



Guelph Commercial Policy Review

Stage 2 Preferred Policy Framework Report

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Executive Summary

The City of Guelph is undertaking a comprehensive Commercial Policy Review in order to develop an updated commercial policy framework for the City that provides refreshed planning objectives, a contemporary commercial and mixed-use structure and land use designations, updated policies, and appropriately designated lands, to direct future commercial development within the City.

The City's last commercial policy review occurred in 2006 and since then, the retail marketplace has continued to evolve. Provincial policy has been amended with an increasing focus on complete communities, and new population and employment growth forecasts have been established for Guelph resulting in the need for a comprehensive review of the City's commercial policy framework.

This Commercial Policy Review is being conducted in three phases:

- Stage 1: Commercial Analysis and Background Report
- Stage 2: Policy Review and Development
- Stage 3: Official Plan Amendment and Zoning By-Law Amendment

The Stage 1 report provided a summary of the existing policy framework, the current commercial trends, key stakeholder input, consumer research, and commercial supply and needs analysis.

This report summarizes the public input that was received through the first two public workshops and on-line surveys, and establishes the vision and principles for commercial development in the City. It builds on the various alternatives from the Stage 2 Draft Policy Alternatives Report to develop a preferred framework that addresses the issues that have been raised through the terms of reference, the Stage 1 report and public input received.

Stage 1 Summary

- The Provincial Policy Framework encourages a compact built form with a range of land uses that support a complete community.
- The City of Guelph Official Plan framework recognizes the Growth Plan directions dealing with the Downtown Urban Growth Centre and Mixed-use Nodes and Corridors.
- The Commercial and Mixed-use designations in the Official Plan are intended to meet the needs of daily living, be dispersed throughout the City and evolve to include main street experiences. Official Plan Schedule 2 Land Use is shown in Appendix B.
- A commercial land needs analysis quantified the demand for future retail and service space and the adequacy of the current supply to

accommodate the demand. The commercial land needs analysis was conducted in three steps: 1) supply analysis; 2) residual demand analysis; and 3) land needs analysis.

- There are only 4 vacant parcels larger than 2 hectares (5 acres) in size that could potentially accommodate larger commercial developments. There is a shortage of sufficiently sized parcels to allow for larger traditional neighbourhood and community functioning commercial developments, which typically require 2.8+ hectares (7+ acres).
- The current and potential supply of commercial space and land is sufficient to accommodate the demand for new commercial space to 2031 on a macro level (provided there is no loss of existing designated space).
- It is forecast that by 2041 there will be unmet demand of approximately 387,850 square feet of commercial space or approximately 9.27 hectares (22.9 acres) at an average land coverage of 38.8% (provided there is no loss of existing designated space).

Public Consultation

The first public consultation on vision and principles was carried out through workshops held on November 29, 2017 in the afternoon and evening and through an on-line survey available from November 30 to December 14, 2017. There were 17 participants at the workshops and 39 people responded to the on-line survey. Participants were asked to respond to a series of questions.

- People were asked what they liked and disliked about commercial areas and indicated they like the variety of retail and the independent businesses that are currently available, although participants noted that some areas lacked certain types of commercial, e.g. the Downtown, east end and Service Commercial areas lacked grocery options. Respondents also indicated they had concerns with the quality of active transportation options, and the bland architecture outside of the Downtown.
- People were asked what they would like to see improved and responses included: greater retail variety, improved pedestrian access, improved public transit, an improved public realm, increased density outside of the Downtown, improved traffic flows, and updated zoning.
- When asked what would help make streets more pedestrian friendly, respondents felt that pedestrian friendly /street oriented design, more/improved sidewalks, integrated public transit, and more benches would help.
- Participants felt that second floor offices, residential uses, fitness and wellness uses were appropriate uses for second floor space.
- The majority of respondents indicated that they travelled to commercial areas by car except for the Downtown, where walking and bicycling were more prominent.
- With respect to their vision for commercial areas, respondents would like to see more variety and mix of uses, increased density, more green

space, improved traffic flows, redeveloped surface parking, more parking, sustainable pedestrian friendly development, and a distinctive character throughout the commercial areas in the City. They would also like a cleaner/safer Downtown and Service Commercial areas.

- Respondents also indicated they would like better universal design/accessibility, more commercial developed in the east end and affordable Downtown grocery alternatives.

The second public consultation on options for commercial development involved workshops held on April 18, 2018 with the afternoon session focussed on the commercial development community and the evening session open to the public. An on-line survey was available from April 19 to May 3, 2018. The workshop outlined the various alternatives in the Stage 2 draft report. The public were asked to comment on:

- Increasing or removing retail space caps in Neighbourhood Commercial Centres
- Increasing or removing retail space caps in Community Mixed-use Centres
- Expanding the range of permitted uses to allow for other commercial uses and/or converting lands from Service Commercial to another commercial designation
- Modifying the Guelph Innovation District Mixed-use Corridor (GID) policies (southeast corner Victoria Road N. and Stone Road E.)
- Converting lands from employment (i.e. industrial and corporate business park) to commercial
- Including commercial permissions within vacant high density residential sites
- Adding mixed use lands in the Clair-Maltby Secondary Plan

The public reaction to all of these options was mixed with no clear consensus either in support or opposed to the options.

The public were also asked to comment on the following questions:

- Do larger community serving commercial spaces such as Community Mixed-use Centres need to be protected through Official Plan policy
- Do existing neighbourhood serving commercial spaces need to be protected through Official Plan Policy
- Is the same level of protection required for Downtown commercial space

In this case, there was general support for continuing to protect these areas through Official Plan policies.

Vision and Principles

One of the tasks identified for this study was to examine the existing commercial objectives in order to refresh them and establish an up-to-date basis for guiding commercial development. The following Vision and Principles were approved by

Council on March 26, 2018 and have been used to provide a basis for evaluating alternatives.

Vision

Commercial businesses are critical components of complete communities that are evolving from single use, low-rise buildings surrounded by large expanses of surface parking to an integral element of more compact, mixed-use areas that are appropriately distributed throughout the City. Commercial businesses contribute to the creation of vibrant mixed-use nodes and corridors and the economic vitality of the Downtown. The City's commercial areas are comfortable, people-oriented places that demonstrate a high standard of urban design, contribute to the distinctive character of the City, and support sustainability principles that encourage transit, walking and cycling. They meet the needs of our residents and the market by providing a full range of stores and services in appropriate locations and assist in maintaining a strong and competitive economy.

Principles

- Diverse and Distinct
- Convenient and Accessible
- Flexible and Adaptable
- Compact and Sustainable
- Vibrant and Integrated
- Economically Strong and Competitive

Preferred Commercial Policy Framework

Overall, the City is in a reasonably positive position as it is currently well served by the marketplace. It has a variety of retail and commercial services, a commercial vacancy rate within the normal range, it does not have significant areas of commercial blight, and it does not have a significant outflow of consumer spending (i.e. residents do most of their shopping within the City). From a planning policy perspective, the City also has a good basis for reviewing commercial development. The Official Plan has been updated to reflect the requirements of provincial policy, it provides a clear structure and commercial/mixed-use framework to guide development and it has strong urban design policies in place. However, some specific issues require further examination.

The issues have been broken down into three categories. The first category focusses on issues dealing with the supply of land available for commercial development within the City. This relates to the various means to address the projected shortfall of land for commercial development after 2031. It also takes into consideration areas where owners of commercial sites have expressed an

interest modifying the approvals in place. The next category relates to Official Plan policy issues and the third category addresses issues relating to the existing Zoning By-law provisions dealing with commercial development.

Supply of Land

As noted above, there will be a sufficient supply of commercial land available within the City to accommodate projected demand for new commercial space up until 2031; however, after that, it is forecast that there will be unmet demand of approximately 36,032 sq m (387,850 sq. ft.) or 9.27 ha (22.9 acres) by 2041. As noted in the Stage 1 report, the projected future land supply was made taking into consideration market trends including an increase in e-commerce, changing demographics and trends towards intensification. The projected supply assumes that the lands that are currently designated to permit commercial uses will be developed for commercial purposes.

A number of options were identified to address the projected land shortage and various considerations associated with these options that are discussed in the body of the report. The recommendations addressing these options are summarized as:

1. Modify Official Plan Permissions
 - Intensify existing sites increasing the commercial caps in the three developed Community Mixed-use Centres
 - Increase the maximum amount of commercial space permitted in Neighbourhood Commercial Centres from 4650 sq m to 6500 sq m.
 - These increases in commercial floor space will support intensification by permitting additional commercial development, recognizing that there may be some challenges associated with intensification.
 - Explore additional commercial/mixed-use land use designations in the following areas through the Municipal Comprehensive Review:
 - a) Potential conversion of land from Employment to Commercial in the Victoria and York Road area (which must be assessed through a Municipal Comprehensive Review as noted below);
 - b) Consider a potential exchange of land between Employment and Service Commercial designations in the Victoria and York Road area to improve the configuration and viability of the commercial land, add a larger commercial parcel size but leave the total amount of employment and commercial lands the same, in case a reduction of the total employment land within the City is not ultimately supported through a Municipal Comprehensive Review.
 - c) Potential conversion of vacant land from High Density Residential to Community Mixed-use Centres.

- Alter commercial opportunities in the Guelph Innovation District (GID) (outside of the provincially owned lands within the GID) in keeping with the vision and goals for the area through modification to the minimum height to two storeys instead of three for a 2.8-3.0 ha portion of the Mixed-use Corridor GID designation.
2. Add Mixed-use designations in the Clair-Maltby Secondary Plan including the provision for one mixed-use site that is at least 2.8 ha in size.
 3. Monitor the situation and address the land supply, if necessary, before the next commercial policy review.
 4. The owners of land in the Community Mixed-Use Centres at Watson Parkway/ Starwood and Silvercreek Junction have expressed an interest in reducing the amount of commercial space to be developed on their sites. If reductions were to occur on these sites in isolation of the other options to add commercial as discussed above, this could turn the 2031 projected commercial space surplus to a deficit and increase the projected 2041 shortfall. However, given that options are being considered to increase the amount and parcel size of lands available for commercial floor space, a reduction in commercial space on specific sites can be considered. It needs to be done in the context of maintaining appropriate service levels within the neighbourhoods most affected.

The solution for addressing the commercial land supply involves incorporating a number of these alternatives to achieve the desired results. It is also noted that it will not be possible to assess and implement (if appropriate) some of the alternatives until additional work is undertaken including a Municipal Comprehensive Review to address the 2017 Growth Plan and potential further analysis of the York Road and Victoria Road employment area.

Despite the opportunities to address the projected land shortage after 2031, it is recommended that the City monitor the utilization of commercial lands within the City. This monitoring would include updating the inventory of commercial space in order to track vacancy rates, changes in the amount of commercial space and coverage ratios.

Official Plan Policies

1. Official Plan Commercial and Mixed-use Structure
 - A. Neighbourhood Commercial Centres
The Neighbourhood Commercial Centre land use designation could be changed to a new mixed-use designation in order to encourage intensification, emphasize the role of commercial as part of a focal point within the local neighbourhood and encourage active transportation. However, given the projected shortage of commercial

space, further opportunities that might reduce the amount of commercial space is not considered to be desirable.

There is no cap on the density of multiple unit residential uses in the Neighbourhood Commercial Centre. It is recommended that the City consider establishing a maximum number on the residential units per hectare through the next phase of this project.

B. Service Commercial

Permitted uses are usually based on auto-centric forms of transportation that do not help to achieve the OP's objectives for active transportation and transit use. There will however, be a continued need to accommodate the uses within Service Commercial lands. Options include: expanding the range of permitted uses, or converting some Service Commercial areas to other commercial designations as shown on Figure 5.

It is recommended that conversions are made to the following Service Commercial areas:

- a) East side of Victoria Road at York Road
The Service Commercial and Neighbourhood Commercial Centre area be redesignated to Community Mixed-use Centre in order to expand the range of commercial opportunities available within the east end of the City.
- b) Southwest corner of York Road and Watson Parkway
The Service Commercial area be redesignated to Community Mixed-use Centre to change the range of uses that are permitted away from those geared to the traveling public or City-wide uses to locally serving commercial uses that will support the east end of the City.
- c) Woolwich Street, between Speedvale Avenue and Woodlawn Road
The area be redesignated to Mixed-use Corridor which is consistent with the Intensification Corridor on Schedule 1 of the Official Plan. The redesignation will increase the range of uses that are permitted and will encourage redevelopment within the area in a more consistent manner.

2. Active Frontage Retail Requirements

No expansion of this requirement is recommended in the Downtown until there is more population growth to support additional retail development. There are currently no requirements for active frontage streets outside of the Downtown. Although the OP strongly encourages incorporating main street forms of development within Community Mixed-use Centres this can be addressed by the Urban Design Concept plans prepared for these areas.

3. Big Box Retail

Given this form of development is declining and the current policies that restrict the number of large buildings with 5,575 sq m (more than 60,000 sq. ft.) of gross floor area on a Community Mixed-use Centre site to four appear to be working well, no change is recommended.

4. Maintain the Mix in Mixed-use Sites

To achieve the planned function of mixed-use sites, it's important to ensure that a site is not developed exclusively with one type of use. A benchmark minimum size/amount of commercial of 0.15 FSI at full build out is generally recommended within Mixed-use Centres and Corridors at the OP level in order to protect the commercial function of mixed-use sites. Given the importance of the commercial function to the surrounding communities, it is also recommended that the benchmark minimum size/amount of commercial of 0.15 FSI at full build also be applied to Neighbourhood Commercial Centres. Owners may rationalize a decrease in this amount through a Commercial Function Study (discussed below) but within Community Mixed Use Centres, the total commercial floor space cannot be lower than 6,500 sq m (70,000 sq. ft.) without an Official Plan amendment.

5. Second Floor Space

To facilitate second floor space, the City should explore opportunities to address barriers to the creation of second floor space with the development community. This may include options to exempt some or all of the ground floor retail space in multi-storey mixed-use buildings from the retail floor space caps (if they are maintained) or to reduce parking requirements for second floor space in order to incentivize this form of development. It is recommended the barriers be addressed through the comprehensive zoning by-law review

6. Market Impact Study and Commercial Function Study Requirements

Market studies are currently required where new sites are added or existing sites are expanded. It is recommended that new policies be added so that Commercial Function Studies could be required if there is a proposal to reduce the minimum commercial floor space below a benchmark floor space index (FSI) of 0.15 or if there is a reduction of more than 25 percent of existing commercial floor space for individual sites within Community Mixed-use Centres, Mixed-use Corridors and Neighborhood Commercial Centres. A typical FSI for traditional commercial development is 0.25 FSI but using a benchmark of 0.15 FSI allows flexibility within designations to address an evolution to mixed use and to respond to changing market conditions and retail trends. For Community Mixed Use Centres the commercial FSI could be reduced but

the commercial floor area could not fall below 6,500 sq m (70,000 sq. ft.) without an Official Plan amendment.

The Commercial Function Study would be required to demonstrate that the planned function of the designation will not be compromised by the reduction in commercial space by considering:

- availability of commercial floor space within the designation to meet daily and weekly needs of the surrounding area, especially for food and drug stores;
- opportunities for additional commercial floor area to be provided elsewhere and thereby sustain the local provision of commercial space within that designation or in the immediate area;
- impacts on the ability of residents and employees in the area to use active transportation options to access commercial shopping areas and commercial services; and
- role of the commercial space in creating a community focal point.

The intent of the Commercial Function Study is to allow the City to balance the need to maintain commercial options within communities in order to avoid “food deserts” while achieving the positive effects of mixed use intensification in appropriate locations and providing flexibility to the market.

7. Parking

Parking space ratios outside of the Downtown reflect typical suburban level requirements and should be reduced to address more mixed-use development and greater active transportation and transit usage. Policies and zoning provisions should also facilitate shared parking to reduce the overall supply of parking spaces. It is recommended that the parking requirements be addressed as part of the comprehensive Zoning By-law review.

Commercial Zoning

1. Consistency with Official Plan designations

It is recommended that the City create new commercial and mixed use zones that align with the commercial and mixed use land use designations, and to provide standardized zoning for the new mixed-use designations rather than have multiple zones within the same designation. Ensuring that the zoning reflects the land use permissions in the OP will facilitate mixed-use development, as it will eliminate the need for site-specific zoning amendments. This will also allow for a consistent approach to uses, sizes, setbacks etc.

2. Small Scale Commercial

It is recommended that the City address the opportunity to permit small-scale convenience retail and personal service commercial on the ground

floor of apartment buildings, where the market demand exists, by permitting these uses as-of-right in the zoning by-law. This should be carried out as part of the comprehensive zoning by-law review.

Next Steps

This report represents the completion of the Stage 2 work and will be presented to Council for approval of the preferred policy framework.

Stage 3 of the Study will involve the actual preparation of the Official Plan and Zoning By-law amendments and will include a series of public meetings and opportunities for input prior to the adoption of the amendments.

1 Introduction

1.1 Study Context and Background

The City of Guelph is undertaking a comprehensive Commercial Policy Review in order to develop an updated commercial policy framework for the City. The Study will result in updated Official Plan policies and Zoning By-law provisions to guide commercial development. The Official Plan policies will address the horizon years of 2031 and 2041 in order to align with the latest Official Plan update, Official Plan Amendment 48 (OPA 48), which deals with the 2031 horizon year and the next Official Plan update addressing development to 2041.

The City's last commercial policy review occurred in 2006 and was incorporated into the City's 2001 Official Plan. The results of that review moved the policies away from a strict hierarchy of commercial centres towards a structure of mixed-use nodes and intensification corridors. The new structure was intended to ensure an appropriate distribution of commercial areas throughout the City and emphasize the role of the Downtown as a multi-functional district. Mixed-use nodes were created that centred on major commercial concentrations, and neighbourhood commercial centres and service commercial policies were revised. Urban design policies for commercial mixed-use areas were also incorporated into the Official Plan.

1.2 Study Purpose and Objectives

The purpose of the Commercial Policy Review is to develop an updated commercial policy framework for the City that provides refreshed planning objectives, a contemporary commercial structure and land use designations, updated policies and sufficient amounts of appropriately designated lands, to direct future commercial development within the City.

