

Affordable Housing Community Improvement Plan (CIP) – Additional Dwelling Unit (ADU) Grant Program Amendment

Statutory Public Meeting and Decision Meeting– Council Presentation

December 9, 2025

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Guelph's Affordable Housing Community Improvement Plan (CIP)

- An initiative under the Housing Accelerator Fund (HAF) Program
- Approved February 2025
- To provide financial incentives to develop affordable housing
- Three programs under the CIP – one is the ADU Grant Program (funded through HAF)
- Staff expect these program enhancements to facilitate building more affordable housing units faster

Additional Dwelling Unit (ADU) Grant Program

- Program launched March 2025
- Program ends December 2026
- Two Streams- Homeowner Stream & Project Stream
- Funding available for construction, accessibility features & municipal infrastructure upgrades
- Currently only one project is eligible per applicant
- Units incented must provide affordable housing as defined by the Provincial Affordable Residential Unit Bulletin, for a minimum of 15 years

Program Interest

- Homeowner Stream – 83 inquiries
- Project Stream – 12 inquiries
- 11 units incented – All under the Homeowner Stream
- If allocated funding is exhausted by the program's completion, it's estimated up to 28 units could be incented under current program criteria

Program Review & Feedback

Review of the program was initiated in August 2025 to identify potential changes to increase applicant interest

Who we heard from:

- Potential applicants since the program's initiation

What we heard:

- Homeowner Stream – interest in funding for more than one unit on a property
- Project Stream – challenges to building units
- Across Streams – funding for more than one project

Proposed Changes

Changes are proposed to increase uptake in the program and aim to provide more flexibility for potential applicants while not making changes that would be out of line with already approved applications.

- Changes were informed by inquiries and potential applicant feedback
- Changes to the Homeowner Stream & Project Stream
- Changes to eligibility requirements and funding amounts

Proposed Changes – Homeowner Stream

| Current Criteria | Proposed Criteria |
|--|--|
| Up to \$20K/unit for construction | Up to \$20K/unit for construction |
| Up to \$10K/unit for accessibility features | Up to \$10K/unit for accessibility features |
| Up to \$20K/project if municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project | Tiered funding approach that also includes funding for private utility service upgrades in certain scenarios. Total funding per project can be from up to \$20K to \$60K. |
| 1 unit eligible/project | 3 units eligible/project |
| 1 project per applicant | Multiple projects per applicant |

Proposed Changes – Project Stream

| Current Criteria | Proposed Criteria |
|--|--|
| Up to \$10K/unit for construction | Up to \$15K /unit for construction |
| Up to \$10K/unit for accessibility features | Up to \$10K/unit for accessibility features |
| Up to \$20K/project if municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project | Tiered funding approach that also includes funding for private utility service upgrades in certain scenarios. Total funding per project can be from up to \$20K to \$60K. |
| 6 units eligible/project | No cap on units eligible/project |
| 1 project per applicant | Multiple projects per applicant |

Proposed Changes –Infrastructure Upgrades Grant – Tiered Approach

| Number and Type of ADUs per Project | Amount – to remain the same | Criteria – to remain the same |
|-------------------------------------|-----------------------------|--|
| One ADU (2nd unit on a property) | Up to \$20K | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project |

Proposed Changes –Infrastructure Upgrades Grant – Tiered Approach Continued

| Number and Type of ADUs per Project | Amount |
|---|-------------|
| One ADU (3rd or 4th unit on a property) | Up to \$20K |
| 2 ADUs | Up to \$40K |
| 3+ ADUs | Up to \$60K |

| Criteria |
|---|
| <p>If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project, and/or private utility service upgrades within the City right-of-way or street and on private property up to and including the meter base are required for the project</p> |

Recommendation

1. That the City-initiated Affordable Housing Community Improvement Plan - Additional Dwelling Unit Grant Program Amendment as described in Report 2025-530, in accordance with Attachment 1 be received;
2. That the City-initiated Affordable Housing Community Improvement Plan - Additional Dwelling Unit Grant Program Amendment as described in Report 2025-530, in accordance with Attachment 1 be approved.

Next Steps



For more information contact:

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More information on the ADU Grant Program and amendment:

Changes will be incorporated into the Affordable Housing CIP program document

Information on the Affordable Housing CIP and ADU Grant Program can be found at [Affordable Housing Community Improvement Plan - City of Guelph](#)