PRESERVING AGRICULTURAL LAND FOR LOCAL FOOD PRODUCTION:

POLICIES FROM OTHER PLACES AS A GUIDE TO LAND USE PLANNING FOR ONTARIO

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DISCLAIMER: The material provided in what follows is an overview of the land use planning framework in Ontario as it pertains to agricultural land preservation and local food promotion. It includes a summary of a selection of policies in place in various jurisdictions. The information contained herein is not a legal analysis of the applicability or implementation in Ontario of the policy tools discussed and is not intended to serve as legal advice.
I. Introduction

While proximity to urban centres offers farmers advantages such as convenient access to a large consumer base; decreased transportation costs; and marketing opportunities, deficits in land use planning can have negative impacts on farmers. These include: rural/urban conflicts; loss of agricultural infrastructure; reduced ability to share resources and information with neighboring farmers; increased conversion pressure, and the associated reduced incentive to invest due to a lack of confidence in the permanence and viability of continued farming. While changes to land use are necessary for economic development and to accommodate social change, the conversion of agricultural lands to non-farm uses poses significant risks and costs. The value of farmland not insulated from conversion pressure increases to reflect the value of developing it rather than farming it. Such price increases provide incentives for farmers to exit farming and sell their land, and disincentives, if not altogether prohibitive costs, for new entrants. All of the above make it difficult for farmers to maintain farming in proximity to settlement area expansions (i.e., urban sprawl), which in turn compromises the security of the agricultural land base.

There is a negative correlation between the supply of dependable agricultural land and the demand for cultivated land in Canada. At present, a significant amount of agricultural land near urban centers is owned by developers, awaiting development, and not in sustainable agricultural use. Meanwhile, Ontario farmers are experiencing a farm income crisis and Ontario’s ability to grow its own food is diminishing. The effects of market pressure on agricultural land are not new. By the 1970’s, concerns relating to the destruction of agricultural land were widespread in North America. Yet, by 2001, about one-half of Canada’s urbanized land was located on dependable agricultural land, and currently, more than 10% of Ontario’s prime agricultural land now sits underneath urban development. As it is, most Ontario agriculture does not produce food for local consumption. Much of the land is used for non-food operations, export or processing. Many of the producers of local food are medium- and small-scale farmers. While the need to accommodate population growth is a necessary objective, it must be addressed within a framework of sustainable planning which balances the need to preserve agricultural lands, and protect the ability of Ontario to produce food for local consumption.

In order to preserve the continued use of agricultural land for farming, both development pressure and the economic viability of farming must be addressed. In what follows, a selection of policy tools has been highlighted. In each case, an example of the policy tool’s implementation and impact are provided. This summary provides an overview of some of the policies in place in other jurisdictions which may be worth further consideration for implementation (or increased use) in Ontario. Please note that evaluations on the effectiveness of the below-described policies, while very difficult to discern, are based on patterns of development and the extent to which the total quantity of agricultural land is preserved for production agriculture and/or increased farm stability or viability.

Land Use Planning and Agriculture in Ontario

The preservation of agricultural land in Ontario is primarily impacted by provincial land use planning laws, policies, and plans, and municipal land use planning and zoning. The provincial government’s role in land use planning is to provide guidance through the issuance of provincial policy statements and plans. The province of Ontario promotes through its policies and plans
matters of provincial interest, including the protection of farmland, the protection and wise management of natural resources and the environment, and the promotion of sustainable development. The Planning Act provides a land use planning system led by provincial policy which is intended to promote sustainable economic development in a healthy natural environment. It sets out how land uses may be controlled, and details the provincial and municipal governments’ respective jurisdiction and powers. The Planning Act integrates matters of provincial interests into provincial and municipal planning by requiring that all planning decisions be consistent with the Provincial Policy Statement. It establishes a planning process which recognizes the decision-making authority and autonomy of local governments in land use planning, and provides local governments with a variety of tools to facilitate land use planning. The Provincial Policy Statement, 2005 (PPS) is issued under the authority of Section 3 of the Planning Act. It promotes a policy-led system and contains policy direction on matters of provincial interest. The protection of agricultural lands is of central relevance to two of the three major PPS policy sections: building strong communities and wise management of resources. Planning for food and sustainable agriculture is relevant to building strong communities and necessary to meet the needs for current and future residents including the wise management of land to meet future needs. Likewise, the PPS recognizes the agricultural land as an important resource in need of protection.

