

# Committee of the Whole Meeting Agenda

Tuesday, February 6, 2024, 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
2. Authority to move into closed meeting
3. Closed Meeting Summary
4. Open Meeting - 2:00 p.m.
  - 4.1 O Canada
  - 4.2 Silent Reflection
  - 4.3 Indigenous Territorial Acknowledgement
  - 4.4 Disclosure of Pecuniary Interest and General Nature Thereof
5. Staff Recognitions
  - 5.1 Southwestern Ontario Top Employers of 2024  
Mark Ellis, General Manager, Human Resources  
Trevor Lee, Deputy Chief Administrative Officer, Corporate Services  
Scott Stewart, Chief Administrative Officer
  - 5.2 Waterloo Area's Top Employers of 2024

Mark Ellis, General Manager, Human Resources  
Trevor Lee, Deputy Chief Administrative Officer, Corporate Services  
Scott Stewart, Chief Administrative Officer

### **5.3 Housing Accelerator Fund**

Tara Baker, General Manager/City Treasurer, Finance  
Teisha Colley-Balgrave, Corporate Analyst, Long-Term Planning  
Jason Downham, Planner II, Policy Analytics  
Kim Krawczyk, Manager, Policy and Intergovernmental Relations  
Cushla Matthews, Development Advisor  
Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services  
Krista Walkey, General Manager, Planning and Building Services

### **5.4 University of Waterloo, Leadership Certificate**

Crystal Kaminski, Manager, Business Services

### **5.5 Project Management Professional (PMP) from the Project Management Institute**

Samy Mohamed, Construction Contract Administrator

## **6. Service Area - Governance**

Chair - Mayor Guthrie

## **7. Consent Agenda - Governance**

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.

### **7.1 Expansion of the Governance Section at Committee of the Whole - 2024-08**

1

#### **Recommendation:**

1. That the Committee of the Whole Terms of Reference be revised to expand the mandate of the Governance section to include the Office of the CAO, as outlined in report 2024-08, dated February 6, 2024.
2. That the City Clerk be directed to revise other governance policies and procedures which relate to the Governance section of the Committee of the Whole to reflect the changes outlined in report 2024-08, dated

February 6, 2024.

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

**9. Service Area - Corporate Services**

Chair - Councillor Caron

**10. 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.

**10.1 Budget Impacts per Ontario Regulation 284 - 09 and Budget - Public Sector Accounting Standards Reconciliation 2024 - 2024-56**

4

**Recommendation:**

1. That the Budget Impacts per Ontario Regulation 284-09 and Budget - Public Sector Accounting Standards Reconciliation for the 2024 budget be approved.

**10.2 Physician Recruitment Initiative - 2024-47**

9

**Recommendation:**

1. That the one-time contribution for physician recruitment as adopted in the 2024-2027 budget be transferred to the Guelph-Wellington Ontario Health Team without the receipt of the corresponding contribution from the Guelph Chamber of Commerce.

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

**12. Service Area - Infrastructure, Development and Environment Services**

Chair - Councillor O'Rourke

**13. Consent Agenda - Infrastructure, Development and Environment 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.

**13.1 Financial Plan for Water and Wastewater Services - 2024-34** 13

**Recommendation:**

1. That City Council, as the owner of the Guelph Municipal Drinking Water System, approve the current six-year financial plan as required under Ontario Regulation 453/07 and the Municipal Drinking Water License.

**13.2 Payment-in-lieu of Parking Policy - 2024-42** 55

**Recommendation:**

1. That the Payment-in-lieu of Off-street Parking Policy effective March 1, 2024 attached as Attachment-1 to the report entitled "Payment-in-lieu of Off-street Parking Policy", be approved.
2. That Schedule A of the Development Application Fee Bylaw be amended to include the "Estimated cost of a parking space" and the "Payment-in-lieu of Off-street Parking application fee".

**14. Items for Discussion - Infrastructure, Development and Environment 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.

**14.1 Wyndham Street North Cross Section and St George's Square Intersection - 2024-37** 68

**Presentation:**

Reg Russwurm, Manager Design and Construction  
Terry Gayman, General Manager, Engineering and Transportation Services  
Stacey Laughlin, Downtown Revitalization Advisor

**Recommendation:**

1. That Council direct staff to reconstruct the Wyndham Street North corridor as follows:
  - a. Wyndham Street – Carden Street to Woolwich Street as one lane of traffic in each direction with parallel parking and separated unidirectional bike paths along both sides of the road with flexibility to accommodate the seasonal patio program; and,
  - b. St. George's Square as an offset intersection similar to existing conditions with operational improvements and separated unidirectional bike paths.

15. Service Area Chair and Staff Announcements
16. Adjournment

# Staff Report



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|              |  |
|--------------|--|
| To           | <b>Committee of the Whole</b>  |
| Service Area | Corporate Services   |
| Date         | Tuesday, February 6, 2024  |
| Subject      | <b>Expansion of the Governance Section at Committee of the Whole</b> |

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## Recommendation

1. That the Committee of the Whole Terms of Reference be revised to expand the mandate of the Governance section to include the Office of the CAO, as outlined in report 2024-08, dated February 6, 2024.
  2. That the City Clerk be directed to revise other governance policies and procedures which relate to the Governance section of the Committee of the Whole to reflect the changes outlined in report 2024-08, dated February 6, 2024.
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## Executive Summary

### Purpose of Report

To update the Terms of Reference for the Committee of the Whole by amending the Governance section to include the Office of the Chief Administrative Officer (CAO) service area.

### Key Findings

Staff reports from the Office of the CAO service area are not currently assigned to a specific section of the Committee of the Whole (excluding Internal Audit, which reports to the Audit section of the Committee of the Whole). The City's three other service areas, however, have dedicated sections at Committee of the Whole. This inconsistency makes it difficult to assign Office of the CAO service area staff reports at to Committee of the Whole. To address this issue, it is recommended that the Governance section of the Committee of the Whole be revised to include all reports from the Office of the CAO service area (excluding Internal Audit), as well as any governance-related items from other service areas.

### Strategic Plan Alignment

This change directly supports sub-objective 3.2 Review the continued effectiveness of Council processes and its advisory committees of the Future Guelph Strategic Plan.

### Future Guelph Theme

Foundations

## **Future Guelph Objectives**

Foundations: Lead with accountability

## **Financial Implications**

None.

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## **Report**

The [Committee of the Whole Terms of Reference](#) establishes five Committee of the Whole sections: Infrastructure, Development and Environment (IDE), Public Services, Corporate Services, Audit and Governance. The IDE, Public Services and Corporate Services sections align directly with three of the City's service areas. The City's organizational structure, however, includes a fourth service area: the Office of the CAO. Historically, staff reports from the Office of the CAO service area have gone either to Governance or to one of the other sections based on the content of the report. This has led to inconsistency in how Office of the CAO staff reports are brought forward to the Committee of the Whole.

To address this issue, it is recommended that the Committee of the Whole Terms of Reference be revised to expand the mandate of the Governance section to include the Office of the CAO. Following this change, all staff reports (excluding Internal Audit) authored by the Office of the CAO service area will be brought forward to the Governance and Office of the CAO section of the Committee of the Whole.

No changes are being recommended regarding the chairing of the proposed Governance and Office of the CAO section. Staff are recommending that the Mayor remain as chair.

## **Financial Implications**

None.

## **Consultations and Engagement**

Mayor Guthrie

Scott Stewart, Chief Administrative Officer

## **Attachments**

None.

## **Departmental Approval**

None.

## **Report Author**

Dylan McMahon, Manager, Legislative Services/Deputy City Clerk

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

Stephen O'Brien

General Manager, City Clerk's Office/City Clerk

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**This report was recommended by:**

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# Staff Report



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|              |   |
|--------------|---|
| To           | <b>Committee of the Whole</b>   |
| Service Area | Corporate Services  |
| Date         | Tuesday, February 6, 2024   |
| Subject      | <b>Budget Impacts per Ontario Regulation 284/09 and Budget – Public Sector Accounting Standards Reconciliation 2024</b> |

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## Recommendation

That the Budget Impacts per Ontario Regulation 284-09 and Budget - Public Sector Accounting Standards Reconciliation for the 2024 budget be approved.

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## Executive Summary

### Purpose of Report

To provide a reconciliation between the 2024 City of Guelph budget and the Public Sector Accounting Standards (PSAS) budget in accordance with Ontario Regulation 284/09. The PSAS budget is presented in the audited financial statements to enable PSAS budget to actual comparison.

### Key Findings

This report is required annually by legislation. Ontario Regulation 284/09 requires a report to be presented to Council outlining the impact of amortization of tangible capital assets (TCA), post-employment benefit costs and landfill post-closure costs (which is now considered an asset retirement obligation) if they are not included in the City's budget. There is also a requirement to report the approved budget on a PSAS basis in the audited financial statements. The audited financial statements are prepared in accordance with PSAS, which must exclude debt principal payments, discretionary reserve and reserve fund transfers and other capital-related expenditures from the Statement of Operations. The PSAS adjusted 2023 budget is included in this report as Attachment-1. The reconciliation shows both the required adjustments under Ontario Regulation 284/09, as well as the additional adjustments for full accrual accounting, resulting in a 2024 estimated PSAS surplus of \$82,828,704 (2023 - \$54,252,740) for audited financial statement purposes.

### Strategic Plan Alignment

This report aligns with the maintain the City's healthy financial position objective of the Foundations theme of the Future Guelph strategic plan. This reconciliation between the City's budget and the PSAS budget is required to ensure compliance with regulations and provide transparent financial communications to Council and the community. Budgets are a spending control and revenue rate setting document that is required to maintain the City's healthy financial position.

## **Future Guelph Theme**

Foundations

## **Future Guelph Objectives**

Foundations: Maintain the City's healthy financial position

## **Financial Implications**

There are no direct financial implications associated with this report. The intent of this report is to estimate the 2024 PSAS compliant budget based on the 2024 approved by Council.

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## **Report**

The budget is a spending control document, a revenue rate setting document, and the means to calculate the tax levy; it is prepared on a modified cash basis because including non-cash expenditures such as amortization in the budget would inflate the total expenses and complicate the tax rate calculation. The audited financial statements are prepared in accordance with PSAS, which requires full accrual accounting. The audited financial statements capitalize TCA purchases and record amortization expense, include estimates of various liabilities (employee future benefits, contaminated sites and asset retirement obligations), and differs from the budget in accounting treatment for debt principal repayments and transfers to and from discretionary reserves and reserve funds.

This report restates the budget in accordance with PSAS for comparability to the PSAS compliant actual results in the audited financial statements.

## **Reconciliation Summary**

The 2024 City of Guelph Operating Budget - (Unconsolidated) Public Sector Accounting Standards Reconciliation, Attachment-1, shows the reconciliation of the City's 2024 budget as tabled, to the budget restated in accordance with PSAS and presents the estimated PSAS budgeted annual surplus for the 2024 year-end.

This reconciliation shows both the required adjustments under Ontario Regulation 284/09, as well as the additional adjustments for PSAS accrual accounting, resulting in a 2024 estimated surplus of \$82,828,704 (2023 - \$54,252,740).

## **Adjustments to Revenues for Financial Statement Purposes**

The 2024 budgeted transfers from reserve and reserve funds are estimated to be \$160,616,000 and represent the amount to be transferred from reserves to fund expenditures, the majority of which relate to capital project costs. Such transfers are not considered revenue under PSAS, as these funds are recorded as revenue at the time they are received as part of tax, user fee, or grant revenues.

The City budgeted to receive \$1,176,000 in principal on loans made to related parties (The Elliot Community and Wellington-Dufferin-Guelph Public Health Unit) in 2024. The City includes this as revenue in the operating budget. However, under PSAS, this is considered a reduction of a loan receivable asset.

Contributed subdivision assets are non-cash accounting revenues recognized when the City takes ownership of new subdivision infrastructure within the City limits. They are not included in budgeted revenue, but they are considered revenue for audited financial statement purposes. The City budgets for the costs of

maintenance and replacement of these assets in the year when the service is required. The estimated figure for contributed subdivision assets in 2024 is \$1,300,000.

### **Adjustments to Expenses for Financial Statement Purposes**

Just as transfers out of discretionary reserves and reserve funds do not qualify as revenue under PSAS, transfers to discretionary reserves and reserve funds do not meet the definition of expenses under PSAS. The 2024 budgeted transfers to reserves and reserve funds are estimated to be \$122,156,000.

Capital expenditures are amounts budgeted to be spent on capital projects in the City's capital budget. Most capital acquisition costs are not considered expenses under PSAS and they are capitalized on the Statement of Financial Position and expensed over the useful life of the assets through amortization expense. The total estimated capital expenditures for 2024 are \$167,851,704.

Debt principal payments are included in the City's operating budget in order to raise the tax revenue required to pay the principal portion of the current year's debt obligations. The total estimated debt principal payments for 2024 are \$10,159,000. These payments are not considered an expense under PSAS, as debt principal is recorded as a reduction of the City's debt liability on the Statement of Financial Position.

The City budgets for the current year costs related to the closure of its landfill site in 2003. Under PSAS, the City recognizes a liability in the financial statements which amounts to the present value of costs related to monitoring the closed landfill site for 50 years from the date of closure. Each year this liability estimate is updated and results in a non-cash adjustment under PSAS. The 2024 estimated change in the landfill post-closure liability will result in a reduction of expenses under PSAS of \$126,000. As of 2023, PSAS now includes the landfill liability under a new accounting standard PS 3280 – Asset Retirement Obligations. As such the landfill liability is now referred to as an asset retirement obligation going forward.

Employee future benefits encompass four categories of benefits: health and dental benefits to be paid to employees after early retirement up to the age of 65 (retiree benefits); health and dental benefits to be paid to former employees on long-term disability for more than two years (post-employment benefits); sick leave benefits to be paid out to first responders under the terms of their collective agreements; and Workplace Safety Insurance Board (WSIB) benefits which the City administers on a self-insured basis as a Schedule II employer. Retiree and post-employment benefit costs, and WSIB costs payable in the budget year are included in the City's budget. The City also maintains reserves to mitigate future benefit and WSIB cost increases, and to fund sick leave payouts. The estimated increase in the employee future benefits liability in 2024 is \$1,042,000.

The 2024 TCA amortization expense is estimated to be \$55,976,000. Amortization is an accounting allocation that recognizes the cost of assets over their useful lives rather than in the year the asset was purchased.

### **Financial Implications**

There are no direct financial implications associated with this report. The intent of this report is to estimate the reconciliation of the 2024 proposed budget to a PSAS compliant budget used in the preparation of the audited financial statements.

## **Attachments**

Attachment-1 2024 City of Guelph Operating Budget - (Unconsolidated) Public Sector Accounting Standards Reconciliation

## **Departmental Approval**

Shanna O'Dwyer, Manager of Financial Strategy and Long-term Planning

## **Report Author**

Michael Lagerquist, Senior Corporate Analyst, Financial Reporting and Accounting

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

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

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# Attachment 1- 2024 City of Guelph Operating Budget (Unconsolidated) Public Sector Accounting Standards (PSAS) Reconciliation

| <b>2024 Budget</b>  |                             |
|---|-----------------------------|
| <b>Revenues</b>   |                             |
| Operating   | (556,280,013)               |
| Capital   | <u>(208,666,722)</u>        |
| <b>Total Revenues</b>   | <b><u>(764,946,735)</u></b> |
| <b>Expenses</b>   |                             |
| Operating   | 556,280,013                 |
| Non-Tangible Capital  | 40,815,018                  |
| Capital   | <u>167,851,704</u>          |
| <b>Total Expenditures</b>                                     | <b><u>764,946,735</u></b>   |
| <b>Net Budget</b>   | <b>-</b>                    |
| <b>Adjustments Required to Reconcile to PSAS Based Budget</b> |                             |
| <b>Revenues</b>   |                             |
| Decrease  |                             |
| Transfers from Reserves/Reserve Funds & Debt                  | 160,616,000                 |
| Principal Repayments on Loans Receivables                     | 1,176,000                   |
| Increase  |                             |
| Contributed Subdivision Assets                                | <u>(1,346,000)</u>          |
| <b>Total reduction to Revenues</b>                            | <b><u>160,446,000</u></b>   |
| <b>Expenses</b>   |                             |
| Decrease  |                             |
| Transfers to Reserve/Reserve Funds                            | (122,156,000)               |
| Capital Expenses  | (167,851,704)               |
| Debt Principal Payments                                       | (10,159,000)                |
| Asset Retirement Obligations                                  | (126,000)                   |
| Increase  |                             |
| Post-Employment Benefit                                       | 1,042,000                   |
| Amortization of Tangible Capital Assets                       | <u>55,976,000</u>           |
| <b>Total reduction to Expenses</b>                            | <b><u>(243,274,704)</u></b> |
| <b>Annual (Surplus)/Deficit</b>                               | <b><u>(82,828,704)</u></b>  |

# Staff Report



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|              |   |
|--------------|---|
| To           | <b>Committee of the Whole</b>           |
| Service Area | Public Services                         |
| Date         | Tuesday, February 6, 2024               |
| Subject      | <b>Physician Recruitment Initiative</b> |

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## Recommendation

1. That the one-time contribution for physician recruitment as adopted in the 2024-2027 budget be transferred to the Guelph-Wellington Ontario Health Team without the receipt of the corresponding contribution from the Guelph Chamber of Commerce.
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## Executive Summary

### Purpose of Report

To update the previous funding approved during the 2024-2027 Multi-Year Budget process for the Guelph-Wellington Ontario Health Team's Physician Recruitment initiative, given the revised submission that reflects the Guelph Chamber of Commerce's change in support.

### Key Findings

As part of the 2024-2027 Multi-Year Budget Process and following a delegation request from the Guelph-Wellington Ontario Health Team (GW-OHT), Council approved the funding of a two year Physician Recruitment initiative, subject to corresponding funding also being received from the County of Wellington and the Guelph Chamber of Commerce. Subsequent to the budget approval, staff learned that the Chamber of Commerce would not be providing the corresponding cash contribution, and instead would only be supporting the work through an in-kind contribution. Therefore, staff no longer have the authority to provide the funding as directed without Council updating the conditions contained in the original motion.

### Strategic Plan Alignment

As stated in the delegation to Council from the GW-OHT, "Our municipal and commerce partners appreciate their role in promoting the health and well-being of our residents and in supporting efforts to ensure there is sufficient physician capacity to meet the health care needs of the residents of Guelph and Wellington County."

### Future Guelph Theme

People and Economy

### Future Guelph Objectives

People and Economy: Support community well-being

## Financial Implications

None

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## Report

The Guelph-Wellington Ontario Health Team approached City staff, seeking funding support for a Physician Recruitment strategy. As was stated in the original submission, “living a healthy life in Guelph and Wellington requires access to primary care” and it was expressed that the municipality and local commerce have a role in promoting the health and wellbeing of residents. The original ask was for funding from the City of Guelph, the County of Wellington, and the Chamber of Commerce for \$43,335 from each organization for two years (2024 and 2025).

City staff reviewed the request but felt that given the existing budget pressures and resulting mandate to focus on the core services of the municipality along with the desire not to fund health care servicing which should be the responsibility of the Provincial government, the budget request would not be added to the base budget. Instead, it was recommended that the GW-OHT delegate to Council on November 15, 2023.

The GW-OHT delegated to Council as part of the budget delegation night, and reiterated the requested funding as well as the partnership that was being proposed between the two municipalities and the Chamber of Commerce. The written submission also articulated the funding contribution split between the three organizations.

As part of the budget approval, Council passed the following motion:

**That Council amend Guelph’s 2024-2027 operating budget by increasing 2024, one-time, by \$43,335 and increasing 2025, one-time by \$43,335, to provide a grant to the Guelph Wellington Ontario Health Team for physician recruitment, subject to the receipt of the corresponding contributions for this initiative from the County of Wellington, and Guelph Chamber of Commerce, funded through the tax levy.**

Subsequent to the budget approval and passing of the above motion, staff learned that the Chamber of Commerce’s contribution was going to be in-kind, rather than the corresponding cash amount as had been originally discussed with the partners and articulated in the submission. Accordingly, an updated submission was provided by the GW-OHT to staff showing the modified budget of \$86,670 per year, split equally between the two remaining partners who would be making cash contributions: the City of Guelph and the County of Wellington.

## Financial Implications

None – the City’s funding of \$43,335 for each of 2024 and 2025 was approved through the 2024-2027 multi-year budget process and is unchanged.

## Consultations and Engagement

Guelph-Wellington Ontario Health Team

County of Wellington

**Attachments**

Attachment-1 Letter from Guelph-Wellington Ontario Health Team

**Departmental Approval**

Tara Baker, General Manager Finance / City Treasurer

**Report Author**

Colleen Clack-Bush, Deputy Chief Administrative Officer

**This report was approved by:**

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Public Services  
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**This report was recommended by:**

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scott.stewart@guelph.ca



# Staff Report



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|              |   |
|--------------|---|
| To           | <b>Committee of the Whole</b>                           |
| Service Area | Infrastructure, Development and Enterprise Services     |
| Date         | Tuesday, February 6, 2024                               |
| Subject      | <b>Financial Plan for Water and Wastewater Services</b> |

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## Recommendation

1. That City Council, as the owner of the Guelph Municipal Drinking Water System, approve the current six-year financial plan as required under Ontario Regulation 453/07 and the Municipal Drinking Water License.

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## Executive Summary

### Purpose of Report

The purpose of this report is to obtain City Council approval of a financial plan that is prepared as a condition of the Municipal Drinking Water License renewal process under the [Safe Drinking Water Act, 2002](#). A Municipal Drinking Water License is an approval issued by the Ontario Ministry of the Environment, Conservation and Parks for the operation of a municipal drinking water system.

The City of Guelph's current Municipal Drinking Water License expires in 2024. This financial plan for the City of Guelph's drinking water system has been prepared in accordance with [Ontario Regulation Financial Plans Regulation \(O. Reg. 453/07\)](#) and must be approved by a resolution of Council for submission to the Province as part of the Municipal Drinking Water License renewal application process.

