



**AGENDA**  
**Strategic Priorities Committee**

February 15, 2022

9:00 am

Video Conference

Click the following link:

<https://www.youtube.com/channel/UCzuUpFqxcEl8OG-dOYKteFQ>

**Pages**

1. **CALL TO ORDER**
2. **DECLARATIONS OF PECUNIARY INTEREST**
3. **AMENDMENTS AND APPROVAL OF THE AGENDA**

**RECOMMENDATION**

**THAT** the February 15, 2022 Strategic Priorities Committee agenda be accepted as presented.

4. **STRATEGIC PRIORITIES REVIEW**

**4.1. DEV 08-2022 St. Marys Housing Strategy Update and What's Next**

4

**RECOMMENDATION**

**THAT** DEV 08-2022 St. Marys Housing Strategy Update and What's Next report be received; and

**THAT** the Strategic Priorities Committee recommends to Council:

**THAT** staff be directed to report back on:

1. amendments to the Town's Zoning By-law and the preparation of urban design guidelines to permit tiny home development that is appropriately located and designed; and / or,
2. opportunities for disposing of surplus municipal land for the provision of new affordable housing or to provide proceeds to an affordable housing fund; and / or,
3. an inclusionary zoning strategy for new development in the Town.

**4.2. PW 07-2022 Status Update on Grit Removal, Administration Building, and Odour Control System Upgrades at the Water Pollution Control Plant**

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**RECOMMENDATION**

**THAT** report PW 07-2022, Status Update on the Grit, Administration and Odour Control System Upgrades at the Water Pollution Control Plant be received for information.

**4.3. PW 08-2022 Aeration System Piping Replacement**

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**RECOMMENDATION**

**THAT** report PW 08-2022, Aeration System Piping Replacement be received for information; and,

**THAT** the Strategic Priorities Committee recommends to Council:

**THAT** the replacement of the aeration system piping at the WPCP be advanced on the Capital Plan to 2022; and,

**THAT** an unbudgeted amount of \$480,000.00 + HST be approved for aeration system piping replacements in 2022 to be funded through wastewater reserves.

**RECOMMENDATION**

**THAT** report PW 09-2022, Industrial Waste Surcharge Program be received for information.

**5. NEXT MEETING**

\* All meetings will be live streamed to the Town's YouTube channel

March 15, 2022 - 9:00am

Topics to be discussed:

- Climate Change Action Plan Review
- Parking Study Costing Follow Up

**6. ADJOURNMENT**

**RECOMMENDATION**

**THAT** this meeting of the Strategic Priorities Committee adjourns at \_\_\_\_\_ pm.

## FORMAL REPORT

|                         |  |
|-------------------------|--|
| <b>To:</b>              | Mayor Stratthdee and Members of Council                              |
| <b>Prepared by:</b>     | Mark Stone, Planner  |
| <b>Date of Meeting:</b> | 15 February 2022   |
| <b>Subject:</b>         | <b>DEV 08-2022 St. Marys Housing Strategy Update and What's Next</b> |

### PURPOSE

The purpose of this report is to:

- provide Council with an update respecting the Town's strategy to encourage affordable/attainable housing and highlight accomplishments to date;
- consider and respond to recommendations recently presented to Council (via delegation); and,
- further introducing the concept of 'tiny homes' as a possible housing option in St. Marys.

### RECOMMENDATION

**THAT** DEV 08-2022 St. Marys Housing Strategy Update and What's Next report be received; and

**THAT** the Strategic Priorities Committee recommends to Council:

**THAT** staff be directed to report back on:

1. amendments to the Town's Zoning By-law and the preparation of urban design guidelines to permit tiny home development that is appropriately located and designed; and / or,
2. opportunities for disposing of surplus municipal land for the provision of new affordable housing or to provide proceeds to an affordable housing fund; and / or,
3. an inclusionary zoning strategy for new development in the Town.

### BACKGROUND

Similar to most communities across the Province, there are a number of factors contributing to housing issues in St. Marys, including low housing supply and low vacancy rates, migration from the Greater Toronto Area and the impacts on housing prices, and the rising gap between household incomes and housing prices. The Town has adopted a comprehensive, multi-faceted approach to addressing issues related to housing in St. Marys, with a goal of creating as much housing supply as possible. The Town's Strategic Plan identifies Housing as a Strategic Pillar and in 2018 and 2019, the Strategic Priorities Committee and Council considered and indicated support for a range of affordable housing policies and financial incentives.

The Town has implemented, or is the process of implementing, many of these policies and incentives.

# REPORT

## Strategic Plan – Initiatives and Achievements

The following table provides a summary of strategic priorities, outcome statements and initiatives under the Housing Strategic Pillar of the Town's Strategic Plan, and identifies achievements thus far and next steps.

| Strategic Priority  | Initiatives<br>(Short-term)  | Achievements / Next Steps  |
|---|--|--|
| <i>Outcome Statement</i>  |  |  |
| <b>Attainable &amp; mixed-use housing</b><br><br><i>In order to get the "right demographic mix" for St. Marys, it will be essential to ensure housing stock is flexible and attractive for youth, workers, immigrants and persons of all abilities.</i> | Short-term <ul style="list-style-type: none"> <li>Identify in the Official Plan development areas that would be key growth areas among targeted demographics.</li> <li>Encourage businesses to convert second-storey spaces into rentals.</li> <li>Investigate the prospect of medium density housing in the downtown and surrounding areas (infill and new development spaces: "building in and building up").</li> </ul> Mid-term <ul style="list-style-type: none"> <li>Create direct municipal investments to assure that housing that is affordable is created in the community.</li> </ul>   | <ul style="list-style-type: none"> <li>Through proposed Official Plan policies, the Town has identified areas for potential residential intensification including lands designated Residential and fronting onto or in close proximity to arterial and collector roads, and on lands current designated Highway Commercial.</li> <li>Staff has recommended the establishment of a new Medium/High Density Residential sub-designation intended, in part, to ensure the early provision of higher density, attainable housing on Greenfield properties. Building forms on lands designated "Medium/High Density Residential" shall be limited to low and mid-rise apartments, stacked or back-to-back townhouses, and similar higher density forms of housing.</li> <li>Staff has recommended policy changes to the Official Plan to permit residential uses on the ground floor of low-rise apartment buildings in parts of the downtown.</li> <li>In July of 2021, the Town approved a new Community Improvement Plan with financial incentives to encourage small-scale conversions of existing vacant or underutilized space for rental housing.</li> </ul> |
| <b>Explore alternative forms of housing</b><br><br><i>To ensure affordability, new forms of housing styles should be investigated; for example amongst millennials, smaller "tiny houses" are becoming a popular alternative.</i>                       | 2018-2022 Council Priority: <ul style="list-style-type: none"> <li>Review areas and properties where tiny home and/or modular home developments would be appropriate;</li> <li>Embrace and actively promote the ability to develop secondary dwelling units and research new or innovative ways to allow property owners to create secondary units on their property;</li> </ul> Short-term <ul style="list-style-type: none"> <li>Review municipal policies to allow for non-traditional and alternative housing models, including accessible homes.</li> <li>Investigate environmentally sustainable housing types as a pilot.</li> </ul> Mid-term | <ul style="list-style-type: none"> <li>In November of 2018, Town staff met with the local builders and developers to discuss and encourage the development of other forms of housing in St. Marys. A variety of housing forms were discussed including tiny homes and apartments, stacked towns, etc. These discussions continue.</li> <li>This report was prepared, in part, to further explore the concept of tiny homes in St. Marys. Refer to discussion later in this report.</li> <li>Through the pre-consultation, development review processes, and annual meetings with the development and real estate communities, staff has encouraged the development industry to bring forward projects that will help the Town meet its housing related objectives.</li> </ul>  |

| Strategic Priority  | Initiatives (Short-term)   | Achievements / Next Steps  |
|---|--|--|
| <i>Outcome Statement</i>  |  |  |
|   | <ul style="list-style-type: none"> <li>Align land use policy to encourage new housing types and approaches.</li> </ul>   |  |
| <b>Seek public-private partnership models</b><br><br><i>New approach to housing may require a different form of initial financial investment to get established.</i><br><br><i>Given the large number of Town-owned lands and properties, funding for many of the other initiatives in this revised Strategic Plan may require the sale or lease of these assets.</i> | <p>2018-2022 Council Priority:</p> <ul style="list-style-type: none"> <li>Continue to move forward in offering surplus Town owned lands for the development of attainable housing</li> </ul> <p>Short-term</p> <ul style="list-style-type: none"> <li>Investigate and develop a range of possible approaches to launch a renewed housing strategy, designed to meet the current affordability and demographic challenges</li> </ul> <p>Mid-term</p> <ul style="list-style-type: none"> <li>Establish policy and budget parameters to enable new approaches to meeting the housing affordability challenges based on research findings.</li> <li>Seek partnerships from other levels of government to realize this action.</li> </ul> | <ul style="list-style-type: none"> <li>Between 2018 and present, the Town established an attainable housing strategy with a series of objectives and initiatives.</li> <li>This report expands on previous discussions and recommendations regarding opportunities related to Town-owned lands.</li> </ul> |

