

# Committee of the Whole Meeting Agenda

Tuesday, March 7, 2023, 1:00 p.m.

Council Chambers

Guelph City Hall, 1 Carden Street

Changes to the original agenda are noted with an asterisk "\*".

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## Pages

### 1. Call to Order - Mayor

#### 1.1 Disclosure of Pecuniary Interest and General Nature Thereof

### 2. Authority to move into closed meeting

#### **Recommendation:**

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

#### 2.1 Call to Order (closed meeting)

#### 2.2 Disclosure of Pecuniary Interest and General Nature Thereof (closed items)

#### 2.3 Corporate Cyber Security Briefing, 2023-74

Section 239(2) (a) of the Municipal Act relating to the security of the property of the Municipality or Local Board.

#### 2.4 70 Fountain Street East – Ontario Land Tribunal Direction Follow-up

Section 239 (2) (f) of the Municipal Act relating to advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

### **3. Open Meeting - 2:00 p.m.**

#### **3.1 Closed Meeting Summary**

### **4. Staff Recognitions**

#### **4.1 Retirement of Fire Chief**

Retirement of Fire Chief Dave Elloway

#### **4.2 Diploma in Municipal Administration, with Honours**

Liz McGee, Clerical Assistant

#### **4.3 2022 Lean Green Belt Graduates**

Brendan Macmullin, Community Emergency Management Coordinator

Dave Martin, Lead Hand, Materials Recovery Facility

Heather Macpherson, Customer Service Coordinator

Lee Merner, Program Manager, Parks Business Services

Mathew Newman, Manager, Business Services

Prasoon Adhikari, Supervisor, Environmental Engineering

Stacey Hare, Program Manager, Customer Service and Customer Experience

#### **4.4 Masters of Arts in Leadership from Royal Roads University**

Shanna O'Dwyer, Manager, Financial Reporting and Accounting

### **5. Service Area - Corporate Services**

Chair - Councillor Caron

### **6. Consent Agenda - Corporate Services**

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

#### **6.1 2022 Municipal and School Board Election Report, 2023-57**

1

##### **Recommendation:**

1. That the report number 2023-57, titled 2022 Municipal and School Board Election Report, be received.

### **7. Items for Discussion - Corporate Services**

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

**7.1 2023 Property Tax Policy, 2023-89**

46

**Presentation:**

James Krauter, Manager, Revenue and Taxation/Deputy Treasurer

**Recommendation:**

1. That the 2023 City of Guelph property tax ratios and corresponding tax rates, as set out in Attachment-2 to the report 2023-89 titled 2023 Property Tax Policy dated March 7, 2023, be approved.

**7.2 Revenue Budgeting Policy, 2023-84**

110

**Presentation:**

Karen Newland, Manager, Client Services and Budget

**Recommendation:**

1. That the Revenue Budgeting Policy attached to Report 2023-84 – Revenue Budgeting Policy, be approved.

**8. Service Area Chair and Staff Announcements**

**9. Service Area - Public Services**

Chair - Councillor Downer

**10. Consent Agenda - Public Services**

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

**10.1 Transit Advisory Committee – Terms of Reference, 2023-40**

136

**Recommendation:**

1. That the Terms of Reference for the Transit Advisory Committee dated January 19, 2023 be approved.

**11. Items for Discussion - Public Services**

The following items have been extracted from Consent Agenda and will be considered separately. These items have been extracted either

at the request of a member of Council or because they include a presentation and/or delegations.

**11.1 One Canopy Tree Planting Strategy, 2023-61** 142

**Presentation:**

Gene Matthews, General Manager, Parks  
Timea Filer, Urban Forest Field Technologist

**Recommendation:**

1. That the One Canopy Tree Planting Strategy (TPS) dated January 2023, included as Attachment-1 to this report, and the proposed actions and recommendations noted within the plan be approved.
2. That the funding requirements for the One Canopy Tree Planting Strategy be considered in future operating and capital budgets in order to implement the recommendations of the strategy.

**11.2 Business Licensing – Short-Term Rental Accommodations, 2023-70** 250

**Presentation:**

Scott Green, Manager, Corporate and Community Safety

**Recommendation:**

1. That staff be directed to create a new schedule under the City's Business Licensing By-law (2009)-18855 to regulate the licensing of short-term rental accommodations that incorporates the recommendations contained within this report.

**12. Service Area Chair and Staff Announcements**

**13. Service Area - Audit**

Chair - Councillor Allt

**14. Items for Discussion - Audit**

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

**14.1 Internal Audit Work Plan 2023 – 2025, 2023-60** 339

**Presentation**

Robert Jelacic, General Manager, Internal Audit

**Recommendation:**

1. That report titled 'Internal Audit Work Plan 2023- 2025' dated March 7, 2023 be approved.

**15. Service Area Chair and Staff Announcements**

**16. Service Area - Infrastructure, Development and Enterprise Services**

Chair - Councillor O'Rourke

**17. Items for Discussion - Infrastructure, Development and Enterprise Services**

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

**17.1 Implementation Strategy Report: South End Community Centre, 2023-64**

368

**Presentation:**

Antti Vilkkö, General Manager, Facilities and Energy Management

Ian Scott, Manager, Facility Design and Construction

**Recommendation:**

1. That the construction of the South End Community Centre be approved for a project cost of \$115.5 million, with the project scope as approved under the October 7, 2020 report.
2. That additional budget of \$35.5 million be approved for project RF0092 South End Community Centre Construction, funded \$33,725,000 from Parks and Recreation Development Charge Reserve Fund (#319) and \$1,775,000 from tax supported debt funded from the Infrastructure Renewal Reserve Fund (#150).

**18. Service Area Chair and Staff Announcements**

**19. Adjournment**

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, March 7, 2023
Subject	<b>2022 municipal and school board election report</b>

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## Recommendation

1. That the report number 2023-57, titled 2022 Municipal and School Board Election Report, be received.
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## Executive Summary

### Purpose of Report

To provide Council with an overview of the administration and delivery of the 2022 municipal and school board election, as well as, identify opportunities ahead of the next regular municipal election in 2026.

### Key Findings

The 2022 municipal and school board election was held on October 24, 2022. The City Clerk is responsible for election administration, including establishing voting places, establishing policies and procedures, as well as, hiring and training election workers under the authority of the Municipal Elections Act, 1996 (MEA).

The 2022 election was a success. Official results were declared on October 25, 2022 with all offices filled.

A summary of election activities and considerations for future are outlined in the report below along with upcoming Council reporting timelines ahead of 2026.

### Strategic Plan Alignment

This report aligns with the Strategic Plan priority of Working Together for our Future. Sharing lessons learned and opportunities ahead of 2026 will improve how the City communicates and delivers services to residents. The delivery of successful, fair, secure and accountable elections also upholds the City's corporate values of service and integrity.

### Financial Implications

The 2022 municipal and school board election was funded by the election reserve which currently receives an annual contribution of \$151,000 for a total of \$604,000 every four years. With surpluses from previous elections, the City Clerk's Office had \$775,000 to manage the 2022 municipal election which came in at a total cost of \$725,000. Future budget considerations will be raised through the 2024-2027 multi-year budget process.

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## Report

The City of Guelph 2022 municipal and school board election was held on October 24, 2022 to elect one mayor, 12 city councillors and 11 school board trustees.

The election was administered in accordance with the requirements of the MEA and relevant City by-laws and policies. The principles of the MEA guide the work of the City Clerk's Office when conducting the election. These principles state that:

- the secrecy and confidentiality of the voting process is paramount
- the election shall be fair and non-biased
- the election shall be accessible to the voters
- the integrity of the voting process shall be maintained throughout the election
- there is to be certainty that the results of the election reflect the votes cast
- voters and candidates shall be treated fairly and consistently
- the proper majority vote governs by ensuring that valid votes be counted and invalid votes be rejected so far as reasonably possible

This report is broken down into a number of sections to provide key highlights with metrics and outline considerations for future elections.

### Early planning

The City's election team began planning for the 2022 municipal and school board election in early 2020 with a focus on voting methods and engagement for a ranked ballot voting consideration.

However, several unanticipated amendments to the MEA, including [Bill 218](#), Supporting Ontario's Recovery and Municipal Elections Act, 2020, brought forward legislative updates. These ranged from minor changes in dates and timelines to the removal of the option for ranked ballot elections at the municipal level.

### Nominations and registrations

The MEA establishes timelines and qualifications for candidates interested in running for office. The nomination period was open from May 2 to August 19, 2022 at 2:00 p.m. 72 nominations were filed for offices of Mayor, Councillor or School Board Trustee.

Nominations for City Council, the Upper Grand District School Board and the Wellington Catholic District School Board were filed with the City Clerk's Office. Nominations for Conseil scolaire Viamonde were filed with the City of London and nominations for Conseil scolaire catholique MonAvenir were filed with the City of Brampton as the returning offices for those boards. Two nominations were withdrawn by candidates within the legislated timeline. All remaining nominations were certified. The [Association of Municipalities Ontario \(AMO\)](#) has identified a trend of declining number of candidates in the last two regular elections. In Guelph, the number of filings have remained consistent with a minor increase, with 67 nominations filed in 2014, 65 in 2018 and 72 in 2022.

The third party advertising framework was in place for the second time in 2022. The MEA also sets out criteria for who qualifies as a third party advertiser, the requirement to register with the municipality and the campaign period in which advertising can take place. Registrations could be filed by eligible third party advertisers from May 2 to October 21, 2022. Zero third party advertiser

registrations were filed for the 2022 municipal election, in comparison to the two that registered in 2018.

## **Voters' list**

An accurate voters' list is essential to the integrity of the election. In order to vote in the municipal election, a person must be a Canadian citizen, 18 years of age as of Election Day and must be either:

- a resident of Guelph; or
- an owner or tenant of property in Guelph; or
- the spouse of an owner or tenant of property in Guelph.

The municipal voters' list is currently the responsibility of the Municipal Property Assessment Corporation (MPAC) and the City Clerk. MPAC is legislatively responsible, under the [Assessment Act](#), for the initial enumeration and collection of voter information. This information is derived from MPAC's database of municipal property owners, as well as, information added to the voters' list in previous municipal and school board elections.

Eligible voters are able to add and update their information before voting in three different ways. The first is using MPAC's [voterlookup.ca](https://voterlookup.ca) online tool before the Preliminary List of Electors (PLE) is delivered to the City Clerk's Office in August in the year of the election. The second is by completing a paper or digital Application to Amend Form available through the City's election website or at the ServiceGuelph counter starting in early September. The third and final way is to make additions or updates at a voting location.

Despite ongoing efforts to increase the accuracy of voters' list data, the quality and accuracy of voter information from MPAC remains one of the most foundational challenges in administering the election. MPAC derives its information primarily from property ownership information. While this captures many eligible voters, the integrity and accuracy of information is lacking when it comes to capturing tenant information, capturing recent moves or property developments, and for institutional enumeration. For example, almost half of the final 2022 voters' list is made up of tenants and boarders with just over 45,000 compared to 58,500 property owners. This significantly impacts the quality and accuracy of the list for the City of Guelph. The quality of data provided can also be inconsistent. For example, ward boundary updates were not corrected for 65 addresses and birthdate information is incomplete or blank for over 1,700 voters due to entry errors before the City received the PLE. In total, 17,302 additions or corrections were made by the City to voter or property information leading up to or following the election in 2022.

Throughout 2022, staff were involved with the Elections Ontario (EO) Voters' List Working Group to provide feedback and plan the transition to using the EO list in 2026. More details on this future transition and its impacts has been included in the [Looking forward to 2026](#) section of this report.

## **Staffing**

### **Internal staffing and capacity**

The scope and scale of election services provided in 2022 was significantly beyond the current staffing resources and capacity.

At present, there are no full-time positions dedicated solely to election preparation or delivery at the City. The City Clerk's Office is a highly legislated and compliance driven department with requirements under the Municipal Act, the Planning Act, the Vital Statistics Act and the Municipal Freedom of Information and Protection of Privacy Act. Council, committee, Ontario Registrar and freedom of information request processes must be maintained to ensure public transparency and good governance. These are areas where service reduction or pause is not an option.

Preparing for the municipal election requires existing staff to take on additional hours and projects beyond full-time workloads. Two new contract positions, an Election Coordinator and Election Assistant, were temporarily added for 2022. Even with these additional resources, it was challenging to meet legislated timelines and community service level expectations. For example, the scale of election worker recruitment and training outpaced internal City Clerk's Office capacity in 2022. Notably, a previous City Clerk's Office team member on secondment to another department had to be asked to support training development and delivery in order to meet tight timelines.

Delivering three voting methods, increasing digital services and more voting locations stretched existing resources beyond capacity. To deliver the 2022 election, the City Clerk's Office team had to work a total of 616 hours of paid and unpaid over-time between August and November 2022. Several team members worked between 20 and 24 days straight without days off over a three-week period. This lack of capacity is unsustainable.

If service levels are to be maintained or increased for 2026, additional staffing and election reserve resources are required in order to do so. Future considerations to support resourcing is provided in the [Looking forward to 2026](#) section of this report.

### **Election worker recruitment and training**

In-person voting continues to be the main voting method used by voters to cast their ballots in 2022. As such, having enough trained election workers to staff voting locations and provide a high quality of service is one of the most important aspects of successful election administration. Finding enough qualified workers and the time to recruit and train them is consistently the biggest challenge and the most resource intensive aspect of election administration for the City Clerk's Office. 2022 was no exception.

Recruitment was conducted through an online application process, which helped streamline the review of applications and communication with applicants. Response to the call for election workers was strong with 634 applications received from the public. Interviews were conducted over four weeks. A call for election workers was also put out to City staff to encourage participation in this important community initiative. Having staff work the election assists in finding enough workers with technical and customer services abilities to represent the City. Staff could work at a poll individually or could adopt-a-poll as a department to staff an entire location. In 2022, 13 polls were adopted on Election Day by City staff and a total of 108 staff

worked polls. Just under 2000 hours of staff time was dedicated to receiving training and working at advanced and voting day locations.

Election worker turnover is a consistent challenge given the amount of staff time spent on hiring and training. Cancellations and training occurs continuously from the time of hire at the end of August up to and including on Election Day. Out of 461 election workers hired, 92 or just under 20 per cent of workers resigned their position and needed to be replaced up to and on Election Day.

Thorough training is important to ensure that legislative requirements and City procedures are followed, staff are comfortable working with the technology at the polls and a high level of customer service is provided to voters. All election workers were required to take an online training module on accessible customer service in compliance with the Accessibility for Ontarians with Disabilities Act (AODA). Specialized training was provided for Managing Officers, Revision/Ballot Officers, Tabulator Officers, Information Officers and Rovers who support voting at long-term care facilities. In total 12 trainers from the City Clerk's Office delivered training over 60 hours leading up to the election. This training program took four months to prepare and was delivered over three weeks.

## **Voting methods**

A [voting methods review](#) with strategic engagement was planned from April to June 2020. Public engagement on remote voting methods was conducted over four weeks from November 9 to December 4, 2020. All engagement activities were remote following public health guidelines during the COVID-19 pandemic. The City Clerk's Office engaged with the Accessibility Advisory Committee (AAC) ahead of and following voting methods related reports to Council at Committee meetings from December 20, 2020 to December 20, 2022. Further detail on engagement dates with the AAC has been outlined in the [Communications and engagement](#) section of this report.

## **Alternative voting methods**

The MEA requires that Council pass a by-law authorizing the use of vote counting equipment and any alternative voting methods. The City Clerk's Office initially brought forward a staff report on [Voting systems and alternative voting methods for the 2022 municipal election](#) on February 17, 2021 for Council's consideration. At that time, Council approved the use of tabulators for in-person voting and vote by mail as an alternative voting method for 2022 with by-law (2021)-20575. A resolution was also passed to support the potential implementation of a pilot for the delivery of a home visit program during the 2022 municipal and school board election.

Following Council direction, staff investigated two additional new voting methods, including an information report on a [Vote from Home Service Pilot for the 2022 Municipal Election](#) in June 2021 followed by another staff report titled [Remote Accessible Vote by Mail as a Voting Method for the 2022 Municipal Election](#) in November 2021. The vote from home method was approved by by-law (2021) – 20620.

Vote by mail and the home vote pilot were two new voting methods offered for 2022. In total, 593 vote by mail kits were mailed and 464 were received back and tabulated by the deadline. 54 vote by mail kits were received after the deadline and could not be tabulated. Seven vote from home appointments were booked

which supported 11 voters to cast their ballot. At the request of the Chair of the AAC, staff are noting that the vote from home method was not recommended by the Committee. However, several voters who accessed this service indicated to the City Clerk's Office that they faced barriers related to both mobility and access to online services that would have prevented them from voting if it was unavailable. Both pieces of feedback will be considered ahead of a staff recommendation to Council before the next election.

Feedback on alternative voting methods was provided through the statistically relevant OraclePoll phone survey and the Have Your Say online survey shared as Attachments 1 and 2. Responses provided the following feedback on voting experience and satisfaction with the alternative voting methods offered:

- For vote by mail, how would you rate your experience with the following?
  - The application process
    - Satisfied – 72.73 per cent
    - Dissatisfied – 18.18 per cent
    - I don't know – 9.09 per cent
  - The vote by mail kit you received
    - Satisfied – 80 per cent
    - Dissatisfied – 10 per cent
    - I don't know – 10 per cent
  - The dates vote by mail was offered
    - Satisfied – 90.91 per cent
    - Dissatisfied – 0 per cent
    - I don't know – 9.09 per cent
  - The information you received explaining how to cast your ballot
    - Satisfied – 72.73 per cent
    - Dissatisfied – 18.18 per cent
    - I don't know – 9.09 per cent
- For vote from home, how would you rate your experience with the following?
  - The appointment booking process
    - Satisfied – 100 per cent
    - Dissatisfied – 0 per cent
    - I don't know – 0 per cent
  - The service provided during the appointment
    - Satisfied – 100 per cent
    - Dissatisfied – 0 per cent
    - I don't know – 0 per cent

Data shown is rounded to the second decimal point and may not add up to 100 per cent. Satisfied and dissatisfied data is summarized to include satisfied and very satisfied, as well as, dissatisfied and very dissatisfied responses. The vote from home question was only asked as part of the OraclePoll survey as it was a statistically significant phone survey. It was not asked in the City of Guelph's Engagement Headquarters, [Have Your Say](#) (EHQ) online survey and a statement

was provided that the home vote method would be evaluated for future elections. The City Clerk's Office directly reached out to voters who used the home vote method to verbally discuss satisfaction.

### **In-person voting days and locations**

In-person voting was available for 56 hours in 2022. An increase of 24 hours compared to 2018. Advanced voting was held over six days from October 8 to 10 at City Hall and October 14 to 16, 2022 at six locations, one within each of the City's wards. On Election Day, 46 public voting locations and 11 long-term care facilities for a total of 57 locations managed on October 24.

When establishing voting locations the Election Team considers many different factors, including how central or convenient the location is for voters, whether the building or facility meets accessibility requirements under the AODA, the availability of wireless connectivity needed for equipment, distances from bus routes, and the amount of parking available.

Schools are often chosen as voting locations as they are accessible facilities distributed throughout the community. In addition, schools are facilities that must be provided free of charge by school boards for the purpose of elections. Staff engaged with local school board administration and, with the support of ongoing [advocacy from the Association of Municipal Managers, Clerks and Treasurers of Ontario \(AMCTO\)](#) and the Ministry of Education, were successful in aligning a PA day on Election Day. This greatly reduced potential risks and issues with using schools as voting locations, such as parking, school safety and pandemic considerations. The City Clerk's Office staff are appreciative of the provision of a PA Day on Election Day by the Upper Grand District School Board and the Wellington Catholic School Board. Staff thank our colleagues and board representatives at these respective school boards and look forward to this being provided in future election cycles.

Community feedback from public surveys provided the following feedback on in-person voting experience and satisfaction:

- How satisfied were you with the number of advanced voting days offered?
  - Satisfied – 77.36 per cent
  - Dissatisfied – 8.38 per cent
  - I don't know – 14.26 per cent
- How satisfied were you with the number of advanced voting locations offered?
  - Satisfied – 80.21 per cent
  - Dissatisfied – 2.85 per cent
  - I don't know – 16.93 per cent
- How satisfied were you with the number of Election Day voting locations offered?
  - Satisfied – 86.1 per cent
  - Dissatisfied – 1.78 per cent
  - I don't know – 12.12 per cent
- For advanced and Election Day in-person voting, how would you rate your experience with the following?
  - The location where you cast your vote

- Satisfied – 94.02 per cent
- Dissatisfied – 5.98 per cent
- I don't know – 0 per cent
- The sign to direct you to the voting room
  - Satisfied – 92.93 per cent
  - Dissatisfied – 7.07 per cent
  - I don't know – 0 per cent
- The amount of time you waited before casting your vote
  - Satisfied – 85.33 per cent
  - Dissatisfied – 14.67 per cent
  - I don't know – 0 per cent
- The information you received explaining how to vote
  - Satisfied – 95.65 per cent
  - Dissatisfied – 3.8 per cent
  - I don't know – 0.54 per cent

If voters were unable to vote by mail or in-person during the six advanced voting days or on Election Day, the MEA allows for the appointment of a proxy voter to cast a ballot on their behalf. Both the appointing voter and the proxy voter must be eligible to vote and must be on the voters' list for the City of Guelph. The City Clerk's Office certified six proxies in 2022. This was a significant decrease from 42 proxies in 2018 when in-person voting was the only voting method offered.

### **Accessible election services**

The City of Guelph is committed to providing an accessible and barrier free community and services. Each election, an [Accessibility Plan](#) is developed, posted online and communicated before voting begins in compliance with sections 12.1(1)(2) and 45.(2) of the MEA. Accessible customer service training, documents and alternative formats are provided in line with the [Accessibility for Ontarians with Disabilities Act](#), 2005 (AODA) and the City's [Corporate Accessibility Policy](#).

In 2022, the City conducted voting location audits to ensure all voting locations were physically accessible, were on a transit route and offered accessible voting equipment. Accessible services were reviewed and expanded based on feedback from Council, the AAC and staff. New services included a vote from home service pilot, ASL translation and language interpretation on request and a scent free/masked voting location at City Hall. More information can be found in the Post-Municipal Election [Accessibility Information Report](#) shared on January 20, 2023.

A post-election survey was developed with Accessibility Services staff and shared with members of the AAC to request feedback around the accessibility of election services and identify any potential barriers to voting that should be addressed going forward. A [summary of the feedback received](#) was shared with the Committee and made public as part of December 20, 2022 and January 17, 2023 AAC agendas. This will inform future election planning and form part of ongoing engagement planned ahead of 2026.

## **Technology and results**

A range of election equipment is deployed at voting locations including laptops and bar code scanners used to search and strike voters off a digital voters' list, tabulators that scan and record cast votes, and audio tactile devices that assist voters with disabilities to cast a ballot.

Technologies used in the election are held to strict security and integrity requirements. All tabulators and accessibility equipment undergo thorough logic and accuracy testing to ensure the integrity of the election. Prior to voting day, tabulators are tested to ensure that they will accurately count the votes for all candidates.

Logic and accuracy testing was conducted over five days by eight City Clerk's Office employees over a total of 35 hours or one week. Any technology used to process or tabulate votes is isolated from other applications or programs to prevent remote access to the system or device and ensure security and integrity of the election. Tabulators are not connected to any network either wirelessly or by hardwire. The tabulators are then locked and stored securely until their use during the election event.

Results are stored on memory cards in each tabulator and results tapes are not run until after the close of voting on Election Day at 8:00pm. Once voting closed on October 24, 2022, results from memory cards from high-speed tabulators used for vote by mail, vote from home and long-term care facilities were uploaded along with advanced tabulators first. Election Day tabulators were then uploaded as they returned to City Hall. Unofficial results were declared by 10:30pm on election night with final results certified the following day and a media release issued on October 26, 2022.

## **Communications and engagement**

Communication and engagement are essential to ensure the community is aware of important information in order to cast their ballot and to reviewing and ensuring election services align with community needs and expectations.

Communications tools and collateral were delivered in a range of mediums, from newspaper and radio ads to digital screens, social media posts, community group and business newsletters. \$29,500 from the election budget was used for communications and advertising. The City's election website was the central place for election information and was continuously updated from the call for nominations to the presentation of final results.

One of the most important communications tools to share voting information is the voter notification card, sent to every voter on the voters' list in early September. 104,596 cards were mailed out to voters to provide information on where and when they could cast their ballot. These cards are not required in order to vote and cannot be used as acceptable identification at the voting location but are the most direct way of sending information to voters. Voter notification cards are the largest communications expense in the election budget with the cost of production at \$11,000 and postage cost just under \$108,000.

During the campaign period, City Clerk's Office staff identified a number of candidate materials and websites that provided incorrect information on voting methods, voting days and times, voting locations, acceptable identification and who

was eligible to vote. Communications to re-direct the community to official sources of information like the election website and election team contacts were needed in order to address this misinformation.

Three candidate information sessions were held, two sessions prior to the opening of nominations focused on everything a new candidate would need to consider before filing their nomination and one session in August focused campaign related topics such as election signs, financial contributions and filing requirements.

Post-election, the City Clerk's Office conducted 4 different surveys. A public survey was conducted online through [Have Your Say Guelph](#) and the same survey was carried out by OraclePoll over the phone for a statistically significant result. Data provided in this report has been summarized to include feedback from both surveys. Detailed responses are provided as Attachments 1 and 2 to this report.

Public survey feedback on election communications noted that people received information about the election the most through voter notifications cards, the City's election website, local news media coverage and social media. These trends and suggestions for other communication approaches will be considered ahead of 2026.

The AAC was engaged from December 2020 to January 2023 regarding the 2022 regular election. These meetings were to gather input, collaborate and discuss accessibility considerations and voting methods being used in the election. Nine meetings were held with members of the AAC as follows:

- December 22, 2020 – [agenda](#) and [minutes](#)
- March 9, 2021 – [agenda](#) and [minutes](#)
- April 20, 2021 – [agenda](#) and [minutes](#)
- February 15, 2022 – [agenda](#) and [minutes](#)
- May 25, 2022 – [agenda](#) and [minutes](#)
- July 5, 2022 – [agenda](#) and [minutes](#)
- August 16, 2022 – [agenda](#) and [minutes](#)
- December 20, 2022 – [agenda](#) and [minutes](#)
- January 17, 2023 – [agenda](#) (minutes to be posted)

Surveys were also conducted and sent directly to all registered candidates and election workers.

All feedback will be used to evaluate services and inform future election planning.

## **Looking forward to 2026**

Work continues with financial filing and compliance audit processes from the 2022 election ongoing into June 2023. However, early planning is already underway for the next election in 2026.

As [directed by Council](#), City Clerk's Office staff will be researching and investigating further accessible voting service enhancements, including the Remote Accessible Vote by Mail (RAVBM) method in 2023. This work will be done in consultation with the AAC and Accessibility Services staff. A staff report will be coming back to Council by Q2 of 2024.

In line with research on future voting methods, staff are actively involved with two external projects that will influence voter list data quality and security. The first is the transition from a voters' list provided by MPAC to one provided by Elections Ontario. As a members of the Elections Ontario Voters' List Working Group, the City

Clerk's Office has been monitoring and providing feedback throughout this transition and is hopeful that the move to a central voter registry will improve the quality of data on the voters' list and make it easier for voters to add or update their information.

The second initiative is the development of electoral voting technology standards. Movement towards developing standards is in progress through work by Dr. Nicole Goodman, Dr. Aleksander Essex and the CIO Strategy Council which has now become the [Digital Governance Council](#). Any movement towards standards for procurement, testing and security of voting technology will be monitored and used to inform future recommendations on alternative voting methods and vote counting equipment.

Ahead of the next election, staff will also be identifying the potential of free Transit and other initiatives to support voter engagement. These considerations will be addressed as part of the Q2 2024 staff report.

Staff will monitor the initiatives, success and challenges faced by other municipalities in the delivery of election services ahead of 2026. Lessons learned and findings will be considered in future recommendations to Council. Staff will also be advocating to the Ministry of Municipal Affairs and Housing on new and ongoing issues including PA days and inclusion considerations as Election Day in 2022 fell on Diwali. This will be done directly and indirectly through professional associations like AMCTO.

Finally, future financial consideration related in increased election service levels expectations, voting methods, staffing capacity, as well as, the cost of goods and services must be addressed ahead of 2026. Current annual election reserve funding and lack of dedicated election staff have seen service levels grow beyond what can be maintained or expanded in future. Financial implications outlined in this report will be considered through the 2024-2027 multi-year budget process.

## **Financial implications**

The 2022 municipal and school board election cost \$725,000 in total to deliver. This increased by \$276,000 from the cost of the last election at \$449,000 or just over 61 per cent.

This increase in cost relates to a number of factors, including:

- Increased number of voting methods from one in 2018 to three in 2022;
- Increased number of voting days and locations with corresponding increases in the number of election workers hired, tabulators, laptops and other equipment and supplies needed;
- Increased postage costs for vote by mail and voter notification cards; and
- Inflationary impacts on the costs of existing goods and services.

The annual election reserve allocation of \$151,000 per year for a total of \$604,000 every four years. With surpluses from previous elections, the City Clerk's Office had \$775,000 to manage the 2022 municipal election and any post-election processes such as recounts, compliance audits, and by-elections.

Current budget allocations are no longer able to cover all potential election costs and will be considered through the 2024-2027 multi-year budget process.

## **Consultations**

Accessibility Advisory Committee

Accessibility Services

Finance

Information Technology

Strategic Communications and Community Engagement

## **Attachments**

Attachment - 1 OraclePoll City of Guelph Election Report 2022

Attachment - 2 EHQ Municipal Election Feedback Report 2022

## **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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# Municipal Election Survey Report



November 2022

# **Methodology and Logistics**

## **Background and Overview**

The following represents the findings from a November 2022 telephone survey of N=500 voting age City of Guelph residents (18 years of age or older) conducted by OraclePoll Research Limited for The City of Guelph. The purpose of the research was to gather opinions from residents on their experience as a voter in the 2022 municipal Election.

## **Study Sample**

A dual frame random database (RDD) was used for the sample that was inclusive of landline and cellular telephone numbers. The sample was stratified to ensure that there was an equal distribution across each of the six new Wards. The survey screened to ensure respondents were 18 years of age or older and were residents of each Ward. Gender and age samples were also monitored to ensure they reflected the demographic characteristics of the community.

Ward sample breakdown

- Ward 1 N=83, 17%
- Ward 2 N=83, 17%
- Ward 3 N=83, 17%
- Ward 4 N=83, 17%
- Ward 5 N=83, 17%
- Ward 6 N=83, 17%

## **Survey Method**

All surveys were conducted by telephone using live operators at the OraclePoll call center facility. A total of 20% of all interviews were monitored and the management of OraclePoll Research Limited supervised 100%. The survey was conducted using computer-assisted techniques of telephone interviewing (CATI) and random number selection (RDD).

## **Logistics**

Surveys were conducted by telephone at the OraclePoll call center using person to person live operators from the days of October 28th to November 6th, 2022.

Initial calls were made between the hours of 6:00 p.m. and 9:00 p.m. Subsequent call-backs of no-answers and busy numbers were made on a (staggered) daily rotating basis up to 5 times (from 10:00 a.m. to 9:00 p.m.) until contact was made. In addition, telephone interview appointments were attempted with those respondents unable to complete the survey at the time of contact. If no contact was made at a number after the fifth attempt, the number was discarded and a new one supplanted it.

## Confidence

The margin of error for the total N=500 sample is  $\pm 4.4\%$  at the 95% confidence interval.

## Communication

In the first question presented to all respondents, they were asked in an open-ended or unaided probe to name the sources from which they became aware of the 2022 Guelph municipal Election. The results below include the percentage of cases of the number of times each area was referenced.

Q1. How did you learn about the 2022 Guelph municipal Election?

- Social media – 35%
- Word of mouth – 31%
- Local news and media coverage – 26%
- Print or newspaper ads – 14%
- I did not - 14%
- Do not know/unsure – 13%
- General advertisements around town – 12%
- Web advertisements (Google search ads)- 8%
- Bus advertisements – 7%
- Radio advertisements – 6%
- Advertisements in the mall – 4%
- Advertisements on campus at University of Guelph – 4%
- Big G podcast – 1%
- Spotify – 1%
- Cineplex ads – 1%

Social media was the most referenced source by 35% for learning about the 2022 Election, closely followed by 31% that said word of mouth or from others and 26% local news and media coverage. Other notable mentions included print or newspaper ads (14%), general advertising (12%), and web (8%), bus (7%) and radio (6%) ads. There were 27% that either did not learn about the Election (14%) or were unsure of the source (13%).

In another open-question, respondents were asked to name any other ways they felt the City should communicate. One response was accepted.

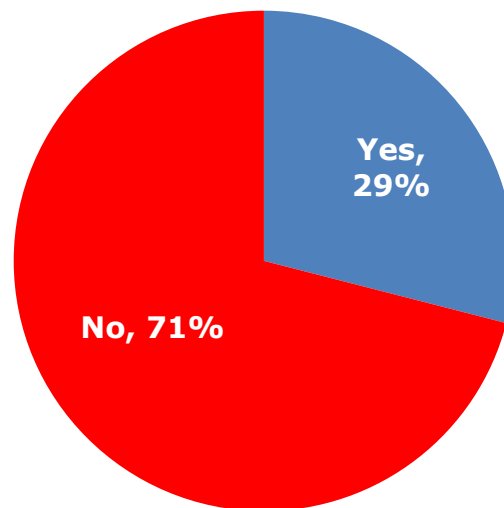
Q2. Are there other ways of communicating with you that the City should consider for the next municipal Election?

- Unsure / no other - 67%
- Telephone - 7%
- City website - 6%
- Mail/inserts/flyers - 5%
- E-mails - 5%
- Texts - 4%
- Public meetings/forums - 2%
- Television - 2%
- Billboards - 1%

## 2022 Vote

All N=500 residents were then asked if they voted in the October 2022 municipal Election in the City of Guelph. Those that did not vote were asked the follow-up Q4 to explain why they did not cast a ballot, while voters were asked a separate stream of questions starting with Q5.

Q3. Did you vote in the recent October 2022 municipal and school board Election?



Twenty-nine percent of respondents said that they voted in the 2022 municipal Election.

Those most likely to have voted were older, over age 45, and especially 65+. Most of the youngest 18-24 cohort did not vote in this Election. Slightly more females (31%) compared to males (28%) voted.

Vote by age:

- 18-24 - 12%
- 25-34 - 18%
- 35-44 - 21%
- 45-54 - 33%
- 55-64 - 35%
- 65-75 - 43%
- 75+ - 57%

The 71% (N=354) that did not vote were asked Q4.

Q4. What were the reasons why you did not vote?

- No interest / Don't vote municipally - 23%
- Nothing changes / doesn't matter - 15%

- Disliked candidates / none motivated me / no important issue - 13%
- Don't know / no reason - 13%
- No time - 8%
- Forgot - 6%
- Did not receive voter card / ballot / lost it - 5%
- I was not informed enough about candidates / Election - 5%
- Complicated / too much effort - 4%
- No electronic voting / other voting method options - 3%
- Illness / age / mobility issues - 2%
- No polling station close by - 1%
- Work - 1%
- Long line-ups / long wait times - 1%
- Moved - <1%

When asked about their reasons for not voting, a lack of interest or that they do not vote municipally was most named by 23%. There were 15% that said their vote does not matter as nothing changes, 13% were not motivated as no issues or candidates enticed them, while 8% referenced a lack of time and 6% just forgot to vote. Other mentions related to not receiving a voter card (5%), not being informed (5%), that is was too much effort (4%), a lack of voting options (3%) and age/illness (2%).

## **Voting Methods Used**

The 29% or N=146 that said they voted in the 2022 municipal Election in Guelph were then asked a series of follow-up questions (Q5 to Q10). In the first probe they were questioned about how they voted in the Election.

Q5. How did you vote in this Municipal Election?

- In person at an advanced poll
  - Percentage – 29%
  - Next question asked – Q6
- In person on Election Day October 24
  - Percentage – 64%
  - Next question asked – Q6
- Main-in voting
  - Percentage – 5%
  - Next question asked – Q9
- Vote from home service
  - Percentage – 1%
  - Next question asked – Q10

Voting on Election Day was the preferred choice of a 64% majority, while 29% voted at an advanced poll. Only 5% cited the mail-in option and 1% voted from home.

The 64% (N=94) that voted on Election Day and 29% (N=42) that voted at an

advanced poll were asked Q6.

Q6. Which ward did you vote in?

- Ward 1 – 16%
- Ward 2 – 18%
- Ward 3 – 15%
- Ward 4 – 15%
- Ward 5 – 19%
- Ward 6 – 17%

## **Election Day and Advanced Poll Locations**

The 64% (N=94) that voted on Election Day and the 29% (N=42) that voted at an advanced poll were probed about the location that they voted at. Those that said they voted at an advanced poll in Q5 were asked Q7A to identify the poll. Those unsure were re-read the list of possible options.

Q7. Which location did you vote in?

Q7a. Advanced poll locations

- Guelph City Hall - N=14, 33%
- University of Guelph, University Centre - N=6, 14%
- Shelldale Centre - N=5, 12%
- West End Community Centre - N=5, 12%
- Victoria Road Recreation Centre - N=4, 10%
- Evergreen Seniors Community Centre - N=4, 10%
- Arkell Road Bible Chapel - N=4, 10%

Election Day voters were specifically asked to recall the poll location where they cast a ballot for their respective Ward. Those unsure were re-read the list of possible options.

Q7b. Election Day ward 1

- Victoria Road Recreation Centre - N=3, 23%
- Brant Avenue Public School - N=2, 15%
- St. Patrick Catholic School - N=2, 15%
- William C. Winegard Public School - N=2, 15%
- Royal Canadian Legion - N=2, 15%
- Ecole Guelph Lace Public School - N=1, 8%
- Ken Danby Public School - N=1, 8%

Q7c. Election Day ward 2

- First Baptist Church - N=3, 16%
- Trinity United Church - N=3, 16%
- King George Public School - N=3, 16%
- New Life Christian Reformed Church - N=2, 11%
- Italian Canadian Club: 135 Ferguson Street - N=2, 11%
- Upper Grand District School Board - N=2, 11%
- Evergreen Seniors Community Centre - N=2, 11%
- Guelph City Hall - N=2, 11%

Q7d. Election Day ward 3

- Shelldale Centre - N=3, 21%
- St. Joseph Catholic School - N=3, 21%
- Our Lady of Lourdes Catholic High School - N=2, 14%
- Guelph Bible Chapel - N=2, 14%
- Dublin Street United Church - N=2, 14%
- June Avenue Public School - N=1, 7%
- Church of the Apostles - N=1, 7%

Q7e. Election Day ward 4

- St. Peter Catholic School - N=4 27%
- Gateway Drive Public School - N=3 20%
- Parkwood Gardens Church - N=3 20%
- Westwood Public School - N=2 13%
- West End Community Centre Road South - N=1 7%
- Mitchell Woods Public School - N=1 7%
- St. Francis of Assisi Catholic School - N=1 7%

Q7f. Election Day ward 5

- Mary Phelan Catholic School - N=3, 18%
- Delta Hotels Guelph Conference Centre - N=3, 18%
- Harcourt Memorial United Church - N=2, 12%
- University of Guelph, University Centre - N=2, 12%
- École Fred A. Hamilton Public School - N=2, 12%
- Water Street Church - N=1, 6%
- École élémentaire catholique Saint-René-Goupil - N=1, 6%
- St. Michael Catholic School - N=1, 6%
- Village by the Arboretum, Reid Hall - N=1, 6%
- École Arbour Vista Public School - N=1, 6%

Q7g. Election Day ward 6

- Sir Isaac Brock Public School - N=4, 25%
- Arkell Road Bible Chapel - N=3, 19%
- Rickson Ridge Public School - N=2, 13%
- Bishop Macdonell Catholic High School - N=2, 13%
- St. Ignatius of Loyola Catholic School - N=2, 13%
- Westminster Woods Public School - N=2, 13%
- Kortright Hills Public School - N=1, 6%

Next, the 64% (N=94) that voted on Election Day and 29% (N=42) that voted at an advanced poll were asked to rate their voting location experience in Q8a to Q8d. A four-point rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied was used.

Q8. The next questions are about your voting location experience. How would you rate your experience with each of the following using a rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied.

- The location where you cast your vote

- Very dissatisfied – 2%
- Dissatisfied – 5%
- Satisfied – 20%
- Very satisfied – 73%
- Total satisfied percentage – 93%
- The signs to direct you to the voting room
  - Very dissatisfied – 3%
  - Dissatisfied – 6%
  - Satisfied – 57%
  - Very satisfied – 35%
  - Total satisfied percentage – 92%
- The amount of time you waited before casting your vote
  - Very dissatisfied – 5%
  - Dissatisfied – 14%
  - Satisfied – 44%
  - Very satisfied – 37%
  - Total satisfied percentage – 81%
- The information you received explaining how to cast your ballot
  - Very dissatisfied – 1%
  - Dissatisfied – 4%
  - Satisfied – 27%
  - Very satisfied – 68%
  - Total satisfied percentage – 95%

Overall, total dissatisfaction levels were low and satisfaction scores strong, with voters being most satisfied (total satisfied and very satisfied) with the information received on how to cast a ballot at 95%. Next best rated at a strong 93% was the location, closely followed by 92% that were satisfied with the signage provided. While results were lower for the amount of time having to wait to vote, there were still more than eight in ten or 81% that were satisfied or very satisfied.

## **Mail-In Voting**

The N=8 or 5% of respondents that said they cast a ballot using mail-in voting were asked to rate their experience in Q9a to Q9d. A four-point rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied was used. Given the small sample size, the count (N) and percentage (%) are referenced in the results table below.

Q9. The next questions are about your experience using mail-in voting. How would you rate your experience with each of the following using a rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied.

- The application process
  - Very dissatisfied – no response
  - Dissatisfied – 25%

- Satisfied – 12%
- Very satisfied – 63%
- Total satisfied percentage – 75%
- The vote by mail kit received
  - Very dissatisfied – no response
  - Dissatisfied – 12%
  - Satisfied – 38%
  - Very satisfied – 50%
  - Total satisfied percentage – 88%
- The dates vote by mail was offered (Sept 12 to Oct 21)
  - Very dissatisfied – no response
  - Dissatisfied – no response
  - Satisfied – 37%
  - Very satisfied – 63%
  - Total satisfied percentage – 100%
- The information you received explaining how to cast your ballot
  - Very dissatisfied – 12%
  - Dissatisfied – 12%
  - Satisfied – 38%
  - Very satisfied – 38%
  - Total satisfied percentage – 76%

## **Vote From Home**

The N=2 or 1% of respondents that said they voted from home were asked to rate their experience in Q10a and Q10b. A four-point rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied was used. Given the small sample size, the count (N) and percentage (%) are referenced in the results table below.

Q10. The next questions are about YOUR experience with the home vote service this municipal election. How would you rate your experience with each of the following using a rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied.

- The appointment booking process
  - Very dissatisfied – no response
  - Dissatisfied – no response
  - Satisfied – 50%
  - Very satisfied – 50%
  - Total satisfied percentage – 100%
- The home visit service provided during your appointment
  - Very dissatisfied – no response
  - Dissatisfied – no response
  - Satisfied – no response

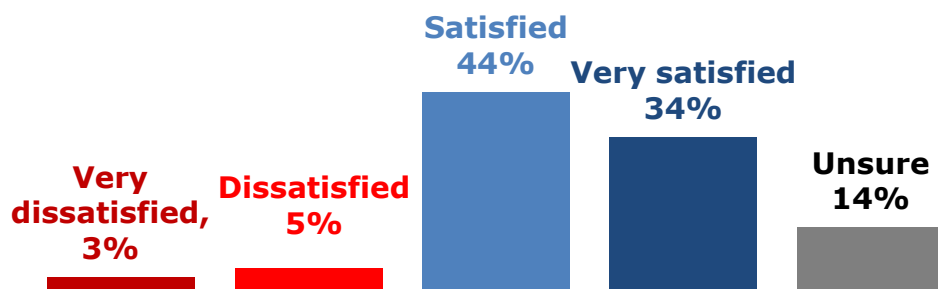
- Very satisfied – 100%
- Total satisfied percentage – 100%

## Election Planning – Advanced Voting

All N=500 respondents were asked the following set of questions related to planning for future Elections. In the first probe they were asked to rate their satisfaction (very dissatisfied, dissatisfied, satisfied, or very satisfied) with the number of advanced voting days offered.

“Your opinions in the next few questions will help the City in its planning for the next municipal Election in 2026.”

Q11a. Advanced voting locations in this Election were offered from October 8 to 10 and 14 to 16, 2022. Using a rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied, how satisfied were you with the number of advanced voting days?



Seventy-eight percent said that they were satisfied or very satisfied with the number of advanced voting days offered. This compares to only 8% dissatisfied and 14% that were unsure.

The 8% or N=40 dissatisfied or very dissatisfied were then asked how many days they would recommend.

The 8% (N=40) dissatisfied or very dissatisfied were asked Q11b.

Q11b. How many advanced voting days would you recommend for future consideration?

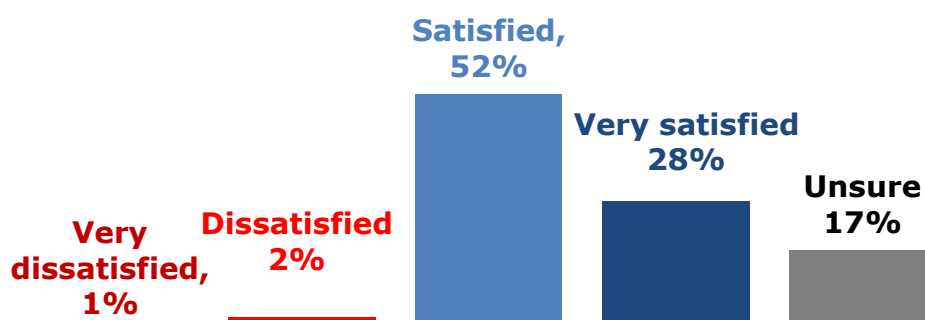
- 5-10 days - N=11, 28%
- 11-15 days - N=9, 23%
- 16-20 days - N=5, 13%
- 20+ days - N=2, 5%
- Unsure - N=13, 33%

All N=500 respondents were first read the following short statement about the

number of advanced poll locations and were then asked to rate their satisfaction (very dissatisfied, dissatisfied, satisfied, or very satisfied) with the ones offered.

"Advanced voting was offered at seven locations across the city at City Hall, Victoria Road Recreation Centre, Evergreen Seniors Community Centre, Shelldale Centre, West End Community Centre, University of Guelph, and Arkell Road Bible Chapel."

Q12a. How satisfied were you with the advanced voting locations offered? Please use a rating scale of very dissatisfied, dissatisfied, satisfied, or very satisfied.



Eight in ten said were satisfied or very satisfied with the number of advanced voting locations, while only 3% were dissatisfied or very dissatisfied and 17% were unsure.

The 3% or N=14 dissatisfied or very dissatisfied were then asked what other locations they would recommend, with the results displayed below.

The 3% (N=14) dissatisfied or very dissatisfied were asked Q12b.

Q12b. What different or other advanced voting locations would you recommend?

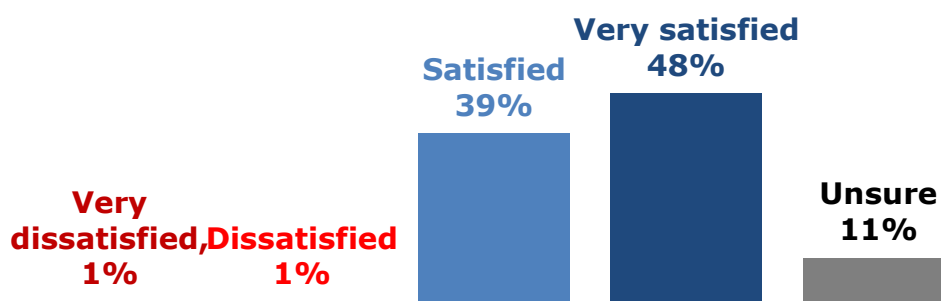
- Unsure - N=6, 43%
- Delta Hotel - N=2, 14%
- St. Peters - N=1, 7%
- St. Ignatius - N=1, 7%
- Italian Club - N=1, 7%
- Gateway Public - N=1, 7%
- St. Michaels - N=1, 7%
- Evergreen Seniors - N=1, 7%

## Election Planning – Election Day

All N=500 respondents were asked to rate their satisfaction (very dissatisfied,

dissatisfied, satisfied, or very satisfied) with the number of Election Day voting locations offered.

Q13a. On election day, voting was offered at 46 voting locations across the city with at least seven locations per ward. How satisfied were you with the number of election day voting locations offered?



A strong 87% majority were satisfied or very satisfied with the number of Election Day voting locations. This compares to only 2% dissatisfied or very dissatisfied and 11% were unsure.

The 2% or N=8 dissatisfied or very dissatisfied were then asked what other locations they would recommend, with the results displayed below.

The 2% (N=8) dissatisfied or very dissatisfied were asked Q13b.

Q13b. What different or other election day voting locations would you recommend?

- I don't know - N=3, 38%
- Public Library - N=2, 25%
- Recreation Centre - N=2, 25%
- YMCA - N=1, 13%

## Ranking Voting Methods

The following short statement was first read to all N=500 respondents. They were then read a list of five possible voting options for future elections and were asked to rate them in priority preference from one being the most likely to be used through to five the least. The table below illustrates the mean score results.

"In 2022, voters could vote remotely (from home) by mail or cast ballots in person at voting locations. We would like to know which methods the community is most likely to use to cast their vote in future elections."

Q14. Please rank the following voting methods in order of priority from 1

being your most likely to use to 5 the least likely to use if these methods were offered.

Ranked voting methods (1 – most likely to 5 – least likely)

- In person at a voting location with a digital ballot on a tablet or laptop
  - Mean score – 2.17
- Remotely with online voting
  - Mean score – 2.32
- In person at a voting location with a paper ballot
  - Mean score – 3.21
- Remotely with telephone voting
  - Mean score – 3.56
- Remotely with vote by mail
  - Mean score – 3.69

Most preferred in terms of its mean score of 2.17 was for in person voting with a digital ballot using a tablet or laptop, closely followed by remote online voting at 2.32. With a mid-point score of 3.21 was in person voting using a paper ballot.

The least preferred options were telephone voting at 3.56 and especially voting by mail at 3.69.

## **Final Comments**

Final comments were accepted from respondents as it related to considerations for future elections.

Q15. Is there anything else you would like the City of Guelph to consider for future elections?

- No comment / nothing more - 46%
- All good / good experience - 15%
- Unsure - 11%
- Need more voting options - 7%
- Have online voting - 5%
- There were many / good poll locations - 4%
- Pleased to vote - 3%
- Need to vote / need to encourage more to vote - 3%
- Distrust / dislike mail - 2%
- Extend advanced poll period - 2%
- Need to encourage / communicate with youth to vote - 2%
- Assistance / support to get seniors to vote - 1%

# Project Report

24 October 2022 – 13 November 2022

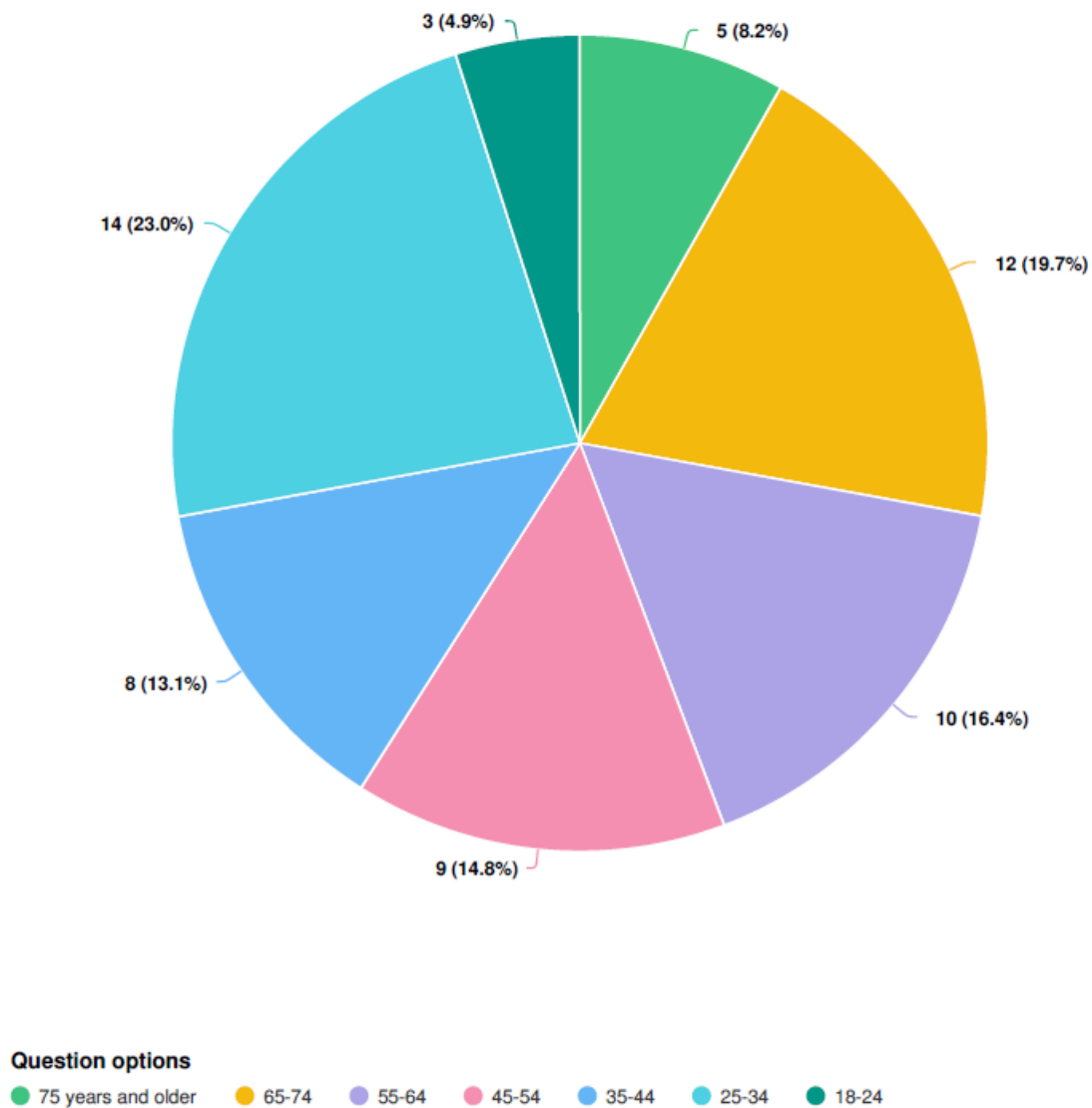
## Have Your Say Guelph Municipal Election Feedback

## 2022 Election Voters Survey

Visitors – 80

Contributors - 62

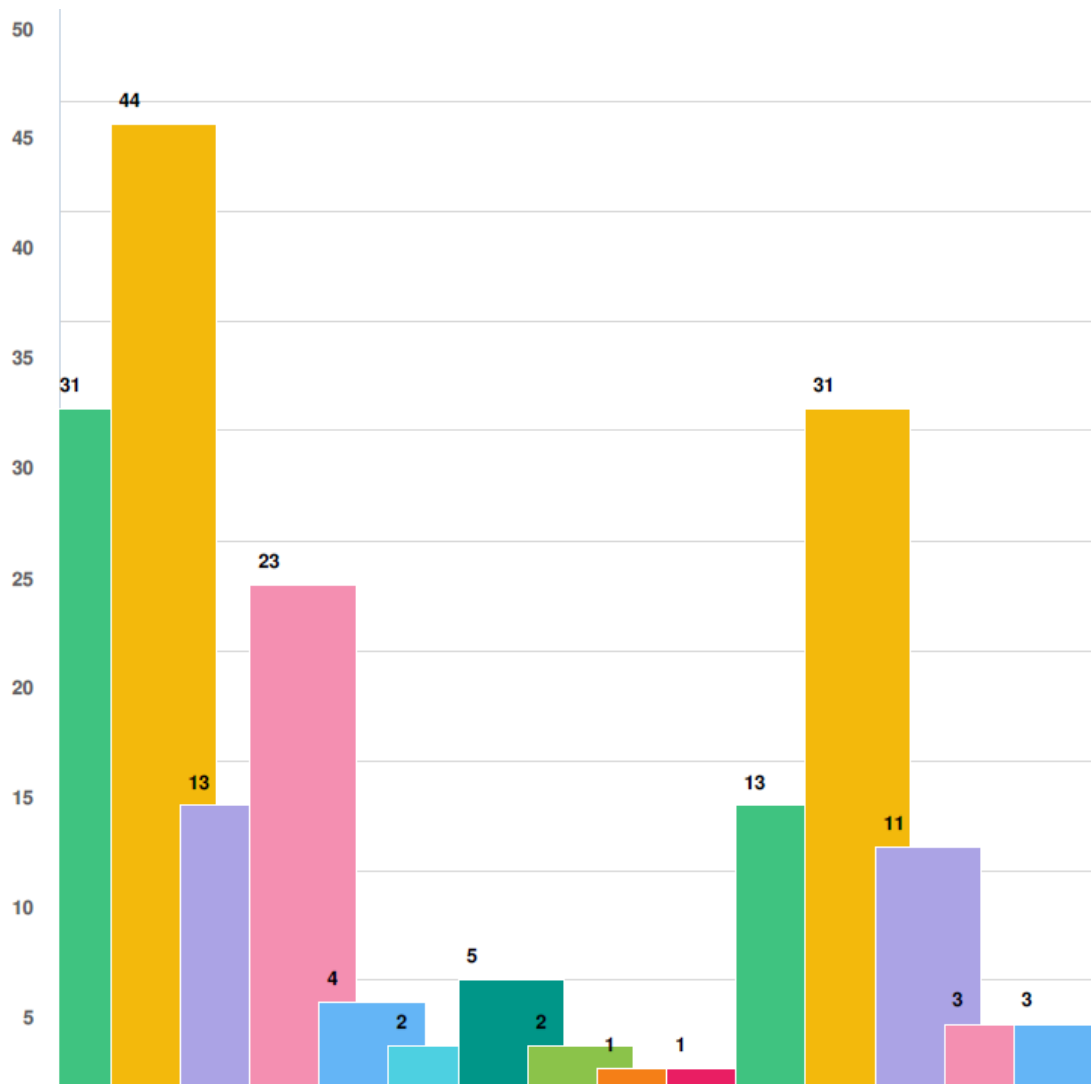
### What age group are you in?



Optional question (61 response(s), 1 skipped)

Question type: Radio Button Question

## How did you get information about the municipal election from the City?



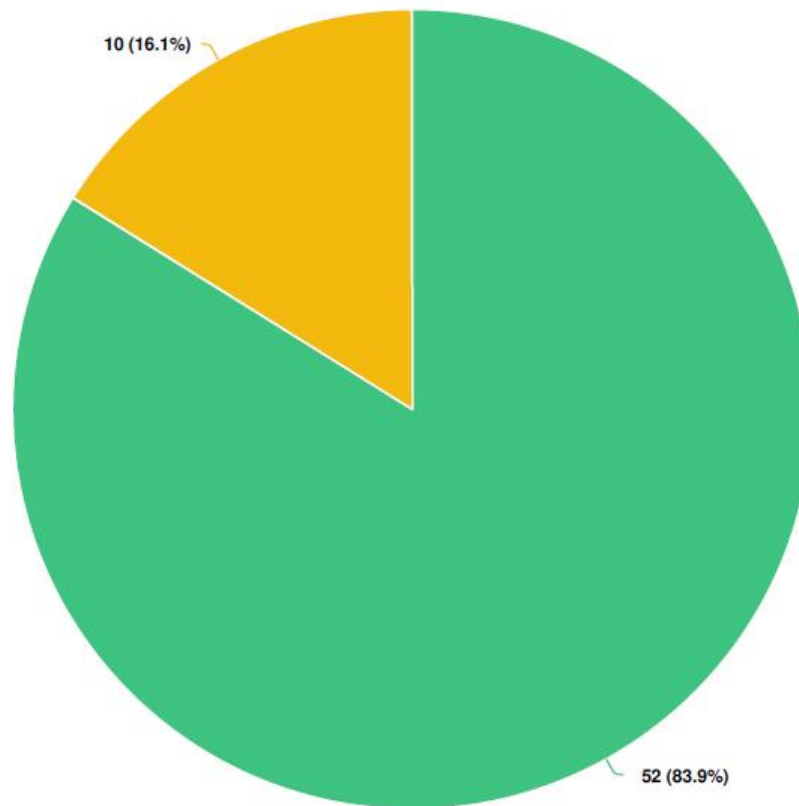
### Question options

- The City's election website
- Voter notification card
- Print or newspaper ads
- Social media
- Radio advertisements
- Bus advertisements
- Advertisements in the mall
- Web advertisements (Google search ads)
- Advertisements on campus at University of Guelph
- Cineplex ads
- General advertisements around town (display screens, mobile signs or posters)
- Local news and media coverage
- Word of mouth
- I don't know
- Other

Optional question (60 response(s), 2 skipped)

Question type: Checkbox Question

**Did you vote in the recent municipal and school board election that ended October 24, 2022?**



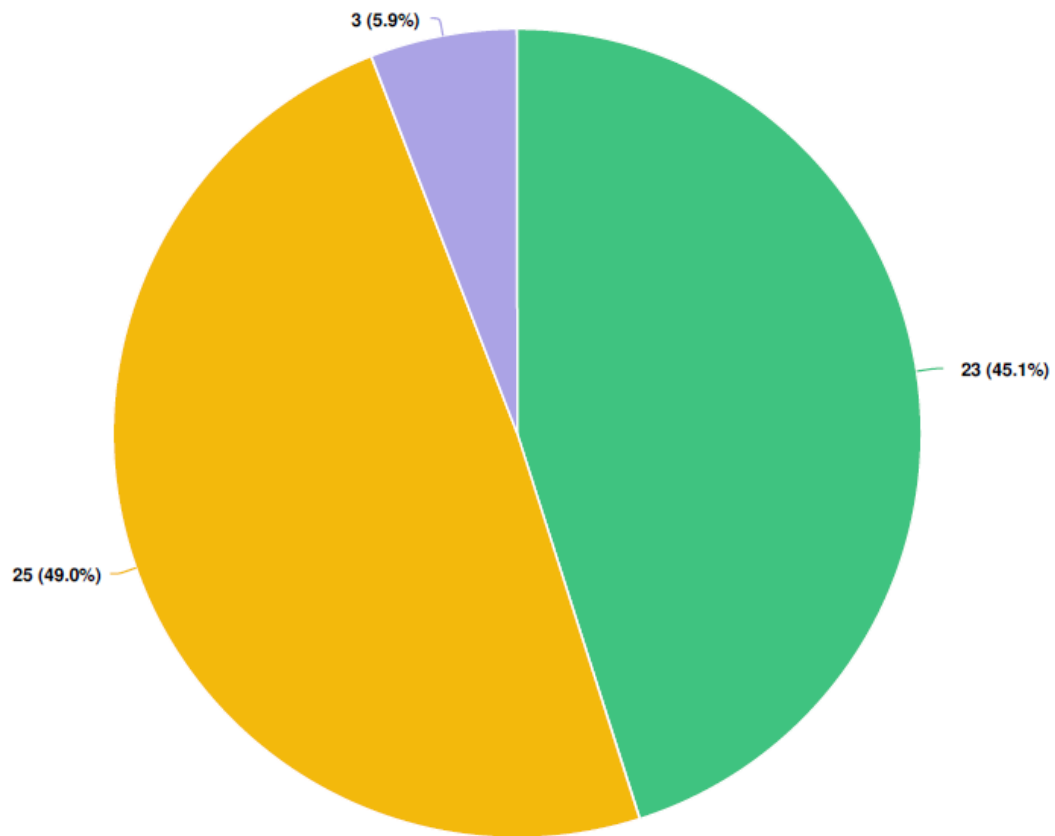
**Question options**

☒ Yes ☐ No

Mandatory question (62 response(s))

Question type: Radio Button Question

### How did you vote in this municipal election?



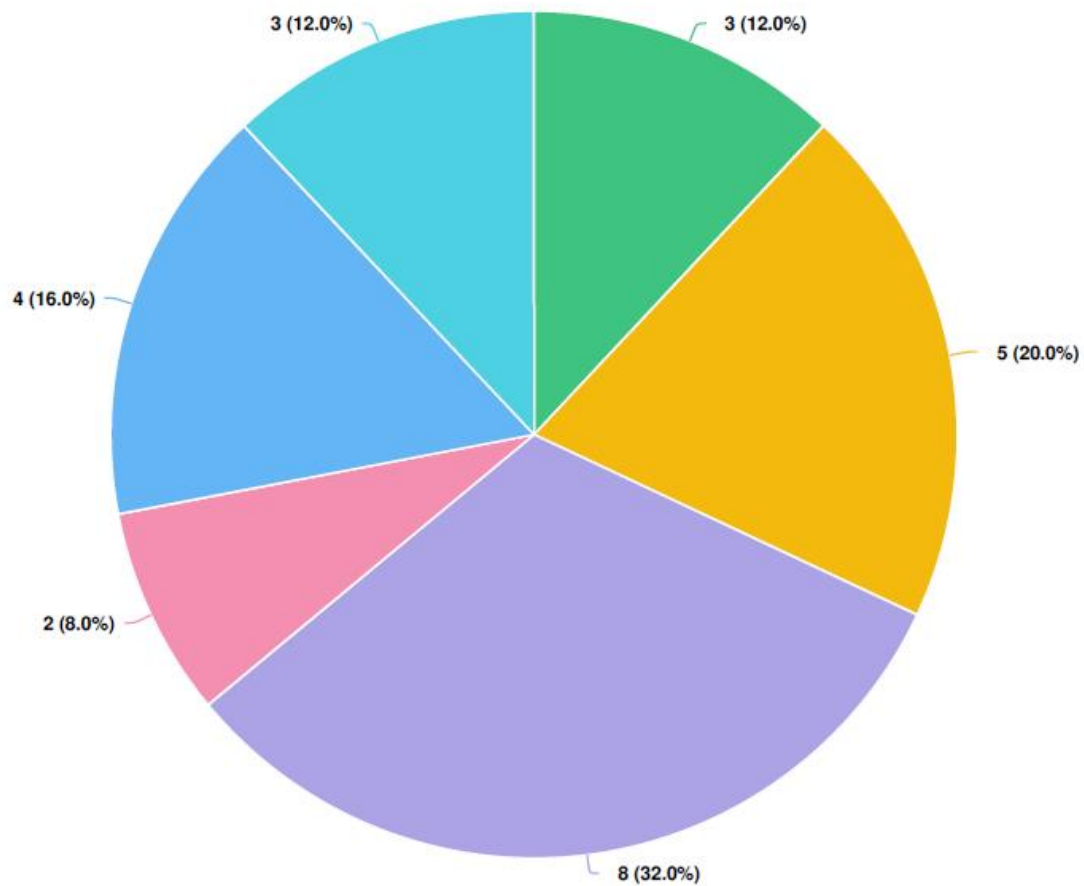
#### Question options

☒ In person at an advanced poll ☒ In person on election day (October 24) ☐ Mail-in voting

Optional question (51 response(s), 11 skipped)

Question type: Radio Button Question

**Which ward did you vote in? Note the ward boundaries changed for the 2022 municipal election. Visit our website to confirm your ward.**



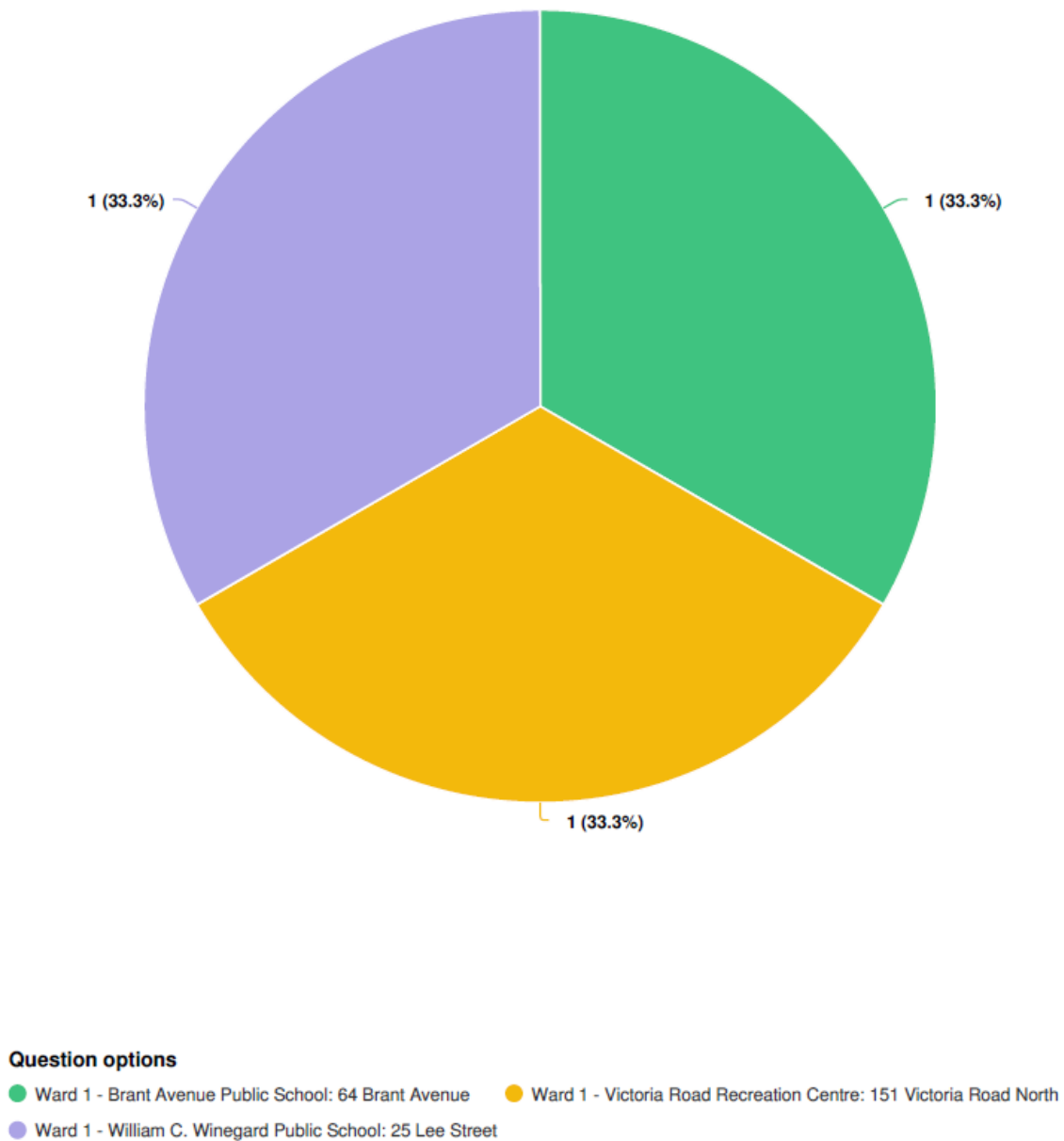
**Question options**

Ward 1 Ward 2 Ward 3 Ward 4 Ward 5 Ward 6

Optional question (25 response(s), 37 skipped)

Question type: Radio Button Question

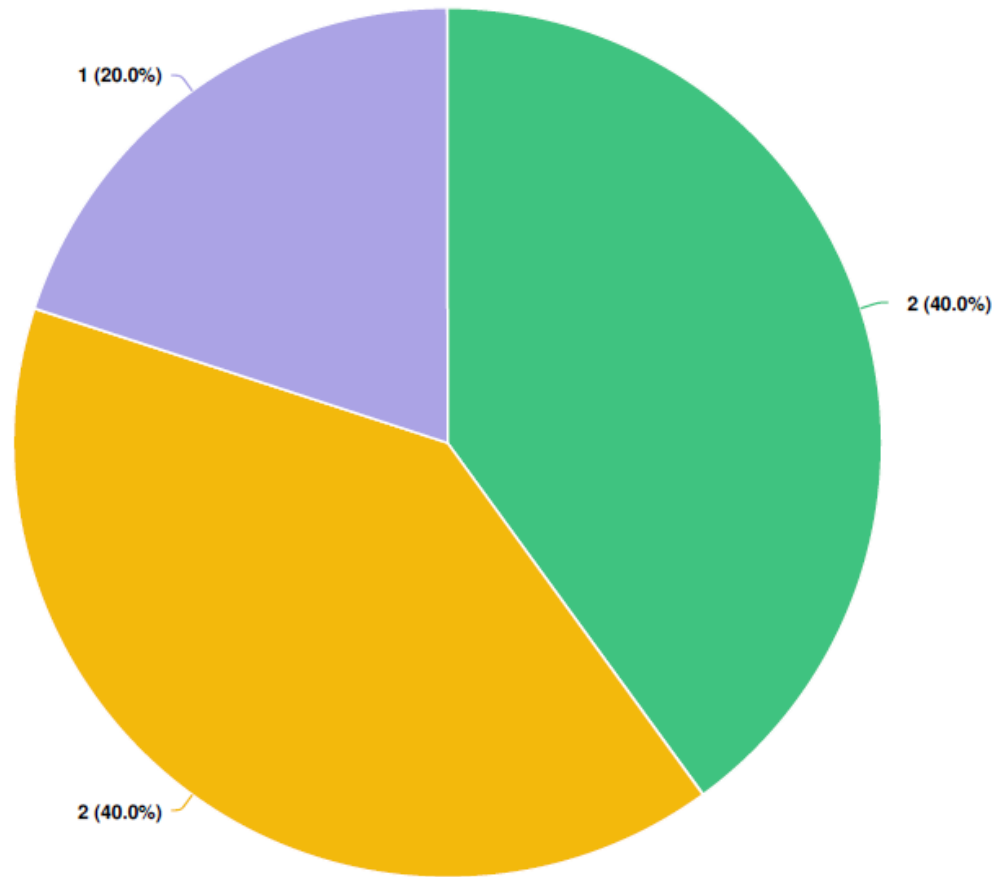
### Ward 1: Which location did you vote in?