### Key Findings

A financial plan is a condition requirement for license renewal of the City's Municipal Drinking Water License (MDWL) and must have Council endorsement. This financial plan is developed from the Council approved operating and capital budget and forecast. Following Council's approval, staff submit the approved financial plan to the Province to renew its MDWL, in accordance with [Ontario Regulation Financial Plans Regulation \(O. Reg. 453/07\)](#).

Ontario Regulation 453/07 details very prescribed license renewal requirements for the preparation and submission of financial plans as a condition in a MDWL renewal submission. The financial plans must include:

1. Approval Process
  - a) Financial plans must be approved by the Municipal Council. This ensures that the plans are endorsed by the appropriate authority, thereby ensuring accountability and oversight.

## 2. Content of Financial Plans

- a) Should include detailed information about the proposed or projected financial operations of the drinking water system. This includes itemized revenue and expense information, such as water rates, user charges, other revenues, amortization expenses, interest expenses, and other expenses.
- b) Must indicate the annual surplus or deficit and the accumulated surplus or deficit. For license renewals, further information about the financial position of the system, such as financial assets, liabilities, net debt, and non-financial assets, should be included.
- c) In cases where the system involves lead service pipes, particulars regarding their replacement should be outlined.
- d) Length of Financial plans should cover a minimum period of six years, and the first year of the financial plan, must be the year in which the drinking water system's existing municipal drinking water license would expire.

## 3. The Owner of the Drinking Water System must:

- a) Make the financial plans easily accessible to the public.
- b) Members of the public who are served by the drinking water system should be able to request the plans without incurring any charges.
- c) If the owner maintains a website, the financial plans must be published on the internet and made available to the public free of charge.
- d) The owner should provide notice to the public about the availability of the financial plans, ensuring that the intended audience is aware of the availability of this information.

## 4. Submission to the Ministry

- a) It is essential for the owner of the drinking water system to submit a copy of the approved financial plans to the Ministry to meet regulatory compliance.

Water and Wastewater operations have a long-standing dedication to sound financial management through the incorporation of leading practices and financial policies to ensure the City's long-term service and infrastructure levels and standards can be met.

### **Strategic Plan Alignment**

The City's strategic plan theme 'Foundations' supports the objective to maintain the City's healthy financial positions. [Ontario Regulation Financial Plans Regulation \(O. Reg. 453/07\)](#) mandates municipalities to prepare and submit financial plans. This requirement ensures that owners engage in long-term financial planning, promoting transparency, accountability, and the long-term viability of the drinking water system.

### **Financial Implications**

There are no direct financial impacts as a result of the financial plan as it is prepared to meet the prescribed legislative requirements required under [Ontario Regulation Financial Plans Regulation \(O. Reg. 453/07\)](#). This financial plan has been developed based on City of Guelph 2024-2027 Operating Budget and a preliminary 2028/2029 operating forecast, 2024-2027 Capital Budget and 2028-2029 capital forecast.

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## Report Details

### Background

The [Safe Drinking Water Act, 2002 \(SDWA\)](#) was initiated in 2000 by Justice O'Connor in response to the Walkerton Inquiry and passed into law in 2002. Under the Act, a number of Regulations were enacted, all designed to protect drinking water systems and their consumers. The SDWA sets out the prescribed requirements to obtain or renew a Municipal Drinking Water License, including:

1. A drinking water works permit;
2. An operational plan documenting the quality management system the owner and operating authority;
3. A Financial Plan containing financial projections;
4. Accreditation from a third-party verifying that their quality management; system conforms to Ontario's Drinking Water Quality Management Standard
5. A permit to take water.

Justice O'Connor identified financial planning as necessary to ensure that drinking water systems become self-financing and sustainable. He recommended that the Ontario provincial government require all owners of municipal water systems to submit a financial plan as a condition of obtaining and maintaining a Municipal Drinking Water License. Thus, [Ontario Regulation Financial Plans Regulation \(O. Reg. 453/07\)](#) was enacted to satisfy and outline the requirements for municipal drinking water systems. Under this Regulation, all residential drinking water system owners applying for a drinking water license renewal, must prepare a financial plan, approved by Council, that satisfy the requirements prescribed in the Regulation for submission.

### Process

The City of Guelph's Municipal Drinking Water License must be renewed through application every five years. As a condition for renewal, an updated financial plan must be submitted per [Ontario Regulation Financial Plans Regulation \(O. Reg. 453/07\)](#).

BMA Management Consulting was retained by the City to prepare the financial plan as part of the submission requirements under the Municipal Drinking Water License renewal process as per the [Safe Drinking Water Act, 2002](#). The objective of the report is to convert City-supplied financial reporting documents, including Master Plans and Studies, into the prescribed reporting requirements for a financial plan defined under Ontario Regulation 453/07.

Although not a requirement under Ontario Regulation 453/07, the financial plan has been prepared to present both the City's water and wastewater system's financial position, to emphasize the interconnectedness and interdependence of their financial management. By presenting the plan jointly it promotes a coordinated approach to financial management and ensuring the long-term sustainability of each utility.

The financial plan has been developed in alignment with studies and Council direction that supports financial sustainability, water conservation, program efficiency, customer affordability, asset management, and fairness and equity.

The following highlights key outcomes of the 2024 six-year financial plan:

### **Statement of Financial Operations**

The statements of financial operations show the City is generating excess revenues over ongoing operation expenses including amortization for water and wastewater throughout the forecast period. This indicates funds are available each year for future capital renewal or major maintenance through the transfer to Capital Reserves.

### **Cash Flow**

The water utility cash flow dip into a negative position in 2029 while wastewater utility remains positive during the financial term. The water shortfall in cashflows can be offset through internal borrowing from wastewater on a temporary basis. Staff will refine the capital budget to reduce expenditures to a sustainable level through the budget confirmation process.

### **Net Financial Assets**

Wastewater net financial assets are in a positive position throughout the forecast while water net position is in a negative position from 2024 to 2029. The water negative position indicates that past capital is being financed from future revenues. This is due to required renewal of critical water assets like FM Woods Station.

### **Tangible Capital Assets (Net Book Value)**

The net book value is projected to increase for water and wastewater indicating that assets are being renewed at an increased pace, as substantiated in the water and wastewater capital budget due to increasing growth needs.

### **Accumulated Surplus**

This indicator represents cash on hand plus the net book value of tangible capital assets less debt. The accumulated surplus is forecast to increase from 2024 to 2029 for both water and wastewater.

### **Financial Implications**

There are no direct financial impacts as a result of the preparation of the financial plan. This financial plan is prepared to meet the legislative requirements under Ontario Regulation 453/07. The multi-year budget is where operating and capital budgets are approved, determining the user rates required to ensure full cost recovery of the water and wastewater utility. Through the annual budget confirmation process the approved budget is reviewed, updated, and reconfirmed annually.

This financial plan is a summary which provides a financial forecast for both expense and revenue requirements to 2029 to ensure the ongoing financial sustainability of both utilities. The financial plan was developed using the [2024-2027 budget](#) adopted by Council on November 29, 2023. The 2028/29 Capital forecast from the ten-year capital budget and preliminary 2028/2029 operating forecast developed by BMA were used to complete the six-year financial plan (Attachment-1). As noted in the [2024-2027 Multi-Year Budget Companion Report –](#)

[Council Budget Decisions](#), the funded status of the Water Capital Reserve is a concern and staff will report back to Council on changes required to the 2025-2033 Capital Budget and Forecast through the 2025 budget confirmation.

### **Conclusion**

The submission requirements of the Provincial Financial Plans Regulation (O. Reg. 453/07) outline what is necessary for owners of municipal drinking water systems to prepare and submit financial plans. By fulfilling the submission requirements, Municipal Drinking Water System owners lay the groundwork for effective financial planning and management, enable sustainable provision of safe drinking water to the community and satisfy the condition requirement for MDWL renewal.

### **Consultations and Engagement**

Staff worked with BMA Municipal Financial and Management Consulting for the preparation of Attachment-1 BMA Report – City of Guelph Water and Wastewater Financial Plan and Attachment-2 BMA Report - City of Guelph - Water and Wastewater Financial Plan – O. Reg. 453/07

### **Attachments**

Attachment-1 BMA Report - City of Guelph Water and Wastewater Financial Plan

Attachment-2 BMA Report - City of Guelph - Water and Wastewater Financial Plan – O. Reg. 453/07

### **Departmental Approval**

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# City of Guelph - Water and Wastewater Financial Plan

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## **Water and Wastewater Financial Plan Forecast**

### *Water/Wastewater Financial Plan Introduction*

The Ministry of Environment (MOE) passed the Safe Drinking Act, 2002 (SDWA). Every five years the City of Guelph must renew its water license to deliver treated water as mandated under the Act. As part of the drinking water license renewal requirements municipalities must submit to the Ministry of Municipal Affairs and Housing a Water Financial Plan based on up-to-date information along with a resolution from Council indicating that the drinking water system is financially viable.

This report has been prepared in accordance with the financial plan regulation O.Reg 453/07 made under the Safe Drinking Water Act as well as the provisions of the financial planning guidelines published by the MOE in August 2007 entitled "Toward Financial Sustainable Drinking Water and Wastewater Systems".

While the regulations are directed at **water systems**, the City has taken a more comprehensive approach to utility funding and has included a financial plan for the city's Wastewater system.

The goal of the Financial Plan is to provide the City with a realistic and informed view of operating and capital expenditures needed over time to maintain the integrity and health of its physical infrastructure, accommodate growth and adhere to environmental

policies and legislation. As such, the Financial Plan provides a framework for guiding the annual budget and provides a tool for identifying the long-term impacts of decisions made in individual budget years. This helps align actions with financial strategies.

This document also puts the City's water and wastewater financial condition in perspective, discusses the current challenges and risks and provides a financial forecast, consistent with the strategic direction of the City.

### *Principles of Financial Sustainability*

The Ministry of the Environment, Conservation and Parks released a guideline (“Towards Financially Sustainable Drinking-Water and Wastewater Systems”) that provides possible approaches to achieving sustainability. The Province’s Principles of Financially Sustainable Water and Wastewater Services are provided below:

- **Principle #1:** Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.
- **Principle #2:** An integrated approach to planning among water, wastewater, and storm water systems is desirable given the inherent relationship among these services.
- **Principle #3:** Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.
- **Principle #4:** Life-cycle planning with mid-course corrections is preferable to planning over the short-term, or not planning at all.
- **Principle #5:** An asset management plan is a key input to the development of a financial plan.
- **Principle #6:** A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.
- **Principle #7:** Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.
- **Principle #8:** Financial Plans are “living” documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.
- **Principle #9:** Financial Plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal council.

### *The Financial Plan is Dynamic*

Although great effort has been made to present accurate financial projections, based upon the data available at this time, financial plans are dynamic documents and should be updated and re-evaluated, as assumptions change.

It is not an exercise in precision, rather it is intended for use as a forecasting tool to ensure that the City is on the right course to meet its financial obligations and future challenges. There are many circumstances that may occur within the planning horizon that could affect the financial projections.



It is anticipated that updates to the financial will:

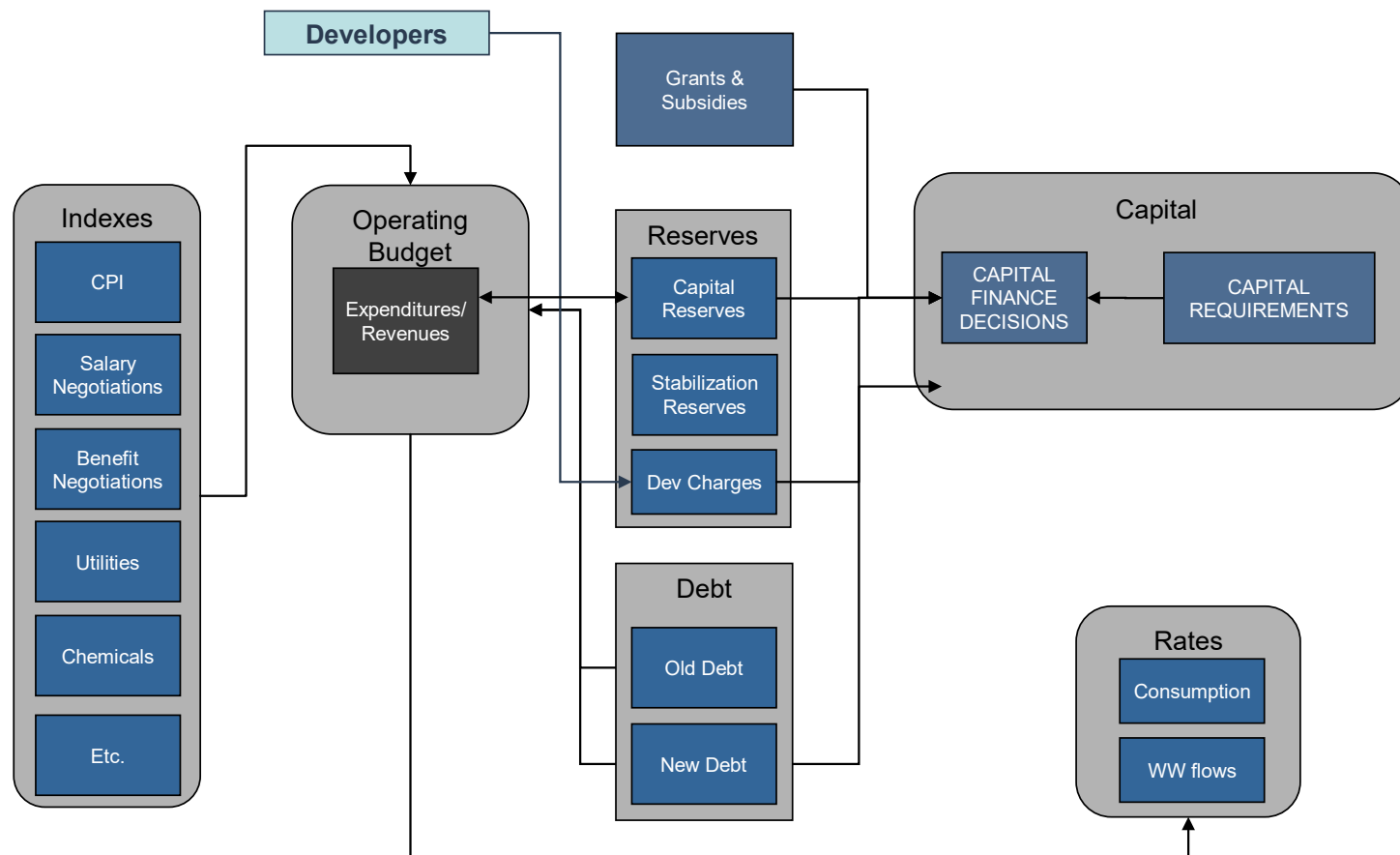
- Amend the assumptions, projections and strategies, as required, based on changes in the municipal environment;
- Continue building awareness of future changes in current operating and capital spending and funding levels;
- Assist the City in determining the extent of its financial challenges;
- Reconfirm the key financial goals and strategies that should guide future planning; and
- Spur the development of actions in future business plans that would respond to the strategies.

## Water and Wastewater Model and Situational Analysis



### *Model Development*

The Financial Plan is developed based on an analysis of all factors impacting the water and wastewater capital and operating budgets, including financing plans, consumption and wastewater flow forecasts. As shown below, due to the inter-relationship between all components of the plan, changes in any of the assumptions will potentially have an impact throughout the Financial Plan.



### *Studies to Optimize Water and Wastewater Systems*

The City of Guelph recognizes that financial sustainability is needed to ensure that residents continue to enjoy clean and safe drinking water. It ensures that water and wastewater are reliable and environmental protection is maintained.

The City currently engages in numerous financial planning practices and applies financial strategies in accordance with leading practices. This includes the preparation of multi-year operating budgets, ten-year capital budget forecasts, asset management plans and master plans for each of the City's utilities.

The preparation of the financial plan brings together the financial information from the various documents and provides the foundation to inform data-driven decisions. The preparation of a financial plan also identifies emerging challenges that may potentially impact the City's ability to meet its goals and objectives.

The City has undertaken a number of foundational servicing plans to expand services in an orderly fashion. Also, the City has undertaken various studies on to support financial sustainability, water conservation, program efficiency, customer affordability and

fairness and equity. These studies were used to formulate the Water/Wastewater Financial Plan and include:

- 2021 Core Asset Management Plan (and sustainable funding targets)
- 2023 Water & Wastewater Rate Review
- 2019 Water & Wastewater Financial Plan
- 2016 Water Efficiency Strategy
- Water and Wastewater Rates and Charges Bylaw (2021)-20651
- 2018 Development Charge Study
- 2022 Water Supply Master Plan
- 2022 Water and Wastewater Servicing Master Plan
- 2022 Wastewater Treatment and Biosolids Master Plan
- 2017 Cost of Service Study (COSS) for Water and Wastewater

### *Regulatory and Legislative Environment*

Municipalities across Ontario have consistently identified legislative and regulatory changes and requirements as a major factor driving the cost of service over the past 10 years and will continue to be a factor well into the future. Statutes and associated regulations that dictate service and service levels include:

- Municipal Act;
- Clean Water Act;
- Water Opportunities Act;
- Ontario Water Resources Act;
- Safe Drinking Water Act (SDWA);
- Environmental Protection Act;
- Environmental Assessment Act;
- PSAB 3150, Tangible Capital Assets Reporting, and;
- More Housing Built Faster Act.

## Financial Environment, Forecast Assumptions and Financial Policies



### *Financial Environment and Assumptions*

The City of Guelph Water and Wastewater operations have a long-standing dedication to sound financial management through the incorporation of leading practices and prudent financial policies to ensure the City's long-term service and infrastructure levels and standards can be met without unplanned increases in rates or disruption of service.

This following provides an overview of the Water and Wastewater financial environment and assumption used to develop the Financial Plan over the next six years.

**Capital Budget**—The 6-year Water and Wastewater Capital Forecast is based on the 2024-2027 Capital Budget and the 2028-2029 Capital Budget Forecast.

- **Asset Renewal/Replacement**—The City incorporated into the 6-year capital budget \$433.9 million related to the replacement of existing water and wastewater assets.
- **Growth Related Capital Requirements**—Over the next 6 years, there is an expected growth-related capital requirement of \$72.6 million for water and \$101.8 million for wastewater which will be funded from future development charge revenues.

**Operating Budget**—The Financial Plan utilizes the City's 2024-2027 Operating Budget and forecasts 2028 and 2029 Operating Budgets.

- **Service Standards**—Water and wastewater programs are maintained at their current service levels.
- **Operating Expenditures**—Expenditure increases for many municipal services to maintain existing level of services is based on a 3% yearly increase.

**Water & Wastewater Reserves**—The opening balance for 2024 Water and Wastewater Contingency and Capital Reserves and Reserve Funds are based on the year-end estimated balance for 2023.

**Debt Issuance Interest Rates**—Based on significant capital requirements, \$66 million in water rate supported debt has been forecast over the next 6-year period. The debt is amortized over 20 years at an interest rate of 4.5%. The City maintains a number of debt policies that have been included in the Financial Plan.

## *Financial Strategies*

The following reflects the financial strategies that the City has maintained for numerous years with respect to water and wastewater operations.

- *Growth pays for growth* to the extent that the City can collect through development charges;
- *Pay-as-you-go* financing will be used, to the extent possible, for the replacement of assets through ongoing contributions to the *Capital Reserves*;
- *Debt* will be used to smooth out cash requirements for large infrequent lifecycle or growth-related projects;
- The City will maintain *Contingency and Capital Reserves in accordance with the City's fiscal policies*;
- The City will strive to achieve *inter-generational financial fairness*; and
- *Ratepayer affordability* will be considered in establishing rate revenue requirements.

## *Financial Policies*

### *Reserve Policies*

Maintaining sufficient reserves and reserve funds is a critical component of financial sustainability and revenue stability. The purposes for maintaining adequate reserves are:

- To provide stabilization in the face of variable and uncontrollable factors (growth, interest rates, changes in subsidies) and to ensure adequate and sustainable cash flows;
- To provide financing for one-time or short-term requirements without permanently impacting the tax rates thereby reducing reliance on long-term debt;
- To make provisions for replacement of capital assets to sustain infrastructure and smooth rates;
- To provide flexibility to manage debt levels and protect the City's financial position; and
- To provide for future liabilities incurred in the current year, but paid for in the future.

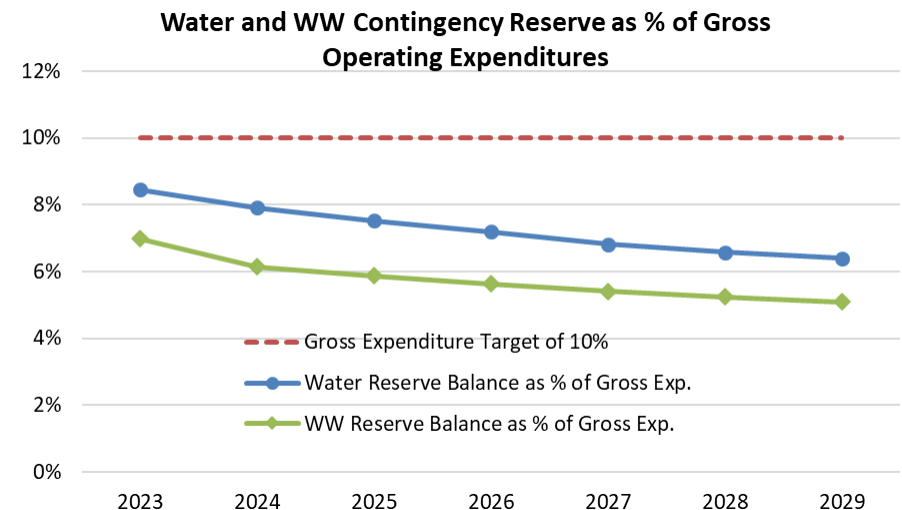
### *Contingency Reserve Policy*

The City maintains Water and Wastewater Contingency Reserves to offset extraordinary and unforeseen expenditure requirements, revenue shortfalls, to manage cash flows, to stabilize the rates and to fund any operating deficits. These reserves are important tools for meeting the objective of flexibility and financial stability. The Water and Wastewater Contingency Reserves are funded from operating budget surpluses. Funds are transferred out of the Contingency Reserves, through the approved budget.

