

Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, April 11, 2022

Subject **Decision Report
601 Scottsdale Drive
Proposed Zoning By-law Amendment
File: OZS21-012
Ward: 5**

Recommendation

1. That the application submitted by MHBC Planning, on behalf of the applicant, FEP Real Estate Development Ltd., on lands municipally known as 601 Scottsdale Drive and legally described as Block "K", Registered Plan 649, City of Guelph, for approval of a Zoning By-law Amendment to permit the conversion of the existing hotel building to 151 residential suites and 13 apartment units, be approved in accordance with Attachment-3 of Report 2022-71, dated April 11, 2022.
2. That, in accordance with Section 34(17) of the Planning Act, City Council has determined that no further public notice is required related to the minor modifications to the proposed Zoning By-law Amendment affecting 601 Scottsdale Drive.

Executive Summary

Purpose of Report

This report provides a staff recommendation to approve a Zoning By-law Amendment to the conversion of the existing hotel building to 151 residential suites and 13 apartment units on the property municipally known as 601 Scottsdale Drive.

Key Findings

Planning staff support the proposed Zoning By-law Amendment, subject to the recommended zoning regulations and conditions in Attachment-3.

Financial Implications

Estimated Annual Taxes: For 2020, property taxes for the current use as a commercial/hotel property totaled \$206,897 with \$127,469 being the City portion. This property is owned by the University of Guelph (University) and leased to the Operator of the building. The new intended use of the land and building is as a student residence operated by the applicant for the sole benefit of the University. The Operator has submitted a section 357 application to request an exemption for this property from taxation and as such, may result in a loss of annual City taxation

revenue of \$127,000 that will be made up through shifts to other tax classes. The Operator also has a separate but related Notice of Application being issued in the Ontario Superior Court of Justice, returnable on November 21, 2022.

Estimated Development Charges: The total development charges that would be owing on this residential change of use conversion are \$2.02 million with \$1.56 million being the City portion. The Development Charge By-law provides an exemption for land being developed or redeveloped for a University Related Purpose and therefore this lost revenue to the development charge reserve funds will be funded from current property taxes and rates. This will likely result in a future budget increase for growth-fee exemptions given the magnitude.

Report

An application for a Zoning By-law Amendment has been received for the property municipally known as 601 Scottsdale Drive by MHBC Ltd., on behalf of the applicant, FEP Real Estate Development Ltd., and the owner, University of Guelph. The application was received by the City on October 29, 2021 and was deemed to be complete on November 9, 2021. The Statutory Public Meeting for the proposed Zoning By-law Amendment was held on December 13, 2021.

Location

The subject site is approximately 2.2 hectares in size and located to the northwest of the intersection of Scottsdale Drive and Stone Road West (see Attachment-1 and Attachment-2 for Location Map and Aerial Photograph). The site contains a four-storey hotel, a Holiday Inn until recently, which is proposed to be converted and renovated into a residential building containing both apartments and suites.

Surrounding land uses include:

- To the north is a small commercial plaza fronting on Scottsdale Drive, a vacant lot zoned for high density apartments fronting on Janefield Avenue and a religious establishment fronting on Torch Lane;
- To the east, across Scottsdale Drive, is Stone Road Mall;
- To the south, across Stone Road is a gas station and commercial plaza accessed via Scottsdale Drive and three single detached lots fronting onto Stone Road;
- To the west, the site is bounded by the Hanlon Expressway.

Existing Official Plan Land Use Designations and Policies

The Official Plan land use designation that applies to the subject lands is "Mixed-Use Corridor" (see Attachment-4). The Mixed-Use Corridor designation allows for a variety of commercial, institutional, and medium to high density residential uses. A maximum height of six storeys and a maximum residential density of 150 units per hectare are permitted in this designation.

Further details of the "Mixed-Use Corridor" land use designation are included in Attachment-4.

Existing Zoning

The subject site is currently zoned "SC.1-40", a specialized Service Commercial Zone that limits the use permitted on site to only the hotel use. The existing zoning map is included in Attachment-5.

Description of Proposed Zoning By-law Amendment

The purpose of the proposed Zoning By-law Amendment is to permit the conversion of the building to a residential use, permitting both apartment and residential suite unit types, with specialized regulations for density, parking and common amenity area. The proposed zoning is shown in Attachment-6.

Proposed Development

The applicant has proposed to convert the existing hotel building to 151 residential suites and 13 apartment units on the property municipally known as 601 Scottsdale Drive. The applicant has worked with staff to update the terminology to better define the primary proposed use as "Residential Suites" and submitted revised building elevations to address Council concerns about the proposed cladding. The revised building elevations are shown in Attachment-8.

Staff Review/Planning Analysis

The staff review and planning analysis for these applications is provided in Attachment-9. The analysis addresses relevant planning considerations, including concerns and questions that were raised by Council and the public at and after the statutory Public Meeting, held on Monday, December 13, 2021. Final comments on the revised proposal from internal City departments and agencies are included in Attachment-10.

Staff Recommendation

Planning staff are satisfied that the proposed Zoning By-law Amendment is consistent with the 2020 Provincial Policy Statement and conforms to A Place to Grow: Growth Plan for the Greater Golden Horseshoe (including Amendment 1). The proposed Zoning By-law Amendment conforms to the objectives and policies of the Official Plan and the specialized zoning regulations proposed are appropriate for the site. Planning staff recommend that Council approve the Zoning By-law Amendment, subject to the specialized zoning regulations and proposed conditions to be imposed through site plan approval as outlined in Attachment-3.

Some minor modifications to the proposed zoning were made during review, recommended by Planning staff to secure the development as proposed, which resulted in a revised definition (Residential Suites) and use being recommended and revisions to a specialized regulation for parking. The specialized regulations are discussed further in the Planning Analysis in Attachment-9. These changes are considered to be minor and, therefore, staff recommend that no further public notice is required in accordance with Section 34(17) of the Planning Act.

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Consultations

The Notice of Complete Application and Public Meeting was mailed on November 19, 2021 to local boards and agencies, City service areas and property owners within 120 metres of the subject lands. The Notice of Public Meeting was advertised in the Guelph Mercury Tribune on November 16, 2021. Notice of the application has also been provided by signage on the property, which was installed on November 22, 2021. A Statutory Public Meeting was held on December 13, 2021. All supporting documents and drawings received with the applications have been posted on the City's Web site.

On March 21, 2022, the Notice of Decision Meeting was sent to interested parties who spoke at the Public Meeting, provided comments on the application, or requested to receive further notice. A complete summary of public notifications and consultation is included in Attachment-11.

Strategic Plan Alignment

Priority

Sustaining our Future

Direction

Plan and design an increasingly sustainable city as Guelph grows.

Alignment

The proposed development application conforms with the policies of the City's Official Plan, which is the City's key document for guiding future land use and development. The Official Plan's vision is to plan and design an increasingly sustainable city as Guelph grows. A review of how the proposed development conforms with the City's Official Plan can be found in the Staff Review and Planning Analysis in Attachment-9.

Attachments

Attachment-1 Location Map

Attachment-2 Aerial Photograph

Attachment-3 Recommended Zoning Regulations and Conditions

Attachment-4 Existing Official Plan Land Use Designations and Policies

Attachment-5 Existing Zoning

Attachment-6 Proposed Zoning

Attachment-7 Proposed Site Concept Plan

Attachment-8 Proposed Building Elevations

Attachment-9 Planning Analysis

Attachment-10 Departmental and Agency Comments

Attachment-11 Public Notification Summary

Departmental Approval

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