The Commercial Policy Review is intended to:

- i. Ensure the amount of recommended designated commercial land is sufficient to meet 2041 planning horizon needs within the City's current settlement area boundary;
- ii. Determine the amount, location and type of designated commercial land needed for a 2031 planning horizon and a 2041 planning horizon in accordance with the Growth Plan population and employment forecasts;
- iii. Update the commercial policy structure and identify potential commercial / mixed-use designation categories and locations for those designations;

- iv. Establish phasing of commercial lands in consideration of OPA 48's 2031 planning horizon and the 2041 planning horizon of the next Official Plan update;
- v. Identify significant changes in retail market trends nationally, provincially and locally, e.g. E-commerce;
- vi. Recognize and clarify the role, function and amount of commercial space within the Growth Centre (Downtown), Community Mixed-Use Nodes (e.g. Silvercreek Junction, Watson Parkway/Starwood), Intensification Corridors (e.g. York Road) and Service Commercial designations in the context of updated commercial policies;
- vii. Consider the feasibility of second floor commercial and mixed-use buildings to support the pedestrian friendly urban visions for the Growth Centre (Downtown), GID urban village, Community Mixed-Use Nodes and Intensification Corridors;
- viii. Consider non-residential uses in residential areas, including small scale / neighbourhood scale and mixed-use developments that include a commercial component;
- ix. Consider the connectivity of the proposed commercial policy framework with existing developed or planned commercial development areas of the City;
- x. Recognize patterns of land use, land use designations and density, and associated population and employment densities contained within OPA 48;
- xi. Recognize the City's urban design directions included in OPA 48 and the Urban Design Action Plan;
- xii. Recognize transportation approaches including transit, pedestrian and bicycle connections contained within OPA 48; and
- xiii. Update the Official Plan and Zoning By-law on the basis of the findings of the Study.

1.3 Study Process

The Study is being undertaken in three stages.

Stage 1 involved gathering and analyzing background information and included an analysis of the existing policy framework, retail trends, stakeholder input, consumer research, commercial inventory, and commercial land needs analysis and resulted in the Commercial Analysis and Background Report.

Stage 2 began with a public consultation exercise in which the public were asked to identify what they liked and disliked about existing commercial in the City. The public input was used to help frame the creation of vision and principles for commercial policies. Stage 2 also included an analysis of policy alternatives and options which the public and the commercial development community were asked to comment on. The options and alternatives were also presented to

Council for information and initial feedback. This report provides recommendations on the preferred approach.

Stage 3 will be led by City staff and will involve the development and adoption of the Official Plan policy amendments and accompanying amendments to the Zoning By-law.

2 Stage 1 Summary and Recommendations

As noted above, Stage 1 involved an analysis of a variety of factors that are relevant to commercial development in the City, which included the existing policy framework, retail trends, stakeholder input, consumer research, a commercial inventory, and commercial land needs analysis. The following highlights the findings of the Commercial Analysis and Background Report.

Provincial Policy Framework

The planning system in Ontario is hierarchical and municipal policy documents must meet the requirements of Provincial policies. In Guelph that means that the City's Official Plan must be consistent with the Provincial Policy Statement (PPS) and conform to the Growth Plan for the Greater Golden Horseshoe (Growth Plan).

- The focus of the PPS is on building strong communities, protecting the environment, resources, and public health and safety, and supporting a strong economy. It promotes a compact form with a range of land uses which includes commercial development, and a structure of nodes and corridors. Intensification should be facilitated and densities should efficiently use land, resources, infrastructure and public services; support active transportation; and be transit supportive. The PPS identifies the need to maintain the well-being of downtowns and main streets.
- The Growth Plan provides growth management policy directions in the Greater Golden Horseshoe (GGH) in promoting economic prosperity and complete communities. Commercial development is intrinsically recognized as important for the creation of complete communities and as a significant component of vibrant, mixed-use Urban Growth Centres. Commercial goods and services should be supported by compact development and intensification and located in areas that encourage active transportation and are served by transit in order to support the achievement of complete communities. The latest Growth Plan requires a transition to higher densities and greater levels of intensification. Mixed-use nodes and corridors will be an important component in achieving the desired built form and densities.

City of Guelph Official Plan

- The City completed a five-year review of the Official Plan to bring it into conformity with the Growth Plan, and provincial legislation and plans through OPAs 39, 42 and 48. OPA 48, which is the final of the 3 update amendments, was approved by the Ontario Municipal Board in October

2017 with the exception of site specific policy appeals that do not impact commercial space.

- The structure of the Official Plan includes a focus on mixed-use nodes and corridors that are intended to contribute to the creation of complete communities and a compact built form, which is transit supportive and creates a comfortable and attractive pedestrian environment. The policies recognize that the evolution to achieve the desired built form will occur over the life of the Official Plan and beyond and has provided guidance for that evolution.
- The Official Plan establishes Commercial and Mixed-use designations that are intended to provide a range of uses to meet the needs of daily living. The policies support the dispersal of commercial uses throughout the City.
- There are five major land use categories within the commercial and mixed-use development designations as shown on Schedule 2 in Appendix B and they are defined by their size and planning function. They include:
 - Community Mixed-use Centre
 - Mixed-use Corridor
 - Neighbourhood Commercial Centre
 - Service Commercial
 - Mixed Office/ Commercial
- The urban design policies of the Official Plan support the growth and development of the City. Policies address a wide range of issues including: building design, public art, public views, parking, vehicle-oriented uses (including drive-throughs and gas stations), signage, accessibility, lighting, and gateway areas. The policies work towards articulating the desired built form vision.
- The City has adopted the Downtown Secondary Plan that applies to the Downtown Urban Growth Centre, a focus area for intensification. It is intended to reinforce and expand the role of Downtown as a retail, dining and entertainment destination. On key streets, active frontages are reinforced and require retail or service uses on the ground floor.
- The Guelph Innovation District Secondary Plan (GID) is planned to be a compact, mixed-use community that includes an urban village. The urban village will be pedestrian oriented, with street-related built form that supports a mix of medium and high density commercial, residential and employment uses.
- The Clair-Maltby Secondary Plan Study is underway. The Clair-Maltby Secondary Plan Study will help Guelph plan the last greenfield area within the city. The Secondary Plan will establish an appropriate range and mix of land use designations to help achieve the City's vision to plan a complete and healthy community and support future urban growth. This area will be primarily residential in character with a full range and mix of

housing types and a variety of other uses that meet the needs of all residents.

Node and Corridor Urban Design Concept Plans

The Official Plan includes policies regarding Concept Plans that are intended to show how the Community Mixed-Use Nodes should be developed to meet the policies and vision for these areas. Under policy 3.11.6 these plans can be prepared by the City or development proponents and are to include:

- i) linkages between properties, buildings and uses of land both within and adjacent to the Node;
- ii) identification of an appropriate location for a Main Street area;
- iii) locations of new public and/or private streets and laneways;
- iv) locations of open space on the site such as urban squares;
- v) general massing and location of buildings that establish a transition to the surrounding community;
- vi) pedestrian, cycling and transit facilities; and
- vii) heritage attributes to be retained, conserved and/or rehabilitated.

Zoning By-law Amendments and Site Plans within the nodes must demonstrate that the proposed development is generally consistent with the approved concept plan.

The City has prepared concept plans for Gordon/Clair, Woodlawn/Woolwich, Watson Parkway/Starwood and Paisley/Imperial Nodes, all of which have been approved by Council. These plans demonstrate intensification potential for the nodes while respecting the caps for commercial floor area. A concept plan for Silvercreek Junction was not prepared because the Official Plan designation for this property provides significant detail with respect to design and development including a site specific land use schedule and urban design policies.

Retail, Service and Vacant Space Inventory

- Currently, the City of Guelph contains approximately 790,000 square metres (8.5 million square feet) of commercial space in a variety of built forms. The largest concentration of commercial space, approximately 148,700 square metres (1.6 million square feet), is located within the Downtown.
- There is approximately 58,750 square metres (632,300 square feet) of vacant space city-wide, which represents a vacancy rate of 7.5%. This vacancy level is considered to be at the upper end of normal ranges for a balanced market, which is between 5.0% and 7.5%.

- On a per capita basis, the total space (retail, service, vacant) per capita has increased from 4.81 square metres (51.8 square feet) per capita in 2008 to 5.95 square metres (64.1 square feet) per capita in 2017.

Commercial Land Needs Analysis

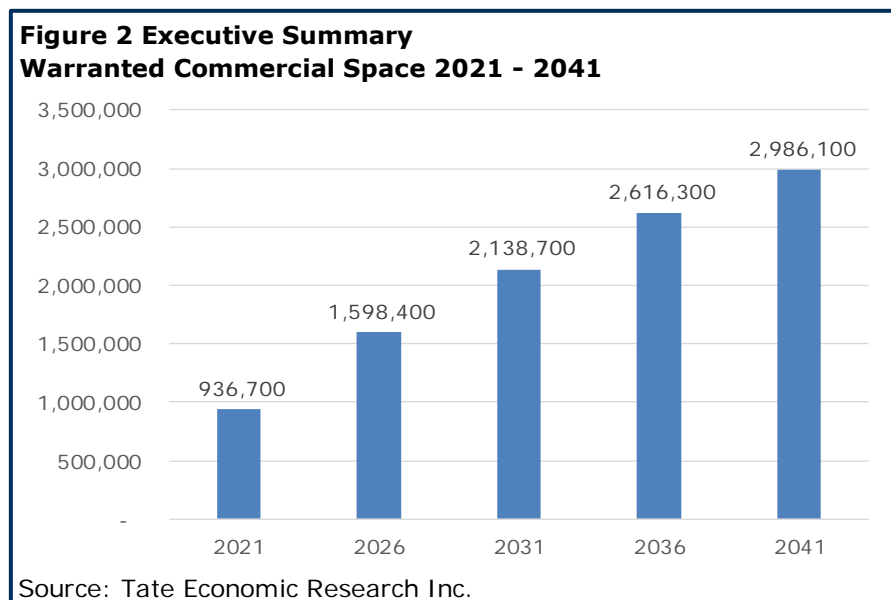
- A Commercial Land Needs Analysis was carried out which quantified the demand for future retail and service space (taking into consideration market trends including an increase in e-commerce, changing demographics and trends towards intensification) and the adequacy of the current supply to accommodate the demand. The supply analysis quantified the amount of planned space that can serve the future commercial demand. The supply analysis also quantified the amount of undeveloped land available to accommodate future demand.
- There is approximately 55,718 square metres (599,760 square feet) of commercial space currently in various stages of the development process. Of this space, approximately 7,250 square metres (78,000 square feet) is currently under construction (See Figure 1).

Figure 1 Executive Summary City of Guelph Supply Summary	
Active Development Applications (sq. ft.)	
Building Permit	157,781
Site Plan Approval	202,329
Official Plan Amendment (OPA) or Zoning Change (ZC)	239,650
Total	599,760
Potential Future Development: Intensification / Planned (sq. ft.)	
Intensification: Community Mixed-use Centre	269,800
Intensification: Downtown	301,700
Planned: Mixed-use Corridor (GID)	200,000
Total	771,500
Undeveloped Commercial Land (acres)	
Community Mixed-use Centre	26.6
Neighbourhood Commercial Centre	9.1
Service Commercial	50.1
Corporate Business Park	12.0
Low Density Residential	1.0
Mixed Office Commercial	1.9
Mixed-use Corridor	1.8
Total	102.4
Source: Tate Economic Research Inc.	

- There is approximately 71,672 square metres (771,500 square feet) of potential future development through intensification and planned uses on sites designated as 'Community Mixed-use Centre' and 'Mixed-use Corridor (GID)'. There is also significant intensification potential in the downtown.
- There is approximately 41.4 hectares (102.4 acres) of vacant commercial land split into a variety of designations. The majority of these lands are designated as 'Community Mixed-use Centre', 'Neighbourhood Commercial Centre' and 'Service Commercial'. Eighty nine percent of these parcels (32 of 36) are less than 2 hectares (5 acres) in size.

Residual Demand Analysis

- The residual demand analysis quantified the amount and type of commercial space warranted in Guelph from 2016 to 2041.
- Market demand for new commercial space is strongly influenced by population growth and expenditure levels. Overall, the City of Guelph population is forecast to increase by 55,000 persons to 191,000 persons between 2016 and 2041. This growth represents a 40% increase over the current 2016 population of 136,000.
- It is forecast that each new Guelph resident will support approximately 2.44 square metres (26.3 square feet) of service space in the City.



- By 2021, there will be demand for 87,020 square metres (936,700 square feet) of new commercial space (retail and service) increasing to 277,410 square metres (2,986,100 square feet) of new commercial space by 2041 (See Figure 2).

- This analysis uses a residual demand methodology where demand for future warranted space is estimated based on current base year sales performance levels of existing retailers operating in Guelph, without any future transfers from existing retailers. As a result, this analysis is assumed to not impact the sales performance of existing retailers.

Land Needs Analysis

- The current and potential supply of commercial space and land is sufficient to accommodate the demand for new commercial space to 2031 on a macro level (provided there is no loss of existing designated space).
- After 2031, either additional undeveloped commercial land or new intensification opportunities will be required.
- The challenge with the current supply of undeveloped commercial land is that there are not enough sufficiently sized parcels to accommodate traditional larger neighborhood and community functioning retail developments, that typically require 2.8 + hectares (7+ acres). This could be exacerbated by developers' expressions of interest in reducing the amount of commercial in certain key areas.

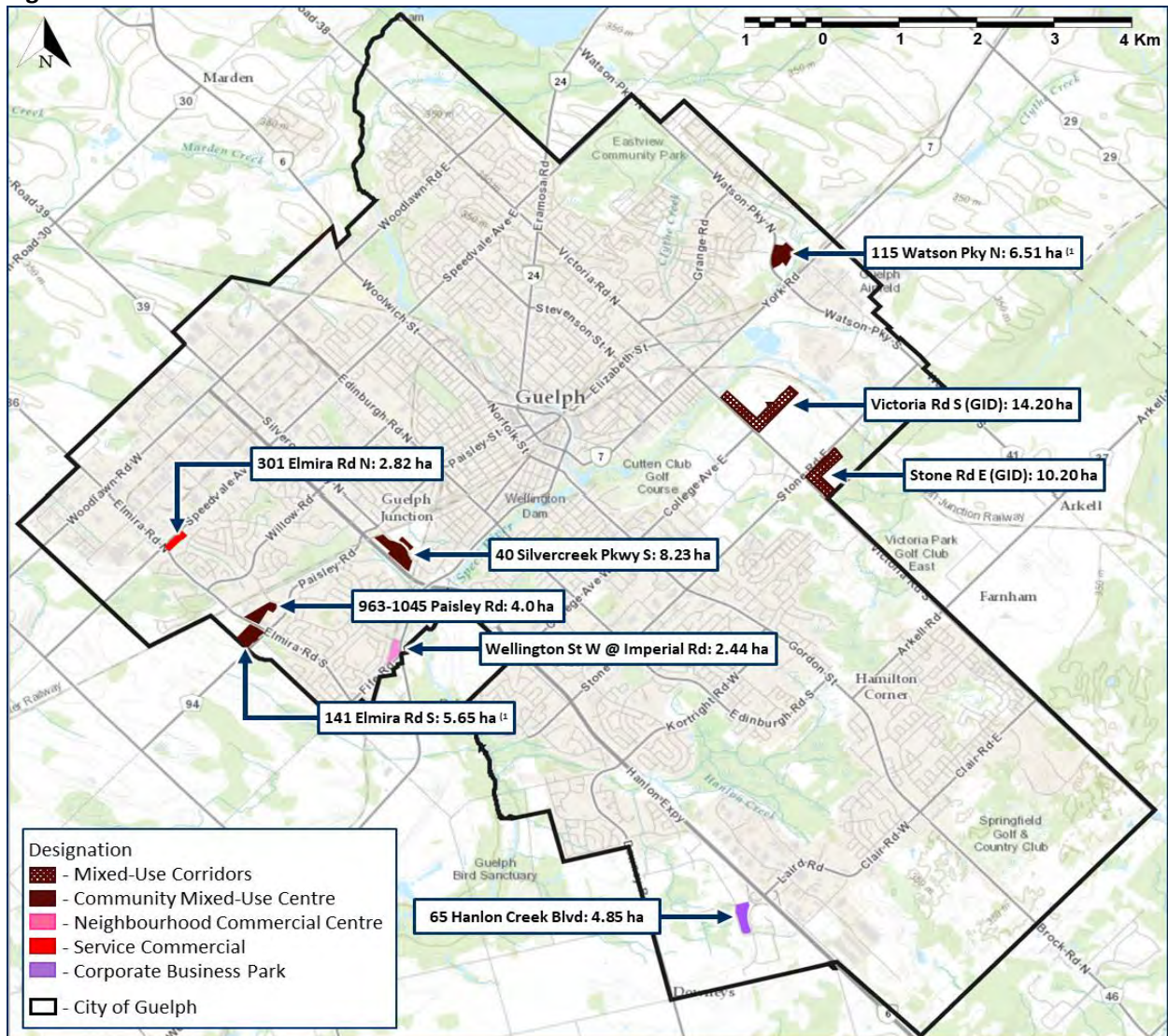
Figure 3 Executive Summary City of Guelph Commercial Land Needs 2016 - 2041 ⁽¹⁾						
	2016	2016 - 2021	2021 - 2026	2026 - 2031	2031 - 2036	2036 - 2041
Period Commercial Demand (sq. ft.) ⁽¹⁾		936,700	661,700	540,300	477,600	369,800
Active Development Applications		599,800				
Potential Future Development: Intensification / Planned						
Intensification: Community Mixed-use Centre			269,800			
Intensification: Downtown				180,000	60,850	60,850
Planned: Mixed-use Corridor (GID)				100,000	100,000	
Total Potential Supply (excl. Undeveloped Commercial Land) ⁽²⁾		599,800	269,800	280,000	160,850	60,850
Surplus/Shortfall (sq. ft.)		336,900	391,900	260,300	316,750	308,950
Net Land Required - Acres (@25% coverage)		30.9	36.0			
Net Land Required - Acres (@30% coverage)				19.9		
Net Land Required - Acres (@35% coverage)					20.8	
Net Land Required - Acres (@40% coverage)						17.7
Cummulative Surplus/Shortfall (acres) ⁽³⁾	102.4	71.5	35.5	15.6	-5.2	-22.9
Cummulative Unmet Demand (sq. ft.)		0	0	0	78,900	387,850

Source: Tate Economic Research Inc.
¹⁾ Replicated from Figure 6-5.
²⁾ Totals from Figures 6-1 & 6-2. Phasing based on TER professional judgement and City of Guelph planning department.
³⁾ The base supply of 102.4 acres of undeveloped commercial land is from Figure 6-1.