The City has established a target of Contingency Reserve balances at 10% of gross operating expenditures.

- The forecast does not anticipate any surplus, therefore the balance in the Waterworks and Wastewater operations remains below the target throughout the forecast period.
- The target balance for the Contingency Reserves is 10% of the annual gross operating expenditures (excluding debt repayments and capital reserve fund transfers). The current balance in the Water and Wastewater Stabilization Reserve is 8.4% and 7.0% respectively of annual operating expenditures,

which is currently below the recommended target balance but is still within a reasonable range over the forecast period.



## Capital Reserves

The purpose of the Capital Reserve Funds (Water and Wastewater) is to provide funding for the capital needs of the program and the replacement of capital assets as they come due for replacement.

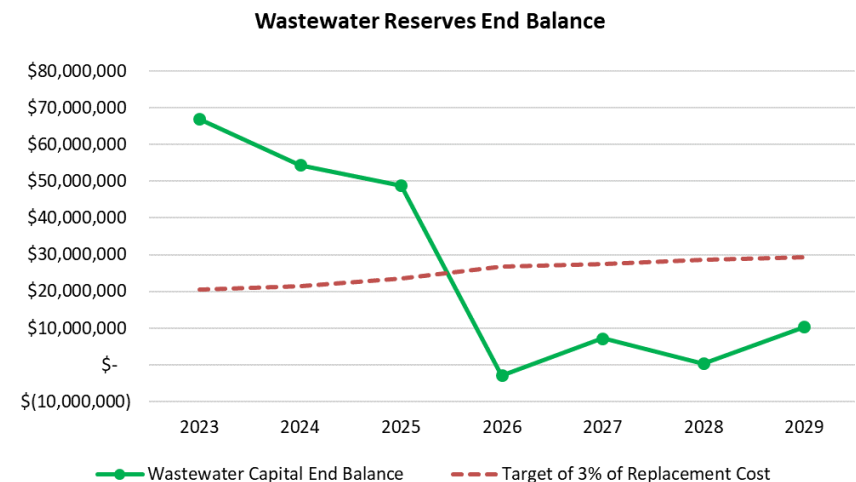
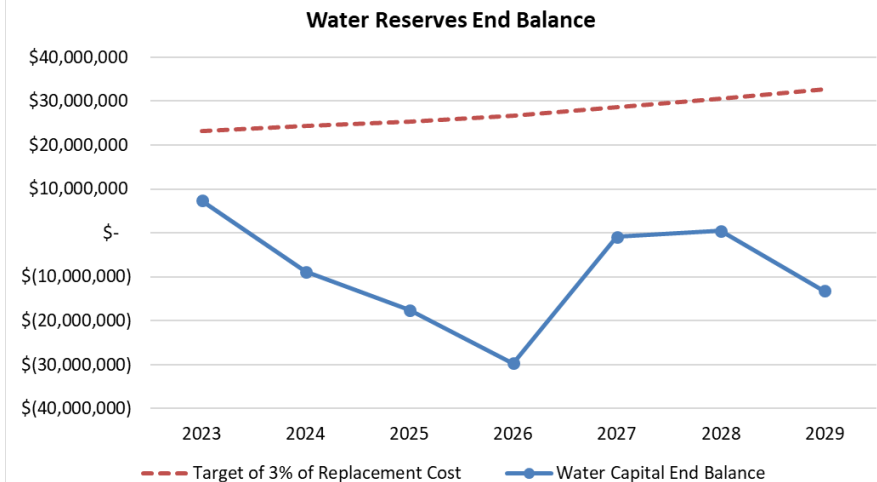
These reserves are funded from annual contributions from the Operating Budget and any remaining surplus not committed upon closing of individual projects are transferred to the Capital Reserves.

Water and wastewater operations are extremely capital intensive therefore it is prudent for a municipality to have a reserve balance on hand to deal with emergency situations or unplanned capital repairs. The City's capital reserve balance target is to be approximately 3% of the total asset replacement value:

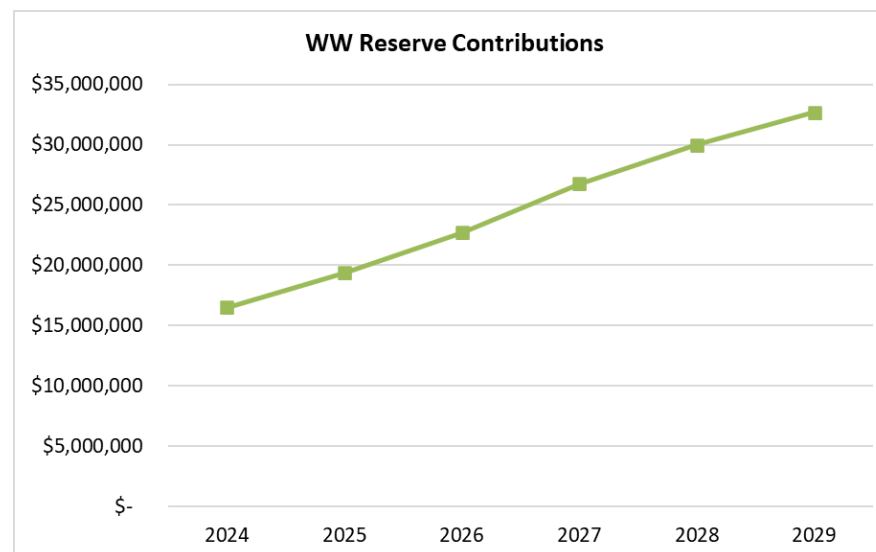
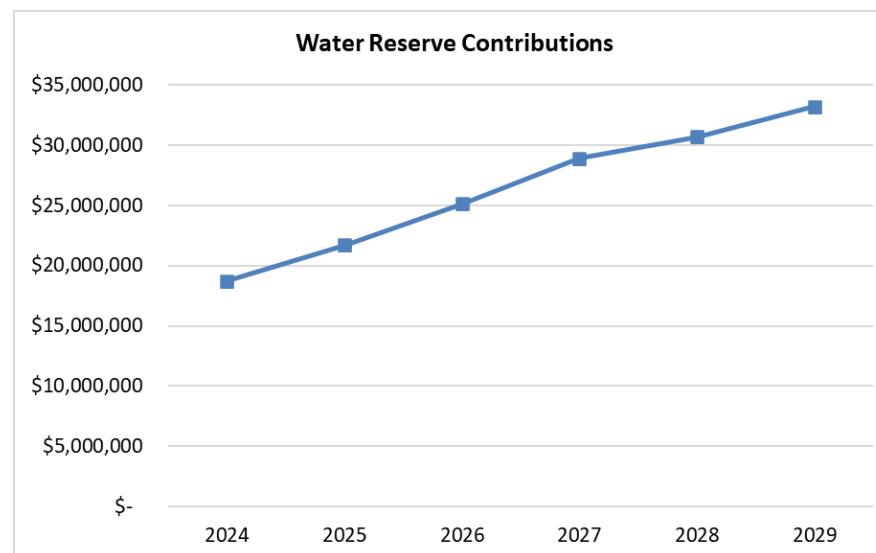
- The Water and Wastewater Capital Reserve position over the next 6 years does not meet this target due to large capital expenditure requirements.
- The combined reserve position in each year is in a positive position. This provides the ability to borrow internally to finance any in year deficits in accordance with the debt policy.

### Capital Target

**Capital reserves as a percentage of asset value: Capital Reserve Balance should be approximately 3% of the total asset replacement value.**



- While the reserve balances are not achieving the City's target balance, the graph reflects a steady increase in contributions annually to the Capital Reserves in Water and Wastewater operations.
  - In Water, Reserve contributions are \$18.7 million in 2024, gradually increasing to \$33.2 million in 2029. This is equal to an annual blended increase of 12.1%.
  - In Wastewater, Reserve contributions are \$16.5 million in 2024, gradually increasing to \$32.7 million in 2029. This is equal to an annual blended increase of 14.6%.
- These gradual increases in the contributions are in consideration of ratepayer affordability.
- Staff will work to further refine the capital budget to reduce expenditures to sustainable levels. This will include reprioritizing projects and will be presented to Council in future budget confirmation processes.



## *Debt Policies*

Municipalities have limited options with respect to raising funds to support municipal programs and services. The City of Guelph is not unique, as virtually all municipalities across Ontario are facing increasing infrastructure backlogs, funding gaps, and increasing financial pressures in infrastructure management.

Prudent issuance of debt is an efficient use of available financial resources, however, when municipalities issue debentures, they enter into a long-term commitment that requires them to make principal and interest payments over the life of the debentures.

The City of Guelph has established policies and procedures on debt. These policies help ensure the City maintains its financial health while maintaining water/wastewater services.

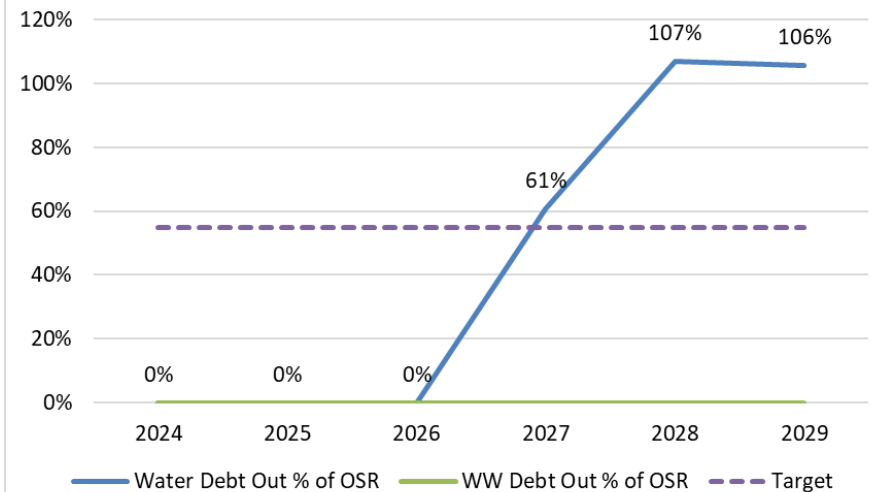
The use of debt allows for the accommodation of large-scale projects without causing significant increases in rates.

- In the Water Services operations two significant projects are within the 6-year planning horizon which requires debt financing;
  - FM Woods station upgrades and renewal
  - Verney Booster Pumping Station upgrades – investigation work to continue in 2026
- The Financial Plan is based on issuing \$66 million of debt for the water program to help finance these programs.

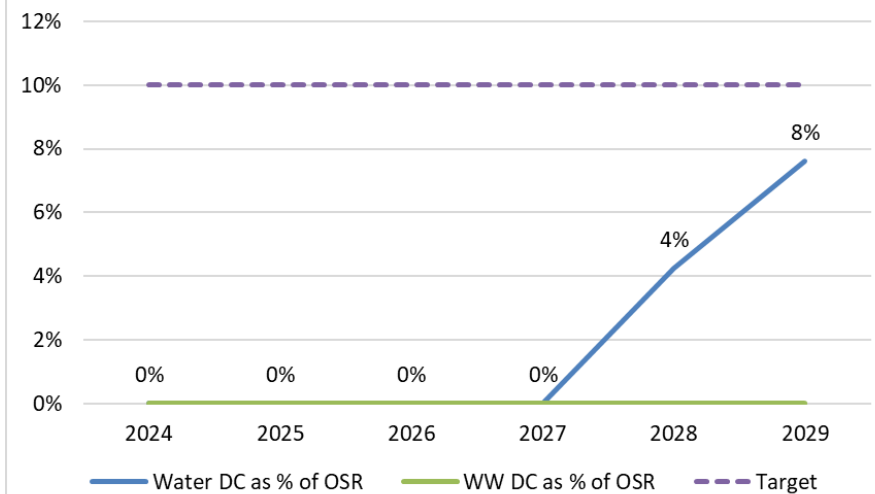
### Debt Policies

- **Limits/Targets.** The following ratios assist in preserving borrowing capacity for future capital assets while maintaining maximum flexibility for current operating funds.
- **Direct Debt to Operating Revenue** - This measure identifies the percentage of annual operating revenues that would be required to retire the City's net debt. It is also the prime measure used by Standard and Poor's when assessing the debt burden of the municipality. A target rate of **less than 55%** should be maintained.
- **Debt Service Cost to Net Revenue Fund Revenue** - This ratio is a measure of the principal and interest payable annually as a proportion of revenue fund revenues. It should not exceed a target of **10%**.

Water & WW Debt Outstanding Ratio



Water & WW Debt Charges as % of Own Source Revenue



### *Water Operating Budget Forecast*

| <b>Water Operating Budget</b>     | <b>2024 Budget</b>   | <b>2025 Budget</b>   | <b>2026 Budget</b>   | <b>2027 Budget</b>   | <b>2028</b>          | <b>2029</b>          |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues</b>                   |                      |                      |                      |                      |                      |                      |
| 9231 WATER BASIC CHARGE           | \$ 5,409,988         | \$ 5,988,894         | \$ 6,628,203         | \$ 7,281,124         | \$ 8,009,236         | \$ 8,810,160         |
| 9232 WATER CONSUMPTION            | \$ 30,656,600        | \$ 33,769,164        | \$ 37,386,715        | \$ 41,212,101        | \$ 45,333,311        | \$ 49,866,642        |
| Other User Fees & Service Charges | \$ 694,825           | \$ 899,425           | \$ 915,425           | \$ 931,425           | \$ 947,718           | \$ 964,486           |
| Transfers from Reserves           | \$ -                 | \$ -                 | \$ -                 | \$ 21,700            | \$ -                 | \$ -                 |
| <b>Total Revenues</b>             | <b>\$ 36,761,413</b> | <b>\$ 40,657,483</b> | <b>\$ 44,930,343</b> | <b>\$ 49,446,350</b> | <b>\$ 54,290,265</b> | <b>\$ 59,641,288</b> |
| <b>EXPENSES</b>                   |                      |                      |                      |                      |                      |                      |
| Salary, Wage & Benefits           | \$ 9,330,994         | \$ 10,131,924        | \$ 10,648,524        | \$ 11,111,084        | \$ 11,597,234        | \$ 11,945,151        |
| Purchased Goods                   | \$ 2,843,439         | \$ 2,830,069         | \$ 2,999,309         | \$ 3,150,109         | \$ 3,244,612         | \$ 3,341,951         |
| Purchased Services                | \$ 2,876,351         | \$ 2,919,231         | \$ 1,920,431         | \$ 1,921,931         | \$ 1,979,589         | \$ 2,038,977         |
| Internal Charges/Recoveries       | \$ 1,384,640         | \$ 1,452,770         | \$ 2,583,590         | \$ 2,720,633         | \$ 2,802,252         | \$ 2,886,320         |
| Other Transfers                   | \$ 1,586,550         | \$ 1,612,400         | \$ 1,637,400         | \$ 1,662,400         | \$ 1,691,851         | \$ 1,722,186         |
| Long Term Debt Charges            | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 2,306,284         | \$ 4,535,693         |
| Transfer to Water Capital Reserve | \$ 18,739,439        | \$ 21,711,089        | \$ 25,141,089        | \$ 28,880,193        | \$ 30,668,443        | \$ 33,171,013        |
| <b>Total Expenses</b>             | <b>\$ 36,761,413</b> | <b>\$ 40,657,483</b> | <b>\$ 44,930,343</b> | <b>\$ 49,446,350</b> | <b>\$ 54,290,265</b> | <b>\$ 59,641,288</b> |
| <b>NET Spending</b>               | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          |

The Operating Budget increases from \$36.8 million to \$59.6 million, an increase of \$22.8 million. The main driving factor of the increase is the transfer to the Water Capital Reserve which increased by \$14.4 million to support the capital program.

### *Wastewater Operating Budget Forecast*

| Wastewater Operating Budget       | 2024 Budget          | 2025 Budget          | 2026 Budget          | 2027 Budget          | 2028                 | 2029                 |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues</b>                   |                      |                      |                      |                      |                      |                      |
| 9229 WASTEWATER BASIC CHARGE      | \$ 5,586,797         | \$ 6,163,893         | \$ 6,813,007         | \$ 7,510,250         | \$ 8,125,959         | \$ 8,645,923         |
| 9230 WASTEWATER RATE REVENUE      | \$ 31,658,515        | \$ 34,928,729        | \$ 38,607,040        | \$ 42,558,082        | \$ 46,047,102        | \$ 48,993,562        |
| Other User Fees & Service Charges | \$ 2,448,766         | \$ 2,548,066         | \$ 2,597,266         | \$ 2,597,266         | \$ 2,607,734         | \$ 2,618,502         |
| Transfers from Reserves           | \$ -                 | \$ -                 | \$ -                 | \$ 21,700            | \$ -                 | \$ -                 |
| <b>Total Revenues</b>             | <b>\$ 39,694,078</b> | <b>\$ 43,640,688</b> | <b>\$ 48,017,313</b> | <b>\$ 52,687,298</b> | <b>\$ 56,780,795</b> | <b>\$ 60,257,987</b> |
| <b>EXPENSES</b>                   |                      |                      |                      |                      |                      |                      |
| Salary, Wage & Benefits           | \$ 6,840,020         | \$ 7,346,150         | \$ 7,696,550         | \$ 7,922,260         | \$ 8,287,594         | \$ 8,536,222         |
| Purchased Goods                   | \$ 5,776,073         | \$ 6,154,943         | \$ 6,538,543         | \$ 6,684,743         | \$ 6,885,285         | \$ 7,091,844         |
| Purchased Services                | \$ 4,078,075         | \$ 4,101,775         | \$ 3,121,025         | \$ 3,122,025         | \$ 3,215,686         | \$ 3,312,156         |
| Internal Charges/Recoveries       | \$ 4,543,860         | \$ 4,680,920         | \$ 5,956,790         | \$ 6,157,164         | \$ 6,341,879         | \$ 6,532,135         |
| Other Transfers                   | \$ 1,780,250         | \$ 1,806,100         | \$ 1,831,100         | \$ 1,856,100         | \$ 1,885,551         | \$ 1,915,886         |
| Financial Expenses                | \$ 160,000           | \$ 160,000           | \$ 160,000           | \$ 160,000           | \$ 164,800           | \$ 169,744           |
| Transfer to WW Capital Reserve    | \$ 16,515,800        | \$ 19,390,800        | \$ 22,713,305        | \$ 26,785,006        | \$ 30,000,000        | \$ 32,700,000        |
| <b>Total Expenses</b>             | <b>\$ 39,694,078</b> | <b>\$ 43,640,688</b> | <b>\$ 48,017,313</b> | <b>\$ 52,687,298</b> | <b>\$ 56,780,795</b> | <b>\$ 60,257,987</b> |
| <b>NET Spending</b>               | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          |

The Operating Budget increases from \$39.7 million to \$60.3 million, an increase of \$20.6 million. The main driving factor of the increase is the transfer to the Wastewater Capital Reserve which increased by \$16.2 million to support the capital program.

### *Summary of Rate Revenue Requirements*

The following table reflects the forecast revenue requirements for the water and wastewater operations:

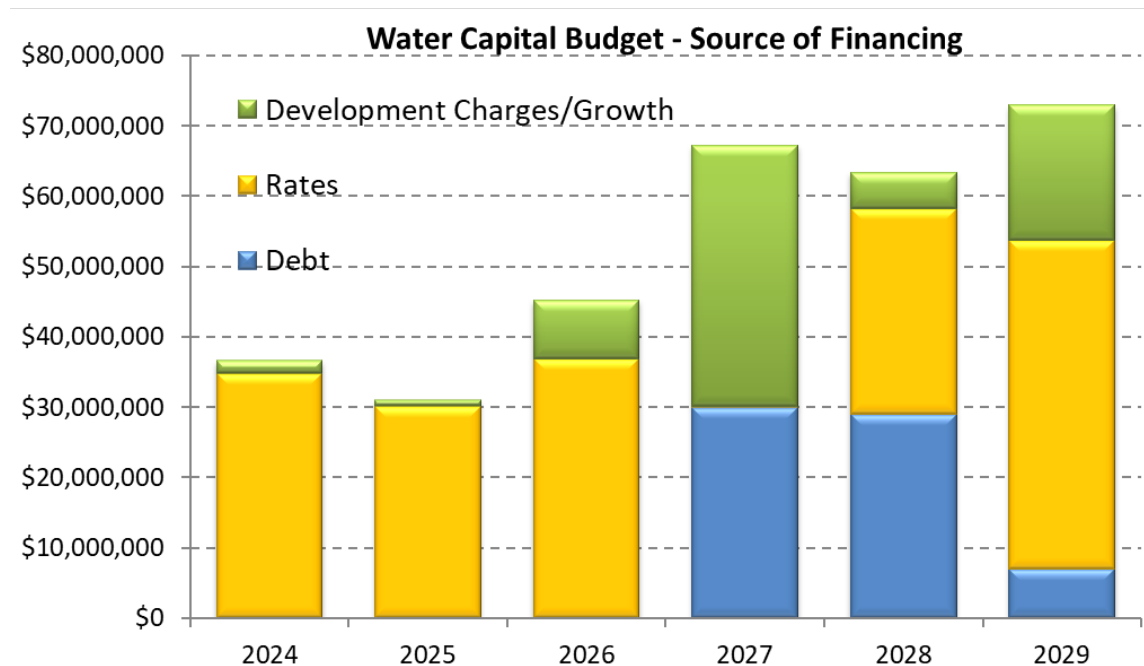
| Rate Revenue Requirements (000's) |      |        |      |        |      |        |      |        |      |         |      |         |
|-----------------------------------|------|--------|------|--------|------|--------|------|--------|------|---------|------|---------|
|                                   | 2024 |        | 2025 |        | 2026 |        | 2027 |        | 2028 |         | 2029 |         |
| Water                             | \$   | 36,067 | \$   | 39,758 | \$   | 44,015 | \$   | 48,493 | \$   | 53,343  | \$   | 58,677  |
| % Change                          |      | 13.3%  |      | 10.2%  |      | 10.7%  |      | 10.2%  |      | 10.0%   |      | 10.0%   |
| WW                                | \$   | 37,245 | \$   | 41,093 | \$   | 45,420 | \$   | 50,068 | \$   | 54,173  | \$   | 57,639  |
| % Change                          |      | 9.8%   |      | 10.3%  |      | 10.5%  |      | 10.2%  |      | 8.2%    |      | 6.4%    |
| Combined                          | \$   | 73,312 | \$   | 80,851 | \$   | 89,435 | \$   | 98,562 | \$   | 107,516 | \$   | 116,316 |
| % Change                          |      | 11.5%  |      | 10.3%  |      | 10.6%  |      | 10.2%  |      | 9.1%    |      | 8.2%    |

Note that the table above reflects the rate revenue requirements over the forecast period and do not equate to the rate increases on the residential and commercial bill. Rate setting takes into consideration assumptions with respect to consumption trends and growth in the number of accounts.

