

Staff Report



To	City Council
Service Area	Infrastructure, Development and Enterprise Services
Date	Wednesday, September 22, 2021
Subject	Statutory Public Meeting for the Clair-Maltby Secondary Plan Proposed Official Plan Amendment

Recommendation

1. That the report titled "Statutory Public Meeting for the Clair-Maltby Secondary Plan Proposed Official Plan Amendment" dated September 22, 2021 be received.
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Executive Summary

Purpose of Report

The purpose of this report is to provide information about the proposed City-initiated Official Plan Amendment for the Clair-Maltby Secondary Plan (CMSP). This report has been prepared in conjunction with the Statutory Public Meeting for the proposed [Official Plan Amendment](#).

Key Findings

The draft Secondary Plan implements previous Council decisions made through the approval of the [Clair-Maltby Policy Directions Document and the Preferred Community Structure \(May 13, 2019\)](#), as well as the [Clair-Maltby Open Space System Strategy policy directions and mapping \(May 25, 2020\)](#).

The draft Secondary Plan is informed and supported by more than five years of technical work and community engagement. The technical work includes the Master Environmental Servicing Plan (MESP) dated June 2021, Comprehensive Environmental Impact Study (CEIS) dated June 2021, the Energy and other utilities study dated August 2020, updated June 2021 and the Fiscal Impact Assessment (FIA) dated August 2021.

The draft Secondary Plan provides a vision, objective and policies for the development of the Clair-Maltby Secondary Plan area including land use designations and schedules.

Key findings of the Statutory Public Meeting for the City-initiated Official Plan Amendment for the Clair-Maltby Secondary Plan will be reported in a future Infrastructure, Development and Enterprise recommendation report to Council.

Financial Implications

The FIA shows that overall the Clair-Maltby Secondary Plan area should generate sufficient growth tax and rate revenues over the long-term to fund the operating and capital investment, however, the timing of these costs and revenues is not ideally matched giving rise to an up to one per cent tax increase overall. There will be significant capital investment in the early part of the plan, with the revenues for funding this investment coming in the years that follow. While not part of the scope of the FIA, it should also be noted that due to the limitation in the Development Charges Act, there are various mandated exemptions that will be required to be funded from property taxes and rates.

For this reason, development of sophisticated capital financing strategies will be required to minimize the tax and rate impacts that would be felt by the broader community in these early years. These financing strategies are required in order to address the City's debt capacity concerns that a development of this size will have on our policy limits.

Tax Rate Impact - the FIA shows that approximately a one per cent increase in taxes would be required in the early years in order to fund the capital and operating cost of the development. After approximately ten years of build-out, tax revenues start to out-pace expenditures meaning the Clair-Maltby area will begin to have a positive impact on the City's finances. Prudent fiscal management of the tax assessment growth revenues from this area will be key to ensuring growth is paying for growth over the long-term. The tax impact includes the costing of the Open Space System Strategy.

Non-tax Rate Impact – the water and wastewater rates are challenged with the significant front-ended capital costs required for the elevated water storage and transmission main, wastewater pumping stations, increasing the size of downstream trunk wastewater infrastructure, and adding wastewater treatment capacity at the plant. This infrastructure also needs to be sized for growth beyond the Clair-Maltby area which is a complexity that has caused further misalignment in cost and revenue timing, most notably in the development charge revenue analysis.

Similar to the taxes, the FIA shows that Clair-Maltby will create an upward pressure on the rates in the initial stages of the forecast period to cover capital related costs. Given the magnitude of this upward pressure, the City will likely require temporary cash flow funding until later development comes on stream. Later in the forecast period, as development charge revenue declines from the Clair-Maltby development area, there is insufficient total revenue to cover the related infrastructure costs. This is occurring primarily because the infrastructure sizing for that beyond the growth in Clair-Maltby is being costed fully to this area as an assumption in this study. In order to mitigate the more substantial rate increases projected after approximately ten years of build-out, financing strategies including development charge front-ending agreements and early payment agreements with the developers are required.

Financial Strategy and Policy Decisions - It is a fundamental policy of the Secondary Plan that financial impacts of the cost of new development within the Secondary Plan be minimized on the existing taxpayers. For this reason, more sophisticated growth financing, agreement structures, and policy development will be required and will require appropriate resourcing to ensure these are in place to protect the City's fiscal sustainability. This is not unique to Guelph, and is common

in other municipalities when planning for the development of a large greenfield area.

Given the capital works required for development in Clair-Maltby, the associated debt requirements, and the projected upward pressure on tax, water, wastewater, and stormwater rates, the City will need to investigate and consider financing tools such as pre-payment of development charges, developer front-ending agreements, and an area specific development charge. Further, a detailed capital infrastructure and funding plan will need to be developed and integrated into the City's other priority growth areas including the Downtown and Guelph Innovation District. This detailed planning may require prioritization of capital investment and could include delaying capital expenditures and/or growth in certain areas.

