

## Staff Report

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**Report To:** Council  
**Report From:** David Smith, Manager of Planning and Development  
**Meeting Date:** March 18, 2025  
**Subject:** ZA31.2024 – N Martin (S Martin)

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### Recommendations:

That in consideration of staff report 'ZA31.2024 – N Martin (S Martin)', Council directs staff to bring forward a bylaw to authorize the passing of a zoning bylaw amendment as it relates to ZA31.2024.

### Highlights:

- The purpose of the zoning bylaw amendment application is to amend the 'A2 Rural' zone to permit an On-Farm Diversified Use (OFDU).
- Municipal Address: 504021 Grey Road 12
- The zoning would permit a shop with a maximum gross floor area of 400m<sup>2</sup> with the entire OFDU footprint (shop, power generation room, outdoor storage, parking, loading area) covering a maximum 2000m<sup>2</sup>.
- At this time the OFDU would entail a custom metal workshop although the site-specific zoning would permit 'Industry, Dry' as a general land use.
- The closest residential dwelling is approx. 167m across Grey Road 12 to the south from the proposed OFDU shop.
- Grey Transportation requires the existing entrance to be upgraded.

### Previous Report/Authority:

None.

### Analysis:

#### Comments - Agencies

West Grey Public Works: No concerns.

West Grey Building: No concerns.

West Grey Fire: No concerns.

Grey County: Grey County Planning Ecologist has no concerns. An Environmental Impact Study is not required. Provided Grey County Transportation Services comments are addressed County Planning staff have no concerns.

Grey County Transportation: To accommodate the new shop the entrance must be upgraded to CSAS commercial standards. Therefore, an entrance permit is required.

Saugeen Valley Conservation Authority: Staff find the application acceptable.

### **Comments - Public**

There has been one written comment received as of the date of writing this report.

- Confirm the size of the workshop, outdoor storage area and other buildings.
- What noise levels will the workshop produce and how will it be mitigated?
- What are the hours and days of operation?
- Majority of the area west of the shop is not labelled [on the drawing] what is proposed there?
- If new or larger access is required then I am opposed – there have been storm drainage issues in the area and flooding of adjacent public road.
- Request that the buffer screening be coniferous and min 2m tall.

### **Background**

The lot is municipally known as 504021 Grey Road 12. The lot is 15.2ha. (37.6ac.) in size with frontage onto both Grey Road 12 and Traverston Road. There is an existing house and 'accessory buildings/barns'. The application notes the removal of the existing house and the construction of a new house. The proposed OFDU would be in close proximity to the new house. Most of the lot is farmland.

### **Provincial Planning Statement 2020 (PPS)**

As of October 20, 2024, the new Provincial Planning Statement applies to all decisions in respect of the exercise of any authority that affects a planning matter.

Section 3 of the Planning Act requires that decisions affecting planning matters shall be consistent with policy statements issued under the Act.

The lot is designated as Rural and Hazard in the County of Grey Official Plan. Other identified constraints/policy issues include Aggregate Resource Area.

The OFDU would be located on lands designated as Rural.

Rural lands: means lands which are located outside *settlement areas* and which are outside *prime agricultural areas*. Policy 2.6.1(d) identifies a range of permitted uses on Rural lands including:

*agricultural uses, agriculture-related uses, on-farm diversified uses and normal farming practices in accordance with provincial standards.*

On Farm Diversified Uses (OFDU): *“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, agritourism uses, and uses that produce value added agricultural products ...”*

The proposed manufacturing shop is classified as an OFDU and is permitted in a Rural area. The OFDU would be located on a 15.2ha agricultural parcel. The OFDU would be secondary to the agricultural use in size.

The proposed use must also be sustainable from a service level and infrastructure perspective:

*Development that can be sustained by rural service levels should be promoted.*

*Development shall be appropriate to the infrastructure which is planned or available and avoid the need for the uneconomical expansion of this infrastructure.*

The OFDU will not require any special infrastructure that would be considered unusual for a rural property. Individual private well/water supply and on-site septic system is provided.

Garbage/recycling services – Roadside garbage and recycling pickup is available for residential waste. Waste from the OFDU would need to be removed by a private waste hauler. There are no issues regarding the potential volume of garbage and/or recycling.

Stormwater – The property is of sufficient size to handle stormwater on-site due to any increase in impermeable area (parking lot, increased lot coverage).

Fire Protection/Fire Access – No concerns.

