



MUNICIPALITY OF **West Elgin**

Staff Report

Report To: Council Meeting
From: Robert Brown, Planner
Date: 2023-10-25
Subject: Rodney South Redevelopment – Direction & Options Report –
(Planning Report 2023-49)

Recommendation:

That West Elgin Council hereby receives the report from Robert Brown, Planner regarding direction and options for planning approvals required for the redevelopment of the lands outlined in Figure One of this report.

Further that West Elgin Council consider the options presented and determine a course of action as part of the 2024 budget deliberations.

Purpose:

To provide Council with an outline of planning approval options and other requirements for the possible redevelopment of lands located on the east and west side of Furnival Road on lands under a variety of ownership.

Background:

Several weeks ago lands located on the east and west side of Furnival Road along the former rail lands at the south end of the Rodney downtown core area were listed for sale. The westerly parcel is approximately 2,000 sq. m in area with 24 m of frontage, the easterly parcel is 4,680 sq. m with 32 m of frontage. (outlined in red on Figure One) The lands are designated Downtown Core by the Official Plan. The easterly parcel is zoned Public Utilities (U) Zone while the westerly parcel is in the Open Space (OS) Zone.

A notice of motion from Council was put forward at the October 12, 2023 meeting to explore redevelopment of the lands for higher density residential purposes and what planning approval would be necessary to facilitate such a change.

Financial Implications:

If the municipality were to undertake changes to the Zoning By-law and/or Official Plan designation on the lands no application fees would be collected so costs associated with these changes would be borne by the Municipality. However, redevelopment of the lands for possible alternative uses would result in new development and increased assessment value. The land is currently vacant and underutilized. The specific financial implications of the various options are outlined in more in the report.

Policies/Legislation:

Because the lands are within the Rodney settlement area redevelopment of the property for potential higher density residential on the edge of the downtown core is a logical option moving forward. Such a move would be supported by the Provincial Policy Statement along with the County and West Elgin Official Plan. There are however some additional considerations that need to be factored into any discussion or decision on the zoning of the lands including the following:

- 1) The land is privately owned at present and the property owner(s) may not wish to have the zoning on the property changed.

Comment: The current mix of zoning on the properties significantly limits potential on the property and would likely result in some form of zoning and/or official plan amendments even if the municipality did not proceed with a zoning change.

- 2) In addition to the lands already described there are additional lands to the south that have similar redevelopment potential and could also benefit from consideration (outlined on blue on Figure One)

Comment: The easterly parcel is 17,768 sqm with 90 m of frontage, the westerly lands at 7,520 sqm with 88 m of frontage. These lands are under different ownerships and also contain buildings or structures. One of the parcels is occupied by a dwelling and a portion of the property has hydro infrastructure that may require relocation or potentially impact redevelopment. The other rationale for including these lands is to ensure compatibility with the lands to the south.

- 3) The lands were a former grain elevator and farm supply business. This is generally considered a commercial and/or industrial use. As such the lands have the potential for contamination and a Record of Site Condition (RSC) would be required to permit residential uses on the site.

Comment: Based on the former uses the contamination on the site may be limited but could include items such as fuel, fertilizer, farm chemicals and creosote. To encourage redevelopment of properties considered potential brownfields often Municipalities have incentive programs that can cover a portion of testing costs. Other options can include tax incentives if certain types of development are being proposed by a potential developer. The municipality could also create a community improvement plan (CIP) specific to the area that provides funding options. It would also be worth exploring any Provincial or Federal funding sources for brownfield redevelopment. Some of the possible funding options would be potentially increased by the establishment of a CIP.



Potential Planning Approvals

The current zoning and official plan designation on the properties in question already limits potential redevelopment options. In order to clarify and expand the options there are two amendments specific to the subject lands that should be considered:

- 1) Amendment of the current Downtown Core Official Plan designation to allow for mixed use including medium to high density residential and commercial.
- 2) Amendment to the current zoning to a site-specific zone that would permit the same mixed use including residential and commercial. The amendment would need to include the use of the H-Holding symbol on the zone to require a Record of Site Condition, a conceptual development plan and confirmation of service capacity.

Both the Official Plan amendment and zoning amendment would help to layout a potential framework to facilitate redevelopment on the property by providing a degree of flexibility but also outlining the basics of the Municipalities vision for the site.

Options

#1 – Do nothing.

Comment: As noted above it is highly likely that for the lands in question to be redeveloped a zoning amendment, at minimum, would be necessary. There has been at least one inquiry about development on a portion of the lands that were for sale. The request was not consistent with potential residential redevelopment. If no change is made to the current policy and regulations in place on the property it is difficult to ensure that the new development is both appropriate and consistent.

This option has minimal short term financial implications.

