

City Council - Planning Meeting Agenda



July 9, 2018 – 4:30 p.m.

Council Chambers, Guelph City Hall, 1 Carden Street

Please turn off or place on non-audible all electronic devices during the meeting.

Please note that an electronic version of this agenda is available on guelph.ca/agendas.

Authority to move into closed meeting

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to the Municipal Act, to consider:

CAO-2018-24

132 Harts Lane West, Draft Plan of Subdivision, Appeal of Draft Plan Conditions

Section 239 (2) (e) and (f) of the Municipal Act related to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and advice that is subject to solicitor client privilege, including communications necessary for that purpose.

CS-2018-57

Canada Revenue Agency Payroll Compliance Matter

Section 239 (2) (b) (e) and (f) of the Municipal Act related to personal matters about an identifiable individual, including municipal or local board employees; litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and advice that is subject to solicitor client privilege, including communications necessary for that purpose.

IDE-2018-105

Dolime Quarry - Mediation Process Update

Section 239 (2) (e) and (f) of the Municipal Act related to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and advice that is subject to solicitor client privilege, including communications necessary for that purpose.

Open Meeting – 6:30 p.m.

O Canada

Silent Reflection

First Nations Acknowledgment

Disclosure of Pecuniary Interest and General Nature Thereof

Council Consent Agenda:

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

**IDE-2018-100 Decision Report City-initiated Administrative
Amendment to Zoning By-law (1995)-14864 to
Address Service Animals (File: ZC1803)**

Recommendation:

That the City-initiated administrative amendment to Guelph's Comprehensive Zoning By-law (1995)-14864 to address service animals be approved in accordance with ATT-1 of the Infrastructure, Development and Enterprise Report IDE 2018-100 dated, July 9, 2018.

**IDE-2018-90 Decision Report: Brownfield Redevelopment
Community Improvement Plan Update**

Recommendation:

1. That Amendment #1 to the City of Guelph Brownfield Redevelopment Community Improvement Plan, included as Attachment 1 to Report #IDE-2018-90, be approved.
2. That the interim financial approach to Brownfield Tax Increment Based Grants, included in Report #IDE-2018-90, be approved.

**IDE-2018-93 Decision Report 671 Victoria Road North Zoning By-
law Amendment (File ZC1606) Ward 2**

Recommendation:

That the application by Astrid J. Clos Planning Consultants on behalf of 1830334 Ontario Inc., the owners of the of the property municipally known as 671 Victoria Road North and legally described as Part of Lot 1, Concession 7, Division C, City of Guelph, for approval of a Zoning By-law Amendment application to change the zoning on a portion of the site from "Specialized Neighbourhood Commercial" (NC-9), to a "Specialized Cluster Townhouse Residential" (R.3A-??) Zone, to permit a residential townhouse development containing 31 units be approved in accordance with the zoning regulations and conditions in ATT-3 of the Infrastructure, Development and Enterprise Report 2018-93 dated July 9, 2018.

IDE-2018-94

Commercial Policy Review: Preferred Framework

Recommendation:

1. That the Commercial Policy Review: Preferred Framework and the Commercial Policy Review: Stage 2 Preferred Framework Report included in Report IDE-2018-94 dated May 2018 be approved.
2. That staff be directed to initiate amendments to the Official Plan and Zoning By-law to implement the Council approved Commercial Policy Review: Preferred Framework.

IDE-2018-101

Notice of Intention to Designate the Hart Farmhouse Pursuant to Part IV of the Ontario Heritage Act

Recommendation:

1. That the City Clerk be authorized to publish and serve notice of intention to designate the Hart farmhouse in its associated lot within the Approved Draft Plan of Subdivision for Hart Village pursuant to Section 29, Part IV the Ontario Heritage Act and as recommended by Heritage Guelph.
2. That the designation by-law be brought before City Council for approval if no objections are received within the thirty (30) day objection period.

Items for Discussion:

The following items have been extracted from the Committee of the Whole Consent Report and the Council Consent Agenda and will be considered separately. These items have been extracted either at the request of a member of Council or because they include a presentation and/or delegations.

IDE-2018-91

Establishment of a Planning Advisory Committee in accordance with the Planning Act (Bill 73)

Presentation:

Melissa Aldunate, Manager of Policy Planning and Urban Design

Recommendation:

1. That a Planning Advisory Committee be established for the City of Guelph in accordance with report IDE-2018-91 and as required by the Planning Act (Bill 73), dated July 9, 2018.
2. That staff be directed to develop terms of reference for the City of Guelph Planning Advisory Committee for consideration by City Council in Q3 2018.

Special Resolutions

By-laws

Resolution to adopt the By-laws (Councillor Salisbury).

By-law Number (2018)-20294	A by-law to amend By-law Number (1995)-14864, as amended, known as the Zoning By-law for the City of Guelph as it affects property municipally known as 47-51 Paisley Street and legally described as Part Lot 1, Registered Plan 324, City of Guelph. The purpose of this amending by-law is to remove the holding provisions to permit a revised building consisting of four dwelling units.
By-law Number (2018)-20295	A by-law to amend By-law Number (1995)-14864, as amended, known as the Zoning By-law for the City of Guelph as it affects property municipally known as 671 Victoria Road North and legally described as Part of Lot 1, Concession 7, Division C, City of Guelph. The purpose of this amending by-law is to permit the development of 31 townhouses.
By-law Number (2018)-20296	A By-law to amend the City of Guelph Brownfield Redevelopment Community Improvement Plan.
By-law Number (2018)-20297	A by-law to designate portions of the building and property municipally known as 43 Arthur Street South and legally described as Part of the Grist Mill Lands east side of River Speed, Plan 113, more particularly described as Parts 1, 2, 3, 4, 13 & 14, Reference Plan 61R-21139; Guelph, as being a property of cultural heritage value or interest.
By-law Number (2018)-20298	A by-law to designate portions of the building and property municipally known as 122 Cardigan Street and legally described as PT PARK LOT 88, PLAN 8, PART 3, 61R7139; GUELPH, as being a property of cultural heritage value or interest.

By-law Number (2018)-20299	A by-law to designate portions of the building and property municipally known as 55 Delhi Street and legally described as Lot 34 & Part Lot 35, Plan 133 , as in MS2192; S/T MS2192, S/T Right in MS2192 & Part Lot 40, Plan 133, Parts 1, 2, 3 & 4, 61R20329; T/W CS8635; Together with an easement over Part Lots 35, 36, 40 & 41, Plan 133 Des as Parts 1 to 6, 61R11415 as in WC297163; Together with an easement over Part Lots 35, 36 & 40, Plan 133 Designated as Parts 1, 3, 5, 7 & 8, 61R11415 as in WC297163 Together with an easement over Parts 1,2,3 & 4 61R11415 as in WC376481 Subject to an easement over Part 2, 61R20329 In Favour of Part Lot 40, Plan 133, Part 4, WGR50 Except Part 4, 61R20329 as in WC407498 City of Guelph, as being a property of cultural heritage value or interest.
By-law Number (2018)-20300	A by-law to amend By-law Number (1995)-14864, as amended, known as the Zoning By-law for the City of Guelph to address Service Animals (File #ZC1803).

Mayor’s Announcements

Please provide any announcements, to the Mayor in writing, by 12 noon on the day of the Council meeting.

Notice of Motion

Adjournment

Staff Report

To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, July 9, 2018

Subject **Decision Report
City-initiated Administrative Amendment to Zoning
By-law (1995)-14864 to Address Service Animals
File: ZC1803**

Report Number IDE 2018-100

Recommendation

That the City-initiated administrative amendment to Guelph's Comprehensive Zoning By-law (1995)-14864 to address service animals be approved in accordance with ATT-1 of the Infrastructure, Development and Enterprise Report IDE 2018-100 dated, July 9, 2018.

Executive Summary

Purpose of Report

To provide a recommendation of approval of a City-initiated amendment to Zoning By-law (1995)-14864 to address service animals.

Key Findings

Staff recommend amending the Zoning By-law to address service animals in accordance with ATT-1.

Financial Implications

None.

Report

Background

In June of 1995, City Council adopted the Comprehensive Zoning By-law (1995)-14864 for the City of Guelph. The Zoning By-law regulates the use of all land in the City and the erection, location and size of all buildings and structures. City staff periodically undertake an administrative review of the By-law to determine if there are minor revisions that should be recommended in order to improve the use and implementation of the By-law, without substantively changing the intent of the By-law.

Since 1995, six (6) administrative amendments have been approved to the Zoning By-law, in 1997, 1998, 2003, 2010, 2014 and 2017. These amendments introduced minor wording changes clarifying the intent of certain regulations, corrected technical omissions and mapping errors and typographical errors. Uses were added to certain zones and some regulations were modified to ensure they were interpreted as originally intended.

Since the last administrative amendment in 2017, staff has become aware that there is an inconsistency between the 1995 Zoning By-law and the provincial Standards under the *Accessibility for Ontarians with Disabilities Act* (AODA) as it relates to service animals. There is a need to include a provision for service animals in the Zoning By-law to reinforce inclusive treatment of residents in the City by ensuring that persons with disabilities can have service animals if required.

Operations - By-law Compliance, Security and Licencing Services have also prepared an amendment to the Animal Control By-law (2016)-20122, as amended to address service animals to ensure that there are no inconsistencies amongst the two By-laws with respect to service animals. The Animal Control By-law regulates items such as animal welfare and removal of animal excrement.

Recommended Zoning By-law Amendment

Staff are recommending that a new section be added to the Zoning By-law under Section 2 - Interpretation and Administration that would permit a service animal on residential properties. For the purpose of interpretation and administration, the following definition would apply:

Service Animal as defined by the Accessibility for Ontarians with Disabilities Act, 2005. An animal is a service animal for a person with a disability if:

- (a) it is readily apparent that the animal is used by the person for reasons relating to his or her disability; or,
- (b) the person provides a letter from a physician or nurse confirming that the person requires the animal for reasons relating to the disability.

Details of the recommended amendment can be found in ATT-1.

Financial Implications

None.

Consultations

The Notice of Public Meeting was mailed to local boards and agencies for comments on April 24, 2018 and was also advertised in the Guelph Tribune on April 19, 2018. A Public Meeting was held on May 14, 2018. No comments were received and no members of the public spoke or signed in at the public meeting.

Corporate Administrative Plan

This report supports the following goals and work plans of the Corporate Administrative Plan (2016-2018):

Overarching Goals

Service Excellence

Service Area Operational Work Plans

Our Resources - A solid foundation for a growing city

Attachments

ATT-1 Recommended Amendment to the Zoning By-law

Departmental Consultation

Operations - By-law Compliance, Security and Licencing Services
Legal, Realty and Risk Services

Report Author

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Approved By

Chris DeVriendt
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ATT-1
Recommended Amendment to the Zoning By-law

Section 2 Interpretation and Administration is hereby amended by adding a new Section, Section 2.13 under Administration and Interpretation:

2.13 Service Animals

- a) Nothing in this by-law shall apply to prohibit the keeping of a ***Service Animal*** on residential properties.
- b) For the purposes of this Section, the following definition shall apply:

Service Animal as defined by the Accessibility for Ontarians with Disabilities Act, 2005. An animal is a service animal for a person with a disability if:

- (a) it is readily apparent that the animal is used by the person for reasons relating to his or her disability; or,
- (b) the person provides a letter from a physician or nurse confirming that the person requires the animal for reasons relating to the disability.

Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, July 9, 2018

Subject **Decision Report: Brownfield Redevelopment Community Improvement Plan Update**

Report Number IDE-2018-90

Recommendation

1. That Amendment #1 to the City of Guelph Brownfield Redevelopment Community Improvement Plan, included as Attachment 1 to Report #IDE-2018-90, be approved.
2. That the interim financial approach to Brownfield Tax Increment Based Grants, included in Report #IDE-2018-90, be approved.

Executive Summary

Purpose of Report

The purpose of this report is to provide:

- a final draft of Brownfield CIP Amendment 1 for Council to consider for approval;
- rationale for Council to approve the Amendment;
- a staff response to issues raised at the public meeting and through written correspondence;
- an interim financial framework for Brownfield Tax Increment Based Grants for Council to consider for approval; and
- a framework for using Development Charges late payment agreements as a tool outside of the CIP to incent brownfield redevelopment projects.

Key Findings

The staff recommended amendment to the Brownfield Redevelopment CIP will:

- assist in administering the CIP programs; and
- extend the Environmental Study Grant, Tax Assistance and Tax Increment Based Grant programs for another five years with minor modifications as recommended in this report.

In order to better assist development proponents by providing financial incentives earlier in the process, Development Charge (DC) late payment agreements are recommended. The City and developer would enter into an agreement whereby the DCs would be paid using the Tax Increment Based Grant (TIBG) rather than the TIBG flowing directly to the developer, until DCs are fully recovered.

Financial Implications

The recommended interim financial approach to Brownfield TIBGs is based on the concept of holding the 2021 base budget contribution of \$3.5M per year to the Redevelopment Reserve into the future, subject to budgetary indexing, and allocating half of the incremental funds available to the brownfield TIBGs. This mirrors the original allocation of the \$33M funding envelope established in 2012. There are no budget impacts of a renewed TIBG program prior to 2022 and no additional contributions to the base budget other than budgetary indexing starting in 2022. Staff recommend that the continued financial approach to funding brownfield TIBGs be reviewed alongside the comprehensive review of the other TIBG programs early in the next term of Council. Providing an interim financial approach to Brownfield TIBGs ahead of the comprehensive review will accelerate the positive impacts of brownfield redevelopment in the City.

Background

Brownfields are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as a result of historical land use practices. These sites can have significant environmental, economic and social impacts on the community. However, remediation and redevelopment can result in improvements to soil and groundwater conditions, lead to job retention and creation, new housing opportunities, improve public safety and security and allow for efficient use of existing hard and soft services. The purpose of the Brownfield Redevelopment Community Improvement Plan is to facilitate redevelopment of these sites by providing financial incentives that partially offset the cost of environmental investigation and remediation of sites.

Council held a statutory public meeting on April 9, 2018 to introduce the proposed amendment to the CIP and receive feedback. The meeting was accompanied by [Report #IDE-2018-24](#) that presented the legislative context for CIPs, a history of Guelph's Brownfield Redevelopment CIP, an analysis of issues and proposed changes to the CIP.

This report makes a recommendation on the proposed changes and provides a financial framework to support the Tax Increment Based Grant (TIBG) program.

Report

Comments and Staff Response

The following provides a summary of, and response to, the issues and comments that were raised at the public meeting and through written correspondence. Proposed changes to the amendment in response to comments are explained where applicable.

1. Risks of Development Charges late payment program

Comment: A concern was raised at the public meeting regarding the risks of the proposed Development Charges (DC) late payment approach in cases where a building permit is issued (and development charges would normally be required to be paid), but the project is not completed, and so there is no TIBG, and DCs are not collected. This financial risk should be mitigated in this case.

Staff Response: DC late payment is recommended through an agreement separate from the TIBG program of the CIP. Risk related to collection of required DCs can be mitigated. In order to mitigate this risk, staff recommend that the DC late payment agreements include a provision that DCs will be collected as taxes on the property in cases where the project is not occupied by a given deadline. No change to the CIP is required to enable this approach to protecting the City because DC late payment is not a component of the CIP and DC late payments as well as unpaid charges added to taxes are already enabled under the *Development Charges Act*.

2. Limit potential spending on Environmental Study Grant

Comment: The Ministry of Municipal Affairs (MMA) commented that: “the City may wish to consider whether these [ESG] maximums (\$30,000 per property and two studies per property) are further limited to applications within the calendar year, or over the duration of the CIP.”

Staff Response: The ESG program component of the CIP is proposed to be amended so that the maximum number of studies and value per property applies over the 5-year term of the CIP.

3. The late payment of Development Charges through the CIP is not permitted unless Development Charges are made an eligible cost

Comment: MMA commented that: “the City proposes to provide a deferral of Development Charges under this program. As Section 28 of the *Planning Act* only provides for grants and loans, it is suggested consideration be given to establishing applicable development charges as an eligible cost within the program. The repayment schedule under the program could then be further structured to ensure that grant funds dispersed under the program are first directed to recovering development charges.”

Staff Response: The DC late payment program is not enabled by the *Planning Act* or the CIP, but by the City’s power to enter into development charges late payment agreements under the *Development Charges Act*. References to a DC late payment program are proposed to be removed from the CIP. Policy guidance on DC late payments is established in this report.

4. Details of the TIBG program for publicly owned properties that make Payments in Lieu of taxes are not clear

Comment: MMA commented that: “consideration should be given to clarifying the wording [within the TIBG program description] as it is incomplete and does not clearly address how the tax increment will be calculated on properties where a Payment-in-Lieu of property tax is received.”

Staff Response: The CIP has been updated to provide clarity by describing that TIBGs for properties where a payment in lieu of property taxes is received, the tax increment is calculated in the same manner as tax-paying properties, and by substituting the wording “tax(es)” with “payment in lieu of tax(es)” where applicable.

Development Charge Late Payment Agreements may be coordinated with the TIBG program

Through stakeholder consultations, developers identified that one challenge of developing brownfield sites is the amount of upfront costs they bear along with the timing of TIBG grant payments post-development. To address this, the City could enter into DC late payment agreements to assist in reducing upfront remediation and development costs. Late payment agreements delay the payment of DC’s, they do not waive the requirement. City Council has the authority to enter into late payment agreements through the *Development Charges Act 1997*.

The CIP’s TIBG program is the City’s most effective incentive for promoting brownfield redevelopment. Staff recommend coordinating TIBGs with a Development Charges late payment agreement to enhance the overall effectiveness of the City’s Brownfield incentive toolkit. DC late payment agreements may be negotiated alongside Brownfield TIBG grant applications where requested by the developer. This tool is enabled by the *Development Charges Act 1997* and is not recommended to be included in the CIP.

DC late payment requests would be evaluated by staff and brought to Council for consideration of approval within the following framework:

- Brownfield TIBG grant recipients may be eligible to have all or part of their DCs deferred up to the estimated TIBG program eligible costs, or 80% of a conservative estimate of the tax increment for 10 years, whichever is less.
- DCs will be recovered with interest by directing TIBG grant payments to the DC reserve.
- Late payment agreements are subject to interest at current market rates, plus a small premium, to ensure the DC reserve funds are compensated for

lost interest revenue, or added interest expense the City will incur as a result of the delayed revenue.

- Proponents may or may not elect to use the DC Late payment program in coordination with the TIBG program.
- Council approval is required to enter into a DC late payment agreement.
- DC late payment agreements will be brought to Council for consideration alongside recommendations to approve Brownfield TIBGs, where applicable.
- DC late payments would be collectable as taxes on the property in the event of default.

Issues and Analysis

[Report #IDE-2018-24](#) presented at the Statutory Public Meeting detailed the issues and proposed policy responses identified through the Brownfield CIP update. Those policy responses are incorporated into the recommended amendment (see Attachment 1) except where changes were made in response to public comments as discussed earlier in this report. Key issues and recommendations are summarized here:

- A key limitation of the Brownfield Redevelopment CIP identified through stakeholder consultations is the timing of Tax Increment Based Grants. Grants paid earlier in a project would better assist challenging brownfield projects, than TIBGs that are paid starting several years after remediation has occurred and building construction is completed with payments extended over many years. To address this staff propose to provide for DC late payment agreements for TIBG approved projects. As noted earlier, this tool is enabled by Development Charges Act not the Planning Act. Staff recommend amending the CIP to specify that TIBG grant payments may be retained by the City to offset other City obligations such as outstanding DCs through an agreement. This would dovetail with DC late payment requests.
- Currently, the Environmental Study Grant (ESG) program requires applicants to submit an application, including a study cost estimate, to the City, and requires City approval of the application prior to any works being undertaken. If costs are incurred after submission of the application, but prior to its approval they are ineligible for reimbursement. This has led to timing problems with the grant where work needs to be completed during tight real estate transaction due diligence periods and is undertaken before City approval of the application. To provide some reasonable flexibility, staff recommend that the ESG terms be amended to allow for the reimbursement of costs incurred after the date of application and prior to City approval, provided such costs are ultimately determined to be eligible through the City's subsequent approval. Initiating work prior to City approval will be entirely at the applicant's own risk, and if the City subsequently determines certain costs to be ineligible, they will not be reimbursed.
- The cost of conducting environmental studies is high and increasing. The study requirements can be onerous in Guelph because the entire City is considered a source for municipal drinking water. Staff recommend

maintaining the maximum grant amount per property at \$30,000, and eliminating the per study maximum of \$15,000. This will provide additional flexibility to help offset environmental study costs that are key to determining project viability and understanding risks to human health and the environment.

- The CIP's current requirement for a Record of Site Condition (RSC) under the TIBG program is no longer necessary since Council endorsed the City's streamlined approach to environmental review in the [Contaminated Sites Guidelines](#). Staff recommend that this requirement be eliminated.
- Staff recommend that language restricting grants to those who knowingly polluted their properties should be clarified and made internally consistent by restricting grants to anyone who polluted the property, whether knowingly or not.
- Staff recommend that the policy context section of the plan be updated to reflect changes since the CIP was approved in 2012, and to help it remain relevant in the future.
- The programs are working well and staff recommend that they be extended, with modification for five years.

Recommendation

Staff recommend that Amendment #1 to the Brownfield Redevelopment CIP be approved. The Amendment conforms to the Provincial Policy Statement, the Growth Plan for the Greater Golden Horseshoe and the Official Plan. The Amendment addresses the issues identified by staff and key stakeholders through the CIP update study. It provides additional clarity and details that will ease administration of the CIP program and help achieve brownfield redevelopment objectives.

Financial Implications

Preliminary financial implications of an extended Tax Increment Based Grant (TIBG) program were discussed in Report #IDE-2018-01. That report contemplated a comprehensive approach to financing Brownfield, Downtown and Heritage TIBGs. However, progress on the Downtown CIP update has been delayed. Staff are recommending an interim financial approach to Brownfields in order to offer the Brownfield CIP programs in the near term. This ongoing financial approach will be reconsidered jointly with the Downtown and Heritage TIBG programs early in the next term for Council. It is recommended that the interim financial approach apply until the comprehensive review of other TIBGs is completed, or for five years, whichever comes first.

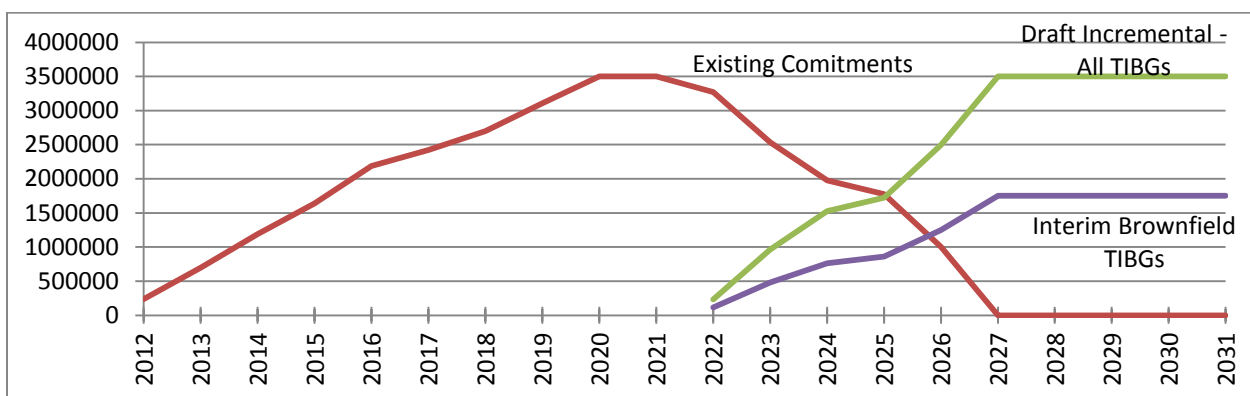
Advancing an interim financial approach to Brownfield TIBGs prior to the comprehensive TIBG review will allow for a program relaunch in 2018, and potentially provide recommendations to approve grants early in the next term of Council. This will provide for more brownfield redevelopment projects and allow their economic, environmental and social benefits to occur sooner. Conversely, if Council were to approve the CIP without a supporting financial framework to actually offer the TIBG program, it could undermine the development industry’s confidence in the City’s commitment to brownfield redevelopment.

Interim Financial Approach to Brownfield Tax Increment Based Grants

The original TIBG program budget of \$33M was approved through a long-term funding strategy that forecasted a gradual increase in annual budget contributions to the Redevelopment Reserve between 2012 and 2021, followed by a reduction in contributions to \$0 by 2024. This funding approach ensured that there was sufficient funding to meet the grant obligations and that the impact on the tax base was minimized. Since 2012, the TIBG financial strategy has been impacted by slower than anticipated project completion dates and budget pressures that reduced the annual contributions and extended the program contribution schedule to 2027. The current financial strategy achieves a peak contribution of \$3.5M in 2021 and reduces to \$0 by 2027.

The recommended interim financial approach to Brownfield TIBGs is based on the concept of holding the base budget contribution of \$3.5M per year to the Redevelopment Reserve into the future, subject to budgetary indexing, and allocating half of the incremental funds available to the brownfield TIBGs. This mirrors the original allocation of half of the original \$33M funding envelope established in 2012.

Chart 1 – Brownfield TIBG Interim Reserve Fund Strategy



The proposed interim financial framework would allow annual Brownfield TIBG grants payments of up to \$116,000 to be paid in 2022 and \$254,000 in 2023, increasing to \$1.75M by 2027 (see the purple line in Chart 1). For context, the first

year brownfield grant payment for 148-152 Macdonell St. (Riverhouse) was payable at the end of 2016, four and a half years after Council approved the grant.

There are no budget impacts prior to 2022 for the renewed phase of the program, and no additional base budget other than a budgetary index would be required for 2022 forward. The interim financing approach to Brownfield TIBGs is designed with the Downtown and Heritage programs in mind. Approving an ongoing updated financial approach to Brownfield, Downtown and Heritage TIBG in similar proportions to those originally approved in 2012 would have no impact on the budget beyond 2021 except for the annual indexing amount. Nevertheless, staff recommend that the ongoing financial approach to funding Brownfield TIBGs be reviewed alongside the comprehensive review of the other TIBG programs early in the next term of Council.

The Environmental Study Grant Program is funded from the Redevelopment Reserve with \$50,000 in grants per year forecasted. The Tax Assistance (TA) program is funded through foregone tax revenue. The financial implications of individual applications under the TA program are considered by Council on a case-by-case basis.

Consultations

The draft amendment was circulated to the Ministry of Municipal Affairs on March 9, 2018. Notice of Public Meeting was mailed on March 19 to local boards and agencies, City service areas and the key stakeholders identified throughout the project. The Public Meeting was also advertised in the Guelph Tribune on March 15, 2018, on social media, the Mind your Business e-newsletter, and on guelph.ca/brownfields. A Statutory public meeting was held on April 9, 2018.

Notice of this decision meeting was emailed to interested stakeholders on June 21, 2018. A 'Notice of Passing' will be sent to those parties who requested notification and advertised in the Guelph Tribune within 15 days of Council's decision on the application.

