

# Council Memo



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To	<b>City Council</b>
Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, May 13, 2022
Subject	<b>Clair-Maltby Secondary Plan – Technical Clarifications</b>

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The purpose of this memo is to provide clarifying details and facts on the Clair-Maltby Secondary Plan (OPA 79), Master Environmental Servicing Plan, and associated documents. Key clarifications and facts include:

- While the cost of growth from a capital perspective has been proven to be approximately 80 per cent recoverable through development charges based on the legislation, the Clair-Maltby fiscal impact assessment broadened this analysis to include the operating impacts as well. As demonstrated in the past to Council, growth can be net positive to municipalities with the appropriate densities and from a tax perspective, this holds true by full build-out for this secondary plan area based on the Watson and Associates report.
- The assessment notes potential for a one-time 1 per cent tax increase to balance early capital pressures, however, this is subject to City budgeting processes and would be impacted by the health of reserve funds available at that time. Approving OPA 79 does not equate to approving the full budget impact - OPA 79 sets out the plan, and the capital budget process will control the pace.
- The Comprehensive Environmental Impact Assessment does set out long-term monitoring requirements across all environmental elements, including monitoring for water levels and quality in existing and additional monitoring wells.
- The mobility network in this plan was designed to support desired levels of service, reduce congestion, and protect the environment, while the cross-sections balance the needs of multi-modal users.
- Climate Change mitigation and an environment-first approach is at the forefront of the Secondary Plan vision, policies, and the Stormwater Management Strategy.
- The Urban-Rural Transition Area policies ensures an appropriate transition from urban to rural uses by limiting the maximum height, encouraging enhanced landscaping and setbacks, and clearly identifying where the transition area is to be located.
- The plan includes 38ha of parkland, which meets the Official Plan targets for the planned population. Costs for parkland above and beyond what can be

acquired through development dedication has been appropriately included in the fiscal impact assessment.

## **Fiscal Clarifications**

Through past studies, it has been concluded that the capital cost of growth is only approximately 80% recoverable with development charges due to the provincial legislation restrictions. This fiscal impact study broadened the perspective of the cost of growth through a comprehensive review of operating budget impacts as well. This study found that by the build-out stage, property tax revenues out-paced expenditures, demonstrating the overall tax sustainability of the plan area. It also demonstrated, however, that rate-supported businesses will be under pressure due to the timing and sizing of the infrastructure and may impact rates over time. That said, the isolation of this study area from the growth in the rest of the city is also misaligning some of the assumptions, notably development charge revenues.

There remain challenges in the early stages of this development where costs will be required before the revenue base starts generating income; that is where staff's focus will be as financing tools are explored and implemented to support this type of development. The fiscal impact identifies that a one-time tax increase estimated at 1% would likely be required to help cashflow these up-front costs. This increase may be phased in over a number of years, or it may not be required at all. It will depend on the timing of the capital projects and the City's reserve balances that could help mitigate this need. This assessment is meant to provide insight to the order of magnitude of the fiscal impact, not specify with certainty the budget implications.

It's important to highlight that approving the secondary plan does not mean that the fiscal impact associated with the plan is approved. The City's Budget will guide the pace of this development area, balancing it with other growth areas in the city. The City Budget also guides the pace of service levels across the City and the timing of when services get expanded or augmented. The next step, once the secondary plan is approved, is to incorporate all the capital impacts to the Development Charge Study kicking off later in 2022. This process will look at the financing options as well including area rating and front-ended development charge agreements.

In terms of inflation, staff sought advice from Watson and Associates on what impact this would have on their published analysis. Their conclusions were focused on the capital part of the analysis which demonstrated little impact where capital was fully recoverable from development charges. Where the sizing of infrastructure caused restrictions in development charge revenue, this capital funding gap would have impacts on the rates and taxes as inflation increased. Generally, the fiscal impact assessment had included contingency estimates in the assumptions, and so inflation in part, was already accounted for.

