

City Council Information Items

December 11, 2020

Items for information is a weekly publication for the public and members of City Council. Members of City Council may request that any item appearing on this publication be placed onto the next available Committee of the Whole meeting for discussion.

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The following municipalities have passed resolutions regarding this item (see attached):

- Town of Orangeville
- Municipality of Marmora and Lake

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Information Report



Service Area	Corporate Services
Date	Friday, December 11, 2020
Subject	Prudent Investor Standard for Municipal Investments

Executive Summary

Purpose of Report

To provide information on the 2019 amendments to the Municipal Act, 2001 and changes to O. Reg. 438/97 which provide municipalities with an option to expand the range of investments available for funds not required immediately.

Key Findings

In January 2019 changes to the Municipal Act became effective which allow municipalities broader options for investing funds not immediately required under the Prudent Investor (PI) standard.

The City's investments are currently restricted to the legal list in accordance with section 418 of the Municipal Act (Act).

Municipalities wishing to take advantage of the expanded investment options available under PI must opt-in by passing a by-law and may not opt-out again without a regulation of the Lieutenant Governor in Council.

Municipalities who opt-in to the PI standard must establish an Investment Board (IB) or join an existing Joint Investment Board (JIB) and delegate its powers to make investments and its duties under the Act to the IB or JIB.

Staff have engaged the services of an independent Chartered Financial Analyst to support an analysis of the options available to the City, and will bring a report back to Council in early 2021 with a recommended approach.

Financial Implications

The PI regime provides municipalities with a significant expansion of current options and a more defined governance approach.

Successful implementation should provide municipalities with higher risk-adjusted returns over the long-term; however an IB can be costly to set up and run independently.

Other issues for consideration include: the loss of control and management in respect of the day-to-day investment decisions relating to money that is not required immediately, the fact that there is no guarantee of improved investment returns in the short-term, and that the governance structure in the context of

multiple municipalities (JIB) is new.

Report

Details

Background

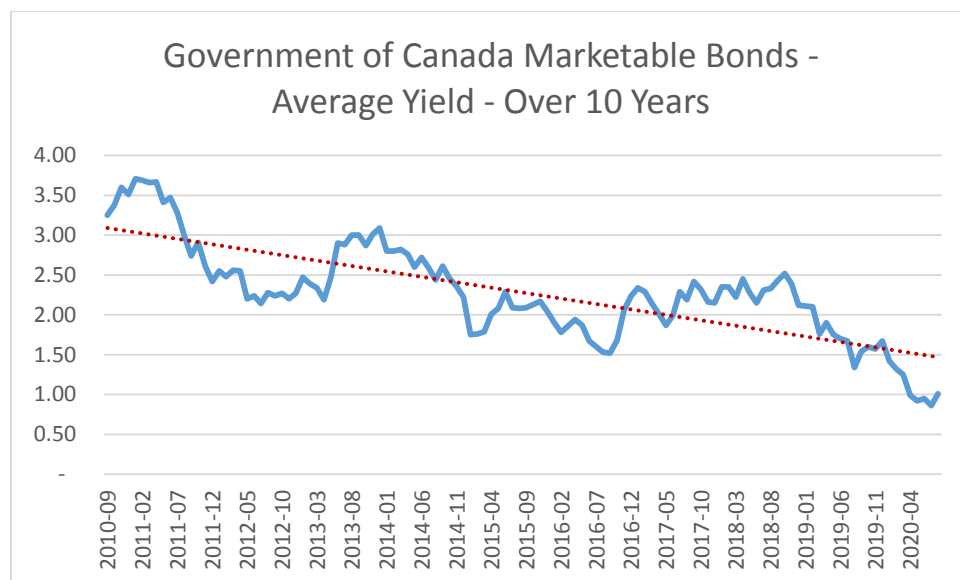
The City currently invests funds not immediately required in accordance with the prescribed rules in section 418 of the Municipal Act. The prescribed rules outline a legal list of investments for municipalities which is limited to:

- Canadian federal, provincial and municipal government or government-guaranteed bonds.
- Short-term and fixed-income securities issued by Canadian chartered banks and credit unions;
- Other prescribed securities.

Investing in accordance with the legal list under section 418 is the default position for municipal investments.

On January 1, 2019 the province amended the Act and made changes to O. Reg. 438/97 (Regulation) which provide eligible municipalities the option to invest money that it does not require immediately according to section 418.1 of the Act – the (PI) standard. The purpose of these reforms is to enable municipalities to earn improved risk-adjusted rates of return by building more diverse portfolios of investments. Municipalities that opt into the PI regime will no longer be restricted to a prescribed list of investments (e.g. Canadian bonds and money market securities).

Municipalities have been consistently lobbying legislators for broadened investment powers since the 2008 global financial crisis. The low interest rate environment which followed the financial crisis provided fewer opportunities to earn the returns that were previously available as demonstrated in the graph below.



Source: Bank of Canada

In 2015, the City of Toronto was the first municipality in Ontario to be granted access to the PI regime. Prior to the effective date of January 1, 2018 for Toronto's PI regime, Toronto was required to establish an independent IB and develop a new investment policy.

What is the Prudent Investor Standard?

The PI standard places no restrictions on eligible securities but does require an investor to construct an investment portfolio with the care, skill, diligence and judgment of a prudent investor. The standard was successfully implemented through Ontario pension fund reforms and was included in the Ontario Trustee Act in 1999.

To comply with the PI standard according to the Act, a municipality must consider the following criteria in planning investments, in addition to other relevant criteria:

1. General economic conditions.
2. The possible effect of inflation or deflation.
3. The role that each investment or course of action plays within the municipality's portfolio of investments.
4. The expected total return from income and the appreciation of capital.
5. Needs for liquidity, regularity of income and preservation or appreciation of capital.

In addition, a municipality must diversify its investments to an extent that is appropriate for general economic and capital market conditions. There is also a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

A move to the PI regime requires the passage of a new irrevocable by-law. Once such a by-law has been passed and a municipality is subject to the PI regime, it does not matter if it no longer meets the eligibility criteria, as long as it met one of them at the time of passing of the by-law. To opt-out of the PI regime, a municipality would need a regulation of the Lieutenant Governor in Council.

The Regulation also specifies the governance model to be used if a municipality wishes to access the PI regime. The PI provisions of the Regulation require the municipality to give control and management of its investments to an IB or JIB by delegating its powers to make investments and its duties under the Act to the IB or JIB. Council must authorize the establishment of the IB or JIB and the appointment of its members. Council would also have to adopt an investment policy to govern the investment strategies and activities of the IB or JIB.

Benefits of the Prudent Investor Regime

Since there are no restrictions on individual securities that can be acquired, the PI standard allows a wider range of potential investments. This permits a greater degree of diversification, which is a key tool in managing portfolio risk. The greater range of investment options also permits access to a variety of assets and asset classes that can produce better returns than the securities prescribed in the current legal list. In addition, the PI standard also allows a portfolio to be modified to accommodate new types of securities and changing market conditions. In short, for money not required immediately, the PI standard has the potential to produce

higher returns with less risk over time and enable investors to better align their portfolio with their willingness to accept risk.

Legal List versus Prudent Investor

Municipalities will need to decide whether to invest money that it does not require immediately under the new PI regime or to continue to invest under the legal list. Table 1 compares these two approaches.

Investing under the prudent investment standard is generally considered by experts to be preferred to the legal list because it provides greater opportunities for diversification and risk management with potentially greater investment returns; it also enables municipalities (through the IB or JIB) to be forward-looking in their approach to investing.

Legal List	Prudent Investor Standard
<ul style="list-style-type: none"> • Council develops a statement of investment policies and goals 	<ul style="list-style-type: none"> • Council develops an investment policy, the IB or JIB develops an investment plan to support Council's policy
<ul style="list-style-type: none"> • Easy to monitor in theory 	<ul style="list-style-type: none"> • Monitoring requires more detailed policies and procedures
<ul style="list-style-type: none"> • Regulations can be difficult to interpret 	<ul style="list-style-type: none"> • Requires more detailed independent due diligence
<ul style="list-style-type: none"> • Time consuming to evolve to reflect evolving capital markets 	<ul style="list-style-type: none"> • Evolves concurrently with capital markets
<ul style="list-style-type: none"> • May provide a false sense of security 	<ul style="list-style-type: none"> • Consistent with fiduciary duty
<ul style="list-style-type: none"> • Risk is determined by the Legal List 	<ul style="list-style-type: none"> • Risk can be determined and controlled at the portfolio level
<ul style="list-style-type: none"> • Ability to diversify is more limited 	<ul style="list-style-type: none"> • Ability to provide greater diversification and risk reduction

Transitioning to the Prudent Investor Regime

All municipalities can access the PI regime. How the PI regime is accessed depends on the municipality's ability to meet the requirements set out in the legislative framework. Part II of the Regulation sets out the eligibility criteria for municipalities to access PI, as well as the required governance structure.

Municipalities that meet the specified financial eligibility criteria have the most options. The financial eligibility criteria are:

- In the opinion of the treasurer, the municipality has at least \$100,000,000 in money and investments that it does not require immediately; or
- The municipality has \$50,000,000 in net financial assets as reported in Schedule 70 of the most recent Financial Information Return

The City meets both of these eligibility criteria and therefore is eligible to participate in the PI regime in the following ways:

1. Independently establish its own IB; or
2. Establish and invest through a JIB with one or more other municipalities, if all of the establishing municipalities have, in the opinion of each of their

treasurers, a combined total of at least \$100,000,000 in money and investments that the municipalities do not require immediately.

A municipality that does not meet the criteria can only access the PI regime by investing through an existing IB or an existing JIB established by another municipality or municipalities.

Investment Board Structure

The requirement for an IB/JIB is set out in s. 17 of the Regulation. The structure shares some of the features with governance structures found in the pension sector. Specifically for municipalities, according to the Regulation, investment boards are local boards of the municipality under section 196 (IB) or section 202 (JIB) of the Act.

Key points about investment boards:

- The IB or JIB must be given “control and management” of the municipality’s investments;
- The municipality must delegate to the IB or JIB:
 - The municipality’s powers to make investments; and
 - The municipality’s duties under the Act and regulation.

The establishing municipality in the case of an IB and the municipalities in the case of a JIB are free to determine the size of the IB or JIB and qualifications of the IB or JIB members but are prohibited from appointing any member of council or municipal staff to the IB or JIB except the municipal treasurer in the case of an IB and except for municipal treasurers in the case of a JIB, provided they do not constitute more than 25% of the JIB members.

Council retains ultimate control, however, by providing direction to the IB or JIB through Council’s approved investment policy. The investment policy governs the IB’s or JIB’s investment plans. The investment policy should include a definition for what the municipality deems to be its money not required immediately (i.e. what will be under the IB’s or JIB’s control), objectives for returns on investment, risk tolerance, and needs for liquidity among other components.

Council must review its investment policy at least annually and update it as required. The investment plan must also be updated at least annually following Council’s review to ensure continued compliance with the policy. An annual investment report must be provided by the IB or JIB to Council and it must include, among other matters, a statement by the treasurer as to whether all investments are in compliance with the investment policy and investment plan.

Another consideration is that the required governance model can be costly to both set up and run. Establishing an IB independently requires one municipality to bear the full start-up costs, as well as annual operation costs.

Joining a Joint Investment Board

There is currently only one JIB that has been established in Ontario, by ONE Investment. ONE Investment is a not for profit corporation formed by CHUMS Financing Authority which is wholly owned by the Municipal Finance Officers’ Association of Ontario (MFOA) and Local Authority Services (LAS), a corporation of the Association of Municipalities of Ontario (AMO).

ONE Investment also offers investment products for Ontario municipalities under the legal list approach to investing.

Next Steps

Staff have engaged the services of an independent Chartered Financial Analyst to support an analysis of the following options for the City:

1. Continue to invest funds not immediately required under the legal list in accordance with section 418 of the Act.
2. Opt-in to the PI Standard and establish an IB for the City of Guelph.
3. Opt-in to the PI Standard and join the existing JIB that has been established by ONE Investment.

Staff will report back to Council in early 2021 to provide an overview of the analysis of each of the options above including due diligence around risk mitigation and control, and will make a recommendation for a preferred option for moving forward.

Financial Implications

The PI regime provides municipalities with an expanded approach to investing for municipalities, although it is an approach that has been used by trustees in Ontario for almost two decades.

Successful implementation could provide municipalities with higher risk-adjusted returns over the long-term. The PI regime, however, can only be accessed through an IB or a JIB, which can be costly to set up and run independently.

Other issues for consideration include: the loss of control and management in respect of the day-to-day investment decisions relating to money that is not required immediately, the fact that there is no guarantee of improved investment returns, and that the governance structure in the context of multiple municipalities (JIB) is new.

Consultations

S. Kelly Rodgers, CFA, Rodgers Investment Consulting

Colin Macdonald, Manager, Investment Services, Municipal Finance Officers Association of Ontario

Strategic Plan Alignment

Investment management is part of the City's Working Together for our Future pillar to run an effective, fiscally responsible and trusted local government. Transparent, frequent and consistent reporting builds trust in the City's financial oversight.

Attachments

None.

Departmental Approval

N/A

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Information Report



Service Areas	Corporate Services Infrastructure, Development and Enterprise Services Public Services
Date	Friday, December 11, 2020
Subject	Planning for our Future: Guelph's Master Plans Update

Executive Summary

Purpose of Report

To provide the Q4, 2020 progress report for City of Guelph master plans.

Key Findings

Master plans are within budget and scope as well as on schedule unless otherwise stated.

Financial Implications

If applicable, financial implications will be referenced in each plan's attached progress summary.

Report

Details

City staff are planning Guelph's future, today. This year, more than nine master plans are underway or planned across several City departments. Staff sees this as an opportunity for unprecedented alignment and coordination of strategy and policy development, and for resourcing the needs of our growing city.

A number of the master plan updates support the City in meeting Guelph's provincially-legislated growth plan requirements, guide service delivery to a growing city, and/or will inform policies in Guelph's Official Plan update.

As part of the City's ongoing coordination efforts, regular updates on these master plans are provided through quarterly information reports. These information reports do not replace staff reports that require Council direction on individual plans.

Of recent public interest is the consideration of amendment 1 to the provincial growth plan adopted in August on the master plans that are already scoped and underway. Adjustments to the scope and timing of the master plans continues as staff better understand the impacts of an extended planning horizon to 2051 and new population and employment forecasts.

Inform versus respond

Key information from specific master plans—the Water Supply Master Plan and the Wastewater Treatment and Biosolids Management Master Plan—is required to fully understand the City’s capacity to plan for the required growth plan forecasts. The research and modelling undertaken through these two plans will inform whether Guelph can plan for the forecasts to 2051 within defined conditions.

The other master plans in progress require an understanding of where growth is planned to occur. This will happen through the growth scenario development work that is part of the Shaping Guelph Growth Management Strategy. Once a preferred growth scenario and local growth management strategy are considered by Council, master plans will be able to confirm the infrastructure needed to respond to this planned growth. The master plans that will respond to a preferred growth scenario through service delivery (e.g. infrastructure and programming) include the Solid Waste Management Master Plan, Water and Wastewater Servicing Master Plan, Stormwater Management Master Plan, Parks and Recreation Master Plan and Guelph Trails Master Plan.

In addition to the plans listed above, the Transportation Master Plan is planning for a policy framework and mode share to 2051 as well as road network modeling to 2031. A future update to the Transportation Master Plan and Official Plan will consider any necessary updates to the road network in response to the preferred growth scenario and local growth management strategy that will be part of Shaping Guelph.

Coordination and iteration

As discussed at the Council workshop on Shaping Guelph on October 19th, regular exchanges are taking place for informed and coordinated growth planning and master planning work. Work on Shaping Guelph and the master plans continue in parallel as these projects are iterative and rely on each other for information at different stages. Key considerations from the growth scenario portion of Shaping Guelph are needed to inform all master plan work and all of these projects are working towards a deadline of July, 2022 to conform to the provincial growth plan.

At the Council workshop, it was also clarified and bears repeating that even though wastewater matters have proven to be a challenge in meeting legislated growth in the past, both science and behaviour have changed over time. The City’s master plan work takes science and behaviour into account among a number of other critical variables to inform whether the forecasted growth to 2051 can be accommodated. If, through the technical analysis work of the master plans, it is determined that there are water supply or wastewater treatment challenges accommodating the forecast growth, the City will consult with the province to address how these challenges can be resolved.

Funding capital costs of growth

New work coming online in 2021 related to funding projects identified in the master plans underway are the legislated bylaw updates for development charges and parkland dedication as well as the creation of a new bylaw for a community benefit charge. These bylaws require Council approval by the legislated deadline of September, 2022 and include considerable public consultation beforehand.

Given the master plans' and Shaping Guelph's timelines, it will not be possible include these plans in the bylaw updates for September 2022. Council approved the City's current Development Charge Bylaw in February 2019, which under previous circumstances would not require an update for five years—February 2024. This undesirable sequence of activities is a result of competing legislative requirements and means the 2022 Development Charge Bylaw update will not be a full comprehensive study; instead, it will simply be an update to incorporate the legislative changes into the current Development Charge Study. These changes will include transitioning previous soft services to be fully recoverable and removing Parking Services from the bylaw as it is now ineligible.

The new Community Benefit Charge Study will look at the City's capital growth costs that are ineligible under the Development Charges Act, including costs that the City planned to fund through the Planning Act density bonusing provisions.

Additional details will be provided through an information report in Q1, 2021.

Financial Implications

If applicable, financial implications to the approved budgets will be referenced in each plan's attached progress summary.

Consultations

Each master plan has an associated community engagement plan and communications plan that are being updated as needed to accommodate COVID-19 realities. Where possible, engagement and communications tactics are being coordinated to maximize community participation in master plan engagement activities, reduce engagement fatigue, and increase awareness of the interconnected nature of the City's master plans.

Strategic Plan Alignment

Regular public updates on the progress of the City's master plans is a tactic designed to improve communication, which directly supports the working together for our future priority of the City's Strategic Plan.

Several master plan leads are also meeting regularly, as a community of practice, to look for opportunities to work together in new ways for greater coordination and continuous improvement.

Attachments

Attachment-1 Digital and Technology Master Plan progress summary

Attachment-2 Guelph Trail Master Plan update progress summary

Attachment-3 Parks and Recreation Master Plan Update progress summary

Attachment-4 Stormwater Management Master Plan progress summary

Attachment-5 Transportation Master Plan progress summary

Attachment-6 Urban Forest Management Plan progress summary

Attachment-7 Water Supply Master Plan progress summary

Attachment-8 Water and Wastewater Servicing Master Plan progress summary

Departmental Approval

The following staff contributed the progress summaries for the master plans within this report.

- Reg Russwurm, Manager, Design and Construction
- Dave Belanger, Water Supply Program Manager, Water Services
- Timea Filer, Urban Forestry Field Technologist, Parks and Recreation
- Phil Jensen, Project Specialist, Solid Waste Resources
- Luke Jefferson, Manager, Open Space Planning
- Mari MacNeil, Technical Services Manager, Wastewater Services
- Sasha Einwechter, General Manager, Information and Technology
- Scott Cousins, Hydrogeologist, Water Services
- Terry Gayman, General Manager, Engineering and Transportation Services
- Tim Robertson, Division Manager, Wastewater Services
- Wayne Galliher, Division Manager, Water Services
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2020-242 Attachment-1 Digital and Technology Master Plan progress summary

Digital and Technology Master Plan

2020 – 2023; 67% of 2020 actions complete and 20% complete overall

Recent progress/achievements to date

- Develop a web-based format for the City's 2021 budget for greater transparency
- Acquire and configure new performance management for City staff
- Convert existing positions to business analyst position to fill a gap identified in the Digital and Technology Master Plan
- Digitize 123 public facing forms

New opportunities or relevant challenges of public interest

- Increase number of services available online in an effort to reduce in-person interactions and increase process efficiency
- Increase ratio of laptops (or mobile device) to desktops – PC lifecycle for 2021 will be laptop by default
- Modernize City meeting rooms – accommodating video conferencing at City Hall and satellite locations 2020 through 2021

Next steps

- Implement solution for citizens to book appointments with City departments, to reduce the number people in City Hall and ensure the appropriate staff are available based on appointment type.
- Update IT policies including Acceptable Use, Information Security, IT Governance, Mobile Device Usage.
- Update business application to allow increased self-service.

2020-242 Attachment-2 Guelph Trail Master Plan update progress summary

Guelph Trail Master Plan update (GTMP)

2017/2019-Q2 2021; 75% complete

Recent progress/achievements to date

- [Community engagement](#) is currently underway until December 15th, 2020.
- The Trans Canada Trail (TCT) route investigation report and a stakeholder engagement summary is posted on the [project webpage](#).
- The draft master plan is well underway. The long-term financial and resource strategies are also in progress.
- The GTMP and the Parks and Recreation Master Plan update (PRMP) schedules were previously aligned to make it easier for the public to provide feedback and for staff to understand the impacts of both plans.
- The projects will still be studied together but the schedules will be staggered. The GTMP is proceeding as planned and we anticipate a presentation to Council in Q2, 2021. Council consideration of the PRMP will move to Q4, 2021. The PRMP schedule was adjusted to better understand the impact of the Public Services reorganization on the project.

New opportunities or relevant challenges of public interest

- Parks and trails continue to be critical to community and individual well-being during COVID-19. Staff continues to monitor community feedback and follow relevant studies about trail use during COVID-19.

Next steps

- Focus meetings with Council will be scheduled in early 2021; details to follow.
- The project is proceeding as planned and the project is anticipated to be presented to Council in Q2, 2021.

2020-242 Attachment-3 Parks and Recreation Master Plan progress summary

Parks and Recreation Master Plan update (PRMP)

2019-Q4 2021; 75% complete

Recent progress/achievements to date

- Progress is well under way for a number of tasks, including:
 - Draft vision, goals, recommendations and action plans
 - Long-term financial and resource strategies
 - Community engagement plan for final engagement opportunity
- The PRMP and the Guelph Trail Master Plan update schedules were previously aligned to make it easier for the public to provide feedback and for staff to understand the impacts of both plans.
The projects will still be studied together but the schedules will be staggered. The PRMP will be presented to Council in Q4, 2021 and GTMP in Q2, 2021 as previously planned.
The PRMP schedule was adjusted to better understand the impact of the Public Services reorganization on the project.

New opportunities or relevant challenges of public interest

- Parks and trails continue to be critical to community and individual well-being during COVID-19. Staff continues to monitor community feedback and follow relevant studies about park use during COVID-19.

Next steps

- The final opportunity for community engagement is planned for Q2, 2021. The community will have an opportunity to review the draft recommendations and help prioritize which ones are the most important to tackle first.
- Focus meetings with Council will be scheduled for Q2, 2021; further details to come.
The project is proceeding with a schedule adjustment to better understand the impact of the Public Services reorganization on the project. Staff now anticipate project completion in Q4, 2021.

2020-242 Attachment-4 Stormwater Management Master Plan (SWMMP) progress summary

Stormwater Management Master Plan (SWMMP)

Q1 2020 – Q3 2021; 40% complete

Recent progress/achievements to date

- Prepared and launched virtual public engagement to gather input on the objectives of the Master Plan, and the City's stormwater infrastructure and management processes
- Hydraulic model development and drainage assessment underway

New opportunities or relevant challenges of public interest

- Pending Ministry of the Environment, Conservation and Park (MECP) Low Impact Development Stormwater Management Guidance Manual

Next steps

- Compile and address input received from the virtual open house
- Finalize existing conditions hydraulic model
- Prepare for Low Impact Development Workshop and Community Stormwater Management Working Group Meeting

2020-242 Attachment-5 Transportation Master Plan progress summary

Transportation Master Plan (TMP)

Q1, 2019 – Q4, 2021; 75% complete

Recent progress/achievements to date

- Prepared and launched virtual public engagement to gain feedback on the TMP values, goals, problem/opportunity statements, and possible solutions for the future of transportation in Guelph; engagement includes finalizing 5 of 6 background papers for public review.
- Continued analysis of transportation networks, demands, policies, and programs.
- Prepared scope for strategic COVID-19 analysis to apply to the TMP in 2021.

New opportunities or relevant challenges of public interest

- The project team is monitoring the global mobility response to the impact of the COVID-19 pandemic for opportunities to learn, adapt and build resilience. Where appropriate, future ready strategies will be integrated into the Complete Streets Design Guidelines and policy framework of the TMP as appropriate.

Next steps

- The project team is preparing for virtual community engagement regarding the alternative solutions analysis and selection of the preferred alternative in Q1 2021.
- The preferred alternative is now scheduled to be presented to Council in Q2, 2021, with the final TMP being presented to Council in Q4, 2021.

IDE-2020-242 Attachment-6: Urban Forest Management Plan progress summary

Urban Forest Management Plan

Q1 2013 – Q4 2032; Plan 100% complete, implementation ongoing

Guelph's Urban Forest Management Plan (UFMP) is a 20-year renewable roadmap for understanding and improving the management of Guelph's urban forest, particularly that which is owned by or under management agreement with the City. The plan is currently in the second phase of implementation (2019 – 2023), which prioritizes the next set of recommendations based on available resources, alignment with other City plans and strategies, community priorities, continuing efforts on ongoing projects, and developing comprehensive management strategies.

Recent progress/achievements to date

- Addition of technical and professional urban forestry capacity through five new positions
- Implementation of 7th year of Guelph's 10-year Emerald Ash Borer Plan
- Completion of the Urban Forest Study and state of the urban forest
- Increased management of natural areas
- Creation of the Urban Forest Working Group of external stakeholders
- Creation of a Tree Team comprised of internal stakeholders
- Completion of point and sample based forest inventory
- Increased communication, collaboration and alignment with other regional departments and municipalities, private industry, academia and other partners
- Increased capacity for community engagement and coordination of community stewardship activities
- Increased management of invasives (e.g. buckthorn, Japanese knotweed, EAB)
- Implementation of the Tree Technical Manual
- Recognition of Guelph as a Tree City of the World 2019
- Approval of the Urban Forest Management Plan Implementation Update and Second Phase Plan

New opportunities or challenges

- Operational impacts associated with COVID-19 have caused a pause in the implementation of the UFMP;
- Engagement of recommendations within the UFMP remains a staff priority as we continue to monitor and manage the situation closely and recommend implementation actions as appropriate
- Alignment with the City of Guelph Strategic Plan; Investing in green infrastructure and protecting, maintaining and increasing Guelph's tree canopy to prepare for the effects of climate change
- Increased funding requirements, both capital and operating impacts, for the implementation of the second phase of the UFMP
- Increase proactive risk management and tree maintenance
- Increase invasives species management

- Improve tree establishment and maintenance practices

Next steps

- Develop a tree planting strategy: growing Guelph's urban forest canopy
- Develop urban forest performance metrics to align with the City's sustainability initiatives
- Review and update UFMP related guidelines, policy and best practices
- Develop UFMP specific communications and engagement plan
- Develop invasives species management strategy
- Develop Corporate Natural Asset Management plan

2020-242 Attachment-7 Water Supply Master Plan progress summary

Water Supply Master Plan

Q4, 2019 – Q2, 2021; 45% complete

Recent progress/achievements to date

The project scope of work has been revised to address increased population and employment forecasts to 2051 (previous study term ending in 2041) recently provided by the Province's revised Growth Plan Proposal. A change order proposal was approved to consider the impacts on groundwater supply sustainability of increased demand to 2051, which will impact Demand Forecasts and Water Supply Alternatives. The change order is underway and will use a groundwater computer modelling approach to determine if sufficient water supply is available to meet the increased demands without significant impacts on surface water resources (i.e., a groundwater sustainability assessment).

Status by project task is itemized below for reference:

- Task 1 - Phase 1 Consultation Report has been completed.
- Task 2 – Population and Water Supply Demand Forecasts has been completed in draft using the population and employment forecasts to 2051.
- Task 3 – Water Supply Capacity Assessment is substantially complete subject to the sustainability assessment.
- Task 4 – Water Supply alternatives is in progress.

It is to be noted that receipt of revised Provincial growth targets, mid-project, has resulted in schedule delays and has caused the need to revise some of the tasks that were already completed.

Next steps

- Task 1 – Community Engagement/Consultation:
 - Public Meeting #2, Agency Meeting #2, Community Liaison Group (CLG) Meeting #2 – Feb/21
 - Public Information Centre Meeting newsletter/web postings – Mar/21
 - CLG Meeting #3 – Apr/21
- Task 2 – Population Water Supply Demand Forecasts
 - Complete in draft with 2051 forecasts
- Task 3 – Water Supply Capacity
 - Complete - subject to updates from P2G Sustainability Assessment
- P2G Sustainability Assessment (new task from recent change order)
 - Model baseline scenarios, model optimization, model capacity/impacts/optimization to 2051 – mid Dec/20

- Draft Technical memo – due Jan/21
- Task 4 – Water Supply Alternatives
 - Task 4A – Demand Management/Conservation and Efficiency – mid Dec/20
 - Task 4B – Groundwater Sources Inside/Outside City – Feb/21 (subject to P2G Sustainability Assessment)
 - Task 4C – Local Surface Water Alternatives – Feb/21 (subject to P2G Sustainability Assessment)
- Task 5 – Water Supply Master Plan Update Report (subject to P2G Sustainability Assessment)
 - Draft Report (internal review) – Mar/21
 - Draft Final Report – May/21
 - Council Report – tentative Jun/21

2020-242 Attachment-8 Water and Wastewater Servicing Master Plan progress summary

Water and Wastewater Servicing Master Plan

Q1, 2020 – Q4 2021; 25% complete

Recent progress/achievements to date

- Prepared and launched virtual public engagement to gather input on the objectives of the Master Plan and the City's current water distribution and wastewater collection systems
- Model development underway

New opportunities or relevant challenges of public interest

- New growth plan/population projections will impact water and wastewater servicing strategy

Next steps

- Compile and address input received from the virtual open house
- Calibration of hydraulic models by end of 2020
- An assessment will be made of excess capacity in the existing system to determine how much and where growth is possible without significant infrastructure investments
- Upon finalization of growth patterns, prepare servicing options to ensure needed infrastructure is available to enable the growth to occur

2020-242 Attachment-9 Wastewater Treatment and Biosolids Management Master Plan progress summary

Wastewater Treatment and Biosolids Management Master Plan

Q1, 2020-Q3, 2021; 35% complete

Recent progress/achievements to date

- Technical memorandum (TM) to assess the long lists of technology alternatives has been drafted and is being reviewed internally.
- TMs to review wastewater treatment alternatives and biosolids management alternatives are currently under development.
- Virtual open house and Have Your Say website content were published on October 28, 2020 for a 30-day period.
- Completion of first Community Liaison Group meeting prior to Virtual Open House on October 19, 2020.

New opportunities or relevant challenges of public interest

- Evaluate and respond to public interest and comments from the virtual open house related to environmental considerations of the master plan.

Next steps

- Compiling and evaluating public feedback from the first virtual open house.
- Development of TM to focus on the evaluation of preferred solutions
- Development of content for the second virtual open house scheduled for the spring, 2021.

Information Report



Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, December 11, 2020
Subject	Shaping Guelph – Employment Lands Strategy

Executive Summary

Purpose of Report

This report provides an overview of the Shaping Guelph: Growth Management Strategy (Shaping Guelph) Employment Lands Strategy (ELS) technical background study. This report also outlines upcoming community engagement opportunities related to the ELS, and next steps for Shaping Guelph.

Key Findings

The ELS is one technical background study that is required as part of the City’s work to conform to A Place to Grow: Growth Plan for the Greater Golden Horseshoe (APTG). The ELS provides a comprehensive overview of Guelph’s existing employment land supply and assesses whether this supply is sufficient to accommodate Guelph’s job growth forecast by APTG to 2051.

The ELS has identified that Guelph has enough employment lands to accommodate its forecast employment growth to 2051. Key to this are:

- maximizing opportunities for intensification of existing developed employment lands,
- planning for employment land densities of 40 jobs per hectare city wide, and
- increasing Guelph’s long term supply of “shovel-ready” employment lands in the Hanlon Creek Business Park and the Guelph Innovation District.

Financial Implications

Shaping Guelph is funded through PL0054 approved capital budgets with anticipated costs associated with consultant services and community engagement.

Report

Details

In May 2019, the Province released A Place to Grow: Growth Plan for the Greater Golden Horseshoe (APTG). Amendment 1 to APTG was approved with an effective date of August 28, 2020. APTG guides growth and development within the Greater Golden Horseshoe over the next 30 years. APTG requires that Guelph plan for a population of 203,000 and an employment base of 116,000 jobs in 2051.

In October 2019, Council endorsed a process for Guelph to conform to APTG – Guelph’s Municipal Comprehensive Official Plan Review (MCR). The MCR is known as

Shaping Guelph: Growth Management Strategy (Shaping Guelph). The Shaping Guelph process includes several technical background studies that have been prepared in 2020 and will be prepared in 2021. These are:

- Confirmation of a vision and principles for growth – completed
- A residential intensification analysis – completed
- An employment lands strategy – this report
- A housing analysis and strategy
- Growth scenario planning (based on a land needs assessment)

An overview of the scope of each of these studies was provided in report [IDE-2019-91](#).

What the employment lands strategy is about

As outlined above, one of the technical background studies of Shaping Guelph is the employment land strategy (ELS). The ELS provides a comprehensive overview and review Guelph's employment lands including:

- Identifying Guelph's long-term employment growth projections for employment areas,
- Assessing the ability of the employment areas to accommodate Guelph's employment growth,
- Recommending density targets for employment areas,
- Providing policy directions to promote the intensification of existing employment lands,
- Identifying which employment lands could be converted to other uses, and
- Providing policy recommendations for Guelph's employment areas.

What we learned about Guelph's employment lands

Over the past decade Canada's and Ontario's economies have experienced relatively strong economic growth. Despite these strong economies, the COVID-19 pandemic is posing significant risks to these economies. The impacts from this pandemic on these economies and Guelph's local economy remain largely unknown at this time. The potential impacts of the pandemic on Guelph's long term employment growth were considered as part of the ELS based on information known at this time.

Structural changes in the economy, such as an increased demand for advanced manufacturing and warehouse and logistics, are changing the nature of employment areas in Ontario including their built form and character. There is a need for Guelph to continue to ensure that the amount, type, and location of Guelph's employment areas are well aligned with the structural changes being experienced. A number of emerging industrial sectors are anticipated to influence the demand for employment lands in Ontario and Guelph. Advanced manufacturing is evolving and is requiring integrated operations on larger sites in a "campus style" setting. The goods movement sector is evolving and responding to consumer demands, as e-commerce is growing in Canada. Emerging goods movement uses in Guelph are anticipated to include warehousing facilities requiring specialized functions. Market demand on employment lands has been increasingly driven by growth in knowledge-based or creative class economies. These sectors include major office, flex office and multi-purpose facilities.

Guelph is home to an estimated 76,800 jobs. Guelph has a diverse employment base with manufacturing accounting for 25% of its total employment. Over the next several decades Guelph's employment base is anticipated to steadily grow across a broad range of industrial, office/commercial and population serving employment sectors.

Guelph has large and diverse existing employment areas comprised of about 840 net hectares of developed land. The majority of these lands are located in Guelph's south end and the north-west industrial park. In addition to these lands, it is estimated that Guelph has 391 net hectares of developable vacant land, of which 155 net hectares are "shovel-ready".

What is forecast for Guelph's employment lands

Guelph is required to plan for 116,000 jobs in 2051 in accordance with the forecasts of APTG. This is an increase of about 33,300 jobs between 2021 and 2051 representing an average annual growth rate of 1.1 per cent. A significant portion of this growth, 31%, is expected to be in employment land employment jobs, for example manufacturing, logistics, and automotive manufacturing and related uses. Between 2021 and 2051 it is expected that about 15 per cent of Guelph's employment growth will be accommodated through intensification of existing developed employment lands, such as expansions of existing buildings and additional buildings on partially vacant sites.

In addition to the amount of employment growth anticipated to be accommodated through intensification, it is projected that Guelph will need about 319 hectares of employment land, based on an employment density of 40 jobs per hectare to 2051. When examining Guelph's existing supply of employment lands, it was determined that lands currently identified in the Official Plan as Industrial or Corporate Business Park in the Clair-Maltby Secondary Plan area and lands identified as Industrial on the north side of York Road at Watson Road are no longer appropriate for employment purposes and were not needed as part of Guelph's long term employment lands supply.

Accounting for the proposed conversion of the employment lands mentioned above, Guelph has an estimated supply of 354 hectares of vacant employment lands available for development. This is a sufficient supply to accommodate for our employment land needs to 2051. Post 2051, Guelph is forecast to have a small surplus of employment lands totaling about 35 hectares.

What is recommended for Guelph's employment lands

The ELS recommends several things that should be considered as part of upcoming growth scenario development, the preparation of a local growth management strategy and ultimately an amendment to the Official Plan. These recommendations include:

- Generally, lands identified in the Official Plan as Industrial, Corporate Business Park, Institutional/Research Park and lands identified in the Guelph Innovation District Secondary Plan as Employment Mixed Use 1 and Employment Mixed Use 2 should be identified as employment areas protecting them from conversion to non-employment uses in the future
- The downtown plays an important role in attracting and accommodating major office development. Guelph should continue to promote downtown as

- a focus area for major office and should explore financial tools and incentives to attract major office development downtown over the long term
- Guelph has sufficient shovel ready employment lands to meet short and medium term employment growth. To accommodate longer term employment growth Guelph will need to focus on making the remaining employment lands within the Hanlon Creek Business Park “shovel-ready” and will also need to advance planning and development of the Guelph Innovation District
 - A city-wide employment density target of 40 jobs per hectare should be included in the Official Plan
 - Converting existing industrial and corporate business park lands within the Clair-Maltby Secondary Plan area and industrial lands north of York Road at Watson Road to allow for other uses
 - Recognizing the Hanlon Creek Business Park, the Hanlon Business Park, and the South Guelph Industrial Area as a Provincially Significant Employment Zone as identified by the province
 - There is a need for employment areas to provide for a wide range of amenities and employment-supportive uses, such as retail, service and institutional uses, to serve the needs of employers and employees within the employment areas opposed to the broader population. The Official Plan policies currently permit these types of uses as complementary uses and should continue to do so. To provide further clarity on the intent of these uses, a maximum retail size should be considered and day care centres should no longer be permitted on industrial lands to reflect APTG and other provincial policies about sensitive land uses.

To ensure a successful implementation of the ELS following completion and approval of the local growth management strategy, the ELS suggests that an employment area intensification strategy be undertaken to assess and evaluate the intensification potential and opportunities on Guelph’s employment lands over the long-term. Additionally, building on the baseline data in the ELS, it is recommended that a system be developed for monitoring and tracking employment land supply and demand data to assist with long term planning and land needs forecasting,

Next steps

The ELS, together with the other technical background studies, will be used to develop growth scenarios in early 2021. Community engagement on the ELS will begin in January 2021.

Financial Implications

Shaping Guelph: Growth Management Strategy is funded through PL0054 approved capital budgets with anticipated costs associated with consultant services and community engagement.

Consultations

Community and stakeholder engagement about the Employment Lands Strategy is planned for January 2021 and will include an opportunity for the community to ask questions of staff and the project team through the City's [Have Your Say](#) platform and a virtual roundtable discussion with key stakeholders.

Strategic Plan Alignment

Shaping Guelph: Growth Management Strategy aligns with the following priorities within the Strategic Plan:

Powering our future – the ELS includes several recommendations to ensure that the city maintains a healthy supply of employment lands encouraging the growth of Guelph’s employment base. The ELS recognizes the role of advanced manufacturing, agri-tech and clean tech in Guelph’s employment growth.

Sustaining our future – the ELS includes recommendations for making efficient use of our exiting employment lands supply through intensification and to assist with planning and designing an increasingly sustainable city as Guelph grows.

Attachments

Attachment-1: Shaping Guelph: Growth Management Strategy Employment Lands Strategy

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Shaping Guelph

**Employment Lands Strategy
Shaping Guelph:
Growth Management Strategy
November 27, 2020**

guelph.ca/shapingguelph



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Key terms and nomenclature

Key Term	Nomenclature / Short Form	Definition
Envision Guelph – the City of Guelph Official Plan	2018 Guelph OP	Existing OP consolidated in 2018
Growth Management Strategy	GMS	The Growth Management Strategy consists of a number of assessments, strategies, and analyses, and will provide directions for an updated Official Plan.
Municipal Comprehensive Review (MCR)	MCR	Used to refer to both the Growth Management Strategy.
Official Plan Update	OP Update	Process for updating the Official Plan
Shaping Guelph	None	The public-facing project name for the current Growth Management Strategy. Used on community engagement and promotional materials.
City of Guelph	The City	None
A Place to Grow: Growth Plan for the Greater Golden Horseshoe	APTG	2019 Growth Plan
Greater Golden Horseshoe	GGH	The geographic area identified as the Greater Golden Horseshoe growth plan area in Ontario Regulation 416/05 under the Places to Grow Act, 2005.

Acronyms

AI	Artificial intelligence
APTG	A Place to Grow: Growth Plan for the Greater Golden Horseshoe
BUA	Built-Up Area
DC	Development Charge
DGA	Designated Greenfield Area
EA	Environmental Assessment
EIS	Environmental Impact Study
ELS	Employment Land Strategy
FSI	Floor space index
FSW	Floor space per worker
GDP	Gross Domestic Product
GFA	Gross Floor Area
GID	Guelph Innovation District
GIS	Geographic information system
GGH	Greater Golden Horseshoe
GRCA	Grand River Conservation Authority
GMS	Growth Management Strategy
GTHA	Greater Toronto Hamilton Area
ha	hectares
HAS	Housing Analysis and Strategy
IMF	International Monetary Fund
LNA	Land Needs Assessment
LQs	Location Quotients
MCR	Municipal Comprehensive Review
MNR	Ministry of Natural Resources
MORE	Major office-related employment
MTSA	Major Transit Station Area

NFPOW	No Fixed Place of Work
NHS	Natural Heritage System
NPR	Non-Permanent Resident
OMB	Ontario Municipal Board
OP	Official Plan
PPS	Provincial Policy Statement
PPU	Person per unit
PRE	Population-related employment
PSEZ	Provincially Significant Employment Zones
RIA	Residential Intensification Analysis
SGA	Strategic Growth Area
sq.ft	Square foot/feet
sq.m	Square metre(s)
TDM	Transportation Demand Management
UGC	Urban Growth Centre
US	United States
VPN	Virtual Private Network
WHO	World Health Organization
WTO	World Trade Organization

Executive Summary

The City of Guelph is reviewing its Official Plan (OP), the guiding planning document that provides the long-term framework for growth, development, and the protection of valuable cultural and natural heritage resources located in the city. The OP and its policies will be updated to reflect matters of provincial interest under the Planning Act to be consistent with the Provincial Policy Statement (PPS), 2020 and to conform to A Place to Grow: Growth Plan for the Greater Golden Horseshoe (APTG), 2019 (including Amendment 1). The Municipal Comprehensive Review (MCR), known as Shaping Guelph, is the City's response to APTG which will ultimately result in an Official Plan Amendment (OPA).

The overall purpose of the MCR is to recommend a Growth Management Strategy (GMS) that sets out new growth-related directions and policies to bring the City of Guelph OP into conformity with the APTG. Dillon Consulting Limited (Dillon) and Watson & Associates Economists Ltd. (Watson) were retained by the City to complete the following growth-related components of the MCR:

- Employment Land Needs Strategy;
- Housing Analysis Strategy;
- Growth Scenario Planning; and,
- Land Needs Assessment.

The Employment Lands Strategy (ELS) provides a comprehensive examination of Guelph's Employment Areas, building on past studies as well as recent development activity and long-term trends over the 2051 planning horizon. The purpose of this technical brief is to:

- identify the city's long-term employment growth projections for Employment Areas;
- assess the ability of the Employment Areas to accommodate the city's long-term demand;
- recommend density targets for Employment Areas;
- provide policy direction to promote intensification of existing employment lands;
- outline whether any existing employment lands are no longer needed solely for employment purposes (i.e. what lands may be appropriate to convert to accommodate non-employment uses); and,
- provide strategic policy recommendations with respect to the city's Employment Areas.

The ELS will be coordinated with Prosperity 2020, the City's Economic Development Strategy, and Implementation Plan.

Employment Areas are an integral part of Guelph's economic development potential and accommodate a significant share of the city's businesses and employment. Employment lands accommodate primarily industrial uses (e.g. manufacturing,

distribution/logistics, transportation services), as well as specific commercial and institutional uses (e.g. office, service, ancillary/accessory retail) which generally support the industrial/business function of the industrial area. In contrast to other land uses (e.g. commercial and mixed-use areas), industrial employment lands accommodate export-based employment sectors that cannot be easily accommodated in other areas of the city.

Through development of its employment land base, the city will be better positioned to build more balanced, complete and competitive communities. For Guelph to continue to be competitive and attractive to a broad range of industrial and commercial sectors, the City needs to ensure that it has a sufficient supply and market choice of serviced employment lands.

This review is necessary to ensure that there is an adequate supply of employment lands by type and location to accommodate long-term demand and to satisfy Guelph's employment and economic objectives. To ensure that Guelph's employment areas remain competitive, this study also examines existing employment land policies, land-use regulations, and other guiding documents within the context of anticipated economic trends and industry demand patterns.

The following provides a summary of key study findings:

Planning policy context

The Planning Act is provincial legislation that covers the policies for land use planning affecting communities in Ontario. The Planning Act:

- sets out the framework for statutory planning and identifies how land is controlled for municipal land use planning;
- establishes the provincial interest in planning for employment opportunities; and
- sets up the legislative framework that is further implemented through several other provincial plans including the Provincial Policy Statement and APTG.

In accordance with Policy 5.2.2.1 of APTG, which states that the Minister will establish a methodology for assessing land needs to implement APTG, the Province has provided a Land Needs Assessment (LNA) document. The LNA document includes requirements that must be completed as part of the MCR to determine the total quantity of land needed to accommodate growth to APTG horizon, including the need for any settlement area boundary expansions, employment land conversions and the quantity of any excess lands. The LNA methodology recognizes that employment uses are evolving, and employment land requirements vary across the Greater Golden Horseshoe (GGH). Municipalities are required to review the forecast in Schedule 3 of APTG and provide a breakdown of the forecast by employment type to 2051 based on the outlook for employment growth. This report has been prepared in accordance with the LNA methodology for the GGH and the policies of APTG.

The City of Guelph OP was last approved in 2017 by the Ontario Municipal Board (OMB)¹, and includes population and employment forecasts to 2031. Employment Areas play a critical role in the local economy and the policies of the OP identify the importance of protecting them from conversion to non-employment uses. The City's current OP defines Employment Areas as areas that are designated in the OP for clusters of business and economic activities including but not limited to manufacturing, warehousing, offices, associated retail, and ancillary facilities. The OP includes a number of general policies to guide the planning of the City's Employment Areas. The OP also identifies four employment designations in Section 9, including Industrial, Corporate Business Park, Institutional Research Park and Mixed Business.

Macro economic trends influencing employment lands development and planning for employment uses

Over the past decade, the Canadian and Ontario economies have experienced relatively strong economic growth. Growth in 2019 eased in both Ontario and nationally, largely as a result of a tightening labour market and slowing global economic growth. While the performance of the national and Ontario economies has remained relatively strong over the past several years through to early 2020, the COVID-19 pandemic poses significant risks to these economies which are important to recognize. Currently, the level of sustained economic impact related to this "exogenous shock" to the world and the Canadian economy is largely unknown. Notwithstanding this uncertainty, it is generally clear that the longer COVID-19 persists on an international scale, the greater the severity of the current global recession.

Recent structural changes experienced in the macro-economy over the past several decades are well documented. At the provincial level, Ontario's economic base, as measured by GDP output, has shifted from the goods-producing sector (i.e. manufacturing and primary resources) to services-producing sectors. Much of this shift has occurred during the past two decades, driven by GDP declines in the manufacturing sector which were most significant immediately following the 2008/2009 global economic downturn. In contrast, service-based sectors such as financial and business services have seen significant increases over the past several years. Looking forward over the near-term, the Ontario economy is forecast to contract in 2020 before growth rebounds in 2021. Having said that, household spending in Canada is not expected to return to pre-pandemic levels until the second half of 2021. This is despite strong fiscal stimulus and historically low interest rates.

Continued structural changes in the global economy and technological advances will require municipalities to be increasingly responsive and adaptive to changing

¹ Currently referred to as the Local Planning Appeal Tribunal (LPAT).

industry needs and disruptive economic forces. Accordingly, this Brief explores a number of key industry and labour force trends that are expected to influence growth and development patterns in Guelph over the coming decades.

As also noted, COVID-19 is accelerating technological disruptors, largely including e-commerce, the gig economy, and automation. These trends are anticipated to fuel further growth for distribution/logistics centres, and place continued downward pressure on bricks-and-mortar retail stores and service, and office space needs.

Structural changes in the economy are further modifying the character of economic activities in employment areas and impacting their built form and character. Recognizing these recent structural changes in the regional economy, there is a need for the City to ensure that the amount, type, and location of the Guelph's established and planned employment areas are well aligned with anticipated market demand. A number of emerging industrial sectors are anticipated to influence the demand for employment lands in Guelph across a wide range of uses, including:

- Advanced manufacturing is evolving and is requiring integrated operations on larger sites in a "campus-style" setting. These integrated facilities often accommodate a combination of office, research and development, warehousing and logistics, and on-site manufacturing.
- The Goods Movement sector is evolving and responding to consumer demands, as e-commerce is growing in Canada. Emerging Goods Movement uses in Guelph are anticipated to include warehousing facilities requiring specialized functions that focus on serving the expanding urban population within the local and surrounding area. Key requirements include improvements to accessibility to the labour force, such as public transportation, and buildings with a range of design options.
- Market demand on employment lands has been increasingly driven by growth in knowledge-based or creative class economies. As these sectors continue to grow, major office, flex office and multi-purpose facilities encompassing office and non-office uses are becoming increasingly dominant built forms within employment areas.
- Accommodating an adequate mix of supportive uses on employment lands, such as retail and personal services, can strengthen such areas by providing amenities and services to employees and employers. Accommodating too much non-employment-supportive uses, however, can lead to land-use conflicts, influence land values, and eventually contribute to the erosion of employment.

As a result of these continued structural changes occurring in the macro-economy, it is important to recognize that the above-mentioned trends will generate both positive and disruptive economic impacts related to employment growth, local business investment, and labour force demand. Ultimately, these disruptive forces are also anticipated to have long-term impacts on the City's long-term employment

land needs, which should be regularly monitored when planning for Guelph's future Employment Areas.

Regional and local economic context

Guelph is located within one of the fastest growing regions in North America, known as the Greater Golden Horseshoe (GGH). Collectively, the population of the GGH is forecast to increase from 9.5 million in 2016 to 14.9 million in 2051, while the employment base is forecast to increase from 4.6 million in 2016 to 7.0 million in 2051. This equates to a population increase of 5.4 million people (155,000 annually) and an employment increase of 2.4 million (69,000 annually). This represents a substantial increase in population and employment relative to other North American metropolitan regions of comparable population.

The diverse and highly competitive GGH economy has fueled a steady level of employment growth over the past decade in most major sectors of the economy. Employment growth has been particularly strong related to knowledge-based and creative-class service sectors, including professional, scientific and technical services, financial services, information and cultural industries, education services, health care and social services as well as real estate. Within the service sector, economic growth has been notably robust for small- to medium-scale knowledge-based businesses that are focused on innovation, entrepreneurship and technology.

At the regional level, there is a diminishing employment land supply relative to demand in the larger GTHA markets, including the City of Toronto, City of Vaughan, City of Mississauga and the City of Brampton. As the more mature areas of the GTHA gradually build out, increasing outward growth pressure will be placed on the remaining vacant greenfield Employment Areas of the GTHA and the broader GGH.

The City of Guelph is home to an estimated 76,800 jobs, as of 2020. The City of Guelph has a diverse employment base. The largest sector in Guelph is manufacturing which accounts for 25 per cent of total employment. More specifically, the City has a relatively high employment concentration related to the following manufacturing sectors: automotive; metalworking technology; recreational and small electronic goods; trailers, motor homes and appliances; and production technology and heavy machinery. Other key sectors include education services; health care and social assistance; retail trade; accommodation and food services; professional, scientific, and technical services; wholesale trade and construction.

