

# Staff Report



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To	<b>City Council</b>
Service Area	Infrastructure, Development and Environment
Date	Tuesday, October 8, 2024
Subject	<b>Draft Housing Affordability Strategy</b>

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## Recommendation

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

### Purpose of Report

The purpose of this report is to provide information about and present the draft Housing Affordability Strategy (HAS). The draft Housing Affordability Strategy identifies a range of draft strategic actions to address the five key issues identified in the [State of Housing 2023 Report](#), as presented to Council in [Report 2023-471](#) on December 12, 2023.

The draft Housing Affordability Strategy is based on feedback gathered through extensive community engagement and an analysis of best practices across many different municipalities. It is included as Attachment-1 to this staff report.

This report also provides information on next steps to implement the final Housing Affordability Strategy starting in Q1 2025. The final Housing Affordability Strategy will be a 10-year strategy as the City works to address key housing affordability issues and needs.

### Key Findings

- The 2024 draft Housing Affordability Strategy will update and replace the 2017 Affordable Housing Strategy.
- On September 12, 2023, City staff initiated the 2024 Housing Affordability Strategy project. Since that project initiation, City staff have worked with Dillon Consulting to complete several phases of the project including Research and Information Gathering, Identify Goals and Targets, and Identify Actions and associated deliverables.
- In addition to staff work, there were also a number of provincial and federal changes that staff had to consider, including changes to the provincial definition of **affordable housing**, a new Provincial Planning Statement, and the release of an [Affordable Residential Unit Bulletin](#). City staff continue to monitor changes announced by the Provincial and Federal levels of government.
- The Affordable Residential Unit Bulletin in particular is a critical piece to defining housing affordability in Guelph. It sets the exact purchase price and rent for when a unit is considered affordable for each municipality in Ontario. As a

municipality, we are now mandated to use these numbers. Therefore, when we say a residential unit is affordable, these numbers are what we are using to define housing affordability. For 2024, these are the affordable purchase price and affordable rents:

- For a single-detached residential unit for purchase: \$398K
  - For a semi-detached residential unit for purchase: \$398K
  - For a townhouse residential unit for purchase: \$398K
  - For an apartment residential unit for purchase: \$398K
  - For a bachelor residential unit for rent: \$1,160 per month
  - For a 1-bedroom residential unit for rent: \$1,508 per month
  - For a 2-bedroom residential unit for rent: \$1,646 per month
  - For a 3-bedroom or greater residential unit for rent: \$1,695 per month
- Table 1 and 2 of the staff report and their related sections provide more information on how these numbers are calculated.
  - For a residential unit to be exempt from development charges and from the maximum community benefits charge and parkland dedication requirements, the residential unit must be purchased or rented using the numbers in this Bulletin. Crucially, for those exemptions to apply, it must remain as an affordable residential unit for 25 years.
  - By 2051, the City of Guelph will need a total of 8,700 out of 26,000 or 33 per cent of all new housing units built in the 2024-2051 period to be affordable, the majority of which should be affordable rental. Table 4 of this staff report provides further information.
  - Of that 8,700 affordable units needed by 2051, the City's contribution to meeting this target is 4,760 units (approximately 176 affordable units annually), of which 2,640 are affordable ownership units (approximately 98 affordable ownership units annually) and 2,120 are affordable rental units (approximately 78 affordable rental units annually).
  - To help us reach those unit targets, the draft Housing Affordability Strategy is guided by the following three goals:
    1. Goal 1: Our community is able to access affordable housing throughout the City
    2. Goal 2: Our community can contribute to diverse and inclusive housing options for everyone
    3. Goal 3: Our community knows and shares the importance of long-term housing options
  - The Action Plan builds on current tools/approaches, connects with other relevant corporate projects, and ultimately recommends actions that will make an impactful difference on the City's housing affordability goals.
  - The draft Housing Affordability Strategy has included numerous opportunities for community engagement, including a Housing Affordability Strategy Focus Group, a Public and Private Sector Workshop, two online surveys, and a public engagement event at the Royal City Mission. Staff are expecting to conduct further engagement later in the Fall.
  - The final 2024 Housing Affordability Strategy is scheduled to be presented to Council for approval in December 2024. Once approved, staff will begin to implement the strategic actions and monitor outcomes.