### *Water Capital Budget and Financing*

The major driver of the need for increased revenues is capital program needs.

- The total 6-year Water Capital forecast is \$316.5 million
  - \$72.6 million is related to growth financed from development charges
  - \$243.9 million is for the replacement/refurbishment of existing assets financed from rates through reserve and debt issuance. This includes capital projects that enable growth to meet our housing pledge in areas such as downtown.
- While the Capital Budget annual requirements vary from year to year, the strategy is to smooth the contributions to reserves to avoid volatility in rates and gradually move the City toward full cost recovery.



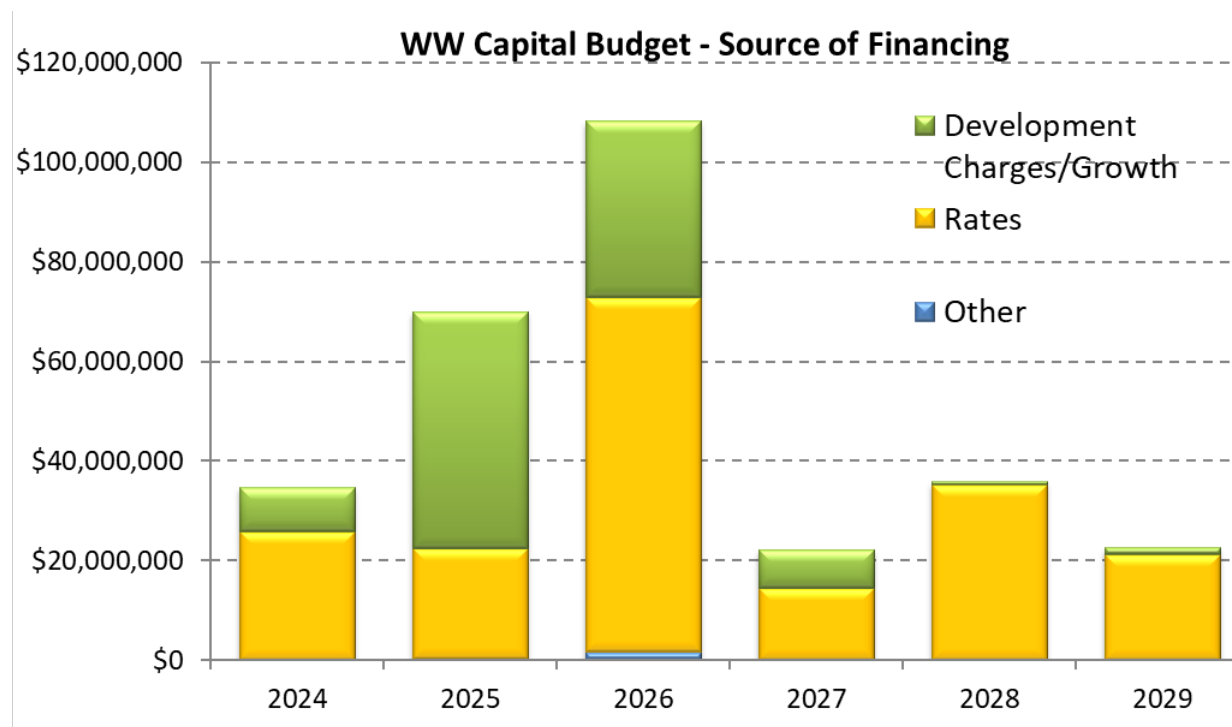
### *Summary of Water Capital Budget Forecast*

| Project Number & Name                                    | 2024                 | 2025                 | 2026                 | 2027                 | 2028                 | 2029                 | 2024-2029 Total       |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| <b>09 Water Management</b>                               | 19,404,600           | 18,568,851           | 37,882,800           | 55,691,550           | 36,422,607           | 34,011,873           | 201,982,281           |
| 09-1 Stormwater ponds and structures                     | 99,400               | 62,551               | -                    | -                    | 663,807              | 332,773              | 1,158,531             |
| 09-3 Water buildings and wells                           | 15,348,100           | 13,410,600           | 32,973,800           | 49,576,000           | 27,768,800           | 17,497,800           | 156,575,100           |
| 09-4 Vehicles and equipment                              | 721,600              | 1,167,500            | 1,186,700            | 1,073,400            | 1,656,000            | 2,902,000            | 8,707,200             |
| 09-5 Plans, studies and programs                         | 3,235,500            | 3,928,200            | 3,722,300            | 5,042,150            | 6,334,000            | 13,279,300           | 35,541,450            |
| <b>08 Transportation Network</b>                         | 17,206,031           | 12,459,234           | 7,346,118            | 11,591,388           | 27,000,805           | 38,962,427           | 114,566,004           |
| 08-1 Bridges and structures                              | 626,689              | 2,216,111            | -                    | -                    | -                    | -                    | 2,842,800             |
| 08-2 Full roadway and underground construction           | 8,114,543            | 10,243,123           | 7,346,118            | 11,009,235           | 25,976,556           | 36,888,529           | 99,578,104            |
| 08-5 Trails, sidewalks and active transportation network | 8,464,800            | -                    | -                    | 582,152              | 1,024,249            | 2,073,899            | 12,145,100            |
| <b>Total Water Capital and Water Funded Projects</b>     | <b>36,610,631</b>    | <b>31,028,085</b>    | <b>45,228,918</b>    | <b>67,282,938</b>    | <b>63,423,412</b>    | <b>72,974,300</b>    | <b>316,548,285</b>    |
|  |                      |                      |                      |                      |                      |                      |                       |
|  |                      |                      |                      |                      |                      |                      |                       |
|  |                      |                      |                      |                      |                      |                      |                       |
| Source of Financing                                      | 2024                 | 2025                 | 2026                 | 2027                 | 2028                 | 2029                 | 2024-2029 Total       |
| Debt   | \$ -                 | \$ -                 | \$ -                 | \$ 30,000,000        | \$ 29,000,000        | \$ 7,000,000         | \$ 66,000,000         |
| Rates  | \$ 34,808,831        | \$ 30,172,385        | \$ 36,921,288        | \$ 36,448            | \$ 29,283,232        | \$ 46,704,300        | \$ 177,926,485        |
| <b>Total Replacement/Refurbishments</b>                  | <b>\$ 34,808,831</b> | <b>\$ 30,172,385</b> | <b>\$ 36,921,288</b> | <b>\$ 30,036,448</b> | <b>\$ 58,283,232</b> | <b>\$ 53,704,300</b> | <b>\$ 243,926,485</b> |
| <b>Development Charges/Growth</b>                        | <b>\$ 1,801,800</b>  | <b>\$ 855,700</b>    | <b>\$ 8,307,630</b>  | <b>\$ 37,246,490</b> | <b>\$ 5,140,180</b>  | <b>\$ 19,270,000</b> | <b>\$ 72,621,800</b>  |
| <b>Total</b>   | <b>\$ 36,610,631</b> | <b>\$ 31,028,085</b> | <b>\$ 45,228,918</b> | <b>\$ 67,282,938</b> | <b>\$ 63,423,412</b> | <b>\$ 72,974,300</b> | <b>\$ 316,548,285</b> |

### *Wastewater Capital Budget and Financing*

The major driver of the need for increased revenues is capital program needs.

- The 6-year capital forecast is \$294 million:
  - \$101.8 million is related to growth financed from development charges
  - \$189.9 million is for the replacement of existing assets.
- There no debt financing required in the forecast. The Financial Plan gradually increases the contributions to the capital reserve to move the City toward full cost recovery.



### *Summary of Wastewater Capital Budget Forecast*

| Project Number & Name                                    | 2024                 | 2025                 | 2026                  | 2027                 | 2028                 | 2029                 | 2024-2029 Total       |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|
| <b>09 Water Management</b>                               | 21,525,300           | 54,833,651           | 86,912,400            | 14,487,300           | 8,510,454            | 6,157,521            | 192,426,625           |
| 09-1 Stormwater ponds and structures                     | 213,000              | 62,551               | -                     | -                    | 769,154              | 446,521              | 1,491,225             |
| 09-2 Wastewater plant and equipment                      | 19,257,300           | 52,483,100           | 84,271,800            | 10,639,900           | 4,777,500            | 3,194,600            | 174,624,200           |
| 09-4 Vehicles and equipment                              | 130,000              | 222,000              | 553,000               | 740,000              | 350,000              | 350,000              | 2,345,000             |
| 09-5 Plans, studies and programs                         | 1,925,000            | 2,066,000            | 2,087,600             | 3,107,400            | 2,613,800            | 2,166,400            | 13,966,200            |
| <b>08 Transportation Network</b>                         | 13,176,398           | 15,107,251           | 21,303,938            | 7,756,394            | 27,335,294           | 16,455,250           | 101,134,525           |
| 08-1 Bridges and structures                              | 419,909              | 1,484,891            | -                     | -                    | -                    | -                    | 1,904,800             |
| 08-2 Full roadway and underground construction           | 6,712,290            | 13,622,360           | 21,303,938            | 7,756,394            | 27,335,294           | 16,455,250           | 93,185,525            |
| 08-5 Trails, sidewalks and active transportation network | 6,044,200            | -                    | -                     | -                    | -                    | -                    | 6,044,200             |
| <b>Total WW Capital and WW Funded Projects</b>           | <b>34,701,698</b>    | <b>69,940,902</b>    | <b>108,216,338</b>    | <b>22,243,694</b>    | <b>35,845,748</b>    | <b>22,612,770</b>    | <b>293,561,151</b>    |
|  |                      |                      |                       |                      |                      |                      |                       |
|  |                      |                      |                       |                      |                      |                      |                       |
|  |                      |                      |                       |                      |                      |                      |                       |
| Source of Financing                                      | 2024                 | 2025                 | 2026                  | 2027                 | 2028                 | 2029                 | 2024-2029 Total       |
| Rates  | \$ 25,870,602        | \$ 22,288,729        | \$ 71,207,372         | \$ 14,380,208        | \$ 35,109,121        | \$ 21,106,329        | \$ 189,962,361        |
| Development Charges/Growth                               | \$ 8,831,097         | \$ 47,449,287        | \$ 35,394,752         | \$ 7,863,486         | \$ 736,627           | \$ 1,506,442         | \$ 101,781,690        |
| Other  | \$ -                 | \$ 202,886           | \$ 1,614,214          | \$ -                 | \$ -                 | \$ -                 | \$ 1,817,100          |
| <b>Total</b>   | <b>\$ 34,701,698</b> | <b>\$ 69,940,902</b> | <b>\$ 108,216,338</b> | <b>\$ 22,243,694</b> | <b>\$ 35,845,748</b> | <b>\$ 22,612,770</b> | <b>\$ 293,561,151</b> |

# City of Guelph - Water and Wastewater Financial Plan – O. Reg. 453/07

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## *Water and Wastewater Financial Plan—O.Reg. 453/07*

### *Background Financial Plan*

The City of Guelph has prepared a Financial Plan for the time period 2024 – 2029 in accordance with the Financial Plan regulation (O.Reg. 453/07) made under the Safe Drinking Water Act as part of the requirements to renew their municipal drinking water licence. While the O. Reg. 453/07 only applies to Water, the City has taken a more comprehensive approach to utility funding and prepared statements for both water and wastewater operations. Paragraph 4 of subsection 3(1) of the regulation requires that Financial Plans include three statements including the Statement of Operations, the Gross Cash Receipts and the Financial Position. The following provides a summary of the principle features concerning the current and future state of the water and wastewater systems contained in the Financial Plan:

- ***Statement of Financial Operations*** - This statement summarizes the revenues and expenditures and annual surplus or deficit. The expenditures include ongoing operating costs plus amortization of the capital assets. This statement indicates that the system and its asset base are projected to be maintained with funds being available each year for future capital renewal or major maintenance.
- ***Cash Receipts or Gross Cash Payments (Cash Flows)*** - The cash flow statement summarizes how the water and wastewater system is expected to generate and utilize cash resources.
- ***Financial Position*** - There are three important indicators to review in the Statement of Financial Position described as follows:
  - Net Financial Assets
  - Tangible Capital Assets
  - Accumulated Surplus/Deficit

***Lead Replacement*** - Ontario Regulation 453/07 also states that details regarding the replacement of lead service pipes must be identified as it related to the three schedules provided. The 2024-2029 Capital Program includes an allowance of \$4.7 million to support the cast-iron replacement program. The City of Guelph offers grants up to \$2,000 to help cover the cost of replacing lead pipes on residential properties. The grant usually covers 80% of the cost, depending on the length of the lead service line.

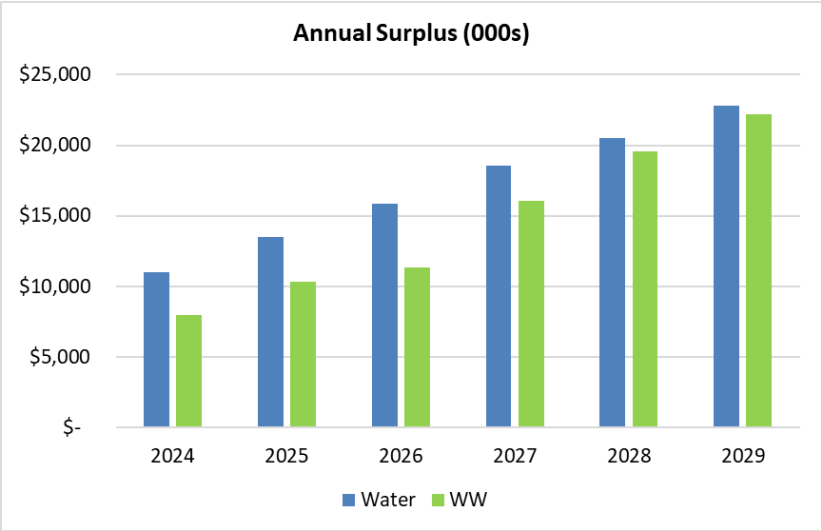
### *Regulatory and Legislative Environment*

Municipalities across Ontario have consistently identified legislative and regulatory changes and requirements as a major factor driving the cost of service over the past 10 years and will continue to be a factor well into the future. Statutes and associated regulations that dictate service and service levels include:

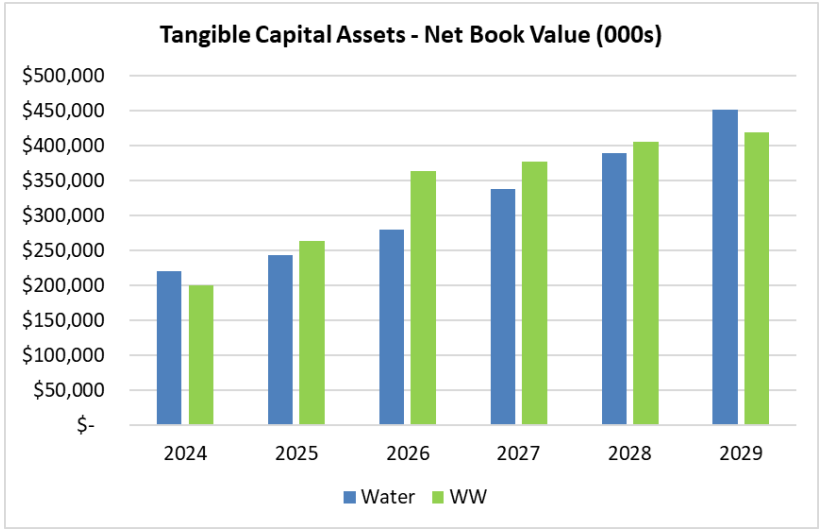
- Municipal Act;
- Clean Water Act;
- Water Opportunities Act;
- Ontario Water Resources Act;
- Safe Drinking Water Act (SDWA);
- Environmental Protection Act;
- Environmental Assessment Act;
- PSAB 3150, Tangible Capital Assets Reporting, and;
- More Housing Built Faster Act.

Analysis

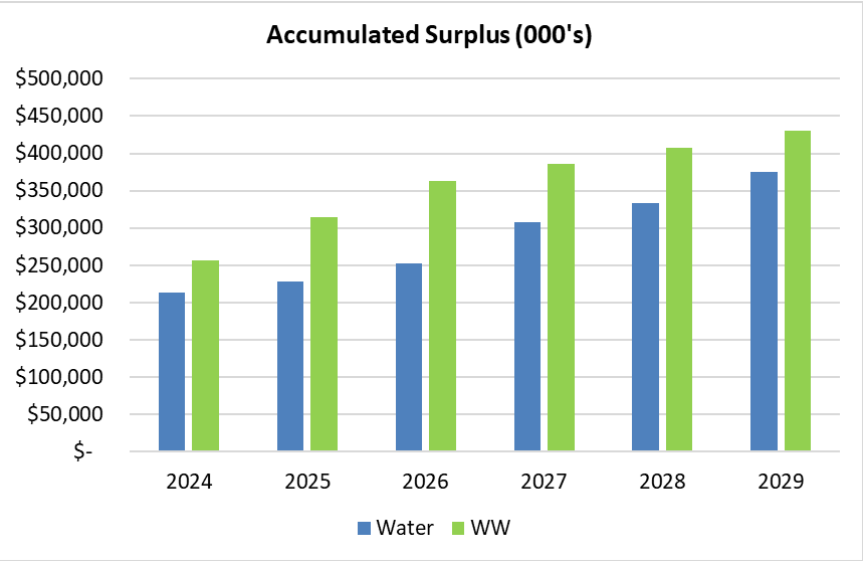
**Annual Surplus**—An important feature of a water and wastewater system is the annual surplus or deficit. A surplus indicates that the system is building the resources to deal with future capital and other needs. A deficit indicates that past capital and other investments must be financed from future revenues.



**Tangible Capital Assets (Net Book Value)** - An increase in net book value of tangible capital assets is an indication that assets have been renewed faster than they were used. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The net book value is projected to increase for water and wastewater indicating that assets are being renewed faster than they are being used.



*Accumulated Surplus*—A third financial indicator which is reflected in the financial position statement is the accumulated surplus. This indicator represents cash on hand plus the net book value of tangible capital assets less debt. The accumulated surplus is forecast to increase from 2024 to 2029 for both water and wastewater. The increasing projected surpluses in water and wastewater operations indicate that if the City adheres to the Financial Plan, it will strengthen its combined cash and asset position.



