

City Council - Planning Meeting Agenda



Consolidated as of February 9, 2018

February 12, 2018 – 6:30 p.m.
Council Chambers, Guelph City Hall, 1 Carden Street

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

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

Open Meeting – 6:30 p.m.

O Canada

Silent Reflection

First Nations Acknowledgment

Disclosure of Pecuniary Interest and General Nature Thereof

Public Meeting to Hear Applications Under Sections 17, 34 and 51 of The Planning Act (delegations permitted a maximum of 10 minutes)

IDE 2018-09

**120-122 Huron Street - Proposed Zoning By-law
Amendment File: ZC1709 - Ward 1**

Staff Presentation:

Katie Nasswetter, Senior Development Planner

Delegations:

Chris Pidgeon, GSP Group

Jason Fleming (presentation)

Melissa Fleming

Joan Fenlon

Yvette Tendick

Patrick Sheridan

Correspondence:

Alex Barlow

John D. Ambrose

Lorraine Pagnan

Catherine Leyland, Claire Leyland, and Terry Attwell

Sue Rietschin, Guelph Urban Forest Friends

Scott Frederick

Sandra Hellewell
Eleanor Ross
Daniel Marsh
Joan F. Hug-Valeriotte

Staff Summary (if required)

Recommendation:

That Report IDE 2018-09 from Infrastructure, Development and Enterprise dated February 12, 2018 regarding a proposed Zoning By-law Amendment application (ZC1709) from GSP Group Inc. on behalf of 120 Huron GP Inc. to permit a residential development on the property municipally known as 120-122 Huron Street and legally described as Part of Lots 1 & 2, Range 2, Division F, City of Guelph and Part 1 of 61R-4274, be received.

Items for Discussion:

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

IDE 2018-14 2018 Development Priorities Plan Summary

Delegations:

Susan Watson

Correspondence:

Susan Watson

Recommendation:

That Council approve a 2018 target for the draft approval of 286 housing units and the potential for registration of 1014 housing units within plans of subdivision in accordance with the 2018 Development Priorities Plan.

**IDE-2018-01 Downtown, Brownfield and Heritage Grant
Performance Monitoring: 2012-2017 and
Potential CIP Review Directions**

Presentation:

Ian Panabaker, Corporate Manager, Downtown Renewal
Tim Donegani, Policy Planner

Recommendation:

That Council receive report # IDE-2018-01 titled 'Downtown, Brownfield and Heritage Grant Performance Monitoring: 2010-2017' and Potential CIP Review Directions'.

Special Resolutions

By-laws

Resolution to adopt the by-laws (Councillor Gibson).

"That the by-laws numbered (2018)-20245 to (2018)-20247, inclusive, are hereby passed."

By-law Number (2018)-20245	A By-law to dedicate certain lands known as Part of Block 10, Plan 61M53, designated as Part 1, Reference Plan 61R-21272, City of Guelph, as part of the Elmira Road road allowance.
By-law Number (2018)-20246	A By-law to authorize the conveyance to 2363805 Ontario Limited of the lands described as Part of Block 3, Plan 61M169, designated as Parts 2 & 3, Reference Plan 61R-20516, City of Guelph (515 Hanlon Creek Boulevard).
By-law Number (2018)-20247	A by-law to confirm the proceedings of the meeting of Guelph City Council held February 12, 2018.

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

Presentation to Guelph City Council 120-122 Huron Street Development

Jason and Melissa Fleming
70 Manitoba Street

Our Story

- Resided at 70 Manitoba Street since 1992
- Our street is a mixture of ownership and rentals
- Many houses pre-date the invention of cars and so driveways are not present
- We have a community garden at the East end of Manitoba Street
- Church services from Sacred Heart on Huron Street results in increased parking

Our Concerns

- Biltmore (20 units), MetalWorks (650 units) and Huron Street (182 units) developments are bringing a lot of great changes to our area within a kilometre of our residence
 - 852 unit increase? = 1500 population increase?
 - However, with these great changes comes some concern about changes to our lifestyles and expenses
1. Parking issues
 2. Traffic issues
 3. Noise issues and Dust Control during construction

Parking Issues – Current State

- Manitoba Street has unrestricted parking from one end to the other on one side only
- The street is very narrow and with shallow frontage
- Around five houses do not have driveways on Manitoba Street; street parking is the only option; some driveways are short to allow for only one vehicle
- We have “unspoken” agreements that are well-established on our streets about who parks where so that people have close access to their house
 - However, when community events or gatherings at residences occur, it becomes challenging to find a space

Parking Issues – Future Concerns

- 182 units with 228 proposed spaces – 46 spaces for extra parking and guest parking?
- Unbundled parking – those who are looking to save money could decline owning a spot and use our street to park on
- When community events, Church services and private gatherings collide, parking will be scarce
- Accessibility issues for residents and visitors of our residences on Manitoba Street – ensuring that our lifestyle or budget is not impacted by this development

Parking – Considerations

- Establish a guest-only parking area to encourage visitors to park on the 120-122 Huron site
- Change plans for building a community space at 0 Oliver Street to additional parking as green space already exists at the Two-Rivers community garden
- Permit-only parking on Manitoba Street
 - As a last-resort only please!

Traffic Issues – Current State

- Manitoba Street is narrow (2-cars wide) and with parking already permitted on one side, only one car can fit through at a time
- Because there are no boulevard spaces, garbage bins are placed at the foot of driveways, on the edge of the road, or on the sidewalks – lots of obstacles for Friday's garbage pick-up
- Our nine-year-old daughter has never been permitted to play at the front of our house due to safety concerns as cars can come up and down our street very fast

Traffic Issues – Future Concerns

- If traffic calming measures are placed on Oliver Street, some motorists may choose to take Manitoba Street
- More residents in the area means more traffic on our streets

Traffic Issues -- Considerations

- Additional traffic study after construction to determine additional pressures
- Install speed reducing measures on Manitoba Street and others

Noise Issues and Dust Control During Construction

- If approved, what measures and assurances will be put into place to control dust and noise during construction
- Communication plans between residents of the area, developers and City and response protocols?

Thank you for this
opportunity!

**Correspondence Received Regarding the 120 – 122 Huron St.
Proposed Zoning By-law Amendment**

Mayor Cam Guthrie and Council—

First, it is excellent that old industrial buildings are continuing to be refurbished and redeveloped to expand housing opportunities in old sections of the city and to make Guelph a more vibrant city, with connections to our past. However, as we strive to be a green city with an increasing urban forest cover and good urban design, I think that there are a few refinements to this proposal that the city should consider.

1). More opportunities for street tree plantings are needed. Why is the alignment of the Huron Street units so close to the street? Set it back, similar to the west side of the factory building; trees along the west side of the units will make them a far more pleasant place to live plus greatly reduce the need for summer cooling. The parking right at the edge of Huron Street also needs to be set back and buffered. With the significant amount of the open space dedicated to parking, I first wonder if it has been overdone and second what provisions have been taken to reduce the impact of all the hard surfaces? Porous paving is an obvious first consideration, reducing the needed size of the SWM pond. If the designers were really creative they could put the SWM under the parking, more costly but it would free up open space for more usable green space.

I understand that there is a proposal to reduce the set back from the city's standard of 6m to 2m; this is unacceptable and should not be allowed. By the plan it looks as though it has taken one lane of Huron Street, move it back!

2). I am concerned that this former employment area is losing work spaces; this would be an excellent opportunity to make this a live/work development (promoted by our Urban Design Manual), perhaps even with some shops on the ground floor. By having work and living in close proximity we can help reduce unnecessary car congestion on our streets. By having neighbourhood shopping there is again a reduced need to get in the car every time a purchase is needed.

3). Where are the sidewalks? It looks as though there will be none on Alice Street after widening. It is unacceptable to not have sidewalks in this redevelopment that is within a walkable neighbourhood; it is more important to have sidewalks than a wider road and further reason to disallow any reduction in the city's setback standards in the new development area.

I look forward to watching this development take place, with the above refinements.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Ambrose". The signature is fluid and cursive, with the first name "John" and last name "Ambrose" clearly distinguishable.

John D. Ambrose

* * *

Dear Mayor and Councillors,

I will be very brief, these are my comments with regards to 120-122 Huron Street file ZC1709.

Very happy to see the adaptive re-use of the Heritage building (Uniroyal) converted into Condominiums.

Access for parking for this condo should be on Alice Street

Could parking also be provided in the below ground portion of the old Uniroyal building ?

It was unfortunate to see the older galvanized shed destroyed as I thought there could have been potential there to re-habilitate or replicate it for an enclosed parking enclosure, as it would have added that industrial edge to the site.

Amount of density too high on the site.

Don't want to see stacked townhouses facing Huron street, would rather see them designed similar to the older streets in area with driveways in the front instead of the back of units. This makes better use of streetscape while providing more greens space behind units.

