation report is submitted to Council for approval of the Zoning By-law Amendment.
6. An appeal period and notice is given following Council decision.

**Step 2: Site Plan**

1. Property owner books a pre-consultation meeting with Municipal staff to better understand the application requirements and process.
2. Property owner submits a Site Plan Application.\*
3. Application is circulated to Municipal departments and external agencies for comments.
4. The final Site Plan is approved.

\* Application revisions may be required following submission.

**Considerations**

- Structure type, size and setbacks of event space, including ceremony areas
- Maximum area used for the event venue, typically two per cent of the property
- Maximum number of attendees, including event participants and staff
- Minimum required parking spaces and traffic impacts
- Surrounding land use conflicts

**Considerations**

- Identify maximum number of guests
- Identify location of buildings, tents, parking, garbage, etc.
- Noise mitigation measures
- Hours and event frequency
- Traffic management and servicing

**Step 3: Licence**

1. Property owner completes the On-Farm Special Events Licence Application.
2. Application is reviewed by Municipal Staff.
3. Once the licence is issued, the property owner is permitted to operate in accordance with conditions of approval.

A licence is required for conducting an on-farm special event unless land use permission was granted before the enactment of By-law 2021-049 on May 25, 2021.

**Other Requirements**  
Property owners are reminded that all municipal, provincial, and federal laws are in effect, and organizers are responsible for adhering to any such by-laws/laws. A few examples include:

- Roadways must remain passable at all times for emergency vehicles.
- Building permits may be required for a tent or farm buildings used for public occupancy
- Under the Fire Code, permits are required for open flames and/or fireworks.
- Public Health guidelines may require Durham Region Health Department approval for food safety, sewage and septic systems.
- Municipal noise and parking by-laws will be enforced at all times.

**Fees**  
Clarington's Fee Schedule outlines the applicable planning approvals fees, including pre-consultation, rezoning and site plan applications. A complete list of fees will be provided during pre-consultation meetings. A separate licensing fee of \$250 applies. Other external agency fees may be applicable.

**Contact Us**

**For more about the Rezoning and Site Plan Approval:**  
Planning and Development Services Department  
905-623-3379 ext. 2405  
planning@clarington.net

**On-Farm Special Events Licence:**  
Legislative Services Department – Clerk's Division  
905-623-3379 ext. 2105  
bylawenforcement@clarington.net

**Clarington**

Image 28. Municipality of Clarington's On-Farm Special Event Guidelines.

The On-Farm Special Events By-law is an excellent tool for municipalities to work with farmers diversifying operations to ensure compatibility between neighbouring land



uses is protected. Particularly, the by-law is an enforcement tool to bring existing illegitimate OFDUs to into conformity, pending appropriate land use planning approvals. Additional existing municipal by-laws and regulations such as conformity of municipal servicing standards, municipal road standards, and compliance with a municipal nuisance by-law may also address neighbouring conflicts.

### 5.2.6 Township of Wellesley

The Township of Wellesley is one of seven lower-tier municipalities located in the northwest corner of the Region of Waterloo and is home to 11,500 residents (Township of Wellesley, 2022). Wellesley is home to several unique rural landmarks, picturesque villages and settlement areas, rural roads, and several farm operations boasting historical farming practices and technologies in the Anabaptist community covering most of the township, and the annual Wellesley Apple Butter and Cheese Festival (Township of Wellesley, 2022). In terms of an agricultural profile, Wellesley is home to 438 farming operations and 244 agri-food businesses (OMAFRA, 2022; Statistics Canada, 2022), with over 59,027 acres of land dedicated to farms (OMAFRA, 2018). Beef and cattle ranching farms are the Township's largest agricultural industry, with apples being the largest major fruit crop, sweet corn the largest major vegetable crop, and hay the largest major field crop (OMAFRA, 2022). Approximately 875 positions contribute to agricultural employment locally (OMAFRA, 2018).

The Township of Wellesley's Zoning By-law largely adopts the criteria for OFDUs as they are outlined in the Guidelines. The Township has a bustling Anabaptist community which actively engages in home industry activities on-farm secondary to the active farming operations; there are additional provisions in the Zoning By-law to cater to local demands for home industries as OFDUs. For example, the Wellesley Zoning By-law states:

#### "4.28 ON-FARM DIVERSIFIED USES

- a) Such use shall be conducted only by the owner of the farm property who resides on-site, and may include additional employees.
- b) A maximum of 2 separate and distinct On-Farm Diversified Uses can operate from one property.
- c) The farm where such use is secondary, clearly qualifies for the farm tax assessment rate;

d) All buildings, structures, landscaped areas, wells, berms, storage, parking, dedicated laneways, and loading areas associated with such use shall not exceed more than 2% of the property or to a maximum of 1 hectare, whichever is less.

e) Such use is permitted in multiple buildings or structures, where all buildings and structures associated with such use shall not exceed a floor area of 20% of the devoted lot area to a maximum of 1,200 m<sup>2</sup> (12,917 ft<sup>2</sup>). *If there are more than one on-farm diversified uses, the combined area of all the uses must be within the permitted building floor area.*

f) Notwithstanding any other provision of this By-law, any property zoned A1 that is larger than 4.0 ha and smaller than 14.1 ha shall be permitted a maximum gross floor area of 557 m<sup>2</sup> (6,000 ft<sup>2</sup>) for On-Farm Diversified Uses.

**g) All buildings associated with such use shall have a peaked roof with a minimum pitch (slope) of 4 in 12 (1 in 3), and shall not exceed a wall height of 7.3 metres**

h) All buildings associated with such use shall be constructed in a manner that facilitates its conversion back to agricultural uses should the use cease to exist, and that all uses must be compatible with, and shall not hinder, surrounding agricultural operations, and all uses involving agri-tourism and farm experiences must be directly related to the principle agricultural use of the farm. *The cumulative impact of multiple uses must not undermine the agricultural nature of the area.*

i) All buildings associated with such use shall be located within the cluster of existing buildings, and in no instances may be located closer than the required front yard setback for the zone in which it is located.

j) Any such use shall be restricted to the defined uses which have limited retail sales. Accessory sales of goods manufactured on the premises and related accessories to items manufactured on site shall be restricted to not more than fifteen percent (15%) of the floor area of the permitted building.

k) Permitted uses shall not include any activity that would constitute a Prohibited Use or Obnoxious Use as defined elsewhere in this By-law;

l) All buildings associated with such use shall have a minimum side yard of one-half (½) the building height, or 4.5 metres, whichever is greater.

m) Any such use shall be permitted, or allowed to change, until such time as a Certificate of Occupancy has been issued by the Township.

n) A certificate of occupancy for each on-farm diversified uses shall be required to be renewed every two (2) years.

o) For greater clarity, the following uses are typically not considered On-Farm Diversified Uses: i) equipment or automotive dealerships and/or automotive repair, hotels, landscape businesses, trucking yards; ii) uses with high water and sewage needs and/or that generate significant traffic, such as food processors, distribution centres, restaurants, banquet halls; iii) recurring events with permanent structures; iv) institutional uses (e.g., churches, schools, nursing homes, cemeteries); v) recreational facilities such as golf courses, soccer fields, ball diamonds or arenas.”

**- Township of Wellesley Zoning By-law (2020, p. 4-14, 4-15, emphasis added).**

This Zoning By-law case example offers several best practices for designing OFDU provisions in municipal policy. For example, several criteria include that the OFDU must be on an *active* farm, run and owned by the farm operator, to ensure that farmers benefit from policies aimed to promote opportunities for agricultural viability at the expense of farmland or compatibility with agricultural practices. Design guidelines for home industries state that the use must have a peaked roof (see emphasis) to ensure the buildings’ ‘look and feel’ are consistent with those farm buildings elsewhere in the community and ensure that the character in built design is not lost. Moreover, several sizes and scale provisions exist to limit land taken out of production, such as locating the use within the existing cluster of farm buildings and outlining various requirements for building area footprints. This is just one example of how building design can be incorporated into local planning policies to promote compatibility with surrounding land uses.

Moreover, the Zoning contains several measures to manage cumulative effects and compatibility to the agricultural operation and others in the surrounding area. The zoning provisions limit the numbers and types of OFDUs on-site to two OFDUs, as another way to manage the extent of businesses occurring on-site and the cumulative effects of multiple OFDUs on one parcel. Provisions are extended to the cumulative impact of OFDUs in the agricultural area, such that they must not hinder surrounding agricultural operations. Further, the construction of each building must be able to return to agricultural uses should the OFDU stop operations, ensuring agriculture is the primary uses in the long-term and that production nor land capability will be sacrificed for a short-term gain.

### 5.2.7 Township of North Dumfries

The Township of North Dumfries is another one of seven lower-tier municipalities located in the south end of Waterloo Region. The Township wraps around the urbanized City of Cambridge and is home to 10,500 residents across the rural countrysides of Ayr, Branchton, Roseville, Clyde, and Reidsville (Township of North Dumfries, 2022). According to the 2021 Census, North Dumfries contains 139 farming operations and 138 agri-food businesses (OMAFRA, 2022; Statistics Canada, 2022). These businesses span over 19,072 acres of total farm area (OMAFRA, 2018). Despite a downsized agricultural industry relative to neighbouring Wellesley Township, the North Dumfries' Zoning By-law policies for OFDUs offer valuable forward-thinking insights and best practices for other municipalities to adopt.

The Township of North Dumfries Official Plan refers to OFDUs as 'secondary uses,' and currently, all OFDUs (except roadside stands) are subject to a ZBA. These secondary uses apply to prime agricultural areas *and* farms in rural areas. Relative to other case examples, their development criteria for OFDUs within the Township OP is based on a tiered level, specifically how floor area maximums depend on the farm size:

"h) the maximum area of operation that may be permitted for a farm will be determined as follows:

- i) up to 100 square metres of area of operation for a farm between 10 hectares and 20 hectares;
- ii) up to 200 square metres of area of operation for a farm between 20 hectares and 40 hectares; and,
- iii) up to 300 square metres of area of operation for a farm greater than 40 hectares"

**- Township of North Dumfries Official Plan (2018, pp. 65-66).**

These provisions are in line with size and scale principles outlined in the Guidelines, and are scalable to the farm size, contrasting against Norfolk County's approach (Section 5.2.2).



The Township's Zoning By-law also references the need to evaluate the cumulative effects of an OFDU, albeit without any specific means as to how:

"5.1.4.1 Where a *secondary use* is proposed to be established within the *prime agricultural areas* or *rural areas* designations, the *development application* will comply with the following:

1. a) **it must be demonstrated that the proposed use will be small-in-scale and secondary to the farm operation, and that the cumulative effect of the proposed use does not undermine the agricultural nature of the area.** Determination of whether a proposal activity is secondary to the farm operation must include an evaluation of the relationship between the existing agricultural operation and the proposed *secondary use*. This will include the financial investment, the number of employees and the type of operation for both the agricultural operation and the proposed *secondary use* and any other factors as may be deemed appropriate;"

- **Township of North Dumfries Zoning By-law (2018, p. 65, emphasis added).**

Further the Zoning By-law specifics that an OFDU should be constructed in a manner that if it ceases to exist, the agricultural operation can continue, ensuring that farmers on active farm operations are the proponents who benefit from the intent of the policy:

"ii) for *secondary uses* located on a farm, requires any buildings, structures or facilities associated with the *secondary use*, except roadside produce stands, **to be integrated with the main farm buildings and be constructed in a manner that will allow for ease of conversion to an agricultural use should the secondary use cease to exist. ...**"

- **Township of North Dumfries Zoning By-law (2018, p. 66, emphasis added).**

The uniqueness of the North Dumfries' policies for OFDUs bring light to the ways municipalities may need to address additional and emerging issues stemming from an increase of OFDUs as noted in this research, specifically, the impact of cumulative effects in the agricultural area as well as the need to adopt "farm first" principles in policy to ensure farmers can benefit from OFDU policies and that agricultural uses remain the principal use of the property and within the broader agricultural area.

### **5.3 Effects of Policy on Individual Farmers**

As the PPS (2020b) identifies, OFDUs are one of three uses permitted in Ontario's prime agricultural areas. They are intended to support agriculture as the primary use in agricultural areas and balance farmland preservation and economic development objectives. As seen in this research, examples of OFDUs include (but are not limited to) value-added uses such as a winery/bakery, agri-tourism and recreational uses, home occupations, home industries such as vehicle repair shops, retail services like a farm market, and small cafés or restaurants. Albeit, under the Guidelines, almost any proposal may qualify as an OFDU, provided the use meets all five criteria - such unique examples also featured include musical theatres, circus schools, wake parks, and more.

In terms of the impacts of OFDU policy on individual farmers and agriculture, this research identified through surveys, interviews, and focus groups with farmers that demand is increasing for OFDUs in the agricultural community. They are a policy avenue farmers look to remain viable. Further, on-farm diversification opportunities are critical to farm economic viability and succession planning while supporting rural economic development.

While the Guidelines clarify the interpretation of PPS policies and provide examples of OFDU policies and procedures for municipalities, they are not policy. While the Guidelines explain how to interpret PPS policies, municipalities may develop their criteria for OFDUs as long as they achieve the same objectives as the Guidelines and do not conflict with provincial policy. Yet, municipalities must implement OFDU policies through Official Plans, Zoning By-laws, and other municipal planning procedures. These actions can result in inconsistencies in how municipalities interpret and implement the Guidelines, sometimes creating barriers to establishing legal OFDUs in prime agricultural areas and on rural lands.



For example, some participants expressed municipalities not permitting OFDUs in the rural area because their farms were not located in the prime agricultural area, as implied by the Guidelines' title, or that policies explicitly did not permit OFDUs beyond prime agricultural areas (e.g., NEP policy 1.4.3.2). To preserve farmland and locate OFDUs in more appropriate locations (e.g., servicing capacity), municipalities should recognize that agriculture is diverse, and OFDUs are a permitted use in both agricultural and rural areas. For farmers not in prime agricultural areas, OFDUs are a critical policy avenue to support long-term agricultural viability, where farmers may rely more on OFDUs to keep the farm (i.e., on lower-class soils).

This research also found that in some instances, municipalities were not permitting OFDUs on active farm operations and on parcels that were active in agricultural use, despite the first criterion for OFDUs in the Guidelines being "located on a farm" (2016a). This research encourages municipalities to adopt policies and provisions guiding the development of OFDUs on active farm operations and parcels that are active in agricultural use (not just properties zoned for agricultural uses). This policy option ensures farmers may benefit from the intent of OFDU policies in the PPS. Once again, this research underlines the need to emphasize to municipal counterparts that OFDUs must meet *all* five criteria for an OFDU to be permitted, according to the Guidelines, to ensure OFDUs balance opportunities for additional income generation while preserving farmland and compatibility with farm operations.

Some other obstacles include securing costly and time-consuming Official Plan or Zoning By-law Amendments and cost-prohibitive policies such as development charges, SPC, etc. On a select few occasions, the need to secure either an OPA or ZBA opened the opportunity for public scrutiny, opposition, and third-party appeals to the Ontario Land Tribunal. Such opposition (i.e., NIMBYism) and appeals further delay the necessary approvals for the OFDU and intensify costs - if the farmer successfully secured approvals. Municipalities can adopt OFDUs as-of-right within their municipal Official Plans and Zoning By-laws, with precise size and scale development criteria, to alleviate some of these policy impacts on individual farmers. Doing so may assist farmers in the planning approval and recognizing the appropriate size and scale for their operations.

This research identified a need also to design "farmer-friendly" municipal-level procedures to minimize the time and costs needed for farmers to apply for an OFDU. For instance, farmers spoke about planning for and submitting applications for OFDUs during the winter, when they are less busy on the farm. They hoped the municipality would accept the proposal before the active growing season, better for managing their

time and responsibilities on the farm, but timelines were much longer for the municipality. Farmers also spoke about the significant upfront costs for approvals (e.g., OPA, ZBA, or site plan requirements) and how these were too cost-prohibitive to disincentivize farmers from legally diversifying for viability reasons in the first place.

Few participants did share positive experiences, such as having as-of-right zoning to allow them to expedite their proposals, as well as a specific site plan process for OFDUs, whereby farmers are subjected to a different fee schedule and can submit their own drawings (rather than an engineered drawing).

Following farmers' experiences, this research suggests that municipalities scale back application fees, simplify requirements, and streamline the process for farmers looking to establish OFDUs, where appropriate and feasible (e.g., using SPC over amendments to Official Plans and Zoning By-laws). Ensuring a timely and affordable planning approval process is critical to enabling farmers to enhance their agricultural viability by diversifying their operations. For OFDUs, SPC should be appropriate to the agricultural area; the procedure and conditions must be designed with a rural and agricultural lens suited for the property (e.g., not paving over farmland to accommodate parking).

Farmers often perceive there is little to no guidance at the municipal level to establish their OFDU successfully. Examples include a lack of quality customer service, misinformation on requirements from varying departments (e.g., messaging between economic development and planning departments differed), missed opportunities for pre-consultation, and lists for complete application requirements. In addition, the complexity of the planning process for OFDUs makes it difficult for farm businesses to thoroughly investigate the proper steps for establishing an OFDU, as well as potential impacts on their operations, leading to conflict with municipal enforcement authorities and neighbours.

With farmers who have successfully secured approvals for OFDUs, there were some instances whereby they implied OFDUs had adversely impacted their farm operations and other neighbouring farm operations that were not diversifying. Most examples were attributed to the fact that OFDUs were public facing (e.g., weddings, agri-tourism, or retail operations) and a general lack of awareness from the public on what is a normal farm practice, leading to conflicts between OFDUs and other uses in the rural community. As a solution, OFDU farmers are encouraged to design their operations with their, and their neighbours', farm operations in mind. Further, farmers should communicate with the public regarding the point of OFDUs (e.g., 'secondary' to the principal agricultural use) and ways to be a "good farm visitor" (e.g., clarify expectations

regarding noise, light, and odour). There are opportunities for agricultural stakeholder groups (e.g., OFA, FFO) and municipalities to design toolkits to help farmers consider potential impacts on normal farm practices and ways to avoid, minimize, and mitigate adverse effects.

