

February 2, 2026

VIA EMAIL (clerks@guelph.ca | will.gregory@guelph.ca)

Will Gregory
Project Manager
City of Guelph
1 Carden Street
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Attention: Mr. Gregory and members of City Council

**RE: Draft Community Planning Permit System By-law (Downtown Area)
Comments on Behalf of Skyline Retail Real Estate Holdings Limited**

Aird & Berlis LLP is counsel to Skyline Retail Real Estate Holdings Limited (our “**Client**”), the owner of the property municipally known as 26-40 Carden Street and 27-39 Macdonell Street (the “**Property**”), in the City of Guelph (the “**City**”).

The Property is subject to an Official Plan Amendment (“**OPA**”) Application and Zoning By-law Amendment (“**ZBA**”) Application (collectively, the “**Applications**”) which were submitted by our Clients consultant, ‘UP Consulting, on June 2024. The Applications propose to redevelop the Property with a 12-storey residential building. The Applications were subsequently appealed on August 28, 2025 and are before the Ontario Land Tribunal as case numbers OLT-25-000689 and OLT-25-000687.

CONCERNS WITH DRAFT CPPS BY-LAW

The purpose of this correspondence is to provide our Client’s comments on the Draft Downtown Area Community Planning Permit System By-law (the “**Draft CPPS By-law**”). The CPPS By-law was previously presented at a statutory Public Meeting on January 20, 2025 and is to be presented to City Council on March 10, 2026 for approval.

We acknowledge that it is the intention of Draft CPPS By-law bring forward a land use planning tool that combines Zoning By-law Amendments, Minor Variances, and Site Plan applications into a single application and approval process, however we have some comments and concerns to be addressed, as detailed below, prior to the upcoming March 10, 2026 Council meeting.

Section 1.2.1 - Development Exempt from Community Planning Permit

Section 1.2.1 of the Draft CPPS By-law sets out various exemptions where “development shall not require a Community Planning Permit”. This includes exemptions for development where an application for Site Plan Control and/or a Minor Variance were approved prior to the date of the CPPS By-law. The Draft CPPS By-law does not, however, provide an exemption for Zoning By-law Amendment applications in the same manner.

As previously noted, the intent of the Draft CPPS By-law is to combine Zoning By-law Amendments, Minor Variances, and Site Plan applications into a single application and approval

process. It is imperative that all Zoning By-law Amendment applications which have been deemed complete or approved by the City be acknowledged through an exemption provision alongside the proposed exemptions for Site Plan Control and Minor Variances.

We request that the following provision be added to Section 1.2.1 of the Draft CPPS By-law to preserve the proposals of Zoning By-law Amendment applications:

“Notwithstanding any provision in this By-law to the contrary, the following types of development shall not require a Community Planning Permit:

a) Any development consistent with a Zoning By-law Amendment deemed complete under Section 34 of the Planning Act and/or where approval was issued prior to the effective date of this By-law, as amended.”

Section 1.15 Facilities, services and matters for development in the Downtown Permit Area

Pursuant to Section 1.15 of the Draft CPPS By-law, any development that is seeking additional height (where eligible) is to be subject to “a facilities, services, and matters” framework that requires that either affordable housing units or cash-in-lieu be provided as a form of compensation for the height. The Draft CPPS By-law includes a more phased approach for the total number of affordable housing units to be provided (where additional height is required) for applications that were deemed complete prior to December 31, 2027. This phasing proposes that a minimum of 5% of all units be affordable for an 6 additional storeys, a minimum of 10% of all units be affordable for an additional 7 to 14 storeys, and that a minimum of 33% of all units be affordable for an additional 15 to 18 storeys. Should affordable units not be provided, cash-in-lieu will be accepted or a mix of cash-in-lieu/affordable housing units is also permitted.

We acknowledge the City’s intent to phase in these requirements, as summarized above, however the requirement to provide 33% of affordable housing units as a height bonus is not realistic given the current financing conditions, construction costs, and revenue constraints that the Province, as a whole, is experiencing in the existing housing climate. Such significant requirements could inadvertently delay project timelines and ultimately reduce the total housing delivery, going against the City and Province’s housing objectives.

Furthermore, the Planning Act already establishes that a maximum of 5% can be secured for affordable housing units or contributions through inclusionary zoning within Protected Major Transit Station Areas. The Draft CPPS By-law does not conform with this legislative direction. Should affordable housing be included as an eligible community benefit under the Draft CPPS By-law, we request that a cap requiring a maximum of 5% of the overall unit count be established in the by-law.

Additionally, recent Provincial actions reinforce the need for municipalities to alter affordability requirements to market feasibility. On January 29, 2026, the Province brought O. Reg. 15/26 into force to pause the implementation of inclusionary zoning in Toronto, Mississauga, and Kitchener until July 1, 2027. This regulation was brought forward due to the Provinces concerns that inclusionary zoning may negatively impact housing supply in the current market conditions.

Given the above, it is clear that the affordable housing target proposed by the Draft CPPS By-law is premature and any requirements tied to the provision of affordable housing should be further

removed and rather, reviewed by the City and reported on at a future date when considerable market improvements are observed.

CONCLUSION

We respectfully request that the City review and address the above comments and proposed revisions prior to City Council's consideration to ensure that the Draft CPPS By-law appropriately recognize our above-noted comments and concerns.

We would like to thank staff for the ongoing engagement with respect to the Draft CPPS By-law and appreciate your consideration and response to the above. Kindly provide the undersigned with notice of any decision of City Council or its Committees concerning this matter.

Yours truly,

AIRD & BERLIS LLP



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