Concern about traffic impact and on-street parking that this project will have for the neighbourhood residents.

Our neighbourhood is and has been undergoing increased density in our surrounding area, Tri car (2), Metal Works, Biltmore. The accumulative affects of these developments are not being addressed . Density and traffic don't work well together unless mitigation tools are incorporated to allow for quality of life for the residents within our neighbourhood .

Concern about the request to only have half of the required amenity area and how it is place on the site. It is not very holistic and seems to be focused mainly on the remnants of the site .

Would be interesting to see part of the old quarry incorporated as part of the amenity/ green space of the site. This could also be useful for storm water run off for the site.

Do not like the idea of all the accesses on Huron Street.

Parking areas should be split into three segments each with their own access, similar to the mIII Lofts on Cross, Arthur and Ontario

Available bike parking should also be incorporated.

Thank-you for taking the time to read my comments,

Would like to see proposed design of the units being proposed and should be a site specific Zone change.

Lorraine Pagnan

* * *

Dear City Clerk's Office,

We are submitting our written comments regarding the above mentioned development. We own and live at 128 Alice Street. Our foremost concern will be street parking during and after the development is completed. We bought 128 Alice Street in September 2000 with the knowledge of available on street parking.

We currently have parking on Huron Street 365 days per year and 24 hours per day. On Alice Street we have parking 365 days per year and 24 hours per day minus the winter restriction.

We feel that the development of 182 units will reduce or eliminate available parking for current home owners and their guests along Alice and Huron Streets. I am concerned that my guests will not be able to find parking in front of my home as it will be consumed by guests visiting the new development.

Our other concern is traffic and noise, we have studied the traffic reports submitted. These reports were commissioned in October 2017 and in our opinion, they are under estimating the traffic impact due to the new development of the Woods factory and other high-risers. The new development on Huron Street will increase vehicle traffic by 182 per day plus guests and couriers using the intersection per day (Amazon etc.)

We bought into a relatively quiet neighbour in September 2000 and now with the addition of 182 new homes with approximately double the number of occupants (approximately 364 people) this will increase the noise, traffic, general garbage, pollution and create parking chaos.

Please take our concerns into consideration when developing this property and help us keep our existing essential street parking in this idyllic neighbourhood.

Best regards,

Catherine Leyland
Claire Leyland
Terry Attwell
Plus numerous neighbours

February 8, 2018
From: Guelph Urban Forest Friends (GUFF)
Re: Proposed Development for 120-122 Huron St.



To: Mayor Guthrie and City Councillors

Guelph Urban Forest Friends is very supportive of a proposal that repurposes buildings rather than removing them and creating landfill. On an infill property like this where there were trees that had to be removed, we have a perfect opportunity to model intensification with good green infrastructure. Hence, we have some concerns regarding the proposed development on this property including the reductions in setbacks being requested for parts of the property.

It would appear looking at the drawing that more space is taken up on the property for the storage of cars when not being used, than is devoted to either the occupied areas or the green infrastructure area. This amount of grey infrastructure is not in line with a sustainable vision of the city and the need to have trees in live/work areas.

GUFF requests: Appropriate planting space for trees should be clearly indicated on the plan and required by the city.

We support this request by referring to City documents.

1. Urban Forest Management Plan (UFMP)

On Page 8 of UFMP it states a challenge:

"It also needs to be widely recognized that trees can complement engineered 'grey' infrastructure and should not necessarily be viewed as impediments. For example, tree cover can extend the service life of asphalt, reduce pressure on sewer systems by reducing peak storm water flows, and extend the life of building heating and cooling systems by moderating temperature extremes."

Another challenge on the same page says:

"Urban forest protection and enhancement must be balanced with, not at the expense of, urban intensification and infrastructure elements that are also intended to support community sustainability".

A key solution outlined to this challenge is

"identifying adequate space for trees early in the planning approval process".

Though the developer has drawn trees whose size is unknown on this document, that is not a guarantee that the space indicated is suitable for any tree, especially ones that will be of a size to provide shade, cooling and habitat.

2. Official Plan Amendment 48

In OPA 48, Smart Guelph Principles are articulated to be “touchstones” for the future of the city including one called Pastoral and Productive with part of the description being

“a city that preserves and enhances its significant natural features, rivers, parks and open spaces and makes the planting and preservation of trees a priority”.

In a space where hundreds of trees were removed, the replanting of as many as possible with appropriate space designation must be imperative.

3. Urban Design Manual Volume 1 and 2.

The Urban Design Manual which was recently approved also refers to the importance of trees. On page 1-12 there is this statement:

“Adaptable and well-designed infrastructure, buildings, trees and open space result in communities and places that remain viable and attractive for many generations, while supporting a high quality of life”.

This would support the necessity of considering all these elements at the start of planning.

The Vision for Neighbourhood Infill pg 2-25 says:

“Use neighbourhood infill and residential development to enhance the quality of life in existing Guelph neighborhoods and manage growth sustainably by creating a mix of housing types within walkable communities while protecting natural and cultural heritage”.

If walkability is considered, surely shaded sidewalks are a key component of that? This is further reinforced in the Action Statements pg 2-26:

“Update engineering standards to enable compact and innovative streetscape and community design, including street trees, storm water management, cycling infrastructure and pedestrian amenities.”

Under the Natural Heritage and the Urban Forest Section on pg 2-29 is the comment:

“The value of trees to a city, not just in natural heritage areas but everywhere, cannot be overstated.”

The Vision that follows says

“Enhance Guelph’s natural heritage system and urban forest. Use trees to define the character of neighbourhoods, streets and parks.”

The third Objective that is listed

“Maintain and increase tree canopy cover within the city, in accordance with the Urban Forest Master Plan”

returns us to the first document listed.

Summary

The goal for the City of Guelph is 40% urban forest canopy according to UFMP. This cannot be achieved by focusing all our efforts of parks and other public spaces.

We must have trees integrated into our neighbourhoods, especially if we want the health, cooling and shade benefits that trees provide to citizens. All proposals for development should incorporate actions to achieve this goal. The city must insist on this early in the proposal cycle. This proposal as it is currently outlined does not meet this standard.

Sue Rietschin
Guelph Urban Forest Steering Committee

* * *

Some comments on the proposed development at 120-122 Huron St.

My main concern about the development on this site is the removal of all the forest cover, previously approved by council. As this removal has already occurred the issue of restoration needs to be addressed.

The proponent has requested a reduction in the required amenity area "of 1800 square metres where 3840 square metres is required." It should be noted that all the motor vehicle parking for this proposal is hardscaped surface parking. If the parking were to be multi story indoor land could be freed up to eliminate the need for a reduction of the required amenity space, and a restoration of a portion of the previously removed forest cover could be achieved on site rather than a remote location.

Another concern is the proposed increase on motor vehicle traffic. The traffic study supplied by the proponent shows that the increase in traffic that will result falls within acceptable limits, as defined by the Highway Capacity Manual. The problem with this approach, if my interpretation is correct, is that any proposed increase in traffic will be deemed acceptable until the surrounding streets are "full" according the Highway Capacity Manual. This isn't a problem with the this specific proposal, it is a problem with the way motor vehicle traffic volumes are assumed to incrementally grow, thus permanently changing the character of the Ward neighborhood. If Ward residents were to become aware of the result of the cumulative effect of ALL proposed developments I think that they would be very displeased.

Thanks for your consideration of these points.
Scott Frederick

* * *

I have lived in my home on Oliver Street for over 30 years and am most enthusiastic to see the development of the property at 120-122 Huron Street

I would ask that the following concerns and suggestions regarding the ingress and egress to this site be given serious consideration:

1. Off-set of the main entrance traffic flow so not to be directly in-line with Oliver Street

(Existing Huron St. access is south of Oliver St.)

This would eliminate straight through traffic while promoting Huron Street traffic north to Elizabeth St. and south to York Rd.

2. Include an entrance on Alice Street:

(There currently is access to the property at the east end of the existing building)

This would reduce traffic at the Alice Street and Huron Street corner near the School and Church by accepting primarily traffic from Stevenson Street North

3. Install Traffic Calming Bumps on Oliver Street

This would deter thru-street traffic while providing safer pedestrian crossings at the east end at the existing pathway through the Community Garden as well as mid-street where the sidewalk ends on the north side.

I look forward to new neighbours, I am afraid however, Oliver Street quite simply cannot accommodate the additional traffic volume that will result should the project move forward as outlined in the existing application.

Sincerely,
Sandra Hellewell,

* * *

Hi Mr. Bell. After being allowed to destroy a large mature urban forest without having to make any provision to maintain even a fraction of the trees, this developer now wants to jam more building on the space. As a condo owner for 20 years I can tell you that the space out front and back are very important. It provides a small area of separation. Also many unit owners like to plant flower gardens, shrubs and hedges and sit out to enjoy a bit of air and light. Please vote no to this application.