As demand for OFDUs increases and municipalities catch up with regulations, this study emphasizes the effort needed to ensure municipal policies support farmers' needs for additional revenue streams and ensure OFDUs do not sacrifice farmland, normal farm practices, or adversely impact rural communities. To maximize benefits and minimize costs for agriculture and individual farmers, municipalities must permit OFDUs to meet *all* five criteria according to the Guidelines to ensure OFDUs balance opportunities for additional income generation while preserving farmland and compatibility with farm operations. Municipalities are encouraged to heed the advice and insight provided by the agricultural community in this study in doing so.



## **6 Best Practices and Next Steps: Implementation and Recommendations**

Several findings of importance in this research inform the following best practices, next steps, and recommendations presented in this chapter. These recommendations are actions that government stakeholders, such as provincial and municipal staff, can adopt and implement to assist family farm entrepreneurs through the complex decision-making process of establishing OFDUs, both in terms of greenlighting policy and ensuring OFDUs benefit and balance agricultural priorities. Likewise, there are several actions farmers (interested in) diversifying can take to maximize benefits for their farm, neighbouring farm operations, municipality, as well as their OFDU.

These best practices, next steps, and recommendations will be presented by stakeholder group, including stakeholders at the provincial level, municipal level, and 'farm' level (i.e., amongst individual farmers as well as across the industry), respectively. Please note that while the outlined recommendations identify specific stakeholders to undertake the outlined action items, these recommendations are to be read in conjunction with one another, regardless of action or stakeholder identified.





## 6.1 Provincial-level Best Practices, Next Steps, and Recommendations

### Targeted Stakeholders:

- Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA)
- Ontario Provincial Planners Institute (OPPI)
- Ministry of Municipal Affairs and Housing (MMAH)
- Ministry of Northern Development, Mines, Natural Resources, and Forestry
- Niagara Escarpment Commission

### 6.1.1 Recognize and promote the value in the Guidelines as a useful tool.

They provide a good foundation to balance agricultural preservation and on-farm entrepreneurship to allow family farmers a second revenue stream to maintain the family farm. The Guidelines provide an excellent baseline for farmers and municipalities alike to interpret and implement provincial policy. They are also a useful educational tool for building consensus and awareness around what are permitted uses (particularly OFDUs) for municipalities and farmers.

### 6.1.2 Recognize the potential challenges (such as cumulative effects of farmland loss, compatibility of uses) the Guidelines have introduced into the realm of land use planning and identify strategies to proactively manage these challenges across the provincial landscape.

While the Guidelines have proposed and identified a useful ‘size and scale’ criteria for OFDUs to preserve agricultural lands, cumulative effects of OFDUs ‘limited in size and scale’ may have made provincial farmland loss less apparent in ways relative to other planning policies or decisions (e.g., Official Plan amendments or severances in the agricultural area). While the Guidelines have befitted policy interpretation and implementation by providing planners with tools to measure scale and compatibility, they have also hurt compatibility by opening the interpretation of OFDUs to extents not previously considered by introducing the idea that OFDUs can virtually be any use as long as criteria are met. These two primary challenges are where additional training

and policy guidance may be needed. For example, education and training on implementing the calculations for the 'limited in size and scale criteria' (2% of farmlands up to a maximum of 1 hectare) is a valuable strategy for minimizing and mitigating farmland loss and promoting capability with OFDUs at the municipal level.

### **6.1.3 Additional clarity and direction on certain topics as they pertain to the Guidelines would be of value to municipal stakeholders and farmers.**

Clarification includes topics on: confusion on the differences between definitions and the size and scale of agriculture-related and OFDUs; definition of a "farm" and other terms and how to treat these in Zoning By-laws relative to the Guidelines; applicability of the Guidelines to *all* agricultural areas and farmlands; maximum m<sup>2</sup> footage for places of assembly and; treatment of special events as OFDUs. Additional clarity around agriculture-related and OFDUs would be of value to municipal planning departments; specifically, clarifying confusion between the two uses, delineating size and scale criteria of each, and managing the cumulative effects of multiple agriculture-related uses and OFDUs at the individual farm level.

The term "farm" should be defined at the provincial level to ensure implementation of OFDUs in municipal policy are being applied to active farm operations and are working to serve their intended purpose (i.e., to make agriculture viable for farmers). A set of criteria could be used to determine whether farmers qualify.<sup>1</sup>

Clarity on the differences in definitions, such as OFDUs, versus home occupation, home industry, bed and breakfast, and tourism/accommodation, as well as their potential size and scale, is needed. As many of these defined uses are already permitted as-of-right in municipal Zoning By-laws, this added clarity would build cohesion on whether (or how) to approach these uses as OFDUs (e.g., are they separate from OFDUs, size and scale thresholds, etc.).

Additional emphasis and understanding that the Guidelines should be applied to *all* farmlands, including 'rural' lands, amongst municipalities is needed. This will provide

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<sup>1</sup> Examples include: having an farm business registration number, producing on a specific acreage of tillable lands, size of parcel, active membership in a provincial farm organization, ensuring the land is in active agricultural use at the time of the application, and is not speculative; meeting the PPS (2020b) definition of *agricultural uses*; minimum income earned is exclusively from production of food, fibre, or fuel, and; that if the farm ceases to be in active production, the OFDU would also cease to exist.



economic benefit for farmers and agricultural systems, as well as preserve farmland and protect compatibility of farm operations, beyond prime agricultural areas.

A recommended guideline for the maximum m<sup>2</sup> of event venues or places of assembly would be beneficial. A proposed threshold would assist to not impose extensive and expensive requirements such as building permits, septic and water permits, development charges, as well as tax changes, amongst farmers. Clarity on how special events should be treated as OFDUs by municipalities is needed. As previously identified, many special events as OFDUs require 'overregulation,' to minimize adverse effects as well as promote compatibility with the agricultural area. Researchers recommend special events should not be treated as OFDUs at the municipal level but should undergo 'regular' processes to obtain municipal planning approvals.

### **6.1.4 Greater provincial opportunities to mainstream the Guidelines at the municipal level would be beneficial (i.e., make municipalities aware of their existence and utility and weight the Guidelines more heavily within provincial policy).**

The Guidelines should be made more available to municipalities (i.e., planners, economic development staff) and the farming community (i.e., agricultural organizations) to ensure these stakeholders are aware of their existence, utility as a resource, as well as strategic directions for policy. Principles of permitted uses in the Guidelines should be made clearer to all relevant stakeholders, including municipal planners, economic development staff, farmers, and agricultural organizations to build consensus, understanding, and clarity around the Guidelines.

It could be considered whether the Guidelines could be given more weight in Provincial Policy, such as including provisions within the Provincial Policy Statement that the "Guidelines *should be considered* in decision-making for OFDUs," to promote their consideration and implementation at the local level. Rather than implementing provisions in Provincial Policy where planning decisions "*must conform to*" the Guidelines, this approach may encourage greater uptake or consideration of the Guidelines while also still allowing flexibility in planning decisions appropriate for the local context.

The Province should encourage municipalities to utilize the Guidelines as a primary resource in updating Official Plans to include permitted uses and size and scale criterion in Zoning By-laws, or to consider the Guidelines within planning decisions.

### **6.1.5 Training resources (e.g., an addendum to the Guidelines, workshops) on the following matters, made available to professional planners, would be of value for consistent policy interpretation and implementation:**

Training regarding how to implement the Guidelines in municipal Official Plans and Zoning By-laws is needed, with specific reference to as-of-right uses, size and scale criteria, as well as gross floor area (see principles).<sup>3</sup>

Training on how to achieve the size and scale of OFDUs effectively and efficiently (i.e., 2% of a farm to a maximum of 1 ha) is needed for both municipal planners and private planning consultants. Training should include best practices and examples drawing from both LPAT cases and diverse operations, such as those related/complementary and unrelated to agriculture (e.g., value-added uses versus event spaces). Specific understanding that parking and amenity space is to be included in the 2% size and scale.

Understanding that OFDUs are *secondary to the farm in terms of land use and operation* - not in terms of income generation. However, ways to encourage farmers to prioritize the agricultural operation over the OFDU would be beneficial to ensure farmers do not withdraw from agriculture over time and that the intent and principles of the Guidelines are maintained.

Training on ways to regulate or permit the OFDU as the secondary to the principal agricultural use on the property is needed and to promote compatibility with the farm operation is needed (e.g., clear definitions in zoning, number of events, hours of operation, seasonality, guest/parking/wastewater capacity).

Training on the interpretation and implementation of the Guidelines should be connected and utilized in tandem with existing training materials, such as MDS I, MDS II, Agricultural Impact Assessments, and others (as necessary). Education and direction provided to municipalities in how to relate and apply these additional resources and tools (e.g., MDS, AIAs) to OFDUs, particularly those which are new builds or change-of-use, would be useful to ensure coherence in the intersections of planning tools and compatibility with surrounding agricultural operations.

Training, best practices, and recommendations for enforcement options of OFDUs should be outlined to municipalities to ensure conformity of OFDUs with local laws, particularly for larger and potentially more incompatible uses, such as on-farm events, places of assembly, and agritourism operations.

Provincial counterparts may share the evaluation tool outlined in Appendix A as a potential training resource for municipalities. This tool may help municipalities ensure the proposals are consistent with all criteria for OFDUs under the PPS (2020b) and are aligned with the minimum standards and expertise outlined in the Guidelines.

### **6.1.6 Amend Niagara Escarpment Plan Policy 1.4.3.2 to omit the words “in prime agricultural areas.”**

Municipalities are utilizing the Guidelines for all agricultural lands regardless of their classification or designation (i.e., prime or non-prime lands). At the time of writing, NEP Policy 1.4.3.2, states “Subject to Part 2, Development Criteria, the following uses may be permitted: s.s. 2. *Agriculture-related uses and on-farm diversified uses, in prime agricultural areas.*” Upon interpretation this policy works in contravention of the Guidelines by suggesting that agriculture-related uses and OFDUs are not permitted in those lands within the Escarpment Protection Areas that are *not* within prime agricultural areas. Therefore, for the purpose of this paper, the Niagara Escarpment Plan is directing OFDUs to prime agricultural areas and not permitting them in lower class soils or areas, arguably more suitable for development from a resource-protection perspective. Moreover, the policy that a proponent must have their farm within the prime agricultural area excludes several income generating opportunities for farmers who farm on lands other than prime agricultural areas. The research encourages the NEC to review their policies on OFDUs and amend the wording of Policy 1.4.3.2 to omit the words “in prime agricultural areas.”

### **6.1.7 Design specifications for OFDUs should be included in the Guidelines, to ensure that the character of a farm is maintained.**

Municipalities interpret criteria for OFDU compatibility with the farm operation on-site, as well as farm operations in the broader agricultural area, in different ways. This includes site-specific design for OFDUs to ensure they are compatible with their surrounding land uses. Guidance from OMAFRA on general best practices, such as using impervious surfaces for parking that can be rehabilitated back into agricultural production, or the types and uses of buildings that may be converted back to agricultural use, will help municipalities build their competencies and expertise in the site plan process to ensure the OFDU keeps in character with the greater agricultural area and future potential agricultural uses.



### **6.1.8 Explore potential opportunities to lower fees or exempt OFDUs from paying development charges, at the provincial level, to support OFDUs.**

Farmers having to pay development charges is a costly barrier in diversifying operations, particularly when existing buildings are utilized. Farmers expressed often not being aware of development charges until building permits are issued, and expressed their costliness is a disincentive to securing necessary planning approvals. Opportunities to lower development charges for OFDUs, particularly those which are existing buildings requiring a change-of-use permit, should be explored.

While there is a municipal role in supporting the potential reduction of development charges for OFDUs, the Province may also assist by amending the *Development Charges Act, 1997*, to promote OFDUs as a development of interest.

### **6.1.9 Enhance working relationships between OMAFRA and municipal staff. A direct contact (e.g., OMAFRA and a contact at the municipal level) at the local level should be utilized to work with farmers establishing OFDUs.**

Municipal planners often shared that in many cases there is conflicting and different information being shared regarding policy interpretation for on-farm diversified uses, between both provincial and municipal staff, as well as between municipal planning and economic development staff. A direct contact at the local level should be utilized to work with farmers establishing on-farm diversification to help facilitate communication between involved staff and enhanced working relations and resources.

### **6.1.10 Additional research on impacts of OFDUs to (surrounding) agricultural operations and the cumulative effects of OFDUs in the agricultural area is recommended.**

These research topics were outside of the scope of this study as the researchers did not inquire about the impacts of OFDUs to neighbouring agricultural operations or the accumulation of OFDUs over time within the agricultural area. However, it was suggested throughout the study that adverse impacts of OFDUs on neighbouring properties, or farmers renting land from OFDU property owners, exists, potentially impacting normal farm practices. To identify and mitigate these potential impacts in future planning policy and decision-making, further research should be conducted.

Future research could look to explore rental agreements and dynamics between OFDU business owners renting productive land to other farmers, as well as OFDU property owners impacting neighbouring agricultural operations. Potential solutions or opportunities to mitigate these issues brought up (but not extensively) in this research include “good neighbour policies” created by OFDU operators. These “policies” outline sets of operating principles, communication tactics, as well as benefits and ‘perks’ (e.g., discounts, free passes to the agritourism operation, or more) to neighbouring properties, which then guide how the OFDU is run and aim to mitigate or alleviate concerns and impacts to surrounding properties or other farmers working in the area.

The planning community surveyed and interviewed within this study shared anecdotes over the apparent increase in OFDU applications over recent years and expressed concern over the foreseeable long-term impact these accumulated uses may have on rural communities, including farmland loss, agricultural compatibility, impacts to rural downtowns and settlement areas, as well as the changing character of agricultural areas.

### **6.1.11 Provincial economic support (e.g., funding and skills development programs) would be of benefit to farmers in diversifying operations.**

This includes sharing financial support or programs, such as cost-share fundings programs available under the [Canadian Agricultural Partnership](#), with farmers to support them in establishing the OFDU. Provincial programs supporting farmers’ business skills development could include activities related to business planning, succession planning, bringing businesses online, maintaining a social media presence, marketing, risk management, value-added processes, bookkeeping, and more.



## 6.2 Municipal-level Best Practices, Next Steps, and Recommendations

### Targeted Stakeholders:

- Upper-, Single-, Lower-tier Municipalities and Planning Boards
- Municipal Elected Officials and other decision-makers
- Municipal Planning, Economic Development, and Tourism Departments
- Other applicable municipal departments (e.g., finance, engineering, building)

### 6.2.1 Municipalities should work to carefully define a ‘farm’ within their local policies and require proof of a ‘farm’ when permitting OFDUs.

To maintain intent and principles in permitting OFDUs within the prime agricultural area, to uphold the intent of the Guidelines and implement provincial policy, municipalities should carefully define a ‘farm’ to ensure that the permissions for OFDUs are being applied to properties or landowners who qualify. Options include defining it based on FBR, minimum lot size, acreage of tillable lands, etc.

### 6.2.2 Municipalities would benefit from training on interpretation and implementation of the Guidelines.

Municipalities should recognize, value, and prioritize principles of OFDUs, learn to prioritize and implement size and scale criteria in planning policies and decisions, to ensure compatibility with farm operations, manage cumulative effects of OFDUs, and ensure agricultural viability within the agricultural area. Municipalities should utilize their networks to identify and share best practices, examples, and strategies for permitting and promoting OFDUs at a limited size and scale.

Bearing size, scale, and compatibility in mind, municipalities must recognize that OFDUs may virtually be of any use, whether they relate to the farm operation or agriculture or more broadly, and not limit the entrepreneurial spirit of possibilities for farmers. At the same time, municipalities should recognize that some uses are not compatible enough with the agricultural area and may not be suited for an OFDU





based on size and scale criteria and cumulative effects of OFDUs, but would better fit in the downtown, settlement area, or industrial park (i.e., wedding event venues or larger-scale industries).

Municipalities can refer to the evaluation tool identified in Appendix A as a training resource to help with the interpretation or implementation of the Guidelines. Using best practices, lessons learned, and findings identified in the research, this tool outlines the minimum standards outlined in the Guidelines and identifies various policy options, scenarios, and examples municipalities can examine to ensure that OFDUs proposed are consistent with all criteria under the PPS (2020b).

### **6.2.3 Municipalities should establish as-of-right policies (fit for their municipality) in their Official Plans and corresponding provisions in their Zoning By-laws for OFDUs (if provisions are at an appropriate size and scale).**

As-of-right policies and provisions will assist farmers by lessening the requirements for applications and will promote responsible on-farm diversification, provided policy provisions are at an appropriate size and scale. As-of-right policies appropriate for local municipal contexts will lessen the number of resources required on the part of the municipality in planning for OFDUs, in addition to farmers, as they may avoid barriers which may otherwise deter them from diversifying, such as high expenses or public scrutiny.

Municipalities could utilize the best practices, case study examples, and evaluation tool (Appendix A) drawn from this research to inform the development of these policies during their five-year Official Plan Review or an update to their Zoning By-law. Likewise, municipalities can also utilize the criteria outlined in the Guidelines identically or refine them to make them more relevant to their municipality.

### **6.2.4 Municipalities must consider 'size and scale' criteria in all planning policy and decisions to ensure OFDUs do not overshadow farm operations and enable normal farm practices to continue.**

Considering the nuances of local contexts, municipal planning decisions should conform with the Guidelines to ultimately support provincial policy and balance farmland preservation with economic development opportunities.

Controlling size and scale of on-farm diversified uses is the most effective way to ensure on-farm diversified uses remain secondary to the principal agricultural use of the property and to manage the cumulative effects of OFDUs in the agricultural area.

Municipalities must be wary about setting precedents which may contribute to farmland loss across the landscape and learn from previous examples where on-farm diversified uses may be too big and the OFDU has become the primary use of the property and is not limited in size and scale.

Municipalities should consider the impacts of individual OFDUs, as well as cumulative OFDUs in the area, on rural infrastructure. Prioritizing size and scale criteria is critical for managing adverse individual and cumulative impacts.

Considerations include defining size and scale on several different criteria, including: gross floor area, number of events, hours of operation, seasonality of operation, number of guests, parking spots, land area, wastewater capacity, etc. Municipalities can see the evaluation tool in Appendix A for examples of how they may work with their policies or individual proponents to regulate size and scale.

