



# ***Affordable Housing Report***

*Planning Justification*

*266-280 Clair Road West Guelph*

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**HOME**  
OPPORTUNITIES  
NON - PROFIT

## **1.0 Affordable Housing**

*Policy 7.2.2.8 of the Official Plan* may require the submission of an affordable housing report as part of a complete application. The City's *Affordable Housing Strategy (2017)* recommends including affordable housing reports as a part of the Planning Justification Report. This Section of the report is intended to fulfill this requirement. This section and requirement is relevant to the Development as it is being developed by a non-profit organization and will represent a form of affordable housing.

### **1.1 Guelph Affordable Housing Strategy**

1.1.1 The City's previous *Affordable Housing Strategy* was approved by Council in 2017. The City amended the *Affordable Housing Strategy* in December 2024 (*OPA 101*). The 2024 *Affordable Housing Strategy* set a new target that 33% of the 26,000 additional housing units required to meet the City's 2051 housing targets need to be affordable, with 10% being ownership units. This equates to 8,700 total affordable housing units needed to be built by 2051, 2,640 of which are to be structured as an ownership tenure.

### **1.2 Affordable Housing Targets**

*Section 7.2 of the Official Plan, as amended through OPA 101, approved by Council on December 10, 2024, states:*

#### **7.2.1. Affordable Housing Targets**

- 2. The annual affordable housing target requires that an average of 33% of new residential development constitute affordable housing. The target is to be measured city-wide. The target consists of 10% affordable ownership units and 23% affordable rental units (consisting of units within both the primary and secondary rental markets).*

### **1.3 Income-Based Affordability**

*Affordable Housing Strategy 2024* describes two main ways to define if a home is Affordable:

1. *Income-based affordability* defines affordability in relation to income. Using this definition, if a home costs less than 30 per cent of after-tax income, it is considered affordable.

2. *Market-based affordability* defines affordability in relation to average or median rents and purchase prices in a market area. Using this definition, a home is affordable if it costs the same or less than the average purchase prices or rents in the area.

### **1.4 Community Improvement Plan (CIP) ‘Other Strategies’**

Home Opportunities’ approach aligns with the “*Other Strategies*” endorsed by Council within the *Affordable Housing CIP*. Section 8, for example, outlines programs and initiatives that are not provided through the community improvement provisions of the *Planning Act* but “*are intended to augment and support the goals, objectives, and financial incentive programs contained in this Community Improvement Plan*”. Because Home Opportunities is a non-profit, it operates in direct relationship to the municipality separate from the CIP program.

These “*Other strategies*” are three-pronged, empowering the City to:

- provide relief from fees and charges,
- cooperate or participate in projects with private sector entities, and
- acquire and dispose of municipal property in support of the CIP's affordable housing-related goals and objectives.

*Section 8 ‘Other Strategies’ acknowledged in the Plan:*

*The following programs and initiatives are not provided under the authority of the community improvement provisions of the Planning Act but are intended to augment and support the goals, objectives and financial incentive programs in the Community Improvement Plan (CIP).*

*8.1 Relief from Fees and Charges The City of Guelph may offer relief from fees, levies and charges associated with development/redevelopment.*

*8.2 Co-operation/Participation with Private Sector Entities The City of Guelph may participate financially or otherwise with the private sector to further the policies of this Plan. The City may enter into public/private partnerships with developers where appropriate to achieve desired outcomes of this Plan. Such relationships must be for the public good and represent good planning.*

*8.3 Municipal Property Acquisition and Disposition*

*The City of Guelph may acquire and prepare property, including land and buildings, for the purposes of development/redevelopment within the Affordable Housing Community Improvement Project Area. The City may also dispose, including sale, lease, or otherwise, of municipal land and buildings within the Affordable Housing Community Improvement Project Area for the purpose of achieving the goals and objectives of this Plan. These dispositions may be below market value or at no cost.*

## **2.0 Provincial Acts & Policy**

### **2.1 The Provincial Planning Statement, 2024 (PPS 2024)**

The *Provincial Planning Statement, 2024 (PPS 2024)*, which came into effect on October 20, 2024, works in conjunction with Ontario's legislative changes (such as Bill 23 and Bill 185) to encourage affordable and non-profit housing developments.

Key exemptions and incentives for non-profit developers under these updated Ontario planning frameworks include:

- Development Charges (DCs) Exemption: Non-profit housing developments are exempt from municipal development charges.
- Community Benefits Charges (CBCs) Exemption: Non-profit housing is exempt from community benefits charges.
- Parkland Dedication Exemption: Non-profit housing developments are exempt from parkland dedication requirements.

### ***2.3 Development Charges Act, 1997***

Under the *Development Charges Act, 1997* (as amended by Bill 23), qualifying non-profit housing developers in Ontario are exempt from municipal development charges (DCs), community benefits charges (CBCs), and parkland dedication. This exemption applies to affordable housing projects, including non-profit rental developments and those meeting specific affordable income/rent thresholds, designed to boost supply.

Under Ontario's *More Homes Built Faster Act, 2022 (Bill 23)* non-profit housing developments—defined as residential projects by qualified non-profit corporations or co-operatives in good standing—are exempt from municipal development charges.