Report

Project Background

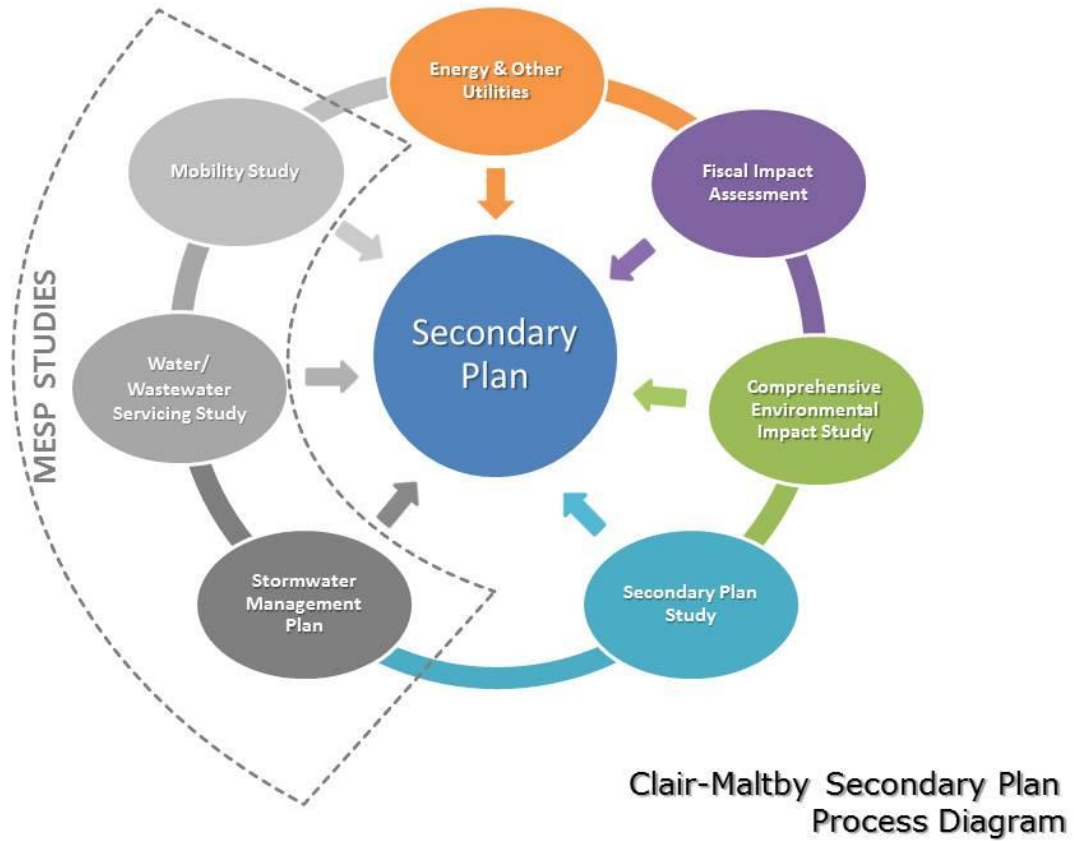
The Clair-Maltby Secondary Plan comprehensively plans the last unplanned greenfield area of the City. The [draft Secondary Plan](#) proposes a land use plan for the study area which provides more detailed planning objectives and policies than those found in the overall Official Plan. The [draft Master Environmental Servicing Plan](#) (MESP) proposes preferred municipal infrastructure and servicing strategies related to water, wastewater, stormwater management and mobility for the Secondary Plan area.

The CMSP project includes several components or tasks:

- Comprehensive Environmental Impact Study (CEIS)
- Water/Wastewater servicing study
- Stormwater management plan
- Mobility study
- Energy and other utilities study
- Secondary plan study
- Fiscal Impact Assessment (FIA)
- Community engagement and communications

Collectively, the project is referred to as the CMSP – see Figure 1.

Figure 1: Clair-Maltby Secondary Plan Process Diagram



Location

The Clair-Maltby Secondary Plan area is approximately 414 hectares located in the southeast corner of Guelph and is bounded by the future extension of Poppy Drive West to the north (just south of Clair Road), Victoria Road to the east, Maltby Road to the south and the eastern limits of the Southgate Business Park to the west as illustrated in Figures 2 and 3.

Figure 2: Location of CMSP study area

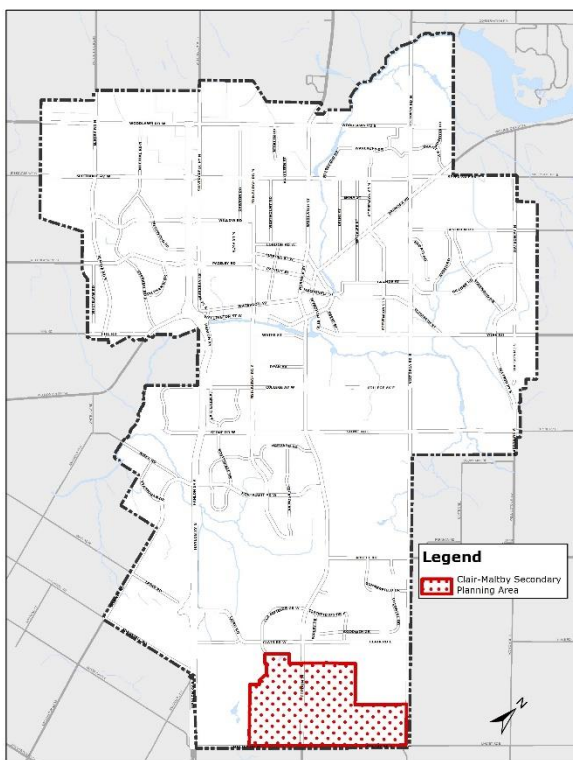
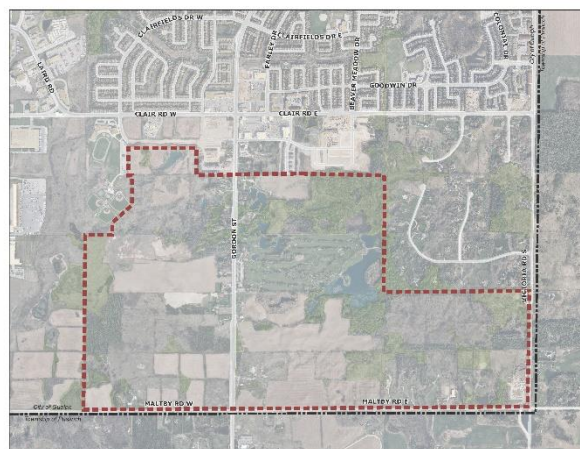


Figure 3: Location of CMSP Study area



Draft Secondary Plan

The purpose of this report is to provide information about the proposed [Official Plan Amendment](#) for the Clair-Maltby Secondary Plan (CMSP), which is supported by the MESP.

