

Staff Report



To	City Council
Service Area	Infrastructure, Development and Environment
Date	Tuesday, March 10, 2026
Subject	Housing in Guelph 2025 Report

Recommendation

1. That the Housing in Guelph 2025 Report 2026-74, dated March 10, 2026 be received.
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Executive Summary

Purpose of Report

This report offers a comprehensive overview of the City’s work to advance housing in Guelph over the past year. It summarizes housing-ready accomplishments, key projects underway, and highlights next steps in the City’s journey as a partner in getting more homes built faster.

Key Findings

In 2025, the City made significant progress in advancing housing readiness. Major initiatives continue throughout 2026, to support more housing, long-term growth and investment in our community. Highlights include:

- Unlocking land for housing by advancing critical water, wastewater, transportation, and transit infrastructure upgrades that remove servicing constraints and create capacity for new homes. The City is also generating additional development sites through the strategic disposal of unused City-owned land.
- Enabling greater density through new policies and programs that make it easier and more affordable to build housing while keeping growth aligned with community priorities.
- Reducing barriers for developers and property owners by improving processes, shortening timelines, increasing flexibility in land uses, and creating clearer, more predictable development pathways.
- Streamlining reviews and approvals by digitizing processes, improving transparency, and strengthening collaboration—resulting in faster, more efficient housing delivery.
- Expanding affordable and non-market housing options through the implementation of the Housing Affordability Strategy.

Housing considerations have become central to how the City operates as a partner in addressing the housing crisis, supporting sustainable long-term growth, strengthening investment readiness, and enhancing Guelph’s overall livability.

Guelph's housing-ready progress is evident in the increase in housing units identified through development applications in 2025 compared to 2024. Although building permit numbers were lower in 2025, the total number of housing units remained increased — an early indication that the City's strategic efforts are helping offset external pressures such as slower population growth and economic uncertainty.

Despite challenges, Guelph remains on track to meet its long-term population forecast, continues to adapt to new economic realities, and is well-positioned for growth and investment.

Strategic Plan Alignment

The City's housing-related projects, tools, programs and funding are in place to accelerate housing supply and attainment in Guelph.

Future Guelph Theme

City Building

Future Guelph Objectives

City Building: Improve housing supply

Financial Implications

This report provides a comprehensive update on work related to advancing housing in Guelph. All updates included are provided for information purposes and do not have direct financial implications.

Report

This edition of the Housing in Guelph staff report is organized in alignment with the [Ontario's Big City Mayors'](#) (OBCM) efforts to share the story and data of the work undertaken to advance housing by municipalities across the province within a consistent framework.

As described by OBCM, "municipalities play a vital role in meeting housing demand and building sustainable communities. We're working with regional governments and housing service managers to expand infrastructure and support affordable housing through five key strategies:

1. Unlocking Land for Housing
2. Enabling Greater Density
3. Reducing Barriers for Developers and Property Owners
4. Streamlining Reviews and Approvals
5. Supporting Affordable and Non-Market Housing".

Guelph has made significant progress within each of these five areas over the past year, with more work underway in 2026.

Progress on housing within our community goes well beyond the measure of housing units. Housing considerations have become a central force shaping many aspects of the City's work, driving operational priorities, long-term strategic planning, civic dialogue and engagement, investments, funding requests, advocacy, and Council decision-making.

By the end of this term (2022-2026), more than 120 housing-related staff reports will have been before Council for deliberation and information. In 2025 alone, there were 34.

This report summarizes the work the City is leading, supporting and influencing to help address the housing crisis, sustain growth, strengthen investment readiness, and enhance Guelph's overall livability.

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Housing Status: Applications, Units and Trends

The Pipeline

In 2025, the number of housing units in development applications trended positively, which demonstrates Guelph's housing readiness.

The number of housing units for development applications at the pre-submission stage in 2025 was 4,903, nearly double those in 2024 (2,499). In addition, 1,743 housing units were approved through a formal development application in 2025, a 14 per cent increase compared to the 1,526 in 2024.

The number of housing units submitted through site plan applications at the pre-submission stage were 68 per cent lower in 2025 (612) compared to 2024 (1,953); however, there was a 60 per cent increase in both the formal submission stage (2,321 up from 1,418 in 2024), and formal approved (890 up from 554 in 2024).

Building Permits

While we saw a lower number of building permits in 2025, the total number of units increased.

Of the 1,757 building permits issued in 2025, 478 were residential building permits that resulted in the creation of 656 housing units, while in 2024 there were 2,041 building permits resulting in the creation of 645 units.

Notably, the highest number of building permits were for Additional Dwelling Units (ADUs) (239), and multi-residential development (116). There were also 35 permits for accessory buildings with ADUs, which are detached ADUs.

The City of Guelph housing unit numbers are based on permits issued, whereas the Province's housing start numbers reflect when construction has started, as confirmed by the Canadian Mortgage and Housing Corporation (CMHC).

The City's housing target, as set by the Province, for 2025 was 1,800 units. The Province has not amended this target for the City since 2023 despite a downturn in market conditions. A 2026 target has not yet been identified by the Province.

Committee of Adjustment

There were 194 applications received by the Committee of Adjustment in 2025, leading to the creation of 237 new housing units.

Guelph's Housing Accelerator Fund Action Plan

The City recently marked its second year of implementing Guelph's Housing Accelerator Fund (HAF) Action Plan and submitted its second annual agreement report to the CMHC. Guelph entered a funding agreement with CMHC for \$21.4M, receiving the first two annual instalments of \$5.36M each, in 2024 and 2025 respectively. The third instalment is expected by March 31, 2026, and the fourth by March 31, 2027, subject to CMHC's satisfaction with the City's progress of implementation of the HAF Action Plan and progress on housing targets.

To date, a total of just over \$5.5 million has been spent on the Action Plan initiatives. As intended in Guelph's HAF Action Plan program design, the bulk of the costs are dedicated to initiatives in the later stages of the program. Additionally, expenses related to implementing the Action Plan items are prioritized before allocating funds to other housing-accelerating eligible expenses.

The City is working towards its overall Housing Supply Growth Target, by the end of 2026:

- Overall Housing Supply Growth Target: 1,256 units created of the 3,657-unit target
- Missing Middle Housing Target: on track to exceed with 1,255 units created of the 1,454-unit target
- Affordable Housing Target: on track to exceed with 594 units of the 696-unit target
- Other-multi unit (e.g. apartment units) housing target: 1 unit of the 1,860-unit target

At the time of writing this report, unit numbers for the second reporting period (January 8, 2025 - January 7, 2026) are still being finalized and may be subject to review and change.

