

COUNCIL PLANNING AGENDA



Consolidated as of February 10, 2014

Council Chambers, City Hall, 1 Carden Street

DATE Monday, February 10, 2014, 7:00 P.M.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

**O Canada
 Silent Prayer
 Disclosure of Pecuniary Interest and General Nature Thereof**

PRESENTATION

a) None

CONSENT REPORTS/AGENDA – ITEMS TO BE EXTRACTED

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

Consent Reports/Agenda from:

Governance Committee			
Item	City Presentation	Delegations	To be Extracted
GOV-2013.15 Downtown Guelph Business Association			

Adoption of balance of Governance Committee Consent Report – Mayor Farbridge, Chair

COUNCIL CONSENT AGENDA			
ITEM	CITY PRESENTATION	DELEGATIONS (maximum of 5 minutes)	TO BE EXTRACTED
CON-2014.7 12 Summerfield Drive – Proposed Zoning By-law Amendment (File: ZC1311) – Ward 6			

<p>CON-2014.8 150-152 Wellington Street East – Proposed Zoning By-Law Amendment (File: ZC1308) – Ward 1</p>		<ul style="list-style-type: none"> • Tom Lammer • Krista Walkey & Michael Hannay • Alan Patton <p><u>Correspondence:</u></p> <ul style="list-style-type: none"> • Tricar Group - Krista Walkey & Michael Hanney • Alan Patton • Lorraine Pagnan 	√
<p>CON-2014.9 Proposed Administrative Amendment to Zoning By-Law Number (1995)-14864 (Guelph’s Comprehensive Zoning By-Law) – Citywide</p>		<p><u>Correspondence:</u></p> <ul style="list-style-type: none"> • Russell Cheeseman 	
<p>CON-2014.10 City of Guelph Response to the Provincial Review of the Land Use Planning and Appeal System</p>			
<p>CON-2014.11 Proposed Demolition of 12 Inkerman Street - Ward 3</p>	<p><u>Correspondence:</u></p> <ul style="list-style-type: none"> • Michael Witmer, Development & Urban Design Planner 		
<p>Con-2014.12 Brownfield And Downtown Community Improvement Plan (Cip) Tax Increment Based Grant Applications – 5 Arthur Street South</p>	<p><u>Correspondence:</u></p> <ul style="list-style-type: none"> • Ian Panabaker, Corporate Manager, Downtown Renewal 	<ul style="list-style-type: none"> • Tom Lammer • Alan Patton • Lee Piccoli <p><u>Correspondence:</u></p> <ul style="list-style-type: none"> • Alan Patton 	√
<p>CON-2014.13 Planning & Building, Engineering and Environment Committee, and Corporate Administration, Finance and Enterprise Committee 2014 Membership Change</p>			
<p>CON-2014.14 2014 Development Charges By-Law – Administrative Adjustment</p>			

CON-2014.4 Development Charge, Provincial Consultation			
Correspondence Received from LUMCO/AMO Regarding Joint and Several Liability			✓

ITEMS EXTRACTED FROM COMMITTEES OF COUNCIL REPORTS AND COUNCIL CONSENT AGENDA (Chairs to present the extracted items)

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.

Reports from:

- Governance Committee – Mayor Farbridge
- Council Consent – Mayor Farbridge

SPECIAL RESOLUTIONS

BY-LAWS

Resolution – Adoption of By-laws (Councillor Furfaro)

“THAT By-law Numbers (2014)-19691 to (2014)-19695, inclusive, are hereby passed.”

MAYOR’S ANNOUNCEMENTS

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

NOTICE OF MOTION

ADJOURNMENT

CONSENT AGENDA
REVISED

February 10, 2014

Her Worship the Mayor
and
Members of Guelph City Council.

SUMMARY OF REPORTS:

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

A REPORTS FROM ADMINISTRATIVE STAFF

REPORT	DIRECTION
<p>CON-2014.7 12 SUMMERFIELD DRIVE – PROPOSED ZONING BY-LAW AMENDMENT (FILE: ZC1311) – WARD 6</p> <p>1. That the application by Acorn Development Corporation, on behalf of Fabbian Homes Inc. for approval of a Zoning By-law Amendment from the R.1B (Residential Single Detached) Zone to the R.1D (Single Detached Residential) Zone to permit the development of two (2) single detached dwellings at the property municipally known as 12 Summerfield Drive and legally described as Lot 2, Registered Plan 61M-114 City of Guelph, be approved in accordance with the zoning regulations and conditions outlined in Attachment 2 of Planning, Building, Engineering and Environment Report 14-06, dated February 10, 2014.</p>	Approve
<p>CON-2014.8 150-152 WELLINGTON STREET EAST – PROPOSED ZONING BY-LAW AMENDMENT (FILE: ZC1308) – WARD 1</p> <p>1. That Report 14-07 regarding a Zoning By-law Amendment application by Stantec Consulting Ltd. on behalf of The Tricar Group, for approval of a Zoning By-law Amendment from the CBD.2-1 (Specialized Central Business District) Zone to a CBD.2-? (Specialized Central Business District) Zone to permit the development of an 18-storey mixed use building for the property municipally known as 150-152 Wellington</p>	Approve

Street East, and legally described as Pt Grist Mill Lands, Plan 8, Pt 2, 61R1309, Pt School Lot, Plan 8, Pt Surrey Street, Plan 379, Pt 3, 61R1309, closed by ROS178965; Pt Lot 5, Plan 269, City of Guelph, be approved in accordance with the zoning regulations and conditions outlined in Attachment 2 of Planning, Building, Engineering and Environment Report 14-07 dated February 10, 2014.

2. That in accordance with Section 34(17) of the Planning Act, City Council has determined that no further public notice is required related to the minor modifications to the proposed Zoning By-law Amendment affecting 150-152 Wellington Street East.

CON-2014.9 PROPOSED ADMINISTRATIVE AMENDMENT TO ZONING BY-LAW NUMBER (1995)-14864 (GUELPH'S COMPREHENSIVE ZONING BY-LAW) – CITYWIDE

Approve

1. That Report 14-08 regarding a proposed administrative amendment to Zoning By-law Number (1995)-14864, from Planning, Building, Engineering and Environment dated February 10, 2014, be received.
2. That the City-initiated administrative amendments to the Zoning By-law be approved in accordance with the regulations set out in Attachment 1 of the report from Planning, Building, Engineering and Environment dated February 10, 2014.

CON-2014.10 CITY OF GUELPH RESPONSE TO THE PROVINCIAL REVIEW OF THE LAND USE PLANNING AND APPEAL SYSTEM

Approve

1. That Report 14-02 from Planning, Building, Engineering and Environment, dated February 10, 2014 regarding the Provincial Review of the Land Use Planning and Appeal System be received.
2. That the complete technical response prepared by staff that was submitted to the Ministry of Municipal Affairs and Housing, dated January 10, 2014, and included as Attachment 1 be endorsed.
3. That the City Clerk be directed to inform the Ministry of Municipal Affairs and Housing that the complete technical response dated January 10, 2014 has been endorsed by Council.

CON-2014.11 PROPOSED DEMOLITION OF 12 INKERMAN STREET – WARD 3

Approve

1. That Report 14-09 regarding the proposed demolition of a detached dwelling at 12 Inkerman Street, legally described as Plan 555, Lot 2, Part Lot 1; City of Guelph, from Planning, Building, Engineering and Environment dated December 2, 2013 be received.

2. That the existing detached dwelling at 12 Inkerman Street North be removed from the Municipal Register of Cultural Heritage Properties.
3. That the proposed demolition of the detached dwelling at 12 Inkerman Street be approved.
4. That the applicant be requested to erect protective fencing at one (1) metre from the dripline of any existing trees on the property or on adjacent properties which can be preserved prior to commencement of demolition and maintain fencing during demolition and construction of the new dwelling.
5. That the applicant be requested to contact the General Manager of Solid Waste Resources, within Planning, Building, Engineering and Environment regarding options for the salvage or recycling of all demolition materials.
6. That the applicant be requested to consider the recommendations of Heritage Guelph from their meeting of November 13, 2013.

CON-2014.12 BROWNFIELD AND DOWNTOWN COMMUNITY IMPROVEMENT PLAN (CIP) TAX INCREMENT BASED GRANT APPLICATIONS – 5 ARTHUR STREET SOUTH

Approve

1. That the application by 5 Arthur Street Developments, 2278560 Ontario Inc. for a Tax Increment-Based Grant (TIBG) pursuant to the Brownfield Redevelopment Community Improvement Plan and applying to 5 Arthur Street South, be approved with an upset limit of \$3,121,305.
2. That \$2,319,694 of Brownfield TIBG Reserve Funds be reallocated to the Downtown TIBG Reserve Funds.
3. That the application by 5 Arthur Street Developments, 2278560 Ontario Inc. for a Tax Increment-Based Grant pursuant to the Downtown Guelph Community Improvement Plan and applying to 5 Arthur Street South, be approved with an upset limit of \$8,566,117.
4. That staff be directed to finalize Brownfield and Downtown Tax Increment-Based Grant agreements between the City and 5 Arthur Street Developments, 2278560 Ontario Inc., or any subsequent

owner, as described in this report to the satisfaction of the General Manager of Planning Services; Corporate Manager, Downtown Renewal; the City Solicitor; and the City Treasurer.

5. That the Mayor and Clerk be authorized to execute the agreements.

CON-2014.13 PLANNING & BUILDING, ENGINEERING AND ENVIRONMENT COMMITTEE, AND CORPORATE ADMINISTRATION, FINANCE AND ENTERPRISE COMMITTEE 2014 MEMBERSHIP CHANGE

Approve

1. That Councillor Laidlaw's membership to the Planning, Building, Engineering and Environment Committee be revoked and that she be appointed to the Corporate Administration, Finance and Enterprise Committee effective immediately for the year 2014.
2. That Councillor Wettstein's membership to the Corporate Administration, Finance and Enterprise Committee be revoked and that he be appointed to the Planning, Building, Engineering and Environment Committee effective immediately for the year 2014.

CON-2014.14 2014 DEVELOPMENT CHARGES BY-LAW – ADMINISTRATIVE ADJUSTMENT

Approve

1. That Council approve the administrative amendment to the section of the 2014 DC By-law related to the Timing of Payment of Development Charges as shown in Appendix 1.
2. That Council assign By-law number (2014)-19692 to the 2014 DC By-Law.

CON-2014.4 DEVELOPMENT CHARGE, PROVINCIAL CONSULTATION

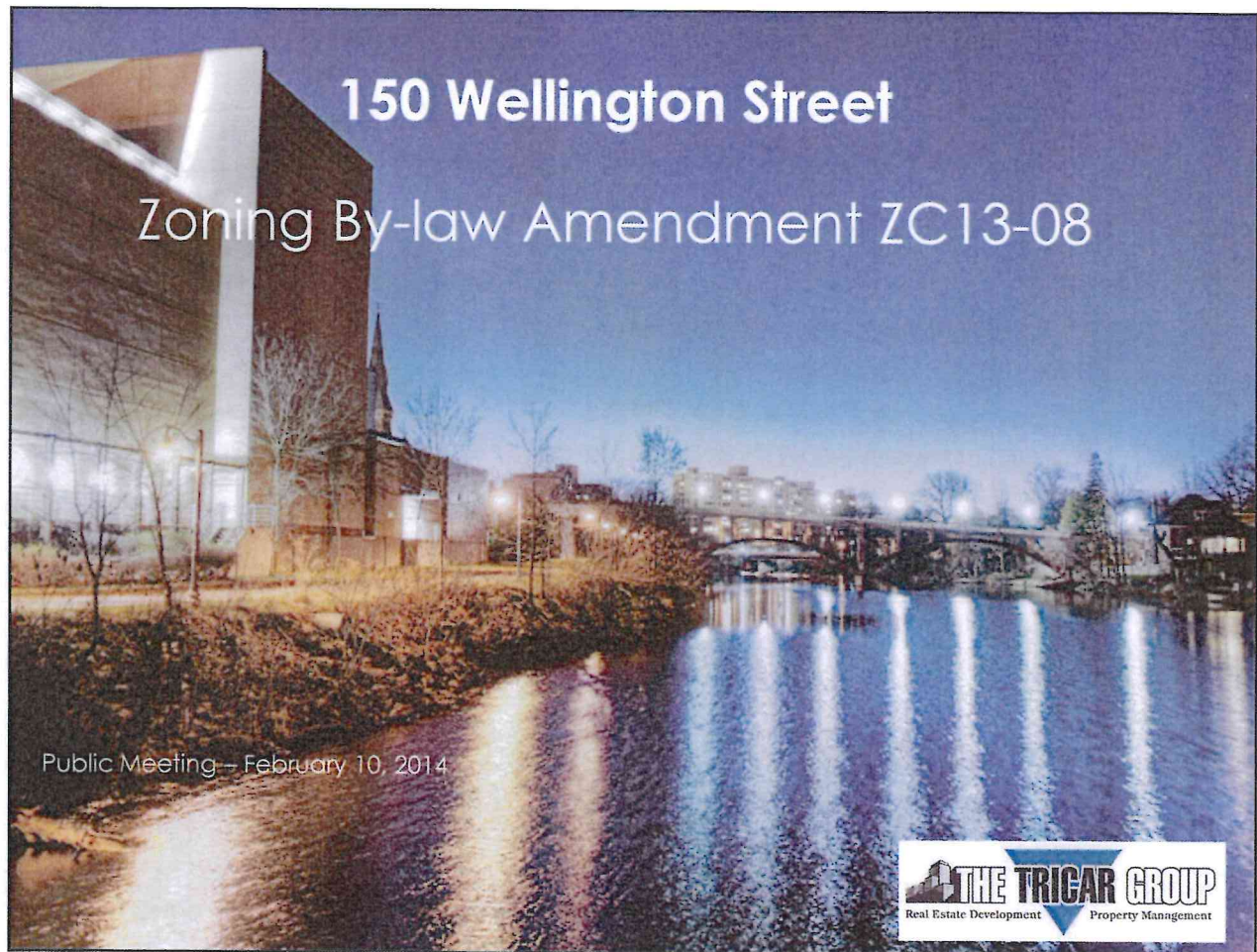
Approve

1. That the report FIN-14-03 Development Charge, Provincial Consultation, dated January 27, 2014 regarding the City's feedback to the Province's request for feedback on the Development Charge Act, 1997 be approved.