The [draft Secondary Plan](#) was released on June 18, 2021, followed by a virtual public open house on June 24, 2021.

The draft Secondary Plan implements previous Council decisions made through the approval of the [Policy Directions Document](#) and the [Preferred Community Structure](#) (May 2019), as well as the [Open Space System Strategy policy directions](#) and mapping (May 2020).

There are a few differences between the [Policy Directions Document](#) and the draft Secondary Plan including a proposed change to the permitted density range for the 'Clair-Maltby High Density Residential' and the 'Mixed Use' land use designations from a maximum permitted density of 200 units per hectare to a maximum permitted density of 250 units per hectare.

The other notable change included in the draft Secondary Plan is the introduction of a multi-use overpass over Gordon Street to accommodate safe movement for both wildlife and active transportation users. See Attachment-2 Draft Clair-Maltby Mobility Plan (Schedule C of the draft Secondary Plan) for the proposed location of the multi-use overpass.

Draft MESP

The MESP incorporates information from technical documents that were previously released ([Water Servicing Alternatives](#), [Wastewater Servicing Alternatives](#),

[Transportation Master Plan Study](#)), as well as the draft Comprehensive Environmental Impact Study ([Phases 1 and 2](#), [Phase 3](#)). The MESP evaluates the servicing alternatives and identifies preferred alternatives and provides staging, costing and implementation information for water servicing, wastewater servicing, stormwater management and mobility for the Secondary Plan area.

The preferred servicing alternatives include:

- Water: an elevated water storage (5ML), booster pump station adjacent to existing Clair Tower, and a system of transmission and distribution watermains.
- Wastewater: three pumping stations and a system of gravity sewers and forcemains, exiting the site via a new trunk sewer in an easement along the Hanlon to south of Kortright Road.
- Stormwater: a combination of Stormwater Capture Areas (SWCAs) and distributed Low-Impact Development (LID) features to capture, treat, and infiltrate water at source.
- Mobility: a combination of arterial, collector, and local roads; proposed cross sections developed with active transportation as a high priority; a new series of active transportation trails with an overpass on Gordon Street; and a transit network to support movement of people in, around, and out of the CMSP area.

Several capital projects have been identified across the four servicing areas above. The installation of infrastructure will be staged to support development as it progresses from north to south, acknowledging that many of the existing systems for connection are at the north side of the study area.

When the Secondary Plan is brought forward to Council for a decision, Council will also be asked to approve the filing of the MESP as a formal Master Plan under the Environmental Assessment Act. After the mandatory review period, the plan recommendations/individual infrastructure projects can move to the next stages of planning and design. The extent of future stakeholder and public engagement will depend on the complexity of the plan recommendations for the individual infrastructure projects.

See Attachment-3 for a summary of the MESP.

Supporting Reports and Studies

In addition to the MESP, the draft Secondary Plan is informed and supported by the following documents:

- [Comprehensive Environmental Impact Study Phases 1 and 2 Characterization Report](#) – June 2021
- [Comprehensive Environmental Impact Study Phase 3 Impact Assessment and Management Plan](#) – June 2021
- [Energy and other utilities study, Final Draft](#) – June 2021
- [Fiscal Impact Assessment \(FIA\)](#) – August 2021
- All other background documents, studies and reports are available on the [Clair-Maltby documents webpage](#)

See Attachment-4 for a summary of the Comprehensive Environmental Impact Study, Attachment-5 for a summary of the Energy and other utilities study and Attachment-6 for a summary of the FIA.

Proposed Official Plan Amendment

Purpose and Effect of the Official Plan Amendment

The Clair-Maltby Secondary Plan is based on extensive planning work completed during 2015-2021 to determine appropriate land use policies for Clair-Maltby while ensuring the area appropriately contributes to achieving the City's growth management targets. The Clair-Maltby Secondary Plan will be added to the City's Official Plan through an amendment and existing policies and schedules that pertain to the Clair-Maltby area will be amended. The Clair-Maltby Secondary Plan presents a vision, principles, land use designations and policies to guide development within the plan area to the year 2051.

Attachment-1 provides the [draft Official Plan Amendment](#) for the Clair-Maltby Secondary Plan.

Existing Official Plan Land Use Designation and Policies

The Clair-Maltby lands currently contain a mix of land use designations, with the majority of the lands located in the southern part of the study area and east of Gordon Street being designated as Reserve Lands. The lands designated Reserve Lands form part of the City's long term land supply and require a Secondary Plan to be completed in order for the land use designation to be changed.

The lands to the west of Gordon Street in the northerly portion of the Secondary Plan area are designated Industrial and Corporate Business Park, with a few small areas designated Low Density Greenfield Residential. The existing golf course within the Secondary Plan area is designated Special Study Area which requires the Secondary Plan to be completed to determine its future land use. The Natural Heritage System is found throughout and is designated as Significant Natural Areas and Natural Areas, and Natural Areas Overlay.

See Attachment-7 for the existing Official Plan land use designations.

Overview of Amendment

This [Official Plan Amendment](#) will replace the existing land use designations and policies of the 2001 Official Plan (as amended) as they relate to the lands within the Clair-Maltby Secondary Plan area, with new land use designations and policies by inserting a new subsection 11.3 to Chapter 11 Secondary Plans entitled "Clair-Maltby Secondary Plan".