HAF Action Plan Initiative Progress

The work accomplished during the second year of the HAF program advanced a variety of programming and policy that are foundational to accelerating housing in Guelph. After the second year, the City has made significant progress in fulfilling the commitments to the eight initiatives in Guelph's HAF Action Plan, with [81 per cent of the plan's milestones complete](#). It was always an expectation that the final 19 per cent of milestones under the initiatives would be funded and completed at the end of the Action Plan Program (January 7, 2027), though timelines for individual initiatives may continue to evolve as work progresses. Below is a summary of progress on the eight HAF initiatives in the Action Plan:

Initiative 1: Complete and implement the Housing Affordability Strategy (HAS) - **Complete**

- HAS was approved by council in December 2024 and implementation of the 10-year Strategy is underway.

Initiative 2: Implement new/enhanced systems – **Partially complete**

- Work is progressing internally, focused on the implementation of e-permitting and further new and enhanced system process implementations. Work is ongoing and will go live in Q2 2026.

- The Affordable Housing CIP was approved by Council on February 11, 2025, and is now implemented and issuing grants, marking this milestone as complete.

Initiative 3: Infrastructure and servicing capacity planning - **Ongoing**

- Design work is ongoing for both the Downtown Infrastructure Revitalization Program – Phase 1 and the GID enabling Infrastructure Program – Phase 4 work.

Initiative 4: Create and formalize an evaluative framework for disposition of City-owned lands – **Partially complete**

- The City is contributing City-owned land and partnering with Thresholds Homes and Supports to build 13 units at 14 Edinburgh Road.
- Building off of this framework, the City is advancing [two affordable housing developments](#) on underutilized City-owned land at 5 Normandy Drive and 7 Eastview Road using fourplex designs from the CMHC Housing Design Catalogue to deliver a total of 12 new affordable units.

Initiative 5: Encourage accessory dwelling units – **Complete**

- In 2025, the City released an updated ADU Guidebook, along with simple, clear and easy-to-read web resources, to help residents quickly and easily navigate the process of building an ADU.

Initiative 6: Encourage missing middle units in existing neighborhoods - **Complete**

- Four (4) units as-of right in low-density neighbourhoods were approved in December, 2024.
- Staff provided City Council with a report on potential opportunities for building [five plus \(5+\) units on low-density residential lots](#). Staff will report back in 2026 with refined criteria based on this research, including the potential for implementation on corner lots adjacent to arterial and/or collector roads.

Initiative 7: Design and implement a new Community Planning Permit System pilot project - **Complete**

- Stone/Edinburgh Official Plan and By-law was [approved by Council on April 8, 2025](#).
- The Downtown Area CPPS is Phase 2 of this project, expanding on the scope and deliverable of this milestone of the HAF Action Plan. The decision meeting for the Downtown Area is scheduled for April 15, 2026.

Initiative 8: Parking reductions - **Ongoing**

- This Developer Toolkit is under development and aims to offer options for a developer of a site to select investments/action that support non-auto travel in exchange for a reduction in parking supply. This HAF deliverable will be reported in the summer, 2026.

As the program matures in its final year, staff will continue prioritizing investments that maximize being housing ready and closing the gap on housing targets.

Unlocking Land for Housing

The City is advancing financial agreement opportunities and key infrastructure upgrades for water, wastewater, transportation, and transit that collectively remove servicing constraints and unlocks capacity for new homes. It is also strategically disposing of City-owned land to create additional development sites.

Municipal Service and Financing Agreements

In April 2025, Council approved the City's Municipal Service and Financing Agreements (MSFA) Policy as an additional tool to support housing enabling infrastructure and accelerate residential development. The policy establishes clear guidelines and requirements for evaluating and processing MSFA applications. Since approval, the City has launched a dedicated webpage and continues to promote the availability of the MSFA program to the development community, while providing guidance and responding to inquiries to support project advancement.

Downtown Guelph

The tender for the Wyndham Street North Reconstruction has been awarded, and construction is to commence this spring. This project includes growth-unlocking sanitary sewers and watermains that will alleviate capacity challenges in the downtown core. The Macdonell Street, Macdonell Bridge, Allan's Dam Structures, and Downtown Pedestrian Bridge detailed design is also starting this spring based on the conclusions of the Environmental Assessment completed and brought forward to Council in 2025.

Clair Maltby Secondary Plan (CMSP) Area

The City is coordinating two Class Environmental Assessments (EAs) in the Clair Maltby Secondary Plan (CMSP) area, both scheduled for completion in 2026. The first EA focuses on Gordon Street, Clair Road, and Laird Road, evaluating options to widen these corridors to support growth and implement a complete streets approach while considering natural, social, cultural, technical, and economic impacts. This EA also includes preliminary design for trunk sanitary, water transmission, and stormwater infrastructure needed to support Phases 2–4 of the CMSP and future south-end growth. Construction is planned to begin in phases starting in 2030, ultimately enabling servicing capacity for up to 27,000 new residents. The second EA is the Street A Collector Road study, which is jointly led by the City and a private land ownership group. It evaluates the new road's alignment and design, and multimodal features such as walking, cycling, transit, and wildlife crossings, to ensure consistency with the CMSP policies and protection of natural heritage features.

Both projects held initial public open houses in fall 2025, with second open houses planned for spring 2026 to present preferred designs before reporting to advisory committees and filing Environmental Study Reports for public review. Detailed design and construction of Street A will proceed through landowners' Planning Act applications.

Guelph Innovation District (GID)

The Victoria Road, Stone Road and McQuillan's bridge (also known as structure 116) Municipal Class Environmental Assessment Study was initiated in summer 2025 to enable future development of the GID lands, supporting significant employment and housing growth. The project is part of Housing Accelerator Fund Action #3 and will respond to the recommendations in the Guelph Innovation District Secondary Plan (Official Plan Amendment 54) and the Transportation Master Plan (TMP). The study team is looking at options for widening and improving Victoria Road South (York Road to Stone Road) and Stone Road East (from Victoria Road to Watson Parkway). The study will also inform the City's preferred solution for McQuillan's Bridge, a designated heritage structure that is currently closed to

public use until further notice for public safety. An initial public open house was held in November 2025, with the second open house planned for February 2026 and a third and final open house in the spring. The project will be completed by the end of 2026 and will include preliminary designs for Victoria Road South and Stone Road East, including the sanitary, water and stormwater infrastructure under both roads. As per the 2026 Confirmation Budget, the improvements to Victoria Road South (RD0361) are planned to commence detailed design in 2029 and construction in 2030. Improvements to Stone Road East (RD0437) are planned for detailed design in 2030 and construction in 2031.

This work supports the recently approved new block plans for the GID that will enable 4,654 new housing units for our community.

