SUBJECT: Official Plan Amendments and New Official Plan - Rural Hamilton (PED06207) (City Wide)

RECOMMENDATION:

(a) That approval be given to Official Plan Amendment No. ___ of the former Region of Hamilton-Wentworth, Official Plan Official Plan Amendment No. ___ of the former Town of Ancaster Official Plan; Official Plan Amendment No. ___ of the former Town of Dundas Official Plan; Official Plan Amendment No. ___ of the former Town of Flamborough Official Plan; Official Plan Amendment No. ___ of the former Township of Glanbrook Official Plan, and, Official Plan Amendment No. ___ of the former City of Stoney Creek Official Plan, to delete the existing policies and land use designations applicable to the Rural Area, as contained in Appendix “A” to Report PED06207.

(b) That approval be given to the adoption of a new Official Plan, to establish new land use designations and policies for Rural Hamilton (lands outside the urban area), as contained in Appendix “B” to Report PED06207.

(c) That the General Manager, Planning and Economic Development Department, be hereby authorized and directed to prepare the requisite by-law to amend the Official Plans and to adopt a new Official Plan, in a form satisfactory to the City Solicitor, for presentation to Council.

(d) That staff be directed to phase-in implementation of the Sustainable Private Water and Wastewater Services policy to permit the development of technical guidelines and reform of program delivery procedures and priorities in the associated Departments.

(e) That staff be directed to investigate and report on home industry issues and options pertaining to rural areas as part of the Agricultural Action Plan project and the update of Official Plan policies governing Industrial Land Use designations.
(f) That the Ministry of Natural Resources be requested to review and update mapping of Mineral Aggregate Resource Potential Areas to more accurately reflect viable resource areas in relation to major land use issues that preclude or constrain the future development of pits and quarries.

Appendix “A” to Report PED06207 contains the related Official Plan Amendments. Appendix “B” to Report PED06207 contains the new Official Plan for Rural Hamilton. The maps from Appendix “A” to Report PED06207 and the new Official Plan - Appendix “B” to Report PED06207 are not attached to this Report. The complete set of documents is available for viewing in the Office of the City Clerk, 2nd Floor, Hamilton, City Hall. The report and full documentation will also be available on the City website.

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Lee Ann Coveyduck
General Manager
Planning and Economic Development Department

EXECUTIVE SUMMARY:

The Rural Official Plan marks the completion of phase 1 of the Hamilton Official Plan program. A new Plan for Rural Hamilton (the area outside the Urban Area boundary) has been developed and will replace much of the rural policies and mapping of the former local municipal Official Plan and the Regional Official Plan. It provides a consistent policy and designation framework for all of the Rural Area. The primary thrust of this Plan is the protection and enhancement Agriculture and Rural Resources.

Following an extensive public consultation process, the new Plan reflects the reality and the goals of Rural Hamilton, and conforms to the Greenbelt Plan and is consistent with the Rural sections of the new Provincial Policy Statement (PPS).

Recommendations for future studies and related amendments include updated mineral aggregate resource mapping, hazard lands, transportation and on-farm home industries.

Key components of the Rural Official Plan program and the new Plan include the Natural Heritage System, identification of prime and non-prime agricultural resources, the development of land use designations and a review of the Rural Settlement Areas.
BACKGROUND:

The Rural Official Plan program began in February 2003 with a major land use inventory and re-evaluation of Agricultural designations in the City’s current Official Plans, known as the LEAR (Land Evaluation and Area Review) Study. The LEAR and all other major policy matters pertaining to the Rural Official Plan were developed with continuing input from Council’s Agricultural and Rural Affairs Advisory Committee (ARAAC).

In the spring and summer of 2003 the City engaged in a major consultation process known as Building a Strong Foundation which asked residents to re-assess and articulate their key objectives for implementation of Vision 2020. In September 2003, Council reviewed and updated its sustainability-based Vision 2020, to include the following vision statement:

“Rural Communities
Agriculture is supported as a community resource and vibrant part of the local economy which makes a valued contribution to our overall quality of life. All citizens recognize prime agricultural land as irreplaceable. Strong policies and programs ensure its continued use for food production. The farming community is economically viable, environmentally sensitive, capable of supporting family farming operations and competitive internationally. The farm community is in harmony with neighbouring urban areas. Agricultural soils are continuously improved through the widespread use of sustainable farm practices.”

Building a Strong Foundation asked citizens and stakeholders to set more specific objectives for the Growth Related Integrated Development Strategy (GRIDS) and Rural Official Plan (OP) programs. Nine Strategic Directions were generated by this process and approved by Council. Three of these Directions relate to Rural Hamilton:

3. Protect rural areas for a viable rural economy, agricultural resources, environmentally sensitive recreation and enjoyment of the rural landscape.

Supporting and enhancing the rural area and its economy was seen to require a balancing of many interests. In particular, agricultural lands and natural heritage features are resources to be protected, preserved and enhanced for the economic well being of the City and the Province.

5. Retain and attract jobs in Hamilton’s strength areas and in targeted new sectors.

Agriculture and its related industries is a major contributor to Hamilton’s economic base. Agriculture is a $1 billion industry with significant potential for growth. The City promotes the agriculture along with food and beverage processing, as one of seven targeted economic sectors by Council.
8. Protect ecological systems and improve air, land and water quality.

The environmental integrity of our natural areas was seen to be critical to the long term well being of our residents and economy. These resources are to be protected from encroachment and degradation to maintain overall environmental health.

In the fall of 2003, the Province launched the Greenbelt initiative by imposing an interim development ‘freeze’ on all of Rural Hamilton and a discussion paper outlining the general scope and purpose of its undertaking. In quick succession thereafter the Province introduced a series of major legislative and policy initiatives which bear directly on the Rural Official Plan program, including: the Clean Water Act, Source Water Protection Strategy, Planning Act Reform (Bill 26), an updated PPS and the draft Places to Grow Plan (P2G).

