

# COMMITTEE AGENDA



TO **Infrastructure, Development & Enterprise Committee**

DATE Tuesday, September 8, 2015

LOCATION Council Chambers, Guelph City Hall, 1 Carden Street

TIME 5:00 p.m.

## DISCLOSURE OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

**CONFIRMATION OF MINUTES** – June 30 & July 7, 2015 Open Meeting Minutes

**PRESENTATIONS** (Items with no accompanying report)

a) None

## CONSENT AGENDA

*The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Infrastructure, Development & Enterprise Committee Consent Agenda will be approved in one resolution.*

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
IDE-2015.29 Guelph Energy Efficiency Retrofit Strategy (GEERS)	Rob Kerr, Corporate Manager, Community Energy Initiative		✓
IDE-2015.30 Residential Water and Wastewater Billing Frequency and Renewal of Meter Reading and Billing Agreement with Guelph Hydro Electric Systems Inc.			
IDE-2015.31 Sign By-law Variances 170 Metcalfe Street			
IDE-2015.32 Sign By-Law Variances 230 Silvercreek Parkway North			

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IDE-2015.33 Sign By-law Variances 21 Surrey Street West			
IDE-2015.34 Sign By-law Variances 75 Speedvale Avenue East			

Resolution to adopt the balance of the Infrastructure, Development & Enterprise Committee Consent Agenda.

**ITEMS EXTRACTED FROM CONSENT AGENDA**

Once extracted items are identified, they will be dealt with in the following order:

- 1) delegations (may include presentations)
- 2) staff presentations only
- 3) all others.

**STAFF UPDATES AND ANNOUNCEMENTS**

**ADJOURNMENT**

**NEXT MEETING** – October 6, 2015



**Adjournment** (7:10 p.m.)

2. Moved by Mayor Guthrie  
Seconded by Councillor Gibson

That the meeting be adjourned.

CARRIED

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Dylan McMahon  
Council Committee Coordinator



**Infrastructure, Development & Enterprise Committee  
Held in the Council Chambers, Guelph City Hall  
Tuesday, July 7, 2015 at 5:00 p.m.**

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**Attendance**

Members: Chair B. Bell  
Mayor C. Guthrie  
Councillor D. Gibson  
Councillor L. Piper

Absent: Councillor Salisbury

Councillors: Councillor P. Allt  
Councillor C. Downer  
Councillor J. Gordon  
Councillor J. Hofland  
Councillor A. Van Hellemond  
Councillor K. Wettstein

Staff: Mr. A. Horsman, Deputy CAO – Infrastructure, Development & Enterprise  
Mr. T. Salter, General Manager, Planning Services  
Ms. K. Dedman, General Manager, Engineering and Capital Investment Services  
Mr. S. O'Brien, City Clerk  
Mr. D. McMahon, Council Committee Coordinator

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**Call to Order (5:00 p.m.)**

Chair Bell called the meeting to order.

**Disclosure of Pecuniary Interest and General Nature Thereof**

Councillor Gibson declared a potential pecuniary interest regarding item #IDE-2015.25 'Municipal Support for Local Renewable Energy Projects: Independent System Operator Feed-in-Tariff 4.0' because he is currently employed by a power company and did not vote or speak on the matter.

**Confirmation of Minutes**

1. Moved by Councillor Piper  
Seconded by Councillor Gibson

That the open meeting minutes of the Infrastructure, Development & Enterprise Committee held on June 2, 2015 be confirmed as recorded.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED

**Consent Agenda**

The following items were extracted from the July 7, 2015 Consent Agenda to be voted on separately:

**IDE-2015.21 INTEGRATED OPERATIONAL REVIEW (IOR) – ANNUAL REPORT (2014-2015)**

- IDE-2015.23 ESSEX STREET ON-STREET PARKING:  
BACKGROUND TO NOTICE OF MOTION AND RECENT SURVEY**
- IDE-2015.28 TOWN OF AURORA RESOLUTION REGARDING INSTALLATION OF  
COMMUNITY MAILBOXES**
- IDE-2015.17 SPEEDVALE AVENUE EAST FROM MANHATTAN COURT TO  
WOOLWICH STREET – ROAD DESIGN – REFERRED FROM JUNE 22<sup>ND</sup>  
COUNCIL MEETING**

2. Moved by Councillor Piper  
Seconded by Mayor Guthrie

That the balance of the April 8, 2015 Infrastructure, Development & Enterprise Committee Consent Agenda, as identified below, be adopted:

**IDE-2015.22 BUSINESS DEVELOPMENT & ENTERPRISE (BDE) 2014/2015  
ACTIVITY REPORT**

1. That Report IDE-BDE-1503 from Infrastructure, Development and Enterprise dated July 7, 2015, titled 'Business Development & Enterprise 2014/2015 Activity Report' be received for information.

**IDE-2015.24 SIGN BY-LAW VARIANCES – 275 HANLON CREEK BOULEVARD**

1. That the report from Infrastructure, Development and Enterprise dated July 7, 2015 regarding sign by-law variances for 275 Hanlon Creek Boulevard, be received.
2. That the request for variances from the Sign By-law for 275 Hanlon Creek Boulevard to permit one (1) sign with an area of 5.89m<sup>2</sup> to be located on the second storey of a building face fronting an adjacent property at a distance of 6.5 metres from the property line, be approved.
3. That the request for variances from the Sign By-law for 275 Hanlon Creek Boulevard to permit one (1) sign with an area of 12.59m<sup>2</sup> to be located on the second storey of a building face fronting an adjacent property at a distance of 6.5 metres from the property line, be approved.

**IDE-2015.26 GREEN MEADOW PARK FLOOD PROTECTION FACILITY – SCHEDULE  
B MUNICIPAL CLASS ENVIRONMENTAL ASSESSMENT**

1. That the Infrastructure, Development and Enterprise report dated July 7, 2015, regarding the Schedule B Municipal Class Environmental Assessment - Green Meadow Park Flood Protection Facility be received.
2. That staff be authorized to complete the Municipal Class Environmental Assessment process as required and to proceed with the implementation of the preferred alternative (#4 – New Storm Sewer on William Street) as outlined in the report from Infrastructure, Development and Enterprise report dated July 7, 2015.

**IDE-2015.27      FEDERATION OF CANADIAN MUNICIPALITIES – GREEN MUNICIPAL FUND LEADERSHIP IN ASSET MANAGEMENT PROGRAM**

1. That the Infrastructure, Development and Enterprise report dated July 7, 2015, regarding the Federation of Canadian Municipalities – Green Municipal Fund Leadership in Asset Management Program (LAMP) be received.
2. That Council support the City of Guelph’s participation in the LAMP program.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED

**Extracted Consent Items**

**IDE-2015.25      MUNICIPAL SUPPORT FOR LOCAL RENEWABLE ENERGY PROJECTS: INDEPENDENT SYSTEM OPERATOR FEED-IN-TARIFF 4.0**

Councillor Gibson did not speak or vote on this matter.

3. Moved by Councillor Piper  
Seconded by Mayor Guthrie

WHEREAS the Province's FIT Program encourages the construction and operation of rooftop solar photovoltaic and ground mount solar photovoltaic projects (the "Projects");

AND WHEREAS one or more Projects may be constructed and operated in the City of Guelph;

AND WHEREAS, pursuant to the FIT Rules, Version 4.0, Applications whose Projects receive the formal support of Local Municipalities will be awarded Priority Points, which may result in these Applicants being offered a FIT Contract prior to other Persons applying for FIT Contracts;

NOW THEREFORE BE IT RESOLVED:

1. That Report IDE-BDE-1506 from Infrastructure, Development and Enterprise, dated July 7, 2015 be received.
2. That Council of the City of Guelph supports without reservation the construction and operation of the Projects anywhere in the City of Guelph.
3. That Council direct the City Clerk to sign the attached "Template: Municipal Council Blanket Support Resolution" (Attachment #1).
4. That Council direct the Manager, Community Energy to provide a completed and signed "Template: Municipal Council Blanket Support Resolution" (Attachment #1) to applicants requesting same for the purposes of submissions to the Independent Electricity System Operator’s Feed-In-Tariff 4.0 Program.
5. That the Municipal Council Blanket Support Resolution remain in effect for one year from the date of adoption.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell and Piper (3)

VOTING AGAINST: (0)

CARRIED

**IDE-2015.21      INTEGRATED OPERATIONAL REVIEW (IOR) – ANNUAL REPORT  
(2014-2015)**

Mr. Todd Salter provided highlights of the IOR project and Ms. Karol Murillo provided detailed information covering the IOR process to date, including challenges and opportunities for the future.

4. Moved by Mayor Guthrie  
Seconded by Councillor Piper
  1. That Report 15-63 from the Infrastructure, Development and Enterprise Services, regarding the Integrated Operational Review Annual Report and associated process enhancements and mandatory pre-consultation for the period 2014-2015, be received.
  2. That the draft by-laws as shown in Attachment 3 – Pre-consultation By-law – in Report 15-63 from the Infrastructure, Development and Enterprise Services, regarding mandatory pre-consultation and complete application requirements be approved and adopted.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)

VOTING AGAINST: (0)

CARRIED

**IDE-2015.23      ESSEX STREET ON-STREET PARKING:  
BACKGROUND TO NOTICE OF MOTION AND RECENT SURVEY**

Marty Williams spoke in support of the staff recommendation with regard to Essex St. on-street parking and encouraged Council to give more power to staff to alter basic parking rules and regulations in the downtown area.

Peter Hedington spoke in favour of maintaining on-street parking on Essex St. because it is used as over flow parking for local businesses in the area. Additionally, Mr. Hedington suggested that at least 8-10 parking spaces on the east side of Essex St. remain available regardless of Council's decision.

John Farley, representing Market Commons commercial tenants and the Gordon Street Development Corporation, spoke about the current parking environment surrounding the Market Commons condominium building and offered support for staff's recommendation.

Fazl Ashkar, a business owner on Essex St., provided support for two hour parking spots on Essex St. between 6:00 am and 8:00 pm.

Katie White, General Manger of Balzac's Café, spoke in support of the staff proposal regarding parking on Essex St.

## Main Motion

5. Moved by Councillor Gibson  
Seconded by Councillor Piper
  1. That Report IDE-BDE-1504 titled "Essex Street On-Street Parking", from Infrastructure, Development and Enterprise, dated July 7, 2015 be received.
  2. That staff undertake the proposed on-street parking pilot as described in the report, and report back to IDE Committee by Q2 2016.

## First Amendment

6. Moved by Mayor Guthrie  
Seconded by Councillor Piper

**That staff report back to the IDE Committee, through the Information Sheets, by Q4 2015 while maintaining the 1 year pilot project.**

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED

## Main Motion as Amended

7. Moved by Councillor Gibson  
Seconded by Councillor Piper
  1. That Report IDE-BDE-1504 titled "Essex Street On-Street Parking", from Infrastructure, Development and Enterprise, dated July 7, 2015 be received.
  2. That staff undertake the proposed on-street parking pilot as described in the report, and report back to IDE Committee by Q2 2016.
  3. **That staff report back to the IDE Committee, through the Information Sheets, by Q4 2015 while maintaining the 1 year pilot project.**

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED

## **IDE-2015.17      SPEEDVALE AVENUE EAST FROM MANHATTAN COURT TO WOOLWICH STREET – ROAD DESIGN – REFERRED FROM JUNE 22<sup>ND</sup> COUNCIL MEETING**

Jason Dodge spoke in support of staff recommendations regarding Speedvale Avenue Reconstruction, by identifying the difficulty emergency vehicles would have moving through Speedvale if the number of lanes were reduced.

Lane Aspinall, a long-time resident of the Speedvale Avenue area, spoke against any expropriation of land to increase the road width. She indicated that increasing the number of lanes on Speedvale would negatively impact nearby residents by reducing their quality of life

and creating dangerous situations. Ms. Aspinall encouraged Council to limit the number of large trucks which are allowed to travel down Speedvale Avenue.

Martin Collier spoke in support of a three lane solution for Speedvale Avenue and against the four lane option recommended by staff.

Patrick Sheridan spoke in support of staff's recommendation as a compromise for cyclists and automobiles.

Shaun Pecore spoke in support of bike lanes generally but suggested that the ramifications of reducing the lanes available for traffic on Speedvale Avenue would cause significant traffic delays and congestion while pushing traffic onto smaller residential streets.

Maggie Laidlaw spoke against the proposed staff recommendation, suggesting that cycling can occur year around when bike lanes are provided.

Albert de Jong spoke in favour of a road diet for Speedvale Avenue by showing a video to Council which explained the purpose and benefits of road diets.

Ed Kurys suggested that the traffic congestion caused by a road diet on Speedvale Avenue would be too significant to justify adding bike lanes to accommodate cyclists. He suggested that the true cost of a road diet would exceed that of the four lane option due to productive time lost in congestion.

Mark McDowall suggested that cyclists do not use existing bike lanes on roads in Guelph and therefore they should not be added on Speedvale Avenue at the expense of automobile traffic.

Mike Darmon presented several different options regarding Speedvale Avenue reconstruction and urged Council to adopt a compromise between the options presented by staff.

Marcia Santen spoke in favour of making the right hand lane, in both directions, on Speedvale Avenue between Manhattan Court and Woolwich Street multi-use lanes; clearly marked for both cyclists and automobiles.

Mike Baker spoke in opposition to any option that includes expropriation of land and suggested that more compromise was needed between the different options.

Michael Stewart spoke in support of a road diet for Speedvale Avenue to ensure traffic keeps moving through the area without expropriating any land from private landowners.

8. Moved by Councillor Piper  
Seconded by Mayor Guthrie

1. That the report from Infrastructure, Development and Enterprise entitled "Supplementary Report for Speedvale Avenue East from Manhattan Court to Woolwich Street – Road Design", dated July 7, 2015, be received.
2. That Speedvale Avenue be constructed in accordance with option #5, as outlined in the report, to retain 4 existing lanes of traffic, sidewalks on both sides, bicycle lanes and buried infrastructure, and that staff be directed to proceed with a detailed design that minimizes expropriation of land.
3. That funding for the reconstruction of Speedvale Avenue East from Manhattan Court to Woolwich Street be referred to the 2016 budget process for consideration.

4. That the timing for commencing the Environmental Assessment for a pedestrian bridge across the Speed River from the west end of Emma Street to the east end of Earl Street be referred to the Trails Master Plan review process.

*VOTING IN FAVOUR: Councillor Piper (1)*

*VOTING AGAINST: Mayor Guthrie, Councillors Bell, Gibson (3)*

DEFEATED

9. Moved by Councillor Gibson  
Seconded by Mayor Guthrie

1. That the report from Infrastructure, Development and Enterprise entitled "Supplementary Report for Speedvale Avenue East from Manhattan Court to Woolwich Street – Road Design", dated July 7, 2015, be received.
2. That the 2009 Bike Policy and 2013 Cycling Master Plan be amended to re-route the bike lanes identified for Speedvale Avenue from Manhattan Court to Woolwich Street to an alternate location on Emma Street such that Speedvale Avenue is reconstructed in accordance with the Recommended Option to retain the existing four lanes of traffic and sidewalks on both sides of the road.
3. That funding for the reconstruction of Speedvale Avenue East from Manhattan Court to Woolwich Street be referred to the 2016 budget process for consideration.
4. That staff be directed to commence an Environmental Assessment for a pedestrian bridge across the Speed River from the west end of Emma Street to the east end of Earl Street.

It was requested that the resolutions be voted on separately.

10. Moved by Councillor Gibson  
Seconded by Mayor Guthrie

That the report from Infrastructure, Development and Enterprise entitled "Supplementary Report for Speedvale Avenue East from Manhattan Court to Woolwich Street – Road Design", dated July 7, 2015, be received.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED

11. Moved by Councillor Gibson  
Seconded by Mayor Guthrie

That the 2009 Bike Policy and 2013 Cycling Master Plan be amended to re-route the bike lanes identified for Speedvale Avenue from Manhattan Court to Woolwich Street to an alternate location on Emma Street such that Speedvale Avenue is reconstructed in accordance with the Recommended Option to retain the existing four lanes of traffic and sidewalks on both sides of the road.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell and Gibson (3)*

*VOTING AGAINST: Councillor Piper (1)*

CARRIED

11. Moved by Councillor Gibson  
Seconded by Mayor Guthrie

That funding for the reconstruction of Speedvale Avenue East from Manhattan Court to Woolwich Street be referred to the 2016 budget process for consideration.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED

12. Moved by Councillor Gibson  
Seconded by Mayor Guthrie

1. That staff be directed to commence an Environmental Assessment for a pedestrian bridge across the Speed River from the west end of Emma Street to the east end of Earl Street.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell and Gibson (3)*

*VOTING AGAINST: Councillor Piper (1)*

CARRIED

**IDE-2015.28      TOWN OF AURORA RESOLUTION REGARDING INSTALLATION OF COMMUNITY MAILBOXES**

13. Moved by Councillor Piper  
Seconded by Mayor Guthrie

1. That the City of Guelph Council direct the Mayor to send a letter, copied to Members of Parliament, Ontario Members of Provincial Parliament, the Federation of Canadian Municipalities, and the Association of Ontario Municipalities, that the Federal Minister of Transport, who oversees Canada Post, to require Canada Post to halt installation of community mailboxes immediately and adhere to its Five-point Action Plan requirement to engage in full and meaningful consultation with all stakeholders, including the City of Guelph and its residents;
2. That Council direct staff to bring forward recommendations to a future 2015 meeting of the IDE committee, in consultation with legal services, on a process and timeline to update the City of Guelph Encroachment of City Owned Lands By-law (2009)-18799 regarding the installation of Canada Post Community Mailboxes in established neighbourhoods.
3. That Council direct staff to develop a recommended process to require Canada Post to apply for installation permits, with an appropriate fee that reflects the resources required and costs incurred by the City to install and/or maintain community mailboxes in established neighbourhoods.

*VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Gibson and Piper (4)*

*VOTING AGAINST: (0)*

CARRIED



## **Staff Updates and Announcements**

There were no updates or announcements.

## **Adjournment** (9:11 p.m.)

14. Moved by Mayor Guthrie  
Seconded by Councillor Gibson

That the meeting be adjourned.

CARRIED

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Dylan McMahon  
Council Committee Coordinator

**INFRASTRUCTURE, DEVELOPMENT & ENTERPRISE COMMITTEE  
CONSENT AGENDA**

**Tuesday, September 8, 2015**

Members of the Infrastructure, Development & Enterprise Committee.

**SUMMARY OF REPORTS:**

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with immediately. The balance of the Infrastructure, Development & Enterprise Committee Consent Agenda will be approved in one resolution.

**A Reports from Administrative Staff**

<b>REPORT</b>	<b>DIRECTION</b>
<p><b>IDE-2015.29      GUELPH ENERGY EFFICIENCY RETROFIT STRATEGY (GEERS)</b></p> <ol style="list-style-type: none"><li>1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 entitled <i>Guelph Energy Efficiency Retrofit Strategy</i> (GEERS) be received.</li><li>2. That staff be directed to continue with the detailed design of the GEERS program including establishing an advisory group, developing a financing structure, designing a business process using Local Improvement Charges to facilitate energy efficiency retrofit projects, and investigating potential investors.</li><li>3. That staff be directed to draft the necessary by-laws to allow the use of Local Improvement Charges for energy projects.</li><li>4. That staff be directed to report back by Q1 2016, with a full report on program details, as described.</li></ol>	Approve
<p><b>IDE-2015.30      RESIDENTIAL WATER AND WASTEWATER BILLING FREQUENCY AND RENEWAL OF METER READING AND BILLING AGREEMENT WITH GUELPH HYDRO ELECTRIC SYSTEMS INC.</b></p> <ol style="list-style-type: none"><li>1. That Council approve and the Mayor and Clerk be authorized to execute the five year agreement with Guelph Hydro Electric Systems Incorporated for the provision of water and wastewater</li></ol>	Approve

meter reading and billing services, subject to the satisfaction of the Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, and the City Solicitor.

2. That the Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, be authorized to update Schedule "A" of the Agreement for Water and Wastewater Billing Services as appropriate, to reflect current rates and fees as agreed to between the parties.
3. That Council approve the change to monthly billing for residential customers of municipal water and wastewater services.

**IDE-2015.31      SIGN BY-LAW VARIANCES -170 METCALFE STREET**

Approve

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variance for 170 Metcalfe Street, be received.
2. That the request for a variance from the Sign By-law for 170 Metcalfe Street to permit a freestanding sign to be a height of 3.23m above the adjacent road, be approved.

**IDE-2015.32      SIGN BY-LAW VARIANCES - 230 SILVERCREEK PARKWAY NORTH**

Approve

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variances for 230 Silvercreek Parkway North, be received.
2. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North one (1) sign with an area of 7.91m<sup>2</sup> to be located 0.06m above the ground surface, be approved.
3. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North to permit one (1) sign with an area of 3.17m<sup>2</sup> to be located 0.11m above the ground surface, be approved.
4. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North to permit one (1) sign with an area of 3.15m<sup>2</sup> to be located 2.15m above the ground surface, be approved.
5. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North to permit one (1) sign with an area of 4.7m<sup>2</sup> to be located 1.28m above the ground surface, be approved.

