

April 10, 2026

City Clerk's Office  
City of Guelph  
1 Carden Street  
Guelph, ON N1H 3A1

Dear Members of Council,

**Re: Downtown Community Planning Permit System and Wood Plant No. 2**

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We are pleased to submit this letter with our comments on the Official Plan Amendment to enable a Community Planning Permit System for Downtown and the Community Planning Permit By-law being recommended for Council approval.

We appreciate the opportunities the City has provided Urban Strategies and our client, Wood Development Group (WDG), to provide input to the CPPS over the past several months. Our goal, which we believe the City shares, is to ensure the CPP By-law is generally aligned with the Urban Design Master Plan for the Wood Plant No. 2 site and will help expedite planning approvals when applications for each phase of redevelopment are submitted. Having submitted a draft of the UDMP and received only minor comments from staff, we anticipate it will be presented to Council for approval later this spring.

Unfortunately, our concerns with the previous draft of the CPP By-law have not been fully addressed.

#### **Proposed OPA**

Regarding the OPA, we support the redesignation of the Plant No. 2 site from Residential 1 and Residential 2 to Mixed Use 2, which enables a precinct designation of D2 in the CPP By-law. However, we request the rear of the property at 39 Elizabeth Street be included in the redesignation. This property has recently been acquired by WDG with the intention of consolidating it with the larger Plant 2 north parcel to give future redevelopment more presence on Elizabeth Street.

#### **Proposed CPP By-law: D2 Designation and Related Provisions**

In addition to supporting a D2 designation for the Plant 2 site, we acknowledge and support the greater flexibility for variations in a Class 2 application.

We are disappointed, however, that stacked and back-to-back townhouses were not added as permitted or discretionary uses in D2 precincts. All forms of townhousing are permitted in the Downtown Secondary Plan, in our interpretation, and are appropriate on D2 sites where they would complement higher-density buildings and provide a transition to low-rise development on adjacent lands. This is the case on the Plant 2 site, where stacked townhousing is envisioned on the north parcel to provide an appropriate transition to adjacent low-rise properties, frame a private street and accommodate a mix of housing types.

If the CPP By-law is not amended to permitted stacked and back-to-back townhousing generally in D2 precincts or on the Plant 2 site only through an exception, we request confirmation that they would satisfy the definition of “other similar uses,” which would be discretionary.

We are also disappointed that staff chose not to include any of the site-specific provisions we proposed for the Plant 2 site. The proposed provisions, attached to this letter, respond to the unique characteristics of the site and the redevelopment concept upon which the UDMP is based, a concept supported by The Ward community generally and by City staff. Including them in the by-law would provide more clarity and certainty regarding the requirements for the lands and minimize the need for Class 2 or Class 3 variations. For example, the proposed provision addressing the definition of lot lines would avoid issues of interpretation when applications are submitted.

In addition to the attached proposed site-specific provisions, we request the following be added as additional exceptions:

- Class 2 and Class 3 variations shall be evaluated against a Council-approved Urban Design Master Plan for the subject lands.
- The phasing of development, including infrastructure, open spaces and other community benefits, will be guided by the Urban Design Master Plan.

#### **Proposed CPP By-law: Affordable Housing Requirement**

Our most significant concern with the amended by-law continues to be the provisions addressing “facilities, services and matters,” specifically the affordable housing requirement that would apply to units above the height limits in the outdated zoning bylaw for downtown. We acknowledge the revised by-law has reduced the requirement to a flat 5% of units associated with height increases in Schedule D, with no requirement until May 2027. This requirement, however, on top of a complete communities charge, will threaten the feasibility of residential development on any site with significantly higher height limits as a result of OPA 106, not just the Plant 2 site. (We acknowledge the by-law allows for in-kind contributions in lieu or partially in lieu of required facilities, services and matters; however, the value of these can only be determined at the time of an application and is subject to Council approval.)

The primary goal of the Downtown CPPS is to encourage more housing by streamlining the approvals process. As governments at all levels are recognizing, another key to stimulating residential development in the current and foreseeable economic context, both market and affordable housing, is to create financial incentives that reduce the cost of housing. In contrast, the proposed CPP By-law increases costs, and in a disproportionate way, creating a disincentive for housing generally.

