

Mayor Cam Guthrie and Members of Council City of Guelph 1 Carden Street Guelph, ON N1H 3A1 Arcadis Professional Services (Canada) Inc. 101-410 Albert Street Waterloo Ontario N2L 3V4

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Date: August 31, 2023 Our Ref: 142912

Subject: Written submission – Downtown Parking Master Plan and Related Zoning By-law Amendments

Woodhouse Investments Inc.

Dear Mayor Guthrie and Members of Council:

On behalf of our client, Woodhouse Investments Inc., please accept this written submission in support of our delegation at the September 6, 2023 Committee of the Whole meeting regarding the Downtown Parking Master Plan and related amendments to Zoning By-law (1995)-14864 and Zoning By-law (2023)-20790.

We recommend that Council direct city staff to revise the proposed Zoning By-law amendments to include extending the exemption from minimum parking requirements for new residential uses in existing buildings from those buildings constructed prior to June 7, 1971 to those buildings constructed prior to April 18, 2023. Such an exemption would allow buildings constructed over the last 52 years to repurpose underutilized spaces for new housing units that are desperately needed in downtown Guelph.

Background

Based on the experience of our client and our firm with infill development projects, we reviewed the Downtown Parking Master Plan (DPMP) with a particular focus on whether the proposed changes to minimum residential parking rate and the development of the proposed Payment-in-lieu (PIL) of parking program would achieve the following stated goals for downtown Guelph:

- Meet the City of Guelph's housing supply goals, including by repurposing underutilized spaces within existing buildings for new housing units in downtown Guelph, and
- Provide additional housing units for post-secondary students in walking proximity to the new Conestoga College campus, reducing the demand on municipal parking downtown.

The current and approved zoning framework in Zoning By-law (1995)-14864 and Zoning By-law (2023)-20790 generally provide for a minimum residential parking rate of 1.0 spaces per unit in downtown zones along with two broad exemptions from any minimum parking requirements:

- 1) Non-residential uses, including office, retail, commercial, and hospitality/hotel uses;
- 2) New residential uses within existing buildings constructed prior to June 7, 1971.

The DPMP recognizes that parking is expensive to provide and can be a barrier both for the development of new buildings and the redevelopment within and/or expansion of existing buildings. The city's consulting team therefore recommends maintaining existing minimum parking exemptions and modestly reducing existing minimum parking rates within downtown Guelph to reduce the cost of development and support both economic development and good urban design.

The city's consulting team proposes to retain the first exemption listed above for non-residential development, continuing a long-standing economic development practice of the City. While the city's

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consulting team provides no reference in the DPMP to the second exemption listed above, they do propose a modest reduction of minimum residential parking rates from 1.0 spaces per unit to 0.85 spaces per unit in downtown zones. The consulting team also proposes implementation of a PIL parking program, permitting developers to pay approximately \$27,500 per required parking space not provided on-site to support municipal parking expansion when it is not feasible or desirable to meet parking requirements on-site in the opinion of the City. The consultants note that some municipalities provide reduced PIL rates for changes of use within an existing building that would require (more) parking.

In our opinion and experience, the effect of exemption (2) is that it is economically feasible for older existing buildings that are typically built out to property lines with either zero or minimal on-site parking to repurpose underutilized spaces for housing. We understand from our conversations with city planning staff that they are not aware of a planning rationale for the June 7, 1971 date prior to which new residential uses in existing buildings are exempt from minimum parking requirements. In our experience, such exemption dates, follow with or advanced when new city-wide or comprehensive zoning by-laws are adopted.

In our opinion, the proposed changes will not provide the reduction in cost to enable the repurposing of underutilized spaces within existing buildings for new housing units where those existing buildings were constructed on or after the arbitrary date of June 7, 1971.

In our experience and those of our client, it is challenging to repurpose commercial floor plates for housing because they tend to be deeper and therefore more space inefficient while also requiring significant internal modifications and related costs to meet the higher building code requirements of residential occupancies, including providing plumbing to each new housing unit. Where rental housing is to be provided, including rental housing that is affordable or that targets students, the margins become very tight. As there is no space to provide on-site parking for most existing buildings in historic downtown Guelph, the proposed parking rates and the proposed cost of PILs make repurposing existing building for new housing units unfeasible.

Proposed Zoning By-law Amendments

To support their recommendations for a modest reduction in minimum residential parking requirements, the consultants relied upon a peak parking utilization study of 10 apartment buildings within the Downtown Guelph Secondary Plan area. We note that only half of these apartment buildings were actually located in downtown zones where a minimum parking reduction is proposed. We further note that <u>none of these apartments</u> are within existing residential buildings where limited to no on-site parking is available. Therefore, the peak parking utilization study does not provide a comparable basis for reviewing whether minimum residential parking rates should be applicable to repurposing underutilized spaces in existing buildings for housing in downtown Guelph zones.

As a new Zoning By-law was recently enacted on April 18, 2023, we recommend that the date of June 7, 1971 be extended to April 18, 2023 as part of the proposed amendments to Zoning By-law (1995)-14864 and Zoning By-law (2023)-20790.

