

# Creating Publicly-led Affordable Housing in the Suburbs – The Region of Peel’s Housing Master Plan

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# Agenda

Region of Peel Context

Housing Affordability Crisis in Peel

Service Manager Role

Peel Housing and Homelessness Plan

Peel Housing Master Plan and Four Components

Housing Master Plan Implementation Progress

Affordable Housing Incentive Pilot Program

Challenges and Opportunities

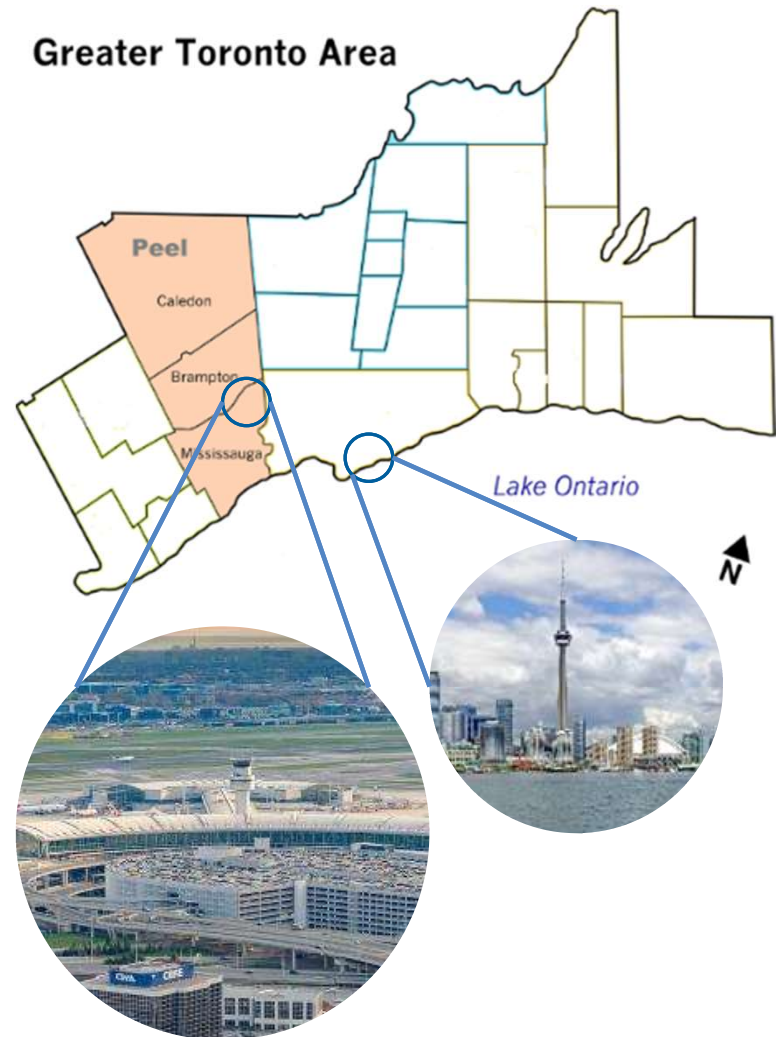
Lessons Learned

# Region of Peel

Historically home of Iroquois Confederacy, later occupied by the Anishinabek in the 1700s