#2 – Specific Official Plan Amendment - Only

Comment: The current Downtown Core designation applicable to the property would permit residential development but not exclusively and there are limitations. Putting the lands in a site-specific Downtown Core designation would allow staff to establish a direction or vision for the overall redevelopment of the lands in question and provide staff with the tools to inform prospective developers and more importantly outline and defend that vision. Zoning on the properties would remain as is until such time as a viable project(s) came forward.

This option would have some short-term financial implications related to the amendment in terms of staff time and review likely less than \$5K.

#3 – Specific Official Plan Amendment – Secondary Plan

Comment: The only Secondary Plan in West Elgin is the Port Glasgow Secondary Plan. This option takes Option #2 and does a much deeper dive on the specific area and will outline criteria and policy for not just simply potential land use but criteria for services, open space, type of design, transportation and how to implement the vision. Part of this option could also include the establishment of a Community Improvement Plan which can help with potential grants or funding but isn't guaranteed. Again, zoning would remain as is. One of the secondary plan policies would require a zoning amendment at the time of development.

There are a couple of directions this can take, each with different financial implications. Securing an outside consultant to undertake the work or rely on in house staff to complete the secondary plan. Outside consulting will likely require a budget of \$20K to \$30K and a request for proposal. Using existing internal staff is, in part, staff time but also added consulting time as planning services are currently contracted and based on the provision of day-to-day services, not special projects. Council would need to consider additional time allowance for planning services likely in the \$10K to \$15K range.

#4 – Specific Official Plan Amendment & Zoning By-law Amendment

Comment: This would be a combination of either Option #2 or Option #3 but would rezone the lands to a site-specific classification based on the policy to be developed.

Financial implications of Option #4 are similar to those of Option #2 or #3 but would increase slightly to address the zoning amendment. I would estimate that this would add approx.. \$2K to \$3K.

#5 – Zoning Amendment Only

Comment: This is an option and certainly better than Option #1 however it would limit what the zoning amendment could achieve as the Official Plan only anticipates a combination of commercial and residential in the Downtown Core designation. This option also does not address the longer-term vision if medium to high density residential is the goal as it doesn't provide policy support for staff to guide development as it only deals with use.

Financial implications are limited to the staff time to prepare a report, provide notice and draft a zoning amendment.

As noted earlier the former use or uses on the subject lands may have resulted in contamination. In order to permit a more sensitive use on the lands, residential, a Record of Site Condition (RSC) is required under the Environmental Protection Act. An RSC is achieved through review and testing of a subject site in phases. A Phase One is a historical review of the site to determine what the likelihood of contamination is. The cost for this can range between \$8 to \$12K. If Phase One determines that contamination is potentially present a Phase Two is undertaken which is actually testing of the site. You can anticipate \$20K to \$30K or higher depending on the level of contamination. Should the site be found to be acceptably clean then information is filed with the MECP for the actual RSC. This filing can add an additional \$25K. Undertaking any of this work would require the permission of the current property owners.

If the site is found to be contaminated and requires mitigation and/or clean-up costing is impossible to estimate but can easily cost hundreds of thousands of dollars.

Conclusions

Both the northerly lands and southerly lands are strategically located at the southerly edge of the Rodney downtown area. While the Official Plan designation is Downtown Core and provides for a reasonably wide variety of different uses that is not reflected in the current zoning. Much of the challenge with providing higher density housing is the availability of pre-zoned lands that afford the ability to attract certain development. In this case higher density residential which is often a challenge to get approved and integrated into an existing area.

Amending the zoning on a portion of or all of the lands noted in the report for higher density residential use will require some level of investment by the municipality however there are programs available that can help to offset at least a portion of the initial costs. Access to that funding often requires that a municipal have the property assessed to determine that it is contaminated and to what level. It may also require that the lands be located within a Community Improvement Plan (CIP). Establishment of a CIP is reasonably straightforward, but it too requires a level of investment by the municipality. The advantage is that the CIP can be limited to a specific area such as the lands highlighted in the report and limited to reuse and redevelopment of former industrial lands. The lands in question are well suited to the establishment of a limited CIP and could be approached as a pilot project for West Elgin.

In addition to grants or loans the establishment of a secondary plan area can also provide an opportunity to recoup Municipal investment as redevelopment can be made subject to a special charge to offset any clean-up or other costs the Municipality may incur.

Prepared by:

A handwritten signature in black ink, appearing to read 'Robert Brown', with a long horizontal flourish extending to the right.

Robert Brown, H. BA, MCIP, RPP
Planner
Municipality of West Elgin

Report Approval Details

Document Title:	Rodney South Redevelopment - Direction and Options Report - 2023-49-Planning.docx
Attachments:	
Final Approval Date:	Nov 20, 2023

This report and all of its attachments were approved and signed as outlined below:

Terri Towstiuc