



# Affordable Housing Community Improvement Plan

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City of Guelph

**Date: Approved February 11, 2025**

## **Introduction**

The Affordable Housing Community Improvement Plan (the Plan or the CIP) provides the basis for community improvement programs and initiatives related to the development of new affordable housing within the designated Community Improvement Project Area in the City of Guelph. The Community Improvement Project Area for this CIP is the limits of the City of Guelph.

Community improvement plans, programs and initiatives facilitate the planning and financing of development activities that effectively use, reuse and revitalize lands, buildings and infrastructure. They prioritize municipal investment and are intended to stimulate private sector investment, property maintenance and revitalization within the project area.

The Plan will help to implement the City's vision and goals expressed in approved policies and strategies, such as the City of Guelph Official Plan, the 2024 Housing Affordability Strategy and the Future Guelph Strategic Plan.

This Plan is organized in the following sections:

1. Basis and Purpose of the Plan
2. Specific Legislation
3. Previous Plans, Programs and Initiatives
4. Supporting Policies
5. Community Improvement Project Area
6. Goals and Objectives
7. The Programs
8. Other Strategies
9. Monitoring
10. Approval and Amendment Process
11. Appendices and Maps

### **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.

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.

## **2. Specific Legislation**

The Ontario Municipal Act and Planning Act are the governing legislation for community improvement planning. This legislation sets the rules on how municipalities may prepare community improvement plans and programs, including financial incentives.

### **2.1 The Acts**

Section 106(1) of the *Municipal Act* states: "a municipality shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose." Providing financial or other assistance, often referred to as bonusing, is prohibited, including the following actions:

- Giving or lending money or municipal property,

- Guaranteeing borrowing,
- Leasing or selling municipal property below fair market value, or,
- Giving a total or partial exemption from any levy, charge or fee.

Exceptions to this restriction are made in Section 106(3) of the *Municipal Act* for municipalities exercising powers under Section 28(6), (7) or (7.2) of the *Planning Act* or under Section 365.1 of the *Municipal Act*. These exceptions provide the legislative basis for the financial incentive programs described in Section 8.1 of this Plan.

Section 28 of the *Planning Act* permits municipalities that have provisions in their Official Plan relating to community improvement to designate, by by-law, a community improvement project area. Section 28 defines the following:

- A community improvement project area is defined as *"a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason."*
- Community improvement is defined as *"the planning or replanning, design or redesign, re-subdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement or energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary."* For greater clarity, Section 28(1.1) notes that the provision of affordable housing is included in the definition of community improvement.

Further, a municipality may take the following actions within a designated community improvement project area:

- Acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3)).
- Prepare a CIP for the project area (Section 28(4)).
- Construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the approved CIP (Section 28(6)).
- Sell, lease or otherwise dispose of any land and buildings acquired or held by it in conformity with the approved CIP (Section 28(6)).
- Make grants or loans, in conformity with the approved CIP, to the registered owners, assessed owners and tenants of lands and buildings, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or part of the eligible costs of the CIP (Section 28(7)).

Section 28(7.1) states that eligible costs may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities.

In addition, Section 365.1 of the *Municipal Act* allows a municipality to provide property tax assistance to properties within a designated community improvement project area for environmental remediation purposes, where a CIP is in effect containing provisions respecting such tax assistance. The City of Guelph has provided such a program through the Brownfield Redevelopment Community Improvement Plan.

The maximum amount of financial assistance that a municipality may offer is limited by Section 28(7.3) of the *Planning Act*. The total of the grants, loans and tax assistance provided to select lands and buildings under the *Planning Act* (Section 28) and the *Municipal Act* (Section 365.1) shall not exceed the eligible cost of the CIP with respect to those lands and buildings. The financial incentive programs provided in Section 7 of this Plan therefore contain eligibility criteria and financial assistance maximum limits to ensure that the total assistance offered to a property does not exceed eligible costs.

## **2.2 City of Guelph Official Plan**

Community improvement policy is contained in Section 10.3 of the City of Guelph Official Plan. As noted in Section 2.1 of this CIP, municipalities must have provisions in their Official Plan relating to community improvement to designate a community improvement project area and prepare a CIP. This is discussed further in Section 5 of this Plan.

