



Municipality of North Middlesex Official Plan Review

Discussion Paper: Agriculture Policies

July 2026

Table of Contents

INTRODUCTION	2
POLICY CONTEXT	2
Provincial Planning Statement (2024).....	2
OMAFRA's Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas	3
County of Middlesex Official Plan	3
North Middlesex Official Plan.....	4
TOPICS OF INTEREST	4
Balancing Growth	4
On- Farm Diversified Uses	5
Agriculture-Related Uses.....	5
Consents in Agricultural Areas	6
Minimum Distance Separation.....	7
Alternative Housing Options in Agricultural Areas.....	8
Housing for Farm Labour.....	8
Manure, Biosolids and Septage.....	8
Agricultural Systems Approach.....	9
Definitions	9
RECOMMENDATIONS AND NEXT STEPS	9

INTRODUCTION

Agriculture is a longstanding economic backbone within the Municipality of North Middlesex. Located in the north of Middlesex County within the Ausable River watershed, North Middlesex covers approximately 60,000 hectares and comprises an extensive rural, agricultural land base alongside its urban centres of Parkhill and Ailsa Craig and its smaller community and hamlet settlements. There are approximately 453 farms located in the Municipality, which account for approximately 134,970 acres (54,620 hectares) of land that is actively farmed today. The Municipality's land base is primarily comprised of prime agricultural lands, which support the growing of major field crops including corn, soybeans and wheat, a robust livestock industry, among other existing agricultural uses across the Municipality. While the Municipality's agricultural land base remains strong, prime agricultural land is a non-renewable resource comprising less than 5% of Ontario's total land base. It is therefore vital that the Municipality implement and maintain a balanced approach to addressing population and employment growth, while continuing to prioritize the protection of the Municipality's agricultural lands over the long term.

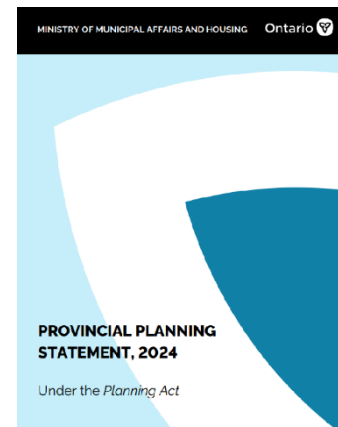
This discussion paper has been prepared to provide members of Council and the public with information related to the current agricultural policy framework to be considered during the Municipality's Official Plan Review. This paper also highlights topics of interest related to agricultural policies that have been identified through consultation with Council, staff, agencies, and members of the public. Finally, this discussion paper concludes with recommendations and next steps.

POLICY CONTEXT

Agricultural planning policies that will inform the policies of the North Middlesex Official Plan come from the direction of the Province through the Provincial Planning Statement and the County of Middlesex through the County's Official Plan. Additionally, these policies are informed by other sources including the Ontario Ministry of Agriculture, Food and Agribusiness (OMAFRA) Guidelines on Permitted Uses in Prime Agricultural Areas.

Provincial Planning Statement (2024)

The Provincial Planning Statement (PPS), 2024, issued under the Planning Act and in effect since October 20, 2024, lays out the foundation for land use planning in Ontario with respect to matters of provincial interest. The PPS replaced the former Provincial Policy Statement (2020) and consolidated it with A Place to Grow: Growth Plan for the Greater Golden Horseshoe into a single, province-wide land use planning document. The policies that are set out in the PPS pertain to building strong and healthy communities, the wise use and management of resources, and protecting public health and safety. As an implementation vehicle for the policies of the PPS, the North Middlesex Official Plan is required to be consistent with the PPS.