Optional question (3 response(s), 59 skipped)

Question type: Dropdown Question

## Ward 2: Which location did you vote in?



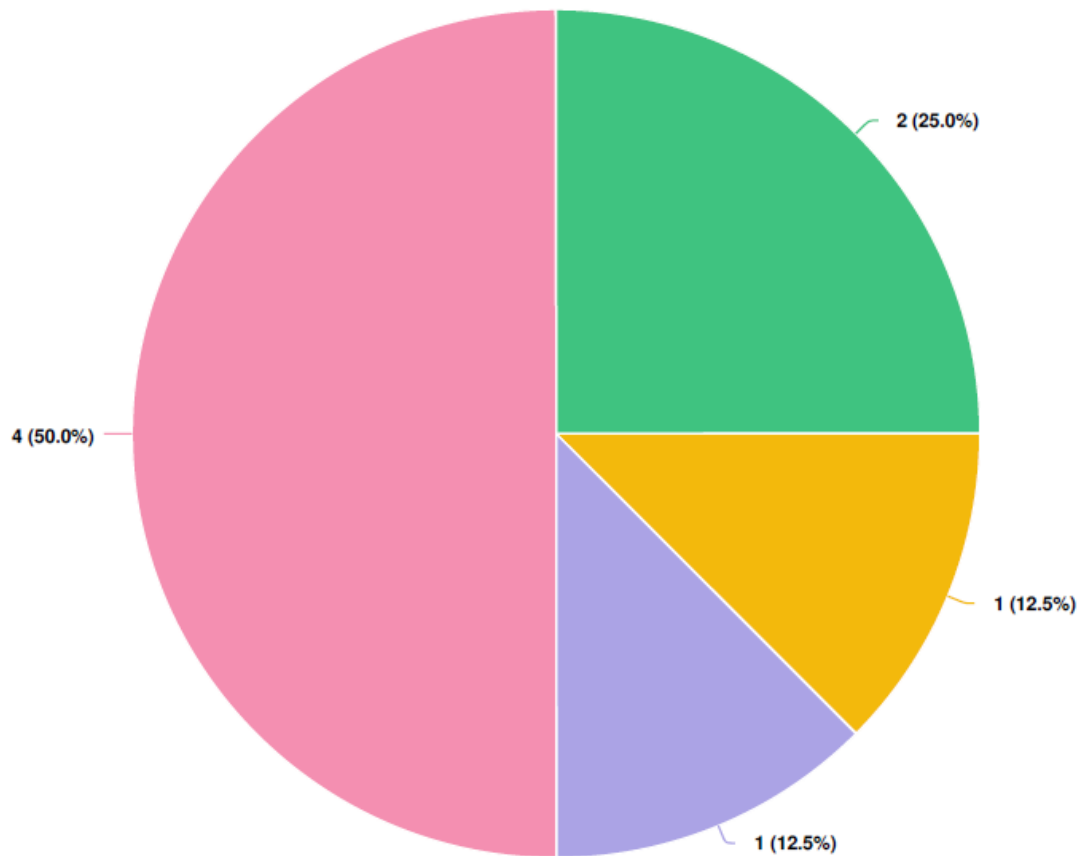
### Question options

- Ward 2 - Italian Canadian Club: 135 Ferguson Street
- Ward 2 - First Baptist Church: 255 Woolwich Street
- Ward 2 - Guelph City Hall: 1 Carden Street

Optional question (5 response(s), 57 skipped)

Question type: Dropdown Question

### Ward 3: Which location did you vote in?



#### Question options

- Ward 3 - June Avenue Public School: 30 June Avenue
- Ward 3 - Our Lady of Lourdes Catholic High School: 54 Westmount Road
- Ward 3 - St. Joseph Catholic School: 10 Guelph Street
- Ward 3 - Church of the Apostles: 86 Glasgow St North

Optional question (8 response(s), 54 skipped)

Question type: Dropdown Question

#### Ward 4: Which location did you vote in?



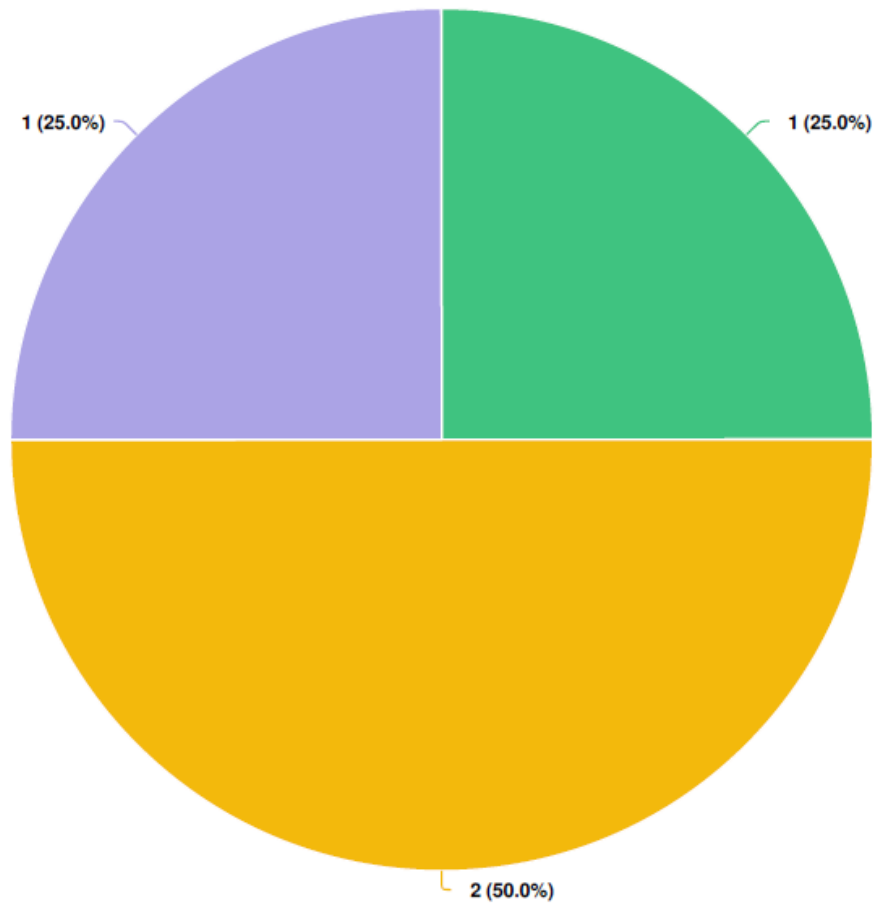
##### Question options

● Ward 4 - West End Community Centre: 21 Imperial Road South    ● Ward 4 - Mitchell Woods Public School: 670 Willow Road

Optional question (2 response(s), 60 skipped)

Question type: Dropdown Question

### Ward 5: Which location did you vote in?



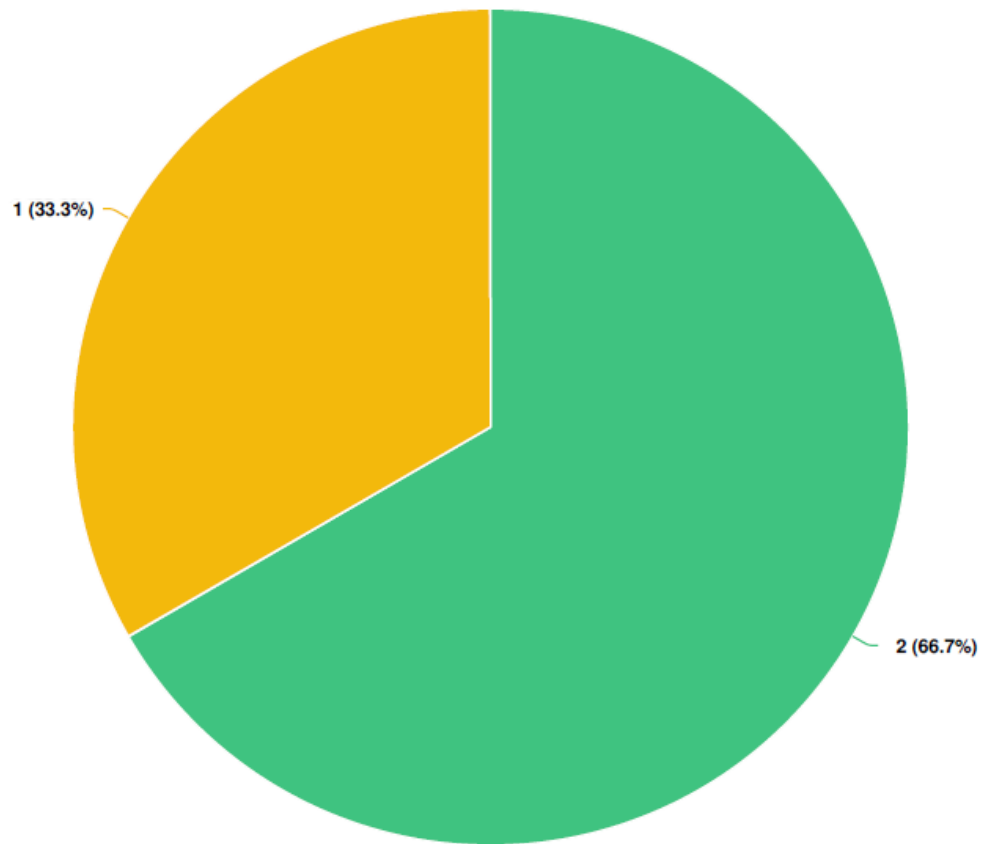
#### Question options

- Ward 5 - Water Street Church: 287 Water Street
- Ward 5 - École élémentaire catholique Saint-René-Goupil: 221 Scottsdale Drive
- Ward 5 - University of Guelph, University Centre: Reynolds Walk

Optional question (4 response(s), 58 skipped)

Question type: Dropdown Question

### Ward 6: Which location did you vote in?



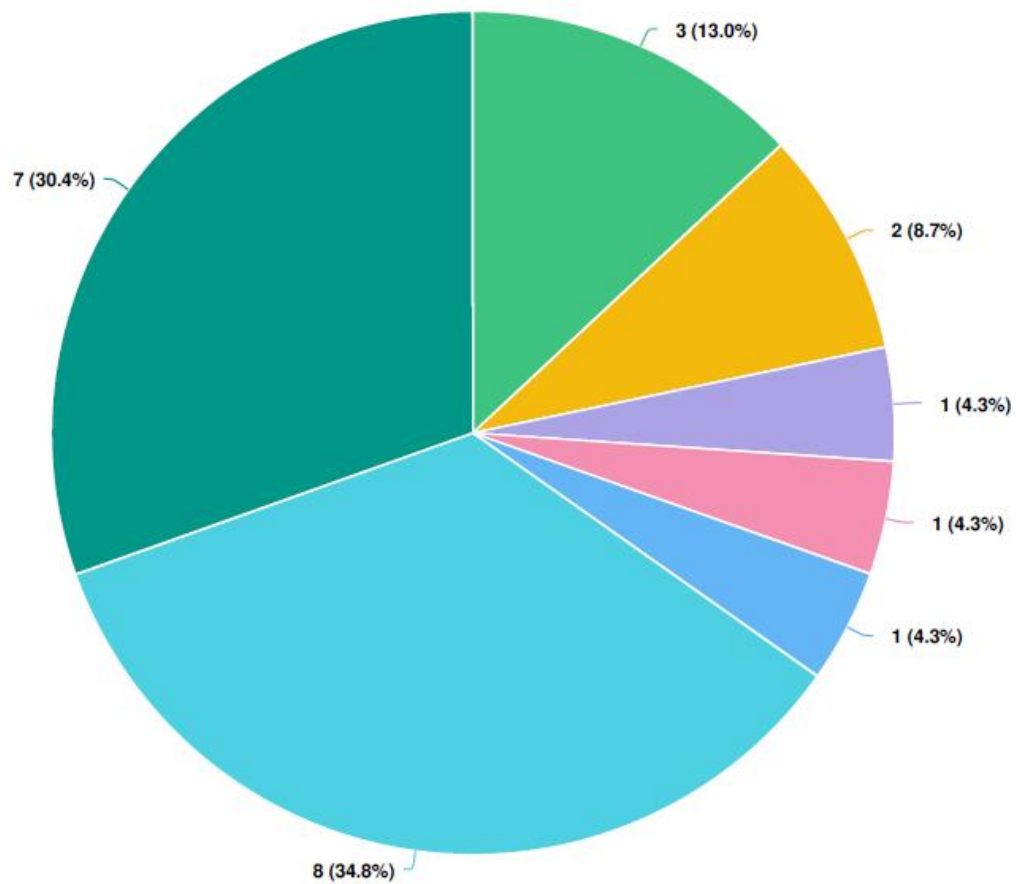
#### Question options

● Ward 6 - Sir Isaac Brock Public School: 111 Colonial Drive ● Ward 6 - Westminster Woods Public School: 140 Goodwin Drive

Optional question (3 response(s), 59 skipped)

Question type: Dropdown Question

## Which advanced poll location did you vote at?



### Question options

- Victoria Road Recreation Centre: 151 Victoria Road North
- Evergreen Seniors Community Centre: 683 Woolwich Street
- Shelldale Centre: 20 Shelldale Crescent
- West End Community Centre: 21 Imperial Road South
- University of Guelph, University Centre: Reynolds Walk
- Arkell Road Bible Chapel: 39 Arkell Road
- Guelph City Hall: 1 Carden Street

Optional question (23 response(s), 39 skipped)

Question type: Dropdown Question

**We'd like to learn more about your advanced poll voting experience.  
How would you rate your experience with each of the following:**



Optional question (23 response(s), 39 skipped)

Question type: Likert Question

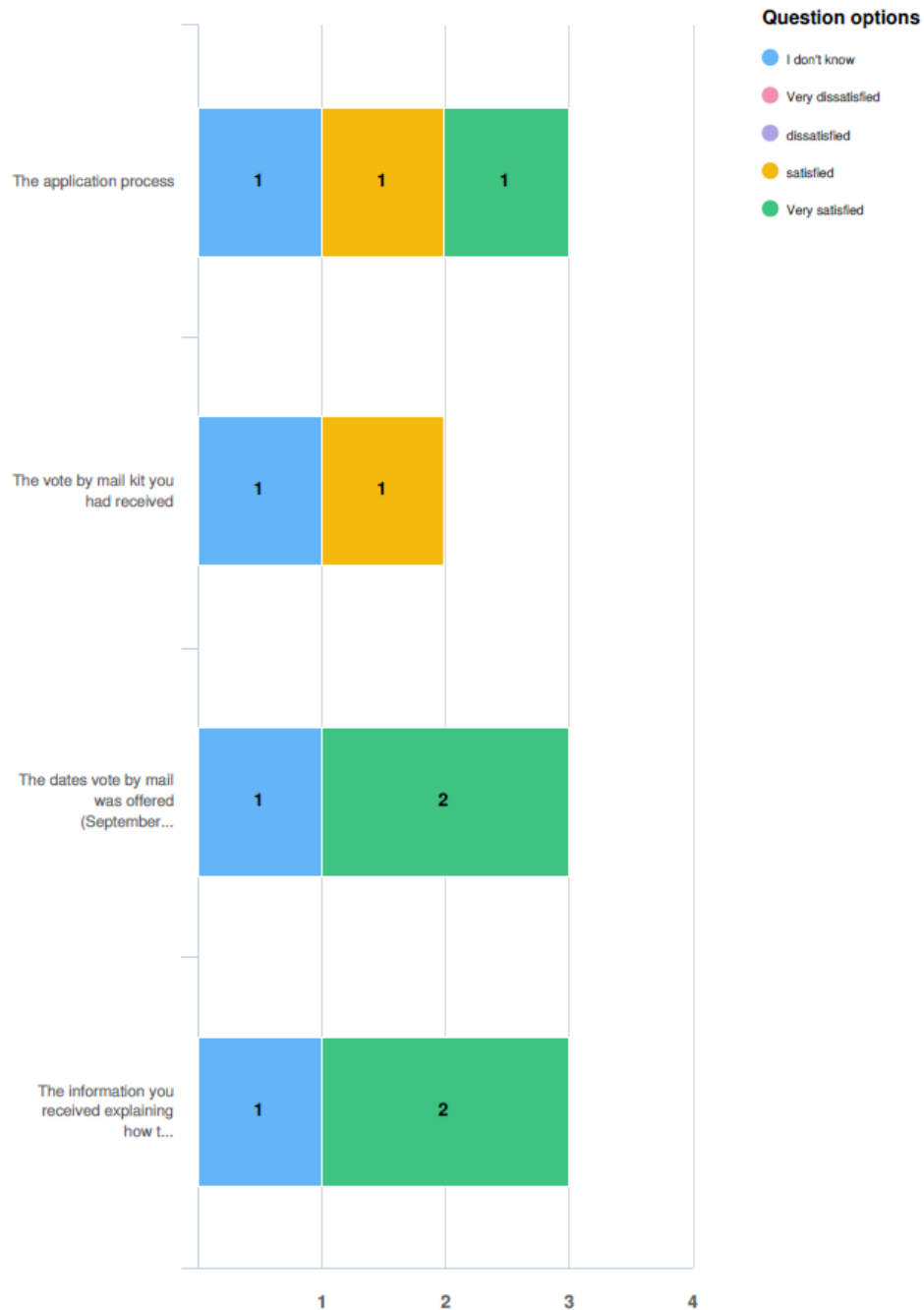
**We'd like to learn more about your election day voting location experience. How would you rate your experience with each of the following:**



Optional question (25 response(s), 37 skipped)

Question type: Likert Question

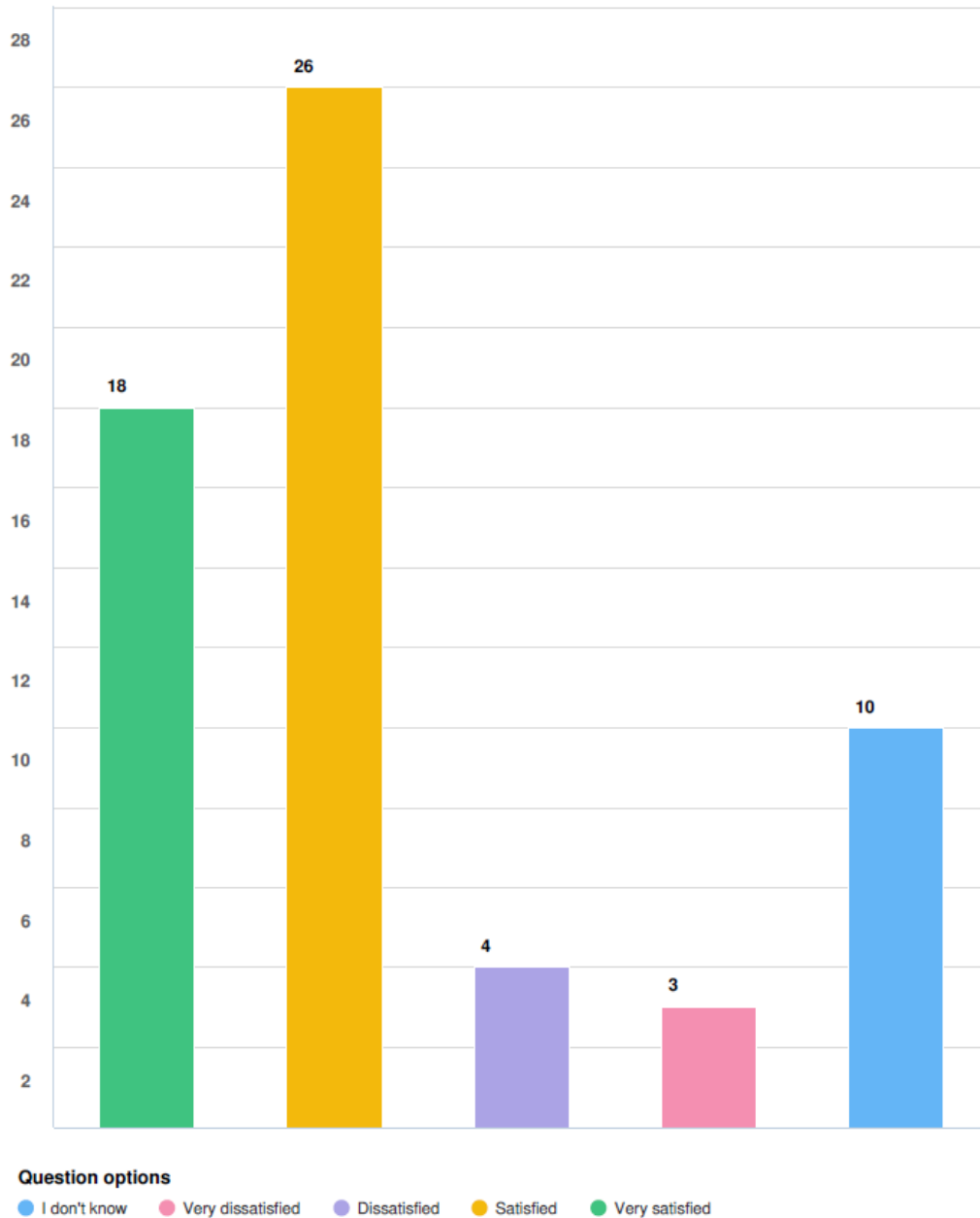
**We'd like to learn more about your experience using mail-in voting.  
How would you rate your experience with each of the following:**



Optional question (3 response(s), 59 skipped)

Question type: Likert Question

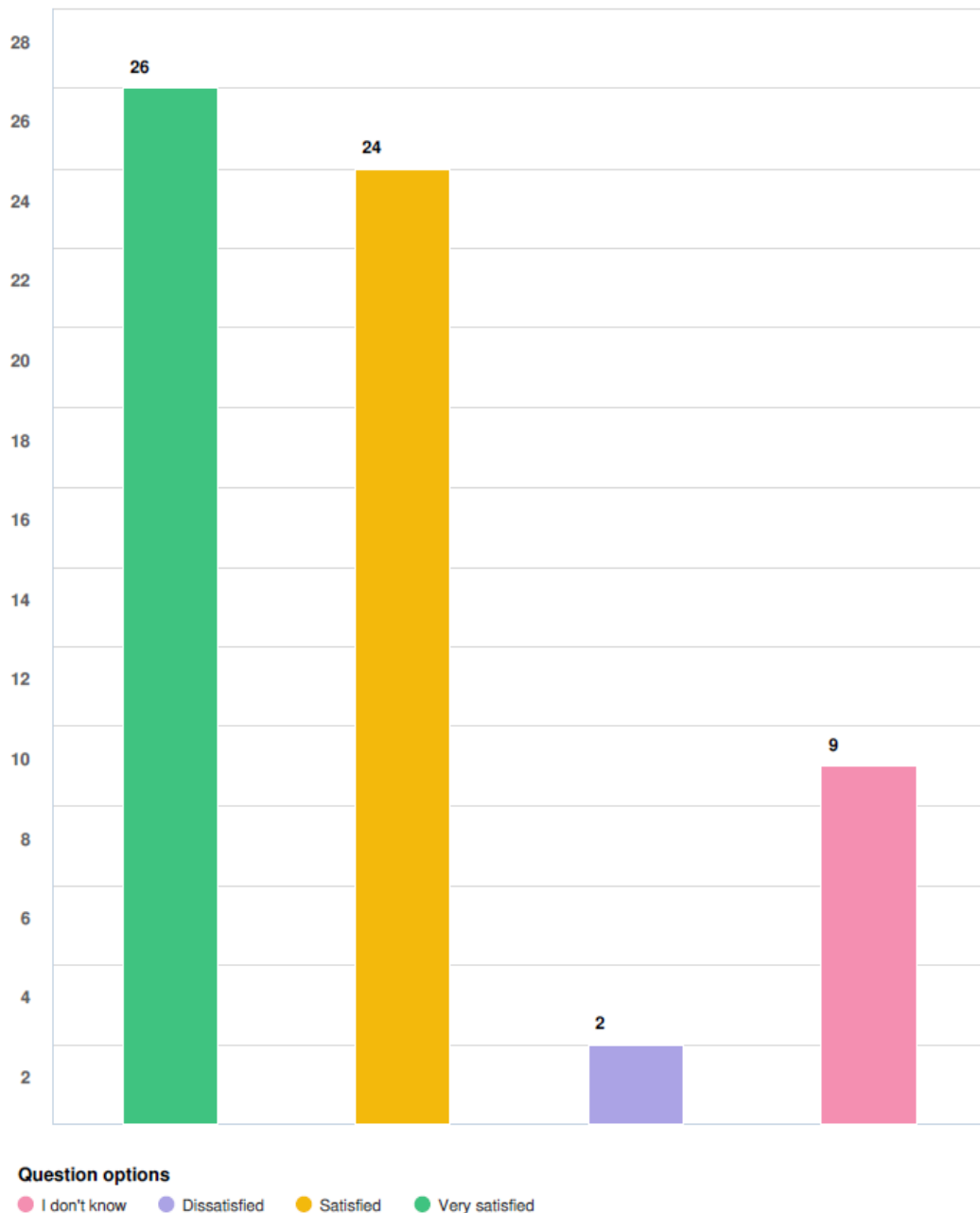
**Advanced voting locations were offered from October 8 to 10 and 14 to 16, 2022. How satisfied were you with the number of advanced voting days offered?**



Optional question (61 response(s), 1 skipped)

Question type: Checkbox Question

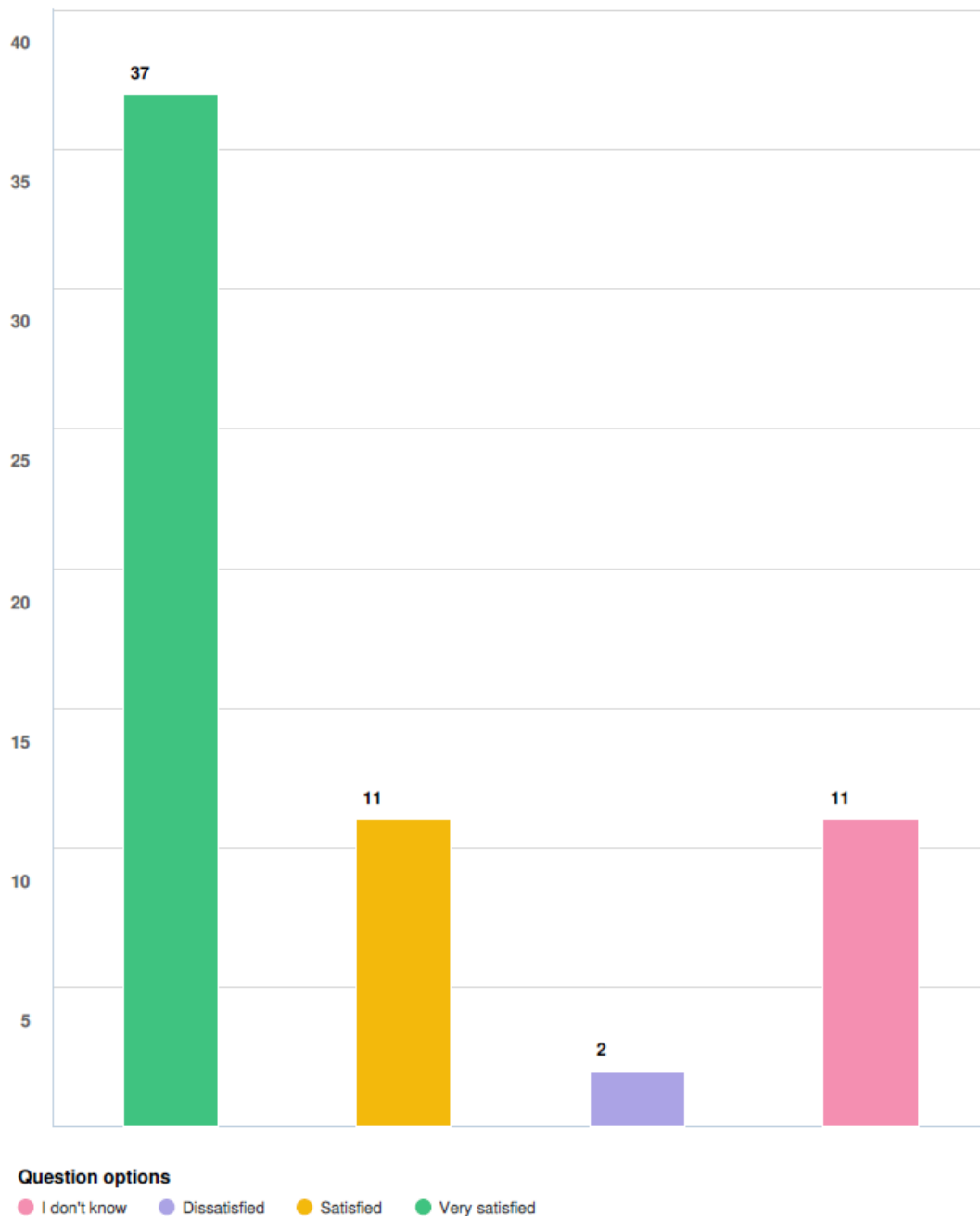
**Advanced voting was offered at seven locations across the city at: City Hall, Victoria Road Recreation Centre, Evergreen Seniors Community Centre, Shelldale Centre, West End Community Centre, University of Guelph, Arkell Road Bible Chapel. How satisfied were you with the advanced voting locations offered?**



Optional question (61 response(s), 1 skipped)

Question type: Checkbox Question

**On election day, voting was offered at 46 voting locations across the city with at least seven location per ward. How satisfied were you with the number of election day voting locations offered?**



Optional question (61 response(s), 1 skipped)

Question type: Checkbox Question

In 2022, voters could vote remotely from home, by mail or in-person at voting locations. We'd like to know which methods our community is most likely to use to cast their vote in future elections.

**Please rank the following voting methods in order from most likely to use to least likely to use if these methods were offered.**

- In person at voting locations with a paper ballot – average rank 2.02
- Remotely with online voting – average rank 2.26
- In person at voting locations with a digital ballot on a tablet or laptop – average rank 3.08
- Remotely with vote by mail – average rank 3.34
- Remotely with telephone voting – average rank 3.92

Optional question (59 response(s), 3 skipped)

Question type: Ranking Question

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, March 7, 2023
Subject	<b>2023 Property Tax Policy</b>

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## Recommendation

That the 2023 City of Guelph property tax ratios and corresponding tax rates, as set out in Attachment-2 to the report 2023-89 titled 2023 Property Tax Policy dated March 7, 2023, be approved.

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## Executive Summary

### Purpose of Report

To provide information in Attachment-1 City of Guelph Property Taxation Tax Policy 101 and recommend that the 2023 property tax ratios and corresponding tax rates (Tax Policy), included as Attachment-2, be approved, and incorporated into by-laws. This provides sufficient time to prepare the final tax bills for meeting the legislated mailing date for the June 30, 2023 tax installment.

### Key Findings

Municipal Councils are required to make a number of Tax Policy decisions and pass the related by-laws annually. Attachment-2 and calculated rates are an administrative consolidation of previous applicable Council decisions, related to optional tax classes, tax ratios, and annual budget.

Through the 2023 budget confirmation process, property tax impacts and percentage increases were provided. This was calculated using the 2022 assessment roll, and policy. The Municipal Property Assessment Corporation (MPAC) has provided assessment data for the 2023 taxation year and all calculations referred to in this report are based on this data.

In 2023, a single family detached property with a median value of \$407,000 (based on 2016 Current Value Assessment (CVA) valuation date) will be levied \$4,379.64 in City taxes for an overall property tax increase of \$194.95, broken out in Table 1 below.

Table 1: Total Change in City Portion on a Single Detached Residential Property.

City of Guelph Portion	\$ Change	% Change
Assessment Roll Impact	\$10.24	
2023 Budget Impact	\$184.71	
Total Change in City Portion	\$194.95	4.66%

## Strategic Plan Alignment

This report aligns with Strategic Plan priority Working Together for our Future, running an effective, fiscally responsible, and trusted local government.

## Financial Implications

There are no financial implications related directly with this recommended Tax Policy. Tax ratios and subsequent tax rates only allocate the approved tax supported operating budget of \$295,882,530 over the different tax classes.

Annually, the cost of the mandatory charity rebate program is approximately \$120,000 which is included in the budget.

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## Report

Municipal Councils are required to make a number of Tax Policy decisions annually. The Municipal Act sets out the parameters to be followed by municipalities when setting property tax policies. These parameters include establishing tax ratios and discounts; use of graduated taxation and optional classes; and various tax mitigation measures. Annual Tax Policy decisions determine how the property tax levy, approved in the annual budget, will be distributed across the various classes of properties.

On January 25, 2023, Council approved the 2023 tax supported budget, of which \$295,882,530 is to be raised from taxation and payments-in-lieu. Also, at this meeting, Council approved funding the annual hospital levy of \$750,000 in 2023 through reserves.

Through the 2023 budget process, property tax impacts and percentage increases were provided. This was calculated using the 2022 assessment roll, and Tax Policy. MPAC has provided assessment data for the 2023 taxation year and all calculations referred to in this report are based on this data.

## 2023 Tax Policy

The following summarizes the Tax Policy and programs discussed in this report and corresponding attachment:

- Approving the 2023 tax ratios and tax rates
- Continuing the low-income seniors and low-income disabled tax relief program; and
- Continuing the charitable tax rebate program which the City annually accrues funds for.

The by-laws for approval resulting from this report are to come to Council in March to allow sufficient time to prepare and mail the final property tax bills within the legislated time frame for the June 30, 2023 installment.

## Tax Ratios

On April 24, 2017, Council adopted the recommendations in the [Tax Ratios 2017-2020 Assessment Cycle report](#), which provided direction for setting tax ratios for the reassessment cycle 2017 through 2020 based on January 1, 2016 current values. This direction was that all ratios remain at the previous year's ratio, except for the

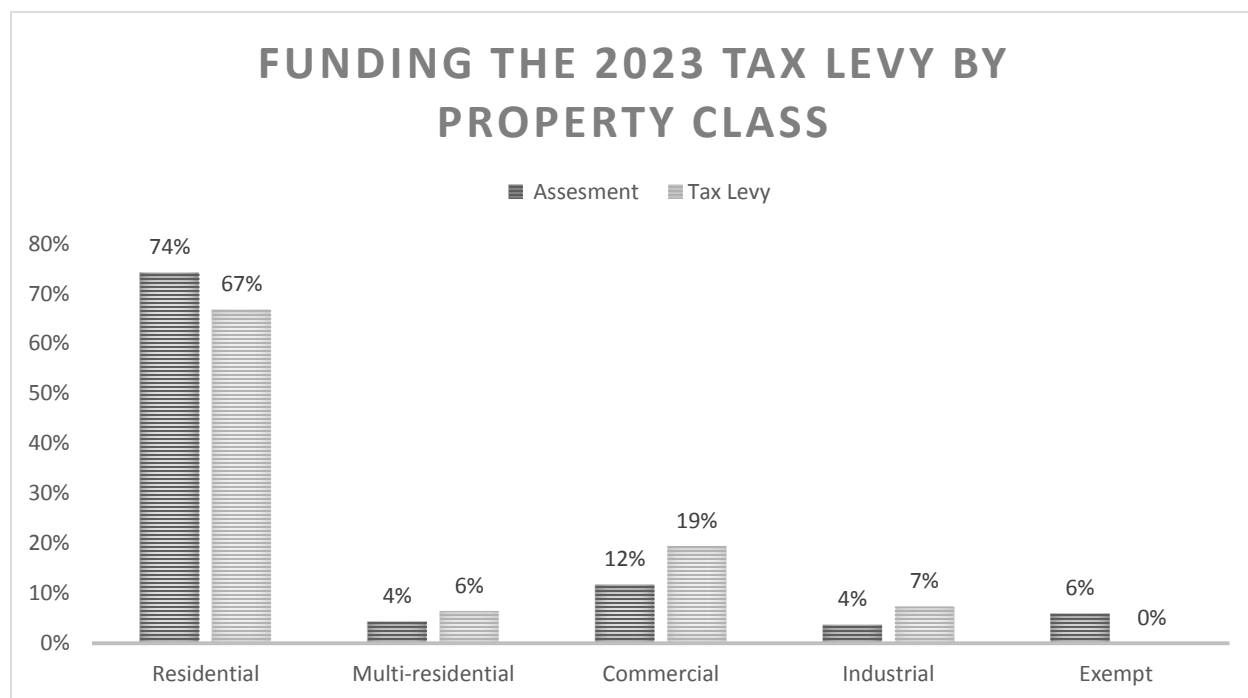
multi-residential ratio, which would remain revenue neutral on an annual basis. This direction was intended to cease after the 2020 tax year due to the planned reassessment cycle 2021 through 2024.

However, in March 2020, the Province announced it was postponing the planned reassessment and that assessment values used in 2021 would be the same as the fully phased-in assessment values used in 2020. The Province further announced on March 24, 2021 that the assessment values used in 2022 and 2023 would be the same as 2021. In November 2022, the Province did not bring forward any actions to move ahead with reassessment signaling January 1, 2016 current values would be used for taxation purposes for both 2023 and 2024. Therefore, there is minimal impact relating to reassessment to consider, and 2023 ratios are proposed to be maintained at the levels used in 2022.

Notably, despite the same assessment value date being used in 2023 as 2022, the assessment base for the City grew by over \$306 million in assessment, or 1.25 per cent, representing an overall taxation growth of 1.32 per cent, driven by growth of approximately \$225 million in assessment, or 1.24 per cent, in the residential tax class.

### Funding the Tax Levy by Property Class

The tax levy is funded primarily through four broad property tax classes: residential, multi-residential, commercial, and industrial. The split between total assessment and total tax levy based on the proposed Tax Policy for 2023 is shown below.



The residential tax class makes up 74 per cent of the City's total assessment base and funds 67 per cent of the tax levy. The assessment and tax levy split among all classes is consistent with prior years.

## Impact on the Average Residential Taxpayer

The impact on a single family detached property with a median value of \$407,000 (based on 2016 CVA valuation date) is shown in Table 2 below.

Table 2: Total Change in City Portion on a single Detached Residential Property.

City of Guelph Portion	\$ Change	% Change
Assessment Roll Impact	\$10.24	
2023 Budget Impact	\$184.71	
Total Change in City Portion	\$194.95	4.66%

The assessment roll impact is not driven by the 2023 budget and tax policy decisions. This impact is solely driven by tax shifting; the cumulative effect that assessment growth and loss have on the entire tax base, along with what the median single family detached residential property assessment in Guelph looks like. On an annual basis, the residential property continues to be bigger and of a higher quality as new larger, higher value homes are being constructed. This further increase in the residential property value provides for upward pressure when comparing a property year-over-year.

## Hospital Levy

In 2023, the hospital levy placeholder will continue to be shown separately on the final tax bill. However, a hospital levy amount will not be calculated, as the hospital levy will be funded through the use of reserves in 2023. This placeholder on the final tax bill represents Council's commitment to funding Guelph General Hospital renovations with \$750,000 on an annual basis that commenced in 2020 and continues through 2026.

## Tax Relief for Low-income Seniors and Low-income Persons with Disabilities

Municipalities are legislatively required to have a tax relief program under Section 319 of the Municipal Act. This program provides qualifying low-income seniors and low-income persons with disabilities tax relief through a deferral of property tax, should their annual assessment-related tax increase be greater than \$200. The program is set out in By-law (2015)-19988. [Deferral of taxes for low-income seniors and low-income disabled persons.](#)

## Tax Rebates for Charities

Municipalities are legislatively required to have this rebate under Section 361 of the Municipal Act. Qualifying charities, upon application, are provided a rebate of 40 per cent of taxes paid. In 2022, the City processed 29 rebate applications for a total dollar amount of \$165,516, of which the City's share was \$109,799, \$53,064 was from the school boards, and \$2,653 related to the Downtown Guelph Business Association. The charitable tax rebate program is set out in By-law (2002)-16851 and By-law (2003)-17152.

## **Financial Implications**

There are no financial implications related directly with the recommended 2023 Tax Policy. Tax ratios and subsequent tax rates allocate the approved tax supported operating budget of \$295,882,530 over the different tax classes.

Annually the cost of the mandatory charity rebate program is approximately \$120,000.

## **Consultations**

None.

## **Attachments**

Attachment-1 City of Guelph Property Taxation Tax Policy 101

Attachment-2 2023 City of Guelph Tax Ratios, Discounts and Rates

## **Departmental Approval**

James Krauter, Deputy Treasurer / Manager of Taxation and Revenue

## **Report Author**

Andrea Garner, Supervisor, Property Tax

## **This report was approved by:**

Shanna O'Dwyer

Acting General Manager, Finance/City Treasurer

Corporate Services

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## **This report was recommended by:**

Trevor Lee

Deputy Chief Administrative Officer

Corporate Services

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[trevor.lee@guelph.ca](mailto:trevor.lee@guelph.ca)

# **Attachment – 1**

## **City of Guelph**

### **Property Taxation**

### **Tax Policy 101**

Committee of the Whole  
March 7th 2023

# Topics

- Property Taxes and Payment In Lieu-PILs
- Property Assessment
- Assessment Composition
- Assessment Growth
- Operation Cycle
- Tax Ratios
- Tax Policy Options
- Tax Rates

# Topics (continued)

- Supplementary & Omitted Taxation
- Tax Appeals
- Tax Adjustments - Write Offs
- Tax Rebates
- Tax Collection & Payment Options
- Taxes Receivable
- What's Happening
  - Reassessment

# Property Taxes

- Property taxes are a principal means by which a municipality funds its operating budget.
- Property taxes are calculated by using the assessment of a property as determined by the Municipal Property Assessment Corporation (MPAC) and the tax rate approved by Council.

# PILs/PILTs

## Payment in Lieu of Taxes

- Payments made by Federal & Provincial Governments and their agencies on property owned and occupied by them, as well as some Municipally owned public utilities, such as Water and Wastewater Plants, Landfills, and Transit Terminals are eligible to pay an amount in Lieu of Taxes. This amount is the same that would otherwise be due if they were taxable.
- Heads And Beds – Colleges and Universities, Hospitals, Jails and Correction Centres pay \$75 per student, inmate or patient bed. This amount of \$75 has not changed since 1987.

# Property Taxes and Budget

- Tax rates are calculated after the budget is determined. Estimated revenues except property taxes are subtracted from the estimated total expenses to calculate **“the amount to raise from Taxation and PIL’s”**
- Even in cases where the budget remains constant from one year to the next, taxes may change because of property reassessments or assessment phase-in.
- In Guelph, Property Taxation and PILTs raises approximately 60% of the net operating budget requirement.

# Property Tax Legislation

- Municipalities are governed by the Province of Ontario, that provides legislation and regulations with regards to property assessment and taxation.
- The Assessment Act outlines how properties are assessed in Ontario including tax classes and valuation methods.
- The Municipal Act legislates property tax calculation, billing and collection, including the sale of land for tax arrears, by-law requirements, maximum penalty charges.

# Property Tax - Education Portion

- The City is also responsible for levying and collecting property taxes on behalf of the province to support the four local school boards.
- Rates are set by the province for each Tax Class.
- Pooling percentages set by the province distribute education taxes on commercial and industrial properties or those without school board direction.
- Payments are remitted to the school boards on a legislated basis by the City. Payments are sent quarterly at the end of March, June, September and December 15.

# Property Tax

## 2023 Total Levy \$358,999,275

City of Guelph Budget	\$ 295,882,530
Education	\$62,436,944
BIA	\$679,800

<b>Total Taxes to Bill</b>	<b>\$358,999,275</b>
----------------------------	----------------------

# Property Tax - Calculated

How are property taxes determined?

Property Taxes are based on the Current Value Assessment of the property (known as the assessment of the property), multiplied by a tax rate.



E.g. \$407,000 assessment (Median Single Family Detached Residential), multiplied by the residential tax rate (1.076079%)  
= \$4,379.64

# Property Assessment MPAC– YouTube

<https://www.youtube.com/watch?v=0-n-mquATG0>



# Property Assessment Roll

- Delivered to the City the 2<sup>nd</sup> week in December for the following taxation year.
- Contains the following information:
  - Roll Number
  - Property Address, Legal description
  - Ownership and mailing information
  - Property tax class
  - Current Value Assessment
  - Phase in Assessment for taxation purposes

# Property Assessment Tax Classes

- Residential and Farm
- Multi-Residential
- Commercial: Occupied, Excess Land and Vacant Land
- Industrial: Occupied, Excess Land and Vacant Land
- Pipelines
- Farmlands
- Managed Forests

## Optional Property Classes in Guelph - New Multi-Residential

# Property reassessment

- Reassessments were being conducted by MPAC on a four year schedule.
- The current reassessment was phased in over the 2017-2020 taxation years using a 2016 CVA (Current Value Assessment) as the end point for 2020 and then subsequently the province canceled the planned reassessment for 2021, 2022, 2023 and most likely 2024.

# Assessment Composition

## 2022 Unweighted Taxable Assessment

- Assessment Composition shows what the percentage of assessment is in each of the 7 main property Tax Classes.
- Guelph's assessment composition represents a diverse assessment of Res, Multi-Res, Com & Ind.

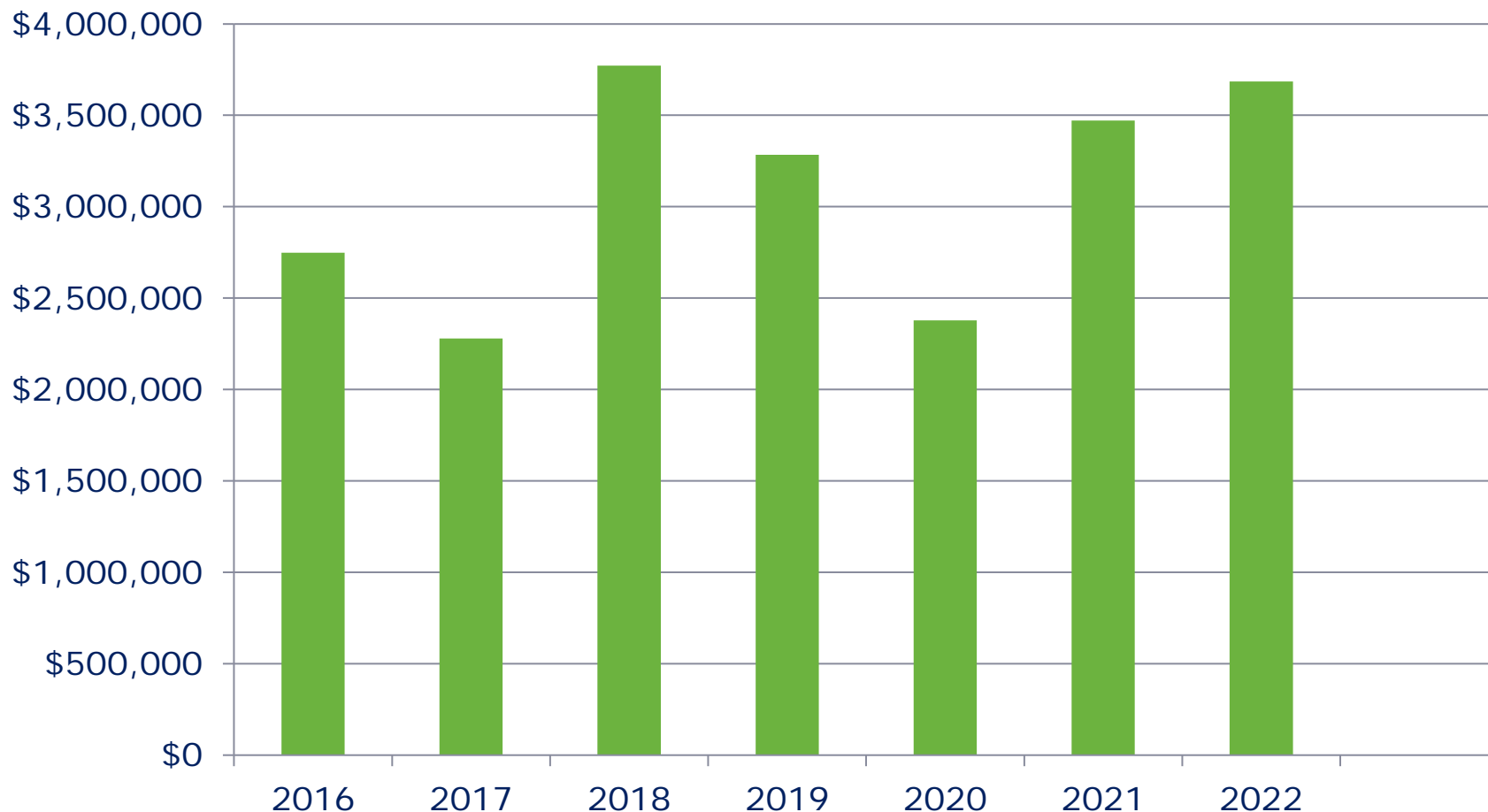
Municipality	Res	Multi-Res	Com	Ind	Pipe	Farm	Forest
<b>Guelph</b>	<b>78.90%</b>	<b>4.60%</b>	<b>12.50%</b>	<b>3.80%</b>	<b>0.10%</b>	<b>0.00%</b>	<b>0.00%</b>
Based on 117 Municipalities in 2022 BMA Study							
Average	77.10%	2.30%	9.40%	2.00%	0.50%	8.60%	0.20%
Median	78.80%	1.10%	8.90%	1.60%	0.30%	1.90%	0.00%

# Assessment Growth

## What is Assessment Growth?

- Assessment Growth is the new assessment for a given year that comes on the roll during the year after the roll is closed and used in the following years budget.
- It includes new buildings and additions that are assessed by MPAC through supplementary and omitted assessments.
- It also includes decreases that happen throughout the year due to changes in assessment from Assessment and Tax appeals.
- Net Assessment Growth can be negative or positive.
- **Reassessment is NOT assessment growth.**

# Assessment Growth 2016-2022



Growth for each year is embedded into the following years budget.

# Operational Cycle

Action	Time Frame	Due Dates
Interim Billing 50% of last years annualized	Billed end of January, Mailed early February	Due last business day of February and April
Tax Policy and By-Laws	To council in March	Must be completed before Final Billing
Final Billing	Billed end of May, Mailed Early June	Due last business day of June and September
Supplementary Billings	Billed monthly as from June -December	1 or 2 due dates set at time of billing
Appeals	Received and processed throughout year	Must be processed by municipality with 120 days of resolution
Assessment Roll	Received from MPAC annually in December	

# Tax Ratios – What are they?

- Relative tax burden across the property classes.
- Mathematical relationship between the tax rate for the residential class and the tax rates for other property classes.
- Residential class is the basis for comparison for other classes, its' tax ratio is always 1.0
  - If the tax ratio for a class has a value of 2.0, the tax rate for the class when measured against the residential rate is two times more.
- Tax ratio for farmlands and managed forests will be 25% of the residential tax rate or .25.

# Ontario Tax Ratio Parameters

- In 1998 the Province established “ranges of fairness”.
- If a ratio for a property class is outside the “range of fairness”, a municipality can either maintain the current ratio or move towards the range of fairness.
- Once a ratio is decreased, it can’t be raised at a later date, unless legislation allows due to reassessment or phase-in tax shifts.
- Province has also set Hard Caps: if the ratio is above only 50% of a tax increase can be passed on to that class. All Guelph’s ratios are below the Threshold Ratios.

# Provincial Ranges of Fairness and Hard Cap Threshold Tax Ratios

<b>Tax Class</b>	<b>Range of Fairness (1998) Tax Ratio</b>	<b>Hard Cap or Threshold (2023) Tax Ratio</b>
Residential	1.00	N/A
New Multi-Residential	1.00-1.10	1.10
Multi Residential	1.00-1.10	2.00
Commercial Broad Class	0.60-1.10	1.98
Industrial Broad Class	0.60-1.10	2.63
Pipeline	0.06-0.07	N/A
Farmlands	0.01-0.25	N/A
Managed Forest	0.25	N/A

# Setting Tax Ratios

- Subsection 308(4) of Municipal Act, 2001
  - Requirement for all Single Tier Municipalities to set Tax Ratios annually.
- Municipalities can set different tax ratios for different classes of property (except for Residential).
- Tax ratios use the residential class as a base.
- Historically business classes have higher Tax Ratios and pay more tax.

# Tax Policy Options

- The Tax Policy process each year looks at Options granted to the Municipalities by the Province through the Municipal Act, 2001.
- These areas include:
  - Tax Ratios
  - Tax Rates
  - Charity Rebates
  - Optional Property Classes
  - Tax Relief for Low-Income Seniors and Low-Income Persons with Disabilities

# Tax Policy and Tax Ratios

- Changing the tax ratios changes the distribution of taxes to be collected from each property class.
- The City of Guelph reviews its tax ratios and submits any recommendations which are usually tied to reassessment, for Council's consideration through the annual Tax Policy Report.
- Following this report, By-laws are submitted for Council's approval that are necessary in order to conduct the Final Billing each tax year.

## Points to Consider

- Diversify the Revenue Sources
  - Higher tax ratios and therefore higher tax rates result in a greater dependency for taxation revenue on large individual properties.
- Comparison across the province
  - City of Guelph's Commercial, Industrial and Multi-Res ratios remain slightly higher than the BMA average and some of our neighboring Municipalities.

# 2022 Tax Ratios Guelph vs. BMA Comparators

Municipality	Multi- Res	Commercial	Industrial
<b>Guelph</b>	<b>1.7863</b>	<b>1.8400</b>	<b>2.2048</b>
Based on 117 Municipalities in 2022 BMA Study			
Average	1.7246	1.6689	2.1175
Median	1.8629	1.7042	2.0691
Min.	1.0000	1.0820	1.1000
Max.	2.3594	2.6374	4.4267

## Current Tax Policy

- Over the past number of years progress has been made on reducing the Multi-Res and Industrial tax ratios to better align with other comparable Municipalities.
- As one tax ratio decreases the amount of taxes the other tax classes have to pay increases.
- For 2023 all ratios and tax policy options were held at status quo.

# Guelph's Historical Tax Ratios

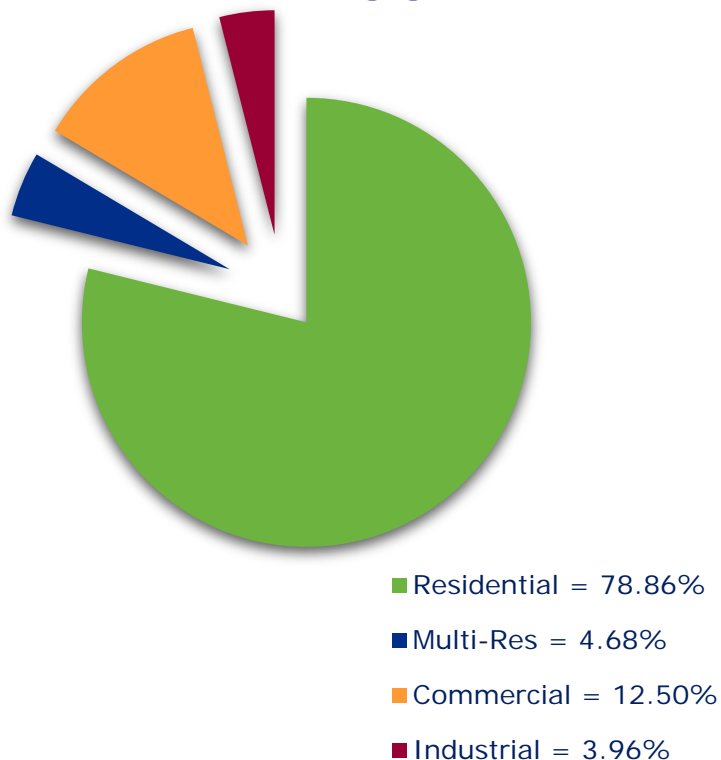
Tax Year	Multi- Res	Commercial	Industrial
2008	2.740000	1.840000	2.630000
2009	2.596475	1.840000	2.630000
2010	2.453000	1.840000	2.630000
2011	2.309425	1.840000	2.630000
2012	2.165900	1.840000	2.630000
2013	2.123900	1.840000	2.523700
2014	2.081900	1.840000	2.417400
2015	2.039900	1.840000	2.311100
2016	1.997900	1.840000	2.204800
2017	1.928666	1.840000	2.204800
2018	1.873300	1.840000	2.204800
2019	1.825401	1.840000	2.204800
2020-2023	1.786308	1.840000	2.204800

## Points to Consider – Multi- Residential

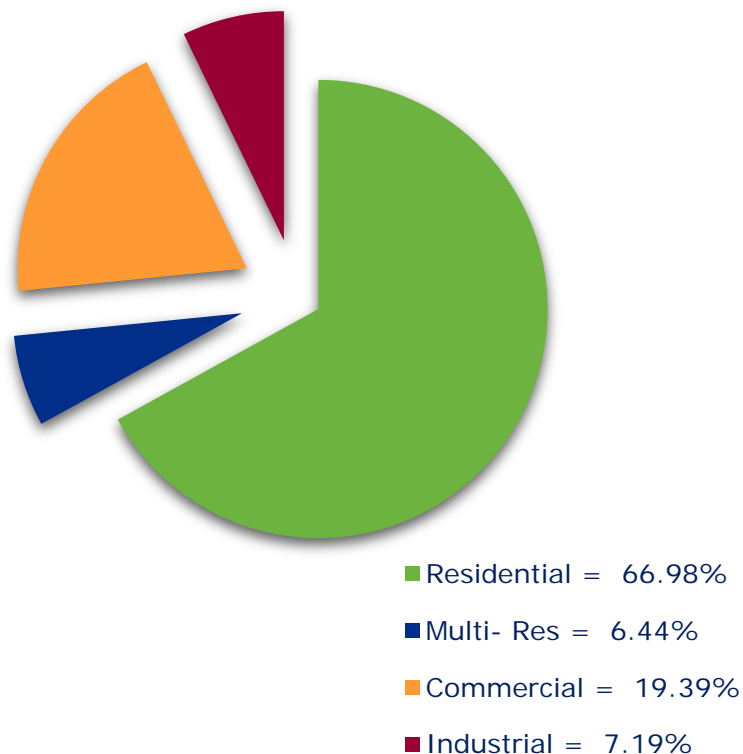
- Progress has been made
  - As we move to the next reassessment cycle staff will recommend a continued approach in reducing the Multi Residential Ratio this will align with provincial direction and the goal to align with the New Multi Residential Ratio by 2033.

# Assessment vs Weighted Assessment

## 2023 - Assessment Only if All Tax Ratios = 1.00



## 2023 - Weighted Assessment How Taxes are Distributed



# 2022 Unweighted to Weighted Assessment Composition

Municipality	Res Unweighted Assessment	Res Weighted Assessment
<b>Guelph</b>	<b>78.90%</b>	<b>66.80%</b>
Based on 117 Municipalities in 2022 BMA Study		
Average	77.10%	75.30%
Median	78.80%	75.70%
Min	27.90%	53.50%
Max	94.30%	96.70%

# Tax Rates - How are they set?

Tax Rates have three components that play a role in what the tax rate is. These are:

- The Assessment Base
- The Tax Ratios
- The Levy Requirement from the Operating Budget  
**“the amount to raise from Taxation and PILs”**
- The Assessment Base is weighted by the Tax Ratios and then divided by the **“the amount to raise from Taxation and PILs”** in order to come up with the base tax rate (residential rate)

# Tax Rates and how they are calculated

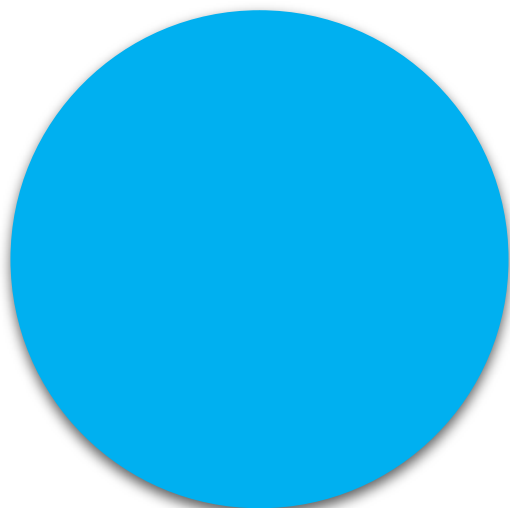
- A percentage rate that is applied to the assessed value of a property to determine the taxes payable.
- Municipalities set Municipal/General Tax Rates for each property class to pay for common services. These are determined by using the Tax Ratios to weight the overall assessment and then calculate the rates.
- Provincial government sets the Education Tax Rate.