Encompasses Cities of Mississauga and Brampton and the Town of Caledon

Location of Pearson International Airport



# Housing Needs in Peel



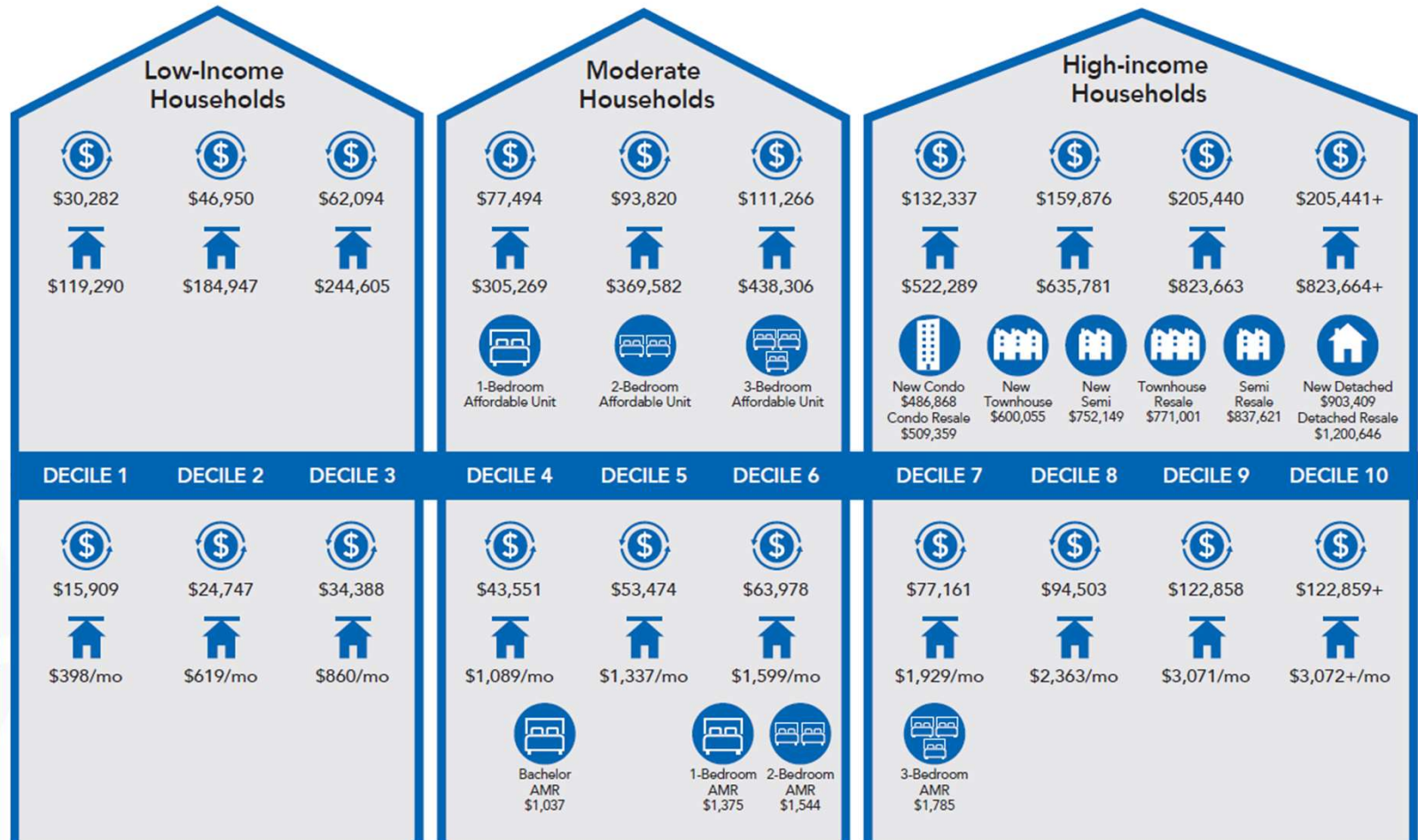
## Ownership

The least expensive of Housing where purchase price results in annual costs that do not exceed 30% of gross annual household income for 'low and moderate income households'; OR housing where the purchase price is at least 10% below average cost of a resale unit in the regional market area



## Rental

The least expensive of rent that does not exceed 30% of gross annual household income for 'low and moderate income rental households'; OR rent is at or below the average market rent in the regional market area



