



To: COUNCIL

Meeting Date: 9/23/2025

Subject: Recommendation Report for Official Plan Amendment and Zoning By-law Amendment OR02/25– 32, 36 & 38 Grand Ave South

Submitted By: Sarah Austin, P.Eng., Acting Director of Planning

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Report No.: 25-008-PG

File No.: OR02/25

Wards Affected: Ward 5

RECOMMENDATION(S):

THAT Report 25-008-PG Recommendation Report for Official Plan Amendment and Zoning By-law Amendment OR02/25– 32, 36 & 38 Grand Ave South be received;

AND THAT Cambridge Council refuse the proposed Official Plan Amendment to retain the Galt City Centre Core Area designation and add site specific policies to increase the maximum Floor Space Index, maximum height and maximum density;

AND THAT Cambridge Council refuse the proposed Zoning By-law Amendment to add site specific provisions to permit an increase in height and density, a reduction in amenity area, and reductions in setbacks, to facilitate a 28 storey mixed use building;

AND FURTHER THAT Council is satisfied that the requirements for a public meeting in accordance with subsections 17(15) and 34(12) of the Planning Act have been met.

EXECUTIVE SUMMARY:

Purpose

The purpose of this report is to provide Council with a recommendation on the proposed official plan and zoning bylaw amendment application OR02/25 to allow the development of a 28-storey mixed-use building.

For reasons set out in this report, staff recommend refusal of the application.

Key Findings

- The applicant proposes to demolish the existing buildings and redevelop the Subject Lands with a 28-storey mixed-use building containing ground-floor commercial space and parking, and apartment units and amenity space in storeys above.
- The Subject Lands are located within the Galt City Centre / Community Core Area and the Regeneration Area in the City's Official Plan, which supports a mix of land uses, intensification and growth guided by policies including related to flood proofing, heritage conservation, and respect for existing neighbourhood character.
- The Subject Lands are also within the Galt City Centre Floodplain Special Policy Area, which is prone to flooding from the Grand River. Any increase in residential density proposed through an Official Plan Amendment requires approval from the Ministry of Municipal Affairs and Housing and the Ministry of Environment,
- With consideration for feedback from Council and the public, planning staff are of the opinion the proposed height increase, floor space increase and setback reductions would result in a development that is contrary to the policies of the City Official Plan and draft Galt Height Guidelines. The proposal does not provide an appropriate transition to the surrounding neighbourhood and does not protect views to the Grand River. On this basis, staff recommend Council refuse the proposed application.

Financial Implications

- The OPA/ZBA Application fee, Heritage Impact Assessment Review Fee and Peer Review Administrative Fee in the amount of \$52,120 was waived through the Core Area Community Improvement Plan.

STRATEGIC ALIGNMENT:

Strategic Action

Objective(s): Not Applicable

Strategic Action: Not Applicable

OR

Core Service

Program: Development Approvals

Core Service: Official Plan and Zoning By-law Amendments

BACKGROUND:

The subject properties (herein referred to as “the Subject Lands”) are known by the municipal addresses of 32, 36 and 38 Grand Avenue South and described legally as Lots 23, 24 and Part of Lot 22 and Part of Lots 2 and 22 Registered Plan 456, City of Cambridge, Region of Waterloo. The properties are situated on the west side of Grand Avenue South, south of Hood Street. Each of the three properties are currently occupied by an existing commercial structure, except for 38 Grand Ave S, which contains a mixed-use building. The subject lands have an area of approximately 2044.8 sq. m., with approximately 53 metres of frontage along Grand Avenue South and 42 metres along Hood Street.

Figure 1 provides an aerial view of the subject lands.



Figure 1 - Aerial Map of the Subject Lands

Surrounding Land Uses

The Subject Lands are surrounded by a diverse mix of land uses that reflect the urban character of the Galt City Centre. To the north, across Hood Street, are a combination of 1 and 2 storey residential and commercial uses. East of the site, beyond Grand Avenue South, lies a parking lot and the Grand River. To the south, the property abuts a restaurant and residential uses, with St. Andrews Street providing separation from the Hamilton Family Theatre and additional commercial establishments. The nearby Gaslight District within the block to the south contains a mixed-use development including two 20-storey residential towers (69 metres in height) with approximately 400 units. To the west, low-rise commercial buildings line George Street South, with mid-rise residential buildings (4–7 storeys) located further west beyond George Street.

