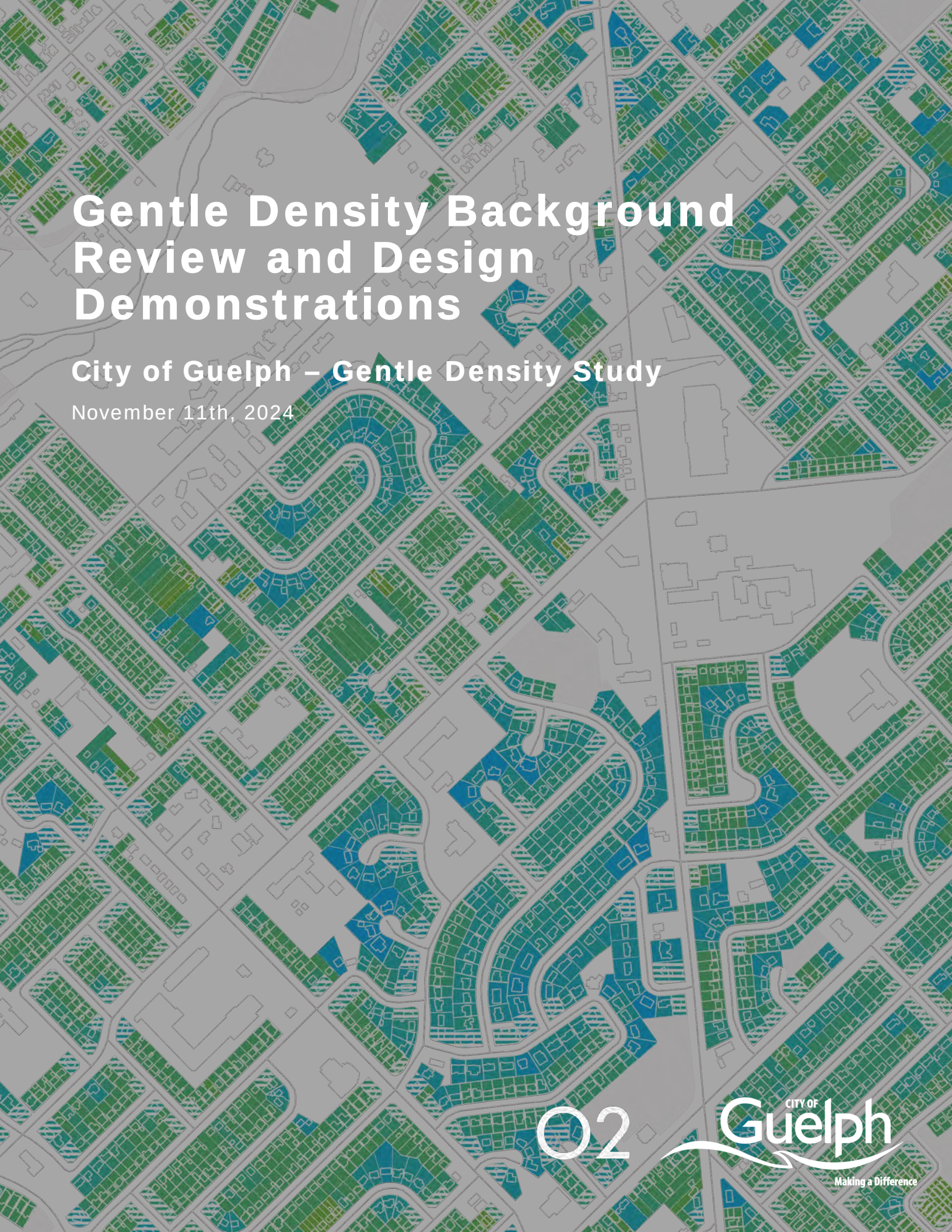

Gentle Density Background Review and Design Demonstrations

City of Guelph – Gentle Density Study

November 11th, 2024

02

CITY OF Guelph

Making a Difference

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Image by Dudek Photography

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Executive Summary

In response to the growing housing affordability crisis in Ontario, recent changes to Provincial planning legislation now permit three housing units on residential lots province-wide in urban areas that have municipal water and sewage servicing capacity. In Guelph, Council has directed city staff to investigate opportunities for supporting four-plus units on residential lots, which has resulted in this report that investigates adding additional dwelling units (ADUs) or building a fourplex to further unlock Gentle Density.

Supported in part by Canadian Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund, this report documents the outcomes of the City of Guelph Gentle Density Study. The goals of this study are to:

- Conduct a background review of Gentle Density, Guelph's parcels inventory, relevant municipal and provincial policies, and best practices from other municipalities;
- Consult with interest-holders, the public, and city staff to gain insight on which considerations are most important when encouraging Gentle Density while maintaining the existing qualities and functions of neighborhoods;
- Determine ideal lot sizes for Gentle Density while investigating requirements for parking, landscaping and trees, building setbacks, etc.;
- Propose a zoning bylaw amendment to allow for the introduction of a new 4-unit housing types in low-density residential areas;
- Identify best practices for new housing types through a series of demonstration plan designs; and
- Evaluate the market potential for these new housing types.

Gentle Density:

Gentle Density refers to the incremental increase of the number of units in low-density residential neighborhoods using low-rise building types such as multiplexes and additional dwelling units.

Image by Dudek Photography

This report shares the outcomes of this study in the following sections, and is arranged to convey this work as it was conducted chronologically.

The following structure captures this sequence:

Background

This section contains an introduction to Gentle Density, a summary of Guelph's parcel inventory, key policies that relate to Gentle Density in Guelph, and learnings from best practices around the country.

What We Heard - Interest Holder & Public Consultation

The section summarizes engagement with interest holders and the public in response to information found in the background report on how four units could be achieved given different bylaw amendments

Recommended Bylaw Amendments

This section includes the recommended zoning bylaw amendments to unlock Gentle Density based on feedback from the first round of engagement and consultation with City staff. This includes a review of comparable municipalities.

What We Heard - Statutory Public Meeting

Key takeaways from the statutory public meeting where draft recommended bylaw amendments were discussed are documented in this section.

Outcomes

This section highlights the results of the recommended bylaw amendments through an analysis of how many parcels have the potential to support this typology, where it would be most likely to occur, and four demonstration scenarios to illustrate four examples of how four units could be achieved.

Market Analysis

This report concludes with market analysis to understand the financial feasibility of these scenarios and what considerations should be made as a result.

The key takeaways from this study are:

1. Low density zones offer greatest potential

The low-density zones that have the largest lots and cover the largest portion of Guelph, RL.1 and RL.2, make up about 80% of all parcels in Guelph and therefore have the greatest potential to support additional housing through 4-unit residential typologies. Initial analysis of these parcels found that approximately 11,100 parcels in RL.1 and RL.2 are large enough to accommodate four units under the current bylaw (2023, partially under appeal). With the recommended zoning bylaw amendments in this report, the number of parcels in RL.1 and RL.2 are large enough to accommodate four units increases to 14,250 as a result of minor amendments to the maximum ADU height and parking requirements.

2. Parking reductions are key in unlocking 4-unit Gentle Density

Additional housing could be achieved on a high percentage of parcels (just under 50%) in the low-density zones without altering the buildable envelope or open landscaped area by reducing parking minimums for four unit typologies by one parking space. Through engagement and site test-fits, parking minimums were found to be one of the primary barriers in implementing Gentle Density.

3. Gentle Density is most common through ADUs (and will likely continue to be)

Under current regulations, additional dwelling units (ADUs) are much more common in the City of Guelph than other Gentle Density typologies. This trend is likely to continue given that development and parkland fees are waived for ADUs.

4. Cost of construction suggests modest uptake for four-unit typologies

High construction costs and interest rates will likely lead to modest initial uptake of four unit typologies (both through fourplexes and ADUs), however, they may be desirable to landowners in specific scenarios (e.g. supplemental income, aging in place, housing for family members, etc.). Allowing four units through the recommended bylaw amendments is an important first step in encouraging landowners to further implement Gentle Density in Guelph.

1 Background

1.1 Background Introduction

Guelph and other municipalities across Canada are facing unprecedented growth pressures. Specifically in Ontario, economic growth and opportunity has led to record in-migration and a constrained housing supply. Coupled with today's high interest rates and inflationary pressure, housing in Ontario has become increasingly unaffordable and out of reach for many.

As the City seeks to address the growing housing affordability crisis through a range of tactics and approaches, it is important to understand how the future of the city will be influenced by not just the existing conditions in Guelph, but also the different policy frameworks, strategies, laws, and plans that exist across multiple levels of government. To address these challenges, the City applied for the CMHC's Housing Accelerator Fund, and was successful in receiving funding support.

As part of this funding agreement, this initiative focuses on encouraging the development of missing middle housing, shown in Figure 1, in existing neighbourhoods to increase housing supply and promote the development of affordable, inclusive, and diverse communities.

Part of this funding commitment requires aligning with Federal government direction on legalizing four units where servicing capacity supports, and investigating opportunities for supporting five-plus units where appropriate. At the same time, Guelph is not facing this challenge alone – there is much that can be learned from how other municipalities across Canada that have tackled housing affordability head on.

Gentle Density, shown in Figure 2, provides an opportunity to increase Guelph's housing supply across the city by maximizing the use of existing residential lots. By building Gentle Density, Guelph can increase housing supply within its existing urban boundary to improve housing affordability while protecting the natural areas surrounding Guelph from future development.

Missing Middle:

Describes a wide range of multi-unit housing types compatible in scale with single-detached neighbourhoods, and that have gone 'missing' from many of our cities. Gentle Density forms a part of the missing middle. Figure 1 provides examples of missing middle housing typologies (More Homes Built Faster, 2022).

Figure 1: Missing Middle Housing spans a broad range of housing types (Source: Opticos Design)

The City of Guelph and O2 explored how various opportunities for Gentle Density could be further supported within Guelph. This section seeks to understand the local and provincial policies that will influence the implementation of any Gentle Density policy work, while simultaneously learning from best practices that already exist in Canada.

The Key Takeaways section summarizes the key trends that emerged from the background review and influenced the overall direction of the project. These key takeaways ensure that the following phases of the project reflect the current context of Guelph today while introducing innovative and emerging best practices for consideration.

The following sections of this review will first address frequently asked questions surrounding Gentle Density in Guelph. It then analyzes the existing lot conditions across Guelph, highlights relevant municipal and provincial documents and policies, and introduces three best practices and precedents related to Gentle Density from across Canada.

Gentle Density:

Gentle Density can take many types, as shown in Figure 2, and forms a part of the "missing middle". This report focuses on Gentle Density achieved through property redevelopment or through additional dwelling units (ADUs) to only create four units in total on a residential lot.

Figure 2: Examples of how Gentle Density can fit within existing residential lots (Source: Opticos Design)

1.2 Gentle Density FAQ

1.2.1 Why Gentle Density?

Gentle Density is one of many strategies that can be used to increase housing supply and affordability. Gentle Density has specific benefits including:

- Supporting a variety of residents with **affordable and diverse housing types**
- Promoting options to age in place
- Providing a potential income stream
- Supporting multi-generational living
- Making services more efficient and cost-effective
- Enabling people to live closer to schools, parks and other community amenities
- Blending in with existing neighbourhoods
- Fostering unique neighbourhoods that are vibrant, green and have a strong sense of identity

1.2.2 What makes this density "Gentle"?

Gentle Density is a form of intensification that is compatible with low-rise neighbourhoods.

Within the context of this report, the term gentle is used, in part, because the recommended zoning regulations changes mirror the existing zoning regulations in Guelph. For example, **the maximum building height and setbacks for the primary building are not changing**. By allowing 4 units instead of 3 in all residential zones, Guelph can disperse its expected population growth rather than concentrating it in particular areas and create a more diverse housing mix and supply. Gentle Density will **preserve the low-rise built form** and residential quality of existing residential neighbourhoods while creating **more housing**.

1.2.3 Why should Gentle Density be considered within low-density residential neighborhoods?

As Guelph's population grows, so must its housing supply. Until now, much of Guelph's growth has been concentrated in certain locations leading to high-rise towers, or in new subdivisions on the edge of the city. This has left a gap in the city's housing market for people who don't want to live in a high-rise building, but can't afford a detached house.

Allowing density across the city also minimizes social and economic segregation across neighbourhoods in Guelph by creating smaller and more affordable housing units for more people to afford, regardless of neighbourhood. This can promote better access to jobs, inclusive and diverse school classes, and social mixing while reducing car dependency.

Ultimately, Gentle Density has been demonstrated to have positive social, economic, environmental, and physical and mental health benefits.

1.2.4 What is the difference between fourplexes and ADUs?

In Guelph there are two main forms of Gentle Density being considered. The first is through a specific typology such as a **fourplex**. In this case, all units are contained in one building and are considered **equal, and could have separate ownership**. This specific typology would be specifically defined within the zoning bylaw and regulated, as highlighted in Section 3.4 of this report.

The second way to achieve Gentle Density is by adding additional dwelling units (ADUs) to a primary dwelling, either within the primary building, or in a detached building. **ADUs are secondary to the primary dwelling on the property and cannot have separate owners**. ADUs have their own set of regulations within the zoning bylaw, as highlighted in Section 3.4.

This report explores both fourplexes and ADUs as ways to achieve four units on a single lot, as demonstrated in Figure 3.

1.2.5 Can the number of bedrooms be regulated?

Zoning bylaws are developed to regulate land use and built form, not people. When zoning bylaws are too descriptive they can indirectly discriminate against certain groups of people and **infringe on the Ontario Human Rights Code**.

Recently, the Province and its municipalities have moved away from regulating the number of bedrooms to avoid any risk of discrimination and indirectly regulating people, rather than land and built form.

This does not mean that there is no limitations on number bedrooms, as size and access requirements enforced by the Ontario Building Code (OBC) will limit how many bedrooms fit on any given lot regardless of the allowable number of units. Therefore, the approach is to regulate the overall size of buildings through height and setback regulations in the zoning bylaw, which will dictate the number of bedrooms that can be included by virtue of the size of the building and the requirements of the OBC.

Figure 3: Examples of a fourplex (left, image from Cosgrave Construction) and a detached ADU (right, image by Dudek Photography)

1.2.6 What does “as-of-right” mean?

“As-of-right” means that if a proposal complies with zoning regulations, property owners will not have to go through a zoning bylaw amendment process to have up to four units added to their property. If the proposed building abides by the requirements of the zoning bylaw, the property owner will **still need to apply for a building permit from the City**.

Property owners would also have to **make sure their projects follow the Ontario Building Code** to ensure safety and accessibility, and that they **meet relevant municipal servicing requirement.**

1.2.7 Would Gentle Density lower surrounding property values?

Studies show that Gentle Density can raise surrounding property values.

While introducing Gentle Density has sparked debates over their potential impact on property values, research consistently indicates that this approach tends to increase property values rather than depress them. For instance, permitting ADUs and converting large homes into multi-unit buildings has been shown to increase property values by 40-60% and even raise neighbourhood property values.[1] [2]

By adopting strategies that gradually increase density while respecting the existing qualities of neighbourhoods, communities can accommodate growth and enhance the attractiveness of their neighbourhood at the same time.

This nuanced approach to development ensures that the property values remain stable while addressing the pressing need for additional housing options.

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1. Thomaz, S. (2020). Investigating ADUs: Determinants of location and effects on property values. University of California, Irvine.

2. Freemark, Y. (2019). Upzoning Chicago: Impacts of a zoning reform on property values and housing construction. *Urban Affairs Review*, 56(3), 758-789.

1.3 Background Review Key Takeaways

This Background Review highlights Guelph's existing conditions, local and provincial policy contexts, and several precedent examples of Gentle Density work being done across the country. As this project is Council-directed and funded in part through CMHC's Housing Accelerator Fund, specific focus through this review was given to increasing housing supply and promoting the development of affordable, inclusive, and diverse communities. With this lens, the review first looks at opportunities to support four-unit developments on single lots in Guelph, and then will explore the potential for five-plus units in later stages of the project. The following two key takeaways are framed as ideas that can spur conversations around how to best position Guelph for more Gentle Density that not only supports a greater range and mix of housing, but that also provides neighbourhood benefits.

1.3.1 Low Density Zones Offer Greatest Potential

Guelph recently developed a new Comprehensive Zoning Bylaw (2023, partially under appeal at the Ontario Land Tribunal, sometimes shortened to Zoning Bylaw) which created four new low density residential zones (RL.1, RL.2, RL.3, and RL.4). The RL.3 and RL.4 zones enable townhouse and small-scale apartment development, while the RL.1 and RL.2 zones are intended primarily for lowest density residential developments such as single detached houses. The RL.1 zone contains the largest residential lot sizes in the City.

The RL.1 and RL.2 zones present the greatest opportunity to support Gentle Density in Guelph through minor revisions to these land use zones in the Comprehensive Zoning Bylaw (2023, partially under appeal). Comprising the majority of the City's residential land base and the existing built form (single and semi-detached houses) most likely to be redeveloped into additional density, the lands designated RL.1 and RL.2 are best suited to provide a meaningful impact in expanding Guelph's housing supply through Gentle Density.

1.3.2 Opportunities to Further Align Guelph's Policy Framework

While most of Guelph's existing plans, policies, and strategies are supportive of Gentle Density, there are still some areas of alignment that could be strengthened to better enable and support future Gentle Density development applications. Examples of this include:

- Further support for more affordable housing choices in the new Official Plan;
- Modifications to the Comprehensive Zoning Bylaw (2023, partially under appeal) could help improve the overall affordability and viability of Gentle Density projects;
- Improve alignment with the Transportation Master Plan goals by exploring ways to include reduced parking requirements in identified zones; and
- The Urban Design Manual currently provides examples of good urban design that respects existing neighbourhood character. There are opportunities to continue to add to the Urban Design Manual, including considerations around setback and parking reductions, such

that it helps support future Gentle Density developments.

Conducting a comprehensive review of the City's current policy framework to ensure all documents clearly support and enable Gentle Density provides several benefits:

1. Clearly demonstrate to the market and to residents the City's commitment to enabling and supporting more Gentle Density throughout Guelph.
2. Clarify the rules, requirements, and regulations around Gentle Density projects. Greater clarity supports the delivery of Gentle Density for homeowners, developers, and other actors in the housing market to invest in the delivery of Gentle Density projects.
3. Provide approval authorities with clear and aligned policy against which to review Gentle Density applications. This will help streamline and make the approvals of desirable Gentle Density projects more efficient.

1.4 Conditions Analysis

Adding more Gentle Density in Guelph requires an understanding of the current low density residential lot pattern conditions across the city. Factors including lot size, lot frontage, current zoning, and proximity to public transit all influence how viable Gentle Density development (e.g. adding ADUs or building a fourplex) is on a particular site.

As part of the background review, O2 undertook a conditions analysis of the core factors that influence the ability of a site to be redeveloped. To begin this analysis, O2 isolated the lowest density lots (RL.1, RL.2, RL.3, and RL.4) from the rest of the city's parcel fabric. RL.1 and RL.2 are primarily single-detached lots, with RL.1 lots being the largest. RL.3 and RL.4 enable more housing options ranging from low density to townhouses and small-scale apartments on larger lots, and are primarily located on busier roads.

One of the immediately apparent findings from Figure 4 is the prevalence of RL.1 and RL.2 zoned land compared to RL.3 and RL .4. All RL.1 and RL.2 parcels make up 25% of Guelph's total parcel land area, and 80% of residential parcel land area. Figures 5 and 6 isolate RL.1 and RL.2 zoned lands to further emphasize their prevalence throughout Guelph.

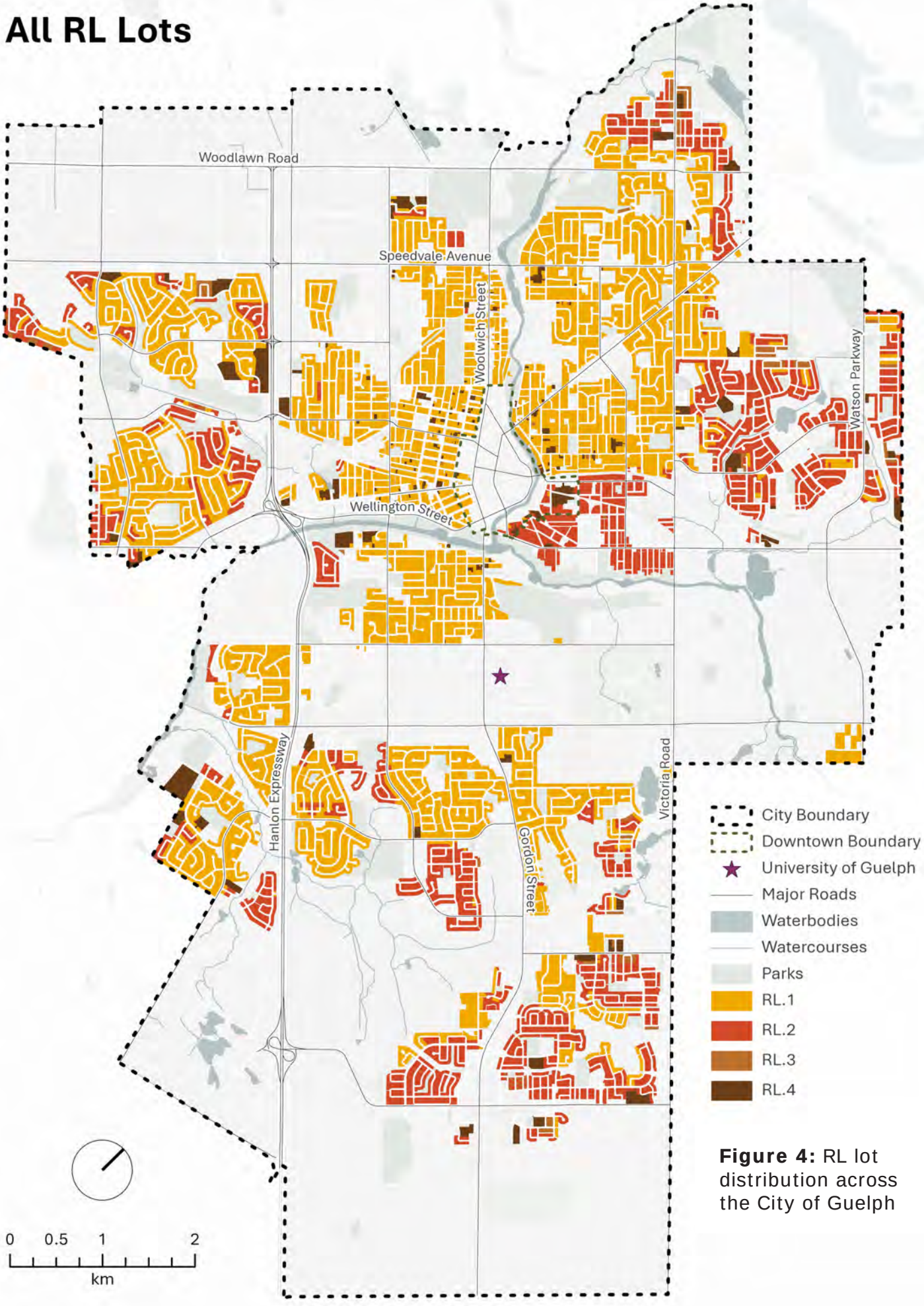


Figure 4: RL lot distribution across the City of Guelph

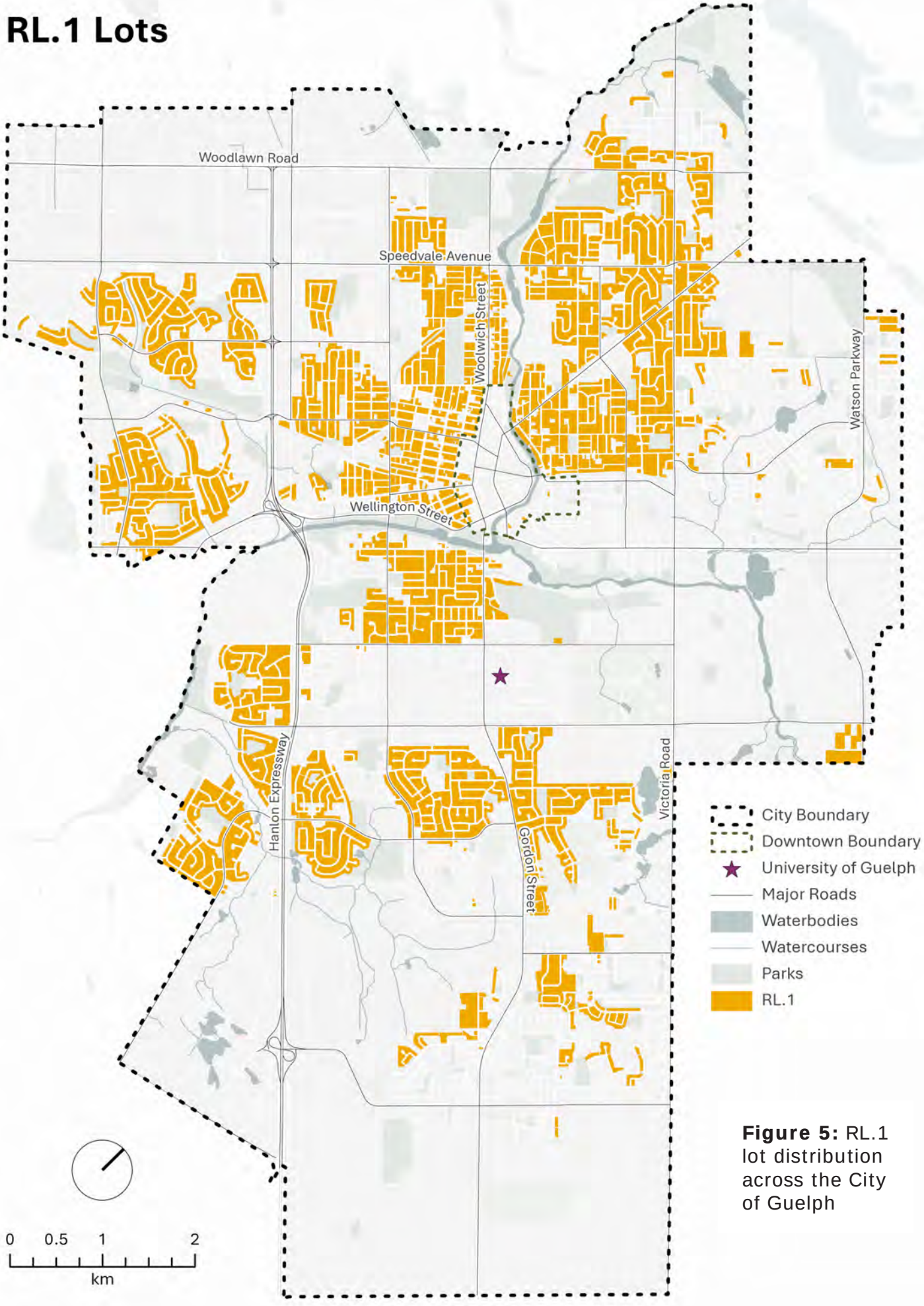


Figure 5: RL.1 lot distribution across the City of Guelph

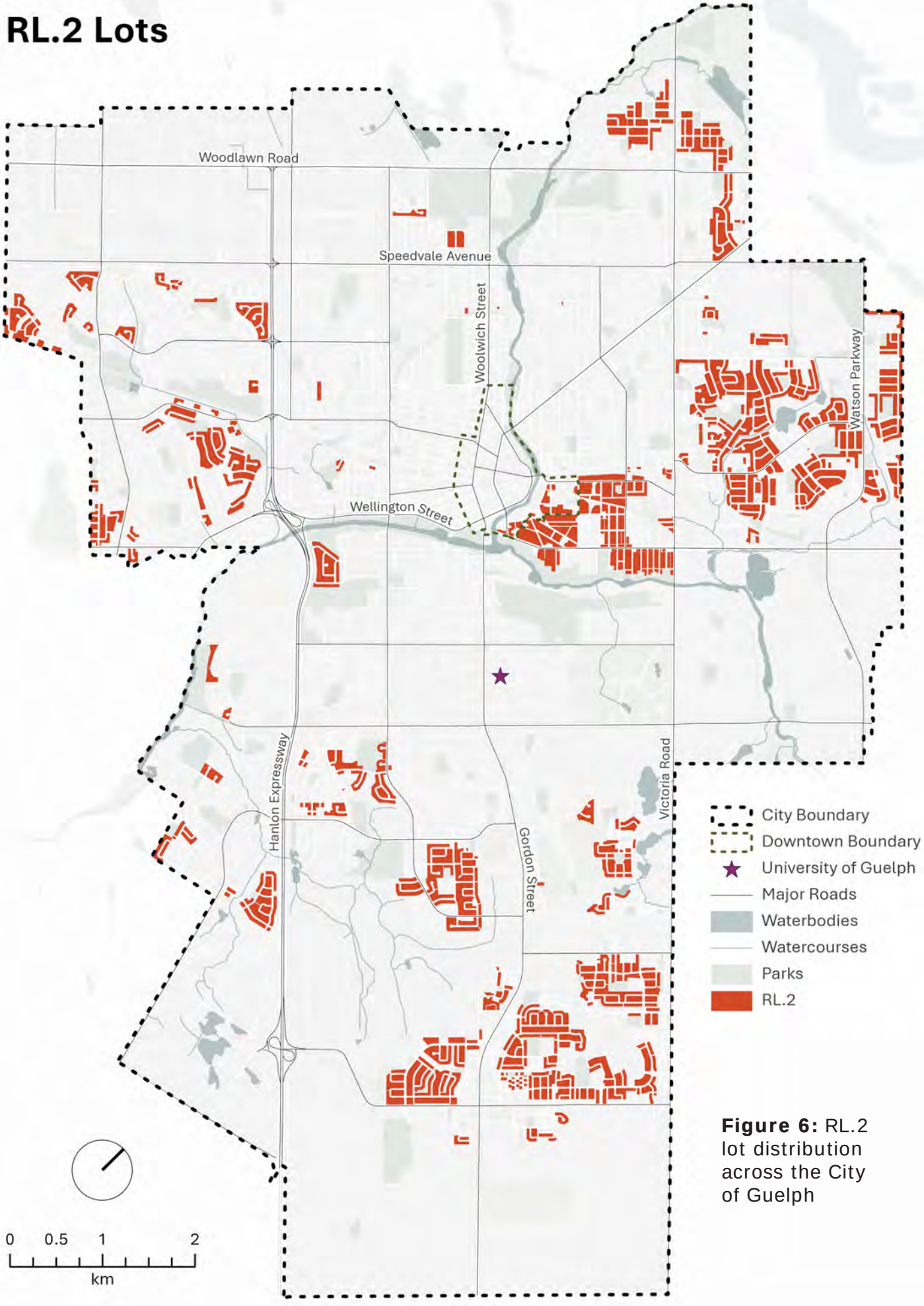


Figure 6: RL.2 lot distribution across the City of Guelph

As seen in Figure 7, there are significantly fewer RL.3 and RL.4 zoned lands across Guelph.

Understanding the spatial distribution of these lands helps make it clear that the greatest impact from a policy change would occur with RL.1 and RL.2 lots.

Importantly, while the RL.3 and RL.4 lots (intended to accommodate townhomes and small scale apartments respectively) can accommodate slightly higher unit counts than the lower density districts, changes to their regulations would impact substantially less parcels throughout the city overall. In contrast, RL.1 and RL.2 zones hold the highest potential for enabling Gentle Density. This is because they are primarily developed with single detached dwellings, cover the most residential-designated lands in the City, and can accommodate up to three units under current Provincial legislation and the new Comprehensive Zoning Bylaw (2023, partially under appeal). By focusing on the RL.1 and RL.2 zones, the background analysis focuses on specific lot characteristics, such as lot width, depth, frontage, regulations, and proximity to transit.

1.4.1 Lot Widths

One of the most important lot characteristics to consider is lot width. There are several core elements required in infill developments that all compete for space. These include the driveway, parking, setbacks, pedestrian access, and the building itself. Wider lots are more capable of accommodating all of these core elements, compared to narrower lots. Figure 8 shows the widths of every RL.1 and RL.2 lot in the city – **the darker the lot, the wider it is.**

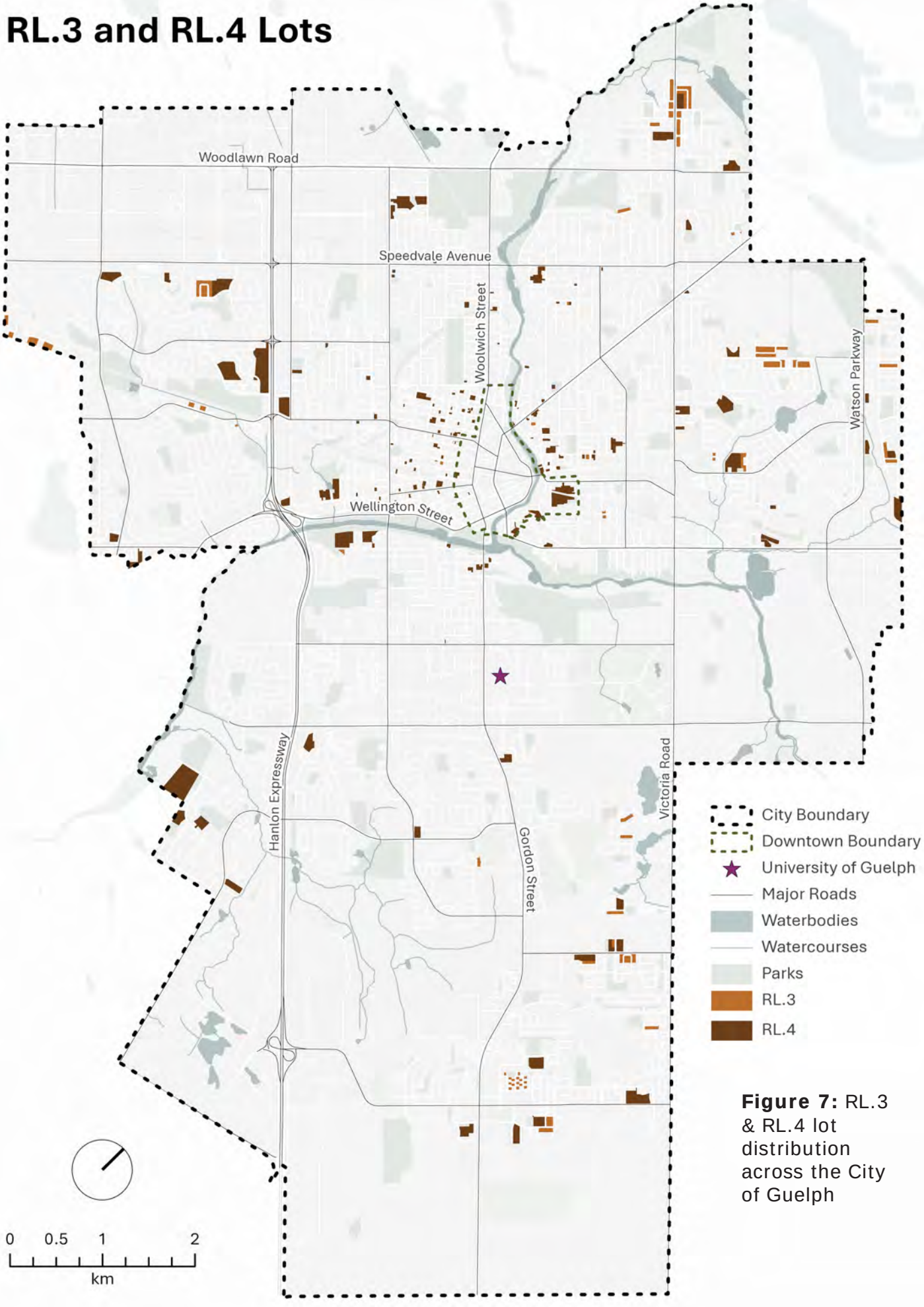


Figure 7: RL.3 & RL.4 lot distribution across the City of Guelph

Lot Frontages

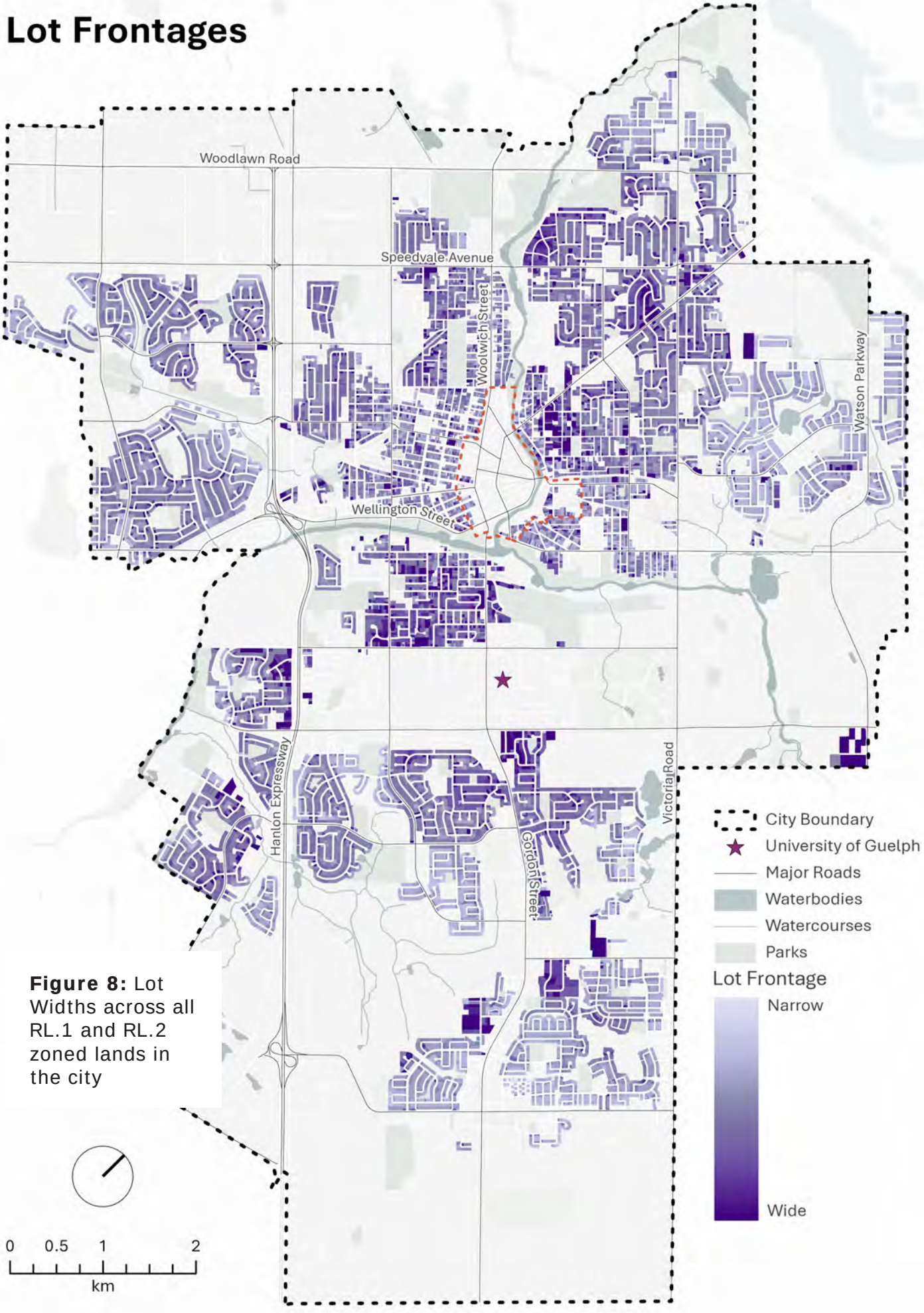


Figure 8: Lot Widths across all RL.1 and RL.2 zoned lands in the city

When viewed as a bar graph, trends in average lot width emerge across both zones. Figure 9, shown below, highlights the number of lots sorted by lot width in feet. Blue represents RL.1 lots, and orange represents RL.2 lots.

This chart shows clear clusters of standard lot widths found throughout the City, and establishes clear drop-off points. 7.5 metre-wide-lots (25 feet) represent the smallest standard lot found in Guelph. Similar spikes are found at the 12 metre-wide-lots (40-feet) and 15 metre-wide-lots (50-feet). The overwhelming majority of lots are found within the 7.5 to 24 metre widths (25-to-80-feet).

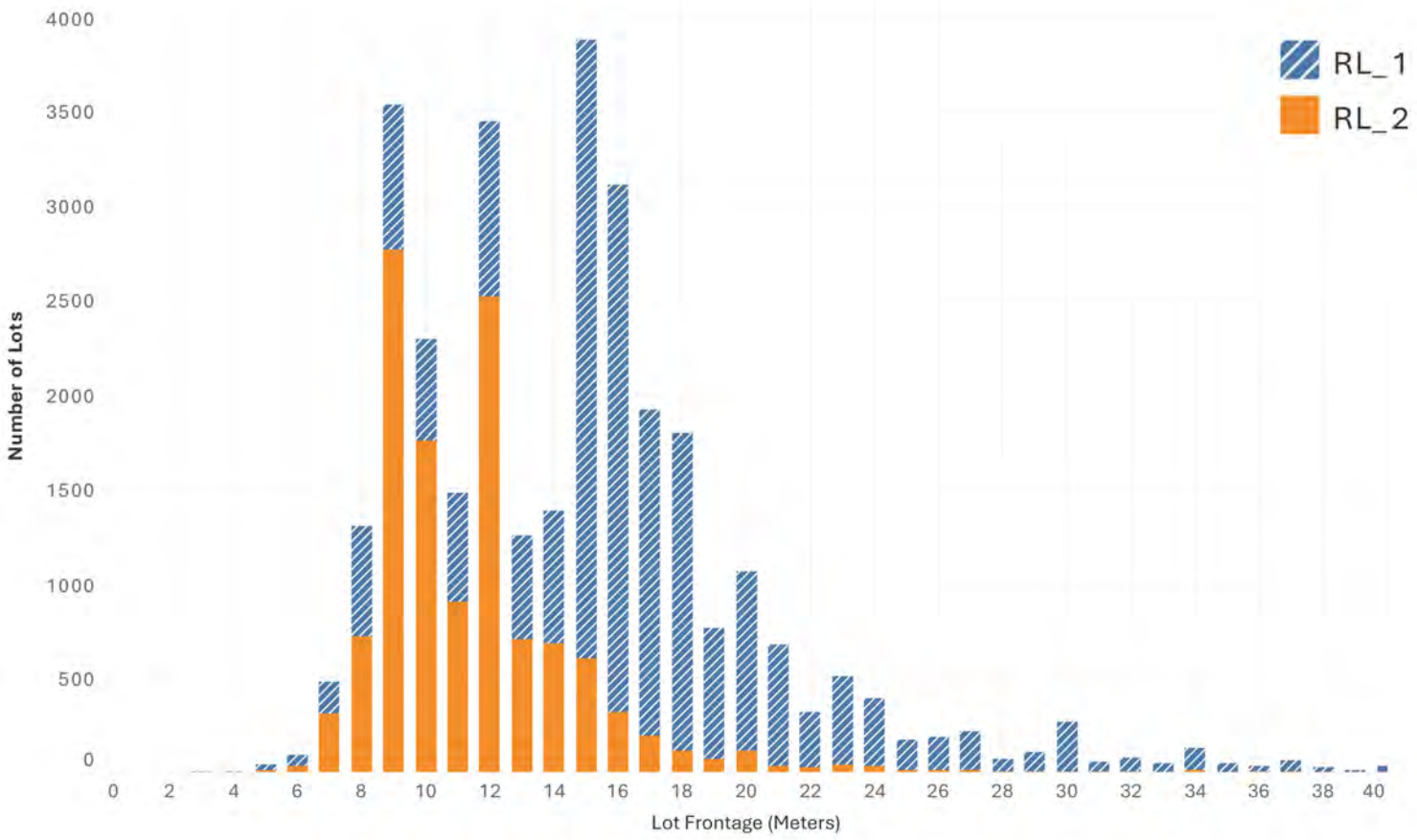


Figure 9: Bar graph showing frequency of lot widths, split by zone

1.4.2 Lot Width and Depth

Adding lot depth as a variable shows an even clearer picture of the most standard lot sizes found throughout Guelph. Each point in Figure 10 and 11 represents a single lot in Guelph. The x-axis shows lot width while the y-axis shows lot depth, all shown in metres.