*Statement of Financial Operations—Water*

| (000's)                          | Budget           |                  |                  |                  | Projected        |                  |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                  | 2024             | 2025             | 2026             | 2027             | 2028             | 2029             |
| <b>Water Total Revenues</b>      |                  |                  |                  |                  |                  |                  |
| Rate Revenues                    | \$ 36,067        | \$ 39,758        | \$ 44,015        | \$ 48,493        | \$ 53,343        | \$ 58,677        |
| Miscellaneous Revenues           | \$ 695           | \$ 899           | \$ 915           | \$ 931           | \$ 948           | \$ 964           |
| <b>Total Operating Revenues</b>  | <b>\$ 36,761</b> | <b>\$ 40,657</b> | <b>\$ 44,930</b> | <b>\$ 49,425</b> | <b>\$ 54,290</b> | <b>\$ 59,641</b> |
| Interest Earned - Reserves       | \$ (114)         | \$ (225)         | \$ (381)         | \$ (11)          | \$ 6             | \$ (169)         |
| <b>Total Revenues</b>            | <b>\$ 36,648</b> | <b>\$ 40,432</b> | <b>\$ 44,549</b> | <b>\$ 49,413</b> | <b>\$ 54,297</b> | <b>\$ 59,472</b> |
| <b>Water Total Expenses</b>      |                  |                  |                  |                  |                  |                  |
| Operating Expenses               |                  |                  |                  |                  |                  |                  |
| Salary, Wage & Benefits          | \$ 9,331         | \$ 10,132        | \$ 10,649        | \$ 11,111        | \$ 11,597        | \$ 11,945        |
| Purchased Goods                  | \$ 2,843         | \$ 2,830         | \$ 2,999         | \$ 3,150         | \$ 3,245         | \$ 3,342         |
| Purchased Services               | \$ 2,876         | \$ 2,919         | \$ 1,920         | \$ 1,922         | \$ 1,980         | \$ 2,039         |
| Internal Charges/Recoveries      | \$ 1,385         | \$ 1,453         | \$ 2,584         | \$ 2,721         | \$ 2,802         | \$ 2,886         |
| Other Transfers                  | \$ 1,587         | \$ 1,612         | \$ 1,637         | \$ 1,662         | \$ 1,692         | \$ 1,722         |
| Financial Expenses               | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |
| <b>Total Operating Expenses</b>  | <b>\$ 18,022</b> | <b>\$ 18,946</b> | <b>\$ 19,789</b> | <b>\$ 20,566</b> | <b>\$ 21,316</b> | <b>\$ 21,935</b> |
| <b>Debt Charges</b>              |                  |                  |                  |                  |                  |                  |
| Debt Charges - Interest Payments | \$ -             | \$ -             | \$ -             | \$ -             | \$ 1,350         | \$ 2,612         |
| <b>Amortization Expense</b>      |                  |                  |                  |                  |                  |                  |
| Water Assets                     | \$ 7,598         | \$ 7,999         | \$ 8,892         | \$ 10,308        | \$ 11,131        | \$ 12,142        |
| <b>Total Expenses</b>            | <b>\$ 25,620</b> | <b>\$ 26,945</b> | <b>\$ 28,681</b> | <b>\$ 30,874</b> | <b>\$ 33,797</b> | <b>\$ 36,689</b> |
| <b>Annual Surplus/(Deficit)</b>  | <b>\$ 11,027</b> | <b>\$ 13,487</b> | <b>\$ 15,868</b> | <b>\$ 18,539</b> | <b>\$ 20,500</b> | <b>\$ 22,783</b> |

*Statement of Cash Flow/Cash Receipts—Water*

|   | Budget      |             |             |             | Projected |             |
|---|-------------|-------------|-------------|-------------|-----------|-------------|
| (000's)   | 2024        | 2025        | 2026        | 2027        | 2028      | 2029        |
| <b>Total Revenues</b>                                 | \$ 36,648   | \$ 40,432   | \$ 44,549   | \$ 49,413   | \$ 54,297 | \$ 59,472   |
| <b>Cash Paid For</b>                                  |             |             |             |             |           |             |
| Operating Costs                                       | \$ 18,022   | \$ 18,946   | \$ 19,789   | \$ 20,566   | \$ 21,316 | \$ 21,935   |
| Debt Repayment - Debt Interest                        | \$ -        | \$ -        | \$ -        | \$ -        | \$ 1,350  | \$ 2,612    |
| <b>Cash Provided From Operating Transactions</b>      | \$ 18,626   | \$ 21,486   | \$ 24,760   | \$ 28,847   | \$ 31,631 | \$ 34,925   |
| <b>Capital Transactions</b>                           |             |             |             |             |           |             |
| Acquisition of TCA                                    | \$ 36,611   | \$ 31,028   | \$ 45,229   | \$ 67,283   | \$ 63,423 | \$ 72,974   |
| <b>Finance Transactions</b>                           |             |             |             |             |           |             |
| Proceeds from Debt                                    | \$ -        | \$ -        | \$ -        | \$ 30,000   | \$ 29,000 | \$ 7,000    |
| Proceeds from DC                                      | \$ 1,802    | \$ 856      | \$ 8,308    | \$ 37,246   | \$ 5,140  | \$ 19,270   |
| Debt Repayment - Principal                            | \$ -        | \$ -        | \$ -        | \$ -        | \$ 956    | \$ 1,924    |
| <b>Increase/(Decrease) in Cash Equivalents</b>        | \$ (16,183) | \$ (8,687)  | \$ (12,162) | \$ 28,811   | \$ 1,392  | \$ (13,703) |
| <b>Cash and Cash Equivalents at Beginning Balance</b> | \$ 8,732    | \$ (7,451)  | \$ (16,138) | \$ (28,299) | \$ 511    | \$ 1,903    |
| <b>Cash and Cash Equivalents at Ending Balance</b>    | \$ (7,451)  | \$ (16,138) | \$ (28,299) | \$ 511      | \$ 1,903  | \$ (11,800) |

*Statement of Financial Position—Water*

|                                      | Budget     |             |             |             | Projected   |             |
|--------------------------------------|------------|-------------|-------------|-------------|-------------|-------------|
| (000's)                              | 2024       | 2025        | 2026        | 2027        | 2028        | 2029        |
| <b>Financial Assets</b>              |            |             |             |             |             |             |
| Cash                                 | \$ (7,451) | \$ (16,138) | \$ (28,299) | \$ 511      | \$ 1,903    | \$ (11,800) |
| <b>Liabilities</b>                   |            |             |             |             |             |             |
| Debt - Principal Outstanding         | \$ -       | \$ -        | \$ -        | \$ 30,000   | \$ 58,044   | \$ 63,120   |
| <b>Net Financial Assets</b>          | \$ (7,451) | \$ (16,138) | \$ (28,299) | \$ (29,489) | \$ (56,141) | \$ (74,920) |
| <b>Non-Financial Assets</b>          |            |             |             |             |             |             |
| Tangible Capital Assets              | \$ 335,875 | \$ 372,486  | \$ 403,514  | \$ 448,743  | \$ 516,026  | \$ 579,449  |
| Additions to Tangible Capital Assets | \$ 36,611  | \$ 31,028   | \$ 45,229   | \$ 67,283   | \$ 63,423   | \$ 72,974   |
| Accumulated Amortization             | \$ 151,529 | \$ 159,528  | \$ 168,420  | \$ 178,728  | \$ 189,860  | \$ 202,002  |
| <b>Total Non-Financial Assets</b>    | \$ 220,957 | \$ 243,986  | \$ 280,323  | \$ 337,298  | \$ 389,590  | \$ 450,422  |
| Accumulated Surplus                  | \$ 213,506 | \$ 227,848  | \$ 252,024  | \$ 307,809  | \$ 333,449  | \$ 375,502  |
| Cash as a % of Net Fixed Assets      | -3.4%      | -6.6%       | -10.1%      | 0.2%        | 0.5%        | -2.6%       |
| Debt as a % of Net Fixed Assets      | 0.0%       | 0.0%        | 0.0%        | 8.9%        | 14.9%       | 14.0%       |

*Statement of Financial Operations—Wastewater*

|                                  | Budget    |           |           |           | Projected |           |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| (000's)                          | 2024      | 2025      | 2026      | 2027      | 2028      | 2029      |
| <b>Wastewater Total Revenues</b> |           |           |           |           |           |           |
| Rate Revenues                    | \$ 37,245 | \$ 41,093 | \$ 45,420 | \$ 50,068 | \$ 54,173 | \$ 57,639 |
| Miscellaneous Revenues           | \$ 2,449  | \$ 2,548  | \$ 2,597  | \$ 2,597  | \$ 2,608  | \$ 2,619  |
| Total Operating Revenues         | \$ 39,694 | \$ 43,641 | \$ 48,017 | \$ 52,666 | \$ 56,781 | \$ 60,258 |
| Interest Earned - Reserves       | \$ 910    | \$ 817    | \$ (48)   | \$ 121    | \$ 6      | \$ 173    |
| Total Revenues                   | \$ 40,604 | \$ 44,458 | \$ 47,969 | \$ 52,787 | \$ 56,787 | \$ 60,431 |
| <b>Wastewater Total Expenses</b> |           |           |           |           |           |           |
| Operating Expenses               |           |           |           |           |           |           |
| Salary, Wage & Benefits          | \$ 6,840  | \$ 7,346  | \$ 7,697  | \$ 7,922  | \$ 8,288  | \$ 8,536  |
| Purchased Goods                  | \$ 5,776  | \$ 6,155  | \$ 6,539  | \$ 6,685  | \$ 6,885  | \$ 7,092  |
| Purchased Services               | \$ 4,078  | \$ 4,102  | \$ 3,121  | \$ 3,122  | \$ 3,216  | \$ 3,312  |
| Internal Charges/Recoveries      | \$ 4,544  | \$ 4,681  | \$ 5,957  | \$ 6,157  | \$ 6,342  | \$ 6,532  |
| Other Transfers                  | \$ 5,780  | \$ 5,306  | \$ 5,031  | \$ 4,256  | \$ 3,686  | \$ 3,716  |
| Financial Expenses               | \$ 160    | \$ 160    | \$ 160    | \$ 160    | \$ 165    | \$ 170    |
| Total Operating Expenses         | \$ 27,178 | \$ 27,750 | \$ 28,504 | \$ 28,302 | \$ 28,581 | \$ 29,358 |
| <b>Debt Charges</b>              |           |           |           |           |           |           |
| Debt Charges - Interest Payments | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      |
| <b>Amortization Expense</b>      |           |           |           |           |           |           |
| Wastewater Assets                | \$ 5,490  | \$ 6,377  | \$ 8,144  | \$ 8,440  | \$ 8,643  | \$ 8,850  |
| Total Expenses                   | \$ 32,669 | \$ 34,127 | \$ 36,648 | \$ 36,742 | \$ 37,223 | \$ 38,208 |
| Annual Surplus/(Deficit)         | \$ 7,936  | \$ 10,331 | \$ 11,322 | \$ 16,045 | \$ 19,563 | \$ 22,223 |

*Statement of Cash Flow/Cash Receipts—Wastewater*

|   | Budget      |            |             |            | Projected  |           |
|---|-------------|------------|-------------|------------|------------|-----------|
| (000's)   | 2024        | 2025       | 2026        | 2027       | 2028       | 2029      |
| <b>Total Revenues</b>                                 | \$ 40,604   | \$ 44,458  | \$ 47,969   | \$ 52,787  | \$ 56,787  | \$ 60,431 |
| <b>Cash Paid For</b>                                  |             |            |             |            |            |           |
| Operating Costs                                       | \$ 27,178   | \$ 27,750  | \$ 28,504   | \$ 28,302  | \$ 28,581  | \$ 29,358 |
| Debt Repayment - Debt Interest                        | \$ -        | \$ -       | \$ -        | \$ -       | \$ -       | \$ -      |
| <b>Cash Provided From Operating Transactions</b>      | \$ 13,426   | \$ 16,708  | \$ 19,465   | \$ 24,485  | \$ 28,206  | \$ 31,073 |
| <b>Capital Transactions</b>                           |             |            |             |            |            |           |
| Acquisition of TCA                                    | \$ 34,702   | \$ 69,941  | \$ 108,216  | \$ 22,244  | \$ 35,846  | \$ 22,613 |
| <b>Finance Transactions</b>                           |             |            |             |            |            |           |
| Proceeds from Debt                                    | \$ -        | \$ -       | \$ -        | \$ -       | \$ -       | \$ -      |
| Proceeds from DC                                      | \$ 8,831    | \$ 47,449  | \$ 35,395   | \$ 7,863   | \$ 737     | \$ 1,506  |
| Proceeds from Other                                   | \$ -        | \$ 203     | \$ 1,614    | \$ -       | \$ -       | \$ -      |
| Debt Repayment - Principal                            | \$ -        | \$ -       | \$ -        | \$ -       | \$ -       | \$ -      |
| <b>Increase/(Decrease) in Cash Equivalents</b>        | \$ (12,445) | \$ (5,581) | \$ (51,742) | \$ 10,104  | \$ (6,903) | \$ 9,966  |
| <b>Cash and Cash Equivalents at Beginning Balance</b> | \$ 68,324   | \$ 55,880  | \$ 50,299   | \$ (1,443) | \$ 8,661   | \$ 1,758  |
| <b>Cash and Cash Equivalents at Ending Balance</b>    | \$ 55,880   | \$ 50,299  | \$ (1,443)  | \$ 8,661   | \$ 1,758   | \$ 11,724 |

*Statement of Financial Position—Wastewater*

|                                      | Budget            |                   |                   |                   | Projected         |                   |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| (000's)                              | 2024              | 2025              | 2026              | 2027              | 2028              | 2029              |
| <b>Financial Assets</b>              |                   |                   |                   |                   |                   |                   |
| Cash                                 | \$ 55,880         | \$ 50,299         | \$ (1,443)        | \$ 8,661          | \$ 1,758          | \$ 11,724         |
| <b>Liabilities</b>                   |                   |                   |                   |                   |                   |                   |
| Debt - Principal Outstanding         | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              |
| <b>Net Financial Assets</b>          | <b>\$ 55,880</b>  | <b>\$ 50,299</b>  | <b>\$ (1,443)</b> | <b>\$ 8,661</b>   | <b>\$ 1,758</b>   | <b>\$ 11,724</b>  |
| <b>Non-Financial Assets</b>          |                   |                   |                   |                   |                   |                   |
| Tangible Capital Assets              | \$ 351,140        | \$ 385,841        | \$ 455,782        | \$ 563,999        | \$ 586,242        | \$ 622,088        |
| Additions to Tangible Capital Assets | \$ 34,702         | \$ 69,941         | \$ 108,216        | \$ 22,244         | \$ 35,846         | \$ 22,613         |
| Accumulated Amortization             | \$ 185,742        | \$ 192,119        | \$ 200,263        | \$ 208,703        | \$ 217,346        | \$ 226,195        |
| <b>Total Non-Financial Assets</b>    | <b>\$ 200,099</b> | <b>\$ 263,663</b> | <b>\$ 363,736</b> | <b>\$ 377,540</b> | <b>\$ 404,743</b> | <b>\$ 418,506</b> |
| Accumulated Surplus                  | \$ 255,979        | \$ 313,962        | \$ 362,293        | \$ 386,201        | \$ 406,501        | \$ 430,230        |
| Cash as a % of Net Fixed Assets      | 27.9%             | 19.1%             | -0.4%             | 2.3%              | 0.4%              | 2.8%              |
| Debt as a % of Net Fixed Assets      | 0.0%              | 0.0%              | 0.0%              | 0.0%              | 0.0%              | 0.0%              |

# Staff Report



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|              |   |
|--------------|---|
| To           | <b>Committee of the Whole</b>                       |
| Service Area | Infrastructure, Development and Enterprise Services |
| Date         | Tuesday, February 6, 2024                           |
| Subject      | <b>Payment-in-lieu of Off-street Parking Policy</b> |

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## Recommendation

1. That the Payment-in-lieu of Off-street Parking Policy effective March 1, 2024 attached as Attachment-1 to the report entitled "Payment-in-lieu of Off-street Parking Policy", be approved.
  2. That Schedule A of the Development Application Fee Bylaw be amended to include the "Estimated cost of a parking space" and the "Payment-in-lieu of Off-street Parking application fee".
- 

## Executive Summary

### Purpose of Report

This report presents the Payment-in-lieu of Off-street Parking Policy (PIL), which is an action from the council-approved [2023 Downtown Parking Master Plan](#) (DPMP)

### Key Findings

Guelph is doing what it takes to create more housing options to address Ontario's housing crisis. As part of the [City's housing pledge](#), City staff continue to create tools that provide flexibility and make it easier for housing to be approved and for more affordable housing to be built. The City's [Strategic Plan](#) directs staff to take action to improve housing supply. Other City plans and policy documents, such as the [Transportation Master Plan](#), Downtown Parking Master Plan, [Downtown Secondary Plan](#), and [Race to Zero](#), direct staff to conduct City business in a way that supports growth, modal choice, the economy and the environment.

The approval of the PIL implements a program that was included in the City's application for funding from the federal [Housing Accelerator Fund \(HAF\)](#). This policy is one of the tools and incentives the City can offer to further support the delivery of housing units, including affordable housing units.

Considering these strategic and policy directions, City staff have created a PIL that is intended to bring flexibility into the development review process, while ensuring the City is fiscally responsible. The expected outcomes include creating a downtown that supports people, the environment and creates opportunities for a thriving community and economy via enabling private investment in the future. This work aligns well with the City's growth priorities and infrastructure renewal plans for downtown.

[Section 40](#) of the Planning Act allows a municipality to enter into agreements and accept monetary payment for exemptions to the requirement of providing parking in accordance with the applicable Zoning By-law.

At the discretion of the City, a PIL provides developers with an alternative option to provide less on-site parking than what is required in the [Zoning By-law](#). This increases the number of tools and flexibility available to developers to build residential units Downtown, particularly where it is not feasible to provide all or a portion of the required parking on site. Funds collected through the PIL contribute towards future municipally-owned parking facilities or transportation demand management initiatives.

## **Strategic Plan Alignment**

This new policy presented in this report aligns with the City's Strategic Plan by supporting the City's housing pledge and to foster a thriving, competitive and safe downtown through collaboration with our community partners. This policy provides developers and those building housing units the opportunity to make a financial contribution to support the supply of parking and transportation options where the cost of retrofitting or space constraints do not allow for parking on site.

## **Future Guelph Theme**

City Building

## **Future Guelph Objectives**

City Building: Improve housing supply

## **Financial Implications**

The PIL is a new financial tool in the City's growth-revenue portfolio that will enable new housing units in the Downtown. Funds collected from the PIL will be placed in the Parking Payment-in-lieu Reserve Fund (303) to be used to offset the future capital costs to construct public parking facilities and implement transportation demand management initiatives. The General Reserve and Reserve Fund Policy will require an update to reflect the PIL Policy once approved. It is anticipated to capture this update in the annual reserve and reserve fund report to Council in May 2024.

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## **Report**

Guelph is doing what it takes to create more housing options to address Ontario's housing crisis. As part of the City's housing pledge, City staff continue to create tools that provide flexibility and make it easier for housing to be approved and for more affordable housing to be built. The City's Strategic Plan directs staff to take action to improve housing supply. Other City plans and policy documents, such as the Transportation Master Plan, Downtown Parking Master Plan, Downtown Secondary Plan, and Race to Zero, direct staff to conduct city business in a way that supports growth, modal choice, the economy and the environment.

Considering these strategic and policy directions, City staff have created a Payment-in-lieu of Off-street Parking Policy that is intended to bring flexibility into the development review process, while ensuring the City is fiscally responsible. The expected outcomes include creating a downtown that supports people, the environment and creates opportunities for a thriving community and economy via

enabling private investment in the future. This work aligns well with the City's growth priorities and infrastructure renewal plans for downtown.

The approval of the Payment-in-lieu of Off-street Parking Policy implements a program that was included in the City's application for funding from the federal [Housing Accelerator Fund \(HAF\)](#). This policy is one of the tools and incentives the City can offer to further support the delivery of housing units, including affordable housing units. The implementation of a Payment-in-lieu of Off-street Parking Policy can also help to maximize density and development potential, particularly on smaller lots.

The Payment-in-lieu of Off-street Parking Policy (see Attachment-1) outlines procedures for staff to enter into agreements with applicants in the Downtown Secondary Plan area rather than providing parking on-site. The policy allows for a combination of on-site parking and payment-in-lieu of parking to be utilized to facilitate development.

Based on analysis from the 2023 DPMP, the existing parking supply is generally sufficient to meet the current parking demand in the core areas. However, a long-term plan is required to ensure that the municipal parking supply remains sufficient to accommodate future demand. While there are many ways to achieve this, a commonly used tool in medium to larger sized urban municipalities, where the availability of parking spaces may be limited in higher density areas, is through a payment-in-lieu of parking policy.

With a payment-in-lieu policy, developers have the option to apply for payment-in-lieu of parking instead of meeting on-site parking requirements outlined in the Zoning By-law. Funds collected through [PIL](#) are intended to be used for the acquisition of lands, improvement, construction of municipal parking facilities and transportation demand management initiatives.

The decision to accept payment-in-lieu of parking will be evaluated on an application-specific basis using the criteria set out in the proposed policy (see Attachment-1). The policy generally provides the opportunity for the City to ensure that excess parking demand generated by the proposed development can be accommodated by the municipal parking system.

Payment-in-lieu of off-street parking policies offer advantages to both municipalities and developers some of which include:

1. More efficient use of parking spaces: Private parking is only used by patrons of a specific business or facility, while municipal parking is used for various purposes over more hours of the day.
2. Better urban design: Provides the City with the ability to monitor the quantity and accessibility of parking by taking on more responsibility for a greater share of the available parking in the core areas. This can support local businesses/services and improve transportation modal split by encouraging walking, cycling and public transit use.
3. Greater flexibility for developers: Allows developers to reduce the amount of land used for on-site parking by designing structures with payment-in-lieu of parking in mind. Flexible parking requirements incentivize efficient use of developable land.

4. Revenue generation for municipal parking and transportation initiatives:  
Provides a revenue source to assist in the provision of public parking facilities and possibly transportation demand management.

### **Approval Process**

When an applicant identifies that they intend to apply for Payment-in-lieu of Off-street Parking for their development proposal, they will be encouraged to apply Transportation Demand Management (TDM) measures to reduce the overall parking requirement for their site. Through a variety of tools and TDM measures, outlined in a parking justification study, a parking ratio lower than the rate required by the Zoning By-law may be considered. Once the appropriate parking ratio for the proposed development is determined, the number of spaces that will be provided through PIL can be determined. The PIL agreement must be executed and payment made prior to the issuance of a building permit.

The proposed approval process for the City to enter into a PIL agreement would include the application being reviewed against the criteria as set out in the Policy (Attachment-1).

Approval Memos would be provided to the General Manager of Planning and Building Services and Chief Planner, or their designate, for review and approval. At that time, and in collaboration with the appropriate City departments, the City would formally enter into a PIL agreement with the applicant.

The authority to enter into Section 40 PIL agreements is delegated to the General Manager of Planning and Building Services as outlined in the Delegation of Authority Bylaw (2023)-20794. The outcomes of this delegation of authority include:

- Reduced staff time preparing reports and by-laws;
- Fewer administrative requirements of Council, allowing focus on more complex applications;
- Time savings for applicants, allowing applicants to get to building permit faster.

### **Rate**

Attachment-1 to this report outlines the rates for PIL. The PIL rate will be a percentage of the estimated cost of a parking space depending on whether a new development/redevelopment is being proposed or the conversion of existing floor area or an addition to an existing building is proposed. Further, the rate (or percentage) uses a tiered approach to the amount of the payment per parking space depending on the number of spaces being applied for. The estimated cost of parking spaces is proposed to be set at \$60,000 for 2024. It is further proposed that this rate be indexed annually consistent with the Non-Residential Building Construction Price Index. This estimate is based on providing a parking space within a structure as the majority of the City's Downtown parking spaces are provided in above-grade structures.

As outlined in Attachment-1 and based on the cost of a parking space being \$60,000, the PIL payment for a parking space ranges from \$7,500 (12.5%) to \$54,000 (90%) as a percentage of the cost of a space, depending on the type of development being proposed and the number of spaces requested through PIL.

The PIL policy is designed to provide additional flexibility to activate existing built space within the Downtown Secondary Plan area which may be underutilized or not used at all. The PIL policy is also designed to provide flexibility and be a tool available to all developments while ensuring the City is fiscally responsible with respect to the construction of future parking supply.

### **Financial Implications**

The PIL is a new financial tool in the City's growth-revenue portfolio that will enable new housing units in the Downtown. Funds collected from the PIL will be placed in the Parking Payment-in-lieu Reserve Fund (303) to be used to offset the future capital costs to construct public parking facilities and implement transportation demand management initiatives. The General Reserve and Reserve Fund Policy will require an update to reflect the PIL Policy once approved. It is anticipated to capture this update in the annual reserve and reserve fund report to Council in May 2024.

