

City Council Information Items

June 24, 2022

Items for information is a weekly publication for the public and members of City Council. Members of City Council may request that any item appearing on this publication be placed onto the next available Committee of the Whole meeting for discussion.

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Information Report



Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, June 24, 2022
Subject	2021 Building Permit Revenue, Expenditures and Building Services OBC Stabilization Reserve Fund

Executive Summary

Purpose of Report

The purpose of this report is to provide a summary of the 2021 building permit revenue, expenditures and the Building Services OBC Stabilization Reserve Fund.

Key Findings

The operating budget surplus for the administration and enforcement of the Building Code Act for 2021 was \$604,718. This amount was transferred from the Ontario Building Code (OBC) Administration budget to the Building Services OBC Stabilization Reserve Fund. The net 2021 surplus in the Building Services OBC Stabilization Reserve Fund was \$504,091 because of an indirect capital cost of \$100,626 associated with the administration and enforcement of the Building Code Act, that was transferred directly from the Building Services OBC Stabilization Reserve Fund.

The balance in the Building Services OBC Stabilization Reserve Fund, including interest, was \$4,931,317 as of December 31, 2021.

Financial Implications

The proposed target balance of the Building Services OBC Stabilization Reserve Fund is within the range of 100 to 150 per cent of the operating expenditures from the prior year's budget, or between \$3,589,350 to \$5,384,025 based on 2021.

The operating budget surplus for the administration and enforcement of the Building Code Act for 2021 was \$604,718. This amount was transferred from the Ontario Building Code (OBC) Administration budget to the Building Services OBC Stabilization Reserve Fund. The net 2021 surplus in the Building Services OBC Stabilization Reserve Fund was \$504,091 because of an indirect capital cost of \$100,626 associated with the administration and enforcement of the Building Code Act, that was transferred directly from the Building Services OBC Stabilization Reserve Fund.

The balance in the Building Services OBC Stabilization Reserve Fund, including interest, was \$4,931,317 as of December 31, 2021.

Report

Details

2021 Annual Report on Building Permit Fee Revenues and Costs

In accordance with Subsection 7.(4) of the Building Code Act (the Act), municipalities shall prepare an annual report on the total building permit fees collected, the direct and indirect costs of delivering services related to the administration and enforcement of the Act and the amount of an established reserve fund. All indirect costs (e.g. support and overhead costs) were reviewed utilizing the Ontario Municipal Benchmarking Initiative (OMBI) methodology.

See Attachment-1 for a summary of revenue collected, direct and indirect costs, the transfer to the Building Services OBC Stabilization Reserve and the balance of the reserve fund, including interest, as of December 31, 2021.

Purpose of the Building Services OBC Stabilization Reserve Fund

The Act allows permit fees to be set to recover only the costs associated with the administration and enforcement of the Act, as well as reasonable contributions to a reserve fund. The reserve fund can be used to offset lean years, implement service enhancements and to cover unexpected expenses related to the administration and enforcement of the Act.

Funding of the Building Services OBC Stabilization Reserve Fund

Where building permit revenues exceed expenditures, the surplus is transferred to the reserve fund. Where expenditures exceed building permit revenues, funds are transferred from the reserve fund.

Building Services OBC Stabilization Reserve Fund Balance

Amendments to the Building By-law and Reserve Fund Policy approved by Council in 2019 addressed the systemic draw on the reserve fund and changed the structure to support achieving and maintaining a healthy reserve fund balance and to align with best practices amongst comparator municipalities while maintaining the City's competitive fee levels.

The reserve fund target was set to be within the range of 100 to 150 per cent of the prior year's budgeted operating expenditures. The balance of the reserve fund at the end of 2021 is within this range at 133 per cent.

Financial Implications

The proposed target balance of the Building Services OBC Stabilization Reserve Fund is within the range of 100 to 150 per cent of the operating expenditures from the prior year's budget, or between \$3,589,350 to \$5,384,025 based on 2021.

The operating budget surplus for the administration and enforcement of the Building Code Act for 2021 was \$604,718. This amount was transferred from the Ontario Building Code (OBC) Administration budget to the Building Services OBC Stabilization Reserve Fund. The net 2021 surplus in the Building Services OBC Stabilization Reserve Fund was \$504,091 because of an indirect capital cost of \$100,626 associated with the administration and enforcement of the Building Code

Act, that was transferred directly from the Building Services OBC Stabilization Reserve Fund.

The balance in the Building Services OBC Stabilization Reserve Fund, including interest, was \$4,931,317 as of December 31, 2021.

Consultations

A Public Notice was advertised in the Guelph Mercury Tribune on June 2, 2022 as required by the Building Code Act.

Strategic Plan Alignment

This aligns with the direction of the Working Together for our Future Strategic Plan Priority by maintaining delivery of core services through a long-term financial strategy. Building Services' core function aligns with the direction of Building our Future Strategic Plan Priority, including helping to ensure that strong, vibrant, safe and healthy communities continue to be built.

Attachments

Attachment-1 2021 Building Permit Revenue, Expenditures and Building Services OBC Stabilization Reserve Fund Report

Departmental Approval

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Attachment-1 2021 Building Permit Revenue, Expenditures and Building Services OBC Stabilization Reserve Fund Report

2021 Building Permit Revenue, Expenditures and Building Services OBC Stabilization Reserve Fund Report

1. Total building permit fee revenue collected	\$ 3,928,709
2. a) Total direct costs of administration and enforcement of the Building Code Act, including the review of permit applications and inspections of construction & demolition	\$ 2,910,791
b) Total indirect costs of administration and enforcement of the Building Code Act, including support and overhead costs	\$ 513,827
Total costs of delivering services related to the administration and enforcement of the Building Code Act	\$ 3,424,618
3. Net transfer to the OBC Stabilization Reserve Fund	\$ 504,091
4. Total amount of Building Services OBC Stabilization Reserve Fund as of December 31, 2021 (including interest)	\$ 4,931,317

Information Report



Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, June 24, 2022
Subject	Guelph Growth Management and Affordable Housing Monitoring Report 2021

Executive Summary

Purpose of Report

This report provides details on the 2021 achievement of Official Plan policies which implement the Growth Plan for the Greater Golden Horseshoe (2006) and provide information on monitoring of development activity and housing supply in accordance with the City's population forecasts to 2031 and the Provincial Policy Statement. This report also documents the City's achievement of affordable housing targets and provides updated benchmark prices for affordable ownership and rental housing for the upcoming year.

Key Findings

Development activity within the city is:

- Meeting the vision and policies of the City's Official Plan and policies set by the Growth Plan;
- Resulting in growth that is generally in line with the long-term population and employment projections to 2031;
- Resulting in a range and mix of housing types, with a greater proportion of townhouse and apartment units being constructed in recent years, in line with the City's growth vision and policies;
- Meeting the intensification target for the built-up area;
- Meeting the overall Greenfield Area Density Target (for developed and committed lands) as of 2014, and;
- Supporting the achievement of the 2031 Urban Growth Centre density target through residential intensification in the form of major apartment projects.

The City exceeds the minimum short term housing supply requirement of the 2020 Provincial Policy Statement which supports continued development activity. The supply translates into the creation of housing units as building permits are issued.

The City also met its affordable housing benchmark targets for housing ownership and the secondary rental market for 2021.

The 2022 affordable housing ownership benchmark purchase price is \$455,125 and the affordable rental housing benchmark price is \$1,372 per month.

Financial Implications

From a financial perspective, meeting the City's Growth Plan targets provides confidence in the long-term capital plan and underlying financing strategies that are in place to build the infrastructure required to support a growing city. When actual experience deviates from the plan, it can significantly impact the assumptions used in budget forecasting including timing of planned projects, development charges, cash-in-lieu of parkland, property tax assessment, and user fee growth, all of which underpin the City's long-term financial models.

The information that is provided through this report is used by City staff to inform a number of ongoing strategies, Master Plans and programs including affordable housing financial incentives. Reflecting on where the City is experiencing gaps enables data driven policy decisions aligned with the goals of the Strategic Plan.

Report

Details

The Growth Management and Affordable Housing Monitoring Report (Attachment-1) is an annual report that provides information on land supply, development activity, and achievement of City and Provincial Policies. This report presents year end data and informs City plans and documents in terms of growth projections and policies.

This year, the report will also address the significant negative economic impacts that the COVID-19 global pandemic has had on development activity and building permit activity in Guelph.

The report primarily focuses on the City's Official Plan policies for growth management and housing supply. The report also provides annual updates on the achievement of the City's affordable housing targets and provides updated affordable housing benchmark prices for the following year.

Official Plan Policies

The City's current Official Plan sets: an intensification target for the built-up area; and density targets for the greenfield area and the Urban Growth Centre. Figure 1 in Attachment 1 is Schedule 1 from the City's Official Plan which identifies the built-up area, Urban Growth Centre, and greenfield area of the city as defined by the 2006 Growth Plan.

Intensification Target: by the year 2015 and for each year thereafter, a minimum of 40 per cent of the city's annual residential development will occur within the city's built-up area.

Built-up area: the lands identified within the built boundary as shown on Figure 1, Attachment 1.

Greenfield Area Density Target: the greenfield area will be planned and designed to achieve an overall minimum density target that is not less than 50 people and jobs combined per hectare. The greenfield area density target is measured over the entire designated greenfield area.

Greenfield area: is the area within the settlement area boundary that was not part of the built-up area in 2006 and is not part of the non-settlement areas (see Figure 1, Attachment-1).

Urban Growth Centre Density Target: The Urban Growth Centre, defined as downtown with boundaries established through the Downtown Secondary Plan, will be planned and designed to achieve a minimum density target of 150 people and jobs combined per hectare by 2031, which is measured across the entire Downtown.

The City's Official Plan provides policy directions for monitoring growth including policies directed at monitoring development activity to ensure that growth is consistent with population forecasts, intensification targets for the built-up area and density targets for the greenfield area. The Official Plan also requires tracking of the supply of residential units in accordance with the housing supply policies of the Official Plan. The housing supply policies conform to the Provincial Policy Statement (2014) policy 1.4.1, which states:

To provide for an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents of the regional market area, planning authorities shall:

- a. maintain at all times the ability to accommodate residential growth for a minimum of 10 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development; and
- b. maintain at all times where new development is to occur, land with servicing capacity sufficient to supply at least a three-year supply of residential units through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.

A new Provincial Policy Statement (PPS) came into effect on May 1, 2020 and contains updated policies that direct Ontario municipalities to maintain enough land to accommodate a longer term housing supply of 15 years. The city's housing supply for 2021 was assessed against the updated policies of the 2020 PPS.

Population and Employment Projections

The City's Official Plan sets out the following policy related to population and employment forecasts:

- 2.4.3.1 The City will accommodate growth by:
- i. planning for a population forecast of 175,000 people by the year 2031;
 - ii. promoting a steady rate of growth equivalent to an average population growth rate of 1.5 per cent annually, which will allow growth to keep pace with the planning for future physical infrastructure and community infrastructure;
 - iii. ensuring the employment growth in the city is planned to keep pace with population growth by planning for a minimum of 92,000 jobs by the year 2031."

By 2031, the projected total number of dwellings is approximately 70,500; an estimated increase of approximately 10,000 units from 2021.

Affordable Housing

The City's Official Plan recognizes the importance of housing, including affordable housing, in meeting the needs of the city's existing and future residents. Policies in the Official Plan direct the City to monitor affordable housing developments and set new affordable housing benchmark prices for ownership and rental housing for the upcoming year.

7.2.6.11 The City will annually monitor:

- i. the number and types of affordable housing produced through new residential development and intensification efforts;
 - ii. the number and types of affordable housing lost through demolition and condominium conversion;
 - iii. ownership and rental house prices;
 - iv. rental vacancy rates; and ,
 - v. achievement of the affordable housing targets of this Plan.

An annual target of 30 per cent of all new residential development will constitute affordable housing. This target is measured city-wide and includes an annual target of 25 per cent affordable ownership units, an annual target of 4 per cent affordable secondary rental housing units, and 1 per cent primary rental housing units. The primary rental housing unit target is measured over a 5-year period.

Highlights of the Monitoring Report

- Guelph's population according to the 2021 Census was 143,740 in May of last year and was estimated to have increased to 144,800 by the end of the year.
- With an improving economy in 2021 due to the lifting of COVID restrictions, employment levels rebounded to pre-pandemic levels and by the end of the year, an estimated 84,850 jobs existed in Guelph.
- Since the previous Census in 2016, Guelph grew by an average of 1.6 per cent per year, which is on par with the projected growth rate for Guelph to 2031. The city continues to remain on track to meet its population forecast to 2031.
- Residential building permit activity in 2021 remained below anticipated levels, resulting in 835 new dwellings. To meet the City's forecast growth targets, a long-term average of 1,100 units was determined would need to be constructed per year to the year 2031. The number of residential units created annually has averaged 1,016 units since 2013 following the 2008 to 2012 economic slowdown, which is trending closely with the City's targeted long-term average.
- Residential activity in 2021 was largely sustained by the construction of townhouses and apartments, which is in line with the City's vision for growth. However, similar to 2019, the number of newly constructed single and semi-detached dwellings was proportionally higher than in previous years.
- Development activity increased over the previous year with the registration of the remaining phase of the Victoria Park Village subdivision, and the second phase of the Nima subdivision, which combined will add an additional 411 units to the city's housing supply. There were also several rezoning applications that

were approved in 2021 that are expected to add a combined 1,061 projected units to the city's housing supply.