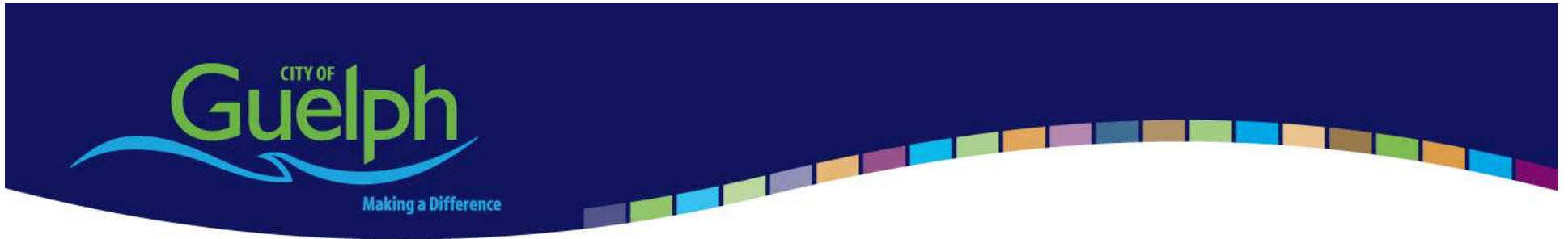
**IDE-2015.33      SIGN BY-LAW VARIANCES - 21 SURREY STREET WEST** | Approve

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variances for 21 Surrey Street West, be received.
2. That the request for a variance from the Sign By-law for 21 Surrey Street West to permit 20.08m<sup>2</sup> of signage in an Office Residential Zone, including a 1.52m<sup>2</sup> building sign located 1.52m above the ground surface, be approved.

**IDE-2015.34      SIGN BY-LAW VARIANCES - 75 SPEEDVALE AVENUE EAST** | Approve

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variances for 75 Speedvale Avenue East, be received.
2. That the request for a variance from the Sign By-law for 75 Speedvale Avenue East to permit a freestanding sign with an area of 5.2m<sup>2</sup> be approved.

attach.



# Guelph Energy Efficiency Retrofit Strategy

## GEERS

Infrastructure, Development and Enterprise  
Committee

September 8, 2015

## Summary

- **Why GEERS?**
- **Stakeholders**
- **Business Processes**
- **Funding**
- **GEERS and the Community Energy Initiative**
- **Local Improvement Charges**
- **The Business Plan**
- **Stakeholder Benefits**
- **Retrofit Example**

## Objections to Homeowner Retrofits

Why homeowners don't invest in energy efficiency

Eight year payback? I don't know if I'll be living in this house that long.



The interest rate and term from my bank just don't fit the savings stream.

I have to pay up front, and I get my incentive after the work is done?  
Yeah, right.

The materials and contracting costs are too high.

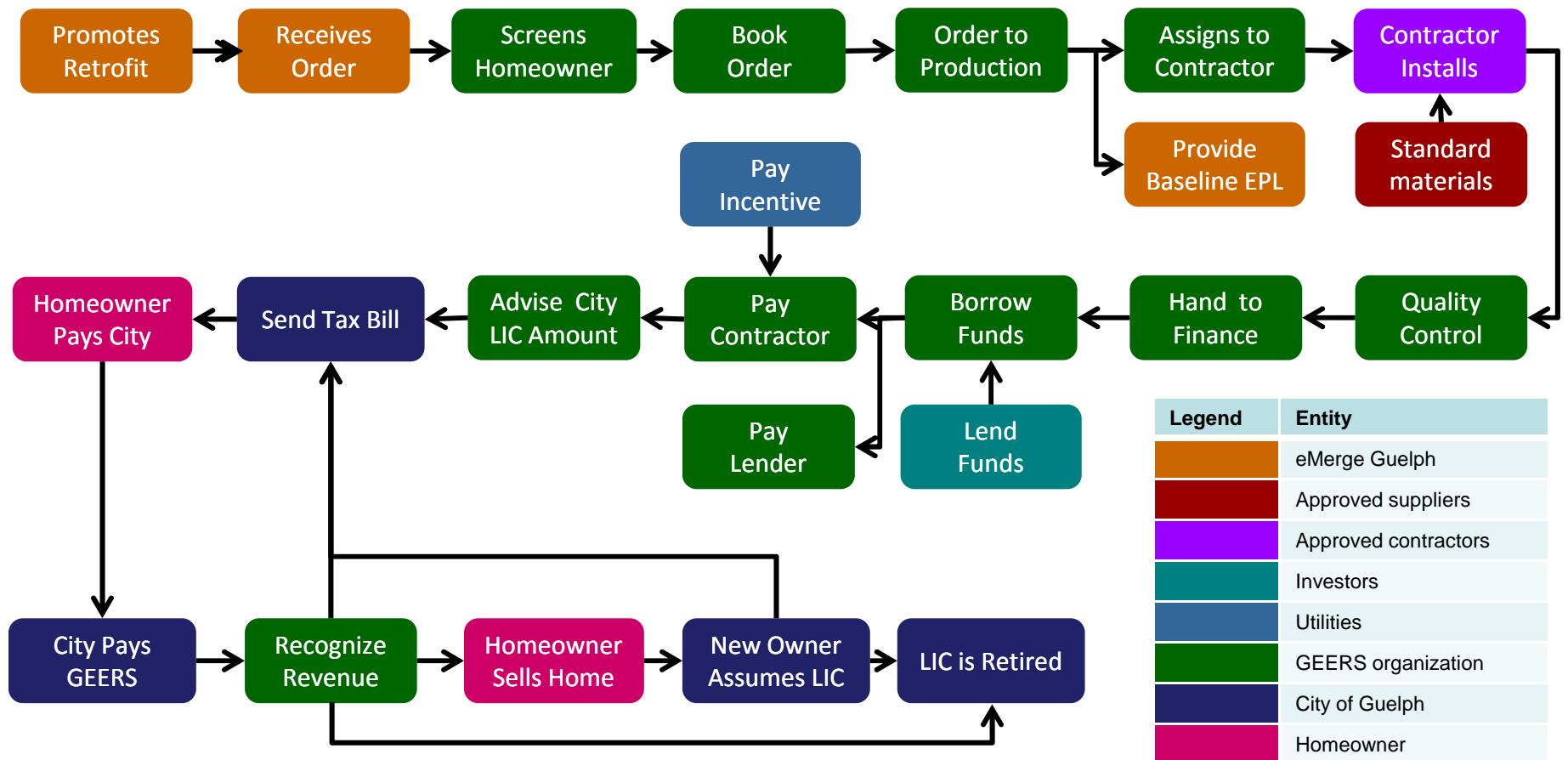
# Stakeholders

GEERS brings together all the key players

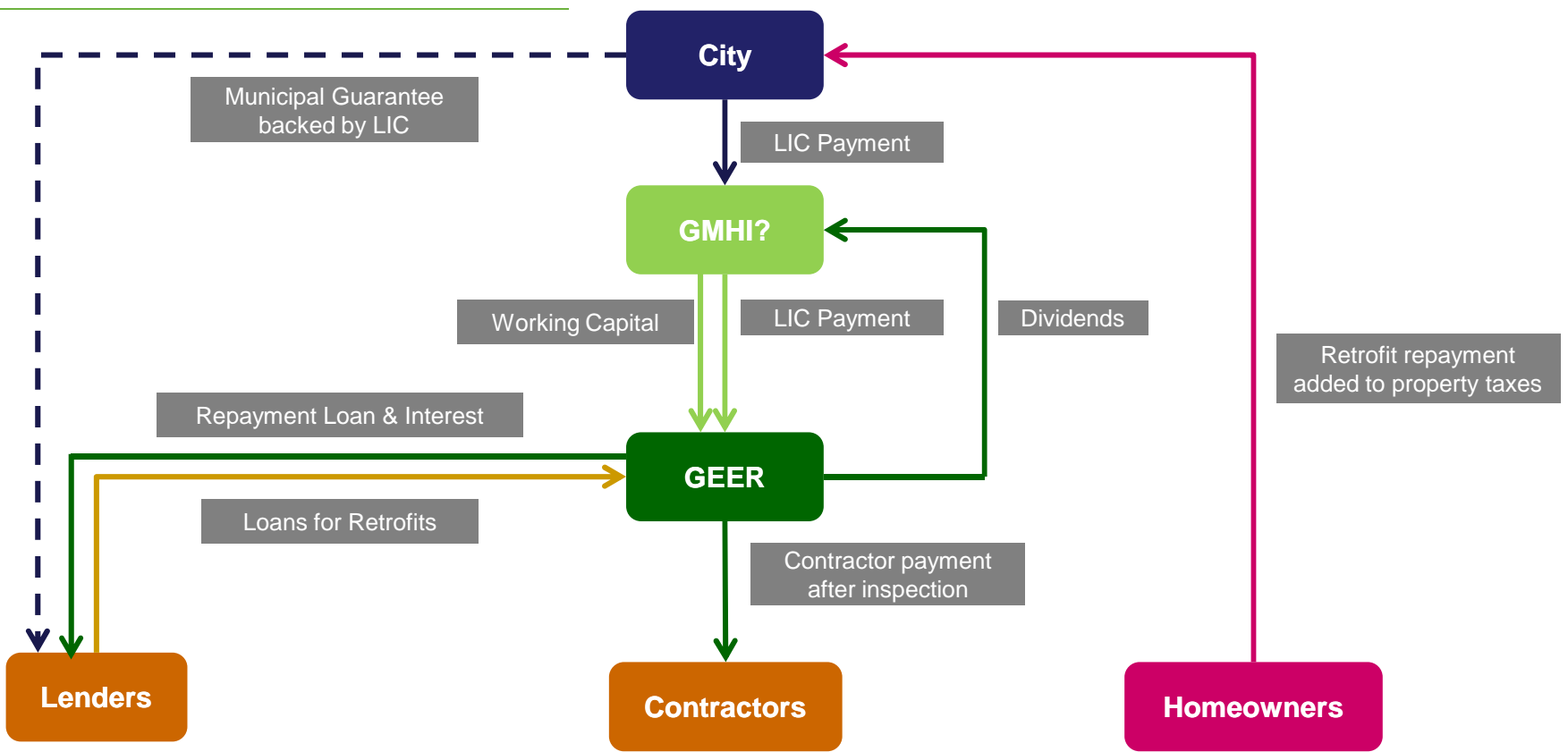




# Business Process

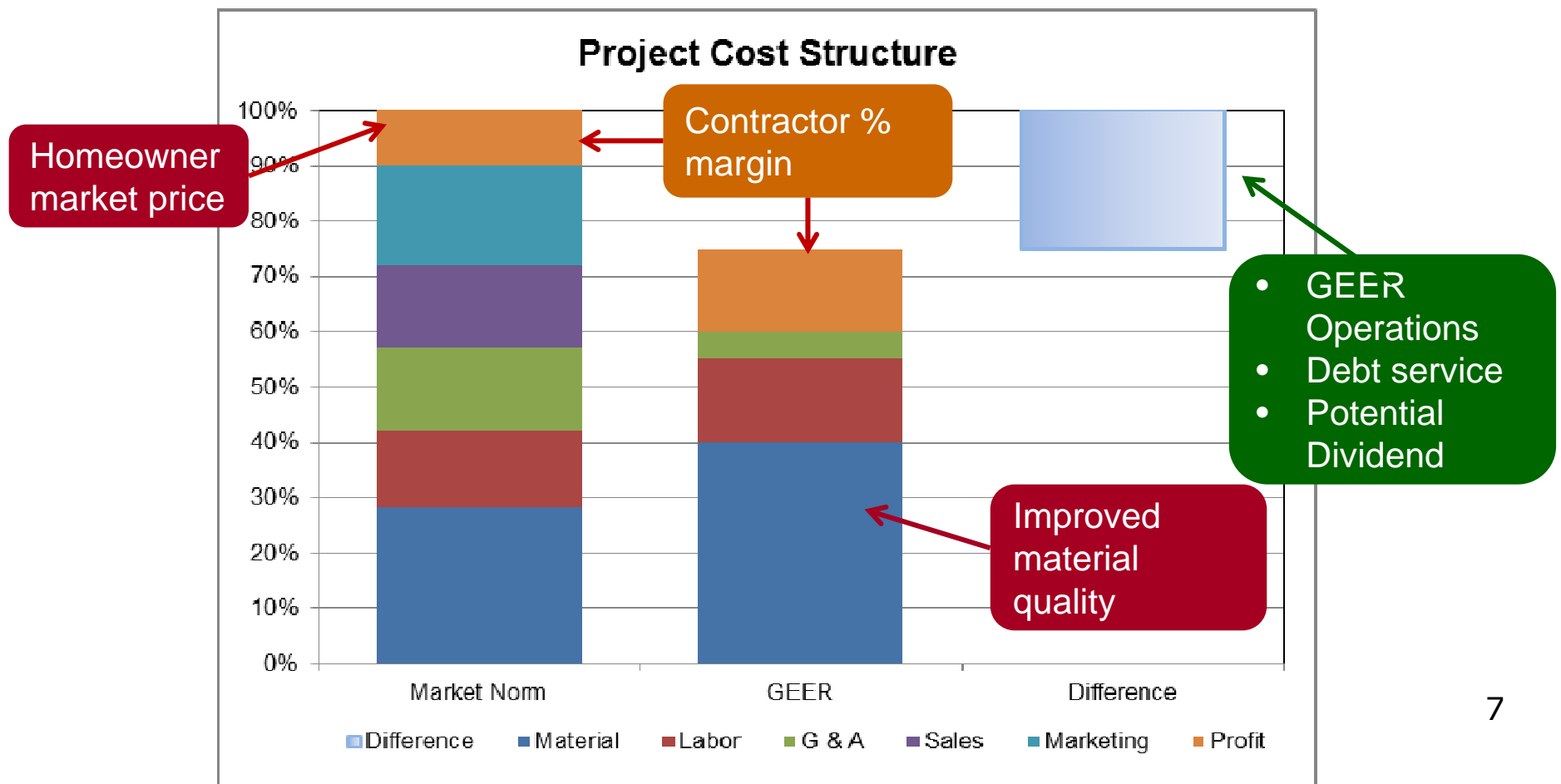


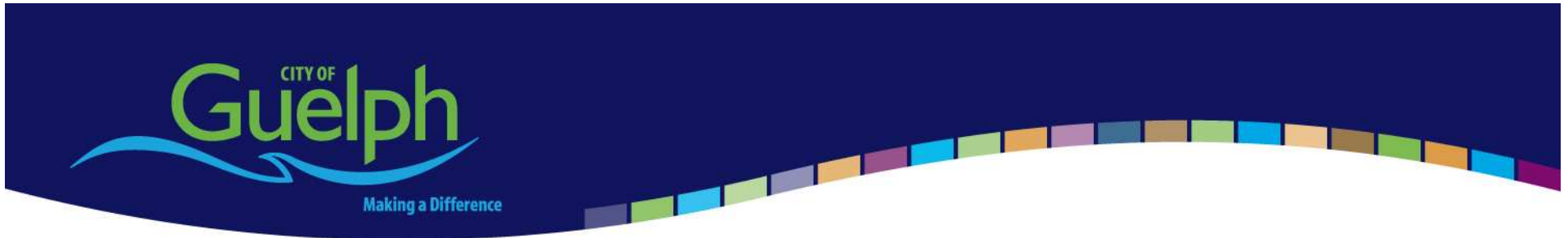
# GEER Funds Flow



# Retrofit Revenue / Cost Structure

## Current / GEER Comparison





## **How Does GEERS Support CEI Goals?**

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**“Use efficiency to meet all the energy needs to support the growth of the residential sector”**

- **Fully implement Ontario 2012 Code followed by efficiency gain of 1.5% / year to 2031**
- **Renovation: 25% higher than Baseline average of 309 kWh/m<sup>2</sup> followed by efficiency gain of 3% / year to 2031**
- **New developments >100 homes/ha could explore micro-grid**
- **Energy Performance Labeling for new and existing homes adds 5% compliance efficiency**

# GEERS - Business Plan Goals/Benefits

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## Overall GEER

- Efficient retrofit of 80% of 38,400 homes by 2031
- Individual stakeholder goals are met

## Homeowner

- Enhanced property value
- Reduced energy costs
- Increased comfort

## City

- Meet 2031 CEI targets for existing homes
- Energy use and cost and GHG emission
- Support economic development - employment
- Minimal financial risks for City

## Third-Party Investor

- Acceptable returns

# GEERS - Business Plan Goals/Benefit

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## Retrofit Contractor

- High-volume predictable retrofit project flow
- Equal or better margin than current remodeling market
- Growth potential – GEER in other cities

## Strategic Implementation Network

- New market development
- Significant incremental sales volume
- Reduced selling expense

## Electricity and Gas Utility

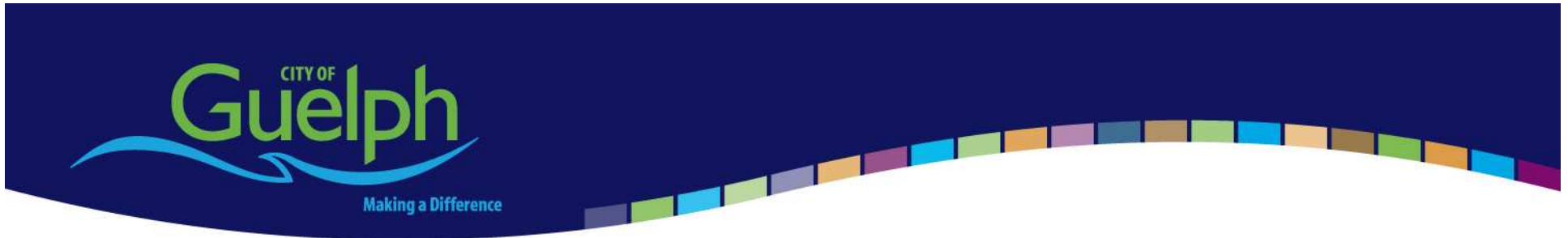
- Meet statutory incentive programmes' efficiency targets

## Community Groups

- Improved neighbourhoods
- Greater housing affordability
- Environmental performance

## Key Process

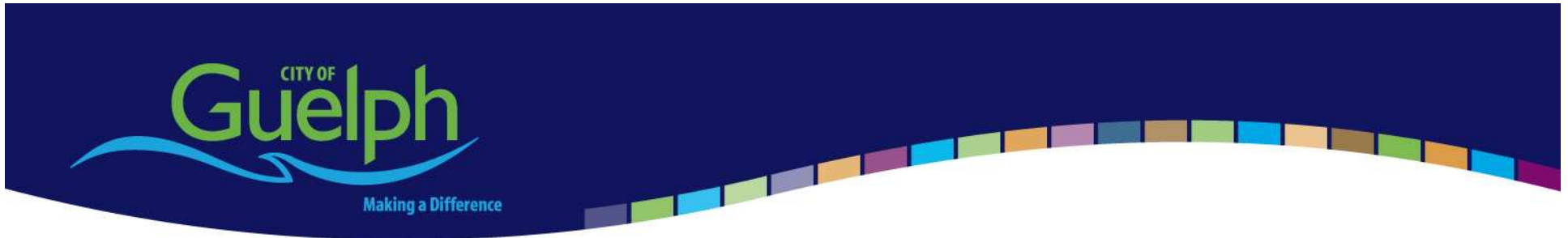
- Implemented within current regulatory constraints



# Local Improvement Charges

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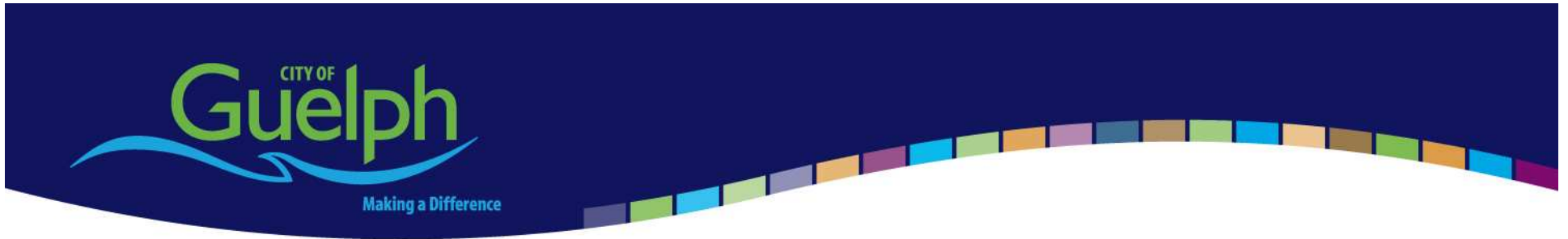
- **Ontario Municipal Act 2001 allows communities to finance local improvement project via Local Improvement Charge (LIC)**
- **LIC is collected via a Property Tax Assessment**
- **Ontario Regulation 586/06 extends LIC to energy conservation, renewable energy and water conservation projects on private residential or non-residential property**
- **GEER retrofits will be funded using LIC mechanism**
- **Retrofit added to property valuation increases property taxes**
- **Property tax increase runs at least through service life of retrofit**
- **Changes of ownership do not affect obligations of current owner**
- **City retains all collection rights as senior creditor on unpaid property taxes including possession and forced sale**
- **Third-party loans to GEER backed by municipal guarantee**



**“The Ministry of Municipal Affairs and Housing (MMAH) proposed an amendment to the Local Improvement Charges regulations under the Ontario Municipal Act, 2001 (O.Reg. 586/06) and the City of Toronto Act, 2006 (Government of Ontario, 2012). Under the amendment (O.Reg. 322/12), as approved in October 2012, the municipality is permitted to raise funds to undertake works on a private property by agreement with the owner and to impose a special charge on the lots of the consenting property owners.**

**Another aspect of note is that the LIC assessments imposed do not constitute an encumbrance on the land unless they are unpaid and in arrears. In the event of a default, the municipality can establish a priority lien, as with unpaid taxes, and seize the property to recuperate the portion of the LIC financing repayments that are in arrears through the sale of the property.”**