Future employment growth within Guelph is strongly correlated with the growth outlook and competitiveness of the economy within the GGH. Over the next several decades the City of Guelph employment base is anticipated to steadily grow across a broad range of export-based and population serving employment sectors. In several cases, these are also showing similar growth prospects at the broader regional level. Notwithstanding the opportunities generated by the strength of the GGH economy as a whole, it is important to recognize that Guelph will continue to

compete in attracting and retaining new business investment with many of the municipalities across the GGH and beyond. Each of these municipalities generally offer regional attributes that largely appeal to prospective international and local firms as well as new residents.

Guelph's employment areas profile

Guelph has a large and diverse existing employment areas base comprised of approximately 840 net hectares (2,075 net acres) of developed land. A large share is in proximity to the Hanlon Expressway corridor in the city's south end and northwest Guelph's employment lands base is largely a combination of municipally-developed and privately-developed business and industrial park areas.

Key industrial/business park areas include:

- Hanlon Business Park
- Hanlon Creek Business Park
- Northwest Industrial Park
- South Guelph Industrial Lands
- University of Guelph Research Park
- York-Watson Industrial Park
- The Guelph Innovation District (planned)

The city has averaged approximately 32,600 sq.m (350,900 sq.ft.) of building activity on employment lands annually over the 2006-2019 period. Warehousing and storage facilities experienced notable increases in share of total development on employment lands, increasing from 20 per cent in the 2006 to 2010 period, to 80 per cent in the 2016 to 2019 period.

The City of Guelph has a strong and successful history of municipal employment land development. The City continues to be a key employment land developer in Guelph, assembling and servicing land. The municipality is responsible for subdivision design, infrastructure development and land sales. The City of Guelph has developed a number of key industrial parks including Hanlon Business Park and the York-Watson Industrial Area. The City's current inventory of employment parcels available for development and sale are concentrated in the Hanlon Creek Business Park.

The competitiveness of Guelph's export-based economy is partly determined by the availability and quality of its developable employment lands. Further, market choice of shovel-ready industrial lands and the potential for future expansion are key factors in the industrial site selection process. Guelph's net developable vacant employment land supply is estimated at 391 net hectares (966 net acres). Given the large number of established employment areas in Guelph, opportunities exist for future employment intensification within these areas. Based on a further review of the net vacant industrial land supply, it was determined that Guelph has 155 net hectares (383 net acres) of shovel-ready employment land. The majority of

Guelph's shovel-ready employment land supply is located within the Hanlon Creek Business Park. The City of Guelph currently has four parcels for sale comprised of 13 hectares (32 acres) of land. The sites are located in Phase 1 of the Hanlon Creek Business Park.

Forecast employment growth and employment land needs to 2051

In accordance with Schedule 3 of APTG, Guelph's employment base is forecast to reach 116,000 jobs by 2051. This represents an increase of approximately 33,300 jobs between 2021 and 2051, representing an average annual growth rate of 1.1 per cent during this period, based on the anticipated 2021 employment estimate for the city of 82,700. Employment growth over the 2021- 2051 period by land use category includes:

- Population Related Employment (PRE) – forecast to increase by 17,500 jobs, representing 5 per cent of overall employment growth;
- Major Office Employment (MOE) - forecast to increase by approximately 5,800 jobs, representing 17 per cent of the City's total employment growth over the period;
- Employment Lands Employment (ELE) is expected to account for 31 per cent of total employment growth, with a total of 10,200 jobs; and
- Rural employment – a decrease of 200 jobs over forecast period.

Population growth is anticipated to drive the demand for population-related commercial and institutional employment in Guelph. New residential and population-related development will also drive demand within the construction sector and influence investment across certain industrial sectors that are more closely driven by regional population growth (e.g. fulfilment centres, urban warehouses).

Most industrial and office commercial employment (export-based employment), however, is not closely linked to population growth. Employment within these sectors tends to be more influenced by broader market conditions (i.e. economic competitiveness, transportation access, access to labour and distance to employment markets), as well as local site characteristics such as servicing capacity, highway access and exposure, site size/configuration, physical conditions and site location within existing and future employment areas throughout Guelph and the surrounding market area.

A large share of this employment growth is anticipated to be accommodated through employment land employment (ELE). Automotive; food processing and manufacturing; construction products and services; distribution and electronic commerce; transportation and logistics; production technology and heavy machinery industry clusters are also expected to experience relatively strong

employment growth and are expected to account for a significant share of ELE growth over the forecast period.

Knowledge-based industry clusters including: information technology and analytical instruments; environmental services; business services; as well as education and knowledge creation are expected to represent the strongest export-based employment sectors in Guelph between 2021 and 2051.

Employment areas in Guelph provide opportunities to accommodate a wide variety of employment sectors and businesses within a range of building types and forms. Employment areas in Guelph are forecast to accommodate approximately 15,000 jobs over the 2021 to 2051 period². This represents approximately 45 per cent of the Guelph's total employment growth over that period. It is assumed that 99 per cent of city-wide ELE growth will occur within employment areas, while 15 per cent of the city's population related employment (PRE) and 40 per cent of major office employment (MOE) will be accommodated within employment areas. In accordance with the above assumptions, employment growth within employment areas is anticipated to be comprised of 67 per cent ELE (10,100 jobs), 17 per cent PRE (2,600 jobs), and 15 per cent MOE (2,300 jobs).

Over the 2021 to 2051 forecast period, approximately 15 per cent of employment growth on employment lands is anticipated to be accommodated through intensification, such as expansions of existing buildings, additional development on already occupied parcels and infill on partially vacant lots. Adjusted for intensification, it is anticipated that the City will require 271 net hectares (670 net acres) of employment land within employment areas to accommodate forecast demand of 15,000 jobs over the 2021 to 2051 period. This represents an employment area land demand of 319 hectares (789 acres) based on a density of 40 jobs per hectare (16 jobs per acre). It is anticipated that average employment density levels within the employment areas in Guelph will increase from 38 jobs per gross hectare in 2021 to 40 jobs per gross hectare by 2051.

As previously identified, Guelph has a vacant designated employment land supply of 391 net hectares (966 net acres) or 458 hectares (1,132 acres). Reflecting parcels that are unlikely to develop due to physical constraints and a market vacancy adjustment, Guelph's developable vacant employment land supply is estimated to total 404 hectares (998 acres).

As identified in the 2018 City of Guelph Interim Employment Lands Update, a total of 50 hectares (123 acres) of employment lands are recommended be converted to non-employment uses based on Provincial and localized evaluation criteria. The proposed conversions encompass two sites:

² Including major office employment located on employment lands. Excluding major office, employment lands are forecast to accommodate 12,700 employees, representing 35 per cent of employment growth to 2051.

- Clair-Maltby Employment lands (43.7 hectares); and
- York Road/Watson Road Employment lands (6.2 hectares).

Reflecting the potential conversion of 50 hectares (123 acres) of employment lands as highlighted above, Guelph has an estimated 354 hectares (874 acres) of developable vacant employment land.

Based on the long-term employment land demand forecast provided hereinto the year 2051 and available, designated Employment Area land supply (adjusted for employment intensification), the City of Guelph is forecast to have surplus of 35 hectares (86 acres) of Employment Area land by 2051.

Policy directions

The following summarizes the key questions and policy directions of this Employment Lands Strategy:

What should constitute employment areas in the City's Official Plan?

The current Employment Area designations in the OP include Industrial, Corporate Business Park, Institutional/Research Park and Mixed Business designations. In addition to this, the GID Secondary Plan includes Employment Mixed-use 1 and Employment Mixed-use 2 designations.

From the perspective of the OP it is appropriate to maintain the current approach whereby Industrial, Corporate Business Park and Institutional/Research Park designations form the back-bone for the City's employment areas, as these locations accommodate the majority of the existing employment lands employment in the city and in the future are expected to accommodate a significant amount of growth. The Employment Mixed Use 1 and 2 designations in the GID should also be included as part of the City's Employment Areas. The Employment Mixed Use 1 and 2 designations in the GID should also be included as part of the City's Employment Areas; however, there may be a potential need to adjust the land use permissions within these designations in order to align with APTG requirements for Employment Areas. The Mixed Business designation applies to a smaller, isolated area in transition to the east of the Downtown which allows for a broader range of permitted uses compared to the other three designations. For the purposes of ensuring that the core employment functions are maintained and protected, it is recommended that the Mixed Business designation not be included as an Employment Area for the purposes of the City's OP conversion and protection policies.

The City should consider adding a new schedule to the OP which clearly shows the Guelph's Employment Areas on one figure.

Is the location and configuration of available employment lands sufficient and appropriate to accommodate employment uses across the range of targeted industrial and office commercial sectors?

As previously discussed, over the 2021 to 2051 period, employment lands are anticipated to accommodate approximately 45 per cent of the forecast employment growth for the city. When considering the city's regional competitive ranking and historical role in municipal land development, the City has influence on the supply of its Employment Areas. As such, to ensure that demand is not unduly constrained, it is critical that the City provide sufficient market choice of designated and developable Employment Area lands across Guelph.

In addition to Employment Areas, the Downtown (UGC) plays an important role in the attraction and accommodation of major office development within the city. Currently, approximately one third of the existing inventory is located in the Downtown (UGC), however, the area has not experienced any recent major office development activity. The city's urban structure and existing policy framework promote the Downtown (UGC) as an area for major office development. It is recommended that the City explore financial tools/incentives to attract major office development within the Downtown (UGC) over the long-term.

The Employment Area land needs analysis in section 7 identifies a small surplus of 35 hectares of Employment Area land by 2051, after recommended Employment Area conversions are factored. These results rely on the City being able to achieve an increasing density within its Employment Areas over time. The City should continue to monitor and track Employment Area land absorption and development activity, while promoting higher density built form and intensification to support maximization of the Employment Area land supply.

As previously noted, one of the most important site selection criteria that can be influenced by the city is an ample supply of suitable, vacant, serviced (and serviceable) employment land that is available for purchase and absorption. This inventory must provide a balanced market choice of sites, by site size and zoning, across all the city's Employment Areas. In order to allow for proper market functioning, the City should work to ensure that a minimum five-year supply of serviced industrial employment lands (by various sizes, zoning, and location) is available at all times throughout the forecast period.

While Guelph has a sufficient shovel-ready employment land supply to meet short- and medium-term needs, the City needs to proactively plan and service new growth areas to accommodate growth over the longer-term planning horizon. The City will need to ensure that the Phase 3 Hanlon Creek Business Park lands are development ready over the next 5-10 years. While South Guelph is expected to continue to accommodate significant growth over the next two decades, development potential in this area will become increasingly constrained as the area builds out. The City will need to advance planning and development of the GID to

accommodate longer-term employment land demand including those more highly oriented to knowledge-based sectors.

What should the city's employment density target be?

APTG requires that municipalities include an employment density target for all employment lands. Policy 3.14.6 should be updated to include a broader minimum city-wide target of at least 40 jobs per hectare to reflect both the city's long-term planning policy objectives for its employment areas as well as anticipated real estate market trends for these areas over the long-term. In addition, minimum density targets for individual employment land use designations can be effective in supporting increased density on employment lands. The following density targets are recommended for Employment Areas within the built up area and designated greenfield area:

- Industrial, 35 jobs per hectare;
- Institutional/ Research Park, 50 jobs per hectare; and,
- Corporate Business Park, 70 jobs per hectare.

While the Mixed Business lands are not recommended as part of an Employment Area, the City may choose to include a density target for these lands going forward (e.g. 35 people and jobs per hectare).

Are current policies sufficient to protect and retain existing employment uses that are only permitted in Employment Areas?

Within the context of the above Provincial direction, it is recommended that the City protect and reserve strategically important land for future employment purposes to the 2051 planning horizon and beyond. If not carefully evaluated, the conversion of Employment Areas to non-employment uses can potentially lead to negative impacts on City of Guelph economy in several ways. Under some circumstances, an Employment Area conversion may be justified for planning and economic reasons provided such decisions are made through using a systematic approach and methodology as set out herein. Section 4.6 of the 2018 City of Guelph Interim Employment Lands Update, provides an assessment of three Employment Area sites for the potential conversion to non-employment uses, including:

- Site 1 - York Road/Victoria Road Employment Lands
- Site 2 - Clair-Maltby Employment Lands
- Site 3 - York Road/Watson Road Employment Lands

In accordance with the Employment Area conversion review undertaken as part of the 2018 City of Guelph Interim Employment Lands Update, it is recommended that Employment Area sites 2) Clair- Maltby Employment Lands and 3) York Road/Watson Road Employment Lands are converted to a non- employment use. The York Road/Victoria Road Employment Lands are currently being reviewed by the City as part of the ongoing York/ Elizabeth land use review.

With respect to the City's Employment Area conversions policies, it is recommended that OP policy 3.14.2 is maintained to ensure that future Employment Area conversions occur only at the time of a municipal comprehensive official plan review (MCR) where the city has the ability to assess the need for the conversion and confirm any implications (i.e. the ability to meet its long range employment forecast and intensification targets, infrastructure considerations and long-term employment land needs). It is further recommended that the City consider enhancements to its Employment Area conversion policies as set out in Section 3.14.2 of the OP, to include additional localized evaluation criteria, building on Section 4.6.3 of the 2018 City of Guelph Interim Employment Lands Update.

In addition to the above, the City should consider updating its regeneration area policies. The current OP policies reference the 2006 Growth Plan policy framework which allowed for employment land conversion within lands designated as "regeneration areas." Regeneration areas are not mapped or identified in the current OP and since this policy approach is no longer part of APTG, policy 3.14.5 should be removed to avoid confusion and ensure clarity.

What are the City's recommendations with respect to identification of Provincially Significant Employment Zones (PSEZ)?

The Province has identified key Employment Areas across the GGH as PSEZ for the purposes of long-term planning for job creation and economic development. PSEZ designations are intended to capture the significant concentrations of employment across the GGH. In Guelph, the Employment Areas located in the south end of the City (including those located in Hanlon Creek Business Park, Hanlon Business Park and South Guelph Industrial Area) are identified as PSEZ Zone 21. The Province's PSEZ mapping excludes other Employment Areas elsewhere in the city, which are significant at the city-scale, but perhaps less relevant in the context of a broader GGH Employment Area system. From a policy perspective it would be appropriate for the OP to recognize the planned function of Employment Areas located in the PSEZ and also explain the importance of the city's other Employment Areas which were not recognized as provincially significant. The fact that other important Employment Areas were not identified as provincially significant should in no way imply that those Areas' are not significant at the city scale, for example the Northwest Industrial Area is also a significant cluster of employment uses at the city scale and is required to achieve the city's long-range growth allocations. The City may wish to consider including a schedule to support the policy framework for its PSEZ designations and include some policies to provide context for the PSEZ designation and the broader employment areas across Guelph.

What policy changes would strengthen the City's ability to accommodate employment growth associated with structural changes in an evolving economy?

The physical characteristics that make Employment Areas successful are also changing as a result of the evolving knowledge-based economy. As such, land-use planning policies must anticipate the evolving nature of the local economy and reflect the diverse needs of established and emerging industries. As previously mentioned, it is important to recognize that structural changes in the broader economy continue to alter the nature of economic activities in Employment Areas as well as impact the built form (i.e. siting requirements), integration of uses, and character of these lands.

Recognizing the recent structural changes in the regional economy, there is a need for Employment Areas to provide for a wide range of amenities and employment-supportive uses which complement both knowledge-based and traditional industrial sectors. Having said this, the intention of employment-supportive uses in Employment Areas should be to serve the needs of employers and employees within the Employment Areas as opposed to the broader population.

The City should continue to assess the provision for commercial, community, and institutional uses within Employment Areas on the degree to which the use:

- Supports/complements employment uses within Employment Areas;
- Does not adversely affect the stability of the Employment Areas;
- Does not adversely impact other designated employment uses (i.e. increased road traffic);
- Is compatible with neighbouring land uses (i.e. does not raise health and safety concerns); and
- Does not detract from the potential for the subject lands to be utilized for employment uses.

Each of the City's employment designations, including: Industrial, Corporate Business Park, Institutional/Research Park and Mixed Business permit a range of complementary uses, subject to requirements related to land use compatibility and/or consistency with the planning function of the designation.

Section 3.14.3 of the City of Guelph OP identifies that major retail uses are non-employment uses. In order to ensure that retail uses that are permitted as a secondary use within Industrial and Business Park designations do not become major retail and to ensure that more land remains available for employment uses that can only locate in Employment Areas, the City should consider restricting the maximum size of new retail space permitted in Employment Area designations.

One of the permitted uses in the Industrial designation is the provision of childcare centres as a complementary use subject to a Zoning By-law amendment provided that it will not detract from, and is compatible with, the development and operation of industrial uses. In accordance with Section 2.2.5.7 of APTG, it is therefore

recommended that childcare centres be removed as a permitted complementary use in the Industrial designation. Unlike other supportive uses in Employment areas such as restaurants and service shops, childcare centres are considered sensitive uses which require greater mitigation measures when located in proximity to industrial uses in the Industrial designation. The inclusion of sensitive uses within industrial areas may actually reduce the overall competitiveness of certain industries over time, as operators may be required to upgrade facilities when applying the Ministry of Environment, Parks and Conservation for new environmental permits. Given the desire to support existing industrial operations, it is therefore recommended that childcare centres be removed as a permitted complementary use in the Industrial designation.

Planning for intensification within developed employment areas

A large share of the city's employment land is underutilized and has future intensification potential. Infill and redevelopment of existing developed lands are expected to continue to increase over time, largely driven by rising employment land values and related development costs, and the continued buildout of Guelph's Employment Areas.

It is recommended that the City explore and monitor opportunities for infill and redevelopment in mature Employment Areas. Further, it is recommended that the City promote and encourage the further intensification of Employment Areas providing that the scale and type of intensification is consistent with the planned function of the area.

To help support these initiatives, the City should undertake an Employment Area intensification strategy to effectively assess and evaluate intensification potential and opportunities over the long-term. Such a strategy would help to ensure that the City can meet, and possibly exceed, the identified Employment Area intensification target of 15 per cent, as presented herein. The timing and the potential amount of intensification in Employment Areas is based on a variety of market-driven conditions. Potential redevelopment or development of sites needs to be evaluated in terms of economic viability and marketability with respect to market demand. This aspect would form a significant component of an Employment Area intensification strategy. As part of the intensification strategy, the City could also explore and identify financial tools/incentives and implementation tools to facilitate intensification initiatives.

As part of the strategy the City might also consider approaches to stimulate investment through physical improvements within its office parks (i.e. lands designated as Corporate Business Park and lands within GID), which is a key policy direction within APTG. Initiatives could include improving connectivity with transit and active transportation, streetscaping, reducing parking requirements and promoting Transportation Demand Management (TDM) measures and where

possible and appropriate location of higher density residential uses in relative close proximity to better support live-work opportunities (see policy 2.2.5.16 of APTG).

Finally, there are a few policies within the Official Plan which could be updated to include and promote employment area intensification as an important policy objective (Policy 3.10, 3.14).

Do current OP policies work together with Council's economic development initiatives to support the city's overall economic competitiveness and growth objectives?

It is recognized that there are various municipal interests and policies related to Employment Areas. It is important that there is alignment between the Official Plan and the City's economic development goals and objectives.

In response to the City's Corporate Strategic Plan to "build a diverse and prosperous local economy" the City prepared a new economic development strategy titled *Prosperity 2020 – Strategic Directions for Economic Development and Tourism*. Prosperity 2020 focuses on seven major themes. Themes that intersect with the ELS include Focus Investment and Growth; and Invest in Hard and Green Infrastructure.

With respect to economic diversification as identified in the Focus Investment and Growth theme, land- use planning policies must anticipate the evolving nature of the local and regional economy and reflect the diverse needs of established and emerging industries. Land-use policies must also offer a degree of flexibility and nimbleness that allows for relatively rapid responses to disruptive factors, which can be a critical advantage relative to competitive markets. The OP must also recognize the importance of Employment Areas in accommodating knowledge-based sectors in addition to traditional industrial sectors. This applies not only to the Guelph Research Park and the GID but also other Employment Areas in the city.

The goal of Invest in Hard and Green Infrastructure speaks to the importance of maintaining a steady supply of shovel ready employment lands. The importance of sufficient market choice with respect to shovel-ready employment lands is discussed in detail herein. In addition, It is also important to ensure that Employment Areas offer a broad range of building space market choice (e.g. business centres and incubators) for a range of business sizes (including small business) that have proximity to employment- supportive uses and access to public transit and active modes of transport.

For the City to achieve its long-term goals as outlined in the Economic Development Strategy and Implementation Plan, Employment Areas need to continue to offer opportunities for growth and development. This includes accommodating a large share of Guelph's employment growth, across a broad range of industry sectors, to maintain high levels of employment in the city relative to population growth.

The City's Economic Development Strategy and Implementation Plan sees the continued development of the Hanlon Business Corridor and the development of

Guelph Innovation District as key priorities for Employment Areas. As previously discussed herein, Hanlon Creek Business Park and the South Guelph Industrial Park are key greenfield growth areas in the city and the Northwest Industrial Area continues to offer intensification opportunities. The GID represents an important new growth area for the city over the longer term. As identified in the employment land needs analysis, the city's remaining greenfield areas including GID are critical in accommodating employment uses over the planning horizon.

Monitoring industrial employment land development activity and needs

Effectively accommodating employment land development over the longer term requires the implementation of programs and mechanisms to accurately receive, catalogue and assess industrial development information, as well as to assess the available supply of employment lands within Guelph. The data collected and presented in this study offers the City with a base from which to work, but the City will need to continue to update and monitor the information on a regular basis.

Building on baseline data provided in this study, it is recommended that the City develop a system for tracking and monitoring employment land supply and demand data, to assist with longer-term planning and land needs forecasting.



1. Introduction

1.1 City of Guelph Official Plan Review context

The City of Guelph is reviewing its Official Plan (OP), the guiding planning document that provides the long-term framework for growth, development and the protection of cultural and natural heritage resources located in the city. It is a legal document under the *Planning Act* that contains the goals, objectives, and policies to manage and direct physical (land use) change, and its effects on the cultural, social, economic, and natural environment within the community.

This review builds on the foundation of the existing OP. It includes a number of technical studies to update the recommended approach for managing population and employment growth to 2051 within the City of Guelph. The existing OP from 2018 replaced the previous OP that was adopted by Council in November 1994 and approved by the Minister of Municipal Affairs in December 1995. The OP went through a Municipal Comprehensive Review (MCR) and comprehensive update in

2001 and subsequently was amended three times to address provincial policy conformity:

- Phase 1 – OPA 39: Brought the OP into conformity with the Growth Plan and was adopted by City Council on June 10, 2009 and approved by the Ministry of Municipal Affairs and Housing on November 20, 2009; and is in full force and effect.
- Phase 2 – OPA 42: Introduced a Natural Heritage Strategy which established a sustainable greenspace network throughout the City and was adopted by Council in July 2010 and approved by the Ontario Municipal Board (OMB) in June 2014, and is in full force and effect.
- Phase 3 – OPA 48: Final phase of the five-year review was approved with modifications by the Ministry of Municipal Affairs and Housing in December 2013 and approved by the OMB in October 2017.

Phase 1 addressed the Growth Plan conformity component (through OPA 39) in accordance with the 2006 Growth Plan. Since then, there have been several updates to provincial policies as well as a number of emerging growth pressures. On May 2, 2019, the Province approved a new Growth Plan, A Place to Grow: Growth Plan for the Greater Golden Horseshoe (APTG), which took effect on May 16, 2019, and on August 28, 2020 Amendment 1 to the Growth Plan, 2019 came into force and effect. The amendment includes changes to the population and employment forecasts, extending the horizon year for planning to 2051, and other policies to increase housing supply, create jobs, attract business investment, and better align with infrastructure. The City is required to bring its OP into conformity with APTG (including Amendment 1) by July 1, 2022.

These provincial policy and legislative documents provide direction for municipalities on land-use planning including where and how to plan for growth. The project team will continue to monitor any changes to Ontario's planning system and their implications to the analysis in this study.

1.2 Study purpose and process

The policies and mapping of the City of Guelph OP will be updated to reflect matters of provincial interest under the Planning Act to be consistent with the 2020 Provincial Policy Statement (PPS) and to conform to APTG (including Amendment 1). The MCR, known as Shaping Guelph, is the City's response to APTG which will ultimately result in an Official Plan Amendment (OPA). Anything that is not growth related will be addressed through a separate OPA and is not within the scope of this study.

The overall purpose of the MCR is to recommend a Growth Management Strategy (GMS) that sets out new growth-related directions and policies to bring the City of Guelph OP into conformity with APTG.

Dillon Consulting Limited (Dillon) and Watson & Associates Economists Ltd. (Watson) were retained by the City to complete the growth-related components of

the MCR. The growth-related study is being undertaken in five tasks as described in **Figure 1-1** below:

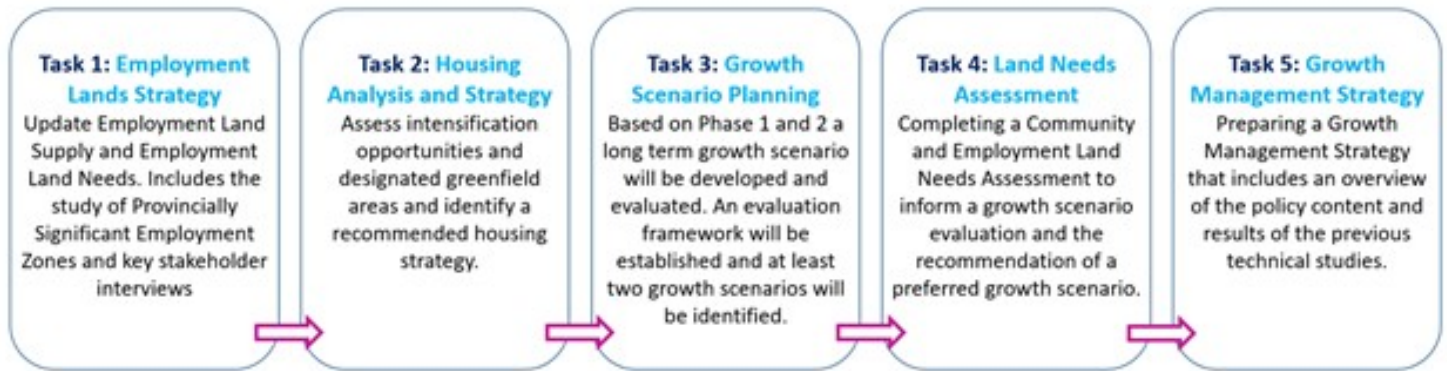


Figure 1-1: City of Guelph Official Plan Review in Five Tasks

A comprehensive consultation and community engagement program is being led by Lura Consulting (Lura) on behalf of the City. The Dillon and Watson team will be working closely with Lura and the City to support the engagement components of this study. The feedback and input resulting from the engagement activities will inform the development of Task 1 through Task 5, as shown in **Figure 1-1**.

In addition to the growth-related components of the MCR that the Dillon team is leading, the City is also undertaking a number of other background studies as part of the MCR process, including:

- A review of the City’s vision and principles for growth; and
- A Residential Intensification Analysis.

The results of the City-led components of the study will feed into the growth analysis for the City and be part of the final MCR document.

1.3 Technical brief purpose and context

The Employment Lands Strategy (ELS) provides a comprehensive examination of the city’s Employment Areas, building on past studies as well as recent development activity and long-term trends over the 2051 planning horizon. The purpose of this technical brief is to:

- identify Guelph’s long-term employment growth projections for Employment Areas;
- assess the ability of the Employment Areas to accommodate the city’s long-term demand;
- recommend density targets for Employment Areas;
- provide policy direction to promote intensification of existing employment lands;
- outline whether any existing employment lands are no longer needed solely for employment purposes (i.e. what lands may be appropriate to convert to accommodate non-employment uses); and

- provide strategic policy recommendations with respect to the city's Employment Areas.

Employment areas form the basis for planning for employment uses in accordance with APTG and the PPS. Employment lands are parcels designated for employment uses largely accommodated as clusters within Employment Areas.

In November 2008, Guelph City Council committed to the development of a new ten-year Economic Development and Tourism Strategy for Guelph — Prosperity 2020. This ten year strategy identified seven strategic directions that would help reach the City's economic and tourism goals. Two of which align with the ELS: Focus Investment and Growth; and Invest in Hard and Green Infrastructure. With Prosperity 2020 in its final year, the City is currently in the process of preparing a new economic strategy that will look to build upon the successes of Prosperity 2020. The ELS will be coordinated with Prosperity 2020 and its update.

1.4 Technical brief organization

The document is organized into eight sections, as follows:

- Section 1 presents the introduction, the purpose of the study, and the purpose of the strategy;
- Section 2 outlines the policy context that is relevant to planning for the employment lands in Guelph;
- Section 3 describes the economic and employment trends within the city;
- Section 4 describes the city's economic structure and future growth;
- Section 5 profiles the city's Employment Areas and describes the proposed development and opportunities for growth, while highlighting recommendations for the conversion of employment lands;
- Section 6 presents Guelph's competitiveness within the broader regional context;
- Section 7 outlines the long-term employment forecast for the city; and
- Section 8 presents recommendations and next steps for the strategy.

1.5 Definitions and terminology

The following highlights definitions for key terms that are used within this technical brief.

1.5.1 Employment Areas

This report uses the definition from APTG and from the PPS as "areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities." Employment Area refers to a cluster of employment lands.

1.5.2 Employment Lands

Employment lands (also known as industrial lands) typically include a broad range of designated lands, including light, medium and heavy industrial lands, business

parks and rural industrial lands. Employment lands accommodate primarily export-based employment, including a wide range of industrial uses (e.g. manufacturing, distribution/logistics, transportation services), as well as specific commercial and institutional uses (e.g. office, service, ancillary/accessory retail).

1.5.3 Employment Lands Employment

Employment lands employment (ELE) represents jobs accommodated in industrial-type buildings with virtually all employment located within Employment Areas. This includes largely industrial-sector employment such as manufacturing, wholesale trade, transportation and warehousing, construction, and utilities as well as a limited amount of employment associated with office commercial and employment-supportive uses. ELE includes population-related employment (PRE) but excludes major office.

1.5.4 Major Office Employment

In APTG, major office is described as “freestanding office buildings of approximately 4,000 square metres of floor space or greater, or with approximately 200 jobs or more.” Major office employment (MOE) is comprised of employment accommodated in office buildings greater than 1,900 sq.m. (20,000 sq.ft.). In this report, the phrase major office is generally used in regard to buildings that accommodate MOE and are aligned with office inventories. Major office functions are often concentrated in downtown areas or established suburban office parks. Developers can also pursue additional sites that complement other existing commercial/retail properties or planned projects. Office uses are increasingly encouraged to locate in centres and corridors where intensification is sought and where transit investments can be leveraged. Typically, MOE includes knowledge-based sectors found in standalone multi-storey buildings including finance and insurance; information and cultural industries; management of companies; professional, scientific, and technical services; and real estate, rental and leasing sectors.

1.5.5 Major Transit Station Area

APTG defines Major Transit Station Areas (MTSAs) as “the area including and around any existing or planned high-order transit station or stop within a settlement area, or the area including and around a major bus depot in an urban core. MTSAs are generally defined as the area within an approximate 500 to 800 metre radius of a transit station, representing a 10-minute walk.”

1.5.6 Population-Related Employment

PRE includes employment in institutional and commercial sectors not accommodated in major office buildings (MOE) or within industrial buildings (ELE). Work at home employment is also captured as PRE. PRE is located within the city’s urban area and largely accommodated in downtown areas, commercial corridors and nodes, neighbourhood plazas, institutional campuses and schools, and standalone institutional and retail buildings. A limited share of PRE is accommodated in Employment Areas within standalone institutional and retail commercial buildings.

1.5.7 Provincially Significant Employment Zones

The Province may provide more specific direction for planning in these employment zones. Provincially Significant Employment Zones (PSEZ) have been identified for the purpose of long-term planning for job creation and economic development. They can consist of Employment Areas and mixed-use areas that contain a significant number of jobs. There is one PSEZ (Zone #21) identified in the south end of Guelph (see section 2.1.3 for more information).

1.5.8 Rural Employment

Rural-based employment reflects jobs accommodated in locations outside of the urban area. Rural Employment consists primarily of primary sectors (e.g. agriculture, mineral aggregate extraction) within the countryside as well as PRE outside urban areas.



2 Policy context

2.1 Provincial context

2.1.1 Planning Act

The *Planning Act* is provincial legislation that covers the policies for land use planning affecting communities in Ontario. It sets out the framework for statutory planning and identifies how land is controlled for municipal land use planning. The Act establishes the provincial interest in planning for employment opportunities.

Section 1 of the Planning Act defines an “area of employment” as: “an area of land designated in an OP for clusters of business and economic uses including, without limitation, the uses listed in subsection (5), or as otherwise prescribed by regulation”

Section 1(5) of The *Planning Act* lists the following uses that pertain to the definition of “area of employment”:

- Manufacturing uses;
- Warehousing uses;
- Office uses;
- Retail uses that are associated with manufacturing, warehousing and office uses; and
- Facilities that are ancillary to manufacturing, warehousing and office uses.

The Act sets up the legislative framework that is further implemented through several other provincial plans including the PPS and APTG.

2.1.2 Provincial Policy Statement, 2020

The PPS provides high-level policy direction for planning and regulating the development and use of land within Ontario. All decisions that affect land-use planning for municipalities across Ontario must be consistent with the PPS. A few of the key over-arching policy directions are summarized below.

The policies in section 1 of the PPS Building Strong Healthy Communities provide guidance for facilitating efficient land use and development policies to support “strong, livable, healthy and resilient communities,” and protect the environment, public health, and safety of communities. Other policies in section 1 of the PPS encourage the promotion of economic growth, diversification of the economic base, and employment opportunities in rural areas (Policy 1.1.4.1f).

Facilitating economic development is outlined in Policy 1.3 of the PPS and provides direction for a range of employment opportunities to ensure a diversified economic base. The policies encourage “facilitating the conditions for economic investment by identifying strategic sites for investment, monitoring availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment” (Policy 1.3c). Policies of section 1.3.2 on Employment Areas state that planning authorities should provide an appropriate mix and range of employment, opportunities for a diversified economic base, plan for, protect, and preserve Employment Areas, and ensure the necessary infrastructure is available. The OP review process is intended to assess current Employment Areas to ensure the designation is appropriate to the planned function of the Employment Area (Policy 1.3.2.2).

2.1.3 A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (APTG) outlines where and how growth and development should occur between now and 2051 within the Greater Golden Horseshoe (GGH). APTG provides more detailed policy guidance for employment lands planning. The following highlights the relevant policies which inform the City’s Employment Lands Strategy:

- i. Promoting development and economic competitiveness: Economic competitiveness must be promoted through the efficient use of Employment Areas. This ensures sufficient land is available in appropriate locations to accommodate a variety of forecast employment growth, to plan better connected, integrated areas, and to align land-use planning and economic development goals to attract and retain investment and employment (Policy 2.2.5.1a-d).
- ii. Directing office, institutional and retail uses generally away from Employment Areas: APTG directs major office and appropriate major institutional to urban growth centres (UGCs), MTSAs and other strategic growth areas with existing or planned frequent transit service. It also directs retail and office uses to locations that support active transportation and have existing or planned transit (Policy 2.2.5.2; Policy 2.2.5.3).
- iii. Guiding the planning of Employment Areas: Municipalities are required to plan Employment Areas with transit-supportive built forms while minimizing surface parking and developing active transportation networks (Policy 2.2.5.4)
- iv. Protecting lands near Goods Movement facilities: APTG directs municipalities protect lands within settlement areas in proximity to major Goods Movement facilities for manufacturing, warehousing, and logistics, and appropriate ancillary facilities (Policy 2.2.5.5).
- v. Designating and protecting Employment Areas: Single-tier municipalities are required to “designate all Employment Areas in official plans and protect them for appropriate employment uses over the long term” (Policy 2.2.5.6). In addition, APTG requires that municipalities prohibit residential and limit other sensitive uses that are not ancillary to the primary employment use, prohibit major retail uses and provide appropriate interface between employment and adjacent non-Employment Areas to maintain land-use compatibility (Policy 2.2.5.7).
- vi. Identifying long-term population and employment projections: Schedule 3 of APTG outlines the population and employment projections for Guelph. APTG estimates 203,000 people and 116,000 jobs by 2051.
- vii. Establishing criteria for the consideration of the conversion of Employment Areas: APTG identifies a number of criteria and conditions that must be met in order to consider the conversion of lands within Employment Areas to non-employment uses (Policy 2.2.5.9, 10 and 11).
- viii. Requiring municipalities to establish minimum density targets for all Employment Areas: APTG requires that all single-tier municipalities establish minimum density targets for all Employment Areas within settlement areas that are measured in jobs/hectare, reflect current and anticipated type and scale of employment, and reflect opportunities for intensification of Employment Areas on sites that support active transportation and are served by transit and will be implemented through OP policies, designations, and zoning (Policy 2.2.5.13).

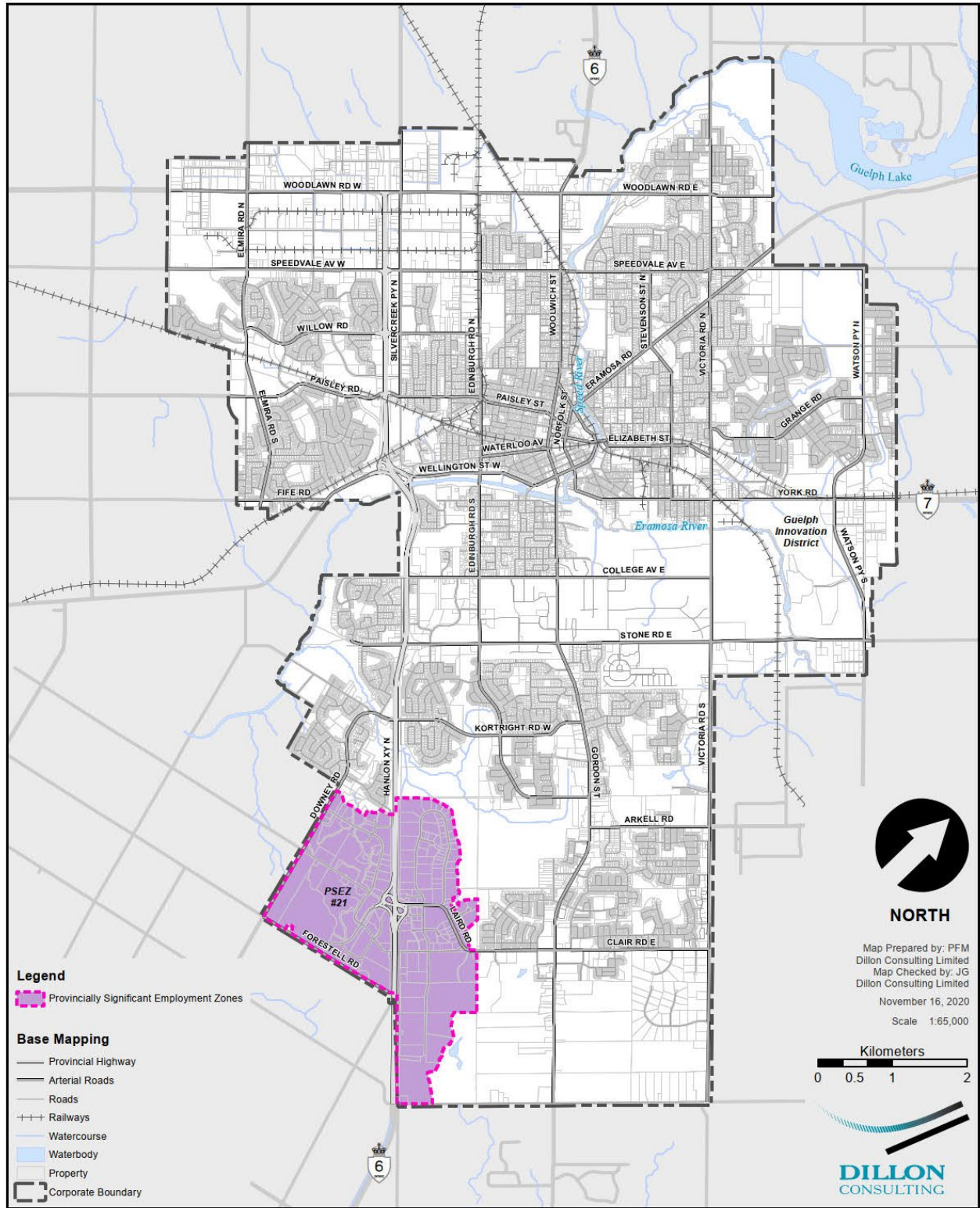
APTG has also introduced a new policy framework that is intended to provide greater long-term protection for key employment areas that are provincially significant and better coordinate efforts to support their contribution to economic growth and improve access to transit. The following section describes the APTG policies for Provincially Significant Employment Zones (PSEZ).

2.1.4 Provincially significant employment zones

Policy 2.2.5.12 of APTG allows the Minister to identify PSEZ and provide specific direction for planning in those areas, to be implemented through appropriate OP policies, designations, and economic development strategies. The Province has identified one PSEZ in Guelph (Zone 21). The lands that comprise the PSEZ are located on the south-west side of Guelph as shown on **Figure 2-1**. This includes the Hanlon Business Park, the Hanlon Creek Business Park, and the Southgate Business Park. They are located east and west of Highway 6/Hanlon Expressway South and are in proximity to Highway 401.

CITY OF GUELPH OFFICIAL PLAN REVIEW PROvincially SIGNIFICANT EMPLOYMENT ZONES

FIGURE 2 -1



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2.1.5 Land needs assessment methodology for the Greater Golden Horseshoe Region

In accordance with Policy 5.2.2.1 of APTG, which states that the Minister will establish a methodology for assessing land needs to implement APTG, the Province has provided a Land Needs Assessment (LNA) Methodology document. The original LNA methodology document was released in May 2018 for APTG and was subsequently updated and replaced with a new document in August 2020 to support the policies of APTG. The LNA methodology document includes requirements that must be completed as part of the MCR to determine the total quantity of land needed to accommodate growth to the horizon set out in APTG, including the need for any settlement area boundary expansions, employment land conversions, and the quantity of any excess lands. The LNA methodology recognizes that employment uses are evolving and employment land requirements vary across the GGH, and as such, municipalities are required to review the forecast in Schedule 3 of APTG and provide a breakdown of the forecast by employment type to 2051 based on the outlook for employment growth.

This report has been prepared in accordance with the LNA methodology for the GGH and the policies of APTG.

2.2 Municipal context

2.2.1 City of Guelph Official Plan

The City of Guelph OP was approved in 2017 by the Ontario Municipal Board (OMB)³, and includes population and employment forecasts to 2031 of 175,000 people and 92,000 jobs. Employment areas play a critical role in the local economy and the policies of the OP identify the importance of protecting them from conversion to non-employment uses. The city's current OP defines employment areas as areas that are designated in the OP for clusters of business and economic activities including but not limited to manufacturing, warehousing, offices, associated retail, and ancillary facilities (section 12, Glossary). The OP includes a number of general policies to guide the planning of the city's employment lands in section 3.14, including:

- Ensuring necessary infrastructure is provided to meet current and future employment needs.
- Planning and facilitating the development of employment lands to be transit supportive, compact in built form, and minimize surface parking.
- Directing major office and appropriate major institutional uses to the Downtown and areas with existing or planned frequent transit service.
- Establishing specific density targets for lands within the greenfield area, including 36 jobs per hectare for lands designated Industrial, 70 jobs per hectare for lands designated Corporate Business Park and an overall density of 46 jobs per hectare for employment lands within the greenfield area.

³ Currently referred to as the Local Planning Appeal Tribunal (LPAT).

- Encouraging employment uses with low job densities to locate on appropriately designated lands within the built-up area where there is convenient access to provincial highways or rail lines.
- The conversion of Employment Areas to non-employment uses (including major retail uses) is only permitted through an MCR where certain criteria have been met (Policy 3.14.2). The criteria include:
 - The conversion will not adversely affect the overall viability of the Employment Area and achievement of the intensification target, density targets and other policies of this Plan;
 - There is existing or planned infrastructure to accommodate the proposed;
 - The lands are not required over the long term for the employment purposes for which they are designated; and
 - Cross-jurisdictional issues have been considered.

Employment areas that are within the Downtown or regeneration areas are not subject to these conversion policies (Policy 3.14.4). The Downtown serves as a high-density major Employment Area that is intended to attract provincially and potentially nationally and internationally significant uses (Policy 3.8). Regeneration areas have been defined by the OP as areas where a transition of use from industrial to another use is anticipated during the planning horizon of the OP. They are often isolated or fragmented sites, and the transition of use may be desirable to support improved land-use compatibility to promote reinvestment in underutilized areas. There are no regeneration areas designated in the OP.

Policy 11.2.1.2, Principle 6 of the Guelph Innovation District Secondary Plan highlights the importance of reinforcing the Guelph Innovation District (GID) as a high-density Employment Area that attracts provincially and/or internationally significant employment uses. The GID includes Employment Areas designated as: Employment Mixed Use 1 and Employment Mixed Use 2. Employment Mixed Use 1 and 2 are shown on Schedule B of the GID Secondary Plan land use schedule. Lands designated as Employment Mixed Use 1 includes areas that are targeted for significant growth as landmark areas in the University-Downtown-GID area (Policy 11.2.6.3.3). Lands designated Employment Mixed Use 2 have a mix of uses including commercial, education, institutional, and some entertainment uses that serve to support the role of the Employment Area as part of the Guelph Agri-Innovation Cluster (Policy 11.2.6.3.4.1).

The OP identifies four employment designations in section 9, including Industrial, Corporate Business Park, Institutional Research Park and Mixed Business. Figure 2-2 shows Guelph's employment designations. The following highlights the function and permitted uses within each designation:

- **Industrial:** These lands are intended to function as serviced industrial land for a range of industrial uses and host various scales of establishments. Efficient use of the industrial lands is important to their function and the policies promote redevelopment of under-used or brownfield sites. The appropriate location of industrial uses is important to ensure land-use compatibility within the city. The permitted uses include:

- a. Industrial uses, including the manufacturing, fabricating, processing, assembly and packaging of goods, foods, and raw materials;
 - b. Warehousing and bulk storage of goods;
 - c. Laboratories;
 - d. Computer and data processing;
 - e. Research and development facilities;
 - f. Printing, publishing, and broadcasting facilities;
 - g. Repair and servicing operations;
 - h. Transportation terminals;
 - i. Contractors' yards; and
 - j. Complementary uses (such as corporate offices, open space and recreation facilities, restaurants, financial institutions, childcare centres, public and institutional uses, and utilities) which do not detract from, and are compatible with, the development and operation of industrial uses.
- Corporate Business Park: These lands are intended to function as space for office, administrative, and/or research and development facilities. The commercial uses permitted are restricted to those that serve the employment uses. The permitted uses include:
 - a. Office and administrative facilities;
 - b. Manufacturing;
 - c. Warehousing;
 - d. Hotel and convention facilities;
 - e. Research and development facilities;
 - f. Associated ancillary retail uses that are an integral component of the primary uses; and
 - g. Complementary or accessory uses may be permitted. Such uses may include restaurants, financial institutions, medical services, fitness centres, open space and recreation facilities, and childcare centres.
 - Institutional/Research Park: These lands are intended to function as dedicated areas for major institutional uses, or research facilities. A limited range of commercial uses are permitted, beyond service commercial uses that may serve to support the institutional and research park uses. Within the designation, buildings are intended to have appropriate massing, and site layout to develop a pedestrian-oriented and attractive streetscape. The permitted uses include:

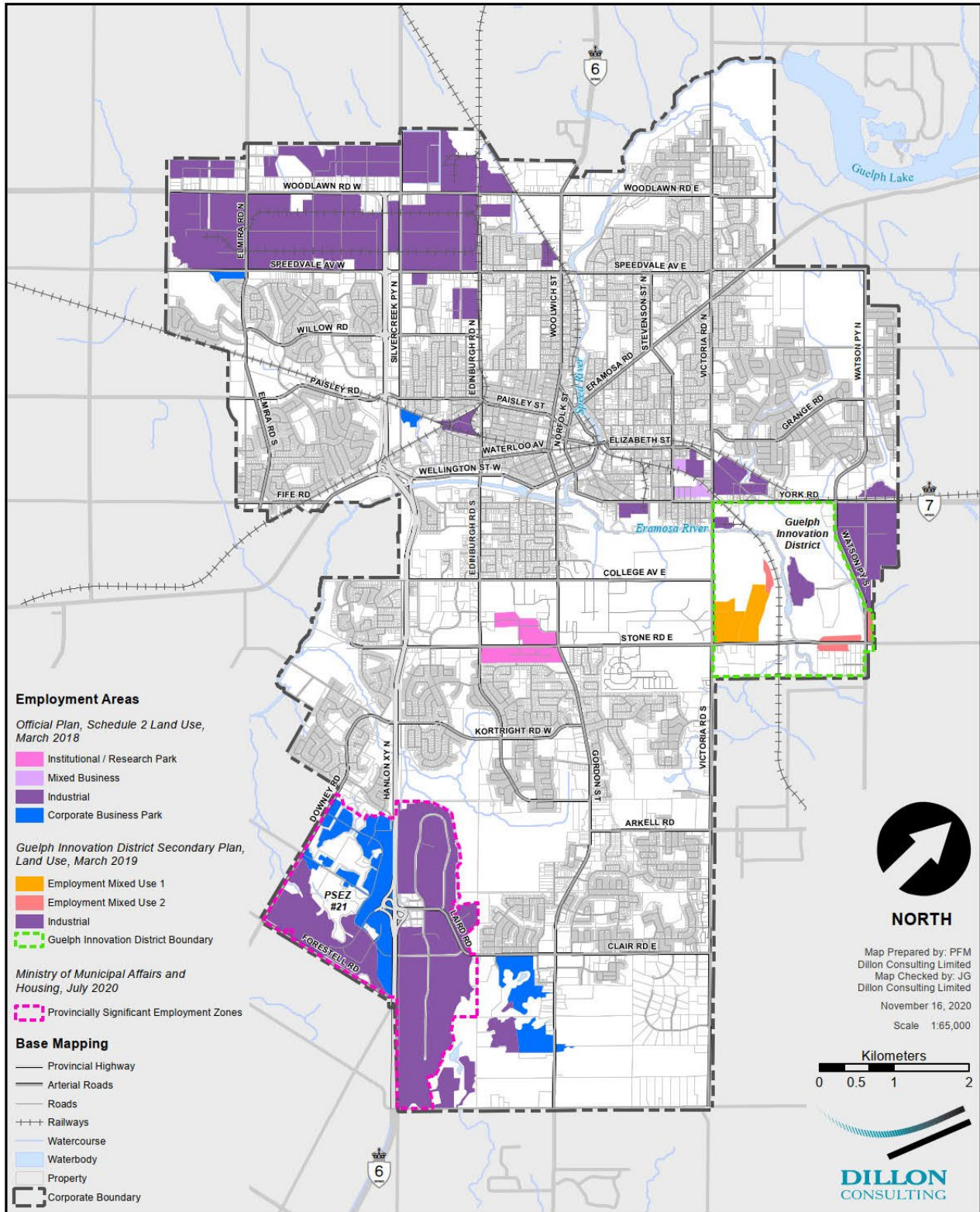
- a. Research and development facilities;
 - b. Computer, electronic, and data processing enterprises;
 - c. Offices;
 - d. Assembly and manufacturing of product lines requiring ongoing research and development support; and
 - e. Service commercial uses, such as restaurants and banks.
- **Mixed Business:** These lands are intended to provide a mix of business land uses that allow for reinvestment, intensification, and efficient use of the business lands. The lands are intended to support the needs of surrounding neighbourhoods, employees, and businesses with a compatible mix of industrial, office, institutional, and limited commercial uses. The permitted uses include:
 - a. Uses permitted in the Industrial designation;
 - b. Office;
 - c. Convenience commercial; and
 - d. Institutional.
 - **Employment Mixed Use 1 (GID):** These lands are targeted for significant growth as a landmark area in the University-Downtown-GID trinity. They permit a mix of uses focusing on higher density, innovation, and sustainability. The permitted uses include:
 - a. Office and administrative facilities;
 - b. Research and development facilities;
 - c. Hotel and convention facilities;
 - d. Entertainment and recreational commercial uses;
 - e. Assembly and manufacturing of product lines requiring ongoing research and development support;
 - f. Associated ancillary retail uses that are an integral component of the primary uses;
 - g. Complementary or accessory uses may also be permitted. Such uses may include restaurants, financial institutions, medical services, fitness centres, open space and recreation facilities, and childcare centres; and
 - h. Low density employment uses such as logistics and warehousing are not permitted.
 - **Employment Mixed Use 2 (GID):** These areas will have a mix of uses including office, commercial, educational, and institutional and to a lesser extent entertainment uses that will serve to support the role of the Employment Area. The permitted uses include:

- a. Research and development facilities;
- b. Office and administrative facilities;
- c. Cultural and education uses;
- d. Institutional uses;
- e. Entertainment and recreational commercial uses;
- f. Associated ancillary retail uses that are an integral component of the primary uses;
- g. Complementary or accessory uses may be permitted. Such uses may include convenience commercial uses and community facility uses; and
- h. Residential, live/work, and logistics and warehousing are not permitted.