## **Groundwater Quality and Monitoring**

The Stormwater Management Strategy outlined in the Master Environmental Servicing Plan (MESp) is supported by years of environmental characterization and impact assessment work – this work is documented in the Comprehensive

Environmental Impact Study (CEIS, Phase 1 and 2 – Characterization and Phase 3 – Impact) reports.

The CEIS sets out long-term monitoring requirements, including monitoring for groundwater quality.

This is discussed in Section 7 of the Phase 3 CEIS – “Monitoring and Adaptive Management Framework.” The recommended, long-term monitoring program includes monitoring of groundwater quality and levels. As described in the Monitoring Well section of 7.3.2. of the Phase 3 CEIS, the City will continue to monitor the monitoring wells in the secondary plan area, and have already added many of these to our city-wide monitoring program. A quarterly sampling for general chemistry is to be considered to monitor for potential chloride impacts associated with road salt as the development is advanced and to support the City’s Salt Management Plan (SMP) and source control performance management. Further, additional monitoring wells may be required for site-specific developments as per the City’s Development Engineering Manual to assess the performance of source controls or where site-specific stormwater management is proposing more centralized approaches. Additional water table monitors may be installed as part of site-specific developments to aid in the water quality and quantity performance assessment of source controls and SWCAs.

Regarding concerns about salt: the issue of salt is not unique to Guelph. All communities that experience winter climates are working to balance public safety and environmental management when it comes to winter maintenance of paved surfaces. The City of Guelph is actively taking measures to improve salting practices, including upgrading equipment and hardware for our snowplows and salting vehicles, enhancing our water quality monitoring program and initiating our Salt Management Action Plan (SMAP) to enhance community awareness and encourage best management practices. Further, the MESP researched salt management best practices around the globe and wove those into the stormwater management strategy for the SPA. As a result, the plan strives to maintain or improve existing quality. Distributed low-impact development measures will provide water quality treatment and will work in concert with the salt management practices.

## **Mobility and Traffic**

The Clair-Maltby mobility schedule and policies are aligned with the city-wide Transportation Master Plan. The focus is creating a multi-modal, fine-grained mobility network that makes active transportation and transit attractive. The cross sections included in the policy are inclusive of safe, all ages and abilities cycling infrastructure, sidewalks, and road widths and numbers of travel lanes that are supportive of today’s transit needs and the establishment of future quality transit networks. The road network is supported by best transportation planning principles and modelling to confirm appropriate levels of service.

Traffic patterns have been modelled for existing and future populations, and the resultant road network, including improvements to existing roads, and the timing of these capital projects have been planned to mitigate congestion.

Gordon Street is designed to be a destination and not a highway - the vision and policy for Gordon Street is to control access and entrances by feeding local streets

first to the collector network, prior to connecting to Gordon Street. Additionally, the recently approved Transportation Master Plan also identifies Gordon Street as a future Quality Transit Network (conversion of one lane to dedicated transit), confirming that road design at four lanes serves future multi-modal needs. Additional signals along Gordon may deter users and result in higher Hwy 6 use. A roundabout could also potentially slow down traffic at the boundary of the city and the township.

## **Climate Change and the Environment**

The Clair-Maltby Secondary Plan embodies the City's Environment-First approach to planning and growth. Based on years of collecting and studying environmental data, the plan protects approximately 45 per cent of the lands within the Study Area as Natural Heritage System. The climate change framework used consists of the City's environmental, engineering, transportation, and energy policies and best practices to develop the plan.

The stormwater management strategy and complete streets cross-sections include green infrastructure elements and street trees, providing the area with the opportunity to realize environmental and climate change mitigative co-benefits such as increased urban tree canopy, reduction in urban heat-effect, and water quality treatment. Sizing of the stormwater management infrastructure included appropriate buffers to accommodate impacts of climate change.