Household Income / Renter Household Income

Maximum Affordable Home Price or Monthly Rent

**AMR** = Average Market Rent

# Affordability Crisis

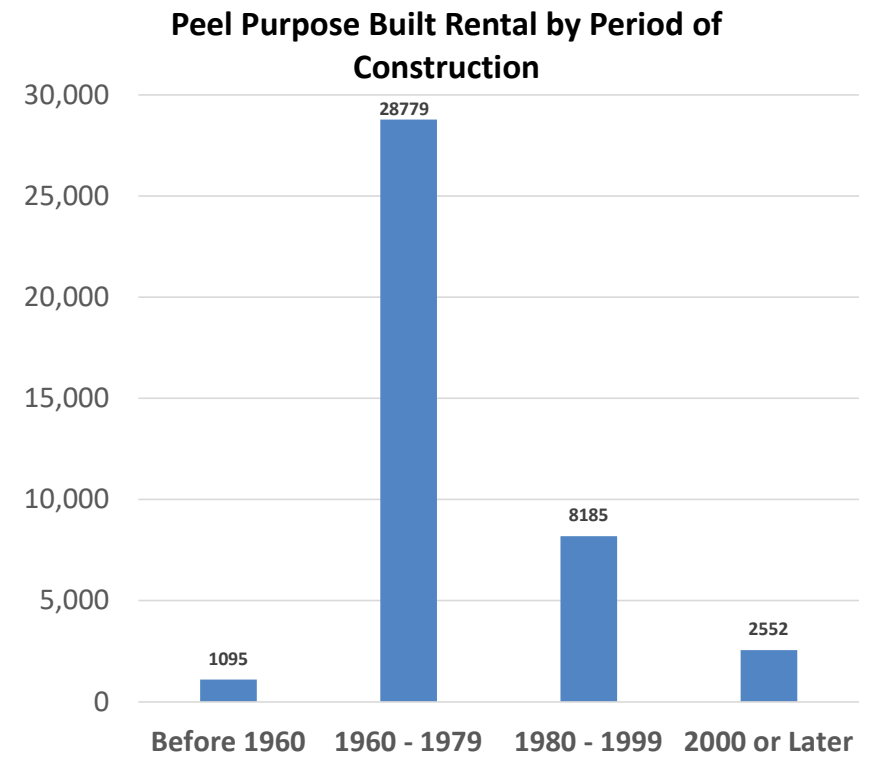
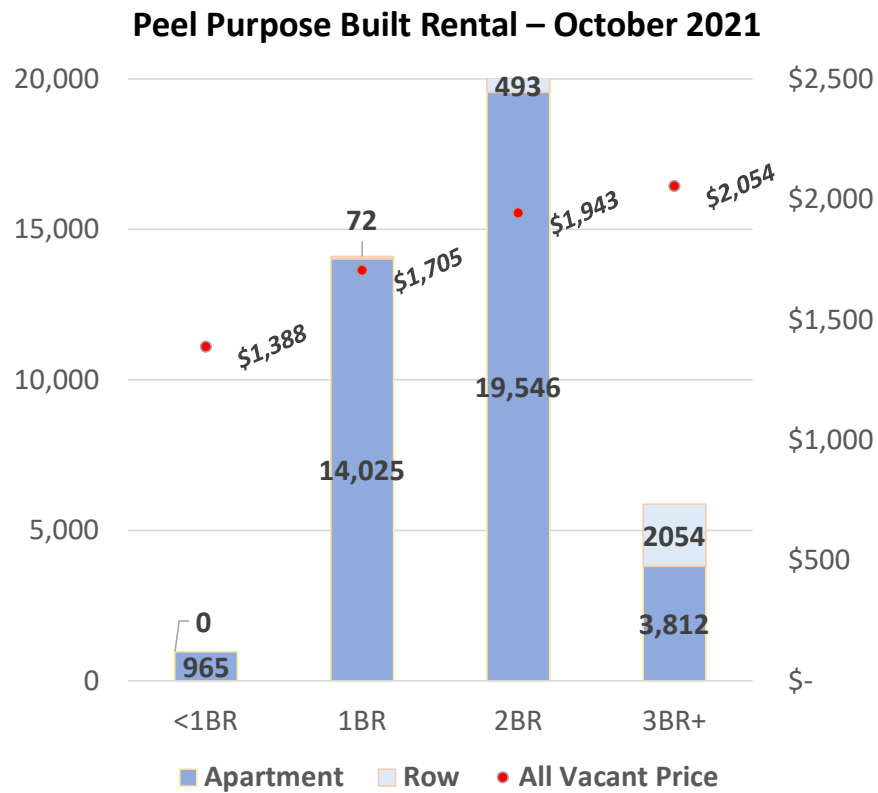
The average resale ownership price is currently over **\$1.2M** (May 2022) in Peel

Toronto Region Real Estate Board

An average income household needs **30 years** to save enough downpayment for an affordable mortgage.

Toronto Region Real Estate Board, Toronto-Dominion Bank, Region of Peel Housing Services

# Rental supply snapshot



## Primary and Secondary Rental Market

Vacancy Rates for a Rental Condominium  
Apartments is at **0.9%**

Average Rent for a 2-Bedroom Apartment is  
**\$1,573** in Private Rental Market but Condo  
Rental Rate is **\$2,362** (Q1 2022)

Canada Mortgage and Housing Corporation, 2022, Peel Data Centre

## Core Housing Need

Estimated **70,000** low- and moderate-income households in core housing need in Peel

Statistics Canada, Region of Peel Housing Services

Approximately **23,000** households supported or housed through the Service Manager in 2020.

Region of Peel Housing Services



# What is a Service Manager?

## 1990s

Federal government downloads affordable housing to provinces + territories

## November 1999

Province of Ontario received responsibility and powers to transfer administration to service managers, set policies and allocate federal funding