### **6.2.5 Clear definitions in Zoning By-laws are critical for ensuring clarity, ease of securing approval on part of the farmer, and ensuring size and scale as well as the intent and principles of the Guidelines are maintained.**

Examples include defining *farm, farmer, rural retreat, special event venues, cumulative effects, on-farm accommodation, agritourism, home industry, home occupation*, etc. and utilizing criteria for each to ensure size and scale of OFDUs are maintained appropriately.

### **6.2.6 Pre-application consultation meeting processes should be encouraged to assist farmers with the planning approval process and understand any applicable legal, financial, and regulatory requirements.**

Pre-application consultation meetings should occur with farmers *prior to* them securing a planning consultant (if necessary) to ensure there is a common understanding of the planning framework and potential application process before them.

All municipal departments, divisions, and agencies that may have requirements including but not limited to planning (approvals), building (permits), finance (development charges and taxes), health regulations (food premises permits), conservation authorities, and economic development staff (CIPs, business planning, and other offerings or opportunities) should be present.

Municipalities should encourage farmers to develop and identify a preliminary business plan or presentation prior to the pre-application consultation.

Pre-application consultations should outline the expectations and requirements of farmers in terms of timelines and fees and encourage them to think long-term in terms of requirements or vision for farmland use, succession planning, agricultural compatibility, and economic development and agricultural viability. Municipal planning staff can use the evaluation tool in Appendix A, ideally during the pre-consultation stage for an OFDU proposal, to make it easier for municipalities and proponents to understand how to meet all five criteria for OFDUs and put forward an approvable proposal.

Municipalities should encourage farmers early in the process to engage with their neighbours and be transparent about their business ideas and plans to identify and address potential concerns and find potential solutions *prior to* submitting their application.

Any additional resources which may be of value to farmers (i.e., toolkits, flowcharts, guides, or checklists) in working through the development application and understanding the policy could be shared with them during this time (See Recommendation 6.3.3).

### **6.2.7 Municipalities should utilize a simplified and scaled-back SPC process for OFDUs.**

Utilizing SPC will ensure the OFDU is at an appropriate size and scale secondary to the principal agricultural operation in terms of land area, in addition to mitigating adverse impacts to the farm operation or surrounding farm operations.

The SPC process for OFDUs should be simplified and not expensive. Municipalities can reduce fees for OFDUs' SPC through their local municipal fees and charges by-law, and

reduce requirements for site plan agreements and securities, engineered drawings, and studies, where possible.

Alternatively, municipalities may also waive the SPC requirement for farmers if the application is deemed to have little impact on the farm or surrounding area.

### **6.2.8 Potential opportunities to lower or exempt OFDUs from paying development charges, at the municipal level, could be of potential value in supporting OFDUs.**

Development charges are a costly barrier in diversifying operations, particularly when existing buildings are utilized. Farmers expressed often not being aware of development charges until building permits are issued and expressed their costliness as a disincentive to securing necessary planning approvals, particularly for buildings which require only a change-of-use.

Opportunities to lower or exempt applicants from paying development charges for OFDUs, particularly those which are existing buildings requiring a change-of-use permit, should be explored. Other options include lowering fees or exempting certain OFDUs from paying development charges altogether, or if not written into the by-law, paid by a council-approved grant from the tax levy.

While these are all possibilities, it is important to recognize that the following options to lower fees or exempt OFDUs from paying development charges may not be a viable option for some rural municipalities, depending on internal capacity and resources to do so.

### **6.2.9 Municipalities should encourage farmers to reuse existing buildings for OFDUs where possible.**

Policies to encourage the reuse of existing buildings will promote farmland and resource preservation. By retrofitting and adaptively reusing historical agricultural buildings it helps preserve character and cultural heritage of agricultural areas. Examples may include:

- Discounting existing buildings 50% within the maximum 2% size and scale criterion within the Zoning By-law as per the Guidelines.

- Maximum gross floor area provisions may be doubled for converting existing buildings compared to those allocated to new builds (e.g., 600m<sup>2</sup> for existing buildings versus 300 m<sup>2</sup> for new development).
- Utilizing CIPs and associated financial incentives to encourage the reuse of existing buildings for OFDUs.
- Exempting OFDUs utilizing existing space (i.e., change-of-use) from paying development charges within their development charges by-law.
- Policies to encourage the voluntary preservation of cultural heritage barns and promote them for adaptive reuse as OFDUs are encouraged. Such policies can occur within the Official Plan, Cultural Heritage Master Plan, municipal property designations under the *Ontario Heritage Act*, 1990, or utilizing flexibility under the Ontario Building Code Regulation to provide alternatives when it comes to enforcing the Ontario Building Code.

These policies encouraging voluntary preservation could be supported by connecting farmers to resources such as barn directories, directories for contractors/engineers/architects specializing in heritage barns, and barn restoration grants (i.e., designated heritage property grants, restoration loans, or CIP grants).

### **6.2.10 Municipalities should create design guidelines for on-farm diversified uses and implement these into policy, to ensure that the character of a farm is maintained.**

OFDU compatibility with the farm operation on-site and farm operations in the broader agricultural area vary based on municipality and between properties and proponents.

Similar to recommendation 6.1.7, each municipality could create site-specific design guidelines for OFDUs to ensure they proactively convey their expectations to interested OFDU proponents and promote consistency in designing and interpreting compatibility requirements for OFDUs. Examples include sharing municipally endorsed general best practices to developers and proponents, such as using impervious surfaces rather than paving for parking or building design guidelines to keep with the area's agricultural character.

**6.2.11 Municipalities should recognize the value in customer service, and work to build strong relationships and enhanced trust with the agricultural community, including utilizing agricultural advisory committees as an asset for engagement.**

Mentorship, trust, friendliness, communication, flexibility, and a sense of positivity or willingness to work with farmers to achieve their vision is key to building relationships with the agricultural community. If farmers sense that municipal staff are not willing to support them, their business ideas, or help them navigate the process (especially if the application is complex and expensive), farmers will either abandon their ideas or look to operate their on-farm diversified business in a non-conforming way. This represents a lost opportunity for both municipalities and farmers alike.

Municipal staff should provide resources to assist farmers in the development process to help them understand the implications and opportunities for OFDUs, as per Recommendation 6.2.6.

Agricultural advisory committees offer platforms for municipalities to coordinate and engage with the agricultural community. There are opportunities for municipal staff to work with agricultural advisory committees to communicate, educate, and build relationships with the agricultural community about the Guidelines and local OFDU policy to promote on-farm diversification and work with farmers in doing so.

**6.2.12 Municipal economic development staff and tourism departments should work with planning departments and be trained to assist farmers and entrepreneurs with all business aspects of on-farm diversification.**

Aspects to assist farmers with include business plans, understanding the development process, and the principles and intent of the Guidelines regarding OFDUs, as well as opportunities for agriculture-related uses, which may be of a more direct benefit to the local agricultural system.

Skills targeted could include business planning, succession planning, bringing businesses online, maintaining a social media presence, marketing, risk management, value-added processes or access to local facilities, bookkeeping, and more.





A good example of a toolkit of value to farmers is the County of Simcoe's [Growing Agritourism: A Toolkit for Planning and Developing Your Agritourism Business in Simcoe County](#). Municipalities can create their own simplified versions which cater to their own local contexts.

Toolkits should not overidealize or oversimplify the planning that goes into agritourism operations but should build manageable expectations in addition to promoting “farm first” principles.

**6.2.13 Municipal departments (i.e., economic development, tourism) should work with local farm organizations (e.g., Farm Fresh Ontario) to promote local on-farm businesses as “destinations.”**

This would provide opportunities for farmers to promote their businesses, foster connections with the municipality, as well as create partnerships amongst other OFDUs for added economic benefit to both farm operators and the local community.

Examples include Tourism Oxford's [Cheese Trail](#), a self-guided tour of farm-related visitor experiences all across Oxford County, or Wellington County's [Taste Real](#) partnership with local farms, a branding initiative to make Wellington a premier food tourism destination.

**6.2.14 Municipalities should be aware of emerging trends in on-farm diversification and prepare to regulate their uses thoughtfully.**

This includes those which are particularly temporal and non-permanent in nature and may not trigger a planning application. Examples include short-term accommodations ([airbnb.ca](#)), camping rentals ([hipcamp.com](#)), campfire rentals, pool rentals ([swimply.com](#)), food trucks, and more. In being aware of these trends, municipalities can identify policies and guidelines to regulate their use thoughtfully and safely, for the benefit of the municipalities, OFDU visitors, and farm operations.

**6.2.15 Municipalities should work to develop strategies to bring non-conforming OFDUs into conformity where possible with local Official Plans and Zoning By-laws, such as by building partnerships with farmers with non-conforming OFDUs, enhancing municipal**

### **enforcement measures, and implementing as-of-right provisions in policy.**

Such strategies should be facilitated with farmers to offer various avenues or options to bring non-legal uses to conformity, to ensure these uses are safe and legal, and to encourage other farmers to go through proper channels to secure planning approvals *before* attempting to run an illegitimate business, and to encourage others to bring their non-legal uses into conformity.

This can include building partnerships or agreements with farmers to bring uses into conformity, enhancing municipal regulatory enforcement for illegal uses which may have greater safety issues or liability concerns (e.g., places of assembly), and implementing as-of-right provisions in local Zoning By-laws to make non-conforming OFDUs 'legal' by virtue of their use.

Doing so will ensure a safe environment for farmers and municipalities alike, provide fair and transparent planning processes, as well as provide greater economic benefit to communities.



## 6.3 Farm-level Best Practices, Next Steps, and Recommendations

### Targeted Stakeholders:

- Farmers
- General Farm Organizations (Ontario Federation of Agriculture, Christian Farmers Federation of Ontario, and National Farmers Union - Ontario)
- Agri-Tourism Associations (e.g., Farm Fresh Ontario)
- Individual Consultants Representing Farmers as their Agents

### 6.3.1 Farm organizations can assist in responsible on-farm diversification by educating farmers on the Guidelines and providing tools and resources to support business planning.

Such organizations should provide user-friendly interpretations and training sessions on the Guidelines to farmers, outlining planning processes, principles of OFDUs, and their possibilities from a land-use perspective. This includes sharing financial support or programs, such as cost-share fundings programs available under the [Canadian Agricultural Partnership](#), with farmers to support them in establishing the OFDU.

Program activities supporting farmers' business skills development could include activities related to business planning, succession planning, bringing businesses online, maintaining a social media presence, marketing, risk management, value-added processes, bookkeeping, and more.

### 6.3.2 Toolkits available to farmers outlining step-by-step processes for farmers to think about before creating an OFDU, outlining planning policies, processes, potential fees, studies, costs and benefits, and impacts to consider, would be beneficial to make farmers aware of the requirements for an OFDU.

Tools on municipal planning approvals including NEP, Greenbelt Plan, ORMCP, and Regional/Municipal approvals; Guidelines, building permits, including septic and water (Ministry of Environment, Conservation, and Parks); development charges; tax



implications; heritage barns, conservation areas, etc. This may be a difficult tool to create as each farm in Ontario will be unique and have different requirements for on-farm diversification.

Part of this toolkit should include a “checklist” of things farmers should consider as part of their business plan, including (but not limited to) planning approvals. Farmers should do their research and inquire about resources available from their municipalities or provincial farm organizations to learn more about on-farm diversification. A good example of a toolkit of value to farmers is the County of Simcoe’s [Growing Agritourism: A Toolkit for Planning and Developing Your Agritourism Business in Simcoe County](#) (2021).

Simplified alternatives also include checklists or flow charts illustrating pathways to securing development approvals.

### **6.3.3 Farmers are encouraged to write detailed financial business plans before creating OFDUs.**

These plans should include all aspects of creating an on-farm diversified use including planning approvals, building permits, development charges and tax implications. Farmers should build in realistic time frames according to municipal timelines/resources and appropriate financials required for planning applications. Farmers must also recognize the nature of OFDUs are often seasonal, dynamic, and changing - investing in creating a long-term business plan may help to understand what sort of development is worth undertaking in the short term, especially due to size and scale limitations of OFDUs.

Farmers should look to municipalities, OMAFRA, and local agricultural organizations (e.g., Farm Fresh Ontario, OFA) to explore for supports available to them (i.e., funding, skills development). Farmers should also consider whether it is within their capacity to handle the application process alone, or if they should hire a consultant to assist them with the process (and the costs associated with it).

### **6.3.4 Farmers should meet with municipal staff and inquire with the municipality about a pre-submission consultation meeting to learn more about what applications and fees may be required for their OFDU, as well as projected**

**timelines, and account for how these timelines may impact their responsibilities on the farm.**

Farmers should meet with all appropriate departments and outline their business plan to identify necessary requirements, opportunities for support or flexibility, as well as challenges with their application. Farmers should know and learn about the estimated timelines, fees, and all potential requirements for their OFDU application, and recognize that approvals take a while to secure and vary by municipality.

The evaluation tool in Appendix A and its encompassing questions may also be used as an additional resource in the pre-consultation stage for farmers. In working through the tool with municipal planners, the questions raised assist both parties in ensuring they've discussed all potential requirements for the OFDU and that both parties understand the requirements needed for a complete application.

**6.3.5 Farmers are encouraged to maintain positive neighbourly relations to ensure most successful outcomes for both farm operations and on-farm diversified businesses and evaluate the potential impact to neighbouring properties (including agricultural operations).**

Farmers should engage with their neighbours *prior to* applying for their OFDU to allay potential concerns and alleviate any issues prior to their applications being open for public comment. Farmers should work to maintain good relations with their neighbours and keep lines of communication open to avoid conflict and complaints while running their diversified business.

**6.3.6 Farmers should evaluate the potential impacts of diversified uses on agricultural operations and identify strategies to mitigate these impacts in a way that puts the "farm first."**

Potential negative impacts from visitors on the farm that farmers should develop strategies to mitigate include trespassing, impacts to production, timing of insecticide/herbicide/manure applications or harvests, littering, biosecurity, conversations about the pricing of product, questions about how products are produced, or normal farm practices, parking, traffic, after-hours door knocking, etc.



Farmers should identify rules and etiquette they would like their clients to follow when visiting their farm and make these rules apparent to visitors at the farm-gate to educate visitors about appropriate etiquette when visiting OFDUs. These could be addressed as a “how to be a good farm visitor” campaign.

Farmers should consider guest capacity and impacts to the farm or neighbouring operations. They should identify strategies to manage guest capacity appropriately, such as online reservation systems which have proven to be successful for those looking to manage crowds during COVID-19. This is a potential practice that could remain in a post-COVID world.

The evaluation tool in Appendix A and its encompassing questions may also be used as an additional resource for farmers’ individual evaluations of potential impacts of OFDUs to their property. Specifically, the tool’s questions encourage farmers as proponents to thoughtfully plan their OFDU and ensure all aspects of compatibility with agriculture have been considered and prioritized.





## 7 Conclusion

In today's agricultural economy, many challenges face our family farmers in Ontario. Many farmers see that it is appropriate - if not necessary - to have an additional revenue stream on the farm to benefit the operation and the family. However, without checks and balances, these privileges for farmers may come at the expense of preserving farmland. The planning profession grapples with the need to protect farmland while facing an increasing need to provide farmers with opportunities to establish diversified businesses related and unrelated to agriculture in the agricultural area. At the same time, provincial policy introduces OFDUs as a policy avenue to balance these two goals. However, without due consideration for OFDUs, adverse effects stemming from size and scale, such as compatibility with surrounding agricultural operations and enabling normal farm practices, cumulative impacts on municipal infrastructure and farmland loss, and more, can occur.

The Guidelines (2016) outline criteria and suggestions for how municipalities should approach on-farm diversification within municipal policies; however, the best practices for designing, implementing, and permitting OFDUs thoughtfully for municipalities and farmers alike are needed. This research explored and assessed best practices for planners to achieve policy objectives for OFDUs and identified policy barriers that limit the establishment or expansion of OFDU activity.

Through surveys, interviews, and focus groups with farmers diversifying operations, municipal planners, and provincial ministry staff, this research found that supplementary guidance materials, training opportunities, and sharing of best practices would be valuable for municipalities, the province, and farmers. These actions ensure that on-farm diversification maintains compatibility with farm operations and balances long-term agricultural viability, farmland protection, and rural economic opportunity while maximizing benefits and minimizing costs for agriculture and the communities they are within.

More specifically, this research found that the Guidelines are a valuable and helpful tool but need to be more utilized by municipal counterparts. Further outreach, education, training and sharing of best practices between provincial and municipal partners related to OFDUs, would benefit municipalities in meeting OFDU policy objectives and matters of provincial interest, such as farmland protection and agricultural viability. Most municipalities had outdated Official Plans or Zoning By-laws that did not reflect current PPS (2020) or Guidelines (2016) criteria for OFDUs, as seen with outdated definitions such as "secondary uses" on farms in local policy, if any



existed at all. In this regard, many municipalities have work to do to bring existing policies and provisions up to date for OFDUs as permitted in the PPS (2020).

For municipalities with policies for OFDUs, some matters of OFDUs could benefit from additional communication and emphasis in training and guidance materials. An example includes the need for municipalities to adopt a "farm first" mindset when addressing compatibility issues and prioritizing the size and scale principles of OFDUs, clarifying any confusion between agriculture-related uses and OFDUs, amongst the greater planning profession. Further, the research also identified challenges from municipal, provincial, and agricultural stakeholders that are relatively silent in provincial policy and the Guidelines. These challenges include how to best permit event venues as OFDUs and address cumulative effects (e.g., traffic, carrying capacity, and incremental farmland loss) of OFDUs across the landscape. While the research did not explore these topics explicitly, this handful of issues may benefit from further investigation.

The research identified several existing municipal policies and strategies as best practices. Best practices included implementing as-of-right permitted uses and development criteria for OFDUs within local ZBLs to manage local expectations for an appropriate size, scale, and type of OFDU and; utilizing a simplified and scaled-back SPC process to address compatibility challenges. Municipalities are encouraged to simplify and scale back policy requirements, and exempt or limit fees for farmers, where appropriate and feasible, to help to alleviate some of the upfront time- and cost-prohibitive conditions for farmers applying to diversify operations. Moreover, design guidelines that protect agricultural character and compatibility could promote consistency in how an OFDU may "look and feel" like a farm. Agricultural stakeholders may work with municipalities and the province to engage in these processes and communicate the best practices identified and targeted to farmers in the research more broadly - such as encouraging farmers to maintain positive neighbourly relations before, during, and while operating their OFDU. Readers are encouraged to reflect upon and consider these tactics as they apply to their local context.

