

## **Attachment-9 Planning Analysis**

### **Provincial Policy Statement, 2020**

The Provincial Policy Statement, 2020, came into effect on May 1, 2020. The Provincial Policy Statement (PPS) provides direction on matters of provincial interest related to land use planning and development. Part IV: Vision for Ontario's Land Use Planning System, includes that "Efficient development patterns optimize the use of land, resources and public investment in infrastructure and public service facilities."

Most relevant to these applications, Policy Section 1.0 – Building Strong Healthy Communities speaks to efficient land use and development patterns that support sustainability by promoting strong, liveable, healthy and resilient communities, protecting the environment and public health and safety, and facilitating economic growth.

Policy 1.1.1 of the PPS promotes creating and sustaining healthy, liveable and safe communities. This is achieved in part by promoting efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term, and also by accommodating an appropriate affordable and market-based range and mix of residential types [1.1.1 a), b)]. Furthermore, promoting the integration of land use planning, growth management, transit-supportive development, intensification and infrastructure planning to achieve cost-effective development patterns, optimization of transit investments, and standards to minimize land consumption and servicing costs (1.1.1 e); and ensuring that necessary infrastructure and public service facilities are or will be available to meet current and projected needs. Also noted are promoting development and land use patterns that conserve biodiversity [1.1.1 h].

Section 1.1.3 (Settlement Areas) further states that "It is in the interest of all communities to use land and resources wisely, to promote efficient development patterns, protect resources, promote green spaces, ensure effective use of infrastructure and public service facilities and minimize unnecessary public expenditures." This sections also adds policies specific to supporting active transportation (1.1.3e) and transit-supportive, where transit is planned, exists or may be developed (1.1.f). Section 1.1.3.4 states that "Appropriate development standards should be promoted which facilitate intensification, redevelopment and compact form, while avoiding or mitigating risks to public health and safety."

Section 1.4 focuses on housing development, providing an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents of the regional market area, including establishing and implementing minimum targets for the provision of housing which is affordable to low and moderate income households and which aligns with applicable housing and homelessness plans [1.4.3 a)]. This section further directs that new housing is to be directed to locations where appropriate

levels of infrastructure and public services are and will be available to support anticipated needs [1.4.3 c)].

The proposal to permit the proposed additional 30 units, creating a high density residential development on the subject lands is consistent with the policies of the PPS. The proposed development represents a compact form of development within the City's settlement area that will allow the efficient use of land, infrastructure and public service facilities where infrastructure is already available and transit is available nearby. The proposed high density residential development provides an alternative to the surrounding mix of lower density residential uses in the area, specifically the proposed smaller units that given their size can be considered affordable rental units in keeping with the City's Affordable Housing Strategy. The proposal contributes to achieving an appropriate range of housing types and densities to help the City of Guelph meet projected requirements for current and future residents.

As the City's Official Plan is to be the main instrument for implementation of the PPS in Guelph [4.7], a more detailed review on how the proposed Zoning By-law Amendment is consistent with the above PPS policies as well as policies in the City's Official Plan will be outlined later in this analysis.

### **Provincial Growth Plan for the Greater Golden Horseshoe (A Place to Grow)**

The Growth Plan for the Greater Golden Horseshoe, 2019 (the Growth Plan) is issued under the Places to Grow Act and works to support the achievement of complete communities, manage forecasted population and employment growth, protect the natural environment, and support economic development. While the PPS as outlined above provides broader policy direction on matters of provincial interest, the Growth Plan provides more focused direction for development within the Greater Golden Horseshoe area.

The policies of the Growth Plan focus on the key themes of building more compact and vibrant communities; directing a significant share of new growth to existing built-up areas of the City; promoting the development of transit-supportive densities and the use of active transportation methods; and creating complete communities through ensuring a healthy mix of residential, employment and recreational land uses.

Sections 2.2.1 and 2.2.2 of the Growth Plan identify how population growth to the horizon year of 2041 will be accommodated within the 'Delineated Built-up Areas' of the City. The subject lands are located within the Delineated Built-up Area. These sections contain policies related to intensification, the creation of complete communities and efficient use of infrastructure and public service facilities.

The proposed Official Plan and Zoning By-law Amendment conforms to the policies of these sections by:

- Directing redevelopment and intensification to lands within the existing delineated built-up area of the City;
- Focusing growth within a strategic growth area in the City, including identifying the appropriate type and scale of development to occur;
- Promoting redevelopment that supports active and public transportation options;
- Adding new housing units to the neighbourhood that contributes to enhancing and broadening the mix of housing types and options available;
- Further contributing to the mix of land uses in the surrounding area and building a complete community through redevelopment that is in close proximity to existing services, public transit and public open space; and
- Makes efficient use of existing municipal infrastructure and public service facilities.