To facilitate the application of the PIL, two fees were required to be added to Schedule A of the City's Development Application Fee Bylaw. The first is an application fee to reflect the staff time to review and process the PIL request which would be indexed annually as per the Development Application Fee Bylaw. The second is the value of a structured parking stall which is used in the calculation of PIL charge and is indexed annually as per the PIL Policy.

### **Consultations and Engagement**

Economic Development staff including the Downtown Revitalization Advisor were consulted on this report.

Community engagement was conducted generally through the Downtown Parking Master plan work. Staff have informed affected groups including the development community and downtown Guelph business association of the policy specifics; however, staff have not conducted detailed community engagement on the policy so that the policy could come into effect as soon as possible to support the housing crisis.

### **Attachments**

Attachment-1 Payment-in-lieu of Off-street Parking Policy

### **Departmental Approval**

Antti Vilkkio, General Manager, Facilities and Energy Management

Krista Walkey, General Manager, Planning and Building Services

James Goodram, Manager, Economic Development and Tourism

Doug Godfrey, General Manager, Operations

Tara Baker, Treasurer, General Manager, Finance

Robin Gerus, General Manager, Guelph Transit

Jennifer Charles, Acting General Manager, Legal Services

### **Report Author**

Steve Anderson, Manager of Transportation Engineering

**This report was approved by:**

Terry Gayman, P.Eng.  
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**This report was recommended by:**

Jayne Holmes, P.Eng., PMP  
Deputy Chief Administrative Officer  
Infrastructure, Development and Enterprise Services  
519-822-1260 extension 2248  
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# Corporate Policy and Procedure

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|                  |   |
|------------------|---|
| Policy           | <b>Payment-in-lieu of Off-Street Parking Policy</b> |
| Category         | Corporate   |
| Authority        | Planning and Building Services                      |
| Related Policies | N/A   |
| Approved By      | Council   |
| Effective Date   | Friday, March-01-2024                               |
| Revision Date    | Wednesday, March 01, 2028                           |

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## Policy Statement

The Payment-In-Lieu ("PIL") of Off-street Parking Policy establishes a program to permit a building owner or tenant to make an application to the City to provide payment-in-lieu of providing or maintaining off-street parking facilities in accordance with the applicable Zoning By-law (the "PIL Program").

## Purpose

Monies accepted through the PIL Program will be placed in the PIL reserve account and will be used for parking-related capital expenditures to invest in infrastructure to support growth and service enhancement. Funds in the reserve account could be used to address the demand for parking including appropriate transportation demand management measures which reduce the demand for parking and for the acquisition, construction, establishment and/or maintenance of municipal parking facilities. This policy outlines the application and approval process, identifies the criteria used to calculate the required payment, and establishes payment requirements.

## Definitions

"Affordable Housing" means:

The least expensive of:

- a) In the case of ownership housing, the least expensive of:
  - i) Housing for which the purchase price results in annual accommodation costs which do not exceed 30 per cent of gross annual household income for low- and moderate-income households; or
  - ii) Housing for which the purchase price is at least 10 per cent below the average price of a resale unit in the regional market area.

- b) In the case of rental housing, the least expensive of:
  - i) A unit for which the rent does not exceed 30 per cent of grow annual household income for low and moderate income households; or
  - ii) A unit for which the rent is at or below the average market rent of a unit in the City of Guelph.

"Conversion" means the alteration or change of use of any place from the existing use of such place.

"Development" means the construction, erection, or placing of one (1) or more buildings or structures on lands.

"Estimated cost of a parking space" means the cost of a parking space as identified in the Development Application Fee Bylaw and is generally based on the estimated cost of constructing a parking space in an above-ground structure. The cost will be indexed annually consistent with the Non-Residential Building Construction Price Index.

"Redevelopment" means the construction, erection or placing of one or more Buildings on land where all or part of a building has previously been demolished or partially demolished on such land.

"Supportive Housing" means the use of a building with dwelling units, suites or bedrooms in a shared setting, that is used by people who have specific needs beyond economic needs, including but not limited to, needs such as mobility requirements or support functions required for daily living. Support functions may include, but are not limited to, collective dining facilities, laundry facilities, counseling, educational services, and life skills training.

## **Legislative Authority**

The *Planning Act*, R.S.O., 1990, c.P. 13, as amended, Section 40, provides that a municipality and an owner or tenant of a building may enter into an agreement exempting the owner or tenant, to the extent specified in the agreement, from providing or maintaining parking facilities in accordance with the applicable Zoning By-law, provided such agreement includes the payment of money for the exemption and sets out the basis for the payment calculation.

## **Scope**

The PIL Program is applicable in the Downtown Secondary Plan Area where municipal parking is provided either in off-street lots and/or off-street structures (See Appendix A). Generally, the municipal parking system should be able to accommodate any excess parking demand generated by a proposed development in order for a Payment-in-lieu of Off-street Parking application to be recommended for approval.

## **Application**

The applicant submits the application for PIL to Planning and Building Services, along with the required application fee.

If the PIL application is made by a tenant of the property, such application will be required to be accompanied by a written authorization signed by the owner, dated, and witnessed.

In conjunction with or as part of the application, the applicant is required to provide justification for the proposed parking shortfall in the form of a parking justification report, study, letter or other. The scope of the parking justification should be discussed with staff from Planning and Building Services prior to its preparation. The evaluation criteria outlined below will be used to evaluate each application.

The applicant is encouraged to include transportation demand management measures in the required parking justification and/or development proposal as means to reduce the required parking prior to applying for any allocation of parking spaces through the PIL Program.

Reductions to the required parking will be considered in the parking justification study submitted to Planning and Building Services for affordable housing or supportive housing or for housing designed for, targeted at, or intended for student use.

## **General**

Payment-in-lieu of required parking spaces may be made for all, or part of the parking spaces required by the Zoning By-law, subject to approval in accordance with this policy.

The Municipality, having accepted the payment-in-lieu of off-street parking, will be under no obligation to provide parking spaces at any particular location at any particular time.

- Proponents electing to use the payment-in-lieu option will have no proprietary rights to free or reduced-rate parking, nor any equity whatsoever in any lot or structure which may subsequently be constructed by the City of Guelph.
- Residents of developments which accessed the PIL program continue to be required to contract and pay for parking permits in any municipal facility at the rates prescribed in the City's User Fees By-law (as updated annually through the City Budget process) in force at the time of their application and any applicable administrative and permit fees and federal and provincial taxes.

The estimated cost per parking space in effect (in accordance with the City's Development Application Fee Bylaw) at the time the PIL agreement is signed shall be applicable.

## **Evaluation and Approval Process**

The General Manager of Planning and Building Services, or their designate, is responsible for the processing of all PIL applications and PIL agreements.

## **Evaluation**

Applications for PIL will be evaluated based on the following criteria:

- Consistency with and/or advancement of social, environmental, design, transportation or economic development objectives and policies of the Guelph Official Plan, including the Downtown Secondary Plan;
- Consistency with the objectives of a City Council endorsed parking strategy or parking master plan relevant to the subject location;
- Whether the existing public parking supply in the surrounding area can accommodate the on-site parking deficiency;
- Identified site constraints that prevent the provision of the required number of parking spaces; and
- The proposed use(s) of the property and whether there is any issue as to overdevelopment of the site.

## **Conditions of Approval**

If the PIL application meets the above noted criteria, Planning and Building Services will prepare the terms and conditions of PIL approval to be included in a PIL agreement, which shall include, among other general terms:

- The number of parking spaces eligible for PIL;
- The PIL rate;
- The PIL calculation formula; and
- The PIL payment.

The PIL conditions will also include a provision that the applicant contribution as calculated by the City is valid for only 12 months from the date of determining the terms and conditions of PIL approval. If the proposed PIL agreement is not executed by either party within the stated 12-month period, a new application, along with the application fee, will be required.

Notwithstanding the above, nothing in this policy restricts or precludes the City from applying additional or alternative conditions of approval of the particular application.

## **Agreement**

If the applicant and the City agree that an agreement is appropriate, the applicant shall deliver a standard form agreement (for review by the City Solicitor, Legal Services) and return three signed copies of the agreement, as reviewed, to Planning and Building Services.

Authority to execute the PIL agreement is delegated to the General Manager, Planning and Building Services. Once the agreement is finalized, the applicable planner will forward an application briefing note and copies of the agreement to the General Manager of Planning and Building Services or designate for review and execution.

For applications that are not supported by Planning and Building Services, a report from the General Manager of Planning and Building Services recommending refusal is prepared for consideration by Council, if requested by the applicant.

## Applicant PIL Contribution

The formula to calculate the applicant's PIL contribution is based on the estimated cost of a parking space (in accordance with the City's Development Application Fee Bylaw), the category of development proposed and the number of spaces that the applicant is requesting be provided through PIL.

### Parking Formula

The developer/proponent contribution of the PIL of parking will be calculated based on the following categories of development proposals:

- (A) A Change in Land Use and/or the Conversion of an Existing Building and/or Structure or part thereof and/or additions to existing buildings which do not result in the overall building height exceeding 6 storeys
- (B) New Development, and/or Redevelopment

### Payment-in-lieu of parking rates

The rates identified below apply to the total parking spaces in the application.

For **Category (A)** PIL applications (conversions/additions), the following shall be applicable:

- 1-10 parking spaces – 12.5% of the estimated cost of a parking space
- 11-20 parking spaces – 25% of the estimated cost of a parking space
- 21-30 parking spaces – 50% of the estimated cost of a parking space
- More than 30 parking spaces - 75% of the estimated cost of a parking space

For example, if an application is for 25 parking spaces, 50% of the estimated cost will apply to all 25 parking spaces.

Note: sites proposing a building height exceeding 6 storeys shall be reviewed on a case-by-case basis, to a maximum of 50 spaces.

For **Category (B)** PIL applications (new development/redevelopment), PIL will be considered for **required visitor parking spaces** in accordance with the following:

- 1-10 parking spaces – 25% of the estimated cost of a parking space
- 11-20 parking spaces – 50% of the estimated cost of a parking space
- 21-30 parking spaces – 75% of the estimated cost of a parking space
- More than 30 parking spaces - 90% of the estimated cost of a parking space

Note: exceptions for required residential parking spaces may be considered on a case-by-case basis, to a maximum of 50 spaces in accordance with the Category (B) rates provided that the overall intent of this policy is maintained.

### Payment

The PIL payment shall be in one lump sum and be received prior to the issuance of the building permit or, where a building permit is not required, upon execution of the PIL agreement.

- For a PIL application associated with a Zoning By-law Amendment application, the PIL agreement must be finalized and signed by the applicant prior to the enactment of the amending Zoning By-law.

- For a PIL application associated with an application for Site Plan Approval, the PIL agreement must be finalized and signed by the applicant prior to the issuance of Site Plan Approval. The agreement will be signed and executed by the City at the same time as Site Plan Approval is being granted.
- For a PIL application without an associated Zoning By-law Amendment application or application for Site Plan Approval, payment must be made and the PIL agreement executed prior to the issuance of a building permit.
- PIL payments are not refundable. The number of parking spaces where a PIL agreement has been executed will be credited to the property.
- Notwithstanding the above, payment options may vary on a case-by-case basis and at the City's discretion.

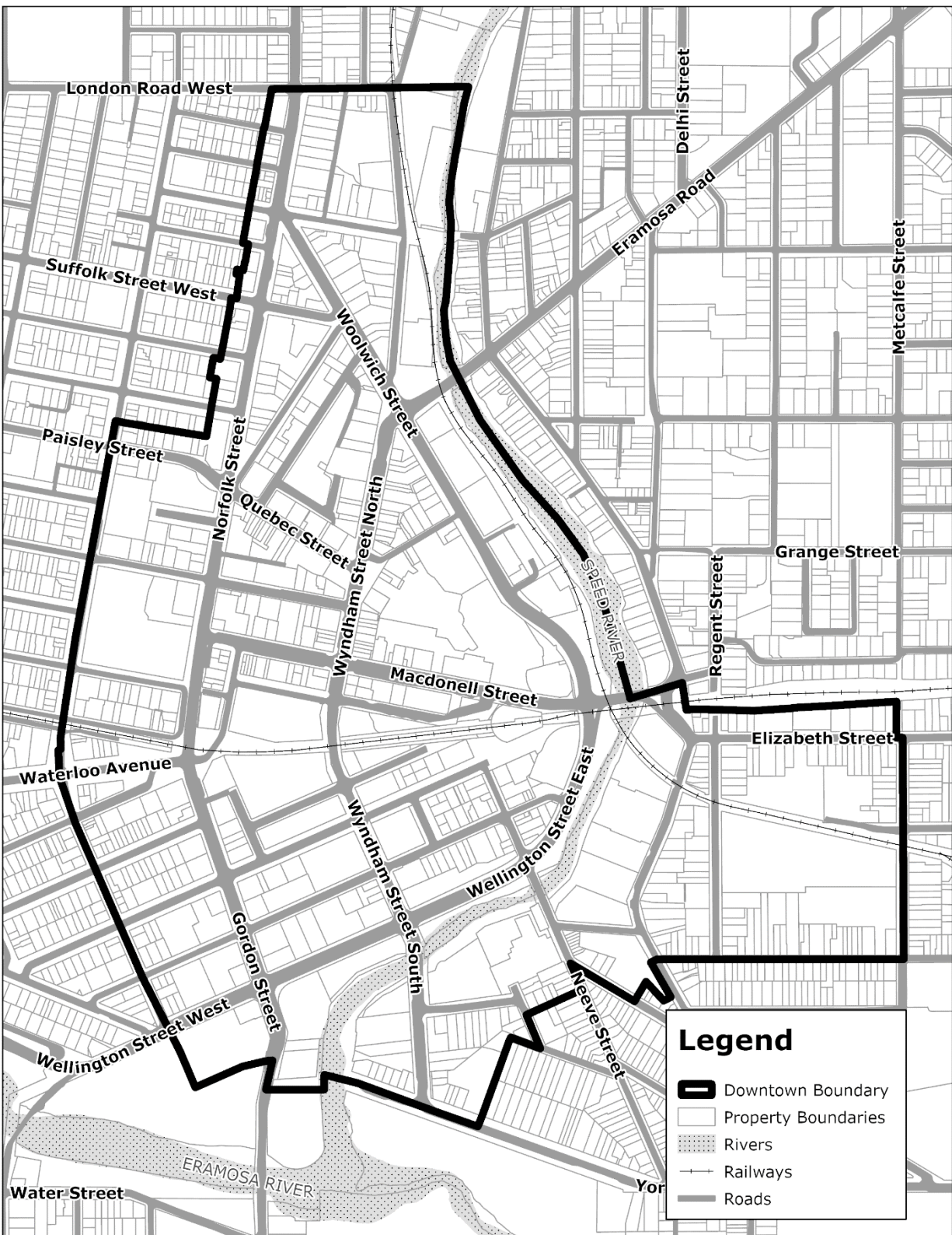
### **Tracking PIL Contributions**

PIL contributions will be tracked in the City's AMANDA system.

### **Allocation of Funds**

Funds collected are placed in the PIL reserve account. Planning and Building Services is responsible for sending the cheque to the Finance Department for deposit to the appropriate PIL reserve account.

## Appendix A – Downtown Secondary Plan Area



# Staff Report



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|              |  |
|--------------|--|
| To           | <b>Committee of the Whole</b>  |
| Service Area | Infrastructure, Development and Environment                                    |
| Date         | Tuesday, February 6, 2024  |
| Subject      | <b>Wyndham Street North Cross Section and St. George's Square Intersection</b> |

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## Recommendation

1. That Council direct staff to reconstruct the Wyndham Street North corridor as follows:
    - a) Wyndham Street – Carden Street to Woolwich Street as one lane of traffic in each direction with parallel parking and separated unidirectional bike paths along both sides of the road with flexibility to accommodate the seasonal patio program; and,
    - b) St. George's Square as an offset intersection similar to existing conditions with operational improvements and separated unidirectional bike paths.
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## Executive Summary

### Purpose of Report

The purpose of this report is to seek Council's endorsement on the reconstructed form and function of the Wyndham Street North corridor from Carden Street to Woolwich Street including the geometrics of the St. George's Square.

### Key Findings

The [Downtown Infrastructure Renewal Program](#) (DTIRP) is advancing well and is achieving Council's goal of downtown revitalization. The Program has reached an inflection milestone where pivotal decisions are being made on the future form and function of Wyndham Street North, including the landmark St. George's Square that will serve Guelph well for generations to come.

After extensive technical and policy review, and public engagement and consultation over summer 2023, a [Public Information Centre on September 27, 2023](#) and a Have-Your-Say (HYS) opportunity, City staff have selected the preferred option for Wyndham Street and St. George's Square as:

- a) [Wyndham Street](#) – Carden Street to Woolwich Street as one lane of traffic in each direction with parallel parking and separated unidirectional bike paths along both sides of the road with flexibility to accommodate the seasonal patio program; and,
- b) [St. George's Square](#) as an offset intersection similar to existing conditions with operational improvements and separated unidirectional bike paths.

A Council Workshop is planned for April 17, 2024, to address Council's resolutions of November 2019 on the streetscape level of service (good, better, best) and of November 2023 requesting staff bring options for streetscaping to Council in the first half of 2024 along with a funding strategy; and, discuss mitigating construction disruption and supporting Downtown businesses.

## **Strategic Plan Alignment**

The Downtown Infrastructure Renewal Program, as part of the overall Downtown Renewal initiative, advances Strategic themes of 'City Building' and 'People and the Economy' as it promotes improving historic places and streets to create new places for gathering and recreation, and reinforces and expands the role of the core as a prosperous, attractive, and welcoming regional centre for residents, businesses and visitors alike. The expected outcome creates a downtown that supports people, the environment and creates opportunities for a thriving community and economy via enabling private investment in the future. This work aligns well with the City's growth priorities and infrastructure renewal plans for downtown.

Guelph is doing what it takes to create more housing options to address Ontario's housing crisis. As part of the City's housing pledge, City staff continue to undertake works that provide flexibility and make it easier for housing to be approved and for more affordable housing to be built. The City's Strategic Plan directs staff to take action to improve housing supply. Other City plans and policy documents, such as the [Transportation Master Plan](#), [Downtown Parking Master Plan](#), [Downtown Secondary Plan](#), and [Race to Zero](#), direct staff to conduct City business in a way that supports growth, modal choice, the economy and the environment. The Downtown Infrastructure Renewal Program is a significant part of these housing aspirations.

## **Future Guelph Theme**

City Building

## **Future Guelph Objectives**

City Building: Improve housing supply

## **Financial Implications**

Sufficient budget is included in the approved 2024 – 2027 multi-year budget (MYB) for the proposed infrastructure reconstruction efforts along the Wyndham corridor, except for the incremental cost if Council requires an increase to the streetscaping level of service as envisioned in the [2014 Streetscape Manual](#). Decisions on streetscaping may impact final designs and costs for the reconstruction work. Any adjustment to the capital budget will be included in the 2025 budget confirmation along with a funding strategy.

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## **Report**

### **Downtown Renewal**

The City's wide-ranging [Downtown Renewal](#) initiative considers the overall strategic direction and the objectives of many corporate initiatives – one of which is the [Downtown Infrastructure Renewal Program](#) (DTIRP). There is an absolute need to replace the end-of-life and undersized infrastructure, however the DTIRP provides a

once-in-a-multigenerational opportunity to revitalize Downtown Guelph and build on the character that makes our Downtown one-of-a-kind. The City's overall Downtown Renewal efforts are described in [Committee of the Whole Report of June 6, 2023 "Downtown Renewal: Status Update"](#) (item 6.2, pg 183) along with a presentation of the short-listed reconstruction options.

The reconstruction of the Wyndham Street corridor has been considered in many documents to support the City's housing and economic growth goals. The strategies, studies and Master Plans approved by Council considered not only the measures required to address the long-term municipal servicing requirements of Downtown Guelph, but also the function of the main street at the heart of the Downtown Core. A goal of the Wyndham Street Municipal Class Environmental Assessment (EA) was to compile the many findings to achieve the policy aspirations established in the Secondary Plan and other policy documents to offer a broad range of programming opportunities and support ongoing downtown vitality and revitalization efforts.

### **Wyndham St. N. Corridor Reconstruction Recommendations**

The City is completing an EA for the Wyndham Street corridor from Carden Street to Woolwich Street, including St. George's Square under the DTIRP. This Program is focused on the reconstruction of linear assets and alignment with other City initiatives to ensure Downtown Guelph will continue to thrive for generations to come. Completing the EA will determine the appropriate form and function of the road corridor, which will then serve as the basis for future streetscaping discussions.

Using the findings from the extensive technical and policy review, engagement and consultation, City Staff presented at the [September 27, 2023 Public Information Centre](#) (PIC) the preferred Wyndham Street cross-section and three options for the St. George's Square intersection. The three intersection options, while each having their own merits, would function well and were considered equivalent from technical and policy standpoints. Additional community feedback was deemed necessary to select the preferred geometrics for the square. A sketch and overview of the St. George's Square options are provided in Attachment 1.

While there was good public acceptance of the recommended Wyndham Street cross-section, no clear public preference for St. George's Square emerged from the options presented. However, those opposed to the traffic circle option were adamantly opposed. Given no pronounced preference, the estimated \$3M higher construction cost for the traffic circle option than an intersection, familiarity with the existing conditions, and the potentially high opposition to a traffic circle, Staff recommend intersection reconstruction using the current intersection geometrics with some operational improvements (Option 1).

In summary, the preferred reconstruction option recommended for Wyndham Street North and St. George's Square are:

- a) Wyndham Street North - Carden Street to Woolwich Street as one lane of traffic in each direction with parallel parking and separated unidirectional bike paths along both sides of the road with flexibility to accommodate the seasonal patio program (Attachment 2); and,

- b) St. George's Square as an offset intersection similar to existing conditions with operational improvements and separated unidirectional bike paths (Attachment 3).