- There are 9 parcels of undeveloped land larger than 2 hectares (5 acres) in size in the City. See the Vacant Parcel Size Figure 4 below. Furthermore, not all commercial uses are permitted on all of these parcels.
- It is forecast that there will be unmet demand of approximately 36,030 square metres (387,850 square feet) of commercial space by 2041.

- If this space were to be accommodated on undeveloped commercial land, it would equate to a requirement for an additional 9.27 hectares (22.9 acres) at an average land coverage of 38.8%.
- Conversely, this unmet commercial demand could be accommodated through new intensification opportunities.

Figure 4: Vacant Commercial Parcels Greater Than 2 Hectares



Source: Tate Economic Research Inc.; Basemap: ESRI ArcGIS.
 There is an active commercial development application on this site.

Recommendations

The Stage 1 report indicated that generally, there are two areas which are evolving and require broader assumptions:

- 1) Consumer Demand – Consumer demand is changing based on generational consumer shopping habits as well as the manner in which goods and services are purchased and experienced.

This change was accounted for through an e-commerce adjustment to retail and service demand that has led to a reduction in the amount of physical retail space that will be required in future years.

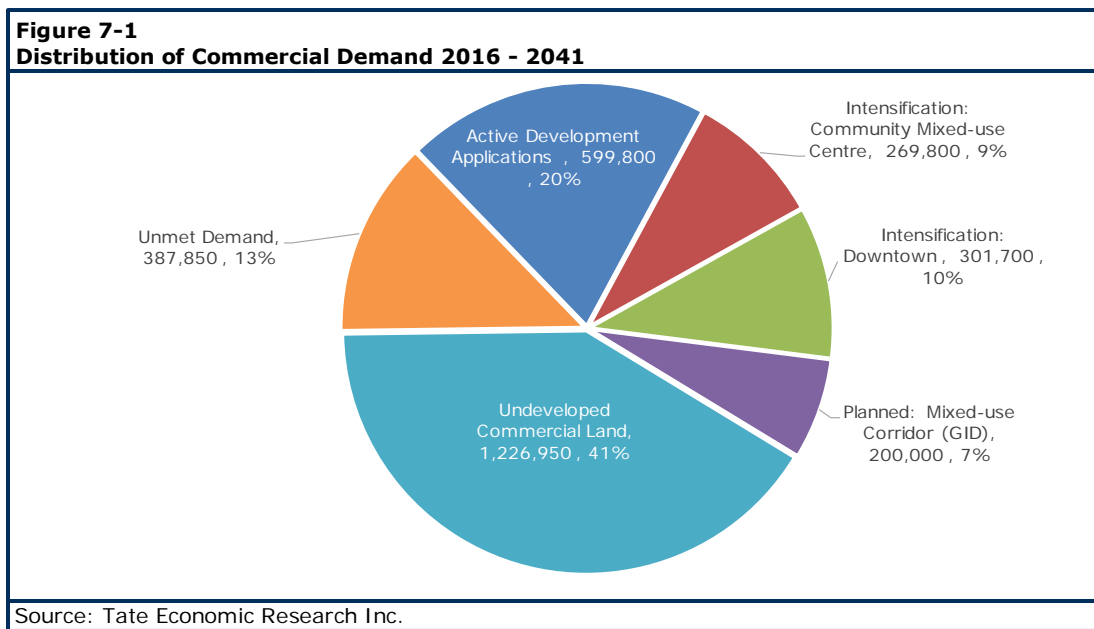
- 2) Built Form Supply – Typical commercial development in Guelph has been single storey with a coverage ratio of approximately 25%. It is assumed that this development pattern will gradually shift to denser developments as experienced in some other urban municipalities. This shift is based on various factors:
 - a) The tightening of commercial land supply along with reduced parking requirements has led to multi-storey, denser commercial developments, with coverage ratios exceeding the previous industry standard of 25%.
 - b) The implementation of smart growth policies is resulting in higher density residential neighbourhoods which have the population densities to support successful mixed-use developments. It should be noted that in addition to sufficient residential density, successful commercial space in mixed-use developments require pedestrian traffic and available transit options. Furthermore, there are numerous challenges associated with commercial in mixed-use developments. Coverage ratios in vertical mixed-use developments could typically range from 50% up to 90%, with commercial space occupying the ground floor.
 - c) Changes in consumer shopping behaviour are resulting in a reduced demand for large floorplate retailers which in turn influences the built form through a decreased requirement for space extensive developments.

This shift in built form was accounted for by assuming an increase in coverage ratios over the study period. In the short to medium term, the increase in coverage ratios will likely occur through the development of more efficient small to medium scale single or multi-storey commercial developments as well as the infill/intensification of existing retail centres. The resulting coverage ratios are

typically between 25% to 35%. Over the longer term, higher coverage ratios may be achieved through vertical mixed-use developments.

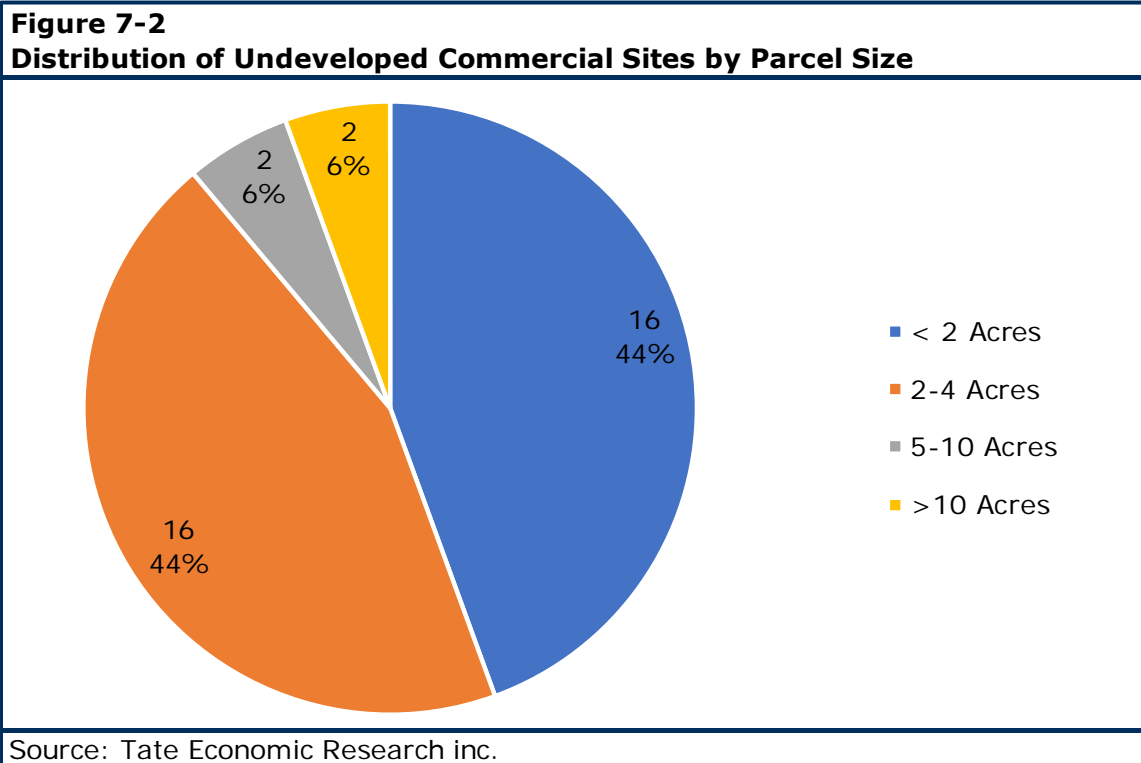
2.1 Future Land Requirement

Figure 7-1 indicates how the future commercial demand up to 2041 will be accommodated based on the current supply environment as well as the unmet demand of 36,030 square metres (387,850 square feet).



The analysis indicates that there is sufficient undeveloped land to accommodate demand up to 2031 (provided there is no loss of existing designated space). However, this analysis does not consider the appropriateness of those lands for various forms of commercial development or concerns about underperformance of some key sites.

Figure 7-2 illustrates the distribution of the undeveloped properties by parcel size. As indicated in Figure 7-2, there are only 4 parcels larger than 2 hectares (5 acres) in size. The challenge with the current supply of undeveloped land is that there are not enough sufficiently sized parcels to allow for larger traditional neighbourhood and community functioning commercial developments, which typically require 2.8+ hectares (7+ acres).



As an example, 6,252 square metres (67,300 square feet) of demand for additional supermarket space are forecast by 2021, increasing to 18,208 square metres (196,000 square feet) by 2041. This square footage would equate to approximately 4 new supermarkets, assuming the average current size in Guelph of 4,366 square metres (47,000 square feet). Some of this demand will be accommodated through the new Longo's at Gordon Street and Clair Road and is expected to be accommodated by Loblaws in the Watson Parkway/Starwood Drive node. However, in the short to medium term there is a shortage of sufficiently sized undeveloped commercial sites large enough to accommodate the future supermarket requirements. Furthermore, it is unlikely that the success factors required for vertical mixed-use developments will be present in the medium term to accommodate supermarkets within such developments.

Similarly, there may be mid-box stores, such as Mountain Equipment Co-op (MEC), that typically locate as stand-alone stores, which may be interested in operating in Guelph. Under the current supply circumstances, any such mid-box stores would have difficulty finding an appropriately sized undeveloped site.

3 Public Consultation

3.1 First Public Consultation – Vision and Principles

Public consultation is an important component of the study process and an initial round of consultation was undertaken to introduce the Study to the community and to obtain input to assist in the development of a vision and principles that will be used to guide the development and evaluation of policy alternatives.

The public consultation that was carried out included two forms of participation. The first was a workshop format carried out on November 29, 2017 in both the afternoon and again in the evening. The second was an on-line survey that was available from November 30 to December 14, 2017. There were 17 participants at the workshops and 39 people responded to the on-line survey.

Both forms of consultation asked participants the same questions about the Downtown, Community Mixed-use Centres, Mixed-use Corridors, Neighbourhood Commercial Centres and Service Commercial designations in the City. The following is a summary of the questions and the responses:

1. What do you like about the commercial stores and services in this area? What do you dislike about them or what is missing?

People like the variety of retail and the independent businesses that are available, although they noted that some areas lacked certain types of commercial, e.g. the Downtown, east end and Service Commercial areas lacked grocery options. Respondents also had concerns with the quality of active transportation options, and bland architecture outside of the Downtown.

2. What would you do to improve the shopping experience there?

People would like to see improved retail variety, improved pedestrian access, improved public transit, an improved public realm, increased density outside of the Downtown, improved traffic flows, and updated zoning.

3. Do you find these areas to be pedestrian friendly? What elements would make them more so?

Respondents felt that pedestrian friendly /street oriented design, more/improved sidewalks, integrated public transit, and more benches would help.

4. What kinds of uses work well on a second storey in these areas?

People indicated that offices, residential, fitness and wellness were appropriate on the second floor in all commercial designations.

5. How do you typically travel to these locations?

Most respondents travelled to commercial areas by car except for the Downtown where walking and bicycling were more prominent.

6. What is your vision of what these areas look and function like in 2031?

Throughout the commercial areas in the City, people would like to see more variety and mix of uses, increased density, more green space, improved traffic flows, redeveloped surface parking, more parking, sustainable pedestrian friendly development, and a distinctive character. They would also like a cleaner/safer Downtown and Service Commercial areas.

7. Additional Comments

These included a desire for better universal design/accessibility, more commercial in the east end (grocery store, gas station, clothing stores, entertainment) and affordable grocery alternatives in the Downtown.

3.2 Second Public Consultation – Options for Commercial Development

The second round of public consultation followed a similar format to the first one. There was a workshop format carried out on April 18, 2018 with the afternoon session focussed on the commercial development community and the evening session open to the public. An on-line survey was available from April 19 to May 3, 2018. There were 19 participants at the workshops and 13 people responded to the on-line survey.

The workshop outlined the various alternatives in the Stage 2 draft report. The public were asked to comment on:

- Increasing or removing retail space caps in Neighbourhood Commercial Centres
- Increasing or removing retail space caps in Community Mixed-use Centres
- Expanding the range of permitted uses to allow for other commercial uses and/or converting lands from Service Commercial to another commercial designation

- Modifying the Guelph Innovation District Mixed-use Corridor (GID) policies (southeast corner Victoria Road N. and Stone Road E.)
- Converting lands from employment (i.e. industrial and corporate business park) to commercial
- Including commercial permissions within vacant high density residential sites
- Adding mixed use lands in the Clair-Maltby Secondary Plan

The public reaction to these options was mixed with no clear consensus either in support or opposed to the options.

The public were also asked to comment on the following questions:

- Do larger community serving commercial spaces such as Community Mixed-use Centres need to be protected through Official Plan policy
- Do existing neighbourhood serving commercial spaces need to be protected through Official Plan Policy
- Is the same level of protection required for Downtown commercial space

In this case there was general support for continuing to protect the area through Official Plan policies.

The commercial development community was asked if they supported maintaining the mix in Mixed Use designations and establishing a minimum Floor Space Index of 0.15 in mixed use areas. The responses were varied although there was generally less support for these ideas.

4 Vision and Principles

In order to create a framework for developing policy alternatives for Stage 2 of the Study, it was important to establish a vision and principles to guide and inform the recommendations. The City of Guelph Official Plan establishes strategic directions that include a Vision, SmartGuelph Principles, and Strategic Goals that guide overall growth within the City. The Official Plan also states objectives for commercial and mixed use designations which are:

- a) To ensure that an adequate supply of commercial land is provided throughout the City at appropriate locations to meet the needs of residents and businesses.
- b) To promote a distinct identity and character for commercial and mixed-use development through high standards of urban design.
- c) To promote the continued economic vitality, intensification and revitalization of existing designated commercial and mixed-use areas.
- d) To create mixed-use areas that are pedestrian oriented and transit supportive.

One of the tasks identified for this study was to examine these objectives in order to refresh them and establish an up-to-date basis for guiding commercial development. The approved vision and principles for the commercial policies have been developed with the direction provided by the City's Official Plan, and were informed by the Stage 1 work and community engagement feedback on shopping and service experiences and preferences. They are reflective of the community's commercial needs and flexible to address market realities by providing a full range of stores and services in appropriate locations. They support a commercial policy refresh within the existing Official Plan growth vision and allow for the continued evolution of commercial development. The Vision and Principles listed below were approved by Council on March 26, 2018.

4.1 Vision

Commercial businesses are critical components of complete communities that are evolving from single use, low-rise buildings surrounded by large expanses of surface parking to an integral element of more compact, mixed-use areas that are appropriately distributed throughout the City. They contribute to the creation of vibrant mixed-use nodes and corridors, and the economic vitality of the Downtown. The City's commercial areas are comfortable, people-oriented places that demonstrate a high standard of urban design, contribute to the distinctive character of the City, and support sustainability principles that encourage transit, walking and cycling. They meet the needs of our residents and the market by providing a full range of retail and services in appropriate locations and assist in maintaining a strong and competitive economy.

4.2 Principles

- 1. Diverse and Distinct** - Encourage a diverse range and mix of commercial goods and services that meet the needs of residents, workers and businesses through the provision of a wide variety of options that enhance Guelph's distinct identity.
- 2. Convenient and Accessible** – Identify commercial development opportunities throughout the City to ensure the appropriate distribution and easy access to daily and weekly shopping. Ensure that commercial developments are pedestrian oriented and have proximity to a suitable population base, accessible locations and exposure to sufficient levels of pass-by traffic.
- 3. Flexible and Adaptable** – Recognize changing retail market demands and support the evolution of commercial development by facilitating adaptable commercial formats that meet the City's long term objectives and market needs. Offer increased flexibility through the provision of a wide range of uses and formats for commercial development that supports the City's overall growth structure of nodes and corridors and the Downtown.
- 4. Compact and Sustainable** - Foster compact commercial development that contributes to efficient development patterns, avoids strip development and represents the sustainable use of infrastructure. Support a range of uses and densities that increase the modal share of transit and facilitate walking and cycling, while recognizing the continued need for vehicular access. Include green spaces and sustainable development standards, where feasible. Support the intensification and revitalization of commercial space within the Downtown, nodes and corridors to enhance their mixed-use character.
- 5. Vibrant and Integrated** - Commercial development will enhance the public realm through engaging and attractive storefronts, landscaping and site development to support pedestrian activity, facilitate a strong and distinct sense of place for commercial areas and promote main street opportunities, where appropriate. Commercial areas will be linked to surrounding neighbourhoods and integrated internally. Mixed-use buildings or sites should be co-located with community facilities and infrastructure where possible, to serve as important community gathering places. Recognize that this integration may evolve slowly over time and ensure that the retail and service function of the commercial and mixed-use areas are maintained.

-
- 6. Economically Strong and Competitive** – Promote the economic vitality of new and existing commercial and mixed-use areas, including the Downtown, and enhance the City’s economy by supporting investment and providing jobs.

5 Commercial Policy Alternatives

The background analysis that was undertaken in Stage 1 of this Study provided a snap shot of the existing state of commercial development within the City and generally, the City is in a positive position. While there are specific issues that need to be addressed, in an overall sense the City is currently well served by the marketplace. It has a variety of retail and commercial services, it has a commercial vacancy rate that is within the normal range, it does not have significant areas of commercial blight, and it does not have a significant outflow of consumer spending (i.e. residents do most of their shopping within the City rather than shopping in other municipalities).

From a planning policy perspective, the City also has a good basis for addressing commercial development. The Official Plan has been updated to reflect the requirements of provincial policy to create complete communities, to identify nodes and corridors, to address the role of the Downtown as an Urban Growth Centre and to promote an appropriate level of intensification. The current policies provide a clear structure and commercial/mixed use framework to guide development and there are strong urban design policies to ensure that new development functions effectively and makes a positive contribution to the public realm. The City therefore has a solid basis upon which to move forward.