- The combined density of all committed lands within the designated greenfield area increased to approximately 55 persons and jobs per hectare in 2021, which continues to meet the minimum greenfield density target set out by the City's Official Plan and the provincial Growth Plan (2006).
- The built-up area achieved an intensification rate of 66 per cent in 2021, which meets the minimum intensification target set out by the City's Official Plan and the provincial Growth Plan (2006). On average, 49 per cent of all new residential development has occurred within the built-up area between the years 2008 and 2020 when residential intensification has been tracked. Guelph continues to maintain an adequate supply of short term supply of housing in the built-up area, which will help contribute to the City's intensification target in future years.
- The Urban Growth Centre (Downtown) increased to 102 persons and jobs per hectare in 2021. When considering longer term trends, the city's Downtown is continuing to trend positively towards achievement of our target of 150 persons and jobs per hectare by 2031. The overall density of downtown has been steadily increasing, up from 90 persons and jobs per hectare in 2011.
- The range and mix of housing units is becoming more balanced through new development activity with the overall existing housing stock experiencing a steady shift towards a higher proportion of townhouses and apartments. This trend is expected to continue to 2031 and will result in a more balanced supply of housing units, when approximately 48 per cent of the City's overall housing stock is anticipated to be detached and semi-detached units, compared to 53per cent in 2020.
- Guelph continues to maintain a short-term housing land supply that meets the minimum requirements of the Provincial Policy Statement, 2020 (PPS). Currently, there is a 5.1 year supply of housing on lands that are serviced, suitably zoned or within draft approved or registered plans, where the PPS requires at least a three year supply. Combined, the city is able to accommodate 13.5 years of residential growth on lands that are suitably zoned (short-term supply) and on lands that are designated and available for residential development (long-term supply), where the new 2020 PPS requires a minimum of 15 years. However, additional lands will be designated through the Clair-Maltby Secondary Plan and additional future housing supply will be identified through the City's updated growth management strategy, [Shaping Guelph](#), which will extend Guelph's planning horizon to 2051.
- 28 per cent of new residential units sold in 2021 met the definition of affordable, selling below the affordable housing benchmark price of \$420,125. While this meets the minimum target set by the Affordable Housing Strategy (2017) of 25 per cent, it represents a decrease from 2020 where 50 per cent of new residential units sold below the affordable housing benchmark price.
- Three new affordable rental housing developments were approved in 2021, a supportive housing development at 10 Shelldale Crescent that will provide 32 units, Grace Gardens at 721 Woolwich Street will also provide for 32 supportive housing units, and 30 of the 117 units approved through the conversion of the former Northern Rubber Company building at 120 Huron Street are expected to be rented at affordable rates. In 2021, Council committed \$844,000 in funding

for Grace Gardens and \$383,646 to Wyndham House for the creation of eight new supportive housing units at 51 Bellevue Street. The Wyndham House development was approved in early 2022 and will be included in next year's report.

- The affordable secondary rental target was met in 2021. Based on the number of new accessory apartments built last year, 11 per cent of the new units created were affordable secondary rentals. The target for affordable purpose-built secondary units is 4 per cent of all new units created each year.
- For 2022, the affordable housing ownership benchmark purchase price for newly constructed homes is \$455,125, and the affordable housing rental benchmark price is \$1,372 per month.

Financial Implications

From a financial perspective, meeting the City's Growth Plan targets provides confidence in the long-term capital plan and underlying financing strategies that are in place to build the infrastructure required to support a growing city. When actual experience deviates from the plan, it can significantly impact the assumptions used in budget forecasting including timing of planned projects, development charges, cash-in-lieu of parkland, property tax assessment, and user fee growth, all of which underpin the City's long-term financial models.

The information that is provided through this report is used by City staff to inform a number of ongoing strategies, Master Plans and programs including affordable housing financial incentives. Reflecting on where the City is experiencing gaps enables data driven policy decisions aligned with the goals of the Strategic Plan.

Consultations

Information contained in this report will be used to inform a number of ongoing strategies, Master Plans and programs including Community Improvement Plans and affordable housing financial incentives. This report will also be shared with the Guelph Wellington Development Association and the Guelph & District Home Builders' Association.

Strategic Plan Alignment

The Guelph Growth Management and Affordable Housing Monitoring Report aligns with the following priorities within Guelph's Strategic Plan:

- Powering our Future – This report supports local business and will contribute to a sustainable, creative and smart local economy that is connected to regional and global markets and supports shared prosperity for everyone.
- Navigating our Future – Providing updates on the city's growth supports a transportation network that connects by providing growth related inputs to updates to transportation plans, service delivery models to support improving efficiency and connectivity of the transportation system.
- Building our Future – This report will assist in helping to increase the availability of housing to meet the community's needs, work to enhance community well-being and safety through direct service and program delivery, and support strategic investments that nurture social well-being.

- Working Together for our Future – This report will support maintaining delivery of our core services to a growing population through the confirmation of long-term growth assumptions.
- Sustaining our Future – Through annual updates to the city’s growth, this report will support mitigating climate change by reducing Guelph’s carbon footprint, and help to plan and design an increasingly sustainable city as Guelph continues to grow.

Attachments

Attachment-1: Growth Management and Affordable Housing Monitoring Report 2021

Departmental Approval

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Attachment-1



Growth Management and Affordable Housing Monitoring Report 2021

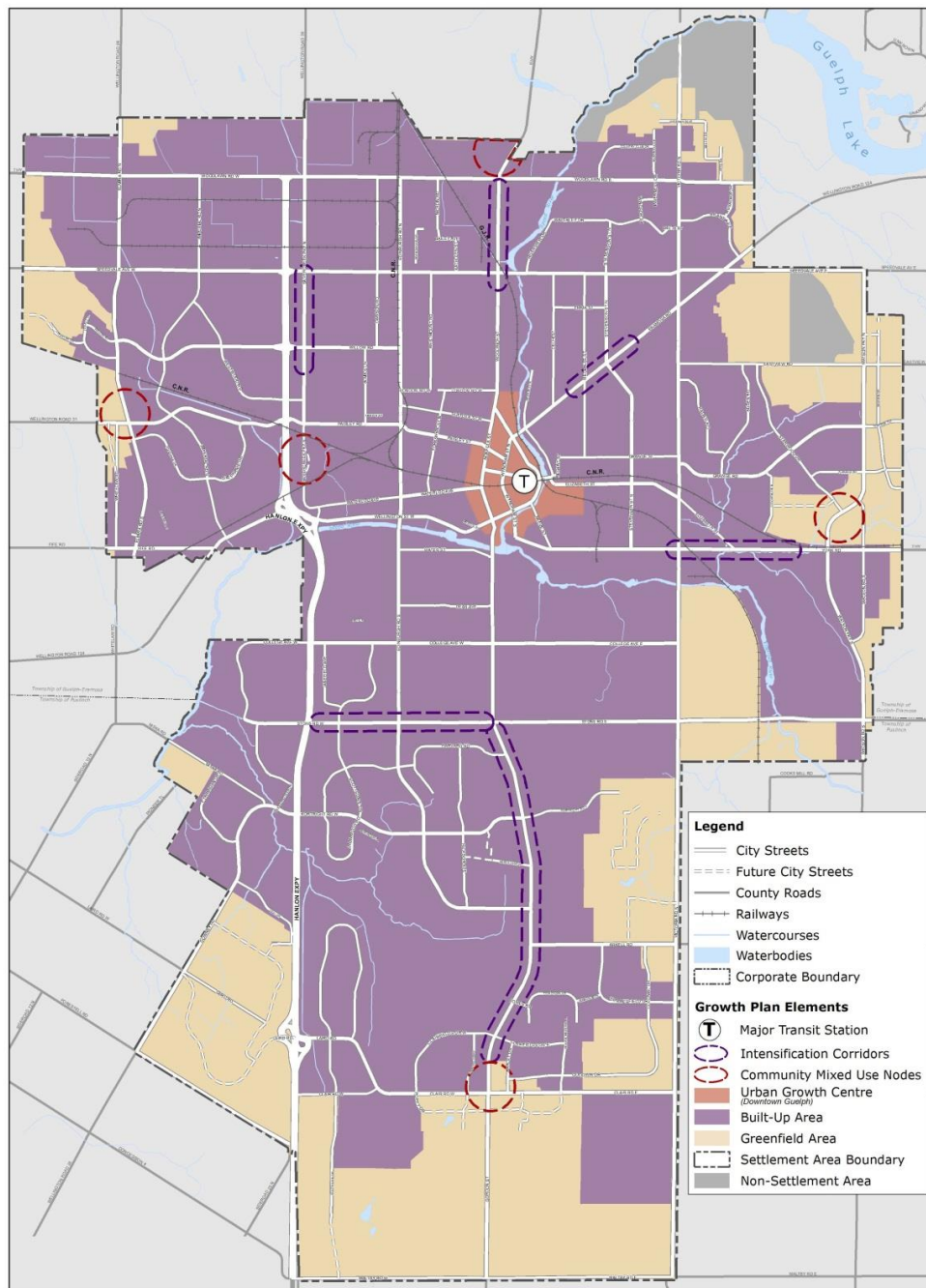


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1. Growth plan elements

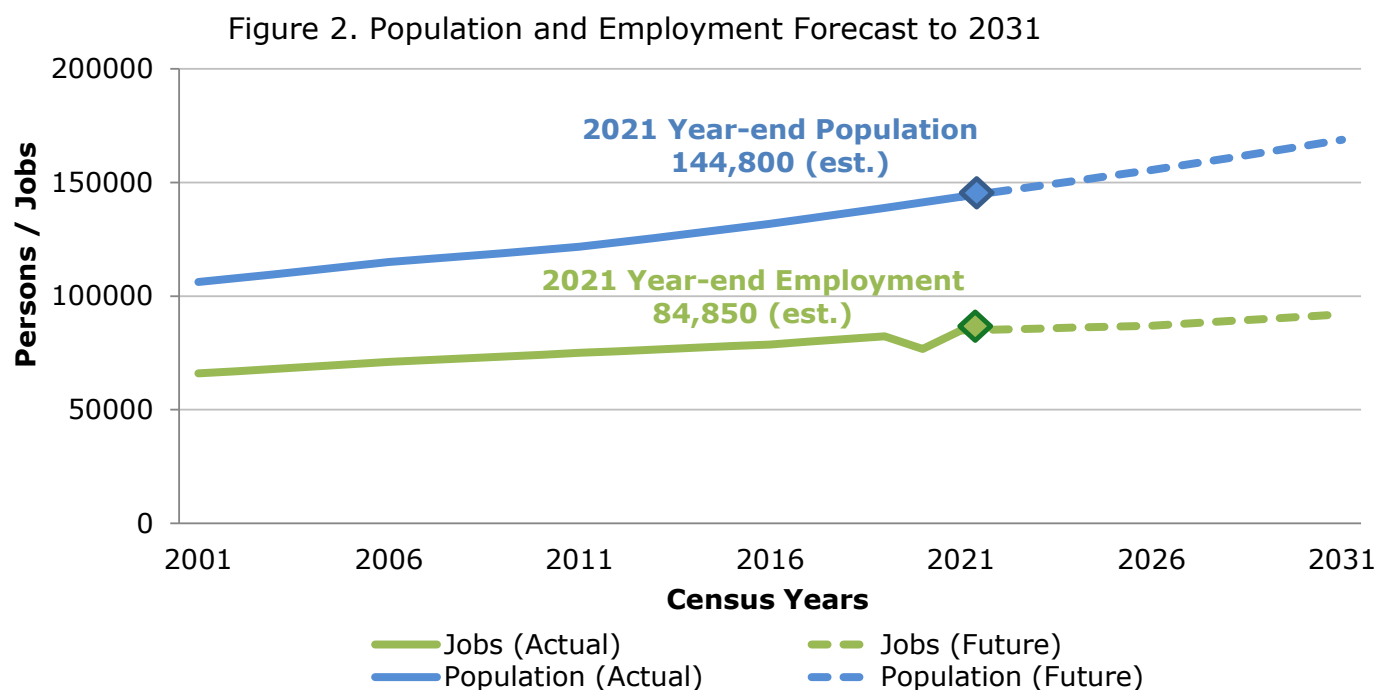
Figure 1. Growth management geography



The City of Guelph's Official Plan identifies elements of the Growth Plan on Schedule 1, including the Urban Growth Centre, the designated greenfield area and the built-up area, all major geographic divisions in Guelph that have minimum intensification or density targets associated with them. The information presented in this report is based on the policies of the current City of Guelph Official Plan and the 2006 Growth Plan.

2. Population and employment

2.1 Population and employment forecast to 2031



Population and Employment are on track to meet 2031 forecasts

The City of Guelph is planning to achieve a population of 175,000 (169,000, excluding the net census undercoverage) and a minimum of 92,000 jobs by the year 2031. These figures represent an estimated additional 24,200 people (excluding the net census undercoverage) and an additional 7,150 jobs from 2021 to the year 2031.

The population and dwelling counts from the 2021 Census were recently released and reported that Guelph had a population of 143,740 in May of 2021. Based on residential building permit activity, the estimated population for the City of Guelph at the end of 2021 increased to 144,800 people¹. The number of jobs in Guelph recovered following the lifting of COVID restrictions to pre-pandemic levels. 2,500 jobs were added as a result of non-residential building permit activity to reach an estimated 84,850 jobs in the City by the end of 2021. These job figures will be confirmed in a future monitoring report using the 2021 Census Place of Work data once the data becomes available. Guelph's unemployment rate dipped to 3.8 per cent in December 2021, down from a peak of 14.9 per cent in June 2020 during the height of the COVID pandemic restrictions.

