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Date: November 15, 2018

To: Mayor and Council

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Manager, Planning Services

RE: Application for Site Plan Approval SPA/13/18 by
2623991 Ontario Ltd. 609 Road 3 E Part of Lot 4, Con 2 ED, Part 1,
RP 12R 11488, Part 2, RP 12R 22191

Report No.: PDS 2018-057

AIM

To provide Council with details on the development of a multiple phase medical marihuana production facility on lands located on the south side of Road 3 E, in the Town of Kingsville.

BACKGROUND

The subject lands is a 38 ha (97 ac.) farm parcel with an existing dwelling and two outbuildings. The property was the focus of an Official Plan Amendment to permit a new build greenhouse for the growing of medical cannabis and Zoning By-law amendment to permit the establishment of a medical marihuana production facility. The applicant is now proceeding with the site plan approval stage of the development. The property will be developed in four phases from west to east. Phase 1 will include an 11,412 sq. m (122,840 sq. ft.) warehouse, hot water tank, cold water tank and 5.58 ha (13.78 ac.) greenhouse. Additional phases will be constructed as necessary. Storm water management will be accommodated in a pond at the rear of the property. Servicing is proposed via a corridor from Road 2 E to Road 3 E. Water capacity has been confirmed for Phase one, additional phases will require future confirmation. The development will include on-site worker housing.

While the plan does show the possible full build-out there is a small portion of an existing lot at 691 Road 3 E which the applicant has applied to sever and convey as a lot addition to the subject parcel. This will require additional approvals i.e Official Plan Amendment and Zoning By-law amendment to match that of the larger parcel. As requested by the

neighbours and directed by Council a public information meeting was held September 26 to get input into the final detail on the plan such as fencing, berms and landscaping.

DISCUSSION

1.0 Provincial Policy Statement

There are no issues of Provincial significance raised by this application.

2.0 Official Plan

The subject property is designated 'Agriculture' and subject to the policies under Section 3.1 of the Official Plan for the Town of Kingsville. The proposed site plan layout and associated agreement to establish conforms to the Official Plan.

3.0 Comprehensive Zoning By-Law – Town of Kingsville

The subject property is zoned 'Agricultural Zone Exception 69 (A1-69)'. The attached site plan has been reviewed and the proposed new development will be in compliance with all provisions of the Town of Kingsville Zoning By-law 1-2014 the site-specific regulations outlined by under the A1-69 Zone.

More specifically the zoning implements the odour control requirements for a medical marihuana production facility. This involves the installation of the required 'air treatment control' system. The system must be designed by a qualified person and result in no perceptible odour at the property line of the subject parcel. The applicant must also provide a maintenance schedule for the system and demonstrate that the system is operational prior to beginning operations.

The odour control provisions are implemented and regulated through the zoning by-law. Non-compliance will result in a zoning order to comply with fines and provincial prosecution possible should corrective actions not be taken. The odour control plan itself will be attached as an Appendix to the site plan agreement for ease of tracking and reference in the future.

The specific odour control that is being utilized in the operation is a broad spectrum high-intensity UV light targeted on a hydrated quad-metallic catalyst which utilizes ambient moisture to generate hydro-peroxides and hydrooxides that are propelled into the cultivation facility, to provide active microbial and odour mitigation. This is designed to eliminate odours at the source. One unit per 92.9 sq. m (1,000 sq.ft.) is required with a total of 496 units located throughout the growing areas. See Appendix A) The applicant will also be providing additional detail at the meeting of Council.

Heating of the greenhouse is done with traditional hot water piping. Cooling of the greenhouse in the summer months is done in the opposite fashion using a separate radiate cold water piping system. The facility will still use limited roof venting however by eliminating the odours at source in the greenhouse odour migration beyond the greenhouse should not occur.

4.0 Site Plan

In order to provide for the best overall layout on the subject property several discussions have taken place with the applicant. On September 26th a public open house was held at the Unico Centre to provide landowners within 500 m of the subject property the opportunity to ask questions and provide input to the applicant. The majority of the questions were centered around certain details related to the use and the function of the overall operation.

Traffic impact on Road 3 was of significant interest and did result in the completion of a comprehensive Traffic Impact Study (Appendix B) for the road which outlines the overall growth in traffic volume that would result as the complex builds out. The TIS also noted improvements that would be necessary as a result. The suggested improvements for Road 3 E as part of the initial phase will be a widening and asphaltting of the existing road surface along the full length of the subject property frontage. This work will be completed once the first phase is constructed. As subsequent phases come forward traffic will be reviewed and the need for further improvements assessed at that time. The most noteworthy improvement would be the addition of a left turn lane at the intersection of Road 3 E and Division Rd N. The specific timing of this work will depend on the volume of traffic from the subject property as well as the future impact of the closing of Jack Miner Public School which currently has a significant impact on the intersection during certain peak times.

One common element of MMPF locations and a concern during the zoning process was the addition of fencing to the properties to satisfy Health Canada security requirements. The applicant has shown fencing on the property around the perimeter but excluding the bunkhouse. Berming and trees will be provided along areas where fencing is close to the road way or existing off-site residential dwellings. However, as Health Canada will determine what is acceptable and based on the solid wall design of the growing area fencing may not be required to the extent it is shown.

The overall plan for Phase one includes 5.58 ha (13.78 ac.) of greenhouse, a 1.140 (2.82 ac.) warehouse and support facility, service area, hot and cold water tanks, parking area and bunkhouse all detailed on the attached site plan (Appendix C). Placement of the greenhouse is in compliance with the minimum 100 m setback for growing areas however the flowering area, which is the principle source of odour generation, is actually located an additional 172 metres from the nearest dwelling at 573 Road 3 E.