## St. Marys Housing Strategy – Initiatives and Achievements

The Town has implemented or is in the process of implementing several other Council initiatives to encourage the provision of attainable freehold and rental housing, as summarized in the following table.

| Strategy   | Achievements / Next Steps   |
|--|---|
| Initiate a Town-wide amendment to the Zoning By-law to permit secondary units in single detached, semi-detached and townhouse dwellings subject to specific provisions to regulate potential issues such as parking. | <ul style="list-style-type: none"> <li>On October 9, 2018, Council enacted Zoning By-law No. Z130-2018 to permit accessory apartments as-of-right in single detached, semi-detached and townhouse dwellings, and in detached accessory buildings, subject to unit subject to specified regulations.</li> <li>On June 8, 2021, Council enacted Zoning By-law No. Z144-2021 to make improvements to some of these regulations based on discussions with homeowners, builders and the development industry.</li> </ul> |
| Engage in discussions with the development industry with respect to opportunities and potential issues related to implementing inclusionary zoning in St. Marys. <sup>1</sup>  | <ul style="list-style-type: none"> <li>Town staff has engaged in discussions with local builders and developers. The consensus has been that the best way to encourage more affordable housing in St. Marys is to provide financial incentives and relief. However, inclusionary zoning is discussed again, later in this report.</li> </ul>  |
| Explore opportunities for pre-zoning certain lands for attainable housing following completion of the Official Plan review.  | <ul style="list-style-type: none"> <li>Staff has recommended the inclusion of a policy in the new Official Plan encouraging pre-zoning of certain lands with a holding provision, to permit attainable housing, where appropriate.</li> </ul>   |
| Consider alternative development standards, following completion of the Official Plan review, through an update to the Town's Zoning By-law.   | <ul style="list-style-type: none"> <li>Staff has recommended the inclusion of policies in the new Official Plan to encourage the implementation of innovative and flexible design standards through the Town's Zoning By-law to permit more efficient development of attainable housing.</li> </ul>   |
| Support the recommendations of the Official Plan review to consider options to permit standalone residential uses (e.g. low-rise apartment buildings)  | <ul style="list-style-type: none"> <li>Staff has recommended policy changes to the Official Plan to permit residential uses on the ground floor of low-rise apartment buildings in parts of the downtown</li> </ul>   |

| Strategy   | Achievements / Next Steps   |
|--|---|
| in the periphery parts of the Central Commercial area, provided such uses do not impact the primary commercial, service and tourism function of the downtown.  |   |
| Continue to provide land for attainable housing through the sale or leasing of surplus or underutilized municipally owned land, and consider maintaining a publicly accessible database to assist potential developers seeking to construct affordable housing and tenants seeking affordable housing vacancies. | <ul style="list-style-type: none"> <li>Staff has recommended the inclusion of policies in the new Official Plan to encourage the consideration of attainable housing prior to considering other land uses when evaluating the sale or lease of surplus public lands.</li> <li>This report expands on previous discussions and recommendations regarding opportunities related to Town-owned lands.</li> <li>Staff is considering options for identifying and maintaining a publicly accessible database of housing availability and resources for residents and the development industry</li> </ul> |
| Update Development Charges By-law to reduce development charges for non-profit housing   | <ul style="list-style-type: none"> <li>Staff has recommended the inclusion of policies in the new Official Plan to consider exemptions or reduced development charge rates for affordable housing as part of the next Development Charges Background Study. The DC Background study project recently commenced.</li> <li>A budget of \$50,000 was approved for 2022. Staff is recommending to carrying forward unspent funds from 2021 to 2022.</li> </ul>  |
| Amend the Fees By-law to permit a 50% discount on planning application fees for proposed attainable housing development  |   |
| Reintroduce the Heritage Tax Rebate Program B to encourage the provision of attainable rental housing in the downtown  |   |
| Update Development Charges By-law to exempt all additional dwelling units from development charges   | <ul style="list-style-type: none"> <li>To be determined as part of the Development Charge By-law update in 2022.</li> </ul>   |
| Update Development Charges By-law to permit annual installments for development charges - 20 years for non-profit housing and 5 years for rental housing (to be determined as part of the Development Charge By-law update in 2020)  | <ul style="list-style-type: none"> <li>To be determined as part of the Development Charge By-law update in 2022.</li> </ul>   |
| Explore opportunities and promote the development of attainable housing through the sale or leasing of surplus or underutilized Town owned land  | <ul style="list-style-type: none"> <li>This initiative was paused due to the pandemic, but consideration to divest of certain Town owned properties for the purposes of creating attainable housing units will be prioritized in 2022.</li> </ul>   |
| Allow for tax exemptions for attainable housing on Town owned land (leased) through the municipal capital facilities provisions of the Municipal Act   | <ul style="list-style-type: none"> <li>To be assessed and implemented on a case-by-case basis</li> </ul>  |

<sup>1</sup> - Inclusionary zoning is a relatively new land-use planning tool that allows municipalities to require the inclusion of affordable housing units as part of residential developments of 10 units or more, subject to the preparation of an assessment report, amendments to the Official Plan and Zoning By-law, and agreement(s) with landowners.

## Status of Other Outstanding Council Directions Related to Attainable Housing

On October 13, 2020 Council procured the services of Paradigm Transportation Solutions Limited to prepare a Comprehensive Parking Review. On November 30, 2021, the Strategic Priorities Committee accepted DEV 52-2021 Comprehensive Parking Review (final) and directed staff to report back on:

- attainable housing and the effect of adjusting our by-laws for percentage of green space required; and
- adding development charges if allowed to build a fund to offset attainable housing.

As noted in this report, the Town is undertaking a Development Charges By-law review and Item (b) will be part of that review.

With respect to Item (a), the minimum landscaped open space requirement in the Residential Zone Five (R5), which is the zone usually applied to apartment building development, is 30 percent. Based on a review of other municipal zoning by-laws, a minimum of 30 percent would appear to be a high requirement. While the preservation of open spaces and landscaped areas provide needed buffers, amenity areas and contribute to the aesthetics of properties and neighbourhoods, excessive open

space requirements on properties planned for higher density development can prevent the efficient use of land for development and required parking areas.

The Building and Development Department will be presenting a report to Council in 2022 to discuss possible housekeeping and technical amendments to the Town's Zoning By-law and this will include a discussion of possible changes to minimum open space requirements.

### Staffen Recommendations – Attainable Housing

On February 8<sup>th</sup> Council received a letter from Mr. Rob Staffen (dated February 4, 2022) outlining his recommendations for priorities in three strategic areas: Downtown Revitalization, Attainable Housing and Recreation. A copy of Mr. Staffen's letter is provided as Attachment 1 of this report. Council committed to reviewing his recommendations at a future meeting. The recommendations related to attainable housing are shown below, along with staff's preliminary analysis of each. In most cases, the analysis is a repeat of the information above, but the cross reference is important to show that the Town is making progress on most of Mr. Staffen's recommendations.

| Strategic Priority Area | Staffen Recommendation   | Preliminary Analysis<br>In Progress – How?<br>Quick Win Possible – How?<br>Long-Term Initiative<br>No Known Municipal Authority to Implement   |
|-------------------------|--|--|
| Downtown Revitalization | 4. Leave the interior space to the Building Department but recognize pre-existing conditions. Develop a plan for Attainable housing in these spaces with tax incentives, use of the \$50,000 in annual funds from the budget.  | Council could reinstate funding of the Heritage Tax Rebate program. Program B outlined in the by-law provides specific increased funding levels for redevelopments that include attainable housing.  |
|                         | 5. Increase the \$50,000 budget to \$125,000 for fascia construction projects and attainable housing on a 50/50 split.   | To implement this Council could increase the funding allocation in the budget. Currently \$50,000.00 is budgeted for all initiatives outlined in the CIP<br><br>The Downtown Rental Housing Grant in the Town's Community Improvement Plan was created to assist in the creation of new rental residential units and to improve the condition of existing rental residential units. The Grant may be provided for 50% of the eligible costs for each unit, to a maximum of \$5,000 per unit. |
|                         | 6. Offer significant grants (as above) to encourage redevelopment on the exterior fascias. I have attached my comments and recommendations for the CIP & AH (that should connect directly with the Official Plan) in Schedule 'C'.   | To implement this Council could increase the funding allocation in the budget. Currently \$50,000 is budgeted for all initiatives outlined in the CIP  |
| Attainable Housing      | 1) DEV 40-2019 Town of St. Marys Review of Population Projections and Residential Land Demand/Supply- Rewrite the document with a plan for Attainable Housing included in any Supply/Demand residential lots report. It should include 'Attainable Housing' grant budgets for the next 5 years, how many lots are included (10% as per Provincial guidelines?), how many each year are built, execution policy and how Staff will be held accountable. | To implement this recommendation, the Town could institute an annual monitoring program to report on progress related to housing in the Town. The annual report could provide the number of units created by type and affordability, units in the 'pipeline', and updated affordability thresholds for freehold and rental units in St. Mary.  |