The municipal government’s role in land use planning is significant. Local governments have knowledge of local climates, land uses, and capacities as pertinent to agriculture and food production. While overarching provincial laws, policies, and plans set land use planning priorities and provide guidance, a great deal of discretion is left to municipalities to make local land use planning decisions that respond to local conditions and which are appropriate for the future of their communities. In the development of planning documents and zoning by-laws to determine land use and growth, local planning decisions and documents must be consistent with provincial policies and conform to provincial plans. A municipality’s Official Plan sets out the general planning goals and policies which guide future land use. Zoning by-laws set out the specific rules and regulations that control development as it occurs.

The crux of the threat to agricultural land is twofold and relates both to (i) conversion pressure due to settlement area expansions, and (ii) the farm income crisis which makes maintaining or entering farming less viable. The latter decreases the incentive to maintain productive and sustainable farms, and increases the vulnerability of agricultural land conversion to non-farm uses. In what follows four policies tools will be highlighted. Each offers a potential land use planning solution to the above twofold problem by directing land use planning toward: (1) preservation of the agricultural land base; and/or (2) increasing the economic viability of small- and medium-sized farms.

Policy Tool #1: Planning and Zoning for Agricultural Protection
One of the most common approaches to preserving agricultural lands has been the designation of agricultural zones in which farm uses are prioritized and non-farm uses limited. By restricting settlement area expansions and eliminating conversion pressure, zoning for agriculture can help to maintain a farmland base, and protect the economic viability of the farming sector. Such policies have a long history of use in Europe, and have also widely implemented across North America in the 20th century.
Trends in agricultural land preservation correspond to the practices of the dominant agricultural production system. Many land use planning policies and tools for agricultural preservation have focused on the preservation of rural land for commercial agricultural use. Land use rules which designate permissible uses of agricultural land, limits severances, and place restrictions on lot size alleviate concerns related to speculation, conversion pressure, and adjacent conflicting uses. This in turn provides farmers the security to make long term planning and investments in their farming operations and encourages economies of scale. However, these same land use rules can inhibit smaller scale operations by impeding agricultural land use flexibility. Thus, while limiting the conversion of agricultural land to non-farm use and reducing risks for large-scale farmers, such rules also restrict the allowable forms of agriculture, subsequently hindering innovation within the agriculture sector, especially within the alternative farming sector, and for small- or medium-scale farmers unable or unwilling to industrialize.

Agricultural preservation that has focused on conventional farming has also tended to neglect to look beyond the maintenance of a land base to the toll that industrial farming practices take on the land itself or the crops yielded. Small- and medium-scale farming often employs more environmentally sustainable farming practices than industrial agricultural, while at the same time producing food for local consumption. While it remains essential to preserve an agricultural land base for commercial farming use, it is necessary that preservation policies do not have the unintended effect of prohibiting small- or medium-scale farming, discouraging sustainable practices and environmental stewardship of the land, or hindering local food production.

**Agricultural Protection Zones**

In light of the above, agricultural protection zones can be used to protect agricultural land and promote local food production by:

- Designating zones of prime agricultural land for exclusive farm use, while incorporating sufficient flexibility (with regards to minimum lot size, minimum distance, severance and permitted uses) so as to allow varying scales of production and maintain small- and medium-scale farmers;
- Defining permitted uses (secondary and mixed) to include appropriate non-farm agriculture-related uses and value-added operations; and
- Tailoring rules that are appropriate for the predominant type of agricultural use within each agricultural zone, and creating exceptions such that severances are allowed but non-farm uses strictly controlled.