Policy development for the Rural OP was put on ‘hold’ for most of 2004 to support the City’s input to various components of these unprecedented initiatives. The LEAR background study continued until June 2004 when a completed analysis was submitted to the Ministry of Agriculture Food and Rural Affairs (MAFRA) for final endorsement as required by that procedure. However, the Ministry’s partial endorsement of the LEAR was not received until May 10, 2005. This endorsement excluded the ‘tender fruit area’ designation and some ‘prime agricultural’ designations in western Flamborough and northern Ancaster that had been formulated by the City’s LEAR work.

In February 2005, the Province revoked the interim development freeze and approved a final Greenbelt Plan to set detailed land use policies and designations for most of the City’s rural area. The Greenbelt legislation requires municipalities to promptly bring their Official Plans into conformity; hence the Rural Official Plan program was redirected to that end.

The final Greenbelt Plan required significant changes to the City’s existing Natural Heritage (natural environment) policies and designations approved by Council in 2002. The Greenbelt Plan established a larger ‘Specialty Crop’ designation than the one resulting from the City’s LEAR Study. The Greenbelt Plan eliminated local planning options on many topics, especially related to most forms of non-farm land use, the designation or expansion of rural settlements, future extension of lake-based sewer and water services and future rural lot creation. The Greenbelt Plan specifically prohibits municipalities from applying more restrictive local policies to agriculture or mineral aggregates (pits and quarries). Thus, the scope and content of the Rural Official Plan program changed significantly.

In June 2005, staff held Open Houses pertaining to all major rural planning topics. A series of three Open Houses were conducted to explain issues to residents, clarify the effect of the Greenbelt Plan, introduce planning concepts and solicit ideas and input for preliminary designations and policies.
In January 2006, staff released first draft policy papers pertaining to all major rural planning topics. These initial proposals were circulated to all City Departments, agencies, the Province, Rural Area stakeholders and the public for comment. Three Open Houses were held in January 2006 to explain the tentative proposals and to solicit written and verbal comment. All input received from the consultation was analysed, responses generated on each issue raised. A greatly amended, second draft OP document was then prepared.

In April 2006, the second draft of the proposed Rural Official Plan was released for another round of department, agency, Provincial, stakeholder and public consultation. Once again, a series of three Open Houses was conducted (May 2006) to explain the refined policy proposals and solicit feedback. Input was again received from this consultation process which has proven valuable in formulating the final draft policies that are now proposed for Council’s adoption.

The draft Rural Official Plan is a milestone in the City’s overall process of planning reform. It creates a new and completely restructured OP document that will serve as the foundation for future amendments addressing the City’s urban areas and other OP issues. This new OP document consolidates and replaces the existing Region Plan and five of the Area Municipal OPs as they pertain to Rural Areas in almost all respects.

The proposed Rural Official Plan has no effect on existing policies and designations pertaining to the current urban areas as delineated by the Regional and Area Municipal OPs.

Significantly, adoption of a new OP document not only requires that it be in conformity with Provincial plans, be consistent with the PPS in the topics covered, but Planning Act procedures require such documents to be submitted to the Minister of Municipal Affairs and Housing (MMAH) for final approval. This differs from the process which Council has been familiar with since the mid-1990’s regarding local OP amendments; where documents automatically take effect upon the expiration of the statutory appeal period if no appeals are launched.

In the case of a new OP, the MMAH issues a draft ‘Certificate of Approval’ following review of the document, which any party (including the City) may then appeal during the statutory notice period.

**ANALYSIS/RATIONALE:**

Council’s Vision 2020 Renewal, directions set by the Building a Strong Foundation process, the City’s Economic Development Strategy, the new PPS and the Greenbelt Plan, all establish a pre-eminent role and a central commitment to agriculture and the natural environment in Hamilton’s Rural Area. The draft Rural Official Plan translates those objectives into new land use policies that will replace all six of the current OPs as they apply to rural communities and resources. In developing the draft Rural Official Plan one must be cognizant of the characteristics and trends associated with Rural Hamilton which pose many challenges to these objectives.
Approximately 44,000 people live outside of the City’s urban boundaries, yet farm residents only comprise about 4,000 of that total. Hamilton’s rural area has been severely impacted by non-farm or exurban ‘sprawl’ development to a degree that is very unusual in most of Southern Ontario. There are approximately 11,000 non-farm residential lots in rural Hamilton, with just less than 1,000 of those lots still being vacant or yet to be created within previously designated areas. Only about 20% of all non-farm residential lots are located within Rural Settlement Areas such as Freelton, Jerseyville, Woodburn, etc. The rest are scattered up and down every country road, generating significant and permanent constraints on agricultural operations and potential conflicts for rural resource development of all kinds.

There are approximately 5,800 parcels of land assessed as ‘Agriculture’ in Hamilton’s Rural Area, yet the 2001 Census indicated there are only 1,050 working farms. This reflects the fact that ‘farm’ land in Hamilton has been significantly impacted by urban land speculation and ‘exurbanite’ land ownership. The comprehensive land use survey conducted by staff for this project confirmed a very large number of properties assessed for tax purposes as ‘farms’ have little or no farming activity occurring on them. Approximately 2 out of every 3 dwellings assessed to be part of a ‘farm’ in Rural Hamilton are not used by Census farm operators.

In an industry that requires ever larger farms to produce sufficient income to cover production costs, agriculture in Hamilton is challenged to compete with urban interests that own or influence the use of a significant amount of rural land. Local farmers turn increasingly to land rental and greater intensification of business activity on their own land. This situation accentuates the potential for conflict with the majority population of non-farmers in the rural area.

In the past, local municipalities framed Official Plans to address the interests of both farmers and non-farmers. However, a continuation of exurban sprawl and an accelerated loss of commercial farms resulted, the pace of which greatly exceeded the Provincial average or in neighbouring municipalities. The ‘balanced’ interest’ approach to local policy clearly marginalized the core planning objectives which citizens and Council want most to achieve in the future.