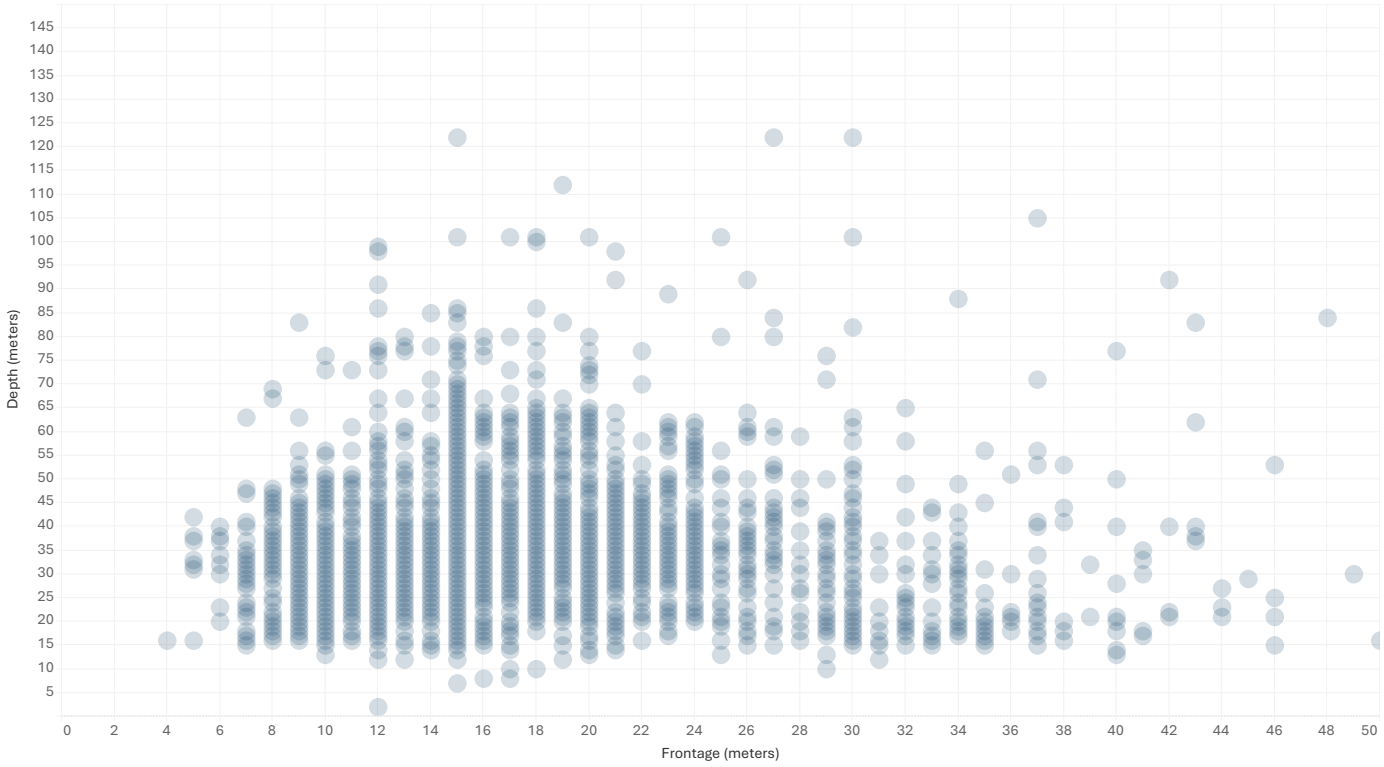


Figure 10: RL.1 depth and width scatter plot showing the relationship between lot frontage and depth

Figure 10 highlights clear clusters of common lot dimensions in Guelph. The overwhelming majority of lots are at least 30 metres (98 feet) deep, while a significant number of lots are 15 to 18 metres (50 to 60 feet) wide, however there are lots going down to 10 metres (32 feet) in width.

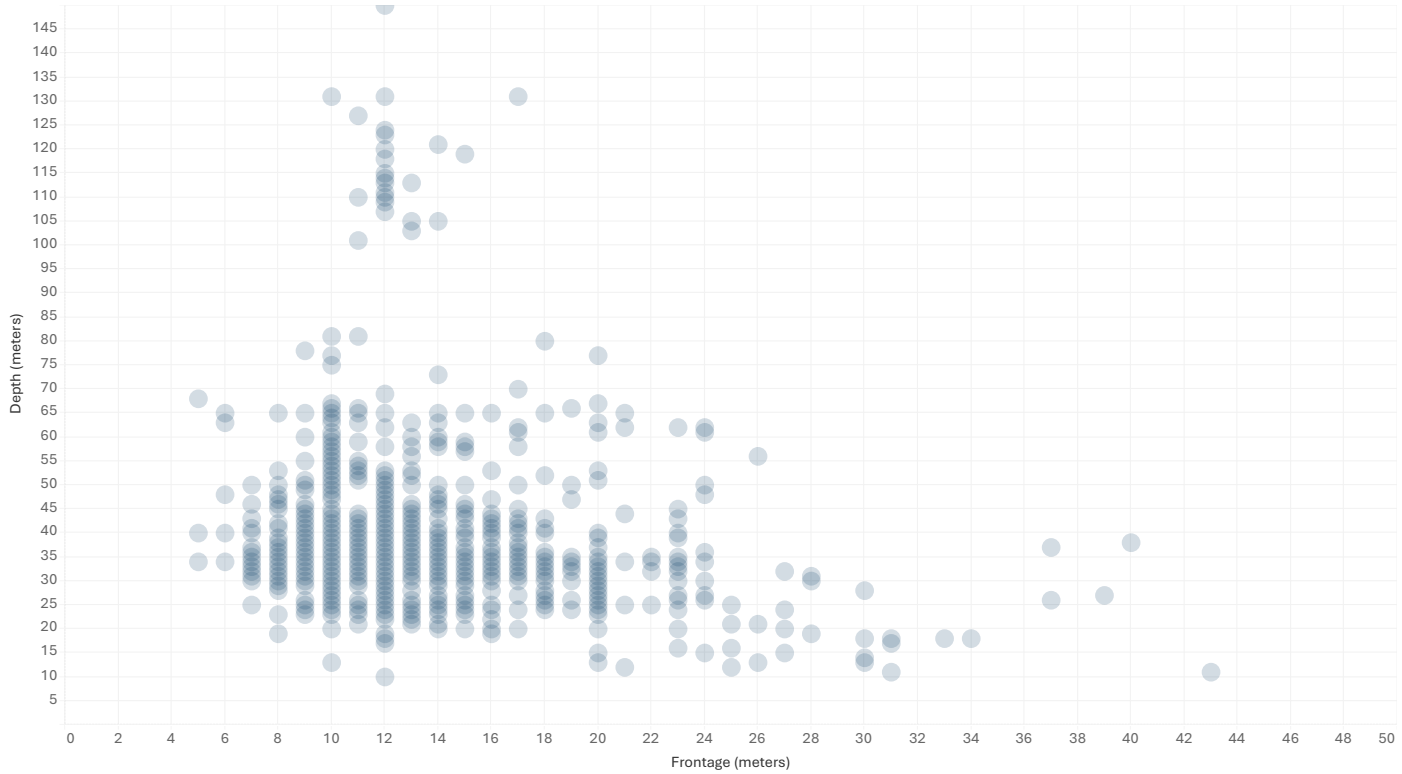


Figure 11: RL.2 depth and width scatter plot showing the relationship between lot frontage and depth

Figure 11 demonstrates slightly less striking cluster effect, but a clear trend still emerges – the minimum standard lot depth goes down to 20 metres (65 feet), while most lots have between a 10 to 15 metre (32 to 50 feet) frontage width.

1.4.3 Severances

While this study focuses on single lots and does not delve into achieving Gentle Density through lot consolidation or severances, it is important to understand this potential relative to the parcels in Guelph.

All parcels are unique, however, in order for a parcel to be severed into two lots that support four units each it would likely need to be at least 24 metres to 30 metres wide. Only 6% of all RL.1 and RL.2 parcels are 24 metres wide, and only 3% of all RL.1 and RL.2 parcels are 30 metres wide. Only about 1% of all RL.1 and RL.2 are 36 metres or wider, which may be wide enough to be severed into 3 lots that each support four units.

1.4.4 Regulations

With an understanding of the standard lot dimensions found throughout Guelph, the regulations for the RL.1 and RL.2 zones were reviewed in addition to the City's regulations for Additional Dwelling Units (ADU). ADUs are self-contained dwelling units that are subordinate to and located within the same building or on the same lot as a primary dwelling unit. They are commonly called "accessory apartments", "basement apartments" or "in-law suites".

To understand how these prevailing lot sizes fit within the regulations Table 1 highlights the primary land use regulations for the RL.1 and RL.2 zones from the Comprehensive Zoning Bylaw (2023, partially under appeal). Table 2 then summarizes the regulations surrounding ADUs.

Importantly, the minimum lot widths and frontages both support the majority of lots zoned RL.1 and RL.2 in the city. When considering lot dimensions, most low density lots in Guelph would already support Gentle Density. Instead, the limiting factors for adding Gentle Density are found in other remaining regulations.

Within these regulations there are many requirements that must be balanced. For example, parking requirements can limit landscaped open space, while front yard, side yard, and rear yard setbacks all constrain the building envelope within which development can occur. In addition, ADU regulations set restrictions on height, size, and access for these units, limiting how much housing they can provide and how challenging they are to implement. These factors all must be tested as part of the Gentle Density design project to determine which are limiting development of Gentle Density and which, if amended, could result in better, simpler to deliver infill.

Table 1: The main spatial zoning bylaw regulations for the RL.1 and RL.2 zones.

Regulation	RL.1	RL.2
Minimum Lot Frontage	15.0m	9.0m
Minimum Lot Area	460m²	275m²
Minimum Front Yard Setback	6m	6m
Minimum Exterior Yard Setback	4.5m	4.5m
Minimum Interior Side Yard Setback	1.5m	1.2m
Minimum Rear Yard Setback	7.5m or 20% of lot depth – whichever is less	7.5m or 20% of lot depth – whichever is less
Minimum Landscaped Open Space	• 0.5m between driveway and nearest lot line. • Front yard except driveway shall be landscaped. • Minimum 35% Landscaped Open Space. • Minimum 50% of Front Yard should consist of soft landscaping.	• 0.5m between driveway and nearest lot line. • Front yard except driveway shall be landscaped. • Minimum 35% Landscaped Open Space. • Minimum 50% of Front Yard should consist of soft landscaping.
Parking Requirements	• 1 parking space per dwelling unit • No visitor parking required	• 1 parking space per dwelling unit • No visitor parking required
Parking Dimensions	Interior: 3m x 6m Exterior: 2.5m x 5.5m	Interior: 3m x 6m Exterior: 2.5m x 5.5m
Accessible Parking	Type A: 1 Accessible Parking Space	Type A: 1 Accessible Parking Space 3.4m X 5.5m Access Aisle: 2m
Driveway Width	3m Min. 6m Max. (for 12m lot)	3m Min. 6m Max. (for 12m lot) • If located in the Rear Yard, the parking area shall be set back a min. 0.5m from any lot line. • 1.5m high solid fence required. • No stacked parking. • Only 1 driveway per lot.

Table 2: Summarized Additional Residential Dwelling Unit (ARDU) Regulations.

ARDU location	Regulation
ARDUs within the main building	• Cannot exceed 45% of the gross floor area of the building (all floor levels included) • Interior access is required between floor levels and between the additional residential dwelling unit and the host dwelling unit • Can have a maximum of two bedrooms (three bedrooms for basement units) • Can occupy the whole of the basement
ARDUs in a separate building	**Size** • Cannot exceed 80 square metres (861 square feet) and cannot exceed 45% of the gross floor area of the main building • Can have a maximum of two bedrooms • Cannot occupy more than 30% of the yard, including all other accessory buildings and structures **Height** • The maximum building height is 5 metres and cannot exceed the overall building height of the main dwelling • When an additional residential dwelling unit is located above a detached garage, the maximum total building height is 6.1 metres, and cannot exceed the overall building height of the main dwelling **Setbacks & Access** • 1.2m pedestrian access to unit required if unit is not directly off a street or lane • 1.2m interior side yard setback on the side with access • Not located in front yard or exterior side yard (unless located on through lot) • Side and rear setback equal to side yard setback of primary dwelling • 3m setback required where 2nd storey window adjacent to lot line • 3m required between primary and additional unit

1.5 City of Guelph Policy Review Summary

Over the years, Guelph has taken intentional strides towards enabling infill and intensification throughout the City. Some opportunities exist to strengthen or reframe the policy regime in place in Guelph. This document's review of the policy regime highlights where these opportunities exist and provides an overview of how the collective body of Guelph documents informs Gentle Density.

Despite working on different scales and influencing different parts of the planning and development process, each of the reviewed documents contains relevant context that should be considered as part of this project.

The Provincial Planning Statement and the Housing Supply Action Plan provide overarching policy direction for the following documents and emphasize the importance of providing more housing options, promoting sustainable development, and increasing the speed of planning approvals.

The following documents have been reviewed by the project team for their relevance to Gentle Density. Complete summaries of each document can be found in Appendix 2:

- Statutory Plans & Policy
  - » Official Plan (2022)
  - » Minister-Approved New Official Plan (2023)
  - » Comprehensive Zoning Bylaw (2023)
- Other City Plans
  - » Council's Future Guelph Strategic Plan (2024-2027)
  - » Water and Wastewater Servicing Master Plan (2023)
  - » Transportation Master Plan (2022)
  - » Stormwater Management Master Plan (2023)
- Studies & Guidelines
  - » Housing Analysis Strategy (2011)
  - » Residential Intensification Analysis Discussion Guide (2020)
  - » Urban Design Manual (2017)
  - » Built Form Standards for Mid-Rise Buildings and Townhouses (2018)
  - » Development Engineering Manual (2023)
  - » Built Form Standards (2014)
  - » 3-Unit Demonstration Plans (2023)
  - » 4-Unit Demonstration Plans (2023)

1.6 Bill 185 Summary

Bill 185, or the *Cutting Red Tape to Build More Homes Act*, received Royal Assent in June 2024 and will have significant impacts on how development is regulated and approved in Guelph and across the Province. The Act includes a suite of legislative changes which will impact Gentle Density in the following ways:

- Eliminates minimum parking requirements in Protected Major Transit Station Areas (PMTSAs), such as the downtown.
- Third-party appeals to minor variance, consent decisions, zoning bylaw amendments, and Official Plan amendments have been limited to the applicant, registered landowners, the Minister, the approval body, or 'specified persons' such as utility companies.
- Allows the City to impose time limits on approved site plans or plans of subdivision.
- Repeals some of the previous Provincial changes to municipal development charges.
- Extends the deadline for municipalities to review undesignated properties on the heritage register before they are removed.
- Makes pre-application meetings voluntary, rather than mandatory.

The *Cutting Red Tape to Build More Homes Act,* 2024 applies to all municipalities in Ontario and is outside of the control of the City of Guelph.

1.7 Proposed Amendment to Ontario Regulation 299/19 Summary

Summary

On September 23rd, 2024, The Ministry of Municipal Affairs and Housing posted a proposed amendment to facilitate the creation of additional residential units (ARUs). This amendment builds on previous steps taken in the *More Homes Built Faster Act*, 2022 and *Cutting Red Tape to Build More Homes Act*, 2024 to allow 3 units as-of-right on lots that meet minimum requirements and remove certain barriers to creating more additional residential units.

The proposed amendment to this regulation includes:

- Overriding any angular plane requirements for parcels with ARUs
- Overriding any Floor Space Index (FSI) requirements for parcels with ARUs
- Overriding any minimum lot size or area requirements for parcels with ARUs
- Limiting any building separation requirements for ARUs to a maximum of 4 metres
- Allowing at least 45% lot coverage of all buildings and structures on a lot with ARUs

As of the date of this document, this amendment is in the proposal stage. The comment period has closed and it has not received royal ascent.

Impact

Guelph's current Zoning Bylaw (2023, partially under appeal) does not include angular plane, FSI, or lot size/area requirements for lots with Additional Dwelling Units (ADUs) within RL.1 and RL.2 zones. The recommended amendments contained in this document also do not include any of these requirements, thus, these overrides would not have an impact on this study. The current and recommended building separation requirement between a detached ADU structure and a primary structure is 3 metres, which is below the proposed maximum of 4 metres.

The current and recommended zoning bylaw regulations do not directly limit lot coverage and thus do not conflict with the proposed minimum 45% lot coverage allowance. The current and recommended zoning bylaw does include other factors that indirectly impact lot coverage including setbacks, landscaped open space coverage, and rear yard coverage. Given these regulations, it is still possible to achieve a 45% lot coverage on a common 15 metre (49 foot) by 30 metre (98 foot) lot if stacked parking is used (illustrated in Scenario 3 in Section 5.3 of this document). Providing the minimum required non-stacked parking provides the greatest lot coverage limitation for lots with ADUs. This challenge is mitigated by the recommended reduction of minimum parking requirements outlined in Section 3 of this document.

2 What We Heard: Interest-Holder & Public Consultation

2.1 Engagement Overview

After conducting the background review and a preliminary exploratory study on what lot sizes would be required to support four units given different bylaw amendments, the Gentle Density project gathered feedback from interested parties from the development and homebuilding industry and resident groups, as well as the general public.

In February 2024, participants were invited to learn more about Gentle Density and share their feedback on how best to enable four-unit housing types in the City of Guelph. The project team gathered specific feedback on how parking, landscaping, building setbacks, and other regulations will impact the feasibility of four-unit housing.

Following this period of engagement, the project team developed draft amendments to the zoning bylaw as informed by these engagement sessions as well as input from technical advisors from the City. These draft amendments to the zoning bylaw were presented in April 2024 at a Statutory Public Meeting. Following the public meeting, the Province released Bill 185 which signaled potential implications to this work. As such, the decision was made to come back to Council in October for a decision.

February 2024

Members of the public and interested parties provided feedback on visual examples, city-wide mapping, and siting considerations.

- Two (2) information sessions with the development and homebuilding industry
- One (1) information session with community and resident groups
- One (1) public open house

Note: A second information session for community and resident groups was offered, but had one attendee. The project team followed up with this attendee for a one-on-one conversation.

April 2024

A Statutory Public Meeting was held on **April 9th** to discuss draft zoning regulations.

October 2024

Council decision on recommended Zoning Bylaw Amendment.

February 2024 Engagement Summary

A total of four (4) engagement sessions were held in February 2024.

Session #1	Session #2	Session #3	Session #4
Tuesday, February 20th, 1-3pm	Thursday, February 22nd, 2-4pm	Thursday, February 22nd, 6-8pm	Thursday, February 29th, 5-8pm
Virtual information session for development and homebuilding industry	In-person information session for development and homebuilding industry	In-person information session for community and resident groups	In-person public open house
15 attendees	8 attendees	13 attendees	30+ attendees

The purpose of the engagement was to:

- Introduce the concept of Gentle Density and four-unit housing types
- Present the preliminary study, including:
  - » Where Gentle Density may occur
  - » Site demonstration plans for lots with four units using ADU or fourplexes
- Gather feedback on the impacts of key regulations on different groups of interest holders
- Understand opportunities and challenges related to four-unit housing types

Site demonstration plans were displayed during engagement sessions as a tool to generate feedback, and were not provided as recommendations.

2.2 Key Takeaways

Perspectives on the four-unit housing type varied depending on a participants' background, experiences, age, career and more. This section summarizes the key takeaways across all four engagement sessions of the Gentle Density project that took place in February 2024. Each session is described in more detail in the following section.

1. **Keep requirements simple and less restrictive:** Participants, especially those from the development and homebuilding industry, wish to see regulations that are clear and allow the four-unit housing type to be efficiently implemented on eligible lots.
2. **Parking requirements are a barrier:** Each engagement session included significant conversation around the negative impact of high parking requirements on the feasibility of Gentle Density. Although many residents are used to having driveways to park personal vehicles and noted parking needs to be sufficient for new residents, participants are open to exploring reduced parking requirements to reduce the amount of on-site area that parking will use.
3. **Additional Dwelling Unit (ADU) regulations:** Several suggestions were made about adjusting bylaws for ADUs to enable a four-unit housing configuration (especially on smaller lots) that is more favourable (e.g., large units, more bedrooms per unit).

2.3 Summary of Results

Session #1: Virtual Information Session for Development and Homebuilding Industry

In general, participants in the session indicated that a more simple and less restrictive approach would enable adoption of the four-unit housing type from a development and real estate perspective.

Neighbourhood typologies

The project team asked if participants, from their perspective in the development industry, understand there to be neighbourhoods or types of lots that are most likely to support four-unit housing.

Participants responded that the focus could be on “wartime” / post-war era homes that are due for renovation or replacement. One participant wondered if there were any considerations being made for new subdivisions.

Development charges

One participant asked what types of conversations were happening around development charges. When the project team indicated that, so far, the conversation is focused on built form and site demonstration plans, this participant mentioned that development charges have the potential to make four-unit housing cost prohibitive to developers and homeowners who wish to benefit from this new housing type.

Parking requirements

The requirement for four parking spaces (one per unit) was a key focus of conversation. Most participants suggested that the four-unit housing type would be more feasible with reduced parking requirements.

In particular, it was mentioned that enabling parking in the rear yard requires a lot of paving and still feels like a tight fit. The project team indicated that parking reductions could be explored and recommended, especially around higher-order transit, but that this was out of scope for the Gentle Density project.

One participant wondered if an infiltration gallery could be implemented instead of green roofs, in order to meet permeability and landscaping requirements.

Number of rooms permitted

A participant asked if changes to regulations around the number of bedrooms permitted in ADUs are being considered. Specifically, they mentioned that the bylaws allow for 3 bedroom basement units, but above-ground ADUs are only permitted to have 2 bedroom units.

Interior access was mentioned as another component to review and consider removing, because it could unlock some additional square footage for units, rather than being lost to interior circulation space.

Challenges

Participants raised concerns about the demonstration plans and how to fit necessary elements on-site. Participants were reminded that the site demonstration plans were a visualization tool for discussion and to generate feedback only, and should not be considered as recommendations by the project team. In addition, several of these considerations are not in-scope for the Gentle Density study and would be addressed on a site-by-site basis.

- Consider where snow storage and waste bins would be in these site plans.
    - » Project team response: These site plans assume an appropriate number of bins relative to units, and a pathway from a communally accessible area to the curb.
- Bike storage will need to be managed and included in demonstration plans.
    - » Project team response: The requirement for bike storage is not a factor until buildings with 10 or more units.
- Access to private outdoor amenity space is a challenge.

Opportunities

Participants were excited about opportunities for co-housing and co-ownership models, but mentioned that the potential fees for development charges and parkland dedication (if applicable), would prohibit the development of affordable housing opportunities.

Those involved in the real estate industry mentioned that they've noticed trends around co-op housing recently, with a notable example being the development of Oak Hill Co-Living ("Golden Girls") example in the Rockwood neighbourhood in Guelph Eramosa Township.

Session #2: In-person Information Session for Development and Homebuilding Industry

Participants in this industry session were interested in the configurations of ADUs and multiplexes, and the impact on feasibility and parking requirements.

ADU configuration

Participants felt that two ADUs in an accessory building should be permitted, even if the primary dwelling is one storey. Additionally, one person suggested that the size of the ADU should not be constrained by the size of the primary dwelling.

Similar to the virtual session, participants questioned why basement ADUs were permitted to have three bedrooms, while above-ground ADUs were limited to 2-bedroom units. The rationale for this, from their perspective, is that 3-bedroom units are rare and missing in Guelph's current housing mix and should be enabled in the future.

In this session, participants also raised the issue of interior access to units, mentioning that this presents more challenges as the number of ADUs within a primary building increases.

Multiplex configuration

The discussion around multiplexes spurred questions around parking and permeable paving. One participant suggested that parking in the rear yard does not need to be the default configuration and that other arrangements may be preferred by developers, homeowners or renters. A few participants were concerned that the rear yard parking eliminates opportunity for green space and amenity space on-site, and suggested that this trade-off may not be acceptable to all.

One participant wondered whether the multiplex model would be economically feasible to develop, given the current regulations, and suggested that some cost analysis may need to be completed. The project team indicated that economic modelling will be available as part of the recommended zoning bylaw report coming to Council for decision in June 2024.

An additional comment was made around whether the consideration for permeable pavers was vetted by an engineer. The project team indicated that this would be further studied throughout the project.

Parking requirements

Participants were not satisfied with the requirements for four parking stalls to be included in the four-unit housing type.

Participants demonstrated the necessity for on-street parking through an example of someone who develops a rear yard or basement ADU, but only has enough parking for the primary dwelling. As such, no parking stalls are provided as part of the rental agreement and street parking is not permitted on most residential streets. In this example, the homeowner may have difficulty renting the unit unless street parking were available to accommodate the incoming tenant.

As an additional solution, participants suggest reducing parking requirements to 3 stalls for four units would be preferred, especially in areas of reasonable transit availability. A few participants indicated that the parking requirements seemed to be at odds with the goal of maintaining or increasing permeability and affordability, and that incentives for purpose-built rentals may be warranted.

Session #3: In-person Information Session for Community and Resident Groups

While participants were eager to learn about the four-unit housing type, there was significant discussion around the impact of increased density on neighbourhoods that are currently considered to be low-density residential communities.

Concern around the intensity of density

One participant described a scenario where a single parcel was subdivided into three parcels, each of which has three units. In this case, they envisioned 9 new residents arriving to the community, who may be students and each have their own personal vehicle. The scenario raised concerns for some participants around parking overflow into the community and the impact of having 9 new neighbours, rather than a single person, a couple or small family that they are accustomed to. The term “vicious density” was used to describe this scenario.

Student housing

Conversations around student housing and the disruptions that this may cause, were an ongoing topic of conversation. This was framed in the context of the scenario above, as well as developers being incentivized to rent to students to increase their profit margins. The perception is that individual rooms in a 3-bedroom unit may be rented at a higher rate (say $1,000 per room) than they may be able to achieve in the unit was rented to a single family (at below $3,000 for the unit).

The suggestion was that, in a place like Guelph, the four-unit housing type is more conducive to students than it is to families. In addition, if economics are the primary driver or incentive for development, then this approach may not result in affordability.

While, in general, there were concerns about the impact of students living in higher quantities in low-density residential neighbourhoods (whether based on personal experience or perceptions about what that might entail), one participant encouraged others to consider that mixing between ages, family structures, employment status and other characteristics is beneficial to a community. Participants seemed to agree about the benefits of social mixing, though the project team noted that this falls outside of the influence of this project.

Parking + amenity space trade-offs

The stacked parking shown in some of the site demonstration plans were not considered practical, especially when units are rented to those who are not family members.

In some site demonstrations plans, participants were concerned about the lack of rear yard amenity space available when accommodating four parking stalls.

A move towards mixed use development and more local commercial opportunities was mentioned as a way to reduce dependence on personal vehicles and make the reduced parking requirements more feasible.

Finally, participants would like to see tree regulations that protect existing trees when multiplexes and ADUs are implemented, especially if parking needs to be accommodated in the rear yard.

Opportunities

Participants were excited about the opportunity to access affordable housing opportunities, as well as opportunities for aging-in-place. A few attendees who were not currently homeowners noted that they were excited about the prospect of being able to own a unit in a multiplex as a new homeownership opportunity that was more accessible to them than owning a detached or semi-detached dwelling.

Challenges

One participant, who rents out multiple properties in Guelph, mentioned that as a landlord, they do not want to have to “donate” their money to implement Gentle Density. They wish to see that this opportunity is affordable and profitable for landowners and developers, suggesting that incentives may be required to enable affordability as a homeowner or renter. This prompted a discussion about energy efficiency as a way to increase affordability for developers or owners.

Session #4: In-person Public Open House

At the public open house, residents of Guelph were eager to provide their feedback on the four-unit housing type, with many echoing sentiments heard at the information sessions. It is worth noting that several attendees at the public open house had attended an information session for either the development industry or community and resident groups.

Parking and transit

All of the comments related to parking suggested that the parking requirements for this housing type should be reduced (for example, two parking stalls instead of four parking stalls). In particular, some participants were concerned that the requirement for parking means that most or all of the rear yard would be occupied by paved surfaces.

Suggestions to alleviate parking challenges included allowing for on-street parking and enabling car share locations nearby, as well as increasing public transit and active transportation networks to reduce reliance on personal vehicles.

Green space and amenity space

Participants wish to see regulations that do not eliminate the opportunity for rear yard green space or amenity space (e.g., parking). One participant suggested that, should there be shared rear yard space between the four units, the City of Guelph should work to ensure parkland supply keeps up with density to compensate for shared use of backyards.

ADU configuration

Comments were made about ADUs and their relationship to the primary dwelling, including allowing ADUs that are the same height regardless of whether there is a garage on the main floor, and allowing three-bedroom units to match the allowances for basement units. One participant felt that the regulations for the size of ADUs (compared to the primary dwelling) are too restrictive.

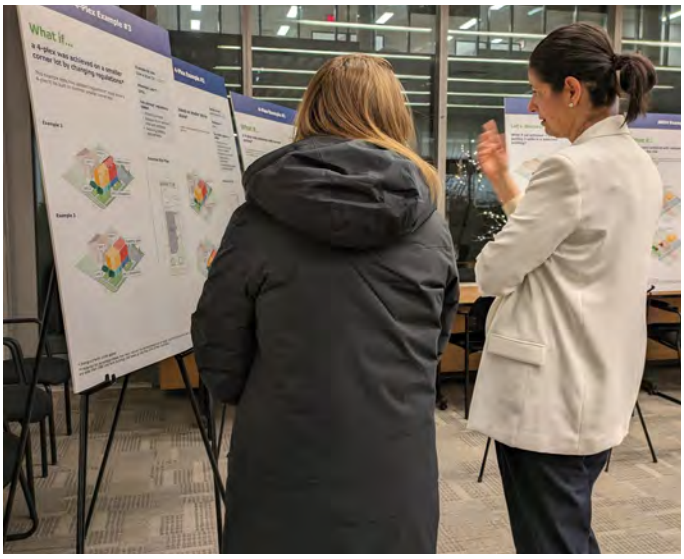


Figure 13: Public open house participants spoke with members of the project team about challenges and opportunities related to Gentle Density in Guelph

Opportunities

In general, most participants at the open house were excited about the opportunity to build a new form of housing that could alleviate the lack of affordable housing. Other opportunities participants were excited about include:

- Downsizing and aging-in-place
- Income generation through rentals
- Increased property value
- Allowing for more housing without sprawl
- Using existing housing stock to increase density

A few participants who attended the open house were representatives of organizations that support people with developmental disabilities, who indicated that the four-unit housing type would enable supportive housing opportunities that are accessible, affordable, and may allow for more independent living models for some of their clients.

Challenges

There was a participant who was concerned about the potential for this housing opportunity to only be accessible to developers or those with access to capital. This concern was around the idea that developers could outbid people who are trying to buy a home (e.g., single-detached to house their families) in order to develop four-units on a lot, making the homebuying process less accessible to them.

Similarly, several participants indicated that they would like to see support and incentives for individual homeowners to develop four units on their lots, with one person mentioning specific support for young adults or seniors.

2.4 Next Steps

The project team took findings from these engagements sessions forward when developing the recommended bylaw amendments outlined the next section.

3 Recommended Bylaw Amendments

3.1 Recommended Bylaw Amendments Introduction

A key component in exploring how four units could be achieved as-of-right on low-density residential lots is examining how the Zoning Bylaw (2023, partially under appeal) should be amended. When revising the bylaw to allow the fourplexes and up to three ADUs, it is important to balance the following factors:

- Ensuring four units would be implementable on enough parcels that housing supply and affordability could be increased
- Ensuring enough open landscaped area to accommodate urban tree canopy and maintain stormwater function
- Balancing on-site parking for an appropriate number of vehicles with open landscaped area
- Allowing enough flexibility to make achieving four units viable for a wide range of land-owners
- Maintaining neighborhood scale, character, and backyard privacy

To guide the recommended bylaw amendments, these factors were carefully weighted, along with the key following inputs:

- Interest holder and public input
- Guidance from technical advisors at The City of Guelph
- Review of comparable municipalities' zoning bylaws
- Scenario testing to determine how many lots could support four units given different amendment options.

This section of the report contains and summary of the most substantial recommended bylaw amendments, a summary of the comparable city bylaw review, and the detailed recommended bylaw amendments.

The recommended bylaw amendments outlined in this section were brought to council for statutory public meeting where delegates from the public shared their responses and questions were provided to the project team by council. The outcomes of this meeting are summarized in the following section.

To convey the impact of these amendments, four scenarios were developed to illustrate how fourplexes and ADUs might be achieved, along with supporting visuals, costing, and market analysis for these scenarios.

3.2 Amendment Summary

This section outlines the largest recommended changes to the Zoning Bylaw (2023, partially under appeal at the Ontario Land Tribunal), as well as some key regulations that are recommended to remain the same. A detailed record of the recommended amendments can be found in the draft bylaw section.

3.2.1 What Changed:

New Definition - "Fourplex"

A new defined use is recommended to allow for four units to be built in one ground-oriented building that is distinct from an apartment building.

Parking

The existing Zoning Bylaw (2023, partially under appeal) requires one parking space per unit, both for ADUs as well as other ground-oriented uses. The recommended amendment would allow the first ADU to not require a parking space. However, ADUs after that would require one each. A fourplex would require one space per unit, to a maximum of three parking spaces. As we heard during multiple engagement sessions, reducing parking requirements greatly improves the financial feasibility of building fourplexes and ADUs given the size constraints of a typical residential property in Guelph. It also allows more parcels to potentially enable Gentle Density and leaves more space for open landscaped area.

In addition to these parking amendments, parking minimums were removed in the Downtown Area as per direction in Bill 185, which came into effect during the final stages of this report.

ADU Detached Building Sizes

The maximum height of an ADU in the Zoning Bylaw (2023, partially under appeal) is either 5m or 6.1m (depending on whether the ADU was above a garage or not). By having the same 6.1m height restriction apply to all detached ADU structures, the bylaw can allow for two storey typologies that can accommodate up to two ADUs. New provisions were added to maintain privacy between properties given the recommended change.

Because primary dwelling sizes can vary regardless of lot size, the recommended bylaw amendments no longer requires the detached ADU heights to be less than the primary dwelling height. For this reason, it is recommended that the size of the detached ADUs also not be restricted to 45% of the main building. Rather, each ADU in a detached structure would have a maximum floor area of 80 square metres. The total footprint of the detached structure will still be limited by the same setbacks and rear yard coverage regulations. Examples of how theses adjustments would impact possible ADU configurations are shown in Figure 15.

Internal ADU Regulations

Based on consultation with interest holders, the project team found that the current requirements for ADUs in the main structure may be overly restrictive, making it challenging to implement internal ADUs. As a result changes have been recommended that remove the requirement for internal connections between units, remove bedroom limits (in alignment with provincial direction), and simplify the requirements for ADUs to be smaller than the primary dwelling. While bedroom limits have been removed, the number of bedrooms will be constrained by space requirements under the Ontario Building Code.

3.2.2 What Stayed the Same:

Building Envelope

Given setbacks, height restrictions, and landscaped open space regulations, The maximum possible building envelope for the primary building has not changed. As Figure 14 shows, the recommended Gentle Density zoning regulations simply allow property owners to add another unit to their primary building, rather than increase its height, width, or proximity to the street.

Landscaped Open Space

Preserving permeable open space and room for urban tree canopy on properties is an important consideration for mitigating flooding, heat island effect, and supporting biodiversity. The recommended zoning regulations added a requirement for multi-unit buildings with 3 or more units to require the 35% of the lot area to be landscaped open space, which is in line with current requirements for single unit dwellings the these neighbourhoods.

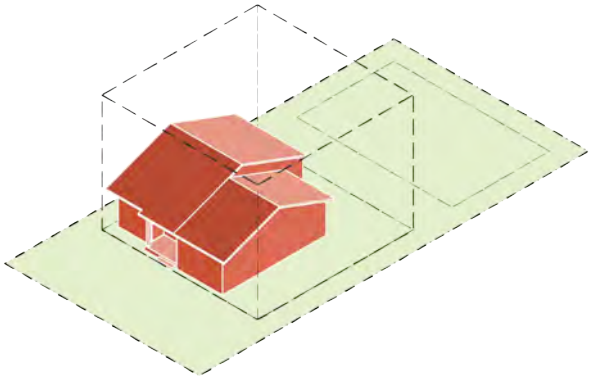
ADU Lot Coverage

While there are recommended amendments in how the size of detached ADUs are regulated, the existing 30% lot coverage maximum is maintained. This is illustrated in Figure 15.

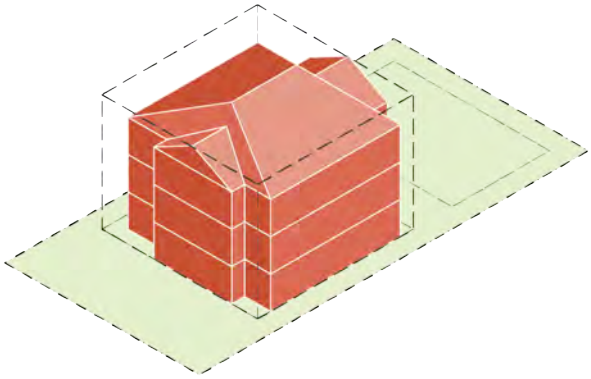
ADU Privacy

Currently, ADUs on the second storey are not allowed unless they are above a garage. The recommended amendments have allowed ADUs on the second storey in a detached unit, but requires second storey windows and exterior exit stairs to have a 3 metre side yard setback to ensure privacy for neighbours. ADU rooftop amenities are also not permitted.

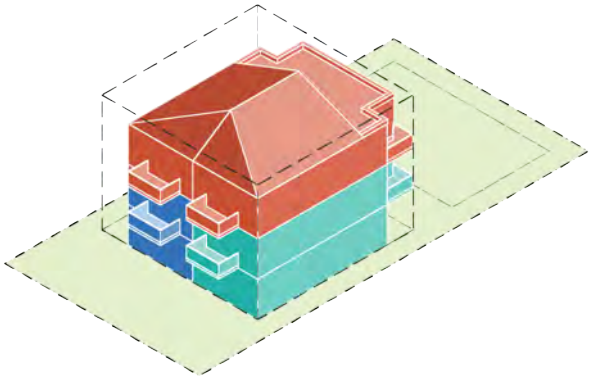
Examples of possible housing typologies under the existing RL.1 and RL.2 zones



Single detached bungalow

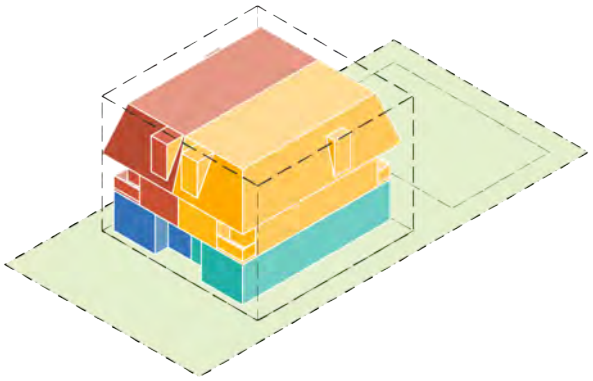


Three storey single detached



Triplex

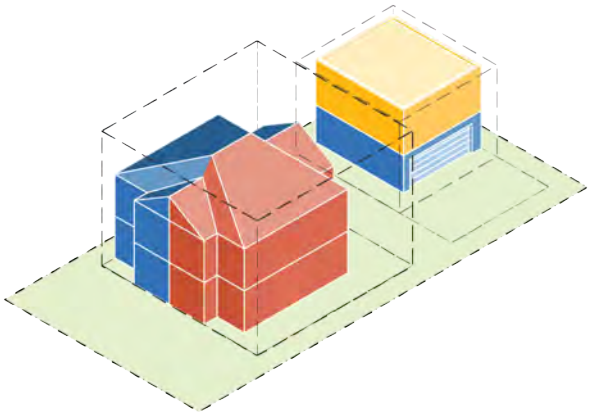
Proposed "fourplex" must fit within the same existing RL.1 and RL.2 envelope



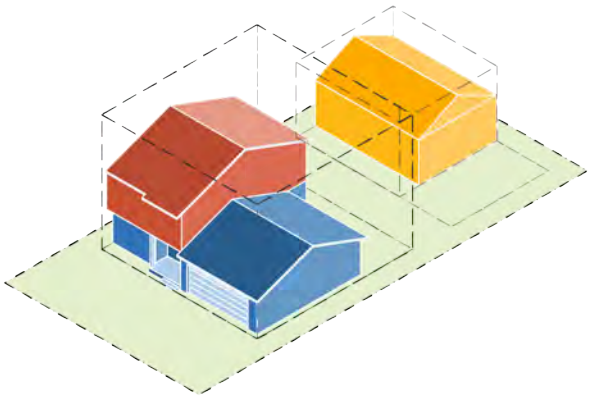
Fourplex

Figure 14: A diagram showing how the recommended changes to the bylaw keep the building envelope the same while allowing more housing units through the new fourplex typology

Examples of possible ADUs under the existing RL.1 and RL.2 zones

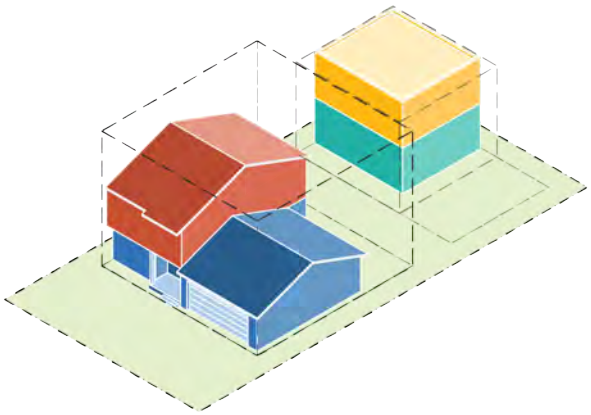


Duplex with ADU over garage

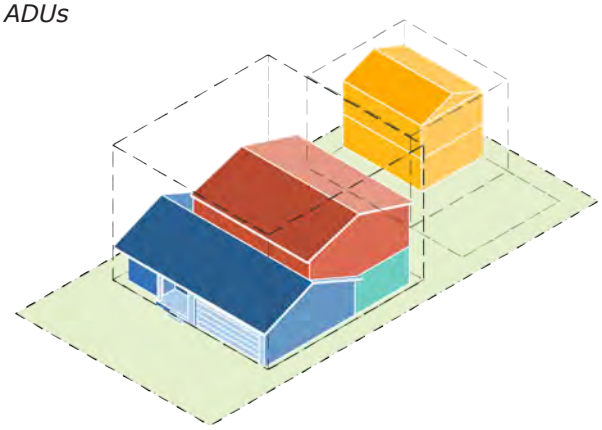


One ADU in the primary structure and a single-storey detached ADU

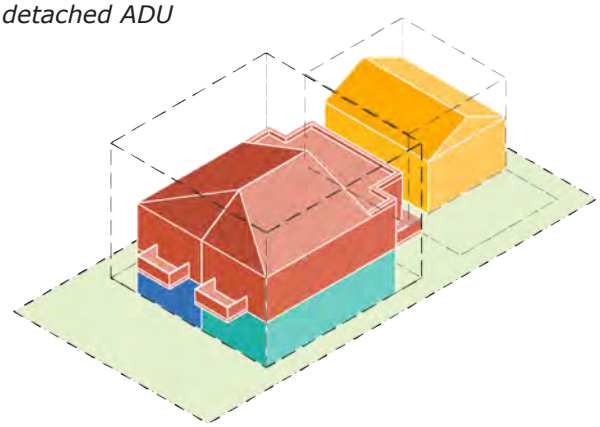
Examples of expanded ADU possibilities with recommended amendments



One primary structure ADU and two detached ADUs



Two primary structure ADUs and a two-storey detached ADU



Triplex with a detached ADU

Figure 15: A diagram showing how recommended amendments to ADU regulations allow additional units with minimal changes to built form

3.3 City Comparison

To learn from the work that other municipalities have undertaken to enable Gentle Density, the zoning bylaws of five other Ontario cities were studied. The five other cities are Toronto, Hamilton, Kitchener, London, and Barrie, which have all recently developed zoning regulations for 4-unit low density zones. Additional detail can be found in Appendix 2.