Lastly, as an outcome of this research, the evidence collected has informed the development of an evaluation tool to be an output of utility for readers. This tool intends to assist municipalities in assessing the relative advantages and disadvantages of different policy choices in supporting OFDUs to balance agricultural viability, economic development opportunities for farmers, farmland preservation, and compatibility with surrounding farm operations. This tool (Appendix A) may help municipalities ensure the proposals are consistent with all criteria for OFDUs under the

PPS (2020b), lead to a more consistent application of the Guidelines, and clarify expectations for municipalities and proponents on how to meet all five criteria for OFDUs to forward a defensible proposal.

In Ontario, many farmers diversify their land uses and revenue streams to make their agricultural operations viable. The PPS (2020b) and the Guidelines (2016a) introduced OFDUs permitted use in prime agricultural areas, allowing farmers to balance farmland preservation with a broadened and more flexible scope of development opportunities to generate additional revenue on the farm. Municipalities, agricultural stakeholders, provincial ministries, and agencies each play a critical role in integrating economic development objectives into their farmland protection policies and protecting and uplifting OFDUs as part of regional agri-food systems for generations to come. These pivotal policies in rural land use planning and the best practices in this research help the land use planning profession recognize that farmland protection is only as worthy as the operation is viable.



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## Appendix A

### 'Five Tests' of an OFDU: Pre-Consultation Compatibility Tool

#### Introduction

This evidence-based evaluation tool may assist municipalities in determining the relative merits and effects of different policy choices in ensuring OFDUs proposed to support and balance agricultural viability, economic opportunity for farmers, farmland preservation, and compatibility with surrounding agricultural operations. This tool intends to ensure that OFDUs proposed in municipalities are screened for their relative compatibility and potential on- and off-site impacts. This tool may help municipalities ensure the proposals are consistent with all criteria for OFDUs under the [Provincial Policy Statement 2020](#) (hereinafter 'PPS'). Best practices, lessons learned, and findings identified in the research inform this tool and the minimum standards and expertise outlined in OMAFRA's [Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas 2016](#) (hereinafter the 'Guidelines'). It is anticipated that the information and application of this tool will lead to a more consistent application of the Guidelines.

#### What are the 'Five Tests' of an OFDU?

Under the PPS, OFDUs mean: "uses that secondary to the principal *agricultural use* of the property, and are limited in area. *On-farm diversified uses* include, but are not limited to, home occupations, home industries, *agri-tourism* uses, and uses that produce value-added agricultural products" (p. 40).

According to the OMAFRA Guidelines (2016), proposals must meet all of the following five criteria (or 'tests') to qualify as an OFDU, per the PPS:

1. Located on a farm;
2. Secondary to the principle of agricultural use of the property;
3. Limited in area;



4. Includes, but is not limited to, home occupations, home industries, agri-tourism uses and uses that produce value-added agricultural products, and;
5. Shall be compatible with, and shall not hinder, surrounding agricultural operations.

For an OFDU to be compatible or comply with provincial policy, it must pass all five of these 'tests.'

### **How should a municipality use this tool?**

This tool is to be used by municipal planning staff, ideally during the pre-consultation stage for an OFDU proposal. Information to complete the evaluation is required from both the municipality and proponent (e.g., farmer or their agent).

Users of the tool may find it helpful to work through the five sections (or each policy 'test') sequentially. Each test has a series of questions for the planner and the proponent to answer together. For each question, identify the information source(s) from the respective column (i.e., municipal planning documents, proponent/agent, or other). Other potential information sources are also noted where they do not fall into these categories.

Much like the '[Four Tests of a Minor Variance](#),' municipal planners may apply a degree of professional judgement when responding to the questions asked and the criterion examined.

### **What are the objectives in using this tool?**

The objective of this tool is to make it easier for municipalities and proponents to understand how to meet all five criteria for OFDUs and put forward an approvable proposal.

Some questions are designed to encourage proponents to thoughtfully plan their OFDU to ensure all aspects of compatibility with agriculture have been considered and prioritized. Specifically, how will any proposal-specific adverse impacts on agriculture be avoided, minimized, or mitigated? Likewise, questions also encourage and assist



municipalities in reviewing their requirements for OFDUs, whether for processing an individual application or implementing municipal-wide policy or provisions (such as through Official Plans, Zoning By-laws, or Site Plan Control By-laws).

### **Who was this tool developed by?**

This tool was developed by the authors of this report, with support from OMAFRA staff. The collective contributions of this tool were informed by the research findings and the best practices outlined in the Guidelines. This tool is not officially endorsed by OMAFRA and is the intellectual property of Dr. Wayne Caldwell and the University of Guelph.

### **Am I free to use and adapt this tool?**

Municipalities can freely use and adapt the tool to their local context (please credit the original authors of this document when doing so).

Policy Criteria	Considerations	Guideline Reference	Information Source	Response
<b>1. Located on a farm</b>	What is the total size of the property on which the OFDU is proposed?	N/A	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	Acres (hectares) of property proposed for the OFDU:
	Is the property in active agricultural use as defined by the PPS? If so, what are the current agricultural uses on the property (please list them)? <sup>1</sup>	Sections 2.1.1, 2.1.2, 2.1.3	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	List of current agricultural on the property proposed for an OFDU:
	If there are existing agricultural buildings or structures on the property (e.g., greenhouses, livestock facilities, grain storage, implement sheds, etc.) what are they?	Section 2.1.1.2	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	List of existing building and structures:
	Is the property designated and zoned to permit agricultural uses?	N/A	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	Current Official Plan designation on the property: _____ Current zoning on the property: _____

<sup>1</sup> Specific uses may be noted on a site plan.





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	Is there a residence on the property that is proposed to be used, or partially used, for the OFDU?	Section 2.1.1.2	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul>
	Does the proponent have a Farm Business Registration (FBR) Number for their farm business that is run on the property or qualify for an Agricorp exemption? <sup>2</sup>	Section 2.3.1.1	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul>
	Has the property been enrolled in the Farm Property Class Tax Rate Program in the past 5 years? <sup>3</sup>	N/A	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul>
<b>2. Secondary to the principal agricultural use of the property</b>	What is the breakdown of existing uses on the property?	Sections 2.1, 2.2, 2.3, Appendices 2 and 3	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>List all existing uses on the property:</p> <ol style="list-style-type: none"> <li>1. Existing agricultural uses and the area they occupy (acres/ha):</li> <li>2. Existing agriculture-related uses and the area they occupy (acres/ha):</li> <li>3. Existing OFDUs and the area they occupy (acres/ha):</li> <li>4. Existing other uses (e.g., wetland, utility corridor) and the area they occupy (acres/ha):</li> </ol>

<sup>2-3</sup> Municipalities may wish to access [OMAFRA's AgMaps](#) to view the GIS layer with the past 6 years of Farm Property Class Tax Rate Program enrollment as an information resource.



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	<p>What OFDUs are proposed on the property and what land area would each OFDU occupy?</p>	<p>Sections 2.3.1.3, 2.3.2, Appendices 2 &amp; 3</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>List all proposed OFDU components and the area they would occupy.<sup>4</sup> Use area calculations from Section 2.3.1.3 of the Guidelines, including “Recommended Area Calculations for OFDU”:</p> <p>Laneway area<sup>5</sup>                  Parking area<sup>6</sup>                  Area of existing and proposed buildings and structures<sup>7</sup>                  Outdoor use area (e.g., landscaped area, playgrounds, storage, walkways, sitting areas, patio/picnic spaces, landscaped areas, fire pits)<sup>8</sup>                  Other                  Temporary uses (from line below)</p> <p>Total for proposed OFDU ____ acres (or ft<sup>2</sup>), ____% of property</p>
	<p>Will any of the proposed OFDUs be temporary in nature, either spatially or temporally? If so, please explain how.</p>	<p>Sections 2.3.1.2, 2.3.1.3</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>Describe temporary nature of uses and area for each component:</p>
	<p>If there are existing OFDUs on the property, will existing plus proposed OFDUs be cumulatively secondary to the</p>	<p>Sections 2.3.1.2, 2.3.1.3, 4.1.2</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> </ul>	<p>____ Combined area of existing and proposed OFDUs                  ____% of property for all existing and proposed OFDUs</p>

<sup>4</sup> The cumulative area of proposed OFDU(s) (i.e., laneway, parking, buildings or structures, amenity space, etc.) should not exceed 2% of the size of the property (to a maximum of 1 ha or less).

<sup>5</sup> Existing laneways shared between agricultural uses and OFDUs are not counted.

<sup>6</sup> Area of parking is to be counted at 100%. Consider number of spaces, accessibility considerations, and entrances and exits.

<sup>7</sup> Area of existing buildings and structures, built prior to April 30, 2014, occupied by OFDUs is discounted (e.g., 50%). Area of new buildings and structures is to be counted at 100%. Cumulatively, the gross floor area of the proposed building(s) should not exceed 20% of the total area used for the OFDU.

<sup>8</sup> The cumulative area of the proposed OFDU must include the area of new setbacks, outdoor storage, landscaped areas, berms, laneways, amenity spaces, etc. are counted at 100%.



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	principal agricultural use, based on spatial considerations?		<ul style="list-style-type: none"> <li>• Other:</li> </ul>	<p>Is combined area percentage less than or equal to 2% (to a maximum of 1 ha) of the property?</p> <ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul>
<b>3. Limited in area</b>	How will the scale of the OFDU be regulated over time? <sup>9</sup>	Sections 2.3.1.3, 2.5.2	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	
	How will the amount of farmland taken out of production be minimized? <sup>10</sup>	Sections 2.3.1.2, 3.1.3, 3.2.4	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	Describe measures to reduce farmland taken out of production:
<b>4. Includes, but is not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value-added agricultural</b>	Is the proposed use permitted in the Official Plan?	Sections 2.3.1.4, 4.1.1	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul> <p>Official Plan designation on the property: _____</p>
	Is the proposed use identified as permitted in the Zoning By-law?	Sections 2.3.1.4, 2.5.2, 4.1.1,	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul> <p>Zoning on the property: _____</p>

<sup>9</sup> Examples include explicit size limitations described in writing through a planning instrument, such as a site-specific zone, part lot zoning, temporary zoning, site plan agreement, etc.

<sup>10</sup> Examples include reusing existing buildings no longer used for agriculture, locating the use within the existing farm building cluster, maximizing impervious surfaces to support/be rehabilitated to agricultural uses, provide transportation to the site to reduce parking requirements, etc.



**BEST PRACTICES FOR ON-FARM DIVERSIFIED USES**

<p><b>products (other uses may meet this criterion)</b></p>	<p>Are specific provisions for “as-of-right” OFDUs in the Zoning By-law met (e.g., home occupations, home industries, agri-tourism uses, overnight guest accommodations, and uses that produce value-added agricultural products)?</p>	<p>Sections 2.3.1.4, 2.5.2</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul> <p>Please identify “as-of-right” provisions:</p>
<p><b>5. Shall be compatible with and shall not hinder surrounding agricultural operations</b></p>	<p>What are the proposed business hours/days of the operation?</p>	<p>Section 2.3.1.5</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>Business hours and days (please note seasonal differences):</p>
	<p>If the proposed OFDU anticipates visitation from the public, how many visitors/customers are expected to visit?</p>	<p>Section 2.3.1.5</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>Visitors/hour: ____ average, ____ peak                  Visitors/day: ____ average, ____ peak                  Visitors/week: ____ average, ____ peak</p>
	<p>If the proposed OFDU anticipates having employees, what is the maximum and minimum number?</p>	<p>Section 2.3.1.5</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>Employees/day: ____ max, ____ min</p>
	<p>If the proposed OFDU includes hosting events, what is the expected frequency?</p>	<p>Sections 2.3.1.2, 2.3.1.3, 2.3.1.5, 2.3.3, 4.3.11</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul> <p>Event frequency (please note seasonal differences):                  Events/week: ____ /month: ____ /year: ____</p>



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	<p>How much additional traffic is anticipated and how will it be accommodated (i.e., is new road access needed, will a traffic study be required)?</p>	<p>Sections 2.2.1.2, 2.3.1.5, 3.1.3</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>Peak traffic ____ Average traffic ____ Describe how traffic will be managed:</p>
	<p>Do all setbacks meet the existing Zoning By-law provisions (i.e., is the use at an appropriate scale)?</p>	<p>Sections 2.3.1.3, 2.5.2</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	
	<p>Does the proposal meet applicable by-laws, guidelines, standards, and permit requirements?<sup>11</sup></p> <ul style="list-style-type: none"> <li>• Accessibility for Ontarians with Disabilities (AODA) Standards</li> <li>• Air, Noise, Odour Emissions (Environmental Activity and Sector Registry)</li> <li>• Building Code Requirements/Building Permit</li> <li>• Burn Permit</li> <li>• Business License</li> <li>• Conservation Authority Regulations/Permits</li> <li>• Demolition Permit</li> <li>• Design Guidelines</li> </ul>			

<sup>11</sup> [BizPal](#) is an online service provided by federal, provincial/territorial, and municipal governments that provides simplified access to information about business permits, licences and other requirements needed to establish, operate and grow a business. Filter permits based on location, industry, and business activities and save the ones that apply to a situation. Confirm the need for any licenses or permits with the appropriate regulating agency.



	<ul style="list-style-type: none"> <li>• Fence By-Law</li> <li>• Fire Code</li> <li>• Food Handling Permit</li> <li>• Food Shop/Vendor License</li> <li>• Grading Permit</li> <li>• Heritage Permit</li> <li>• Kennel License</li> <li>• Lighting By-Law</li> <li>• Liquor License(s)</li> <li>• Minimum Distance Separation (MDS) Setbacks</li> <li>• Noise or Nuisance By-Law/Noise Exemption Permit</li> <li>• Ontario Food Premises Regulation</li> <li>• Property Standards By-Law</li> <li>• Public Health Inspection(s)</li> <li>• Septic System Permit</li> <li>• Signage By-law/Permit</li> <li>• Site Alteration By-Law/Permit</li> <li>• Source Water Protection</li> <li>• Special Event By-Law/Permit</li> <li>• Tents and Temporary Structures Permit</li> <li>• Tree By-Law</li> <li>• Other:</li> </ul>			
	<p>Is the use appropriate to available water and wastewater services? Is a Permit to Take Water (PTTW; i.e., 50,000L water/day) or an Environmental Compliance Approval (ECA) for</p>	<p>Sections 2.2.1.2 2.3.1.2, 2.3.1.5, 4.2.7</p>	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<p>Describe servicing and whether a PTTW is required:</p>





## BEST PRACTICES FOR ON-FARM DIVERSIFIED USES

wastewater (i.e.,10,000L water/day) required?			
Is the area under Site Plan Control? If so, is a Site Plan Application and Agreement required (e.g., access for pedestrians and vehicles, walkways, lighting, waste facilities, outdoor storage, loading facilities, landscaping, drainage, exterior design including character, scale, appearance, and design features of buildings for aesthetic purposes)?	Section 2.5.3	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> </ul> <p>Describe site plan control requirements and how they will be met:</p>
Is the design of the proposed OFDU appropriate for the rural character of the farm and surrounding area? <sup>12</sup>	Sections 1.4, 2.2.1.2	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	Describe measures to ensure the agricultural/rural character is maintained in the area:
How will potential impacts <sup>13</sup> associated with the proposed OFDU be avoided, minimized, and mitigated to meet by-laws, be compatible with and enable normal farm practices <sup>14</sup> on nearby agricultural operations?	Sections 2.1.1.4, 2.3.1.2, 2.3.1.5, 2.5.3, 3.1.3	<ul style="list-style-type: none"> <li>• Proponent</li> <li>• Municipal planning documents</li> <li>• Other:</li> </ul>	Describe potential adverse impacts to nearby agricultural operations and describe measures (e.g., buffering, berms, traffic control, building design) for how they will be avoided, minimized, and mitigated:
How will potential conflicts be avoided, minimized, and mitigated between	Section 4.2.8	<ul style="list-style-type: none"> <li>• Proponent</li> </ul>	Describe how potential conflicts with neighbours will be addressed:

<sup>12</sup> Examples include preserving or reusing materials from a historical barn/building/house on the property, ensuring signage is appropriate (e.g., setbacks, sightlines), avoiding intrusive design elements such as excessive lighting.

<sup>13</sup> Examples include noise, light, garbage/waste, traffic, water/servicing, biosecurity, drainage, site alteration, and rural character of the area.

<sup>14</sup> Normal farm practices include odour, noise, dust, flies, smoke, light, and vibration. Please see OMAFRA's [Normal Farm Practices Protection Board](#) and/or OFA's [Right to Farm](#) webpages learn more.



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	neighbours (i.e., farmers, non-farmers, or other OFDUs) and the proposed OFDU? <sup>15</sup>		<ul style="list-style-type: none"><li>• Municipal planning documents</li><li>• Other:</li></ul>	
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<sup>15</sup> Examples may include informal agreements/understanding between neighbours, communication and notifications, compromises, maintaining positive neighbour relations, providing perks to neighbours such as a free admission to the OFDU.

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## Appendix B

# University of Guelph Research Ethics Boards Certification of Ethical Acceptability of Research Involving Human Participants



## RESEARCH ETHICS BOARDS

*Certification of Ethical Acceptability of Research  
Involving Human Participants*

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**APPROVAL PERIOD:** April 9, 2021  
**EXPIRY DATE:** April 8, 2022  
**REB:** G  
**REB NUMBER:** 21-02-008  
**TYPE OF REVIEW:** Delegated  
**PRINCIPAL INVESTIGATOR:** Caldwell, Wayne (wcaldwel@uoguelph.ca)  
**DEPARTMENT:** School of Environmental Design & Rural Development  
**SPONSOR(S):** Ontario Agri-Food Innovation Alliance  
**TITLE OF PROJECT:** OMAFRA's Guidelines on Permitted Uses as a tool to achieve farmland protection, farm diversification and provide economic benefit: Assessing effectiveness and identifying best practices

The members of the University of Guelph Research Ethics Board have examined the protocol which describes the participation of the human participants in the above-named research project and considers the procedures, as described by the applicant, to conform to the University's ethical standards and the Tri-Council Policy Statement, 2<sup>nd</sup> Edition.