## **Key Business Plan Elements**

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- **Market Size Estimate**
- **Retrofit packages**
- **Financing**
- **Organizational Structure**
- **Performance and Validation**
- **Strategic Implementation Network**

# **GEER Retrofit Content and Cost Homeowner's Perspective**

## **Home**

- Single Family Home dating from 1975
- Finished area of 190 square meters

## **Retrofit Costs**

- \$26,000 (priced at \$135/m<sup>2</sup>)
- 2.5% interest rate

## **Repayments**

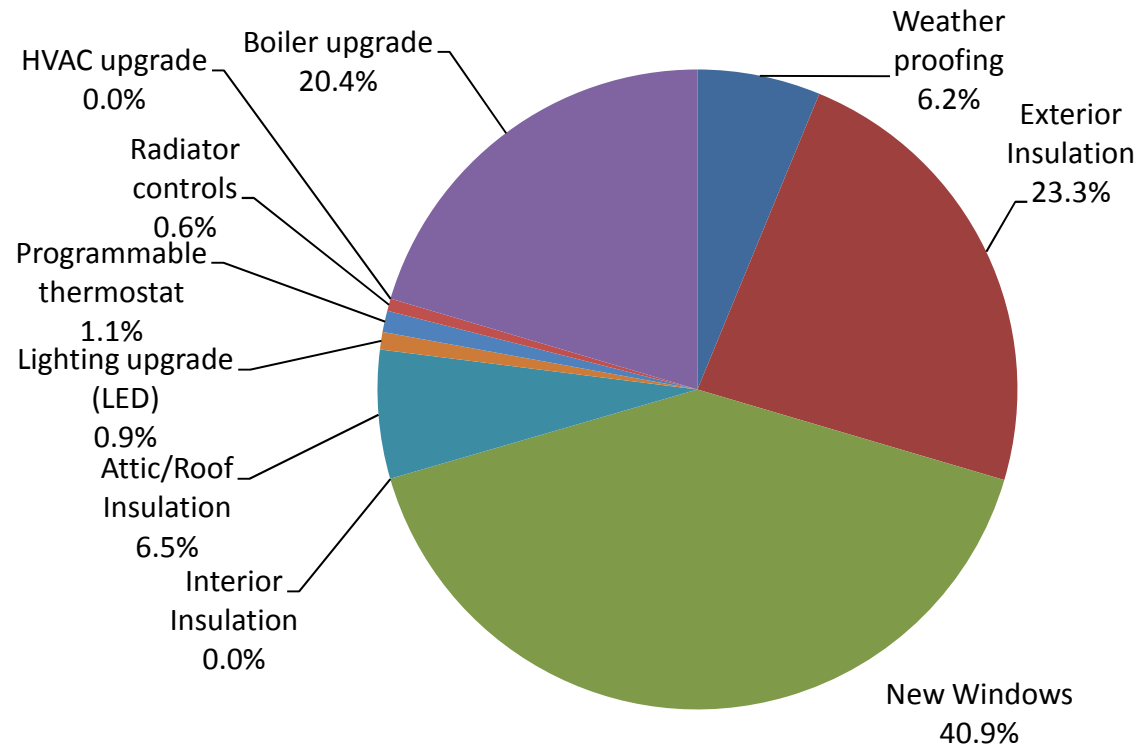
- Property Tax increase \$1,700 per year for 20 years
- Total payments \$34,000

## **Retrofit Content**

- Weatherproofing
- Exterior insulation
- New windows
- Attic insulation
- LED Lighting
- Programmable Thermostat
- New boiler and pipe insulation

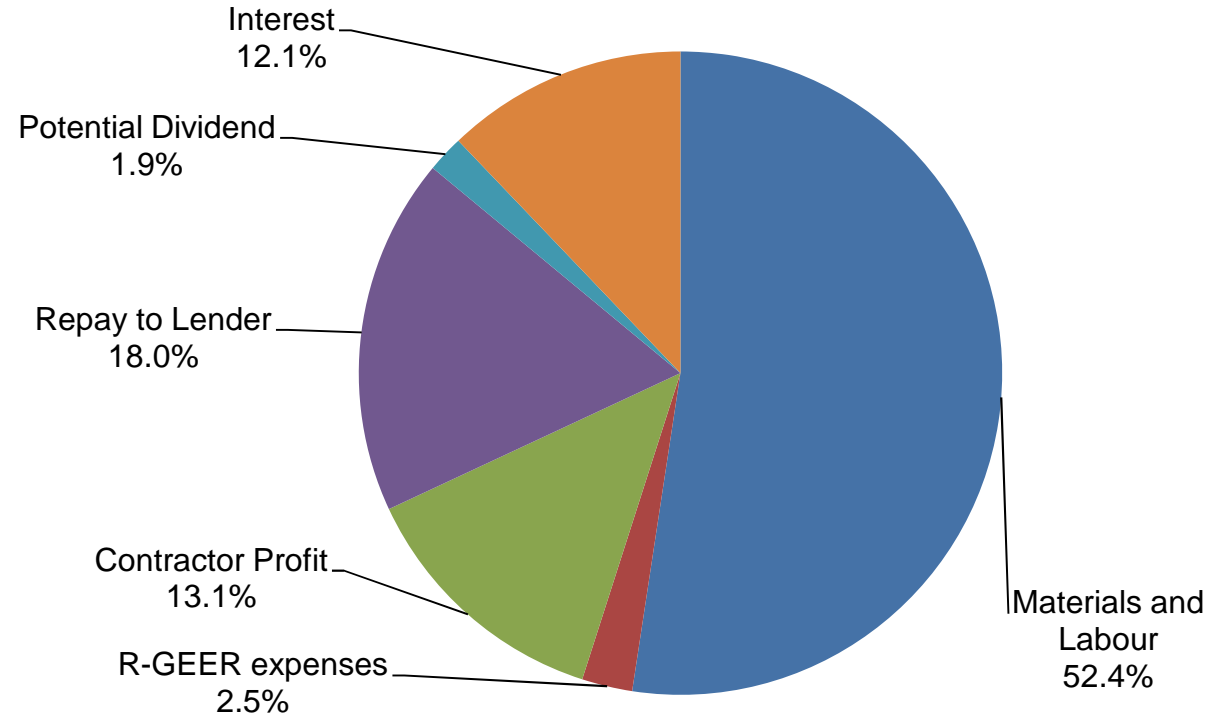
**Easy to Buy – Easy to Pay**

# Retrofit Example - Content and Cost Homeowner's Perspective



**Comprehensive Energy Retrofit for \$26K**

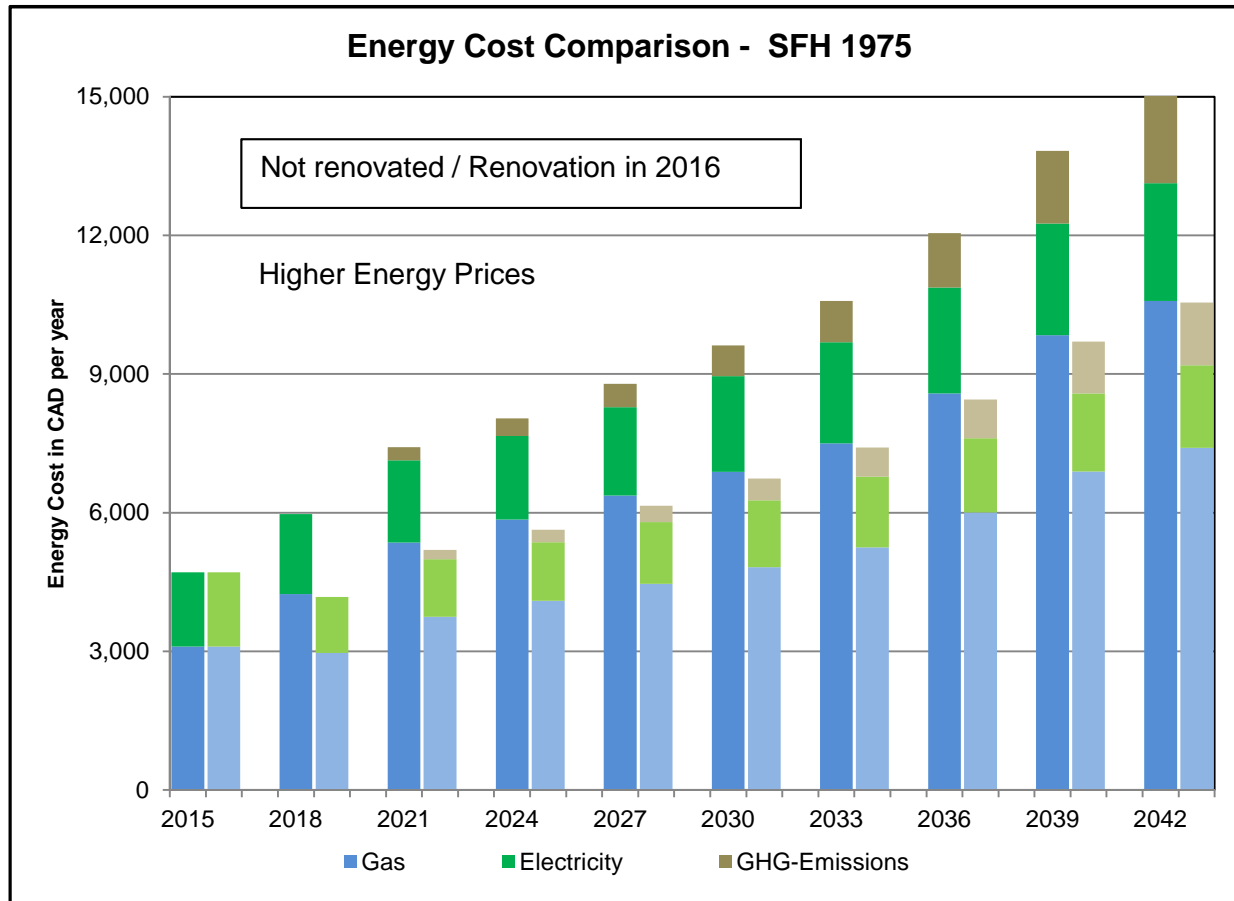
# Retrofit Example – Use of Funds Homeowner's Payments



**Uses of \$1,700 per year**

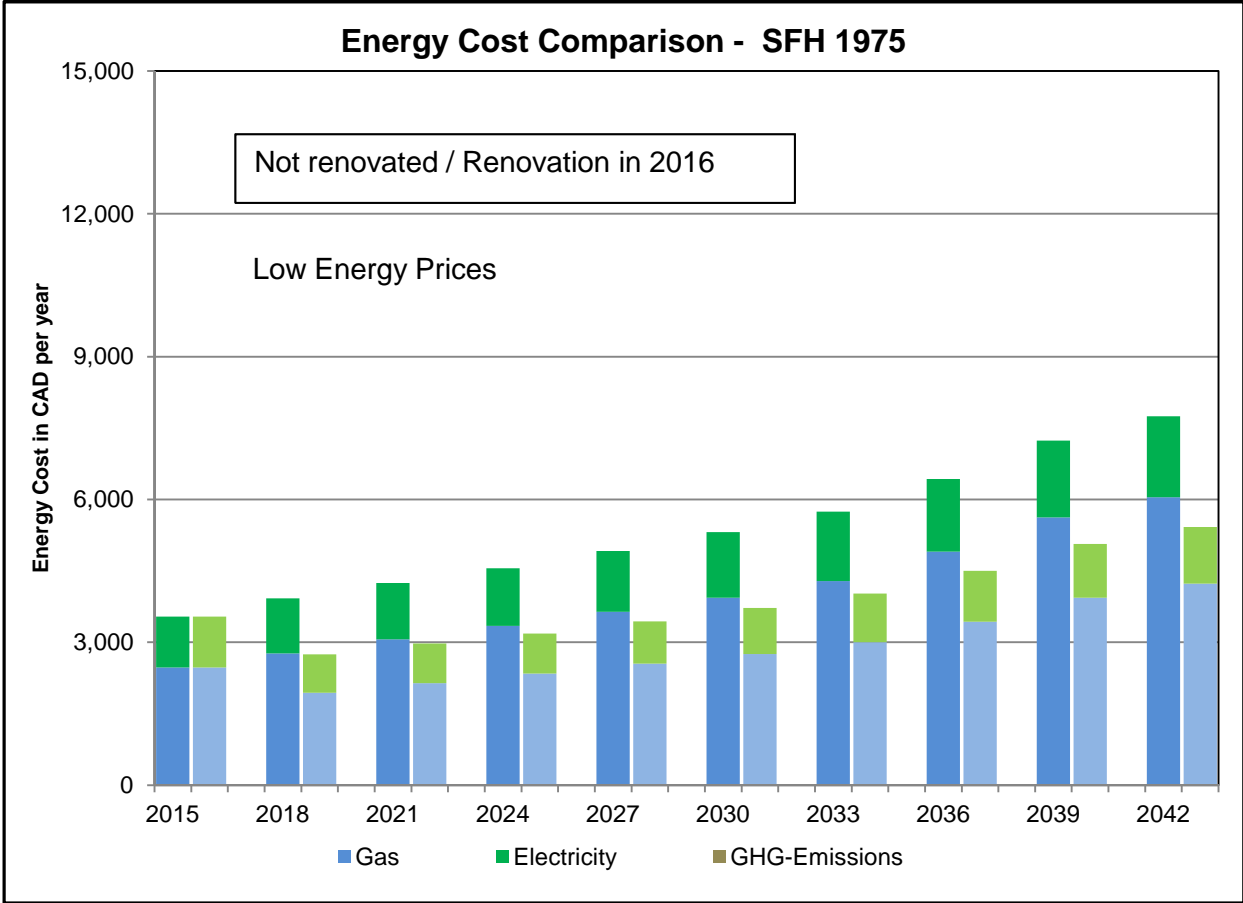
# Retrofit Example

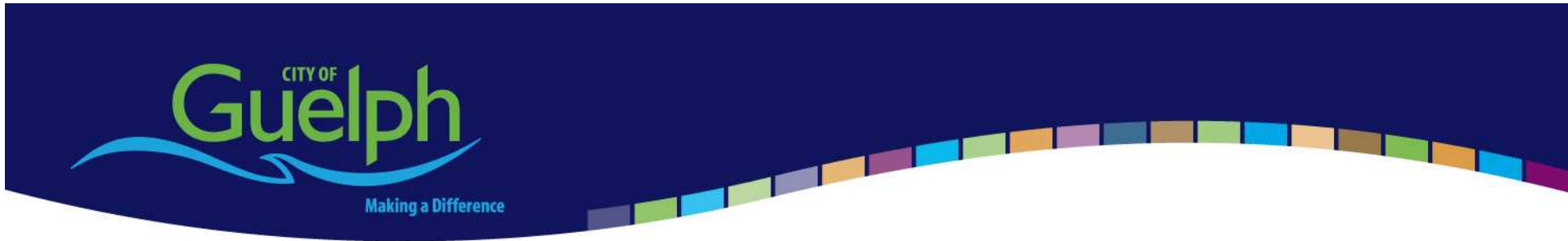
## Homeowner's Savings – Higher Energy Price Case



# Retrofit Example

## Homeowner's Savings – Lower Energy Price Case





**Thank You**

# STAFF REPORT



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TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE September 8, 2015

**SUBJECT Guelph Energy Efficiency Retrofit Strategy (GEERS)**

REPORT NUMBER IDE-BDE-1507

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## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To seek Council's approval to continue developing a program to facilitate energy efficiency retrofits for residential properties in the City of Guelph.

### KEY FINDINGS

The GEERS business plan provides an approach to energy efficiency retrofits which will achieve Community Energy Initiative goals for residential energy efficiency without cost to Guelph taxpayers, at minimal risk to the Corporation, and with significant potential for economic development.

### FINANCIAL IMPLICATIONS

This program is envisioned to be implemented on a full cost recovery basis with no requirement for funding from the City of Guelph. When the program attains its target rate of program delivery, it is expected to yield a dividend.

### ACTION REQUIRED

Direct staff to proceed according to the recommendations below.

## RECOMMENDATIONS

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 entitled *Guelph Energy Efficiency Retrofit Strategy (GEERS)* be received.
2. That staff be directed to continue with the detailed design of the GEERS program including establishing an advisory group, developing a financing structure, designing a business process using Local Improvement Charges to facilitate energy efficiency retrofit projects, and investigating potential investors.
3. That staff be directed to draft the necessary by-laws to allow the use of Local Improvement Charges for energy projects.
4. That staff be directed to report back by Q1 2016, with a full report on program details, as described.



## BACKGROUND

The Community Energy Initiative (CEI), which began in 2007 with Council adoption of the Community Energy Plan, is a ground-breaking and award-winning program with the following Vision:

**Guelph will create a healthy, reliable and sustainable energy future by continually increasing the effectiveness of how we use and manage our energy and water resources.**

A primary goal of the CEI is to reduce per-capita energy consumption in Guelph by 50% over the period of 2007-2031. The first recommendation of the CEI to achieve this goal is to "use efficiency to create at minimum all the energy needed to support the growth of the residential sector"<sup>1</sup>.

In 2007, there were 33,000 homes in Guelph. Per the projections in the Places to Grow Act, another 20,000 homes will be added by the reference year of 2031<sup>2</sup>. Meeting this CEI objective will necessitate significant improvements in the energy efficiency of Guelph's residential building stock.

Many factors prevent the open market for energy efficiency retrofits from achieving its full potential. Government/utility incentives, such as the Government of Canada's *EcoEnergy for Homes* program, have attempted to remove some market frictions, but have had disappointing uptake (on the order of 10% at best). The following barriers have historically inhibited the success of residential energy efficiency retrofit programs:

- A payback period longer than the time a homeowner typically intends to remain in the home (eight years versus five years);
- Unwillingness or inability to acquire financing (typically through a home equity line of credit);
- Unattractive financing terms available from prospective lenders, particularly interest rate and amortization period;
- Anxiety with retrofit program complexity and the number of relationships that the property owner must manage (energy auditor, contractor, suppliers, utilities, banker);
- Delays between completion of the retrofit project and receipt of incentive payment;
- High costs of materials, equipment, and contractor services

A potentially transformative innovation is the recent amendment to legislation related to Local Improvement Charges (LICs)<sup>3</sup>. LICs had hitherto provided a user-pay model for municipal infrastructure such as sewers, water mains, and roads.

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<sup>1</sup> Community Energy Plan, April 2007, p 14

<sup>2</sup> Ibid

<sup>3</sup> Per the *Local Improvement Charges Regulation Amendments Under the Municipal Act*, which came into force October 25, 2012

# STAFF REPORT



LICs permitted the municipality to mandate that property owners would pay for the cost of infrastructure installation and/or upgrades servicing their property. The LIC concept was extended in a number of jurisdictions in the United States to allow its use on a voluntary basis to finance energy-related projects. This took shape in two ways, namely PACE (Property Assessed Clean Energy) and PAPER (Property Assessed Payments for Energy Retrofits). The Province of Ontario followed suit in 2012 through an amendment to LIC legislation.

Along with a number of other municipalities, the City of Guelph proceeded to explore how to implement programming based on this innovation. This investigation was a collective effort coordinated by the Clean Air Partnership, and was named the Collaboration on Home Energy Efficiency Retrofits in Ontario (CHEERIO). The work of CHEERIO led the City of Toronto to become the first Ontario municipality to begin using LICs for residential energy efficiency retrofits via its Home Energy Loan Program (HELP), launched in March of 2014.

A similar approach is being used by the Halifax Regional Municipality with its Solar City program, launched in March of 2013. In Ontario, a growing number of cities are in various stages of utilizing the LIC mechanism to drive energy efficiency in their residential sectors.

The Community Energy unit of Development and Enterprise has prepared a strategic plan for a program to deliver the CEI residential energy efficiency recommendation entitled "Guelph Energy Efficiency Retrofit Strategy" (GEERS).

## REPORT

The GEERS strategic plan lays out the details of how a citywide residential energy efficiency retrofit program would work. This report constitutes a summary of that strategy.

### Goals

The goals of the strategy are listed below.

1. 80% of the current stock of 48,000 homes will be retrofitted by 2031 (38,400 homes in total, an average of 2400 homes per year);
2. **Homeowner goals:** Enhanced property value, reduced energy costs, and increased comfort;
3. **CEI goals:** Reduction of energy use/spend and greenhouse gas emissions;
4. **Broader City goals:** Economic development, provision of high-quality employment, and minimal financial risk;
5. **Investor goals:** Acceptable returns based on the associated investment risk;
6. **Retrofit contractor goals:** High-volume, predictable retrofit project flow with equal or better margin than the current remodeling market;
7. **Strategic material partner goals:** New market development, significant incremental sales volume, and reduced selling expense; potential for further



- enhancing market development by duplicating the GEERS model in other communities;
8. **Electric, gas, and water utility goals:** Meet the efficiency targets of statutory incentive programs;
  9. **Community goals:** Improved neighbourhoods, greater housing affordability;
  10. **Key process goal:** Implement the program within current regulatory constraints.

## SUMMARY OF BUSINESS FRAMEWORK

Appendix 1 provides details of the business framework envisioned for GEERS. The following is a summary of the details in the Appendices.

The GEERS program envisions an aggressive scale approach to retrofits with the business analysis modeling from 900 to up to 2,900 homes per year, ultimately aiming at 80% of all homes, over the term of the program horizon to 2031.

GEERS is designed to provide maximum local economic impact. Energy savings alone could keep up to \$125M in the local economy. Contracted services, with as much local content as possible could create up to 100-150 jobs at program maturity.