# City of Guelph proposed 2023 Tax Rates

Property Class	City Rate	Education	Total 2023 Tax Rate
Residential	1.076079%	0.153000%	1.229079%
New Multi-Residential	1.076079%	0.153000%	1.229079%
Multi-Residential	1.922209%	0.153000%	2.075209%
Commercial	1.979985%	0.880000%	2.859985%
Industrial	2.372539%	0.880000%	3.252539%
Pipelines	2.063381%	0.880000%	2.943381%
Managed Forests	0.269020%	0.038250%	0.307270%
Farmlands	0.269020%	0.038250%	0.307270%

# 2023 Taxation split by Tax Class

**Net 2023  
raised from  
Taxation and  
PIL's  
\$295,882,530**



**2023 – split by  
Tax Class**



■ Residential = \$198,176,435

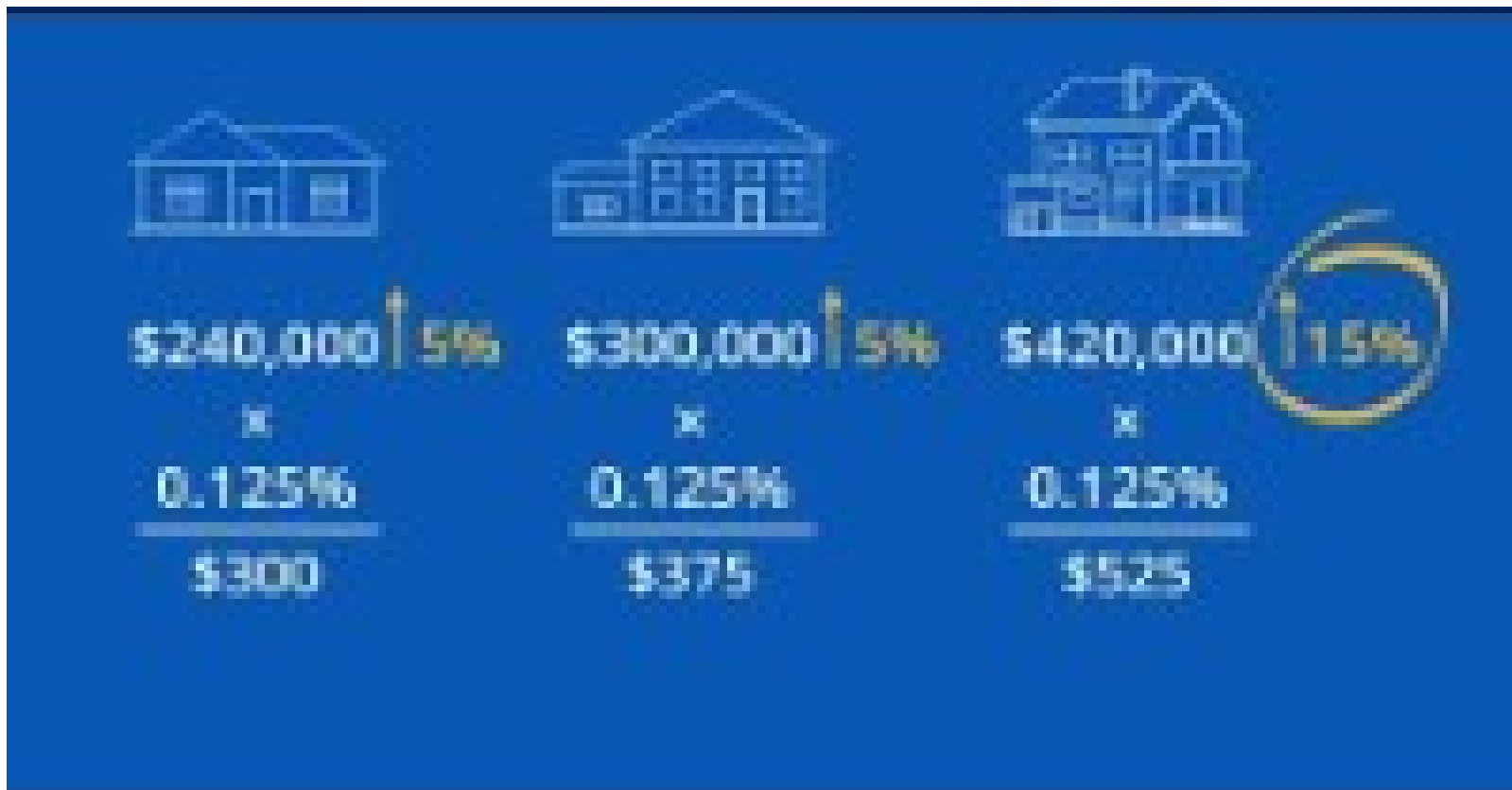
■ Multi- Res = \$19,068,516

■ Commercial = \$57,375,853

■ Industrial = \$21,261,724

# Property Tax – Youtube Video

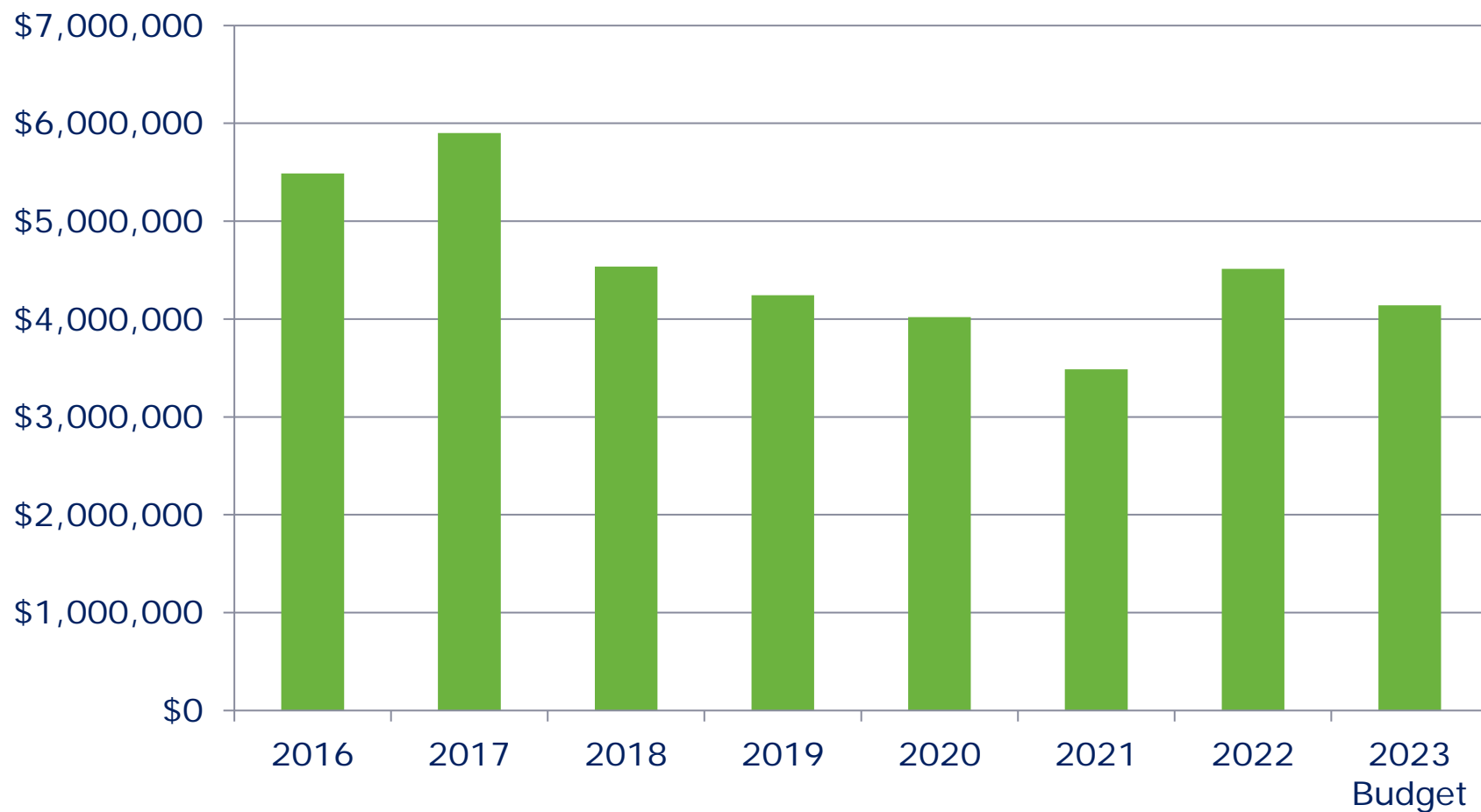
<https://www.youtube.com/watch?v=nrWry5i3TBU>



# Supplementary & Omitted Taxation

- Supplementary and Omitted Assessment Rolls are produced by MPAC monthly from April to December each year.
- Supplementary and Omitted Assessments increase the Assessment Base and are issued when:
  - Newly constructed property is occupied
  - Property was not assessed on the annual roll return
  - Tax classification changes, including changes from exempt
  - Additions or renovations to a property
- The Assessment Act allows MPAC to assess any new construction or addition that has been omitted from the assessment roll for the current and any part or all of the two previous years.
- Annually we budget Supplementary taxation at 1.5% of the previous year's total levy.

# Supplementary Tax Revenue 2016 - 2023



# Property Tax Appeals

Property owners get a say in how their property taxes are determined.

- Property assessment is determined by a provincial body known as The Municipal Property Assessment Corporation (MPAC). MPAC determines the property's assessment and will conduct a review if questioned by the property owner. There is also an appeal process in place should you not agree with MPAC's findings.

# Property Tax Appeals – City is a Party

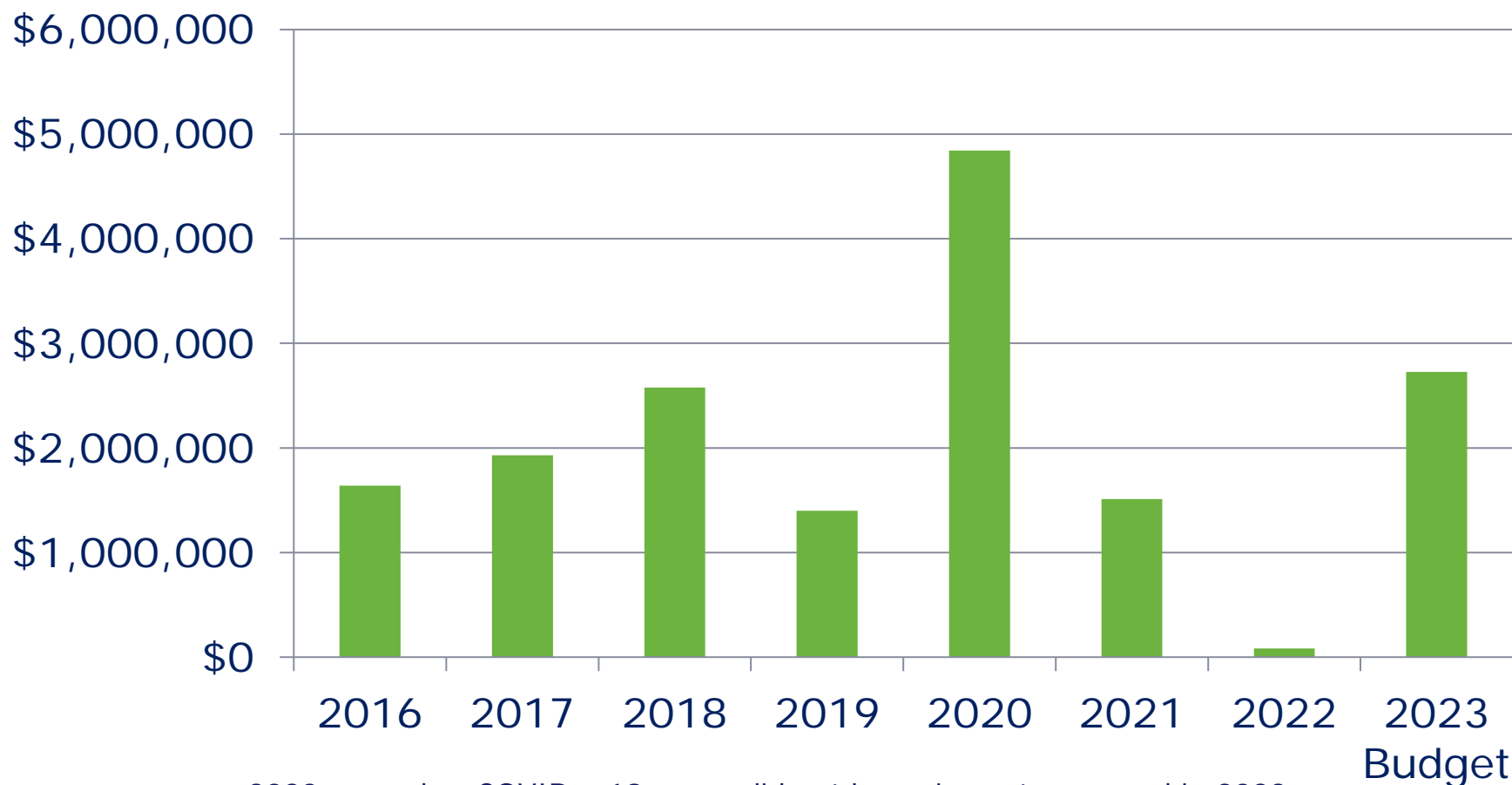
Similarly the City also is a party to any assessment appeal filed with the Assessment Review Board.

- As a statutory party to all assessment appeals the City ensures fairness and equity for all taxpayers through engagement with both the property owner/tenant/agent and MPAC.

# Property Tax Adjustments

- Throughout the year, MPAC issues adjustments and corrections to assessments through the Request for Reconsideration Process, PRANs, ANAs etc.
- Assessment adjustments are also issued as a result of Assessment Appeals, either through Minutes of Settlement or decisions by the Assessment Review Board (ARB).
- Municipal Act Tax applications are also processed by the City upon receipt from the property owner. These may occur when a property becomes exempt, demolitions or fires occur or when there is a factual error in the assessment of a property.
- Annually we budget tax adjustments at 1.0% of the previous year's total levy.

# Property Tax Adjustments - Write-offs



2020 accrual re COVID – 19 as we did not know impact, reversed in 2022.

# Rebates for Charities

- Municipalities must establish a program to provide property tax relief to registered charities assessed in the Commercial or Industrial tax class.
- The minimum rebate is 40% of the taxes paid.
- Municipalities may also provide through a by-law rebates that are of a greater percentage, for similar organizations and in other property classes.
- Annually this cost approximately \$120,000.

# Tax Billing and Collection Policy

- This policy supports the community being treated fairly and consistently when staff are dealing with collection issues and other requests by taxpayers.
- It provides an approved timeline and variety of mechanisms to collect taxes in arrears enabling the City to ensure each taxpayer is contributing their fair and equitable portion towards funding essential community services.

# Payment Options

- Currently accepted methods of payment include:
  - One of four pre-authorized payment plans
  - At financial institutions including online or telephone banking
  - Through arrangements with the property owner's mortgage company
  - By cheque, mailed or left in drop box
  - In person at ServiceGuelph counter
  - Credit card using Paymentus service, either online or by telephone

# Final Bills Issued 2014 vs 2022

Billing Method	Number of Bills 2014	% of Total 2014	Number of Bills 2022	% of Total 2022
Mortgage Bills	9,283	22.07%	7,006	14.99%
PAP – Monthly	9,255	22.00%	14,332	30.67%
PAP – Instalment	3,316	7.88%	3,901	8.35%
Regular Tax Bills	19,250	45.76%	19,983	42.76%
EPost	962	2.29%	1,511	3.23%
<b>Total</b>	<b>42,066</b>	<b>100.00%</b>	<b>46,733</b>	<b>100.00%</b>

# Payments 2014 vs 2022

Payment Method	# of Payments Made 2014	Percentage of Payments Made 2014	# of Payments Made 2022	Percentage of Payments Made 2022
Payments made at Bank – Manual – Stubs returned	309	0.13%	6	0.002%
Mortgage Co. Payments	25,850	11.08%	19,611	6.53%
Internet or Telebanking Payments Financial Institution	63,140	27.05%	80,025	26.64%
Electronic Payments (EFT)	1,860	0.80%	1,193	0.40%
Payments through the Mail	15,697	6.73%	5,746	1.91%
Pre-Authorized Payments	112,050	48.01%	182,334	60.70%
Point of Sale (ServiceGuelph)	4,858	2.08%	4,013	1.34%
Post-dated Cheques	8,800	3.77%	3,230	1.08%
Paymentus/Credit Card	824	.035%	4,246	1.41%
<b>TOTAL</b>	<b>233,388</b>	<b>100.00%</b>	<b>300,404</b>	<b>100.00%</b>

# Current Collection Methods

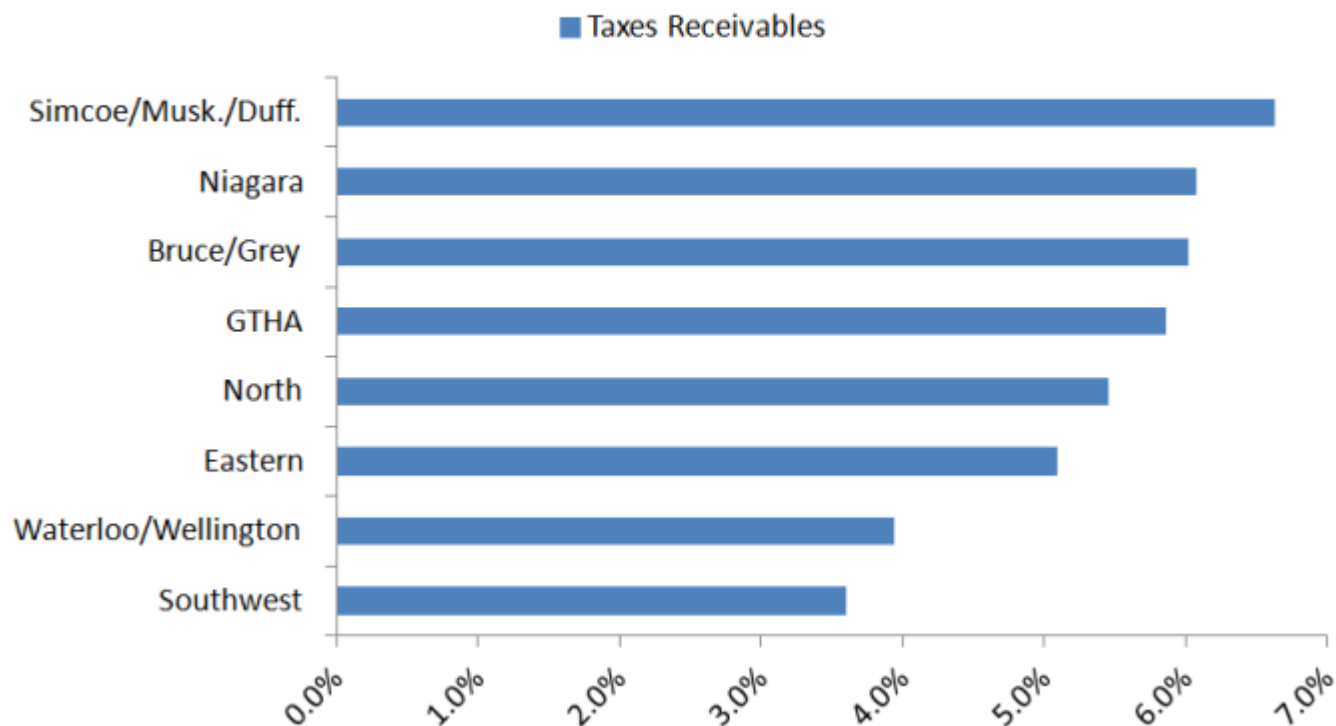
- Send monthly arrears notices.
- Follow-up on 2<sup>nd</sup> year arrears through warning letters, and conversations with property owners.
- Once property is 2 years in arrears, can be registered for tax sale proceedings.
- One year after registering the property for tax arrears, if not paid in full or an extension agreement is in place, Tax Sale proceedings may commence.

# Taxes Receivable

- Taxes Receivable are the net amount of taxes owing to the City.
  - Tax Arrears less Tax Credits
- Every year, a percentage of property owners do not pay their property taxes.
- As the uncollectable taxes decrease so does the interest income related to Tax Arrears.
- Taxes Receivable as a percentage of taxes levied is a financial measure used in a municipality's credit rating.
- The City of Guelph sits well below the municipal averages for 2021 at 1.5%.

# Taxes Receivable as at Dec 31 2021

## *Taxes Receivable as a % of Tax Levied - By Location*



Based on Guelph sitting at 1.5% we are significantly below the averages across the province.  
Guelph is included in Waterloo/Wellington - BMA Study 2022 Average for 2021

## Over the past few years

- Implemented new 11 and 12 month PAP plan providing additional options.
- Provided additional transparency, simplification and equity through the elimination of the Vacancy Rebate and subclass discounts for vacant and excess land.
- Moved to an online tax certificate platform – TCOL that enables real-time requests and payments from Lawyers requesting tax certificates.
- Transitioned to new Tax software Dec 2022.
- E-billing through E-Post was discontinued by Canada Post Dec 31, 2022.

# Reassessment Myth-Fact

- The province has not released details related to any upcoming reassessment.
- During a reassessment we must know that:

MYTH ❌	FACT ✅
<p>My property value has doubled.</p> <p>My property taxes will double.</p>	<p>There is <b>no 1:1 relationship</b> between the change in your assessed value and change in taxation.</p>

# Reassessment

- Even though the assessed values of homes may increase following an assessment update, municipalities are required by regulation to reset their tax rates to offset the average change in property values as a result of reassessment.
- A common misconception is that a significant change in a property's assessed value will result in a proportionately significant change in the owner's property taxes. The most important factor is not how much the assessed value has changed, but how much the assessed value has changed relative to the average change for the same property type in the municipality.

## Reassessment (Continued)

- Generally, if the property assessment has gone up more than average, the owner's property tax bill will be proportionately larger. If the property assessment has gone up less than average, the owner's property tax bill will be proportionately smaller.

# Impacts of Reassessment

- Reassessment can result in tax shifts, which is a change in the burden of one tax class compared with the other tax classes. Tax ratios can amplify this tax shift.
- Reassessment can also shift taxes from one area of the city to another.
- Historically reassessment results in higher volumes of Tax Write-offs in first couple years of phase in as MPAC corrects any errors in values.

## 2023 and Beyond

- Enabling self serve options online that will allow for 24/7/365 account access, signing up for e-billing, and preauthorized payment plans.
- E-billing of tax bills through our new tax billing software.
- Streamlining customer service through continued partnerships with ServiceGuelph.
- Collection of Local Improvement Charges for Guelph Greener Homes Program.
- Proactive assessment base management and continued relationship building with MPAC with a goal of ensuring property tax equity and maximizing assessment growth.

# 2023 Tax Bylaws – March 28 – Council

## Further Reference Materials

- The Ontario Municipal Councillor's Guide  
<https://www.ontario.ca/document/ontario-municipal-councillors-guide>
- Section 9.6
- <https://www.ontario.ca/document/ontario-municipal-councillors-guide/9-fiscal-context#section-5>

# The End

**ATTACHMENT 2****2023 CITY OF GUELPH - TAX RATIOS, DISCOUNTS AND RATES**

<b>PROPERTY CLASS</b>	<b>TAX RATIO</b>	<b>TAX RATE</b>	<b>GENERAL LEVY</b>	<b>HOSPITAL LEVY</b>	<b>TOTAL TAX RATE</b>
		<b>REDUCTION</b>	<b>TAX RATE</b>	<b>TAX RATE</b>	
Residential	1.000000	0%	1.076079%	0.000000%	1.076079%
Residential - Farmland 1	1.000000	25%	0.807059%	0.000000%	0.807059%
Residential - Farmland 4	1.000000	0%	1.076079%	0.000000%	1.076079%
New Multi-residential	1.000000	0%	1.076079%	0.000000%	1.076079%
Multi-residential	1.786308	0%	1.922209%	0.000000%	1.922209%
Multi-residential - Farmland 1	1.000000	25%	0.807059%	0.000000%	0.807059%
Multi-residential - Farmland 4	1.786308	0%	1.922209%	0.000000%	1.922209%
Commercial	1.840000	0%	1.979985%	0.000000%	1.979985%
Commercial - Farmland 1	1.000000	25%	0.807059%	0.000000%	0.807059%
Commercial - Farmland 4	1.840000	0%	1.979985%	0.000000%	1.979985%
Commercial - Excess Land	1.840000	0%	1.979985%	0.000000%	1.979985%
Commercial - Vacant Land	1.840000	0%	1.979985%	0.000000%	1.979985%
Industrial	2.204800	0%	2.372539%	0.000000%	2.372539%
Industrial - Farmland 1	1.000000	25%	0.807059%	0.000000%	0.807059%
Industrial - Farmland 4	2.204800	0%	2.372539%	0.000000%	2.372539%
Industrial - Excess Land	2.204800	0%	2.372539%	0.000000%	2.372539%
Industrial - Vacant Land	2.204800	0%	2.372539%	0.000000%	2.372539%
Pipelines	1.917500	0%	2.063381%	0.000000%	2.063381%
Farmlands	0.250000	0%	0.269020%	0.000000%	0.269020%
Managed Forests	0.250000	0%	0.269020%	0.000000%	0.269020%
<b>Business Improvement Area</b>					<b>0.3468881%</b>

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Corporate Services
Date	Tuesday, March 7, 2023
Subject	<b>Revenue Budgeting Policy</b>

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## Recommendation

That the Revenue Budgeting Policy attached to Report 2023-84 – Revenue Budgeting Policy, be approved.

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## Executive Summary

### Purpose of Report

The purpose of this report is to provide an overview of the Revenue Budgeting Policy (Policy) and to seek Council approval of the Policy as included in Attachment-1.

### Key Findings

Revenue is a foundational financial driver and having a Policy is considered a best practice according to the Government Finance Officers Association (GFOA).

The Policy documents the City's practices to promote clarity and consistency in the application of revenue through the corporate budgeting process and outlines six key principles:

- If revenue increases, it will be used to offset the cost of the service or program; if revenue exceeds the cost, it will be applied to reduce property taxes in other areas (unless otherwise dictated by regulation or Council policy).
- One-time revenue supports one-time expenses and ongoing revenue supports ongoing expenses.
- If an individual or group receives a benefit from a service that is beyond that which is provided to citizens as a whole, costs will be recovered from the individual or group to whom the services are provided.
- Services provided to citizens as a whole, should be property tax funded.
- Subsidies or discounts should be linked to strategy or policy and should be developed with an equity lens.
- Other users of a service should not cover the cost of subsidies or discounts provided; this is a cost to the community as a whole (property tax funded).

The Policy includes four schedules that provide more specific information for various types of revenue: User Fees, Rates and Charges (Schedule A), Property Taxation Assessment Growth (Schedule B), Grants (Schedule C), and Other Forms of New Revenue (Schedule D).

## Strategic Plan Alignment

The Working Together for our Future strategic plan pillar includes implementing the Long-Term Financial Planning Framework as one of four strategic initiatives, and the Policy is part of this framework. The Long-Term Financial Planning Framework is an input into the maintaining the City's credit rating key performance indicator.

## Financial Implications

There are no financial implications resulting from this report. A strategic and efficient Policy promotes the effective and consistent use of revenue sources.

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## Report

Revenue is a foundational financial driver and is critical to the success of the City of Guelph reaching its long-term financial outcomes of increased sustainability, reduced vulnerability, and increased flexibility.

The Policy documents the revenue budgeting practices in place and provides direction on how funding sources are approached, allocated and expanded. Having revenue budgeting direction documented in a policy will promote clarity and consistency across the corporation about how specific revenue sources are used to fund related programs and services at Council-approved levels and how revenue is applied through the corporate budgeting process.

The Policy includes general principles that are applicable to a majority of the City's revenue sources and is forward-looking as it provides ways for new revenue sources to be incorporated into the Policy. New schedules relating to specific revenue sources can be added and previous schedules can be modified when changes are necessary.

The City of Guelph does not currently have a policy that documents the principles that are applicable to budgeting for revenue. Many other municipalities in Ontario have revenue policies that provide a guiding philosophy on revenue to ensure clarity, consistency, and sustainability in funding sources. The GFOA considers having a revenue policy a best practice. The attached Policy builds on the pillars of flexibility, sustainability and vulnerability outlined in the [Long-Term Financial Framework](#) to document how the City manages revenue sources. The following key principles are described:

- If revenue increases, it will be used to offset the cost of the service or program; if revenue exceeds the cost, it will be applied to reduce property taxes in other areas (unless otherwise dictated by regulation or Council policy).
- One-time revenue supports one-time expenses and ongoing revenue supports ongoing expenses.
- If an individual or group receives a benefit from a service that is beyond that which is provided to citizens as a whole, costs will be recovered from the individual or group to whom the services are provided.
- Services provided to citizens as a whole, should be property tax funded.
- Subsidies or discounts should be linked to strategy or policy and should be developed with an equity lens.
- Other users of a service should not cover the cost of subsidies or discounts provided; this is a cost to the community as a whole (property tax funded).

There are four schedules included in the Policy that provide more specific information about budgeting for the following types of revenue: User Fees, Rates and Charges (Schedule A), Property Taxation Assessment Growth (Schedule B), Grants (Schedule C), and Other Forms of New Revenue (Schedule D).

### **User Fees, Rates and Charges – Schedule A**

- User fees will be set to recover full cost except when:
  - Council has approved a subsidy or exemption for all or some users; or
  - The goods or services are offered competitively in the open market; or
  - Fee amounts are legislated by a higher order of government.
- This schedule provides a framework for assessing who benefits from the goods or services and provides guidance on cost recovery ratios based on that assessment.
- It also provides guidance for setting User Fees and Charges which includes calculating the full cost, assessing market comparatives (if there is a competitive market for the goods or services), identifying target subsidies based on Council approved strategy or policy, consideration of inflation rates, and other factors.

### **Property Taxation Assessment Growth – Schedule B**

- Assessment growth revenue should fund growth-related services. Funding non-growth-related services with growth revenue artificially decreases the cost of these non-growth services in the near term but will result in tax rate increases related to servicing growth in future years.
- Prescribes the basis for allocating assessment growth revenue among:
  - Local boards and shared services;
  - Infrastructure renewal strategy; and
  - Growth-related operating expenses.
- Provides direction for what to do with actual assessment growth revenue in excess of the amount budgeted, as well as how to manage budgeted assessment growth revenue that is higher or lower than growth-related operating budget requests in any given year.

### **Grants – Schedule C**

- Provides criteria for grants:
  - Must be linked to a specific program or service; and
  - Long-term implications must be assessed (risk to programs/services/community if grant funding is discontinued).
- Prescribes approval thresholds for grant applications.
- Explains how to use grant funding strategically and sets policy on how to reallocate displaced funds.

### **Other Forms of New Revenue – Schedule D**

- Sets policy for budgeting for, collecting, and using the following revenue sources:
  - Fundraising and donations; and
  - Sponsorships and advertising sales.
- The Policy does not cover other policy decisions associated with these revenue types such as in what situations the City may seek out sponsorship or advertising opportunities or how they are valued.

## **Financial Implications**

There are no financial implications resulting from this report. A strategic and efficient revenue budgeting policy promotes the effective and consistent use of revenue sources.

## **Consultations**

Departments across the corporation were consulted in the preparation of this Policy.

## **Attachments**

Attachment-1 Revenue Budgeting Policy

Attachment-2 Staff Presentation

## **Departmental Approval**

None

## **Report Author**

Karen Newland, Manager, Client Services and Budget

## **This report was approved by:**

Shanna O'Dwyer

Acting General Manager, Finance/City Treasurer

Corporate Services

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## **This report was recommended by:**

Trevor Lee

Deputy Chief Administrative Officer

Corporate Services

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trevor.lee@guelph.ca

# Corporate Policy and Procedure

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Policy	<b>Revenue Budgeting Policy</b>
Category	Corporate
Authority	Finance
Related Policies	Long-term Financial Framework Budget Policy Reserve and Reserve Fund Policy Budget Monitoring Policy Development Charges Policy
Approved By	Council
Effective Date	<a href="#">Tuesday, March-28-2023</a>
Revision Date	As required

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## Policy Statement

It is the Policy of the City of Guelph to:

- Manage all revenue sources sustainably and responsibly.
- Ensure adequate long-term funding by using specific revenue sources to fund related programs and services at Council-approved levels.
- Integrate the Revenue Budgeting Policy with other long-term planning, financial and management objectives of the City.
- Take a consistent approach to subsidies for partially tax-supported services, ensure one-time funding is used to fund one-time expenditures and encourage innovation in revenue sources.
- Seek out and apply for all applicable grant funding opportunities available to the City, while giving consideration to constraints such as availability of resources required to obtain or manage grants, alignment with strategy, and project timing, while managing risks associated with relying on funding from outside sources.

## Purpose

The purpose of this Policy is to:

- Recognize that revenue is a foundational financial driver and critical to the success of the City of Guelph reaching its long-term financial outcomes of increased sustainability, reduced vulnerability, and increased flexibility.

- Ensure consistency in how revenue is applied through the corporate budgeting process.
- Assist with ensuring that the municipality maintains a sound financial position, long-term financial stability, and protecting the City's credit rating.
- Promote the ongoing review of User Fees and Charges to ensure that they are reflective of the City's Strategic Plan or other policy objectives (e.g., considers affordability and uses an equity lens) and maintain approved cost recovery ratios.
- Provide a framework for Departmental assessment of User Fee/Charge cost-recovery ratios and recommendations to Council.
- Promote an understanding of the full cost of services for which User Fees and Charges are charged and the extent to which User Fees and Charges contribute to funding these services.

## Scope

The types of revenue in the scope of this Policy are:

- Property taxation assessment growth
- User Fees, Rates and Charges
- Grants
- Donations and fundraising
- Sales of equipment, publications
- External recoveries
- Licenses and permits
- Sponsorships
- Advertising sales

Any forms of revenue not listed here such as Development Charges and Community Benefit Charges are outside the scope of this Policy.

## Definitions

**Advertising Sales:** the selling or leasing of advertising space on corporate materials (printed and electronic), and signage on city-owned properties and buses; whereby the advertiser is not entitled to any additional benefits beyond access to the space purchased. Advertising is a straightforward purchase of space based on pre-established rates and a defined time period.

**Amenity-Based Pricing:** the practice of setting prices on the amenities contained within each facility rather than setting a uniform price for all facilities.

**Annual Sustainable Capital Transfer:** the annual contribution to the Infrastructure Renewal Reserve Fund required to fully fund the City's Infrastructure Renewal Strategy in accordance with the City's Asset Management Plan.

**Assessment Growth:** the sum of all the changes that happen to the City's tax base during a year, including new construction, major renovations, demolitions, and property value appeals. Assessment Growth equals the tax base at the end of the year minus the tax base at the beginning of the year.

**Assessment Growth Revenue:** the year-over-year change in property tax revenue from Assessment Growth in the City. Assessment Growth Revenue can be negative.

**Base Revenue:** revenue currently budgeted to be received, which can be reasonably assured of being received.

**Cost Recovery Ratio:** the ratio of total revenues to total costs applicable to the provision of a good or service.

**Convenience Pricing:** the practice of setting prices that considers the convenience of the customer's payment for a particular good or service, such as rounding to the nearest dollar.

**Current Value Assessment:** a property's dollar value as assessed by the Municipal Property Assessment Corporation (MPAC) for purposes of levying applicable taxes.

**Customer Class:** the categorization of customers based on an identifiable characteristic common to all customers in the class. Some examples include youth, adult, family, senior, student, non-profit, and low-income.

**Demand Analysis:** an analysis of the market demand for a good or service that relates the impact of price changes to changes in total revenues and costs.

**Donation:** a cash and/or in-kind contribution made to the City with no reciprocal commercial benefit expected or required from the City. Donations do not involve a business relationship and are distinct from sponsorship and/or advertising initiatives.

**Financial Pillars:** the City's financial pillars, sustainability, vulnerability, and flexibility, are defined in the [Long-term Financial Framework](#).

**Fundraising:** any activity to raise money or other resources in the name of the City, or for any program or service operated by the City.

**Grants:** grants are assistance by government or non-government entities in the form of transfers of resources to the City in return for past or future compliance with certain conditions relating to the activities of the City. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

**Inflation Rate:** the annualized percentage change in the general price level of goods and services as measured by a general price index, such as the Consumer Price Index (CPI) prepared by Statistics Canada.

**Local Boards and Shared Services:** an external entity which is either under the authority of Council and/or legislatively required to provide services, which are funded by the City.

**Market Price/Value:** the price of a good or service that is based on competition in the open market. Where there is substantial, competitive demand, market price is determined using commercial practices such as competitive bidding or by reference to prevailing prices in competitive markets. In the absence of competitive demand, market price is determined by considering prevailing prices for products or services that are the same or substantially similar to those provided by the City.

**New Revenue:** revenue that is over and above the Base Revenue currently budgeted to be received, which can be reasonably assured of being received. Examples of new revenue include additional revenue from government grants or

grant programs, new sources of revenue such as new User Fees and Charges, and new contracts. New Revenue under this policy excludes property tax increases, revenue from Assessment Growth in excess of the amount budgeted, and additional revenue growth from existing User Fees and Charges.

**One-time Revenue:** non-recurring revenue (no guarantee that it will be received again). Some examples of one-time revenue include excess revenue from a project or program that is not expected to reoccur, one-time grants, sale of City land or equipment, and funds from fundraising or donations.

**Ongoing Revenue:** ongoing revenue can be reasonably assured of being received on a reoccurring basis.

**Peak-Load Pricing:** the practice of setting a price higher during periods of high demand and lower during periods of low demand to regulate the demand for a good or service within a manageable level of what can be supplied.

**Revenue:** has the meaning defined in subsection PS 3400.02 of the Chartered Professional Accountant (CPA) Handbook: "revenues, including gains, are increases in economic resources, either by way of increases of assets or decreases of liabilities, resulting from operations, transactions and events of the accounting period".

**Societal Benefit:** a benefit to society at large that is derived from an individual's consumption of a good or service, which may include economic, environmental, or social benefits.

**Sponsorship:** a mutually beneficial business arrangement between the City and an external party. An agreement is made for the external party to provide cash and/or in-kind goods and/or services to the City in return for access to the commercial marketing potential associated with a city facility, program, service, or event.

**Tax Subsidy:** the portion of the cost to produce a good or service that is recovered through property taxes rather than by the sale of the good or service, to keep the price of the good or service at a desired level, as approved by Council.

**User Fees and Charges:** a payment charged in exchange for a good or service provided by the City.

## **Revenue Budgeting Policy Principles**

The following principles and guidelines apply across all revenue sources that are applicable in the Revenue Budgeting Policy (Policy).

### **Increases in Revenue**

When there is an increase in a revenue source, the new funds will be used to offset the full cost of the service or program. Any funds beyond those which are required to cover the full cost of the service or program will be used to reduce property taxes in other areas unless dictated otherwise by regulation or Council policy.

### **Sustainable Funding Sources**

By their nature, one-time revenues are not a sustainable source of funding to support ongoing costs. One-time revenue will only be used to support temporary or one-time costs. One-time revenues will not support ongoing costs.

One-time revenues can be used to support:

- Capital projects
- Contract staffing positions for a specific period or a specific project
- Other one-time initiatives

Ongoing revenues must be used to support:

- Base, on-going operating expenses
- Permanent staffing positions
- Other ongoing costs for programs/services

## **Benefits Received**

Many services offered by the City are provided for the benefit of the general public (e.g., parks and trails, road maintenance) or to households generally (e.g., emergency services); however, some services are provided to individuals and groups which represent a direct benefit to identifiable individuals, groups of individuals or businesses beyond those that accrue to the general public (e.g. water and wastewater services, transit, parking). The City will promote equity by recovering the cost of services from those who receive direct benefits from a service when it is possible to discern those who receive a benefit, while being cognizant of the need to apply an equity lens to developing subsidies to protect citizens who, through inability to pay, would be denied access to services.

## **Tax Supported Services**

The cost of providing goods and services that benefit citizens as a whole should be recovered through property taxes. These services are often fully funded by property taxes because the end user cannot be easily identified, which makes setting an equitable and fair User Fee/Charge difficult or because they provide a Societal Benefit. User Fees and Charges will be applied wherever appropriate to fairly distribute the cost-of-service provision.

## **Pricing Model**

The City may choose to subsidize goods and services provided to specific individuals and/or groups for purposes of achieving a desired result; recommended subsidies should be linked to strategy or policy. Targeted subsidies or discounts may be ongoing or one-time in nature and should be developed with an equity lens to support the City's equity, diversity and inclusion goals.

## **User Fees, Rates and Charges – Schedule A**

### **User Fees, Rates and Charges Policy Statement**

User Fees, Rates and Charges are charged to individuals and groups for the provision of a good or service or the use of City facilities or resources when such provision or use provides direct benefits to identifiable individuals, groups of individuals or businesses beyond those that accrue to the general public. These fees help offset the costs associated with providing the goods or services.

The City of Guelph will set User Fees, Rates and Charges to recover the full cost of providing the applicable service, except where:

- Council has approved a pricing model for all users or for certain groups when deemed beneficial based on City strategy, policy, or application of an equity lens;
- The goods or services are offered competitively in the open market; or
- Fee amounts are legislated by a higher order of government.

## **Purpose**

To provide guidance to City departments determining User Fees, Rates and Charges on the following:

- A framework to assess the extent to which the general public and identifiable individuals or groups benefit from the service;
- Who should be charged and how much to charge;
- The extent to which the full cost of providing a service should be recovered from User Fees, Rates and Charges;
- Principles and guidelines toward the development of subsidy recommendations; and
- Factors to consider in determining the pricing strategy that would best achieve the objective of the service or program.

## **Determination of Who Benefits**

Services delivered by the City are generally classified into the following three categories:

- General Service (fully tax supported): benefits the general public and it is not reasonably possible (legislatively or otherwise) to prevent access to or enjoying the benefits of the service.
- Private Service (non-tax supported): benefits specific individuals, groups, or businesses; it is possible to prevent access to the service.
- Mixed Service (partially tax supported): benefits the general public as well as the specific individual, group or business using the service.

Where it is determined that a service or activity provided by the City confers a direct benefit on individuals, identifiable groups or businesses, a User Fee, Rate or Charge will be set to recover the cost of providing the service.

The table below represents a decision matrix that should guide the determination of whether a service should be funded by User Fees, Rates and Charges, property tax revenues, or a combination of user fees and property tax revenues:

<b>Funding Category</b>	<b>Who Benefits</b>	<b>Type of Service</b>	<b>Cost Recovery Ratio Guidance</b>
General service / fully tax supported	Community	General	0% to 5% (primarily taxes)
Mixed service / partially tax supported	Primarily the community	General/Individual	5% to 50% (primarily taxes, some user fees)
Mixed service / partially tax supported	Primarily the individual	Individual/General	50% to 95% (primarily user fees, some taxes)
Private service / non-tax supported	Individual benefit only	Individual	95% to 100% (primarily user fees)

## **Licenses and Permits**

Licenses, permits, and approvals are used by the City to regulate the use of private property in a specified manner for the health, well-being and protection of the community in general, or are required by higher orders of government; in some cases, users can be fined for non-compliance. These types of services are typically considered fully tax supported; however, the licencing, permit and other similar revenues are presented through the budget as a reduction to the cost-of-service provision. In some cases, Provincial legislation provides for certain types of these revenues to be treated in a non-tax supported model. Some examples include building permits, development permits, business licenses, and pet licenses.

## **How Much to Charge**

The key factors to consider when establishing new User Fees, Rates and Charges, and for reviewing existing User Fees, Rates and Charges, are as follows:

### **1. Assessment of funding category**

Review and assessment of who benefits from the good or service. If a good or service is a Private Service or Mixed Service, a User Fee/Charge should be set within the Cost Recovery Ratio ranges as provided. Move on to step 2, evaluating the pricing methodology.

### **2. Pricing Methodology**

The first step in determining how much to charge is calculating the full cost of providing a service. Full cost incorporates direct and indirect operating costs and capital costs.

Examples of overhead costs include payroll processing, accounting services, computer/technology usage, and other central administrative services. The City uses the Ontario Municipal Benchmarking Initiative (OMBI) methodology for overhead cross charges.

When calculating capital costs, full life-cycle costs must be considered. The initial cost of purchasing or constructing the assets as well as the costs to repair, maintain, and replace the asset should be included. The City must properly manage these assets and ensure that they are maintained in a state of good repair in order to ensure sustainable levels of service. Incorporating full life cycle costs when determining User Fees, Rates and Charges will help ensure that adequate funds are available to meet the City's future asset repair, maintenance, and replacement needs.

If there is a competitive market for the product or service, the next step is to obtain information on the Market Price/Value. Consideration shall be given to User Fees, Rates and Charges established and collected by comparator municipalities and/or other entities operating in the existing market, for the provision of similar goods and services to assess the applicability, scope, and reasonableness of existing User Fees, Rates and Charges, and for proposing new User Fees, Rates and Charges.

If there is a Market Price/Value, the City's price for its product or service offering should be priced comparably as the City operates in an environment of limited resources and an ever-increasing public demand for municipal goods and services. Assessment of Market Price/Value is one factor to be considered in determining price point in addition to the full cost of providing the service and any relevant legislation.

The pricing and types of User Fees, Rates and Charges established shall conform to any relevant legislation.

Target Subsidy (discounts) - subsidies are contrary to the principle of full cost recovery but may have Societal Benefit as assessed through application of an equity lens and/or align with Council strategy or policy. Prices should generally not be increased for other users to offer discounts (discounts should be tax supported). However, it is important to be aware of how targeted subsidies will affect cost recovery ratios.

### 3. Pricing Strategy

Consideration shall be given to differential pricing strategies, which include the following:

- Peak-load Pricing;
- Amenity-Based Pricing;
- Pricing based on Customer Class; and
- Pricing based on location.

Other considerations for the development of a pricing strategy include:

- Demand Analysis for the good or service.
- Estimation of the value of the good or service to consumers.
- Estimation of the Societal Benefit associated with the consumption of the good or service.

- Analysis of the existing market price and market competitiveness, if applicable.
- Analysis of the potential use of Convenience Pricing for the good or service.
- Identification of whether taxes (e.g., HST) is included or excluded in the published price.
- Standard business practices; and affordability of the service.
- Equity impacts as identified through use of an equity lens or consistent with other equity, diversity and inclusion goals.

#### 4. Inflation Rates

Consideration shall be given to inflation rates when estimating the full cost of producing a particular good or service, and for reviewing and setting the prices of User Fees, Rates and Charges. There are many inflation indices available and an index that is applicable to the particular business under review should be selected. The two most common inflation indexes used by the City are the Consumer Price Index and Non-residential Construction Price Index.

#### 5. Public Engagement

Public engagement promotes openness and transparency by allowing the City to clearly communicate the expectations, goals, and outcomes to the public, and ensures that stakeholders have been granted reasonable opportunity to express their concerns, needs, and priorities.

Wherever practical, the City shall endeavour to engage members of the public and provide them the opportunity to be part of the discussion for the introduction of new User Fees, Rates and Charges, or proposed changes to existing User Fees, Rates and Charges. Public engagement on overall user fee reviews should be done in advance of the budget process.

The City shall make a schedule of all User Fees, Rates and Charges available to the public.

### **User Fees, Rates and Charges Review**

User Fees and Charges will be reviewed annually. This review will involve reassessing the key factors mentioned above to maintain the Council-approved User Fees, Rates and Charges and, where required, to recommend appropriate adjustments. The impact of approved changes to User Fees, Rates and Charges will be incorporated into the budget in accordance with the Budget Policy.

User Fees, Rates and Charges are impacted by growth in the community, and it is intended that revenue from growth services should support expenses associated with growth.

For each budget year, an estimate of the increase in revenue attributable to rate growth should be made and aligned with growth-related expenses. If growth-related revenue exceeds growth-related expenses, the difference should be transferred to the corresponding capital reserve fund for the service. In years where growth-related expenses exceed growth revenue, the transfer to reserve should be reduced accordingly.

## **Responsibilities**

### **Provider of a Service**

The provider of a service is responsible for assessing who should be charged and how much to charge as outlined in this Policy. This will form the justification for the User Fee/Charge price, any recommended subsidies, and the Cost Recovery Ratio that will be presented to Council for approval. The provider of the service is responsible for compliance with this Policy.

## **Property Taxation Assessment Growth – Schedule B**

### **Budgeting for Property Taxation Assessment Growth**

Assessment Growth may not always be positive and does not immediately result in more income for the City. New or changing home values in a community may redistribute how much each homeowner must pay, but no new money is collected; the only time more money is collected through property taxes is when the budget increases in size.

Using Assessment Growth to offset the cost of providing non-growth-related services artificially lowers the cost of providing these services and will result in tax rate increases related to servicing that growth in future years. Assessment Growth Revenue should therefore be used to fund growth-related expenses.

### **Assessment Growth Estimate**

The following factors are considered when estimating Assessment Growth:

- Historical average Assessment Growth for the previous ten (10) years
- Past data patterns and rates of change
- Provincial and municipal growth plans and legislation
- Outside factors, such as economic conditions and forecasts
- Impacts of reassessment and assessment appeals

### **Assessment Growth Revenue Allocation**

Assessment Growth Revenue is estimated annually by multiplying the estimated Assessment Growth percentage by the prior year's property tax levy and payment in lieu requirement; any revisions to the Multi-Year Budget are made in accordance with the Budget Policy. Revenue from Assessment Growth should support expenses associated with growth.

Assessment Growth Revenue shall be allocated in three focuses:

1. Local Boards and Shared Services

The allocation of Assessment Growth Revenue to Local Boards and Shared Services is based on the percentage of the City's tax levy that is allocated to local boards and shared services for each given year. The formula for allocating Assessment Growth Revenue to local boards and shared services is:

- $(\text{Sum of the net tax levy allocated to the local boards and shared services (including capital)} / \text{total annual tax levy}) \times \text{estimated Assessment Growth Revenue}$

## 2. Infrastructure Renewal Strategy

The allocation of Assessment Growth Revenue to the Infrastructure Renewal Reserve Fund is in accordance with the City's Infrastructure Renewal Strategy. After accounting for grants such as the Canada Community Building Fund and the Dedicated Gas Tax Funds for Public Transportation Program, the Annual Sustainable Capital Transfer as determined by our Asset Management Plan is calculated as a percentage of the total tax levy. As the City grows and builds more infrastructure, there becomes a growing capital replacement cost to maintain this infrastructure and, therefore, it is appropriate to allocate a portion of Assessment Growth Revenue towards capital renewal. The formula for allocating the Assessment Growth Revenue to the Infrastructure Renewal Strategy is:

- $(\text{transfer to capital reserves} / \text{total annual tax levy}) \times \text{estimated assessment growth}$

## 3. The remaining amount is allocated directly to the operating budget

The Assessment Growth Revenue estimate allocated to the operating budget is compared with the growth-related operating budget requests for the year. If estimated Assessment Growth Revenue exceeds the growth-related operating budget requests, the net amount is transferred to the Growth Reserve Fund so that there is no net impact on the net tax levy from budgeted growth-related revenue and expenses. If growth-related operating budget requests exceed estimated Assessment Growth Revenue allocated to the operating budget for the year, the difference results in a reduction in that year's transfer to the Growth Reserve Fund; until the point that this reduction would create a carrying deficit in the Growth Reserve Fund. In this case, taxes would be increased for excess of growth costs in that year.

## **Actual Assessment Growth Revenue in Excess or Deficiency of Budget**

If actual Assessment Growth Revenue varies from Budgeted Assessment Growth Revenue, the difference is transferred to or from the Growth Reserve Fund.

## **Grants – Schedule C**

### **Applying for Grants**

The first step is identifying grants available for projects, programs and services being considered.

Criteria for Grants:

- Applications for grants must be linked to a specific program or service (operating and capital). Funding that does not have a specific link to a

program or service (all or in part), will be discussed at Council with direction provided to staff.

- Grant funding must be assessed in consideration with the long-term financial implications of receiving it and a risk mitigation strategy must be identified to outline the approach to be taken if grant funding is discontinued.
- Programs or services considered for grant funding must be linked to the City of Guelph's Strategic Plan.
- In the event the grant requires a matching contribution from the City and it is not in the approved budget, ET approval is required at the application stage and Council approval is required to execute the contribution grant agreement.

Grant applications less than \$50,000 require lead Manager approval. For Grant applications between \$50,000 and \$250,000, General Manager approval is required. Grant applications for over \$250,000 require Deputy Chief Administrative Officer and Treasurer approval.

For more information about applying for grants review "tools and resources": [applying for grants](#) on the Infonet or the grant application form.

### **Strategic use of Grants**

Grants with more specific conditions that must be met should be applied to an initiative as a first priority. Grants that have very few or no conditions attached to them should be used last to minimize the risk of having to return unused grant funds.

Any staff hired with grant funding should be in alignment with the Policy guidance for one-time and ongoing funding.

### **Reallocation of Displaced Funds**

If grant funds displace previously allocated funds for a capital project or operating costs, the funds that were displaced can be reallocated in the following priority order:

1. Reallocation priority is first given to reducing debt service costs. If the project was funded using debt and a grant is received, the funds will be used to displace the debt, which will reduce debt service costs.
2. Reallocation priority is then given to expanding the scope of the project. If the grant received allows for an expanded scope for the project, the displaced funds would not need to be reallocated because they will be used to expand the scope of the project.

If the first two reallocation priorities do not apply, the displaced funds will be returned to the originating reserves/reserve funds for future budget priority consideration. In the case the grant is displacing operating tax or user fee revenues, variance will be managed in year with surplus recommendations following standard City process.

## **Other Forms of New Revenue – Schedule D**

### **Fundraising and Donation Revenues**

Fundraising and donation revenues will be held in an appropriate program-specific reserve and applied towards the expenditure purpose for which they were collected/received. Fundraising planning and campaigns shall be funded through the future funds expected to be recovered unless another source of revenue is available. If the cost of fundraising efforts is not recoverable through the campaign/effort, then the fundraising program shall be halted.

Funds can be allocated in advance to develop a fundraising strategy and plan. The funds provided for this planning stage of fundraising will be recovered through the first funds that are raised. A minimum of 70 per cent of pledges must be received as cash before any money can be spent on the fundraising cause. A large multi-year campaign may need to seek special Council approval based on the project uniqueness.

### **Sponsorships and Advertising Sales Revenues**

Expenditures funded with sponsorship and/or advertising revenues must be aligned with the duration of the sponsorship or advertising agreement. Any staff hired with sponsorship or advertising revenue should be in alignment with the policy guidance for one-time and ongoing funding.

Sponsorship or advertising sales revenue shall not replace existing or future sources of operating funds for the business unit.

100 per cent of the sponsorship revenue will be allocated to the operating budget of the appropriate facility, program, or special event in connection with the sponsorship received.

# Revenue Budgeting Policy

Committee of the Whole

March 7, 2023

# Benefits of Revenue Budgeting Policy

- Current practice is documented in policy
- Municipal best practice
- Increased transparency, accountability, consistency
- Promotes sustainability
- Provides clarity in direction for user fee reviews and budget development

# Key principles

- Revenue increases offset related costs
- One-time revenue supports one-time expenses
- Ongoing revenue is used for ongoing operating expenses
- Aligning “who benefits” with “who pays”
- Subsidies or discounts should be linked to policy or strategy

# Schedule A – User fees, rates, and charges

Funding Category	Who Benefits	Type of Service	Cost Recovery Ratio Guidance
<b>General service / fully tax supported</b>	Community	General	0% to 5% (primarily taxes)
<b>Mixed service / partially tax supported</b>	Primarily the community	General/Individual	5% to 50% (primarily taxes, some user fees)
<b>Mixed service / partially tax supported</b>	Primarily the individual	Individual/General	50% to 95% (primarily user fees, some taxes)
<b>Private service / non-tax supported</b>	Individual benefit only	Individual	95% to 100% (primarily user fees)

## Schedule B – Property tax assessment growth

- Should be used to fund growth-related service costs
- Prescribes basis for allocating assessment growth revenue
- Outlines how to handle assessment growth revenue in comparison to budgeted revenue or budgeted growth expenses

# Schedule C – Grants

- Linked to specific program or service
- Assesses long-term implications
- Prescribes approval thresholds
- Outlines reallocation of displaced funds

# Schedule D – Other forms of new revenue

## Fundraising and donations

- Program specific reserve, collected for specific purpose
- Cost of fundraising covered through proceeds
- Minimum threshold received before funds can be spent
- Multi-year fundraising campaigns may require Council approval

## Sponsorship and advertising

- 100 per cent revenue allocated to facility, program or event for which it was received
- Expenses aligned with duration of agreement
- Policy only addresses the financial side (revenue/expenses)
- Additional policy on sponsorship is needed

# Recommendation

- That the Revenue Budgeting Policy be approved

# Questions

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, March 7, 2023
Subject	<b>Transit Advisory Committee – Terms of Reference</b>

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## Recommendation

1. That the Terms of Reference for the Transit Advisory Committee dated January 19, 2023 be approved.
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## Executive Summary

### Purpose of Report

To update the Terms of Reference for the Transit Advisory Committee.

### Key Findings

The Terms of Reference of the Transit Advisory Committee required revised wording in order to clarify how two member positions are appointed. The members representing Guelph & Wellington Task Force for Poverty Elimination and University of Guelph Administration are appointed by the Administration of these organizations.

### Strategic Plan Alignment

Navigating the Future – The Transit Advisory Committee provides an inclusive forum for input, exchange of ideas and debate on public transit matters.

### Financial Implications

None

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## Report

Updated Terms of Reference approved by the Transit Advisory Committee on January 19, 2023 are attached.

### Financial Implications

None

### Consultations

Members of the Transit Advisory Committee – past and present

City Clerk's Office Staff

Guelph Transit Staff

## **Attachments**

Attachment1 - Terms of Reference approved by Transit Advisory Committee on January 19, 2023

## **Departmental Approval**

Robin Gerus, General Manager, Transit

## **Report Author**

Judi Prigione, Administrative Assistant, Transit

## **This report was approved by:**

Robin Gerus

General Manager, Transit

Public Services

519-822-1260 extension 3321

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## **This report was recommended by:**

Colleen Clack-Bush

Deputy Chief Administrative Officer

Select Service Area

519-822-1260 extension 2588

[colleen.clack-bush@guelph.ca](mailto:colleen.clack-bush@guelph.ca)



## **Guelph Transit Transit Advisory Committee Terms of Reference**

### **A) Mandate**

The following topics and activities are within the scope of the Transit Advisory Committee:

- Fare policy, service hours and transit routes.
- Customer service-related policies and procedures.
- Accessibility of bus stops and associated infrastructure.
- Transit communications plans and marketing strategies.
- Public consultation process and receipt of passenger concerns and expectations.
- Initiatives and strategies affecting public transport services including but not limited to the Transit Future Ready Strategy, the City of Guelph Transportation Master Plan, regional transit planning and fleet electrification.

The committee may liaise with other community groups such as, but not limited to, the Accessibility Advisory Committee, Guelph Youth Council, Guelph Seniors Association, Downtown Guelph Business Association and Guelph Neighborhood Support Coalition.

### **B) Goals and Objectives**

- That Members of the Transit Advisory Committee are engaged in the meetings and provide meaningful feedback in relation to the services provided by Transit and Transit's Future Ready Plan.
- To build a more robust and forward-thinking future ready transit network that meets the demands of our community.
- To build a more equitable transit system.
- To provide the residents of Guelph with transportation choices as outlined in the City of Guelph Strategic Plan.

- To focus on the customer's overall journey, not solely on the single trip.
- To provide input on existing and future services and suggest reasonable and workable timeframes towards successful improvements.
- To help Guelph Transit to be efficient and rider friendly.
- To improve the rider experience and accessibility.
- To work collaboratively with all Transit Advisory Committee Members towards meeting Goals and Objectives.

### **C) Guiding Principles**

- Build a transit system that meets or exceeds expectations and prioritizes the most vulnerable.
- Build a transit system that is resilient and inclusive of all residents.
- To support Guelph Transit's efforts in building and maintaining an affordable, reliable, safe and convenient transit system while meeting customers' expectations.

### **D) Key Success Factors and Performance Indicators**

- Maintaining quorum at all scheduled Transit Advisory Committee meetings.
- Increased accessibility at transit stops and transfer points.
- Continued efforts towards increasing ridership.
- Ridership demographics should match City of Guelph demographics, whereas citizens are using Guelph Transit regardless of income, age or abilities.
- TAC Members supporting Transit Staff in successfully launching the Future Rady strategy plan and other policies.
- Measure the success rate of the ideas and plans that were shaped and/or supported by TAC Members.

## **E) Number of Members**

The Transit Advisory Committee will consist of up to a maximum 9 voting members. Quorum is determined by the majority of the members plus one. In the instance when there are vacancies on the Transit Advisory Committee, quorum will be determined by the majority of current appointed members plus one.

## **F) Member Qualifications**

Appointments of Members of the Transit Advisory Committee are undertaken as prescribed in the City of Guelph Committee of Council Public Appointments Policy.

Members will be drawn from the following groups within the City of Guelph:

- Regular users of Guelph Transit Conventional (2)
- Regular user of Guelph Transit mobility service (1)
- Guelph & Wellington Task Force for Poverty Elimination as appointed by the Administration of the Guelph & Wellington Task Force for Poverty Elimination (1)
- University of Guelph Student as appointed by the University of Guelph Central Student Association (1)
- University of Guelph Administration as appointed by the Administration of the University of Guelph (1)
- Community Members at Large (2)
- Environmental Interest Group (1)

## **G) Frequency of Meetings**

Meetings of the Transit Advisory Committee will be held on the 3<sup>rd</sup> Thursday of the month with the exception of July, August and December. Additional meetings may be scheduled at the discretion of the Chair and the majority of Committee subject to the availability of Staff.

## **H) Reporting to Council**

The Transit Advisory Committee will report to the Committee of the Whole (Public Services) through staff reports once per term of Council in accordance with the City of Guelph Corporate Policy and Procedure - **Advisory Committee of Council Administrative Policy.**

Terms of Reference for the Transit Advisory Committee shall be reviewed once per term of Council in accordance with the Reporting to Council section **Advisory Committee of Council Administrative Policy**. Ad hoc reviews of the Terms of Reference may be conducted at any time by requests of Council, staff liaison or the Transit Advisory Committee. Such reviews shall include consultation with the Transit Advisory Committee and will be conducted with the support of the City Clerk's Office. Revised Terms of Reference shall be approved by Council.

## **I) Strategic Plan Priorities**

**Navigating Our Future** – A transportation network that connects us.

- **Build Guelph's capacity to adopt clean and efficient technology**
  - Preparing Guelph's transportation network for autonomous vehicle technology and an increase in electric vehicles
  - Updating our transportation plans and our program and service delivery models
- **Provide attractive, affordable and reasonable transportation options for everyone**
  - Providing affordable transit
  - Improving connections to workplaces in Guelph
  - Investing in and promoting active transportation
  - Improving the safety, efficiency and connectivity of the whole transportation system
- **Improve local transportation and regional transit connectivity**
  - Improving transportation connectivity and safety within city limits, while advocating for better regional connectivity with public transit and rail service

***Approved by the Transit Advisory Committee – January 19, 2023***



# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, March 7, 2023
Subject	<b>One Canopy Tree Planting Strategy</b>

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## Recommendation

1. That the One Canopy Tree Planting Strategy (TPS) dated January 2023, included as Attachment-1 to this report, and the proposed actions and recommendations noted within the plan be approved.
  2. That the funding requirements for the One Canopy Tree Planting Strategy be considered in future operating and capital budgets in order to implement the recommendations of the strategy.
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## Executive Summary

### Purpose of Report

To provide the One Canopy Tree Planting Strategy (TPS), the Strategy, to Council and seek approval to implement the plan's recommendations. The Strategy is a roadmap to progress towards, and ultimately, achieve 40 per cent canopy cover. The Strategy was identified as a priority in the Council approved, second phase of Guelph's Urban Forest Management Plan (UFMP). It builds on the potential plantable spaces analysis completed as part of the 2019 Urban Forest Study (UFS) and considers existing programs, partnerships, funding sources, the existing framework of urban forest canopy and natural heritage policies, plans, guidelines and strategies, community priorities, gaps, and opportunities for tree planting efforts.

The Tree Planting Strategy builds on information from the Urban Forest Study to address how we'll meet Guelph's canopy cover targets by planting on public and private land, with the community and sharing ownership and responsibility of strategy goals and outcomes.

### Key Findings

- Guelph has enough land, suitable for tree planting, to support 40 per cent canopy cover target
- The current goal of 40 per cent will not be achieved by 2031 with current planting efforts
- More than half of Guelph's land available for tree planting lies in private ownership and efforts on the City's land alone will not reach the target
- The urban forest canopy cover is vulnerable to pests, disease, climate change, and development

- Incentives, outreach, education, partnerships, and support for the community are needed to increase tree planting across the city
- Increased funding is needed to support planting efforts to meet the canopy target
- Barriers such as cost, conflicting priorities, and maintenance burden, to planting and establishing trees exist
- Quality space for planting and growing trees is limited
- Increasing and diversifying urban forest cover is key to providing optimal benefits
- The urban forest is a critical component of green infrastructure that has the potential to mitigate climate change and contribute to reducing carbon emissions
- Ecosystem benefits accrue as a result of tree planting in urban environments
- Guelph's tree canopy is not evenly or equitably distributed
- Preserving and creating new room for trees (amenity space) as the city grows will prove to be challenging as our community priorities compete for land

## **Strategic Plan Alignment**

The One Canopy Tree Planting Strategy aligns with all of the Strategic Plan priorities and associated directions by supporting the sustainability and resilience of the City's tree canopy cover to prepare for the effects of climate change as Guelph continues to develop and grow, adding value to our community, building partnerships with the community and organizations, helping businesses and developments meet their sustainability goals, growing new natural heritage assets, and contributing to the greening of our transportation corridors. The alignment is described in further detail in the report below.

The implementation of the Strategy is intended to increase planting efforts on both City and private land to achieve 40 per cent canopy cover. The current reported key performance indicator for urban forest sustainability is tree canopy cover at 23.3 per cent.

## **Financial Implications**

The initial investment for planting trees and the costs associated with maintaining older trees are outweighed by the benefits provided over a tree's lifetime, especially during the mature phase of life.

The cost to implement the One Canopy Tree Planting Strategy depends on factors such as the rate of tree loss, rate of tree replacement, and the timeframe over which the cost is spread. The estimated annual cost associated with achieving a 40 per cent tree canopy by 2070 is \$3.6 million, of which \$1.4 million is related to capital and \$2.2 million is for the associated operating impacts.

The City's current level of tree planting has an average capital cost of \$275 thousand per year for tree purchases. The Operating costs associated with this investment is \$412 thousand annually for the ongoing maintenance required to establish newly planted trees.

With the estimated annual cost requirement of \$3.6 million versus a current annual budget of \$687 thousand, an additional \$2.9 million annually will be required to meet the 40 per cent tree canopy cover.

The One Canopy Tree Planting Strategy will be considered with the other master plans and strategies and will be viewed with a corporate lens to incorporate the

City's strategic goals. The plan will also be compared to our existing capital and operating plans considering current fiscal constraints and our capacity to deliver. The financial information included is intended to be a high-level estimate that will be refined as it is incorporated into the overall corporate plan and multi-year budget process.

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## **Report**

### **Introduction**

Guelph needs to plant at least 3.6 million trees, covering land area of 1,492 hectares, to achieve 40 per cent tree canopy cover by 2070.

The City of Guelph has adopted the goal of increasing the city's canopy cover to 40 per cent to maximize the social, environmental, and economic benefits derived from trees. Guelph's Official Plan requires doubling our current tree canopy in nine years. Land available on City-owned land suitable for planting trees and current planting efforts are not enough to achieve our targets. Increasing planting efforts will require substantial investment, strategic planning, and collaboration with the community, residents, and private landowners.

Canopy cover in Guelph is used as an indicator of a sustainable, livable, green city. In 2019, Guelph's urban forest canopy cover was reported to be healthy and diverse, covering 23.3 per cent of the land area of the city. For the purposes of this report, Urban Forest refers to all the tree and associated woody vegetation on both private and public lands in the City of Guelph. The urban forest contributes to the social, environmental, and economic well-being of our city.

If action is not taken, there is a risk that Guelph's tree canopy will decline. A 2012 study found that on average, the tree canopy in urban areas within the United States decreases at a rate of approximately 0.2 per cent per year. Managing growth of our city, increasing threats of climate change, pests and invasives, and decline in the quality and quantity of space suitable to plant trees will make it ever more difficult to grow trees in the city without a strategic approach for both replacing canopy losses and establishing new canopy.

Through the Strategy we explored the current condition of the canopy, modelled the future forest, engaged with the community and stakeholders, evaluated opportunities and alternatives to achieve the canopy target, and developed an action plan.

The objectives of the strategy are:

- Increase canopy cover
- Advance environmental justice and equity
- Improve forest structure and function
- Increase quality of sites for optimal tree growth
- Increase resilience to climate change and other threats
- Increase coordination across City departments and external agencies
- Monitor and manage (use adaptive management to make evidence-based decisions)
- Engage, educate, and empower community members (celebrate successes)
- Invest in cost effective green infrastructure
- Prioritize tree planting based on benefits

## **Alignment with the Corporate Strategic Plan**

The One Canopy Tree Planting Strategy aligns with the following Strategic Plan priorities and associated directions:

### **Sustaining our future**

- Create and execute an ambitious and achievable climate adaptation plan
- Plan and design an increasingly sustainable city as Guelph grows
- Mitigate climate change by reducing Guelph's carbon footprint

Investing in and increasing Guelph's urban forest canopy cover will build a sustainable and resilient urban forest and prepare for the effects of climate change as Guelph continues to develop and grow. We expect to enhance and increase the area of new tree canopy cover across the City to meet our 40 per cent target within the next four to five decades to increase the benefits provided by trees and green infrastructure and to mitigate the impacts of climate change.

### **Powering our future**

- Help businesses succeed and add value to the community

Powering our future strategic priority through policies that support a healthy economy and are consistent with environmental priorities as the recommendations will lead to:

- Planting more trees in boulevards and in increasingly dense urban developments by implementation of green infrastructure technology through alternative design and low impact development standards
- Increased tree planting around and on commercial and service lands to reduce their environmental impact and increasing property values

### **Working together for our future**

- Improve how the City communicates with residents and delivers services
- Develop a long-term financial and resource strategy that is achievable and affordable

Working together for our future strategic priority through exploring new funding options and partnerships to ease taxes for residents and businesses will lead to:

- Developing strategic partnerships with stakeholders to improve service delivery
- Improving the way we deliver services and information to residents and property owners
- Build partnership and allow the City to help businesses achieve their sustainable goals

### **Building our future**

- Maintain existing community assets and secure new ones

Building our future strategic priority through continuing working to develop new urban forest assets that respond to Guelph's growing and changing social, economic, and environmental needs. The urban forest is an asset with specific structural and functional value (i.e., goods and services) that provides social, economic, and environmental benefits. The urban forest is a key component of the City's natural heritage assets.

### **Navigating our future**

- Improve local transportation and regional transit connectivity

Tree planting along walkways, cycle paths, multi-use paths and trails greatly improves the comfort and experience for users by providing shade and in some cases separation from vehicles.