General Regulations

Each city studied regulates 4 units differently. Some cities, such as Toronto, have specific regulations for a building that contains 4 or more units. Whereas other cities, such as Kitchener, have a general zoning bylaw that allows 4 units on a property that can be achieved through a mix of ADUs and units in the primary building.

The project team's recommended zoning bylaw takes a hybrid approach by creating a specific use called a 'fourplex' as well as allowing four units on residential lots through ADUs.

Height

The recommended zoning changes would not change the maximum heights of the primary building. The recommended height would allow primary buildings to be three storeys tall, which is in line with what other cities allow.

The existing maximum height for ADUs in Guelph range from 5-6.1m. The recommended maximum height would allow all ADUs to be up to 6.1m tall, which is similar to Hamilton and Toronto.

Setbacks

The recommended zoning is keeping Guelph's existing front, side and rear yard setbacks. These setbacks are larger than Hamilton's and Kitchener's, leaving more landscaped space on the property. Setbacks have to be balanced to ensure there is enough space to build, while ensuring privacy for neighbours and sufficient landscaping space.

ADU Building Coverage

The current and recommended regulations state that detached ADU structures shall not exceed 30% of the yard. Each ADU unit within a detached structure must also not exceed 80 square metres of floor area.

The other cities' maximum ADU sizes range from 60 to 80 square metres or are regulated based on the size of the lot. The recommended building coverage requirements were developed with these in mind and are in line with the comparable cities.

Landscaping

The recommended regulations are keeping Guelph's existing regulation that requires at least 35% of the lot to be landscaped. This requirement is greater than the requirements used by Hamilton, Kitchener, and certain zones in London.

Parking

The existing regulations require one parking space per unit. The recommended zoning is requires a maximum of three spaces for four units, whether they are achieved through a fourplex or ADUs.

Hamilton, Toronto, Kitchener, and London do not require parking spaces for ADUs in certain areas of the city or at all. Barrie requires one parking space per unit regardless of location. The recommended parking requirement takes a middle road approach compared to other cities. Requiring 1 less parking space per unit can also leave more space on the property for landscaping.

3.4 Draft Bylaw

Recommended amendments to Zoning Bylaw (2023)-20790 (2023, partially under appeal) to permit up to 4 dwelling units on a lot. All changes (additions and removals) are listed under "Amendment."

The regulations below only include those with amendments, please see the full Zoning Bylaw for additional regulations and full context.

Part B: Definitions

Existing 2023 Zoning Bylaw:

Additional residential dwelling unit means a **dwelling unit** that is self-contained, subordinate to and located within the same **building** or on the same **lot** of a primary **dwelling unit**. An **additional residential dwelling unit** does not permit a **lodging house type 1.**

Semi-detached dwelling means a **building** that is divided vertically into 2 separate **dwelling units**.

Single detached dwelling means a free-standing, separate, detached **building** consisting of 1 **dwelling unit** and may include an **additional residential dwelling unit**, but does not include a **lodging house type 1**.

Townhouse, on-street means a **townhouse** where each **dwelling unit** is located on a separate **lot** and has legal frontage on a **street, public** and includes a **rear-access on-street townhouse** located on either a **street, private** or **street, public.**

Triplex means a **building** consisting of 3 **dwelling units** functioning independently, which are horizontally and/or vertically attached, which are entered from an independent entrance directly from the outdoors or from an internal entry vestibule and which share common facilities such as **common amenity area**, parking and **driveways.**

Amendment:

Additional dwelling unit means a **dwelling unit** that is self-contained, subordinate to and located within the same **building** or on the same lot of a primary **dwelling unit.** An **additional dwelling unit** does not permit a **lodging house type 1.**

Apartment building means a **building** consisting of 3 or more **dwelling units,** where access to each unit is obtained through a common entrance or entrances from the **street** level and subsequently through a common hall or halls, and/or secured elevator access directly into unit(s) and may also include podium townhouses accessed through a common entrance or by private exterior entrance.

Duplex dwelling means a **building** that is **used** for the purpose of two principal **dwelling units** functioning independently and configured in such a manner that the **dwelling units** are divided horizontally from one another, each of which has an independent entrance either directly to the outside or through a common vestibule, and may include an attached **additional dwelling unit.**

Fourplex means a **building** consisting of 4 **dwelling units** on a **lot** functioning independently, which are horizontally and/or vertically attached, which are entered from an independent entrance directly from the outdoors, and/or secured elevator access directly into unit(s), and/or from an internal

entry vestibule and which share common facilities such as parking and **driveways**.

Semi-detached dwelling means a **building** that is divided vertically into 2 separate **dwelling units** and may include **additional dwelling units**.

Single detached dwelling means a free-standing, separate, detached **building** consisting of 1 **dwelling unit** and may include **additional dwelling units**, but does not include a **lodging house type 1**.

Townhouse, on-street means a **townhouse** where each **dwelling unit** is located on a separate **lot** and has legal frontage on a **street, public** and includes a **rear-access on-street townhouse** located on either a **street, private** or **street, public**; and may include **additional dwelling units**.

Triplex means a **building** consisting of 3 **dwelling units** functioning independently, which are horizontally and/or vertically attached, which are entered from an independent entrance directly from the outdoors, and/or secured elevator access directly into unit(s), and/or from an internal entry vestibule and which share common facilities such as **common amenity area**, parking and **driveways**;

Part C: General Provisions

Existing 2023 Zoning Bylaw:

4.4 Number of buildings per lot

No more than one **building** shall be located on a **lot** in a residential RL.1 or RL.2 **zone**, with the exception of an **accessory building or structure or an additional residential dwelling unit**, and as specifically permitted in this **bylaw**.

Amendment:

4.4 Number of buildings per lot

No more than one **building** shall be located on a **lot** in a residential RL.1 or RL.2 **zone**, with the exception of an **accessory building or structure** or **additional dwelling units**, and as specifically permitted in this **bylaw**.

Existing 2023 Zoning Bylaw:

4.12 Residential intensification

4.12.1 Additional residential dwelling unit

An **additional residential dwelling unit** is subject to the following provisions:

a. A maximum of two **additional residential dwelling units** are permitted on a **lot,** one within the same **building** as the primary **dwelling unit** and one located in a separate **building** on the same **lot** or two **additional residential dwelling units** within the primary **dwelling unit.**

b. The **additional residential dwelling unit** shall not contain more than two bedrooms.

c. **Additional residential dwelling unit** within a primary **dwelling unit:**

- **i.** The **additional residential dwelling unit(s)** shall each not exceed 45% of the **residential floor area** of the building. For the purposes of Section 4.12, **residential floor area** includes **basements** with floor to ceiling heights of at least 1.95 metres but does not include stairs, landings, cold rooms, **garages**, **carports** and mechanical rooms.

  - **A.** Despite Section 4.12.1 (b) and 4.12.1(c) (i), if the **additional residential dwelling unit** is

located within the **basement**, the **additional residential dwelling uni**t may occupy the entirety of the **basement** and may contain 3 bedrooms.

ii. Interior access is required between floor levels and between the **additional residential dwelling unit(s)** and the primary **dwelling unit.**

Amendment:

4.12 Residential intensification

4.12.1 Additional Dwelling Unit (ADU)

An **additional dwelling unit** is subject to the following provisions:

a. For **single detached dwellings**, a total of 4 **dwelling units** is permitted on a **lot.** This includes the primary **dwelling unit** together with:

i. Up to three **additional dwelling units** located within the same **building** as the primary **dwelling unit**, or

ii. Up to two **additional dwelling units** located within the same **building** as the primary **dwelling unit** and one **additional dwelling unit** in a separate **building** on the same **lot**, or

iii. One **additional dwelling unit** located in the same **building** as the primary **dwelling unit** and up to two **additional dwelling units** in a separate **building** on the same **lot**.

b. **Additional dwelling units** are permitted with **semi-detached, duplex, townhouse, on-street**, or **townhouse, rear access** on-street dwellings to a maximum of 3 **dwelling units** on a **lot.**

c. For the purpose of Section 4.12, a primary **dwelling unit** means the largest **dwelling unit** on the **lot** where one or more **additional dwelling unit(s)** exist.

d. For the purposes of Section 4.12, **residential floor area** includes **basements** with floor to ceiling heights of at least 1.95 metres but does not include stairs, landings, cold rooms, **garages, carports** and mechanical rooms.

e. A 1.2 metre wide unobstructed pedestrian access shall be provided to the entrance of the **additional dwelling unit**, unless access to the **additional dwelling unit** is provided directly from a **street** or **lane**. A gate may be constructed within the pedestrian access, but no encroachments are permitted within the 1.2 metre width, including exterior stairs, window wells, air conditioners, etc.

f. **Additional dwelling unit** within a primary **dwelling unit**:

i. The **additional dwelling unit(s)** shall have a **residential floor area** that is less than the primary **dwelling unit.**

ii. Despite Table 4.1 Row 7, exterior stairs to **storeys** above the first **storey** are prohibited in the **front yard, exterior side yard** and in the required **interior side yard.**

Existing 2023 Zoning Bylaw:

d. Additional residential dwelling unit within separate building(s) on the same lot (Existing 2023 Zoning Bylaw):

i. The **additional residential dwelling unit** for the purposes of Section 4.12, **residential floor area** includes **basements** with floor to ceiling heights of at least 1.95 metres but does not include stairs, landings, cold rooms, **garages**, **carports** and mechanical rooms.

ii. The **additional residential dwelling unit(s)** shall not occupy more than 30% of the **yard**, including all a**ccessory buildings or structures**, and shall be in accordance with Section 4.12.1(e)(i), whichever is less.

iii. The maximum **building height** is 5 metres, but shall not exceed the overall height of the primary **dwelling unit**, measured between the average **finished grade** to the top of such **building.**

A. Despite 4.12.1 (d) (iii), when an **additional residential dwelling unit** is located above a detached **garage** containing a **vehicle parking space** in accordance with Table 5.1 and Section 5.11.3 (d), the maximum total **building height** is 6.1 metres and shall not exceed the **building height** of the primary **dwelling unit.**

iv. A minimum 1.2 metre **interior side yard setback** is required for the primary **dwelling unit** in the **yard** closest to the unobstructed pedestrian access, unless access to the **additional residential dwelling unit** is provided directly from a **street** or **lane**.

v. An **additional residential dwelling unit** in a separate **building** on a **lot** may occupy a **yard** other than a **front yard** or required **exterior side yard.**

A. Despite 4.12.1(e)(vi), an **additional residential dwelling unit** in a separate **building** on a **lot** may occupy the **front yard** of a **through lot** directly abutting **a lane.**

vi. An **additional residential dwelling unit** in a separate **building** on a **lot** shall have a minimum **interior side yard** and **rear yard setback** consistent with the **interior side yard setback** for the primary **dwelling unit** in the applicable zone to a minimum of 1.2 metres.

A. Despite 4.12.1 (d) (vii), **additional residential dwelling unit** shall have a minimum 3 metre **interior side yard** and **rear yard setback** where a second **storey** window adjacent to the **lot line**.

vii. A minimum distance of 3 metres shall be provided between the primary **detached dwelling** and an **additional residential dwelling unit(s)** in a separate building, and between 2 **additional residential dwelling units** in separate **buildings**, on the same **lot.**

Amendment:

g. **Additional dwelling unit(s)** within separate **building(s)** on the same **lot**:

i. Each **additional dwelling unit** shall not exceed 80 square metres of **residential floor area.**

ii. Two **additional dwelling units** are permitted in one **building** with a maximum **floorplate** of 90 square metres.

iii. **Additional dwelling unit(s)** shall not occupy more than 30% of the **yard**, including all **accessory buildings** or **structures**, and shall be in accordance with Section 4.12.1(e) (i) and 4.12.1 (e)(ii), whichever is less.

iv. The maximum **building height** is 6.1 metres.

v. A minimum 1.2 metre **interior side yard setback** is required for the primary **dwelling unit** in the yard closest to the unobstructed pedestrian access, unless access to the **additional dwelling unit** is provided directly from a **street** or **lane.**

vi. An **additional dwelling unit** in a separate **building** on a lot may occupy a **yard** other than a **front yard** or required **exterior side yard**.

A. Despite 4.12.1(g)(vi), an **additional dwelling unit** in a separate **building** on a **lot** may occupy the **front yard** of a **through lot** directly abutting a **lane.**

vii. An **additional dwelling unit** in a separate **building** on a **lot** shall have a minimum **interior side yard** and **rear yard setback** consistent with the required minimum **interior side yard setback** for the primary **dwelling unit** in the applicable **zone** to a minimum of 1.2 metres.

A. Despite 4.12.1 (e) (vii), the second **storey** of an **additional dwelling unit** shall have a minimum 3 metre **interior side yard** and **rear yard setback** where a second **storey** window faces a **lot line.**

B. Any second **storey** balcony, entrance, or exterior stair to the second **storey,** must be **setback** a minimum of 3 metres from a **lot line.**

C. Rooftop amenity area above the second **storey** is not permitted.

viii. A minimum distance of 3 metres shall be provided between the primary **building** and an **additional dwelling unit(s)** in a separate **building.**

Existing 2023 Zoning Bylaw:

4.15 Home Occupations

4.15.1(b) A **home occupation** shall not obstruct or occupy the legal off-street **parking space** for a **dwelling unit** and shall not occupy any portion of an attached **garage** or **carport**. **Home occupations** are permitted in **accessory buildings and structures** and detached **additional residential dwelling units**.

4.23 (b) A **lot** containing a **lodging house type 1** shall not contain an **additional residential dwelling unit** within the primary **dwelling unit** or in a separate **building** on the same **lot**.

Amendment:

4.15 Home Occupations

4.15.1(b) A **home occupation** shall not obstruct or occupy the legal off-street **parking space** for a **dwelling unit** and shall not occupy any portion of an attached **garage** or **carport. Home occupations** are permitted in **accessory buildings and structures** and detached **additional dwelling units.**

4.23 (b) A **lot** containing a **lodging house type 1** shall not contain an **additional dwelling unit** within the primary **dwelling unit** or in a separate **building** on the same **lot.**

Existing 2023 Zoning Bylaw:

5. Parking

5.2.1. Residential uses

For every **single detached dwelling**, **semi-detached dwelling, on-street townhouse, rear access on-street townhouse, duplex dwelling, and multi-unit buildings** with 3 **dwelling units** or less, the following provisions apply:

Amendment:

5. Parking

5.2.1 Residential uses

For every **single detached dwelling, semi-detached dwelling, on-street townhouse, rear access on-street townhouse, duplex dwelling, triplex** and **fourplex,** the following provisions apply:

Table 3: Table 5.2 Minimum parking space dimensions (Existing 2023 Zoning Bylaw).

Row	Parking space type or location for specified uses	Dimensions - minimum required
1.	Residential interior **parking space** (within a **garage** or **carport**)(RL.1, RL.2, RL.3, RM.5)	3 metre width x 6 metre length (1)
2.	Residential exterior parking space (RL.1, RL.2, RL.3, RM.5)	2.5 metre width x 5.5 metre length
3.	**Apartment building** (over 3 units), **mixed-use building, stacked townhouse, stacked back- to-back townhouse,** and non-residential uses (interior or exterior **parking spaces**)	2.75 metre width x 5.5 metre length (excluding any obstructions)
4.	Interior or exterior parallel **parking space**	2.6 metre width x 6.5 metre length
5.	Interior or exterior stacked (tandem) **parking space**	Interior or exterior **parking space** dimensions, with length multiplied by 2

Additional regulations for Table 5.2

1. An attached **garage** for **single detached dwellings, semi-detached dwellings and townhouses, on-street, townhouse, rear access on-street**, shall have a minimum floor area of 20 square metres.

Table 4: Amendment - Table 5.2 - parking space dimensions.

Row	Parking space type or location for specified uses	Dimensions - minimum required
1.	Residential interior **parking space** (within a **garage** or **carport**) (RL.1, RL.2, RL.3, RM.5)	3 metre width x 6 metre length (1)
2.	Residential exterior **parking space** (RL.1, RL.2, RL.3, RM.5)	2.5 metre width x 5.5 metre length (2)
3.	**Apartment building** (over 3 units), **mixed-use building, stacked townhouse, stacked back- to-back townhouse, triplex, fourplex**, and non-residential **uses** (interior or exterior **parking spaces**)	2.75 metre width x 5.5 metre length (excluding any obstructions)
4.	Interior or exterior parallel **parking space**	2.6 metre width x 6.5 metre length
5.	Interior or exterior stacked (tandem) **parking space**	Interior or exterior **parking space** dimensions, with length multiplied by 2

Additional regulations for Table 5.2:

1. An attached **garage** for **single detached dwellings, semi-detached dwellings and townhouses, on-street, townhouse, rear access on-street**, shall have a minimum floor area of 20 square metres.

Table 5: Table 5.3 Required parking rates in all zones except downtown zones (Existing 2023 Zoning Bylaw).

		Lots with parking adjustment (PA)		Lots without parking adjustment (PA)
Row	Use	Minimum required	Maximum permitted	Minimum required
Residential Uses				
1	**Additional Residential Dwelling Unit (ARDU)**	1 space per **dwelling unit**	Not applicable	1 space per **dwelling unit**
20	**Triplex (6) (7)**	1 space per **dwelling unit**	Not applicable	1 space per **dwelling unit**

Additional regulations for Table 5.3

2. The required off-street **parking spaces** for **additional residential dwelling units** may be stacked behind the required off-street **parking space** of the primary **dwelling unit** in the **driveway, residential.**

5. If no legal off-street **parking space** can be provided for the primary **dwelling unit**, as of the effective date of this **bylaw**, no **parking spaces** are required for the **additional residential dwelling units.**

6. **Apartment buildings, mixed-use buildings, and triplexes** with less than 20 **dwelling units** are not required to provide visitor **parking spaces.**

7. In multi-unit **buildings** with 3 **dwelling units** or less, if no legal off-street **parking space** can be provided for the existing **dwelling unit,** as of the **effective date** of this bylaw, no **parking spaces** are required.

Table 6: Amendment - Table 5.3 Required parking rates in all zones except downtown zones.

		Lots with parking adjustment (PA)		**Lots without parking adjustment (PA)**
		Minimum required	**Maximum permitted**	**Minimum required**
Residential uses				
1	**Additional Dwelling Unit (ADU) (2) (5)**	1 ADU = No space required 2 ADUs = 1 space 3 ADUs = 2 spaces	Not applicable	1 ADU = No space required 2 ADUs = 1 space 3 ADUs = 2 spaces
6	**Fourplex (6) (7)**	3 spaces	Not applicable	3 spaces
20	**Triplex (6) (7)**	2 spaces		2 spaces

Additional regulations for Table 5.3:

2. The required off-street **parking spaces** for **additional dwelling units** may be stacked behind the required off-street **parking space** of the primary **dwelling unit** in the **driveway, residential.**

5. If no legal off-street **parking space** can be provided for the primary **dwelling unit**, as of the effective date of this **bylaw**, no **parking spaces** are required for the **additional dwelling units.**

6. **Apartment buildings, mixed-use buildings, triplexes,** and **fourplexes** with less than 20 **dwelling units** are not required to provide visitor parking spaces.

7. In multi-unit **buildings** with 3 **dwelling units** or less, if no legal off-street **parking space** can be provided for the existing **dwelling unit,** as of the effective date of this bylaw, no **parking spaces** are required.

Table 7: Table 5.4 – Required parking rates in downtown zones (Existing 2023 Zoning Bylaw).

Row	Use	Minimum required
1	**Apartment building, duplex, single detached, semi-detached, townhouse on- street, townhouse-rear access on-street**	0 per **dwelling unit**
2	**Live-work unit, mixed-use building**	0 per **dwelling unit** (non-residential parking still required)
3	**Home occupation, lodging house type 1, additional residential dwelling unit, group home, long term care facility, hospice**	0 per **dwelling unit**

Table 8: Amendment - Table 5.4 – Required parking rates in downtown zones.

Row	Use	Minimum required
1	**Apartment building, duplex, single detached, semi-detached, townhouse on- street, townhouse rear-access on-street, triplex, fourplex**	0 per **dwelling unit**
2	**Live-work unit, mixed-use building**	0 per **dwelling unit** (non-residential parking still required)
3	**Home occupation, lodging house type 1, additional dwelling unit, group home, long term care facility, hospice**	0 per **dwelling unit**

Existing 2023 Zoning Bylaw:

5.7(a) Accessible parking rates

iii. Despite Section 5.7 (a) (i), **single detached dwellings, semi-detached dwellings, duplex dwellings, townhouse, on-street, townhouse, rear access on-street** with 3 **dwelling units** or less and **additional residential dwelling units** shall not require **accessible parking spaces.**

5.9 Electric vehicle parking requirements

A. Minimum of 20% of the total required parking spaces for multi-unit buildings with 3 or more **dwelling units** and **mixed-use buildings** on **lots** identified with a (PA) suffix shall be provided as **electric vehicle parking spaces**.

Amendment:

5.7(a) Accessible parking rates

iii. Despite Section 5.7 (a) (i), **single detached dwellings, semi-detached dwellings, duplex dwellings, townhouse, on-street, townhouse, rear-access on-street, triplex,** and **additional dwelling units** shall not require **accessible parking spaces**.

iv. Despite Section 5.7 (a) (i), an **accessible parking space** is required for **fourplexes** and multi-unit **buildings** with four or more **dwelling units** if an accessible **building** or accessible **dwelling unit** is required by the Ontario Building Code.

5.9 Electric vehicle parking requirements

A. Minimum of 20% of the total required parking spaces for multi-unit buildings with 3 or more **dwelling units** and **mixed-use buildings** on **lots** identified with a (PA) suffix shall be provided as **electric vehicle parking spaces**.

i. Despite 5.9(a) **lots** with **additional dwelling units** will not be required to provide **electric vehicle parking spaces.**

Table 9: Table 5.10 – Maximum residential driveway width (Existing 2023 Zoning Bylaw).

Row	Zone	Driveway, residential width - Maximum permitted
1	RL.1	**Single detached / duplex dwelling**, multi-unit **building** (up to 3 units) - 6.5 metres **Semi-detached dwelling** - 60% of the **lot frontage** or 5 metres, whichever is less.
2	RL.2	**Single detached dwelling** - 50% of the **lot frontage** or 5 metres, whichever is greater (1) **Duplex dwelling**, multi-unit **building** (up to 3 units) - 5 metres (1) **Semi-detached dwelling** - 60% of the **lot frontage** or 5 metres, whichever is less.

Row	Zone	Driveway, residential width - Maximum permitted
3	RL.3, RL.4, RM.5, RM.6, D.1, D.2	**Single detached, semi-detached** and **duplex dwelling** - 50% of **lot frontage** or 5 metres, whichever is less. **Townhouses**- 65% of **lot frontage** or 5 metres, whichever is less.

Table 10: Amendment - Table 5.10 – Maximum residential driveway width.

Row	Zone	Driveway, residential width - Maximum permitted
1	RL.1	**Single detached / duplex dwelling**, (up to 4 units) - 6.5 metres **Semi-detached dwelling** - 60% of the **lot frontage** or 5 metres, whichever is less.
2	RL.2	**Single detached dwelling**- 50% of the **lot frontage** or 5 metres, whichever is greater (1) **Duplex dwelling**, multi-unit **building** (up to 4 units) - 5 metres (1) **Semi-detached dwelling** - 60% of the **lot frontage** or 5 metres, whichever is less.
3	RL.3, RL.4, RM.5, RM.6, D.1, D.2	**Single detached, semi-detached,** and **duplex dwelling** - 50% of **lot frontage** or 5 metres, whichever is less. **Townhouses** - 65% of **lot frontage** or 5 metres, whichever is less.

Part D: Land Use Zones

Table 11: Table 6.1 - Permitted uses in residential zones (Existing 2023 Zoning Bylaw).

Permitted Uses	RL.1	RL.2	RL.3	RL.4	RM.5	RM.6	RH.7
Residential Uses							
Additional residential dwelling unit	P(1)	P(1)	P(1)	--	P(1)	--	--
Apartment building	P(8)	P (8)	--	P	P	P	P
Bed and breakfast	P	--	--	--	--	--	--
Convenience store	--	--	--	--	--	--	P(2) (3)
Day care centre	P	--	--	--	--	--	P(2) (3)
Day care, private home	P	P	--	--	--	--	--
Duplex dwelling	P	P	--	--	--	--	--

Permitted Uses	RL.1	RL.2	RL.3	RL.4	RM.5	RM.6	RH.7
Group home	P(4) (6)	P(4) (6)	--	--	--	--	--
Home occupation	P (5)	P (5)	P (5)	P (5)	P (5)	P (5)	P (5)
Hospice	P (6)	P (6)	--	--	--	--	--
Lodging house type 1	P (7)	P (7)	--	--	--	--	--
Long term care facility	--	--	--	P	P	P	P
Retirement residential facility	--	--	--	P	P	P	P
Semi-detached dwelling	P	P	--	--	--	--	--
Single-detached dwelling	P	P	--	--	--	--	--
Supportive housing	P	P	P	P	P	P	P
Townhouse, back-to-back	--	--	--	--	P	P	--
Townhouse, cluster	--	--	--	P	--	P	--
Townhouse, on-street	P (9)	P (9)	P	--	P	--	--
Townhouse, rear access on-street	P (9)	P (9)	P	--	P	--	--
Townhouse, stacked	--	--	--	P	--	P	--
Townhouse, stacked back-to-back	--	--	--	--	--	P	--
Triplex	P (8)	P (8)	--	--	--	--	--

Additional regulations for Table 6.1:

1. **Additional residential dwelling units** are permitted within and on the same **lot** as a **single detached dwelling, semi-detached dwelling**, and **townhouse, on-street** and in accordance with Section 4.12.1.
2. Permitted within an **apartment building**, not within a **dwelling unit**.
3. Maximum 400 square metres in floor area, not within a **dwelling unit**.
4. In accordance with Section 4.24.
5. In accordance with Section 4.15.
6. Only use permitted in a **building**.
7. In accordance with Section 4.23.
8. Maximum of 3 **dwelling units** and in accordance with Section 6.3.1.
9. Maximum of 3 **dwelling units** and in accordance with Section 6.3.3 and 6.3.4.

Table 12: Amendment - Table 6.1 - Permitted uses in residential zones.

Permitted Uses	RL.1	RL.2	RL.3	RL.4	RM.5	RM.6	RH.7
Residential Uses							
Additional dwelling unit	P(1)	P(1)	P(1)	--	P(1)	--	--
Apartment building	P(8)	P (8)	--	P	P	P	P
Bed and breakfast	P	--	--	--	--	--	--
Convenience store	--	--	--	--	--	--	P(2) (3)
Day care centre	P	--	--	--	--	--	P(2) (3)
Day care, private home	P	P	--	--	--	--	--
Duplex dwelling	P	P	--	--	--	--	--
Fourplex	P (10) (11)	P (10) (11)	--	--	--	--	--
Group home	P(4) (6)	P(4) (6)	--	--	--	--	--
Home occupation	P (5)	P (5)	P (5)	P (5)	P (5)	P (5)	P (5)
Hospice	P (6)	P (6)	--	--	--	--	--
Lodging house type 1	P (7)	P (7)	--	--	--	--	--
Long term care facility	--	--	--	P	P	P	P
Retirement residential facility	--	--	--	P	P	P	P
Semi-detached dwelling	P	P	--	--	--	--	--
Single-detached dwelling	P	P	--	--	--	--	--
Supportive housing	P	P	P	P	P	P	P
Townhouse, back-to-back	--	--	--	--	P	P	--
Townhouse, cluster	--	--	--	P	--	P	--
Townhouse, on-street	P (9)	P (9)	P	--	P	--	--
Townhouse, rear access on-street	P (9)	P (9)	P	--	P	--	--
Townhouse, stacked	--	--	--	P	--	P	--
Townhouse, stacked back-to-back	--	--	--	--	--	P	--
Triplex	P (8)	P (8)	--	--	--	--	--

Additional regulations for Table 6.1:

1. **Additional dwelling units** are permitted within and on the same **lot** as a **single detached dwelling**, **semi-detached dwelling**, and **townhouse, on-street** and in accordance with Section 4.12.1.
2. Permitted within an **apartment building,** not within a **dwelling unit.**

3. Maximum 400 square metres in floor area, not within a **dwelling unit.**
4. In accordance with Section 4.24.
5. In accordance with Section 4.15.
6. Only **use** permitted in a **building.**
7. In accordance with Section 4.23.
8. Maximum of 3 **dwelling units** and 1 **additional dwelling unit**, in accordance with Section 6.3.1 and Section 4.12.
9. Maximum of 3 **dwelling units** and in accordance with Section 6.3.3 and 6.3.4.
10. Maximum of 4 **dwelling units** and in accordance with Section 6.3.1.
11. A **fourplex** is subject to confirmation of adequate and available servicing capacity as per Section 4.10.

6.3 Lots and building regulations

Table 13: 6.3.1 Single detached dwellings/multi-unit buildings up to 3 units (Existing 2023 Zoning Bylaw)

Table 6.2: RL.1 and RL.2 single detached dwelling/ multi-unit buildings (3 units) lot regulations	
Requirement	**Regulation**
Landscaped open space (minimum)	Despite the definition of **landscaped open space**, a minimum **setback** of 0.5m between the **driveway, residential** and the nearest **lot line** must be maintained as **landscaped open space** in the form of natural vegetation, such as grass, flowers, trees and shrubbery. For multi-unit **buildings** with 3 units, 35% of **lot area** is required to be **landscaped open space.**

Table 14: Amendment: 6.3.1 Single detached dwellings/multi-unit buildings up to 4 units.

Table 6.2: RL.1 and RL.2 single detached dwelling/ multi-unit buildings (4 units) lot regulations	
Requirement	**Regulation**
Landscaped open space (minimum)	Despite the definition of **landscaped open space**, a minimum **setback** of 0.5m between the **driveway, residential** and the nearest **lot line** must be maintained as **landscaped open space** in the form of natural vegetation, such as grass, flowers, trees and shrubbery. For multi-unit **buildings** with 3 or more units, 35% of **lot area** is required to be **landscaped open space.**

Table 15: Table 6.3: RL.1 and RL.2 single detached dwelling/ multi-unit buildings (3 units) setback regulations (Existing 2023 Zoning Bylaw).

Table 6.3: RL.1 and RL.2 single detached dwelling/ multi-unit buildings (3 units) building regulations	
Requirement	**Regulation**
A Building Height (maximum)	3 **storeys** and in accordance with Section 4.14
B Principal Entrance	A **principal entrance** shall be provided that faces the **front lot line** or **exterior side lot line**

Table 16: Amendment: Table 6.3: RL.1 and RL.2 single detached dwelling/ multi-unit buildings (4 units) setback regulations.

Table 6.3: RL.1 and RL.2 single detached dwelling/ multi-unit buildings (4 units) building regulations	
Requirement	**Regulation**
A Building Height (maximum)	3 **storeys** and in accordance with Section 4.14
B Principal Entrance	A **principal entrance** shall be provided that faces the **front lot line** or **exterior side lot line**
C Elevation of **principal entrance** (maximum)	1.2 metres measured from grade at the front face of the **building**

Table 17: Table 6.8: Semi-detached dwelling building regulations. (Existing 2023 Zoning Bylaw)

Table 6.8: RL.1 and RL.2 semi-detached dwelling building regulations	
Requirement	**Regulation**
A Building Height (max)	3 **storeys** and in accordance with Section 4.14
B Principal Entrance	A **principal entrance** shall be provided that faces the **front lot line** or **exterior side lot line**

Table 18: Amendment - Table 6.8: Semi-detached dwelling building regulations.

Table 6.8: RL.1 and RL.2 semi-detached dwelling lot regulations	
Requirement	**Regulation**
A Building Height (max)	3 **storeys** and in accordance with Section 4.14
B Principal Entrance	A **principal entrance** shall be provided that faces the **front lot line** or **exterior side lot line**
C Elevation of **principal entrance** (max)	1.2 metres measured from the **front lot line** elevation

Table 19: Table 6.13: RL.3 and RM.5 on-street townhouse entrance regulations. (Existing 2023 Zoning Bylaw).

Table 6.13: RL.3 and RM.5 on-street townhouse entrance regulations	
Requirement	**Regulation**
A Elevation of **principal entrance** (max)	1.5m measure from the **front lot line** elevation

Table 20: Amendment - Table 6.13: RL.3 and RM.5 on-street townhouse entrance regulations.

Table 6.13: RL.3 and RM.5 on-street townhouse entrance regulations	
Requirement	**Regulation**
A Elevation of **principal entrance** (max)	1.2m measure from the **front lot line** elevation

Image by Dudek Photography

4 What We Heard: Statutory Public Meeting

4.1 Key Takeaways

After creating a draft of recommended bylaw amendments to allow four dwelling units in low residential zones, city staff prepared a report to council outlining the work done to date, results of public engagement, and the draft zoning bylaw amendments. This was presented at a statutory public meeting where delegates from the public responded to the draft bylaw amendments and City Councillors provided initial comments and questions to the project team.

The feedback received at the April 9th Statutory Public Meeting mirrored many of those heard through interested party and public engagement sessions.

While, in general, there seemed to be agreement with the idea of Gentle Density and the four-unit housing typology, participants expressed concerns about the details of the bylaw that would influence how density would take place in practice. Many comments centered around common themes, including: allowable height, number of bedrooms, parking, impacts to servicing, and abrupt changes to neighbourhoods. Below, these concerns can be found with responses to add information on how they are addressed by the project team.

4.1.1 How Would Allowable ADU Height Affect Privacy?

Several participants were in favour of the proposed approach to ADU height. However, other participants expressed concern that this change would reduce privacy for neighbours.

Response: The recommended zoning bylaw amendments allow detached ADUs to reach the same height that is currently allowable when there is a garage on the ground floor, but extends this to all detached ADU structures. They also include regulations to limit how close a second storey window, balcony, or exit stairs can be to a lot line. More information can be found within the Draft Bylaw in the previous section.

4.1.2 Should Number of Bedrooms be Regulated?

The removal of the two bedroom limit for ADUs was considered amenable to some, citing the importance of providing additional options for families, which are perceived to be in short supply.

Participants who expressed concern about the number of bedrooms feel that they should be restricted to avoid lots with 12 or more bedrooms. Some participants called for maintaining the bedroom limit or prescribing the number of bedrooms permitted based on lot size.

Response: Removing bedroom limits is in alignment with provincial direction on planning for land use, rather than people. While bedrooms are not directly prescribed based on lot size, the number of bedrooms is limited by the allowable building size (based on zoning bylaw regulations) and the Ontario Building Code. More information can be found in Section 1.2.

4.1.3 What are the Impacts of Parking Requirement Reductions?

The recommendation for three parking stalls per four-unit building was perceived as a benefit to some and a barrier to others. For those who are most in favour of the recommendations, removing the requirement for a fourth parking space enables more lots to provide a four-unit housing typology. For other participants, unlocking the four-unit housing typology on more lots is not preferred.

Concerns around parking are centered around availability. If there is not enough parking to accommodate the number of units and/or bedrooms, this could result in illegal or unregulated parking. The other concern is that there is currently limited on-street parking in Guelph, so residents would have no options for parking. One recommendation was to consider that parking spaces could be reduced near transit corridors to encourage public transit use.

Response: Based on research, many comparable cities in Ontario have reduced the number of parking spaces required for Gentle Density. Reducing the number of parking spaces required improves the feasibility of Gentle Density projects by reducing development costs and saving space on the lot for housing and landscaped area. Further, many residents who may live in these units in the future may not own a car and therefore not contribute to the parking demand in the neighbourhood.

4.1.4 How Will Impacts to Servicing be Managed?

Some participants expressed concern that the current stormwater and wastewater systems were not sufficient to accommodate additional density in existing neighbourhoods.

Response: The recommended regulations maintain the current open landscape area percentage as to not reduce site permeability. If fourplexes become allowable “as-of-right”, adequate stormwater and wastewater infrastructure will still be required.

4.1.5 Will There be Abrupt Changes to Neighbourhoods?

The scale and intensity of implementation of the four-unit housing typology is a concern for some. These concerns include the addition of a larger number of new residents to the neighbourhood, the addition of parked cars and traffic congestion, and the frequency of the four-unit housing typology within individual neighbourhoods. Some participants expressed a fear that this typology would become concentrated within a neighbourhood and cause localized challenges, calling for controls that would ensure dispersion and a mix of typologies throughout neighbourhoods.

Response: Based on the market analysis in the Section 6 of this document and the current uptake of triplexes, the project team has found that it is unlikely that four-unit typologies will be widely and rapidly adopted. It should be noted that many of the parcels that delegates referenced when expressing concerns about the impact of Gentle Density are uncommonly large, only representing around 5% of all RL.1 and RL.2 parcels.

5 Outcomes

5.1 Mapping & Key Statistics

To understand the impact of the recommended zoning bylaw amendments, an analysis of how many parcels could potentially support four units was undertaken.

The initial scan of parcels by zone reveals that Guelph currently has approx. **32,000** RL.1 & RL.2 low density residential parcels, making up about **80%** of all parcels.

These lots account for approximately **35,900** dwelling units in total. About **29,750 (85%)** RL.1 & RL.2 lots have a single dwelling unit. This highlights the potential for these areas to contribute to the housing supply through Gentle Density.

When testing how may lots could potentially support four units under the current Zoning Bylaw (2023, partially under appeal), it was found that, of all the RL.1 and RL.2 lots, about **11,100 (35%)** would currently be able to support 4 units as-of-right through a fourplex or ADU.

With the recommended changes, including a reduction of parking requirements, this number increases to **14,250 (45%)**. These changes represent an increase of **3,150** lots that could support 4 units as-of-right (or a **28% increase**). Given that setbacks, height restrictions, landscaped open area, and driveway width have remained the same in both scenarios, these results highlight the impact of removing one required parking space for four units and streamlining ADU regulations in unlocking more housing potential in the City of Guelph.

With existing zoning regulations	With recommended zoning regulations
11,100 suitable lots	14,250 suitable lots

Table 21: Number of lots in Guelph that could potentially support four units under the existing and recommended zoning bylaw regulations.

Note: Lot size requirements used for this analysis are based on demonstration plans that assume a mix of unit types and do not utilize basements units. As a result, it may be possible to implement four units on smaller lots in some scenarios. This does not account for stormwater and wastewater servicing limitations, tree or heritage preservation, financial feasibility, or any other potential limitations outside of built form that may further limit which lots could support four units.

Additional analysis and mapping was undertaken by the project team to better understand where in Guelph Gentle Density is already taking place, and what areas would be the most feasible for additional Gentle Density.

Figure 16 highlights areas with higher concentrations of registered ADUs in dark purple, as well as locations of residential buildings in RL.1 and RL.2 zones with up to 4 units.

Figure 17 builds on Figure 16, adding areas where there is the most potential for four (4) units on a lot. These areas are determined based on the following factors:

- areas that are outside of the floodplain
- areas that have proximity to major and minor density concentrations and the primary transit spine
- areas with buildings are older than 1980 and have a lot coverage less than 20% (meaning they are more likely to be redeveloped or have detached ADUs added)

Figure 17 does not illustrate areas with restricted stormwater or wastewater capacity, which would further restrict areas where Gentle Density is feasible.

Where is gentle density happening?