New strategic directions arising from Vision 2020, *Building a Strong Foundation*, the PPS and the Greenbelt Plan no longer support a concept of ‘balancing’ development interests in Rural Areas. The draft Rural Official Plan holds the activities and interests of farming and other rural resources as a higher priority than other land uses as a result. While the draft Plan recognizes and permits existing uses in the rural area which conflict with agriculture and other rural resource activities, it provides no opportunity for new uses of that nature to be established.

Council’s ARAAC supports this new direction in rural planning policy. While there are a number of people who remain opposed to the Greenbelt Plan, the Open House and community consultation associated with the Rural Official Plan did not reveal strong or widespread opposition to the basic direction of the Rural Official Plan, so much as concern for aspects of its policies.
While it is impossible to address every one of the comments received from Department Staff, agencies, Provincial Ministries, stakeholders and individual citizens in this report, staff would characterize the major issues to be as follows:

**Provincial Policy Statement (PPS)**

One of the major changes that occurred after the Rural Official Plan project started was the introduction and approval of a more detailed Provincial Policy Statement (PPS) coupled with new requirements in the Planning Act for all municipal planning actions to ‘be consistent with’ its provisions. The standard for applying Provincial policy also changed from the date a municipal planning project was started to the ‘date of adoption’ by Council, effectively giving the new PPS retroactive impact on all municipal planning work in progress.

The requirement for PPS ‘consistency’ can also cause confusion. The Planning Act demands that all municipal decisions be aligned to PPS directions on whatever topics apply to an individual development application or a municipal planning project. This does not mean that all development applications or municipal projects must address PPS issues that are not relevant to the planning matters associated with them. Thus, it is possible to ‘be consistent with’ the PPS and not need to address every PPS policy item. In the case of the Rural Official Plan this means that the document can be ‘consistent’ with the PPS, even though it does not deal with any urban planning issues. Staff has explored this approach to OP reform of ‘consistent but not complete’ in respect to PPS requirements with MMAH and they are supportive of the approach being taken by the City.

**Greenbelt Plan Conformity**

Hamilton’s draft Rural Official Plan and a major amendment to the Durham Region Official Plan are the first municipal documents now being updated to conform to the Greenbelt Plan. As indicated above, Greenbelt conformity requirements have guided the formulation of Hamilton’s draft policies from the outset.

However, Provincial comments on various drafts of the Rural Official Plan have requested changes to the wording of local policy to mirror the text of Greenbelt Plan verbatim. City staff has made extensive revisions to various drafts of the Rural Official Plan to reflect the intent of provincial comments, but have not supported their suggestions that the City’s Plan merely ‘parrot’ text from the Greenbelt Plan.

The new Rural Official Plan is both an ‘upper tier’ and ‘lower tier’ municipal planning document. It is designed to articulate Provincial policy and plan requirements in terms, and with a level of detail, that make sense in Hamilton’s context, not the overall Provincial context. It has been City staff’s view that our new OP must deal with community planning issues with greater clarity than the Greenbelt Plan; hence, differences in policy wording and mapping detail are essential. This is a point on which Province and City planners may continue to ‘agree to disagree’ in future.
I. Agricultural Resources and Associated Designations

One of the basic requirements of the Greenbelt Plan is for municipalities to detail its policies for Agriculture within its ‘Protected Countryside’ designation by delineating ‘Agricultural’ and ‘Rural’ Land Use Designations. In both the Agriculture and Rural designations, the primary land use is farming. Given local history and performance in rural planning matters, City staff had previously concluded that such clarification was needed before the Greenbelt Plan made it mandatory. A major background study was initiated, known as the LEAR project.

Hamilton completed a LEAR study in 2004 and it was partly endorsed by OMAFRA in 2005, as indicated above. With significant input from the ARAAC, this study identified the ‘prime’ Agricultural areas and the ‘non-prime’ Agricultural areas using a complex methodology previously developed and sanctioned by OMAFRA. The LEAR results where used as the basis for the Agriculture and Rural designations found in the Plan, except for the ‘specialty crop’ designations in the Stoney Creek area, where Greenbelt Plan boundaries are mandatory.

The resource areas categorized by the LEAR were generally translated in the Agriculture (prime agricultural areas) and Rural (non-prime agricultural areas) designations of the Rural Official Plan. To address outstanding issues with respect to the partial sign-off received on the LEAR in 2005, staff has further reviewed these designations in recent months. Stemming from additional meetings with Provincial staff, further areas were added to the Agriculture designation, while a small and isolated ‘prime land’ area was converted to a Rural designation.

Lands surrounding the RSAs of Jerseyville, Lynden, Sheffield, Westover and in the vicinity of Highway 52 were added to the Agriculture designation to address Ministry concerns that a complete and integrated agricultural district was not clearly represented by the LEAR results in this district. Following the same logic, a few pockets of land encircled by or immediately adjacent to ‘prime’ agricultural areas were added, primarily in western Flamborough, to better recognize existing connections between prime Agricultural Districts.

Within the Agriculture designation, new non-farm development is not permitted. Within the Rural designation, resource-based Industrial, Commercial and Open Space uses and Rural Institutional uses serving the rural community can be considered. With the exception of surplus dwelling severances, new residential lots are not permitted in either the Agriculture or Rural designations.

II. Mineral Aggregate Policies

Municipal planning policy for mineral aggregate operations (pits and quarries) has been universally controversial in Ontario. Aggregates are essential materials for all forms of urban growth and infrastructure, as well as a variety of industrial processes, including steel production. Mineral aggregate operations can produce significant community and environmental impacts, which Provincial licensing procedures are designed to avoid, manage and mitigate. Similarly, the feasibility of extracting mineral aggregate resources
in future can be nullified by inappropriate municipal planning decisions that introduce sensitive or conflicting land uses into a resource area. Hence, controversy surrounds the conflicting objectives of various parties concerning resource protection and extraction.