As noted in the Stage 1 analysis, there are some specific issues which require further examination. In addition, the objectives for the study (outlined in section 1 of this report) and input from the public and City staff identified various issues to be assessed. In order to address these objectives, it is important to identify what changes should be considered to the existing policy framework. At the same time, it must also be recognized that the planning policies can only guide development, as the City cannot require development to occur, determine which tenants locate in permitted commercial spaces or control the marketplace.

In moving forward with the analysis of various options, the recommendations have been guided by the vision and principles that have been identified in section 4 of this report. The draft version of this report, which identified a variety of alternatives, received public input that was considered in developing the final recommendations.

The policy alternatives and recommendations have been broken down into three general categories. Section 5.1 of this report focusses on addressing the issues that relate to the supply of land available for commercial development within the City. This relates to both the projected shortfall of land for commercial space after 2031 and areas where owners of commercial sites have expressed an interest modifying the current approvals of commercial space. The analysis is

intended to ensure that there is sufficient commercial land to meet the 2041 planning horizon within the City's current settlement area boundary and address the amount and location of commercial land for that time horizon.

The second category of issues relates to existing Official Plan policies. In the course of discussion of the land supply, there are of course, policy implications for the Official Plan. The majority of the discussion as it relates to Official Plan policy issues is addressed in Section 5.2 of the report.

The third category of issues in Section 5.3 of the report addresses the existing Zoning By-law provisions dealing with commercial development. These are generally not intended to address individual sites but focus on a more City-wide or zone related level.

5.1 Supply of Land

One of the issues that was identified in Stage 1 was that there will be a sufficient supply of commercial land available within the City to accommodate projected demand for new commercial space up until 2031; however, after that, it is forecast that there will be unmet demand of approximately 36,032 sq m (387,850 sq. ft.) or 9.27 ha (22.9 acres) by 2041. The Official Plan policies currently address the horizon year of 2031, which aligns with the latest Official Plan update, Official Plan Amendment 48. The next Official Plan update will address development to 2041 and as a result, there is a need to consider the 2041 commercial needs as part of this Study.

The Stage 1 report also identified a lack of sites suitable for mid-sized or larger commercial developments that typically require at least 2.8 hectares. In order to ensure that there is an adequate supply of commercial space to provide convenient access to daily and weekly shopping needs and contribute to a strong economy by providing jobs, it is important to consider how to address the projected shortfall. There are a number of options that may be used to address the situation and there are also various considerations associated with these options. These options include:

1. Modifying existing Official Plan permissions by: intensifying existing sites by removing or increasing caps in Community Mixed-use Centres that supports intensification by permitting additional commercial development, recognizing that there may be some challenges associated with intensification; adding new lands to the commercial /mixed-use inventory; and modifying Guelph Innovation District policies outside of the provincially owned lands within the GID.
2. Commercial opportunities in the Clair-Maltby Secondary Plan
3. Monitor the Commercial Land Supply

4. Development of Existing Vacant Land within Community Mixed-use Centres

As part of the discussion of the supply of land, the development of existing vacant lands within Community Mixed-use Centres was considered as owners of two sites have expressed an interest in reducing the amount of commercial space to be built. If permitted, this change in the amount of commercial space would need to be accommodated elsewhere.

The discussion of the options and the subsequent recommendations are discussed in more detail below.

5.1.1 Modify Existing Official Plan Permissions

Intensify Existing Sites by Removing or Increasing Retail Caps

The City's current Official Plan establishes maximum retail caps for Community Mixed-use Centres (22,760 sq m – 57,000 sq m) and Neighbourhood Centres (4,650 sq m – 10,000 sq m). Neighbourhood Commercial Centres also have a minimum distance separation from one another of 500 m to prevent the creation of "strip commercial" development comprised of a series of Neighbourhood Commercial Centres. It is noted that not all of these centres have currently reached the maximum retail floor space that they are permitted to develop. This was identified in the Stage 1 report through Figure F-1 which is attached in Appendix A. Of the lands that are planned but undeveloped, the Community Mixed-use Centre designation accounts for approximately twenty six percent of this undeveloped land and the Neighbourhood Commercial designation accounts for nine percent of it.

The retail caps were developed due to a desire to protect the retail function of the Downtown and other retail centres. Retail caps have commonly been included in Official Plans in many municipalities for this purpose and were also used to define the position of a centre in the traditional retail hierarchy (i.e. regional, district or neighbourhood serving). Maximum retail caps also help to ensure a dispersal of commercial space throughout the City to meet the needs of residents and workers to access weekly commercial needs rather than having it concentrated in more limited locations.

With the Official Plan's transition to mixed-use nodes and corridors and with the Downtown's planned evolution to a wider range of uses, it is worth considering whether the same level of protection is still necessary. The City has adopted a Secondary Plan for the Downtown, which has focused on expanding the range of new growth that is

expected to occur to include major office uses, residential, civic and institutional uses and tourism. The Downtown has been identified as an Urban Growth Centre and improved transit access is planned which will also enhance the Downtown for commercial uses and as a place to live. With the expected growth in residential and other forms of development downtown, which will provide a greater local population base, there will be support for additional downtown commercial space. This was also identified in the Stage 1 report with an intensification potential of 28,028 sq m (301,700 sq. ft.) of commercial space within the Downtown.

The Downtown Secondary Plan also focuses on the public realm, community uses, heritage resources and the built form which will maintain and enhance the architecture, open spaces and unique character of the Downtown that play a significant role in attracting people and businesses. Policies have been established to identify certain streets as active street frontage areas where retail and service uses are generally required on the ground floors at the street edge. These policies will help to ensure that commercial stores and services remain an integral component of the downtown.

As a result, there is an emphasis on other factors, besides the control on the commercial floor space caps, which will help to ensure the Downtown remains healthy and viable. These include:

- the evolution of the role of Downtown based on the growth in population and other functions in the Downtown,
- an emphasis on built form and public realm enhancements in the Downtown,
- the requirement to ensure the commercial main street function is maintained on key streets Downtown, and
- the system of Nodes and Corridors in the OP that ensures a distribution of commercial areas throughout the City.

Community Mixed-use Centres are intended to be compact, well defined focal points with multi-storey buildings that efficiently use land. Allowing for a greater amount of retail floor space may encourage more growth and intensification in these areas to support these objectives. As retail centres evolve to create a complete customer experience that can readily compete with on-line shopping, it would be helpful to allow flexibility in the amount of retail floor space permitted within mixed use development as long as the planned retail function is maintained.

It is also noted that the City does not have caps on the amount of retail space in Mixed-use Corridors (such as the one that includes Stone Road Mall) at the Official Plan level. It is therefore an option to remove the caps completely on the Community Mixed-use Centres and Neighbourhood Centres in the OP. As noted above, retail caps were developed to protect the retail function of the Downtown and other retail centres, to define the position of a centre in the traditional retail hierarchy (i.e. regional, district or neighbourhood serving) and to ensure a dispersal of commercial space throughout the City. With the move to Mixed-use Centres and Corridors there is an increased emphasis on built form and the integration of uses and these matters can be addressed through other controls such as heights, massing and density. A number of other municipalities that have adopted a Mixed-use policy structure such as Markham and Richmond Hill, have removed all reference to retail caps in the Official Plan. In the case of Richmond Hill, they have done so without the requirement for a market impact study and in the case of Markham, they require a retail and service needs study for sites larger than 1 ha or where otherwise appropriate at the time of rezoning.

Another option to removing the retail caps all together is to increase the caps in the Community Mixed-use Centres after 2031 as the demand for additional space has been demonstrated by the Stage 1 report. No more land is planned to be added to the existing Centres that have already developed, and some Centres will have the capacity to build more ground oriented commercial; however for others the only way that more commercial development is likely to occur is through the development of second floor space or through changes to the parking space requirements. Parking can be addressed through the addition of structured parking or through lower parking space ratios in the Zoning By-law that would allow room for new ground related buildings. Parking requirements should recognize that shared parking can be achieved in mixed-use development and that reductions may be appropriate, especially in areas well served by transit and active transportation modes (i.e. pedestrians and cyclists).

One of the City's goals is to increase the rate of intensification and part of the commercial vision and principles is to create compact commercial development as well as to create a flexible and adaptable framework to better respond to the future evolution of the commercial marketplace. Increasing the retail caps would be consistent with those objectives. In addition, in undertaking commercial forecasts in the Stage 1 report, it was assumed that there would be greater lot coverage (with an increase from 25 to 35 %) for new commercial sites

by 2031 so allowing intensification of the existing commercial sites is consistent with those assumptions.

In assessing the amount of potential commercial that could be achieved through raising or removing the caps, the Urban Design Concept Plans prepared by the City for the Mixed-Use Nodes at Gordon/ Clair, Woodlawn/ Woolwich, Watson Parkway/ Starwood and Paisley/ Imperial have been considered. These Urban Design Concept Plans have been endorsed by Council and are intended to assist in the review of development applications within these Nodes. The Urban Design Concept Plans identify potential new building locations and although the plans do not specify whether the new buildings are commercial, they do clearly illustrate the potential for more development on these sites.

If it is assumed the development at the existing Gordon/Clair, Woodlawn/Woodlawn and Paisley/Imperial Community Mixed-use Centres is increased by 10% each, roughly an extra 16,150 sq m (174,000) sq. ft. of commercial space could be created. This could reduce the land shortfall by approximately 4.6 ha (11.4 acres). It is recommended later in this report that changes be made to some of the existing designations and so this number is only intended to illustrate the general quantum of commercial space that might be added. If this increase in commercial floor space was achieved, it would push the projected shortfall date forward until after 2036. Although it still does not meet the commercial need projections for 2041, if the extra development occurs in the next 15 years, it allows additional time for further market adjustments to occur and could provide the City with the opportunity to wait to add additional commercial lands until the next commercial policy is undertaken or address reductions in space elsewhere.

Another option for addressing the projected long-term shortage of commercial space is to increase the amount of commercial floor space that is permitted in the Neighbourhood Commercial Centre designation. The maximum amount of retail floor space in Neighbourhood Commercial Centres is currently 4650 sq m although some specific Centres has permission for 10,000 sq m. Increasing the floor space provides opportunities to intensify the sites which in turn makes better use of existing infrastructure and supports transit usage.

If the floor space is increased from 4,650 to 6,500 sq m it will remove the gap between the minimum amount required for Community Mixed-use Centres (discussed in section 4.1.4 below) and the maximum floor space permitted in Neighbourhood Commercial Centres. The increase

is not so substantial that it is expected to significantly intensify the sites or create traffic problems (particularly as Neighbourhood Commercial Centres are located on arterial and collector roads which are intended to accommodate larger volumes of traffic).

There could be some challenges with increasing the permitted floor space in Community Mixed-use Centres and Neighbourhood Commercial Centre designations. To begin with, developers may not wish to intensify their sites as they may in fact, wish to decrease the amount of commercial in order to allow other uses on the site. The recent trend in commercial redevelopment in Ontario has seen a significant increase in the amount of residential within mixed-use designations, which has been associated with a stable or reduced amount of commercial. Developers may also have challenges intensifying sites. It is noted that some retailers (particularly anchor tenants) have long term leases (typically 20 years plus) and that these leases may have clauses that control various aspects of the on-site development such as the minimum amount of parking provided, restrictions on certain other retailers on the site, etc. As a result, developers might need to renegotiate leases in order to achieve further intensification.

It must also be recognized that not all retail uses will be as easily integrated into all types of mixed-use development and some tenants can be reluctant to locate in them due to compatibility concerns and/or the desire to maintain current building prototypes, particularly as it relates to vertical integration.

It should also be noted that increasing the caps may contribute to the concentration of commercial in these nodes that may otherwise locate elsewhere and may not result in an appropriate geographic distribution of service levels throughout the City.

Recommendation - Intensify Existing Sites by Removing or Increasing Retail Caps

Given the City's long-term focus on protection of the Downtown and the desire to ensure an appropriate geographic distribution of commercial space throughout the City, it is not recommended that the retail caps be removed in the Official Plan for Community Mixed-use Centres. Instead, it is recommended that caps be increased for three of the Community Mixed-use Centres (Gordon/Clair, Woodlawn/Woolwich and Paisley/Imperial) that are currently developed to provide a total gross floor area.

These increases in floor space will provide the opportunity to intensify these Nodes, which helps to achieve some of the objectives of the Official Plan. These include creating higher density and mixed use development in compact, well-defined focal points, supporting walking, cycling and transit for everyday activities, and providing a range of uses including commercial.

Council has approved Urban Design Concept Plans to support the evolution of these three key areas and illustrate the City's vision for them. As a result, there is additional guidance on how further development could achieve both a desirable built form and further commercial floor space to meet future demand. It is recognized that in the case of Gordon/Clair, given how recently some of the area has developed that further intensification may not happen immediately although there appears to be some opportunity for additional commercial space.

It is also recommended that the caps be increased for the Neighbourhood Commercial Centres from 4650 sq m to 6500 sq m. Increasing the floor space provides opportunities to intensify the sites which in turn makes better use of existing infrastructure and supports transit usage. It also removes the gap between the maximum amount of commercial space permitted in Neighbourhood Commercial Centres and the minimum amount of commercial floor space recommended for Commercial Mixed-use Centres (discussed below in section 5.1.4).

Add New Lands to the Commercial Inventory

Another option to address the projected shortfall of commercial space after 2031 is to increase the amount of land that is designated for commercial or mixed-use purposes. Given that there are no opportunities for expansion of the City boundaries at this time, there are constraints on the ability to redesignate new land for commercial purposes. Various approaches could be used to add additional lands.

A. Possible Conversion from Employment to Commercial

The first option could be to redesignate lands from employment uses to commercial uses. Under provincial policy, land cannot be removed from employment designation unless it is done as part of a Municipal Comprehensive Review (MCR). The 2017 Growth Plan states that: "The conversion of lands within *employment areas* or *prime employment areas* to non-employment uses may be permitted only

through a *municipal comprehensive review* where it is demonstrated that:

- a. there is a need for the conversion;
- b. the lands are not required over the horizon of this Plan for the employment purposes for which they are designated;
- c. the municipality will maintain sufficient employment lands to accommodate forecasted employment growth to the horizon of this Plan;
- d. the proposed uses would not adversely affect the overall viability of the *employment area* or *prime employment area* or the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan; and
- e. there are existing or planned *infrastructure* and *public service facilities* to accommodate the proposed uses."

As a result, any recommendation for expansion of commercial designations into employment areas will need to be carried out in conjunction with a MCR undertaken by the City rather than a standalone Official Plan amendment to implement the recommendations of the Commercial Policy Review. The MCR will need to balance the projected demand for additional commercial lands with the future need for employment lands.

The City has retained Watson & Associates Economists to prepare an Employment Lands Strategy Update, which is still underway. As noted above, the Official Plan policies currently address the horizon year of 2031, which aligns with Official Plan Amendment 48. The next Official Plan update will address development to 2041 and the Employment Lands Strategy Update will include an assessment of long-term employment land needs to 2041. It will evaluate the supply of employment land based on forecast demand for employment lands and the available employment land supply. The Study will be considered an interim update to provide an assessment of current employment land needs related to the future MCR process that will be required under the 2017 Growth Plan.

As part of the analysis, the Study will discuss potential conversions of employment land to non-employment uses to address demand and Growth Plan employment targets through to 2041. As a result, there may be the possibility of converting employment lands to commercial to address the projected shortfall of commercial lands after 2031.

The Employment Lands Strategy Update will review the York Road/ Victoria Road lands. Given the history of the area and a number of

factors such as market opportunities, surrounding land uses, infrastructure and municipal servicing needs as well as local business and resident input, further study is required prior to making any recommendation on the suitability of these lands for conversion.

Following completion of the City's Municipal Comprehensive Review, employment lands may be available for conversion if deemed appropriate and could be considered for commercial uses in a future Official Plan Update.

B. Possible Land Exchange between Employment and Commercial

Another option for the area of York and Victoria Roads is to consider an opportunity to exchange lands designated as Service Commercial with lands designated for Employment to create a better commercial configuration without reducing the land area of employment lands at this location. One of the issues identified in the Stage 1 report was the lack of larger parcel sizes (2.8+ ha), which could be addressed by reconfiguring land use designations. This option may be helpful if, based on the results of the City's full MCR; the City determines that they do not want to lose employment lands in this area.

Another reason the lands at York and Victoria are attractive for exchange is that they can help to address concerns that have been raised that there is insufficient commercial development within the east side of the City including a lack of grocery stores. The Watson Parkway/Starwood Community Mixed-use Centre was planned to provide that function but it has not yet developed for commercial uses. The delay may in part be due to one of the current trends in retail identified in Stage 1 which is the consolidation of stores, as retailers choose to serve a broader market from fewer locations. In the case of the Watson Parkway/Starwood site, the Zehrs store at Eramosa Road and Stevenson Street was expanded and upgraded. This issue is discussed further in section 5.1.4.A below.

The challenge with the creation of additional commercial/mixed use designations located in the York and Victoria Roads area is that there is currently not a lot of residential development immediately around it to encourage active transportation access to the commercial development.

C. Possible Conversion from Residential to Mixed-use

There may also be an opportunity to address the projected shortfall of commercial land by converting areas of higher density residential lands

to a mixed-use designation to also permit commercial uses. At this point, it is not known if there is a surplus of higher density residential lands within the City that would allow the City to achieve the growth and intensification targets established by the Growth Plan. This would need to be examined by the City through a separate review process before the conversion could occur.

There are parcels that are currently vacant that could be identified for a possible conversion to a Mixed-use designation. In particular, high density residential sites located along arterial and collector roads may be appropriate for consideration.

Recommendation - Add New Lands to the Commercial Inventory

All three of these possible options (converting lands from employment to commercial, exchanging lands between employment and commercial, and converting high density residential to mixed use) have the potential to increase the amount of commercial floor space that could be made available within the City. However, all of these options must be carried out in conjunction with a Municipal Comprehensive Review undertaken by the City in order to satisfy the requirements of the Growth Plan for the Greater Golden Horseshoe. The Municipal Comprehensive Review will have to balance the projected demand for commercial space with the future need for employment lands and cannot be incorporated in the immediate future through adoption of the Commercial Policy Review Official Plan amendment. Given that the shortage of commercial land is not projected to occur until after 2031, it is recommended that these options be considered as part of the City's Municipal Comprehensive Review as a potential means of addressing commercial land needs to 2041.

