



MUNICIPALITY OF THAMES CENTRE

REPORT NO. PW-DR-005-25

TO: Mayor and Members of Council
FROM: Director of Public Works
MEETING DATE: April 28, 2025
SUBJECT: Thorndale Industrial Drain – Financial Strategy and By-Law

RECOMMENDATION:

THAT Report No. PW-DR-005-25 **BE RECEIVED** for information;

AND THAT staff **BE DIRECTED** to prepare a By-law for Council to consider under Part 12 of the *Municipal Act, 2001* for charging future development lands within the Thorndale Industrial Lands to become part of the existing stormwater management system;

AND THAT the Treasurer and the CAO be **AUTHORIZED** to sign the Middlesex County Loan Agreement between the Corporation of the Municipality of Thames Centre and The County of Middlesex, as attached to this report.

PURPOSE:

To provide Council with an update on the status of the Middlesex County Loan Program for the Thorndale Industrial Drain, and subsequently, to seek approvals with the overall financial strategy and development of the by-law under the *Municipal Act, 2001* for Council's consideration and to seek authorization for the Treasurer and CAO to sign the Middlesex County Loan Agreement as appended to this report.

BACKGROUND:

As described in Report PW-DR-014-24, in 2019, development proposals impacting the Thorndale Industrial Lands were presented to Council. During this time, current staff became aware of the absence of a legal outlet servicing the entire Thorndale Industrial watershed. With the endorsement of the Council at that time, staff recommended a solution, opting to utilize the *Municipal Act, 2001* as the most viable means to move forward.

After conducting research and consultation with various landowners involved from approximately 2008 to the present, the factors contributing to the current situation have now been identified.

When the Thorndale Industrial Lands began to develop in 2004, the area was predominantly under single ownership. During this period, the Municipality began to approve the severance and development of several lots. The approval was based on non-legal agreements that some lands would accept stormwater runoff from neighboring properties. As a result, several site plans were approved without implementing stormwater management controls.

The Municipality now faces a complex situation, where multiple owners within the Thorndale Industrial lands have varying levels of stormwater management, but all lack a legal outlet. Some owners are accepting runoff without any formal agreements, and the Municipality has continued to approve these designs for many years. Typically, the Municipality requires that lands being developed secure a legal outlet before any development can proceed.

The challenge confronting the Municipality is the financial burden associated with designing and constructing a comprehensive stormwater solution for the Thorndale Industrial lands.

There are several concerns regarding the traditional method of assessing all owners within the watershed for benefit and outlet to fund the construction of stormwater infrastructure. Many sites received approvals for their stormwater designs and have since changed ownership, with the understanding that they were purchasing fully serviced lots. While some sites have implemented certain stormwater management controls, they were never required to secure an ultimate outlet for their stormwater runoff. Additionally, one landowner has expressed concerns about liabilities associated with allowing uncontrolled discharges from industrial lots onto their property, claiming that they are experiencing increased runoff each year.

COMMENTS:

Given the findings of a hydrological report and the seepage occurring in this area, it is recommended that the identified issues be resolved for successful economic development and thereby supporting existing and new industrial partners. It is therefore proposed to line the South Pond with clay, connect it to the North Pond via piping, and direct the entire stormwater system to the Thames Centre wastewater outflow pipe. This wastewater outflow pipe was designed to accommodate this additional water.

In Report PW-DR-014-24, after being presented with options, Council selected to pass a future by-law under Part 12 of the *Municipal Act, 2001*, charging newly developed lands within the Thorndale Industrial Lands to be part of the existing stormwater management system. This predetermined charge would be triggered by each development. The by-law, when finalized by our legal counsel, will be brought forward at a future meeting.

Currently, the Thorndale Industrial Drain drainage report is nearing completion which will include detailed plans for piped infrastructure, open channels, and two large SWM ponds.

FINANCIAL IMPLICATIONS:

The estimated cost of this project is approximately \$1,860,000.

The Middlesex County Loan Program permits a local municipality to apply for up to 50% of the project cost. The Loan Program funding is interest free and to be repaid over fifteen (15) years. On March 25, 2025, County Council approved the Thames Centre loan application for \$930,000. The agreement for this loan is appended to this report. Annual loan repayments of \$62,000 will be part of the annual capital budget process.

The remaining 50% (or \$930,000) of the project would be funded by the Municipality via their annual Ontario Capital Infrastructure Fund (OCIF) allocation. It is estimated that the 2025 annual OCIF allocation is \$954,567.

Thereafter, as per the proposed by-law, newly developed landowners will pay a share of the project cost. It is further estimated that approximately \$1,089,070 of the total project costs can be recovered through the implementation of a *Municipal Act, 2001* Part 12 by-law once the vacant lands are developed. As these lands become developed, it will further drive economic growth, increasing employment and revenue for the Municipality.

As a result, the equivalent OCIF funding applied to the project will be offset by funds collected from newly developed sites. The offset OCIF funds will then be redirected to other capital projects (eligible to be funded by the OCIF program).

STRATEGIC PLAN LINK

Pillar: *Economic Development*

Goal: *Ensure that the Municipality maintains fiscal prudence, along with affordable and sustainable taxation levels*

CONSULTATION:

Travis Pitt, Drainage Superintendent

REFERENCES:

PW-DR-014-24 Thorndale Industrial Drain (dated December 9, 2025)
<https://pub-thamescentre.escribemeetings.com/filestream.ashx?DocumentId=12313>

Middlesex County Loan Program: Municipality Thames Centre Application (dated March 25, 2025)
<https://pub-middlesexcounty.escribemeetings.com/filestream.ashx?DocumentId=14609>

ATTACHMENTS:

Middlesex County Loan Agreement

Prepared by: J. Craven, Director of Public Works
C. D'Angelo, Director of Corporate Services and Treasurer

Reviewed by: D. Barrick, Chief Administrative Officer