While aggregate operations are technically ‘interim’ land uses which do not last forever, the size of the deposit or a licensed area can often result in extractive operations continuing for most of a human lifetime. Thus, the public often regards these uses to be permanent. In resource areas such as those within Rural Hamilton, quarry operations invariably produce a major and permanent alteration of the landscape, even with appropriate mitigation by site rehabilitation.

Ontario’s planning policy on mineral aggregates limits the involvement of municipalities to the creation of new or expanded mineral aggregate operations prior to Provincial licence approval. Municipal powers to regulate activities occurring within a pit or quarriing operation after licensing are extremely limited. Municipalities with previously approved local policies or by-laws governing aspects of mineral aggregate operations (i.e., operational agreements, rehabilitation, extraction below the watertable) have had those local regulations reduced or nullified by legislation. Most significantly, the Aggregates Resources Act of 1990, as amended, rendered ‘void’ all municipal By-laws to regulate pit or quarry operations otherwise governed by the Provincial licensing (i.e., design, scale and conduct of extractive operations, rehabilitation and site mitigation measures, etc.). Municipalities can now only establish policies and regulations governing land use issues occurring within pits or quarries that are not part of Aggregates Resources Act procedures (e.g., secondary activities like truck repair facilities).

The Greenbelt Plan establishes more restrictive requirements for the creation of new pits or quarries so as to protect specialty crop land and key natural features. These are more rigorous requirements than apply elsewhere in Ontario. Conversely, the Greenbelt Plan prohibits municipalities from applying any new OP policies that are more restrictive in their effect. This places the City of Hamilton in a difficult position for its efforts to establish progressive policies in the Rural Official Plan.

Municipalities with progressive policies benefit from up to date mapping of aggregate resources which generally avoid concentrated areas of existing incompatible (residential) development. The Ministry of Natural Resources (MNR) has traditionally been responsible for producing this mapping. The ‘Mineral Aggregate Resource Potential’ maps in Hamilton’s Official Plans are clearly inadequate in this regard, by including areas with substantial incompatible land uses and excluding other areas with significant resource potential and few land use conflicts. The Rural Official Plan project sought updated information from MNR from the beginning. Unfortunately, the Ministry refused to produce updated maps, leaving the entire cost and associated justification studies to the City. Some municipalities (e.g., Town of Caledon) which have taken up this challenge have spent very large amounts of money and years of effort to reach a conclusion. The investment and time required for Hamilton to complete this work was not part of the Rural Official Plan program.
In an attempt to reconcile this dilemma, the draft OP policies establish a separation distance policy of 500 meters for new quarries and 300 meters for new pits from existing Rural Settlement Areas, estate residential areas and residential mobile home parks that are otherwise designated by the Rural Official plan. This setback restriction is not recognized by the Greenbelt Plan. It is intended as an interim restriction to apply only until new mineral aggregate resource mapping is complete. While the restriction may be interpreted as more restrictive than Greenbelt provisions, City staff feel there is little alternative if Rural Hamilton is to be treated equitably with other progressive municipalities on mineral aggregate issues.

A key recommendation of this report requests the MNR to work with the City in future to produce updated resource potential mapping for all of Rural Hamilton.

### III. Natural Heritage Policies

The Natural Heritage System policies represent a change from the traditional approach of protecting large and significant natural areas - Environmentally Significant Areas (ESAs) Proposed policies now protect a wider range of natural features and ecological functions regardless of scale, as well as the connections (or linkages) between them. This approach is required by the Greenbelt Plan, which targets key natural heritage and key hydrologic features by connecting them within a ‘Natural Heritage System’.

Mapping natural heritage features and functions was one of the main challenges in developing new policies on natural heritage. The Greenbelt Plan and PPS require municipalities to map features such as significant wildlife habitat, habitat of threatened and endangered species, and significant valley lands. The Province provides some natural feature maps, but it is the municipality’s responsibility to identify which of these areas are ‘significant’. Municipalities have to deal with issues concerning incomplete data, defining a boundary for dynamic natural features or ecological functions, and the sensitivity of disclosing some data (for example, threatened and endangered species locations). Provincial guidelines for determining ‘significance’ are incomplete leaving municipalities to make their own interpretations on many issues.

The City has undertaken work to identify significant woodlands and significant wildlife habitat deemed mandatory by the Greenbelt Plan. Other natural heritage features also required by the Greenbelt Plan are not fully mapped at this time. Unmapped features are clearly described in the proposed Rural Official Plan policy and include seepage areas and springs, permanent and intermittent streams, fish habitat, significant habitat of threatened, endangered and special concern species, and significant valley lands. Additional on-site studies and consultation are required when future rural development applications arise to pinpoint these ‘other’ features until future OP studies and amendments are completed, once Provincial technical guidelines are established.

Natural heritage features are not designated as a separate land use on Schedule B, but are shown as an overlay in the OP because of the difficulty in accurately mapping a boundary for all natural features or functions. Similarly, the overlay concept recognizes that any land use otherwise permitted by the Rural Official Plan can be established in
most natural heritage districts provided that appropriate site selection, design and mitigation measures are implemented.

The Greenbelt Plan requires Environmental Impact Statements (EIS) to be prepared for more situations than current City policies require. For example, EIS reports are typically required when non-farm development and site alteration proposals require Planning Act approval (variances, severances, OP and Zoning By-law amendments, and Niagara Escarpment Plan amendments) within or adjacent to ESAs. Greenbelt provisions apply EIS requirements to individual building permits and large areas of adjacent land as well. New policies require EIS reports for a wider variety of natural features (all wetlands, seepage areas and springs, habitat of special concern species) and applications (Site Plan, Site Alteration By-law).

