



December 19<sup>th</sup>, 2022

**Ministry of Municipal Affairs and Housing**

777 Bay Street, 17<sup>th</sup> floor

Toronto, Ontario

M7A 2J3

Submitted via the ERO comment portal  
and via [gabriel.kim@ontario.ca](mailto:gabriel.kim@ontario.ca)

**Attn: Gabriel Kim, Municipal Services Office – Western Ontario**

**RE: ERO number 019-5952**

**Regional Municipality of Waterloo Official Plan Amendment 6**

**Lammer Development Group**

**805395 ONTARIO LIMITED and 742825 ONTARIO LIMITED**

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On behalf of the Lammer Development Group (“Owner”), Corbett Land Strategies Inc. (“CLS”) wishes to submit the following comments to the Ministry of Municipal Affairs and Housing (“MMAH”) in response to its review of the Region of Waterloo Official Plan Amendment No. 6. The Regional Municipality of Waterloo adopted the Official Plan Amendment (OPA) as part of its Municipal Comprehensive Review on August 18, 2022. The OPA proposes to establish the planning framework to accommodate population and employment forecasts to 2051. The OPA also establishes new policies regarding land use, transportation, public transit, water and wastewater (amongst others). To assist the Province in its review, the following offers commentary on the proposed OPA specifically pertaining to the lands located at 241 Queen Street West, Cambridge (subject lands).

The subject lands and buildings were purchased from the City of Cambridge in 1987. The original Purchase and Sale agreement committed both parties to Mutual Assistance and co-operation in attempting to secure the necessary Municipal, Regional and other approvals required for the development of the lands. Further it committed the City to provide services and the developer to renovate the old industrial buildings to a minimum of 260 purpose-built residential rental units. This site has therefore long been envisioned to evolve into a residential use, capitalizing on the site’s river front setting and its potential to add significant economic benefit to Cambridge. It would contribute substantially to the renewal of the Hespeler core by bringing people and their economic and social vitality to the neighbourhood. It is also useful to note, residential zoning has been granted on the adjacent industrial property.



On February 24, 2021, the Lammer Development Group requested the City's support for a Minister's Zoning Order. On April 27, 2021, the City of Cambridge Staff Report 21-126(CD) was prepared in support of the proposed Lammer Development Group Minister's Zoning Order (Appendix A). Due to timing, the MZO was not advanced and has since remained on hold.

As set out in Appendix A, the owner is proposing the development of the subject lands to include a mixed-use community consisting of approximately 1,500 to 1,800 residential dwellings including 260 purpose-built rental units, senior assessed housing units and affordable housing (Appendix B). Several medium and high-rise mixed use apartment buildings are proposed along Queen Street West as well as new road infrastructure. The overall development will activate 10 to 12 acres of green space, along the Speed River. To support of the proposed development, the Owner has advanced considerable technical work.

Given the subject lands proximity to the Hespeler downtown, it will offer a unique opportunity of creating a complete community on a former industrial parcel. The proposed development would create approximately 400 jobs per year, phased over 6-8 years, approximately \$1 billion in new property assessment and approximately \$10 million in additional annual tax revenue. The subject lands are also uniquely located adjacent to an existing rail corridor which has been assessed as an optimal connection for a future GO Train route into the GTA.

The Regional Official Plan Amendment brought into effect the first phase of the MCR to accommodate the region's forecasted growth to 2051. Of the key components, the OPA promotes an intensification first approach to development, identifies where and how the region will grow to 2051, identifies minimum intensification targets, implements a series of employment lands to convert and provides direction to phase growth and infrastructure in a sustainably and financially responsible manner.

The proposed development will assist in achieving the Region's forecasted to growth to 923,000 people and 470,000 jobs by 2051, of which 214,900 people and 120,700 are forecasted for the City of Cambridge. As the subject lands are located within the Urban Areas, it is believed that the proposed development will assist in achieving the target of directing 90 percent of the Region's population and employment growth to its Urban Areas.

In support of the Ministry's review of the Regional Official Plan, this development represents a significant achievement of Provincial, Regional and Local planning objectives. Further, it's consideration for an MZO by municipal staff establishes it as a development which is supported and can immediately achieve housing subject to the



implementation of certain planning provisions. As such, it is requested that the Ministry consider the implementation of the following standards through its review:

- a) A high-density residential development including apartment buildings and accessory uses;
- b) Rezone the subject lands to Residential Multiple (RM3) and Institutional (N2) Zone with exceptions;
- c) Maximum height of buildings and structures of 85 metres, inclusive of rooftop mechanical structures;
- d) No maximum number of dwelling units per hectare;
- e) Maximum lot coverage of 30 percent;
- f) Minimum floor space index of 1.2;
- g) Maximum floor space index of 2.9; and,
- h) No minimum lot frontage.

It is the hope of the Lammer Development Group that the above comments will assist in the Province's review of the Region of Waterloo Official Plan Amendment and to incorporate policies that establish immediate solutions to address the housing supply crisis. Should there be any questions or a need for further information, feel free to reach out to the below.

Sincerely,

*John Corbett*

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## **APPENDIX A**

City of Cambridge Staff Report 21-126(CD) (April 27, 2021)

**To:** **COUNCIL**

**Meeting Date:** **04/27/21**

**Subject:** **Lammer Development Group's Request for a Minister's Zoning Order for 0 Queen St W, Cambridge – Former Silknet Property**

**Submitted By:** **Hardy Bromberg, Deputy City Manager – Community Development**

**Prepared By:** **Hardy Bromberg, Deputy City Manager – Community Development**

**Report No.:** **21-126(CD)**

**File No.:** **A16.04.19**

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## **Recommendations**

THAT Report 21-126(CD) Lammer Development Group's Request for a Minister's Zoning Order for 0 Queen St W, Cambridge – Former Silknet Property be received;

AND THAT Council supports the application of a Minister's Zoning Order as requested by Lammer Development Group for a high density residential development, rental housing and affordable housing;

AND THAT the developer provide a contribution in the amount of \$300 per unit to the City's affordable housing reserve fund;

AND FURTHER THAT Council direct City Staff to work with Lammer Development Group to implement the Minister's Zoning Order through future Planning Act applications, including Site Plan approval as generally depicted on the concept plans attached to Report 20-126(CD).