## **3. Previous Plans, Programs and Initiatives**

As noted above, the City has provided other community improvement plans and programs in the City since 2004 to address strategic priorities.

Programs and initiatives introduced over the years have laid the foundation for continued revitalization that this CIP builds upon. They include the following programs:

### **Downtown Community Improvement Plan**

- Façade Improvement Grant Program
- Feasibility Study Grant
- Minor Downtown Activation Grant Program
- Major Downtown Activation Grant (TIG) Program

### **Brownfield Redevelopment Community Improvement Plan**

- Brownfield Tax Increment Grant (TIG) Program

- Environmental Study Grant
- Tax Assistance (pursuant to the Ontario’s Brownfields Financial Tax Incentive Program)

**Other city-wide incentives**

- Heritage Redevelopment Reserve Program (pursuant to the Heritage Act)
- Employment Land Development Charge Reduction (pursuant to the Development Charges Act and By-law)
- Development Charge Exemptions (pursuant to the Development Charges Act and By-law)

**4. Supporting Policies**

The documents reviewed in this section provide the direction and policy basis for the Plan’s goals, objectives (see Section 6) and programs (see Section 7).

**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):

- 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).

## **4.2 City of Guelph Official Plan**

The City of Guelph Official Plan (OP) implements Provincial land use policy at the municipal level. All proposed developments participating in programs and initiatives contained in this Plan shall conform to the policies in the City of Guelph Official Plan and the Comprehensive Zoning By-law, and more specifically, shall be compatible with surrounding land uses. Specifically, existing, non-complying and non-conforming uses are not eligible for the programs contained within this plan.

In addition, Section 10.3 of the Official Plan (February 2024 Consolidation) provides the following objectives on community improvement:

- a) *"To maintain and improve the quality, safety and stability of the built environment within the community.*
- b) *To encourage the renewal, rehabilitation, redevelopment or other improvement of private and public lands and/or buildings.*
- c) *To maintain and upgrade municipal physical and community facility infrastructure.*
- d) *To maintain and upgrade the transportation network to ensure adequate traffic flow, pedestrian circulation, and parking facilities.*
- e) *To maintain and upgrade public recreational, park and open space facilities.*
- f) *To encourage the preservation, restoration, adaptive reuse and improvement of historical or architecturally significant buildings.*
- g) *To encourage maximum use of existing municipal services through the infilling, intensification and redevelopment of lands and buildings which are already serviced with municipal services.*
- h) *To improve and maintain the physical and aesthetic qualities and amenities of streetscapes.*
- i) *To encourage the eventual elimination and/or relocation of incompatible land uses, and where this is not feasible, to encourage physical improvements to minimize the incompatibility.*
- j) *To improve environmental conditions.*
- k) *To improve social conditions.*
- l) *To promote cultural development and the development of cultural facilities.*
- m) *To encourage and support environmentally sustainable development.*



- n) *To guide and prioritize the expenditure of public funds on community improvements.*
- o) *To encourage community partners to maintain, upgrade and/or add community facilities and services.”*

Part of the vision of the Official Plan is to ensure that the community has a full range and mix of housing that is accessible and affordable. A goal of the plan is to ensure an appropriate range and mix of employment opportunities, local services, community infrastructure, housing (including affordable housing) and other land uses are provided to meet current and projected needs to the year 2051. (OP 2.3.1.b)

The Official Plan recognizes that complete and healthy communities achieve a full range and mix of housing options and densities to accommodate a range of incomes and household sizes as well as local services and public service facilities including affordable housing and schools. (OP 3.1.1 ii) and iii))

In the Downtown specifically, residential development is a key driver for economic vitality which includes the provision of affordable housing. (OP 3.5.5 ii))

The Official Plan starting in section 7.2 contains policies specific to Affordable Housing in Guelph as outlined below:

“The City recognizes the importance of housing, including affordable housing, in meeting the needs of the city’s existing and future residents.