Concurrently, land use planning should direct growth to already developed areas, with buffer zones established between settlement and farming areas in order to insulate agricultural operations from land-use conflicts. In addition to zoning for agriculture and planning for growth, planning for food should be integrated at all levels of government and policies across governments harmonized. Likewise, market incentives could be strategically employed to further support the desired growth and agricultural land preservation patterns, so as to encourage mixed use, complete and compact development, and discourage settlement area expansions onto agricultural lands.

**Examples**
Oregon: Zoning for agricultural preservation with urban fringe protection

For several decades Oregon has applied exclusive farm use (EFU) zoning to agricultural land. Oregon’s land use planning policy is developed at the state level and applied at the local level. Oregon complements this zoning with preferential tax rates, and right-to-farm policies to encourage continued farm use. Since 1973, Oregon has had in force an Agricultural Land Use Policy which calls for the “preservation of a maximum amount of the limited supply of agricultural land.” The Statewide Planning Program is the tool by which the Agricultural Land Use Policy is implemented. Oregon’s Statewide Planning Goals express the state’s policies on land use and carry the weight of law. Goal 3 defines “agricultural lands” and requires counties to inventory agricultural lands and to “preserve and maintain” them through EFU zoning. The zoning applied to agricultural land must limit uses which have “significant adverse effects on agricultural and forest land, farm and forest uses or accepted farming or forest practices”. Local governments may authorize only those non-farm uses that will not have significant adverse effects on accepted farm or forest practices. The guidelines under Goal 3 suggest the separation of urban growth from agricultural lands by buffer or transitional areas of open space and it is recommended that non-farm uses be minimized to allow for maximum agricultural productivity. Oregon’s Land Conservation and Development Commission (LCDC) sets standards for planning, and local governments are responsible for the implementation of Oregon’s statewide goals through their land use planning and regulations. Each local government is required to develop a comprehensive plan that is consistent with the statewide planning goals. EFU zoning must be currently used for ‘farm use’ (with some permitted exceptions). A wide range of uses are permitted within EFU zones. The designation of ‘farm use’ encompasses land under buildings supporting accepted farm practices, including value-added operations such as processing of crops. One of the most commonly approved non-farm uses is value-added activities (such as seed cleaning, fertilizer sales, and berry processing).

All counties in Oregon have adopted planning and zoning measures to protect agricultural land. EFU zoning applied by local governments in Oregon to lands designated for agricultural use and consists of; permitted “farm-related” uses and conditional “nonfarm-related” uses; minimum lot sizes and division standards for both farm and non-farm uses; dimensional standards for development; and mapping of EFU-zoned lands. Oregon's agricultural lands protection program and comprehensive planning strategies (including EFU zoning and urban growth boundaries) have been effective in preserving the agricultural land base by curbing settlement area expansions in urban fringes, thereby reducing conversion pressure on agricultural lands, and separating rural and urban uses. Data from aerial photographs indicate that agricultural lands preservation planning in Oregon has encouraged denser development in designated developable lands, and a decreased rate of conversion to other uses for farmland. Efforts in Oregon have been found to have reduced land development by 12.6% between 1982 and 1997, with efficacy in curbing conversions to non-farm use noticeable through 2005. To date 16.1 million acres of agricultural land throughout the state have been zoned EFU, and the loss of agricultural land that is occurring is primarily in non-EFU zoned areas designated for development. Studies from 2005 suggest that Oregon has managed to maintain its large and mid-sized farms at a higher rate than is true for the rest of the USA, and increased the value of total production per acre and net farm income, the latter of which more than doubled between 1995 and 2005.
While Oregon’s program has been beneficial to large and medium sized farming operations, it may not have had the same benefit for small-scale farms. Land use policies and EFU zoning restrict uses and severances on agricultural land in order to prevent farmland from being divided into parcels too small for commercial agriculture. Strict restrictions of this sort may be a concern for the viability of small and medium sized farming operations, which may explain why the resultant benefits are pronounced among large and medium sized farms. Further research on this issue would be necessary to determine whether the specifics of the program fail to incent small farm growth.