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## **Executive Summary**

### **Purpose**

- Lammer Development Group is interested in proceeding to develop their property located on a vacant lot on the north side of Queen Street W, west of 215 Queen Street W for a high density residential development.
- The proposed development would include 1,500 – 1,800 mixed residential and institutional dwelling units. The project will offer a residential mix of high rise

condominiums (to a maximum of ± 25 storeys), purpose built rentals, targeted senior living and ground oriented podium town homes. The owner has committed to deliver 260 rental units with a yet to be determined portion of the units to be affordable housing based upon rental rates meeting with the Provincial Policy Statement's affordable definition .

- In a letter dated February 24, 2021 Lammer Development Group has requested the City's support for a future Minister's Zoning Order to set out the permissions for redevelopment of this site without having to proceed through a normal planning application and public consultation process, and not have the resulting zoning regulations subject to potential appeals to the Local Planning Appeal Tribunal.
- The purpose of this report is to follow up on the Lammer Development Group's request.

## Key Findings

- The Minister of Municipal Affairs and Housing is not required by legislation to give notice or consult with a municipality or the public prior to enacting a Minister's zoning Order (MZO). In this case, Lammer Development Group has contacted the City requesting Council support its application for an MZO.
- Lammer Development Group is interested in having an MZO enacted on their property so that they can aim to proceed with Phase 1 of their development in 2022 (Gateway off Queen St. W). The proposed timing for Phase 1 would not be possible without a MZO.
- The redevelopment of this site for a high density mixed residential development, rental and affordable housing aligns with the objectives and policy framework in the City's Official Plan, City's Strategic Plan.
- Staffs' support for this requested MZO is based upon the developer's offer of a substantial amount of rental and affordable housing (based upon rental rates meeting the Provincial Policy Statement's affordable definition) being proposed that assists in dealing with the affordable housing crisis in the City.
- Recent practise by the Province is to request a municipal Council resolution of support before considering proceeding with an MZO request.
- The Zoning Order would enable redevelopment of the land in an expedited manner.

## Financial Implications

- As this site falls outside of the Core Area development charges, site plan fees and building permit fees would be collected at the time of development.
- If Council is in agreement with the proposed contribution to the City's Affordable Housing Reserve Fund in the amount of \$300 per unit, a contribution of \$450,000 - \$540,000 could be provided, depending upon the final number of units developed.
- A formal official plan and zoning amendment application would not be required if Council supports proceeding with this initiative, City revenue in the amount of \$22,000 would not be received. However, the following estimated amounts based upon the general information provided for this proposal would be required:
  - City Development Charges (DC) based on current rate for apartment dwelling unit (1,500-1,800 units): \$11,359/unit = \$17,038,500 – \$20,446,200. If a portion of the development proceeds as townhouses, \$15,956.00 per unit would be collected. Current DC rates for special care facilities is \$7,130.00 per unit.
  - Site Plan application fee: \$13,460
  - Building permit fees - apartments are \$1.41/sq.ft
- The applicant estimates this development will result in \$900 million of new assessment for Cambridge, \$10 million annually in taxes for the City/Region.
- Due to the uncertainty of the number and type of units as well as other details about this development, the City's Finance staff are unable to confirm the increase in the assessment value and taxation revenue related to this development.

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## Background

In a letter dated February 24, 2021 and email dated March 29, 2021 ([Attachments 1 and 2](#)) Lammer Development Group has requested the City's support for a future Minister's Zoning Order (MZO) to set out the permissions for redevelopment of this site without having to proceed through a normal planning application and public consultation process, and not have the resulting zoning regulations subject to potential appeals to the Local Planning Appeal Tribunal. If enacted by the Ministry of Municipal Affairs and Housing, a MZO allows the developer to commence their project sooner.

Lammer development Group is interested in proceeding to develop their property located on a vacant lot on the north side of Queen Street W, west of 215 Queen Street W for a high density mixed residential/institutional development (Figure 1). The City previously owned this land and sold it to the current owner's father in 1987 with the



intention that the land would be developed for non-employment purposes. They are proposing between 1,500 and 1,800 dwelling units. Lammer Development Group has advised their goal is to provide a variety of housing types and sizes to assist with adding to the supply of affordable and attainable housing. The project will offer a residential mix of high rise condominiums (to a maximum of  $\pm$  25 storeys but most buildings would range from 12-20 storeys), purpose built rentals, targeted senior living and ground oriented podium town homes. The owner has committed to deliver 260 rental units; a number of those units will be targeted as affordable rentals, subject to future funding opportunities. Therefore this development would be comprised of approximately 14-18% rental housing.

According to information received from the applicant ([Attachment 2](#)), the Lammer Development Group:

“has demonstrated through previous projects a commitment and fundamental understanding of the value of inclusion. Recent projects include: a 44-unit affordable rental development that had the added complexity of being a brownfield and preservation of significant heritage elements; a proposal for a 35-unit market condominium development incorporating 20 affordable senior rental units; a number of our long-held market rental properties include suites participating in rent supplement programs.

The Silknit redevelopment has ambitions to re-integrate this historic industrial landmark, which previously served as an employment anchor for Hespeler Village, and re-establish its importance, this time as a residential anchor.

By importing the economic and social vitality of thousands of new residents via an offering that will appeal to a diversity of households with a variety of tenures, incomes, household sizes, demographics and accessibility requirements, this is a development that will spur the evolution of the core.

Reconnecting with the fabric of the Hespeler Village through connected trail networks, public realm extensions and significant open space offerings will effectively tie together these two import districts and bolster their mutual success.”

Approximately 60-70% of the 9.7 ha (24 acre) site is proposed as landscaped open space which will open up approximately 1 km (0.6 mi.) of river frontage, which is currently inaccessible to the public. The developer is looking to reconnect the site to Hespeler Village core area through trail networks, public realm connections and open space. A copy of their concept plan is included as [Attachment 3](#). This is a preliminary conceptual design which is subject to change through the site plan review process. The development is proposed to be phased over 8-10 years.