Corporate Administrative Plan

Overarching Goals

Financial Stability
Innovation

Attachments

ATT-1 Amendment #1 to the Brownfield Redevelopment CIP
ATT-2 Comments Received since Public Meeting

Departmental Approval

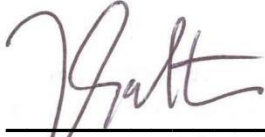
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Recommended By

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Attachment 1

AMENDMENT NO. 1

TO THE

**CITY OF GUELPH BROWNFIELD
REDEVELOPMENT COMMUNITY
IMPROVEMENT PLAN**

AMENDMENT NO. 1 TO THE CITY OF GUELPH BROWNFIELD REDEVELOPMENT COMMUNITY IMPROVEMENT PLAN

- PART A - THE PREAMBLE** The Preamble contains the rationale and certain background information in support of the amendment. The Preamble does not form part of this amendment.
- PART B - THE AMENDMENT** consists of the specific text changes introduced to the City of Guelph Brownfield Redevelopment Community Improvement Plan through the Amendment.
- PART C - THE APPENDICES** contains background data and public participation associated with this amendment. The appendices do not constitute part of Amendment No. 1 City of Guelph Brownfield Redevelopment Community Improvement Plan.

PART A - THE PREAMBLE

PURPOSE

The purpose of The City of Guelph Brownfield Redevelopment Community Improvement Plan (CIP) Amendment No. 1 is to amend the CIP in accordance with the recommendations the City's review of the CIP to:

- make minor changes to the CIP to assist in administration of the grant programs;
- increase the Environmental Study Grant maximum from \$15,000 to \$30,000 per study;
- adjust the application timing requirements for the Environmental Study Grant program;
- extend the timeframe for the CIP programs for another five years; and
- update the policy context section of the plan to reflect changes since the CIP was approved in 2012.

BACKGROUND

Brownfields are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as a result of historical land use practices. These sites can have significant environmental, economic and social impacts on the community. However, remediation and redevelopment can result in improvements to soil and groundwater conditions, lead to job retention and creation, improve public safety and security, and allow for efficient use of existing hard and soft services.

The purpose of the Brownfield Redevelopment Community Improvement Plan (CIP) is to facilitate redevelopment of these sites by providing financial incentives that partially offset the cost of investigation and remediation of sites with redevelopment potential.

The City's Brownfield Redevelopment CIP was approved in 2012 and established the following financial incentives:

- Environmental Study Grant (ESG) program
- Tax Increment-Based Grant (TIBG) program
- Tax Assistance (TA) program

These programs were established to stimulate private sector investment by partially offsetting costs associated with site assessment, remediation and redevelopment of brownfields in order to facilitate their redevelopment.

The CIP includes provisions to monitor the outcomes of the programs, and to review and update the CIP as necessary every five years. The City undertook a review of the CIP in 2017 and 2018.

LOCATION

The Brownfield Redevelopment Community Improvement Plan (CIP) applies to all lands within the City of Guelph.

BASIS

Amendment No 1 updates the existing 2012 Brownfield Redevelopment CIP. This Amendment reviews and ensures consistency with Provincial and City policy. Furthermore, Amendment No. 1 is based on the monitoring information included in Report #IDE-2018-01 entitled "Downtown, Brownfield and Heritage Grant Performance Monitoring: 2010-2017 and Potential CIP Review Directions" and the analysis presented in Report #IDE-2018-24, "Statutory Public Meeting: Brownfield Redevelopment Community Improvement Plan Update" These two reports are included as Appendices 1 and 2 to this amendment respectively. Additional planning rationale, responses to public feedback, refinements and final recommendations are provided in report #IDE-2018-90 included as Appendix 3.

Amendment No. 1 was undertaken in accordance with Section 28 of the Planning Act.

SUMMARY

The following is a summary of Amendment No. 1:

- The policy context included in Section 3 of the CIP is updated to reflect changes to the Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe.
- Descriptions of other policy and strategies were relevant to the development of the CIP in 2012 or the City's Official Plan review that was ongoing at the time have been deleted because their context is no longer needed for the 2017 update to the CIP.
- The ESG program terms are amended such that cost incurred after the date of application can be reimbursed if the application is eventually approved by the City.
- Maintaining the maximum Environmental Study Grant amount per property at \$30,000, and eliminating the per study maximum of \$15,000.
- The CIP's current requirement for a Record of Site Condition (RSC) for the TIBG program is replaced by a requirement for City approval in accordance with City policies and guidelines that have been established since the CIP was approved in 2012.
- The TA and TIBG program definition of eligible costs are amended to clarify that only those costs that are incurred because the site is contaminated and are in addition to typical greenfield construction costs are eligible.
- Clarity is provided that HST is not eligible for reimbursement.
- The prohibition on grants to those who knowingly polluted their properties is expanded to anyone who polluted the property, whether knowingly or not.
- The duration of each program to 5 years after the approval of Amendment #1.

PART B - THE AMENDMENT

Format of the Amendment

This section (Part B) of Amendment No. 1 sets out additions and changes to the text in the City of Guelph Brownfield Redevelopment Community Improvement Plan (CIP). Sections of the CIP that are being added or changed are referred to as "ITEMS" in the following description. Text to be amended is illustrated by various font types (i.e. ~~struck-out~~ text is to be deleted and **bold** text is to be added). Unchanged text represents existing CIP text that is being carried forward. Unchanged text has been included for context and does not constitute part of Amendment No. 1.

Implementation and Interpretation

Implementation of this amendment shall be in accordance with the provisions of the *Planning Act*. Further implementation and associated interpretation of this amendment shall be in accordance with the relevant text of the existing CIP and applicable legislation.

Amendment No. 1 should be read in conjunction with the current City of Guelph Brownfield Redevelopment Community Improvement Plan (2012) which is available on the City's website at guelph.ca/brownfields, or at the Planning, Urban Design and Building Services office located at 1 Carden Street on the 3rd Floor.

Details of the Amendment

ITEM 1: The purpose of 'ITEM 1' is to update the references to Community Improvement Polices introduced by Official Plan Amendment #47.

Section 1.4 is hereby amended as follows:

City Council recently adopted Official Plan Amendment (OPA) No. 47 which updated the Community Improvement and Renewal policies in ~~Section 4.7~~ of the City's Official Plan. OPA No. 47 specifies that the entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area.

The purpose of this Brownfield Redevelopment CIP is to update the Brownfield Redevelopment CIP including enhancements to the incentive programs designed to promote brownfield redevelopment in the City of Guelph. This Brownfield Redevelopment CIP, **approved in 2012 and amended in 2018**, replaces the original Brownfield Redevelopment CIP as approved in 2004, and as updated in 2008.

This **The 2012** Brownfield Redevelopment CIP was developed based on a thorough review of:

- a) brownfield related legislation and regulations;

- b) applicable Provincial, and City policies relating to brownfield redevelopment;
- c) best practices used in other municipalities to promote brownfield redevelopment;
- d) input received from the Internal Project Steering Committee (IPSC) which is made up of senior City staff in several departments;
- e) input received from Council; and,
- f) a comprehensive program of stakeholder and public consultation that included stakeholder interviews, a stakeholder workshop, and two public meetings.

ITEM 2: The purpose of 'ITEM 2' is to update the policy framework provided by the Provincial Policy Statement (2014).

Section 3.1 is hereby deleted in its entirety and replaced as follows:

3.1 Provincial Policy Statement (PPS 2014)

The Provincial Policy Statement (PPS) is issued under Section 3 of the Planning Act and is intended to guide municipalities as they make planning decisions. The Planning Act requires that municipal decisions in respect of the exercise of any authority that affects a planning matter "shall be consistent with" the PPS. Community improvement plans must be consistent with the PPS.

The PPS provides for appropriate development while protecting resources of provincial interest, public health and safety, and the quality of the natural and built environment. The Provincial Policy Statement supports improved land use planning and management, which contributes to a more effective and efficient land use planning system.

The PPS supports the remediation and redevelopment of brownfield sites. For example, section 1.7.1 e) of the PPS states that "long-term economic prosperity should be supported by promoting the redevelopment of brownfield sites". Brownfields are defined in the PPS as "undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant".

The PPS also supports growth management approaches that include intensification. For example, section 1.1.3.3 of the PPS states "planning authorities shall identify appropriate locations and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs". Therefore, the PPS supports brownfield redevelopment as a way to achieve the goal of promoting intensification and redevelopment. Other policies in

the PPS (sections 1.1.1 a), 1.1.1 g) and 1.6.3) support the management of growth to achieve efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. The redevelopment of brownfields has a role to play in this regard.

Finally, section 3.2.2 of the PPS states that " Sites with contaminants in land or water shall be assessed and remediated as necessary prior to any activity on the site associated with the proposed use such that there will be no adverse effects (as defined in the EPA)." This policy directs municipalities to make planning decisions that ensure identified contaminated sites are assessed and remediated to an appropriate level prior to use or reuse.

ITEM 3: The purpose of 'ITEM 3' is to update the policy framework provided by the Growth Plan for the Greater Golden Horseshoe (2017).

Section 3.2 is hereby deleted in its entirety and replaced with:

3.2 Places to Grow Growth Plan

The Growth Plan for the Greater Golden Horseshoe is a long-term plan that works to manage growth, build complete communities, curb sprawl and protect the natural environment. This plan applies to Guelph and is enabled by the Places to Grow Act. All planning decisions must conform or not conflict with the Growth Plan.

The Growth Plan works to:

- **Support the achievement of complete communities that offer more options for living, working, learning, shopping and playing.**
- **Reduce traffic gridlock by improving access to a greater range of transportation options.**
- **Provide housing options to meet the needs of people at any age.**
- **Revitalize downtowns to become more vibrant and to provide convenient access to an appropriate mix of jobs, local services, public service facilities and a full range of housing.**
- **Curb sprawl and protect farmland and green spaces.**
- **Promote long-term economic growth.**

The Growth Plan provides population and employment targets for the City to the year 2041. It provides a focus on growing through intensification noting that better use of land and infrastructure can be made by directing growth to settlement areas and prioritizing intensification, with a focus on strategic growth areas, such as downtown, as well as brownfield sites.

ITEM 4: The purpose of 'ITEM 4' is to delete reference to the Brownfield Strategy.

Section 3.3 is hereby deleted in its entirety.

ITEM 5: The purpose of 'ITEM 5' is to delete policy context regarding the Local Growth Management Strategy.

Section 3.4 is hereby deleted in its entirety.

ITEM 6: The purpose of 'ITEM 6' is to update the policy framework provided by the Official Plan.

Section 3.5 is hereby amended as follows:

The City of Guelph Official Plan contains Community Improvement policies. These policies were amended by Official Plan Amendment (OPA) No. 47 which came into effect on October 26, 2011. These new Community Improvement policies are very comprehensive, include updated terminology and references, and support a broader range of community improvement objectives and activities. The new Community Improvement policies in the City's Official Plan are contained in Appendix A.

ITEM 7: The purpose of 'ITEM 7' is to delete policy context regarding the Community Energy Plan.

Section 3.6 is hereby deleted in its entirety.

ITEM 8: The purpose of 'ITEM 8' is to delete policy context regarding the Employment Lands Strategy.

Section 3.7 is hereby deleted in its entirety.

ITEM 9: The purpose of 'ITEM 9' is to delete policy context regarding the Urban Design Action Plan.

Section 3.8 is hereby deleted in its entirety.

ITEM 10: The purpose of 'ITEM 10' is to delete policy regarding Secondary Plans to the Official Plan.

Section 3.9 is hereby deleted in its entirety.

ITEM 11: The purpose of 'ITEM 11' is to delete policy context regarding the Downtown Guelph CIP.

Section 3.10 is hereby deleted in its entirety.

ITEM 12: The purpose of 'ITEM 12' is to introduce a new subsection regarding Consultation on Development of the 2012 CIP.

The words "**Consultation on Development of the 2012 CIP**" are hereby inserted immediately after the words "4.0 CONSULTATION".

ITEM 13: The purpose of 'ITEM 13' is to introduce a new section regarding Consultation on the 2018 CIP Update.

A new section is hereby inserted after the words "analyzed by the consultant." In section 4.5 as follows:

Consultation on the 2018 CIP Update

Because of the minor and technical nature of anticipated changes to the CIP, the community engagement approach was scoped to interviews with key stakeholders who have had direct experience with the programs. They are in a good position to evaluate the programs' strengths and weaknesses. Staff solicited 11 stakeholders for interviews including developers, environmental consultants and Ministry of the Environment and Climate Change (MOECC) staff. Six interviews were conducted and two emails were received.

The project team also interviewed other staff involved in the administration of the CIP programs from the following departments:

- **Engineering and Capital Infrastructure Services**
- **Finance, Client Services**
- **Finance, Taxation and Revenue**
- **Business Development and Enterprise**
- **Legal, Realty and Risk Services**

ITEM 14: The purpose of 'ITEM 14' is to remove detail on the rationale for establishing the Community Improvement Project Area

Section 5.0 is hereby amended as follows:

The Community Improvement and Renewal policies in the City's Official Plan specify that the entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area. ~~Based on information compiled in a historical land use database of 400 properties, potential brownfield sites in Guelph are located both in the older built up part of city, as well as being spread across the City. The prevailing trend in municipalities now preparing comprehensive Brownfield CIPs is to designate the entire municipality, or at least the entire urban area, as the Community Improvement Project Area to which their Brownfield CIP will apply. Based on the location of potential brownfield sites in the City of Guelph, such an approach to designation of the community improvement project area for the Brownfield Redevelopment CIP is appropriate. Therefore,~~ **The Community Improvement Project Area for this Brownfield CIP is designated as all land within the municipal boundaries of the City of Guelph.**

ITEM 15: The purpose of 'ITEM 15' is to amend section 6.0, Figure 2: Summary of Incentive Programs to reflect proposed program changes.

Section 6.0 is hereby amended as follows:

Program Name	Program Description	Recommended Program Duration ⁹
Environmental Study Grant (ESG) Program	<ul style="list-style-type: none"> - Grant equivalent to 50% of the cost of a Phase II environmental site assessment, designated substances and hazardous materials survey, remedial work plan or risk assessment. - Maximum grant of \$1530,000 per property/project environmental study. - Maximum of 2 studies per property/project. - Maximum total grant of \$30,000 per property/project. 	<ul style="list-style-type: none"> - Approximately to the end of 2017 with option to extend up to approximately the end of 2023 5 Years from the date of approval of the 2018 CIP update
Tax Assistance (TA) Program	<ul style="list-style-type: none"> - Cancellation of part or all of the municipal property taxes and education property taxes for up to 3 years. - Cancellation of education property taxes is subject to approval by the Minister of Finance. 	<ul style="list-style-type: none"> Approximately to the end of 2023. 5 Years from the date of approval of the 2018 CIP update
Tax Increment Based Grant (TIBG) Program	<ul style="list-style-type: none"> - Grant equivalent to 80% of the municipal property tax increase created by the project for up to 10 years after project completion. 	<ul style="list-style-type: none"> Approximately to the end of 2023. 5 Years from the date of approval of the 2018 CIP update

ITEM 16: The purpose of 'ITEM 16' is to amend the definition of Environmental Remediation.

Section 6.1 is hereby amended as follows:

Environmental Remediation: Also referred to as “remediation” means any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act.

ITEM 17: The purpose of ‘ITEM 17’ is to amend the application timing requirements for the Environmental Study Grant Program, program eligibility for polluting applicants and to clarify the ineligibility of HST costs.

Section 6.2 is hereby amended as follows:

b) None of the incentive programs contained in this Plan will be offered on a retroactive basis. This means that the City can accept applications for the financial incentive programs contained in this CIP only after this CIP has been adopted by City Council and approved. This also means that ~~an~~ **a complete** application for any financial incentive program contained in this CIP must be submitted to **and received by** the City and that application must be approved by the City prior to the commencement of any eligible study ~~under the~~ (Environmental Study Grant Program). **An application must be submitted and approved by the City prior to the commencement of** ~~or~~ any eligible works **under the** (Tax Assistance Program and/or Tax Increment Based Grant Program) that are the subject of the application¹⁰.

c) With the exception of the Environmental Study Grant Program, owners or applicants who are responsible for knowingly polluting their properties will not generally be permitted to make direct application for any of the incentive programs contained in this CIP. However, the City reserves the right to make exceptions to this requirement on a case by case basis where redevelopment benefits to the municipality and community would be very significant.

q) Sales Taxes (e.g. HST) are not eligible to be reimbursed.

ITEM 18: The purpose of ‘ITEM 18’ is to amend the Environmental Study Grant Program by increasing the maximum amount to \$30,000 per study and to clarify that these limits apply over the 5-year term of the CIP.

The third paragraph of Section 6.3.2 is hereby amended as follows:

To help offset the costs of additional environmental studies, the ESG Program will provide a matching grant of 50% of the cost of ~~an~~ eligible environmental studies~~y~~ to a maximum grant of:

- a) ~~\$15~~**30,000** per **property/project** study; **and**
- b) two studies per property/project; ~~and,~~
- e) ~~\$30,000~~ per property/project.

The maximum grant amount and number of studies apply over the 5-year term of this CIP.

ITEM 19: The purpose of 'ITEM 19' is to add clarity on cost that are eligible under the Tax Assistance program.

Section 6.4.2 is hereby amended by adding a new paragraph after the words "environmental insurance premiums."

"Only costs that are associated with site contamination and are above and beyond otherwise required development costs are eligible."

ITEM 20: The purpose of 'ITEM 20' is to provide for the eligibility for the TIBG program to public properties that make payments in lieu of taxes.

Section 6.5.2 is hereby amended as follows:

The TIBG Program will provide a financial incentive in the form of an annual grant equal to 80% of the increase in municipal property taxes that results from a brownfield redevelopment project for up to ten (10) years. The 20% portion of the increase in municipal taxes will be retained by the City. **Publicly owned properties may also use the TIBG program. In this case, the grant is calculated similar to tax-paying properties, and is based on the increase in the municipal portion of payment in lieu of taxes¹².** The TIBG program is only available for properties where environmental remediation/risk management and rehabilitation/redevelopment results in an increase in assessment value and property taxes. The grant available under this program is generally paid to the original property owner who remediated the brownfield property, even if the property is subsequently sold once it has been remediated. The grant may be assigned to a third party, subject to approval by the City.

Section 6.5.2 is hereby further amended by adding a footnote as follows:

¹² Administrative details for the TIBG program for public properties are provided by substituting the word "tax(es)" with "payment in lieu of tax(es)."

ITEM 21: The purpose of 'ITEM 21' is to add an eligible costs criterion for the TIBG program.

Section 6.5.2 is hereby amended by adding a new paragraph after the words "50% of building rehabilitation works (excluding permit fees)." as follows:

Only costs that are associated with site contamination and are above and beyond otherwise required development costs are eligible, except for LEED costs.

ITEM 22: The purpose of 'ITEM 22' is to add a provision that TIBG payments may be retained by the City to offset any outstanding financial obligations to the City.

The second paragraph of Section 6.5.2 is hereby amended by adding the following after the words "approval by the City."

TIBG grant payments may be retained by the City to address any outstanding financial obligations to the City pertaining to the project. Once those obligations are addressed, the remaining payments would be made to the applicant.

ITEM 23: The purpose of 'ITEM 23' is to amend section 6.5.3 c) i) to allow TIBG recipients to address site contamination in accordance with City procedures rather than Provincial procedures where appropriate.

Section 6.5.3c)i) is hereby amended as follows:

- i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act **or to meet the requirements of the City's Guidelines for Development of Contaminated or Potentially Contaminated Sites (2016) or its successor**; and,

ITEM 24: The purpose of 'ITEM 24' is to amend section 7.3 Program Adjustments to reflect a ministerial name change.

The third paragraph of section 7.3 is hereby amended as follows:

The City will consult with the Ministry of Municipal Affairs and Housing concerning any formal amendments to the Community Improvement Plan.

ITEM 25: The purpose of 'ITEM 25' is to renumber all section numbers as appropriate

All section numbers and cross references are hereby amended to reflect changes introduced by this amendment.

ITEM 26: The purpose of 'ITEM 26' is to update the Table of Contents

The Table of Contents is hereby updated to reflect revised headings, section numbers and page numbers to reflect changes introduced by this amendment.

PART C - THE APPENDICES

The following appendices do not form part of Amendment No. 1 but are included as information supporting the amendment.

- Appendix 1: Public Participation
- Appendix 2: April 9, 2018 Infrastructure, Development and Enterprise Services Public Meeting Report
- Appendix 3: July 9, 2018 Infrastructure, Development and Enterprise Services Public Decision Report

APPENDIX 1

TO BROWNFIELD REDEVELOPMENT COMMUNITY IMPROVEMENT PLAN AMENDMENT NO. 1

PUBLIC PARTICIPATION

March 9, 2018	Proposed amendment circulated to the Ministry of Municipal Affairs
March 19, 2018	Public Meeting Notice mailed to prescribed Agencies
March 15, 2018	Public Meeting Notice advertised in the Guelph Tribune
April 9, 2018	Statutory Public Meeting of City Council
June 21, 2018	Notice of Decision meeting sent to those who requested to notified
July 9, 2018	City Council Meeting to consider staff recommendation

**APPENDIX 2
TO CITY OF GUELPH BROWNFIELD REDEVELOPMENT
COMMUNITY IMPROVEMENT PLAN AMENDMENT NO. 1**

**INFRASTRUCTURE, DEVELOPMENT AND ENTERPRISE SERVICES REPORT
#IDE-2018-24 DATED APRIL 9, 2018**

Attached

**APPENDIX 3
TO CITY OF GUELPH BROWNFIELD REDEVELOPMENT
COMMUNITY IMPROVEMENT PLAN AMENDMENT NO. 1**

**INFRASTRUCTURE, DEVELOPMENT AND ENTERPRISE SERVICES REPORT
#IDE-2018-90 DATED JULY 9, 2018**

Attached

Attachment 2 –Comments Received since Public Meeting

Ministry of
Municipal Affairs

Ministry of Housing

Municipal Services Office
Western Ontario
659 Exeter Road, 2nd Floor
London ON N6E 1L3
Tel.: 519 873-4020
Toll-Free: 1 800-265-4736
Fax: 519 873-4018

Ministère des
Affaires municipales

Ministère du Logement

Bureau des services aux municipalités
de l'Ouest de l'Ontario
659 Exeter Road, 2^e étage
London ON N6E 1L3
Tél. : 519 873-4020
Sans frais : 1 800 265-4736
Télééc. : 519 873-4018



May 9, 2018

E-mail Only

Mr. Tim Donegani
Tim.Donegani@Guelph.ca

**Re: Draft City of Guelph Brownfield Redevelopment CIP Update
Ministry of Municipal Affairs comments**

Dear Mr. Donegani,

Ministry staff have completed their review of the draft City of Guelph Brownfield Redevelopment Community Improvement Plan (CIP) update. It is understood that the proposed amendments to the CIP are intended to extend previously established timeframes, and improve overall administration and effectiveness of existing programs. Ministry staff offer the following comments for the consideration of the City of Guelph.

ENVIRONMENTAL STUDY GRANT

The City proposes to change the maximum grant amounts available under this program from a per study basis to a per property basis. While this is clearly denoted in the CIP, the City may wish to consider whether these maximums (\$30,000 per property and two studies per property) are further limited to applications within the calendar year, or over the duration of the CIP.

TAX INCREMENT EQUIVALENT GRANT PROGRAM

The City proposes to provide a deferral of Development Charges under this program. As Section 28 of the *Planning Act* only provides for grants and loans, it is suggested consideration be given to establishing applicable development charges as an eligible cost within the program. The repayment schedule under the program could then be further structured to ensure that grant funds dispersed under the program are first directed to recovering development charges.

SECTION 6.5.2 – TAX INCREMENT BASED GRANTS ON PUBLICALLY OWNED PROPERTY

Consideration should be given to clarifying the wording within this section as it is incomplete and does not clearly address how the tax increment will be calculated on properties where a Payment-in-Lieu of property tax is received.

Overall, there are no significant concerns with the proposed amendments and updates to the City's Brownfield Redevelopment Community Improvement Plan.

Thank you for the opportunity to review and comment on the City's updated CIP. Please let me know if you have any questions or concerns.

Regards,

A handwritten signature in black ink that reads "Tyler Shantz". The signature is written in a cursive style with a long horizontal stroke at the end of the last name.

Tyler Shantz, BES
Planner

Ministry of Municipal Affairs
Municipal Services Office – Western
659 Exeter Road, 2nd floor
London, ON N6E 1L3
T: 519 873-4695
E: Tyler.Shantz@Ontario.ca

Cc: Janice Hensel, MMA
Erick Boyd, MMA

Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, July 9, 2018

Subject **Decision Report
671 Victoria Road North
Zoning By-law Amendment
File: ZC1606
Ward 2**

Report Number IDE-2018-93

Recommendation

That the application by Astrid J. Clos Planning Consultants on behalf of 1830334 Ontario Inc., the owners of the of the property municipally known as 671 Victoria Road North and legally described as Part of Lot 1, Concession 7, Division C, City of Guelph, for approval of a Zoning By-law Amendment application to change the zoning on a portion of the site from "Specialized Neighbourhood Commercial" (NC-9), to a "Specialized Cluster Townhouse Residential" (R.3A-??) Zone, to permit a residential townhouse development containing 31 units be approved in accordance with the zoning regulations and conditions in ATT-3 of the Infrastructure, Development and Enterprise Report 2018-93 dated July 9, 2018.

Executive Summary

Purpose of Report

This report provides a staff recommendation to approve a Zoning By-law Amendment application to permit 31 cluster townhouse units.

Key Findings

Planning staff support the proposed Zoning By-law Amendment subject to the zoning regulations and recommended conditions in ATT-3.

Financial Implications

Estimated Development Charges: \$698,399 based on 2018 rates.

Estimated Annual Taxes: \$131,915 based on 2018 tax rate for 31 townhouse units.

Report

BACKGROUND

On March 1, 2016, an application to amend the Zoning By-law was received for the property municipally known as 671 Victoria Road North from Astrid J. Clos Planning Consultants on behalf of 1830334 Ontario Inc. The application requested an amendment to the current NC-9 (Specialized Neighbourhood Shopping Centre) Zone to a new specialized NC (Neighbourhood Shopping Centre) Zone with revised regulations to permit the development of two six-storey apartment buildings containing a total of 124 apartment units with ground floor commercial space and a separate one storey commercial building.

This application was deemed complete on March 29, 2016 and went to a statutory Public Meeting on May 9, 2016. At the Public Meeting, concerns were raised by area residents about the proposed height and density, building setbacks, traffic impacts and other compatibility issues given the surrounding medium and low density residential areas.

The applicant revised their plans and presented a new concept plan to the neighbourhood residents at an informal public meeting on February 23, 2017. This concept plan removed the six storey, mixed use apartment buildings and replaced them with 64 stacked townhouse units, together with a small commercial plaza building (approximately 900 square metres) next to the intersection of Victoria Road North and Wideman Boulevard. The neighbourhood was more receptive to this plan, but still expressed concern about height because the stacked townhouses were 4 storeys high, backing onto standard two storey townhouses that are at a lower elevation on Mussen Street.

The applicant revised their plans a third time and on January 4, 2018 submitted a revised application to permit 31 cluster townhouse units on the northerly portion of the site together with a commercial plaza approximately 900 square metres in size on the northeast corner of the intersection of Victoria Road North and Wideman Boulevard. A statutory Public Meeting was held to discuss the revised application on April 12, 2018. The applicant received generally supportive comments from the neighbourhood residents and a few questions regarding parking, a retaining wall on the east side of the property and the intent of the Neighbourhood Commercial Centre designation in the Official Plan.

Location

The subject property is approximately 1.248 hectares in size and located in the northeast corner of the intersection of Victoria Road North and Wideman Boulevard (see ATT-1 and ATT-2) and is currently vacant.