The subsection will contain:

- a detailed set of land use and development policies and schedules to guide future development within the Secondary Plan area;
- support and enhance the conservation and protection of the natural heritage system;
- conserve and protect cultural heritage elements;
- promote best practices for sustainable development and community design that contribute towards the achievement of a net-zero community;
- identify a mobility network of collector and arterial roadways and active transportation routes and opportunities;
- identify an open space system including parks, trails and the moraine ribbon and
- provide a high level urban design direction to guide the creation of a unique and memorable place.

The Secondary Plan includes six schedules. These are Community Structure, Land Use, Mobility, Built Form and Open Space System Elements, Natural Heritage System and Cultural Heritage Resources.

The Secondary Plan consists of the following sections:

- Vision, Guiding Principles and Objectives
- Managing Growth and Community Structure
- Water Resources and Natural Heritage
- Cultural Heritage
- Energy, Water, Wastewater and Stormwater Management
- Mobility
- Open Space System: Moraine Ribbon, Trails and Parks
- Land Use, Built Form and Urban Design
- Interpretation and Implementation

The policies generally follow the structure and make references to and/or enhance existing policies of the Official Plan.

The [Official Plan Amendment](#) will also modify some existing policies in the Official Plan to integrate the Clair-Maltby Secondary Plan. Policies that currently apply to the Clair-Maltby lands are proposed to be deleted because they will be replaced by the Secondary Plan policies. The policy amendments include:

- Modifying Table 5.1 Road Widening Dedications as it applies to Gordon Street, Maltby Road and Victoria Road within the Secondary Plan area to reflect the proposed right-of-way cross-sections for Clair-Maltby.
- Deleting Policy 9.9.1 that is specific to 2054 Gordon Street (Springfield Golf Course) as it is no longer required. The Secondary Plan will provide direction for the future development of the lands.
- Deleting Policy 10.2.6 which identifies that a secondary plan is to be undertaken for the lands in the Clair-Maltby area. The proposed amendment will complete the Clair-Maltby Secondary Plan.

Existing Official Plan schedules are also proposed to be amended to recognize the completion and integration of the Clair-Maltby Secondary Plan.

The following schedules are being modified to 'grey out' the lands subject to the Clair-Maltby Secondary Plan so the new Schedules included as part of the Secondary Plan are referred to:

- Schedule 2 Land Use Plan
- Schedule 5 Road and Rail Network
- Schedule 6 Open Space System: Trail Network.

The existing Schedule 3 Development Constraints and the Natural Heritage System Schedules (4, 4a-e) are being amended to reflect the refined Natural Heritage System within the Secondary Plan Area. As part of Guelph's Natural Heritage Strategy, Natural Heritage System mapping and policies were developed for the entire City, including the Clair-Maltby Secondary Plan area. The Natural Heritage System policies and maps were included in the City's updated Official Plan in 2010, refined through the Ontario Municipal Board process, and finalized in June 2014. The purpose of the natural heritage work for this project was to confirm, refine and update the mapping based on a combination of existing and new information

collected, and the most current and applicable environmental legislation, policies, guidelines and information.

The natural heritage work has resulted in a refined NHS having a total land area of 182.6 hectares within the Clair-Maltby Secondary Plan area. This is a net increase of 7.61 hectares from the NHS approved by the Ontario Municipal Board in 2014. The refinements to the Natural Heritage System are shown in Attachment 8 – Comparison of Approved NHS and Refined NHS (Map NH-14B in Appendix E of the Comprehensive Environmental Impact Study).

Description of Secondary Plan Sections

Section 11.3.1 Vision, Guiding Principles and Objectives

The Clair-Maltby Secondary Plan begins with the vision, guiding principles and objectives, formulated as part of an extensive public engagement process as outlined in Attachment 1. The vision is as follows:

Clair-Maltby will be a vibrant, urban village that is integrated with Guelph's southern neighbourhoods, as well as having strong connections to Downtown, employment areas and the rest of the city.

The Natural Heritage System and the Paris Galt Moraine will provide the physical and ecological framework for the balanced development of interconnected and sustainable neighbourhoods following the City's environment-first approach.

The area will be primarily residential in character with a full range and mix of housing types, which will allow for affordable and market-based housing, and a variety of other uses to meet the needs of all residents.

A system of parks, open spaces and trails will be interwoven throughout to provide opportunities for active and passive recreation.

This section also provides the following five (5) principles which are the foundation for the policies of the Secondary Plan and are the basis of the objectives:

1. **Green and Resilient:** Protect, maintain, restore, and where possible, improve water resources and the Natural Heritage System. Support resiliency and environmental sustainability through measures such as energy efficiency, water conservation and green infrastructure.
2. **Healthy and Sustainable:** Design the community for healthy, active living. Provide a mix of land uses including a diversity of housing choices at appropriate densities with appropriate municipal services to ensure sustainable and financially viable development.
3. **Vibrant and Urban:** Create identifiable urban neighbourhoods that are pedestrian-oriented and human-scaled. Promote forward-thinking and innovative design that integrates new development into the hummocky topography of the Paris Galt Moraine, while conserving significant cultural heritage resources.
4. **Interconnected and Interwoven:** Establish a multi-modal mobility network that provides choice and connects neighbourhoods to each other and the rest of the city. Create a network of parks, open spaces and trails to provide opportunities for active and passive recreation, as well as active transportation choices.

5. **Balanced and Livable:** A valued and livable community which reflects the right balance between protecting the environment and fostering a healthy, equitable and complete community.