**British Columbia: Prioritizing Farming**

British Columbia has instituted an Agricultural Land Reserve (ALR), similar in several ways to the above described land use planning system in Oregon. The BC ALR is a special land use zone in which agriculture is recognized as the priority use, farming is encouraged and non-farm uses are restricted. The ALR is governed by the Agricultural Land Commission (ALC), an independent Crown agency with the mission to protect agricultural land and encourage and enable farm business in BC. The Agricultural Land Commission Act, established in 1973 in response to radical loss of agricultural land, sets the legislative framework BC’s agricultural land preservation program. The ALR consists of lands that have the potential for agricultural production and covers approximately 4.7 million hectares, including both private and public lands. Decision-making under the ALR occurs at the provincial level and the ALR takes precedence over other legislation and by-laws that apply to the land covered by the ALR. Provincial agencies and local governments are expected to plan in accordance with the provincial policy of preserving agricultural land. Since its enactment in 1973, the ALR has mitigated the threat of settlement expansion onto agricultural land. The boundary created by the ALR has obliged local governments to seek out more innovative approaches to growth through densification and the creation of compact communities. The ALR’s proximity to the urban core has also increased local food access.

**A Note on Application in Ontario**

Together, the Ontario Places to Grow Act, 2005 and Greenbelt Act, 2005 are intended to strategically coordinate growth and eliminate development pressure on environmentally sensitive and agricultural land. The Places to Grow Act, 2005 is provincial legislation which strategically directs growth, coordinating with local needs, strengths and opportunities. The Act provides for the designation of geographic regions as growth plan areas, and the development of growth plans. The Growth Plan for the Greater Golden Horseshoe, 2006 directs growth within the Greater Golden Horseshoe (GHG), an area dense in agricultural land surrounding western Lake Ontario. It is a twenty five year plan which guides decisions on how land is developed, resources managed, and public funds invested. Sprawl reduction and the protection of farmland and green spaces are goals of the plan. The Greenbelt Act, 2005 enabled the designation of a Greenbelt area and the development of the Greenbelt Plan. It is a part of Ontario’s plan to manage growth, and includes and builds on about 800,000 acres of land within the Niagara Escarpment Plan and the Oak Ridges Moraine Conservation Plan. A main concern with regards to land use planning in Ontario is the extent to which productive agricultural land continues to be converted to non-farm uses and used for settlement expansions. However, while the Greenbelt eliminates development pressure for
environmentally sensitive land, some of which is farmland, farmland outside the Greenbelt, or within the ‘whitebelt’ is either less, or not, protected from development.

In order to further protect agricultural lands in Ontario, the expansion of the Ontario greenbelt should be considered, and zoning to prioritize agriculture implemented. Agricultural zoning, with urban growth boundaries implemented, would be an effective way to limit settlement area expansions and ensure that prime agricultural land in Ontario is preserved for use in farming. Combining such a designation with market incentives, such as the transfer of development rights, may make such a policy change more politically feasible. So doing may alleviate problems associated both with ‘land banking’ and liability. Simultaneously, provincial and municipal policies and rules that preclude value-added operations or hinder small-scale farms should be amended.

**Policy Tool #2: Transfer of Development Rights**

A conservation easement allows a landowner to sell (or donate) development rights to a land trust (a government established or not-for-profit) in order to protect the land from development. While a landowner still owns the land, the land trust owns the development rights, and is charged with protecting the land from development in perpetuity. While the sale of development rights through conservation easements, has been employed in Canada, the transfer of development rights has been underused. The transfer of development rights (TDR) refers to the trading of future development rights on farmland. TDR employs the same concept of divorcing development rights from ownership in land, but enables funding for the purchase of the development rights to come from private sources.