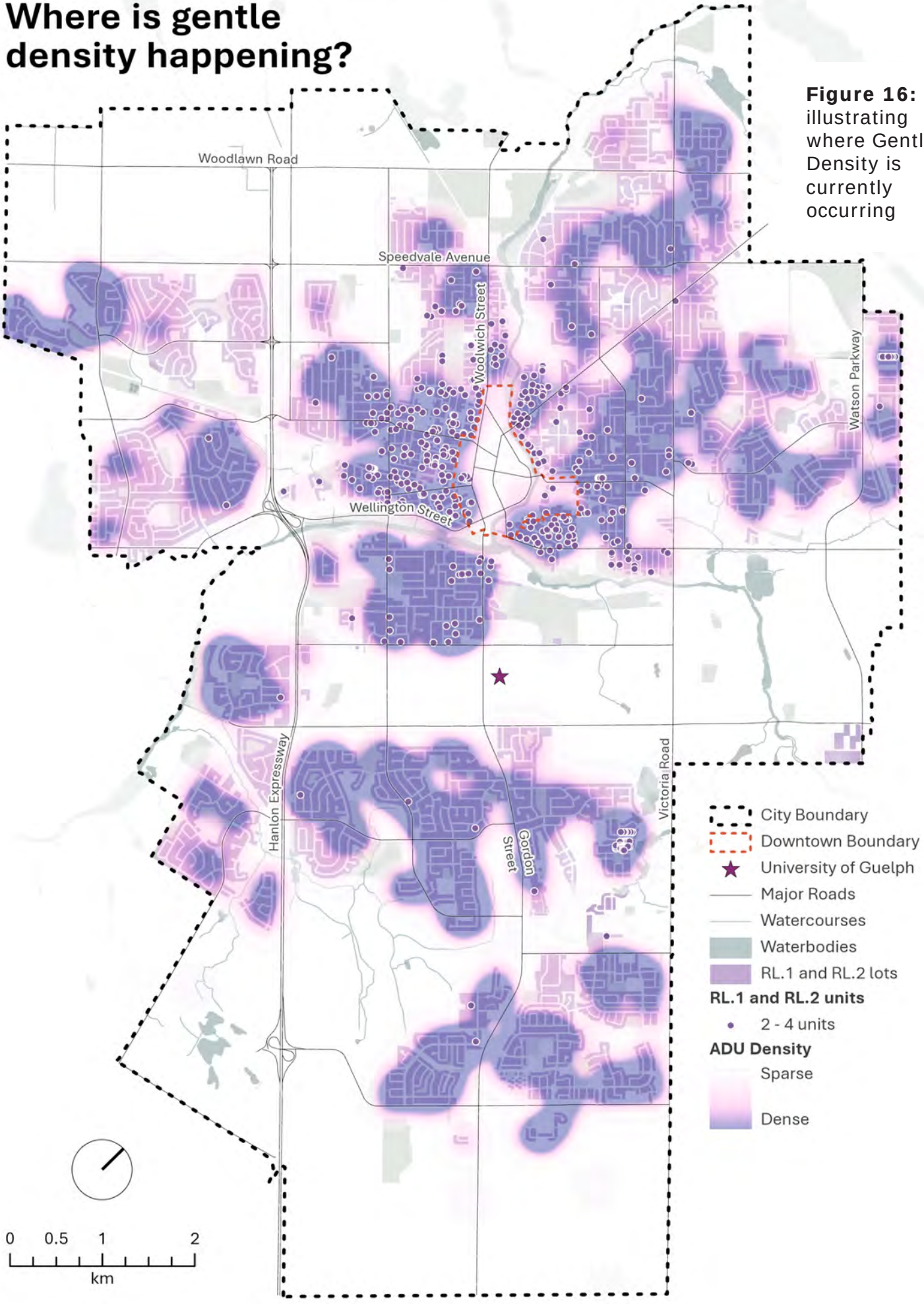


Figure 16: Map illustrating where Gentle Density is currently occurring

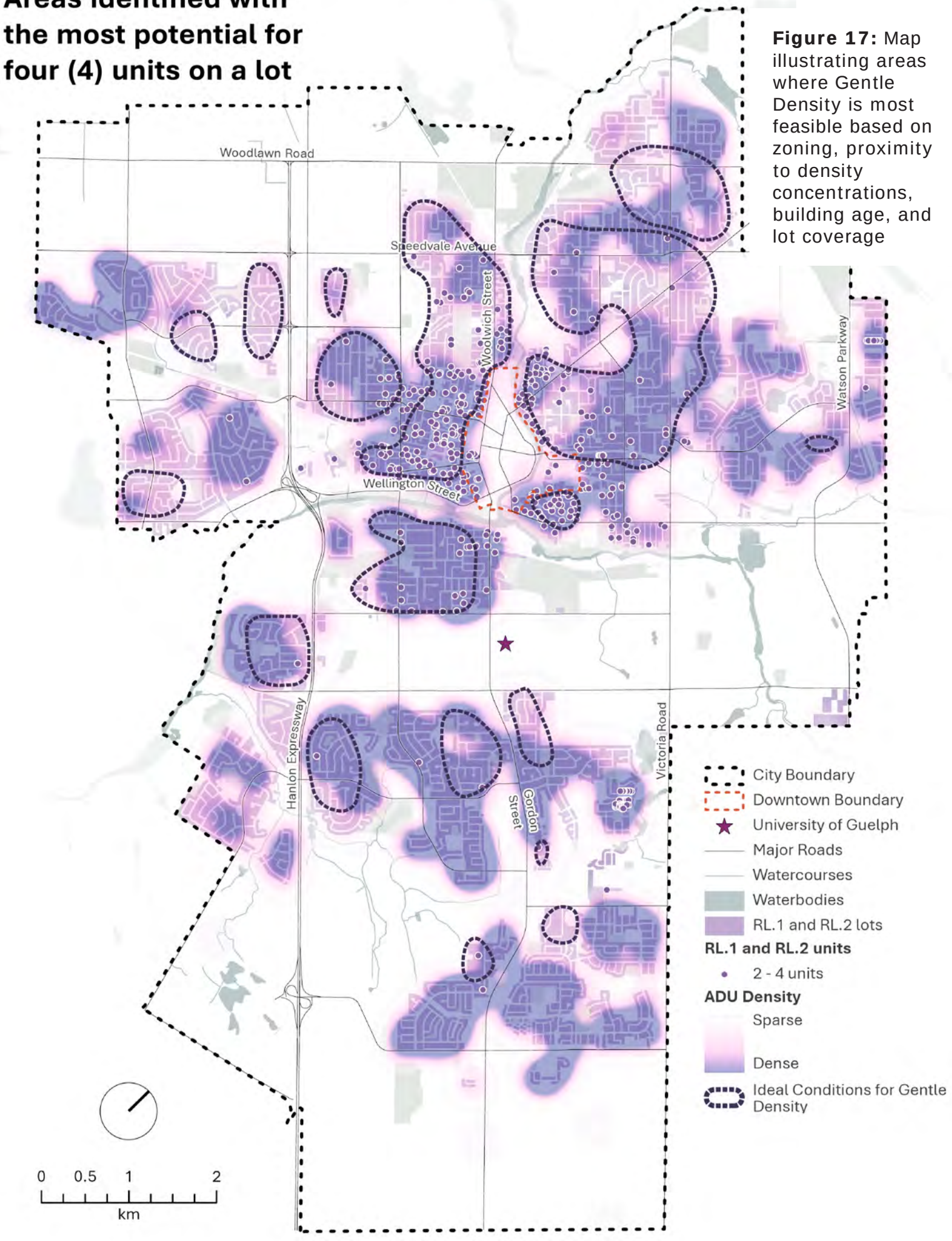


Figure 17: Map illustrating areas where Gentle Density is most feasible based on zoning, proximity to density concentrations, building age, and lot coverage

5.2 Design Scenario Introduction

Based on the recommended bylaw amendments outlined in this document, a series of design demonstrations were developed. These designs highlight different approaches that could be taken to achieve four units on a residential lot, including fourplexes on different lot types, and different combinations of ADUs. The goal of the design demonstrations are to test what lot sizes would be required for different methods of achieving four units, understand what unit types they could offer, visualize potential massing and site configurations, and guide costing and market analysis to learn about feasibility.

The scenarios that were tested are:

- **Scenario 1:** The "Mid-block Fourplex"
- **Scenario 2:** The "Corner Fourplex"
- **Scenario 3:** The "Two and Two" where a detached two-unit ADU structure is added and the existing primary structure is renovated to add an additional unit.
- **Scenario 4:** The "Three and One" where the primary structure is renovated to add two new units, and an additional two-story, single unit detached ADU is added.

All of these scenarios conform to the Ontario Building Code and current Zoning Bylaw (2023, partially under appeal) with the recommended amendments outlined in this document. In addition, while not required by any existing or recommended bylaw, these scenarios include a diverse mix of unit types, including accessible units and units suitable for families. They also do not include basements units for new fourplexes, which are costly and have high carbon footprints. As a result, they maximize buildable area, meaning that smaller building forms could also be implemented given a narrower unit mix or use of basement units.

The construction costs for each scenario are as follows. It is important to note that there are more cost effective methods of achieving four units depending on the number of bedrooms, materials chosen, etc. Estimates include all direct construction costs, general contractor's overhead and profit, and design contingencies. Additional details on the costing can be found in Appendix 4.

- **Scenario 1:** The "Mid-block Fourplex" is estimated to cost approximately $1.4M.
- **Scenario 2:** The "Corner Fourplex" is estimated to cost approximately $1.3M.
- **Scenario 3:** The "Two and Two" is estimated to cost roughly $600k for the detached two-unit ADU, and $200K for the interior renovations to add one unit.
- **Scenario 4:** The "Three and One" is estimated to cost roughly $400k for the detached ADU, and $240K for the interior renovations to add two new units.

Despite both having all four units located in one main building, Scenario 2 has a more cost efficient layout compared to Scenario 1. Scenario 3 and 4 have similar configurations, however their prices primarily differ based on the higher construction costs associated with Scenario 3's larger detached ADU.

5.3 Scenario 1: The “Mid-block Fourplex”

Illustration

Figure 18: Artistic rendering of Scenario 1 fourplex

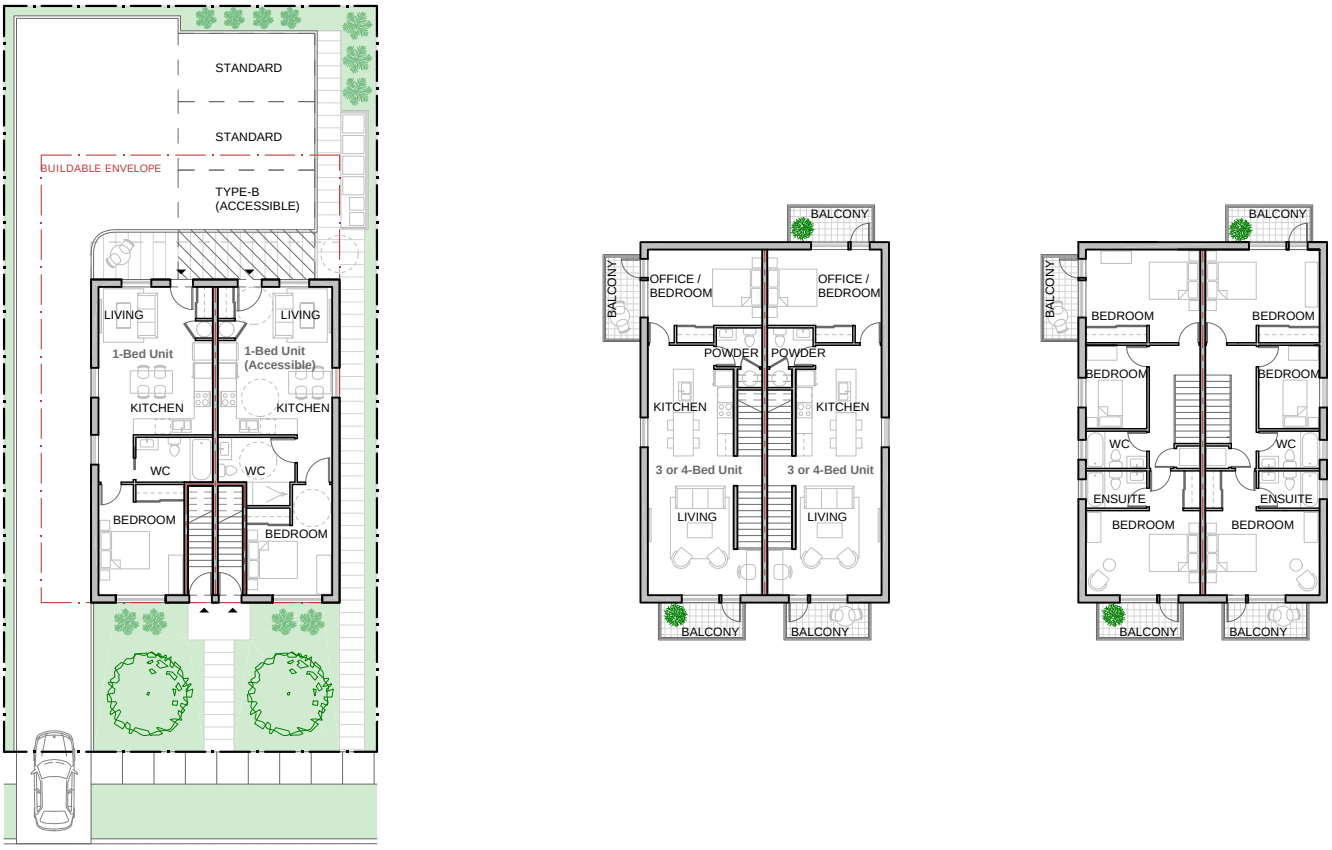
Note: Artist renderings are for visualization only and differ from the plans presented. Renderings covey maximum building size on the lot.

This scenario demonstrates how a fourplex could replace a single detached dwelling on a mid-block parcel. The demonstrated parcel is 15 metres wide and 30 metres deep (49 x 98 feet), which is a common lot size in Guelph’s low density residential neighborhoods. This plan could also be implemented on larger sites, and could have more landscaped open area as a result.

This design demonstration includes four units: two one-bedroom units on the ground floor, one of which is accessible; and two, four-bedroom units above that have two storeys. These four bedroom units offer a unique unit type for families that fills a gap in the current market.

This plan is achieved within the allowable building envelope of the current bylaw (2023, partially under appeal) and maintains the current landscaped open space coverage of 35%. This plan demonstrates three parking spaces for four units based on the recommended bylaw amendment contained in this report. The parking spaces are in the rear to keep the building frontage free of cars and is accessed through a drive aisle the side of the building.

Diagrammatic Plans



FIRST FLOOR

SECOND FLOOR

THIRD FLOOR

Figure 19: Scenario 1 floor plans

Schematic Costing Estimate*

Category	Cost Estimate
Structure and Substructure	$193,000
Enclosure	$366,000
Partitions, Doors, and Finishes	$286,000
Fittings & Equipment	$69,000
Mechanical and Electrical	$298,000
Site and Ancillary Work	$66,000
General Requirements and Contingencies	$166,000
TOTAL	**$1,444,000**

* Construction costs only. Costing estimates are based on plans shown, costs for are as of June 2024, subject to fluctuation. For details on inclusions and assumptions, see Appendix 4.

5.4 Scenario 2: The “Corner Fourplex”

Illustration

Figure 20: Artistic rendering of Scenario 2 Corner lot fourplex

Note: Artist renderings are for visualization only and differ from the plans presented. Renderings covey maximum building size on the lot.

This design demonstration is similar to Scenario 1, but represents how a fourplex could be achieved on corner lot, replacing a single detached dwelling. It has a smaller footprint as a result of the exterior side yard setback, with the parking in the rear connected to the adjacent street. This fourplex has an accessible one-bedroom unit, a two bedroom unit, a two plus den, and a three plus den, offering a wide range of unit types for a diverse group of residents with different housing needs.

This design is also achieved within the existing and recommended allowable building envelope of the current bylaw (2023, partially under appeal) and maintains the current landscaped open space coverage of 35%. This plan demonstrates three parking spaces for four units based on the recommended bylaw amendment contained in this report.

Diagrammatic Plans

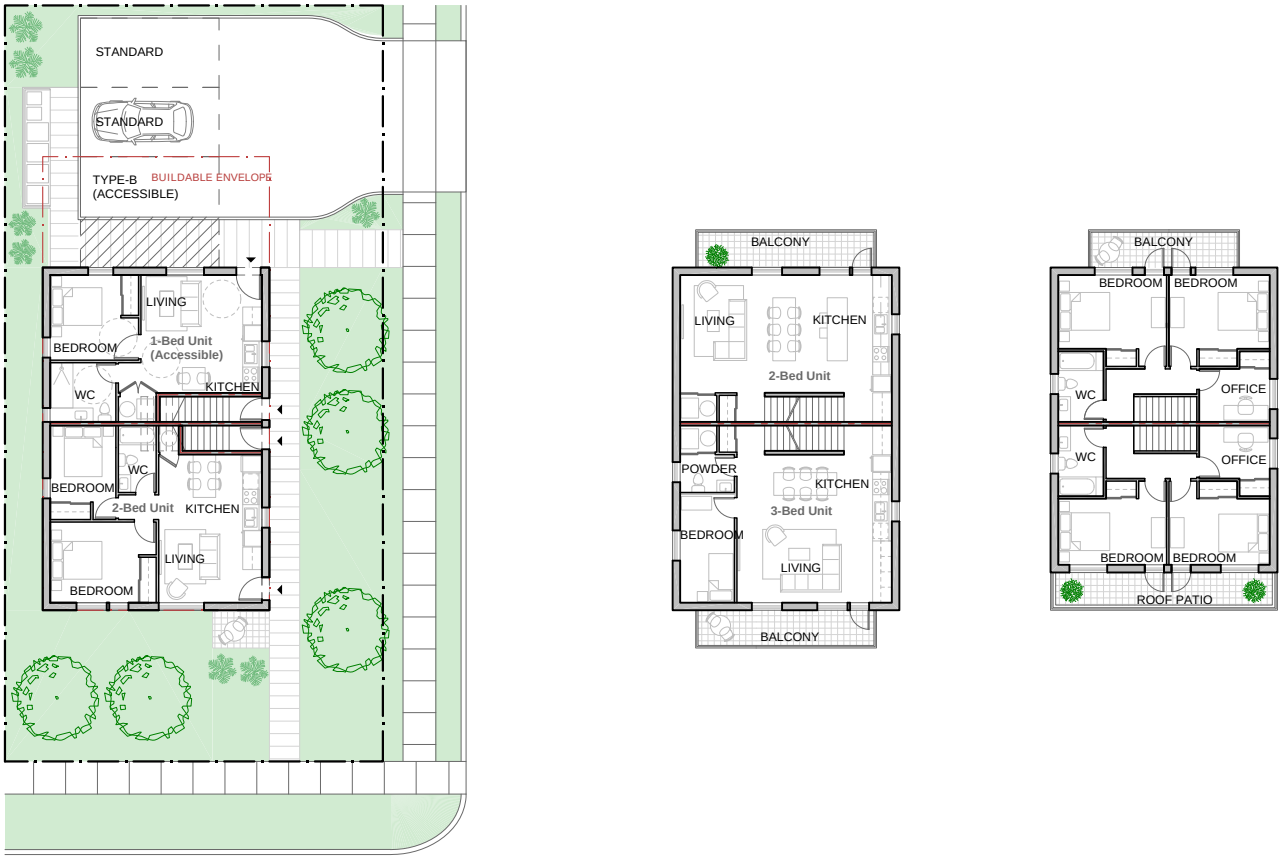


Figure 21: Scenario 2 floor plans

Schematic Costing Estimate*

Category	Cost Estimate
Structure and Substructure	$169,000
Enclosure	$313,000
Partitions, Doors, and Finishes	$242,000
Fittings & Equipment	$67,000
Mechanical and Electrical	$277,000
Site and Ancillary Work	$74,000
General Requirements and Contingencies	$148,000
TOTAL	**$1,290,000**

* Construction costs only. Costing estimates are based on plans shown, costs for are as of June 2024, subject to fluctuation. For details on inclusions and assumptions, see Appendix 4.

5.5 Scenario 3: The “Two and Two”

Illustration

Figure 22: Artistic rendering of Scenario 3 detached ADU

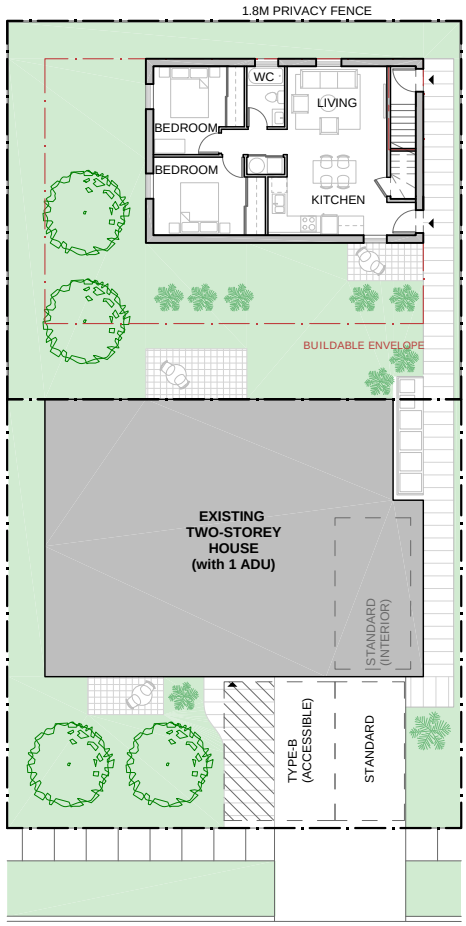
Note: Artist renderings are for visualization only and differ from the plans presented. Renderings covey maximum building size on the lot.

This design demonstrates how four units could be achieved on a lot by adding one ADU to an existing single detached house, and adding two ADUs in a two-storey detached structure (adding a total of three units). The demonstrated lot size is 18m x 31m (60 x 101 feet), which is wider and deeper than the most common lots in low-density residential zones. The plan includes a total of two units in the existing building and two, two-bedroom units in the detached ADU structure.

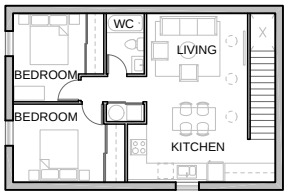
Parking in this scenario is located within the double-wide driveway and garage within the primary structure, requiring some coordination between residents to access their vehicles.

This design maintains the current landscaped open space coverage of 35% and yard coverage of 30% (2023, partially under appeal). With this two-storey ADU structure, privacy in neighboring yards is maintained by restricting second-storey windows within 3m of lot lines.

Diagrammatic Plans



FIRST FLOOR



SECOND FLOOR

Figure 23: Scenario 3 floor plans

Schematic Costing Estimate*

Category	Cost Estimate: **new structure with TWO units**	Cost Estimate: **Renovation ADDING ONE UNIT TO EXISTING HOUSE**
Structure and Substructure	$92,000	$ 18,000
Enclosure	$142,000	$ 6,000
Partitions, Doors, and Finishes	$102,000	$ 82,000
Fittings & Equipment	$ 30,000	$ 20,000
Mechanical and Electrical	$105,000	$ 38,000
Site and Ancillary Work	$58,000	$ 13,000
General Requirements and Contingencies	$69,000	$ 28,000
SUBTOTAL	**$598,000**	**$205,000**
TOTAL	**$802,000**	

*Construction costs only. Costing estimates are based on plans shown. Costs for are as of June 2024, subject to fluctuation. For details on inclusions and assumptions, see Appendix 4.

5.6 Scenario 4: The “Three and One”

Illustration

Figure 24: Artistic rendering of Scenario 4 detached ADU

Note: Artist renderings are for visualization only and differ from the plans presented. Renderings covey maximum building size on the lot.

This final design demonstrates how four units could be achieved on a lot by adding two ADUs to an existing detached house, and adding one ADU in a two-storey detached structure. The demonstrated lot size is also 18m x 31m (60 x 101 feet), which is wider and deeper than the most common lots in low-density residential zones. The plan includes a total of three units in the existing building and a two-bedroom unit in the detached ADU structure.

The three parking spots in this scenario are located in the rear with a drive aisle along the side of the lot.

This design maintains the current landscaped open space coverage of 35% and yard coverage of 30% (2023, partially under appeal). With this two-storey ADU structure, privacy in neighboring yards is maintained by restricting second-storey windows within 3m of lot lines.

Diagrammatic Plans

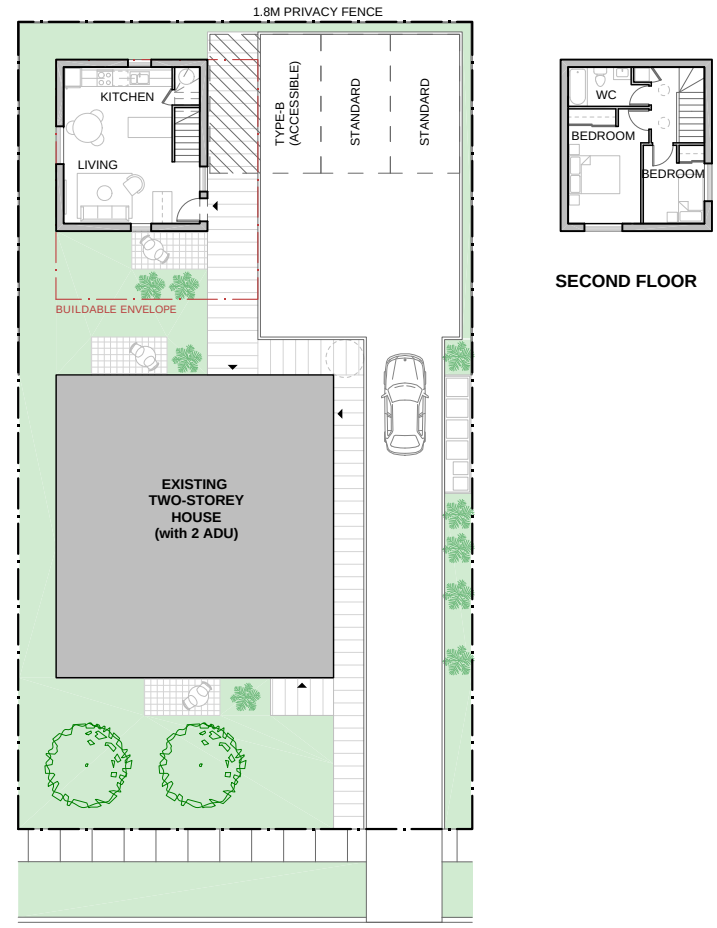


Figure 25: Scenario 4 floor plans

Schematic Costing Estimate*

Category	Cost Estimate: **new structure with one two-storey unit**	Cost Estimate: **Renovation ADDING TWO UNITS TO EXISTING HOUSE**
Structure and Substructure	$60,000	$ 16,000
Enclosure	$95,000	$ 5,000
Partitions, Doors, and Finishes	$47,000	$ 113,000
Fittings & Equipment	$ 16,000	$ 32,000
Mechanical and Electrical	$73,000	$ 27,000
Site and Ancillary Work	$68,000	$ 16,000
General Requirements and Contingencies	$47,000	$ 32,000
SUBTOTAL	**$405,000**	**$241,000**
TOTAL	**$646,000**	

*Construction costs only. Costing estimates are based on plans shown. Costs for are as of June 2024, subject to fluctuation. For details on inclusions and assumptions, see Appendix 4.

6 Market Analysis

6.1 Market Analysis Summary

The final component of this study to understand how feasible implementing four units on residential parcels is from a market perspective. While there are many personal reasons that a land owner may want to pursue one of these four-unit building types, gaining insight on financial feasibility will help to begin to understand what kind of uptake these types may see, and what barriers and opportunities exist.

The market study was based on the design scenarios and associated costs presented in the previous section, along with different potential ownership and rental models. For an in-depth list of assumptions and results, see Appendix 2, and for technical documentation of this study, see Appendix 6.

High level findings from this study, conducted by NBLC, are as follows:

The results of this analysis indicate that the financial feasibility of delivering these missing middle / Gentle Density housing options is challenging. Despite eliminating planning obstacles by offering these permissions as-of-right (i.e., eliminating costly applications, uncertainty, project delays, appeals), the overall financial performance of these investments are weak, which is primarily driven by the high cost of construction and current interest rates.

However, even with lower costs and interest rates, the uptake of these Gentle Density options are likely to be modest.

Despite these findings, the City of Guelph should continue advancing zoning and policy frameworks that permit these housing forms as-of-right. Removing planning obstacles is the first step towards encouraging feasibility, and is within the City's abilities and jurisdiction. While current market conditions are expected to persist over the short term, these burdensome conditions are unlikely to prevail over the longer term, which should improve feasibility as construction costs and interest rates moderate. These housing options can play a role in creating new entry-level ownership and rental opportunities for a wider range of households and income levels and should therefore be encouraged.

Further, return expectations and motivations across smaller developers, investors, and homeowners will vary widely and so will the actual outcomes across the City. We may therefore see development occur under specific circumstances, despite the findings of this work.

To improve feasibility, the City may consider waiving additional fees and charges, offering other incentives, offering low-interest loans, or advancing pre-approved "off the shelf" building designs.

7 Conclusion and Next Steps

7.1 Conclusion

In conclusion, because Gentle Density can potentially be applied across such a large percentage of Guelph's lots, it has the ability to play an important role in increasing housing supply and diversity while presenting other co-benefits. Further, this report finds that with key bylaw amendments including reducing maximum parking requirements by one space, a notable portion of Guelph's low-density residential lots (about 45%) could support four units through fourplexes or ADUs while maintaining current setbacks, height maximums, landscaping requirements and lot coverages.

While this report found that uptake on four-unit Gentle Density would likely be very modest due to high construction and interest costs, the opportunity should be taken to enable this typology as-of-right in low density neighborhoods through the enclosed bylaw amendments. This action is an important first step for the City to take in unlocking increases to housing supply and diversity.

7.2 Next Steps

Throughout this study, the following important next steps have been highlighted to ensure successful implementation of four-unit building typologies:

- Implement the recommended bylaw amendments to enable the fourplex and three additional ADUs in low-density residential zones
- Investigate the functions of open landscaped area from a permeability, amenity, and biodiversity perspective and consider refining associated definitions and regulations
- Continue work on the bylaw addressing tree preservation
- Explore further parking minimum reductions alongside formalized street parking and transit corridors
- Develop land-owner guidelines to streamline fourplex applications
- Continue to pursue funding alternatives and incentives for land owners
- Support simplification on ownership models to encourage co-ops and small condominiums

Appendix 1: Fourplex Heights

Maximum Fourplex Height Illustration

Figure 26: Artistic rendering showing the maximum height of a fourplex based on Scenario 1

The above illustration (Figure 26) demonstrates the maximum potential height of a fourplex given the recommended regulations. This includes the ground floor being elevated 1.2m above grade with three above-ground stories and a pitched roof. The regulations limiting the maximum height align with current regulations. Figure 27 illustrates that a fourplex could be achieved in may different forms with different heights, with the maximum height not exceeding what is currently allowable for other building forms such as a single detached dwelling.

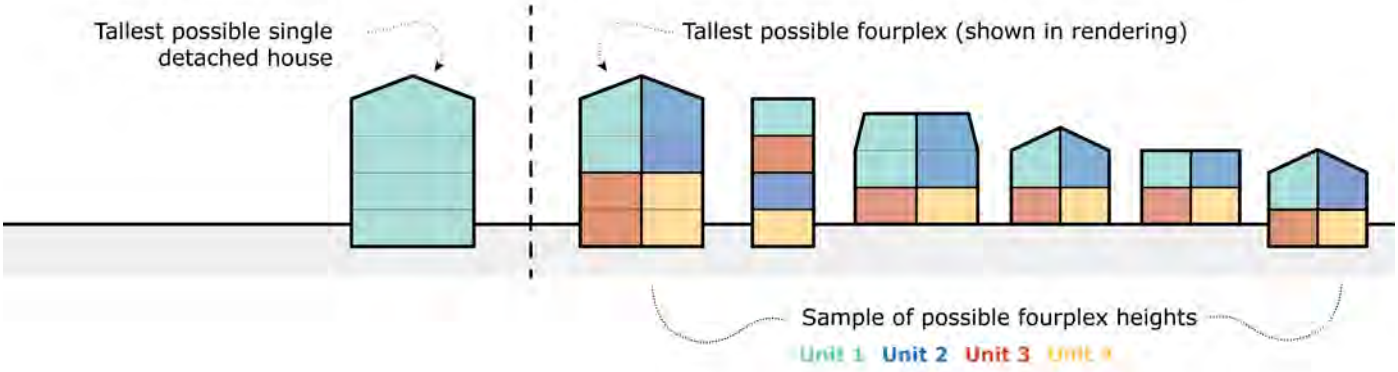


Figure 27: Diagram showing a sample of many possible heights that a fourplex could be given the recommended regulations. Fourplexes have the same maximum height limitations as the existing regulations in RL.1 and RL.2

Appendix 2: Market Analysis Summary

N. Barry Lyon Consultants Ltd.

Memorandum

To:	**Ute Maya-Giambattista, BArch, MPl, MCIP, RPP, LEED AP** Principal, Urban Design 02 Design
From:	N. Barry Lyon Consultants Limited (NBLC)
Date:	June 28, 2024
E:	Gentle Density Study, Guelph, ON Financial Feasibility Analysis

N. Barry Lyon Consultants Limited ('NBLC) has been retained by the City of Guelph ('City') as part of a larger consulting team led by O2 Design ('O2') to explore opportunities to encourage gentle density within existing neighbourhoods as a means of increasing and broadening the City's housing supply. Gentle density within the context of this assignment generally refers to the development of multiplexes (e.g., duplex, triplex, fourplex), Additional Dwelling Units ('ADU''), garden suites, and other similar built forms in response to land use planning changes allowing four units as-of-right on residential lots.

O2 has been working with the City to prepare various design concepts that illustrate the built form and feasibility of gentle density within the local context. Through this work, various policy, zoning, and design evaluations have been undertaken.

NBLC has been retained to explore the financial feasibility of gentle density approaches in the City. Various perspectives have been evaluated here, including from a developer, investor, and existing homeowner. The following memo provides an overview of our findings, with the detailed market research and proforma results provided in the technical appendices. This analysis in this memorandum is based on the design concepts prepared by O2.

The following will therefore be covered in this memo:

- The four gentle density concepts used for this feasibility analysis, along with their demonstration plan as prepared by O2.

- The market research conducted on apartments, townhomes, and single-family homes (for both ownership and rental tenures).
- The feasibility analysis assumptions, methodologies, financial models, and outcomes for each of the four scenarios previously evaluated.
- Sensitivity testing conducted on various components of the financial models to assess their volatility to potential policy or market changes.
- Observations and recommendations on the results to consider in reviewing future policies and programs associated with these housing types.

1.0 Concept Plans

1.1 Scenario 1: Mid-Block Multiplex

Scenario 1 is a three-storey, fourplex building on a 15m x 30 m mid-block residential lot (per 02, this is a typical lot size in Guelph). Parking spaces are located in the rear of the property and are connected to the local street by a driveway along the building's side (See **Figures 1** & **2**).

Figure 1: Scenario 1 - First Floor Plan

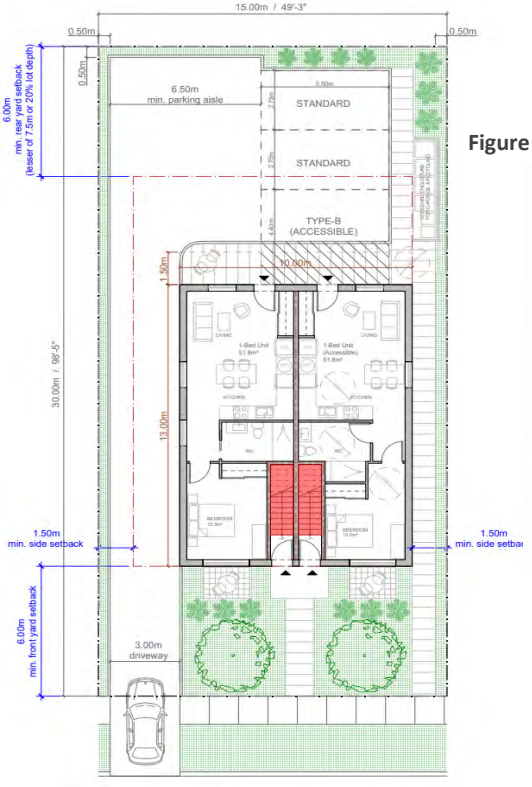
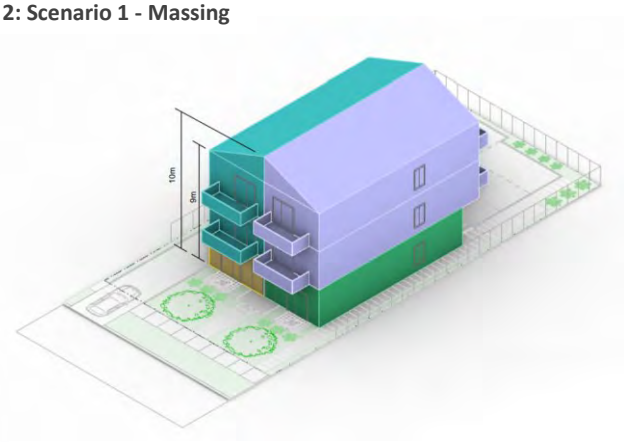


Figure 2: Scenario 1 - Massing



The building accommodates four units in total as illustrated by **Figure 2**, with the following characteristics:

- A 59.4 m^2, 1-bedroom accessible unit located on the first floor,
- A 59.4 m^2, 1-bedroom unit also located on the first floor,
- A 139.3 m^2, 4-bedroom unit located on the second and third floors,
- A 139.3 m^2, 4-bedroom unit located on the second and third floors.

This scenario envisions a developer purchasing an existing single-family home with the assumed lot size, demolishing it, and redeveloping the lot with the described building.

1.2 Scenario 2: Corner Lot Multiplex

Scenario 2 is also a three-storey fourplex, however, it is located on a 15m x 30m corner-block lot, which entails additional setback regulations that reduces the buildable area. Parking spaces are still located at the property rear, but there is a shorter driveway connecting them to the local street (See **Figures 3 & 4**).

Figure 3: Scenario 2 – First Floor Plan

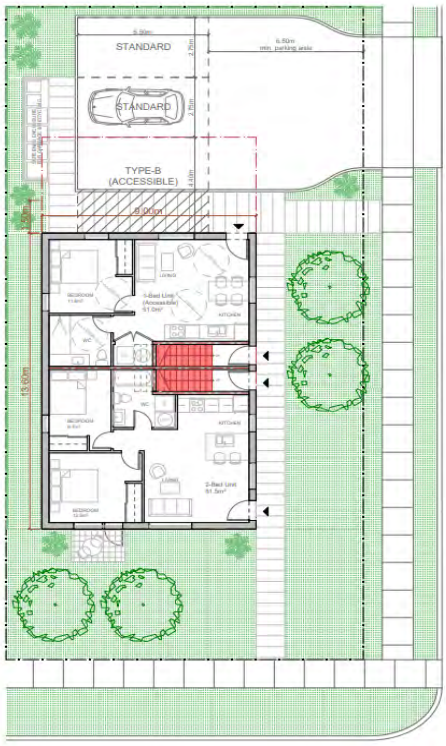
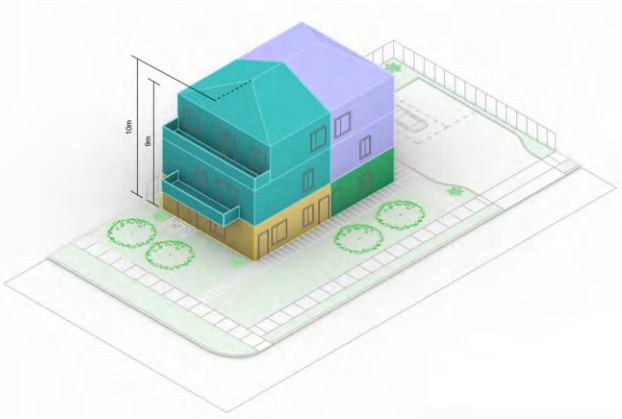


Figure 4: Scenario 2 - Massing



The building accommodates four units in total as illustrated by **Figure 4**, with the following characteristics:

- A 50.3 m^2, 1-bedroom accessible unit located on the first floor,
- A 61.9 m^2, 1-bedroom unit also located on the first floor,
- A 108.7 m^2, 2-bedroom plus den unit located on the second and third floors,
- A 116.8 m^2, 3-bedroom plus den unit located on the second and third floors.

Like Scenario 1, this scenario envisions a developer purchasing an existing single-family home with the assumed lot size, demolishing it, and redeveloping the lot with the described building.

1.3 Scenario 3: Mid-Block, Two-Unit Primary Structure & Two-Unit Secondary Structure

Scenario 3 consists of an existing single-family home being converted into a primary structure containing one primary unit, and one attached ADU, and a separate two-storey structure being constructed in the backyard with two ADUs (**Figures 5** & **6**). A walkway is incorporated along the side of the property that provides access to the primary structure ADU. Parking spaces for the units are located within the home's garage and in the driveway. Some coordination between the occupants on the property for vehicle access and parking will therefore be necessary.

Figure 5: Scenario 3 – First Floor Plan

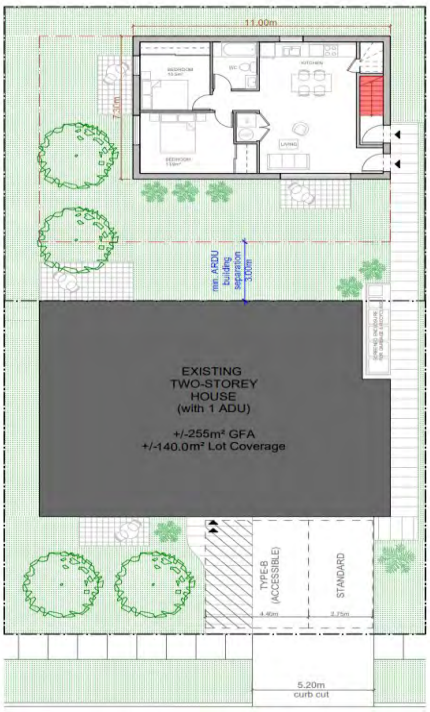
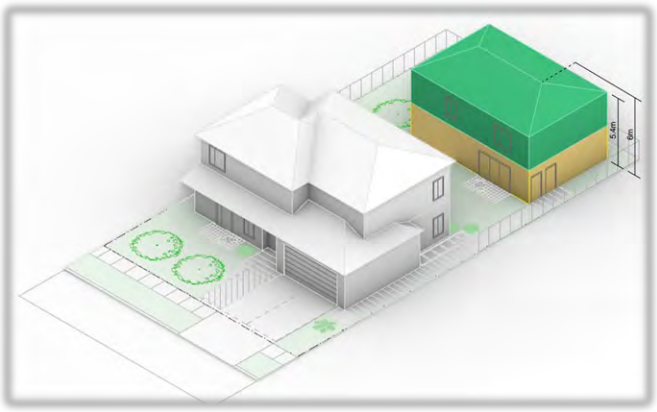


Figure 6: Scenario 3 - Massing



The building accommodates four units in total as illustrated by **Figure 6**, with the following characteristics:

- A 95 m^2, 3-bedroom unit also located on the first floor of the primary building,
- A 115 m^2, 3-bedroom plus den unit located on the second floor of the primary building (the primary unit - wherein the existing homeowner is expected to stay),
- A 75.3 m^2, 2-bedroom unit located on the first floor of the additional building,
- A 74.3 m^2, 2-bedroom unit located on the second floor of the additional building.