## **Strategic Plan Alignment**

The HAS will inform how best to facilitate the development of private market housing options that are affordable to the majority of Guelph residents.

This project aligns with the City Building theme by focusing on housing growth and all the supporting elements needed to make Guelph a more livable city. Specifically, this project will:

- Help to increase the availability of housing that meets community needs
- Work with partners and the community to create smart programs and policies that enable more people to obtain housing

With respect to key performance indicators, the final 2024 Housing Affordability Strategy will provide information on the percentage of affordable residential units (ownership and rental) needed within the City of Guelph.

## **Future Guelph Theme**

City Building

## **Future Guelph Objectives**

City Building: Improve housing supply

## **Financial Implications**

Planning and finance are working through the financial implications of the proposed strategy, and an estimate of the costs associated with implementing this strategy will be included with the final Housing Affordability Strategy proposed to Council for approval in December. This analysis will include an updated projection of the costs associated with development charge exemptions for affordable housing at the level proposed in the strategy, as well as the reduction in capacity to purchase parkland and other community amenities from exemptions of parkland dedication fees and community benefit charges. Similar to other service delivery master plans, more detailed estimates of each action will require a full budget analysis as projects are proposed and costed, and the pace of implementation of these actions will be subject to funding approval through the budget process.

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## **Report**

### **Project Background**

The 2024 Housing Affordability Strategy project has been underway for approximately 12 months. The project was initiated in September 2023, when City Council received information through [Report 2023-331](#) about the workplan and deliverables for the Housing Affordability Strategy. As stated in that report, the overall objective of the Housing Affordability Strategy is to identify actions, advocacy, and partnership approaches to address private-market housing gaps in the short, medium, and long-term. Staff engaged Dillon Consulting through a request for proposals to assist with the Housing Affordability Strategy work.

The work completed to date on the draft Housing Affordability Strategy is underpinned by extensive technical work including the [2023 State of Housing Report](#). This report was presented to Council on December 12, 2023. The State of Housing Report describes the current state of housing as well as what future

housing needs in Guelph will be. The State of Housing Report concludes with five key issues impacting housing affordability in Guelph.

The five key issues of the 2023 State of Housing Report are summarized below:

1. Guelph is working towards achieving its affordable housing targets
2. There is a need for smaller units
3. There is a need for 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 (i.e., housing typically associated with the left side of the housing continuum such as supportive, rent geared to income, and affordable)

To begin to address housing affordability in Guelph, the following will need to occur:

- More primary rental units are needed to meet increased demand as housing becomes increasingly unaffordable
- Smaller units will be needed in Guelph to meet the increased demand as household sizes decrease
- Additional residential units will be needed to provide more accessible affordable housing options for lower income earners
- More supportive and subsidized housing is needed to meet the needs of lower income earners

### **How to Define Housing Affordability in a Changing Policy Environment**

The City of Guelph Official Plan (**OP**), now approved by the Province of Ontario, sets our overall housing supply needs to the year 2051. As part of the Shaping Guelph Growth Management Strategy, a [Housing Analysis and Strategy](#) was completed to confirm the City's population and overall housing supply needs to 2051 and recommend a policy framework to align with the City's vision for growth. This included updating City OP policies like heights and densities to illustrate how and where Guelph wants to grow to increase housing supply.

However, there are gaps in housing needs that will not be addressed through just increasing overall housing supply. The five issues identified by the State of Housing Report need targeted responses to provide the housing options to match the affordability needs of the community.

Policy and legislation change at the Provincial and Federal levels of government in the past year since the Housing Affordability Strategy project was initiated also impact how we define, measure, and report on housing affordability.

