

Report PDR-CW-24-17

To: Warden Barfoot and Members of Grey County Council
From: Scott Taylor, Senior Planner
Meeting Date: April 27, 2017
Subject: Proposed Official Plan Amendment 136 Final Report
Status:

Recommendation

- 1. Whereas the public and agency comments received on proposed Official Plan Amendment 136, resulted in further study being done on the proposal and changes to the proposed site plan and mitigation measures;**
- 2. Now Therefore Be It Resolved That Report PDR-CW-24-17 be received and the proposed Official Plan Amendment Number 136 to the County of Grey Official Plan to re-designate a portion of the subject lands from the 'Agricultural' and 'Tertiary Settlement Area' designations to the 'Agricultural with Exceptions' and 'Tertiary Settlement Area' designations for lands described as Part Lot 7, Concession 17, Geographic Township of Proton, Township of Southgate, be supported and a by-law to adopt County Official Plan Amendment Number 136 be prepared for consideration by County Council.**

Background

Grey County received an application from the Hensall District Cooperative to amend the County of Grey Official Plan for the purpose of permitting an exception to the 'Agricultural' designation to allow for the expansion and severance of a grain elevator, drying, and storage facility at Part of Lot 7, Concession 17, geographic Township of Proton, Township of Southgate. The existing 'Hazard Lands' and 'Tertiary Settlement Area' designations on-site would remain unchanged. Through this exception a larger sized grain operation would be permitted, than is currently contemplated by the County Plan. The proposed severed lot, which would contain the business, would be 10.12 hectares in size, while the retained lot would be 29.3 hectares in size. Included in the proposed severed lands would be space for potential future expansion to the grain operation or ancillary agriculture-related business.

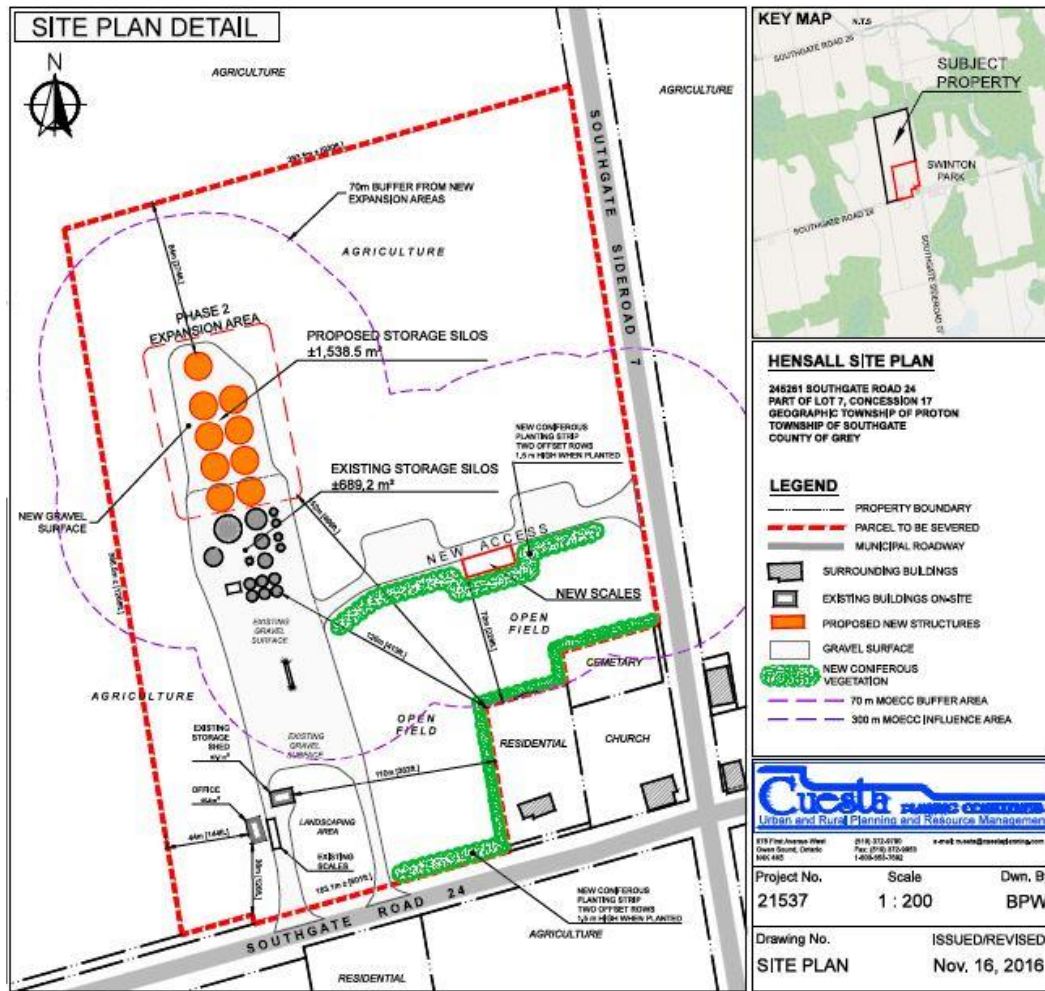
The purpose of this report is to formulate a recommendation to the Committee of the Whole with respect to the County Official Plan Amendment application.