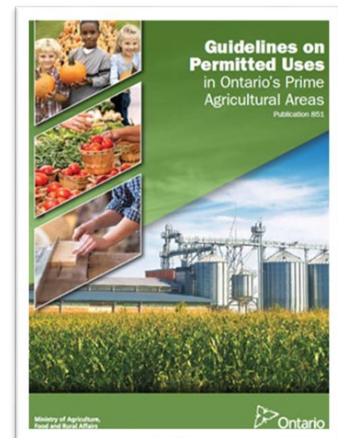
Agriculture is identified as a matter of provincial interest as it is a major component of Ontario's economy and contributes to the quality of life for Ontarians. The PPS introduced a requirement for planning authorities to apply an agricultural systems approach that maintains a geographically continuous agricultural land base and supports the long-term

economic prosperity and productive capacity of the agri-food network. In regard to agriculture, the PPS states “Prime agricultural areas shall be protected for long-term use for agriculture”. The policies of the PPS require planning authorities to designate prime agricultural areas and specialty crop areas. In the County of Middlesex, all land outside of settlement areas is designated Agricultural Area and these lands are considered Prime Agricultural Areas as defined by the PPS. The PPS permits a range of uses in Ontario's prime agricultural areas: agricultural uses, agriculture-related uses and on-farm diversified uses. The PPS also directs that all types, sizes and intensities of agricultural land uses and normal farm practices are to be promoted and protected within prime agricultural areas.

OMAF's Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas

OMAF's Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas further elaborates on the policies and definitions of the PPS as they relate to agriculture. The guidelines are meant to complement, be consistent with, explain the intent of the PPS policies and definitions and are intended to assist with the consistency of municipal approaches related to agriculture throughout Ontario. The guideline explores the three types of permitted uses within prime agricultural areas:

- Agricultural uses
- Agriculture-related uses
- On-farm diversified uses

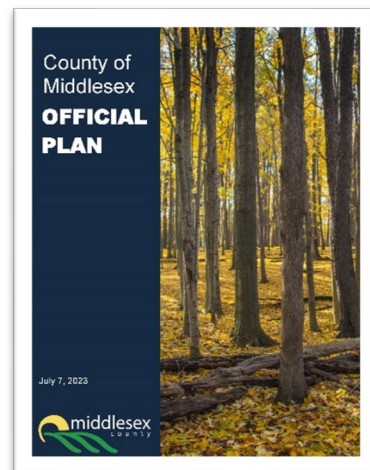


The guideline provides examples of each of the three types of permitted uses in addition to the PPS criteria for permitted uses and speaks to the scale at which each type of permitted use can exist. The guideline serves as an important tool for municipalities when amending and creating policies regarding the permitted uses in prime agricultural areas.

County of Middlesex Official Plan

The County of Middlesex Official Plan directs land use planning policy on a broad basis and is intended to provide a foundation to guide local municipalities in the development of their Official Plans and Zoning By-laws. The County's current Official Plan was approved with modifications by the Province on June 5, 2026 following the 2025 County Official Plan update.

The County Official Plan contains agricultural policies regarding resource management, growth management and includes detailed land use policies for Agricultural Areas. As mentioned, the County's Official Plan indicates that all land within Middlesex, other than land identified as Settlement Areas, is designated Agricultural Area and is considered Prime Agricultural Areas as defined by the PPS. As such, agriculture plays an important role in the County. The County's Official Plan implements and agricultural systems approach also requires local Official Plans to do same as well as further identify specific land uses, including agriculture. It will be necessary to ensure that the policies within the North Middlesex Official Plan are in conformity with the County's Official Plan, as it is a requirement under the Planning Act.



North Middlesex Official Plan

North Middlesex's Official Plan provides comprehensive policies for the agricultural areas within the Municipality. The plan recognizes agriculture as the predominant land use and identifies the protection of the agricultural land base as a matter of primary importance for the maintenance of the economic and social fabric of the community. As shown on **Figure 1**, areas designated Agricultural Areas comprise the majority of the Municipality.