With respect to the conversion of lands within the York Road employment area east of Victoria, there are a number of factors such as market opportunities, surrounding land uses, infrastructure and municipal servicing needs as well as local business and resident input, that require further study before any final recommendation is made on the suitability of these lands for conversion.

Guelph Innovation District

Within the Guelph Innovation District (GID) Secondary Plan area, lands have already been designated for commercial uses to meet the needs of that area. Commercial lands include: existing Neighbourhood

Commercial at the south east corner of York Road and Victoria Road; Mixed-use Corridor at the south east corner of Victoria Road and Stone Road, along the east side of Victoria Rd north of College Avenue and along the new easterly extension of College Avenue into the Secondary Plan area; and Service Commercial at York Road and Watson Parkway. As a result, the total amount of commercial opportunities appears to be sufficient to meet the needs of the new community and these lands have already been included in the available commercial land supply. It is noted however, that policies prohibit large-format stand-alone retail commercial uses due to the intention of creating main street commercial and that most of the commercial opportunities are on lands designated Mixed-use.

It is recommended that the City make a small revision to the policies dealing with the land at the southeast corner of Stone Road E. and Victoria Road N. that are not part of the provincially owned lands within the GID. The Mixed-use policies that were created in the GID were undertaken prior to the City-wide Commercial Policy Review and were focussed on meeting the needs of the residents of the Secondary Plan area and promoting the development of a sustainable community.

In looking at these lands through the City-wide lens of this Review, there is an ability to consider the commercial opportunities that address the needs of the larger community. As noted above, there is a shortage of larger parcels of land available for commercial development. The amount of land within the Mixed-use Corridor (GID) designation in the southeast corner of Victoria Road and Stone Road is approximately 11.75 ha (29 acres) which meets the criteria for a larger parcel size. Part of the need to provide for larger parcels was to address the future demand for additional grocery store space but current GID policies do not permit stand-alone boxes.

Creating retail development within a residential mixed-use building is more challenging due to differing needs between the commercial and residential components creating conflicts that may include loading, circulation and noise issues. In the Guelph context where land prices have not risen as steeply as in larger urban areas in the Greater Golden Horseshoe Area, the land values and the densities are not likely high enough to persuade larger format stores to accept what, from their perspective, may be less than optimal sites (i.e. the ground floor location of a mixed use building, particularly one that includes residential).

In order to encourage commercial development within the Mixed-use Corridor (GID) designation that will meet the City's needs while

maintaining the GID vision and principles, it is recommended that the minimum height be reduced from 9 m to 7.5 m on a 2.8 to 3.0 ha (7 to 7.5 acres) portion of the designation. This would allow a 2-storey structure to be built instead of 3 storeys. While the second floor space may initially be vacant (such as has occurred at the southwest corner of Gordon St and Wellington St), the long term massing of the building will contribute to a main street feel which supports a mix of uses and density of development within the area. It may also promote a larger retail store such as a grocery store as part of a larger building containing a variety of commercial and office uses.

Although it does not actually add new commercially designated lands, it will facilitate a greater likelihood of achieving commercial development in this area within the 2031 horizon year of the Official Plan. It is recognized that a reduction in the height may impact the projected population and employment projections for the Secondary Plan area but by restricting the reduced height to less than a quarter of the Mixed-use Corridor (GID) site at Victoria and Stone Roads, the impacts should be minimized.

Recommendation - Guelph Innovation District

It is recommended that within the Mixed-use Corridor (GID) designation near the southeast corner of Victoria Rd and Stone Rd, the minimum height be reduced from 9 m to 7.5 m on a portion of the designation. This would not apply to lands immediately adjacent to the intersection where the minimum height is established at 4 storeys. The reduction in height would allow a 2-storey structure to be built instead of 3 storeys. The development will continue to support a mix of uses but it will be easier to find tenants for one level of above grade commercial space than for two.

The recommended parcel size where the minimum height would be reduced is 2.8 to 3.0 ha (7 to 7.5 acres) and its exact location should be determined as part of Stage 3 of this study. This will allow a greater opportunity to consult with the landowners affected by the proposed change.

5.1.2 Commercial Opportunities in the Clair-Maltby Secondary Plan

Within new communities, there is a need to ensure that local serving and weekly commercial needs are being met within these communities as consumers do not want to travel far to buy these products.

Within the Clair-Maltby Secondary Plan area, there does not appear to be a need to establish weekly commercial uses such as a grocery store given the proximity to the Community Mixed-use Node at Clair Road and Gordon Street, which has 3 grocery stores. There will be a need to provide local/convenience commercial goods and services within the residential areas of the Secondary Plan such as dry cleaner depots, dentist offices, hairdressers and fast food outlets. There is also an opportunity to consider providing commercial uses along Gordon Street that serve a broader community function or take advantage of its gateway location to the City.

The Conceptual Community Structure Plan for the community has identified a number of small mixed-use parcels along Gordon Street and one on Clair Road ranging in size from 0.5 ha to 1.4 ha (1.2 to 3.5 acres) and totaling approximately 6.2 ha (15.3 acres) which will potentially provide additional lands available for commercial purposes to meet the projected commercial shortfall. The small parcel sizes will limit the range of commercial uses that will be developed to local and convenience uses and given the mixed-use designation under the current policy regime; there is the possibility that no commercial will be developed within these designations.

As previously noted, the Commercial Policy Review Stage 1 report identified that there is a limited number of parcels greater than 2.8 ha (7 acres) available for development in the City. It is recommended that, to partially address this issue, a Mixed-use designation be included within the Clair-Maltby Secondary Plan area along Gordon Street that has a minimum area of 2.8 ha. It is expected that the 2.8 ha parcel will be an enlargement of a parcel already identified for Mixed-use so that there will not be an overall increase in Mixed-use land area by the full 2.8 ha.

Recommendation

The Clair-Maltby Secondary Plan area is a new greenfield primarily residential community being planned in the southeast portion of the City. A preliminary concept plan has already been endorsed by Council as the basis for developing the Secondary Plan. It is recommended that a parcel with a Mixed-use designation be included within the Clair-Maltby Secondary Plan area along Gordon Street that has a minimum area of 2.8 ha. This will address the need for additional parcels greater than 2.8 ha (7 acres) to be available for development in the City.

Although this recommendation will result in a minor change from the concept plan, the increase in parcel size will still fit within the overall concept for the community and can be readily accommodated at this point within the study process. The location of the mixed-use designation will be determined as part of the Secondary Plan process.

5.1.3 Monitor the Commercial Land Supply

Although it is projected there will be a commercial land shortage, the shortage would amount to approximately 5% of the total commercial land supply in the City. Given the City has a vacancy rate of 7.5%, (and a healthy rate is typically considered to be 5 to 7.5 %) some decline in that vacancy rate could be accommodated without significant impact. If no new commercial/mixed-use land were added to or subtracted from the current supply within the City, it is estimated that the vacancy rate would drop to approximately 5.0% by 2036 and to 2.5% by 2041.

If the vacancy rates drop below 5%, there are potential implications. A shortage of land supply may ultimately result in increased demand for retail space which, based on the law of supply and demand, could cause an increase in leasing rates or land prices that could affect commercial businesses, particularly independent businesses. This increase in land value may improve the opportunity for the City to achieve more intensification. In addition, the increase in rents or land prices may be offset by an increase in the sales per square foot achieved by retailers as there will be less competition. This may help to offset challenges faced by the changing retail market that were noted in the market trends identified in the Stage 1 report.

It should be noted however, that while the potential increase in sales per square metre may initially benefit retailers, it might not benefit consumers. Healthy retail competition is encouraged as it helps to keep businesses from stagnating as they are required to consider new and innovative approaches to remain profitable. It also fits with the principle of creating a strong and competitive economy. A decrease in land supply may diminish that competition slightly and may mean that customer service levels could drop slightly and prices could rise. Given the current competition from on-line retailing and the ability for customers to compare prices more easily, it is expected that any potential rise in prices would be moderated.

It should also be noted, that even with the potential unmet future demand for commercial space, the City is currently generally well

served with a full range of goods and services (other than a current lack of food store space in the east end) and there is not expected to be significant outflow of shopping dollars to other municipalities.

At this point, the shortfall is not projected to occur until after 2031 if no existing commercial/mixed-use sites are converted to other uses (although it is acknowledged that there is a limited supply of larger parcels). Given the changes occurring in the retail market right now that is resulting in a decreased demand for retail floor space, current projections may continue to be adjusted as the full impact of the evolution caused by e-commerce and changing demographics emerge. One alternative is therefore to monitor the commercial land uptake for a few years to see how the market is adjusting before adding additional lands, and then address it at the next commercial policy review.

The City now has a strong data base of the current commercial market and as a result, monitoring the commercial changes through building or occupancy permits in conjunction with growth in the City's population base can be more readily accomplished. This monitoring would include updating the inventory of commercial space in order to track vacancy rates, changes in the amount of commercial space and coverage ratios.

The monitoring could include a report in 5 years to identify if demand is meeting the forecasts and if it is, then supply could be revisited again when the next commercial policy review is undertaken. If it appears that demand is growing more quickly than forecast, the City is in the position to be proactive and initiate a commercial policy review sooner.

Recommendation

While there are always changes occurring within the retail market place, they appear to be occurring more rapidly due to such matters as on-line shopping and changes in demographics. As a result, in order to ensure that commercial development is aligned with forecasted projections, it is recommended that the changes to commercial floor space within the City be monitored. This will allow the City to respond in a more timely manner if market trends veer significantly from the current forecasts.

The City should undertake their own monitoring on an annual basis, using the inventory prepared as part of this study updated with annual building permit summaries. This approach would likely result in a

more general total of commercial space than the more detailed breakdown the consultants have carried out, as it would not involve on-the-ground surveys. It would nevertheless, give overall totals and could be broken down by areas of the City. City staff could then prepare an update report to Council in 5 years to show monitoring trends. The advantage to this approach is that if it appears that the market is changing rapidly or new issues are emerging, the report to Council can occur earlier than 5 years if need be.

Another option would be to retain a market consultant in 5 years to prepare a detailed summary that builds on the current database so that it is possible to see the changes that have occurred and then prepare an update for Council.

In either approach, it is recommended that the review be undertaken in 5 years.

5.1.4 Development of Existing Vacant Land within Community Mixed-use Centres

Although the Stage 1 report has identified a projected shortfall of commercial land after 2031, there are landowners who have expressed an interest in reducing the amount of commercial development expected within Community Mixed-use Centres. As is being discussed elsewhere in this report, the Community Mixed-use Centre designation in the OP does not currently specify a minimum amount of commercial space on a site although policies indicate that the area is intended to be a focal point and provide “the opportunity to satisfy several shopping and service needs at one location”. If a reduction in the expected amount of commercial development were to occur on these sites in isolation of the other options discussed above, this would lead to a larger projected shortfall of commercial development potential than is currently forecast. However, various options are being considered to increase the amount and parcel size of lands available for commercial floor space. As a result, a reduction in commercial space on specific sites can be considered in that context as long as appropriate service levels within the communities affected are addressed.

A. Watson Parkway/Starwood

The Watson Parkway/Starwood Community Mixed-use Centre has an historic open site plan application for 18,800 sq m (202,000 sq. ft.) of development, of which approximately 11,600 sq m (125,000 sq. ft.) is

commercial and the owner has expressed an interest in decreasing the amount of commercial development on that site. Although no formal application has been submitted, discussions have occurred. One of the issues that has been raised through public consultation that has occurred to date on this Study is the lack of a grocery store and commercial space in the east end of the City. As a result, careful consideration needs to be given to any changes in the east end to ensure that residents in the east side of the City are well served.

If alternative commercial locations are added in the east side of the City (as discussed in section 5.2.1), this will provide the opportunity for other stores to develop outside of the Watson Parkway/Starwood Community Mixed-use Centre. This should address the community's concerns but could also alter the planned function of the Watson Parkway/Starwood Community Mixed-use Node. A decrease in commercial space in this location should also be assessed in the context of how much commercial space is needed to retain the planned function of the site as a Community Mixed-use Centre and as part of the Community Mixed-use Node. The Community Mixed-use Node is intended to realize, in the long term, an urban village concept through a wide range of uses in a compact urban form with a main street area. Commercial uses are a fundamental component of this concept as they service the residential and office uses, provide jobs, enliven the streetscape and support active transportation as people's daily living needs are provided within walking distance.

As noted above, the OP policies do not specifically identify a minimum amount of commercial floor space, as historically there has been little need to specify one since the focus has been on restricting the maximum amount of commercial space. With the evolution from commercial designations to Mixed-use designations and with recent changes in the real estate market that make the development of medium and high density residential development more attractive, this issue now needs to be addressed and is discussed in greater detail in section 5.2.4 below.

It is recommended that a minimum of 6,500 sq m (70,000 sq. ft.) commercial gross floor area be required within the Community Mixed-use Centre to maintain its planned function. This will provide sufficient size to allow for a larger store such as a supermarket if desired, as well as other smaller retail and personal service commercial uses. The size is larger than permitted by a current standard Neighbourhood Commercial Centre designation of 4,650 sq m (50,000 sq. ft.) (recognizing that some Neighbourhood Commercial Centre designation have permissions for 10,000 sq m or 108,000 sq. ft.).

If a minimum commercial floor area of 0.15 FSI was assumed for the site, there would be a reduction of approximately 6,900 sq m (74,400 sq. ft.) in the planned amount of commercial that would need to be accommodated elsewhere. If the OP were amended to require a minimum of 6,500 sq m (70,000 sq. ft.) on this site, there would be a potential reduction in the planned commercial space of approximately 6,875 sq m (74,000 sq. ft.) that would need to be accommodated elsewhere.

While the issue of considering a minimum amount of commercial floor space does not immediately affect all of the existing Commercial Mixed-use Centre designations as other Centres are at different stages of development, the issue is significant enough that it should be addressed on a City-wide basis. As previously noted, the issue is discussed in greater detail below in section 5.2.4.

B. Silvercreek Junction

The lands at Silvercreek Junction that are part of the Community Mixed-use Centre between Paisley Road and Waterloo Avenue contain 8.2 ha (20.3 acres). These lands were originally intended to provide for a regional serving commercial development that would contain several big box stores. The initial proposal included several big box stores that have located on different sites in the City or not proceeded. To date, no commercial development has occurred on this site and the owner has expressed interest in alternatives to commercial development such as residential. As noted above, the current OP policies do not explicitly prohibit that from occurring, although as also noted above, commercial uses form an important part of the planned function of the node and are therefore necessary to preserve in some form, in order to achieve a compact urban village format and address the needs of residents and employees.

In addition, with the longer term forecast for a shortfall of commercial land, removal of all of these lands from commercial uses does not appear to be in the City's best interests. While there may not be immediate short-term demand for retail in this location, planning is intended to address the preferred forms of development and land use at full build out in a manner that meets the City's objectives and vision. For example, in the past it has not been uncommon to require high density residential development to be planned within a new residential community even if there was no immediate demand for this form of development or to require local commercial uses which

typically do not develop until there is sufficient residential development to support them.

The same approach should be taken with the Silvercreek Junction site so that in order to address the long-term needs of the City, some commercial development should occur on this site. It is also expected that if a substantial amount of new residential development occurs on the site, there will be a need for at least some local serving commercial uses on the site. A portion of the site should therefore retain a designation that permits commercial. This may be done through retaining the Community Mixed-use Centre designation with a minimum amount of commercial floor space as discussed above or it may be appropriate to designate a portion of the lands for Neighbourhood Commercial Centre with a larger cap of 10,000 sq m (108,000 sq. ft.). If part of the land is redesignated from Community Mixed-use Centre to Neighbourhood Commercial Centre then the City will need to re-examine the Community Mixed-use Node in this location. Given the site's location between the Community Mixed-use Node at Paisley and Imperial Roads and the Downtown, there may be a suitable planning rationale to remove the Community Mixed-use Node designation from this location. This matter would need to be addressed as part of the City's Growth Plan conformity exercise.

If a minimum commercial floor area of 0.15 FSI was assumed for the Mixed-use portion of the site, there would be a reduction of approximately 8,200 sq m (88,500 sq. ft.) in the planned amount of commercial that would need to be accommodated elsewhere in the City. If the commercial floor space was allowed to only require a minimum of 6,500 sq m (70,000 sq. ft.) on this site, given its role as a Community Mixed-use Centre, there would be a potential reduction in the planned commercial space of 14,000 sq m (150,000 sq. ft.) that would need to be accommodated elsewhere in the City.

The size of this site is such that the development of a large proportion of non-commercial uses on it would further exacerbate the lack of large parcels available for commercial development in the City. It would also put a noticeable dent in the amount for land available for commercial development so that the City would no longer have a sufficient supply of land to meet the projected 2031 requirements and would have a greater deficit in 2041. While it is recognized that the owner does not currently have tenants for the site, this Study is intended to look at the long term commercial needs of the City. It is therefore recommended that the alternative development options for this area only be considered if the City is satisfied that there are acceptable ways to address the projected shortfall of commercial land.

Combination

If both the Watson Parkway/Starwood and Silvercreek Junction Nodes developed per a 6,500 sq m (70,000 sq. ft.) commercial floor area minimum, a total of 20,875 square metres (224,500 sq. ft.) would need to be accommodated elsewhere in the City. This would translate to an additional 8.35 ha (20.6 acres) if accommodated entirely through commercial vacant land development. This would turn a 6.31 ha (15.6 acres) land surplus in 2031 into a deficit of 2.04 ha (5.0 acres). When added to the 9.27 ha (22.9 acres) requirement already identified for 2041, a total of 17.61 ha (43.5 acres) of additional land would be required.