CITY OF GUELPH OFFICIAL PLAN REVIEW

EMPLOYMENT AREAS

FIGURE 2 -2



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2.2.2 City of Guelph past Employment Lands Strategies

In 2018, the City of Guelph retained Watson to prepare an Interim Employment Lands Update which was the first phase of Guelph's employment land strategy. The Interim Report studied long-term employment land needs through 2041 in accordance with forecast employment land demand and available employment lands supply at the time. The report was produced to update key elements of the City of Guelph 2010 Employment Lands Strategy (ELS) using the 2017 Growth Plan and considering the adopted GID Secondary Plan. The Interim Report was used as a conformity exercise to the 2017 Growth Plan, and a background document for the CMSP and the City of Guelph OP Review. Since then, the PPS and APTG have been revised and updated with new planning horizons and density requirements. The analysis included within this report builds upon the 2018 Interim Employment Lands Update and represents a more comprehensive, up to date picture of the city's employment land context and policy conformity requirements based on current provincial policies.

The following provides an overview of the City's key industrial/business park areas. A more detailed discussion of these areas is provided in Section 5.

Hanlon Business Park: Located east of the Hanlon Expressway north of Clair Road. This park is approaching buildout and has a significant employment base in manufacturing, logistics and distribution, and business services. There is limited opportunity for new development.

Hanlon Creek Business Park: Located in South Guelph accounts for approximately one-third of the City's designated vacant employment lands. There are a range of uses including wholesale trade, low-rise office, flex office, and multi-tenant industrial. It has direct access to Hanlon Expressway which connects to Highway 401. A portion of the lands within the Hanlon Creek Business Park form part of the city's natural heritage system.

Northwest Industrial Park: This is the largest concentration of developed employment lands and accommodates a diverse range of employment sectors. Highway 7 extension is expected to enhance regional highway access to the area. This park is largely built out with some greenfield parcels that could be developed in the future and some opportunities for expansion on existing developed sites.

South Guelph Industrial Lands: This is a privately developed industrial park located south of Clair Road, east of Hanlon Expressway and home to large-scale tenants. There are large parcels available for future development.

University of Guelph Research Park: Located on Stone Road, next to the University of Guelph. This park was developed to enhance research at the university and connect institutions and has relatively high employment densities. There are some remaining vacant parcels available for development.

York-Watson Industrial Park: Located in east Guelph, southeast of Watson Parkway and York Road. This park has a focus in manufacturing, trade and construction with limited development activity expected in the future as it is largely built out.

2.2.3 Future Employment Areas:

Guelph Innovation District: Adopted in 2014 this planned mixed-use development covers 454 hectares and is located east of the University of Guelph. Located between Victoria Road (west), Stone Road (south), Watson Parkway (east) and York Road (north), it is expected to accommodate a large share of long-term employment growth. The employment component of the area is expected to accommodate an average employment density of 90 jobs per hectare.

Clair-Maltby Secondary Plan Area: Located south of Clair Road and east of the South Guelph Industrial lands. Covering approximately 538 hectares, this area is the last remaining unplanned and undeveloped area within the City and includes 40 net hectares of designated employment lands that were previously part of the South Guelph Special Study Area. The CMSP was ongoing at the time of the preparation of the 2018 Interim Employment Lands Update. At that time the CMSP envisioned the area as primarily residential in character with commercial and mixed uses along the Gordon Street corridor, and potential for employment uses in strategic locations; however, since this time there have been revisions to the CMSP have been made and the potential for employment has been removed.

The 2018 Interim Employment Lands Update had several important findings:

The city has a large, stable, and diverse employment base that is highly oriented to manufacturing that has evolved significantly in the last 10 years with respect to the mix of uses and location of new development. The city has experienced strong employment growth and development activity between the years 2008 and 2018, with half being accommodated on employment lands. There was high growth for the industrial sector which was largely accommodated for on employment lands.

There has been a shift in the nature of economic activities and consequently the built form of employment lands. From manufacturing to large-scale industrial buildings housing wholesale trade, distribution and logistics, there has also been an increase in knowledge-based economies. Professionals who work in these industries require major office, flex offices, and multi-purpose facilities. The City of Guelph recognizes that there is a need to accommodate employment-supportive commercial and institutional uses on employment lands and offer amenities and services that are convenient for local businesses and their employees.

The geographic positioning of Guelph has a strong appeal to new businesses and residents. It is important for the City of Guelph to leverage their position in the GGH and plan for employment uses that consider both market demands and evolving trends.

From 2018 to 2041, employment lands in Guelph are anticipated to accommodate approximately 9,000 jobs, which is approximately 47 per cent of the city's employment growth. Of employment growth on employment lands, 15 per cent is anticipated to be accommodated through intensification.

The City of Guelph is expected to have a surplus of land by 2041. The GID holds the majority of the vacant employment land supply. Re-designating approximately 50 hectares of employment lands to non-employment uses would be beneficial.

The recommended conversion of designated employment lands within Clair-Maltby Secondary Plan Area. The CMSP has existing "Industrial" and "Corporate Business Park" designations which are outdated as they were established in 2001. The secondary plan that is currently in progress determines the future land uses. The Conceptual Community Structure of the CMSP was approved by Council in December 2017 and is the basis for future studies. The CMSP lands are isolated and exist in the South Guelph Industrial Lands that are scattered with an extensive natural heritage system. This poses some geographic challenges as most of the existing arterial roads within the area would be subject to truck and vehicular traffic, specifically Clair Road and Maltby Road, and would make it so that these arterial roads would be heavily utilized by residential and commercial traffic. Furthermore, in the CMSP, there is minimal frontage along Gordon Street despite it being planned to function as a high-density/mixed-use corridor. These will all pose challenges in the future in respect to accessibility, land-use compatibility, and the broader vision for the CMSP. As recommended in the Interim Employment Lands Update prepared in 2018, these challenges can be mitigated by converting the existing lands that are marked as Industrial and Corporate Business Park to non-employment land uses.

Conversion of the York Road and Watson Road Employment Lands. The lands are bound to the north by a natural heritage system, to the east by the City of Guelph municipal boundary and to the west by Watson Road and are separated from the designated employment lands to the south by the CN Rail corridor, which runs generally parallel to York Road. These lands are located between the rail line and York Road and are zoned Urban Reserve Lands. These reserve lands are owned by Metrolinx and have been set aside for a future high-speed rail line along this corridor. Since the lands are isolated, have direct exposure to York Road, and are a surplus of employment land, the Interim Employment Lands Update suggests converting these employment lands to non-employment uses.

2.3 Summary of policy context

The PPS and APTG identify a number of requirements that the City of Guelph OP Review must address. These include:

- Identifying the long term (2051) employment projections for the city, and assessing the type of employment anticipated;
- Reviewing and updating the city's Employment Areas with policies to protect them for appropriate employment uses over the long-term;
- Identifying the supply of employment lands and opportunities for intensification within the city's employment lands;
- Reviewing the city's employment land conversion policies to ensure they conform to provincial policy while addressing local priorities for growth;

- Reviewing the city's employment land supply and demand and taking into consideration any of the conversions to ensure the city will have the appropriate amount of employment lands for a variety of employment uses to accommodate forecast growth to 2051;
- Establishing minimum density targets for all Employment Areas; and
- Designating Guelph's PSEZ and update applicable policies.

3 Macro-economic trends influencing employment lands development

3.1 Trends in global and provincial economy

Following steady economic growth since the world economy rebounded from the 2008/2009 financial crisis, the world has changed dramatically in 2020. The December 2019 outbreak of coronavirus disease (COVID-19) in Wuhan, China was officially declared a global pandemic by the World Health Organization (WHO) on March 12, 2020 and has inflicted rising economic and human costs throughout the world. In response to the threat of further escalation associated with the spread of the virus, governments around the world have implemented quarantine and physical distancing practices in what has been referred to as the “Great Lockdown.”

To date, the downward impact of these containment measures on global economic output, commodity prices, and consumer spending has been severe. Economic sectors such as travel and tourism, accommodation and food, retail and personal services, manufacturing, energy, and finance have been hit particularly hard. Furthermore, required modifications to social behaviour (i.e. physical distancing) and increased work-at-home requirements resulting from government-induced containment measures and increased health risks have resulted in significant economic disruption, largely related to changes in consumer demand and consumption patterns. Lastly, escalating tensions and constraints related to international trade have also begun to raise further questions regarding the potential vulnerabilities of globalization and the structure of current global supply chains.

Currently, the level of sustained economic impact related to this “exogenous shock” to the world and the Canadian economy is largely unknown. Notwithstanding this uncertainty, it is generally clear that the longer COVID-19 persists on an international scale, the greater the severity of the current global recession. In its latest World Economic Outlook, the International Monetary Fund (IMF) baseline scenario is forecasting the global economy to contract by 3 per cent in 2020, which represents a much more significant economic contraction than what was experienced during the height of the 2008/2009 financial crisis. For advanced economies, the IMF estimates 6.1 per cent contraction in growth in 2020, while emerging markets and developing economies are also projected to experience negative growth of 1.0 per cent.

Under the baseline IMF assumption that the pandemic recedes in the second half of 2020 and policy measures have been effective, growth is projected to rebound to 5.8 per cent in 2021. As previously noted, it is important to recognize that there is a great deal of uncertainty around the duration and intensity of the pandemic as well as the effectiveness of policy responses. As such, more or less adverse scenarios are a possibility⁴. The World Trade Organization (WTO) forecasts that the volume of world merchandise trade will decline by 13 per cent in 2020 and rebound by 22 per cent in 2021 under an optimistic scenario, and decline by 32 per cent and rebound by 24 per cent under a pessimistic scenario.⁵

In the United States (US), real GDP (gross domestic product) is forecast to contract by 5.9 per cent in 2020 and rebound by 4.7 per cent in 2021.⁶ The recovery of the US economy will largely depend on the US administration's response to deal with the virus domestically, to date having issued a \$2 trillion stimulus bill in March 2020, in conjunction with their approach to international trade and protectionist policies.^{7 8}

The trade war between the US and China, the world's two largest economies, which began in 2018 has also been a steady source of volatility for global markets and has negatively impacted global investment growth.⁹ Escalating trade tensions over the past several months between the two countries continues to add risk to global economic growth and further add to trade disruption as well as near-term market volatility.^{10 11}

Over the past decade, the Canadian and Ontario economies have experienced relatively strong economic growth, as illustrated in Figure 3-1. Growth in 2019 eased to 1.6 per cent in both Ontario and nationally, largely as a result of a tightening labour market and slowing global economic growth.¹² While the

⁴ World Economic Outlook. International Monetary Fund. Chapter 1 The Great Lockdown. April 2020

⁵ Trade set to plunge as COVID-19 pandemic upends global economy – Press Release. World Trade Organization. April 2020.

⁶ World Economic Outlook. International Monetary Fund. Chapter 1 The Great Lockdown. April 2020.

⁷ Ibid.

⁸ U.S. coronavirus stimulus checks: are you eligible and how much will you get? The Guardian. April 2020.

⁹ The Investment Cost of the U.S.-China Trade War. Liberty Street Economics. May 28, 2020.

¹⁰ U.S.-China Trade Tensions Are Back: Global Economy Week Ahead, Bloomberg, May 23, 2020.

¹¹ A U.S.-China trade war is the last thing the world economy needs now, CNN Business, May 19, 2020.

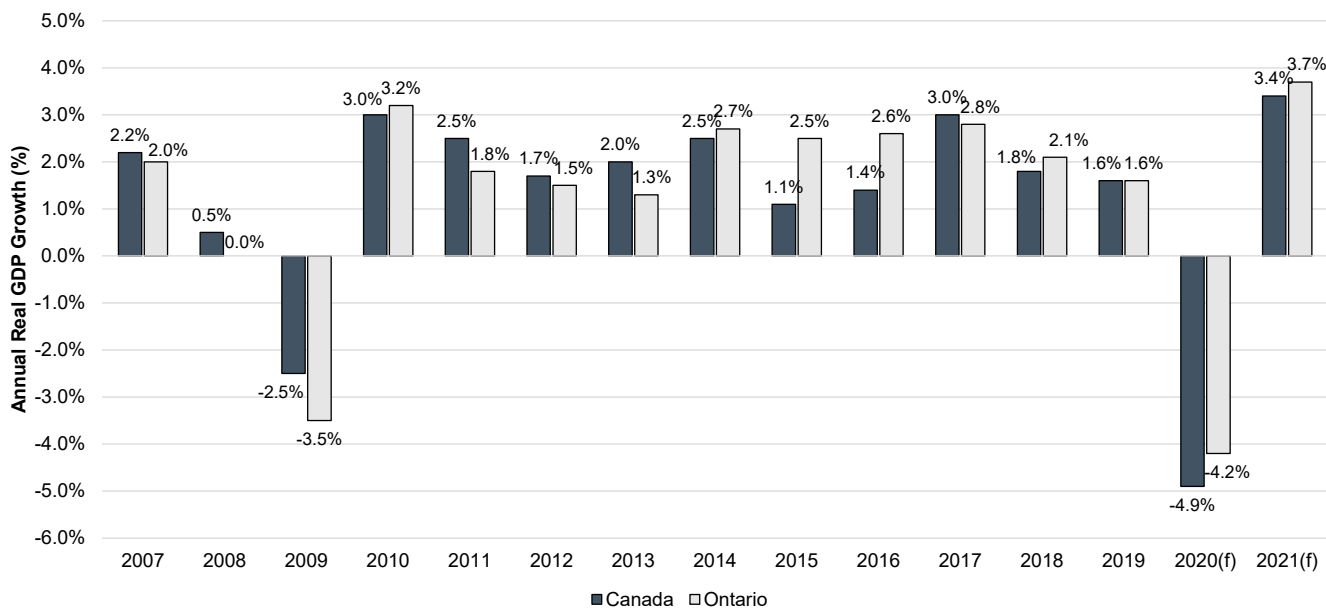
¹² BMO Provincial Outlook, Spring 2019.

performance of the national and Ontario economies has remained relatively strong over the past several years through to early 2020, the COVID-19 pandemic poses significant risks to these economies which are important to recognize. As illustrated in Figure 3-1, the Ontario economy is forecast to contract by 4.2 per cent in 2020 before growth rebounds 3.7 per cent in 2021.¹³ Having said that, household spending in Canada is not expected to return to pre-pandemic levels until the second half of 2021.¹⁴ This is despite strong fiscal stimulus and historically low interest rates.

Domestically, the Ontario housing market also continues to pose a risk to the overall economy, which is important to recognize when considering forecast labour force and employment growth trends. The sharp rise in Ontario's housing prices, particularly in the Greater Toronto and Hamilton Area (GTHA), has contributed to record consumer debt loads and eroded housing affordability. It is important to recognize that the accommodation of skilled labour and the attraction of new businesses are inextricably linked and positively reinforce one another. To ensure that economic growth is not constrained by future labour shortages during the post pandemic period, effort will be required by municipalities to continue to explore ways to attract and accommodate new skilled working residents to the GGH across a diverse range of employment opportunities and a broader choice of affordable housing options. Attraction efforts must also be linked to housing accommodation (both ownership and rental), municipal services, and infrastructure, as well as quality of life attributes which appeal to the younger mobile population, while not detracting from the region's attractiveness to older population segments.

¹³ COVID-19 Recession Deepens Fast from Coast to Coast. RBC Economics. April 13, 2020.

¹⁴ Conference Board of Canada, Canadian Outlook Summary, Summer 2020.

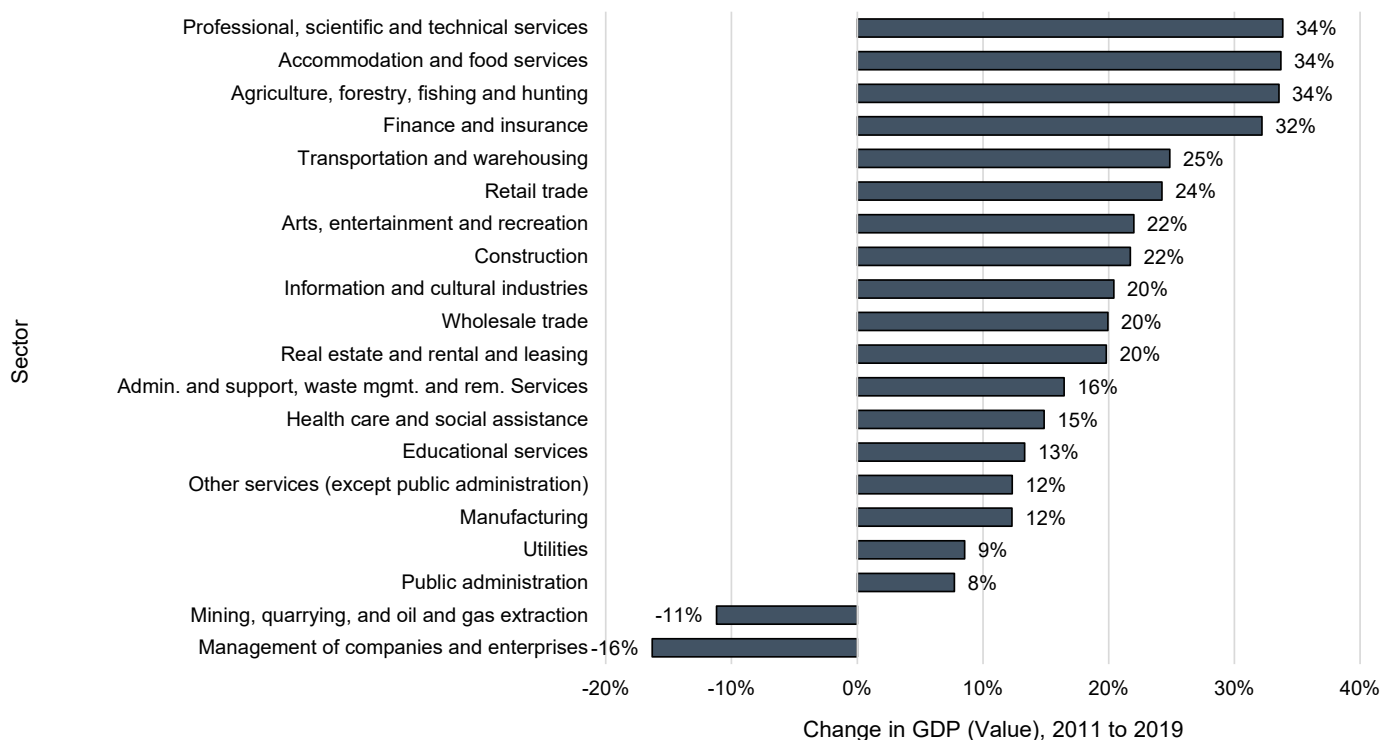


Source: 2007 to 2019 derived from BMO Capital Markets Economics, Provincial Economic Outlook, and 2020 to 2021 from RBC Economics Provincial Outlook - Update, April 2020, by Watson & Associates Economists Ltd.
 Note: 2020 to 2021 are forecast by RBC Economics.

Figure 3-1: Annual Real GDP Growth, Ontario, and Canada, Historical (2007 to 2019), and Forecast (2020 to 2021).

Recent structural changes experienced in the macro-economy over the past several decades are well documented. At the provincial level, Ontario’s economic base, as measured by GDP output, has shifted from the goods-producing sector (i.e. manufacturing and primary resources) to services-producing sectors. Much of this shift has occurred during the past two decades, driven by GDP declines in the manufacturing sector which were most significant immediately following the 2008/2009 global economic downturn. In contrast, service-based sectors such as financial and business services have seen significant increases over the past several years.

As summarized in Figure 3-2, a range of commercial, institutional, and industrial sectors have experienced an increase in GDP in Ontario over the past decade. GDP growth has been particularly strong in wholesale trade; accommodation and food services; financial and insurance; and agriculture, forestry, fishing, and hunting. Knowledge-based sectors including professional, scientific, and technical services; information and cultural industries; and educational services have seen a notable increase in GDP. The manufacturing sector, in contrast, has experienced relatively modest GDP growth over the past decade.



Source: Derived from Statistics Canada Table 36-10-0402-01 by Watson & Associates Economists Ltd., 2020.
 Note: Gross domestic product (GDP) at basic price in chained (2012) dollars.

Figure 3-2: Provincial G.D.P. Growth by Industry Sector, 2011 to 2019

3.2 Economic trends in the Greater Golden Horseshoe

Guelph is located within one of the fastest growing regions in North America, known as the GGH, as illustrated in Figure 3-3.

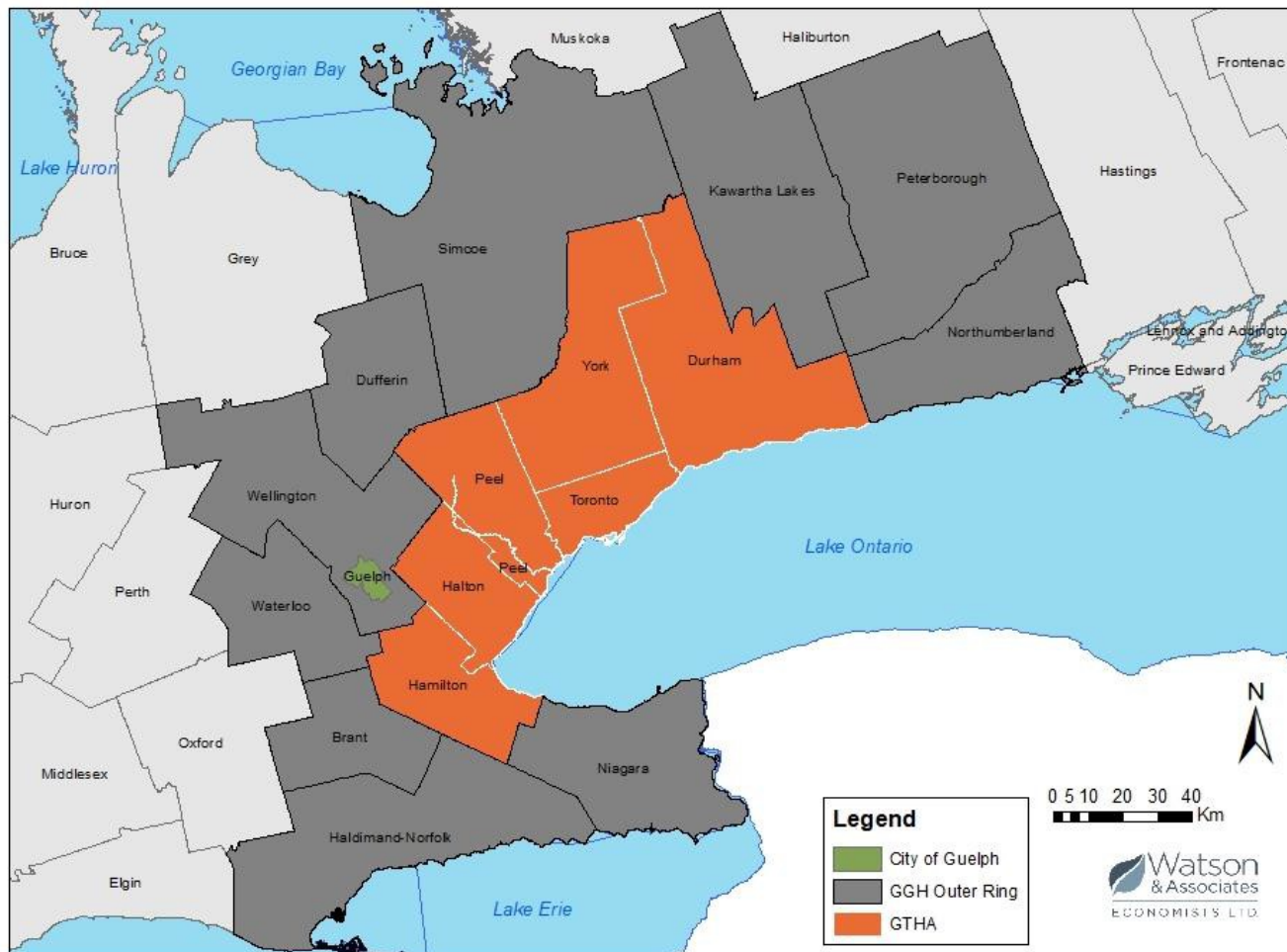


Figure 3-3: Inner Ring (GTHA) and Outer Ring Greater Golden Horseshoe (GGH)

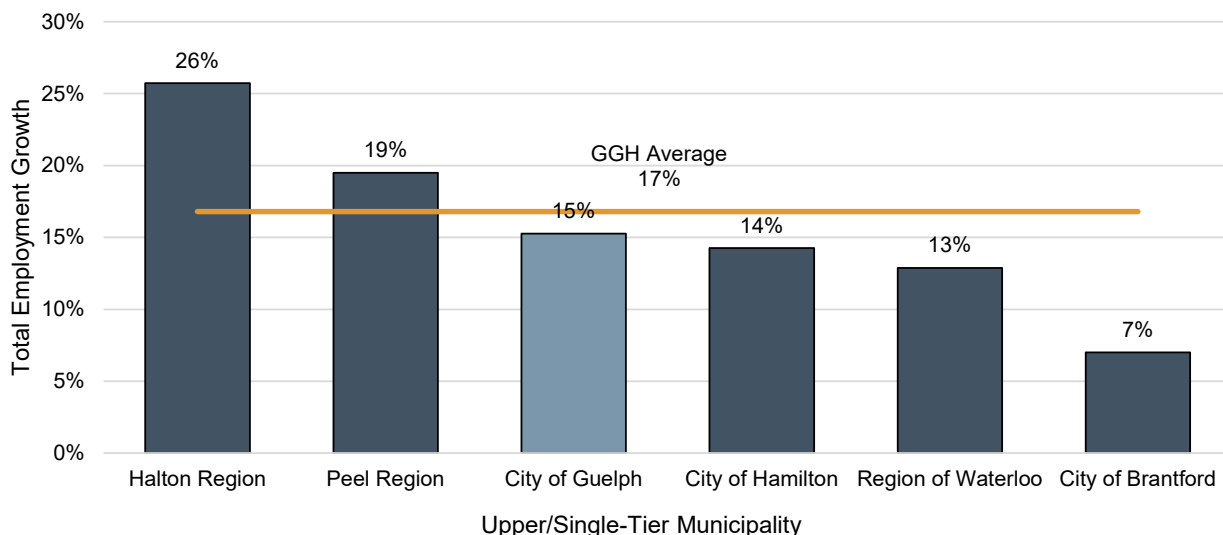
Collectively, the population of the GGH is forecast to increase from 9.5 million in 2016 to 14.9 million in 2051, while the employment base is forecast to increase from 4.6 million in 2016 to 7.0 million in 2051. This equates to a population increase of 5.4 million people (155,000 annually) and an employment increase of 2.4 million (69,000 annually). This represents a substantial increase in population and employment relative to other North American metropolitan regions of comparable population. With respect to forecast annual growth rates, both the GTHA and the GGH Outer Ring are anticipated to experience steady population and employment growth. From 2016 to 2051, the GTHA population and employment base is forecast to grow at a steady annual rate of 1.3 per cent and 1.2 per cent, respectively.¹⁵

¹⁵ 2016 based on Statistics Canada Census (population including the net Census undercount) and 2051 from Proposed Amendment 1 to A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2020.

Overall, there is a diminishing employment land supply relative to demand in the larger GTHA markets, including the City of Toronto, City of Vaughan, City of Mississauga, and the City of Brampton. As the more mature areas of the GTHA gradually build out, increasing outward growth pressure will be placed on the remaining vacant greenfield Employment Areas of the GTHA and the broader GGH.

The diverse and highly competitive GGH economy has fueled a steady level of employment growth over the past decade in most major sectors of the economy. Employment growth has been particularly strong related to knowledge-based and creative-class service sectors, including professional, scientific, and technical services, financial services, information and cultural industries, education services, health care and social services as well as real estate. Within the service sector, economic growth has been notably robust for small- to medium-scale knowledge-based businesses that are focused on innovation, entrepreneurship, and technology.

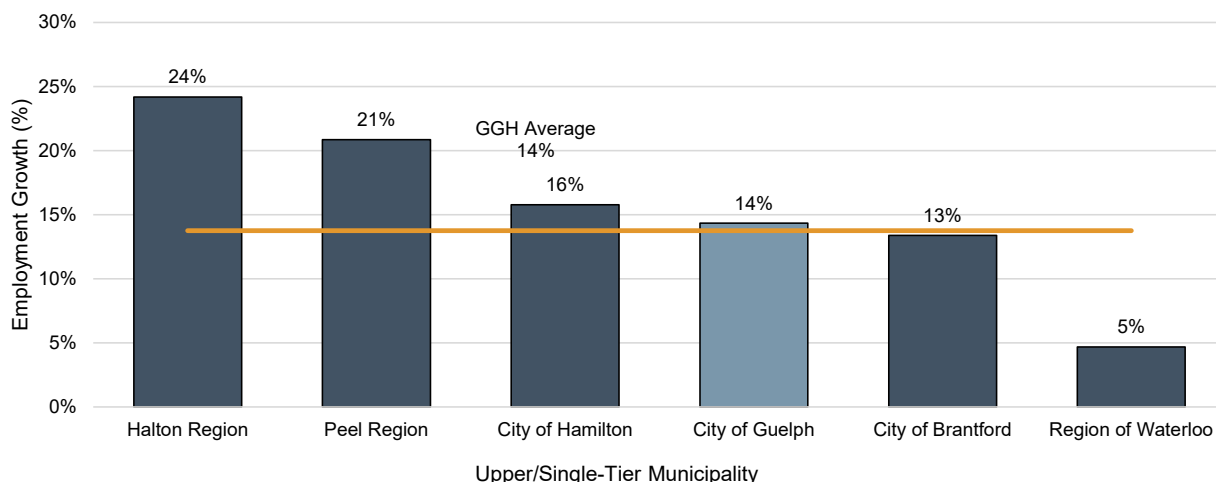
Figure 3-4 summarizes the overall employment growth rate in Guelph compared to select upper/single-tier municipalities in the GGH over the 2011 to 2019 period. Halton Region exhibited the strongest employment growth (in percentage terms) with growth of 26 per cent, followed by Peel Region (19 per cent). Guelph's employment base expanded by 15 per cent over the period, marginally lower than the GGH average of 17 per cent, but higher than the City of Hamilton (14 per cent), Region of Waterloo (13 per cent), and the City of Brantford (7 per cent).



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2020.
 Note: Figure includes employed and self-employed jobs.

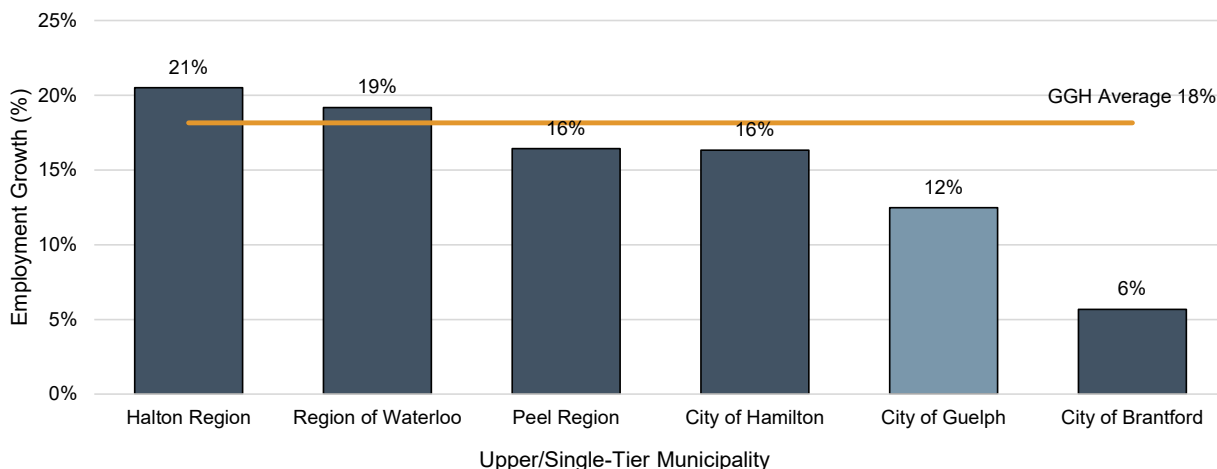
Figure 3-4: Total Employment Growth by Select Upper/Single-Tier Municipality in the GGH, 2011 to 2019

Figure 3-5 and Figure 3-6 summarize industrial and office-based employment growth, respectively, for Guelph over the 2011 to 2019 period, in comparison to other upper/single-tier municipalities within the GGH. Guelph’s industrial employment base expanded by 14 per cent over the recent historical period, similar to the GGH average. This is compared to a growth rate in other municipalities which ranged between 5 per cent and 24 per cent. With respect to office-based employment, employment growth in Guelph expanded by 12 per cent, lower than the GGH average growth rate of 18 per cent.



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2020.
 Note: Figure includes employed and self-employed jobs.

Figure 3-5: Industrial Employment Growth by Select GTHA Upper/Single-Tier Municipality, 2011 to 2019



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2020.
 Note: Figure includes employed and self-employed jobs.

Figure 3-6: Office-based Employment Growth by Select GTHA Upper/Single-Tier Municipality, 2011 to 2019

3.3 Emerging industry sector trends

As previously mentioned, continued structural changes in the global economy and technological advances will require municipalities to be increasingly responsive and adaptive to changing industry needs and disruptive economic forces. The following provides an overview of key industry and labour force trends that are expected to influence growth and development patterns in Guelph over the coming decades.

3.3.1 E-Commerce as a Major Disruptor for Retail and Logistics

E-commerce sales in Canada have grown at a rate that is five times the pace of overall growth in retail trade. The rise of e-commerce has reduced the demand for retail square footage, in particular retail space for goods-based retailers.¹⁶

Increasing growth in e-commerce is also having a significant impact on employment growth and land demand related to the logistics sector. Delivery expectations within this sector are increasing on an annual basis. As delivery times decrease, it is anticipated that demand for regional fulfilment centres will increase. Further, it is estimated that 25 per cent to 30 per cent of online

¹⁶ Goods-based retailer refers to retail facilities that sell goods to be used or consumed at home, including food-oriented retail (supermarkets and convenience stores), beer, wine and liquor stores, pharmacies and personal care stores, home improvement stores and stores selling general merchandise, apparel and furniture.

merchandise is returned which is also driving the need for reverse logistics and return centres.

3.3.2 Potential Impacts of Technology on Commercial Services

Digital and mobile technologies are making it easier to access goods and services on-demand which has led to alternative platforms to purchase products and services. Among these platforms are those that support the sharing economy which provide opportunities for individuals to earn an income by leveraging under-utilized assets. These platforms are providing customers with an alternative to traditional buying/selling platforms, including those in hospitality (e.g. hotels and taxis) and in office leasing (office sharing). It is anticipated that further advancements in the sharing economy will have an increasingly negative impact on the need for non-residential building space and continued growth in precarious employment. Other alternative purchasing platforms are providing income-earning opportunities for individuals to perform services that are typically not outsourced by households (e.g. assembling furniture, small household repairs, picking up food at fast-food restaurants, meal preparation, grocery pick-up and delivery).

Businesses are increasingly using chatbot software programs on their websites and social media platforms which reduce the need for tasks by a live customer service representative. Chatbots are programmed with a set of instructions and word matching to recognize questions and respond with answers. Chatbots can manage an unlimited number of simultaneous conversations, provide answers faster than a human customer service representative, and deal more patiently with difficult customers. Similar technologies are also being used in physical commercial spaces and are increasingly expanding customer service capabilities (e.g. customer service kiosks). It is anticipated that as customer interaction technology advances, it will continue to negatively impact the need for employed customer service representatives.

3.3.3 Trends in Manufacturing

While manufacturing remains vitally important to the provincial economy with respect to jobs and economic output, this sector is not anticipated to generate significant labour-force growth across the Province. In general, globalization has led to increased outsourcing of production processes to overseas manufacturers.

Between 2003 and 2010, these challenges were further exacerbated in the manufacturing sector across the GGH and more broadly across Ontario and Canada due to a high Canadian dollar relative to other world currencies, particularly the US dollar. Since 2010, the manufacturing sector throughout Ontario including the GGH has shown signs of a steady recovery in terms of economic output, measured through GDP. While manufacturing job losses have

generally stabilized since 2010, the manufacturing sector has not represented a large component of job growth across Ontario in recent years.

While there will continue to be a manufacturing focus in Ontario and Guelph, the nature of traditional industrial processes is rapidly shifting, becoming more capital/technology intensive and automated, with lower labour requirements. The highly competitive nature of the manufacturing sector will require production to be increasingly cost effective and value-added oriented.

3.3.4 Automation and Artificial Intelligence

According to the Brookfield Institute for Innovation + Entrepreneurship, over the next 10 to 20 years, 42 per cent of the Canadian labour force is at high risk of being affected by automation, either through significant task restructuring or elimination. Jobs that are anticipated to be most highly impacted by automation are primarily within occupations that are administrative, routine, or oriented towards sales and service. The Brookfield Institute report also notes that highly skilled occupations are expected to grow much more quickly than the rest of the labour force and are at a lower risk of being negatively affected by automation. This suggests that more highly skilled labour will be a significant driver of Canada's future economic growth.

Considerable research has recently been undertaken by institutions and consulting agencies to assess the potential impacts of artificial intelligence (AI) to businesses as well as its broader impacts to the global economy. A report prepared by PWC (PricewaterhouseCoopers) in 2017 identifies that the net impacts to global GDP resulting from AI are anticipated to contribute up to \$15.7 trillion to the global economy in 2030, more than the current output of China and India combined. The report also identifies that over the next decade, AI will generate massive disruption as both established businesses and new entrants drive innovation and develop new business models. While the long-term net economic impacts of automation and/or A.I. appear to be positive, global competition from both established and emerging markets looking to capitalize on potential opportunities related to this technology will be increasingly fierce. To prevent an undesirable, lose-lose scenario associated with anticipated technological change in the economy – talent shortages, unemployment, and growing inequality – a number of critical actions are needed. This includes businesses assuming an active role in supporting their existing workforce through reskilling and upskilling, individuals taking a proactive approach to their own lifelong learning, and governments creating an enabling environment to assist in these efforts.

3.3.5 Trends in Work at Home and No Fixed Place of Work Employment

Over the 2001 to 2016 period, the percentage of Guelph's labour force defined as having a usual place of work declined, offset by a gradual increase in the

share of work at home employment and a steady increase in the share of off-site employment or employees with no fixed place of work (NFPOW).

Statistics Canada defines NFPOW employees as “persons who do not go to the same workplace location at the beginning of each shift.” Such persons include landscape contractors, travelling salespersons, independent truck drivers, etc. Within Guelph, the rising share of labour related to NFPOW has been primarily driven by steady growth in the transportation and construction sectors which are typically characterized as having a higher percentage of off-site employees. Technological innovation and improved broadband regional telecommunications have been, and will continue to be, key drivers of economic expansion in knowledge-based sectors as well as the steady rise of the gig economy.¹⁷ Looking forward, continued advances in technology and telecommunications (e.g. 5G technology) is anticipated to further enable remote work patterns and ultimately increase the relative share of off-site employees over the long term. Over the coming decades, work at home and NFPOW employment in Guelph is expected to steadily increase as a result of these trends. Demographics and socioeconomics also play a role in the future demand for off-site and work at home employment within an increasingly knowledge- and technology-driven economy. It is anticipated that many working residents in Guelph, particularly younger adults as well as older adults (i.e. Baby Boomers) approaching retirement or semi-retirement will utilize technology to allow them to supplement their income in more flexible ways in contrast to traditional work patterns.

3.4 Planning for employment lands in the new economy

As previously mentioned, structural changes in the economy are modifying the character of economic activities in Employment Areas and impacting their built form and character. In recognizing these recent structural changes in the regional economy, there is a need for the City to ensure that the amount, type, and location of Guelph’s established and planned Employment Areas are well aligned with anticipated market demand. This requires that near-term (i.e. shovel-ready lands) and longer-term land needs are adequately addressed. It also requires that the city’s Employment Areas to be uniquely planned and designed to accommodate a range of traditional industrial sectors related to manufacturing, Goods Movement, construction, and utilities. Employment Areas and mixed-use locations must also offer competitive attributes such as transit infrastructure, eco-industrial design principles, employment-supportive uses, and urban amenities, as well as other synergies to attract the growing

¹⁷ The gig economy is characterized by flexible, temporary, or freelance jobs, often involving connecting with clients or customers through an online platform.

knowledge-based sector. These real estate trends, which influence the planning of Employment Areas in today's economy, are explored below.

3.4.1 Planning for Industrial Sectors

A number of emerging industrial sectors are anticipated to influence the demand for employment lands in Guelph across a wide range of uses. Advanced manufacturing is evolving and is requiring integrated operations on larger sites in a "campus-style" setting. These integrated facilities often accommodate a combination of office, research and development, warehousing and logistics, and on-site manufacturing.

As previously mentioned, the Goods Movement sector is evolving and responding to consumer demands, as e-commerce is growing in Canada. Emerging Goods Movement uses in Guelph are anticipated to include warehousing facilities requiring specialized functions that focus on serving the expanding urban population within the local and surrounding area. Key requirements include improvements to accessibility to the labour force, such as public transportation and buildings with a range of design options.

3.4.2 Goods Movement Sector

As previously mentioned, recent industrial development activity across the GTHA and beyond has been driven by rising demand in the Goods Movement sector. Increased outsourcing of manufacturing production to emerging global markets continues to drive the need for new consolidated, land-extensive warehousing facilities to store and manage the distribution of goods produced locally as well as goods imported from abroad. This continues to drive demand for increasingly larger, more land-extensive warehousing facilities, generally in greenfield Employment Areas. Across North America, the Goods Movement industry is continuously evolving at a rapid pace. As previously mentioned, e-commerce and technological improvements represent the biggest drivers of change in the Goods Movement industry, driven by the rapid growth of mobile technology. Key considerations in planning for the Goods Movement sector include the following:

- Just-in-time manufacturing will continue to be the industry norm, placing increasing emphasis on more frequent and smaller deliveries by truck transport, typically during the last mile.¹⁸ As the e-commerce market continues to expand, this component of the supply chain is becoming increasingly important to businesses as it has a direct influence on the customer experience. In addition to the need to provide timely, accurate service delivery, it is also critical for industry to ensure cost efficiency

¹⁸ The last mile is commonly referred to in the logistics sector as the last leg of the transportation process from the distribution centre or fulfillment hub to the final destination (i.e. the retailer or consumer).

given that 30 per cent to over 50 per cent of total parcel delivery cost is associated with this leg of the supply chain.^{19 20}

- To overcome potential cost challenges, industries are acquiring properties in ideal urban locations and adaptively redeveloping existing buildings to create a new industrial product type: the urban warehouse. The features of the urban warehouse are as varied as the locations in which they are located, and often depend on the amount of goods being distributed. Unlike traditional fulfillment centers that grow horizontally, urban warehouses grow vertically with either high, clear heights or multi-level configurations that utilize complex automated material handling systems. By emphasizing volume of storage as opposed to area, high land prices can be spread across a greater storage capacity.²¹
- Automation of distribution centres allows for more vertical storage; however, the need for numerous loading bays will dictate land requirements, and the industry trend is for more and more bays at facilities. Using automated logistics solutions and robotic systems improves efficiency and reduces the requirement for daylight or height limits of warehouse space, thus allowing for more vertical storage. Vertical storage and increased automation also reduces the distance inside warehouses, further speeding up the delivery process.²²
- Autonomous trucking technology is currently being tested worldwide. A key driver of this technology is the reduction of transportation costs (i.e. labour) combined with improved road safety. Although the full implementation of driverless trucks remains far ahead in the future, advances in technology have come quicker than expected. Autonomous trucking technology is likely to affect industrial real estate in several ways. Lower transportation costs are anticipated to drive the need for fewer, but larger, consolidated warehouses in locations where land costs are lower.²³ Typically, the larger the property, the lower the average employment density.
- Locations close to multi-modal facilities continue to be very attractive with access to rail – this is generating increased demand for larger-scale logistics hubs. Core components of integrated intermodal terminals, often referred to as freight hubs or freight villages, include general

¹⁹ Breaking Down the “Last-Mile Delivery”: Challenges and Solutions. October 12, 2016.

²⁰ Parcel Delivery. The Future of the Last Mile. McKinsey & Company. September 2016.

²¹ Urban Infill: The New Frontier for E-Commerce. April 2017. Conor Commercial Real Estate.

²² Transformation of the Global Supply Chain. Automated Technology: Driving Change in Real Estate. CBRE. 2016.

²³ Ibid.

warehousing/storage, distribution centres, transshipment facilities, vehicle maintenance/repair services, and transportation/logistics uses.

3.4.3 Planning for knowledge-based sectors

As previously noted, recent market demand on employment lands has been increasingly driven by growth in knowledge-based or creative class economies. As these sectors continue to grow, major office, flex office and multi-purpose facilities encompassing office and non-office uses are becoming increasingly dominant built forms within employment areas.

Accommodating new development and expansions related to light industrial and office uses requires that employment areas are planned to achieve a compact, transit-supportive (e.g. connections to public transportation systems, and pedestrian-oriented environment with access to employment-supportive uses such as amenities, entertainment, cultural activities, and public spaces. At the same time, demand will continue to exist for industrial and commercial uses in prestige Employment Areas that offer ample land supply. For these Employment areas, highway access and exposure/visibility and design are critical, particularly for the corporate office component.

- To address the broad needs of industry, a range of employment and commercial areas by site size, access, designation/zoning, and surrounding land use should be considered across a range of locations throughout Guelph. In many cases, new major office/head offices accommodated in Employment Areas integrate industrial, office, and training facilities on site. Where feasible, prestige employment sites also provide significant land area to accommodate surface parking and, in some cases, future expansion potential. On average, employment density levels for integrated office/distribution and training facilities are much lower than standalone major office developments. Given the unique operational requirements of these facilities, such uses often cannot be accommodated in downtown or mixed-use office settings. In industrial/business parks, prestige office uses are often positioned at gateway locations (i.e. at major highway interchanges) with direct highway access/exposure as well as strong connectivity to arterial roads and offer live/work opportunities.

3.4.4 Planning for employment land supportive uses

Accommodating an adequate mix of supportive uses on employment lands, such as retail and personal services, can strengthen such areas by providing amenities and services to employees and employers.

Accommodating too much non-employment-supportive uses, however, can lead to land-use conflicts, influence land values, and eventually contribute to the erosion of employment lands.

While non-industrial uses can directly support the function of employment areas, large freestanding retail uses can potentially create negative impacts on the surrounding industrial or employment uses, which in turn, may negatively impact the future prospects of an area for industrial development. Though large, freestanding, retail uses generate employment, they may also absorb large shares of land through their configuration or requirements (e.g. parking), draw considerable traffic from outside the immediate area (creating congestion in the industrial area), or affect the character of the employment area. As such, approaches should be developed to discourage major retail development in employment areas.

Under APTG, employment land protection policies have been strengthened with respect to prohibiting uses such as major retail in Employment Areas. As a result, APTG provides that, for any major retail uses that are permitted in Employment Areas, a municipality should establish a size or scale threshold for such use. The definition of major retail is not specified in APTG or the PPS, 2020, as such restrictions for retail on employment lands varies across the GH.

3.5 COVID-19 and the new economy

As discussed in section 3.1, COVID-19 is having a significant negative impact on short-term macro-economic growth. Within the Guelph context, near-term economic challenges due to this pandemic have resulted in elevated rates of unemployment with contraction in employment across a broad range of industry sectors. Despite the near-term challenges, employment levels are expected to largely recover in 2021 and long-term economic growth is expected to remain positive in Guelph. Based on near-term trends observed, COVID-19 is accelerating previously noted technological disruptors, largely including e-commerce, the gig economy, and automation. These trends are anticipated to fuel further growth for distribution/logistics centres, and place continued downward pressure on bricks-and-mortar retail store/service and office space needs.

COVID-19 has accelerated technological disruptions that were already in play prior to the pandemic, which has resulted in changes in the nature of work and commerce. As such, enterprises are now increasingly required to rethink the way they conduct business with an increased emphasis on remote work enabled by technologies, such as virtual private networks (VPNs), virtual meetings, cloud technology and other remote work collaboration tools. These trends are anticipated to have a direct influence on office commercial and industrial real estate needs over both the near and longer term. In light of these anticipated trends, it is important that the long-term employment forecast identified for Guelph adequately considers the manner in which these impacts

are likely to influence the nature of employment and associated building space and land needs by type.

3.6 Observations

A broad range of considerations related to demographics, economics, and socioeconomics are anticipated to impact employment growth trends throughout Guelph over the coming decades. These factors will not only affect the rate and magnitude of growth but will also influence the form, density, and location of non-residential development and the need for employment lands.

Over the past several decades, the provincial economy has been steadily shifting away from good-producing sectors and moving towards increasingly service-based and knowledge-based sectors. As a result of these continued structural changes occurring in the macro-economy, it is important to recognize that the above-mentioned trends will generate both positive and disruptive economic impacts related to employment growth, local business investment, and labour force demand. These disruptive forces are also anticipated to have long-term impacts on industrial, commercial, and retail space requirements, as well as long-term employment land needs, which must be considered and monitored on an on-going basis when planning for Guelph's future.



4 Guelph's economic structure and growth trends

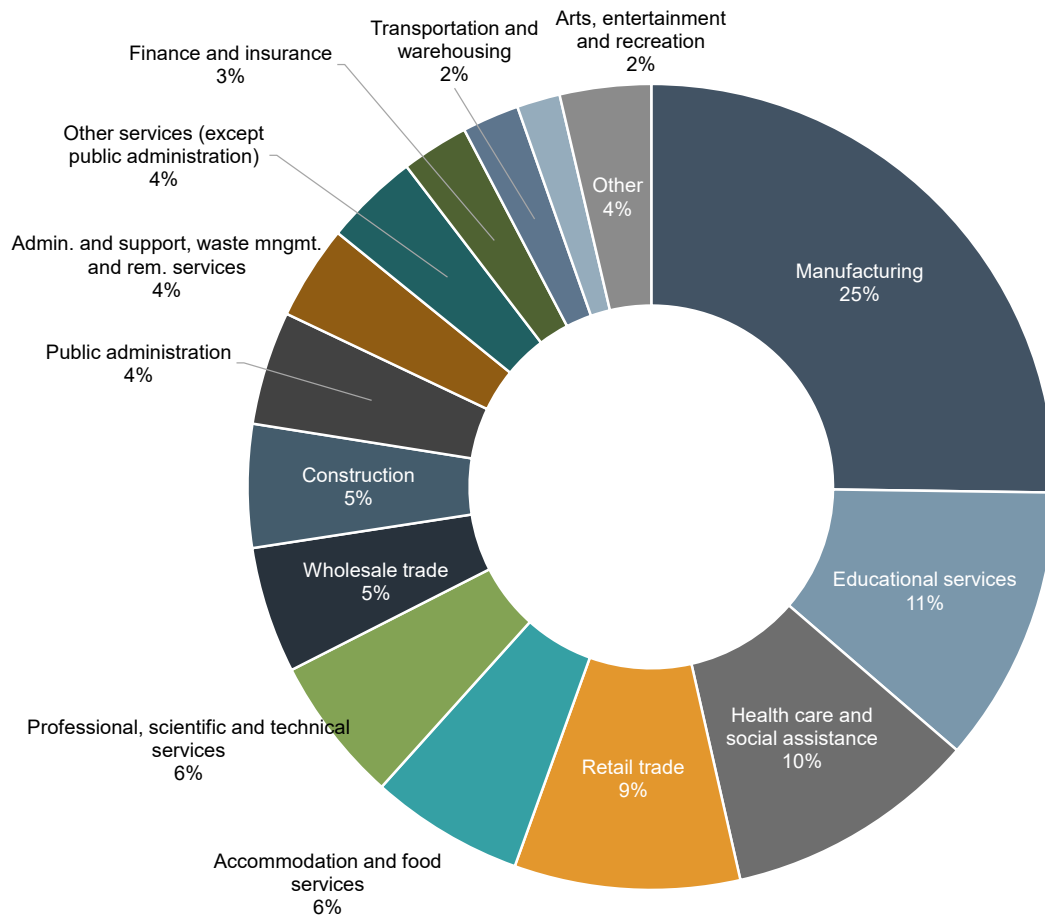
4.1 Economic and employment structure

Guelph is home to an estimated 76,800 jobs, as of 2020.² The majority (86 per cent or 66,100 jobs) are defined as usual place of work employment, while 4,700 (6 per cent) are work at home and 6,000 (8 per cent) are identified as off-site or having no fixed place of work (NFPOW).²⁴

The city has a diverse employment base, as illustrated in Figure 4-1. The largest sector in Guelph is manufacturing which accounts for 25 per cent of total employment. Other key sectors include education services; health care and social

²⁴ Watson & Associates Economists Ltd. estimate.

assistance; retail trade; accommodation and food services; professional, scientific, and technical services; wholesale trade and construction.