Surrounding land uses include:

- On-street townhouses that front onto Mussen Street, to the north and east;
- Single detached dwellings across Wideman Boulevard to the south; and
- Vacant land zoned for townhouse and apartment uses across Victoria Road North to the west.

Official Plan Land Use Designations and Policies

The Official Plan land use designations that apply to the subject site are 'Neighbourhood Commercial Centre' and 'General Residential' in the September 2014 Consolidation of the 2001 Official Plan, because the application was received when this plan was in effect (See ATT-4)

Lands designated 'General Residential' are meant to accommodate all forms of residential development, though the general character of development is meant to be low-rise forms of housing. Multiple unit residential buildings are permitted subject to meeting the specific criteria outlined in policy 7.2.7. The 'General Residential' designation policies are included in ATT-4.

The 'Neighbourhood Commercial Centre' lands are intended to serve the shopping needs of the surrounding neighbourhoods. This designation has conceptually been shown at the intersection of Victoria Road North and Wideman Boulevard; it should be noted that land use designation boundaries are generally considered to be approximate and may be refined through detailed planning applications. In this area, the land uses have been further refined through subsequent zoning and subdivision approvals processes, and this entire site was identified and zoned for potential neighbourhood commercial uses while the other corners of the intersection were zoned and used for residential purposes.

The 'Neighbourhood Commercial Centre' designation also permits medium density residential development together with the commercial function where compatible. The policies of the "Neighbourhood Commercial Centre" land use designation are also included in ATT-4.

Official Plan Amendment 48 Designations and Policies

Official Plan Amendment 48 is the City's new Official Plan and currently in effect. It was under appeal to the Ontario Municipal Board (OMB) at the time of the original application. In OPA 48, the site is designated 'Neighbourhood Commercial Centre', as shown in ATT-5, and contains similar policies intending to establish local convenience and neighbourhood commercial uses in a manner that is compatible and connected with the surrounding neighbourhood. Staff had regard for these policies during the review of the application.

Existing Zoning

The subject property is zoned NC-9 (Specialized Neighbourhood Shopping Centre) Zone, as illustrated in ATT-6. This specialized zone permits dwelling units with permitted commercial uses in the same building, but limits building height to 2 storeys. Details of the current zoning are included in ATT-6.

REPORT

Description of Proposed Zoning By-law Amendment

The applicant proposes to rezone the northern portion of the site (approximately 70 percent of the site) to a specialized R.3A-?? (Residential Cluster Townhouse Zone), to permit the development of 31 cluster townhouse units (See ATT-7). A specialized regulation is being requested to permit the development to have a minimum front yard setback of 4.5 metres along Victoria Road North, where 6 metres is the standard requirement. The remaining portion of the site, closest to Wideman Boulevard, is proposed to remain in the NC-9 (Specialized Neighbourhood Shopping Centre) Zone to permit the development of the proposed commercial plaza.

Proposed Development

The applicant has proposed a 31 unit cluster townhouse development, together with a small commercial block. Two storey high townhouses are proposed along the easterly side of the site adjacent to the existing townhouses on Mussen Street. Three storey high townhouses are proposed on the westerly and interior part of the site. Access to the site is from Victoria Road North with secondary access proposed through the commercial block to Wideman Boulevard. A second access on Victoria Road North just north of Wideman Boulevard is also proposed for the commercial use. The site concept plan is included in ATT-9 and the proposed building elevations for the townhouse units are found in ATT-10.

Staff Review/Planning Analysis

The staff review and planning analysis for this application is provided in ATT-11. The analysis addresses all relevant planning considerations, including the issues that were raised by Council at the statutory Public Meeting held on April 12, 2018.

Staff Recommendation

Planning staff are satisfied that the recommended Zoning By-law Amendment is consistent with the Provincial Policy Statement and conforms to the 2017 Places to Grow Plan. The proposed Zoning By-law Amendment conforms to the objectives and policies of the Official Plan and the specialized regulation proposed is appropriate for the site. Planning staff recommend that Council approve the Zoning By-law Amendment subject to the zoning regulations and proposed conditions of site plan approval outlined in ATT-3.

Financial Implications

Estimated Development Charges: \$698,399 based on rates in effect at the time of writing this report.

Estimated Annual Taxes: \$131,915 based on 2018 tax rate for 31 townhouse units.

Consultations

The public agency and comments received from City departments during the review of the application are summarized in ATT-12. Key dates for the public process regarding the planning application are included in ATT-13.

Corporate Administrative Plan

This report supports the following goals and work plans of the Corporate Administrative Plan (2016-2018):

Overarching Goals

Service Excellence

Service Area Operational Work Plans

Our People- Building a great community together

Attachments

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ATT-2	Orthophoto
ATT-3	Recommended Zoning Regulations and Conditions
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Departmental Approval

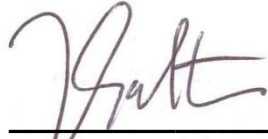
Not applicable.

Report Author

Katie Nasswetter
Senior Development Planner

Approved By

Chris DeVriendt
Manager of Development Planning



Approved By

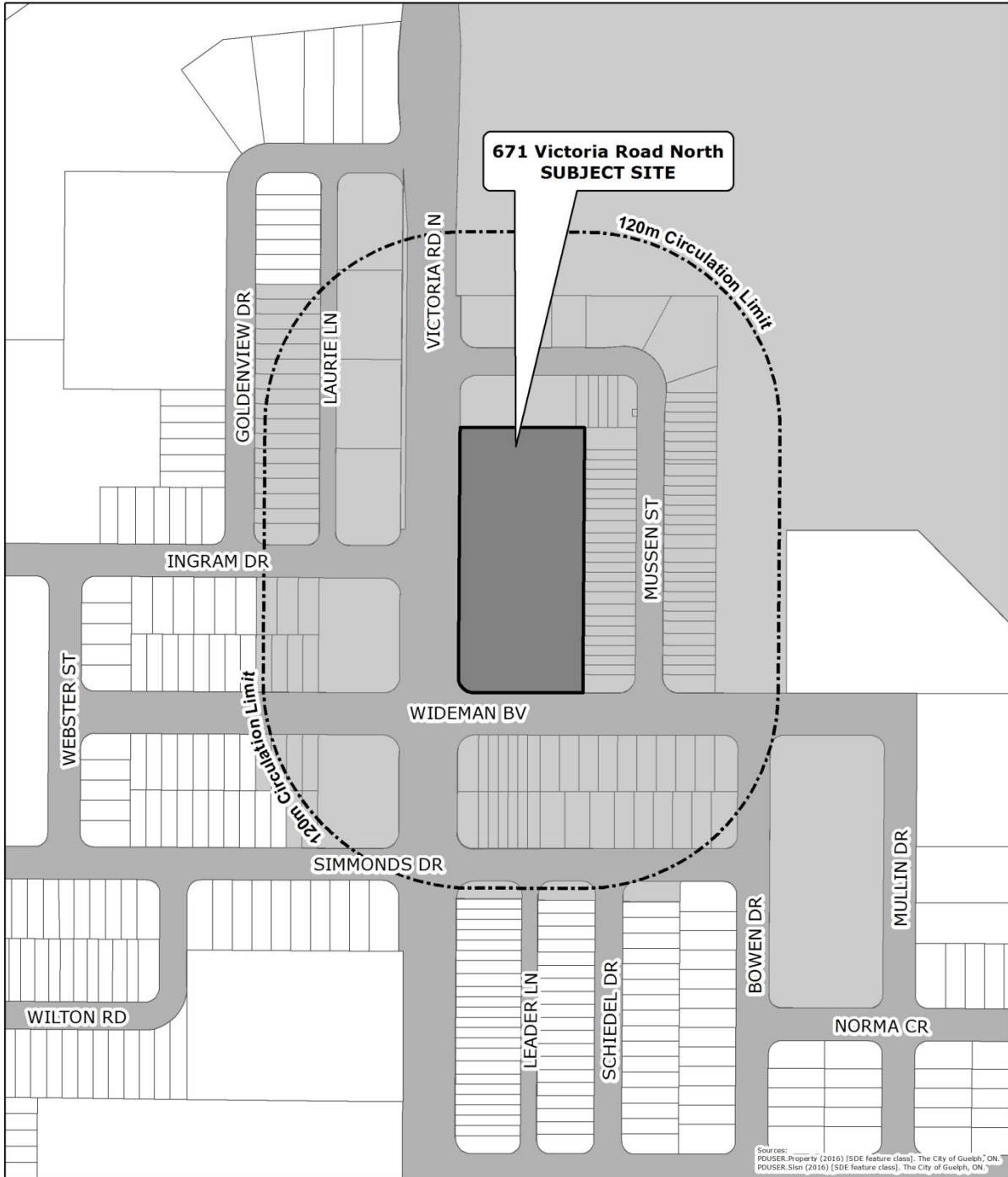
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Recommended By

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**ATT-1
Location Map and 120m Circulation**

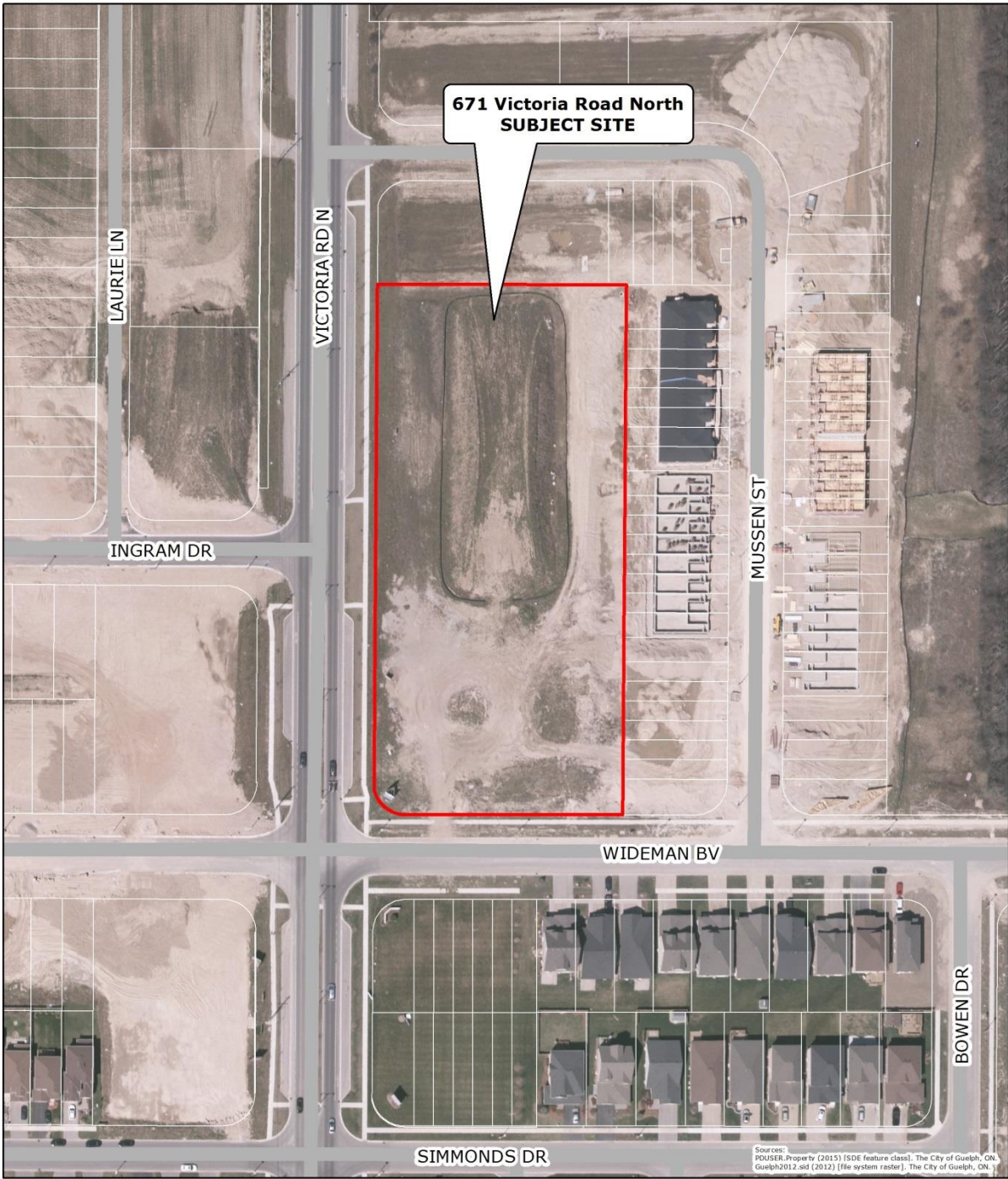


Sources:
POUSER, Property (2016) [SDE feature class]. The City of Guelph, ON.
POUSER, Slon (2016) [SDE feature class]. The City of Guelph, ON.

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March 2016

**LOCATION MAP & 120m CIRCULATION
671 Victoria Road North**

ATT-2 Orthophoto



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March 2016

2012 Orthophoto 671 Victoria Road North

CITY OF
Guelph
Making a Difference

ATT-3
Recommended Zoning Regulations and Conditions

Part A: Zoning Regulations

Zoning By-law Amendment

The following zoning is proposed:

Specialized R.3A-?? (Cluster Townhouse) Zone

Regulations

In accordance with Section 4 (General Provisions) and Section 5.3 and Table 5.3.2 (Regulations Governing R.3 Zones) of Zoning By-law (1995)-14864, as amended, with the following exception:

Minimum Front yard

Despite Table 5.3.2, Row 5, the minimum Front Yard shall be 4.5 metres.

Part B: Proposed Conditions

The following conditions are provided as information to Council and will be imposed through site plan approval.

CITY CONDITIONS

1. That the Owner shall submit to the City, in accordance with Section 41 of the *Planning Act*, a fully detailed site plan, indicating the location of the building, building design, landscaping, parking, traffic circulation, access, lighting, grading and drainage on the said lands to the satisfaction of the General Manager of Planning, Urban Design and Building Services and the General Manager/City Engineer, prior to any construction or grading on the lands.
2. Prior to the issuance of site plan approval, written confirmation shall be received from the General Manager of Environmental Services or his or her designate that the proposed development is in conformance with By-law (2011)-19199, known as the Waste Management By-law. Further, the Owner agrees and commits to employ a three-stream waste collection system with considerations and opportunities developed in their Waste Management Plan that would facilitate the transition to City collection at some point in the future.
3. The Owner shall pay to the City, as determined applicable by the Chief Financial Officer/City Treasurer, development charges and education development charges, in accordance with the City of Guelph Development Charges By-law (2009)-18729, as amended from time to time, or any

successor thereof, and in accordance with the Education Development Charges By-laws of the Upper Grand District School Board (Wellington County) and the Wellington Catholic District School Board, as amended from time to time, or any successor by-laws thereof, prior to this issuance of any building permits, at the rate in effect at the time of the issuance of a building permit.

4. The Developer shall pay cash-in-lieu of parkland for the entire development, in accordance with the City of Guelph By-law (1989)-13410, as amended by By-law (1990)-13545, By-Law (2007- 18225), or any successor thereof prior to the issuance of any building permits.
5. The Owner shall provide to the Deputy CAO of Public Services a satisfactory appraisal report prepared for The Corporation of the City of Guelph for the purposes of calculating the payment of cash-in-lieu of parkland dedication pursuant to s.42 of the Planning Act. The appraisal report shall be prepared by a qualified appraiser who is a member in good standing of the Appraisal Institute of Canada, and shall be subject to the review and approval of the Deputy CAO of Public Services. Notwithstanding the foregoing, if the appraisal provided by the applicant is not satisfactory to the Deputy CAO of Public Services, acting reasonably, the City reserves the right to obtain an independent appraisal for the purposes of calculating the payment of cash-in-lieu of parkland dedication.
6. That prior to site plan approval, the Developer shall place the following notifications in all offers of purchase and sale for all lots and/or dwelling units and agrees that these same notifications shall be placed in the City's subdivision agreement to be registered on title:

"Purchasers and/or tenants of all lots or units are advised that a public trail will be installed or exists in the open spaces that are in close proximity to the property."

"Purchasers and/or tenants of all lots or units are advised that the Stormwater Management Block has been vegetated to create a natural setting. Be advised that the City will not carry out routine maintenance such as grass cutting. Some maintenance may occur in the areas that are developed by the City for public walkways, bikeways and trails."

"Purchasers and/or tenants of all units are advised that the Open Space Block has been retained in its natural condition. Be advised that the City will not carry out regular maintenance such as grass cutting. Periodic maintenance may occur from time to time to support the open space function and public trail system."

“Purchasers and/or tenants of all units are advised that the Park Block has been designed for active public use and may include sportsfields, playgrounds, trails and other park amenities. Be advised that the City may carry out regular maintenance such as grass cutting. Periodic maintenance may also occur from time to time to support the park functions.”

7. The Developer acknowledges and agrees that ensuring the suitability of the land from an environmental engineering perspective, for the proposed use(s) is the responsibility of the Developer/Landowner.
8. Prior to the submission of a site plan, the Consultant shall submit to the City all required environmental reports as identified and detailed in the City’s guidance document *“Guidelines for Development of Contaminated or Potentially Contaminated Sites – 2016”*.
9. Prior to the site plan approval or prior to any construction or grading on the lands, the Consultant shall certify that all properties to be developed and/or conveyed to the City pose no risks to public health and safety and to the environment and can be developed for proposed uses.
10. Prior to site plan approval and prior to the City accepting any real property interests, the applicant shall provide a Reliance Letter from a Qualified Person (QP) to indicate that despite any limitations or qualifications included in the report, the City is authorized to rely on all information and opinion provided in the reports.
11. Prior to site plan approval and prior to any construction or grading on the lands, the Developer shall provide to the City, to the satisfaction of the General Manager/City Engineer, any of the following studies, plans and reports that may be requested by the General Manager/City Engineer:
 - i. a stormwater management report and plans certified by a Professional Engineer in accordance with the City’s Guidelines and the latest edition of the Ministry of the Environment’s *“Stormwater Management Practices Planning and Design Manual”*, which addresses the quantity and quality of stormwater discharge from the site together with a monitoring and maintenance program for the stormwater management facility to be submitted;
 - ii. a grading, drainage and servicing plan prepared by a Professional Engineer for the site;
 - iii. a detailed erosion and sediment control plan, certified by a Professional Engineer that indicates the means whereby erosion will be

minimized and sediment maintained on-site throughout grading and construction;

- iv. a traffic geometric plan certified by a Professional Engineer and an updated Traffic Impact Study reflective of Transportation Services staff comments for the site;
- v. that the Developer be responsible for and incur the cost to design and construct a northbound right turn deceleration lane into the commercial portion of the site from Victoria Road North. The design shall incorporate the existing parking bays into the design. The existing parking lay by width is 2.6 m; the width of the right turn deceleration lane will have to meet TAC design standards i.e. minimum of 3.25 m to the satisfaction of Transportation Services and the General Manager/City Engineer.
- vi. a Section 59 Policy Applicability Review Form, Salt Management Plan and Wastewater Survey in accordance with Source Water Protection protocols.

12. The Developer shall, to the satisfaction of the General Manager/City Engineer, address and be responsible for adhering to all the recommended measures contained in the plans, studies and reports outlined in subsections 11 i) to 11 vi) inclusive.

13. The Developer shall pay to the City the actual cost of the construction of the new driveway entrances and required curb cut and/or curb fill. Furthermore, prior to site plan approval and prior to any construction or grading on the lands, the Developer shall pay to the City, the estimated cost as determined by the General Manager/City Engineer of the construction of the new driveway entrances and required curb cut and/or curb fill.

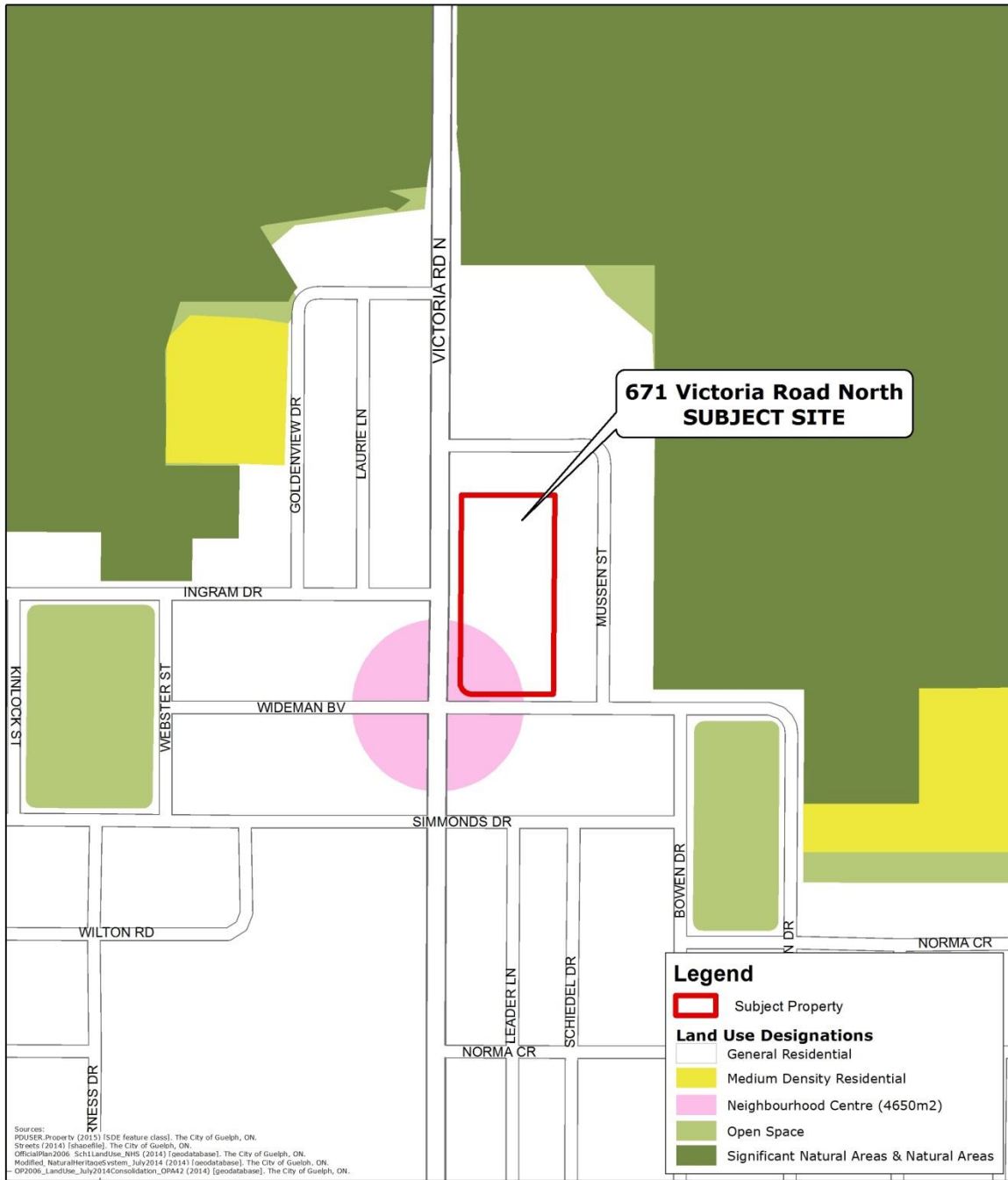
14. That the Developer grades, develops and maintains the site including the storm water management facilities designed by a Professional Engineer, in accordance with a Site Plan that has been submitted to and approved by the General Manager/City Engineer. Furthermore the Developer shall have the Professional Engineer who designed the storm water management system certify to the City that he/she supervised the construction of the storm water management system and that the storm water management system was built as it was approved by the City and that it is functioning properly.

15. That the Developer will ensure that any existing domestic wells as well as all boreholes and monitoring wells installed for environmental, hydrogeological or geotechnical investigations are properly decommissioned in accordance

with current Ministry of the Environment regulations (O.Reg. 903 as amended) and to the satisfaction of the General Manager/City Engineer, prior to site plan approval and prior to any construction or grading on the lands.

16. The Developer acknowledges that the City does not allow retaining walls higher than 1.0-metre abutting existing residential properties without the permission of the General Manager/City Engineer.
17. The Developer agrees to stabilize all disturbed soil within 90 days of being disturbed, control all noxious weeds and keep ground cover to a maximum height of 150mm (6") to the satisfaction of the General Manager/City Engineer.
18. That all electrical services to the lands are underground and the Developer shall make satisfactory arrangements with Guelph Hydro Electric Systems Inc. for the servicing of the lands, as well as provisions for any easements and/or rights-of-way for their plants, prior to site plan approval and prior to any construction or grading on the lands.
19. That prior to site plan approval and prior to any construction or grading on the lands, the owner shall enter into a Site Plan Control Agreement with the City, registered on title, satisfactory to the City Solicitor and the General Manager/City Engineer, covering the recommendations noted above and to develop the site in accordance with the approved plans.

ATT-4
2001 Official Plan Land Use Designations and Policies



2001 Official Plan, September 2014 Consolidation

Land Use Designations

671 Victoria Road North

Produced by the City of Guelph
 Planning, Urban Design and Building Services - Development Planning
 March 2016

ATT-3 (continued)
Existing Official Plan Land Use Designations and Policies

'General Residential' Land Use Designation

- 7.2.31 The predominant use of land in areas designated, as 'General Residential' on Schedule 1 shall be residential. All forms of residential *development* shall be permitted in conformity with the policies of this designation. The general character of development will be low-rise housing forms. *Multiple unit residential buildings* will be permitted without amendment to this Plan, subject to the satisfaction of specific development criteria as noted by the provisions of policy 7.2.7. Residential care facilities, *lodging houses*, *coach houses* and garden suites will be permitted, subject to the development criteria as outlined in the earlier text of this subsection.
- 7.2.32 Within the 'General Residential' designation, the *net density of development* shall not exceed 100 units per hectare (40 units/acre).
1. In spite of the density provisions of policy 7.2.32 the *net density of development* on lands known municipally as 40 Northumberland Street, shall not exceed 152.5 units per hectare (62 units per acre).
- 7.2.33 The physical character of existing established low density residential neighbourhoods will be respected wherever possible.
- 7.2.34 Residential lot *infill*, comprising the creation of new low density residential lots within the older established areas of the City will be encouraged, provided that the proposed *development* is compatible with the surrounding residential environment. To assess compatibility, the City will give consideration to the existing predominant zoning of the particular area as well as the general design parameters outlined in subsection 3.6 of this Plan. More specifically, residential lot *infill* shall be compatible with adjacent residential environments with respect to the following:
- a) The form and scale of existing residential development;
 - b) Existing building design and height;
 - c) Setbacks;
 - d) Landscaping and amenity areas;
 - e) Vehicular access, circulation and parking; and
 - f) Heritage considerations.
- 7.2.35 Apartment or townhouse *infill* proposals shall be subject to the development criteria contained in policy 7.2.7.

7.2.7 *Multiple unit residential buildings*, such as townhouses, row dwellings and apartments, may be permitted within designated areas permitting residential uses. The following development criteria will be used to evaluate a *development* proposal for *multiple unit* housing:

- a) That the building form, massing, appearance and siting are compatible in design, character and orientation with buildings in the immediate vicinity;
- b) That the proposal can be adequately served by local convenience and neighbourhood shopping facilities, schools, parks and recreation facilities and public transit;
- c) That the vehicular traffic generated from the proposal can be accommodated with minimal impact on local residential streets and intersections and, in addition, vehicular circulation, access and parking facilities can be adequately provided; and
- d) That adequate municipal *infrastructure*, services and amenity areas for the residents can be provided.