Policies now include more detailed direction on protecting linkages between natural areas, to ensure that ecological functions (such as wildlife and plant movement) are maintained and enhanced. Major linkages were already addressed in the Greenbelt Plan Natural Heritage System, but staff wished to include provisions to ensure that smaller, local features, such as small woodlots, meadows, and successional areas adjacent to Core Areas are supported where possible.

IV. Rural Settlement Areas (RSAs)

The Greenbelt Plan specifies the rural settlement areas that may be designated to achieve a one-time minor boundary adjustment. There are currently 18 designated RSAs and three additional RSAs in Hamilton which are identified as Hamlets by the Greenbelt Plan.

The previous approach to identify RSAs was as diverse as the planning traditions of the former municipalities. One former municipality identified virtually all residential clusters, whereas, another municipality did not identify any. For the new Rural Official Plan only, RSAs which include multiple land uses which function as service centres for the surrounding rural area are designated in Volume 1 and 2. Others are more accurately described as rural subdivisions because of their small size or exclusively residential functions and are identified separately in Volume 3.

The review objectives for each RSAs was two-fold:

a) Boundary Determination - Boundaries were identified for the RSAs that do not have recognized boundaries in the existing local OPs, and

b) Minor Rounding Out - The Greenbelt Plan permits a one-time minor rounding out of RSA boundaries at the time of Official Plan Greenbelt conformity. This is the City’s one opportunity to consider minor rounding out or additions to the RSAs.

In reviewing potential expansions to RSA boundaries, consideration was given to population projections for Rural Hamilton. With the number of existing and potential vacant residential lots throughout the Rural Hamilton including the RSAs, the rural population will be maintained above the 40,000 person threshold set by GRIDS.
Therefore, additional residential growth in the RSAs is not required to meet the City's overall population projections to the year 2031 set out by Places to Grow Plan targets. The accommodation of further rural population growth cannot be used as a justification for further expansions to the RSAs.

To direct the review of the RSAs, the following criteria were developed:

- **Surrounding Uses** – The expansion may bring existing RSA uses (e.g., institutional uses, commercial uses, existing residential lots less than 2 acres, etc.) into the RSA.
- **Settlement Capability Studies (SCS)** - Geological and Hydrogeological descriptions or characterizations must be considered.
- **Existing Developable Land** - The amount of existing developable land within the existing RSA boundary.
- **Efficient Use** - Expansion should consider efficient use of existing infrastructure (roads, communal municipal water service). Can existing infrastructure accommodate additional development?
- **Partial Lots** - Consider the inclusion of entire lots currently bisected by the boundary. Where possible, total lot area should be 2 acres or less to minimize the opportunity for additional development (severances).
- **Mix of Land Use** - Are there other non-residential land uses located in the RSA?
- **Potential Aggregate Resource Areas** – proximity to recognized Aggregate Resource Areas.

Based on the review, the following is proposed:

a) Two rural settlement designated by the Flamborough Official Plan be removed from the RSA category and instead be recognized as Site Specific Areas in Volume 3 of the Rural Official Plan. Harper’s Corner should be redesignated to a Rural Residential Estate - Site Specific Area and Beverly Hills should be redesignated to a Mobile Home Park - Site Specific Area as these function exclusively as residential enclaves similar to many other Site Specific Areas previously established by the former Area Municipalities. These changes would more accurately reflect the existing land use. It is proposed that a total of 19 RSAs be designated in the new Rural Official Plan.

b) New boundaries are proposed for the five RSAs of Alberton, Concession 5 East and Centre Road, Jerseyville, Tapleytown, and Lynden (within the former Town of Ancaster).

c) No change is proposed to the boundaries of the following five RSAs of Carlisle, Copetown, Flamborough Centre, Freelton, Greensville, and Troy.
d) Minor rounding out is proposed for the nine RSAs of Kirkwall, Lynden (within the former Town of Flamborough), Millgrove, Orkney, Rockton, Sheffield, Strabane, Westover, and Woodburn.

Key Rural Policy Issues

I. Surplus Farm Dwelling Severance Policy

The Greenbelt Plan and new PPS conclusively prohibit all non-farm or exurban use lot severances in Rural Areas. Regardless of whom the applicant may be, the ultimate result of all rural area lot severances is to create unplanned residential lots. The new Provincial policy regime only allows residential lot severances for existing ‘surplus’ dwellings which are no longer required by active farming operations.

The majority of the OPs of the former municipalities permitted the severance of a ‘surplus’ farm dwelling only when the farm operation involved a property consolidation (abutting properties merging in title to form a permanently larger ownership). The PPS and Greenbelt Plan do not limit ‘surplus farm dwelling’ severances to abutting or title merging situations alone.

If Provincial standards were taken literally in Hamilton, our research shows that between 1,100 and 1,300 new non-farm residential lots could be created in a random, unplanned manner to add to the +10,000 lots which already exist and 1,000 more pre-approved lots from past municipal decisions. Most local farm organizations and the Agricultural and Rural Affairs Advisory Committee did not support a ‘loosening’ of the municipality’s severance policies to this degree. Their concerns were not only for the creation of more land use conflicts for local farmers but for the whole intent of the surplus dwelling policy being undermined by other rural land owners ‘claiming’ to be farmers. Indeed, opinions ranged between prohibiting all residential severances (i.e., tightening the local policy further, which also is permitted by PPS and Greenbelt Policy) to providing for a limited number of surplus dwellings where land title consolidation does not result.

This was one of many issues where the diligence and informed opinions of Council’s ARAAC proved to be conclusive. After very thorough debate involving all issues and options, the ARAAC endorsed a new policy permitting ‘non-abutting’ consolidated farms where surplus farm dwellings may be severed in limited circumstances considered legitimate to local community interests.

II. On-Farm Businesses

As discussed above, economic forces in the agricultural industry force farmers to intensify production on their farms and expand their operations to generate more ‘value-added’ returns from their products. For example, a vegetable farmer needs to produce more vegetables from the farm and enhance the value of those vegetables by activities such as on-farm washing or packaging, instead of just selling the ‘raw’ product to a wholesaler as in the past. Further, due to Canada’s cheap food policy, most farm
families must support their farm operations with income generated from non-farm work. They do this by holding jobs in the City or by on-farm businesses.