The product offering through GEERS is aimed at making transaction costs and administrative complexity as minimal as possible with packages of retrofit offerings aimed at specific market segments (type and age of home). The cost of these retrofits is imagined to be consistent across all retrofits to serve this goal. A risk mitigation strategy will be put in place to deal with variations in actual costs as they become known.

*Local Improvement Charges (LIC's) are at the heart of the GEERS program and the enabling mechanism for the City's role in developing the GEERS program. Municipalities, through Local Improvement Charges, have the ability to recover the costs of capital improvements made on public or privately owned land from property owners who will benefit from the improvement. In October, 2012 the applicability of LIC's to energy retrofit activity on private property came force under the amendments to the Municipal Act.*

The flow of funds within the GEERS program has several key elements:

- Investors provide initial working capital, which is used to build the GEERS organization to the point where it is able to begin retrofit projects, and is repaid over time from program proceeds.
- Lenders provide the GEERS organization with loan capital, which this is repaid over time (with interest) from GEERS revenues. This loan is guaranteed by the municipality and is backed by LIC revenues.

# STAFF REPORT

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- The Corporation receives LIC repayments together with property tax remissions from homeowners. It retains the portion of these funds required for LIC program administration and forwards the remainder to the GEERS organization. The Corporation also receives dividends from the GEERS organization from retained earnings.
- The GEERS organization receives working capital from investors and loan capital from lenders, and repays these funds over time as described above. The GEERS organization pays contractors out of the loan capital received from lenders, receives LIC revenues forwarded from the Corporation, and returns dividends to the Corporation.
- Contractors receive funds from GEERS in payment for their energy efficiency retrofit installation services.
- Homeowners remit their LIC repayments to the Corporation along with their property tax payments.
- The flow of funds described above is depicted in *Appendix 4: GEERS Funds Flow*.

The development of the GEERS program to date includes details in the following key areas:

- The GEERS business process is depicted in Appendix 5: GEERS Business Process.
- The proposed GEERS organizational structure is depicted in Appendix 6: GEERS Organizational Structure.
- GEERS Promotion and Sales Structure is further detail in Appendix 1

Program performance measurement will be based on an approach, originally identified in principle in the Community Energy Plan – Energy Performance Labelling (EPL). A baseline EPL would be issued by GEERS based on utility data or a peer model, with an independent certification partner. GEERS may offer a post-retrofit EPL as future paid service.

It is envisioned that GEERS will develop a Strategic Implementation Network (SIN) of material suppliers that are leaders in their product category. The GEERS Materials Manager will negotiate with these suppliers to develop default specifications and establish a price range, as well as setting standards for product quality, innovation, and contractor guidance. SIN members will include contractors as well as suppliers of all components of the GEERS standard retrofit package and all available options.



# STAFF REPORT



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## SUMMARY OF BENEFITS

**Homeowners** - GEERS customers can expect reduced energy and maintenance costs. They can also expect increased property value, increased comfort, and the satisfaction of making a contribution to improving the environment.

**Contractors** - GEERS approved contractors can expect a very high project volume with little or no marketing expense. This will result in higher margins and lower general and administration costs.

**Corporation** - GEERS offers the City of Guelph the ideal avenue to meet CEI goals for energy cost and GHG reductions. Reducing energy costs will increase disposable income for Guelph residents, and it can be anticipated that these savings will be spent in community with improved economic results. The program also promises to increase local employment both directly through the GEERS organization and approved contractors, and indirectly through the opportunity for suppliers to site distribution and/or manufacturing facilities in the local area to meet the increased demand.

**Community Groups** - GEERS will help community groups such as eMerge Guelph to deliver on their missions. This will include neighbourhood revitalization, environmental improvement, and revenues which provide potential funds for other social projects.

**Gas and Electric Utilities** - The scale of the GEERS program supports the utilities in reaching their statutory efficiency targets.

**Province** - GEERS offers the Province of Ontario the opportunity to develop a scale prototype of an LIC-based residential energy efficiency retrofit program, which can then be deployed in other Cities.

**Suppliers** - GEERS offers material suppliers considerable benefits including a high sales volume, and future sales potential through program expansion to the non-residential market, to other cities, and to other provinces.

## CONCLUSIONS

GEERS has been determined to be operationally viable with minimal financial risk to the Corporation. It has the potential to yield annual payments to the owning entity in two to three years. Both the worst and best case pricing scenarios yielded clear energy cost savings.

The program is expected to deliver overall societal, comfort and home value benefits. Simple pricing, simple product definition, simple financing, and simple execution make it easy for the homeowner to decide to do a GEERS retrofit.

# STAFF REPORT

Contractors participating in the GEERS program could experience higher net margins than the current market offers. The program will yield high-quality employment for many citizens.

GEERS will meet or exceed CEI efficiency, emissions and energy cost goals for the existing residential sector. It supports Guelph as a centre of excellence for community energy retrofitting. The business model is expandable to residential water conservation measures, to non-residential buildings, and to other municipalities in Ontario and beyond.

## NEXT STEPS

Should Council decide to proceed, the following steps are envisioned:

1. Continue detailed design of the GEERS program;
2. Draft the necessary bylaws to allow the use of Local Improvement Charges for energy projects;
3. Design a structure for the financing of the GEERS program (both start-up capital and ongoing operating capital);
4. Investigate the interest of potential investors for the GEERS program;
5. Create an advisory group to assist with detailed design of the GEERS program;
6. Design a business process using Local Improvement Charges to facilitate energy efficiency retrofit projects;
7. Prepare a report on all of the above by July 7, 2015, so that City Council may consider a recommendation to proceed with implementation of the GEERS program.

## CORPORATE STRATEGIC PLAN

The GEERS program is entirely aligned with the City of Guelph vision "To be the City that makes a difference...acting locally and globally to improve the lives of residents, the broader community and the world." The program begins with an intense local focus and, once success is demonstrated, offers the potential to export that success to other communities in Ontario, in other provinces, and indeed other countries. It is particularly aligned with the following strategic directions:

- *2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability.* The GEERS program is a ground-breaking innovation that will be delivered with no requirement to use Corporation operating or capital budget funds.
- *3.1 Ensure a well-designed, safe, inclusive, appealing and sustainable City.* GEERS will improve the sustainability of our community by reducing dependence on imported energy.
- *3.2 Be economically viable, resilient, diverse and attractive for business.* GEERS will improve the economic viability of our community by reducing the amount of money homeowners spend on utilities. These savings will be



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available for spending on other products and services available in the community. The program will also create attractive business opportunities for contractors and suppliers, while enhancing the market for real estate transactions and for financing of non-energy renovation projects.

## DEPARTMENTAL CONSULTATION

This report was developed in consultation with the Direct Report Leadership Team and the Executive Team. Other consultations included Building Services, Water Services, Planning, Legal, and Finance.

## FINANCIAL IMPLICATIONS

The GEERS program can be implemented with no requirement for funding from Corporation capital or operating budgets. It is anticipated that the program will eventually yield a dividend to the owning entity. By its completion in 2031, the program will deliver to the Guelph community sustained annual energy savings of between \$75 million and \$120 million.

## COMMUNICATIONS

GEERS will be implemented in close coordination with Communications to ensure maximum awareness of the program amongst potential customers.

## ATTACHMENTS

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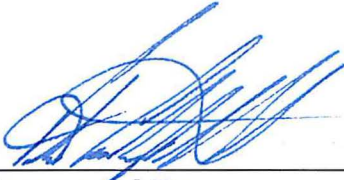
# STAFF REPORT

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## Appendix 1: Business Framework for GEERS

### Business volume

Two renovation rate profiles were assessed, starting in 2015. The first assumed a slow start of 900 renovations per year rising to 2,900 per year in 5 years. The second assumed a fast start and an annual volume of 2,400 renovations. The modeling assumed that 80% of all existing homes in Guelph would be retrofitted by 2031, and that GEERS would have 100% penetration of that retrofit market. The value of installed retrofits (in millions) for the two renovation rate profiles are shown below.

	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	2031
<b>Slow</b>	\$10.5	\$16.1	\$21.7	\$33.3	\$33.5	\$33.9	\$36.7
<b>Fast</b>	\$26.4	\$26.9	\$27.2	\$27.4	\$27.7	\$28.0	\$30.9

Please refer to *Appendix 2: GEERS Computer Model* for details on the parameters used for GEERS financial modelling.

### Economic Benefits

The GEERS business model is designed to maximize local economic benefits. The retrofit value includes a high local labour component of 15% for installation and 5% for retrofit contract management. When the program reaches maturity, GEERS contractors are expected to employ 100-150 tradespeople and supervisors. Contractor margins of 15% will constitute additional local added value.

A high local material content was also assumed, accounting for 40% of retrofit value. Insulation would be sourced from within Ontario, windows from within Canada, and products such as Heating, Ventilation and Air Conditioning (HVAC) and comfort controls also have potential for local sourcing.

It was determined that the program would yield sustained energy cost reduction of \$75 million to \$125 million by completion in 2031. It would also yield dividends to the owning entity of 1-5%. There is also the opportunity to package and export the business model to other municipalities, with potential revenues that were not estimated.

### Product Offering

The GEERS business model is designed to achieve scale as rapidly as possible through standardization. Each combination of home type and age will have a standard retrofit package consisting of:

- Weatherization of envelope;
- Insulation wherever feasible (including ducts);
- Furnace, boiler, and air conditioning;
- Domestic hot water;
- Windows;
- Lighting;

- Comfort controls.

Attractive options will also be available for each package, including:

- Reroofing;
- Solar PV and/or thermal;
- Electric vehicle supply equipment (EVSE);
- Ground source heat pump (geo-exchange);
- Water conservation (internal), e.g. rainwater harvesting;
- Water conservation (landscape), e.g. permeable paving.

### **Home Type and Age Categories**

The following categories of home type were modeled:

1. High rise;
2. Multi-family home;
3. Mixed use/residential;
4. Semi-detached;
5. Single family home.

The following house age categories were used:

1. Historical;
2. 90.1-1975;
3. Post 1980s;
4. 90.1-2004;
5. Generic.

Prices for each category combination are given in *Appendix 3: Market Prices by Building Category*.

### **GEERS vs. Traditional Project Approach**

The traditional pricing model for energy efficiency retrofits is characterized by high transaction costs and complexity. The package itself is highly customized to the home, and pricing is based on time and materials. This leads to a difficult sales process for buyer and seller. Pre-order construction expertise is required, and the associated cost may not be recovered if the prospective buyer declines to proceed. Pricing is based on low market volumes, and includes a large risk premium (or an agreed approach for budget overruns), which further discourages customers from placing their order. An energy audit is necessary, and is paid for by the homeowner. This complexity places pressures on contractor margins.

The GEERS pricing model minimizes transaction cost and complexity. The service consists of a core package defined by type and age of home, priced on the basis of the area of the home. The core package is supplemented by attractive options such as roofing and solar PV. This makes the package easy to buy, resulting in high sales volumes and making it easy for community groups to sell. It also avoids the costs and activity associated with site evaluation prior to sale.



## **Risks and Mitigation Measures**

The GEERS pricing model introduces the potential risk of a gap between the estimated and actual cost. However, this risk is minimized when sales volumes are sufficiently high; the occasional high-cost project is offset by many normal-cost projects. This will be facilitated through a periodic assessment of the gap between estimates and actuals, with pricing adjusted if the gap is significant.

A homeowner may already have completed one or more elements of the package (e.g. they have already replaced their furnace). In this case, specific conditions will need to be defined regarding whether that element could be excluded from the package, and what credit would be offered against the base package cost. For example, a high-efficiency furnace replaced recently may meet the GEERS criteria for energy efficiency, and therefore the portion of the project cost attributable to the furnace would be deducted.

Another risk is that there may not be a direct relationship between the project cost and the value of the home. The project cost for an upscale home may be a small percentage of the property value, while for an entry-level home the cost may be significant. It may be worthwhile to include a pool of funds to assist with project cost where affordability is a community objective.

## **Local Improvement Charges**

LICs are the recommended mechanism for financing GEERS retrofit projects and ensuring the program will attain the volumes necessary to meet its objectives. The project cost, including its share of administrative overhead, will be financed via the LIC over the service life of the retrofit. In the event that the property changes ownership, the LIC will be transferred to the new owner at the time of sale, when the property tax roll is updated. The City retains all collection rights as the senior creditor on unpaid property taxes, including powers of seizure and forced sale.<sup>4</sup>

## **Sources and Uses of Funds**

Lending funds will be provided primarily by partner investors. These funds will be repaid over time through LIC payments. Interest on unused loans will provide another modest source of revenue. Other potential funding sources include grants and loans such as:

- Infrastructure Ontario loan programs;
- Federation of Canadian Municipalities (FCM) Green Municipal Fund;
- Independent Electricity System Operator (IESO) Conservation Fund.

Funds will be used for lender interest and capital repayment, contractor payments, administrative/operational expenses of the GEERS organization, and community group sponsorship (likely in the form of commissions for completed project sales).

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<sup>4</sup> *Local Improvement Charge (LIC) Financing Pilot Program Design for Residential Buildings in Ontario*, Dunsky Energy Consulting, Montreal for CHEERIO Working Group of Clean Air Partnership



# STAFF REPORT



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## **Lender Relationship**

Funds will be obtained through market-based loans, with likely rates from 50 to 100 basis points above typical municipal debt obligations. The loans will be structured as annual coupon (interest) payments with principal payable at maturity. The loan term will be 20 years. Institutional investors such as pension funds are expected to be the most likely lenders. Canadian entities will be targeted to minimize currency risks, with US entities as a less-preferred alternative.

As it was considered desirable to involve potential investors at an early stage, some initial contact has already taken place. An investor "teaser" document has been prepared and tested with two local financial institutions (one credit union and one insurance company). The initial reaction has been strongly positive. Guelph is viewed as an attractive risk, given its high credit rating (better than the Province of Ontario and the City of Toronto) and its very low municipal tax default rate (2.4%).

It is worth noting that the Halifax Regional Municipality found that their Solar City program actually served to *decrease* instances of property tax arrears. It is a precondition for participation in the program that applicants be current on their taxes. Some prospective applicants were not current when they applied, but cleared their arrears in order to ensure their eligibility.<sup>5</sup>

## **Homeowner Relationship**

Retrofits will be priced at competitive market rates, with the cost repaid by homeowners over time. Interest rates will be between 50-100 basis points below municipal bonds, paid through an additional line item on the property tax bill for 20 years. These payments will be sufficient to cover retrofit repayments, lender interest, GEERS operating costs and (potentially) a dividend to the owner of the GEERS entity. Total payments will be less than the energy cost savings. As is the case with all municipal taxes, non-payment may result in forced sale of home. This minimizes risk to the owner of the GEERS entity. It is anticipated that these powers will need to be exercised only in very rare cases, if ever.

## **GEERS Funds Flow**

Investors provide initial working capital, which is used to build the GEERS organization to the point where it is able to begin retrofit projects, and is repaid over time from program proceeds.

Lenders provide the GEERS organization with loan capital, which this is repaid over time (with interest) from GEERS revenues. This loan is guaranteed by the municipality and is backed by LIC revenues.

The Corporation receives LIC repayments together with property tax remissions from homeowners. It retains the portion of these funds required for LIC program administration and forwards the remainder to the GEERS organization. The

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<sup>5</sup> Conversation between A. Chapman and Councillor Jennifer Watts, District 8, Halifax Regional Municipality, Feb. 13, 2015

# STAFF REPORT



Corporation also receives dividends from the GEERS organization from retained earnings.

The GEERS organization receives working capital from investors and loan capital from lenders, and repays these funds over time as described above. The GEERS organization pays contractors out of the loan capital received from lenders, receives LIC revenues forwarded from the Corporation, and returns dividends to the Corporation.

Contractors receive funds from GEERS in payment for their energy efficiency retrofit installation services.

Homeowners remit their LIC repayments to the Corporation along with their property tax payments.

The flow of funds described above is depicted in *Appendix 4: GEERS Funds Flow*.

## **GEERS Business Process**

The GEERS business process is depicted in *Appendix 5: GEERS Business Process*. Order-to-delivery tasks are shown below:

1. GEERS Order Handling Tasks
  - a. Confirm homeowner credit risk
  - b. Conclude homeowner contract
  - c. Issue Baseline Energy Performance Label
  - d. Transfer Order to Production
  - e. Pay contractors
2. GEERS Production Team Tasks
  - a. Contractor Management
    - i. Contactor advice resource
    - ii. Confirm and schedule contractor order
    - iii. Conduct QC and final acceptance against standardized criteria
  - b. Material Management
    - i. Select and conclude agreements with Strategic Implementation Network partners for core material categories
  - c. Contractor Management
    - i. Select 2 to 4 contractors from existing pool
3. GEERS Contractor Partner Tasks
  - a. Apply for any permits
  - b. Procure material from SIN partners
  - c. Install retrofit

Centralized material sourcing, to gain the benefit of centralized purchasing, was considered not to add value since contractor partners would already have this as a core expertise. The GEERS production team will conclude frame agreements with approved suppliers, which should give the benefits of centralized purchasing



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without the costs and risks of setting up a parallel physical procurement and payment structure.

## **GEERS Organizational Structure**

The proposed GEERS organizational structure is depicted in *Appendix 6: GEERS Organizational Structure*.

## **GEERS Organization Costs**

The GEERS program is estimated to require a staff complement of 10-12 full-time equivalents (FTEs), including the following roles:

1. General Manager
2. Assistant to the GM
3. Finance Manager
4. Finance Specialist (1 to 2)
5. Sales Trainer
6. Sales Assistance/Support
7. Marketing Specialist
8. Production Manager
9. QC/Training Specialist
10. Material Manager

The payroll cost associated with this staffing requirement is approximately \$1.3 million per year. Other costs include legal, marketing and sponsorship, rent, travel /miscellaneous, and payroll overhead. Inflation is assumed at the rate of 1.3% per year. All costs will be fully recovered from program revenues.

## **GEERS Promotion and Sales Structure**

The two basic requirements of the sales structure are that the various efforts do not compete, and are designed to maximize early success for contractors. Current plans are to partner with local environmental NGO eMerge Guelph as the primary sales channel. Extensive preparatory work has already been performed to prepare eMerge for this challenge. Other channels include:

- Contractors, by cross-selling a GEERS retrofit project as an add-on to an existing planned renovation;
- Realtors, by promoting a GEERS retrofit as a low-cost method to enhance the value of a house that will be sold or that has been recently purchased (see additional background below on Energy Performance Labelling);
- Investors, by promoting GEERS to existing financial services clients via account statements and other collateral;
- Utilities, by promoting GEERS as a method to reduce energy bills.

Each sales channel partner will be responsible for the sales process up to the receipt of an unscreened order. GEERS will support the sales process with training and promotional material. A small amount of sponsorship funding is budgeted.

An Outreach Centre will be developed in a high-traffic location near City Hall, likely building on the existing eMerge Commons space in the Old Quebec Street Mall. This

# STAFF REPORT

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centre will be modeled on the Bottrop Innovation City near Essen, visited by City energy staff one year ago as part of the Transatlantic Urban Climate Dialogue. This facility will have simple presentations of the elements of the retrofits (insulation, lighting, windows etc.) and “show and tell” material and display aids available. It will also have space available for the Community Groups to hold discussions with clients and to have small community group meetings.

The Outreach Centre will also have presentation material and guides available to explain GEERS to policy makers and representatives of other cities, to encourage provincial and federal support, and to encourage other cities to follow similar courses furthering both the social good, and opportunities for Guelph to propagate the GEERS business model to other communities.

The centre will be jointly funded by GEERS and Strategic Implementation Network (SIN) Partners, including approved retrofit installation contractors as well as suppliers of:

- Insulation (wall, roof, dusting);
- Residential controls;
- Euro spec windows;
- Boilers/Furnaces;
- Air-conditioners;
- District Energy services and equipment (for GEERS customers in a DE-designated area);
- Solar PV;
- Solar hot water;
- Re-roofing;
- Approved retrofit contractors.

It is anticipated that GEERS will integrate with Water Services conservation strategies in some fashion. This element of the GEERS program will be added after initial success has been demonstrated.

## **Assessing Building Performance**

Baseline Energy Performance Labelling (EPL) is considered to be an effective, low-cost method to validate retrofit performance. A baseline EPL would be issued by GEERS based on utility data or a peer model, with an independent certification partner. GEERS may offer a post-retrofit EPL as future paid service.

The format of the EPL is open, but will likely be an adaptation of the Natural Resources Canada Energuide. The EPL supports sale or rental value. GEERS will engage real estate agents to accelerate the process using the EPL as a sales feature. It is also anticipated that GEERS will be able to engage with NRCan to use the program as a national policy prototype.

It is expected that the GEERS organization will brief and train real estate agents on the EPL element of the program. This will include engagement to:

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- Encourage sellers to include post-retrofit EPLs;
- Encourage buyers/renters to ask for EPLs;
- Include EPLs in advertising (e.g. on the Multiple Listing Service);
- Encourage sellers to retrofit before selling a property;
- Encourage buyers to retrofit after purchasing a property;
- Include the LIC and energy savings balance in the sales pitch for the property.

Anticipated benefits include premium prices for retrofitted homes, a competitive edge against other agents, shorter holding times for retrofitted homes, and accelerated GEERS retrofit rates. These benefits are based on experience in many EU markets where EPLs have become the market norm and are requested by most or all buyers and renters.