**Objectives:**

- a) To encourage and support the development of affordable housing throughout the city by planning for a range of housing types, forms, tenures and densities.
- b) To actively participate in, encourage and promote affordable housing opportunities funded by Provincial and/or Federal programs in conjunction with the Consolidated Municipal Service Manager (Service Manager) to ensure a supply of new affordable housing within the city.
- c) To encourage and support education and awareness programs with private, public and local community stakeholders to highlight the economic and social advantages of affordable housing.
- d) To recognize the role of existing housing and additional residential dwelling units in providing choices for a full range of housing, including affordable housing.
- e) To protect the existing supply of affordable rental housing by regulating demolitions and the conversion of existing rental properties to condominiums or co-ownership housing.
- f) To promote innovative housing types and forms to ensure affordable housing for all socio-economic groups throughout the city.

- g) To establish and implement minimum targets for affordable housing through new development applications.
- h) To ensure that an adequate supply, geographic distribution and range of housing types, including affordable housing, and supporting amenities, are provided to satisfy the needs of the community and to support an affordable lifestyle.”

The Official Plan includes Affordable Housing Targets of which financial incentives is one of several planning tools at the City’s disposal to achieve these targets.

“An affordable housing target will be implemented through new development applications city-wide. The affordable housing target will be implemented through the use of various planning tools (e.g., planning policy, development approvals, financial incentives, partnerships, community education and monitoring).” (OP 7.2.1.1)

Generally, the Official Plan notes that affordable housing will be provided throughout the city to ensure an adequate supply, range and geographic distribution of all housing types. Nonetheless, affordable housing is encouraged to be located where served by transit, and other services such as shopping, parks and other community facilities. Housing proposed in the Downtown and Mixed-use designations is strongly encouraged for Affordable Housing. (OP 7.2.2.9 and .10)

### **4.3 Future Guelph Strategic Plan**

The Future Guelph Strategic Plan’s vision is *an inclusive, connected, prosperous city where we look after each other and our environment*. The incentivizing of affordable housing aligns with this vision and advances the reputation of Guelph as a caring community.

A key theme of the strategic plan is City Building. An objective of this theme is to improve the city’s housing supply. The availability of affordable housing within the city’s overall supply of housing in general is an area that needs to be addressed.

Another strategic theme area that informs this CIP is People and Economy, which includes the objective of making Downtown a vibrant place for everyone. Additional residential development is a key ingredient to the Downtown’s economic vitality going forward.

### **4.4 City of Guelph 2024 Housing Affordability Strategy**

The City of Guelph’s 2024 Housing Affordability Strategy is a 10-year strategy that identifies a range of strategic actions to address the following five key housing affordability issues identified in the State of Housing 2023 Report:

1. Guelph is working towards achieving its affordable housing targets.
2. There is a need for smaller units.
3. There is a need for increased supply of primary rental units.
4. The secondary rental market offers more affordable choices but could benefit from the stability offered by the primary rental market; and

5. There is a need for an increased supply of non-market rental housing.

One of the strategic actions included in the 2024 Housing Affordability Strategy is to develop an affordable housing CIP to incentivize affordable housing development.

## **5. Community Improvement Project Area**

As decided through consultation with community stakeholders, the public, City staff and the Mayor and Council, this CIP applies to the entire urban boundary of the City of Guelph. Section 10.3.1 of the Official Plan permits the entire City of Guelph to be designated as a Community Improvement Project Area. The provision of affordable housing aligns with the criteria established within the Official Plan when determining the area of community improvement.

## **6. Goals and Objectives**

The goals of this Affordable Housing CIP are:

- To encourage the development of affordable and attainable housing choices throughout the City.
- To support the business community in their efforts to attract and retain the talent they require.
- To create a safe, clean, social, economically and environmentally healthy community where people want to live, work, shop, play and learn.
- To ensure a viable population of residents, jobs and visitors to the community to grow economic prosperity.
- To make more efficient use of existing infrastructure.
- To encourage the preservation and enhancement of cultural heritage resources
- To increase the value of land and buildings.