Constructing Growth Infrastructure

Detailed design and construction work on several growth-enabling infrastructure projects continue throughout the city. Key projects include:

- York Road Phase 4 – Construction continues in 2026. Works include growth-related trunk sanitary sewer and transmission watermain work, including a critical connection to the new Clythe Water Treatment Plant to access new water supply.
- Exhibition Park Neighbourhood Area: Phase 1 – Construction commences in 2026. This includes growth-related sanitary sewer and watermain work, such as a critical connection to the future Verney Booster Pump Station.
- Hanlon Sanitary and Watermain Crossing – Detailed design commences in 2026. Works include twinning a trunk sanitary sewer across the Hanlon, part of a phased trunk sewer improvement program to eliminate surcharging from downtown to the Water Resource Recovery Centre.
- University Avenue West – construction commences in 2026. Works include watermain renewal and upsizing and a sanitary connection to the University of Guelph Campus that will enable servicing capacity for several residence buildings.
- Biosolids Facility Upgrade – construction commences in 2026. Works include a new biosolids facility at the Water Resource Recovery Centre to support the existing population and growth.
- Plant #2 Expansion – design continues in 2026. Works include an expansion at the Water Resource Recovery Centre to support growth.
- FM Woods Upgrades – construction continues in 2026. Works include upgrades to components at the Water Treatment Plant to support the existing residents of Guelph as well as future growth.
- Verney Booster Pump Station – construction commences in 2026. Work includes a new booster pump station that will replace the aging Robertson Booster Pumping Station, providing water supply to Pressure Zone 2.
- Clythe Water Supply and Treatment Plant – design continues in 2026. Works include a new water supply to support future growth.

Site Servicing Standardization and Trends

Single Lot Servicing Standardization Offers Certainty and Faster Service

In 2025, City staff in Engineering and Transportation Services responded to developers' and home builders' concerns that the cost of servicing, including the deposit, within the right-of-way was high, inconsistent, and difficult to budget. City

staff developed a solution, informed by a comprehensive scan of neighbouring municipalities, that responsibly manages risk while supporting developers' efforts to build faster. The City now provides, upfront, a fee structure and standard deposit for single-lot (up to 10 as of right) developments. This helps by providing developers with known costs as they head into projects, as well as faster returns on deposits, which can allow for additional growth on other projects. This new standard system rolled out at the start of January 2026.

Increase in Winter Servicing Work

Throughout December (2025) and into January the City saw a year-over-year increase in applications for servicing work to support the development of single, detached homes and larger developments. Servicing activity during winter months is not typical but has happened over the last two winters. The City will continue to track this to identify trends and inform operational, evidence-based decision-making.

Maximizing Guelph's Real Estate to Support Growth

On May 6, 2025, staff recommended to Council the disposition of a section of unused road as a strategic site to create a residential development block. This recommendation was approved, and approximately half an acre of land was sold to a developer at fair market value as a key component of a land assembly. This deal closed on June 19, 2025. The sale will result in the development of approximately 57 new residential units.

Transit Investments

Guelph Transit made service improvements in 2025 with an operating investment of \$1,024,000, along with four new buses, to advance the Guelph Transit Future Ready Action Plan (GTFRAP).

For the remainder of the GTFRAP, 2026-2031, investments in Guelph Transit will enable 87,000 hours of new service, subject to annual budget approvals.

Enabling Greater Density

New policies and programs are making it easier and more affordable to build new homes across the city while keeping growth aligned with community goals.

Affordable Housing Community Improvement Plan (CIP)

In December, 2025, Council approved an amendment to the Additional Dwelling Unit (ADU) Grant Program, as part of the Affordable Housing Community Improvement Plan. The amendment increases eligibility, funding amounts and provides greater flexibility for potential applicants.

The changes have been in place since January 2026, and include:

- funding for up to 3 units on a property under the Homeowner Stream;
- increased funding for infrastructure upgrades including private utility service upgrades when adding a 3rd or 4th unit or multiple ADUs;
- more units eligible and more funding per unit under the Project Stream; and
- applicants can now receive funding for more than one project under the Program.

The amendments have increased interest and inquiries across both the Homeowner and Project streams of the ADU Grant.

The Additional Dwelling Unit Grant Program has incented a total of 15 units, all under the Homeowner Stream of the Grant Program. Of those, 13 units are located within existing dwellings while two are detached units.

A total of \$320,000 has been awarded to Wyndham House through the City's Affordable Housing CIP Vacant Unit Renewal Grant, funded by the federal Housing Accelerator Fund. The funding will support three units with space for 10 youth at 107-109 Waterloo Avenue. The new supportive housing development puts Guelph on track to become the first mid-sized city in Canada to end chronic youth homelessness.

Grant funding is still available through the City's Affordable Housing Community Improvement Plan. Staff are working with interested parties in the affordable housing development space and encourage other housing non-profits, builders and residents to apply; as City-led promotion, communication and targeted outreach continues.

Committee of Adjustment

The City's Committee of Adjustment continues to play a pivotal role in supporting Guelph's housing supply. In addition to considering minor variance applications, the Committee also reviews and approves consent (severance) applications, which can create new lots for development.

In 2025, the Committee approved 78 new residential lots—an increase from the 46 new lots approved in 2024. The 78 new lots represent 237 units highlighting the success of the 3 units as of right policies.

The Committee also supported the creation of 929 new housing units in 2025—up from 141 units in 2024—through consent and minor variance applications, including variances to support a 523-unit apartment building and 159-suite retirement residence. Many of the new lots are for semi-detached or townhouse buildings, aligning with the City's goals to support density and increase supply of missing middle housing.

Application volumes remained high in 2025, with 194 files heard over the year, which represents a 36 percent increase from the previous year. With current trends, it is anticipated that the high volume of applications will continue in 2026.

The Committee's decisions in 2025 demonstrate its growing importance as a mechanism to support infill, intensification, and the diversification of housing supply. Beyond approving new lots, the Committee is enabling:

- additional residential units;
- conversions and expansions of existing dwellings; and
- intensification of underutilized properties.

Building on changes initiated in early 2025, the City has continued to improve Committee of Adjustment processes and efficiency, to help support the Committee in their decision-making.

Bill 17 (Protect Ontario by Building Faster and Smarter Act, 2025) introduced new as-of-right setback variations to certain zoning setbacks, allowing buildings to be closer to property boundaries without needing a minor variance. The regulation sets 90 per cent as the percentage of minimum setbacks. These as-of right setback variations came into effect on November 21, 2025. While it is too early to assess the long-term impacts, it is anticipated that this will have a relatively minor impact

on minor variance application volume. Staff will continue monitoring the influence of this new legislation in 2026.

Downtown Building Heights Official Plan Amendment OPA 106

On April 8, 2025 City Council approved [Official Plan Amendment 106](#) (OPA 106) that allows taller buildings in the [Downtown Secondary Plan Area](#) to help meet the population density target of 200 people and jobs per hectare (Downtown) by 2051. Council's decision was appealed to the Ontario Land Tribunal in May 2025. The [appeal has since been scoped](#) and OPA 106 is now in effect except for one property.

Taller buildings in strategic locations downtown are permitted. These permissions will be implemented through the Downtown Community Planning Permit System (detailed further below in this report) and include the following requirements:

- The maximum building height has increased to 24 storeys in some locations.
- Taller buildings will be allowed in the peripheral areas of Downtown to preserve the historic character of the city's core.
- The iconic view of the Basilica of Our Lady from Macdonell Street is protected.