This change would support the repurposing of underutilized spaces in existing downtown buildings constructed over the last 52 years for new residential units. More housing units are desperately needed in the current market and this demand will be even higher with the opening of the new Conestoga College campus. In our opinion, there is both significant economic development and urban design rationale for revising the existing minimum parking exemption for adding new residential uses within existing buildings to include all existing buildings as of the date of enactment of the most recent new zoning by-law.

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The effect of not providing this extension is that underutilized spaces in existing buildings constructed over the last 52 years are very likely to remain vacant as repurposing these spaces for residential uses is not possible due to residential parking requirements, negatively affecting the economic vitality of downtown Guelph.

We would be happy to continue discussions regarding this matter with Council and City of Guelph planning staff in advance of the scheduled public meeting on September 26, 2023 when the proposed Zoning By-law amendments will be considered. To facilitate Council's deliberations today and consideration by City of Guelph planning staff, we have enclosed our proposed additional amendments to Zoning By-law (1995)-14864 and Zoning By-law (2023)-20790 with this letter.

We will also present the above details to council at its meeting on September 6th and answer any related questions Council may have of us.

Respectfully Submitted,

ARCADIS PROFESSIONAL SERVICES (CANADA) INC.

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Proposed additional amendments to Zoning By-law (1995)-14864

4.25	REGULATIONS GOVERNING LODGING HOUSE TYPE 1 AND GROUP HOMES		
4.25.1	<u>Lodging House Type 1</u>		
		use Type 1 shall be permitted in the R.1 Zone and the D Zones and any ne thereto, unless specifically prohibited in the specialized Zone.	
4.25.2.4	Off-Stre	Off-Street Parking for a Lodging House Type 1	
4.25.2.4.3		Sections 4.25.2.4.1 and 4.25.2.4.2 shall not apply to any Lodging House Type 1 located within the D.1 Zone that is situated in a Building which existed prior to June 7, 1971 April 18, 2023.	
6.3.3.1	Special Downtown (D.1) Zones		
6.3.3.1.1	<u>D.1-1</u>		
	As shown on D	efined Area Map Number 24, 35 and 36 of Schedule "A" of this <i>By-law</i> .	
6.3.3.1.1.1	Regulations		
6.3.3.1.1.1.2		Off-Street Parking	
		Notwithstanding Table 6.3.2.5.1, Rows 4, 5, 6, 7, 8 and non-residential Uses in Row 2, no off-street parking shall be required in the D.1-1 Zone .	
		Notwithstanding Table 6.3.2.5.1, Rows 1, 2 and 3, no off-street parking shall be required for <i>Dwelling Units</i> constructed within <i>Buildings</i> which existed prior to June 7, 1971 April 18, 2023. Any addition to the existing <i>Building</i> erected after the effective date of By-law (2017)-20187 (2023)-20790 shall require <i>Parking Spaces</i> in accordance with Table 6.3.2.5.1	
6.3.3.2.9.11	<u>D.2-12</u>		
6.3.3.2.9.11.1	<u>Regula</u>	<u>tions</u>	
6.3.3.2.9.11.1.1		Off-Street Parking	
		Notwithstanding Table 6.3.2.5.1, Rows 4, 5, 6, 7, 8 and non-residential <i>Uses</i> in Row 2, no off-street parking shall be required in the D.2-12 <i>Zone</i> .	

Notwithstanding Table 6.3.2.5.1, Rows 1, 2 and 3, no off-street parking shall be required for *Dwelling Units* constructed within *Buildings* which existed prior to June 7, 1971 April 18, 2023. Any addition to the existing *Building* erected after the effective date of By-law (2017)-20187 (2023)-20790 shall require *Parking Spaces* in accordance with Table 6.3.2.5.1

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Proposed additional amendments to Zoning By-law (2023)-20790

- 4.23 Lodging house type 1
 - (d) Off-street parking for a lodging house type 1:
 - (iii) Regulations 4.23.1 (d) (i) and 4.23.1 (d) (ii) do not apply to any **lodging house type 1** located within the D.1 **zone** that is situated in a **building** which existed prior to June 7, 1971 April 18, 2023.
- 18.14 Site-specific downtown 1 (D.1) zones
- 18.14.1 D.1-1

As shown on Map Number 36 of Schedule A of this by-law.

- (a) Off-street parking
 - (ii) Despite Table 5.4, Rows 1, 2 and 3, no off-street parking shall be required for dwelling units constructed within building which existed prior to June 7, 1971 April 18, 2023. Any addition to the existing building erected after the effective date of by-law (2017)-20187 (2023)-20790 shall require parking spaces in accordance with Table 5.4.

18.15.12 D.2-12

40-42 Cardigan Street

As shown on Map Number 36 of Schedule A of this by-law.

- (a) Regulations
 - (i) Off-street parking
 - (B) Despite Table 5.4, Rows 1, 2 and 3, no off-street parking shall be required for **dwelling units** constructed within **buildings** which existed prior to June 7, 1971 April 18, 2023. Any addition to the existing **building** erected after the effective date of this **by-law** shall require **parking spaces** in accordance with Table 5.4.