### **Post-Retrofit Performance Risk Management**

A key reason past residential retrofit programs have failed to get traction is that they tried to ensure that every single transaction would precisely meet its cost and performance expectations. This resulted in high costs for baseline estimation, contract setup, and performance verification. It is anticipated that a well-installed retrofit of the type offered by GEERS will meet or exceed the calculated energy performance in the vast majority of cases. A key innovation in the GEERS business plan is to eliminate the vast majority of the complexity, and to trust that a GEERS retrofit will deliver. In unlikely event that it does not, this will be managed as an exception.

The GEERS sales pitch will be based on the average efficiency for a home of the same type as that of the prospective customer. This assumes that the efficiency gain will be within one standard deviation of the median. The estimated homeowner cost savings will be based on this average. It is recommended not to include routine energy auditing and Measurement and Verification (M&V) in the program. As a result, a few customers will fall outside of the one standard deviation band.

The guiding principle for addressing atypical performance is to manage such cases as exceptions. This maintains program simplicity and keeps transaction costs low. The recommended approach would be to track deviations year on year, and to adjust the content of the sales approach based on actual results in Guelph. A key success factor will be to maintain transparency, by reporting on program performance to City administration, Council, lenders, and the community at large.

Another measure to mitigate atypical performance will be to articulate and emphasize the total value of the retrofit in terms of:

- Comfort
- Property value
- Environment
- Energy costs savings



# STAFF REPORT

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If the retrofit is only viewed as an energy cost-saving measure, the other, equally important values will be lost or diminished.

In cases of below-average performance, a GEERS representative will make an on-site visit to clarify the issue. They will provide counselling on energy use habits and practices. GEERS will make a provision to allow for a solution through rectification or enhancement, and to offer extended fee-for-service services in some circumstances. Some situations may not yield immediate saving and it will be necessary to re-emphasize the property value enhancement and future cost risk avoidance. Transparency will be provided through a standardized community communications process with explanations and examples of constructive follow up.

In cases of above average performance, there will be a similarly standardized community communications process with explanations and examples of higher performance. This should avoid conflicts with clients who fall in the average range.

## **GEERS Strategic Implementation Network (SIN)**

It is envisioned that GEERS will develop a network of material suppliers that are leaders in their product category. The GEERS Materials Manager will negotiate with these suppliers to develop default specifications and establish a price range, as well as setting standards for product quality, innovation, and contractor guidance.

SIN members will include contractors as well as suppliers of all components of the GEERS standard retrofit package and all available options.

The GEERS program offers the following benefits to perspective of SIN members:

- Community leadership that is committed to implementation;
- A city that is seen as municipal leader on energy matters in Ontario/Canada;
- A low-cost prototype for Ontario of city-wide home retrofit plan;
- The potential to extend the model to include the non-residential market;
- Risks minimized by Strategic Implementation Network;
- A model that is scalable to multiple cities in Ontario/Canada, and potentially transferable to the USA.

The GEERS program offers SIN members the opportunity to secure high-volume contracting and material sales, with similar sales potential by extending the model to non-residential properties. There are up to 50 comparable cities in Ontario alone where the model could be deployed with minimal adjustment. The rest of Canada offers at least three times the potential of the Ontario market.

SIN members will be expected to provide export support to finalize the GEERS program, as well as early stage implementation support. Their senior management will need to be visibly supportive of GEERS, and they will be expected to have their materials and application examples on display in the GEERS Outreach Centre. They will also be expected to provide training assistance to installation contractors, and to provide strategic engagement in the assessment of future opportunities to propagate the GEERS model beyond the Guelph residential market.

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# STAFF REPORT

## Case Study: A Typical GEERS Customer

A detailed example of a typical property owner participating in the GEERS program is given in:

*Appendix 7: GEERS Customer Case Study.*

## GEERS Expected Results

The computer model of the GEERS business plan allows for any combination of parameters. Two specific cases are presented here. The *Least Attractive Case* assumes low energy prices, high interest rates to lenders, and slow market adoption. The *Most Attractive Case* assumes high energy prices, low interest rates to lenders, and fast market adoption. The latter case is considered the more likely. Details regarding the sample conditions of each case are given in *Appendix 8: Sample Conditions for Business Plan Testing.*

Both scenarios assume that GEERS runs from 2015 to 2031, or 17 years. Financing will run for another 20 years to 2051.

In the least attractive picture, during the active phase (to the end of 2031), net savings of \$111 million will accrue to Guelph residents after all costs of GEERS have been met. The vast majority of this will be spent in Guelph. This does not include the financial leverage of any increases in property value. In the following 20 years, the net savings will exceed \$1 billion as the efficiency remains and the GEERS program costs run out.

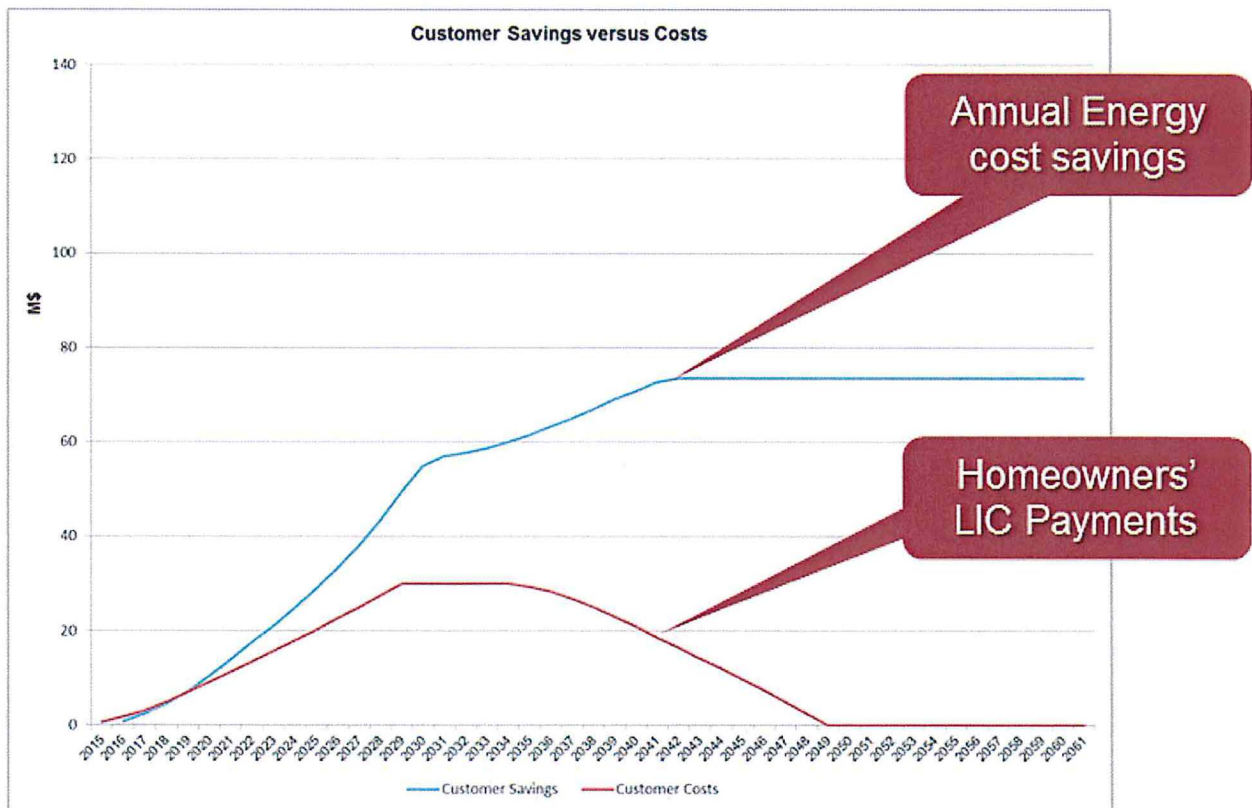
The detailed results of the **Least Attractive Case** are as follows:

	Units	2031 Renovation Complete	2051 Financing Complete
<i>Low Energy Prices</i>			
Electricity saved	MWh/yr	195,750	195,750
Gas saved	MWh/yr	343,640	343,640
<b>Total Energy Saved</b>	<b>MWh/yr</b>	<b>539,390</b>	<b>539,390</b>
<b>GHG avoided</b>	<b>mt CO<sub>2e</sub>/yr</b>	<b>117,670</b>	<b>117,670</b>



# STAFF REPORT

<i>Low Energy Prices</i>	Units	2031 Renovation Complete	2051 Financing Complete
Electricity cost reduction	\$ <sub>cumulative</sub>	\$263,139,000	\$1,085,032,000
Gas cost reduction	\$ <sub>cumulative</sub>	\$145,114,000	\$703,127,000
GHG cost reduction	\$ <sub>cumulative</sub>	\$0	\$0
<b>Energy cost reduction</b>	<b>\$<sub>cumulative</sub></b>	<b>\$408,253,000</b>	<b>\$1,788,159,000</b>
<b>Homeowner payments</b>	<b>\$<sub>cumulative</sub></b>	<b>\$296,620,000</b>	<b>\$657,200,000</b>
<b>Net savings</b>	<b>\$<sub>cumulative</sub></b>	<b>\$111,633,000</b>	<b>\$1,130,959,000</b>



The resulting sustained annual productivity gain at project completion is \$75 million.

In the Most Attractive Case, during the active phase, net savings of \$405M will accrue to the city residents after all costs of GEERS have been met. The vast majority of this will be spent in Guelph. Again, this does not include the financial

# STAFF REPORT

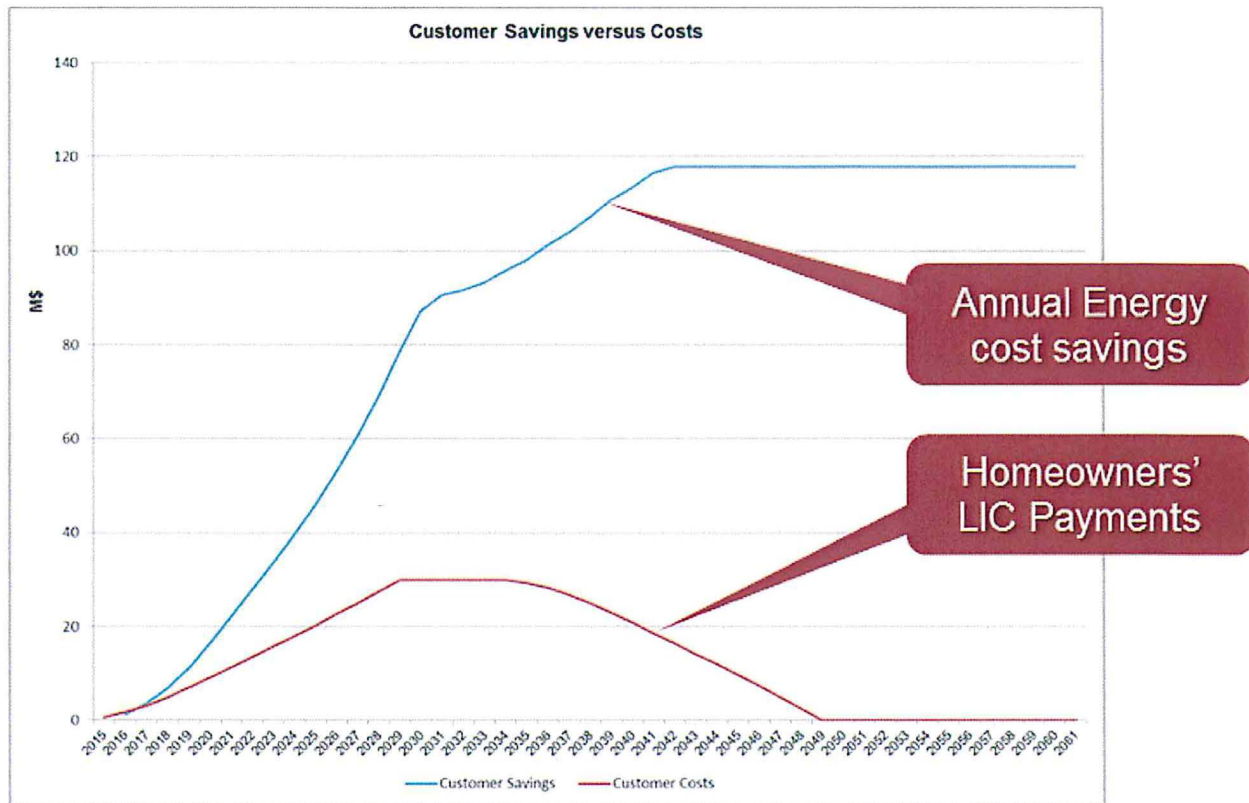
leverage of any increases on property value. In the following 20 years, the net savings exceed \$2 billion as the efficiency remains and the GEERS program costs run out.

The detailed results of the **Most Attractive Case** are as follows:

<i>Higher Energy Prices</i>	Units	2031 Renovation Complete	2051 Financing Complete
Electricity saved	MWh/yr	195,080	195,080
Gas saved	MWh/yr	342,460	342,460
<b>Total Energy Saved</b>	<b>MWh/yr</b>	<b>537,540</b>	<b>537,540</b>
<b>GHG avoided</b>	<b>mt CO<sub>2e</sub>/yr</b>	<b>104,880</b>	<b>92,790</b>

<i>Higher Energy Prices</i>	Units	2031 Renovation Complete	2051 Financing Complete
Electricity cost reduction	\$ <sub>cumulative</sub>	\$399,463,000	\$1,628,063,000
Gas cost reduction	\$ <sub>cumulative</sub>	\$253,858,000	\$1,227,027,000
GHG cost reduction	\$ <sub>cumulative</sub>	\$27,237,000	\$226,440,000
<b>Energy cost reduction</b>	<b>\$<sub>cumulative</sub></b>	<b>\$680,558,000</b>	<b>\$3,081,530,000</b>
<b>Homeowner payments</b>	<b>\$<sub>cumulative</sub></b>	<b>\$275,420,000</b>	<b>\$598,800,000</b>
<b>Net savings</b>	<b>\$<sub>cumulative</sub></b>	<b>\$405,138,000</b>	<b>\$2,482,730,000</b>





The resulting sustained annual productivity gain at project completion is \$120 million.

### **Future Program Expansion Opportunities**

Once GEERS has established early success, there are several opportunities to expand beyond the base offering described in this report. The first such opportunity is to expand the program to include non-residential retrofits. This could be accomplished using the established GEERS structure and existing lenders, with additional suppliers added to the Strategic Implementation Network.

The second opportunity is to expand the GEERS model to other communities. This could be done through joint ventures with partner municipalities. The existing GEERS business model would be replicated with minor adjustments to reflect local market characteristics. The existing lenders and SIN partners would be leveraged, along with a mix of existing GEERS contractors and local companies that meet GEERS criteria.

Finally, there is the opportunity to add services to the basic GEERS package where such services are not in competition with existing energy efficiency businesses. This could include post-retrofit energy performance labels, continuous improvement energy efficiency services, energy consulting services to other communities, and consulting on provincial energy policy.

## Appendix 2: GEERS Computer Model

The GEERS business plan included the following assumptions:

1. The planning period begins with a baseline of 2012 with all retrofits completed by 2031 and the final LIC payment in 2051.
2. Existing buildings neither gain nor lose efficiency during the plan period.
3. Energy pricing forecasts are the same as those used for the District Energy Strategic Plan, with the exception that residential electricity price forecasts are based on the Ontario Ministry of Energy Long-Term Energy Plan (LTEP).
4. The emission index for natural gas is 200kg/MWh<sub>equivalent</sub>.
5. Under a low risk pricing scenario, the emission index for electricity is 250kg/MWh<sub>equivalent</sub>. Under the high risk scenario, the emission index reduces to 140kg/MWh<sub>equivalent</sub>.
6. Rising temperatures due to climate change are assumed to have no net cost impact.
7. There will be a potential benefit to homeowners from avoided costs due to carbon pricing.
8. Domestic Hot Water (DHW) and space heating will predominantly be supplied by natural gas during the plan period.
9. Although on-site solar thermal is a possible source for DHW or space heating, it is not included in data modelling.
10. Cooling will predominantly be supplied by electricity through the plan period.
11. Although on-site solar photovoltaic (PV) electricity generation is possible, it is not included in data modelling.
12. If a home is close to the District Energy network, the retrofit may involve substituting a DE sub-station for a furnace and water heater. This aspect is recognized but not included in the data modelling.

The GEERS business plan is based on the 2013 building stock of 48,115 existing homes. Energy end-use needs were modelled in 20 building type and age categories from 2012 to 2031 and included space heating, DHW, cooling, lighting, and other uses. The base case was no retrofit, while the efficient case included the retrofit.

Retrofit packages were designed to be standardized by building category and age, yielding an efficiency gain of 30 to 40% above the baseline. The homeowner investment is expected to range from \$ 31/m<sup>2</sup> to \$125/m<sup>2</sup> (\$3/ft<sup>2</sup> to \$12/ft<sup>2</sup>).

Baseline parcel data, building efficiency profiles, weather data, and the general city plan were used to create an energy model comprising 28,000 parcels. This was combined with metered data to produce an energy demand computer model.

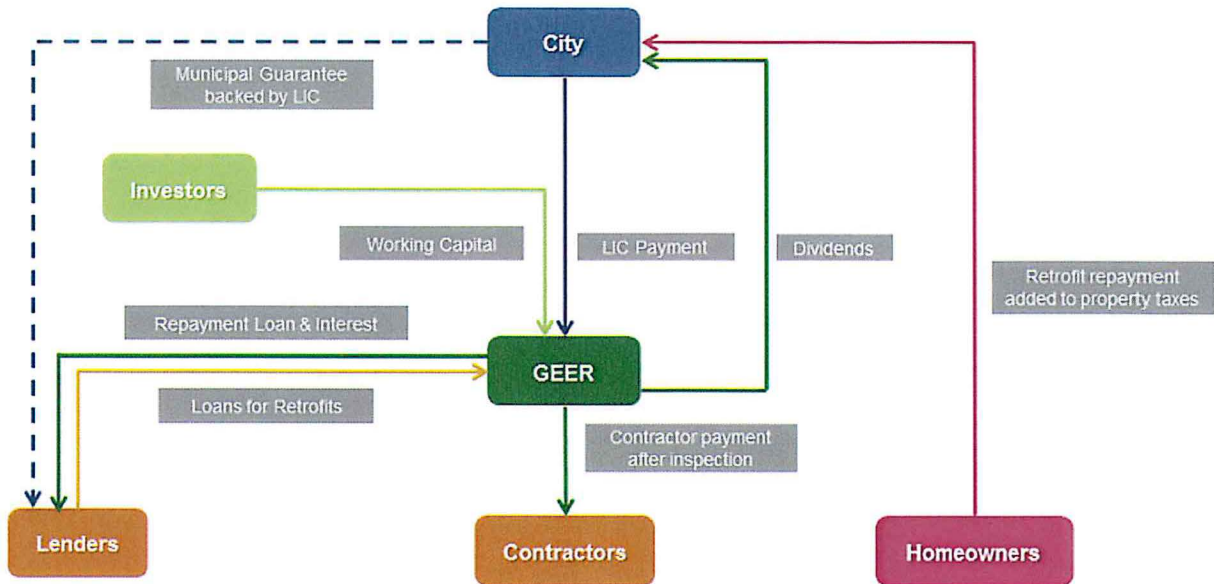


# STAFF REPORT

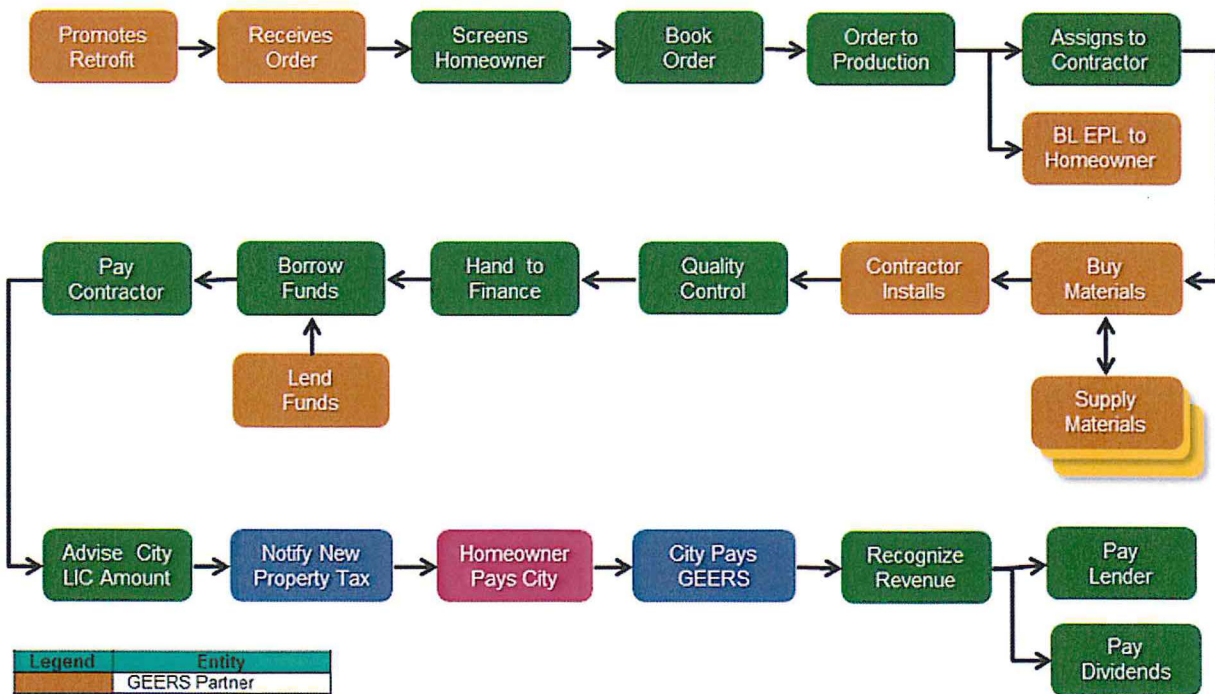
## Appendix 3: Market Prices by Building Category