The existing zoning is Industrial (M3). The MZO is to rezone 0 Queen St W to Residential Multiple (RM3) and Institutional (N2) Zone with exceptions to permit the following:

- A maximum building height of 85 metres (279 ft.), inclusive of rooftop mechanical structures (±25 storeys)
- No maximum number of dwelling units per hectare
- A maximum lot coverage of 30%
- A minimum floor space index of 1.2
- A Maximum floor space index of 2.9
- No minimum lot frontage due to the current shape of the property
- Site development specifications, including floor space index and parking requirements shall be based on the site as a whole existing at the date of enactment of this Minister's Zoning Order despite the future creation of interior lot lines through the registration of a condominium description or approval of a severance application

The applicant is not requesting any additional reductions to the regulations from the site development specifications. All setback and parking provisions will be required to be met.. Based on the proposed number of dwelling units, between 1,500 – 1,800 parking spaces would be required with 375-450 dedicated visitor spaces. This number may fluctuate depending on the different forms of housing that are ultimately provided as part of the development. The applicant is proposing for the zoning provisions to apply to the lot as a single parcel regardless of future land divisions. The Draft Minister's Zoning Order is included as [Attachment 4](#).



**Figure 1 Aerial Photo of 0 Queen St W**

The purpose of this report is to seek Council support for Lammer Development Group's desire for a MZO.

The Minister of Municipal Affairs and Housing is not required by legislation to give notice or consult with a municipality prior to enacting a Minister's Zoning Order (MZO). Recent practise by the Province is to request a municipal Council resolution of support before considering proceeding with an MZO request.

Lammer Development Group is requesting City Council endorsement of the draft MZO regulations attached to this report at this time because it is not clear how much longer the Minister of Municipal Affairs and Housing will continue to issue MZOs on strategic development sites as a means of restarting the economy.

A sample list of other Minister's Zoning Orders issued in 2020 can be found at [Attachment 5](#) as examples of the Province stimulating the economy. In addition to this list, SmartCentres MZO 611/20 was enacted on October 30, 2020 in the City of Cambridge. The Minister of Municipal Affairs and Housing supported Council's decision to expedite this development which will assist the City in moving forward with a number of City building goals with respect to transit oriented development and providing a range and mix of housing types in this gateway location.

On April 6, 2021 Council supported establishing a MZO for an industrial property on Old Mill Road in Blair.

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## Analysis

### Strategic Alignment

PEOPLE To actively engage, inform and create opportunities for people to participate in community building – making Cambridge a better place to live, work, play and learn for all.

Goal #6 - Economic Development and Tourism

Objective 6.2 Promote vibrant and inviting downtown cores by encouraging partnerships and creating a wide range of unique, exciting destinations and activities.

Objective 1.4 Promote, facilitate and participate in the development of affordable, welcoming and vibrant neighbourhoods.

The redevelopment of this site for a high density residential development aligns with the objectives and policy framework in the City's Official Plan and Strategic Plan.

The concept plan supports the creation of a variety of housing types at various price points into the housing market.

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### Comments

The subject property is currently designated as Business Industrial and Natural Open Space System in the City's Official Plan. The site is also located within a Regeneration Area. The Business Industrial designation is intended to accommodate traditional industrial parks that allow for a range of industrial uses and offices. The Regeneration Areas are areas within the City where a transition from one use, such as industrial, to another use is anticipated during the planning horizon of the Official Plan. Regeneration Areas are not considered to be employment areas and would not require conversion through a municipal comprehensive review. The City's Official Plan encourages intensification and development of compatible multi-residential development is throughout the built-up area of Cambridge particularly within Regeneration Areas.

The Natural Open Space System designation consists of Core Environmental Features, watercourses and shorelines, and the regulatory one zone floodplain. The designation on this site accounts for the portion of the lands within the floodway of the Speed River. The majority of the site is located within the flood fringe where development may be permitted provided the appropriate flood proofing measures are taken.

A Minister's Zoning Order is not required to conform to the City's Official Plan; however, the proposed concept for residential intensification generally meets the intent of the Regeneration Area policies within the planning horizon of the current Official Plan. The proposal is considered an efficient use of land within the City's built-up area and City/Regional infrastructure that already surrounds the site. The proposal also provides

an opportunity to provide a range of housing types that are more attainable than single detached homes. The 2018 feasibility study on Go Train service to Cambridge identified the track (Fergus subdivision) that runs through the property as a possible route for connection to the GTA. Details for future Go Train service have not been finalized. The proposed density at this site could assist in supporting higher order transit to the City.

Without a Minister's Zoning Order, this property would require submission of an official plan and zoning amendment to change the site from Business Industrial to mixed use. Those applications would require public consultation and any resulting decisions include an appeal period. If the proposal is supported, either through a Minister's Zoning Order or complete planning application, the various supporting studies listed below are still required:

- Planning Justification Report
- Traffic Impact Study
- Urban Design Brief
- Record of Site Condition due to this property being a brownfield site
- Landscape Plan
- Scoped Heritage Impact Assessment due to the property's location adjacent to Designated Site
- Environmental Noise Study
- Environmental Impact Study to assess potential impacts on and to define environmental buffers contiguous to the natural heritage system associated with the Speed River
- Stormwater Management Plan
- Functional Servicing Report to demonstrate that the site can be adequately serviced with water, sanitary sewer and stormwater
- Notice of Source Protection Plan Compliance (Section 59 Notice) from the Region including a Risk Management Plan for stormwater and/or salt application and storage

Processing the official plan and zoning amendments with the additional required public consultation could take up to two years

If an MZO is in place, the studies above, reports and necessary plans will still need to be submitted at the time of site plan and/or future land severance applications. Expediting the process that could allow building permits to be issued sooner. Planning



Staff's support for this requested MZO is based upon the developer's vision of creating a range and mix of housing types including a substantial number of rental units and affordable housing as part of the development.

The Official Plan policies support residential intensification in Regeneration Areas as well as the provision for a range and mix of housing types that are more affordable than single detached dwellings. The proposed development incorporates these principles that can assist in dealing with affordable housing in the City. The developer is committing to deliver a minimum of 260 purpose built rental units, approximately 14-18% of the overall proposed dwelling units. The number of rental units that will achieve affordability is subject to future funding opportunities.