CORRESPONDENCE RECEIVED FROM LUMCO/AMO REGARDING JOINT AND SEVERAL LIABILITY

To be considered by Council.

Attach.



150 Wellington Street

Zoning By-law Amendment ZC13-08

Public Meeting - February 10, 2014



The Tricar Group

- The Tricar Group is a leading name in the development of luxury condominiums and apartment suites throughout Southwestern Ontario. Renowned for their innovative designs, sophisticated luxury, lasting quality and value.
- The Tricar Group's growing portfolio of properties meets a wide range of needs, from professionals to first-time buyers to empty nesters and retirees.
- Tricar is currently developing The RiverHouse, Downtown Guelph's first high-rise luxury condominium.

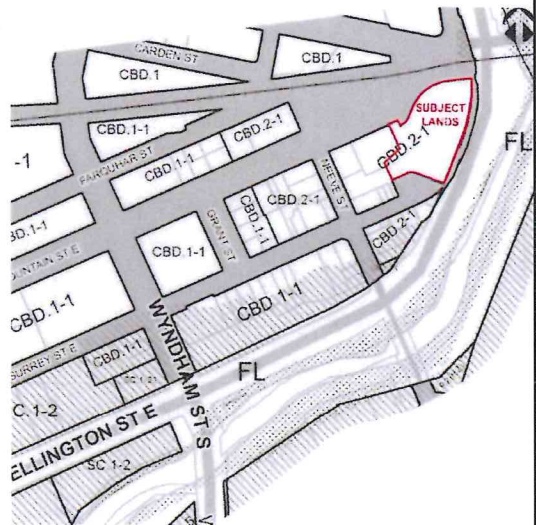



RiverHouse
 CONDOMINIUMS
 DOWNTOWN GUELPH

SiteLine Research mbtw  watchorn  **Stantec**

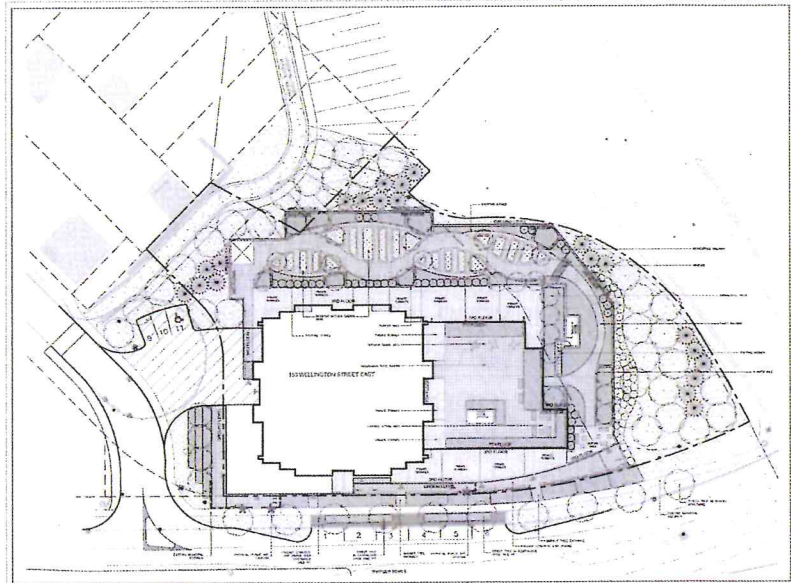
Zoning By-law Amendment Request

- The proposal generally conforms to the regulations of the CBD.2-1 zone with the exception of building height and setbacks to Wellington Street. The applicant is requesting to amend the zoning with site specific provisions to allow:
 - Rear yard, side yard and front yard setbacks of 0 metres from the property line.
 - Relief from the height provision
 - Relief from Section 4.16 for angular plane; and
 - Relief from section 6.3.3.2.1.1.6 access to rear yard requirements.



Proposed Development & Concepts

- 18-storey mixed-use condominium building, including ground floor commercial, structured parking, a green roof and 144 residential units.



SiteLine Research mbtw watchorn Stantec

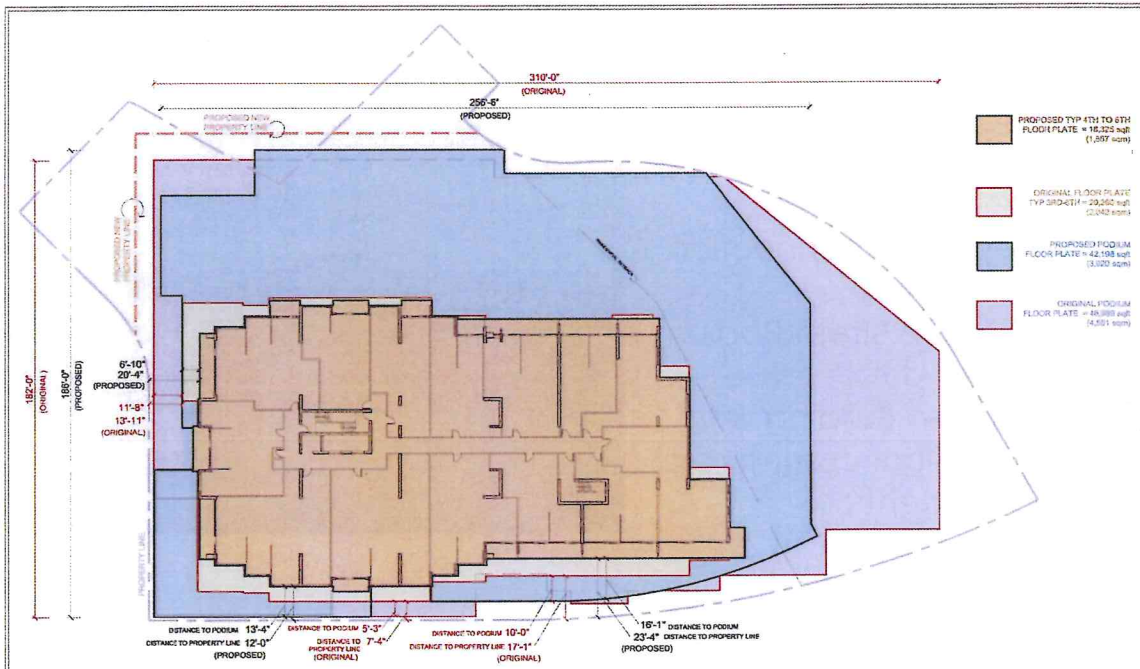
Features

- Green rooftop
- Improved Storm Water Run-off
- Surrey street connection
- Wellington Street Podium
- Mixed-use Building with ground floor commercial and residential
- Pursuing district energy



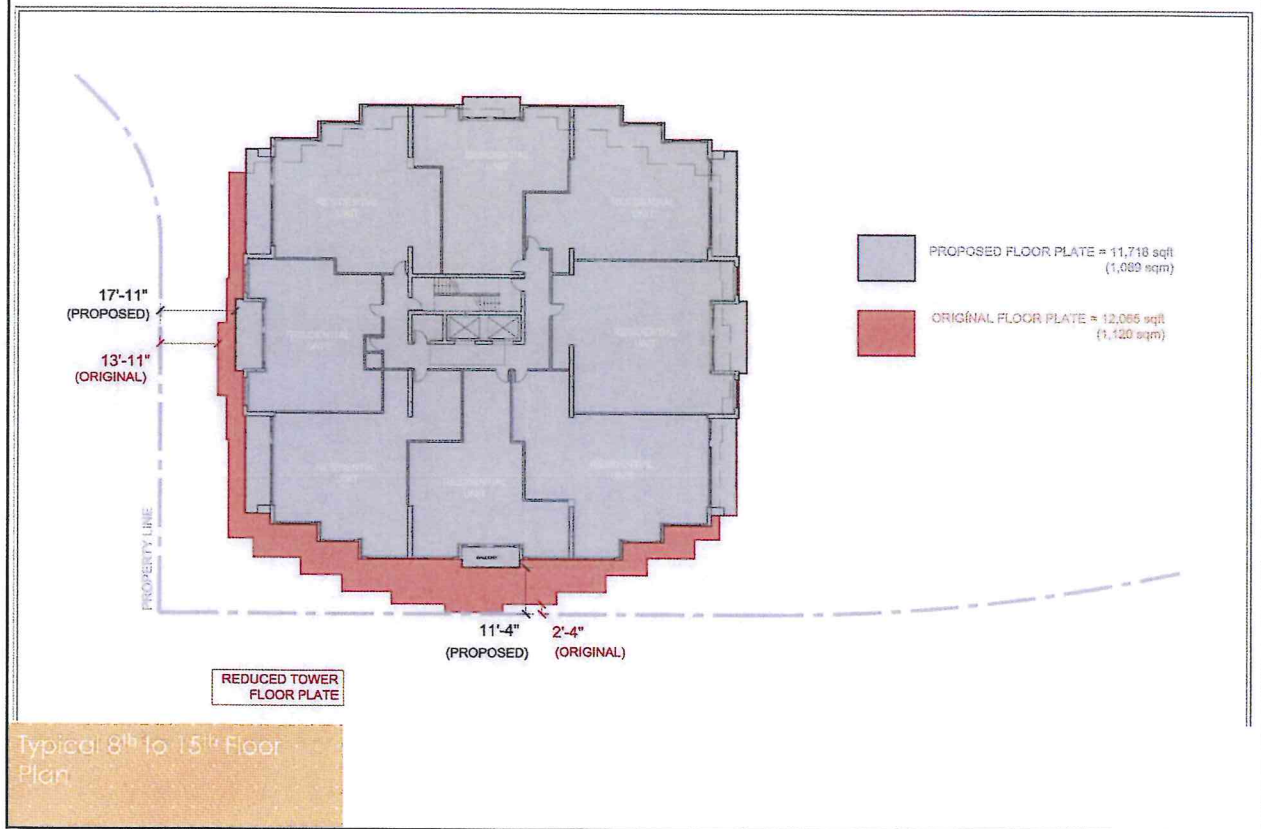
Siteline Research mbtw watchorn Stantec

Building Amendments

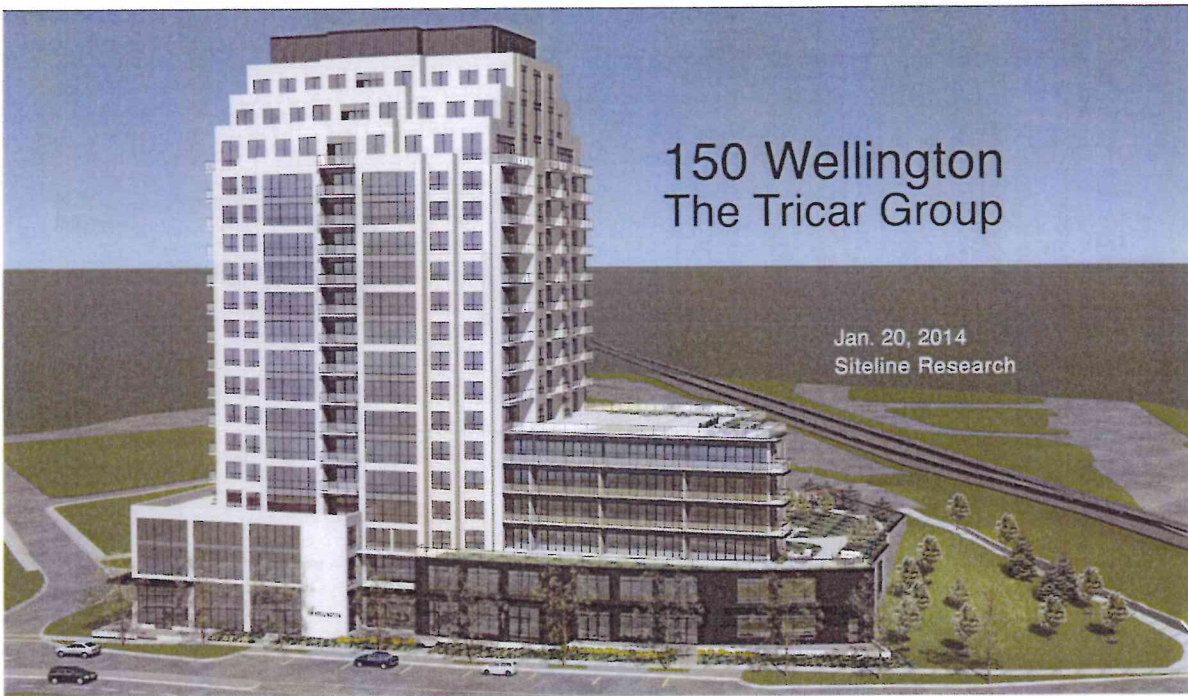


4th Floor Plan

Building Amendments



3D Visualization



Siteline Research mbtw  watchorn  Stantec









PATTON CORMIER & ASSOCIATES
LAWYERS

Alan R. Patton, B.A., LL.B.
Elizabeth K. Cormier, B.A., LL.B.
Analee J.M. Ferreira, B.A., LL.B.

