

Draft Housing Affordability Strategy

Council Presentation

October 8, 2024

Background

- Project was initiated in September 2023
- 2023 State of Housing in Guelph Report identified five key issues:
 1. Guelph is working towards achieving its affordable housing targets
 2. There is a need for smaller units
 3. There is a need for an increased supply of primary rental units
 4. The secondary rental market offers more affordable choices but could benefit from the stability offered by the primary rental market
 5. There is a need for an increased supply of non-market rental housing

What do we mean when we say affordable housing - ownership?

The least expensive of:

Ownership

1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low- and moderate-income households;

or

2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;

Affordable **Ownership** Thresholds

Unit Type	Market-based Threshold	Income-based Threshold	Affordable Housing Benchmark Price for 2024
Single-detached	\$837,000	\$398,800	\$398,800
Semi-detached	\$666,000	\$398,800	\$398,800
Townhouse	\$621,000	\$398,800	\$398,800
Apartment	\$513,000	\$398,800	\$398,800

What could a low to moderate income household afford in Guelph?

What do we mean when we say affordable housing - rental?

The least expensive of:

Rental

1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households;

or

2. a unit for which the rent is at or below the average market rent of a unit in the municipality.

Affordable **Rental** Thresholds

Rental Unit Size	Market-based Threshold	Income-based Threshold	Affordable Housing Benchmark Rent for 2024
Bachelor	\$1,160	\$2,050	\$1,160
1-bedroom	\$1,508	\$2,050	\$1,508
2-bedrooms	\$1,646	\$2,050	\$1,646
3+ bedrooms	\$1,695	\$2,050	\$1,695

What could a low to moderate income household afford in Guelph?

Guelph's Housing Needs to 2051

	Owner	Renter	Total units
Affordable	2,640	6, 060	8,700
Market	11,830	5,445	17,280
Total	14,500	11,500	26,000
% affordable	18%	53%	33%

Guelph's Housing Needs - Rental

	Affordable Housing Need, 2024-2051	Percentage Share of Total Rental Housing Growth
Less than 40% Average Market Rent (i.e., deeply affordable)	1,057	9%
40-60% Average Market Rent	2,070	18%
60-80% Average Market Rent	813	7%
80-100% Average Market Rent (focus of draft HAS Actions)	2,120	18%
Total	6,060	53%

Guelph's Housing Needs - Ownership

- City will work collaboratively to facilitate the creation of 2,640 affordable ownership units by 2051 (approximately 98 units annually).

Housing Affordability Strategy: Vision


Guelph is a welcoming community where diverse housing options are available for residents as a human right: We have homes that are affordable, accessible, and suitable, regardless of income, age, or situation. By working with our private and not-for-profit sector partners and other levels of government, we will emerge as leaders in addressing housing affordability. Current and future residents will thrive in their ideal homes.

Housing Affordability Strategy: Goals

Goal 1: Our community is able to access affordable housing throughout the City.



Goal 2: Our community can contribute to diverse and inclusive housing options for everyone.



Goal 3: Our community knows and shares the importance of long-term housing options.

Draft Actions

- Created based on what we heard during public engagement and technical analysis.
- Focuses on what we can do.
- Some actions are already underway; want to provide one umbrella strategy for all things housing affordability.
- Actions strive to strategically move with purpose – we cannot do everything all at once.

Examples of Strategic Actions **Already Underway:**

City-owned Land Strategy to steward land and increase housing supply that is affordable;

More flexible, less exclusionary policies and rules to development (e.g. 4 units as-of-right);

Financial incentives like Affordable Housing CIP (including the ARDU Incentive Program);

Monitoring the provision and decline of existing affordable housing stock by evaluating and reporting on a Renoviction By-law, Rental Replacement By-law, penalty system for known vacant homes.

Examples of New and **Emerging** Strategic Actions:

A communications strategy to promote “Yes In My Backyard” (YIMBY) principles with respect to affordable and inclusive housing;

Reduce or remove parking requirements on affordable housing developments.

Review any City-owned land asset to analyze if housing can be an additional use.

Evaluate the City’s role in developing affordable housing, beyond providing financial incentives, to determine if there is a more impactful model to accelerate the pace of affordable housing development.

Examples of **Collaborative** Strategic Actions:

Identify and allocate City-owned land for a future equity-deserving housing development and access funding from upper-level governments for equity-deserving residents of Guelph.

Identify community-based assets with whom to partner to develop affordable housing (for example, on places of worship).

Collaborate with Guelph's neighbourhood groups, community leagues, social agencies, and tenants to identify strategies for enhancing social equity and inclusion;

Importance of a Strategy

- We want to do more on affordable housing than usual (30 actions in the 2024 HAS vs. 25 in the 2017 AHS).
- A Strategy gives us an ability to be proactive with our approach;
- Need to give priority to the actions that will have the largest impact

Implementation and Monitoring

- Implementation Plan and Evaluation Framework is also being created.
- Will include:
 - Scope of work for each action;
 - City staff responsible;
 - Indicators to track progress; and
 - Financial implications.
- Will be presented to Council with final Housing Affordability Strategy in December 2024.

Next Steps

1. Staff are planning public five (5) engagement events (one virtual event and four in-person events) to take place on October 15, October 17, October 19, October 22, and October 24th. More information will be shared on times and location on the project's Have Your Say page.
2. Staff will also be presenting the draft Housing Affordability Strategy to the Accessibility Advisory Committee, the Planning Advisory Committee and the Housing Affordability Strategy Focus Group.
3. The final recommended Housing Affordability Strategy will be presented to Council on December 10, 2024.

Recommendation

1. That Report 2024-420 from Planning and Building Services regarding the draft Housing Affordability Strategy dated October 8, 2024, be received.