The REB requires that researchers:

- Adhere to the protocol as last reviewed and **approved** by the REB.
- Receive approval from the REB for any **modifications** before they can be implemented.
- Report any **change in the source of funding**.
- Report **unexpected events or incidental findings** to the REB as soon as possible with an indication of how these events affect, in the view of the Principal Investigator, the safety of the participants, and the continuation of the protocol.
- Are responsible for **ascertaining and complying with all applicable legal and regulatory requirements** with respect to consent and the protection of privacy of participants in the jurisdiction of the research project.

The Principal Investigator must:

- Ensure that the ethical guidelines and approvals of facilities or institutions involved in the research are obtained and filed with the REB prior to the initiation of any research protocols.
- Submit an **Annual Renewal** to the REB upon completion of the project. If the research is a multi-year project, a status report must be submitted annually prior to the expiry date. Failure to submit an annual status report will lead to your study being suspended and potentially terminated.

The approval for this protocol terminates on the **EXPIRY DATE**, or the term of your appointment or employment at the University of Guelph whichever comes first.

Signature:

Date: April 9, 2021

Stephen P. Lewis  
Chair, Research Ethics Board-General



## Appendix C

### Survey Instrument Sent to Municipal Planners, Planning Boards, and NEC

#### OMAFRA Guidelines on Permitted Uses: Assessing effectiveness and identifying best practices

##### Information Letter to Municipal Planners: Invitation to Participate in Survey

You are invited to participate in a research project that is being conducted by Dr. Wayne Caldwell and is sponsored by the Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA). This project explores whether the Province's permitted uses policies and guidance are helping to protect farmland and support a thriving agricultural industry and rural economy. The following text provides more information on the project, how the collected data will be used, and the benefits of participating.

##### Project Background

The OMAFRA *Guidelines on Permitted Uses in Prime Agricultural Areas* ("The Guidelines") provide guidance to support the implementation of the Provincial Policy Statement (2020) with regards to agricultural, agriculture-related, and on-farm diversified uses. This research will assess the effectiveness of these guidelines including measures of their performance in terms of farmland protection, assessing if the policy/guidelines have increased the numbers of new businesses, and benefits and costs for farmers and municipalities. The research will also identify/evaluate best practices for land use planners to achieve policy objectives for agriculture-related and on-farm diversified uses.

##### Your Participation

Participation in this research project is voluntary. However, your participation would be appreciated as we are hoping to survey all upper-tier and single-tier municipalities with prime agricultural areas in Ontario. If you are able to participate, we ask that you fill out the attached survey. The survey will take approximately 15-20 minutes to complete and is a combination of multiple-choice and written responses (full sentences or point form is appropriate).

The survey will ask questions related to understanding of the policy, stakeholders' experiences with the policy, the experience, diversity, and success of individual farmers working with this policy, development activity, and best practices for supporting on-farm diversified uses on agricultural lands.

In addition to this survey, we are looking to interview a select number of municipalities. If you are interested in participating in an interview, please provide your contact information at the end of the survey. In recognition of the evolving nature of workplace responses to COVID-19 and with



the intention of preserving the safety of our participants, interviews will be conducted remotely by phone.

Please note that by including your contact information at the end of the survey, your identifying information will be directly associated with your survey responses. These identifiers will be removed from the survey data and stored separately and used for coordinating an interview only. All municipalities in Ontario which have prime agricultural areas within their municipal boundaries and have engaged in development activity related to on-farm diversification will be included within the scope of this study. Municipalities with little to no prime agricultural lands within their municipal boundaries will be excluded from participating.

You will be able to participate in this survey until it closes on Friday, May 28, 2021, at 11:55 PM.

### **Confidentiality**

Identity and contact-related information (name, email, phone number) of participants will only be used by members of the research team for administrative data management purposes and will be kept for five years after the study has been completed (May 1st, 2026). Your name will not appear in any research or report resulting from this project. That being said, please only share information that you would be comfortable with becoming public as your identity may be inferred by your position and/or geographic information. With your permission, quotations may be used, with steps taken to remove direct and indirect identifiers hinting at your participation in the project. Please note that confidentiality cannot be guaranteed while data are in transit over the internet.

The anticipated risks to you as a participant in this project are very low but may include minimal psychological or privacy-related risks. You can stop the survey at any time simply by closing your browser or skipping a question if you do not wish to answer it.

For those who provide directly identifying information in the survey, such as contact information, you will be able to withdraw or alter your survey responses until June 30, 2021, prior to when a draft of the report will be complete. If you wish to revise or withdraw your participation, please contact one of the research team members. All other responses without directly identifying information will remain anonymous and cannot be removed once submitted.

You do not waive any legal rights by agreeing to participate in this study. This project has been reviewed by the Research Ethics Board for compliance with federal guidelines for research involving human participants. If you have questions regarding your rights and welfare as a research participant in this study (**REB#21-02-008**), please contact Manager, Research Ethics; University of Guelph; reb@uoguelph.ca; (519) 824-4120 (ext.56606).

We look forward to hearing from you and thank you in advance for your assistance. If you have any questions or need more information about the research project, please do not hesitate to contact one of the members of the research team at their emails listed below.



Sincerely,

Pamela Duesling, **PhD Candidate**

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Dr. Wayne Caldwell, **Principal Investigator**

School of Environmental Design and Rural Development, University of Guelph  
[wcaldwel@uoguelph.ca](mailto:wcaldwel@uoguelph.ca)

1. I have read the information letter provided by the University of Guelph research team regarding the project sponsored by the Ontario Ministry of Agriculture, Food, and Rural Affairs investigating on-farm diversification for farmland protection and economic development opportunities. I understand that by completing this survey I consent to participating in this study under all of the terms stated above. I am also aware that once I enter this survey, I am free to skip any questions I do not want to answer and can end my participation at any time by closing my browser.

- I consent to participating in this study and I wish to continue with the survey.
- I do not consent to participating in this study and I wish to end the survey.

2. Please indicate where you are employed:

- Upper-tier municipality
- Single-tier municipality
- Planning board
- Niagara Escarpment Commission?

Please select the name of municipality or planning board: \_\_\_\_\_

3. What is your professional position or title? \_\_\_\_\_

4. Approximately, what percentage of your rural area (lands outside of settlement areas) is designated as **prime agricultural area** in your Official Plan?

- 0%
- 25%
- 50%
- 75%
- 100%





5. The OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas* (2016) and the *Provincial Policy Statement* (2020) define **on-farm diversified uses** as "uses that are secondary to the principal agricultural use of the property and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agritourism uses, and uses that produce value-added agricultural products." **Based on your best estimation, approximately how many on-farm diversified uses are established in your municipality (or within your jurisdiction)?**

- Less than 10
- 10-25
- 25-50
- 50-100
- 100-250
- 250-500

5 a). If you have any comments with respect to Question #5 above, please feel free to list them here: \_\_\_\_\_

6. Reflecting on Question #5 above, **but eliminating the home occupations, home industries, bed and breakfasts, and as-of-right farm uses as per your municipal definitions**, how many on-farm diversified uses are established in your municipality or jurisdiction (based on your best estimation)?

6 a). If you have any comments with respect to Question #6 above, please feel free to list them here:

- Less than 10
- 10-25
- 25-50
- 50-100
- 100-250
- 250-500
- 500-1000
- 1000 or more

7. Does your municipality define any of the following in the official plan or zoning by-law? **Please select all that apply.**

- Home Occupation
- Home Industry
- Bed and Breakfast
- Agri-tourism
- These are defined at the lower-tier level.

8. In what sectors are the on-farm diversified uses? **Please select all that apply.**

- Value-added (e.g., processor, packager, winery/brewery/distillery, cheese factory, bakery, abattoir)



- Home Occupation (e.g., professional office, bookkeeper, hairdresser, massage therapist, daycare, vet clinic, kennel, classes or workshops)
- Home Industry (e.g., sawmill, welding, woodworking, manufacturing, equipment repair, seasonal storage)
- *Agri-tourism uses* and recreation uses (e.g., farm vacation suite, bed and breakfast, hay rides, petting zoo, playground, horse trail rides, corn maze, seasonal events, equine events, wine tasting, retreats, zip lines)
- Retail uses (e.g., farm markets, antique business, seed supplier, tack shop)
- Café/small restaurant, cooking classes, food store (e.g., cheese, ice cream)
- Other (please specify): \_\_\_\_\_

9. Based on your professional opinion, please rank how on-farm diversified uses, in general, contribute to the following. ***In order of importance, rank the following response options by dragging and dropping each box (1 being the most important, 11 being the least important).***

- Farmland/environmental protection
- Agricultural viability (i.e., allowing agriculture and farm operators to prosper)
- Local food production, consumption, and awareness or appreciation of agriculture
- Farm succession (i.e., allowing the farm to stay within families for generations)
- Entrepreneurship/job creation opportunities
- Diversification of the rural economy and tax base
- Tourism and recreation
- Creating and supporting local partnerships
- Supporting young families
- Welcoming, integrating, and/or retaining immigrants or newcomers within the community
- Other (please specify): \_\_\_\_\_

9 a). If you have any other comments with respect to the contributions of on-farm diversified uses to your municipality, please feel free to list them here: \_\_\_\_\_

10. How familiar are you with the OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas*?

- Not familiar at all
- Slightly familiar
- Moderately familiar
- Very familiar
- Extremely familiar

11. In your experience, how helpful are the Guidelines when you've had to use them?

- I've never used the Guidelines
- I've used the Guidelines, but I did not find them helpful.
- I seldom find the Guidelines to be helpful.
- I usually find the Guidelines to be helpful, but not always.
- I always find the Guidelines to be helpful.



11 a). Please explain your reasoning with respect to Question #11 above: \_\_\_\_\_

12. Does your municipality utilize the Guidelines when on-farm diversified uses are proposed?

- Yes, we use the Guidelines when on-farm diversified uses are proposed.
- No, we do not use the Guidelines when on-farm diversified uses are proposed.
- No, we do not need to use the Guidelines as we have prescriptive policies for on-farm diversified uses at the municipal level.

12 a). Please explain your reasoning with respect to Question #12 above: \_\_\_\_\_

13. Are the Guidelines shared with farmers in your municipality?

- Yes, we share the Guidelines with farmers.
- No, we do not share these Guidelines with farmers.
- No, we do not need to as we have prescriptive policies for on-farm diversified uses at the municipal level.

13 a). With respect to Question #13 above, please explain how the Guidelines are shared with farmers in your municipality or explain why they are not shared: \_\_\_\_\_

14. In your professional opinion, do you think home industries, home occupations, and bed and breakfasts should be included in the definition of *on-farm diversified uses* within the Guidelines?

- Yes
- No

14 a). Please explain your reasoning with respect to Question #14 above: \_\_\_\_\_

15. Does your municipality have **as-of-right** policies for on-farm wineries, breweries, or distilleries (within an official plan or zoning by-law)?

- Yes
- No

16. Which on-farm diversified uses, if any, are permitted **as-of-right** in the **prime agricultural area** in your municipality? \_\_\_\_\_

17. Based on your professional opinion, do you think the Guidelines for on-farm diversified uses should be used in all **rural areas**?

- Yes
- No

17 a). Please explain your reasoning with respect to Question #17 above: \_\_\_\_\_

18. The OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas* (2016) recommend a size and scale maximum of "2% of farmlands to a maximum of 1 hectare" for on-



farm diversified uses to protect farmland while enabling economic opportunities. **Based on your professional opinion, do you think this recommendation is an appropriate size for all on-farm diversified uses?**

- Yes
- No

18 a). Please explain your reasoning with respect to the Question #18 above: \_\_\_\_\_

19. The OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas* (2016) recommend that for the "limited in area" criteria calculations, the existing buildings used for on-farm diversified uses be discounted at an appropriate rate (e.g.,50%). This is intended to encourage re-use of existing buildings or structures no longer needed for agriculture. **Does your municipality have any policies to promote the reuse of existing buildings and structures?**

- Yes
- No

19 a). If possible, please provide more detail: \_\_\_\_\_

20. Has your municipality experienced challenges with compatibility arising from on-farm diversified uses (e.g., traffic concerns, visitors' respect for farm properties, trespassing, noise/light pollution, preserving heritage, etc.)?

- Yes
- No

20 a). Please select all the challenges with compatibility arising from on-farm diversified uses that your municipality has experienced:

- Challenges with light
- Challenges with noise
- Challenges with trespassing
- Challenges with traffic/parking
- Challenges with preserving character/heritage
- Other (please specify): \_\_\_\_\_

21. In your professional opinion, do you believe the Guidelines will help (or have helped) to manage compatibility issues with on-farm diversified uses?

- Yes
- No

21 a). If yes, please explain: \_\_\_\_\_

21 b). Please explain why you think the Guidelines do not help to manage compatibility issues and what could be done to do so: \_\_\_\_\_



22. How does your municipality utilize Site Plan Control for on-farm diversified uses?  
\_\_\_\_\_

22 a). Please select all options related to exterior design that your municipality utilizes, under Section 41 of the *Planning Act*, for site plan control of on-farm diversified uses. **Please select all that apply.**

- Character
- Scale
- Lighting
- Waste and recycling
- Buffering or fencing
- Landscaping or protection of lands (e.g., trees, shrubs, hedges, plantings, ground cover)
- Street Furniture
- Permeable paving surfaces
- Curbs or ramps
- Bicycle parking
- Accessibility
- Traffic access (e.g., access ramps, curbing, and traffic direction signs)
- Other (please elaborate): \_\_\_\_\_

23. Do you have any other thoughts on how to best allow diverse uses in the prime agricultural area while ensuring prime agricultural areas are protected and economic development is promoted? \_\_\_\_\_

24. As part of our research, we will be conducting a select number of interviews with municipal planners to learn more about policies permitting on-farm diversification in Ontario. Are you interested in being contacted for an interview?

- Yes
- No

24 a). Please provide your name and contact information (email and phone number, if available) below so a member of the research team may reach you to schedule an interview time. ***This information will remain confidential and will only be used for the purposes of scheduling an interview.***

- Name: \_\_\_\_\_
- Email: \_\_\_\_\_
- Phone Number: \_\_\_\_\_

25. I agree to the use of anonymized quotations in any thesis or publication that comes out of this research.

- Yes
- No



26. Please confirm you would like to submit your answers to the research team by selecting "yes" below. Otherwise, you can opt to not submit your answers by selecting "no" and or closing your browser at this point in time.

- Yes, I wish to submit my responses to the research team at this time.
- No, I have changed my mind and wish to withdraw my survey responses from this study.





## Appendix D

### Survey Instrument Sent to Farmers with On-Farm Diversified Uses

#### OMAFRA Guidelines on Permitted Uses: Assessing effectiveness and identifying best practices

##### Invitation to Farmers Undertaking On-Farm Diversification to Participate in Survey

You are invited to participate in a research project that is being conducted by Dr. Wayne Caldwell and is sponsored by the Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA). This project explores whether the province's permitted uses policies and guidelines are helping to protect farmland and support a thriving agricultural industry and rural economy. The following text provides more information on the project, how the collected data will be used, and the benefits of participating.

##### Project Background

Prime agricultural lands in Ontario are finite and require protection. In addition, a new generation of farmers continue to push the entrepreneurship envelope by introducing various agricultural diversified uses in prime agricultural areas. The Provincial Policy Statement (2020) and the Guidelines on Permitted Uses support this activity subject to criteria. Clarity of policy is critical to help ensure growth in the agricultural sector.

This research will help to ensure that the policy framework for agriculture-related and on-farm diversified uses is supportive of the joint goals of protecting farmland while promoting agricultural livelihoods. This research will assess the effectiveness of these guidelines including measures of their performance in terms of supporting farmland protection, assessing if the policy/guidelines have increased the numbers of new businesses, and benefits and costs for farmers and municipalities. The research will also identify best practices for land use planners to achieve policy objectives for agriculture-related and on-farm diversified uses, as well as identify policy barriers that limit the establishment or expansion of on-farm diversified activity.

##### Your Participation

Participation in this research project is voluntary. However, your participation would be appreciated as we are hoping to survey farmers with on-farm diversified uses in Ontario. If you are able to participate, we ask that you fill out the attached survey. The survey will take approximately 15-20 minutes to complete and is a combination of multiple-choice and written responses (full sentences or point form is appropriate). The survey will ask questions related to your reasons for diversifying uses on your property, your experiences in working with the municipality to do so, types of diversification activities, the success of individual farmers working with this policy, and best practices for the support of permitted uses on agricultural lands. This study will also ask a limited number of demographic-related questions (e.g., age, gender, and



municipality) to understand which demographics are undertaking on-farm diversification within the agricultural community.

In addition to this survey, we are looking to interview some farmers undertaking on-farm diversified uses on their property. If you are interested in participating in an interview, please provide your contact information at the end of the survey. In recognition of the evolving nature of workplace responses to COVID-19 and with the intention of preserving the safety of our participants, interviews would be conducted remotely by phone. Please note that by including your contact information at the end of the survey, your identifying information will be directly associated with your survey responses. These identifiers will be removed from the survey data and stored separately and used for coordinating an interview only. To participate in this survey, participants must be the principal farm operator and/or property owner, that is, the individual who is responsible for making decisions related to the farm and its land uses, and must have, have had, or plan to have, an on-farm diversified use on their property. If you meet these criteria, you may identify someone else (i.e., a business partner, spouse, or family member) to participate in the survey on your behalf. Farmers who currently do not engage in on-farm diversification in Ontario or meet the previously outlined criteria will be excluded from participating in this study.

You will be able to participate in this survey until it closes on Friday, May 28, 2021, at 11:55 PM.

### **Confidentiality**

Identity and contact-related information (name, email, phone number) of participants will only be used by members of the research team for administrative data management purposes and will be kept for five years after the study has been completed (May 1st, 2026). Your name will not appear in any research or report resulting from this project. That being said, please only share information that you would be comfortable with becoming public as your identity may be inferred by your business type and/or geographic information. With your permission, quotations may be used, with steps taken to remove direct and indirect identifiers hinting at your participation in the project. Please note that confidentiality cannot be guaranteed while data are in transit over the internet.