Recommendation

Both the Watson Parkway/Starwood and Silvercreek Junction sites are designated Community Mixed-use Centres and are part of Community Mixed-use Nodes. The Community Mixed-use Nodes are intended to develop as an urban village with a wide range of uses in a compact urban form that includes a main street area. Commercial uses are an integral component of achieving this concept. In order to maintain the planned function of these sites, it is recommended that a minimum of 6,500 sq m of commercial floor space be specified for Community Mixed-use Centres. As will be discussed below, the minimum will apply to the entire designation, which will allow portions of the two areas to be developed for residential only development if desired, while achieving the planned function of the designation which includes a mixture of uses.

The minimum 6,500 sq m of commercial floor space will provide sufficient size to incorporate a larger store such as a supermarket if desired, as well as other smaller retail and personal service commercial uses that will support the surrounding area. The size is larger than currently permitted by a standard Neighbourhood Commercial Centre designation of 4,650 sq m (50,000 sq. ft.) in order to differentiate the site from that of a Neighborhood Commercial Centre. Any decrease in the commercial floor space below 6,500 sq m would require an Official Plan amendment.

If the amount of commercial space on these two sites is reduced to 6,500 sq m, which is a combined total of 20,875 square metres (224,500 sq. ft.) lower than planned, it is expected that these reductions will occur prior to 2031. This will mean that sufficient commercial lands will no longer be available to meet projected

commercial needs until 2031 and other options should be provided. As noted above, other alternatives to add commercial floor space elsewhere in the City have been identified but not all of the options can be implemented immediately due to the need for additional studies. Given the other options of increasing the floor space permissions within existing designations and adding land within Clair-Maltby, there are still opportunities to meet the City's commercial needs to 2031.

5.2 Official Plan Policy Issues

As noted above, Section 5.1 of this report was focussed on addressing issues relating to the supply of land available for commercial development within the City and this section is intended to address other issues that have been identified for review as part of the Commercial Policy Review relating to existing Official Plan policies.

The issues to be addressed include:

- Considering updates to the commercial policy structure and commercial/mixed use designation categories;
- Considering the possible expansion of active retail frontage requirements;
- Addressing Big Box retail;
- Considering the feasibility of second floor commercial in mixed-use buildings;
- Maintaining a mix of uses on mixed-use sites;
- Considering incentives to achieve the desired built form;
- Identifying possible modifications to market impact study requirements; and
- Addressing parking requirements.

These issues will flow from and address the City's current Official Plan structure and policies. The Official Plan has created an overall urban structure that is identified through Growth Plan Elements and is illustrated on Schedule 1 of the Official Plan.

It focuses growth towards:

- The Urban Growth Centre (Downtown);
- Community Mixed-Use Nodes;
- Intensification Corridors; and
- New Greenfield Neighbourhoods

Both the Community Mixed-Use Nodes and the Intensification Corridors include a commercial component as part of their planned function. Each of the Community Mixed-use Nodes (Growth Plan Element) include lands designated Community Mixed-use Centre as well as High Density Residential and other designations that support its vision as a compact, mixed-use place. Three of the Intensification Corridors include lands with a Mixed-use Corridor designation along with other designations.

This urban structure is supported by a commercial policy structure with five major land use designations that permit commercial and mixed-use development and which are defined by their size and planning function. The commercial land use designations are shown on Schedule 2 of the Official Plan attached in Appendix B and include:

- Community Mixed-use Centre;
- Mixed-use Corridor;
- Neighbourhood Commercial Centre;
- Service Commercial; and
- Mixed Office/ Commercial.

The two mixed-use designations permit a variety of land uses, encourage intensification, establish design parameters and recognize that permitted uses can be mixed vertically within a building or horizontally within a site. Neighbourhood Commercial Centres permit a range of commercial uses and also permit multiple unit residential within mixed-use buildings. The Service Commercial designation is intended to limit the range of retail uses, the sites are often auto-oriented and they do not permit residential uses. The Mixed Office/ Commercial designation permits small-scale commercial, office and residential uses.

5.2.1 Commercial Structure and Designations

The OP's current urban structure has been revised to reflect the Growth Plan requirements to create Nodes and Corridors. Within this urban structure, the City has established the Community Mixed-use Centre designation that forms a significant part of the Community Mixed-use Nodes, and the Mixed-use Corridors designation that forms an important component of the Intensification Corridors. The Mixed Office/ Commercial designation permits a variety of small uses and the name of the designation conveys the intent of the desired function. The Neighbourhood Commercial Centre and Service Commercial designations that permit commercial uses have retained a name that focuses on commercial uses than a mixed-use one. Given that there is an overall thrust through the vision, principles and policy direction to encourage intensification, mixed-use development and the use of

active transportation and transit, there is an opportunity to consider the structure of the commercial policies and assess if it would be appropriate to redesignate the remaining commercial designations to mixed-use designations.

A number of the other municipalities reviewed as part of the Stage 1 work created mixed-use designations that applied to all or most of the designations that permit commercial uses. If there is a desire to encourage a range of uses in a compact form, a mixed-use designation more clearly identifies the type of built form character and the function that the City wants to achieve.

A. Neighbourhood Commercial Centre

Although apartment residential is currently permitted in a mixed-use building within the Neighbourhood Commercial Centre designation, consideration could be given to emphasizing this through the creation of a new mixed-use designation in order to encourage intensification and facilitate active transportation to commercial uses. This would be consistent with the Vision and Principles established for this study for compact and sustainable commercial development that is convenient and accessible, and with the Mixed-use approach being utilized for the higher order commercial in the OP. It would also emphasize the role of commercial as part of a focal point within the local neighbourhood as many of the existing Neighbourhood Commercial Centre designations are already adjacent to medium or high density residential development.

In addition, it was also noted in the Stage 1 report that there is a trend towards a flattening of the retail hierarchy as, for example, regional centres start to include more local serving goods and services. Changing Neighbourhood Commercial Centres to a Neighbourhood Mixed-use designation may also provide greater flexibility to neighbourhood serving centres to respond to retail changes and maintain the health of these areas.

On the other hand, the Neighbourhood Commercial Centre sites are typically smaller and therefore have less flexibility to incorporate new residential space without the loss of commercial space. Given the projected long term shortage of commercial space, as well as the desire to meet consumer demand and provide jobs, further opportunities that possibly reduce the amount of commercial space may not be desirable at this time. It would only be considered appropriate if it was combined with policies establishing a minimum

amount of commercial space required on a site as discussed below in section 5.2.4.

As noted above, multiple unit residential uses are permitted in the Neighbourhood Commercial Centre. In order to keep the emphasis on commercial uses, the current policies state that residential uses are not permitted on the ground floor. It would be helpful to clarify that policy to indicate that no residential uses other than a lobby or residential components of a live-work unit are permitted on the ground floor.

It is also noted that there is no cap on the density of multiple unit residential uses in the Neighbourhood Commercial Centre. In order to ensure compatibility with surrounding uses and to ensure that the residential does not become the predominant use on the site, the City should consider establishing a maximum number of residential units per hectare as part of the next phase of the CPR.

B. Service Commercial

The role of the Service Commercial designation is to provide commercial uses that would not normally locate within the Downtown because of site area or highway exposure needs or which may conflict with residential uses.

The definition in the OP of Service Commercial is:

“uses that support highway-oriented or service-oriented commercial activities that cannot be readily located within the downtown area or within a shopping centre location. The following list characterizes the main features of a service commercial use:

- a) A use that requires a large site area and outdoor display area to accommodate the sale of large commodities such as cars, recreational vehicles, building supplies;
- b) A use that primarily relies on business from tourists and inter-urban traffic such as a hotel, gas bar, fast-food restaurant;
- c) A use that supplies goods and services that are not normally found within the downtown or a shopping centre such as auto repair and service facilities;
- d) A use that requires a location convenient to industry as it primarily provides service to industry such as machinery sales and service, electrical supplies; or
- e) A use that requires substantial showroom area because of the bulky or large size nature of the principal commodities that are being marketed, and the requirement for a large showroom

makes it economically difficult to provide the space in the downtown or shopping centre location.”

The types of uses that typically locate in Service Commercial are usually based on auto-centric forms of transportation that while necessary, do not help to achieve the OP’s objectives for active transportation and transit use or the Principles of ensuring that commercial development is compact and pedestrian oriented. Recognizing this, the OP policies already discourage the establishment of new service commercial strips and promote the retention of service commercial only along one side of an arterial road.

It is acknowledged that the needs that are served by this designation will continue to exist within the City but not all service commercial areas are functioning at an optimal level, may no longer serve the primary intended function or could support additional intensification opportunities. Options to update the Service Commercial designation could consider:

- expanding the range of permitted uses within the designation; or
- converting some Service Commercial areas to other designations.

Due to the potential conflict of the current permitted uses with residential uses, it is not recommended that the designation be changed to a mixed-use format.

Expanding the range of uses would be consistent with the evolution in retailing where stores are providing a wider range of goods such as grocery stores selling clothes, drug stores selling food etc. It would also open up the opportunity for greater competition amongst retailers, if additional uses are permitted in what are currently Service Commercial locations. The challenge with this approach is that limiting the range of uses in the Service Commercial designation is intended to preserve the function of the Downtown and other Commercial and Mixed-use designations. It should also be noted that many of the existing Service Commercial lands are not ideally situated for serving residential areas, which may utilize or benefit from additional commercial uses. As a result, this is not the recommended approach for the majority of the Service Commercial locations although there are some locations as outlined on the map in Appendix C that have been considered for some expansion of permitted uses.

- i. Victoria Road and Elizabeth Street;
There are lands designated for service commercial at the northeast, northwest and southwest corners of Victoria Rd and Elizabeth

Street. The area immediately southeast of these lands has been identified in section 5.1.1 of this report as an area that could possibly be considered for future conversion of employment lands to commercial uses based on the Employment Land Strategy Update currently being undertaken by the City. The Service Commercial lands could be considered as part of a larger study for the area identified through the Employment Land Strategy Update or they could be considered for an expansion of permitted uses on their own. If the Victoria and Elizabeth lands are considered on their own, they would not have to wait for a Municipal Comprehensive Review. The challenge with these lands is that the existing uses and parcel sizes may make consolidation of land to create a grocery store challenging and may not result in immediate opportunities for a grocery store.

- ii. York Road, north side, east of Victoria Road
The lands are designated Service Commercial in the Official Plan. They are opposite the Guelph Innovation District located on the south side of York Road where the lands are designated Neighbourhood Commercial at the corner, Service Commercial to the east of that and then Significant Natural Areas. The depth of the Service Commercial designation on the north side of York Road limits the extent of development that could occur. In advance of a full Municipal Comprehensive Review, it may be possible to consider exchanging lands designated Service Commercial with lands designated for employment without any reduction in the total amount of employment lands in the area. This would improve the configuration of these lands which, when combined with a change in the type of commercial or mixed use designation, would provide for additional types of commercial uses to serve the east side of the City.

The implications of increasing commercial permissions in the York Road/ Victoria Road area must also consider the impact on the existing Neighbourhood Commercial Centre at the south east corner of York and Victoria Roads and the planned mixed-use areas within the GID Secondary Plan that are located in close proximity to this area. On the Mixed-use Corridor area located on the extension of College Avenue and on Victoria Road to the north of College, there is a minimum height of 4 storeys.

In addition, large format stand along retail commercial uses are prohibited. As a result, given the requirement for commercial to be located in vertically integrated buildings, it is expected that more small scale and convenience types of commercial uses will be

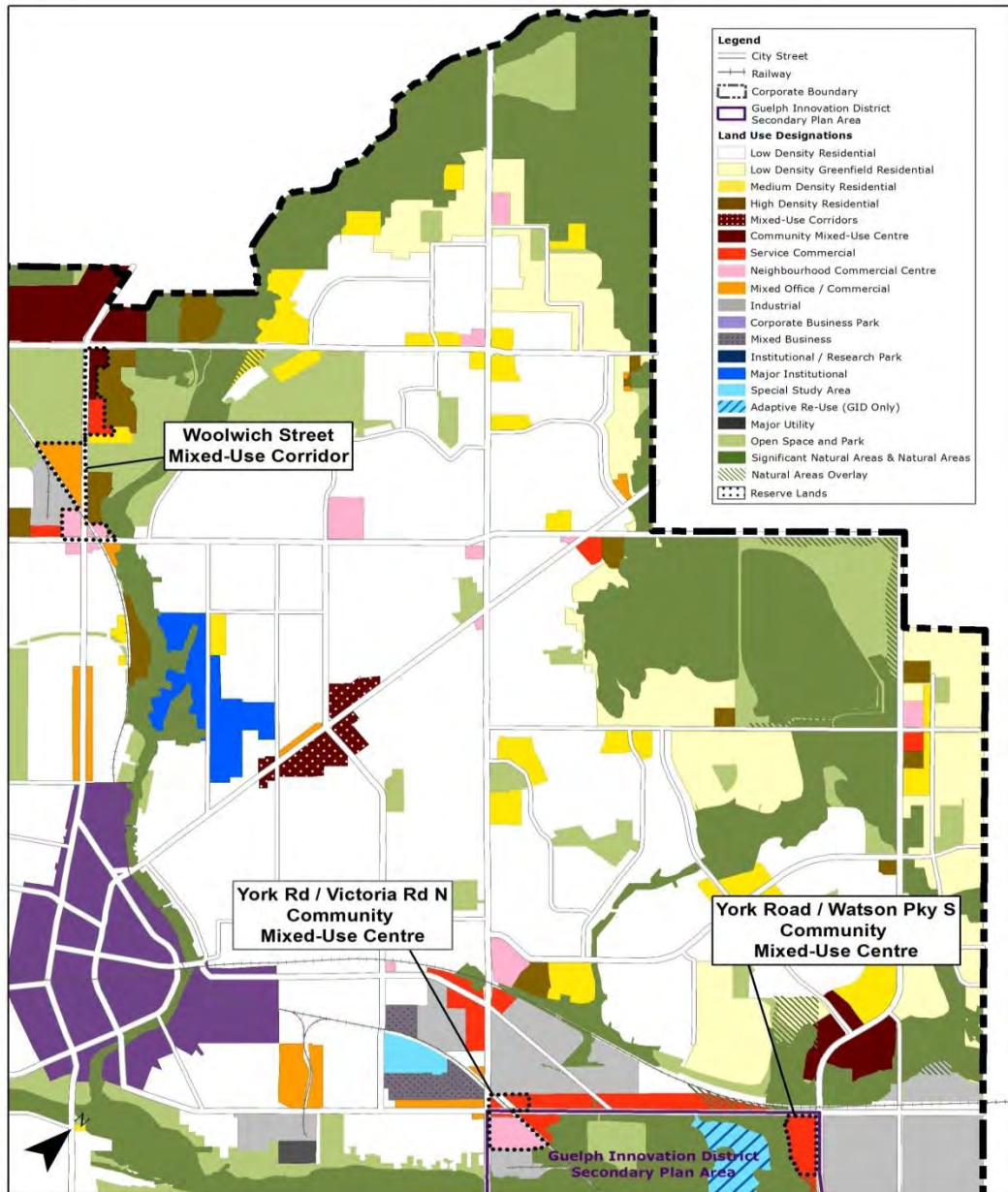
developed in these areas of the GID that would be different from the type and form of commercial than might be anticipated on the York and Victoria lands. The Mixed-use Corridor (GID) designation at the corner of Stone Road and Victoria Road is further removed from York and Victoria and other recommendations to address that area are provided in section 5.1.1 above.

Service Commercial Areas that have been considered for redesignation are discussed below and are shown on the map in Appendix C . They include:

- i. Woolwich Street, east side, between Speedvale Ave and Woodlawn Rd;
This area is located within an Intensification Corridor on Schedule 1 of the OP and includes some lands that are designated Community Mixed-use Centre as well as lands that are designated Service Commercial, Mixed Office/Commercial and Neighbourhood Commercial Centre. The lands are adjacent to Medium and High Density Residential and Open Space and Park designations, which will be compatible with an increase in the intensity and variety of uses. The area contains a number of properties that are underutilized or in poor condition that may benefit from redevelopment and expanding the range of uses will promote intensification of this corridor. In order to ensure that redevelopment of the area respects the Intensification Corridor and the surrounding uses, it is recommended that the lands be redesignated to Mixed-use Corridor.
- ii. Speedvale, south side, between Imperial and Elmira;
These lands are predominately vacant and are adjacent to residential uses to the south and opposite employment uses on the north side of the street. Redesignation to Mixed-use Corridor could be considered as it would expand the range of permitted uses and appears to be generally compatible with surrounding land uses. This could warrant consideration of these lands as an Intensification Corridor on Schedule 1 Growth Plan Elements at the next Official Plan review as all other Mixed-use Corridor designations are within an Intensification Corridor. On the other hand there is a variety of commercial uses available in the area and therefore there is no immediate need for commercial uses in the area.
- iii. Southwest corner of York Road and Watson Parkway;
These parcels located at 919 York Road and 57 Watson Pkwy S, are the site of Air U (the former Royal Canadian Legion) and the current Legion respectively. The lands are designated Service Commercial in the GID Secondary Plan. Redesignation to a mixed-

use designation is recommended as it would help meet commercial needs in the east end, and because it has sufficient lot size and depth to accommodate large neighbourhood and community serving commercial building formats. This would expand the range of permitted uses and appears to be generally compatible with surrounding land uses.

Figure 5 - Preferred Policy Framework Land Use Designation Changes



Recommendation

There are a number of options that have been considered with respect to the current Neighbourhood Commercial Centre and Service Commercial designations within the City. The following changes as illustrated on Figure 5 are recommended:

1. It is recommended that the following two areas be redesignated to Community Mixed-use Centre in order to expand the range of commercial opportunities available within the east end of the City:

- a) East side of Victoria Road at York Road

There is one Neighbourhood Commercial Centre and two Service Commercial areas that should be combined to create a new Community Mixed-use Centre. The Neighbourhood Commercial Centre is located at the south east corner of the intersection and the Service Commercial designations are located immediately north of the Neighbourhood Commercial Centre on the south side of York Road and on the north side of York Road from Victoria Road up to and including 540 York Road.

As mentioned above, in order to prohibit strip development, the current Official Plan policies do not permit a second Neighbourhood Commercial Centre designation to be located within 500 m of an existing one. As a result, a change in designation to the larger Community Mixed-use Centre will allow an expansion of the amount of commercial floor space that is geared to serving the local community rather than the traveling public or City-wide uses that are permitted within the Service Commercial designation. The Neighbourhood Commercial Centre at the southeast corner of York and Victoria Roads already permits a grocery store although none currently exists in this location. The new designation will also mean that the potential expansion of commercial floor space and the range of uses will be undertaken in the context of policies that encourage a compact form. This location is served by multiple bus routes and therefore will support the use of public transit.

