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January 3, 2023

The Honourable Minister Steve Clark
Ministry of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, Ontario M5G 2E5

Attention: Mr. Tyler Shantz
via email: tyler.shantz@ontario.ca

**RE: ERO Comments - City of Guelph Official Plan Amendment 80
ERO No. 019-5981**

Please accept this letter as comments on the City of Guelph Official Plan Amendment 80 on behalf of our client, Armel Corporation. Armel Corporation ('Armel') is a long-standing developer with over 65 years of history in the City of Guelph. Armel has significant landholdings throughout the City and has played a direct role in the achievement of the City's development and community building objectives.

Armel and its consultants, MHBC, have participated in Guelph's Municipal Comprehensive Review ('MCR') process, including meetings with City staff as well as the submission of various comment letters. The City has reviewed, considered and, in some instances, incorporated the matters raised by Armel into Official Plan Amendment 80 ('OPA 80'). However, the land use policies for some of the Armel landholdings (figure 1) went unchanged in OPA 80 including some properties along Speedvale Avenue W, east of the urban boundary, and west of Edinburgh Road N. The properties are designated *Service Commercial*.

The purpose of this ERO submission is to recommend the Province make changes to OPA 80 and expand the permitted uses of the *Service Commercial* designation within the Speedvale Avenue W corridor as shown on figure 1 to permit a small range of light industrial land uses. An overview of the Armel lands, the existing designations, as well as a rationale for this recommendation are provided below.

Background Context

Armel owns multiple properties along the Speedvale Avenue W corridor. These parcels are adjacent to one of Guelph's largest designated *Employment Areas*. The lands are within the built boundary and are on the City's municipal services. The Speedvale Avenue corridor acts as a transition area from the Employment lands located to the north and the residential

neighbourhoods located to the south. The Armel lands are designated *Service Commercial* under OPA 80 (figure 1) and are the lands that relate to this ERO letter.

Service Commercial uses are characterized in the Official Plan as “uses that support highway-oriented or service-oriented commercial activities that cannot be readily located within the downtown area or within a shopping centre location.” *Service Commercial* lands are typically large sites with outdoor displays that rely heavily on tourist and inter-urban traffic.

The current Official Plan (February 2022 consolidation) currently permits the following uses in the *Service Commercial* designation:

- Service commercial uses; and
- Complementary uses such as small-scale offices, convenience uses, institutional and commercial recreational or entertainment uses.

OPA 80 is not proposing any changes to the permitted uses of the *Service Commercial* designation. The City has acknowledged that the commercial structure and land use designations in the Official Plan require updating. In particular, the *Service Commercial* designation is functionally obsolete as it is based on an urban form that is vehicle oriented and not well suited to the denser and more compact urban form envisioned by the Growth Plan and the City's Official Plan. The City is proposing to undertake a comprehensive commercial structure review at some point following the approval of OPA 80. However, it is likely that it will still be several years before any change occurs.

The Armel lands are undeveloped and vacant. Although the lands have been within the designated settlement area for many years and are well located along a main arterial road, the land uses permitted by the *Service Commercial* designation are too narrow and limit the development of the lands.

The lands located along Speedvale Avenue W that are designated *Service Commercial* would benefit from additional land use permissions. Specifically, Armel is recommending that a small range of light industrial uses be permissible. This would allow for a continued appropriate transition or buffer of the employment uses at the north to the residential area to the south, while at the same time broadening the opportunity for existing vacant lands within the built boundary to develop. The light industrial land uses proposed are:

- Office (stand-alone);
- Warehousing; and
- Industrial supply and servicing.

Rationale for Expanding Service Commercial Permitted Uses

As part of OPA 80 and the MCR, an Employment Lands Strategy (the Strategy) was completed. The Strategy provides that there are structural changes to the economy that are modifying economic activities in the employment sector, which impact built form and character. These changes have a significant impact on employment growth and land demand, specifically as it relates to e-commerce, gig-economy, and automation. The Strategy anticipates these trends “to fuel further growth for

distribution/logistics centres". The result of these changes will increase demand of the logistics sector and warehousing.

