

To: Mayor and Members of Town of Tillsonburg Council

From: Amy Hartley, Development Planner, Community Planning

Application for Zone Change

ZN 7-26-08 – Kermar Properties (121) Inc.

REPORT HIGHLIGHTS

- The application for Zone Change proposes to add site-specific provisions to permit a liquidation retail outlet within the 'Existing Service Commercial Zone (SC-E)'.
- The 'liquidation retail outlet' is proposed to be approximately 1,579 m² (17,000 ft²), the remainder of the building is proposed to be renovated into other tenanted units for uses permitted within the current 'SC-E' Zoning.
- Planning staff are recommending that the application be supported, as it is generally consistent with the policies of the Provincial Planning Statement and maintains the intent and purpose of the Official Plan with respect to development and permitted uses within Service Commercial Areas.

DISCUSSION

BACKGROUND

OWNERS: Kermar Properties (121) Inc. (c/o Casey Kerkhoff)
9710 Pelly Road, Chilliwack, BC V2P 6H4

AGENT: CJDL Engineering (c/o Stephen Cornwell)
261 Broadway Street, Tillsonburg, ON N4G 4J1

LOCATION:

The subject lands are described as Part of Lot 381, Plan 500 designated as Part 2, 41R-2931, in the Town of Tillsonburg. The subject lands are located at the south side of Concession Street East, lying between Tillson Avenue and Maple Lane and are municipally known as 121 Concession Street East, Tillsonburg.

COUNTY OF OXFORD OFFICIAL PLAN:

Schedule "T-1"

Tillsonburg Land Use Plan

Service Commercial

TOWN OF TILLSONBURG ZONING BY-LAW NO. 3295:

Existing Zoning: Existing Service Commercial Zone (SC-E)

Requested Zoning: Special Service Commercial Zone (SC-sp)

PROPOSAL:

The purpose of the Application for Zone Change is to permit a 'liquidation retail outlet' as an additional permitted use on the subject lands. The proposed tenant is TK Liquidation who is currently operating from the Norfolk Mall. Due to renovations and changes in tenants, TK Liquidation is required to find a new location to operate from.

The subject property is approximately 0.89 ha (2.2 ac) in area. The application is proposing to renovate the existing building to include the liquidation retail outlet within an area approximately 1,579 m² (17,000 ft²) in size, the remainder of the building is proposing to be renovated to include five (5) other tenanted units.

In support of the application, a Commercial Market Impact Review was completed by urban Metrics. This report concluded that a liquidation retail outlet on the subject site would be beneficial to the community with minimal risk to the health of the Central Area of Tillsonburg.

Surrounding land uses include, service commercial uses to the north and west, medium and high density residential uses to the east and an institutional use to the south.

Plate 1, Location Map with Existing Zoning, indicates the location of the subject property and the existing zoning in the immediate vicinity.

Plate 2, Aerial Map (2025) with Existing Zoning, provides an aerial view of the subject lands and surrounding uses as existing in the Spring of 2025.

Plate 3, Applicant's Sketch, provides the site plan showing the applications proposal and proposed layout of the building.

APPLICATION REVIEW

2024 PROVINCIAL PLANNING STATEMENT

The Provincial Planning Statement is a policy statement issued under Section 3 of the Planning Act that applies to all decisions in respect of the exercise of any authority that affects a planning matter made on or after October 20, 2024. The following outlines the key PPS policies that have been considered but is not intended to be an exhaustive list.

Chapter 1, Introduction, states that a prosperous and successful Ontario will also support a strong and competitive economy that is investment-ready and recognized for its influence, innovation and diversity. Ontario's economy will continue to mature into a centre of industry and commerce of global significance. Central to this success will be the people who live and work in this province.

Chapter 2 focuses on fostering sustainable, inclusive and competitive communities by ensuring well planned growth that meets the needs of current and future populations. Section 2.1 establishes the importance of maintaining sufficient land for housing and employment growth,

supporting diverse land uses, and creating complete communities that are accessible and equitable.

Section 2.3.1, General Policies for Settlement Areas, directs that Settlement Areas shall be the focus of growth and development. Further, land use patterns within Settlement Areas shall be based on densities and a mix of land uses which:

- a) efficiently use land and resources;
- b) optimize existing and planned infrastructure and public service facilities;
- c) support active transportation;
- d) are transit-supportive, as appropriate; and,
- e) are freight supportive.