## In 2000

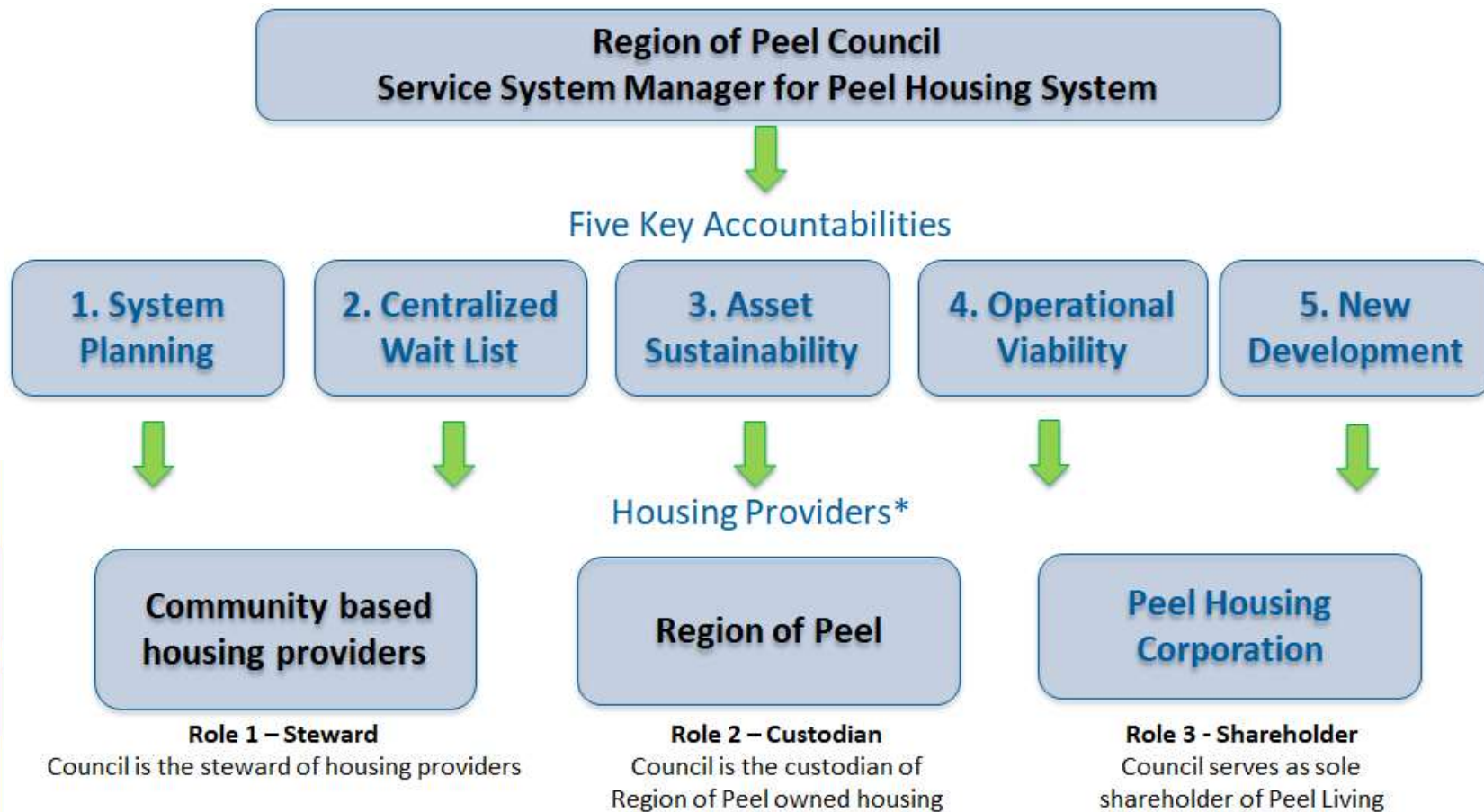
Ontario downloads affordable housing administration to Service Managers - only Province in Canada to have done so...

## In 2010

'Transformation' integrates affordable housing and homelessness services



# Strategic Oversight by Service Managers



\*does not include shelters or transitional and supportive housing

# Peel Housing and Homelessness Plan



February 2020

## Region of Peel's Housing Master Plan

The Housing Master Plan is a long-term plan to guide the development of affordable housing projects on Region of Peel and Peel Housing Corporation sites.

### Housing Needs and Pressures in Peel

In Peel, an increasing number of households are struggling to get and keep a home they can afford. Key housing pressures include:

- Home ownership prices in Peel have increased three times faster than the ability of households to own (2005 to 2018).
- On average, households are paying approximately \$10,000 per year more to rent a two-bedroom apartment today than what they paid for the same apartment five years ago.
- Peel's current vacancy rate for a rental apartment stands at just 1.2 per cent, this indicates a tight market where the supply of units is far below the demand.
- Existing rental stock is aging and requires a significant investment for repairs and maintenance.
- On average, 3,300 new housing units are built in Peel annually. However, construction of private market rental units remains very low with only 170 new rental units added to Peel's stock every year.

These growing and significant pressures are placing more families and individuals at risk of being precariously housed, becoming homeless or unable to move into new homes whether rented or owned.

**Region of Peel**  
working with you

# Housing Master Plan

## What is it?

Long-term capital/infrastructure plan to guide **Region's 'new builds'**, leverages the Region and Peel Housing Corporation owned lands to create new rental units and emergency shelters.