The Strategy also completed a land needs assessment for forecast employment growth, which concludes that the City will have a slight surplus of employment lands for the horizon of the Official Plan. The Strategy identifies that in order to ensure that the existing land supply can accommodate forecast employment growth, all existing vacant lands would need to develop and lands would need to develop at greater density than what has occurred historically in industrial areas.

There are other parcels within this corridor designated *Industrial* and *Corporate Business Park* that abut low-rise residential neighbourhoods. Among the uses permitted within these designations are: office (stand-alone), manufacturing, and warehousing. The request to add light industrial uses to the *Service Commercial* lands would be consistent with the permitted uses of the nearby employment related lands, and would maintain similar land uses along this corridor. When abutting a residential area, the *Industrial* and *Corporate Business Park* lands are required to implement land use compatibility measures. Similar measures could be applied here to the modified *Service Commercial* designation.

Municipalities within the Growth Plan area are increasingly modifying employment and commercial land use designations that were originally based on a more dispersed and vehicle oriented urban form. The cities of Hamilton, Waterloo, and Vaughan are good examples. At the same time, as urban areas intensify and former vacant lands within existing settlement areas develop, there is increasing potential for conflict between employment land uses and nearby sensitive land uses – e.g. residential.

An example of the resolution of such land use compatibility requirements is in the City of Cambridge. The Cambridge Official Plan identifies the North Cambridge Business Park (E) as Special Policy Area 70E. These lands are designated *Business Industrial* and are adjacent to a residential area. Permitted uses in SPA 70E include a range of business industrial uses such as warehousing and distribution, stand-alone office buildings, research and development, service commercial and limited retail sales (among others). SPA 70E also provides compatibility policies:

- Industrial uses are only permitted within an enclosed building
- No outdoor storage
- No loading facilities or bay doors are permitted to face residential properties
- No speakers or sound amplification is permitted outdoors
- Visual screening for rooftop equipment is required and
- A fence or wall barrier not less than 2.4m in height along the property line with a 7m wide planting strip is provided when abutting a residential use.

The land use compatibility requirements of SPA 70E are similar to the *Corporate Business Park* compatibility policies of OPA 80, which require a 10m rear yard setback and 3m wide buffer strip to abutting residential lands, as well as restriction on outdoor storage. The light industrial land uses proposed for the *Armel Service Commercial* lands could apply compatibility requirements consistent with *Corporate Business Park* and SPA 70E policies to enable such uses to be located near residential uses.

Conclusion

This letter is recommending that the Province consider expansion to the permitted uses on the Armel lands currently designated *Service Commercial*. The Armel properties are vacant, located along an arterial road with municipal servicing, and are surrounded by various employment type uses. The addition of light industrial uses to these *Service Commercial* lands is consistent and compatible with existing and planned development of this area. The addition of light industrial land uses will provide more flexibility for the City to accommodate and adapt to changes in the employment sector. Increasing flexibility of high order commercial lands is an excellent way to meet future employment needs and can still maintain compatibility with adjacent and nearby residential uses.

We recommend that prior to the final approval of OPA 80 by the Minister of Municipal Affairs and Housing, that site specific provisions to the Armel lands designated as *Service Commercial* in figure 1 be considered for light industrial uses.

We appreciate the opportunity to meet with the Province and discuss this submission once you have had the chance to review this letter and the attached material. If you have any questions or wish to discuss this letter, please do not hesitate to contact the undersigned at any time.

Yours truly,

MHBC

A handwritten signature in black ink that reads "Dan Currie". The signature is written in a cursive, flowing style.