It is noted that the shallow depth of the designation on the north side of York Rd may limit some types of commercial development but the depth of the designation can be addressed at the time of the Municipal Comprehensive Review as discussed in section 5.1.1.

- b) The southwest corner of York Road and Watson Parkway
The Service Commercial area designation should be changed to Community Mixed-use Centre. Changing this area to a Community Mixed-use Centre will change the range of uses that are permitted away from those geared to the traveling public or City-wide uses. It will allow an expansion of the amount of commercial floor space and will permit a greater range and

number of more locally serving commercial uses. This site is also served by multiple bus routes and offers the potential to develop a compact built form.

2. It is recommended that the lands on both sides of Woolwich Street, between Speedvale Avenue and Woodlawn Road be redesignated to Mixed-use Corridor (except for those designated High Density Residential, Medium Density Residential, and Open Space and Park).

This area is located within an Intensification Corridor on Schedule 1 of the Official Plan and a Mixed-use Corridor designation is therefore consistent with the intended City structure for this portion of Woolwich Street. There are already a variety of uses along the street and the area is adjacent to Medium and High Density Residential designations which will support the commercial uses along Woolwich St. The redesignation will increase the range of uses that are permitted and will encourage redevelopment in a manner that considers this portion of Woolwich Street in a more consistent manner. It will help to ensure that redevelopment respects the Intensification Corridor by increasing the densities that can be permitted along an arterial road served by public transit.

3. Establish a benchmark commercial floor space that must be addressed if the commercial floor space in a Neighbourhood Commercial Centre is proposed to develop below 0.15 FSI or decrease by more than 25 percent.
The rationale and approach for dealing with this recommendation is discussed in detail in section 5.2.4 below.
4. Multiple residential uses are permitted within the Neighbourhood Commercial Centre designation but not on the ground floor. It is recommended that the policy be revised to state that no residential uses other than a lobby or residential components of a live-work unit are permitted on the ground floor. This will allow the focus on major streets to be commercial uses to help enliven the streetscape.
5. It is recommended that the City establish a maximum number of residential units per hectare as part of the next phase of the CPR. This is intended to ensure compatibility with surrounding uses and that the residential does not become the predominant use on the site.

5.2.2 Active Frontage Requirements

The Downtown Secondary Plan identifies certain streets as active frontage streets. The policies in section 11.1.7.3.4 dealing with active streets state:

“On key streets, active frontages will be achieved to reinforce the role of these streets or portions of streets as commercial, pedestrian-oriented, urban streetscapes. The following shall apply to *development* on properties where active frontage is required, as identified in Schedule C:

- a) Retail and service uses, including restaurants and personal service uses, or entertainment uses shall generally be required on the ground floors of all buildings at the street edge.
- b) Notwithstanding subsection 11.1.7.3.4 a), offices are also permitted on the ground floors of these properties; however, such uses shall be encouraged to locate in other locations Downtown to ensure Downtown’s main streets maintain a strong retail character. The *Zoning By-law* may restrict the size of such new uses and/or their width along the street to ensure they do not detract significantly from the intended commercial function of the street.
- c) Buildings shall contribute to a continuous street wall that has a minimum height of 3 storeys, with infrequent and minimal gaps between buildings.
- d) The width of retail stores and the frequency of entrances shall contribute to a continuously active *public realm* and give the street wall a visual rhythm. The width of stores and restaurants may be limited through the *Zoning By-law* to ensure a rhythm of commercial entrances and avoid long distances between commercial entrances.
- e) Ground floor heights will generally be a minimum of approximately 4.5 metres floor to floor, and windows shall correspond appropriately to the height of ground floors. Generally, a large proportion of the street-facing ground floor wall of a new mixed-use building shall be glazed.”

The question has been raised as to whether additional streets should be identified for active frontage requirements in the Downtown. Active frontage retail is most successful where it occurs on both sides of the street or where there is some other form of active use opposite it. The role and function of commercial space within the Urban Growth Centre (Downtown) appears to have shifted somewhat based on the new Secondary Plan with greater emphasis on other uses such as

residential and entertainment. Until there is a greater demand for retail uses within the Downtown (which should occur as greater population growth happens in the area) it may be best to concentrate the active frontage areas in locations that have already been identified rather than dispersing them and therefore no changes in the Downtown are recommended. It is noted that there is no restriction from them locating in other areas. It is also recommended that this issue be reassessed in the next commercial policy review to determine if sufficient population growth has occurred Downtown to support the expansion of active frontage streets.

There are currently no requirements for active frontage streets outside of the Downtown. The OP strongly encourages incorporating main street forms of development within Community Mixed-use Centres where appropriate, and ground floor retail and service uses are also strongly encouraged. These main street areas are intended to be developed on the basis of the Urban Design Concept Plans which have been approved by Council and there is an opportunity to incorporate active frontage streets in Community Mixed-use Centres within the main street development. If this approach was going to be used for areas outside of the Downtown, the existing policies would need to be modified slightly so that policy c) recognizes that there may be small gaps in a continuous street wall and that in policy d) the width of stores and frequency of entrances may need to recognize the existing retail formats.

Recommendation

Active Retail Streets are not recommended to be added either inside or outside the Downtown. Within the Downtown, it is best to concentrate the active frontage areas in locations that have already been identified rather than dispersing them. Within the Community Mixed-use Centres, the desire for the appropriate built form has already been addressed through Urban Design Concept Plans.

5.2.3 Big Box Retail

There has been a general decline in the amount of new big box retail stores that have been developed in recent years and it is a trend that is expected to continue. This fits well with the City's desire to create main street type commercial as big box stores are typically less compatible with that type of built form.

The current OP policies restrict the number of large buildings with 5,575 sq m (more than 60,000 sq. ft.) of gross floor area on a Community Mixed-use Centre site to four. The current policies seem to be working effectively and with the declining development of big box retail stores, there does not appear to be a need to modify the existing policies.

Recommendation

No changes are recommended to the policies in the Official Plan that restrict the number of large buildings with 5,575 sq m (more than 60,000 sq. ft.) of gross floor area on a Community Mixed-use Centre site to four.

5.2.4 Maintain the Mix in Mixed-use Sites

In order to achieve the planned function of mixed-use sites it will be important to ensure that a site is not developed or redeveloped exclusively with residential or non-residential development. In the context of the projected shortfall of commercial lands after 2031, it is also important to recognize that the projections are based on the assumption that existing vacant sites that permit commercial uses will be developed primarily with commercial uses otherwise the shortage will be exacerbated.

As discussed above in section 5.1.1, the OP policies to date have focused on limiting the maximum amount of retail space on a site rather than being concerned about a minimum amount of commercial space. The OP policies in 9.4.2.14 dealing with Community Mixed-use Centres state that "To promote a mixture of land uses within each Community Mixed-use Centre, retail development will be limited to the following total gross floor area cumulatively of all buildings within the designation." The OP policies in section 9.4.3.1 dealing with Mixed-use Corridors state that Zoning By-laws may include minimum density requirements but again do not specify a minimum amount of commercial floor space.

However, the Community Mixed-use Nodes policies make it clear that commercial development is an inherently important component of the Node in order for it to achieve its planned function and desired built form. As a result, a minimum size/amount of commercial is recommended for mixed-use centres and corridors at the OP level in order to protect the commercial function of mixed-use areas to ensure that they are not developed solely or predominately for residential uses.

In determining what the minimum amount of commercial floor space should be, it is difficult to quantify when the commercial function of a node or corridor is lost because the commercial floor space is too small. In order to support intensification, it is suggested that the City generally consider a minimum benchmark of 0.15 Floor Space Index (FSI) of commercial space at full build out. The zoning for community and regional shopping centres currently specifies a minimum Gross Floor Area (GFA) but that minimum simply ensures that it does not fall within the lower zone category.

In considering commercial development, a general rule of thumb has been that commercial development typically occurs at about 25% lot coverage. As traditional commercial development has been single storey development, this translates into a 0.25 FSI. Establishing a benchmark of 0.15 FSI allows flexibility in the marketplace to respond to future trends and to integrate non-commercial uses onto mixed use sites as well as allowing the ability to address individual site-specific circumstances. Within the City, there is currently a range of FSI on commercial sites with a number of sites having an FSI higher than 0.25. It is noted that in the commercial needs assessment that was prepared in Stage 1 of this study, it was assumed that sites would intensify in the future. However, one of the principles for commercial development in the City is to provide flexibility to allow developers and commercial operators to be able to respond to the evolution of commercial formats.

It is therefore recommended that the 0.15 FSI be established as a benchmark that allows a developer some latitude to rationalize going slightly below that space. As discussed above in section 5.1.1 for Community Mixed-use Centres, it is recommended that a hard minimum amount of commercial floor space be established as 6,500 sq m (70,000 sq. ft.) as any reduction below that level is expected to affect the planned function and place the centre within the realm of a neighbourhood serving function. Given that Mixed-use Corridors have different commercial functions, an equivalent hard and fast minimum amount of commercial floor space is not suggested for that designation.

In establishing the policies addressing the benchmark FSI it has to be determined if it is calculated based on the overall designation or for each individual property. In many cases, there are multiple parcels within each designation. The implications of requiring it on the basis of the overall lands within the designation is that individual property owners could develop non-commercial uses and leave the last property

that develops “holding the bag” and required to provide all of the commercial space to achieve the minimum. However, the same argument could be applied to the restriction on the maximum amount of floor space that is permitted and the OP currently establishes the maximum floor space based on the designation rather than on the individual sites. This allows certain sites to develop exclusively for one use rather than requiring a mix of uses on each site.

It is also noted that the City has prepared Concept Plans for the Community Mixed-use Centres that provide guidance on how the whole designation should develop and while they do not focus on uses, they can identify what opportunities will exist within the designation and prevent one owner from dictating the development of the area. Although this has not been undertaken for all of the Mixed-use Corridors, the City has been studying the Gordon Road corridor and there is an opportunity to study the other Mixed-use Corridors as well. As a result, it is recommended that the benchmark FSI be applied on an individual site basis for sites that are currently zoned commercial to facilitate implementation.

There is also a desire to encourage residential uses on sites that are currently exclusively developed with commercial uses. As noted above in section 5.1.1 in the discussion regarding increasing or lifting the retail caps, there will be issues that need to be addressed to ensure compatibility between commercial and residential uses especially with respect to retrofitting existing sites including addressing such issues as deliveries and garbage pickup.

Recommendation

It is recommended that the City apply a benchmark of 0.15 Floor Space Index (FSI) of commercial space at full build out to Community Mixed-use, Mixed-use Corridor and Neighbourhood Commercial Centre designations. This is intended to be applied on an individual site basis to sites that are currently zoned commercial.

The existing Official Plan policies dealing with Community Mixed-use Centres state that to promote a mixture of land uses, retail development will be limited to a total gross floor area cumulatively of all buildings within the designation. In order to provide greater clarity on what is to be included within the floor space maximum, it is recommended that this policy be revised to apply to all commercial development and not just retail space.

5.2.5 Second Floor Space

One of the objectives of the Study was to consider the feasibility of second floor commercial and mixed-use buildings to support the pedestrian friendly urban visions for the Growth Centre (Downtown), GID Urban Village, Community Mixed Use Nodes and Intensification Corridors. In the Official Plan, urban design policy 8.6.13 dealing with built form for buildings other than low rise residential, states "Generally, a minimum building height of 2 storeys will be encouraged to provide definition to streets and open spaces. Regulations for minimum building heights may be incorporated into the Zoning By-law for non-residential uses at key locations such as sites fronting onto arterial or collector roads, identified Main Streets and at intersections." Policy 8.6.13.14 states "Site and building design should support and facilitate future intensification and redevelopment including strategies for building expansions. For example, ensuring that upper storey volumes can be infilled to create additional floor area."

Second floor space is therefore not mandatory but is simply encouraged and in practice, it appears to only be required on a portion of the site. This approach is used by a variety of municipalities to help to intensify and animate major streets while recognizing the challenges of second floor space above commercial development.

In undertaking the initial public consultation and visioning for this Study, the public were asked what types of uses were appropriate on the second floor and as noted in section 3 above, they felt that a variety of uses including offices, residential, fitness and wellness would work in second floor space throughout the various designations that permitted commercial uses.

The challenge with this type of space is the ability to find tenants to fill it and that the rents which can be achieved for this space, have historically been low. In addition, some ground floor tenants are less interested in locating below second floor space due to either compatibility concerns (particularly where food preparation is involved) or that they have a standard corporate design for their store that they have spent time and money refining to meet their needs and they can therefore be reluctant to modify. Due to the generally lower demand for this type of space, encouraging second floor commercial space such as small offices in Community Mixed-Use Centres or Mixed-Use Corridors may initially compete with similar space in the Downtown, which could detract from the Downtown.

In order to facilitate second floor space, the City should explore opportunities to address barriers to the creation of second floor space with the development community. This may include options such as exempting some or all of the ground floor retail space in multi-storey mixed-use buildings from the retail floor space caps (if they are maintained) or reducing the parking requirements for second floor space in order to incentivize this form of development.

Recommendation

It is recommended that addressing the barriers to the creation of second floor space be addressed through the comprehensive zoning by-law review.

5.2.6 Incentives

Municipalities, to encourage the development of the desired built form, have sometimes used a variety of incentives. The creation of vertically integrated mixed-use (i.e. mixed-use buildings) is often seen as more challenging outside of areas with concentrated development such as the downtown (i.e. more suburban locations). This is due to a variety of reasons including the preference on the part of consumers to be able to drive to retail stores and a lack of experience among developers in building mixed use buildings (although that is starting to change).

Incentives for creating urban and/or mixed-use buildings could be provided for through the use of Community Improvement Plans, parking exemptions for second floor space, exemptions from retail caps for ground floor space, or the use of Section 37 bonusing. These forms of incentives, which were also referenced in the City's Urban Design Action Plan, are recommended for consideration through future review or creation of Community Improvement Plans, and through the review of the Zoning By-law standards relating to parking and retail caps or if Section 37 is utilized.

Recommendation

As the policies permitting mixed use development are relatively new, it is recommended that they be monitored to see how they are functioning before implementing any incentives.

5.2.7 Market Impact and Commercial Function Studies

The City currently requires a Market Impact Study for proposals that want to establish a new commercial or mixed-use area or to expand an existing one. Policies currently state that:

1. Subject to the policies of Section 1.3, proposals to establish new commercial or mixed-use areas or to expand the areas identified on Schedule 2 shall require an amendment to this Plan.
2. Market Impact Studies shall be required to assess the impact on the City's commercial policy structure when proposals are made to:
 - i) establish a new, or modify the designation limit boundaries of a Community Mixed-use Centre or Mixed-use Corridor;
 - ii) to exceed the retail floor area limitations within a Community Mixed-use Centre established in policy 9.4.2.16 or the number of large retail uses in policy 9.4.2.14; and
 - iii) to extend or enlarge a Neighbourhood Commercial Centre to provide more than 10,000 square metres of gross floor area.
3. An appropriate Market Impact Study shall demonstrate that:
 - i) the proposal can be justified without detriment to the overall function or economic vitality of Downtown or the key component functions that contribute to Downtown's overall vitality;
 - ii) the achievement of the City's Strategic Goals, the Urban Design policies and the Commercial and Mixed-use policies and objectives of the Official Plan will not be compromised; and
 - iii) the ability of existing designated commercial or mixed-use lands to achieve their planned function will not be compromised.
4. A Market Impact Study shall include:
 - i) an assessment of the current market situation and the future potential for the expansion of retail facilities in light of projected population and employment growth;
 - ii) an evaluation of the economic feasibility of the proposal on the basis of current market demand or retail market opportunity;
 - iii) an indication of the scale of any adverse effects on the economic viability of Downtown, the key functions that contribute to Downtown's overall vitality and on any existing or planned designated commercial or mixed-use lands provided for in this Plan;

- iv) an assessment of the implications of the proposal relative to the City's approved Commercial Policy Review Study and the objectives and implementing policies of this Plan."

The purpose of the Market Impact Study has been to identify when there may be an over development of commercial space that could undermine the planned function of other commercial areas. Given that there are now mixed-use designations that allow for additional uses as well as commercial and that there is an identified long term shortage of commercial land supply, the need to regulate the amount of commercial floor space also needs to be expanded to consider the implications of too little commercial space. It is suggested the additional policies be added to indicate that a study could be required for proposals to *reduce* an existing commercial or mixed-use area. This would be consistent with issue 5.2.4 above where the intent is to ensure a minimum amount of commercial floor space within mixed-use sites in order to ensure that the planned function is retained. Any development with a commercial FSI below 0.15 or where the amount of commercial space on an existing site would drop by more than 25 percent should be required to undertake a Commercial Function Study.

The Commercial Function Study would be required to demonstrate that the planned function of the designation will not be compromised by the reduction in commercial space by considering:

- availability of commercial floor space within the designation to meet daily and weekly needs of the surrounding community, especially for food and drug stores;
- opportunities for additional commercial floor area to be provided elsewhere and thereby sustain the local provision of commercial space within that designation or in the immediate area;
- impacts on the ability of residents and employees in the area to use active transportation options to access commercial shopping areas and commercial services; and
- role of the commercial space in creating a community focal point.

The wording of the OP market impact policies themselves should also be clarified to understand the differences that apply to how the Downtown versus commercial and mixed-use sites are addressed. The current wording seems to have a concern for addressing the "vitality" of the Downtown versus the "planned function" of other commercial or mixed-use sites.

Recommendation

It is recommended that the City add new OP policies that would give the City the ability to ask that a Commercial Function Study be undertaken if the commercial gross floor space is proposed to drop below 0.15 FSI or there is a reduction in the current commercial floor space of more than 25 percent on an individual site. The purpose of the Commercial Function Study would be to demonstrate that the planned function of the designation would not be compromised by the reduction in commercial space. The current policies in the Official Plan focus on the creation of healthy communities and commercial space is an important component of a complete community. The City has historically established a commercial framework to ensure that there is a reasonable distribution of commercial space throughout the City to meet the needs of the resident

The Commercial Function Study should be prepared by the applicant to address:

- availability of commercial floor space within the designation to meet daily and weekly needs of the surrounding community, especially for food and drug stores;
- opportunities for additional commercial floor space to be provided elsewhere and thereby sustain the local provision of commercial space within that designation or in the immediate area;
- impacts on the ability of residents and employees in the area to use active transportation options to access commercial shopping areas and commercial services; and
- role of the commercial space in creating a community focal point.