Section 2.8.1 Supporting a Modern Economy, outlines that Planning authorities shall promote economic development and competitiveness by providing for an appropriate mix and range of employment, institutional, and broader mixed uses to meet long-term needs. It also encourages intensification of employment uses and compatible, compact, mixed-use development to support the achievement of complete communities.

Chapter 3 Infrastructure and Facilities, establishes that infrastructure and public service facilities shall be provided in an efficient manner while accommodating projected needs.

Section 3.1 outlines that planning for infrastructure and public service facilities shall be coordinated and integrated with land use planning and growth management so that they:

- a) are financially viable over their life cycle, which may be demonstrated through asset management planning;
- b) leverage the capacity of development proponents, where appropriate; and
- c) are available to meet current and projected needs.

Section 3.6 Sewage, Water and Stormwater, notes that planning for sewage and water services shall accommodate forecasted growth in a timely manner that promotes the efficient use and optimization of existing municipal sewage services and municipal water services.

OFFICIAL PLAN

The subject lands are designated 'Service Commercial', according to the Land Use Plan for the Town of Tillsonburg.

Section 8.3.3 establishes that areas designated Service Commercial are intended for a broad range of commercial uses that, for the most part, are not suited to locations within the Central Area because of requirements for site area, access, or exposure, or, due to compatibility conflicts with residential development.

New uses permitted within the Service Commercial designation include: hotels, motels, hotel/conference facility, automotive sales and services, furniture warehouses, farm implement sales, personal services, convenience commercial uses, video rental establishments, automobile service stations, gas bars, car wash facilities, retail sales of automobile supplies, automated teller machines or kiosks, tourism information outlets or kiosks, recreation and entertainment uses, restaurants and fast food outlets, retail food stores, uses which require large areas for on-site storage of goods or vehicles and other types of commercial uses that offer service to the travelling public, business and industry.

The scale of uses within a Service Commercial designation generally range from 325 m² (3,500 ft²) to 4,645 m² (50,000 ft²). Uses of less than 325 m² (3,500 ft²) are encouraged to locate in the Central Area, consistent with the vision for the Central Area as articulated in the Official Plan.

Section 8.3.2 in the Official Plan states the vision for the Central Area and the strategic approach for how to manage growth of the Central Area in accordance with the desired vision. The Central Area Vision, in Section 8.3.2.1 of the Official Plan, intends that the Central Area of the Town of Tillsonburg to remain as the most functionally diverse area of the Town, and that it will serve as the primary business, cultural, and administrative centre. The Central Area will be a multi-functional core with complementary sub-areas which will increase the functional diversity of uses and activities in the core, which in turn, will increase the number of people living and working in the Central Area over the long term. It is intended that the retail function of the Central Area is to be promoted by continuing to permit a full range of uses in the commercial core, operationalized through the Zoning By-Law, thereby limiting the type, size, and scale of retail uses which are permitted outside the commercial core.

Section 8.3.2.2.1 establishes that the Central Area will be the priority location for shopping area facilities and other uses that serve the primary trade area. New commercial development should, where feasible, be in the Central Area to complement the existing commercial structure of the Central Area.

In accordance with Section 8.3.3.1, new or expanding retail developments outside of the Central Area requiring a planning approval will be subject to planning and market impact studies which show to the satisfaction of the County and the Town of Tillsonburg, that the type and size of proposed facilities are warranted, that no suitable Central Area locations are available for such facilities, and that the planned function of Tillsonburg's Central Area will not be significantly prejudiced or impacted.

ZONING BY-LAW

The subject property is currently zoned 'Existing Service Commercial Zone (SC-E)', according to the Town of Tillsonburg Zoning By-law. The 'SC-E' zone permits all uses in the Service Commercial zone, as well as recognizing existing uses such as medical/dental centre, real estate, insurance or travel agency, monument sales establishment, and a business or professional office. The application proposes to amend the existing zoning to permit the current uses including a liquidation retail outlet as an additional permitted use.

AGENCY COMMENTS

Town of Tillsonburg Engineering Services and the Tillsonburg Fire Department had no concerns with the proposal.

Town of Tillsonburg Chief Building Official noted that the proposal will be subject to site plan control and will require a building permit for the proposed renovations.

PUBLIC CONSULTATION

Notice of the Application was provided to the public and surrounding property owners in accordance with the requirements of the Planning Act on June 24, 2026, and June 29, 2026, respectively. At the time of writing this report, no comments had been received.