### **Securing future rental and affordable housing**

As noted above, Planning Staff's support for this requested MZO is based upon the developer's vision of creating a range and mix of housing types including a substantial number of rental units and affordable housing as part of the development. As noted in the request for a MZO, this developer has experience in developing affordable housing in other municipalities.

In order to ensure that rental and affordable housing will be included in this development, the following considerations are available:

- 1. Contribution to the City's Affordable Housing Reserve Fund:** The Developer is offering to provide \$300 per unit to the City's Affordable Housing Reserve Fund just prior to the issuance of a building permit. This commitment could result in \$450,000 - \$540,000 being added to the reserve. The developer has indicated that they too would want to have the opportunity to request funding from that reserve in accordance with the City's Implementation Policy for this Affordable Housing Reserve Fund for their proposed affordable housing units in future. This amount per unit is based upon other recent greenfield developments in this City which have been required to provide contributions to this Reserve Fund. The developer has good intentions to follow through with this commitment. The method of ensuring this commitment is still being discussed with legal staff at the time of writing this report. Planning staff will provide a verbal overview to Council about potential mechanisms to deal with this commitment at the April 27<sup>th</sup> Council meeting.
- 2. Enhanced Minister's Zoning Order with Inclusionary Zoning:** Normally MZOs don't include regulations for Inclusionary Zoning (requirement for a developer to provide a certain amount of affordable housing in a development). Typically Inclusionary Zoning is only permitted in Major Transit Station Areas or in areas where a community planning permit system (CPPS) has been required by the Minister of Municipal Affairs and Housing. This property is not within a Major

Transit Station Area and under normal circumstances, Inclusionary Zoning could not be applied here.

Ontario Regulation 232/18 for Inclusionary Zoning permits the Minister of Municipal Affairs and Housing to include the requirements for Inclusionary Zoning in a Minister's Zoning Order. Through preliminary discussions with Ministry staff, there are no other examples in the Province yet where Inclusionary Zoning regulations have also been included in an enhanced MZO.

In Cambridge Inclusionary Zoning work is still in the early stages and also requires setting boundaries of the Major Transit Station Areas through the Region's Official Plan before future work can proceed to include Inclusionary Zoning policies in the City's Official Plan and Zoning regulations. Additional information about the work done to date on the financial feasibility analysis for Inclusionary Zoning and future proposed work will be included in a separate report to Council in May 2021.

Based upon preliminary discussion with Ministry staff the specific details of how to implement Inclusionary Zoning would need further discussion between the Ministry, City and developer. Ministry and City staff would need to work with the developer to determine a number of Inclusionary Zoning requirements, i.e., number of affordable units, maximum rents (or sale prices) for affordable units, duration of the affordability period, and mechanisms to deal with this commitment.

At minimum, the following information could be required to assist in including regulations in the final MZO relating to Inclusionary Zoning, based upon clause 2(6) in Regulation 232/18 which refers to clauses 35.2 in the Planning Act:

An analysis of potential impacts on the housing market and on the financial viability of development or redevelopment in the municipality from inclusionary zoning by-laws, including requirements in the by-laws related to the matters mentioned in clauses 35.2 (2) (a), (b), (e) and (g) of the Act, taking into account:

- i. value of land;
- ii. cost of construction;
- iii. market price;
- iv. market rent; and,
- v. housing demand and supply.

Such analysis would need to be undertaken by the City at the developer's cost. The amount of time required to undertake this analysis has not been determined at this point. Although this tool is available, staff are awaiting further legal input

about potential mechanisms to deal with the developer's financial commitment. That information will be shared verbally at the April 27<sup>th</sup> Council meeting.

The recommendation in this report is to support a contribution to the City's Affordable Housing Reserve fund, subject to confirmation of the mechanism to do so. If Council does not accept staff's recommendations, Lammer Development Group would have to apply for an official plan and zoning By-law amendment if they want to proceed with the proposed development. Public consultation about those applications would also be required. Decisions on those applications would also include appeal periods.

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## Existing Policy/By-Law

### Planning Act

Section 47(1) of the Planning Act permits the Minister to exercise any of the powers granted to Councils by sections 34 (zoning), 38 (interim control) or 39 (temporary use) without the requirement to carry out public consultation and the zoning order subject is not subject to appeal to the Local Planning Appeal Tribunal.

The Minister of Municipal Affairs and Housing is not required by legislation to give notice or consult with a municipality prior to enacting a Minister's Zoning Orders (MZO). Lammer Development Group is requesting Council endorsement of their MZO as part of their application to the Ministry.

The following is a summary of Minister's Zoning Orders (MZO) based upon information in a frequently asked questions document prepared by the Ministry of Municipal Affairs and Housing:

- A Minister's zoning order controls the use of land and sets specific requirements for new development, such as minimum lot sizes, frontage, access and servicing requirements. A zoning order may also restrict certain types of development. Zoning orders are common in areas without municipal organization and within areas covered by the Parkway Belt West Plan. An MZO could potentially be used to control land use in any area of the province.

### Bill 197 COVID-19 Economic Recovery Act, 2020

This Bill received Royal Assent on July 21, 2020 and included amendments in relation to Minister's Zoning Orders. The amendments gave the Minister enhanced order-making powers related to specified land, being lands located outside of the Greenbelt. The City of Cambridge is located outside of the Greenbelt and therefore the Minister could apply a Zoning Order and other enhanced powers in this municipality. The legislation also permits these enhanced powers to apply to Ministerial approval of site plans to implement the Minister's Zoning Order. Lammer Development Group is not



requesting the Minister to approve related site plans for their proposed development of this site.

### **Region of Waterloo Official Plan**

The subject lands are designated as Built-Up Area within the Urban Area Boundary of the Regional Official Plan. A minimum of 45% of all new residential development occurring annually within the Region as a whole is required to be constructed within the Built-Up Area. Development occurring within the Urban Area is required to be planned in a manner that contributes to the creation of complete communities with development patterns, densities and an appropriate mix of land uses that supports alternative transportation, protects the natural environment and respects the scale, physical character and context of established neighbourhoods.

### **City of Cambridge Official Plan**

Section 8.5.3.4 of the City's Official Plan includes the following policies related to lands designated as Business Industrial:

- Lands designated Business Industrial are traditional industrial parks that allow for a range of industrial and office uses.
- Outdoor storage is permitted if located in the rear yard and screened from public view.