February 5, 2014
File No. **33424**
via fax: 1 (519) 763-1269
and email: clerks@guelph.ca

THE CORPORATION OF THE CITY OF GUELPH
1 Carden Street
Guelph, ON N1H 3A1

Attention: **MAYOR FARBRIDGE, COUNCILLORS
AND CITY CLERK**

Dear Mayor, Councillors and Clerk:

Re: 1) **150-152 Wellington Street East: Report No. 14-07**
2) **5 Arthur Street South: Report No. PBEE Report # 14-01 and
CAFÉ Report # FIN-DR-14-01**

We are the lawyers for The Tricar Group ("Tricar").

1) **150-152 Wellington Street East**

Tricar is fully expecting to begin this year development of 150-152 Wellington Street East for an 18 storey mixed use building containing 144 apartment units and almost 500 sq. m. of ground level commercial uses. It is a development that will add to the vitality and vibrancy of the downtown, as will Tricar's soon to be completed building on Macdonell Street.

The implementing Zoning By-law is before Council on February 10, 2014 and is recommended and approved by City Staff because of its consistency with the Provincial Policy Statement, conformity with the Places to Grow Plan, the City's Growth Plan, as well as the Downtown Secondary Plan (OPA 43). See Report No. 14-07.

However, it is important for Council to understand that for Tricar to proceed with this development it must not only be sound land use planning, but it must also be financially competitive. Tricar has a reasonable expectation that important incentives will be available for this building, as was available for its building on Macdonell Street. Reliance upon this expectation for the building at 150-152 Wellington Street East, Tricar has with the approval of

the City already incurred considerable costs to relocate municipal services as well as a municipal road.

2) 5 Arthur Street South

Last week Tricar learned that incentives will not be available if Council decides to assist the proposed development at 5 Arthur Street with various incentives from funds which will be depleted and not available for Tricar's building at 150-152 Wellington Street East. This information is contained in the Staff Report being presented to Council Monday, February 10th, 2014 as PBEE Report #14-01 and CAFE Report #FIN-DR-14-01. This proposed reallocation of municipal incentives is detrimental to the Tricar development proceeding.

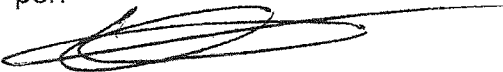
On behalf of Tricar we hereby request status to appear as delegation before Guelph Council on Monday, February 10, 2014 to address these two related matters. Also in attendance on behalf of Tricar will be Mr. Joe Carapella, Mr. Adam Carapella and Mr. Chris Leigh.

We thank you in advance for your cooperation and assistance in regard to these matters.

Yours truly

PATTON CORMIER & ASSOCIATES

per:



Alan R. Patton
ARP/dr

apatton@pattoncormier.ca

cc: *Client - Via Email*

From: Lorraine Pagnan

Sent: February 6, 2014 10:32 AM

To: Clerks; Chris DeVriendt

Cc: Karen Farbridge; Maggie Laidlaw; June Hofland; Ian Findlay; Andy VanHellemond; Bob Bell; Jim Furfaro; Leanne Piper; Lise Burcher; Todd Dennis; Karl Wettstein; Gloria Kovach; Cam Guthrie

Subject: 150-152 Wellington Street East proposed zoning by-lw amendment

Dear Mayor and Council,

I am very concerned with the accumulated density being planned for our area and the lack of consideration for the residents who already live here. Yes all of the traffic impacts state that the roads can handle the increase of traffic (they call this traffic capacity). This means the roads can handle the volume but doesn't mention about how this volume increase will affect the residents who live on these small streets and what they will have to contend with. I am glad to see that the plan has addressed some of the concerns of the Surrey/Neeve Street residents but am concerned by the lack of thought on how this increase traffic will affect the ward area such as Neeve street south, Ontario street and Toronto street. I am also concerned about the pedestrian safety at Wellington and Neeve as it is already a very busy intersection.

The Downtown Secondary Plan Attachment 3 Mobility Plan seems to encourage traffic infiltration into the Ward via Neeve Street, once on Neeve where will this traffic go? This traffic will end up on local road ways such as Ontario and Toronto not collectors and arterials (which is what these roads are designed for). THE ST. PATRICK'S WARD TRAFFIC STUDY approved by COUNCIL in 2003 warned of increase density and the associated traffic issues that would arise, with suggestions and recommendations of how to mitigate the increased density but nothing is being planned proactively for the area residents. This is poor planning for the goals of encouraging pedestrian activity and retaining existing neighbourhoods and housing stock.

I would ask council to consider these ideas.

- 1 Have the median planned for the new Surrey Street intersection extend down to Wellington and Neeve as a means of providing a resting or safe area for pedestrians crossing Wellington.
- 2 Increase the walk times at Neeve crossing over Wellington.
- 3 Widening of the sidewalk by providing a pinch point at the intersection on Neeve South (one lane on each side) similar to what the city has done at other intersections to help encourage only local traffic into the neighbourhood as well as encouraging safer pedestrian activity.

Providing these elements could help to achieve a more walkable, connective integration of the Ward with the rest of the downtown and perhaps alleviate some of the cut thru traffic for the Ward. This plus the future pedestrian bridge across the river will definitely enhance connectivity of the Ward and downtown.

Thanks for your time
Lorraine Pagnan

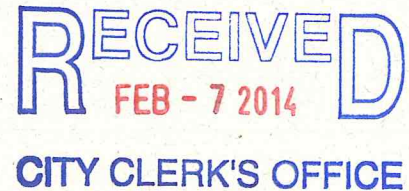
RUSSELL D. CHEESEMAN B.A., L.L.B., M.E.S.
BARRISTER AND SOLICITOR

1 ADELAIDE STREET EAST
SUITE 2340
P.O. BOX 189
TORONTO, ONTARIO
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TEL. (416) 955-9529
FAX (416) 955-9532
CEL. (416) 520-9854
E-MAIL: rdcheese@aol.com
www.rdcheeseman.com

February 5, 2014

BY OVERNIGHT COURIER

Ms. Blair Labelle, City Clerk
1 Carden Street
Guelph, Ontario
N1H 3A1



Dear Ms. Labelle:

**Re: Proposed Administrative Amendment to Zoning By-law Number (1995) –
14864 (Guelph's Comprehensive Zoning By-law) City Wide
Report Number 14-08**

I represent Victoria Park Village Ltd., the owner of property at 1159 Victoria Road South, and this letter is in response to the above-noted report which is to be considered by Guelph City Council on February 10, 2014.

Victoria Park Village Ltd. has applications for a Zoning By-law Amendment (File No. ZC1206) and Site Plan Control approvals (Files Nos. SP12A042 & SP12A043) for this property which are under appeal to the Ontario Municipal Board. On November 15, 2013, the Board approved a partial rezoning of this property and granted a revised draft plan of subdivision approval (File No. 23T-07506); a continuation of the hearing is scheduled for June 2014 to consider the remainder of the zoning and site plan appeals.

In its November 2013 Decision, the Board ordered a site specific R.1D-45 Zone applying to certain single-detached dwelling lots and a site specific R.3B-19 Zone applying to certain street townhouse lots. The Board approval of the R.1D-45 Zone allows 6 metre wide driveways for the single-detached lots and the above report recommends a maximum 5 metres driveway width. The Board approval of the R.3B-19 Zone allows 3 metre wide driveways for 5.5 metre wide street townhouse lots and the above report recommends a maximum 2.75 metres driveway width (50% of front yard width).

Victoria Park Village Ltd. requests that any amendments to the City's Comprehensive Zoning By-law be consistent with the Ontario Municipal Board approvals for this property.

Yours very truly,

A handwritten signature in black ink, appearing to read "R.D. Cheeseman". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Russell D. Cheeseman

cc. Adam Nesbitt, Victoria Park Village Ltd.

MEMO

DATE February 10, 2014

TO **Guelph City Council**

FROM Michael Witmer, Development & Urban Design Planner

DIVISION Planning Services

DEPARTMENT Planning, Building, Engineering and Environment

SUBJECT Addendum to Report 14-09 "Proposed Demolition of 12 Inkerman Street"

This addendum memo provides Council with clarification regarding Heritage Guelph's adopted resolution with respect to the requested demolition of the existing duplex at 12 Inkerman Street.

On November 13, 2013, Heritage Guelph met to consider removing 12 Inkerman Street from the Municipal Register of Cultural Heritage Properties as well as the proposed demolition of the building. At this meeting, Heritage Guelph passed the following resolution:

"THAT Heritage Guelph has no objection to the proposed removal of 12 Inkerman Street from the City of Guelph's Municipal Register of Cultural Heritage Properties; and

THAT Heritage Guelph has no objection to the proposed demolition of the existing dwelling at 12 Inkerman Street provided that the proponent consider incorporating the following design elements into the proposed replacement dwelling design:

- *a single-storey dwelling with a side gable main roof with pitch and proportions appropriate for a 3-bay front façade with board and batten exterior cladding (using painted wood or Hardi-Board material) or a 2-storey home in keeping with the characteristic of the neighbourhood*
- *detached garage set back to the rear of property"*

Considering the options in Heritage Guelph's adopted resolution, staff are proposing the following addendum to recommendation six (6) of report 14-09 (with the portion stroke through to be deleted):

6. That the applicant be requested to consider the recommendations of Heritage Guelph from their meeting of November 13, 2013 ~~design the replacement dwelling in keeping with Heritage Guelph's recommendations, which is to respect the character of the neighbourhood by incorporating a side gable main roof with pitch and proportions appropriate for a 3-bay front façade with board and batten exterior cladding. Any parking or garages should be to the rear of the lot.~~

Staff are not recommending any revisions to the first five (5) recommendations in report 14-09 at this time.

I trust this provides more context and clarity to the decision ahead of Council on February 10, 2014, and I am happy to answer any further questions.

Yours truly,

Michael Witmer, BES
Development & Urban Design Planner

Planning Services
Planning, Building, Engineering and Environment
Location: 1 Carden Street, Guelph
N1H 3A1

T 519-822-1260 x 2790
F 519-822-4632
E michael.witmer@guelph.ca

C Dr. Janet Laird, ED Planning, Building, Engineering and Environment
 Mr. Todd Salter, GM Planning Services
 Ms. Sylvia Kirkwood, Manager Development Planning
 Ms. Melissa Aldunate, Manager Policy Planning and Urban Design
 Mr. Stephen Robinson, Senior Heritage Planner

MEMO

DATE February 6, 2014

TO **Guelph City Council**

FROM Ian Panabaker, Corporate Manager, Downtown Renewal

DIVISION Finance & Enterprise Services

SUBJECT Addendum to Report FIN-DR-14-01 "Tax Increment Based Grant Application – 5 Arthur Street South"

This addendum memo provides Council with additional information regarding the implications of the approval of the funding recommendations for 5 Arthur Street South (FIN-DR-14-01).

TIBG Program Structure

Both TIBG programs consider applications on a first come first serve basis. Staff accepts applications and works with the applicant to ensure openness and transparency.

TIBG Reserve Status

As stated in the report, the 5 Arthur Street South recommendation fully depletes the Downtown CIP program allocation and leaves a total of \$4.5M remaining for future Brownfield CIP (\$3.4M) and Heritage Redevelopment (\$1.1M) applications. It was contemplated during the approval of the reserve in April 2012 that re-allocations were possible upon evaluation of program uptake.

Moving Funds from Brownfield to the Downtown Program

Part of the recommendation for 5 Arthur Street S includes the reallocation of funds from the Brownfield to the Downtown program. The Brownfield CIP uses an 80% developer/20% City split on the Tax Increment which is a mechanism that extends the Brownfield program over time. The impact of this recommendation means that the Brownfield CIP does not receive repayment of approximately \$463,000 over the ten years because of this reallocation.

Impacts on other Downtown TIBG Applications:

Council should be aware that following the release of the 5 Arthur Street report, a Downtown CIP application has been received for the project at 150 Wellington East dated February 4, 2014. In addition, staff have recently been in contact with several other developers who are putting together sites and projects downtown. Staff would suggest the ending of the Downtown TIBG funds impacts their potential activation.