Sources:

- City of Guelph Planning Services, 2021
- Statistics Canada. Labour force characteristics, 2021

¹ Population excludes the net census undercoverage

2.2 City of Guelph population statistics

Figure 3. City of Guelph population growth over time

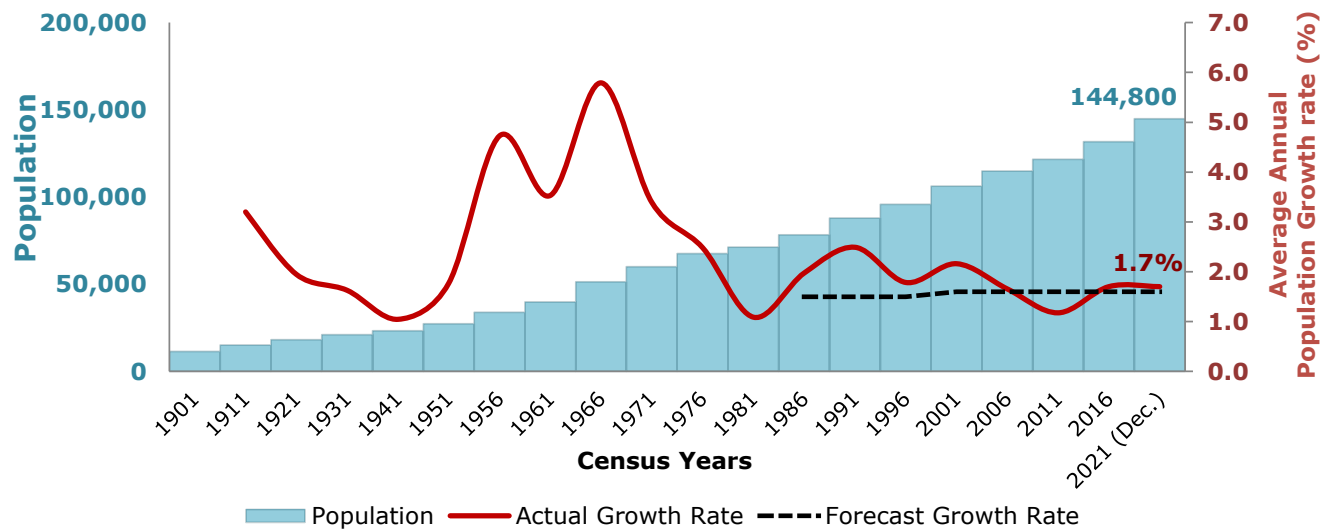


Figure 4. City of Guelph population statistics

Population, Area, and Density, 2021			
	May 2016 (Census)	May 2021 (Census)	Dec 2021 (est.)
Population	131,794	143,740	144,800
Occupied Dwellings	52,090	56,480	57,053
Average Household Size (persons/dwelling)	2.5	2.5	2.5
Area (hectares)	8,835	8,835	8,926
Population Density (persons/hectare)	14.96	14.96	16.22
Gross Dwelling Density (units/hectare)	5.92	6.39	6.39

Guelph's growth rate continues to meet long-term projections

In Figure 3 above, the high growth rate seen in the 1950s and 1960s is in large part due to the annexation of neighbouring township lands when the population contained on those annexed lands from the township was combined with the population of the City of Guelph. Another large annexation occurred in the year 1993. With an estimated population of 144,800 at the end of 2021, Guelph's population grew by an average annual rate of 1.7 per cent per year since the May 2016 Census, surpassing the City's adjusted long term projected annual growth rate of 1.6 per cent per year to 2031. This positions Guelph to remain on track to achieve the projected population of 175,000² (169,000³) by the year 2031.

Sources:

- Statistics Canada, 2021 Census of Population
- City of Guelph Planning Services, 2021

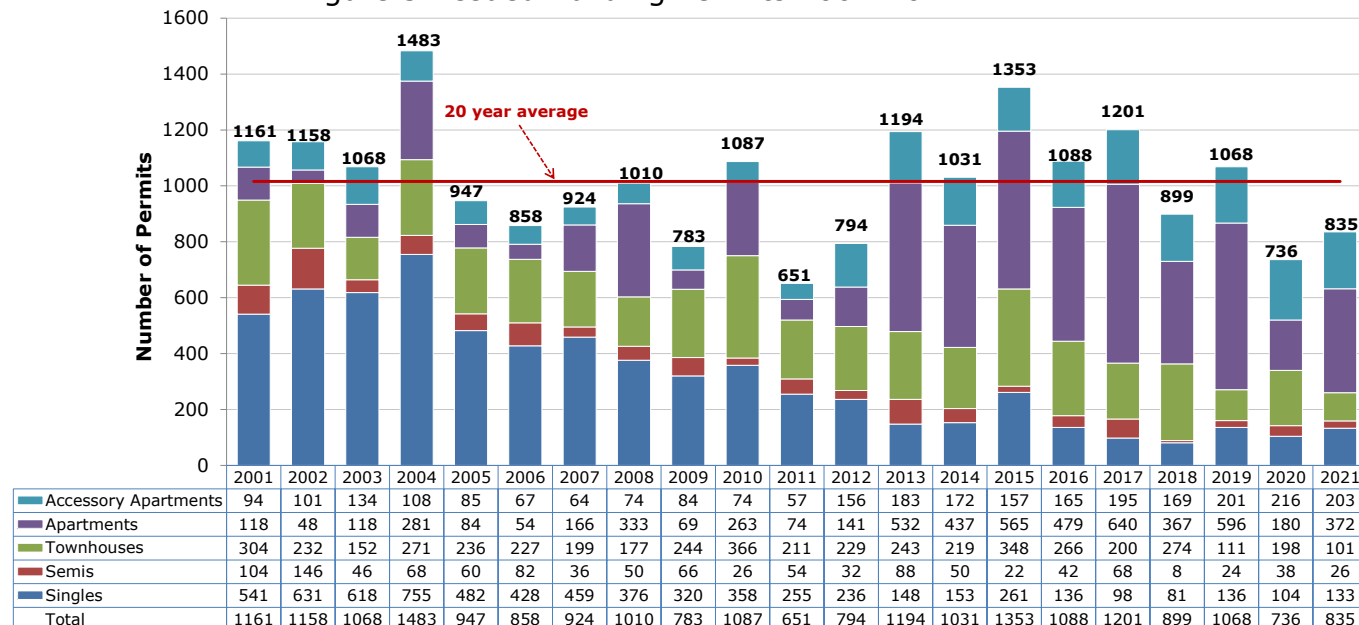
² The population including the net census undercoverage (Growth Plan equivalent)

³ The population excluding the net census undercoverage

3. Building permit activity

3.1 Historical building permits by dwelling type 2001-2021

Figure 5. Issued Building Permits 2001-2021



Residential permits remain strong over the long term

The number of residential permits issued in 2021 increased over the previous year, however, the total number of residential permits remained below the 20-year average. Apartments were the dominant type of unit constructed in 2021, representing 45 per cent of the newly created units, while single detached and semi-detached dwellings combined represent approximately 19% of the total units constructed. Accessory apartment or Additional Residential Dwelling Unit (ARDU) creation continues to be strong, representing 24 per cent of the newly created units in 2021.

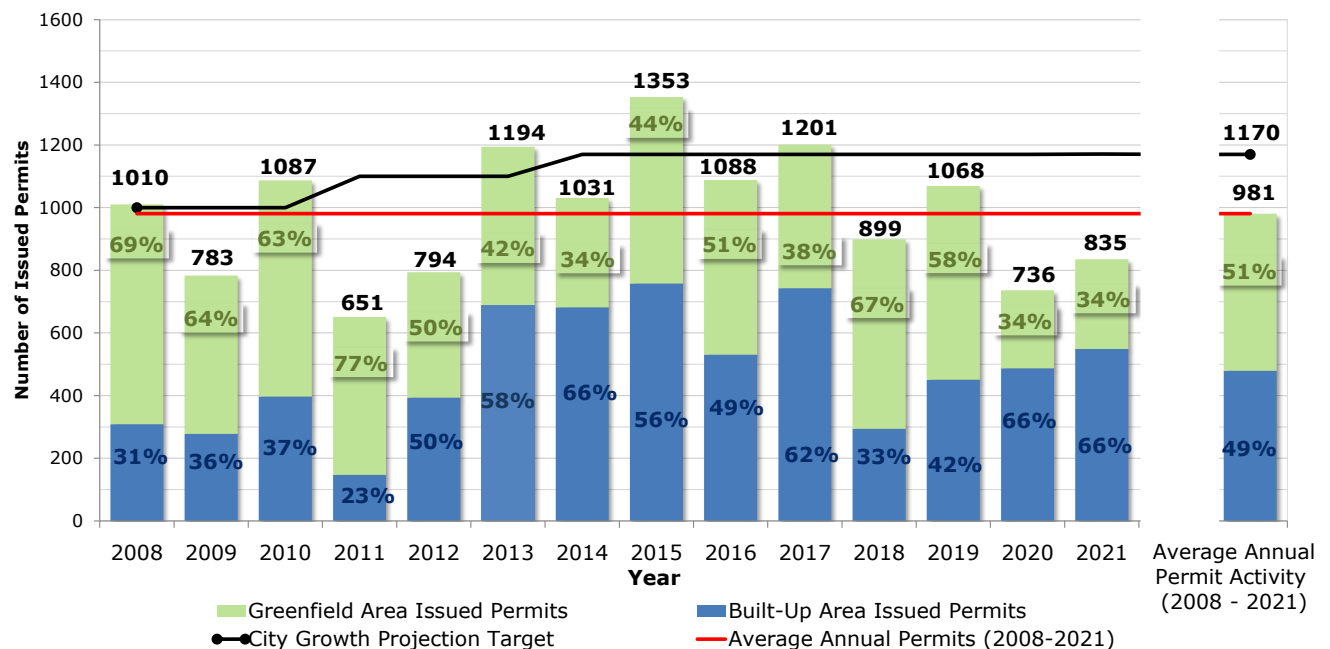
When considering longer term historical trends, townhouse and apartment units continue to be the dominant types of new housing units, which aligns with Guelph's long-term housing forecast, contributing towards a more balanced housing stock. The Canadian Mortgage and Housing Corporation (CMHC) attributes this shift in the proportion of constructed dwelling types to decreased housing affordability, demographic changes leading to a decline in the size of a Census household family, and the introduction of policy changes through the 2006 Growth Plan for the Greater Golden Horseshoe. This housing trend and the shift towards a more balanced housing stock aligns with Provincial housing projections, the City's Official Plan, and the Development Charges Background Study housing projections.

Sources:

- Building Permit Summaries, City of Guelph Planning Services, 2021
- [Development Charges Background Study, Appendix A, March 2019](#)
- Canadian Mortgage and Housing Corporation, 2017

3.2 Annual residential permit summary by Growth Plan area: 2008-2021

Figure 6. Residential permits by built-up and designated greenfield area



Intensification rate remains strong

Under the Provincial Growth Plan 2006, the City of Guelph is required to plan to achieve 40 per cent of new residential development in the built-up area on an annual basis from the year 2015 until the approval of the next municipal comprehensive review ([Shaping Guelph](#)), that forms part of Official Plan Amendment 80 currently scheduled for decision by Council in July of 2022. The tracking of Guelph's intensification target began in 2008 and since then, most infill development has been the result of apartment construction, primarily through redevelopment of properties in the City's Downtown and intensification corridors. Since 2006, 1,000 units have been added in the Gordon Street intensification corridor, and developments downtown have added more than 600 units since 2013.

In 2021, Guelph achieved 66 per cent of its residential development in the built-up area, which meets the City's minimum annual intensification target of 40 per cent in the current Official Plan. This intensification rate was supported by the development of apartment buildings at 71 Wyndham Street South (139 units) and 1533 Gordon Street (86 units), two townhouse developments at 20 Gosling Gardens (40 units) and 83 Beechwood Avenue (16 units), 33 single detached units along Lowes Road West, and through the creation of 136 accessory apartments in the built-up area. Several developments were also approved in the built-up area in 2021 that will contribute to intensification in future years. These include: the conversion of the former Northern Rubber Company at 120 Huron Street to a purpose-built rental building (117 units); a retirement residence at 166 College Avenue West (116 units); the redevelopment of a vacant religious establishment at 520 Speedvale Avenue East (64 units); and a supportive housing development at 10 Shelldale

Crescent (32 units). Combined, these approved developments added 329 units to the City's housing supply in the built-up area in 2021. Guelph has on average, been exceeding the minimum intensification target since 2008, with an average intensification rate of 49 per cent.

Source: Building Permit Summaries, City of Guelph Planning Services, 2021

3.3 Annual residential permit summary dwelling types by Growth Plan area 2008-2021

Figure 7. Building Permit Summary by Dwelling Type and Growth Plan Area

Building Permit Summary																	
Permit Type		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	Average
Single Detached Units	Built-up Area	74	36	58	57	61	48	44	35	20	22	42	74	41	72	684	49
	Greenfield Area	302	284	300	198	175	100	109	226	116	76	39	62	63	61	2111	151
Semi-Detached Units	Built-up Area	4	4	8	8	20	24	10	0	4	0	0	0	30	8	120	9
	Greenfield Area	46	62	18	46	12	64	40	22	38	68	8	24	8	18	474	34
Townhouses	Built-up Area	41	156	69	33	82	50	104	35	37	64	30	44	166	84	995	71
	Greenfield Area	136	88	297	178	147	193	115	313	229	136	244	67	32	17	2192	157
Apartments	Built-up Area	129	15	209	20	91	424	365	553	334	521	82	165	87	233	3228	231
	Greenfield Area	204	54	54	54	50	108	72	12	145	119	285	431	93	139	1820	130
Accessory Apartments	Built-up Area	61	67	53	29	140	143	159	135	136	136	140	167	163	152	1681	120
	Greenfield Area	13	17	21	28	16	40	13	22	29	59	29	34	53	51	425	30
Total	Built-up Area	309	278	397	147	394	689	682	758	531	743	294	450	487	549	6708	479
	Greenfield Area	701	505	690	504	400	505	349	595	557	458	605	618	249	286	7022	502
	City-wide	1010	783	1087	651	794	1194	1031	1353	1088	1201	899	1068	736	835	13730	981

The range and mix of new housing aligns with the City's growth vision and policies

The tracking and reporting of new residential unit construction by built-up area and designated greenfield area began in 2008, and since that time a few trends have emerged.

Low density housing trends

Between 2008 and 2014, the creation of low density units was strong, comprising 34 per cent of all new city-wide residential units, which fell to 16 per cent between 2015 and 2021, outpaced by townhouse and apartment construction. In 2021, construction of single detached units exceeded the average number constructed since 2008, with more single detached units constructed in the built-up area than in the designated greenfield area. The combined total of 80 single and semi-detached units constructed in the built-up area in 2021 represent 20 per cent of the total constructed units in the built-up area (excluding accessory apartments).

High density housing trends

The construction of new apartment units increased in 2021, the majority of which were created in the built-up area. Apartments have become the dominant form of newly created dwelling units city-wide and since 2015, comprising 45 per cent of all new residential dwellings constructed since then. Apartment construction is expected to continue to remain strong over the long term which will help contribute to Guelph's intensification targets, the Downtown density target and the designated greenfield area density target.

