



Development Services Staff Report

Report Number: DS16-2022
Report Title: Zone Change Application 8/2020 Conestogo Mill Inc. - 1795 and 1805 Sawmill Road, Conestogo
Author: Jeremy Vink, Manager of Planning
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Reviewed By: Deanne Friess, Director of Development Services
Final Review: Senior Management Team

Recommendation:

That the Council of the Township of Woolwich, considering Report DS16-2022 respecting Zone Change Application 8/2020 Conestogo Mill Inc. - 1795 and 1805 Sawmill Road, Conestogo:

1. Approve changing the Zoning from Agricultural (A) with site specific provisions to:
 - a. Settlement Commercial (C-3) and Settlement Commercial (f) – (flood plain) with site specific provisions,
 - b. Settlement Commercial (C-3) with site specific provisions and a holding provision, and
 - c. Open Space (O-2) in accordance with the amending By-law being in accordance with the proposed By-law attached as Attachment '4'.

Background:

K. Smart Associates Limited on behalf of Conestogo Mill Inc. submitted a Zone Change application to redevelop the lands described as GCT Part Lot 31, Part 1 on 58R8008 and located at 1795 and 1805 Sawmill Road to permit a mixed-use development (see Attachment '1' for site plan and air photo).

The 928 square metre property at 1795 Sawmill Road and the 1.4-hectare property at 1805 Sawmill Road are within the Settlement Boundary of Conestogo, designated Urban Area and Restricted Land Use Area in the Township's Official Plan and are zoned Agricultural (A) with a

(f) suffix for floodplain regulations and site specific provisions (Section 26.1. 238) permitting the operation of a feed mill and accessory uses. The area is serviced with municipal water but on private sanitary.

The applicant was proposing to amend the site-specific zoning for the properties which will eliminate the use of a feed mill and permit a range of mixed commercial uses including:

- 1805 Sawmill Road – Art Gallery, Assembly Hall, Banquet Hall / Facilities, Commercial Entertainment Facility, Distillery, Establishment for Dispensing Refreshments to the Public (restaurant), Indoor Storage or Warehousing, Showroom or Wholesale Outlet, Studio, Private Club; and Accessory uses including offices, parking, loading, warehousing and retail / showroom.
- 1795 Sawmill Road: Residential Building – One unit (which may include a home occupation) and an office.

The applicant is also proposing some site-specific policies, including:

- i. to calculate parking requirements for an assembly hall based on the capacity of the building versus floor area devoted to the public;
- ii. to limit the floor space devoted to the public for a restaurant to 67.5 square metres;
- iii. to apply a holding provision for the use of a small form distillery until such time as they satisfy Building Code requirements;
- iv. to reduce the building line setback adjacent to a street from 7.6 metres to 6 metres;
- v. to share required parking requirements between the properties at 1795 and 1805 Sawmill road; and
- vi. to allow certain accessory uses within the floodplain area.

The subject lands were formerly used as a feed mill and related buildings including a house that was used as an office for the mill. The proposed redevelopment is to establish two event centres in the existing mill building with the flexibility to re-purpose all or a portion of the building in the future. The existing house is proposed to remain for office use.

The applicant submitted the following studies in support of their application:

- Concept site plan
- Planning Justification Report
- Functional Servicing Report
- Scoped Hydrogeological Assessment
- Scoped Environmental Impact Study
- Cultural Heritage Analysis
- Salt Management Plan

A public meeting was held in November of 2020. Since the public meeting the applicant has made revisions to the proposal and is proposing a site-specific C-3 Zoning versus an Agricultural (A) Zoning.

Comments:

Policy Compliance

The proposal considers the re-use of the existing buildings in a settlement with uses that are appropriate to the area, maximizing the servicing available and permitted, as well as addressing the floodplain requirements and protection of environmental areas. It is staff's opinion that such a redevelopment of the site within an identified settlement is consistent with the Provincial policies.

From a Regional Official Plan perspective, the proposed development is within a settlement area, on a private sanitary (septic) system and on municipal water and as such is consistent with the Regional policies. It is noted that since the use is on a private septic system the parcel cannot be severed or made into a condominium, as private services cannot be shared under separate ownership under the Regional Official Plan.

Consistent with the Provincial and Regional policies the applicant has addressed the protection of the environmental elements through the completion of an Environmental Impact Study. The study concluded that:

- The woodland on the adjacent property will not experience disturbance as a result of the development.
- The project is unlikely to disturb the Provincially Significant Wetland (PSW) and Significant Woodland located on the neighbouring property given the cultural woodland that separates the development from the Significant Woodlands.
- Invasive species are to be removed from the site. This is to prevent and/or reduce the species from impacting the natural environment.
- Rehabilitation of the areas where invasive species were removed (areas identified in the report) are to take place.
- Tree compensation to take place, where trees with a diameter (dbh) over 10cm that are proposed be removed are to be replaced with three plantings.
- Use of Best Management Practices when work is taking place.
- Certain works can only be done during certain timeframes as outlined in the report. This will avoid/mitigate any disturbances.