In 2026, the project team will be updating the Urban Design Manual and Built Form Standards for tall buildings to simplify existing standards, so they are easier to apply and consistent across the city. The updates will incorporate recent changes to zoning and building requirements to reflect best practice in building design tailored for Guelph. This work will support increases to the housing supply by improving the clarity of building design guidelines.

Reducing Barriers for Developers and Property Owners

The City is streamlining processes, increasing clarity, reducing delays, creating more flexibility in land uses, and providing more certainty to guide predictable pathways for development.

Service Enhancements for Building Permit Customers

In 2025, the Building Services team enhanced their services to better support the segment of customers calling for building permit application assistance remotely. Through the use of an app, customers can now share their screen with staff and together, walk through each step in the application process from the comfort of their home.

Staff also undertook a Lean Yellow Belt Continuous Improvement project in 2025 to increase the number of complete Additional Dwelling Unit (ADU) Permit Applications. Through their hard work, they reduced incomplete ADU permit applications by 33 per cent of all ADU permit applications. This is an 18 per cent reduction from the 51 per cent of all ADU permit applications received in 2024.

Community Planning Permit System (CPPS)

As part of the City's Housing Accelerator Fund initiatives, a CPPS for the Downtown Area has been developed and is currently in the public consultation phase. The Downtown Area CPPS is Phase 2 of this project. The CPPS allows for a streamlined development process and the ability to obtain community benefits, also referred to as facilities, services, and matters, in exchange for specified height or density of development.

The Downtown CPP By-law implements the revised heights Downtown adopted in Official Plan Amendment (OPA) 106 in April 2025 which permitted heights up to 24 stories on selected sites subject to the provision of affordable housing as the community benefit. A Statutory Public Meeting was held on January 20, 2026. The decision meeting is scheduled for Q2, 2026.

In April of 2025, Council approved the Stone Road and Edinburgh Road Community Planning Permit by law. This by-law is in effect and a land-use planning tool that municipalities can use to streamline the planning approval process and to support achieving local priorities such as affordable housing, urban design and active transportation. A CPPS combines Zoning By-law Amendments, Minor Variances, and Site Plan Applications to be processed as one application and approval process, instead of two or three separate processes.

Downtown Special Policy Area

In 2026, staff in Planning and Building Services will review the City's Special Policy Area (SPA) policies and update floodplain mapping, as required by the Province, that was previously based on models from the 1980s and 1990s. This will inform updates to the existing Official Plan Schedules that map the Regulatory Floodline, One Zone Floodplain, the Two Zone Floodplain, and the Special Policy Area Floodplain in the City's Official Plan, Downtown Secondary Plan Schedules, and the Zoning Bylaw based on more recent information from the Grand River Conservation.

As part of this project, the Official Plan policies and Zoning Bylaw regulations will be reviewed to ensure compliance with current Provincial policies and technical requirements, the Conservation Authorities Act and Ontario Regulations, and for consistency and readability across City documents. Any changes to policy, land use designations or boundaries applying to the SPA lands will require approval by the Ministers of Municipal Affairs and Housing and Ministry of Natural Resources before they can be implemented by the City.

This body of work will identify opportunities for growth while maintaining public safety and mitigating flood risk. The update will provide clarity to developer stakeholders on opportunities and limitations for growth in the City's SPA.

Official Plan Updates

Planning staff have initiated a [multi-phase update](#) to the [City of Guelph Official Plan](#). Phase 1, titled "Laying the Groundwork", included provincial changes to the Planning Act, the Ontario Heritage Act, and the new Provincial Planning Statement, 2024 that do not require supporting work or further studies. In addition, staff are also proposing select amendments to implement the Transportation Master Plan (2022), the Parks Plan (2022), and the Parks and Recreation Master Plan (2023). Phase 1 of this update was presented to City Council for decision on February 10, 2025, as Official Plan Amendment ("OPA") 110.

Work on Phase 2 is now underway and focuses on employment and transportation. The employment-related work will develop an Interim Employment Land Strategy Update (outlined below). The transportation-related changes will focus on implementing the remainder of the Transportation Master Plan (2022) that was not included in Phase 1. This will include the remainder of the ultimate right-of-way widths, exploring the implementation of the Cycling Spine Network and Priority Transit Network in Official Plan policy, and clarifying policies related to essential

active transportation infrastructure. Phase 2 is anticipated to be presented to Planning Council in Q1, 2027.

Phase 3 is planned for 2027, at which time staff will review the City's existing Official Plan Institutional policies. This will include a review of the uses that are permitted on land designated as institutional and the potential to expand permitted uses to include residential uses.

Interim Employment Land Strategy Update

Through the release of the [Provincial Planning Statement, 2024](#), the Province of Ontario has modified the definition of a designated [Employment Area](#) and the use that may be included in these areas. This will impact how the City plans for employment growth to 2051.

In response, the City is preparing an Interim Employment Land Strategy Update in 2026, to examine Guelph's current Employment Area policy framework to bring this into consistency with the Provincial Planning Statement, 2024 as required by the Planning Act. The Employment Land Strategy Update will make recommendations on the amount of designated Employment Area land the City will need to 2051 as well as associated Official Plan Amendments and Zoning By-law Amendments to implement those recommendations

Bill 185 Program of Work

Bill 185, the Cutting Red Tape to Build More Homes Act, 2024, aims to expedite government processes and build at least 1.5M homes across Ontario by 2031. The Bill introduced several legislative changes including municipal planning, development charges, and Planning Act appeals. The broad scope of changes driven by this Bill needed to be implemented by many departments across the City. Staff have continued to assess the operational and financial impacts, updating policies and processes through a coordinated approach.

Expiry of Frozen Rates

Prior to Bill 185, the development charge rate freeze applied as long as building permits were pulled (and relevant development charges were paid) within the prescribed amount of time. This was set by the Province at two years from the approval of the relevant planning application. Bill 185 reduced the prescribed amount of time to 18 months.

Under Bill 185, the City has the option to reduce the rate freeze expiry timeline which must follow the Development Charges (DC) Act by-law amendment process. City staff are recommending an update to the Development Charges by-law to reflect Bill 185 provisions as this will incentivize developers to move faster on their planning applications to continue receiving the locked-in rate. The recommendation for updating the by-law is on the March 4, 2026 Committee of the Whole agenda and the by-law is scheduled for Council consideration. If approved, this will come into force on March 31, 2026.

Restriction on Parking in Protected Major Transit Station Areas (PMTSA)

In 2025, work started on the City-Wide Parking Study (CWPS) Terms of References, which were presented to Council on February 4, 2026, allowing staff to proceed with procuring a consulting team to lead this project. The recommended Terms of References includes updating the Downtown Parking Master Plan assumptions, forecasts and financial model to reflect the provisions of Bill 185. The CWPS is a

comprehensive study that includes many components and as such, is expected to take approximately 2 years to complete.