TDR programs present a flexible land use planning tool for municipalities wishing to protect lands under conversion pressure, and redirect development to better suited areas. In Canada such programs have been used primarily for the protection of historic sites, however TDR programs can be used to support agro-environmental policy as examples from the United States evidence. TDR programs delineate a ‘sending area’ and ‘receiving area’ according to land use planning objectives. A ‘sending area’ is an area designated for conservation, and a ‘receiving area’ is an area designated for increased development. In order to implement a TDR program, a system to evaluate the development potential of sending areas and receiving areas is developed, and an administrative body to oversee the program and broker the transfers is established. In essence, TDRs may be used to protect productive farm land from settlement area expansions and spur higher-density mixed-use development while avoiding the politically arduous task of re-zoning or creating agricultural protection zones. A TDR program therefore offers financial incentives to developers by allowing for greater density development than stipulated by zoning laws, while also providing landowners in the sending areas with incentive, via monetary compensation, to restrict their property titles and land use according to agricultural preservation objectives. TDR programs present a potentially more equitable tool than zoning, by alleviating the cost burden of lost land-values, and a more enduring tool than zoning as titles are restricted in perpetuity.

TDR’s may also benefit the viability of farming by increasing market opportunities where receiving area developments are located in proximity to farmland, and by enabling investment into farm operations through access to compensatory payments received by landowners in
sending areas. Also, given the adaptability of such programs to local contingencies, TDRs have the potential to be used within urban areas to create inner-city spaces for the production of food or local food access (i.e. urban agriculture, farmers’ markets, or more or less formal markets of food trade). The main disadvantage is that TDRs cannot on their own guarantee the continued productive and sustainable agricultural use of the land.50

Example: Montgomery County, Maryland
Montgomery County, Maryland established an agricultural zone in the 1970’s, in response to development pressure, and to counter the high expected rate of agricultural land conversion (anticipated at 3,000 – 5,000 acres annually). The Agricultural Land Reserve (ALR), was established, and zoning reduced from 1 unit per 5 acres to 1 unit per 25 acres. To make the zoning change equitable for property owners, a TDR program was implemented. The Montgomery County ‘sending area’ is the ALR, and “receiving areas” are based on existing infrastructure. Developers cannot increase density in any way other than by buying development rights. To participate in the program landowners must place a conservation easement in favour of the county on their property. While landowners retain all other rights and can enter into other conservation easements for other purposes, participation in the TDR program strips the landowners’ rights to subdivide if the zoning changes sometime in the future, thereby protecting the agricultural land in perpetuity.51

A Note on Application in Ontario
While Ontario makes use of TDR programs for other planning purposes, the main reason TDR’s have not been used to support agricultural preservation is due to a lack of awareness of the tools’ applicability to this end. 52 While primarily a tool to assist municipal governments, provincial support may be necessary to ensure to the legality of such programs, and in order to encourage use through the provision of public education, as well as technical and financial support.

Policy Tool #3: Tax Assistance to Promote Value-Added Operations
Diversification through value-added operations is often crucial for the economic viability of small and medium sized farms by allowing farmers to complement production profits, and capture a larger share of the consumer food dollar. Value-added operations are often a necessary part of making local food ‘market ready’. However, land use planning policies and decisions tend to operate against value-added on-farm operations. Furthermore, expanding to value-added activities may incur negative tax consequences. 53 The local food economy can be supported and small- and medium-scale farms promoted by providing relief from municipal taxation and zoning restrictions for on-farm value-added enterprises.54

Example: Oregon, USA: preferential taxation on value-added activities within EFU zones
Through its state land use planning authority, Oregon created an exclusive farm use (EFU) zone to protect farm use on agricultural land. The EFU zoning, which limits developments that could conflict with farming practices, is complemented by zone-specific preferential property tax assessments. Farmland in areas zoned EFU are automatically eligible for the lower farm use property tax assessment rate.55 For the purpose of tax assessment in EFU zones, “farm use” includes “certain processing facilities” thereby extending the preferential tax assessment rate to on-farm value-added operations. This is not the case for on-farm value-added operations outside of EFU zones.56 As described above, Oregon’s land use planning policies prioritize commercial
agriculture on prime agricultural land. However tax incentives are applicable across EFU zones, and small- and medium-scale farms can benefit from them.