Eleanor Ross.

* * *

It is good to see another property being developed in the St. Patrick's ward.

Upon looking at the application plans there are areas that are concerning.

In particular the massive parking space of 150 plus cars is far from an appealing view for the existing residence of the Oliver Street and the community garden area.

It should be reconfigured, perhaps a covered parking garage would allow for less sprawl would allow additional capacity while providing a much more appealing curb appeal .

Additional entrances are also needed to spread out the traffic. For instance Alice Street should have an access point to accept traffic from Stevenson street north.

There is also an entrance noted on the south end of the property. After excavation there is a natural rock formation unearthed as well as a small body of water. This is apt to alter the plans for vehicle access in this location.

The ward is key to Guelph's heritage, streets are narrow in the area and are at capacity now and already getting busier with commuter parking etc.

There are families front doorways just steps away from these streets any busier and they will not be safe.

Do build... but please make it compliment the area !

Sincerely

Daniel Marsh

February 7th, 2018

To the Mayor, Mr. Cam Guthrie and City Councilors
City of Guelph,
1 Carden St.
Guelph, ON N1H 3A1

Re: Redevelopment at 120-122 Huron St.

I understand that the developer, Momentum Developments Group in Kitchener seems to have a strong track record of repurposing old industrial buildings for residential use. I hope they will also consider alternative uses, mixing commercial, professional and residential use on this property.

In the case of residential uses, in addition to the townhomes to be built along Huron St., I am hoping they will also include wheelchair accessible units and artists' live/work units, especially in the old rubber factory, which I first knew as the Northern Rubber, then Dominion Rubber, Uniroyal and finally, Compton Industries.

You see....I grew up in an apartment over Dee's Coffee Bar and Valeriote's Groceteria at 132-134 Alice St., across the road from the factory in question. Until the formation of the Italian Canadian Club, of which my father was one of the original founders, the modest building in the shadow of the factory with my father's coffee bar, grocery store and Sub Post Office, was the social centre of the Ward.



Dee's Coffee Bar served the employees of the local factories and the research lab who came in for their coffee before starting work at 7 a.m. For many years it served a hot lunch to the same employees and in the evening, it became the local meeting place (mostly for the immigrant men) who gathered for coffee and conversation until late at night. We delivered groceries to the residents of the Italian and non-Italian community all over the Ward long before the existence of Gateway and sent a lot of money orders overseas to support families back home in Europe.

With the advent of the supermarkets and the car, all the little grocery stores and small shops in the Ward eventually closed, including Carere's grocery store and Veroni's variety store, kitty-corner from each other at the corner of Alice and Huron.

Mixed Use

Anyone who wants to walk to a café now, has to go a long way to get to Tim Horton's at York Rd. and Victoria or to one of the new (expensive) bistros in the Tricar buildings on Wellington and Woolwich Streets. There is nothing in between except for a few tables in Angelino's and one new bakery just opened in an industrial unit on Elizabeth Street, but they're not open in the evening.

The developer might say that there won't be enough traffic to warrant any commercial use of the factory building, but if you look at the number of units they are proposing in their own repurposed factory and townhouses, as well as developments that are coming down the pipe, such as the Fusion apartments and townhouses on Arthur St., the townhomes on the old Biltmore Hats site and the medium-high density residential that will eventually be built on both sides of the tracks between Duke and Huron, there are going to be a lot of people in that area. Surely the rubber factory building, in the middle of the Ward, would be the logical place for all those people to come together.

They will need many services within walking distance of their work and homes, including restaurants and coffee houses, a pharmacy, a dry-cleaner and small neighbourhood grocery stores like Market Fresh and Valeriot's Marketeria (my cousin) on the other side of downtown, and Klopff's Meat Market on York Rd. and Angelino's at Stephenson and Elizabeth Sts,

Perhaps some of the social programs like the Alzheimer Care Centre currently operating in the old box factory beside Sacred Heart School (home to the International Baccalaureat program) could be housed in the rubber factory building once their current buildings are redeveloped for medium density residential housing.

Live/Work Units

Besides retail, this building could include offices on the second floor, and artists' live/work units, with and without large windows, on the ground floor and second floor on the north-east side of the building, overlooking the railroad spur-line. They could have a separate entrance from the residences above and the commercial uses in the other side of the building.

This area of Guelph was the original live/work section of the City of Guelph as envisioned by an early 19th century industrialist, Mr. James Walter Lyon who encouraged industries to establish themselves in St. Patrick's Ward and then built housing for their workers nearby. The workers in those industries did not have cars. They either walked or rode their bicycles to work. Hopefully, we can get back to that by making this building a Mixed Use building.

The Colonnade Building on Bloor St. in Toronto, built in the 60's was a good example of mixing retail, cultural, professional and residential uses in more recent memory. There are more old industrial buildings in Toronto that have been housing artists' studios at very cheap rent before redevelopment and are including that use in new spaces in the refurbished buildings.

Please see the attached article from this week's Toronto Star (Feb. 5th) about small business and artists' live/work units currently being built in repurposed buildings in Toronto.

I myself am an artist and small in-home business owner (www.horizonsquilting.ca).

My part-time business does not generate enough income to allow me to rent a separate space for my 12' long quilting machine, my domestic sewing machines, cutting tables, laundry area and kitchenette, let alone my office.

Since I work at odd hours, in between other tasks and often into the late evening, I do not want to have to leave my home to go to a separate space to do my work. For entrepreneurs who are also care-givers, either of children or the elderly, a live/work unit is much more efficient and flexible than a separate commercial space. I am currently in search of another such home in Guelph, since we will have to move within the next two years and I am having difficulty finding such a space.

In the interest of better living in our city, I beseech you to require the developer in this case to include Mixed Use, as mentioned above, in this building. I may well be one of their first customers.

Respectfully yours,

Joan F. Hug-Valeriotte
Quilt Artist and Studio Teacher,

Att: Feb, 5th article from The Toronto Star "Working From Home"



STEVE RUSSELL/TORONTO STAR

Photographer Valerie Myronenko lives and works at the i-Zone lofts. She runs a studio space in her unit.

Working from home

Live-work buildings can help small businesses cut down costs

TARA DESCHAMPS
SPECIAL TO THE STAR

When morning rolls around in photographer Valerie Myronenko's building, her neighbours don't fret over a late streetcar or a lineup at the gas station delaying their arrival at work. For the residents of the i-Zone lofts in Leslieville, the route to their desks, studios and workshops is traffic-free and costs nothing to take because it's only steps from their beds.

They're among the many Torontonians who have scooped up a spot in one of the city's few live-work buildings zoned to allow residential and commercial space in the same unit.

The arrangement may be ideal because it eliminates a commute and can save small business owners the cost of renting out another space for their companies, but sometimes it means doing some financial calculations, confronting untraditional zoning regulations and mortgage rules — and getting creative with maintaining privacy.

To help prospective buyers of live-work units avoid pitfalls and find value in the unconventional spaces, realtors, finance experts and residents shared their advice with the Star.

At the top of their tip lists was calculating whether a live-work space will equate to a savings.

Whether a unit is worth it will largely depend on how much space you need and the price it's going for.

WORK continued on B5



STEVE RUSSELL/TORONTO STAR

Valerie Myronenko's work-live unit has a huge kitchen area.

Be wary of zoning issues

WORK from B1

Recent listings showed a few live-work units priced at about \$700,000 for around 1,500 square feet, but plenty more that topped 2,200 sq. ft. were listed for upwards of \$1.2 million. Smaller live-work units were available for rent for as low as \$1,500 a month, but larger spaces were listed for as high as \$5,500 a month.

Meanwhile, November's average Toronto condo price of \$516,965 will get you around 819 sq. ft. in a condo and realtors estimated commercial real estate had reached about \$60 per square foot.

For Myronenko, the price of renting a live-work unit was on par with what she might pay to rent a home and commercial location, but people who need far more or less space than she does might not see such savings.

And if they're buying, there may be another challenge: a mortgage.

"Not all lenders will finance units in mixed-use buildings and those that do will often only consider a building if its commercial component does not exceed a certain percentage, which is typically in the 10- to 20-per-cent range," said Dave Larock, the president of Integrated Mortgage Planners, in an email.

While realtors say banks such as TD Canada Trust and Scotiabank offer such financing, Larock said to be wary that the limited nature of the finance options isn't leaving you to pay "higher than best available mortgage rates."

You can also face financial strain if you don't ensure your live-work unit can accommodate your business without zoning changes or bylaw exemptions. Both can come with busi-

nesses operating heavy machinery or with buildings where only some units are zoned for live-work and the rest are designated for just commercial or just residential uses.

