

# **Attachment-1 Amendment to Affordable Housing Community Improvement Plan - Additional Dwelling Unit Grant Program**

Proposed amendment to the Affordable Housing Community Improvement Plan (CIP) - Additional Dwelling Unit (ADU) Grant Program. The Affordable Housing CIP is also referred to as the CIP and the Plan throughout this amendment and the Affordable Housing CIP document.

## **Format of the Amendment**

This amendment sets out additions and changes to the text in the Affordable Housing CIP. Under the headings Amendment, all sections of text where changes have been made (additions and removals) are in red and sections of text that have not had changes made are in black. If using a screen reader the sections of text where changes have been made will be indicated under the Emphasis Style. The Affordable Housing CIP sections below only include those with amendments, please see the full [Affordable Housing CIP](#) for additional sections and full context. As a result of this amendment, some figure numbers and references to such have changed in other sections of the Affordable Housing CIP. These changes are administrative in nature and are not listed as part of this amendment.

## **Implementation and Interpretation**

The implementation of this amendment shall be in accordance with the provisions of the Planning Act. The further implementation and associated interpretation of this amendment shall be in accordance with the relevant text and mapping schedules of the existing Official Plan of the City of Guelph, the Affordable Housing CIP and applicable legislation. This amendment should be read in conjunction with the entire Affordable Housing CIP which is available on the City's website at [guelph.ca](http://guelph.ca), or at the Planning Services office located at 1 Carden Street, Guelph, ON on the 3rd Floor.

## **Details of the Proposed Amendment**

### **1. Basis and Purpose of the Plan (Existing Affordable Housing Community Improvement Plan)**

In the summer of 2024, City of Guelph's Economic Development and Tourism Department and the Planning and Building Services Department staff began to

undertake a CIP process for the City of Guelph related to the creation of affordable housing. Staff received considerable feedback from various agencies, industry leaders, private landowners, and developers.

This report provides detailed information that forms the basis of this CIP. Section 2.2 of the Provincial Planning Statement addresses Housing. It is expected that municipalities shall establish and implement minimum targets for the provision of housing that is affordable to low- and moderate-income households. This CIP is but one initiative that the City of Guelph is undertaking to grow our affordable housing stock.

While community improvement primarily deals with land and buildings, it may also address social, economic, and environmental matters by supporting physical changes that can result in more complete communities. Specifically, the purpose of the Plan is to provide opportunities and criteria for financial incentives to private property owners and to:

- provide the structured framework for City programs and initiatives within the Community Improvement Project Area, in a manner that meets the legislative requirements of the *Planning Act*'s Community Improvement provisions, including those that permit a municipality to provide financial assistance to developers (see Section 2).
- introduce and describe financial incentive programs designed to encourage and stimulate private sector investment and redevelopment; and,
- focus municipal investment that stimulates private sector investment in the provision of affordable housing in the City.

As noted, this Plan functions as an implementation tool. It builds upon the City's past community improvement efforts, as noted in Section 3. The programs and initiatives provided in Section 7 and Section 8 are meant to encourage development activities that complement and implement the vision and policies established in related plans and strategies, such as the City of Guelph Official Plan, the Housing Affordability Strategy, and the Future Guelph Strategic Plan. These and other supporting documents are reviewed in Section 4 to provide rationale for the Community Improvement Project Area described in Section 5, as well as the context for this Plan's goals and objectives stated in Section 6.

Monitoring the Plan's implementation is undertaken through the City's performance measurement reporting as noted in Section 9. This Plan may be amended from time to time in accordance with Section 10.

## **Amendment**

### **1. Basis and Purpose of the Plan**

In the summer of 2024, City of Guelph's Economic Development and Tourism Department and the Planning and Building Services Department staff began to undertake a CIP process for the City of Guelph related to the creation of affordable housing. Staff received considerable feedback from various agencies, industry leaders, private landowners, and developers. **The City conducted a review of the Additional Dwelling Unit Grant Program in Fall 2025. The CIP has been amended to include revisions to the program as approved by Council on December 9, 2025.**

This report provides detailed information that forms the basis of this CIP. Section 2.2 of the Provincial Planning Statement addresses Housing. It is expected that municipalities shall establish and implement minimum targets for the provision of housing that is affordable to low- and moderate-income households. This CIP is but one initiative that the City of Guelph is undertaking to grow our affordable housing stock. **For the purposes of this CIP, affordable monthly rental rate and ownership benchmarks are based on the Provincial Affordable Residential Units for Purposes of the Development Charges Act, 1997 Bulletin. The Bulletin defines affordable residential units as follows.**

For ownership housing, a unit would be considered affordable when the purchase price is at or below the lesser of:

1. Income-based purchase price: A purchase price that would result in the annual accommodation costs equal to 30 per cent of a household's gross annual income for a household at the 60th percentile of the income distribution for all households in the local municipality; and
2. Market-based purchase price: 90 per cent of the average purchase price of a unit of the same unit type in the local municipality.