Section 2.2.6 outlines policies for housing throughout the Greater Golden Horseshoe, which include the following policies relevant to the proposed fifth floor addition:

- Policy 2.2.6.1 supports housing choice and affordable rental housing through the achievement of the minimum intensification and density targets of the Growth Plan, land use planning and financial tools, aligning land use planning with housing and homelessness plans, and through official plan policies, designations and zoning by-laws.
- Policy 2.2.6.2 expands on the previous policy to support the achievement of complete communities through intensification, meeting density targets, considering the range and mix of housing options and densities of the existing housing stock, and planning to diversify overall housing stocks across a municipality.
- Policy 2.2.6.3 states that to “support the achievement of complete communities, municipalities will consider the use of available tools to require that multi-unit residential developments incorporate a mix of unit sizes to accommodate a diverse range of household sizes and incomes.”

The application proposes 30 small apartments units, anticipated to be affordable rental housing, contributing to the range and mix of housing options and unit sizes through intensification.

Overall, the proposed addition is to an already compact and efficient form of development that will be served by adequate infrastructure and public service facilities in the immediate built-up neighbourhood. The development will contribute to the overall intensification of the City’s built-up area to meet the minimum requirement, increasing the density on the subject lands from the existing 100 per hectare to 133 units per hectare.

Based on the above summary of policies, Planning staff are of the opinion that the proposed Official Plan and Zoning By-law Amendments are consistent with and conforms to A Place to Grow: Growth Plan for the Greater Golden Horseshoe.

## Official Plan Conformity

The Site is designated Mixed Office/Commercial in the Official Plan which permits apartments, townhouses, and a range of commercial and office uses (Section 9.4.6.6), with policies to limit the size of residential developments to a maximum building height of 4 storeys and a maximum density of 100 units per hectare. A site specific Official Plan amendment is required to permit the proposed maximum building height of five storeys and a maximum density of 133 units per hectare.

According to Section 1.3.14, in the consideration of Official Plan Amendment applications, Council must consider the following criteria:

*i) conformity of the proposal to the strategic directions of this Plan and whether the proposal is deemed to be in the overall interests of the City;*

The proposed Official Plan Amendments to permit a fifth storey containing 30 apartment units, and a maximum net density of 133 units per hectare, conform to the strategic goals of the Official Plan (March 2018 Consolidation) in Section 2.2, including the following:

- Contributing to providing an appropriate range, mix and geographic distribution of housing types (including affordable housing) to meet current and projected needs to the year 2031 [2.2.1 b), 2.2.5 d)];
- Provides for urban growth and land use patterns in a manner that ensures the efficient use of public expenditures over the long term [2.2.1 c)];
- Contribute to implementing actions to achieve the targets of the updated Community Energy Initiative [2.2.2 d)];
- Facilitates development in an area where full municipal services and related infrastructure is readily available [2.2.4 a)];
- Ensure that an adequate supply, range and geographic distribution of housing types including affordable housing, special needs housing and supporting amenities are provided to satisfy the needs of the community. 2.2.5 d)
- Build a compact, mixed-use and transit-supportive community [2.2.6 b)];
- Plan and design an attractive urban landscape that reinforces and enhances Guelph's sense of place and identity while encouraging innovative design and development opportunities [2.2.6 c)]; and
- Encouraging intensification and redevelopment of existing urban areas that is compatible with the existing built form [2.2.6 d)].

*ii) consistency with applicable provincial legislation, plans and policy statements;*

As noted earlier, Planning staff have reviewed the proposal against the policies of the 2020 Provincial Policy Statement and A Growth Plan for the Greater Golden Horseshoe (2019) and are satisfied that it is consistent with both.

*iii) suitability of the site or area for the proposed use, particularly in relation to other sites or areas of the city;*

The site is suitable for the proposed additional units, given the scale of the proposed addition to the existing building. It is an area surrounded by a mix of residential uses and close to transit and the Downtown.

*iv) compatibility of the proposed use with adjacent land use designations;*

The proposed use as small apartment units is compatible with the mix of residential housing types existing and proposed in the area. Compatibility is further discussed below in "Criteria for Multi-Unit Residential Buildings"

*v) the need for the proposed use, in light of projected population and employment targets;*

The proposed addition contributes to meeting the City's population targets as a whole and within the Built Boundary.

