

Memo



To: Lou Pompilii and Jim McCoomb, City of St. Thomas
From: Ron Shishido and Ashley North, Dillon Consulting
Date: December 17, 2024
Subject: Silver Street Site Review
Our File: 20-3518-9300

1.0

Introduction

The City of St. Thomas takes a proactive approach to making provision for affordable housing for its residents. They identify City-owned sites that are development ready (i.e., serviced with municipally piped water supply and sanitary sewers and “Residential” designated in the City’s Official Plan and zoned in the City’s Zoning By-law) and approach affordable housing providers to offer them as donated sites for affordable housing. The City works with the affordable housing providers to “fast-track” their projects through the development approvals process. A recent successful example is the 45-unit rental apartment with wraparound social services built by the Indwell Charity on a City-owned site at 16 Queen St.

Now with the opening of the VW/PowerCo Battery Plant slated for 2027, the City is exploring opportunities to facilitate the provision of housing that would be affordable to the plant and supply chain employees looking to both work and live in St Thomas. To kick-start this initiative, the City is looking for a City-owned property that is development ready as the candidate site for the development of a housing project that would be affordable to moderate income workers. City staff reviewed the inventory of municipally-owned sites and identified a property municipally addressed as 235 Burwell Road (herein referred to as the Silver St site) as the candidate site for this affordable housing project. The City retained Dillon Consulting to undertake an independent review of the suitability of the Silver St site for residential land uses. This Silver Street Site Review Memo is organized as follows:

- **Section 2: Silver Street Site Description** – site location, area/size, existing and planned land use on the site and surrounding lands;
- **Section 3: Need for the Affordable Housing Project** – summarizes the need for affordable housing in the City as documented in the St Thomas Housing Needs Assessment and Action Plan Report dated October 2023 (Watson Assoc and Welch Consulting);
- **Section 4: Long Range Planning Context** - planning context for employment lands east of Burwell and residential west of Burwell;
- **Section 5: Review of the Suitability of the Silver Street Site for Residential** - site review applying the policies in Section 2.8.2 of the PPS 2024; and
- **Section 6: Summary of Findings, Conclusions and Recommendations.**

2.0

Silver Street Site Description

2.1

Site Location and Existing Uses on the Surrounding Lands

The Silver Street site is located in the north-east part of the City, on the southeast quadrant of the Burwell Road/Silver Street intersection as shown in **Figure 1**. The 2.5 ha parcel of land is vacant. The adjacent 2.4 ha parcel to the immediate east (50 Silver Street) was recently severed off from this parcel and sold to Maxill Inc to construct a warehouse on that site to support their manufacturing operation located on Elm Street in the City. In February 2024, the City redesignated the lands in the OP from STORC Complex to Business Employment (OPA 108) and rezoned the lands to facilitate the development of the warehouse. The existing uses around the Site are shown in **Figures 2 and 3**. South of the Site is St. Thomas Fire Station No. 2 and along South Edgeware Road east from Burwell Road is a plaza with a range of business employment uses (e.g., health services, financial services), a Hydro One fleet maintenance services facility and the St. Thomas Community Recycling Centre.

To the east of the Site, on the east side of the future Maxill warehouse, is Masco Canada manufacturing plant – producing faucets, tubs, shower stalls, enclosures, and other plumbing equipment - which extends north of South Edgeware.

Existing uses north of the Site includes a plaza with business employment uses (e.g. health club, financial services), and the Lumar CNC machining and manufacturing shop. Further north of these uses is the St. Thomas Outdoor Recreational Complex (1Password Park).

In this part of the City, Burwell Road north of South Edgeware Road separates the St. Thomas Employment Area from the City's Residential Area. West of Burwell Road the residential land uses includes primarily ground-related housing (semi-detached houses, townhouses) which are oriented to local/private roads that connect to Burwell Road or have rear yards that back onto Burwell Road. About 250 metres west of the Site is a ten-storey apartment building that fronts onto Confederation Drive. Further north along Confederation Drive to and along Avon Road, are low-rise apartment buildings (3 storeys) and a mid-rise seven storey apartment building.