Contrary to the previous statement, the recommendations contained in this report may contradict this pillar as trees often come in conflict with developing new, or improving existing transportation corridors (e.g., boulevards, medians, and rights-of-ways). This potential contradiction can be mitigated through the development and implementation of a “complete streets” strategy, which incorporates the needs of all roads users and includes street trees within standard road cross-sections.

## **Strategic directions and recommendations**

The direction of the Strategy was guided by the UFMP, Strategic Plan, and 2019 UFS. Recommendations of the Strategy were based on the relevant UFS recommendations and most recent community engagement for this project and include:

### **More canopy is required to achieve our targets**

- Increased planting efforts on both public (City and other) and private lands

### **Plant strategically**

- Use planting prioritization maps to inform tactical and operational planning for City tree planting programs
- Prioritize planting opportunities in and adjacent to the Natural Heritage System (NHS) to enhance ecological function

### **We need to leave spaces for trees to grow**

- Identify and implement best practices in zoning and urban design that maximize quality growing space on public and private land
- Use criteria in the Tree Technical Manual to evaluate and prioritize high quality planting sites in rights-of-way and other City lands
- Identify opportunities to increase hard surface planting in highly urbanized land use areas
- Identify options for improving the preservation of quality pervious growing space and soil resources in new residential and nonresidential development
- Ensure all future growing space designated for trees in new residential and non-residential development is high quality, including sufficient soil volume, quality, and crown space to support long-term growth

### **We need to think about the future/plan for climate change**

- Extend the time horizon for achieving 40 per cent canopy to 46 years (2070)
- Implement proactive maintenance and inspection programs to optimize the services delivered by street trees, including maintenance and watering of newly planted trees
- Use the results of the canopy cover and plantable space analyses to develop canopy cover targets for implementation at the project or site level and integrate targets into Guelph’s policies, by-laws or built form guidelines or other guiding documents as appropriate

- Include consideration of current species abundance and leaf area as well as vulnerability to pests (and climate vulnerabilities) in species selection as part of a comprehensive planting strategy
- Increase structural diversity in the forest through strategic planting and species mixes to improve resilience to extreme weather events
- Identify populations of senescent street trees where underplanting would help maintain urban forest benefits and increase resilience to storm events
- Increase the rate of street tree planting to ensure a sustainable street tree population in the City

### **Collaboration is key to our success**

- Fund and implement an outreach campaign with landowners and community organizations in Guelph to build partnerships and expand the urban forest on private lands
- Increase outreach, education, incentives, and reduce barriers for tree planting on residential properties
- Examine opportunities for extending stormwater credit calculations based on per cent hard surface to include per cent relative tree canopy to incentivize tree planting on industrial, commercial, and institutional properties

### **We need to monitor and measure our progress**

- Monitor forest and land cover change regularly using open-source tools developed by the USDA Forest Service (i-Tree) or other proven methods
- Monitor and measure tree planting across the city to better understand effectiveness of efforts
- Set canopy targets and measure milestones at 10-year intervals

### **Implementation actions**

The implementation plan summarizes the priority actions decided upon in the strategy to help the City achieve the target of 40 per cent tree canopy cover. The actions are split first by goals, then strategy, and followed by actions. Additionally, each action is associated with the related objective (or desired outcome). All budget implications will be incorporated into the 2024 four-year operating budget process as well as the 10-year capital budget and forecast. The strategy has identified a key number of findings, gaps and opportunities that led to the actions developed for the next five years.

### **Enhance and expand canopy cover**

Develop sustainable funding model

Table 1: Develop sustainable funding model

#	Action	Objective	Timeframe	Budget status
1	Undertake a comprehensive review of available and potential funding sources to develop 10-year forecast tree planting budgets in support the tree planting strategy	Invest in cost effective green infrastructure	Short-term	Presently supported in operating budget

#	Action	Objective	Timeframe	Budget status
2	Incorporate tree related costs into capital and infrastructure projects	Invest in cost effective green infrastructure	Short-term	Allocate through 10-year capital forecast
3	Continue to pursue funding for tree planting initiatives and projects (e.g., grants)	Invest in cost effective green infrastructure	Medium-term	Presently supported in operating budget

Develop a strategic planting plan

Table 2: Develop a strategic planting plan

#	Action	Objective	Timeframe	Budget status
4	Develop annual operating tree planting program for Parks (Forestry and natural areas) – above and beyond replacements	Increase canopy cover and prioritize tree planting based on benefit needs	Short-term	To be recommended in future capital and/or operating budget
5	Develop and implement annual planting plans targeting high quality sites (soil) and identify low quality sites for soil amendment program (capital project opportunity)	Increase quality of sites for optimal tree growth	Medium-term	Presently supported in operating budget
6	Develop a planting plan prioritizing vulnerable populations <sup>1</sup>	Advance environmental justice and equity and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget

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<sup>1</sup> Vulnerable populations for this purpose a general term meaning with hospitals, schools, hospice facilities, low income, visible minorities.

#	Action	Objective	Timeframe	Budget status
7	Develop and implement annual planting plans with targets to plant species missing successional age classes and mature canopy focusing on species with low maintenance requirements	Improve forest structure and function and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget
8	Develop and implement annual planting plans targeting planting opportunities created through invasives management (ecological restoration/ERIC)	Increase resilience to climate change and other threats and prioritize tree planting based on benefit needs	Short-term	Presently supported in operating budget
9	Work with Engineering to identify opportunities to incorporate tree planting for capital roads and infrastructure projects (e.g., cycling infrastructure)	Increase coordination across City departments and external agencies and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget
10	Coordinate with Alectra Utilities to develop appropriate planting plans and list of trees within tree-height distance of power lines	Increase coordination across City departments and external agencies and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget

Leverage and develop new tree planting programs (non-regulatory tools)

Table 3:Leverage and develop new tree planting programs (non-regulatory tools)

#	Action	Objective	Timeframe	Budget status
11	Develop formal tree planting program	Increase canopy cover	Medium-term	Presently supported in operating

#	Action	Objective	Timeframe	Budget status
				budget
12	Increase capacity of City (staff) to coordinate and implement new tree planting programs	Increase canopy cover	Medium-term	To be recommended in future capital and/or operating budget
13	Explore tree sourcing options such as growing contracts and partnerships with other growers (e.g., Arboretum, Green Legacy)	Increase canopy cover	Short-term	Presently supported in operating budget
14	Leverage Urban Forest Stewardship Group and Urban Forest Working Group to support City and community initiatives	Increase coordination across City departments and external agencies	Short-term	Presently supported in operating budget

Leverage or develop new regulatory tools

Table 4:Leverage or develop new regulatory tools

#	Action	Objective	Timeframe	Budget status
15	Incorporate canopy targets into development/site plan guidelines and explore opportunities for tree planting of City property, especially Parks	Increase canopy cover and prioritize tree planting based on benefit needs	Long-term	Presently supported in operating budget
16	Improve planting standards on all development and capital roads and infrastructure projects through the continued implementation of the TTM	Increase canopy cover	Short-term	Presently supported in operating budget
17	Develop soil conservation and management guidelines	Increase quality of sites for optimal tree growth	Long-term	To be recommended in future capital and/or operating budget

#	Action	Objective	Timeframe	Budget status
18	Develop effective climate mitigation strategy including shade and urban heat island policies	Increase resilience to climate change and other threats	Long-term	To be recommended in future capital and/or operating budget
19	Review existing regulatory tools (guidelines) and align with Strategy/climate mitigation strategy (climate mitigation)	Increase resilience to climate change and other threats	Medium-term	Presently supported in operating budget
20	Review and update species list in TTM and other guidelines for species diversity and function to meet biodiversity targets as they apply to a climate vulnerability (climate adaptation)	Increase resilience to climate change and other threats	Long-term	Presently supported in operating budget
21	Review existing and develop regulatory tools (policies and guidelines) for species diversity and tree establishment requirements	Increase resilience to climate change and other threats	Long-term	Presently supported in operating budget

## Educate, engage, and empower

Increase number of community participants in City tree planting events

Table 5: Increase number of community participants in City tree planting events

#	Action	Objective	Timeframe	Budget status
22	Increase number of annual City events	Increase canopy cover	Medium-term	To be recommended in future capital and/or operating budget
23	Increase outreach/advertising	Engage, educate, and empower community members (celebrate successes)	Medium-term	Presently supported in operating budget
24	Offer incentives to for participation	Engage, educate, and empower community members (celebrate successes)	Medium-term	Presently supported in operating budget

Increase number of community participants independent of the City (on private or other public lands)

Table 6: Increase number of community participants independent of the City (on private or public lands)

#	Action	Objective	Timeframe	Budget status
25	Develop urban forest grant and incentives program for private (residential and ICI) properties	Engage, educate, and empower community members (celebrate successes)	Medium-term	To be recommended in future capital and/or operating budget

#	Action	Objective	Timeframe	Budget status
26	Continue to fund stormwater tree rebate with third party organization to deliver workshops and plant native trees on residential properties and expand program to include ICI property	Engage, educate, and empower community members (celebrate successes)	Short-term	Presently supported in capital budget
27	Host tree giveaway events where residents can receive free or subsidized native trees (small stock sizes)	Engage, educate, and empower community members (celebrate successes)	Medium-term	To be recommended in future capital and/or operating budget
28	Develop and implement a Communications plan for targeted outreach (for private property owners in areas identified as high planting priority, to address perception barriers to planting on private property or on ROW in front of properties, in areas of low-income/low canopy equity and other objectives)	Engage, educate, and empower community members (celebrate successes)	Medium-term	Presently supported in operating budget
29	Develop public tree stewardship (watering) campaign with offer of watering tools (i.e., gator bags)	Engage, educate, and empower community members (celebrate successes)	Short-term	Presently supported in operating budget
30	Provide tree planting support to private property owners as well as ICI: workshops, website information, benefits tool calculator, links to programs, partners, and resources, etc.	Engage, educate, and empower community members (celebrate successes)	Short-term	To be recommended in future capital and/or operating budget

#	Action	Objective	Timeframe	Budget status
31	Provide resources/tools to community groups to water and mulch newly planted trees	Engage, educate, and empower community members (celebrate successes)	Short-term	To be recommended in future capital and/or operating budget

Increase collaboration

Table 7: Increase collaboration

#	Action	Objective	Timeframe	Budget status
32	Build on existing partnerships with school boards and pursue new partnerships (ICI), places of worship, businesses, etc. to support tree planting on their properties.	Increase coordination across City departments and external agencies	Medium-term	To be recommended in future capital and/or operating budget
33	Collaborate with GRCA around tree planting initiatives and identify opportunities for City or community planting events	Increase coordination across City departments and external agencies and prioritize tree planting based on benefit needs	Medium-term	Not required
34	Explore opportunities to partner or support tree planting or nature-based initiatives with organizations/agencies supporting vulnerable populations	Engage, educate, and empower community members (celebrate successes)	Medium-term	Not required
35	Partner with Indigenous community to integrate Indigenous Forest management principles into tree planting practices (e.g., species selection, species/cultural values)	Engage, educate, and empower community members (celebrate successes)	Medium-term	Not required

## Monitor, measure, and report

Table 8: Monitor, measure, and report

#	Action	Objective	Timeframe	Budget status
36	Purchase leaf-on imagery and undertake spatial canopy cover analysis every five years	Monitor and manage (use adaptive management to make evidence-based decisions)	Long-term	Presently supported in capital budget
37	Continue to undertake comprehensive urban forest study every 10 years (includes canopy cover analysis, ecosystem service and valuation modelling, and state of the urban forest report)	Monitor and manage (use adaptive management to make evidence-based decisions)	Long-term	Presently supported in capital budget
38	Develop a protocol for tracking and documenting the number of new trees planted, including but not limited to development, capital projects and planting events on both City and non-City-owned lands	Monitor and manage (use adaptive management to make evidence-based decisions)	Short-term	Presently supported in operating budget
39	Develop a protocol to monitor the quantity, quality, and survival of tree plantings	Monitor and manage (use adaptive management to make evidence-based decisions)	Short-term	Presently supported in operating budget
40	Undertake canopy change assessment to determine Guelph specific development and natural mortality rates	Monitor and manage (use adaptive management to make evidence-based decisions)	Long-term	Presently supported in capital budget

#	Action	Objective	Timeframe	Budget status
41	Update tree planting strategy with subsequent urban forest studies	Monitor and manage (use adaptive management to make evidence-based decisions)	Long-term	Presently supported in operating budget
42	Continue to provide annual tree planting updates to Council and the community	Engage, educate, and empower community members (celebrate successes)	Short-term	Presently supported in capital budget

## Financial Implications

The initial investment for planting trees and the costs associated with maintaining older trees are outweighed by the benefits provided over a tree's lifetime, especially during the mature phase of life.

The cost to implement the One Canopy Tree Planting Strategy depends on factors such as the rate of tree loss, rate of tree replacement, and the timeframe over which the cost is spread. The estimated annual cost associated with achieving a 40 per cent tree canopy by 2070 is \$3.6 million, of which \$1.4 million is related to capital and \$2.2 million is for the associated operating impacts.

The City's current level of tree planting has an average capital cost of \$275 thousand per year for tree purchases. The Operating costs associated with this investment is \$412 thousand annually for the ongoing maintenance required to establish newly planted trees.

With the estimated annual cost requirement of \$3.6 million versus a current annual budget of \$687 thousand, an additional \$2.9 million annually will be required to meet the 40 per cent tree canopy cover.

The One Canopy Tree Planting Strategy will be considered with the other master plans and strategies and will be viewed with a corporate lens to incorporate the City's strategic goals. The plan will also be compared to our existing capital and operating plans considering current fiscal constraints and our capacity to deliver. The financial information included is intended to be a high-level estimate that will be refined as it is incorporated into the overall corporate plan and multi-year budget process.

## Consultations

### Internal Engagement

The Strategy was developed in collaboration with the City's interdepartmental Tree Team, which consists of key staff across many departments. Input from other City

staff in Parks, Environmental Planning, Policy Planning, Finance and Engineering, ensured a collaborative approach.

### **External engagement**

External engagement included the community, Natural Heritage Advisory Committee, the City's Urban Forest Working Group, Grand River Conservation Authority, and Indigenous Treaty partners. Consultation took the form of stakeholder meetings, public workshops, advisory committees of Council, survey, and online engagement tools.

Staff incorporated feedback data to inform the Strategy.

Key messages that came out of engagement included:

- Improve outreach and education
- Empower the community
- Improve tree establishment practices
- Prioritize space for trees
- Monitor tree planting efforts
- Prepare for climate change
- Review or develop new policies related to tree planting

Community feedback from the UFMP update in 2020 was also included.

The decision of Council will be communicated in various ways including social media, the City's website and City-led events.

### **Attachments**

Attachment-1 One Canopy Tree Planting Strategy, January 2023

Attachment-2 Council Presentation

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# **City of Guelph**

## **One Canopy Tree Planting Strategy**

January 2023

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## **Executive summary**

**Guelph needs to plant at least 3.6 million trees, covering and area of approximately 1,492 hectares, to achieve 40 per cent tree canopy cover by 2070.**

The City of Guelph has adopted the goal of increasing the city's canopy cover to 40 per cent. Guelph's Official Plan requires doubling our current tree canopy in nine years. Area available on City-owned land suitable for planting trees and current planting efforts are not enough to achieve our targets. Increased planting efforts annually will require substantial investment, strategic planning, and collaboration with the community, residents, and private landowners.

In 2019, Guelph's tree canopy cover (herein after referred to as canopy) was reported to be healthy, diverse and cover 23.3 per cent of the land area of the city. Canopy cover in Guelph is used an indicator of a sustainable, livable, green city and contributes to the social, environmental, and economic well-being of our city. For the purposes of this report, Urban Forest refers to all the trees and associated woody vegetation on both private and public lands in the City of Guelph. Canopy cover refers specifically to the land area covered by trees as viewed from above.

If action is not taken, there is a risk that Guelph's tree canopy cover will decline. A 2012 study found that on average, the tree canopy in urban areas within the United States decreases at a rate of approximately 0.2 per cent per year (Nowak & Greenfield, 2012). Growth of our city, increasing threats of climate change, pests and invasives, and decline in the quality and quantity of space suitable to plant trees will make it ever more difficult to grow trees in the city without a strategic approach for both replacing canopy losses and establishing new canopy.

Through the One Canopy Tree Planting Strategy (herein after referred to as the Strategy) we explored the current condition of the canopy, engaged with the community and stakeholders, evaluated opportunities and alternatives to achieve canopy target, and developed a strategy with an integrated action plan.

The objectives of the Strategy are:

- Increase canopy cover
- Advance environmental justice and equity
- Improve forest structure and function
- Increase quality of sites for optimal tree growth
- Increase resilience to climate change and other threats
- Increase coordination across City departments and external agencies
- Monitor and manage (use adaptive management to make evidence-based decisions)
- Engage, educate, and empower community members (celebrate successes)
- Invest in cost effective green infrastructure
- Prioritize tree planting based on benefit needs of the community

## **Key findings of Tree Planting Strategy**

Key findings of the Strategy as they relate to the optimal levels of performance/service of the urban forest criteria were derived from our understanding of community needs and priorities from various engagement

activities, the Urban Forest Management Plan (UFMP) (City of Guelph, 2020) updated and the 2019 Urban Forest Study (Table 1).

## **Findings**

- Guelph has enough land, suitable for tree planting, to support at least 40 per cent canopy cover target
- The current goal of 40 per cent canopy cover will not be achieved by 2031 with current planting efforts
- More than half of Guelph's land available for tree planting lies in private ownership –efforts on City land alone will not reach the target
- The current canopy cover is vulnerable to pests, disease, climate change, and development
- Incentives, outreach, education, partnerships, and support for the community are needed to increase tree planting across the city
- Increased funding is needed to support planting efforts to meet the canopy target
- Barriers, such as cost, conflicting priorities, and land maintenance burden, to planting and establishing trees exist
- Quality space for planting and growing trees is limited
- Increasing and diversifying canopy cover is key to providing optimal benefits
- The urban forest and associated tree canopy cover is a critical component of green infrastructure that has the potential to mitigate climate change and contribute to reducing carbon emissions
- Ecosystem benefits accrue as a result of tree planting in urban environments
- Guelph's canopy cover is not evenly or equitably distributed
- Preserving and creating new room for trees (amenity space) as the city grows will prove to be challenging as our community priorities compete for land

## **Strategic directions and recommendations**

The direction of the Strategy was guided by the UFMP, Strategic Plan, and 2019 UFS. Recommendations of the Strategy were based on the relevant UFS recommendations and most recent community engagement for this project and include:

### **More canopy cover is required to achieve our targets**

- Increase planting efforts on both public (City and other) and private lands

### **Plant strategically**

- Use planting prioritization maps to inform tactical and operational planning for City tree planting programs
- Prioritize planting opportunities in and adjacent to the Natural Heritage System to enhance Natural Heritage System (NHS) function

### **We need spaces for trees to grow**

- Identify and implement best practices in zoning and urban design that maximize quality growing space on public and private land.
- Use criteria in the Tree Technical Manual to evaluate and prioritize high quality planting sites in rights-of-way and other City lands

- Identify opportunities to increase hard surface planting in highly urbanized land use areas
- Identify options for improving the preservation of quality pervious growing space and soil resources in new residential and nonresidential development
- Ensure all future growing space designated for trees in new residential and non-residential development is high quality, including sufficient soil volume, quality, and crown space to support long-term growth

### **Plan for climate change**

- Implement proactive maintenance and inspection programs to optimize the services delivered by street trees, including maintenance and watering of newly planted trees
- Use the results of the canopy cover and plantable space analyses to develop canopy cover targets for implementation at the project or site level and integrate targets into Guelph's policies, by-laws or built form guidelines or other guiding documents as appropriate
- Include consideration of current species abundance and leaf area as well as vulnerability to pests (and climate vulnerabilities) in species selection as part of a comprehensive planting strategy
- Increase structural diversity in the forest through strategic planting and species mixes to improve resilience to extreme weather events
- Identify populations of senescent street trees where underplanting would help maintain urban forest/tree canopy cover benefits and increase resilience to storm events
- Increase the rate of street tree planting to ensure a sustainable street tree population in the City (as determined by model - average trees required per year)
- Extend the time horizon for achieving 40 per cent canopy to 46 years (2070)

### **Collaboration is key to our success**

- Fund and implement an outreach campaign with landowners and community organizations in Guelph to build partnerships and expand the tree canopy cover on private lands
- Increase outreach, education, incentives, and reduce barriers for tree planting on residential properties
- Examine opportunities for extending stormwater credit calculations based on per cent hard surface to include per cent relative tree canopy to incentivize tree planting on industrial, commercial, and institutional properties

### **We need to monitor and measure our progress**

- Monitor forest and land cover change regularly using open-source tools developed by the USDA Forest Service (i-Tree) or other proven methods
- Monitor and measure tree planting across the city to better understand effectiveness of efforts

### **Financial implications**

The initial investment for planting trees and the costs associated with maintaining older trees are outweighed by the benefits provided over a tree's lifetime, especially during the mature phase of life.

The cost to implement the One Canopy Tree Planting Strategy depends on factors such as the rate of tree loss, rate of tree replacement, and the timeframe over which the cost is spread. The estimated annual cost associated with achieving a 40 per cent tree canopy by 2070 is \$3.6 million, of which \$1.4 million is related to capital and \$2.2 million is for the associated operating impacts.

The City's current level of tree planting has an average capital cost of \$275 thousand per year for tree purchases. The Operating costs associated with this investment is \$412 thousand annually for the ongoing maintenance required to establish newly planted trees.

With the estimated annual cost requirement of \$3.6 million versus a current annual budget of \$687 thousand, an additional \$2.9 million annually will be required to meet the 40 per cent tree canopy cover.

The One Canopy Tree Planting Strategy will be considered with the other master plans and strategies and will be viewed with a corporate lens to incorporate the City's strategic goals. The plan will also be compared to our existing capital and operating plans considering current fiscal constraints and our capacity to deliver. The financial information included is intended to be a high-level estimate that will be refined as it is incorporated into the overall corporate plan and multi-year budget process.

### **Next steps**

The Strategy implementation actions will be used to develop future operational plans, updated guideline lines, leverage existing funding, guide future investment, and support existing and new policies.

# Introduction

## Our past

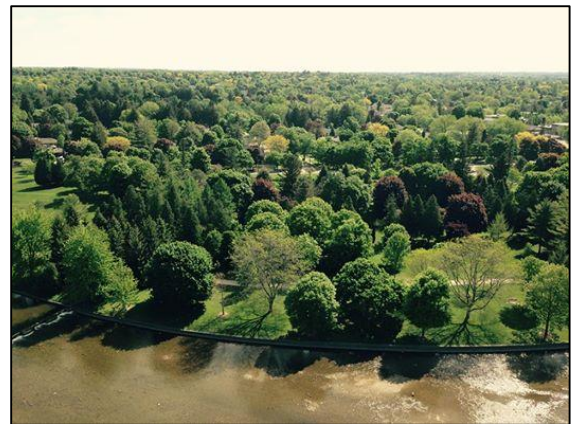
The forests in the area known as Guelph have changed through time immemorial. From herb-shrub tundra post glaciation to coniferous pine forests, shifting to hardwoods and eventually being cleared over the two centuries for logging and agriculture (LandOwner Resource Centre, 1997). When present day Guelph was founded in 1827 with the felling of a large maple tree, most of the forest present in the area would have been used for the lumber for construction or manufacturing potash with the land being eventually converted to agricultural use (LandOwner Resource Centre, 1997). However, Guelph's growth came at a cost. Forests and natural spaces would have been viewed as utilitarian and a hinderance to agriculture and development resulting in loss of trees and woodlands, and degradation and fragmentation of natural ecosystems.

Despite the losses, as Guelph became more urbanized, trees would eventually be incorporated into the landscape for newly developed homes and parks for landscaping and aesthetics, resulting in canopy cover gained through the conversion of agricultural land to residential or park lands. This gain can be seen in the contrast between Figures 1 and 2. Figure 1 looks west across the north end of the City, the centre of the photo showing the intersection of the Speed River and Woodlawn Road East. The inset highlights a section of the area currently known as Riverside Park surrounded by open fields, captured in image in Figure 2, seven decades later with extensive tree cover in mostly residential areas.

Figure 1: Archival image showing aerial view of north Guelph looking west, 1948, (Guelph Museums)



Figure 2: Image from 2018 showing view looking northeast across the Speed River



The concept of urban forestry and ecological restoration is not new. The concerns regarding degradation of landscapes across Ontario in the early 20<sup>th</sup> century and devastation of elm populations in the 60's evolved our understanding and appreciation for forests and trees beyond their beauty. Today we recognize the value of trees for the benefits they provide to the community's health and wellbeing, the environment, and the economy.

## **Our present**

The importance of the tree canopy in Guelph was no clearer than when it was threatened most recently by the Emerald ash borer (EAB), with removal of close to 10,000 street and park ash trees. It is estimated that while 400,000 are still expected to die, these trees only represent three per cent of the leaf (meaning they are small trees) are in Guelph. The full impact of EAB on canopy loss is not known. Threats to the urban forest and the associated tree canopy cover will continue as Guelph is expected to grow and develop to support an expanding population and economy. Ironically, the urban forest is expected to help reduce the impacts of climate change while the trees that make up the urban forest are also threatened by climate change (e.g., changing weather patterns and temperature, increasing pest and disease infestations and drought).

Current planting programs, outreach, stewardships have been key to our successes to this point. However, our current efforts are not enough to achieve our canopy target within a reasonable timeframe.

While the City had been active in tree maintenance and planting in the past, the need for a sustainable future urban forest resulted in Guelph's first urban forest management plan, approved by Council in 2012, which ensured that we were future ready and catapulted us into a new era of urban forest management and stewardship.

The City now invests strategically in urban forest management, effectively improving the sustainability of our urban forest (**City of Guelph**, 2020).

## **Benefits of our urban forest**

Trees do so much for us. They can mitigate climate change, store carbon, improve air quality, improve public health and mental wellbeing, increase real-estate values, reduce, stormwater run-off, and much more.

Guelph's urban forest is vital part of Guelph's green infrastructure with 23.3 per cent canopy cover including three million trees valued at \$803 million dollars. Our urban forest assets provide valuable benefits worth \$9.7 million of ecological services annually (Lallemant Inc. et al., 2019).

However, while Guelph's urban forest is mostly healthy, it is under threat and vulnerable to threats such as weather events, climate change, pests, and development. This is concerning if we are depending on our urban forest to protect us against the impacts of climate change and develop a sustainable, livable city. As we grow our City, and along with it our urban forest, we need to keep in mind that while a higher quantity of urban forest canopy cover is ideal, quality is as important. A healthier urban forest canopy is more resilient and sustainable in the long-term.

## **Our future**

The City is committed to improving the City's livability, public health, the environment and preparing for the impacts of climate change by expanding the urban forest. This commitment extends beyond City owned and managed lands to private and other public lands. A livable City is one that includes a place where Urban forests create opportunities for recreation, aesthetics, and energy savings.

It was recently reported that Guelph's "urban greenness" (land area with presence and healthy vegetation) increased from 80 per cent in 2011 to 86 per cent in 2019 while other municipalities across Canada are experiencing decreases in greenness due to the urbanization process (Course et al., 2017). There is a complexity of factors related to this. However, the City's commitment to sustainable urban design in the last decade should be considered one of the most significant.

Examples of this include the development of new parks, landscaping requirements, street tree requirements and the protection of the natural heritage system. The links to human health and mental well-being are indisputable with studies linking lower risk of early death with living in greener neighbourhoods and increased ability to recover from stress (Burnup, 2020; Course et al., 2017).

Sustainable development and collaboration are likely the most critical factors in ensuring that generations now and in the future experience the full potential of benefits of the urban forest. Ironically, community priorities of the 2019 Community Plan ranked "Sustainable change and community growth" low compared to "Environment, water and waste". The two cannot be separated as without sustainable development, the environment is not protected.

This is exactly why the Strategy requires innovative and proactive approaches to achieving our canopy goals, our natural heritage and how important it is to protect it and understanding the consequences of losing our natural spaces and space for trees across the city.

## **Background**

Guelph's tree canopy cover was estimated at 23.3 per cent of the City's total land area in 2019. The canopy cover is comprised of an estimated three million trees in parks, backyards, on boulevards, and elsewhere on both City and non-City lands, that are part of critical green infrastructure. Guelph's Official Plan sets a target of achieving 40 per cent canopy cover by 2031, which requires almost doubling the current canopy in less than nine years.

A realistic rate of canopy growth can be expected by implementing policy changes and programs that enhance the protection and growth of the trees.

The term urban forest generally (and for the purpose of this report) refers to all trees within the municipal boundary, regardless of land use type or ownership, including trees in private yards, street boulevards, parks, woodlands, wetlands, and fields. Tree canopy cover refers to the land area covered by tree canopy as viewed from above (2-dimensional). The two terms are often used interchangeably but for the purpose of this report, "urban forest" is used in a broad context of trees and forests in Guelph, and "tree canopy cover" is used in reference to the quantifiable area of tree canopy.

## **Purpose**

The One Canopy Tree Planting Strategy is a roadmap to progress towards, and ultimately, achieve 40 per cent canopy cover. The Strategy was identified as a priority in the Council approved, second phase of the UFMP. It builds on the potential plantable spaces analysis completed as part of the 2019 Urban Forest Study and considers existing programs, partnerships, and funding sources, the

existing framework of urban forest and natural heritage policies, plans, guidelines and strategies, community priorities, gaps, and opportunities for tree planting efforts.

The Strategy builds on information from the Urban Forest Study to address how we'll meet Guelph's canopy targets by planting on public and private land, with the community and sharing ownership and responsibility of Strategy goals and outcomes.

For this Strategy "City land" refers to land owned and managed by the City. "Other public land" refers to land owned by Government agencies, and "private land" refers to all other land not considered City or public.

## **Goals**

The City will:

- Enhance and expand the tree canopy
- Educate, engage, and empower stakeholders and the community
- Monitor the health and growth of the canopy cover and adapt as needed

## **Objectives**

The Strategy goal should be measurable, specific, achievable, affordable, realistic, and timely. To achieve our goals, we must:

- Increase canopy cover
- Improve forest structure and function
- Increase quality of sites for optimal tree growth
- Improve maintenance of new trees for long-term survival
- Increase resilience to climate change and other threats
- Increase coordination across City departments and external agencies
- Monitor and manage (Use adaptive management to make evidence-based decisions)
- Engage, educate, and empower community members (celebrate successes)
- Invest in cost effective green infrastructure
- Advance environmental justice and equity
- Prioritize tree planting based on benefit needs of the community

We will work towards our goals by implementing the strategic directions and recommendations, leading by example, fostering collaboration, celebrating our urban forest and its stewards, learning from both our successes and failures, implementing cost effective strategies, and focusing on sustainable management and practices.

## **Approach and methodologies**

The Strategy was completed as follows:

1. Develop project charter
2. Research and literature review
3. Review current state of Guelph's urban forest
4. Engagement
5. Canopy forecast modelling
6. Summarize gaps, challenges, and opportunities

## 7. Develop implementation actions

The project was started in December 2021 and was completed in May 2022, with updates in December 2022. The team was made up of City staff. Canopy forecast modelling was carried out by consultants Kuttner Forestry Consulting (KFC) and Diamond Head Consulting Ltd. (DHC).

## Policy context

### Provincial legislation

Examples of existing provincial legislation that contributes to the enhancement of canopy include:

- The Municipal Act
- Planning Act
- Provincial Policy Statement
- Endangered Species Act
- Ontario Heritage Act

### Alignment with plans and strategies

The City has several strategies and plans that recommend tree planting and enhancing the canopy. The Strategy supports the City's Community Plan values (City of Guelph, 2021), Official Plan (February 2022 Consolidation), 2012 Urban Forest Management Plan (UFMP), 2020 UFMP Implementation update and second phase plan, Strategic Plan (2019 to 2023) and other climate and environmental initiatives.

### Alignment with Strategic Plan

The City's Strategic Plan (City of Guelph, 2019) is a plan built on the community's vision for Guelph's future and aims to set out a climate adaptation plan which includes increasing the tree canopy and designing a sustainable City to ensure there is adaptable green infrastructure in development areas.

Figure 3: Plan hierarchy



The One Canopy Tree Planting Strategy aligns with the following Strategic Plan priorities and associated directions:

## **Sustaining our future**

- Create and execute an ambitious and achievable climate adaptation plan
- Plan and design an increasingly sustainable city as Guelph grows
- Mitigate climate change by reducing Guelph's carbon footprint

Investing in and increasing Guelph's canopy cover will build a sustainable and resilient urban forest and prepare for the effects of climate change as Guelph continues to develop and grow. We expect to enhance and increase the area of new tree canopy cover across the City to meet our 40 per cent target within the next four to five decades to increase the benefits provided by trees and green infrastructure and to mitigate the impacts of climate change.

## **Powering our future**

- Help businesses succeed and add value to the community

Powering our future strategic priority through ensuring policies and zoning by-laws support a healthy economy and are consistent with environmental priorities as the recommendations will lead to:

- Planting more trees in boulevards and in increasingly dense urban developments by implementation of green infrastructure technology through alternative design and low impact development standards
- Increased tree planting around and on commercial and service lands to reduce their environmental impact and increasing property values

## **Working together for our future**

- Improve how the City communicates with residents and delivers services
- Develop a long-term financial and resource strategy that is achievable and affordable

Working together for our future strategic priority through exploring new funding options and partnerships to ease taxes for residents and businesses will lead to:

- Developing strategic partnerships with stakeholders to improve service delivery
- Improving how we deliver services and information to resident and property owners
- Build partnership and allow the City to help businesses achieve their sustainable goals

## **Building our future**

- Maintain existing community assets and secure new ones

Building our future strategic priority through continuing working to develop new urban forest assets that respond to Guelph's growing and changing social, economic, and environmental needs. The urban forest is an asset with specific structural and functional value (i.e., goods and services) that provides social, economic, and environmental benefits. The urban forest is a key component of the City's natural heritage assets.

## **Navigating our future**

- Improve local transportation and regional transit connectivity

Tree planting along walkways, cycle paths, multi-use paths and trails greatly improves the comfort and experience for users by providing shade and in some cases separation from vehicles.

Contrary to the previous statement, the recommendations contained in this report may contradict this pillar as trees often come in conflict with developing new, or improving existing transportation corridors (e.g., boulevards, medians, and rights-of-ways). This potential contradiction can be mitigated through the development and implementation of a “complete streets” strategy, which incorporates the needs of all roads users and includes street trees within standard road cross-sections.

### **Relationship to the Urban Forest Management Plan**

The Strategy provides direction and actions to achieving 40 per cent canopy cover, specifically relating to tree planting efforts to increase and enhance canopy cover.

**The Strategy supports the vision of the Urban Forest Management plan (UFMP) to foster the health and sustainability of its community by increasing its tree canopy cover, continually pursuing, and promoting the implementation of best practices for tree establishment that will provide a range of environmental, economic, and health benefits for residents, and habitat for a diversity of plant and animal species. By setting an example on its own lands and supporting expanded local stewardship, the City will enjoy and sustain its urban forest for the long-term.**

The UFMP is a 20-year renewable roadmap for understanding and improving the management of Guelph’s urban forest. The plan is currently in the second phase of implementation (2019 – 2023).

### **Relationship to the Natural Heritage Action Plan**

The Natural Heritage Action Plan (NHAP), approved 2018, is an implementation plan for protecting our natural resources as part of complete, healthy communities (City of Guelph, 2018a). The NHAP provides a framework of supporting actions to implement the City’s Official Plan policies specific to the natural heritage system and watershed planning. There are points of intersection between the One Canopy Tree Planting Strategy (and the UFMP) and NHAP with regards to enhancement, long-term monitoring, stewardship, and sustainability, such as, but are not limited to:

- Create a biodiversity strategy
- Develop a program to support native plant propagation and seed collection
- Complete an Ecological Restoration and Management Strategy
- Develop environmental educational programs
- Establish a community and neighbourhood-based adopt-a-space program

### **Relationship to Community Energy Initiative and Race to Zero campaign**

The Strategy has a strong connection to the City’s energy initiatives with regards to the urban forest’s role in sequestering annual carbon emissions. The Community Energy Initiative (CEI) update, approved 2018, is Guelph’s commitment to use energy more wisely and fight climate change (City of Guelph, 2018b). The main

goal of the CEI is that Guelph will become a Net Zero Carbon community by 2050. Guelph also joined the United Nations Cities Race to Zero campaign in 2021. Guelph's target for the Cities Race to Zero is to reduce community per capita and corporate per capita GHG emissions by 63 per cent from 2018 levels by 2030 and achieve net zero GHG emissions by 2050.

## **Other local regulations**

The City has several other plans and guidelines that support tree establishment, such as, but not limited to:

- Official Plan
- Community Plan
- Parks and Recreation Master Plan
- Urban Design Manual
- Brooklyn and College Hill Heritage Conservation District Plan and Guidelines
- Private Tree By-law
- Site Plan Guidelines
- Environmental Implementation Report Guidelines
- Tree Technical Manual

## **Current initiatives and programs**

The City has many outreach and planting programs, or tree establishment initiatives currently underway by direction and support of the existing framework of regulatory and non-regulatory tools. Trees are currently planted in the City by municipal staff, contractors overseen by City staff, community groups such as "Trees for Guelph", volunteers (sometimes in collaboration with City staff) and private landowners. The current initiatives and programs should be leveraged and expanded to increase the number of trees planted annually.

## **Tree planting**

### **Forestry operations**

City Forestry crews plant up to 1,000 large caliper street and park trees annually. In 2022, due to increased capacity and resources, natural areas crews planted 7,600 smaller trees and shrubs in parks, open spaces, and natural areas.

### **Community tree planting events**

The City along with volunteers, partners, community groups, and non-profit organizations host tree planting events, mostly in the spring and the fall. In 2022, 8,050 trees and shrubs were planted through the combined efforts of the City and others. These events take place in City parks and natural areas and school properties.

### **Stormwater subsidized tree planting program**

The Stormwater subsidized tree planting program subsidizes the cost of tree planting and includes educational components. The City, partnered with Reep Green Solutions in 2021 to pilot the backyard tree planting program. In the first two years of the program, Reep planted 90 native trees. Also, participants attended a workshop, "Guelph's Tree Rebate Pilot: Planting and Caring for Trees in the City",

was hosted by Reep, online each year. The program was approved to continue in 2022 and 2023.

### **Grants**

Trees for Guelph receives an annual grant from the City (and other funding sources) to plant trees on both City and private lands with hundreds of volunteers from school groups, residents and community groups contributing a significant percentage of the community tree plantings. Their program is the most significant connection with school aged children combining education and stewardship.

### **Memorial tree donation program**

This program is currently paused and under review. The program allowed the community to memorialize someone by planting a tree in their name at one of our parks or greenspaces.

### **Partnerships and collaborations**

Current City partners currently include Trees for Guelph (TFG), Forests Ontario, and Reep Green Solutions, Alectra, GRCA, University of Guelph (including the Arboretum), Ontario Public Interest Research Group (OPIRG), and local school boards.

The Forests Ontario Take Root program launching in 2023 could see up to 1000 trees planted in private yards across the city.

### **Outreach**

#### **City of Guelph website**

The City's "Trees" website includes information about our programs, operations, and services. A website audit was completed in 2020.

#### **City events**

City staff continue to undertake activities such as presentations, workshops, tours and annual public works open houses.

#### **Forestry in the Classroom**

Forests Ontario facilitates the delivery of hands-on school age lessons on forestry topics by matching local schools and community groups with local forestry and natural resource practitioners. City forestry staff volunteer regularly as requested to share their knowledge.

#### **Healthy Landscapes**

The healthy landscapes program is an education-based program that provides residential property owners information about water conservation, tree planting, and landscaping. One of the program's focuses includes tree health and promotion of tree cover, and outreach on this and other core areas (e.g., native, non-invasive plant selection; best practices for landscape maintenance).

## **Development**

### **Zoning**

Zoning cannot regulate trees, although requirements for minimum landscaped open space and buffer strips provide space that can support trees in varying amounts.

### **Site plan guidelines**

Guelph's Site Plan Approval Procedures and Guidelines inform the design of development proposals including a range of guidelines related to the enhancement of the urban forest such as screening, street tree planting along public roads, and parking lots. Landscape plans can be combined with vegetation compensation plans and may include mass or area plantings where appropriate.

One specific example being the requirement that trees along public roads are provided at a rate of one tree for every 8 meters of frontage to be considered for planting.

### **Urban design guidelines**

Guelph's Urban Design Manual provide direction for the site organization and design of development related to the enhancement of the urban forest to ensure that trees are planted with a sufficient soil volume and in appropriate locations that support healthy tree growth to maturity, which contribute to maintaining and increasing Guelph's tree canopy cover. General standards speak to trees in surface parking areas and front yard plantings.

### **Tree Technical Manual**

The City's Tree Technical Manual promotes best practice for tree planting (and management), provides standardization for tree replanted plans and report, and promotes effective, long-term retention, maintenance, and enhancement of the tree canopy. The manual establishes guidelines, standards and specifications for the preservation, protection, planting and maintenance of trees as they apply to development and construction in various contexts throughout the City, on both public and private lands.

### **City capital projects**

Trees (replacement and/or new) are often planted as part Capital projects that develop, maintain, or improve a City asset, such as the construction or repair of parks, roads, or facilities on City-owned lands.

### **Private Tree By-law**

The City's Private Tree By-law requires compensation for trees 10 centimetres diameter at breast height (DBH) and larger removed on properties 0.2 hectares or larger. In most cases, compensation is calculated using a method described in the Tree Technical Manual which adds up the total diameter of stems removed and replaces with the equivalent diameter. For example, if a 60 cm DBH tree is removed, then 10 trees (minimum diameter of 6 cm) would be required as compensation. This by-law is currently under review.

## **Resources (expenditures)**

Having the right resources to carry out a tree planting program is essential. The City's current program is well resourced but at capacity. The program is not scalable with current resourcing to increase tree planting on City property nor to increase support for planting on private property. Additionally, the staff and other resources are not exclusively dedicated to tree planting but also to other initiatives of the UFMP such as hazard management, invasives management, inventory, tree maintenance, among many other tasks or projects.

### **Staff resources**

Current staff resources include:

- Program Manager, Forestry and Sustainable Landscapes
- Lead Hands (Operations)
- Planting crews (Forestry)
- Planting crew (Natural Areas)
- Urban Forestry GIS Technologist
- Urban Forestry Field Technologist
- Stewardship coordinator (part-time)
- Natural Areas Technician and Technologist
- Administration staff

### **Equipment**

Equipment available includes:

- Water trailers
- Mulch
- Dump trucks
- Mini excavator
- Hand tools

### **Trees and plant material**

Street and park trees (large caliper trees) are sourced through multi-year contract with nurseries that can meet specifications (e.g., native, locally grown). Plant material for ecological restoration projects or those that required smaller, more cost-effective stock are sourced from a variety of native tree and plant nurseries. Demand for tree stock is increasing and municipalities and landscape contractors are competing annually to fulfill their orders. This has resulted in limited stock availability for small stock.

### **Contractors**

The City uses third party planting contractors for capital projects such as new park development or roads projects. Contractors have not been used for large scale planting in natural areas in the past but will be considered for restoration plantings in natural areas to replace thousands of ash trees removed after they were killed by the emerald ash borer.

## **Funding and resource model (income)**

### **City budgets**

The current City budget supports a variety of urban forest management projects and initiatives, including street and park tree planting, naturalization and ecological restoration, recognizing that investing in the urban forest is investing in our future. Parks capital and operating budgets have been offset in past years using funds from grants, deferred development funds, and the Tree By-law compensation funds.

The backyard tree planting program is funded through Engineering capital budget as part of the stormwater rebate program. Engineering has limited capital budget for tree planting for infrastructure projects. Budgets usually only cover the cost of replacing removed trees, but not for new trees.

### **Private Tree By-law compensation**

The City's Private Tree By-law requires compensation for the removal of trees by way of replacement trees on site or cash-in-lieu. Funds collected through this process is used by the City to plant compensation trees throughout the city. Average annual contributions based on funds collected between 2011 and 2021 are approximately \$100,000.

### **Tree fund donation program**

The City's tree donation fund program supports City's tree planting program. Donations are received as minimum \$10, tax-deductible, one-time donations or re-occurring monthly donation. Donations can be dedicated as gifts with the option of sending an e-card. Donations over \$500 receive a certificate, suitable for framing.

### **Development**

Subdivision deferred revenue and tree planting frontage fees from Committee of Adjustment developments and agreements contribute to a tree planting reserve fund.

### **Grants**

Grant funding has supplemented capital funding to increase capacity for tree planting and increase support for community groups. Current and past grant opportunities include:

- Forests Ontario
- Tree Canada
- Canadian National Railway (CNR)
- Investing in Canada Infrastructure Program (ICIP)/government grants
- "TD Green Streets"

## **Community engagement**

Community engagement was essential to understanding community needs and perceptions to set the direction of the Strategy.

A Communications and Engagement Plan was prepared to first ensure that residents, agencies, and developers are aware of and compelled to participate in engagement opportunities knowing the role private land will play in achieving canopy targets.

Key themes that came out of engagement included:

- Benefits (social, environmental, and economic)
- Canopy cover distribution
- Canopy cover quality
- Climate change
- Engagement, stewardship, and partnerships
- Incentives and funding
- Information and education
- Policy, standards, and guidelines
- Removing barriers (physical, financial, and social)

Key messages that came out of engagement included:

- Improve outreach and education
- Empower the community
- Improve tree establishment practices
- Prioritize space for trees
- Monitor tree planting efforts
- Prepare for climate change
- Review or develop new policies related to tree planting

Community feedback from the UFMP update in 2020 was also included.

## **What we did**

Engagement for the One Canopy Tree Planting Strategy included two preliminary discussions, Indigenous sharing circle, letters to Indigenous Treaty partners, two public workshops, individual external and internal stakeholder meetings or consultation, as well as an online survey and interactive tools. Detailed summary engagement report is available on the project webpage:

**[haveyoursay.guelph.ca/one-canopy](https://haveyoursay.guelph.ca/one-canopy).**

### **Preliminary engagement**

Preliminary engagement for the Strategy included conversations with the Natural Heritage Advisory Committee on November 25, 2021, and with the City's Urban Forest Working Group on December 10, 2021, around project goals and objectives, framework, and scope.

### **Workshops**

In February 2022, community engagement included two virtual workshops held on February 16<sup>th</sup> for special interest groups and the public, and 17<sup>th</sup> for businesses and associations. Workshop themes included:

- Benefits of trees
- Tree planting incentives
- Tree planting resource needs
- Ways the City can encourage tree planting
- Barriers of tree planting on private property
- Ways to increase tree canopy

## **Online and interactive tools**

An online survey and interactive tools were also available for those members of the community that were unable to attend workshops and office hours. The survey and tools were available on the City's online community engagement site, Have Your Say Guelph, from February 1, 2022, to February 22, 2022. There were 254 participants who contributed through the engagement forum. The link for the online survey and tools were also emailed directly to over 100 key stakeholders including city council and executive team, City of Guelph staff, developers, consultants, green industry contractors, members of the building community, forestry and arboriculture professionals, landscapers, non-profit organizations, and environmental interest groups.

The purpose of the survey was to gain insight about the community's:

- Current planting efforts privately or with the City
- Role in planting efforts on public and private land
- Opinions on barriers to equitable canopy cover

Other engagement tools included mapping tools and ideas board where ideas could be shared about what the City can do to inspire and promote tree planting around Guelph, and a map where a virtual pin could be placed on a location where tree planting events have happened in the past, and what City lands the community would like to see tree planting events happen on in the future.

The City's interdepartmental Tree Team, comprised of City staff from various departments, met on March 8, 2022. The purpose of the meeting was to collect input regarding the challenges or opportunities related to increasing canopy cover from the perspective of their respective departments/fields.

The Grand River Conservation Authority (GRCA) was consulted in March 2022.

## **Indigenous relations**

An Indigenous sharing circle took place on January 19, 2022. The focus of the sharing circle was to build relationships, talk about experiences and hopes for Guelph's future generations, centering the conversation on the lands and natural resources and the role of the City as a steward of the land.

Letters to Treaty partners were sent via email on March 2, 2022, to The Haudenosaunee Confederacy, Mississaugas of the Credit First Nation, and Six Nations of the Grand River Elected Council. The letter included information about the project and an invitation to engage with the City regarding any comments or concerns.

## **What we heard**

The three most beneficial actions as ranked by UFMP survey respondents are:

- developing a city-wide tree planting strategy and planting more trees
- increasing the health and resilience of existing trees by implementing a proactive monitoring and maintenance program
- continuing to build community partnerships

Specifically, 86 per cent of respondents supported increasing tree canopy cover (and urban forest health) by developing a city-wide tree planting strategy and planting more trees.

The results of the One Canopy engagement suggests that overall, the respondents/participants are supportive of the goals and objectives of the One Canopy Tree Planting Strategy. Most recognize that there are challenges, mostly related to providing space to plant and grow trees on both City-owned and non-City-owned lands. Incentives, education, and resources were the most common opportunities identified to increase planting on non-City-owned lands, while resources and soil volumes/growing space were priority for City-owned lands.

Based on this and past engagement from various projects, there is no question that the community values green spaces, the environment, and the urban forest.

### **Benefits (social, environmental, and economic)**

- Need for more outreach and education about the links between planting trees and carbon off-sets, and other benefits
- Top three benefits of trees in order of importance were improved physical health and emotional well-being, reducing air pollution, and maintaining our natural heritage (natural spaces)

### **Canopy cover distribution**

- Monitoring and reporting on tree canopy should take place including tracking tree planting efforts
- Equitable distribution of canopy cover is important
- Increase planting density

### **Canopy cover quality**

- Most people support the planting and use of a diversity of native tree species, whereas some felt that non-native, non-invasive species also have a place in the landscape
- Invasive species management is needed to protect our natural areas from ecological degradation
- Increasing the diversity of tree species planted in Guelph is important
- Many felt that more should be done for the long-term health of trees through improved maintenance programs and forest management practices on both City and private property

### **Climate**

- Developing a tree planting strategy with an emphasis on climate change, particularly future climate appropriate species and carbon sequestration to align with future climate plans and/or strategies
- Address concerns about flooding and stormwater run-off that is the result of tree or canopy loss
- A species diverse canopy is key to being prepared for climate change
- Increasing canopy cover is needed to mitigate climate change

### **Engagement, stewardship, and partnerships**

- The community would like increased engagement and partnerships, planting programs,
- Having access to more resources
- Empower and support community-led solutions for food insecurity, such as “food forests”
- Consult and engage Indigenous and cultural voices in urban forest management
- Recognize and celebrate community and business leaders and innovators and for projects that contribute to the City’s urban forest/sustainability goals.
- Develop a “Tree Stewards” program
- Community partnerships are essential to achieving our canopy goals

### **Incentives and funding**

- Education programs focused on tree care and planting was ranked the highest of the programs and incentives that would convince someone to plant a tree if they had access to private property, ahead of (in order of ranking highest to lowest) neighbourhood planting events, a low-cost City subsidized non-profit organization tree planting service, and a one-time rebate or cost sharing for planting their own tree
- More financial incentives such as rebates and subsidies are needed to increase tree planting on private property
- Property owners are willing to pay between \$75 and \$500 to plant a large tree on their property versus receiving a small free tree

### **Information and education**

- More educational materials, programs and information related to trees, with topics such as tree species, tree planting and care for property owners and students were requested
- The community would like information about tree planting events or other environmental initiatives on both City and non-City owned lands

### **Policy, standards, and guidelines**

- City policies are needed to support the establishment of new canopy, not only replacement.
- Having an invasive species strategy would preserve and enhance the ecological health and resilience of the urban forest
- Explore alternative tree establishment methods and practices
- Exploring currently unavailable City spaces in parks, open spaces, and boulevards are ideal opportunities for increasing canopy cover
- Collaboration and cooperation are needed incorporate more trees into the landscape.
- City objectives and priorities should align to prioritize green infrastructure, green spaces, and sustainable development.

### **Removing barriers (physical, financial, and social)**

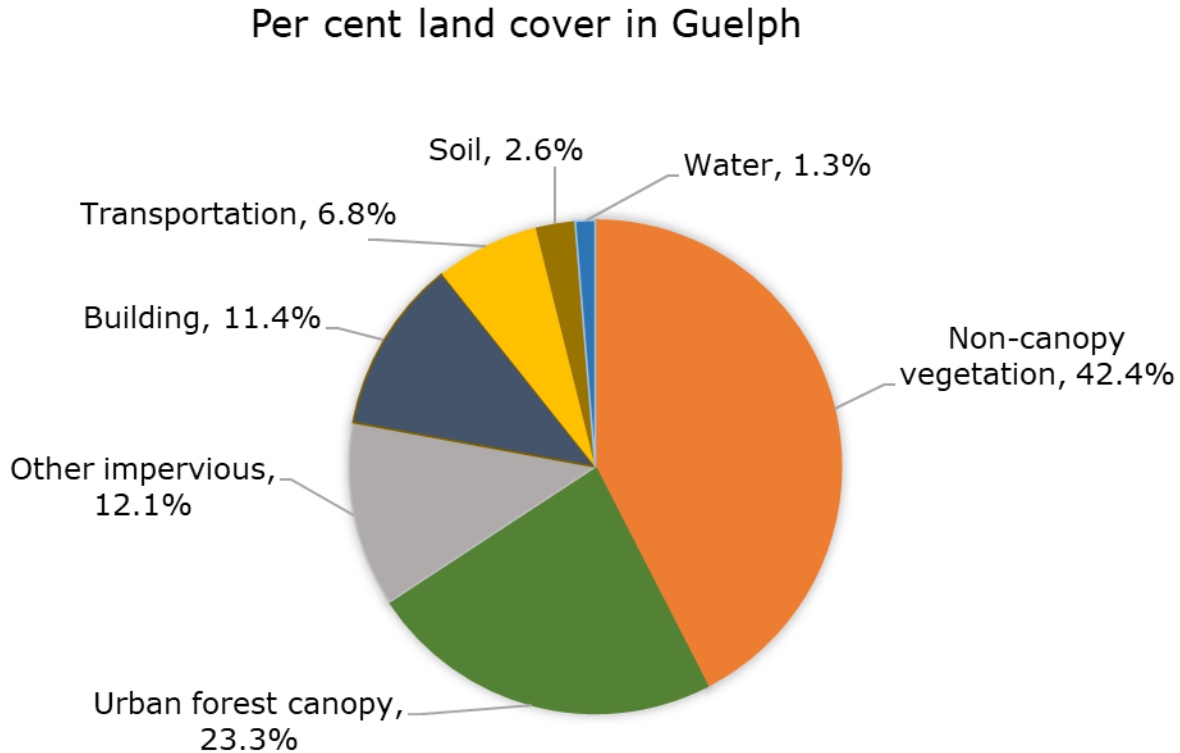
- Reduce or remove physical, economic, and social barriers of tree planting
- Prioritize space and soil volume/quality in development and construction for the installation and long-term retention of large shade trees

- There is concern that not enough space is designated for trees in landscapes such as streets, parks, or front yards
- Space and existing landscaping or tree cover were rated as the most significant barrier, other than financial, that prevents property owners from planting trees on their property
- Only 55 per cent of the survey participants are likely to plant a tree on their property in the next year and 64 per cent would be interested in the City planting a tree for free on City property in front of their home
- There was concern that lack of property ownership was a barrier to engagement and/or tree planting on private property
- Social or economic barriers may limit engagement in stewardship or tree planting

## **Canopy cover quantity and distribution**

In 2019, City-wide canopy cover was measured at 23.3 per cent (Figure 4). 8.3 per cent of canopy cover is located on City-owned (and managed) land, 11.3 per cent is in private ownership, and 3.3 per cent in other public ownership. This is 37.6, 48.4, and 14 per cent of the total canopy respectively. The canopy cover estimate does not include the forest cover on the City-owned and managed “Arkell Springs” aquifer lands, or any other City-owned and managed land located outside of City limits.

Figure 4: Per cent land cover in Guelph (2019)



### Canopy cover vs. leaf area

Canopy cover used to understand the extend of forest cover as a per centage of land area, while leaf area gives us information about the ecosystem services a tree can deliver. Guelph used both in the UFS to describe the urban forest.

Canopy cover is a two-dimensional measurement of the horizontal surface area of the forest as seen from above. It is communicated as a per centage of total city land cover or as an area measurement but cannot with current technology capture accurate information such as forest health, age, or species. Canopy cover is achieved using land cover analysis. Figure 5 shows a sample of the imagery used to derive land cover in Guelph as well as a sample of the final mapping.

Figure 5: Sample of imagery and resulting land cover map



Leaf area is another way to describe the forest, which provides more information about forest structure beyond two dimensions. Leaf area describes the surface area of all the leaves found in every level of a tree crown. This makes it a much better measure to describe the value of a tree in terms of the potential ecosystem services a tree can deliver.

For example, the collective of sugar maple in Guelph store the most carbon, accounting for 13.4 per cent of carbon stored by the total of all trees that make up the urban forest, followed by eastern white cedar, which stores 8.8 per cent of total carbon.

## **Urban forest structure**

### **Diversity**

Increasing diversity in the urban forest will contribute to building resilience to climate change and other threats. The natural distribution of tree species is highly dependent on climate. Changes in climate affect the distribution of plant species (i.e., affect their ability to survive in their native range) and result in changes in forest composition. Changes in species composition may therefore affect several ecosystem properties (Natural Resources Canada, 2021).

The “30-20-10 Rule”, proposed by Santamour (1990), to guide the establishment of the urban forest, states that no tree family exceeds 30 per cent, no tree genus exceeds 20 per cent, and no tree species exceeds 10 per cent of the total urban forest inventory. The objective of this guideline is to promote urban forest diversity and resilience to pests, pathogens, and other stressors. Guelph’s TTM includes this rule as general guidance for tree establishment.

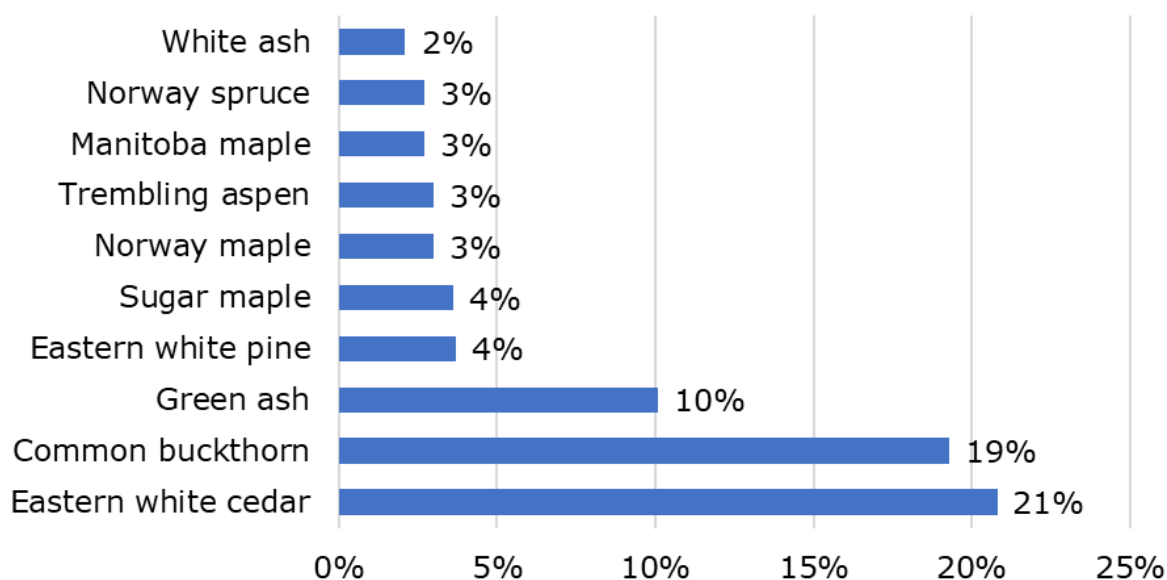
It’s important to note that this rule is more suited for the urban context such planning for subdivision street trees, it is not appropriate for natural areas or the NHS where tree diversity generally reflects natural conditions. In this context, ecological community “assemblages” are used to guide management actions including tree planting. The biodiversity targets for the NHS will be developed through a future biodiversity strategy as per the NHAP.

### **Species and age**

Guelph is dominated by eastern white cedar, European buckthorn, and ash tree species. Most concerning is that the highly invasive buckthorn is the second most abundant tree. When ranked by leaf area eastern white cedar also dominated (16.6 per cent). Norway maple (9.1 per cent) was second followed by sugar maple (8.1 per cent).

Figure 6: Top ten trees in Guelph by population (number)

### Top ten species by population



Managing invasive vegetation reduces competition and can allow natural regeneration to assist in our restoration efforts. However, unaided “naturalization” can lead to unhealthy ecosystems, dominated by invasive species. Diversifying the urban forest and implementing an invasive species management plan is required to build resilience to disturbances and overall health of the urban forest.

#### Functional diversity for climate resilience

Planting trees to target ecosystem provisions will mean using more drought and flood tolerant species. We may face important trade-offs, such as the use of non-native (non-invasive) tree species, when planning the future canopy composition for multiple functions, including future climate-tolerance.

Current plant lists encourage the use of native or non-native, non-invasive vegetation depending on the context. Ecological restoration planting projects are restricted to native plants only. Non-natives, non-invasive trees such as ginkgo biloba or linden are chosen for their urban tolerance. However, those only make up a small percentage of street or park plantings.

#### Functional diversity for optimal ecosystem services

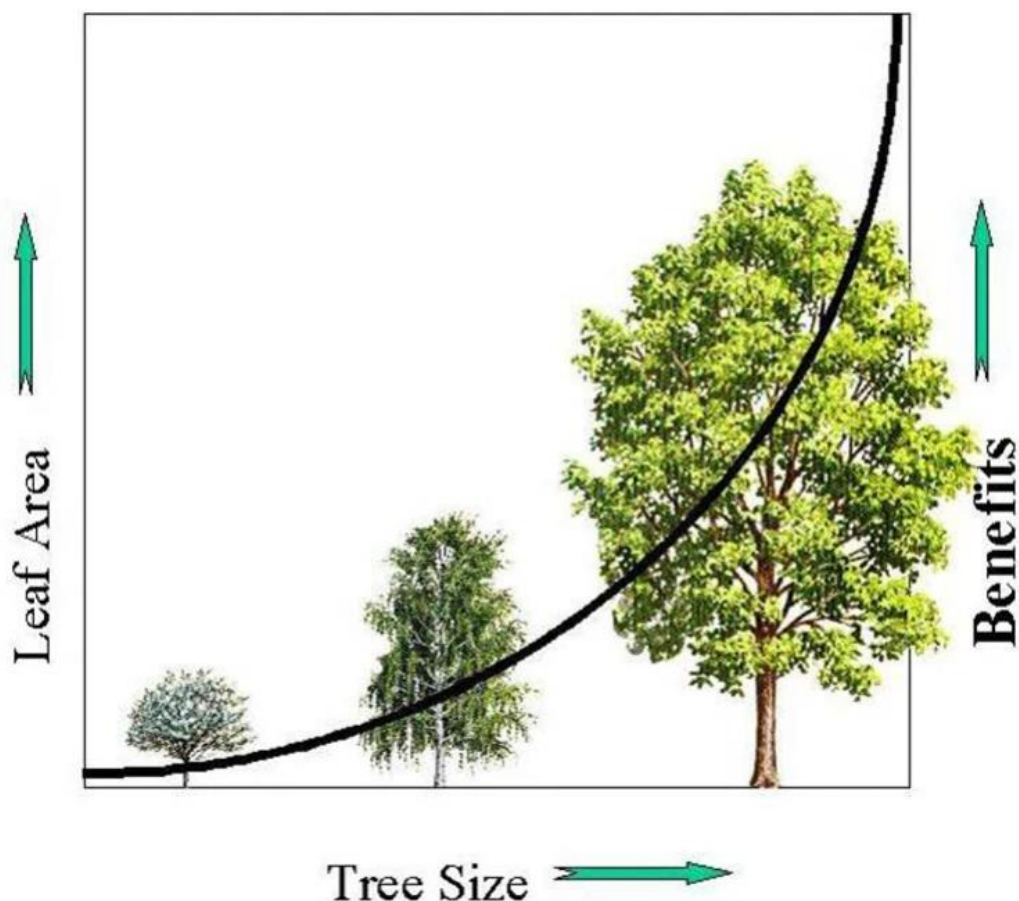
Guelph’s trees provide four key environmental services: energy savings, carbon sequestration, pollution removal, and reduce stormwater run-off. All parts of trees have a role in delivering ecosystem services. Wood tissue stores carbon, shade from leaves reduce energy costs and sequester atmospheric carbon.

Benefits of tree increase over time. However, larger, and older, healthy trees provide disproportionately more services than young trees. Trees with larger leaves (more leaf area) such as maples sequester more carbon than those with small

leaves such as honey locust. However, trees with smaller leaves often have higher tolerance to drought and urban conditions.

This emphasizes the importance of near-term planting with benefits being realized in decades to come. Specifically, front loading or jumpstarting tree planting in early years is beneficial. Especially since, the effects of climate change can increase in tree mortality from drought and insect outbreaks (Drever, 2021).

Figure 7: Example of the ecological benefits of trees increasing exponentially as leaf area increases (Kenney, 2000)



### Sourcing tree and plant material

**Tree size matters!** More than 90 per cent of the trees planted by the City and through City-led events are smaller stock such as potted trees or whips because they are more cost effective and appropriate for restoration or naturalization projects. The trees are most mass planted in natural settings or planted as individual trees such as those in backyards tree planting program.

Large trees are costly, often experience transplanting shock, require more maintenance and less likely to thrive. Younger trees recover more easily after planting and typically grow a more vigorous root system. Studies have also shown that smaller caliper trees catch up to their larger counterparts at the 10-to-15-year range.

## **Canopy cover targets**

The area of additional canopy required to reach 40 per cent canopy cover is 1,492 ha or 14,920,000 m<sup>2</sup> (City of Guelph, 2012).

The 40 per cent canopy target in the UFMP and Official plan was set based on a standard, developed by urban forest researchers, for the recommended canopy cover for urban municipalities, based on a select group of municipalities in the United States. It was done so without understanding the potential carrying capacity of land in Guelph nor, the effort it would require.

It is now recognized that targets cannot be broadly applied since each city is unique with regards to factors such as optimal service needs, natural ecology, growing/soil conditions, and land use planning policies. In addition, there are no benchmarks or tool kits available to set urban canopy targets (District of Oak Bay, 2017).

In addition, realizing such a goal assumes that there are enough actual plantable spaces, as well as adequate human and financial resources being allocated to support increased levels of tree planting and the associated long-term management of the expanding urban forest (City of Guelph, 2012).

"Furthermore, increases in canopy cover cannot simply be achieved by planting more trees. As this Plan illustrates, effective urban forest management requires an ongoing commitment to managing trees in all phases of their life cycle, as well as strategic planning to bolster the resilience of the overall urban forest against the numerous stressors it may be subjected to. The primary objective should not be to simply meet a canopy cover target but should be to steadily move the City forward with respect to the various strategic initiatives identified in this Plan in support of a truly sustainable urban forest" (City of Guelph, 2012).

Guelph's canopy cover is in the range of other Southern Ontario municipalities that have completed canopy studies (Table 1). Some municipalities have lower or higher targets than 40 per cent based on the feasibility of achieving their targets as determined by canopy studies.

Table 1: Municipal comparison of current canopy, canopy targets, and timeframe

<b>Municipality</b>	<b>Current canopy cover</b>	<b>Canopy cover target</b>	<b>Timeframe</b>
City of Guelph (2022)	23	40%	9 years
Town of Oakville (Natural Resource Solutions & Dillon Consulting, 2012)	28	40%	50 years
City of Toronto (2013)	28	40%	50 years
City of London (2017)	24	34%	48 years
City of Hamilton	21	30%	n/a
Richmond (2018)	20	30%	26 years

Progressing towards the 40 per cent target will require policy adjustments, enhanced City realm planting program and an ambitious private realm planting program.

Contributing factors that limit progress include:

- Lack of site level canopy targets
- Limited planting in new developments above and beyond replacement/compensation trees
- Limited understanding of the contribution required to achieve canopy targets
- Lack of quality and quantity of growing space in developments, boulevards, and hardscapes

### **Land use and canopy cover**

Land use is one of the most influential factors of the amount of canopy cover in cities. Land use describes how people use different areas of the City (e.g., residential, industrial).

