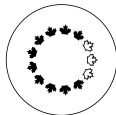


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NATIONAL CAPITAL COMMISSION
COMMISSION DE LA CAPITALE NATIONALE

No.	2026-R011
To	Board of Directors
Date	2026-10-06

For	INFORMATION
Subject/Title	
Sustainable Agricultural and Food Strategy (SAFS)	
Summary	
Introduction of the Sustainable Agriculture and Food Strategy (SAFS) for the Board of Directors.	
Risk Summary	
Not implementing a SAFS, will continue to limit the sustainable potential of the agricultural portfolio. Climate change and limited opportunities for NCC farmers to have resilient farming operations to remain financially viable will adversely affect the economic viability of the NCC agricultural portfolio.	
Recommendation	
N/A	

Submitted by:

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Bill Leonard, Vice-President, Real Estate and Development

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1. Strategic Priorities

The SAFS is intended to support the following Strategic Direction:

- Foster an inclusive and meaningful National Capital Region of national significance, reflective of all Canadians, including Indigenous peoples.
- Contribute to a thriving, connected, and sustainable National Capital Region that inspires Canadians, through the planning, development, and improvement of the NCC's assets;

and Priorities:

- Rehabilitate and revitalize the NCC's key built and natural assets in the National Capital Region in a manner that demonstrates sound stewardship of public funds, and delivers results for Canadians.
- Demonstrate national leadership in achieving an environmentally sustainable and climate-resilient National Capital Region.

2. Authority

NA.

3. Context

The National Capital Greenbelt is a landscape at a crossroads. Established in the 1950s as a bold buffer against urban sprawl, it has successfully preserved 20,000 hectares of green space. However, the agricultural model that has dominated these lands for decades—industrial-scale monocropping—is increasingly at odds with the Greenbelt's mandate. The current reliance on commodity cash crops like corn and soy has led to a disconnection between the land and the local community, while the consolidation of farms has left heritage barns and farmhouses empty and decaying.

The SAFS marks a fundamental pivot in how the National Capital Commission (NCC) will manage this portfolio going forward. The goal is to transition the Greenbelt from a passive land bank into a vibrant, food-producing engine that directly serves the National Capital Region. This Strategy moves beyond the simple metric of rental revenue to prioritize tenants who offer genuine social and ecological value. The NCC is seeking farmers who live on the land, care for the heritage infrastructure, and grow food that ends up on local dinner tables rather than in distant industrial supply chains.

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To achieve this, the NCC is modernizing its approach to land valuation and investment. The NCC recognizes that for a community-facing farm, proximity to customers is often more valuable than soil classification. As such, the NCC is shifting its focus to "Market Proximity" valuation, ensuring that high-potential sites near urban centers are affordable for vegetable growers and market gardeners. Furthermore, the NCC is committing to strategic infrastructure investments to unlock the full potential of these lands.

This transition also positions the Greenbelt as a critical tool for climate resilience. Through the widespread adoption of cover cropping, the NCC aims to turn agricultural soils into a massive regional "sponge," capable of sequestering thousands of tonnes of carbon annually while mitigating flood risks for the city.

4. Options Analysis / NCC Staff Analysis

Looking at the indicators developed for the SAF, over half, or 2,290 hectares of the leased land, **does not or only partially meet sustainability criteria.**

This means that over half of all the land rented in the Greenbelt does not:

- Grow food for human consumption
- Have the farmer living on-site
- Offer farm products to the local community
- Grow using sustainable methods (as defined by the SAFS)
- Use the existing infrastructure in the farm business
- Offer Agritouristic opportunities to the local community

Of note, 10% of the lands are occupied by farm businesses that do not grow food or offer farm products to the local community (mainly equestrian farms), although they do offer agritouristic and educational opportunities, thus filling an important criterion.

In total, only about 600 hectares (or 14%) of the Greenbelt are occupied by farm businesses that score in all six of our sustainability criteria.