Neighbourhood Commercial Centre

7.4.22 A 'Neighbourhood Commercial Centre', comprised of one or several commercial buildings on one or more properties within a compact "node", is intended to primarily serve the shopping needs of residents living and working in nearby neighbourhoods and employment districts. In addition, institutional and small scale office uses may also be permitted where these uses are compatible with the particular surroundings. Medium density multiple unit residential buildings and apartments in accordance with Section 7.2 may also be permitted provided the principle commercial function is maintained.

7.4.23 The 'Neighbourhood Commercial Centre' designations on Schedule 1 recognize the existing centres within the City and identify the general location of new 'Neighbourhood Commercial Centres'.

7.4.24 Proposals to designate new 'Neighbourhood Commercial Centres' or to expand an existing designation beyond the area indicated on Schedule 1 shall require an amendment to this Plan and the implementing *Zoning By-law*.

7.4.25 In order to prevent the creation of "strip commercial" development comprising a series of 'Neighbourhood Commercial Centres' located adjacent to one another along a major traffic street, it is a general requirement of this Plan that designated nodes have a minimum distance separation from one another of 0.5 kilometres.

7.4.26 Applications for the purpose of establishing or expanding a 'Neighbourhood Commercial Centre' designation will satisfy the following criteria:

- a) Located with direct access to an arterial or collector road, preferably at an arterial or collector road intersection;
- b) The location will contribute to the creation of a compact, well-defined node oriented to a major intersection and does not promote the creation of 'strip commercial' development along a major street;
- c) Designed in a manner that is compatible with the building design and use of surrounding properties;
- d) The location shall minimize the impact of traffic, noise, signs and lighting on adjacent residential areas;
- e) Adequate site area will be provided for parking, loading and all other required facilities;
- f) Adequate landscaping, screening and buffering will be provided to preserve the amenities and appearance of surrounding properties;

7.4.27 This Plan intends that a 'Neighbourhood Commercial Centre' shall not be extended or enlarged to provide more than 4,650 square metres (50,000 square feet) of gross leasable floor area.

7.4.27.1 Notwithstanding policy 7.4.27, the existing 'Neighbourhood Commercial Centres' listed below shall be permitted to provide a maximum of 10,000 square metres (108,000 square feet) of gross leasable floor area:

- Speedvale Avenue at Stevenson Street
- Victoria Road at Grange Avenue
- Victoria Road at York Street
- Kortright Road at Edinburgh Road
- Harvard Road at Gordon Street
- Kortright Road at Gordon Street
- Wellington Road at Imperial Drive.

7.4.28 A 'Neighbourhood Commercial Centre' as listed in 7.4.27.1 shall only be extended or enlarged to provide more than 10,000 square metres (108,000 square feet) of gross leasable floor area by amendment to this Plan and shall require an impact study.

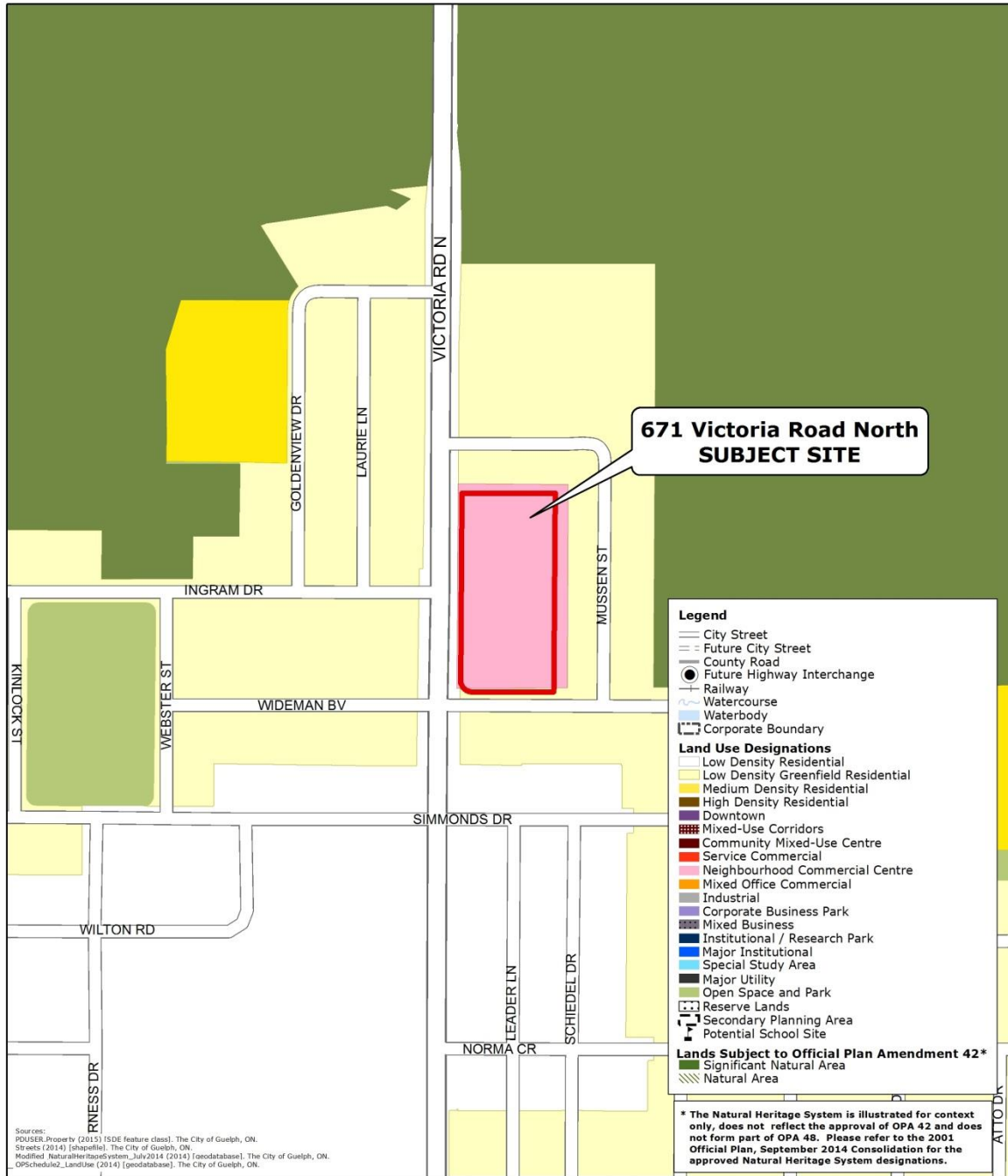
7.4.29 The maximum *gross leasable floor area* of an individual retail use within the node shall be 3,250 square metres (35,000 square feet).

7.4.29.1 Notwithstanding policy 7.5.29, the existing 'Neighbourhood Commercial Centre' located at Kortright Road and Edinburgh Road shall be permitted

to provide an individual retail use of a maximum of 5,200 square metres (55,000 square feet).

- 7.4.30 The City will require the aesthetic character of site and building design to be consistent with the City's urban design objectives and guidelines and shall incorporate measures into the approval of *Zoning By-laws* and *site plans* used to regulate *development* within the 'Neighbourhood Commercial Centre' designation to ensure such consistency.
- 7.4.31 It is intended that where there are adjacent properties within the node that as new development occurs the lands will be integrated with one another in terms of internal access roads, entrances from public streets, access to common parking areas, grading, open space and storm water management systems. Furthermore, it is intended that individual developments within the Neighbourhood Commercial Centre designation will be designed to be integrated into the wider community by footpaths, sidewalks and bicycle systems and by the placement of buildings in close proximity to the street line near transit facilities.

ATT-5 Official Plan Amendment #48 Land Use Designations

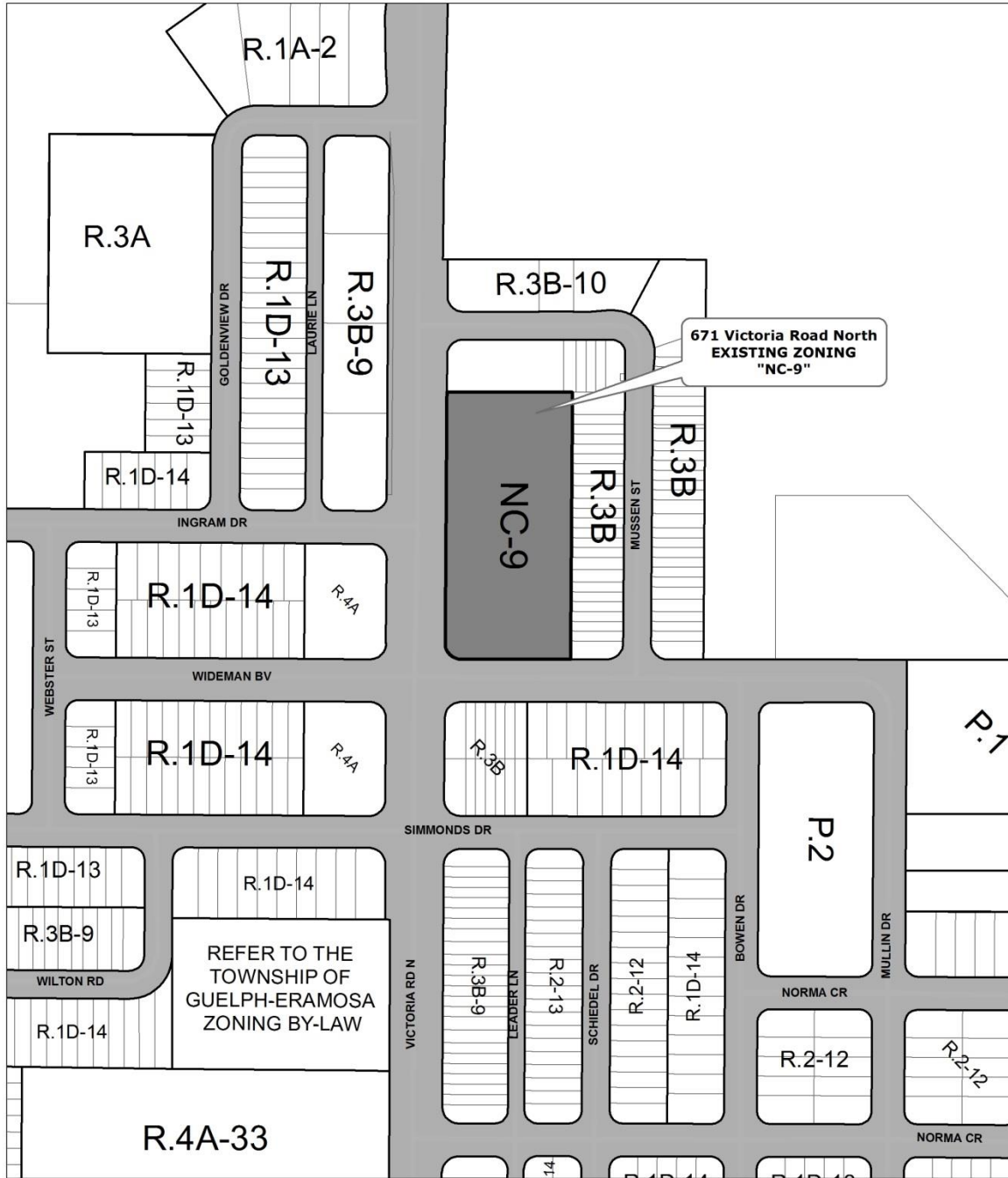


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Official Plan Amendment No. 48
Proposed Land Use Designations
671 Victoria Road North

Produced by the City of Guelph
 Planning, Urban Design and Building Services - Development Planning
 March 2016.

ATT-6 Existing Zoning and Details



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March 2016

EXISTING ZONING 671 Victoria Road North

ATT-6 (continued)
Existing Zoning Details

6.2.3.1.9 **NC-9**

As shown on Defined Area Map Number 78 of Schedule "A" of this **By-law**.

6.2.3.1.9.1 **Permitted Uses**

In accordance with the provisions of Section 6.2.1.1 of Zoning **By-law** (1995)-14864, as amended with the following exceptions:

- Car wash facilities are prohibited
- Drive-thru facilities are prohibited

6.2.3.1.9.2 **Regulations**

In accordance with Section 4 (General Provisions), Section 6.2.2 and Table 6.2.2 (Commercial Centre Regulations) of Zoning **By-law** (1995)-14864, as amended, with the following exceptions:

6.2.3.1.9.2.1 **Maximum Gross Floor Area**
4000 square metres

6.2.3.1.9.2.2 **Maximum and Minimum Building Height**
In addition to the maximum **Building Height** provisions of Table 6.2.2, Row 8, any **Building** with a total **Building** envelope greater than 1500 square metres shall have a minimum **Building Height** of 2 storeys

6.2.3.1.9.2.3 **Development Regulations for Gas Bars**

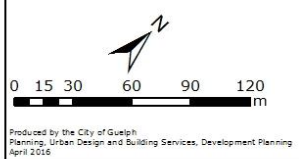
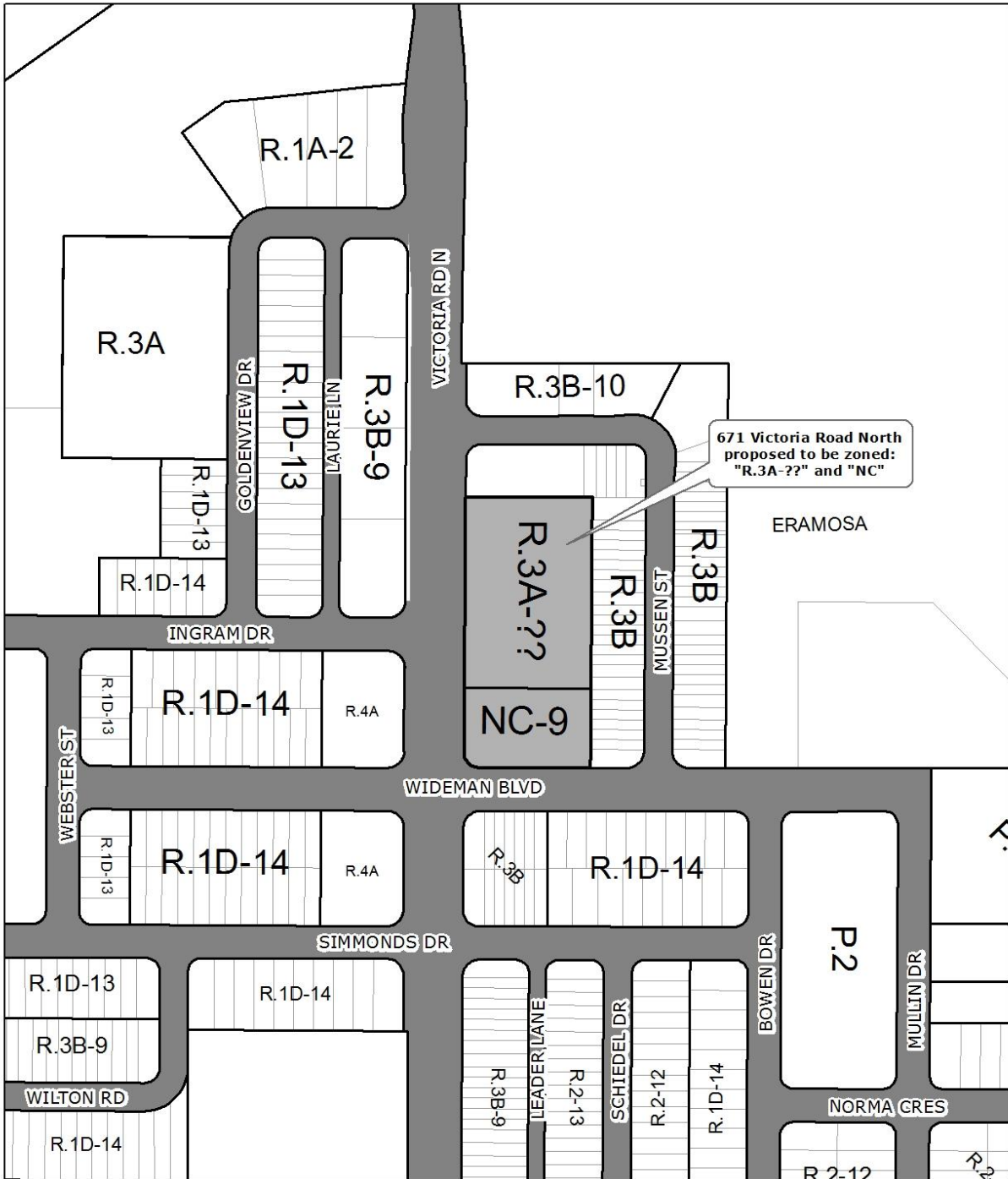
- The **Development** of any gas bar shall occur in association with the **Development** of a **Building** with a minimum gross leasable floor area of 300 square metres
- No gas bar shall be located between any **Building** and any **Street Line** or between any **Building** and the intersection

ATT-6 (continued)
Existing Zoning Details

of Victoria Road and Wideman Boulevard

- 6.2.3.1.9.2.4 Maximum and Minimum **Front** and **Exterior Side Yard**
- A **Building** shall be located at the corner of Victoria Road North and Wideman Boulevard at a maximum **Front Yard** and **Exterior Side Yard Setback** (build-to-line) of 6 metres and a minimum **Front Yard** and **Exterior Side Yard Setback** of 3 metres
 - A minimum of 30% total **Building** façade facing Victoria Road shall be provided at a minimum **Setback** of 3 metres and a maximum **Setback** (build-to line) of 6 metres from Victoria Road
- 6.2.3.1.9.2.5 Minimum Off-Street Parking
The minimum off-street parking required for all **Uses** shall be 1 space per 23 square metres of **Gross Floor Area**
- 6.2.3.1.9.2.6 **Building** Entrances
A **Building** entrance facing Victoria Road shall be provided for the **Development** of any commercial **Building** on the site
- 6.2.3.1.9.2.7 Landscaped **Buffer Strip**
A minimum 6 metre wide landscaped **Buffer Strip** shall be provided along the easterly and northerly property lines.

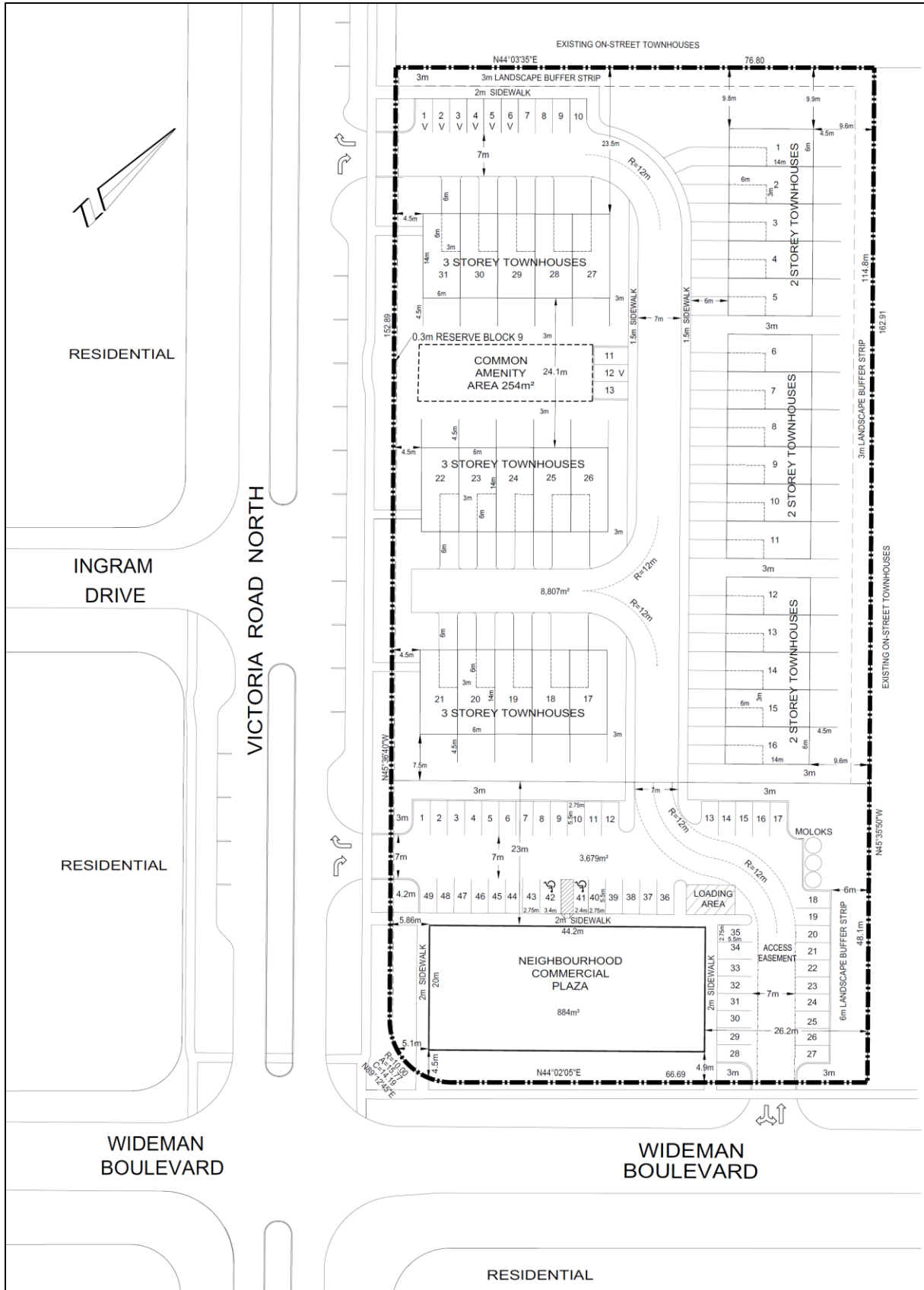
**ATT-7
Proposed Zoning**



**PROPOSED ZONING
671 Victoria Road North**



ATT-9 Revised Conceptual Development Plan



ATT-10
Proposed Building Elevations

Proposed Interior Units backing onto Mussen Street Townhouses:



FRONT ELEVATION



REAR ELEVATION

ATT-10 Proposed Building Elevations

Proposed End Townhouse Units Facing Victoria Road:



ATT-10
Proposed Building Design



ATT-11

Staff Review and Planning Analysis

2014 Provincial Policy Statement

The 2014 Provincial Policy Statement (PPS) provides direction on matters of provincial interest related to land use planning and development and is issued under the authority of Section 3 of the *Planning Act*. In general, the PPS promotes efficient use of land and development patterns and addresses matters of provincial interest in land use planning. As per section 4.2, all planning decisions shall be consistent with the PPS. Policy Section 1.0 – Building Strong Healthy Communities speaks to efficient land use and development patterns to support sustainability by promoting strong, liveable, healthy and resilient communities, protecting the environment and public health and safety, and facilitating economic growth.

Policy 1.1.1 of the PPS promotes creating and sustaining healthy, liveable and safe communities. This is achieved in part by promoting efficient development and land use patterns with an appropriate range and mix of residential and employment and other uses to meet long term needs [1.1.1 a), b)]. Also, development must avoid land use patterns that may cause environmental concerns, and be cost-effective, ensuring the necessary infrastructure is in place to meet the projected needs [1.1.1 c), e), g)].

Policy 1.1.3 requires development in settlement areas to use land and resources wisely, considering opportunities for intensification and redevelopment. Specifically, densities are to be appropriate for and efficiently utilize the infrastructure and public service facilities that are planned or available. In addition, land use and development patterns in settlement areas are to be efficient, transit supportive and take into account existing building stock [1.1.3.1, 1.1.3.2 a), b), 1.1.3.3]. Appropriate development standards are to be promoted, facilitating intensification and a compact built form, while mitigating risks to public health and safety [1.1.3.4]. New growth within designated growth areas should occur next to the built up area and have a compact form and mix of uses and densities [1.1.3.6]. For housing development, new housing is to be directed to locations where appropriate levels of infrastructure and public services are and will be available to support anticipated needs [1.4.3 c)].

The proposal to permit residential development on a portion of the the subject lands is consistent with the policies of the PPS. The proposed development represents a compact form of development within the City's settlement area that will allow the efficient use of land, infrastructure and nearby public facilities. The proposed medium density residential development is compatible with the existing surrounding low and medium density residential uses, and is within easy walking distance to adjacent proposed Neighbourhood Commercial uses. The proposal contributes to achieving an appropriate range of housing types and densities to help the City of Guelph meet projected requirements for current and future residents.

The proposed development is consistent with the policies of the PPS. The proposal will provide new development that is an efficient use of land, on an arterial road with nearby public transit and adequate infrastructure and contributes to achieving a range of housing types and densities within the City.

Places to Grow

The Growth Plan for the Greater Golden Horseshoe (2017) provides a framework for managing growth in the Greater Golden Horseshoe area works to support the achievement of complete communities and ensure that land to accommodate forecasted population and employment growth will be available when needed.

The site is considered part of the Designated Greenfield Area (DGA) which has the objectives of achieving complete communities, supporting active transportation and encouraging transit use. Within the City's DGA, the minimum density is to be 50 people and jobs per hectare until such time as the next municipal comprehensive review is completed [2.2.7.2, 2.2.7.3].

This proposed townhouse development would contribute to achieving the City's required greenfield density. The site supports creating a complete community in the neighbourhood by adding variety to the housing options in the area and providing neighbourhood scale commercial services. It will also support active transportation by providing services in an area that is walkable from many nearby homes and the site is close to two existing transit routes. The proposed development is consistent with the policies of the Growth Plan.

Conformity with the Official Plan

The proposed Zoning By-law Amendment application conforms to several of the major goals of the Official Plan including the following:

- assists in promoting a compact development pattern to avoid sprawl;
- facilitates development in an area where municipal services are readily available;
- provides for urban growth in a manner that ensures the efficient use of public expenditures without excessive financial strain upon the City;
- facilitates development in an established area of the City that is being done in a manner that is sympathetic and compatible with the built form of existing land uses; and
- assists in providing for an adequate supply and range of housing types and supporting amenities to satisfy the needs of all residents.

The proposed development also meets several of the objectives of the Official Plan, including:

- assisting in building a compact, vibrant and complete community;

- assisting in accommodating projected growth within the settlement area boundary, and more specifically, within the built-up area where capacity exists to accommodate growth; and
- providing additional residential land uses.

Section 3.3 of the Official Plan contains general Urban Form policies that promote a compact urban form by:

- encouraging a gradual increase in the average residential density of the community
- promoting mixed land uses in appropriate locations throughout the City;
- promoting a range of building types and innovative designs to meet the diverse needs of the community; and
- encouraging intensification to maximize efficient use of municipal services.

The proposed development conforms to the Urban Form objectives of the Official Plan by providing medium density residential development in the Greenfield of the City at a density of 35 units per hectare that is appropriate for the site and compatible with the surrounding area.

The site is in the General Residential designation of the 2001 Official Plan (September 2014 Consolidation) together with a Neighbourhood Commercial Designation shown over all four corners of the intersection of Victoria Road North and Wideman Boulevard.

The specific criteria in Section 7.2.7 (see ATT-4) that evaluate the suitability of multiple unit residential buildings, such as townhouses in the General Residential designation are met because the townhouse form, massing and siting are compatible with the design and character of the adjacent existing neighbourhood, which consists of similar scale street-fronting townhouses along Mussen Street and immediately across from the site on the south side of Wideman Boulevard.