A Note on Application in Ontario
In Ontario, property tax assessment for farms and farm outbuildings on agricultural lands, if eligible, may be assessed and taxed at the Farm Property Class Tax Rate of 25% of the municipal residential tax rate. In order to obtain this favourable tax rate, a farmer must apply and meet certain criteria including the property’s assessment as farmland by the Municipal Property Assessment Corporation (MPAC). Even if a property is assessed as a farm, it will be taxed at the residential rate unless placed in the Farm Property Tax Class by the Ontario Ministry of Agriculture, Food and Rural Affairs.57 Land is assessed and classified primarily based on distinctions on the use of the land. When value-added activities related to farming and producing local food take place on farm properties, the parts of the farm properties that house the buildings in which the value-added activities take place are sometimes assessed by MPAC at retail, industrial or commercial rates, thereby marginalizing or negating the net benefit accrued by engaging in the value-added activities. This is so even in cases where the value-added activities relate directly to activities that make the food ‘market ready’ (such as washing, storing, pitting or freezing). In such cases, the property tax assessment classification system penalizes value-added operations.58 Providing the same tax assessment rate for on-farm value-added operations as is applied to farms and farm outbuildings on agricultural lands would increase the viability of farming of local food in Ontario.59

Another related way by which local governments in Ontario can incentivize agricultural investment and encourage value-added operations is by way of Community Improvement Plans (CIPs) through which tax assistance can be provided to a landowner who invests in under-developed agricultural land or buildings. In order to do so, a municipality needs to pass a by-law providing for the “the cancellation of all or a portion of the taxes for municipal and school purposes levied on one or more specified eligible properties, on such conditions as the municipality may determine, and a by-law may apply in respect of the rehabilitation period for a specified property, the development period for a specified property, or both.”60 Opportunities available under CIPs are further detailed below.

Policy Tool #4: Incentivizing Agricultural Investment and Redevelopment
Municipalities can link local land use planning with financial incentives to encourage agricultural investment and development and bring land or farm buildings back into productive agricultural use by providing financial incentives.61 Tax Increment Financing (TIFs) linked strategically with land use planning objectives have been widely used throughout Canada and the US to control and direct settlement area expansions by incenting investment and redevelopment of blighted urban districts.62 While predominantly used to regenerate urban centres and incent development toward brownfields and away from greenfields, TIFs can also be used to direct investment into agriculture.

A TIF grant is equal to the full amount, or a portion of the amount of the estimated property tax increase after the property is redeveloped. The increase in taxes, or the tax increment may be calculated by subtracting the property taxes prior to reassessment from the property taxes after reassessment.63 Thus, TIF is a government grant contingent on redevelopment or regeneration of
a designated area or project type. The grant is conferred based on the predicted increase in property tax to be generated from development, usually for a time-specific duration. As such, municipalities can offer eligible developers financing incentives that will put lands and/or buildings that might not otherwise be developed, back into productive use. However, it should be noted that TIF is merely a way of financing economic development. It does not change the opportunities for development, or the skills of those doing the development planning.