The Greenbelt Plan does not allow new industrial and commercial businesses to be established outside of Urban and Rural Settlement Areas. So long as secondary business on farms remain tied to agricultural activities, there is little potential for future conflict with planning polices or the neighbours. However, an on-farm business that becomes too large or so un-related to agriculture that it can not be ignored or removed becomes a problem for the whole community. The Greenbelt Plan does not allow these to be ‘recognized/legalized’ through site specific OP and Zoning By-law amendments as done in some past cases. Further, the rural land use survey indicated large numbers of existing rural businesses not permitted by current Zoning By-laws, particularly in Flamborough. While Provincial and local planning policies support diversification and intensification of agricultural operations, on-farm businesses can easily become a ‘grey’ area where the secondary business overwhelms both the economic development and land use planning arguments for having on-farm businesses in the first place.

The issue of on-farm businesses has proven controversial. While there is little disagreement over the principle of maintaining a viable agricultural industry, there are a wide range of problems when details are considered. Most of Hamilton’s neighbouring municipalities only permit on-farm businesses that are directly related to agriculture (as in the vegetable farmer case above). Some Ontario municipalities permit other small scale businesses subject to a case by case evaluation and rezoning process. Once again the input received from Council’s ARAAC assisted staff in formulating policies on this matter. The draft Rural Official Plan allows on-farm businesses that are either farm-related or involve the small-scale production of craft or artistic goods and services.

Staff regards this proposal as an interim measure. The issue of home-based business is not unique to the Rural Area. There are many examples in industrial and older areas of the City where individuals operate businesses in their garage or other buildings within residential or mixed use neighbourhoods. A comprehensive approach to such home industries is required. One of the recommendations of this report is to give specific direction to staff in the development of the Agricultural Action Plan and the formulation of new OP policies for Industrial districts to further recommendations on this issue. Should that work define a broader scope to home-based businesses relevant to the Rural Area, they will be addressed by future amendment.

III. Sustainable Private Servicing

The City of Hamilton has been a unique municipality in Ontario for its long history of support for the extension of urban water supply and wastewater services beyond urban boundaries into Rural Areas. The overwhelming majority of Ontario municipalities terminated this practice decades ago. The extension of urban services into rural areas generally sets in motion a pattern of land speculation and urban sprawl development which can easily undermine the most fundamental principles of urban and rural planning. The history of urban service extensions and land use change in the Stoney Creek Urban Boundary Expansion (SCUBE) district is a classic example of this phenomenon.
The extension of urban services into rural areas takes place at an extremely high cost to the municipal tax and user rate payer. Hamilton’s experience confirms that even simple urban servicing extensions (i.e., a water line extended along an existing road) costs between $30,000 and $80,000 per connection to build. Conversely, the maximum that most benefiting residents are willing to pay seldom exceeds $20,000. Numerous urban servicing commitments approved by Councils in the past for rural areas remain unbuilt without payment of a municipal subsidy.

Moreover, experience confirms that when a municipal or communal water supply is delivered to rural uses served by private sewage disposal systems, the added discharges to those systems can greatly increase their risk of failure. This can result in surface or groundwater contamination that may pose a public health risk if not quickly addressed by the property owner, usually at a significant further cost. For this reason Provincial policy and the proposed Rural Official Plan strongly discourage any new partial servicing from municipal and communal water systems in all rural areas.

Despite local experience with private service failures and the high cost urban servicing extensions, development approval practices in Hamilton have generally granted permission to create new rural lots or significant changes in land use without assessing the environmental capability of the site to support the associated private services. Private servicing issues have generally been left to the building permit stage where the landowner assumes all risk and responsibility. Less than ideal service solutions have frequently been the only alternative to allow approved development on undersized or environmentally difficult sites as a result.

The Greenbelt Plan and Places to Grow Plan prohibit all further extension of municipal water and wastewater services into rural areas or settlement areas, except for major public health emergencies. This demands significant reform to local policy and approval practices to ensure that future private servicing arrangements are sustainable in perpetuity. Section C.5.1 in the draft Rural Official Plan establishes a series of new policy standards that reflect the general approach taken by proactive municipalities in this area.

It is important to emphasize that the technical review practices associated with new Sustainable Private Water and Wastewater Services policies will demand staffing and procedural changes to be implemented by the Public Health, Public Works, and Planning and Economic Development Departments. These issues may have potential budget implications which have been reviewed by Corporate Management Team, which supports the recommendations now before Council. It is proposed that the Sustainable Private Water and Wastewater Services policy be phased in over the next twelve months to permit staff to formulate the associated technical guidelines and procedures and to allow development applicants to prepare for the additional time and expense associated with evaluating private servicing issues for their proposed developments. A recommendation explicitly authorizing such a phase-in is included in this report.
IV. Hazard Lands

The initial Rural Official Plan program included development of new local policies for land possessing natural hazards (floodplains, steep slopes, unstable soils, etc.). The Province had directed all Conservation Authorities (CAs) to update their technical mapping of hazard lands to be incorporated into a new ‘Consolidated Regulation’ pursuant to the Conservation Authorities Act. However, completion of new hazard land mapping proved to be a more challenging than many CAs anticipated. Changes in technical standards for this work include far more land to be deemed ‘potentially hazardous’ for building than the previous norm. Given such complications, City staff will address the whole issue of hazard land policy in a future comprehensive Official Plan amendment, once the CAs have concluded their work.

V. Source Water Protection

As work on the Rural Official Plan progressed, new Provincial initiatives governing source water (groundwater) protection have evolved. Formerly, the mandate to deal with source water issues was very confused and inconsistent, with a few progressive Ontario municipalities taking a ‘lead’ role. The City of Hamilton conducted some preliminary research on groundwater issues in 2002. That research indicated that large areas of potential source water risk may exist in Flamborough and land adjacent to the Niagara Escarpment in Stoney Creek and Hamilton.