2.2

Planned Land Uses

The Subject Site is designated STORC Complex on Schedule "A" Land Use Plan to the St Thomas Official Plan. The STORC designation was planned as a major soccer facility and park space (OP Policy 7.3.2). Initially, the entire STORC designated lands were intended to be used for this facility; however, the area south of Silver Street was not used. This resulted in a remnant ± 4.9 ha parcel on the south side of Silver Street. The east half of the parcel (± 2.4 ha) has been severed off and sold to Maxill for their planned warehouse. The remnant ± 2.5 ha parcel is bounded by Business Employment uses to the north and east, Employment and Business Employment uses to the south and is separated and isolated from the active part of the STORC Complex.

As shown in **Figure 4**, Burwell Road has historically been the boundary line that separates the St Thomas Industrial Area on the east from the St Thomas Residential Community on the west. Land uses in the Business Employment and STORC Complex designations on the east side of Burwell Road function as the land use transition between the land uses in the Employment Lands and the Residential designations.

3.0 Need for the Affordable Housing Project

A The City of St Thomas Housing Needs Assessment and Action Plan Report (Watson Economists and Tim Welch Consulting identified the following:

- a need for an additional 7,700 housing units over the next decade (2024 to 2034);
- Of these units, 1,680 units are needed for affordable housing;
- 1,1130 units are ownership, and 550 units are rental to provide workforce housing;
- a need to focus on building high-density rental housing;
- a need to review infill opportunities including City-owned land and prioritize those opportunities to efficiently leverage existing infrastructure.

4.0 Planning Context for Employment Lands East of Burwell and Residential West of Burwell

The planned function of this Site has evolved over decades of long-range planning for the City of St. Thomas. Historically, the Site has been included as a part of the broader Employment Area for the City and designated for employment uses with Burwell Road as the dividing line between employment and residential areas.

In 2009, Dillon and W. Scott Morgan and Associates completed an Industrial and Commercial Land Use Review. This study concluded that parcels on the east side of Burwell Road could accommodate Light Industrial uses as part of a transition between residential uses west of Burwell Road and the heavier industrial uses to the east of Burwell Road.¹ The 2009 study recommended a change in land use designation from Industrial to Light Industrial in support of this transition.

In 2018, an Employment Lands Review was completed by Dillon and Watson. As a Comprehensive Review, this study assessed the employment land supply, forecast employment land demand to 2037, employment land conversions, and the overall policy framework. Building on the 2009 recommendation for a Light Industrial designation, the 2018 study recommended the creation of a Business Employment

¹ Light Industrial would permit uses with limited impacts on adjacent users (noise, air, odour etc.) such as general manufacturing, research and development, warehouses and wholesaling, storage, and light assembly.

designation to function as a transitional land use between industrial and residential land uses. It also underscored the need to protect the function of the broader Employment Area.

As part of the conversion requests assessed as part of this review, a site was identified by the City for consideration (Site #21 in the 2018 report). It was through this Comprehensive Review that the Subject Site was converted from Employment to a site-specific “STORC Complex” designation. While parks and recreational facilities are permitted in the Employment Lands designation, these lands were removed from the employment land supply due to the size of the site (32 ha) so to not overinflate what was available in terms of employment land supply. The 2018 conversion review completed by Dillon states that “should those [STORC] uses cease to exist; the land would revert back to an employment designation”.

With changes that have occurred since the 2018 study, it is appropriate to consider a redesignation of the Site. The following section outlines the Provincial policy context guiding this review.

5.0 Review of the Suitability of the Silver Street Site for Residential

5.1 2024 Provincial Planning Statement

When assessing the suitability of the Site for residential uses, within the context of the 2024 Provincial Planning Statement, there are three key policy themes to consider: 1. Housing, 2. Employment Areas, and 3. Land Use Compatibility.

The 2024 PPS (Section 2.2 Housing) requires planning authorities to provide an appropriate range and mix of housing options including providing affordable housing to low- and moderate-income households. The PPS requires municipalities to plan for, protect and preserve employment areas for current and future use (Section 2.8.2.3). Under the 2024 PPS and related *Planning Act* changes, Employment Areas permit manufacturing, research, and development in connection with manufacturing, warehousing and goods movement, and associated retail and office uses in Employment Areas. Commercial, institutional, office, and residential uses are now prohibited in these areas. This change underscores that Employment Areas are needed for those uses that may be more likely to potentially have adverse impacts on sensitive land uses such as residential as they relate to noise, odour, or other contaminants.

