

City of Guelph Affordable Housing Community Improvement Plan (CIP)

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Affordable Housing Community Improvement Plan (CIP)

Guelph's Affordable Housing Community Improvement Plan provides financial incentives to encourage investment in affordable housing for rental and ownership.

Housing Accelerator Fund (HAF)

- \$21.4M total, \$5.2M for CIP and Additional Dwelling Unit (ADU) programs.
- Funding must be awarded at time of building permit issuance.
- Funds must be exhausted by December 31, 2026.

Grant combining

Grants received through the Affordable Housing CIP may be combined with other grants and fee exemptions or programs offered by the City of Guelph, other governments and organizations.

Guelph's Identified Housing Needs

A need for smaller units

One-person households are one of the fastest growing household types in Guelph. Smaller units are needed to meet the increased demand, as household sizes decrease.

A need for primary rental units

The rental vacancy rate in Guelph was at 1.5 per cent in 2022, which is below the healthy rate of 3 per cent. The primary market offers more stability versus the secondary rental market.

A need for affordable housing

Guelph has a current affordability target of 30 per cent of all new residential units. The City is working toward, but not currently meeting, this target.

Source: State of Housing in Guelph (2023)

Affordability Thresholds

The Affordable Housing CIP will focus on incentivizing affordable primary rental and ownership units.

Table 1: Affordable monthly rental rate and ownership benchmarks, Guelph

Unit type	Rental				Ownership
	Bachelor	One bedroom	Two bedroom	Three bedroom	Apartment
Affordable rate	\$1,160	\$1,508	\$1,646	\$1,695	\$398,000

Source: [Affordable Residential Units for Purposes of the Development Charges Act, 1997 Bulletin](#)

Vacant Residential Unit and Vacant Space Conversion Grant

To encourage the conversion and rehabilitation of underutilized existing building stock into affordable rental residential units.

\$100K per affordable unit and up to an additional \$20K per affordable unit for those that meet eligibility requirements for accessibility features beyond minimum building code requirements.

Eligible projects

- Renovation of existing residential unit(s) that are not currently habitable into affordable rental unit(s)
- Conversion of vacant existing commercial or office space in a multi-unit building into affordable rental unit(s).
- Unit(s) must contain full private culinary, washroom, sleeping and living area space.
- A unit must remain affordable for 25 years from the date of building permit approval.

New Affordable Residential Unit Grant

To encourage the inclusion of affordable rental and ownership units in new mid-rise, multi-unit residential or mixed-use developments. This program targets mid-rise new-build projects.

\$25K per new affordable unit. This grant is not funded by HAF, grant applications are received at the time of site plan application and paid at the time of occupancy approval.

Eligible projects

- New mid-rise, multi-unit or mixed-use buildings that include purpose-built affordable rental or ownership residential units.
- Unit(s) must contain full private culinary, washroom, sleeping and living area space.
- A unit must remain affordable for 25 years from the date of occupancy approval.

Additional Dwelling Unit Grant

To encourage the development of new affordable rental ADUs. This program targets low-rise re-development projects. This program is split into two separate streams a Homeowner Stream and a Project Stream. Applicants are only able to apply for one project.

Homeowner Stream

\$20K construction grant with up to an additional \$20K if infrastructure upgrades to the public realm are required. An additional grant up to \$10K per affordable unit for those that meet eligibility requirements for accessibility features beyond minimum building code requirements.

Eligible projects

- New renovation or construction to accommodate an ADU where the applicant lives on the property.
- Unit(s) must contain full private culinary, washroom, sleeping and living area space.
- A unit must remain affordable for 15 years from the date of building permit approval.

Additional Dwelling Unit Grant, Continued

Project Stream

\$10K construction grant per affordable ADU with a minimum of three and a maximum of six ADUs. Additional grants for up to \$20K if infrastructure upgrades to the public realm are required and up to \$10K per affordable unit for those that meet eligibility requirements for accessibility features beyond minimum building code requirements.

Eligible projects

- New construction project to accommodate a minimum of three ADUs to a maximum of six ADUs.
- Unit(s) must contain full private culinary, washroom, sleeping and living area space.
- A unit must remain affordable for 15 years from the date of building permit approval.

Consultations and Engagement

Ontario Affordable Housing CIPs:

- Town of The Blue Mountains
- City of Mississauga
- City of Kitchener
- Region of Waterloo
- Town of Halton Hills
- City of Barrie
- City of Cambridge
- City Welland
- City of Kingston

External engagement:

- Private and not for profit developers
- Guelph and District Association of Realtors
- Downtown Guelph Business Association
- Guelph Wellington Developers Association
- Guelph Home Builders Association
- Economic Development Advisory Committee
- Planning Advisory Committee
- Accessibility Advisory Committee
- General public