To help realize the above-noted goals, the following objectives will guide the development of its programs and related initiatives:

- To increase the supply of affordable rental and owned residential units.
- To facilitate the redevelopment of underutilized buildings, vacant sites, brownfield sites and surface parking lots.
- To promote the intensification and infill of appropriate and compatible development and redevelopment.
- To improve the accessibility, functionality and marketability of the built environment, including the rehabilitation, maintenance and adaptive re-use of built heritage resources.
- In the Downtown, to support streetscape improvements and pedestrian amenities that encourage walking, cycling and transit use.
- To provide loans, grants and other economic incentives to stimulate private property reinvestment as well as new investment activity; and
- To encourage the co-ordination of municipal expenditures and planning and development activity.

## **7. The Programs**

This section outlines the general provision for grants and loans and the specific programs within the Community Improvement Project Area.

### **7.1 General Provision for Grants and Loans**

Through its financial incentive programs, the City of Guelph will provide grants and/or loans to registered/assessed owners and tenants of land and buildings, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or part of the eligible costs of a project as described in this CIP.

Approval of all loan or grant program applications is at the absolute discretion of the City and subject to the availability of funds.

Eligible costs vary by program and may include:

- The creation of new dwelling units upon vacant land and parking lots or through building additions.
- The renovation of existing uninhabitable and vacant dwelling units.
- The conversion of existing but underutilized office, institutional and commercial space to accommodate residential use.

Projects will contribute to the achievement of this Plan's goals and objectives by:

- Providing new residential opportunities that support intensification and the efficient use of existing infrastructure.
- Assisting in the rehabilitation, maintenance and adaptive re-use of built heritage resources.
- Increasing the supply of primary rental units.
- Increasing the supply of small units (bachelor and single bedroom).
- Increasing affordable rental housing options.
- Increasing the value, utility and aesthetic appeal of land and buildings.

In addition to the following program summaries, Council shall adopt by resolution detailed implementation measures to allow for the efficient administration of each financial incentive program. These procedures are contained in the appendices to this CIP (Appendices A, B, and C) and provide detailed program descriptions, terms and administration processes. Amendments to the Appendices will be approved by City Council but do not require amendment to this Plan.

#### **7.1.1 Vacant Unit Renewal Grant**

The purpose of this program is to encourage conversion and rehabilitation of underutilized existing building stock into affordable rental residential units. This program targets multi-unit residential and mixed-use buildings with residential,

commercial, institutional or office unit(s) that are currently vacant and uninhabitable.

Eligible projects will receive up to \$10K per affordable unit and up to an additional \$20K per affordable unit for the addition of accessibility features beyond the building code requirements.

**Projects that are eligible:**

- Renovation of existing residential unit(s) that do not meet building standards to be considered habitable into an affordable rental unit(s).
- Conversion of vacant existing commercial, institutional or office space in a multi-unit building into an affordable rental unit(s).
- Unit(s) must be in a multi-story, multi-residential or mixed-use building.
- Unit(s) must contain full private cooking, eating, living, sleeping and sanitary facilities.

**Projects that are not eligible:**

- Renovation of unit(s) that are not vacant.
- Unit(s) that are already considered to be affordable.
- Newly constructed residential buildings or works that result in new or additional gross floor area of a building.
- The rehabilitation of residential unit(s) or conversion of existing floor space that is located on the first story of a mixed-use building and fronts a public street.
- Single family homes, townhomes, duplexes, triplexes etc.
- Housing built for ownership.
- Secondary suites including additional dwelling units, or basement apartments.

**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.

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

**7.1.2 New Affordable Housing Unit Grant**

The purpose of this program is to encourage the development of new purpose-built affordable rental or ownership units. Eligible projects would receive a grant of up to \$25K per affordable unit.

**Projects that are eligible:**

- New mid-rise, multi-unit residential development projects that include purpose-built affordable rental or ownership dwelling units.
- Mid-rise, multi-unit residential or mixed-use buildings.

- Units must contain full private cooking, eating, living, sleeping and sanitary facilities.

**Projects that are not eligible:**

- Single family homes, townhomes, duplexes, triplexes, etc.
- Secondary suites including additional dwelling units, or basement apartments.

**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.

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

**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 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.

## **8. Other Strategies**

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 contained in this CIP.