This will allow the City to determine if the commercial vision and principles will continue to be met and how the reduction in commercial floor space will affect the needs of the community. It is not recommended that the study be made mandatory, but that the City have the ability to make the determination if one is required at the time of the preconsultation meeting. The wording of the OP policies should use terms such as "should" or "strongly encouraged" instead of "shall" in describing the need to carry out the study. This will give the City the flexibility to determine for example that a reduction of 27 percent is acceptable without the need for a study for a small site where the total amount of floor space lost is relatively minor and the difference between 25 percent and 27 percent is negligible. Another example could be a situation where the use that is proposed to replace the commercial space is very compelling and that its benefits are deemed to outweigh the loss of commercial space in the neighbourhood.

It must be recognized that with the move to mixed-use designations, there is the possibility that there will be a reduction of commercial floor space in some areas but that the development of mixed-use centres is a healthy and sustainable means of intensifying the built-up area of the City. The intent of the Commercial Function Study is therefore to allow the City to balance the need to maintain the commercial options within communities to avoid “food deserts”, for example, while achieving the positive effects of intensification in appropriate locations.

5.2.8 Parking

Surface parking occupies a significant portion of many retail sites which can detract from the visual appeal of the site, focus access on auto-oriented rather than active transportation modes of travel and create large areas of impervious surfaces which do not support the City’s goal for more sustainable development. As retail sites transition to mixed-use formats, consideration should be given to Official Plan policies that encourage shared parking to reduce the overall supply of parking spaces. In the City’s Zoning By-law, parking requirements could recognize that reductions in the required total number of spaces may be appropriate due to shared parking opportunities, especially in areas well served by transit and active transportation modes (i.e. pedestrians and cyclists).

Parking requirements are currently addressed through the City’s Zoning By-law and parking space ratios for commercial development were lowered in the Downtown through the recently adopted Downtown Zoning By-law. Parking rates outside of the Downtown still reflect a typical suburban level of parking requirements. Consideration should be given to revising those rates to reflect the move towards mixed-use development and greater active transportation and transit usage.

The City could also consider introducing maximum parking ratios in order to limit the extent of parking and further encourage other modes of travel to commercial sites. This may be more of a challenge where there is not strong transit service. It is also recognized that major retailers often have parking ratios that they require to be available before they will agree to locate on a site.

In order to be able to respond to potential future changes in parking demand from such things as active transportation and autonomous vehicles, recognition should also be given to ensuring the flexible

design of parking garages and structures so that they can adapt to future alternative uses.

Recommendation

It is recommended that the parking rate requirements be revised to reflect the move towards mixed-use development, greater active transportation and transit usage, and shared parking. This revision should be addressed through the comprehensive zoning by-law review.

5.3 Commercial Zoning

5.3.1 Consistency with OP Designations

The current commercial zones have not been updated to reflect the most recent changes to the OP policies nor the commercial policies that were updated in 2006 and are therefore not completely consistent with the OP designations. The City has created mixed-use designations that permit a variety of uses. However, the Zoning By-law does not permit the range of uses contemplated by the OP. For example, residential use permissions are limited within the Community Shopping Centre (CC) zone. Commercial space caps are included in the City's Zoning By-law but these do not align with the OP caps and the gross floor area does not differentiate floor area based on use. Ensuring that the zoning reflects the land use permissions in the OP will facilitate mixed-use development, as it will eliminate the need for site-specific zoning amendments.

It is also noted that within the same OP designation there can be multiple zones. For example, along Stone Road within the Mixed-use Corridor designation, there are Regional Shopping Centre, Community Shopping Centre and Service Commercial zones. Within the Woodlawn Community Mixed-use Centre, there are Community Commercial, Service Commercial and Industrial zones.

The zoning by-law should be revised to provide new zones or zone requirements that implement the Community Mixed-use Centre and Mixed-use Corridor OP designations through standardized zones that reflect the role of the area. This could include broadening the range of uses. This should be done in conjunction with establishing a benchmark amount of commercial development within these zones as noted above in section 5.2.4 and ensuring that the maximum commercial floor space aligns with the revised OP permissions.

Recommendation

It is recommended that the City create new commercial and mixed use zones that align with the commercial and mixed use land use designations. Ensuring that the zoning reflects the land use permissions in the OP will facilitate mixed-use development, as it will eliminate the need for site-specific zoning amendments. This will also allow for a consistent approach to uses, sizes, setbacks etc.

It is noted that in addressing the revised zoning, it may be necessary to adjust the maximum commercial floor space permissions at the Official Plan level. Not all of the built commercial floor space may have been included the current caps due to the variety of zones being used, some of which may not have been included in the cap. As a result, it is recommended that the changes to the commercial and mixed use zones be carried out at the same time as the Official Plan amendments.

5.3.2 Small Scale Commercial

In the OP, small scale commercial is currently permitted in residential areas up to a maximum gross floor area of 400 square metres on a property as long as it is developed in a manner that is compatible with adjoining residential properties and which preserves the amenities of the residential neighbourhood. Consideration should be given in the zoning to permitting small-scale convenience retail and personal service commercial in the base of apartment buildings to facilitate this type of use where the market demand exists. The City of Toronto has recently introduced a Residential Apartment Commercial zone that allows small-scale business and community services in the base of high rises in order to encourage active transportation and better access to these uses.

Recommendation

The City address the opportunity to permit small-scale convenience retail and personal service commercial in the base of apartment zoning by permitting these uses as-of-right in the zoning by-law. This should be considered through the comprehensive zoning by-law review.

6 Conclusions and Next Steps

Conclusions

A variety of options have been suggested as a means to address the need for parcels greater than 2.8+ ha in size and the projected shortfall of commercial lands after 2031. The Official Plan policies currently address the horizon year of 2031, which aligns with the latest Official Plan update, Official Plan Amendment 48. The next Official Plan update will address development to 2041 and as a result, there is a need to consider the 2041 commercial needs as part of this Study. The recommendations involve incorporating a combination of the suggested alternatives and policy options to achieve the desired results. It is noted that it will not be possible to implement (if appropriate) some of the alternatives until additional work is undertaken including the Municipal Comprehensive Review to address the 2017 Growth Plan and potential further study of the York Road and Victoria Road area. It is recommended that, given the rapid changes occurring in the market, the City monitor the utilization of commercial lands within the City.

It is recommended that caps be increased by a modest 10% for three of the Community Mixed-use Centres:

- Gordon/Clair
- Woodlawn/Woolwich
- Paisley/Imperial

The base amount of existing and planned commercial floor space needs to be refined from the numbers currently included in the OP because of the recommended change from limiting “retail” floor area to limiting “commercial” floor area, and because of the recommended change in the extent of the Woodlawn/Woolwich Centre. These figures should be determined through stage 3 of this project.

It is recommended that Neighbourhood Commercial Centre caps be increased from 4560 sq m to 6500 sq m.

From an OP policy perspective, it is recommended that:

- The following service commercial sites be redesignated:
 - East side of Victoria Road at York Road
The Service Commercial and Neighbourhood Commercial Centre area be redesignated to Community Mixed-use Centre.
 - Southwest corner of York Road and Watson Parkway

- The Service Commercial area be redesignated to Community Mixed-use Centre.
- Woolwich Street, between Speedvale Avenue and Woodlawn Road
The area be redesignated to Mixed-use Corridor;
 - The City address the barriers to the creation of second floor space through the comprehensive zoning by-law review;
 - A benchmark minimum of 0.15 Floor Space Index for commercial space should generally be applied to Community Mixed-use Centre, Mixed-use Corridor and Neighbourhood Commercial Centre sites with an absolute minimum floor space of 6,500 sq m (70,000 sq. ft.) for Community Mixed-use Centres;
 - Incentives should be considered to achieve the desired built form through the Zoning By-law review;
 - Modifications should be made to policies to allow the City to request a Commercial Function Study where the commercial FSI is proposed to decrease below 0.15 FSI or the existing commercial space is decreased by more than 25 percent; and
 - Amendments should be made to commercial parking requirements as part of the comprehensive zoning by-law review.

For commercial zoning it is recommended that:

- Commercial zones be updated to reflect the most recent changes to the OP policies. With the change from retail floor space caps to commercial floor space caps, it may be necessary to adjust the maximum commercial floor space permissions in the OP. As a result, the changes to the commercial and mixed use zones should be carried out at the same time as the Official Plan amendment; and
- Zoning to permit small-scale convenience retail and personal service commercial in the base of apartments as-of-right in the zoning by-law be considered as part of the comprehensive zoning by-law review.

Next Steps

This report represents the completion of Stage 2 and will be presented to Council for endorsement of the recommendations and approach.

Stage 3 of the Study will involve the actual preparation and adoption of the Official Plan and Zoning By-law amendments.

Appendix A

Figure F-1 Vacant Commercial Land, Intensification / Mixed-Use Potential in the City of Guelph				
Designation	Zoning	Address	Intensification Potential (Sq. Ft.)	Parcel Size (Ac.)
Community Mixed Use Centre				
	Community Shopping Centre	3 Woodlawn Road West	12,000	n.a.
	Community Shopping Centre	1750 Gordon Street	22,800	n.a.
	Community Shopping Centre	98 Farley Drive	n.a.	2.2
	Community Shopping Centre	804 Woolwich Street	8,400	n.a.
	Community Shopping Centre	40 Silvercreek Parkway South	n.a.	20.3
	Community Shopping Centre	963-1045, Paisley Road / 129 Elmira Road Sou	224,800	n.a.
	Subtotal Community Shopping Centre		268,000	22.5
	Neighbourhood Shopping Centre	950 Paisley Drive	13,600	n.a.
	Neighbourhood Shopping Centre	85 Starwood Drive	n.a.	1.4
	Subtotal Neighbourhood Shopping Centre			1.4
	Commercial-Residential	111 Starwood Drive	1,800	n.a.
	Service Commercial	40 Silvercreek Parkway South	n.a.	2.6
	Subtotal Other Community Mixed Use Centre		1,800	2.6
Total Community Mixed Use Centre			269,800	26.6
Mixed Use Corridor				
	Regional Shopping Centre	435 Stone Road West	100,000	n.a.
	Service Commercial	601 Scottsdale Drive		1.8
	Puslinch	Stone Road E (GID Secondary Plan Area)	101,000	n.a.
	University of Guelph and Guelph Correctional Centre	Victoria Road South (GID Secondary Plan Area)	96,000	n.a.
Total Mixed Use Corridor			297,000	1.8
Neighbourhood Commercial Centre				
	Community Shopping Centre	Wellington Street West	n.a.	6.0
	Convenience Commercial	1340 Gordon Street	n.a.	0.7
	Neighbourhood Shopping Centre	105 Elmira Road North	n.a.	2.4
Total Neighbourhood Commercial Centre			n.a.	9.1

Source: Tate Economic Research Inc. based on information provided by the City of Guelph.
 Note: Totals may not add due to rounding.

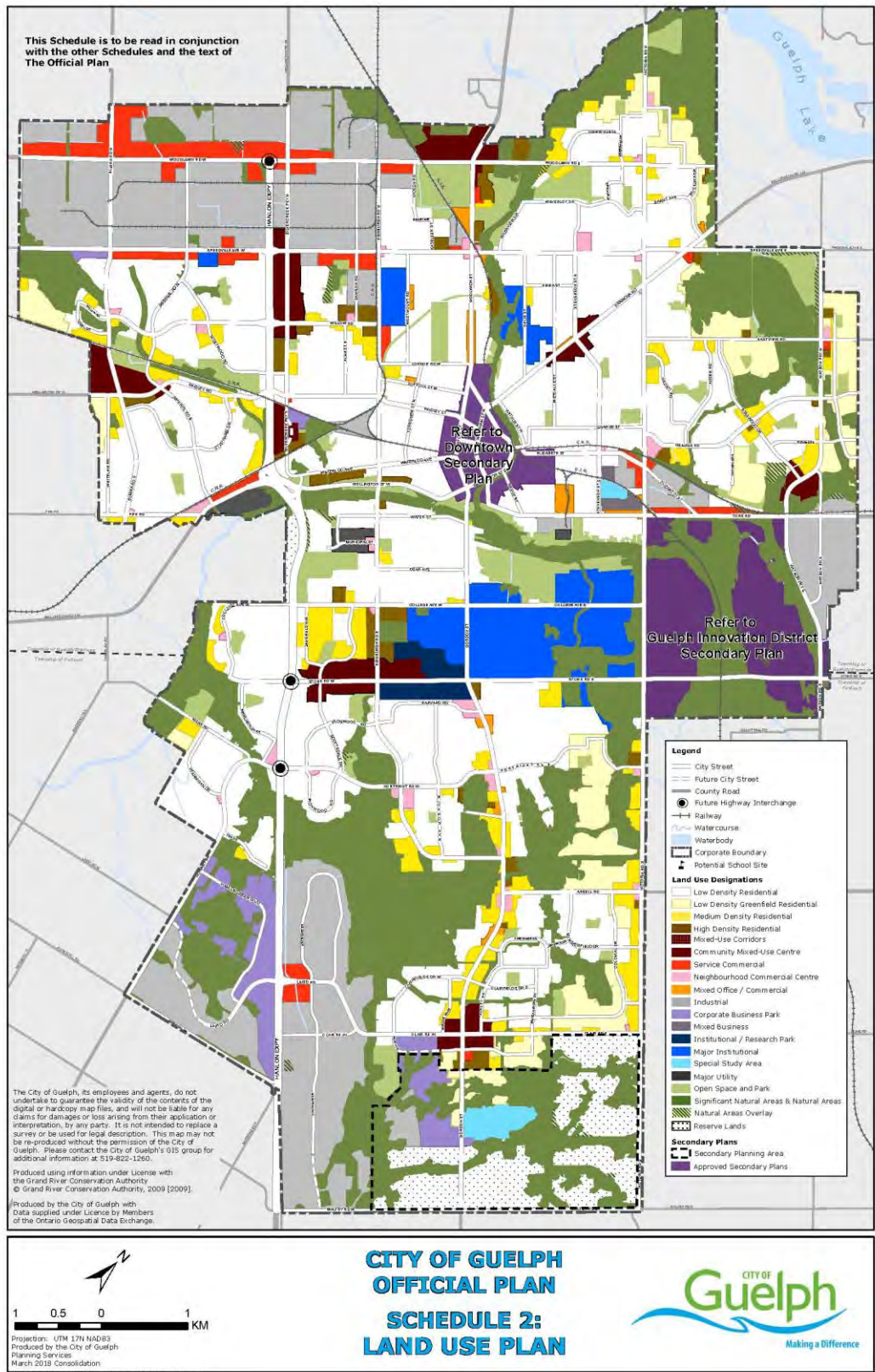
Figure F-1 (Continued)				
Vacant Commercial Land, Intensification / Mixed-Use Potential in the City of Guelph				
Designation	Zoning	Address	Intensification Potential (Sq. Ft.)	Parcel Size (Ac.)
Service Commercial				
	Highway Service Commercial	383 Woodlawn Road West	n.a.	3.4
	Highway Service Commercial	30 Wilbert Street	n.a.	3.2
	Highway Service Commercial	309 Woodlawn Road West	n.a.	2.2
	Highway Service Commercial	40 Wilbert Street	n.a.	2.9
	Highway Service Commercial	523 York Road	n.a.	0.6
	Highway Service Commercial	540 York Road	n.a.	3.0
	Highway Service Commercial	1 Wilbert Street	n.a.	4.1
	Highway Service Commercial	25 Wilbert Street	n.a.	2.1
Subtotal Highway Service Commercial				21.4
	Service Commercial	327 Woodlawn Road West	n.a.	0.8
	Service Commercial	218 Speedvale Avenue West	n.a.	1.6
	Service Commercial	453 Imperial Road North	n.a.	3.0
	Service Commercial	404 Speedvale Avenue West	n.a.	2.7
	Service Commercial	456 Imperial Road North	n.a.	0.7
	Service Commercial	580 Speedvale Avenue West	n.a.	0.9
	Service Commercial	301 Elmira Road North	n.a.	7.0
	Service Commercial	596 Speedvale Avenue West	n.a.	0.7
	Service Commercial	556 Speedvale Avenue West	n.a.	3.1
	Service Commercial	604 Speedvale Avenue West	n.a.	0.7
	Service Commercial	588 Speedvale Avenue West	n.a.	0.8
	Service Commercial	455 Watson Parkway North	n.a.	2.5
	Service Commercial	21 Corporate Court	n.a.	1.7
	Service Commercial	40 Cowan Place	n.a.	0.6
	Service Commercial	50 Cowan Place	n.a.	1.3
Subtotal Service Commercial				28.2
	Convenience Commercial	580 Paisley Road	n.a.	0.6
Subtotal Other Service Commercial				0.6
Total Service Commercial			n.a.	50.1

Source: Tate Economic Research Inc. based on information provided by the City of Guelph.
 Note: Totals may not add due to rounding.

Figure F-1 (Continued)				
Vacant Commercial Land, Intensification / Mixed-Use Potential in the City of Guelph				
Designation	Zoning	Address	Intensification Potential (Sq. Ft.)	Parcel Size (Ac.)
Other Designations				
Corporate Business Park	Corporate Business Park	65 Hanlon Creek Boulevard	n.a.	12.0
Low Density Residential	Convenience Commercial	36 Willow Road	n.a.	0.4
	Convenience Commercial	23 Silvercreek Parkway North	n.a.	0.6
Mixed Office Commercial	Service Commercial	700 Woolwich Street	n.a.	1.9
Total Other Designations			0	14.9
Downtown Intensification Potential			301,700	n.a.
Grant Total			868,500	102.4

Source: Tate Economic Research Inc. based on information provided by the City of Guelph.
 Note: Totals may not add due to rounding.

Appendix B



Appendix C