The City of Guelph is mandated to use the current Province's definition of **affordable**, which is contained within the Provincial Policy Statement, 2020 (**PPS, 2020**). The PPS, 2020 splits the affordable housing definition into affordable ownership housing and affordable rental housing. Also, the definition is further split based on two approaches to measuring housing affordability: an income-based approach and a market-based approach. The least expensive of the two approaches sets the affordable purchase price or affordable rent benchmark. If a residential unit is purchased or rented for at or below that benchmark, it is an affordable residential unit.

However, the Provincial government has now twice changed the definition of **affordable** over the past two years. On April 6, 2023, when the Province announced they were looking to move to a [consolidated provincial policy document](#), that definition of **affordable** was proposed to be removed from the proposed Provincial Planning Statement and replaced with only the market-based approach to measuring affordability. Utilizing only a market-based approach to defining affordable housing was first introduced through changes made to the Development Charges Act from Bill 23 or the More Homes Built Faster Act, 2022.

The market-based approach to defining affordable housing would be:

- A residential unit for ownership that is sold for 90 per cent or less of the average purchase price of a resale unit in Guelph
- A residential unit for rent that is rented at or below the average market rent of a unit in the regional market area

In response to this announcement, City of Guelph staff prepared a [letter](#) sent to the Ministry of Municipal Affairs and Housing that the City of Guelph did not support the proposed definition of **affordable** as it would not address the creation of affordable housing for low to moderate income earners. Comparing between a market-based approach and an income-based approach to set your benchmark is critical to capture differences in market, incomes, and housing needs.

On December 4, 2023, Bill 134 or the Affordable Homes and Good Jobs Act, 2023 received royal assent which modified the Development Charges Act once again to incorporate a dual income-based and market-based approach to defining affordable housing. Furthermore, in new revisions to the [proposed Provincial Planning Statement released on April 12, 2024](#), the Province is now proposing to reintroduce the definition of **affordable** as previously defined in the PPS, 2020, once again using a comparison between the least expensive of an income-based approach and a market-based approach. Both Bill 23 and Bill 134 mandated that the exemptions from development charges for affordable housing would only apply once a definition is in force and a Bulletin issued by the Minister of Municipal Affairs and Housing is published.

The Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin ([Affordable Residential Unit Bulletin](#)), published on April 5, 2024 and effective as of June 1, 2024, sets both the market-based and income-based thresholds that are to be used to determine the eligibility of a residential unit from development charge exemptions. In other words, it is the price or rent for an affordable residential unit in Guelph, set by the Province of Ontario. Table 1 and Table 2 below compare the affordable market- and income-based thresholds by unit type for both ownership and rental.

Table 1: Comparing Affordable Market- and Income-based Ownership Thresholds by Unit Type

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

Table 2: Comparing Affordable Market- and Income-based Monthly Rental Rate Thresholds by Unit Type

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

On August 20, 2024, the Province of Ontario released the final version of the [Provincial Planning Statement, 2024](#) which is set to take effect on October 20, 2024. This version will require planning authorities to establish and implement minimum targets for the provision of housing that is **affordable to low and moderate income households**. This Statement re-introduces **low and moderate income households** as the following defined term:

Low- and moderate-income households means:

1. In the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the municipality; or
2. In the case of rental housing, household with incomes in the lowest 60 percent of the income distribution for renter households for the municipality.

The definition from the Provincial Planning Statement, 2024 is provided below for both affordable ownership and rental housing:

Affordable ownership is the least expensive of:

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 regional market area.

Affordable rental is the least expensive of:

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 regional market area.

Housing is a complex system. There are many terms that can originate in many different places. For example, the terms **affordable housing, subsidized housing, and housing affordability** are often treated as the same thing, however, they do have different definitions and can play different roles in our housing continuum. Also, changing how to define and measure housing affordability can also make it difficult to track what approach is being used now and what that means for a municipality.

The City of Guelph is now mandated to use the data from the Affordable Residential Unit Bulletin when applying exemptions from development charges to determine what is an affordable residential unit, whether for purchase or for rent. It is the measurement we must utilize, and all housing providers should now use, to define whether a unit is affordable or not.