### **8.1 Relief From Fees and Charges**

The City of Guelph may offer relief from fees, levies and charges associated with development/redevelopment. For example, all or part of a development charge may be waived within a community improvement project area via the City's Development Charge By-law under the authority of the Development Charges Act.

### **8.2 Co-operation/Participation with Private Sector or Non-profit 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.

## **9. Monitoring**

Monitoring the Plan's implementation is undertaken through the City's performance measurement reporting, and the annual report prepared by the City of Guelph's Planning and Economic Development and Tourism Departments.

Performance measures are based on the desired end results and key activities set out in the Department's business plan, in alignment with the Future Guelph Strategic Plan and the Official Plan. They address the following desired end results:

- Increase the number of brownfield sites redeveloped
- Increase the number of housing units for affordable, and low to moderate income households
- Increase taxable assessment growth
- Meet growth targets (population and employment)
- Increase the number of residential units within the Downtown
- Increase alternative transportation usage in areas such as transit, walking and cycling.

## **10. Approval and Amendment Process**

This Plan will be reviewed from time to time to ensure that it is current and adequately reflects existing City policies and priorities, as well as Provincial policies. Monitoring and applicant feedback regarding the Plan and its programs may also lead to amendments to the financial incentive program descriptions and terms.

### **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.

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.

### **10.2 Other Changes**

Administration procedures are contained in the program descriptions and terms provided in the appendices to this Plan. Changes to the appendices not requiring a formal amendment will be adopted by Guelph City Council by resolution. In



addition, Council may discontinue any of the programs described in this Plan, without amendment to the Plan. Formal amendments shall not be required for minor administrative amendments to this Plan such as procedural amendments, program terms in the appendices, format changes, typographical errors, grammatical errors and policy number changes.

### **10.3 Transition**

Program applications will be processed under the terms of the program in effect at the time the application was submitted. When program terms are revised, applications submitted and approved under the former terms of the program will be processed under the former terms unless the City receives a formal cancellation of the application.

**11. Appendices and Maps**

**Appendix A – Vacant Unit Renewal Grant  
Program Description**

This program is intended to encourage the conversion and rehabilitation of underutilized existing building stock into affordable rental residential units. This program targets multi-unit residential and mixed-use buildings with residential, commercial, institutional or office unit(s) that are currently vacant and uninhabitable.

Eligible projects will receive up to \$100K per affordable unit and up to an additional \$20K per affordable unit for the addition of accessibility features beyond the building code requirements.

**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 1 - Affordable monthly rental rate benchmarks, Guelph (April 5, 2024)**

<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	\$1,160	\$1,508	\$1,646	\$1,695

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

- 2. Minimum Affordability Timeframe

Any unit that receives funding under this program must remain affordable by the standards set out in Table 1 for 25 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 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. Properties are to be identified by municipal address to identify multiple and separate commercial units in a mixed-use building.
5. 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.
6. Performance measures are to be applied to the payment of grants.
7. The development, renovation or redevelopment must result in at least one new residential unit.
8. Not eligible for any unit or space that was already configured or used for residential use unless the unit is vacant and does not meet building standards to be considered habitable (does not meet current fire codes etc.).
9. 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.
10. Prior to the approval of a grant, City staff may inspect the building to review its condition and the proposed conversion plans.
11. 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.
12. Relative to the proposed improvements, a building inspector will perform an initial and final inspection/investigation to confirm compliance with various Acts, Regulations and City By-laws including the Ontario Building Code, Property Standards By-law, Sign By-law, etc.
13. Approval of the grant is at the sole discretion of the City and subject to the availability of funds.
14. Proposed works are to be completed within 18 months from building permit approval to the satisfaction of the City's Building division. A one-year extension may be authorized by the General Manager of Economic Development and Tourism and General Manager of Finance if an applicant has extenuating circumstances which would warrant an extension.
15. 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 may be requested upon completion of the works.
16. 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.
17. 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.
18. 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 Economic Development and Tourism 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.
19. 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.
20. The grant shall exclude any damage that is caused by the property owner or occupant (i.e. a tenant) of that property. For example, costs incurred because of damage such as vandalism or arson would not be covered by this Program.
21. A refund of any grant under this Program to the City of Guelph would be required if it is determined after the grant has been paid that the damage was caused by the property owner and/or the tenant(s) of the property.