| Strategic Priority Area | Staffen Recommendation   | Preliminary Analysis<br>In Progress – How?<br>Quick Win Possible – How?<br>Long-Term Initiative<br>No Known Municipal Authority to Implement   |
|-------------------------|--|--|
|                         | 2) Each existing Phased development approved would have to have 'X' (four?) amount of low-income units. They could be financed by government grants, if any, increased development fees that fund low income housing (the better plan), at cost labour and materials by the developer and their suppliers and other ideas as shown in 3.1.2.16 as well as shown in the CIP recommendations Schedule 'C'.   | Refer to <b>Minimum Required Affordable Units and Inclusionary Zoning</b> discussion later in this report.   |
|                         | 3) This Section should include goals as to the number of low income housing to be built over the next 10 years, specifically written into the OP & CIP & SP.   | The Official Plan is the primary document for establishing minimum requirements for affordable housing. Section 3.1.2.16 of the proposed new Official Plan (draft December 2021) states, in part, that Council will encourage the development of affordable housing with 30% of the new housing units created being considered by Council as affordable to households with incomes in the lowest 60 per cent of income distribution for Perth County households.<br><br>For clarity, the Town could include annual targets for the establishment of affordable in the Official Plan, with these targets and levels of achievement included in the recommended annual monitoring program. |
|                         | 4) Developers (lots donated as part of their phased lot developments), builders (part of their ability to have 15-20 homes per year), grants (part of the \$150,000) and thru increased development fees should pay and provide Attainable housing properties.   | Refer to <b>Minimum Required Affordable Units and Inclusionary Zoning</b> discussion later in this report.   |
|                         | Donate Town of St. Marys unused land bank(s) for attainable housing. How many a year? Continue to provide land for attainable housing through the sale (Donation) or leasing of surplus or underutilized municipally owned land, and consider maintaining a publicly accessible database to assist potential developers seeking to construct affordable housing and tenants seeking affordable housing vacancies. Provide on an annual basis one such unit per year. HHBC provide material at cost as a commitment to the Community (Staff to present idea to HHBC). | This initiative was paused due to the pandemic, but consideration to divest of certain Town owned properties for the purposes of creating attainable housing units will be prioritized in 2022.<br><br>Staff has recommended the inclusion of policies in the new Official Plan to encourage the consideration of attainable housing prior to considering other land uses when evaluating the sale or lease of surplus public lands. Refer to <b>Minimum Required Affordable Units and Inclusionary Zoning</b> discussion later in this report.<br><br>Staff is considering options for identifying and maintaining a publicly accessible database of housing                            |

| Strategic Priority Area | Staffen Recommendation  | Preliminary Analysis<br>In Progress – How?<br>Quick Win Possible – How?<br>Long-Term Initiative<br>No Known Municipal Authority to Implement  |
|-------------------------|---|---|
|                         |   | availability and resources for residents and the development industry   |
|                         | <ul style="list-style-type: none"> <li>Explore opportunities for pre-zoning certain lands for attainable housing following completion of the OP</li> </ul>  | Staff has recommended the inclusion of a policy in the new OP encouraging pre-zoning of certain lands with a holding provision, to permit attainable housing, where appropriate.  |
|                         | <ul style="list-style-type: none"> <li>Consider alternative development standards, following completion of the Official Plan review, through an update to the Town's Zoning By-law.</li> <li>Increase development fees, new developments require 5% to 10% of land to be donated to attainable Housing. Developers are required to build on each lot donated 2 units for Attainable Housing. Work with suppliers (HHBC) and each Home contractor to be required to build these homes.</li> <li>Staff to determine what is "attainable Housing" Size in sq. ft., # of bedrooms, building requirements. Staff to determine, under a lottery system, who (what family) qualifies for Attainable Housing. Based on Income, family size, and other factors.</li> </ul> | Staff has recommended the inclusion of policies in the new Official Plan to encourage the implementation of innovative and flexible design standards through the Town's Zoning By-law to permit more efficient development of attainable housing. <b>Minimum Required Affordable Units and Inclusionary Zoning</b> discussion later in this report. |
|                         | <ul style="list-style-type: none"> <li>Allow for tax exemptions for attainable housing on Town owned land (leased) through the municipal capital facilities provisions of the Municipal Act To be assessed and implemented on a case-by-case basis</li> </ul>   | To be assessed and implemented on a case-by-case basis  |
|                         | <ul style="list-style-type: none"> <li>Update Development Charges By-law to reduce development charges for non-profit housing</li> </ul>  | <p>Staff has recommended the inclusion of policies in the new Official Plan to consider exemptions or reduced development charge rates for affordable housing as part of the next Development Charges Background Study.</p> <p>The DC Background study project recently commenced and will be completed in 2022.</p>                                |
|                         | <ul style="list-style-type: none"> <li>Amend the Fees By-law to permit a 50% discount on planning application fees for proposed attainable housing development</li> </ul>   | <p>Staff has recommended the inclusion of policies in the new Official Plan to consider exemptions or reduced development charge rates for affordable housing as part of the next Development Charges Background Study.</p> <p>The building fee review study project recently commenced and will be completed in 2022.</p>                          |
|                         | <ul style="list-style-type: none"> <li>Reintroduce the Heritage Tax Rebate Program B to encourage the provision of attainable rental housing in the downtown</li> </ul>   | Council could reinstate funding of the Heritage Tax Rebate program. Program B outlined in the by-law provides specific increased funding levels for   |

| Strategic Priority Area | Staff Recommendation  | Preliminary Analysis<br>In Progress – How?<br>Quick Win Possible – How?<br>Long-Term Initiative<br>No Known Municipal Authority to Implement  |
|-------------------------|---|---|
|                         |   | redevelopments that include attainable housing.   |
|                         | <ul style="list-style-type: none"> <li>Update Development Charges By-law to exempt all additional dwelling units from development charges</li> </ul>  | <p>Staff has recommended the inclusion of policies in the new Official Plan to consider exemptions or reduced development charge rates for affordable housing as part of the next Development Charges Background Study.</p> <p>The DC Background study project recently commenced and will be completed in 2022.</p>    |
|                         | <ul style="list-style-type: none"> <li>Update Development Charges By-law to permit annual installments for development charges – 20 years for non-profit housing and 5 years for rental housing (to be determined as part of the Development Charge By-law update in 2020)</li> </ul> | <p>To Staff has recommended the inclusion of policies in the new Official Plan to consider exemptions or reduced development charge rates for affordable housing as part of the next Development Charges Background Study.</p> <p>The DC Background study project recently commenced and will be completed in 2021.</p> |

### Next Steps for the St. Marys Housing Strategy: 2022 Work Plan

The charts above track each of the strategic directions that Council has given staff and the progress to date. Moving forward, the Director of Building and Development has identified three affordable/attainable housing strategies to be explored in 2022:

1. alternate forms of housing (e.g. tiny homes),
2. public-private partnership models, and
3. the sale or lease of Town owned property assets for attainable housing projects.

**Strategic Consideration:** If Council wishes to see strategic focus on any other Attainable Housing initiatives, staff would appreciate receiving that direction so that we can shift our focus and workload appropriately.

In this report, the appropriateness of permitting tiny homes in St. Marys is examined. In addition, the sale or lease of municipal land, and approaches to requiring a minimum amount of affordable housing units with each development are presented again.

### Strategic Discussion #1 Tiny Homes

In recent years, tiny homes as a viable housing option has grown in popularity for a number of reasons including the cost of land and the housing market, and a simpler way of life with reduced maintenance requirements for tiny homes.

There is no one commonly accepted or legislated definition of a tiny home. According to the Province of Ontario's 'Build or buy a tiny home' guide, a tiny home:

- can be considered a small, private and self-contained dwelling unit intended for year-round use with living and dining areas, kitchen and bathroom facilities, and a sleeping area; and,

- cannot be smaller than the minimum required size set out in Ontario's Building Code, which is 17.5 m<sup>2</sup> (188 ft<sup>2</sup>).

Tiny homes can be built on-site or can be factory built and shipped to a property.

Tiny homes are often designed with furniture that serves more than one purpose, and hinged tables and beds to allow for raising to be flush with walls.

The Town's Official Plan and Zoning By-law permit accessory or secondary units on residential lots in the Town. The discussion of tiny homes in this report will focus on the appropriateness of permitting a tiny home to be constructed on an existing lot of record or permitting tiny home developments on Greenfield, intensification or redevelopment sites.

## **Planning Context**

### **Provincial Policy Statement**

Section 3 of the Planning Act requires that decisions affecting planning matters shall be consistent with policy statements issued under the Act. The Provincial Policy Statement (PPS) was issued under the authority of Section 3 of the Act. The PPS provides policy direction on matters of provincial interest related to land use planning and development, including the protection of resources of provincial interest, public health and safety, and the quality of the natural and built environment.