Entrance – Grey Transportation has noted that a new Entrance Permit is required. Any alteration to the entrance will be reviewed by Grey Transportation. It will be up to Grey Transportation to determine what the construction requirements will be for the entrance and to review any potential impacts to Grey Road 12.

Lighting – Dark sky friendly lighting will be required if there is any exterior lighting proposed.

Most of the subject property, including the area for the OFDU, and all of the surrounding lands are within an identified Aggregate Resource Area. Policy 4.5.2.5 Protection of Long-Term Resource Supply states:

*In known deposits of mineral aggregate resources and on adjacent lands, development and activities which would preclude or hinder the establishment of new operations or access to the resources shall only be permitted if:*

*a) resource use would not be feasible; or*

*b) the proposed land use or development serves a greater long-term public interest; and*

*c) issues of public health, public safety and environmental impact are addressed.*

The OFDU would not be a sensitive use that would need to be 'protected' during the planning for a new aggregate operation. There are also multiple residential dwellings within one kilometre of the proposed OFDU that could severely curtail the potential to establish a new aggregate operation. In light of the surrounding land use constraints, it is the opinion of the Manager of Planning and Development that a new extractive operation on adjacent lands would not be feasible.

The County of Grey Official Plan identifies Significant Woodlands, a natural heritage feature, within 120 metres of the proposed OFDU. Policy 4.1.5 states that:

*Development and site alteration shall not be permitted on adjacent lands to the natural heritage features and areas identified in policies 4.1.4, 4.1.5, and 4.1.6 unless the ecological function of the adjacent lands has been evaluated and it has been demonstrated that there will be no negative impacts on the natural features or on their ecological functions.*

Grey County Planning Ecologist has reviewed the application and has no concerns. An Environmental Impact Study was not required.

The Manager of Planning and Development is of the opinion that the proposed zoning amendment is consistent with the PPS.

### **County of Grey Official Plan (Grey OP)**

The lot is designated as Rural and Hazard on Schedule 'A' of the Grey OP.

The Grey OP also identifies Aggregate Resource Area constraint on the property.

The OFDU would be located on lands designated as Rural.

Section 5.2.1 Uses Permitted Policies allows for OFDU in the Rural designation. Home Industries such as welding, manufacturing/fabrication are examples of OFDU's that are permitted.

Section 5.2.2 Agricultural Development Policies provides additional policy direction on the establishment of a OFDU on lots less than 20 ha. of land:

*15) 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. New agricultural-related uses shall also be limited to uses that can be sustained by local service levels. Traffic Impact Studies may be required to determine the impact of the proposed operation on the local road network, as per section 8.3 of this Plan. Servicing or Noise Studies may also be required for new or expanded on-farm diversified or agricultural-related uses.*

**Table 8: On-Farm Diversified Use Size Criteria**

Land use type	Property Size	On-Farm Diversified Use Maximum Size
Rural	Less than 20 hectares	<p>The lesser of:</p> <p>i) 2% of the total size of the property, or</p> <p>ii) a maximum combined area* of the use of 2,000 square metres.</p> <p>*This 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 are not included in the calculation of total use size.</p>

17) The gross floor area of the buildings (combined total for all buildings associated with the on-farm diversified use) shall not exceed 20% of the total area of the on-farm diversified use.

19) 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.

20) Ministry of the Environment, Conservation and Parks (MECP) D-6 Guidelines, or any successor thereto, shall be considered for any new on-farm diversified uses or an industrial nature in the Agricultural, Special Agricultural, or Rural land use

*types, to guide the separation of industrial uses from nearby dwellings, institutional uses, or other sensitive non-agricultural uses.*

Size - The gross floor area of all buildings (combined total for all buildings associated with the OFDU) shall not exceed 400 m<sup>2</sup> [maximum of 20 percent of the OFDU Combined Area].

The drawing submitted with the application shows 475m<sup>2</sup> of gross building area (shop plus proposed power room). The implementing by-law will limit the gross building area to the maximum of 400m<sup>2</sup>.

The Maximum Combined Area (including shop, parking, power room and outdoor storage) will be limited to 2000 m<sup>2</sup> [a max. of 2000m<sup>2</sup> is permitted].

Compatibility – Ministry of Environment Conservation and Parks 'Guideline D6 Compatibility between Industrial Facilities' would classify the operation as Class I with a 'potential influence area' of 70m.