Section 11.3.2 Managing Growth and Community Structure

This section provides policies for the development of Clair-Maltby within the City's designated greenfield area. The policies state that:

- It has been designed as an urban village in the context of the City's environment-first approach.
- Growth shall generally occur from north to south and west to east, with priority being given to development in the Gordon Street Corridor in accordance with the preferred servicing strategy outlined in the MESP.
- Development will be planned to contribute toward the overall density targets for the designated greenfield area of the City over the long term. The Clair-Maltby Secondary Plan area is planned and designed to achieve an overall minimum density target that is not less than 65 residents and jobs per hectare. In order to contribute to achieving the City-wide population and employment projections and density targets, Clair-Maltby is planned to achieve, at a minimum, 16,300 people and 1,250 jobs by the year 2051.
- The Natural Heritage System and the Paris Galt Moraine, together with the Open Space System will provide the framework for the balanced development of interconnected and sustainable neighbourhoods focused on the Gordon Street Corridor.
- The Gordon Street Corridor will be a mixed-use corridor with the Urban Village Core as its central focus. Other features of the Clair-Maltby urban village are the Green Gateway and Urban/Rural Transition.

The Community Structure for this urban village is illustrated on Schedule A of the [draft Secondary Plan](#).

Section 11.3.3 Water Resources and Natural Heritage

The Water Resources and Natural Heritage System policies included within the Clair-Maltby Secondary Plan build on those within the Official Plan and implement an ecosystem-based subwatershed planning approach to identify, evaluate and protect the natural environment. Long term protection is provided to significant natural areas with established buffers, with clear direction to maintain, restore and, where possible, improve the Natural Heritage System and the quality and quantity of Guelph's surface water and groundwater resources. The Water Resource and Natural Heritage System policies for the Secondary Plan area are informed by the recommendations of the subwatershed plan-based CEIS and MESP.

The policies state that:

- The Water Resource System, Natural Heritage System and urban forest are part of Clair-Maltby's green infrastructure, along with built elements such as stormwater management systems and parkland.
- The concept of green infrastructure recognizes that natural and human-made elements can provide ecological and hydrologic functions that support social well-being and a high quality of life for residents, and will also help mitigate the impacts of climate change in Guelph.

Section 11.3.4 Cultural Heritage

The cultural heritage policies ensure the conservation of the existing cultural heritage resources found within Clair-Maltby and reflect the rural/agricultural heritage of Guelph and the former Township of Puslinch and identify a number of heritage buildings and structures. Policies are also provided for the cultural heritage landscape at 2162 Gordon Street designated under Part IV of the Ontario Heritage Act.

Section 11.3.5 Energy, Water, Wastewater and Stormwater Management

The energy, water, wastewater and stormwater policies build on the city-wide commitment to addressing the impacts of climate change through both mitigation and adaptation strategies. The policies contribute to the creation of a culture of conservation which will be reflected in the establishment of a walkable, compact urban development with a well-connected trail network within Clair-Maltby. Together with the active transportation and transit-supportive design policies in the Secondary Plan, these policies will ensure that Clair-Maltby contributes to Guelph's goal of being a Net Zero Carbon community by 2050, and will increase the overall sustainability of development in the City.

Section 11.3.6 Mobility

The mobility policies are designed to ensure that Clair-Maltby will be a community where walking, bicycling, other active transportation modes, and transit are attractive and efficient modes of transportation within the community, and for connecting to the City as a whole and the surrounding rural area. This will be achieved through the development of a multi-modal active-transportation focused mobility system inclusive of an integrated network with roads, bicycling facilities, sidewalks and paths designed, built and maintained with consideration for all users.

Section 11.3.7 Open Space System: Moraine Ribbon, Trails and Parks

The Open Space System including parks, trails and the Moraine Ribbon, together with the Natural Heritage System, provide the framework for the balanced development of interconnected and sustainable neighbourhoods in Clair-Maltby. This system, together with community facilities such as schools, libraries, and institutional health care, recreational and religious facilities, and the provision of a variety of housing types, including affordable housing, all support the quality of life of residents.

The Open Space System in Clair-Maltby will include a centralized Community Park that is approximately 10 hectares in size, a minimum of eight neighbourhood parks that are approximately 1 hectare in size, the Moraine Ribbon, as well as other local trails.

The Moraine Ribbon will be comprised of a series of generally continuous linear open spaces that will be established adjacent to the Natural Heritage System and may include interconnected park areas, portions of stormwater management capture areas, cultural heritage resources, naturalized areas, and portions of the Active Transportation network.

Section 11.3.8 Land Use, Built Form and Urban Design

The land use and built form policies provide direction for development, establish the general pattern of land uses within Clair-Maltby and the structuring of those uses within the built form (including building types, massing and height).

Clair-Maltby includes eight land use designations, the following five of which are existing designations within the City's Official Plan: Low Density Greenfield Residential, Medium Density Residential, Service Commercial, Neighbourhood Commercial and Open Space and Parks.

Clair-Maltby introduces three new land use designations: Clair-Maltby High Density Residential, Clair-Maltby Mixed Office/Commercial and Mixed-Use.

Other elements that have been introduced into the Clair-Maltby Land Use designations include the Urban-Rural Transition overlay designation and a Convenience Commercial Area symbol.

Clair-Maltby High Density Residential

The new Clair-Maltby High Density Residential designation is located primarily along Gordon Street. Within the Gordon Street Corridor, it establishes a minimum height of four storeys and the maximum permitted height varies throughout the corridor from eight storeys to fourteen storeys (see Schedule D Built Form and Open Space Elements in the draft secondary plan). Outside of the Gordon Street Corridor, it establishes a minimum height of three storeys and a maximum height of ten storeys.

The permitted net density for this designation is a minimum of 100 units per hectare and a maximum of 250 units per hectare.

The permitted use for this designation is multiple unit residential, generally in the form of apartments.