A Note on Application in Ontario

In Ontario, access to capital is difficult to access for the agricultural sector, both because financial institutions do not prioritize investment in the sector and because government assistance is limited. As such, many agriculture sector operations are unable to capitalize on opportunities for growth due to a lack of access to the credit necessary to fund them. In Ontario, agriculture can be supported by prioritizing proposals that reinvest in productive agricultural lands. This can be accomplished by way of Community Improvement Plans (CIPs) as a tool to direct and incentivize development in order to achieve planning objectives. CIPs can be used to encourage private investment, renew infrastructure, and to waive various development charges. Section 28 of the Planning Act, and sections 106 and 365.1 of the Municipal Act, 2001 provide the primary legislative framework for community improvement planning. The Section 28 Planning Act community improvement provisions provide a comprehensive framework for the rehabilitation of existing built-up areas. These provisions allow municipalities to establish a CIP containing incentive-based programs to stimulate private sector investment in priority areas of a community. Community improvement plans do not require provincial approval. However, municipalities must consult with the Province on any proposed plans, in accordance with the Planning Act. Incentives include grants, loans or land (under section 28 of the Planning Act), and tax assistance (under section 28 (7.3) of the Planning Act by reference to s. 365.1 of the Municipal Act, 2001). In addition to incentives under CIPs, local governments can offer permit fee reductions and waivers, and development charges reductions.

While tax increment based financing in Ontario tends to be used in relation to urban revitalization and brownfield development, it could be appropriately applied to incentivize agricultural investment. Agricultural lands may be eligible for CIPs if there are signs of disinvestment (or under-investment); there is a decline in the use of agricultural lands for farming purposes; or there is conversion pressure to use land for purposes other than those enumerated in the Official Plan. Municipalities can designate an area or the entire municipality as a community improvement project area, and implement a community-improvement plan (CIP) with grants and/or loan provisions which can, at the option of the municipality, be calculated on a tax increment basis. By calculating a grant or loan on the higher property tax that is generated from development (the tax increment), municipalities in Ontario can offer eligible developers financing incentives that will put agricultural lands and buildings that might not otherwise be developed, back into productive use.

CIP incentive programs can be tailored to address different community goals and priorities. Ideally, CIPs should entail the investment in agriculture infrastructure and capacity that encourages farmers to live on site and develop the farmstead. Associated incentives, such as tax assistance, tax increment based grants, or development charge fee waivers, should be designed in a way that is simple and time-saving. They should encourage projects and land uses
that replace existing, underused buildings deterring development from greenfield and heritage sites. In order to implement a CIP, a municipality would have to develop official plan policies relating to the community improvement plan, and designate a CIP project area with a by-law. Once a municipal council adopts its community improvement plan, it must provide notice in accordance with the requirements of the Planning Act. At the end of the appeal period, if there is no appeal to the Ontario Municipal Board, the community improvement plan comes into effect.

Regions such as Halton and Niagara, for example, have considered such tax incentives to encourage the development of a viable rural economy. The Town of Halton Hills approved a Community Improvement Strategy in July 2009 which recommends developing an Agribusiness Economic Development Strategy to provide a TIF grant program (the proposed “Agricultural Buildings and Facilities Revitalization Grant Program”). The Region of Niagara Agricultural Task Force prepared an Action Plan for agricultural viability, under which recommendations included the creation of a farm tax class specific for value-added operations, and in addition suggested tax incentives for investment in agricultural land and disincentives for speculation. At present, the Region of Niagara is working with the Province to develop a tax increment based grant program, under the s. 28 CIP provisions of the Planning Act, to complement Niagara’s value-added policies (relating to secondary on-site operations). The high cost of converting barns and other such structures, while important for maintaining the cultural landscape, can be prohibitive for small and medium sized farm operations looking to expand or diversify. A tax increment based grant program in Niagara would offset the capital needed for such endeavours. The program is predicated on increased tax assessments over the long term. In essence, the program would benefit rural investors by providing them with a time-limited commitment of 80% return of tax increment (i.e., the increase in tax assessment) which could then be used as collateral to secure financing with a financial institution. It would simultaneously benefit the rural economy, curb inappropriate settlement area expansions, and provide the municipality with increased tax revenue over the long term.