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2020.
 Note: Figures include employed and self-employed jobs.

Figure 4-1: City of Guelph Employment Base by Sector, 2019

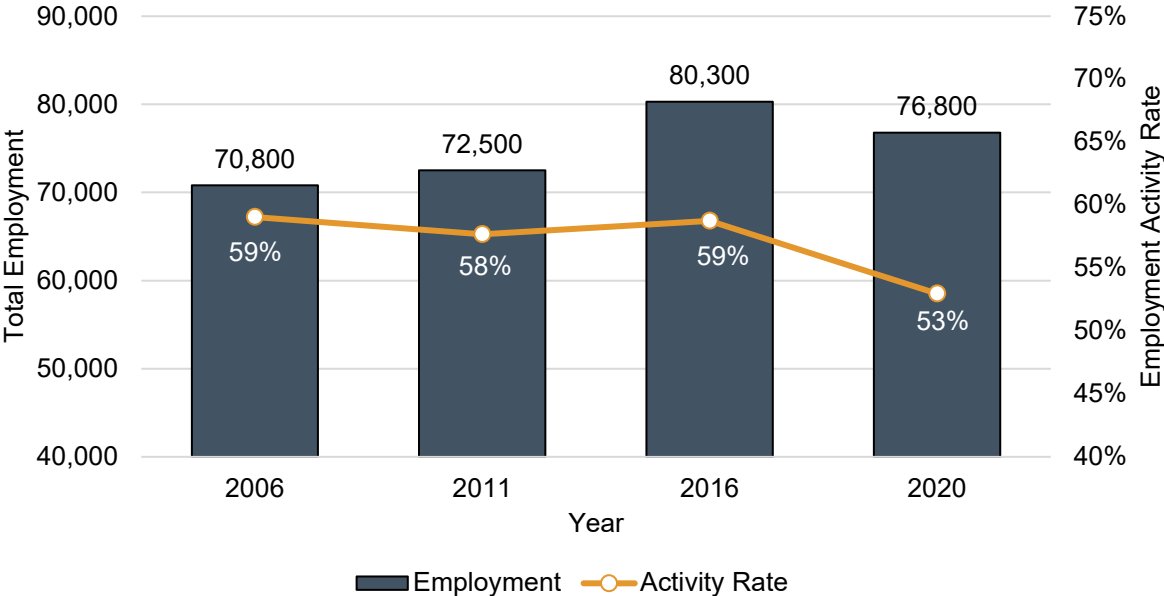
4.2 Employment and development growth trends

The total employment base for the city grew by 13 per cent between 2006 and 2016, increasing from approximately 70,800 to 80,300 jobs, as illustrated in Figure 4-2. Over the recent historical ten-year period (2006 to 2016), employment growth averaged 1.3 per cent annually, moderately higher than the growth rate across the GGH as a whole. Guelph's employment base with respect to work at home and NFPOW grew by 24 per cent and 41 per cent, respectively over the 2006 to 2016 period. This is compared to an 11 per cent increase in usual place of work employment over the same period.

Guelph's employment base is estimated to total 76,800 in 2020, having decreased by an estimated 3,500 over the 2016 to 2020 period. The decline is attributed to

the impacts of COVID-19 in 2020 and corresponding economic contraction resulting from government policy measures to maintain physical distancing.

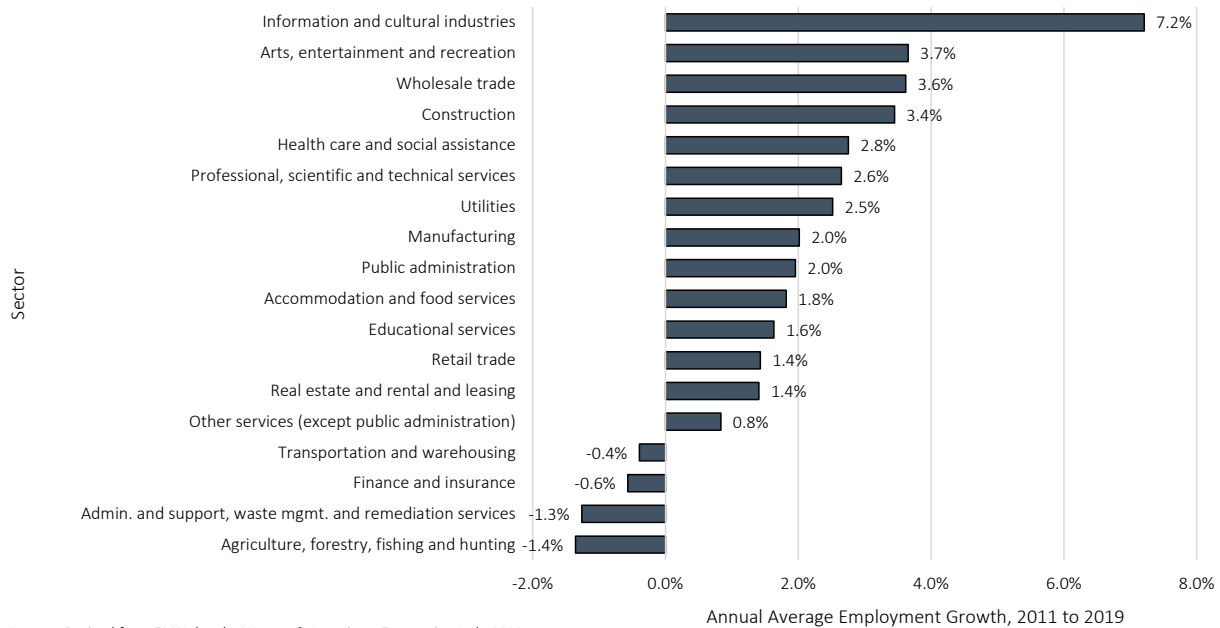
As illustrated in Figure 4-2, over the 2006 to 2016 period, the city’s employment activity rate (ratio of jobs to population) was relatively stable at 59 per cent, indicating that the local population base increased at the same rate as the local employment base. The activity rate has decreased to 53 per cent in 2020, meaning the local population base is increasing at a slightly faster rate than the local employment base, largely due to the impacts of COVID-19.



Note: Employment activity rate is based on population with undercount.
Source: 2006 to 2016 derived from Statistics Canada Place of Work data, and 2020 estimated by Watson & Associates Economists Ltd., 2020.

Figure 4-2: City of Guelph Employment Base and Activity Rate, 2006 to 2020

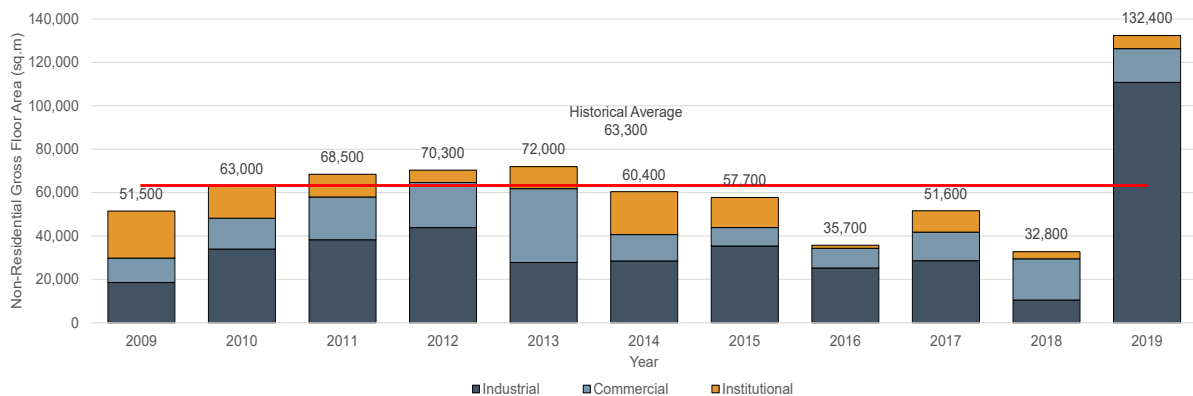
Similar to the provincial economy as a whole, the nature of Guelph’s economy is changing. Over the past decade, the composition of the city’s employment base has gradually shifted from goods-producing sectors to services-producing sectors. Figure 4-3 illustrates the employment change by industry sector over the 2011 to 2019 period in Guelph. Over the past decade, the city has experienced strong growth in a number of knowledge-based sectors including information and cultural industries, professional, scientific, and technical services and educational services. The City has also experienced strong growth in population-related service sectors including arts, entertainment and recreation, accommodation and food services and health and social services. Within the industrial sector, construction and manufacturing have experienced relatively strong employment growth while transportation and warehousing experienced a slight decline in employment.



Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2020.
 Note: Figures include employed and self-employed jobs. Management of Companies and Enterprises, and Mining, Quarrying, and Oil and Gas Extraction have been excluded from this list.

Figure 4-3: City of Guelph Employment Growth by Sector, 2011 to 2019

Between 2009 and 2019, Guelph accommodated an average of 63,300 sq.m (681,400 sq.ft.) of non-residential gross floor area (GFA) annually, as illustrated in Figure 4-4. Non-residential development activity in 2019 was notably strong, recording 132,400 sq.m (1.43 million sq.ft), which is significantly higher than the historical average achieved over the past decade. Over the 2009 to 2019 period, more than half of non-residential development (58 per cent) was in the industrial sector. This is compared to 25 per cent and 17 per cent in the commercial and institutional sectors, respectively.



Source: 2009 to 2019 data from the City of Guelph by Watson & Associates Economists Ltd., 2020.

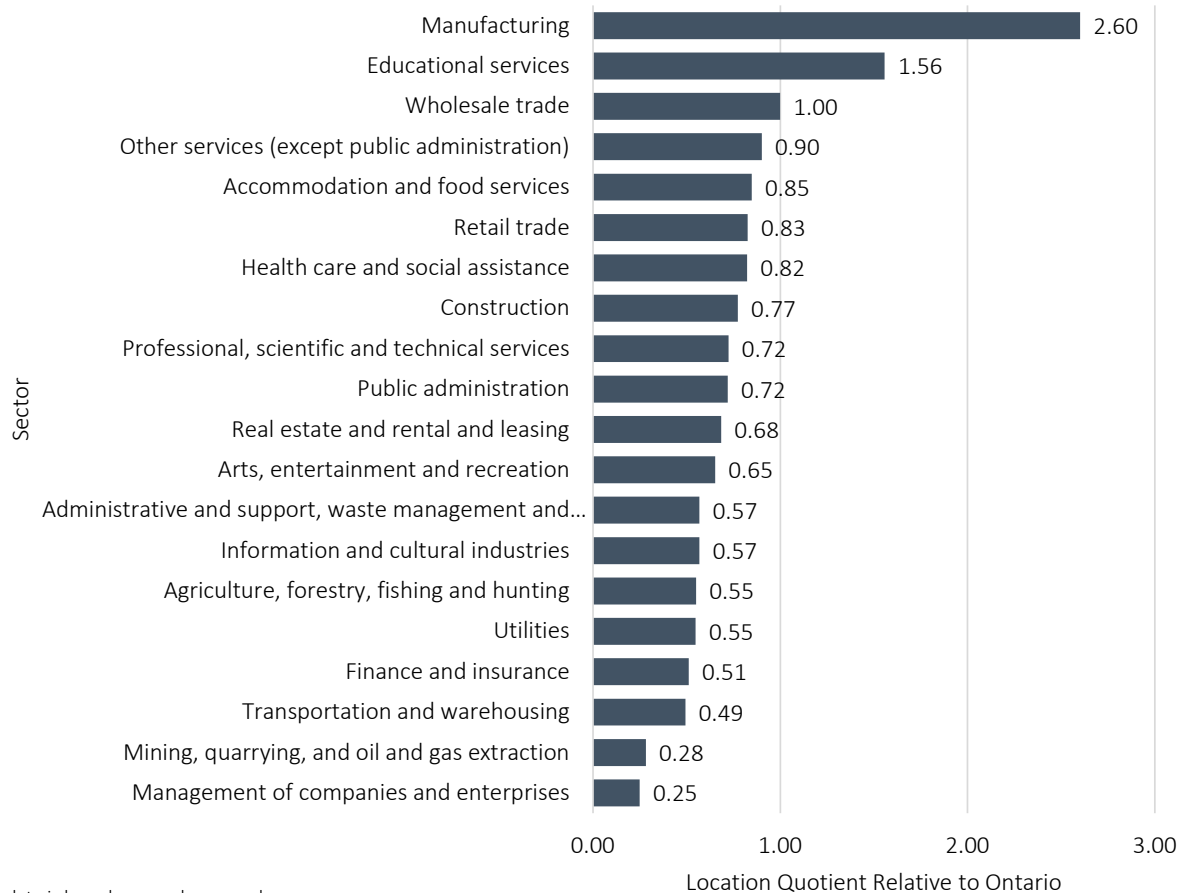
Figure 4-4: City of Guelph Historical Non-Residential Development Activity 2009 to 2019

4.3 Industry clusters in Guelph

Ultimately, the aggregate indicators of Guelph's economic performance are determined in large measure by the competitiveness of their industry clusters. A cluster is a set of inter-linked private-sector industries and public-sector institutions, whose final production reaches markets outside the local market. An expanding export base is a key component to the economic prosperity of the local economy and surrounding area because exports bring money into the local market to be circulated among local-serving enterprises and their employees.

Location Quotients (LQs) are a commonly used tool in regional economic analysis to identify and assess the relative strength of industry clusters²⁵. Figure 4-5 illustrates the strength of employment sectors in Guelph relative to Ontario using LQs. As shown, Guelph's economy is largely oriented towards industrial sectors, including manufacturing and wholesale trade as well as educational services. The city has a relatively low concentration of employment in a number of sectors, including information and cultural industries, finance and insurance, utilities, transportation and warehousing and primary sectors.

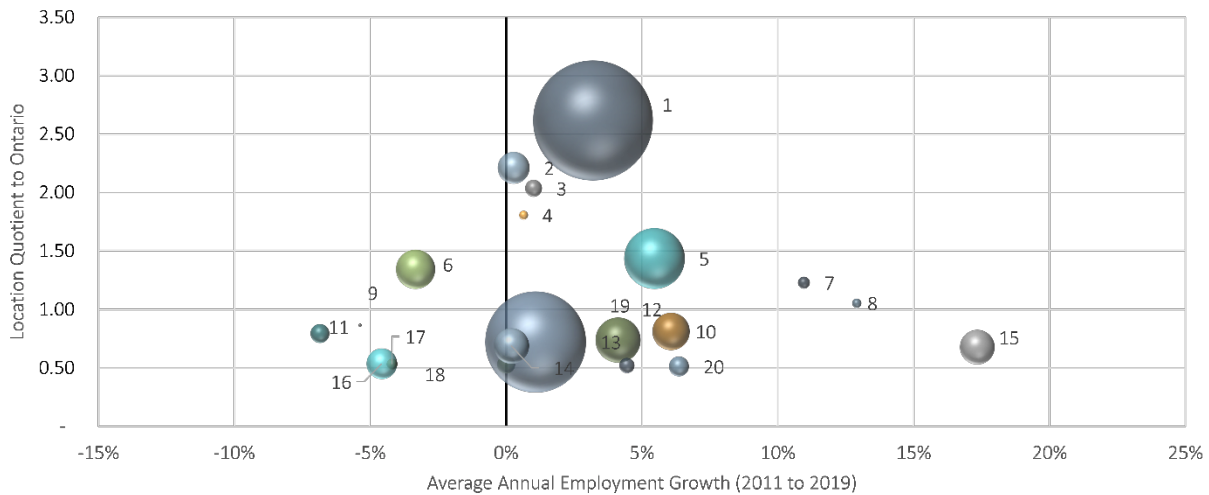
²⁵ An LQ of 1.0 identifies that the concentration of employment by sector is consistent with the broader employment base average. An LQ of greater than 1.0 identifies that the concentration of employment in a given employment sector is higher than the broader base average, which suggests a relatively high concentration of a particular employment sector or cluster.



Note: EMSI data is based on employees only.
 Source: Derived from EMSI data by Watson & Associates Economists Ltd., 2020.

Figure 4-5: City of Guelph Location Quotient Relative to Ontario, 2019

Figure 4-6 illustrates the strength of top traded industry clusters in Guelph relative to the Province using LQs, size (based on employment), and recent growth trends. The size of the sphere illustrates the cluster's share of city-wide employment, and the numbering represents its relative LQ rank. The higher an industry cluster is on the graph, the higher its LQ; the more to the right the sphere is, the stronger its average annual employment growth has been from 2011 to 2019. The top right quadrant represents clusters in the city that have a strong concentration of employment relative to the Province and have experienced positive employment growth over the 2011 to 2019 period. As summarized, Guelph has a relatively high employment concentration in a number of goods-producing industry clusters relative to the Province as a whole, particularly automotive; metalworking technology; recreational and small electronic goods; trailers, motor homes and appliances; and production technology and heavy machinery. Between 2011 and 2019, each of these industry clusters experienced moderate to strong annual employment growth.



Source: EMSI data for the City of Guelph and the Province of Ontario by Watson & Associates Economists Ltd., 2020.

Figure 4-6: Industry Clusters in City of Guelph (2011 to 2019)

Cluster	Description
1	Automotive
2	Metalworking Technology
3	Recreational and Small Electric Goods
4	Trailers, Motor Homes, and Appliances
5	Production Technology and Heavy Machinery
6	Livestock Processing
7	Textile Manufacturing
8	Upstream Chemical Products
9	Leather and Related Products
10	Marketing, Design, and Publishing
11	Paper and Packaging
12	Food Processing and Manufacturing
13	Education and Knowledge Creation
14	Downstream Metal Products
15	Information Technology and Analytical Instruments
16	Lighting and Electrical Equipment
17	Performing Arts
18	Video Production and Distribution
19	Oil and Gas Production and Transportation
20	Vulcanized and Fired Materials

Note: Industry Clusters are ranked by LQ from highest to lowest.

Figure 4-7: Top Traded Industry Clusters in the City of Guelph, 2019

In general, service-producing industry clusters in Guelph are not as highly concentrated relative to broader provincial employment trends. A number of key knowledge-based industry clusters have experienced strong employment growth over the 2011 to 2019 period including information technology and analytical

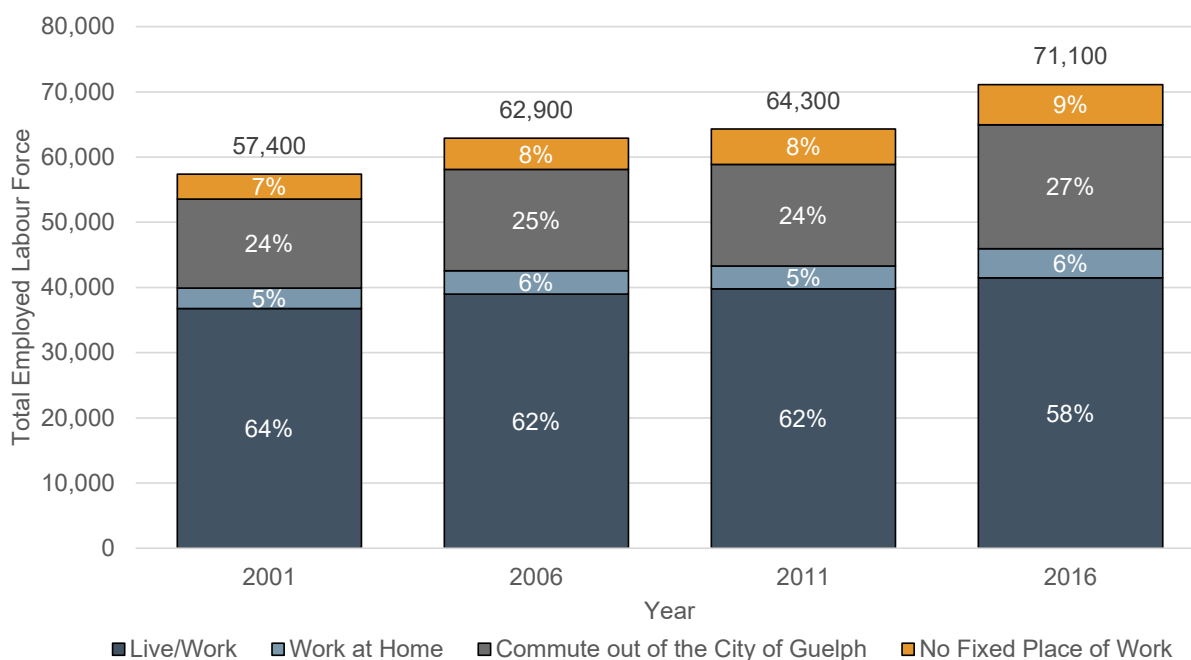
instruments; marketing, design and publishing; and education and knowledge Creation, as illustrated in Figure 4-8 Key industrial-based industry clusters that have experienced notable growth over the past decade include upstream chemical products, textile manufacturing and vulcanized and fired materials.

Figure 4-8: City of Guelph Annual Employment Growth by Industry Cluster, 2011 to 2019

4.4 Labour force trends

As previously noted, the availability of a local skilled labour force is an increasingly important consideration in the new economy. Having a labour force that meets the needs and demands of business is essential to the municipal competitiveness of a municipality and the ability to attract industry and employment growth.

As illustrated in Figure 4-9, Guelph's labour force is highly concentrated by those who live and work within the city. As of 2016, approximately 65 per cent of the city's employed labour force lives and works in Guelph or works from home. Over the 2001 to 2016 period, the share of the live/work labour force has declined marginally, with residents who commute out of the city displaying the largest percentage increase, followed by individuals that have NFPOW.

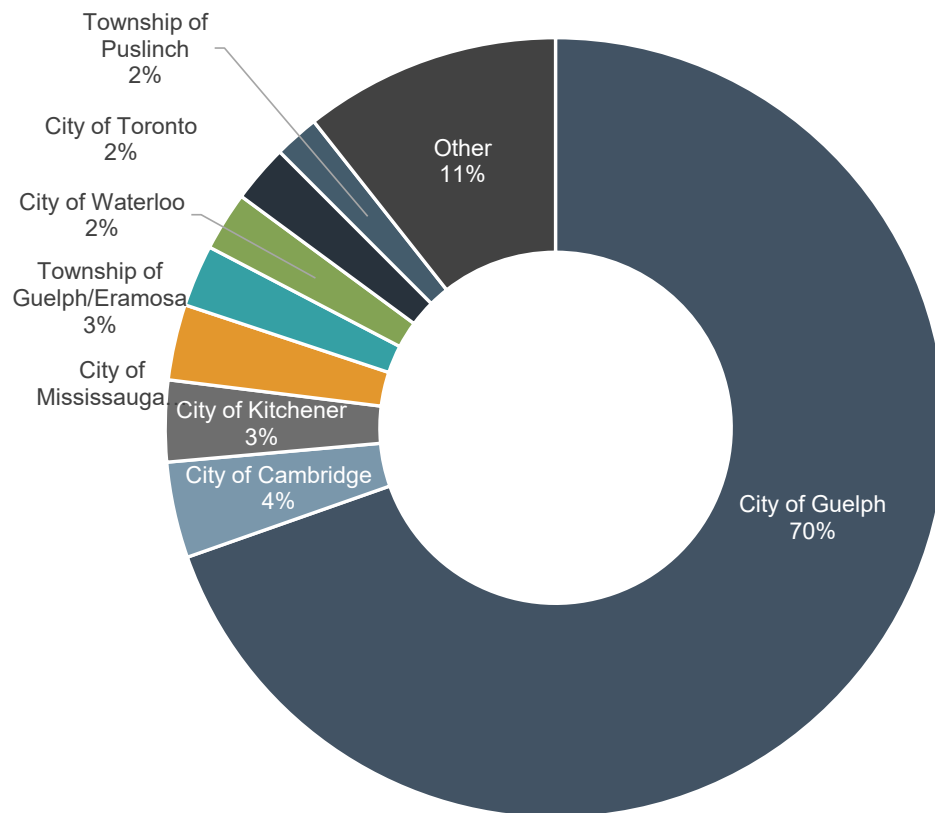


Source: 2001 to 2016 derived from Statistics Canada Census by Watson & Associates Economists Ltd., 2020.
 Note: Figures may not add up precisely due to rounding.

Figure 4-9: City of Guelph Employed Labour by Place of Work, 2001 to 2016

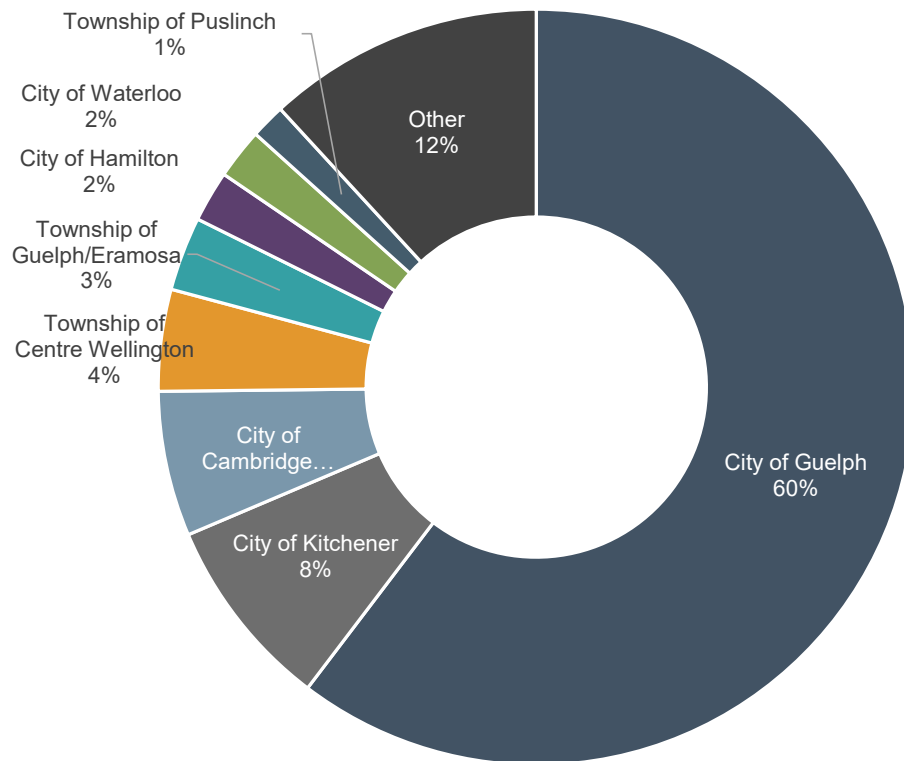
Figure 4-10 summarizes where Guelph residents commute to work, while Figure 4-11 identifies the municipality from where people employed in the city commute. Key observations include:

- As previously noted, live/work employment within Guelph is relatively high and the percentage of out-commuters is relatively low;
- The three cities in Waterloo Region (City of Cambridge, City of Kitchener, and City of Waterloo) account for the largest component of Guelph's commuter-shed, comprising 9 per cent of total out-commuters. These three cities also provide the largest share of in-commuters to Guelph relative to other surrounding municipalities. This emphasizes the relatively close economic and socio-economic interaction of these municipalities;
- Between 2001 to 2016, commuting trends within Guelph remained relatively similar in terms of live/work trends and in-commuting/out-commuting; and
- Guelph remains relatively self-contained, though the live-work ratio has decreased slightly over the past decade. The number of people who work in the city but reside in other municipalities has slightly increased over the period.



Source: Data from 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016325 by Watson & Associates Economists Ltd., 2020.

Figure 4-10: Where City of Guelph Residents Go to Work, 2016



Source: Data from 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016325 by Watson & Associates Economists Ltd., 2020.

Figure 4-11: From Where City of Guelph Employees Commute, 2016

4.5 Industrial market

Guelph has an estimated 1.9 million sq.m (20.4 million sq.ft.) of industrial building space.²⁶ Over the 2006 to 2019 period, Guelph has accommodated an average of 32,257 sq.m (347,218 sq.ft.) of new industrial development, annually.²⁷ During this period, new construction accounted for 64 per cent of development activity compared to 36 per cent related to additions/expansions.

The relative importance of regional and site level attributes required by industry sectors is evolving in response to structural changes in the macro-economy which is impacting industrial development patterns within Guelph. Industrial activity is increasingly centred on production processes that are time-sensitive, driven by just-in-time manufacturing, e commerce and an increasingly globalized environment. As a result, the location and site requirements within the industrial sector continue to evolve with an increasing emphasis on integrated multi-purpose

²⁶ CBRE Waterloo Region Industrial Marketview Q3 2020.

²⁷ Derived from City of Guelph non-residential building permit data by Watson & Associates Economists Ltd.

facilities that combine processing, research and development, training centres, and warehousing which leverage access to regional infrastructure and skilled labour.

Guelph has maintained a strong industrial base that has grown and evolved in connection with major transportation networks throughout the area. Location factors play a key role in the distribution of the dominant business clusters visible across Guelph today, such as manufacturing, transportation/logistics, wholesale trade, and construction.

4.6 Major office market

Guelph is home to approximately 135,017 sq.m. (1.5 million sq.ft.) of major office²⁸ space with about one-third (33 per cent) located within the Downtown (Urban Growth Centre) area, 50 per cent in employment areas and 18 per cent in other locations.²⁹ The vacancy rates for major office in Guelph has ranged between 9.6 per cent and 4.2 per cent over the 2011 to 2019 period.³⁰ Currently, the office vacancy rates in Guelph averages 3.9 per cent, with a relatively low vacancy rate in the Downtown (UGC) (0.7 per cent) compared to 5.4 per cent in other areas of the city.³¹

Guelph's major office inventory expanded by approximately 9,300 sq.m (100,114 sq.ft.) over the 2006 to 2019 period.³² Of this development, the majority (85 per cent) the new building floor space was accommodated within employment areas compared to 11 per cent within the Downtown (UGC) and 3 per cent within other areas of the city. Suburban low-rise buildings has accounted for the majority of new GFA constructed over the 2006 to 2019 period.

Office development and the employment sectors they typically accommodate have certain site-specific requirements including access to skilled labour; proximity to related industry clusters (companies and public institutions such as universities); access to public transit and major highways; and access to on-site amenities/services and proximity to off-site services. These factors can strongly influence business location decisions, both for new development and expansions. Within the Guelph context, the relative importance of these attributes is evolving, which is impacting office development patterns.

Demand for standalone low-rise office, research and development facilities, flex office and multi-tenant commercial/industrial space is anticipated to continue to account for a growing share of building GFA. A large portion of demand is

²⁸ Major office buildings include standalone office buildings (1,860 sq.m) 20,000 sq.ft. of GFA or greater.

²⁹ Watson & Associates Economists Ltd. estimate.

³⁰ CBRE Waterloo Region Office Marketview Q4 2011 and Q4 2019.

³¹ CBRE Waterloo Region Office Marketview Q3 2020.

³² Derived from City of Guelph non-residential building permit data by Watson & Associates Economists Ltd.

anticipated to be driven by growth in knowledge-based employment sectors including information technology, business services, and professional and technical services including engineering and environmental services, and research and development. Flex office space has become a major trend across many markets in Canada. Flex office space allows occupants flexibility in the use and allocation of space according to operation needs. Tenants of flex office space may include businesses that require a blend of office and industrial site characteristics.

While suburban locations including those in employment areas continue to be competitive locations for major office development, there is increasing demand for locations that offer access to high-order transit, a mixed-use environment, potential for live/work opportunities, and access/proximity to amenities and services. The quality and location of new office space are considered very important tools to attract and retain talent. As such, urban mixed-use environments are becoming increasingly desirable locations for office-related businesses.

Looking forward, market demand for standalone office space is anticipated to strengthen within mixed-use environments, such as the Downtown and locations which are transit-supportive, pedestrian-oriented and offer proximity/access to amenities, entertainment, cultural activities and public spaces.

4.7 Observations

Future employment growth within Guelph is strongly correlated with the growth outlook and competitiveness of the economy within the GGH. Over the next several decades City's employment base is anticipated to steadily grow across a broad range of export-based and population serving employment sectors. In several cases, these are also showing similar growth prospects at the broader regional level. Notwithstanding these opportunities generated by the strength of the GGH economy as a whole, it is important to recognize that Guelph will continue to compete in attracting and retaining new business investment with many of the municipalities across the GGH and beyond. Each of these municipalities generally offer regional attributes that largely appeal to prospective international and local firms as well as new residents.

Looking forward, the city also faces several broad opportunities and challenges related to its future economic growth potential and prosperity. Many of these opportunities and challenges relate to macro-economic trends over which the City has limited control. This includes the relative strength of the global economy, international trade policy, and the competitiveness of the Canadian economic base relative to other established and emerging global markets. On-going structural changes in the macro-economy and disruptive forces which are being further accelerated by COVID-19 further complicate this situation.

It is important for the City to navigate through these macro-economic factors to address how these trends are influencing local economic opportunities and challenges. At the local level, the City has considerable control and ability to

position itself in a positive manner when considering Guelph's regional competitive ranking. This requires the City to continue marketing itself as a hub for innovation, equipped with the human capital that is required to encourage on-going innovation, entrepreneurship, small business development, and local investment retention. A major factor influencing the future competitiveness of the city's economic base is the structure and quality of its employment areas, which is discussed in detail in the following chapter.



5 Guelph employment lands profile

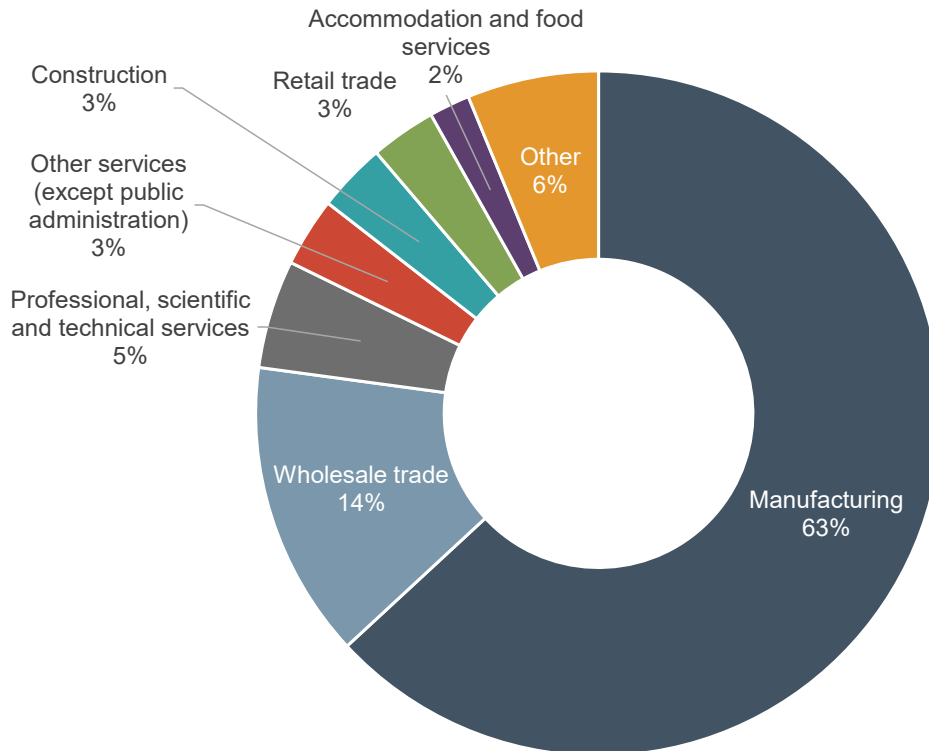
5.1 Overview of employment lands

Employment lands are an integral part of Guelph’s economic development potential and they accommodate a significant share of the city’s businesses and employment. One of the most critical aspects related to the economic competitiveness of Guelph is the marketability and availability of its employment land base relative to the surrounding market area. It is critical that the City continue to plan for employment uses with consideration given to market demand and trends.

Guelph has a large and diverse existing employment lands base, totaling approximately 840 net hectares (2,075 net acres) of developed land. A large share is in proximity to the Hanlon Expressway corridor in the city’s south end and northwest.

Employment lands within Guelph accommodate a broad range of industrial uses, including manufacturing, distribution/logistics, construction, and transportation. In recent years, the city’s employment lands have accommodated an increasing share of commercial (including office) and institutional uses.

Figure 5-1 summarizes the share of employment by sector on employment lands in Guelph. The largest is manufacturing, which accounts for 63 per cent of the total. This is followed by wholesale trade (14 per cent), professional, scientific, and technical services (5 per cent), other services (3 per cent), construction (3 per cent), retail trade (3 per cent) and accommodation and food services (2 per cent).



Source: Derived from 2019 InfoCanada Business Directory data by Watson & Associates Economists Ltd., 2020.

Figure 5-1: City of Guelph Employment on Employment Lands by Sector, 2019

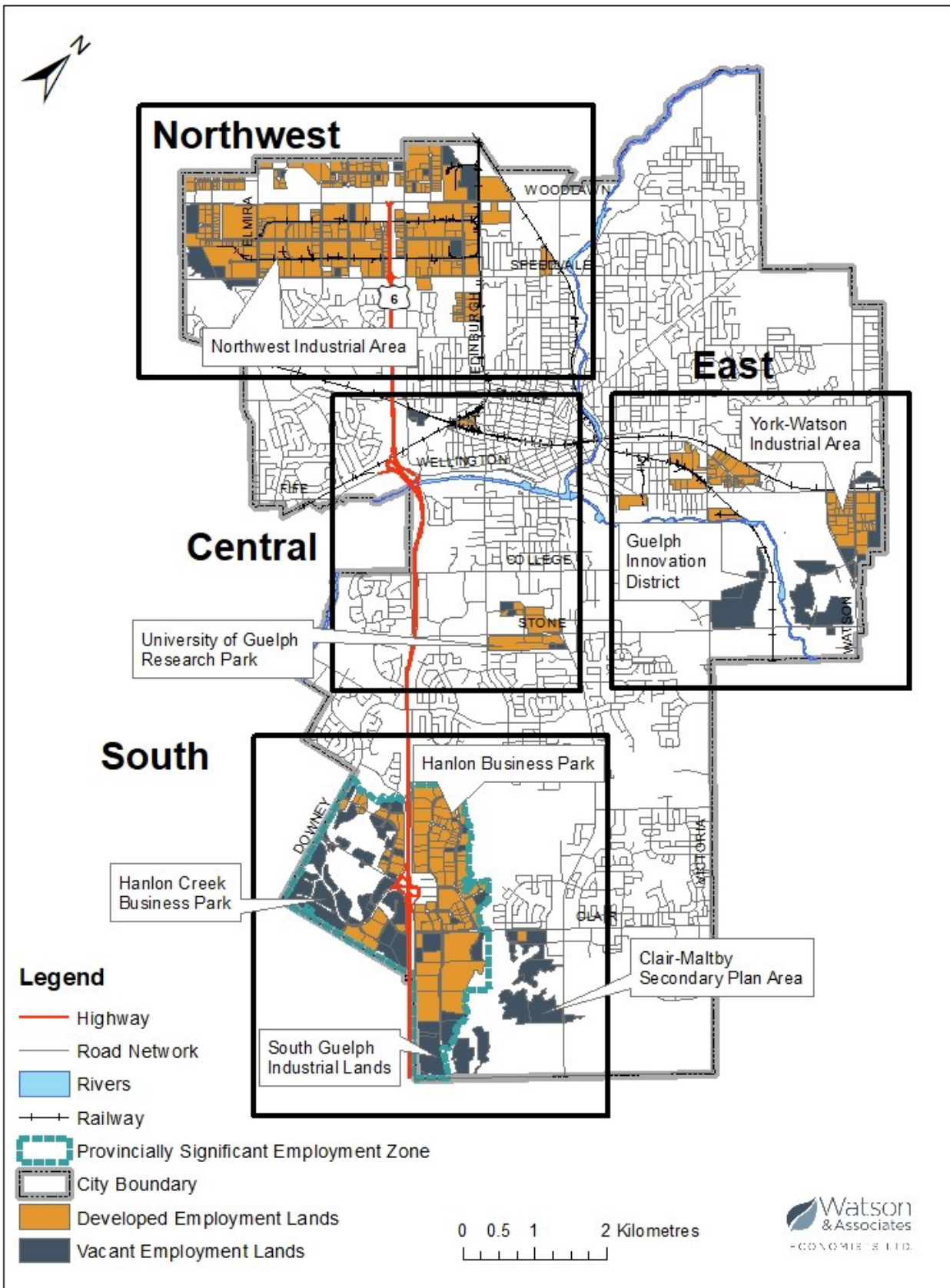


Figure 5-2: City of Guelph’s Employment Lands

The following provides an overview of Guelph's key employment areas.

5.1.1 Hanlon Business Park

The Hanlon Business Park is located east of the Hanlon Expressway north of Clair Road. The park, which was municipally developed beginning in the mid-1980s, has a total land base of approximately 140 net hectares (345 net acres) and is largely built out. Hanlon Business Park has a significant employment base in advanced manufacturing, logistics/distribution, and business services. Major employers include Sleeman's Breweries, Metalumen Manufacturing, and Hammond Power Solutions. As of 2020, approximately 94 per cent of the Hanlon Business Park is developed; only a few parcels are vacant. While the park offers excellent proximity and exposure/visibility to the Hanlon Expressway, as well as proximity to services and amenities including hotels and restaurants, it offers very limited opportunity for new development.

5.1.2 Hanlon Creek Business Park

Hanlon Creek Business Park is a master planned business park located in South Guelph with a land base of 155 net hectares (383 net acres) that is largely unbuilt. The park accounts for about one-third of the city's designated vacant employment lands. The City is developing the park jointly with the private sector in three phases, with Phases 1 and 2 under development since 2013. Over the past few years, the park has experienced strong land absorption accommodating a range of uses including wholesale trade, low-rise office, flex office, and multi-tenant industrial development.

The park has direct access/visibility to the Hanlon Expressway which connects to Highway 401. The City has flexibility in the ultimate size and configuration of the developable lands, which is a great advantage since lands can be tailored to end users at competitive land prices. The park also features a large environmental reserve, which enhances the aesthetic appeal of the park. The park offers a range of shovel-ready development opportunities in Phases 1 and 2 and longer-term opportunities to accommodate future growth in Phase 3.

5.1.3 Northwest Industrial Park

The Northwest Industrial Park has Guelph's largest concentration of developed employment lands with approximately 1.3 million sq.m (13.8 million sq.ft.) of industrial space, accounting for more than half the city's industrial inventory³³. The area accommodates a diverse range of employment sectors and is home to a number of the Guelph's largest employers including Linamar Corporation, Polycon Industries, Johnson & Johnson, and Blount Canada Ltd. The area is well connected by Hanlon Creek Expressway and Highway 6/7 (Woodlawn Road). The planned new Highway 7 (limited access highway) connecting Guelph to Kitchener, which is

³³ Cushman & Wakefield, Waterloo Region & Guelph Marketbeat, Industrial Q3 2020.

currently in the design phase, is expected to enhance regional highway access to the area. The area is well served by a range of commercial services including restaurants and hotels located along the Woodlawn Road corridor. The Northwest Industrial Park is approximately 90 per cent built out with some greenfield parcels remaining in the southwest and in the northeast. Some opportunities for expansions on existing developed sites and possible redevelopment also exist within this area.

5.1.4 South Guelph Industrial Lands

The South Guelph Industrial Lands consist of a privately developed industrial park located south of Clair Road immediately east of the Hanlon Expressway. The area has experienced significant industrial development over the past decade including a number of standalone large-scale and multi-tenant industrial condominium buildings. Large-scale industrial tenants include the TDL Group (Tim Hortons) Distribution Centre, the Guelph Data Centre, and DENSO Corporation. The park offers flexible built-to-suit options and has a few large parcels which remain available for development.

5.1.5 University of Guelph Research Park

The University of Guelph Research Park, situated on Stone Road next to the University of Guelph, is home to a number of public- and private-sector research-related organizations. Key sectors of the park include life sciences, bio-tech, agri-food, and cleantech. The southern part of the park, located south of Stone Road, covers an area of 15 net hectares (37 net acres). Development of the southern part of the park started in the late-1980s by the University of Guelph and is largely built out. The northern part of the park, located along Chancellors Way, has been developed over the past decade, accommodating office development, and has some remaining vacant parcels. The park was developed to enhance research at the university and foster connections with other institutions.

The park is comprised largely of office, research-type, and low-rise office building formats, and has relatively high employment densities.

5.1.6 York-Watson Industrial Park

The York-Watson Industrial Park is a general industrial area located in East Guelph to the southeast of Watson Parkway and York Road containing approximately 134,000 sq.m (1.4 million sq.ft.) of industrial space³⁴. The area is home to manufacturing, wholesale trade, and construction. The area has had limited development activity over the past decade and is largely built out.

³⁴ Cushman & Wakefield, Waterloo Region & Guelph Marketbeat, Industrial Q3 2020.

5.1.7 Future Employment Areas Guelph Innovation District

The GID is a planned mixed-use development, comprised of both employment and residential components focused on innovation, research, and technology. The GID covers an area of 436 hectares (1,000 acres) located east of the University of Guelph, adjacent to the university's arboretum lands. The large geographic area is bound by Victoria Road to the west, Stone Road to the south, Watson Parkway South to the east, and York Road to the north. The GID Secondary Plan, which was amended and approved by the Ontario Municipal Board in 2017, identifies an employment base of 8,600 and the area is expected to accommodate a significant share of the city's employment growth through 2051. With the intended uses and vision for the GID, the employment lands component of the area is expected to accommodate an average employment density of 90 jobs per net hectare (36 jobs per net acre).

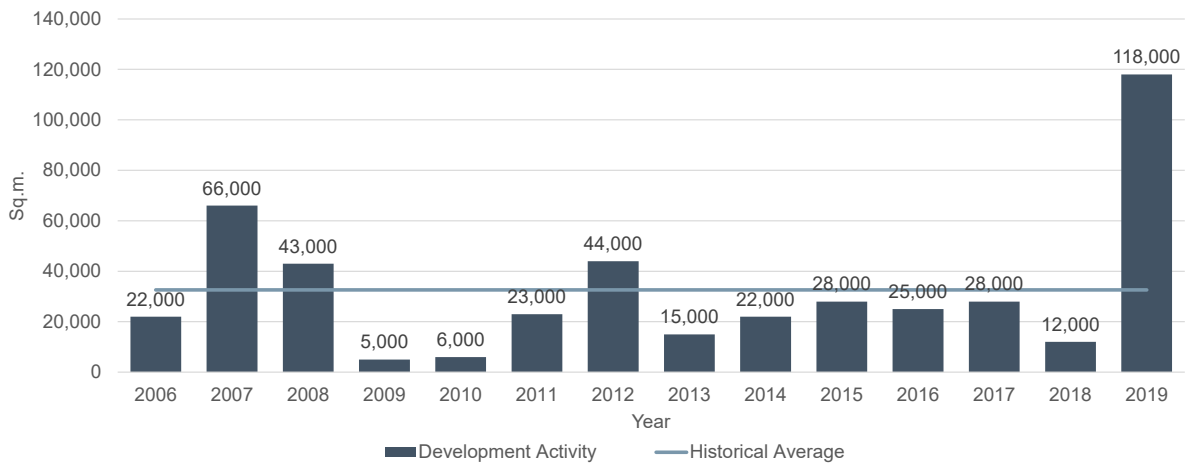
5.2 Municipal role in employment lands development

Guelph has a strong and successful history of municipal employment land development. The City continues to be a key employment land developer in the municipality, assembling and servicing land. The municipality is responsible for subdivision design, infrastructure development, and land sales. The City of Guelph has developed a number of key industrial parks including Hanlon Business Park and the York-Watson Industrial Area. The City's current inventory of employment parcels available for development and sale are concentrated in the Hanlon Creek Business Park.

5.3 Development activity on employment lands

Figure 5-3 summarizes building construction (new construction and additions) accommodated on Guelph's employment lands over the 2006 to 2019 period, expressed in GFA. As illustrated, the city has averaged approximately 32,600 sq.m (350,900 sq.ft.) of building activity on employment lands annually over the period. Approximately 48 per cent the GFA development over the decade has been associated with new construction, while 52 per cent of GFA has been attributed to additions to existing buildings.

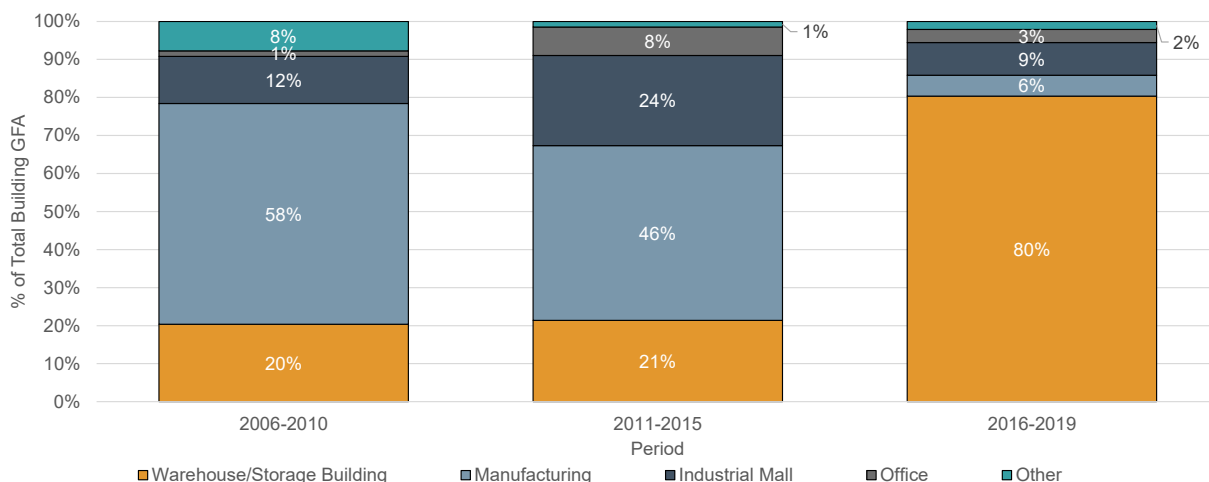
While development activity on employment lands has been relatively strong since 2011, activity has been below levels experienced prior to the global economic recession of 2009. Over the past five years, the majority of new development on employment lands has been accommodated in the Hanlon Creek Business Park, the South Guelph Industrial Lands, as well as the Northwest Industrial Area.



Source: Derived from the City of Guelph building permit data by Watson & Associates Economists Ltd., 2020.