*vi) the market feasibility of the proposed use, where appropriate;*

The applicant has determined the proposal is feasible for the site as requested.

*vii) the extent to which the existing areas of the city designated for the proposed use are developed or are available for development;*

The site is unique within the neighbourhood, as a heritage industrial building being converted to residential apartments, together with the proposed addition of a fifth storey.

*viii) the impact of the proposed use on sewage, water and solid waste management systems, the transportation system, community facilities and the Natural Heritage System;*

Review of the proposed application has determined that adequate services are available, no improvements are needed to transportation or City services to accommodate the development and the site has been remediated to allow residential development and this addition does not impact the Natural Heritage System.

*ix) the financial implications of the proposed development;*

Financial implications of the proposed development are outlined in the covering report in terms of estimated development charges and taxes.

*x) other matters as deemed relevant in accordance with the policies of this Plan.*

Consideration of other relevant matters is given in this planning analysis.

## **Criteria for Multi-Unit Residential Buildings**

General criteria for multi-unit residential buildings and intensification within existing residential neighbourhoods are contained in Policy 9.3.1.1 and are to be used to assess development proposals for multi-unit residential development.

The analysis below demonstrates how each of the eleven criteria are met for the proposed fifth storey addition.

- 1. Building form, scale, height, setbacks, massing, appearance and siting are compatible in design, character and orientation with buildings in the immediate vicinity.*

The proposed development is one storey addition to an adaptive reuse of an existing four storey industrial heritage building as residential apartment units. The existing building is situated immediately adjacent to Alice Street, a very narrow street with a mix of one and two storey single and semi-detached dwellings also set close to Alice Street on the north side. A shadow study was completed to ensure that the fifth storey addition does not impact those residents. The combination of the high parapet wall of the existing building and the setback of the fifth storey from Alice Street aids in limiting the impact of the additional storey. The fifth storey addition is also proposed to reflect the scale and architectural character of the existing building.

- 2. Proposals for residential lot infill will be compatible with the general frontage of lots in the immediate vicinity.*

The development proposal will not be creating new infill lots, so this provision does not apply.

- 3. The residential development can be adequately served by local convenience and neighbourhood shopping facilities, schools, trails, parks recreation facilities and public transit.*

There are some smaller neighbourhood scale shopping and service opportunities along Elizabeth Street and York Road, though the nearby downtown area has more shops and services available as well. The site is near a Catholic Elementary School (Sacred Heart) and Tytler Public School, which is not being used as a school right now but as a community hub. The site is near two transit routes and the closest park is Lyons Park across York Road, which is interconnected with Eramosa River Park and trails. A new small park has also been approved at 104 Oliver Street, immediately across the street from this development.

- 4. Vehicular traffic generated from the proposed development will not have an unacceptable impact on the planned function of the adjacent roads and intersections.*

Traffic staff have reviewed the Traffic Impact Study and found that there will be no unacceptable impact on the planned function of adjacent roads and intersections from the proposed addition of 30 apartment units to the site.

5. *Vehicular access, parking and circulation can be adequately provided and impacts mitigated.*

Vehicular access is provided to the site from Huron Street. The previous proposal for a four storey building has been through the Site Plan Approval process with no concerns related to vehicle access or circulation. No additional parking is provided for the additional 30 apartment units, but a parking study examined the site and determined that given the small size and affordable nature of the proposed units, together with the location near downtown and transit, as well as transportation demand management opportunities, that a reduce parking ratio can be supported here. Planning staff agree with these findings and further discuss parking in the proposed specialized zoning regulations below.

6. *That adequate municipal infrastructure, services and amenity areas for residents can be provided.*

Engineering staff have confirmed that adequate water and wastewater servicing capacity is available for the proposed development. The applicant has indicated in their preliminary engineering drawings that stormwater will be entirely accommodated for on-site. The site is near the downtown for local services and adequate on-site amenity area has been provided for the future residents.

7. *Surface parking and driveways shall be minimized.*

The site has surface parking given the existing structure. A portion of the common amenity areas is provided along Huron Street and the parking areas are to the back of the site along the rail corridor to reduce their impact.

8. *Development shall extend, establish or reinforce a publicly accessible street grid network to ensure appropriate connectivity for pedestrians, cyclist and vehicular traffic, where applicable.*

No new public streets or connections are proposed beyond what was approved for the site in 2019 as a part of the original four storey redevelopment.

9. *Impacts on adjacent properties are minimized in relation to grading, drainage, location of service areas and microclimatic conditions, such as wind and shadowing.*

A shadow study was completed to ensure no impact from the fifth storey addition and no other changes are proposed to the site itself from a grading, drainage or servicing perspective.