### **Eligible Costs**

- Costs associated with demolition or construction including materials and labour.
- Permanent fixed equipment.
- Internal building works, including major fit-up to meet the future needs of tenants or activities/uses.
- Construct new residential units or renovate vacant uninhabitable residential units that are in compliance with the Ontario Building Code, Property Standards By-law and the Fire Code, including, but not limited to the following:
  - a) Installation of safety and fire protection systems such as carbon monoxide detectors, smoke alarms, fire alarms, exit signs, etc.
  - b) Installation of fire escapes
  - c) Installation of new or reinforcement of floors, ceilings, roof and/or walls
  - d) Improvements to electrical, ventilation, heating and plumbing supply systems
  - e) Improvements for barrier-free accessibility
  - f) Construction or alteration of stairs, guard rails and/or handrails

g) Installation or alteration of required window openings and windows for upper floor residential units

- Adaptive reuse, building rehabilitation and retrofit works.
- Other improvements, at the discretion of the General Manager of Economic Development and Tourism and the General Manager of Finance, related to converting upper floor commercial, institutional and vacant residential space to new residential uses.

### **Ineligible Costs**

- Any work completed prior to the submission of the application.
- Labour costs where the applicant has completed the work independently of a contractor.

### **Eligible Projects**

- Renovation of existing vacant residential units in a multi-unit building that does not meet building standards to be considered habitable.
- Conversion of vacant existing commercial, institutional or office space in a multi-unit building into affordable residential units.
- Unit(s) must be located in a multi-story, multi-residential or mixed-use building.
- Unit(s) must contain full private cooking, eating, living, sleeping and sanitary facilities.

### **Ineligible Projects**

- Buildings that are not vacant.
- Units that are already considered to be affordable.
- Newly constructed residential buildings or works that result in new or additional gross floor area of a building.
- The rehabilitation of residential dwelling unit or conversion of existing floor space that is located on the first storey of a mixed-use building and fronts a public street.
- Single family homes, townhomes, duplexes, triplexes etc.
- Housing built for ownership.
- Secondary suites including additional dwelling units, or basement apartments.

### **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.

**Appendix B – New Affordable Housing Unit Grant  
Program Description**

This program is intended to encourage the development of new purpose-built affordable rental or ownership units. Eligible projects would receive a grant of up to \$25K per affordable unit.

**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. For rental housing projects, monthly rental rates must at all times during the minimum affordability timeframe be maintained at or below the rates in effect. For owners of occupied condominium projects, any sale price for the unit at any time during the minimum affordability timeframe must 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 2 - Affordable monthly rental rate and ownership benchmarks, Guelph (April 5, 2024)**

<b>Unit Type</b>	<b>Rental Bachelor</b>	<b>Rental 1-bedroom</b>	<b>Rental 2-bedroom</b>	<b>Rental 3-bedroom</b>	<b>Ownership Condominium Apartment</b>
Affordable rate	\$1,160	\$1,508	\$1,646	\$1,695	\$398K

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 standard set out in Table 2 for 25 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 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 successful completion of the approved work, to the satisfaction of the City.
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. Performance measures are to be applied to the payment of grants.
6. The applicant will be required to submit a complete application to the City describing in detail the development 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 division. A one-year extension can be authorized by the General Manager of Economic Development and Tourism 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 Economic Development and Tourism Department. 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 Economic Development and Tourism 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.

### **Eligible Costs**

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

### **Ineligible Costs**

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

### **Eligible Projects**

- Units in a multi-story, multi-residential or mixed-use building that is mid-rise.
- Units must contain full private full private cooking, eating, living, sleeping and sanitary facilities.

### **Ineligible Projects**

- Buildings that are not vacant
- Units that are already considered to be affordable
- Single family homes, townhomes, duplexes, triplexes, etc.

### **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.



**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 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 (April 5, 2024)**

<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	\$1,160	\$1,508	\$1,646	\$1,695

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

## 2. Minimum Affordability Timeframe

Any unit that receives 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 (April 5, 2024)**

<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	\$1,160	\$1,508	\$1,646	\$1,695

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.