The PPS states that healthy, liveable and safe communities are sustained by promoting efficient development and land use patterns, accommodating an appropriate range and mix of residential housing forms, and promoting cost-effective development patterns and standards to minimize land consumption and servicing costs.

The PPS also promotes development standards that facilitate intensification, redevelopment and compact form, and defines and sets out minimum requirements for affordable housing.

### **Town Official Plan**

The current Official Plan does not define or provide specific policy direction with respect to tiny homes, but permits a range of dwelling types from single detached dwellings to walk-up type apartments, parks and open spaces, and institutional uses subject to the policies of the Plan. The objectives of the Residential designation include:

- encouraging the provision of an adequate supply and choice of housing for residents in terms of quality, type, location and cost (3.1.1.1)
- maintaining and improving the existing housing stock and character of residential areas (3.1.1.3)
- promoting housing for senior citizens, the handicapped and low income families (3.1.1.6)
- encouraging and promoting additional housing through intensification and redevelopment (3.1.1.7)
- encouraging a diversification and inter mixing of different housing types and forms (3.1.1.8)

The Official Plan permits residential infilling throughout the Residential designation provided such development "is in keeping with the attributes of the neighbourhood" (Section 3.1.2.3). Section 3.1.2.14 of the Official Plan states that "Council will encourage the development of affordable housing with 30% of the new housing units created being considered by Council as affordable to households with incomes in the lowest 60 per cent of income distribution for Perth County households".

### **Town Zoning By-law**

The Zoning By-law does not specifically define or reference tiny homes. The definitions of single-detached dwelling and dwelling unit in the By-law would appear to apply to most tiny homes provided the dwelling is not considered a mobile home as defined.

**3.47.13 Dwelling, Single-Detached** means a separate **building** which contains one (1) **dwelling unit** in which entrance is gained only by a private entrance directly from outside. **Single-detached dwelling** shall not include a **mobile home**.

**3.48 Dwelling Unit** means a suite operated as a housekeeping unit, **used** or intended to be **used** as a domicile by 1 or more **persons** and usually containing cooking, eating, living, sleeping, and sanitary facilities.

**3.93 Mobile Home** means a prefabricated **dwelling unit** designed and intended to be transported or portable for movement from site to site and the frame of such **dwelling unit** is integral to its **structure**.

Single-detached dwellings are permitted in the Residential Zone One (R1), Residential Zone Two (R2), Residential Zone Three (R3) and Residential Zone Four (R4).

To allow for more efficient use of land and provide opportunities for the provision of more affordable housing through tiny homes, planning policies and regulations must permit smaller dwellings on smaller lots. If the Town makes changes to the Zoning By-law to permit tiny homes, there will need to be a review of appropriate development standards through changes to existing residential zones and/or the creation of a new zone dedicated tiny homes development.

A preliminary review of existing zones reveals that many of the existing regulations may allow for the establishment of a tiny home on a lot but there may be the need to establish regulations that ensure there is appropriate lot sizes and built form through updated maximum lot size and frontage requirements. Of particular note and requiring specific consideration are the minimum gross floor area requirements in the R1, R2, R3 and R4 Zones (125 m<sup>2</sup>, 100 m<sup>2</sup>, 85 m<sup>2</sup> and 65 m<sup>2</sup>). These minimum gross floor area requirements would not permit a tiny home with the lowest minimum floor area being 65 m<sup>2</sup> or 700 ft<sup>2</sup> in the R4 Zone.

**Strategic Consideration:** Staff have identified possible approaches to permitting and regulating new tiny home development in St. Marys, as follows:

#### **1. Permit tiny homes on existing smaller lots of record**

There are a number of existing lots in the Town that are too small to accommodate traditionally sized dwellings and/or may have zoning that prevents a smaller home to be constructed due to constraints in the applicable zoning. To implement this approach, it is recommended that the Town:

- review and update of the Zoning By-law to establish appropriate regulations through a new tiny homes residential zone or modifications to existing zones to allow for tiny homes

#### **2. Permit tiny homes development projects – Greenfield and Infill**

This would permit tiny homes to be considered as part of new plans of subdivision. To implement this approach, it is recommended that the Town:

- establish urban design guidelines to establish the Town's expectations with respect to building and lot design, and neighbourhood compatibility
- review and update of the Zoning By-law to establish appropriate regulations through a new tiny homes residential zone

Notwithstanding the above, there may be other approaches to consider.

A key consideration will be the appropriateness of tiny home development in terms of compatibility and 'fit' with neighbourhood character, whether through minor infill development or larger developments (e.g. via plan of subdivision).

## Strategic Discussion #2: Surplus Municipal Land

**Strategic Consideration:** Tiny home development could also be encouraged through the sale or leasing of surplus or underutilized municipally owned land.

However, as discussed previously, disposal of surplus municipal land may be better utilized to provide affordable housing through higher density housing forms. Town staff have identified Town-owned properties that could be considered as surplus to support this type of initiative. With respect to the sale of surplus land, there are a few options for the Town to consider including:

- using the proceeds of land sales to fund an affordable housing fund to support qualifying housing projects
- requiring that land sales meet specified Town objectives and criteria (e.g. the Town could require that the successful proponent commit to rental housing only and agree to affordable housing rents for a minimum time period)

| Advantages  | Disadvantages  |
|---|--|
| <ul style="list-style-type: none"><li>• Provides land to affordable housing sector at a reduced cost</li><li>• Government investment is low with potential high return by providing additional affordable housing</li></ul> | <ul style="list-style-type: none"><li>• Eliminates opportunity to generate municipal revenues through sale of property at market rates</li></ul> |

Should Council support further consideration of the use of surplus municipal land, direction should be given to prepare an inventory of available surplus properties and identify which properties would provide the best opportunities to support the Town's affordable housing objectives. This information would then be brought back in a future report.

## Strategic Discussion #3: Minimum Required Affordable Units and Inclusionary Zoning

It has been suggested that requiring that the development industry pay additional development fees (presumably Planning Act application fees and/or development charges) would allow for the provision of attainable housing. Staff have concerns with this approach as there are questions as to legislative authority of a municipality to mandate such requirements as conditions of development. This question will be considered as part of the development charges review that is currently underway, with a report at a later date.

However, inclusionary zoning is a relatively new land-use planning tool that allows municipalities to require the inclusion of affordable housing units as part of residential developments of 10 units or more. To implement inclusionary zoning, a municipality must:

- Prepare an assessment report that would outline requirements for inclusionary zoning in Official Plan policies. The assessment report is prepared to understand local demographics and incomes, housing supply and demand (including types and sizes), average housing market prices and rents, and potential impacts of implementing inclusionary zoning locally.
- Have Official Plan policies authorizing inclusionary zoning setting out minimum size of development where inclusionary zoning applies, permitted locations (site specific or area wide), housing types and sizes, how incentives and affordable prices and rents would be determined, etc.
- Update the Zoning By-law to implement Official Plan policies through regulations such as the number of units to be set aside for affordable housing units, the length of time in which affordable housing units are to be kept as affordable, and requirements and standards

relating to the affordable housing units (for example, external design standards, number of bedrooms).

- Require land owners to enter into an agreement with the Town that could be registered against the land and enforced against subsequent owners, to ensure that the units remain affordable over time.
- Establish procedures for monitoring to ensure affordable housing units are maintained during the affordability period.
- Meet reporting requirements every two years and these reports must be made publicly available.

| Advantages  | Disadvantages   |
|---|---|
| <ul style="list-style-type: none"><li>• Provides an additional housing option in the community</li><li>• Assists the Town in meeting affordable housing requirements</li><li>• Potential to provide housing for households that don't earn enough to afford market housing but earn too much to receive social assistance</li></ul> | <ul style="list-style-type: none"><li>• Development industry may cite concerns with mandatory requirement to provide affordable housing</li></ul> |

Should Council support a further review of inclusionary zoning in St. Marys, direction should be given to bring forward a cost/benefit analysis related to such an approach. This information would then be brought back in a future report.

## FINANCIAL IMPLICATIONS

None known at this time.

## SUMMARY

Staff have identified possible approaches to permitting and regulating new tiny home development in St. Marys. Staff have also reintroduced a discussion respecting the use of surplus Town-owned land and inclusionary zoning to advance the Town's objectives with respect to affordable housing.

Staff are seeking Council's concurrence that the Town should further advance the Town's housing strategy by directed staff to prepare report(s) for Council's consideration of:

1. amendments to the Town's Zoning By-law and the preparation of urban design guidelines to permit tiny home development that is appropriately located and designed; and/or,
2. opportunities for disposing of surplus municipal land for the provision of new affordable housing or to provide proceeds to an affordable housing fund; and/or,
3. an inclusionary zoning strategy for new development in the Town.

## STRATEGIC PLAN

Refer to discussion of Strategic Plan in this report.