This Strategy is intended to encourage a version of the Greenbelt that has all the ingredients to succeed. Most important of these is the vast population of potential consumers who are eager to support local food production in their neighborhoods. The NCC's Greenbelt strategy cannot succeed without recognizing the incredible uniqueness of the Greenbelt. There is little precedent for such an extensive collection of farms situated in an urban environment, not only in Canada, but globally. The National Capital Greenbelt is the most ecologically diverse area in Eastern Ontario. It has since become the largest publicly owned greenbelt in the world. Most of the Greenbelt (14,950 hectares) is owned by the NCC.

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The potential benefits for the environment, the local community, and the local economy cannot be overstated. The potential for the Greenbelt farms to generate enough revenue to not just maintain but to improve the farms is critical to the vision with the right strategy and support. The Greenbelt could be transformed to a self-sustaining economic model that serves and is accessible to the local community.

What follows are six criteria that have been developed internally by the NCC since 2023 under the requirements of Federal Sustainability Goals, adopted in part to meet the United Nation's Agenda for Sustainable Development 2030. These criteria have since been implemented as part of the selection of new tenants and their business proposals with new leases and/or part of lease renewal discussions and negotiations with more conventional farmers.

The Six Criteria

Farmer residence: When a farmer lives on the land they farm, they are generally more invested in the infrastructure, the house/farmstead and the community around the farm. They tend to be more environmentally aware as it relates to fauna, flora and the natural habitats on the property. They bring a heightened sense of accountability to their local community for how they produce food.

Infrastructure use and maintenance: Prioritizing farmers who are planning to use the infrastructure already present on the rental property results in less maintenance costs for the NCC, and more return from our existing assets.

Selling locally: Farmers who sell to the local community have a much higher economic potential, as they can capture the full retail price of the products they grow. They tend to offer more benefits to the local community and become much more integrated into the local community.

Agritourism: Farmers who offer agritourism products and services have a heightened awareness of the condition of their farmsteads and create experiences, through presentations, animation or the like, that connect the community to the land. The land is much more accessible to the local community, and the farmers are more financially able and motivated to care for their infrastructure and natural habitats found on the farm.

Food Production: Farms that produce food for human consumption are much more likely to produce food in a manner that respects health and environmental considerations. They are more likely to sell that produce locally and tend to be more open to offering their farms up to the local community through sales of products and services.

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Sustainable Agriculture Practices: Farmers that engage in sustainable agricultural practices attract a broader base of farm clientele from the local community, and those practices can have a positive impact on natural habitat on the farm, as well as mitigating effects on wildlife, the community and the climate.

5. Financial Details

To address the diverse and pressing challenges faced by the agricultural leased portfolio within the NCC Greenbelt, prospective and existing NCC farmer/federal tenants may require support and incentive from the NCC that the lending community may not afford, be able or be too risk averse to provide. As a result, the Implementation Plan looks at a funding model the NCC could implement to incentivize conversion of lands and/or farming practices to meet the fundamental goals of the NCC Sustainable Agriculture and Food Strategy.

Currently, the NCC has a Tenant Inducement Fund (TIF) Program whereby qualifying tenants (commercial and agricultural) looking to make investments to the real estate assets (lands and buildings) as part of regular repair and maintenance, to live and operate the leased premises, to improve their long-term value and support leasing activities can tap into.

Beyond the limited ability to borrow funds to invest in real estate assets depending on the type of farming activity, and as noted in the SAFS document, being a farmer Tenant (leasing rather than owning real property assets) limits their access to funding (e.g., subsidies) and financing (e.g. from traditional financial institution) due to their limited collateral and inability to generate equity from the assets. As a result, it becomes financially challenging to undertake any improvements to grow, convert and/or innovate the farming practices.

Acknowledging that Commercial and Agricultural business models are not One Size Fits All, this Implementation Plan proposes the creation of specific funding criteria for each, based on their respective levels of shared risk (i.e., Tenant vs Landlord). Building on the foundation and principles of the current TIF Program, the SAFS proposes a risk-based financial loan model for agricultural tenants who demonstrate that they or have the potential to achieve higher sustainability practices through their business models. Through the NCC, the SAFS presents an opportunity to farmers to access a level of commerce and cash flow that does not exist in the traditional cash cropping/financial world. There is great financial potential in SAF, and the NCC gets to be the enabler.