A key level of service enhancement for the Guelph Downtown Core is the provision of protected cycling infrastructure, which aligns with the City's [Transportation Master Plan](#) (TMP), [Vision Zero](#) strategy, [Downtown Secondary Plan](#) and [Transit Future Ready Action Plan](#). The TMP identified the high potential for growth in pedestrian and cycling trips to and from Downtown based on the existing trends of people's trip lengths and patterns in the area. Providing protected spaces for people to bike is the safest and most effective way of supporting the City's mode share targets and contributes to making Downtown Guelph a vibrant and bustling people-friendly space – a great place for business, the environment, and people.

The seasonal patio program is an important economic opportunity for Downtown businesses. The recommended Wyndham Street cross-section enables this program to continue by facilitating the shifting of the bike lane into the parking area as depicted in Attachment 4.

### **Streetscape and Construction Mitigation Workshop**

In 2014 Council approved the [Downtown Guelph Streetscape Manual, Built Form Standards and St. George's Square Concept](#) which implements a flexible street approach on key streets Downtown, creates streets that provide an attractive, accessible and safe environment for all modes of transportation (walking, cycling, vehicular) and sets out general design elements for St. George's Square. The 2014 Streetscape Manual provides an enhanced level of service beyond that existing along the Wyndham Street North corridor (DTIRP Ph1) however it comes at an estimated cost of \$15M currently unfunded.

After Council's approval of the EA, which provides the form and function of the Wyndham Street corridor, a Council Workshop is planned for April 2024 to discuss the:

- a) [November 2019 Council resolution \(item 27, pg.12\)](#): "That staff be directed to review the budget allocated to Downtown Streetscapes and the proposed civic square to identify good, better and best options for consideration and report back in 2022."
- b) November 29, 2023 resolution approved by Council during the 2024-2027 Multi-year Budget: "That staff be directed to bring options for downtown streetscaping to Council for consideration in the first half of 2024, with any adjustments required to the capital budget and funding strategy to be made through the 2025 budget confirmation."

The key discussion will be centered on the streetscape investment alternatives that can be made Downtown. The workshop will also explore business disruption and construction impact mitigation including the pace of construction.

Ultimately, a decision from Council is required regarding the streetscaping level of service and construction pacing for staff to complete work as part of the 2025 budget confirmation process and advance design. Therefore, after the Workshop,

staff intend to prepare a staff report that will outline recommendations for Council direction targeted for the June 2024 Committee of the Whole meeting (CoW).

## **Next Steps / Schedule**

A detailed next steps schedule for DTIRP is listed below while a graphical overview of Downtown Renewal's journey to revitalization is provided as Attachment 5.

- **February 27, 2024** - CoW Report approval re: Wyndham Street Cross Section and St. George's Square Intersection
- **April 17, 2024** - Council Workshop re: streetscape and construction mitigation
- **Q2 2024** - Commence final design
- **June 2024** - CoW Report re: Streetscape Level of Service and pace of implementation
- **Q2 2024** - Construction activities commence with utility relocations
- **Q2/Q3 2024** - Engagement re: Capital Implementation Plan (staging, disruption mitigation)
- **Q4 2024** - Finalize Capital Implementation Plan with presentation to Council; this plan will include phasing/staging, consider construction impact to local businesses and key events such as the Guelph bi-centennial
- **Late 2024 / early 2025** - Finalize Macdonell and Allan's Structure EA for Council's consideration
- **2025** - Continue utility relocations, community engagement and final design
- **Q4 2025** - Tender reconstruction contract
- **Spring 2026** - Commence reconstruction of municipal infrastructure

## **Financial Implications**

DTIRP is a significant multi-year financial investment that includes a number of individual projects underway and related to DTIRP Phase 1 (i.e. PN0879 Downtown Infrastructure Renewal Program – Capital Implementation Plan, PN0060 Wyndham St. N. Reconstruction – Phase 1 Carden to North Cork Street, PN0061 Wyndham St. Environmental Assessment, PN0062 Wyndham St. N. Reconstruction – Phase 2 St. George's Square to Woolwich, and RB0013 Macdonell Bridge and Allans Structures Modifications, PN0850 Wyndham St. S Reconstruction – Wellington to Carden). It's important to note that the City's investment in the Downtown unlocks growth revenues and economic activity required to meet the goals of the Strategic Plan as well as commitments in the Housing Pledge.

Sufficient budget is included in the approved 2024 – 2027 MYB for the proposed infrastructure reconstruction efforts along the Wyndham corridor, except the incremental cost to increase the streetscaping level of service as envisioned in the [2014 Streetscape Manual](#). The incremental cost over the current level of service provided along the Wyndham Street North corridor from Carden Street to Woolwich Street is valued at \$15M. A Council workshop on streetscaping service levels and cost, discussed above, is planned for April 2024.

Council will continue to receive quarterly progress updates through the Tier 1 capital project reporting.

## **Consultations and Engagement**

### **Community Engagement**

The following specific engagement activities were undertaken as part of the [Wyndham Street EA](#):

- August 2021 – Project Launch
- August 2021 – A Downtown merchants meeting
- 2021 to 2023 – Three Downtown Guelph Business Association meetings
- 2021 to 2023 – Two Guelph Economic Development Advisory Committee meetings
- November 2022 – [Public Information Centre](#) and HYS survey
- June 2023 - Participation at the Multicultural Festival to share information about the project
- June and July 2023 - Tactical urbanism event and HYS survey
- September 2023 – [Public Information Centre](#) and HYS survey

### **Internal Consultations**

Given the wide-ranging impact on all departments and areas of operation in the City, an internal list of over 40 subject matter experts (SMEs) is maintained to be called upon for the life of DTIRP through planning to design and construction. Specific to this Staff Report, the SME's were involved as a group and individually to participate in understanding and creating a short list of viable options from a long list. The same group was also convened to provide input on the selection of the preferred options. Further, the DTIRP Steering Committee is updated and consulted bi-monthly to provide direction on the progression and direction of the overall Program of projects.

### **Attachments**

Attachment-1 St. George's Square Reconstruction Options

Attachment-2 Recommended Wyndham Street Cross Section

Attachment-3 Recommended St. George's Square Intersection

Attachment-4 Seasonal Patio Program

Attachment-5 Downtown Renewal - Journey to Revitalization

Attachment-6 Staff Presentation – DTIRP Wyndham Corridor

### **Departmental Approval**

DTIRP Steering Committee

- Antti Vilkkö, General Manager, Facilities and Energy Management
- Nectar Tampacopoulos, General Manager, Environmental Services
- Krista Walkey, General Manager, Planning and Building Services

- James Goodram, Manager, Economic Development and Tourism
- Doug Godfrey, General Manager, Operations
- Tara Baker, Treasurer, General Manager, Finance
- Lisa Duarte, General Manager, Strategic Communications and Community Engagement

**Report Author**

Reg Russwurm, Manager, Design and Construction

**This report was approved by:**

Terry Gayman, P.Eng.

General Manager/City Engineer, Engineering and Transportation Services  
Infrastructure, Development and Environment

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terry.gayman@guelph.ca

**This report was recommended by:**

Jayne Holmes, P.Eng., PMP

Deputy Chief Administrative Officer  
Infrastructure, Development and Environment

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# Attachment-1 St. George's Square Reconstruction Options



## Option 1: Standard Intersection Improvements

### Summary

St. George's Square continues to occupy the areas on the outside of the intersection, maintaining three distinct public spaces.

### Key Features, Pros and Cons

- ✓ **Overall:** Existing configuration with added safety improvements, making it easier to drive, walk & cycle.
- **Pedestrians:** Marked crosswalks at all streets, Douglas Street remains uncontrolled (no stop sign or traffic signal).
- **Cyclists:** Protected bike paths carried through intersection. Crossing at Douglas Street remains uncontrolled (no stop sign or traffic signal).
- ✓ **Roadway:** Similar operations to existing condition but with fewer travel lanes on Wyndham Street, improved geometric design, and optimized signals.
- **Public Realm:** No change from existing condition.
- ✓ **Special:** Existing public space arrangement, slightly larger spaces, opportunity to build upon a familiar design.
- ✓ **Cost:** \$13 million (approx).



Standard Intersection Configuration

## Option 2: Realigned Four-leg Intersection

### Summary

Realigns Quebec Street and Douglas Street to create a conventional four-leg intersection. St. George's Square continues to occupy the areas on the outside of the intersection, maintaining three distinct public spaces.

### Key Features, Pros and Cons

- ✓ **Overall:** Improves multi-modal safety and operations.
- ✓ **Pedestrians:** Marked and controlled crosswalks at all streets.
- ✓ **Cyclists:** Protected bike paths carried through intersection. Controlled crossing at Douglas Street improves safety (traffic signal).
- ✓ **Roadway:** Conventional and predictable intersection operations. Allows for future redirection of Douglas Street, if desired.
- **Public Realm:** Requires moderate geometric adjustments to St. George's Square, re-allocating public space to different places.
- ✓ **Special:** Retains similar public space arrangement but improves intersection performance.
- ✓ **Cost:** \$13 million (approx).



Creating a place for everyone.

✓ Pro — Neutral ✗ Con



Realigned four-leg Intersection Configuration.

## Option 3: Traffic Circle

### Summary

This option is similar to the City's earlier vision for the intersection, as identified in the 2014 Streetscape Manual. Each of the streets intersects with a one-way loop, with all vehicles moving in a counterclockwise direction.

### Key Elements

- ✓ **Overall:** Creates consolidated public space that supports a broader range of programming.
- **Pedestrians:** Potential safety concerns from pedestrians moving in and out of the public plaza generally mitigated by slower vehicle speeds and location of the crossings.
- ✓ **Cyclists:** Would move around the outer perimeter of the loop, following the same direction as other vehicles.
- ✓ **Roadway:** Slow moving vehicles around the central public space.
- **Public Realm:** Reduced area directly in front of businesses for pedestrian activity and parkettes/patios.
- ✓ **Special:** A unique arrangement compared to other downtowns, a large public space that can accommodate gatherings for events
- **Cost:** \$16 million (approx).



Central Square Intersection Configuration



Creating a place for everyone.

✓ Pro — Neutral ✗ Con

## Attachment-2 Recommended Wyndham Street North Cross Section



### Recommendation: Two-lanes with Uni-Directional Bike Path

- From four-lanes to two-lanes, providing traffic calming, transit and personal vehicle usage.
- Dedicated lanes for cyclists with physical buffer from vehicles in accordance with TMP.
- Provides for loading zones and parking for similar number of vehicles, maintaining on-street access to businesses.
- Introduces formalized planting / furnishing zone, providing permanent space for flexible uses to create an improved pedestrian zone.
- Furnishing zones and space for equitable flexible uses along both sides as opposed.
- Facilitates seasonable flexible uses (i.e., patio program)



Recommended Wyndham Street  
Cross-Section

# Attachment-3 Recommended St. George's Square Intersection



## Recommendation: St. George's Square Intersection Configuration

- Similar operations to existing condition with improved geometric design, plus optimized signals with added safety improvements, making it easier to drive, walk & cycle.
- Introduces dedicated lanes for cyclists with physical buffer from vehicles in accordance with Transportation Master Plan.
- Marked crosswalks at all streets, Douglas Street remains uncontrolled and one-way north bound
- Existing public space arrangement with slightly larger area and opportunity to build upon a familiar design.
- Lowest cost intersection improvement option.



Recommended St. George's Square Configuration

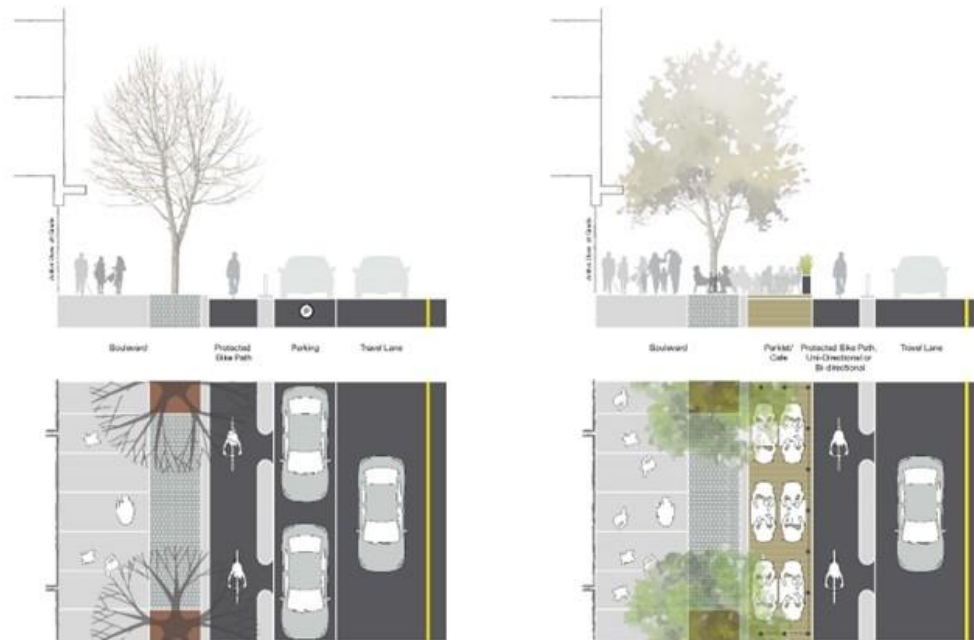


Creating a place for everyone.

# Attachment-4 Seasonal Patio Program Configuration



## Seasonal Patio Program Configuration



Typical Configuration

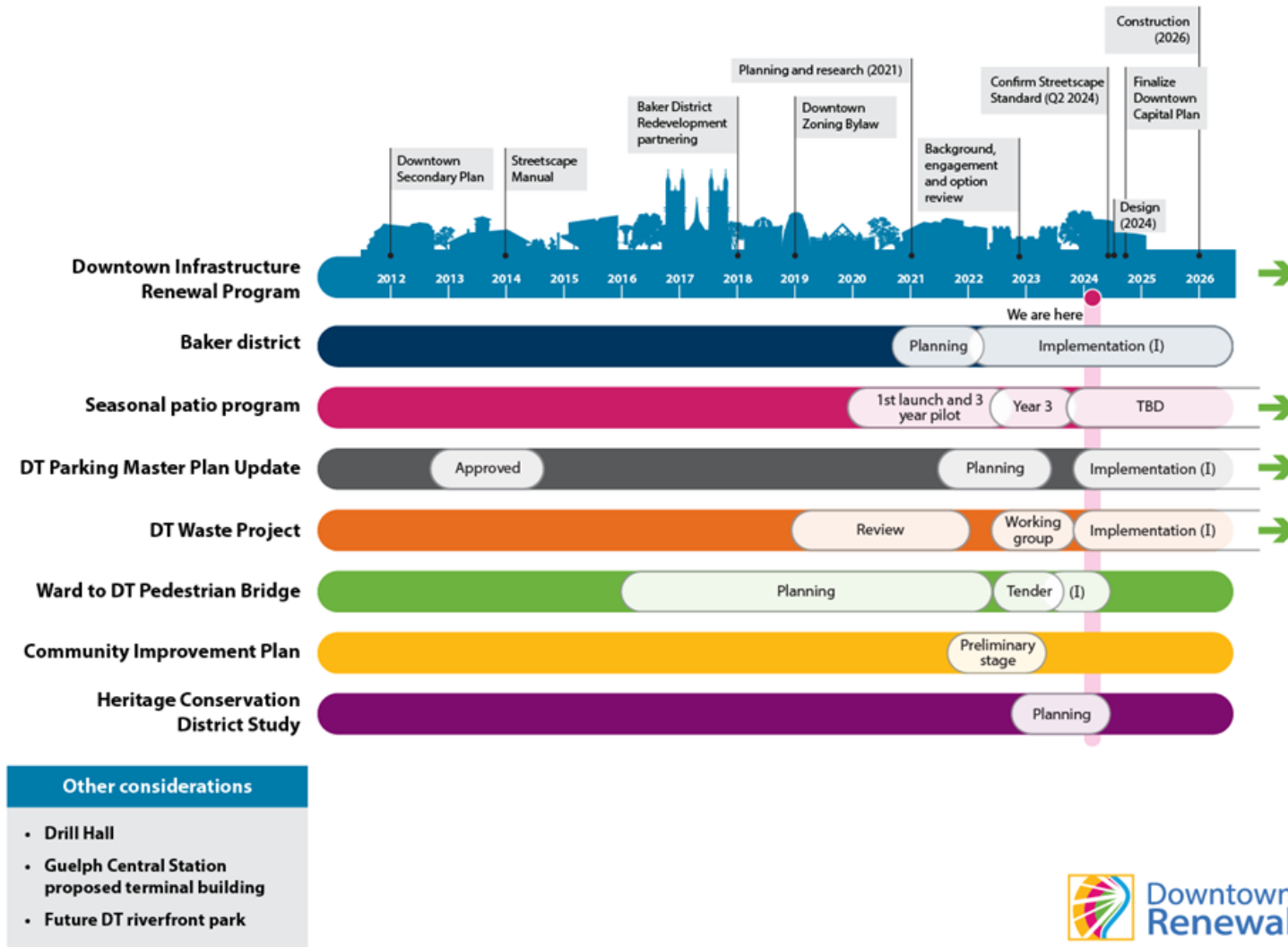
Seasonal Patio Program Configuration



Creating a place for everyone.

9

# Attachment-5 Downtown Renewal - Journey to Revitalisation



# Downtown Infrastructure Renewal Program

## Wyndham Street Cross Section and St George's Square Intersection

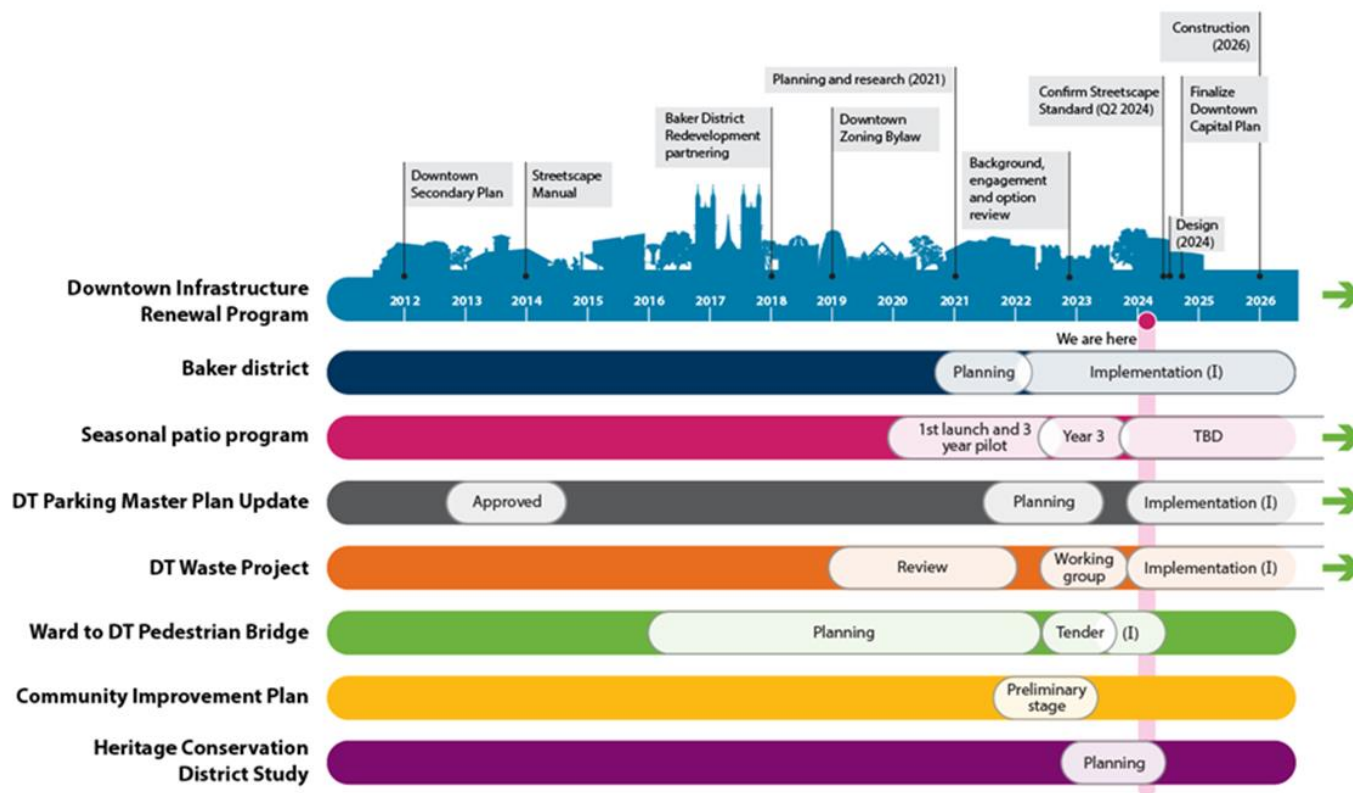
### **Committee of the Whole Presentation**

February 6, 2024



**Downtown  
Renewal**

# Downtown Renewal



## Other considerations

- Drill Hall
- Guelph Central Station proposed terminal building
- Future DT riverfront park

# Advancing Future Guelph Themes



## City Building

Improve housing supply

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Grow and care for our  
community spaces and places

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Make it easier to get around