The anticipated risks to you as a participant in this project are very low but may include minimal psychological or privacy-related risks. Keep in mind that you can stop the survey at any time or skip a question if you do not wish to answer it. For those who provide directly identifying information in the survey, such as contact information, you are able to withdraw or alter your survey responses until June 30, 2021 prior to when a draft of the report will be complete. If you wish to revise or withdraw your participation, please contact one of the research team members. All other responses will remain anonymous and cannot be removed once submitted.

You do not waive any legal rights by agreeing to take part in this study. This project has been reviewed by the Research Ethics Board for compliance with federal guidelines for research involving human participants. If you have questions regarding your rights and welfare as a research participant in this study (**REB#21-02-008**), please contact Manager, Research Ethics;



University of Guelph; reb@uoguelph.ca; (519) 824-4120 (ext. 56606).

We look forward to hearing from you and thank you in advance for your assistance. If you have any questions or need more information about the research project, please do not hesitate to contact one of the members of the research team at their emails listed below.

Sincerely,

Pamela Duesling, **PhD Candidate**

School of Environmental Design and Rural Development, University of Guelph  
[dueslin@uoguelph.ca](mailto:dueslin@uoguelph.ca)

Emily Sousa, **Graduate Research Assistant**

School of Environmental Design and Rural Development, University of Guelph  
[esousa@uoguelph.ca](mailto:esousa@uoguelph.ca)

Dr. Wayne Caldwell, **Principal Investigator**

School of Environmental Design and Rural Development, University of Guelph  
[wcaldwel@uoguelph.ca](mailto:wcaldwel@uoguelph.ca)

1. I have read the information letter provided by the University of Guelph research team regarding the project sponsored by the Ontario Ministry of Agriculture, Food, and Rural Affairs investigating on-farm diversification for farmland protection and economic development opportunities. I understand that by completing this survey I consent to participating in this study under all of the terms stated above. I am also aware that once I enter this survey, I am free to skip any questions I do not want to answer and can end my participation at any time by closing my browser.

- I consent to participating in this study and I wish to continue with the survey.
- I do not consent to participating in this study and I wish to end the survey.

2. This survey is to be completed by the primary farm owner/operator or designate who has been asked to complete the survey on their behalf (e.g., staff, partner, family member, etc.). This survey intends to collect information related to the farm, production, and on-farm diversified business, from the perspective of the farm owner/operator. **By completing this survey, you identify to be the primary farm owner/operator or designate. Please select from one of the response options below.**

- Yes, I am the primary farm owner/operator or their identified designate.
- No, I am not the primary farm owner/operator or their identified designate.

3. The OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas* (2016) and the *Provincial Policy Statement* (2020) define **on-farm diversified uses** as "uses that are secondary to the principal agricultural use of the property and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value added agricultural products." **In reading the above, please**



**select a response option that currently best describes your situation.**

- I currently have an on-farm diversified use on my property.
- I am currently in the process of establishing an on-farm diversified use on my property.
- I used to have an on-farm diversified use on my property, but no longer do.
- I do not have an on-farm diversified use on my property, but wish to have one.
- I do not currently have an on-farm diversified use on my property, nor do I wish to have one.

4. Which municipality are you from? ***Please select from the drop-down list.***

- County, Region, City, or District: \_\_\_\_\_
- City, Town, or Township (if applicable): \_\_\_\_\_

5. How old are you? ***Please select your age group category.***

- Under 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74
- 75-84
- 85 or older

6. What is your gender?

- Man
- Woman
- Other: \_\_\_\_\_
- I'd prefer not to answer.

7. What is the total size of your entire farming operation (in acres)?

- Under 10 acres
- 10 - 69 acres
- 70 - 129 acres
- 130 - 179 acres
- 180 - 239 acres
- 240 - 399 acres
- 400 - 559 acres
- More than 560 acres

8. What size is the parcel where your on-farm diversified use is located (in acres)?

- Under 10 acres
- 10 - 69 acres
- 70 - 129 acres
- 130 - 179 acres



- 180 - 239 acres
- 240 - 399 acres
- 400 - 559 acres
- More than 560 acres

9. What is the primary use of your farm?

- Cash crops (e.g., corn, wheat, soy)
- Livestock or poultry (e.g., cattle, hogs, chicken, turkey, dairy)
- Specialty crop (e.g., tender fruit orchards, vineyards, market gardens)
- Other (please specify): \_\_\_\_\_

10. How long have you personally operated your current farming operation for (in years)?

- Less than a year
- 1 - 5 years
- 6 - 10 years
- 11 - 20 years
- 21 - 30 years
- 31 - 40 years
- 41 - 50 years
- 51 - 60 years
- More than 60 years

11. Do you consider your farm to be a 'family farm'?

- Yes
- No

11 a). Please select all the reasons why you consider your farm to be a 'family farm'. **Please select all that apply.**

- My farm has been handed down (or purchased from) the family throughout the generations.
- My family lives and primarily works on the farm.
- My family lives on the farm but rents the land.
- My family lives and works on the farm, but our main source of income is from working off-farm.
- My family does not live on the farm but works on the farm.
- My family does not live or work on the farm, but manages and makes decisions about the farm.
- Other: \_\_\_\_\_

11 b). Please explain why you do not consider your farm to be a 'family farm': \_\_\_\_\_

12. Is your on-farm diversified use located, in whole or in part, in a **prime agricultural area**?

- Yes
- No



- I do not know.

13. Do you work off the farm?

- No, I only work on the farm.
- Yes, I work both on the farm and off the farm.
- I have retired from working off the farm.
- I only work off the farm.

13 a). Where else do you (or if you are retired, did you) work?

- Professional
- Hospitality
- Industrial
- Trades
- Manufacturing
- Commercial/retail
- Farm/primary production elsewhere
- Other (please specify): \_\_\_\_\_

Please answer the following questions based on your experience with on-farm diversified uses to date, specifically:

- If you **currently** have an on-farm diversified use on your property.
- If you are **currently in the process of planning to have** an on-farm diversified use on your property.
- If you **formerly had** an on-farm diversified use on your property but no longer do, please answer the following questions based on your past experience.

14. Please select a response option which best describes your situation, whether you used to, currently have, or are planning to have an on-farm diversified use:

- I manage and make decisions about my on-farm diversified use.
- Someone else on the farm (i.e., a spouse, family member, or partner) manages and makes the decisions about the on-farm diversified use.
- I share the responsibility with someone else on the farm (e.g., a spouse, family member, or partner) to manage and make decisions about the on-farm diversified use.
- I hire outside help to manage my on-farm diversified use.
- Other (please explain): \_\_\_\_\_

15. When was the on-farm diversified use established?

- It is not established yet.
- Less than a year ago
- 1 - 5 years ago
- 6 - 10 years ago
- 11 - 15 years ago





- 16 - 20 years ago
- More than 20 years ago

16. What type of on-farm diversified uses do you have on your farm? **Please select all that apply.**

- Value-added (e.g., processor, packager, winery/brewery/distillery, cheese factory, bakery, abattoir)
- Home Occupation (e.g., professional offices, bookkeeper, hairdresser, massage therapist, daycare, vet clinic, kennel, classes or workshops)
- Home Industry (e.g., sawmill, welding, woodworking, manufacturing, equipment repair, seasonal storage)
- Agri-tourism uses* and recreation uses (e.g., farm vacation suite, bed and breakfast, hay rides, petting zoo, playground, horse trail rides, corn maze, seasonal events, equine events, wine tasting, retreats, zip lines)
- Retail uses (e.g., farm markets, antique business, seed supplier, tack shop)
- Café/small restaurant, cooking classes, food store (e.g., cheese, ice cream)
- Other (please specify): \_\_\_\_\_

16 a). In 1-2 sentences, please describe your on-farm diversified use: \_\_\_\_\_

17. Why did you establish the on-farm diversified use? Please select up to three reasons.

- I needed additional income.
- I am an entrepreneur and there was an opportunity to start a new business.
- On-farm diversified uses provided an opportunity for succession planning.
- The business related to the farm's production.
- I wanted to make the family farm my own.
- As a farmer, I had time to begin a new business when not farming.
- I wanted to create employment opportunities for my children.
- I retired and pursued this opportunity for fun.
- I wanted to find a way to keep the farm in the family and community for future generations.
- I did it to benefit the community (i.e., altruistic reasons, such as providing opportunities for the community to gather).
- To provide educational opportunities for others (e.g., to teach about food, the environment, farming, etc.).
- I wanted to use the on-farm diversified use to help protect the environment.
- Other (please specify): \_\_\_\_\_

18. What is the approximate annual gross revenue of the on-farm diversified use?

- It is not established yet.
- Under \$10,000
- \$10,000 - \$24,999
- \$25,000 - \$49,999
- \$50,000 - \$99,999



- \$100,000 - \$249,999
- \$250,000 - \$499,999
- \$500,000 - \$999,999
- \$1,000,000 - \$1,999,999
- \$2,000,000 and over.
- I'd prefer not to answer.

19. What is the approximate annual gross revenue of the farm (excluding revenue from the on-farm diversified use)?

- Under \$10,000
- \$10,000 - \$24,999
- \$25,000 - \$49,999
- \$50,000 - \$99,999
- \$100,000 - \$249,999
- \$250,000 - \$499,999
- \$500,000 - \$999,999
- \$1,000,000 - \$1,999,999
- \$2,000,000 and over.
- I'd prefer not to answer.

20. How much land do you use (or will use) for your on-farm diversified use (excluding land used for production and growing crops)?

- My on-farm diversified use is (or will be) located in either my house, out-building, or barn and I use no additional space other than for minimal parking.
- I (will) use less than a hectare of land.
- I (will) use a maximum of 1 hectare of land.
- I (will) use between 1 to 5 hectares of land.
- I (will) use more than 5 hectares of land.

21. How many jobs were created both within your family unit and outside your family unit because of your on-farm diversified use? **Please fill out the form by typing in a number in the spaces below (if no jobs have been created, simply state this with a '0').**

- Number of jobs created within your family unit: \_\_\_\_\_
- Number of jobs created outside your family unit: \_\_\_\_\_

22. Based on your opinion, please rank how on-farm diversified uses, in general, contribute to the following. **In order of importance, rank the following choices by dragging and dropping each response option (1 being the most important, 11 being the least important).**

- Farmland/environmental protection
- Agricultural viability (i.e., allowing agriculture and farm operators to prosper)
- Local food production, consumption, and awareness/appreciation of agriculture
- Farm succession (i.e., allowing my farm to stay in the family for generations)
- Entrepreneurship/job creation opportunities
- Diversification of the rural economy and tax base



- Tourism and recreation
- Creating and supporting local partnerships
- Supporting young families
- Welcoming, integrating, and/or retaining immigrants or newcomers within the community
- Other (please specify): \_\_\_\_\_

22 a). If you have any comments with respect to the contributions of on-farm diversified uses to your municipality, please feel free to list them here: \_\_\_\_\_

23. Where do the **majority** of your customers or clients come from?

- Local (1 - 50 km radius)
- From a distance (50 km+ radius) in the Province
  
- Out of Province
- Abroad or international
- I am unsure as I have yet to establish my on-farm diversified use.

24. Are your customers or clients primarily from rural or urban areas?

- Urban (e.g., towns and cities)
- Rural (e.g., rural, remote, or small-towns)
- It is an even mix of both.
- I am unsure as I have yet to establish my on-farm diversified use.

25. Have you experienced any conflicts with your **neighbours** about your on-farm diversified use (such as complaints about traffic, light, or sound)?

- Yes
- No

25 a). If you'd like to comment or provide more detail about the conflicts you've experienced with your neighbours about your on-farm diversified use, please feel free to do so here:

\_\_\_\_\_

26. Did you require any planning approvals for your on-farm diversified use (e.g., official plan amendment, zoning amendment, site plan control)?

- Yes
- No, no applications were needed as the use was already permitted.
- I did not seek any approvals.
- I am unsure as to what this question is asking.

26 a). On a scale of 1 to 5, (1 being terrible, 5 being excellent), how was your experience with the process to receive planning approval?

- 1 - Terrible
- 2 - Poor



- 3 - Fair
- 4 - Good
- 5 - Excellent

26 b). Please explain what was either good or bad about your experience in getting planning approvals for your on-farm diversified use: \_\_\_\_\_

27. Do you plan to expand your on-farm diversified use in the future?

27 a). If you'd like to provide additional comments with respect to Question #27 above, please feel free to list them here: \_\_\_\_\_

28. What challenges did you experience when trying to establish the on-farm diversified use or when contemplating an expansion of the on-farm diversified use? **Please select all that apply.**

- Financial capital to start a business
- Planning approvals – zoning
- Planning approvals – site plan controls
- Public health regulations
- Fire codes
- Servicing requirements (e.g., water and wastewater services)
- Liability and/or insurance
- Licensing (e.g., liquor sales)
- Building approvals
- Neighbours' concerns or public scrutiny
- Natural environment constraints (e.g. floodplain or conservation authority regulations)
- Other (please specify): \_\_\_\_\_
- None

28 a). If you'd like to comment or provide more detail on the challenges you experienced when trying to establish the on-farm diversified use or when contemplating an expansion of the on-farm diversified use, please feel free to do so here: \_\_\_\_\_

29. How familiar are you with the OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas*?

- Not familiar at all
- Slightly familiar
- Moderately familiar
- Very familiar
- Extremely familiar

30. In your experience with establishing your on-farm diversified use, have you used or referred to OMAFRA *Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas*?

- I've never used the Guidelines.
- I've used the Guidelines, but I did not find them helpful.



- I've used the Guidelines and found them helpful.
- I did not have to use the Guidelines as my municipality already permits my on-farm diversified use as-of-right within their local Official Plan and Zoning By-law.

31. Please share any other thoughts, comments, or experiences you may have with respect to on-farm diversified uses on your property or within your municipality: \_\_\_\_\_

32. As part of our research, we will be conducting interviews with farmers to learn more about on-farm diversification. Are you interested in being contacted for an interview?

- Yes
- No

32 a). Please provide your name, contact information (email and phone number, if available) below so a member of the research team may reach you to schedule an interview time. ***This information will remain confidential and will only be used for the purposes of scheduling an interview.***

- Name: \_\_\_\_\_
- Email (if available): \_\_\_\_\_
- Phone Number (if available): \_\_\_\_\_
- Website for your farm or business (if available): \_\_\_\_\_

33. I agree to the use of anonymized quotations in any thesis or publication that comes out of this research.

- Yes
- No

34. Please confirm you would like to submit your answers to the research team. Otherwise, you can opt to not submit your answers by closing your browser at this point in time.

- Yes, I wish to submit my responses to the research team at this time.
- No, I have changed my mind and wish to withdraw my responses from the survey.



## Appendix E

### Email Regarding Survey Sent Via Farm Organizations to Respective Members

#### 2021 Ontario On-Farm Diversification Survey (Long Version)

The University of Guelph is conducting a survey to gather information about on-farm diversification in Ontario. Ontario is home to a variety of on-farm diversification including roadside fruit and vegetable stands; sugar bush educational experiences, various wineries, breweries, and distilleries; small scale restaurants; wedding venues; concert venues; eco-adventure facilities including zip lines and tree-top canopy adventures, children's adventure farms and seasonal venues; dirt bike courses; overnight accommodations and much more.

To participate in this survey, participants must be the principal farm operator and/or property owner, that is, the individual who is responsible for making decisions related to the farm and its land uses, and must have, have had, or plan to have, an on-farm diversified use on their property. If you meet these criteria, you may identify someone else (i.e., a business partner, spouse, or family member) to participate in the survey on your behalf. Farmers who currently do not engage in on-farm diversification in Ontario or meet the previously outlined criteria will be excluded from participating in this study.

It is intended that outcomes of this project will contribute to the creation of best practices, policy creation and assist in preserving long-term sustainability of agriculture while balancing opportunities for family farm entrepreneurs in Ontario.

The [INSERT FARM ORGANIZATION NAME HERE] is helping to facilitate the survey and invites members to provide their input and feedback.

The results of this study, including a final report and recommendations to OMAFRA will be made publicly available on Dr. Wayne Caldwell's website through the University of Guelph ([www.waynecaldwell.ca](http://www.waynecaldwell.ca)).

The survey should take 20 minutes to complete and can be accessed by clicking the link provided below. If you wish to participate, please submit your response before May 28<sup>th</sup>, 2021. Importantly, clicking the link will not obligate you to take the survey. Once on the survey page you will be given detailed information about the survey, and you can decide whether or not you want to participate in full or in part.





If you have any questions or concerns please contact Dr. Wayne Caldwell, a Professor at the University of Guelph. His email is [wcaldwel@uoguelph.ca](mailto:wcaldwel@uoguelph.ca). This project has been reviewed by the Research Ethics Board for compliance with federal guidelines for research involving human participants (REB# 21-02-008).



Please [click on this link](#) or scan the QR Code with a smartphone device to complete the survey. Please note that while the survey may be available for mobile users, we recommend using either a desktop computer, laptop, or tablet to complete the survey.

### **2021 Ontario On-Farm Diversification Survey (Short Version)**

The University of Guelph is conducting a survey to gather information about on-farm diversification in Ontario. Ontario is home to a variety of on-farm diversification including roadside fruit and vegetable stands; sugar bush educational experiences, various wineries, breweries and distilleries; wedding venues; overnight accommodations and much more.

The [INSERT FARM ORGANIZATION NAME HERE] is helping to facilitate the survey and invites members to provide their input and feedback.

We'd like to hear from farmers who have an on-farm diversified use on their property to learn more about their experiences and how municipalities can better support them as entrepreneurs. The survey should take 20 minutes to complete and can be accessed by clicking the link provided below. If you wish to participate, please submit your response before May 28<sup>th</sup>, 2021. Importantly, clicking the link will not obligate you to take the survey. Once on the survey page you will be given detailed information about the survey, and you can decide whether or not you want to participate in full or in part.

Please [click on this link](#) or scan the QR Code with a smartphone device to complete the survey. Please note that while the survey may be available for mobile users, we recommend using either a desktop computer, laptop, or tablet to complete the survey.