## OTHERS CONSULTED

N/A

## ATTACHMENTS

- 1) Letter from Rob Staffen (dated February 4, 2022)

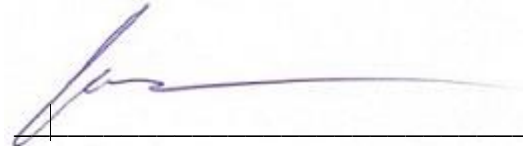
## REVIEWED BY

### Recommended by the Department



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Mark Stone  
Planner



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Grant Brouwer  
Director of Building and Development

### Recommended by the CAO



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Brent Kittmer  
Chief Administrative Officer





Box 789, St. Marys, ON, N4X 1B5  
519.857.7985 Cell

February 4, 2022  
Robert Staffen

To: Town of St. Marys Council  
Re: Official Plan Update, CIP and SP Review

Dear Mayor Al, Members of Council and Town of St. Marys Employees

On behalf of my family, I am truly thankful for the time and effort undertaken towards achieving an updated Official Plan (OP). The focus on affordable housing was very encouraging. As part of this process, I have reviewed the OP, DEV 40-2019, the DEV 77-2020 Affordable/Attainable Housing in St. Marys (AH) and the Community Improvement Plan 2021 (CIP) and provided comments that are hopefully taken under consideration by Council as suggestions from an interested party that shares the common belief in the 20 year plan that creates a meaningful legacy for future generations. My hope is that this OP, updated AH and an updated CIP will create positive change for our residents, our tourists, our businesses, and our community, both now and in the future.

One of the overriding principles of the following recommendations is to enable staff to understand the objectives of the OP, the DEV 40-2019, the AH and CIP and hold them accountable to reach these goals. The Town of St. Marys is truly fortunate to have a loyal and dedicated group of employees under the capable leadership of CEO Brent Kittmer.

This document focuses primarily on the Downtown Core, Attainable Housing and Recreation as Mark Stone and Staff is quite capable of reviewing the January 14, 2022 paper with analysis and suggestions.

### **Town of St. Marys Official Plan**

#### **A. Process for Investment**

Overall, the Plan has shown many changes that will impact the process for investments in our community. Many positive changes were made including offering clarity, details, and insights into the many processes that make an idea/plan come to fruition in the community. However, the document becomes larger and larger each time this process is revisited making the process cumbersome for entrepreneurs/developers and staff. While it is offering more clarity, I believe there is danger in complicating the process and increasing the required costs, restrictions, and reports. In addition, I think that it is important that *the OP, the AH and the CIP contain **specific goals*** over a long-term plan. I have included examples below.

## B. Heritage Protection 2.3 and Downtown 3.2

The number one concern I have for our community are the inconsistencies shown in the sections of Heritage Protection 2.3 and Downtown 3.2. I believe that our downtown core is **at serious risk**.

Specifically;

- 1) Section 2.3.1.2 states “To protect and enhance the Town’s Heritage resources by developing policies that ensure development and redevelopment occur in a manner that is compatible with and prevents adverse impacts on heritage resources and associated attributes”.

The problem is, development and redevelopment has been almost nonexistent for years and will likely continue to not happen due to the hurdles, scrutiny, costs and time required for any project.

- 2) In Section 2.3.2.1 it is unclear who has final approval on any Downtown projects. Is it Council or the Heritage Committee?
- 3) Section 2.3.2.4 reads that any development is restricted by conservation of cultural heritage or interest as part of redevelopment. Once again, developers are being held up by Heritage designations. Section 2.3.2.5 mentions that any assessment is done at the developers cost, which discourages redevelopment as many will walk away.
- 4) Sections 2.3.2.8 and 2.3.2.9 reads that any construction project **in its entirety**, is subject to all the conditions under the Heritage designation. Therefore, even interior construction projects are subject to review. That is an unsustainable action plan as businesses need the ability to get their businesses up and running quickly, to be flexible, and to customize to suit the needs of their business.
- 5) The Heritage Protection 2.3 section should ***state that developers be responsible for preserving the exterior fascia of the heritage designated buildings***. Period.

An excellent example where Heritage Protection is managed well is Charleston, South Carolina. Charleston is a beautiful Town with significant American Civil War history, which was founded in 1680. Their Heritage Protection plan includes ***all exterior fascias only*** and does not include any interior work. Any changes in the interior are subject to the normal building permits as any other development. In fact, numerous grants are available to the property owner to meet this requirement of the exterior fascia to help offset the significant costs to accommodate the specialized craftsmanship required to restore these ornate store fronts.

The downtown in Charleston, SC, has become the place to work, live and shop.

- 6) In our community, property taxes seem rather high for commercial spaces. In Charleston, property taxes are lowered dramatically in the downtown core for historically designated Buildings, if they complete the work on the fascia.
- 7) Our community retail environment seems to have high turnover, is struggling to keep restaurants open, and is lacking unique retailers that draw in tourism. The results in Charleston are very strong with almost every downtown building (both retail and homes) having been completely restored. Even more importantly, the downtown retail environment is thriving with unique restaurants, bars, and shopping. It reminds me of the downtown of Stratford, ON.

### **Downtown 3.2**

- 8) A disappointing fact about our downtown is that many of our Heritage Designated commercial buildings are empty and, in many cases, dilapidated or in a state of disrepair because of age and neglect.

Schedule 'A' attached shows pictures of some of these buildings. An example of a building at serious risk is the Andrews/Anstett property.

We, as a community, are partially to blame for letting this happen.

- 9) Sections 3.2.1.2, 3.2.1.3, 3.2.1.4, 3.2.1.8, 3.2.2, 3.2.3.1 appear to support new or redevelopment of downtown properties but section 3.2.3.7 (b) puts the emphasis on the Heritage Section 3.3 and may require more studies. Again, this is a deal killer; especially if it involves the interior of the building.

### **The Results/Impacts on the Downtown:**

- Empty and dilapidated buildings (see schedule 'A')
- Absent landlords
- A downtown core that lacks vibrancy to attract tourism
- Rental units on the 2<sup>nd</sup> and 3<sup>rd</sup> floors less than desirable
- The 2012 report "Heritage Conservation District Plan – Town of St. Marys" scares potential investors in downtown St. Marys
- The fair market value of our commercial properties versus that of our residential properties proves our downtown core lacks vibrancy with commercial properties often costing less than the lowest priced homes in St. Marys. For example:
  - The Anstett/Andrews building sold for \$189,000 in 2004 and for \$260,000 in 2017. The assessed value is \$185,000
  - The M&M building at 6 Water St. South sold for \$450K in June 2019
  - The Chocolate Factory at 166 Queen St. East sold for \$450k in April 2021
- Lack of developments or redevelopments
- The commercial buildings are at risk for survival, including the Andrews/Anstett Building, the Dollar store and The Grand Central Hotel Buildings, among others. The Opportunity for our Downtown are the wonderful buildings shown in **Schedule 'B'**

## Recommendations:

1. Rewrite Section 'Heritage Protection 2.3' to exclusively focus on and mandate the restoration of exterior fascias.
2. While the Heritage Committee is a critical resource for Council, they should be accountable to Council.
3. St. Marys should eliminate property taxes for 5-7 years upon a complete Fascia construction completion. CIP section 6.12 addresses this opportunity. (Connect OP to CIP)
4. Leave the interior space to the Building Department but recognize pre-existing conditions. Develop a plan for Attainable housing in these spaces with tax incentives, use of the \$50,000 in annual funds from the budget.
5. Increase the \$50,000 budget to \$125,000 for fascia construction projects and Attainable housing on a 50/50 split.
6. Offer significant grants (as above) to encourage redevelopment on the exterior fascias. I have attached my comments and recommendations for the CIP & AH (that should connect directly with the Official Plan) in Schedule 'C'.
7. The Heritage Committee/Council could **set goals in the OP** (over a 20 year plan) of buildings to protect in the pursuit of their vision. For example, within 5 years have 2 properties redeveloped/renovated. Town of St. Marys staff are then held accountable.
8. Properties that continue to be in a state of disrepair or ruin because of age or neglect are fined (or taxes remain at the existing higher cost) if they are unwilling to pursue the grants as outlined above and included in the CIP.
9. Staff hold annual meetings with all owners of Downtown Commercial properties individually to explain and offer incentives for the fascia improvements.
10. Consider the potential that these rundown buildings could have on our downtown core. For example, there is an opportunity to transform the former Dollar Store downtown (image 2 in Schedule 'A') back to its former glory, as shown in an original picture from the early 1900's (image 7 in Schedule 'A').
11. The Town has initiated a Town-wide Parking Study that will include consideration of parking requirements in the downtown and with higher density development.  
Completion?

12. Support the recommendations of the OP review to consider options to permit standalone residential uses (e.g. low-rise apartment buildings) in the periphery parts of the Central Commercial area, provided such uses do not impact the primary commercial, service and tourism function of the downtown. Perfect- how many in the next 5 years?
13. Staff has recommended policy changes to the Official Plan to permit residential uses on the ground floor of low-rise apartment buildings in parts of the downtown. Perfect.