The portion of the site closest to the intersection of Wideman Boulevard and Victoria Road North will provide local convenience commercial and neighbourhood shopping uses and there are nearby schools, parks (Northview Park, Wilson Farm Park) and public transit is available one block to the south near the intersection of Simmonds Drive and Victoria Road North.

Engineering staff have confirmed that adequate municipal services are available for the proposed development and transportation staff have confirmed that vehicular traffic related to the site can be accommodated.

The Neighbourhood Commercial component of the Official Plan is being maintained by the proposed commercial development along the Wideman Drive frontage of the site. Approximately 885 square metres of commercial development is proposed and the lands are already zoned NC-9 (Specialized Neighbourhood Commercial Centre) which permits a variety of local scaled commercial uses intended to serve the surrounding neighbourhood.

Official Plan Amendment 48

On June 5, 2012, the City adopted OPA 48, a comprehensive update to its Official Plan, which was appealed and came into full force and effect in October 2017. Since the application for the subject property was submitted while OPA 48 was under appeal, this application was reviewed against the policies of the 2001 Official Plan, 2014 Consolidation. While this application is not required to conform to OPA 48, regard is given to the policies of this new plan since these policies provide current guidance for development within the City and within the context of the Provincial Growth Plan.

Staff have reviewed the policies of OPA 48 related to the proposed development and note that the entire site is shown as Neighbourhood Commercial Centre in OPA 48 which is a direct reflection of the proposed use for the entire site at the time OPA 48 was being finalized. The proposed townhouse portion of the site meets the policies of this designation, as multiple unit residential buildings such as townhouses are permitted and the density range required is 20-60 units per hectare and the density of the proposed development is 35 units per hectare.

The remaining Neighbourhood Commercial portion of the site also meets the policies of the Neighbourhood Commercial Centre designation, specifically able to establish local convenience and neighbourhood commercial uses in a manner that is compatible and connected with the surrounding neighbourhood.

Review of Proposed Zoning

Staff have reviewed the proposed zoning and are satisfied that the proposed R.3A-? (Specialized Cluster Townhouse) Zone is appropriate for the proposed development.

The only specialized regulation requested by the applicant is a specialized regulation for a reduced front yard setback of 4.5 metres where 6 metres is required. This reduced setback would allow the westerly townhouse buildings to be slightly closer to Victoria Road North. The applicant has requested this regulation to give a greater rear yard setback from the easterly townhouses proposed that would back onto the existing townhouses on Mussen Drive. As shown on the proposed site plan in ATT-9, units 1 to 16 along the interior, easterly side of the site have an enhanced rear yard setback of 9.6 m from the east property line. Units 27 to 31 on

the north end of the site have an enhanced setback of 23.5 m from the north property line.

Staff are satisfied that the revised development proposal has greatly reduced the number of specialized regulations required and the single proposed specialized regulation is minor and supportable for the proposed development of this site.

Parking

Amount of on-site parking was raised as a concern because there are existing issues in the neighbourhood with adequate parking for on-street townhouses. It was proposed that additional parking could be accommodated on the proposed private road. The applicant reviewed this option but because it would result in a reduced setback to the existing townhouses on Mussen Street, no change has been made. The applicant has proposed 31 townhouses and each will have a garage parking space considered under the Zoning By-law as their legal parking space and space in the driveway for a second vehicle. The townhouse portion of the site also proposes 7 visitor parking spaces and 6 additional parking spaces that can be assigned to individual townhouse units. There are also on-street parking spaces already built along both sides of Victoria Road North that could function as temporary parking for visitors. Staff are satisfied that the parking provided on site is suitable for the proposed development.

Proposed Stormwater Management and Retaining Wall

Concern was raised by Council about stormwater management on site and the need for a retaining wall between the site and the existing neighbourhood on Mussen Street to the east. Staff can confirm that water is proposed to be drained to catchbasins on site and no runoff onto neighbouring properties would be permitted. There is a retaining wall proposed on the property along the easterly side which would be no higher than 1 metre and would have one consistent fence on top, all owned and maintained by the future condominium corporation.

Loss of Commercial Lands

A question was raised by Council regarding whether there is concern about the loss of commercial lands here, given that the original proposal was for approximately 3900 square metres of commercial space and the Neighbourhood Commercial designation permits up to 4650 square metres of commercial space. In the current proposal, approximately 885 square metres of commercial space is proposed. There is no minimum size requirement for the Neighbourhood Commercial designation, but there is a policy requirement that the commercial function of the site be maintained. The intent of these lands is to serve the shopping needs of residents living nearby. The 885 square metre (9500 square feet) building is large enough to

create several commercial units and provide a variety of local shops or services to the neighbourhood.

Public Health Comments

Wellington Dufferin Guelph Public Health provided comments at the Public Meeting on April 9, 2018 regarding tree cover, integration with the public realm and reducing vehicle parking, as shown in the staff and agency comments in ATT-12. These comments will be considered in further detail through the site plan review process.

Street-facing Buildings

A concern was raised by Council that this application and the current application across the street would both present the end of multiple townhouse unit buildings to the street which could create poor urban form along Victoria Road North. The developer has agreed to create enhanced end units that would front onto Victoria Road North with front doors and enhanced windows to ensure a high quality streetscape. The proposed front elevation of the end units facing Victoria Road North are shown in ATT-10 and will be further reviewed and refined through the site plan approval process.

ATT-12
Departmental and Agency Comments Summary

Respondent	No Objection or Comment	Conditional Support	Issues /Concerns
Planning		√	Subject to conditions in ATT-2
Engineering*		√	Subject to conditions in ATT-2
Park Planning*		√	Subject to conditions in ATT-2
Urban Design		√	Subject to conditions in ATT-2
Guelph Hydro*		√	Subject to conditions in ATT-2
Upper Grand District School Board*		√	Subject to conditions in ATT-2
Guelph Dufferin Wellington Public Health*		√	
Canada Post	√		
Union Gas	√		

MEMO

FILE: 16.131.001

TO: Katie Nasswetter
FROM: Development and Environmental Engineering Staff
DEPARTMENT: Engineering Services
DATE: June 4, 2018
SUBJECT: 671 Victoria Road North - Zoning By-law Amendment (ZC1606)

The application is for a Zoning By-law Amendment to permit the development of a 31 unit cluster townhome development on the north half of the site.

The comments below are in response to the review of the following plans & reports:

- Functional Servicing Report – GM Blueplan (August 30, 2017);
- Site Grading & Servicing Plans – GM Blueplan (August 30, 2017);
- Traffic Impact Study Update – Paradigm Transportation Solutions Ltd. (August 2017) &
- “Victoria North Concept Plan” – Astrid J Clos Planning Consultants (January 4, 2018).

1. Road Infrastructure:

Victoria Road North abutting the subject property on the west side is designated as a two (2) lane arterial road with asphalt pavement, curb and gutter, bicycle lanes, on-street vehicular parking laybys, concrete sidewalk and landscape islands within the center median of the roadway. Victoria Road North is designated as a 36.0m ultimate right-of-way as per the City of Guelph’s Official Plan.

Wideman Boulevard abutting the subject property on the south side is designated as a two (2) lane local road with asphalt pavement, curb and gutter, concrete sidewalk and a grass boulevard on both the north and south side of the street. Wideman Boulevard has a 26.0m ultimate right-of-way as described on registered plan 61M-151.

The existing 0.30m (1’) reserves on both along Victoria Road North (Block 9, 61M-189) and Wideman Boulevard (Block 60, 61M-151) frontages will need to be lifted prior to final site plan approval to permit the proposed driveway accesses. Both Victoria Road North and Wideman Boulevard are meeting the ultimate widths as prescribed in the City’s Official Plan so there is not any road widenings required to be dedicated.

2. Traffic Study, Access, Parking and Transportation Demand Management:

The highlights of the traffic analysis, review of the conceptual site plan and subsequent discussions with the applicant include the following;

Victoria Road – North Access

The access to the development will be made via one right in/out access on the east side of Victoria Road north of Ingram Drive. The access will be restricted by the existing raised centre median on Victoria Road North. The clear throat distance shall be 15m and as such the parking and townhouse layout will need to be reconfigured to accommodate this spacing requirement.

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Victoria Road – South Access

The proposed right in/right out access is located 39m north of Wideman Boulevard. It is not supported by staff as currently proposed as it is too close to the intersection at Victoria Road North and Wideman Boulevard. The minimum access spacing along an arterial road for a commercial development is 60m from an intersection.

Furthermore traffic using this south access can be adequately accommodated by the other two accesses. The elimination of this south access also offers benefit for pedestrians and cyclists with less conflict point.

The proposed southerly right in/right out access onto Victoria Street will be supported by Transportation Services staff subject to the following:

- The applicant incurring the cost to design and construct a northbound right turn deceleration lane into the access. The design shall incorporate the existing parking bays into the design. The existing parking lay by width is 2.6 m; the width of the right turn deceleration lane will have to meet Transportation Association of Canada (TAC) design standards i.e. minimum of 3.25 m. The design is to be approved by staff.

Lay-by parking on Victoria Road North

The proposed reconfiguration of the lay-by parking on Victoria Road to accommodate the two proposed right in/out accesses will not be permitted. Lay-by parking on the east side of Victoria Road North between Wideman Boulevard and the northerly right in/right out access will remain in the existing condition. Altering the lay-by parking would interfere with pedestrians crossing Victoria Road in the east and westbound directions. In addition, there are hydro poles and fire hydrant infrastructure that would be impacted by the alteration of the existing lay-by parking. As such, any proposed additional parking within the Victoria Road North and Ingram Drive intersection is not supported by staff.

A future site plan submission shall include a traffic geometrics plan illustrating fire/garbage trucks entering/exiting the site using AutoTURN software to show the truck sweep paths. A sight line analysis at the intersection of Victoria Road North at Wideman Boulevard will be required to determine building placement for the commercial plaza. Please note that parking demand and supply for the site is to be reviewed by Planning/Zoning staff.

3. Municipal Services:

Mussen Street

Existing servicing stubs within 2 easements from Mussen Street were provided during the construction of the Victoria Road North Phase 1 Subdivision. The service sizes are as follows:

- 200mm diameter sanitary sewer approximately 3.3 to 3.5 metres in depth;
- 525mm diameter storm sewer approximately 1.64 to 2.1 metres in depth;
- 450mm diameter storm sewer approximately 1.77 to 2.85 metres in depth;
- 150mm diameter watermain approximately 2.0 metres in depth.

The legal status of both of these easements will need to be confirmed by the applicant during site plan submission in order to connect to the servicing stubs as proposed.

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Wideman Boulevard

Existing municipal infrastructure within the right-of-way are as follows:

- 200mm diameter sanitary sewer (local) approximately 4.3 metres in depth;
- 200mm diameter sanitary sewer (trunk) approximately 7.9 metres in depth;
- 450mm diameter storm sewer approximately 3.35 metres in depth;
- 150mm diameter watermain approximately 2.0 metres in depth.

Victoria Road North

The only municipal service within Victoria Road North right-of-way fronting the subject lands is a 200mm increasing to 250mm watermain approximately 3.25 metres in depth.

It has been confirmed that adequate sanitary and water capacities are available to service the proposed development. However the Developer shall be advised that there is potential for marginal water supply pressures in the proposed development under certain conditions such as peak hour demand scenario at locations with elevation greater than 363 m height above mean sea level (AMSL) and average day demand scenario at locations with elevation greater than 356 m height AMSL in the existing water system. Any means to mitigate this water pressure scenario to meet current Ontario Building Code standards on site, is the responsibility of the Developer.

3. Storm Water Management:

The site has been pre-serviced during the Victoria Road North Phase 1 subdivision to include storm sewer connections. As noted above, the servicing easements have to be confirmed by the Developer. Stormwater from the site will drain ultimately to the Victoriaview North Subdivision stormwater pond situated east of the site (City Pond ID# 95) at a controlled release rate based upon the 2yr design storm in order to achieve pre-development flow conditions. A storm water management report will be required at the time of site plan application to ensure that the discharge from the site complies with an allowable outlet rate. The cost of all the storm water management works and quality controls will be the responsibility of the owner.

4. Environmental:

The Developer shall submit prior to a site plan submission a Phase One Environmental Site Assessment in accordance with O. Reg. 153/04, as amended (i.e. if the existing actual physical use of the property is going from less sensitive to more sensitive use) **OR** CSA Z768-01 (as amended) format describing the current conditions of the subject property to the satisfaction of the City. If contamination is found, the consultant will determine its nature and indicate any necessary measures to manage the contaminate at the Developer's expense.

The Developer will also be required to ensure that all boreholes and monitoring wells installed for environmental, hydrogeological or geotechnical investigations are properly decommissioned prior to site grading and servicing in accordance with current MOE regulations (O.Reg. 903 as amended) and to the satisfaction of the General Manager/City Engineer.

5. Staff Recommendations:

The following conditions are provided as information to Council and will be imposed through site plan approval unless noted otherwise.

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1. That the Developer shall submit to the City, in accordance with Section 41 of The Planning Act, a fully detailed site plan, indicating the location of the building, building design, landscaping, parking, traffic circulation, access, lighting, grading and drainage on the said lands to the satisfaction of the General Manager of Planning and the General Manager/City Engineer, prior to any construction or grading on the lands.
2. The Developer acknowledges and agrees that ensuring the suitability of the land from an environmental engineering perspective, for the proposed use(s) is the responsibility of the Developer/Landowner.
3. Prior to the submission of a site plan, the Consultant shall submit to the City all required environmental reports as identified and detailed in the City's guidance document "*Guidelines for Development of Contaminated or Potentially Contaminated Sites – 2016*".
4. Prior to the site plan approval or prior to any construction or grading on the lands, the Consultant shall certify that all properties to be developed and/or conveyed to the City pose no risks to public health and safety and to the environment and can be developed for proposed uses.
5. Prior to site plan approval and prior to the City accepting any real property interests, the applicant shall provide a Reliance Letter from a Qualified Person (QP) to indicate that despite any limitations or qualifications included in the report, the City is authorized to rely on all information and opinion provided in the reports.
6. Prior to site plan approval and prior to any construction or grading on the lands, the Developer shall provide to the City, to the satisfaction of the General Manager/City Engineer, any of the following studies, plans and reports that may be requested by the General Manager/City Engineer:
 - i. a stormwater management report and plans certified by a Professional Engineer in accordance with the City's Guidelines and the latest edition of the Ministry of the Environment's "Stormwater Management Practices Planning and Design Manual", which addresses the quantity and quality of stormwater discharge from the site together with a monitoring and maintenance program for the stormwater management facility to be submitted;
 - ii. a grading, drainage and servicing plan prepared by a Professional Engineer for the site;
 - iii. a detailed erosion and sediment control plan, certified by a Professional Engineer that indicates the means whereby erosion will be minimized and sediment maintained on-site throughout grading and construction;
 - iv. a traffic geometric plan certified by a Professional Engineer and an updated Traffic Impact Study reflective of Transportation Services staff comments for the site;
 - v. a Section 59 Policy Applicability Review Form, Salt Management Plan and Wastewater Survey in accordance with Source Water Protection protocols.
7. The Developer shall, to the satisfaction of the General Manager/City Engineer, address and be responsible for adhering to all the recommended measures contained in the plans, studies and reports outlined in subsections 5 i) to 5 v) inclusive.
8. The Developer shall pay to the City the actual cost of the construction of the new driveway entrances and required curb cut and/or curb fill. Furthermore, prior to site plan approval and prior to any construction or


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grading on the lands, the Developer shall pay to the City, the estimated cost as determined by the General Manager/City Engineer of the construction of the new driveway entrances and required curb cut and/or curb fill.

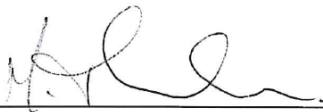
9. That the Developer grades, develops and maintains the site including the storm water management facilities designed by a Professional Engineer, in accordance with a Site Plan that has been submitted to and approved by the General Manager/City Engineer. Furthermore the Developer shall have the Professional Engineer who designed the storm water management system certify to the City that he/she supervised the construction of the storm water management system and that the storm water management system was built as it was approved by the City and that it is functioning properly.
10. That the Developer will ensure that any existing domestic wells as well as all boreholes and monitoring wells installed for environmental, hydrogeological or geotechnical investigations are properly decommissioned in accordance with current Ministry of the Environment regulations (O.Reg. 903 as amended) and to the satisfaction of the General Manager/City Engineer, prior to site plan approval and prior to any construction or grading on the lands.
11. The Developer acknowledges that the City does not allow retaining walls higher than 1.0-metre abutting existing residential properties without the permission of the General Manager/City Engineer.
12. The Developer agrees to stabilize all disturbed soil within 90 days of being disturbed, control all noxious weeds and keep ground cover to a maximum height of 150mm (6") to the satisfaction of the General Manager/City Engineer.
13. That all electrical services to the lands are underground and the Developer shall make satisfactory arrangements with Guelph Hydro Electric Systems Inc. for the servicing of the lands, as well as provisions for any easements and/or rights-of-way for their plants, prior to site plan approval and prior to any construction or grading on the lands.



Terry Gayman, P. Eng.
Manager, Infrastructure, Development &
Environmental Engineering



Allister McIlveen
Manager, Transportation Services



Michelle Thalen, C.Tech
Development Technologist

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Infrastructure, Development & Enterprise

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INTERNAL MEMO



DATE March 26, 2018
TO **Katie Nasswetter**
FROM Mallory Lemon
DIVISION Open Space Planning
DEPARTMENT Public Services
**SUBJECT 671 Victoria Road N – ZC1606
RE: Zoning By-law Amendment Application: Revised Proposal**

Open Space Planning has reviewed the application for the above noted Notice of Public Meeting Zoning By-Law Amendment Application (dated March 8, 2018) and offers the following comments:

Zoning Bylaw Amendment:

Open Space Planning has no objection to the proposed Zoning By-Law Amendment to allow 31 cluster townhouse units on the northerly portion of the site with a commercial plaza close to the intersection of Victoria Road North and Wideman Boulevard.

Parkland Dedication:

The calculation below indicates that cash-in-lieu for development subject area 671 Victoria Road North as not been previously collected by the City. Subdivision Plan 61M – 189 proposed a development area of 3.92 hectares and showed a Parkland Dedication of 0 hectares.

Previous Calculation:

Total Development Area	3.92 hectares
less open space	0
less industrial	0
less commercial	<u>1.249 hectares</u>
	2.671 hectares
	@ 5% = 0.134 hectares

Based on the information above and the proposed application, Open Space Planning would require a minimum Parkland Dedication for the subject site in the amount of 0.062 hectares (per City of Guelph By-law (1989)-13410, as amended by By-law (1990)- 13545), calculated as follows:

Additional Calculation:

Proposed Specialized Neighbourhood	1.249 hectares
Shopping Centre NC-9	@ 5% = 0.062 hectares

TOTAL PARKLAND DEDICATION REQUIRED: 0.062 hectares

RE: 671 Victoria Road North

March 26, 2018

Page 2 of 3

Cash-in-lieu of parkland dedication is recommended for this development based on this calculation as parkland is not required.

Conditions of Development:

If development or redevelopment of this site is proposed, I recommend the following development approval conditions:

1. The Developer shall **pay cash-in-lieu of parkland** for the entire development, in accordance with the City of Guelph By-law (1989)-13410, as amended by By-law (1990)- 13545, By-Law (2007- 18225) or any successor thereof, prior to issuance of any building permits.
2. Prior to Site Plan approval, the Owner shall provide to the Deputy CAO of Public Services **a satisfactory appraisal report** prepared for The Corporation of the City of Guelph for the purposes of calculating the payment of cash-in-lieu of parkland dedication pursuant to s.42 of the Planning Act. The appraisal report shall be prepared by a qualified appraiser who is a member in good standing of the Appraisal Institute of Canada, and shall be subject to the review and approval of the Deputy CAO of Public Services. Notwithstanding the foregoing, if the appraisal provided by the applicant is not satisfactory to the Deputy CAO of Public Services, acting reasonably, the City reserves the right to obtain an independent appraisal for the purposes of calculating the payment of cash-in-lieu of parkland dedication.

Prior to Site Plan approval:

1. The Developer shall place the following **notifications** in all offers of purchase and sale for all lots and/or dwelling units and agrees that these same notifications shall be placed in the City's subdivision agreement to be registered on title:
 - "Purchasers and/or tenants of all lots or units are advised that a public trail will be installed or exists in the open spaces that are in close proximity to the property."
 - "Purchasers and/or tenants of all lots are advised that the Stormwater Management Block has been vegetated to create a natural setting. Be advised that the City will not carry out routine maintenance such as grass cutting. Some maintenance may occur in the areas that are developed by the City for public walkways, bikeways and trails."
 - "Purchasers and/or tenants of all lots are advised that the Open Space Block has been retained in its natural condition. Be advised that the City will not carry out regular maintenance such as grass cutting. Periodic maintenance may occur from time to time to support the open space function and public trail system."
 - "Purchasers and/or tenants of all lots are advised that the Park Block has been designed for active public use and may include sportsfields, playgrounds, trails and other park amenities. Be advised that the City may carry out regular maintenance such as grass cutting. Periodic maintenance may also occur from time to time to support the park functions."

RE: 671 Victoria Road North

March 26, 2018

Page 3 of 3

Summary:

The above comments represent Open Space Planning's review of the proposed development. Based on the current information provided, I would support the proposed development as presented.

Regards,

Mallory Lemon
Park Planner

T 519-822-1260 x 3371
E mallory.lemon@guelph.ca



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Fax: 519-822-4963
Email: mwittmund@guelphhydro.com
www.guelphhydro.com

April 18, 2016

Katie Nassetter
Planning Services
Infrastructure, Development and Enterprise
City of Guelph
1 Carden Street
Guelph, ON N1H 3A1

Dear Madam:

Re: 671 Victoria Road North (File No. ZC1606)

We would like to submit the following comments concerning this application:

Given the concept plan, enclosed with the notice of complete application and public meeting for zoning by-law amendment application ZC1606:

1. One hydro supply will be allowed for the site.
Hydro supply will be from Victoria Road North.
2. The hydro services for this development should be underground except for a pad-mounted transformer.
3. A minimum distance of 3.0 metres must be maintained between any dwelling units and pad-mounted transformers.
4. A minimum distance of 1.5 metres must be maintained between any driveways/entrances and street light poles or pad-mounted transformers. Any relocations required would be done at the owner's expense.

5. An area of 6.5 metres by 5.0 metres will be required for a three-phase, pad-mounted transformer to service this development. Transformer and primary duct bank location are not to be over, or within, the underground parking garage. Please contact the Guelph Hydro Technical Services Department to arrange for a suitable location.

Sincerely,

GUELPH HYDRO ELECTRIC SYSTEMS INC.

A handwritten signature in black ink, appearing to read 'M. Wittemund', with a stylized flourish at the end.

Michael Wittemund, P.Eng.
Director of Engineering

MW/gc



UPPER GRAND DISTRICT SCHOOL BOARD
500 Victoria Road North, Guelph, Ontario N1E 6K2
Phone: (519) 822-4420 Fax: (519) 822-2134

Martha C. Rogers
Director of Education

March 28, 2018

PLN: 18-21
File Code: R14
Sent by: mail & email

Katie Nasswetter
Senior Development Planner
Planning Services
Infrastructure, Development and Enterprise
City of Guelph
1 Carden Street
Guelph, ON N1H 3A1

Dear Ms. Nasswetter;

Re: **ZC1606 – Second Submission**
671 Victoria Road North

Planning staff at the Upper Grand District School Board has received and reviewed the above noted Notice of Public Meeting regarding the second submission for the above noted property to permit the development of 31 cluster townhouse units together with a commercial plaza.

The site plan provided shows a 1.5-2m wide sidewalk through the site which connects with the existing sidewalk on Victoria Road at the north end of the site. In order to facilitate students travelling to and from school, we request an additional pedestrian connection to Victoria Road North closer to the south end of the subject site, preferably within the limits of the residential portion of the development.

Please be advised that the Planning Department **does not object** to the proposed application, subject to the following conditions:

- Education Development Charges shall be collected prior to the issuance of a building permit;
- Adequate sidewalks, lighting and snow removal is provided to allow children to walk safely to school or to a congregated bus stop; and
- Purchasers are advised that Service de transport de Wellington-Dufferin Student Transportation Services does not run school buses on private roadways and therefore potential busing students will be required to meet the bus at a congregated bus pick-up point.

Should you require additional information, please feel free to contact me.

Sincerely,

Emily Bumbaco
Planning Technician

Area	Consideration	Comment
Tree Cover; Air quality; UV protection	Adequate tree cover & street trees	Please consider adequate tree cover where appropriate within the complex to create an environment that encourages regular walking or cycling, as well as provides air quality benefits and UV protection for residents. Additionally, please consider additional street trees along Victoria Road N parallel to the sidewalk either on the complex grounds or municipal property that are hardy, resilient and low maintenance and planted at regular intervals.
Public Realm Integration	Connectivity; Safety	Please consider including a pathway from Victoria Road North to the common amenity area to ensure connectivity from the public realm into to the complex. Furthermore, please consider the inclusion of a protective, yet aesthetically pleasing, element along the pathway (e.g., a gazebo or a pergola) to create an appealing, safe transition from a busy arterial road (Victoria) to a welcoming social community space.
Public Realm Integration	Street trees	Assuming the commercial building fronts onto the parking spaces provided north of the building, please consider including additional, welcoming streetscape along the south side of the commercial building that faces residential units on Wideman Boulevard.
Common Amenity Area/s	Social Connectivity	Please consider including both active & passive common amenity space within the complex. Assuming the designated common amenity area in the proposal is indeed intended for active amenity space (e.g., playground, etc.), please consider creating a passive common amenity area (e.g., benches, picnic tables) north of townhouse 1 for residents to congregate at to socialize with ample trees, or vice versa.