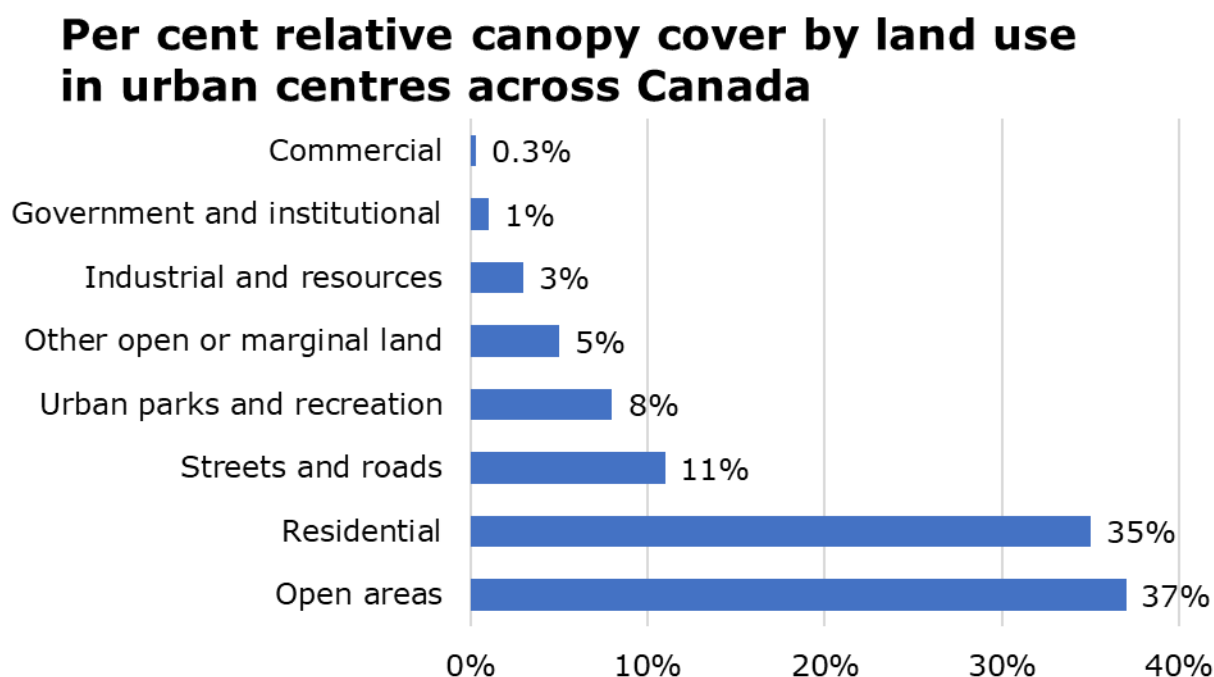
Avoiding conversion of land use correlated with high canopy cover to that with low canopy cover must be a key objective of any sustainable development strategy. Once lands are converted the options for natural climate mitigation tools (such as trees) may be foregone and more expensive options may be required to meet carbon targets or compensation.

The distribution of canopy cover across Guelph is not equal and is most often related to the type of land use. The highest per centage, 42 per cent, of the canopy cover is located on vacant land, which includes open space and the natural areas. The lowest per centage is on commercial and industrial lands combined at 20 per cent. Prioritizing tree planting opportunities and canopy protection in areas with low

income and low canopy distribution can provide canopy health and economic benefits as well as access to green spaces for those that need it the most.

Figure 8 shows the distribution of canopy cover by land use across major city in Canada and in comparison, with slightly different land use categories, Figure 9 shows per centage canopy cover by land use for Guelph. Compared to canopy cover per centage in urban centres across Canada, Guelph's residential canopy per centage is lower than the national average but above average for some land uses such as industrial, commercial, and institutional.

Figure 8: Tree canopy cover distribution by land use classes across Canada



For clarity, NHS and natural areas outside the NHS exist in all the land uses in Guelph. They are not exclusively in vacant land.

Figure 9: Tree canopy cover distribution by land use classes in Guelph

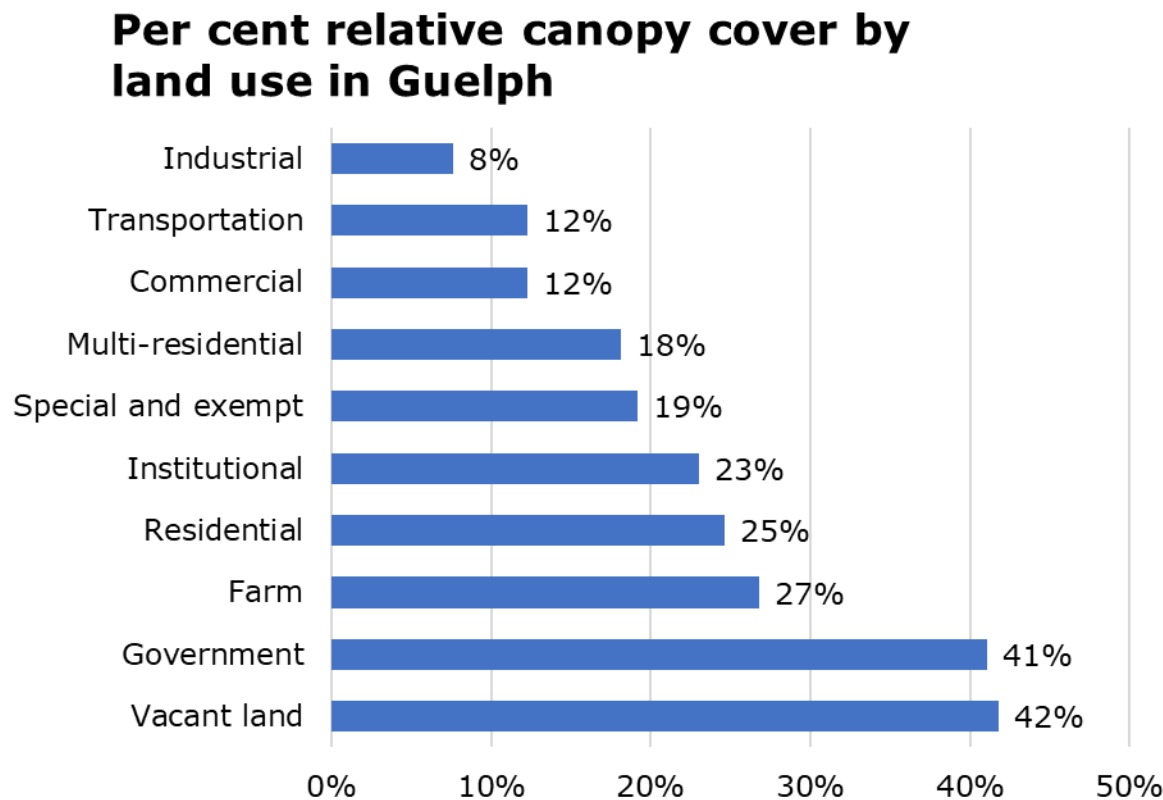


Figure 9 makes it clear that the distribution of tree canopy in the various land uses are not equal and so different tools must be employed to support opportunities. For example, in commercial lands, increasing plantable spaces using green infrastructure technology such as soil cells.

Maximum contribution of each land use or ownership type to the canopy cover goal will be used to develop canopy targets.

Some cities have set canopy cover targets by neighbourhood (Halifax) or land use (North Oakville, London, York Region) to support planners in understanding and enforcing optimal levels of greening to support a city-wide canopy cover goal (Table 2). North Oakville and Toronto require Canopy Cover Plans for development and site plan applications to demonstrate a proposed developments contribution to canopy cover targets.

Table 2: Canopy cover land use targets for North Oakville and London; Source: City of London, 2014; Natural Resource Solutions & Dillon Consulting, 2012

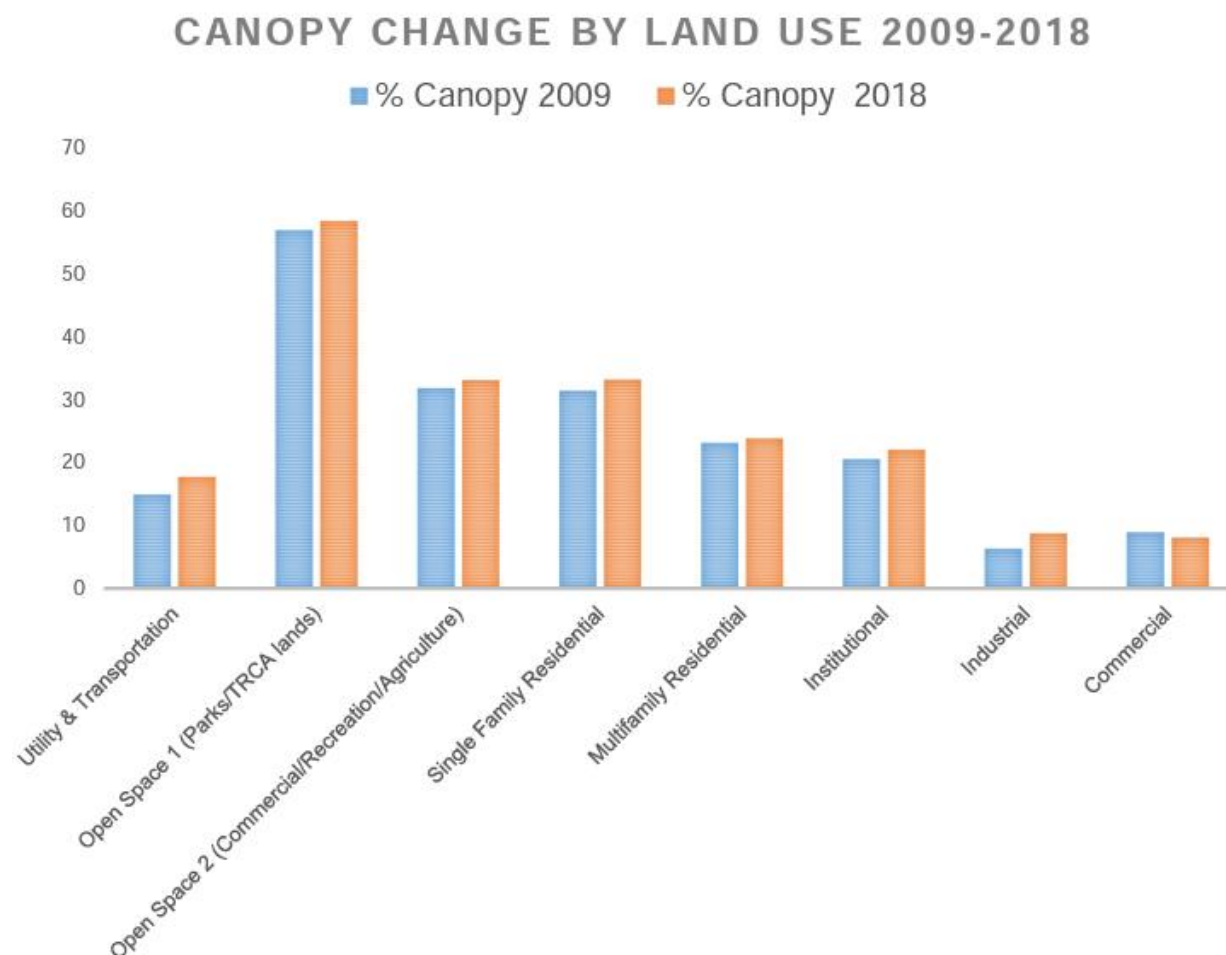
<b>Land use</b>	<b>Canopy cover target (North Oakville)</b>	<b>Canopy cover target (London)</b>
The NHS and Natural Lands North of 407	90%	60%
Agricultural Lands North of 407	0%	15%
Residential (all types)	20%	25-35%
Employment/Industrial	20%	15%
Parkland	50%	-
Arterial and Avenue Roads	34%	-
Cemetery	34%	-
Commercial/Mixed	15%	15%
Stormwater Management Facilities	15%	-
Transit Ways	34%	-
Public Use (schools)	20%	-
Transitional Area	15%	-
Institutional	25%	20%

### **Canopy change by land use**

Canopy change usually occurs where natural cover, including forests, is lost to land conversion from natural or agricultural to urban land uses. With Guelph's intensification targets, we will likely see an increased loss of trees in residential areas and other built areas, but potentially increased canopy in stable lands protected by natural heritage system policies.

Canopy cover change by land use can be used to better understand the impacts of development and guide future policy and decision making regarding sustainable development. Guelph's 2019 canopy study did not measure canopy change over time. This will be completed as part of the future canopy study in 2029 and used to develop Guelph specific mortality rates. As an example, Toronto completed this type of assessment in 2018 (Figure 10) which determined that while canopy decreased on commercial lands, it increased on all other land uses.

Figure 10: Canopy change by land use; Sources: 2009 leaf-on point sample (Nowak et al., 2013) and 2018 leaf-on point sample, 2008 land use layer (KBM Resources Group et al., 2018)



## Natural Heritage System and parks

### Natural Heritage System

Canopy cover within the NHS is currently at 60 per cent. Canopy cover on lands designated as **NHS in the City's Official Plan are unique in that they are considered stable canopy with enhanced level of protection from loss due to development.** The NHS is protected in the Official plan under specific NHS policies and is distinct in that respect from those areas outside the NHS. Increasing canopy cover in the NHS was identified as a priority by stakeholders to support the ecological function of the NHS.

### Parkland

Parks in Guelph currently contain 6.7 per cent of the overall canopy cover and 5.6 per cent of the land area available to plant trees. Guelph's Park Plan recommends increasing the canopy cover and naturalized spaces in parks and states that parks

provide a perfect opportunity to expand the urban forest for a climate resilient city. Parks are and have always been significant opportunities for community tree planting and naturalization. Through the Park Plan, the City will continue to support canopy goals and local stewardship while balancing the need for the recreation function of parks.

## **Canopy cover ecosystem services: natural climate solutions**

Planting trees are one the least expensive ways to counter mitigate the effects of change and the impacts of extreme heat in the built environment. It is well known that there are direct relationships between tree canopy cover such as reduced heat related health impacts and electricity consumption.

Each year Guelph's trees provide annual ecosystem services worth \$5.6 million. This includes:

- Annual energy savings: 141,941 MBTUs (4,428 MWh) with a value of \$1,882,502
- Pollution removal: 156 tonnes with a value of \$2,051,438
- Avoided Runoff: 399,938 m<sup>3</sup> with a value of \$929,742
- Gross Carbon Sequestration: 6,455 tonnes with a value of \$741,515

Additionally, the urban forest stores 196,894 tonnes of carbon with a value of \$22.6 million.

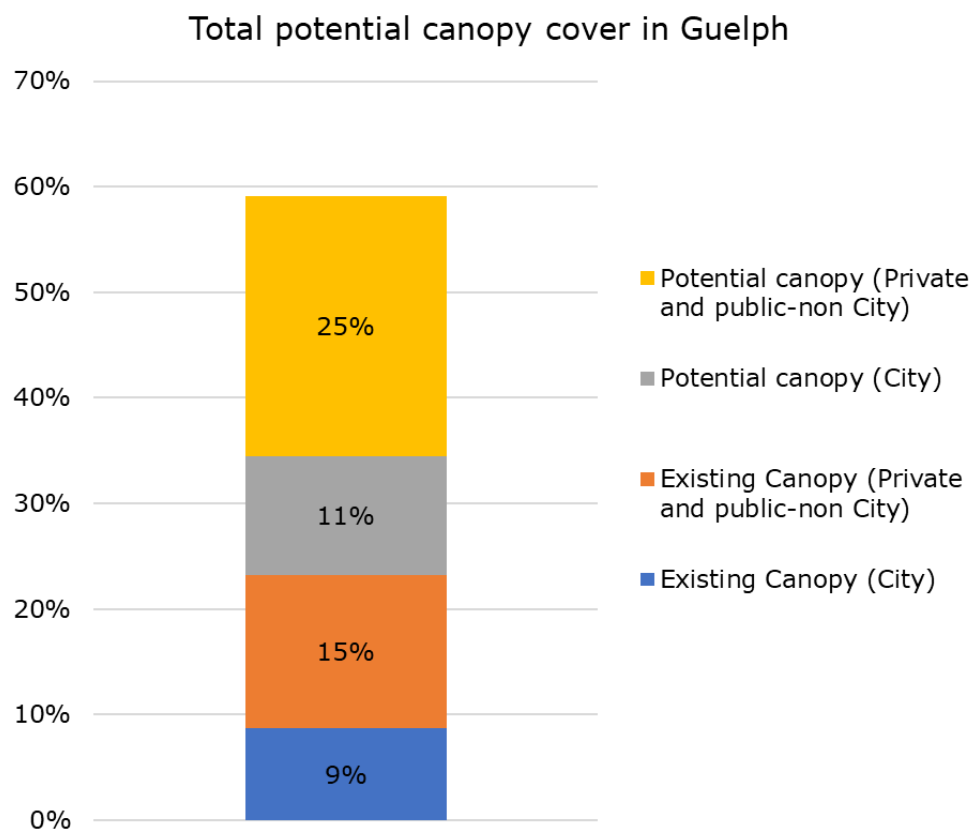
Maintaining and enhancing a healthy urban forest is a community-wide action to mitigate the effects of climate change and contributes to meeting the City's target to become a net-zero community by 2050. However, the ability of the canopy to act as a natural climate solution tool will depend on their growth and mortality under the stress of climate change, pests, and development. In Canada, the rate of projected climate change is expected to be 10 to 100 times faster than the ability of trees to migrate, resulting in impacts on forest health and productivity (Natural Resources Canada, 2021).

Carbon capture increases exponentially over time, indicating the importance of investments in near future planting for achieving long-term climate mitigation (Drever, 2021). Protection, improved management, restoration and avoided conversion of forests and urban forest canopy cover are key to scalable climate mitigation through carbon capture and provide other benefits (Drever, 2021).

## **Potential planting areas**

There is approximately 2000 ha land that could potentially support tree growth. This land area could theoretically support a maximum of 59.1 per cent canopy cover (17 per cent more than our target) (Figure 11). 11.2 per cent of that land is owned by the City while the remaining 24.6 per cent is on private and other public lands. This means that the City can only contribute a maximum of 11.2 per cent of canopy towards the overall 40 per cent target.

Figure 11: Total potential canopy cover by land ownership

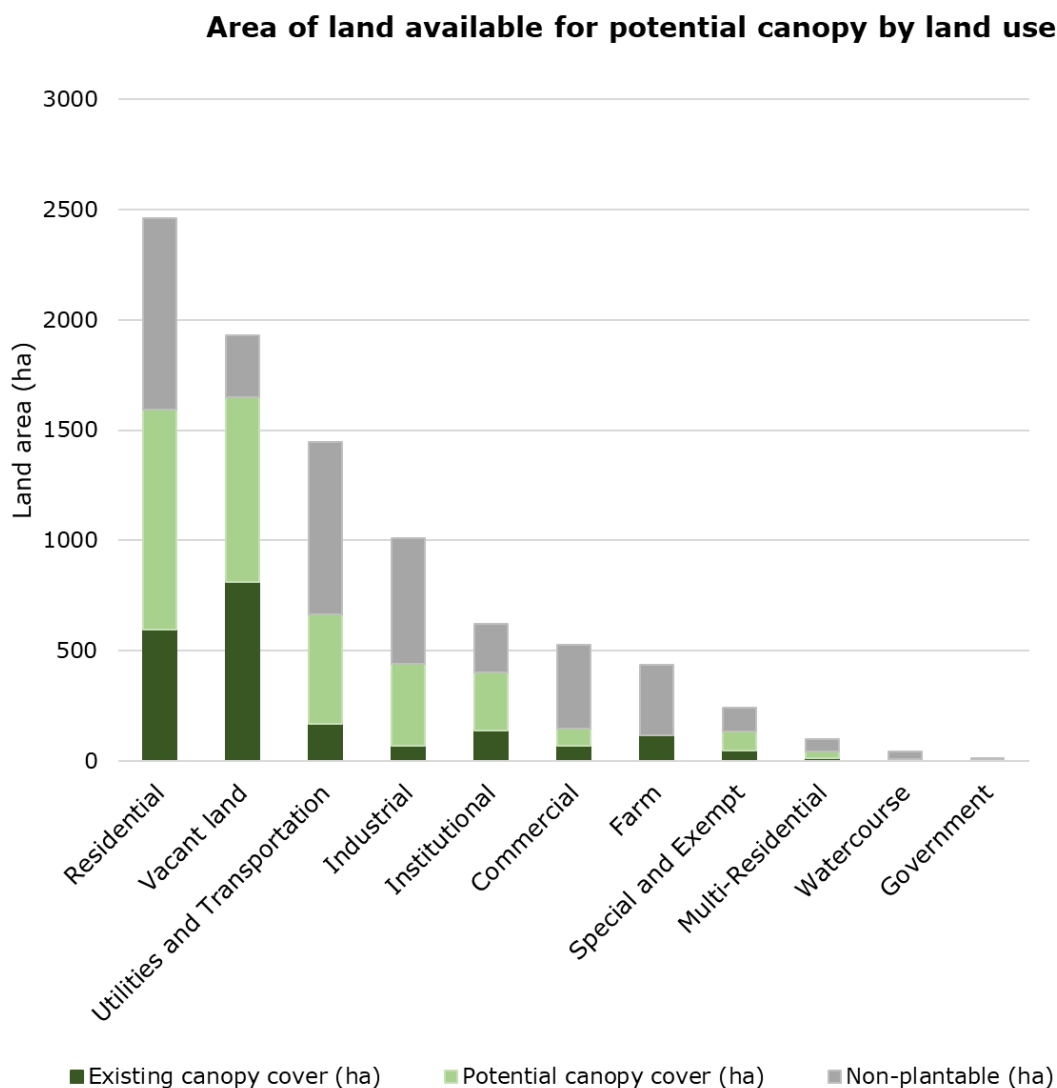


While 1,492 ha of land needed for tree planting to achieve the canopy target may seem like more than enough space, it is finite and represents a single point in time (2017).

Figure 12 below illustrates the land area currently covered by tree canopy, the potential area theoretically available for tree planting (additional canopy cover) and finally the non-plantable area of land – where planting is limited due to buildings, hard surfaces, conflicts with utilities, etc.

**Once plantable land is converted to other land uses it will be lost unless we ensure that the land suitable for tree planting is conserved in addition to creating new spaces** (e.g., parking lots, courtyards, amenity spaces, landscaped spaces).

Figure 12: Area of land available for potential canopy (tree planting) by land use



At a high level, it seems that achieving the 40 per cent canopy cover goal under optimal planting scenarios is theoretically feasible. However, it is not likely that tree planting can occur on all the potential planting area where other priorities such as open landscaped space in parks or meadow habitat. Land is valuable for many reasons. Preserving and creating new room for trees as the city grows will prove to be challenging as our community priorities compete for land.

## Priority planting tool

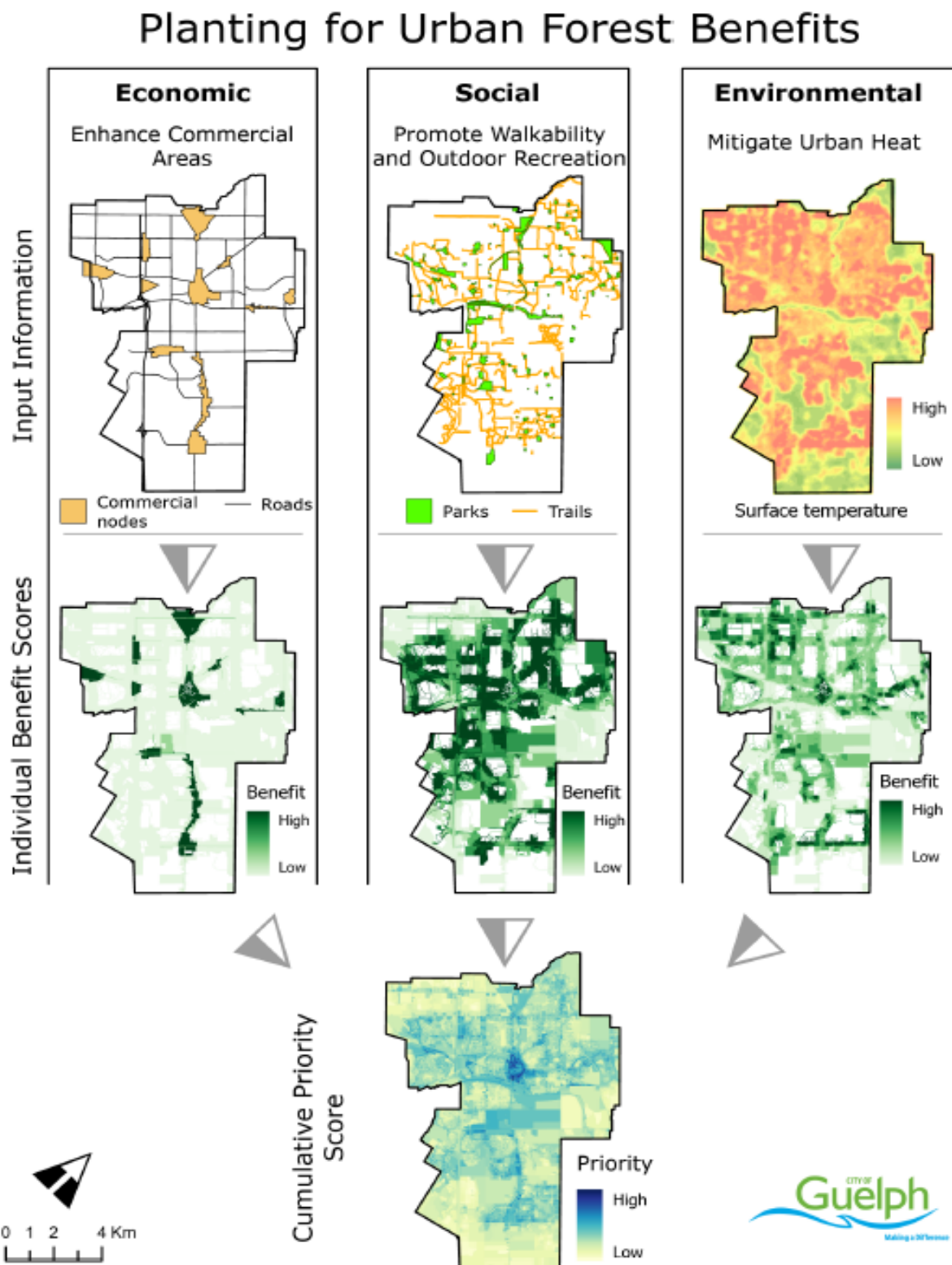
Meeting community needs and optimizing benefits to the community through strategic tree planting is the foundation of the Strategy. Priority planting areas were determined in the 2019 UFS, using a Tree Planting Prioritization Tool or TPPT, developed by the Region of Peel, that prioritizes tree planting locations based on eight overall benefits that urban trees provide:

1. Mitigating air pollution
2. Mitigating urban heat island effect
3. Contributing to management of surface water quantity and quality
4. Maintaining and enhancing natural heritage
5. Enhancing economic value
6. Providing direct cost savings (reduced energy use)
7. Supporting improved physical health and emotional wellbeing
8. Strengthening communities and enhancing social equity

Each benefit as it related to the features in the spatial layers (e.g., sidewalk, park, commercial area) was modelled, scored and Figure 13 below illustrates how inputs to the tool overlayed using benefit scores resulting in the cumulative benefit score mapping.

The TPPT identifies areas in Guelph where tree planting would provide increased benefits for areas with low canopy, vulnerable populations, and other socio-economic factors.

Figure 13: Tree Planting Prioritization Tool cumulative priority benefits



## **Equity (tree distribution and environmental inequality)**

The benefits of trees are well understood. For this reason, cities attempt to incorporate trees into the urban landscape. However, these efforts are often restricted to City property and on private land depends on landowners' participation to plant and maintain trees. The leading factors associated with this are cost and risk.

The relationship to socioeconomic factors associated with increased canopy cover is complicated but research suggests that canopy cover often negatively correlated to socioeconomic factors such as income, level of education and minorities (Lockwood & Berland, 2019). Access to essential, heat-mitigating amenities, including trees or forests, should be provided to everyone, and not restricted only to those with means or affluence.

## **Canopy cover modelling**

Urban forests are in decline, according one US study (Nowak & Greenfield, 2018). The loss of canopy coincided with increase of impervious cover resulting in loss of urban forest benefits of an estimated \$96 million per year. The factors of canopy gains and losses are highly variable. They include:

1. Natural tree growth (gain)
2. Naturally occurring regeneration (gain)
3. Intentional tree planting (gain)
4. Natural tree mortality (loss)
5. Intentional tree removal (loss)

Spatial (e.g., GIS) and aspatial (i.e., excel, i-Tree) canopy modelling tools can help us understand the impacts of natural and intentional events by "virtually" growing canopy cover under specific rates of gains and losses and calculate the ecosystem services of future forests based on anticipated health and structure.

Both tools were used for the Strategy. Aspatial modelling was used to determine if current tree planting efforts (number of trees planted per year) or an increase of 30 per cent would achieve 40 per cent canopy cover, and what actual amount of planting efforts is required to achieve our target within specific timeframes. Spatial modelling was used to determine the ecological services of the canopy at current planting effort, 30 per cent increase in current planting effort, and at the effort determined by the aspatial modelling to achieve 40 per cent.

## **Limitations of modelling**

Models are one the most useful, and sometimes the only, tools for providing insights, informing real practices, and decision-making. However, because models cannot incorporate the true complexity of natural systems, they will always be subject to known uncertainties, approximations, and limitations. The limitations of the canopy cover modelling are discussed in detail below and within the reports (Appendix B).

### **Mortality rate**

The most critical limitation for the modelling was the rate of tree loss/removal as related specifically to development. The 2.9 per cent rate used by the consultants,

while reflective of neighbouring municipalities (Oakville and Toronto), factor in local driving forces of development specific to urban policies and economics.

For that reason, City staff chose to model additional mortality scenarios using the DHC tool developed for Guelph:

- 1.4 per cent background (natural) mortality rate only
- 3.3 (the national average) per cent mortality rate (1.4 per cent background, plus 1.9 per cent development mortality) (Hilbert et al., 2019)

Results for City modelling is available in Appendix B.

### **Tree size input and output**

The models were limited to one tree size input and out. The baseline minimum tree size required by City standards for compensation for one tree is a 60 mm caliper tree. Since we plant different stock sizes across the city in different contexts (i.e., five-gallon pot, whip, or bareroot) the estimated annual known combined planting efforts of 1500 large (60 mm caliper stock) and 10,000 small stock, with the smaller stock being the estimated at an equivalent number of 1500 large trees (6:1 ratio). This resulted in the total known number of trees planted in Guelph, in 2021, to be the estimated equivalent of 3000, 60 mm caliper trees.<sup>1</sup>

The caveat here is that we don't know the actual effort of tree planting that occurs outside regulated development, City planting or City partner events. This information is required for more accurate canopy modelling.

Additionally, the output of the aspatial model planting effort (number of trees) is reported as 60 mm caliper stock. It makes sense that we would plant a variety of tree sizes and for that reason, the model numbers will be split and extrapolated to determine a cost effective and feasible annual planting ratio including variable tree stock sizes.

### **Canopy growth and planting efforts**

To explore the planting efforts required to support a 40 per cent city-wide canopy cover, Diamond Head Consulting Ltd. ("DHC") was engaged to prepare a model for canopy growth for the City of Guelph, and then use the model to explore the City's canopy potential under nine modelling scenarios. These nine scenarios consist of three modelling horizons: 2031, 2050, and 2070, each of which is explored under a "Business as Usual" planting rate, a rate 30 per cent greater than the "Business as Usual" rate, and a rate that achieves 40 per cent canopy coverage city-wide by the relevant model horizon.

Model horizons align with the timing put forward through the City's Urban Forest Management Plan and Official Plan (i.e., 2031), the Community Energy Plan – "Net

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<sup>1</sup> Since the completion of this modelling (based on 2021 planting data), the planting rate for small stock has increase from 10,000 to 15,605 in 2022 for a total estimated equivalent of 3,500.

Zero" (i.e., 2050), and the 2019 Urban Forest Study (i.e., 2070). In each case, modelling will use 2024 as the initialization year (i.e., "Year 0").

DHC has applied their proprietary canopy growth model, which has been leveraged as part of their work with numerous Canadian municipalities. The DHC Urban Forest Canopy Modelling Report of Findings and Summary of Methods can be found in Appendix B.

DHC's model results suggest that to achieve a city-wide 40 per cent canopy by 2031, 2050, and 2070, using only the default mortality of 4.3 per cent, annual planting rates would need to meet roughly 500,000, 50,000, and 25,000 trees (60 mm caliper), respectively. These would be supported by tree removal and replacement ratios of roughly 1:70, 1:7.3 and 1:3.1 respectively, and would each involve a net increase of city-wide tree density from approximately 33 trees per hectare (current) to 57 trees per hectare (all model scenarios) based on the average canopy size per tree assumed for areas outside the natural heritage system.

Model outcomes are generally optimized with longer-term model horizons, such as the 2050 and 2070 horizons explored in this study. Shorter model horizons, such as 2031 often result in particularly lofty planting targets as they effectively achieve desired canopy targets through new and immature tree canopy almost exclusively, having no time for simulated plantings to mature. The result of this tends to be overplanting in the short term, which results in a dramatic overshoot of the canopy target beyond the set horizon. This is the case with the 2031 scenario in this study which is planted to a 40 per cent city-wide canopy coverage.

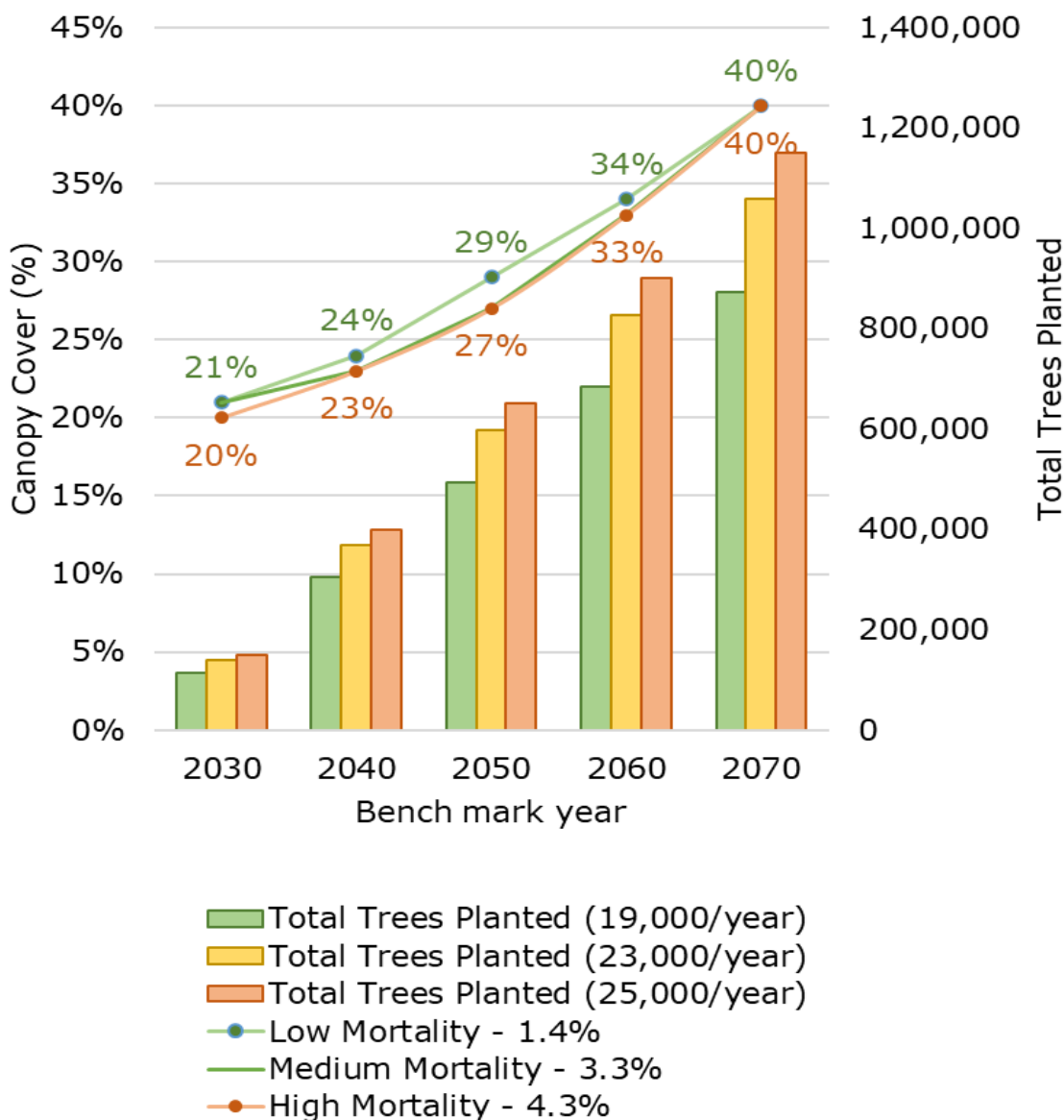
The further out horizons of 2050 and 2070 can be achieved through planting rates of 50,000 and 25,000 trees per year, respectively. These again necessitate maximizing planting within potential planting area on public and private lands, however the additional time afforded for trees to mature improves the curvature of the canopy projections.

### **Using DHC's model to explore alternatives**

An estimated 19 to 25 thousand trees will need to be planted every year in Guelph to achieve 40 per cent canopy cover by 2070. This planting effort is based on a range of low, moderate, and high rates of mortality (natural and intentional combined). Figure 14 shows the resulting tree planting effort required to achieve our target under those mortality scenarios for the 2070 (46 year) timeframe.

Figure 14: Canopy modelling mortality scenarios for 40 per cent canopy cover target

### Achieving 40% Canopy - Mortality Scenarios



Other timeframes of 2031 and 2050 were considered but the results of the modelling indicated the 40 per cent goal was achievable, however, not affordable, realistic, or affordable (i.e., high cost and effort).

It's important to note that the model used for this project defines "a tree" as a 60 mm caliper tree, and so the number of trees needed to achieve our target may seem small, but not all planting areas call for large caliper stock. Specifically, based on the proportion of single versus mass (group) tree plantings the City carries out, the number of trees required to fill an amount of area would increase approximately

30 per cent overall (e.g., at 3.3 per cent mortality the number of trees would increase from 23,000 to 80,000). However, it would cost us less because the cost of planting smaller trees is significantly less and requires much less effort.

### **Delivery of ecosystem services**

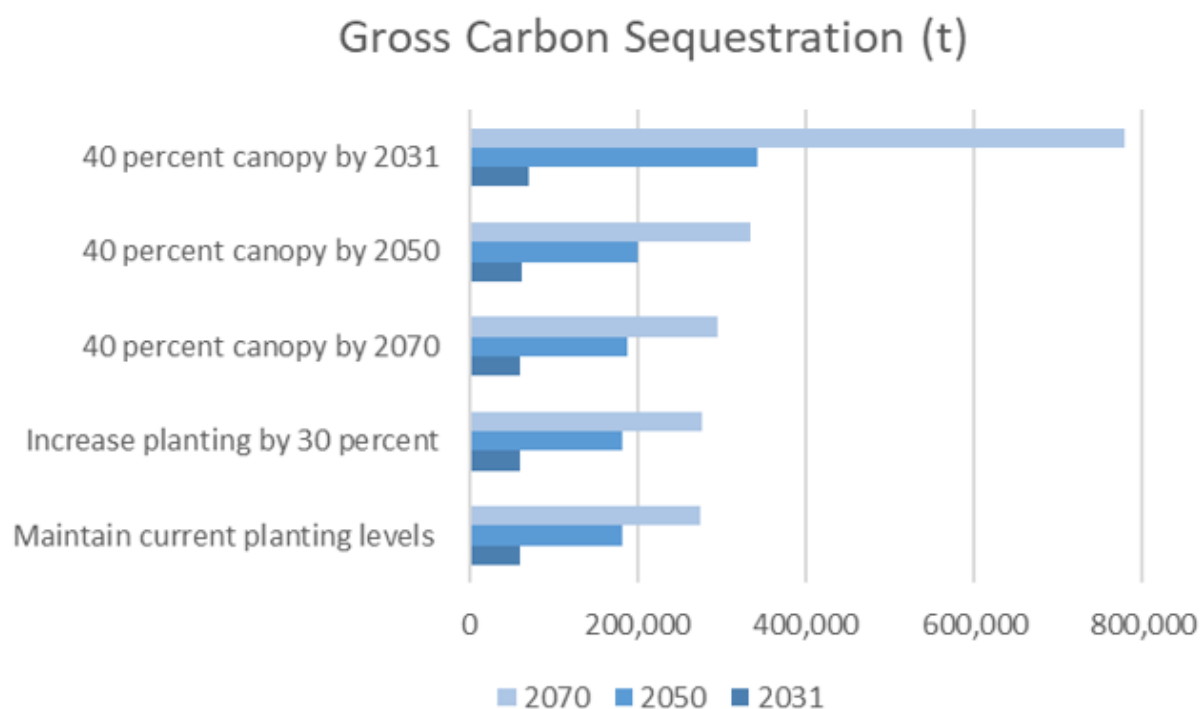
To model the ecosystem benefits of planting efforts and 40 per cent city-wide canopy cover, Kuttner Forestry Consulting was engaged to prepare models of canopy growth for the City of Guelph which explore the City's canopy potential under five modelling scenarios (Figure 15).

The study makes use of the i-Tree Eco v6 model and i-Tree Forecast to model outcomes over three-time horizons: 2024-2031; 2024-2050; and 2024-2070. Planting scenarios and associated rates were "business as usual"; increased "business as usual" planting rates by 30%; and the planting rates required to achieve 40% canopy cover over the three different time horizons according to a DHC's canopy growth model.

Carbon sequestered and pollutant removals attributable to tree planting were small as compared to the total carbon sequestration and pollutant removal potential at all but the most ambitious planting scenario (40% canopy cover by 2031). However, even small increases in carbon sequestered and pollutant removal are significant as to their impact on the environment and by extension, human health.

The carbon sequestration is directly linked to the expansion of the canopy (increase in leaf area, related to growth (age and size) of existing and annually planted trees).

Figure 15: Gross carbon sequestration for five planting levels in 2031, 2050, and 2070 associated with: maintaining current planting levels; increasing planting levels by 30 per cent; and planting levels required to achieve 40% canopy cover by 2031, 2050, and 2070



## Modelling summary

The fundamental differences in DHC's canopy modeling approach and the benefits modeling approach using i-Tree Forecast are numerous and **both models characterize the urban forest and canopy differently from the outset**, and as it develops over time. However, notwithstanding the assumptions and caveats to do with differences between the models used in this study, both models ultimately delivered complimentary results.

Both models implied that planting at current levels of effort will not sustain or grow Guelph's canopy over time to reach the one Canopy goal of 40% canopy cover. And our i-Tree Forecast results showed that the environmental benefits of increased tree planting, at any level, has positive impacts. It is also clear that those same benefits accrue more rapidly and reach higher levels with large increases to current planting levels. The challenge remains to find means and resources to realize increases to tree planting rates, while at the same time finding the means and resources to engage in other activities that sustain, grow and benefit Guelph's urban forest and canopy cover.

The complete summary of modelling results is available in Appendix B.

# **Monitoring, measuring, and adapting**

## **Tree planting**

The City and City partners track and report (quarterly and annually) the number of trees (and shrubs) planted by Forestry and sustainable landscapes and City partners (both on private and City lands). City and development (i.e., new subdivisions) related street and park tree plantings are tracked and inventoried in the City's GIS point based tree inventory.

The City has additional information regarding tree planting through site plans, development related landscape plans and vegetation compensation plans but does not currently record or track this information.

The City does not currently monitor the success of all compensation plantings, partner or City projects but plans to in the next few years as begin to rehabilitate the natural areas most impacted by ash and buckthorn removals. Monitoring landscaping and compensation plantings for developments in open spaces and the NHS is done as part of developer warranty requirements.

## **Canopy cover**

The state of the canopy report and urban forest study was first done in 2019 and will be repeated every 10 years. The study used high quality satellite imagery and Light Detection and Ranging (LiDAR)<sup>2</sup> technology.

Measuring the canopy and monitoring changes gives us important information about how the canopy is changing and why. The next canopy study will include a canopy change analysis and will help us better understand both the positive and negative influences that impact the urban forest.

## **Gaps**

While not unique to Guelph, challenges facing the growth and sustainability of Guelph's urban forest include pests, extreme weather events, development pressure and lack of resource knowledge. Guelph has made good progress, especially since the implementation of the UFMP, increasing planting initiatives. However, several gaps exist, such as:

- Lack of strategic planting plan with species and diversity targets
- Lack of site level canopy targets requirements for developments
- No consistent standard for integrating tree planting projects with capital road and infrastructure projects (e.g., road reconstruction, park renewal, cycle path construction, City facilities)
- No information about Guelph specific development related mortality rates
- Loss of existing plantable spaces through development
- Lack of new quality and quantity of growing space in both new developments, boulevards, and hardscapes

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<sup>2</sup> LiDAR is a technology that uses lasers to collect geographic information, allowing for accurate horizontal and vertical measurements.

- Unknown amount of canopy loss through regulated and non-regulated activities
- Inadequate replacement rates (ineffective planting efforts)
- Lack of coordinated neighbourhood and community planting programs
- Limited residential tree subsidy or incentives program
- Current initiatives and programs have no targets and are not tracked effectively
- Unknown if zoning minimum open landscaped spaces can support adequate canopy cover for future development
- No dedicated budgets for trees in road and infrastructure projects
- Tree By-law compensation may not be effective for short term canopy loss
- Ad-hoc tree establishment of new canopy or reactive as replacements for removed trees
- City land suitable for tree planting not enough to reach 40 per cent target
- New or compensation tree planting for developments not tracked
- No information on new tree planting on private property (excluding development)

## **Barriers and challenges**

Understanding the barriers and challenges of tree planting gives insight to the factors to help reduce or eliminate those barriers and/or challenges. The barriers and challenges identified through the Strategy include:

- Climate change
- Drought
- Invasives pests and vegetation
- Pests and disease
- Limited quality and quantity of locally appropriate tree stock
- Increased development pressure
- Reduced quality growing spaces for trees
- Increasing conflict with community priorities such as housing, infrastructure, transportation networks
- Lack of resources or support for private property owners, community groups, and organizations
- Costs related to maintenance and care of trees for property owners
- The community's level of willingness, resources, and support to care for trees
- Low engagement
- Conflicting infrastructure
- Grant opportunities lack year over year predictability and cannot be relied on for developing strategic planting plans.

## **Opportunities**

There are many opportunities to support the objectives of the Strategy. The opportunities build on current or recommend developing new initiatives and programs such as workshops, partnerships, funding, or regulatory tools. More specifically:

- Working with other City divisions and key stakeholders on policies to improve tree planting and growing conditions in the City

- Promoting best planting, establishment, and new tree maintenance practice for all City projects
- Established City and community planting programs
- Implementing the tree planting prioritization tool
- New and existing partnerships with other agencies and organizations
- Expansion of tree planting funding model

The Strategy is only intended to outline a strategic approach with associated actions for establishing new trees to grow the urban forest/canopy cover. Opportunities for long-term maintenance and protection are part of the broader UFMP objectives and will be addressed through future maintenance and protection strategies.

## **Integrated approach**

Increasing tree canopy cover in Guelph is a shared responsibility between the City, agencies, organizations, landowners, community groups. While the roles vary, only a collaborative effort will bring us to meeting our collective vision of a healthy, livable and climate resilient community.

An integrated approach to the strategies and actions in the Strategy includes non-regulatory and regulatory based tools that can be applied to both City and non-City lands. Non-regulatory approaches focus on education and outreach, collaboration with other government and non-government organizations, landowner incentives and staff training. Regulatory approaches focus on the creation of by-laws. (Sherman, 2015).

## **Non-regulatory tools**

### **City tree planting**

The City needs to increase current planting rates. The tree planting prioritization tool can be used to prepare strategic planting plans for cost effective establishment of trees in areas that would gain the most benefit.

Trees should be integrated as essential components of infrastructure projects through informed by guidelines and standards, such as the TTM or a future "Complete Streets Design Guide". Invasive vegetation, particularly buckthorn can be targeted for replacement with native tree populations through ecological restoration projects and implementing neighbourhood tree planting programs similar to the community gardens program is a great way to get the community involved.

## **Trees**

Cost-effective planting strategies also require steady sources of new trees (Bourque, 2021). It is recommended that species lists are reviewed and updated regularly to reflect changing conditions and species appropriateness. Buying enough trees and the species of species we need is becoming more difficult. Partnering with growers and securing contracts for the supply of genetically appropriate, locally grown native trees is key to our success.

## **Partnerships**

The City has dedicated community partners, volunteers, and tree champions who year after year have dedicated their efforts to create a greener and healthier Guelph. This continued relationship and connecting with new community members is the key to our success as we focus on growing the canopy on private lands in addition to City lands.

Partnerships and collaborations can provide funding sources, resources, and support planting on available City lands. Examples of partners that would benefit the One Canopy Strategy include:

- Rotary Club
- Forests Ontario
- Tree Canada
- Tree Mobile
- GRCA
- ICI and business owners
- Development Industry
- Guelph and District Home Builders' Association (GDHBA)

To illustrate the benefit of just one of these programs, the City's current investment in the Forests Ontario – Take Root program has the potential to add 1 per cent of overall tree canopy by planting 1000 trees annually on privately owned residential properties over 46 years. While this may not seem significant, this 1.1 per cent would cover 900,000 square metres (90 ha) of land – the equivalent of 118 full size soccer pitches.

Support for partnerships would likely have the most significant impact on canopy cover if supported on a long-term basis.

### **Private (and other public lands) tree planting**

Private lands are the biggest opportunity for planting – more than any other land use. Fifty-six per cent, of the tree planting potential exists on private lands. To meet comprehensive planting goals, the Strategy requires the support of planting on private properties, such as residential, commercial, and institutional. Environmental benefits, beautification and public health improvements are known motivators for engaging in tree planting.

The City needs to invest in planting and stewardship on private land to enhance and expand our urban forest. Successful engagement in these kinds of neighborhood plantings requires an understanding of residents' decision making. The top reasons someone would plant a tree on their residential property in Guelph were to help the environment, to create shade and to make their yard beautiful. On the other hand, the top barriers in Guelph to planting trees on private property included space, not room because of other trees or landscaping, and small lot.

## **Outreach**

Outreach can be as simple as increasing access to information about how to plant trees or planting events taking place in Guelph. Outreach for those in the community who are seemingly unengaged, can't afford, or don't typically

participate in tree planting could include providing access to information, resources, or stewardship opportunities.

Examples of outreach events that can raise awareness about the importance of tree planting include expert led tours, social media campaigns, community events, other City events/open houses. Outreach can include celebrating National Forest Week, Arbor Day, and Earth Day with activities such as events, contests, awards, etc.

Developing a call-to-action campaign for private property has the potential to encourage owners to plant trees on private property and increase participants in City planting events.

## **Engagement**

Community engagement is essential in understanding the needs of the community as we continue to grow and care for our urban forest. The City should continue to engage for UFMP and tree planting initiatives with:

- General public, including youth
- Aboriginal groups
- Private landowners
- Contractors
- Municipal staff
- Businesses
- Development community
- Tree related professionals (e.g., Landscape Architect, Arborist, Forester, Ecologist)

## **Education**

Education is a great way to provide people the understanding of the importance of trees and the urban forest. Education can encourage the community to plant and care for new trees.

The City should continue to support third party organizations such as Reep Green Solutions to deliver educational tree planting and care workshops, expand opportunities to deliver Forests Ontario school age workshops, build on TFG hands-on tree planting lessons with educational materials, and foster new partnerships with organizations that have existing workshops or ability to deliver educational materials. The City should host a workshop to promote best management practice (e.g., Tree Technical Manual).

The Healthy Landscapes program will continue to deliver tree planting best practice information, including tree planting species and spacing.

Other educational opportunities could include:

- Incentives, recognition, and rewards programs
- Private Tree By-law
- Tree Technical Manual
- Plant lists
- Invasive species management
- City of Guelph website
- City and partner campaigns
- Online tree benefits calculator

## **Incentives**

Incentives for tree planting include recognition programs, grants, subsidies, and/or tax credits. Tree planting incentive programs that should be considered as part of the Strategy include, but are not limited to:

- Incentivized tree planting events to increase volunteers (e.g., workshop component, or plant one tree, take one home)
- Recognition programs, grants, subsidies, and/or tax credits
- Tree giveaways or reduced cost tree sales
- Grants made available neighbourhood planting or partnership grants using a tree reserve fund
- Industrial, commercial, and institutional (ICI) (corporate) tree planting program
- Recognition programs such as the proposed Adopt-a-space or Eco awards are great ways to celebrate individuals, business and organizations that are committed to our city's environment
- Subsidies and/or tax credits – small (e.g., stormwater rebate) and large-scale programs (e.g., Forests Ontario)

## **Regulatory tools**

Regulatory tools such as guidelines, policies, and by-laws should be updated and aligned with the Strategic Plan. Specifically, reviewing existing guidelines and best management practices and align with Strategy/climate mitigation and adaptation strategies.

It is recommended that development guidelines should be updated to include canopy targets based on land use. The City should also review and update species list in TTM and other guidelines for species diversity and function to meet biodiversity targets as they apply to climate vulnerability.

Enhancing compensation requirements of the Private Tree By-law should be included in the upcoming review and consider incentivizing on site compensation planting.

Other regulatory tools for enhancing urban forest to consider include:

- Shade tree policy
- Invasive plant policy
- Soil management and conservation policies

## **Canopy cover targets**

Guelph specific mortality rates (both intentional and natural) and canopy gains (natural regen, intentional planting, and natural growth) need to be established. This will be completed as part of the future canopy studies. The mortality rates will allow for more accurate modelling and help us better understand the impact of our planning policies on the canopy.

Developing canopy cover targets for land use is a complicated. Further canopy modelling based on more specific or targeted land use, such as parks or NHS, will help to guide future decisions for appropriate canopy targets.

## **Funding opportunities**

Additional funding is required to implement the Strategy for trees, incentives, resources, tools, and such. There are several opportunities to develop an enhanced tree planting funding model.

### **City funding**

City funding can be expanded through:

- Aligning the Private Tree By-law cash-in-lieu requirements with compensation calculations in the City's Tree Technical Manual
- Promoting the City's existing tree donation program
- Developing budget allotments for capital roads and infrastructure projects to ensure that new trees are included in these projects

### **Private property partnerships (leveraged funding)**

The City alone does not have the funds, resources, or infrastructure to support the level of tree planting on private properties needed to achieve our canopy goals. Partnerships with organizations such as TFG and Forests Ontario leverage the City's funds/contributions to expand the tree canopy on private lands.

### **Grants**

External funding can supplement both City funding and support projects on private lands. Most grants are available through application. Funds support projects that are related to community greening, ecological restoration, or reduction of greenhouse-gasses. Examples of funding grants include, but are not limited to:

- Tree Canada
- Federal grants (e.g., ICIP, 2 Billion Tree Fund)
- TD Green Streets
- Great Lakes Restoration Initiative

## **Monitoring and measuring success of the Strategy**

The way in which we monitor our progress towards a sustainable urban forest is set out in the UFMP sustainability criteria and the optimal levels of service in three key areas: vegetation assets (i.e., quantity and quality), community framework (i.e., engagement, awareness, and collaboration), and management approaches (inventory, resources). This monitoring lets us know if we are effectively making progress towards our targets. These levels tell us amount and type of service that meets key objectives of the UFMP (driven by community priorities) and is sustainable, affordable, and realistic.

The current optimal canopy cover target for the City of Guelph is to achieve 75 to 100 per cent of the potential canopy (currently estimated to be 59 per cent of Guelph's land). However, it is unreasonable to expect that we can fill that space with trees. A more reasonable goal is 40 per cent of the land area which is still close to the optimal condition.

The City currently uses canopy cover percentage as the key performance indicator as a measure of the "Sustainability of the City's Urban Forest" for reporting Corporate strategic initiatives.

It's important to note that while measuring canopy cover is valuable, it is only one factor considered in the sustainability of the City's urban forest. The canopy cover measure does not speak to urban forest health, age, species, structure, ecological services, and other sustainability criteria. Canopy cover is however a simple, measurable, tangible and easily understood concept that provides the City an indicator that can be easily communicated to the community, and measured against comparator municipalities.

The City last reported on the level of service of the urban forest in 2020 (which included the measure of canopy cover), as part of the UFMP implementation report and update. Interim progress reports are provided to Council annually.

Comprehensive urban forest studies are carried out every 10 years. However, land cover analysis may be done every five years to measure only the canopy cover.

Success of the operation framework considered tangential to our plans include:

- Availability of stock from local growers
- Volunteerism and continued stewardship (Breger et al., 2019)
- Adequate funding

## Implementation actions

The implementation plan summarizes the priority actions decided upon in the Strategy. The actions are split first by goals, then strategy and followed by actions. Additionally, each action is associated with the related objective (or desired outcome). All budget implications will begin to be incorporated into the 2024 budget process as well as the 10-year capital forecast. The Strategy has identified a key number of findings, gaps and opportunities that led to the actions developed for the next five years.

### Enhance and expand canopy cover

#### Develop sustainable funding model

Table 3: Develop sustainable funding model

#	Action	Objective	Timeframe	Budget status
1	Undertake a comprehensive review of available and potential funding sources to develop 10-year forecast tree planting budgets in support the tree planting strategy	Invest in cost effective green infrastructure	Short-term	Presently supported in operating budget
2	Incorporate tree related costs into capital and infrastructure projects	Invest in cost effective green infrastructure	Short-term	Allocate through 10-year capital forecast

#	Action	Objective	Timeframe	Budget status
3	Continue to pursue funding for tree planting initiatives and projects (e.g., grants)	Invest in cost effective green infrastructure	Medium-term	Presently supported in operating budget

### Develop a strategic planting plan (using TPPT)

Table 4: Develop a strategic planting plan (using TPPT)

#	Action	Objective	Timeframe	Budget status
4	Develop annual operating tree planting program for Parks (Forestry and natural areas) – above and beyond replacements	Increase canopy cover and prioritize tree planting based on benefit needs	Short-term	To be recommended in future capital and/or operating budget
5	Develop and implement annual planting plans targeting high quality sites (soil) and identify low quality sites for soil amendment program (capital project opportunity)	Increase quality of sites for optimal tree growth	Medium-term	Presently supported in operating budget
6	Develop a planting plan prioritizing vulnerable populations <sup>3</sup>	Advance environmental justice and equity and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget

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<sup>3</sup> Vulnerable populations for this purpose a general term meaning with hospitals, schools, hospice facilities, low income, visible minorities.

#	Action	Objective	Timeframe	Budget status
7	Develop and implement annual planting plans with targets to plant species missing successional age classes and mature canopy focusing on species with low maintenance requirements	Improve forest structure and function and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget
8	Develop and implement annual planting plans targeting planting opportunities created through invasives management (ecological restoration/ERIC)	Increase resilience to climate change and other threats and prioritize tree planting based on benefit needs	Short-term	Presently supported in operating budget
9	Work with Engineering to identify opportunities to incorporate tree planting for capital roads and infrastructure projects (e.g., cycling infrastructure)	Increase coordination across City departments and external agencies and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget
10	Coordinate with Alectra Utilities to develop appropriate planting plans and list of trees within tree-height distance of power lines	Increase coordination across City departments and external agencies and prioritize tree planting based on benefit needs	Medium-term	Presently supported in operating budget

## Leverage and develop new tree planting programs (non-regulatory tools)

Table 5: Leverage and develop new tree planting programs (non-regulatory tools)

#	Action	Objective	Timeframe	Budget status
11	Develop formal tree planting program	Increase canopy cover	Medium-term	Presently supported in operating budget
12	Increase capacity of City (staff) to coordinate and implement new tree planting programs	Increase canopy cover	Medium-term	To be recommended in future capital and/or operating budget
13	Explore tree sourcing options such as growing contracts and partnerships with other growers (e.g., Arboretum, Green Legacy)	Increase canopy cover	Short-term	Presently supported in operating budget
14	Leverage Urban Forest Stewardship Group and Urban Forest Working Group to support City and community initiatives	Increase coordination across City departments and external agencies	Short-term	Presently supported in operating budget

## Leverage or develop new regulatory tools

Table 6: Leverage or develop new regulatory tools

#	Action	Objective	Timeframe	Budget status
15	Incorporate canopy targets into development/site plan guidelines and explore opportunities for tree planting of City property, especially Parks	Increase canopy cover and prioritize tree planting based on benefit needs	Long-term	Presently supported in operating budget

16	Improve planting standards on all development and capital roads and infrastructure projects through the continued implementation of the TTM	Increase canopy cover	Short-term	Presently supported in operating budget
17	Develop soil conservation and management guidelines	Increase quality of sites for optimal tree growth	Long-term	To be recommended in future capital and/or operating budget
18	Develop effective climate mitigation strategy including shade and urban heat island policies	Increase resilience to climate change and other threats	Long-term	To be recommended in future capital and/or operating budget
19	Review existing regulatory tools (guidelines) and align with Strategy/climate mitigation strategy (climate mitigation)	Increase resilience to climate change and other threats	Medium-term	Presently supported in operating budget
20	Review and update species list in TTM and other guidelines for species diversity and function to meet biodiversity targets as they apply to a climate vulnerability (climate adaptation)	Increase resilience to climate change and other threats	Long-term	Presently supported in operating budget
21	Review existing and develop regulatory tools (policies and guidelines) for species diversity and tree establishment requirements	Increase resilience to climate change and other threats	Long-term	Presently supported in operating budget

## **Educate, engage, and empower**

### **Increase number of community participants in City tree planting events**

Table 7: Increase number of community participants in City tree planting events

<b>#</b>	<b>Action</b>	<b>Objective</b>	<b>Timeframe</b>	<b>Budget status</b>
22	Increase number of annual City events	Increase canopy cover	Medium-term	To be recommended in future capital and/or operating budget
23	Increase outreach/advertising	Engage, educate, and empower community members (celebrate successes)	Medium-term	Presently supported in operating budget
24	Offer incentives to for participation	Engage, educate, and empower community members (celebrate successes)	Medium-term	Presently supported in operating budget

**Increase number of community participants independent of the City (on private or other public lands)**

Table 8: Increase number of community participants independent of the City (on private or public lands)

#	Action	Objective	Timeframe	Budget status
25	Develop urban forest grant and incentives program for private (residential and ICI) properties	Engage, educate, and empower community members (celebrate successes)	Medium-term	To be recommended in future capital and/or operating budget
26	Continue to fund stormwater tree rebate with third party organization to deliver workshops and plant native trees on residential properties and expand program to include ICI property	Engage, educate, and empower community members (celebrate successes)	Short-term	Presently supported in capital budget
27	Host tree giveaway events where residents can receive free or subsidized native trees (small stock sizes)	Engage, educate, and empower community members (celebrate successes)	Medium-term	To be recommended in future capital and/or operating budget
28	Develop and implement a Communications plan for targeted outreach (for private property owners in areas identified as high planting priority, to address perception barriers to planting on private property or on ROW in front of properties, in areas of low-income/low canopy equity and other objectives)	Engage, educate, and empower community members (celebrate successes)	Medium-term	Presently supported in operating budget

#	Action	Objective	Timeframe	Budget status
29	Develop public tree stewardship (watering) campaign with offer of watering tools (i.e., gator bags)	Engage, educate, and empower community members (celebrate successes)	Short-term	Presently supported in operating budget
30	Provide tree planting support to private property owners as well as ICI: workshops, website information, benefits tool calculator, links to programs, partners, and resources, etc.	Engage, educate, and empower community members (celebrate successes)	Short-term	To be recommended in future capital and/or operating budget
31	Provide resources/tools to community groups to water and mulch newly planted trees	Engage, educate, and empower community members (celebrate successes)	Short-term	To be recommended in future capital and/or operating budget

## Increase collaboration

Table 9: Increase collaboration

#	Action	Objective	Timeframe	Budget status
32	Build on existing partnerships with school boards and pursue new partnerships (ICI), places of worship, businesses, etc. to support tree planting on their properties.	Increase coordination across City departments and external agencies	Medium-term	To be recommended in future capital and/or operating budget
33	Collaborate with GRCA around tree planting initiatives and identify opportunities for City or community planting events	Increase coordination across City departments and external agencies and prioritize tree planting based on benefit needs	Medium-term	Not required
34	Explore opportunities to partner or support tree planting or nature-based initiatives with organizations/agencies supporting vulnerable populations	Engage, educate, and empower community members (celebrate successes)	Medium-term	Not required
35	Partner with Indigenous community to integrate Indigenous Forest management principles into tree planting practices (e.g., species selection, species/cultural values)	Engage, educate, and empower community members (celebrate successes)	Medium-term	Not required

## Monitor, measure, and report

Table 10: Monitor, measure, and report

#	Action	Objective	Timeframe	Budget status
36	Purchase leaf-on imagery and undertake spatial canopy cover analysis every five years	Monitor and manage (Use adaptive management to make evidence-based decisions)	Long-term	Presently supported in capital budget
37	Continue to undertake comprehensive urban forest study every 10 years (includes canopy cover analysis, ecosystem service and valuation modelling, and state of the urban forest report)	Monitor and manage (Use adaptive management to make evidence-based decisions)	Long-term	Presently supported in capital budget
38	Develop a protocol for tracking and documenting the number of new trees planted, including but not limited to development, capital projects and planting events on both City and non-City-owned lands	Monitor and manage (Use adaptive management to make evidence-based decisions)	Short-term	Presently supported in operating budget
39	Develop a protocol to monitor the quantity, quality, and survival of tree plantings	Monitor and manage (Use adaptive management to make evidence-based decisions)	Short-term	Presently supported in operating budget

#	Action	Objective	Timeframe	Budget status
40	Undertake canopy change assessment to determine Guelph specific development and natural mortality rates	Monitor and manage (Use adaptive management to make evidence-based decisions)	Long-term	Presently supported in capital budget
41	Update tree planting strategy with subsequent urban forest studies	Monitor and manage (Use adaptive management to make evidence-based decisions)	Long-term	Presently supported in operating budget
42	Continue to provide annual tree planting updates to Council and the community	Engage, educate, and empower community members (celebrate successes)	Short-term	Presently supported in capital budget

## Financial implications

The City continues to make good progress towards our urban forest sustainability targets through investments (approved capital and operating budgets) made to date in the implementation of the UFMP. Other budgets or funding sources, such as grants and partnerships, have also been leveraged to invest in projects and initiatives. Limited resources are expected to present challenges in meeting the corporate and community targets.

In the first phase of UFMP implementation (2013- 2018), one of the principal drivers of the investment in the UFMP has been to manage the impacts of the emerald ash borer, which has been a very reactive program. Now in the second phase of the UFMP, as we turn to restoration and preparing our canopy for the future (among other priorities), we need to invest proactively for growth and resilience.

The initial investment for planting trees and the costs associated with maintaining older trees are outweighed by the benefits provided over a tree's lifetime, especially during the mature phase of life.

The average return on investment for trees can range from 1:1.37 to 1:3.09. York region reported a return of 1:23.6 (Bourque, 2021). That means that for every

dollar someone spends on planting or caring for a tree is guaranteed to provide some benefit whether the return is in energy savings, reducing the burden on the health care system or increase in property values.

The cost to implement the One Canopy Tree Planting Strategy depends on factors such as the rate of tree loss, rate of tree replacement, and the timeframe over which the cost is spread. The estimated annual cost associated with achieving a 40 per cent tree canopy by 2070 is \$3.6 million, of which \$1.4 million is related to capital and \$2.2 million is for the associated operating impacts.

The City's current level of tree planting has an average capital cost of \$275 thousand per year for tree purchases. The Operating costs associated with this investment is \$412 thousand annually for the ongoing maintenance required to establish newly planted trees.

With the estimated annual cost requirement of \$3.6 million versus a current annual budget of \$687 thousand, an additional \$2.9 million annually will be required to meet the 40 per cent tree canopy cover.

The One Canopy Tree Planting Strategy will be considered with the other master plans and strategies and will be viewed with a corporate lens to incorporate the City's strategic goals. The plan will also be compared to our existing capital and operating plans considering current fiscal constraints and our capacity to deliver. The financial information included is intended to be a high-level estimate that will be refined as it is incorporated into the overall corporate plan and multi-year budget process.

## **Conclusion**

A successful tree planting strategy requires understanding the complexities of canopy cover distribution, community priorities, challenges, opportunities, gaps in current management and being able to leverage all the pieces towards a future goal.

To achieve the 40 per cent canopy target, an estimated 80,000 trees of varying sizes need to be planted every year across the city for the next 46 years. This significant undertaking will require a sustained commitment from the City and the community to work collaboratively. Aside from protecting and managing the existing canopy cover, the Strategy requires planting more trees on City, private and other public lands, and planting better, and allowing the time for trees to reach their potential.