Figure 5-3: City of Guelph – Non-residential Building Permit Activity on Employment Lands, New Construction and Expansions on Employment Lands, 2006 to 2019

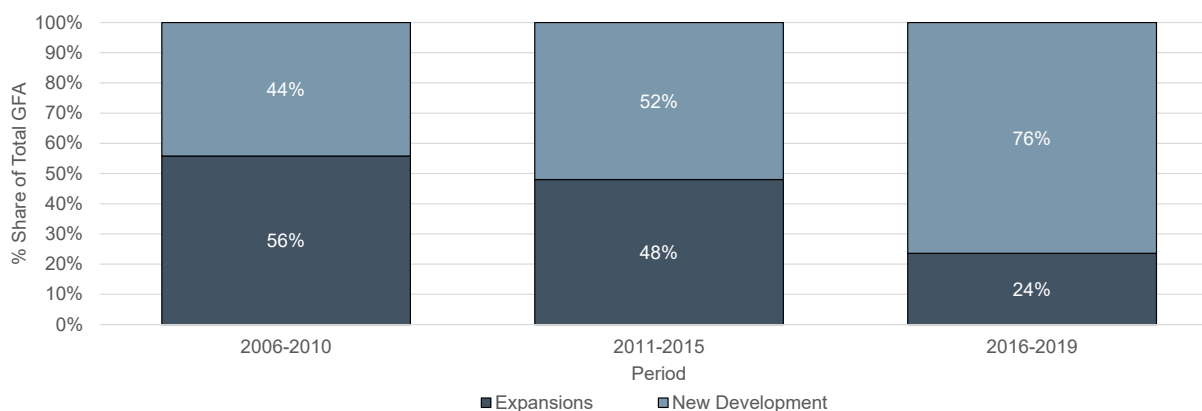
Over the 2006 to 2019 period, the industrial building space has accounted for the majority of development activity on employment lands in Guelph. Historically, a large share of development activity on employment lands in Guelph has been associated with the manufacturing sector, but this has declined over the past decade. As illustrated in Figure 5-4, over the 2006 to 2010 period, 58 per cent of development on employment lands was within the manufacturing sector, compared to 46 per cent and 6 per cent in the 2011 to 2015 and 2016 to 2019 periods, respectively. Over the same period, warehousing and storage facilities experienced notable increases in share of total development on employment lands, increasing from 20 per cent in the 2006 to 2010 period, to 80 per cent in the 2016 to 2019 period.



Source: Derived from the City of Guelph building permit data by Watson & Associates Economists Ltd., 2020.

Figure 5-4: City of Guelph Development Activity on Employment Lands by Sector/Land Use, 2006 to 2019

Over the past decade, Guelph has witnessed a shift between expansions and new development. As shown in Figure 5-5, from 2006 to 2010, expansions accounted for 56 per cent of development. In the following period (2011 to 2015), expansions accounted for 48 per cent of the total development in the City, and in the most recent period (2016 to 2019) expansions accounted for 24 per cent of the total development. In contrast, new development has steadily increased, rising from 44 per cent between 2006 and 2010, to 76 per cent in the 2016 to 2019 period.

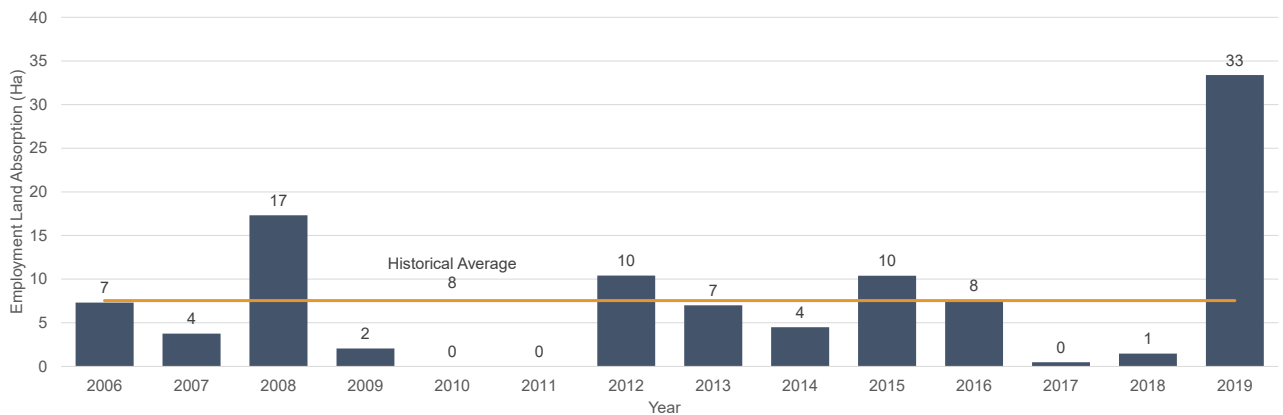


Source: Derived from the City of Guelph building permit data by Watson & Associates Economists Ltd., 2020.

Figure 5-5: City of Guelph Share of Development on Employment Lands New Developments vs. Expansions/Additions, 2011 to 2019

5.4 Employment lands absorption trends

Between 2006 and 2019, employment lands absorption in Guelph totalled approximately 106 net hectares (260 acres), averaging approximately 8 net hectares (19 net acres) per year, as illustrated in Figure 5-6. Annual employment lands absorption fluctuated, characterized by strong absorption levels over the 2006 to 2008 period, followed by a slowdown over the 2009 to 2011 period resulting from the 2008/2009 global economic downturn. Since 2012, average annual absorption levels of employment land have been moderately strong. In 2019, Guelph experienced the strongest growth over the 2006 to 2019 period, absorbing approximately 33 net hectares (82 acres) of employment land. The 2019 land absorption was comprised largely of medium and large-scale industrial development in the Hanlon Creek Business Park and South Guelph Industrial Area.

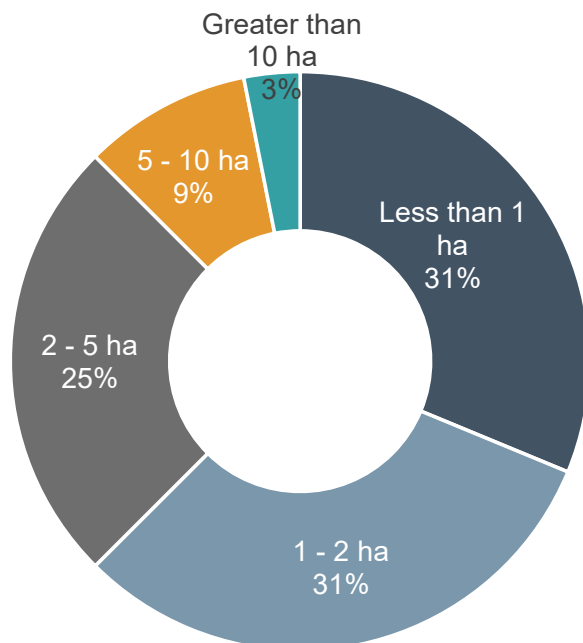


Source: Derived from the City of Guelph non-residential building permit for new construction by Watson & Associates Economists Ltd., 2020.
 Note: Figures have been rounded and reflect the net developable land area.

Figure 5-6: City of Guelph Historical Annual Employment Land Absorption, 2006 to 2019

Figure 5-7 summarizes city-wide employment lands absorbed by parcel size between 2011 and 2019. As illustrated, smaller parcels of less than 1 hectare (2.5 acres) accounted for 31 per cent of the parcels absorbed.

Parcels of 1 to 2 hectares (2.5 to 5 acres) in size accounted for 31 per cent of the total. Medium-sized parcels of 2 to 5 hectares (5 to 12 acres) accounted for 25 per cent. Parcels larger than 5 hectares (12 acres) accounted for 12 per cent of the total.



Source: Derived from the City of Guelph building permit data by Watson & Associates Economists Ltd., 2020.

Figure 5-7: City of Guelph Employment Land Absorption by Parcel Size, 2011 to 2019

Figure 5-8 summarizes the average floor space index (FSI) and floor space per worker (FSW) on employment lands absorbed within employment areas between 2012 and 2019. During this period, FSI averaged 28 per cent and FSW on employment lands averaged approximately 89 sq.m per employee (958 sq.ft. per employee). Based on these metrics, calculated employment density on absorbed employment lands is estimated to be 35 jobs per net hectare (14 jobs per net acre).

The highest employment densities are typically found in standalone office development, multi-tenant industrial buildings, manufacturing facilities, and employment-supportive uses, while construction, distribution/logistics, and transportation/warehousing tend to have lower employment densities.

Floor Space Index	Amount
Floor Space Index (FSI) ¹	0.28
Floor Space per Worker (FSW) (sq.m) ²	89
Employment Density (Jobs per Net hectare) ³	35

Source: Watson & Associates Economists Ltd., 2020.

¹ Derived from building permit data and characteristics of buildings located on urban employment lands absorbed over the 2011 to 2019 period.

² Derived from 2019 InfoCanada Business Directory data and review of businesses operating on absorbed employment lands and available data on total employment and business floor space.

³ Employment density calculated based on average FSI and FSW observed.

Figure 5-8: City of Guelph Employment Lands Absorption Density of Development, 2012 to 2019

5.5 Opportunities to accommodate growth on employment lands

5.5.1 Vacant employment lands supply

The competitiveness of Guelph's export-based economy is partly determined by the availability and quality of its developable employment lands. Further, market choice of shovel-ready industrial lands and the potential for future expansion are key factors in the industrial site selection process. This section provides a comprehensive assessment of Guelph's undeveloped employment land supply as of late-2020.

Building on the employment land supply completed in the 2018 Interim Employment Lands Update, an inventory of all designated employment lands in Guelph was prepared. The analysis was completed primarily through a desktop review using geographic information system (GIS) mapping software. The spatial overlays

utilized included parcel fabric, OP and zoning overlays, hydrology, and current orthophotos.

Figure 5-9 summarizes the total gross and net vacant industrial land supply for Guelph by geographic location. As illustrated, Guelph has a total of 429 gross hectares (1,060 gross acres) of vacant designated employment land.

The supply of vacant employment lands has been adjusted to exclude non-developable features from the inventory. Non-developable features include environmental lands as well as internal roads, stormwater ponds, and other internal infrastructure.

Reflecting the aforementioned adjustments, Guelph's net developable vacant employment land supply is estimated at 391 net hectares (966 net acres), as summarized in Figure 5-9. The city's vacant employment land inventory is presented by geographic area in Figure 5-11 through Figure 5-14.

Location	Total Gross Vacant (A)	Adjustments for Internal Infrastructure and Environmental Features ¹ (B)	Net Vacant Employment Land Supply (C = A-B)
Clair-Maltby Secondary	48	9	39
Guelph Innovation	84	17	67
Guelph Research Park	5	1	4
Hanlon Business Park	9	0	9
Hanlon Creek Business	117	1	116
Northwest Industrial	53	4	49
South Guelph Industrial	73	2	71
York-Watson Industrial	29	4	25
Other	11	0	11
City of Guelph Total Vacant Employment	429	38	391

Source: Watson & Associates Economists Ltd., 2020. Note: Numbers may not add up due to rounding.

¹ Reflects non-developable features including internal roads, storm water management facilities and other infrastructure as well as environmental features.

Figure 5-9: City of Guelph Employment Lands Absorption Density of Development, 2012 to 2019

Some vacant parcels, due to small size, fragmentation, odd configuration, access issues, etc., will likely not develop over the planning horizon. Based on a high level desktop review of designated vacant employment lands, a limited number of parcels were identified as unlikely to develop due to these physical constraints. This reduces the total vacant industrial land inventory by 8 net hectares (20 net acres), as summarized in Figure 5-9.

Long-term land vacancy is a common characteristic that is experienced in Employment Areas throughout Guelph and elsewhere in Canada. This reflects sites that are unlikely to develop to their full capacity due to underutilization of future development and parcel inactivity/land banking, which may tie up potentially vacant and developable lands. While these observations largely apply to Guelph's more mature industrial areas, over the next decade it is foreseeable that the city's newer industrial areas, as they mature, will also begin to exhibit these characteristics. For the purpose of this analysis, an estimate of 10 per cent long-term land vacancy has been applied to the net developable vacant employment land inventory. Adjusted for land vacancy, Guelph's net developable vacant industrial land supply is 345 net hectares (998 net acres), as summarized in Figure 5-10.

Location	Net Vacant Industrial Land Supply	Unlikely to Develop Due to Physical Constraints ¹	Net Developable Vacant Industrial Land Supply	Long-Term Land Vacancy Adjustment ²	Net Developable Vacant Industrial Land Supply Adjusted for Long-Term Vacancy
Clair-Maltby	39	0	39	4	35
Guelph Innovation	67	0	67	7	60
Guelph Research	4	0	4	0	4
Hanlon Business	9	0	9	1	8
Hanlon Creek	116	0	116	12	104
Northwest	49	6	43	4	39
South Guelph	71	0	71	7	64
York-Watson	25	2	23	2	21
Other	11	0	11	1	10
Total Vacant Employment	391	8	383	38	345

Source: Watson & Associates Economists Ltd., 2020. Note: Numbers may not add up due to rounding.

¹ Reflects sites unlikely to develop due to small size, site configuration and access.

² Long-term employment land vacancy adjustment – 10 per cent of net developable vacant lands. Accounts for employment land sites which may not develop over the long-term due to underutilization of employment sites and inactive sites/land banking.

Figure 5-10: City of Guelph Supply of Net Developable Employment Lands (ha)



Figure 5-11: City of Guelph Vacant Employment Lands - Northwest Industrial Area

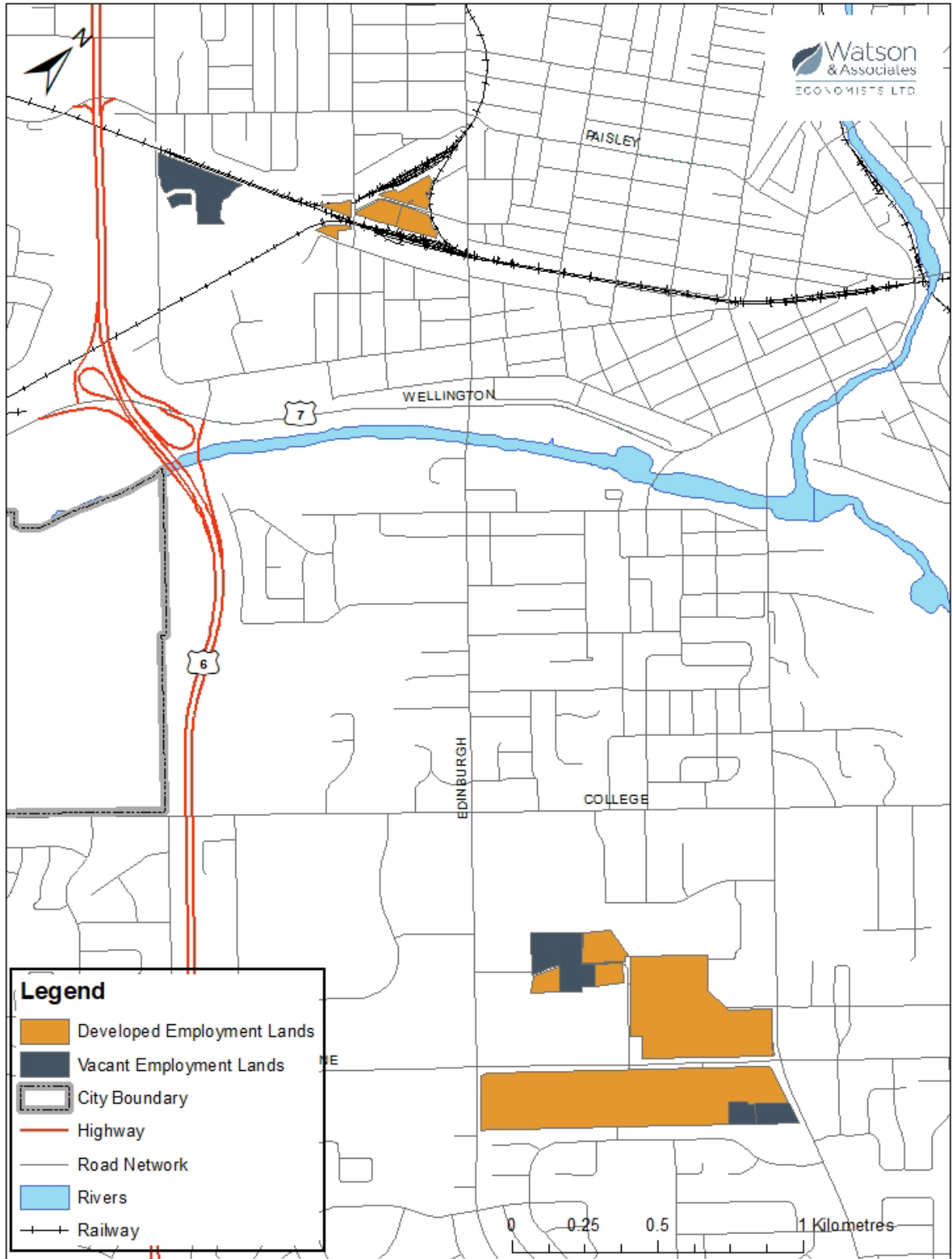


Figure 5-12: City of Guelph Vacant Employment Lands – Central

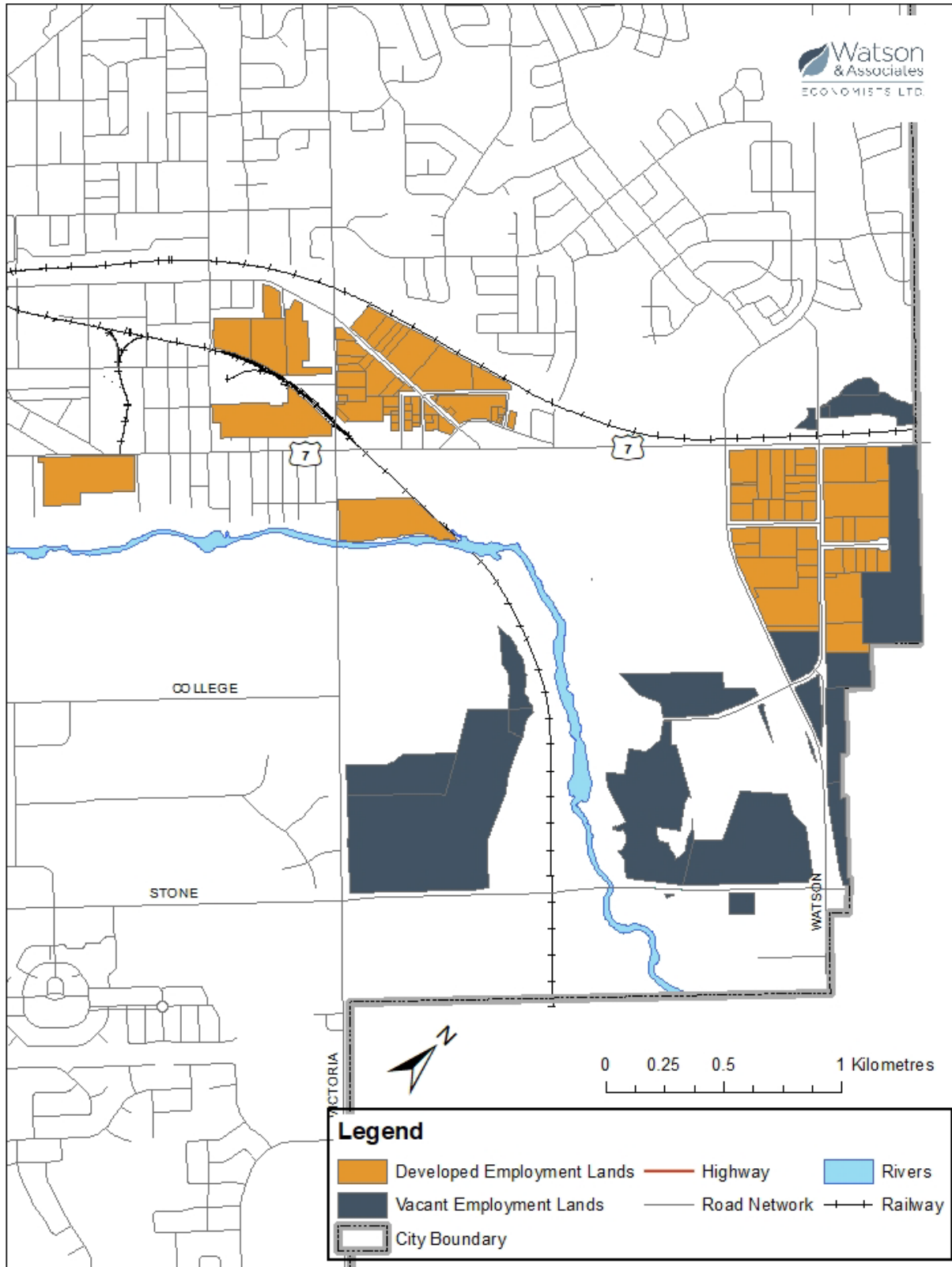


Figure 5-13: City of Guelph Vacant Employment Lands - East

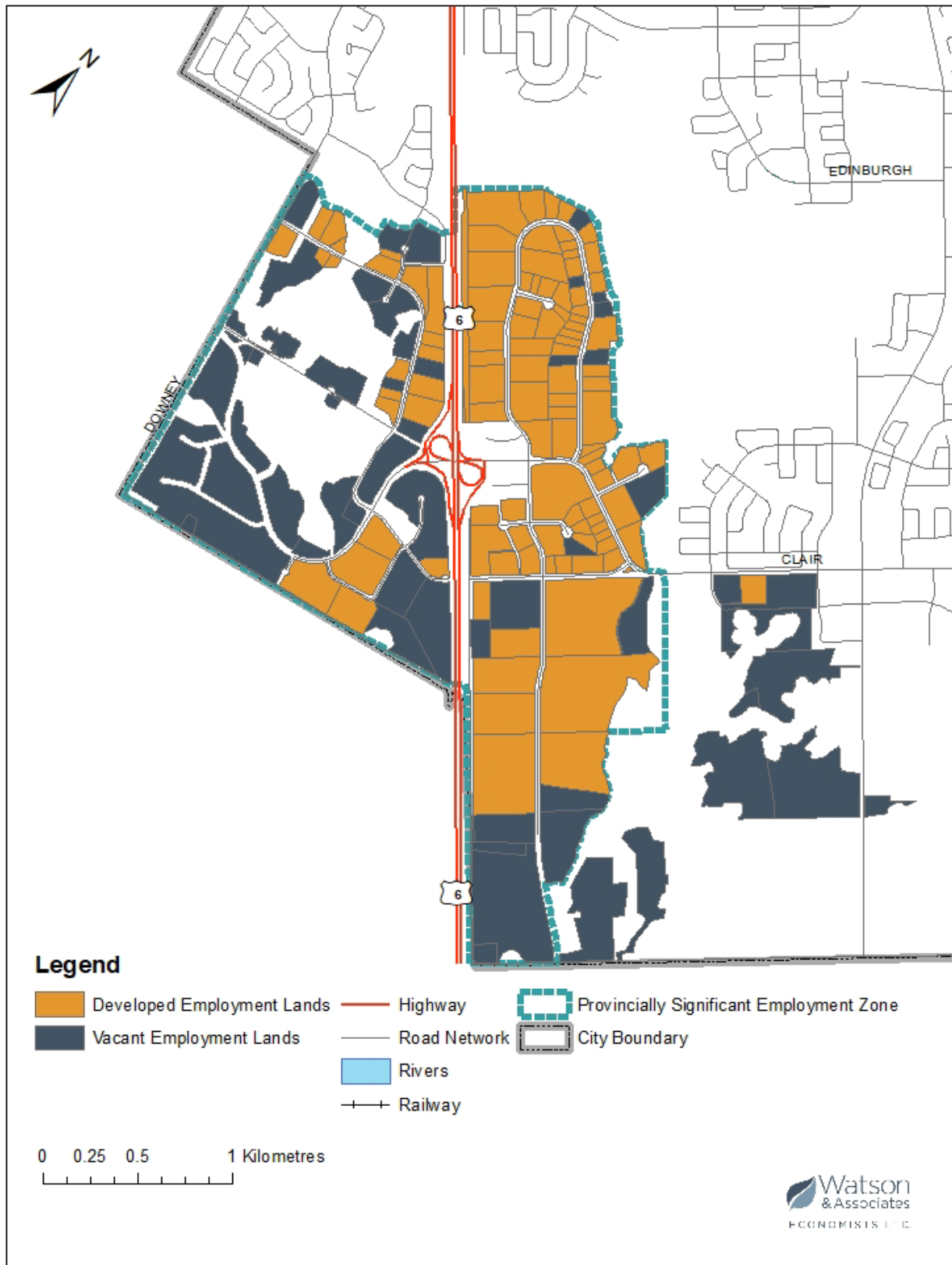


Figure 5-14: City of Guelph Vacant Employment Lands – South

5.5.1.1 Shovel-ready industrial land supply

Market choice of shovel-ready employment lands and potential for future expansion are key factors in the industrial site selection process. Based on a further review of the net vacant industrial land supply, it was determined that Guelph has 155 net hectares (383 net acres) of shovel-ready employment land³⁵. The majority of Guelph's shovel-ready employment land supply is located within the Hanlon Creek Business Park (Phases 1 and 2).

The City of Guelph currently has four parcels for sale comprised of 13 hectares (32 acres) of land. The sites are located in Phase 1 of the Hanlon Creek Business Park.

5.5.1.2 Market choice requirements

As a general rule of thumb, in order to allow for proper market functioning, it is recommended that a minimum five-year supply of serviced employment lands (by various sizes, zoning, and locations) is available at all times throughout the forecast period. Based on recent absorption trends, it appears that Guelph is currently meeting this requirement. Relative to absorption trends over the past five years, Guelph's overall composition of shovel-ready lands by parcel size appears to be well balanced against market demand for a broad range of parcel sizes.

With respect to development opportunities, the majority is located in South Guelph along the Hanlon Expressway corridor. Phases 1 and 2 of the Hanlon Creek Business Park offer significant shovel-ready development opportunities. Currently, a number of developers, including the City of Guelph, Cooper Construction, and Belmont Equity Group are developing sections of the park catering to a broad range of industrial and office commercial uses.

5.5.2 Underutilized employment lands

Intensification can take a number of forms, including development of underutilized lots (infill), expansion (horizontal or vertical) of existing buildings and redevelopment of sites. Given the large number of established employment areas in Guelph, opportunities for intensification exists. While it is beyond the scope of this assignment to undertake an employment area intensification study, a high-level review to assess the share of underutilized sites has been provided to determine supply potential for intensification.

Intensification offers the potential to accommodate future employment growth and achieve improved land utilization resulting in higher employment density on developed employment lands. Higher land utilization on existing employment lands can also lead to more effective use of existing infrastructure (e.g. roads, water/sewer servicing), a built form that is more conducive to support public transit, resulting in communities that are more functional and complete. Through a high-

³⁵ Shovel-ready employment lands are defined as vacant parcels that have servicing in place (i.e. water, sewer, stormwater, and roads infrastructure). In addition, all planning and environmental approvals are in place.

level desktop review using the developed employment land parcel inventory, building footprints and orthophoto overlays, 142 hectares (351 acres) of Guelph's developed employment lands were identified as underutilized. This reflects parcels that have:

- Sites that are currently used exclusively for open storage and/or parking;
- Parcels with relatively low building floor space index (F.S.I.) (less than 10 per cent); and,
- Vacant buildings.

The underutilized parcels account for 17 per cent of the total developed employment land base in Guelph. The highest share of underutilized lands is in the city's older industrial areas including the Northwest Industrial Area.

Redevelopment activity has been limited and the majority of the recent activity has been related to expansion activity of existing businesses. Infill and redevelopment of existing developed lands are expected to continue to gradually increase over time, largely driven by rising employment land values and related development costs, and the continued buildout of Guelph's employment lands, especially in the most marketable locations.



6 City of Guelph competitiveness within the GGH context

Municipalities compete directly for business attraction with other communities in their respective regional market areas and beyond. This is particularly true for “export-based” sectors in the industrial and knowledge-based sectors which are largely accommodated in Employment Areas. Municipalities have a role to play in promoting economic growth by ensuring that they are “business investment ready” and “competitive.” In an increasingly competitive macro environment, municipalities need to better position themselves to capitalize on the economic potential and opportunities that exist within the “new economy.”

Having a comprehensive understanding of a municipality’s competitive position compared to other communities in the surrounding market area is a fundamental aspect of economic development. One of the challenges in addressing municipal competitiveness is the range of factors to consider, as illustrated in Figure 6-1. This includes a range of “hard” and “soft” factors. Many competitiveness factors are

national/provincial in nature on which the City of Guelph has limited influence. This includes such factors as the regulatory environment, dollar exchange rate, corporate taxation, and labour costs.

There are, however, a range of regional, community, and site level factors specific to the municipality and ones over which the City has some influence or control.

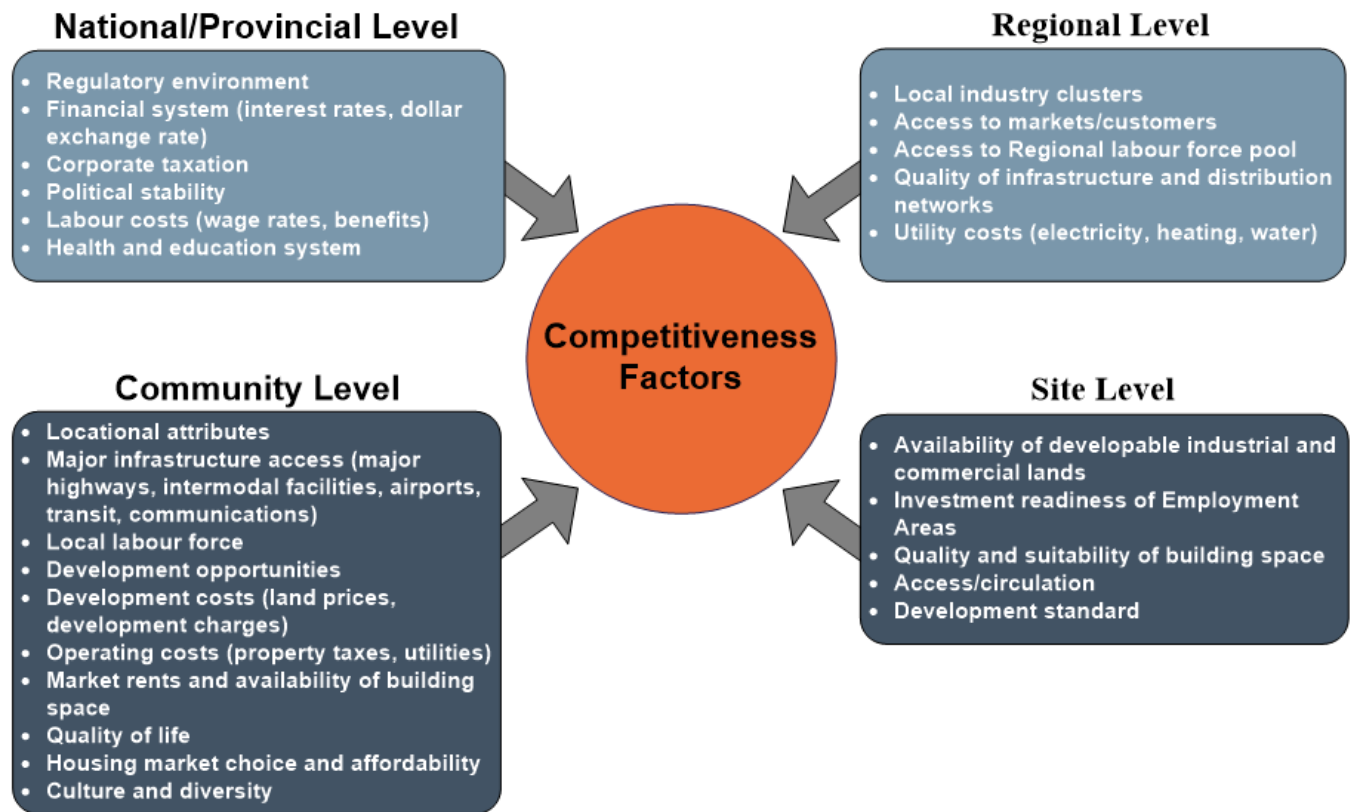


Figure 6-1: Municipal Competitiveness Factors

As previously mentioned, the GGH represents an economic powerhouse in Ontario and the center of a large portion of economic activity in Canada.

With a robust economy and diverse mix of export-based employment clusters, the GGH is highly attractive on an international and national level to new businesses and investors as a world class “City/Region.” In turn, this continues to support strong GGH population growth levels largely driven by international and inter-provincial net migration. Notwithstanding the success of the GGH, global competition for business development and investments is becoming increasingly intense in today’s “new economy.” In many respects Guelph’s long-term economic growth potential is largely tied to the success of the GGH as a whole. The strength of the broader regional G.G.H. economy and growth potential presents a tremendous opportunity for Guelph’s economy.

Guelph is located within proximity to a number of large urban/suburban and rural municipalities with which it competes directly for business attraction and investment. All these municipalities generally offer regional attributes that largely

appeal to prospective international and local firms. Hence, community level factors can strongly influence business location decisions, both for new development and expansion. Market competitiveness is typically influenced by the following broad community level criteria:

- “Hard” factors – development costs (e.g. land costs, construction costs) and operating costs (e.g. property taxes, utilities’ costs); and
- “Soft” factors – proximity and access to major infrastructure, labour force, access to post- secondary institutions, availability of developable land, quality of life.

In addition to the regional site location factors, location preferences at the employment area level or local site level are largely influenced by the market choice of developable land, the quality and suitability of the vacant building space inventory, and the character of the employment area and compatibility with surrounding land uses.

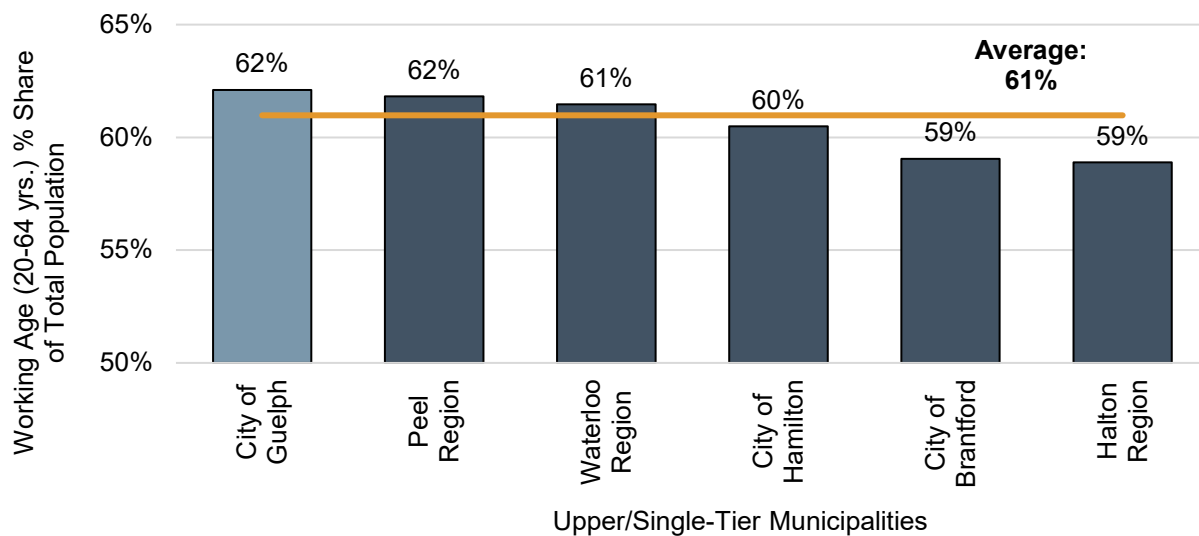
The industrial and office market is strongly influenced by regional and local site selection factors – investors typically have a broad geography from which to select. The retail sector is generally “captive” to a specific trade area and typically not as sensitive to these factors.

At both the regional and local levels, location requirements of industry can vary considerably depending on the nature of the employment sector/use. While cost of development and access/proximity to major infrastructure have historically weighed heavily on business location decision making, the relative weighting of factors is beginning to shift. Quality factors are becoming increasingly important in business location decision making. This is particularly apparent in knowledge-based sectors. These factors are explored herein, within Guelph and broader GGH context.

6.1 Labour force characteristics

An understanding of the composition and characteristics of a community’s labour force is necessary in determining competitiveness. Competitiveness in labour force and employment characteristics is typically assessed based on both demographic and economic indicators, which are meant to provide insight into the existing ability of the labour force to meet demand, and the emerging trends in terms of growth and skills that will influence competitiveness on a longer-term basis.

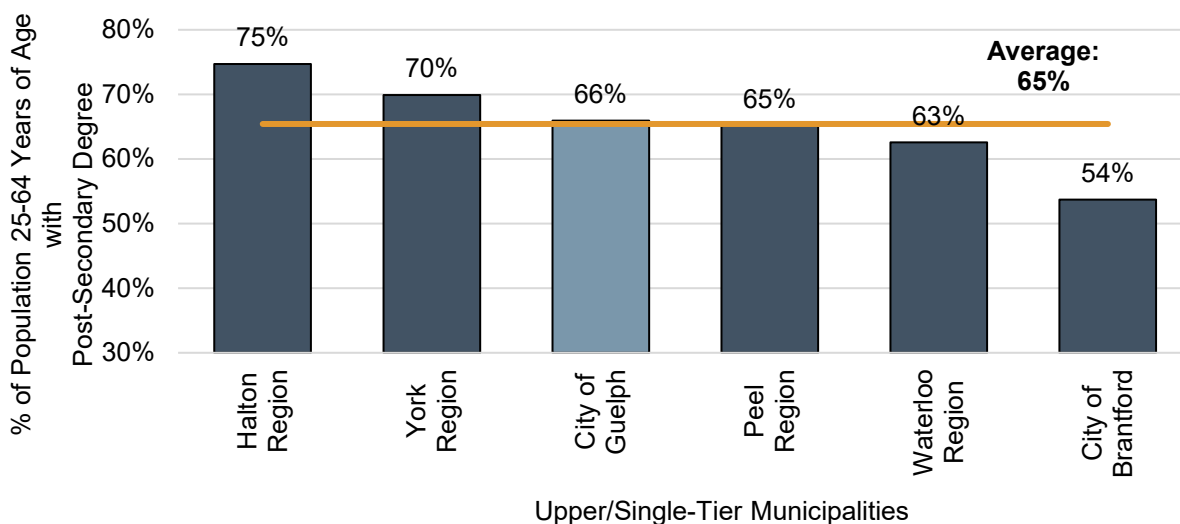
Figure 6-2 summarizes the proportion of the population that is of working age (20 to 64 years of age) by upper/single-tier municipality in the Regional Market Area. Comparatively, Guelph has a relatively higher proportion of population which is of working age, the highest among the surveyed comparators (62 per cent of total population). It is similar to Peel Region (62 per cent) and Waterloo Region (61 per cent) and is notably higher than in the City of Hamilton (60 per cent), City of Brantford (59 per cent), and Halton Region (59 per cent).



Source: Derived from 2016 Statistics Canada Census Data by Watson & Associates Economists Ltd., 2020.

Figure 6-2: Working Age Population within Select G.G.H. Upper/Single-Tier Municipalities

Figure 6-3 summarizes the proportion of the population (25 years and older) in Guelph and the surveyed upper/single-tier municipalities that have a post-secondary degree, including a university or college degree or diploma. As shown, 66 per cent of Guelph’s population aged 25 to 64 has a post- secondary degree, which is comparable to the survey average of 65 per cent. Halton Region has the highest (75 per cent) and York Region the second highest (70 per cent) share of the population aged 25 and older with a post- secondary degree. Peel Region (65 per cent) is comparable to Guelph, and the lowest share is in the Region of Waterloo (63 per cent) and City of Brantford (54 per cent).



Source: Derived from 2016 Statistics Canada Census Data by Watson & Associates Economists Ltd., 2020.

Figure 6-3: Population Over the Age of 25 with a Post-Secondary Degree Within Select GGH Upper/Single-Tier Municipalities

6.2 Development and operating costs

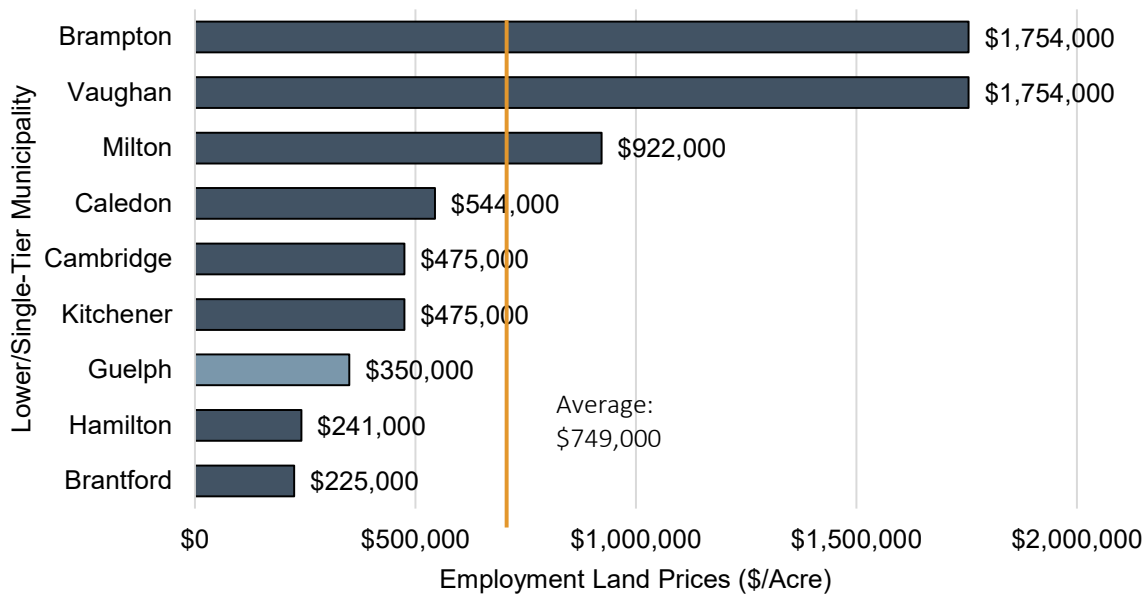
Development-oriented indicators and business costs represent a fundamental component of investment competitiveness. They can signal the strength of the local market from a development perspective, both in terms of feasibility and cost, as well as provide an indication of the diversity of market opportunities and market choice. In most respects, the availability and cost of development options are moderate to high priority location factors in most industrial and knowledge-based sectors of the economy. These costs may include one-time capital costs like development charges (DCs), and will include ongoing operating costs such as property taxes. The following provides a discussion of these cost considerations.

6.2.1 Price of serviced employment land

From a competitiveness perspective, employment land prices can provide a key advantage, especially for land-expansive uses such as transportation, wholesale trade/logistics, warehousing and large-scale manufacturing, but they are less of an issue for land intensive uses such as office development. Though competitive land costs provide an economic advantage in terms of the cost of development, very low land prices may be indicative of low market demand.

Figure 6-5 summarizes average employment land prices (\$/serviced acre) for Guelph and the comparator municipalities in the GGH, based on recent market survey data³⁶. As shown, employment land prices range between \$225,000 and \$1,754,000 per acre based on the survey average, with land prices generally highest in the GTA (City of Brampton, City of Vaughan, Town of Milton and Town of Caledon), followed by the cities within Waterloo Region, and lowest in the City of Brantford and the City of Hamilton. Employment land prices in Guelph are below the survey average of \$753,000/per acre, and very competitive compared to comparator GTHA and Waterloo Region municipalities.

³⁶ Reflects both prestige and general employment lands.



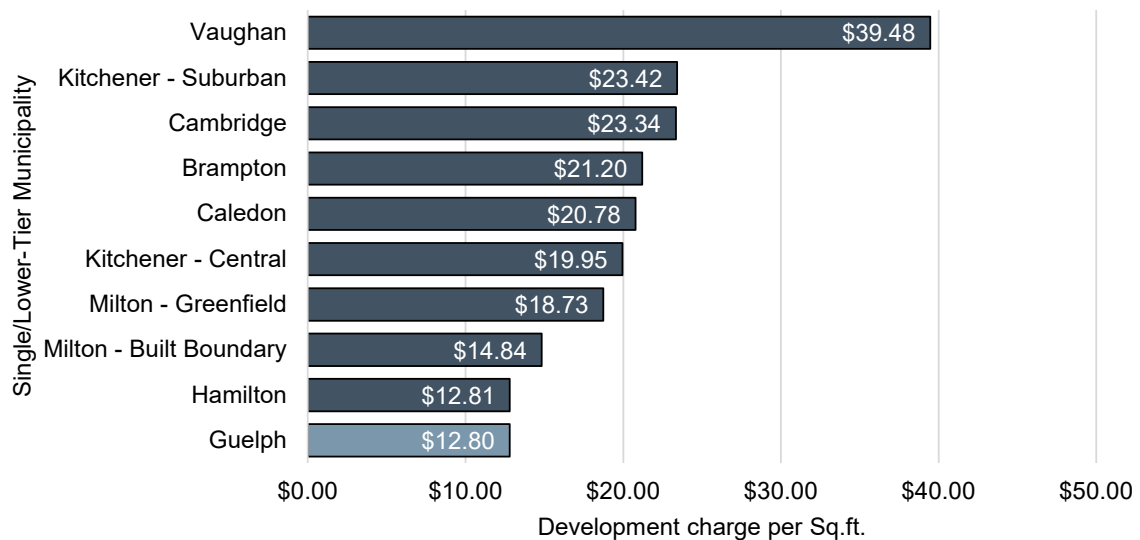
Source: Data provided by Colliers International with exception of Guelph and Brantford from Cushman & Wakefield Ltd., derived by Watson & Associates Economists Ltd., 2020.

Figure 6-4: Average Price of Employment Land (\$ per acre)

6.2.2 Development charges in the City of Guelph and comparator areas

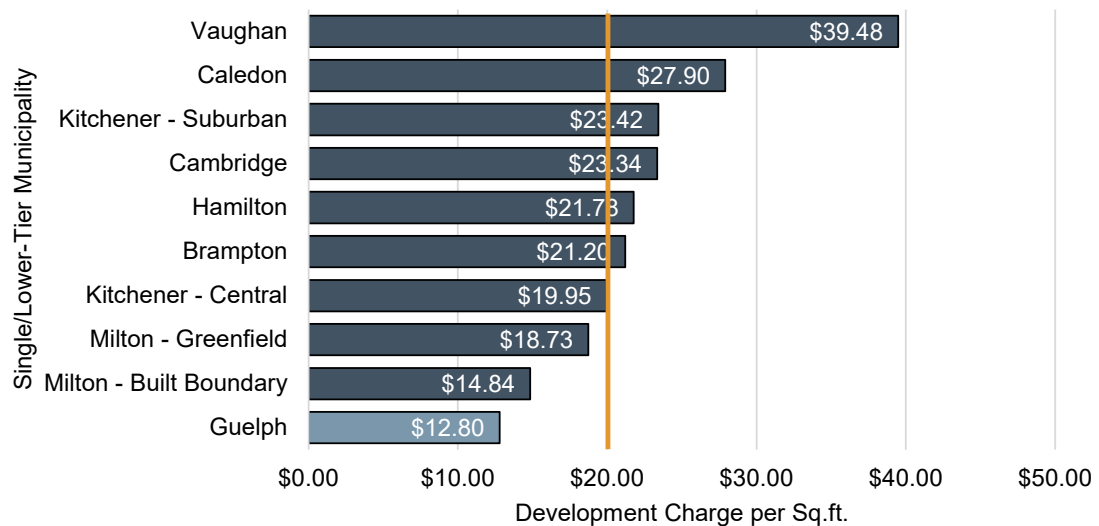
DCs are one-time fees paid to a municipality to recover capital costs for infrastructure required to facilitate growth. The City of Guelph collects D.C.s for a range of hard and soft services. The non-residential D.C. in the City of Guelph applies equally to industrial and commercial office development. In some municipalities, the non-residential D.C. differs between industrial and commercial office development.

Guelph has the lowest development charges for industrial and commercial office development of the municipalities surveyed at \$12.80 per square foot of GFA, as illustrated in Figures 6-5 and 6-6 which is a significant competitive advantage.



Note: Development charge rates include exemptions and area-specific charges where applicable.
 Source: Development charge rates as posted on municipal websites as of October 2020, by Watson & Associates Economists Ltd., 2020.

Figure 6-5: Industrial Development Charge Rates



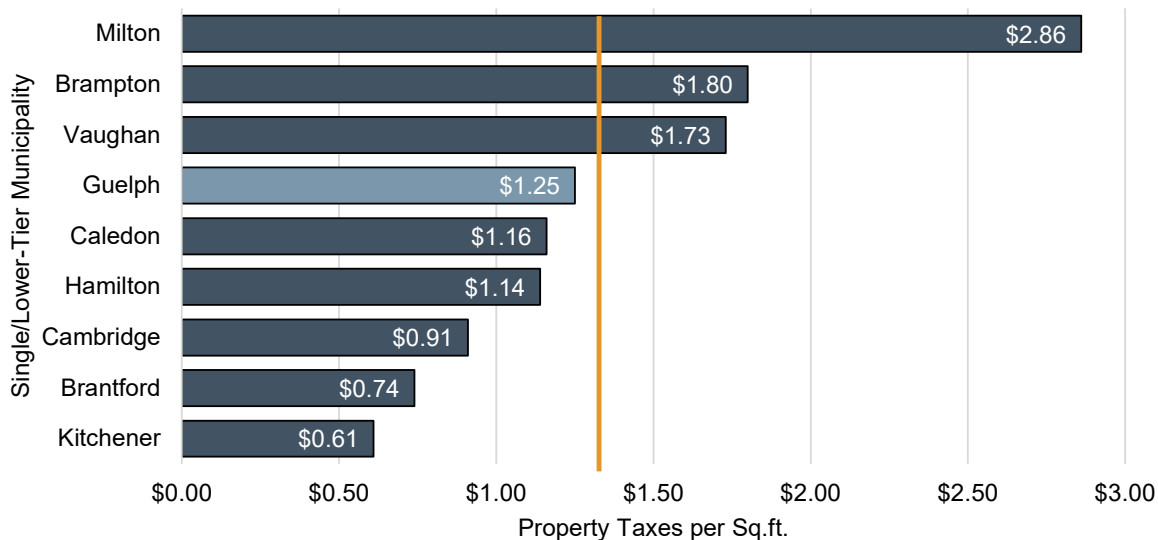
Note: Development charge rates include exemptions and area-specific charges where applicable.
 Source: Development charge rates as posted on municipal websites as of October 2020, by Watson & Associates Economists Ltd., 2020.

Figure 6-6: Commercial Office Development Charge Rates

6.2.3 Municipal property taxes in the City of Guelph and comparator areas

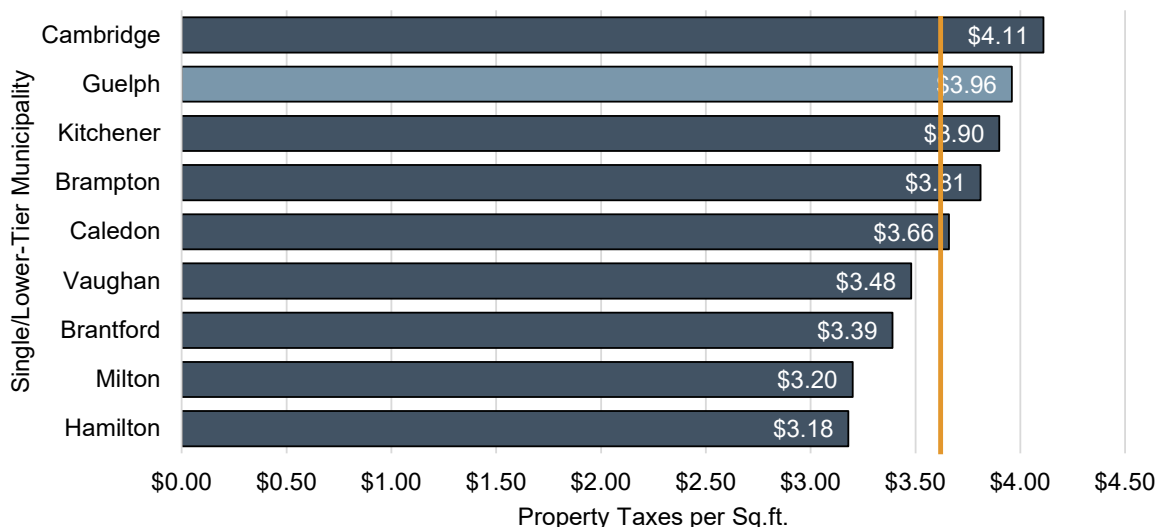
The *Municipal Act, 2001* provides municipalities with the ability to impose property taxes. This legislation sets out the requirements of municipalities when establishing and implementing their own tax policies. As shown in Figure 6-7, average industrial property taxes (on a per sq.ft. basis) in Guelph are close to the survey average, moderately higher than in Caledon, Hamilton, Cambridge, Brantford and Kitchener but significantly lower than in Vaughan, Brampton and Milton. With respect to office

commercial property taxes (on a per sq.ft. basis), rates in Guelph are moderately higher than the survey average, as illustrated in Figure 6-8.