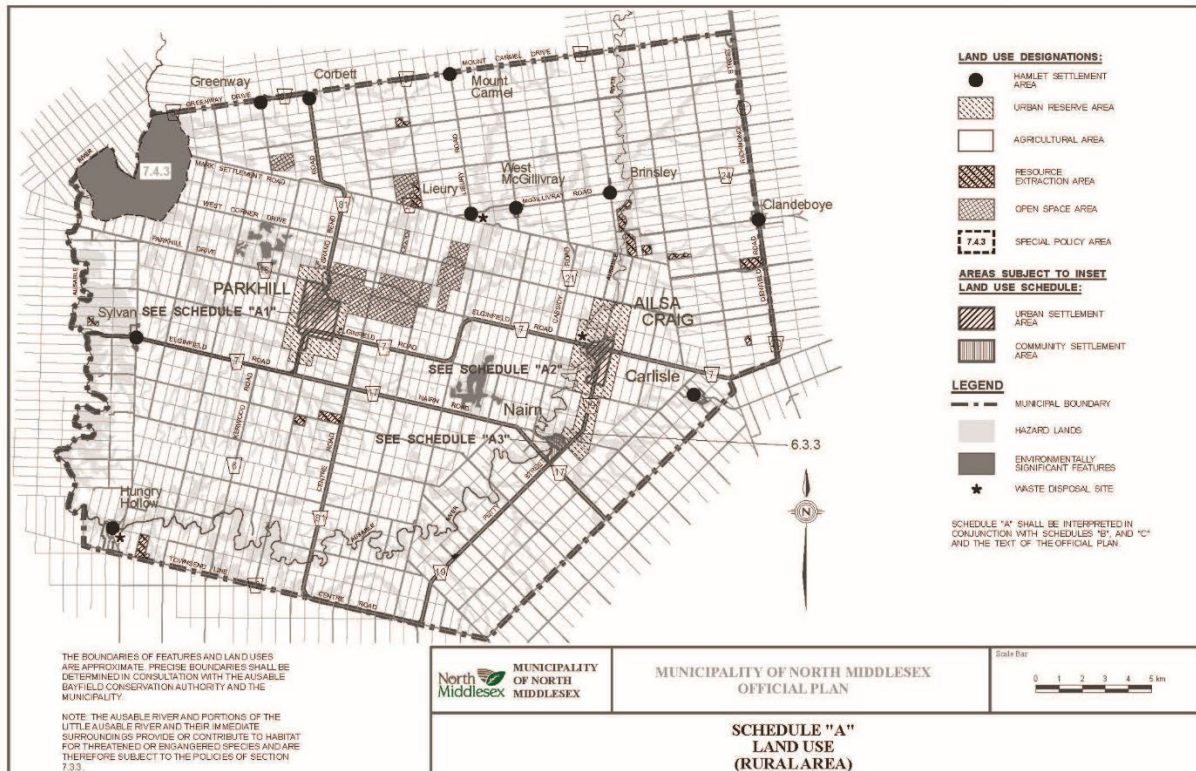


Figure 1

TOPICS OF INTEREST

This section explores topics of interest related to agricultural policies, including the review of current policies and new policies to be considered to help inform the Official Plan Review.

Balancing Growth

A primary area of focus identified through Council and public consultation to-date is how the Municipality should balance employment and population growth over the long-term, while considering the impact on the agricultural and natural environment systems. Consolidating employment lands and reallocating residentially designated lands to promote land use compatibility and the continued protection of agricultural lands are further discussed in the Employment and Housing Discussion Papers.

On- Farm Diversified Uses

On-Farm Diversified Uses (OFDUs) have been identified as a permitted use within prime agricultural areas subject to criteria laid out in the PPS and in OMAFA's Guidelines on Permitted Uses in Prime Agricultural Areas. Criteria for OFDUs include: the use being located on a farm, secondary to the principal agricultural use of the property; limited in area; includes but is not limited to home occupations, home industries, agri-tourism uses and uses that produce value-added agricultural products; and lastly the use must be compatible and must not hinder surrounding agricultural operations. OFDUs are an opportunity for farmers to diversify and supplement their income in addition to accommodating value-added and agri-tourism uses in prime agricultural areas. Examples of OFDUs include wine tasting, retail uses such as a farm market, value-added uses such as a cheese factory, and home industries such as the seasonal storage of boats or trailers. Notably, the PPS expanded the definition of on-farm diversified uses to include energy generation, transmission and energy storage systems, enabling renewable energy projects to be accommodated on farms subject to the applicable scale and compatibility criteria.

As part of its Official Plan review, the County introduced new policies that reference OFDUs within the general policies to ensure consistency with the PPS. OFDUs are not currently referenced within the Municipality's Official Plan, although this review is an opportunity to set a policy framework for OFDUs to provide additional business opportunities for farmers and to ensure consistency with the PPS.