10. *The development addresses public safety, identified public views and accessibility to open space, parks, trails, and the Natural Heritage System, where applicable.*

The proposed addition of one storey containing 30 apartment units does not impact public safety, public views or accessibility to any open spaces.

11. *The conservation and integration of cultural heritage resources, including identified key public views can be achieved subject to the provisions of the Cultural Heritage Resources Section of this Plan.*

The existing industrial building is being designated as a Cultural Heritage Resource. The proposed fifth storey addition will require review from Heritage Guelph and achieve an approved heritage permit.

#### Community Energy Initiative Update (2019) and Climate Change

Section 4.7 of the Official Plan contains policies on Community Energy. Policy 4.7.4.1 of the Official Plan indicates that the City will utilize the development approvals process, such as site plan control, to ensure that new residential development includes sustainable design features.

The applicant has indicated to Planning staff that they will be including a number of energy efficiency measures within the entire apartment building, consistent with the City's Community Energy Initiative (CEI) 2019 update. These initiatives proposed by the applicant will contribute to the City meeting its goal to become a net zero community by 2050. The applicant has had an Energy Modelling Report completed which shows the proposed energy efficiency of the building. The report's executive summary is included Attachment 10.

Staff are recommending a condition to be implemented at site plan review that the applicant shall provide a commitment to incorporate the proposed features into the development that will contribute to meeting the action items from the CEI (see condition #5 in Attachment 3). Specifically, the applicant will need to demonstrate how they will contribute to CEI Action 1, being to incrementally increase the number of net zero homes to 100% by 2031.



## Affordable Housing

The applicant originally proposed that the additional 30 dwelling units on the fifth storey would be supportive housing units, but as the application progressed, the applicant clarified their intent to develop small apartment units that would be affordable market rental units, together with 87 standard market rental apartment units on the already approved first four floors.

The 30 new units would be considered affordable rental units if based on 2020 affordable rental housing benchmarks, they rent for \$1245 per month or less. The units proposed are anticipated to meet the affordable housing benchmark based on their small unit size, ranging from 333 to 467 square feet in area (approximately 31 to 44 square metres).

The applicant's Affordable Housing Letter from October 5, 2020, also notes that owner is also in the process of applying for funding from Canada Mortgage and Housing Corporation (CMHC) that would provide seed funding for the development and a flexible financing program as well as considering the possibility of rent supplements from Provincial programs administered by the County of Wellington if available at the time the development is ready to lease.

The City's Affordable Housing Strategy (AHS) sets an annual City-wide 30% target for housing that is affordable with the goal of ensuring that affordable housing is included in the range and mix of housing provided for all households across the City. The goals and objectives of the AHS have also been incorporated into the Official Plan in Section 7.2 (Affordable Housing). These policies are intended to encourage and support the development of affordable housing throughout the city by planning for a range of housing types, forms, tenures and densities and have been applied to the review of this proposed residential development application.

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As proposed, the additional 30 apartment units would contribute to the City's affordable housing targets, contributing small market rental apartment units that would be under the benchmark rental rate for housing. The applicant is also actively pursuing funding from available programs at other levels of government to reduce costs and rents. The site is located in an area near transit and the Downtown, providing the opportunity for an affordable lifestyle for future tenants.

Staff note that the proposed Official Plan and Zoning By-law Amendments are to allow the additional apartment units, but the actual contribution to housing

affordability can only be measured as the units are rented. Zoning provisions cannot be used to ensure the units are affordable or to control the tenure of the units. Staff do recommend limiting the size of the apartment units proposed on the fifth storey to the size of the largest proposed unit (a maximum of 44 square metres) in order to ensure the development of smaller unit sizes that are likely to be affordable.

## **Review of the Proposed Zoning**

The subject site was rezoned to the R.4A-53 Zone in 2019 to accommodate the proposed adaptive reuse of the existing four storey building. Given its situation on site immediately adjacent to Alice Street, several specialized regulations were required to accommodate the unique site layout.

The applicant is proposing to rezone the property to a specialized R.4B-24 (High Density Apartment) Zone. Some of the specialized regulations from the previous zoning are proposed to be carried over into this zone, together with new specialized regulations requested by the applicant and additional specialized regulations recommended by planning staff to better reflect the intent of the proposal.