## Why Housing Master Plan?

- Enables the Region to plan and **manage housing development strategically**
- Maximizes resources and **economies of scale**
- Optimizes **value for tax dollars** by taking the price of land out of the cost of development
- Allows **regeneration and intensification** of Region of Peel and Peel Housing Corporation sites
- Enables better alignment between **new development** decisions and **state of good repair** capital planning for both Peel Housing Corporation and Region of Peel assets.
- Allows operating and planning at a **portfolio level** as opposed to project-by-project basis
- Improves **coordination** with the local municipalities
- Supports **advocacy** to all levels of government
- Ensure **enabling planning** policy **framework** is in place for all builds

# Developing the Housing Master Plan

## Mapping of Housing Needs / Locations

- Assessment of housing needs and future demand by geographic areas
- Map Region owned lands and PHC sites with potential for redevelopment
- Identify affordable housing gaps, needs and neighbourhoods where ROP / PHC opportunities don't exist
- ✓ **Regional Council approved areas of high need for affordable housing and development opportunities within those areas.**

## Development Opportunities

- Feasibility analysis of opportunities on existing PHC sites and ROP surplus lands
- Prioritized pipeline of projects
- Design standards, principles and policies for development
- ✓ **Regional Council approved 31 HMP development opportunities to create 5,364 new affordable rental, 226 supportive, and 60 shelter beds by 2034.**

## Funding and Financing Strategy

- Sustainable financing plan to support the implementation of prioritized pipeline of projects
- Leverage Federal, provincial and regional funding and programs
- ✓ **Regional Council approved seven priority projects and a capital envelope of \$288.6 million.**

## Enabling Structure and Policy Framework

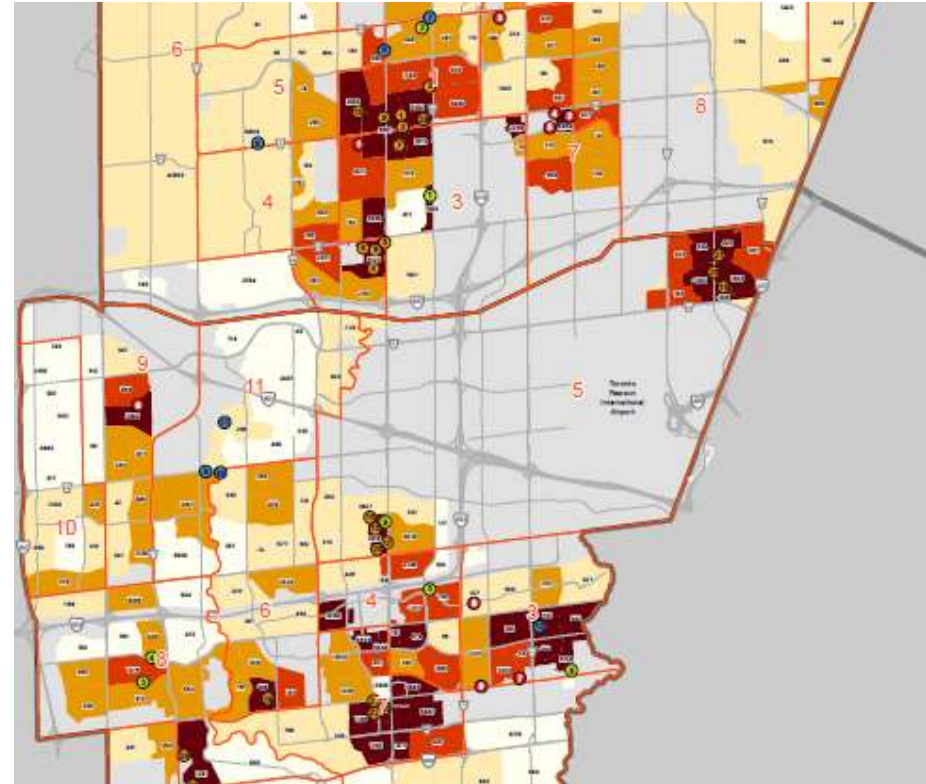
- Recommend roles, decision making authorities and housing development structures that will support:
  - Creating new affordable units and regeneration of existing sites with priority focus on Region of Peel lands and Peel Housing Corporation sites first
  - Leveraging external investment
  - Catalyzing development
- ✓ **Creation of the Housing Development Team**