Active Transportation	Reduction in Vehicular Parking	<p>The convenience of additional parking spaces in a development results in more vehicles on the road and encourages a dependence on vehicles, even for short trips that are within walking distance. Removal of additional parking spaces above the zoning requirements would encourage local residents and neighbouring residents to walk or bike to different locations within this proposed complex, including the common amenity area, townhouses and commercial building.</p> <p>The minimum requirement for a Specialized Neighbourhood Commercial NC-9 Zone is 39 parking spaces surrounding the commercial building, while 49 spaces have been included. Please consider removing 10 parking spaces to meet the minimum requirement for parking only. Furthermore, please consider using space gained to enhance streetscape in the complex and/or to create an additional naturalized green area with additional trees. Not only would this encourage active transportation, it would also provide additional shade by contributing to the tree canopy and decrease surface run-off by increasing the impervious surface cover (each important considerations given that extreme heat days and extreme precipitation events are forecasted to become more intense and frequent).</p> <p>The minimum requirement for visitors parking for townhouses in a Specialized Neighbourhood Commercial NC-Zone is 7 spaces, while 13 have been included. Please consider removing parking spaces located at the common amenity space. Removal of these spaces, and inclusion of a walkway from the sidewalk into the common amenity area would encourage residents to enjoy the area and feel safer doing so, by creating an amenity area that is visible and not blocked by parked vehicles. Also, please consider removing 3 parking spaces from the visitor spaces at the north of the property, meeting the requirement of 7 visitor parking spaces for townhouse. Please consider using the access space from this space for visitor bicycle parking (please see below).</p>
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Active Transportation	Bicycle Parking	<p>Please consider strategically placing bicycle racks in the following locations to encourage cycling as a means of regular active transportation for residents and visitors to the complex:</p> <ul style="list-style-type: none"> - Common amenity space - Commercial area - Townhouse buildings (where visitor parking spaces 8-10 are currently located, in addition to a location central to townhouses in the middle of the complex)
Active Transportation	Connectivity; Safety	<p>The applicant is commended for the sidewalks that connect the sidewalk on Victoria Road N to townhouse stacks 17-21, 22-26 and 27-31. In order to further encourage safe active transportation, please consider extending the sidewalks along the frontage of the above listed townhouses to seamlessly connect to existing sidewalk placed to facilitate pedestrian activity along the central road running north-south within the complex.</p>
Pedestrian/Cyclist Access; Connectivity; Safety	Snow removal	<p>In addition to sidewalk snow removal, please consider regular snow removal and maintenance for all walkways included in this complex. This will ensure that those who walk or cycle have safe, consistent, connected options to use for recreational purposes or active transportation.</p>

ATT-13
Public Notification Summary

March 1, 2016	Application received by the City of Guelph
March 29, 2016	Applications deemed complete
April 12, 2016	Notice of Complete Application and Notice of Complete Application mailed to prescribed agencies and surrounding property owners within 120 metres
April 14, 2016	Notice of Public Meeting advertised in the Guelph Tribune
May 9, 2016	Statutory Public Meeting of Council
February 23, 2017	Neighbourhood Meeting to discuss revised concept
March 8, 2018	Notice of 2 nd Public Meeting advertised in the Guelph Tribune
March 8, 2018	Notice of Revised Application and 2 nd Public Meeting mailed to prescribed agencies and surrounding property owners within 120 metres
April 9, 2018	2 nd Statutory Public Meeting of Council
June 18, 2018	Notice of Decision Meeting sent to parties that commented or requested notice
July 9, 2018	City Council Meeting to consider staff recommendation

Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, July 9, 2018

Subject **Commercial Policy Review: Preferred Framework**

Report Number IDE-2018-94

Recommendation

1. That the Commercial Policy Review: Preferred Framework and the Commercial Policy Review: Stage 2 Preferred Framework Report included in Report IDE-2018-94 dated May 2018 be approved.
2. That staff be directed to initiate amendments to the Official Plan and Zoning By-law to implement the Council approved Commercial Policy Review: Preferred Framework.

Executive Summary

Purpose of Report

To provide Council with the Commercial Policy Preferred Framework for their approval and to seek Council direction to initiate an Official Plan Amendment regarding the Commercial Policy Preferred Framework.

Key Findings

The Commercial Policy Preferred Framework aligns with the new commercial vision and principles approved by Council on March 26, 2018. The preferred framework addresses the commercial issues identified as part of the project terms of reference, Stage 1 Commercial Analysis and Background Report, community engagement results and Council feedback.

Generally, the City is commercially well served and in a positive position. Modest revisions to the City's commercial policy framework are proposed to address key outstanding concerns including: the geographic distribution of commercial space; a lack of sufficiently sized parcels to accommodate traditional larger neighbourhood and community functioning retail developments (2.8+ ha); and the potential loss of existing and planned commercial space.

The preferred commercial policy framework integrates various alternatives and policy responses from the draft policy alternatives report to address the identified issues, including land supply items.

The preferred framework includes:

1. Modifying Official Plan policies for selected commercial mixed-use designations to support intensification, and protect existing commercial space and mixed use areas including their planned function;
2. Land use designation changes to reconfigure commercial space and increase land use permissions in selected locations;
3. Monitoring the commercial land supply to stay in sync with commercial trends and measure the appropriateness of current and proposed new commercial policies;
4. Recommendations for commercial opportunities in the Clair-Maltby Secondary Plan to provide additional lands to meet needs both prior to and after 2031;
5. Modifying the Mixed-use Corridor (GID) lands at the Southeast corner of Victoria Road and Stone Road to decrease the minimum height to 7.5 m (two storeys) to allow faster development on more conventional retail formats; and
6. Zoning recommendations to align regulations with the commercial policies in the City's Official Plan Policy.

Commercial east end opportunities are specifically addressed by:

- Reconfiguring existing commercial space by redesignating lands to Community Mixed-use Centre to broaden the type and form of commercial use; and
- Establishing a commercial benchmark and floor space minimum for Community Mixed-use Centres to protect commercial space and planned function.

Zoning By-law provisions are also recommended to align with the City's Official Plan designations and consider small scale commercial "as of right" on the ground floor of apartment buildings.

Financial Implications

The Commercial Policy Review is funded through approved capital funding.

Background

The City's Commercial Policy Review is intended to provide a contemporary commercial structure, and land use designations, including updated policies and sufficient amounts of appropriately designated lands in appropriate locations, to direct future commercial development within the City to meet the projected growth needs for 2031 and provide the basis to meet the needs for 2041. The work undertaken is in keeping with the growth and land use direction provided by the City's Official Plan and the City's Urban Design Action Plan.

The Commercial Policy Review is following a three stage process as outlined in the Council approved Terms of Reference ([IDE Report 16-84 Commercial Policy Review: Terms of Reference](#)):

- Stage 1 – Commercial Market Analysis and Background Report
- Stage 2 – Commercial Policy Framework Alternatives, Recommended Commercial Policy Framework, Policies and Regulations
- Stage 3 – Official Plan and Zoning By-law Amendments

The Stage 1 work was completed with the public release of the [Commercial Analysis and Background Report](#) in November 2017 and Council's receipt of the document in January 2018. Council also received a staff memo responding to questions on the Stage 1 report from Councillor Gibson, Chair of IDE Committee of the Whole.

The Stage 2 [commercial vision and principles](#) were approved by Council on March 26, 2018. The Stage 2 [Commercial Policy Review: Draft Policy Alternatives Report](#) received by Council on May 14, 2018 identified various policy alternatives and additional policy options to address the issues that have been raised through the terms of reference, the Stage 1 Commercial Analysis and Background Report and public input received to date.

Community engagement was undertaken to receive feedback on the draft policy alternatives. Three events were held during April 2018 including a commercial stakeholder workshop, public workshop and on-line survey.

A summary of the workshops and on-line survey responses are included in Attachment 4 with highlights provided below:

- There was no consensus on protecting the commercial function of mixed use areas by requiring a minimum amount of commercial. There was no consensus on increasing or removing commercial floor area caps on the CMUCs.
- There was general support for converting certain Service Commercial lands to higher order mixed use designations as a means of achieving certain types of commercial development, particularly in the east end. There was also support for continuing to provide for auto-oriented and space extensive uses through Service Commercial designations, and not opening these areas up to retail uses more broadly.
- Other comments included support for policies that enable walkable, compact mixed use development that are flexible and adaptive to changing market conditions.
- Others expressed a need for measured growth (or no growth) and careful monitoring given current retail industry uncertainties.

Report

Generally the City is commercially well served and in a positive position. In addition the City's Official Plan provides a current context for some modest revisions to the

City's commercial policy framework to address key outstanding concerns including: the geographic distribution of commercial space; a lack of sufficiently sized parcels to accommodate traditional larger neighbourhood and community functioning retail developments (2.8+ ha); and the potential loss of existing and planned commercial space. The consultant's preferred commercial policy framework, which addresses the above issues, is included as [Attachment 1](#) to this report.

The recommended preferred framework as highlighted in Attachment 2 includes:

1. Modifying Official Plan policies for selected commercial mixed-use designations to support intensification, and protect existing commercial space and mixed use areas including their planned function;
2. Land use designation changes to reconfigure commercial space and increase land use permissions in selected locations;
3. Monitoring the commercial land supply to stay in sync with commercial trends and measure the appropriateness of current and proposed new commercial policies;
4. Recommendations for commercial opportunities in the Clair-Maltby Secondary Plan to provide additional lands to meet needs both prior to and after 2031;
5. Modifying the Mixed-use Corridor (GID) lands at the Southeast corner of Victoria Road and Stone Road to decrease the minimum height to 7.5 m (two storeys) to allow faster development on more conventional retail formats; and
6. Zoning recommendations to align regulations with the commercial policies in the City's Official Plan Policy.

The preferred commercial policy framework provides an appropriate response to the identified issues, including land supply needs.

The preferred commercial policy framework: ensures that adequate land will be available and designated to provide appropriate commercial service levels in the City; is 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. The preferred framework provides a number of opportunities for the market and commercial landowners to address the City's commercial needs, especially in the east end and allows for the continued evolution of commercial development as well as the protection of the downtown.

Land supply needs are met through intensification efforts, the monitoring of commercial space and designating commercial lands within the Clair-Maltby Secondary Plan

Currently, the City has a sufficient amount of existing and planned commercial space on a macro level to meet needs to 2031. Resetting the Community Mixed-use Centre caps by a modest 10% would maintain a sufficient amount of commercial land and allows for the loss of some existing and planned commercial space anticipated with market trends. In addition, the existing 7.5% vacancy rate for commercial space can accommodate some decline without significant impact given a healthy rate is considered to be 5 to 7.5%.

The monitoring of commercial space aligns well with ensuring that a balanced supply of commercial lands are available for development and the City is neither under or over supplied. Creating an oversupply of commercial lands could cause increased vacancies in parts of the City. Modest increases in commercial caps encourages the dispersal of commercial space throughout the City. Providing commercial lands through a mixed-use designation in the Clair-Maltby Secondary Plan will help address the need for additional lands and land parcels greater than 2.8 ha. The redesignation of Service Commercial lands at the southwest intersection of York Road/Watson Pkwy to Community Mixed-use Centre, would also provide an opportunity to accommodate a larger commercial use.

The designation of a Mixed-use Corridor at Woolwich Street between Woodlawn Road and Speedvale Avenue supports appropriate intensification and aligns with the Concept Plan for the Intensification Corridor

Council Report 16-54 dated July 11, 2016 which included the urban design concept plan for the Woolwich Street Intensification Corridor noted that: “the Service Commercial designation within the Intensification Corridor along Woolwich Street should be further reviewed from a market perspective and given the long term vision/policies for the Intensification Corridor. Therefore, through the upcoming Commercial Policy Review staff will review this designation to consider how best to facilitate more intense development as shown in the massing model and in keeping with the long-term vision and policies for Intensification Corridors which identifies these areas for mixed-use development at increased densities.” Creating a new Mixed-use Corridor as shown on Attachment 3 aligns with the Intensification Corridor and supports appropriate intensification by broadening the type and form of commercial use available under the current land use designations (Service Commercial, Mixed Office/Commercial, Community Mixed-use Centre and Neighbourhood Commercial Centre).

Commercial space is protected by establishing a benchmark for commercial floor space and an absolute minimum amount of required commercial floor space for selected commercial mixed use designations

The erosion of commercial space is protected by establishing a benchmark of 0.15 Floor Space Index¹ (FSI) of commercial floor space for CMUCs, Mixed-use Corridors and Neighbourhood Commercial Centres (NCC) with the ability to rationalize a lower number through a Commercial Function Study. Given the broader range of uses within Mixed-use Corridors, the 0.15 FSI would be applied to commercially zoned lands only. In addition, a Commercial Function Study would be required where new CMUC or NCC sites are being zoned or existing sites are being rezoned with an

¹ In general terms FSI is the ratio of the buildings total floor area to the size of the parcel of land. Under the City of Guelph Zoning By-law “**Floor Space Index**” is an index that, when multiplied by the total land area of a **Lot**, indicates the maximum permissible **Gross Floor Area** for all **Buildings** on such **Lot**, excluding an underground or covered parking Structure and floor space located in the cellar or basement”.

expected loss of more than 25% of existing commercial space. Attachment 5 illustrates the 0.15 FSI benchmark and 6500 m² minimum for commercial floor space as it relates to portions of an existing Mixed-use Corridor and Community Mixed-use Centre in Guelph. The examples illustrate commercial mixed-use areas that are close to 6500 m² and include a grocery store, and additional smaller scale residential and commercial uses as both pad sites and as part of a plaza format. The examples approximate the 6500 m² if the pad sites are excluded. To determine the FSI, the amount of commercial floor space within the buildings on site is applied to the lot area.

An absolute minimum floor space of 6500 m² for CMUCs provides added protection by ensuring that there is sufficient space to support a larger store, such as a grocery store, along with additional smaller scale retail and commercial uses, which is greater than permissions for a standard Neighbourhood Commercial Centre currently at 4,650 m² (50,000 sq. ft.) in the City's Official Plan. To align the thresholds for commercial mixed-use designations a 6500 m² maximum would be established for Neighbourhood Commercial Centres. The policy for Neighbourhood Commercial Centres which exceed 6500 m² would remain for those centres. This approach would help protect against the loss of planned commercial space to non-commercial space, help maintain a mix of land uses in mixed-use areas and protect the planned commercial function of Community Mixed-use Centres.

East end commercial opportunities are increased by the designation of two new Community Mixed-use Centres at York Road/Victoria Road and York Road/Watson Pkwy

The east end is currently under serviced in terms of developed commercial sites. This would be further aggravated by a decline in the planned commercial space for the Watson Pkwy/Starwood Community Mixed-use Centre. The designation of two new east end Community Mixed-use Centres as shown in Attachment 3 supports intensification by increasing commercial use permissions and store unit sizes available under the current land use designations (Service Commercial, Neighbourhood Commercial Centre). The current CMUC designations located in the north, west and south quadrants of the City provide a significantly larger amount of commercial lands, especially when combined with the Mixed-use Corridors. The new CMUC at York Rd./Watson Pkwy also helps address the need for land parcels greater than 2.8 ha.

Establishing a benchmark of 0.15 Floor Space Index (FSI) of commercial floor space and a 6500 m² minimum for the Watson Pkwy/Starwood Community Mixed-use Centre would help maintain a mix of uses and protect the planned commercial function of the CMUC.

Modifying the land use permissions for the commercial lands at the southeast corner of Victoria Road and Stone Road, to decrease the minimum height from three storeys to two storeys, will increase the flexibility of the site and could promote the development of commercial space within the 2031 horizon year of the Official Plan on a more conventional retail format.

The health and viability of the Downtown is protected by retaining commercial caps and existing Market Impact Study requirements in addition to the Downtown Secondary Plan Official Plan policies

Retaining commercial floor space caps for Community Mixed-use Centres and Neighbourhood Commercial Centres, along with maintaining existing Market Impact Study requirements will provide protection to commercial space within the Downtown. In addition the Downtown Secondary Plan policies included in the City's Official Plan support:

- 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.

Conclusions and Recommendations

The City is commercially well served and in a positive position. City staff recommend that Council approve the preferred commercial policy framework which represents modest revisions to the City's existing commercial policies to address the identified commercial issues. The preferred framework adds additional lands through intensification efforts and the designation of new commercial lands in the Clair-Maltby Secondary Plan. Additional commercial opportunities are provided in the east end through the reconfiguration of commercial space to create two new Community Mixed-use Centres that will increase commercial use permissions and store unit sizes available. Existing and planned commercial space is protected by establishing a benchmark for commercial floor space for the key commercial mixed-use designations (Community Mixed-use Centres, Mixed-use Corridors and Neighbourhood Commercial Centres). Additional protection is placed on the planned function of Community Mixed-use Centres through the use of a 6500 m² commercial floor space minimum. Monitoring will ensure the land supply stays in sync with commercial trends and assist in measuring the appropriateness of the new commercial policies.

Next Steps

Stage 3 of the Commercial Policy Review, which consists of drafting an Official Plan Amendment and recommendations for zoning by-law regulations to implement the preferred commercial policy framework, will commence following Council approval of the preferred commercial policy framework and will be led by City staff. Stage 3 is scheduled to take 8 – 10 months and will include the release of a draft Official Plan Amendment in Q1 2019. This work will follow Planning Act requirements, including a statutory public meeting being held, prior to the final Official Plan Amendment being recommended to Council for approval.

Financial Implications

The Commercial Policy Review is funded through approved capital funding.

Consultations

Community engagement was undertaken to receive feedback on the draft policy alternatives. Three events were held during April 2018 including a commercial stakeholder workshop, public workshop and on-line survey.

In total 32 people provided their views on the draft policy alternatives with 19 people attending the workshops and 13 people responding to the on-line survey. Extensive efforts were made to advertise the engagement opportunities which included 522 invitation letters mailed out to commercial stakeholders, two advertisements in the Guelph Tribune, social media and courtesy email notices sent to stakeholders who had requested to be kept apprised of the project.

Notice of the July 9, 2018 Council meeting was advertised in the Guelph Tribune and posted on the City's website and a courtesy notice was sent to stakeholders who have requested to be kept apprised of the project.

This report will be posted on the City's website.

Corporate Administrative Plan

Overarching Goals

Service Excellence

Financial Stability

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Our People- Building a great community together

Our Resources - A solid foundation for a growing city

Attachments

ATT-1	Commercial Policy Review: Stage 2 Preferred Policy Framework Report
ATT-2	Preferred Commercial Policy Framework Highlights
ATT-3	Preferred Policy Framework Land Use Designation Changes
ATT-4	Commercial Policy Review Draft Policy Alternatives Community Engagement Feedback, April 2018
ATT-5	Illustration of Commercial Benchmark and Floor Space Minimum Examples

Departmental Approval

None

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Guelph Commercial Policy Review

Stage 2 Preferred Policy Framework Report

June 2018

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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

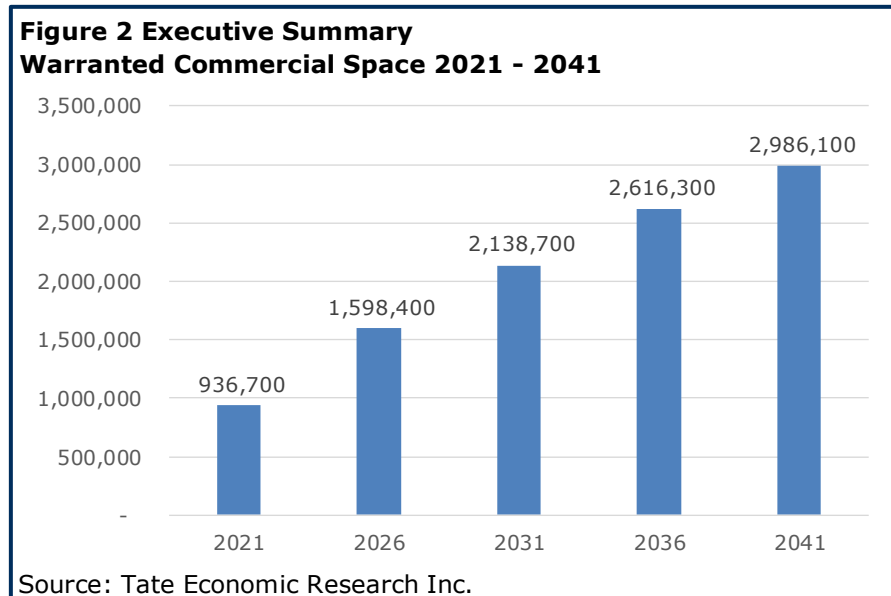
- A Commercial Land Needs Analysis was carried out which quantified the demand for future retail and service space (taking into consideration market trends including an increase in e-commerce, changing demographics and trends towards intensification) and the adequacy of the current supply to accommodate 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⁾

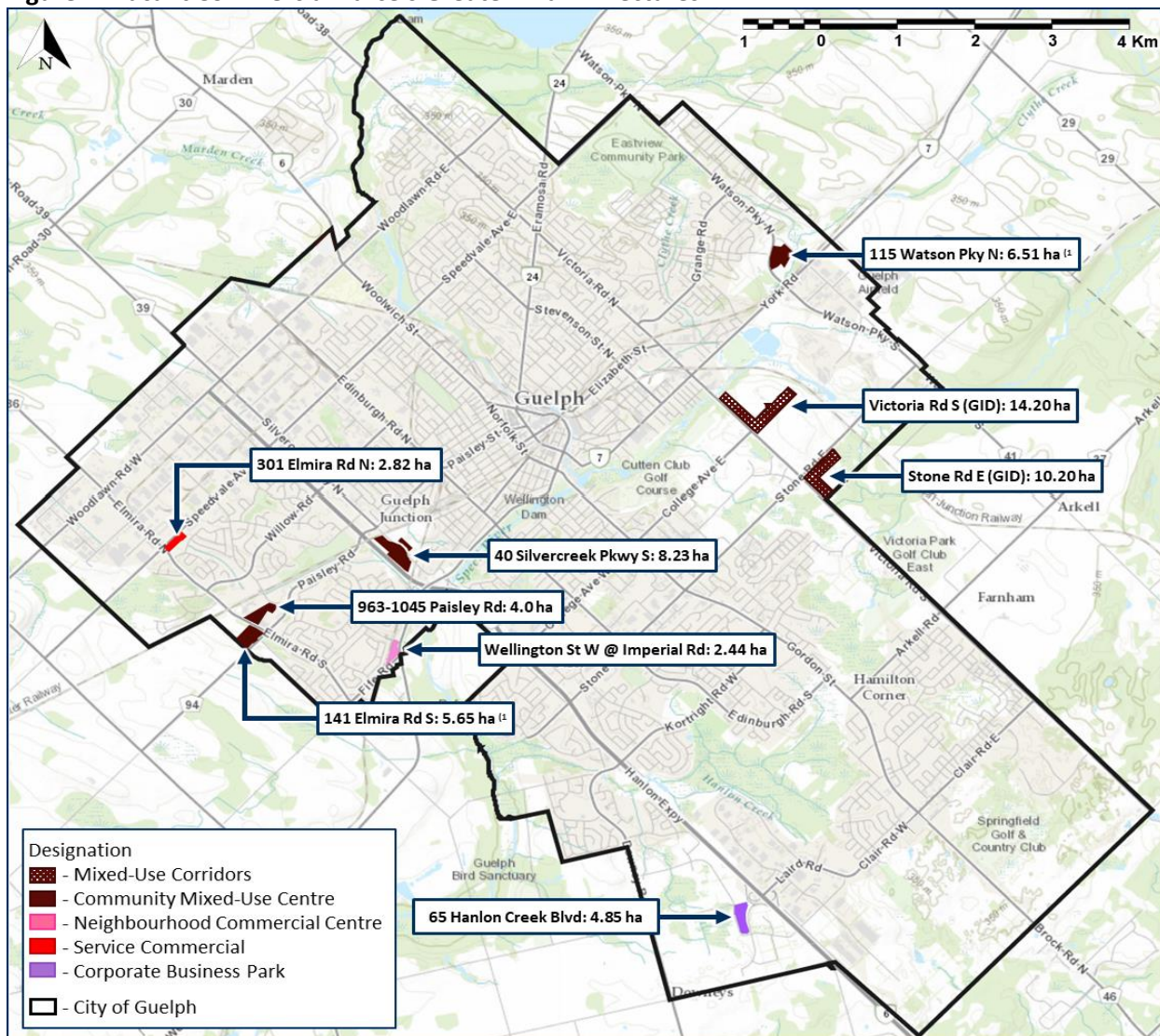
	2016	2016 - 2021	2021 - 2026	2026 - 2031	2031 - 2036	2036 - 2041
Period Commercial Demand (sq. ft.) ⁽¹⁾		936,700	661,700	540,300	477,600	369,800
Active Development Applications		599,800				
Potential Future Development: Intensification / Planned						
Intensification: Community Mixed-use Centre			269,800			
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.

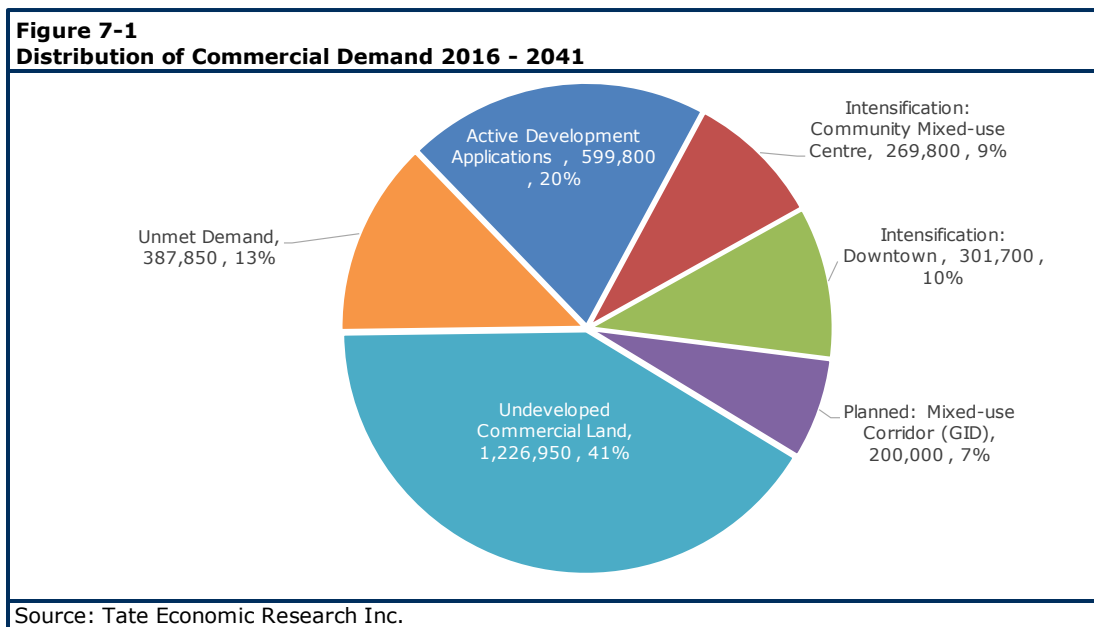
- 2) Built Form Supply – Typical commercial development in Guelph has been single storey with a coverage ratio of approximately 25%. It is assumed that this development pattern will gradually shift to denser developments as experienced in some other urban municipalities. This shift is based on various 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.

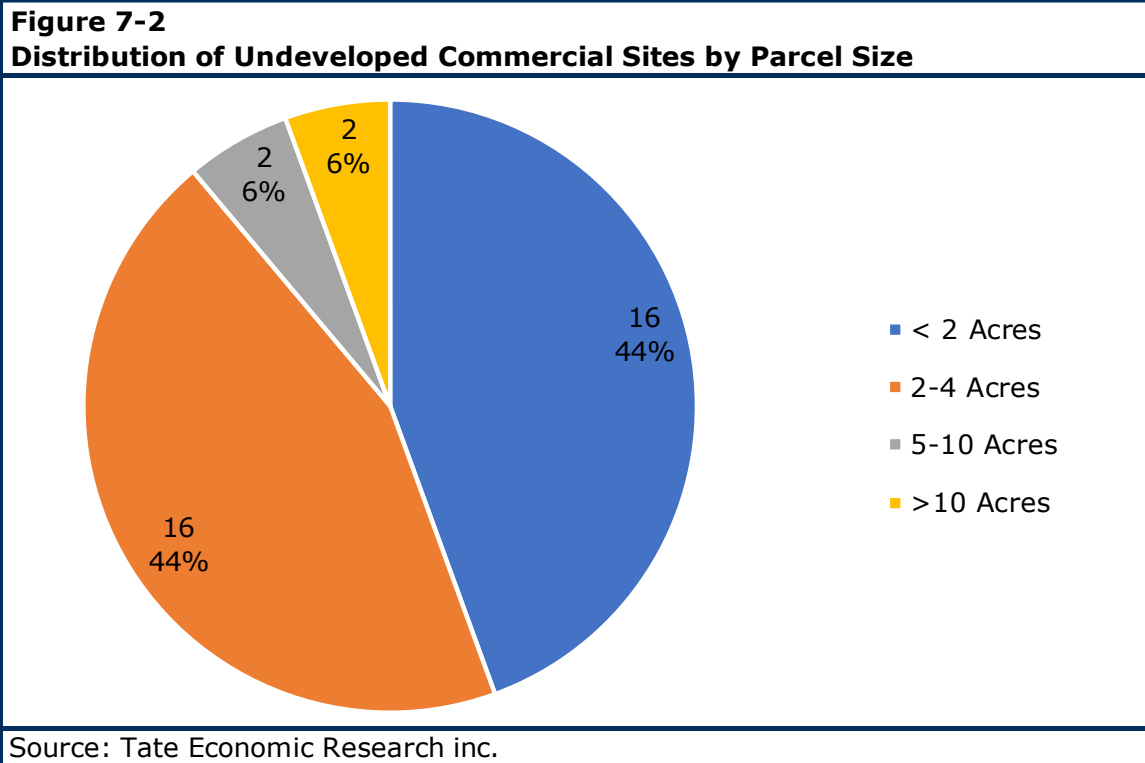
2.1 Future Land Requirement

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.