The *Protect Ontario by Building Faster and Smarter Act, 2025 (Bill 17)* amended the existing *Development Charges Act, 1997* to include deferral of development charges until the time of occupancy (specifically, the earlier of first occupancy or the issuance of an occupancy permit for non-rental residential developments).

## ***2.4 Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin***

As a qualified non-profit housing provider, Home Opportunities' Development will continue having exemption from DCs, CBCs and parkland dedication having been established in the *Provincial Policy 2020* and continued in the *PPS 2024*. Such an exemption has only a 'non-profit housing provider' condition allowing for an 'income-based' approach to providing affordable 'ownership' housing rather than having to adhere to any 'market-based' requirements as presented in the amended *Development Charges Act, 1997 and Bulletin*.

This *Bulletin* (effective August 1, 2025) sets out the market-based (that is, average purchase prices and market rents) and income-based thresholds that are to be used to determine the eligibility of a residential unit for an exemption from development charges and exclusions from the maximum community benefits charge and parkland dedication requirements.

## ***3.0 CMHC Affordable Housing Fund (AHF)***

*The CMHC Affordable Housing Fund (AHF) supports new construction and repair of affordable housing with a minimum of five units, requiring projects to meet strict affordability (30% of units at <80% median market rent for 20+ years), energy efficiency (2020 codes), and accessibility standards (20% of units). Eligible applicants include non-profits, governments, and private developers.*

#### **4.0 Home Opportunities' Non-Profit Model**

The Proposed Development (*“Development”*) is committed to significantly contribute towards the City reaching and exceeding its annual and 2051 affordable housing targets for new ownership dwelling units well ahead of the target year. Dwelling units in the *Development* will consist of bachelor, 1-, 2-, 3- and 4- bedroom units. Home Opportunities is a non-profit corporation whose mission is to provide affordable homeownership to prospective purchasers of new-build housing. This is achieved by developing new ownership housing and applying an ‘income-based’ model that provides financial capacity directly to residents to purchase a home across a broad income spectrum, including low-moderate income households who would not normally qualify using traditional methods.

All residential units in the *Development* will be cost-priced with ‘income-based’ financial assistance offered upfront to assist residents in achieving homeownership. In doing so, annual household carrying-costs can be down-scaled to half the costs of what would occur in a more conventional financing model.

#### **4.1 Home Opportunities' Development Model**

- 1) Non-profit affordable ‘ownership’ housing developer
- 2) ‘Income-based’ affordable housing model
- 3) Provides funding directly to buyer financial capacity
- 4) Requires no grants, subsidies or free lands
- 5) Utilizes strategic borrowing from existing financial lending mechanisms
- 6) Establishes sustainable, scalable non-profit development mechanism
- 7) Non-profit exempt from DCs, CBCs and parkland dedication
- 8) Exclusive to Affordable Housing CIP “Other Strategies”
- 9) Proposal to pay DCs following occupancy upon resale

The Model provides loans directly to prospective homebuyers to contribute towards funding their homeownership purchase. Funding loans provided by Home Opportunities do not require repayment until the homeowner sells or rents their home.

Upon completion of the *Development*, any resulting capital surplus from Home Opportunities is transferred to Community Wealth, a non-profit rotating-fund for future investment in additional affordable housing projects within the same municipality.

**4.2 Affordable Housing Defined**

Home Opportunities defines affordable housing being 30% of the proposed units sold to households with incomes below those that qualify to carry new dwelling units at 80% of the average rent levels in Guelph. The average rents are based on the affordable rents determined by the MMAH’s *Affordable Housing Residential Bulletin* and CMHC for townhouses shown in **Table 1** and **Table 2** below. It should be acknowledged that the rates in the *MMAH Affordable Housing Bulletin* have been carried forward by the City in the new 2024 *Affordable Housing Strategy*.

**Table 1 CMHC Funding**

<b>Income-Based Ownership</b>	<b>Rental Rates</b>	<b>30% Incomes<sup>1</sup></b>	<b>20% Incomes<sup>2</sup></b>
Bachelor	\$1,331	\$53,240	\$63,888
1 Bedroom	\$1,627	\$65,080	\$78,096
2 Bedroom	\$1,803	\$72,120	\$86,544
3 Bedroom (3+)	\$2,099	\$83,960	\$100,752
4 Bedroom	\$2,700	\$108,000	\$129,600

Source: CMHC Rental Market Survey 2025  
REALTOR.ca

**Table 2 Ontario Funding**

<b><i>Income-Based Ownership</i></b>	<b><i>Rental Rates</i></b>	<b><i>30% Incomes<sup>1</sup></i></b>	<b><i>20% Incomes<sup>2</sup></i></b>
Bachelor	\$1,274	\$50,960	\$61,152
1 Bedroom	\$1,598	\$63,920	\$76,704
2 Bedroom	\$1,740	\$69,600	\$83,520
3 Bedroom (3+)	\$1,935	\$77,400	\$92,880
4 Bedroom	\$2,700	\$108,000	\$129,600
Guelph 60th percentile ownership		\$122,000	

Source: PPS 2025  
DC Act Bulletin 2026  
REALTOR.ca

<sup>1</sup> 30% of household annual before-tax income (CMHC & PPS)

<sup>2</sup> 20% greater than 30% of household annual before-tax income (additional)

In **Table 1** and **Table 2** above, 30% of the units in the *Development* (i.e. 282 units) will be sold to residents with required incomes below Canada Mortgage and Housing Corporation’s (“*CMHC*”) affordable rental guidelines (also *Housing Affordability Strategy*). The *CMHC* definition (“income-based”) considers ownership housing to be affordable if the household income is below 80% of the affordable rental guideline. The *Development* will offer an additional 20% as affordable units to residents with incomes 20% higher than the affordable rental guideline.