However, staff have been clear that the Downtown program was a time-limited program to kick start downtown investment, included a program budget limit and was offered on a first-come first served basis. Other City-owned sites that were also contemplated to have access to a Brownfield TIBG, IMICO in particular, may also find themselves having potentially missed the program if *all* TIBG funds are depleted.

Extension of the Reserve

Contemplating increasing the program limit established in April 2012 would require additional tax-supported reserve contributions. Staff are not recommending this at this meeting.

It was suggested in the report that Staff would be bringing forward a future report "exploring options" in which the potential to extend or replenish the TIBG Reserve. Specifically this meant that discussion is to take place during the upcoming 'Guelph Economic Investment Fund' deliberations over Q1/2 of 2014.

Council could direct to make this more explicit:

THAT staff include options for the replenishment and/or continuation of TIBG programs reserve funding within the Guelph Economic Investment Fund discussions occurring over Q1/2 2014.

I hope this provides more context to the decision ahead of Council on February 10, 2014 and I am happy to answer any further questions.

Yours Truly,



FOR

Ian Panabaker
Corporate Manager, Downtown Renewal
Finance & Enterprise Services

T 519-822-1260 x 2475
E ian.panabaker@guelph.ca

C Mr. Al Horsman, CFO/ED Finance & Enterprise Services
Ms. Janet Laird, ED Planning, Building, Engineering and Environment Services
Mr. Todd Salter, GM of Planning

PATTON CORMIER & ASSOCIATES
LAWYERS

Alan R. Patton, B.A., LL.B.
Elizabeth K. Cormier, B.A., LL.B.
Analee J.M. Ferreira, B.A., LL.B.

February 5, 2014
File No. **33424**
via fax: 1 (519) 763-1269
and email: clerks@guelph.ca

THE CORPORATION OF THE CITY OF GUELPH
1 Carden Street
Guelph, ON N1H 3A1

Attention: **MAYOR FARBRIDGE, COUNCILLORS
AND CITY CLERK**

Dear Mayor, Councillors and Clerk:

Re: 1) **150-152 Wellington Street East: Report No. 14-07**
2) **5 Arthur Street South: Report No. PBEE Report # 14-01 and
CAFÉ Report # FIN-DR-14-01**

We are the lawyers for The Tricar Group ("Tricar").

1) **150-152 Wellington Street East**

Tricar is fully expecting to begin this year development of 150-152 Wellington Street East for an 18 storey mixed use building containing 144 apartment units and almost 500 sq. m. of ground level commercial uses. It is a development that will add to the vitality and vibrancy of the downtown, as will Tricar's soon to be completed building on Macdonell Street.

The implementing Zoning By-law is before Council on February 10, 2014 and is recommended and approved by City Staff because of its consistency with the Provincial Policy Statement, conformity with the Places to Grow Plan, the City's Growth Plan, as well as the Downtown Secondary Plan (OPA 43). See Report No. 14-07.

However, it is important for Council to understand that for Tricar to proceed with this development it must not only be sound land use planning, but it must also be financially competitive. Tricar has a reasonable expectation that important incentives will be available for this building, as was available for its building on Macdonell Street. Reliance upon this expectation for the building at 150-152 Wellington Street East, Tricar has with the approval of

the City already incurred considerable costs to relocate municipal services as well as a municipal road.

2) 5 Arthur Street South

Last week Tricar learned that incentives will not be available if Council decides to assist the proposed development at 5 Arthur Street with various incentives from funds which will be depleted and not available for Tricar's building at 150-152 Wellington Street East. This information is contained in the Staff Report being presented to Council Monday, February 10th, 2014 as PBEE Report #14-01 and CAFE Report #FIN-DR-14-01. This proposed reallocation of municipal incentives is detrimental to the Tricar development proceeding.

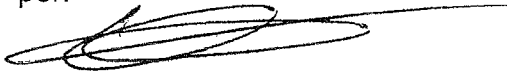
On behalf of Tricar we hereby request status to appear as delegation before Guelph Council on Monday, February 10, 2014 to address these two related matters. Also in attendance on behalf of Tricar will be Mr. Joe Carapella, Mr. Adam Carapella and Mr. Chris Leigh.

We thank you in advance for your cooperation and assistance in regard to these matters.

Yours truly

PATTON CORMIER & ASSOCIATES

per:



Alan R. Patton
ARP/dr

apatton@pattoncormier.ca

cc: *Client - Via Email*

STAFF REPORT



TO City Council

SERVICE AREA Corporate and Human Resources – City Clerk’s Department

DATE February 10, 2014

SUBJECT Planning & Building, Engineering and Environment Committee, and Corporate Administration, Finance and Enterprise Committee 2014 Membership Change

REPORT NUMBER CHR-2014-12

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To have Council approve changes to the Councillor membership of the Planning, Building, Engineering and Environment Committee and the Corporate Administration, Finance and Enterprise Committee.

KEY FINDINGS

As a component of the annual appointment of Councillors to Council Standing Committees, City Council meets as a Striking Committee to determine membership through a voting process.

FINANCIAL IMPLICATIONS

None

ACTION REQUIRED

That the changes to Council appointments to the Planning, Building, Engineering and Environment Committee (PBEE) and Corporate Administration, finance and Enterprise Committee (CAFE) be approved.

RECOMMENDATION

1. That Councillor Laidlaw’s membership to the Planning, Building, Engineering and Environment Committee be revoked and that she be appointed to the Corporate Administration, Finance and Enterprise Committee effective immediately for the year 2014.
2. That Councillor Wettstein’s membership to the Corporate Administration, Finance and Enterprise Committee be revoked and that he be appointed to the Planning, Building, Engineering and Environment Committee effective immediately for the year 2014.

STAFF REPORT

BACKGROUND

Council uses standing committees as part of its decision-making process, in order to:

- review, report and make recommendations to Guelph City Council on matters within their functional areas of responsibility,
- provide a structured but less formal environment than a Council meeting for the development of recommendations relating to policy, legislation and service delivery, including interaction with the public and other key stakeholders.

The standing committees expedite the work of council, since the committees deal with the detailed work of an issue, and present final recommendations for the consideration of council.

In September 2013 Council adopted Standing Committees Terms of Reference articulating the mandate and responsibilities of the Standing Committees Council as whole shall select the Chairs of the Standing Committees annually prior to the selection of the Standing Committee Members.

In order to balance Committee workload, each Councillor shall serve on at least two of the Standing Committees. The selected Members of each Standing Committee shall be appointed by Council for a one year term.

REPORT

On December 2, 2013, the Striking Committee made the appointments to the Council Standing Committees for the 2014 calendar year.

Since that date Councillor Laidlaw and Councillor Wettstein have mutually agreed to support Councillor Laidlaw's preference to be appointed to the CAFE Committee and Councillor Wettstein's preference to be appointed to the PBEE Committee.

CORPORATE STRATEGIC PLAN

This report supports the following Strategic Plan directions:

- 2.3 Ensure accountability, transparency and engagement.
- 3.3 Strengthen citizen and stakeholder engagement and communications.

DEPARTMENTAL CONSULTATION

City Council

FINANCIAL IMPLICATIONS

None

STAFF REPORT

COMMUNICATIONS

The changes will be communicated to staff. The website and publications listing the Standing Committee membership will be updated accordingly.

ATTACHMENTS

None

Report Author

Dolores Black
Council Committee Coordinator



Approved By

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Recommended By

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Corporate & Human Resources
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STAFF REPORT

TO City Council

SERVICE AREA Finance & Enterprise Services

DATE February 10, 2014

SUBJECT 2014 Development Charges By-Law – Administrative Adjustment

REPORT NUMBER FIN-14-13

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide background for the administrative amendment found in the development charges payment Section of the proposed DC By-law (2014)-19692 scheduled for Council consideration and approval at its meeting of February 10, 2014.

KEY FINDINGS

At its meeting of January 27, 2014 Council approved the 2013 Background Study and 2014 DC By-Law as proposed and the By-Law was forwarded to the Council Planning Meeting of February 10, 2014 to be assigned a By-Law number. Subsequent to the January 27, 2014 meeting it came to staff's attention that the 2014 By-Law forwarded to the February 10, 2014 Council meeting contained a clause that was not consistent with the recommendations approved by Council at its January 27, 2014 meeting. Instead, the section that related to the timing of payment of development charges for multi-family dwellings contained language not recommended nor approved. Staff therefore have provided through addendum to the February 10, 2014 Planning Council Meeting the corrected wording.

Staff recommend that Council approve the 2014 DC By-Law as amended for the administrative adjustment described in this report and assign By-Law (2014)-19692 to the 2014 DC By-Law as amended.

FINANCIAL IMPLICATIONS

The administrative amendment will result in the City continuing to collect development charges on multi-family dwelling units at time of building permit rather than subdivision agreement consistent with the 2009 DC By-Law in effect. As this is reflective of current practices, the City does not expect that this would have any significant impact on cash flow.

STAFF REPORT

ACTION REQUIRED

That Council approve the administrative amendment to the section of the 2014 DC By-law related to the Timing of Payment of Development Charges as shown in Appendix 1.

That Council assign By-law number (2014)-19692 to the 2014 DC By-Law as amended.

RECOMMENDATION

1. That Council approve the administrative amendment to the section of the 2014 DC By-law related to the Timing of Payment of Development Charges as shown in Appendix 1.

2. That Council assign By-law number (2014)-19692 to the 2014 DC By-Law.

BACKGROUND

At its meeting of January 27, 2014 Council approved the 2013 Background Study and 2014 DC By-Law as proposed and the By-Law was forwarded to the Council Planning Meeting of February 10, 2014 to be assigned a By-Law number. Subsequent to the January 27, 2014 meeting it came to staff's attention that the 2014 By-Law forwarded to the February 10, 2014 Council meeting contained a clause that was not consistent with the recommendations approved by Council at its January 27, 2014 meeting. Instead, the clause that related to the timing of payment of development charges for multi-family dwellings contained language not recommended nor approved. Staff therefore have provided through addendum to the February 10, 2014 Planning Council Meeting the corrected wording.

REPORT

The administrative amendment identified in this report will result in the City continuing to collect development charges on multi-family dwelling units at time of building permit rather than subdivision agreement. While the City would like to explore the collection of development charges on multi-family dwelling units at time of subdivision agreement in future studies, through the 2014 DC By-Law consultations and considerations it was deemed that due to the lack of communication and difficulty in managing this from a financial perspective the 2014 DC By-Law was not the appropriate time for recommending an adjustment of this magnitude.

CORPORATE STRATEGIC PLAN

2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability

2.2 Deliver Public Service better

STAFF REPORT

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

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

DEPARTMENTAL CONSULTATION

Legal and Engineering Services have been consulted. Building and Planning will be notified of this change subject to Council approval.

FINANCIAL IMPLICATIONS

The administrative amendment being recommended will result in the City collecting development charges on multi-family dwelling units at time of building permit rather than subdivision agreement. As this is reflective of current practices, the City does not expect that this would have any significant impact on cash flow.

COMMUNICATIONS

Staff have provided the development community with a copy of this report and the amended by-law. Once the by-law number is assigned, staff will issue a formal notice of approval in accordance with the *Development Charges Act, 1997*. The updated study, new rates and Council approved by-law will be posted on the City's website.