The PPS requires that municipalities provide an appropriate land use transition/separation between Employment Land uses and sensitive non-employment areas (Section 2.8.2.3) such as residential. This requires being intentional with what uses are permitted adjacent to Employment Areas to not impact the potential for these uses to operate over the long-term.

The PPS requires that for lands within 300 metres of Employment Areas, development (which includes a change in land use) shall avoid, or if avoidance is not possible, minimize and mitigate potential impacts on the long-term viability of employment areas (Section 2.8.1.3). This requires the selection of transitional land uses to minimize and mitigate adverse impacts on adjacent residential and employment land uses.

5.2 Site Assessment based on PPS Policy

The rising cost of housing, planned growth, macroeconomic factors such as the cost of construction and high interest rates, have resulted in a very real need for more affordable housing in the City. The City is taking a proactive role in addressing this need by seeking out opportunities to support development through partnerships, donating City owned sites and reducing barriers in the planning process (i.e., completing Official Plan Amendments and/or Zoning By-law Amendments) in parallel with the processing of the development application. As part of this proactive role, the City wants to identify a site that is “shovel-ready” for development to attract an affordable housing provider to work with the City to kick-start a project. A candidate site identified by City staff was Silver Street. The Site is City-owned, vacant, has direct access to a municipal road, can be connected to the municipal water supply and sanitary sewerage systems and is suitable for re-designation from “STORC Complex” to an alternative land use designation for the reasons previously described in this memo.

The first step in the site review by Dillon was a visit to the site and the surrounding area on 23 July 2024 to confirm existing land uses, make site observations (see, listen, smell) and begin to consider the implications of introducing sensitive residential land uses in closer proximity to the existing Employment Land uses to the east and south. On this site visit in the early afternoon in July, we observed the bay doors of the Masco plant were open and production noise was heard standing at the Silver Street site. It is noted that during our site visit the bay doors of the adjacent Lumar shop were closed and no production noise was evident. We were also advised by City staff that the City has received complaints about odours experienced by soccer field users at 1Password Park.

The 2024 PPS emphasizes the importance of including an appropriate transition to non-employment areas as part the approach to protecting employment areas over the long term. Historically, Burwell Road has been the dividing line between the residential uses to the west and the Employment Area to the east. With this ‘boundary’, the City has been able to successfully manage the transition between sensitive land uses such as residential and industrial uses that may have adverse impacts. The importance of the transition is twofold: (1) to provide a high quality of life for future residents by limiting the experience of adverse impacts and (2) protecting the function of the Employment Areas by not introducing incompatible uses.

While there are certainly benefits to the site – City-owned, vacant, municipally serviced, plus 2 ha size - there are limitations to the location. Introducing sensitive land uses to this area could begin to erode the long-term economic function of the St. Thomas Employment Area. If a new Environmental Compliance Approval or update is required by an industry, with a change in permitted uses, a new sensitive land use receptor will have been introduced that is closer to the operating industry. This could further impact the