For rental housing, a unit would be considered affordable when the rent is at or below the lesser of:

1. Income-based rent: Rent that is equal to 30 per cent of gross annual household income for a household at the 60th percentile of the income distribution for renter households in the local municipality; and
2. Market-based rent: Average market rent of a unit of the same unit type in the local municipality.

Affordable monthly rental rate and ownership benchmarks are found in Tables 2,3,5 and 6 of the CIP.

While community improvement primarily deals with land and buildings, it may also address social, economic, and environmental matters by supporting physical

changes that can result in more complete communities. Specifically, the purpose of the Plan is to provide opportunities and criteria for financial incentives to private property owners and to:

- provide the structured framework for City programs and initiatives within the Community Improvement Project Area, in a manner that meets the legislative requirements of the *Planning Act*'s Community Improvement provisions, including those that permit a municipality to provide financial assistance to developers (see Section 2).
- introduce and describe financial incentive programs designed to encourage and stimulate private sector investment and redevelopment; and,
- focus municipal investment that stimulates private sector investment in the provision of affordable housing in the City.

As noted, this Plan functions as an implementation tool. It builds upon the City's past community improvement efforts, as noted in Section 3. The programs and initiatives provided in Section 7 and Section 8 are meant to encourage development activities that complement and implement the vision and policies established in related plans and strategies, such as the City of Guelph Official Plan, the Housing Affordability Strategy, and the Future Guelph Strategic Plan. These and other supporting documents are reviewed in Section 4 to provide rationale for the Community Improvement Project Area described in Section 5, as well as the context for this Plan's goals and objectives stated in Section 6.

Monitoring the Plan's implementation is undertaken through the City's performance measurement reporting as noted in Section 9. This Plan may be amended from time to time in accordance with Section 10.

## **4.1 Provincial Planning Statement (2024) (Existing Affordable Housing Community Improvement Plan)**

A key policy area of the Provincial Planning Statement (2024) is the vision for housing in the Province:

More than anything, a prosperous Ontario will see the building of more homes for all Ontarians. This is why the province has set a goal of getting at least 1.5 million homes built by 2031. Ontario will increase the supply and mix of housing options, addressing the full range of housing affordability needs. Every community will build homes that respond to changing market needs and local demand. Providing a sufficient supply with the necessary mix of housing options will support a diverse and growing population and workforce, now and for many years to come...Ontario's land use planning framework, and the decisions that are made, shape how our communities grow and prosper. Prioritizing compact and

transit-supportive design, where locally appropriate, and optimizing investments in infrastructure and public service facilities will support convenient access to housing, quality employment, services, and recreation for all Ontarians.

The Provincial Planning Statement (2024) sets the policy foundation for regulating the development and use of land in Ontario for the purpose of establishing and maintaining strong communities, a clean and healthy environment, and economic growth. It recognizes that the wise management of development may involve directing, promoting, or sustaining growth, and encourages efficient development patterns that optimize the use of land, resources and public investment in infrastructure and public service facilities. It promotes intensification and redevelopment that considers existing building stock or areas, including brownfields, that promote cost-effective development patterns and minimizes land consumption and servicing costs. Development is to support active transportation and is to be transit supportive. This new Provincial Planning Statement was issued under Section 3 of the Planning Act and came into effect October 20, 2024. It replaces the Provincial Policy Statement (PPS), 2020 and the Growth Plan for the Greater Golden Horseshoe, 2019.

This CIP is consistent with the following policies in the Provincial Planning Statement (2024):

- Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected needs of current and future residents of the regional market area by:
  - a) establishing and implementing minimum targets for the provision of housing that is affordable to low- and moderate-income households and coordinating land use planning and planning for housing with Service Managers to address the full range of housing options including affordable housing needs.
  - b) permitting and facilitating:
    - all housing options required to meet the social, health, economic and wellbeing requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities; and
    - all types of residential intensification, including the development and redevelopment of underutilized commercial and institutional sites (e.g., shopping malls and plazas) for residential use, development, and introduction of new housing options within previously developed areas, and redevelopment, which results in a net increase in residential units in accordance with policy 2.3.1.3.