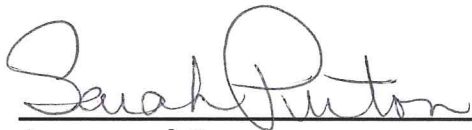
ATTACHMENTS

Attachment 1 – 2014 Development Charges By-Law

Report Author

Christel Gregson

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Approved By

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THE CORPORATION OF THE CITY OF GUELPH

By-law Number (2014)-19692

A by-law for the imposition of Development Charges and to repeal By-law Number (2009) – 18729

WHEREAS the City of Guelph will experience growth through development and re-development;

AND WHEREAS development and redevelopment require the provision of physical and other services by the City of Guelph;

AND WHEREAS Council desires to ensure that the capital cost of meeting growth-related demands for, or burden on, municipal services does not place an undue financial burden on the City of Guelph or its taxpayers;

AND WHEREAS the *Development Charges Act, 1997* (the “Act”) provides that the council of a municipality may by by-law impose development charges against land to pay for increased Capital Costs required because of increased needs for services arising from the development and redevelopment of land;

AND WHEREAS a development charge background study and addenda reports have been completed in accordance with the Act;

AND WHEREAS the Council of the Corporation of the City of Guelph has given notice of and held public meetings on the 18th day of November, 2013 and the 27th day of January, 2014 in accordance with the Act and the regulations thereto;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF GUELPH ENACTS AS FOLLOWS:

1. INTERPRETATION

In this By-law, the following items shall have the corresponding meanings:

“Act” means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended, or any successor thereof;

“Accessory Use” means a use, including a building or structure, that is subordinate in purpose or floor area or both, naturally and normally incidental, and exclusively devoted to the main use, building or structure situated on the same lot;

“Apartment” means any Dwelling Unit within a building containing three or more Dwelling Units where access to each Dwelling Unit is obtained through a common entrance or entrances from the street level and the Dwelling Units are connected by an interior corridor;

“Bedroom” means a habitable room not less than seven square metres, including a den, study or other similar area, but does not include a living room, dining room or kitchen;

“Board of Education” has the same meaning as “Board” as set out in the *Education Act*, R.S.O. 1990, c. E.2, as amended, or any successor thereof;

“Building Code Act” means the *Building Code Act*, S.O. 1992, c. 23, as amended, or any successor thereof;

“Capital Costs” means costs incurred or proposed to be incurred by the City or a Local Board thereof directly or by others on behalf of, and as authorized by, the City or Local Board,

- (a) to acquire land or an interest in land, including a leasehold interest,
- (b) to improve land,
- (c) to acquire, lease, construct or improve buildings and structures,
- (d) to acquire, construct or improve facilities including,
 - (i) furniture and equipment other than computer equipment,
 - (ii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*, R.S.O. 1990, c. P.44, as amended, or any successor thereof, and
 - (iii) rolling stock with an estimated useful life of seven years or more, and
- (e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d) above, including the development charge background study,

required for the provision of Services designated in this By-law within or outside the City, including interest on borrowing for those expenditures under clauses (a) to (e) above that are growth-related;

“City” means The Corporation of the City of Guelph;

“Computer Establishment” means a building or structure used or designed or intended for use as a computer establishment as this term is defined in the Zoning By-Law and located in the B.1 (Industrial) Zone, B.2 (Industrial) Zone, B.3 (Industrial) Zone or B.5 (Corporate Business Park) Zone or in any specialized B.1, B.2, B.3 or B.5 Zone under the Zoning By-Law;

“Council” means the Council of the Corporation of the City of Guelph;

“Development” means the construction, erection, or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof or any development requiring any of the actions described in section 3.4(a), and includes Redevelopment;

“Development Charge” means a charge imposed with respect to this By-law;

“Discounted Services” means those Services described in section 2.1(a);

“Dwelling Unit” means any part of a building or structure used or designed or intended for use as a domestic establishment in which one or more persons may sleep and are provided with culinary and sanitary facilities for their exclusive use;

“Existing Industrial Building” means a building used for or in connection with,

- (a) manufacturing, producing, processing, storing or distributing something,
- (b) research or development in connection with manufacturing, producing or processing something,
- (c) retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed a material portion of, if the retail sales are at the site where the manufacturing, production or processing takes place,
- (d) storage by a manufacturer, producer or processor of something they manufactured, produced or processed a material portion of, if the storage is at the site where the manufacturing, production or processing takes place,
- (e) office or administrative purposes, if they are,
 - (i) carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
 - (ii) in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution,

provided that: (A) such industrial building or buildings existed on a lot in the City of Guelph on the day this By-law comes into effect or the first industrial building or buildings constructed and occupied on a vacant lot pursuant to site plan approval under section 41 of the Planning Act subsequent to this By-law coming into effect for which full Development Charges were paid; and (B) an Existing Industrial Building shall not include retail warehouses;

“Farm Building” means that part of a building or structure which is part of a bona fide farming operation, including barns, silos and other Development ancillary to an agricultural use, but excluding a Residential Use;

“Garden Suite” includes a coach house and means a Dwelling Unit which may be designed to be portable, which is located on the same lot as, and fully detached from, an existing Dwelling Unit and which is clearly ancillary to the existing Dwelling Unit;

“Grade” means the average level of finished ground adjoining a building or structure at all exterior walls;

“Gross Floor Area” means:

- (a) in the case of a residential building or structure, the total area of all floors above Grade of a Dwelling Unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the Dwelling Unit from any other Dwelling Unit or other portion of a building; and

- (b) in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below Grade measured between the outside surfaces of the exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing a Non-Residential Use and a Residential Use, and includes the floor area of a Mezzanine;

“Local Board” has the same definition as defined in the Act;

“Mezzanine” means the floor area located between the floor and the ceiling of any room or storey, with or without partitions or other visual obstructions;

“Mobile Home” means any Dwelling Unit that is designed to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer;

“Multiple Unit Dwellings” means any Dwelling Unit other than a Single Detached Unit, Semi-Detached Unit and Apartment Dwellings Unit;

“Multiple Unit Cluster Townhouse” means a Townhouse situated on a lot in such a way that at least one Dwelling Unit does not have legal frontage on a public street;

“Multiple Unit Stacked Townhouse” means one building or structure containing two Townhouses divided horizontally, one atop the other;

“Non-Discounted Services” means those Services described in section 2.1(b);

“Non-Residential Use” means land, buildings or structures of any kind whatsoever used or designed or intended for a use other than a Residential Use;

“Owner” means the owner of land or a person who has made application for an approval for the Development of land upon which a development charge is imposed;

“Place of Worship” means that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act*, R.S.O. 1990, c. A.31, as amended, or any successor thereof;

“Redevelopment” means the construction, erection or placing of one or more buildings or structures on land where all or part of a building or structure has previously been demolished on such land, or changing the use of a building or structure from a Residential Use to a Non-Residential Use or from a Non-Residential Use to a Residential Use, or changing a building or structure from one form of Residential Use to another form of Residential Use or from one form of Non-Residential Use to another form of non-residential and including any development or redevelopment requiring any of the actions described in section 3.4(a);

“Research Establishment” means a building or structure used or designed or intended for use as a research establishment as this term is defined in the Zoning By-Law and is located in the B.1 (Industrial) Zone, B.2 (Industrial) Zone, B.3 (Industrial) Zone or B.5 (Corporate Business Park) Zone or in any specialized B.1, B.2, B.3 or B.5 Zone under the Zoning By-Law;

“Residential Use” means land, buildings or structures of any kind whatsoever used or designed or intended for use as living accommodations for one or more individuals, but does not include land, buildings, or structures used or designed or intended for use as Short Term Accommodation;

“Semi-Detached Unit” means a Dwelling Unit in a residential building consisting of two Dwelling Units having one vertical wall or one horizontal wall, but no other parts, attached;

“Service” means a service designated in section 2.1, and “Services” shall have a corresponding meaning;

“Short Term Accommodation” means a building or structure used or designed or intended for use as a hotel, tourist home, lodging unit or bed and breakfast as these terms are defined in the Zoning By-Law;

“Single Detached Unit” means a free-standing, separate and detached residential building or structure consisting of one Dwelling Unit, and includes a Mobile Home but does not include a Garden Suite;

“Townhouse” means a building or structure that is divided vertically into three or more separate Dwelling Units and includes a row house;

“University” means the University of Guelph established by *An Act to Incorporate the University of Guelph*, S.O. 1964, c. 120, as amended;

“University Related Purposes” means those objects and purposes set out in section 3 of *An Act to Incorporate the University of Guelph*, S.O. 1964, c. 120, as amended;

“Zoning By-Law” means City of Guelph By-law Number (1995)-14864, as amended, or any successor thereof.

2. DESIGNATION OF SERVICES

2.1 The two categories of Services for which Development Charges are imposed under this By-law are as follows:

(a) Non-Discounted Services:

- i. Water Services;
- ii. Wastewater Services;
- iii. Stormwater Services;
- iv. Services Related to a Highway and Related Services;
- v. Fire Protection Services; and
- vi. Police Services;

(b) Discounted Services:

- i. Library Services;
- ii. Indoor Recreation Services;
- iii. Outdoor Recreation Services;
- iv. Transit;
- v. Administration;

- vi. Ambulance Services;
- vii. Municipal Courts;
- viii. Health Services; and
- ix. Municipal Parking.

2.2 The components of the Services designated in section 2.1 are described in Schedule A.

3. APPLICATION OF BY-LAW RULES

3.1 Development Charges shall be payable in the amounts set out in this By-law where:

- (a) the lands are located in the area described in section 3.2; and
- (b) the Development requires any of the approvals set out in section 3.4(a).

Area to Which By-law Applies

3.2 Subject to section 3.3, this By-law applies to all lands in the City.

3.3. This By-law shall not apply to lands that are owned by and used for the purposes of:

- (a) the City or a Local Board thereof;
- (b) a Board of Education; or
- (c) the Corporation of the County of Wellington or a Local Board thereof.

Approvals for Development

3.4 (a) Development Charges shall be imposed on all land, buildings or structures that are developed for residential or Non-Residential Uses if the Development requires:

- (i) the passing of a Zoning By-Law or of an amendment to a Zoning By-Law under section 34 of the *Planning Act*;
- (ii) the approval of a minor variance under section 45 of the *Planning Act*;
- (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
- (iv) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (v) a consent under section 53 of the *Planning Act*;
- (vi) the approval of a description under section 9 of the *Condominium Act*, S.O. 1998, c. C.19, as amended, or any successor thereof; or
- (vii) the issuing of a permit under the *Building Code Act* in relation to a building or structure.

(b) No more than one development charge for each Service designated in section 2.1 shall be imposed upon any land, buildings or structures to which this By-law applies even though two or more of the actions described in section 3.4(a) are required before the land, buildings or structures can be developed.

- (c) Despite section 3.4(b), if two or more of the actions described in section 3.4(a) occur at different times, additional Development Charges shall be imposed if the subsequent action has the effect of increasing the need for Services.

Exemptions

3.5.1 Notwithstanding the provisions of this By-law, Development Charges shall not be imposed with respect to:

- (a) Development of land, buildings or structures for University-Related Purposes within the University defined area as set out in Schedule C;
- (b) land, buildings or structures outside the defined area as set out in Schedule C which are now owned directly or indirectly by the University or on behalf of the University or which may be acquired by the University and which are developed or occupied for University-Related Purposes, provided that, where only a part of such land, buildings or structures are so developed, then only that part shall be exempt from the Development Charges specified under this By-law;
- (c) land, buildings or structures used or to be used for a Place of Worship or for the purposes of a cemetery or burial ground exempt from taxation under the *Assessment Act*;
- (d) land, buildings or structures used or to be used by a college of applied arts and technology established under the *Ontario Colleges of Applied Arts and Technology Act, 2002*, as amended, or any successor thereof;
- (e) Non-Residential Uses permitted pursuant to section 39 of the *Planning Act*;
- (f) the Development of non-residential Farm Buildings constructed for bona fide farm uses;
- (g) Development creating or adding an Accessory Use or accessory structure not exceeding 10 square metres of Gross Floor Area;
- (h) a public hospital receiving aid under the *Public Hospitals Act*, R.S.O. 1990, c. P.40, as amended, or any successor thereof;
- (i) the issuance of a building permit for the enlargement or creation of Dwelling Units in prescribed classes in accordance with section 2(3) of the Act; or
- (j) the exempt portion of an enlargement of the Gross Floor Area of an Existing Industrial Building in accordance with section 4 of the Act.

3.5.2 For the purposes of the exemption for the enlargement of Existing Industrial Buildings set out in section 3.5.1(j) of this By-law, the following provisions shall apply:

- (a) there shall be an exemption from the payment of Development Charges for one or more enlargements of an Existing Industrial Building on its lot, whether attached or separate from the Existing Industrial Building, up to a maximum of fifty per cent of the Gross Floor Area before the first enlargement for which an

exemption from the payment of Development Charges was granted pursuant to the Act or under this section of the By-law or any predecessor hereof;

- (b) Development Charges shall be imposed in the amounts set out in this By-law with respect to the amount of floor area of an enlargement that results in the Gross Floor Area of the industrial building being increased by greater than fifty per cent of the Gross Floor Area of the Existing Industrial Building;
- (c) despite any new lots created which result in an Existing Industrial Building being on a lot separate from its enlargement or enlargements for which an exemption was granted pursuant to the Act or under this section of the By-law (or any predecessor hereof), further exemptions, if any, pertaining to the Existing Industrial Building shall be calculated in accordance with this section of the By-law on the basis of its lot prior to any division; and
- (d) for greater clarity, "Research Establishment" and "Computer Establishment" uses of land, buildings or structures are not industrial uses of land, buildings or structures under this By-law and do not qualify for the exemption under section 3.5.1(j).

Amount of Charges

Residential

- 3.6 The Development Charges set out in Schedule B, shall be imposed on Residential Uses of land, buildings or structures, including a Dwelling Unit accessory to a Non-Residential Use and, in the case of a mixed use building or structure, on the Residential Uses in the mixed use building or structure, according to the type of residential unit and calculated with respect to each of the Services according to the type of Residential Use.

Non-Residential

- 3.7 The Development Charges set out in Schedule B, shall be imposed on Non-Residential Uses of land, buildings.

Reduction of Development Charges for Redevelopment

- 3.8 Despite any other provisions of this By-law, where a building or structure existing on the same land within 48 months prior to the date that the building permit is issued in regard to such Redevelopment was, or is to be demolished, in whole or in part pursuant to an issued demolition permit, or converted from one principal use to another principal use on the same land, in order to facilitate the Redevelopment, the Development Charges otherwise payable with respect to such Redevelopment shall be reduced by the following amounts:
- (a) in the case of a residential building or structure or in the case of Residential Uses in a mixed-use building or structure, an amount calculated by multiplying the applicable development charge under section 3.6 by the number, according to type, of Dwelling Units that have been or will be destroyed, demolished or converted to another principal use; and

- (b) in the case of a non-residential building or structure or in the case of the Non-Residential Uses in a mixed-use building or structure, an amount calculated by multiplying the applicable Development Charges under sections 3.7 by the Gross Floor Area that has been or will be demolished or converted to another principal use;

provided that such amounts shall not exceed, in total, the amount of the Development Charges otherwise payable with respect to the Redevelopment. For greater certainty, any amount of the reductions set out above that exceed the amount of Development Charges otherwise payable with respect to the Redevelopment shall be reduced to zero and shall not be transferred to any other Development or Redevelopment.