Development Servicing Allocation by-laws and Water and Wastewater Capacity Tracking Tools

As Guelph continues to grow, additional rigour in the tracking of servicing allocation is essential to proactively manage the City's unallocated water and wastewater servicing capacity. Bill 185 changes to the Municipal Act were implemented in 2024, which enabled municipalities to pass by-laws for the allocation of water and wastewater servicing capacity, including "Use it or Lose it" Policy provisions. These changes enable municipalities to define criteria for the allocation of water supply and sewage capacity to development applications; and to define the circumstances for when capacity allocation to a project would come to lapse, be withdrawn from an application, and reallocated to more shovel-ready applications to advance more housing.

In 2024, an inter-departmental staff working group began internal process mapping on capacity allocation as well as the development of standard operating procedures (SOPs) to ensure consistency in the administration of ongoing servicing allocation checks for planning and building applications. Staff also initiated the development of a detailed water and wastewater plant capacity tracking model to evaluate the available unallocated servicing capacity through the integration of current water and wastewater customer demands, water and wastewater plant based rated capacity, and capacity commitments to date as part of ongoing planning and building approvals. The development of process maps, SOPs and detailed plant capacity tracking tool was completed last July, and these tools continue to instruct and facilitate staff's administration of servicing capacity checks.

In 2025, staff introduced the Water and Wastewater Servicing Allocation Policy Project and began public engagement to gather interest-holder feedback through Have Your Say to develop a local policy. Based on feedback, a multi-departmental working group developed a draft, plain language Water and Wastewater Servicing Allocation Policy that was shared through the Have your Say Platform in September 2025 for a 30-day review and comment period. Following this second phase of engagement, staff refined the Water and Wastewater Service Allocation Policy and enacting by-law. Further consultations were undertaken with the City's Economic Development and Tourism Advisory Committee and Planning, Environment, and Water Advisory Committee, to inform the final draft Water and Wastewater Servicing Allocation Policy and By-law. This came before Council in February, 2026 for deliberation and approval.

Lapsing Provision

Bill 185 enables municipalities to impose lapsing provisions on site plans and draft plans of subdivision if a building permit is not issued within a prescribed period of time, which (until there is a regulation setting out time frames) can be no less than three years. Imposing this type of lapsing provision would be new for site plan approvals. The City currently does attach lapsing conditions to draft plan of subdivision approvals. The extent of this work is to prepare an amendment to the Site Plan Control By-law to reflect this change and allow for expiration of site plans. This amendment to the Site Plan Control by-law is anticipated to be implemented in Q2 2026. The intent of this work plan is to address any stalled developments that can limit progress in meeting housing targets.

Streamlining Reviews and Approvals

The City is modernizing and streamlining Guelph's development approvals by digitizing processes, improving transparency, and strengthening collaboration—ultimately reducing barriers and enabling faster, more efficient housing delivery.

Systems and Process Enhancements

As part of the HAF Action Plan's Initiative 2: Implement new/enhanced systems, the City committed to a series of milestones that will support and streamline development and the construction of new housing. To realize this goal, Planning Services, the IT department, and the Perry Group (an external consultant), worked together throughout 2024 to complete a broad review of the City's development approvals process from a people, process, and technology perspective. The result was a roadmap for making better use of our technology and expanding our digital services and a streamlined development review process.

Guided by the recommendations of the review, the City's IT and Development Planning teams are working collaboratively to enhance how we use our existing technologies as they relate to development approvals. Improvements to the existing technologies will be completed in Q2, 2026.

With a primary focus on our customer's needs, the aim is to improve the customer, staff, and agency experience in the development review process while making more information available to the public.

This will enable customers to take better control of their development applications. In contrast to today's predominantly paper-based application system, customers will be able to use an online portal to submit their applications and supporting materials, pay application fees, and track the status of their applications as they move through working the approval process.

For staff, efficiencies will be built into their workday by ensuring the entire lifecycle of the application occurs within their systems, eliminating duplication of effort and manual workarounds.

External agencies will be able to access submissions to review and provide comments directly in the system, eliminating work for their staff and ours. A comprehensive set of public-facing dashboards and links to information that draw on data stored in our systems will also be built. These improvements will keep residents and other interested parties informed about development activities across the city.

The vision is to make it easier for developers and other customers to work with the City, while enabling staff to do their jobs more efficiently. Implementing the review's recommendations, will streamline the development approval process, improve our customer experience, increase transparency and public engagement opportunities, improve back-office process efficiencies and help to record and use data for better decision-making in a cost-effective manner.

By reducing barriers in the development approvals process, developers will be able to track applications more quickly to support an affordable, inclusive, equitable, diverse community.

Strengthening Relationships and Engaging Development Interest-holders

Through the City's Development Advisor, the City has taken a proactive approach to engaging the development community: seeking input and feedback, identifying opportunities for continuous improvement, and strengthening relationships with key interest-holders.

In one-on-one meetings with builders, developers, consultants, and property owners, staff have gained valuable insight into process pinch points and housing-ready constraints. This input has directly informed enhancements to workflows, process requirements, and the adoption of new technologies.

The City also meets with the Grand Highlands Home Builders' Association, the primary advocacy organization for local home builders, to discuss emerging issues and on-going improvements. These meetings focus primarily on technical, development- and building-related work. In 2025, staff presented several major initiatives, including: Official Plan updates, the proposed Water and Wastewater Servicing Allocation By-law, Complete Streets Design Guide, Downtown Community Planning Permit System, Municipal Right-of-Ways, 2026 Capital Budget and 2026 Capital Projects. These sessions provide a structured forum for collaborative problem-solving between City staff and the development community, helping to reduce barriers and support more efficient outcomes for developers and property owners.

Dedicated Site Plan Support

In 2025, the organizational structure in the Planning and Building department changed to provide dedicated service on the site plan process to ultimately get shovels in the ground faster on development in Guelph.

Building Permit Approvals and Inspections Value-for-Money Audit

A value-for-money operational audit of the City's building permits and inspections processes, as part of the Council-approved annual audit plan, is currently underway by Internal Audit staff.

Objectives for this audit include:

- To determine whether the building permit approval and inspection processes support efficiency, timeliness, and cost-effectiveness.
- To assess compliance with the Ontario Building Code, municipal by-laws, and internal policies.
- To evaluate accuracy and completeness of revenue collection and reporting related to permits and inspections.
- To assess the quality of customer service, transparency, and public communication.
- To identify and evaluate risk management practices that prevent fraud, inefficiencies, and unauthorized construction.
- To provide recommendations for improving effectiveness, efficiency, compliance, and value-for-money outcomes.

This review is important given the essential role that Building Services plays in supporting safe, compliant, and cost-effective development. Timely processing of building permits, accurate inspections, and complete revenue collection are fundamental to protecting public safety, enabling community growth, and maintaining strong fiscal accountability.

The audit findings and recommendations will be presented to Council in Q2, 2026.