This scenario envisions the existing homeowner would develop the described property and continue to live within one of the units as noted above. An additional scenario is also considered where an investor purchases the home and develops the property as described, with all four units being rented.

1.4 Scenario 4: Corner Lot Three-Unit Primary Structure & Single-Unit Secondary Structure

Scenario 4 consists of an existing single-family home being converted into a primary structure with a primary unit and two ADUs, and the construction of an ADU in the backyard (**Figures 7** & **8**). A walkway is incorporated along the side of the property that provides access to the primary structure ADUs. Parking spaces for the units are located at the rear of the property.

The building accommodates four units in total as illustrated by **Figure 8**, with the following characteristics:

Figure 7: Scenario 4 - First Floor Plan

Figure 8: Scenario 4 - Massing

- A 40 m^2, 1-bedroom unit located on the first floor of the primary building,
- A 60 m^2, 2-bedroom plus den unit located on the first floor of the primary building,
- A 110 m^2, 4-bedroom unit located on the second floor of the primary building (wherein the owner is expected to stay),
- A 73.3 m^2, 2-bedroom unit located on the first and second floors of the secondary building.

This scenario envisions the existing homeowner would develop the described property and continue to live within one of the units as noted above. An additional scenario is also considered where an investor purchases the home and develops the property as described, with all four units being rented.

2.0 Market Research

To evaluate the feasibility of these concepts, NBLC has conducted market research on apartments, townhomes, and single-family homes to understand pricing levels and demand in our financial testing. This work was undertaken for both ownership and rental tenures, to understand the future sale price and rent of the units under evaluation, as well as property values to understand the typical purchase price of single-family homes in the market with comparable lot sizes to the scenarios under evaluation.

2.1 Ownership Market

To estimate competitive pricing for ownership (i.e., condominium) units, we investigated pricing of units in actively marketing projects as well as resales in the City of Guelph. This survey looked at apartment buildings, townhomes, and single-family homes, but considered the differences in quality and availability of amenities between the surveyed structure and the concepts under evaluation. For example, the sale price or rent of units within a larger building with strong amenities and underground parking would not be directly comparable to the concept plans under evaluation.

The following information was considered:

- Unit Type,
- List and Sold Pricing,
- Sizing,
- Parking Cost,
- Condition of the unit,
- Amenities (To assess potential premiums in pricing),
- Sold Date (To assess relevancy of listing to current market conditions).

Sources such as Altus Data Solutions, HouseSigma, and Zonda Urban were utilized for this research. The detailed survey information can be found in **Appendix D.** We also collected data from HouseSigma to understand the purchase price of single-family homes in the City of Guelph with a similar lot size to the concepts under consideration.

2.2 Rental Market

To estimate competitive pricing for the rental units, we investigated pricing of units in purpose-built rental buildings and privately leased units. This survey looked at apartment buildings, townhomes, single-family homes, and rooms within single-family homes (e.g., basement apartments) but considered the differences in quality and availability of amenities between the surveyed structures. The following information was considered:

- Unit Type,
- List and Leased Pricing,
- Sizing,
- Parking Cost,
- Amenities (To assess potential premiums in pricing),
- Lease Date (To assess relevancy of listing to current market conditions).

Sources such as HouseSigma and Zonda Urban were utilized for this research, as well as listings on other search engines such as Kijiji and Craigslist. The detailed survey information can be found in **Appendix D.**

3.0 Feasibility Analysis

The following provides an overview of the methodology, key assumptions, and results of the financial feasibility analysis.

3.1 Methodology

The multiplex concepts (i.e., Scenarios 1 and 2) could be either condominium or rental in tenure - it would be the developer's decision which tenure to pursue. Scenarios 3 and 4 however, are assumed to be rental as they would be advanced by the homeowner, who would likely want to retain full ownership of the lot, and or by a developer/investor, wherein the created units would not be appropriate for strata ownership.

It is important to identify that financial feasibility is challenging to accurately assess for small-scale development such as the ones under investigation. Small developers, investors, and homeowners will have significant variance in their required rates of return and overall feasibility lens. What is feasible for one person may not be feasible to another and in some circumstances, feasibility may not even be considered at all (e.g., desire to construct an ADU for an aging family member). Further, variances in home value, condition of the property, purchase price, remaining mortgage balance, credit score, access to capital, income, and many other variables will also influence results. As such, several perspectives and return scenarios are evaluated, although significant variance in actual outcome should be expected.

The following feasibility lens/perspectives were applied.

3.1.1 Scenario 1 and 2: Condominium or Rental Developer Perspective

This perspective assumes that a developer purchases a single-family lot, demolishes the home, constructs the multiplex, and then sells the building. The final sale of the multiplex would either be the sale of individual condominium units to purchasers or the sale of the tenanted multiplex.

Financial feasibility from this perspective is measured through a Residual Land Value ('RLV') analysis, wherein land uplift created by a development is calculated by subtracting the revenue (either from the sale or lease of completed units) against all costs and desired profit. This RLV is compared against the typical purchase price of similarly sized lots in Guelph.

The RLV measures how much a developer can afford to pay for land to achieve a desired profit level. If the RLV is above the market price of acquiring a single-family home in the City, the project is determined to be feasible. If the RLV is below the value needed to purchase a single-family home, the project is determined to be unfeasible.

3.1.2 Scenario 1 and 2: Rental Operator Perspective

Instead of selling the new rental multiplex, a developer/investor may instead elect to own and operate the building over a period of time. In this instance there are a wide range of return metrics that can be deployed to evaluate the investment. This analysis considers two returns that are common with commercial real estate decision making:

- **Cash-on-Cash Return ('CCR')**: This metric evaluates the return an investor might make on the cash or equity invested. In this scenario, the analysis considers debt/financing and therefore evaluates the after-debt net cash flow[1] of the property against the cash[2] invested in the project. The metric calculated represents the annual return an investor might expect on their investment.

  Since this return metric only evaluates the cash invested by the investor, it is compared against the return that might be available through a risk-free investment vehicle such as a Guaranteed Investment Certificate ('GIC') or a bond, which for the purposes of this analysis is the prevailing return for the 10-Year Canadian Government Bond (3.3%), though it is acknowledged that higher rates are currently achievable through shorter-term GICs (Scotiabank is currently offering a two-year GIC at 4% per year) as well as the stock market broadly. If the CCR is below the return available through these 'risk free' investment vehicles, the scenario is determined to be unfeasible.

- **Return on Cost ('RoC')**: The RoC does not consider debt or financing, but rather evaluates the before-debt net cash flow of the property against the total development cost of the project. The ROC calculated represents the developer/investor's 'going-in capitalization rate', which is compared against the capitalization rate of rental properties in the market (4.5%[3] for this assignment). If the RoC is below the prevailing market cap rate, the scenario is determined to be unfeasible. Typically, investors will seek a RoC that is 50 to 75 basis points above the prevailing market cap rate.

For both the CCR and RoC, a healthy spread above the benchmark feasibility thresholds would indicate broad feasibility to offset the risks of developing, leasing, and reaching stabilized occupancy.

3.1.3 Scenario 3 and 4: Existing Homeowner 'Operator' Perspective

This perspective assumes that the existing homeowner would convert their house into a primary structure containing a primary unit and ADU/s, and construct a secondary structure in their backyard containing ADU/s. Feasibility in this instance is assessed as follows:

- **Return on Equity ('RoE'):** Similar to the CCR analysis, this metric accounts for only the cash invested in the project and therefore accounts for debt/financing. A homeowner would be able to finance project costs based on the future rental income, with the outstanding amount required to

[1] Rental revenue net of vacancy, bad debt, operating costs, and debt payments.

[2] Total project costs net of the amount financed.

[3] CBRE Q1 2024 Cap rate Report, Waterloo, Low-Rise Multi-Residential Buildings, Mid-Point of Range.

be paid with cash. The profit is calculated by assessing the total after-debt net cash flow of the property over ten years (discounted to a present value) along with the increased net property value created by developing the ADU. The combined profit is then assessed against the total equity invested.

Like the CCR analysis, since this return metric only evaluates the cash invested by the investor, it is compared against the return that might be available through a risk-free investment vehicle such as a GIC or Bond. The prevailing return of the 10-Year Canadian Government Bond (3.3%) was used, though it is acknowledged that higher rates are currently achievable through shorter-term GICs (Scotiabank is currently offering a two-year GIC at 4% per year). If the RoE is below the return available through these 'risk free' investment vehicle, the scenario is determined to be unfeasible.

Similarly, this can also be benchmarked against other ways to secure a cash flow, such as more modest investments like creating a basement apartment or renting a room through AirBNB or other similar sources.

In these scenarios, the homeowner will be undertaking the project and therefore we do not assume any cost associated with purchasing the home. Therefore, one of the four units is also not rented and rather is occupied by the homeowner.

3.1.4 Scenario 3 and 4: Rental Operator Perspective

Finally, it may also be possible that an investor purchases the house, converts the existing structure into a primary structure containing multiple units, and constructs the ADU in the backyard. In this scenario, we add the cost of acquiring the home to the project costs and assume the fourth unit is rented out. The same return metrics identified in **Section 3.1.2** are utilized to evaluate feasibility.

3.2 Key Inputs

The following inputs are, except where noted, consistent across the discussed scenarios. See **Development Assumption Tables** in **Appendix A to C** for more detail.

- Revenues
  - A 3% annual rent/price escalation.
  - A 2-year gap between project initiation and the sale/lease of units.
  - Parking is assumed to be included in both condominium and rental tenure based on market research.
  - A rental vacancy/bad debt ratio of 3% (of gross potential revenue).
  - A rental operating expense ratio of 20% (of gross effective revenue), with an annual escalation of 3%.

- A rental capitalization rate ('cap rate') of 4.5%.
- Unit lease/sale prices are assumed uniquely for each unit across the scenarios. This can be found in **Development Statistics Tables** in **Appendix A to C.**

- Costs
  - An annual hard cost escalation of 3%.
  - A construction contingency of 5% (of hard construction and demolition cost).
  - A property tax of 1.32% applied to the project's estimated market value (except for in Scenarios 3 and 4, where it is not included in the model as the landowner is assumed to continue paying for this regardless).
  - A parkland dedication fee of 5% of the project's estimated market value (except for Scenarios 3 and 4, where redevelopment consisting of ADUs is exempt).
  - No community benefits charge, as each project contains less than 10 units and 5 storeys.
  - A demolition permit fee of $0.05 per square foot, up to a maximum of $390.
  - A per unit legal fee of $1,000.
  - A development/construction management fee of 2% (of total hard cost).
  - A consultants' fee of 1% (of total hard cost).
  - An insurance fee of 0.5% (of total hard costs) for Scenarios 1 and 2, and 0% for Scenarios 3 and 4.
  - A lender's administrative fee of 0.4% (of total costs before financing), and 0% for Scenarios 3 and 4. All soft costs were confirmed by the City of Guelph.
  - All hard construction costs were provided by Vermeulens and were commissioned by O2 through the City's contract.
  - All costs and assumptions are noted in **Appendix A to C.**
- Development Rates and Timing
  - A discount rate of 7%.
  - A pre-construction period of 0.5 years, covering building permit approval.
  - A construction period of 1.5 years, towards a total development period of 2 years.
- Construction Financing Rates and Timing
  - An interest rate of 7.4%.
  - A construction financing term of 2 years
  - Debt Coverage Ratio of 1.2 for investor/developer-financed scenarios, and 1.1 for homeowner-financed scenarios.

3.3 Financial Results

The following are the results of our feasibility testing.

3.3.1 Scenario 1 and 2: Condominium and Rental Developer Perspective

As illustrated by **Table 1**, the Residual Land Value (RLV) in present value is negative for both scenarios in condominium tenure, indicating the project would not be viable even if the land was acquired at no cost.

For the rental scenarios, a modest RLV is produced of between $180,000 to $189,000, meaning the project might be feasible only if the land was acquired at no cost. If the property had to be purchased, the market research indicates most lots comparable to the concept plans under evaluation would cost around $750,000. Adding these land costs would make the project unviable by a significant margin, as illustrated in **Table 1** (~$561,000 - $570,000).

This analysis therefore indicates that outside of specific circumstances, this type of project is unlikely to be pursued by a developer who is seeking to build and sell the individual condominium units or the rental building at completion. Specific circumstances that might alter these findings include situations where the land is inherited or the home is already owned and the mortgage has expired and therefore there are no land costs, a home is in poor condition and acquired for a very low price, the property is located very close to the University or downtown and can attract significantly higher occupancy and rents, the project can be advanced at lower costs, and other similar considerations.

Table 1

Summary of Results Scenario 1 & 2 - RLV Analysis				
	Scenario 1		Scenario 2	
	Rental	Condominium	Rental	Condominium
Revenue	$2,448,000	$2,075,000	$2,239,000	$2,008,000
Total Costs	$1,948,000	$2,019,000	$1,755,000	$1,826,000
Hard Costs	$1,743,000	$1,743,000	$1,557,000	$1,557,000
Soft Costs	$129,000	$198,000	$130,000	$198,000
Financing Costs	$76,000	$78,000	$68,000	$71,000
Profit (12%)	$294,000	$293,000	$269,000	$283,000
RLV (Future Value)	$206,000	-$237,000	$216,000	-$101,000
RLV (Present Value)	$180,000	-$207,000	$189,000	-$89,000
Land Purchase Price	$750,000	$750,000	$750,000	$750,000
Project Surplus/Shortfall	**-$570,000**	**-$957,000**	**-$561,000**	**-$839,000**

3.3.2 Scenario 1 and 2: Rental Operator Perspective

Looking to a scenario where an investor might elect to own and operate the multiplex as a source of rental income over a period of time, both scenarios illustrate signs of challenged viability through both the CCR and RoC lens as identified in **Table 2** and **3** to follow.

Focusing on the CCR, the return is well below what would be available in other less risky investment vehicles (e.g., bonds, GIC, stock market), indicating weak feasibility. While the RoC is below the prevailing cap rates in the market, an investor may consider advancing if their return expectations are low or they expect cap rate compression, lower interest rates, and/or higher rents to materialize in the future.

Table 2

Summary of Results - Scenario 1 & 2 - Cash on Cash Return			
		Scenario 1	**Scenario 2**
Gross Potential Revenue	$	$141,948	$129,854
Vacancy & Bad Debt	$	$4,258	$3,896
Gross Effective Revenue	$	$137,690	$125,959
Operating Expenses	$	$27,538	$25,192
Net Operating Income (before debt)	$	$110,152	$100,767
Net Operating Income (after debt)	$	$18,359	$16,794
Land Acquisition	$	$750,000	$750,000
Cash Invested (% based on dcr debt yield)	$	$988,922	$877,290
Total Cash Invested	$	$1,738,922	$1,627,290
Cash on Cash Return	**$**	**1.06%**	**1.03%**

Table 3

Summary of Results - Scenario 1 & 2 - Return on Cost			
		Scenario 1	**Scenario 2**
Gross Potential Revenue	$	$141,948	$129,854
Vacancy & Bad Debt	$	$4,258	$3,896
Gross Effective Revenue	$	$137,690	$125,959
Operating Expenses	$	$27,538	$25,192
Net Operating Income	$	$110,152	$100,767
Land Acquisition	$	$750,000	$750,000
Development Costs		$1,947,995	$1,754,649
Total Project Cost	$	$2,697,995	$2,504,649
Return on Cost (going in cap rate)	**%**	**4.1%**	**4.0%**
Spread on Market Cap	**%**	**-0.42%**	**-0.48%**

3.3.3 Scenario 3 and 4: Existing Homeowner 'Operator' Perspective

In the case of Scenarios 3 and 4 where an existing homeowner would retrofit their home into a multi-unit structure (containing a primary unit and ADU/s), build a secondary structure containing ADU/s, and rent 3 of the units while living in the primary unit – the financial testing yields positive results.

As illustrated by **Table 4**, a homeowner might experience a present value (PV) of between $1.15M and $1.39M over ten years based on the net rental income and increased property value over. This would represent an average annual return of between 7% and 10%, which could be attractive to some market participants. However, the equity needed for both scenarios is significant at over $500,000, which will likely present implementation challenges for these households.

Table 4

Summary of Results - Scenario 3 & 4 - Return on Equity		
	Scenario 3	**Scenario 4**
Net Rental Income (Over Ten Years - FV)	$160,000	$133,000
Sale Price of Property at 10 Years (FV)	$2,181,000	$1,808,000
Cumulative Rental Income + Sale Value (FV)	$2,341,000	$1,940,000
Cumulative Cash Flow + Sale Value (PV)	$1,389,000	$1,151,000
Equity Invested	$720,000	$531,000
Total Profit (PV)	$669,000	$620,000
Total Return on Equity	93%	117%
Annual Return on Equity (Over 12 Years)	**7.7%**	**9.7%**
Annual Yield - 10-Year Gov't of Canada Bond	**3.3%**	**3.3%**
Return/Yield Spread	**4.4%**	**6.4%**

3.3.4 Scenario 3 and 4: Rental Operator Perspective

Where Scenarios 3 and 4 would be undertaken by an investor that would purchase the home and complete the envisioned retrofit and development, both scenarios illustrate signs of challenged / modest viability through both the CCR and RoC lens as identified in **Table 5** and **6** to follow.

Focusing on the CCR, the return is well below what would be available in other less risky investment vehicles (e.g., bonds, GIC, stock market), indicating weak feasibility. Meanwhile, RoC for both scenarios is roughly at 70 to 80 basis points higher than the prevailing cap rates (investors would typically want to see a spread of at least 75 - 100 basis points above cap rates), which indicates that an investor may advance this project after considering their expectations on potential cap rate compression, lower interest rates, and/or higher rents in the future.

Table 5

Summary of Results - Scenario 3 & 4 - Cash-on-Cash Return		
	Scenario 3	**Scenario 4**
Gross Potential Revenue	$132,000	$115,000
Vacancy & Bad Debt	$4,000	$3,000
Gross Effective Revenue	$128,000	$112,000
Operating Expenses	$26,000	$23,000
NOI (before debt)	$102,000	$89,000
NOI (after debt)	$16,000	$14,000
Land Acquisition	$750,000	$750,000
Cash Invested (% based on DCR debt yield)	$1,342,000	$1,148,000
Total Cash Invested	$2,092,000	$1,898,000
Cash on Cash Return	**1.2%**	**1.2%**
Annual Yield - 10-Year Gov't of Canada Bond	**3.3%**	**3.3%**
Return/Yield Spread	**-2.1%**	**-2.1%**

Table 6

Summary of Results - Scenario 3 & 4 – Return on Cost		
	Scenario 3	**Scenario 4**
Gross Potential Revenue	$132,000	$115,000
Vacancy & Bad Debt	$4,000	$3,000
Gross Effective Revenue	$128,000	$112,000
Operating Expenses	$26,000	$23,000
NOI (before debt)	$102,000	$89,000
Land Acquisition	$750,000	$750,000
Total Project Costs	$1,190,000	$920,000
Total Project Costs + Land Acquisition	$1,940,000	$1,670,000
Return on Cost (Going-In Cap Rate)	**5.2%**	**5.3%**
Market Cap Rate	**4.5%**	**4.5%**
Market Cap Spread	**0.7%**	**0.8%**

3.4 Sensitivity Testing

The market is currently experiencing extraordinarily high interest rates and construction costs. The Bank of Canada has recently cut interest rates, with further cuts expected over the next year. Further, many experts believe that construction costs will moderate, with some cost components decreasing, over the next year.

The following provides a sensitivity analysis assessing the impact of reduced costs and interest rates on the scenarios investigated.

3.4.1 Interest Rates

Responding to very high inflation in 2022 and 2023, the Bank of Canada quickly raised interest rates from a record low of 0.25% - a result of a short-term, pandemic-induced drop in consumer demand and inflation – to a decades-high rate of 5.25%. This prompted commercial banks to do the same, with prime rates going from 2.45% to 7.20%.

Our models presume the use of financing with an interest rate equivalent to the current prime rate (6.95%) plus 0.5%. As of June 11th, 2024, this would be 7.45%. Where inflation declines most consistently towards the lower end of the Bank's inflation control range, and where employment rates continue to go down, rate cuts will continue. Where this happens, we see that the carrying cost of loans go down, as well as required equity, the combined effect of which results in increasing project returns. Given positive indicators (i.e., stabilizing inflation, cooling employment figures) and the first cut introduced by the Bank since it began raising rates in 2022, residential investors and developers are closely monitoring future changes to prepare for their own actions in the housing market.

To illustrate the impact of lower interest rates, we observed how the project's viability would improve with rates as low as 3% - a very favourable borrowing rate that was last seen during the height of the COVID-19 pandemic. The following observations were made:

- For the condominium-tenure Scenario 1 and 2 (see **Table 7**), the favourable borrowing conditions improved both project's RLV positions by roughly $35,000, to -$170,000 and -$55,000 respectively. However, these are still in the negative, meaning a developer is still unlikely to pursue this project.
- For the rental-tenure Scenario 1 and 2 (see **Table 8**), the favourable borrowing conditions improved both project's RLV positions by roughly $32,000, to $217,000 and $222,000 respectively. However, these projects will still require additional capital to meet the assumed land acquisition cost of $750,000 before any development can occur.
- For the landowner contemplating Scenario 3 or 4 (see **Table 9**), interest rate drops would improve project returns, specifically the RoE rate. A 7.8% borrowing rate would see RoE increase to 9.8% for both Scenarios. This would greatly exceed the current 10-year Canada bond and would

represent a reasonable return for the homeowner. However, there likely remains less risky and capital-intensive investments.

- For an investor contemplating Scenario 3 or 4 (see **Table 10**), a similar drop in the interest rate would have a modest impact on the return metrics, meaning an investor will likely consider other better-yielding investment options over purchasing and redeveloping a neighbourhood lot to contain ADUs.

Table 7

Sensitivity Testing on Interest Rates Scenario 1 & 2 (Condominium RLV)		
	Scenario 1	**Scenario 2**
RLV At Completion (PV) at 7.45% Borrowing Rate	-$207,000	-$89,000
Prevailing Borrowing Rate		
3.00%	-$170,000	-$55,000
3.50%	-$174,000	-$59,000
4.00%	-$178,000	-$62,000
4.50%	-$182,000	-$66,000
5.00%	-$186,000	-$70,000
5.50%	-$190,000	-$74,000
6.00%	-$195,000	-$78,000
6.50%	-$199,000	-$81,000
7.00%	-$203,000	-$85,000
7.45%	-$207,000	-$89,000
RLV Improvement	**$37,000**	**$34,000**

Table 8

Sensitivity Testing on Interest Rates Scenario 1 & 2 (Rental RLV)		
	Scenario 1	**Scenario 2**
RLV At Completion (PV) at 7.45% Borrowing Rate	$180,000	$189,000
Prevailing Borrowing Rate		
3.00%	$217,000	$222,000
3.50%	$213,000	$219,000
4.00%	$210,000	$215,000
4.50%	$206,000	$212,000
5.00%	$202,000	$209,000
5.50%	$199,000	$205,000
6.00%	$195,000	$202,000
6.50%	$191,000	$198,000
7.00%	$187,000	$195,000
7.45%	$183,000	$192,000
RLV Improvement	**$34,000**	**$30,000**

Table 9

Sensitivity Testing on interest Rates Scenario 3 & 4 - RoE		
	Scenario 3	**Scenario 4**
RoE at 7.45% Borrowing Rate	7.4%	9.4%
Prevailing Borrowing Rate		
3.00%	10.9%	10.1%
3.50%	10.4%	10.0%
4.00%	9.9%	9.9%
4.50%	9.5%	9.8%
5.00%	9.1%	9.7%
5.50%	8.7%	9.7%
6.00%	8.3%	9.6%
6.50%	8.0%	9.5%
7.00%	7.7%	9.4%
7.45%	7.4%	9.4%
RoE Rate Improvement	**3.5%**	**0.7%**

Table 10

Sensitivity Testing on interest Rates Scenario 3 & 4 - CCR		
	Scenario 3	**Scenario 4**
CCR at 7.45% Borrowing Rate	1.2%	1.2%
Prevailing Borrowing Rate		
3.00%	1.4%	1.4%
3.50%	1.4%	1.4%
4.00%	1.3%	1.4%
4.50%	1.3%	1.3%
5.00%	1.3%	1.3%
5.50%	1.3%	1.3%
6.00%	1.3%	1.3%
6.50%	1.2%	1.3%
7.00%	1.2%	1.3%
7.45%	1.2%	1.2%
CCR Rate Improvement	**0.2%**	**0.2%**

3.4.2 Construction Costs (Scenario 3 & 4)

As observed, the construction of ADU structures can be prohibitively expensive. On a per buildable square foot basis, this costs five times more than the conversion of an existing home into a multi-unit structure. Moreover, this alone constitutes 69% and 60% of total project costs for Scenarios 3 and 4 respectively. Using estimates provided by Vermeulens as a baseline, we conducted a sensitivity analysis assessing the impacts of lower or higher ADU construction costs on project feasibility. The following observations were found:

- Where construction costs are lower (potentially achieved through prefabricated construction, or during periods of lower labour and material costs), return rates can increase considerably. At a PBSF construction cost 20% lower than the current costs, RoE for Scenario 3 improves by 5.5%, reaching 12.9%, while RoE on Scenario 4 improves to 14.8%. This now illustrates strong indications of feasibility and profitability.
- Where construction costs are higher (potentially as demand for labour, equipment and materials goes up across the wider region), return rates are negatively impacted. At a PBSF construction cost 30% higher than current costs, RoE declines by roughly 4.5% in both scenarios. For Scenario 3, this is enough to make investment in a 10-year government bond at 3.5% a slightly better alternative.
- In both cases, the CCR and RoC rates (used for an investor hoping to purchase and develop a long-term, multi-unit rental property) experienced modest movement. This is largely due to the high cost of acquiring a lot (~$500,000 to $750,000), a prerequisite for initiating any development unless an investor already owns a compatible parcel in Guelph.

Table 11

Sensitivity Testing - ADU Construction Costs Scenario 3 - RoE, CCR & RoC			
	RoE	**CCR**	**RoC**
At Current Rate ($393 PBSF)	7.4%	1.2%	5.2%
Construction Cost Change			
30% Higher	3.0%	1.0%	4.6%
20% Higher	4.2%	1.1%	4.8%
10% Higher	5.6%	1.1%	5.0%
10% Lower	9.8%	1.3%	5.5%
20% Lower	12.9%	1.4%	5.8%
Return Rate Decline At 30% Higher Cost	**-4.4%**	**-0.2%**	**-0.7%**
Return Rate Improvement At 20% Lower Cost	**5.5%**	**0.2%**	**0.6%**

Table 12

Sensitivity Testing - ADU Construction Costs Scenario 4 - RoE, CCR & RoC			
	RoE	**CCR**	**RoC**
At Current Rate ($526 PBSF)	9.4%	1.2%	5.3%
Construction Cost Change			
30% Higher	4.8%	1.1%	4.8%
20% Higher	6.0%	1.1%	4.9%
10% Higher	7.5%	1.2%	5.1%
10% Lower	11.7%	1.3%	5.5%
20% Lower	14.8%	1.4%	5.7%
Return Rate Decline At 30% Higher Cost	**-4.6%**	**-0.2%**	**-0.5%**
Return Rate Improvement At 20% Lower Cost	**5.4%**	**0.2%**	**0.4%**

Lower financing and construction costs would have a combined positive impact as determined through this analysis. However, outside of a current landowner seeking to pursue either Scenarios 3 or 4, financial results remain modest. This may change given future macro-economic conditions, such as changes in land costs, in construction costs, in borrowing costs, in achievable rents, and in incentives provided to build these housing typologies, among other factors.

4.0 Conclusion

The results of this analysis indicate that the financial feasibility of delivering these missing middle / gentle density housing options is challenged. Despite eliminating planning obstacles by offering these permissions as of right (i.e., eliminating costly applications, uncertainty, project delays, appeals), the overall financial performance of these investments are modest, which is primarily driven by the high cost of construction and current interest rates.

However, even with lower costs and interest rates, the uptake of these gentle density options are likely to be modest given the following:

- The feasibility of delivering multiplexes (i.e., Scenarios 1 and 2) appears to experience significant challenges, due to the high cost of construction and the purchase price of an existing single-family lot.
- In scenarios 1 and 2, as well as 3 and 4, where an investor may seek to own and operate the rental units over the longer term, it is likely that feasibility would improve as costs and interest rates decrease, as well as in situations where the land acquisition price was low (i.e., purchase a lower quality home) and/or where locational considerations (i.e., proximity to University of Guelph) allowed for higher occupancy and rents.
- Moderate feasibility is found in Scenario 3 and 4, with a projected RoE of 7.7% and 9.7% respectively, both considerably higher than the annual 3.5% return on a 10-year government bond. However, the is a significant upfront cost of doing so. This type of investment would require a significant amount of upfront capital (~$500,000 – $750,000) which many households would not have available, in addition to the amount that might be financed.
- In a scenario where a homeowner might require rental income, it is highly unlikely they would pursue Scenarios 3 or 4 given these costs. It is more likely that they would select a low or no cost option such as inexpensively renovating and renting a basement, renting a room in the home on Airbnb, and other similar approaches.
- In other situations, a homeowner may advance an ADU without any consideration of financial return (e.g., to house an aging family member).

Overall, municipalities are identifying that these types of gentle density options will be challenging to deliver, particularly under these high-cost market conditions[4]. Similarly, a recent study undertaken by the Terner Centre for Housing Innovation from UC Berkley identified that these types of missing middle typologies encounter significant feasibility challenges[5].

Despite these findings, the City of Guelph should continue advancing zoning and policy frameworks that permit these housing forms as-of-right. Removing planning obstacles is the first step towards encouraging feasibility. While current market conditions are expected to persist over the short term, these burdensome conditions are unlikely to prevail over the longer term, which should improve feasibility as construction costs and interest rates moderate. These housing options can play a role in creating new entry-level ownership and rental opportunities for a wider range of households and income levels and should therefore be encouraged.

Further, as identified throughout this memo, return expectations and motivations across smaller developers, investors, and homeowners will vary widely and so will the actual outcomes across the City. We may therefore see development occur under specific circumstances, despite the findings of this work.

To improve feasibility, the City may consider a number of approaches:

- Waiving fees and charges, such as development charges, for all gentle density units. Other fees and charges can also be considered.
- Offering other incentives such as grants and property tax abatements through a Community Improvement Plan or other instrument such as a Municipal Capital Facility By-Law.
- The City may consider advancing pre-approved 'off the shelf' building designs to remove costs and uncertainty around approvals and building design. Of note, the Federal Government has recently announced a catalogue of pre-approved designs that the City may utilize.
- The City may also offering low-interest loans to assist applicants with delivering this housing, or alternatively advocating to CMHC and senior levels of government to create a low-interest loan program for these types of projects.

[4] Both the City of Kitchener and Mississauga have completed similar analyses.

[5]https://ternercenter.berkeley.edu/wp-content/uploads/2024/06/Missing-Middle-Development-Math-Final-June-2024.pdf

Appendix 3: City Comparison Tables

Fourplex Regulation Comparison Table

Comparable City	Guelph RL.1 Current	Guelph RL.2 Current	Guelph RL.1 Proposed	Guelph RL.2 Proposed	Hamilton R1	Hamilton R1a	Hamilton R2	Kitchener	Barrie	Toronto	London
Zone Name	**RL.1**	**RL.2**	**RL.1**	**RL.2**	**R1**	**R1a**	**R2 (Large Lots)**	**Permitted in all low-density residential zones**	**Permitted in all low-density residential zones**	**Permitted in all lot density residential zones.**	**R3-1, R3-2, R3-3 Zones**
Fourplex Definition	No definition. Fourplex not included.	No definition. Fourplex not included.	Fourplex means a building consisting of 4 dwelling units on a lot functioning independently, which are horizontally and/or vertically attached, which are entered from an independent entrance directly from the outdoors or from an internal entry vestibule and which may share common facilities such as parking and driveways.	Fourplex means a building consisting of 4 dwelling units on a lot functioning independently, which are horizontally and/or vertically attached, which are entered from an independent entrance directly from the outdoors or from an internal entry vestibule and which may share common facilities such as parking and driveways.	Fourplex: Shall mean a building containing four dwelling units with at least one dwelling unit entirely or partially above another dwelling unit but shall not include a street townhouse dwelling.	Fourplex: Shall mean a building containing four dwelling units with at least one dwelling unit entirely or partially above another dwelling unit but shall not include a street townhouse dwelling.	Fourplex: Shall mean a building containing four dwelling units with at least one dwelling unit entirely or partially above another dwelling unit but shall not include a street townhouse dwelling.	No definition for triplex or fourplex. 1 and 2 ADUs allowed in RES-1 and 2 zones that permit single-detached houses. Amended general residential regs to allow 4 units on each lot.	No term for fourplexes or triplexes added. Only added a new term for ADUs to replace secondary suites and accessory dwellings.	Multiplex: Means a building that has four dwelling units, with at least one dwelling unit entirely or partially above another.	A building that is divided horizontally and/or vertically into four separate dwelling units but does not include a converted dwelling or a townhouse dwelling.
Maximum # of Units	3	3	4	4	4	4	4	4	4	4	4
Minimum Lot Frontage (m)	15	9	15	9	12	10	18	10.5. 6 for townhouses in RES-5.	22 (R1) - 10 (R4)	Identified on the zoning bylaw map. Otherwise 12m for fourplex.	12 to 18
Minimum Lot Area (Square metres)	460	275	460	275	360	300	630	360	900 (R1) - 335 (R4)		550-700
Minimum Front Yard Setback (m)	6	6	6	6	4	4	4	4.5	4.5 for main building.	Varies by residential zone. Usually 3- 6.	4.5 - 8
Minimum Exterior Yard Setback (m)	4.5	4.5	4.5	4.5	3	3	3	3	1.5	Varies by residential zone. Usually 1.2.	4.5 - 8
Minimum Interior Side Yard Setback (m)	1.5	1.2	1.5	1.2	1.2	1.2	2	0.6	1.2	Varies by residential zone. Usually 1.2.	1.6, plus 0.6m for each storey above 1 storey.
Minimum Rear Yard Setback	7.5m or 20% of lot depth – whichever is less	7.5m or 20% of lot depth – whichever is less	7.5m or 20% of lot depth – whichever is less	7.5m or 20% of lot depth – whichever is less	7.5m	7.5	7.5	7m for main building.	1.2m	Varies by residential zone. Usually 7.5m for main building.	6 - 7.5
Minimum Landscaped Open Space	Minimum 35% Landscaped Open Space.	Minimum 35% Landscaped Open Space.	Minimum 35% Landscaped Open Space.	Minimum 35% Landscaped Open Space.	30%.	30%	40%	30% for front and back yards.	Max lot coverage of 45%.	Lot coverage identified on zoning map. Usually 35% in inner urban areas and 25% for less urban areas.	20-30%
Landscaping Requirements	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped. •Minimum 50% of Front Yard should consist of soft landscaping.	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped. •Minimum 50% of Front Yard should consist of soft landscaping.	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped. •Minimum 50% of Front Yard should consist of soft landscaping.	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped. •Minimum 50% of Front Yard should consist of soft landscaping.	50% in front yard, 50% in flankage yard. A minimum 1.5 metre wide landscaped strip shall be provided between the parking spaces in the rear yard. A minimum 1.5 - 3 metre wide landscaped strip shall be provided between the parking spaces and the rear lot line	50% in front yard, 50% in flankage yard. A minimum 1.5 metre wide landscaped strip shall be provided between the parking spaces in the rear yard. A minimum 1.5 - 3 metre wide landscaped strip shall be provided between the parking spaces and the rear lot line	50% in front yard, 50% in flankage yard. A minimum 1.5 metre wide landscaped strip shall be provided between the parking spaces in the rear yard. A minimum 1.5 - 3 metre wide landscaped strip shall be provided between the parking spaces and the rear lot line	Not specified	Landscaped buffer areas must be provided between the lot line and the accessory building or structure containing an additional residential unit	Depends on residential zone.	Landscaped open space excludes the driveway, parking area, loading space, stoop, roof-top terrace, balcony, swimming pool or space enclosed within a building
Maximum Building Height	3 storeys for primary building	3 storeys for primary building	3 storeys for primary building	3 storeys for primary building	10.5	10.5	10.5	11.5m for main building.	10m for main building. 5.5m or the height of the primary building, whichever is less.	Identified on the building height map, otherwise max of 10m.	12m
Minimum Common Amenity Area	Not required	Not required	Not required	Not required	Not required and not permitted on roofs or side yards.	Not required and not permitted on roofs or side yards.	Not required and not permitted on roofs or side yards.	Not required	Not required	Not required	Not required
Parking Requirements	1 space per dwelling unit	1 space per dwelling unit	Fourplex: 1 space per dwelling unit to a maximum of 3.	Fourplex: 1 space per dwelling unit to a maximum of 3.	Less than 1 per unit Downtown, ranges elsewhere: Existing: Downtown: 0 per unit, 1 per ADU. Otherwise: 1 per unit, 0.3 - 1.25 per ADU.	Less than 1 per unit Downtown, ranges elsewhere: Existing: Downtown: 0 per unit, 1 per ADU. Otherwise: 1 per unit, 0.3 - 1.25 per ADU.	Less than 1 per unit Downtown, ranges elsewhere: Existing: Downtown: 0 per unit, 1 per ADU. Otherwise: 1 per unit, 0.3 - 1.25 per ADU.	Less than 1 per unit: 0 (MTSAs), 0.3 (core), 0.6 (everywhere else). Permits parking in parking lots.	1 per unit.	Less than 1 per unit: No minimum requirement.	4 spaces
Parking Dimensions	Exterior: 2.75 metre width x 5.5 metre length. Interior: 3 metre width x 6 metre length	Exterior: 2.75 metre width x 5.5 metre length. Interior: 3 metre width x 6 metre length	Minimum 2.75 metres in width and 5.5 metres in length	Minimum 2.75 metres in width and 5.5 metres in length	Minimum 2.8 metres in width and 5.8 metres in length;	Minimum 2.8 metres in width and 5.8 metres in length;	Minimum 2.8 metres in width and 5.8 metres in length;	A driveway may be widened to a maximum of 65% of the lot width or 6 metres, whichever is the lesser	Tandem parking permitted. Front yard parking coverage limited to 50%. 3m landscaped buffer along lot line for 4 parking spaces or more.	Minimum width of 2.0 metres for each lane; and a maximum total width of 6.0 metres.	35% maximum parking area coverage. 2.7 metres by 5.5 metres.

ADU Regulation Comparison Table

Comparable City	Guelph RL.1 Current	Guelph RL.2 Current	Guelph RL.1 Proposed	Guelph RL.2 Proposed
By-law Name	Zoning Bylaw (2023)-20790.	Zoning Bylaw (2023)-20790.	**NEW RL.1**	**NEW RL.2**
Zone Name	**RL.1, RL.2, RL.3, and RM.5 Zones**	**RL.1, RL.2, RL.3, and RM.5 Zones**	**NEW RL.1**	**NEW RL.2**
General Regulation	A maximum of two additional residential dwelling units (ARDU) are permitted on a lot, one within the same building as the primary dwelling unit and one located in a separate building on the same lot or two additional residential dwelling units within the primary dwelling unit. The additional residential dwelling unit shall not contain more than two bedrooms.	A maximum of two additional residential dwelling units (ARDU) are permitted on a lot, one within the same building as the primary dwelling unit and one located in a separate building on the same lot or two additional residential dwelling units within the primary dwelling unit. The additional residential dwelling unit shall not contain more than two bedrooms.	A total of 4 dwelling units is permitted on a lot. This includes primary dwelling units together with: 1. Up to three ADU located in the same building, or 2. Up to two ADU located within the same builfing and up to one ADU in a separate building on the same lot, or 3. Up to one ADU located in the same building located in the same building and up to two ADUs in a separate building on the same lot.	A total of 4 dwelling units is permitted on a lot. This includes primary dwelling units together with: 1. Up to three ADU located in the same building, or 2. Up to two ADU located within the same builfing and up to one ADU in a separate building on the same lot, or 3. Up to one ADU located in the same building located in the same building and up to two ADUs in a separate building on the same lot.
Minimum Front Yard Setback (m)	6m. ARDU not permitted in front yard.	6m. ARDU not permitted in front yard.	6m. ADU not permitted in front yard.	6m. ADU not permitted in front yard.
Minimum Exterior Yard Setback (m)	4.5m	4.5m	4.5	4.5
Minimum Interior Side Yard Setback (m)	1.5m. 3m if the ARDU is 2 storeys tall and has a window facing the lot line.	0.6 - 1.2m. 3m if the ARDU is 2 storeys tall and has a window facing the lot line.	1.5. The 2nd storey must be setback by 3m if it has a window facing the lot line.	1.2. The 2nd storey must be setback by 3m if it has a window facing the lot line.
Minimum Rear Yard Setback	ARDU rear yard setback equal to side yard setback of primary building	ARDU rear yard setback equal to side yard setback of primary building	ADU rear yard setback equal to side yard setback of primary building	ADU rear yard setback equal to side yard setback of primary building
Maximum Building Coverage / GFA	ARDUs in separate buildings shall not exceed 45% of the residential floor area of the primary building and shall not occupy more than 30% of the yard, including all accessory buildings or structures.	ARDUs in separate buildings shall not exceed 45% of the residential floor area of the primary building and shall not occupy more than 30% of the yard, including all accessory buildings or structures.	For units within the primary building: Additional dwelling unit(s) shall have a residential floor area that is less than the primary dwelling unit. For units within a detached structure: Additional dwelling unit(s) shall not exceed 80m2. The footprint of the detached structure shall not exceed 30% of the yard.	For units within the primary building: Additional dwelling unit(s) shall have a residential floor area that is less than the primary dwelling unit. For units within a detached structure: Additional dwelling unit(s) shall not exceed 80m2. The footprint of the detached structure shall not exceed 30% of the yard.
Minimum Separation Distance	3m	3m	3m	3m
Minimum Landscaped Open Space	For multi-unit buildings with 3 units, 35% of lot area is required to be landscaped open space.	For multi-unit buildings with 3 units, 35% of lot area is required to be landscaped open space.	Minimum 35% Landscaped Open Space.	Minimum 35% Landscaped Open Space.
Landscaping Requirements	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped.	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped.	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped.	•0.5m between driveway and nearest lot line. •Front yard except driveway shall be landscaped.
Maximum Building Height	5m for ARDUs, 6.1 when over a garage.	5m for ARDUs, 6.1m when over a garage.	6.1m for ADUs.	6.1m for ADUs.
Parking Requirements	1 space per dwelling unit.	1 space per dwelling unit.	1 ADU = No space required / 2 ADU = 1 space / 3 ADU = 2 spaces.	2 ADU = No space required / 2 ADU = 1 space / 3 ADU = 2 spaces.
Pedestrian Connection	A 1.2m wide unobstructed pedestrian access shall be provided to the entrance of the unit, unless access to the ARDU is provided directly from a street or lane.	A 1.2m wide unobstructed pedestrian access shall be provided to the entrance of the unit, unless access to the ARDU is provided directly from a street or lane.	A 1.2m wide unobstructed pedestrian access shall be provided to the entrance of the unit, unless access to the additional residential dwelling unit is provided directly from a street or lane.	A 1.2m wide unobstructed pedestrian access shall be provided to the entrance of the unit, unless access to the additional residential dwelling unit is provided directly from a street or lane.