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- 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

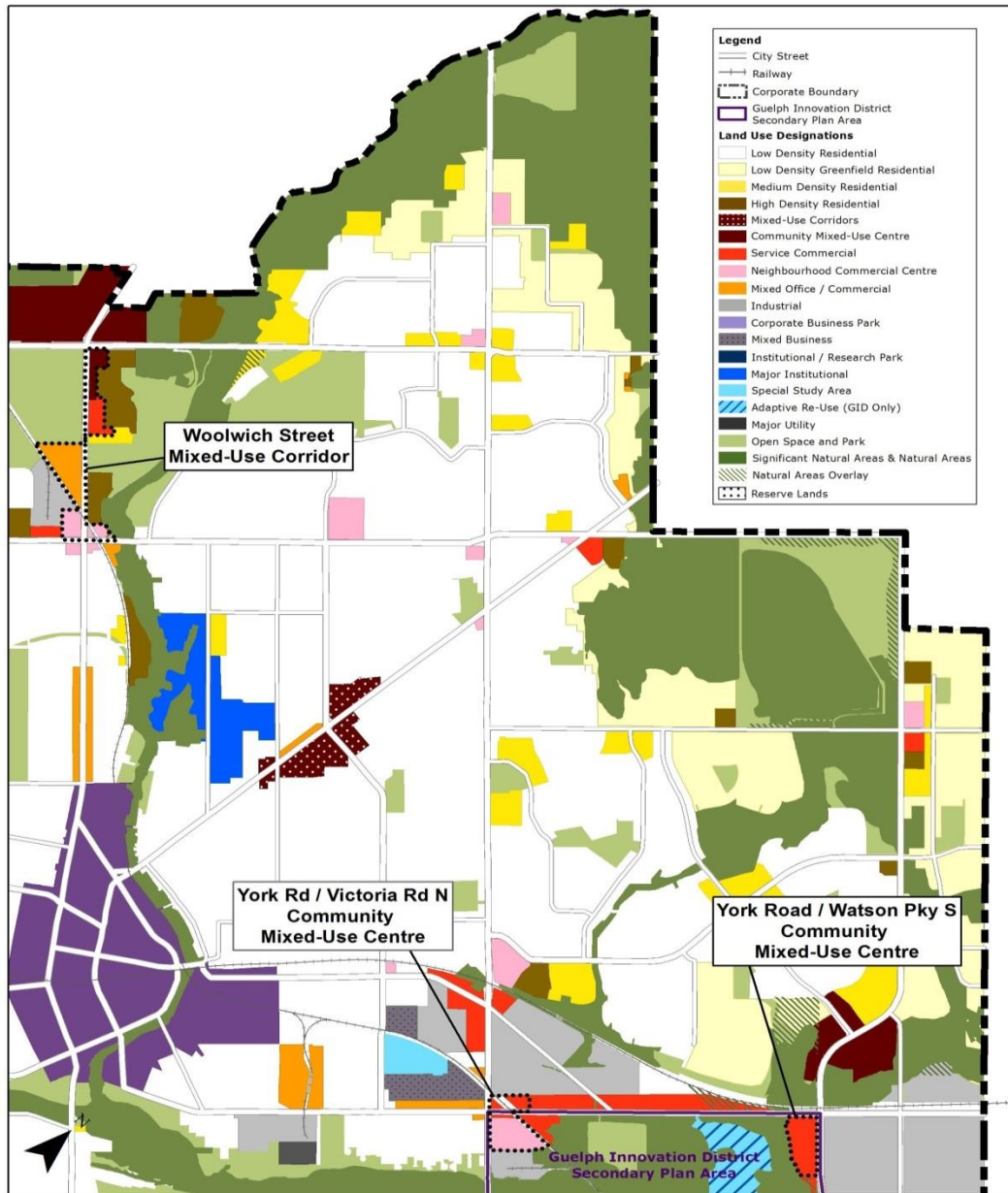
developed in these areas of the GID that would be different from the type and form of commercial than might be anticipated on the York and Victoria lands. The Mixed-use Corridor (GID) designation at the corner of Stone Road and Victoria Road is further removed from York and Victoria and other recommendations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

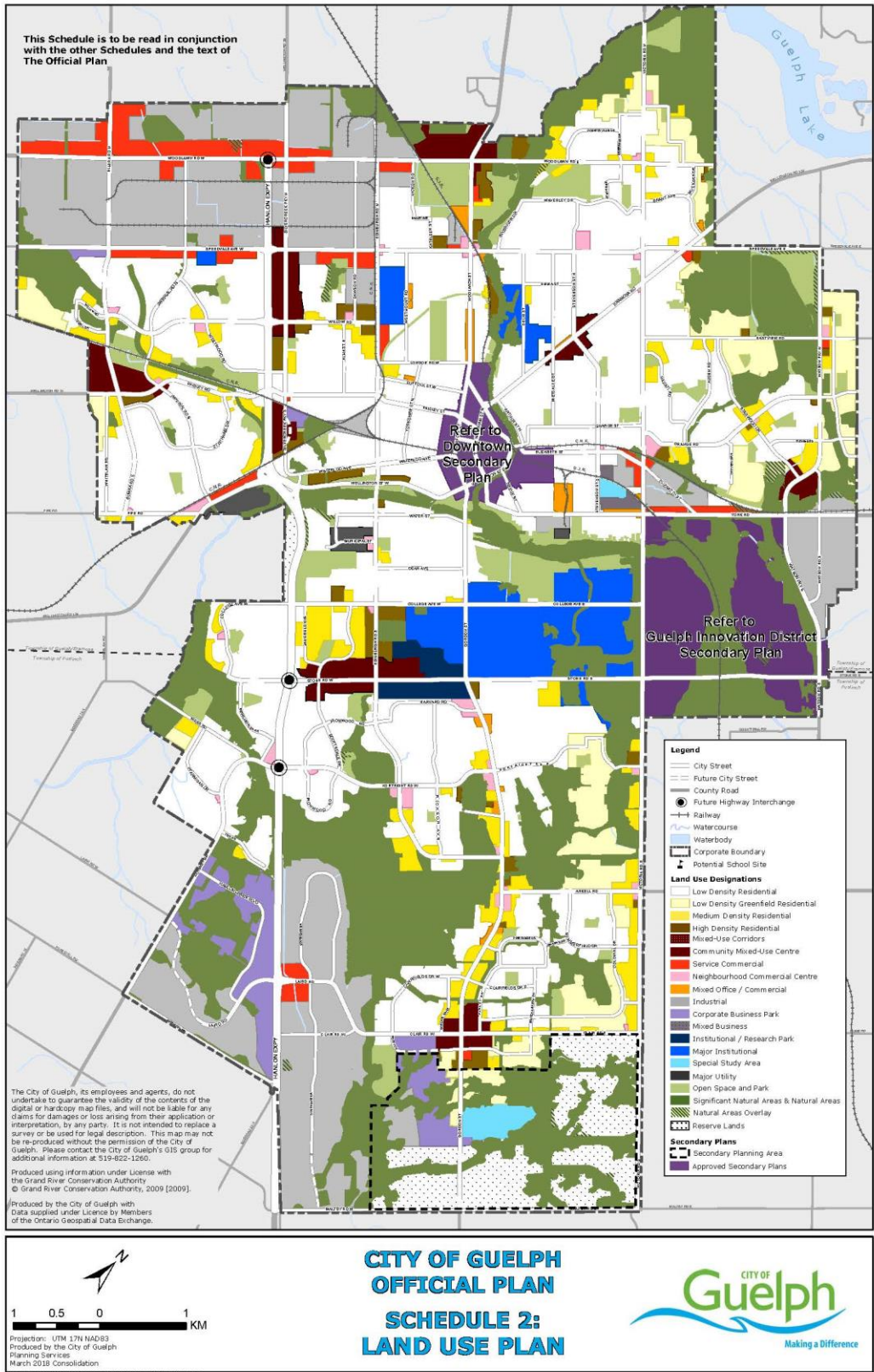
Figure F-1 (Continued)				
Vacant Commercial Land, Intensification / Mixed-Use Potential in the City of Guelph				
Designation	Zoning	Address	Intensification Potential (Sq. Ft.)	Parcel Size (Ac.)
Service Commercial				
	Highway Service Commercial	383 Woodlawn Road West	n.a.	3.4
	Highway Service Commercial	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.

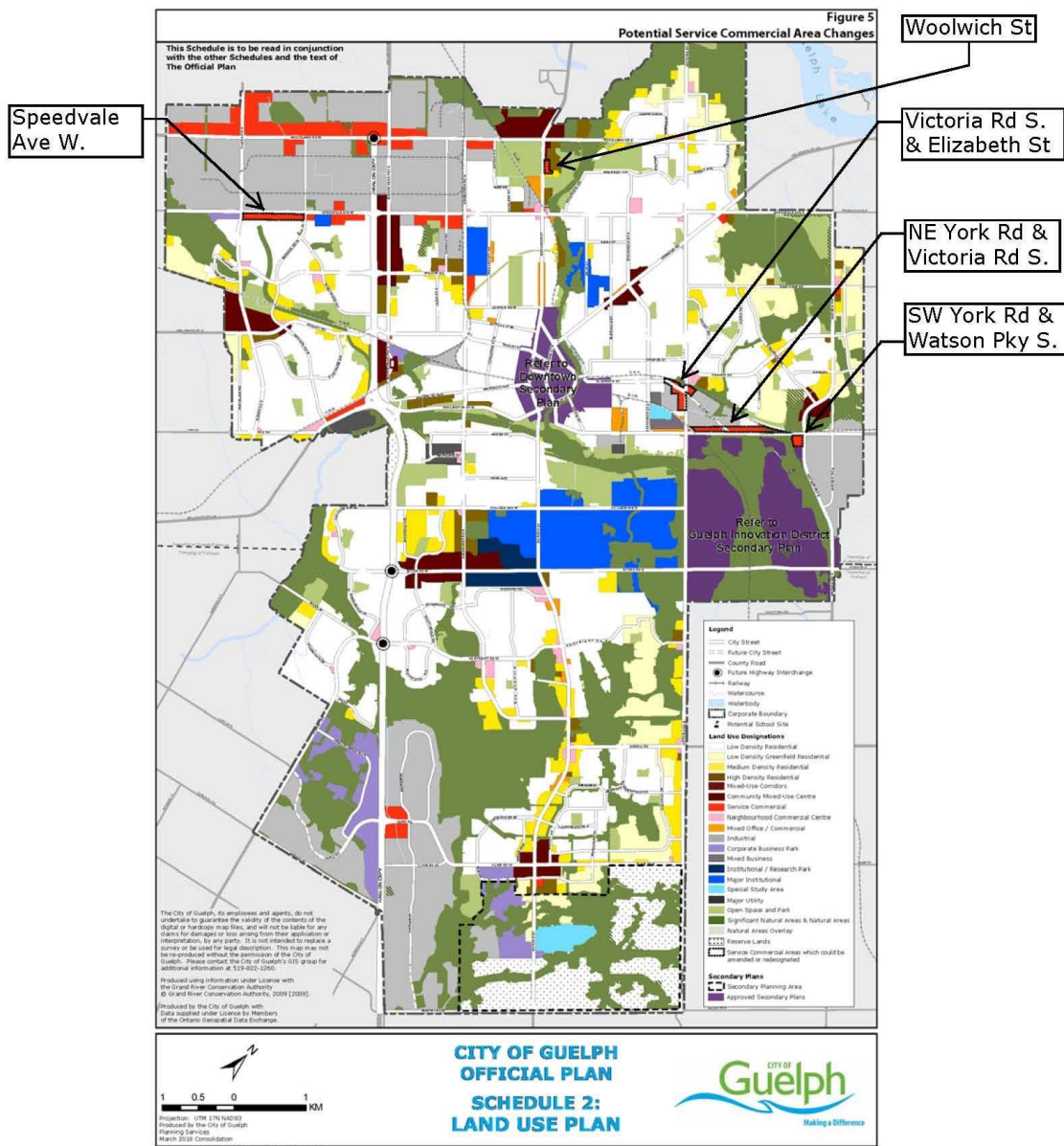
Figure F-1 (Continued)				
Vacant Commercial Land, Intensification / Mixed-Use Potential in the City of Guelph				
Designation	Zoning	Address	Intensification Potential (Sq. Ft.)	Parcel Size (Ac.)
Other Designations				
Corporate Business Park	Corporate Business Park	65 Hanlon Creek Boulevard	n.a.	12.0
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



Alternative Areas Considered for Service Commercial Area modifications

Attachment 2

Preferred Commercial Policy Framework Highlights

1. Community Mixed-use Centre (CMUC)

- Modify the gross floor area policy so that it applies to all commercial (service and retail).
- Increase the total gross floor area for the Woodlawn/Woolwich, Paisley/Imperial and Gordon/Clair CMUCs by 10% to allow for future intensification.
- Establish a benchmark of 0.15 FSI of commercial floor space with an absolute minimum of 6500 m² gross floor area. A CMUC may be allowed to develop at less than 0.15 FSI of commercial floor space if supported by a Commercial Function Study but may not be lower than 6500 m².
- Require a Commercial Function Study where new sites are being zoned or existing sites are being rezoned with an expected loss of more than 25% of existing commercial space.
- A Commercial Function Study will 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 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.
- Create two new CMUCs in the east end along York Road (See 5. Land Use Designation Changes).

2. Mixed-use Corridor (MUC)

- Create a new MUC (See 5. Land Use Designation Changes).
- Establish a benchmark of 0.15 FSI of commercial floor space with the ability to develop at less than 0.15 FSI of commercial floor space if supported by a Commercial Function Study.

3. Neighbourhood Commercial Centres (NCC)

- Establish a benchmark of 0.15 FSI of commercial floor space with the ability to develop at less than 0.15 FSI of commercial floor space if supported by a Commercial Function Study.
- Require a Commercial Function Study where new sites are being zoned or existing sites are being rezoned with an expected loss of more than 25% of existing commercial space.
- Increase the maximum gross floor area to 6500 m² for NCC to align with the 6500 m² minimum for CMUC.

- Continue to recognize in policy seven existing NCCs that have a maximum threshold of 10,000 m².
- Redesignate NCC lands on Woolwich Street and York Road to other commercial designations (See 5. Land Use Designation Changes) to broaden their commercial permissions.

4. Service Commercial (SC)

- Redesignate some SC lands to other commercial designations (See 5. Land Use Designation Changes) to broaden their permissions.

5. Land Use Designation Changes

Attachment 2 illustrates the following land use designation changes:

- Redesignate the following sites to Community Mixed-use Centre (CMUC):
 - 919 York Road (Air U) and 57 Watson Pkwy S. (Legion) which together total 4.78 ha. These lands are currently designated Service Commercial.
 - East side of York Road and Victoria Road currently designated Neighbourhood Commercial Centre and Service Commercial.
- Redesignate Woolwich Street between Speedvale Avenue and Woodlawn Road (currently designated Service Commercial, Mixed Office/Commercial, Community Mixed-use Centre and NCC) to Mixed-use Corridor.

6. Monitor

- Monitor how the market adjusts to e-commerce and other retail trends over the next 5-10 years.
- Existing 7.5% vacancy rate for commercial space can accommodate some decline without significant impact given a healthy vacancy rate is considered to be 5 to 7.5%.

7. Recommendations for Clair-Maltby Secondary Plan

- Providing commercial lands through a mixed-use designation to help address the need for land parcels greater than 2.8 ha.

8. Recommendations for Guelph Innovation District Secondary Plan

- Modifying the Mixed-use Corridor (GID) lands at the Southeast corner of Victoria Road and Stone Road to decrease the minimum height to 7.5 m (two storeys) to provide more conventional retail formats.

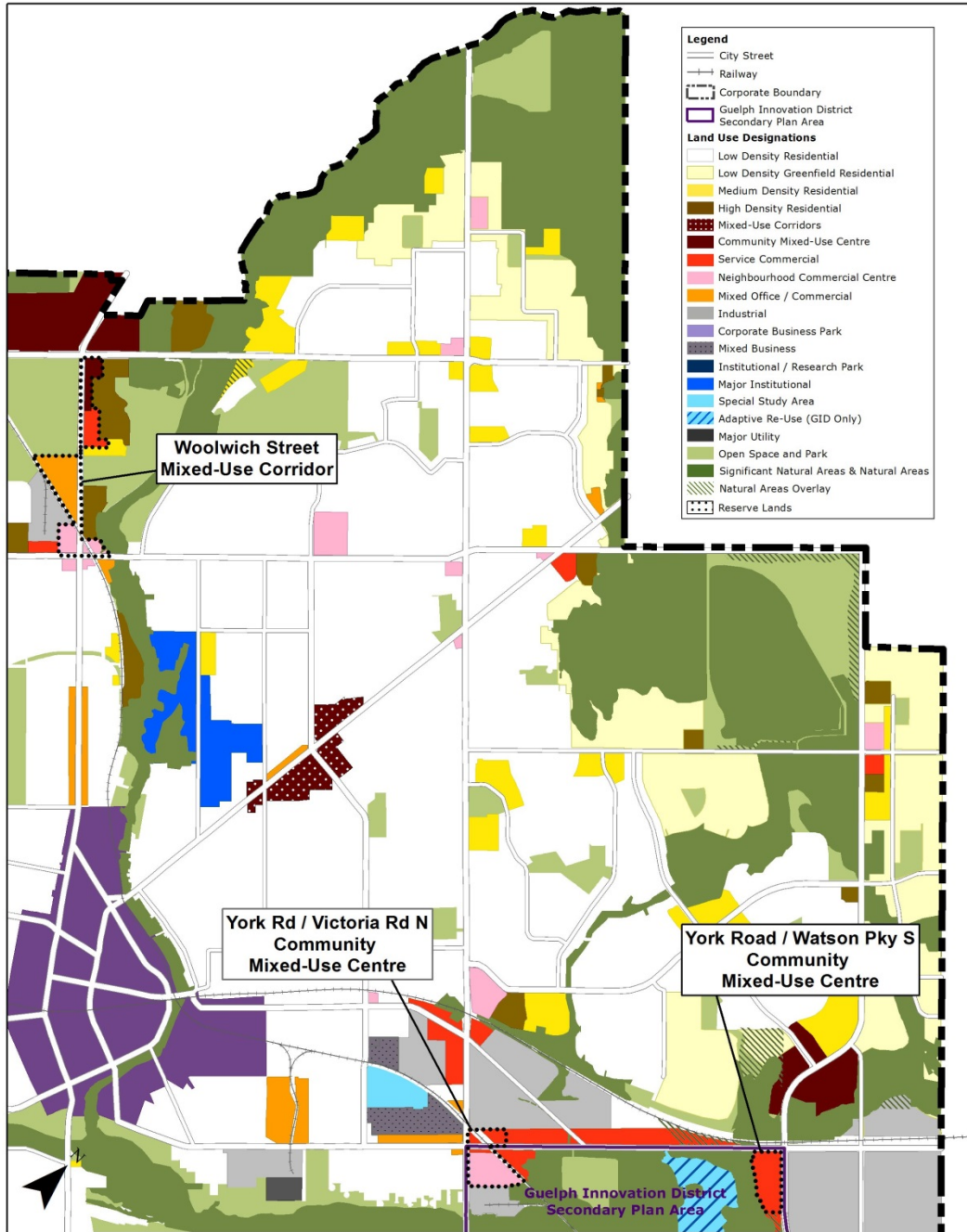
9. Zoning Recommendations

- Update the Zoning By-law to reflect the proposed land use permissions in the mixed-use designations in the Official Plan and to provide standardized zoning for the mixed-use designations instead of multiple zones within the same designation.
- Consider permitting small scale commercial on the ground floor of apartment buildings “as of right” in the Zoning By-law to facilitate these uses where the market demand exists. The High Density Residential

designation permits small scale commercial without an amendment to the Official Plan.

Attachment 3

Preferred Policy Framework Land Use Designation Changes



Attachment 4 Commercial Policy Review Draft Policy Alternatives Community Engagement Feedback, April 2018

The project team engaged with the community on the draft Policy Alternatives through two in person workshop sessions on April 18, 2018 and through an online survey conducted April 19-May 3. The workshop held in the afternoon of April 18 was targeted towards commercial stakeholders. An evening workshop was directed towards the general public. There were some differences in the questions asked at the community stakeholder and public workshops. The on-line survey reflected the questions in the public workshop.

In total 32 people provided their views on the policy alternative directions with 19 people attending the workshops and 13 people responding to the on-line survey. Extensive efforts were made to advertise the engagement opportunities which included 522 invitation letters mailed out to commercial stakeholders, two advertisements in the Guelph Tribune, social media and courtesy email notices sent to stakeholders who have requested to be kept apprised of the project.

The following table provides a high level summary of feedback received on the policy alternative directions and proposed responses as reflected in the preferred policy framework.

Question	Comments	Response
Section A – Land Supply (Public and Commercial Stakeholders)		
Q1 – Modify Official Plan Permissions		
Increase or Remove Neighbourhood Commercial Centre Caps	No consensus. Some were concerned with the potential impact on Downtown and other commercial areas. For others, this policy was seen to support walkable commercial and intensification goals.	Increase the maximum floor area in Neighbourhood Centres from 4,650 to 6,500 sq m.

Increase or Remove Community Mixed-use Centre Caps	No consensus. Those in support thought the market was best positioned to determine the appropriate amount of commercial space. Those in opposition thought there was currently enough retail space in place and that focus should be placed on adding residential uses to the Centres.	Increase the caps from what is currently permitted in the Official Plan by approximately 10%.
Service Commercial Revisions	There was general support for changing the permissions on some commercial lands to provide for additional commercial opportunities. Comment that City should continue to plan for auto oriented uses in some locations.	Three Service Commercial areas are proposed to be changed to mixed use designations.
Modify GID Mixed-use Corridor (SE Corner Victoria Road and Stone Road)	No consensus. Those in support felt it supported walkable mixed use communities. Those opposed were concerned about changing polices that were recently approved.	Reduce the minimum height at this location.
Q2 – Add New Lands to the Commercial Inventory		
Convert Lands from Employment to Commercial	Little support for this policy change. Concern about losing employment land.	Conversion questions referred to Municipal Comprehensive Review.
Include Commercial Permissions within Vacant High Density Residential Sites	Some support for this direction as a way to support walkable mixed use development.	Sufficient lands available to address need to 2031 so additional lands not required at this time.
Add Mixed-use Lands in Clair-Malty Secondary Plan	No consensus.	Commercial is included in the preferred structure for the Clair-Malty planning area.
Additional Comments		
<ul style="list-style-type: none"> Continue to support mixed use development along the corridors as well as permit high density infill development. 		

- Should increase flexibility for commercial uses in all zones.
- Should have a market driven system.
- Should have no commercial growth and discourage consumerism to protect our natural environment and stop depleting resources.

Section B – Commercial Spaces (Public)

Question	Comments	Response
Do Community Mixed-use Centre Commercial Spaces Need to be Protected	General support. Seen as an important way to secure a grocery store and other commercial development.	Require a minimum amount of commercial in mixed use designations.
Do Neighbourhood Serving Commercial Spaces Need to be Protected	Some support. Seen as a means to provide for walkable commercial spaces. Should be considered on a site by site basis.	Require a minimum amount of commercial in mixed use designations.

Section B – Protection of Existing Space and Maintaining the “Mix” in Mixed-use (Commercial Stakeholders)

Should a Minimum Amount of Commercial Space in Mixed-use Centre Designation be Established	Generally not supported. Concerns were with forcing intensification given parking requirements and general resistance to too much regulation.	Require a minimum amount of commercial in mixed use designations.
Should a Minimum Size/Amount of Commercial Space be .15 FSI for Community Mixed-use Centres	Generally not supported. Similar rationale for Community Mixed-use Centre comments.	Require a minimum of 0.15 FSI of commercial floor area.
Should a Minimum Size/Amount of Commercial Space be .15 FSI for Mixed-use Corridors	Generally not supported. Similar rationale for Community Mixed-use Centre comments.	No minimum FSI proposed.
Should a hard Minimum of 6,500 sq m of Commercial Space be Established for Community Mixed-use Centres	Generally not supported. Similar rationale for Community Mixed-use Centre comments.	May be able to justify a reduction below 0.15 FSI to as low as 6,500 m2 of commercial floor area.

Section C – Downtown (Public and Commercial Stakeholders)		
Is the Same Level of Protection for Downtown Commercial Space Still Necessary from Commercial Areas Outside of the Downtown	Public was generally supportive of maintaining protection. Downtown seen as the City's commercial hub. Commercial stakeholders less supportive of protections for Downtown.	Floor area caps remain in place for CMUC (although increased).
Any Other Considerations (Public)		
<ul style="list-style-type: none"> • Slow roll out of commercial land use changes and consistent monitoring is important. • Combine residential living with commercial space. • Important to address vacant commercial space before increasing lands designated for commercial use – e.g. Downtown, Sears. • Ensure opportunities for developers to support infill and brownfield development. 		

Attachment 5 Illustration of Commercial Benchmark and Floor Space Minimum Examples

Commercial Benchmark Floor Space Index¹ (FSI): 0.15 m²
Floor Space Minimum: 6500 m²

Eramosa Mixed-use Corridor (Northwest Portion)



Use	GFA All*	GFA Commercial	Lot Area	FSI All	FSI Commercial
Food Basics, Tim Hortons, Dollarama, Library**	5676	5676	20546	.28	.28
TD Bank	925	925	3200	.29	.29
Freddy's Hairstyling	462	231	3109	.14	.07
Total	7063	6832	26855	.26	.25

*All measurements are in m²

¹ Under the City of Guelph Zoning By-law "**Floor Space Index**" is an index that, when multiplied by the total land area of a **Lot**, indicates the maximum permissible **Gross Floor Area** for all **Buildings** on such **Lot**, excluding an underground or covered parking Structure and floor space located in the cellar or basement".

**Areas from the Site Plan

Clair Rd/Gordon Street Community Mixed-use Centre (Northwest Portion)



Use	GFA All*	GFA Commercial	Lot Area	FSI All	FSI Commercial
Food Basics	3406	3406			
Shoppers Drug Mart	1707	1707			
Shoeless Joe's Sports Grill, etc.	1856	1856			
Scotia Bank	518	518			
Starbucks	153	153			
TD Bank	464	464			
Total	7911	7911	34573	.23	.23

*All measurements are from the Site Plan and are shown in m²

Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, July 9, 2018

Subject **Notice of Intention to Designate the Hart Farmhouse Pursuant to Part IV of the Ontario Heritage Act**

Report Number IDE-2018-101

Recommendation

1. That the City Clerk be authorized to publish and serve notice of intention to designate the Hart farmhouse in its associated lot within the Approved Draft Plan of Subdivision for Hart Village pursuant to Section 29, Part IV the Ontario Heritage Act and as recommended by Heritage Guelph.
2. That the designation by-law be brought before City Council for approval if no objections are received within the thirty (30) day objection period.