Clair-Maltby Mixed Office/Commercial

The new Clair-Maltby Mixed Office/Commercial designation applies to lands located south of the Urban Village Core. The majority of these lands form part of a designated cultural heritage landscape in accordance with By-law Number (2019)-20386 (municipally known as 2162 Gordon Street). Any development within this designation is subject to the cultural heritage policies of the Official Plan and the Secondary Plan and will be permitted only if an architectural vocabulary and design elements are adopted which are compatible with, and respectful of, the cultural heritage attributes of the designated cultural heritage landscape in accordance with an approved Cultural Heritage Resource Impact Assessment.

The designation establishes a maximum height of four storeys and a maximum net density of 100 units per hectare.

Permitted uses for this designation include: small-scale commercial uses, offices, personal services, institutional uses, and residential uses in conjunction with the other permitted uses.

Convenience Commercial Area

The Convenience Commercial Area symbol identifies focal points at intersections in Residential Neighbourhoods which may be considered, but are not required, for development(s) intended to serve the convenience commercial and service needs of local residents.

The permitted uses, form and configuration will be determined through the development approvals process generally in conformity with the Official Plan's Neighbourhood Commercial Centre policies. The maximum commercial component of such a development is 3,250 square metres (35,000 square feet) of commercial

gross floor area and the maximum height shall be in accordance with the underlying land use designation.

Urban-Rural Transition

The Urban-Rural Transition Area is an overlay designation which is intended to provide an appropriate transition to the surrounding rural areas. The designation applies to lands located within a minimum of 60 metres in depth from the north side of Maltby Road and the west side of Victoria Road.

Within this area buildings and structures will have a maximum height of 3 storeys. In addition, increased setbacks from Victoria Road and Maltby Road, the majority of which will be landscaped, will be encouraged.

Section 11.3.9 Interpretation and Implementation

The implementation of this Secondary Plan will require a variety of tools and many actions on the part of the City, private landowners, institutions and others. This section describes important tools and strategies to be used by the City in addition to the tools and strategies identified in the Official Plan. This includes identifying required special studies and future initiatives, as well as phasing details.

It also identifies initiatives and partnerships intended to implement key elements of this Secondary Plan and, in the process, encourage private development and investment in Clair-Maltby. Many of the strategies build upon previous initiatives and current investments by the City.

The Secondary Plan also includes key definitions to support the policies.

Project History

On December 14, 2015, City Council approved the Terms of Reference for the Clair-Maltby Secondary Plan and MESP. The integrated secondary plan and MESP process ensures the concurrent consideration of planning and servicing assessments and allows the City to appropriately fulfill its overall needs, while considering the complex and related factors that need to be addressed in the planning process for Clair-Maltby. The combined process also meets the requirements of both the Provincial Environmental Assessment Act and the Planning Act.

The direction for the preparation of the Secondary Plan arose because the majority of the lands are currently designated as "Reserve Lands" by the City's Official Plan. This designation requires the completion of a Secondary Plan as a basis for re-designation to other land use designations. Secondary Plans are required to address a range of issues including patterns of land use, land use designations and density, urban design, natural features and systems, and transportation. There are also a number of other land use designations within the Clair-Maltby Secondary Plan area which require evaluation (i.e. industrial).

The Secondary Plan and MESP project occurred in three phases.

Phase 1

The Phase 1 work began in early 2016 and concluded in July 2017 with [Council approval of the vision and guiding principles](#). Major components of the Phase 1 work included:

- a. development and refinement of background reports and technical work plans for all components of the study;

- b. development of a Problem and Opportunity Statement for the MESP;
- c. environmental monitoring and study area characterization;
- d. establishment of the Technical Advisory Group and Community Working Group;
- e. Notice of Study Commencement;
- f. Public Information Centre #1 and a Community Visioning Workshop; and
- g. development of a vision and guiding principles for the study and secondary plan.

Phase 2

The phase 2 work focused on developing the community structure for the area. It began in May 2017 and was generally complete in June 2018 with [Council approval of the Preferred Community Structure](#). Major components of the Phase 2 work included:

- a. continuation of the ongoing environmental monitoring and study area characterization;
- b. Community Visioning Workshop in September 2017 to assist in establishing the Conceptual Community Structure;
- c. approval of the Conceptual Community Structure in December 2017;
- d. commencement of the technical studies based on the Conceptual Community Structure;
- e. meetings with the Technical Advisory Group and the Community Working Group;
- f. development of three Community Structure Alternatives;
- g. Council Workshop to assist in the evaluation of the three Alternatives; and,
- h. five-day planning and design charrette to develop the Preliminary Preferred Community Structure.

Phase 3

The phase 3 work began in 2018 and was focused on the preparation of the Secondary Plan and MESP documents for review and approval. Major components of the phase 3 work included:

- a. development of a detailed [Policy Directions document](#). This report describes the long-term Vision and Principles, illustrates the structuring elements of the plan, and outlines general direction for policies and/or objectives. It also included an Updated Preferred Community Structure which reflects detailed technical work. The Policy Directions Document was approved by Council in May 2019;
- b. development of a detailed [Open Space System Strategy Policy Directions report](#). This report reviewed the location and size of the Community Park, co-locating the park space with stormwater management facilities and schools, and the development of the Moraine Ribbon as part of the Open Space System. Two public workshops were held in late 2019 to gather public feedback. This document was approved by Council in May 2020.
- c. Public Information Centre to inform members of the public and stakeholders on the release and content of the [draft Secondary Plan](#), the [draft Master Environmental Servicing Plan](#) and the draft Comprehensive Environmental Impact Study ([Phases 1 and 2](#), [Phase 3](#)).
- d. the [FIA](#) was released in September 2021.

Next Steps

September/October 2021 – meetings with Heritage Guelph, Planning Advisory Committee, CMSP Community Working Group, CMSP Technical Advisory Group, landowners and other interested stakeholder groups to receive feedback on the draft Secondary Plan and draft MESP.