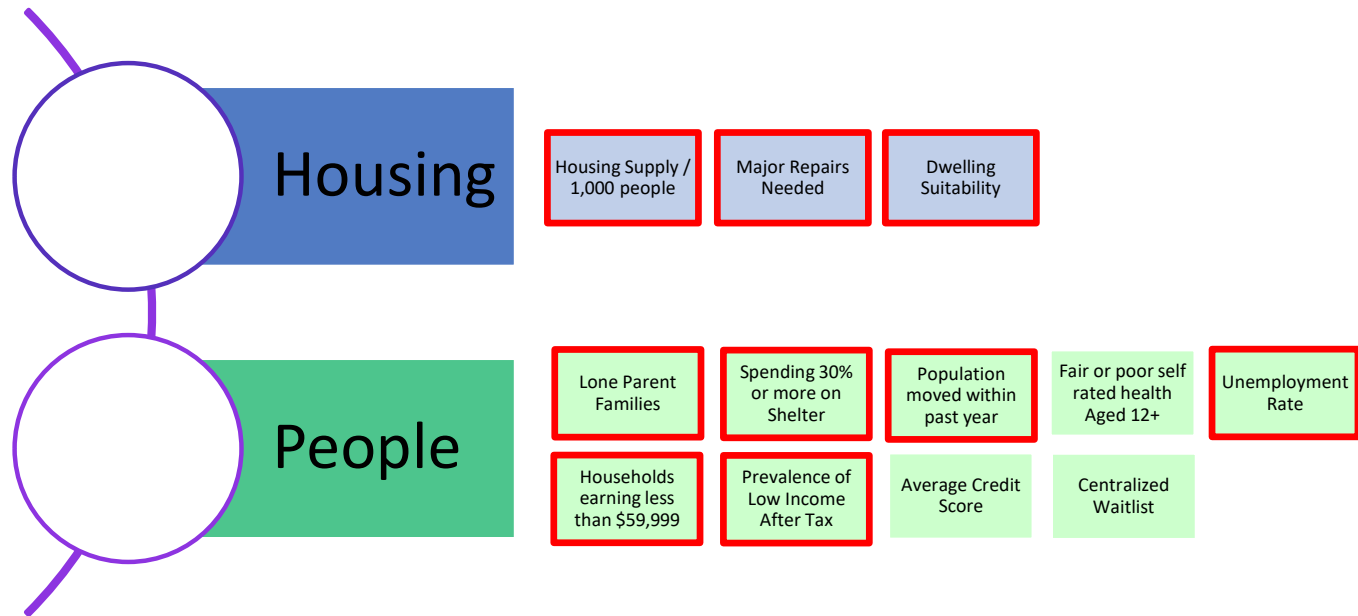
# Aligning Need and Sites


## Two core objectives:

1. Develop an approach to assess affordable housing need by geographic area using statistical data about household vulnerabilities
2. Relate housing need to Region of Peel surplus sites and Peel Living properties



# Method and Findings



 Red outline indicates variable was used in Dissemination-Area level analysis to generate Caledon findings

**18 census tracts identified as having highest relative need / vulnerability or poorer conditions of housing affordability**

# Development Opportunities

## 31 Development opportunities on lands owned by Region of Peel and Peel Housing Corporation

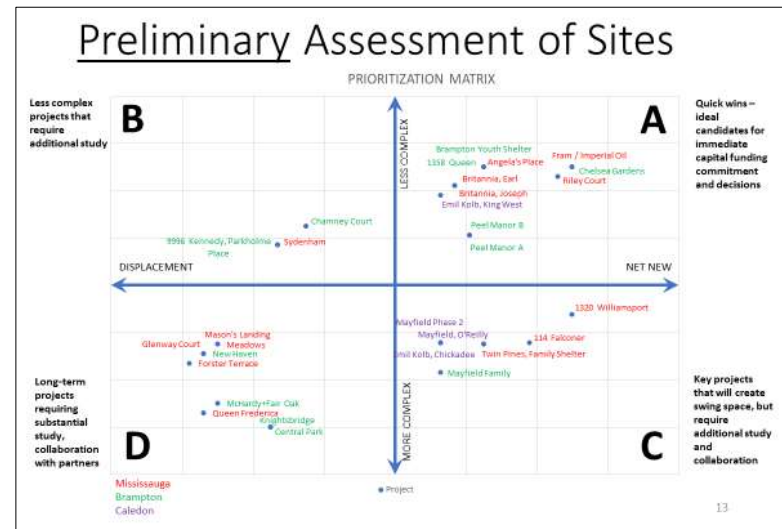
Mississauga	Brampton	Caledon
Riley Court (PHC)	Knightsbridge and Knightsbridge CC (PHC + ROP)	Mayfield West Phase 1 (Family Site) (ROP)
Mason's Landing (PHC)	175 Central Park (PHC)	Emil Kolb Pkwy + Chickadee Ln (ROP)
Sydenham Place (PHC)	McHardy + Fair Oak (PHC)	Emil Kolb Pkwy + King West (ROP)
Queen Frederica (PHC)	Newhaven Manor (PHC)	Mayfield + Oreilleys Ln (ROP)
Forster Terrace (PHC)	Chelsea Gardens (PHC)	
Glenway Court (PHC)	Chamney Court (PHC)	
The Meadows (PHC)	Parkholme Place and 9996 Kennedy CC (PHC + ROP)	
Twin Pines (PHC)	Peel Manor A (ROP)	
Peel Family Shelter (Twin Pines – PHC)	Peel Manor B (ROP)	
114 Falconer CC (ROP)	1358 Queen St (ROP)	
1320 Williamsport CC (ROP)	Proposed Brampton Family Shelter	
Port Credit West Village Lands (To be ROP)		
Malton Project		