### **The Housing Accelerator Fund and the Housing Affordability Strategy**

At the federal level, the City of Guelph received \$21.4 million dollars on January 12, 2024, from the Housing Accelerator Fund to incentivize and support initiatives that will accelerate the supply of housing. As part of our funding agreement with the Canada Mortgage and Housing Corporation, the City of Guelph has committed to an Action Plan with a total of eight strategic initiatives and thirty-one associated milestones to incentivize 739 units over the current annual average, over the next three years. The first initiative as part of the City of Guelph's Action Plan was to complete and implement an accelerated Housing Affordability Strategy that would identify short, medium, and long-term opportunities to expand housing options throughout the City of Guelph. [Information Report 2024-82](#) contains the full Housing Accelerator Fund Action Plan.

### **Role of the City of Guelph**

All housing options sit across a spectrum or a continuum. This continuum represents the range of housing that individuals may need over a lifetime. Typically represented linearly, the housing continuum is further broken down into housing that is built and/or managed by public entities (i.e., **the left side**) and housing that is built and/or managed privately but with support or facilitation from government (i.e., **the right side**). Figure 1 below is a common Housing Continuum graphic from the Canadian Mortgage and Housing Corporation.

Figure 1: The Housing Continuum from CMHC



The Housing Continuum helps to set the stage for the role of the City of Guelph in housing. A Housing Affordability Strategy that specifically identifies types of housing that the City is missing and is best positioned to facilitate will be an effective Strategy. However, a linear Housing Continuum is not representative of the current realities of the housing system. For example, some people do not always move from renting to home ownership, and different types of housing may be needed at different times. As well, a linear Housing Continuum may not incorporate emerging types like co-housing, community land trusts, and tiny homes.

The City of Guelph is working with interest holders, including the County of Wellington, the Housing Affordability Strategy Focus Group and the public to reimagine the Housing Continuum visual.

The City of Guelph is the local land use planning authority and has a responsibility to create the conditions for housing but is not responsible for building new housing supply. Within this facilitator role, the City of Guelph has limited control over some aspects of the process. The table below contains information on what is and what is not within the City’s control when it comes to influencing housing affordability.

Table 3: What Municipalities Have Control Over in Relation to Housing Affordability

<b>What is within the City’s control?</b>	<b>What is not within the City’s control?</b>
Regulatory authority over land use and building standards	No authority to ensure that affordable housing is built
Laying the groundwork for number of units needed, the types of units and where they can go	No authority to force homebuilders to build within a certain timeframe
Financial incentives to encourage the development of rental housing and non-profit housing	No ability to change current provincial or federal legislation to make this happen faster
Policies to promote the availability of a full range of housing types	No influence over the list price or rent for new housing or resale housing within the private market

In addition to the City’s scope of responsibility, the City also works closely with other levels of government, including the County of Wellington, the Province of Ontario, and the Government of Canada to provide various housing supports. The



County of Wellington is the City's Consolidated Municipal Service Manager for social services, which means they are responsible, via provincial mandate, for funding and administering non-market housing. This is housing that cannot be sold or rented within the private market, and is built and administered by a public entity, namely the County of Wellington. In other words, this is housing on the **left side** of the traditional continuum. The County is also responsible for producing a 10-year Housing and Homelessness Plan for Guelph and Wellington County, and this plan outlines how non-market housing will be provided over the next 10 years.

Affordable housing that the City of Guelph can directly facilitate is private-market affordable housing as most new housing in the City is made available here. Therefore, the City, through the Housing Affordability Strategy is best positioned to identify policy drivers, tools, and incentives to facilitate affordable housing supply on the private-market side that meets the housing affordability thresholds identified in Table 1 and Table 2 above. Through the State of Housing Report, the City does recognize that there is a need for an increased supply of non-market rental housing and the draft Housing Affordability does include actions to address that gap.

City staff anticipate that an updated Housing and Homelessness Plan in 2024 that can align well with the final Housing Affordability Strategy to clearly communicate how housing will be built across the entire continuum will be built, managed, and/or facilitated over the next 10 years.