The D6 Class I 'recommended minimum separation distance' to an incompatible use, such as a residence, is 20m. The OFDU zoned area would be setback approx. 167m from the nearest residence. The proposed OFDU would meet the setback requirement. For reference, the D6 Class II 'recommended minimum separation distance' to an incompatible use, such as a residence, is 70m.

Noise - A significant change in noise is not expected due to the change in land use. The workshop will meet the setback requirements of MECP Guideline D6.

Hours of Operation – It is the opinion of the Manager of Planning and Development that a zoning bylaw cannot regulate hours of operation of any business.

Sewage disposal - The site is sufficiently large enough to accommodate any needed septic disposal system.

Potable water - There are no concerns regarding the volume of potable water needed.

Environmental - Grey County Planning Ecologist has reviewed the development and is of the opinion that an Environmental Impact Study is not required.

Entrance – Grey Transportation has noted that a new Entrance Permit is required. Any alteration to the entrance will be reviewed by Grey Transportation. It will be up to Grey Transportation to determine what the construction requirements will be for the entrance and to review any potential impacts to Grey Road 12.

Traffic – Road access will be maintained via Grey Road 12. There may be some increased road traffic from deliveries to and shipping from the OFDU but this is not expected to significantly tax the road system. Grey Transportation has no concerns over the potential traffic generated nor issues with the current construction of the road.

Fire Protection/Fire Access - The existing driveway/entrance will be used for both the OFDU and the farm/house.

Aggregate resource constraint/protection has been evaluated/reviewed under a previous section.

The Manager of Planning and Development is of the opinion that the proposed zoning amendment maintains the general intent and purpose of the Grey Official Plan.

### **Municipality of West Grey Zoning Bylaw 37-2006**

The lot is zoned 'A2 Rural' with a small portion of 'NE Natural Environment'. The OFDU would be located on lands zoned 'A2'. The West Grey zoning bylaw allows for Home Industries on 'A2' zoned lands. Home Industry means "an occupation or business conducted for gain or profit as a secondary use to the main permitted use."

Section 6.14 Home Industry Regulations of the zoning bylaw goes further by providing example of uses:

*Home industries, where listed as a permitted use may include such uses as a carpentry shop, a welding shop, a machine shop, custom workshop, furniture fabrication, assembly, and repair; a tool and repair shop, and a small engine repair shop but shall not include autobody repairs or automobile sales, service and repair; automotive washing establishment, the sale of gas, or a wrecking yard;*

Policy 5.2.1 Uses Permitted Policies of the County of Grey Official Plan however goes further in that it allows "Home industries (e.g. sawmill, welding or woodworking shop, manufacturing / fabrication, storage of boats or trailers, biomass pelletizer)".

The Grey OP OFDU 'permitted uses' and the permitted uses of Section 6.14 of the West Grey Zoning Bylaw are very similar but the West Grey Zoning Bylaw is currently more restrictive than the Grey OP.

Planning is recommending that the site-specific bylaw for this amendment allow a 'Industry, Dry' as the permitted use:

***INDUSTRY, DRY***, means an industry, which by nature of its operation, process, or fabrication of raw materials or services rendered does not require a significant water supply and does not produce wastewater as part of the industrial process.

The Industry, Dry definition must be used in combination with the Industrial Use definition in order to understand its full meaning:

***INDUSTRIAL USE***, means, without limiting the generality thereof, the manufacturing, assembling, making, producing, preparing, inspecting, grading, ornamenting, finishing, treating, cleaning, washing, altering, repairing, restoring, processing, polishing, refinishing, packing, adapting for sale, warehousing, storing, breaking up or demolishing of goods, substances, articles or things or any part or parts thereof; or the production or storage of building or construction equipment or materials.

Section 6.14 Home Industry Regulations of the West Grey zoning bylaw can still be useful when reviewing OFDU proposals as illustrated in the table below:

<b>Section 6.14 Home Industry Regulations</b>	<b>Proposed</b>	<b>Comment</b>
a) It is secondary to the main permitted use on the lot and does not create a traffic hazard or nuisance;	The majority of the 15.2 ha. parcel will remain in agricultural production.	Complies. There were no traffic issues identified by Grey County Transportation.
b) It <i>may include such uses</i> as a carpentry shop, a welding shop, a machine shop, custom workshop, furniture fabrication, assembly, and repair; a tool and repair shop, and a small engine repair shop but shall not include autobody repairs or automobile sales, service and repair; automotive washing establishment, the sale of gas, or a wrecking yard;	Custom Metal Workshop.  'Industry, Dry'	A 'Industry, Dry' is similar in nature to those uses permitted in a Home Industry.  Industry, Dry would be consistent with the Grey County Official Plan.
c) The retail sale of any goods or items constructed, assembled, produced, created and finished within the home industry shall be permitted. The retail sale of all other goods shall be limited to 20% of the total floor area occupied by the home industry;	Not applicable	No comment.
d) The floor area of a home industry shall be limited as follows:  - The home industry shall not occupy more than 233 m <sup>2</sup> (2,500 ft <sup>2</sup> ) of floor area on any property zoned A1, A2 or A3 comprising 0.9 ha. or more;  - In no instance shall the home industry be permitted in more than one accessory building.	Lot is 15.2 ha. (37.6 ac) in size.  New shop size proposed is 400 m <sup>2</sup> .	The new shop would comply with the Grey County of Grey OP maximum size of 400 m <sup>2</sup> (20% of 2000 m <sup>2</sup> )
e) No more than one home industry shall be permitted on a property.	Not applicable	No comment.



Section 6.14 Home Industry Regulations	Proposed	Comment
f) No building or structure used for a home industry shall be located within 15.24 m (50 ft) of a lot line, nor within 91.44 m (300 ft) of a lot line of a vacant lot comprising less than 4.1 ha (10), nor within 91.44 m (300 ft) of a residence on a separate lot;	Proposed shop would be approx. 30m to the lot line.  Proposed shop would be approx. 167m to the residence on the lot to the south.	Complies.  The proposed shop would comply with the setback requirements set out in MECP Guideline D6.
g) Outside storage of materials, containers, or finished products shall be to the rear of the main building and barred from view;	Proposed storage would be located to the rear (north) side of the new shop building.	A new Tree Buffer will be required only across the frontage along Grey Road 12.
h) At no time may any home industry employ on-site more than a maximum of two employees who do not reside on the lot on which such home industry is conducted; and		This type of regulation is very difficult for the Municipality to enforce and is not included as a condition.
i) There shall be no advertising other than a non-illuminating sign which has a maximum size of 1.487 m <sup>2</sup> (16 ft <sup>2</sup> ).		To be included in the site specific zoning.

The new shop would comply with most of the West Grey Home Industry Regulations.

The zoning amendment would:

- i. limit the location of the OFDU on the property to a location immediately to the east of the existing house with the Home Industry shop to be located no closer than 30m to the lot line;
- ii. limit the Home Industry Total Area to a Maximum Combined Area (including shop, parking, power room and outdoor storage) of 2000 m<sup>2</sup>;
- iii. limit the Home Industry gross floor area of **all** the buildings to 400 m<sup>2</sup>;
- iv. allow 'Industrial Use, Dry' as the permitted use;
- v. require dark sky friendly exterior lighting, if any;
- vi. require parking, storage, loading areas etc. to be located within the Home Industry Total Area;
- vii. require a Tree Buffer screening the OFDU from Grey Road 12 only;

- viii. limit advertising to a non-illuminating sign which has a maximum size of 1.487 m<sup>2</sup> (16 ft<sup>2</sup>).

The OFDU will not be placed under site plan control. The site-specific zoning will be sufficient to regulate the use.

The Manager of Planning and Development is of the opinion that the proposed zoning amendment maintains the general intent and purpose of the West Grey Zoning Bylaw and represents good planning.

### **Financial Implications:**

Potential appeal to the Ontario Land Tribunal.

### **Climate and Environmental Implications:**

As reviewed in this Report.

### **Communication Plan:**

As required by the Planning Act, R.S.O. 1990, as amended.

### **Consultation:**

As required by the Planning Act, R.S.O. 1990, as amended.

### **Attachments:**

1. Schedule 'A' – N Martin (S Martin)
2. Site Plan – N Martin (S Martin)
3. Aerial and Street View
4. Grey County OP - Schedule A
5. Grey County OP - Schedule B
6. Grey County OP - Appendix B
7. SVCA Regulated Area
8. West Grey Zoning

### **Recommended by:**

David Smith, RPP, MCIP Manager of Planning and Development



### **Submission reviewed by:**

Michele Harris, Chief Administrative Officer

For more information on this report, please contact David Smith, Manager of Planning and Development at [planning@westgrey.com](mailto:planning@westgrey.com) or 519-369-2200 Ext 236.