Overall housing trends

While there are annual variations in the mix of constructed housing types, between 2008 and 2021 there has been a relatively uniform distribution of housing types,

contributing to a more balanced range and mix of new housing being constructed in Guelph. Early in the reporting period, a higher proportion of the units being constructed were lower density in the designated greenfield area, while the latter portion of the reporting period shows the majority of newly constructed units are townhouses and apartments, distributed evenly between the built-up area and the designated greenfield area. These trends are in line with the long term growth vision of the Provincial Growth Plan and the City's Local Growth Management Strategy.

Source: Building Permit Summaries, City of Guelph Planning Services, 2021

3.4 New residential building permits by dwelling unit types: monthly for 2020 & 2021

Figure 8. Monthly Building Permit Summaries by Dwelling Type for 2020 & 2021

Month	Single-Detached		Semi-Detached		Townhouses		Apartments		Accessory Apartments		Totals		Demolitions		Net Totals	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
January	13	6	2	0	44	10	0	0	18	19	77	35	0	2	77	33
February	13	14	2	0	0	10	0	93	8	19	23	136	2	0	21	136
March	12	14	4	0	0	7	89	0	25	23	130	44	2	1	128	43
April	22	7	8	0	16	0	0	0	9	22	55	29	0	0	55	29
May	6	8	2	0	0	0	0	0	18	13	26	21	4	0	22	21
June	8	7	2	0	0	0	278	0	14	22	302	29	0	6	302	23
July	8	5	0	0	0	7	0	0	11	10	19	22	0	2	19	20
August	11	4	0	32	0	0	5	87	17	18	33	141	0	1	33	140
September	7	6	0	2	0	72	0	0	20	19	27	99	3	1	24	98
October	18	7	0	0	1	72	0	0	20	15	39	94	0	0	39	94
November	5	14	6	0	40	20	0	0	24	15	75	49	0	0	75	49
December	10	12	0	4	0	0	0	0	19	21	29	37	0	0	29	37
Totals	133	104	26	38	101	198	372	180	203	216	835	736	11	13	824	723

Issued residential permits align with the City's long term projections

The total number of residential units created in 2021 increased from the previous year. There were several developments that began construction in 2021: an apartment building at 71 Wyndham Street South (139 units), an apartment building at 425 Watson Parkway North (139 units), a seniors' residence at 166 College Avenue West (116 units), and an apartment building at 1533 Gordon Street (86 units). Accessory apartment construction continued to remain strong in 2021 with 203 new units created. Since 2008, an average of 150 accessory apartments have been created per year.

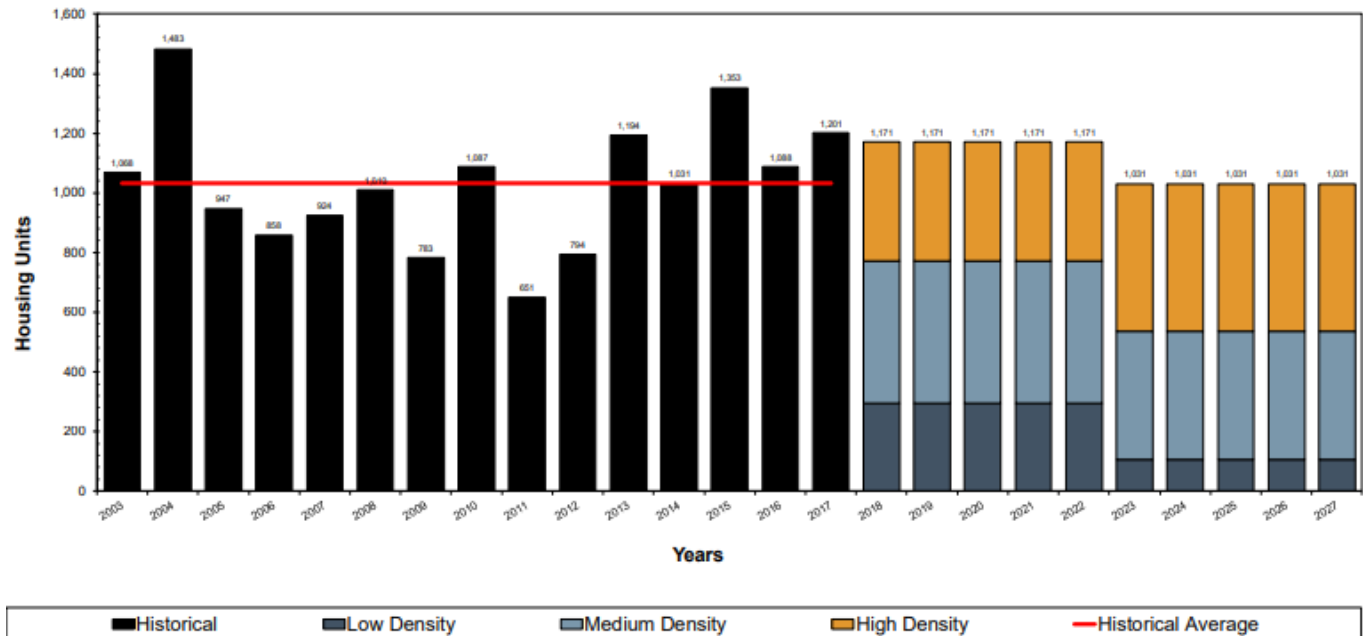
While the total number of residential permits issued in 2021 is below Guelph's projections, the City continues to remain on track to achieve its long term projections to 2031. The proportional split between the housing types constructed in 2021 continues to be generally reflective of the City's long term projected housing mix to 2031, which anticipates a lower proportion of new single and semi-detached units and a higher proportion of new townhouse and apartment units. The 11 residential demolitions in 2021 were all single detached units and will result in the construction of 17 new residential units. The majority of these demolitions will result in single replacement units, while four new single detached units will result from demolitions associated with two proposed severances, and one unit was demolished to allow for the construction of 5 apartment units at 15 Mont Street. In total, the net surplus of units resulting from these demolitions will be 6 units added to the City's housing supply.

Source: Building Permit Summaries, City of Guelph Planning Services, 2021

4. Housing stock

4.1 City of Guelph housing forecast

Figure 9. Long-term housing forecast



The long-term housing forecast anticipates a shift in the mix of housing types

The housing forecast as presented in the Development Charges Background Study (2019) illustrates the number of units by housing type that are anticipated to meet the City's growth targets over the next 10 years. Stronger than anticipated residential growth between 2013 and 2017 has reduced the targeted number of residential units to approximately 1,100 units in order to meet the City's population forecast of 175,000⁴ (169,000⁵) residents by 2031.

In 2021, the number of residential units created (834) fell below the annual targeted number of residential units to 2031. Since 2013, the average number of permits closely aligns with the anticipated long term average of 1,100 units per year to 2031.

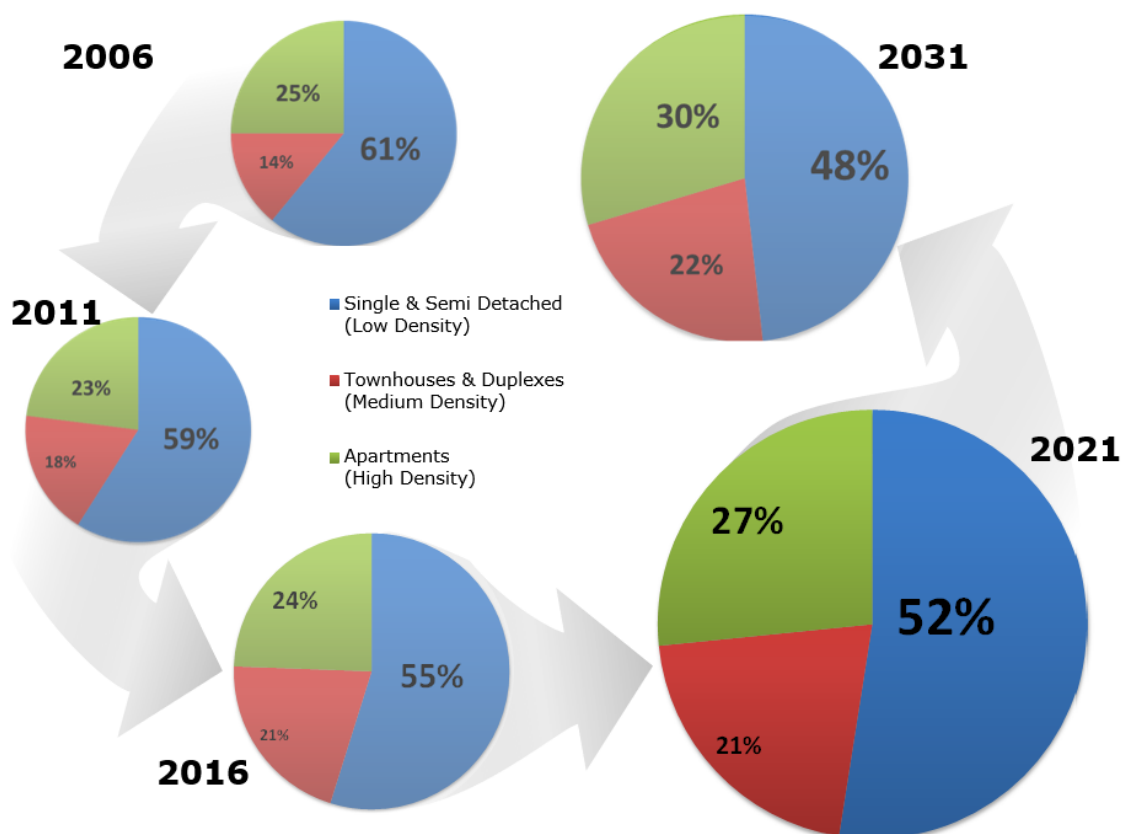
Source: Development Charges Background Study, Appendix A, March 2019

⁴ The population including the net census undercoverage, which is the equivalent target forecast population from the Growth Plan

⁵ The population excluding the net census undercoverage

4.2 City of Guelph housing mix: total housing stock, 2006 to 2031

Figure 10. Housing Stock 2006 to 2031



The City's housing stock is continuing to become more balanced

Guelph's existing housing stock is comprised predominantly of low density housing in the form of single detached and semi-detached units. A shift in the demand for different forms of housing combined with policy changes that promote transit supportive densities, decreased affordability, and a greater mix of housing will result in a higher proportion of medium and high density forms of housing being constructed. This shift in the forms of constructed housing will see a more balanced distribution of unit types in the City of Guelph by 2031, when approximately 48 per cent of the City's overall housing stock is forecast to be in a low density form of housing, 22 per cent in the form of townhouses and duplexes, and 30 per cent of the City's total units being in the form of apartments.

Between 2006 and 2021, the mix of housing forms became more balanced, with the proportion of single detached units declining to 52 per cent of Guelph's total housing stock. Townhouses represent 21 per cent of the City's current housing stock, an increase from 14 per cent in 2006, while apartments have increased their share of the City's housing stock to 27 per cent in 2021.

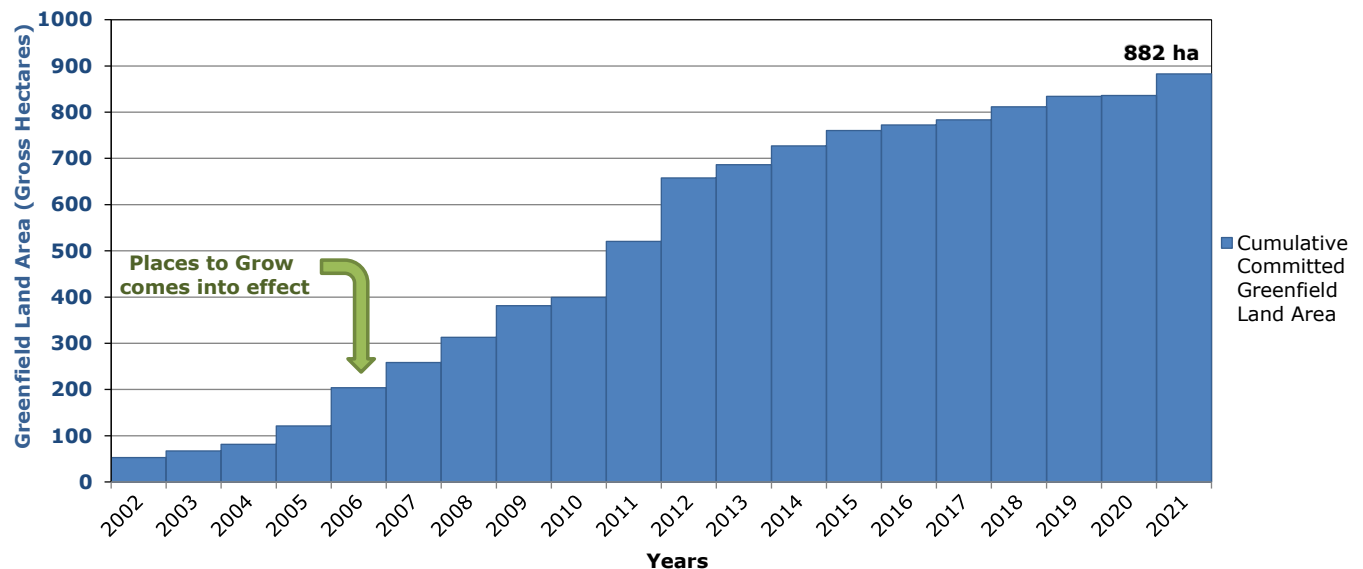
Sources:

- Building Permit Summaries, City of Guelph Planning Services, 2021
- Statistics Canada, 2016 Census of Population

5. Greenfield area

5.1 Committed greenfield lands (gross area) 2002-2021

Figure 11. Cumulative committed greenfield lands



Development in the designated greenfield area is in line with Growth Plan policies

The designated greenfield area and policies were defined through the Growth Plan as a means to ensure the development of healthy, safe and balanced communities and make better use of land and existing infrastructure through the promotion of compact, transit supportive communities in the designated greenfield area.