### **Reviewing the 2017 Affordable Housing Strategy**

The City is undertaking this project in part to update the 2017 Affordable Housing Strategy, so the City of Guelph is positioned to grow with alignment to changing Provincial direction. City staff have evaluated the 2017 Affordable Housing Strategy to determine what actions and outcomes have been achieved since its approval. Of the twenty-five actions included in the 2017 Strategy, twenty-three actions have been fully achieved or are in progress.

As new actions are being considered for the 2024 draft Housing Affordability Strategy, it is important to keep in mind what City staff are already working on to ensure that resources are utilized effectively, and direction is clear. Staff also continue to work on projects that will boost overall housing supply including secondary planning areas, an increased height study in the Downtown, and more flexible zoning permissions. A full review of the 2017 Affordable Housing Strategy actions can be found in Attachment-2 to this Report.

### **Data on Guelph's Housing Needs**

Guelph's affordable housing needs have grown significantly since the approval of the 2017 Affordable Housing Strategy. The housing system has also changed since then, with an increased demand for housing which, in part, is making home ownership and rent more expensive. Guelph is planning to meet provincial growth forecasts for 2051. Guelph will also need all types of homes. By 2024, Guelph is expected to have 59,700 homes, with 51 per cent being low-density, 21 per cent medium-density, and 28 per cent high-density. As housing supply grows, we will need homes that meet the affordability prices and rents included in the Affordable Residential Unit Bulletin.

As of 2020, the average income for a person in Guelph was \$55,200 and the average household income was \$111,400. However, the distribution of incomes shows while some households make a lot of money, many others earn much less.

This gap in household earnings means that the City needs to focus on affordable housing for lower-income households. When a person or household spends more than 30 per cent of their income on housing, they have a housing affordability issue. As well, even though incomes have increased since this data was measured, dramatic increases in home-ownership prices and rents, coupled with higher interest rates of the past two years, have made home-ownership, and renting that much more challenging. For example, if we use that 30 per cent figure as a threshold, a household earning \$127,320 can afford a home priced up to \$435,000 for that home to be considered affordable. In March 2024, the average house price was \$809,600. This is a significant imbalance. With housing costs so high, the State of Housing Report showed that only 50 per cent of households in Guelph can purchase a unit in Guelph at what would be considered an affordable purchase price based on their income. Only 30 per cent of households in Guelph can rent a unit in Guelph at what would be considered an affordable rent based on their income.

How Guelph’s population grows, and changes will also have an impact on what kind of housing we need. For example, 49 per cent of household growth to 2051 will be in households headed by those aged 75+. As the population ages and homeownership becomes less affordable, demand for rental housing is expected to rise. Guelph will also want to attract younger generations and other working-age adults to ensure that economic growth is not limited by labour shortages.

Based on the results of an analysis of Guelph’s 27-year housing needs, Guelph will need the following number of housing units by type, tenure, and affordability:

Table 4: Forecast housing need by type, tenure, and market, 2024 to 2051

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

For the rental target of 6,060 units, a range of affordability types will be needed.

Table 5: below illustrates that range based on a specific percentage of average market rent or AMR.

	<b>Affordable Housing Need, 2024-2051</b>	<b>Percentage Share of Total Rental Housing Growth</b>
Deeply affordable units (i.e., less than 40% AMR)	1,057	9%
40-60% AMR	2,070	18%
60-80% AMR	813	7%
80-100% AMR	2,120	18%
<b>Total</b>	<b>6,060</b>	<b>53%</b>

The City can best facilitate the affordable housing need of between 80 to 100 per cent of average market rent, which totals 2,120 units by 2051 or approximately 78 rental units annually. This reflects moderate income households that generally earn too much to be eligible for social housing but cannot typically afford market housing in Guelph. The County of Wellington, in addition to other housing providers, would be expected to create, with continued financial and administrative support from the City and Province, affordable units that would be rented at or below the 80 per cent average market rent through their provincially legislated mandate as the Consolidated Municipal Service Manager (CMSM).