Environmental Remediation Required / Very Long-term projects
Shelter / Supportive / Transitional
Residential Rental



# Prioritizing Sites for Development

- Site use
  - PHC sites for affordable rental
  - Regional surplus sites/lands for affordable rental, and other uses such as shelter, transitional, supportive housing
- Creation of new units / swing space
  - Minimize the effect of relocation of current tenants
- Opportunity to intensify
- Ease of implementation, planning approvals
- Alignment with the Housing Affordability Need Map
- Alignment with Local Municipal priorities
- Access to transit and services
- State of Good Repair



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PROJECT	Name of Council	Year of Council					Year of Council									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026				
1	1000 Lakeshore Blvd. West (Municipal) (PHC)															
2	1000 Lakeshore Blvd. West (Municipal) (PHC)															
3	1000 Lakeshore Blvd. West (Municipal) (PHC)															
4	1000 Lakeshore Blvd. West (Municipal) (PHC)															
5	1000 Lakeshore Blvd. West (Municipal) (PHC)															
6	1000 Lakeshore Blvd. West (Municipal) (PHC)															
7	1000 Lakeshore Blvd. West (Municipal) (PHC)															
8	1000 Lakeshore Blvd. West (Municipal) (PHC)															
TOTAL UNITS BY YEAR																

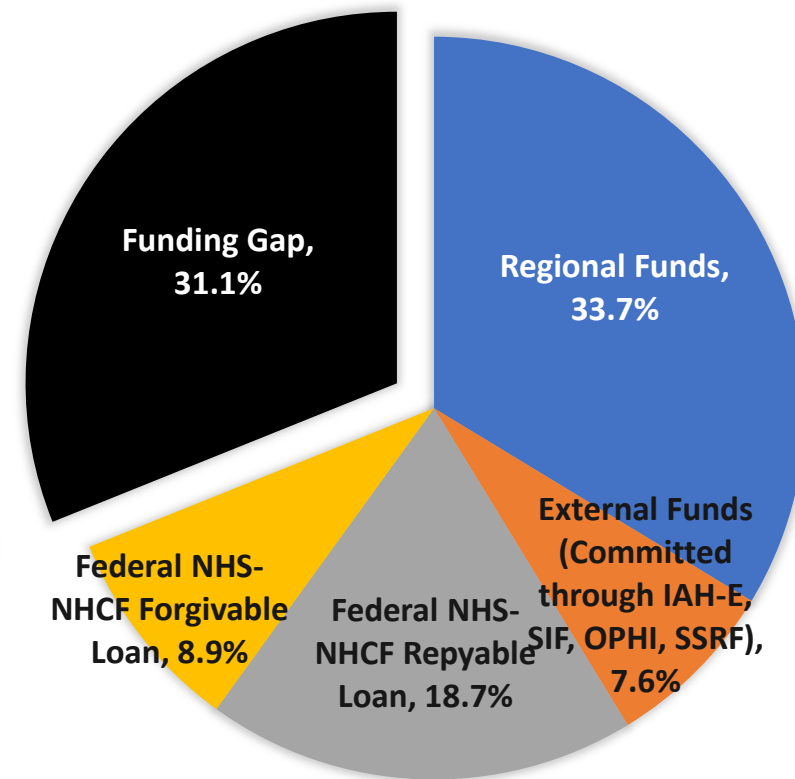
LEGEND

- Project Planning, Design and Resident Notification
- Construction
- Occupancy
- No Activity
- Planned, Ongoing Projects
- Indicates Site Owner

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# Financing Development

- **September 2019:** Regional Council approved a **\$1 billion** allocation in principle to support partial implementation of HMP
- **18 projects for 2,240 units/beds by 2028.**
- To date, **\$689.14 million** funding has been secured:
  - \$335.3 million Regional funds
  - \$77.4 million from funds committed to the Region through the existing federal and provincial housing programs
  - \$276.4 million from the federal government through the National Housing Strategy (NHS): National Housing Co-Investment Fund (NHCF)
- There remains a gap of **\$310.86\*** million (as of 2018)



# CMHC Funding and Commitments

## Funding

- Co-Investment Fund
  - The Region must first use its funds
  - CMHC funding cannot exceed certain percentage of the total portfolio cost
- Combination of **low-interest repayable (\$186.9 M) and forgivable (\$89.5 M) loan**
- Restrictions around material changes to approved projects
- Requires projects to be completed by 2028

## Reflections

- Projects do need operational funding (currently supported through the tax base - provincial responsibility)
- Additional project costs due to social outcomes
- Rapid Housing Initiative type programs are difficult to layer in because of timing and the need for operational funding

## Social and environment outcomes

- **Affordability:** About 41% of the units will be offered at rental rates below 60 per cent of the median market rent
- **Accessibility:** meet full universal design criteria and at least 21% of the units will meet accessibility standards of the NHS
- **Energy efficiency:** target close to 41% decrease in energy consumption and Greenhouse Gas emissions relative to the 2015 National Building Code