The subject lands are located on the northwest edge of Swinton Park, with access off of Southgate Sideroad 24, while also bordering on Southgate Sideroad 7. Currently the majority of the subject lands are farmed, with the grain elevator, drying, and storage business occupying a relatively small portion of the farm parcel. The proposed amendment would contemplate severing the business from the remainder of the farm parcel, while also allowing for the expansion, and future further expansion, of the operation. Currently there are existing silos on-site that total approximately 689 m² in area. The proposed expansion would contemplate a further 1,538 m², while also allowing for an additional access off of Southgate Sideroad 7. An airphoto showing the subject lands and surrounding properties has been included as Map 1, while the proposed site plan is Map 2 below.



Map 1: Airphoto of the Subject Property and Surrounding Lands

Surrounding the subject lands are a mixture of farmlands and village residential type uses in Swinton Park.



Map 2: Revised Site Plan of the Subject Property (Prepared by Cuesta Planning Consultants Inc.)

The proposed development also requires an official plan amendment, a zoning by-law amendment, and a consent application from the Township of Southgate. Site plan control will also be applied to the proposed development.

Cuesta Planning Consultants Inc. have submitted a Planning Report in support of the proposal. In addition, Paradigm Transportation Solutions Limited have submitted a Traffic Study as an appendix to the Cuesta Planning Report. Addendum materials and a Noise Assessment were submitted in response to comments from the public and circulated agencies. Copies of all reports, background materials and plans can be found at the below link.

[Link to Hensall District Co-op Background Materials](#)

A joint public meeting for these applications was held on September 7, 2016.

Public/Agency Comments Received

County staff received the following public and agency comments, a summary of which has been included below.

At the public meeting the following people made verbal comments with respect to the proposed official plan amendment.

- Denis Koch,
- Dave Alexander,
- Cynthia McNalty,
- William Linnitt,
- Corrie Grunig,
- Peter Barkman,
- Jean Black, and
- Ellie VanBleek.

At the meeting the following comments were raised;

- Noise concerns, including the noise levels, duration and timing of the noise,
- Dust concerns, including having to shut the windows and avoid having laundry hanging on the clothes line due to dust from the operation,
- Concerns over any toxic materials or pesticides which may be in the dust,
- Traffic concerns, including the volume of trucks, haul route, speed of the trucks passing through Swinton Park, and the proximity of large trucks to existing dwellings,
- Questions over whether or not the existing bridge can accommodate the heavy trucks,
- Concerns that the traffic study may have underestimated the existing truck traffic levels,
- Concerns over impact on the water table and water quality,
- Notification questions with respect to the current application, and the original installation of the grain elevator,
- Questions over whether or not more grain dryers are needed,
- Property value concerns,
- Questions over the need for a peer review and/or additional studies, including a noise study,
- Questions over a proposed fertilizer outlet on the subject lands, and
- Comments over the applicability of the *Farming and Food Production Protection Act* (FFPPA),

- Comments that the church has not experienced the same dust issues as some other neighbours have reported.