Agriculture-Related Uses

Another permitted use in prime agricultural areas identified by the PPS are agriculture-related uses. Agriculture-related uses are defined as "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," (OMAFA Guidelines). The following criteria must be met in order for a use to qualify as an agriculture-related use:

- being a farm-related commercial or farm-related industrial use
- must be compatible with and must not hinder surrounding agricultural operations
- must be directly related to farm operations in the area, supports agriculture
- provides direct products and/ or services to farm operations as a primary activity

Examples of uses that could be considered agriculture-related include the processing of produce grown in the area, such as cider making, a flourmill, agricultural research centre, a farm equipment repair shop, and a farmer's market that primarily sells produce grown in the area (OMAFA Guidelines).

As part of Official Plan Amendment No. 3, the County introduced new policies regarding agriculture-related uses to replace farm-related commercial and industrial uses. The North Middlesex Official Plan also touches on agriculture-related commercial and industrial uses, which share characteristics with agriculture-related uses. To ensure that Municipality's Official Plan is consistent with the PPS and in conformity with the County Plan, it will be prudent to add agriculture-related use policies to the Plan, including a definition of the term as well as the prescribed criteria.

Consents in Agricultural Areas

The PPS, the County Plan and the Municipality's Plan include policies to ensure that newly created agricultural lots are the appropriate size for agricultural uses in the present and future. The PPS provides that lot creation in prime agricultural areas is discouraged and may only be permitted for agricultural uses, agricultural-related uses, a residence surplus to a farming operation per farm consolidation, and infrastructure. The PPS also provides that the creation of new residential lots in prime agricultural areas are not permitted except in the case of a consent to sever a dwelling considered surplus to a farming operation as a result of farm consolidation (PPS).

The County Official Plan states that non-farm related uses in agricultural areas have the potential to impair the effectiveness of agriculture operations. Further, scattered residential, commercial and industrial development may pose negative environmental impacts. To protect agricultural areas from non-agricultural uses, the County Plan provides that consents to dispose of a residence surplus to a farming operation may be permitted, subject to criteria, including the dwelling being built at least 10-years prior to the date of the application and provided that the new lot will be limited to a minimum size needed to accommodate the residential use and appropriate sewage and water services. The County Plan also prohibits consents on lands located within 300 metres of an active sand, gravel or quarry operation or open pit mining operation.

Consents regarding minor boundary adjustments for legal or technical reasons are also touched on in the County Plan, which states that they shall be considered provided that non-viable farm parcels are not created and no adverse impacts on agriculture are anticipated. The County Plan discourages consents for new farm lots where the result would be a farm lot that is less than 40 hectares in size, which is based on the findings of an agricultural parcel analysis undertaken during the County Official Plan Review in 2022. Through Official Plan Amendment No. 3, the County introduced a new policy that provides local municipalities with some flexibility when establishing minimum farm parcel size. The County Plan states that local municipalities may establish a different minimum farm parcel size through an amendment to the County Plan only where a study is carried out by the local municipality, with the guidance and assistance of the province, to demonstrate that a different farm parcel size is appropriate for the type of agricultural uses common to the local area, yet sufficiently large enough to maintain flexibility for future changes to the type or size of agricultural operations.

When considering applications for consents in agricultural areas, the Municipality's Plan provides that regard shall be had for the need to discourage the fragmentation of farmland, agricultural capability of the land, the type of agricultural activity that is currently taking place and what is being proposed. Further, regard shall be had for the minimum farm parcel size, the proposed building envelope, private on-site sewage and water services, and a contingency area where applicable. Additional agricultural consent policies include consents involving minor boundary adjustments, and for agricultural related commercial and industrial uses. It is noted that consents for the creation of a farm lot less than 40 hectares are discouraged by the Municipality's Plan.