- 3.9 For the purposes of determining the 48 month period referred to in section 3.8, the date that a building or structure is deemed to be demolished shall be:
 - (a) the date such building or structure was demolished, destroyed or rendered uninhabitable; or
 - (b) if the former building or structure was demolished pursuant to a demolition permit issued before it was destroyed or became uninhabitable, the date the demolition permit was issued.
- 3.10 For greater certainty, the reduction of Development Charges referred to in section 3.8 does not apply where the demolished building or structure, or any part thereof, when originally constructed was exempt from the payment of Development Charges pursuant to this By-law, or any predecessor thereof.

Time of Payment of Development Charges

- 3.11 Development Charges imposed under this By-law are calculated, payable, and collected upon issuance of a building permit for the Development.
- 3.12 (a) Despite section 3.11, Development Charges with respect to water Services, wastewater Services, stormwater Services, and Services related to a Highway and related Services imposed under section 3.6 with respect to an approval of a residential plan of subdivision under section 51 of the *Planning Act*, except for a residential plan of subdivision for Multiple Unit Cluster Townhouses, Multiple Unit Stacked Townhouses, and Apartments, are calculated, payable and collected immediately upon the Owner entering into the subdivision agreement respecting such plan of subdivision, on the basis of the following:
 - (i) the proposed number and type of Dwelling Units in the final plan of subdivision; and
 - (ii) with respect to blocks in the plan of subdivision intended for future development, the maximum number and type of dwelling units permitted under the zoning in effect at the time the development charges are payable.
- (b) Where a payment has been made pursuant to section 3.12(a), Development Charges with respect to all Services imposed under section 3.6 except for water Services, wastewater Services, stormwater Services, and Services related to a Highway and related Services shall be calculated, payable and collected upon

issuance of a building permit for the Development in accordance with section 3.11.

- 3.13 For the purposes of section 3.12(a)(ii), where the use or uses to which a block in a plan of subdivision may be put pursuant to a zoning by-law passed under section 34 of the *Planning Act* are affected by the use of a holding symbol in the zoning by-law as authorized by section 36 of the *Planning Act*, the maximum number and type of dwelling units shall be determined by reference to the uses in the zoning by-law without regard to the holding symbol.
- 3.14 For the purposes of sections 3.12(a) and 3.13, where a subdivision agreement identifies the number and type of Dwelling Units proposed for the residential plan of subdivision, the number and type of Dwelling Units so identified shall be used to calculate the Development Charges payable under section 3.12(a).
- 3.15 Despite sections 3.11 and 3.12(a), Council from time to time and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.
- 3.16 (a) If, at the time of issuance of a building permit or permits in regard to a lot or block on a plan of subdivision for which payments have been made pursuant to section 3.12(a):
- (i) the type of Dwelling Unit for which the building permit or permits are being issued is different from that used for the calculation and payment under section 3.12(a);
 - (ii) there has been no change in the zoning affecting such lot or block; and
 - (iii) the Development Charges for the type of Dwelling Unit for which the building permit or permits are being issued were greater at the time that payments were made pursuant to section 3.12(a) than for the type of Dwelling Unit used to calculate the payment under section 3.12(a),

an additional payment to the City is required for the Services paid for pursuant to section 3.12(a), which additional payment, in regard to such different unit types, shall be the difference between the Development Charges for those Services in respect to the type of Dwelling Unit for which the building permit or permits are being issued, calculated as at the date of issuance of the building permit or permits, and the Development Charges for those Services previously collected in regard thereto, adjusted in accordance with section 5.

- (b) If, at the time of issuance of a building permit or permits in regard to a lot or block on a plan of subdivision for which payments have been made pursuant to section 3.12(a):
- (i) the total number of Dwelling Units of a particular type for which the building permit or permits have been or are being issued is greater, on a cumulative basis, than that used for the calculation and payment under section 3.12(a); and
 - (ii) there has been no change in the zoning affecting such lot or block,

an additional payment to the City is required for the Services paid for pursuant to section 3.12(a), which additional payment shall be calculated on the basis of the

number of additional Dwelling Units at the rate for those Services prevailing at the date of issuance of the building permit or permits for such Dwelling Units.

(c) If, at the time of issuance of a building permit or permits in regard to a lot or block on a plan of subdivision for which payments have been made pursuant to section 3.12(a):

- (i) the type of Dwelling Unit for which the building permit or permits are being issued is different than that used for the calculation and payment under section 3.12(a);
- (ii) there has been no change in the zoning affecting such lot or block; and
- (iii) the Development Charges for the type of Dwelling Unit for which building permits are being issued were less at the time that payments were made pursuant to section 3.12(a) than for the type of Dwelling Unit used to calculate the payment under section 3.12(a),

a refund shall be paid by the City for the Services paid for pursuant to section 3.12(a) in regard to such different unit types, which refund shall be the difference between the Development Charges for those Services previously collected, adjusted in accordance with section 5 to the date of issuance of the building permit or permits, and the Development Charges for those Services in respect to the type of Dwelling Unit for which building permits are being issued, calculated as at the date of issuance of the building permit or permits.

(d) If, at the time of issuance of a building permit or permits in regard to a lot or block on a plan of subdivision for which payments have been made pursuant to section 3.12(a),

- (i) the total number of Dwelling Units of a particular type for which the building permit or permits have been or are being issued is less, on a cumulative basis, than that used for the calculation and payment under section 3.12(a), and
- (ii) there has been no change in the zoning affecting such lot or block,

a refund shall be paid by the City for the Services paid for pursuant to section 3.12(a), which refund shall be calculated on the basis of the number of fewer Dwelling Units at the rate for those Services prevailing at the date of issuance of the building permit or permits for such Dwelling Units.

3.17 Despite sections 3.16 (c) and (d), a refund shall not exceed the amount of the Development Charges for the Services paid under section 3.12(a).

4. PAYMENT BY SERVICES

Despite the payment required under sections 3.11 and 3.12, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a Service to which a development charge relates under this By-law.

5. INDEXING

Development Charges pursuant to this By-law shall be adjusted annually, without amendment to this By-law, commencing on the first anniversary date of this By-law

coming into effect and each anniversary date thereafter, in accordance with the index prescribed in the Act.

6. SCHEDULES

The following schedules shall form part of this By-law:

- Schedule A - Components of Services Designated in Section 2.1
- Schedule B - Residential and Non-Residential Development Charges
- Schedule C - Lands Exempt from Development Charges in Regard to the University of Guelph within the Defined Area

7. CONFLICTS

- 7.1 Where the City and an Owner or former Owner have entered into an agreement with respect to land within the area to which this By-law applies and a conflict exists between the provisions of this By-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.
- 7.2 Notwithstanding section 7.1, where a Development which is the subject of an agreement to which section 7.1 applies, is subsequently the subject of one or more of the actions described in section 3.4(a), an additional Development charge in respect of the Development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this By-law if the Development has the effect of increasing the need for Services, unless such agreement provides otherwise.

8. SEVERABILITY

If, for any reason, any provision of this By-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

9. DATE BY-LAW IN FORCE

This By-law shall come into effect at 12:01 A.M. on **March 2, 2014**.

10. DATE BY-LAW EXPIRES

This By-law will expire at 12:01 A.M. on **March 2, 2019** unless it is repealed by Council at an earlier date.

11. EXISTING BY-LAW REPEALED

By-law Number (2009)-18729 is hereby repealed as of the date and time of this By-law coming into effect.

PASSED this 10th day of February, 2014

Karen Farbridge, Mayor

Tina Agnello, Deputy Clerk

By-law Number (2014)-19692
SCHEDULE A
COMPONENTS OF SERVICES DESIGNATED IN SECTION 2.1

100% Eligible Services

Water Services

Treatment Plants and Storage
Distribution Systems

Wastewater Services

Treatment Plant
Sewers

Stormwater Services

Services Related to a Highway & Related (Facility & Vehicle/Equipment) Services

Services Related to a Highway & Traffic Signals
Public Works Rolling Stock

Fire Protection Services

Fire Stations
Fire Vehicles
Small Equipment and Gear

Police Services

Police Detachments
Small Equipment and Gear

90% Eligible Services

Library Services

Public Library Space
Library Materials

Transit

Transit Vehicles
Transit Facilities
Other Transit Infrastructure

Administration

Studies

Indoor Recreation Services

Recreation Facilities
Recreation Vehicles and Equipment

Outdoor Recreation Services

Parkland Development, Amenities, Amenity Buildings, Trails
Parks Vehicles and Equipment

Ambulance Services

Ambulance Facilities
Vehicle Equipment

Municipal Parking

Municipal Parking Spaces

Municipal Courts

Facility Space

Health Services

Facility Space

SCHEDULE "B"

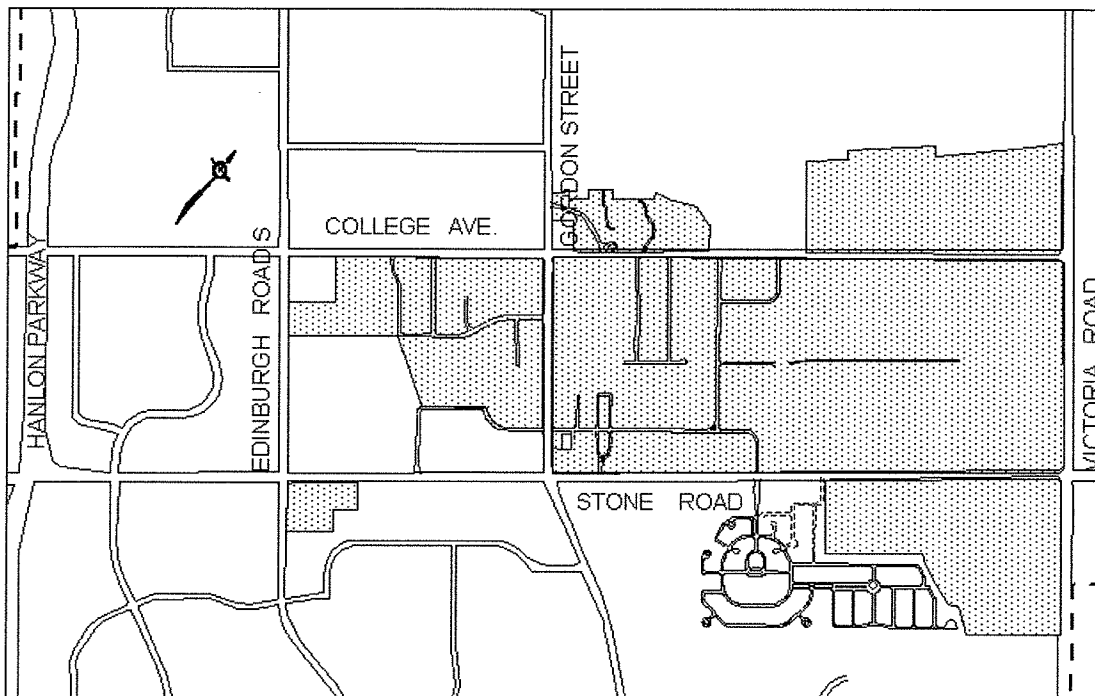
BY-LAW NO. (2014) -19692

SCHEDULE OF DEVELOPMENT CHARGES

Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per m ² of Gross Floor Area)	(per ft ² of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway & Related Transit	3,411	2,053	1,432	2,569	15.50	1.44
Municipal Parking	505	304	212	380	2.58	0.24
Fire Protection Services	686	413	288	517	3.44	0.32
Police Services	284	171	119	214	1.29	0.12
Outdoor Recreation Services	399	240	167	300	1.83	0.17
Indoor Recreation Services	3,341	2,011	1,402	2,516	1.51	0.14
Library Services	2,556	1,538	1,073	1,925	1.18	0.11
Administration	540	325	227	407	0.22	0.02
Provincial Offences Act	318	191	133	239	1.61	0.15
Health Services	9	5	4	7	-	0.00
Ambulance	64	39	27	48	0.11	0.01
	29	17	12	22	0.11	0.01
Total Municipal Wide Services	12,142	7,307	5,096	9,144	29.38	2.73
Urban Services						
Stormwater Services	121	73	51	91	0.54	0.05
Wastewater Services	6,344	3,818	2,663	4,778	28.77	2.67
Water Services	8,625	5,191	3,620	6,495	39.09	3.63
Total Urban Services	15,090	9,082	6,334	11,364	68.40	6.36
GRAND TOTAL RURAL AREA	12,142	7,307	5,096	9,144	29.38	2.73
GRAND TOTAL URBAN AREA	27,232	16,389	11,430	20,508	97.78	9.09

By-law Number (2014)-19692
SCHEDULE C

UNIVERSITY OF GUELPH
"DEFINED AREAS"



 **DEFINED AREA**

STAFF REPORT

TO City Council

SERVICE AREA Finance & Enterprise Services

DATE January 27, 2014

SUBJECT Development Charges Provincial Consultation

REPORT NUMBER FIN-14-03

EXECUTIVE SUMMARY

PURPOSE OF REPORT

The purpose of this report is to provide Council with the City staff's responses to the Provincial Development Charge Consultation process being undertaken by the Ministry of Municipal Affairs and Housing and seek Council endorsement and approval of these responses.