## Appendix F

### Interview Guide for Participating Provincial Staff

Interviewer:

Participant:

Professional Title:

Areas served in the province:

Date:

**<<Review Introduction Text from the Information/Invitation Letter and Consent Form with Participant Here>>**

#### ***Introduction – Background to Planner***

1. Tell us a bit about your role at OMAFRA?
2. What area do you serve in the Province?
  - a. Is there a lot of on-farm diversification that occurs in this area of the Province?
3. What is your professional experience/responsibilities with respect to planning for on-farm diversified uses?

#### ***Policy Priorities***

4. Why were the OMAFRA Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas created?
5. Should the guidelines for on-farm diversification be utilized in non-prime agricultural areas? Why/why not?

#### ***Impacts of Policy***

6. The OMAFRA Guidelines are 5 years old now. Do you think the OMAFRA Guidelines are working?
7. Have there been cumulative effects from on-farm diversified uses in the agricultural area? What about other areas, such as the downtown or settlement areas in your jurisdiction? Do you have any ideas on how to address these cumulative impacts?
  - a. Do you have any comments on cumulative effects of on-farm diversified uses at the individual farm level (i.e., stacking of on-farm diversified uses on a single parcel)?



- b. Do you have any comments on cumulative effects of on-farm diversified uses in the greater prime agricultural area?
8. What are the hardest obstacles for farmers/entrepreneurs in your area to establish on-farm diversification? How have you addressed these obstacles or how could these be addressed?
9. What are some of the lessons learned or best practices that you can suggest for other municipalities to consider when planning for on-farm diversified uses in general?
10. Within your jurisdiction, have you encountered large-scale temporal events associated with on-farm diversified uses in the prime agricultural area? If so, how have these events been handled from a municipal perspective (e.g., special event permits, noise by-law exemptions, temporary zoning applications, OPAs, site plans)? What are some lessons learned or best practices that you can suggest for municipalities?
11. What are some of the lessons learned or best practices that you can suggest for other municipalities to consider when planning for large-scale temporal events in the prime agricultural area?

### ***Best Practices and Areas for Improvement***

12. What is the best and the worst thing about the Guidelines?
  - a. For farmers?
  - b. For municipalities?
  - c. For planners?
13. What do you think comes next when it comes to the Guidelines or planning for on-farm diversified uses in the Province?
  - a. What work still needs to be done?
  - b. How could the Guidelines be improved, if anything?

### ***Policy Design and Implementation***

14. In your experience, how have farmers/entrepreneurs and municipal governments utilized the Guidelines?
15. Should the guidelines be included as policy entrenched in the PPS? Why/why not?

### ***Conclusion***

16. Is there anything else you would like to share with us about the OMAFRA Guidelines or on-farm diversification in general?
17. As part of our research, we will be conducting focus groups with planners to discuss ways to improve on-farm diversification policy and identify best practices in doing so. Are you interested in participating?



***Thanks***

That's all I have for now. Findings of the final report will be available to you next year in 2022 on Wayne Caldwell's website, [www.waynecaldwell.ca](http://www.waynecaldwell.ca). If you interested, we can send you along a copy once it is released.



## Appendix G

### Interview Guide for Participating Municipal Planners

Interviewer:

Participant:

Professional Title:

Municipality:

Date:

**<<Review Introduction Text from the Information/Invitation Letter and Consent Form with Participant Here>>**

#### ***Introduction: Background to Planner***

1. Tell us a bit about your role as a municipal planner?
2. What is your professional experience/responsibilities with respect to planning for on-farm diversified uses?
3. Do you have prime agricultural areas or prime agricultural lands (class 1 – 3 soils) in your municipality?
4. Can you tell us a little bit about on-farm diversified uses in your municipality? Benefits? Challenges? (e.g., jobs created, tax base, impacts to production, etc.)

#### ***Best Practices: Size & Scale Considerations***

5. Are you familiar with the OMAFRA Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas? What about your staff?
6. Does your municipality utilize these guidelines? Why/why not?
7. In trying to balance farmland preservation while allowing economic opportunities to occur, is the 2% of the farm to a maximum of 1 ha in size and scale an appropriate threshold for on-farm diversified uses? Why/why not?
8. Does your municipality utilize the Guidelines for on-farm diversification in non-prime-agricultural areas? If so why/why not?
9. The "limited in area" calculations recommend that the area of existing buildings used for on-farm diversified uses be discounted at an appropriate rate (e.g., 50%). This is intended to encourage the re-use of existing buildings or structures no longer needed for agriculture. Do you have any other suggestions or ideas on how to account for the re-use of existing buildings?
  - a. Does your municipality have any other tactics (i.e., tools or policy provisions) to protect farmland while also providing opportunities for economic development?



10. Do you think these size and scale guidelines are working in your municipality? Why or why not?

### ***Best Practices: Zoning***

11. Does your municipality define home occupations, home industry, agri-tourism, and bed-breakfasts at the local level? If yes, could you share the definitions with us (send us a link)?
12. Are there any zoning by-laws at the lower-tier level within your municipality that you think exemplify notable or innovative approaches for permitting on-farm diversified uses?
13. In considering the diversity of what could be an on-farm diversified use and ensuring these uses are compatible with the surrounding agricultural area, what is the rationale for making a particular use 'as-of-right' in your zoning by-law?
  - a. What uses are as-of-right in your municipality and why?

### ***Best Practices: Compatibility***

14. What challenges have you or do you experience in determining compatibility of on-farm diversified uses before they are permitted?
  - a. What studies do you require as part of an on-farm diversified use development application?
15. Does your municipality utilize site plan control with on-farm diversification? How and in what ways?
  - a. What are the fees and timelines associated with this process?
16. What tools does your municipality use to address compatibility issues? What have you found to be the most effective?
17. Have there been cumulative effects from on-farm diversified uses in the agricultural area? What about other areas, such as the downtown or settlement areas in your jurisdiction? Do you have any ideas on how to address these cumulative impacts?
  - a. Do you have any comments on cumulative effects of on-farm diversified uses at the individual farm level (i.e., stacking of on-farm diversified uses on a single parcel)?
  - b. Do you have any comments on cumulative effects of on-farm diversified uses in the greater prime agricultural area?
18. Can you provide an example of how an on-farm diversified use in your municipality is compatible with surrounding agricultural operations?
19. Has your municipality encountered large-scale temporal events associated with on-farm diversified uses in the prime agricultural area? How have these events been handled from a municipal perspective (e.g., OPAs, ZBA, site plan, permits)? What are some lessons learned or best practices that you can suggest for other municipalities?
20. What are some of the lessons learned or best practices that you can suggest for other municipalities to consider when planning for on-farm diversified uses in general?





### ***Best Practices: Impacts of Policy and Next Steps***

21. How do you work with farmers to establish on-farm diversified uses?
22. What are the hardest obstacles for farmers/entrepreneurs in your municipality to establish on-farm diversification? How have you addressed these or how could these be addressed?
23. Should the guidelines be included as policy entrenched in the PPS? Why/why not?
24. Would your municipal staff benefit from training to further understand or gain knowledge of the Guidelines?

### ***Conclusion***

25. Is there anything else you would like to share with us about the OMAFRA Guidelines or on-farm diversification in general?
26. As part of our research, we will be conducting focus groups with planners to discuss ways to improve on-farm diversification policy and identify best practices in doing so. Are you interested in participating?
27. Lastly, if you have any photos of your on-farm diversified use that you'd be willing to share with us, we'd greatly appreciate the chance to see what it's like! If you're willing, you can email them to me.

### ***Thanks***

That's all I have for now. Findings of the final report will be available to you next year in 2022 on Wayne Caldwell's website, [www.waynecaldwell.ca](http://www.waynecaldwell.ca). If you interested, we could send you along a copy once it is released.



## Appendix H

### Comparative Municipal Zoning By-law Definitions Chart

Municipality	Home Occupation	Home Industry	Bed & Breakfast	Agri-tourism	Farm
County of Brant	Means an occupation limited to a bed and breakfast establishment, caterer’s establishment, computer services, craft shop, instruction of music, arts, and/or academic subjects, insurance and/or sales agents, business or professional office, personal service establishment, private home daycare, seamstress/tailor, studio. A medical office limited to a physiotherapist, osteopath, chiropractor, massage therapist. A home occupation shall not include a retail store, convenience store, restaurant, body rub parlour, dental office, laboratory, pharmacy and/or dispensary, hospital, funeral home, salvage yard, automotive use, open storage, and veterinary clinic.	N/A	SHORT TERM ACCOMODATION Means any part of a dwelling unit that, in exchange for payment, operates to provide temporary lodging to the travelling public for any rental period of lesser than 28 consecutive days throughout all or any part of a calendar year.	N/A	FARM OPERATION Means lands that are assessed as farmland and, where applicable, having a valid Farm Business Registration Number, for the purpose of agricultural uses, but does not include cannabis production and processing.
Huron County Municipality of South Huron	Home Occupation an occupation, personal service, business, craft or profession, carried on as a secondary use entirely within a dwelling unit provided the individual carrying on the activity resides within such dwelling unit, subject to the General Provisions for Home Occupations. A home occupation does not include a bed & breakfast establishment.	Home Industry a craft, trade, guild, or service carried on as a secondary use entirely within an accessory building on a lot provided the individual carrying out the craft, trade, guild, or service resides within a dwelling unit located on the same lot, subject to the General Provisions for Home Industry. A home industry	Bed and Breakfast Establishment a single detached dwelling, in which the proprietor resides, where no more than 4 guest rooms are made available by the residents of the dwelling to travelers or vacationers for temporary overnight accommodation and with or without their guest’s meals. This definition does not include a hotel, motel, or restaurant.	Agri-tourism those farm-related tourism uses, including limited accommodation such as a bed and breakfast that promote the enjoyment, education or activities related to the farm operation. Agri-tourism uses are secondary to the principle agricultural use of the property and are limited in area.	Farm a parcel of land together with its dependent buildings including all associated on-farm buildings and structures held for the purpose of a general agricultural use.



**BEST PRACTICES FOR ON-FARM DIVERSIFIED USES**

		does not include an automobile body shop			
Elgin County <b>Township of Malahide</b>	HOME OCCUPATION shall mean an occupation, accessory to a residential use, for gain or support and owned, managed and conducted by persons residing on the lot on which the home occupation is conducted along with those persons whom reside elsewhere as may be specified herein. Where a home occupation is permitted within a dwelling, such uses may include the offices, workrooms or consulting rooms of a business profession, trade, craft or hobby but such uses do not include or permit group instruction or a retail store with the exception of the sale of arts, crafts and other handmade articles or things. Where a home occupation is permitted within an accessory building, such uses may also include a carpentry shop, a welding shop, a machine shop, a service shop or a contractor’s yard or shop.	N/A	BED & BREAKFAST ESTABLISHMENT shall mean a single unit detached dwelling in which rooms are made available by the person or persons occupying the said dwelling for the accommodation of the travelling or vacationing public and within which meals may be offered.	AGRI-TOURISM USE shall mean the use of land, buildings or structures in agricultural zones for purposes that promote the enjoyment, education or participation in activities related to agriculture or the farm operation.	AGRICULTURAL USE shall mean the cultivation of land, the production of crops and the processing and selling of such products and the breeding, care, raising and keeping of livestock and the selling of such livestock or the products of such livestock and, without limiting the generality of the foregoing, includes apiaries, aquaculture, greenhouses, fish hatcheries, fur farming, market gardening, rabbitries, sod farming, production of maple syrup and the raising and the harvesting of bush, field, tree or vine crops
Middlesex County <b>Municipality of Thames Centre</b>	HOME OCCUPATION, AGRICULTURAL Home Occupation, Agricultural, means an occupation or business, except for the keeping of boarders or roomers, conducted for gain or profit within a dwelling unit or accessory building or structure in an Agricultural Zone by any permanent resident of that dwelling unit and is clearly	N/A	BED AND BREAKFAST ESTABLISHMENT Bed and Breakfast Establishment, means a single detached dwelling in which not more than two rooms are made available by the person or persons occupying the said dwelling for the temporary accommodation of the	N/A	AGRICULTURAL USE Agricultural Use, means the cultivation of land, the production of crops and the processing and selling of such products on a lot, and the breeding, raising, and care of livestock and the selling of such



**BEST PRACTICES FOR ON-FARM DIVERSIFIED USES**

	secondary to the main use of the lot.		traveling or vacationing public and within which light meals may be offered. This does not include a group home, hotel/motel, lodging house, or restaurant, as defined herein.		livestock or the products of such livestock raised on a lot and, without limiting the generality of the foregoing, may include animal husbandry, aquaculture, fur farming and the raising and harvesting of field, bush, tree or vine crops, market gardening, farm greenhouses, and sod farming. However, "agricultural use" does not include facilities for the permanent or temporary housing of persons employed on the lot, an abattoir or any premises used for the killing of livestock or the processing of meat, a mushroom farm, or an intensive agricultural use as defined below.
Grey County Municipality of Meaford	HOME OCCUPATION Means an occupation or business activity carried out within a dwelling unit or detached accessory building (where expressly permitted) that results in a product or service and which is clearly secondary to the principle residential use. For the purposes of this by-law, the servicing, washing, or repairing of	HOME INDUSTRY Means a small-scale industrial use, such as a carpentry shop, a metal working shop, a welding shop, a tool and die shop or an electrical shop that provides services or wares to the rural community and which is an accessory use	BED AND BREAKFAST ESTABLISHMENT Means a part of a single detached dwelling unit in which not more than three bedrooms are used or maintained for the accommodation of the travelling or vacationing public, in which the owner of the dwelling unit resides and	AGRICULTURAL 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	N/A



**BEST PRACTICES FOR ON-FARM DIVERSIFIED USES**

	motor vehicles, mobile homes, trailers and/or boats is not a home occupation.	to an agricultural use or a single detached dwelling. For the purpose of this By-law, the servicing, washing or repairing of motor vehicles, mobile homes, trailers and/or boats is not a home industry.	supplies lodgings with or without meals for hire or pay but does not include a residential care facility or tourist establishment.	activity on the property remains farming and where products used in the activity are produced on the property or related to the farm.	
County of Wellington Township of Guelph/Eramosa	“Home Occupation”, means any occupation, profession, business, trade or craft conducted for profit or gain as an accessory use, conducted entirely within a dwelling unit by a person who is a resident of such dwelling unit.	“Farm Home Industry”, means an occupation which is carried out on a farm as an accessory use, in accordance with the provisions of this By-law.  “Farm Business”, means those businesses that are limited in area and located on a farm, and depend directly on the farm in order for the business to operate. Examples include: farm-related tourism business, farm product sales outlet, cottage wineries, valueadded processing or packaging, and pick-your-own operations.	“Bed and Breakfast Establishment”, shall mean a dwelling in which the proprietor resides and supplies up to four furnished rooms to overnight guests on a temporary basis for monetary gain. It does not include a restaurant, or hotel, or motel, or group home as defined by this By-law.	“Farm-Related Tourism Business” means those agriculturally-related tourism uses that promote enjoyment, education, or activities related to the agricultural operation. The main activity on the property must be an agricultural use. As such, uses must: a. Be dependent on the existence of the agricultural operation, b. Use products that are produced on the property or related to agriculture, c. Enhance the agricultural nature of the property, and d. Not present any limitation to future agricultural activities. Such activities could include hay or corn maze, petting zoo, hay/sleigh rides, pumpkin chucking, farm tours, and processing demonstrations.	“Agricultural Use”, means a use of land, buildings or structures for the growing of crops, including nursery, greenhouse, mushroom, and horticultural crops; raising of livestock and other animals for food, fur or fiber; aquaculture; apiaries; agro-forestry; maple syrup production; research and/or breeding station; riding/training stables, and associated on-farm buildings and structures (including for packing, treating and storing farm products, a farm related tourism business, and a farm product sales outlet), but does not include an abattoir, a kennel, or a rendering plant. “Agricultural Service Establishment”, means the buying or



**BEST PRACTICES FOR ON-FARM DIVERSIFIED USES**

					<p>selling of commodities and services that support agricultural uses and shall include the sales and service of welding and machinery repair, farm drainage and excavation, well drilling, custom spraying, tillage, planting, harvesting and grading services. 16 Consolidation February 1, 2019 "Agriculture-related Business", means the supply of goods, materials or services that support agricultural uses including, but not limited to, the sale, storage, mixing, distribution or cleaning of seed, feed, fertilizer and chemical products, grain drying, custom spraying, large-animal veterinary clinic, and the rental, sales, repair or service of agricultural equipment or implements.</p>
<p>County of Lambton <b>Municipality of Lambton Shores</b></p>	<p>HOME OCCUPATION means any occupation conducted for gain or profit as an Accessory Use within a Permitted Dwelling or a Permitted Dwelling Unit. This definition shall include a Bed &amp; Breakfast but shall</p>	<p>AGRICULTURAL HOME INDUSTRY means an operation or business conducted for gain or profit as an Accessory Use and located within a</p>	<p>BED AND BREAKFAST ESTABLISHMENT means a Home Occupation within a Single Detached Dwelling in which no more than three (3) Guest Rooms are made</p>	<p>N/A</p>	<p>AGRICULTURE means the Use of land, for gain or profit, for the growing of crops, including nursery and horticultural crops;</p>