Note: Industrial property taxes are based on large industrial use (greater than 125,000 sq.ft.). Comparison of taxes on a per square foot of floor area basis. Source: Adapted from BMA Management Consulting Inc. 2019 Municipal Study, by Watson & Associates Economists Ltd., 2020.

Figure 6-7: Industrial Property Tax by Select Single/Lower-Tier Municipalities



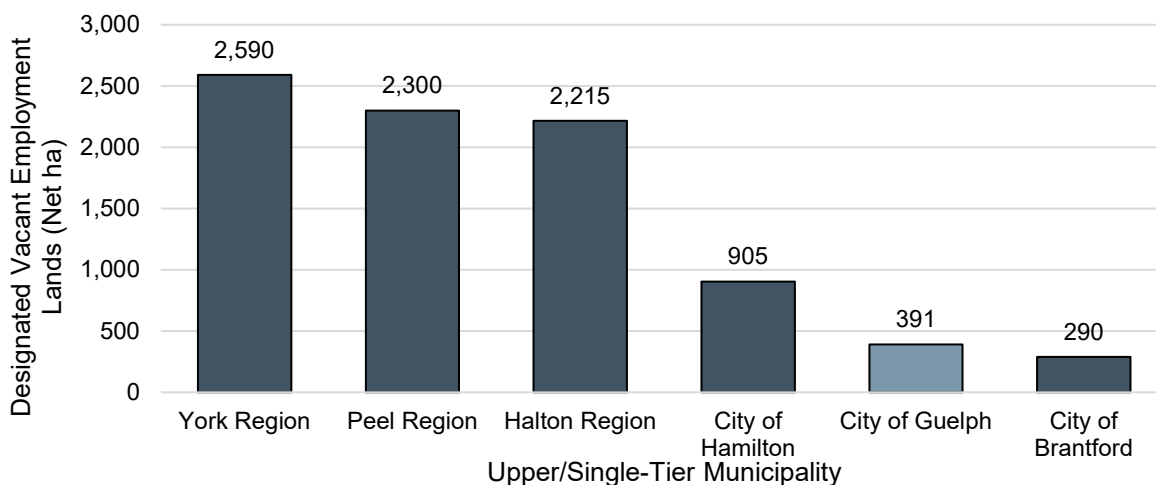
Note: Commercial office building class selection was focused on buildings in prime locations within the municipality. Comparison of taxes on a per square foot of gross leasable area basis. Source: Adapted from BMA Management Consulting Inc. 2019 Municipal Study, by Watson & Associates Economists Ltd., 2020.

Figure 6-8: Office Property Tax by Select Single/Lower-Tier Municipalities

6.3 Employment land supply

The competitiveness of Guelph’s export-based economy is partly determined by the availability and quality of its developable employment lands. Figure 6-9 provides a

summary of the supply of designated employment lands within Guelph in comparison to select GGH upper/single-tier municipalities.



Source: City of Guelph derived from data received from City of Guelph. Data for other municipalities compiled from Employment Land Municipal Survey from 2016 to 2019 by Watson & Associates Economists Ltd., 2020.

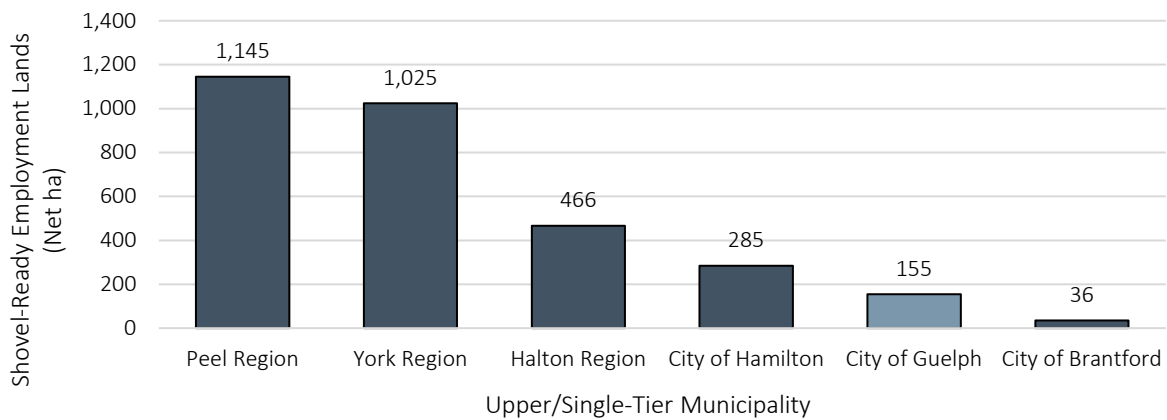
Figure 6-9: Vacant Designated Employment Lands in the City of Guelph and Select Upper/Single-Tier Municipalities.

Guelph has the second smallest supply of designated employment land relative to the comparator municipalities, totalling approximately 391 net hectares (966 net acres). A large share of this is located in the Hanlon Creek Business Park, South Guelph Industrial Lands, and the GID. In comparison, York Region, Peel Region and Halton Region have a notable supply of vacant designated employment land, totalling 2,590 net hectares (6,400 net acres), 2,300 net hectares (5,683 net acres), and 2,215 net hectares (5,473 net acres), respectively. The supply of vacant designated employment land in the City of Hamilton totals 905 net hectares (2,236 net acres), and the City of Brantford has the smallest supply of vacant designated employment land totalling 290 net hectares (717 net acres).

In the north and west GTHA, the designated employment land supply is concentrated in Brampton, Vaughan, Milton, Halton Hills, and Oakville. A number of larger, more mature urban municipalities in the north and west GTHA have diminishing supplies of vacant employment land, including Mississauga, Markham, and Richmond Hill.

The supply of shovel ready lands is also a key measure of a municipality's economic competitiveness. Figure 6-10 summarizes the supply of serviced shovel-ready employment lands within Guelph and surveyed upper/single-tier municipalities in the GGH.

With respect to shovel-ready vacant employment lands, Guelph has the second smallest supply (155 net hectares). Peel Region has the largest land supply (1,145 net hectares), followed by York Region (1,025 net hectares), Halton Region (466 net hectares), and the City of Hamilton (285 net hectares). The City of Brantford has the smallest supply totalling 36 net hectares (88 net acres).



Source: City of Guelph derived from data received from City of Guelph. Data for other municipalities compiled from Employment Land Municipal Survey from 2016 to 2019 by Watson & Associates Economists Ltd., 2020.

Figure 6-10: Vacant Shovel-Ready Employment Lands within the City of Guelph and Select Upper/Single-Tier Municipalities.

6.4 Observations

Guelph has a relatively high concentration of a highly skilled labour force which is well suited for knowledge-based sectors. The city also offers a relatively high quality of life which is an increasingly important attribute for both employers and employees. Guelph also offers competitive serviced employment land costs and DC rates compared to west GTHA municipalities, which makes it attractive for new industrial and office development. Guelph also has a relatively large supply of serviced shovel-ready designated employment land which provides for sufficient market choice.



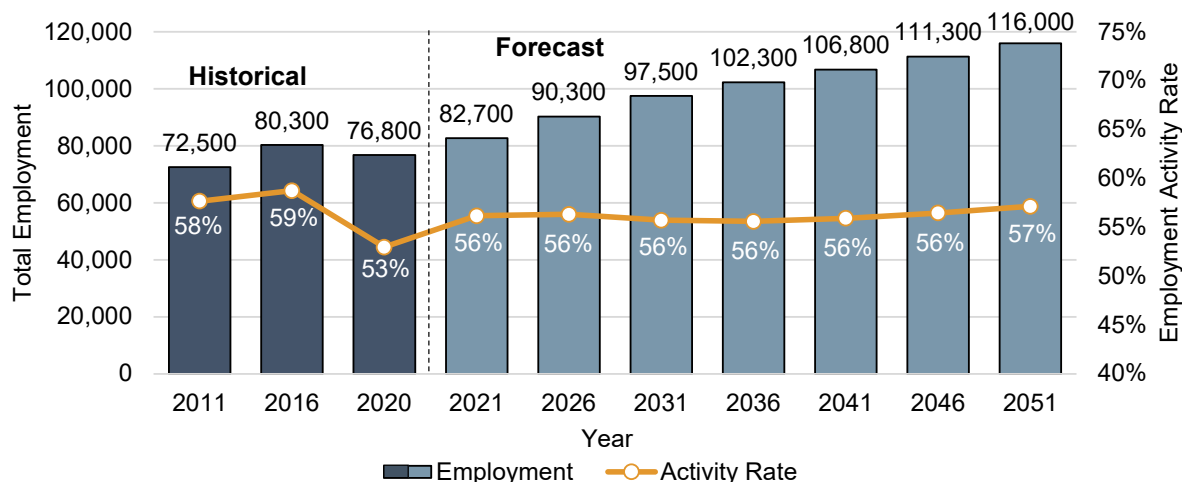
7 City of Guelph employment growth and employment land needs, 2021 to 2051

7.1 City of Guelph long-term employment forecast by major sector, 2021 to 2051

7.1.1 City-wide employment forecast

In accordance with Schedule 3 of APTG, Guelph's employment base is forecast to reach 116,000 jobs by 2051, as illustrated in Figure 7-1. This represents an increase of approximately 33,300 jobs between 2021 and 2051, representing an average annual growth rate of 1.1 per cent during this period, based on the anticipated 2021 employment estimate for the City of 82,700.

Figure 7-1 summarizes the long-term employment forecast for the city by total employment and employment activity rate (ratio of jobs per population) in comparison to recent historical trends. Between 2011 and 2016, Guelph’s employment activity rate (ratio of jobs to population) increased marginally from 58 per cent to 59 per cent followed by a notable decline to 53 per cent in 2020 due to the COVID-19 driven economic downturn. Employment levels in Guelph are anticipated to recover in 2021, with employment expanding to 82,700 and an activity rate of 56 per cent. Over the forecast horizon, the employment activity rate is forecast to increase slightly to 57 per cent. The following provides a summary of employment growth by land- use category as previously defined in section 1.



Note: Employment activity rate is based on population with undercount.
 Source: 2006 to 2016 derived from Statistics Canada Place of Work data, and 2020 estimated by Watson & Associates Economists Ltd., 2020.

Figure 7-1: City of Guelph – Historical and Preliminary Employment Forecast and Activity Rate, 2011 to 2051

7.1.2 City-wide employment forecast by major sector

Population growth is anticipated to drive the demand for population-related commercial and institutional employment in Guelph. New residential and population-related development will also drive demand within the construction sector and influence investment across certain industrial sectors that are more closely driven by regional population growth (e.g. fulfilment centres, urban warehouses).

Most industrial and office commercial employment (export-based employment), however, is not closely linked to population growth. Employment within these sectors tends to be more influenced by broader market conditions (i.e. economic competitiveness, transportation access, access to labour, and distance to employment markets), as well as local site characteristics such as servicing capacity, highway access and exposure, site size/configuration, physical conditions and site location.

A large share of this employment growth is anticipated to be accommodated through ELE. Automotive, food processing and manufacturing, construction

products and services, distribution and electronic commerce, transportation and logistics, production technology, and heavy machinery industry clusters are also expected to experience moderate to strong employment growth and are expected to account for a significant share of ELE growth over the forecast period. Knowledge-based industry clusters, including information technology and analytical instruments, environmental services, business services, as well as education and knowledge creation are expected to represent the strongest export-based employment sectors in Guelph between 2021 and 2051.

Figure 7-2 provides a summary of the preliminary employment growth forecast to 2051 by land-use category, while Figure 7-3 provides the employment growth forecast in five-year increments by land-use category over the 2021 to 2051 period. The largest incremental increase in employment is anticipated over the 2021 to 2031 period as summarized in Figure 7-3, with growth moderating post-2031. PRE growth is forecast to comprise over half (53 per cent) the City-wide employment growth from 2021 to 2051, followed by ELE (31 per cent) and MOE (17 per cent).

The following provides a summary of employment growth by land-use category.

7.1.3 Population-related employment

PRE generally serves the local population base by providing convenient locations to local residents. Typically, as the population grows, the demand for this employment also increases to serve the needs of the city. PRE also captures work from home employment. Guelph's population is anticipated to increase by approximately 55,800 people between 2021 and 2051.³⁷ Forecast population growth in the city is anticipated to drive demand for future PRE growth in the city. This includes employment growth in retail, personal services, accommodation and food, health and social services, and educational service sectors. PRE growth over the 2021 to 2051 period is expected to total 17,500, representing 53 per cent of overall employment growth in the city. PRE along with MOE is anticipated to represent an increasing share of the employment base within Guelph. The primary causes for this shift in the share of the city's employment base was previously discussed in section 3.

7.1.4 Major office employment

MOE in Guelph is forecast to increase by approximately 5,800 jobs over the 2021 to 2051 period. This represents 17 per cent of the city's total employment growth over the forecast period. MOE growth in Guelph will be driven largely by growth in key knowledge-based top traded industry clusters discussed in section 6.2, including information technology and analytical instruments and business services.

³⁷ Watson & Associates Economists Ltd.

7.1.5 Employment lands employment

Over the 2021 to 2051 forecast period, ELE is expected to account for 31 per cent of total employment growth, totaling 10,200 jobs, and reflects growth largely in industrial-based sectors. The growth in ELE is expected to be driven largely by a number of top traded industry clusters discussed in section 6.2 including automotive, aerospace and defense, construction products and services, and transportation and logistics.

7.1.6 Rural employment

Rural-based employment, employment primarily consisting of primary sectors, is anticipated to decline over the forecast period.

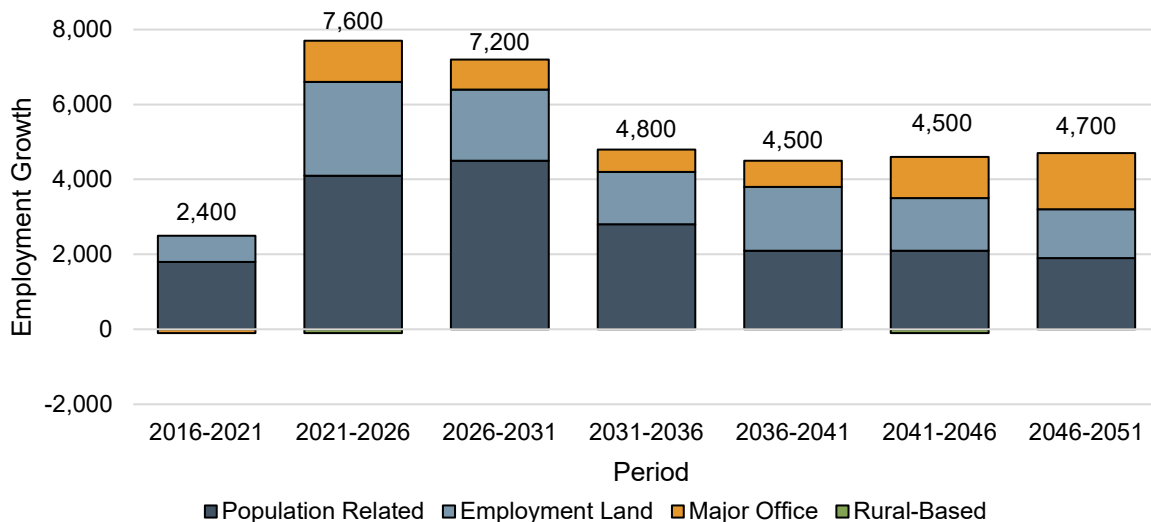
Planning Period	Rural	Population-Related Employment	Major Office	Employment Lands Employment	Total Employment
2016	200	47,300	5,300	27,500	80,300
2020	200	44,900	4,700	27,000	76,800
2021	200	49,100	5,200	28,200	82,700
2026	100	53,200	6,300	30,700	90,300
2031	100	57,700	7,100	32,600	97,500
2036	100	60,500	7,700	34,000	102,300
2041	100	62,600	8,400	35,700	106,800
2046	0	64,700	9,500	37,100	111,300
2051	0	66,600	11,000	38,400	116,000
2021-2051	-200	17,500	5,800	10,200	33,300

Share of City-Wide Employment

Planning Period	Rural	Population-Related Employment	Major Office	Employment Lands Employment	Total Employment
2021	0%	59%	6%	34%	100%
2051	0%	57%	9%	33%	100%
2021-2051	-1%	53%	17%	31%	100%

Source: Watson & Associates Economists Ltd., 2020.

Figure 7-2: City of Guelph – Preliminary Employment Forecast by Land-Use Category to 2051 and Share of City-Wide Employment



Source: Watson & Associates Economists Ltd., 2020.

Figure 7-3: City of Guelph – Preliminary Employment Forecast by Land-Use Category, Employment Growth in Five- Year Increments to 2051

7.2 Employment area needs analysis, 2021 to 2051

Figure 7-4 provides a summary of the forecast employment growth within Employment Areas over the 2021 to 2051 period based on the employment forecast presented in section 7.1 and the key industry sectors discussed in section 4.3 that are anticipated to drive market demand for employment lands over the planning horizon. Provided herein is a summary of employment area land needs for the City of Guelph to the year 2051.

7.2.1 Employment area growth forecast

Employment areas in Guelph provide opportunities to accommodate a wide variety of employment sectors and businesses within a range of building types and forms. As illustrated, employment areas in Guelph are forecast to accommodate approximately 15,000 jobs over the 2021 to 2051 period³⁸. This represents approximately 45 per cent of the Guelph’s total employment growth over that period. It is assumed that 99 per cent of city-wide ELE growth will occur within Employment Areas, while 15 per cent of the city’s PRE and 40 per cent of MOE will be accommodated within employment areas. In accordance with the above assumptions, employment growth within employment areas is anticipated to be comprised of 67 per cent ELE (10,100 jobs), 15 per cent PRE (2,600 jobs), and 18 per cent MOE (2,300 jobs).

³⁸ Including major office employment located on employment lands. Excluding major office, employment lands are forecast to accommodate 12,700 employees, representing 35 per cent of employment growth to 2051.

Employment by Land-Use Category	City-Wide for Employment Growth, 2021-2051	Employment Areas for Employment Lands (2021-2051)	Rural Areas for Employment Growth, 2021-2051	Community Areas for Employment Growth, 2021-2051	Share of City-Wide Employment Growth
Employment Land Employment (ELE)	10,200	10,100	0	100	99%
Population-Related Employment (PRE)	17,500	2,600	0	14,900	15%
Major Office Employment (MOE)	5,800	2,300	0	3,500	40%
Rural	-200	0	0	-200	0%
Total Employment Growth	33,300	15,000	0	18,300	45%
Employment Areas Excluding Major Office	not applicable	12,700	not applicable	not applicable	35%

Source: Watson & Associates Economists Ltd. Numbers may not add precisely due to rounding.

Figure 7-4: City of Guelph Preliminary Employment Growth by Sector and Location, 2021 to 2051

7.2.2 Employment area density

There are several macro-economic trends that are influencing average density levels on employment lands. Generally, average density levels on employment lands are declining in the manufacturing sector, as domestic manufacturers focus efforts on increased efficiency and competitiveness through automation. This trend is coupled with increasing demand for large, land-extensive warehousing and logistics facilities to support distribution and transportation of goods throughout the expanding urban population base.

The evolving form of industrial and non-industrial development on employment lands is also influencing average density levels on employment lands. Increasingly, major employers accommodated on employment lands are integrating industrial, office, and training facilities on-site. These sites also require significant land area to accommodate surface parking and, in some areas, future expansion potential. On average, employment density levels for integrated office/distribution and training facilities are much lower than standalone major office developments.

On the other hand, growing demand within the multi-tenant and standalone office sector is anticipated to have an upward influence on average employment densities on employment lands. Office employment on employment lands also generates demand for on-site and off-site employment amenities that also tend to have an upward influence on average employment density on employment lands. The GID offers strong opportunities for office-based employment and represents a significant share of Guelph's longer-term developable employment lands base.

As discussed in section 5.5, over the 2012 to 2019 period, employment density on absorbed employment lands within Guelph averaged approximately 35 jobs per net hectare (14 jobs per net acre).

Reflective of anticipated trends in employment density by sector as discussed above and the employment mix presented in Figure 7-4, it is anticipated that employment growth on employment lands within Employment Areas over the 2021 to 2051 period will average 47 jobs/net hectare (19 jobs/net acre), noticeably higher than the density achieved over the 2011 to 2019 period. The forecast employment density anticipates a larger share of office-based employment to be accommodated within employment areas than historically observed. The GID is anticipated to accommodate a significant share of this forecast employment growth at densities higher than in more traditional employment areas.

Employment density targets are reported on a gross basis in accordance with section 2.2.7.3 of APTG. On a gross basis, employment growth on employment lands with employment areas is expected to average 40 jobs per hectare (16 jobs per acre).

7.2.3 Employment area land demand

As summarized Figure 7-5, within the 2021 to 2051 forecast period, approximately 15 per cent of employment growth on employment lands is anticipated to be

accommodated through intensification, such as expansions of existing buildings, additional development on already occupied parcels and infill on partially vacant lots. Adjusted for intensification, it is anticipated that the City will require 271 net hectares (670 net acres) of employment land within employment areas to accommodate forecast demand of 15,000 jobs over the 2021 to 2051 period. In accordance with section 2.2.7.3 of APTG, this represents an employment land demand of 319 hectares (789 acres) based on a density of 40 jobs per hectare (16 jobs per acre).

Employment Land Demand	2021-2051
Employment Lands Employment Growth	15,000
Employment Growth Accommodated by Intensification (15%)	2,250
Total Employment Growth Adjusted for Intensification	12,750
Employment Land Density (jobs/net hectares)	47
Employment Land Demand, Net hectares	271
Employment Land Density (jobs/ hectares)	40
Employment Land Demand, hectares	319

Source: Watson & Associates Economists Ltd., 2020.

Figure 7-5: City of Guelph – Forecast Employment Area Land Demand, 2021 to 2051

As summarized in Figure 7-6, it is forecast that average employment density levels will increase from 38 jobs per gross hectares in 2021 to 40 jobs per gross hectares by 2051. As previously discussed, employment growth accommodated on vacant lands within Employment Areas is anticipated to average 40 jobs per hectares.

Comparably, average City-wide density levels on vacant lands within Employment Areas are forecast to be higher than the average density achieved in recent years (i.e. 2012 to 2019). It is important to note that intensification on underutilized and developed parcels will contribute to higher average density levels achieved in Employment Areas over the forecast period. As summarized in Employment Area Land Supply with Recommended Employment Conversions it is anticipated that 15 per cent of employment growth will be accommodated through intensification.

Employment Areas	Employment Within Employment Areas	Developed Employment Area (hectares)	Employment Density (Jobs per hectares)
2021	37,995	998	38
2051	52,995	1,317	40

Employment Areas	Employment Within Employment Areas	Developed Employment Area (hectares)	Employment Density (Jobs per hectares)
2021-2051	15,000	0	0
2021-2051, Intensification (15%)	2,250	0	0
2021-2051, excluding Intensification	12,750	319	40

Source: Watson & Associates Economists Ltd., 2020.

Figure 7-6: City of Guelph –Employment Area Density, 2021 to 2051

7.2.4 Employment area land supply with recommended employment conversions

As discussed in Chapter 5, Guelph has a vacant designated employment land supply of 391 net hectares (966 net acres) or 458 hectares (1,132 acres) in accordance with the Growth Plan section 2.2.7.3. Reflecting parcels that are unlikely to develop due to physical constraints and a market vacancy adjustment, Guelph’s developable vacant employment land supply is estimated to total 404 hectares (998 acres).

As identified and recommended in the 2018 City of Guelph Interim Employment Lands Update, the City of Guelph the employment land needs analysis presented herein assumes approximately 50 hectares (123 acres) of employment lands is to be converted to non-employment uses based on the criteria outlined in that report. The proposed conversions encompass two sites:

Clair-Maltby Employment Area (43.7 hectares); and

York Road/Watson Road Employment Area (6.2 hectares).

Reflecting the potential conversion of 50 hectares (123 acres) of land in Employment Areas as highlighted above, Guelph has an estimated 354 hectares (874 acres) of developable vacant land in Employment Areas.

The City is currently in the process of reviewing and evaluating planning options for the York/Elizabeth Employment Area. This Employment Area forms part of the developed Employment Area inventory and any potential changes in land use designations for the subject lands will not have an impact on the employment land needs assessment presented herein.

Employment Area Land Supply	Net hectares	hectares
Vacant Land in Employment Areas (hectares)	391	458

Employment Area Land Supply	Net hectares	hectares
Less: Unlikely to Develop Due to Physical Constraints (hectares)	8	9
Less: Market Vacancy Adjustment (10%)	38	45
Developable Vacant Employment Area Land Supply Adjusted for Long-Term Vacancy (hectares)	345	404
Less: Recommended Conversions (hectares)	40	50
Developable Vacant Employment Area Land Supply Adjusted for Long-Term Vacancy and Conversions (hectares)	305	354

Source: Watson & Associates Economists Ltd., 2020.

Figure 7-7: City of Guelph – Employment Area Land Supply

In accordance with the LNA Methodology, Figure 7-8 summarizes the Employment Area land need at 2051 based on forecast employment land demand and supply identified above Key highlights include:

Based on a 15 per cent intensification target and an overall target employment density of 40 jobs per hectares, the City will require 319 hectares (789 acres) to accommodate 15,000 jobs in 2051;

Guelph’s Employment Areas comprise 354 hectares (874 acres) of vacant developable land, reflecting a 10 per cent market vacancy adjustment and recommended Employment Area conversions; and

Reflecting the identified Employment Area land demand to the year 2051 and available, designated Employment Area land supply, the City of Guelph is forecast to have a surplus of 35 hectares a (86 acres) of Employment Area land by 2051.

Employment Area Needs in 2051	Formula	Supply
Total Employment Land Demand, 2021- 2051 (hectares)	A	319
Designated Vacant Employment Area Land Supply Adjusted for Recommended Conversions(hectares)	B	354
Employment Area Surplus/(Deficit) (hectares)	C = B-A	35

Source: Watson & Associates Economists Ltd., 2020.

Figure 7-8: City of Guelph – Urban Employment Area Land Needs at 2051

7.2.5 Observations

Key conclusions from the above analysis are provided below. For context and comparative purposes, a comparison of long-term Employment Area land needs related to the 2018 City of Guelph Interim Employment Lands Update is also provided. Key observations include:

Over the 2021-2051 (30-year) period, 15,000 jobs are forecast to be accommodated within Guelph's Employment Areas. This is compared to 9,000 jobs identified over the 2018-2041 (23-year) period in the 2018 Interim Employment Lands Update;

Employment land demand is forecast to total 271 net hectares (670 net acres) over the 2021-2051 period. This is in comparison to 192 net hectares (474 net acres) identified for the 2018-2041 period in the 2018 Interim Employment Lands Update;

By 2051, a surplus of 35 hectares (86 acres) of employment land has been identified. In comparison, the 2018 Interim Employment Lands Update identified a surplus of 186 net hectares (460 net acres) by 2041.

8 Recommendations and next steps

8.1 Key questions and policy directions

The following summarizes the key questions and policy directions of this Employment Lands Strategy:

8.1.1 What should constitute employment areas in the City of Guelph Official Plan

As noted at the outset of this report, Employment Areas are those lands identified in the city's OP for clusters of business and economic activities including manufacturing, warehousing, offices, and associated retail and ancillary facilities. The current OP includes several Employment Area designations that allow for the above-noted uses, it is not necessarily appropriate to classify each designation as being part of the city's Employment Area policy framework for the purposes of Employment Area conversion/protection.

The current Employment Area designations in the OP include Industrial, Corporate Business Park, Institutional/Research Park and Mixed Business designations. In addition to this, the GID Secondary Plan includes Employment Mixed-use 1 and Employment Mixed-use 2 designations.

From the perspective of the OP it is appropriate to maintain the current approach whereby Industrial, Corporate Business Park and Institutional/Research Park designations form the back-bone for the City's Employment Areas, as these locations accommodate the majority of the existing employment lands employment in the city and into the future are expected to accommodate a significant amount of growth. The Employment Mixed Use 1 and 2 designations in the GID should also be included as part of the city's Employment Areas as these lands are a critical component of the Guelph Innovation District vision and important to meet the city's employment land needs, however, there may be a potential need to adjust the land use permissions within these designations in order to align with APTG requirements for Employment Areas. The Mixed Business designation applies to a smaller, isolated area in transition to the east of the Downtown which allows for a broader range of permitted uses compared to the other three designations. For the purposes of ensuring that the core employment functions are maintained and protected, it is recommended that the Mixed Business designation not be included as an Employment Area for the purposes of the City's OP conversion and protection policies.

The City should consider adding a new schedule to the OP which clearly shows the city's Employment Areas on one figure.

8.1.2 Is the location and configuration of available Employment Areas sufficient and appropriate to accommodate employment uses across the range of targeted industrial and office commercial sectors

Employment Areas form a vital component of the city's land-use structure and are an integral part of the local economic development potential of Guelph. Through development of its employment area land base, the city is better positioned to build more balanced, complete, and competitive communities. Thus, a healthy balance between residential and non-residential development is considered an important policy objective for the city.

As previously discussed, over the 2021 to 2051 period, employment lands are anticipated to accommodate approximately 15,000 jobs, approximately 45 per cent of the forecast employment growth for Guelph. When considering the city's regional competitive ranking and historical role in municipal land development, the City has influence on the market supply of its employment areas. As such, to ensure that market demand is not unduly constrained, it is critical that the City provide sufficient market choice of designated and developable employment lands across Guelph.

In addition to the Employment Areas, the Downtown (UGC) plays an important role in the attraction and accommodation of major office development within the city (as noted in Chapter 4). Currently, approximately one third of the existing inventory is located in the Downtown (UGC), however, the area has not experienced any recent major office development activity. The City's urban structure and existing policy framework promote the Downtown (UGC) as an area for major office development. It is recommended that the City explore financial tools/incentives to attract major office development within the Downtown (UGC) over the long-term.

The employment land needs analysis in section 7 identifies a small surplus of 35 hectares of employment land by 2051, after recommended employment land conversions are factored. These results rely on the city being able to achieve an increasing density within the employment lands over time. The City should continue to monitor and track employment land absorption and development activity to ensure the amount of land and densities are being utilized appropriately, while promoting higher density built form and intensification to support maximization of the employment land supply.

As previously noted, one of the most important site selection criteria that can be influenced by the city is an ample supply of suitable, vacant, serviced (and serviceable) employment land that is available for purchase and absorption. This inventory must provide a balanced market choice of sites, by site size and zoning, across all the city's employment areas. In order to allow for proper market functioning, the City should work to ensure that a minimum five-year supply of serviced lands in Employment Areas (by various sizes, zoning, and location) is available at all times throughout the forecast period.

It is important to ensure that not only is there sufficient land to accommodate forecast Employment Area demand but that the location and configuration of available lands in Employment Areas are appropriate to accommodate employment uses across the range of targeted industrial and office commercial sectors.

While Guelph has a sufficient shovel-ready Employment Area land supply to meet short- and medium-term needs, the City needs to proactively plan and service new growth areas to accommodate growth over the longer-term planning horizon.

South Guelph is highly marketable for a range of employment uses and has a range of supply opportunities to accommodate short-, medium-, and longer-term growth in the city. The City will need to ensure that the Phase 3 Hanlon Creek Business Park lands are development ready over the next 5-10 years. While South Guelph is expected to continue to accommodate significant growth over the next two decades, development potential in this area will become increasingly constrained as the area builds out. The City will need to advance planning and development of the GID to accommodate longer-term employment land demand including those more highly oriented to knowledge-based sectors.

8.1.3 What should the city's employment density target be?

The City of Guelph current Official Plan includes density targets for the city's greenfield employment areas:

- Industrial Greenfield, 36 people and jobs per hectare; and,
- Corporate Business Park, 70 people and jobs per hectare.

The above-noted policies are intended to support an overall greenfield density target of 46 people and jobs per hectare. APTG requires that municipalities include an employment density target for all employment lands. Policy 3.14.6 should be updated to include a broader minimum city-wide target of at least 40 jobs per hectare to reflect both the City's long-term planning policy objectives for its Employment Areas as well anticipated real estate market trends for these areas over the long-term³⁹. In addition, minimum density targets for individual employment land use designations can be effective in supporting increased density on employment lands. The following density targets are recommended for Employment Areas within the BUA and DGA:

- Industrial, 35 jobs per hectare;
- Institutional/Research Park, 50 jobs per hectare; and,
- Corporate Business Park, 70 jobs per hectare.

While the Mixed Business lands are not recommended as part of an Employment Area, the City may choose to include a density target for these lands going forward (e.g. 35 people and jobs per hectare).

³⁹ This is a blended average to account for 30 jobs per gross hectare (35 jobs per net hectare) on employment lands outside of the Guelph Innovation District and 77 jobs per gross ha (90 jobs per net ha) on the GID employment lands.

8.1.4 Are current policies sufficient to protect and retain existing employment uses that are only permitted in Employment Areas?

APTG emphasizes through policy 2.2.5.1 the significance of promoting the economic development and competitiveness of the GGH by:

- Making more efficient use of existing Employment Areas and vacant and underutilized employment lands and increasing employment densities;
- Ensuring the availability of sufficient land, in appropriate locations, for a variety of employment to accommodate forecasted employment growth to the horizon of this Plan;
- Planning to better connect areas with high employment densities to transit; and
- Integrating and aligning land use planning and economic development goals and strategies to retain and attract investment and employment.

Within the context of the above Provincial direction, it is recommended that the City protect and reserve strategically important land for future employment purposes to the 2051 planning horizon and beyond. If not carefully evaluated, the conversion of Employment Areas to non-employment uses can potentially lead to negative impacts on Guelph's economy in several ways. Firstly, inappropriate Employment Area conversions can reduce employment opportunities, particularly in export-based sectors, creating local imbalances between population and employment. Secondly, employment conversions can potentially erode the city's employment land supply and lead to further conversion pressure as a result of encroachment of non-employment uses within, or adjacent to, Employment Areas. Finally, inappropriate Employment Area conversions can potentially fragment existing Employment Areas and/or reduce their size (i.e. critical mass), undermining their functionality and competitive position. Ultimately, inappropriate Employment Area conversions may reduce the city's ability to attract and accommodate certain industries. It recognizes that under some circumstances, an Employment Area conversion may be justified for planning and economic reasons provided such decisions are made through using a systematic approach and methodology as set out herein. As previously mentioned, Section 4.6 of the 2018 City of Guelph Interim Employment Lands Update, provides an assessment of three Employment Area sites for the potential conversion to non-employment uses, including:

Site #	Site Name
1	York Road/Victoria Road Employment Lands
2	Clair-Maltby Employment Lands
3	York Road/Watson Road Employment Lands

Each of the above-mentioned sites were previously reviewed and evaluated for conversions to a non- employment use within the framework of the Growth Plan, 2019 (Section 2.2.5.9) and PPS 2020 (Section 1.3.2.4) as well through a series of local evaluation criteria, as set out in Section 4.6.3 of the 2018 City of Guelph Interim Employment Lands Update. In accordance with the Employment Area conversion review undertaken as part of the 2018 City of Guelph Interim Employment Lands Update, it is recommended that Employment Area sites 2) Clair-Maltby Employment Lands and 3) York Road/Watson Road Employment Lands are converted to a non-employment use. The York Road/Victoria Road Employment Lands are currently being reviewed by the City as part of the ongoing York/Elizabeth land use review.

With respect to the city’s Employment Area conversions policies, it is recommended that OP policy 3.14.2 is maintained to ensure that future Employment Area conversions occur only at the time of a MCR where the city has the ability to assess the need for the conversion and confirm any implications (i.e. the ability to meet its long range employment forecast and intensification targets, infrastructure considerations and long-term enhancements to its Employment Area conversion policies as set out in Section 3.14.2 of the OP, to include additional localized evaluation criteria, building on Section 4.6.3 of the 2018 City of Guelph Interim Employment Lands Update.

In addition to the above, the city should consider updating its regeneration area policies. The current OP policies reference the 2006 Growth Plan policy framework which allowed for employment land conversion within lands designated as “regeneration areas.” Regeneration areas are not mapped or identified in the current OP and since this policy approach is no longer part APTG, policy 3.14.5 should be removed to avoid confusion and ensure clarity.

8.1.5 What are the City’s recommendations with respect to intensification of PSEZ areas?

As previously identified the Province has identified key Employment Areas as PSEZ for the purposes of long-term planning for job creation and economic development. PSEZ designations are intended to capture the significant concentrations of employment across the GGH. In Guelph, the Employment Areas located in the south end of the city (including those located in Hanlon Creek Business Park, Hanlon Business Park and South Guelph Industrial Area) are identified as PSEZ Zone 21. The Province’s PSEZ mapping excludes other Employment Areas elsewhere in Guelph, which are significant at the city-scale, but perhaps less

relevant in the context of a broader GGH Employment Area system. From a policy perspective it would be appropriate for the OP to recognize the planned function of Employment Areas located in the PSEZ and also explain the importance of the city's other Employment Areas which were not recognized as provincially significant. The fact that other important Employment Areas were not identified as provincially significant should in no way imply that those Areas' are not significant at the city scale, for example the Northwest Industrial Area is also a significant cluster of employment uses at the city scale and is required to achieve the city's long-range growth allocations. The City may wish to consider including a schedule to support the policy framework for its PSEZ designations and include some policies to provide context for the PSEZ designation and the broader employment areas across the city.

8.1.6 What policy changes would strengthen the City's ability to accommodate employment growth associated with structural changes in an evolving economy?

As discussed in Chapter 3, the physical characteristics that make Employment Areas successful are also changing as a result of the evolving knowledge-based economy. As such, land-use planning policies must anticipate the evolving nature of the local economy and reflect the diverse needs of established and emerging industries. As previously mentioned, it is important to recognize that structural changes in the broader economy continue to alter the nature of economic activities in Employment Areas as well as impact the built form (i.e. siting requirements), integration of uses, and character of these lands.

Recognizing the recent structural changes in the regional economy, there is a need for Employment Areas to provide for a wide range of amenities and employment-supportive uses which complement both knowledge-based and traditional industrial sectors. Having said this, the intention of employment-supportive uses in Employment Areas should be to serve the needs of employers and employees within the Employment Areas as opposed to the broader population.

The City should continue to assess the provision for commercial, community, and institutional uses within Employment Areas on the degree to which the use:

- Supports/complements employment uses within Employment Areas;
- Does not adversely affect the stability of the Employment Areas;
- Does not adversely impact other designated employment uses (i.e. increased road traffic);
- Is compatible with neighbouring land uses (i.e. does not raise health and safety concerns); and
- Does not detract from the potential for the subject lands to be utilized for employment uses.

Each of the city's employment designations, including: Industrial, Corporate Business Park, Institutional/Research Park and Mixed Business permit a range of

complementary uses, subject to requirements related to land use compatibility and/or consistency with the planning function of the designation.

Section 2.2.5.7 of APTG states:

“Municipalities will plan for all Employment Areas within settlement areas by:

prohibiting residential uses and prohibiting or limiting other sensitive land uses that are not ancillary to the primary employment use.;

prohibiting major retail uses or establishing a size or scale threshold for any major retail uses that are permitted and prohibiting and major retail uses that would exceed that threshold⁴⁰; and

providing an appropriate interface between employment areas and non-Employment Areas to maintain land use compatibility.”

Section 3.14.3 of the City of Guelph OP identifies that major retail uses are non-employment uses. In order to ensure that retail uses that are permitted as a secondary use within Industrial and Business Park designations do not become major retail and to ensure that more land remains available for employment uses that can only locate in Employment Areas, the City should consider restricting the maximum size of new retail space permitted in Employment Area designations.

One of the permitted uses in the Industrial designation is the provision of child care centres as a complementary use subject to a Zoning By-law amendment provided that it will not detract from, and is compatible with, the development and operation of industrial uses. In accordance with Section 2.2.5.7 a of APTG it is therefore recommended that child care centres be removed as a permitted complementary use in the Industrial designation. Unlike other supportive uses in Employment areas such as restaurants and service shops, child care centres are considered sensitive uses which require greater mitigation measures when located in proximity to industrial uses in the Industrial designation. The inclusion of sensitive uses within industrial areas may actually reduce the overall competitiveness of certain industries over time, as operators may be required to upgrade facilities when applying the Ministry of Environment, Parks and Conservation for new environmental permits. Given the desire to support existing industrial operations, it is therefore recommended that child care centres be removed as a permitted complementary use in the Industrial designation.

8.1.7 Planning for intensification within developed employment areas

As discussed in Chapter 5, a large share of the city’s employment land is underutilized and has future intensification potential. Infill and redevelopment of existing developed lands are expected to continue to increase over time, largely

⁴⁰ APTG defines major retail as large-scale or large-format stand-alone retail stores or retail centres that have the primary purpose of commercial activities.

driven by rising employment land values and related development costs, and the continued buildout of Guelph's Employment Areas, especially in the most marketable locations.

It is recommended that the City explore and monitor opportunities for infill and redevelopment in mature Employment Areas. Further, it is recommended that the City promote and encourage the further intensification of Employment Areas providing that the scale and type of intensification is consistent with the planned function of the area.

To help support these initiatives, the City should undertake an Employment Area intensification strategy to effectively assess and evaluate intensification potential and opportunities over the long-term. This strategy would help ensure that the city can meet, and possibly exceed, the identified intensification target of 15 per cent, as presented herein. The timing and the potential amount of intensification on employment lands are based on a variety of market-driven conditions. Potential redevelopment or development of sites needs to be evaluated in terms of economic viability and marketability with respect to market demand. This aspect would form a significant component of an employment land intensification strategy. As part of the intensification strategy, the City could also explore and identify financial tools/incentives and implementation tools to facilitate intensification initiatives.

As part of the strategy the City might also consider approaches to stimulate investment through physical improvements within its office parks (i.e. lands designated as Corporate Business Park and lands within GID), which is a key policy direction within the Growth Plan. Initiatives could include improving connectivity with transit and active transportation, streetscaping, reducing parking requirements and promoting Transportation Demand Management (TDM) measures and where possible and appropriate location of higher density residential uses in relative close proximity to better support live-work opportunities (see policy 2.2.5.16 of the Growth Plan).

Finally, there are a few policies within the Official Plan which could be updated to include and promote employment area intensification as an important policy objective (Policy 3.10, 3.14)

8.1.8 Do current OP policies work together with Council's economic development initiatives to support the City's overall economic competitiveness and growth objectives

It is recognized that there are various municipal interests and policies related to Employment Areas. It is important that there is alignment between the Official Plan and the City's economic development goals and objectives.

In response to the City's Corporate Strategic Plan to "build a diverse and prosperous local economy" the City prepared a new economic development strategy titled *Prosperity 2020 – Strategic Directions for Economic Development and Tourism*. Prosperity 2020 focuses on seven major themes. Themes that

intersect with the ELS include Focus Investment and Growth; and Invest in Hard and Green Infrastructure, which are discussed below.

Focus Investment and Growth emphasizes economic diversification by capitalizing on growth opportunities in knowledge-based sectors. Economic diversification includes examining opportunities to support the expansion of existing businesses and identifying opportunities for cross-over economic sectors (e.g. agriculture and tourism; agriculture and industrial; education and research; as well as recreational and retail).

The industry cluster analysis and employment forecast presented herein, provides insights into the range of employment sectors which are expected to drive employment growth within the city over the next 30 years. As presented, the city's economic base is expected to diversify, with an increasing share of employment within knowledge-based and service sectors. Employment Areas are anticipated to accommodate a significant share (45 per cent) of forecast employment growth.

With respect to economic diversification, land-use planning policies must anticipate the evolving nature of the local and regional economy and reflect the diverse needs of established and emerging industries. Land-use policies must also offer a degree of flexibility and nimbleness that allows for relatively rapid responses to disruptive factors, which can be a critical advantage relative to competitive markets. The OP must also recognize the importance of Employment Areas in accommodating knowledge-based sectors in addition to traditional industrial sectors. This applies not only to the Guelph Research Park and the GID but also other Employment Areas in the city.

The goal of Invest in Hard and Green Infrastructure speaks to the importance of maintaining a steady supply of shovel ready employment lands. The importance of sufficient market choice with respect to shovel-ready employment lands is discussed in detail in Section 8.1.2. In addition, It is also important to ensure that Employment Areas offer a broad range of building space market choice (e.g. business centres and incubators) for a range of business sizes (including small business) that have proximity to employment-supportive uses and access to public transit and active modes of transport.

It is recognized that Guelph's Employment Areas are an integral part of the city's economic growth potential. For the City of to achieve its long-term goals as outlined in the Economic Development Strategy and Implementation Plan. Employment Areas need to continue to offer opportunities for growth and development. This includes accommodating a large share of the city's employment growth, across a broad range of industry sectors, to maintain high levels of employment in the city relative to population growth.

The City's Economic Development Strategy and Implementation Plan sees the continued development of the Hanlon Business Corridor and the development of Guelph Innovation District as key priorities for Employment Areas. As previously discussed herein, Hanlon Creek Business Park and the South Guelph Industrial Park

are key greenfield growth areas in the city and the Northwest Industrial Area continues to offer intensification opportunities. The GID represents an important new growth area for the city over the longer term. As identified in the employment land needs analysis, the city's remaining greenfield areas including GID are critical in accommodating employment uses over the planning horizon.

8.1.9 Monitoring industrial employment land development activity and needs

Effectively accommodating employment land development over the longer term requires the implementation of programs and mechanisms to accurately receive, catalogue and assess industrial development information, as well as to assess the available supply of employment lands within Guelph.

The data collected and presented in this study offers the City with a base from which to work, but the City will need to continue to update and monitor the information on a regular basis.

Building on baseline data provided in this study, it is recommended that the City develop a system for tracking and monitoring employment land supply and demand data, to assist with longer-term planning and land needs forecasting.

Information Report



Service Area Office of the Chief Administrative Officer
Date Friday, December 11, 2020
Subject **ICIP COVID19 Resilience Local Government Stream Staff Nominated Projects**

Executive Summary

Purpose of Report

The purpose of this report is to provide Council with an update on nominated projects for the Investing in Canada Infrastructure Program (ICIP) – COVID-19 Resilience Infrastructure Stream.

On Friday, November 6, 2020 the City received notice from the Ministry of Infrastructure that it has been allocated \$945,162 under this ICIP stream. The final deadline to submit project applications is January 7, 2021 and the City can submit up to 5 projects.

Key Findings

The following projects are being nominated for this provincial and federal funding opportunity:

- 1) Hanlon Creek Boulevard multi-use path (~\$700K)
- 2) College Avenue active transportation network crossing improvements (~\$100K)
- 3) Tree planting and reforestation (~\$145K)

These projects align with federal and provincial criteria and eligibility requirements while contributing to the City's Strategic Plan priorities of Navigating our Future and Sustaining our Future. Leveraging this funding opportunity to accelerate the delivery of active transportation infrastructure and the implementation of the Urban Forest Management Plan contributes towards the goal of being future ready.

In terms of next steps, staff are preparing to submit the City's ICIP COVID-19 Stream grant application in line with this report by the January 7 deadline.

Financial Implications

During the nomination process, staff prioritized Council-approved projects in the City's capital program with the aim of leveraging funding to accelerate existing initiatives. Since this funding opportunity does not require a municipal cost-share, total project costs cannot exceed the City's funding allocation amount of \$945,162.

Report

Details

The City's funding allocation under the ICIP COVID-19 Resilience Stream is to be funded 80/20 by the federal and provincial governments, respectively. Notably, both the federal and the provincial governments have committed to an expedited review process.

To be eligible, projects must be pre-construction and construction must begin by September 30, 2021 and end by December 31, 2021. Projects must also align with one of the following federally determined categories:

- Retrofits, repairs and upgrades for municipal buildings
- COVID-19 response infrastructure (i.e. modifications to existing buildings to facilitate social distancing or capital to increase COVID-19 response capacity, etc.)
- Active transportation infrastructure (i.e. park trails, bike lanes, outdoor furniture, etc.)
- Disaster mitigation and adaptation (i.e. reforestation, tree planting projects, fire and flood protection, wetland restoration, etc.)

Given timing, many of the City's recent facility investments to ensure a COVID-safe environment are ineligible for this funding opportunity.

Nominated projects align with federal and provincial requirements while advancing the City's Strategic Plan priorities by accelerating existing initiatives in the City's capital program.

Below is additional information on each of the projects:

- 1) **The Hanlon Creek Boulevard multi-use path:** this project advances the City's Strategic Plan priority of Navigating Our Future and is estimated at \$700k. It responds to the 2017 Active Transportation Network Study which recommends paving the granular multi-use path on Hanlon Creek Boulevard from Downey Road to Laird Road to improve accessibility for pedestrians and cyclists to and within the business park. Today, the business park includes 60 businesses employing 700 people. It is estimated that this will increase to a total of 2000 jobs by 2023. This project aligns with the federal government's active transportation infrastructure category.
- 2) **College Avenue active transportation network crossing improvements:** costed at approximately \$100k, this nominated project would contribute to the Strategic Plan priority of Navigating our Future. It would relocate an existing signalized pedestrian crossing on College Avenue to better align with the Active Transportation Network trail on either side. Advancing this project would improve off-road cycling and pedestrian access to two secondary schools, two elementary schools and recreational park spaces within a 500m radius. This

project aligns with the federal government's active transportation infrastructure category.

- 3) **Tree planting and reforestation:** valued at approximately \$145k, this proposed tree planting initiative contributes to the implementation of the City's Council-approved Urban Forest Management Plan and advances the City's Strategic Plan priority of Sustaining our Future. If selected, this project would facilitate the planting of a mix of seedlings and mature tree stock for a total of approximately 1,500 trees (native species). Tree planting is required to meet the City's tree canopy cover goal of 40%. Funding would support the purchase of trees and seedlings as well as related materials and supplies. This project aligns with the federal government's disaster mitigation and adaptation program category. If selected, it would also advance the federal goal of planting two billion trees over 10 years.

Financial Implications

During the nomination process, staff prioritized Council-approved projects in the City's capital program with the aim of leveraging funding to accelerate existing initiatives. Since this funding opportunity does not require a municipal cost-share, total project costs cannot exceed the City's funding allocation amount of \$945,162 which is being financed 80/20 federal/provincial.

Consultations

Intergovernmental Relations staff have worked cross-departmentally with Finance, Engineering and Transportation Services, Parks and Facilities and Energy Management to identify projects for this ICIP stream.

Strategic Plan Alignment

Seeking out strategic funding opportunities for the City aligns with the Strategic Plan priority of Working Together for our Future. Active transportation projects nominated for this ICIP funding opportunity advance the Strategic Plan priority of Navigating our Future. The proposed tree planting project advances the priority of Sustaining our Future.

Attachments

None.

Departmental Approval

None.

Report Author

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This report was approved by:

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This report was recommended by:

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Chief Administrative Officer

Office of the Chief Administrative Officer

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Intergovernmental Consultation



Ontario's Rebuilding and Recovery Initiative – Accelerating Infrastructure Projects Consultation

Ministry/Department

Ministry of Municipal Affairs and Housing

Consultation Deadline

Friday, December 18, 2020

Summary

Ontario is considering options to increase municipal governments' ability to accelerate infrastructure projects. Tools under consideration mirror provincial tools established through the Building Transit Faster Act, 2020 and the Ontario Rebuilding and Recovery Act, 2020.

Proposed Form of Input

Staff will respond to the Ministry's on-line survey and provide a written submission.