The developer who converted Myronenko's building from a former Coca-Cola bottling plant and cork factory to 90 per cent live-work lofts and 10 per cent commercial artist studios years ago took care of zoning, so she moved in and seamlessly got Working Proof, her photography business, running.

Neighbours operating agencies, woodcarving workshops and studios completing work for major motion pictures and music firms also had little troubles, but those involved with late, loud work might not have such an easy time.

"Most condo spaces will max out at 1,200 sq. ft and in our building, most of the units start at 1,200 sq. ft and go up to 2,500 sq. ft," said Matt Casselman, a realtor with Re/Max Hallmark Realty who lives in Myronenko's building.

"I find empty-nesters coming out of large homes with big furniture or big pianos are more suited to these spaces. All of the units have double doors, so they can bring in big tables or whatever equipment they need for their business."

Casselman's live-work unit has been a cost-saver because it was the backdrop for his wedding (the ceremony was on the roof and the reception in his loft) and is a satellite office for his business — how he shows prospective buyers there's "a luxury" in working from home with your own kitchen and personal effects nearby "rather than working in a lacklustre workplace."

Correspondence Received Regarding the 2018 Development Priorities Plan

Dear Mayor Guthrie and Members of Council:

I have reviewed the documents associated with the 2018 Development Priorities Plan and do not see any dollar figures included in the staff report.

The report states the following:

https://guelph.ca/wp-content/uploads/council_agenda_021218.pdf

Financial Implications: All capital works required for plans of subdivision recommended for registration in 2018 have been previously approved by Council in the capital budget.

If the financial resources for capital works associated with this proposed development have already been set aside in the 2018 budget, those figures need to be brought forward and itemized as part of this report.

What is the total cost of the infrastructure required to implement this plan? How much of that will be covered through Development Charges and what corresponding subsidy will be required from tax revenue?

Is Council expected to simply sign a blank cheque for the 2018 DPP?

Citizens deserve transparency around exactly how much this plan will cost and how much it will impact the tax base.

I will not have time to generate detailed projections for inclusion in the agenda package by the 10 am deadline, but will work to provide this later in the weekend.

Some initial number crunching indicates that infrastructure associated with this plan could be in the neighbourhood of \$66 million, with \$49.5 million projected to come from Development Charges and the remaining 25% of costs - \$16.5 million coming from general tax revenues.

It is worth noting that 3,250 people are likely to be the beneficiaries of this spending. 1,300 housing units are proposed. Given Guelph's average household size of 2.5, this translates to the 3,250 total. The expenditures will not benefit current residents and taxpayers, either through services, new community infrastructure, or repairs to existing infrastructure.

The lack of any figures in the report precludes any meaningful discussion around whether or not this is a plan that the City can afford and whether or not our resources are being used in the most cost-effective manner.

Current Development Charges for detached and semi-detached dwellings are \$30,922, but according to Watson & Associates Economists - consultants who have been working for the City for more than a decade - DCs only cover 75% of the costs associated with growth (see reference at the end of this email)

DCs for apartment buildings are much lower, \$14,070 -- \$19,361, so the corresponding shortfall to be made up by current taxpayers would also be much smaller.

Important information which never seems to be considered is the long-term tax implications of different kinds of housing construction. Page 36 and 37 of the 2006 presentation by Watson & Associates attached to this email presents a case study from Milton. Page 36 shows that with the exception of estate housing, low-density housing is a net drain on the tax base, ie: the cost of services used outstrips annual taxes paid, whereas high-density housing delivers a net gain to the tax base, ie: more tax revenue than services accessed.

I believe that without a clear presentation both of actual infrastructure costs and long-term implications for the tax base, that Council is flying blind in approving these massive expenditures.

Once the financial picture is clear, it will be appropriate to ask whether or not we can afford this much development or this style of development.

There are two suggestions I would make:

- 1) The 2018 DPP should be referred back to staff to fully flesh out all the financial costs and implications before Council approves the plan.

- 2) Watson and Associates Economists should be invited to conduct a Development Charges workshop for Council, staff and the public so that everyone can clearly understand the impact of new development on current taxpayers.

I would point out that the following motion was passed on April 20, 2016:

On April 20th, 2016, Council passed the following motion:

CON-2016.18 2016 Development Priorities Plan

Ms. Susan Watson, resident, spoke to this item.

4. Moved by Councillor Piper Seconded by Councillor Allt

That Council direct staff to investigate and report back on the most effective way to quantify the cost of growth.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gordon, Piper, Salisbury, and Wettstein (9)

VOTING AGAINST: Councillors Gibson and MacKinnon (2)

I understand that this was removed from "Outstanding resolutions" in March of 2017.

In fact, the City has had the cost of growth quantified by their consultants. This is captured in the following report:

http://guelph.ca/wp-content/uploads/council_agenda_012714.pdf

The section which summarizes the reasons for the 25% shortfall is on p. 248 of the link and is cut and pasted below.

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.

Sincerely,
Susan Watson

ATT- 1: Development Priorities Plan Presentation

City of Guelph

Development Priorities Plan Workshop

July 6, 2006

C. N. Watson and Associates Ltd.

4304 Village Centre Court
Mississauga, L4Z 1S2
905-272-3600

Workshop Purpose

- To overview the implications of growth from a municipal finance perspective
- To provide a basis for future strategies to assist in long term decision making by Council
- To assist Council in developing policies to guide the preparation of operating and capital plans... understanding what choices are available and the implications of those choices

Development Priority Plan

- The DPP is annual plan prepared by Planning and Development Services
- The DPP Team includes representation from various Service areas (Planning, Engineering, Parks Planning and Finance)
- It provides a multi-year forecast of development activity to assist in “managing growth in a balanced sustainable manner”

Development Priority Plan

Objectives of the Plan:

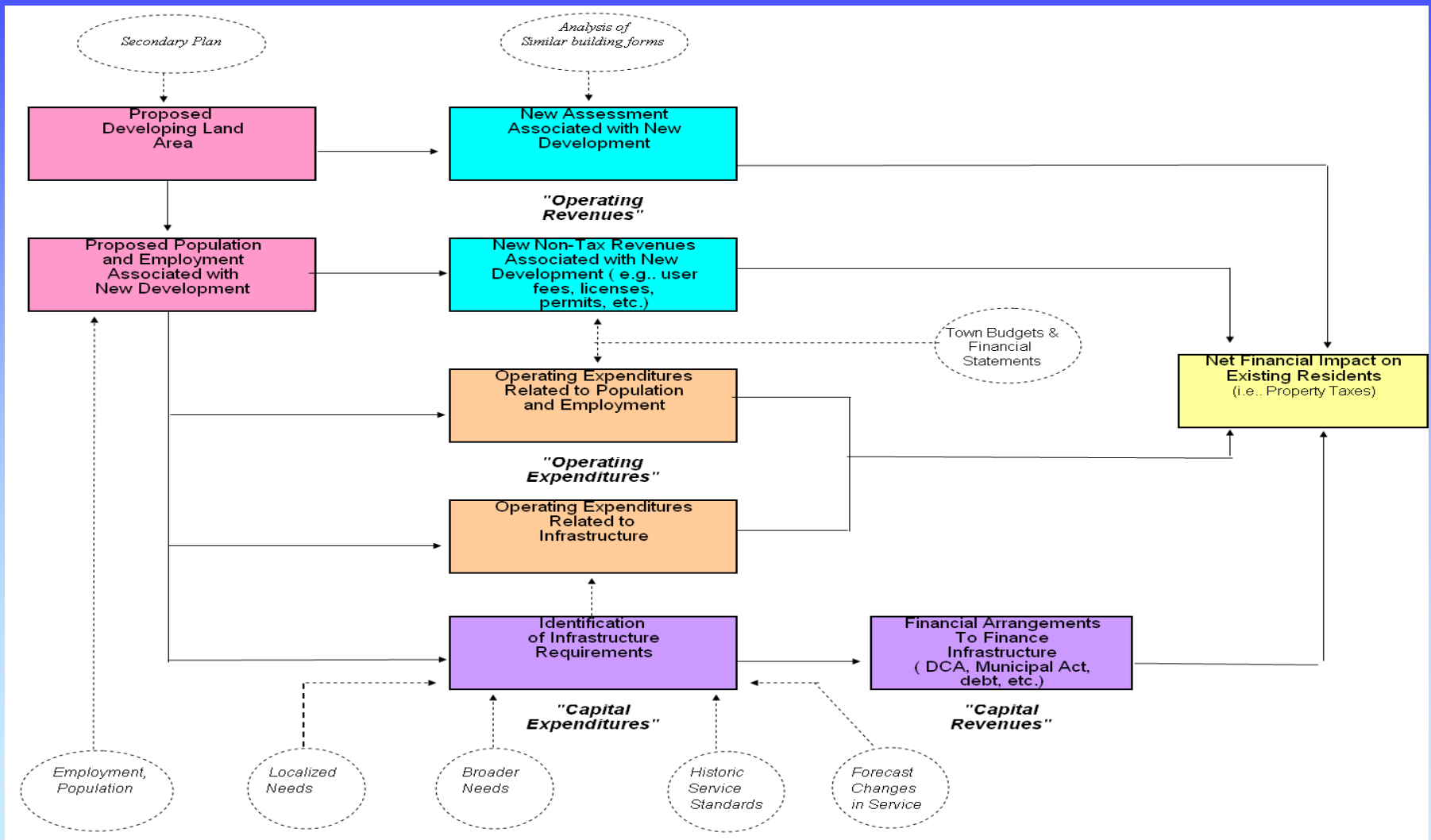
- Outline City's intentions for processing development from new plans of subdivision
- Integrate financial planning of capital costs with land use planning
- Assist in forecasting DC expenditures and revenues
- Ensure mix of housing
- To monitor new lot development
- Assist other agencies in planning (e.g. School Boards)