- c) promoting densities for new housing which efficiently use land, resources, infrastructure, and public service facilities, and support the use of active transportation; and
- d) requiring transit-supportive development and prioritizing intensification, including potential air rights development, in proximity to transit, including corridors and stations. (PPS 2.2.1 a, b, c, d)
- Planning authorities shall support general intensification and redevelopment to support the achievement of complete communities, including by planning for a range and mix of housing options and prioritizing planning and investment in the necessary infrastructure and public service facilities. (PPS 2.3.1.3)
- Establish and implement minimum targets for intensification and redevelopment in built-up areas. (PPS 2.3.1.4)
- To support the achievement of complete communities, a range and mix of housing options, intensification, and more mixed-use development in strategic growth areas. (PPS 2.4.1.2)
- Protected Heritage Property, which may contain built heritage resources or cultural heritage landscapes, shall be conserved. (PPS 4.6.1)

This CIP has been developed to address these policies and is consistent with the Provincial Policy Statement (2024).

## **Amendment**

### **4.1 Provincial Planning Statement (2024)**

A key policy area of the Provincial Planning Statement (2024) is the vision for housing in the Province:

More than anything, a prosperous Ontario will see the building of more homes for all Ontarians. This is why the province has set a goal of getting at least 1.5 million homes built by 2031. Ontario will increase the supply and mix of housing options, addressing the full range of housing affordability needs. Every community will build homes that respond to changing market needs and local demand. Providing a sufficient supply with the necessary mix of housing options will support a diverse and growing population and workforce, now and for many years to come. Ontario's land use planning framework, and the decisions that are made, shape how our communities grow and prosper. Prioritizing compact and transit-supportive design, where locally appropriate, and optimizing investments in infrastructure and public service facilities will support convenient access to housing, quality employment, services, and recreation for all Ontarians.

The Provincial Planning Statement (2024) sets the policy foundation for regulating the development and use of land in Ontario for the purpose of establishing and maintaining strong communities, a clean and healthy environment, and economic growth. It recognizes that the wise management of development may involve directing, promoting, or sustaining growth, and encourages efficient development patterns that optimize the use of land, resources and public investment in infrastructure and public service facilities. It promotes intensification and redevelopment that considers existing building stock or areas, including brownfields, that promote cost-effective development patterns and minimizes land consumption and servicing costs. Development is to support active transportation and is to be transit supportive. This new Provincial Planning Statement was issued under Section 3 of the Planning Act and came into effect October 20, 2024. It replaces the Provincial Policy Statement (PPS), 2020 and the Growth Plan for the Greater Golden Horseshoe, 2019.

This CIP is consistent with the following policies in the Provincial Planning Statement (2024):

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  - a) establishing and implementing minimum targets for the provision of housing that is affordable to low- and moderate-income households and coordinating land use planning and planning for housing with Service Managers to address the full range of housing options including affordable housing needs.
  - b) permitting and facilitating:
    - all housing options required to meet the social, health, economic and wellbeing requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities; and
    - all types of residential intensification, including the development and redevelopment of underutilized commercial and institutional sites (e.g., shopping malls and plazas) for residential use, development, and introduction of new housing options within previously developed areas, and redevelopment, which results in a net increase in residential units in accordance with **PPS 2.3.1.3**.
  - c) promoting densities for new housing which efficiently use land, resources, infrastructure, and public service facilities, and support the use of active transportation; and

- d) requiring transit-supportive development and prioritizing intensification, including potential air rights development, in proximity to transit, including corridors and stations. (PPS 2.2.1 a, b, c, d)
- Planning authorities shall support general intensification and redevelopment to support the achievement of complete communities, including by planning for a range and mix of housing options and prioritizing planning and investment in the necessary infrastructure and public service facilities. (PPS 2.3.1.3)
- Establish and implement minimum targets for intensification and redevelopment in built-up areas. (PPS 2.3.1.4)
- To support the achievement of complete communities, a range and mix of housing options, intensification, and more mixed-use development in strategic growth areas. (PPS 2.4.1.2)
- Protected Heritage Property, which may contain built heritage resources or cultural heritage landscapes, shall be conserved. (PPS 4.6.1)

This CIP has been developed to address these policies and is consistent with the [Provincial Planning Statement \(2024\)](#).

### **7.1.3 Additional Dwelling Unit Grant (Existing Affordable Housing Community Improvement Plan)**

The purpose of this program is to encourage the development of new Additional Dwelling Units (ADUs) for rent in redevelopment projects. Two streams are proposed under this program: a Homeowner Stream and a Project Stream. For the Homeowner Stream, a grant in the amount up to \$20K for one ADU on the property with up to an additional \$20K if infrastructure upgrades to the public realm within the City right-of-way or street are required for the project. Also, up to an additional \$10K for the addition of accessibility features beyond the building code requirements for the project. For the Project Stream, a single grant per applicant per property (based on the intended lot configuration) in the amount up to \$10K per unit, for a maximum of six ADUs as part of a single project, with up to an additional \$20K if infrastructure upgrades to the public realm within the City right-of-way or street are required for the project. Also, up to an additional \$10K per affordable unit for the addition of accessibility features beyond the building code requirements for the project.