Supporting Affordable and Non-Market Housing

The Housing Affordability Strategy, adopted by City Council in December 2024, completed its first year of implementation in 2025. The Strategy provides clear and consistent direction on how the City can best facilitate creating more affordable housing options in Guelph. Staff have been making strides in the first year of implementation, including:

- The Stone/Edinburgh CPPS has been implemented, fulfilling Action 1.1.2: *Implement a Community Planning Permit System (CPPS) to allow for additional density and affordable housing*
- In March 2025, the Affordable Housing and Community Improvement Plan was approved by Council, incenting 17 units in 2025 and completing Action 1.1.5: *Develop an affordable housing Community Improvement Plan (CIP) to offer incentives for building more affordable housing in Guelph*
- Guelph's Affordable Housing Seed Funding was launched, completing Action 3.3.1: *Provide targeted funding for nonprofit organizations, alternative housing developers and operators (for example, cohousing groups or Community Land Trusts) to support pre-development costs, soft costs, and preparing funding applications to speed up affordable housing projects*
- Council direction to begin work on the Vacant Home Tax, Rental Renovation By-law and Rental Replacement By-law supports the advancement of Action 2.1.1: *Collect, monitor, and use data on existing affordable housing stock to guide policy development (e.g., on a renoviction bylaw, vacant homes tax, or rental replacement bylaw)*
- Staff are evaluating the City's role in building affordable housing (Action 1.1.3) and are advancing sites such as 5 Normandy Drive and 7 Eastview Road. Work is also underway on an Affordable Housing Land Strategy, adding to Action 1.2.1: *Prepare and implement a five-year City-owned Land Strategy to steward land and increase the supply of housing that is affordable*

Additional project highlights are included below and staff are preparing the first Housing Affordability Strategy Monitoring and Implementation Report that is planned to be released annually, with the first release expected this summer.

Housing Affordability Strategy Action 1.1.3 – Evaluating the City's Role in Building Affordable Housing

Action 1.1.3 of the Housing Affordability Strategy is a primary action item with a timeline for completion of 0-3 years. The action seeks to:

- Evaluate the City's role in getting more affordable housing built, beyond funding and incentives
- Develop a housing model to help the City get more affordable housing built faster

City staff are in the process of preparing a Request for Proposals (RFP) seeking consulting services for this work. This work will build on affordable housing delivery models identified in previous [Council Report 2025-461](#) which includes evaluating City subsidies, potential land-lease options, building and owning affordable housing, and building, owning, and operating affordable housing.

The work will provide the City with a framework for evaluating how it should participate in the delivery of affordable housing based on varying development contexts. It will also provide a financial strategy for the City to understand the required investment needed to meet the targets identified in the Housing Affordability Strategy, and its associated impacts on our existing financial strategies such as our Debt Strategy.

Housing Affordability Strategy Action 1.2.1 – Create an Affordable Housing Land Strategy for City-owned Land

On March 18, 2025 staff reported to Council that the City owns approximately 3,884 acres of land, excluding roads; and over 99 per cent of that land is actively used for community or operational purposes.

Council provided direction to staff to explore the development of downtown surface parking lots and any other properties that align with current City policies and strategies, excluding parkland and land earmarked for future greenspace.

The analysis and findings from the March report as well as Council direction will serve to inform a 2026 Request for Proposal (RFP) to study all City-owned land, including 'in-use' land and excluding parks, for sites that could be appropriate for affordable housing development. The RFP work is proposed to identify sites that could be developed and analyze the potential costs and the community impact. It will explore land that is actively used by the City and identify sites or criteria to develop or add residential use.

This work is scheduled to conclude at the end of 2026. The outcome will inform and help finalize Housing Affordability Strategy Action 1.2 'Create a City-owned Land Strategy to steward land and increase the supply of housing that is affordable.'

Seed Funding Program Uptake

The City launched the Affordable Housing Seed Funding Program in the spring of 2025 [after approval from Council in March 2025](#). The implementation of this program delivers on Action 3.3.1 of the Housing Affordability Strategy to help address the funding gap for registered and charitable non-profit's pre-development costs.

Eligible applicants are able to request up to \$25k in funding. The full 2025 program allocation was committed, with four organizations' applications approved and set to receive funding, pending the submission of receipts for eligible expenses. The expectation is that affordable rents will be maintained by the organization that receives funding should the proposed development move forward.

Three of the four recipients in 2025 are sufficiently advanced in the pre-development stage to provide a conceptual unit count. In total, the 2025 Seed Funding is expected to support 43 affordable units, with the potential for a higher number of units pending further pre-development analysis and confirmation of details from the fourth recipient. The four recipients are:

- Thresholds Homes and Supports – predevelopment work to support 13 affordable units at 14 Edinburgh Road South
- Kindle Communities - predevelopment work to support 12 affordable units at 10 Shelldale Crescent
- UpBuilding! Non-profit Homes (Guelph) Inc. – predevelopment work to support 18 one-bedroom affordable units at 60 Fife Road

- Harcourt Memorial United Church – exploring site redevelopment feasibility to construct affordable housing at 87 Dean Avenue

The program is funded annually through the Affordable Housing Reserve (#119).

14 Edinburgh Road Affordable Housing

Through a competitive RFP process, the City selected Thresholds Homes and Supports as the successful proponent to receive lands located at 14 Edinburgh Road to support the delivery of 13 Affordable Housing units for seniors with mental health issues.

Work is continuing on required pre-construction activities. A pre-consultation meeting for the project was held at the Development Review Committee in August of 2025, along with a neighbourhood meet and greet held at Sunny Acres Park for members of the public to meet the project team.

Additionally, work on mandatory studies required for planning applications has continued, including environmental works required for the submission of a Record of Site Condition. This work includes groundwater and soil testing for a Phase II Environmental Assessment.

218 Speedvale Avenue

City staff have continued to work collaboratively to maximize the use of City-owned lands. As part of the new paramedic station project, located at 218 Speedvale Avenue, staff in Facilities and Community and Affordable Housing are exploring how to best plan the site to maximize the potential for future affordable housing.

Preliminary conceptual work is currently underway that will also include exploring development costs and potential timelines. More information will be shared with Council at a future date following further analysis.

Advocacy

Given the shared responsibility for housing across municipal, provincial, and federal governments, the City of Guelph used 2025 to actively elevate local housing challenges and advocate for coordinated, system-wide solutions. Throughout the year, the City emphasized that municipal tools alone cannot address the scale of need, especially as Guelph continues to experience population growth, escalating construction costs, and mounting pressure on emergency and supportive housing systems. Advocacy efforts underscored how regulatory barriers, inconsistent funding streams, and misaligned policies across governments slow progress toward achieving collective housing goals.

During both the federal and provincial election periods in early 2025, the City met with candidates to ensure Guelph's priorities, including those related to housing, were clearly understood and reflected in campaign commitments. The City also leveraged the Association of Municipalities of Ontario's 2025 Conference, where City delegations with provincial representatives provided a platform to advance a range of housing-related priorities. These discussions focused on building awareness, strengthening partnerships, and encouraging collaborative action and support to address shared challenges across the housing continuum.