There has been good progress to date in increasing tree planting, improving planting practices and management, increased stewardship, and unwavering support by the community for the UFMP and canopy initiatives. Through the implementation of the UFMP, we are actively working on closing the gaps by encouraging planting through other programs/projects, protecting more trees during construction, improving tree maintenance practices (decreasing tree mortality) and leveraging grants and partnerships with the community. The current progress and efforts, as good as they are, are not enough to get us to our canopy target.

It is not lost on us that the impact of the Strategy may only be realized by future generations. Investing and planning today in the growth of the urban forest will improve the benefits to the City only decades later but we are at a critical point of facing climate change and the exponential growth of our city. Inaction at this turning point, understanding what the significant role the urban forest play in our future, would be detrimental and recovery extremely difficult (and expensive).

The Strategy, along with the UFMP, will guide us towards our goal and ensure that we are making good progress. It will foster partnerships and collaboration. It will empower the community to contribute through simple but effective actions of tree planting. It will ensure that we consider the urban forest as an integral part of the landscape fabric that is intertwined with the way we live on, develop, and use land.

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## **Appendices**

## Appendix A. Definitions

The following definitions are drawn from City of Guelph (2012).

**Canopy cover:** A measurement of the areal extent of vegetation foliage, typically measured in percentage of total land area.

**Diversity (species):** Variation in the family, genus and species composition of trees in the urban forest. Species diversity encourages resilience to physiological stressors by reducing the number of pest or pathogen hosts or spreading them across a wider area at lower densities.

**Diversity (structural):** Variation in the age, size, structure, location, and other physical characteristics of urban forest trees. Structural diversity encourages a continuous urban forest canopy as larger and older trees are removed.

**Plantable space:** Potential plantable spaces are vegetated or exposed open spaces that could accommodate tree planting (i.e., plantable soil that is not filled with tree canopies or other overhead restriction). Actual plantable spaces are spaces meeting the above criteria that are in fact feasible for tree planting based on approved or anticipated land uses, including consideration of the need to balance treed and open spaces.

**Potential canopy cover:** A refined measurement of urban forest canopy which accounts for the subject area's carrying capacity for tree cover. It provides a useful baseline for assessment and enables more informed target and goal setting.

**Urban forest:** In this report, urban forest means all the trees in Guelph including those in the NHS. Various terms in the literature often used interchangeably include terms like urban forest canopy, canopy cover, forest cover and tree canopy. For consistency with past plans and reports, the term 'canopy cover' will be used in referring to the City's goal of increasing tree canopy cover to 40 per cent.

**Urban forest canopy:** A two-dimensional measurement of the horizontal surface area of the forest as seen from a "birds-eye" view. It is a popular metric because it is readily understood, but it does not capture other important aspects of the urban forest, such as species diversity, urban forest structure (i.e., size and age ranges) or condition, etc.

## Appendix B. Canopy forecast modelling results

Table 11: Canopy forecast modelling results

<b>Planting scenario</b>	<b>Mortality rate</b>	<b>Total annual planting rate</b>	<b>Projected total canopy cover</b>	<b>Canopy net change</b>
2031 (7-year) "Business as Usual" (BAU)	1.4	6,874	21.7	-1.6
a 2031 (7-year) "30% increase BAU"	1.4	7,779	21.8	-1.5
2031 (7-year) "target" intensity	1.4	405,099	38.6	15.3
2050 (26-year) "Business as Usual"	1.4	6,874	24	0.7
a 2050 (26-year) "30% increase BAU"	1.4	7,779	24.4	1.1
2050 (26-year) "target" intensity	1.4	48,997	40	16.7
2070 (46-year) "Business as Usual"	1.4	6,874	27.4	4.1
a 2070 (46-year) "30% increase BAU"	1.4	7,779	28.3	5
2070 (46-year) "target" intensity	1.4	19,180	40	16.7
2031 (7-year) "Business as Usual"	3.3	6,874	20.4	-2.9
a 2031 (7-year) "30% increase BAU"	3.3	7,779	20.4	-2.9
2031 (7-year) "target" intensity	3.3	472,045	40	16.7
2050 (26-year) "Business as Usual"	3.3	6,874	20.4	-2.9
a 2050 (26-year) "30% increase BAU"	3.3	7,779	20.7	-2.6

<b>Planting scenario</b>	<b>Mortality rate</b>	<b>Total annual planting rate</b>	<b>Projected total canopy cover</b>	<b>Canopy net change</b>
2050 (26-year) "target" intensity	3.3	61,852	40	16.7
2070 (46-year) "Business as Usual"	3.3	6,874	22.8	-0.5
a 2070 (46-year) "30% increase BAU"	3.3	7,779	23.7	0.4
2070 (46-year) "target" intensity	3.3	23,702	40	16.7
2031 (7-year) "Business as Usual"	4.3	6,874	19.8	-3.5
a 2031 (7-year) "30% increase BAU"	4.3	7,779	19.8	-3.5
2031 (7-year) "target" intensity	4.3	486,894	40	16.7
2050 (26-year) "Business as Usual"	4.3	6,874	19	-4.3
a 2050 (26-year) "30% increase BAU"	4.3	7,770	19.4	-3.9
2050 (26-year) "target" intensity	4.3	61,852	40	16.7
2070 (46-year) "Business as Usual"	4.3	6,874	21.5	-1.8
a 2070 (46-year) "30% increase BAU"	4.3	7,779	22.4	-0.9
2070 (46-year) "target" intensity	4.3	25,191	40	16.7

## Appendix C. UFMP-related sustainability criteria, optimal performance level, and key objectives

Table 12: UFMP-related sustainability criteria, optimal performance level, and key objectives

<b>Sustainability criteria</b>	<b>Optimal performance level</b>	<b>Key objective</b>
Relative canopy cover	The existing canopy cover equals 75-100 per cent of the potential	Achieve climate appropriate degree of tree cover, communitywide
Age distribution of trees in the community	25 per cent of the tree population is in each of four RDBH classes	At the neighbourhood level, citizens understand and collaborate with the City and / or non-government (NGO) partners in urban forest management plans
Species suitability	All trees are of species considered suitable for the area	Establish a tree population suitable for the urban environment and adapted to the local environment
Species distribution	No species represents more than 20 per cent of the entire tree population and at the neighbourhood level	Establish a genetically diverse tree population city-wide as well as at the neighbourhood level
Citizen involvement and neighbourhood action	Proactive outreach and coordination by City and non-government agency partners resulting in city-wide coverage and interaction including neighbourhood stewardship strategies	At the neighbourhood level, citizens understand and collaborate with the City and/or non-government (NGO) partners in urban forest management plans
Tree establishment planning and implementation	Tree planting plan is guided by municipality-wide goals	Urban forest renewal ensured through a comprehensive tree establishment program driven by goals such as canopy cover, species diversity, and species distribution

<b>Sustainability criteria</b>	<b>Optimal performance level</b>	<b>Key objective</b>
Tree habitat suitability	All trees planted in sites with adequate soil quality and quantity, and with sufficient growing space and overall site conditions to achieve their genetic potential and thus provide maximum ecosystem services	All publicly owned trees planted in habitats that will maximize current and future benefits provided to the site

# **One Canopy**

## **Tree Planting Strategy 2024-2028**

### **Council Presentation**

Committee of the Whole: March 7, 2023

# Agenda

- Why plant more
- Strategic Plan alignment
- Guelph's urban forest benefits
- Canopy cover and goals
- How we get there
- Financial implications
- Next steps

# Our vision

**Protect** the urban forest and the benefits it provide to the community

**Enhance** all aspects of management

**Engage** all stakeholders

Transition from reactive to proactive management to reduce risk and cost while increasing benefits and support

# Why plant more

- The current canopy cover is vulnerable to pests, disease, climate change, and development
- Increasing and diversifying urban forest cover is essential for human health, ecosystem integrity, and economic growth
- Guelph's tree canopy is not evenly or equitably distributed
- City's efforts alone will not reach the target

# Strategic Plan alignment

## **Sustaining our future**

- Plan and design an increasingly sustainable city as Guelph grows
- Mitigate climate change by reducing Guelph's carbon footprint

## **Powering our future**

- Help businesses to succeed and add value to the community

## **Building our future**

- Maintain existing community assets and secure new ones

## **Navigating our future**

- Improve local transportation and regional transit connectivity

## **Working together for our future**

- We work together for our community

# Guelph's urban forest



**23.3** per cent  
canopy cover



**2,973,000**  
million trees



**\$803** million  
in replacement value



**6,455** tonnes  
of pollutants  
**156** tonnes  
of carbon dioxide



Home energy savings of  
**\$1.9** million

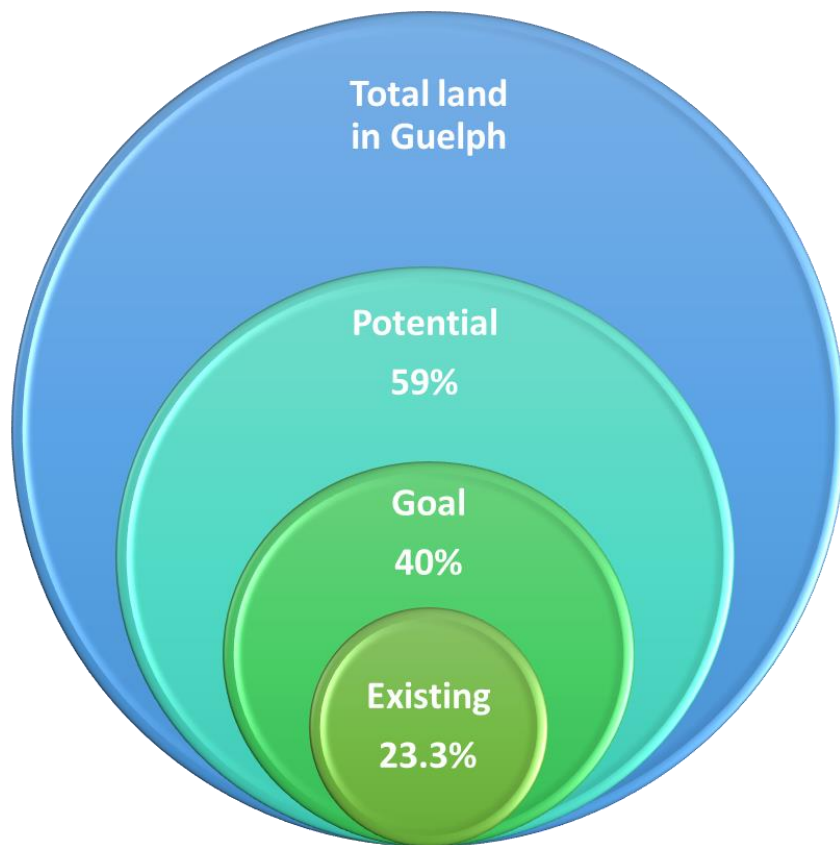


**400,000**  
cubic metres  
of run off

# Objectives

- Increase canopy cover
- Improve forest structure and function
- Increase quality of sites for optimal tree growth
- Increase resilience to climate change and other threats
- Increase coordination across City departments and external agencies
- Engage, educate, and empower community members
- Invest in cost effective green infrastructure
- Advance environmental justice and equity
- Prioritize tree planting based on benefit needs
- Monitor and manage

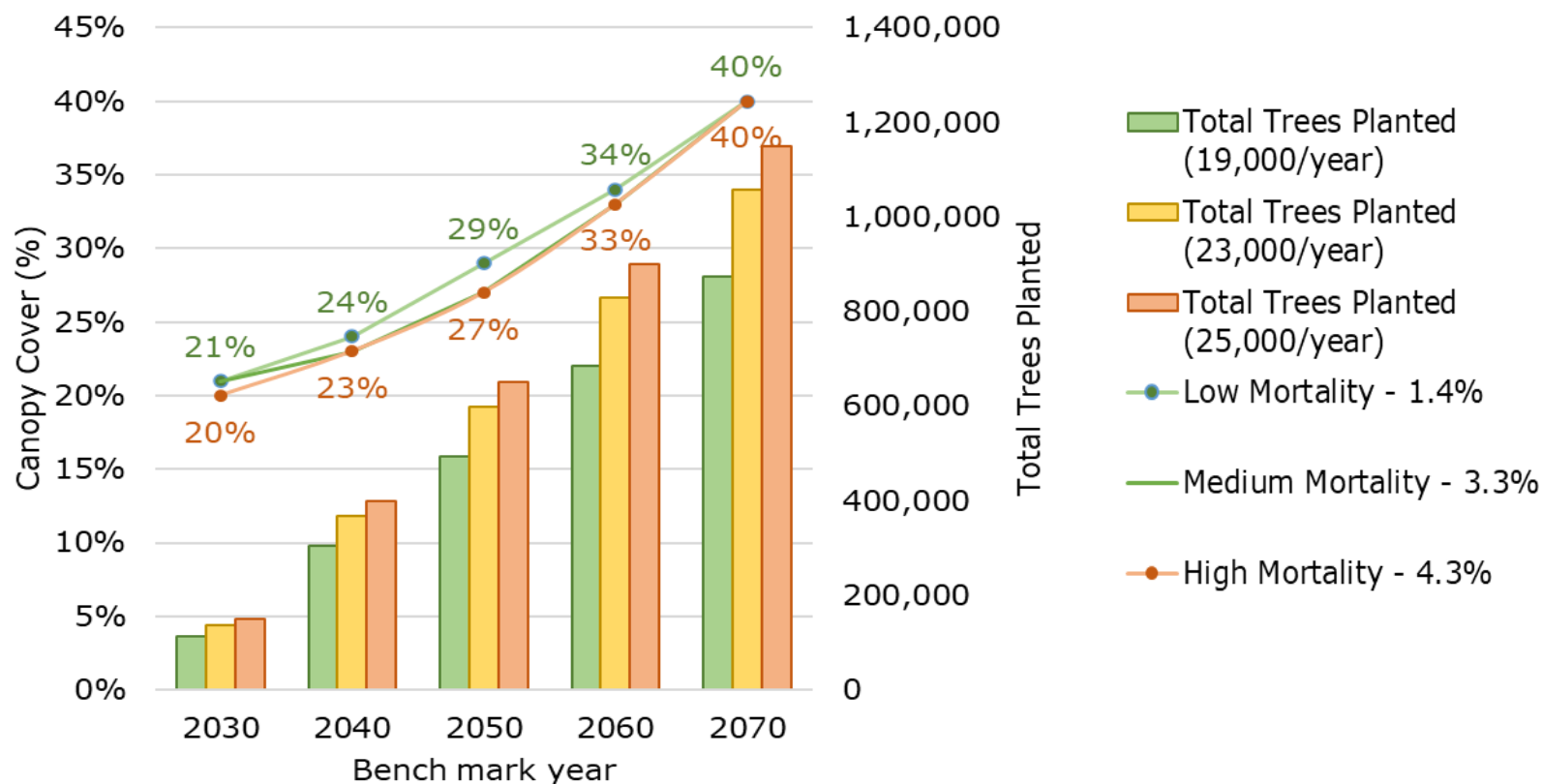
# Tree canopy cover goal



## Goals

- Enhance and expand the tree canopy
- Educate and engage and empower
- Monitor and adapt

# Achieving our goal



# How do we get there

Progressing towards 40% by 2070:

- Strategically fund, plan and plant more trees
- Leverage and expand existing progress, efforts, funding and programs
- Collaborate with, empower and support the community in their tree planting efforts
- Monitor and adapt as we progress

# Enhance and expand

- Develop a sustainable funding model
- Develop a strategic planting plan
- Leverage existing and develop new tree planting programs
- Leverage or develop new policies or bylaws

# Educate, engage and empower

- Increase number of community participants in City tree planting events
- Increase number of community participants independent of the City (on private or other public lands)
- Increase collaboration and partnerships

# Monitor and adapt

- Monitor and measure progress and the canopy cover
- Continue to report our progress and state of the urban forest to Council and the community
- Celebrate our successes

# Financial implications

- With the estimated annual cost requirement of \$3.6 million verses a current annual budget of \$687 thousand, an additional \$2.9 million annually will be required to meet the 40 per cent tree canopy cover.
- This is a high-level estimate that will be refined as it is incorporated into the overall corporate plan and multi-year budget process.
- The rate of return for trees outweighs the costs of planting and maintenance

# Next steps

- Up to 80,000 of varying sizes trees need to be planted every year across the city for the next 46 years
- Sustained commitment from the City and the community to work collaboratively
- Aside from protecting and managing the existing canopy cover, the Strategy requires planting more trees on City, private and other public lands, planting better, and allowing the time for trees to reach their potential
- Implementing planting strategy will provide benefits for future generations
- Inaction would be detrimental

Thank you for your consideration

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Public Services
Date	Tuesday, March 7, 2023
Subject	<b>Business Licensing – Short-Term Rental Accommodations</b>

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## Recommendation

1. That staff be directed to create a new schedule under the City's Business Licensing By-law (2009)-18855 to regulate the licensing of short-term rental accommodations that incorporates the recommendations contained within this report.
- 

## Executive Summary

### Purpose of Report

The purpose of this report is to provide Council with information regarding the regulation of short-term rentals, and to seek Council's direction to create a new schedule under the City's Business License By-law (2009)-18855 to regulate and licence short-term rental accommodations.

### Key Findings

Short-term rentals (STRs) are typically considered an accommodation rental for less than 30 days. These rentals generally serve visitors to Guelph and are not intended to be permanent housing solutions for area residents.

Under the City's [Business License By-law \(2009\)-18855](#), the City regulates hotels and bed and breakfast establishments. STRs are not currently licensed within the City of Guelph.

On [May 24, 2016](#), Council directed staff to study the issue of STRs in Guelph. On February 7, 2022, Council considered [Staff Report - 2020-138 -Long-Term and Short-term Rental Housing Report](#)

On [February 28, 2022](#), Council passed a motion directing staff as follows:

- engage key stakeholders and the public to develop a short-term rental category and regulations under the City's Business License By-law (2009)-18855
- engagement to include consideration to principal and non-principal residence licensing requirements
- Final report to Council with recommendations on the regulations of licensing STRs.

In June 2022, a Short-Term Rental Working Group (working group) was formed. During meetings held in July, August, and September, the group provided input on STR regulations, including where licences should be limited to principal residences.

During the months of November and December 2022 public engagement activities including townhalls, open office hours, and an online public survey took place. In January 2023 the working group met, to review the public's feedback and provide their thoughts and comments to staff on STR regulations.

Staff's recommendations to Council have taken into consideration feedback received from the public, stakeholders, and comparator municipality research. Staff are recommending a regulatory approach that will address local concerns while still permitting individuals to provide for short-term accommodations within their personal homes and dwelling units, and permit short-term accommodations in non-primary residences under certain conditions.

## **Strategic Plan Alignment**

The licensing of STRs is aligned with the strategic plan priorities of Building our Future as the licensing of STRs will enhance community well-being and safety through direct service and program delivery.

## **Financial Implications**

Adding a new licensing category for STRs will result in an increase in revenue, but as business licensing fees are calculated on a full cost recovery basis, any additional revenue realized will offset the costs of administration, enforcement, and compliance.

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## **Report**

### **Definitions**

Short-term rental means all or part of a dwelling unit that is used to provide sleeping accommodation for any rental period that is less than 30 consecutive days and does not include a hotel, motel, or bed and breakfast.

### **Background**

#### **Current Short-term Rental Market in Guelph**

In January 2023, the City's data provider, who has developed tools to quantify the number of STR listings across multiple online host platforms, located 212 STR accommodation listings associated with 169 unique rental units in Guelph. These numbers represent live listings, which are not the same as the total number of units available in Guelph as not all listings are available to rent at any given time.

The data provider reported that Guelph has seen a 28 per cent growth in STR listings over the last two years and that Guelph's listings are spread across several online platforms. Airbnb has the largest number of listings (over 90 per cent), and HomeAway, VRBO, Flipkey and Bookings.com are the next most used. It is estimated that the median cost to book a STR for the night in Guelph in 2022 was \$83 CAD.

Further the data provider indicates there are 154 rentals listings considered "entire home" (72.64 per cent of active units) and 58 rental listing considered "private rooms" (27.36 per cent of active units) with a minimum night stay of 5.2 nights.

#### **The impact of Short-term accommodation**

Canadian research indicates that the profitability of STRs has caused both commercial and individual landlords to leave the long-term rental market, thus

resulting in a depleted supply of long-term housing. Notwithstanding comments received during public engagement and working group meetings, researchers have shown that it is the commercial operators who manage multiple listings that generate over 50 per cent of all Airbnb revenue in 2019. In conducting research on the impact of the short term accommodation market, staff reviewed a Canadian Journal of Urban Research article entitled [Short-term rentals in Canada: Uneven growth, uneven impacts](#), which states that in Canada, STR revenue is concentrated amongst the top 10 per cent of hosting companies and contrary to the marketing rhetoric that the industry is "...powered by local hosts."

Global research concluded that the continued growth of the industry has happened to the detriment of affordability and availability in cities throughout the world by not only encouraging the conversion of apartments and homes into dedicated STRs, but also by increasing the economic value of properties that can host STRs either full-time or part-time.

While it is difficult to directly link the cause and effect of these occurrences in the local market, there is evidence. The average price of a home, and the average cost of renting in Guelph has increased, with the average rent hitting all-time highs.

[City of Guelph's Growth Management and Affordable Housing Monitoring Report 2021](#) states that the average vacancy rate for all primary rental units in Guelph in 2021 was 2.0 per cent, down slightly from 2.2 per cent in 2020 and the City has continued to fall below a balanced and healthy vacancy rate of 3.0 per cent for the tenth year in a row.

As well, the number of short-term accommodations across all platforms in Guelph has experienced a 28 per cent growth between 2021 and 2023.

## **Regulating STRs**

There are two main regulatory tools available to local municipalities to regulate STRs

1. Zoning By-laws which set out rules about how land can be used
2. Licensing By-laws which establish rules around how businesses may operate

Under the City's [Business License By-law \(2009\)-18855](#), the City regulates hotels and bed and breakfast establishments.

STRs are not currently addressed in the City's Official Plan or Zoning By-law, nor are they currently licensed within the City of Guelph.

## **Staff Direction**

On [February 28, 2022](#), Council passed a motion directing staff as follows:

- engage key stakeholders and the public to develop a short-term rental category and regulations under the City's Business License By-law (2009)-18855
- engagement to include consideration to principal and non-principal residence licensing requirements
- Final report to Council with recommendations on the regulations of licensing STRs.

## **Summary of Public Engagement**

### **Stakeholders – Short-term Rental Working Group (working group)**

The public engagement strategy included development of a Short-term Rental Working Group (working group) consisting of 13 (thirteen) individuals chosen from applications submitted representing:

- hotel, motel, inn, bed and breakfast owner/operators
- unregulated short term rental owners/operators, users
- long-term renters
- landlords
- realtors
- public-at-large and
- business owners

The working group's mandate included, sharing insights, ideas, concerns and reviewing options and feedback from greater public engagement to create possible recommendations regarding direction and business licensing by-law amendments or other regulatory actions.

The group met in July, August and September 2022 with discussions facilitated by the City's consultant, Rebecca Sutherns, CEO, Sage Solutions.

In January 2023, the working group was provided with public engagement feedback and met on two occasions to discuss and review six licensing scenarios which were provided by staff and based on public feedback and municipal comparator research. The working group's agendas and minutes are located on [guelph.ca/short-term rentals](https://guelph.ca/short-term-rentals).

While not all members attended the first of two meetings which were held in January, attendance was high at the final meeting resulting in 11 of the 13 members present. Opportunities for written comments were provided for those who were unable to attend to ensure that all stakeholder viewpoints were received and considered. Discussions at the final meetings were to consider six scenarios resulting from the community engagement. Staff received valuable information and feedback from the working group discussions. A summary of working group feedback are contained in the [January 19, 2023](#) and [January 26, 2023](#) meeting minutes.

### **Greater Public Engagement**

In November and December 2022, the City commenced public engagement with a specific targeting of 14,255 residences in areas where STR were currently located. These residences received STR information cards delivered by a Canada Post maildrop. The information cards included details on public engagement activities. Targeted residences were identified from address and postal code information supplied by STR hosts to host platforms which was gathered by staff through their data provider.

### **Survey**

An online survey was completed through the City's online engagement platform [haveyoursay@guelph.ca](https://haveyoursay@guelph.ca). The survey was open to the public from November 22 to December 11, 2022 and consisted of ranking, yes/no and open-ended questions where participant feedback and comments could be provided. A total of 174 surveys were completed. Survey results are included with this report as Attachment 1.

## **Townhalls**

A total of three townhall meetings were held and facilitated by the City's consultant, Rebecca Sutherns, CEO, Sage Solutions. Townhall discussions and questions were built upon the initial work that was conducted with the working group on how to best shape the emerging short-term rental by-law so that it reflected a made-in-Guelph approach.

A total of 12-16 individuals attended the three sessions with some participants attending more than one session. City staff attended each session to provide project introduction, background information and answer questions.

Summaries of each session were prepared by the City's consultant and are included with this report as Attachments 2, 3, and 4.

## **Open Office Hours**

Open office hours were available for the public to speak to City staff regarding the project during various times, on November 29, December 2, 6 and 9, 2022 with one call received.

## **Staff Recommendations**

Staff's recommendations are the result of collaborative efforts between, the working group and City staff across various departments. Staff are recommending the licensing of STRs to address potential health and safety concerns.

As directed by Council in 2009, staff may create licensing programs where the City itself has an interest (for example, licensing of businesses that issue City parking tickets), or where there may be an impact to public health and safety. Council's direction in 2009 is that the City does not license for consumer protection.

The main regulations proposed to address STRs are as follows:

### **Principal Residences, Plus One**

Traditionally, the short-term accommodation of the travelling public has been served by hotels, motels, hostels with bed and breakfast accommodation considered an alternative to those traditional suppliers.

Today, the sharing of a private home, or "hosting", on a short-term basis has become popular and is present in Guelph in all types of dwellings and utilized by more than just tourists. Short term hosts on the working group indicated that in addition to tourists, short-term renters include residents requiring short-term accommodation for household renovations or damage repairs, residents requiring accommodations for guests attending family events, and new residents seeking long-term rentals, while utilizing short-term accommodation while they conducted their search.

Staff completed a municipal comparator analysis to determine which municipalities limited STRs to principal residences defined as a dwelling unit owned or rented by an individual person, either alone or jointly with others, where the person is the resident. This information was shared and discussed with the working group. A copy of the comparator analysis is included with this report as Attachment 5.

While the survey results showed a preference for restricting principal residences, there were comments both in support and against this regulation. In addition, some

members of the working group did not support restricting STRs to principal residences.

To address the differences of opinion while still maintaining safety of the public, staff are recommending a principal residence plus one approach. This is comparable with regulations for bed and breakfast owners to reside on the premises as defined in [Schedule 3](#) of the Business Licensing By-law and hotel staff available on premise 24 hours, 7 days per week, and that the host must reside in the City of Guelph.

Staff recommend that in addition to a primary residence, one additional STR location be permitted. This regulation helps ensure that STRs are truly part of the sharing economy, powered by local hosts and not commercially operated pseudo-motels.

With the limiting of STRs in Guelph to principal residential units plus one, the City will be able to provide a healthy variety of accommodation options to support the tourism industry, allow residents to use their principal residences to earn additional income and offset their housing costs, and protect our community's existing stock of long-term rental housing.

To obtain a licence, the host will be required to submit documentation to demonstrate they reside in Guelph. Tenants who wish to operate a STR will be required to submit a letter from the landlord which clearly demonstrates their permission. Condominium residents will also require letters from the condo board before they can be licensed.

### **Licensing the Provider/Host**

From a public safety/nuisance perspective, the licensing of the property where the STR takes place helps municipal staff address property related issues. Licensing the individual hosts affords the City an opportunity to educate the provider, and the user, about local by-laws and community expectations. It also requires owners and hosts to be more responsible for their operations.

### **Dwelling Types**

Staff recommend that all dwelling types be permitted to be a STR provided they meet City Zoning requirements.

### **Inspections**

As part of the application process, applicants will be required to declare that the proposed short-term accommodation complies with all applicable laws, regulations and by-laws, including the Zoning, Property Standards By-laws and the Fire Protection and Prevention Act and the Building Code Act. This will allow staff to prioritize and process applications in a timely manner, possibly even allowing for inspections to occur after issuance of the licence.

To ensure declaration accountability it is intended that applicant violations of the declaration may result in the revoking of a license for a significant length of time.

### **Rental Period**

At this time, staff are not recommending a maximum limit on cumulative rental days per year; this will allow hosts who supplement their income by home-sharing to continue this practice throughout the year. If the licensing program proceeds, this recommendation will be reviewed as part of staff's one-year review.

## **Municipal Accommodation Tax**

On February 28, 2022, Guelph City Council approved to implement the provincially legislated [Municipal Accommodation Tax \(MAT\)](#) on local short-term stay accommodation by adopting [By-law \(2022\)-20691](#). These accommodations include hotels, bed and breakfasts, and shared accommodation providers like STRs.

The four per cent tax is applied to the accommodation fee only and not to other fees such as valet parking, laundry service, continental breakfast, etc.

Implementation of a short-term licensing by-law would provide an avenue for applying the Municipal Accommodation Tax equitably across STR providers and other accommodation properties.

The funds collected are reinvested in tourism promotion and tourism products. This tax helps the City grow its investment in tourism without increasing taxes for local residents.

## **Next Steps**

### **Implementation/Timeline**

To allow time for STR hosts and staff to adjust to the new Short-Term Licensing category, if approved, staff are recommending that the new business category be implemented as of July 1, 2023.

Upon receiving direction from Council, Operations and Legal staff will finalize an amendment to the City of Guelph's Business Licence By-law.

STR accommodation regulations will include:

- Compliance with all City by-laws
- Short Term Rental applicants provision of 24/7 contact and
- Insurance

### **Compliance**

The City's Bylaw Compliance Officers will be the primary staff responsible for compliance of the City's Business Licensing By-law.

### **Fees and Revenues**

Staff are recommending that the licensing of STRs be fair and consistent with current fees approved by Council for the licensing of hotels and bed and breakfasts.

As directed previously by Council, licence fees are based on a cost-recovery model and are used to offset any administration, education, and compliance costs.

Based on the licensing fees of hotels and bed and breakfasts, staff anticipate that in the first year of implementation, the initial cost to inspect will be approximately \$241 per location, alongside a licence fee of \$208, totaling \$449 with an annual licence renewal fee starting the following year and initially set at \$224.

If the licensing program is approved, these fees will be reviewed at the one-year by-law review.

## 2023 Fees

Activity	Fees
Inspections	\$241
Short-Term Rental Business Licence	\$208
Licence Renewal	\$224

## Set Fines

Upon Council approval of the new short-term rental schedule, staff will present set fines for the various violations to the Regional Senior Justice for approval. The set fine recommended by staff will be based on the set fines of other Guelph by-laws, as well the set fines approved for other neighbouring municipalities.

## Financial Implications

The estimated startup-up costs to implement amendments to the Business Licence By-law to create and administer the short-term rental licence category would be approximately \$75,881 for an estimated existing 169 short term rental units within Guelph. This cost includes administration, inspection and education which will be offset by the additional revenue realized through the issuance of the short-term rental licences as the business licensing fees are calculated on a cost recovery basis.

## Consultations

Fire Services

Building Services

Finance

Economic Development and Tourism

Legal Services

## Attachments

Attachment 1 – Short Term Rental Online Survey Results

Attachment 2 – Short Term Rental Townhall Meeting Notes - November 30, 2022

Attachment 3 – Short Term Rental Virtual Townhall Meeting Notes - December 8, 2022

Attachment 4 – Short Term Rental In-Person Townhall Meeting Notes - December 8, 2022

Attachment 5 – Municipal Comparator Analysis

## Departmental Approval

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# City of Guelph

## Short Term Rentals Survey Summary

December 13, 2022

An online survey was posted to [haveyoursayguelph.ca](https://haveyoursayguelph.ca) to gather input from the community on short term rentals. The survey received 174 responses between November 22 to December 11. The results of the survey have been summarized in the report that follows.

**Though the process so far, we have identified 6 goals to help us know if the by-law is successful. How we reach these goals through short-term rental regulations will come later on, but let's start by ranking this list based on which goals are most important to you:**

Goal	Average ranking
Adequate housing supply across a wide range of income levels	2.84
Thriving neighbourhoods for residents	3.04
Accountability of landlords, hosts and owners	3.16
Safety and wellbeing of visitors and tenants	3.17
Economic prosperity for businesses	4.25
Outstanding tourism experience for visitors	4.32

**Are there other goals or objectives we should consider while developing this system for regulation?**

### ***Housing supply / affordable housing (21)***

- Maintaining and increasing the housing supply is critical. The cost to rent in Guelph is way out of hand and short term rentals are taking away from the rental supply.
- You have a massive affordable housing shortage in Guelph. We need more long term rentals, less short term. Encourage tourism through hotels not short term rentals. They are safer too.
- Guelph definitely needs to develop a better affordable housing strategy, but that can exist alongside a short-term rental market and it should not be responsibility of homeowners that operate short-term rentals to provide affordable housing. This should be a partnership between government and developers.
- Please consider the unaffordability of living in this city. Guelph's own cannot afford it and are being pushed out.

- Consider the average income of individuals and couples in our community these days. Then provide adequate, affordable housing for our residents. This will allow them to live stress-free. Then be able to support our local shops too.
- We feel we are offering that in between housing that is hard to come by here. We most often rent our apartment out for 4-6 months. Grad students, sessional professors that need a place for that period of time. We do not feel like a hotel. We do sometimes have people for 4 days or so but truly we offer a rental situation that is not available anywhere else.
- Utilizing existing dwellings with extra housing capacity to provide additional housing supply without needing to build new dwellings.
- Affordable housing for low income families.
- Protecting renters, unhoused and low-income people in an unstable housing market in which landlords are incentivized to convert their properties to higher-profit models.
- A special tax to fund affordable housing projects
- Balance the need for additional short-term accommodation with the need for adequate housing across income levels. - Consider that some short-term rentals are not actually businesses per se but people wanting to make a bit of income by occasionally renting their homes. Is there a way to manage that in the by-law?
- Be sure to include the local short term rental owners - make it an affordable licensing practice. Most short term rentals are owned by regular people looking to make some extra cash due to the current inflation, housing crisis and economic stress that we all face.
- Are we shortchanging people looking to find long term housing in a low income rental?
- The main goal should be housing prices, not quantity. Supply-side policies will not work in this market due to it's lack of competitive forces. Cutting residential taxes, which the Corporation of the City of Guelph have never done, would immediately help.
- There is such a housing shortage for both residents and visitors in Guelph. Short-term rentals are vital in providing accommodations for both tourist and emergency needs of residents. Too much regulation will limit the amount of businesses and individuals who will put the effort into running a short term rental to meet these goals. Some regulation is necessary to protect both the landlords and tenants, but much of that regulation already exists in models where peer to peer reviews are paramount for success. (Airbnb). Having the option of services such as Airbnb keeps the cost of accommodations more reasonable. Without these services, hotels would be too full and prices would soar and Guelph would become a less desirable place to visit.
- Keeping short term rentals affordable.
- Caps on fees for short-term rentals. many people are students & are paying \$700-800 for a bedroom in a house with 5 other people. many of these places are older buildings & landlords are getting high fees from vulnerable people.
- Adequate and reasonably priced housing for students.
- Back to adequate housing, are the short term rentals taking away spots for people who need long term housing.
- Get rid of Airbnb's completely. Making housing affordable and available should be your only goal. Whatever the current system is is absolutely broken. Who cares if people can

come and visit Guelph if all they see is homeless people? People deserve homes they can afford.

- Supporting all types of housing and rentals (short and long term)

### **Other considerations (15)**

- Occupancy limits (2)
  - Make sure "party houses" never develop and occupancy limits are enforced.
  - Ensuring limits for rentals - landlords must follow rules similar to hotels for capacity limits - some short term rentals could end up being used for parties. Also ensuring landlords understand the noise regulations as now living in a high rise it's important that noise is kept controlled at night.
- Density (2)
  - Density - set a maximum of units within an area, so as not to create a situation where a dead spot occurs during low occupancy, or overcrowding during peak times (i.e. special events that draw large numbers to the City, such as tournaments, competitions, homecoming, etc.).
  - Limit the number of short term rentals on a street.
- Traffic monitoring in areas with larger concentrations of short term rentals.
- Environmental impact
- Crime rate
- Ensure congestion on residential streets is kept to a minimum. The property should have existing adequate parking for all residents, including any new structures added.
- Number of vacancies for long-term rental in a neighbourhood should be at a healthy range before housing registered for short-term rental can be approved
- Taking into consideration accountability that is already provided through the AirBnB platform regarding landlord/host performance and providing an amazing stay and guests well being.
- Having a small number of owners owning large numbers of properties and preventing this. Also, consider taxing those properties that remain empty
- Tenant rights
- Transparent pricing. Monitor rental rates to ensure fair pricing is being used to limit price gouging.
- Follow other best practices that require licensing AND impose minimum stay periods.
- Restrict to specific areas if the city. No one wants to live next to a hotel

### **Do not regulate (7)**

- I strongly oppose regulation as it has not proven to increase the safety or number of rentals. Instead owners sell as they are once again told what they can do with their property and then there's less mom and pop landlords, and or small building units on the market.
- Do not touch Airbnb at the principal residence. I will sue the City. It is not your business.
- Should leave those who do short term rentals in their primary residence alone.

- Short term rental platforms have all the checks and balances needed for accommodations. No new rules or regulations are needed.
- The City should keep out of it and just enforce the existing bylaws on the books now.
- Too much big brother. There are enough bylaws.
- Do not regulate

### ***Income for homeowners (7)***

- Current owners of homes having enough income to stay in their homes.
- You don't want to make it so cost prohibitive to short term rental hosts that they would opt out of offering short term rentals to potential tourists as there is a dearth of accommodations for visitors.
- Financial opportunity for homeowners. This might be way for homeowners to pay for rising costs.
- The property tax is high enough in some areas of Guelph. Members of these communities, such as Old University for example, are already paying the price and have to do find additional sources of income to simply afford living in their own houses. Businesses like AirBnb and other short term rental modes come handy to help people create some side income. It's a survival game for the majority of households.
- I am a single woman with three kids, two of which need help financially. My Airbnb helps me support my children.
- Small Mom and Pop jobs are extremely important for those who need an income but are, for whatever reason, unemployable. ie - seniors, caregivers
- Affordability means short term rentals to help homeowners cover their costs

### ***Individual owners vs. corporations (6)***

- The regulations should distinguish between owner-occupied homes and commercial non-owner occupied multi-unit operations
- I think there is value in having local individual landlords operating airbnb. It makes a personal and unique experience for visitors. Conversely, corporations and large operators dilute the experience and tend to be more impersonal and take up more housing supply.
- Rental opportunities for local residents. These rental must be locally owned one not properties bought by out-of-towners. They should not be taking rental opportunities away from those who desperately need affordable housing here in Guelph.
- Contributions of short-term rentals to the local community, vs. hotels that send profits out of country.
- Please allow flexibility for those who might own multiple units to access short term rental platforms.
- Most landlords are using the short-term rental to supplement with mortgage payments, city tax, insurance for their property without having to deal with long-term renters, a good number of whom take advantage of LTB regulations that favour tenants even when they deserve to be evicted from property. Landlords do not have big capitals like hotels do; any regulations or licensing policies that treat the two the same might end up being squarely unfair to the small guys. Short-term rent landlords do pay government taxes

(we do) – as for the government, we do pay our dues; Most short-term landlord renters may not afford expensive upgrades, if so required following the inspection; this could trigger an end to some or most - which in essence - could be what the initial complainants had in mind (the Hotel businesses) - to kill the airbnb instead of competing with them - like some hotels are doing now - converting hotel rooms into airbnb - it's all prices.

### **Enforcement (5)**

- Bylaw should act quickly to charge the homeowner (renter) for any infractions committed by the guests
- Fines have to be a Minimum of One Year's Pro-Rata Income and can be issued every Six Months.
- I think there needs to be a clear easy system to report nuisance short term rentals
- Ensure that tourists/short term rental are properly vetted and that residents can report any behaviour that threatens the neighbourhood.
- Enforceability of regulation.

### **Primary residence (4)**

- Owner must live in rental.
- Short-term rentals of principal residences or on-site owners only.
- Absentee landlords should not be allowed to have one of these.
- Limit to primary residence.

### **Support tourism / local business (4)**

- Support for small business owners.
- There should be a clear indication where the funds collected from a license/permit are going. A clear investment in the public spaces used for tourism/commercial use should be the end benefit.
- Attracting tourism prices
- Visitors to Guelph who stay in short term rentals spend money at local businesses, contribute to the local economy, and provide a healthy international diversity to neighbourhoods.

### **Keep it simple (4)**

- Make it simple
- We should keep things simple. Burdening the system with regulation will stifle entrepreneurs from operating in Guelph.
- Short term is a system when done right is helpful to residents and those visiting alike. If it is made too complicated it will not be there for those who need it.
- Ease of operation

### **Bans / restrictions (4)**

- Would like to see a ban on short term rentals in Condominium buildings.

- No sublet by current Tenant without Permission from Landlord.
- No sublet by Condo Owners without Permission from Residents Association.
- No Short-Term Rental of Homes until the owner has lived there, without renting, for FIVE years.

### **Neighbours / neighbourhoods (4)**

- Peace and quiet for neighbours
- Safety and wellbeing of neighbours.
- Sense of community in established neighborhoods.
- Difficult to rank because they are all important but maintaining our neighborhoods is most important to me.

### **Safety (3)**

- You should have a goal to ensure that there are simply safe spaces for people wanting to rent inside of a permanent residents' home, like ours. We are Airbnb hosts in Fergus, and have been for 5 years. It has been overall a very positive experience for us. We have our own rules because our Airbnb space is located in the basement apartment in our own home, where we live. We do not let guests in whom we have never met. We are always there to welcome new guests. We abide by the winter parking regulations on our street. We are also pet-friendly, so we provide a safe space for both people and their pets.
- Safety of home owners
- Safety and wellbeing of neighbours.

### **Equitable (2)**

- Making it fair and equitable for between all properties. I feel this helps the visitor to make better choices knowing the playing field is the same amongst all choices. I.e they all pay taxes, fire, health and safety, insurance, parking and that the owner has been checked out.
- Level playing field for everyone providing short-term rentals.

### **Other comments**

- Funding must be available for regular inspections
- Adding new rules often create barriers to growth for the city. The stated goals could easily backfire and harm growth and potential revenue to the city and inadvertently cost taxpayers more while enriching hotels/B&B's etc.
- Our short-term rental would not be suitable for a long-term rental so we are not taking housing from unhoused people. We live on the property and I think this is an important consideration and exception.
- Giving as many options to tourists for location and types of stay.
- Maybe not considering it at all. We are in the midst of a housing crisis, homelessness is rising rapidly.
- Please consider the long term residence who can barely afford to stay here as is.

- The proposed regulation system should endeavour to support a thriving short-term rental market to support visitors and businesses, with some well-considered, moderate regulations in place to ensure neighbourhoods and communities also remain occupied and vibrant for long-term residents. Fundamentally, I believe that any proposed regulations should be commensurate to actual risks and costs of short-term rentals based on independent evidence. And, that this process should avoid overly severe or knee-jerk regulation, which would unnecessarily hinder this market without providing additional benefit compared to more moderate standards. For example, fire and building safety is obviously a very important consideration for all residents and structures. But, unless there is clear evidence of higher risk, short-term rentals should be held to the same safety standards as all property owners. Another example is the concept of "thriving neighbourhood", which, in the example of this survey I am taking to mean supporting long-term occupancy to create community. If a property has a mixture of short-term visitors and long-term residents, it contributes to this "thriving" aspect of the neighbourhood (and avoids vacancy), while also contributing to tourism, local business and economy. Therefore, mixed-use occupancy should be permitted and even promoted. I believe that mixed use should be a key consideration for this proposed regulation development process. Duplexes and triplexes should enable a combination of owner-occupancy, long-term tenants and short-term tenants. A certain percentage of an owner's property (or properties) should be permitted for short-term rental use. I believe that somewhere between 30 to 50% of an owner's units should be permitted for short-term rental use. Furthermore, short-term rentals can also come in the form of visitors staying in a room directly within a long-term resident's living space. This automatically increases density and economy in our city, which I believe is an excellent thing. Many people have far more living space cordoned off for themselves than is necessary to maximize their own well-being or the well-being of our community. Many people – myself included – live in Guelph, but often travel for work and leave their space unoccupied for weeks or even months at a time. This is another scenario where filling an underused space with short-term rentals automatically increases Guelph's density and economy. And there is no draw-back here: the space could be left empty, or it could house a paying visitor in our community. Short-term rentals also decentralize tourism and promote the use of parts of the city (such as the neighbourhoods surrounding downtown, the university and riverside park), that do not necessarily contain large hotels or parking lots. The diffuse nature of this market prevents visitors from all being funnelled through the same marketing brochures and familiar big box businesses. Instead, they are exposed to myriad word-of-mouth suggestions leading them to local businesses and experiences in the neighbourhoods where they stay. Lastly, tourism has been a very rocky industry for 3 years. For obvious reasons, travel has been reduced. And, the fallout of recession and inflation has hit the industry once again: in most of Canada short-term rentals sales have slumped by up to 50% in the past 2 months. As such, saddling short-term rental owners and providers with unreasonable regulations (i.e. not supported by independent evidence), will further hobble the recovery of Guelph's tourist industry. Guelph has the potential to present it's culture, charm and beauty to tourists, short-term contract workers, international travellers, visiting researchers, families from out of town and many others. Short-term rentals are a key piece to bring the benefits of these visits throughout our City. And, short-term

rentals shift benefit away from distantly owned big-box-businesses, chain restaurants and hotel conglomerates and instead guide our visitors towards locally owned businesses and neighbourhoods.

- Just be easy and try to work to help keeping the short term rental affordable in Guelph by not adding high fees to attract renters
- The goal should also be to provide the full breadth of accommodation options to visitors. See positive comments.
- Revenue for City of Guelph
- Green initiatives and sustainability
- Make the process of building and operating a short term rental much easier (e.g. allow on-street parking all year long so rentals can accommodate multiple vehicles, etc.).
- Independently managed feedback mechanisms to gather data on impact(s) for all stakeholders. Transparency of feedback data for all stakeholders.
- Cost
- Ensuring there are no squatter rights at the end of the short term rental
- Immediately ending this discriminatory, racist and hostile project. Organizations like Airbnb and VRBO already set appropriate standards for landlords/hosts/owners and visitors/tenants. It is extremely inappropriate for our tax dollars to be wasted on misguided projects that do nothing for the existing housing issues in Guelph.

## **What are the negative sides of short-term rentals operating in Guelph?**

### ***Reduces local housing supply (68)***

- Takes away from local rental supply.
- Short term rentals prioritize profit over much needed housing. They disrupt the sense of community in a neighbourhood. Landlords are (currently) accountable to no one.
- Taking away the housing supply from permanent residents which boosts the cost of rentals so no one can afford it. That's why we have so many homeless people - no one can afford to buy a house or rent in Guelph.
- Rental units off the market
- It could also reduce the amount of affordable housing for those who need it.
- Reduced supply of rental housing
- Loss of long term rental
- Short term rentals keep locals from finding a place to live
- Dwelling tied up for tourists rather than locals.
- Loss of long-term affordable stable housing when rental units are converted to short-term Airbnb etc.
- Lack of affordable housing
- Removes housing from long-term occupancy
- The removal of rentals from the market.
- Decrease availability of affordable rental housing and undermine sense of local community.
- But more importantly it reduces long-term housing rental availabilities.

- People buying homes solely to use them for short term rentals - often short term rentals sit empty for much of the year while the owners make massive profits above what they'd get in a traditional rental market (meaning there is no incentive for them to stop doing short-term), while long term rentals are continuing to rise in price due to the lack of options for renters.
- A location that could have been used to house a family sits vacant most of the time awaiting short term rentals.
- That AirBnB rentals are significantly reducing the amount of rental options, which contributes to the general supply issue of rental properties.
- Many homeowners have chosen to offer short-term rentals instead of rental housing and this has drastically reduced the supply. Guelph's rents are over the top because of lack of availability and short-term rentals have been a major reason. There needs to be a cap on the number of short-term rentals available in the city. Could there be an assessment and approval process of a homeowner's unit and whether it needs to be a long-term rental or just enough for a short-term rental?
- Taking affordable rentals out of the housing pool. Encouraging people to take on excessive mortgage debt and then servicing it by renovating sitting tenants.
- Making Guelph even more unaffordable for newcomers, young people and seniors.
- Taking away long term rentals
- Short term rentals severely limit the housing supply and rentals, especially in a city with a large university. short term rentals should be limited to dedicated hotels/motels
- Taking away from housing stock.
- Many people like to rent their building for short term use (better money & less hassles of fixing items or having to evict tenants, etc.) & ignore the long-term rental option, leaving people unable to find long-term rentals.
- Large companies buying up housing for profit
- Up to this year, the prices of houses have increased as landlord have been buying single family dwellings and turning them into rental places.
- Decreases the amount of housing available to residents
- We don't have enough housing that is affordable for people who actually live here
- Risks to rental housing supply if str seems more lucrative
- Reduced number of rental properties.
- Lack of rental opportunities and increased rental fees for Guelph residents, especially for those with lower incomes.
- Limiting our already low amount of housing supply.
- Potential supply issues for long term renters. Increased rental costs for renters.
- Operators buy up housing supply, raising costs and lowering availability for Guelphites.
- Availability of long term rentals decreases
- Investors buying housing to convert into short-term rental thereby reducing the housing supply available for long-term housing needs."
- A space that is being used for short term rentals year round, that could otherwise be a full time housing unit to a member of our community.
- Fewer long term rentals available.

- Viable long-term housing is sacrificed. These units could permanently house individuals, families in need.
- Impact on rental supply negative
- Possible impact on reducing access to long term housing supply.
- There is a possibility that this will limit access to longer term rentals
- It encourages landlords to rent for higher short term. Ie. 1 thousand a week. Short term rather than 2thou a month long term. People need places to live not vacation.
- So many to name... first is the elimination of housing for longer term rentals. Secondly is that airbnb drives up rental rates for everyone.
- Reduced Apartment Availability if Landlords are using short-term rentals to increase income. Reduced Home Availability if Owners are using short-term rentals as a business rather than as a Residence.
- Short term rentals that are not part of an owner/landlord's principal residence takes away from affordable housing for the general population. Short term rentals should be part of the owner's principal residence, and there should not be limited to the number of days. Owners need to find ways to earn income to pay for their homes...
- Takes up long-term rental space
- Taking away long-term rental opportunities in a already tight market
- Very low rental supply.
- Makes it so locals have less available housing options for long term stays. Tourism can't thrive if the people performing the services for those tourists and short term renters don't have a place to stay.
- Short term rentals will and are currently increasing rental costs in an already tight and expensive housing market.
- Lack of Affordable housing for low income families
- Increased price for basic needs.
- They take away from the availability of houses or rental properties, and this lower supply drives up prices.
- Less long term housing for students that is more expensive.
- People buy up houses to solely rent them on a short term basis, taking away homes for others.
- Higher rental prices.
- Limited available housing for lower income residents, higher long term rent prices
- Tenants being evicted so landlords can turn a residential rental unit into a short term rental-we have seen this happen in Elora. Concerns about the impact on rental stock
- Everything. There are no positives. They take housing away from residents who have lived here their whole lives and can not afford to live here any long. It forces people to stay in situations where they will experience domestic violence, bc they can't afford to move or have no shelter. Young people live in constant stress bc landlords could renovict them to make them into an Airbnb and currently to rent in Guelph you need to make a salary that is well above the poverty line just to afford one bedroom. The system is broken. Fuck airbnbs. Nobody, literally nobody needs them.
- Loss of housing to permanent residents

- Taking up rental units and therefore rentals become more challenging to find and at a higher rate.
- Short term rentals that are not operating as a legitimate business. Reduce supply of long term housing units which increases rents, housing insecurity, poverty and homelessness. Allow those with wealth to buy, hoard and rent housing at inflated rates at the expense of the less wealthy.
- Apartment units and houses that could be fulltime residences for citizens of Guelph are being rented at higher rates as short-term rentals and we are losing hotel rooms; is there a correlation?
- Landlords being incentivized to convert long-term rental units into full-time short-term rentals, therefore pushing vulnerable people out of their homes.
- Reduced inventory for renters and buyers; inflated market rent / purchase prices
- Too much turnover, disruption of housing services to homeless and low-income individuals.

### ***Impact on neighbourhoods (parking, parties, noise, safety, traffic) (51)***

- Parking (14)
  - Only negative is parking concerns for visitors if there is not adequate street or private parking! But that is usually mentioned in the short term rental ad.
- Parties (9)
  - Parties, too many people at the short term rentals, guests being disrespectful to residents
  - Party houses
  - Large party
  - Too many short-term rentals used for parties.
  - Larger rentals such as 6+ which can be used for party places.
- Neighbourhood disruption
- Security, peace and quiet for neighbors
- A negative could be the potential disruption to quality of life and peaceful enjoyment of home for those who live adjacent to short term rentals.
- Impacts on neighbours (common areas, parking, noise),
- Noise, transients do not care about the property, treat it like hotel room
- Potential for noise and parking issues, without accountability for owners/hosts.
- Impact on neighborhood
- Permanent residents always unsure who is in the next house, apartment, and feeling unsafe in their own home.
- Random people renting in our neighbourhoods. Increased possible crime.
- Health and safety, parking/noise for neighbours,
- Changes to traffic flow in residential neighbourhoods, not knowing who your neighbours are with relation to community safety initiatives, potential for disruptive behaviour (loud parties, violation of by-laws like backyard fires and parking)
- Disrupting a peaceful neighborhood
- Makes a neighbourhood feel transient, like a hotel compound.

- Inconvenience to community members, crime/disturbances, increased traffic/pollution to affected areas
- The visitors cause excess strain on our police resources at times
- On street parking congestion. Some neighbourhoods may become 'ghost towns' if too many are converted to short term rentals in one area.
- Destabilizing for neighbourhoods.
- Constant turnover of individuals renting throughout the year. May not contribute to a "safe" and stable neighbourhood.
- I wonder how much of the year they are actually occupied. I don't want to see living spaces standing empty.
- Non-resident owners of condo units bringing in paying "guests" who have no stake in the short-medium-and long term maintenance of the condo. This leads to expensive facility maintenance events which as a resident condo owner, i have experienced: non-planned and very expensive backed up drains/flooding/burst pipes, as "guests" flush things, smoke things, and trash things without concern for the families who live in the condo long term, and the non-resident owner is perfectly happy to place the burden of repair on the resident condo unit owners.
- Less community engagement.
- Making neighbourhoods feel less vibrant and together for locals.
- Perception from other residents; possible nuisance complaints (e.g. noise)
- Nuisance parties, disrespect to neighbours, on-street parking issues, unknown individuals.
- Issues related to noise, parking, potential short term rental could be used for parties.
- Noise
- Noise, parking and decline in sense of community in established neighborhoods.
- Disruption to local housing with inconsistent residents
- Noise, traffic, lack of respect for residents (since these folks are short term and moving on)
- Disrupts thriving neighbourhoods
- See the student ghetto and murder hotels. Aka Edinburgh Village and the Hotel beside Trappers.
- Parking, parties, noise, people coming and going that residents do not know.
- Breakdown of neighborhood connection.
- Many airbnb guests are disruptive to neighbours and affect the entire neighbourhood.
- Impact to neighbourhoods
- I think there is a negative if there is too large of a concentration in a particular area. But if it's sparsely laid, the sense of community is still there. Another main concern is party houses or party bookings. Those should not be allowed at all.
- They present negative qualities only when large blocks of housing are set aside exclusively for short-term rental - thereby detracting from the vibrancy of the neighbourhood. Which, as far as I'm aware has not become an issue in Guelph. And in fact I don't expect it will be an issue in our city unless our tourism industry grows substantially.

- I find that short term rentals can create a situation where visitors without any connections to a neighborhood may feel free to exhibit behaviors that we wouldn't expect from good neighbors. Residents can be frustrated because those visitors are quickly gone and replaced with new people, while the person owning the property provides little oversight.

### **None (30)**

- I really cannot see any negatives. We have stayed at many str rentals around the world with way less restrictions than Canada, and/or within Canada and have never experienced a problem.
- Very few if any. I am a frequent traveller who utilizes short term rentals where ever possible. I also host in my home when I am not there.
- None as it is imperative to have a variety of rental options to accommodate diverse needs and resident/visitor profiles.
- From my perspective there aren't any.
- Don't know of any off hand.
- None jump to mind.
- None that I am aware of.
- Not many.
- In our case I do not see any. We have our apartment in our house that we share with them. We did not create or buy a separate place that is solely for Airbnb. Our turn around is slow as our guests usually stay a long time.
- There are no negative sides of short-term rentals compared to what Guelph has allowed to go on in regards to people camping and sleeping everywhere outside now. Are you kidding?
- At this level I see no negative impact.
- I haven't experienced any except for the rare occasion a guest leaves my suite in a mess.
- Don't see anything negative.
- There are no negatives. The apps do an excellent job of ensuring the best rentals survive and thrive while the worst rentals improve or disappear. There is nothing negative unless their are complaints. Let's see a list of complaints and then discuss further.
- Within a structure that is already occupied by long-term residents or within a living space that is underused (such as an owner traveling for work), there is no negative side.
- I have experienced none
- In Guelph there are only 125. I don't see any negative sides.
- None - I think; maybe shortage of long-term rental apartment; but I am in court now - dealing with my tenants after dealing with them through LTB
- Only positive sides
- I see very few negatives as long as the landlords are responsible and ensure that their guests are respectful responsible
- I have had no negative experiences, but I don't actually know if any in town

### ***Unregulated / safety concerns (8)***

- While short term rentals can be nice they lack regulation and can be dangerous.
- Terrible rentals posted without proper safety considerations
- The STR are not all up all to codes and regulations.
- Lack of regulation
- People renting to host a potential for party or to conduct illegal activity. Either of these could cause disruption and damage to a hosts property or reputation.
- Visitors are not protected by regulations as they are when visiting a hotel or when renting long term with a standard Ontario lease.
- No safety inspections, no accountability for those running the short term rentals. Why are we allowing this?
- Allows "entrepreneurs" to operate a business without being subject to business regulations, standards, taxes, etc. Expose renters/tenants to health and safety risks with little/no legal protection.

### ***Absentee landlords / hosts (7)***

- Non-resident landlords
- Absentee landlords... and landlords who don't take care of their properties or care who they put into their short-term rentals.
- Hosts who are not effectively and consistently managing and supervising their properties.
- If a "host" is someone who buys a property and is never there, hiring a manager and a cleaning service, then I think it should not be allowed. This is like being an "absentee landlord" for a longer-term rental. For short-term rentals, I think you should freely allow people who rent inside of their own home to continue to do so. These are the true hosts, who provide a service to a place with limited rentals, as well as increasing tourism for the municipality and area, by providing an affordable and safe space for travellers.
- Out of town landlords not taking care in selecting guests.
- When the short-term rentals don't have an owner or landlord on site it can be an opportunity for abuses of the property and the neighbours.
- Irresponsible hosts

### ***Loss of tax revenue (5)***

- Tax revenue may be lost
- Is there a missed opportunity re: property tax?
- Loss of taxes
- Potential for extensive tax avoidance.
- Loss of tax revenue for the city compared taxes generated by hotels.

### ***Unfair competition (5)***

- Impact on hotel/hospitality industries that are heavily regulated
- Unfair competition compared to licensed hotels and B&B

- Unfair competition with licensed hotels & bed and breakfast
- Unfair to licensed, regulated businesses
- Hotel owners and unions see short-term rentals as competition.

### **Compliance / enforcement (3)**

- Issues with compliance
- Lack of law enforcement (actual ticketing, not just repeated warnings)
- No accountability for disruptive guests

### **Other**

- Loss of funding for tourism
- Potential lack of oversight and quality control
- Dodgy platforms (e.g Air B&B has terrible reputation resolving complaints)
- If the rentals are managed outside of reputable platforms, such as AirBnb, things may go wrong in many directions. However, if managed through a high-standard platform that provides insurance, customer and host support system, as well as feedback system, and such, short term rentals would only bring benefits to all stakeholders.
- Effect on Small Business: The numerous inspections and licensing, which are proposed in this project, will require fees, unaffordable to many of us. It means that a property owner, like myself, will consider the short-term rental business as unsustainable, driving us out of the market and leaving only the corporate multi-unit owners. Therefore, the pool of the available rental places would shrink. Although I am not an economist, I can predict what happens next. The prices for the rent would grow just because of the imbalance between the demand and supply. People would still need to travel, and find some places to stay. This is beside the fact that the hosts who will stay in the business would have to increase prices just in order to compensate for the expenses. The GST taxes already increased the prices for the guests by 13% starting July 1, this year. Your initiative leads to making the situation in Guelph even worse. From an affordable and convenient service Airbnb turns into one more expensive way of living. I hope no need to mention here that housing prices, including rent, have skyrocketed across Guelph.
- Effect on Equity: It should also be noted that your changes target and most affect the poorest and most vulnerable people. I have had numerous renters that could not afford to live elsewhere, and the changes you are demanding will drive up prices, which force people like me who provide a place of dignity for others to live, out of business. Where will those people live now? In addition, as a divorced, close to the retired, I use my rental income to compensate my mortgage, other bill payments, and property taxes to the city of Guelph! And I doubt I am alone in this category. Targeting the poorest and most vulnerable may not be your objective, but it will be your result. Your proposals will benefit the rich, both owner and renter, and punish the poor, again both owner and renter.
- Owner operated versus Commercial Multi-Unit: Many of the individuals your rule changes will affect are owner occupied homes, where the people who live there maintain the safety and cleanliness. Would you assert that all private homes require public health, fire and accommodation inspections? Does an owner/ tenant/student who wants to go for a vacation/visit, and seeking a tenant/sublet for a certain period of time,

or an owner who rents their place only for non-full time of occupancy (certain days of the week, or particular season), and uses the Airbnb platform, now will require a license? Airbnb properties that are poorly maintained are quickly identified and unused based on the reviews by users. However, that only works when there are alternative hosts available. Once your rules drive out small operators like me, the remaining options for renters will decline, reducing competition and then reducing incentive to maintain properties and keep costs fair."

- Fraud
- Out of control behavior of lessees
- Quick turnover and cleaning issues. Getting people who refuse to leave.
- Uninformed and leading questions like this written by those who did not take basic economics is one of the many negative sides of Guelph's municipal government.
- Short-term rentals exist because there is a market for it. The market is what determines the needs of the visitors/tenants and ensures that landlords/hosts/owners are meeting the demands - NOT the municipal government.
- The biggest "negative side" to short-term rentals is that both renters and tenants are being charged tax which is being wasted on discriminatory, racist and hostile projects such as this.
- Owners converting existing rental properties to short-term rental to avoid provincial legislation related to long-term tenancies

## **What are the positive sides of having short-term rentals available in Guelph?**

### ***Variety of accommodation options (flexible, price) (88)***

- Good options when family/friends visit, good for parents of university students, great for conferences (university)
- More options for a range of tourists
- Variety of options for short, medium and long-term stays. Younger generation feels more comfortable with short-term rental enterprises as they know exactly who the owner is, the current images of the unit, and direct reviews based on a particular "unit". Hotels don't have a name or face to them and employees wouldn't necessarily care as much if they are not the homeowners. Short-term rentals also provide options throughout the city, as the current B&B/hotel/motel options are way outside the downtown core and are typically found around Highway 6.
- Better travel experience for guests. More comfortable for medium to long term trips and work travel.
- Flexible accommodations
- It fills a market gap between yearly lease and nightly room rate. Although many would argue hotels can also fill this gap.
- Options for visitors to the city
- Alternatives to hotels for visitors to our city.
- Flexibility for traveling families that need more space at hopefully a more affordable rate
- Short-term rentals can offer a more pleasant living experience than a hotel (depending on the facility, of course) when extended stays are required.

- Lower prices than a motel/hotel could be beneficial to the traveller.
- Short term rentals used to be great because they were cheap but now often more expensive and often unsafe because of lack of regulation.
- Less expensive rooms for tourists but at the expense of all mentioned above. Not a good trade off.
- Often cheaper than hotels, so the tourists like them.
- Often a less expensive option for those travelling (i.e. less expensive than hotels), makes it easier for larger families to stay together (i.e. can rent whole house rather than individual hotel rooms)
- Meets the needs of short-term visitors, and renters benefit when units are licensed and inspected.
- Flexible rental options for short term stays
- Provide an alternative to the hotels (especially if hotels are being used for UofG student overflow residences and to house homeless people), hospitality businesses may see a boost to sales,
- Gives access to housing to current residence who experience emergency situations like required medical isolation or unexpected short-term leave of the home (pipe bursts and needs replacing, roof needs replacing after a storm)
- As above. Short term rentals contribute to the availability of diverse rental options for residents and visitors who are seeking accommodation for a variety of reasons. Some of which are best served through short term rentals.
- Increases the availability of vacancies for visitors
- There is a shortage of hotel rooms and short term accommodations that short term renting full fills.
- It also provides students with alternative accommodations to dorm living or traditional one year lease agreements.
- Access and Flexibility for people from all walks of life with a variety of needs and situations that traditional short term housing struggles to accommodate
- Flexibility for visitors. Flexibility for those not seeking 1 yr leases : ie needing a short term rental between house purchases/ moving dates. Many insurance companies require landlords to have 1 yr leases for insurance. Short term rental locations for Conestoga students in skilled trades that work and then do schooling for only 8 weeks- not 4 month terms.
- May be more affordable than a hotel for families
- It relieves the pressure on housing created by university students taking all available rental accommodation
- Our Airbnb actually mostly houses sessional teachers, grad students. We most often rent our apartment for 4-6 months so not just weekends. We do host people in between those rental times but mostly our rentals are longer. There is such a shortage of housing in Guelph. Most places you need to sign a lease for 1 year. We offer short/long term leases that seem to be missing anywhere else. We do not feel like a hotel or a bed and breakfast. We feel we are helping Guelph house so many that are needing this kind of rental.
- Better cheaper option then hotel if visiting area

- Offers visitors and wider variety of accommodations on a cost effective basis; more visitors generate income for Guelph and surrounding area; this encourages people to come to the city if there are good quality options other than traditional hotels. There are very few hotels for a city of this size. The ones that exist are either expensive or unsavory.
- They offer a lot of flexibility for guests and attract tourists to Guelph. Compared to hotels AirBnBs come in many different sizes from room rentals, to apartments and homes allowing families and groups to stay together in one space.
- Alternatives to hotels
- Costs to use can be less than hotels thus allowing visitors to stay longer or spend their money on other local business. Different environment more homey for visitors
- If out of towners are working here for unknown amount of time or students are only here for a semester this gives them the chance to only rent for the time they need. And not be locked in for a full year.
- Visitors can be accommodated for longer periods - rather than night-by-night in a hotel - so may stay longer, more often, and add income into Guelph businesses.
- The University brings in many students and their families would have many options to come and visit their children going to the university. Even the students themselves can take advantage of more short term rental options while they continue to look for more long term accommodations.
- Ability to have frequent tourists and guests visit our city with a wide range of places to stay.
- Visitors can't typically get accommodations when events are happening in Guelph. Short term rentals solve that.
- Provides a unique experience for visitors.
- Gives visitors, especially families, more options as our hotel options are limited and expensive.
- Diverse accommodation options
- Provides an opportunity for visitors or individuals needing a home instead of a hotel. Allows hosts to provide unique stays. Allows for larger groups and families to gather and enjoy a space.
- More options available to short term renters.
- Hotels can be expensive, and without amenities like a kitchen. Using a short-term rental could encourage someone to visit Guelph.
- Options available for people who need housing and can't afford to buy/rent.
- requires regular maintenance and oversight from hosts which allows property and unit to be maintained more frequently than long term rental units. Less burdensome for neighbors with occupancy rates being approximately 50% less than long term rentals. (ie unit occupied 15 days of the month, not 30). Offers convenient places for neighbors families to stay while visiting/holidays. Helps support families visiting their children studying at UofG.
- I can see how my place is a home for professionals, academicians, tourists, someone's relatives, and simply transit travelers. Indeed, all these people fill our city with life, making it vivid and economically prosperous. The Airbnb model demonstrated its success without additional regulations.