Lighting in the greenhouse will be controlled through the design of the structure itself which will be solid walls verse the traditional clear greenhouse sidewalls and use of a breathable, triple layer retractable curtain on the ceiling of the greenhouse which will be peaked glass. (Appendix D)

Servicing of the site will include a new 300 mm water line to be installed from Road 2 E to Road 3 E. Stantec Consulting has reviewed the needs for the operation and indicated that there is capacity to supply Phase one of the development. (Appendix

E) Stantec also noted that the Town should consider upsizing the water line to 400 mm as it would help to maintain and improve supply in the area particularly given the ongoing potential for additional greenhouse development. The Town will be responsible for the upsizing from 300 mm to 400 mm and a portion of the connection from the end of the service to the subject property to Road 3 E or approx. 300m of water line. The costs associated with this upsizing and extension will need to be subject to consideration in the 2019 budget deliberations.

Sanitary service will be via a force main from the facility to an existing line on Road 2 E into the existing gravity system at the end of Hazel Crescent. Both the sanitary and water will require a corridor between Road 2 E and Road 3 E. This will consist of a conveyance of 20 m from abutting lands owned by the applicant to the Town from Road 3 E to the southwest corner of the subject property. From this point a 10 m wide corridor will be provided via an easement in favour of the Town along the west side of the subject lands.

MMPFs require a significant amount of security given the nature of what they produce. It was not raised as an issue specific to this site however there has been some concern noted that security camera placement and coverage could impact abutting property owners privacy. With this in mind it was requested that a security plan be submitted showing the placement of security cameras on the site. It will also be a provision in the site plan agreement that all cameras are to be positioned as to not impact on abutting landowners properties.

Site Plan Security Deposit

The principle concern with the establishment of MMPFs in the Town of Kingsville has been the uncertainty of odour control and grow light issues. Through the site plan approval process the Town can require the submission of various securities for on or off-site requirements. Most often this may include road improvements, signalization, service connections, landscaping, fencing or any other item or issue that the Town views as necessary to insure a development is constructed as outlined. Site plan securities have to-date not represented a significant amount however with the initial uncertainty it is advisable to increase the amount collected given the potential impact. A 50% deposit is recommended based in part on the standard requirements in subdivision agreements which require securities for the installation of roads and services. Those deposits are typically 50% of the total costs.

As this does represent a significant amount to the developer the site plan agreement will be structured in such a way that securities can be released as requirements are reviewed to the satisfaction of the Town. This particular agreement would have three main points, odour control, lighting and the Road 3 E road improvements. As the approval is only for Phase One of the development new securities will be required as further phases seek approval for development.

LINK TO STRATEGIC PLAN

Support growth of the business community.

FINANCIAL CONSIDERATIONS

The proposed development represents a substantial investment in the community and will result in a significant increase in assessment to the subject lands. The Town will incur some cost associated with the water line upsizing and partial extension however this will be offset with improved overall quality of supply of water to existing customers in the area.

CONSULTATIONS

Public Consultations

During the Zoning Amendment approval process abutting landowners expressed an interest in being involved in the site plan review and approval stage of the development. Council directed staff to provide that opportunity. As such a public open house was held by the applicant on September 26, 2018 at the Unico Centre. There were a total of 14 people who attended the meeting. Most of the questions centered around the general operations of the proposed facility.

In addition land owners within 500 m of the subject property were provided with notice of the November 26th meeting in order to provide any addition comment to Council which is consistent with Council recently requested change to the site plan approval process for major developments.

Agency & Administrative Consultations

Applicable agencies and Town Administration were circulated for comment by email.

Agency or Administrator	Comment
Essex Region Conservation Authority Watershed Planner	<ul style="list-style-type: none">• Full comment is attached as Appendix 'F';• Storm water management will be required along with necessary permit and clearance.• Natural Heritage policies of PPS 2014 were reviewed, an EIA will be required as the proposed development is within 120 m of natural heritage feature on the property.• An EIA was completed on the abutting feature in 2016. This was recirculated to ERCA who has indicated that that report is acceptable to address the EIA requirement.• ERCA also noted that the subject property is within a Significant Groundwater Recharge Area (SGRA) This was addressed by the applicant to the satisfaction of the Town as per ERCA recommendation
Town of Kingsville Management Team	<ul style="list-style-type: none">• No concerns with the requested site plan.• The proposed building needs to comply with the requirements of the OBC.• Municipal Services has reviewed the storm water management plan and has no objection to the proposed development moving forward subject to

	<p>conditions outlined in the agreement.</p> <ul style="list-style-type: none"> • The servicing plans, as outlined in Section 4.0 of the this report, have been reviewed and are satisfactory to the Town. • The upsizing and extension of the water line will be part of the 2019 budget considerations. • Municipal Services has reviewed the requested Traffic Impact Study and provided an outline of requirements and timing to the applicant. The requirements for Phase 1 are included in the site plan agreement. Further improvements will be addressed as subsequent phases come forward for review and approval.
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RECOMMENDATION

It is recommended that:

Council approve Phase one of the proposed greenhouse development for a medical marihuana production facility, subject to the conditions outlined in the site plan agreement, for a 5.78 ha (13.78 ac.) greenhouse with auxiliary warehouse and supporting facilities and authorize the Mayor and Clerk to sign the site plan agreement and register said agreement on title, and

Council require a security deposit equal to 50% of the total cost of the odour control system, lighting control system and Road 3 E road improvements (Phase One only) to be deposit with the Town prior to release of any building permits.

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Peggy Van Mierlo-West

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