The plan aligns with the City's objective to achieve Net Zero Carbon and support reducing contribution to climate change concepts. Policies under 11.3.5.1 and 11.3.5.2 of the OPA include requiring development to contribute to our Net Zero Carbon goal, planning to achieve 100% of energy supplied by renewable resources by 2050, and encouraging energy usage reduction and greenhouse gas emissions reduction by a suite of measures set out in the City's Community Energy Initiative and the Clair-Maltby Energy and Other Utilities Study. Further, the multi-modal focused mobility network aims to reduce vehicular traffic and encourage more emission-friendly modes of transportation.

## **Planning Policy Clarifications for Urban-Rural Transition**

The secondary plan identifies the urban-rural transition in both policy and on the schedules. In particular, Schedule B Land Use displays the Urban-Rural Transition and any lands identified as such are subject to the Urban-Rural Transition policies of Section 11.3.2.2 Clair-Maltby Community Structure and Section 11.3.8.6.11 Urban-Rural Transition Area of the Secondary Plan.

The Urban-Rural Transition is identified as being a minimum of 60 metres in depth from the northerly side of the Maltby Road right-of-way and the westerly side of the Victoria Road right-of-way to clarify how it is to be measured and ensure that the portions of the right-of-way are not included within the transition area.

The policies outline that the Urban-Rural Transition is an overlay designation and the maximum building height within this area is 3 storeys. Beyond the urban-rural transition area, building heights will be in accordance with the underlying land use designation. The intent is that the Urban-Rural Transition area provides an appropriate transition from urban built form to rural built form.

The policies encourage increased setbacks from the Victoria Road and Maltby Road right-of-ways, with the majority of the setback being landscaped. Specific solutions or setbacks have intentionally not been proposed to be included in the secondary plan to allow for future draft plan of subdivision and zoning by-law amendment processes to be able to respond to grading and site-specific conditions. Both the draft plan of subdivision and the zoning by-law amendment processes are public which neighbouring communities would be circulated on to provide appropriate site-specific comments.

Lands along Victoria Road and Maltby Road are mostly designated low density residential and includes six Stormwater Capture Areas and one potential school site. There is also a substantial amount of significant natural area and natural area along these roads. There are small areas of medium density and high density residential and a small area of service commercial. Given the range of uses and built forms, it would be more appropriate for the setback to be determined once more detail regarding the development is available.

### **Parkland Clarifications**

The Open Space System in Clair-Maltby includes 38 hectares of parkland, part of which is the Moraine Ribbon. During fiscal analysis, it was assumed that sections of the Moraine Ribbon (approximately 5 ha, resulting in a total of 33 ha) would be acquired as part of Stormwater Capture Areas, as part of road Rights-of-Way, or by easements across other public lands such as schools. As such, there was no cost associated with those 5 ha in the fiscal impact. To be clear: these lands will still provide the Moraine Ribbon function.

The fiscal impact assessment correctly included a statement that the City will need to acquire 23 acres (9.3 hectares) of parkland. This was calculated by subtracting the amount of parkland that would be conveyed through parkland dedication (approximately 24 ha (or 59 acres), based on 1 ha / 300 units) from the aforementioned total parkland required (33 hectares [82 acres]), resulting in an additional 9.3 ha (23 acres) of parkland that is required to be purchased by the City. The costs provided in the fiscal impact assessment are based on 23 acres (or 9.3 hectares). The estimated costs to acquire these lands was based on recent, comparable land sales at the time of the analysis.

The parkland targets were presented to Council on May 25<sup>th</sup>, 2020 and a detailed breakdown of the target 38 hectares can be found on page 6 of the [Clair-Maltby Secondary Plan - Open Space System Strategy Staff Report](#). Acquisition is discussed on page 16.

In conclusion, the amount of parkland included in policy and in the approved Open Space System strategy is accurately captured in the fiscal impact assessment appropriately contributes to meeting city-wide parkland targets.

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