#### **Projects that are eligible:**

- New construction on vacant land.
- Adding new gross floor space to accommodate an ADU.
- Converting an existing space (e.g., basement, garage, attic) to accommodate an ADU.
- Units must contain full private cooking, eating, living, sleeping and sanitary facilities.

## **Projects that are not eligible:**

- Projects that do not conform to Policy 9.3.2.3 of the City of Guelph Official Plan.
- For the Homeowner Stream, if the applicant does not live on the property.
- For the Homeowner Stream and Project Stream, if the applicant has already received a grant under this program.

## **Grant Combining**

This grant may be combined with other grants and fee exemptions or programs offered by the City of Guelph, other levels of government, and organizations, as appropriate. Total eligible costs shall not exceed the total of all grants and fee exemptions.

The detailed program description, terms and administrative procedure for this program are provided in Appendix C to this CIP.

## **Amendment**

### **7.1.3 Additional Dwelling Unit Grant**

The purpose of this program is to encourage the development of new Additional Dwelling Units (ADUs) for rent in redevelopment projects. Two streams are proposed under this program: a Homeowner Stream and a Project Stream.

For the Homeowner Stream, a grant in the amount up to \$20K per unit to a maximum of three ADUs eligible as part of a single project, and up to \$10K per affordable unit for the addition of accessibility features beyond the building code requirements for the project. Also, funds up to the amounts listed in Table 1 are available for municipal infrastructure and/or private utility service upgrades for ADUs.

For the Project Stream, a grant in the amount up to \$15K per unit, with no maximum number of ADUs eligible as part of a single project, and up to \$10K per affordable unit for the addition of accessibility features beyond the building code requirements for the project. Also, funds up to the amounts listed in Table 1 are available for municipal infrastructure and/or private utility service upgrades for ADUs.

An applicant may receive funding for more than one project under this program. Only one application on a property will be considered at a time. All units under a single project must be located on one property at the time of a CIP application, though based on the intended lot configuration following an application such as those for consent or subdivision more than one property may result.

**Table 1: Municipal infrastructure and private utility service upgrades grant by number and type of ADUs included in a project**

| Number and type of ADUs included in a project | Amount | Criteria   |
|---|--------|--|
| One ADU (second unit on a property)           | \$20K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project.  |
| One ADU (third or fourth unit on a property)  | \$20K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project,<br>and/or,<br>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. |
| Two ADUs                                      | \$40K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project,<br>and/or,<br>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. |
| Three or more ADUs                            | \$60K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project,<br>and/or,<br>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. |

**Projects that are eligible:**

- New construction on vacant land.
- Adding new gross floor space to accommodate an ADU.

- Converting an existing space (e.g., basement, garage, attic) to accommodate an ADU.
- Units must contain full private cooking, eating, living, sleeping and sanitary facilities.

**Projects that are not eligible:**

- Projects that do not conform to Policy 9.3.2.3 of the City of Guelph Official Plan.
- For the Homeowner Stream, if the applicant does not live on the property.

**Grant Combining**

This grant may be combined with other grants and fee exemptions or programs offered by the City of Guelph, other levels of government, and organizations, as appropriate. Total eligible costs shall not exceed the total of all grants and fee exemptions.

The detailed program description, terms and administrative procedure for this program are provided in Appendix C to this CIP.

**10.1 Formal Amendments (Existing Affordable Housing Community Improvement Plan)**

A formal amendment to this CIP is required in the following instances:

- To introduce any new financial incentive programs, to be added to Section 7.
- To change the amount of financial assistance that may be provided to registered owners, assessed owners, and tenants, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, as described in Section 7.1.

Formal amendments will require approval by City Council and shall be undertaken in accordance with Section 28 of the *Planning Act*. Public notice shall be given in accordance with the applicable requirements of the Planning Act regulations. Any proposed amendments will be circulated to the Ministry of Municipal Affairs and Housing prior to approval for consultation purposes.

In addition, the City may undertake other communication methods to provide information and seek input, such as public information open houses, workshops, public meetings, the City's website and direct or electronic mail-outs and surveys. Minor revisions, administrative changes and corrections do not represent formal amendments and may be completed without the formal amendment process, as noted in Section 10.2 below.

**Amendment**

**10.1 Formal Amendments**

A formal amendment to this CIP is required in the following instances:

- To introduce any new financial incentive programs, to be added to Section 7.
- To change the amount of financial assistance that may be provided to registered owners, assessed owners, and tenants, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, as described in Section 7.1.
- **A change or expansion in the area to which the CIP applies.**

Formal amendments will require approval by City Council and shall be undertaken in accordance with Section 28 of the *Planning Act*. Public notice shall be given in accordance with the applicable requirements of the Planning Act regulations. Any proposed amendments will be circulated to the Ministry of Municipal Affairs and Housing prior to approval for consultation purposes.