The Clean Water Act and its related programs have now assigned responsibility for the first phase of source water protection planning to the CAs. The CAs have been charged with completing research and formulating local policy recommendations for municipalities to implement by October 2009. Given the potential significance of this whole issue to the interests of the municipality, Council authorized the Public Works Department to establish a source water protection unit and staff are currently being hired for that purpose.

Due to the large amount of privately serviced and potentially hazardous industrial or commercial development in Rural Hamilton, the first draft of the Rural Official Plan had proposed an ‘interim’ source water protection policy. However, comments received from CAs and the Province advised the City to await results of the Clean Water Act program before creating such policies. As a result, this issue will also be dealt with by a future amendment, even though the Greenbelt Plan and PPS explicitly require OP policies in this regard.

GRIDS

Concurrent with the development of the Rural Official Plan, City staff has been fully engaged in research, consultation and analysis associated with the GRIDS process. The majority of the GRIDS program deals with urban, not rural issues; hence, the two initiatives can operate together. Now that Council has made its decision on the GRIDS preferred ‘Nodes and Corridors’ option, land use designations for the rural area can proceed with a measure of confidence.
As indicated in the final GRIDS report, expansions to the Urban Area boundary are not essential at this time. Before any urban boundary expansion can occur, explicit ratification of Council’s preferred option must be obtained from the Province pursuant to the Places to Grow Plan. This approval will not likely be garnered until 2007. Even then, it will take a number of years to complete the infrastructure planning design and project improvements needed to the City’s urban water, wastewater, storm water and transportation systems which enable any future urban development to proceed. In the meantime, the affected lands will remain in their current ‘rural’ policy status.

To ensure there is no confusion on this point in the years before OPAs implement an urban boundary expansion, the draft Rural Official Plan contains a special policy. Section A.2, Volume 3 details how these lands are to be dealt with until urban expansion is approved and the study process the City will apply to achieve that end. The proposed Special Policy Area commits the City to do both the Secondary Plan and infrastructure planning work needed to implement a future urban boundary expansion prior to an urban expansion taking place.

Two other issues directly related to the GRIDS process in Rural Hamilton will also await future amendments to the OP. The first relates to the Pleasantview district.

Pleasantview was included in one of the GRIDS growth options, which was not approved by Council. Pleasantview is presently governed by the Town of Dundas OP through special ‘interim’ policies approved by the Ontario Municipal Board (OMB) in a lengthy hearing conducted in 1995. The OMB established those ‘interim’ policies until a completely new secondary planning process for Pleasantview was completed to address its unique environmental conditions. However, controversy surrounding potential development impeded Dundas’ efforts to conclusively resolve the matter. Council’s final GRIDS decision conclusively establishes a future direction in Pleasantview which does not include any urban development serviced by urban infrastructure. That direction needs to be implemented through a future secondary plan which addresses the unique environmental and community development challenges in Pleasantview to be undertaken by a future OPA.

The second GRIDS-related issue for the Rural Official Plan concerns rural transportation and road widening policies. Each of the former municipal OPs contains different policy directions and standards governing rural roads. Until the Transportation Master Plan that is part of the GRIDS project is completed later in 2006 it is not possible to include new policies on these matters in the Rural Official Plan. Once again, this item will be addressed by an OPA, likely in the spring of 2007.

**ALTERNATIVES FOR CONSIDERATION:**

The process of developing the proposed Rural Official Plan has involved the consideration of all issues and alternatives permissible under Provincial plans and policies from the outset. Several alternatives associated with key policy issues are discussed in the Analysis section.

Staff is aware of suggestions that have been made by various individuals and organizations for Council to defer a decision on the entire Rural Official Plan or its major
components so as to permit further analysis or debate of issues. In many cases these issues are either mandated by Provincial plans and policies or have not been recommended to their satisfaction. In considering the option of delay, Council must be aware of the following:

a) Despite rumours or desires to the contrary, Provincial staff have definitively indicated that changes to the Greenbelt Plan are not being contemplated and there is no process for amending the Greenbelt Plan.

b) As evidenced by the work completed to date on the Rural Official Plan, official plan reform is a very complex and difficult process. An extremely large amount of work, community and stakeholder consultation and public debate is yet to begin for the City’s Urban Area. A delay in Council’s decision on the Rural Official Plan merely delays the commencement and completion of the Urban Area work. GRIDS has confirmed an urban growth strategy with very significant implications for the City’s future.

c) The final Places to Grow Plan will soon be released by the Province of Ontario. Like the Greenbelt Plan it will have profound implications for the content and process of Official Plan and Zoning By-law reform in the City’s Urban Area. The transition regulations associated with the Places to Grow Plan will likely impact day to day planning applications and also have a dramatic effect on work priorities associated with future Urban Area Official Plan and Zoning By-law reform.

Previous drafts of the Places to Grow Plan require all municipalities to bring their Official Plans into conformity within three (3) years of its release. Given the amount and detail of work needed to be completed in this three year timeframe, a substantial delay in Council’s approval of the Rural Official Plan would impact our ability to comply.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial – None.

Staffing – None.

Legal – The policies and Maps/Schedules of the existing OPs which are the subject of these Amendments will remain in effect until such time as the new OP for Rural Hamilton has received final approval.

This interim measure seeks to ensure there continues to be OP policies and designations in place for the lands outside the urban areas.

**POLICIES AFFECTING PROPOSAL:**

Policies affecting the development of the new Rural Official Plan as detailed above in this report include:
• Provincial Legislation and Plans including the Greenbelt Plan, Provincial Policy Statement;

• Regional Official Plan; and

• Local Official Plans of the former Municipalities of Ancaster, Dundas, Flamborough, Glanbrook and Stoney Creek.