Consents to sever a dwelling considered surplus to a farming operation as a result of farm consolidation are common planning applications that go before the Municipality's Council. Surplus farm dwelling consents aim to assist farmers in expanding their operations while ensuring that the surplus dwelling, which may be viewed as a nuisance for a farmer to own and maintain, can be sold to another party. The Municipality's Plan includes criteria that shall be satisfied in order to sever a dwelling from a farm. This includes:

- demonstration of farm consolidation (consolidation occurs or has occurred through the acquisition of an additional farm parcel)
- demonstration that the dwelling is surplus to the needs of the farming operation
- the dwelling was built prior to January 1, 1999
- the dwelling has been deemed to be habitable for human occupancy
- the parcel that is being created is the minimum sized needed to accommodate the use and the required water and sanitary waste disposal system
- Minimum Distance Separation (MDS) I compliance

These policies are being reviewed to ensure that they are clear and easily understood by members of the farm community and public. Additionally, the PPS now specifies that one dwelling per farm consolidation may be severed, which was carried over into the County Plan through the recent Official Plan Update. As such, the proposed changes will reflect this change and staff may consider the inclusion of further clarification on policies pertaining to existing outbuildings including how those structures should be treated, either by way of demolition or through a change of use permit, as well as specifying that keeping any such buildings on the severed lot with the surplus residence does not necessitate the creation of an inappropriately sized residential lot.

Minimum Distance Separation

The Minimum Distance Separation formulae is an important tool to help reduce incompatibility issues related to odour produced from livestock operations. The PPS requires new land uses such as the expansion of livestock facilities and the creation of new lots to comply with MDS formulae. The County Plan also includes recently revised policies regarding MDS that require agriculture-related uses and OFDUs to be located in conformity with MDS. Further, new proposals for non-agricultural uses in the agricultural area are to comply with the MDS formulae. The County Plan notes that local Official Plans must contain MDS implementation policies.

Similarly, the Municipality's Plan requires development in agricultural areas, such as new or expanding livestock operations, to comply with MDS requirements. The Municipality's Plan provides that the expansion or establishment of non-agricultural uses and the expansion or establishment of new livestock facilities shall meet the MDS formulae. Further, the plan provides that the Municipality's Zoning By-law shall contain the Minimum Distance Separation formulae.

The Municipality's Official Plan currently applies an Urban Reserve designation to certain lands on the periphery of its urban settlement areas. This designation was historically intended to hold lands in reserve for potential future urban expansion and, in part, to provide a degree of separation between the settlement areas and surrounding agricultural and livestock operations.

Land use compatibility between livestock facilities and sensitive uses, including the residential and other uses that characterize settlement areas, is now addressed through the Minimum Distance Separation (MDS) formulae. As noted above, the PPS, the County Official Plan and the North Middlesex Official Plan all require new development, the establishment or expansion of livestock facilities, and the creation of new lots to comply with MDS. With MDS serving as the established tool for managing these separation and compatibility matters, the Urban Reserve designation is no longer required to perform that buffering function.

Retaining the Urban Reserve designation is also inconsistent with the current provincial and County policy framework, under which all lands outside of settlement areas are designated Agricultural Area and considered Prime Agricultural Areas as defined by the PPS. Prime agricultural land is a finite, non-renewable resource that the PPS directs be protected for long-term agricultural use. Redesignating these lands as Agricultural Area would remove an unnecessary designation, reinforce the long-term protection of the Municipality's agricultural land base, and bring the Official Plan into conformity with the County Official Plan.

Alternative Housing Options in Agricultural Areas

The PPS expressly permits, where a residential dwelling is allowed on a lot in a prime agricultural area, up to two additional residential units in addition to housing for farm labour, subject to criteria such as the Minimum Distance Separation formulae, compatibility with surrounding agricultural operations, limited scale, and locating the units within, attached to, or in close proximity to the principal dwelling or farm building cluster. The County Plan provides policy direction that supports the creation of alternative housing options within the agricultural area in the form of Additional Residential Units (ARUs) and temporary housing options in the form of garden suites. While ARUs are permitted as permanent structures, garden suites are intended to be temporary and are subject to temporary use by-laws in accordance with Section 39 of the Planning Act. This is elaborated on in the Housing Discussion paper.