In addition, the City may undertake other communication methods to provide information and seek input, such as public information open houses, workshops, public meetings, the City's website and direct or electronic mail-outs and surveys. Minor revisions, administrative changes and corrections do not represent formal amendments and may be completed without the formal amendment process, as noted in Section 10.2 below.

## **Appendix C – Additional Dwelling Unit Grant (Existing Affordable Housing Community Improvement Plan)**

### **Program Description**

The purpose of this program is to encourage the development of new affordable Additional Dwelling Units (ADU) for rent in redevelopment projects. Two streams are proposed under this program: a Homeowner Stream and a Project Stream. For the Homeowner Stream, a grant in the amount of up to \$20K for one ADU on the property with up to an additional \$20K if infrastructure upgrades to the public realm within the City right-of-way or street are required for the project. Also, up to an additional \$10K for the addition of accessibility features beyond the building code requirements for the project. For the Project Stream, a single grant per applicant per property (based on the intended lot configuration) in the amount of up to \$10K per unit, up to six ADUs as part of a single project, with up to an additional \$20K if infrastructure upgrades to the public realm within the right-of-way or street are required for the project. Also, up to an additional \$10K per affordable unit for the addition of accessibility features beyond the building code requirements for the project. These features will be reviewed and confirmed as part of the application process to the CIP.

### **Homeowner Stream: Program Terms**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program specific requirements, and subject to the availability of funding.

1. Monthly rental rates must always, during the minimum affordability timeframe be maintained at or below the rates in effect. These rates are listed below but may be amended from time to time by the Province of Ontario.

**Table 3: Affordable monthly rental rate and ownership benchmarks, Guelph (August 1, 2025)**

| <b>Unit Type</b> | <b>Rental Bachelor</b> | <b>Rental 1-bedroom</b> | <b>Rental 2-bedroom</b> | <b>Rental 3-bedroom</b> |
|------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Affordable rate  | \$1,271                | \$1,598                 | \$1,740                 | \$1,935                 |

Source: [Affordable Residential Units for Purposes of the Development Charges Act, 1997 Bulletin](#)

2. Minimum Affordability Timeframe

Any units that receive funding under this program must remain affordable by the standards set out in Table 3 for 15 years from the date of first occupancy.

Applicants must enter into an agreement with the City which will be registered on title to the property to secure this obligation. For grants totaling \$100K or more, a collateral mortgage may, at the City's sole discretion, be registered on title in the amount of all funding provided or which may become payable to the City.

Should a property owner not comply with maintaining the unit at an affordable price, then the City will take enforcement action to recover the funding provided and penalties as determined by the City.

3. Grants will be provided upon the issuance of a building permit.
4. Properties must be in conformity with applicable policy documents of the City including but not limited to Official Plans, the provisions of the applicable Zoning By-law and any other applicable City by-laws.
5. The applicant must be able to demonstrate that they occupy the property as their principal residence, to the satisfaction of the City of Guelph.
6. The applicant will be required to submit a complete application to the City describing in detail the development or redevelopment that is planned. This may include floor plans, conceptual site plans, reports, business plans, estimates, contracts and other details as may be required to satisfy the City with respect to conformity of the project with the CIP. The application must be submitted to the City prior to any works being undertaken.
7. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Applicants are required to submit a detailed estimated budget. Grants are equal to the lesser of eligible costs and the maximum program amount.

8. Approval of the grant is at the sole discretion of the City and subject to the availability of funds.
9. Proposed works are to be completed within 18 months from building permit approval to the satisfaction of the City's Building Services division. A one-year extension can be authorized by the General Manager of Planning and Building Services and General Manager of Finance if an applicant has extenuating circumstances which would warrant an extension.
10. Work completed must be consistent with estimates, work proposed and identified within the application unless previously discussed and approved by the General Manager of Planning and Building Services and General Manager of Finance. Copies of invoices and proof of payment may be requested upon completion of the works.
11. The City or Council may reject any application received from an applicant, whether or not an applicant satisfies the requirements of the Program, where, in the opinion of Council, the commercial relationship between the City and the applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants shall include but not be limited to the following:
  - The Applicant identified on the application form; if a corporation, any person, or entity with an interest in the corporation as determined by the City in its sole, absolute, and unfettered discretion.
12. The City or Council, whether or not an applicant satisfies the requirements of the Program, may reject any application received from an applicant where property tax arrears are owed on the subject property.
13. Works commenced prior to applying are ineligible for funding under the Program. Works commenced after applying but prior to approval of an application may be eligible for funding under the Program and eligibility will be determined by the General Manager of Planning and Building Services and General Manager of Finance in their sole, absolute and unfettered discretion. An applicant shall assume the risk of paying for work commenced after an application has been submitted but prior to approval.
14. A successful applicant will enter into an agreement with the City containing the terms and conditions as (but not limited to) set out in the program description.