II. Conclusion
Without careful, integrated planning, which prioritizes and incentivizes food production, agricultural lands will remain a threatened resource. Current land use planning and regulations hinder the preservation of agricultural land and the production of food for local consumption. Ensuring the production of food for local consumption requires the preservation of agricultural lands, which in turn necessitates protecting the profitability of farming the land, necessitates changes to the current system of land use planning in Ontario. Several land use planning policy tools are available to the provincial and municipal governments, and if employed may offer opportunities to support local agriculture and promote local food production in Ontario.
REFERENCES:


14. Oregon Revised Statutes, Chapter 215 — County Planning; Zoning; Housing Codes s. 215.243, available online: http://www.leg.state.or.us/ors/215.html  
23. Also commonly permitted are: small “home occupations” (home-based businesses with no more than five employees) and “utility facilities necessary for public service” (such as wastewater treatment, cell towers and electrical substations). Examples of other potential uses of farmland include: mining of mineral and aggregate resources, solid waste disposal sites, rural transportation facilities and private and public parks, although some of these and other uses are restricted in “high value” farm areas. For more information see: http://cms.oregon.gov/LCD/Pages/farmprotprog.aspx

22 Acceptable farm-related and nonfarm-related uses and their review standards must be consistent with state listings and review standards, the latter of which strictly limit new nonfarm dwellings in “high value” farm areas. For more information see: http://cms.oregon.gov/LCD/Pages/farmprotprog.aspx

23 There is a statewide minimum lot size of 80 acres for farmland and 160 acres for rangeland which applies unless counties can demonstrate that a lower minimum is appropriate for the continuation of commercial agriculture and the minimum is approved. For further information see: Oregon Department of Land Conservation and Development, “DLCD Farmland Protection Program”, available online: http://cms.oregon.gov/LCD/Pages/farmprotprog.aspx (visited Aug 27 2012).


35 A study produced by Smart Growth BC and Northwest Environment Watch found that, in the 1990’s, Vancouver had significantly greater success in containing sprawl and creating compact, complete communities as compared to growth patterns of Seattle, Washington

36 Note that changes in 2002 to the rules of the ALR and ALC were changed and the ALC decentralized. The increased authority delegated to local governments on issues of land use within the ALR has raised concerns about the continued efficacy of the agricultural zone and the integrity of both the ALC & ALR Smart Growth BC’s Position on the Provincial Agricultural Land Reserve (ALR), Revised August 2005. Available online: http://www.smartgrowth.bc.ca/Portals/0/Downloads/SGBCALRposition.PDF (visited 12 August 2012).


44 Metcalf Foundation “Food Connects Us All: Sustainable Local Food in Southern Ontario” (February 2008) p. 50-51.
45 Metcalf Foundation “Food Connects Us All: Sustainable Local Food in Southern Ontario” (February 2008) p. 18.
46 In 2004, under Measure 37 was passed, providing that private landowners in Oregon are entitled to receive just compensation when a land use regulation restricts the use of the property and reduces its fair market value. Measure 37 also allows local governments to remove, modify, or not apply the regulation rather than paying compensation. For more information, see: David L. Azuma et al., “A Method for Examining the Impacts of Oregon Land Use Laws on Forest Lands and Farmlands” (2006). Available online: http://www.nrs.fs.fed.us/pubs/gtr/gtr_wo079/gtr_wo079_079.pdf
49 TDC at p. 12.
52 TDC at p. 12.


74 Note the municipality must consult with the MMAH on the preparation of a community improvement plan (Planning Act, s. 28(5.1).


78 Phone call with Patrick Robson, Commissioner of Integrated Community Planning, Niagara Region (September 4 2012). For more information on the status of Region of Niagara’s application of CIP tax increment financing to agricultural lands please contact Patrick Robson at: (905) 685-1571; email: patrick.robson@niagararegion.ca