Executive Summary

Purpose of Report

To recommend that Council publish its intention to designate the Hart farmhouse in its associated lot within the Draft Approved Plan of Subdivision for Hart Village (formerly 132 Harts Lane West) according to provisions of Section 29, Part IV of the Ontario Heritage Act.

Key Findings

Terra View Custom Homes Ltd proposes to rehabilitate the Hart farmhouse, a listed built heritage resource within Lot 58 of the Draft Approved Plan of Subdivision for Hart Village.

A Draft Plan of Subdivision condition to be met prior to execution of the subdivision agreement requires that the heritage farmhouse shall be designated under Part IV of the Ontario Heritage Act.

Heritage Planning staff and Heritage Guelph recommend that the Hart farmhouse, a 2-storey log house built c. 1850, meets all three criteria used to determine cultural heritage value or interest as set out in Ontario Regulation 9/06 under the *Ontario Heritage Act* and, therefore, merits individual heritage designation under the Ontario Heritage Act.

A property may be designated under Part IV, Section 29 of the Ontario Heritage Act if it meets one or more of the criteria used to determine cultural heritage value or interest as set out in Ontario Regulation 9/06.

Heritage planning staff in consultation with Heritage Guelph have compiled a statement of significance and the proposed heritage attributes of the Hart farmhouse.

Financial Implications

Planning and Urban Design Services budget covers the cost of a heritage designation plaque.

Report

The legal owner of the property is Terra View Custom Homes Ltd. The owner has been consulted by Heritage Planning staff and is supportive of staff's recommendation to Council.

The Hart farmhouse is located within what is currently known as Lot 58 in the Draft Approved Plan of Subdivision for Hart Village (Attachments 1 and 9). The legal description of the subject property has historically been Part Lot 4, Concession 7.

Background

On April 11 2016, City Council approved Terra View's Draft Plan of Subdivision for the Hart Village (23T-14502). The proponent proposes to rehabilitate the Hart farmhouse. The farmhouse is located on lot 58 of the Draft Plan of the Hart's Village subdivision. Heritage Guelph has recommended that the farmhouse on Lot 58 be designated under Part IV of the Ontario Heritage Act, and protected through an individual heritage designation by-law. The Draft Plan of Subdivision conditions attached to staff report 16-23 included Condition #37 which requires that prior to execution of the subdivision agreement that the heritage farmhouse shall be designated under Part IV of the Ontario Heritage Act.

Design/Physical Value

The Hart farmhouse was built c. 1850 using a Neoclassical vernacular style. It is one of the oldest houses in both Puslinch Township and Guelph, and it is one of the few remaining log homes in the area. The existing house has a 2-storey squared, chinked log substructure with eave returns as well as a 1-storey, log summer kitchen and a later garage. The farmhouse form has a side gable roof, a 5-bay lower storey, and 3-bay upper storey. There is a basement located underneath the main section of the house. The house is currently clad in aluminum siding, and there is evidence of original wood clapboard siding underneath which may be salvagable. The windows are modern replacements and they are surrounded by faux-shutters from the 1970s. The house has two brick chimneys, a westerly chimney in its original location and a more modern chimney on the eastern side.

Historical/Associative Value

The Hart farmhouse in Lot 58 of the Hart Village Subdivision has historic and associative value because of its direct ties to an important founding family of the community. The Hart farm is one of the earliest properties in Puslinch Township and Guelph, apparently having been settled in 1828 by 50-year old Michael Hart, his 36-year old wife Barbary Hart, and their 5-year old son Michael. The family came from Flanders, France. The significant historical association of the property is that the family has owned and operated the farm for five generations. Historically, the Harts were important members of the community. Michael Hart was one of the school trustees in 1886 that was responsible for the Brock Road School, located southwest of the Hart farm. The Harts were also members of what is now the Basilica of Our Lady parish and supporters of St. Joseph's Hospital in Guelph.

Contextual Value

The Hart farmhouse has contextual value because it is physically, visually and historically linked to its surroundings. The Hart farmhouse sits in its original location and serves as a lasting reference to the Hart farmstead and as a link to the early farming landscape of Puslinch Township, and what is now Guelph. The existing Harts Lane West is of contextual importance as a historic road allowance. It provides a link to the old Brock Road and Brock Road School, founded in part by Michael Hart while he was a school trustee. The landscape surrounding the house, although not of the same time period, is likely similar to that which was planted in the mid-nineteenth century and provides context for the house. Important landscape features include the two large, mature bur oaks on the property. These are retained in the proposed subdivision.

Financial Implications

Planning and Urban Design Services budget covers the cost of a heritage designation plaque.

Consultations

At their meeting of June 13, 2016 Heritage Guelph carried the following motions:

"THAT Heritage Guelph supports in principle the proposed rehabilitation of the Hart farmhouse within the approved plan of subdivision as presented in elevation and plan drawings provided by Terra View Homes at the June 13, 2016 meeting of Heritage Guelph; and

THAT Heritage Guelph has no objection to the lifting of the house and kitchen wing to enable the owner to replace the bottom log course with timber salvaged from the Hart barn and to expand the basement area; and

THAT any further revisions to the conservation plan that are minor in nature may be dealt with by the Senior Heritage Planner; and

THAT Heritage Guelph supports the following list of heritage attributes to be protected by the future designation of the Hart farmhouse under the Part IV of the Ontario Heritage Act:

- 2-storey, side gable roof form of the building with an attached 1-storey, side gable kitchen wing
- original log construction and heavy timber substructure
- salvageable, original wood clapboard cladding
- location and form of original window and door openings
- transom over front door
- original exterior and interior wood doors and related hardware

It is intended that non-original features may be returned to documented earlier designs or to their documented original without requiring Council's permission for an alteration to the designation.

Corporate Administrative Plan

Overarching Goals

Service Excellence

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

Attachments

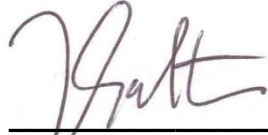
Attachment 1	Location of Subject Property
Attachment 2	Current Photos
Attachment 3	Historical Maps
Attachment 4	Hart Farmhouse in 1889
Attachment 5	Land Registry Records – Abstract Index
Attachment 6	Hart Farmhouse as Listed on Municipal Register of Cultural Heritage Properties
Attachment 7	Statement of Cultural Heritage Value or Interest
Attachment 8	Description of Heritage Attributes
Attachment 9	Location of Lot 58 within the Hart Village subdivision and Concept Plan for Hart Farmhouse within Lot 58
Attachment 10	Elevation drawings provided by Terra View Custom Homes Ltd at the June 13, 2016 meeting of Heritage Guelph

Departmental Approval

Not applicable

Report Author

Stephen Robinson
Senior Heritage Planner



Approved By

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Deputy CAO
Infrastructure, Development and Enterprise
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scott.stewart@guelph.ca

ATTACHMENT 2

Current Photos

Figure 3 – View of Hart farmhouse from southwest



Figure 4 - View from east



Figure 5 – View from northeast



Figure 6 – Garage addition to kitchen wing.



Figure 7 – Northeast gable wall.



Figure 8 – Interior view of chimney on southwest attic wall.



Figure 9 (Left) – Rear door handle.

Figure 10 (Right) – Front door and seven pane transom window.



Figure 11 – Log wall construction exposed on interior of rear wall.



ATTACHMENT 4

Hart Farmhouse in 1889

Figure 14 – Three generations of the Hart family (from left: Michael M., Michael Marcy, Mary A. & Jane) c. 1889 – (Image courtesy of Donna Hart)



ATTACHMENT 5

Land Registry Records – Abstract Index

This table shows the ownership history of Lot 58. It does not include information about the subdivision and sale of the former 132 Harts Lane West property (the historic Hart farm).

Lot #	Instrument	Date of Registry	Grantor	Grantee
Pt. Lot 4, Conc. 7	Patent	6 Oct 1828	Crown	Michael Hart
Transfer to Michael II was not recorded				
	Copy of Will	11 Dec 1875	Michael Hart dec'd	Michael Hart Jr.
	Grant	29 Mar 1920	John Hanlon, Exec of Mary A. Hart dec'd	Michael M. Hart
	Transfer	8 Jan 1952		Joseph C. Hart
	Transmission-Land	3 Apr 2013	Joseph C. Hart	Morris, Patrick Gerard
	Trans Personal Rep	3 Apr 2013	Morris, Patrick Gerard	Terra View Custom Homes Ltd.
	APL Absolute Title	22 Oct 2014	Terra View Custom Homes Ltd.	

Creation of the real property and ownership history

In 1828 50-year old Michael Hart, his 36-year old wife Barbary, and their 5-year old son Michael (all from Flanders, France) settled the Hart farm property. The Hart farm was one of the earliest properties in Puslinch Township to be settled. Puslinch Township was first surveyed in 1784 and it was incorporated as a Township in 1850. A farm in the area usually consisted of a half lot, 100 acres, distinguished as the front and rear of each concession. Five lots or 1,000 acres between cross roads comprised a block. The unusual lot pattern, with a farm fronting the Hart property was created by the alignment of the Brock Road as it skirts a large wetland located on the normal gridiron alignment, still evident at the easterly end of the Hart farm. The 1877 and the 1906 atlases show a farmhouse at the eastern end of the Hart farm. The property was annexed by the City of Guelph in 1966. Over the years, various members of the Hart family subdivided and sold portions of the original 100 and $\frac{3}{4}$ acre property. In 2013, the Hart Family sold the remaining property, including the farm house, to Terra View Custom Homes Ltd.

ATTACHMENT 6

Hart Farmhouse as Listed on Municipal Register of Cultural Heritage Properties

****RECORD 75 IN HERITAGE

CITY OF GUELPH INVENTORY OF HERITAGE STRUCTURES	
ROLL NO. <u>2308060009192100000</u>	DEFINED AREA MAP # <u>32</u>

ADDRESS: 132 Harts Lane	PHOTO DATE: December 11, 1993
STRUCTURE NAME:	INVENTORY DATE: Dec. 11, 1993
ORIGINAL OWNER:	CONST. DATE: c1840
DESIGNER: (Architect (A) Engineer (E) Landscape Architect (L))	BUILDER:
ORIGINAL USE: Farmhouse	PRESENT USE: Farmhouse
CURRENT OWNER & ADDRESS: Joseph Hart, 132 Harts Lane	
HERITAGE DESIGNATION:	
CONSTRUCTION MATERIALS: Frame, aluminum siding.	
SIGNIFICANT FEATURES: Neo-Classic Vernacular, 2 storey, 5 bay (3 above), gable roof complete with returns, 1 storey side wing.	



ATTACHMENT 7

Statement of Cultural Heritage Value or Interest

The subject property is being recommended for designation under Part IV of the *Ontario Heritage Act* as it meets all three of the prescribed criteria for determining cultural heritage value or interest according to Ontario Regulation 9/06 made under the *Ontario Heritage Act*. The heritage attributes of the Hart farmhouse display design/physical, historical/associative and contextual value.

CRITERIA	NOTES	SCORE
The property has design value or physical value because it...		
... Is a rare, unique, representative or early example of a style, type, expression, and material or construction method.	... is one of the oldest houses in both Puslinch Township and Guelph, as well as one of the few remaining log homes in the area. It is a good example of an early Neoclassical vernacular style farmhouse.	✓
... Displays a high degree of craftsmanship or artistic merit		
... Demonstrates a high degree of technical or scientific achievement		
The property has historical value or associative value because it...		
... Has direct associations with a theme, event, belief, person, activity, organization or institution that is significant to a community	... has direct associations with the Harts, an important founding family of the Puslinch Township and Guelph community.	✓
... Yields, or has the potential to yield, information that contributes to an understanding of a community or culture		
... demonstrates or reflects the work or ideas of an architect, artist, builder, designer or theorist who is significant to a community		
The property has contextual value because it...		
... Is important in defining, maintaining or supporting the character of an area.		
... Is physically, functionally, visually or historically linked to its surroundings	... The Hart farmhouse sits in its original location and serves as a lasting reference to the Hart farmstead and a link to the early farming landscape of Puslinch Township, and what is now Guelph. The existing Harts Lane is also of contextual importance as a historic road allowance.	✓
... Is a landmark		

ATTACHMENT 8

Description of Heritage Attributes

The following elements of the Hart farmhouse should be considered heritage attributes in a designation under Part IV of the *Ontario Heritage Act*:

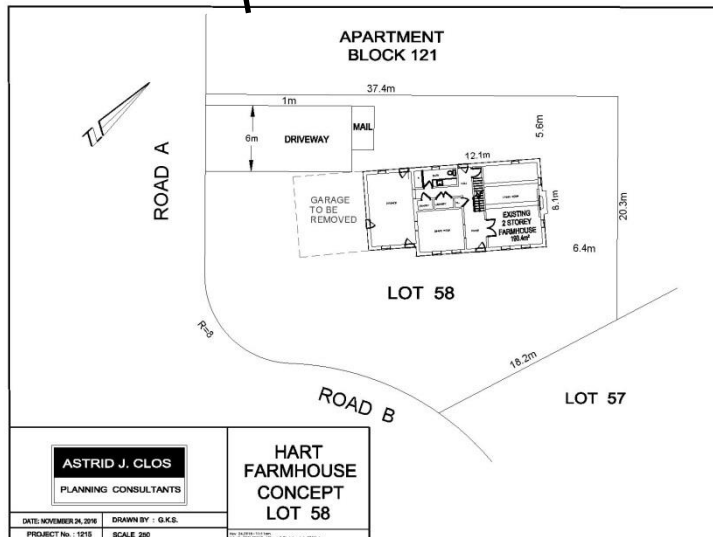
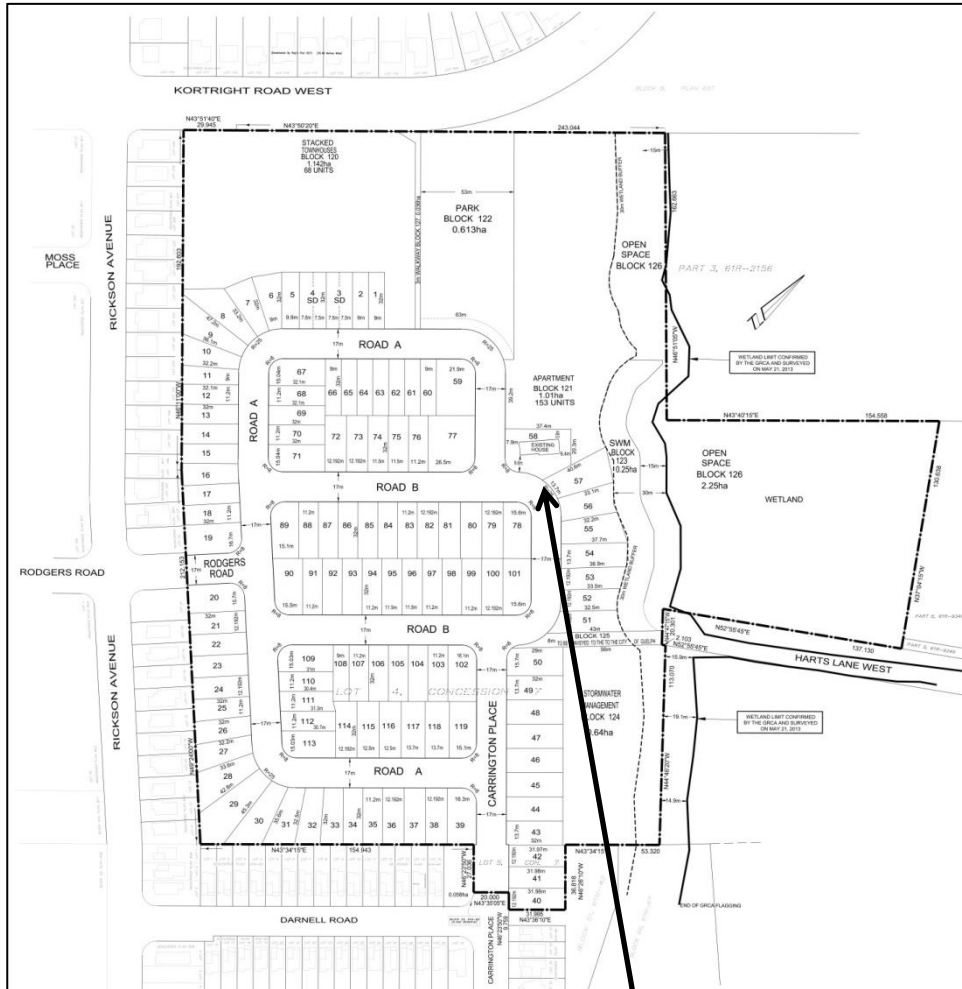
The heritage attributes for the Hart Farmhouse to be protected by the heritage designation by-law are:

- 2-storey, side gable roof form of the building with an attached 1-storey, side gable kitchen wing;
- Original log construction and heavy timber substructure;
- Salvageable, original wood clapboard cladding;
- Location and form of original window and door openings;
- Transom window over front door;
- Original exterior and interior wood doors and related hardware

It is intended that non-original features may be returned to documented earlier designs or to their documented original without requiring Council's permission for an alteration to the designation.

ATTACHMENT 9

Location of Lot 58 within the Hart Village subdivision and Concept Plan for Hart Farmhouse within Lot 58. (Images courtesy of Terra View Homes Ltd and Astrid J. Clos Planning Consultants)



ATTACHMENT 10

Elevation drawings provided by Terra View Custom Homes Ltd. at the June 13, 2016 meeting of Heritage Guelph
(Images courtesy of Terra View Homes Ltd.)

FRONT ELEVATION

No.	DATE	REVISION	Terra View HOMES		MODEL: HART FAMILY HOME	JOB No:	THE SHEETWORK ON THIS DRAWING IS THE PROPERTY OF TERRA VIEW CUSTOM HOMES LTD. AND IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. NO PARTS OF THIS DRAWING ARE TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF TERRA VIEW CUSTOM HOMES LTD.
					DRAWING: FRONT ELEVATION	SCALE: 3/4" = 1'-0"	DATE: 05/11/16
					LOCATION: HART FARM	CADD FILE:	DATE: 05/11/16
					DRAWN BY: DGB	DATE: MAY/16	PROJECT LOCATION: HARTS LAKE, GUELPH, ONT.
							A1

REAR ELEVATION

No.	DATE	REVISION	Terra View HOMES		MODEL: HART FAMILY HOME	JOB No:	THE SHEETWORK ON THIS DRAWING IS THE PROPERTY OF TERRA VIEW CUSTOM HOMES LTD. AND IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. NO PARTS OF THIS DRAWING ARE TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF TERRA VIEW CUSTOM HOMES LTD.
					DRAWING: REAR ELEVATION	SCALE: 3/4" = 1'-0"	DATE: 05/11/16
					LOCATION: HART FARM	CADD FILE:	DATE: 05/11/16
					DRAWN BY: DGB	DATE: MAY/16	PROJECT LOCATION: HARTS LAKE, GUELPH, ONT.
							A3

(Images courtesy of Terra View Homes Ltd.)



Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, July 9, 2018

Subject **Establishment of a Planning Advisory Committee in accordance with the Planning Act (Bill 73)**

Report Number IDE-2018-91

Recommendation

1. That a Planning Advisory Committee be established for the City of Guelph in accordance with report IDE-2018-91 and as required by the Planning Act (Bill 73), dated July 9, 2018.
2. That staff be directed to develop terms of reference for the City of Guelph Planning Advisory Committee for consideration by City Council in Q3 2018.

Executive Summary

Purpose of Report

To provide Council with information about the Planning Act requirement for the establishment of a Planning Advisory Committee (PAC) and to present staff's recommendation with respect to fulfilling that requirement.

Key Findings

Through Bill 73, the Planning Act was amended and now requires all upper-tier and single-tier municipalities to establish a Planning Advisory Committee (Section 8 of the Planning Act).

Municipalities have flexibility and discretion to determine how PACs are most effective within their communities.

Municipalities have the option to establish a new advisory committee to fulfill this requirement or use existing committees.

Existing City of Guelph advisory committees have specific and specialized areas of focus with respect to their terms of reference/mandate.

There are efficiencies and improvements to community engagement to be gained through the establishment of a PAC as a new advisory committee for the City of Guelph.

Financial Implications

None. The administration of a PAC would be managed with existing staff resources.

Report

Background

Bill 73, the Smart Growth for Our Communities Act, 2015 received Royal Assent on December 3, 2015. Bill 73 amended the Planning Act to require the establishment of Planning Advisory Committees (PACs).

Section 8 of the Planning Act, states that “the council of every upper-tier municipality and the council of every single-tier municipality that is not in a territorial district, except the council of the Township of Pelee, shall appoint a planning advisory committee” in accordance with the Act. Citizen representation is required, with the members of the PAC to be chosen by Council with at least one member to be a resident of the municipality who is neither a city councillor nor an employee of the municipality.

The Ministry of Municipal Affairs provides the following as the intended outcomes of this change to the Planning Act:

- “Increases use of PACs and ensures citizen representation;
- Ensures that land use advice provided to Councils includes citizen perspectives;
- PACs are advisory committees intended to provide local Councils with advice and another perspective on land use planning proposals;
- Requirement for citizen representation on all PACs ensures that public perspectives are included in advice provided to Council, and helps facilitate greater collaboration and exchange of ideas between Council and public”.

The Ministry further states that:

- PACs are intended as advisory committees (i.e., they are not decision making committees of Council, comprised exclusively of councillors);
- Municipalities continue to have flexibility / discretion to determine how PACs are most effective within their communities:
 - councils determine which planning matters PACs can review/provide input;
 - municipalities can potentially use existing advisory committees to meet requirement for PAC (e.g., heritage committees, etc.);
 - PAC recommendations are not binding; and
- Councils determine when and what planning matters PACs review.

Options to consider in fulfilling the requirement to establish a PAC for the City of Guelph

Option 1: City Council could add new responsibilities to existing advisory committees to meet the requirement for a PAC

The City of Guelph already has advisory committees that provide advice to council on matters such as heritage, environment, river systems, accessibility, and downtown.

Heritage Guelph provides advice to Council on matters to be considered under the Ontario Heritage Act. Their terms of reference were updated and approved by Council in 2017. This committee's focus is on the protection of cultural heritage resources and its members have expertise in that area.

The Environmental Advisory Committee provides advice to Council on the review of environmental impact studies and environmental implementation reports. The focus of this committee is technical in nature and the membership is made up of experts in environmental sciences. While the committee membership does include representation from the planning field, the mandate of the committee would require substantial changes to include broad planning matters.

The River Systems Advisory Committee provides advice to Council on issues that impact waterways and adjacent lands within the City of Guelph. The committee membership has expertise in landscape and open space planning, terrestrial and aquatic ecology and hydrology. This committee has a narrowly defined mandate that does not lend itself to including broad, city-wide planning matters.

The Council approved project charter for the City's Natural Heritage Action Plan included within its scope a review of the models for community engagement in natural heritage action plan implementation including looking at existing Council appointed advisory committees that contribute to the implementation of the City's NHS and water resource policies. Further, given this ongoing work, EAC and RSAC were not considered to be candidates for fulfilling the requirement for a PAC.

The Accessibility Advisory Committee provides advice to Council with respect to accessibility for persons with disabilities to improve their quality of life. This committee, as part of their mandate, reviews site plan applications from the perspective of the identification, removal and prevention of barriers to persons with disabilities. The specialized role of this committee does not lend itself to expanding its role to include broad planning matters. This committee is required by Provincial legislation (Accessibility for Ontarians with Disabilities Act, 2005) with a prescribed mandate and membership.

The Downtown Advisory Committee provides strategic input and advice to Council and staff on matters pertaining to issues impacting the economic, social, cultural, environmental, physical and educational conditions in Downtown Guelph. This

committee, with its defined geographic area focus, is not considered to be a candidate for expanding its role to include broad planning matters.

These committees have been set up with specialized focus and terms of reference. Expanding their mandates would require a review and update of their terms of reference and a review of membership requirements and qualifications. This would likely include an examination of their original intent and purpose and could result in detracting from their current work. Further, these committees have full agendas related to their current focus areas. The addition of planning matters may require more meetings through the year or longer meeting times which would place increased time requirements on the volunteer members of these committees.

It is not recommended to pursue Option 1.

Option 2: City Council could establish a new advisory committee with a dedicated focus on planning matters.

The establishment of a dedicated PAC would provide City Council with input and perspectives from a committee that is dedicated to planning matters and has members with expertise and interest in urban planning. It would also provide consistency and clarity of process to the public in terms of providing a formal opportunity for input outside of the Council process that has set dates and agendas.

Currently, Planning staff establish ad hoc working groups, focus groups or stakeholder groups to provide insight, advice, expert opinion and commentary on major policy projects. Recent examples of this include the Clair-Maltby Secondary Plan Community Working Group and the Affordable Housing Strategy focus group. These groups often provide advice on community engagement initiatives to help ensure that the materials are understandable and accessible to the public. They also augment the community engagement process by providing expert advice or community perspectives on specific projects. The current practice means that staff set up different groups for different projects which takes time and resources both in recruiting members and in educating them on the City's planning policies and processes. These groups are valuable for engaging the community in specific planning projects and would continue to be part of staff's toolkit for engagement.

Efficiencies and consistency of process would be gained by establishing one PAC that would have a set membership, would be permanent as a committee and would have set meeting times. Advisory committee meetings also allow for the public to attend to hear the discussion and participate as delegations thereby enhancing the public process that is available at Committee of the Whole and City Council by allowing for additional opportunities for discussion at early stages of major planning initiatives.

The Planning Act allows City Council flexibility and discretion to determine the composition of their PAC including setting the terms of reference and deciding which planning matters PACs review and provide input on.

It is recommended that Option 2 be approved.

Conclusion and Recommendation

It is recommended that a new PAC be established for the City of Guelph and that Council direct staff to develop a terms of reference for the PAC for consideration by Council at their meeting in September 2018. The terms of reference will outline the committee composition, the number of members, mandate, meeting frequency, terms of office and other matters related to procedures and protocol. Should Council approve this recommendation, the PAC would be instated in 2019.

It is recommended that the PAC focus on major policy planning initiatives such as provincial plan and policy conformity, Official Plan reviews/updates, and community plans and studies. This recommended focus provides efficiency and improvement to the engagement process. It also does not duplicate the statutory requirements for development applications. Early input into matters that affect the city more broadly benefits the general public, staff and Council through a transparent, consistent and accessible format. As previously stated, a PAC ensures that public perspectives are included in advice provided to Council, and helps facilitate greater collaboration and exchange of ideas between Council and public.

Financial Implications

None. The administration of a Planning Advisory Committee would be managed with existing staff resources. Planning staff would act as the staff liaison and provide administrative support. Clerks staff would include this committee in their standard advertising for committee members.

Consistent with City practice, resident members would not be remunerated.

Consultations

City Clerk's Office

Corporate Administrative Plan

Overarching Goals

Service Excellence

Attachments

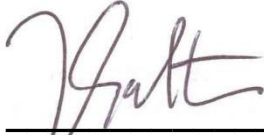
Not applicable

Departmental Approval

Not applicable

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