ANALYSIS:

Proposal

The applicant is proposing to redevelop the Subject Lands with a 28-storey mixed-use building. The proposed building would have a six-storey podium containing 454 sq.m. (4,886 sq.ft.) commercial floor area, 20 apartment units, 150 parking stalls, and 89 bicycle parking spaces. The 22-storey tower above the podium contains amenity space and 328 apartment units. The conceptual floorplan plans submitted show 274 bachelor/one-bedroom units and 54 two-bedroom units.

Parking is included in the proposal; however, staff note that parking spaces are not required for developments within the Major Transit Station Area. The applicant has indicated that an existing off-site parking agreement between the Owner of the Lands and the adjacent property at 44 Grand Avenue South (currently occupied by a restaurant) for 16 parking spaces would be maintained and the spaces accommodated in the new development.

Appendix B of this report contains the Site Plan and 3-Dimensional Renderings of the proposed development.

Policy Overview

Provincial Planning Legislation

The proposal has been reviewed in the context of the Provincial Planning Statement (PPS 2024), which provides overarching direction for land use planning across Ontario. The PPS promotes the efficient use of land and infrastructure, supports active and transit-oriented transportation, and encourages the development of strong, sustainable communities. The subject lands are located within a Settlement Area, where growth and intensification are generally supported.

Although the Growth Plan for the Greater Golden Horseshoe is no longer directly applicable policy, its legacy continues to inform planning frameworks through the PPS and related provincial initiatives. The site is located within a Major Transit Station Area (MTSA) associated with the planned extension of the ION LRT. MTSA's are recognized in provincial policy as strategic areas for intensification, with a minimum target of 160 people and jobs per hectare. The proposed development contributes to this target and aligns with the PPS objective of optimizing infrastructure and supporting transit viability.

However, the site is also located within the Galt City Centre Floodplain Special Policy Area (SPA). SPAs are designated under provincial policy to allow limited development within flood-prone areas, subject to strict conditions. Official Plan Amendments within an SPA require dual Ministerial (Ministry of Municipal Affairs and Housing and Ministry of Natural Resource) approval prior to any formal planning approvals being granted. This reflects the sensitive nature of the site and the need to ensure that flood risk, public safety, and environmental integrity are adequately addressed. While the PPS supports intensification in Settlement Areas and MTSA's, it also mandates that development be safe and sustainable, particularly in areas subject to natural hazards.

Together, the MTSA and SPA designations present a complex provincial planning context. Any future development must reconcile these overlapping objectives—supporting transit-oriented growth while ensuring safety and compatibility with environmental constraints.

Regional Official Plan

As of January 1, 2025, planning authority for the Region of Waterloo was transferred to the City of Cambridge. However, the Region of Waterloo Official Plan (ROP) remains in effect and is deemed part of the City's Official Plan until a comprehensive update is completed to consolidate the policy documents.

The subject lands are designated as "Urban Area" and "Built-Up Area" in the ROP. These designations support growth through intensification, particularly in areas served by transit. The proposed development conforms to Policy 2.F of the ROP, which promotes intensification within the delineated Built-Up Area to make better use of infrastructure and support the Region's transition to a low-carbon, energy-efficient community.

The ROP also identifies Urban Growth Centres and Major Transit Station Areas along intensification corridors as priority areas for higher-density development. These areas are intended to connect with a broader network of Local Centres and Township Growth Areas, creating a seamless mobility system focused on walking, cycling, and transit. The subject site's location within an MTSA aligns with these regional objectives, although the SPA designation introduces constraints that must be addressed through

provincial coordination. The subject lands are outside of the nearby Urban Growth Centre.

Cambridge Official Plan

Within the City Official Plan (City OP), the Subject Lands are designated Galt City Centre Community Core Area, Regeneration Area and the Floodplain Special Policy Area, and are located just outside of the Urban Growth Centre.