Rationale

The City has an interest in promoting policy proposals that would advance our Strategic Plan priority of Building our Future.

Lead

Intergovernmental Services with support from Engineering and Transportation Services and Finance

Link to Ministry Website

N/A

Contact Information

Intergovernmental Services

Chief Administrative Office

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TTY: 519-826-9771

Intergovernmental Consultation



Power-assisted bicycle (e-bike) and cargo e-bike pilot program proposals

Ministry/Department

Ministry of Transportation

Consultation Deadline

Thursday, December 24, 2020

Summary

Ontario's Ministry of Transportation is developing an e-bike regulatory and policy framework and exploring a cargo e-bike pilot program.

Proposed Form of Input

Staff will provide a written submission on the Environmental Registry of Ontario.

Rationale

The City has an interest in promoting road safety and in advancing active transportation options.

Lead

Engineering and Transportation Services

Link to Ministry Website

<https://ero.ontario.ca/notice/019-2745>

Contact Information

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Intergovernmental Consultation



Proposed Implementation of Updates to Ontario's Water Quantity Management Framework

Ministry/Department

Ontario Ministry of Environment, Conservation and Parks

Consultation Deadline

Friday, February 5, 2021

Summary

The MECP is seeking input on draft guidance to help manage water taking in areas where water quantity is a concern and where there are competing demands for water. The MECP is also proposing to revoke the interim guidance once updates to Ontario's water taking program are in place, aligned with the end of the bottled water moratorium on April 1, 2021.

Proposed Form of Input

Staff will prepare a submission for the Environmental Registry of Ontario.

Rationale

As a groundwater community, the City of Guelph has an interest in providing input on provincial policy that may affect local water quantity.

Lead

Environmental Services

Link to Ministry Website

<https://ero.ontario.ca/notice/019-2017>

Contact Information

Intergovernmental Services

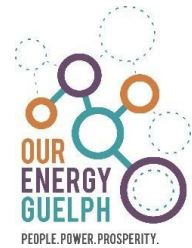
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TO **Committee of the Whole, City of Guelph**

SUBJECT **Quarterly progress report to Guelph City Council**

DATE November 30, 2020

Per the Service Agreement between Our Energy Guelph and the City of Guelph, this document provides a progress report on activities we have been working on since the previous update.

OEG has made meaningful progress on key items, despite the challenges of the pandemic. More details are provided below.

Governance and General Operations

Strategic plan. We developed a strategic plan document, which the Board approved unanimously on September 2. This plan, and an infographic summary, are attached.

Board member updates. Kristen Visser (née Tilley) transitioned into the role of Vice Chair. All other board roles remain as they were in the last update.

Office space. The ED continues to work from the sub-leased space at 111 Farquhar Street, and from home as indicated by pandemic-related guidance from public health authorities.

Information technology. No changes since the last update.

Nonprofit partnerships. OEG has contracted with the national nonprofit Quality Urban Energy Systems of Tomorrow on a program entitled Accelerating the Implementation of Renewable Energy. The contract will also leverage faculty and graduate student resources from the University of Guelph, and will provide helpful exposure for OEG on a national stage, as well as a modest amount of revenue.

Capital funding. OEG submitted an application to FCM for funding a PACE program via the Community Efficiency Financing (CEF) program. It has also been developing a financing approach called a Local Climate Bank. In parallel with this, OEG has been building a relationship with an institutional investor for financing the proposed PACE program. More on this below.

Guelph Energy Managers (GEMS)

The Summer 2020 meeting was held online, and focused on a presentation by staff from the local delivery agent of the Independent Electricity System Operator's SaveONEnergy program.

Education, Communication, Outreach and Awareness (ECOA)

The group shifted from regular, in-person meetings to ad hoc one-on-one meetings.

Youth Action on Climate Change (<https://youthactiononclimate.com/>) was incorporated as a nonprofit and created an advisory board to assist with governance. The organization joined OEG in supporting the Downtown Dining District through a series of social media posts. In addition, their Links2Learn program, which ran from May to August, provided online opportunities for members to learn about sustainability, adjusting to pandemic-related restrictions on in-person gatherings.

Random Acts of Green (<https://raog.ca/>) continued to drive uptake of the mobile device app through the HallowGreen promotion, with OEG providing local social media support. Progress with signing up business partners has been hampered by the challenges arising from the pandemic, given that retail businesses (especially food service) are the target market.

My World, My Choice (<http://myworldmychoice.org/>) launched its "Canada's Next Top Sustainability Leader" competition, with accomplishments including the launch of the [contest website](#), and print-based promotional materials.

Planet Protector Academy (<https://planetprotectoracademy.com/>). The City ended its relationship with PPA for water conservation programming. We are evaluating how OEG could facilitate a program targeted at elementary school children.

Newsletters. OEG has maintained consistent delivery of its monthly newsletter. We have established a standard format, including:

1. Teaser/intro to the blog post for that month
2. A miscellaneous article, ideally on a theme related to the blog
3. A spotlight on a member of the Board or leader working with a partner organization
4. A spotlight on a partner program/organization
5. A collection of six links to news articles on specific topics (Policy Corner, Energy Innovation, Eye on the Climate, Trends, Yes in My Backyard, and Research Frontier)

Blog posts. Articles posted to the OEG website and promoted through the newsletter and social media mentions were as follows:

- *The Downtown Dining District: An open letter to the City*, September 15, 2020
- *Adding up the COVID pros and cons*, August 24, 2020 (Bad news and good news regarding the impact of the pandemic on climate change)
- *Peddalling toward a yummy, sunny future*, July 16, 2020 (Introducing Unicorn Scoops, a bicycle-based, solar-powered ice cream retailing business)
- *Let's set the PACE for a clean recovery*, June 18, 2020 (Using Property-Assessed Clean Energy to finance energy and water efficiency improvements on private property, and the benefits for a pandemic recovery)

Property-Assessed Clean Energy (PACE)

Building on the PACE program proposal that OEG presented to Council in January, OEG prepared and submitted an application to the Federation of Canadian Municipalities' Community Efficiency Financing program. This application incorporated several unique approaches, which we expect will make it particularly compelling to FCM:

- **3rd party delivery.** Most CEF applicants are municipalities, and will directly deliver their proposed program (which in most cases will be a PACE program, although some applicants are proposing an alternative financing approach). By contrast, OEG has partnered with PACE Atlantic Community Interest Corporation¹ to serve as a 3rd party delivery agent. PACE Atlantic CIC has experience delivering PACE programming on behalf of a municipality, and is the only entity in Canada that has done so. Note that PACE Atlantic CIC also partnered with a consortium of three Maritime municipalities on a CEF funding application, resulting in considerable savings in effort between the two applications. In a similar vein, the proposed Guelph PACE program will be able to leverage the experience and approaches that PACE Atlantic CIC developed for its established PACE program delivery service, rather than starting from scratch as most other applicants will be doing.
- **Private capital.** FCM rules require that the applicant supply a minimum of 20% of the capital for the proposed program. Most CEF applicants plan to obtain this funding from a municipal budgetary allocation. However, the OEG proposal includes no direct municipal financial participation other than already budgeted funds from the City of Guelph Water Services conservation and efficiency programming, to be applied to the capital cost of eligible measures (such as rainwater harvesting) as they are implemented in the context of a PACE project. The OEG application has included financing from Vancity Bank in the form of a loan and a line of credit; FCM has recognized that all PACE programs will need to have a strategy for eventual transition to private financing, so our strategy already anticipates this transition. In addition, the application includes in-kind contributions from the entities listed below:
 - Alectra Utilities
 - Bluewater Energy

¹ A Community Interest Corporation is a legal entity that exists only in Nova Scotia and British Columbia, occupying a middle ground between for-profit and not-for-profit enterprises.

- Enbridge Gas
- Guelph Solar
- Independent Electricity System Operator
- NEEB Engineering
- **Ability to grow beyond the initial target community.** Because most CEF applicants are municipalities, their mandate and scope is limited to the local community; they have neither the mandate nor the means to expand a successful program beyond that geographic area. OEG is based in Guelph, and is focused here, but it has the ability to implement successful approaches in other communities. This will dramatically increase the leverage of the FCM investment should the application be successful.

The difficulty with large-scale investment in the energy efficiency sector is fragmentation. Even a PACE program on the scale of the City of Toronto Home Energy Loan Program does not have a large enough capital requirement that would make it a good fit for an institutional investor. This has hampered the transition from public to private sector financing.

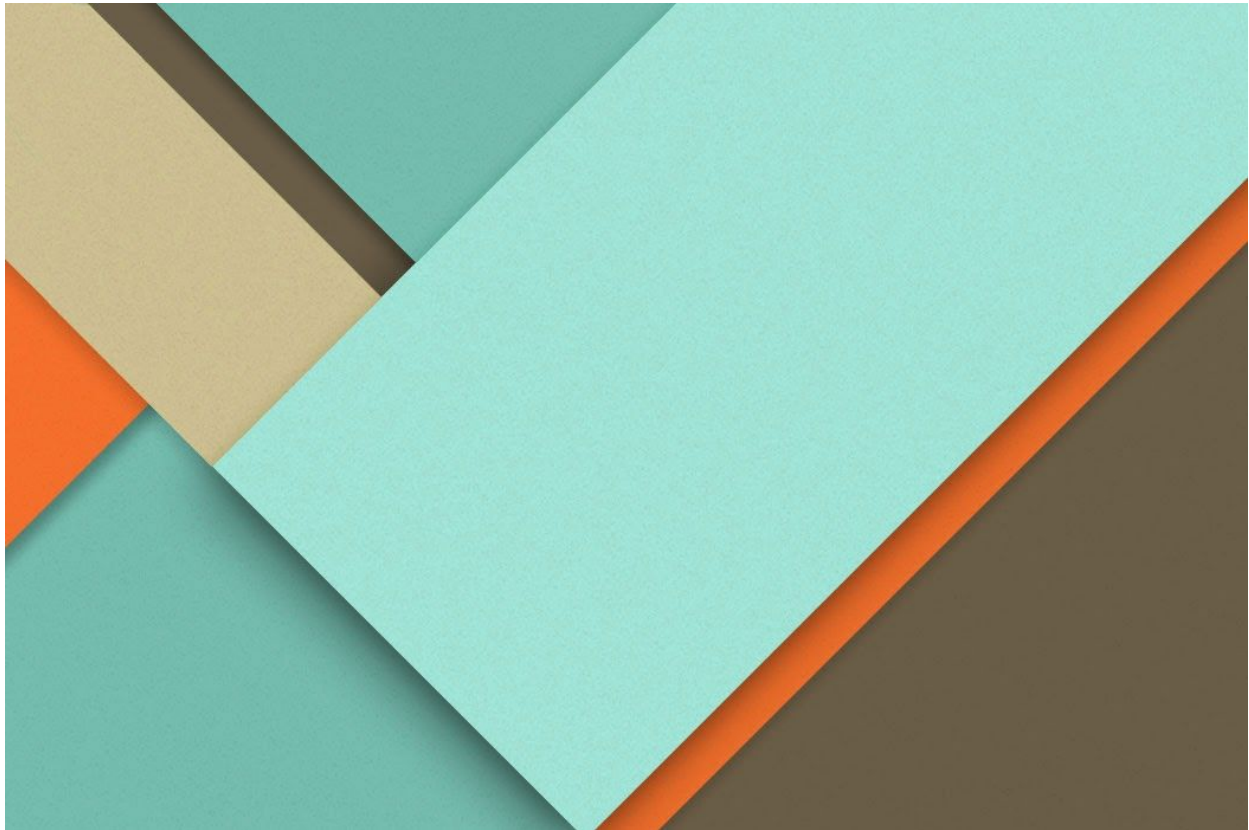
In August, OEG was approached by an investor expressing interest in financing the PACE program, and indeed the entire Pathway. We are now discussing with them the possibility of aggregating several communities into a single pool of capital to finance either the launch of new PACE programs, or the augmentation of existing ones. If successful, this approach could remove the upper limit on PACE program investment. The presence of private capital, committed for the long term, will also go a long way toward inspiring confidence among contractors, suppliers, and program participants.

As mentioned in the PACE program proposal to Council in January of this year, the program will support eight of the 25 actions in the Pathway to Net Zero Carbon. However, these eight represent a disproportionate share (61.5%) of the total reduction in greenhouse gas emissions, and a disproportionate share (67.3%) of the aggregate required investment. The PACE program will therefore play an indispensable role in the implementation of the Pathway, and the achievement of the goal of net zero carbon by 2050.

PACE Canada. In collaboration with the Canadian Home Builders' Association Net Zero Council, PACE Canada and OEG have assisted with development of a PACE primer for provincial and federal government officials. We anticipate that this will help greatly in promoting policy changes at other orders of government, to support and encourage PACE program adoption.

Regards,

Alex Chapman, Executive Director
Our Energy Guelph



Getting to Zero

Our Energy Guelph's strategy to implement the Pathway to Net Zero Carbon

2020.09.29

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Executive summary

Our Energy Guelph aims to make Guelph a net zero carbon community by 2050. Our Pathway to Net Zero Carbon describes how we will make this happen, and the benefits - environmental, economic, and social - that will result. This strategy document describes how OEG will implement the Pathway. Our approach consists of “left brain” (technical) and “right brain” (capacity) aspects.

The technical aspect consists of PACE (Property Assessed Clean Energy) financing of energy efficiency retrofits on private property, as well as large-scale community energy projects such as conversion of the City’s organics composting facility to anaerobic digestion for producing renewable natural gas. It also includes OEG’s capital finance approach, starting with seed capital and then moving on to combine institutional investment and a Local Climate Bank that will mobilize investment from individual Guelphites.

The capacity aspect will build public support, participation, investment, and behaviour change. It will include outreach to business, to individuals and households (mainly handled by eMerge Guelph Sustainability), and to youth.

OEG also intends to propagate its model, and its successful climate action approaches, to other communities. This will be accomplished through a playbook, consulting services, and franchising.

This strategy will make OEG self-sustaining, achieve Guelph’s climate change mitigation objectives, and help other communities to do likewise.

Overview: Two approaches, one goal

This document describes the strategic plan that OEG will implement to bring about a zero carbon future in Guelph and beyond.

OEG will work in two primary ways to achieve the target of making Guelph a net zero carbon community by 2050:

1. Left brain

The physical changes to our human-made surroundings - infrastructure, equipment, and built form - that will eliminate carbon emissions while enhancing resilience to shocks and stresses. This includes the 25 actions in the Pathway, as well as the means to finance them.

2. Right brain

Changes in attitudes and behaviour - at individual, household, organizational, neighborhood, and community-wide levels - that will ensure that the “left brain” actions are successful and sustained.

OEG will also explore and develop opportunities to replicate successful programs and approaches in other communities.

Approach 1: Left Brain

The Pathway will eliminate our community's contribution to climate change. Many assume that this outcome can only be accomplished with massive public sector spending - borrowed, raised through new taxes, or diverted from existing programs that will have to be curtailed or cancelled. Fortunately, this assumption turns out to be incorrect.

The Pathway will require an investment of \$3.2 billion over 30 years, or about \$100 million per year. That is an eye-popping number, but less so if one considers that Guelph already spends nearly \$500 million per year on energy. Most of that money leaves the community, much leaves the province, and some even leaves the country, contributing little to the health of the local economy. The \$100M annual investment of the Pathway is not like a utility bill, however - it is more like an RRSP contribution, as it repays the initial investment and more. The total direct financial benefit will be \$4.9 billion, for a net present value of \$1.7 billion and an internal rate of return of

nearly 9%. Put another way, for every dollar put in, one gets \$1.53 back. The Pathway will also create an average of 1,300 jobs.

The above estimate of the financial benefits only considers three things:

1. Utility bills savings from increased efficiency
2. Revenues from energy that is generated locally
3. Savings from reduced maintenance

The Pathway will also create numerous indirect benefits that were not included in the economic analysis, including reduced emergency room visits arising from air-pollution-induced respiratory distress, improved health outcomes from quieter neighborhoods and hence better quality of sleep, and economic spinoffs from new businesses that set up shop in Guelph to help deliver the Pathway.

To make this a reality, OEG will need to implement 25 technical actions to transition to a low-carbon economy. OEG also needs to create a way to finance all that, and a revenue stream to ensure the organization can continue leading climate action in the community.

The 25 Actions

The full list of 25 actions that comprise the Pathway, and will bring about Guelph's net zero carbon future, is provided in the Appendix. It can be boiled down to the following four items:

1. Use less

Energy efficiency does not mean freezing in the dark; it means eliminating waste. Only eleven percent of primary energy makes it to end use - the rest is lost. By reducing energy waste, we can also reduce the amount of primary energy we need, the amount of money we spend on it, and the greenhouse gas (GHG) emissions that go along with it. For example, better insulation, more energy-efficient windows and doors, and improved weatherstripping will all help reduce the amount of air that leaks out of homes, businesses, and institutions in our community- making them more comfortable, more quiet, and more healthy; not to mention much easier and cheaper to heat and cool. Guelph is seeing entire subdivisions of net zero homes being constructed; existing buildings can also be renovated to reach net zero, or close to it.

2. Make more

As we reduce the energy we need, we can increase the energy we make ourselves. We aim for Guelph to satisfy more - maybe even all - of its energy needs from local, carbon-free, renewable sources. These include solar energy,

renewable natural gas, biomass, and possibly wind energy (produced not within the city, with all its obstacles to free movement of wind, but rather at the city's edge or in the countryside beyond). Entire communities in Germany have become net energy exporters, turning energy from economic bleed to economic boon. Guelph can strive to do the same.

3. Use it wisely

Heating, cooling, electricity, and transportation systems are often designed as if they are completely separate and unrelated things. It is obviously ridiculous to have both the furnace and air conditioner running in a building at the same time. Is it any less ridiculous to have one building burning fuel for heating while the one next door consumes electricity for cooling? Or to burn gas in a boiler for industrial process heat, while also using electricity produced from a natural gas power plant that is located dozens of kilometres away, belching waste heat into the air? If instead the buildings are connected together and use cogeneration technology to produce both heat and electricity from the same fuel, energy needs can be drastically reduced.

4. Plan it away

Our neighborhoods tend to be specialized - schools here, homes there, shops somewhere else, and other businesses somewhere else still. It's nearly impossible to live in such a community if you don't have a car. If, instead, our communities are planned according to the principle of mixed use, it becomes possible to live, work, shop, play, and learn all without getting in a car and instead either walking, biking, or taking public transit to get where one needs to go. Such communities aren't just more walkable - they're also more affordable, more liveable, and don't force their inhabitants to use copious amounts of energy to live their daily lives.

To establish momentum and build the brand of OEG, several actions will be bundled together into PACE and the multicomponent centrepiece project (both of which are described below in the section entitled *Priority Actions*).

Money to make it happen

The capital financing approach for the Pathway consists of three stages:

1. Seed capital
2. Institutional investment
3. Local Climate Bank

Each stage is described in more detail below.

1. Seed capital

The biggest challenge with project capital is establishing momentum and critical mass. There are few financial products available that are designed to help start a program like the Pathway, and to get it to the point where it can graduate to large-scale institutional investment.

OEG is applying for funding from the Federation of Canadian Municipalities (FCM) under the Community Efficiency Financing program of the Green Municipal Fund. This program offers a low-interest loan of up to \$10 million, along with a grant of up to \$5 million. It will be used solely to finance the startup of the PACE program, including the first tranche of PACE loans.

A second initiative is in progress to finance one component of the centrepiece program mentioned above. This will likely involve a 3rd party playing the role of financier as well as owner/operator, with OEG playing the role of facilitator and convenor.

2. Institutional investment

Once PACE and the centrepiece project are well on their way, OEG will solicit the next round of funding from institutional investors such as pension funds and insurance companies. The goal of this financing stage will be to reach the critical mass necessary to obtain a rating from a bond rating agency such as Standard & Poors or the Dominion Bond Rating Service, to minimize the interest rate for debt that OEG issues and to pave the way toward the final financing phase.

3. Local Climate Bank

OEG aims to reduce energy operating costs and to maximize the amount of these costs that are spent in the local community. While it may be necessary to bring in capital from outside of Guelph, it would be preferable to build local self-reliance by using local capital and to build local prosperity by having the returns on that capital remain in the community. In addition, there are 444 municipalities in Ontario, and more than 2,000 coast to coast to coast. Each of those municipalities likely has a similar economic story as Guelph's Pathway, and if each follows the same financing approach it will lead to a mad rush for capital from a relatively small number of players.

To address these two factors, OEG intends to build a fund to finance climate projects in the community: a Local Climate Bank. This entity, likely a fund administered by an existing financial institution, will use local capital to

finance local projects that produce local environmental, economic, and social benefits while delivering local financial returns.

This entity will allow members of the community to invest savings in an ideally RRSP-eligible vehicle that will in turn finance projects in the Pathway. This will not just produce returns for the individual investor, but also clean the air, reduce and eventually eliminate GHG emissions, create local jobs, and contribute to local prosperity.

Over time, we expect that the Local Climate Bank model will propagate to other communities. OEG is participating in a global network of communities that are building this model and aiming to make that propagation happen.

In well-off cities like Guelph, it is likely that the amount of capital will eventually exceed the available investment opportunities. Conversely, other communities - be they sparsely populated, economically disadvantaged, or both - will not have sufficient financial means to exploit all of the opportunities inherent in their transition to a post-carbon economy. Guelph, and wealthy communities like it, will have the option to export their excess investment capital to communities that need it - in Ontario, across Canada, and around the globe.

Money to keep OEG running

OEG also needs funding to maintain its operations - payroll, occupancy costs, information technology, and other items. There are four principal ways that OEG will obtain these revenues:

1. Initial startup funding
2. Serving as convenor/facilitator for major projects and programs
3. Taking an equity stake in high-leverage projects
4. Fees for other services

Each revenue source is described in more detail below.

1. Startup funding

In May of 2019, Guelph City Council committed to provide the funds to start the economic engine of the Pathway. This investment of \$700,000 was allocated from a one-time dividend arising from the merger of Guelph Hydro and Alectra Utilities. It provides 100% of the operating budget for year one of OEG's operations, declining to 50% by year five.

2. Fees for services

Programs such as GEMS Plus and Random Acts of Green (see below) are expected to generate modest revenues for OEG. These revenues will help offset some expenses, but are not expected to be significant enough to make OEG self-sufficient.

3. Convenor/facilitator

In projects involving multiple parties, there is a recognized role for the entity that serves as convenor and/or facilitator for the project. This entity performs such tasks as:

- Identifying the parties that may play a role
- Pitching the project to each party
- Securing their commitment to participate
- Convening the group to come to agreement on the terms for the project
- Following up to finalize legal arrangements

The value of this role is generally considered to be 3-5% of the overall project value. It is anticipated that this value will exceed the associated OEG costs, in some cases by a considerable margin. However, it will be “hand to mouth” revenue which does not recur year over year and therefore must be earned in each case.

4. Return on equity

Once OEG has revenues exceeding expenses for a sustained period, it will be able to amass the necessary capital to take an equity stake in projects. This is the “brass ring” revenue generation opportunity, as it will create sustained flows of cash that will continue for the life of each project without the need for additional expenditure.

Approach 2: Right Brain

Neither the projects that will deliver a net zero carbon community, nor the mechanisms to finance those projects, will be viable without public approval. In addition, the projects will not attain their goals without supportive changes in behaviour. It is therefore every bit as important for OEG to build the necessary public support and to foster the necessary behavioural change as it is to build the projects themselves.

Outcomes

The “right brain” approaches are intended to achieve the following outcomes:

1. Individuals and organisations that have made the necessary changes to habits, practices, and processes to bring about a net zero carbon future.
2. Citizens that are aware of the challenges of climate change, making their views known to the community and to elected officials, and voting for candidates that support continued climate action.
3. Citizens that make investments from their savings in a fund that finances the programs and projects that will bring Guelph’s net GHG emissions to zero.

Specifically, the “right brain” approaches are encourage the following actions:

1. Join in

Achieving a net zero carbon future will require changes in personal habits and organizational culture. For example, people and businesses will need to shift from purchasing internal combustion engine vehicles to purchasing (or at least using¹) electric vehicles (EVs). “Right brain” approaches will foster these behavioural changes. For some of these changes, programs such as PACE will be available to help. “Right brain” approaches will therefore also include marketing of these programs to the general public, and preparing the public in advance so that they are aware of, receptive to, and enthusiastic about these programs.

2. Chime in

Some technical actions will require participation from the municipality, and possibly other orders of government. For these actions to be successful, the public must support them. It is therefore critical that the public understands what these initiatives are and why they are important, and hence that they visibly support them in ways that are evident to elected officials. This will ensure that those elected officials make policy decisions based on that public support. They can show this support in various ways, including:

- Making their support known to others in the community, through social media posts and traditional media approaches like Op/Ed contributions.
- Communicating their support to elected officials, through letters/emails, signing petitions, and delegating to Council.

¹ Many experts anticipate that private, personal ownership of human-driven internal combustion engine vehicles will decline dramatically over the coming decade, to be replaced by fleets of autonomous, connected, electric and shared (ACES) vehicles. For more information, see <https://www.rethinkx.com/transportation>.

- Voting for candidates that support continued climate action.

3. Buy in

The Local Climate Bank financing approach described above will require that members of the public vote with their pocketbooks, by allocating savings such as self-directed RRSP funds into the Local Climate Bank. “Right brain” approaches will hence include measures to develop investor confidence and to encourage these financial commitments.

The goals of public support and behaviour change will be accomplished in the following ways:

1. Outreach to business
2. Outreach to households
3. Outreach to youth

Each of these items is described in detail below.

Outreach to Business

Private enterprise will either be a key enabler for the Pathway, or a key obstacle. OEG aims to engage with businesses of all sizes to help them to make the necessary changes to deliver a post-carbon future. So far, this is being accomplished through Guelph Energy Managers (GEMs). OEG aims to add two complementary “flavours” of GEMs to complete its service offering: GEMs Plus and GEMS Elite.

1. GEMs

This program brings together the largest businesses and institutions in Guelph, providing their energy and environment managers with a community of practice to help increase energy management knowledge and experience.

GEMs quarterly meetings are hosted by one of the members. The meeting begins with a roundtable discussion in which each member provides an update on the energy, climate, and environment projects that have been working on. Next is the “Ask the Expert” segment, consisting of a presentation by an individual with in-depth knowledge of a topic of general interest to the group. Finally, the host presents a deep-dive case study on a project they have undertaken. After the formal part of the meeting is adjourned, the event concludes with a tour of the facility, usually highlighting elements of the project presented in the case study.

During the pandemic, we have temporarily replaced these in-person meetings with webinar-style events.

2. GEMs Plus

Taking a cue from the success of the nearby Sustainable Waterloo Region, OEG aims to create a Green Economy Canada hub in Guelph. This will provide an enhanced value-add to the GEMs program on a fee-for-service basis.

Members will:

- Establish an enterprise-wide sustainability goal
- Develop a baseline to determine their starting point
- Create an action plan to achieve the goal
- Implement the action plan
- Report on progress toward the goal
- Publicly celebrate success

3. GEMs Elite

Small and medium-sized enterprises (SMEs) typically do not have the financial means to hire a dedicated energy/environment manager. In recognition of this, OEG aims to provide a service similar to the Roving Energy Manager program that the Independent Electricity System Operator once offered. Recent graduates of energy management education programs, overseen by one or more retired or semi-retired energy managers, would assist SMEs with establishing and achieving sustainability goals using an approach similar to GEMs Plus. The program would operate on a strict cost recovery basis, possibly with assistance from grant programs and sponsorships.

The SME sector is also expected to benefit greatly from the Random Acts of Green mobile device app (see below).

Outreach to households

eMerge Guelph Sustainability has long offered programs to help households to reduce costs and to become more sustainable. These include the Home Tune-Up program and promotion of household adoption of EVs. OEG will work with eMerge to integrate and cross-promote their respective programs. The Home Tune-Up program in particular will offer a significant marketing channel for the OEG PACE program. Other opportunities include “off ramps” from OEG-supported youth outreach programs (see below) to eMerge programs, to help participants continue learning - and living - sustainability.

Outreach to youth

By creating and supporting initiatives to engage youth in sustainability action, OEG will enhance and accelerate the Pathway. This will occur in the following ways:

1. **Household Action.** Youth will engage their families in conversations about sustainability, ideally leading to enrolment in partner programs like the eMerge Home Tune-Up and ultimately PACE-financed retrofits and other actions like EV purchase.
2. **Purchasing Power.** Youth will support businesses that make visible efforts to become more sustainable, voting with their dollars on their own initiative, as well as through programs such as Random Acts of Green.
3. **Political Support.** Youth will take a leadership role in sustainability action in the community, contributing political support for the OEG agenda personally (through their votes and by engaging with political leaders) as well as by setting a visible example for the rest of the community to follow.
4. **Future Hires.** Youth will choose academic pathways that provide the skills and knowledge necessary to launch careers in the sustainability area, potentially joining OEG or partner organizations as paid staff.

For the past two years OEG has led a community of practice called Education, Communication, Outreach, and Awareness (ECOA). With an interest in general sustainability topics, this group brings together the following types of participants:

1. **Message.** These participants have particular content that they wish to deliver to the community, and have included OEG (and, prior to OEG's launch, the City of Guelph Climate Change Office) as well as the City of Guelph Environmental Services Department (including both Water Services and Solid Waste Management).
2. **Medium.** These participants either offer some kind of program that directly works with youth (My World, My Choice! and Youth Action on Climate Change), or provide support for such programs (University of Guelph Office of Student Experience; University of Guelph Sustainability Office).
3. **Audience.** These participants connect the "Medium" participants with youth. The Upper Grand District School Board and the Wellington Catholic District School Board have both been represented.

ECOA has provided oversight and support in various ways for the following programs:

1. My World, My Choice!
2. Youth Action on Climate Change
3. Planet Protector Academy
4. Community climate events
5. Random Acts of Green

Each of these is described in more detail below.

1. My World, My Choice! (MWMC)

This program brings University of Guelph students into high school and middle school classrooms, where they mentor the younger students on sustainability. A typical program will start with an experiential learning exercise that teaches participants both what negative impact they may be having on the planet, and what positive impact they could have if they made different choices.

The participants then break into teams and over the following few weeks they devise and implement a sustainability project in their school, neighborhood, faith community, or some other venue. The program concludes with a convening event at which awards are given to teams that delivered outstanding accomplishments.

Plans are in development for MWMC to deliver a new program with the working title *Canada's Next Top Sustainable Leader*, modelled on similarly-named programs from other domains (e.g. fashion, advertising).

2. Youth Action on Climate Change (YACC)

YACC aims to develop not environmental activists, but environmental leaders. In contrast to MWMC, it operates outside of the classroom. It helps youth to develop the skills required to engage constructively with elected representatives from various orders of government.

YACC participants help to gather data to assist with evidence-based decision making, for example identifying which road routes would produce the most significant increase in cycling uptake if safe, separated bike lanes were provided.

3. Planet Protector Academy (PPA)

Targeted at Grades 2-4, this superhero-themed, multimedia-rich program encourages children to take on sustainability “missions” which they complete at home with the help of family. This not only provides learning opportunities for students, it also enlists parents and siblings in the process, broadening the educational reach of the program and increasing its impact. This approach also provides opportunities for the “off ramps” to related community events (e.g. Bike Month, eMerge Home Tune-Up program) mentioned earlier.

4. Community climate events

In association with the University of Guelph Sustainability Office and other partners, OEG has either delivered or assisted with various events in the community that help build awareness about climate change and offer opportunities for like-minded individuals to connect and collaborate. These have included:

- **Local Action on Climate Change**, a forum featuring Guelph's elected leaders from all three orders of government, with a keynote address by now-former Environmental Commissioner of Ontario Diane Saxe
- **Climate Change Town Hall**, organized by Guelph Member of Parliament Lloyd Longfield in conjunction with students from the UGDSB Headwaters program
- **Climate Change Pub Night**, an informal gathering offering the opportunity for members of the community to learn more about OEG and its affiliated programs in a relaxed setting

5. Random Acts of Green (RAOG)

This mobile device app and online community encourages and gamifies sustainable behaviour by offering points in exchange for performing "green" actions. These points can then be exchanged for discounts at local businesses.

In addition to offering an educational opportunity, the app also helps users to save money and expand the number of sustainable local businesses they frequent.

The app offers two opportunities for businesses. Smaller, retail-oriented businesses can participate by offering rewards. This increases customer patronage and enhances the "green" credentials of the business.

Larger, business-to-business enterprises can also benefit by purchasing a "join code", which they can then offer to their employees so that they all join the app as a virtual community. This serves as an employee attraction, engagement, and retention tool. It also offers the potential for employees to take what they've learned about sustainability in their home lives and bring it into the workplace, enhancing the business' image both internally as well as externally, and offering the potential for employees to make suggestions that reduce waste, save money, and enhance the bottom line.

Priority actions

The first actions that OEG will pursue in support of the Pathway consist of the following:

1. PACE
2. Community energy projects
3. Business-focused capacity building

These are described in more detail below.

PACE

More information on PACE is available in the report presented to Guelph City Council in January 2020². PACE will enable a number of technical actions in the Pathway:

- Action 3: Retrofit 98% of pre-1980 dwellings by 2050, with retrofits achieving thermal and electrical savings of 50%.
- Action 4: Retrofit 98% of dwellings built between 1980-2017 by 2050, with retrofits achieving average thermal and electrical savings of 50%.
- Action 5: Retrofit 98% of pre-2017 Industrial, Commercial, and Institutional (ICI) buildings by 2050, with retrofits achieving average thermal and electrical savings of 50%.
- Action 7: Air source heat pumps are added to 50% of residential buildings and 30% of commercial buildings by 2050. Ground source heat pumps are added to 20% of residential and 40% of commercial buildings by 2050.
- Action 8: Solar photovoltaic (PV) systems are installed on 80% of all buildings by 2050. These PV systems provide on average 30% of consumption for building electrical load for less than 5 storeys and 10% for multi-unit buildings greater than 5 storeys and commercial buildings.
- Action 9: Heat pumps for hot water installations are scaled up to 80% of residential buildings by 2050, and 50% of commercial buildings by 2050.

While these actions constitute only one quarter of the actions in the Pathway, they account for 49% of emissions reductions. The list is therefore heavily weighted towards actions with larger carbon impact. These actions also constitute 50% of the investment dollars, so again the list is heavily weighted toward actions requiring the most investment.

² <https://pub-guelph.escribemeetings.com/filestream.ashx?DocumentId=1919>

The availability of PACE financing can also play a role in Action 11: A 16 megawatt (MW) seasonal storage district energy system is installed in the downtown area. It could do this by enabling the retrofits necessary to make a building compatible with district heating and cooling. For example, a building with a steam radiator heating system could use PACE financing to retrofit the conversion to a hot water system.

In addition, PACE financing can facilitate Action 12 (67 MW of energy storage is installed by 2050 to reduce the curtailment of the ground-mounted PV) by financing storage devices on private property³. This would include home battery systems that provide both energy resilience (replacing a backup generator) and the opportunity to arbitrage between cheap nighttime and expensive daytime electricity rates.

PACE financing can also facilitate Action 22 (100% of new passenger vehicles are electric by 2030) and Action 23 (95% commercial vehicles are electric by 2030). PACE could be used to procure and install an EV charger. However, note that the cost of such equipment is not material compared to the cost of the vehicle, so additional tools may be needed to encourage EV adoption.

Finally, with changes to the enabling legislation and other regulations, PACE could finance the difference between a code-built and a high-performance building. This would enable the following actions:

- Action 1: Incrementally increase the number of net zero new homes to 100% by 2030.
- Action 2: Incrementally increase the number of non-residential buildings that achieve Passive House levels of performance to 100% by 2030.

Note that PACE is actually not a technical action in and of itself, but rather an enabler for the technical actions mentioned above.

Financing PACE

As mentioned above, OEG has applied for funding from FCM under the Community Efficiency Financing program of the Green Municipal Fund. If the application is successful, OEG plans to use the FCM funding as leverage for the transition to private capital. Otherwise, OEG will push ahead with securing private capital immediately as a “Plan B”.

OEG plans to work in partnership with PACE Atlantic to promote PACE program adoption in other communities. If a financing partner is secured, this could open the door to widespread adoption of the program. In return for its advocacy and capacity

³ This action also includes some utility-scale storage integrated with the distribution grid; PACE would not be applicable to projects of that nature.

building work through PACE Canada (see below), and its role in securing this financing, it is proposed that OEG levy a fee of 0.1% of project value.

Community energy projects

PACE is about reducing energy consumption and fostering on-site generation at the level of individual buildings. However, the Pathway will also require projects to provide renewable energy generation capability at the community scale. Examples include:

1. Producing renewable natural gas from organic waste via anaerobic digestion
2. Producing electricity using a ground-mount solar PV array located on a decommissioned landfill
3. District heating using biomass such as farm waste

It is anticipated that the first two projects will be pursued in the coming two years. The last will depend on the speed with which the Guelph Innovation District is developed, as it is anticipated to yield the first tranche of customers.

Ideally, these projects will be bundled into a multicomponent centrepiece program that combines public transit, active transportation, solar energy production, and thermal energy generation and distribution, addressing six of the 25 actions in the Pathway. A white paper on this project is currently in development.

Early in the 2021 fiscal year, OEG will be working with the national nonprofit QUEST (Quality Urban Energy Systems of Tomorrow) on a project entitled AIRE (Accelerating the Implementation of Renewable Energy) to develop a generalized protocol for early-stage business planning related to major community energy projects. In collaboration with the University of Guelph, this project will identify suitable financing models and will help define the role of key stakeholders, in our case OEG and the municipality. The project will also provide revenue over and above that provided by the City of Guelph, and therefore represents the first step toward financial self-sufficiency for OEG.

Business-focused capacity building

Guelph's ICI sector will play a pivotal role in achieving the net zero carbon goal. The following ICI capacity-building programs will be prioritized, and are described in the section entitled *Approach 2: Right Brain*, below:

1. GEMS Plus (Green Economy Canada)
2. GEMS Elite
3. Random Acts of Green

Timeline of key initiatives

The key initiatives planned for the next one to three years are shown below. Each item is either a technical change or capacity building. OEG will either assume a leadership role or a supporting role for a partner organization. The timing indicates when the initiative is expected to launch.

Item	Description	Type	Role	Timing
1	R-PACE (Residential PACE) - Low Rise	Technical	Lead	FY2020Q4 or FY2021Q1
2	R-PACE - MURBs (Multi-Unit Residential Buildings)	Technical	Lead	FY2020Q4 or FY2021Q1
3	C-PACE (ICI)	Technical	Lead	FY2023
4	Anaerobic digestion of green bin waste to produce renewable natural gas	Technical	Support	FY2020Q4 or FY2021Q1
5	Solar farm on closed Eastview landfill	Technical	Support	FY2022Q1
6	GEMS Plus (Green Economy Canada)	Capacity	Lead	FY2020Q4
7	GEMS Elite (GEMS Plus for SMEs)	Capacity	Lead	FY2021Q4
8	Random Acts of Green	Capacity	Support	In progress

First Guelph, and then...everywhere?

To date, municipalities have been a primary driver for climate action in Canada. However, municipalities have neither the means nor the mandate to propagate successful approaches beyond their borders. Organizations like FCM can assist through the communities of practice they create, but these still have only a limited ability to replicate winning solutions. This has meant that climate action success stories tend to stay where they originate, and only move further afield with great difficulty.

OEG is different. While it is based in Guelph, it is free to set up operations in any community where it is welcome. Many municipalities have, for example, declared a climate emergency, but few have experience with implementing climate solutions. OEG can help.

There are at least four models that OEG can employ for disseminating approaches that have been demonstrated to work:

1. Partnership
2. Playbook
3. Consulting
4. Franchising

Each of these is described in greater detail below.

Partnership

In communities that have already implemented the third-party nonprofit model for climate action, a partnership will be of mutual benefit. For example, a collection of communities all collaborating on PACE financing could attain the critical mass necessary for a rating from a recognized bond rating service, as mentioned under the *Institutional Investment* heading, above. This would dramatically reduce the cost of borrowing, improving revenue streams arising from project equity positions and strengthening the overall financial health of the organization.

There would also be cost savings and other synergies that arise from common approaches for such organizational elements as sales and marketing, information technology, and legal structures.

Playbook

OEG can develop a documented methodology as a guide for other municipalities. This would explain climate action approaches that OEG has found to be successful, how they were implemented, and what is necessary to sustain them in the long term.

This method would allow participating communities to replicate OEG's outcomes simply and at minimal expense. It would be appropriate in communities that already have considerable capacity, in terms of both municipal staff side and community organizations. The QUEST AIRE project is a starting point for developing this method.

Consulting

OEG could offer consulting services to assist communities to set up their own version of OEG. This would be a more hands-on approach than the playbook, with OEG staff participating directly in program planning, community engagement, problem solving, and so forth. It would be offered under a fee-for-service

arrangement, potentially on a contingent basis if there is difficulty obtaining the necessary funds.

This approach would be suitable in communities with less capacity, or less willingness to deploy that capacity for the purposes of climate action.

Franchising

In communities with little willingness or ability to engage in direct climate action, OEG could set up a franchise. This entity would replicate all applicable aspects of OEG in the host community.

Ideally this arrangement would come with some financial commitment on the part of the municipality, to demonstrate a willingness to work collaboratively with the franchise. This commitment could take the form of a low- or no-interest loan.

Conclusion

OEG has the drive, the ability, and the opportunity to make Guelph a net zero carbon community by 2050 or sooner. This strategic plan presents a roadmap for how that will be accomplished, and how it will be replicated in community after community. The end result will be a long list of cities, towns, counties, and other regions that have risen to the challenge of climate change, mastering and eliminating their GHG emissions, while dramatically enhancing their prosperity.

Appendix: The 25 actions

The Pathway to Net Zero Carbon includes the following actions:

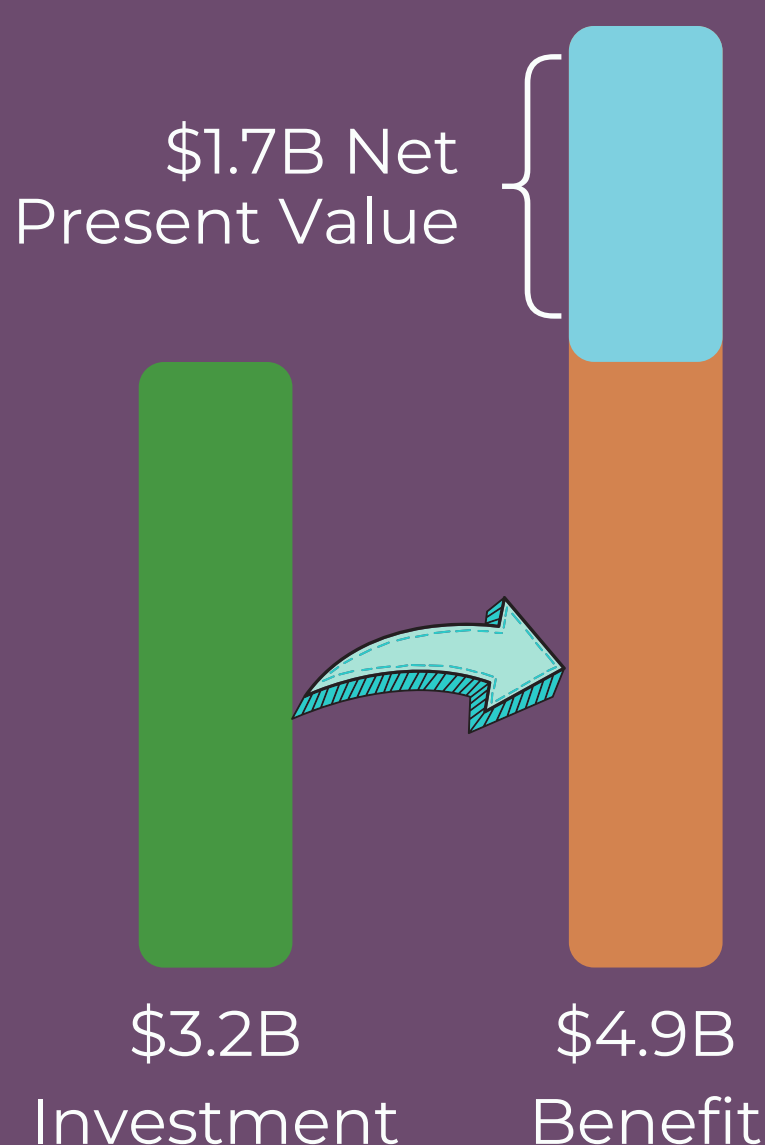
Action	Description
	BUILDINGS
	New buildings
1	Incrementally increase the number of net zero new homes to 100% by 2030.
2	Incrementally increase the number of non-residential buildings that achieve Passive House levels of performance to 100% by 2030.
	Existing buildings
3	Retrofit 98% of pre-1980 dwellings by 2050, with retrofits achieving thermal and electrical savings of 50%.
4	Retrofit 98% of dwellings built between 1980-2017 by 2050, with retrofits achieving average thermal and electrical savings of 50%.
5	Retrofit 98% of pre-2017 industrial, commercial, and institutional buildings by 2050, with retrofits achieving average thermal and electrical savings of 50%.
6	Every building will be recommissioned on a ten-year cycle, achieving energy savings of 15% on pre-2017 building stock.
	ENERGY SYSTEM
7	Air source heat pumps are added to 50% of residential buildings and 30% of commercial buildings by 2050. Ground source heat pumps are added to 20% of residential and 40% of commercial buildings by 2050.
8	Solar photovoltaic (PV) systems are installed on 80% of all buildings by 2050. These PV systems provide on average 30% of consumption for building electrical load for less than 5 storeys and 10% for multi-unit buildings greater than 5 storeys and commercial buildings.
9	Heat pumps for hot water installations are scaled up to 80% of

	residential buildings by 2050, and 50% of commercial buildings by 2050.
10	20 megawatts (MW) of commercial scale ground mounted solar PV is installed per year between 2018 and 2050.
11	A 16 MW seasonal storage district energy system is installed in the downtown area.
12	67 MW of energy storage is installed by 2050 to reduce the curtailment of the ground-mounted PV.
13	50 MW of wind energy is installed by 2050 outside of city limits.
14	Local production is maximised, and additional renewable natural gas is imported to displace natural gas consumption in buildings.
15	100 kilowatts of run of river hydro electricity generation is added.
	TRANSPORTATION
16	Transit is introduced in areas with high density and insufficient transit.
17	The transit fleet is fully electrified by 2050.
18	The cycling and walking mode share is increased.
19	The percentage of trips that are rideshare is doubled by 2050.
20	A car-free downtown is created by 2040.
21	The municipal fleet is electrified by 2050.
22	100% of new passenger vehicles are electric by 2030.
23	95% commercial vehicles are electric by 2030.
24	100% of new vehicles are autonomous by 2035.
	INDUSTRY
25	The efficiency of process motors is increased by 50% by 2050.



Building a clean, prosperous, and resilient city for everyone.

IMPLEMENTING THE PATHWAY TO NET ZERO CARBON



1,300 jobs

- Clean air
- Quieter streets
- Healthier, more comfortable homes



Left brain: Technical

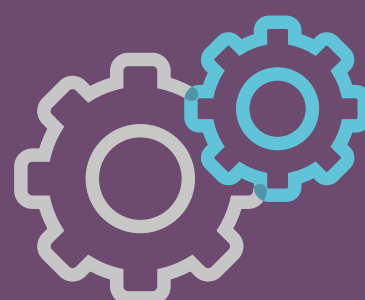


Right brain: Capacity

Use less

Energy efficiency and fuel switching

Learn about OEG and partner programs that are geared towards:



Business



Households

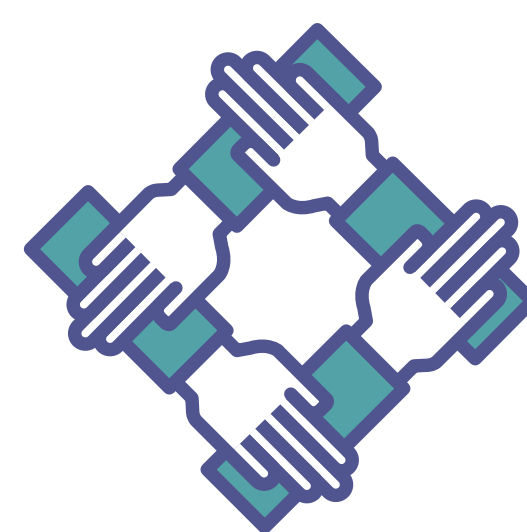


Youth

Make more

Renewable energy generation

Join in



OEG programs like PACE and GEMs

Use it wisely

Integrated thermal/electrical networks



Chime in

Hold political leaders accountable



Plan it away

Compact, walkable neighbourhoods

Buy in



Local projects delivering local benefits

Plant and grow



Seed capital



Institutional investment



Local Climate Bank

Wednesday, December 9, 2020

Sent via email to ec.plastiques-plastics.ec@canada.ca

Director of the Plastics and Marine Litter Division
Environment and Climate Change Canada

To the Director:

RE: City of Guelph Response to “Discussion Paper: A Proposed Integrated Management Approach to Plastic Products to Prevent Waste and Pollution”

The City of Guelph (the City) appreciates the opportunity to provide input on Environment and Climate Change Canada’s (ECCC) “Discussion Paper: A Proposed Integrated Management Approach to Plastic Products to Prevent Waste and Pollution.” The City has initiated both corporate and public facing actions on the subject of single-use plastics (SUPs) and welcomes leadership from the federal government on the issue. We agree that action to reduce or eliminate single-use items is required. While many communities have taken initiative locally to address this issue it is our belief that the most effective approach requires senior government regulation, the creation of national standards and adequate monitoring to ensure the approach to plastic products is effective, consistent and fair for all residents and communities.

Notably, the City is responding to this discussion paper not only as a local government, but also as an operator of waste facilities. These facilities include a Material Recovery Facility (MRF), an Organics Processing Facility, a Waste Transfer Station and a Public Drop-Off. We also comment from the perspective of a seasoned and hands-on waste operator.

Federal Action on Single Use Plastics Aligns with Council direction in Guelph.

Our interest in responding to this consultation opportunity is driven by direction City staff have received from Council. The City is currently undertaking a Solid Waste Management Master Plan (the SWMMP) review. In anticipation of the study, which launched in August 2019, City Council in May 2019 moved the resolution to include the issue of the reduction and elimination of single-use plastics as part of the Master Plan. Notably, Council directed *“That staff explore viable solutions to reduce single use plastics across Guelph, and report back to Council with updates or further recommendations as part of Solid Waste Management Master Plan update...”*.

Corporately, the City of Guelph has taken action to reduce and eliminate SUPs and single-use items.

Progressive actions to date include the reduction and elimination of single-use plastics related to our operations. In October of 2019, the City of Guelph adopted a corporate Sustainable Waste Management Policy (the Policy) that supports operational and procurement efforts to minimize single-use items. The Policy empowers staff to give preferential consideration to reusable, recyclable, refillable, returnable and repairable products, and to avoid single-use food and beverage items including coffee pods, plastic water bottles, disposable coffee cups and cutlery where possible. It provides a foundation on which individual City operations can build and considers not only single-use plastics but single-use items in general.

A recent public survey indicates that Guelph residents are concerned about single-use plastics.

As part of the City's SWMMP, we recently conducted an online survey from mid-August until the end of September 2020. Our goal was to obtain insight with respect to the public's experience with our waste management system and general attitudes and perceptions with respect to related issues, including single-use plastics. Based on the 566 responses, we learned that:

- *The most numerous concern raised by Guelph residents is single-use plastics, single-use items in general and plastic over-packaging. When answering the question "In your day to day life, what would most help you to reduce, reuse or recycle more of your waste?" our text analysis revealed that 20% of people who took the survey mentioned the reduction or elimination of single-use plastics or packaging in general.*
- *Guelph residents tend to feel that they can easily adjust to using less single-use items. Respondents were presented with a list containing the following six items: Foam cups and foam take-away containers; Plastic straws; Plastic shopping bags; Hot and cold disposable cups; Plastic utensils (e.g knives, forks, spoons), and; Napkins.*
- When asked "How easy or difficult would it be for you to adjust your daily routine to use less of the following single-use items, once it is deemed safe to do so?" (The latter part of the question is a reference to the pandemic), all items except napkins were heavily considered to be easy or very easy for those who expressed an opinion.
- Residents were asked if they were using more single-use items than they did before the pandemic. 48% of the 561 people responding to the question felt that they were, and the vast majority also responded "yes" to the question "Do you look forward to a time where you won't have to use more single-use items?"
- Overall, in either the recent survey or in general conversations City of Guelph staff have had with residents over many years, there is a general frustration with over-packaging and single-use plastics, as well as a sense that individuals have no control over the situation.