- People visiting need a good place to stay, why can't that be hotels, B&B, etc.
- Higher supply.
- Affordable places to stay for traveling families; allow residents of Guelph to pay down their mortgages, keep profits in the community. Hotels squeeze travelers through "compression night" pricing, send profits out of country.
- Short term rental businesses (e.g. motels/hotels/inns/B&B's) have a vital role for visitors and those facing a temporary situation
- People have the opportunity to feel what it is like to "live" in the neighbourhood in which they stay. Can potentially help if there are people who get caught between the sale of a house and closing on new construction.
- As a university town, a lot of students who come for one semester are able to sign for month to month airbnb instead of long term rent (full school year). Visitor on tight budgets are still able to visit for a week or more to attend volitivities like Lake Side Music festivals.
- Accommodation alternatives to hotels.
- They can be a flexible accommodation option for people visiting Guelph.
- There is shortage in hotels in Guelph and lots of visitors. Either for university, businesses or visiting families
- Potentially cheaper alternatives to hotels. More home like features
- Allows visitors to have more affordable accommodation options and allows for people to stay close to a feature i.e. downtown. There are not a lot of hotels downtown so having local short-term rentals mean that visitors can stay without needing a car, etc. Also people can stay within a neighbourhood and experience a better Guelph experience rather than being in a business park/near the mall where most of the hotels are located. Short term rentals also help homeowners with the current inflation and other economic pressures to make some extra income to help out!
- I feel that short term rentals provide additional choice for visitors. Not all visitors want to stay in accommodation that forces them to eat their meals at restaurants. Some want to control more what they eat by making their own purchases. There is very little accommodation in Guelph that provides kitchenettes without a horrendous associated cost. In some locations there are cabins to rent, but Guelph does not have anything like that. I don't believe that short term rentals are directly influencing motels / hotels as it typically is different cliental.
- Affordable spaces for short term visitors
- It can give people convenient accommodation options to support tourism.
- Flexible low-cost short term housing for everyone and more financial stability for homeowners who need it.
- Availability for people who need an affordable short term rental
- Give shelter to people who are in need of it on a short term basis"
- More economic option for visitors staying 2-8 weeks than a hotel.
- Easier to find a short term rental that fits your exact needs (kitchen, parking, location)
- Provides an alternative to hotels. Limited choice of hotels currently.
- More options for visitors
- Offering an alternative for tourists, offering short term housing when renters are between homes (lots of delays in homes being built which leaves families without

somewhere to live temporarily), Offering more space to those renting. Travelling is expensive, having a rental with a kitchen can help offset some travel costs.

- Providing "mid-range" stays for people looking for longer term leases, who can't afford to stay in a hotel for 2-3 weeks, while they search.
- Enriching the community with diverse international visitors
- There is a variety of places at differing price points and experiences for people visiting Guelph.
- Variety of accommodation for v visitors including those relocating to Guelph
- variety of renter backgrounds (ie, students, people with visas) they visit/stay & like the community, then they extend their stay longer/move to the city permanently.
- Supplemental income for home owners that couldn't otherwise afford a home, Visitors get the real Guelph experience, decrease need for big ugly commercial accommodations owned by planet killing millionaires, it's what visitors prefer so will boost tourism, creates walkable neighbourhoods
- This eases the tension of shortages of rentals for both tourists and residents who need short-term rentals for emergencies. Having the option of services such as Airbnb keeps the cost of accommodations more reasonable. Without these services, hotels would be too full and prices would soar and Guelph would become a less desirable place to visit.
- More options for visitors
- Being a university city, parents can get their children settled and still have a home base, professionals who due to work have to stay for a few weeks or months in a fully equipped apartment, so they have a home feeling and home base.
- Allows visitors to tailor their tourist visit to a host's experience offering and location in Guelph (e.g., someone wanted to stay in our neighbourhood because they grew up here). Provides for more safe, comfortable visits (e.g., Women feel safer staying at short term rentals run by Women, some cultural backgrounds prefer to stay with someone of the same culture, etc.).
- Gives more options for visitors . Not everyone like hotel style .
- Provides temporary housing.
- There are only a very small number of short term rentals in Guelph. I think they perform a valuable service for the city by encouraging visitors to stay.
- Flexibility
- Flexibility for those who may have temporary employment and/or academic leave (eg. sabbatical) in Guelph.
- More and more people have transient lifestyles that need to be accommodated
- It can fill the gap of the lack of hotels available to accommodate visitors. Also, people get to enjoy Guelph's neighbourhoods, which can bring in things like cafes, restaurants and other tour guides into areas that don't normally have these amenities.
- Short term rentals are SAFER, CLEANER and MORE AFFORDABLE. It is wholly inappropriate for the municipal government to waste our tax dollars to attempt to institute discriminatory, racist and hostile policies such as this."
- Many, many travellers (especially in a university town) are better served by having a "home away from home" as opposed to a hotel room. Their needs are met with accoms that allow for cooking meals and spending quality time with family

## **Support tourism / local business (42)**

- Business
- Increased tourism
- Tourism bringing in money, providing options for tourists
- More opportunities for short term visitors
- Some tourism.
- Bring money to community.
- Encouraging tourism, providing opportunity for new potential residents to explore the community in advance of moving here, employment opportunities for 3rd parties associated with STR's (e.g. cleaners, entertainment providers etc.)
- Showcases Guelph
- Encourages tourism
- Potentially attract tourists to the City.
- Draws customers to businesses in that neighborhood and downtown.
- Bring people to the city. And as a user in other city provide nice place to stay when I'm out of town working.
- Tourism! Especially since many of the hotels in Guelph are not near downtown/major areas of town, it gives an alternative both in type of stay and location.
- Increased business/spending, increased awareness of Guelph,
- Increased tourism, a stop-gap place to stay while a person is waiting for a permanent rental or home purchase to happen, fostering friendly relationships between Canadians and international travellers. For example, one of our Airbnb guests finally was able to find her own rental apartment and became head of human relations for our local hospital -- and helped them to sustain a healthy personnel team throughout the time of Covid! Without us, this talented and skilled individual would never have been able to come here to help our community. Now this individual is retiring, and is happy to be move back to the permanent home where they live. We are grateful to be successful Airbnb hosts for people like this!
- Brings tourism to Guelph and supports small businesses
- tourism dollars to the community
- Tourism. However, this option is already offered by hotels etc.
- More visitors and tourists
- Tourism gets a boost as well as these visitors will eat out and participate in community events. Short term rentals will put Guelph on the map for those who would otherwise not visit.
  - Brings visitors outside of the areas where hotels are located and helps local businesses in those areas.
- Creating opportunities for visitors as well as for the hosts. More visitors come to Guelph, more businesses benefit from this.
- The positive sides are myriad as I describe in section 2. But the most important is that short-term rentals decentralize our tourism industry and move visitors away from distantly-owned big box businesses and instead directs the benefits of these visits directly to local businesses, rental operators and neighbourhoods.

- Thriving community and business opportunities, as well as tourism. Meeting the needs of our community.
- Welcome visitors
- More tourists, more potential customers for local businesses, good for economy
- Invites people to visit our city
- Good for visitors and guests to the city.
- Our city is on the map! People love exploring cities through Airbnbs. They are unique and different and a different experience than a hotel.
- Diversity neighbourhoods and economic benefits to the community.
- Tourism
- Thriving community and attraction of visitors to Guelph; convenience - common for homeowners to live in a short term rental during renovations or between moves
- Great for tourism and economic growth
- Allow visitors to have the experience of life in the Royal City
- Money comes to Guelph businesses
- Spending money supporting local businesses in local economy at restaurants, bars & museums.
- Helps local small business
- Helps the city increase tourism generally, and also tourism options.
- Increased tourism, maybe?
- Economic opportunities for residents and businesses, increased tourism, higher rental stock available.
- Support tourism
- Providing small business revenue source for Guelph residents as STR hosts

### **Revenue generation (28)**

- For homeowners (25)
  - Owners being able to keep their properties with the increased interest rates and all other expenses as they set the price, as opposed to a ltr which is mandated by the ltr and never reflects the true increases of costs year after year to keep a property, ability for the owner to take back their property in between guests, using it for themselves, renting it only for the time that they're travelling, doing home swaps etc. All options that aren't possible with long term tenants. Avoiding any non paying tenants and the almost year it takes to kick them out this rendering the owner bankrupt or just about. Less wear and tear on the property as a whole.
  - Income for small business owners and homeowners. Increased employment for hosts and cleaners. Money made in Guelph stays in Guelph instead of going to a multinational hotel headquartered outside of Canada.
  - Ability for a homeowner to earn some income and therefore pay more tourism tax to the city.
  - Provide the landlords with a secondary income
  - Allows homeowners to offset the high cost of home ownership including the high property taxes we pay in Guelph.

- YES, residents home owners are making an extra income on the side, while providing high quality affordable short term housing. Stay away, City of Guelph.
- Home owners can begin to afford a home when they can earn income from their rooms and/or basements.
- Allow owners to rent their primary residents when they don't need it to generate income (i.e. rent your house while on vacation). Allow for rental of longer-rental space between tenants. Allow for rental of exes shared space (i.e. bedroom in occupied house).
- Guelph home prices are high, and having some rent a basement apartment is helpful.
- Provides locals a way to produce extra income to off set rising costs.
- If hosts can make an extra dollar to invest their properties, that would be a great benefit too.
- Income source for those operating short term rentals in owner occupied facilities
- Economic opportunities for residents and businesses, increased tourism, higher rental stock available.
- They can also generate income for homeowners with an apartment on their property.
- Opportunity for homeowners to earn extra income by renting their homes or rooms in their homes or accessory units to people needing short-term accommodation that can't be filled by traditional short-term rental businesses during peak times for visitors (e.g., annual or special events at the University of Guelph)
- Money makers for landlords as well as businesses
- Not sure. Money being made by a few.
- Revenue for hosts to help make some extra money
- Providing small business revenue source for Guelph residents as STR hosts
- The income allows me to help me support two struggling kids and helps supplement a working class income.
- Economic flexibility for homeowners.
- Creates supplemental income for owners/operators.
- Small landlords and property owners will have a chance to help pay their bills and save for their future with this increased income. Many landlords have to sell their income properties due to the government wiping out the rights of landlords via the Residential Tenancies Act. Does any city councilor in Guelph even recognize what has happened during the Covid pandemic in regards to evictions and collecting or rents?
- Help owners pay for home ownership
- People are able to have extra income in these poor economic times.
- Tax revenue (3)
  - Generating tax revenue for the city
  - Generate additional taxes for the city/province
  - Increased Municipal tourism tax collection for Guelph

## **None (14)**

- Absolutely none
- I cannot think of any.
- None, in my experience
- Nothing. Hotels and motels are adequate enough options are safer and more regulated.
- None
- ?????? You tell me, cause I don't see one
- Not necessary there are hotels
- None. Hotels are regulated by the City as well as the health department. These are the best places for tourists and other short term renters to stay. Hotels also pay significant taxes and employ many people in our community.
- What is the need as there are plenty of hotels in and around Guelph.
- Given hotels are already well established and that Guelph has a good amount across the city. I don't see many positives for letting landlords circumvent regulations

## **Other**

- Competition for hotels
- There's no problem with the system as it is right now. I see the proposed regulations as just a money-maker for the City, with no benefit to anyone and a lot of hassle for people currently operating through AirBnB etc.
- When I travelled for business I much preferred using a short term rental than book a hotel or even a B and B.
- It's welcoming to come to a home to have your visit in Guelph
- Lastly, commercial taxes are so high that it makes more financial sense to repurpose as a residential unit.
- There is huge demand for affordable short term rentals. All dwellings including rental apartments are approved by the city of Guelph Building Permit program which make them safe for guests. The government receives additional HST Income from short term rentals through the apps like AirBnb. The government receives additional income tax from those providing short term rentals. Landlords can choose when to rent their short term rental spaces and block off dates where the units are needed for personal use. Landlords are protected from large inflation periods such as the current environment where interest rates have been increased, making many long term rentals underwater such that the rental income does not cover the mortgage. With short term rentals the pricing is adjusted to the current market price which makes is equal for everyone. Short term rentals protect landlords and tenants though a rating system where both landlords and tenants are rated by other users which deters unsavory landlords and tenants.
- There is a need for all forms of rental housing. If there was no demand, then there would be no short-term rentals. As for Guelph, there is actually a lack of decent short-term rentals.
- Anyone using AirBnB or similar platforms to rent out short term housing for profit is simply operating a short term rental business while avoiding the law
- Students, which the City can use to blame for things and the Police use to get paid overtime at Home Coming.

- The only benefit should be to those who own locally and not to individuals or corporations that are taking rental properties away from Guelph residents.
- IF and ONLY IF the rental takes place in residences where the owner of the residence is on site --- as in, principal residences only, it can offer cross-cultural experiences, and a deepening of affinity for the lifestyle available in Guelph.
- City Council gets to pretend again that they care about a diverse and varied community while protecting property owners' financial interests
- Positive residential density. Affordable housing options for those in need.
- Again, uninformed questions like this written by those who did not take basic economics is one of the many negative sides of Guelph's municipal government. Short-term rentals are an absolutely indispensable part of Guelph. People come to stay for work, trainings, visiting friends and family, weddings, tourism and other events.

### **What kind of location or area within the city might you be looking for when selecting a short-term rental in Guelph?**

<b>Location/Area</b>	<b># of votes</b>
Areas with onsite parking	113
Services nearby	96
Specific neighbourhoods	94
Close to transit or train station	86
Shopping nearby	67
Ease of access to 401 or other major highways	44
Other	18
Location within Guelph would not be important to me	16

### **Other (please specify)**

- Proximity to reason for visit (7)
  - Near the purpose of my visit (family, hospital)
  - Specific venues nearby. I would look for a place close to the reason I wanted the short-term accommodation. (E.g. River Run Centre, Arena, University)
  - Although I am not typically a visitor in Guelph - in every other city that I visit for work or pleasure, I seek out cultural centres, interesting food and essentially try to understand what it means to be a local. So, if I were visiting Guelph, I would likely end up near downtown or the University to seek interesting restaurants, shops, shows and other cultural interests.
  - Proximity to educational institutions such as University and College, or a proximity to the hospital.
  - Close to wedding, entertainment, and sport/competition venues.
  - Near hospital and medical services/buildings.
- Around the University of Guelph (3)
- Near downtown (2)
- Tourism. If not used for Tourism (ie. To see the city for a short time.) Not really of use.
- Safety and cleanliness and quiet.

- Unique stays (tiny homes, yurt, glamping, etc)
- This approach I don't find to be helpful, because knowing that visitors using STR in the area will have different needs, some will need to be closer to transit, others to tourism, others to the university, and so forth. This question does not capture the diversity of needs of potential renters when you ask it from the perspective of locals. That said, locals who may need STR will have different needs depending on their specific circumstances. For example, if their home is undergoing a renovation or for whatever reason they are in transition, other requirements may come into play such as location to schools or their workplace. STRs provide necessary housing for both locals and visitors, and their needs will vary. What my needs are for this survey is not useful, in my opinion.
- The question is not accurate. It depends on each individual preferences, goals, and situation. People who drive, mostly locals, do not need to be closer to the shops and services. International travellers often do not have car, and need to take the location into account. All points are relevant.
- Who cares about the visitors. What about the residents?
- Walkability and access to active transportation routes
- Price
- Easy access for cycling

### What kind of accommodation type might you be looking for?

Accommodation Type	# of votes
Suite, studio or bachelor apartment style unit	102
Full apartment	81
Separate building on a property where the main home is occupied by the host (such as a tiny home or unit above a garage or similar)	60
Separate one bedroom unit in an occupied house (such as a basement or attic unit with a separate entrance)	59
Full house	56
Single room	47
Separate two or more bedroom unit in an occupied house (such as a basement or attic unit with a separate entrance)	39
Other	14

### Other (please specify)

- Depends on needs (3)
  - Depends on my needs at the time of booking. None of those options are never going to be potentially useful to me.
  - Again, I'm not sure how this is relevant from a local's perspective. I have a family of 3, and would require accommodations accordingly. How does this help you determine the overall needs of STRs for Guelph? When my husband and I travel, our need change according to what we're looking for out of a trip. Sometimes

we want a full house, sometimes an apartment or studio. It's all circumstantial, and budget comes into play as well.

- Again, it depends on the situation. It can be a business trip or vacation with a group of people (the whole house), or small budget request for a single room.
- Hotel (4)
- Hotels, motels, inns, bed and breakfasts.
- Garden suites, hostels, land to camp with tent/RV or motorhome.
- Accommodation that has a separate entrance and privacy
- I have used ALL of the above examples as a short-term renter. They are all very useful in different scenarios.
- A room and bed that's not outside in the forest near York Rd.
- A professionally managed accommodation that is clean, safe, and private.

## **What other factors go into your selection of a short-term rental?**

### **Price / cost (50)**

- Price! If an airbnb is cheaper than a hotel, that's where anyone would want to stay.
- The biggest factor would be cost
- Cost per day/week
- Cost compared to hotels
- Cheaper than a hotel
- Reasonable cost and limited fees
- The price is a big factor for me.
- Price versus Hotels/Inns for a longer visit.
- Cost of rental vs additional hidden costs (ex:// cleaning)
- Overall price (which sometimes including extra fees for cleaning after departure),
- Cost of rental plus services;
- Price, is the price competitive, and affordable, given other options
- How affordable is it.
- Whether or not the \$150 plus a \$100 cleaning fee plus the \$40 dollar processing fee for a single room in someone's house is actually worth not having food on my table.
- Reasonable price

### **Amenities (32)**

- Kitchen (9)
  - Kitchen available
  - Important to have a kitchette available.
  - Access to kitchen
  - Use of kitchen vs just a room
  - Easy access to food (restaurants or kitchen facilities)
  - Cooking facilities on site, more than one room in the apartment.
- Parking (6)
- Laundry (4)

- On-site amenities (wifi, tv, pets, kid friendly)
- Cleaning, on site food, on site pool/ work out area
- Amenities within the unit
- Amenities for families with little kids
- Furnished and area to be outside
- Fully equipped
- Amenities
- Amenities provided by the host
- Use of amenities and unique property amenities.
- Internet, phone, heat, gas, parking
- Has wifi, AC, and heating.
- How many amenities are included
- Services provided by the short term rental.

### ***Location / accessibility (26)***

- Location (4)
- Location, pictures, age of unit, adequate amount of beds.
- Near something I want to see/do, or in a cool spot.
- Does the location provide easy access to why I'm in the area (service I am here for, tourist attractions)
- The accessibility to the event or reason I am visiting in the area. I like to interact with local people and experience life as a local rather than staying in a hotel or impersonal
- Walkable neighbourhood.
- What's nearby
- Location with restaurants and entertainment nearby.
- Downtown location
- Walkable community
- Centrally located
- Close to where I'm going
- Proximity to tourist activities/sites
- Access to Out-of-Area Attractions (by road or transit).
- Accessibility
- reputation (through reviews of the rental) and proximity to activity I am visiting Guelph for.
- Events, entertainment
- Accessibility to local amenities like walkable to downtown, restaurants, etc. I like to be car-free when travelling.
- Accessibility to amenities
- Location, is the space close to where I'd like to visit or explore
- Access to outdoor spaces, walkability of neighbourhood.
- Ease of access to shopping/groceries, bus routes & near to school/job
- Easy access to food (restaurants or kitchen facilities).

### ***Clean (23)***

- How well kept the unit is
- Cleanliness is paramount especially during the pandemic.

### ***Safe (16)***

- It being inspected – if a basement, I would like to know that its safe for me to stay and its up to standards (code)
- Safe area
- Safety of neighborhood (5)
- Safety of an area and whether it is a legitimate rental. For example, a condo might be listed for rental but it may not actually be allowed.
- Safety and insurance
- Safety of the accommodation and neighbourhood
- Safety of area. Crime. Large amount of homeless drug addicts roaming the area.

### ***Reviews / ratings (13)***

- Great reviews
- High quality reviews from past guests.
- Great reviews
- Previous guest ratings.
- Online ratings of the property and hosts
- Past guest reviews
- Ratings and reviews
- Rating and guest reviews on booking site is important
- Reviews
- Reviews. What do other renters say about the experience.
- Positive reviews by other renters. Quick feedback on a potential rental.
- What the rankings are.
- What the reviews from prior guests say.

### ***Host / landlord (13)***

- Experience of landlord for short-term rentals
- The other top criteria is known reliable and responsible operator. So much of the short-term rental market is guided by user reviews. As such, it is easy (and critically important) for me to determine which operators are responsible, and which are absentee.
- Super-host status
- Definitely, the highly rated reviews for the owner. Ideally it should be a superhost. The requirements for being a superhost are very strict. It guarantees that the host is always very dedicated to the service he/she provides. It means the place is very well maintained, the check in arrangements are very clear, and you have real-time communication with the host in case you have questions.

- Recommendations for the host or great feedback from previous guests would be one of the most important criteria.
- Online ratings of the property and hosts
- Friendly and caring hosts.
- Host responsiveness
- Communication from host, is it timely & respectful
- Trusted landlords with good reputation, reviews, credentials
- Good host reviews
- Host's 5 star review ratings is the most important determining factor
- Great hospitality

### ***Aesthetic / atmosphere (10)***

- Aesthetic.
- Pleasant atmosphere,
- Quality of the space.
- Comfort
- Décor (2)
- How unique the dwelling is
- Appearance
- Cozy, thoughtfully laid out. Lovely decor.
- How nice the photos of the accommodation are

### ***Privacy (4)***

### ***Length of stay (2)***

- Length of stay permitted,
- Length of stay

### ***Quiet area (2)***

- Quiet area
- Quiet neighbourhood

### ***Other***

- No smoking (3)
  - No smoking including cannabis.
- Pet-friendly or not (2)
- None (2)
- All of the above.
- We need a separate property with a few rooms as we are a family and cannot afford 3 separate rooms in a hotel. We must have a kitchen as we have severe allergies in our family and do not eat out because of this and it is too expensive to eat out every meal when travelling. We like properties to have other extra amenities like games, puzzles, cards etc that we don't have to pack esp when flying in. We find that short term rental

hosts always go way over and above making our stay more enjoyable and answer any questions quickly via text or in app message without having to line up over what any hotel offers. Most offer no contact check in and haven't been occupied immediately beforehand making us feel safer from covid 19 and/or any other illnesses.

- My needs fluctuate depending on whether I am travelling for business or with my family.
- I travel for business and sometimes bring my wife and kids with me. I don't typically rent single rooms but have done so in the past.
- I've found accommodation in many places using AirBnB and I love the experience. PLEASE don't do anything to make such ventures harder in Guelph!
- Having a clear conscious that I am supporting local employment and business
- Clean towels and I don't have to do any of the clean up
- I don't use them because they have zero regulations.
- Few stairs.
- Do not touch short term rentals at the principle residence of the operator. Stay away from my property, stay away from my home, stay away from my small business. Airbnb is regulating the quality of our services and the City has no place in this.
- Family size, purpose of trip business or leisure.
- It depends on the circumstances, such as the purpose of travel and budget. Please keep in mind all of the factors that people might face in the need of STRs. People might need STRs for travel, for business, for housing transition needs, emergency needs, etc. Please consider all factors regardless of local opinions.
- Tenant rights
- Points of interest (as described in 5) and variety or options (as described in 6) are both very important for me in choosing whether to visit a town at all.
- Wouldn't do it
- What legal protections will I have?
- Given Guelph's size, I assume that visitors will likely be using their own or a rental car to commute into the city for their visit. Likely they will not use transit and just drive to their destinations or uber/taxi to and from the hotel if it's outside of the downtown which many are.
- I personally prefer separate rental units that have their own entrance on owner occupied property as it naturally reduces the competition with long term rentals and ensures that there is someone familiar with the property nearby should there be a problem.
- Ease of rental, and proper paperwork [receipts, agreements.] Are neighbours of the hosts agreeable to this additional temporary resident.
- The municipal government not wasting my tax dollars to interfere with where we stay. People can take responsibility for themselves and we have organizations like Airbnb and VRBO who are competent and equipped with the tools necessary to meet the needs of visitors/tenants and hosts/landlords (unlike the municipal government).
- Space in the property.
- Availability
- Low noise.

**The City of Guelph wants to ensure the safety and comfort of our residents and visitors. Part of that oversight is ensuring a host or their designate is nearby in the case of emergency or other arising issues. In your opinion, which of the below ownership or operating models is in the best interest of Guelph?**

<b>Ownership/Operating Model</b>	<b>#</b>	<b>%</b>
Owner must be a principal resident on the property (principal residence requirement)	77	45.8%
Unit must be owned by someone who lives locally in Guelph but not necessary on the same property	49	29.2%
Unit must be owned by someone living within the province but they provide a local contact (host) who can be on site within 30 minutes in the case of emergency or other issues arising	20	11.9%
Unit must be owned by someone living within a 100 km radius	11	6.5%
Unit may be internationally owned or owned by an umbrella corporation but must provide a local contact (host) who can be on site within 30 minutes in the case of emergency or other issues arising	11	6.5%

### **Why did you select this ownership or operating model?**

#### ***Owner must be a principal resident on the property (principal residence requirement)***

- **Accountable / responsive (31)**
  - If the owner is the principal resident, they will be more diligent in screening potential visitors as they'll have to deal with them first hand.
  - Most likely to be compliant and least likely to be a shell company that is operating multiple rental units
  - Accountability
  - Feel it is the only fair way, if owner not on site then the short term rental should be treated like a hotel.
  - The owner is there to solve problems, and his presence is likely a constraint on noisy renters
  - Because there would be someone present to monitor the short term renter's behavior while in their residence
  - Having been a rental tenant and also a neighbour of rental units, it is important that the owner is easy to reach in case any issues arise. Also, as a tourist/visitor to the City, it is an added benefit to have someone on site who can provide information/resources for your stay. If you are likening short-term rentals to hotels, hotels are staffed at all times to assist their customers, and having the owner as principal resident is the next best thing.

- Because if renters are behaving badly, the owners will suffer along with the neighbours. Avoids multiple listings by “owners” who are just fronts for companies. The neighborhood will have continuity of residents.
- An owner that also lives at the same place will make sure things are under control more than if they don't.
- Ensures accountability and oversight by the owner; less likely to have owners buying up properties specifically for the purpose of short-term rentals (and thereby decreasing availability and affordability of long-term housing).
- Keeps the owner close-by for monitoring and managing guests
- An ongoing presence of host, allowing the ability to monitor and deal with situations promptly
- It seems to me that most of the problems/complaints with short-term rentals happen when the owner is not on the property.
- Better oversight of the property while tenants are there
- Having the owner live on site makes for a better situation when problems arise and the owner can deal with them firsthand.
- The owner of the house being on the property can provide best hospitality experience, safety, ease of mind, provide help and support and prevent any unwanted situations.
- The whole purpose of a short term rental like Airbnb was supposed to be to rent out an extra room of a hosts house. Not to run an unregulated, unlicensed hotel. If the owner is not on the property it should be licensed as a hotel because that's what it is. Accountability. Will also open up residents during the housing crisis
- Holds disruptive guests more accountable, ensures host maintains the property
- The question again is very confusing and does not allow me to select two options. It does not matter if the residence is a principal or not. The important is that the owner is nearby, and the place is well maintained. It is the responsibility of the owner to provide assistance to the guests. I have an impression that those who designed these questions do not understand the principals of airbnb platform, and/or never traveled with it.
- Likely better to have the owner right on site to ensure no problems.
- Principal residents who are hosts tend to be more caring of their visitors. Everyone other option is money driven at the expense of safety and comfort. If a 911 emergency occurs and the visitor is incapacitated, can the owner be there to unlock the doors and navigate the place for the medics?
- More control over guest issues that may arise thus fast intervention.
- Accountability by owner will be higher but have seen first hand where principal owners vacate while they are renting and stay with a relative.
- Our experience is that guests are able to talk to us face-to-face whenever there is an issue; they can ring the bell and we respond and resolve the issue without delay - good customer service is good customer care.
- It's more controlled- the renter could be personally vetted, any issues the owner is on the premises.
- Highest likelihood that the owner will protect the neighbourhood from noise and disruption

- To ensure peace, safety and security of the Guelph neighborhoods.
- No question the owner either needs to be on the property or lives locally, though you force people to provide only one answer. An owner needs to be close by to answer questions, and provide some management of the property.
- Because the renter has a greater connection to their neighbors. The neighborhood has a much easier time addressing concerns.
- Owner living on the same property ensures there's someone nearby if there's an issue and reduces competition with long term rentals.
- If I lived next to a short term rental and there was a problem with the renter, it would not be hard to find the owner.
- **Less impact on housing market (15)**
  - That way we don't have people who don't live in Guelph purchasing places for the airbnb kickbacks while taking away housing for residents. They can either live in it (and rent on airbnb if they choose) or rent the whole thing long term.
  - less of an impact on rental housing
  - It allows homeowners to make money from their own property without removing housing stock from those looking to live in Guelph
  - Least likely to remove stable housing from the local market. Safest for the renter.
  - It increases vacancies for long-term rentals
  - This operating model allows for more housing to be available for the general public who need long term rentals available to them.
  - Because this way keeps single dwelling homes and units available for long term/permanent residents
  - There is a shortage of housing in the city and until that issue is resolved the best course of action supporting people in Guelph would be to limit to principal residence. This avoids empty housing and hoarding of scarce resources. If the owner wants short-term rentals on their property they can but not for a portfolio or profit perspective with multiple listings.
  - It will ensure most housing remains part of the long-term housing supply
  - Owning housing strictly to generate income is wrong and harms our community. Limiting short-term rentals to primary residences only will help protect the supply of affordable long-term rental units.
  - If short term rental isn't benefitting local owners, then those rentals should be just part of the long term rental market that so desperately needs them.
  - This ensures that rental housing in Guelph will remain available to those who need housing in Guelph.
  - We're in a housing crisis - AirBnBs should only be allowed to enhance affordability for people to live
  - Any other model seriously affects housing stock.
  - It keeps the short term rentals from stealing housing from potential residents
- **Prevent investment owners (11)**
  - To prevent landlords out of country sitting on unused properties.
  - It may help to prevent investors from other areas, ensures that there is accountability on the owner to ensure that it is well maintained

- Due to needing housing for others, if we kept it in a principal residence then that housing would be available for others. It would stop 1 person from buying multiple family dwellings.
- Because people who don't live in Guelph should not own housing in Guelph if they do not occupy it. Why are we allowing people who don't live in our community to take up our communities resources and take them away from Guelph community members for profits??? This system is unimaginable.
- It will prevent people from buying housing for the sole purpose of renting it out while not being subject to the Landlord Tenant Act
- It will prevent people from buying housing for the sole purpose of operating it as a motel/hotel/inn/B&B while not being subject to business standards, regulations, taxes, health and safety rules, etc.
- It will prevent people from buying housing for the sole purpose of renting it out at inflated rates for profit which makes housing in general more expensive
- Owner as principal resident would prevent homeowners converting properties to short-term rentals when they move and prevent investors from buying up needed housing to use for short-term rentals.
- Internationally owned/corporate owned for short-term rental has the potential to have too many negative impacts on the housing supply and price.
- Blackrock and Vanguard won't listen do your policies, and they own most of Guelph now. A BAN on Blackrock purchasing houses in Guelph would be a great place to start!
- Because it keeps out of town, province, country investors from inflating the Guelph market.
- **Benefit to local owners (5)**
  - Keeps profits within the community
  - It allows homeowners to make money from their own property without removing housing stock from those looking to live in Guelph
  - I think for many homeowners it is a way to help pay for the high costs of home ownership. I also feel as a homeowner we should be free to do with our homes as we please without government intervention. That being said all Apartments should be registered with city of Guelph and built to current code.
  - I think this is a fair consideration for those who want to open their home to guests, add in a little income and meet new people. While also being fair to long term renters in the community by removing full houses/apartments from the short term rental market and adding to the supply for long term rentals
  - Owner as principal resident should allow owner to rent the house/apt/unit for short-term while owner is out of town.
- **Other**
  - Experience in another community. Owner did not live there. Rental was always a party house.
  - We had an illegal airbnb above me. NO thanks!
  - I think it's far too easy right now for people to buy homes & use them solely for short term rentals, which decreases available living space (long-term rental or owned) for residents of Guelph. It's hard enough as it is.

- Because it is the closest fit to what I believe is acceptable. The case where the renter lives on site while subletting part of the property on Airbnb should also be allowed.
- Because it works! We are such hosts ourselves, and we have often travelled to places with the same kinds of hosts whom we have met and enjoy forming a friendship with. We also learn from other such hosts, and improve our own Airbnb because of their insights.
- Permanent short term rentals are negative for the City for so many reasons (economics, affordability, community), but renting space that would otherwise be unused (i.e., excess space/time) in a permanent resident negates almost all the downsides of short-term rentals.
- Allowing non owner units contributes to the commodification of housing and reduces availability and increases rents
- Availability of units for permanent residents is tight in Guelph and rental rates are high
- To keep housing for people who live here
- This survey only provides one choice, so I was unable to select others that are appropriate. I think this is way too limited for accuracy. An owner should be able to designate someone if they are away--so people can rent part of their house or rent out when they are away. The last option of being owned by an umbrella corp is not right.
- Not sure how ownership within city or 100 km or within province would be workable for short-term rentals.
- This provides respect for other neighbours
- This would significantly reduce the number of short term rentals. Decreasing the appeal to potential property owners
- If the neighbourhood has to put up with transients then the owner should as well
- I would prefer that the host live close to ideally on the property but we live in a free country and people should be able to do what they want with their property.
- I am collateral damage. My quality of life and finances have been negatively impacted by profit oriented, non-accountable non-resident unit owners renting out short term under the radar.
- Housing supply is severely limited, and therefore there needs to be strict limits on short term rental availability. It is more important we have an adequate and affordable rental stock in the city over short term rentals.

***Unit must be owned by someone who lives locally in Guelph but not necessary on the same property***

- **Accountable / responsive (28)**

- This will ensure that the residents in the nearby homes have a good relationship with the owner and are okay (or know) that it's a short term rental. If it's allowed to be owner but not live in Guelph that will rise the prices of houses for sale and make it unaffordable for people who actually live in Guelph and want to buy a house (for example first time buyers). It will also have a negative impact on

the community if lots of houses are short term rentals and owner is a corporation and/or doesn't live in Guelph.

- Because out of town or international ownership is too far away to monitor said property. If I had the chance, #1 or #2 would've been chosen but I was only given one to choose from.
- If I have an issue (pay, accommodation, safety) I should be able to have the owner near by to deal with the issue. Especially in a short term rental as issues are often pressing.
- Unit owner needs to be available and accountable for anything in the short term while someone is there including but not limited to emergencies, neighbour complaints, etc. Foreign or out of town ownership means someone is just trying to make money on the backs of our community.
- Owner should be close by to deal with any potential problems to property.
- Accountability - neighbours of the unit must be notified who to call if issues arise and the owner must address them within 1 hour
- The rental income stays within the community and the owner can be held accountable by the City to uphold by-laws and maintain the property. It's a lot easier to reach someone who lives in the Guelph versus a faceless corporation from another country. Guelph appears to promote environmentalism, sustainability and local business, local ownership of short term rentals should follow suit.
- My own experience as a renter of AirBnB suites; there is an expectation that any issues are fixed rapidly.
- It adds accountability and a vested interest in the community but gives some flexibility
- Accountability and responsibility are more prevalent the nearer the owner is.
- Local people take more care with the selection of good guests.
- If owner lives locally they are more invested in making shortterm rentals a positive experience for residents.
- I enjoy operating a short term rental unit out of my primary residence, but I believe I could service my guests just as effectively if the unit was anywhere in Guelph. Any further, and my ability to respond to emergencies would be compromised.
- I just think it is important for the owner be close by in case of an emergency and to monitor their home/building.
- Owner has to be close enough to be found by By-Law Enforcement and served when breaking/bending the rules.
- Accountability
- Owners need to be immediately available and accountable for the short-term rentals.
- If there are issues (plumbing, electrical) it is important that they can be addressed quickly by the landlord rather than waiting for reimbursement to the tenant.
- Accountability of owner could be greater if there is problems, removing potential for someone to tell tenant that they cant come look at problem til later date.

- The ability to answer emergency quickly. More control over guests.
- Owners living in the residence or near by are more accountable for the space rented
- Provides safety and security for tenants but privacy as well.
- Very concerned about absentee landlords after experiencing many, many problems with these with longer-term student rentals.
- I think the main concern we are addressing here is accountability for hosts and guests. Part of this is keeping short term rentals owned and operated by local Guelph residents, instead of faceless international corporations who aren't connected to the well being of the local neighbourhoods. Including the requirement to be a local resident of Guelph solves this problem. We could also add the requirement to have a local contact within the same neighbourhood to address any urgent needs. This could have the added benefit of engaging local neighbours in collaborating on the success of the short term rentals.
- Accountability and on site control
- The owner also needs to be near enough to help the visitor and ensure the safety and well-being of the neighbours (aka avoiding loud parties and selecting decent visitors).
- This will ensure the owner has a Guelph interest and stake in its residences. Decisions will be made that benefit Guelph as a whole and not just for their portfolio.
- Ensuring security of unit by being available and safety for the owner.
- **Benefit to local owners (6)**
  - Because I have a rental in my home and the home I bought to rent to my son who is on disability. The Airbnb subsidizes the cost of the running a second house to house my son.
  - This model also enables local operators to grow their business in Guelph, while retaining the benefits here (i.e. multiple properties).
  - Many people have secondary a residence (previously used as long term rental, inherited property, newly married couple chooses to keep the partners original home). Long term rentals can be difficult to manage when tenants don't pay or damage property, so many people have turned to short term rentals as a way to still generate income but to protect themselves from issues that can sometimes come along with a long term rental situation. Keeping the revenue generated in the city helps everyone. It brings money both from tourists into the city, but pays those living within the community as well, who are likely spending their money here as well.
  - Emphasis on local business owners
  - We need to reward local homeowners and make Guelph a less appealing place for foreign investors who just buy property and rent it without any community involvement.
  - Short term rental should be kept as a benefit for local citizens who are home owners, who are part of the community and who will value the safety and the prosperity of the community and guests above the profit and financial goals.
- **Prevent investment owners / large corporations (4)**

- This will insure that the residents in the nearby homes have a good relationship with the owner and are okay (or know) that it's a short term rental. If it's allowed to be owner but not live in Guelph that will rise the prices of houses for sale and make it unaffordable for people who actually live in Guelph and want to buy a house (for example first time buyers). It will also have a negative impact on the community if lots of houses are short term rentals and owner is a corporation and/or doesn't live in Guelph.
- To keep this program a win-win for community members and visitors and keep the corporations and foreign investors out of this program. If such investors want to consider a rental business or a hospitality business, they can always follow bed and breakfast or hotel model.
- Some flexibility for owners, but not allowing a corporation (corporations should be in the hotel business).
- I'm against corporations or internationally owned, but don't mind if mom & pop own an extra space locally to rent out. This also would need to be within reason like having a limit of 1-2 additional units beside a primary residence. I'm also okay with option 1 "Owner must be a principal resident on the property (principal residence requirement)"
- **Other**
  - I prefer short-term rentals where I can have full access to the space and don't have to worry about people living above/below/beside. I prefer to have privacy in a unit. You would want them nearby but not necessarily in the same building.
  - Based on my experience staying in AirBnBs elsewhere. It works well.
  - I think home grown Airbnbs suit the Guelph feel.
  - I believe someone needs to be nearby to serve a short term tenant who is a tourist.
  - This selected model supports the primary benefit of short-term rentals I described in my first responses: which is the decentralization of our local tourism industry away from distantly owned big-box-businesses and instead, towards local operators, businesses and neighbourhoods.
  - Live and work in Guelph. Make a contribution not just make money
  - Out of towners may not keep their property up to standards code etc. properties can be neglected inside and out
  - External Ownership has its problems in the current apartment availability and pricing. Most External Landlords do not take an interest in the community in which they own property or tenants day-to-day lives, they only interact with their installed managers/superintendents to resolve issues.
  - I like the idea of having the unit owned by someone who lives locally in Guelph.
  - Balance between wanting to expand a property business and not having too many people buying up property just for short term rentals, taking away opportunities for long term rentals
  - As a renter I wouldn't want an owner looking over my shoulder all the time. Privacy is important.

***Unit must be owned by someone living within the province but they provide a local contact (host) who can be on site within 30 minutes in the case of emergency or other issues arising***

- **Local contact is enough (11)**

- Because it doesn't matter if the person lives on site or not for an str. A long term landlord doesn't have these same restrictions and can live anywhere in the world so why impose a specific radius to only str's? People work in different cities, travel for work and/or pleasure and i wouldn't want to rent within someone else's home with them living above / beside me so I would look for other jurisdictions that didn't impose these silly narrow-minded rules.
- If there are problems or questions want someone who can answer questions promptly or resolve any onsite issues.
- I don't think it is important to have the owner on site as long as there is a co-host on call. I do think it is important to have the owner be Canadian so enforcement can be carried out if needed.
- Owners could be retired people who may live nearby or in a cottage, so as long as there is a local host who can assist and be on site, that should be sufficient.
- As a guest, I would be happy to live in a property where host is nearby and available to help. However, based on my previous experience, dealing with an umbrella corporation is a nightmare for guests and tenants.
- I believe that the safety of guests is important but this doesn't rely on the owner being immediately present. Having a designated able to deal with an emergent situation would be sufficient. At hotels or motels we do not require the owner to be on site they are allowed to have employees address and handle situations. Running a short term rental business should be like other businesses owners aren't required to be on site but that they have a representative like an employee available to deal with a situation. If we limit the short term rentals to properties where the owner is present that really limits the ability of Guelph and it's residents to accept individuals visiting as well as local residents who may need a home for short period of time. Local residents may need to relocate for short periods of time due to renovations, floods, fires, escape from intimate partner violence. If we restrict the ability to rent with the owner present it limits the size and housing being provided.
- It allows somebody who lives somewhat locally to own property, but it is also important to have somebody available to be on site in an appropriate amount of time if something goes wrong in the unit.
- All properties will have a manager locally and able to manage issues on site.
- Local representation is important for all guests - I would want someone nearby if there was an issue. Also if my neighbour had a short-term rental - I would not want to be responsible/bothered by guests who are in need of help.
- For easy monitoring and communication if an emergency or problem comes up.
- There are many people who might choose to own a space in Guelph for a variety of reasons but don't live here all year round. As long as they have a person who can manage anything that comes up.

- **Other**

- I think because I really dislike over regulation. I find it fickle and challenging. I'm curious why where the landlord lives is a concern for Guelph. Do we have evidence of international or out of province home purchases happening often (like Vancouver?)
- We are a University Town. Parents buy houses for their children to live in while attending UoG
- People move and people should be able to invest in real estate any where they chose without penalty, although keeping it Canadian is preferred as they short term rental is meant to be a more local experience.
- I'm sure there are many people who have investment properties and they wouldn't necessarily live at the house rent
- As a principal resident of a property with a shared room on short term rental, I of course fit into the most limited scope of this assessment. Therefore a choice wouldn't affect me personally. But I wonder what place the City of Guelph has to determine the ownership type of a short term rental place - be it a Guelph resident or 100 km radius. I'd argue that then any hotel must be then owned locally - which of course you cannot enforce or regulate. We live in a global economy and placing ownership location restrictions is exceptionally anti-business and anti-Canadian.
- 20% of the housing is owned by people with more than one property. At least make sure that revenue and responsibility are within the province.
- I don't think that an umbrella corporation could be trusted to have someone who would be personally invested in the well-being of the guests. A private owner, living in Ontario, would be more apt to have caring people on staff. IMO

### ***Unit must be owned by someone living within a 100 km radius***

- I'm not sure any of the responses captured my thoughts. I think at the end of the day it doesn't matter where the owner is as long as there is someone responsible around to help out....which there often would be.
- I myself rent out my place when I'm not working in the area. As I use Airbnb myself when I work out of town. And this help cover that cost and I feel when done correctly it's a great platform. But should not be used as a money making operation for a corporation.
- I think access to ownership to manage issues as they arise is important. If someone is too far away, they may not be able to attend to the issues that can arise in a short term rental.
- The landlord should definitely within a reasonable distance to manage their property. Closer the better.
- It's a happy medium to satisfy the issue currently happening with international real estate ownership and being convenient for the owner.
- I'm Not sure it matters where the owner lives
- Not to attract investors that drive the housing market too high
- Local owners care more about what is happening in the community and play an active role in making sure their short term rental is operating responsibly as a vital part of the local community

- Because there was no option saying "I do not consent to my tax dollars being wasted by the municipal government telling me what kind of a relationship I should have with those I do business". If I do not like the place, I will not stay there. It is nobody's business who stays where and who hosts whom.

***Unit may be internationally owned or owned by an umbrella corporation but must provide a local contact (host) who can be on site within 30 minutes in the case of emergency or other issues arising***

- **Local host/contact is enough (2)**
  - The key is having a responsible person available, whether owner or manager.
  - As long as there is a host available to contact and take care of issues, I would be happy as a guests. It wouldn't matter, who brings me the extra blanket or gives me tips for restaurants.
- **Other**
- We do not limit landlords to having to reside in the same building, nor do we require the Hilton family to reside in one of their hotels in Guelph. Due to the pandemic, people who are residents of Guelph may be either working remotely or forced to temporarily work far from Guelph. To counter this, as a responsible host, I have a local contact who manages my buildings in the same way that landlords will have a property manager.
- I don't necessarily know that a 30-minute response is necessary or overkill. a landlord for a long term rental landlord is not held to the same standards.
- My interest is ensuring a variety of rental options are available for visitors and residents of Guelph while ensuring the safety and enjoyment of the tenants staying within a short term rental. I wholeheartedly do not support the principal residence requirement. Very limiting!!
- The ownership operating mode should not be governed by anyone except the owner of the property. They own the residential property and pay all applicable taxes and should have the ability to run it as a short term rental property if they choose to do so. The idea that the government would limit short term rentals to primary residences is brutal. It would eliminate a significant amount of rental units that are in high demand from guests to the city of Guelph.
- I would have preferred this option which wasn't listed: *Must be Canadian owned (any province or territory), or by an umbrella corporation but must provide a local contact who can be contacted in case of an emergency or other issues arising.* If you're going to provide a list, it should be fulsome, and unfortunately this additional and in my opinion obvious option was missing. Why would you have the options that they must either live in the province, or be international? What if they live in BC, why isn't that an option? While also ensuring that it's still a Canadian owner. This appears to be an oversight. Thanks for taking this into consideration and please include this if there will be future iterations of this survey or discussions.
- The principal resident restriction is a ploy by foreign-owned hotels to squeeze the short-term rental competition.

- Other ownership models are too restrictive; a management company could and often does manage a property better than an owner who lives in the community or on the property. Too many assumptions being made in the local ownership models
- This is the easiest and least costly approach for owners and operating models because it provides the most flexibility in allowing a free market economy to succeed. It also provides a reasonable level of control in the case of abnormal situations that may require on site risk management.
- Democracy. Also the City representatives and staff are not available to anyone regardless of any problems and also pick and choose what and when to enforce bylaws now. They should just stay out of it and enforce laws as needed. All the City will do is create more jobs and departments and the cost of licencing will have to be continually raised anyways. And still, nobody will be available to answer a phone call or email from the City.

### ***Comments from individuals that did not select an ownership/operating model***

- Money
- I would hate for property speculators from other part of the Ontario or even outside Canada to determine and influence housing conditions in Guelph
- There should not be any restriction of ownership

### **Do you support the by-law to include a licensing model?**

	#	%
Yes, for all short-term rentals	81	46.8%
No	50	28.9%
Yes, but only for non-principal residences	42	24.3%

### **Should registration be a requirement?**

	#	%
Yes, for all short-term rentals	108	63.2%
No	41	24.0%
Yes, but only for non-principal residences	22	12.9%

### **If a licensing model is adopted, should the City limit short-term rentals in any of the following ways?**

	Yes	No	Unsure
The total number of licences given out to any one person or entity	106	52	13
The total number of licences given out across the city	68	82	19

	Yes	No	Unsure
The total number of licences given out in any one neighbourhood or area of the city	72	79	20
Which locations within a neighbourhood or an area of the city they can operate	57	92	21
The number of guests allowed on the property	112	46	14

***Please share any comments or explanations you have around the limitations you selected.***

- **Licences per owner/entity (18)**

- There is currently no limit on the number or rental units that can be owned or operated by a single landlord and it does not make sense to limit short term rentals. In cities where there have been too many short term rentals, prices drop and the market corrects itself as long term rentals become more competitive. A licensing program would add extra cost and overhead for the city. This is also not done for long term rental units and it should not be done for short term. Short term rentals are set up to be self regulating. If they are deemed uncomfortable, unsafe etc, guests will contact Airbnb to resolve quickly (and without cost to the city) and they also leave public feedback for future guests. The unit in question would either rank much lower and not be visible to future guests or could be delisted all together. Registration is the best method and will achieve the highest level of compliance for the lowest cost. Occupancy limits can be posted and controlled through a registration system.
- One licensed unit per existing principal residence, to be inspected annually.
- Also, by limiting the number of licenses one person can have that might (???) open up some housing stock to people who want a permanent home versus an income property that may not be occupied at all points of time.
- We don't need all affordable houses in a neighborhood being bought up to use for tourists only by someone short term rental business empire.
- There should definitely be a limit on how many licenses are given out to any one person or entity - it provides some sort of prevention of a monopoly/one person or entity making huge profits and continuing to scoop up homes for short term rentals alone. It should also be limited by location in the city to prevent one area from being exclusively short term rentals.
- It is good to limit the number of licenses given out to any one person so that they don't form a monopoly which they cannot reasonably handle. It is definitely good to limit the number of guests of the property because we all know what can happen at a large, unsupervised party serving alcohol, and the potential for noise and even violence.
- Many families including myself cannot afford to purchase a home here, and those who own multiple properties continue to rule and dominate the housing market, and drive up rent/costs of living for the rest of us. It isn't fair; just simply depressing that I make \$80,000/year and can't even afford to move rentals.

- Limitations for number of licenses should be based on current rentals available and empty units. Short term rentals shouldn't get priority over residents.
- Short-term rental owners should only be allowed one or two licenses, not dozens.
- Investors should not be able to take advantage of the licenses, however there should be no restrictions to local Guelph homeowners.
- Reduce commercial entities from taking over the city, while giving residents flexibility and options.
- People who have multiple housing properties should not be allowed to put everything on short-term rentals; that will take away rental housing for residents and families of the city who need rental apartment for long-term rent.
- I'm in favour of heavily controlling the numbers of licenses, to avoid certain neighbourhoods becoming overwhelmed.
- Strongly agree to limit the total number of licences given to any one person or entity
- Need to be cautious of people operating short term rentals as a business when our housing supply is limited already. If there is a business entity or person operating units as short term rentals they should be limited - we need housing stock and if someone is using this as a business, this is not right! The purpose for short-term rentals are for individual rooms in a house, exterior buildings that can't be rented out, etc. Short term rentals should not be separate houses or apartments - these should be available for longer term rentals or sold to help the housing crisis that we live in!
- Want to avoid a monopoly on permits for single person
- Some hosts use short term rentals as their sole income. Limiting the number of rentals they have may greatly impact their way of living. Requiring each rental to have a license and be regularly monitored keeps the host in business and accountable for the safety of their units as well as the city aware of what's going on within itself. Having secondary homes inspected keeps everyone safe. Within your own home, you are more likely to keep up to date with smoke detectors, CO detectors, salting walkways, etc. whereas a secondary home those things (as well as other health and safety items) may be overlooked.
- By limiting the amount of licenses in the City or to an individual a system is created where they are a premium product which creates more cost and limits the availability of the short term rentals
- **Number of guests (16)**
  - Limiting the people is tricky considering people have different family unit sizes
  - More than 5 people is a party.
  - # of people needs to be limited to fire regulations. You don't want 10 people in a bachelor apartment.
  - Max occupancy should be limited to a reasonable number.
  - # guests should be limited to the reasonable group for the space for rent - ie 1 bed with sofa should be maxed at 4 but a 2BR could be maxed at 8
  - Airbnb and the host screen guests before arriving and listings already limit the amount of people staying in a property.

- As a home owner, I would not appreciate constant noise, parties, disrespect of property, that is often the behavior of large groups in a rental property.
- We don't need "party houses" in a neighborhood.
- In my opinion, AirBnBs that are rented for large get-togethers can be problematic, for example for noise nuisance. In these cases, the owner should be present on the property or close to it.
- Number of guests allowed is important to prevent nuisance parties and such. In all other cases, the market would regulate itself.
- Health and safety issues only should impose limits, like how many guests a property can hold.
- As described in a previous response: most of this industry passes through the very rigorous oversight of user reviews. As such, reliable, responsible and diligent operators are rewarded, while unsafe, irresponsible and absentee operators fail.
- Responsible local operators should therefore be able to grow their business in response to the needs of the tourism market. If certain properties (as determined by responsible owners and severely scrutinized by user reviews) can comfortably house a family of 10 for a week of reunion, then this should not be obstructed or prevented.
- Restriction on number of guests to reduce parties, parking issues, and overcrowding on units (from a safety standpoint).
- The number of guests to control parties, especially, and this probably goes against my previous answer, those properties near the university.
- Number of guests on the property is to limit the short-term rental units from being used for large parties which have the potential to affect public safety, city resources, etc. (e.g., the challenges with homecoming and other events where large gatherings happen).
- **No restrictions / limitations (15)**
  - Short term accommodation is in short supply in Guelph. Let's not put additional restrictions on it that are not necessary.
  - I think that limitations from the City would drive hosts away from buying properties in our city as they wouldn't be able to afford them or cover their monthly property bills. For many property owners AirBnB helps pay their mortgage in our current housing market.
  - I think that no limitations are necessary unless, there are complaints.
  - There shouldn't be any limitations or restrictions for hosts who rent a private room out of their primary residence.
  - City should regulate less instead of regulating more. More regulations will always cost more money and will keep raising taxes which are already high enough.
  - I don't believe that licensing or regulation is required. The guests are able to rate the accommodation, and unsafe or poorly managed units will not perform well on the short term rental platforms. Imposing regulations and licensing will also increase prices due to a decrease in short term properties available - placing the price burden on visitors.
  - City should keep their noses out, enough laws in place

- How does the restriction of number of licences relate to the safety of the places? Why does the city want to limit short term rentals? Is it a part of the lobby from hotels? No limitations are needed. The airbnb places are very much busy, and people need more!
- For owner occupied units licensing and inspection should not be required
- Licensing yes. Over regulation, no thank you!
- I don't feel limits are required.
- I don't think that limits are necessary because the demand supply will sort that out.
- There should not be any restrictions.
- I don't think any of the above should be required as the companies running Air BnB for example are already strict and have rules in place
- Short term rental platforms are self regulated already - providing proof and of health and safety, fire, building specifications already - photos and check lists. guests have the ability to self regulate and report non-conformity. no other regulations or standards need to be met. These are met through existing platforms - short term rental sites, insurance, building codes. There's no need to duplication or overlap.
- **Areas / locations (7)**
  - Areas within the city need to be considered to ensure the safety of full time guelph residents. On-site parking should be a requirement to limit on street parking.
  - There is likely an ideal number of total licenses per neighbourhood.
  - Limiting the total number licenses for the city of specific areas will only make sense when Guelph becomes a significant tourist hotspot - which it currently is not. Until that time, we need to grow our tourism industry and encourage local local operators to attract visitors to local businesses and neighbourhoods."
  - I don't think we should be differentiating between neighbourhoods and feel that this would be hard to do, and depending on what neighbourhoods you exclude could be discriminatory.
  - Limitations are to prevent housing in specific neighbourhoods/areas from being taken out of the long-term housing market and converted to short-term rentals unless there is an area of the city where it makes sense to have more short-term rental accommodation and less long-term housing.
  - If too many short term rentals in one particular neighbourhood it could upset the long term residents (safety) and bring down housing prices
  - There are areas of guelph that have higher number of needs for short-term rentals (ie, university area/college area/linamar area)
- **Equal standards / regulations (3)**
  - I am unclear of your Licensing and registration description. I hope you are meaning that in order to 'Register' their short-term rentals the owners still have to follow all the Licensing requirements. Apartment Building Owners, Hotels/Inns are controlled for Public Health, Fire, Building and Zoning - so should short-term rentals, otherwise we have an unequal system for rental accommodation. Licenses/Permits are required for Hall Rentals with Liquor,

Property Renovations to ensure by-laws are being followed. Licensing would make fines and legal action easier to enforce.

- Every other form of rental has regulations. We should do the same for Airbnb hotels.
- Allowing rentals to be regulated puts them in same standards as other entities/businesses.

- **Other**

- As the popularity of Airbnb has grown in Ontario, we've also seen a fair number of rentals gone wrong. Partying, noise complaints, violence, vandalism etc) This business model should follow the same restrictions as other accommodation.
- I think my answers speak for themselves.
- Guelph needs a mix of accommodations. But letting short term rentals go unchecked discourages landlords for investing in actual people who want to live, work and contribute here. Vs. Just buying up housing as a means of making the most money possible.
- As mentioned in previous comments, overcrowding of an area during peak times or "dead zones" during quiet times would be a concern. However, with the principal residence model the dead zone issue would cease to be, but overcrowding an area would still be a concern. And presumably if principal residence is the model, then there would logically be a limit to the number of licenses given to anyone as they would only be living in one place.
- The above answers were given with the caveat that only principal residences be rented.
- All the options could be hijacked by NIMBY leaning residents completely undermining effort to find appropriate balance or compromise.
- If you are having guests stay in a residential area there's no reason why permanent residents need to accommodate a potentially much higher number of people/vehicles in the area, or directly next door, than a standard home with a rental unit already uses. The residents of Guelph live here, the guests are just visiting. Our lives don't need to be constantly disrupted for short term visitors (problem recently seen in my area where 3 homes are now rented by multiple UofG students - lots of people and lots of parties).
- If it's too complicated it will become a bylaw nightmare
- Airbnbs throughout our city are important as guests come for different reasons e.g. school, weddings, visiting friends and family, sport events etc.
- I will not license my primary residence. And I will see you in court if you try to make me.
- Experiences of friends and family living close to suspected short-term rentals have been dismal. Parties and illegal activities, disorderly activity, ignoring city bylaws.
- Registration does not work with pets, why would it work for a Short-Term rental. It would not work for One Night Party rentals.
- I don't see short-term rentals being a problem in Guelph at this time.
- I think limiting the amount of licenses will cause disparity between people who are in the market already and those who are looking to enter into the short-term housing market. House prices are insane enough, having a passive income

to support the prices is almost necessary. Having a short-term rental helps solve this issue.

- Again I believe that providing adequate safe and reliable housing is important. Providing short term rentals is offering a solution to everyone's problems. Individuals that require short term rentals have varying needs. By limiting the licence, size, location we prevent people from being able to access something they may need. As mentioned a family relocating temporarily for a fire, flood or intimate partner violence may want to stay in the same neighborhood because of access to school or community supports. They may not have access to a vehicle. Their family size may require a full size house and
- My concern is that a licensing model could result in a heavy handed approach to STRs, one that isn't applicable to other forms of accommodations.
- The licensing fee will just be put back onto the tenants/visitors raising prices but at least this garbage system will have some accountability.
- The more restrictions and oversight the better with respect to short term rentals.
- The Airbnb review system is highly effective. If a place is unsafe, unkept, etc, the reviews will speak for themselves and therefore the unit wouldn't be very rentable to others. I don't see why the city needs to add another layer of bureaucracy to the mix.
- I understand the desire for licensing but I think when things become too bureaucratic, it ruins the experience for everyone.
- It seems like a lot of effort for someone renting a room out.
- We need to regulate and limit short-term rentals to ensure the city remains residential and not a ghost town of short term rentals.
- Deal with issues through current by laws; these proposed parameters are unnecessary; there are no issues with the vast majority of short term rentals
- Irresponsible owners could ruin the peace and quiet in a neighbourhood
- Owners should be held accountable to ensuring that spaces are safe and within municipal regulations
- I think the greatest amount of city oversight should be focused on non-principal residences.
- If the requirement is for license owners to live in Guelph, then I don't think we need to limit licenses to those residents, as they are accountable as local residents. It would be very difficult to cap and manage the # of licenses across the city. How is it decided who gets a license, first come first serve? I think this would encourage non compliance. I also think it would be very difficult to limit licenses per neighbourhood, as I'm not sure how the decisions would be made who gets a license and who doesn't. I think the # of guests allowed on a property should be regulated by the existing building codes. I don't think we need to add another layer of regulation for this.
- All landlords have to take the responsibility of short term rentals in every way
- This is a bad concept. Consider the hotel industry etc. Every joker in the city will be constructing mini houses for income. See how it worked out on Metcalfe Street. Downtown will suffer from these sorts of incidences and now the hotel industry.

- Our next door neighbor has a basement flat, plans to rent out on Airbnb. Being in close proximity, we want to know if that unit is safe, where guests will park, how many guests can stay there etc.
- Licensing is a cash and control grab for the Corporation. You should be focusing on safety and pricing of rental, not a money grab.
- For easy monitoring/communication
- I think that there isn't a problem with short term rentals in our city. I think the administrative burden of implementing this outlays any possible gain. I think it will reduce the housing options available not increase them. If the city wants to do something about managing the quality of housing I think the effort would be better spent ensuring the quality of existing long term rentals which are a far more serious issue and could benefit from oversight as there are numerous low quality spaces and inequitable landlords. I think the short term rentals have much greater accountability through the platforms that they run on.
- I don't have strong opinions re limitations. If the City feels these kinds of limits are useful to manage and direct communities, I would not object to those choices.
- The fewer rules the better.
- Limits should be imposed only if there are problems
- As a heavily taxed single blue collar working mother, I object to the city adding another tax burden to my incredibly high taxes. I have shown the initiative to set this suite up, have spent considerable money to ensure it's safe, clean, and comfortable. I've worked a full time job at 30 percent overtime for years and put in countless hours running my little suite, just to supplement my meagre income to help me and my children get by. After a pandemic, worldwide layoffs, unsurpassed inflation, no raises at work, this is not the time to milk Guelph residents out of more if they're hard earned cash. Please consider what's been happening in the past three years. Please.
- First, Guelph's approach should follow actual facts and evidence pertaining to the city's current short term rental status. For example, complaints and feedback should be tracked and drive the process. A rental could require attention and resources if the monitoring indicates certain metrics are exceeded (e.g. # of complaints per rental, safety incidents per rental, etc.). Presumably, these events could be handled by existing by-law staff and police. At the same time, the city could work with app-driven rentals to gather some of their local rentals operating metrics such as five-ratings and customer reviews either directly from the rental hosts or the App owners. For example, potentially many of the current Guelph rentals using Airbnb would be happy to share the hundreds of positive reviews and high-star ratings they receive every week with the City and have it associated with their profile on a city registry. Maybe just a link to the rental's app profile is enough because this information is available publicly already. If a fact-based, feedback-driven approach is implemented, a publicly accessible registry for non-principal residences is reasonable as long as it includes the monitoring metrics to provide the public the evidence of the good and the bad rentals in Guelph. Principal residences do not need monitoring because no owner is going to allow anything to happen at their rental and the risk of

something happening would be extremely low. Personally, I do not feel that there is a need for a by-law or regulation without out evidence supporting the need for it. However, if the registry approach is taken, there is no need for a licensing approach. The licensing approach is too restrictive and unnecessary for short rentals at this point. Furthermore, if a license fee was imposed (but I don't think one should be) it should be refunded at the end of the year to short term rental hosts that achieve good monitoring metrics (e.g., similar to how the federal carbon tax is collected to influence better behaviour for climate change and refunded at the end of the year). However, all of this registering, licensing, and fee refunding requires more administrative resources and it really seems unnecessary and wasteful of taxpayers dollars if there is no evidence to support it, but only actions based on lack of understanding, fear and emotions.

- Regulations may drive this needed service out of business. Plus the cost to the tax payer of enforcing this type of licensing makes no sense for such a small number.
- A tight rein on these activities is important.
- Main goal is to protect long term rentals
- The City can't or won't enforce anything anyways so why bother unless the City totally commits to enforcement on the limitations? The City is going to do it their way anyways so why even bother asking for public input?
- Permanent housing should be the priority
- All of these need restrictions so we can ensure we don't turn into a "party town". These regulations also maintain a culture and fair sharing of opportunities in each area of Guelph, while also serving visitors who can experience our city without feelings of resentment by locals.
- Licensing and registration would also offer some assurance to guests that the "host" is likely not a creep.
- Renters should be made aware of these situations.
- This racist, discriminatory and hostile project must stop IMMEDIATELY. We pay tax for the municipal government to take care of serious problems, not waste time and money on harassing renters and landlords with government overreach.
- Issuing STR licences should be routine, not restricted. If the market gets saturated, it's up to the individual whether to stay in the game or leave it. It should not be up to the government to make that call. A restriction on the number of guests would help to limit unnecessary disturbances and probably make the neighbours more comfortable.

### **Is there anything else you would like to share to help us develop a Short-term Rentals By-law that is right for Guelph?**

#### ***Leave unregulated (10)***

- Leave it unregulated! You're trying to create the best solution to a problem which doesn't exist!!
- I do not support regulation of short-term rentals. Hotels which operate in large, tall buildings need life safety regulations. These measures should not apply to low rise

residential housing. Short-term rentals are self-regulated: if I read a comment from a registered user that a home is in some way unsafe, uninviting, or unpleasant to stay in, I will not stay there. As a property owner, if I see that a user has a bad rating from past stays, I will refuse their request to stay. Regulation will drive up the cost of short-term rentals. The cost of a hotel room has become unaffordable for most. A short-term rental provides a much more welcoming environment, a pleasant neighborhood to explore, and local restaurants and stores to support. All at a reasonable price. It also provides a source of income for residents, who may otherwise be unable to meet rising food and living costs. Regulating short-term rentals will also increase my taxes as a resident of Guelph as I'm certain more staff will be required to issue licenses, inspectors required to inspect properties. Regulating short-term rentals will limit the number of properties available, ultimately making Guelph a less desirable place to visit. If disturbance to neighbors is the concern, we already have noise bylaws and enforcement officers. I strongly urge you to reconsider this regulation.

- Strongly disagree with the concept.
- I do not believe this type of regulation or licensing is necessary at this time and with these small numbers.
- There shouldn't be any by-law regulations for the homeowners who rent a private room out of their primary residence.
- Stop wasting tax payers time and money on this program. The short term rental market is fantastic for Guelph. Use existing bylaws to ensure that short term rental units are safe and up to Ontario building code. Please don't try and overcontrol something that already has controls built in place.
- Leave it alone
- If the quality of the rental is poor people will not rent from it. It will become a failed business. Regulation is not necessary and a complete waste of money especially given the low quantity of units affected.
- I don't think there should be any by-laws, I think the city should let people rent out rooms and govern their own property
- Let people do what they want with their own properties and enforce the existing bylaws when needed. It won't cost anything this way. It would be nice if ANY councillor would recognize the hardship that was placed on small "mom and pop landlords" renting a small basement apartment in their homes and tenants not paying rent. They were left with no recourse and yet nothing is ever mentioned by ANY councilor. Short Term Rentals could be a way for these same small family landlords could help pay their mortgages and at the same time provide short term stays for visitors to the City. All this without signing up a tenant with a lease, that they could easily not adhere to and again, they could turn into squatters.

### ***Housing supply / affordable housing (9)***

- Please please please fix the housing supply issue! Putting limitations on short term
- It is vital that the impacts on rental housing supply be considered especially given Guelph's low vacancy rate.
- Our residents need an affordable place to live!

- I rent out a large room to a university student. She has her own entrance and her own bathroom and shares my kitchen. I decided to do this this year because of the student housing shortage. The city could encourage more people to do this.
- Again, I would wish that the city would consider working harder to fund permanent affordable housing for the people in this city being pushed to vulnerable status by the myriad of barriers facing us now.
- Concerns again about the impact short term rentals have on residential rental housing stock
- Add more affordable housing
- Guelph has seen some of the highest home price increases in Ontario, please do not limit the ability of locals to support their incomes. Regulations for such a small number of people (100/120,000) seems like a waste of council time and unnecessary. Please focus on larger issues such as housing affordability and infrastructure.
- Please keep our long-term housing issues in mind as the primary focus. These units could offer Guelph residents somewhere to live!