## People and Economy

Grow Guelph's economy

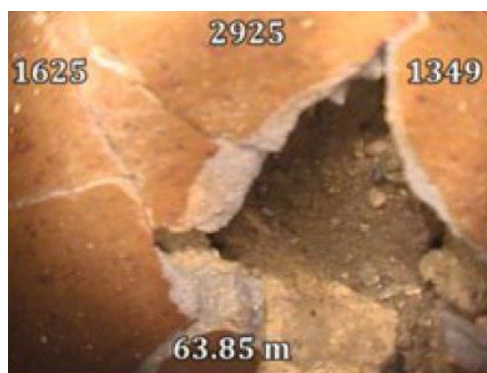
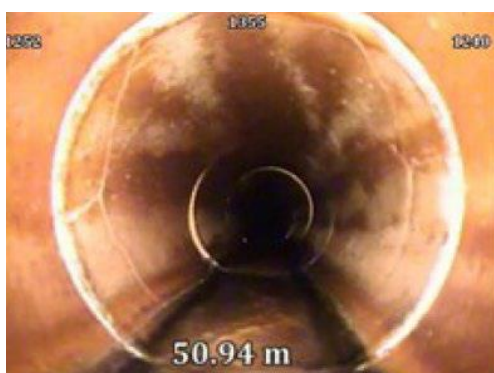
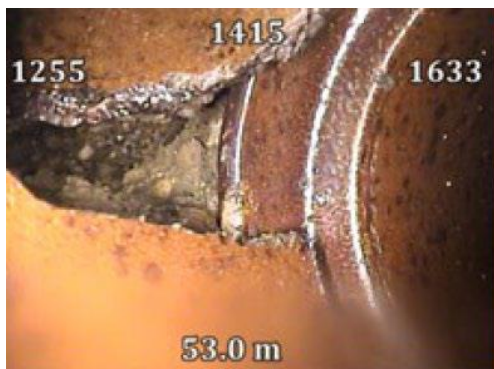
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Make downtown a  
vibrant place for everyone

---

Support community well-being

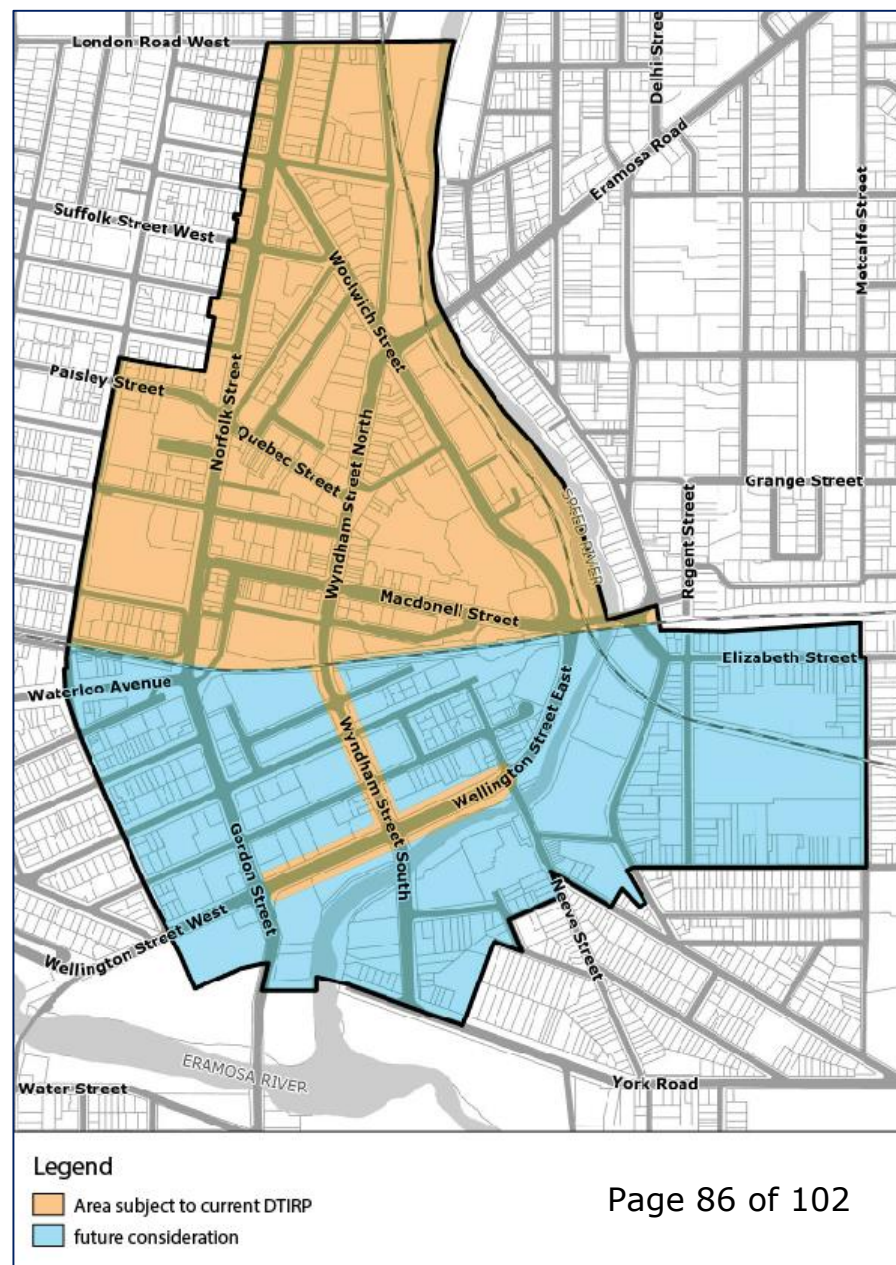
# DTIRP – Why now?



# DTIRP Study Area

## DTIRP Goals

- Future Ready Downtown
- Implement Downtown Vision
- Innovative Approach



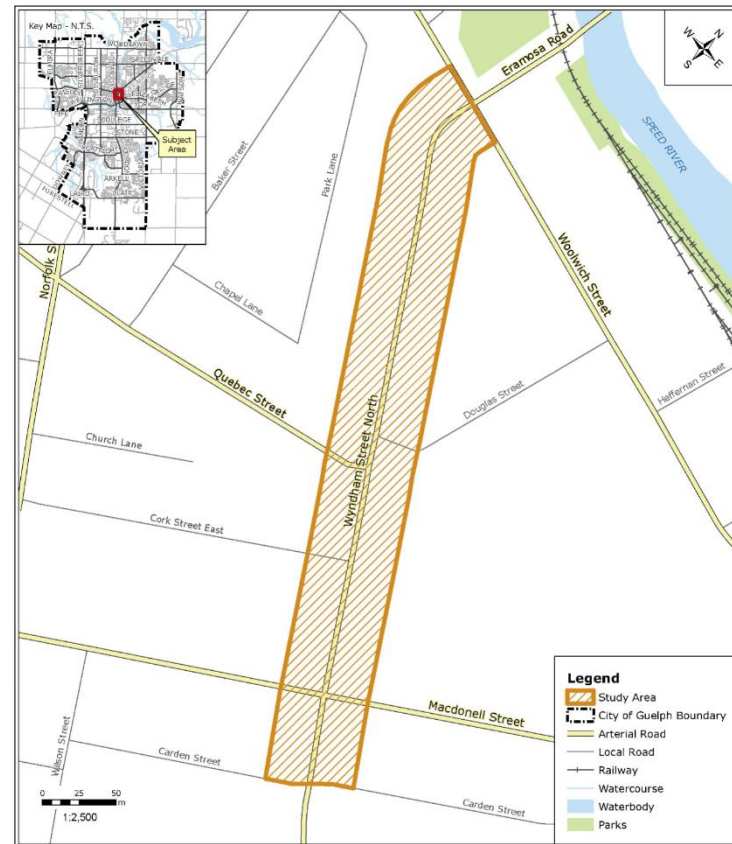
# Wyndham Street EA – Study Area & Goals

## Study Area

- Wyndham Street between Carden Street and Woolwich Street including St. George's Square

## Goals

- Enhance road safety, operations, and connections for people who walk, ride bikes, take transit and drive.
- Improve how the Wyndham Street / Quebec Street / Douglas Street intersection (and St. George's Square) functions.
- Support current City policies to advance Downtown vibrancy and revitalization efforts.



Wyndham EA Study Area

# Engagement

## Community

- 3 Popup Events
- 2 Public Information Centres
- 3 Have-Your-Say Opportunities
- Door to Door Notice

## Key External Stakeholders

- Downtown Merchants Meeting
- 3 DGBA meetings
- 2 GEDAC meetings
- Agencies

## Internal Subject Matter Experts

- Over 40 from various Departments



**Public Information Centre at City Hall**



**Tactical Urbanism Engagement Set Up**

# Wyndham Street Corridor Shortlisted Options

- Option 1: Do Nothing
- Option 2: Two-lanes with Shared Use and Angled Parking on One Side of Street
- Option 3: Two-lanes with Uni-Directional Bike Path
- Option 4: Two-lanes with Bi-Directional Bike Path

Options focused on the number of lanes available for vehicles and the accommodation for cycling, which then influences space for parking and other uses such as events, plantings or seating areas.

# Recommendation: Two-lanes with Uni-Directional Bike Path

- From four-lanes to two-lanes, providing traffic calming, transit and personal vehicle usage.
- Dedicated lanes for cyclists with physical buffer from vehicles in accordance with TMP.
- Provides for loading zones and parking for similar number of vehicles, maintaining on-street access to businesses.
- Introduces formalized planting / furnishing zone, providing permanent space for flexible uses to create an improved pedestrian zone.
- Furnishing zones and space for equitable flexible uses along both sides as opposed.
- Facilitates seasonable flexible uses (i.e., patio program)

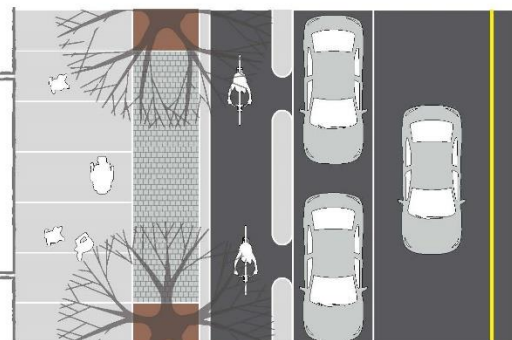


**Recommended Wyndham Street  
Cross-Section**

# Seasonal Patio Program Configuration



Boulevard      Protected Bike Path      Parking      Travel Lane



**Typical Configuration**



Boulevard      Parklet/ Cafe      Protected Bike Path, Uni-Directional or Bi-directional      Travel Lane



**Seasonal Patio Program Configuration**

# Wyndham / Quebec / Douglas Intersection & St. George's Square Options



- Option 1: Standard Intersection Improvements
- Option 2: Realigned Four-leg Intersection
- Option 3: Traffic Circle



# Option 1: Standard Intersection Improvements

## Summary

St. George's Square continues to occupy the areas on the outside of the intersection, maintaining three distinct public spaces.

## Key Features, Pros and Cons

- ✓ **Overall:** Existing configuration with added safety improvements, making it easier to drive, walk & cycle.
- **Pedestrians:** Marked crosswalks at all streets, Douglas Street remains uncontrolled (no stop sign or traffic signal).
- **Cyclists:** Protected bike paths carried through intersection. Crossing at Douglas Street remains uncontrolled (no stop sign or traffic signal).



Standard Intersection Configuration

# Option 1: Standard Intersection Improvements (2)

## Key Features, Pros and Cons

- ✓ **Roadway:** Similar operations to existing condition but with fewer travel lanes on Wyndham Street, improved geometric design, and optimized signals.
- **Public Realm:** No change from existing condition.
- ✓ **Special:** Existing public space arrangement, slightly larger spaces, opportunity to build upon a familiar design.
- ✓ **Cost:** \$13 million (approx).



Standard Intersection Configuration

# Option 2: Realigned Four-leg Intersection

## Summary

Realigns Quebec Street and Douglas Street to create a conventional four-leg intersection. St. George's Square continues to occupy the areas on the outside of the intersection, maintaining three distinct public spaces.

## Key Features, Pros and Cons

- ✓ **Overall:** Improves multi-modal safety and operations.
- ✓ **Pedestrians:** Marked and controlled crosswalks at all streets.
- ✓ **Cyclists:** Protected bike paths carried through intersection. Controlled crossing at Douglas Street improves safety (traffic signal).



Realigned four-leg Intersection Configuration.

## Option 2: Realigned Four-leg Intersection (2)

### Key Features, Pros and Cons

- ✓ **Roadway:** Conventional and predictable intersection operations. Allows for future redirection of Douglas Street, if desired.
- **Public Realm:** Requires moderate geometric adjustments to St. George's Square, re-allocating public space to different places.
- ✓ **Special:** Retains similar public space arrangement but improves intersection performance.
- ✓ **Cost:** \$13 million (approx).



Realigned four-leg Intersection Configuration.

✓ Pro — Neutral ✗ Con

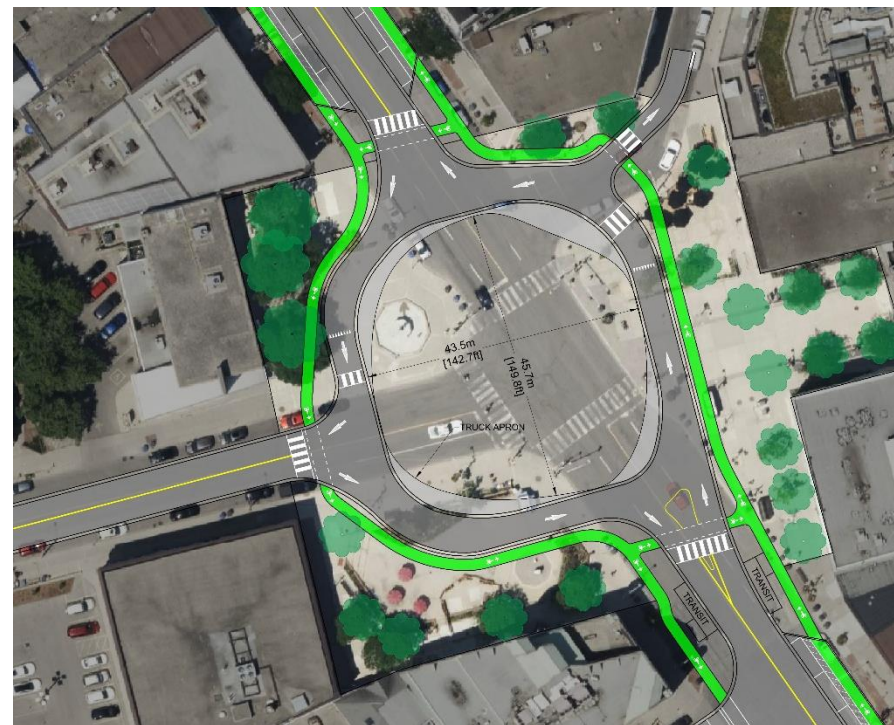
# Option 3: Traffic Circle

## Summary

This option is similar to the City's earlier vision for the intersection, as identified in the 2014 Streetscape Manual. Each of the streets intersects with a one-way loop, with all vehicles moving in a counterclockwise direction.

## Key Elements

- ✓ **Overall:** Creates consolidated public space that supports a broader range of programming.
- **Pedestrians:** Potential safety concerns from pedestrians moving in and out of the public plaza generally mitigated by slower vehicle speeds and location of the crossings.



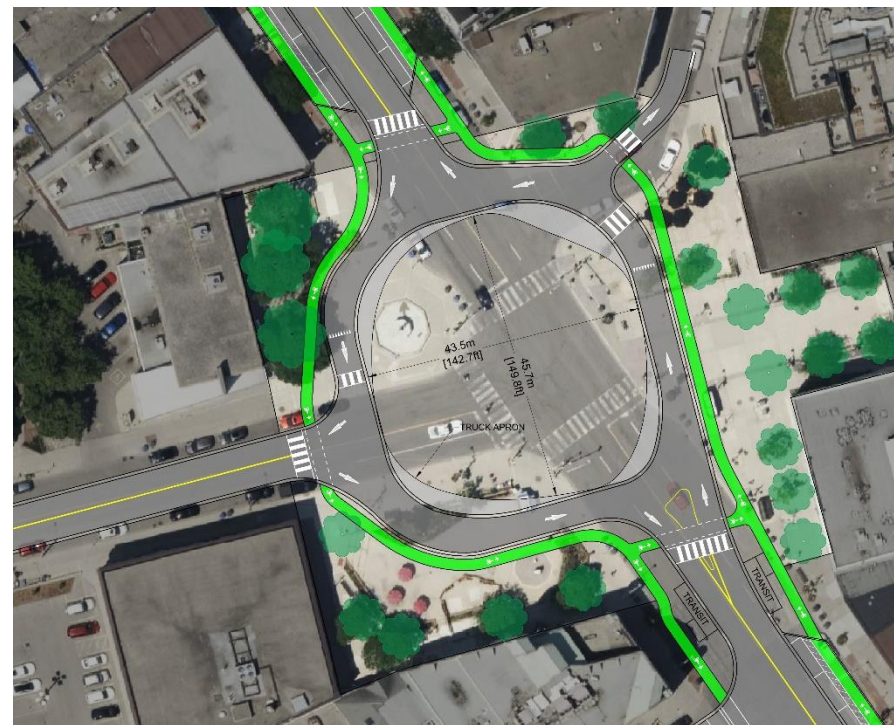
Central Square Intersection Configuration

✓ Pro — Neutral ✗ Con

## Option 3: Traffic Circle (2)

### Key Elements

- ✓ **Cyclists:** Would move around the outer perimeter of the loop, following the same direction as other vehicles.
- ✓ **Roadway:** Slow moving vehicles around the central public space.
- **Public Realm:** Reduced area directly in front of businesses for pedestrian activity and parkettes/patios.
- ✓ **Special:** A unique arrangement compared to other downtowns, a large public space that can accommodate gatherings for events
- **Cost:** \$16 million (approx).



Central Square Intersection Configuration

✓ Pro — Neutral ✗ Con

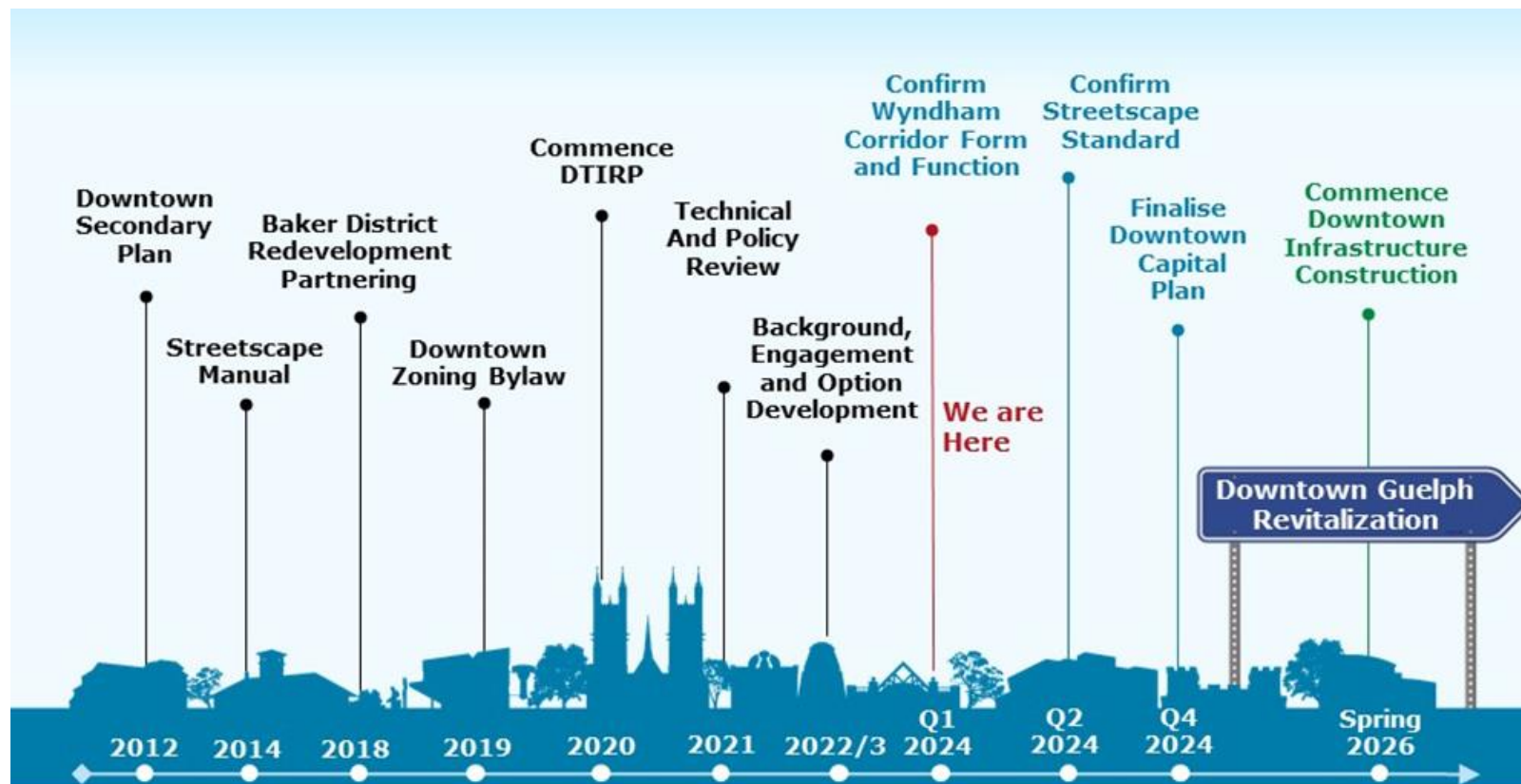
# Recommendation: St. George's Square Intersection Configuration

- Similar operations to existing condition with improved geometric design, plus optimized signals with added safety improvements, making it easier to drive, walk & cycle.
- Introduces dedicated lanes for cyclists with physical buffer from vehicles in accordance with Transportation Master Plan.
- Marked crosswalks at all streets, Douglas Street remains uncontrolled and one-way north bound
- Existing public space arrangement with slightly larger area and opportunity to build upon a familiar design.
- Lowest cost intersection improvement option.



**Recommended St. George's Square Configuration**

# DTIRP Journey to Revitalization



# April 2024 Council Workshop

- Streetscape Enhancements
  - Consider Level of Service
  - Coordination and Compromise with other infrastructure
  - Currently unfunded in 2024 MYB
- Construction Mitigation
  - Consider mitigation measures including pacing (time to completion)
- June 2024 follow-up report

## DTIRP Next Steps

- April 17, 2024 – Council Workshop
- June 2024 – CoW Report re: Streetscape LoS and construction pacing
- 2024 – Finalise Capital Impelmentation Plan
- 2024 / early 2025 – Finalize Macdonell and Allan's Structure EA
- 2024 / 2025 – Detailed design work / utility relocation commences
- 2026 – Construction commences