Dan Currie, MA, MCIP, RPP
Partner

cc

Amy Emm, Armel Corporation

Mandy Scully, Armel Corporation

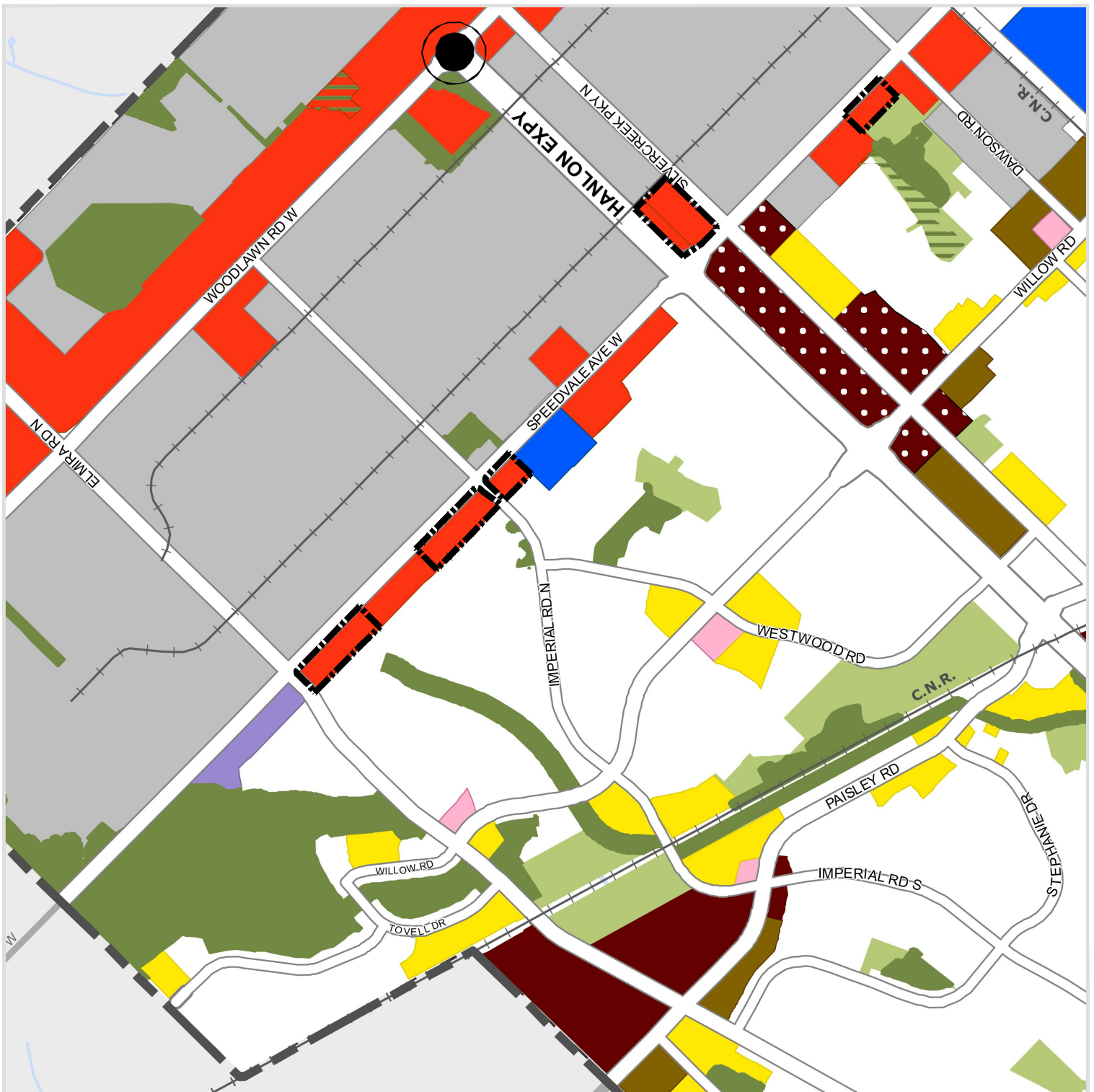



Figure 1:
City of Guelph Official
Plan Schedule 2: Land
Use Plan

OPA 80

LEGEND

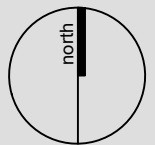
-  Subject Lands
-  Service Commercial
-  Industrial
-  Corporate Business Park
-  Open Space and Park