The following specialized regulations are proposed to be carried over from the current zoning on the 120 Huron Site:

- Parking location: permitting parking spaces to be set back a minimum of 0.6 metres from the Exterior Side Lot Line (Alice Street) and 0 metres from the Interior Side and Rear Lot Line, as no changes to the site layout are proposed;
- Angular Plane: permitting the angular plane from Alice Street to be 66 degrees, reflecting the existing building location;
- Minimum Side Yard: permitting the minimum Exterior Side Yard on Alice Street to be 2.0 metres, reflecting the existing building location;
- Buffer Strip: no Landscape Buffer will be required along the interior side lot line, shared with the townhouse site immediately to the south.
- Common Amenity Area location: a portion of the common amenity area may be required in the front yard.

Staff do not have any concerns about continuing to apply these regulations to the subject site.

New regulations were requested by the applicant for Landscaped Open Space, Common Amenity Area and Parking.

Landscaped Open Space is requested to be a minimum of 39% of the site area where the standard regulation requires 40% of the site area. This request is considered to be very minor in nature, to account for a reduction in landscaped open space of approximately 2 square metres short of the standard requirement. Staff have no concern with this request.

Minimum Common Amenity Area was originally requested to be a total of 2002 square metres where 2540 square metres is required. However, revisions to the plan that resulted in a slight expansion of the area of the fifth floor and a recalculation of the ground level amenity area has revised this request to provide a

minimum of 2330 square metres. This request is considered minor and supportable by staff given the quality of amenity area proposed at grade, within the building and on the rooftop.

The amount of required parking is also requested to be reduced. The site currently provides 114 parking spaces for the 87 apartment units on the existing four floors of the building, which meets the minimum amount of parking required for the site. The addition of 30 apartment units would require an additional 38 parking spaces to meet the standard parking requirements for this zone, for a total of 152 spaces.

The applicant has completed a parking study to review the anticipated amount of parking required. Their study, based on the proposed mix of standard market and affordable apartment units, projected that 1 space per unit would be required for the standard market rate apartments (87 spaces) and 12 spaces would be required for the 30 smaller affordable units (based on a ratio of 0.4 parking spaces per unit) for a total of 99 spaces required.

Staff have reviewed the proposed reduced parking ratio and recommend that a proposed minimum parking ratio of 0.97 spaces per unit be applied to the site, together with a reduced visitor parking ratio of 13% of required parking spaces be allocated to visitor parking where the standard regulation requires 20%. These ratios would result in the allocation of 99 parking spaces for residents and 15 spaces for visitors.

Staff can support this reduction for several reasons, given the proximity of the site to the Downtown, walking distance to two transit stops on two different transit routes and the provision of 129 bicycle parking spaces on site. Furthermore staff agree with the expected reduced parking need anticipated for the 30 small apartment units on the fifth storey. Staff further recommend that the applicant explore and implement additional transportation demand management measures such as unbundling parking from the lease of all units to maximize parking use efficiency and a site plan condition to this effect has been included in Attachment 3 of this report as Condition #4.

Planning Staff also recommend two additional specialized regulations be added to the proposed zoning for the site. First, a specialized regulation is proposed for a maximum height of five storeys where ten is allowed in the standard zone to better reflect the proposal and ensure that additional height is not permitted should the proposal change in the future.

A specialized regulation has also been recommended to limit the size of dwelling units on the fifth floor to maximize size of 44 square metres. This accommodates the units as proposed, which range from 33 to 44 square metres, but prevents the development of larger units. This specialized regulation will help maintain the intent of the fifth storey proposal to contain small apartment units that are expected to be affordable.

## **Comments Received on the Original and Revised Applications**

The Statutory Public Meeting for the proposed Official Plan and Zoning By-law Amendment was held on September 14, 2020. Questions and issues raised include impact of reduced parking, density, shadow impact, affordable housing assumptions, and parkland dedication. These issues have been addressed above, except for parkland dedication.

### **Parkland Dedication**

Concern was raised about this proposal related to a recent agreement to purchase 104 Oliver Street as a small park, land which was owned by the previous owner/developer of 120 and 122 Huron Street. An agreement was reached in August 2020 to purchase the land as a built park from the owner, using a portion of the cash-in-lieu received from the 2019 approval of 120 and 122 Huron Street. Staff recommended purchasing the park from cash-in-lieu funds in keeping with the Parkland Dedication By-law, because the site was not a part of the lands subject to the rezoning applications.

The current proposal at 120 Huron to add a 5<sup>th</sup> storey and 30 apartment units was brought forward by the new owner of the site. Parks Planning staff have reviewed this current proposal and have confirmed that the 30 new apartment units would be subject to Parkland Dedication as per the by-law, to be taken as cash-in-lieu.