### C. Section 3: Land Use Policies

Residential 3.1 is well written. The focus on affordable housing is important for all of us and the OP does an excellent job addressing this.

My comments are as follows:

- 1) Section 3.1.1.2, 3.1.1.6 and 3.1.2.16 is written in good faith with respect to low-income housing.
- 2) The issue is that the developments I see being built are rental units at or over \$2,000/month and the townhouse homes for sale are almost \$600,000 each. That is not affordable housing. We are lacking a solution that is addressing the issue.
- 3) 3.1.2.3 infilling, 3.1.2.3.3 to 3.1.2.8 and 3.1.2.12 for accessory apartments are great additions to the document.

### DEV 40-2019 Town of St. Marys Review of Population Projections and Residential Land

**Demand/Supply:** Tough to figure out recommendations for Attainable Housing and the OP with a number of Formal reports out there? Example is page 21- once again 'Attainable Housing' is mentioned briefly without any ideas on numbers, a plan for goals and execution, nor how Staff will be held accountable. This is the one document that should nail 'Attainable Housing'?

### Recommendations:

- 1) **DEV 40-2019 Town of St. Marys Review of Population Projections and Residential Land Demand/Supply-** Rewrite the document with a plan for Attainable Housing included in any Supply/Demand residential lots report. It should include 'Attainable Housing' grant budgets for the next 5 years, how many lots are included (10% as per Provincial guidelines?), how many each year are built, execution policy and how Staff will be held accountable.
- 2) Each existing Phased development approved would have to have 'X' (four?) amount of low-income units. They could be financed by government grants, if any, increased development fees that fund low income housing (the better plan), at cost labour and materials by the developer and their suppliers and other ideas as shown in 3.1.2.16 as well as shown in the CIP recommendations Schedule 'C'.

- 3) This Section should include **goals as to the number of low income housing** to be built over the next 10 years, specifically written into the OP & CIP & SP.
- 4) Developers (lots donated as part of their phased lot developments), builders (part of their ability to have 15-20 homes per year), grants (part of the \$150,000) and thru increased development fees should pay and provide Attainable housing properties.
- 5) DEV 77-2020 Affordable/Attainable Housing in St. Marys: Excellent document – Missing the Goals, Action Plan and Staff Accountability
  - Developers have to be shown ideas in this section that allows them to at least break even or make a bit of money. This is where the \$50,000 can be used.
  - Donate Town of St. Marys unused land bank(s) for attainable housing. How many a year?
  - Explore opportunities for pre-zoning certain lands for attainable housing following completion of the OP
  - Staff has recommended the inclusion of a policy in the new OP encouraging pre-zoning of certain lands with a holding provision, to permit attainable housing, where appropriate.
  - Consider alternative development standards, following completion of the Official Plan review, through an update to the Town's Zoning By-law. Increase development fees, new developments **require 5% to 10% of land** to be donated to attainable Housing. Developers are required to build on each lot donated 2 units for Attainable Housing
  - Work with suppliers (HHBC) and each Home contractor to be required to build these homes.
  - Staff to determine what is "attainable Housing" Size in sq. ft., # of bedrooms, building requirements
  - Staff to determine, under a lottery system, who (what family) qualifies for Attainable Housing. Based on Income, family size, and other factors.
  - Staff has recommended the inclusion of policies in the new OP to encourage: the implementation of innovative and flexible design standards through the Town's Zoning By-law to permit more efficient development of attainable housing; and, reduced Zoning By-law parking requirements in recognition of lower car ownership rates and/or lower car ownership usage in downtown or more walkable areas.
  - Continue to provide land for attainable housing through the sale (Donation) or leasing of surplus or underutilized municipally owned land, and consider maintaining a publicly accessible database to assist potential developers seeking to construct affordable housing and tenants seeking affordable housing vacancies. Provide on an annual basis one such unit per year. HHBC provide material at cost as a commitment to the Community (Staff to present idea to HHBC).

- Staff was to present report to Council in 1st quarter of 2020 to assist in the identification and assessment of potential opportunities to implement this initiative. This project was paused due to the pandemic, but the consideration to divest Southvale Park for the purposes of creating attainable housing units will be prioritized in 2021. *Status.*
- Allow for tax exemptions for attainable housing on Town owned land (leased) through the municipal capital facilities provisions of the Municipal Act To be assessed and implemented on a case-by-case basis
- Update Development Charges By-law to reduce development charges for non-profit housing
- Staff has recommended the inclusion of policies in the new OP to consider exemptions or reduced development charge rates for affordable housing as part of the next Development Charges Background Study. The DC Background study project will begin in mid 2021. *Completed?*
- Budget of \$50,000 was approved from reserves to fund a 1-year pilot program in 2020 to implement incentives. Staff recommend carrying forward unspent funds to 2021. *Should never be unspent.*
- Amend the Fees By-law to permit a 50% discount on planning application fees for proposed attainable housing development
- Reintroduce the Heritage Tax Rebate Program B to encourage the provision of attainable rental housing in the downtown
- Update Development Charges By-law to exempt all additional dwelling units from development charges To be determined as part of the Development Charge By-law update in 2021. *Complete?*
- Update Development Charges By-law to permit annual installments for development charges – 20 years for non-profit housing and 5 years for rental housing (to be determined as part of the Development Charge By-law update in 2020) To be determined as part of the Development Charge By-law update in 2021. *Completed? Eliminate all the fees period.*

#### D. Recreational 3.7

Our community is truly blessed with an abundance of recreational opportunities for families. Many of these facilities are some of the best in Ontario. Examples include our trails, the Grand Trunk Walkway, the Quarry and the Canadian Baseball Hall of Fame, among others.

The Section 3.7.3.4 Active Transportation is very well written. However, I would recommend that we, as a community, **set goals in the OP for active recreation that considers the long term, 20-year plan. I recommend we consider a plan to subsidize, design and endorse the construction of a cycling path from St.Marys, through Perth South to Stratford with co-partners Perth South and the City of Stratford.** It would include our own existing trails and connect with the Stratford trails.

There is a PowerPoint presentation regarding this opportunity titled 'County Wide Cycling Strategy' contact Rebecca (Perth South). The benefits of this include bringing the thriving Stratford tourism industry to St. Marys, which would benefit our community in so many ways including our downtown. An example of such a project is the G to G trail (Guelph to Goderich).

Our family would consider a donation/sponsorship, along with a leadership/volunteer role to such a project.

With the recommended changes to the OP, AH (updated), DEV 40-2019 (updated) and the CIP (updated), we, as a community, can be seen by investors, that we are 'Open for Business'; including both industrial and residential development with specific goals for our downtown core area.

We can provide a detailed action plan for affordable housing.

It is also critical for Council and staff to understand that we need to have set goals with accountability and to assist investors within the confines of the OP, AH and CIP. The Op, AH and CIP need to be connected and to be in compliance with each other. One should not be updated (OP) without the others done at the same time (AH, DEV 40-2019 and CIP).

On behalf of my Family, I sincerely thank you for the time you allowed me and for your efforts in the development of our new Official Plan. We are truly thankful for this community.

Sincerely,

Rob Staffen



**Schedule 'A' –Page 1**  
**Downtown Heritage Sites at Risk**



IMAGE 1:  
140 Queen Street East –Partially Empty



IMAGE 2:  
125 Queen Street East  
Empty former Dollar Store



IMAGE 3:  
135 Queen Street East - Empty



IMAGE 4:  
153 Queen Street East- ½ Empty

**Schedule 'A' –Page 2**  
**Downtown Heritage Sites at Risk**



IMAGE 5:  
Grand Central Hotel  
150-152 Queen Street East Built 1850



IMAGE 6:  
The Old Opera House 12 Water Street South



IMAGE 7:  
125 Queen Street East- Original picture (early 1900's)



## Schedule 'B'

### Stunning Downtown Heritage Building Fascias



IMAGE 9: 165 Queen Street East



IMAGE 10: 142 Queen Street East



IMAGE 11: 158 & 154 Queen Street East



IMAGE 12: 6 Water Street South



IMAGE 13: 162 Queen Street East

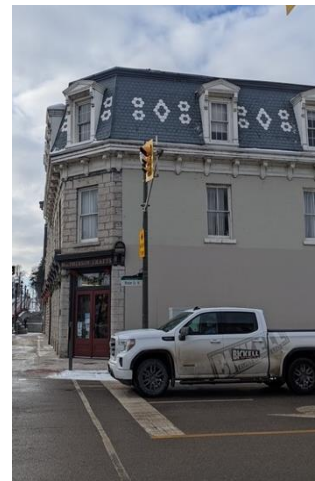


IMAGE 14: 91 Queen Street East

## **Schedule 'C'**

### **Review of the Town off St. Marys Community and Improvement Plan 2021 (CIP)**

The CIP is an excellent document; the suggestions below are to connect this document to the OP and to enable Staff to understand the objectives of the CIP and hold them accountable to reach these goals.