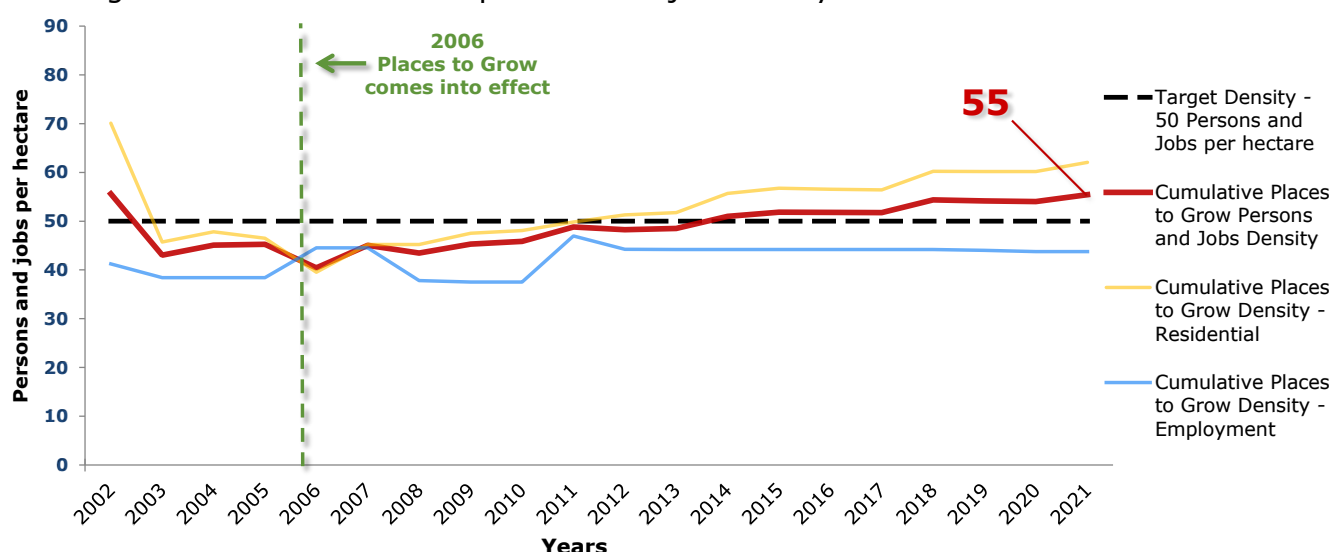
Figure 8 above illustrates the cumulative rate in which lands are being committed for development each year within the designated greenfield area. Prior to the effective date of the Growth Plan in 2006, the designated greenfield area included lands with existing planning approvals, but which had not yet been constructed. It is for this reason the chart illustrates a timeline prior to the effective date of the Growth Plan. By the end of 2021, 882 hectares of the City's 2110 hectares of designated greenfield area had planning commitments, inclusive of natural areas protected through the plan of subdivision process. This represents an increase of 49.5 hectares of additional committed greenfield land since last year, the result of the registration of two plans of subdivision: the remaining phase of Victoria Park Village at 1159 Victoria Road South, and the second phase of the Nima subdivision at 635 Woodlawn Road East, along with the Ontario Land Tribunal's decision to approve the 678 unit development at 631 Whitelaw Road. The City's designated greenfield area also increased by approximately 90 hectares in 2021, resulting from the Provincial approval of the annexation of the Dolime quarry lands into the City of Guelph. The total amount of committed greenfield lands in 2021 now stands at approximately 42 per cent of the total designated greenfield area.

There are several future greenfield developments that are anticipated to increase the number of committed greenfield lands over the coming years as additional phases in greenfield plans of subdivisions become registered. A few of these subdivisions include: 635 Woodlawn Road East; 55 & 75 Cityview Drive North; and, 20 & 37 Cityview Drive North.

Source: City of Guelph Planning Services, 2021

5.2 Greenfield area cumulative persons and job density within committed lands

Figure 12. Greenfield area persons and job density on committed lands



Committed greenfield lands are meeting the minimum greenfield density target

The City of Guelph's committed lands within the designated greenfield area are currently estimated to be achieving a density of 55 persons and jobs per net hectare, an increase from 53 persons and jobs per hectare in 2021. This increase is the result of the Ontario Land Tribunal's decision to approve the 678 unit development at 361 Whitelaw Road, the registration of two plans of subdivision, and the planning approval of the South End Community Centre.

In the chart above, an initial density spike in 2002 on the first lands to be committed in the designated greenfield area was due to the approval of several large commercial and apartment developments. In the following years, the designated greenfield area density declined due to the registration of several plans of subdivision which predated the Growth Plan and were comprised largely of low density forms of housing. Greenfield densities began to trend steadily upwards starting in 2009, reflective of the registration of plans of subdivision received after the Growth Plan came into effect with overall densities that contributed to the achievement of the greenfield density target.

Densities on non-employment committed lands in the designated greenfield area increased to 62 persons and jobs per hectare over 579 gross hectares of land (27 per cent of the designated greenfield area). Densities on employment lands remained steady and are estimated to be achieving approximately 43 persons and jobs per hectare over 304 hectares of land (14 per cent of the designated greenfield area).

The overall density target for the designated greenfield area is a minimum of 50 persons and jobs per hectare, measured over the entirety of the designated greenfield area, excluding areas where provincial plans and policies prohibit development.

Following the completion of [Shaping Guelph](#), the City's work to conform to the 2019 Growth Plan (A Place to Grow: Growth Plan for the Greater Golden Horseshoe), the measure for determining densities in designated greenfield lands will be revised to address the changes to the Growth Plan.

Notes:

1. The term committed refers to lands within registered plans of subdivision and lands that have been rezoned outside of plans of subdivision.
2. Greenfield densities have the ability to change over time from registration or approval to when building permits are issued on committed lands.
3. This figure excludes lands in the Designated Greenfield Area that are not considered to be in their final form.
4. For the purposes of this chart, residential densities include population serving employment, such as school sites, and small-scale commercial sites outside business parks. Employment densities include lands designated industrial and corporate business park, commercial developments within mixed-use nodes, and commercial sites within business parks.

Source: City of Guelph Planning Services, 2021

6. City of Guelph housing supply

6.1 Housing supply

Figure 13. Housing supply in the built-up area

Supply	Single Detached	Semi-Detached	Townhouses	Apartments	Total Units	Years of Supply
Short term supply	167	12	464	2538	3181	2.9
Designated and Available	16	4	833	1423	2276	2.1
TOTAL	183	16	1297	3961	5457	5.1

Figure 14. Housing supply in the designated greenfield area

Supply	Single Detached	Semi-Detached	Townhouses	Apartments	Total Units	Years of Supply
Short term supply	370	44	463	2287	3164	2.9
Designated and Available	793	0	2666	2820	6279	5.7
TOTAL	1163	44	3129	5107	9443	8.6

Figure 15. City-wide housing supply

Supply	Single Detached	Semi-Detached	Townhouses	Apartments	Total Units	Years of Supply
Short term supply	537	56	927	4825	6345	5.8
Designated and Available	809	4	3499	4243	8555	7.8
TOTAL	1346	60	4426	9068	14900	13.5

Note: The years of supply total in Figures 13 through 15 above may not add due to rounding

The City is meeting its short-term housing supply requirements

These charts illustrate the supply of housing by type on lands that are available for future development as per the City's current Official Plan which has a planning horizon to the year 2031. A new Provincial Policy Statement (PPS, 2020) came into effect on May 1, 2020 with updated housing supply policies that direct municipalities to maintain enough land available to accommodate a 15 year supply of residential growth through residential intensification, redevelopment and lands that are designated and available, an increase from the minimum 10 year supply in the 2014 PPS. The minimum three year short term housing supply policy remains unchanged. The housing supply policies of the 2020 PPS also require the City to plan for an appropriate range and mix of housing types and densities to meet future projections.

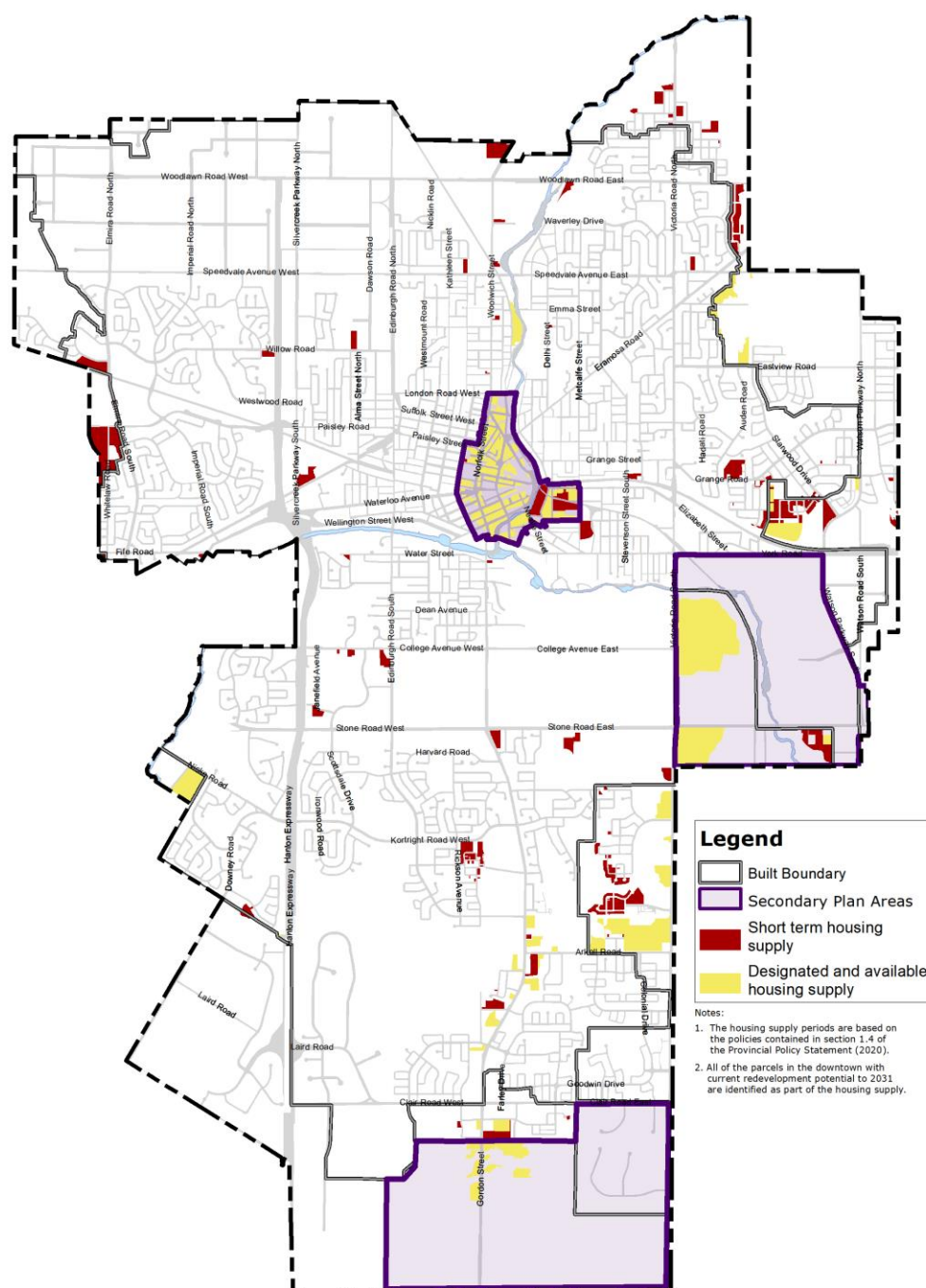
In 2021, Guelph exceeded the minimum short term housing supply of three years, with enough land available for a 5.1 year supply of housing. The City also maintains a longer term housing supply on lands that are designated and available, calculated at 13.5 years, which does not meet the minimum updated supply policy of 15 years in the 2020 PPS. However, additional housing supply will become available through the approval of the Clair-Maltby Secondary Plan and additional future housing supply has been identified through the City's update to its growth management strategy, [Shaping Guelph](#), which will extend Guelph's planning horizon to 2051.

Figure 16. City-wide short term housing supply

City-wide short term housing supply	Single Detached	Semi-Detached	Townhouses	Apartments	Total Units	Years of Supply
Zoned sites (outside plans of subdivision)	61	0	400	3695	4156	3.8
Sites in draft approved plans of subdivision	163	4	41	262	470	0.4
Sites in registered plans of subdivision	313	52	486	868	1719	1.6
TOTAL	537	56	927	4825	6345	5.8

When taking a deeper look into Guelph's short term housing supply as seen in Figure 16 above, the majority of the City's housing supply is on sites that are zoned outside of plans of subdivision, with over 4,100 units generating a 3.8 year supply of housing. An additional 2,200 units are contained within draft approved and registered plans of subdivision, generating an additional 2 year supply of housing.