Type	Cost \$/m2	Type	Cost \$/m2
High rise - Historical	\$64	Semi detached - Historical	\$125
High rise - 90.1-1975	\$70	Semi detached - 90.1-1975	\$121
High rise - post 1980's	\$70	Semi detached - post 1980's	\$77
High rise - Generic	\$68	Semi detached - 90.1-2004	\$69
MFH medium - Historical	\$112	SFH - Historical	\$141
MFH medium - 90.1-1975	\$117	SFH - 90.1-1975	\$135
MFH medium - post 1980's	\$31	SFH - post 1980's	\$90
MFH medium - Generic	\$87	SFH - 90.1-2004	\$79
Mixed Use/residential - Historical	\$86	SFH - Generic	\$111
Mixed Use/residential - 90.1-1975	\$80		
Mixed Use/residential - post 1980's	\$32		

## Appendix 4: GEERS Funds Flow



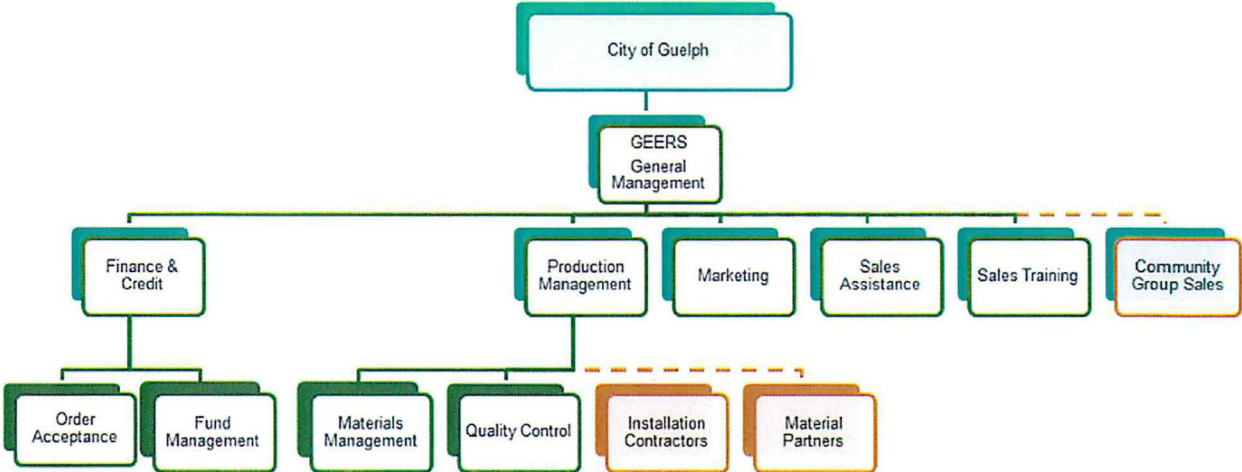
## Appendix 5: GEERS Business Process



Legend	Entity
Orange	GEERS Partner
Green	GEERS Organization
Blue	City of Guelph
Pink	Homeowner



## Appendix 6: GEERS Organizational Structure

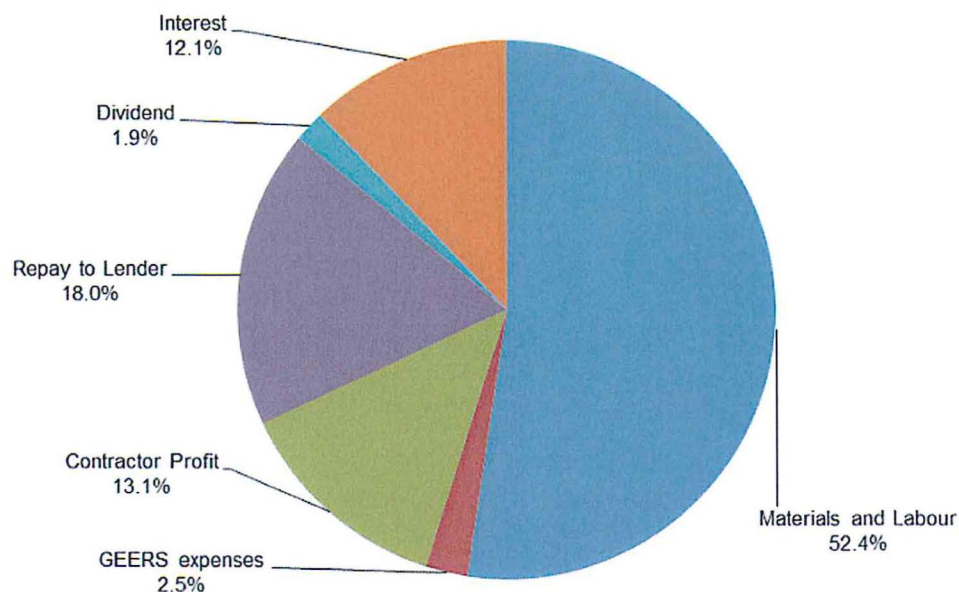


## Appendix 7: GEERS Customer Case Study

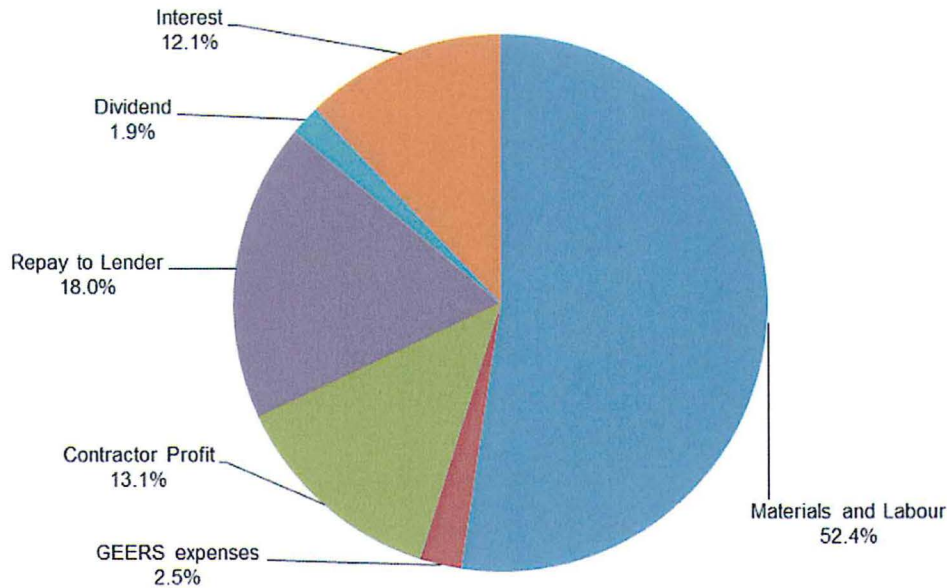
This Appendix provides an example of a typical GEERS customer.

Building:	Single-family home dating from 1975
Area:	190 m <sup>2</sup> (2000 ft <sup>2</sup> )
Price:	\$135/m <sup>2</sup> (\$12/ft <sup>2</sup> )
Project cost:	\$26,000
LIC interest rate:	2.5%
Retrofit content:	Weatherproofing Exterior insulation New windows Attic insulation LED lighting Programmable thermostat New boiler and pipe insulation
LIC payment:	\$1,700/year for 20 years (total \$34,000)

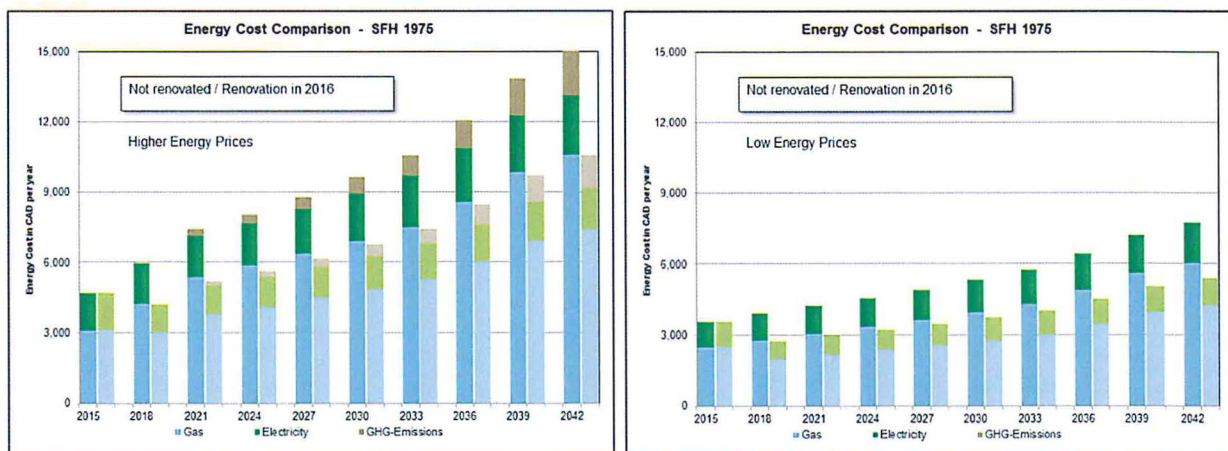
### Content and Cost



## Homeowner's Payments



## Homeowner Savings vs. Non-Retrofit Base Case



### Outcomes for Homeowner

In the worst-case scenario, the retrofit is cost-neutral. The greatest benefit (and also the most likely) occurs in the high energy price scenario. The presence of the completed retrofit puts the tools in place for further energy cost reductions through such avenues as behavioural change.

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The homeowner experiences the following benefits:

- Immediate increase in comfort;
- Property value increase;
- Reduced maintenance costs;
- Increased understanding of energy value;
- Environmental satisfaction;
- Future owner responsible for retrofit financing.



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## Appendix 8: Sample Conditions for Business Plan Testing

Condition	Least Attractive	Most Attractive	Comments
<b>Retrofit Rate</b>	Slow	Fast	Fast or faster likely
<b>Organization costs</b>	Full Q4 2014	Full Q4 2014	Possible slower phasing
<b>Lender Term</b>	20 years	20 years	
<b>Borrower Term</b>	20 years	20 years	
<b>Lender Coupon</b>	4%/4.5% from '25	3%/3.5% from '25	50 to 100bp above municipal bonds
<b>Borrower Rate</b>	Lender -0.5%	Lender -0.5%	Homeowner pays municipal rate
<b>Set-up fees</b>	None	None	Homeowner pays no initial costs
<b>Energy Prices</b>	Low Price Case	Higher Price Case	Higher is most likely
<b>Sponsorship</b>	\$100 / Retrofit	\$100 / Retrofit	Reserved for Community Groups
<b>Legal fees</b>	\$50/ Retrofit	\$50 / Retrofit	Incidental contract fees paid by GEERS

# STAFF REPORT



TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE September 8, 2015

**SUBJECT Residential Water and Wastewater Billing Frequency and  
Renewal of Meter Reading and Billing Agreement with  
Guelph Hydro Electric Systems Inc.**

REPORT NUMBER

## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To obtain Council approval for the staff recommended change from a bi-monthly to monthly billing frequency for residential customers of municipal water and wastewater services (similar to current non-residential monthly billing frequency), effective December 2015.

To obtain Council approval for the Mayor and Clerk to execute an agreement for water and wastewater meter reading and billing services provided by Guelph Hydro Electric Systems Incorporated.

### KEY FINDINGS

The recommended transition to residential monthly water and wastewater billing is consistent with Guelph Hydro's pending, regulatory requirements for monthly billing for all electrical customers. Monthly billing is consistent with industry best practices and will allow City staff to provide more timely customer service in response to high and abnormal customer bills. Currently only non-residential customers are billed on a monthly basis, equalling approximately 1,700 accounts. The proposed change will extend monthly billing to all 34,000 customers.

This response would contribute to both customer and utility savings related to billable leaking water and improved customer relations. The estimated annual increased cost to the water and wastewater operating budgets for the change to monthly residential billing totals approximately \$230,000 to be equally funded by each respective budget.

The existing water and wastewater meter reading and billing agreement with Guelph Hydro Electrical Systems Inc. has expired. City and Guelph Hydro staffs have prepared a five year agreement for continuation of this essential, cost-effective, and mutually beneficial service. The proposed agreement includes

# STAFF REPORT



enhanced financial and operational reporting of this critical revenue collection process.

## **FINANCIAL IMPLICATIONS**

The five year meter reading and billing agreement will have an overall financial impact of \$7.5M. City staff have determined that these costs are reasonable based on an informal survey of surrounding municipalities and the higher anticipated costs of bringing this service in-house.

Meter reading and billing costs are divided equally between the Council-approved water and wastewater operating budgets. Included in the above total is the additional \$230,000 annual cost of monthly billing for all customers. The 2015 total cost for this change is estimated to be \$60,000 and will be funded by 2015 water and wastewater operating budget contingency funds.

## **ACTION REQUIRED**

That Guelph City Council approve the change to monthly billing for residential customers, and authorize the Mayor and Clerk to execute the meter reading and billing services agreement with Guelph Hydro Electrical Systems Incorporated.

## **RECOMMENDATION**

1. That Council approve and the Mayor and Clerk be authorized to execute the five year agreement with Guelph Hydro Electric Systems Incorporated for the provision of water and wastewater meter reading and billing services, subject to the satisfaction of the Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, and the City Solicitor.
2. That the Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise, be authorized to update Schedule "A" of the Agreement for Water and Wastewater Billing Services as appropriate, to reflect current rates and fees as agreed to between the parties.
3. That Council approve the change to monthly billing for residential customers of municipal water and wastewater services.

## **BACKGROUND**

In 2008, Council approved an agreement that formalized the meter reading and billing relationship between Guelph Hydro Electrical Systems Incorporated (Hydro) and Guelph Water Services and Wastewater Services (the City). This agreement has provided the municipally owned hydro utility with additional revenue to offset electrical system costs, and has provided Water and Wastewater with cost-effective customer billing and collection services. Although the previous agreement has expired, both the City and Hydro have informally followed the agreement terms

# STAFF REPORT

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while working to develop a renewed service agreement. This new agreement seeks to enhance customer service by implementing changes in billing frequencies and enhancing financial reporting to best support management's administration of this critical revenue collection process.

In the past, the agreement required monthly billing for non-residential customers and bi-monthly billing for residential customers in consistency with the billing frequencies implemented by Hydro for its customers. Historically these billing frequencies were consistent with industry practice and accepted by customers when water, wastewater, and electricity bills represented a smaller portion of household budgets than they do today. Over time, both staff and customers have noted that a bi-monthly residential billing frequency does not support the timely resolution of abnormal bills (poor estimates, missed reads, etc.) or of high water bills caused by leaks and excessive water use. Furthermore, the many household services provided by utilities and related companies have moved to monthly or more frequent billing cycles (telephone, cable, internet, natural gas etc.). Monthly water and wastewater billing would improve household budgeting and enhance service expectations of the City's water and wastewater utilities amongst its customers.

In 2014, all Ontario municipal electrical utilities including Hydro received a notice from the Ontario Energy Board (OEB) requiring the mandatory move to monthly billing for all customers by December 31, 2016. To comply with the OEB's mandate, Hydro is making the required changes to meter reading schedules, supporting software and business practices for all electrical residential customers. In December 2015 Hydro is planning to issue the first residential monthly electrical bill as it transitions to monthly residential billing. Hydro will no longer be able to simply and cost-effectively accommodate the current bi-monthly billing frequency for municipal water and wastewater residential customers.

Hydro, Water Services and Wastewater Services share the same group of customers that receive a single, combined electricity, water, and wastewater bill. This cost-effective, elegant arrangement continues to benefit all utilities and the customer. A move to accommodate monthly and bi-monthly billing frequencies on the same bill would result in the water and wastewater component of the bill cycling on alternate bills from estimated usage to actual usage (with corrections). City staff are concerned that this cycling could confuse customers and ultimately lead to increased customer dissatisfaction. Staff anticipate that this option would result in the need for additional customer service support to resolve increased billing confusion and high bills resulting from inaccurate estimates. This support would be costly.



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## REPORT

City and Hydro staff have updated the 2008 water and wastewater meter reading and billing service agreement to reflect these upcoming changes. Also included in the updated agreement are additional financial and operational reporting requirements to confirm the accuracy and quality management of this critical process for revenue capture. The draft agreement has been reviewed by Water Services, Wastewater Services, Legal Services, and the Finance Department. It is supported by City staff due to its overall value to the City and the enhancements it brings to financial reporting and management of these core revenues streams.

The draft 2015 Meter Reading and Billing Agreement builds on the formalized 2008 Agreement approved by Council and works to further enhance the service levels, eliminate contractual ambiguity, promote accountability, and present the agreed upon cost of services for the proposed switch to monthly meter reading and billing for water and wastewater residential customers. Highlights of the agreement include:

- Hydro's continued provision of services including meter reading, invoicing, cash collection, and customer service;
- Enhanced financial and operational reporting features which minimize revenue losses, limit use of estimated reads, and provide detailed operational information to the City for timely financial analysis and trending; and
- An agreement term spanning the period from January 1, 2016 until December 31, 2020 that could be terminated by either party with 18 months' notice. The contract is automatically renewed thereafter and the cost of the service is tied to the Consumer Price Index rate issued by Statistics Canada.

The move to monthly residential billing will provide the following benefits:

- Improved customer understanding of water use and related costs;
- Improved ability to identify and resolve high bills caused by leaks and excessive water use. Overall system leakage volumes are also expected to decline;
- Improved ability for households to develop and manage budgets;
- Improved feedback for customers on the impacts of their conservation and efficiency efforts;
- More timely resolution of abnormal and estimated bills;
- Enhanced alignment with industry best practice for customer billing frequencies and increase information available to customers; and
- The continuation of a simple, consistent, and cost-effective bill for electricity, water, and wastewater customers in Guelph.

## CORPORATE STRATEGIC PLAN:

Goal 2.2 Deliver public services better

Goal 3.2 Be economically viable, resilient, diverse and attractive for business

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# STAFF REPORT

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## **FINANCIAL IMPLICATIONS:**

Meter reading and billing costs are split equally between the Water and Wastewater budgets and funded through the Council approved Water and Wastewater Operating budgets.

The five year meter reading and billing agreement will have an overall financial impact of \$7.5M (averaging \$1.5M annually or 2.69% of the overall budget). City Staff believe these costs are reasonable based on an informal survey of surrounding municipalities and the higher cost of bringing this service in-house.

Included in the above total is the additional \$230,000 (0.4%) annual cost of monthly residential billing. The 2015 total cost for this change, estimated to be \$60,000, will be funded from the approved Water and Wastewater 2015 operating budget contingency funds.

This increased cost is expected to be somewhat offset by the following improvements and reductions:

- Improved cash flow;
- Reductions to customer arrears;
- Reduced write-offs or adjustments of high water balances resulting from leakages which are identified sooner;
- Efficiencies gained in staff time currently required to manage follow up related to high water use and estimated reads;
- Efficiencies in communications costs required to explain complex billing; and
- Recovery of valuable, finite groundwater supply as a result of leakages being identified sooner.

These offsetting cost reductions, though typically difficult to quantify, are an important consideration of the overall value of the move to monthly billing for residential customers.

## **DEPARTMENTAL CONSULTATION:**

- Guelph Hydro Electrical Services Inc.
- Legal Services Division
- Finance Department
- Wastewater Services
- Corporate Communications

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## COMMUNICATIONS:

Hydro is currently planning and rolling out communications about their switch to monthly billing and reading. To date the City has not released any communication to the public pending a decision from Council on the recommended change to monthly billing.

When a final decision is reached by Council, Corporate Communications will work with Hydro to implement a billing change communications strategy to inform all residential customers of the details of the change based on Council's decision. Corporate Communications will work with water and wastewater staff to ensure that customer questions are effectively addressed.

## ATTACHMENTS

N/A

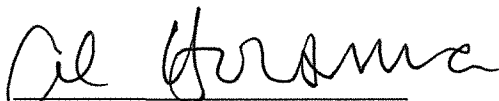
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# STAFF REPORT



TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE September 8, 2015

**SUBJECT SIGN BY-LAW VARIANCES  
170 Metcalfe Street**

REPORT NUMBER 15-72

## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To advise Council of two Sign By-law variance requests for 170 Metcalfe Street.

### KEY FINDINGS

The City of Guelph Sign By-law Number (1996)-15245, as amended, restricts the height of a freestanding sign to a maximum height of 1.8m above an adjacent roadway in an Institutional Zone.

Scutt Signs has submitted a sign by-law variance application on behalf of the owner of the Elliott Community to permit a freestanding to be a height of 3.23m above the adjacent road.

The requested variance from the Sign By-law is recommended for approval for the following reasons:

- The Elliott Community representatives have provided a signed affidavit stating that the message will only change once every twenty-four hours, therefore the sign will not flash or be animated;
- The sign will comply with all other provisions of the Sign By-Law;
- The request is reasonable given that the sign is 1.8m high and it is the grading of the property that elevates the height to 3.23m above the adjacent road; and
- The proposed sign will not have a negative impact on the streetscape or surrounding area.

### FINANCIAL IMPLICATIONS

N/A

### ACTION REQUIRED

To approve the requested Sign By-law variance for 170 Metcalfe Street.