Section 8.8 of the City's Official Plan includes the following policies related to lands designated as Natural Open Space System:

- Consists of Core Environmental Features, watercourses and shorelines, and the regulatory one-zone floodplain. This designation may also include additional hazard lands such as steep slopes, approved buffers as determined through the planning process, or publicly owned natural open space.
- This plan recognizes existing uses within this designation. Maintenance of existing uses is permitted. Expansions to existing uses will require an Environmental Impact statement in accordance with the policies in Chapter 3 of this Plan. Lands identified as natural heritage system in Chapter 3 of this Plan and/or the floodplain shall be subject to the limitations for development imposed by applicable regulations and agencies.

Section 2.7.3 of the City's Official Plan includes the following policies related to lands designated as Regeneration Area:

- Regeneration Area are areas within the city where a transition of use from one use, such as industrial to another use is anticipated during the planning horizon of this Plan.

- Regeneration Areas will be the subject of planning studies to determine appropriate land use designations. Until appropriate Official Plan amendments are in effect, permitted uses are deemed to conform to this Official Plan.
- For the purposes of Policy 2.7.2.1, Regeneration Areas are not considered to be employment areas. Applications for official plan amendments to expand the range of uses from industrial to other appropriate land use designations for sites within the Regeneration Areas will be considered in accordance with the policies of this Plan.

Section 2.6.1 of the Plan directs that a minimum of 45% of all residential development will occur within the built-up area of the region as a whole. Subsection 2. d) encourages intensification through-out the built-up area of Cambridge particularly within Regeneration Areas.

Section 2.8.2 of the Plan contains policies for the provision of a range and mix of housing types. Subsection 3 directs the City to ensure the creation of 45% of new housing units through infill, intensification and redevelopment in the Urban Growth Centre, Community Core Areas, Nodes, Regeneration Areas, Reurbanization Corridors and Major Transit Station Areas.

Subsection 6. a) promotes the supply of ownership and rental housing stock to meet varying needs of city residents by encouraging residential intensification and development of multi-unit residential development in the Urban Growth Centre, Community Core Areas, Nodes, Regeneration Areas, Reurbanization Corridors and Major Transit Station Areas.

Section 2.8.3. of the Plan contains policies regarding residential densities and indicates the City will allow compatible higher density residential development in the Urban Growth Centre, Community Core Areas, Nodes, Regeneration Areas, Reurbanization Corridors and Major Transit Station Areas to support and ensure viability of existing and planned transit service.

Table 3 of section 2.8.3 requires a minimum density of 0.5 Floor Space Index (FSI) and two (2) storeys in height in the Regeneration Areas. The maximum density permitted is 2.0 FSI and eight (8) storeys in height. The City may permit a higher maximum height and/or density, without amending this Plan through the height and density bonusing provision in section 10.16.

Section 6.10 of the Plan regarding public transit indicates the City supports a coordinated, multi-modal approach to transportation, which includes a strong public transit system. The City supports the addition of an effective inter-municipal transit links including the extension of GO Transit services to Cambridge. Subsection 2, in accordance with the approved Regional Official Plan, Regional Transportation Master

Plan and Provincial initiatives, the City will support transit supportive densities in Regeneration Areas to assist in strengthening the public transit system.

Section 8.4.1 of the Plan has policies for affordable housing including development on sites of 2 hectares or more will require a minimum of 30% of new residential units to be planned in forms other than single and semi-detached units such as towns and multi-unit residential buildings. In addition, new residential development will include a minimum number of affordable housing units based on the targets established in the Region's Community Action Plan for Housing.

Section 8.4.2 Residential Compatibility will encourage development in Regeneration Areas which is compatible with the location, density, and other characteristics of neighbouring land uses.

Although a Minister's Zoning Order is not required to conform to the Regional Official Plan or City's Official Plan, the proposed concepts submitted by the Lammer Development Group aligns with both the Regional Official Plan and the City's Official Plan. City staff would continue to work with the developer on implementing the above policies.

### **City of Cambridge Zoning By-law**

0 Queen St W is currently zoned Industrial (M3) which permits a variety of general industrial uses allowing outdoor storage (Figure 2).



**Figure 2 0 Queen St W Zoning Map M3 Industrial**

If the MZO is enacted, the zoning of this property would change from Industrial (M3) to Residential Multiple (RM3) and Institutional (N2). This would permit a variety of residential built forms including apartments and townhouses. The institutional zoning would accommodate licenced care facilities. The site would be subject to the following site specific provisions:

- A maximum building height of 85 metres (279 ft.), inclusive of rooftop mechanical structures (±25 storeys)
- No maximum number of dwelling units per hectare
- A minimum floor space index of 1.2
- A Maximum floor space index of 2.9
- No minimum lot frontage based upon the shape of the property
- Site development specifications, including floor space index and parking requirements shall be based on the site as a whole existing at the date of enactment of this Minister's Zoning Order despite the future creation of interior lot



lines through the registration of a condominium description or approval of a severance application

The zoning provisions are proposed to apply to the site as a whole regardless of future land divisions.

The applicant will be required to meet all other site development specifications including providing all building setback and parking requirements.

Conservative parking estimates based on the apartment dwelling unit requirements in the Zoning By-law would require a total of 1,875-2,250 parking spaces. 1,500 – 1,800 parking spaces would be required based on the proposed number of dwelling units with 375-450 dedicated visitor spaces. This number may fluctuate depending on the different forms of housing that are ultimately provided as part of the development.

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## Financial Impact

MZO requests are new for Cambridge and the City does not have an approved fee for the City's involvement in the next steps for this request. A formal official plan and zoning amendment application would not be required if Council supports proceeding with this initiative, City revenue in the amount of \$22,000 would not be received.