Q4 2021 – undertake revisions to the draft Secondary Plan and draft MESP informed by public and stakeholder feedback received.

Q1 2022 – Recommended Secondary Plan and MESP to be brought forward to Council for a decision.

Financial Implications

A Fiscal Impact Assessment (FIA) was prepared by Watson and Associates and identified key financial pressures and growth management strategies for the Clair-Maltby Secondary Plan Area assuming that the area will develop between 2025 and 2041 (i.e. the assumed forecast period).

The FIA shows that overall the Clair-Maltby Secondary Plan area should generate sufficient growth tax and rate revenues over the long-term to fund the operating and capital investment, however, the timing of these costs and revenues is not ideally matched and will likely mean up to a one per cent tax increase overall. The FIA also did not consider exemptions from development charges or parkland dedication that would have to be tax and rate funded.

There will be significant capital investment in the early part of the plan, with the revenues for funding this investment coming in the years that follow. For this reason, development of sophisticated capital financing strategies will be required to minimize the tax and rate impacts that would be felt by the broader community in these early years. Further, these financing strategies are required in order to address the City's debt capacity concerns that a development of this size will have on policy limits.

The following summary provides a brief outline of the conclusions of the study.

Operating Costs

As the Clair-Maltby Secondary Plan area is developed, the City's total operating costs will increase. Based on an assessment of operating costs including capital, lifecycle and replacement, financing capital expenditures and reserve fund balances the FIA results in the following observations:

Tax Supported Operating

- The additional tax supported operating expenditures related to growth in Clair-Maltby is anticipated to be \$28.34 million annually when the area is fully built-out.
- These expenses will be partially off-set by non-tax revenues, such as user fees, which are anticipated to be \$7.27 million annually when the area is fully built-out.
- The net amount of approximately \$21.07 million will be funded primarily through increased assessment / property taxes generated by the development of Clair-Maltby.

Rate Supported Operating

- Total rate supported operating expenditures resulting from the growth in Clair-Maltby is anticipated to be \$4.12 million annually at full build out.
- Total rate related revenues are anticipated to be approximately \$8.29 million at full build out.
- As total operating revenue exceeds related operating costs, these operating costs will not have a negative impact on rates. However, the capital costs related to rate-supported services will have an impact on rates and operating revenues will help to offset capital costs. Additional details are provided below.

Capital Costs

Capital expenditures are required to accommodate the proposed growth in the Clair-Maltby Secondary Plan area. The capital expenditures can be categorized as follows:

- Tax supported, which are services funded primarily through property taxes such as roads, transit, parks and emergency services.
- Rate supported, which are services funded through primarily user rates such as water, wastewater and stormwater.

In both of the categories above, the capital costs can be further broken down into those eligible to be paid by development charges, those that are developer constructed under the local service policy and those costs that are non-growth/non development charge eligible.

The total capital forecast for tax supported services is approximately \$319.50 million.

- Approximately \$131.00 million is development charge eligible expenditures
- Approximately \$144.48 million is developer constructed under the local service policy
- Approximately \$40.55 million is non-growth/non development charge eligible.

The Open Space System Strategy provides for approximately 33 hectares of parkland. The FIA analysis assumes that parkland would be dedicated at 1 hectare for 300 units for all residential units. Based on the target density of development identified in the growth forecast, the City would be required to purchase approximately 9.3 hectares. However, if this area was to develop at a higher density, a higher level of parkland dedication would be provided for and thus a lower requirement to purchase land. The cost of the Open Space System is fully incorporated into the tax supported costing and is the primary driver of the non-growth/non development charge eligible capital costs.

The total capital forecast for rate supported services is approximately \$240.86 million.

- Approximately \$136.63 million is assumed to be development charge eligible
- Approximately \$104.23 million is assumed to be developer constructed under the local service policy.

Tax Rates

The FIA shows that approximately a one per cent increase in taxes would be required in the early years in order to fund the City's portion of tax related capital

and operating costs related to the development of the Clair-Maltby Secondary Plan area including lifecycle costs of newly built infrastructure. As previously mentioned, the impact of development charge and parkland dedication exemptions was outside the scope of the FIA.

After approximately ten years of build-out of the area, tax revenues start to outpace expenditures meaning the Clair-Maltby area will begin to have a positive impact on the City's finances. Prudent fiscal management of the tax assessment growth revenues from this area will be key to ensuring growth is paying for growth over the long-term.

Non-tax Rates

The water, wastewater, and stormwater services included within the MESP have been sized to accommodate a population that results from the use of the highest permitted densities across various land uses in the CMSP Area.

The analysis also included lifecycle costs distributed from the year of installation to the end of the asset lifecycle.

The water and wastewater rates are challenged with the significant front-ended capital costs required for the elevated water storage and transmission main, wastewater pumping stations, increasing the size of downstream trunk wastewater infrastructure, and adding wastewater treatment capacity at the plant. This infrastructure also needs to be sized for growth beyond the Clair-Maltby area which is a complexity that has caused further misalignment in cost and revenue timing, most notably in the development charge revenue analysis.

Similar to the taxes, the FIA shows that Clair-Maltby will create an upward pressure on the service rates in the initial stages of the forecast period to cover capital related costs with the shortfall in the initial 10 years being approximately \$12 million. Given the magnitude of this upward pressure, the City will likely require temporary cash flow funding until later development comes on stream.

Later in the forecast period after approximately ten years of build-out of the area, as development charge revenue declines from development in the Clair-Maltby Secondary Plan area, there is insufficient total revenue to cover the related infrastructure costs. This is occurring primarily because the infrastructure sizing for that beyond the growth in Clair-Maltby is being costed fully as an assumption of this study. In order to mitigate the more substantial rate increases projected after approximately ten years of build-out, financing strategies including development charge front-ending agreements and early payment agreements with the developers are required.