# STAFF REPORT



## RECOMMENDATION

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variance for 170 Metcalfe Street, be received.
2. That the request for a variance from the Sign By-law for 170 Metcalfe Street to permit a freestanding sign to be a height of 3.23m above the adjacent road, be approved.

## BACKGROUND

Scutt Signs had submitted a sign permit application on behalf of the owner of 170 Metcalfe Street (see "Schedule A - Location Map"). Upon review of the application, it was observed that the proposed sign exceeds the maximum permitted height of 1.8m above the adjacent roadway in an institutional zone. For this reason, the permit could not be issued.

## REPORT

Scutt Signs has submitted a sign by-law variance application on behalf of the owner of the Elliott Community to permit a freestanding to be a height of 3.23m above the adjacent road.

See "Schedule B- Sign Variance Drawings" for illustrations. Scutt Signs has also provided the following in support for the variance:

*"Based on the unique situation and type of facility, The Elliott Community feels that the proposed sign is necessary for public communication and building identification"*

The requested variance is as follows:

	<b>By-Law Requirements</b>	<b>Variance Request</b>
Maximum Permitted Height Above Adjacent Roadway(s)	1.8m	3.23m

The requested variance from the Sign By-law is recommended for approval for the following reasons:

- The Elliott Community representatives have provided a signed affidavit stating that the message will only change once every twenty-four hours, therefore the sign will not flash or be animated;
- The sign will comply with all other provisions of the Sign By-Law;
- The request is reasonable given that the sign is 1.8m high and it is the grading of the property that elevates the height to 3.23m above the adjacent road; and

# STAFF REPORT

- The proposed sign will not have a negative impact on the streetscape or surrounding area.

## **CORPORATE STRATEGIC PLAN:**

3.1- Ensure a well-designed, safe, inclusive, appealing and sustainable City

## **FINANCIAL IMPLICATIONS:**

N/A

## **DEPARTMENTAL CONSULTATION:**

N/A

## **COMMUNICATIONS:**

N/A

## **ATTACHMENTS**

Schedule A            Location Map  
Schedule B            Sign Variance Drawings

## **Prepared By:**

Bill Bond  
Zoning Inspector III

## **Approved By:**

Patrick Sheehy  
Program Manager – Zoning

## **Recommended By:**

Bruce A. Poole  
Chief Building Official



## **Approved By**

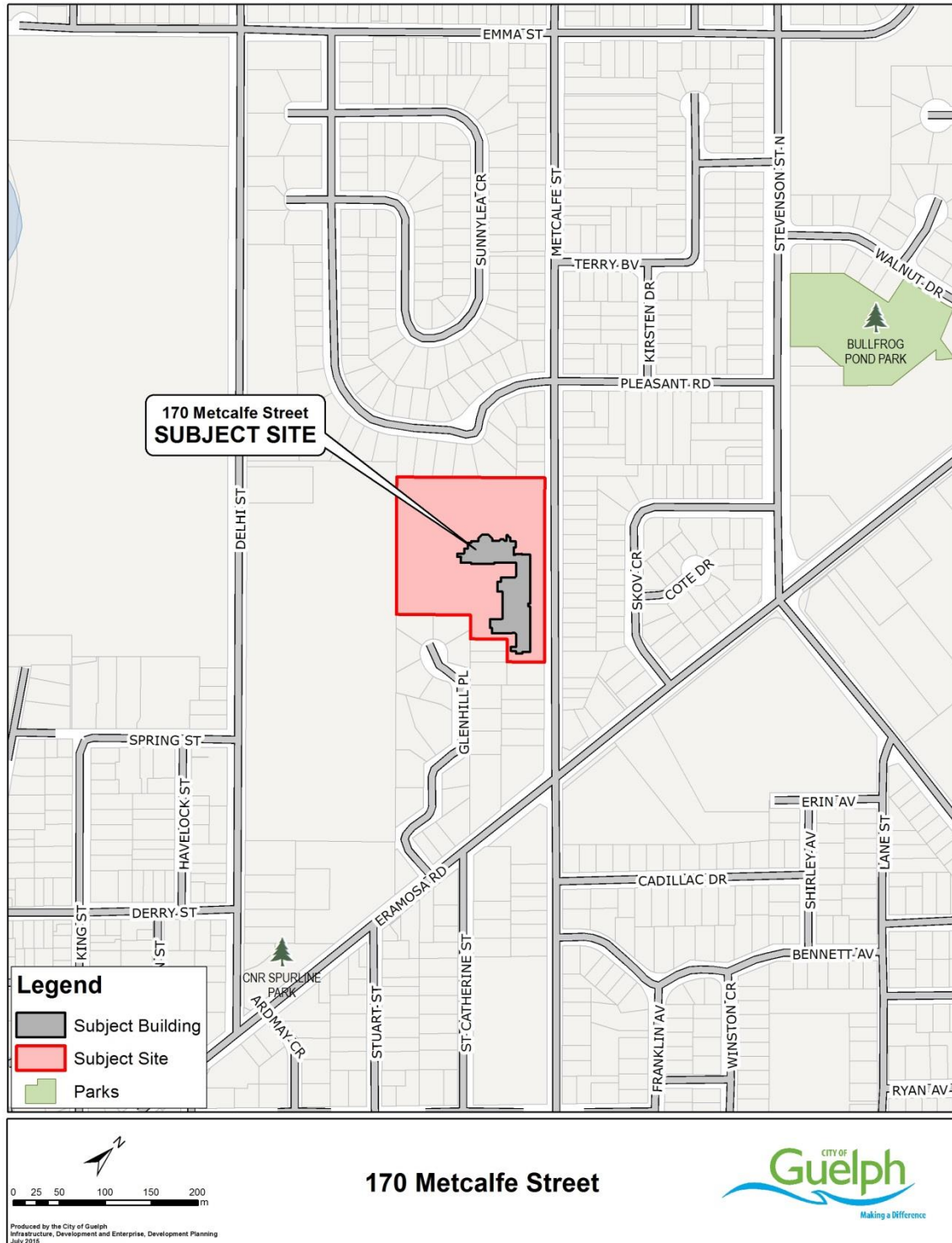
*for* Todd Salter  
General Manager  
Planning, Urban Design, and  
Building Services  
519-837-5615, ext. 2395  
todd.salter@guelph.ca



## **Recommended By**

Al Horsman  
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Infrastructure, Development and Enterprise  
519-822-1260, ext. 5606  
al.horsman@guelph.ca

## SCHEDULE A- Location Map



## SCHEDULE B- Sign Variance Drawings

### Signage





# STAFF REPORT



TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE September 8, 2015

**SUBJECT SIGN BY-LAW VARIANCES  
230 Silvercreek Parkway North**

REPORT NUMBER 15-75

## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To advise Council of four Sign By-law variance requests for 230 Silvercreek Parkway North.

### KEY FINDINGS

The City of Guelph Sign By-law Number (1996)-15245, as amended, requires that all building signs with an area over 1m<sup>2</sup> be located a minimum of 2.4m above the ground surface.

JTD Enterprise has submitted a sign variance application for 230 Silvercreek Parkway North:

- To permit one (1) sign with an area of 7.91m<sup>2</sup> to be located 0.06m above the ground surface;
- To permit one (1) sign with an area of 3.17m<sup>2</sup> to be located 0.11m above the ground surface;
- To permit one (1) sign with an area of 3.15m<sup>2</sup> to be located 2.15m above the ground surface; and
- To permit one (1) sign with an area of 4.7m<sup>2</sup> to be located 1.28m above the ground surface.

The requested variances from the Sign By-law are recommended for approval for the following reasons:

- The three signs located less than 2.15m above the ground surface will project minimally from the building and therefore will not pose a hazard to any pedestrians;
- The sign located 2.15m above the ground surface projects 0.15m from the building but is at a sufficient height and will not pose a hazard to pedestrians; and
- This is a unique building with a low roof line which limits opportunities to display effective signage in compliance with the Sign By-law; and
- The signs will not be illuminated and their location on the building does not detract from the appearance of the building or negatively impact the surrounding area.

# STAFF REPORT

## FINANCIAL IMPLICATIONS

N/A

## ACTION REQUIRED

To approve the requested Sign By-law variances for 230 Silvercreek Parkway North.

## RECOMMENDATION

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variances for 230 Silvercreek Parkway North, be received.
2. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North one (1) sign with an area of 7.91m<sup>2</sup> to be located 0.06m above the ground surface, be approved.
3. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North to permit one (1) sign with an area of 3.17m<sup>2</sup> to be located 0.11m above the ground surface, be approved.
4. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North to permit one (1) sign with an area of 3.15m<sup>2</sup> to be located 2.15m above the ground surface, be approved.
5. That the request for variances from the Sign By-law for 230 Silvercreek Parkway North to permit one (1) sign with an area of 4.7m<sup>2</sup> to be located 1.28m above the ground surface, be approved.

## BACKGROUND

Sign permit applications were submitted to permit signs to be located on the building at 230 Silvercreek Parkway North(see "Schedule A - Location Map"). Upon review of the applications, it was observed that all four of the proposed signs exceed an area of 1m<sup>2</sup> and are located less than the required minimum of 2.4m above the ground surface. For these reasons, the permits could not be issued.

## REPORT

JTD Enterprise has submitted a sign variance application for 230 Silvercreek Parkway North:

- To permit one (1) sign with an area of 7.91m<sup>2</sup> to be located 0.06m above the ground surface;
- To permit one (1) sign with an area of 3.17m<sup>2</sup> to be located 0.11m above the ground surface;
- To permit one (1) sign with an area of 3.15m<sup>2</sup> to be located 2.15m above the ground surface; and

# STAFF REPORT



- To permit one (1) sign with an area of 4.7m<sup>2</sup> to be located 1.28m above the ground surface.

See "Schedule B- Sign Variance Drawings" for illustrations.

The requested variances are as follows:

	<b>By-Law Requirement</b>	<b>Variance Requests</b>
Minimum clearance required above ground surface for a sign exceeding 1m <sup>2</sup>	2.4m	0.06m 0.11m 2.15m 1.28m

The requested variances from the Sign By-law are recommended for approval for the following reasons:

- The three signs located less than 2.15m above the ground surface will project minimally from the building and therefore will not pose a hazard to any pedestrians;
- The sign located 2.15m above the ground surface projects 0.15m from the building but is at a sufficient height and will not pose a hazard to pedestrians; and
- This is a unique building with a low roof line which limits opportunities to display effective signage in compliance with the Sign By-law; and
- The signs will not be illuminated and their location on the building does not detract from the appearance of the building or negatively impact the surrounding area.

## **CORPORATE STRATEGIC PLAN:**

3.1- Ensure a well-designed, safe, inclusive, appealing and sustainable City

## **FINANCIAL IMPLICATIONS:**

N/A

## **DEPARTMENTAL CONSULTATION:**

N/A

## **COMMUNICATIONS:**

N/A

## **ATTACHMENTS**

Schedule A            Location Map  
Schedule B            Sign Variance Drawings

# STAFF REPORT

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**Prepared By:**

Bill Bond  
Zoning Inspector III

**Approved By:**

Patrick Sheehy  
Program Manager – Zoning

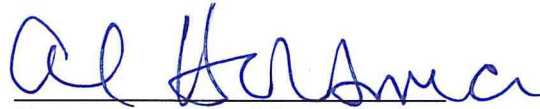
**Recommended By:**

Bruce A. Poole  
Chief Building Official



**Approved By**

Todd Salter  
General Manager  
Planning, Urban Design, and  
Building Services  
519-837-5615, ext. 2395  
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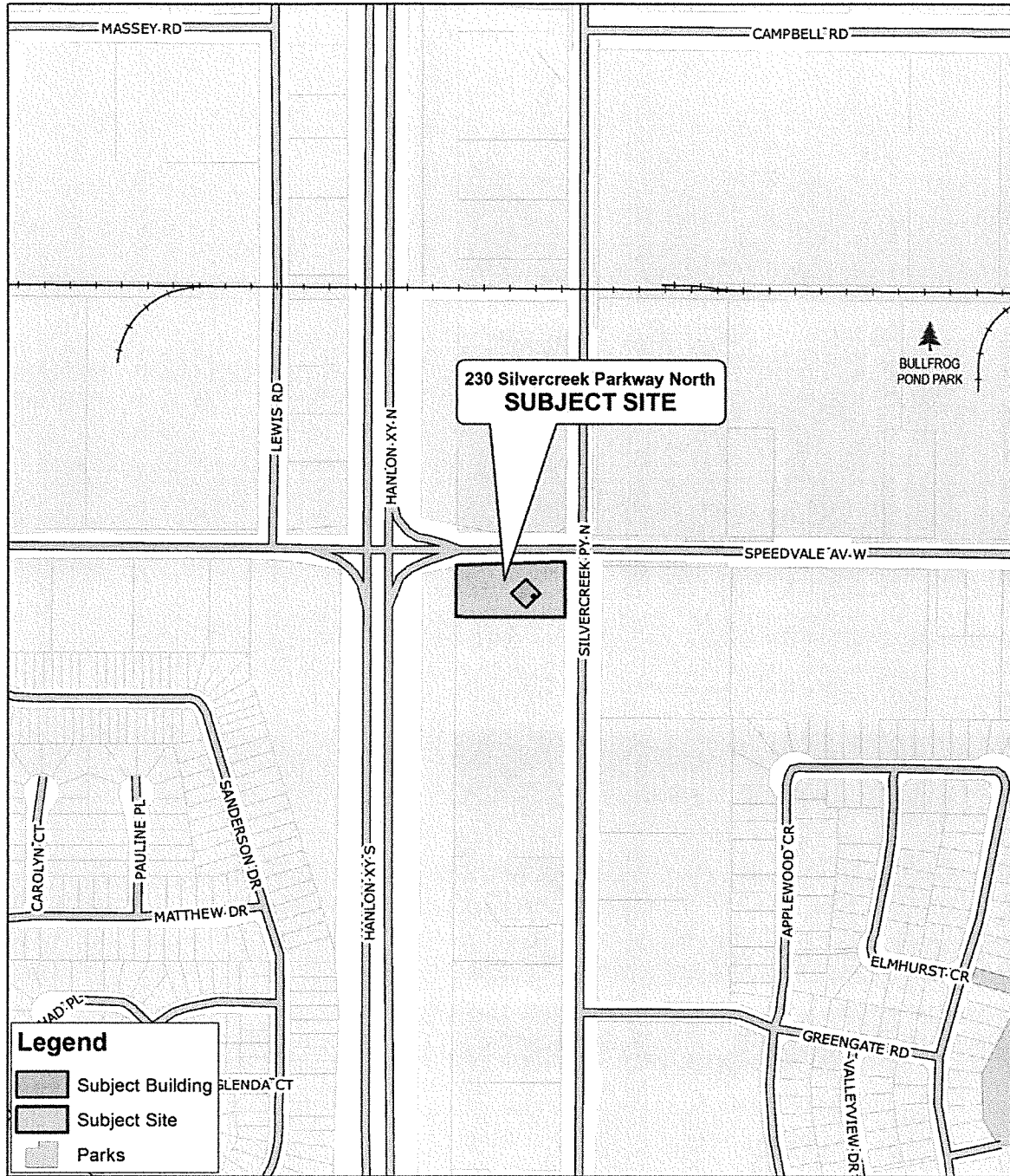


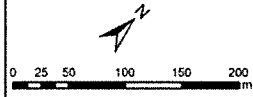
**Recommended By**

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al.horsman@guelph.ca




## SCHEDULE A- Location Map





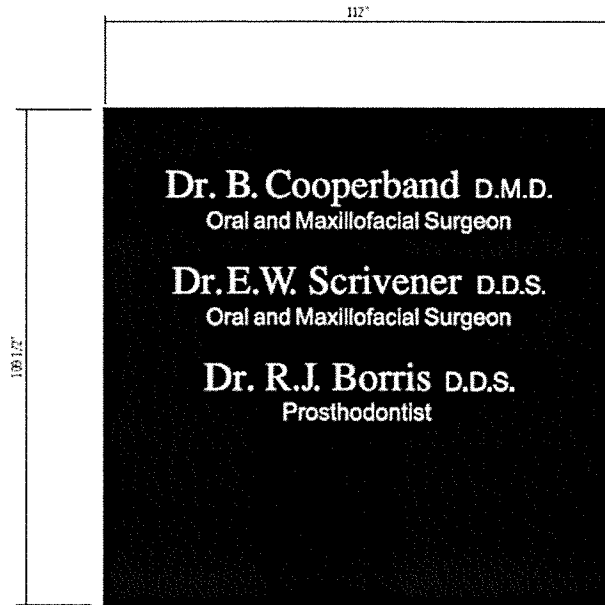
### 230 Silvercreek Parkway North



Produced by the City of Guelph  
Infrastructure, Development and Enterprise, Development Planning  
July 2015

## SCHEDULE B- Sign Variance Drawings

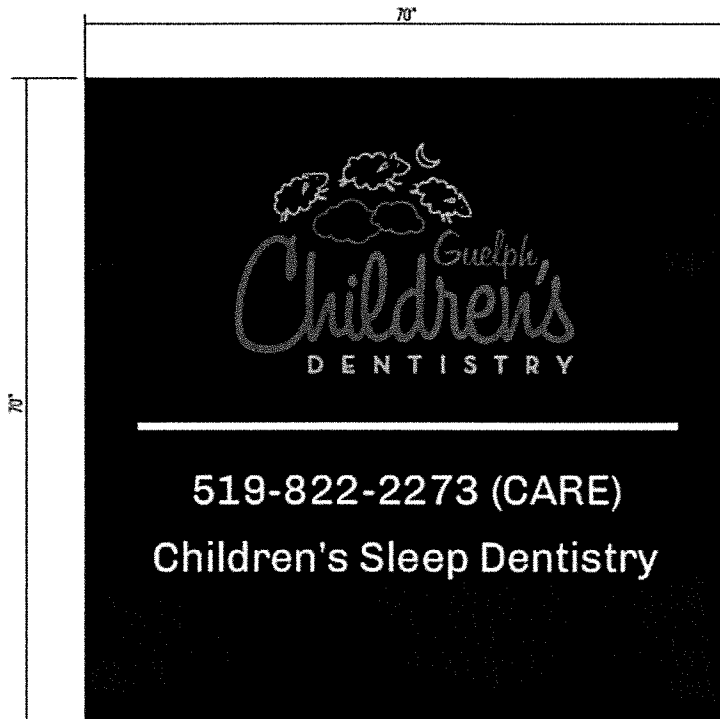
### Signage



Sign with an area of 7.91m<sup>2</sup> located 0.06m above the ground surface with a projection of 0.05m from the building

## SCHEDULE B- Sign Variance Drawings

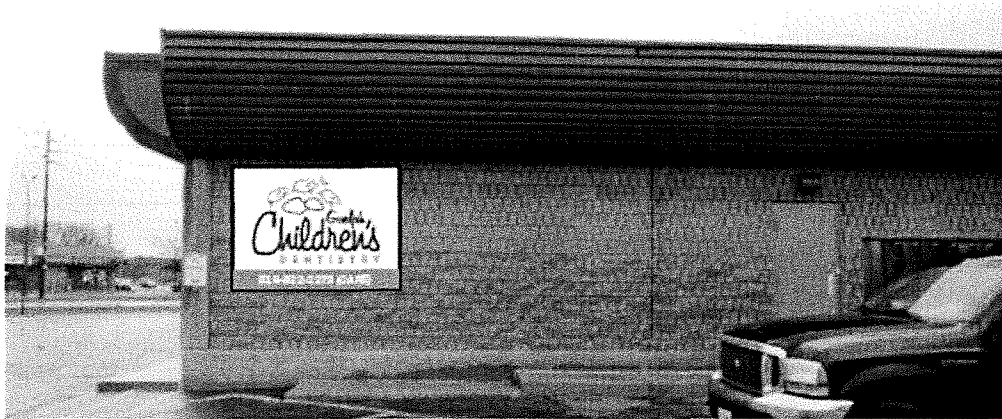
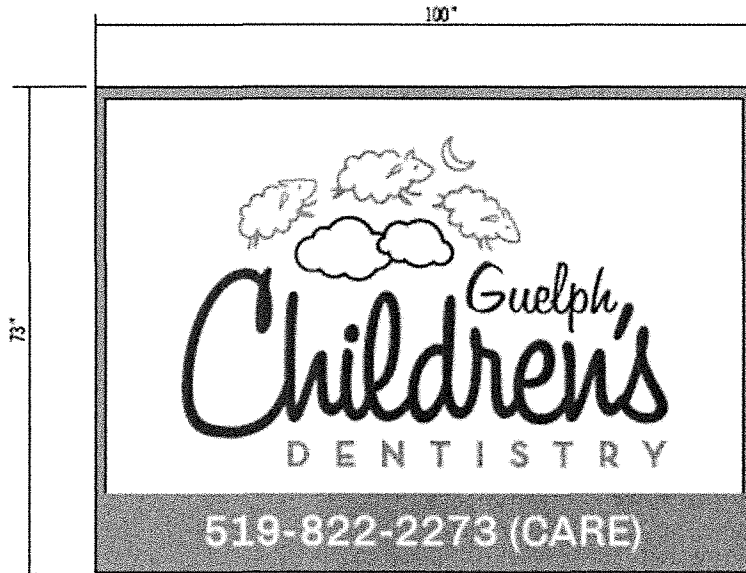
### Signage



Sign with an area of 3.17m<sup>2</sup> located 0.11m above the ground surface with a projection of 0.06m from the building