The City encourages ECCC to target reduction or substitution before recovery: water bottle example.

We note that plastic bottles, according to Table 3 with respect to the management framework, have been relegated to a singular approach, namely extended producer responsibility (EPR). The City agrees that there is a need to support and improve EPR policy and related infrastructure, and Guelph has transitioned some materials or is preparing for transition for others (including plastic bottles) under Ontario's Producer Responsibility framework. The City understands ECCC's desire to support a circular economy as well. We believe, however, that the singular approach for plastic bottles (EPR) is too narrow. Specifically, we think the ECCC needs to either restrict or at least incentivize the reduction and substitution of plastic bottles first, and capture what remains second. As an example of substitution, the City's Water Services Division has substituted the equivalent of approximately 300,000 water bottles since 2013 through its Water Wagon program that fills the niche of water bottles at large community events. Conversely, an example of a niche that is well suited to plastic bottles is in support of emergency services and emergency response where service are unavailable or interrupted.

ECCC Questions for discussion

Managing single-use plastics

1. Are there any other sources of data or other evidence that could help inform the development of the regulations to ban or restrict certain harmful single-use plastics?

The Municipal 3Rs Collaborative (M3RC) is housed at the offices of the Association of Municipalities of Ontario (AMO), and performs research for the purposes of developing consistent responses for AMO, the Municipal Waste Association (MWA), Regional Public Works Commissioners of Ontario (RPWCO), and the City of Toronto. Most recently, M3RC comments on Ontario's Food and Organic Waste Policy Statement were provided to the provincial Ministry of Environment, Conservation and Parks on October 30th. These comments relate to ECCC's discussion paper and are posted here for your reference. Of particular interest are references and concerns over directing municipalities to collect certified compostable coffee pods and bags, and to include compostable packaging and products within an EPR framework.

[M3RC comments on the Food and Organic Waste Policy Statement](#)

2. Would banning or restricting any of the six single-use plastics identified impact the health or safety of any communities or segments of Canadian society?

Research performed for the City indicates that in some instances exceptions to bans or restrictions have been granted for health and safety reasons, based on examples found in various jurisdictions that have already taken action. The exceptions most

commonly seen are those allowing bags to wrap meat, fish or unwrapped or loose food items. Additionally plastic bags may fill a niche in the community from an affordability and accessibility perspective. Our research indicates that the cost of a reusable bag may be prohibitive to some. Having said that, research conducted by the University of Guelph has identified solutions such as “bag banks” whereby donated reusable bags can be picked up for free by those needing them. As society moves from disposable plastic bags to reusable options, it will be important to ensure both accessibility needs and hygiene (i.e., how to care for reusable bags) are addressed in any communications promoting this transition. Additionally, the carbon footprint of recommended alternatives must be taken into consideration, thereby promoting alternatives with the lowest carbon footprint relative to plastic bags.

3. How can the Government best reflect the needs of people with disabilities in its actions to ban or restrict certain harmful single-use plastics?

Research performed for the City indicates that in some instances there is a need to provide exceptions to bans or restrictions, based on examples found in various jurisdictions that have already taken action. Examples include allowing customers to use straws to accommodate a disability or medical need, or by providing general exceptions for healthcare facilities.

4. Should innovative or non-conventional plastics, such as compostable, bio-based or biodegradable plastics be exempted from a ban or a restriction on certain harmful single-use plastics? If so, what should be considered in developing an exemption that maintains the objectives of environmental protection and fostering a circular economy for plastics?

The City has grave concerns with the notion that compostable single-use plastics be exempted from the ban or restriction.

As one of the earliest municipal adopters of food and organic waste collection and processing, the City of Guelph has been diverting its organic material from disposal since the mid-1990s and wants to ensure that the strides we have made are not compromised. The City has invested in a state of the art organic waste processing facility, which provides a cost-effective solution to taxpayers of the City. We are focused on ensuring our City has the capacity and functionality to successfully process the majority of materials in the organic waste stream (e.g., food waste and leaf & yard waste) including improving the effective functioning of our facility and its outputs.

Based on the research performed as part of our SWMMP, we appreciate that the goal for a truly circular economy is to make plastics strictly from renewable plant based sources. Our own research, however, strongly suggests that the move to compostable plastics has the potential to create compost quality issues at composting facilities since neither the public nor the processors of the material will be able to distinguish disposable plastic from compostable plastic. Our view of the statement in the discussion paper that

"the use of compostable, bio-based or biodegradable plastics may in some cases improve a product's environmental footprint or increase recovery rates of single-use items when they become waste"

poses a real threat to be able to process and market materials in the organic waste stream (e.g., food waste and leaf & yard waste). Switching the type of plastic **will not**, in the City's opinion, achieve the desired result if the compostable plastics end up in the feed stock to food organic waste processing facilities.

There is already enough evidence to caution ECCC with respect to producer recycling and composting claims. Many products and packaging in the market place that claim they are compostable do not meet the standards and requirements of high volume, short-cycle municipal composting operations. The material does not compost in practice and results in greater contamination and residual outputs for these facilities. Adding more compostable plastic materials will continue to lead to confusion amongst the public and facility operators will continue to screen these items as residue to landfill as it will not decompose in the processing time required in the facility.

Recently the City responded to our provincial government's proposed amendments to its Food and Organic Waste Framework indicating that the City does not support the proposal's strengthened direction (i.e. from 'encouraged' to 'should') for municipal and Industrial, Commercial and Institutional (ICI) source separated organic collection programs to accept certified compostable coffee pods and bags. The City's concern, compounded by the inability to distinguish compostable from non-compostable items, is that a significant amount of packaging could migrate from the recyclable stream, or "blue box", and that this would increase the relative proportion of these materials in the organics stream, with increased cost and compost quality issues. Further, supporting compostable products as alternatives also supports and perpetuates single use items. Instead, the City supports circular economic approaches which acts to reduce greenhouse gas emissions and to create employment opportunities.

The City has worked extensively with the agricultural community, academia and regulators at the provincial and federal levels to ensure all nutrient rich materials returned to agricultural land, biosolids and compost, meet the highest quality standards in order to protect and maintain public trust and confidence in our food systems. The City recommends extensive consultation with the agricultural and community/agronomists, if not done already, to ensure compostable products add value to our food system either as needed nutrients or as soil amendment. If there is no value added to the agricultural community, agricultural fields in effect, become disposal sites for compostable products.

In general, increasing compostable plastics negatively impact municipal composting efforts and would:

- Significantly increase capital and processing costs as materials need to be shredded and then composted for longer periods of time (e.g. The City of

Guelph's organic waste processing facility holds source separated organics for 21 days in the tunnels before going through the screening plant. The City of Guelph conducted tests in our organic waste processing facility on various compostable products in 2019. The compostable products included coffee pods, and fruit stickers, all of which did not fully disintegrate during the 9 week test (triple the regular processing time) and were considered residue. Diverting compostable products and packaging to composting facilities only to be screened out as residue are a cost prohibitive approach to processing materials that still result in the items being shipped to landfill);

- Lead to additional contamination issues from compostable products that have not broken down fully, including, foreign or sharp foreign matter which impact the value and marketability of the end product;
- Contaminate both the green bin and Blue Box streams due to consumer confusion and lack of standardization amongst products;
- Provide inaccurate information to the public if the materials cannot be processed and end up being sent to disposal as processing residuals thereby undermining public trust and confidence; and
- Negate any savings to municipalities realized through Ontario's Waste Free Ontario Act and transition of blue box responsibility to the producers of production and packaging.

These points further illustrate the concern related to "compostable", "bio-degradable", or "green" products and packaging that it is currently labelled "compostable where facilities exist" whether or not the material can actually be composted. Labels should be regulated such that claims can be substantiated against a recognized national standard. The City supports a designed specification for compostable products but the standard needs to accurately reflect organic waste processing facility conditions and processes.

Related to this point, the City of Guelph recently responded to a request for comments by the Bureau de normalisation du Québec (BNQ) regarding their draft BNQ D 0017-988-3 – Compostable Products – Certification Protocol. The City recommended to BNQ that for a material to be labelled as a compostable material it **must** demonstrate satisfactory decomposition or disintegration within 21 days in a compost facility, which represents the processing time in Guelph's state of the art, organics waste processing facility. Failure to meet this requirement, essentially leads to compost quality and residue issues described in detail earlier in this section. Further to this point, the City recommended to the BNQ that to be certified compostable a material should be subjected to an organic waste processing facility test, and not a controlled laboratory composting test. Lab conditions of a controlled composting test do not accurately reflect the conditions and processes of an organic waste processing facility.

Establishing performance standards.

While the City of Guelph is not responding directly to material and industry specific technical questions 5 through 10, as a general comment the ECCC is encouraged to

develop as stringent and enforceable recycled content requirements and standards as possible.

11. How could compliance with minimum recycled content requirements be verified? How can the Government and industry take advantage of innovative technologies or business practices to improve accuracy of verification while minimizing the administrative burden on companies?

In general, we encourage ECCC to require independent third-party verification and audit procedures to assure compliance.

12. Besides minimum recycled content requirements, what additional actions by the government could incentivize the use of recycled content in plastic products?

We encourage the federal government to work with Environmental Non-Governmental Organizations (ENGOS) on programs to recognize and promote recycled content and new products. As well, we encourage the federal government to provide funding for business start-ups and technologies that promote innovative uses, market development and procurement practices that favour recycled content, and develop and share recycled content standards for use in procurement processes.

Ensuring end-of-life responsibility

13. How can the Government of Canada best support provinces and territories in making their extended producer responsibility policies consistent, comprehensive, and transparent?

Staff and decision makers at the City of Guelph have closely followed and consulted on the matter of producer responsibility in Ontario, and at this time we have transitioned or are working through the transition of several programs, including tires, batteries, and electronics. Between 2023 and 2025 we expect to transition the blue box program to full producer responsibility. Guelph is looking forward to the transition. Like all municipalities, the City has advocated that it has little control over the design and use of the packages and products it is trying to manage and market. The need for municipal jurisdictions to find and meet commodity markets for materials they did not manufacture has been a challenge, and the ever shifting nature of the packaging and products entering the system leads to increasing financial operating and capital costs with increasing amounts of residue going to landfill. We fully support producers taking responsibility for the material they produce at their end of life.

We believe that the federal government has an opportunity not only to make the policies consistent, comprehensive and transparent, but in so doing make policies, most importantly, **effective**. Since the discussion paper is about both Extended Producer Responsibility (EPR) and potential plastic bans, our comments pertain to both.

A Canada-wide EPR policy would benefit municipalities and producers.

With respect to EPR policies, the City agrees fully that there is a need for consistency, comprehensiveness, and transparency. To be effective the City believes that all residents, wherever they are, should feel confident about what materials are subject to EPR policy and how and where to direct materials. We also think that EPR policies would have greater effect on producers, who we understand would like to see more consistency across the country. Certainly, from an administrative and operational point of view, a single framework as opposed to a myriad of programs, requirements and standards would make sense. These aspects should change as little as possible regardless of where in Canada one is located at the time. At the very least, federal intervention could help to promote standardization of programs and program delivery, meaningful material capture targets, and requirements that support diligent monitoring, market development, recycled content standards, and design-for-the-environment. Federal government actions could continue to push the agenda for a broader array of material categories subject to EPR, as envisioned by the Canadian Council of Ministers of the Environment (CCME) in the 2009 *Canada-Wide Action Plan for Extended Producer Responsibility (EPR)*, although we recognize that the point of EPR relative to this discussion paper is to capture plastics. In addition, we would encourage the ECCC to continue on the path of supporting the development of material targets with good science as opposed to a negotiated number between producers and provincial legislators, such that targets force producers to capture as much material as is considered technically possible.

Link EPR, plastic bans and restrictions with other progressive international movements.

With respect to both EPR and the proposed material bans, ECCC may wish to investigate the eventual possibility of closely linking action to other progressive jurisdictions. We accept that this is a long-term suggestion but consider it worth pursuing. The European Union, for instance, is a leader on both EPR and plastics bans and might provide the kind of synergies that would drive marketplace change. The patchwork of EPR programs in Canada, well-intentioned as they are, on their own have little or no impact on a global marketplace. They serve the purpose of assigning who pays for the management of material, but have not had much success in influencing improved packaging design for recyclability, or generating circular economy outcomes. Canada, at 37M population, is a minor player in a global market where some private interests have economies bigger than most countries. A coordinated approach with a jurisdiction such as the EU, with its population of 447M, might be a step towards impacting the marketplace. There are also some US states making inroads on both EPR and plastics bans.

Employ and promote other policy approaches, not just EPR.

Based on current activity in Ontario, EPR is being applied to residential waste programs. This limited scope does little to influence recovery from the IC&I sector, where recycling rates are known to be extremely low. The principal economic factor that works against recovery of plastic and other materials, and one that impacts private sector waste decisions, is cheap disposal. ECCC may wish to consider employing and/or promoting landfill surcharges, fees or bans to further influence material recovery, including measures to prevent cross-border movement of waste into jurisdictions where disposal costs are extremely low.

Target the material and not the sector.

Related to the previous point, sector-based EPR targets are complicated and are not necessarily uniformly applied among stakeholders. Ontario has a history of facility and/or sector based waste regulations. Consider making the material the target of EPR, as opposed to specific sectors.

Support community initiatives to eliminate plastic waste.

As previously noted, the City would suggest that the proposal to target plastic bottles solely through EPR alone is too narrow. Many of our plastics reduction activities target the reduction of, and promotion of alternatives to, single-use items. To this end the federal government could support the types of actions taken in Guelph and many other communities to encourage the reduced production of plastic bottle waste as the first priority, with effective capture as the next level of action. That said, Guelph is supportive of ECCC's promotion of a circular economy, and we are sure that ECCC is fully aware that items that are maintained and reused, such as reusable water bottles, receive a higher priority within the circular economy.

Consult with municipalities.

We note that the discussion paper, page 15, proposes that "Next steps for ECCC will include engagement with provincial and territorial governments, Indigenous Peoples and stakeholders on the design of the regulatory instruments and the approaches outlined in this discussion paper." We were pleased to see, on page 5, recognition of local governments as managers of waste and as jurisdictions impacted by litter. We ask that ECCC explicitly commit to consulting local governments since they, and businesses within their communities, will be impacted directly by the proposed bans and restrictions. Municipalities also have a great deal of experience with full or shared producer responsibility models and can advise on a host of issues, including the results of various producer responsibility models in Canada, and what it means to the effectiveness of the system. Also, municipalities will be required to make operational changes related to the bans (culture and recreation, parks, events, meetings, procurement), and may wish to explore with the federal government potential funding opportunities to support the transition.

As demonstrated by our comments, the issue of single-use plastics is important to our City. We are thankful to have had this opportunity to provide comment and hope you find our insight supportive of the federal government's mandate to act.

Sincerely,

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Hamilton, Ontario L8V 1G2

Sandy Shaw
M.P.P. Hamilton West-Ancaster-Dundas
177 King Street West
Dundas, ON L9H 1V3

Dear Premier Ford and Members of Provincial Parliament,

At its meeting of November 11, 2020, Hamilton City Council approved Item 8 of the General Issues Committee Report 20-018, which reads as follows:

9. Temporary Cap on Food Delivery Service Charges (Item 10.1)

WHEREAS, the restaurant industry plays a crucial role in the City's economy, as well as the livelihoods of residents, families and communities;

WHEREAS, the restaurant industry has been severely impacted throughout the COVID-19 pandemic, particularly due to substantially decreased indoor dining;

WHEREAS, restaurant owners have become increasingly dependent on delivery and take-out services for the viability of their businesses;

WHEREAS, restaurants are under pressure from high commission fees being charged by the major food delivery service apps;

WHEREAS, major cities throughout the United States have implemented temporary caps on the fees charged by food delivery service apps, as an option to assist the restaurant industry throughout the COVID-19 pandemic; and,

WHEREAS, the City of Hamilton does not have the authority to regulate food delivery service company fees or cap the fees that they charge;

THEREFORE, BE IT RESOLVED:

- (a) That the Mayor correspond with the Premier of Ontario, and local Members of Provincial Parliament to ask that the Province implement a temporary cap on commissions for food service delivery companies; and,
- (b) That a copy of that request be sent to other municipalities in Ontario and the Association of Municipalities of Ontario for their endorsement.

Therefore, the City of Hamilton respectfully requests your timely consideration to this matter.

Sincerely,

Fred Eisenberger
Mayor

Copied: Municipalities of Ontario
Association of Municipalities of Ontario

November 24, 2020

The Honourable Greg Rickford
Minister of Energy, Northern Development
& Mines and Minister of Indigenous Affairs
Whitney Block, Room 5630
5th Floor, 99 Wellesley St. W.
Toronto, ON M7A 1W1

Dear Minister Rickford:

At its meeting of November 11, 2020, Hamilton City Council approved Item 10 of the General Issues Committee Report 20-018, which reads as follows:

10. Request for an Interim Cap on Gas Plant and Greenhouse Gas Pollution and the Development and Implementation of a Plan to Phase-Out Gas-Fired Electricity Generation (Item 10.2)

WHEREAS, the Government of Ontario is planning to increase reliance on gas-fired electricity generation from Ontario's gas-fired power plants, which is anticipated to increase greenhouse gas (GHG) pollution by more than 300% by 2025 and by more than 400% by 2040;

WHEREAS, Canada's temperature is rising more than double the rate of the rest of the world (which is in alignment with climate models and projections impacting northern climates most significantly);

WHEREAS, the Province of Ontario will adversely impact more than a third of the greenhouse gas reductions it achieved by phasing-out its dirty coal-fired power plants, due to a power plan built around ramping up gas-fired generation to replace the output of the Pickering Nuclear Station (scheduled to close in 2024);

WHEREAS, alternative options are available to reversing short sighted cuts to energy efficiency programs and stop under-investing in this quick to deploy and low-cost resource, which include maximizing our energy efficiency efforts by paying up to the same price per kilowatt-hour (kWh) for energy efficiency measures as we are currently paying for power from nuclear plants (e.g., up to 9.5 cents per kWh);

WHEREAS, the Province of Ontario should continue to support renewable energy projects that have costs that are below what we are paying for nuclear power and work with communities to make the most of these economic opportunities;

WHEREAS, the Province of Ontario has alternative options to increasing gas-fired electricity generation, such as the Province of Quebec's offer to receive low-cost 24/7 power from its water powered reservoir system as a possible alternative;

WHEREAS, a fossil-free electricity system is critically important to Hamilton's efforts to reduce GHG emissions by replacing fossil fuel use with electric vehicles, electric buses, electric heat pumps, and other steps dependent on a fossil-free electricity supply; and,

WHEREAS, our staff have noted this problem in their report on Updated Timelines and SMART Corporate Goals and Areas of Focus for Climate Mitigation and Adaptation where they warn that "Unless the Province of Ontario changes direction on Ontario's fuel supply mix, it is expected natural gas, and therefore GHG emissions, may continue to increase as the nuclear facilities are refurbished and the Province of Ontario further supplements the electricity grid with natural gas inputs";

THEREFORE, BE IT RESOLVED:

- (a) That the City of Hamilton request the Government of Ontario to place an interim cap of 2.5 mega tonnes per year on our gas plant and greenhouse gas pollution and develop and implement a plan to phase-out all gas-fired electricity generation by 2030 to ensure that Ontario meets its climate targets; and,
- (b) That a copy of this resolution be sent to the Premier of Ontario, to the local MPP's, to the Region of Waterloo and local area municipalities.

Therefore, there City of Hamilton respectfully requests your consideration of this matter and looks forward to your response.

Sincerely,

Fred Eisenberger
Mayor

Copied: The Honourable Doug Ford, Premier of Ontario
Andrea Horwath, Opposition Party Leader, New Democratic Party of Ontario,
M.P.P Hamilton Centre
Monique Taylor, M.P.P. Hamilton Mountain
Paul Miller, M.P.P. Hamilton East-Stoney Creek
Donna Skelly, M.P.P. Flamborough-Glanbrook
Sandy Shaw, M.P.P. Hamilton West-Ancaster-Dundas
Region of Waterloo
Ontario Municipalities
Association of Municipalities of Ontario



Municipality of Southwest Middlesex

December 7, 2020

Please be advised that the Council of Southwest Middlesex passed the following resolution at its November 25, 2020 Council meeting:

Drainage Matters: CN Rail

Moved by Councillor McGill
Seconded by Councillor Vink

“WHEREAS municipalities are facilitators of the provincial process under the *Drainage Act* providing land owners to enter into agreements to construct or improve drains, and for the democratic procedure for the construction, improvement and maintenance of drainage works; and

WHEREAS municipal drain infrastructure and railway track infrastructure intersect in many areas in Ontario; and

WHEREAS coordination with national railways is required for the construction or improvement of drains that benefit or intersect with national railways; and

WHEREAS the national railways have historically participated in the process for construction, improvement and maintenance of drainage works; and

WHEREAS currently municipalities are experiencing a lack of coordination with national railways on drainage projects; and

WHEREAS the lack of coordination is resulting in projects being significantly delayed or cancelled within a year; and

WHEREAS municipal drains remove excess water to support public and private infrastructure and agricultural operations;

THEREFORE be it resolved that the Province of Ontario work with the Federal Minister of Transportation to address concerns regarding municipal drainage matters and need for coordination with the national railways; and

THAT Council circulate the resolution to the Provincial Ministers of Agriculture, Food, and Rural Affairs, and Municipal Affairs and Housing, and the Federal Minister of Transportation, the local MP and MPP, the Association of Municipalities of Ontario, and all municipalities.”

Municipality of Southwest Middlesex Resolution #2020-274

Carried

Sincerely,

A handwritten signature in cursive script that reads "Bellchamber-Glazier".

Jillene Bellchamber-Glazier
CAO-Clerk

Cc: The Honorable Marc Gardeau, Minister of Transport
The Honorable Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs
Monte McNaughton, MPP Lambton-Middlesex-London
Lianne Rood, MP Lambton-Kent-Middlesex
The Association of Municipalities of Ontario
All Ontario Municipalities



The Corporation of the Township of Georgian Bluffs

December 7, 2020

Ministry of Municipal Affairs and Housing
17th Floor, 777 Bay Street
Toronto, Ontario M7A 2J3

RE: Bill 218, Supporting Ontario's Recovery and Municipal Elections Act, 2020

At its meeting on November 25, 2020, Council of the Township of Georgian Bluffs passed resolution number RES2020-356:

Moved By: Deputy Mayor Sue Carleton
Seconded By: Councillor Grant Pringle

Whereas municipalities in Ontario are responsible for conducting fair and democratic elections of local representatives, and

Whereas the Province of Ontario, through Bill 218, Supporting Ontario's Recovery and Municipal Elections Act, 2020 is proposing changes to the *Municipal Elections Act, 1996*, to extend Nomination Day from the end of July to the second Friday in September, and

Whereas Bill 218 also proposes amendments to ranked ballot voting methods, and

Whereas the operation, finance and regulatory compliance of municipal elections are the sole responsibility of municipalities, and

Whereas local governments understand the needs of local voters, election officials and public officials, and

Whereas Bill 218 also proposes to eliminate ranked ballots

Now Therefore, the Council of the Township of Georgian Bluffs hereby opposes the proposed amendments to the *Municipal Elections Act, 1996*, as included in Bill 218, and

That a copy of this motion be forwarded to the Ministry of Municipal Affairs and Housing, Ministry of the Attorney General, Office of the Premier of Ontario, AMO, AMCTO and all Ontario Municipalities.



The Corporation of the
Township of Georgian Bluffs

Carried.

Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Drury".

Brittany Drury

Clerk

519 376 2729 x. 244

bdrury@georgianbluffs.ca

Cc Via Email:

Ministry of the Attorney General

Office of the Premier of Ontario

AMO

AMCTO

All Ontario Municipalities

Please see the resolution below that was passed by Orangeville Council last night.

Resolution 2020-426

Moved by Councillor Peters

Seconded by Mayor Brown

WHEREAS the Province has introduced Bill 229, Protect, Support and Recover from COVID 19 Act - Schedule 6 – Conservation Authorities Act;

AND WHEREAS the Legislation introduces several changes and new sections that could remove and/or significantly hinder conservation authorities' role in regulating development, permit appeal process and engaging in review and appeal of planning applications;

AND WHEREAS we rely on the watershed expertise provided by local conservation authorities to protect residents, property, and local natural resources on a watershed basis by regulating development and engaging in reviews of applications submitted under the Planning Act;

AND WHEREAS the changes allow the Minister to make decisions without conservation authority watershed data and expertise;

AND WHEREAS the Legislation suggests that the Minister will have the ability to establish standards and requirements for non-mandatory programs which are negotiated between the conservation authorities and municipalities to meet local watershed needs;

AND WHEREAS the budget that Orangeville spends on conservation authority work is a bargain for the services provided;

AND WHEREAS municipalities believe that the appointment of municipal representatives on conservation authority boards should be a municipal decision; and the Chair and Vice Chair of the conservation authority boards should be duly elected;

AND WHEREAS it has been the Town of Orangeville's experience with the Credit Valley Conservation Authority that having a chair or vice-chair serve for more than one year has produced experienced individuals;

AND WHEREAS the changes to the 'Duty of Members' contradicts the fiduciary duty of a conservation authority board member to represent the best interests of the conservation authority and its responsibility to the watershed;

AND WHEREAS conservation authorities have already been working with the Province, development sector and municipalities to streamline and speed up permitting and planning approvals through Conservation Ontario's Client Service and Streamlining Initiative;

AND WHEREAS municipalities value and rely on the natural habitats and water resources within conservation authority jurisdictions for the health and well-being of residents; municipalities value conservation authorities' work to prevent and manage the impacts of flooding and other natural hazards; and municipalities value conservation authorities' work to ensure safe drinking water;

THEREFORE, BE IT RESOLVED THAT: (i) the Province of Ontario repeal Section 6 of the Budget Measures Act (Bill 229), and (ii) that the Province continue to work with conservation authorities to find workable solutions to reduce red tape; AND

THAT this resolution be circulated to Premier Doug Ford, MPP Sylvia Jones, the Minister of the Environment, Conservation, and Parks Jeff Yurek, the Minister of Finance Rod Philips, all Conservation authorities throughout Credit Valley, and all Ontario Municipalities

Carried

Thanks,

Tracy Macdonald | Assistant Clerk | Corporate Services
Town of Orangeville | 87 Broadway | Orangeville ON L9W 1K1
519-941-0440 Ext. 2256 | Toll Free 1-866-941-0440 Ext. 2256
tmacdonald@orangeville.ca | www.orangeville.ca



Premier of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1
Premier@ontario.ca

SENT BY EMAIL

December 11, 2020

Re: Council Resolution – Bill 229

Further to the Meeting of Council on December 1, 2020 Council of the Corporation of the Municipality of Marmora and Lake passed the following motion:

MOTION2020DEC01-276

Moved by Deputy Mayor Mike Stevens
Seconded by Councillor Ron Derry

WHEREAS the Province has introduced Bill 229, Protect, Support and Recover from COVID 19 Act - Schedule 6 – Conservation Authorities Act.

WHEREAS the Legislation introduces a number of changes and new sections that could remove and/or significantly hinder the conservation authorities' role in regulating development, permit appeal process and engaging in review and appeal of planning applications.

WHEREAS we rely on the watershed expertise provided by local conservation authorities to protect residents, property and local natural resources on a watershed basis by regulating development and engaging in reviews of applications submitted under the Planning Act.

WHEREAS the changes allow the Minister to make decisions without CA watershed data and expertise.

WHEREAS the Legislation suggests that the Minister will have the ability to establish standards and requirements for non-mandatory programs which are negotiated between the conservation authorities and municipalities to meet local watershed needs.



WHEREAS municipalities believe that the appointment of municipal representatives on CA Boards should be a municipal decision; and the Chair and Vice-Chair of the CA Board should be duly elected.

WHEREAS the changes to the 'Duty of Members' contradicts the fiduciary duty of a CA board member to represent the best interests of the conservation authority and its responsibility to the watershed.

WHEREAS conservation authorities have already been working with the Province, development sector and municipalities to streamline and speed up permitting and planning approvals through Conservation Ontario's Client Service and Streamlining Initiative.

WHEREAS changes to the legislation will create more red tape and costs for the conservation authorities, and their municipal partners, and potentially result in delays in the development approval process.

AND WHEREAS municipalities value and rely on the natural habitats and water resources within our jurisdiction for the health and well-being of residents; municipalities value the conservation authorities' work to prevent and manage the impacts of flooding and other natural hazards; and municipalities value the conservation authority's work to ensure safe drinking water.

THEREFORE BE IT RESOLVED:

THAT the Province of Ontario repeal Schedule 6 of the Budget Measures Act (Bill 229).

THAT the Province continues to work with conservation authorities to find workable solutions to reduce red tape and create conditions for growth.

THAT the Province respects the current conservation authority/municipal relationships.

THAT the Province embrace their long-standing partnership with the conservation authorities and provide them with the tools and financial resources they need to effectively implement their watershed management role.

THAT Council supports the resolution of the Town of Mono passed on November 24, 2020, regarding Schedule 6 of Bill 229.

AND THAT Council supports the resolution of the City of Quinte West passed on November 16, 2020, regarding Schedule 6 of Bill 229.



FURTHER THAT this resolution is forwarded to the Premier of Ontario, the Minister of the Environment, Conservation and Parks, Minister of Natural Resources and Forestry, Minister of Municipal Affairs & Housing, Bay of Quinte MPP Todd Smith, AMO, Conservation Ontario, CVCA and Quinte Conservation.

Carried

I trust this is the information you require, however, should additional information or clarification be required do not hesitate to contact me at your convenience.

Sincerely,

Jennifer Bennett,
Deputy Clerk
613-472-2629 ext. 2232
jbennett@marmoraandlake.ca

cc: The Honourable Doug Ford
Todd Smith, MPP Prince Edward-Hastings
Minister of the Environment, Conservation and Parks
Minister of Natural Resources and Forestry
Minister of Municipal Affairs & Housing
Conservation Ontario
Crowe Valley Conservation Authority
Quinte Conservation
Association of Municipalities of Ontario
All Municipalities within the Province of Ontario



Committee of Adjustment Minutes

**Thursday, October 29, 2020, 4:00 p.m.
Remote meeting live streamed on guelph.ca/live**

Members Present	K. Ash, Chair S. Dykstra L. Janis K. Meads J. Smith
Members Absent	D. Kendrick, Vice Chair D. Gundrum
Staff Present	B. Bond, Zoning Inspector J. da Silva, Council and Committee Assistant S. Daniel, Engineering Technologist T. Di Lullo, Secretary-Treasurer D. Tremblay, Council and Committee Coordinator M. Witmer, Planner

Call to Order

Chair Ash called the meeting to order. (4:00 p.m.)

Opening Remarks

Chair K. Ash explained the hearing procedures and Secretary-Treasurer T. Di Lullo conducted attendance by roll call and confirmed quorum.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Approval of Minutes

Moved by L. Janis

Seconded by K. Meads

That the minutes from the October 8, 2020 Regular Hearing of the Committee of Adjustment, be approved as circulated.

Carried

Current Applications

A-43/20 1886 Gordon Street

Owner: Tricar Properties Ltd.

Agent: Astrid Clos, Astrid J. Clos Planning

Location: 1886 Gordon Street

In Attendance: A. Clos, A. Carapella

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. A. Clos, agent, responded that the sign was posted and comments were received. She also explained the purpose of the application and outlined the need for the variance.

A. Carapella, representative for the owner, had no additional comments regarding this application.

After a brief break to allow members of the public to express interest in speaking to the application, no members of the public spoke via electronic participation.

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by S. Dykstra

Seconded by L. Janis

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, a variance from the requirements of Section 5.4.3.2.20.1 of Zoning By-law (1995)-14864, as amended, for 1886 Gordon Street, to permit a recreation centre (fitness centre) as an additional permitted use within the building

labelled as "Building 5", when the By-law permits a variety of uses in the R.4B-20 zone, but does not permit a recreation centre, be **approved**, subject to the following conditions:

1. That the Owner demonstrate to the satisfaction of the General Manager of Planning and Building Services where on the subject lands a total of 39 off-street parking spaces for Building 5 will be accommodated, prior to the issuance of any building permits for a recreation centre.
2. That the Owner show where a total of 39 off-street parking spaces will be permanently accommodated on Site Plan SP20-015, prior to the issuance of site plan approval.
3. That a recreation centre be limited to a total of 201 square metres in gross floor area in Building 5 (municipally known as 1886 Gordon Street) and as generally shown on the 'Floor Sketch' accompanying minor variance application A-43/20.

Reasons:

This application is approved, as it is the opinion of the Committee that, with the above noted conditions of approval, this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

Staff Announcements

There were no announcements.

Adjournment

Moved by K. Meads

Seconded by S. Dykstra

That this hearing of the Committee of Adjustment be adjourned. (4:22 p.m.)

Carried

K. Ash, Chair

T. Di Lullo, Secretary-Treasurer



Committee of Adjustment Minutes

**Thursday, November 12, 2020, 4:00 p.m.
Remote meeting live streamed on guelph.ca/live**

Members Present K. Ash, Chair
 D. Kendrick, Vice Chair
 S. Dykstra
 D. Gundrum
 L. Janis
 K. Meads
 J. Smith

Staff Present B. Bond, Zoning Inspector
 J. da Silva, Council and Committee Assistant
 S. Daniel, Engineering Technologist
 T. Di Lullo, Secretary-Treasurer
 D. McMahon, Deputy City Clerk
 K. Patzer, Planner
 L. Sulatycki, Planner

Call to Order

Chair K. Ash called the meeting to order. (4:01 p.m.)

Opening Remarks

Chair K. Ash explained the hearing procedures and Secretary-Treasurer T. Di Lullo conducted attendance by roll call and confirmed quorum.

Member L. Janis joined the remote hearing. (4:03 p.m.)

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Requests for Withdrawal or Deferral

There were no requests.

Current Applications

A-22/20 455 Watson Parkway North

Owner: 2431901 Ontario Inc.

Agent: Joe Lakatos, A. J. Lakatos Planning Consultants

Location: 455 Watson Park North

In Attendance: J. Lakatos, M. Wildeboer

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. J. Lakatos, agent, responded that the sign was posted and comments were received. He indicated that concerns from nearby residents have been addressed through the site plan process.

After a brief break to allow members of the public to express interest in speaking to the application, a member of the public spoke via electronic participation.

M. Wildeboer, resident on Severn Drive, expressed concerns regarding the noise that the proposed development could create and the proximity of a propane refilling station abutting residential dwellings.

Member S. Dykstra requested that a condition be added limiting the size of the outdoor patio to conform with the public notice sketch.

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by S. Dykstra

Seconded by K. Meads

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, variances from the requirements of Sections 4.13.4.1, 4.13.4.2 and 4.17.2.1 of Zoning By-law (1995)-14864, as amended, for 455 Watson Parkway North, to permit:

- a. a minimum of 79 parking spaces for the proposed vehicle gas bar, convenience store, automatic carwash, retail establishment, and restaurant uses, when the By-law requires that 1 parking space per

16.5 square metres of gross floor area for a service commercial mall (convenience store, retail establishment, and vehicle gas bar) and 1 parking space per 7.5 square metres of gross floor area for a restaurant [total of 82 parking spaces required for the convenience store, retail establishment, vehicle gas bar and restaurant];

- b. a minimum of 10 waiting spaces for the proposed single bay automatic carwash, when the By-law requires that 5 parking spaces plus 15 waiting spaces per bay for an automatic car wash,
- c. an outdoor patio associated with a restaurant on a property where two lot lines adjoin lands in a residential zone, when the By-law requires that that no outdoor patio shall be permitted where more than 1 lot line adjoins lands which are in a residential zone.

be **approved**, subject to the following condition:

1. That the size of the outdoor patio be generally in accordance with the public notice sketch.

Reasons:

This application is approved as it is the opinion of the Committee that, with the above noted condition of approval, this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-46/20 9 Queensdale Crescent

Owner: Christie Huggins, John Emslie, Dorothy Bakker and Danny Lui

Agent: Don Huggins

Location: 9 Queensdale Crescent

In Attendance: D. Huggins

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. D. Huggins, agent, responded that the sign was posted and comments were received.

After a brief break to allow members of the public to express interest in speaking to the application, no members of the public spoke via electronic participation.

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by J. Smith

Seconded by L. Janis

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, a variance from the requirements of Section 4.15.1.5 of Zoning By-law (1995)-14864, as amended, for 9 Queensdale Crescent, to permit an accessory apartment size of 89.5 square metres, or 43.7 percent of the total floor area of the existing detached dwelling, when the By-law requires that an accessory apartment shall not exceed 45 percent of the total floor area of the building and shall not exceed a maximum of 80 square metres in floor area, whichever is lesser, be **approved**.

Reasons:

This application is approved, as it is the opinion of the Committee that this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-48/20 327 Woodlawn Road West

Owner: 2437637 Ontario Inc.

Agent: Wajid Mansuri, Gama Engineering Inc.

Location: 327 Woodlawn Road West

In Attendance: W. Mansuri, J. Alie

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. W. Mansuri, agent, responded that the sign was posted and comments were received.

J. Alie, owner of the property, indicated the general intent and purpose of the application.

After a brief break to allow members of the public to express interest in speaking to the application, no members of the public spoke via electronic participation.

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by D. Kendrick

Seconded by S. Dykstra

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, variances from the requirements of Sections 4.17.2.6 and 4.20.3 of Zoning By-law (1995)-14864, as amended, for 327 Woodlawn Road West, to permit:

- a. an outdoor patio of up to 60 square metres to be located outside the building envelope [3 metre setback from the front lot line along Regal Road], when the By-law requires that where permitted, outdoor patios shall be permitted within the building envelope of the development on the site; and
- b. a fence with a maximum height of 1.42 metres in the front yard for the proposed outdoor patio, when the By-law requires that a fence located in a front yard, side yard or exterior side yard shall not be within 4 metres of a street line unless the height of such fence is less than 0.8 metres,

be **approved**, subject to the following condition:

1. That the outdoor patio be located within the general area shown on the Public Notice sketch.

Reasons:

This application is approved, as it is the opinion of the Committee that, with the above noted condition of approval, this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-49/20 22 Washburn Drive

Owner: Gino and Laura Busato

Agent: Shawn Sawatzky, Tropical Sunrooms Inc.

Location: 22 Washburn Drive

In Attendance: S. Sawatzky

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. S. Sawatzky, agent, responded that the sign was posted and comments were received.

After a brief break to allow members of the public to express interest in speaking to the application, no members of the public spoke via electronic participation.

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by D. Gundrum

Seconded by J. Smith

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, a variance from the requirements of Table 5.1.2 Row 8 of Zoning By-law (1995)-14864, as amended, for 22 Washburn Drive, to permit a minimum rear yard setback of 5.7 metres for the proposed one-storey addition to the rear of the existing detached dwelling, when the By-law requires a minimum rear yard setback of 7.5 metres or 20 percent of the lot depth [being 6.76 metres], whichever is less, be **approved**, subject to the following condition:

1. That the permitted rear yard setback of 5.7 metres apply only to the proposed sunroom as shown on the Public Notice sketch.

Reasons:

This application is approved, as it is the opinion of the Committee that, with the above noted condition of approval, this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

B-14/20 and A-51/20 151 Cityview Drive North

Owner: Besnik Prebreza and Alend Azad Salim

Agent: Jeff Buisman, Van Harten Surveying Inc.

Location: 151 Cityview Drive North

In Attendance: J. Buisman, S. Osmond

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. J. Buisman, agent, responded that the sign was posted and comments were received. He explained the purpose of the application.

S. Osmond, resident on Cityview Drive North, expressed concerns with regards to the reduction of lot area, depreciation of property value, and the impact on water supply and quality due to the proposed development.

After a brief break to allow members of the public to express interest in speaking to the application, no other members of the public spoke via electronic participation.

B-14/20 151 Cityview Drive North

Having had regard to the matters under Section 51(24) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended, and having considered whether a plan of subdivision of the land in accordance with Section 51 of the said Act is necessary for the proper and orderly development of the land,

Moved by D. Kendrick

Seconded by D. Gundrum

That in the matter of an application under Section 53(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, consent for severance of Lot 19, Registered Plan 462, currently known as 151 Cityview Drive North, a parcel with frontage along Cityview Drive North of 10.8 metres and an area of 681 square metres, substantially in accordance with a sketch prepared by Van Harten Surveying Inc. dated October 21, 2020, project number 28707-20, be **approved**, subject to the following conditions:

1. That a plan shall be submitted to, and approved by the General Manager of Planning and Building Services, prior to the issuance of a building permit for the new dwellings on the "severed" and "retained" parcels indicating the location and design of the new dwellings.
2. That prior to the issuance of a building permit, elevation and design drawings for the new dwellings on the "severed" and "retained" parcels shall be submitted to, and approved by the General Manager of Planning and Building Services.
3. That prior to the issuance of the Certificate of Official, the Owner shall enter into an agreement with the City, registered on title, agreeing to satisfy the above and below noted conditions and to develop the site in accordance with the approved plans.
4. That prior to the issuance of the Certificate of Official, the Owner shall have a Professional Engineer design a stormwater management brief for the proposed development, satisfactory to the General Manager/City Engineer.
5. That prior to any construction or grading on the lands, the Owner shall construct, install and maintain erosion and sediment control facilities, satisfactory to the General Manager/City Engineer, in accordance with a plan that has been submitted to and approved by the General Manager/City Engineer.
6. That prior to the issuance of the Certificate of Official, the Owner shall have a Professional Engineer design a grading/drainage and servicing plan for the site, satisfactory to the General Manager/City Engineer.
7. That the Owner shall pay to the City the actual cost of the construction of the new driveways including the required curb cut and/or fill and furthermore, prior to issuance of building permit or prior to any construction or grading on the lands, the Owner shall pay the City the estimated cost for constructing the new driveways

including the required curb cut and/or fill, as determined by the General Manager/City Engineer.

8. That the Owner shall pay the City the actual cost of constructing, installing or removal of any service laterals required and furthermore, prior to issuance of building permit or prior to any construction or grading on the lands, the Owner shall pay the City the estimated cost of constructing, installing or removal of any service laterals, as determined by the General Manager/City Engineer.
9. That the Owner will ensure that all domestic wells, boreholes and monitoring wells installed for hydrogeological or geotechnical investigations are properly decommissioned in accordance with current Ministry of the Environment regulations (O. Reg. 903 as amended) and to the satisfaction of the General Manager/City Engineer, prior to any construction or grading on the lands.
10. That the Owner constructs the new buildings at such an elevation that the lowest level of the new buildings can be serviced with a gravity connection to the sanitary sewer.
11. That the Owner acknowledges that the City does not allow retaining walls higher than 1.0-metre abutting existing residential properties without the permission of the General Manager/City Engineer.
12. That the Owner makes satisfactory arrangements with Union Gas for the servicing of the lands, as well as provisions for any easements and/or rights-of-way for their plants, prior to the issuance of any building permits.
13. That the Owner shall ensure that all telephone service and cable TV service on the lands shall be underground. The Owner shall enter into a servicing agreement with the appropriate service providers for the installation of underground utility services, prior to the issuance of any building permits.
14. That prior to the issuance of a building permit, the applicant makes satisfactory arrangements with the ICI and Layouts Department at Alectra Utilities for the underground servicing of the two newly created lots. A servicing agreement and design prepayment will be required between Alectra Utilities and the applicant prior to any design work commencing. The servicing costs would be at the applicant's expense.

15. That minor variance application A-51/20 is approved at the same time as the consent application, and become final and binding.
16. That all required fees and charges in respect of the registration of all documents required in respect of this approval and administration fee be paid, prior to the issuance of the Certificate of Official.
17. That the Secretary-Treasurer of the Committee of Adjustment be provided with a written undertaking from the applicant's solicitor, prior to the issuance of the Certificate of Official, that he/she will provide a copy of the registered instrument as registered in the Land Registry Office within two years of issuance of the Certificate of Official, or prior to the issuance of a building permit (if applicable), whichever occurs first.
18. That prior to the issuance of the Certificate of Official, a Reference Plan be prepared, deposited and filed with the Secretary-Treasurer which shall indicate the boundaries of the severed parcel, any easements/rights-of-way and building locations. The submission must also include a digital copy of the deposited Reference Plan (version ACAD 2010) which can be forwarded by email (cofa@guelph.ca).
19. That upon fulfilling and complying with all of the above-noted conditions, the documents to finalize and register the transaction be presented to the Secretary-Treasurer of the Committee of Adjustment along with the administration fee required for the issuance of the Certificate of Official.

Reasons:

This application is approved, as it is the opinion of the Committee that, with the above noted conditions of approval, this application meets the criteria of section 51(24) of the Planning Act to which all consent applications must adhere.

Any and all written submissions relating to this application that were made to the Committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-51/20 151 Cityview Drive North

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by D. Kendrick

Seconded by D. Gundrum

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, a variance from the requirements of Table 5.1.2 Row 4 of Zoning By-law (1995)-14864, as amended, for 151 Cityview Drive North, to permit a minimum lot frontage of 10.8 metres for the severed parcel, when the By-law requires a minimum lot frontage of 12 metres, be **approved**, subject to the following condition:

1. That consent application B-14/20 receives final certification of the Secretary-Treasurer and be registered on title.

Reasons:

This application is approved, as it is the opinion of the Committee that, with the above noted condition of approval, this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

B-15/20, A-52/20 and A-53/20 25 Heather Avenue

Owner: Cynthia Van Hellemond and Mae Abdalla

Agent: Jeff Buisman, Van Harten Surveying Inc.

Location: 25 Heather Avenue

In Attendance: J. Buisman, G. Worton, V. Gal

Secretary-Treasurer T. Di Lullo noted that correspondence was received after the comment deadline from J. Buisman, agent, and V. and I. Gal, resident on Heather

Avenue, with concerns about the application. A copy of this correspondence was circulated to staff, committee members and the applicant.

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. J. Buisman, agent, responded that the sign was posted and comments were received. He explained the purpose of the application and the need for the related minor variances.

G. Worton, prospective purchaser of the proposed severed lot, spoke in support of the application and indicated the benefits of the proposed development.

V. Gal, resident on Heather Avenue, expressed that variances requested are not minor and indicated concerns with the proposed lot area of the proposed severed lot.

B-15/20 25 Heather Avenue

Having had regard to the matters under Section 51(24) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended, and having considered whether a plan of subdivision of the land in accordance with Section 51 of the said Act is necessary for the proper and orderly development of the land,

Moved by J. Smith

Seconded by L. Janis

That in the matter of an application under Section 53(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, consent for severance of Lot 4, Registered Plan 481, currently known as 25 Heather Avenue, a parcel with frontage along Floral Drive of 15.3 metres, a depth of 25.9 metres, and an area of 396 square metres, substantially in accordance with a sketch prepared by Van Harten Surveying Inc. dated October 22, 2020, project number 28502-20, be **refused**.

Reasons:

This consent application is refused, as it is the opinion of the Committee that this application does not meet the criteria under section 51(24) of the Planning Act to which all consent applications must adhere, specifically being that the application does not meet the consent policies as set out in the Official Plan, as outlined in the staff comments document.

Any and all written submissions relating to this application that were made to the Committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-52/20 25 Heather Avenue

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by J. Smith

Seconded by L. Janis

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, a variance from the requirements of Table 5.1.2 Row 3 of Zoning By-law (1995)-14864, as amended, for 25 Heather Avenue (proposed severed parcel), to permit a minimum lot area of 396 square metres, when the By-law requires a minimum lot area of 460 square metres in the Residential Single Detached (R.1B) Zone, be **refused**.

Reasons:

This minor variance application is refused, as it is the opinion of the Committee that this application does not meet all four tests under Section 45(1) of the Planning Act, specifically being that the requested variance does not conform to the general intent and purpose of the Official Plan, does not meet the general intent and purpose of the Zoning By-law, is not considered to be desirable for the appropriate development of the land, and is not considered to be minor in nature, as outlined in the staff comments document.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-53/20 25 Heather Avenue

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained,

and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by J. Smith

Seconded by L. Janis

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, variances from the requirements of Table 5.1.2 Row 8 and Section 4.13.2.1 of Zoning By-law (1995)-14864, as amended, for 25 Heather Avenue (proposed retained parcel), to permit:

- a. a minimum rear yard setback of 2.7 metres, when the By-law requires that a minimum rear yard setback of 7.5 metres or 20 percent of the lot depth [being 5.2 metres], whichever is less; and
- b. the required parking space to be located a minimum distance of 1.8 metres from the street line and to the front of the front wall of the dwelling, when the By-law requires that in a R.1, R.2 and R.3B zone, every required parking space shall be located a minimum distance of 6 metres from the street line and to the rear of the front wall of the main building,

be **refused**.

Reasons:

This minor variance application is refused, as it is the opinion of the Committee that this application does not meet all four tests under Section 45(1) of the Planning Act, specifically being that the requested variances do not conform to the general intent and purpose of the Official Plan, do not meet the general intent and purpose of the Zoning By-law, are not considered to be desirable for the appropriate development of the land, and are not considered to be minor in nature, as outlined in the staff comments document

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

A-55/20 64 Bishop Court

Owner: Stephen and Tina Gill

Agent: N/A

Location: 64 Bishop Court

In Attendance: S. Gill

Chair K. Ash questioned if the sign had been posted in accordance with Planning Act requirements and if the staff comments were received. S. Gill, owner, responded that the sign was posted and comments were received.

After a brief break to allow members of the public to express interest in speaking to the application, no members of the public spoke via electronic participation.

Having considered whether or not the variance(s) requested are minor and desirable for the appropriate development and use of the land and that the general intent and purpose of the Zoning By-law and the Official Plan will be maintained, and that this application has met the requirements of Section 45(1) of the Planning Act, R.S.O. 1990, Chapter P.13 as amended,

Moved by J. Smith

Seconded by D. Kendrick

That in the matter of an application under Section 45(1) of the Planning Act, R.S.O. 1990, c.P13, as amended, a variance from the requirements of Section 4.5.5.3 of Zoning By-law (1995)-14864, as amended, for 64 Bishop Court, to permit a the existing above-ground pool with the existing associated deck to be setback a minimum of 0.0 metres from the rear lot line, when the By-law requires that every swimming pool or hot tub shall be located a minimum of 1.5 metres from any lot line; and any decking associated with the pool that is above 0.6 metres from finished grade, shall be located a minimum 1.5 metres from a lot line, be **approved**, subject to the following conditions:

1. That the owner(s) shall enter into, or amend any existing, encroachment agreement(s) in accordance with City Lands Encroachments By-law (2009)-18799, as may be amended from time to time, or any successor By-law(s) thereto, at the discretion of the City and to the satisfaction of the City Solicitor, for any and all actual or proposed encroachments within the City's right of way.
2. That the variance applies for a maximum time period of 10 years.

Reasons:

This application is approved, as it is the opinion of the Committee that, with the above noted conditions of approval, this application meets all four tests under Section 45(1) of the Planning Act.

Any and all written submissions relating to this application that were made to the committee of Adjustment before its decision and any and all oral submissions related to this application that were made at a public hearing, held under the Planning Act, have been, on balance, taken into consideration by the Committee of Adjustment as part of its deliberations and final decision on this matter.

Carried

Requests

Deferral Fee Refund Request for File A-22/20 (455 Watson Parkway North)

Secretary-Treasurer, T. Di Lullo, noted that a request was received from the agent of 455 Watson Parkway North for file A-22/20 to refund the deferral fee.

Moved by D. Kendrick

Seconded by J. Smith

That the request to refund the deferral fee (\$297.00) for minor variance file A-22/20 (455 Watson Parkway North) be **refused**.

Carried

Staff Announcements

There were no announcements.

Adjournment

Moved by L. Janis

Seconded by S. Dykstra

That this hearing of the Committee of Adjustment be adjourned. (6:38 p.m.)

Carried

K. Ash, Chair

T. Di Lullo, Secretary-Treasurer