



December 17, 2020

Guelph City Hall
1 Carden Street
Guelph, Ontario N1H 3A1

Via email only to plan2051@guelph.ca

Attention: Natalie Goss, Senior Policy Planner
Planning and Building Services

Re: Shaping Guelph – Official Plan Update

The members of the Guelph and Wellington Developers Association (GWDA) and the Guelph and District Home Builders Association (GDHBA) have participated in the engagement sessions related to the Shaping Guelph process and provide the following comments.

Guelph is required to plan to meet provincial growth forecasts for a population of 203,000 and 116,000 jobs by 2051. We have to remember that these growth targets are minimums.

During one of the workshops, Watson & Associates reported that between 2021 and 2051 the City is proposing that 2,500 new single detached and semi-detached dwellings be constructed. This is approximately 83 single detached and semi-detached dwellings being constructed annually. This is an inadequate supply and is not in line with what the marketplace is demanding.

Compare this with the City's 2004 Development Priorities Plan that identified a supply of 4,601 single and semi-detached units that were available to the market. The current supply of housing has been restricted. Simple economics of supply and demand means that the lack of ground-related housing supply will further increase the cost of housing and erode affordability. Up to the end of August 2020, the City of Guelph has issued just 65 single family home building permits. These numbers are just not acceptable. In 2019, CHBA calculated that in Guelph new home construction represented almost 907 new homes, 2,299 jobs, and \$145 million in wages and \$273 million in investments. The new home building industry is essential to Guelph's economic strength and prosperity.

The current supply of housing has been restricted to the point that older homes are being purchased for the value of their lot with the existing home being demolished and a new home constructed.

It should be obvious why housing is now unaffordable in Guelph. It should be obvious why people must purchase a home outside of Guelph and commute in from other communities to work in Guelph. Where will business owners, doctors, senior executives, university professors live in Guelph? Guelph is intentionally turning the housing supply upside down. There is an imbalance in the oversupply of apartment units and undersupply of ground-oriented homes.

It was suggested at one of the workshops that some of the land within the City limits be held out of the supply until after 2051 which would result in even higher densities, more traffic congestion and would irreparably change the character and future of Guelph. We need to carefully and cautiously consider what we value in Guelph and what the quality of life in this community will be. Keeping land out of the available supply will only exacerbate the current situation of rapidly rising home prices. Recently, the Guelph Innovation District deal did not proceed. The Province owns and controls the majority of these lands. If the Guelph Innovation District lands are not available as part of the land supply this will have dire consequences to Guelph.

A survey conducted by AVID regarding "Next Home" preference of today's new homebuyer in Guelph was that 62.7% will be seeking a single-family, detached home type in Guelph with the majority of the others looking for ground related dwelling. This is versus only 12.6% of those surveyed were looking for a mid-rise condo or high-rise condo.

It has to be recognized how long the planning process takes in the City of Guelph, the Clair-Maltby Secondary Plan was originally planned as a four year process. Currently the Clair-Maltby Secondary Plan is finishing off its sixth year, with finalized plans or approvals not in sight. In our experience in other municipalities a Secondary Plan process generally takes a maximum of 3 years from inception to approval.

It is even more important that the Clair Maltby Secondary Plan be approved in a timely fashion including ground-oriented market driven housing. There is so little land remaining to supply housing within the Clair-Maltby Secondary Plan area once 46% is netted out for the natural heritage system (much of this featuring only slopes) the moraine ribbon, schools, parks and stormwater management. If the Secondary Plan was prepared indicating the actual area taken up by these uses rather than as symbols, the amount of remaining residential land available would become much more evident. This also plays out on infill and intensification sites identified throughout the city, once setbacks, park dedication, height restrictions, NIMBY reductions, environmental constraints the actual land available for intensification is much less than budgeted.

The current housing supply being provided in the City is entirely policy driven. The housing supply is not market driven. Investors have shielded the City from the brunt of this disconnect by purchasing units. However, the housing crisis is building in the City and the results will be difficult for families who are working hard and would like to be on the property ladder. There is only one reason why prices go either up or down and that is the relationship between supply and demand.

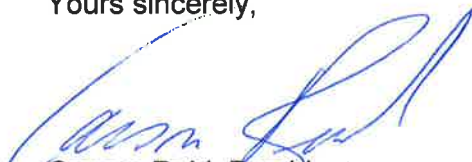
The pandemic has forced the transformation to telecommuting and the market is looking for a single family home. People are seeing their house as now more than a home; it's an office, a gym, a restaurant, a school and a playground. A home is the largest household asset and the largest single wealth-builder for most families. The aspirational Canadian dream is still a single family home.

We appreciate the opportunity to provide these comments. Winston Churchill has been quoted as saying,


"However beautiful the strategy, you should occasionally look at the results."

We understand that the City is required to meet the minimum Provincial Growth Plan targets, however, the City is at a crossroad and needs to check-in with the reality of the current housing supply and all that this means to Guelph's future quality of life and prosperity.

Yours sincerely,



Carson Reid, President
GWDA



Tom McLaughlin, President
GDHBA