KEY FINDINGS

Staff have identified four key overarching issues with the current Development Charges Act (DCA).

1. Removing restrictions from the DCA will allow growth to pay for growth which will result in a reduced impact to the existing taxpayer and address equity issues.
2. The 10 year average service standard sets a ceiling for a service area charge that is backward looking and not flexible enough to allow for changing priorities, demographics, needs, etc.
3. The methodology used to calculate the charge should link to other Provincially mandated priorities (transit, high density development, environmental protection and preservation of open spaces)
4. Services that receive funding from the Provincial and Federal government (Social Housing, Hospitals and Homes for the Elderly) create significant challenges to the municipality when developing the DC background study. Improved communication from the Provincial and Federal government regarding the planning, funding and required infrastructure for these services would enable the City to collect development charges to help pay for the City's share of the infrastructure required to facilitate the growing demand for these services.

Appendix 1 contains the City's detailed response to the 19 Provincial Consultation questions.

FINANCIAL IMPLICATIONS

While there are no financial implications resulting from this report, the consultation process is an opportunity for the City to encourage legislative changes that are required to ensure the City is adequately recovering the cost of growth through development charges.

ACTION REQUIRED

That Council receive FIN-14-03 Development Charges Provincial Consultation and refer the report to the February 10, 2014 meeting for approval.

RECOMMENDATION

That the report FIN 14-03 Development Charge, Provincial Consultation, dated January 27, 2014 regarding the City's feedback to the Province's request for feedback on the Development Charge Act, 1997 be received and referred to the February 10, 2014 meeting of Council for approval.

BACKGROUND

The Province is currently undergoing a review of the Development Charge Act, 1997 framework and has asked municipalities, developers and other key stakeholders for feedback, concerns and suggestions.

The purpose of the DCA is to allow municipalities to charge new development a one-time fee that will fund the capital infrastructure required to support that new growth. The current Act was implemented in 1997 and included detailed instructions, strict methodology and mandatory deductions. The 1997 Act introduced a 10% deduction to soft service needs, a 10 year average service standard cap on the service charge and excluded several services from the development charge calculation (waste management, culture, tourism and administration buildings).

In late 2013, staff attended a Development Charge Provincial forum in Hamilton and participated in an interactive webinar to gather insight and voice concerns. The Ministry of Municipal Affairs and Housing is specifically seeking input on 19 questions. Finance, Planning & Engineering and Legal have met to coordinate responses and to ensure the City is communicating a collaborative message.

STAFF REPORT

REPORT

Staff have identified four key issues that are impairing the City's ability to fairly and adequately fund City growth.

Strengthening Principles of Growth Paying for Growth

The City is concerned that the 10% deduction, 10 year average service level ceiling and ineligible services result in a 20% shortfall in DC funding that must be incurred by the existing taxpayer¹. Removing these restrictions will result in an equitable allocation of growth related costs and ensure City infrastructure is built the standard desired by the community. It is the City's recommendation that all services be eligible under the Act and that the 10% deduction be removed.

Forward Looking Service Level Assessment

As populations grow and demographics change, the City must have the flexibility to adjust services in response to the City's evolving profile, changing needs and priorities. The 10 year average service standard restricts Council's ability to expand services or add new services to the development charge which may make funding these new programs cost prohibitive (Homes for the Aged, Transit and Social Housing). The City recommends the Province review the 10 year historical average ceiling cap so municipalities can plan for the future needs of the City and not be tied to the priorities and needs of the past.

Alignment between DC Act and the Official Land Use Plans

The current DCA is not in-line with many of the Provincial initiatives. The Places to Grow Act mandates a shift to high density communities, increased transit and environmental services. However, the calculation prescribed by the DCA results in a higher cost/capita in high density scenarios, transit is subject to a 10% deduction and limited to the 10 year average service standard and solid waste management is an ineligible service category. Without improved support from the DCA, achieving provincially mandated targets is a challenge.

Infrastructure Planning for Services Funded by Provincial and Federal Governments

It is difficult to plan and fund new infrastructure for services such as Social Housing, Homes for the Elderly and hospitals which receive the majority of their funding from the Provincial and Federal government. Typically these services have been downloaded from other levels of government but the necessary tools required to fund these projects have not been provided. The lack of direction, communication and foresight from the Provincial and Federal government has made it impossible to accurately plan for these projects and identify them in the DC background Study, DC By-law and the DC rate.

The detailed responses prepared by City staff can be found in **Appendix 1**.

¹ Watson & Associates Economists Ltd. (2010). Long-term fiscal impact assessment of growth: 2011-2021. Mississauga, ON

STAFF REPORT

Next Steps

Staff have prepared responses to the Province's questions and submitted draft responses to meet the January 10, 2014 deadline.

Staff are now seeking Council's endorsement with respect to these responses will be seeking approval at the February 10, 2014 Meeting of Council. Any amendments resulting from Council's feedback will be reflected in the final submission that will be made to the Province immediately following the February 10 meeting.

CORPORATE STRATEGIC PLAN

- 2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability
- 2.2 Deliver Public Service better
- 3.1 Ensure a well designed, safe, inclusive, appealing and sustainable City
- 3.2 Be economically viable, resilient, diverse and attractive for business

DEPARTMENTAL CONSULTATION

Finance coordinated efforts with the Planning department, the CAO's office and Legal Services to ensure all opinions and perspectives were fairly represented.

FINANCIAL IMPLICATIONS

The current legislation restricts the City's ability to adequately fund growth related expenditures. If municipalities collectively identify the major concerns and shortfalls of the current Act, the Province may make changes that increase the City's ability to fund growth related expenditures and more fairly distribute the cost of growth.

COMMUNICATIONS

November 19, 2013 – Development Charge Provincial Consultation – Hamilton City Hall

November 22, 2013 – Development Charge Provincial Consultation – webinar

December 9, 2013 – City consultation

ATTACHMENTS

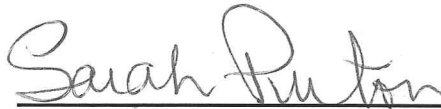
Appendix 1 – DCA Provincial Consultation–City of Guelph Responses

STAFF REPORT

Report Author

Christel Gregson

Sr. Corporate Analyst, Development Charges & Long Term Planning



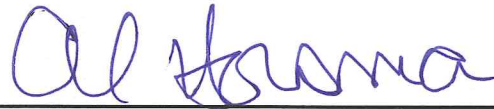
Approved By

Sarah Purton

Manager of Financial Planning

(519)822-1260 Ext. 2325

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Recommended By

Al Horsman

Executive Director of Finance

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al.horsman@guelph.ca

January 10, 2014

Development Charge Consultation
Ministry of Municipal Affairs and Housing
777 Bay Street, 13th Floor
Toronto, Ontario, M5G 2E5

Dear Mr. John Ballantine,

RE: Development Charges Act Consultation – City of Guelph Response

The City of Guelph is pleased to provide the Ministry of Municipal Affairs and Housing with a formal response to the questions presented regarding the Development Charge Act, 1997.

Overall, in our opinion there are four key issues the Province needs to address:

1. Strengthening Principles of Growth Paying for Growth

The City is concerned that the 10% deduction, 10 year average service level ceiling and ineligible services result in at least a 20% shortfall in DC funding that must be incurred by the existing taxpayer. Removing these restrictions will result in an equitable allocation of growth related costs and ensure City infrastructure is built to the standard desired by the community. It is the City's recommendation that all municipal services be eligible under the Act and that the 10% deduction be removed.

2. Forward Looking Service Level Assessment

As populations grow and demographics change, the City must have the flexibility to adjust services in a forward looking manner in order to better respond to the City's evolving profile, changing needs and priorities. The 10 year average service standard restricts Council's ability to expand services or add new services to the development charge which may make funding these new programs cost prohibitive (e.g. Homes for the Aged, Transit and Social Housing). The City recommends the Province review the 10 year historical average ceiling cap so municipalities can plan for the future needs of the City and not be tied to the priorities and needs of the past.

3. Alignment between DC Act and the Official Land Use Plans

The current DCA is not in-line with many Provincial initiatives. Most notably, The Places to Grow Act mandates a shift to high density communities, increased transit and environmental services. However, the calculation prescribed by the DCA results in a higher cost/capita in high density scenarios, transit is subject to a 10% deduction and limited to the 10 year average service standard and solid waste management is an ineligible service category. Without improved support from the DCA, achieving provincially mandated targets is a challenge.

4. Infrastructure Planning for Services Funded by Provincial and Federal Governments

It is difficult to plan and fund new infrastructure for services such as Social Housing, Homes for the Elderly and hospitals which receive the majority of their funding from the Provincial and Federal levels of government. Typically these

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Ministry of Municipal Affairs and Housing
January 10, 2014
RE: Development Charges Act Consultation
Page 2 of 2

services have been downloaded from other levels of government but the necessary tools required to fund these projects have not been provided. The lack of direction, communication and foresight from the Provincial and Federal government has made it impossible to accurately plan for these projects and identify them in the DC background Study, DC By-law and the DC rate.

Enclosed are the City of Guelph's responses to the 19 Development Charge Act questions. Please note that this submission reflects staff's responses only with approval from Guelph City Council being sought on February 10, 2014. Once Council approves the submission, a final response will be forwarded along with meeting minutes showing Council's full endorsement.

Thank you for the opportunity to participate in the discussion.

Regards,

Al Horsman, Executive Director of Finance/CFO
Finance & Enterprise Services 1 Carden Street, Guelph, N1H 3A1

T 519-822-1260 x 5606
E al.horsman@guelph.ca
January 10, 2014

The Development Charges Process

1. *Does the development charge methodology support the right level of investment in growth related infrastructure?*

In response to the above question, the City is unclear as to what the province considers the "right level of investment" as it pertains to growth related infrastructure.

A recent presentation by Watson & Associates Economists Ltd indicated that municipalities are only recovering approximately 75% of growth related costs under the existing legislation. In the City's opinion, the following provisions under the *Development Charges Act* make it impossible to fully recover the costs of growth:

- Mandatory 10% statutory deductions on 10-year services
- Exclusion of services that are clearly impacted by growth such as solid waste services, computer equipment and parkland acquisition.
- The 10 year average used to calculate the service standard does not allow for forward looking community needs. Examples of this include homes for the aged and transit where the anticipated service demand and delivery will most likely be vastly different from a go-forward perspective versus the historical and current model
- Mandatory exemptions including 50% industrial exemption, additional dwelling units, upper/lower tier governments including community colleges and school boards.

As highlighted in the above, the current Act does not allow for the concept of "growth paying for growth". Any further limitations or reductions provided by a change to the Act through this review would result in an even higher burden being shifted onto existing tax payers.

2. *Should the Development Charges Act, 1997 more clearly define how municipalities determine the growth related capital costs recoverable from development charges? For example, should the Act explicitly define what is meant by benefit to existing development?*

Given the diversity of services offered by municipalities, we do not believe that it would be possible to come up with a "one-size" fits all set of

definitions that would appropriately consider the vast expanse of rules and regulations imposed in the provision of these services. A primary concern would be that any attempt to define concepts such as "growth related capital costs" and "benefit to existing" may result in very restrictive and narrow definitions that would further limit the municipality's to recover growth related capital costs.

In addition, the existing legislation was enacted in 1997 and over its lifetime, it is felt that these definitions have evolved and been tested and refined through Ontario Municipal Board (OMB) Hearings arising through appeals to Council approved DC By-laws.

Given the concerns highlighted above, we are not certain what benefits would be derived by trying to add prescriptive wording in the DCA.

3. *Is there enough rigour around the methodology by which municipalities calculate the maximum allowable development charges?*

In our opinion, there is sufficient rigour and explanation contained within the Act in terms of how municipalities may calculate the maximum allowable development charges.

Our suggestion for improvement centre on trying to address concerns from the development community in terms of the replacement costs that are being used to calculate the quality component of the service standard. From this perspective a supplementary manual that would provide standardized costing ranging, industry benchmarks and directions on where to find proper information (e.g. insurance values) would be helpful for the municipality as well as provide a reference document that could be used in considering reasonableness.

Eligible Services

4. *The Development Charges Act, 1997 prevents municipalities from collecting development charges for specific services such as hospitals and tourism facilities. Is the current list of ineligible services appropriate?*

From a municipal perspective, all municipal services should be allowed to be considered for inclusion in the development charge including solid waste services, tourism, arts and culture, government administration headquarters, and conservation authority costs.

Any services that are not the responsibility of the municipality, such as public hospitals, should not be included in the charge. It is our perspective

that services that are the responsibility of another level of government should not be consuming the limited financial resources of the municipality.