Height bonusing through the CPP By-law can act as an incentive and function as a substitute for a community benefits charge, but only if the starting point is up-to-date height limits that make development viable in the first place, i.e., the height limits in OPA 106. The proposal to permit heights that exceed the maximums in Schedule C2 (the OPA 106 limits) by up to 20% provided at least 33% of the additional units are affordable has the potential to result in a significant number of affordable housing units on many sites downtown. This provision should be approved, but first the City should

confirm whether a further amendment to the Downtown Secondary Plan is required to enable the CPP By-law to permit greater heights than those in Schedule D of the secondary plan.

**Proposed CPP By-law: Complete Communities Charge**

We remain concerned by the complete communities charge required by the CPP By-law, which appears to be a charge for community benefits on top of the requirements for facilities, services and matters. Under the Planning Act, a community benefits charge cannot be applied to CPP application. The legislative support for a complete communities charge is unclear, and the charge would be a further disincentive to development.

**Summary**

In summary, we respectfully request Council consider the following before making a decision on the proposed Downtown CPPS:

- Revise the boundary of the Plant 2 lands to be redesignated Mixed Use 2 on Schedule B in the OPA and “zoned” D2 in Schedule B of the CPP By-law to include the property at 39 Elizabeth Street.
- Permitting stacked and back-to-back townhouses as a discretionary use in D2 zones, or permitting them on the Plant 2 site as discretionary uses through a site-specific exception.
- Including the attached site-specific provisions for the Plant 2 site in the CPP By-law for greater certainty about the outcome of the application process.
- Ensuring the by-law acknowledges approved Urban Design Master Plans as essential references when reviewing Class 2 or Class 3 variations.
- Applying an affordable housing requirement in the by-law only to the maximum 20% height increase above the OPA 106 limits to ensure the feasibility of development.
- Removing the complete communities charge from the CPP By-law.

Thank you for considering our comments and requests. We would be happy to continue working with staff to refine the CPP By-law to ensure it facilitates redevelopment of the Plant 2 site and downtown residential intensification broadly.

Sincerely,

**URBAN STRATEGIES INC.**



Tim Smith, RPP, MCIP  
Principal

c: Will Gregory, Project Manager, Policy Planning  
Ian Panabaker, Wood Development Group

Wood Plant No. 2 Site

## Proposed Site-specific CPP By-law Provisions

Precinct Designation: D2

33, 37, 39 and 45 Elizabeth Street, 64 Duke Street, 69 Huron Street and 60 Alice Street

As shown on Map 1

### a) Regulations

i. Floorplate size (max) 9<sup>th</sup> and above storeys

Notwithstanding Table 6.21, the maximum floorplate of each storey of a building above the 8<sup>th</sup> storey shall not exceed 1,100 square metres.

ii. Floorplate length to width ratio

Notwithstanding Table 6.21, the floorplate size of each storey of a building above the 8<sup>th</sup> storey shall not exceed a length to width ratio of 2.2:1.

iii. Building setbacks (min)

Notwithstanding Table 6.21, the minimum setback shall be 3 metres and shall be required for all portions of a building above the 4<sup>th</sup> storey facing a street for buildings located within 15 m of a street. Setbacks shall be measured from the building face of the 3<sup>rd</sup> storey facing a street.

iv. Notwithstanding Section 3 Definitions, the front, rear and side yard lot lines will be defined as shown in Map 2.

*Alternate Approach*

For the purposes of this site, the front lot lines are defined as the lot lines along Duke Street, Elizabeth Street and Huron Street while all other lots lines are considered side lot lines.

v. Front yard or exterior side yard (min)

Notwithstanding Table 6.23, the minimum front yard or exterior side yard setback shall be 3 m.