If Council is in agreement with the proposed contribution to the City's Affordable Housing Reserve Fund in the amount of \$300 per unit, a contribution of \$450,000 - \$540,000

The following estimated amounts based upon the general information provided about the proposal would be required:

- City Development Charges based on current rate for apartment dwelling unit (1,500-1,800 units): \$11,359/unit = \$17,038,500 – \$20,446,200. If a portion of the development proceeds as townhouses, \$15,956.00 per unit would be collected. Current DC rates for special care facilities is \$7,130.00 per unit.
- Site Plan application fee: \$13,460
- Building permit fees - apartments are \$1.41/sq.ft

The applicant estimates this development will result in \$900 million of new assessment for Cambridge, \$10 million annually in taxes for the City/Region. Due to the uncertainty of the number and type of units as well as other details about this development, the City's Finance staff are unable to confirm the increase in the assessment value and taxation revenue related to this development

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## Public Input

Posted publicly as part of the report process. Public consultation is not required for a Minister's Zoning Order.

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## Internal/External Consultation

The draft MZO attached to this report has been shared with Legal Services, Development Engineering, Transportation, Economic Development, Public Works, Planning Services, Fire Services and Parks Operations business units. External agencies will be informed about the regulations in the draft MZO attached to this report as part of the next steps if Council is in agreement with supporting a Minister's Zoning Order for this property.

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## Conclusion

If directed by Council, City staff will work with Lammer Development Group to implement the Minister's Zoning Order through a future site plan application as generally depicted on the concept plans attached to this report. This approach would result in an expedited process for the future development of this site.

The development of this site for a high density residential/institutional development aligns with the objectives and policy framework in the City's Official Plan and Strategic Plan. It will provide a range of housing type that is more attainable to the middle class than single detached homes, better utilize existing services land while creating a complete community concept that can support the existing commercial area of the Hespeler Village Community Core Area and has the density potential to support higher order transit such as the potential Go Train expansion.

Without a Minister's Zoning Order, Lammer Development Group would be required to submit official plan and zoning amendments and carry out required public consultation. Processing those applications could take up to two years. The MZO would expedite this process, while not eliminating the need for the required studies and reports that would now be assessed at the site plan stage.

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## Signature

### Division Approval

**Name: N/A**

**Title: N/A**

Reviewed by Legal Services

Reviewed by the CFO

### Departmental Approval



**Name: Hardy Bromberg**

**Title: Deputy City Manager, Community Development**

## City Manager Approval

A handwritten signature in black ink that reads "David Calder". The signature is written in a cursive, flowing style.

**Name: David Calder**

**Title: City Manager**

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### Attachments

1. Letter from Lammer Development Group
2. Email from Lammer Development Group
3. Site Concept
4. Draft Minister's Zoning Order
5. Sample list of Minister's Zoning Orders



## Attachment 1 – Letter from Lammer Development Group

# LAMMER DEVELOPMENT GROUP

February 24, 2021

City of Cambridge  
50 Dickson Street  
Cambridge, Ontario  
N1R 8S1

Attention: Hardy Bromberg  
Deputy City Manager Community Development

Re: Zoning of Silknit Lands, Hespeler

Dear Mr. Bromberg:

Thank you for your time over the past several weeks where we discussed an approach in activating zoning for our +-24 acres of development lands located at Queen Street West, adjacent to 215 Queen Street.

This property, originally purchased from the City of Cambridge, has long been envisioned to evolve into a residential use, capitalizing of the site's river front setting and its potential to add significant economic benefit to Cambridge. It would contribute substantially to the renewal of the Hespeler core by bringing people and their economic and social vitality to the neighbourhood.

The site also flanks a significant transit asset, the rail corridor that would link future GoTrain service for Cambridge into the GTA. The capacity for this site to provide significant density around this transportation infrastructure aligns with current Provincial Policy.

Attached is a concept plan showing approximate massing of a series of multi-residential buildings with very generous green spaces and connectivity to the river front trail lands currently owned by the City of Cambridge.

# LAMMER DEVELOPMENT GROUP

The development concept has the potential, of activating 10-12 acres of open green space for the community, hosting 1,500 to 1,800 units of residential density, resurrecting heritage elements of the lost original Mill building and reconnecting the Silknet Site to Hespeler Village that once boasted employment of over 74% of its workforce.

We have reached out to the office of the Minister of Municipal Affairs and Housing and have confirmed this project could benefit from a fast tracking of Zoning through the execution of a MZO. For discussion purposes we have articulated a set of zoning parameters which would allow a project of this scale to be realized and have edited them in a draft form of a MZO (see attached).

We are requesting that the City of Cambridge support the application of a Minister's Zoning Order and provide a letter of support and/or council resolution of same.

We have also included a more detailed listing of anticipated outcomes. This is a bold endeavor, long overdue and well aligned to deliver significant benefits to the City.

Let us know what additional information you may require to process this request.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tom Lammer', with a long horizontal flourish extending to the right.

Tom Lammer (President)  
Lammer Development Group.

# LAMMER DEVELOPMENT GROUP

## Silknit Redevelopment Proposal – 217 Queen Street West, Cambridge

### Minister's Zoning Order (MZO)

A MZO will allow the project to move forward expeditiously to make available a variety of much needed housing and create jobs to stimulate the economy after suffering the effects of Covid-19

Silknit is asking the City of Cambridge for its support of the application for a Minister's Zoning Order. The Minister has confirmed its intention to review the application and is requesting endorsement from Cambridge Council for this Minister's Zoning Order.

1. Core Revitalization & River Integration:
    - a. Will open up +-3.3 acres of City owned lands, having 1 km of river frontage, to the public which is currently inaccessible;
    - b. With no commercial or large scale retail component, residents will shop at existing stores and become the westerly residential anchor for the Hespeler Village community;
    - c. Will see the rebuilding and reuse of the historical Mill building.
  2. Silknil Lands & Community Open Space:
    - a. Redevelopment of industrial land into a residential community;
    - b. 60-70% of the 24-acre site will be green/open space;
    - c. 1,500 to 1,800 mixed residential units including affordable housing, a minimum of 260 rental units, seniors housing, condominiums and ground level town home units;
    - d. The 2018 study on GO train service to Cambridge identifies the track that runs through the property as the best possible route for connection into the GTA. Seeding density around these transportation corridors aligns with current Provincial Policy.
  3. Job Creation & Economic Impact:
    - a. Phased over 8-10 years, creating 350 jobs per year - total 3,500 person years of direct employment;
    - b. \$900 million of new assessment for Cambridge, \$10 million annually in taxes for the city/region on already built infrastructure.
-



## Attachment 2 – Email Correspondence from Lammer Development Group

**From:** [Tom Lammer](#)  
**To:** [Rachel Greene](#)  
**Cc:** [Elaine Brunn Shaw](#); [REDACTED]  
**Subject:** [External] FW: Silkknit Development - Queen St W  
**Date:** Monday, March 29, 2021 3:29:31 PM  
**Attachments:** [215 Queen Street W Hespeler - draft Silkknit property March 29 2021.docx](#)

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Hi Rachel: I have added comments below highlighted in yellow. Updated Draft MZO is also attached.