Figure 17. City of Guelph housing supply sites, 2021

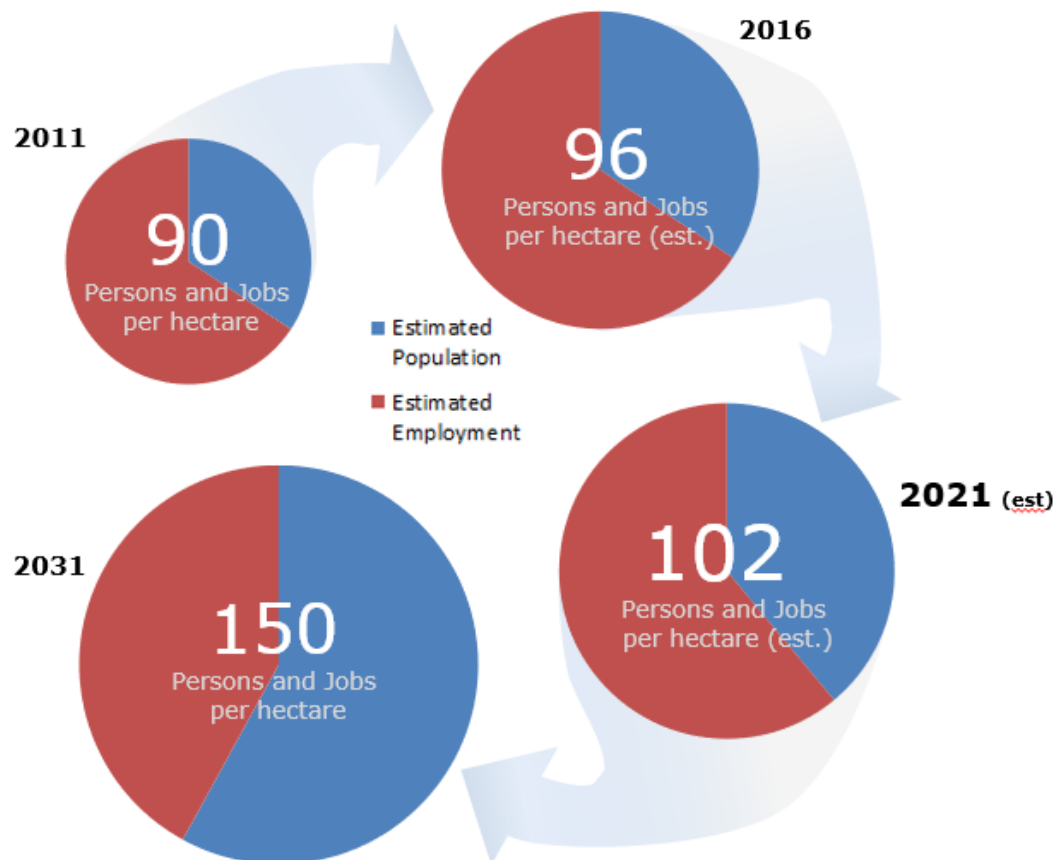


Source: City of Guelph Planning Services, 2021

7. Urban Growth Centre

7.1 Urban Growth Centre density

Figure 18. Urban Growth Centre population and employment density, 2021



The City is on track to achieve its Urban Growth Centre density target

The City of Guelph's Urban Growth Centre (Downtown) is being planned to accommodate a density of 150 persons and jobs per hectare by the year 2031. Downtown building permit activity resulted in 142 new residential units along with approximately 200 square metres of new commercial floorspace. This resulted in an increase to the overall Downtown density target to 102 residents and jobs per hectare. The majority of the future increases to the Downtown density to 2031 will result from residential intensification in the form of medium and high density residential units.

Progress towards achievement of the Urban Growth Centre density target will continue through implementation of the Downtown Secondary Plan and further intensification of the Downtown. Over the coming years, the remaining phases of The Metalworks development on Arthur Street is anticipated to bring an additional 300 units to the Downtown.

Source: City of Guelph Planning Services, 2021

8. Affordable housing

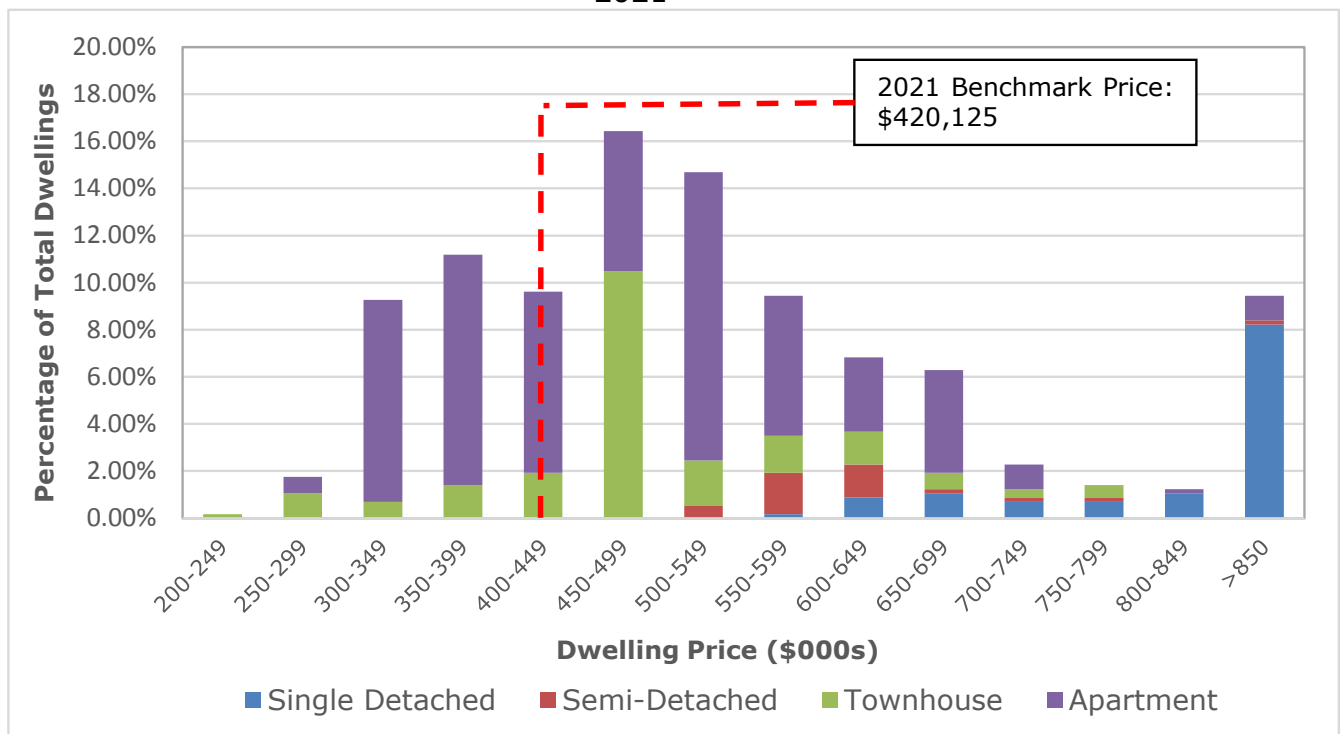
8.1 Achievement of affordable housing targets

The City is meeting its targets for affordable ownership and purpose built secondary rental units

The City of Guelph sets an annual affordable housing target of 30 per cent for all newly constructed residential units. This target is further broken down by housing tenure as follows:

- 25 per cent affordable ownership units;
- 1 per cent affordable primary rental units; and,
- 4 per cent affordable purpose built secondary rental units (which includes accessory apartments)

Figure 19. Percentage of newly constructed dwellings by sale price by type of unit in 2021



Source: City of Guelph Planning Services, 2021. Data from MPAC.

Affordable housing - ownership units

At the time of this report, sales data indicated that 28 per cent of newly constructed residential units last year were sold below the 2021 affordable housing ownership benchmark price of \$420,125, which meets the affordable ownership target of 25 per cent. This is down from 50 per cent of all new units sold in 2020 that sold below the affordable benchmark. Among the new residential units that sold below the benchmark price in 2021, 87 per cent were apartment units, while the remaining 13 per cent were townhouses.

Affordable housing – purpose built secondary rental units

In 2021, 203 accessory apartments were created, which are considered to be purpose built secondary rental units. Based on the latest registered accessory apartment survey results, it is assumed that 100 of the 203 units would be offered for rent below the 2021 rental benchmark price of \$1,295. Those 100 units represent 12 per cent of all new residential units created in 2021, which meets the City's affordable purpose built secondary rental unit target of 4 per cent.

Affordable housing – purpose built primary rentals

The target for purpose built primary rentals is 1 per cent of all newly constructed units, measured as an average over a 5-year period, which was reported on in the 2020 Growth Management and Affordable Housing Monitoring report and concluded that no purpose built rentals met the affordable housing rental benchmark price. However, 2021 saw the approval of three new affordable housing developments. A 32 unit supportive housing development was approved at 10 Shelldale Crescent, a second 32 unit supportive housing development was approved at 721 Woolwich Street and an additional 30 affordable rental units will become part of the development at 120 Huron Street. In 2021, Council committed \$844,000 in funding for Grace Gardens at 721 Woolwich Street and \$383,646 to Wyndham House for the creation of eight new supportive housing units at 51 Bellevue Street. The Wyndham House supportive housing development was approved in early 2022 and will be reported on in next year's report.

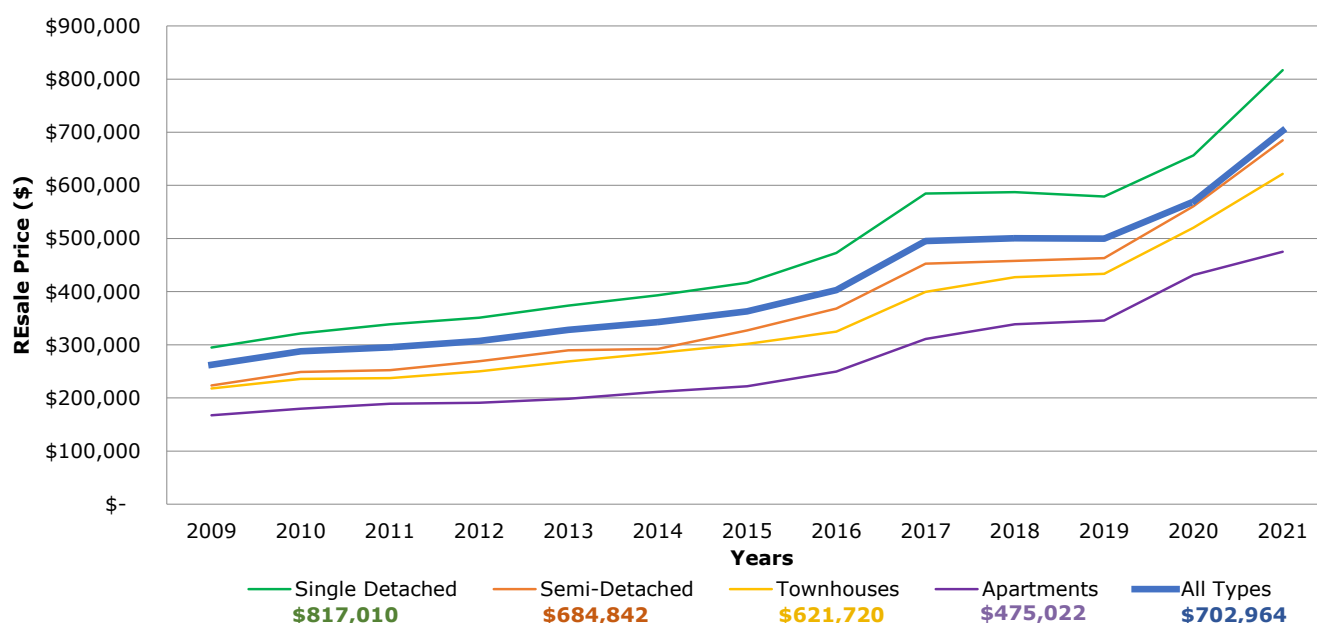
According to CMHC's primary rental market statistics for private rental apartments in Guelph, the average rental rates for bachelor apartments (\$936) and 1 bedroom apartments (\$1,277) were below the 2021 affordable benchmark price of \$1,295.

8.1 Setting 2022 affordable ownership housing benchmark prices

Each year the City calculates the affordable housing benchmarks for ownership based on the lowest of a market and income based calculations, as per provincial policy. These benchmarks are used to determine if the City's affordability housing targets for home ownership have been met. The 2022 benchmarks will be set using 2021 data. The recent trends in housing prices and sales that have occurred through the early part of 2022 are not reflected in the data presented in this report.

Affordable ownership housing benchmark – market-based

Figure 20. Average resale price of dwellings sold, by type (2009-2021)



Source: City of Guelph Planning Services, 2021. Data from MPAC

In 2021, the average resale price for all types of dwellings sold in Guelph was \$702,964, an increase of approximately \$133,000, or 23 per cent from the average resale price of \$569,505 in 2020. Single detached homes were the most expensive type of unit sold in 2021 with an average resale price of \$817,010, an increase of 24 per cent since 2020. Apartment units were the least expensive types of units sold in 2021, with resale prices averaging \$475,022, an increase of 10 per cent over last year.

Between 2009 and 2021, average resale prices for all types of units increased on average by 11 per cent per year. Over that same time period, prices for single detached homes increased by an average of 11 per cent per year, townhouses increased by an average of 13 per cent per year, while both semi-detached and apartment prices increased by an average of 14 per cent per year.

The ownership affordable market-based benchmark is calculated as housing for which the purchase price is at least 10 per cent below the average purchase price of a resale unit in the regional market area. The ownership affordable market-based benchmark for 2021 is \$632,667.

Affordable ownership housing benchmark – income-based

Figure 21. Maximum affordable homeownership prices by income percentile for all Guelph households, 2021

Percentile	10th	20th	30th	40th	50th	60th	70th	80th	90th
Income of All Households (\$)	\$25,356	\$41,520	\$55,941	\$70,202	\$86,515	\$104,501	\$124,517	\$152,217	\$195,918
Affordable House Price (\$)	\$71,932	\$150,193	\$220,015	\$289,063	\$368,044	\$455,125	\$552,037	\$686,150	\$897,738

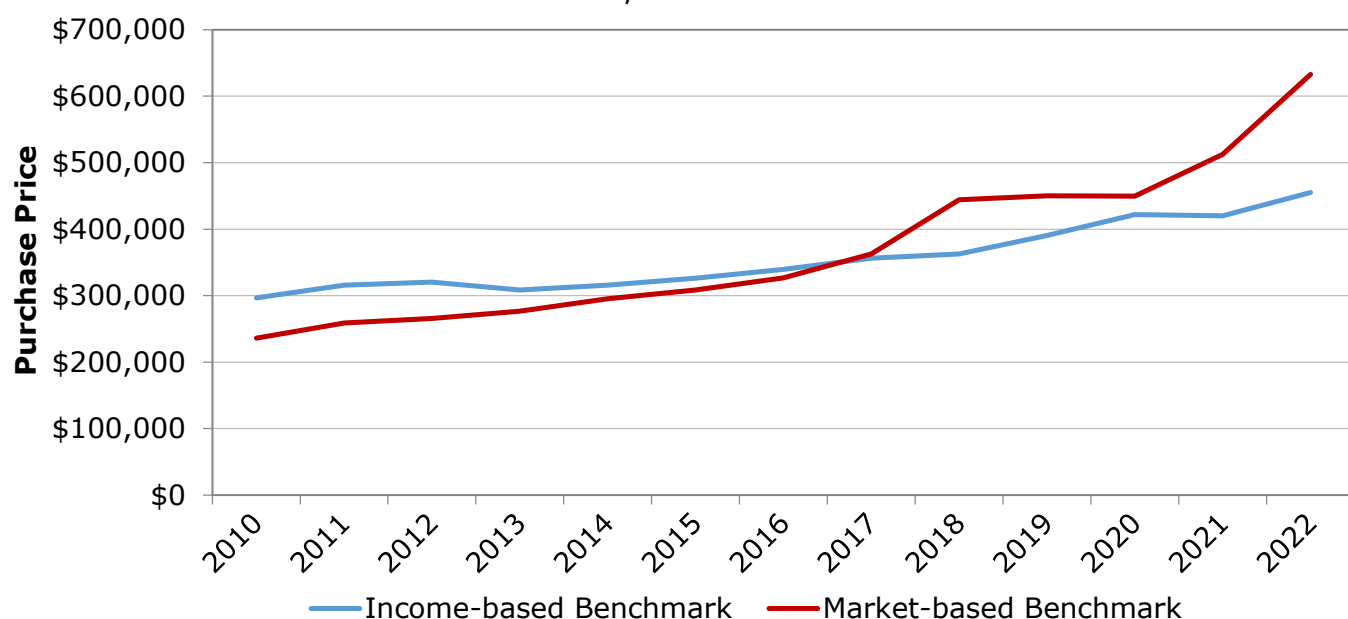
Source: City of Guelph Planning Services, 2021. Data from Statistics Canada.