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6. Opportunities and Expected Results

The end result will be a dynamic Greenbelt where the tenant businesses themselves ensure financial and environmental sustainability, while addressing the public need for food security, authenticity, and recreation.

In 2050, it should be possible for most of the farms in the greenbelt to be accessible by car, bike, or public transport. It should be possible to buy produce or have a meal on a number of farms throughout the Greenbelt that comes directly from the fields that surround the establishment. It should be possible to see grazing animals, local grains, vineyards and orchards while biking, walking or skiing through the Greenbelt's recreational trail system. These farms should be safe to visit for local residents and tourists alike. The public should be aware that these farms are hosted and promoted by the NCC for their use and enjoyment. The tenants on these farms should be able to make a good living selling local products to residents and tourists alike.

The Government of Canada (GoC) offers various farming grants and funding programs aimed at supporting innovation, sustainability and growth in the agricultural sector.

On September 5, 2025, the GoC announced new measures to protect, build and transform Canadian industries, which included \$75 million in additional funding for the AgriMarketing program over 5 years starting in 2026-27, to increase the capacity of exporting producers to identify and seize market development opportunities across Canada and around the world.

On January 26, 2026, the GoC introduced new measures to make groceries more affordable, tackle food insecurities and support producers. More specifically, to lower the cost of food production, the GoC introduced immediate expensing for greenhouse buildings. This allows producers to fully write off greenhouses acquired on or after November 4, 2025, and that become available for use before 2030. This measure supports increased domestic supply and investment in food production over the medium-term.

While these are welcomed opportunities for the industry, and some Tenants have already mentioned the greenhouse expensing opportunity, the reality for many NCC farmer tenants is they are out of reach due to their operations, smaller size operations and markets, and/or because they are not landowners.

7. Alignment with Government and NCC Policies

The SAFS fall under the Sustainable Development Strategy (SDS), which is the NCC roadmap and promise to present and future generations. The SDS and SAFS fully align with the targets of the Federal Sustainable Development Strategy. The SAFS is also intended to be complimentary with the National Capital Greenbelt Master Plan.

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8. Risks and Mitigation Measures

Risk	Likelihood	Impact	Mitigation Measure
Status Quo limits the sustainable potential of the agricultural portfolio.	L	M	Implementation of the SAFS to define sustainability criteria and to provide internal access to competitive funding to Tenants who otherwise cannot qualify for loans through traditional lending.
Climate change and limited opportunities for NCC farmers for farmers to have resilient farming operations to remain viable.	M	M	Implementation of the SAFS to assess the sustainable readiness of the agricultural portfolio and support NCC farmer Tenants with alternative and competitive financing to allow them to diversify their operations, meet changing regulations, make capital investments in land and building assets.

9. Public Engagement and Communications

The NCC intends to launch an outreach strategy to its agricultural Tenants, the farming community and industry, in an effort to attract new Tenants and retain existing Tenants by supporting their current and/or growth operating plans and to increase the share of NCC sustainable lands

10. Next Steps

PHASE 1: THE RESET (2025–2027)

2024-2026: Development of a SAFS and Implementation Plan

2025+: Apply the Six (6) Sustainability Criteria as part of vetting prospective Tenant applications and existing Tenants and their business plans.

2026: Introduce Tenant Inducement Funding-Agricultural Guidelines (TIF-A) to incentivize conversion and growth, and as a source of alternative funding to Tenants who otherwise cannot qualify or have limited access to traditional funding, or face high borrowing costs.

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2026-27: Agricultural outreach promoting SAFS and TIF-A to the NCC Tenant base, prospective Tenants, and the agricultural industry in Ontario and nationally.

11. List of Appendices

1. Sustainable Agriculture and Food Strategy Document
2. SAFS Implementation Plan
3. Tenant Inducement Funding-Agricultural Guidelines

12. Authors of the Submission

Bill Leonard, Vice President, Real Estate and Development
Nathalie Roy-Patenaude, Director, Real Estate Management
Robin Turner, Senior Officer, Accounts Management
Genevieve Marquis, Senior Officer, Accounts Management