A Greener Future for Farmers in the Niagara Fruitbelt: Evaluating the Practicality of Using Agriculture Easements in Ontario's Greenbelt

> By Josh Berry

Queen's University Kingston, Ontario, Canada June 2014

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Executive Summary:

Introduction:

The *Greenbelt Plan* was implemented in 2005 with the goal of protecting valuable agriculture land surrounding the Greater Toronto and Hamilton Area (GTHA) for future generations from encroaching urban sprawl. However many members of the agriculture community feel that the *Greenbelt Plan* does not meet its primary goal of protecting agriculture land for current and future uses as the *Greenbelt Plan* does little to support and promote the economic viability of farming operations located within Ontario's Greenbelt. The agriculture community has also expressed concerns that the *Greenbelt Plan* is a restrictive policy that was implement without their consent, as they feel they were not adequately consulted by the Province¹ in the lead up to the implementation of the *Greenbelt Plan* in 2005 (Urban Strategies, 2013). The purpose of this report is to explore how agriculture easements can be used in Ontario's Greenbelt as a collaborative planning tool by the provincial government to increase the viability of farming operations located in the Greenbelt.

The majority of research conducted on easements, analyzes the use of easements as a conservation tool to secure environmentally sensitive land (e.g. wetlands and natural habitats) or to secure agriculture land that is in the immediate vicinity of rapidly urbanizing areas but limited research has been conducted on using agriculture easements within Greenbelts. The research in this report adds a new perspective to the field of planning by analyzing agriculture easements as a tool to increase the economic viability and sustainability of agriculture in Ontario's Greenbelt.

Objectives:

The primary objective of this report is to address the research question: *How can an* agriculture easement program complemented with financial incentives and tax credits increase the economic viability and sustainability of Greenbelt farming operations? The

¹ The term "the Province" refers to the Ontario provincial government.

secondary objective of this report is to develop a set of policy recommendations to address the challenges of Ontario's agriculture sector.

Research Methods:

The research methods used in this report include an extensive literature review, a review and analysis of provincial policy documents, case studies, and semi-structured interviews with planners from Niagara Region and the Town of Pelham. The literature review was instrumental in helping to establish the background and context of the report. The document analysis was used to analyze the *Greenbelt Plan* and explore some of the concerns expressed by the Greenbelt's agriculture community in greater detail. A review of relevant provincial policy was also used to explore the administrative aspects of conservation easements monitored by the Oak Ridge Moraine Foundation and the Ontario Farmland Trust (OFT). The interviews were used to facilitate discussion on the topic of agriculture easements and to confirm and validate the themes and issues found in the literature and case studies. An analysis of data from these four methods was used to help identify the context of the challenges surrounding the *Greenbelt Plan* and to gain an understanding of how agriculture easements could be used as a tool to encourage economic viability and support sustainable agriculture within the Greenbelt.

Analysis:

The analysis of the data acquired through a review of literature, policy review, case studies, and interviews with key informants resulted in the drafting of four recommendations. These four recommendations help address the issue of agriculture viability and sustainability in Ontario's Greenbelt. The findings from this research can be applied throughout Ontario's Greenbelt and other areas where there is concern regarding the viability of farming operations. Based on the research finding, the following recommendations are proposed to key stakeholders looking to address the challenge of agriculture viability and sustainability in Ontario's Greenbelt:

Recommendation 1: Implement a Public Purchase Conservation Easement Program

The provincial government should reintroduce a Public Purchase Conservation Easement Program (PCEP) that is similar to the cancelled Niagara Tender Fruit Lands Program (1995). This agriculture easement program would pay property owners the difference between the land's value without restrictions and the value of the land after the restrictions had been imposed (Batcher, 2010). An agriculture easement program could encourage the economic viability of agriculture in the Greenbelt because it would offer farmers an opportunity to continue investing in farming, as they would be able to acquire land at the farm price and not the speculative urban development price. An agriculture easement program could also help encourage the environmental sustainability of farming operations because it would recognize farmers as stewards of the land by encouraging the adoption of Best Management Practices (BMP) on farming operations. It is also important to mention that agriculture easements would not serve as a replacement for strong regulatory policies like the *Greenbelt Plan* but would serve as a complementary tool to the regulations of the Greenbelt Plan, Provincial Policy Statement, and local regulations (Caldwell, 2008b). An agriculture easement program in the Niagara Tender Fruit Grape Lands would essentially serve as "a second layer of protection to complement the Greenbelt Plan, similar to the Oak Ridge Moraine Act or the Niagara Escarpment Plan" (Caldwell, 2008b, 103).

Recommendation 2: Offer Financial Incentives and Tax Relief:

An agriculture easement program is not a stand-alone solution to improve agriculture viability and environmentally sustainability in the Greenbelt; additional financial incentives including tax rebates should be offered in conjunction with a conversation easement program. Incentive programs packaged with a agriculture easement program can include tax rebates similar to the Greenbelt Stewardship Fund, which rewards farmers for being stewards of the land by offering tax credits for adopting Best Management Practices and tax rebates for purchasing technology that make farming operations more sustainable. The Province should also work with municipalities to align provincial and municipal taxes to support food and farming businesses and innovation (Walton, 2012, 17). An example of this could include defining on-farm value retention and value-added activities as agricultural uses for taxation purposes. This would allow farmers to expand their farming operations to include value-added activities such as bed and breakfast enterprises without penalizing them fiscally. The addition of value-added activities would encourage agriculture viability because it would allow farmers to diversify their revenue streams. Therefore the Province should update the current tax regime to encourage and enhance financial incentives for agriculture in the Greenbelt and the rest of the province.

Recommendation 3: Include Farmers in the Decision Process

Farmers should be included in the decision-making processes to address concerns regarding the potential lack of knowledge held by provincial and municipal staff on the realities of farming. The Province and municipalities could work with farmers through the Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA) to ensure increased consistency and clarity between policies and decision-making bodies (Caldwell, 2008a). Financial incentive programs including an agriculture easement program should also be designed in consultation with the agriculture community to help address some of the hostility and mistrust that exists regarding the *Greenbelt Plan*. An agriculture easement program designed at the grassroots level in consultation with farmers through farming organizations such as the Ontario Federation of Agriculture (OFA) offers the Province an opportunity to implement an agri-environmental program that encourages farmers to adopt a stewardship role. Including farmers in the planning process of developing clearer policies and financial incentives is critical because a program or policy that is designed at the local level and reflects local values is more likely to be accepted by the public (Rodegerdts, 1998).

Recommendation 4: Introduce Agriculture Viability as an Objective in the Greenbelt Plan

In addition to the recommendations noted above, the Province should revise the *Greenbelt Plan* to express a better vision for agriculture and farming (Houle, 2014). The Province should introduce agriculture viability as a key objective to keep farming and the agriculture industry viable in the Greenbelt (Urban Strategies, 2013). Introducing

agriculture viability, as an objective in the *Greenbelt Plan* would allow the Province to recognize the important role that agriculture plays in the Greenbelt and the role farmers play as stewards of the land (Urban Strategies, 2013).

Conclusion:

In conclusion, the success of the *Greenbelt Plan* is dependent upon the support of the local agriculture community as the Greenbelt consists almost exclusively of privately owned agriculture land. An agriculture easement program offers the Province an opportunity to gain the support of the Greenbelt agriculture community as it can provide farmers with the means to continue investing in farming and protect Southern Ontario's prime agriculture land for future generations, regardless of changing political circumstances. An agriculture easement program would not be a standalone or purely financial solution but rather serve as a tool that acknowledges farmers as stewards of the land and as full partners in the *Greenbelt Plan* by offering support for the adoption for best management practices on Greenbelt farming operations. In summary, the implementation of an agriculture easement program would show that the Province values agriculture viability as an important objective of the *Greenbelt Plan* and recognizes the important role that farmers play as stewards of the land.