5. *The Development Charges Act, 1997, allows municipalities to collect 100% of growth-related capital costs for specific services. All other eligible services are subject to a 10% discount. Should the list of services subject to a 10% discount be re-examined?*

From a municipal perspective, the list of services subject to the 10% discount should be reconsidered and removed if the Province's intention is to have growth pay for growth. If growth is supposed to pay for growth, the 10% deduction needs to be re-examined. The 10% deduction results in an impact to the existing taxpayer which represents an equity issue.

6. *Amendments to the Development Charges Act, 1997 provided Toronto and York Region an exemption from the 10 year historical service level average and the 10% discount for growth-related capital costs for the Toronto-York subway extension. Should the targeted amendments enacted for the Toronto-York Subway Extension be applied to all transit projects in Ontario or only high-order (e.g. subways, light rail) transit projects?*

Provincial initiatives, demographic changes and a trend toward high density communities is encouraging reduced reliance on roads and increases to other modes of transportation such as transit. From a growth perspective, this is reducing reliance on a service that is 100% funded through development charges (roads) to one that is a 90% funded service (transit). Transit service is further limited by the historical service level cap which places further financial burdens on municipalities. Based on these considerations, in order to encourage and support these initiatives as well as allow for changing demographics, transit and other active transportation services should 100% recoverable from growth and that an exemption from the 10-year historical service standard calculation should be applied.

Reserve Funds

7. *Is the requirement to submit a detailed reserve fund statement sufficient to determine how municipalities are spending reserves and whether the funds are being spent on the projects for which they were collected?*

From our perspective, the level of reporting required under Section 43 of the Act is quite detailed, thereby providing a reasonable level of transparency and accountability. The level of detail provided in these

statements make them a useful tool to members of Council through which they can monitor the activity in the development charge reserve funds.

8. *Should the development charge reserve funds statements be more broadly available to the public, for example, requiring mandatory posting on municipal website?*

Municipalities are already required to provide this information to Council; therefore the information is already available publicly through Council agendas. However, we see no problem should it be decided that this information needs to be posted on the corporate website.

9. *Should the reporting requirements of the reserve funds be more prescriptive, if so, how?*

As mentioned in question 7, we feel that the current requirements are quite prescriptive, however best practice guidelines and direction from the province would assist in presentation and ensuring consistency across municipalities.

Section 37 (Density Bonusing) and Parkland Dedication Questions

10. *How can Section 37 and parkland dedication processes be made more transparent and accountable?*

To make the parkland dedication process more accountable, particularly, the payment of cash-in-lieu of parkland dedication, the date that the value of the land is determined should be modified. Based on the current requirement that the value of the land be determined on the day before draft plan approval, the value of the cash-in-lieu is less than the value of the land dedication (value of unserviced land vs. the value of zone, serviced land). A more appropriate date to determine the value of the land would be the day before registration of the subdivision or the day before the issuance of a building permit. Alternatively, the land value could be determined based on a description of the land (i.e. the value of land excluding the payment of development charges) rather than a date.

With respect to Section 37 of the Planning Act, in order to provide some additional transparency, some modifications could be made including the following:

- Better define 'local' community benefit or remove the reference to 'local'
- The public role should be clarified and there should be more community input into what the 'bonus' is for each application. The community should have more say into what the 'bonus' is based on.

- Clear direction should be provided, including methodology and guidelines for bonusing. What is bonusing meant to accomplish? Is the developer 'paying' for something that is already 'good planning' or are they paying for 'bad planning' to be approved

11. How can these tools be used to support the goals and objectives of the Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe.

In accordance with the direction provided by the Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe, the City of Guelph is encouraging mixed-use development. With respect to Parkland Dedication, Section 42 of the Planning Act outlines that the City may require parkland dedication for commercial/industrial development at a rate of 2% and for residential development at a rate of 5% of the land (or land value for cash-in-lieu). Applying these two different rates to a mixed-use development (i.e. commercial and residential) can be difficult to implement. Guidelines or alternative methods of requiring parkland should be considered which better respond to mixed use development.

Similarly, the Development Charges Act should be modified to promote mixed-use development, particularly live-work units, in keeping with the direction provided by the Growth Plan for the Greater Golden Horseshoe. Currently, the Development Charges Act allows for a live-work unit to be charged for both the 'live' component and the 'work' component, which can discourage this type of development.

Overall the Development Charges Act should be revisited and additional or different tools should be provided to better respond to intensification and the goals/requirements of the Growth Plan for the Greater Golden Horseshoe i.e. less greenfield development, more infill development and intensification.

Voluntary Payments

12. What role do voluntary payments outside of the Development Charges Act, 1997 play in developing complete communities?

Voluntary payments have not been used in the City of Guelph, and are more typically utilized in high growth municipalities closer to the GTA. From a broader sense, voluntary payments would be used to help fund the non-recoverable component of growth related capital projects such as the 10% statutory deduction, exemptions, etc. The use of voluntary payments

should be done in conjunction with a fiscal impact assessment and corresponding impact on existing tax payers to understand the full cost of future growth and to allow the municipality to determine if voluntary payments are the appropriate direction or if policy limiting growth to affordable levels is required.

13. Should municipalities have to identify and report on voluntary payments received from developers?

Voluntary payments are currently outside of the *Development Charges Act* and reporting requirements should be identified within the individual agreement.

14. Should voluntary payments be reported in the annual reserve fund statement which municipalities are required to submit to the Ministry of the Municipal Affairs and Housing?

No, as noted above, voluntary payments are received outside of the *Development Charges Act* and therefore would be similar to other dedications, donations and/or receipts that are made to the municipality by others. These contributions may not necessarily monetary and may take the form of land or other asset contributions. Based on this reasoning, the collection of these funds or assets is appropriately reported in the City's financial statements and Financial Information Return.

Growth & Housing Affordability Questions

15. How can the impact of development charges on housing affordability be mitigated in the future?

Development Charges should not be used to make housing more affordable. The cost of the infrastructure required to support growth should be borne by the new home buyer- not the existing population. Any reduction to the development charge essentially shifts the cost of the infrastructure onto the existing taxpayer which can then impact the affordability for existing residents.

Also, there is no guarantee that a reduction in the development charge would have a corresponding reduction to the housing price.

16. How can development charges better support economic growth and job creation in Ontario?

While it is recognized that the construction industry plays an important role, development charges should not be used to incentivize job creation or

economic growth. The construction industry is involved in both residential/commercial development related construction and infrastructure construction and while a reduced development charge may have a perceived positive impact on new home affordability, shifting the burden onto the taxes and rates has the potential to slow down infrastructure construction.

High Density Growth Objectives

17. How can the Development Charges Act, 1997 better support enhanced intensification and densities to meet both local and provincial objectives?

The general approach to calculating the development charge (i.e. varying the charge by type of unit based on average person per unit occupancies) does allow for a reduced charge for medium and high density units over lower density units. However, further DC reductions to support enhanced intensification, without shifting the burden of cost reductions onto the existing tax or rate payer, are limited. These limitations arise for several reasons:

- Area Rating of Water and Wastewater Services – the water mains and sewers within the defined intensification area are generally sized for less dense development. To accommodate the increased density within redevelopment areas, these mains would have to be replaced with larger mains. The cost of main replacement in built up areas is usually 2-1/2 to 3 times the cost of a main built within the Greenfield areas;
- Water and Wastewater Treatment – this is based on MOE standards and engineering design. Generally the usage for high density units is the same in intensification areas as within Greenfield areas, hence limited differentiation. In regard to water storage, conversion from a low density area to a large high density area may warrant additional storage requirements in order to meet fire flow requirements; and
- Storm Water Requirements – low density development usually has higher amounts of permeable land area which slows down the flow of storm water off the property. Intensification can reduce the amount of permeable land, thus increasing the rate of storm water flow. This can result in the need for additional storm water facilities.
- Fire Services Vehicles and Equipment– lower density development typically has more space both in the road allowance and between buildings for fire vehicles to navigate. Intensification means that municipalities now need to service higher buildings and navigate

narrower or older streets that were not designed to deal with the increased volume.

As such, the Development Charges Act, 1997 needs to consider these differences when comparing greenfield development versus intensification and ensuring that the prescribed methodology provides for adequate ability to recover growth related costs.

18. How prescriptive should the framework be in mandating tools like area-rating and marginal cost pricing?

The City of Guelph does not use area-rating or marginal cost pricing tools; however, based on the reasons discussed in response to question 17 above, we would not suggest prescriptive tools due to lost flexibility.

19. What is the best way to offset the development charge incentives related to densities?

There are a number of services related to or impacted by the Provincial Policy Statement and the Growth Plan. Refinements should be made to the DCA to broaden the opportunity to recover infrastructure costs to meet these objectives. This may include removing the 10% deduction, eliminating the service standard cap, etc.

In addition, when the Province is changing service requirements, it is encouraged to think about the cost of doing so. We often base infrastructure needs on traditional or greenfield development use, and therefore the full cost and impact of meeting these requirements built up area where intensification is targeted may not be fully considered.

TO THE IMMEDIATE ATTENTION OF THE CLERK AND COUNCIL

February 7, 2014

Recent Developments in Joint and Several Liability – Municipal Action Needed

Two recent developments are worthy of the immediate written support of municipal councils and municipal solicitors.

The first is a private member's resolution introduced by Randy Pettapiece, MPP for Perth-Wellington. It calls on the government to implement comprehensive reform to joint and several liability by June 2014. Debate on this motion is scheduled for February 27, 2014. While a resolution of the Ontario Legislature is not a specific legislative plan, it does capture the spirit of municipal concerns. Mr. Pettapiece has written directly to all councils seeking your support; AMO encourages your reply.

Of immediate significance, the Ministry of the Attorney General has recently written to members of the legal community seeking their input on two specific proposals under consideration. Feedback is due by February 14, 2014. The proposals include a modified version of proportionate liability that applies in cases where a plaintiff is contributorily negligent (the Saskatchewan model). Also under consideration is a limit on awards such that a municipality would never be liable for more than two times its proportion of damages (the Multiplier model). AMO supports the adoption of both of these measures.

This is a positive development for municipalities and a step in the right direction. The adoption of both reforms would be a significant incremental step to addressing a pressing municipal issue. The written support of municipal councils and solicitors is requested. Below is a draft letter for municipalities to submit to the provincial government by February 14, 2014. Please add your voice of support.

As you know, municipal governments have long advocated for liability reform because the legal regime of joint and several liability makes municipalities and property taxpayers an easy target for litigation.

It has been two years since AMO conducted the first ever municipal insurance survey, which found that municipal liability premiums had increased 22 per cent over 5 years and 4 years since AMO presented a comprehensive report detailing municipal challenges to the Attorney General. We have argued for some time that the heavy insurance burden and legal environment is unsustainable for Ontario's communities.

AMO Contact: Matthew Wilson, Senior Advisor, mwilson@amo.on.ca - 416.971.9856 ext. 323.

The Honourable John Gerretsen
Attorney General
McMurtry-Scott Building
720 Bay Street – 11th Floor
Toronto ON M7A 2S9

Dear Attorney General:

[I or we] support the government's consideration and adoption of measures which limit the punishing impact of joint and several liability on municipalities.

The provisions of the *Negligence Act* have not been updated for decades and the legislation was never intended to place the burden of insurer of last resort on municipalities. It is entirely unfair to ask municipalities to carry the lion's share of a damage award when at minimal fault or to assume responsibility for someone else's mistake. Other jurisdictions have recognized the current model of joint and several liability is not sustainable. It is time for Ontario to do the same.

If this situation continues, the scaling back on public services in order to limit liability exposure and insurance costs will only continue. Regrettably, it will be at the expense of the communities we all call home.

For this reason, [I or we] support the adoption of both models under consideration as a significant incremental step to addressing a pressing municipal issue.

Sincerely,

Name

cc: The Honourable Kathleen Wynne, Premier of Ontario
The Honourable Linda Jeffrey, Minister of Municipal Affairs and Housing

Please recycle!

- BYLAWS -

- February 10, 2014 -

<p>By-law Number (2014)-19691 A by-law to amend By-law Number (1995)-14864, as amended, known as the Zoning By-law for the City of Guelph, affecting all lands within the City of Guelph, permitting a series of administrative amendments to various sections of the Zoning By-law to improve its function and use.</p>	<p>To amend the City's Zoning By-law. (City-wide administrative amendments)</p>
<p>By-law Number (2014)-19692 A by-law for the imposition of Development Charges and to repeal By-law Number (2009)-18729.</p>	<p>To impose Development Charges.</p>
<p>By-law Number (2014)-19693 A by-law to restrict outside water use within the City, to repeal By-law Number (2003)-17106, as amended, and to adopt Municipal Code Amendment #506.</p>	<p>To amend the City's Outside Water Use By-law.</p>
<p>By-law Number (2014)-19694 A by-law to amend By-laws (1981)-10773; (1995)-14281 and (2011)-19143, being a by-law to establish a Board of Management for the Downtown Business Improvement Area and amendments thereto.</p>	<p>To amend the Downtown Board of Management for the Downtown Business Improvement Area by-law.</p>
<p>By-law Number (2014)-19695 A by-law to confirm the proceedings of a Council meeting held on February 10, 2014.</p>	<p>To confirm the proceedings of Council.</p>