## **Project Stream: Program Terms**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program specific requirements, and subject to the availability of funding.

1. Monthly rental rates must at all times during the minimum affordability timeframe be maintained at or below the rates in effect. These rates are listed below but may be amended from time to time by the Province of Ontario.

**Table 4: Affordable monthly rental rate and ownership benchmarks, Guelph (August 1, 2025)**

| <b>Unit Type</b> | <b>Rental Bachelor</b> | <b>Rental 1-bedroom</b> | <b>Rental 2-bedroom</b> | <b>Rental 3-bedroom</b> |
|------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Affordable rate  | \$1,271                | \$1,598                 | \$1,740                 | \$1,935                 |

Source: [Affordable Residential Units for Purposes of the Development Charges Act, 1997 Bulletin](#)

2. Minimum Affordability Timeframe

Any units that receive funding under this program must remain affordable by the standards set out in Table 4 for 15 years from the date of occupancy.

Applicants must enter into an agreement with the City which will be registered on title to the property to secure this obligation. For grants totaling \$100K or more, a collateral mortgage may, at the City's sole discretion, be registered on title in the amount of all funding provided by or which may become payable to the City.

Should a property owner not comply with maintaining the unit at an affordable price then the City will take enforcement action to recover the funding provided and penalties as determined by the City.

3. Grants will be provided upon the issuance of a building permit.
4. Projects shall contain a maximum of 6 ADUs as part of a single project.
5. The applicant will be required to submit a complete application to the City describing in detail the development or redevelopment that is planned. This may include floor plans, conceptual site plans, reports, business plans, estimates, contracts, and other details as may be required to satisfy the City with respect to conformity of the project with the CIP. The application must be submitted to the City prior to any works being undertaken.
6. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Applicants will be required to submit a detailed estimated budget. Grants are equal to the lesser of eligible costs and the maximum program amount.
7. Approval of the grant is at the sole discretion of the City and subject to the availability of funds.

8. Proposed works are to be completed within 18 months from building permit approval to the satisfaction of the City's Building Services division. A one-year extension can be authorized by the General Manager of Planning and Building Services and General Manager of Finance if an applicant has extenuating circumstances which would warrant an extension.
9. Work completed must be consistent with estimates, work proposed and identified within the application unless previously discussed and approved by the Economic Development and Tourism Department. Copies of invoices and proof of payment must be submitted upon completion of the works.
10. The City or Council may reject any application received from an applicant, whether or not an applicant satisfies the requirements of the Program, where, in the opinion of Council, the commercial relationship between the City and the applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants shall include but not be limited to the following:
  - The Applicant identified on the application form; if a corporation, any person, or entity with an interest in the corporation as determined by the City in its sole, absolute, and unfettered discretion. Only one application per applicant, corporation, or entity.
11. The City or Council, whether or not an applicant satisfies the requirements of the Program, may reject any application received from an applicant property tax arrears are owed on the subject property.
12. Works commenced prior to submitting an application are ineligible for funding under the Program. Works commenced after submitting an application but prior to approval of an application may be eligible for funding under the Program and eligibility will be determined by the General Manager of Planning and Building Services and General Manager of Finance in their sole, absolute and unfettered discretion. An applicant shall assume the risk of paying for work commenced after an application has been submitted but prior to approval.
13. A successful applicant will enter into an agreement with the City containing the terms and conditions as (but not limited to) set out in the program description.

### **Eligible Costs for Both Streams**

- Costs associated with construction, including materials and labour.
- Permanent fixed equipment.

### **Ineligible Costs**

- Any work completed prior to the submission of the CIP application.

## **Eligible Projects for Both Streams**

- New construction on vacant land.
- Adding new gross floor space to accommodate an ADU.
- Renovating an existing space to accommodate an ADU.
- Units must contain full private cooking, eating, living, sleeping and sanitary facilities.

## **Ineligible Projects**

- Projects that do not conform to Policy 9.3.2.3 of the City of Guelph Official Plan.
- For the Homeowner Stream, projects where the property is not the applicant's principal residence; and
- For the Homeowner Stream and Project Stream, if the applicant has already received a grant under this program.

## **Grant Combining**

This grant may be combined with other grants and fee exemptions or programs offered by the City of Guelph, other levels of government and organizations. Total eligible costs shall not exceed the total of all grants and fee exemptions.

## **Amendment**

### **Appendix C – Additional Dwelling Unit Grant**

#### **Program Description**

The purpose of this program is to encourage the development of new affordable Additional Dwelling Units (ADU) for rent in redevelopment projects. Two streams are proposed under this program: a Homeowner Stream and a Project Stream.