Development Charge Updates

Development charge (DC) collections and exemptions are monitored annually due to their direct impact on reserve fund forecasts and the City's capital budget. In recent years, DC exemptions and discounts have increased substantially and now represent a significant portion of growth-related revenue. As these exemptions continue to expand, municipalities are increasingly moving away from the traditional "growth paying for growth" model toward a hybrid funding approach, where tax and rate revenues fund a growing share of growth-related infrastructure through DC exemption funding.

As a result, growth-related capital investment increasingly relies on tax-supported funding that would otherwise be available for other municipal priorities, such as infrastructure renewal. These funding tradeoffs are illustrated in the [2026 Budget Confirmation](#) which compares the level of funding across the City's financial strategies. Annual tax and rate funding to the Growth Reserve Fund (156), which is used to fund DC exemptions and discounts for tax supported services, exceeds the combined funding allocated to both the Service Enhancement Reserve Fund (159) and the 100RE Reserve Fund (355). If the City did not have exemptions and discounts to fund, this funding could be redirected to other financial strategies. For example, reallocating annual growth funding to the infrastructure renewal strategy would contribute towards reducing the City's infrastructure funding gap.

The increasing reliance on tax and rate-supported funding for growth infrastructure places additional pressure on the tax levy at a time when other significant cost drivers are also intensifying. These include rising policing and social services costs, sustained post-pandemic inflation, and higher expenses resulting from tariffs. All of these pressures draw on the same limited tax and rate supported funding base, requiring careful consideration of fiscal tradeoffs and Council priorities.

DC collections have also been impacted by slower growth, with lower than forecast collections requiring capital project deferrals as part of the 2026 budget update. The impact of low collections on the City's budget has been further compounded by the change that came into effect in November 2025 to provide for deferral of DC payments to occupancy for non-rental residential development. While this is a positive change from a development perspective and will hopefully help improve the economics of building at this challenging time, paying at occupancy shifts the burden carrying those costs for a longer period of time to the municipality. This change is very likely to result in additional capital project deferrals through the 2027 budget confirmation process.

Further detail on development charges, including the financial impacts of recent legislative changes related to provisions under Bill 17 and 60 is provided in the Development Charges By-law Update Report being considered concurrently by Council.

Grant Funding Updates

Progress on capital grant programs supporting housing initiatives is reported through the quarterly budget monitoring process. The most recent update is available in the [Third Quarter Budget Monitoring Report](#) published in December 2025.

Since the release of the Third Quarter Budget Monitoring Report, the City has received confirmation of its Year 2 allocation from Ontario's Building Faster Fund

(BFF). In December 2025, Guelph was awarded \$3.69 million through BFF after demonstrating steady progress toward its annual housing target, with 1,279 new homes initiated in 2024, exceeding 85 per cent of the assigned goal. This investment represents a meaningful contribution toward the City's housing objectives.

In August 2025, the Provincial government increased the [Municipal Housing Infrastructure Program](#) (MHIP) by \$1.6 billion to speed up construction of homes and core infrastructure, such as roads and water systems. The City has participated in eligible MHIP streams since the program opened, including a successful application under the Housing- Enabling Water Systems Fund (HEWSF), which secured funding for the [Wyndham-Wellington Water and Wastewater Capacity Improvements](#) project, a key initiative that will help unlock additional housing potential in the Downtown area. As of January 2026, no new funding intakes of existing streams or new streams have opened. Staff are monitoring closely and any updates on funding opportunities and applications will be communicated through 2026 quarterly budget monitoring reports.

In late 2025, the Federal government opened a new federal agency, [Build Canada Homes](#) (BCH), to support the growth of affordable housing in Canada, foster collaborative relationships to support building, and financing affordable homes and catalyze a new housing industry. BCH is now accepting proposals, prioritizing those that demonstrate strong partnerships featuring collaborative projects that successfully leverage capital and bundle submissions for regional impact. City staff are engaged in collaborative discussions with numerous community interest-holders about this opportunity, with the goal of supporting a proposal in 2026 that will advance the growth of affordable housing in Guelph.

The Federal government will also invest \$51 billion over 10 years through the new Build Communities Strong Fund (BCSF), which will be administered by [Housing, Infrastructure and Communities Canada \(HICC\)](#). Starting in 2026-27, the funding will support a broad range of community infrastructure projects, including water systems through three streams, Provincial/Territorial (\$17.2 billion), Direct Delivery (\$6.0 billion), and Community Stream (\$27.8 billion). The Community Stream is a rebranded version of the former Canada Community-Building Fund and continues to provide the City of Guelph with an annual allocation to support a variety of infrastructure projects.

Federal Budget 2025 indicated the Canada Housing Infrastructure Fund (CHIF) is to be repurposed to BCSF. The City's CHIF application for \$34.8 million was submitted in March 2025 and was supported with strong advocacy. The project addresses the need for additional capacity at the Water Resources Recovery Centre and prioritizes critical upgrades to trunk sewer networks. Increasing the facility capacity removes a barrier to enabling housing units in the short-term; nearly 4,400 units from 2029 through 2031 and receiving the grant would help offset DCs.

In late January 2026, the City was notified that its CHIF application has not been selected for funding under the CHIF program. However, HICC noted that existing eligible CHIF projects may be considered for funding under BCSF once it is established, with a focus on shovel-ready projects. Staff will continue to monitor the HICC website where information on the BCSF will be made available in due course.

Staff continue to monitor active funding opportunities and advocate with funding partners on applications currently under review. A further update on capital grant activity will be provided through the 2025 year-end budget reports scheduled for May 2026.

Challenges to Advancing Housing

The City is navigating lengthy development appeals, critical labour shortages, rapid and complex Provincial legislative changes, economic uncertainty affecting housing supply, and slowing population growth—all of which are creating operational strain, destabilizing development activity, and increasing pressure to manage risks while maintaining readiness for long-term growth.

Appeals

The impact of rapid changes in legislation over the past five years, together with an unfavourable economic climate for housing starts have continued to lead to a steady pace of planning and development charge appeals. These appeals reduce staff capacity to advance other workplan priorities.

Through judicious use of negotiation and mediation where compromise is possible, the City has avoided and streamlined appeals. The City has a success rate above the provincial average on those matters that require adjudication. Efforts to pre-zone land and to expand the use of community permitting also aim to reduce the number of matters that are left to be determined by courts and tribunals.

Staff continue dedicating substantial time and effort towards a possible resolution of the 2023 Comprehensive Zoning By-law appeals. The OLT has booked a settlement conference in March 2026.

Labour Market Issues

As reported through the City's regular budget monitoring, staff vacancies, which create budget savings but constrain service delivery, continued in 2025. Most notably in Engineering and Transportation Services, Planning and Building Services as well as Finance and Legal Services, as it relates to roles that support the City's housing efforts. The current labour market and competitive compensation impact the organization's ability to attract and retain staff. There are early indications that in some areas vacancies are decreasing in 2026.