# Housing Development Team

- Operational since early 2019
- “**Development Arm**” for the Region of Peel
- A **multi-disciplinary and integrated team**
- Mandate
  - **Build** new affordable rental housing units and shelter facilities – not just HMP but oversee third party
  - **Catalyze** new development by working with private and non-profit developers and other partners
  - **Create and manage** financing and investment strategies in collaboration with Regional staff; and
  - **Administer** incentives programs and tools



## Housing Development Team

- Created its presence as **a single point of contact** for affordable housing development in the Region of Peel
  - Dedicated webpage,
  - Social media presence
  - Meaningful engagement with Councillors and Community
- **Completed 4 projects to provide 392 affordable rental and supportive housing units**
  - Mayfield Seniors, Caledon (60 rental units)
  - 360 City Centre Drive, Mississauga (174 rental units)
  - Third-party led Brampton Bramalea Christian Fellowship Residences (90 Rental Units)
  - Indwell – Lakeshore Lofts (68 Supportive Units)

# Core Development Principles

## Mixed-income buildings

- At least 41% of the units will be offered at rental rates below 60% of the median market rent

## Energy efficient

- 41% decrease in energy consumption and Greenhouse Gas emissions relative to the 2015 National Building Code
- Region of Peel's Climate Change Master Plan

## Accessible

- All projects meet Ontario Building Code requirements and Universal Design Criteria
- At least 21% of the units will be fully barrier-free

## Community space and facilities

- Community rooms, gyms, roof-top terraces to foster community well-being and connectedness and enhance quality of life

## Resilient buildings

- Leading edge building practices, material and aesthetics to maintain community character

## In proximity to transit and services

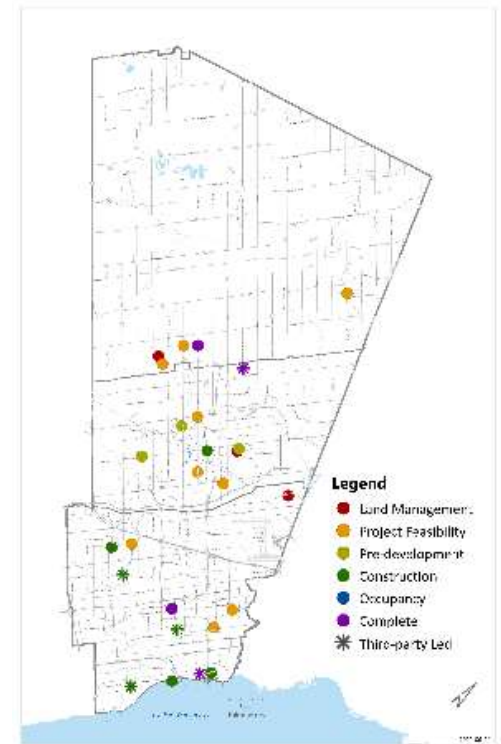
- Easy access to services is as important as having a suitable place to live





# Current Housing Development across Peel

Approximately 965 affordable rental units are in development with a construction value of about \$440 million



# Affordable Housing Incentives

- In July 2020, [Regional Council](#) approved the Affordable Housing Incentives Pilot Program framework
- **Objective:** Provide financial incentives to encourage non-profit and private sector partners to create:
  - Rental housing for middle income households (earning between \$61,600 and \$110,500 per annum)
  - Focus is on larger (2 and 3+ bedroom) units
- One-time program budget - \$7.5M



- 6 eligible applications received
- Approval for 3 projects to fund 130 Affordable Rental Units
  - Affordability levels: 101%-135% Median Market Rents for a period of 26-41 years



# Challenges and Opportunities

## Challenges

- Pandemic has placed upward pressure on construction prices
- Limited supply of suitable sites to tap into un-anticipated funding opportunities
- Lack of appropriate zoning to accommodate affordable housing and shelter facilities
- Timelines for planning approvals, keeping in view the CMHC funding requirements
- Community concerns

## Opportunities

- Continue focused collaboration with Local Planning Department staff
- Capitalize on appropriate planning tools
- Work with private and non-profit developer community to create affordable housing
- Work with Council and Strategic Housing and Homelessness Committee
- Continue to capitalize on public lands - a potential land banking strategy

## Lessons Learned

- Housing development takes time!
- Planning approvals take time!
- Two-tier planning process can be onerous.
- Don't underestimate NIMBYISM!
- Keep the local political leaders informed and engaged!
- Long-term plan go beyond the four-year council term.
- Long-term non-debt related funding is a must!
- Municipalities / Service Managers cannot build their way out of the housing crisis alone, partnerships are crucial!

Thank you!

The [video](#) highlights the housing development activities and the outcomes being achieved across Peel



**For questions or further information, please contact:**

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