**Table 3 Affordable Ownership Units**

<b>266-280 Clair Rd W</b>		<b>Affordable Housing Strategy</b>	
<b>Units<sup>1+2</sup></b>	<b>%</b>	<b>Units<sup>3</sup></b>	<b>%</b>
282	30%	94	10%
188	20%		
470	50%	94	10%

Source: Guelph Affordable Housing Strategy 2024  
 Official Plan Section 7.2 (OPA 101 2024)

<sup>1</sup> 30% of household annual before-tax income (CMHC & PPS)  
<sup>2</sup> 20% greater than 30% of household annual before-tax income (additional)  
<sup>3</sup> 10% new 'ownership' units Guelph affordable requirement (AHS 2024 / OPA 101)

*Guelph Official Plan Policy 7.2.1.2*, updated through amendments, establishes that affordable housing targets are measured as an annual, city-wide average to ensure a diverse housing mix. It supports the *Housing Affordability Strategy 2024*, which aims for 10% affordable ownership (**Table 3**) and 23% affordable rental units. This policy supports, and is aligned with, requirements for increased density/height in exchange for affordable units.

Home Opportunities will provide a minimum 30%, up to 50% of the total proposed dwelling units in the *Development (Table 3)* will represent affordable 'ownership' housing (470 units). The minimum 30% of units utilizes the 'income-based', CMHC 'project affordability' definition. This provides well over 17% of the target affordable ownership units (2760) in the City's new affordable housing target as per *Policy 7.2.1.2 of the Official Plan*. This will provide a significant contribution towards the City's overall target of 33% of new residential development constituting affordable housing.

## 5.0 Guelph Economic Sustainability

The target market for the *Development* is the ‘missing middle’, the local ‘workforce’ who are employees of businesses in Guelph who may struggle to find housing that suits their household budgets in the municipality where they work. Purchasers with incomes lower than required to qualify for conventional financing and who may find themselves underhoused will have more flexibility to purchase homeownership units with Home Opportunities’ model providing funding to increase their household financial capacity.

The proposed *Development* would offer ownership units at various price points that align with CMHC’s affordability threshold for different household income levels. A minimum of 50% of units (470) would be affordable to households and supportive of local economic development, with optional allocations to local employers and their employees.

Fundamentally, the objective is to establish a sustainable, affordable workforce housing stream. The City’s 2023 State of Housing Report found that 21,000 workers commuted to jobs located in Guelph as they struggled to afford to find suitable housing within the City.

Linamar Corporation currently employs close to 10,000 workers at their combined operations in Guelph. Due to challenging housing conditions in Guelph, many of their workers cannot afford to rent, let alone own a home in the community. An estimated 5,000 of their workers are commuting into Guelph, many unable to afford to live in the same community in which they work.

The Kiwi Newton Group will be providing advanced prefabrication and modular construction for the *Development*. Accelerating production of affordable local housing will establish a sustainable workforce while helping to stabilize their business and operations.

City of Guelph will need to support the construction of 2,000 plus units per year to begin to address the critical need for affordable housing and attempt to meet the City's 2051 deadline of 26,000 new units. With a backlog in excess of 8,000 affordable units, it becomes evident why Guelph employers are struggling to attract, and retain workers as well as plan for operations expansions.

Based on economic studies of affordable housing in Ontario, building one new affordable housing unit generally, generates two new jobs which includes both direct construction jobs and induced/indirect non-construction jobs within the local community (*ONPHA 2014*). The *Development* by providing 470 affordable ownership units will generate approximately 940 new jobs in the Guelph community.

If retained for employment purposes, based on the estimated net developable employment lands, hypothetically - could support approximately 100 full-time equivalent jobs within a light industrial development. In contrast to the marginal role in the city's employment land supply, the site can play a direct and powerful role (940 jobs) as a catalyst to sustain economic growth and drive local business expansion (*urbanMetrics 2024*).

Several local area employers have cited the lack of affordable options for housing ownership as a competitive disadvantage for Guelph. Providing affordable residential units without requiring a car will significantly improve the housing outlook for local area families, employees, and businesses.

Home Opportunities has received corporate endorsements from major employers in Guelph regarding its proposed approach to developing housing products that align with local workforce capacities. This approach is seen as so vital to attracting and retaining employees that some employment land stakeholders are taking priority options on a portion of the proposed units to connect their employees to homeownership opportunities.