### **Regulations needed (8)**

- Only a certain amount of licenses given out and a limit of guests allowed in a property.
- Just please actually regulate short term rentals. They can be ok, but not at the expense of safety, sustainability, and the residents that actually wish to live here.
- MUST be regulated, and MUST be limited per neighbourhood. If too many complaints are received about the property/tenants then permit should be revoked. In other words ... accountability is essential for landlord and tenant.
- There should be heavy limits put in place to stop these businesses from taking up all liveable rentals for long term/permanent residents. The cost of rent should reflect that of the average cost of rent in the city.
- Regulating short-term rentals at all is very important and I thank the City for its efforts towards this.
- I just think there should be a number of safeguards in place to protect neighborhoods from the possible negative impacts of someone trying to make profits off properties and not feeling accountable for how those properties impact the living experiences of permanent residents.
- I agree that some regulation is required, but careful investigation is required to ensure the requirements do not create less short-term rentals for both tourists and residents alike. Cost is becoming relevant for most people in Ontario and regulation generally means cost which will be passed on to the tourist and resident and kill business. Self regulating review models such as Airbnb create a system where responsible landlords are rewarded with occupancy without any additional costs.
- Short term rentals should not be just unregulated hotels

### **Fees (5)**

- Registration should be affordable, but should be revokable if too many complaints from neighbours

- If a licensing fee is collected it should be reimbursed to the host at the end of the year if no complaint occurred about the unit.
- I agree with making sure all apartments are registered and comply with current code. I don't think there should be any fees charged to homeowners operating short term rentals at their principal residence. Operators with multiple residence and operating in buildings that aren't their principal residence should be charged a license fee as they are running a business vs homeowners that are most likely trying to offset the high costs associated with home ownership.
- I think if licensing is required, the licensing fees should be low, so rental fees don't need to go up. This means they should be minimally controlling and recognize that many people prefer to stay in a home than in a hotel or business, because they get to know the community on a deeper level. Even short term accommodation should be affordable.
- Please consider the economic timing of his proposal to regulate. I, along with many other Airbnb property owners, have decided to do this to support meagre incomes. Taxes are already astronomical in Guelph. If you could at least consider a small registration fee for folks whose income is already low and for those of us who live at the property where the rental is located, that would be so appreciated. I work so hard for every penny I earn. Please don't make this cost negative where it doesn't pay to run it anymore. I cannot take in permanent tenants because my children have needed a place to live during the pandemic and in these crushing economic times.

#### **Registration (vs. licence) (4)**

- If the vendor wants it and the consumer wants it, the government should know what's going on (registration) but should not legislate problems that don't exist.
- Your survey is missing "if a registry model is adopted" the survey have and inherent bias towards licensing. It only includes 'if a licensing model is adopted'. I find this highly problematic for collecting appropriate non-bias answers.
- I like the idea of registration instead of licensing because it is simpler, and it relies upon the host's honesty to say that the space is safe for guests. We have our Airbnb covered by our home insurance policy too, with a special rider, and we pay extra for the premiums. Perhaps that should be required by the City. Having an inspection annually sounds daunting and off-putting, like the City doesn't trust us.
- I believe having short term rentals registered with the city is an acceptable model. That limiting the size, amount, location, whether owner present further limits the ability of short term rentals. Short term rentals are in high demand and there is a reason. They provide value and meet a critical need that hotels and motels can't provide. It's important to allow these in our city for both residents and guests.

#### **Self-regulating / high standards (3)**

- I have never received any complaints about our AirBnB and we are upheld to high standards as hosts. After all we want our guests to have a great experience, return and provide referrals. I don't think that any limitations or a license is required as via AirBnB and reviews a listing cannot be unsafe or unclean or not maintained in any way. If anything the units on AirBnB are probably cleaner than most rental units as they get cleaned multiple times a week plus excellent curb appeal must be maintained. Guests

are not permitted to party by AirBnB and also have to follow house rules which include quiet times, excessive drinking, smoking, etc. Therefore I think that any limitations or license should only be on a complaint basis.

- Based on the questions above I have a strong impression that the authors do not understand in depth the principals of Airbnb platform and its self-regulating mechanisms. It gives me an impression as well, that the city does not want to know about them, and actually, the decision about licening of the short-term rentals is already made, before the actual discussion. The Airbnb digital service helps people to find each other: guests and hosts. In addition, this system provides liability insurance and verification for both hosts and guests, safe way of payment transactions, cross-reference to share our experience, and many more. This model has proved its functionality for years, providing safe, convenient, and affordable places to stay for the visitors without additional regulations from the city!
- The short term rental review systems have very strong accountability built in for guests and hosts. As a city, I think we want to harness this existing system, and reward hosts and guests who are highly rated, and not try to create a whole separate layer of unnecessary accountability. Let the STR platforms do what they're really good at, and have the city do what it's good at, confirming safe spaces that meet building and fire codes. Let's also create a "made in Guelph" licensing that values and acknowledges local residents who want to create additional income, support local tourism, and enhance the diversity of our neighbourhoods. Let's not reward international investors, or faceless corporations who want to buy up long term housing, and create multiple short term rentals. An ideal licensing model balances these needs. I think the much larger problem is the # of slum landlords who provide substandard living conditions and don't seem accountable to anyone. I think this is a much bigger problem for Guelph that needs to be addressed by Council, and I get this is outside the scope of this survey.

### **STR / student housing (2)**

- Let's make clear the difference between short-term rentals and student housing and how licensing/registration impacts each.
- From the city's website: Licensing is not required for shared rental housing in Guelph. Since most Shared Rental is used by Students maybe we should include this type of residence in the new by-law.

### **Other related issues (parking, other rentals) (2)**

- Look at how you would integrate parking standards for the zoning by-law and if you would need dedicated parking for the short-term rental in addition to the principal use on the property. Renter should be able to provide off-street parking but not too onerous (ie. 4 parking spaces maximum to be provided).
- While this bylaw is being explored, it would also make sense to investigate the number of illegal/unlicensed apartment rentals and unoccupied homes that are in Guelph.

### **Against STR (2)**

- I'd rather not see this happen - I don't want this in my neighborhood. We have enough issues with crime.

- Get rid of short term rentals. Airbnb needs to go

### **Other**

- Rentals is a great step in the right direction!
- This whole effort seems like it likely consumed a lot of city staff time unnecessarily.
- I don't want to curb enthusiasm or someone's right to make an extra buck on a short term lease - some people may truly need this to make ends meet. I just don't want to see the situation get out of control and have residents already experiencing housing insecurity find themselves in a worse position than now because of a greed factor on that part of the home owner who may be able to make more money off a short-term lease than renting to a resident in need.
- We certainly need more short term rentals, but landlords should be prevented from owning and operating too many of these at one time, and perhaps only according to the reviews they receive. More genuine positive reviews, less limitations on operation.
- We will benefit from asking owners of short term rentals to be a part of the community not by creating overly strict rules. Guelph has always thrives on uniqueness and we need to honour that
- No out of town ownership.
- Suggest you grandfather in properties that already have legal apartments so that they don't require additional inspections. Please don't make it too onerous to comply with new regulations!!
- I am obviously for short term rentals. I frequently travel using them and have had some wonderful stays in parts of cities that are not served by gigantic hotels. It is a much more genuine travel experience and I believe that instead of destroying neighbourhoods, it offers an opportunity to connect with people whom travellers or neighbours would otherwise not encounter. As a host, we have taken steps to be responsible and over all the years I have hosted have had few if any problems with our guests (parties, noise or parking). Short term rentals are not the problem people think that they would be and any issues encountered with a short term unit can also be encountered in a long term rental or a bad neighbour (both of which are there for a much longer time)
- Learn from the problems others have experienced! Don't fall for the hype- AirB&B sorts of things should always be the minority of available short term-rental, and should not be used as a business model to avoid following rules and regs of hotels and actual B &Bs.
- We used to rent our Airbnb apartment out permanently but we switched seeing that people were really needing 4-6 month places to rent. We have helped many with this offering. I feel like it be terrible if we were penalized for doing Guelph a great service by adding our housing to so many that need this short/long term rental.
- I will not license my primary residence. And I will see you in court if you try to make me. This is my money. I pay my property taxes and you will not see a cent more from me.
- My STR helps support myself and my family. Short term tenants are way more easier for landlords as the LTB continues to allow professional tenants live in units and not pay. This short term rental concurs that problem while it also helps with interest rate raises and cost to purchase rental units increase. I have been very happy with hosting, I absolutely love it!

- Please do not make it too difficult for homeowners to establish short term rentals in their homes. Homeowners need to make ends meet and short term rentals is a great way to do that.
- The less the city gets involved the better. I haven't seen city get involved with anything and not create a mess about it. Is there a realistic need to deal with this right now? or is this the target to resolve housing supply issues we are facing rather than dealing with some of the other problems helping it grow worse?
- I think that short-term rentals is not a big issue in Guelph. Moreso in Kitchener where there are more large-scale operators and also historically lower prices where investors bought cheaper homes to convert into rentals. This is not the case in Guelph.
- Sharing is caring. When a homeowner chooses to share some of their home space with others, that is usually done because of the need. People are helping each other. That's usually people in need are helping people in need. Such win-win model works well only until government steps in to regulate it. Don't kill a good thing trying to find a source of income to support more bureaucrats. Thanks.
- Licensing will saddle local operators - who are already significantly embattled with increasing utility, interest and inflationary costs - with additional fees (possibly quite significant fees). I do not believe that this model is commensurate with the actual problems associated with short-term rentals, and that it would hinder the growth of tourism in our city. I do not believe that sufficient independent research or evidence has been provided to justify a licensing model. Short-term rentals are highly efficient. They transform underused space into increased local economy, they decentralize our local tourism industry benefiting local businesses and operators, they provide attractive options to increase the number of visitors, and they enhance financial stability and autonomy of local operators. I would be happy to provide additional comment at any time. I'm available at [dsgwhite@gmail.com](mailto:dsgwhite@gmail.com) or 226-500-4202
- STRs are a great way for people to pursue entrepreneurship. I believe it should be responsible and safe, however, certain limitations can create an impediment to lower and middle income families looking to build income and wealth in the face of uncertain economic times and inflation. Keep in mind that there are various types of business owners who operate or aspire to operation STRs, such as mom and pop landlords, to massive corporations, and everything in between. Please consider how potential limitations could impact each level of STR entrepreneur. Don't keep the poor, poor because you limit their options.
- Everyone I know can barely afford rent and that's not controversial when the expected part of your income to pay rent has become 60 percent for many Canadians.
- Tourism in the city of Guelph isn't a major financial contribution. The university of Guelph is and students already struggle to find housing at affordable rate. Make the residents of Guelph a priority and remember entities like AirbNb should only be accommodated if everyone else already is.
- I really like the flexibility and control of operating a short-term rental out of my primary residence. I've been able to host multiple neighbors families while visiting, and am able to use the space myself when not occupied. I'm really hoping licensing or regulations are not put in place that inhibit my ability to run this short term rental unit.

- If someone owns a property it's theirs to do with as they please. There are enough laws to control people.
- Level the playing field for everyone.
- Thanks for looking into this.
- Guelph is notorious for having way too many rules and regs. This seems like a lot of work for a few small businesses.
- It seems to me that AirBnB and similar platforms have (by design) allowed people to operate a business without being properly classified as a business. This allows them to avoid the usual fees, taxes, standards, regulations, etc. This is not "innovation". It is skirting the law. I'm not sure a new Bylaw or anything new is required. Why can we not simply categorize these operations as businesses (since that is what they are) and treat them appropriately under the existing rules and regulations? If someone is renting out a residence they own but do not reside in on a short term basis that is a hotel/motel/inn and should be subject to all the same laws as any other hotel/motel/inn. If someone is renting out their primary residence (in whole or in part) on a short term basis that is a B&B and should be subject to all the same laws as any other B&B. Why can we not simply enforce the rules that we already have?
- Please, listen to the people NOT JUST THE BUSINESSES
- Short-term rentals landlords are residents of the city; we don't want our city council to kill our tiny businesses through licensing process; support registry and paying city taxes (if that's needed, on top of federal gt. taxes), that's fine.
- Licensing should require some kind of external "tag" or proof including contact information for the owner, so that if issues arise a neighbour can contact the neighbour and/or by-law.
- Go train weekend service between cities is abysmal
- Best practices in other local municipality's should also be reviewed when defining policy.
- Consideration should be given to regular people operating short term rentals (i.e. at their principal residence) versus people that have a business operating these rentals.
- Good luck getting this right. Thank you for asking for input.
- Happy that by law is being developed.
- There are many responsible short term rental hosts who manage their property carefully but setting restrictions on the guests they have. In my experience there is a reciprocal responsibility to be a good host and a good guest and that allows for successful short term rental experiences for all parties including neighbours guests and hosts.
- You should obey the Rule of the Ward, aka stop constructing buildings above 6 storeys high. A ban on Blackrock and Vanguard doing silent bidding on houses would reduce housing price inflation in Guelph. This short-term licensing idea is a waste of time when there's larger issues at hand. Landlords won't register their building if you charge a licensing fee or contract regulations, which will result in a black market for rentals. The average Guelphite cannot afford rent with a full time job. That's a way bigger issue! Focus on people first, not policies.
- We can all work together. Some renters want the privacy of their own space. Sometimes hotels don't offer that. They may be travelling with a pet and need a yard for it to use. Some may be trying to limit the amount of public space they enter (i.e. hotel

lobby, elevators) due to pandemic concerns and want somewhere where there are limited personal interactions. Some people want onsite laundry and kitchen facilities which aren't easy to find in hotels. Some renters need a more affordable option to travel. Often short term rentals come with more but cost less. If coming to town to visit a family member, somewhere that's more like a home instead of a single room with a bed and a microwave may be the comfort they need.

- Understanding that the city wants to reap some of the rewards from short term rentals and have paid licensing makes sense. It helps keep everyone accountable for the safety of its residence as well as tourists and like any other business it helps generate income for all involved. Keeping hosts honest and wanting to contribute to the community they live in is important. When a STR is safe and following set regulations it is important not only for the hosts but their guests as well.
- I think more housing options and a variety of options is better. I think over regulation inside of the short term rentals sphere will lead to fewer options and will curb creativity.
- I think short term rentals provide some crucial flexibility for both owners and the people who choose them over hotels. But I also think there is a great deal of the general rental market lost to these spaces and housing is too desperate to allow unlimited short term rentals. We need a balance.
- Do what is right for Guelph - can look to other cities for ideas without copying their approach for the sake of simplicity/ falling in line
- I have more worried than before Guelph decided to have by- laws for short term rentals.
- Hotels, Inns, Bed and Breakfasts should not be merged into the same category as App-driven short term rentals such as Airbnb, Vrbo, etc. because the app-driven ones would typically earn FAR LESS revenue than hotels, inns, etc. For example, most Airbnb's in Guelph probably have revenue less than \$30,000 per year and therefore don't collect/pay HST. Not that many people visit Guelph and the more short term rentals there are the less revenue per rental. There is no need for these short term rentals to have a business license and if the city puts too many hurdles in the way, these rentals will disappear and that will have a negative affect on the local economy to both residents and visitors. The bottom line is that it appears none of this proposed by-law or regulation is required.
- PLEASE consider the negative impact of irresponsible unit owners and immature self-centered "guests" on the quality of life of responsible condo unit owner/residents. Thank you for this excellently crafted survey.
- Short term rentals should be treated like any other form of income. It should be mandatory to report earnings to CRA.
- The city should look into increasing the property taxes of individuals that offer short term rentals.
- Thank you for doing this.
- Stop paying lip service to the housing problems in Guelph. Think about people who can't afford basic shelter NOT just the people lobbying to top up their cash flow.
- Guelph should also develop a list of approved 'tiny home' builders, preferably local, or Canadian.

- This racist, discriminatory and hostile project must stop IMMEDIATELY. We pay tax for the municipal government to take care of serious problems, not waste time and money on harassing renters and landlords with government overreach.

## What is your relationship with short-term rentals inside Guelph?

	#
Homeowner interested in the by-law	79
Host or owner	48
Neighbour to an existing short-term rental	28
Long-term renter interested in the by-law	27
Guelph resident who also uses short-term rentals in Guelph	26
Traveler (or visitor) to Guelph	12
Prospective host	12
Local business owner/operator in the tourism industry	8
Other	22

### Other, please specify:

- All of the above and many other things
- Homeowner (3)
  - Longtime homeowner (1967)
- Homeowner interested in making sure housing supply for long-term needs is considered a higher priority than short-term rentals, and Guelph neighbourhoods don't get overrun with short-term rental properties
- Resident of Guelph
- Guelph resident with a focus on housing law
- A Guelph resident with many experiences in short term renting elsewhere
- Resident of Guelph who has recently had a wonderful stay in a short-term rental in another city. Supporter of friends and family who have short-term rentals in Guelph. Neighbor who, if having concern about another neighbour's short-term rental, would speak to said neighbor, rather than phoning the city of Guelph.
- Concerned Resident of Guelph
- Concerned resident who pays ever inflating taxes.
- Guelph resident who uses short-term rental outside of Guelph (you're missing this in your list)
- Rented a short term rental in another city
- Apartment Building Owner/Occupier
- Long term renter who has just been evicted looking for an affordable place to live in the city I was born and raised
- Long term renter that can't afford to move out of a black mould infested apartment building from the 50s that is not maintained and over priced and barely has any heating. But I can't afford to move because all the available apartments have been turned into

Airbnb's or are completely unaffordable, and if I did move they'd up the rent so someone could pay even more for mould.

- Cleaned Ocala AirBnB's for 3 years
- Visitor to Guelph trying to find long term rental.
- I don't have any relationship. I have had some bad experiences with short term rentals and live in a condo development that may end up being used for short term rentals.
- Operate an AirBnB in cottage country
- No relationship to the above
- None

**Will you or did you attend an Open House session (in person or virtually) to discuss these issues further**

	#	%
Yes	32	18.5%
No	76	43.9%
Undecided	65	37.6%



## Guelph STR Town Hall #1 November 30, 2022 6:30-8 p.m.

The first of three synchronous Town Halls, seeking input from the community around short-term rentals (STR) in Guelph. At Council's direction, City of Guelph staff, along with a Working Group, have been exploring what specific regulations might be included if short-term rentals were added to the City's existing Business Licence By-law

Eight community members attended the first 90-minute, digital session, along with three City staff and two individuals from the consulting team. Participants were asked to respond to a series of questions using mentimeter that mirrored some questions already included in the online survey – they could then elaborate on their answers both aloud in the chat. Input has been captured in the notes that follow.

The mix of input methods were used in different ways by different participants. Some just listened, some responded to the [anonymous] Mentimeter questions, several used the chat and some were quite vocal in the oral conversation. The number of Mentimeter responses has been noted with each question.

Scott Green provided a brief introduction that offered context to the STR by-law review currently underway. The purpose of these community sessions is to validate and deepen the work of the Working Group (WG) and seek public input on some key questions. He highlighted that this review process is happening at Council's request, and needs to result in a bylaw that encourages voluntary compliance and is manageable for the City to administer.

### Questions/comments on the review process

- The City was asked to share the objectives that were discussed in the presentation. These are outlined in the February 7 staff report (page 7) available online <https://pub-guelph.escribemeetings.com/Meeting.aspx?Id=4a8ae098-6cd4-4ece-9269-f67ed69d3a69&Agenda=Merged&lang=English&Item=21&Tab=attachments>
- What was the problem that required this process (by-law review)? What problem is the City trying to solve?
  - Staff was directed by Council to research the subject.
  - Methodologically, Staff chose to create a Working Group (WG) and a broader community engagement process to fulfill that directive. The WG is seeking a made-in-Guelph solution while learning from the experience of other municipalities.

- The main impetus is to achieve equity in regulation across various types of accommodation, including hotels, bed and breakfasts and short-term rental units. The former two categories require a business license and are subject to safety inspections etc. There are currently no regulations affecting short-term rentals in Guelph.
- There is no current data on the number of complaints generated as a result of short-term rentals in the Guelph
- **Input:**
  - **Be sure we are solving a real and not a hypothetical problem.**
  - **Long-term rentals are likely of greater concern and there are far more of them.**
- Can people see the notes from the WG meetings and/or join the WG now?
  - Donna Tremblay to connect with Clerk's Office and determine if sharing the notes is appropriate. If so, they would be posted on the City's website Donna will follow-up with individual directly.
  - There was a call for participation in the WG in the spring, the group has meet three times since July and is nearing the end of its mandate. City received ~54 applications, ~12 were selected and provide a balance of voices around the table. No additional members can join at this time. Donna will look into whether people can attend as observers.

## What is your relationship with short-term rentals inside Guelph?

(Participants were asked to choose all that apply; 6 responses)

Host or owner	5
Prospective host	3
Traveller/Visitor to Guelph	1
Guelph resident who also uses STR in Guelph	1
Neighbour to an existing STR	0
Long-term renter interested in the by-law	0
Homeowner interested in the by-law	1
Local business owner/operator in the tourism industry	1
Other	0

## Rank these bylaw goals based on what is most important to you (5 responses)



### Comments/questions

- If you destroy the market for short term rentals they will simple not exist. They are not taking up spaces that would otherwise be long-term rentals. (2)
- Problems are all related. LTR issues need to be resolved. Not enough protection for owners/hosts/landlords.
- Concerns that that the City does not fully understand how Airbnb works based on how the survey questions are worded, Self-regulated, peer-reviewed system. Mis-management issues are hard to find. Everything is cross-referenced.
  - WG has reviewed a lot of background data, Airbnb hosts are part of the WG, we have spoken with Airbnb. WG is looking to hear from the public on a few specific topics right now within a larger conversation – these questions do not reflect all of the issues the WG is discussing.
- Why would I, as a homeowner who also lives in the house need licensing? Second question is: In my situation, where the bathroom and the kitchen is shared, not even the Tenancy Act protects my guests. (2)
  - If the decision is to licence, you would need to comply with the by-law requirements
- Sounds as if the hotel chains applied pressure to the city.
  - So far this is the only factual piece of data we have on the issues outlined
- Can you elaborate why that matters at all? (See answers above re: what has led to this review)

**Which ownership or operating model is in the best interest of Guelph?**  
(4 responses)

Owner must be a principal resident on the property	4
Unit owned by someone who lives in Guelph but not necessary on the same property	0
Unit owned by someone living within a 100 km radius	0
Unit owned by someone living in the province but with a local contact	0
Unit may be internationally owned or owned by umbrella corporation but with a local contact	0

- The City provided a definition of a principal residence: An “owner” is a person who owns or rents a unit alone or in partnership with another person. In a principal residence, the owner lives either in the unit or at the same address, and has it listed as their principal place of residency on their income tax and in other government records. A principal residence may even include rentable units that are on the same property but separate from the main building, such as laneway houses or a unit above a separate garage.
- Concern was expressed that the that the Working Group is on the wrong track as "owner" and "resident" are not interchangeable as the question infers. e.g. The resident may not be the owner. The resident could be local while the owner is not.

## To what extent would a principal residence requirement increase the chances of success for the bylaw objectives?

(4 responses)



### More comments:

- It is not important where the owner lives as soon as they provide proper communication and support for the guest. It is his/her responsibility.
- Primary residence is important. Regulations for property owners.
- What happens if primary residence is a requirement? No one would be allowed/qualified to rent out on Airbnb in Guelph?
  - If that's what Council decides, then yes. People would need the primary residence requirement to get a license.
  - But they will make this decision based on YOUR report/input.
- Different types of hosts in Airbnb. Some have one property and rent part of it. Some rent multiple properties as a business. Puts small business in unfamiliar and unequal position if you make regulations about licensing for small rentals. Income is incomparably different. Give huge privileges to larger businesses and kill smaller ones.
  - Would licensing disadvantage smaller businesses?
    - Everyone would have to meet the same criteria
    - If a primary residence is required and you have multiple properties, they would need to licence them all
    - Municipal Act does not allow the City to make money on licensing. Develop business licence fee based on costs (fire, health, zoning inspections and administration) – a cost recovery model.
    - It is a per unit cost. Larger businesses have more units so would pay more.
- UofG has lots of STRs – would they be subject to this as well?

- Yes, absolutely
- Is there evidence to suggest that licensing helps with anything?
  - Licensed – must meet the criteria. Can promote this to prospective tenants that you meet a certain standard.
  - A licensed STR meets certain standards. Will help the City who has to deal with complaints.
- Are short-term rentals less safe than long-term (from police perspective)?
- Needs standards on LTR before STR. Small number of STR and large number of unlicensed LTRs.
- Some listing platforms have high standards and they are used the most. We do not know how many STRs are not on those platforms – a high percentage would be.
  - Airbnb regulates itself based on reviews. Those that don't stand up will get bad reviews and not continue to get bookings.
- So far we have not heard a real data-driven problem statement

**If a licensing model is adopted, should the City limit short-term rentals in any of the following ways?**

(4 responses)

	No	Unsure	Yes
Number of licences given out to any one person or entity	4		
Number of licences given out across the city	4		
Number of licences given out in any one neighbourhood or area of the city	4		
Locations within a neighbourhood or an area of the city they can operate	3	1	
Number of guests allowed on the property	1		3

- As soon as City starts making these decisions, it will be a mess. People choose places they like. Different requirements and needs for different people – the City doesn't know anything about them. Regulating is a big mistake. Leave little businesses alone to happily develop. That is what will lead to the prosperity of the community, tourism.

**What kind of location or area within the city might you be looking for when selecting a short-term rental in Guelph?**

(4 responses)

Specific neighbourhoods	3
Services nearby	2
Shopping nearby	0
Close to transit or train station	0

Access to 401 or major highways	0
Onsite parking	2
Location is not important	1

## What kind of accommodation type might you be looking for?

(3 responses)

Single room	2
Suite, studio or bachelor apartment style unit	1
Full house	2
Full apartment	2
Separate one bedroom unit in an occupied house	2
Separate 2 or more bedroom unit in an occupied house	1
Separate building on a property where the main home is occupied by the host	2

## Is there anything else you would like to share to help us develop a short-term rentals by-law that is right for Guelph?

- We want data, we want real issues, not hypothetical issues. So far there is zero evidence that there are real issues to be addressed
- As is very clear, most participants in this discussion are Airbnb hosts. How can you get input from other residents? Or, does the fact that no one seems to be here, is this not a concern for residents in general? (3)
- The cost of licensing will bury this market alive unless you guys change direction, This is all truly terrible news for all of us so far.
- Question about how the City tracks Airbnbs in the city
  - Granicus is the software being used
- Participant received information in the mail about the community consultation. It had a specific address but no name. How did the City get this information?
  - Granicus extracts info on addresses of STRs in Guelph. Based on these addresses the City was able to send information to postal codes in an area where STRs are located so they could attend the sessions and/or take the survey.
- The questions suggest a lack of understanding about the industry and the global economy of sharing. No reason to bring in licensing without solving real problems. Adding costs and taking money out of pockets. Don't care that the City doesn't make money on licenses.
- If I want to rent my house twice a year while on vacation, do I need to have a fire inspection? People will leave the market.

**Will/did you attend another Town Hall or complete the online survey**  
(Choose all that apply; 1 response)

Yes, I will attend another town hall meeting	1
Yes, I have filled out the survey	1
Yes, I will fill out the survey	
I am not sure about attending	
I am not sure about the survey	

**Next steps**

- Community consultations will end in mid-December. Staff will review the input and report back to the Working Group in January.
- Working Group will make recommendations to staff, who will then make final recommendations for Council's consideration.
- Report will go to Council in March 2023



## Guelph STR Town Hall #2 December 8, 2022 10-11:30 a.m.

Public participation at the second digital Town Hall varied throughout the session. Of the four people that joined the session, two actively participated for the entire session and one left soon after it began without contributing. One individual had also attended the previous digital session.

Scott Green provided a brief introduction that offered context to the STR by-law review currently underway. He discussed the process, the purpose of the public engagement sessions, the objectives of the bylaw review and offered the current licensing fees for bed and breakfasts as a comparator.

A combination of Mentimeter, oral conversation and the chat were used to ask questions and gather feedback from participants. The notes that follow capture the input received at the second digital meeting.

### **What is your relationship with short-term rentals inside Guelph?** (Participants were asked to choose all that apply; 2 responses)

Host or owner	1
Prospective host	1
Traveller/Visitor to Guelph	1
Guelph resident who also uses STR in Guelph	1
Neighbour to an existing STR	1
Long-term renter interested in the by-law	0
Homeowner interested in the by-law	1
Local business owner/operator in the tourism industry	1
Other	2

### **What do you most want to say/ask today?**

- One participant noted their concern with the approach the City is taking. Stressed the need to identify the problem to be solved, and take action based on real objectives, before looking for solutions. Want to see the evidence for the need for this review. “No real issues have been presented.” No proven value for licenses, just added cost for STR property owners. [This individual attended the previous digital session and voiced similar concerns.]

- Another individual noted they had completed the online survey and attended as they were interested in learning more. Currently have a LTR unit in basement and live next door to a STR. Curious in learning what hotels and bed and breakfasts pay for licensing, and what the fee would look like for STR. Also interested in a discussion about the primary residence piece.

Scott reviewed an example of estimated fee based on the current cost recovery rates.

Business licensing has a cost recovery model – the cost covers the time/administration for staff to complete the inspections and process the business license. STR owners would pay an initial inspection fee and a fee for the business license the first year. In subsequent years there would be a renewal fee only. Owners would complete a checklist. If an inspection is required, there is no additional fee. No STR fee has been determined yet.

- LTR are regulated separately (zoning by-law). There is interest in the community to ensure that LTR are also monitored but the City. LTRs do not require a business license. STRs are considered accommodation, like a hotel, and would require a business license.
  - ‘LTR is absolutely a business.’
- See the value in inspections but why does it cost so much money to process a form each year? Evidence to suggest the process would any value?
  - Cost is associated with the cost of performing the inspections, administration etc.
- One participant agreed with the City's view for STR running as a business and that LTR are not. Supported by CRA's view that LTR are considered passive income vs. short terms that can be considered active businesses.

## Rank these bylaw goals based on what is most important to you (1 response)



### Comments/questions

- Comment regarding adequate housing supply – STRs are popular as there is a demand and different needs in the community. Very expensive to live in our community. If trying to offer low-cost options, it's usually government that offers these options. Market dictates price. It's not up to businesses to provide these options.
  - This is 100% correct. Housing supply for short term rentals is vitally important to the community's needs. There is an issue in Ontario today, with LTB (Landlord and Tenant Board) decisions not made timely. We just had a gentleman rent a unit from my family because his long-term tenants are refusing to pay rent and refusing to leave, so he nowhere to live, literally. So we are stepping in, and for a very modest fee, we are providing accommodation to this gentleman, who is being underserved by LTB.

### Ownership and Operating Models

- Treating STR as a business – owner could be running it as a corporation. STR could be separate business as well. Shouldn't matter whether it's a primary residence or a residence owned within the city. There's nothing in place to stop people outside Canada from buying property here as an investment or rental.
- Let the market decide.
- Should the City be involved in using regulations to intervene? (re: buyers outside the country) There have been cases of international buyers purchasing lots of properties that then sit vacant in neighbourhoods.

- Consider occupancy requirements – units should not be allowed to sit vacant, whether they are STRs or not.

## Limitations

### *Should the City be involved in the regulating the number of guests per unit or on the property?*

- Hard to say. Depends on the size of the property, number of rooms, people per room. Could be issues with restrictions. I don't think there should be a limit. May need to revisit if there have been a lot of noise complaints due to high numbers of people at a STR.
- Could post as a party house for an unlimited amount of people. Puts neighbors in a devastating situation. City should do something to prevent that from happening. Would that be regulated by preexisting noise by-laws? Airbnbs own policies?
- New action should be rooted in something. See if bylaw fines solves the problem. If not, amend the STR bylaw later (i.e. higher fines for STR business)
- Equity is important. Who owns the hotels in the city? If they want equity – look at the ownership structure for those hotels. Do their owners have to live there?
  - Not identical regulations across all businesses
  - Could Airbnbs not have different rules? Not have to pay for inspections and renewal?
    - We're gathering feedback at this stage for the WG to make recommendations. no decisions have been made yet.
- What about STR companies that rent units? (“Arbitrage”) Has the working group thought about this?
- Airbnb arbitrage – individual opens company that rents LTR units. Then rents out properties as STR (like sub-letting).
  - Does that scenario require different regulations? How should the City handle it?
    - Should be handled the same way
    - Property owner follows LTR requirements, renter follows STR requirements. Renter is the ‘resident.’
- One participant wanted to know how to speak to the decision-makers.
  - Encouraged to contact Councillors directly
  - Can register to speak as a delegate at Council meeting when the recommendations report goes to Council > <https://guelph.ca/city-hall/mayor-and-council/city-council/agendas-and-minutes/delegations-and-comments/>
- Level of engagement so far?
  - Small turnout so far at digital meetings.
  - 147 responses to the survey.

## Geographic locations

- Don't think there should be limitations on specific locations within the city
  - Council may need to re-examine based on how it rolls out (i.e. a lot of STR related complaints in a particular neighbourhood?)

- Laws need to be evidence based. So they should pivot with new evidence and data

## **Final Thoughts**

- City should be more hands-off. Licensing model like any other business. Light touch.
- Primary residence shouldn't be a requirement. Contact person needs to be able to respond to an incident or have someone available to respond.
- Corporations should be allowed.

## **Next steps**

- Community consultations will end in mid-December. Staff will review the input and report back to the Working Group in January.
- Working Group will make recommendations to staff, who will then make final recommendations for Council's consideration.
- Report will go to Council in March 2023



## Guelph STR Town Hall #3 December 8, 2022 6:30-8 p.m.

The third Town Hall took place in-person at City Hall. Four individuals took part in the meeting: two individuals that had participated in the first digital focus group and a couple. All participants are currently STR property owners. Due to the size of the group and the in-person format, a less formal conversation took place (i.e. not Mentimeter) allowing for everyone to provide input on key issues, as well as voice concerns and ask questions. At the end of the session, participants were appreciative of the opportunity to provide feedback and said they felt heard. Conversation highlights are captured in the notes that follow.

Scott Green did a similar presentation to the one shared at previous meetings. Facilitator Rebecca Sutherns then visually reviewed the bylaw development process and the range of opinions being heard on a few key issues such as principal residence requirements.

### Questions/comments on the review process

- One participant had a question about what information the Working Group (WG) started with.
  - WG had the original staff report that went to Council in February. There was supplemental information provided by staff, including municipal comparator research and a map of STR units in the city. Staff spoke to Airbnb and have access to that portal for information. The minutes from the WG meetings are now available for review online. Different perspectives and opinions in the WG, so we're having these sessions to address some of the topics they wanted additional public input on.
- Why aren't the WG members here?
  - WG members were invited to attend and listen. Some joined to listen to the online sessions.
- How can the public communicate with the WG members?
  - Contact info is private.
- What was done between meetings?
  - WG was welcome to do their own research and bring it back to the group. Staff did additional research as well and posted it on a portal for the group.
- Minimal information right now about what was researched. Will be interesting to see the report.
  - Meeting minutes and background information is available online.
- Public can register to be a delegate at the Council meeting to speak to the staff report that goes to Council.

- City has made a recommendation to Council already (in Feb). Staff report recommendation licensing. Based on what data?
  - Looked at what other municipalities are doing. Council then directed them to do more research, which led to this process.

## Overall comments

- Reviewed the WG meeting minutes – found them helpful. Ties back to complaint from other accommodation providers (i.e. hotels, B&B) that are regulated. Struggling with City's lean towards licensing vs. registration. Big step, especially for small businesses.
- Principal residence requirement is strict.
  - Currently own a second property next door to primary residence, but separate property/unit. Would be excluded if primary residence was a requirement even though right next door.
  - As a traveller, primary residence doesn't matter. As long as there is clear communication to the guest and a local contact provided. It doesn't matter if the local contact is the owner
  -
- Perception that it's happening, it's done. Seems like a decision has already been made (comment made by 2 participants).
  - Council direction was to look into adding it to the Business License By-law. WG has explored licensing, registration and no regulation. WG was leaning towards licensing. No regulations or requirements for registration. No inspections etc.
- No known issues reported. Why go this route?
  - Equity issue – hotels and bed and breakfasts operate similar businesses and are subject to licensing
- Brief conversation about the Municipal Accommodation Tax (MAT) – Guelph is adopting a 4% tax applied for every overnight stay.
  - UofG exemption? Potentially exempt from licensing and registration as well?
  - Provincial legislation allowed for universities to be exempt from MAT
  - 4% tax would be captured through Airbnb platform as well
- Business License By-law has regulations that apply across all businesses and some that only to apply to some business categories. Would STR be its own category? Are there other things that would apply to STR. Don't reinvent the wheel. If existing by-laws would apply, don't duplicate or make new ones (i.e. Noise by-law covers noise complaints.)
  - If registered, not licensed, businesses would be enforced under existing bylaws such as parking, noise, but doesn't stop them from operating as a business. Are existing tools enough without having to license?
- See the value in the inspections – ensures safety of guests. Were careful to take this into account when planning the STR unit. Good to have efforts validated. Would add value, being a licensed STR.
- Some concern with costly repairs/work that might arise from inspections.
  - Current property is not accessible – could that become an issue?
    - Only if the City makes it a requirement

- Is self/private regulation enough? Airbnb has high standards, very reputable. Can the City rely on these platforms to do the regulation for them?
  - In the owners' best interest to run business well – good reviews
  - Property owner can adjust settings for security on Airbnb. High settings were people have to reach out to owner, can't book directly. Have to provide government ID, and have positive reviews as a renter. Owner can decide.
- Concern with a question in the online survey asking what was important to people when choosing a location (i.e. proximity to 401, public transit, shopping etc.) This depends on the individual's purpose for travelling. People pick their location based on their needs. Small business provides diversity of location. Don't need to have regulations based on location.
  - Location is only relevant if people indicated that they wanted this regulated by the City. Likely won't be.
- Who is paying for research to do this study/process?
  - Municipal process that the City is paying for. How much has been spent? Most of the work is done by staff. Don't track hours for specific projects. City staff have been doing research, communications staff help with stakeholder engagement, consulting team have helped facilitate meetings and survey design. This is part of municipal work, on Council's direction.
- So many unique situations. Market and demand inform the supply. Like the idea of "light touch" licensing.
- STR and LTR are connected. Cannot solve STR problem without solving LTR issues.
- If looking at overall housing market, need to look at STR and LTR. Council needs to look at both to solve the problem. LTR owners do not have protection (renters not paying and/or not leaving the property). This was a concern among several STR owners. Looks like they're just interested in pleasing hotels, big business.
- If licensing is applied, Airbnb prices will go up and the market will shrink.
- Number of Airbnbs is insignificant compared to the estimated numbers of LTRs in Guelph
- Why do we care what other municipalities are doing? Should have a made in Guelph solution.
  - Different municipalities have done different things in response to STR
  - Learn from their experiences, not reinvent the wheel.
  - Council has a list of comparator municipalities that Guelph uses
  - Comparators lean towards a primary residence requirement. This is not generally what we're hearing for Guelph so far.
- Feel disconnected from WG/peers – they're making recommendations and they don't know our unique experiences.
  - Can reach out to Councillors, delegate at Council meeting
  - Minutes list WG member names
- Don't see a benefits to me (the owner) in licensing
- Not in favour of licensing. Incentivize people to come forward (register) voluntarily, at a lower fee.
  - Would be more supportive of that model .Self-regulating. A voluntary registry with lower fee would be more palatable.

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- Most successful STR owners are likely compliant with health, safety, fire. Already have high standards.
- Would licensing be a selling point? Is there an off-setting benefit to hosts?
  - No tenants care about licensing
  - Might be a requirement of Airbnb on their site (if you're within Guelph) – this would be the case. Airbnb would require hosts to be licensed if the City makes it a requirement.
  - Airbnb contacted hosts and encouraged them to attend these public meetings!

Municipalities with STR by-laws									
Municipality	Fees (Annually)	License Platform	Registry	Primary Residence	Local Contact Required	MAX DAYS CONSECUTIVE	MAX DAYS PER YEAR	Set Fines	Penalty System (to revoke licence)
Brampton	No	No	Yes	Yes	-	28	180	Yes	3 strike system
Brantford	Yes	No	Yes	Yes	-	28	No	-	No
Burlington	-	-	Yes	Yes	-	-	-	-	-
Hamilton	-	Yes	No	Yes	Yes	28	120	-	-
Kingston	No	No	No	Yes	Yes	30	No	Yes	No
London	Yes	Yes	No	Yes	No	29	No	Yes	No
Markham- does not permit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mississauga	No	No	Yes	Yes	-	30	No	Yes	No
Niagara Falls	Yes	Yes	No	Yes	-	30	-	Yes	Yes
Niagara On The Lake	No	No	Yes	Yes	-	28	No	Yes	No
Oakville	Yes	Yes	No	Yes	Yes	28	No	Yes	Yes
Oshawa	Yes	Yes	No	Yes	Yes	28	180	Yes	No
Ottawa	Yes	Yes	No	Yes	Yes	30	No	Yes	No
Richmond Hill	No	Yes	No	No	No	-	-	-	-
St. Catharines	Yes	Yes	No	Yes	Yes	28	No	Yes	Yes
Toronto	Yes	Yes	No	Yes	Yes	28	180	Yes	Yes
Town of Blue Mountain	Yes	Yes	-	-	-	30	No	Yes	Yes
Vaughan	No	Yes	Yes	Yes	-	29	No	Yes	No
Whitby	-	Yes	No	Yes	No	-	-	-	-
Windsor	Yes	Yes	Yes	Yes	Yes	29	No	No	No

<b>Municipalities with no By-law</b>	
<b>Comparable City</b>	<b>STR BY LAW</b>
<b>Ajax</b>	CURRENTLY REVIEWING
<b>Barrie</b>	NO
<b>Cambridge</b>	RENTAL LICENCE SYSTEM
<b>Chatham-Kent</b>	NO
<b>Greater Sudbury</b>	NO
<b>Kitchener</b>	RENTAL LICENCE SYSTEM
<b>Markham</b>	BYLAW - SHORT-TERM RENTALS NOT PERMITTED
<b>Peel Region</b>	NOT APPLICABLE
<b>Pickering</b>	NO
<b>Thunder Bay</b>	NO
<b>Waterloo</b>	RENTAL LICENCE SYSTEM
<b>Waterloo Region</b>	NOT APPLICABLE
<b>Wellington County</b>	NO

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Office of the Chief Administrative Officer
Date	Tuesday, March 7, 2023
Subject	<b>Internal Audit Work Plan 2023 - 2025</b>

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## Recommendation

1. That report titled 'Internal Audit Work Plan 2023- 2025' dated March 7, 2023 be approved.
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## Executive Summary

### Purpose of Report

To provide the Committee of the Whole-Audit details regarding the 2023 Internal Audit work plan as well as the 2022 work plan status update.

### Key Findings

- Consistent with prior years, the 2023 work plan was developed considering factors including a risk assessment completed by Internal Audit, feedback from management and members of Council, consideration of emerging trends affecting municipalities, and previous audit results.
- The Plan's objective is to assist management and Council in achieving the City's strategic and operational goals and objectives.
- It complies with the City of Guelph's internal audit charter as well as supports the City's Strategic Plan.
- The work plan may be modified during the year as required.
- All internal audit activity is performed in an independent and objective manner.
- 80 per cent of the approved projects were completed in 2022, with an additional two projects in progress as of the report date. All recommendations made during the course of audit execution were agreed upon by management who provided action plans to address them.

### Strategic Plan Alignment

The 2023 Internal Audit work plan supports the Strategic Plan – Working Together for our Future pillar. Through projects identified, Internal Audit will utilize a systematic and disciplined approach to evaluate and improve the effectiveness and efficiency of the City's governance, risk management and internal controls.

### Financial Implications

Implementation of audit recommendations could have financial implications, leading to a more effective governance, risk management and internal control environment.

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## Report

The work plan was developed using a risk based methodology approach and complies with the City of Guelph's internal audit charter mandate as well as supports the City's Strategic Plan.

The 2023 work plan (Attachment 1) sets out the priorities of the Internal Audit department, are reflective of the City of Guelph's objectives, and the Strategic Plan priorities; integrated and coordinated with the risk assessment performed by Internal Audit. The specific scope of each project will be determined during the project's planning phase.

Summarized below are several factors considered in developing the work plan:

- Internal Audit risk assessment results;
- Last time an area/process was audited;
- Results of previous audits;
- Consideration requests from management and members of Council;
- Strength of internal control environment; and
- Emerging trends.

The annual work plan may be adjusted throughout the year as other issues or concerns are identified.

The work plan (Attachment 1) is based on the availability of two full time auditors for the full year. The Plan will need to be adjusted if adequate resources are not available throughout the year.

The proposed 2024 and 2025 work plan (Attachment 2) has been updated based on the same factors described above in developing the current year work plan.

Internal audit activities will be conducted in compliance with the International Standards for the Professional Practice of Internal Auditing.

### **2022 Activity Summary:**

The 2022 work plan was based on two full time auditors however, resources of two full time staff were not available for half of the year which resulted in two projects remaining and in progress at year end. The playground inspection and parks maintenance audit was substantially completed as of December 2022 with an information report expected to be issued in March. In addition, development work on an Enterprise Risk Management (ERM) framework was paused due to the resource challenge. This work will continue throughout 2023. As a result, eight projects were completed in 2022 while two projects were in progress as of December 2022. All audit recommendations made in the audit reports have been accepted by management. In addition to the projects identified on the 2022 work plan, three consulting projects were completed during the year.

As part of Internal Audit's goal of continuous improvement, Internal Audit utilizes a client survey at the end of each completed audit project to receive feedback. The feedback received is used to identify opportunities to enhance the internal audit process. In 2022, three surveys were issued. Client satisfaction rate, based on the feedback, was 95 per cent versus a target of 85 per cent.

## **Financial Implications**

Implementation of audit recommendations could have financial implications, leading to a more effective governance, risk management and internal control environment.

## **Consultations**

The Executive Team has been consulted and supports the proposed work plan.

## **Attachments**

Attachment-1 Internal Audit Work Plan 2023

Attachment-2 Possible Audit Projects 2024-2025

Attachment-3 Internal Audit Work Plan 2022 Status Update

### **This report was authored and approved by:**

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## 2023 Internal Audit Work Plan

Name of Project	Type of Audit
<b>Recruitment, Hiring and Retention Practices</b> Perform an operational review of recruiting, hiring and retention processes to assess the effectiveness and efficiency of processes, and adherence to policies, procedures, and legislation.	Operational Review
<b>Accessibility Legislation Compliance Review</b> Perform an operational review of accessibility processes to assess the effectiveness and efficiency, and adherence to policies, procedures, and legislation.	Operational & Compliance Review
<b>Water Meter Replacement Program</b> To assess the economy, effectiveness, and efficiency of the water meter replacement program objectives, and assess operational practices associated with the outsourced program.	Operational & Value For Money Review
<b>Enterprise Risk Management (ERM) Framework Implementation</b> Continue developing an Enterprise Risk Management (ERM) program to identify and manage risks at an enterprise level.	Consulting
<b>Status of Service Rationalization Review Opportunities Implementation Tracking</b> Provide a second update to the Audit Committee on management's implementation of opportunities identified in the consultant report from 2021.	On Going Reporting
<b>Driver Certification Program (DCP) Compliance Audit-Transit</b> To access compliance to the Ministry of Transportation criteria.	Compliance
<b>Status Report on Outstanding Audit Recommendations</b> Provide an update to the Audit Committee on management's implementation status of recommendations agreed upon by staff.	On Going Reporting

## Long Term Audit Plan

### Proposed Projects for 2024 - 2025

Internal Audit has identified potential projects (listed below) that may be performed in 2024 and beyond. The list is based on the current risk assessment results and requests from management and members of Council. These projects may be revised based on updated risk results, previous audit results, emerging trends and/or any new projects that are identified during the period.

<b>Name of Project</b>	<b>Service Area</b>	<b>Department</b>
Enterprise Business Continuity	Public Services	Operations Corporate & Community Safety
Tree Bylaw Enforcement, and Inspection Processes	Infrastructure, Development and Enterprise Services & Public Services	Planning, Urban Design & Building Operations Parks
IT User Access Management	Corporate Services	Information Technology
Fleet Maintenance	Public Services	Operations Fleet Management
Building Permit Approval & Inspections	Infrastructure, Development and Enterprise Services	Planning & Building Services
Use of External Consultants Policy & Practices Review	Corporate Services	Finance
Enterprise Inventory Management	Corporate Services	Finance
Solid Waste Resource Money Handling Audit	Infrastructure, Development and Enterprise Services	Environmental Services
IT Cybersecurity	Corporate Services	Information Technology
Employee Expense System Post Implementation Review	Corporate Services	Finance

## 2022 Internal Audit Work Plan Status

As of December 2022

Name of Project	Type of Audit	Status
<b>Cash Handling Process Audit – Recreational Facilities</b> Assess the effectiveness and efficiency of the cash handling processes and compliance to policies, procedures, legislation and By-Laws.	Operational	Complete
<b>Data Analytics Pilot Project</b> Incorporated data analytics pilot project review into the Recreation facilities cash handling audit.	Continuous Monitoring	Complete
<b>Playground Inspection and Parks Maintenance Processes</b> Perform an operational review of playground inspection and maintenance processes to assess the effectiveness and efficiency of operations, and adherence to policies, procedures, and legislation.	Operational & Compliance Review	In Progress
<b>Status of Service Rationalization Review Opportunities Implementation</b> Provide an update to the Audit Committee on management's implementation of opportunities identified in the consultant report.	Reporting	On going - first report completed
<b>Enterprise Risk Management (ERM) Framework Implementation</b> Develop and implement an Enterprise Risk Management (ERM) program to identify and manage risks aligning with internal audit risk assessments.	Consulting	On going – multi year initiative
<b>SRR Opportunities Implementation</b> Provide support to service area departments completing opportunity reviews.	Consulting	Not Required – replaced with other consulting reviews
<b>Driver Certification Program Compliance Audit-Fleet Operations</b> To access compliance to the Ministry of Transportation criteria.	Compliance	Complete
<b>Status Report on Outstanding Audit Recommendations</b> Provides an update to Council on management's implementation status of recommendations agreed upon by staff.	Not applicable	Three reports complete

# Internal Audit Overview

Robert Jelacic, GM Internal Audit

March 7, 2023

# What is Internal Audit?

Internal Audit (IA) is a professional, independent assurance and consulting function designed to add value and improve the City of Guelph's operations and systems of internal controls.

IA brings a systematic, disciplined approach to evaluating and improving effectiveness of risk management, control and governance processes.

# What is Internal Audit?

Independence is achieved by having no direct involvement in day-to-day operations, while maintaining direct functional relationships with management and Council.

Auditable entities within the organization include a range of programs, activities, functions and initiatives which collectively contribute to the achievement of the City's strategic objectives.

# Reporting Structure of Internal Audit

IA has a dual reporting relationship where the Auditor reports to the CAO in establishing direction, and support for administrative matters; and to the Audit Committee for strategic direction, reinforcement and accountability.

# Role of the Audit Committee

- Having input and approving the annual internal audit workplan.
- Approving the internal audit charter.
- Reviewing reports prepared by external and internal auditors.
- Review of the management responses and actions plans resulting from internal audits.

# Role of the Management

- Management is responsible for the design and operation of the control frameworks and risk management for the day-to-day operations of the organization.
- While IA provides advice and oversight through execution of the audit workplan, it is not responsible for the design and implementation of these frameworks.

# Scope of Internal Audit Services & Activities

The following graphic illustrates the roles and range of input provided by Internal Audit



# Audit Services

Audit services involve the Internal Auditor's objective assessment of evidence to provide an independent opinion or conclusion regarding a process, system or other subject matter. The nature and scope the "assurance" or "audit" engagements are determined by the Internal Auditor in consultation with the audit client or "Auditee".

Audit services may include some components from any one of, or each one of the following six (6) audit types.

# Audit Types

- 1. *Operational Audits*** (aka performance audits, value for money audits, management audits). Operational audits objectively and systematically examine the City's programs, services and functions.
- 2. *Financial Audits*** include the review of financial processes. Cash control, accounts payable, payroll, inventory controls, and investment compliance are all examples of areas that may be reviewed in a financial audit.
- 3. *Compliance Audits*** are smaller in scope than operational audits and are designed to review and evaluate compliance with established policies and procedures as well as any and all relevant statutory and/or legal requirements.

# Audit Types

- 4. *Information Systems Audits*** provide assurance that the City's information technology infrastructure and computer applications contain adequate controls and security to safeguard assets and mitigate risk.
- 5. *Fraud Investigations*** are audits that usually involve an examination of specific components of an operation or program normally identified from information received from various sources.
- 6. *Follow-up Audits*** the primary purpose of a follow-up audit is to provide assurance that the recommendations made in previous audit reports have been addressed and implemented.

# Annual Audit Work Plan

Each year the Internal Auditor prepares a work plan, setting out the proposed schedule of audits and other undertakings proposed for the coming year. In order to generate this plan, the following sources are considered:

- Prioritization of the audit plan using a risk-based methodology.
- Requests from Council, senior management and staff.
- Any audits planned from previous year that were not executed.

The Internal Audit work plan is reviewed and discussed with the Executive Team. The Internal Audit Work Plan is then presented to the Audit Committee for review and approval.

# Internal Audit Charter

The Internal Audit Charter defines the mandate, scope, authority, independence, responsibility, and reporting structure for the internal audit function. It is reviewed at least once during each term of Council.

# Questions?

# Enterprise Risk Management

Enterprise risk management (ERM) is a method or process used by an organization to manage risks and seize opportunities related to the achievement of their strategic and business objectives. ERM provides a framework for risk management, which typically involves identifying specific risks and opportunities, assessing them in terms of likelihood and magnitude of impact, determining a response strategy, and monitoring progress.

# Enterprise Risk Management

The purpose of ERM includes;

- Provide guidance to advance the use of a more corporate and systematic approach to risk management.
- Contribute to building a risk-smart workforce and environment that allows for responsible risk-taking while ensuring legitimate precautions are taken to protect the Corporation, ensure due diligence and maintain the public trust.
- Establish a set of risk management practices that departments can adopt to their specific circumstances or mandate.

## ERM Current State

Overall, the City's current ERM maturity is at a beginning level as characterized by the following:

- Limited ERM guidance exists in the form of a Policy and defined risk measurement and risk management practices to support the operationalization of ERM principles across the City.
- ERM capacity is limited due to the lack of a dedicated resourcing in the organization.
- Lack of clear and defined roles and responsibilities have resulted in a more decentralized approach to risk management across the organization.

## ERM Current State

- In general, management understands their responsibility and accountability for risk management within their areas of control. However, there is a lack of understanding of how risk management should be exercised in practice at the department / business unit level and at a organizational-wide level consistently.
- Additional coordination and sharing of risk information would support the provision of a holistic view of risk across the City and help focus risk management actions more efficiently.

## ERM Current State

Examples of risk management practices currently in place:

- Issues management tracking maintained by many departments including an entity level watchlist through Communications team.
- Project Management Office (PMO) Framework supporting all City projects.
- Purchasing department procurement policies.
- Entity wide business continuity plan.

## ERM Current State

Examples of risk management practices currently in place:

- Within Finance, MYB vulnerability assessments to identify and mitigate negative impacts such as inflationary pressures, and reserve fund management
- Environmental Services Compliance & Performance team ensuring continued accreditation of water management services is maintained.

## ERM Current State

More examples of risk management practices currently in place include:

- Information Technology Cyber program / readiness assessments.
- Legal risk services providing risk reviews and advice to internal departments including transferring of risks through insurance programs.
- City Clerk's Office governance oversight.
- Internal Audit operational risk self assessments used to guide annual audit workplan.

## ERM Next Steps

- Integrating enterprise risk management practices throughout the City to improve decision-making in governance, strategy, objective setting, and day-to-day operations.
- Enhancing performance by linking strategic and business objectives to risk considerations.

# **Benefits of Enterprise Risk Management Integration with Strategy & Performance**

- Increase the range of opportunities
- Increase positive outcomes while reducing negative surprises
- Identify and manage entity-wide risks
- Reduce performance variability
- Improve resource deployment

Source: COSO Enterprise Risk Management Integrating with Strategy and Performance, June 2017

# Questions?

# Staff Report



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To	<b>Committee of the Whole</b>
Service Area	Infrastructure, Development and Enterprise Services
Date	Tuesday, March 7, 2023
Subject	<b>Implementation Strategy Report: South End Community Centre</b>

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## Recommendation

1. That the construction of the South End Community Centre be approved for a project cost of \$115.5 million, with the project scope as approved under the October 7, 2020 report [IDE 2020-141 South End Community Centre Project Update](#).
2. That additional budget of \$35.5 million be approved for project RF0092 South End Community Centre Construction, funded \$33,725,000 from Parks and Recreation Development Charge Reserve Fund (#319) and \$1,775,000 from tax supported debt funded from the Infrastructure Renewal Reserve Fund (#150).

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## Executive Summary

### Purpose of Report

To provide an update and recommend a path forward for the construction of the South End Community Centre.

### Key Findings

The South End Community Centre (SECC) was originally approved under report [IDE 2020-141 South End Community Centre Project Update](#) in October 2020 with a budget of \$80 million and included a twin pad arena, aquatics centre with lap and teaching pools, double gymnasium, walking track, warm up area and multi-purpose rooms. In March 2022, the tender for the construction of the SECC closed at a final construction bid price of \$121.1 million, excluding soft costs and contingencies, which when added comes to a total project cost of \$129 million.

Inflation continues to impact this project, and since the March 2022 tender which came in higher than expected due to both inflation and market volatility, inflationary pressures have continued to increase the cost of the SECC at a rate of almost \$1 million per month.

Due to these current market conditions and inflation, the City has changed the project delivery methodology to construction management and brought a construction manager onboard in Q3 2022 to help review the design and find cost reductions for the project. After considering inflation over the previous three years, the project team, with the help of the construction manager, was able to reduce costs by almost \$24 million, bringing the budget in line with the inflation adjusted budget from 2020. These cost savings will not affect programming, or the sustainability goals, as previously approved by Council.

The original October 2020 budget for this project was \$80 million. At the time of the March 2022 tender, the inflation adjusted budget would have been \$92 million, compared with the cost of \$129 million tender result for the project (including contingency and soft costs). The significant variance between the inflation adjusted budget and the tendered cost prompted staff to undertake mitigation measures to bring the costs in line with the inflation adjusted budget. The revised project cost totals \$115.5 million after mitigation measures, which converges more closely with the inflation adjusted October 2022 budget, which would have been \$108 million at the end of 2022.

## **Strategic Plan Alignment**

The SECC is an asset that is strongly aligned with the “Building our Future” strategic pillar: this project supports the growth of the city, especially in the south end, and supports the health and wellness of a vibrant community. The building also supports the “Sustaining our Future” pillar by designing to the net zero carbon standard with the goal of mitigating climate change and aligning with the Race To Zero initiative.

## **Financial Implications**

The SECC is necessitated by growth and is justified based on previous master planning documents and facility needs assessments. With the high inflation globally over the past three years, the cost of the SECC has now risen to a total project price of \$115.5 million, with 95 per cent of the project being funded from the Parks and Recreation Development Charge Reserve Fund.

In 2021, \$80 million was approved as part of the capital budget for the construction of the SECC. An additional \$35.5 million is required to facilitate the construction of the SECC now in 2023 to meet the scope of the SECC as previously approved in report [IDE 2020-141 South End Community Centre Project Update](#).

## **Report**

The South End Community Centre (SECC) was originally approved at the October 7, 2020, special Council meeting, as presented in report [IDE 2020-141 South End Community Centre Project Update](#). At that time the project was approved with a construction budget of \$80 million, which was included in the 2021 capital budget, and the facility included the following program elements and sustainability goals:

- Twin pad arena and accessible change rooms
- Aquatics centre consisting of a 25-meter eight lane lap pool and teaching pool, with viewing area and universal change room
- Full double gymnasium with seating and storage
- Indoor walking track and warm up area
- Multi-purpose rooms
- Designed to the Canadian Green Building Council Zero Carbon Building

## **Inflationary Impacts on the SECC**

Since project approval in October 2020, the consultant MacLennan Jaunkalns Miller Architects (MJMA) completed the design of the facility through 2021 with the project being released for tender at the end of 2021. During this period, and leading up to the tender closing in March 2022, construction costs and overall pricing volatility had increased significantly due to the following:

- COVID-19 – restrictions adopted during the pandemic have placed added strain on the ability of companies to supply and install goods and services. This includes limited bid validity periods due to fluctuating product costs, unknown supply chain timing, and labour shortages.
- Inflationary pressures – since the October 2020 Council report, there have been periods of high inflation that continue to affect projects to this day. The cost of materials (e.g., steel, concrete) and energy (e.g., gasoline, diesel fuel), both having a major effect on building construction costs, have increased substantially. As a reference, the Statistics Canada Non-Residential Building Construction Index has increased 30 per cent from Q1 2020 to Q3 2022.
- Geopolitical issues – civil unrest in other parts of the world have exacerbated the resulting inflation and supply chain problems.

In late 2021/early 2022, the project was tendered as a lump sum contract type. In this type of contract, the contractor takes on more risk and the City tenders at a single all in price from the contractor. The original tender amount from March 2022 of \$121.1 million represents the cost of construction only, with contingency and soft costs to be added onto this amount. The required additional consultant fees for services during construction, permitting and construction contingencies would have made for a total project cost of \$129 million. When adjusted for inflation, would give a total project cost in current dollars as \$139.5 million.

The impacts of inflation versus the cost of the project are summarized in Figure 1 below. The original project budget approved by Council in October 2020 was \$80.0 million. At the time of the March 2022 tender, the inflation adjusted budget according to the Statistics Canada non-residential construction price index would have been \$92 million, compared with the cost of \$129 million for the project as tendered (including contingency and soft costs). The significant variance between the inflation adjusted budget and the tendered cost prompted staff to undertake mitigation measures to bring the costs in line with the inflation adjusted budget. The 2023 current bar in Figure 1 shows the revised project cost totaling \$115.5 million after mitigation measures, which converges more closely with the inflation adjusted budget which would have been \$108 million at the end of 2022.

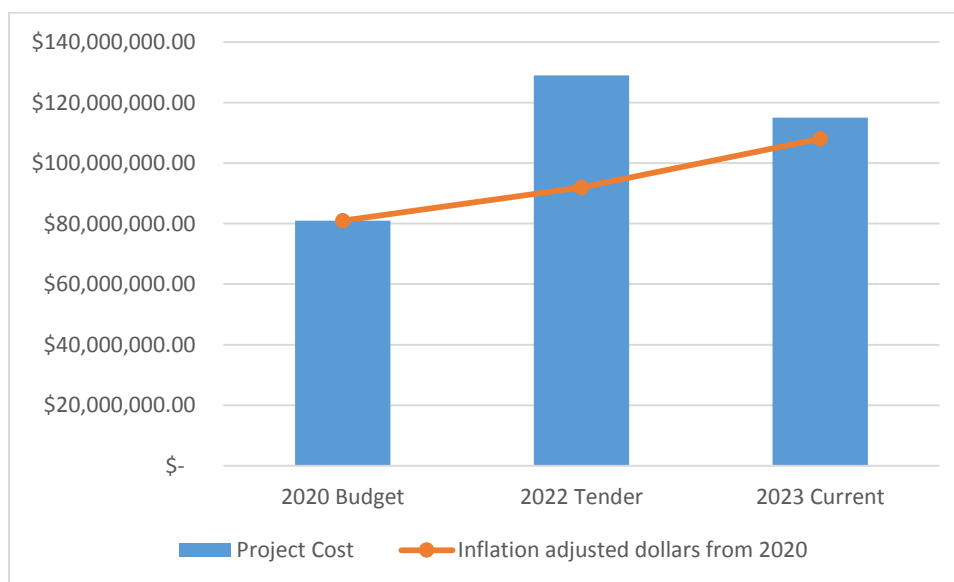


Figure 1 SECC Project Cost vs Inflation

Notes: Inflation adjusted dollars based on Statistics Canada non-residential price index: Statistics Canada. [Table 18-10-0135-02 Building construction price indexes, percentage change, quarterly](#)

## **Mitigation Measures for Project Costs**

Since the closing of the tender in March 2022, staff decided to take a different approach to the construction contract and retained the services of Aquicon Construction Ltd. (Aquicon) to act as a construction manager. Aquicon has provided pre-construction services for the review of the SECC design in conjunction with the project team and the consultants, to identify cost reduction options and strategies.

The project team, consultants and construction manager have identified \$24 million in cost reductions while not impacting the programming or Canada Green Building Council (CaGBC) Zero Carbon design requirements. Examples of areas where costs were able to be reduced include the following:

- Removal of the rear courtyard for the building and associated design features.
- Redesign of the building to remove 450 square meters of hallway space within the building.
- Simplifying the design of the exterior building façade while maintaining the overall architectural aesthetic of the building.
- With the update of CaGBC Net Zero Carbon design standard in 2022, the project team has been able to simplify the design of the heating, ventilation and air conditioning system.
- Specifying a number of alternative materials within the various interior spaces represent superficial changes while maintaining a highly aesthetic appeal.
- Opening up the contract to additional alternative suppliers. This strategy, proposed by the construction manager, whose experience and understanding of the current construction market conditions, will result in a highly competitive environment during tendering.
- A pause on commissioning and installation of public art, unless contingency remains at the end of the project. This project will, at a minimum, rough-in utility requirements for a future installation.

With the above noted design modifications, the project is now better aligned to the original 2020 Council approved budget when inflation is taken into account for a total project cost of \$115.5 million.

## **Implementation Strategy for the SECC**

Should Council approve the construction of the SECC, as set out in this report, minor redesign efforts for the project are required, along with minor site plan and building permit updates. The expected construction start date on site would be in Fall 2023; and completion of the project would be expected to be in 2026.

The City is committed to keeping the Larry Pearson ball diamonds open during the baseball season while the SECC is being built. During the construction of the SECC, it will be necessary to have short temporary closures and changes to the access of the South End Community Park that may affect some amenities. The exact impacts will be finalized during the redesign process with the consultant and construction manager. Communication plans will be shared regularly with key stakeholders and users of the park.

Staff continue to work closely with the Wellington Catholic District School Board to provide and communicate the temporary parking plans through construction of SECC.

The City's change of project delivery to a construction management model will allow for more insight into the overall construction budget through the construction manager and allow the City to make more informed decisions as the project undergoes re-design.

The City will also be able to see alternative pricing from sub-trade tenders and evaluate cost saving alternatives as construction progresses. This model allows this flexibility by not having one all-in lump sum cost upfront for the construction management contract. Instead, the City and construction manager are aligned to review the sub-trade tenders and provisional items to help with the overall budget, which the City bears more responsibility for managing.

Moving forward with the SECC at a total budget price of \$115.5 million is recommended as the best value option meeting both recreation programming requirements as well as the City's energy policy. Delaying this project will result in pricing increases for the project in the future, as seen over the past year with inflation increasing the price at a rate of approximately \$1 million per month.

Without the construction of the SECC, recreation services are currently unable to meet the service levels required for the projected growth within the community, especially in the south end of Guelph. The current needs for space within the existing recreation facilities are not able to be met, and the facilities are already fully booked during peak and prime times. The SECC, with two arenas, aquatic centre and double gymnasium, will provide flexibility for not only future population growth, but opportunities for recreation services to offer innovative and flexible programming and offer opportunities to adapt to with any upcoming sports and recreation.

## **Financial Implications**

The SECC is necessitated by growth and is justified based on previous master planning documents and facility needs assessments. With high inflation across the globe over the past three years, Council delegated authority to staff in April 2022 to prioritize capital projects within the approved budget up to the end of 2023. The results of this prioritization exercise for 2023 were reported to Council through the 2023 Budget Confirmation, however, it was noted that the South End Community Centre project had not been adjusted through this mechanism and would be addressed through a separate recommendation to Council due to the large budget and market volatility. As described in the report, the cost of the SECC has risen to \$115.5 million, with 95 per cent of the project being funded by the Parks and Recreation Development Charge Reserve Fund.

The impact of Bill 23 on Development Charge (DC) collections does not have a direct impact on a singular project such as the SECC and it is expected that the project will continue to be eligible for the 95 per cent funding level as previously planned. The impact of Bill 23 will be on the collection of DCs from developers, resulting in taxpayers having to make up any collection exemptions unless the provincial or federal government provide a new funding source. The specific shortfall in collections for the SECC is unknown since collections have been ongoing

for many years and will continue for 20 plus years towards this project and the rate of growth and timing of new studies will impact the rate of collection.

Debt was issued in early 2021 for a portion of the Development Charges funded debt associated with this project in the amount of \$37.6 million. This enabled the City to lock in a historically low interest rate of 1.92 per cent on this debt. The increase in the budget from \$80 million to \$115.5 million will necessitate further debt issuances of \$15 million to \$20 million in Development Charge Funded debt along with \$5.7 million in tax supported debt. The exact amount and timing of these additional debt issuances will be updated through the current DC Background Study and as part of the upcoming multi-year budget cycle.

The net operating impacts, which were previously estimated as part of [IDE 2020-141 South End Community Centre Project Update](#), are being phased in over several years. The operating impacts will need to be revisited based on the adjusted design and operating inflationary impacts; revised operating impact estimates will be included as part of the upcoming multi-year budget process.

## **Attachments**

Attachment-1 2023 South End Community Centre Implementation Strategy Presentation

## **Departmental Approval**

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