Dennis Koch

In correspondence dated August 4, 2016, Mr. Koch noted 'his family lives next door to the Hensall District Cooperative (HDCC) drying facility. They built their home as a safe place to enjoy the peace and quiet of the countryside with their children. Since the drying facility was built beside them, they have encountered many issues. The constant flow of tractor trailers, speed rates of traffic, trucks idling, trucks using air brakes and loading/unloading during all hours. They are unable to use their backyard for laundry, barbequing, or entertaining. The north side of their home has an unknown substance which is under investigation. The excessive noise from the dryers happens 24 hours a day, 7 days a week, which impacts their sleep. They feel they should have been circulated information before the drying facility was built and that the HDC should meet the required health studies, traffic studies and noise studies before being able to expand any further.'

Shari Leversage

In correspondence dated August 4, 2016 Ms. Leversage noted that 'when their family first built their home in the area, it was beautiful and peaceful. At that time there was an inactive scrap yard on one side and a church/cemetery on the other. Their family has had disrupted sleep due to the bright lights and alarm sounds from the dryers. The dust creates a red cover that gets into their air exchanger and tracked into their home. They are unable to use their backyard due to the excessive dust clouds that cover their entire property. The noise level and speed of trucks are also of concern.'

Robert and Cynthia McNalty

In an email dated January 12, 2017 the McNaltys question 'whether the noise study results are variable based on the product being dried, and the volume of the product being processed. It was also noted that noise reduction systems should have been in place from the time Hensall started their operation.'

Jacqueline Downie

In a letter dated September 20, 2016, Ms. Downie raised concerns with respect to dust, impacts on air quality, fumes, noise, light, road safety, volume of traffic, loss of enjoyment of property, loss of sleep, and questions over normal farming practices.

Wayne Metzger, Highland Custom Farming

In a letter dated September 1, 2016, Mr. Metzger noted that his farming operation makes extensive use of the Hensall District Cooperative and supports the proposed expansion.

Bill Walker, Member of Provincial Parliament

In a letter dated August 2016, Mr. Walker notes that ‘he supports the application for expansion to the Hensall District Cooperative. He notes the economic impacts it will bring to the region, and the benefits to farming. Mr. Walker further notes that the expansion will allow for increased storage and reduce the road and environmental impacts.’

Larry Miller, Member of Parliament

In a letter dated August 16, 2016, Mr. Miller notes that ‘he supports the proposed expansion by Hensall District Cooperative. He notes that the expansion will benefit the region economically. The proposed expansion will also provide more storage on-site, and will allow the materials to be hauled over a longer period of time to alleviate impacts on the roads.’

Petition

In addition to the verbal comments received at the public meeting, a petition in support of the proposed expansion was received which contained approximately 80 signatures. The background to the petition notes that Hensall District Cooperative supports 300 local farmers.

Saugeen Valley Conservation Authority (SVCA), dated August 9, 2016

In correspondence dated August 9, 2016 the SVCA noted;

“all of the plan review functions listed in the Memorandum of Agreement between the Authority and the Township of Southgate relating to Plan Review have been assessed by SVCA staff with respect to this proposal. The proposed amendments are acceptable to SVCA staff.”

Bluewater District School Board (BWDSB)

In correspondence dated August 10, 2016, the BWDSB noted no concerns or comments at this time.

Grey County Transportation Services

In comments dated August 11, 2016, the County Transportation Services department noted no concerns expressed with the applications.

Ministries of Municipal Affairs (MMA), Environment and Climate Change (MOECC) and Agriculture Food and Rural Affairs (OMAFRA)

In an email dated October 24, 2016, the MMA noted on behalf of MMA, MOECC, and OMAFRA, that; 'the Provincial Policy Statement (PPS) permits agriculture-related uses such as grain drying and storage operations in agricultural areas. Severances in agricultural areas for agriculture-related uses shall be the minimum size needed to accommodate the use and appropriate sewage and water services.