Within the Community Core Area, the Floor Space Index minimum and maximum apply, with a maximum building height of 5 storeys. Within Regeneration Areas without a Secondary Plan, as is the case for the Subject Lands, the City OP limits the Floor Space Index (FSI) to a minimum of 0.5 and a maximum of 2.0 and a maximum building height of 8 storeys. In the case of the subject lands, the applicant proposes to retain the current designations, and introduce site specific policies to permit a significant increase in height of 28 storeys, and Floor Space Index of 13.5.

The City OP encourages higher-density, mixed-use development in the Core Areas, but sets clear parameters for scale and compatibility. Policy 2.6.1.2 directs that intensification in these areas will be planned and designed to achieve higher densities than other areas and mix of uses but equally ensures an appropriate transition of built form to adjacent areas.

Policy 2.6.3.2 for Community Core Areas and Policy 2.6.6 for Major Transit Station Areas describes both areas as having a range of housing types that are transit oriented, with opportunities for commerce and shopping. Although staff find the proposal does include certain elements that can be supported – namely the provision of housing, the podium/tower form, and a mix of commercial uses, and a focus on being transit rather than auto oriented, its built form does not align with or achieve key urban design standards in Section 5.1, primarily:

c) protect and enhance public views and vistas of natural and built features.

Comment: The proposed height blocks views of the Grand River for the surrounding area, including those residential areas to the west which are at a high elevation.

e) ensure compatibility in scale, form, massing and height transition between new development and existing buildings and adjacent neighbourhoods while being sensitive to the context.

Comment: The proposed 28-storey building does not provide a meaningful transition in height, scale, or form between the surrounding low- to mid-rise neighbourhood and the emerging Gaslight District; instead, it introduces a sudden vertical presence that

disrupts the intended gradation of built form and undermines the contextual integration envisioned in the City's planning and urban design policies.

i) ensure that development is sensitive to and respectful of the physical and functional identity and the heritage attributes of Cambridge.

Comment: The proposed development shows a general disregard for the heritage character of the surrounding area, particularly the 0 metre setback proposed from the adjacent heritage listed property at 10 St. Andrews St.

Section 8.4.2 introduces factors to take into consideration when assessing compatibility for new development. Staff found the proposal does not appropriately consider or achieve the following:

- a) the density, scale, height, massing, visual impact, building materials, orientation and architectural character of neighbouring buildings and the proposed development;
- b) the conservation, protection, maintenance and potential enhancement of the natural environment and cultural heritage resources;
- e) landscaping, setbacks, sun and shadow effects, wind effects, signage, lighting and buffering of existing development and proposed developments.
- i) transitions between different land uses and between sites having varying permitted uses.

Furthermore, Section 3.4.2.3 requires a transition between areas of different intensity and scale, which this proposal does not achieve.

Galt Core Area Building Height Guidelines

The City initiated the preparation of the Galt Core Area Building Height Guidelines in 2021. After consultation with the public and Council, a final draft of these guidelines was produced in 2022. Although this document has not been formally approved by Council, it is intended to be used in the evaluation of development applications in the Galt Core Area.

These draft guidelines emphasize context-sensitive intensification that respects heritage assets, transitions in built form, and the character of the public realm, particularly in areas with cultural and environmental sensitivities.

Key principles include:

Lands of 21 metres, which aligns with the current height permissions in the zoning by-law. Lands to the north contain the Main Street and show a maximum height of 15 metres. Lands to the south, which include the Gaslight District, show a maximum height of 72 metres. The proposed 28-storey building significantly exceeds the height expectations outlined in these guidelines and furthermore is not consistent with the general principles of the Guidelines which promote a gradual increase of height moving away from Main Street.