New Initiatives

- Presently, financial planning is undertaken for shorter term - i.e. 1 year Operating Budget and 5 year Capital Budget
- Need to develop a longer term vision regarding servicing needs, levels of service, etc. to effectively plan financially for the City
- This longer term vision will allow Council to understand fully the various decisions that are made in the future

Overview of Financial Impact of Growth

Assessing the Financial Impact of Growth



DC's and Growth Related Capital Expenditures

DC History

- Pre-1989 – lot levies (Planning Act)
- 1989 – 1997 – Development Charges Act, 1989
- 1997 to today – Development Charges Act, 1997

DCA 1989

- The first DCA
- Replaced the former lot levy regime which evolved through OMB hearings
- The Act standardized the practice and provided a time limited basis for appeal
- The Act provided for measuring service standards, relating growth to capital costs, required a public process, allowed for all services to be considered, etc.

DCA 1997

- A major overhaul was undertaken in 1997
- Resulted in limitations being place on what services could be included, restrictions on recoveries and additional rules and regulations surrounding approach and implementation

Cost Recovery Limitations on Funding Growth Related Expenditures

- Service Limitations
- Service Standard Restrictions
- Mandatory Reductions
- Mandatory Exemptions
- May also require early replacement of existing assets

Limitations on Services

- Some forms of capital and some services may not be included in the DCA. For example:
 - Solid Waste Service (includes landfill & recycling facilities as well as associated vehicles & equipment)
 - Arts & Culture Facilities
 - Museums
 - Vehicle & Equipment with avg. life of <6 yrs.
 - Computer Equipment

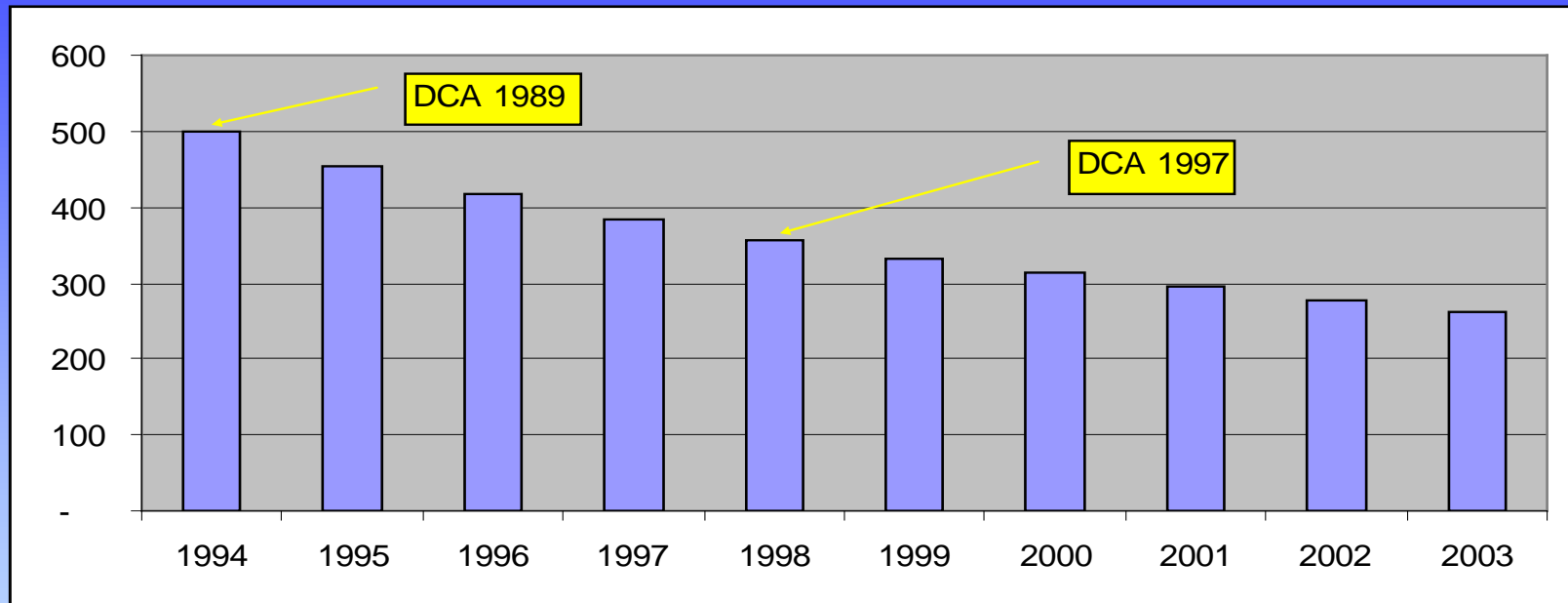
Service Standards

- Service Standard measure provides a ceiling on the level of the charge which can be imposed
- Previously (DCA, 1989), provided that the DC be “no higher than” the highest level attained over the previous 10 year period.
- DCA, 1997 provides that the “average of the past 10 years” be the basis for the upper limit of the charge and must measure both quantity and quality
- Impacts – generally lowers collection levels and may provide for spiral downwards if municipality does not keep up with construction of services

Service Standard Example

- A municipality of 10,000 in 1994 is growing at 1,000 persons per year
- They have 1 arena (\$5 million value) and have a council approved standard of one arena per 10,000 persons – they will construct the new arena in 2004 when they reach a population of 20,000
- Following slide shows recovery under current DCA vs. 1989 DCA

Service Standard Example



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Arena Value	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
population	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000	18,000	19,000
Service Standard	500	455	417	385	357	333	313	294	278	263

10 Yr. Avg.	359.39
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Impact of Service Standard on Capital Recovery

- In this example, the “no higher than” service standard (1989 DCA) would have provided a \$1,500 per unit DC whereas the “average 10 year” service standard (1997 DCA) would be \$1,078 DC (based on 3 ppu’s)
- Hence a 28% loss in DC revenue under this example
- Impacts will vary based on rate of growth and timing of acquiring additional services
- For Guelph, a 1.5% annual growth rate would provide a \$100 or 6.5% loss under this example

Other Refinements

- Cannot include past expenditures which benefit growth unless Council expressed its intention to recover it from growth
- Mandatory 10% capital deduction for “soft” services

Mandatory Exemptions

Exemptions:

- Mandatory exemptions
 - for industrial building expansions (may expand by 50% with no DC)
 - May add up to 2 apartments for a single as long as size of home doesn't double
 - Add one additional unit in medium & high density buildings
 - Upper/Lower Tier Governments and School Boards

Example of Reductions of Full Costs Recovery

- Example based on actual municipality (lower tier)
- Growth from 2001 – 2021 will see the municipality grow by over 300% (already experienced 50% over past 3 years)
- Costs included based on numerous service studies undertaken to manage service quality to residents

Example of Reductions Limiting Cost Recovery

Service	Growth Related Capital Exp.	Ineligible Service Costs	Post Period Benefit	Existing Benefit Deduction	Net Growth-Related Capital Exp.	Service Std. Reduction (over Max.)	Mandatory 10% Deduction	DC Eligible (net of 10%)
Corporate Services	31,635,248	(30,874,076)	-	(94,554)	666,617	-	(66,662)	599,955
Transportation	155,871,250	-	(28,648,437)	(46,677,054)	80,545,760	-	-	80,545,760
Transit	14,379,379	-	-	(450,000)	13,929,379	-	(1,392,938)	12,536,442
Public Works	2,425,500	-	-	-	2,425,500	-	-	2,425,500
Fire	14,379,379	-	-	(450,000)	13,929,379	-	(1,392,938)	12,536,442
Recreation/Culture	62,576,029	(13,689,288)	(13,151,900)	(110,464)	35,624,377	-	(3,562,438)	32,061,939
Parks	45,994,961	-	-	-	45,994,961	-	(4,599,496)	41,395,465
Library	20,812,994	(112,500)	-	(5,979,819)	14,720,675	(2,684,095)	(1,472,068)	10,564,513
Planning & Development	2,845,125	-	-	(11,250)	2,833,875	-	(283,388)	2,550,488
TOTAL	350,919,866	(44,675,864)	(41,800,337)	(53,773,142)	210,670,523	(2,684,095)	(12,769,926)	195,216,502