Housing for Farm Labour

The PPS and County Plan treat housing for full-time farm labour as an agricultural use when the size and nature of the operation requires additional employment. The County introduced updated policies in this regard through its Official Plan Review. Specifically, the County Plan provides that temporary or permanent residential units for farm labour are permitted if grouped with existing farm buildings. Further, the County Plan encourages local municipalities to include policies in their Official Plans that address additional considerations including demonstration of need, minimizing the loss of agricultural land, building size, adequacy of services, access, and Minimum Distance Separation.

Manure, Biosolids and Septage

Through County Official Plan Amendment No. 3, the County introduced policies that speak to manure, biosolids and septage. The County Plan encourages stewardship by landowners to support the wise management of agricultural and water resources and contribute to the protection, restoration and management of natural areas and the health and integrity of the environment through the safe and effective management of land-applied materials. Further stating that land application of manure, biosolids and septage shall adhere to the requirements of applicable legislation.

Regarding the storage of biosolids, similar to a traditional fertilizer, the County Plan states that the material shall be stored in a manner that ensures the protection of surrounding properties, watercourses and the environment, while mitigating conflicts with adjacent land uses. Further, the processing and or storage of predominantly non-agricultural source materials such as biosolids for the purpose of distribution are considered industrial uses and therefore subject to site plan control to mitigate land use conflicts, and address matters such as stormwater management, setbacks, screening and buffering.

To ensure that the Municipality's Plan is in conformity with the County Plan, it will be prudent to address policies related to manure, biosolids and septage through the Municipality's Official Plan

Review. These policies will likely be very similar to those within the County Plan and may be included with a definition.

Agricultural Systems Approach

The Agricultural System approach was introduced by the Ontario Ministry of Agriculture, Food and Agribusiness (OMAFRA) in March 2020 to protect agricultural lands and support the long-term viability of Ontario's agri-food sector. The agri-food network consists of the industries, infrastructure, assets, and services that support agricultural production, processing, distribution, and related economic activity.

An Agricultural System is defined as a continuous and permanent land base that is necessary to sustain long-term agricultural production and the associated agri-food network. While the approach continues to protect prime agricultural areas, it also recognizes the importance of protecting the broader system of interconnected rural lands and infrastructure that contribute to agricultural viability. This includes natural heritage and hydrologic features, transportation and other infrastructure serving the agricultural sector, agri-food assets and services, agricultural input suppliers, on-farm buildings and facilities, and rural communities that support agricultural operations.

The Agricultural System approach aligns with Municipality's Plan's goal of providing continued viability and protection of the Municipality's agricultural areas, agricultural industry, and agricultural communities. The Municipality could implement the Agricultural System approach in the following ways:

- Continuing to identify the municipalities agricultural land base which includes prime agricultural areas.
- Including policies that avoid, minimize, and mitigate impacts of non-agricultural development on agricultural operations and the agricultural systems
- Whenever possible, have transportation planning and goods movement support and enhance the agricultural system.
- Requiring Agricultural Impact Assessments for development proposals and infrastructure projects that cross prime agricultural lands.

Definitions

The PPS and the County Official Plan contain several definitions related to agriculture that are new or have been revised. The definitions within the Municipality's Plan should be updated to be consistent with the definitions within the PPS and the County Official Plan. This includes definitions such as on-farm diversified uses, agriculture-related uses, a farm operation, etc.

RECOMMENDATIONS AND NEXT STEPS

This discussion paper has provided a background of the policies related to agriculture to help inform the draft policies for the Municipality of North Middlesex Official Plan. The updates and revisions that may be required include the following:

- It is recommended that the Municipality's Plan provide policy direction for on-farm diversified uses and agriculture-related uses. The home occupation and home industry policies within the Municipality's Plan should also be reviewed and revised if required.

- It is recommended that agricultural consent policies, including policies for surplus farm dwellings, be reviewed and revised to ensure PPS alignment.
- It is recommended that the MDS policies are reviewed and revised to ensure appropriate implementation of the tool.
- It is recommended that Schedule A be amended to delete the Urban Reserve Designation and redesignate those lands as Agricultural Area.
- It is recommended that the definitions within the Municipality's Plan are revised if necessary and include new definitions that are laid out in the PPS and within the County Plan.