Zoning By-law

Based on the Planning Opinion Report provided as part of the application Zoning By-law Amendment proposes the following site-specific regulations to the current (F)C1RM1 zoning category:

- A Minimum Exterior Side Yard setback of 3.6m whereas 4.5m is required
- A Minimum Interior Side Yard setback of 11.9m, whereas 12.0m is required
- A Minimum Rear Yard setback of 11.1 m whereas 12.0 m is required
- A Minimum Front Yard setback of 0m whereas 4.5m is required
- A Maximum Building Height of 88 m whereas 21m is permitted
- A Maximum Density of 1605 dwelling units per net residential hectare where 250 is permitted
- An Amenity Area of 4874m² whereas 7100m² is required.

Based on this review, staff have identified several key concerns:

- **Height Compatibility:** The proposed 28-storey tower significantly exceeds the height limits identified in the Galt Core Area Building Height Guidelines, which recommend maintaining lower building heights along Main Street and its immediate adjacencies, and directing taller buildings to peripheral gateway sites. The subject site is located outside the Urban Growth Centre and within a Regeneration Area, where the Official Plan permits a maximum height of 8 storeys. The proposed height is inconsistent with the surrounding built form, which is predominantly low- to mid-rise, and raises concerns about visual dominance, shadowing, and overall compatibility with the character and heritage of the Galt City Centre.
- **Excessive Density:** The proposed residential density of 1605 units per hectare far exceeds the Official Plan's permitted range and the density contemplated in the draft Galt Core Area Guidelines. The draft Guidelines emphasize the importance of transitioning building heights, respecting heritage assets, and maintaining pedestrian-scale development. Staff are concerned that the proposed scale could negatively impact livability, public realm quality, and community cohesion,

particularly given the high proportion of bachelor and one-bedroom units (274 out of 328 units), which may not support a diverse range of household types or long-term residential stability.

- **Reduced Setbacks:** While only the front yard setback is proposed to be substantially reduced, in the site plans submitted the proposed building footprint appears to extend close to lot boundaries along multiple frontages. Limited setbacks along street frontages such as the one proposed along Grand Ave S. limit opportunities for landscaping, street furniture, and pedestrian amenities, and may conflict with the intended character of the Galt Core Area, which emphasizes a walkable, heritage-sensitive streetscape. Reductions in setbacks including interior or rear yards can also increase impacts on neighbouring properties.
- **Reduced Amenity Area:** The proposed development includes 4,874 sq. m. of amenity space to serve 328 residential units, but this provision raises concerns given the project's high density (1,605 units per hectare) and the predominance of bachelor and one-bedroom units, which may increase demand for shared spaces. The number of units and limited site footprint constrain opportunities for meaningful outdoor amenities for residents, and the lack of detail on how the space will be programmed makes it difficult to assess its adequacy. Without a robust amenity strategy, the development risks placing pressure on nearby public spaces and may fall short in supporting livability, social interaction, and long-term residential stability.
- **Floodplain Constraints:** The subject site is located within the Galt City Centre Floodplain Special Policy Area, which introduces significant planning and regulatory challenges. While the Galt Core Area Building Height Guidelines acknowledge the potential for intensification within the downtown, they also emphasize the need to respect the floodplain's limitations and carefully manage development impacts along the Grand River.

Any development within the Special Policy Area is subject to Ministerial approval, which must be obtained prior to any formal approval of the proposed development by a municipality. This additional layer of review reflects the sensitive nature of the site and the importance of ensuring that flood risk, public safety, and environmental integrity are adequately addressed. Staff are concerned that the proposed height and density may complicate floodplain management, and further technical analysis and inter-agency coordination will be required to determine whether the proposal can be safely and appropriately accommodated.

Staff Recommendation

Staff gave consideration to Provincial, Regional and City policies and agency comments, and compatibility with the surrounding neighbourhood with respect to built form and density. Although the proposed development provides an opportunity for residential growth within a Regeneration and Major Transit Station Area, the proposal does not achieve the Official Plan policies requiring new development to:

- protect and enhance public views and vistas of the Grand River
- demonstrate compatibility in scale, form, massing and height transition between new development and existing buildings and adjacent neighbourhoods
- be sensitive to and respectful of the physical and functional identity and the heritage attributes of Cambridge.