The MOECC D-Series Guidelines may be useful in assessing impacts from farm related commercial and industrial operations on neighbouring land uses. MOECC staff do not consider agriculture-related uses to be exempt from the requirement for an Environmental Compliance Approval under the *Environmental Protection Act*.

The FFPPA does apply in agricultural areas and settlement areas. The FFPPA protects farmers from complaints by neighbours provided they are following normal farm practices. No municipal by-laws shall restrict a normal farm practice carried on as part of an agricultural operation. The FFPPA defines both a 'farmer' ("means the owner or operator of an agricultural operation"); and an 'agricultural operation' ("means an agricultural, aquacultural, horticultural or silvicultural operation that is carried on in the expectation of gain or reward").' A link to the FFPPA Fact-Sheet has been provided below:

[Link to Fact-Sheet](#)

Township of Southgate

County and Township staff have had numerous conversations before and during the development application process. Following a decision on the County official plan amendment, Township Council will be required to render a decision on the local planning applications. In a conversation dated April 18, 2017, Township staff noted that they had no issue with the County official plan amendment moving forward at this stage. The Township will require further details from the proponent as part of the site plan control process.

Analysis of Planning Issues

In rendering decisions, planning authorities must have regard to matters of Provincial interest under the *Planning Act* and be consistent with the Provincial Policy Statement (PPS). Decisions within the County must also conform to the County of Grey Official Plan and any local official plans or Provincial plans in force and effect. In this case the Township of Southgate Official Plan would apply to this development. An in depth analysis of the Southgate Official Plan has not been provided below, and County staff have instead relied upon the staff comments from the Township.

Provincial Legislation - The Planning Act

Section 2 of the *Planning Act* provides matters of provincial interest which planning authorities must have regard for in rendering any decision under the Act. Most notable to this proposed official plan amendment are the following clauses, with some staff comments below.

(a) the protection of ecological systems, including natural areas, features and functions,

There are no significant environmental features mapped on the subject lands. As noted above, should the proposed applications be approved an Environmental Compliance Approval under the *Environmental Protection Act* may be required.

(b) the protection of agricultural resources of the Province,

The proposed expanded grain operation is within the Agricultural designation of the County Plan. Within this designation, the County Plan supports agricultural-related uses, such as grain elevators that are 'small scale'. The proposed expansion exceeds the size of the County's small scale definition. The County Plan also does not allow for severances of agricultural-related uses.

In both cases however, the PPS does permit such uses and severances. It is worth noting that while the PPS does not contain a small scale restraint on such operations, it does limit such severances to the minimum amount of land necessary for the agricultural-related uses. County and Township staff requested justification on why the proposed severed lot is as large as it is. The proponent has noted that they are seeking additional lands for future expansion plans, should they be necessary. If these expansion plans were not 'built into the severance at this stage', it could trigger an additional official plan amendment in the future, should an expansion be needed. By considering the expansion at this stage, future amendments would not be required, but an amended site plan control application could still be requested by the Township, to ensure technical matters and mitigation measures are in place.

The proposed expansion would support farming in the area.

(f) the adequate provision and efficient use of communication, transportation, sewage and water services and waste management systems;

The provision of effective water, wastewater, and communication systems has not been questioned for this application. The existing and future expanded grain operation is not a heavy water or wastewater user, and will be able to utilize private services in this regard.

The crucial planning issue for the proposed development has been with respect to transportation and impact on roads. Hensall has noted that with the increased storage on-site, that traffic levels will not increase significantly, but rather will be spread out over a longer period of time. In support of this application a Traffic Study was completed by Paradigm Traffic Solutions Limited. The Hensall grain elevator expansion is proposing to utilize two entrances, one off of Southgate Road 24 and the other off of Southgate Sideroad 07, in order to minimize the amount of traffic flowing through Swinton Park. Signage has now also been installed in the hamlet to try to improve road safety and speeds.