vi. Rooftop mechanicals and elevator penthouses

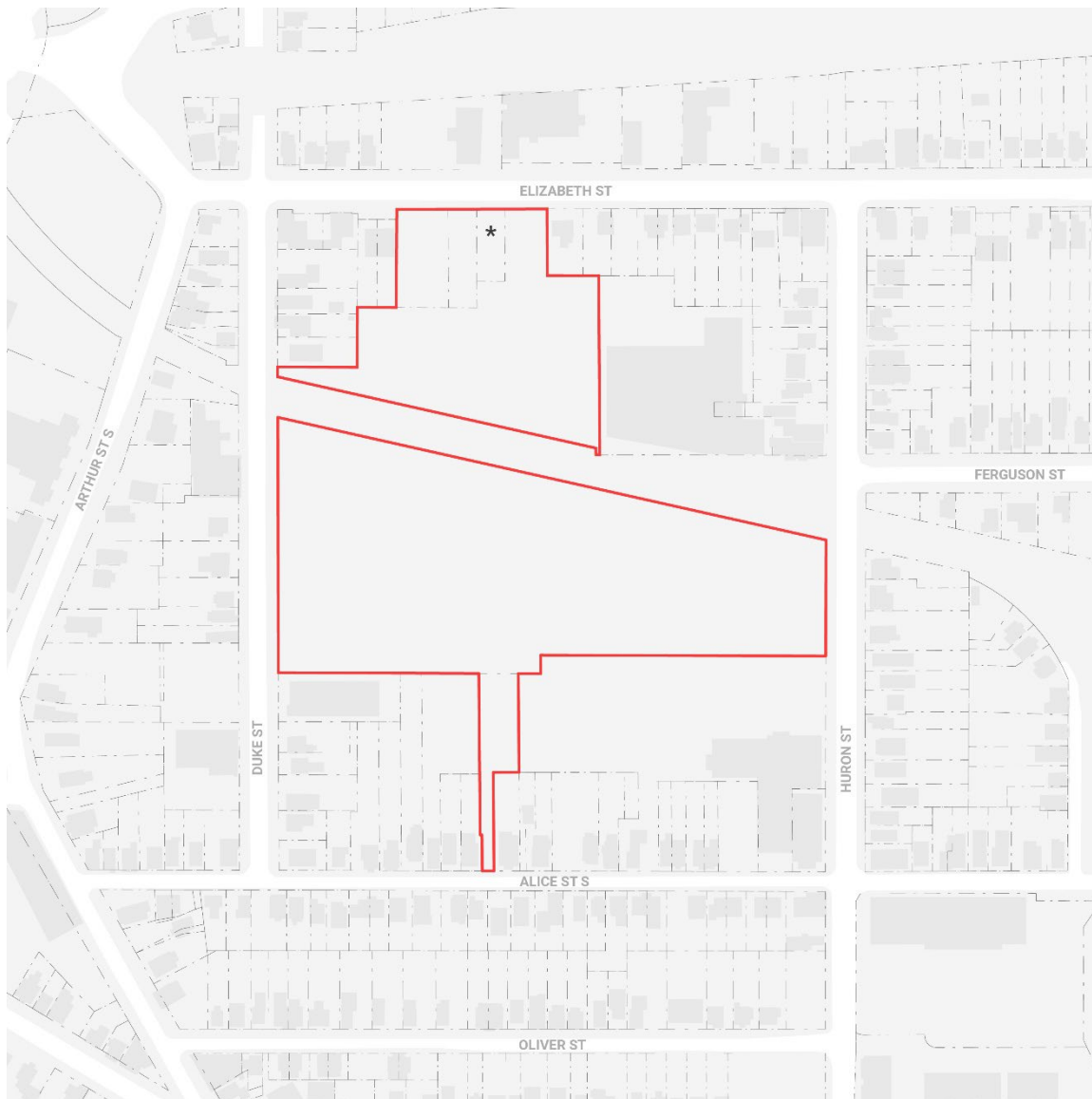
Notwithstanding Section 4.16.3, rooftop mechanicals shall not exceed five metres in height.

Notwithstanding Section 4.16.3, rooftop mechanicals shall be setback a minimum of 1.5 metres and shall be enclosed on four sides and be screened with solid screening equal to the height of rooftop mechanical unit, unless fully enclosed and integrated into the building design.

### b) Permitted uses

- i. In addition to Table 6.20 Permitted and discretionary uses in downtown precincts (D1, D2, D3, DMTS) of this by-law, the following uses are also permitted:

- Fitness centre
- Restaurant, take-out
- Townhouse, back-to-back
- Townhouse, cluster
- Townhouse, stacked
- Townhouse, stacked back-to-back



Map 1 Site-specific policy area

*\*39 Elizabeth Street was recently acquired by Wood Development Group and has been added to the site area.*



Map 2 Lot Line Types