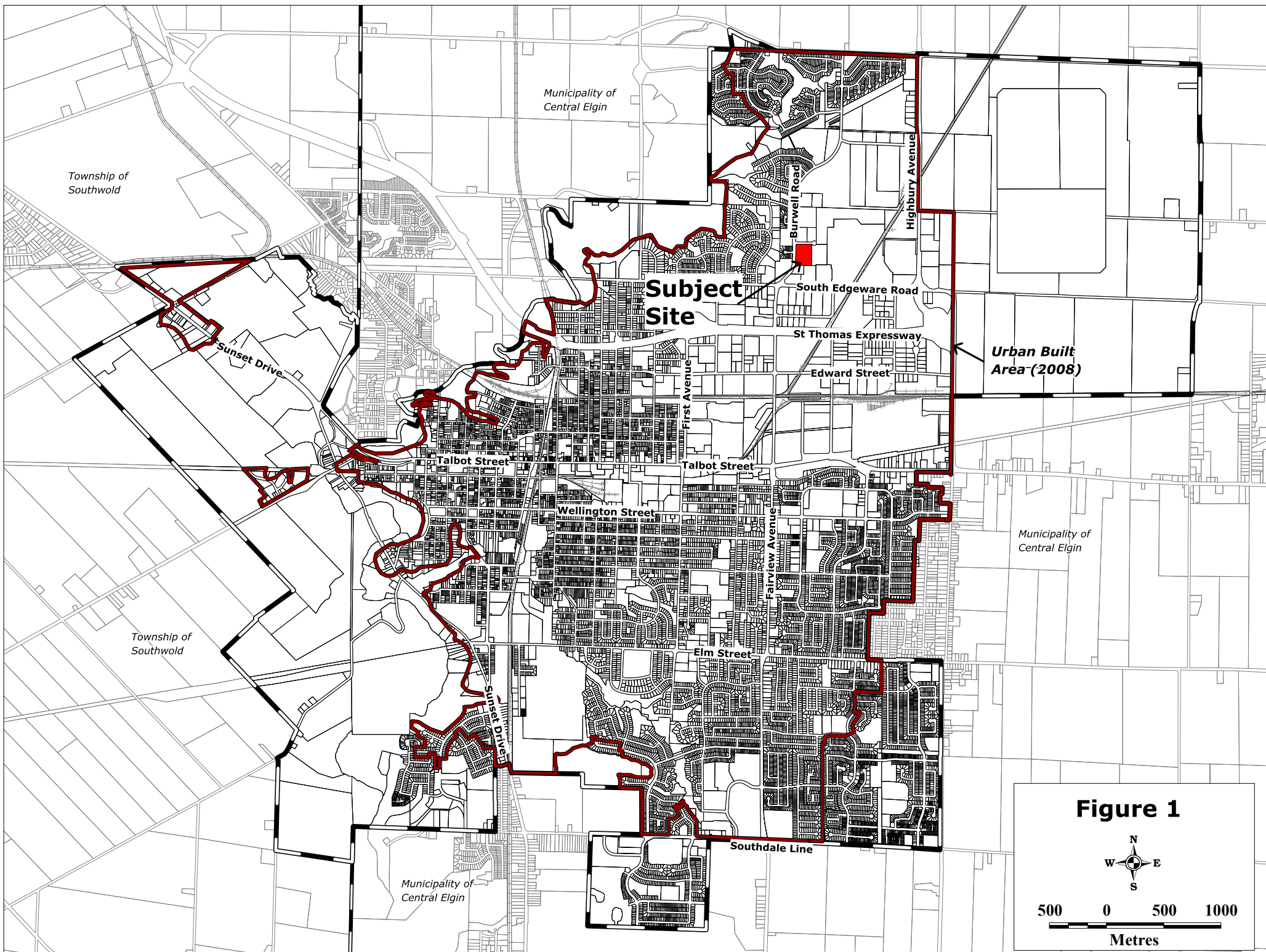
Employment Area if higher density residential is introduced within the area since height can influence how adverse impacts are experienced.

Through discussions with City staff, it is our understanding that there are other City-owned sites that could be considered and based on our preliminary reviews have less land use compatibility issues i.e. underutilized parking lots and a small remnant piece of tableland opposite Eastwood Terrace on the north side of South Edgeware Road.

6.0 Summary of Findings, Conclusions and Recommendations

- Based on its most recent housing needs assessment, the City needs an additional 7,700 housing units over the next ten years. Of these units, 1,680 should be affordable.
- Macroeconomic trends make the City's proactive role in creating opportunities and providing affordable housing supply even more critical.
- The Silver Street site is City-owned, vacant, fully serviced, large, and has ready access to the arterial road network.
- The remnant land use designation (STORC Complex) of the site warrants re-designation.
- The Site, however, is located in the area that has historically been the transition area between residential uses to the west and the employment uses to the east.
- The PPS requires the City to protect and preserve employment areas over the long term in part by considering land use compatibility and including an appropriate transition between its employment area and its non-employment/residential areas.
- These policies are intended to protect residents from experiencing adverse impacts from industrial uses such as noise and odour. They are also intended to protect the ongoing employment function by having compatible uses adjacent to each other.
- Introducing sensitive land use receptors in this area could impact the ability for industries in the Employment Area to receive an Environmental Compliance Approval.
- The City is encouraged to redesignate the Silver Street site to "Business Employment" in the Official Plan to further consolidate and solidify the land use transition area between its Employment Area to the east and the Residential Area to the west.
- The City is encouraged to continue to investigate other City-owned sites to provide some affordable housing.