For the Homeowner Stream, a grant in the amount of up to \$20K per unit to a maximum of three ADUs eligible as part of a single project, and up to \$10K per affordable unit for the addition of accessibility features beyond the building code requirements for the project. These features will be reviewed and confirmed as part of the application process to the CIP. Also, funds up to the amounts listed in Table 4 are available for municipal infrastructure and/or private utility service upgrades for ADUs.

For the Project Stream, a grant in the amount of up to \$15K per unit with no maximum number of ADUs eligible as part of a single project, and up to \$10K per affordable unit for the addition of accessibility features beyond the building code requirements for the project. These features will be reviewed and confirmed as part of the application process to the CIP. Also, funds up to the amounts listed in Table 4 are available for municipal infrastructure and/or private utility service upgrades for ADUs.

An applicant may receive funding for more than one project under this program. Only one application on a property will be considered at a time. All units under a single project must be located on one property at the time of the CIP application, though based on the intended lot configuration following an application such as those for consent or subdivision more than one property may result.

**Table 4: Municipal infrastructure and private utility service upgrades grant by number and type of ADUs included in a project**

| Number and type of ADUs included in a project | Amount | Criteria   |
|---|--------|--|
| One ADU (second unit on a property)           | \$20K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project.  |
| One ADU (third or fourth unit on a property)  | \$20K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project,<br>and/or,<br>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. |
| Two ADUs                                      | \$40K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project,<br>and/or,<br>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. |

| Number and type of ADUs included in a project | Amount | Criteria   |
|---|--------|--|
| Three or more ADUs                            | \$60K  | If municipal infrastructure upgrades to the public realm within the City right-of-way or street are required for the project,<br>and/or,<br>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. |

### **Homeowner Stream: Program Terms**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program specific requirements, and subject to the availability of funding.

1. Monthly rental rates must always, during the minimum affordability timeframe be maintained at or below the rates in effect. These rates are listed below but may be amended from time to time by the Province of Ontario.

**Table 5: Affordable monthly rental rate and ownership benchmarks, Guelph (August 1, 2025)**

| Unit Type       | Rental Bachelor | Rental 1-bedroom | Rental 2-bedroom | Rental 3-bedroom |
|-----------------|-----------------|------------------|------------------|------------------|
| Affordable rate | \$1,271         | \$1,598          | \$1,740          | \$1,935          |

Source: Affordable Residential Units for Purposes of the Development Charges Act, 1997 Bulletin

### 2. Minimum Affordability Timeframe

Any units that receive funding under this program must remain affordable by the standards set out in Table 5 for 15 years from the date of first occupancy.

Applicants must enter into an agreement with the City which will be registered on title to the property to secure this obligation. For grants totaling \$100K or more, a collateral mortgage may, at the City's sole discretion, be registered on title in the amount of all funding provided or which may become payable to the City.

Should a property owner not comply with maintaining the unit at an affordable price, then the City will take enforcement action to recover the funding provided and penalties as determined by the City.

3. Grants will be provided upon the issuance of a building permit.
4. Properties must be in conformity with applicable policy documents of the City including but not limited to Official Plans, the provisions of the applicable Zoning By-law and any other applicable City by-laws.
5. The applicant must be able to demonstrate that they occupy the property as their principal residence, to the satisfaction of the City of Guelph.
6. The applicant will be required to submit a complete application to the City describing in detail the development or redevelopment that is planned. This may include floor plans, conceptual site plans, reports, business plans, estimates, contracts and other details as may be required to satisfy the City with respect to conformity of the project with the CIP. The application must be submitted to the City prior to any works being undertaken.
7. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Applicants are required to submit a detailed estimated budget. Grants are equal to the lesser of eligible costs and the maximum program amount.
8. Approval of the grant is at the sole discretion of the City and subject to the availability of funds.
9. Proposed works are to be completed within 18 months from building permit approval to the satisfaction of the City's Building Services division. A one-year extension can be authorized by the General Manager of Planning and Building Services and General Manager of Finance if an applicant has extenuating circumstances which would warrant an extension.
10. Work completed must be consistent with estimates, work proposed and identified within the application unless previously discussed and approved by the General Manager of Planning and Building Services and General Manager of Finance. Copies of invoices and proof of payment may be requested upon completion of the works.
11. The City or Council may reject any application received from an applicant, whether or not an applicant satisfies the requirements of the Program, where, in the opinion of Council, the commercial relationship between the City and the applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants shall include but not be limited to the following:
  - The Applicant identified on the application form; if a corporation, any person, or entity with an interest in the corporation as determined by the City in its sole, absolute, and unfettered discretion.