Comparable City	Hamilton R1	Hamilton R1a	Hamilton R2	Kitchener
By-law Name	Zoning By-law No. 05-200	Zoning By-law No. 05-201	Zoning By-law No. 05-202	Zoning By-law 2019-051
Zone Name	**R1**	**R1a**	**R2 (Large Lots)**	**Permitted with single detached dwelling, semi-detached dwelling or street townhouse dwellings.**
General Regulation	A Single Detached Dwelling, Duplex Dwelling, or Triplex Dwelling built in conformity with this By-law, may be converted to contain a fourth Additional Dwelling Unit. c) Notwithstanding any applicable regulations of this By-law, no more than four Dwelling Units shall be permitted on a lot that contains an Additional Dwelling Unit and/or Additional Dwelling Unit – Detached.	A Single Detached Dwelling, Duplex Dwelling, or Triplex Dwelling built in conformity with this By-law, may be converted to contain a fourth Additional Dwelling Unit. c) Notwithstanding any applicable regulations of this By-law, no more than four Dwelling Units shall be permitted on a lot that contains an Additional Dwelling Unit and/or Additional Dwelling Unit – Detached.	A Single Detached Dwelling, Duplex Dwelling, or Triplex Dwelling built in conformity with this By-law, may be converted to contain a fourth Additional Dwelling Unit. c) Notwithstanding any applicable regulations of this By-law, no more than four Dwelling Units shall be permitted on a lot that contains an Additional Dwelling Unit and/or Additional Dwelling Unit – Detached.	An additional dwelling unit (detached) shall only be permitted on the same lot as a single detached dwelling, semi-detached dwelling or street townhouse dwelling, with or without one additional dwelling unit (attached); c) an additional dwelling unit (detached) shall not be permitted on the same lot as a single detached dwelling with two additional dwelling units (attached).
Minimum Front Yard Setback (m)	Only permitted in side and rear yards.	Only permitted in side and rear yards.	Only permitted in side and rear yards.	Not permitted in front yards.
Minimum Exterior Yard Setback (m)	1.2m	1.2m	1.2m	4.5 - 6m.
Minimum Interior Side Yard Setback (m)	1.2m	1.2m	1.2m	0.6m
Minimum Rear Yard Setback	1.2m	1.2m	1.2m	0.6m
Maximum Building Coverage / GFA	The maximum gross floor area for accessory buildings containing ADUs shall not exceed the lesser of 75 square metres or the gross floor area of the principal dwelling. i) Notwithstanding Section 4.33.2 i), the maximum combined lot coverage of all Detached ADUs shall be 25%. ii) In addition to Section 4.33.2 i), the ground floor area of a Detached ADU shall not exceed 70% of the ground floor area of the principal dwelling when the ground floor area of the principal dwelling is less than or equal to 105 square metres.	The maximum gross floor area for accessory buildings containing ADUs shall not exceed the lesser of 75 square metres or the gross floor area of the principal dwelling. i) Notwithstanding Section 4.33.2 i), the maximum combined lot coverage of all Detached ADUs shall be 25%. ii) In addition to Section 4.33.2 i), the ground floor area of a Detached ADU shall not exceed 70% of the ground floor area of the principal dwelling when the ground floor area of the principal dwelling is less than or equal to 105 square metres.	The maximum gross floor area for accessory buildings containing ADUs shall not exceed the lesser of 75 square metres or the gross floor area of the principal dwelling. i) Notwithstanding Section 4.33.2 i), the maximum combined lot coverage of all Detached ADUs shall be 25%. ii) In addition to Section 4.33.2 i), the ground floor area of a Detached ADU shall not exceed 70% of the ground floor area of the principal dwelling when the ground floor area of the principal dwelling is less than or equal to 105 square metres.	The building floor area of the additional dwelling unit (detached) shall not exceed 50% of the building floor area of the single detached dwelling, semi detached dwelling unit or street townhouse dwelling unit on the same lot, or 80 square metres, whichever is less. 55% maximum lot coverage for zones RES-1 to RES-5, including all buildings or structures.
Minimum Separation Distance	7.5m shall be required between the rear wall of the principal dwelling and the detached ADU. 4m shall be required between the side wall of the principal dwelling and the ADU.	7.5m shall be required between the rear wall of the principal dwelling and the detached ADU. 4m shall be required between the side wall of the principal dwelling and the ADU.	7.5m shall be required between the rear wall of the principal dwelling and the detached ADU. 4m shall be required between the side wall of the principal dwelling and the ADU.	Not specified.
Minimum Landscaped Open Space	30%	30%	40%	20% for RES-4 and RES-5 (low rise areas that allow four dwelling units on a range of lot sizes).
Landscaping Requirements	A landscape strip is required to be provided within the required side yard adjacent to an Additional Dwelling Unit – Detached and shall be limited to sod, ground cover, permeable pavers, or a planting strip, and may include a visual barrier.	A landscape strip is required to be provided within the required side yard adjacent to an Additional Dwelling Unit – Detached and shall be limited to sod, ground cover, permeable pavers, or a planting strip, and may include a visual barrier.	A landscape strip is required to be provided within the required side yard adjacent to an Additional Dwelling Unit – Detached and shall be limited to sod, ground cover, permeable pavers, or a planting strip, and may include a visual barrier.	Not specified
Maximum Building Height	6m. Balconies and rooftop patios shall be prohibited above the first floor level.	6m. Balconies and rooftop patios shall be prohibited above the first floor level.	6m. Balconies and rooftop patios shall be prohibited above the first floor level.	4.5m from highest point of finished ground.
Parking Requirements	Existing: Downtown: 1 per ADU. Otherwise: 0.3 - 1.25 per ADU.	Existing: Downtown: 1 per ADU. Otherwise: 0.3 - 1.25 per ADU.	Existing: Downtown: 1 per ADU. Otherwise: 0.3 - 1.25 per ADU.	Tandem parking permitted. No ADU parking requirement within 800m of LRT station.
Pedestrian Connection	1m unobstructed pathway from the street to the ADU.	1m unobstructed pathway from the street to the ADU.	1m unobstructed pathway from the street to the ADU.	1.1m walkway from the street to the ADU. Does not include driveway.

Comparable City	Barrie	Toronto	London
By-law Name	By-law 2009-141	Zoning By-law 569-2013	Zoning By-law No.Z. - 1
Zone Name	**Permitted in all low-density residential zones**	**Garden suites are permitted across the City in the rear yards of residential properties that are not next to a public laneway.**	**Permitted in all zones with a single or semi detached house, or townhouse use.**
General Regulation	Maximum of 2 ARUs permitted in accessory buildings or structures. One accessory building or structure shall only contain a maximum of 2 ARUs.	A maximum of one ancillary building containing either a garden suite or a laneway suite is permitted on a lot.	Number of Additional Residential Units per lot: A maximum of three (3) additional residential units shall be permitted per lot; including a maximum of one (1) additional residential units in an accessory or ancillary structure
Minimum Front Yard Setback (m)	7m. Not permitted in front yards.	Depends on residential zone. Not permitted in front yards.	Depends on Residential Zone. 8 - 4.5m. Not permitted in front yards.
Minimum Exterior Yard Setback (m)	3m. 1.2m in R5 and RM3 zones.	Generally the greater of 1.5m and the minimum required side yard setback for the main residential building on the lot. 6m if driveway connects to abutting street.	Depends on Residential Zone. 8 - 4.5m.
Minimum Interior Side Yard Setback (m)	3m. 1.2m in R5 and RM3 zones.	Generally the greater of 0.6m and 10% of the lot frontage, to a maximum of 3m.	1.2m
Minimum Rear Yard Setback	3m. 1.2m in R5 and RM3 zones.	1.5m	Depends on Residential Zone. 7.5- 4.5m.
Maximum Building Coverage / GFA	ADU may not exceed 45% of the gross floor area of the principal building. An accessory building or structure containing an ADU, must not exceed 10% lot coverage in total.	The area of the lot covered by an ancillary building containing a garden suite may not exceed the lesser of: i. 40 percent of the area between the rear lot line and the rear main walls of the residential building: ii. A total floor area of 60.0 square metres.	Accessory buildings shall not exceed 10% of the lot area.
Minimum Separation Distance	Not specified.	5m	Not specified.
Minimum Landscaped Open Space	Must provide a 3.0 metre landscaped buffer area along the rear and interior side lot lines adjacent to the accessory building or structure containing an additional residential unit.	On lots with a frontage greater than 6m, at least 50% of the rear yard area, including the area covered by a garden suite, must be soft landscaping.	Depends on Residential Zone. 20 - 65%
Landscaping Requirements	Landscape buffer areas must be provided between the lot line and the accessory building or structure containing an additional residential unit	Depends on residential zone.	Any part of a lot which is not occupied by buildings, structures, parking areas, loading spaces, driveways, excavations, agricultural uses or permitted outdoor storage areas shall be maintained as landscaped open space
Maximum Building Height	4.5m. 5.5m in R5 and RM3 zones. Shall not exceed the height of the principal building.	4m high if located between 5 and 7.5m away from main residential building. 6m if located further than 7.5m away from main residential building.	Depends on Residential Zone. 9 - 12m.
Parking Requirements	Must provide one parking space per dwelling unit (one for the main dwelling, one for each additional residential unit). Tandem parking is permitted.	No parking spaces for cars are required to be provided for a garden suite. A minimum of two bicycle parking spaces are required for a garden suite	No additional parking is required for additional residential units. A new additional driveway in association with an additional residential unit is not permitted. Maximum parking area coverage ranges between 25 and 35%.
Pedestrian Connection	A 1.2m wide unobstructed path of travel shall be provided to the primary entrance of the additional residential unit within an accessory building or structure from the street, driveway, or parking area. Front entrance of ARU must not be further than 40m from the street.	A maximum 45m travel distance measured from a public street to the entrance of the garden suite. A minimum width of 1m, and a 2.1m vertical clearance from the fronting public street. The 1m minimum width must be unobstructed with the exception of hydro and gas meters.	No specified.

Appendix 4: City of Guelph Policy Review Detail

City of Guelph Policy Review

Over the years, Guelph has taken intentional strides towards enabling infill and intensification throughout the City. Some opportunities exist to strengthen or reframe the policy regime in place in Guelph. This document's review of the policy regime highlights where these opportunities exist and provides an overview of how the collective body of Guelph documents informs Gentle Density.

Despite working on different scales and influencing different parts of the planning and development process, each of the reviewed documents contains relevant context that should be considered as part of this project.

The Provincial Policy Statement and the Housing Supply Action Plan provide overarching policy direction for the following documents and emphasize the importance of providing more housing options, promoting sustainable development, and increasing the speed of planning approvals.

These documents are:

- **Statutory Plans & Policy**
  - » Official Plan (2022)
  - » Minister-Approved New Official Plan (2023)
  - » Comprehensive Zoning Bylaw (2023)
- **Other City Plans**
  - » Council's Future Guelph Strategic Plan (2024-2027)
  - » Water and Wastewater Servicing Master Plan (2023)
  - » Transportation Master Plan (2022)
  - » Stormwater Management Master Plan (2023)
- **Studies & Guidelines**
  - » Housing Analysis Strategy (2011)
  - » Residential Intensification Analysis Discussion Guide (2020)
  - » Urban Design Manual (2017)
  - » Built Form Standards for Mid-Rise Buildings and Townhouses (2018)
  - » Development Engineering Manual (2023)
  - » Built Form Standards (2014)
  - » 3-Unit Demonstration Plans (2023)
  - » 4-Unit Demonstration Plans (2023)

7.2.1 Official Plan (2022)

Guelph's Official Plan was originally adopted in 1994 but has been comprehensively updated on several occasions. The current office consolidation is from February 2022, and reflects a modern and progressive City of Guelph that is generally supportive of sensitive infill and intensification.

The Official Plan prioritizes new development that respects the existing character of Guelph, specifically with a focus on retaining the qualities that set Guelph apart from its neighbours. This includes prioritizing development that supports a compact, connected, distinctive, and diverse city. This means a culturally diverse city with a rich mix of housing, a commitment to mixed-use and higher density development, and a conveniently connected community for walkers, cyclists, public transit users, and motorists.

To support these objectives the Official Plan contains policy that seeks to establish a clear framework and set of expectations for where infill development is expected to occur, and how it should look, feel, and behave.

What Are the Key Trends or Directions?

- The core principles of the Official Plan are aligned with the Gentle Density project and there are potential opportunities to further strengthen them, particularly with regard to how and why it is important to support infill, intensification, and Gentle Density.
- The Official Plan does support built forms that encourages sensitive intensification and the provision of a diverse mix of housing options.
- This is further reinforced through the plan's Urban Design strategic goals that, while cognizant of protecting and preserving distinct neighbourhood character, also reflects an understanding that there is a need for Guelph to support compact, mixed-use, and transit-supportive communities.
- Growth should be directed to locations within the built-up area where the capacity exists to best accommodate the expected population and employment growth.

How does this affect Gentle Density?

- As the overarching plan governing Guelph's municipal planning policy, the Official Plan is in support of residential intensification.

7.2.2 Minister-Approved New Official Plan (2023)

The most recent Official Plan review and update took place from 2020 to 2022 and resulted in OPA 80. Revised by the Minister of Municipal Affairs and Housing, this amendment introduces several policies that strengthen the planning framework's support for infill development and providing a broad range of housing options within previously developed areas. One of the most important changes in relation to Gentle Density is the introduction of Strategic Growth Areas, identified in Schedule 1A of the update. These areas are the intended focus locations for future intensification. The update also increases the percentage of development in the City that should be intensified within the built-up area from 40% to 46%.

What Are the Key Trends or Directions?

- The broad policy direction of the Official Plan remains the same, while updates to improve alignment with Provincial policy and planning direction have resulted in an overall general increase in support for infill and intensification city-wide.
- There are opportunities, though future OP updates, to strengthen the connection between housing affordability and intensification.

How does this affect Gentle Density?

- OPA 80 encourages higher levels of density in certain areas of the built-up area, which further support the case for Gentle Density.

7.2.3 Comprehensive Zoning Bylaw (2023)

The City of Guelph's lowest density zones, RL.1 and RL.2, in the Comprehensive Zoning Bylaw (2023, partially under appeal at the Ontario Land Tribunal) allow triplexes, additional dwelling units (ADUs), and the development of multi-unit buildings up to 3-units as-of-right in most contexts throughout the City. This update reflects both the City's policy framework and the Province's emerging regulations around supporting greater infill and intensification.

What Are the Key Trends or Directions?

- Sensitive densification up to three dwelling units, including ADUs, per residential lot is permitted throughout most of the City. One parking space minimum per dwelling unit for ADUs, single detached dwellings, semi-detached dwellings, townhouses, and triplexes.

How does this affect Gentle Density?

- The RL.1 and RL.2 zones demonstrate how 3-unit configurations can be successfully applied to neighbourhood residential lots.
- A 3-unit maximum in the lowest zones still limits the full spectrum of housing opportunities that could exist on traditional lot sizes across Guelph.
- These zones can be amended to accommodate an additional unit and identify where Gentle Density would be best suited in the city.
- Existing parking space minimum requirements will limit the development potential of Gentle Density developments because of space constraints on many lots.

7.2.4 Council's Future Guelph Strategic Plan (2024-2027)

The 2024-2027 Council Strategic Plan list the priorities of Guelph's Council over the next four years. The three main priorities for Council are city building, the environment, and people and the economy. Throughout the strategy, the document lists specific tasks and actions that it will pursue to achieve its vision, mission, and values. Three relevant topics identified this Strategic Plan are housing affordability, population growth, and creating a sustainable city. As such, several policies in the strategy aim to address these topics, leading to a general support for the Gentle Density project's efforts.

What Are the Key Trends or Directions?

- Goals are broken down into three categories: City Building; Environment; and People and Economy.
- Actions related to increasing housing supply include partnerships and advocacy to improve housing affordability, responding to Bill 23's effects, conserving cultural heritage resources, and improving transit, walking and cycling network to meet the growth demand.

How does this affect Gentle Density?

- Policies generally support housing intensification to increase housing supply and affordability while protecting the environment and supporting existing businesses.

7.2.5 Water and Wastewater Servicing Master Plan (2023)

The Water and Wastewater Servicing Master Plan (WWSMP) was initiated to identify municipal servicing requirements for existing and growth areas to 2051 and beyond, while considering the impact of potential intensification and greenfield growth. A focus of the WWSMP is to maintain the City's efforts of developing a Smart City with the innovative use of technologies for improved water and wastewater level of service.

The WWSMP includes recommended infrastructure upgrades to satisfy the City's targeted level of service and growth projections. These recommendations are based on the results of calibrated hydraulic models which consider the existing and projected growth needs and build on the WWSMP.

What Are the Key Trends or Directions?

Recommendations include:

- The WWSMP, through model calibration and analysis, identifies capacity constraints in our sanitary sewer system.
- Policies have been developed for new development (infill and greenfield) along with Zoning direction to ensure that adequate and available servicing exists prior to permitting development.
- Other recommendations include regularly updating the hydraulic models, continuing sewer flow monitoring, further refining leak detection systems, various system upgrades, and providing better performance metrics.

How does this affect Gentle Density?

- While recommended amendments to RL.1 and RL.2 zones will be applicable City-wide, it will become important for the City to review infrastructure capacity and identify constraint areas to ensure the viability of Gentle Density.
- Strategies may need to be developed to identify and monitor servicing capacity constraints in areas likely to see additional density. Infill and intensification may be viable in these locations with additional technical review or planned infrastructure updates prior to approvals.
- The WWSMP provides several recommendations to improve the municipal water and wastewater systems to accommodate future population and employment growth. Its recommendations are primarily for the city to undertake on large-scale projects.

7.2.6 Transportation Master Plan (2022)

Moving Guelph Forward, Guelph's Transportation Master Plan (TMP) details how residents and visitors will move through the city over the next thirty years. The TMP is a long-range strategic plan that directs how Guelph's future transportation system will be built and operated, and establishes policies and programs to guide the delivery of transportation infrastructure and services.

What Are the Key Trends or Directions?

- People of all ages and physical ability will be able to travel safely using any transportation mode that they choose.
- Guelph's transportation system will be easy-to-use, reliable and give people and businesses the options they want when they need them.
- Transit service will provide travel times and traveler convenience at levels that are competitive with travel by car.
- The carbon footprint from the transportation sector will aim for net zero by 2050.
- Guelph's streets, trails and rail networks will align with the City's land use objectives.
- Investment decisions will be made considering the asset life cycle costs.
- Guelph's transportation system will plan for the changes of tomorrow, while delivering great service today.
- Shift mode shares from 79% driving to 58%, while increased walking, cycling, and transit to 15%, 10% and 17% respectively.

How does this affect Gentle Density?

- The TMP supports Gentle Density priorities by tying transportation planning to growth areas. As areas increase in population and employment, the TMP advocates for improving transportation connections to these areas.
- The TMP's mode share goals are also supported by the Gentle Density priorities as increasing density in existing urban areas enables more people to use active and shared transportation modes to reach their destinations, instead of driving. The TMP will support these active and shared transportation modes by making them safer and more user-friendly.

7.2.7 Stormwater Management Master Plan (2023)

The Stormwater Management Master Plan identifies practices for flood control, erosion control, groundwater and surface water quality and quantity, and seeks to protect the natural environment. The plan explores management practices and provides a suite of solutions.

What Are the Key Trends or Directions?

- The appendices provide infiltration policy recommendations, stormwater design criteria and targets, and low impact development implementation strategies.
- The Stormwater Design Criteria and Targets appendix recommends that stormwater runoff volumes should be controlled for redevelopment, infill development, intensification, or adaptive re-use projects.

How does this affect Gentle Density?

- Developments with four or more units will increase the amount of impervious surface in existing residential areas which will affect the levels of stormwater infiltration and run-off. As neighbourhoods are intensified over time, it may be important to implement stormwater retention systems and track stormwater run-off.
- While recommended amendments to RL.1 and RL.2 zones will be applicable City-wide, strategies may need to be developed to identify and monitor stormwater servicing capacity constraints and infiltration targets in areas likely to see additional density. Infill and intensification may be viable in these locations with additional technical review or planned infrastructure updates prior to approvals.
- Water balance and other stormwater policies may need to be implemented for sites developing under Gentle Density if this project recommends permitting increased imperviousness.

7.2.8 Housing Analysis Strategy (2021)

The Housing Analysis Strategy (HAS) is one technical background study that is required as part of the City's work to conform to A Place to Grow: Growth Plan for the Greater Golden Horseshoe (the Growth Plan). The purpose of the HAS is to confirm Guelph's population and housing needs to 2051 and outline an appropriate housing mix and density targets that conforms to the Growth Plan and aligns with the City's draft vision for growth.

What Are the Key Trends or Directions?

- That Guelph has a sufficient supply of land to accommodate its forecast population of 208,000 people to 2051.
- That Guelph has a sufficient supply of land within its built-up area (BUA) to accommodate 50% of its growth within this area to 2051.
- Over the past two decades, the residential market in the City of Guelph has been transitioning towards high-density development. It now accommodates for 49% of total housing growth. This is largely because of diminishing supply of land in the built-up area and a strengthening market demand for high-density.
- The rate of intensification has been meeting or exceeding the amended OP's minimum annual housing intensification target of 46% for the majority of years between 2006 and 2019. Since 2011, the intensification rate has been trending at or close to the 50% target, and the City achieved an intensification rate of 56% in 2022.
- Estimates that 3,870 low-density households, 8,480 medium-density households, 17,840 high-density households, and 3,400 accessory apartments will be built between 2022-2051.
- Recent trend shows approximately 200-300 ADU building permits issued per year, comprising approximately 25 percent of annual dwelling units created.

How does this affect Gentle Density?

- Gentle Density will assist Guelph in accommodating its population growth projections in the built-up area by providing a range of housing types and supporting complete communities.

7.2.9 Residential Intensification Analysis Discussion Guide (2020)

The Residential Intensification Analysis Discussion Guide was developed as a part of the Official Plan update in 2022 to help guide public engagement and conversations surrounding intensification and growth management.

What Are the Key Trends or Directions?

- The guide aligns with the Official Plan's goals and primarily provides basic information for members of the public to better contribute towards the Official Plan engagement activities by explaining urban planning concepts.

How does this affect Gentle Density?

- While this guide does not address Gentle Density specifically, it can be updated to assist with engagement efforts when proposing the policy changes under the Gentle Density project. The guide has also helped educate the public on the purpose behind intensification which will support the Gentle Density public engagement efforts.

7.2.10 Urban Design Manual (2017)

The Urban Design Manual was created to inform Guelph's Comprehensive Zoning Bylaw and is split into three parts: The Urban Design Vision, the Urban Design Action Plan, and Community Nodes. The design manual recognizes the importance of intensification as the city grows and provides guidance on the use of urban design in the creation of complete communities that enhance the sense of place enjoyed by Guelph citizens.

What Are the Key Trends or Directions?

The UDM's principles are based on the Official Plan's objectives. These include:

- Creating neighbourhoods with diverse opportunities for living, working, learning and playing.
- Building compact neighbourhoods that use land, energy, water and infrastructure efficiently and encourage alternative modes of transportation.
- Showcasing natural attributes as designing features of the City's character by making them highly visible and accessible, especially lands along the Speed and Eramosa rivers.
- Engaging in "placemaking" —developing infrastructure, spaces and buildings that are permanent and enduring, memorable and beautiful, adaptable and flexible, and valued.
- Conserving and celebrating the City's cultural heritage resources through the reuse of built heritage and cultural heritage landscape assets and ensuring that adjacent development responds to and respects these assets.

- Creating a diversity of inviting and accessible gathering places that promote a full range of social, cultural and economic interaction.
- Designing for a choice of mobility including walking, cycling, transit and driving.
- Establishing a pattern of interconnected streets and pedestrian networks in which buildings frame and address public spaces.
- Allowing for a range of architectural styles and promote expressions that bring interest and diversity in urban form and architectural design while responding appropriately to the local context and achieving compatibility.
- Ensuring that the design of the built environment respects the character of the existing distinctive areas and neighbourhoods of the City.
- Designing space that is accessible to all, regardless of abilities.
- Improving conditions for greater personal security within publicly accessible spaces by designing them to be attractive and comfortable to the public, increasing the potential for informal surveillance and reducing opportunities for crime.
- Preserving and enhancing protected public views and public vistas of built and natural features.

How does this affect Gentle Density?

- The manual's action plan breaks down the City of Guelph into five opportunity areas and provides specific actions for the city to take to improve the urban design for each of these areas.
- The manual encourages a mix of housing types and higher density in these areas to support the priorities of the Official Plan.
- The manual also advocates for low impact development and the integration of existing natural features into the design of new development.

7.2.11 Built Form Standards for Mid-Rise Building and Townhouses (2018)

The Built Form Standards for Mid-Rise Building and Townhouses have been developed to guide the design of Mid-Rise Buildings and Townhouse forms in Guelph as it continues to grow in population. The Standards apply to the entire City of Guelph, with the exception of the downtown, and is informed by the City's Official Plan to support compact growth, while achieving high quality, sustainable development, and a strong pedestrian realm. The standards seek to provide guidance on protecting natural heritage and protecting and enhancing the city's tree canopy.

What Are the Key Trends or Directions?

- The standards provide design guidelines for mid-rise and townhouse developments as Guelph intensifies. The standards relate to building design (setbacks, length, separation distances, angular plane, etc.), site access and circulation, parking, common amenity area, and landscaped open space.
- The document also provides recommendations for the Comprehensive Zoning Bylaw definition updates, including definitions for landscaped open space, green roofs, stacked townhouses, stacked back-to-back townhouse, and mixed-use zones.

How does this affect Gentle Density?

- The standards for townhouses can help direct the Gentle Density standards as they are similar scales and contain a similar number of units/bedrooms. Relevant townhouse standards that could be used as the basis to analyze Gentle Density viability and constructibility include:

  A. Front yard setbacks of 6 metres or existing front yard setbacks.

  B. Consideration for existing trees and grades. Such features should be embraced on the site as assets.

  C. Sills that are no higher than 1.2 metres.

  D. A range of building materials and variation in building articulation for facade design.

  E. Townhouses located on corner sites should be designed to have 2 primary facades with an equal level of articulation on each street-oriented façade

  F. Mechanical equipment such as air conditioner units are strongly discouraged within balconies.

- These standards should be considered throughout the development of zoning and design regulations for Gentle Density.

7.2.12 Development Engineering Manual (2023)

The City of Guelph Development Engineering Manual (DEM) was prepared to provide guidance related to the engineering aspects of development work. This DEM outlines the City's current engineering requirements, guidelines, specifications, and standards that form the basis for obtaining engineering approvals related to development applications ranging from plans of subdivision and site plans to infill developments for 10 units or less.

What Are the Key Trends or Directions?

The key objectives of this DEM are to:

- Document existing process information related to the engineering submission of a development application.
- Outline requirements and standards for the engineering design of new developments within the City.
- Provide guidance and framework for applicants submitting engineering designs and documents in support of development applications.
- Provide guidance to City staff when reviewing and commenting on engineering aspects of a development application. Aspects include environmental engineering, source water protection, development agreements, noise control, construction temporary dewatering, infrastructure in existing right of ways, servicing capacity, stormwater management criteria, and on-site and excess soils management.
- Identify the role and involvement of City departments and external agencies as part of the development engineering review and approval process.

How does this affect Gentle Density?

- The DEM provides details and requirements for development applications of varying scales.

7.2.13 Built Form Standards (2014)

The Built Form Standards were developed in response to the adoption of the Downtown Secondary Plan (2012), and the advancement of best urban design practices over the last decade. The Built Form Standards identify six distinct Character Areas in the downtown area, each with unique location-based conditions, site and building design characteristics, land use and built form policy considerations, and economic potential. They also include a series of performance standards and specific attention for built heritage resources. The standards are broken down into three categories ranging from low-rise to high-rise buildings.

The six identified character areas are:

1. Historic street-based character areas.
2. Historic house-based character areas.
3. Renewal lands.
4. Mill lands.
5. Ward west.
6. Neighbourhood fringe.

What Are the Key Trends or Directions?

In general, the standards encourage greater design flexibility for areas without built heritage resources while continuing to respect the existing architectural context of downtown Guelph. The standards provide guidance on the design of all buildings in the downtown secondary plan on the following topics:

- Height Performance Standards.
- Massing and Floor Plates.
- Stepbacks.
- Angular Planes Articulation and Detailing.
- Ground Floor and Building Entrances.
- Materials.
- Roofs, Cornices and Parapets.
- Lighting, Awnings, Canopies and Signage.
- Sustainable Building Design.

How does this affect Gentle Density?

- Much of the standards relate to building designs for larger and taller downtown mixed-use developments, such as stepbacks, angular planes, building entrances, and facade articulation. However, the standards for building materials, sustainable design, and built heritage resources, should be considered when planning and building Gentle Density in the downtown area.
- Standards include the following:
  - Durable and energy-efficient building materials such as stone, brick, or glass. Stucco, vinyl, and EIFS is strongly discouraged.
  - LEED building design.
  - Passive solar design, natural cooling, light recovery.
  - Green roofs and water runoff prevention.
  - Water-efficient appliances.
  - Locally-sources and sustainably produced building materials.
  - Reuse or improvement of existing building materials for development near heritage properties.

7.2.14 3- and 4-Unit Demonstration Plans (2023)

In response to the provinces' More Homes Built Faster Act and Guelph's Official Plan update promoting neighbourhood intensification, the City of Guelph developed 3- and 4-unit demonstration plans to ensure that the design of new residential developments respect the distinct character of existing neighbourhoods. These developments will be permitted in RL.1 and RL.2 zones which include triplexes, on-street townhomes, and apartment buildings.

What Are the Key Trends or Directions?

- The plans promote sustainable, economical and accessible designs to guide the landscaping, architecture, parking, and planning of the development site. They seek to direct the outcome and design of gentle intensification to align them with the policies in the Official Plan while making them an enjoyable place to live for future residents. Part 2 of the document provides the floor plans with site plan details for the following unit-types:
  - » Horizontal triplexes
  - » Vertical triplexes
  - » On-street townhouses
  - » 3-storey apartments

How does this affect Gentle Density?

- All site plans feature a building with a 6-metre setback and a driveway on the side of the property connecting the 3 rear parking spaces to the street. The Gentle Density designs are proposed for properties with 15-metre width and 33-metre depth at minimum. These proposed site plans can help guide the recommended regulations for the Gentle Density project so that they align with the updated Official Plan and provincial legislation.
- Appendix C of the plans also contain proposed zoning bylaw recommendations, including new definitions for apartment buildings and triplexes, general provisions for parking, land use amendments, and recommendations for reducing parking requirements and promoting landscaping designs to reduce stormwater runoff. These recommendations were integrated into the Comprehensive Zoning Bylaw and are now partially under appeal.

Appendix 5: Costing Technical Documentation

City of Guelph Exploring Gentle Density

Feasibility Study - V05

prepared for
Cameron Parkin
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September 23, 2024
Proposal #24749

September 23, 2024

Cameron Parkin
O2 Planning + Design Inc
437, 366 Adelaide Street East
Toronto, ON M5A 3X9

Re: City of Guelph Exploring Gentle Density - Feasibility Study - V05

Dear Cameron,

Please find enclosed our draft cost estimate for the above project based on feasibility study.

PROJECT SUMMARY			
COMPONENT	AREA (M2)	$/M2	$000s
Scenario 1	420	3,439	1,445
Scenario 2	353	3,655	1,291
Scenario 3 New	160	3,734	598
Scenario 3 Reno	255	802	205
Scenario 3 Total	415	1,935	803
Scenario 4 New	80	5,064	406
Scenario 4 Reno	220	1,094	241
Scenario 4 Total	300	2,157	647

This estimate includes all direct construction costs, general contractor's overhead and profit, and design contingencies. Cost escalation is not included.

Excluded from the estimate are: hazardous waste removal, loose furnishings and equipment, project and construction contingency, architect's and engineer's fees, moving, administrative, and financing costs, and the HST.

Bidding conditions are expected to reflect open bidding for general contractors, open bidding for sub-contractors, open specifications for materials and manufactures.

This estimate is based on bids received in this market for comparable work. Projected changes in design and inflation are covered by contingency. Variances from these projections can occur due to lack or surplus of bidders at time of bid, proprietary specifications, contractual and procurement practice, documentation and tendering changes, contractor's errors and omissions etc. We expect bids received to be within 5 - 10% of estimated values 19 times out of 20 recognizing the above.

If you have any questions or require further analysis please do not hesitate to contact us.

Yours very truly,

Rivlyn Manning
Principal

LEVEL 2 ELEMENTAL SUMMARY

GROSS FLOOR AREA	$/m2	Element $ 1,488 m2	%	01 S1 $/m2	420	02 S2 $/m2	353	03 S3 New $/m2	160	04 S3 Reno $/m2	255	04 S4 New $/m2	80	04 S4 Reno $/m2	220
A1 SUBSTRUCTURE	154.29	229,590	5%	183.12	76,910	193.57	68,330	305.81	48,930	0.00	0	442.75	35,420	0.00	0
A2 STRUCTURE	213.38	317,510	8%	275.45	115,689	284.92	100,575	267.33	42,772	72.33	18,443	307.95	24,636	69.98	15,395
A3 ENCLOSURE	623.27	927,420	22%	871.78	366,147	887.01	313,116	890.18	142,428	24.27	6,188	1,183.49	94,679	22.10	4,862
B1 PARTITIONS & DOORS	316.38	470,769	11%	376.53	158,143	369.10	130,293	331.42	53,028	162.76	41,505	283.28	22,663	296.09	65,139
B2 FINISHES	269.00	400,275	10%	304.61	127,938	315.35	111,318	303.88	48,620	156.88	40,005	304.22	24,338	218.44	48,058
B3 FITTINGS & EQUIPMENT	157.22	233,941	6%	164.35	69,025	190.84	67,365	186.03	29,765	76.38	19,478	203.88	16,310	145.45	31,998
C1 MECHANICAL	399.96	595,147	14%	521.44	219,003	571.86	201,867	435.93	69,749	115.25	29,390	674.60	53,968	96.23	21,170
C2 ELECTRICAL	149.67	222,716	5%	187.93	78,930	211.70	74,731	219.78	35,165	35.00	8,925	236.81	18,945	27.36	6,020
D1 SITE WORK	179.02	266,380	6%	157.82	66,285	210.27	74,225	364.50	58,320	0.00	0	844.38	67,550	0.00	0
D2 ANCILLARY WORK	19.41	28,875	1%	0.00	0	0.00	0	0.00	0	51.47	13,125	0.00	0	71.59	15,750
DIRECT CONSTRUCTION COST	**2,481.60**	**3,692,623**	**88%**	**3,043.02**	**1,278,069**	**3,234.62**	**1,141,819**	**3,304.85**	**528,777**	**694.35**	**177,059**	**4,481.35**	**358,508**	**947.23**	**208,391**
Z1 GENERAL REQUIREMENTS	260.57	387,725	9%	319.52	134,197	339.63	119,891	347.01	55,522	72.91	18,591	470.54	37,643	99.46	21,881
Z2 CONTINGENCIES	68.52	101,952	2%	76.08	31,952	80.87	28,545	82.62	13,219	34.72	8,853	112.03	8,963	47.36	10,420
Z3 OTHER COSTS	0.00	0	0%	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
TOTAL CONSTRUCTION COST	**2,810.69**	**4,182,300**	**100%**	**3,438.61**	**1,444,218**	**3,655.11**	**1,290,256**	**3,734.48**	**597,517**	**801.97**	**204,503**	**5,063.93**	**405,114**	**1,094.05**	**240,692**

LEVEL 3 ELEMENTAL SUMMARY	$/m2	Element $	%	01 S1		02 S2		03 S3 New		04 S3 Reno		04 S4 New		04 S4 Reno	
GROSS FLOOR AREA				$/m2	420	$/m2	353	$/m2	160	$/m2	255	$/m2	80	$/m2	220
A1 SUBSTRUCTURE															
A11 Foundations	131.16	195,170		155.85	65,455	164.86	58,195	259.28	41,485	0.00	0	375.44	30,035	0.00	0
A12 Building Excavation	23.13	34,420		27.27	11,455	28.71	10,135	46.53	7,445	0.00	0	67.31	5,385	0.00	0
A2 STRUCTURE															
A21 Lowest Floor Structure	31.34	46,638		30.95	13,000	34.56	12,200	50.00	8,000	20.73	5,285	50.00	4,000	18.88	4,153
A22 Upper Floor Structure	131.65	195,892		187.53	78,764	193.33	68,245	134.83	21,572	27.17	6,928	175.45	14,036	28.85	6,347
A23 Roof Structure	50.39	74,980		56.96	23,925	57.03	20,130	82.50	13,200	24.43	6,230	82.50	6,600	22.25	4,895
A3 ENCLOSURE															
A32 Walls Above Grade	366.87	545,900		488.79	205,292	487.10	171,946	616.55	98,648	0.00	0	875.18	70,014	0.00	0
A33 Windows & Entrances	147.50	219,475		221.85	93,175	240.93	85,050	160.31	25,650	0.00	0	195.00	15,600	0.00	0
A34 Roof Covering	75.31	112,065		77.96	32,745	116.36	41,075	113.31	18,130	24.27	6,188	113.31	9,065	22.10	4,862
A35 Projections	33.59	49,980		83.18	34,935	42.62	15,045	0.00	0	0.00	0	0.00	0	0.00	0
B1 PARTITIONS & DOORS															
B11 Partitions	203.78	303,219		262.60	110,293	252.03	88,968	181.89	29,103	98.65	25,155	174.53	13,963	162.45	35,739
B12 Doors	112.60	167,550		113.93	47,850	117.07	41,325	149.53	23,925	64.12	16,350	108.75	8,700	133.64	29,400
B2 FINISHES															
B21 Floor Finishes	132.70	197,460		158.57	66,600	161.02	56,840	152.50	24,400	66.57	16,975	154.38	12,350	92.25	20,296
B22 Ceiling Finishes	79.22	117,880		87.00	36,540	88.05	31,080	85.31	13,650	53.53	13,650	81.38	6,510	74.77	16,450
B23 Wall Finishes	57.08	84,934		59.04	24,798	66.28	23,398	66.06	10,570	36.78	9,380	68.47	5,478	51.42	11,312
B3 FITTINGS & EQUIPMENT															
B31 Fittings	124.96	185,941		135.77	57,025	156.84	55,365	148.53	23,765	52.85	13,478	166.38	13,310	104.54	22,998
B32 Equipment	32.26	48,000		28.57	12,000	33.99	12,000	37.50	6,000	23.53	6,000	37.50	3,000	40.91	9,000
C1 MECHANICAL															
C11 Plumbing & Drainage	159.57	237,442		211.09	88,658	218.45	77,112	187.24	29,959	34.18	8,715	319.73	25,578	33.73	7,420
C12 Fire Protection	0.00	0		0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
C13 HVAC	216.96	322,830		284.51	119,495	322.68	113,905	234.16	37,465	65.88	16,800	325.81	26,065	41.36	9,100
C14 Controls	23.44	34,875		25.83	10,850	30.74	10,850	14.53	2,325	15.20	3,875	29.06	2,325	21.14	4,650

LEVEL 3 ELEMENTAL SUMMARY	$/m2	Element $	%	01 S1		02 S2		03 S3 New		04 S3 Reno		04 S4 New		04 S4 Reno	
GROSS FLOOR AREA				$/m2	420	$/m2	353	$/m2	160	$/m2	255	$/m2	80	$/m2	220
C2 ELECTRICAL															
C21 Service & Distribution	66.03	98,260		86.14	36,180	101.39	35,790	108.19	17,310	0.00	0	112.25	8,980	0.00	0
C22 Lighting & Devices	57.48	85,525		79.17	33,250	85.68	30,245	88.72	14,195	0.00	0	97.94	7,835	0.00	0
C23 Systems	26.16	38,931		22.62	9,500	24.63	8,696	22.88	3,660	35.00	8,925	26.63	2,130	27.36	6,020
D1 SITE WORK															
D11 Site Development	131.98	196,380		116.15	48,785	160.69	56,725	255.13	40,820	0.00	0	625.63	50,050	0.00	0
D12 Mechanical Site Services	47.04	70,000		41.67	17,500	49.58	17,500	109.38	17,500	0.00	0	218.75	17,500	0.00	0
D2 ANCILLARY WORK															
D21 Demolition	19.41	28,875		0.00	0	0.00	0	0.00	0	51.47	13,125	0.00	0	71.59	15,750
DIRECT CONSTRUCTION COST				**3,043.02**	**1,278,069**	**3,234.62**	**1,141,819**	**3,304.85**	**528,777**	**694.35**	**177,059**	**4,481.35**	**358,508**	**947.23**	**208,391**
Z1 GENERAL REQUIREMENTS															
Z11 General Requirements	198.53	295,410	8.0%	243.44	102,246	258.77	91,346	264.39	42,302	55.55	14,165	358.51	28,681	75.78	16,671
Z12 Fee	62.04	92,316	2.5%	76.08	31,952	80.87	28,545	82.62	13,219	17.36	4,426	112.03	8,963	23.68	5,210
Z2 CONTINGENCIES															
Z21 Design Contingency	68.52	101,952	2.8%	76.08	31,952	80.87	28,545	82.62	13,219	34.72	8,853	112.03	8,963	47.36	10,420
Z22 Escalation Contingency	0.00	0	0.0%	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Z23 Construction Contingency	0.00	0	0.0%	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Z3 OTHER COSTS															
Z31 Other Costs	0.00	0	0.0%	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
TOTAL CONSTRUCTION COST	**2,810.69**	**4,182,300**		**3,438.61**	**1,444,218**	**3,655.11**	**1,290,256**	**3,734.48**	**597,517**	**801.97**	**204,503**	**5,063.93**	**405,114**	**1,094.05**	**240,692**

ELEMENTAL ESTIMATE

Description	Quantity	01 S1 Quantity	02 S2 Quantity	03 S3 New Quantity	04 S3 Reno Quantity	04 S4 New Quantity	04 S4 Reno Quantity
GROSS FLOOR AREA							
Ground Level	622 m2	130	122	80	140	40	110
Second Floor	612 m2	145	122	80	115	40	110
Third Floor	254 m2	145	109				
TOTAL GROSS FLOOR AREA	**1,488 m2**	**420**	**353**	**160**	**255**	**80**	**220**

REPORT NOTES

Assuming scenario 3 reno, half of space to have minimal work (105 m2). Assuming scenario 4 reno, one third of space to have minimal work (70 m2).