FIGURES



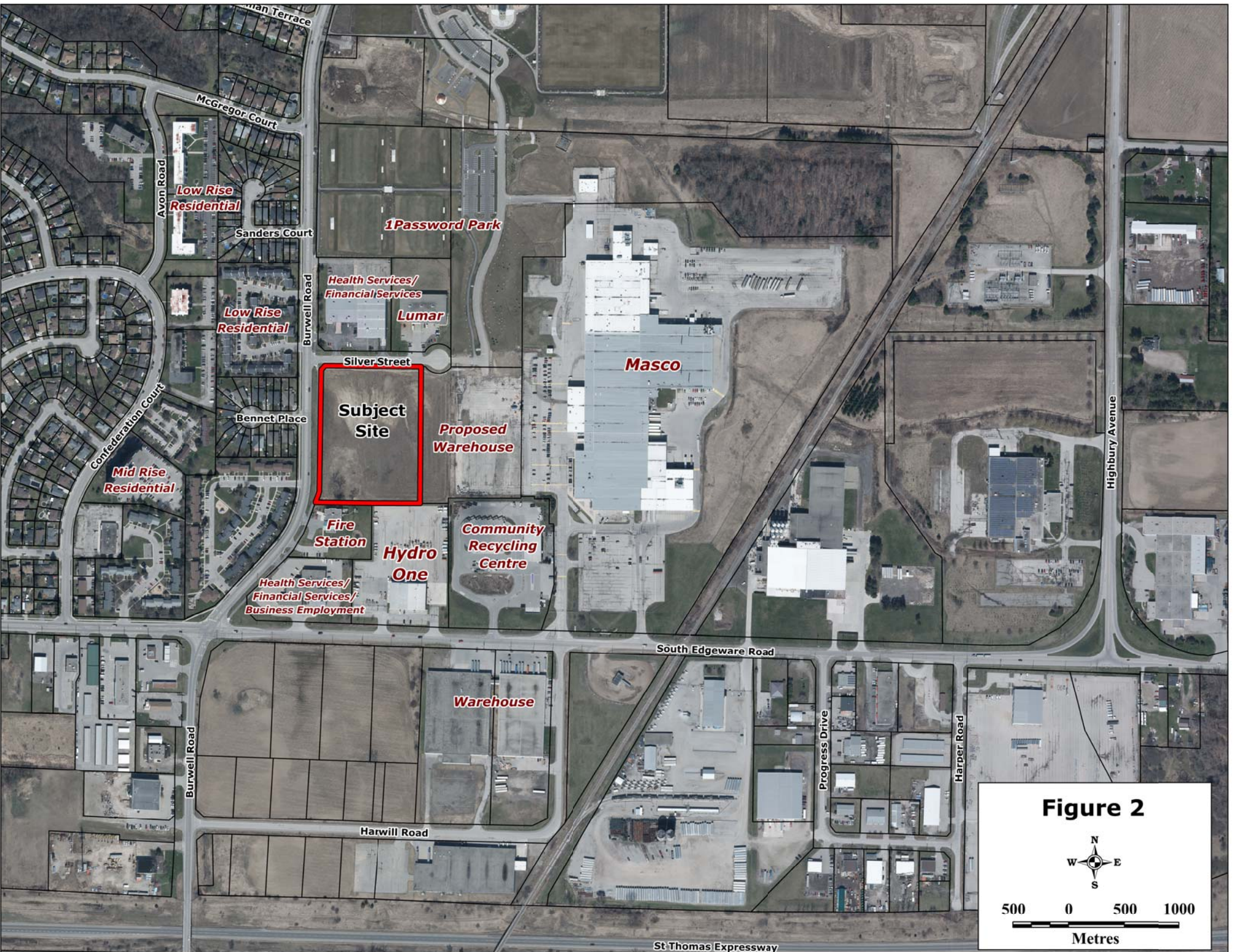


Figure 2



Figure 3: Photos of Existing Uses



St. Thomas Community Recycling Centre



Hydro One Fleet Maintenance Services Facility



Building containing mix of Business Employment uses



Lumar Machine and Manufacturing



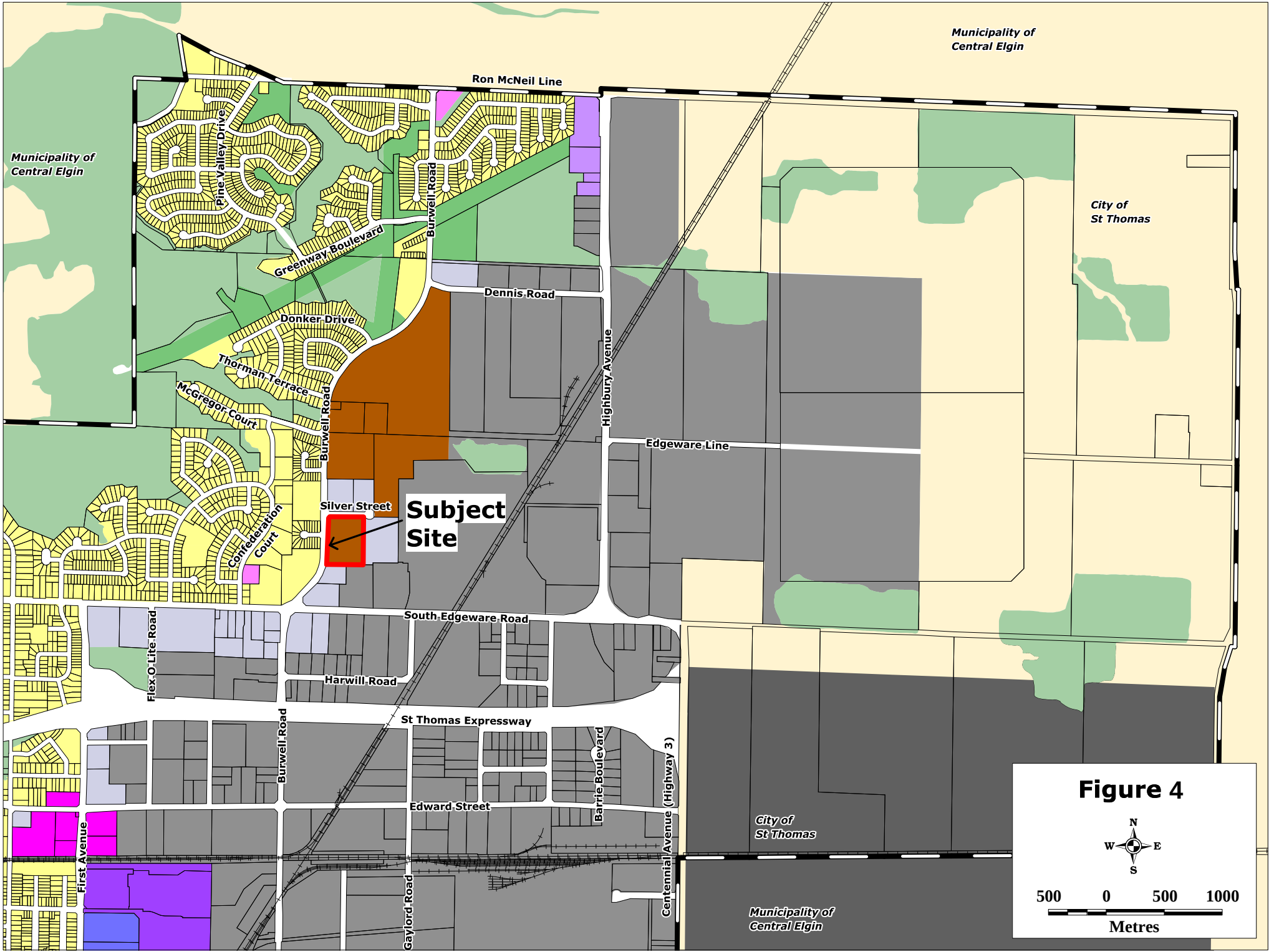
Looking southeast from the Silver St. site to the Maxill site, Masco and St. Thomas Recycling Centre



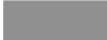
Looking west from Silver St. at residential land uses on the west side of Burwell Rd.



Looking east from Silver St. at Masco Canada Industrial Building



St Thomas Official Plan Designation

-  Natural Heritage
-  Residential
-  Secondary Commercial
-  Employment Lands
-  Mixed Use
-  Minor Commercial
-  Highway Commercial
-  Power Centre
-  Open Space
-  STORC
-  Business Employment

**Central Elgin
Official Plan Designations**

-  Agricultural
-  Major Industrial

Figure 4