- A) Section 2.1 - Council should address the issue of decreasing dollar grants from a high of \$58,716 in 2017 to a low of \$6,760 in 2020.
- B) Section 4.1 - The Goal statement is good, however objectives in Section 4.2 need 'actionable results'. This is the only way Council can access performance of Staff to be held accountable for both the OP and the CIP. For example, my recommendations are:
  - 4.2.1 Review and restore. This section requires greater detail. The Goal should be that within 3-10 years - 2 downtown buildings and 2 private homes are financed by the Town Grants and completed within the first 10 years of this time period.
  - 4.2.4 One of the goals of the CIP for the downtown area is to lower the commercial tax base - not increase. The higher taxes can be focused on residential and Industrial development.
  - 4.2.6 Vacant commercial property is just a suggestion –it should read as a Goal “reduce the vacancies by 2 within the period as above.”
  - 4.2.7 Critical action of the CIP should be to 'increase the availability of attainable housing'. This should become one of the main goals of Council and Staff (see suggestions included in the OP recommendations above). Attainable Housing Goals will require money, action and tough restrictions on residential developers.
  - Simply put we, as a community, should demand four (4) attainable housing units each and every year for the next 10 years.
- C) Section 5.1 supports Section 6.2 in the OP. The OP and CIP are still inadequate for establishing attainable and defined results regarding this serious topic.
- D) Section 6.2 connects to the OP, however sections 6.2(g),(i), 6.3.2, 6.5.2, 6.6.2 and 6.7.2 allow grants that are less than adequate to really do what you hope the CIP will accomplish. For example, a fascia improvement could cost between \$50,000 and \$150,000. Will \$10,000 be enough incentive? Not likely.
- E) Sections 6.11, 6.12, 6.13 and 6.14 are excellent.
- F) Section 7.2 Administration - In business, it is critical to connect your staff/employees to accountable and attainable goals. Performance reviews should be dependent on the results. If not the results are arbitrary.
- G) Section 8.1 is excellent. I would add that a performance standard for Staff accountable to the CIP is to conduct annually one-on-one personal meetings with each and every individual property owner in the downtown core.
- H) Section 8.4 - Once the OP process is completed I would recommend a full review of the financial incentives of the CIP and substantially increase the annual grant goal to be \$150,000/yr (or more). In addition the action plan for attainable housing is critical to our community. Not a vague, undefined promise.



# INFORMATION REPORT

|                         |  |
|-------------------------|--|
| <b>To:</b>              | Chair Stratthdee and Members of Strategic Priorities Committee   |
| <b>Prepared by:</b>     | Dave Blake, Environmental Services Manager   |
| <b>Date of Meeting:</b> | 15 February 2022   |
| <b>Subject:</b>         | <b>PW 07-2022 Status Update on Grit Removal, Administration Building, and Odour Control System Upgrades at the Water Pollution Control Plant</b> |

## INFORMATION

This report provides the Strategic Priorities Committee with information related to the status of the planned upgrades to the Grit, Administration and Odour Control System at the Water Pollution Control Plant (WPCP).

## RECOMMENDATION

**THAT** report PW 07-2022, Status Update on the Grit, Administration and Odour Control System Upgrades at the Water Pollution Control Plant be received for information.

## BACKGROUND

Circa 2017, the Town of St. Marys received a grant application through the Clean Water Wastewater Fund (CWWF) for the completion of design engineering of a project that would see the Town complete infrastructure upgrades related to the grit separation process and odour control measures at the WPCP as well as the replacement of the administration building. This design project was completed which resulted in a shovel ready project for the Town.

As the exact timing for the construction to be completed was unknown after the design was completed, Environmental Compliance Approval (ECA) Application(s) were not immediately submitted. This decision was made because project completion needs to be within five (5) years from the date of approval.

As the project represented a major infrastructure expense for the Town, multiple attempts were made to source and secure additional grant funding opportunities for the project to lessen the financial burden through project completion. Unfortunately, with grant funding being consistently tied to “Health and Safety” concerns, this prevented a competitive application from the Town. After several failed attempts to secure grant funding the Town reviewed the financial position for the Wastewater System and its ability to fund the project and decided to proceed with the project in the fall of 2020.

The following report provides an informational update to the Committee on the progress to date, and next steps for this project.

## REPORT

Once the construction window became better known in the Fall of 2020, the Town’s Engineering consultants (R.J. Burnside and Associates Limited) submitted an ECA Application for consideration on **November 16, 2020**, with a request for expedited review on the file. This was done with the hope of

obtaining a modified ECA for the WPCP prior to April 1, 2021 in order to address operational challenges and concerns related to existing infrastructure at the Site that is to be replaced.

Immediately after the submission of the ECA application, the Town and our Consultants completed a Pre-Qualification process for General Contractor selection on the file with the anticipation of a Spring 2021 construction start.

On January 26, 2021, Burnside received a reference number (7678-BVFKYG) and notification that the application had been assigned to an applications assessment officer. Then on January 28, 2021, Burnside received notification from the Application Assessment officer requesting some additional information which was subsequently provided on February 11, 2021.

Following this date several attempts were made to inquire about the approval submission status. Unfortunately, the request for expedited review was not accepted and the file was not assigned to a reviewer at the Ministry until well after our requested date. On September 7, 2021, Burnside received comments and questions from the assigned MECP reviewer. It was at that time, the Town and our Consultants were made aware of a *potential* requirement to submit a second stream ECA Application related to air emissions for the Site as a result of the project including an updated odour control system. Unfortunately, as the scope of work for the project did not involve the addition of air emission sources at the Site beyond existing, the Town and our Consultants were not aware, nor anticipating a requirement for a second stream Air ECA application for this project to proceed.

Specifically, the Town's current ECA (No. 4934-AH9S98) [Sewage ECA], includes and incorporates the Lystek odour control system. The Air ECA for the Site (No. 7681-8ZNK3B) which is dated April 17, 2013, lists the exhaust from the Lystek system but does not list any associated odour control equipment. As a result of the make up of the existing approvals for the Town, the ECA Application was submitted to amend the "Sewage ECA" as it contained the specific equipment being replaced under the project.

Unfortunately, through subsequent discussions with Ministry officials, it has been confirmed that an Air and Noise ECA application is required for this project to proceed. It is the Town's understanding that although approvals historically were issued as above (such as for the Town's WPCP), the Ministry has made policy changes in recent years to standardize any exhaust sources and equipment within air approvals. This approach and requirement was not identified during the initial screening of the application upon submission nor communicated to the Town or our consultants and has now resulted in significant and ongoing delays in commencing this project.

At this time, no approvals have been received for the project. The "Sewage ECA" is nearing completion of the review process and is anticipated in the next couple of weeks. However, the now required Air and Noise approval application will need to be developed, modelled, submitted and subsequently reviewed and approval by the MECP. Based on discussions with the Ministry to date, Staff estimate 3-6+ months to complete this process based on a commitment for priority review on the Air and Noise approval by the MECP.

Given the above information, and the requirement for an Air and Noise approval at this time, it is unlikely that construction would commence in 2022 as the approval delays push back tendering processes and contractor availability diminishes. As such, it is more likely to result in a 2023/2024 construction window at this time.

## **SUMMARY & IMPLICATIONS**

Based on the information within this report and direction received from the Ministry of Environment, Conservation and Parks (MECP), the Town is not able to proceed with any construction works related to this project until an ECA Application for Air and Noise is submitted, reviewed and subsequently approved by the Ministry.

The second application package requested by the MECP related to Air and Noise is estimated to cost approximately \$25,000.00 + HST for the supporting works related to modelling efforts, reporting and application fees.

This money, unbudgeted for the project, is proposed to be funded through wastewater reserves.

## **STRATEGIC PLAN**

☒ Not applicable to this report.

## **OTHERS CONSULTED**

Jed Kelly, Director of Public Works – Town of St. Marys

Jamie Jupp, Senior Project Manager – R. J. Burnside and Associates Limited

## **ATTACHMENTS**

None

## **REVIEWED BY**

### **Recommended by the Department**

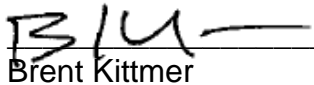


Dave Blake, C.E.T.  
Environmental Services Manager



Jed Kelly  
Director of Public Works

### **Recommended by the CAO**



Brent Kittmer  
Chief Administrative Officer





# FORMAL REPORT

|                         |  |
|-------------------------|--|
| <b>To:</b>              | Chair Stratthdee and Members of Strategic Priorities Committee |
| <b>Prepared by:</b>     | Dave Blake, Environmental Services Manager                     |
| <b>Date of Meeting:</b> | 15 February 2022   |
| <b>Subject:</b>         | <b>PW 08-2022 Aeration System Piping Replacement</b>           |

## PURPOSE

This report provides information to the Strategic Priorities Committee regarding the Aeration System piping at the Water Pollution Control Plant (WPCP) for consideration.