Keeping Pace with Legislated Changes

Following the 2025 Provincial election, the Provincial government resumed the implementation of its sweeping housing policy agenda, with two major omnibus bills affecting housing-related legislation. Bill 17, the [*Protect Ontario by Building Faster and Smarter Act, 2025*](#), received royal assent in June 2025, and introduced substantial changes and new regulatory powers under the Planning Act and the Development Charges Act (DCA). Bill 60, the [*Fighting Delays, Building Faster Act, 2025*](#), was passed in November 2025 after being fast-tracked through legislature, making significant changes to dispute resolution provisions under the Residential Tenancies Act, and further amending the Planning Act and the DCA. A series of policy consultations opened by the Province in late 2025 proposed to expand provincial planning jurisdiction and increase standardization of planning standards between municipalities, indicating a continued Provincial interest in housing policy change into 2026.

In addition to the DC framework changes described above and in the Development Charges By-Law Update Report, other key housing-related policy changes in 2025 included:

Increased Provincial Oversight of Municipal Planning Decisions:

- New regulation-making authority to permit as-of-right minor variances within 10 per cent of municipal zoning standards. As of January 2026, no regulations have yet been issued under this new authority,
- Exempting decisions made by the Minister of Municipal Affairs and Housing from compliance with the Provincial Policy Statement 2024,
- Designating Minister's Zoning Orders (MZOs) as non-regulatory instruments, potentially exempting them from public notice and consultation requirements,
- New regulation-making authority to prescribe the studies required for a complete planning application. As of January 2026, no regulations have been issued under this authority, however the province intended to prohibit municipalities from requiring certain urban design studies when this provision was first proposed.
- A proposal to standardize the length and structure of municipal official plans – no further action on this as of January 2026, and
- A proposal to eliminate mandatory minimum lot size standards – no further action on this as of January 2026,

Residential Tenancies Act Amendments:

- Shortening the eviction notice grace period from 14 to 7 days for evictions due to non-payment of rent,
- Exempting landlords from the requirement to provide compensation to tenants for own-use evictions where a notice was provided at least 120 days in advance,
- Removing the ability to raise new issues at eviction-related Landlord and Tenant Board (LTB) hearings, and
- Reducing the amount of time to request a review of an LTB decision to 15 days and limiting the circumstances in which an LTB order can be reviewed.

The cumulative effect of frequent legislative and regulatory changes continues to create instability and uncertainty for the development industry. With the environment around municipal fees and planning powers in constant flux, developers may choose to delay projects as they await more favorable Provincial legislation that would lower fees or await a provincial override of municipal planning rules and decisions. The pace of legislative changes and the lack of implementation guidance continue to divert significant staff time to understand and comply with changing legislation. Finally, the significant changes to the Residential Tenancies Act, while not yet in effect, introduce new threats to tenants in precarious housing and economic situations, putting additional pressure on Guelph to independently develop policies to uphold tenant rights and residential security.

National Context

As published in CMHC's [Fall 2025 Housing Supply Report](#), "ongoing construction slowdowns in select census metropolitan areas (CMAs) pose risks to future housing supply, workforce retention and affordability. In the context of trade tensions, economic uncertainty and slower population growth, we expect combined starts across the 7 major CMAs [Vancouver, Edmonton, Calgary, Toronto, Montreal, Ottawa, Halifax] to recover only gradually, with modest improvement by 2027."

Population Growth and Economic Factors

The most recent [Statistics Canada](#) population estimates reveal slower population growth in Guelph, below the City's long-term average annual growth rate of 1.2 per cent per year to 2051. However, Guelph continues to remain on track to achieve the forecast population of 208,000 by the year 2051.

This slower growth is due to many factors including the decline in temporary student and work permits as well as housing supply constraints due to increasing construction costs, interest rates, and general economic uncertainty given the current geopolitical climate.

As made clear through this report, the City has undertaken several initiatives to be in a position of strength and readiness when the market rebounds. The Bank of Canada reduced the interest rate by one per cent last year while holding inflation steady. The City has leveraged funding from the Provincial and Federal governments to undertake key studies and initiatives to be housing and business ready. The City is constructing the infrastructure to support development and this year, for example, coupled with the 2025 Council-approved downtown height study the City breaks ground on a generational project — the Downtown Infrastructure Renewal Program — to replace old infrastructure and create additional capacity. In addition, the City has collaborated with partner organizations (both government and non-government organizations) to assist the business community adjust to this new economic environment.

Unemployment in Guelph has increased and unfortunately, people have and continue to endure hardship and uncertainty. To mitigate this, City staff and our partners have been working collaboratively to assist businesses to obtain funding to grow and pivot to new opportunities and customer bases. In fact, while exports to the US decreased last year, there was an increase in exports to other countries. This rang true for those exports that are negatively impacted by the current tariff environment. This is positive news to see the resiliency and adaptability of the business community to pivot to new opportunities.

The City continues to respond and assist both the development and business community to this changing, new reality. The City is well-positioned to welcome new residents and businesses by working with our partners, including our post-secondary institutions. Although we can expect new challenges and opportunities over the next year, Guelph has laid the groundwork for a successful future of growth and prosperity.

Communications and Progress Reporting

The City regularly communicates housing-related news and information on [guelph.ca](#) and through its social media accounts. It is also launching a new housing e-newsletter to provide timely updates straight to people's inbox. The public can subscribe to this at [guelph.ca/housing](#).

For topic specific information, keep up to date through the following:

Building Services Permit Activity - Monthly

[Statistics report](#) on permit types, the number issued, permit revenue and more.

Municipal Planning Data - Quarterly

[Planning application data](#), including processing timelines, required by the Ministry of Municipal Affairs and Housing as per Regulation 73/23.

Budget Monitoring - May, September and December

Operating budget variance positions and capital spending, adjustments and milestones.

Growth Monitoring Report - Q3, 2026

This annual report provides details on the 2025 achievement of Guelph's Official Plan policies and targets in accordance with the Provincial Planning Statement 2024, including information on development activity and housing supply.

Housing Affordability Strategy Annual Update - Q3, 2026

This first annual update on the implementation progress of the 10-year HAS.

Consultations and Engagement

Subject matter experts across the following City departments were consulted and provided information in this report.

City Clerk's Office

Economic Development and Tourism

Engineering and Transportation Services

Environmental Services

Finance

Guelph Transit

Human Resources

Information Technology

Internal Audit

Legal and Court Services

Planning and Building Services

Strategic Communications and Community Engagement

Strategic Initiatives and Intergovernmental Services

Attachments

Attachment-1 Housing in Guelph 2025 Report Presentation

Attachment-2 Housing in Guelph 2025 Infographic

Departmental Approval

The City's internal Housing Enabling Strategy Team.

Report Coordinator

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