We also had crafted the following project highlights that may be helpful in compiling your staff report.

“The project will offer a residential mix of high rise condominiums, purpose built rental, targeted senior living & ground oriented podium town homes.

Beyond the existing commitment to deliver 260 rental units, a number of those units will be targeted as affordable rentals. Affordable home ownership may also be part of the offering, aligning with the City's official plan goals and funding opportunities.

Our company has demonstrated through previous projects a commitment and fundamental understanding of the value of inclusion. Recent projects include: a 44 unit affordable rental development that had the added complexity of being a brownfield and preservation of significant heritage elements; a proposal for a 35 unit market condominium development incorporating 20 affordable senior rental units; a number of our long held market rental properties include suites participating in rent supplement programs.

The Silkknit redevelopment has ambitions to re-integrate this historic industrial landmark, which previously served as an employment anchor for Hespeler Village, and reestablish its importance, this time as a residential anchor.

By importing the economic and social vitality of thousands of new residents via an offering that will appeal to a diversity of households with a variety of tenures, incomes, household sizes, demographics and accessibility requirements, this is a development that will spur the evolution of the core.

Reconnecting with the fabric of the Hespeler Village through connected trail networks, public realm extensions and significant open space offerings will effectively tie together these two import districts and bolster their mutual success.”

## Attachment 3 – Site Concept



### SILKNIT FACTORY SITE / CONCEPTUAL MASSING MODEL - VIEW 1 (PLAN)

February 24, 2021







This illustration depicts a high-level concept for the potential development of the lands located at 217 Queen Street West (Silknet Factory Site) in the City of Cambridge. The illustration is only intended to provide a generalized graphic of a conceptual block layout and building forms. All elements are conceptual only; they have not been substantiated through any further design work or technical studies or reconciled in terms of conformity or consistency with the existing planning and regulatory framework.



**SILKNIT FACTORY SITE / CONCEPTUAL MASSING MODEL - VIEW 2**

February 16, 2021

## Attachment 4 – Draft Minister's Zoning Order

### ONTARIO REGULATION

made under the PLANNING ACT

### ZONING ORDER CITY OF CAMBRIDGE, REGIONAL MUNICIPALITY OF WATERLOO

#### Definitions

1. In this Order,

"floor space index" means a measure of density for which the total gross floor area of development is divided by the area of the lot;

"Zoning By-law" means Zoning By-law 150-85 of the City of Cambridge.

#### Application

2. (1) This Order applies to,

- a) lands in the City of Cambridge, in the Regional Municipality of Waterloo, formerly in the Town of Hespeler, in the Province of Ontario, being Part of Lots 64, 65, 69 and 71, Plan 832 Cambridge, being Parts 1, 2, 3, 7, and 8 on Reference Plan 67R-2909 and Part 18 on Reference Plan 58R8786 Together With WS681053 Except Easement Therein Over Part 7, on Reference Plan 67R2198 and subject to WS515939, WS681053E and further identified by Property Identification Number 03757-0406 registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58); and
- b) lands in the City of Cambridge, in the Regional Municipality of Waterloo, formerly in the Town of Hespeler, in the Province of Ontario, being Part of Lot 68, 69 and 71, Registrar's Compiled Plan 832 and Part of Lot 1 & 2, Compiled Plan 909, more particularly described as Parts 1 and 3, Reference Plan 67R-3320, and Parts 9, 10, 13, 15 & 16 Reference Plan 58R8786 Subject to WS515939 and further identified by Property Identification Number 03757-0341 registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58); and
- c) lands in the City of Cambridge, in the Regional Municipality of Waterloo, formerly in the Town of Hespeler, in the Province of Ontario, being Lots 26 and 66, Registered Plan 832, and further identified by Property Identification Number 03757-0342 registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58)



(2) For the purposes of this Order, the lands described in subsection (1) shall be treated as one lot.

#### Permitted uses

3. Every use of land and every erection, location or use of any building or structure is prohibited on the lands described in subsection 2 (1), except for,

- (a) the uses permitted in the "Residential Multiple (RM3) Zone" of the Zoning By-law;
- (b) the uses permitted in the "Institutional Zone (N2)" of the Zoning By-law;
- (c) the uses permitted in any zone in accordance with section 2.1.1 of the Zoning By-law.

#### Zoning requirements

4. The zoning requirements for the lands described in subsection 2 (1) are as follows:

- 1. The maximum height of buildings and structures is 85 metres, inclusive of rooftop mechanical structures.
- 2. There is no maximum number of dwelling units per hectare.
- 3. The maximum lot coverage is 30 per cent.
- 4. The minimum floor space index is 1.2.
- 5. The maximum floor space index is 2.9
- 6. There is no minimum lot frontage
- 7. Site development specifications, including floor space index and parking requirements shall be based on the site as a whole existing at the date of enactment of this Minister's Zoning Order despite the future creation of interior lot lines through the registration of a condominium description or approval of a severance application.

#### Terms of use

5. (1) Every use of land and every erection, location or use of any building or structure shall be in accordance with this Order.

(2) Nothing in this Order prevents the use of any land, building or structure for any use prohibited by this Order if the land, building or structure is lawfully so used on the day this Order comes into force.

#### Deemed by-law

6. This Order is deemed for all purposes, except the purposes of section 24 of the Act, to be and to always have been a by-law passed by the council of the City of Cambridge.

Commencement

7. This Regulation comes into force on the day it is filed.

Made by:

.....

Signature (in blue ink)

Minister of Municipal Affairs and Housing

Date made: .....

