

City of Guelph Affordable Housing Community Improvement Plan (CIP)

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Infrastructure, Development, Environment
Council Planning Meeting - February 11, 2025

AGENDA

1. Review of programs
2. Updates from November 13 council planning meeting
3. Review of compliance requirements
4. Next steps

Affordability Thresholds

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

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

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

Source: [Municipal development and community benefits charges, and parklands | ontario.ca](https://www.ontario.ca/government/municipal-development-and-community-benefits-charges-and-parklands)

Vacant Unit Renewal Grant

(Previously Vacant Residential Unit and Vacant Space Conversion Grant)

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

Up to \$100K per affordable unit and up to an additional \$20K for accessibility features. Grant paid at the time of building permit approval.

Eligible projects

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

New Affordable Housing Unit Grant

(Previously New Affordable Residential Unit Grant)

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

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

Eligible projects

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

Additional Dwelling Unit (ADU) Grant

Homeowner Stream

Up to \$20K grant with up to an additional \$20K if infrastructure upgrades. An additional \$10K for accessibility features.

New construction only and applicant must live on the property

Must remain affordable for 15 years.

Project/Developer Stream

Up to \$10k grant per unit with an additional \$20k for infrastructure upgrades and \$10k for accessibility features.

New construction only, maximum six units per applicant

Must remain affordable for 15 years.

Program Updates Following November 13 Council Planning Meeting

- Removed minimum unit size requirements from all programs
- Removal of minimum number of ADUs required to participate in the developer/project stream of the Additional Dwelling Unit Grant
- Review of the affordability length requirements
- Review of the differences between the federal and provincial approach to affordability
- Confirm that the Guelph Greener Homes Grant can be stacked with the ADU grant

Council Motion 1

“That staff consider the feasibility to develop a deferral of Property Tax through incremental tax financing (TIF) program for non-profit developers who are building affordable home ownership projects, to be recovered when homes are re-sold or rented, as part of the Affordable Housing Strategy.”

- The New Affordable Housing Unit Grant program provides a \$25K grant as an upfront property tax rebate and is open to non-profit organizations
- Adding an additional tax increment grant to the existing proposed program would cause the same increment to be provided twice.

Council Motion 2

“That Staff consider the feasibility to develop a program for non-profit affordable housing developers that allows a no interest deferral of municipal application and permit fees prior to building permit, which would be payable in full, prior to issuance of the building permit, as part of the Affordable Housing Strategy.”

- Under the Housing Affordability Strategy presented to Council and approved on December 10, 2024, action item (2.2.1) staff are exploring new tools for creative financing for affordable housing.
- Consideration of deferral of municipal application and permit fees will be undertaken as part of that review, but in the meantime, the proposed grant program would provide a source of up front funds to support these development costs.

Ensuring Compliance

- Annual affordability declaration by grant recipient, verified by staff
- A registration on the title of the property for all grants
- A collateral mortgage for grants \$100K or more
- Penalties and repayment requirements for non-compliance

Next Steps

- 20-day appeal period
- With no appeal, application portal open early March
- Communications strategy to target non-profit and for-profit developers and home builders as well as residents for ADUs