The Region of Waterloo, Grand River Conservation Authority (GRCA) and Township staff are satisfied with the report and the recommendations. The proposed plan protects the existing natural areas and will enhance the areas around these features. With the required tree planting program the overall result is a more sustainable and improved natural environment.

A Functional Servicing report was also provided noting that generally existing grades are proposed to be maintained as storm water runoff will continue to flow southwards through quality controls and discharge to the watercourse. Water is to be provided from the municipal watermain along Sawmill Road. The applicant still needs to verify that fire flow

can be addressed although adequate water is available for the proposed uses. This will be addressed at the site plan stage.

Only two of the buildings on site are proposed to be connected to the private sanitary (septic). The private septic proposed is a Waterloo Biofilter System which will discharge to a subsurface bed. The flows at 9,900 litres per day are below 10,000 litres a day and therefore fall under the Township's Building permit process and will be designed in accordance with the Building Code. As part of the hydrogeological studies and the functional servicing, the design of the septic has considered the design from a ground water perspective.

The floodplain elevation has been identified and is shown on the plans. The buildings are located outside the floodplain as well as the majority of the parking areas.

With respect to the Township Official Plan the property has an Urban Land Use designation which indicates *"the area within the Settlement Boundary, which may be developed for urban uses without amendment to this Plan"*. In Urban settlements the commercial and industrial uses are directed to lands in the designated Core Area which then leaves the remaining areas for residential uses. Although generally this is the case, it does not limit the uses in the Urban Area designation to residential as Urban areas are to develop as an *area containing a broad range of residential, commercial, service, recreational and industrial uses. It is intended that this broader range of uses will be encouraged as part of future development, subject to the controls and regulations imposed through the Settlement Plan and the Zoning By-law*. Through appropriate review of the policies and consideration of the needs of the area that such an assessment will determine if such a proposal is appropriate and to impose any requirements in the zoning. In Staff's opinion, given the past uses of this site, location on a Regional Road and being somewhat secluded the subject property warrants consideration for commercial like uses as proposed.

The proposed uses are generally commercial and light industrial in nature and are a slightly reduced list of uses permitted in the Settlement Commercial (C-3) Zone in Conestogo. As such uses co-exist in other areas the proposed development is not incompatible with surrounding residential uses.

The proposed uses are different from the previous use as a feed mill was different in terms of relying on truck traffic, moving of grains through elevators etc. The proposed uses (such as a banquet hall or assembly hall and distillery) are more in keeping with an urban area. The uniqueness of the site being much lower than the road and with environmental areas on two sides of the site help to minimize impacts.

The property is proposed to develop with servicing in a manner consistent with the Conestogo Settlement policies in the Official Plan where water can be communal but the sanitary for each property is private (i.e., private septic). Uses on the site will need to ensure that adequate services are available at the building permit/change of use stage.

The property is also designated as Restricted Land Use, to recognize that the lands are impacted by the floodplain and environmental features. These elements are proposed to be protected through the remediation works noted in the Environmental Impact Statement (EIS) to be implemented at site plan, as well as through the appropriate zoning.

The proposed change in use then conforms to the Provincial Policies, Regional Official Plan and the Township Official Plan.

Zoning

To implement the change in use from a feed mill in an Agricultural zone to the proposed commercial uses in the urban area a site-specific Settlement Commercial (C-3) Zoning is proposed.

As the site is in the settlement, the Settlement Commercial C-3 Zone is a more appropriate to the subject lands versus the existing site specific Agricultural (A) zoning. The former feed mill by nature of the operation used large trucks, had some noise and dust implications while the proposed uses will generate more vehicle traffic but should be less intrusive with respect to noise and dust. Further, the nature of the uses proposed compliment the building and the site but are not retail in nature to detract from the Core retail area of Conestogo. The uses generally will support the core and some of the current tourist uses taking place. Given the above, staff is satisfied that the proposed uses are similar or more appropriate to the area. The limited uses will be implemented through a site-specific commercial zoning.

A portion of the site is in a floodplain and the floodplain limits have been verified with the GRCA through the studies. The overlay floodplain ((f) suffix) is proposed to clearly identify the portion of the property that is subject to potential flooding and then limits uses in that area to parking as no buildings or structures are permitted.