Possible Impacts of Provincial Policy

- “Places to Grow” requires 40% of growth to occur within the built- up area which may also have considerable impacts – for example:
 - Redevelopment Credits will limit revenue
 - Water and Sewer Service probably not sized to take that level of development – Brownfield servicing is 4 times more expensive than Greenfield – also existing benefit costs to be paid for by City

Commentary on Present DCA Regime

- As can be seen, from a capital perspective , growth does not fully pay for the recovery of the capital costs due to:
 - Exempted services
 - Mandatory reductions
 - Service standard restrictions
 - Mandatory exemptions
 - Further changes in Provincial Legislation
- Over time, the net funding needs for growth related capital places upward pressures on the taxes/rates

Timing of Capital Expenditures

Timing of Capital Spending

- Capital spending to service development will occur at various times
- Some expenditures made well in advance of development, some during development and some after building occupancy
- Following chart provides for timing by service

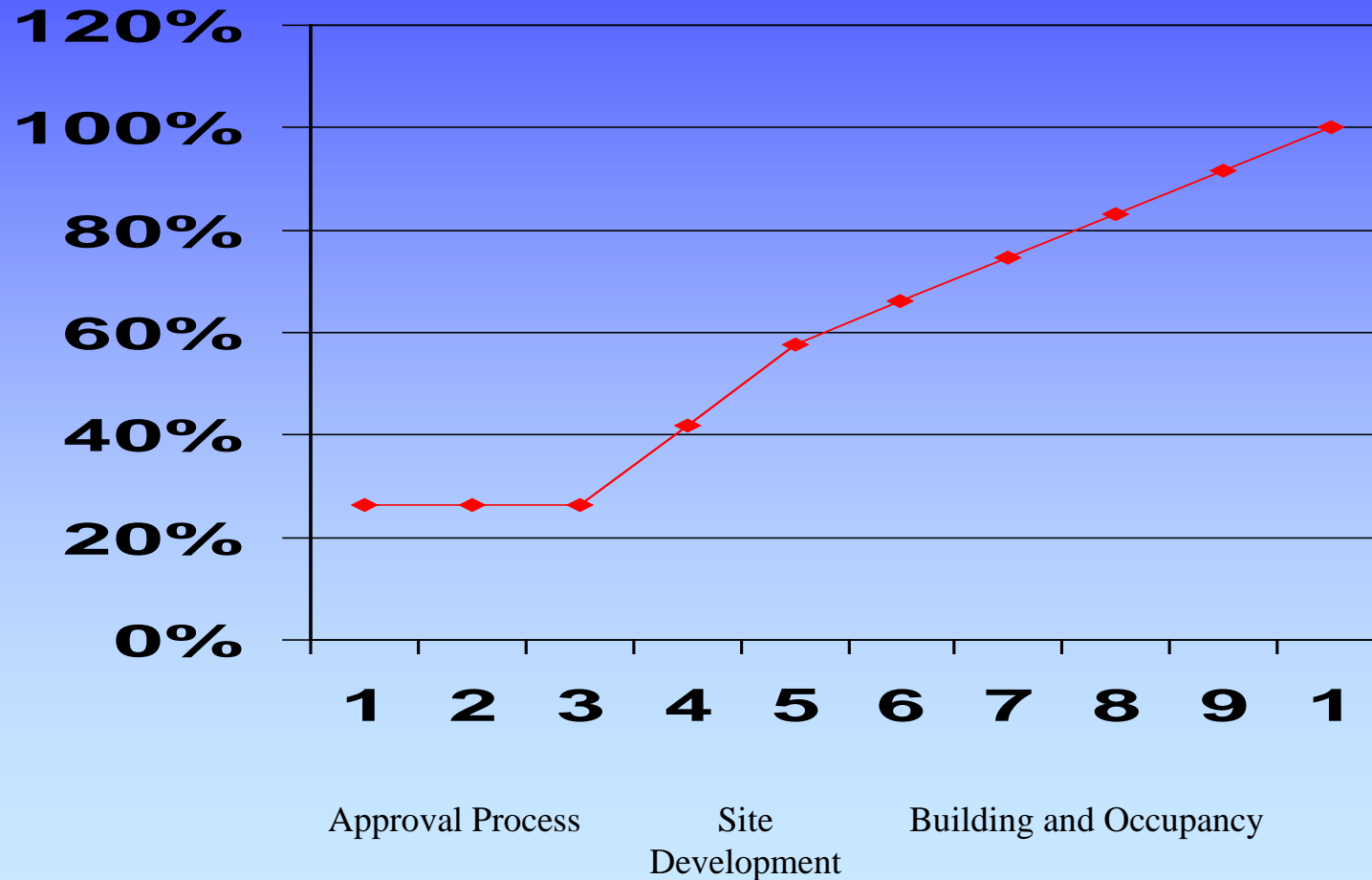
Timing of Capital Expenditures

		Development Timing															
		OPA/ Secondary Plan				Draft Approval			Subdivision Approval			Building Permit			Post Occupancy		
		<div></div>															
<i>Service</i>	<i>Capital Item</i>																
Water:	Treatment																
	Distribution																
	Local																
Wastewater	Treatment																
	Collection																
	Local																
Stormwater Management	Facilities																
Roads and Related	Roads																
	Rolling Stock																
Library	Facilities																
	Collection Materials																
Transit	Facilities																
	Vehicles																
Parking	Parking Spaces																
Police	Facilities																
	Vehicles																
	Police Communication Equipment																
	Police Officer Equipment																
Health Unit	Facilities																
Ambulance	Facilities																
	Vehicles																
Child Care	Facilities																
Provincial Offences Act	Facilities																
Parks	Parkland Development																
Recreation	Facilities																
Fire	Facilities																
	Vehicles																
	Firefighter Equipment																
Administrative	Growth Studies																

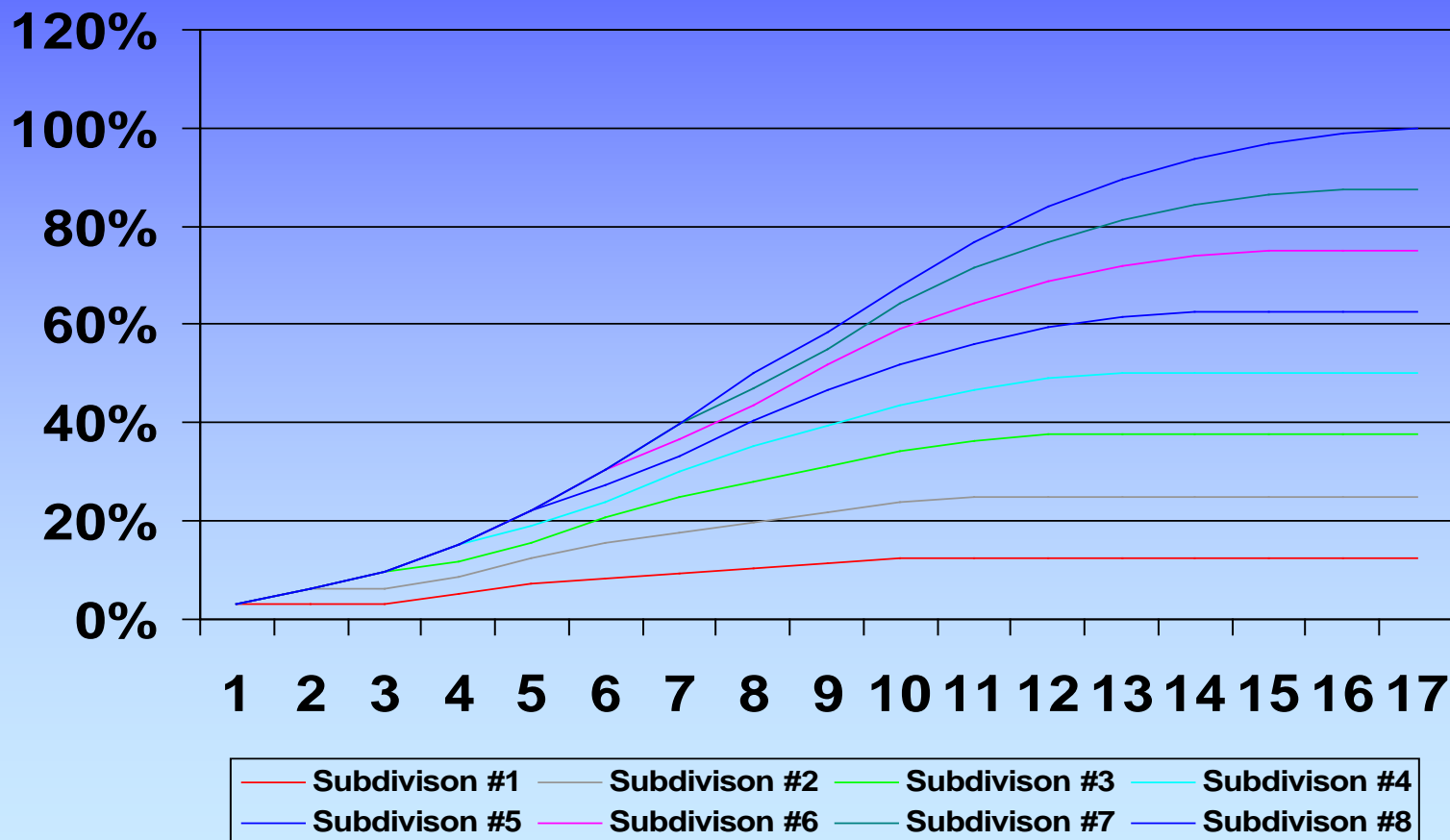
DC Services and Timing of Need for a Subdivision