## RECOMMENDATION

**THAT** report PW 08-2022, Aeration System Piping Replacement be received for information; and,

**THAT** the Strategic Priorities Committee recommends to Council:

**THAT** the replacement of the aeration system piping at the WPCP be advanced on the Capital Plan to 2022; and,

**THAT** an unbudgeted amount of \$480,000.00 + HST be approved for aeration system piping replacements in 2022 to be funded through wastewater reserves.

## BACKGROUND

The aeration system at the WPCP is one of the most important parts of the treatment train where oxygen is provided to the microorganisms to promote the biological treatment process. This is achieved by a series of blowers which deliver air through a network of piping to the bottom of the aeration basins. The Town's WPCP consists of a series of three (3) aeration basins supported by four (4) blowers (1-turbo blower and 3-centrifugal blowers) that deliver air through the piping to diffusers installed at the bottom of the tanks which distribute the air through the wastewater above.

The Turbo Blower, installed in circa 2014 operates as the primary blower equipped with a Variable Frequency Drive (VFD) to adjust the distribution of air to maintain a dissolved oxygen content of 4.0 ppm to the process. The distribution of the air is achieved through a network of stainless steel and PVC pipes.

This report provides information to the Committee regarding the current state of the aeration system piping based on recent assessments for consideration.

## REPORT

Staff updated the wastewater systems long term capital plan in mid-2021 which had planned for the aeration piping replacement to occur in future years starting around 2024. The plan was for one cell to be completed per year for three years to lessen the financial impact of the planned project. Unfortunately, through a subsequent process review, increased pipe failure rates and the overall condition of the piping system is viewed as having negative effects on the blower system. It has been



strongly recommended by our Operating Authority that the project be moved forward with all three cells being completed at the same time.

Initially, thoughts were that this project would be a possible fit as a “provisional item” on the larger Grit, Administration and Odour Control project that was planned at the WPCP in 2022. However, Provincial approval delays prevent this approach moving forward. Given the high priority that the Town’s Operating Authority has now placed for this work, staff is requesting consideration for approval as a stand alone project in 2022.

The recommendation to move the project forward is based on more recent observations of the pipe conditions noted during recent failure and / or repair events, and a noted back pressure condition on the blower system that is causing an inefficient operation. This is believed to be from water infiltration of the piping network causing excessive “wear and tear” on the blower system.

## **FINANCIAL IMPLICATIONS**

In December 2021, an updated cost estimate was obtained for the completion of aeration piping replacements. The piping replacement and the associated maintenance works has been estimated at \$130,000.00 per cell, or \$390,000.00 to complete all three. With a 10% Engineering allowance and 15% contingency allowance, the overall project is estimated to cost up to \$480,000.00+ HST.

This project would be funded through Wastewater Reserves.

Should the project be recommended for 2022 completion, the Town would release a tender for competitive bidding on the project to be awarded through Council.

## **SUMMARY**

Based on information presented within this Report, it is staff’s recommendation that the Strategic Priorities Committee recommend to Council that the replacement of the aeration system piping at the Water Pollution Control Plant be moved forward to 2022 and that a budget of \$480,000.00 + HST be approved for the project to be funded through wastewater reserves. This project would not only see the aeration cells cleaned and removal of harmful sediment build up, but would also work to eliminate the back pressure on the blower systems that is causing inefficiencies across the system cause by water infiltration into the air dispersion pipes.

## **STRATEGIC PLAN**

- ☒ This initiative is supported by the following priorities, outcomes, and tactics in the Plan.
  - Pillar # 1, Infrastructure – Developing a comprehensive and progressive infrastructure plan:
    - Outcome: St. Marys is committed to developing a progressive and sustainable infrastructure plan that meets the infrastructure needs of today and tomorrow. This will require a balance between building and regular maintenance.
    - Tactic(s): Identify immediate needs in the community.

## **OTHERS CONSULTED**

Adam McClure, Operations Manager – Ontario Clean Water Agency

## **ATTACHMENTS**

None

## REVIEWED BY

### Recommended by the Department

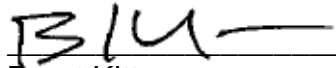


Dave Blake, C.E.T.  
Environmental Services Manager



Jed Kelly  
Director of Public Works

### Recommended by the CAO



Brent Kittmer  
Chief Administrative Officer



# INFORMATION REPORT

|                         |  |
|-------------------------|--|
| <b>To:</b>              | Chair Stratthdee and Members of Strategic Priorities Committee |
| <b>Prepared by:</b>     | Dave Blake, Environmental Services Manager                     |
| <b>Date of Meeting:</b> | 15 February 2022   |
| <b>Subject:</b>         | <b>PW 09-2022 Industrial Waste Surcharge Program</b>           |

## INFORMATION

This report provides information to the Strategic Priorities Committee related to the Industrial Waste Surcharge Program for the wastewater treatment and collection systems.

## RECOMMENDATION

**THAT** report PW 09-2022, Industrial Waste Surcharge Program be received for information.

## BACKGROUND

The Town of St. Marys has allowed for Industrial Waste Surcharge Agreements (IWSA) to be administered in relation to the sanitary sewer system dating back to circa 1993. However, it wasn't until the mid to late 2000's when the program use shifted and industrial uptake increased. The current program consists of 4-5 industrial users (either current or potential) which have been allocated a portion of excess, or unused, capacity from the Wastewater Treatment Plant.

In circa 2017, Staff identified challenges with the existing program and sought direction on options for the program moving forward. At the February 20, 2018 Strategic Priorities Committee meeting, the following Recommendation was received:

### ***Resolution 2018-02-20-04***

***Moved By:*** Councillor Hainer

***Seconded By:*** Councillor Osborne

***THAT*** report PW 07-2018, Wastewater Industrial Waste Surcharge Program be received for discussion; and,

***THAT*** the Strategic Priorities Committee recommends to Council:

***THAT*** Council support the updated wastewater surcharge program as recommended by Staff in report PW 07-2018 and staff be directed to proceed with industry consultations in regards to the updated wastewater surcharge program with a report back to Council.

Since that time, staff have completed a thorough and comprehensive program review and have now completed multiple rounds of consultation with interested stakeholders regarding the program transition and Agreement.

This report provides information to the Committee on next steps in the transition process.

## **REPORT**

Staff have completed multiple rounds of consultation with interested stakeholders related to the program transition. Each consultation round built on feedback received from those stakeholders to better define the program and create transparency in the development process. As such, staff are now in a position to issue new Agreements to program participants to transition them to the new program model.

This report is to ensure the Committee and Council is aware of the activities taken to date, and the next steps to facilitate the program transition.

Some of the key proposed program changes are as follows:

- The program is to remain with updates being proposed to standardize and simplify the program as a whole;
- The method for determining surcharge invoices is to be simplified for program users;
- A potential 30% reduction in surcharge fees when comparing the proposed program to the existing program;
- Removing potential growth limiting aspects of the current program;
- Improved requirements and expectations around pre-treatment processes;
- Agreement duration periods added to ensure the program remains current and sustainable; and,
- Incorporated a structure to promote and entice compliance to the program

In order to ensure the program transition and modifications were well known to program participants, the following activities have now been completed regarding the Industrial Waste Surcharge Program consultations:

- Initial consultation round undertaken from April 13 to May 4, 2018
- Stakeholder meetings held mid-2018 to detail program shift and program participant positions
- Engineering review of specific comments for consideration in Fall 2018
- Second round of consultation efforts undertaken in early 2020
- Third round of consultation efforts undertaken in 2021
- Legal review of amended Agreement completed summer 2021
- Final circulation of updated program completed Fall 2021

Moving forward, staff are preparing to issue final letters, Agreements and supporting documentation to program participants in the coming weeks to begin the process to formally transition the Industrial Waste Surcharge Program. Staff will bring a report(s) to Council at a later date seeking the termination of existing Agreements and the issuance of the new Agreements to finalize the process.

Staff are targeting July 1<sup>st</sup>, 2022 as the date the program formally transitions.

## **SUMMARY & IMPLICATIONS**

Town staff have now completed the consultation activities related to the Industrial Waste Surcharge Program and are ready to move forward with program transition. Program participants and projected program participants will be issued their final Agreements under the new program in the coming weeks to initiate this process.

Supplemental reports will be received at Council in the coming months to transition the program by terminating existing Agreements and accepting the issuance of the new program agreements.

There are no implications at this time.

## **STRATEGIC PLAN**

☒ Not applicable to this report.

## **OTHERS CONSULTED**

Jed Kelly, Director of Public Works – Town of St. Marys

Interested stakeholders to program utilization

## **ATTACHMENTS**

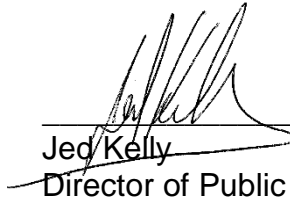
None

## **REVIEWED BY**

### **Recommended by the Department**

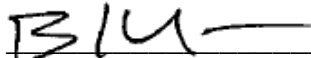


Dave Blake, C.E.T.  
Environmental Services Manager



Jed Kelly  
Director of Public Works

### **Recommended by the CAO**



Brent Kittmer  
Chief Administrative Officer