As the site is on private sanitary services, uses will be limited by the septic system, which will be subject to Building Permit review and is not proposed to be constructed to require Ministry approvals. The Functional Servicing Study identifies that all the uses proposed, save and except the Distillery (microbrewery, winery, and distillery) use can be accommodated. Additional technical study is necessary to verify if the system can accommodate these proposed uses and still be a septic system that does not need Ministry approvals. A holding zone is proposed in regard to the microbrewery, winery, and distillery use with the provision that prior to permitting the use the applicant would need to demonstrate adequate servicing is available and then request the holding provision to be lifted.

As with any commercial site, the landowner will need to ensure that the required parking can be provided for the uses proposed. If the required parking exceeds the available spaces on site, the uses could not be developed on site without additional approvals. For example, the applicant is proposing to have parking for assembly halls to be based on the building capacity, up to but not exceeding 62 required spaces and to limit the size of

any restaurant space to 67.5 square metres. Staff have reviewed the parking information provided and are satisfied that various combinations of uses could take place on site, however, certain uses in combination with other uses may be limited. The uses and parking will be controlled through Certificates of Occupancy.

The environmental features, being the woodlot and wetlands areas are also proposed to be zoned appropriately to prevent development. The proposed Open Space (O-2) zone limits the uses accordingly and prohibits any buildings or structures.

The proposed attached by-law to this report is consistent with the Official Plan and implements appropriate regulations addressing all of the relevant items as noted above.

It is noted that the property is subject to site plan control, and that prior to development of the site as proposed a site plan agreement will need to be entered into. This agreement will speak to various items including surface treatments, landscaping, lighting, garbage storage, snow storage, truck turning movements, grading and drainage as well as addressing the requirements for site rehabilitation as noted and required in the EIS.

Public Comments

Some comments were raised by a member of the public with concerns related to the reduction of any parking requirements, traffic concerns, ensuring protection of the environmental features, fire hydrant locations, and clarification on the uses.

It is noted that the parking issues have been addressed, and no overall parking reduction is proposed, and the proposed parking is adequate to accommodate many of the proposed uses. Traffic concerns, related to site lines will be addressed and finalized at the site plan stage to the satisfaction of the Region. The fire hydrant and fire fighting requirements will be addressed at site plan stage to the satisfaction of Township Building and Fire staff and were reviewed in the functional servicing study. The EIS and the implementing zoning will appropriately zone the environmental areas to prevent development and the site plan agreement will implement the rehabilitation. Staff and the applicant have also dialoged with the resident to help address the concerns.

Another member of the public had a question relating to privacy between the proposed uses and the residential to the west. This aspect can be reviewed at the site plan stage to ensure screening or separation between uses.

Staff is of the opinion that the uses are scaled to work within the site and the public comments have been addressed or can be addressed through subsequent planning processes.

Agency Comments

Region of Waterloo has reviewed the reports and provided comments noting no objections to the Zoning. They do request that the Environmental portions of the site be zoned Open Space and that the septic not be in proximity to the environmental feature.

Other items to be addressed at the site plan stage including grading, drainage and access onto the Regional road.

Grand River Conservation Authority (GRCA) has no objections to the zoning amendment. The GRCA did provide a number of comments relating to site plan elements which will be addressed at the future site plan stage.

Other agencies have reviewed the application and had no concerns with the proposed zone change.

Interdepartmental Impacts:

Various internal departments and sections, including Fire, Building and Development Engineering have reviewed the proposed development and have no objections to the Zoning but do require some technical elements to be resolved through the site plan approval process.

Financial Impacts:

None. All costs are borne by the developer.

Strategic Plan Impacts:

Planning for Growth and Exploring Economic Development Opportunities. The revised zoning will allow for the redevelopment of a site with commercial uses in a manner consistent with Township policies.

Conclusion:

It is staff's opinion that the proposed development conforms to the Provincial Policies and Guidelines, Regional Official Plan, and the Township Official Plan and is an appropriate and compatible use for the subject property.

Therefore, staff recommend that Council of the Township of Woolwich approve Zone Change 8/2020 (Conestogo Mill Inc.) for the property at 1795 and 1805 Sawmill Road, in Conestogo to change the Agricultural (A) site specific zoning to Settlement Commercial (C-3) and Settlement Commercial (f) – (flood plain) with site specific provisions, Settlement Commercial (C-3) with a holding provision, and Open Space (O-2) to permit the commercial develop as per the proposed by-law as attached to this report.

Attachments:

1. Location Map, Site Plan and Air photo
2. Minutes of Public meeting
3. Comments
4. Proposed Zoning By-law