From an ownership perspective, the City would be responsible for facilitating all 2,640 affordable ownership units by 2051 (approximately 98 units annually). The only current opportunity for social ownership housing would be Wellington County’s Affordable Ownership Program, where a small portion of the affordable housing need could be facilitated under this program. City staff are currently preparing an Affordable Housing Community Improvement Plan, as part of our Housing Accelerator Fund Action Plan which would contribute to the facilitation of this affordable housing need.

A further breakdown and analysis of Guelph’s housing needs can be found in Section 3 of the draft Housing Affordability Strategy, included as Attachment-1 to the staff report.

**The 2024 Draft Housing Affordability Strategy**

The 2024 draft Housing Affordability Strategy incorporates the policy framework and technical analysis completed and contains a vision, objectives, and actions that will begin to address housing affordability needs in Guelph. The draft Housing Affordability Strategy was a community effort and incorporates feedback and engagement from the public, the Housing Affordability Strategy Focus Group, staff, and the project team.

**2024 Housing Affordability Strategy Vision Statement**

The vision for the 2024 draft Housing Affordability Strategy is:

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.

This vision represents where we want housing to be in Guelph, acting as a compass to guide decision-making.

The vision statement for the 2024 draft Housing Affordability Strategy started with a visioning activity done with the Housing Affordability Strategy Focus Group. From this visioning activity, a number of ideas were consolidated and then shared with attendees at the Housing Affordability Strategy Engagement Event on June 13, 2024, at the Royal City Mission. More details on the Housing Affordability Strategy Focus Group and the Engagement Event can be found in the Consultations and Engagement section of this report.

## **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

The goals were also started through the Housing Affordability Strategy Focus Group and then shared with attendees at the Housing Affordability Strategy Engagement Event. The goals are the **how** for knowing the vision has been achieved. The goals do go beyond what the City is directly responsible for but there are many roles the City can take to act on these goals.

All housing partners will be required to support and address housing affordability—there are many elements that will be outside of the City's role and/or area of control.

## **Action Plan**

The Action Plan takes the above goals a step further, by describing how each goal will be achieved and what actions need to be taken to get there. These actions will assist the City in moving closer to achieving the vision for housing.

These draft strategic actions were created in response to what the project team heard at various engagement opportunities and what has worked in other municipalities as supported by technical analysis. The Action Plan as currently presented represents all of what the City could do to address our housing affordability issues as presented in the State of Housing Report. However, for the final 2024 Housing Affordability Strategy to be targeted and effective, these actions will need to be prioritized to assist staff with determining what actions will go the farthest in addressing those issues.

Overall, the final Housing Affordability Strategy will commit to enhanced collaboration with both our public and private sector partners, residents from underserved communities, and direction from Council to position the Strategy to be both efficient and comprehensive in its scope.

## **Implementation and Monitoring**

An Implementation Plan and Evaluation Framework is also being created to prioritize actions, evaluate progress for each action, including what work is required, who is responsible, time-frame for completion, and financial implications. This Implementation Plan will be presented with the final Housing Affordability Strategy to Council on December 10, 2024.

### **Next Steps**

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

### **Financial Implications**

Planning and finance are working through the financial implications of the proposed strategy, and an estimate of the costs associated with implementing this strategy will be included with the final Housing Affordability Strategy proposed to Council for approval in December. This analysis will include an updated projection of the costs associated with development charge exemptions for affordable housing at the level proposed in the strategy, as well as the reduction in capacity to purchase parkland and other community amenities from exemptions of parkland dedication fees and community benefit charges. Similar to other service delivery master plans, more detailed estimates of each action will require a full budget analysis as projects are proposed and costed, and the pace of implementation of these actions will be subject to funding approval through the budget process.

### **Consultations and Engagement**

The development of the 2024 HAS involved significant internal and external consultation and engagement.

The entire Housing Affordability Strategy was guided by an Engagement and Communications Plan developed by Dillon Consulting. This Engagement and Communications Plan provides a collaborative and comprehensive approach to engagement. A Have Your Say page was also created to share project updates and post engagement materials online. Overall, with survey rates, visits to the project webpage and attendance at engagement events included, City staff estimates to have engaged over 5000 individuals, with further engagement planned in October. The Have Your Say page remains available for public input and comment.