## Attachment 5 – Sample Minister’s Zoning Order List

Zoning Order No.	Municipality	Zoning Order Permitted Use
O. Reg. 355/20	City of Kawartha Lakes	Low/Medium Density Residential and Institutional Uses
O. Reg. 172/20	Town of Whitchurch-Stouffville and City of Markham, Regional Municipality of York	Whitchurch-Stouffville <ul style="list-style-type: none"> <li>• Townhouses, Apartments, Mixed-Use Commercial/Residential</li> </ul> Markham <ul style="list-style-type: none"> <li>• Townhouses, Apartments and Retirement Homes</li> </ul>
O. Reg. 362/20	Town of Caledon, Regional Municipality of Peel	Townhouses, Stormwater Management facility, Apartments, Mixed-Use Commercial/Residential
O. Reg. 446/20	Town of Oakville, Regional Municipality of Halton	One or more long-term care homes and accessory uses
O. Reg. 449/20	Town of Aurora, Regional Municipality of York	Permit detached dwelling uses in R5 zone with accessory uses and buildings
O. Reg. 171/20	City of Brampton, Regional Municipality of Peel	Permit an office, Research and Development facility, Hotel or Conference Centre
O. Reg. 354/20	City of Toronto	Apartments
O. Reg. 450/20	City of Toronto	One or more long-term care homes and accessory uses, Low/Medium Density Residential, Apartments
O. Reg. 448/20	City of Mississauga, Regional Municipality of	A long-term care home and accessory uses, Low/Medium Density Residential,

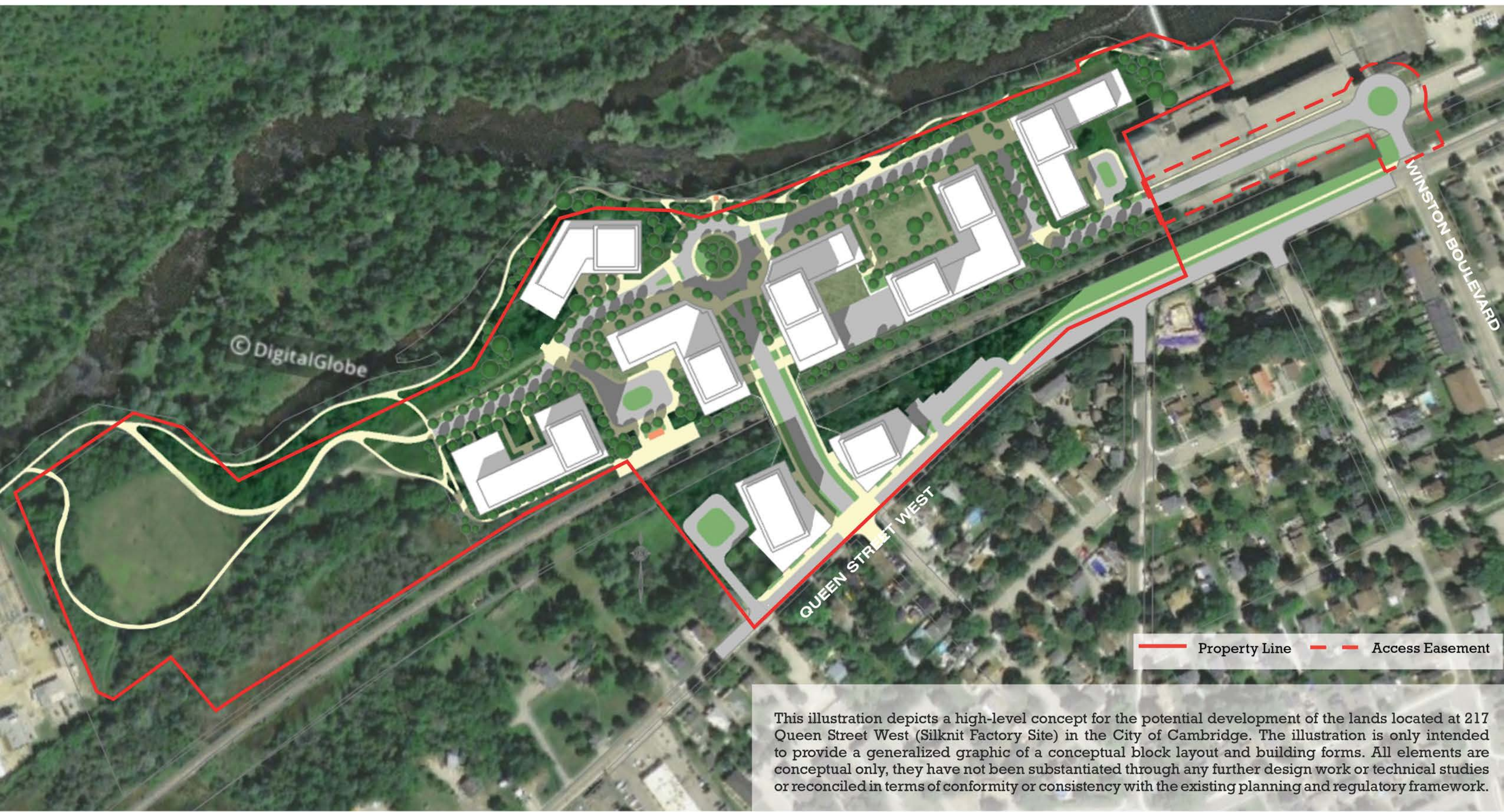
<b>Zoning Order No.</b>	<b>Municipality</b>	<b>Zoning Order Permitted Use</b>
	Peel	Apartments
O. Reg. 447/20	City of Hamilton	Low/Medium Density Residential
O. Reg. 445/20	City of Vaughan, Regional Municipality of York	One or more long-term care homes and accessory uses
O. Reg. 438/20	Town of Ajax, Regional Municipality of Durham	A long-term care home and accessory uses and a retirement home and accessory uses
O. Reg. 358/20	City of Toronto	Outdoor Patios
O. Reg. 343/20	City of Toronto	Apartments
O. Reg. 336/19	Municipality of Clarington, Regional Municipality of Durham	A long-term care home and accessory uses



## **APPENDIX B**

### Conceptual Massing Model





## SILKNIT FACTORY SITE / CONCEPTUAL MASSING MODEL - VIEW 1 (PLAN)

February 24, 2021