Following questions about the traffic levels in the Paradigm Study, the Township also completed road counts on the existing truck traffic in the area. The Township counts came back slightly different than the Paradigm numbers. Following the release of the Township counts, Paradigm has since reconfirmed their conclusions, that even with the new road count numbers, the road network is adequate to handle the proposed traffic.

Township staff have noted that further details will be required as part of the site plan process.

(h) the orderly development of safe and healthy communities,

The subject lands are partially inside and outside of the Tertiary Settlement Area of Swinton Park. The existing grain operation is outside of the settlement area on Agricultural lands, and the expanded storage area would be moving further away from the settlement area, on Agricultural lands. The new entrance and scales would be in behind existing residential development, but the revised site plan proposes to buffer this area (with coniferous trees), both at the source (adjacent to the entrance) and immediately along the rear of the neighbouring properties.

(k) the adequate provision of employment opportunities,

The proposed commercial development would provide some new employment, but it would not be considered a major employment generator. The proposed use would

however support ~ 300 local farmers, which would be beneficial to the local area and the agricultural economy.

(o) the protection of public health and safety,

In the revised reports that were prepared, including the noise assessment, it did note that noise from this existing facility can slightly exceed Provincial guidelines. The buffering, along with the proposed improvements to the facility, including installing silencers, should help alleviate some of the existing noise impacts. The expanded area has been designed such that undue noise impacts do not result from this new area. Unlike some other noise sources the County normally deals with e.g. gravel pits, there are times during harvest season when this grain operation does need to run 24 hours a day. All efforts will be made to reduce the noise through the use of silencers and buffering, and keeping night-time traffic and operations to only those which are essential. Idling on-site should also be kept to a minimum to aid in noise and emissions reduction.

The proponent is also proposing to install aspirators on the driers to help alleviate the existing dust concerns. The silencers, the aspirators, and the treed buffering will be a condition of the site plan application with the Township.

Having the second entrance off of Southgate Sideroad 7, should also help reduce the numbers of trucks passing through Swinton Park. As noted above, signage has also been posted within the village for road safety purposes and to help control speeds.

(p) the appropriate location of growth and development.

As noted above, the subject lands are within the Agricultural designation, which does permit agricultural-related uses such as this. The proposed expansion would service local farmers, and allow the traffic to spread out more throughout the year, rather than having it focused around harvest time.

Although the proposed expansion is a permitted use in the Agricultural designation, the County cannot ignore the existing settlement area and residential development. Through improvements to the entrances, treed-buffering on-site, and new technology installed on the equipment (silencers and aspirators), it should reduce the impacts from this operation to less than what is currently experienced by neighbours.

Subject to appropriate mitigation measures on the site plan, the proposed official plan amendment has regard for matters of Provincial interest under the *Planning Act*.

Provincial Policy Statement (PPS 2014)

Section 1.3 of the PPS speaks to promoting economic development and competitiveness.

Section 2.3.3 of the PPS contains policies on the permitted uses in prime agricultural areas. The proposed use would qualify as an 'agriculture-related use', and is permitted by the PPS. As noted by OMAFRA staff, the Province has recently released a companion guide to the Provincial Policy Statement that gives further guidance on agriculture-related uses and on-farm diversified uses. Within this guide, it notes that no size limitations are to be placed on agriculture-related uses, as they service the agricultural community and are required in close proximity to farms. Municipalities are however expected to place size limitations on on-farm diversified uses. The proposed expansion would qualify as an agriculture-related use, and therefore should not be limited in size. As noted above, although no size restrictions would be placed on the operation there will be mitigation measures attached to the operations, to minimize impacts on neighbours.