## BEST PRACTICES FOR ON-FARM DIVERSIFIED USES

	not include an Agricultural Home Industry.	Building or Structure, which is part of, or Accessory to, the main farming operation.	available by a resident of the said Dwelling for temporary accommodation of travellers. Meals or food are served only to overnight guests. The definition does not include a Hotel, Motel, Boarding House or Restaurant.		raising of livestock and other animals for food, or fur, including poultry and fish; apiary; aquaculture; agro-forestry; maple syrup production; and associated on-farm Buildings and Structures. This definition shall include a Farm Produce Outlet.
Halton Region City of Burlington	Home Occupation – In the Rural Area, an activity that provides a service as an accessory use within a single detached dwelling or in an addition to the dwelling or in an accessory building not further than thirty (30) m away from the dwelling and serviced by the same individual on-site water services and individual on-site sewage services, performed by one or more residents of the household on the same property. In the Urban Area, an activity that provides a service as an accessory use within a dwelling unit or in an accessory building. Such activities may include services performed by an accountant, architect, auditor, dentist, medical practitioner, veterinarian, engineer, insurance agent, land surveyor, lawyer, realtor, planner, hairdresser, desk top publisher or word processor, computer processing provider, teacher or day care provider. Other occupations may also include dressmaking, upholstery, weaving, baking,	Home Industry –In the Rural Area, a use providing a service primarily to the rural farming community and which is accessory to a single detached dwelling or agricultural operation, performed by one or more residents of the household on the same property. A home industry may be conducted in whole or in part in an accessory building and may include an animal kennel, a carpentry shop, a metal working shop, a welding shop, an electrical shop, or blacksmith’s shop, etc. but does not include an auto repair or paint shop or furniture stripping.	Bed and Breakfast – Sleeping accommodation (including breakfast and other meals, services, facilities and amenities for the exclusive use of guests) for the travelling or vacationing public within an existing single dwelling that is the principal residence of the proprietor.	Agri-tourism Uses – Those farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm operation.	Agriculture or Agricultural Operation or Agricultural Use or Farm or Farming – The growing of crops, including nursery, biomass and horticultural crops (but not horticultural trade use); raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures, including, but not limited to livestock facilities, manure storages, value-retaining facilities, and accommodation for full-time farm labour



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		ceramic-making, painting, sculpting and the repair of personal effects.				when the size and nature of the operation requires additional employment.
Region of Waterloo Township of Wellesley	of	HOME OCCUPATION shall mean an occupation for gain or support conducted entirely within a dwelling as a secondary use and only by persons residing on the premises, including a private home day care.	FARM RELATED OCCUPATION shall mean a trade, occupation or service which is located on a parcel of land having a minimum lot area of the respective zone, as a use secondary to the ongoing farming operation and whose owner is eligible for farm business registration.	BED AND BREAKFAST ESTABLISHMENT shall mean a dwelling unit or part of a dwelling unit used for the purpose of catering to the needs of the traveling public, by supplying food and furnishing sleeping accommodations, but shall not include any part of an accessory building.	N/A	FARMER shall mean an individual, family, association or corporation engaged in a farming business as that term is defined in Section 1 of the Farm Registration and Farm Organizations Funding Act, namely a farming business within the meaning of Section 28 of the Income Tax Act, and is eligible to be taxed at twenty five percent (25%) of the municipal residential rate as set out by the Provincial Farmland Property Taxation Program namely: a) the property is assessed as farmland through the Municipal Property Assessment Corporation; b) the property is part of a farming business that generates more than seven thousand dollars (\$7000) in annual gross farm income; c) the farm



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					business operating on the property has a valid farm business registration number; d) the property is owned by a Canadian citizen or a permanent resident of Canada.
County of Renfrew Township of McNab/ Braeside	HOME INDUSTRY means a gainful occupation including a day nursery, carpentry, electrical shop, woodworking, window framing, welding, plumbing, machine shop, riding stables and a kennel, A service shop; blacksmithing; or a storage building for school buses, boats or snowmobiles and conducted in whole or in part in an accessory building to a single detached dwelling or to a permitted farm use. A home industry does not include an automotive-body shop, automotive-commercial garage, automotive-service station or automotive repair shop.	HOME OCCUPATION means an occupation that is carried on as an accessory use within a dwelling unit.  Home occupation uses shall be limited to: a personal service shop; babysitting or day nursery; service or repair shop; production, repair and retail sale of antiques, art, craft or hobby items; teaching and a professional or business office. A home occupation does not include a clinic, a hospital, a nursing home, a tea room, an eating establishment, a taxi business or a small internal combustion engine repair shop.	BED AND BREAKFAST ESTABLISHMENT means an owner-occupied single-detached dwelling in which there are up to four rooms for rent as short-term accommodation for tourists or vacationers, and may include the provision of meals for registered guest staying overnight at the Bed and Breakfast. The Bed and Breakfast use shall remain subordinate to the primary use of the building as a single-detached dwelling. This definition does not include any other establishment defined in this By-law.	AGRICULTURAL COMMERCIAL ESTABLISHMENT means the use of land, buildings or structures for the wholesale or retail sales of goods that are necessary to support agricultural uses and for the processing and sale of products derived from farm uses. Without limiting the generality of the foregoing, these include such goods as farm machinery and equipment, products used for the housing and husbandry of livestock, poultry and fur bearing animals, and materials and equipment for sub-surface drainage and such services as the selling, processing, storage and transportation of seed, feed, crops, milk and eggs and livestock, and the selling of fertilizer and chemical products.	FARM means land used for the tillage of soil; the growing and harvesting of field crops, vegetables, fruits, horticultural crops and trees; the grazing, breeding, raising, boarding or training of livestock and horses; dairying; beekeeping, fish farming; any other operation that is normal farming practice; and includes one farm dwelling as well as barns, sheds and other accessory structures.
City of Ottawa	N/A	Home-based business means one or more	Bed and breakfast means a private residence within the	On-farm diversified use means a use that is	Agricultural use means the cultivation



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		businesses operated by a resident as secondary and subordinate uses to a residence or farm, and includes a home-based day care. (entreprise à domicile)	whole of a residential use building that is operated to provide the traveling public with temporary accommodation including sleeping accommodation, meals and other connected services and facilities within the occupant’s dwelling unit; and does not include a hotel. (gîte touristique) (Subject to By-law 2021-105)	ancillary to the principal agricultural use of a property, and includes but is not limited to educational displays, veterinary clinic, restaurant, bakery, retail store, retail food store, micro-brewery, micro-distillery, place of assembly, solar installations, agri-tourism uses, uses that produce value-added agricultural products, and agriculture-related uses. (utilisation diverse d’exploitation agricole) (By-law 2019-41) (By-law 2021-222)	of the soil to produce crops and the raising of farm animals, and without limiting the generality of the foregoing includes:  the growing of crops; nurseries, greenhouses, market gardens, orchards, vineyards, agro-forestry operations and maple syrup production; the keeping and raising of livestock, fowl, fish, bees or fur or wool bearing animals; farm-based home industry involving the production of value-added or value-retained products from produce grown or raised on-site; a farm produce outlet selling agricultural products produced on the premises. (utilisation agricole) (By-law 2018-155) (By-law 2019-41) (By-law 2019-222) (By-law 2021-222)
Sudbury East Planning Board <b>Municipality of St.-Charles</b>	Home Industry shall mean a craft, trade, guild or service, excluding a motor vehicle repair shop and motor vehicle body shop, conducted in whole or in part in an	Home Occupation shall mean a gainful occupation conducted within a dwelling unit that is secondary to the use of the dwelling unit as a	Bed and Breakfast Establishment shall mean a single detached dwelling unit, or part thereof, in which the proprietor resides and provides not more than 3 bedrooms for	N/A	N/A



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	accessory building to a single detached dwelling unit.	private residence and the nature and scope of which is compatible with the residential character of the dwelling unit. The proprietor carrying out the occupation shall reside within the dwelling unit.	the accommodation of the travelling or vacationing public, in which the owner supplies lodgings with or without meals for the accommodated persons, but does not include a rooming house, group home, sleep cabin or tourist establishment. Required parking must be provided on the same lot, subject to provisions of this Zoning By-law.		
<b>Norfolk County</b>	HOME OCCUPATION” shall mean an occupation, personal service, business, craft or profession, carried on as a secondary use entirely within a dwelling unit provided the individual carrying on the activity resides within such dwelling unit. A home occupation shall also include a day care for five (5) children or less, exclusive of the individual’s children, which may include an outdoor accessory play area. A home occupation does not include a bed & breakfast establishment. [27-Z-2020]	”HOME INDUSTRY” shall mean a craft, trade, guild, or service such as automobile service, merchandise service, custom workshop, or similar uses, carried on as a secondary use entirely within an accessory building on a lot provided the individual carrying out the craft, trade, guild or service resides within a dwelling unit located on the same lot. A home industry does not include an automobile service and repair station, an automobile body shop, or a merchandise service shop. [27-Z-2020]	”BED & BREAKFAST” shall mean a single detached dwelling containing, as an accessory use, one (1) or more rooms provided, for gain, with or without meals, for the travelling or vacationing public as temporary accommodation. Such rooms shall contain no cooking facilities. A bed & breakfast does not include a restaurant, boarding or lodging house, rooming house, group home or hotel.	”FARM EXPERIENCE ACTIVITY” shall mean an accessory activity that is directly associated with agriculture and an existing farm operation and which consists of adding a component of information, education, temporary accommodation or entertainment to an existing farm operation.	”FARM” shall mean the use of land, building or structure for agricultural purposes, such as, without limitation, the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry and maple syrup production, but does not include Cannabis Production and Processing. [25-Z-2018]  ”FARM OPERATION” shall mean an agricultural activity



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					carried on a farm by one (1) person in the expectation of gain and op
<b>Town of Prescott</b>	Home Based Business Shall mean a privately operated legal occupation, enterprise or business which is carried out as a use clearly accessory to a dwelling unit for pursuits conducted entirely therein by the occupant thereof and compatible with a domestic household.	N/A	Bed and Breakfast Establishment Shall mean a single detached dwelling in which no more than four (4) guest rooms are made available for the temporary accommodation of the traveling or vacationing public. Such an establishment shall be occupied by the owner of the dwelling unit or the lessee of the entire unit and may offer meals to those persons temporarily residing in the establishment (guests), but shall not offer services to non-guests.	N/A	N/A
Perth County <b>Township of Perth East</b>	Home Occupation means an occupation and/or a profession conducted entirely within a dwelling unit and subject to the following criteria: (a) such home occupation must be clearly secondary to the main use of the dwelling for residential purposes. (b) such home occupation must not change the character of the dwelling as a private residence. (c) such home occupation shall be conducted only by a person(s) residing in the dwelling.	N/A	Bed and Breakfast Establishment means a single-detached dwelling in which not more than three (3) guest rooms are made available for the temporary accommodation of the travelling or vacationing public and within which meals may be provided to those persons temporarily residing therein. Bed and breakfast establishments shall: (a) be clearly secondary to the main use of the dwelling for residential purposes and not change the character of the dwelling as a private residence;	N/A	Farm Use means the use of a parcel of land for the purpose of agriculture having a lot area of not less than 33 hectares.





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	<p>(d) there shall be no external evidence of the home occupation from outside of the dwelling, including window displays, with the exception of a single sign measuring not greater than 0.85 square metres in area.</p> <p>(e) there shall be no external display or storage of goods, materials, wares or merchandise on the lot on which the dwelling containing the home occupation is located.</p> <p>(f) no external alteration of the dwelling shall be permitted so as to accommodate a home occupation, such as the inclusion of any specialized structure, ramps, or oversize doorways which will tend to change the character of the dwelling as a private residence.</p> <p>(g) such home occupation shall not create nor become a nuisance or hazard to neighbours by reason of noise, vibration, dust, smoke, fumes, odour, heat, debris, refuse, fire, lighting interference, hours of operation, traffic, or parking.</p> <p>(h) not more than one home occupation is permitted in a dwelling unit and no home occupation shall occupy more than 25.0 square metres of floor area or</p>		<p>(b) satisfy all applicable requirements of the appropriate Health authority and all requirements for sanitary/septic systems approved by the appropriate authority;</p> <p>(c) have no external evidence that the bed and breakfast establishment exists with the exception of a single sign not greater than .85 square metres in area;</p> <p>(d) be operated only by a person(s) residing in the dwelling;</p> <p>(e) comply with all applicable requirements of this By-law (including parking requirements), and all other applicable laws; and</p> <p>(f) not include a restaurant or eating establishment.</p>		
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BEST PRACTICES FOR ON-FARM DIVERSIFIED USES

	<p>25 percent of the gross floor area of the dwelling (excluding an attached garage), whichever is lesser. The area of the dwelling not being used for home occupation must comply with the applicable floor area requirements of this By-law.</p> <p>(i) no home occupation shall be carried on in an accessory building or structure or in an attached garage.</p> <p>(j) such home occupation shall meet all of the applicable requirements of this By-law, including parking requirements.</p> <p>(revised by by-law 220-2008)</p> <p>(k) for greater clarity, a home occupation shall include but not be limited to an office or consulting room for a professional person or agent; an office for a trade such as a builder, a plumber, an electrician; an office for a charitable organization; a workroom for a dressmaker or a tailor; a studio for a teacher of music, art, or academic subjects, a photographer or a commercial artist; a private-home day care; a hairdresser; a dog groomer and any other use of a similar nature which satisfies all of the criteria of this section of the By-law; but</p>				
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	<p>shall not include a kennel, the boarding of dogs over night, a boarding house,  a clinic, a workshop, a plant for any trade, or a retail store (except that a sales  use accessory to a permitted home occupation shall be permitted provided that the area occupied by such accessory sales use does not exceed 15 percent of the permitted home occupation floor area).</p>				
<p>Region of Durham  <b>Municipality of Clarington</b></p>	<p>Home Occupation Replaced by By-law 2015-062  Shall mean an occupation or business that is carried on within a dwelling as an accessory to a permitted residential use.</p>	<p>N/A</p>	<p>"Bed and Breakfast or Vacation Farm Establishment" shall only be deemed to be a Home Occupation use in the Agricultural (A) zone, Agricultural Exception (A-1) zone, General Commercial (C1), Residential Hamlet (RH), Rural Cluster (RC), Residential Shoreline (RS), Urban Residential Type One (R1) and Urban Residential Type Two (R2) Zones inclusive of all exception zones.</p>	<p>Agri-Tourism  Shall mean an activity or use that is accessory to a farm operation, and which promotes and educates the public about farming and agricultural activities. Such activities shall have a direct relationship to the agricultural activities on the farm, and may include farm/educational tours, observation and participation in agricultural activities. It may also include seasonal festivals and social events (charity events and wedding receptions) that benefit from the farm/rural setting.</p>	<p>Farm  Shall mean the use of land, buildings or structures for one or more of the following purposes:  production of forage crops, grain and feed crops, oil and seed crops, vegetables and row crops, dairy animals and dairy products, livestock for food production, sheep for wool production, fruits of all kind including grapes, nuts and berries, bees and apiary products, maple products, nurseries, floral and greenhouse products, poultry and poultry products, mushrooms, horse and ponies, tobacco,</p>



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					forestry, market gardening and retail stands for the sale of agricultural products produced on the farm unit, and such other uses or enterprises as are customarily carried out in the field of agriculture.
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## Appendix I

### Interview Guide for Participating Farmers

Interviewer:

Participant:

Municipality:

Date:

**<<Review Introduction Text from the Information/Invitation Letter and Consent Form with Participant Here>>**

#### ***Introduction: Background to Farmer and Farm***

1. Which municipality are you from (to confirm from survey)?
2. Tell me your story...
3. Is the farm a family-farm? Why do you consider it to be a family farm?
4. What do you primarily produce on your farm?
5. What is the size of your farm?
6. Is your farm on prime agricultural lands (class 1 – 3 in the Canadian Land Inventory) or in the prime agricultural area?
7. Pluriactivity is when farmers and their families rely principally on non-agricultural or off-farm sources of income. Is their pluriactivity on your family farm? If so, what kind?

#### ***Profile of On-Farm Diversified Use***

8. Tell me about your on-farm diversified use: How did you diversify? Who is involved (e.g., family)?
9. What kind of uses are on your farm? Do you have more than one? Are they temporal? (e.g., seasonal events or non-permanent structures like tents?)
10. What is the approximate size of your on-farm diversification use (or uses)? Does it take up any space (or reuse existing space/structures on your property?)
11. Why did you diversify?
12. Do you have plans to expand the diversified use or number of uses on your farm? If yes, will these uses use more land (i.e., more than 2% of lands or a max of 1 ha)?

#### ***Personal Motivations for and Experiences with On-Farm Diversification***



13. Do you think your on-farm diversification has brought benefits to your farm or family? If so, what kind?
14. Do you think your on-farm diversification has brought benefits to your community? If so, what kind?
15. What impact has your on-farm diversified use had on: Ability to supplement income and succeed with farming? Job creation? Farm succession planning? Taxes? Other?
16. Farmland preservation is a popular topic in Ontario's agricultural communities. Is preserving the agricultural land important to you as a farmer?

### ***On-Farm Diversification: Navigating Planning Policy Processes***

17. What is your familiarity with the OMAFRA Guidelines on Permitted Uses in Prime Agricultural Areas?
18. Did you go through any planning applications or require any approvals to establish the use?
19. What was (were) the hardest obstacle(s) for you as an entrepreneur to establish the on-farm diversification?
20. Did your local municipality have local on-farm diversification policies? Did the municipality provide assistance? What was this experience like?
21. In general, how is your on-farm diversified use compatible with surrounding agricultural operations (e.g., noise, traffic, smell, lighting, etc.)?
22. Do you host events or anticipate hosting large events as part of your on-farm diversified use? If yes, can you share a little bit about your experience in terms of what the municipality requires or required of you to host these events? (Examples: special event permits, processes, noise by-law exemptions, temporary zoning applications, permanent zoning, official plan amendments, site plan applications).
23. Have you, your diversified business, or ability to farm been impacted by other on-farm diversified uses accumulating in the area? If so, how?
  - a. Cumulative effects on your parcel from having multiple on-farm diversified uses on your property?
  - b. Cumulative effects from the accumulation of other on-farm diversified uses in the area?
  - c. How would you like to see these impacts addressed?
24. Do you have any ideas or suggestions as to how your experience could be improved when establishing or expanding an on-farm diversified use?
25. If there is one thing you could do over again in establishing an on-farm diversified use, what would it be?
26. How can your municipality support entrepreneurship in the agricultural area?

### ***Conclusion***

27. Is there anything else you would like to share with us about on-farm diversification?





28. As part of our research, we will be conducting focus groups with farmers to discuss ways to improve on-farm diversification policy. Are you interested in participating?
29. Lastly, if you have any photos of your on-farm diversified use that you'd be willing to share with us, we'd greatly appreciate the chance to see what it's like! If you're willing, you can email them to me.

### ***Thanks***

That's all I have for now. Findings of the final report will be available to you next year in 2022 on Wayne Caldwell's website, [www.waynecaldwell.ca](http://www.waynecaldwell.ca). If you interested, we can send you along a copy once it is released.





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