RELEVANT CONSULTATION:

Consultation with the Agricultural and Rural Affairs Advisory Committee and Public Consultation Open Houses are detailed in Appendix C to this report.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No
The Social Development Strategy which sets off a social vision for the City of Hamilton has provided necessary background information for the development of the Rural Official Plan. The Rural Plan assists in the implementation of the Strategy. For example, the Plan provides for Open Space and Parks and, to a large part, facilitates the management and programming of City-owned parkland.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
A major component of the Rural Official Plan is the Natural Heritage System. With the Natural Heritage System, the City moves from recognizing individual features or clusters of features to a system approach. The system approach builds upon the features approach by recognizing that all features are interconnected and part of a larger system.

Private sustainable water and wastewater services policies required all new development to demonstrate that sustainable environmentally appropriate servicing can be achieved prior to receiving any approvals. This requirement will protect existing and future land use from failed services and potential ground water contamination.

Economic Well-Being is enhanced. ☑ Yes ☐ No
The Rural Official Plan is an Agriculture first Plan. Agriculture and the Food and Beverage Industry have been identified as one of the City's primary economic clusters. Together with other City initiatives including the Agricultural Economic Impact Study and the Agricultural Action Plan, the Rural Official Plan is a key component to protecting, maintaining and promoting the Agricultural Industry.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

"Just as the growth and development decisions made 50 years ago have shaped our City and neighbourhoods, the choices we make today will have far reaching impacts for future generations.” The development of the Plan was based on the benefits and risks of social, environmental and economic parameters. Similarly, the Plan requires informed land use planning decisions based on the benefits and risks of social, environmental and economic parameters.
Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☑ Yes  ☐ No

The Rural Official Plan is a progressive document. It raises the bar significantly with respect to rural land use planning in Hamilton.

The development of one Plan will harmonize land use planning throughout Rural Hamilton, streamline the planning process and provide for ease of administration.

:PM
Attachs. (3)
### RURAL OFFICIAL PLAN: CONSULTATION PROCESS

#### Meetings with ARAAC

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Date</th>
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<tbody>
<tr>
<td><strong>LEAR</strong></td>
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<tr>
<td>- presentation - What is a LEAR?</td>
<td>March 27, 2003</td>
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<tr>
<td>- update on LEAR</td>
<td>June 26, 2003</td>
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<tr>
<td><strong>LEAR Sub-Committee Meetings</strong></td>
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<tr>
<td></td>
<td>July 17, 2003</td>
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<td>September 30, 2003</td>
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<td>January 7, 2004</td>
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<td>April 6, 2004</td>
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<td>April 22, 2004</td>
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<td>June 24, 2004</td>
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<td><strong>OP Policy Development</strong></td>
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<tr>
<td>- presentation on Greenbelt and Bill 136</td>
<td>March 24, 2005</td>
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<tr>
<td>- Open house for Greenbelt etc held same night as AARAC meeting</td>
<td>June 25, 2005</td>
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<tr>
<td>- presentation by consultant on 1st draft of OP policies</td>
<td>October 27, 2005</td>
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<tr>
<td>- discussion on OP policies at AARAC</td>
<td>November 24, 2005</td>
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<tr>
<td>- presentation and open house on 1st draft of OP policies held the same night as AARAC meeting</td>
<td>January 26, 2006</td>
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<tr>
<td>- specific discussion on topical issues at AARAC meeting</td>
<td>February 27, 2006</td>
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<tr>
<td>- AARAC meeting discussed surplus farm dwelling severance and secondary uses</td>
<td>March 25, 2006</td>
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<tr>
<td>- AARAC meeting to discuss surplus farm dwellings</td>
<td>April 6, 2006</td>
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<tr>
<td>- AARAC meeting to discuss home industries and generally review draft policies</td>
<td>May 25, 2006</td>
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## Open Houses/Public Information Centres

### June 2005 - Four Open Houses

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
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<tbody>
<tr>
<td>1. Flamborough (Afternoon and Evening) Carlisle Community Centre</td>
<td>Thursday, June 16, 2005 1:00 PM to 3:00 PM and 6:00 PM to 8:00 PM</td>
</tr>
<tr>
<td>2. Glanbrook Glanbrook Service Centre</td>
<td>Tuesday, June 21, 2005 6:00 PM to 8:00 PM</td>
</tr>
<tr>
<td>3. Ancaster Marritt Hall - Ancaster Fairgrounds</td>
<td>Thursday, June 23, 2005 6:00 PM to 8:00 PM (Scheduled to coincide with the regular ARAAC Meeting)</td>
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### January 2006 - Three Open Houses

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
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<tbody>
<tr>
<td>1. Flamborough Our Lady of Mount Carmel School (Carlisle)</td>
<td>Tuesday, January 24, 2006 6:00 PM to 8:00 PM</td>
</tr>
<tr>
<td>2. Ancaster Marritt Hall - Ancaster Fairgrounds</td>
<td>Thursday, January 26, 2006 6:00 PM to 8:00 PM (Scheduled to coincide with the regular ARAAC Meeting)</td>
</tr>
<tr>
<td>3. Glanbrook Glanbrook Municipal Service Centre</td>
<td>Monday, January 30, 2006 6:00 PM to 8:00 PM</td>
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### May 2006 - Three Open Houses

<table>
<thead>
<tr>
<th>Location</th>
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<tbody>
<tr>
<td>1. Ancaster Marritt Hall - Ancaster Fairgrounds</td>
<td>Thursday, May 4, 2006 6:00 PM to 8:00 PM</td>
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<tr>
<td>2. Glanbrook Glanbrook Municipal Service Centre</td>
<td>Monday, May 8, 2006 6:00 PM to 8:00 PM</td>
</tr>
<tr>
<td>3. Flamborough (Millgrove) Miligrove Public School</td>
<td>Wednesday, May 10, 2006 6:00 PM to 8:00 PM</td>
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