Section 2.3.4.1(a) of the PPS contemplates lot creation for agriculture-related uses, provided they are the minimum size necessary to support the proposed business. County staff have struggled with the size of the proposed lot (10.12 hectares). Staff see merit in severing the grain operation from the existing farm, as supported by the PPS. However, staff believe the lot could be further reduced, to ensure as much land stays with the farm as possible. The proponent has stated that they wish to include additional lands with the severed lot at this stage to allow for future expansion and/or diversification of the agriculture-related use. The larger lot size also allows for more buffering to the grain operation, including the 70 metre buffer recommended by the MOECC D-6 Guidelines. Hensall has further noted that until the lands are needed for the expansion, these lands will be leased to a farmer and be continued to farm. Staff understand this justification, in that a future amendment and consent application would appear to be onerous, should the business continue to succeed.

The proposed official plan amendment is generally consistent with the PPS as an agriculture-related use.

County of Grey Official Plan

All new development proposals within the County must conform to the purposes and policies of the Official Plan. The requirements for official plan amendments are outlined in section 6.3 of the County Plan, while the detailed Agricultural policies are found at section 2.1 of the Plan.

As noted above, the subject lands are currently designated as Agricultural on Schedule A to the County Plan. Section 2.1.2 of the Plan does permit agriculture-related uses in the Agricultural designation. Within section 6.19 of the Plan, it does require that agriculture-related uses be 'small scale'. The limitations on small scale development set a building limit of 750 m² in area for the business. Should this amendment be approved it would remove the size requirement for agriculture-related uses on these lands.

The amendment is also triggered by the lot creation, which is not currently contemplated by the County Plan. Section 2.1.4 of the Plan only allows for new lots in the Agricultural designation for new farm lots, or for surplus farm dwelling lots.

However, as noted above, both the size of the use, and the severance (subject to lot area restrictions) are supported by the PPS.

Of note to these applications, and the Recolour Grey process, County staff have received Provincial policy interpretations to suggest that the County should not be placing a size limitation on agriculture-related uses. Based on the PPS, the County should also consider future policies contemplating agriculture-related use severances.

Section 5 of the County Plan which deals with transportation matters, which has been discussed above. General land use compatibility to the neighbouring residential uses is also a key consideration. This matter was reviewed earlier in the report, and will be captured through the future site plan control application.

As noted above the Hazard Lands and Tertiary Settlement Area sections of the property are not proposed to change through the subject applications.

Staff are recommending the following wording be considered for the amendment;

- 2.1.2(11) Notwithstanding the provisions of sections 2.1.2(1) and 6.19 of this Plan, on lands described as Part of Lot 7, Concession 17, geographic Township of Proton, Township of Southgate, agriculture-related uses shall be permitted which are not required to be small scale. All other uses under section 2.1.2(1) and provisions of this Plan shall continue to apply.
- 2.1.4(1)(e) Notwithstanding the provisions of section 2.1.4(1) of this Plan, on lands described as Part of Lot 7, Concession 17, geographic Township of Proton, Township of Southgate, a single severance is permitted for an agriculture-related use.

Provided the mitigation measures attached to the site plan are implemented, and the severed lot is kept to a minimum size, the proposed official plan amendment would generally conform to the goals and objectives of the County Official Plan.

Financial/Staffing/Legal/Information Technology Considerations

There are no anticipated financial, staffing or legal considerations associated with the proposed official plan amendment, beyond those normally encountered in processing an amendment. The County has collected the requisite application fee and peer review deposit for this application.

Should the application be appealed to the Ontario Municipal Board additional financial, legal, or staff resources may be required. It should be noted however that should Council approve the amendment, and the amendment be appealed, that the County by default would not attend the hearing.

Link to Strategic Goals/Priorities

Action 2.10, under Goal 2 of the County's Strategic Plan, requires the continued management of development and the application of sound land use planning principles. Based on the mitigation measures recommended by County staff, and based on the guidance provided by Provincial Policy, the subject application;

1. has regard for matters of Provincial Interest under the *Planning Act*,
2. is consistent with the Provincial Policy Statement, and
3. conforms to the goals and objectives of the County Official Plan.

Attachments

[Official Plan Amendment 136 Draft By-law](#)

[Draft Official Plan Amendment 136 Land Use Schedule](#)

Respectfully submitted by,

Scott Taylor, MCIP, RPP
Senior Planner

Director Sign Off: *Randy Scherzer*