DATE: December 2022

SCALE: 1: 18,000

FILE: 08176Y

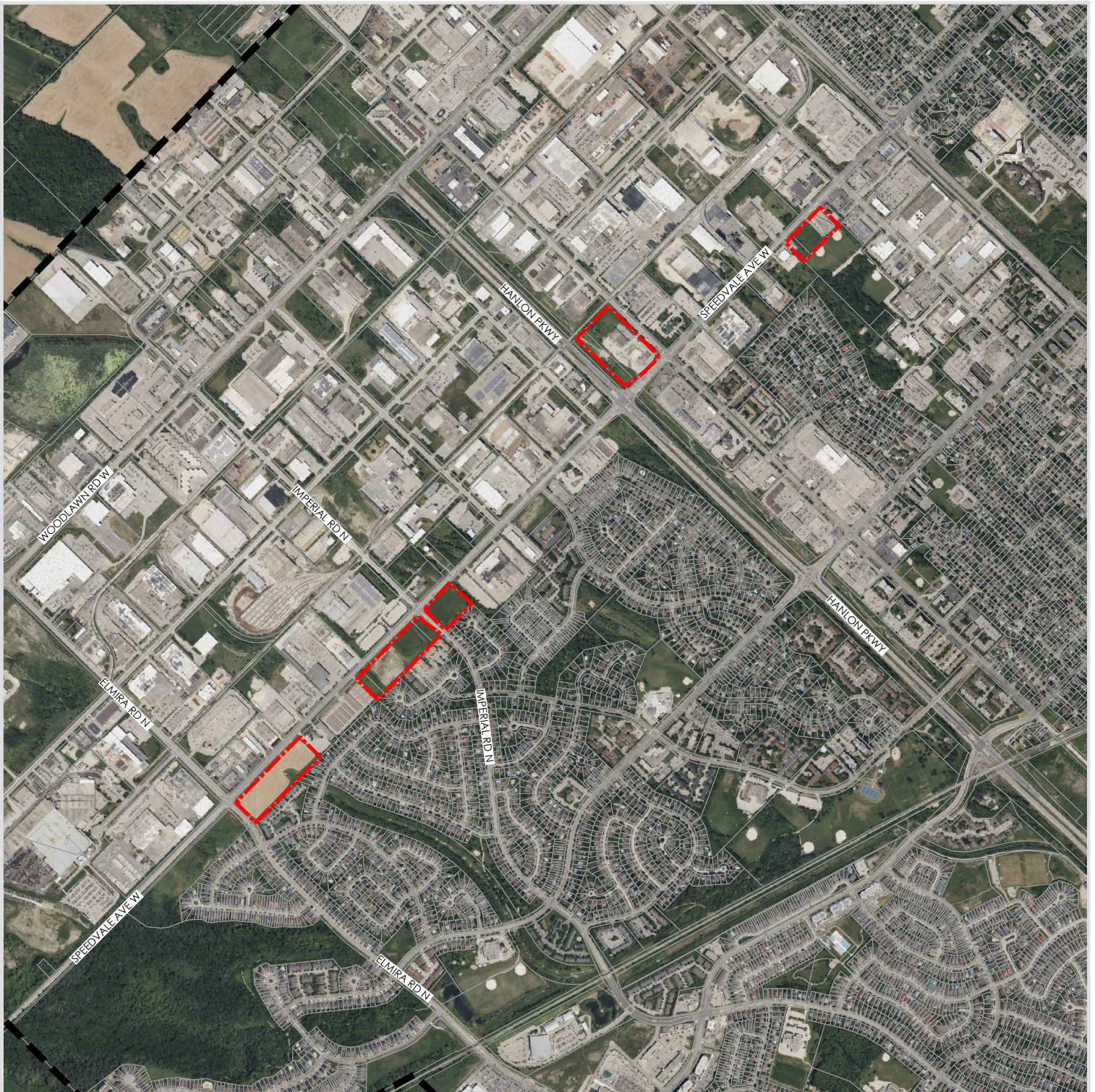
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K:08176Y - 180 COLUMBIA STREET WRPT:GUELPH OP SCH 2.DWG



MHBC PLANNING
 URBAN DESIGN
 & LANDSCAPE
 ARCHITECTURE

200-540 BINGEMAN'S CENTRE DR, KITCHENER, ON, N2B 3X9
 P: 519.576.3650 F: 519.576.0121 | WWW.MHBCPLAN.COM



**Figure 2:
Satellite Image Map**

LEGEND

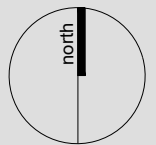
-  Subject Lands
-  Parcel Fabric
-  Guelph City Boundary

DATE: December 2022

SCALE: 1: 18,000

FILE: 08176Y

DRAWN: LC



K:08176Y - 180 COLUMBIA STREET W/RPT/LOCATION_SPEEDVALE PROPERTIES.DWG