Planning Analysis

The application for Zone Change proposes to permit a liquidation retail outlet as an additional permitted use on the subject property on a site-specific basis.

urban Metrics Commercial Market Review

A Commercial Market Review was completed by urban Metrics in May 2026 to assess the proposed liquidation retail outlet use, being TK Liquidation. The proposed size of the liquidation store is approximately 17,000 ft² within a building of approximately 25,000 ft². This study found that within the market area there is one other liquidation store that is operating within an industrial area. TK Liquidation is currently operating from the Norfolk Mall and is required to relocate due to renovations at their current location.

The study noted that the location of TK Liquidation would replace a former commercial tenant and would help to maintain the economic health of the area. In general, liquidation stores provide limited competition to physical retail stores and support traditional retail outlets by acting as an outlet to resell discontinued merchandise or excessive inventories.

Based on a review of the Central Area, there are currently no vacant location within the Central Area that would be suitable for TK Liquidation at the proposed size.

As such, the Commercial Market Review found that the proposed use would maintain the viability of an existing commercial area by reoccupying a vacant unit, TK Liquidation is relocating within the same market area and little sales impact is anticipated, and there are no suitable sites within the Central Area.

Official Plan

The policy framework for employment areas in Tillsonburg as contained in the Official Plan is designed to ensure that the Central Area of the Town, encompassing the Central Business District and the Entrepreneurial District, remains as the most functionally diverse area of the Town and will serve as the primary business, cultural, and administrative centre within the Town. Supporting elements of the policy framework include Official Plan policies directing business, professional, retail and other uses to the Central Area first, and limiting the proliferation of these uses elsewhere in the Town.

Service Commercial areas are not intended to accommodate a broad range of commercial uses that are typically characteristic of the Central Area location and will not directly compete with the Central Area. The Official Plan's strategic goal is to provide a range of locations for new or expanded retail facilities within the Central Area, wherever possible and practical. New commercial development should, wherever feasible, be located in the Central Area to complement the existing commercial structure of the Central Area. Based on the findings of the Commercial Market Review, staff are satisfied that no vacant suitable location exists within the Central Area to accommodate the proposed liquidation outlet and would not detract from the viability and health of the Central Area or downtown commercial core.

Staff are proposing to limit the gross floor area of the liquidation retail outlet to (1,579.3 m² 17,000 ft²), to ensure that the proposal maintains the size that was evaluated through the market review. The draft zoning by-law amendment includes a maximum gross floor area provision and will include the permitted uses within the current 'SC-E' zoning

The applicant is proposing to renovate the front portion of the building into multiple smaller commercial units. These units will be required to comply with the Town's Zoning By-law with respect to permitted uses within the Service Commercial Zone.

In light of the foregoing, this Office is satisfied that the applicant's proposal to permit a liquidation retail outlet as an additional permitted use within the Service Commercial designation is consistent with the PPS and maintains the general intent and purpose of the Official Plan.

RECOMMENDATIONS

It is recommended that Council of the Town of Tillsonburg approve the zone change application submitted by Kermar Properties (121) Inc., whereby lands described as Part of Lot 381, Plan 500, designated as Part 2, 41R-2931, in the Town of Tillsonburg, known municipally as 121 Concession Street East to rezone the subject lands from 'Existing Service Commercial Zone (SC-E)' to 'Special Service Commercial Zone (SC-sp)' to permit a liquidation retail outlet as an additional permitted use.