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
A1 SUBSTRUCTURE																
A11 Foundations																
Foundations																
wall footings 900 x 100 avg, 178 m		51 m3	1,045.00	53,295	17	17,765	15	15,675	11	11,495		0	8	8,360		0
foundation walls 300, 15 kg/m2, 48 m3		161 m2	710.00	114,310	54	38,340	48	34,080	34	24,140		0	25	17,750		0
foundation details, misc	+	372 m2	20.00	7,440	130	2,600	122	2,440	80	1,600		0	40	800		0
waterproofing/insulation/drainboard		161 m2	125.00	20,125	54	6,750	48	6,000	34	4,250		0	25	3,125		0
Subtotal Foundations		372 m2	524.65	195,170	130	65,455	122	58,195	80	41,485	0	0	40	30,035	0	0
Total A11 Foundations		**1,488 m**	**131.16**	**195,170**	**155.85**	**65,455**	**164.86**	**58,195**	**259.28**	**41,485**	**0.00**	**0**	**375.44**	**30,035**	**0.00**	**0**
A12 Building Excavation																
Earthwork																
excavation foundation 1200 dp	+	576 m3	25.00	14,400	192	4,800	170	4,250	124	3,100		0	90	2,250		0
backfill granular		364 m3	55.00	20,020	121	6,655	107	5,885	79	4,345		0	57	3,135		0
Subtotal Earthwork		576 m3	59.76	34,420	192	11,455	170	10,135	124	7,445	0	0	90	5,385	0	0
Total A12 Building Excavation		**1,488 m**	**23.13**	**34,420**	**27.27**	**11,455**	**28.71**	**10,135**	**46.53**	**7,445**	**0.00**	**0**	**67.31**	**5,385**	**0.00**	**0**
TOTAL A1 SUBSTRUCTURE				229,590		76,910		68,330		48,930		0		35,420		0

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
A2 STRUCTURE																
A21 Lowest Floor Structure																
On Grade																
existing cut patch 5%, make good	+	250 m2	22.75	5,688		0		0		0	140	3,185		0	110	2,503
slab on grade 4", 1 psf	+	372 m2	85.00	31,620	130	11,050	122	10,370	80	6,800		0	40	3,400		0
pits, pads, detailing		622 m2	15.00	9,330	130	1,950	122	1,830	80	1,200	140	2,100	40	600	110	1,650
Subtotal On Grade		622 m2	74.98	46,638	130	13,000	122	12,200	80	8,000	140	5,285	40	4,000	110	4,153
Total A21 Lowest Floor Structure		**1,488 m**	**31.34**	**46,638**	**30.95**	**13,000**	**34.56**	**12,200**	**50.00**	**8,000**	**20.73**	**5,285**	**50.00**	**4,000**	**18.88**	**4,153**
A22 Upper Floor Structure																
Floor Structure																
existing cut patch 5%, make good	+	225 m2	46.00	10,350		0		0		0	115	5,290		0	110	5,060
wood ply deck, 18bf/m2	+	641 m2	165.00	105,765	290	47,850	231	38,115	80	13,200		0	40	6,600		0
Subtotal Floor Structure		866 m2	134.08	116,115	290	47,850	231	38,115	80	13,200	115	5,290	40	6,600	110	5,060
Stairs, Miscellaneous																
wood stairs 310 x 3000		10 flt	6,500.00	65,000	4	26,000	4	26,000	1	6,500		0	1	6,500		0
wood blocking		1,263 m2	8.50	10,736	420	3,570	353	3,001	160	1,360	140	1,190	80	680	110	935
safing, sealing	+	1,263 m2	3.20	4,042	420	1,344	353	1,130	160	512	140	448	80	256	110	352
Subtotal Stairs, Miscellaneous		1,263 m2	63.16	79,777	420	30,914	353	30,130	160	8,372	140	1,638	80	7,436	110	1,287
Total A22 Upper Floor Structure		**1,488 m**	**131.65**	**195,892**	**187.53**	**78,764**	**193.33**	**68,245**	**134.83**	**21,572**	**27.17**	**6,928**	**175.45**	**14,036**	**28.85**	**6,347**
A23 Roof Structure																
Roof Structure																
existing cut patch 5%, make good	+	250 m2	44.50	11,125		0		0		0	140	6,230		0	110	4,895
wood ply deck, 16bf/m2	+	387 m2	165.00	63,855	145	23,925	122	20,130	80	13,200		0	40	6,600		0
Subtotal Roof Structure		637 m2	117.71	74,980	145	23,925	122	20,130	80	13,200	140	6,230	40	6,600	110	4,895
Total A23 Roof Structure		**1,488 m**	**50.39**	**74,980**	**56.96**	**23,925**	**57.03**	**20,130**	**82.50**	**13,200**	**24.43**	**6,230**	**82.50**	**6,600**	**22.25**	**4,895**

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
TOTAL A2 STRUCTURE				**317,510**		**115,689**		**100,575**		**42,772**		**18,443**		**24,636**		**15,395**

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
A3 ENCLOSURE																
A32 Walls Above Grade																
Cladding																
brick	+	543 m2	195.00	105,885	205	39,975	171	33,345	98	19,110		0	69	13,455		0
cementitious panel (hardiplank)	+	543 m2	175.00	95,025	205	35,875	171	29,925	98	17,150		0	69	12,075		0
scaffolding		1,207 m2	40.00	48,280	460	18,400	388	15,520	209	8,360		0	150	6,000		0
Subtotal Cladding		1,086 m2	229.46	249,190	410	94,250	342	78,790	196	44,620	0	0	138	31,530	0	0
Backup																
wood stud 2x6		1,084 m2	70.00	75,880	408	28,560	342	23,940	196	13,720		0	138	9,660		0
sheathing		1,085 m2	35.00	37,975	409	14,315	342	11,970	196	6,860		0	138	4,830		0
outboard cont insulation		1,085 m2	95.00	103,075	409	38,855	342	32,490	196	18,620		0	138	13,110		0
air vapour barrier		1,085 m2	34.00	36,890	409	13,906	342	11,628	196	6,664		0	138	4,692		0
gypsum board, 16mm		1,085 m2	34.00	36,890	409	13,906	342	11,628	196	6,664		0	138	4,692		0
pest control, allow		6,000 ls	1.00	6,000	1,500	1,500	1,500	1,500	1,500	1,500		0	1,500	1,500		0
Subtotal Backup				296,710	0	111,042	0	93,156	0	54,028	0	0	0	38,484	0	0
Total A32 Walls Above Grade		**1,488 m**	**366.87**	**545,900**	**488.79**	**205,292**	**487.10**	**171,946**	**616.55**	**98,648**	**0.00**	**0**	**875.18**	**70,014**	**0.00**	**0**
A33 Windows & Entrances																
Windows																
windows vinyl, double glazed	+	127 m2	925.00	117,475	51	47,175	46	42,550	18	16,650		0	12	11,100		0
Subtotal Windows		127 m2	925.00	117,475	51	47,175	46	42,550	18	16,650	0	0	12	11,100	0	0
Entrances																
entry door, solid core wood	+	6 no	4,500.00	27,000	2	9,000	2	9,000	1	4,500		0	1	4,500		0
hollow metal door	+	5 no	4,500.00	22,500	2	9,000	2	9,000	1	4,500		0		0		0
glazed patio door	+	15 no	3,500.00	52,500	8	28,000	7	24,500		0		0		0		0
Subtotal Entrances		26 no	3,923.08	102,000	12	46,000	11	42,500	2	9,000	0	0	1	4,500	0	0
Total A33 Windows & Entrances		**1,488 m**	**147.50**	**219,475**	**221.85**	**93,175**	**240.93**	**85,050**	**160.31**	**25,650**	**0.00**	**0**	**195.00**	**15,600**	**0.00**	**0**
A34 Roof Covering																

ELEMENTAL ESTIMATE

Description	Trade		Quantity		Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Roofing																		
existing roofing cut patch 5%, make good		+	250	m2	44.20	11,050		0		0		0	140	6,188		0	110	4,862
membrane		+	14	m2	500.00	7,000		0	14	7,000		0		0		0		0
asphalt shingles		+	459	m2	150.00	68,850	177	26,550	135	20,250	98	14,700		0	49	7,350		0
flashing, accessories			459	m2	35.00	16,065	177	6,195	135	4,725	98	3,430		0	49	1,715		0
Subtotal Roofing			723	m2	142.41	102,965	177	32,745	149	31,975	98	18,130	140	6,188	49	9,065	110	4,862
Terrace																		
terrace deck, railing, planting		+	14	m2	650.00	9,100		0	14	9,100		0		0		0		0
Subtotal Terrace			14	m2	650.00	9,100	0	0	14	9,100	0	0	0	0	0	0	0	0
Total A34 Roof Covering			**1,488**	**m**	**75.31**	**112,065**	**77.96**	**32,745**	**116.36**	**41,075**	**113.31**	**18,130**	**24.27**	**6,188**	**113.31**	**9,065**	**22.10**	**4,862**
A35 Projections																		
Projections - Area Based																		
soffit, insulation framing		+	15	m2	500.00	7,500	15	7,500		0		0		0		0		0
wood ply deck, 16bf/m2		+	66	m2	295.00	19,470	41	12,095	25	7,375		0		0		0		0
metal rail			78	m	295.00	23,010	52	15,340	26	7,670		0		0		0		0
Subtotal Projections - Area Based			81	m2	617.04	49,980	56	34,935	25	15,045	0	0	0	0	0	0	0	0
Total A35 Projections			**1,488**	**m**	**33.59**	**49,980**	**83.18**	**34,935**	**42.62**	**15,045**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
TOTAL A3 ENCLOSURE						**927,420**		**366,147**		**313,116**		**142,428**		**6,188**		**94,679**		**4,862**

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
B1 PARTITIONS & DOORS																
B11 Partitions																
Partitions																
gyp4, stud, batt to shared wall	+	221 m2	225.00	49,725	136	30,600	85	19,125		0		0		0		0
gyp4, stud, batt	+	81 m2	200.00	16,200	34	6,800	31	6,200	16	3,200		0		0		0
gyp2, stud, batt	+	552 m2	145.00	80,040	207	30,015	206	29,870	95	13,775		0	44	6,380		0
gyp2, stud	+	407 m2	135.00	54,945	178	24,030	147	19,845	51	6,885		0	31	4,185		0
wood blocking		1,190 m	22.50	26,775	487	10,958	427	9,608	179	4,028		0	97	2,183		0
partitions at reno - allow 1.0 at 2 adu, 1.2 at 3 adu	+	273 m2	183.00	49,959		0		0		0	105	19,215		0	168	30,744
partitions at reno, minor - allow 1.0 at 2 adu, 1.2 at 3 adu	+	189 m2	45.00	8,505		0		0		0	105	4,725		0	84	3,780
Subtotal Partitions		1,723 m2	166.08	286,149	555	102,403	469	84,648	162	27,888	210	23,940	75	12,748	252	34,524
Railings																
wood guard rail	+	6 m	550.00	3,300	6	3,300		0		0		0		0		0
wood handrail	+	84 m	135.00	11,340	34	4,590	32	4,320	9	1,215		0	9	1,215		0
railing at reno allow	+	18 m	135.00	2,430		0		0		0	9	1,215		0	9	1,215
Subtotal Railings		108 m	158.06	17,070	40	7,890	32	4,320	9	1,215	9	1,215	9	1,215	9	1,215
Total B11 Partitions		**1,488 m**	**203.78**	**303,219**	**262.60**	**110,293**	**252.03**	**88,968**	**181.89**	**29,103**	**98.65**	**25,155**	**174.53**	**13,963**	**162.45**	**35,739**
B12 Doors																
Doors, Frames, Hardware																
painted to interior	*	56 no	2,175.00	121,800	22	47,850	19	41,325	11	23,925		0	4	8,700		0
doors to reno allow	*	18 no	2,175.00	39,150		0		0		0	6	13,050		0	12	26,100
existing doors minor work	*	12 no	550.00	6,600		0		0		0	6	3,300		0	6	3,300
Subtotal Doors, Frames, Hardware		86 no	1,948.26	167,550	22	47,850	19	41,325	11	23,925	12	16,350	4	8,700	18	29,400
Total B12 Doors		**1,488 m**	**112.60**	**167,550**	**113.93**	**47,850**	**117.07**	**41,325**	**149.53**	**23,925**	**64.12**	**16,350**	**108.75**	**8,700**	**133.64**	**29,400**
TOTAL B1 PARTITIONS & DOORS				**470,769**		**158,143**		**130,293**		**53,028**		**41,505**		**22,663**		**65,139**

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
B2 FINISHES																
B21 Floor Finishes																
Flooring																
tile to washrooms	+	75 m2	200.00	15,000	36	7,200	23	4,600	9	1,800		0	7	1,400		0
tile to entries	+	9 m2	200.00	1,800	3	600	4	800	2	400		0		0		0
wood engineered to bedroom, living, kitchen	+	717 m2	150.00	107,550	296	44,400	255	38,250	115	17,250		0	51	7,650		0
wood treads and risers to stairs	+	35 m2	300.00	10,500	13	3,900	14	4,200	4	1,200		0	4	1,200		0
flooring to reno allow	+	245 m2	100.00	24,500		0		0		0	105	10,500		0	140	14,000
existing flooring minor work	+	175 m2	25.00	4,375		0		0		0	105	2,625		0	70	1,750
Subtotal Flooring		1,256 m2	130.35	163,725	348	56,100	296	47,850	130	20,650	210	13,125	62	10,250	210	15,750
Base																
tile	+	154 m	30.00	4,620	76	2,280	45	1,350	17	510		0	16	480		0
painted wood	+	1,036 m	20.00	20,720	411	8,220	382	7,640	162	3,240		0	81	1,620		0
base at reno	+	335 m	21.30	7,136		0		0		0	145	3,089		0	190	4,047
existing base minor work	+	240 m	5.25	1,260		0		0		0	145	761		0	95	499
Subtotal Base		1,765 m	19.11	33,736	487	10,500	427	8,990	179	3,750	290	3,850	97	2,100	285	4,546
Total B21 Floor Finishes		**1,488 m**	**132.70**	**197,461**	**158.57**	**66,600**	**161.02**	**56,840**	**152.50**	**24,400**	**66.57**	**16,975**	**154.38**	**12,350**	**92.25**	**20,296**
B22 Ceiling Finishes																
Ceilings																
gyp direct applied, batt insulation	+	836 m2	85.00	71,060	348	29,580	296	25,160	130	11,050		0	62	5,270		0
paint gyp		836 m2	20.00	16,720	348	6,960	296	5,920	130	2,600		0	62	1,240		0
ceilings at reno	+	245 m2	105.00	25,725		0		0		0	105	11,025		0	140	14,700
existing ceilings minor work	+	175 m2	25.00	4,375		0		0		0	105	2,625		0	70	1,750
Subtotal Ceilings		1,256 m2	93.85	117,880	348	36,540	296	31,080	130	13,650	210	13,650	62	6,510	210	16,450
Total B22 Ceiling Finishes		**1,488 m**	**79.22**	**117,880**	**87.00**	**36,540**	**88.05**	**31,080**	**85.31**	**13,650**	**53.53**	**13,650**	**81.38**	**6,510**	**74.77**	**16,450**
B23 Wall Finishes																
Wall Finishes																

ELEMENTAL ESTIMATE

Description	Trade		Quantity		Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
tile at showers, tubs		+	67	m2	140.00	9,380	18	2,520	29	4,060	14	1,960		0	6	840		0
tile at backsplash		+	36	m2	140.00	5,040	13	1,820	12	1,680	8	1,120		0	3	420		0
paint		+	2,847	m2	17.50	49,823	1,169	20,458	1,009	17,658	428	7,490		0	241	4,218		0
wall finishes at reno		+	815	m2	21.80	17,767		0		0		0	350	7,630		0	465	10,137
existing wall finishes minor work		+	585	m2	5.00	2,925		0		0		0	350	1,750		0	235	1,175
Subtotal Wall Finishes			4,350	m2	19.53	84,935	1,200	24,798	1,050	23,398	450	10,570	700	9,380	250	5,478	700	11,312
Total B23 Wall Finishes			**1,488**	**m**	**57.08**	**84,935**	**59.04**	**24,798**	**66.28**	**23,398**	**66.06**	**10,570**	**36.78**	**9,380**	**68.47**	**5,478**	**51.42**	**11,312**
TOTAL B2 FINISHES						**400,275**		**127,938**		**111,318**		**48,620**		**40,005**		**24,338**		**48,058**

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
B3 FITTINGS & EQUIPMENT																
B31 Fittings																
Casework																
existing casework minor work		3,400 ls	1.00	3,400		0		0		0	1,700	1,700		0	1,700	1,700
vanities	+	14 m	910.00	12,740	7	6,370	4	3,640	1	910		0	2	1,820		0
shelving and rod at closets	+	75 m	150.00	11,250	20	3,000	21	3,150	9	1,350	8	1,200	3	450	14	2,100
cabinet full height for water heater	+	2 m	1,500.00	3,000	2	3,000		0		0		0		0		0
bifold/sliding to closet		66 no	1,000.00	66,000	22	22,000	26	26,000	12	12,000		0	6	6,000		0
unit kitchens (~ $3750 per)		11 no	0.00	0	4	0	4	0	2	0		0	1	0		0
cabinet base	+	21 m	635.00	13,335	9	5,715	4	2,540	6	3,810		0	2	1,270		0
cabinet upper allow		40 m	365.00	14,600	14	5,110	13	4,745	9	3,285		0	4	1,460		0
cabinet island	+	12 m	900.00	10,800	4	3,600	8	7,200		0		0		0		0
cabinet island, large	+	2 m	1,250.00	2,500		0	2	2,500		0		0		0		0
casework at reno	+	21 m	435.00	9,135		0		0		0	7	3,045		0	14	6,090
unit kitchens at reno		3 no	3,750.00	11,250		0		0		0	1	3,750		0	2	7,500
Subtotal Casework		147 m	1,074.90	158,010	42	48,795	39	49,775	16	21,355	15	9,695	7	11,000	28	17,390
Fittings - Misc																
washroom accessories (mirror, towel bar, toilet paper holder)		35 no	365.00	12,775	16	5,840	10	3,650	4	1,460		0	5	1,825		0
shower, tub accessories (towel bar, soap dish)		13 no	225.00	2,925	6	1,350	4	900	2	450		0	1	225		0
window treatments - by owner		m2	0.00	0		0		0		0		0		0		0
accessories at reno		23 no	327.00	7,521		0		0		0	9	2,943		0	14	4,578
room count	*	86 no	10.00	860	24	240	24	240	10	100	8	80	6	60	14	140
misc specialties (per unit) - mailbox, house number, door bell		14 no	200.00	2,800	4	800	4	800	2	400	1	200	1	200	2	400
existing specialties minor work	*	15 no	70.00	1,050		0		0		0	8	560		0	7	490
Subtotal Fittings - Misc		101 no	276.54	27,931	24	8,230	24	5,590	10	2,410	16	3,783	6	2,310	21	5,608
Total B31 Fittings		**1,488 m**	**124.96**	**185,941**	**135.77**	**57,025**	**156.84**	**55,365**	**148.53**	**23,765**	**52.85**	**13,478**	**166.38**	**13,310**	**104.54**	**22,998**
B32 Equipment																

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Equipment - Other																
kitchen appliances - range hood and dishwasher		16 no	3,000.00	48,000	4	12,000	4	12,000	2	6,000	2	6,000	1	3,000	3	9,000
kitchen appliances - refrigerator, stove - by owner		16 no	0.00	0	4	0	4	0	2	0	2	0	1	0	3	0
appliances - washer/dryer - by owner		16 no	0.00	0	4	0	4	0	2	0	2	0	1	0	3	0
Subtotal Equipment - Other				48,000	0	12,000	0	12,000	0	6,000	0	6,000	0	3,000	0	9,000
Total B32 Equipment		**1,488 m**	**32.26**	**48,000**	**28.57**	**12,000**	**33.99**	**12,000**	**37.50**	**6,000**	**23.53**	**6,000**	**37.50**	**3,000**	**40.91**	**9,000**
TOTAL B3 FITTINGS & EQUIPMENT				**233,941**		**69,025**		**67,365**		**29,765**		**19,478**		**16,310**		**31,998**

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
C1 MECHANICAL																
C11 Plumbing & Drainage																
Equipment																
water service entrance: connection to city main, backflow preventor, metering to each unit		28,000 ls	1.00	28,000	10,000	10,000	10,000	10,000	3,000	3,000		0	5,000	5,000		0
hot water tank		10 no	4,000.00	40,000	4	16,000	4	16,000	1	4,000		0	1	4,000		0
minimal plumbing upgrades to scenario 3 reno		105 m2	83.00	8,715		0		0		0	105	8,715		0		0
minimal plumbing upgrades to scenario 4 reno		70 m2	106.00	7,420		0		0		0		0		0	70	7,420
Subtotal Equipment				84,135	0	26,000	0	26,000	0	7,000	0	8,715	0	9,000	0	7,420
Major Domestic Fixtures																
water closets	+	17 no	570.00	9,690	8	4,560	5	2,850	2	1,140		0	2	1,140		0
lavatories	+	15 no	500.00	7,500	7	3,500	5	2,500	2	1,000		0	1	500		0
lavatories, double sink	+	1 no	800.00	800		0		0		0		0	1	800		0
kitchen sinks	+	11 no	525.00	5,775	4	2,100	4	2,100	2	1,050		0	1	525		0
showers, roll-in	+	2 no	775.00	1,550	1	775	1	775		0		0		0		0
showers, typical	+	3 no	775.00	2,325	3	2,325		0		0		0		0		0
tubs	+	8 no	1,350.00	10,800	2	2,700	3	4,050	2	2,700		0	1	1,350		0
Subtotal Major Domestic Fixtures		57 no	674.39	38,440	25	15,960	18	12,275	8	5,890	0	0	6	4,315	0	0
Minor Domestic Fixtures																
fridge connections, assume ice maker	+	11 no	300.00	3,300	4	1,200	4	1,200	2	600		0	1	300		0
laundry connections, water/waste	+	33 no	200.00	6,600	12	2,400	12	2,400	6	1,200		0	3	600		0
misc minor fixtures	+	8 no	300.00	2,400	2	600	2	600	2	600		0	2	600		0
Subtotal Minor Domestic Fixtures		52 no	236.54	12,300	18	4,200	18	4,200	10	2,400	0	0	6	1,500	0	0
Piping																
water	+	519 m	90.00	46,710	210	18,900	182	16,380	73	6,570		0	54	4,860		0
waste & vent	+	485 m	105.00	50,925	213	22,365	153	16,065	68	7,140		0	51	5,355		0
gas, allow to water heater	+	36 m	137.00	4,932	9	1,233	16	2,192	7	959		0	4	548		0

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Subtotal Piping		1,040 m	98.62	102,567	432	42,498	351	34,637	148	14,669	0	0	109	10,763	0	0
Total C11 Plumbing & Drainage		**1,488 m**	**159.57**	**237,442**	**211.09**	**88,658**	**218.45**	**77,112**	**187.24**	**29,959**	**34.18**	**8,715**	**319.73**	**25,578**	**33.73**	**7,420**
C12 Fire Protection																
Sprinklers																
sprinkler coverage, assume not required	+	m2	0.00	0		0		0		0		0		0		0
Subtotal Sprinklers		m2		0	0	0	0	0	0	0	0	0	0	0	0	0
Total C12 Fire Protection		**1,488 m**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
C13 HVAC																
Fans																
washroom exhaust fans		17 no	500.00	8,500	8	4,000	5	2,500	2	1,000		0	2	1,000		0
Subtotal Fans				8,500	0	4,000	0	2,500	0	1,000	0	0	0	1,000	0	0
Air Distribution																
ductwork, allow 1.5kg/m2	+	1,520 kg	27.50	41,800	630	17,325	530	14,575	240	6,600		0	120	3,300		0
insulation, not required		m2	0.00	0		0		0		0		0		0		0
air distribution (diffusers, grilles, dampers, etc)		1,013 m2	20.00	20,260	420	8,400	353	7,060	160	3,200		0	80	1,600		0
Subtotal Air Distribution		1,520 kg	40.83	62,060	630	25,725	530	21,635	240	9,800	0	0	120	4,900	0	0
Terminal Units																
VRF condensing units, 1 per new tenant unit	+	11 no	4,000.00	44,000	4	16,000	4	16,000	2	8,000		0	1	4,000		0
VRF units, 1 per main room	+	34 no	2,055.00	69,870	14	28,770	14	28,770	3	6,165		0	3	6,165		0
Subtotal Terminal Units		45 no	2,530.44	113,870	18	44,770	18	44,770	5	14,165	0	0	4	10,165	0	0
Piping																
VRF refrigerant piping	+	900 m	90.00	81,000	360	32,400	360	32,400	100	9,000		0	80	7,200		0
condensate drain	+	450 m	70.00	31,500	180	12,600	180	12,600	50	3,500		0	40	2,800		0

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Subtotal Piping		1,350 m	83.33	112,500	540	45,000	540	45,000	150	12,500	0	0	120	10,000	0	0
Miscellaneous																
misc HVAC reno to scenario 3 reno		105 m2	160.00	16,800		0		0		0	105	16,800		0		0
misc HVAC reno to scenario 4 reno		70 m2	130.00	9,100		0		0		0		0		0	70	9,100
Subtotal Miscellaneous				25,900	0	0	0	0	0	0	0	16,800	0	0	0	9,100
Total C13 HVAC		**1,488 m**	**216.96**	**322,830**	**284.51**	**119,495**	**322.68**	**113,905**	**234.16**	**37,465**	**65.88**	**16,800**	**325.81**	**26,065**	**41.36**	**9,100**
C14 Controls																
Controls																
local thermostats	+	45 no	775.00	34,875	14	10,850	14	10,850	3	2,325	5	3,875	3	2,325	6	4,650
Subtotal Controls		45 no	775.00	34,875	14	10,850	14	10,850	3	2,325	5	3,875	3	2,325	6	4,650
Total C14 Controls		**1,488 m**	**23.44**	**34,875**	**25.83**	**10,850**	**30.74**	**10,850**	**14.53**	**2,325**	**15.20**	**3,875**	**29.06**	**2,325**	**21.14**	**4,650**
TOTAL C1 MECHANICAL				595,147		219,003		201,867		69,749		29,390		53,968		21,170

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
C2 ELECTRICAL																
C21 Service & Distribution																
Normal Service & Distribution																
incoming feeder, by others		lf	0.00	0		0		0		0		0		0		0
distribution equipment & feeders per tenant unit		11 no	7,500.00	82,500	4	30,000	4	30,000	2	15,000		0	1	7,500		0
Subtotal Normal Service & Distribution				82,500	0	30,000	0	30,000	0	15,000	0	0	0	7,500	0	0
Motor Wiring & Control																
hot water tank		11 no	300.00	3,300	4	1,200	4	1,200	2	600		0	1	300		0
washroom fan		17 no	130.00	2,210	8	1,040	5	650	2	260		0	2	260		0
kitchen hood fan		11 no	130.00	1,430	4	520	4	520	2	260		0	1	130		0
VRF condensing unit		11 no	400.00	4,400	4	1,600	4	1,600	2	800		0	1	400		0
VRF indoor unit		34 no	130.00	4,420	14	1,820	14	1,820	3	390		0	3	390		0
Subtotal Motor Wiring & Control				15,760	0	6,180	0	5,790	0	2,310	0	0	0	1,480	0	0
Total C21 Service & Distribution		**1,488 m**	**66.03**	**98,260**	**86.14**	**36,180**	**101.39**	**35,790**	**108.19**	**17,310**	**0.00**	**0**	**112.25**	**8,980**	**0.00**	**0**
C22 Lighting & Devices																
Lighting																
bathroom light	+	17 no	230.00	3,910	8	1,840	5	1,150	2	460		0	2	460		0
bedroom light	+	26 no	300.00	7,800	10	3,000	10	3,000	4	1,200		0	2	600		0
dining light	+	11 no	425.00	4,675	4	1,700	4	1,700	2	850		0	1	425		0
entrance light	+	11 no	255.00	2,805	4	1,020	4	1,020	2	510		0	1	255		0
kitchen light	+	11 no	300.00	3,300	4	1,200	4	1,200	2	600		0	1	300		0
living room light	+	11 no	275.00	3,025	4	1,100	4	1,100	2	550		0	1	275		0
stair light	+	10 no	275.00	2,750	4	1,100	4	1,100	1	275		0	1	275		0
wiring & switches		97 no	130.00	12,610	38	4,940	35	4,550	15	1,950		0	9	1,170		0
lighting controls, not required		m2	0.00	0		0		0		0		0		0		0
Subtotal Lighting		97 no	421.39	40,875	38	15,900	35	14,820	15	6,395	0	0	9	3,760	0	0
Devices																
duplex receptacles	+	142 no	175.00	24,850	58	10,150	47	8,225	24	4,200		0	13	2,275		0
special purpose receptacles	+	44 no	450.00	19,800	16	7,200	16	7,200	8	3,600		0	4	1,800		0

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Subtotal Devices		186 no	240.05	44,650	74	17,350	63	15,425	32	7,800	0	0	17	4,075	0	0
Total C22 Lighting & Devices		**1,488 m**	**57.48**	**85,525**	**79.17**	**33,250**	**85.68**	**30,245**	**88.72**	**14,195**	**0.00**	**0**	**97.94**	**7,835**	**0.00**	**0**
C23 Systems																
Fire Alarm																
smoke/CO detectors, assume w/ backup battery power	+	16 no	300.00	4,800	6	1,800	6	1,800	2	600		0	2	600		0
Subtotal Fire Alarm		16 no	300.00	4,800	6	1,800	6	1,800	2	600	0	0	2	600	0	0
Tel/Data																
direct connection outlet	+	37 no	190.00	7,030	14	2,660	14	2,660	6	1,140		0	3	570		0
Subtotal Tel/Data		37 no	190.00	7,030	14	2,660	14	2,660	6	1,140	0	0	3	570	0	0
Security Systems																
security, rough in only	+	1,013 m2	2.00	2,026	420	840	353	706	160	320		0	80	160		0
Subtotal Security Systems		1,013 m2	2.00	2,026	420	840	353	706	160	320	0	0	80	160	0	0
Other Systems																
AV, conduit only, not required		m2	0.00	0		0		0		0		0		0		0
lightning protection, not required		m2	0.00	0		0		0		0		0		0		0
temp lighting & power		1,013 m2	5.00	5,065	420	2,100	353	1,765	160	800		0	80	400		0
misc electrical	+	1,013 m2	5.00	5,065	420	2,100	353	1,765	160	800		0	80	400		0
misc electrical reno to scenario 3	+	105 m2	85.00	8,925		0		0		0	105	8,925		0		0
misc electrical reno to scenario 4	+	70 m2	86.00	6,020		0		0		0		0		0	70	6,020
Subtotal Other Systems		1,188 m2	21.11	25,075	420	4,200	353	3,530	160	1,600	105	8,925	80	800	70	6,020
Total C23 Systems		**1,488 m**	**26.16**	**38,931**	**22.62**	**9,500**	**24.63**	**8,696**	**22.88**	**3,660**	**35.00**	**8,925**	**26.63**	**2,130**	**27.36**	**6,020**
TOTAL C2 ELECTRICAL				222,716		78,930		74,731		35,165		8,925		18,945		6,020

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
D1 SITE WORK																
D11 Site Development																
Site Preparation																
site preparation, misc	+	1,720 m2	15.00	25,800	370	5,550	482	7,230	403	6,045		0	465	6,975		0
erosion control	+	1,720 m2	10.00	17,200	370	3,700	482	4,820	403	4,030		0	465	4,650		0
Subtotal Site Preparation		3,440 m2	12.50	43,000	740	9,250	964	12,050	806	10,075	0	0	930	11,625	0	0
Paving & Structure																
concrete sidewalk	+	194 m2	90.00	17,460	40	3,600	57	5,130	39	3,510		0	58	5,220		0
concrete sidewalk, stamped	+	103 m2	185.00	19,055	15	2,775	51	9,435	17	3,145		0	20	3,700		0
asphalt	+	501 m2	60.00	30,060	173	10,380	111	6,660	51	3,060		0	166	9,960		0
concrete pad at garbage enclosure	+	20 m2	110.00	2,200	5	550	5	550	5	550		0	5	550		0
patio pavers	+	59 m2	185.00	10,915	22	4,070	3	555	21	3,885		0	13	2,405		0
curbs, concrete		189 m	65.00	12,285	67	4,355	34	2,210	12	780		0	76	4,940		0
Subtotal Paving & Structure		877 m2	104.87	91,975	255	25,730	227	24,540	133	14,930	0	0	262	26,775	0	0
Improvements																
garbage enclosure		44 m2	200.00	8,800	11	2,200	11	2,200	11	2,200		0	11	2,200		0
bike racks, allow		8 no	1,200.00	9,600	4	4,800	4	4,800		0		0		0		0
furnishings - nic		m2	0.00	0		0		0		0		0		0		0
Subtotal Improvements				18,400	0	7,000	0	7,000	0	2,200	0	0	0	2,200	0	0
Planting																
sod	+	843 m2	20.00	16,860	115	2,300	255	5,100	270	5,400		0	203	4,060		0
shrubs		35 no	75.00	2,625	13	975	7	525	7	525		0	8	600		0
trees		12 no	1,000.00	12,000	2	2,000	4	4,000	4	4,000		0	2	2,000		0
topsoil		128 m3	90.00	11,520	17	1,530	39	3,510	41	3,690		0	31	2,790		0
Subtotal Planting		843 m2	51.01	43,005	115	6,805	255	13,135	270	13,615	0	0	203	9,450	0	0
Total D11 Site Development		**1,488 m**	**131.98**	**196,380**	**116.15**	**48,785**	**160.69**	**56,725**	**255.13**	**40,820**	**0.00**	**0**	**625.63**	**50,050**	**0.00**	**0**
D12 Mechanical Site Services																
Building Services																

ELEMENTAL ESTIMATE

Description	Trade	Quantity		Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
water, connect to incoming city service		20,000	ls	1.00	20,000	5,000	5,000	5,000	5,000	5,000	5,000		0	5,000	5,000		0
sanitary service, connect to incoming city service		20,000	ls	1.00	20,000	5,000	5,000	5,000	5,000	5,000	5,000		0	5,000	5,000		0
gas service, connect to incoming city service		10,000	ls	1.00	10,000	2,500	2,500	2,500	2,500	2,500	2,500		0	2,500	2,500		0
electrical service, connect to incoming city service		20,000	ls	1.00	20,000	5,000	5,000	5,000	5,000	5,000	5,000		0	5,000	5,000		0
site lighting, by owner			ls	1.00	0		0		0		0		0		0		0
Subtotal Building Services					70,000	0	17,500	0	17,500	0	17,500	0	0	0	17,500	0	0
Total D12 Mechanical Site Services		**1,488**	**m**	**47.04**	**70,000**	**41.67**	**17,500**	**49.58**	**17,500**	**109.38**	**17,500**	**0.00**	**0**	**218.75**	**17,500**	**0.00**	**0**
TOTAL D1 SITE WORK					**266,380**		**66,285**		**74,225**		**58,320**		**0**		**67,550**		**0**

ELEMENTAL ESTIMATE

Description	Trade		Quantity		Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
D2 ANCILLARY WORK																		
D21 Demolition																		
Demolition																		
interior demolition, gut		+	245	m2	100.00	24,500		0		0		0	105	10,500		0	140	14,000
existing minor work		+	175	m2	25.00	4,375		0		0		0	105	2,625		0	70	1,750
hazardous abatement not included				ls	0.00	0		0		0		0		0		0		0
Subtotal Demolition			420	m2	68.75	28,875	0	0	0	0	0	0	210	13,125	0	0	210	15,750
Total D21 Demolition			**1,488**	**m**	**19.41**	**28,875**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**51.47**	**13,125**	**0.00**	**0**	**71.59**	**15,750**
TOTAL D2 ANCILLARY WORK						**28,875**		**0**		**0**		**0**		**13,125**		**0**		**15,750**

ELEMENTAL ESTIMATE

Description	Trade		Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
DIRECT CONSTRUCTION COST					3,692,623		1,278,069		1,141,819		528,777		177,059		358,508		208,391
Z1 GENERAL REQUIREMENTS																	
Z11 General Requirements																	
Indirects (GC, GR, Ins, Permits, etc)																	
Indirects (GC, GR, Ins, Permits, etc)	+	8.0%	ls		295,410	8.0%	102,246	8.0%	91,346	8.0%	42,302	8.0%	14,165	8.0%	28,681	8.0%	16,671
Subtotal Indirects (GC, GR, Ins, Permits, etc)		0	ls		295,410	0	102,246	0	91,346	0	42,302	0	14,165	0	28,681	0	16,671
Total Z11 General Requirements		1,488	m		295,410	243.44	102,246	258.77	91,346	264.39	42,302	55.55	14,165	358.51	28,681	75.78	16,671
Z12 Fee																	
Profit/Fee/Risk																	
Profit/Fee/Risk	+	2.5%	ls		92,316	2.5%	31,952	2.5%	28,545	2.5%	13,219	2.5%	4,426	2.5%	8,963	2.5%	5,210
Subtotal Profit/Fee/Risk		0	ls		92,316	0	31,952	0	28,545	0	13,219	0	4,426	0	8,963	0	5,210
Total Z12 Fee		1,488	m		92,316	76.08	31,952	80.87	28,545	82.62	13,219	17.36	4,426	112.03	8,963	23.68	5,210
TOTAL Z1 GENERAL REQUIREMENTS					387,725		134,197		119,891		55,522		18,591		37,643		21,881

ELEMENTAL ESTIMATE

Description	Trade		Quantity		Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Z2 CONTINGENCIES																		
Z21 Design Contingency																		
Design Stage Contingency																		
Design Stage Contingency	+	2.8%	ls		101,952		2.5%	31,952	2.5%	28,545	2.5%	13,219	5.0%	8,853	2.5%	8,963	5.0%	10,420
Subtotal Design Stage Contingency		0	ls		101,952		0	31,952	0	28,545	0	13,219	0	8,853	0	8,963	0	10,420
Total Z21 Design Contingency		**1,488**	**m**		**101,952**		**76.08**	**31,952**	**80.87**	**28,545**	**82.62**	**13,219**	**34.72**	**8,853**	**112.03**	**8,963**	**47.36**	**10,420**
Z22 Escalation Contingency																		
Escalation Contingency																		
Escalation Contingency	+	.0%	ls		0		.0%	0	.0%	0	.0%	0	.0%	0	.0%	0	.0%	0
Subtotal Escalation Contingency			ls		0		0	0	0	0	0	0	0	0	0	0	0	0
Bidding Contingency																		
Bidding Contingency	+	.0%	ls		0		.0%	0	.0%	0	.0%	0	.0%	0	.0%	0	.0%	0
Subtotal Bidding Contingency			ls		0		0	0	0	0	0	0	0	0	0	0	0	0
Total Z22 Escalation Contingency		**1,488**	**m**		**0**		**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
Z23 Construction Contingency																		
Construction Contingency																		
Construction Contingency	+	.0%	ls		0		.0%	0	.0%	0	.0%	0	.0%	0	.0%	0	.0%	0
Subtotal Construction Contingency			ls		0		0	0	0	0	0	0	0	0	0	0	0	0
Total Z23 Construction Contingency		**1,488**	**m**		**0**		**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
TOTAL Z2 CONTINGENCIES					101,952			31,952		28,545		13,219		8,853		8,963		10,420

ELEMENTAL ESTIMATE

Description	Trade		Quantity		Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
Z3 OTHER COSTS																		
Z31 Other Costs																		
Ancillary Costs																		
Ancillary Costs	+	.0%	ls		0		.0%	0	.0%	0	.0%	0	.0%	0	.0%	0	.0%	0
Subtotal Ancillary Costs			ls		0		0	0	0	0	0	0	0	0	0	0	0	0
Total Z31 Other Costs			**1,488 m**		**0**		**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
TOTAL Z3 OTHER COSTS					**0**		**0**		**0**		**0**		**0**		**0**		**0**	

ELEMENTAL ESTIMATE

Description	Trade	Quantity	Rate	$	01 S1 Quantity	01 S1 $	02 S2 Quantity	02 S2 $	03 S3 New Quantity	03 S3 New $	04 S3 Reno Quantity	04 S3 Reno $	04 S4 New Quantity	04 S4 New $	04 S4 Reno Quantity	04 S4 Reno $
INDIRECT CONSTRUCTION COST				489,677	166,149		148,436		68,741		27,444		46,606		32,301	
TOTAL COSTS				**4,182,300**	**1,444,218**		**1,290,256**		**597,517**		**204,503**		**405,114**		**240,692**	

Appendix 6: Market Analysis Technical Documentation

5.0 Appendix

5.1 Appendix A – Scenarios 1 & 2 (Condominium Tenure)

Development Statistics				
		Scenario 1	Scenario 2	Notes
Lot Area	*sf*	4,844	4,844	
	sm	450	450	
	ha.	0.05	0.05	
Scenario 1 (Multiplex, Mid-Block Lot)				
Gross Construction Area (GCA)				
Fourplex building (Three storeys)	*sf*	4,521	-	
	sm	420	-	
Net Saleable Area (NSA)				
Unit 1 (1-bedroom, accessible)	*sf*	639	-	
	sm	59	-	
Unit 2 (1-bedroom)	*sf*	639	-	
	sm	59	-	
Unit 3 (4-bedroom)	*sf*	1,499	-	
	sm	139	-	
Unit 4 (4-bedroom)	*sf*	1,499	-	
	sm	139	-	
Total	*sf*	4,278	-	*From 02 Concept Plans*
	sm	397	-	
Scenario 2 (Fourplex, Corner-Block Lot)				
Gross Construction Area (GCA)				
Fourplex building (Three storeys)	*sf*	-	3,800	
	sm	-	353	
Net Saleable Area (NSA)				
Unit 1 (1-bedroom, accessible)	*sf*	-	541	
	sm	-	50	
Unit 2 (2-bedroom)	*sf*	-	666	
	sm	-	62	
Unit 3 (2-bedroom + den)	*sf*	-	1,170	
	sm	-	109	
Unit 4 (3-bedroom + den)	*sf*	-	1,257	
	sm	-	117	
Total	*sf*	-	3,635	
	sm	-	338	