Since the statutory public meeting and in response to staff's comments, the applicant has not submitted a revised proposal or indicated that an updated submission is forthcoming. Significant concerns have also been raised by the public. In light of the absence of a resubmission and the legislated 120-day decision timeline under the Planning Act, staff are bringing the application forward for Council's consideration and recommend that the application be refused.

Planning decisions are subject to appeal to the Ontario Land Tribunal (OLT). An appeal may be filed if the applications are refused, approved, or if a decision is not made within 120 days of deeming the application complete, as set out in the Planning Act. The decision deadline for this application is September 25, 2025.

EXISTING POLICY / BY-LAW(S):

City of Cambridge Official Plan, 2012, as amended

Existing Land Use Designations: Galt City Centre Core Area on Maps 2 of the City's Official Plan.

Proposed Land Use Designation: Galt City Centre Core Area subject to site specific policy permitting a maximum floor space index of 13.5 and a maximum height of 28 storeys.

City of Cambridge Zoning By-law 150-85, as amended

Existing Zoning: (F)C1RM1

Proposed Zoning: (F)C1RM1 with site specific provisions

Proposed Site-Specific Provisions are outlined in Table 1 below:

Development Standard	Existing Zoning By-law 150-85	Proposed Zoning Provisions
Maximum Density	250 units/hectare	1605 units/hectare
Minimum Front Yard setback	4.5 m	0 m
Minimum Exterior Yard setback	4.5 m	3.6 m
Minimum Interior Side Yard setback	12.0 m	0 metres for the podium and 11.9m for the tower*
Minimum Rear Yard setback	12.0 m	4 metres for the podium 11.1 m for the tower*
Maximum Building Height	21.0 m	88.0 m
Required Amenity Area	7100 sq. m.	4874 sq. m.

*Staff note that certain setbacks shown on the plans submitted are less than those requested by the applicant. Specifically, the podium setback from the interior side yard is 0 metres, where as 11.9m is requested, and the podium setback from the rear yard is 4.5 metres whereas 11.1m is requested. This table reflects setbacks as identified in the plans.

FINANCIAL IMPACT:

The planning application and other planning service fees in the amount of \$52,120.00 has been waived through the Core Area CIP program.

PUBLIC VALUE:

A statutory Public Meeting required under the Planning Act was held on July 15, 2025.

Following the Public Meeting, members of the public/residents that provided their information on the sign-in registry at the meeting or have requested to be included on the mailing list were notified of this Recommendation Report being presented to Council on September 23, 2025.

ADVISORY COMMITTEE INPUT:

The Municipal Heritage Advisory Committee will be consulted once an updated Heritage Impact Assessment has been received by the City.

PUBLIC INPUT:

Members of the public spoke at the public meeting held on July 15, 2025. Staff also received written submissions regarding the applications. The general nature of the comments expressed are summarized below. Appendix C contains all written submission received, redacted for privacy:

Table 2: Topics of Feedback or Concern	Comments Received/ Staff Response
Scale and Appropriateness	<p>Comments Received:</p> <p>The proposed 28-storey tower is considered excessive and inappropriate for the small site and historic neighborhood.</p> <p>Staff Response:</p> <p>Concerns regarding the scale and appropriateness of the proposed development have been considered as part of staff's evaluation. Specifically, Section 8.4.2 of the Cambridge Official Plan outlines criteria for assessing compatibility, including building height, massing, and relationship to surrounding properties.</p> <p>Staff review proposals to ensure they align with these policies and contribute to a built form that is context-sensitive and supports the City's planning objectives.</p>
Parking and Traffic	<p>Comments Received:</p> <p>Insufficient parking (150 spots for 328 units) and increased traffic congestion in an already busy area were major concerns.</p> <p>Staff Response:</p> <p>The subject site is located within a Major Transit Station Area (MTSA), which exempts it from minimum parking requirements under the City's Zoning By-law. This policy supports transit-oriented development and encourages reduced reliance on personal vehicles.</p> <p>Traffic impacts and parking adequacy were</p>