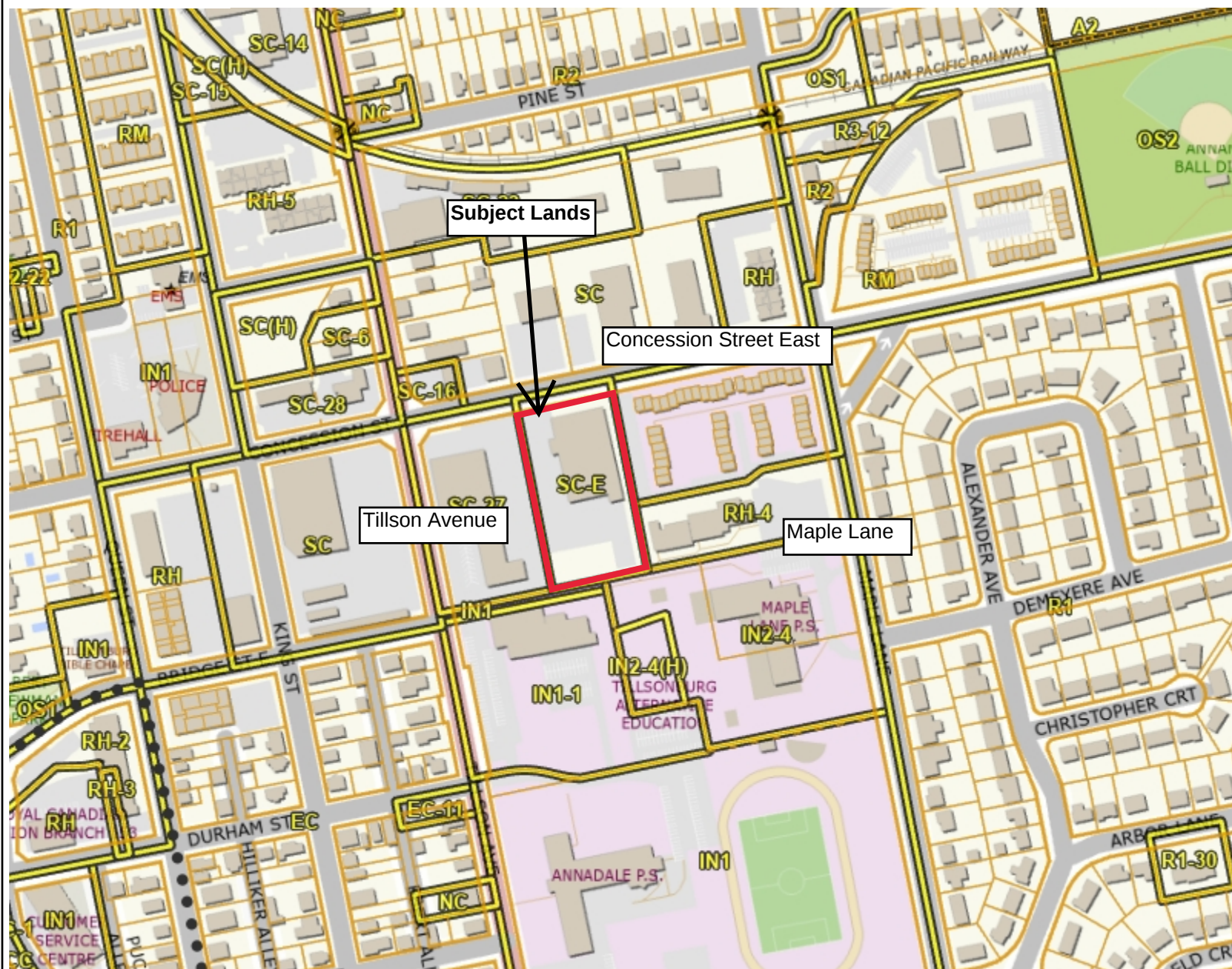
SIGNATURES

Authored by: *Original Signed By*

Amy Hartley
Development Planner

Approved for submission: *Original Signed By*

Eric Gilbert, MCIP, RPP
Manager of Development Planning



Legend

Parcel Lines

- Municipal Boundary
- Property Boundary
- - - Assessment Boundary
- Road
- Unit

Zoning Floodlines

Regulation Limit

- ◆ 100 Year Flood Line
- ▲ 30 Metre Setback
- Conservation Authority Regulation Limit
- Regulatory Flood And Fill Lines

- Land Use Zoning (Displays 1:16000 to 1:500)

Notes



0 110 221 Meters

NAD_1983_UTM_Zone_17N



This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. This is not a plan of survey

June 18, 2026



Legend

- Parcel Lines**
 - Municipal Boundary
 - Property Boundary
 - - - Assessment Boundary
 - Road
 - Unit
- Zoning Floodlines**
- Regulation Limit**
 - ◆ 100 Year Flood Line
 - ▲ 30 Metre Setback
 - Conservation Authority Regulation Limit
 - Regulatory Flood And Fill Lines
- Land Use Zoning (Displays 1:16000 to 1:500)