In 2021, the income for the 60th percentile for all households was \$104,501, which is based on 2015 Census data adjusted for inflation based on the Consumer Price Index for Ontario (all items). The income data will be updated to reflect the 2021 Census once the data becomes available.

The ownership affordability income-based benchmark for 2022 is \$455,125, which is an increase of \$35,000 from the 2021 income-based benchmark.

Setting the affordable ownership housing benchmark for 2021

Figure 22. Comparing income and market-based affordable ownership housing benchmark, 2010–2022



Source: City of Guelph Planning Services, 2021. Data from MPAC and Statistics Canada

In 2021, the income for the 60th income percentile for all households was \$104,501 which is based on incomes from the 2016 Census, adjusted for inflation using the Consumer Price Index for Ontario (all items).

Calculating the 2022 affordable ownership housing benchmark involves determining the less expensive of:

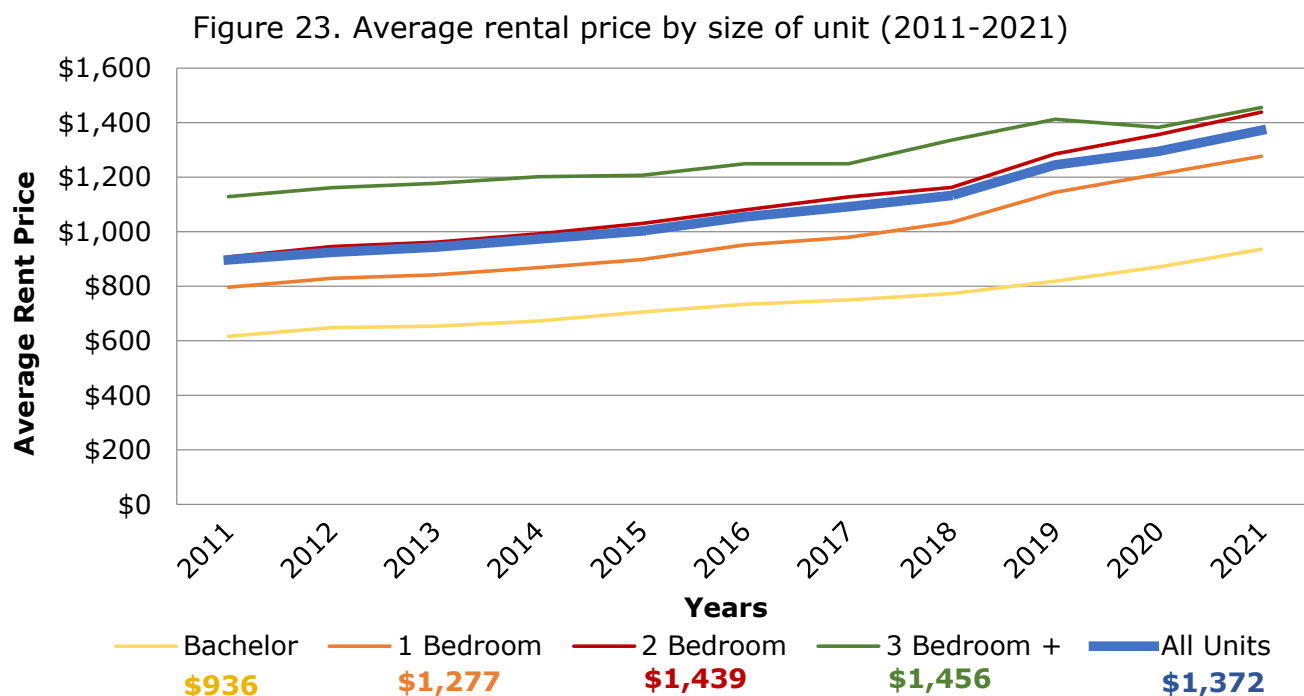
- 1) Income based benchmark - housing for which the purchase price results in annual accommodations that does not exceed 30 per cent of gross annual household income for low and moderate income households; and
- 2) Market based benchmark - housing for which the purchase price is at least 10 per cent below the average purchase price of a resale unit in the regional market area.

Calculating the ownership housing benchmark using the income based price method above (1) results in a benchmark price of \$455,125. Calculating the benchmark using the average purchase price method above (2) uses the 2021 average resale price of \$702,964 for all types of dwellings sold in Guelph, which results in a benchmark price of \$632,668. The less expensive of the two methods is the income based method (1), which sets the 2022 affordable housing ownership benchmark price of \$455,125.

8.2 Setting 2021 affordable rental housing benchmark prices

Each year the City calculates the affordable housing benchmarks for rental housing based on the lowest of a market and income based calculations, as per provincial policy. These benchmarks are used to determine if the City's affordability housing targets for rental units have been met. The 2022 benchmarks will be set using 2021 data.

Affordable rental housing benchmark – market-based



Source: City of Guelph Planning Services, 2021. Data from CMHC.

In 2021, the average market rent for all types of units in Guelph was \$1,372 with bachelor units averaging rents of \$936 and units with 3 or more bedrooms averaging rents of \$1,456.

Between 2011 and 2021, average market rents increased by an average of 6.6 per cent per year. Rental rates for bachelor apartments increased by 6.5 per cent on average per year, while 1 bedroom apartments increased the most at 7.5 per cent on average per year. Two-bedroom units increased by 7.3 per cent on average per year while rates for units with 3 or more bedrooms increased the least at 3.6 per cent on average per year between 2011 and 2021. Between 2020 and 2021, rental prices increased by an average of 6 per cent across all unit sizes, with bachelor apartment rental prices increasing the most at 7.5 per cent.

The rental market-based benchmark is calculated as the average rental price of all units in the regional market area. The rental affordable housing market-based benchmark for 2022 is \$1,372.

Affordable rental housing benchmark – income-based

Figure 24. Maximum affordable rent by income percentile for all Guelph renter households, 2021

Percentile	10th	20th	30th	40th	50th	60th	70th	80th	90th
Income of All Rental Households (\$)	\$15,402	\$23,213	\$30,912	\$40,434	\$49,768	\$58,992	\$70,403	\$86,400	\$111,395
Affordable Rental Price (\$)	\$385	\$580	\$773	\$1,011	\$1,244	\$1,475	\$1,760	\$2,160	\$2,785

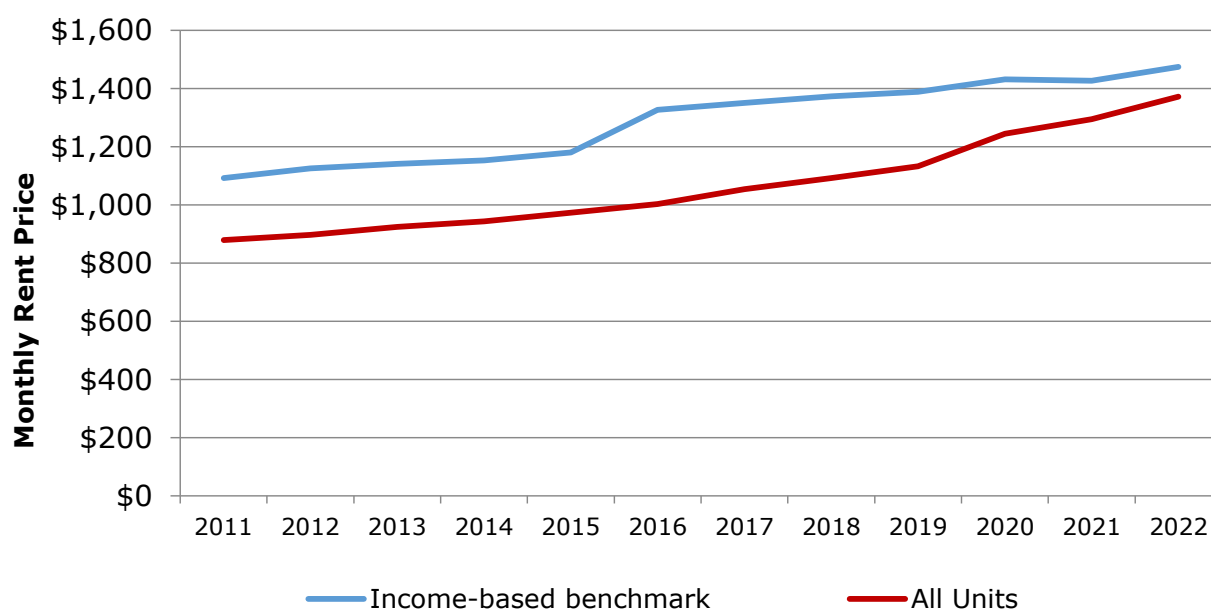
Source: City of Guelph Planning Services, 2021. Data from Statistics Canada

In 2021, the income for the 60th income percentile for rental households was \$58,992 which is based on 2016 Census data adjusted for inflation based on the Consumer Price Index for Ontario (all items). The income based affordable rental benchmark, which is calculated as 30 per cent of the gross household income at the 60th income percentile is \$1,475.

Using the 2021 average rental prices, the 2022 market-based affordable housing rental benchmark is \$1,475, which is a slight increase from \$1,427 in 2021.

Setting the affordable rental housing benchmark for 2022

Figure 25. Comparing income and market-based benchmarks in Guelph, 2010-2022



Source: City of Guelph Planning Services, 2021. Data from CMHC and Statistics Canada

In 2021, the income for the 60th income percentile for all renter households was \$58,992 which is based on incomes from the 2016 Census, adjusted for inflation using the Consumer Price Index for Ontario (all items).

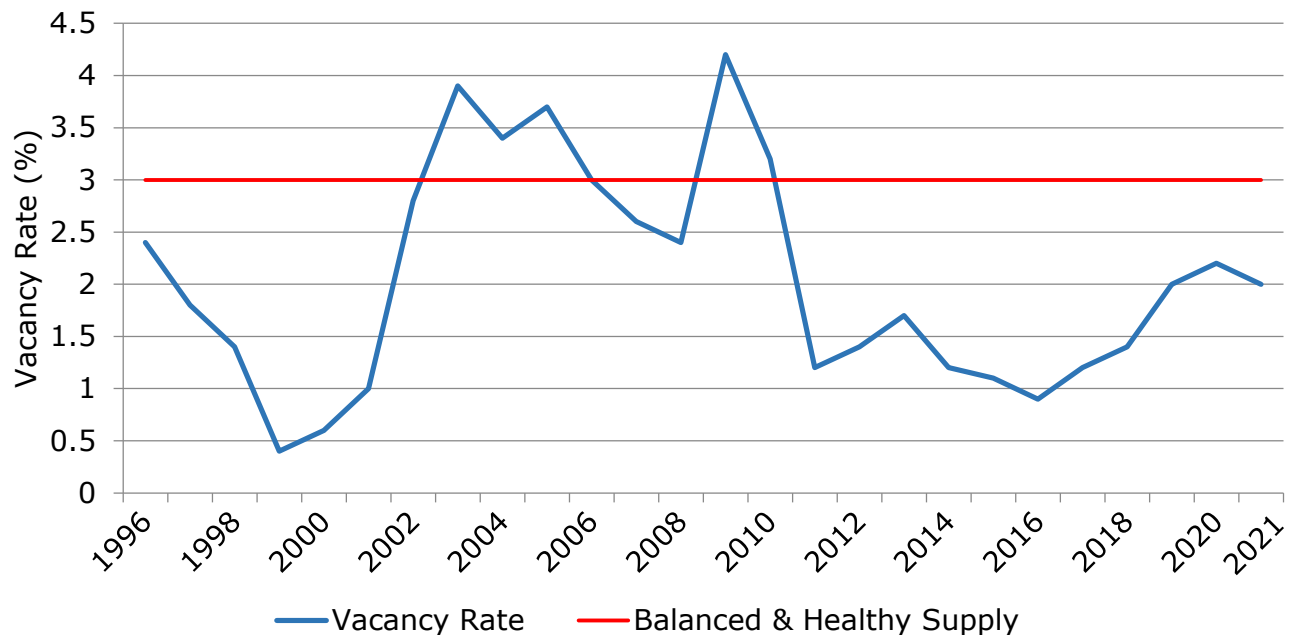
Calculating the 2021 affordable rental housing benchmark involves determining the less expensive of:

- 1) Income based benchmark - housing for which the rental price results in annual accommodations that does not exceed 30 per cent of gross annual renter household incomes for low and moderate income households; and
- 2) Market based benchmark - the average market rent for all units from the Canadian and Mortgage Housing Corporation's rental market survey

Calculating the rental housing benchmark using the income based price method above (1) results in a benchmark rental price of \$1,475. Calculating the rental housing benchmark using the average rent in method (2) results in a benchmark price rental price of \$1,372. The less expensive of the two methods is the market-based method (1), which sets the 2022 affordable rental housing benchmark price of \$1,372 per month.