Debt Capacity

Through the fiscal analysis performed, the capital spending program required to support Clair-Maltby's growth will utilize approximately 20 per cent of the City's current debt capacity (i.e. four to five per cent of the 25% limit). Debt beyond the 2041 forecast period should also be considered with the overall requirements of the City-wide capital program.

While the FIA assumes 100% of projects would be debt funded, the City would consider a number of funding strategies during implementation to reduce reliance on debt. These could include:

- Front-ending agreements and pre-payment funding sources from developers to reduce the need for the City to borrow
- Internal borrowing or reserve financing, depending on available cash balances and interest rates.

These alternatives could mitigate impacts to City's debt capacity limits.

Financial Strategy and Policy Decisions

It is a fundamental policy of the Secondary Plan that financial impacts of the cost of new development within the Secondary Plan be minimized on the existing taxpayers. In order to achieve this, more sophisticated growth financing, agreement structures, and policy development will be required and will require appropriate resourcing to ensure these are in place to protect the City's fiscal sustainability. This is not unique to Guelph, and is common in other municipalities when planning for the development of a large greenfield area.

Given the capital works required for development in Clair-Maltby, the associated debt requirements to fund the capital expenditures, and the projected upward pressure on tax, water and wastewater rates, the City will need to investigate and implement financing tools including:

- Require development in Clair-Maltby to prepay D.C.s or front-end projects for roads, water, and wastewater services; and/or
- Impose an area specific development charge for the area; and/or
- Consider additional agreements with developers to fund growth-related assets; and/or
- Delay capital expenditures and/or growth in certain areas. It is possible to issue 20-year debt to minimize cash flow impacts, however this extends Clair-Maltby's impact on the City's debt capacity for longer, at a time when it may be required for other projects.

A detailed capital infrastructure and funding plan will need to be developed and integrated into the City's other priority growth areas including Downtown and the Guelph Innovation District. This detailed planning may require prioritization of capital investment and could include delaying capital expenditures and/or growth in certain areas. The financial strategy will be reported in a future recommendation report to Council with or ahead of the recommendation report for the Clair-Maltby Secondary Plan and MESP.

Consultations

Internal Consultations

To inform the draft Secondary Plan, consultation has occurred with staff from the following City departments and service areas:

Infrastructure, Development and Enterprise Services

- Planning and Building Services
- Engineering and Transportation Services
- Economic Development and Tourism
- Facilities and Energy Management
- Environmental Services
- Guelph Junction Railway

Office of the Chief Administrative Officer

- Corporate Communications and Customer Service

Public Services

- Parks
- Fire Services
- Guelph Transit
- Operations

Corporate Services

- Finance
- Legal, Realty and Court Services

External Circulation of the draft Secondary Plan

The draft Secondary Plan was circulated to several external agencies as well as the Mississaugas of the Credit First Nation, the Six Nations of the Grand River First Nation and the Métis Nation of Ontario on July 8, 2021.

Notice for Statutory Public Meeting

The Notice of Statutory Public Meeting was advertised in the Guelph Tribune on September 2, 2021. Notice was mailed out to property owners within and surrounding the study area and mailed out to the project stakeholder list on September 1, 2021. Information on this project continues to be updated on the City's website, guelph.ca/clair-maltby.

Summary of Community Engagement Opportunities

See Attachment-9 for a summary of the public engagement opportunities

Summary of Public Input on the draft Secondary Plan (to date)

See Attachment-10 for a summary of public input received on the draft Secondary Plan to date.

Strategic Plan Alignment

Priority

Sustaining our Future

Direction

Plan and Design an increasingly sustainable city as Guelph grows.

Alignment

The Clair-Maltby secondary plan strives to ensure that there will be adaptable green infrastructure to support population and economic growth for future generations. The NHS within Clair-Maltby will be protected.

Priority

Navigating our future

Directions

- Provide attractive, affordable and reasonable transportation options for everyone.

- Improve local transportation and regional transit connectivity.

Alignment

The Clair-Maltby Secondary Plan considers transportation connectivity, safety and improving connections between our existing community, this future community and surrounding communities for all modes of transportation.

Priority

Working together for our future

Direction

Improve how the City communicates with residents and delivers services.

Alignment

The Public Meeting being held on the proposed Official Plan Amendment for the draft Secondary Plan provides an additional opportunity for City Council, residents and community groups to learn more, ask questions and provide comments on the proposed amendment.

Priority

Building our future

Directions

- Maintain existing community assets and secure new ones
- Continue to build strong, vibrant, safe and healthy communities that foster resilience in the people who live here
- Help increase the availability of housing that meets community needs.

Alignment

The vision for the Clair-Maltby Secondary Plan is to create a vibrant, urban community that is integrated with and has strong connections to the existing community. Further, it will be primarily residential in character with a full range and mix of housing types, which will allow for affordable and market-based housing to meet the community's needs.

Attachments

Attachment-1 [Draft City-initiated Official Plan Amendment for the Clair-Maltby Secondary Plan](#)

Attachment-2 Draft Clair-Maltby Mobility Plan (Schedule C of the draft Secondary Plan)

Attachment-3 Summary of the MESP

Attachment-4 Summary of the Comprehensive Environmental Impact Study

Attachment-5 Summary of the Energy and other utilities study

Attachment-6 Summary of the Fiscal Impact Assessment

Attachment-7 Existing Official Plan land use designations

Attachment-8 Comparison of Approved NHS and Refined NHS

Attachment-9 Summary of Community Engagement Opportunities

Attachment-10 Summary of Public Input since the release of the draft Secondary Plan (to date)

Attachment-11 Staff Presentation for the Clair-Maltby Secondary Plan Statutory Public Meeting

Departmental Approval

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