Notes



0 55 110 Meters

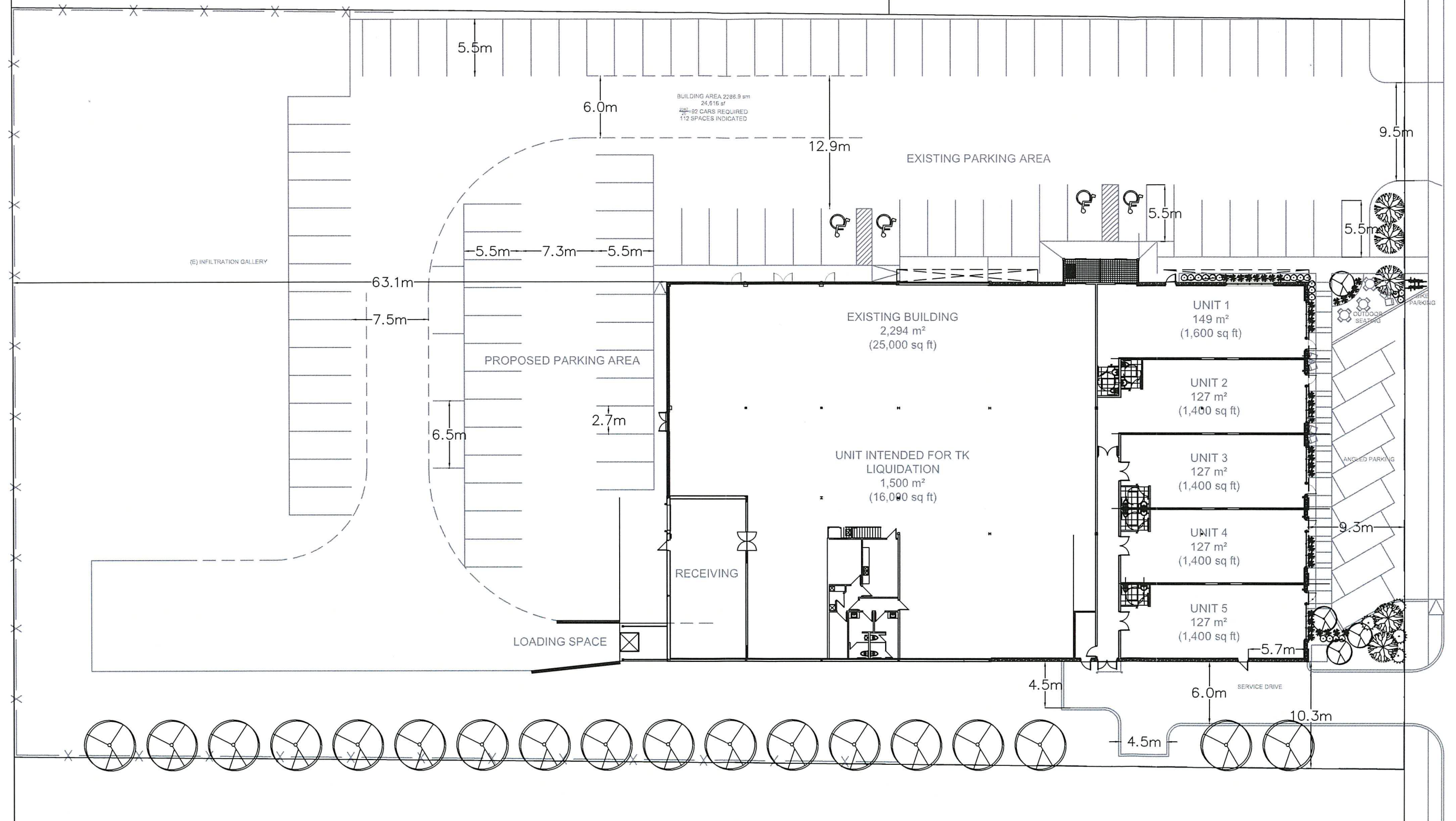
NAD_1983_UTM_Zone_17N



This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. This is not a plan of survey

June 18, 2026

Plate 3: Applicant's Sketch
 File No.: ZN 7-26-08 (Kermar Holdings Inc.)
 arcel 381-5 Section 500 being Part of Lot 381, Plan 500 designated as Part 2, ON 41R-2931; 121 Concession Street East, Town of Tillsonburg



Zoning Sketch
 121 Concession St. East
 Tillsonburg
 26016

CJDL
 Consulting Engineers

Cyril J. Demeyere Limited
 P.O. Box 460, 261 Broadway
 Tillsonburg, Ontario. N4G 4H8
 Tel: 519-688-1000
 866-302-9886
 Fax: 519-842-3235
 cjd@cjdle.com