Development Assumptions				
		Scenario 1	Scenario 2	Notes
Revenue				
Residential Unit Price				
1-bedroom	*$*	$425,000	$400,000	*NBLC Assumption.*
2-bedroom	*$*	-	$500,000	*NBLC Assumption.*
2-bedroom + den	*$*	-	$650,000	*NBLC Assumption.*
3-bedroom + den	*$*	-	$675,000	*NBLC Assumption.*
4-bedroom	*$*	$725,000	-	*NBLC Assumption.*
Residential Unit Price at Time of Sale				
1-bedroom	*$*	$450,883	$424,360	*NBLC Assumption.*
2-bedroom	*$*	-	$530,450	*NBLC Assumption.*
2-bedroom + den	*$*	-	$689,585	*NBLC Assumption.*
3-bedroom + den	*$*	-	$716,108	*NBLC Assumption.*
4-bedroom	*$*	$769,153	-	*NBLC Assumption.*
Price Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Time to Sale	*Years*	2.0	2.0	*NBLC Assumption.*
Parking Sale Price	*$ Per Space*	-	-	*NBLC Assumption - Parking Included.*
Costs				
Hard Costs				
Above Grade Hard Construction	*$ psf*	$356	$378	*Vermeulens May 21, 2024 estimate. Inclusive of site preparation, hardscaping, landscaping, parking, site servicing, design contingency. Cost escalation not included.*
Above Grade Hard Construction	*$ PSM*	$3,836	$4,069	*Vermeulens May 21, 2024 estimate. Inclusive of site preparation, hardscaping, landscaping, parking, site servicing, design contingency, and demolition (where applicable). Cost escalation not included.*
Construction Contingency	*% of total hard costs*	5%	5%	*NBLC Assumption.*
Hard Cost Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Soft Costs				
Municipal and Education Dev't Charges				
Studio & 1-bedrooms	*$ per unit*	$26,188	$26,188	*Per City of Guelph By-Law*
2-bedrooms +	*$ per unit*	$34,480	$34,480	*Per City of Guelph By-Law*
Planning Fees	*$*	-	-	*Not applicable. As-of right development, will move straight to building permit.*
Building Permit Fee	*$ psf*	$2.10	$2.10	*Per City of Guelph By-Law*

Development Assumptions - Continued				
		Scenario 1	Scenario 2	Notes
Community Benefits Charge	*% of land value*	-	-	*Not applicable, as project is less than 10 units and less than 5 storeys.*
Parkland Dedication	*% of land value*	5%	5%	*Per City of Guelph.*
Demolition Permit	*$ psf*	$0.05	$0.05	*$390 minimum.*
Property Taxes	*% of land value*	1.32%	1.32%	*Per City - Most likely RT class. Property would be assesed by MPAC, who would also assign the class.*
Legal Fees	*$ per unit*	$1,000	$1,000	*NBLC Assumption.*
Development/Construction Management	*% of hard costs*	2.0%	2.0%	*NBLC Assumption.*
Consultants	*% of hard costs*	1.0%	1.0%	*NBLC Assumption.*
Marketing	*% of hard costs*	0.0%	0.0%	*NBLC Assumption.*
Insurance	*% of hard costs*	0.5%	0.5%	*NBLC Assumption.*
Lender's Administrative Fee	*% of total costs (before financing)*	0.40%	0.40%	*NBLC Assumption.*
HST	*% of total costs (before financing)*	13%	13%	
Development Rates & Timing				
Developer Profit	*% of total revenue*	12%	12%	*NBLC Assumption.*
Discount Rate	*per year*	7%	7%	*NBLC Assumption.*
Years to Land Sale	*years*	0.0	0.0	*NBLC Assumption.*
Approvals Timelines	*years*	0.5	0.5	*NBLC Assumption.*
Total - Pre-Construction Period	*years*	0.5	0.5	*NBLC Assumption.*
Total - Construction Period	*years*	1.5	1.5	*NBLC Assumption.*
Total - Time to Completion from Today	*years*	2.0	2.0	*NBLC Assumption.*
Construction Financing Rates & Timing				
Interest Rate	*%*	7.45%	7.45%	*Bank of Canada Prime Rate (June 11th, 2024) + 0.5%*
Repayment Term	*years*	2	2	*NBLC Assumption.*
Loan-to-Cost Ratio	*% of total costs*	50%	50%	*NBLC Assumption.*

Revenue Calculations				
		Scenario 1	Scenario 2	Notes
Revenue from Sale of Units	*$*	$2,440,070	$2,360,503	
Revenue from Sale of Parking	*$*	$0	$0	
Total Gross Revenue	*$*	$2,440,070	$2,360,503	
Less: HST	*$*	-$364,608	-$352,719	
Total Net Revenue	*$*	$2,075,462	$2,007,784	
	$ per unit	$518,865	$501,946	
	$ per sf GCA	$459	$528	

Cost Calculations				
		Scenario 1	Scenario 2	Notes
Hard Costs				
Above Grade Hard Construction	*$*	$1,635,108	$1,457,743	
Demolition	*$*	$25,000	$25,000	*NBLC Assumption.*
Construction Contingency	*$*	$83,005	$74,137	
Total Hard Costs	*$*	$1,743,114	$1,556,880	
	$ per unit	$435,778	$389,220	
Soft Costs				
Municipal and Education Development Charges	*$*	$121,336	$129,628	
Credit: Demolition of Existing House	*$*	-$55,291	-$55,291	*City of Guelph. Equivalent to current DC of a single/semi-detached dwelling.*
Planning Fees	*$*	$0	$0	
Building Permit Fee	*$*	$9,494	$7,979	
Parkland Dedication	*$*	$37,500	$37,500	
Demolition Permit	*$*	$75	$75	Assuming an existing house of 1,500 sf was demolished.
Property Taxes	*$*	$19,800	$19,800	
Legal Fees	*$*	$4,000	$4,000	
Development/Construction Management	*$*	$34,862	$31,138	
Consultants	*$*	$17,431	$15,569	
Marketing	*$*	$0	$0	
Insurance	*$*	$8,716	$7,784	
Total Soft Costs	*$*	$197,923	$198,182	
	$ per unit	$49,481	$49,546	
	$ psf of GCA	$44	$52	

Cost Calculations				
		Scenario 1	Scenario 2	Notes
HST	*$*	$0	$0	
Total Costs Before Financing				
Financing Costs				
Lender's Administrative Fee	*$*	$7,764	$7,020	
Construction Loan Financing Costs	*$*	$70,639	$63,871	
Total Financing Costs	*$*	$78,403	$70,891	
Total Costs	*$*	$2,019,439	$1,825,953	
	$ per unit	$504,860	$456,488	
	$ psf of GCA	$447	$481	

Developer/Landowner Profit				
		Scenario 1	Scenario 2	Notes
Total Profit	*$*	$292,808	$283,260	
	$ per unit	$73,202	$70,815	
	$ psf of GCA	$65	$75	

RLV Summary				
		Scenario 1	Scenario 2	Notes
RLV at Completion (FV)	*$*	-$236,786	-$101,430	
	$ per unit	-$59,196	-$25,357	
	$ psf of GCA	-$52	-$27	
Time from Permit to Completion	*years*	1.5	1.5	
RLV at Permit (FV)	*$*	-$213,934	-$91,641	
	$ per unit	-$53,483	-$22,910	
	$ psf of GCA	-$47	-$24	
Time from Today to Completion		2.0	2.0	
RLV at Completion (PV)	*$*	-$206,818	-$88,593	
	$ per unit	-$51,704	-$22,148	
	$ psf of GCA	-$46	-$23	

5.2 Appendix B – Scenarios 1 & 2 (Rental Fourplex)

Development Statistics				
		Scenario 1	Scenario 2	Notes
Lot Area	*sf*	4,844	4,844	*From 02 Concept Plans*
	sm	450	450	
	ha.	0.05	0.05	
Scenario 1 (Multiplex, Mid-Block Lot)				
Gross Construction Area (GCA)				
Fourplex building (Three storeys)	*sf*	4,521	-	
	sm	420	-	
Gross Leaseable Area (GLA)				
Unit 1 (1-bedroom, accessible)	*sf*	639	-	
	sm	59	-	
Unit 2 (1-bedroom)	*sf*	639	-	
	sm	59	-	
Unit 3 (4-bedroom)	*sf*	1,499	-	
	sm	139	-	
Unit 4 (4-bedroom)	*sf*	1,499	-	
	sm	139	-	
Total	*sf*	4,278	-	
	sm	397	-	
Scenario 2 (Fourplex, Corner-Block Lot)				
Gross Construction Area (GCA)				
Fourplex building (Three storeys)	*sf*	-	3,800	
	sm	-	353	
Gross Leaseable Area (GLA)				
Unit 1 (1-bedroom, accessible)	*sf*	-	541	
	sm	-	50	
Unit 2 (2-bedroom)	*sf*	-	666	
	sm	-	62	
Unit 3 (2-bedroom + den)	*sf*	-	1,170	
	sm	-	109	
Unit 4 (3-bedroom + den)	*sf*	-	1,257	
	sm	-	117	
Total	*sf*	-	3,635	
	sm	-	338	

Development Assumptions				
		Scenario 1	Scenario 2	Notes
Revenue				
Residential Unit Rent				
1-bedroom	*$*	$2,075	$1,800	*NBLC Assumption.*
2-bedroom	*$*	-	$2,250	*NBLC Assumption.*
2-bedroom + den	*$*	-	$2,950	*NBLC Assumption.*
3-bedroom + den	*$*	-	$3,200	*NBLC Assumption.*
4-bedroom	*$*	$3,500	-	*NBLC Assumption.*
Residential Unit Rent at Time of Lease				
1-bedroom	*$*	$2,201	$1,910	*NBLC Assumption.*
2-bedroom	*$*	-	$2,387	*NBLC Assumption.*
2-bedroom + den	*$*	-	$3,130	*NBLC Assumption.*
3-bedroom + den	*$*	-	$3,395	*NBLC Assumption.*
4-bedroom	*$*	$3,713	-	*NBLC Assumption.*
Rent Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Time to Lease/Completion	*Years*	2.0	2.0	*NBLC Assumption.*
Operating Expense Ratio	*% of Gross Effective Income*	20%	20%	*NBLC Assumption.*
Operating Expense Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Rental Vacancy & Bad Debt	*%*	3%	3%	*NBLC Assumption.*
Cap Rate	*%*	4.5%	4.5%	*CBRE Q1 2024 Cap Rate Report, Waterloo, Low-Rise Multi-Residential, Mid-Point of Range*
Parking Rent	*$ per space*	-	-	*NBLC Assumption - Parking Included in Rent*
Costs				
Hard Costs				
Above Grade Hard Construction	*$ psf*	$356	$378	*Vermeulens May 21, 2024 estimate. Inclusive of site preparation, hardscaping, landscaping, parking, site servicing, design contingency. Cost escalation not included.*
Above Grade Hard Construction	*$ PSM*	$3,836	$4,069	*Vermeulens May 21, 2024 estimate. Inclusive of site preparation, hardscaping, landscaping, parking, site servicing, design contingency, and demolition (where applicable). Cost escalation not included.*
Construction Contingency	*% of total hard costs*	5%	5%	*NBLC Assumption.*
Hard Cost Escalation	*% annually*	3%	3%	*NBLC Assumption.*

Development Assumptions - Continued				
		Scenario 1	Scenario 2	Notes
Soft Costs				
Municipal and Education Dev't Charges				
Studio & 1-bedrooms	*$ per unit*	$26,188	$26,188	*Per City of Guelph By-Law*
2-bedrooms +	*$ per unit*	$34,480	$34,480	*Per City of Guelph By-Law*
Planning Fees	*$*	-	-	*Not applicable. As-of right development, will move straight to building permit.*
Building Permit Fee	*$ psf*	$2.10	$2.10	*Per City of Guelph By-Law*
Community Benefits Charge	*% of land value*	-	-	*Not applicable, as project is less than 10 units and less than 5 storeys.*
Parkland Dedication	*% of land value*	5%	5%	*Per City of Guelph.*
Property Taxes	*% of land value*	1.32%	1.32%	*City of Guelph. Most likely RT class. Property would be assesed by MPAC, who would also assign the class.*
Demolition Permit	*$ psf*	$0.05	$0.05	*$390 minimum.*
Legal Fees	*$ per unit*	$1,000	$1,000	*NBLC Assumption.*
Development/Construction Management	*% of hard costs*	2.0%	2.0%	*NBLC Assumption.*
Consultants	*% of hard costs*	1.0%	1.0%	*NBLC Assumption.*
Marketing	*% of hard costs*	0.0%	0.0%	*NBLC Assumption.*
Insurance	*% of hard costs*	0.5%	0.5%	*NBLC Assumption.*
Lender's Administrative Fee	*% of total costs (before financing)*	0.40%	0.40%	*NBLC Assumption.*
HST	*% of total costs (before financing)*	0%	0%	*HST exempt as meets federal and provincial sales tax rebate minimum of four private units.*
Development Rates & Timing				
Developer Profit	*% of total revenue*	12%	12%	*NBLC Assumption.*
Discount Rate	*per year*	7%	7%	*NBLC Assumption.*
Years to Land Sale	*years*	0.0	0.0	*NBLC Assumption.*
Approvals Timelines	*years*	0.5	0.5	*NBLC Assumption.*
Total - Pre-Construction Period	*years*	0.5	0.5	*NBLC Assumption.*
Total - Construction Period	*years*	1.5	1.5	*NBLC Assumption.*
Total - Development Period	*years*	2.0	2.0	*NBLC Assumption.*
Total - Time to Stabilized Occupancy From Today	*years*	3.0	3.0	*NBLC Assumption.*

Development Assumptions - Continued				
		Scenario 1	Scenario 2	Notes
Construction Financing Rates & Timing				
Interest Rate	*%*	7.45%	7.45%	*Bank of Canada Prime Rate (June 11th, 2024) + 0.5%*
Repayment Term	*years*	2	2	*NBLC Assumption.*
Loan-to-Cost Ratio	*% of total costs*	50%	50%	*NBLC Assumption.*

Revenue Calculations				
		Scenario 1	Scenario 2	Notes
Gross Potential Revenue	*$*	$141,948	$129,854	
Vacancy & Bad Debt	*$*	$4,258	$3,896	
Gross Effective Revenue	*$*	$137,690	$125,959	
Operating Expenses	*$*	$27,538	$25,192	
Net Operating Income	*$*	$110,152	$100,767	
Capitalized Rental Value / Total Revenue	*$*	$2,447,822	$2,239,263	
	$ per unit	$611,955	$559,816	
	$ psf of GCA	$541	$589	

Cost Calculations				
		Scenario 1	Scenario 2	Notes
Hard Costs				
Above Grade Hard Construction	*$*	$1,635,108	$1,457,743	
Demolition	*$*	$25,000	$25,000	
Construction Contingency	*$*	$83,005	$74,137	
Total Hard Costs	*$*	$1,743,114	$1,556,880	
	$ per unit	$435,778	$389,220	
	$ psf of GCA	$386	$410	
Soft Costs				
Municipal and Education Development Charges	*$*	$121,000	$130,000	
Credit: Demolition of Existing House	*$*	-$55,291	-$55,291	*City of Guelph. Equivalent to current DC of a single/semi-detached dwelling.*
Credit: Discount for Rental Housing Dev't	*$*	-$25,096	-$26,340	*25% reduction for three of more bedroom units, 20% for two bedroom units, 15% for all other number of bedrooms in a unit.*
Planning Fees	*$*	$0	$0	
Building Permit Fee	*$*	$9,494	$7,979	
Parkland Dedication	*$*	$9,310	$9,753	
Demolition Permit	*$*	$75	$75	Assuming an existing house of 1,500 sf was demolished.
Property Taxes	*$*	$4,752	$4,978	
Legal Fees	*$*	$4,000	$4,000	
Development/Construction Management	*$*	$34,862	$31,138	
Consultants	*$*	$17,431	$15,569	
Marketing	*$*	$0	$0	
Insurance	*$*	$8,716	$7,784	
Total Soft Costs	*$*	$129,252	$129,646	
	$ per unit	$32,313	$32,411	
	$ psf of GCA	$29	$34	
HST	*$*	-	-	
Total Costs Before Financing	*$*	$1,872,366	$1,686,526	

Cost Calculations - Continued				
		Scenario 1	Scenario 2	Notes
Financing Costs				
Lender's Administrative Fee	*$*	$7,489	$6,746	
Construction Loan Financing Costs	*$*	$68,140	$61,376	
Total Financing Costs	*$*	$75,629	$68,123	
Total Costs	*$*	$1,947,995	$1,754,649	
	$ per unit	$486,999	$438,662	
	$ psf of GCA	$431	$462	

Developer/Landowner Profit				
		Scenario 1	Scenario 2	Notes
Total Profit	*$*	$293,739	$268,712	
	$ per unit	$73,435	$67,178	
	$ psf of GCA	$65	$71	

RLV Summary				
		Scenario 1	Scenario 2	Notes
Total Residual Land Value (FV)	*$*	$206,088	$215,903	
	$ per unit	$51,522	$53,976	
	$ psf of GCA	$46	$57	
Time from Permit to Completion	*years*	1.5	1.5	
RLV at Permit (PV)	*$*	$186,199	$195,066	
	$ per unit	$46,550	$48,767	
	$ psf of GCA	$41	$51	
Time from Today to Completion		2.0	2.0	
RLV at Completion (PV)	*$*	$180,005	$188,578	
	$ per unit	$45,001	$47,144	
	$ psf of GCA	$40	$50	

5.3 Appendix C – Scenarios 3 & 4 (ADUs)

Development Statistics				
		Scenario 3	Scenario 4	Notes
Lot Area	*sf*	6,200	6,200	*From 02 Concept Plans*
	sm	576	576	
	ha.	0.06	0.06	
Scenario 3 (Two-Unit Primary Structure + Two-Unit Secondary Structure)				
GCA				
Main Building (two storeys)	*sf*	2,745	-	
	sm	255	-	
ADU Building (two storeys)	*sf*	1,722	-	
	sm	160	-	
Total	*sf*	4,467	-	
	sm	415	-	
Gross Leaseable Area (GLA)				
Unit 1 (3-bedroom + den, upper level, main building)	*sf*	1,238	-	
	sm	115	-	
Unit 2 (3-bedroom, ground level, main building)	*sf*	1,023	-	
	sm	95	-	
Unit 3 (2-bedroom, ground level ADU)	*sf*	811	-	
	sm	75	-	
Unit 4 (2-bedroom, upper level ADU)	*sf*	800	-	
	sm	74	-	
Total	*sf*	3,871	-	
	sm	360	-	
Scenario 4 (Three-Unit Primary Structure + Single-Unit Secondary Structure)				
GCA				
Main Building (two storeys)	*sf*	-	2,368	
	sm	-	220	
ADU Building (two storeys)	*sf*	-	861	
	sm	-	80	
Total	*sf*	-	3,229	
	sm	-	300	
GLA				
Unit 1 (4-bedroom, upper level, main building)	*sf*	-	1,184	
	sm	-	110	
Unit 2 (1-bedroom, ground level, main building)	*sf*	-	431	
	sm	-	40	
Unit 3 (2-bedroom + den, ground level, main building)	*sf*	-	646	
	sm	-	60	
Unit 4 (2-bedroom, 2-storey ADU)	*sf*	-	789	
	sm	-	73	
Total	*sf*	-	3,049	
	sm	-	283	

Development Assumptions				
		Scenario 3	Scenario 4	Notes
Revenue				
Residential Unit Rent				
Main Structure				
1-bedroom	*$*	-	$1,500	*NBLC Assumption.*
2-bedroom + den	*$*	-	$2,225	*NBLC Assumption.*
3-bedroom	*$*	$2,700	-	*NBLC Assumption.*
3-bedroom + den	*$*	$2,900	-	
4-bedroom	*$*	-	$2,850	
ADU Structure				
2-bedroom (811-sf, ground-level ADU)	*$*	$2,375	-	*NBLC Assumption.*
2-bedroom (800-sf, second-level ADU)	*$*	$2,375	-	*NBLC Assumption.*
2-bedroom (799-sf, two-level ADU)	*$*	-	$2,450	*NBLC Assumption.*
Residential Unit Rent at Time of Lease				
Main Structure				
1-bedroom	*$*	-	$1,591	*NBLC Assumption.*
2-bedroom + den	*$*	-	$2,361	*NBLC Assumption.*
3-bedroom	*$*	$2,864	-	*NBLC Assumption.*
3-bedroom + den	*$*	$3,077	-	
4-bedroom	*$*	-	$3,024	
ADU Structure				
2-bedroom (811-sf, ground-level ADU)	*$*	$2,520	-	*NBLC Assumption.*
2-bedroom (800-sf, second-level ADU)	*$*	$2,520	-	*NBLC Assumption.*
2-bedroom (799-sf, two-level ADU)	*$*	-	$2,599	*NBLC Assumption.*
Rental Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Time to Lease/Completion	*Years*	2.0	2.0	*NBLC Assumption.*
Operating Expense Ratio	*% of Gross Effective Income*	20%	20%	*NBLC Assumption.*
Operating Expense Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Rental Vacancy & Bad Debt	*%*	3%	3%	*NBLC Assumption.*
Cap Rate	*%*	4.5%	4.5%	*CBRE Q1 2024 Cap Rate Report, Waterloo, Low-Rise Multi-Residential, Mid-Point of Range*
Rental Period Observed	*Years*	10	10	*NBLC Assumption.*
Parking Rent	*$ Per Space*	-	-	*NBLC Assumption - Parking Included in Rent.*

Development Assumptions				
		Scenario 3	Scenario 4	Notes
Costs				
Hard Costs				
Main Building Conversion Cost	*$ psf*	$75	$102	*Vermeulens estimate. Inclusive of site preparation, hardscaping, landscaping, parking, site servicing, design contingency, and demolition (for main structure). Cost escalation not included.*
ADU Building Construction Cost	*$ psf*	$393	$526	*Vermeulens estimate. Inclusive of site preparation, hardscaping, landscaping, parking, site servicing, design contingency, and demolition (for main structure). Cost escalation not included.*
Construction Contingency	*% of total hard costs*	5%	5%	*NBLC Assumption.*
Hard Cost Escalation	*% annually*	3%	3%	*NBLC Assumption.*
Soft Costs				
Municipal and Education Dev't Charges				
Studio & 1-bedrooms	*$ per unit*	$26,188	$26,188	*Per City of Guelph By-Law*
2-bedrooms +	*$ per unit*	$34,480	$34,480	*Per City of Guelph By-Law*
Planning Fees	*$ psf*	-	-	*Not applicable. As-of right development, will move straight to building permit.*
Building Permit Fee				
For Main Building Interior Renovations	*$ psf*	$0.45	$0.45	*City of Guelph.*
For ADU Structure	*$ psf*	$1.62	$1.62	*City of Guelph.*
Community Benefits Charge	*% of land value*	-	-	*Not applicable, as project is less than 10 units and less than 5 storeys.*
Parkland Dedication	*% of land value*	-	-	*City of Guelph. This By-law does not apply to the following classes of Development or Redevelopment: Development or Redevelopment consisting solely of an Additional Residential Dwelling Unit permitted by the City's Official Plan or Zoning By-law.*

Development Assumptions - Continued				
		Scenario 3	Scenario 4	Notes
Property Taxes	*% of land value*	0.00%	0.00%	*Homeowner will continue to pay property taxes as they currently do.*
ADU Registration Fee	*$ per ADU unit*	$160	$160	*City of Guelph. Assuming new and owner-occupied ADUs.*
Legal Fees	*$ per ADU unit*	$1,000	$1,000	*NBLC Assumption.*
Development/Construction Management	*% of total hard costs*	1.5%	1.5%	*NBLC Assumption.*
Consultants	*% of total hard costs*	1.0%	1.0%	*NBLC Assumption.*
Marketing	*% of total hard costs*	0.0%	0.0%	*NBLC Assumption.*
Insurance	*% of total hard costs*	0.0%	0.0%	*NBLC Assumption.*
Lender's Administrative Fee	*% of total hard costs*	0.00%	0.00%	*NBLC Assumption.*
HST	*% of total costs*	0%	0%	*HST exempt as meets federal and provincial sales tax rebate minimum of four private units.*
Development Rates & Timing				
Discount Rate	*per year*	7%	7%	*NBLC Assumption.*
Years to Land Sale	*years*	0.0	0.0	*NBLC Assumption.*
Approvals Timelines	*years*	0.5	0.5	*NBLC Assumption.*
Total - Pre-Construction Period	*years*	0.5	0.5	*NBLC Assumption.*
Total - Construction Period	*years*	1.5	1.5	*NBLC Assumption.*
Total - Development Period / Time to Completion	*years*	2.0	2.0	*NBLC Assumption.*
Construction Financing Rates & Timing				
Interest Rate	*%*	7.45%	7.45%	*Bank of Canada Prime Rate (June 11th, 2024) + 0.5%*
Construction Term	*years*	2	2	*NBLC Assumption.*
Stabilized Term	*years*	10	10	*NBLC Assumption.*
Loan-to-Cost Ratio	*% of total costs*	50%	50%	*NBLC Assumption.*

Cost Calculations				
		Scenario 3	Scenario 4	Notes
Hard Costs				
Above Grade Conversion - Main Structure	*$*	$208,925	$245,138	
Above Grade Hard Construction - ADU	*$*	$826,596	$549,869	
Contingency	*$*	$51,776	$39,750	
Total Hard Costs	*$*	$1,087,296	$834,757	
	$ per unit	$271,824	$208,689	
	$ psf of GCA	$243	$259	
Soft Costs				
Municipal and Education Development Charges	*$*	$34,480	$34,480	*First 2 Units Exempt from DC, 1 Existing*
Credit: Discount for Rental Housing Dev't	*$*	-$8,620	-$8,620	*25% reduction for three of more bedroom units, 20% for two bedroom units, 15% for all other number of bedrooms in a unit.*
Planning Fees	*$*	$0	$0	
Building Permit Fee (Existing Structure)	*$*	$1,235	$1,066	
Building Permit Fee (ADU)	*$*	$2,790	$1,395	
Property Taxes	*$*	$0	$0	
Legal Fees	*$*	$4,000	$4,000	
Development/Construction Management	*$*	$16,309	$12,521	
Consultants	*$*	$10,873	$8,348	
Marketing	*$*	$0	$0	
Insurance	*$*	$0	$0	
Lender's Administrative Fee	*$*	$0	$0	
Total Soft Costs	*$*	$61,068	$53,190	
	$ per unit	$15,267	$13,297	
	$ psf of GCA	$14	$16	
HST	*$*	-	-	
Total Costs Before Financing	*$*	$1,148,364	$887,947	
Financing Costs				
Lender's Administrative Fee	*$*	$0	$0	
Construction Loan Financing Costs	*$*	$41,792	$32,314	
Total Financing Costs	*$*	$41,792	$32,314	
Total Costs	*$*	$1,190,155	$920,261	
	$ per unit	$297,539	$230,065	
	$ psf of GCA	$266	$285	

Scenario 3 Net Operating Income Over 10 Years - Homeowner Occupied										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income – Primary Structure (Only for ADU)	$34,373	$35,404	$36,466	$37,560	$38,687	$39,848	$41,043	$42,275	$43,543	$44,849
Gross Income – Secondary Structure (Two ADUs)	$60,471	$62,285	$64,154	$66,079	$68,061	$70,103	$72,206	$74,372	$76,603	$78,901
Gross Potential Income - Total	$94,844	$97,690	$100,620	$103,639	$106,748	$109,951	$113,249	$116,647	$120,146	$123,751
Operating Expenses	$18,969	$19,538	$20,124	$20,728	$21,350	$21,990	$22,650	$23,329	$24,029	$24,750
Rental Vacancy & Bad Debt	$2,845	$2,931	$3,019	$3,109	$3,202	$3,299	$3,397	$3,499	$3,604	$3,713
Net Operating Income - Before Debt	$73,030	$75,221	$77,478	$79,802	$82,196	$84,662	$87,202	$89,818	$92,513	$95,288
Debt Servicing	$66,803	$66,803	$66,803	$66,803	$66,803	$66,803	$66,803	$66,803	$66,803	$66,803
Net Operating Income - After Debt	$6,227	$8,418	$10,674	$12,999	$15,393	$17,859	$20,399	$23,015	$25,709	$28,485
Cumulative Cash Flow (At Year 10)										$169,177
Capitalized Cash Flow - Project										$2,117,509

Scenario 4 Net Operating Income Over 10 Years - Homeowner Occupied										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income – Primary Structure (Only for ADUs)	$47,422	$48,845	$50,310	$51,820	$53,374	$54,975	$56,625	$58,323	$60,073	$61,875
Gross Income - Secondary Structure (One ADU)	$31,190	$32,126	$33,090	$34,083	$35,105	$36,158	$37,243	$38,360	$39,511	$40,696
Gross Potential Income - Total	$78,613	$80,971	$83,400	$85,902	$88,479	$91,134	$93,868	$96,684	$99,584	$102,572
Operating Expenses	$15,723	$16,194	$16,680	$17,180	$17,696	$18,227	$18,774	$19,337	$19,917	$20,514
Rental Vacancy & Bad Debt	$2,358	$2,429	$2,502	$2,577	$2,654	$2,734	$2,816	$2,901	$2,988	$3,077
Net Operating Income - Before Debt	$60,532	$62,348	$64,218	$66,145	$68,129	$70,173	$72,278	$74,446	$76,680	$78,980
Debt Servicing	$55,371	$55,371	$55,371	$55,371	$55,371	$55,371	$55,371	$55,371	$55,371	$55,371
Net Operating Income - After Debt	$5,161	$6,977	$8,848	$10,774	$12,759	$14,802	$16,908	$19,076	$21,309	$23,610
Cumulative Cash Flow (At Year 10)										$140,224
Capitalized Cash Flow - Project										$1,755,116

Return on Equity			
	Scenario 3	**Scenario 4**	**Notes**
Net Rental Income (Over Ten Years - FV)	$169,177	$140,224	
Sale Price of Property at 10 Years (FV)	$2,117,509	$1,755,116	
Cumulative Rental Income + Sale Value (FV)	$2,286,685	$1,895,340	
Cumulative Rental Income + Sale Value (PV)	$1,361,065	$1,128,131	
Equity Invested	$720,137	$530,683	
Total Profit (PV)	$640,928	$597,449	
Total Return on Equity	**89%**	**113%**	
Annualized Rate of Return (Over 12 Years)	**7.4%**	**9.4%**	
Annual Yield - 10-Year Gov't of Canada Bond	**3.5%**	**3.5%**	
Return/Yield Spread	**3.9%**	**5.9%**	

Scenario 3 Net Operating Income Over 10 Years - All Units Leased (Investor)										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income – Primary Structure (Only for ADU)	$71,292	$73,431	$75,634	$77,903	$80,240	$82,648	$85,127	$87,681	$90,311	$93,021
Gross Income – Secondary Structure (Two ADUs)	$60,471	$62,285	$64,154	$66,079	$68,061	$70,103	$72,206	$74,372	$76,603	$78,901
Gross Potential Income - Total	$131,764	$135,717	$139,788	$143,982	$148,301	$152,750	$157,333	$162,053	$166,914	$171,922
Operating Expenses	$26,353	$27,143	$27,958	$28,796	$29,660	$30,550	$31,467	$32,411	$33,383	$34,384
Rental Vacancy & Bad Debt	$3,953	$4,072	$4,194	$4,319	$4,449	$4,583	$4,720	$4,862	$5,007	$5,158
Net Operating Income - Before Debt	$101,458	$104,502	$107,637	$110,866	$114,192	$117,618	$121,146	$124,781	$128,524	$132,380
Debt Servicing	$85,073	$85,073	$85,073	$85,073	$85,073	$85,073	$85,073	$85,073	$85,073	$85,073
Net Operating Income - After Debt	$16,385	$19,429	*$22,564*	$25,793	$29,119	$32,544	$36,073	$39,707	$43,451	$47,306
Cumulative Cash Flow (At Year 10)	-									$312,370
Capitalized Cash Flow - Project	-									$2,941,774

Scenario 4 Net Operating Income Over 10 Years -All Units Leased (Investor)										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income – Primary Structure (Only for ADUs)	$83,705	$86,216	$88,803	$91,467	$94,211	$97,037	$99,948	$102,947	$106,035	$109,216
Gross Income - Secondary Structure (One ADU)	$31,190	$32,126	$33,090	$34,083	$35,105	$36,158	$37,243	$38,360	$39,511	$40,696
Gross Potential Income - Total	$114,895	$118,342	$121,893	$125,549	$129,316	$133,195	$137,191	$141,307	$145,546	$149,913
Operating Expenses	$22,979	$23,668	$24,379	$25,110	$25,863	$26,639	$27,438	$28,261	$29,109	$29,983
Rental Vacancy & Bad Debt	$3,447	$3,550	$3,657	$3,766	$3,879	$3,996	$4,116	$4,239	$4,366	$4,497
Net Operating Income - Before Debt	$88,470	$91,124	$93,857	$96,673	$99,573	$102,560	$105,637	$108,806	$112,071	$115,433
Debt Servicing	$74,182	$74,182	$74,182	$74,182	$74,182	$74,182	$74,182	$74,182	$74,182	$74,182
Net Operating Income - After Debt	$14,287	$16,941	$19,675	$22,491	$25,391	$28,378	$31,455	$34,624	$37,888	$41,250
Cumulative Cash Flow (At Year 10)	-									$272,381
Capitalized Cash Flow - Project	-									$2,565,170

Cash-on-Cash Return			
	Scenario 3	**Scenario 4**	**Notes**
NOI (before debt)	$101,458	$88,470	
NOI (after debt)	$16,385	$14,287	
Land Acquisition	$750,000	$750,000	
Cash Invested (% based on DCR debt yield)	$591,592	$398,326	
Total Cash Invested	$1,341,592	$1,148,326	
Cash on Cash Return	**1.2%**	**1.2%**	

Return-On-Cost			
	Scenario 3	**Scenario 4**	**Notes**
NOI (before debt)	$101,458	$88,470	
Land Acquisition	$750,000	$750,000	
Land Acquisition	$750,000	$750,000	
Total Project Costs	$1,190,155	$920,261	
Total Project Costs + Land Acquisition	$1,940,155	$1,670,261	
Return on Cost (Going-in Cap Rate)	**5.2%**	**5.3%**	
Spread on Market Cap	**0.7%**	**0.8%**	

5.4 Appendix D - Market Research

5.4.1 Actively Marketing Projects

Surveyed Actively Marketing (New) Condominium Apartment Projects
City of Guelph, as of March 31, 2024

Map ID	Project Name	Open Date	Status[1]	Storeys	Total Units	Released Units	Total Sales	% Sold	Avg Unit Size (sf)	Available Sizing (sf)		Available Unit Pricing		Avg. $PSF[2]		Abs.[3]	
										Min	Max	Min	Max	Org.	Curr.	70%	Overall
Region of Wellington - Low, Mid, and High-Rise																	
1	Anthem at Metalworks *Fusion Homes*	Apr-22	UC	14	193	152	138	91%	830	614	1,350	$586,900	$917,900	$815	$862	23 *5*	6 *23*
2	Edgewater *Tricar Group*	Aug-21	UC	14	139	139	136	98%	1,455	1,555	1,655	$942,000	$999,900	$559	$606	37 *3*	4 *32*
Total / Average (2 Projects):				**14**	**332**	**291**	**274**	**94%**	**1,129**	**614**	**1,655**	**$586,900**	**$999,900**	**$693**	**$817**	**27**	**5**

1. Pre = Pre-Construction, UC = Under Construction, and SI = Standing Inventory

2. Avg. $PSF = Original values are based on total inventory, current values are based on remaining inventory.

3. Abs. = Average number of unit sales per month up to 70% and current date, less months off market (top number). Number of months to current date or 70% sold threshold (bottom number)

Source: Altus Data Studio, Project Marketing Materials

Pricing, Unit Sizing, and Sales Absorptions - By Unit Type

Actively Marketing (New) Condominium Apartment Projects, As of March 31, 2024

Unit Type	No. Projects	No. Units	%	No. Sales	% Sold	Available Units			
						Min Size	Max Size	Min Price	Max Price
1-Bedroom	2	55	19%	52	95%	614	665	$586,900	$626,500
1-Bedroom + Den	2	71	24%	66	93%	722	764	$647,500	$668,900
2-Bedroom	2	65	22%	60	92%	764	1,555	$741,900	$942,000
2-Bedroom + Den	2	80	27%	76	95%	1,216	1,655	$888,500	$999,900
3-Bedroom & Up	1	20	7%	20	100%	n/a	n/a	n/a	n/a
Total / Average (2 Projects):	**2**	**291**	**100%**	**274**	**94%**	**614**	**1,655**	**$586,900**	**$999,900**

Source: Altus Data Studio

Surveyed Actively Marketing (New) Townhome Projects

City of Guelph, as of March 31, 2024

Map ID	Project Name	Open Date	Status[1]	Storeys	Total Units	Released Units	Total Sales	% Sold	Avg Unit Size (sf)	Available Sizing (sf)		Available Unit Pricing		Avg. $PSF[2]		Abs.[3]	
										Min	Max	Min	Max	Org.	Curr.	70%	Overall
1	Argyle Village *Reid's Heritage Homes*	Mar-24	Pre	3	154	80	55	69%	1,113	780	1,445	$555,900	$797,900	$608	$608	n/a *n/a*	55 *1*
2	Marquis Modern Towns *Reid's Heritage Properties*	May-23	Pre	3	96	96	52	54%	955	901	1,008	$609,900	$655,900	$649	$698	n/a *n/a*	5 *10*
Total / Average (2 Projects):				**3**	**250**	**176**	**107**	**61%**	**1,026**	**780**	**1,445**	**$555,900**	**$797,900**	**$631**	**$666**	**n/a**	**9**

1. Pre = Pre-Construction, UC = Under Construction, and SI = Standing Inventory

2. Avg. $PSF = Original values are based on total inventory, current values are based on remaining inventory.

3. Abs. = Average number of unit sales per month up to 70% and current date, less months off market (top number). Number of months to current date or 70% sold threshold (bottom number)

Source: Altus Data Studio, Project Marketing Materials

Pricing, Unit Sizing, and Sales Absorptions - By Unit Type Actively Marketing (New) Townhome Projects, As of March 31, 2024									
Unit Type	No. Projects	No. Units	%	No. Sales	% Sold	Available Units			
						Min Size	Max Size	Min Price	Max Price
2-Bedroom	2	176	100%	107	61%	780	1,445	$555,900	$797,900
Total / Average (2 Projects):	**2**	**176**	**100%**	**107**	**61%**	**780**	**1,445**	**$555,900**	**$797,900**
Source: Altus Data Studio									

5.4.2 Resale Units

Resale Transactions, Average Sale Price April 2023 to April 2024							
Building Type	**Total Leases**	**0B**	**1B**	**2B**	**3B**	**4B**	**All**
Townhouse	8	-	-	$633,500	$632,750	-	$656,250
Stacked Townhouse	3	-	-	$560,100	-	-	$630,033
Low-Rise Apartment	45	-	$400,200	$523,447	$542,654	-	$499,722
Mid-Rise Apartment	23	-	$542,750	$556,250	-	-	$578,120
All	**79**	**-**	**$463,556**	**$538,369**	**$572,487**	**-**	**$543,346**

Resale Transactions, Average Price Per Square Foot April 2023 to April 2024							
Building Type	**Total Leases**	**0B**	**1B**	**2B**	**3B**	**4B**	**All**
-	-	0	19	28	24	8	79
Townhouse	8	-	-	$603	$544	$576	$560
Stacked Townhouse	3	-	-	$862	-	$472	$602
Low-Rise Apartment	45	-	$678	$609	$615	-	$631
Mid-Rise Apartment	23	-	$736	$600	$554	$529	$620
All	**79**	**-**	**$704**	**$617**	**$587**	**$520**	**$619**

5.4.3 Purpose-Built Rentals

Surveyed Purpose-Built Rental Apartment Projects As of April 2024									
Map ID	Project Name	Occ. Date	Storeys	Units	Available Units[1]	Availability Rate	Available Units[2]		
							Avg Rent	Avg Size	Avg $PSF
1	Urbn Lofts	2021	6	93	2	2.2%	$2,152	454	$4.81
2	Parkwood Place	2019	4	161	9	5.6%	$2,467	878	$2.88
3	The Chelsea	2019	4	52	6	11.5%	$2,343	785	$3.00
4	996 Paisley Road	2018	8	126	3	2.4%	$2,624	927	$2.90
5	1020 Paisley Road	2017	8	126	7	5.6%	$2,496	808	$3.11
6	1042 Paisley Road	2017	10	180	4	2.2%	$2,370	772	$3.07
Total / Average (6 Projects):			**7**	**738**	**31**	**4.2%**	**$2,432**	**808**	**$3.01**
Source: On-Site Leasing Agents and Project Marketing Materials., Zonda Urban.									

Surveyed Purpose-Built Rental Apartment Projects Available Suite Mix, As of April 2024				
Unit Type	Available Units[1]	Available Units		
		Avg Rent[2]	Avg Size	Avg $PSF[2]
Studio	1	$2,074	392	$5.29
One-Bedroom	22	$2,360	749	$3.18
Two-Bedroom	7	$2,619	992	$2.64
Two-Bedroom + Den	1	$3,056	1230	$2.48
Total / Average:	**31**	**$2,432**	**808**	**$3.10**
Source: On-Site Leasing agents and Project Marketing Materials.				

1 = 'Available units' refer to units that are vacant or will be vacant in the coming months (e.g. currently occupied but tenant has given notice, undergoing renovations, etc.).
2 = Average monthly and per square foot rents have been adjusted to include heat and water and excluding hydro.

5.4.4 Privately Leased Units

Private Rentals By Unit Type April 2023 to April 2024								
Unit Type	Listed			Leased				LLR[1]
	Units	Avg. List Price	Avg. Size (sf)	Units	Avg. Lease Price	Avg. Size (sf)	Avg. $PSF	
1-Bedroom	10	$1,886	688	7	$1,907	713	$2.98	70%
2-Bedroom	30	$2,614	1,083	24	$2,626	1,114	$2.41	80%
3-Bedroom	22	$3,101	1,388	20	$3,155	1,428	$2.31	91%
4-Bedroom	8	$3,600	1868	3	$2,900	1,794	$1.63	38%
Total/Average:	**70**	**$2,776**	**1,214**	**54**	**$2,744**	**1,216**	**$2.40**	**77%**

Note: Prices have been adjusted to include heat and exclude water and hydro.

1. LLR = Lease-to-Listing Ratio

Source: Altus Data Studio and Toronto Real Estate Board's Multiple Listing Service.

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