



***Recommendations for Affordable Homeownership***  
*Affordable Housing Community Improvement Plan (draft)*  
*Council Planning November 13, 2024*

**To:** ***Mayor & Council***  
***City of Guelph***

**From:** ***Michel Labbe***  
President & CEO  
***John Farley***  
Planning & Development  
Home Opportunities Non-profit  
*Achievable Homeownership™*

**Re:** ***Recommended Additions to CIP***  
***for Non-Profit Delivery Agencies***

Guelph Council will soon be considering a draft Affordable Housing Community Improvement Plan (CIP) report (November 13, 2024).

The CIP aims to meet the targets set out by the Housing Accelerator Fund (HAF) Action Plan, and the Province of Ontario's housing pledge of 18,000 new homes by 2031. To meet the target by 2031 would require construction of over 2,000 units per year. Since 2008, the average annual residential permits in Guelph is 981 and the industry would have to apply for 2,000 units per year to meet the target. This target exceeds the highest permit years in the past 20 years by 400 units. This level of construction has not been experienced in Guelph in recent decades. City of Guelph will need to support the construction of at least 1,000 affordable units per year to begin to address the critical need for affordable housing. With a backlog in excess of 8,000 affordable units, it becomes evident why Guelph employers are struggling to attract, and retain workers as well as plan for operations expansions.

Home Opportunities Non-Profit has a model that addresses this situation.

Our Achievable Homeownership model works with:

1. No grants or subsidies.
2. No reduced or free land – pay fair market value.
3. Utilizes strategic borrowing using existing financial lending mechanisms.
4. Establishes a sustainable, scalable non-profit development mechanism

The Affordable Homeownership model can generate the units necessary to contribute to Guelph's housing targets, and commitments without requiring any grants or subsidies nor impacting any HAF funding or city budgets. This can be accomplished with some key additions to the CIP.

### **Recommended additions to CIP for non-profit delivery agencies:**

1. ***Deferral of Property Tax through incremental tax financing (TIF)*** recovered when homes are resold or rented.
2. ***Deferral of municipal application, and permit fees*** recovered when homes start construction (pre-building permit).

### **Summary**

The draft Affordable Housing CIP contains the incentives, and programs to support producing affordable rental, and ownership units with limitations based on the program(s) availability to funding, in this case the Housing Accelerator Fund. Home Opportunities Non-Profit Achievable Homeownership Program (AHP) doesn't require access to HAF funding - no grants or subsidies, only deferrals to be repaid.

With these recommended additions to the CIP, 1000 affordable homeownership units per year can be offered to residents, families, and workers on an *Income-Based* affordability, and will provide *Sustainable Affordability* by building another unit for the same household income within another affordable homeownership development in the City of Guelph.



**Home Opportunities**

478 Queen Street East  
Toronto, ON M5A 1T7

(416) 504-9855  
mlabbe@homeopportunities.ca

***Delegation Related to Additions  
to the draft Affordable Housing CIP Report***

**To: *Mayor & Councillors***  
City of Guelph

**From: *Mike Labbe, President & CEO***  
Home Opportunities Non-Profit

**Re: *draft Affordable Housing Community Improvement Plan (CIP)***  
Council Planning, Wednesday November 13, 2024

Recommended additions to the **Affordable Housing CIP**  
**for non-profit delivery agencies:**

1. ***Deferral of Property Tax through incremental tax financing (TIF)*** recovered when homes are resold or rented.

2. ***Deferral of municipal application, and permit fees*** recovered when homes start construction (pre-building permit).

Home Opportunities – is a non-profit affordable housing development corporation. We have been doing affordable housing through non-profit delivery agencies for over 40 years.

There is no solution to the housing crisis exclusively using grants, and subsidies. The CIP report is focused in this one direction to provide solutions, and the numbers generated are inadequate.

Adding these two recommendations to the CIP, provides a mechanism that can generate thousands of units without the need for any grants or subsidies. Cities across Ontario currently use both of these mechanisms, and even Guelph has used them in previous projects, namely Market Commons, and Mountford Condominiums.

By repaying the TIF through the income generated by sales, Guelph taxpayers remain whole overtime. Current estimates indicate breakeven to be 10 years, and full repayment in 13 years. The short-term implications are minimal.

At our community meeting on November 6, 2024 – just a week ago - we had several potential purchasers in attendance:

(1) A 26-year-old, single woman who lives with her parents in the neighbourhood. She had given up hope of ever owning a home, as her parents had by her age. When she purchases a unit, she already lives in Guelph uses the services, flushes the toilets, and drinks the water. There will be no new expenses burdening the infrastructure.

(2) Same will be true for the senior citizen that attended, who will trade her home in for a more manageable apartment – able to age in place, comfortably.

(3) A gentleman with his young son attended that was familiar with our affordable homeownership model from a previous project – was thrilled that he would be given the opportunity to become a homeowner in Guelph where he currently lives.

(4) Several executives of local employers attended the event seeking confirmation that their employees could own affordably – actually live in the neighbourhood, most importantly walk to work, the community centre, and attend school.

Supporting our request will go a long way to allowing non-profit housing organizations - like Home Opportunities - to accelerate the delivery of all the affordable housing necessary for Guelph residents, and employers to grow their workforce, and sustain economic development in the City.