Services	DC (SDU)	% of Total
Expenditures Prior to Subdivision Approval		
Water	1,014	
Sanitary Sewer	1,697	
Subtotal	2,711	26%
Expenditures at approx. Subdivision Approval		
Storm	113	
Roads and Related	3,103	
Subtotal	3,216	31%
Expenditures After Building Occupancy		
Fire	154	
Library	306	
Transit	419	
Parking	266	
Police	225	
Health Unit	-	
Ambulance	8	
Child Care	-	
Provincial Offences Act	-	
Parks	1,470	
Recreation	1,489	
Administrative	39	
Subtotal	4,376	43%
TOTAL	10,303	100%

DC Services and Timing of Need for a Subdivision



Expenditures to Service Development Within Secondary Plan Area



Comments

- In the early stages of development of an area, expenditures related to hard services to allow development to proceed
- With occupancy will come the growing need to provide softer services which benefit the people and employees

Operating Expenditure Impact

Sample Impacts from Other Municipalities

- The following provides for a perspective of individual the net financial impact of various types of impacts while the other provides growth impacts in a rapidly expanding municipality
- Note that the impacts of development will vary by community based on the type and mix of development, services provided, level of service provided, tax rates, etc.

1. Example Impacts of Different Development Types

- Objective was to estimate the way that net operating expenditures, revenues and the tax levy can be expected to be impacted by various types of development
- This involves considering operating expenditures per individual service in light of various factors

1. Approach Used Therein

- Approach was to assess the related municipal spending and revenues received for individual development types
- Considered the Town's financial spending and revenues over past 4 years – also undertook discussions with staff and considered capital spending in draft DC

1. Development Types Considered

Development Type
1. Residential Dwellings <ul style="list-style-type: none">1.1 Single Detached 30-39 ft. Frontage1.2 Single Detached 40 - 50 ft. Frontage1.3 Single Detached 50+ ft. Frontage1.4 Semi-Detached Unit1.5 Townhouse Dwelling1.6 Condo Apartment Dwelling
2. Industrial/Commercial/Institutional <ul style="list-style-type: none">2.1 Neighbourhood Plaza2.2 Medical Clinic Building2.3 Large Industrial Building2.4 Light Industrial Units

1. Residential Development Impact

Financial Component	Single Detached 30-39 ft. Frontage	Single Detached 40 - 50 ft. Frontage	Single Detached 50+ ft. Frontage	Semi-Detached Unit	Townhouse Dwelling	Condominium Apartment Dwelling
<u>Operating Expenditures</u>						
Occupancy	3.28	3.28	3.28	3.28	2.57	1.74
X \$ 275.30 /capita						
Sub-Total	\$ 902.73	\$ 902.73	\$ 902.73	\$ 902.73	\$ 707.14	\$ 479.00
<u>Capital Spending from Current Budget</u>						
35% of other operating expenditures	\$ 315.96	\$ 315.96	\$ 315.96	\$ 315.96	\$ 247.50	\$ 167.65
Total Annual Expenditure Increases	\$ 1,218.69	\$ 1,218.69	\$ 1,218.69	\$ 1,218.69	\$ 954.64	\$ 646.65
2004 Assessment	\$ 146,325	\$ 210,878	\$ 273,355	\$ 136,542	\$ 166,140	\$ 143,000
2004 Tax Rate (Town only)	0.402000%	0.402000%	0.402000%	0.402000%	0.402000%	0.786200%
Property Tax Revenue Increase	\$ 588	\$ 848	\$ 1,099	\$ 549	\$ 668	\$ 1,124
Non-Tax Revenue						
Occupancy	3.28	3.28	3.28	3.28	2.57	1.74
X \$ 110.02 /capita	\$ 360.75	\$ 360.75	\$ 360.75	\$ 360.75	\$ 282.59	\$ 191.42
TOTAL ANNUAL REVENUE INCREASES	\$ 948.75	\$ 1,208.75	\$ 1,459.75	\$ 909.75	\$ 950.59	\$ 1,315.42
Annual Operating Surplus (Deficit)	\$ (269.94)	\$ (9.94)	\$ 241.06	\$ (308.94)	\$ (4.05)	\$ 668.77

Note: Does not include the Development Charge funding gap should Council discount the development charge or exempt certain types of development.

1. Commercial/Industrial Development Impact

(based on 10,000 sq. ft. Building)

Financial Component	Neighbourhood Plaza	Medical Clinic Building	Large Industrial Building	Light Industrial Units
<u>Operating Expenditures</u>				
Occupancy	25	25	11	11
X \$ 212.01 /employee				
Sub-Total	\$ 5,300.29	\$ 5,300.29	\$ 2,332.13	\$ 2,332.13
<u>Capital Spending from Current Budget</u>				
35% of other operating expenditures	\$ 1,855.10	\$ 1,855.10	\$ 816.24	\$ 816.24
Total Annual Expenditures	\$ 7,155.39	\$ 7,155.39	\$ 3,148.37	\$ 3,148.37
Property Tax Revenue Increase	\$ 2,750.00	\$ 4,001.82	\$ 9,264.24	\$ 6,368.36
Non-Tax Revenue Occupancy	25	25	11	11
employees X \$ 90.93 /employee	\$ 2,273	\$ 2,273	\$ 1,000	\$ 1,000
TOTAL ANNUAL REVENUES	\$ 5,023.00	\$ 6,274.82	\$ 10,264.24	\$ 7,368.36
Annual Operating Surplus (Deficit)	\$ (2,132.39)	\$ (880.57)	\$ 7,115.87	\$ 4,219.99

Note: Does not include the Development Charge funding gap should Council discount the development charge.

2. Milton Fiscal Impact

- Milton looked at the long term development of their official plan
- The development phases will see Milton grow from 32,000 to over 150,000
- As part of their preparation for this growth, they undertook a number of studies and developed a long term approach to their capital and operating budgets

2. Studies Used In Fiscal Impact Assessment

New Studies Include:

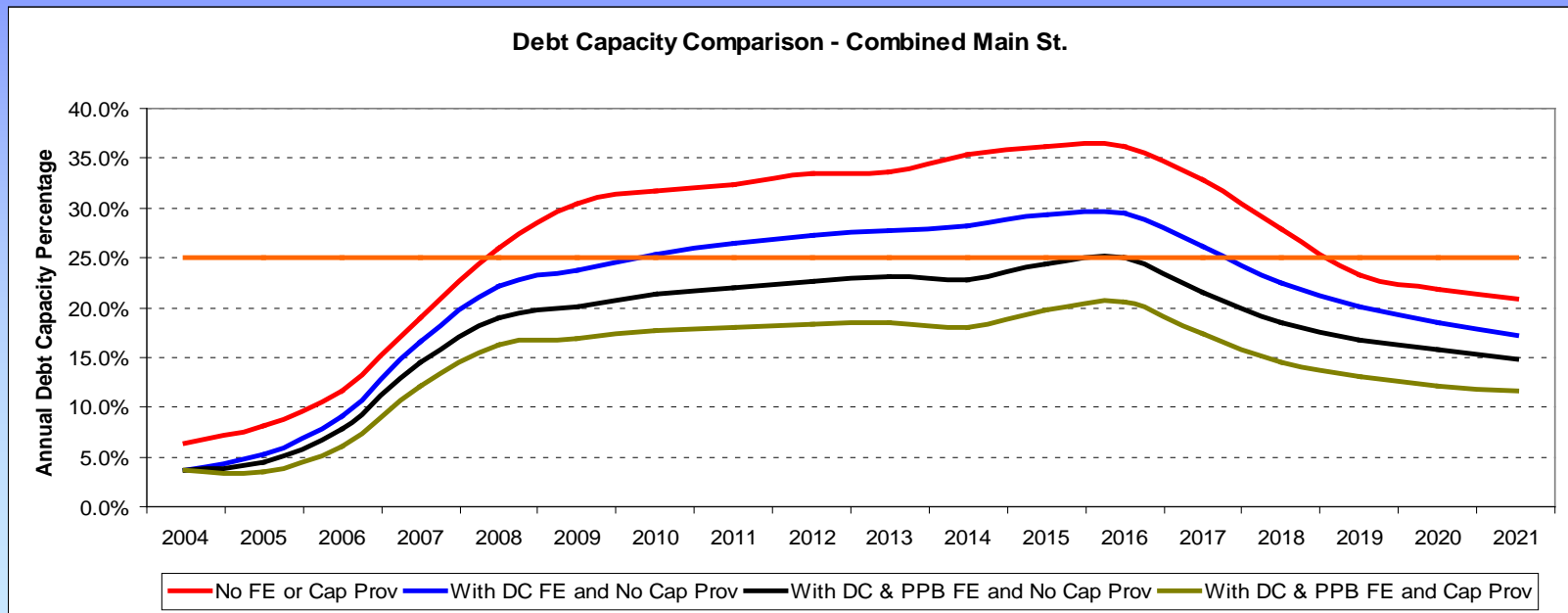
- Parks and Recreation Needs Assessment
- Trails Master plan
- Fire Master plan
- Transit Study (North Halton Transportation Study)
- Traffic Master plan
- Sub-watershed plans
- Facility Plan
- Phase 2 Secondary Plan
- Updated Growth Projections (Region)

2. Proposed Development Charges

- The then Current DC for Single detached was at \$6,279
- Increasing for this five year bylaw to \$7,941
- Will continue to increase in the future to \$9,000+ range

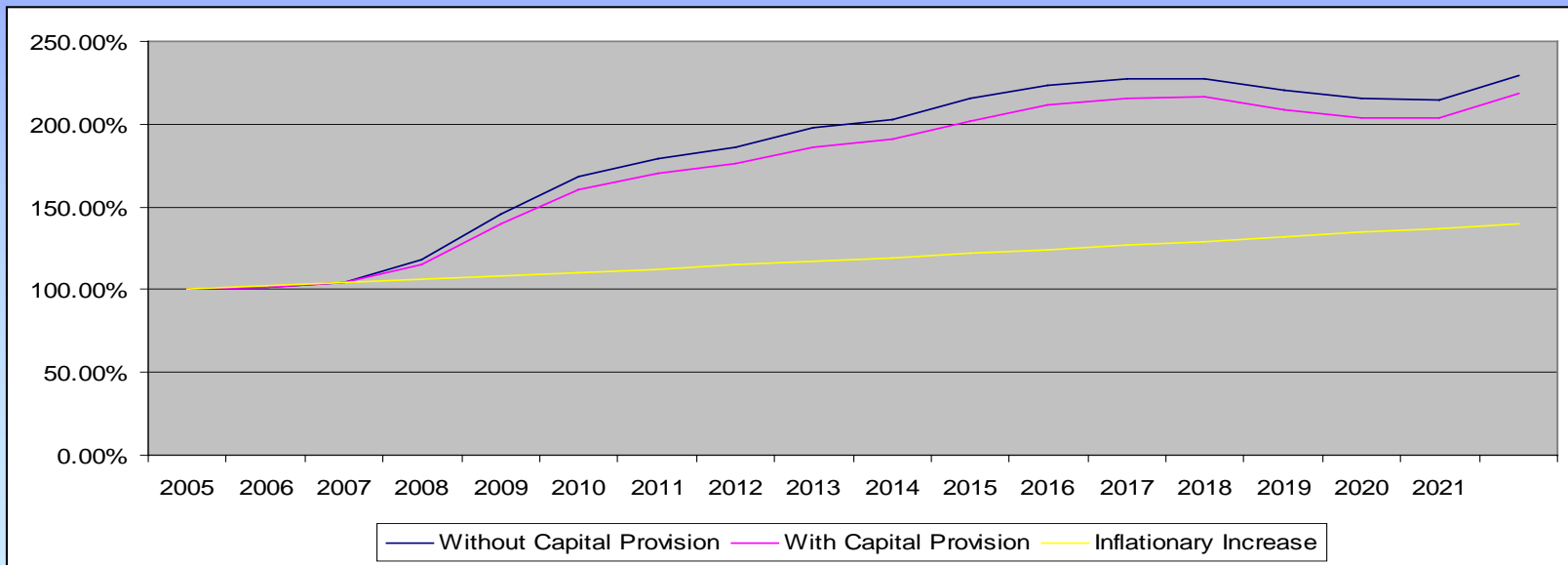
2. Debt Capacity

- Assessed the need to receive additional contributions from developers or slow growth



2. Tax Rate Increases

- Without capital provision or developer front-ending, avg. annual increase is 5%
- With capital provision or developer front-ending, avg. annual increase is 4.5%



2. Fiscal Impact Update

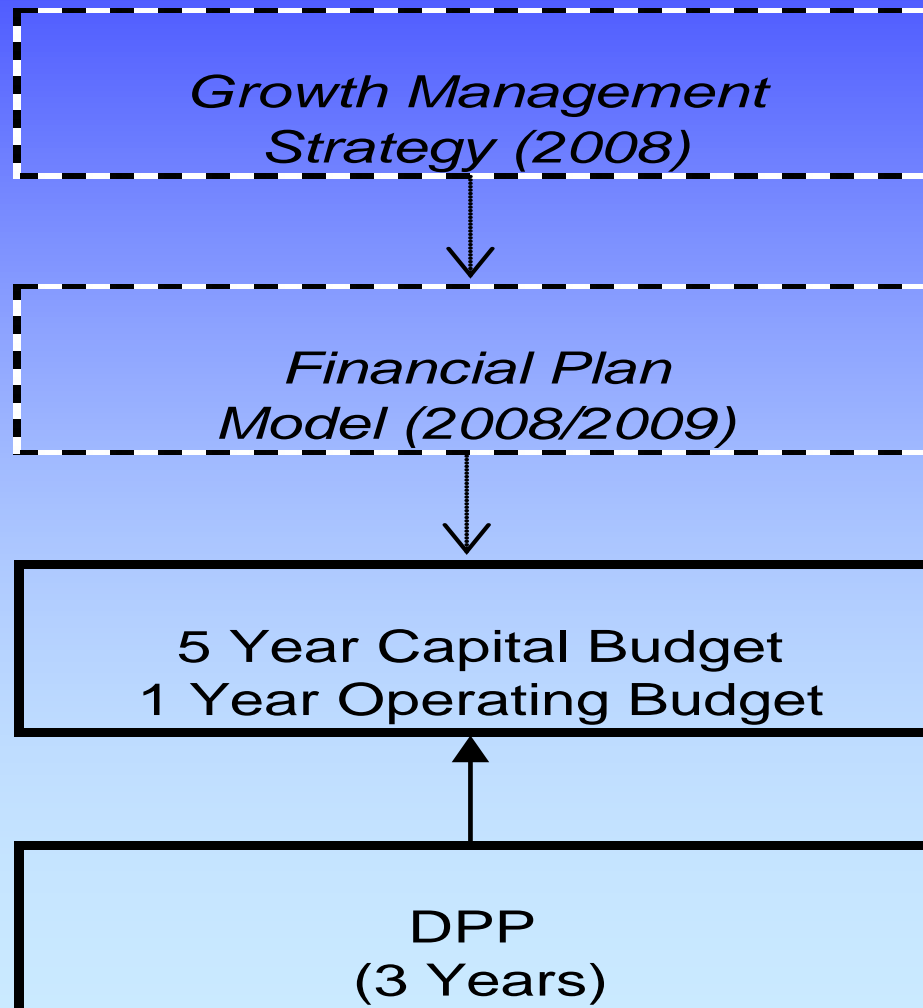
- Fiscal impact model is updated as development changes are made or as major changes to servicing are made
- Also undertaken for OP, Secondary Plan updates and detailed development phasing negotiations

Discussion on Long Term Financial Strategy

Long Term Planning

- Staff envisage evolving the current process to address longer term strategies by combining long term planning, infrastructure planning and financial planning into a cohesive process
- This long term vision should allow for better service provision in a timely manner on a cost effective basis

Present Financial Review Process



Future Financial Review Process