## SCHEDULE B- Sign Variance Drawings

### Signage

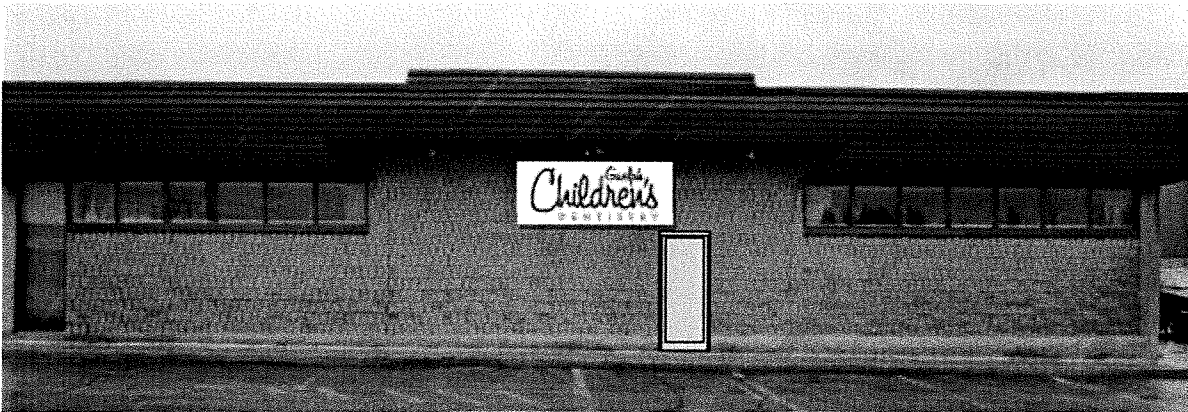
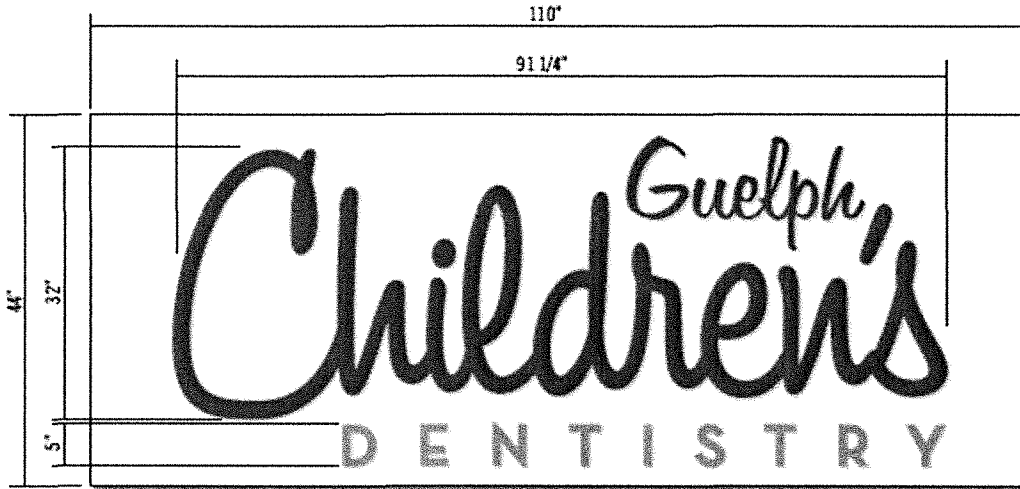


Sign with an area of  $3.15\text{m}^2$  located 2.15m above the ground surface to project 0.15m from the building



## SCHEDULE B- Sign Variance Drawings

### Signage



Sign with an area of 4.7m<sup>2</sup> located 1.28m above the ground with a projection of 0.11m from the building.

# STAFF REPORT



TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE September 8, 2015

**SUBJECT SIGN BY-LAW VARIANCES  
21 Surrey Street**

REPORT NUMBER 15-73

## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To advise Council of Sign By-law variance requests for 21 Surrey Street West.

### KEY FINDINGS

The City of Guelph Sign By-law Number (1996)-15245, as amended, restricts the total maximum size of all sign faces permitted at any one place in an Office Residential zone to 4.5m<sup>2</sup>. Further the Sign By-law requires that all building signs over 1m<sup>2</sup> are required to be a minimum 2.4m above the ground surface.

Scutt Signs has submitted a sign by-law variance application on behalf of the owner of 21 Surrey Street to permit 20.08m<sup>2</sup> of signage in an Office Residential Zone, including a 1.52m<sup>2</sup> building sign located 1.52m above the ground surface.

The requested variances from the Sign By-law is recommended for approval for the following reasons:

- The request is reasonable given the large size of the property and building;
- The signage will better identify the building and will assist visiting patients;
- The signage located 1.52m above the ground surface will have a minimal projection from the building (6mm) and therefore will not pose a hazard to any persons entering or exiting the building;
- The signage will comply with all other provisions of the Sign By-law; and
- The signage will not have any lighting and will not have a negative impact on the surrounding area.

### FINANCIAL IMPLICATIONS

N/A

### ACTION REQUIRED

To approve the requested Sign By-law variances for 21 Surrey Street West.

# STAFF REPORT



## RECOMMENDATION

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variances for 21 Surrey Street West, be received.
2. That the request for a variance from the Sign By-law for 21 Surrey Street West to permit 20.08m<sup>2</sup> of signage in an Office Residential Zone, including a 1.52m<sup>2</sup> building sign located 1.52m above the ground surface, be approved.

## BACKGROUND

Scutt Signs had submitted a sign permit application on behalf of the owner of 21 Surrey Street West (see "Schedule A - Location Map"). Upon review of the application, it was observed that the proposed signage exceeds the total maximum size of all sign faces permitted at any one place in an Office Residential Zone . Further, one of the proposed building signs was identified as being over 1m<sup>2</sup> and located less than the required minimum of 2.4m above the ground surface. For these reasons, the permit could not be issued.

## REPORT

Scutt Signs has submitted a sign by-law variance application on behalf of the owner of, 21 Surrey Street Holdings Inc., to permit 20.08m<sup>2</sup> of signage in an Office Residential Zone, including a 1.52m<sup>2</sup> building sign located 1.52m above the ground surface.

See "Schedule B- Sign Variance Drawings" for illustrations. Scutt Signs has also provided the following in support for the variance:

*"Owner would like better building identification for the large number of patients visiting the medical offices. Owner feels that the proposed signage is tasteful and that the size isn't too large in relation to the overall building. Directory sign height allows better visibility to patients entering medical offices."*

The requested variance is as follows:

	By-Law Requirements	Variance Request
Total maximum size of all sign faces permitted at one place in Office Residential Zone	4.5m <sup>2</sup>	20.08m <sup>2</sup>
Minimum clearance required above ground surface for a sign exceeding 1m <sup>2</sup>	2.4m <sup>2</sup>	1.52m <sup>2</sup>

The requested variance from the Sign By-law is recommended for approval for the following reasons:

# STAFF REPORT

- The request is reasonable given the large size of the property and building;
- The signage will better identify the building and will assist visiting patients;
- The signage located 1.52m above the ground surface will have a minimal projection from the building (6mm) and therefore will not pose a hazard to any persons entering or exiting the building;
- The signage will comply with all other provisions of the Sign By-law; and
- The signage will not have any lighting and will not have a negative impact on the surrounding area.

## **CORPORATE STRATEGIC PLAN:**

3.1- Ensure a well-designed, safe, inclusive, appealing and sustainable City

## **FINANCIAL IMPLICATIONS:**

N/A

## **DEPARTMENTAL CONSULTATION:**

N/A

## **COMMUNICATIONS:**

N/A

## **ATTACHMENTS**

Schedule A                      Location Map  
Schedule B                      Sign Variance Drawings

## **Prepared By:**

Bill Bond  
Zoning Inspector III

## **Approved By:**

Patrick Sheehy  
Program Manager – Zoning



## **Approved By**

Todd Salter  
General Manager  
Planning, Urban Design, and  
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## **Recommended By:**

Bruce A. Poole  
Chief Building Official

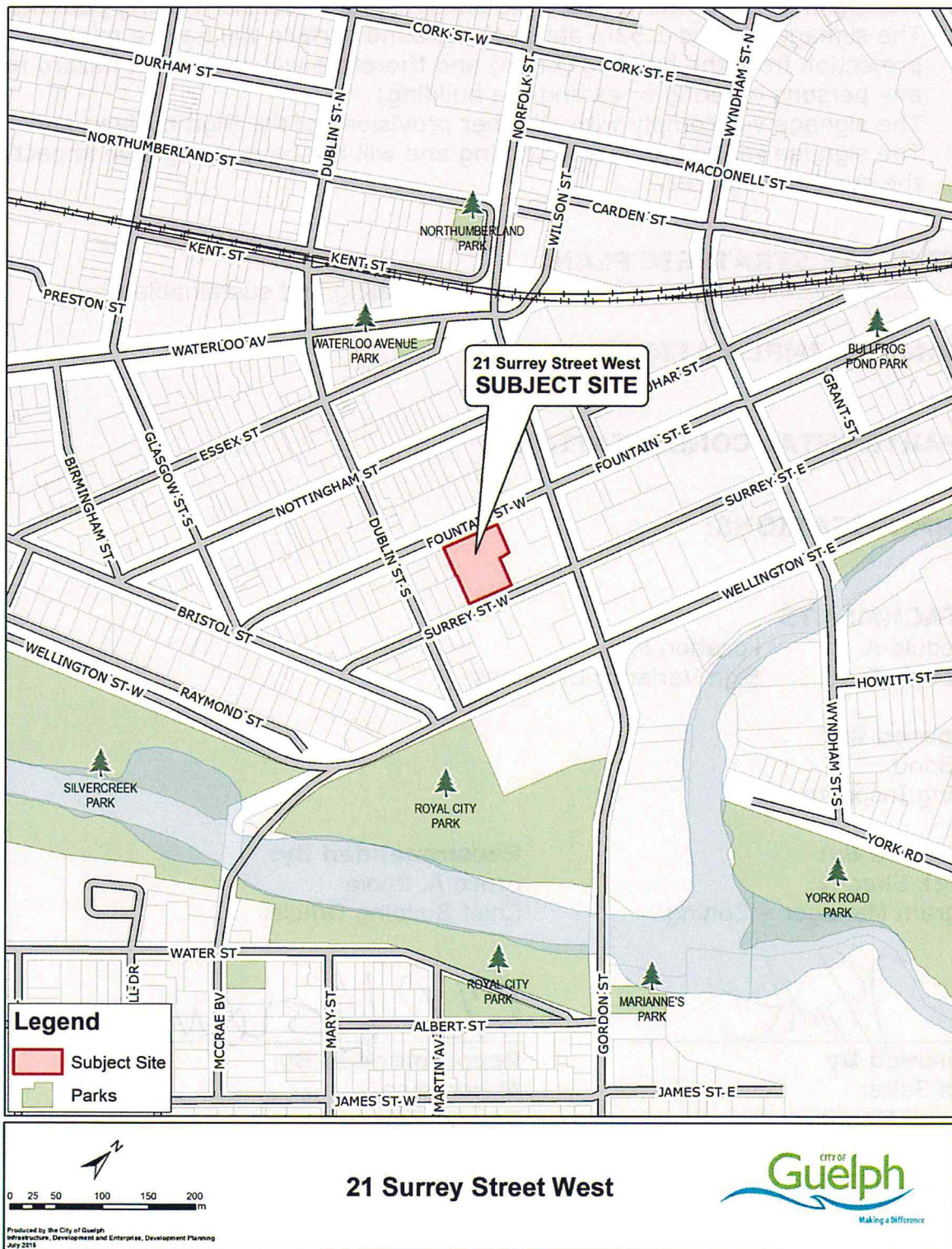


## **Recommended By**

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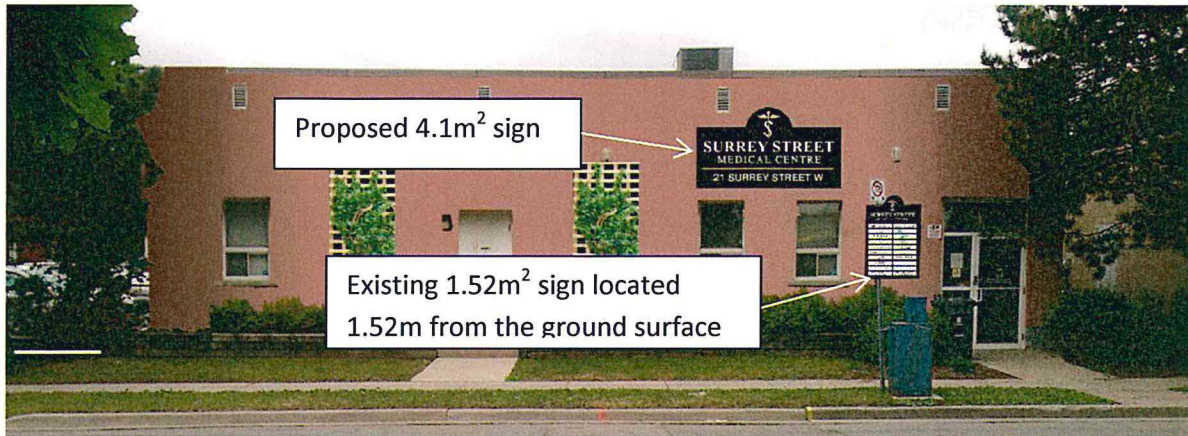
## SCHEDULE A- Location Map





## SCHEDULE B- Sign Variance Drawings

### Signage



Facing Surrey Street West



Facing the parking lot



Facing Fountain Street West

# STAFF REPORT



TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE September 8, 2015

**SUBJECT SIGN BY-LAW VARIANCES  
75 Speedvale Avenue East**

REPORT NUMBER 15-74

## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To advise Council of a Sign By-law variance request for 75 Speedvale Avenue East.

### KEY FINDINGS

The City of Guelph Sign By-law Number (1996)-15245, as amended, does not permit freestanding signs in the Floodway Zone.

Scutt Signs has submitted a sign by-law variance application on behalf of Corus Entertainment Inc. to permit a freestanding sign with an area of 5.2m<sup>2</sup> at 75 Speedvale Avenue East which is in the Floodway Zone.

The requested variance from the Sign By-law is recommended for approval for the following reasons:

- The Grand River Conservation Authority has indicated that the installation of a freestanding sign will have no measurable impact on flooding;
- The proposed sign meets the general intent of the Sign By-law;
- The sign will better identify the long standing business; and
- The sign is not adjacent to a residential zone and will not have a negative impact on the surrounding area.

### FINANCIAL IMPLICATIONS

N/A

### ACTION REQUIRED

To approve the requested Sign By-law variances for 75 Speedvale Avenue East.

## RECOMMENDATION

1. That the report from Infrastructure, Development and Enterprise dated September 8, 2015 regarding sign by-law variances for 75 Speedvale Avenue East, be received.

# STAFF REPORT

2. That the request for a variance from the Sign By-law for 75 Speedvale Avenue East to permit a freestanding sign with an area of 5.2m<sup>2</sup> be approved.

## BACKGROUND

Scutt Signs had submitted a sign permit application on behalf of the owner of Corus Entertainment Inc. at 75 Speedvale Avenue East (see "Schedule A - Location Map"). Upon review of the application, it was noted that the Sign By-Law does not permit freestanding signs in a Floodway Zone. For this reason, the permit could not be issued.

## REPORT

Scutt Signs has submitted a sign by-law variance application on behalf of Corus Entertainment Inc. to permit a freestanding sign with an area of 5.2m<sup>2</sup> at 75 Speedvale Avenue East.

See "Schedule B- Sign Variance Drawings" for illustrations. Scutt Signs has also provided the following in support for the variance:

*"Corus Entertainment Inc. Entertainment Inc. (1460 CJOY and Magic 106.1) wishes to promote their business by installing a freestanding sign in front of their building within their property lines. The area chosen is within a flood plain. We (Scutt Signs) checked with the GRCA (Grand River Conservation Authority) and they have permitted us to build a sign in the area in question. This is a very unique situation and should be an isolated case. Allowing Corus Entertainment Inc. to promote their business would be greatly appreciated."*

The requested variance is as follows:

	<b>By-Law Requirements</b>	<b>Variance Request</b>
Freestanding Sign in a Flood Zone	The Sign By-law does not permit a freestanding sign in a Flood Zone	To permit a freestanding sign in a Flood Zone

The requested variance from the Sign By-law is recommended for approval for the following reasons:

- The Grand River Conservation Authority has indicated that the installation of a freestanding sign will have no measurable impact on flooding;
- The proposed sign meets the general intent of the Sign By-law;
- The sign will better identify the long standing business; and
- The sign is not adjacent to a residential zone and will not have a negative impact on the surrounding area.



# STAFF REPORT

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## CORPORATE STRATEGIC PLAN:

3.1- Ensure a well-designed, safe, inclusive, appealing and sustainable City

## FINANCIAL IMPLICATIONS:

N/A

## DEPARTMENTAL CONSULTATION:

N/A

## COMMUNICATIONS:

N/A

## ATTACHMENTS

Schedule A                      Location Map  
Schedule B                      Sign Variance Drawings

## Prepared By:

Bill Bond  
Zoning Inspector III

## Approved By:

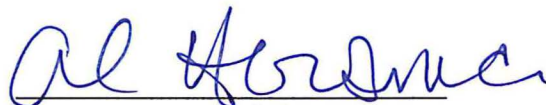
Patrick Sheehy  
Program Manager – Zoning

## Recommended By:

Bruce A. Poole  
Chief Building Official



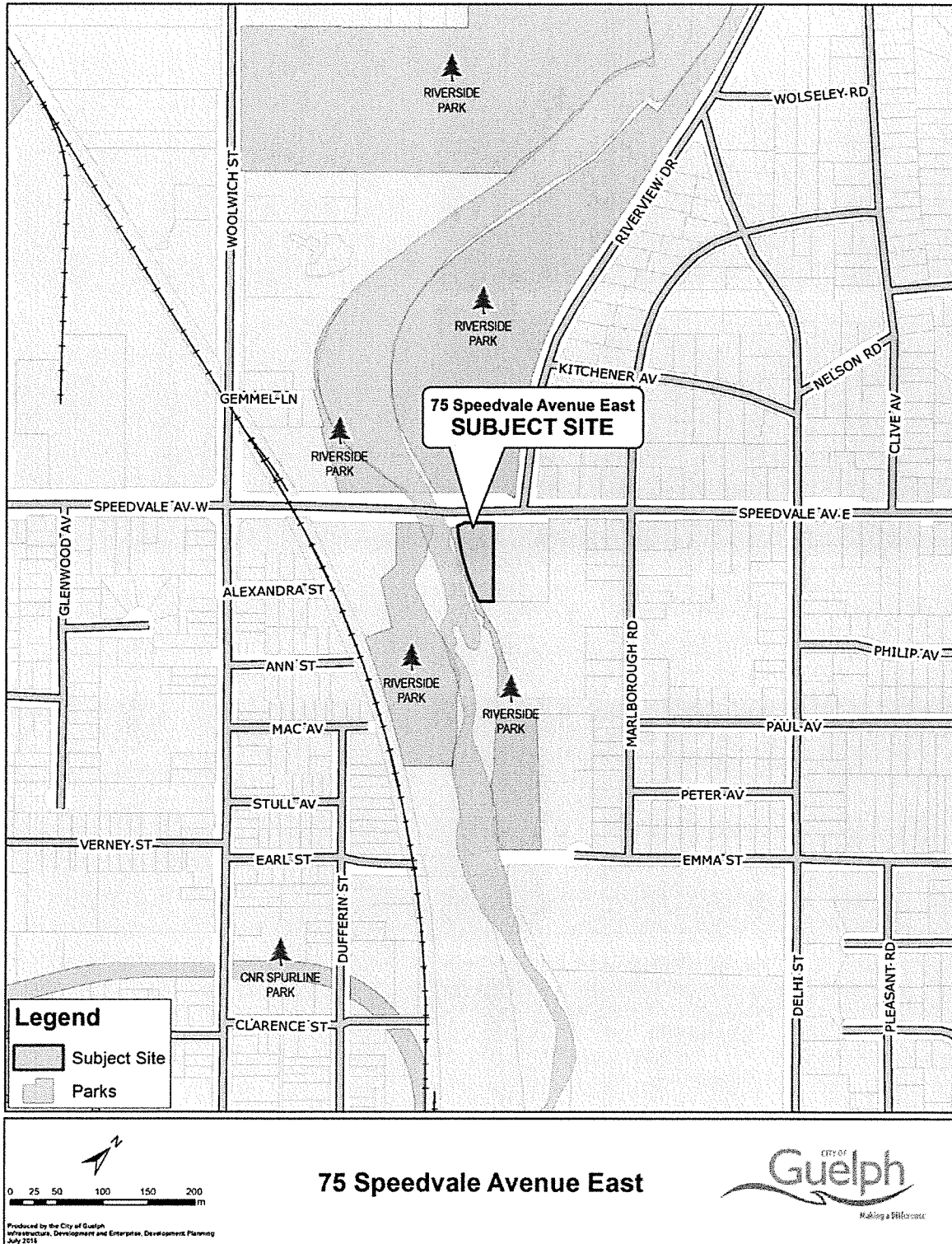
*For:* **Approved By**  
Todd Salter  
General Manager  
Planning, Urban Design, and  
Building Services  
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todd.salter@guelph.ca



**Recommended By**  
Al Horsman  
Deputy CAO  
Infrastructure, Development and Enterprise  
519-822-1260, ext. 5606  
al.horsman@guelph.ca



## SCHEDULE A- Location Map



## SCHEDULE B- Sign Variance Drawings

### Signage



Freestanding Sign with an area of 5.2m<sup>2</sup> (1.83m x 2.84m)