	<p>reviewed through supporting studies submitted by the applicant and will continue to be evaluated through the development process to ensure appropriate mitigation measures are in place.</p>
<p>Impact on Historic Homes</p>	<p>Comments Received:</p> <p>Residents fear damage to century homes due to construction, including foundation issues, noise, and air quality degradation.</p> <p>Staff Response:</p> <p>Staff recognize the importance of protecting adjacent properties, especially those listed or designated under the Ontario Heritage Act. No negative impacts from construction, including vibration, are permitted to affect neighbouring properties, and this is a key consideration in the planning and approval process.</p> <p>For properties with cultural heritage value, local policies require that potential impacts—such as vibration—be assessed and mitigated. This may include pre-construction condition assessments, vibration monitoring, and protective measures during construction to ensure compliance and safeguard heritage resources.</p>
<p>Privacy and Light Pollution</p>	<p>Comments Received:</p> <p>Concerns about 24-hour lighting, shading, and loss of privacy due to the proximity of the tower to existing homes.</p> <p>Staff Response:</p> <p>Concerns related to privacy and light pollution were considered as part of the planning evaluation. While these matters inform the overall assessment, they are more thoroughly addressed and refined during the site plan approval process, where building orientation, lighting design, and landscaping are reviewed in detail to mitigate potential impacts on adjacent properties.</p>
<p>Transparency of Developer</p>	<p>Comments Received:</p>

	<p>Lack of examples of past projects by the developer raised doubts about credibility and experience.</p> <p>Staff Response:</p> <p>While concerns about the developer’s transparency are noted, the Planning Act does not require municipalities to assess a developer’s history or reputation when reviewing applications.</p> <p>Staff recommendations are based on planning merits, including:</p> <ul style="list-style-type: none"> • Alignment with provincial and municipal policies • Compliance with zoning and urban design standards • Technical studies (e.g., traffic, heritage, environmental) • Public and agency input <p>The focus is on whether the proposal represents good planning and serves the public interest, not on the developer’s background.</p>
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INTERNAL / EXTERNAL CONSULTATION:

The documents submitted with this application were circulated to City Staff and External Agencies listed in Appendix D. All comments received from applicable City departments and external agencies were considered in the preparation of this recommendation report. These comments were also shared with the Applicant.

CONCLUSION:

The City of Cambridge is planning to accommodate significant population growth within the current planning horizon to the year 2051. With limited vacant residential land and rising housing costs, there is a growing need for more compact and attainable housing options that support intensification goals. The subject site, located within a designated Settlement Area and a proposed Major Transit Station Area (MTSA), presents an opportunity to contribute to these objectives by introducing higher-density, mixed-use development in proximity to planned transit infrastructure.

However, the site is also located within the Galt City Centre Floodplain Special Policy Area (SPA), which introduces significant constraints. Development within a SPA requires Ministerial approval and must demonstrate that it can be safely accommodated without compromising floodplain management or public safety. This designation reflects the sensitive nature of the site and necessitates a cautious and coordinated approach to planning.

While the proposed development would contribute to intensification targets and transit-supportive growth, it does not align with the urban design and compatibility policies of the City's Official Plan or the planned heights outlined in the draft Galt Core Area Building Height Guidelines. The proposed height, density, and setback reductions significantly exceed what is currently permitted and would result in a development that does not sympathetically transition to the surrounding neighbourhood built and character form which is predominantly low- to mid-rise. The development obstructs views of the Grand River and is considered to negatively impact the heritage significance of the Galt Core Area.

Planning staff recommend that Council refuse the proposed Official Plan and Zoning By-law Amendments. Should Council choose to approve the application, it would be an approval in principle only, as no by-law can be passed until Ministerial approval is received.

REPORT IMPACTS:

Agreement: **No**

By-law: **No**

Budget Amendment: **No**

Policy: **No**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

General Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

1. 25-008-PG Appendix A – Applicant Proposed Official Plan By-law Amendment
2. 25-008-PG Appendix B – Proposed Development Concepts
3. 25-008-PG Appendix C – Public Comments (Redacted)
4. 25-008-PG Appendix D - Internal-External Consultation and List of Supporting Studies
5. 25-008-PG Appendix E - Existing Conditions and Photos