The consulting team first conducted hour-long semi-structured group interviews with various interest holders in the housing process. These interviews covered the key housing priorities for Guelph, lived experiences around housing affordability, and definitions, policies, or programs to encourage housing development. Various interest holders were represented including from Wellington County, Indigenous supports, the development industry, neighbourhood associations, new Canadians, and health services.

A Housing Affordability Strategy Focus Group was also created. To encourage a diverse pool of applicants, a city-wide open invitation was put out to encourage community leaders, affordable housing experts, and individuals with lived experience to apply. City staff received almost 100 applicants. Ultimately, twenty-four members were selected to be a part of the focus group. Membership was made up of County of Wellington housing services and planning staff, not-for-profit housing providers, for-profit housing providers, inter-agency staff, individuals LGBTQ2+, housing support service providers, post-secondary institutions and student associations, individuals with lived experience, and members of the public. This Focus Group has met three times from March 2024 to June 2024 to discuss and prioritize key themes, targets, and actions. The Focus Group is also scheduled to meet again later in October to review the draft Housing Affordability Strategy.

City staff and the consulting team also held several engagement events, starting with a Public and Private Sector Workshop on April 4, 2024. Invitees for this workshop were groups or individuals engaged with the housing process. A presentation was provided with background information on the Housing Affordability Strategy project. Participants were then asked to rank the top 10 emerging themes. Finally, a facilitated discussion was held with private sector representatives and public sector representatives, respectively, to scope the actions the City could take to address housing gaps.

On April 22, 2024, City staff launched two surveys regarding the Housing Affordability Strategy. The first survey, titled **Housing Affordability Strategy Survey** was to build a better understanding of the current housing situation in Guelph and to receive feedback on potential actions to resolve housing gaps. The feedback collected from the first survey was used to support statistical data and to identify housing-related issues, gaps, and needs of Guelph residents.

A total of 526 participants completed the first survey. The respondents represented a wide range of ages and backgrounds from across the entire City of Guelph. A key highlight from this survey is that when asked what respondents would improve about housing options in Guelph, 74 per cent said the availability of housing options for low- and middle-income individuals and families.

The second survey, titled **Additional Residential Dwelling Unit Survey** was to understand if current rules and regulations for additional residential dwelling units (**ARDUs**) are working well or need to change. The feedback collected from the second survey was used to support statistical data regarding Additional Residential Dwelling Units and what role they are playing in Guelph's housing market.

A total of 309 participants completed the second survey. The respondents represented ARDU owners, renters, and homeowners interested in adding an ARDU on their property. A key highlight from this survey was just under half of all respondents (49 per cent) are interested in creating an ARDU on their property.

Another public engagement event was held on June 13, 2024, at the Royal City Mission from 2-4 and 6-8 p.m. Participants at this event were provided with background information and a project update and were then asked to review the draft actions and targets as well as reimagine the Housing Continuum graphic. Over eighty individuals attended this engagement event. Attendees engaged in conversation with City staff and the consulting team on what is within and not within the City's control when it comes to influencing housing affordability, what the

key housing affordability issues are, what actions the City could take, and how we could reimagine the form and shape of the housing continuum graphic.

The key themes that emerged through engagement included:

- Promoting incentives for affordable housing development
- Addressing barriers and hidden costs in affordable housing
- Enhancing education and capacity-building for housing-focused non-profits
- Encouraging a wider diversity of housing options

As the event was held at the Royal City Mission, City staff did hear from many under-represented groups, including many individuals who do not normally attend City engagement events. The boards presented at this engagement event can be found as Attachment-3 to this report. Attachment-4 is the Engagement Summary for the engagement completed to date on this project.

## **Attachments**

Attachment-1 Draft 2024 Housing Affordability Strategy

Attachment-2 2017 Affordable Housing Strategy – Review of Actions

Attachment-3 Housing Affordability Strategy Engagement Boards

Attachment-4 Housing Affordability Strategy Engagement Summary

Attachment-5 Draft Housing Affordability Strategy Council Planning Presentation

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