12. The City or Council, whether or not an applicant satisfies the requirements of the Program, may reject any application received from an applicant where property tax arrears are owed on the subject property.

13. Works commenced prior to applying are ineligible for funding under the Program. Works commenced after applying but prior to approval of an application may be eligible for funding under the Program and eligibility will be determined by the General Manager of Planning and Building Services and General Manager of Finance in their sole, absolute and unfettered discretion. An applicant shall assume the risk of paying for work commenced after an application has been submitted but prior to approval.

14. A successful applicant will enter into an agreement with the City containing the terms and conditions as (but not limited to) set out in the program description.

### **Project Stream: Program Terms**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program specific requirements, and subject to the availability of funding.

1. Monthly rental rates must at all times during the minimum affordability timeframe be maintained at or below the rates in effect. These rates are listed below but may be amended from time to time by the Province of Ontario.

**Table 6: Affordable monthly rental rate and ownership benchmarks, Guelph (August 1, 2025)**

| <b>Unit Type</b> | <b>Rental Bachelor</b> | <b>Rental 1-bedroom</b> | <b>Rental 2-bedroom</b> | <b>Rental 3-bedroom</b> |
|------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Affordable rate  | \$1,271                | \$1,598                 | \$1,740                 | \$1,935                 |

Source: [Affordable Residential Units for Purposes of the Development Charges Act, 1997 Bulletin](#)

#### 2. Minimum Affordability Timeframe

Any units that receive funding under this program must remain affordable by the standards set out in Table 6 for 15 years from the date of occupancy.

Applicants must enter into an agreement with the City which will be registered on title to the property to secure this obligation. For grants totaling \$100K or more, a collateral mortgage may, at the City's sole discretion, be registered on title in the amount of all funding provided by or which may become payable to the City.

Should a property owner not comply with maintaining the unit at an affordable price then the City will take enforcement action to recover the funding provided and penalties as determined by the City.

3. Grants will be provided upon the issuance of a building permit.
4. The applicant will be required to submit a complete application to the City describing in detail the development or redevelopment that is planned. This may include floor plans, conceptual site plans, reports, business plans, estimates, contracts, and other details as may be required to satisfy the City with respect to conformity of the project with the CIP. The application must be submitted to the City prior to any works being undertaken.
5. Eligibility requirements for the Program relating to the work to be funded will be specifically identified. Applicants will be required to submit a detailed estimated budget. Grants are equal to the lesser of eligible costs and the maximum program amount.
6. Approval of the grant is at the sole discretion of the City and subject to the availability of funds.
7. Proposed works are to be completed within 18 months from building permit approval to the satisfaction of the City's Building Services division. A one-year extension can be authorized by the General Manager of Planning and Building Services and General Manager of Finance if an applicant has extenuating circumstances which would warrant an extension.
8. Work completed must be consistent with estimates, work proposed and identified within the application unless previously discussed and approved by the Economic Development and Tourism Department. Copies of invoices and proof of payment must be submitted upon completion of the works.
9. The City or Council may reject any application received from an applicant, whether or not an applicant satisfies the requirements of the Program, where, in the opinion of Council, the commercial relationship between the City and the applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants shall include but not be limited to the following:
  - The Applicant identified on the application form; if a corporation, any person, or entity with an interest in the corporation as determined by the City in its sole, absolute, and unfettered discretion.
10. The City or Council, whether or not an applicant satisfies the requirements of the Program, may reject any application received from an applicant property tax arrears are owed on the subject property.

11. Works commenced prior to submitting an application are ineligible for funding under the Program. Works commenced after submitting an application but prior to approval of an application may be eligible for funding under the Program and eligibility will be determined by the General Manager of Planning and Building Services and General Manager of Finance in their sole, absolute and unfettered discretion. An applicant shall assume the risk of paying for work commenced after an application has been submitted but prior to approval.

12. A successful applicant will enter into an agreement with the City containing the terms and conditions as (but not limited to) set out in the program description.

### **Eligible Costs for Both Streams**

- Costs associated with construction, including materials and labour.
- Permanent fixed equipment.

### **Ineligible Costs**

- Any work completed prior to the submission of the CIP application.

### **Eligible Projects for Both Streams**

- New construction on vacant land.
- Adding new gross floor space to accommodate an ADU.
- Renovating an existing space to accommodate an ADU.
- Units must contain full private cooking, eating, living, sleeping and sanitary facilities.

### **Ineligible Projects**

- Projects that do not conform to Policy 9.3.2.3 of the City of Guelph Official Plan; and
- For the Homeowner Stream, projects where the property is not the applicant's principal residence.

### **Grant Combining**

This grant may be combined with other grants and fee exemptions or programs offered by the City of Guelph, other levels of government and organizations. Total eligible costs shall not exceed the total of all grants and fee exemptions.