8.3 Rental unit vacancy rates in Guelph

Figure 26. Rental vacancy rates across all units, Guelph CSD 1996-2021

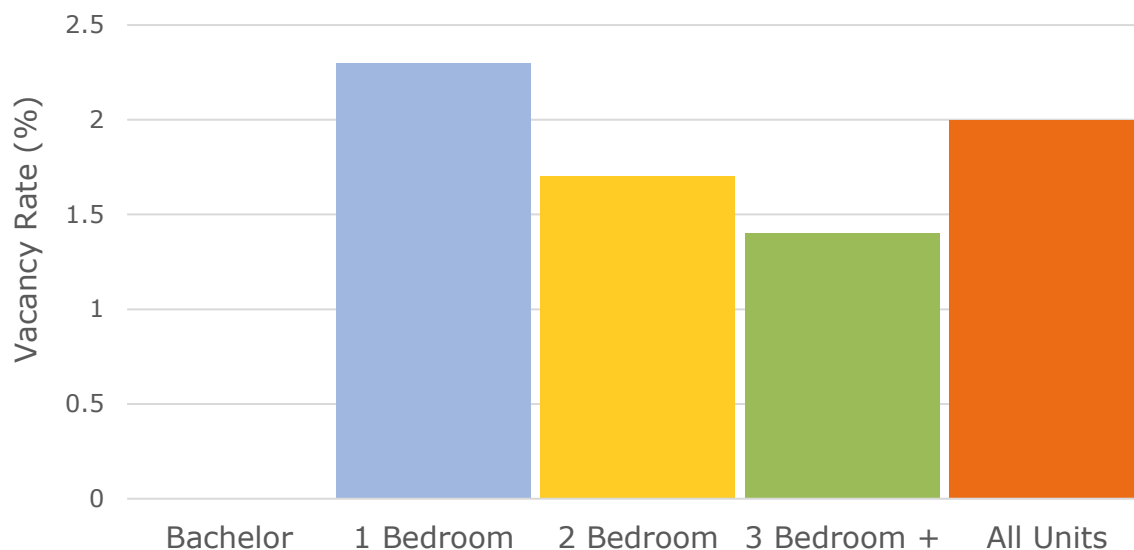


Source: City of Guelph Planning Services, 2021. Data from CMHC.

The average vacancy rate for all primary rental units in Guelph in 2021 was 2 per cent, down slight from 2.2 per cent in 2020. The City of Guelph has continued to fall below a balanced and healthy vacancy rate of 3 per cent for the tenth year in a row.

Since 2017, the vacancy rate has been rising due in part to the increase in supply through the development of new primary rental apartment buildings, such as the Kortyard rental units at 171 Kortright Road West, the Imperial Towers 4 building development at 978-1042 Paisley Road, and Parkwood Place 3 building development at 772 Paisley Road, 4 Ryde Road and 3 Candlewood Drive. Additional rental units will be added to the City's existing housing stock as new developments approved in 2021 are constructed, such as the 117 unit development at 120 Huron Street.

Figure 27. Vacancy rates by size of primary rental unit, 2021



Source: City of Guelph Planning Services, 2021. Data from CMHC.

In 2021, 1 bedroom apartments had the highest vacancy rate at 2.3 per cent, while 2 bedroom apartments had a vacancy rate of 1.7 per cent, and rentals with 3 or more bedrooms had the lowest vacancy rate of 1.4 per cent. A balanced and healthy vacancy rate is considered to be 3 per cent or above. The data collected by CMHC for bachelor apartments in 2021 was either suppressed due to privacy concerns, or was not statistically significant.

Information Report



Service Area	Office of the Chief Administrative Officer
Date	Friday, June 24, 2022
Subject	Status of Outstanding Management Action Plans First Quarter 2022

Executive Summary

Purpose of Report

As part of the City of Guelph's follow-up process, management provides regular updates on the status and progress of outstanding audit recommendations to Internal Audit.

The objective of this report is to provide Council with an update on the progress of the implementation of management action plans as reported by management that were developed to address audit observations.

Key Findings

As of March 2022, 93% of the audit recommendations with an implementation due date of March 31, 2022 or prior have been completed by management. This is similar to December 31, 2021 that reported 93.5% completed. A benchmark of over 85% is considered a good closure rate.

During the first quarter (Q1), one recommendation was closed.

Financial Implications

Implementation of audit recommendations could have financial implications, leading to a more effective governance, risk management and internal control environment.

Report

Details

Overview

As of March 2022, 302 recommendations were reported by management as complete, 19 that were due to be completed are in-progress, and three recommendations are listed as not yet started (Attachment-1 Table 1). Of the 22 recommendations due and outstanding, there are 14 that are more than two years overdue and 9 that are overdue under two years (Attachment-1 Table 2) based on the original implementation due dates established by management. The completion rate reported by management is 93%.

Analysis

Management provided the following updates by audit:

- One recommendation remains open for the **Overtime audit** as work continues with Kronos on the time, attendance, and scheduling system configurations for more complex employee groups to move to self-serve. Project timelines have been updated with the remaining groups expected to transfer throughout 2022.
- For the **Vendor Payment Process Audit**, the outstanding recommendation is to ensure change orders are sent to the vendors relating to timing, scope, and dollar value. We are looking to implement this recommendation in JDE when procurement functions are moved over as WAM gets replaced with CMMS. With the CMMS project moving ahead, we are expecting Procurement functions to move before the end of the fourth quarter (Q4) of 2023.
- For the **Single Source Purchase Audit** under the City Solicitor's direction and supervision, staff in the City Clerk's Office have assumed carriage of the review of the City's by-laws, policies and procedures related to the delegation of authority. It is anticipated that by-law revisions and updates will be provided to ET for approval prior to bringing a report and recommendations before Council for consideration, in Q4 2023.
- 5 recommendations remain open for the **Payroll Audit**, with Council's approval of the Non-union Municipal employee group compensation review in late Q4 2021, updates have been incorporated into the NUME compensation policy which will be provided to ET for review in the second quarter (Q2) of 2022. Though a formal payroll system performance monitoring program will not be completed until all Kronos phases are implemented, scheduled metrics and analytics reports have been implemented. Process documentation has been created and training of payroll personnel continues. Configuration of the Kronos interface to automate system performance/service continues to reduce manual intervention and input. Items such as developing a business continuity plan and disaster recovery will moved forward when all phases of the Kronos implementation are complete.
- An audit of the **Employee Expense Process** was completed in April 2020 and identified 15 recommendations. Internal Audit recommended updates to expense policy and procedures. The Executive Team has approved an updated policy which is being piloted with key users across the City as part of the Chrome River expense management software implementation. The new software will streamline employee expense claims and will improve the control structure around these expenses meeting the expectation of Internal Audit. The software rollout City-wide is expected to be complete by end of Q2 2022.
- Two remaining items within the **Fuel Security and Systems Audit** remain open. Due to continued COVID impacts on the availability of products, the installation of card readers on the fuel pumps has been delayed, as such the anticipated completion date has been extended to the third quarter (Q3) of 2022. For the second remaining item related to reviewing system analytics reports, there has been no change as it is directly tied to the roll out of the new computerized maintenance management system.

- The **River Run Centre Cash Handling Audit** was issued in January 2019 with 47 recommendations made. To date 43 recommendations have been completed. According to Management, after the first phases of research and procedural changes, staff are now into the final stages of documenting cash handling procedures. Draft documentation has been shared with departments and is waiting for feedback. COVID-19 has slowed the pace for implementation of this work as the facility was closed to the public for a good part of 2021, and key staff had been redeployed to other departments or areas of work as that was deemed a higher priority. The facility was permitted to reopen at times through the later part of 2021, but it came with considerable limitations, restrictions, and ongoing last-minute changes. Through 2021, staff adjusted implementation dates between the end of 2021 and the end of 2023 to account for the restrictions. A limited number of events and no front of house sales forced some finalized completion deadlines be extended into 2023.
- Of the 22 recommendations made in the **Fleet Parts Inventory Audit**, staff have completed 19 to date. There has been no change with one item as it is related to the roll out of the new CMMS system. We have extended our agreement with our parts supplier at the Operations facility to Q3 2023 and as such, the implementation of the remaining two items have been delayed to Q2 2023 as well.
- The **Project Management Process Audit** was issued in June 2019 with 30 recommendations. One of the remaining open recommendations related to centralized tracking of projects across all departments is in progress and slated for completion in Q3 2022. During Q1 2022 the PMO received endorsement from senior management for implementation of three corelated PMO initiatives including tracking software roll-out; document storage folder standardization; and reviewing results of the PMO quality audit with each department. Another open recommendation related to sub-project budget development is reliant on the CMMS project and alignment of JDE system changes. This recommendation can proceed once Purchasing has moved to JDE. With the start of implementation training and set up in Q1 2022, progress on planning of sub-project budgeting is expected to be undertaken in late 2022 or early 2023. A recommendation for ensuring all costs to complete capital projects are captured consistently by developing expanded accounting instructions has required significant investment of time with involvement of multiple teams within Finance to ensure alignment of data uses, including in some cases adjustments to existing technical practices to enable more granular tracking and reporting. Draft communications have been shared with departments through 2022 budget development, instructions and a policy were completed in Q4 2021. Confirmation of the policy by the Capital Steering Committee is expected to occur in Q2 2022, with final communication to the organization at same time.

Summary

The overall completion rate for Q1 2022 was 93% and was similar to the 93.5% reported at the end of the Q4 2021. Management and staff continue to work towards the completion of outstanding audit recommendations and the current completion rate exceeds our internal benchmark of over 85%.

Internal Audit encourages management and staff to continue striving to meet the target completion dates and Internal Audit will continue to support the departments in their efforts to implement audit action plans timely.

Financial Implications

Implementation of audit recommendations could have financial implications, leading to a more effective governance, risk management and internal control environment.

Consultations

Consulted with the Executive Team and Departmental General Managers.

Strategic Plan Alignment

This report supports the Strategic Plan – Working Together for our Future Priority. The update demonstrates management’s implementation of recommendations identified in prior audits that improve the effectiveness and/or efficiencies of governance, risk management and internal control processes.

Attachments

Attachment-1: Activity Summary & Aging of the Implementation of Recommendations

Departmental Approval

This report was authored and approved by:

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This report was recommended by:

Scott Stewart
Chief Administrative Officer
Office of the Chief Administrative Officer
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Table 1

Activity Summary As of March 2022								
Report Issue Date	Report Name	Total	Completed Prior to Current Period	Due by Mar 31- Complete	Due by Mar 31-In Progress	Due by Mar 31 - Not Started	Due after Mar 31- Not Started	Due after Mar 31- In Progress
Corporate Services								
October 2013	Overtime	41	40		1			
May 2017	Vendor Payment Process	52	51		1			
October 2017	Single Source Purchase	20	18		2			
May 2018	Payroll	76	71		3	2		
April 2020	Employee Expense Process	15	13		2			
Public Services								
January 2017	Fuel Security and Systems	21	19		2			
January 2019	River Run Centre Cash Handling	47	43	1	3			
November 2020	Fleet Parts Inventory	22	19		2	1		
Infrastructure, Development and Enterprise Services								
June 2019	Project Management Process	30	27		3			
Total Count		324	301	1	19	3	0	0

Table 2

Aging of the Implementation of Recommendations (due as of March 2022)				
Audit Report Name	Total Recommendations Outstanding	Overdue Less Than a Year	Overdue Between One to Two Years	Overdue Over Two Years
Overtime	1			1
Vendor Payment Process	1			1
Single Source Purchase	2			2
Payroll	5			5
Employee Expense Process	2	1	1	
Fuel Security & Systems	2			2
River Run Centre Cash Handling	3		1	2
Fleet Parts Inventory	3	2	1	
Project Management Process	3	1	1	1
Total	22	4	5	14



Minutes of Heritage Guelph Committee

June 13, 2022, 12:00 p.m. - 2:00 p.m.

Remote meeting via Cisco Webex

Member:	P. B. Skerrett, Chair M. Crawley C. Tilley D. Waverman M. Winters
Absent:	M. Corman B. Foster J. Smith
Staff:	S. Robinson, Senior Heritage Planner J. Tang, Planning Clerk - Policy B. Garrovillas, Heritage Research Assistant K. Walkey, General Manager Planning and Building Services M. Aldunate, Manager Policy Planning and Urban Design

1. Call to Order

The meeting was called to order by the Chair at 12:26 p.m.

1. Acknowledgements

The Territorial Acknowledgement was delivered by Chair P.B. Skerrett.

2. Disclosure of Pecuniary Interest and General Nature Thereof

Member C. Tilley disclosed a conflict of interest for item 2.1 - 50-60 Fife Road: Cultural Heritage Resource Impact Assessment for proposed demolition.

3. Approval of Minutes

Moved by: D. Waverman
Seconded by: M. Crawley

THAT the minutes from the May 09, 2022 meeting of the Heritage Guelph Committee, be approved.

Carried

4. Staff Announcements

Stephen Robinson, Senior Heritage Planner, delivered the following announcements:

1. Introduction of new Heritage Guelph Committee member, Cameron Tilley.
2. Introduction of Beatrice Garrovillas, Heritage Research Assistant.
3. Resignation of member Jack Mallon from Heritage Guelph.
4. Proposal to reschedule July 11 Heritage Guelph meeting to avoid conflict with Council. Staff will poll the members for alternative meeting dates.

2. Committee Items

1. 50-60 Fife Road: Cultural Heritage Resource Impact Assessment for proposed demolition

Member C. Tilley recused himself from item 2.1 and quorum was lost.

Chair P.B. Skerrett recommended Heritage Guelph Committee move onto item 2.2 - Couling Building Inventory Project: Consultation on Exhibition Park North area.

This item was not discussed due to loss of quorum.

2. Couling Building Inventory Project: Consultation on Exhibition Park North area

Moved by: D. Waverman
Seconded by: C. Tilley

THAT Heritage Guelph receives the presentation by Heritage Planning staff regarding the Couling Building Inventory Project: Consultation on Exhibition Park North area provided at the June 13, 2022 meeting of Heritage Guelph.

Carried

3. Chair Announcements

There were no announcements.

4. Adjournment

Moved by: M. Crawley

Seconded by: M. Winters

THAT the Heritage Guelph meeting be adjourned at 1:27 P.M.

Carried

5. Next Meeting

Heritage Guelph - to be scheduled.