

**The future of housing is
about more than just housing.**

Region of Peel Housing Strategy
Informing the Update to the Peel Housing and
Homelessness Plan and the Regional Official Plan

FINAL REPORT | JULY 2018

PREPARED BY



Acknowledgements

This report is the result of a collaborative process, with participation across Peel's housing services system and would not have been possible without the collective contributions.

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We would like to thank the many community leaders who took the time to share their insights and ideas with us over the course of this work.

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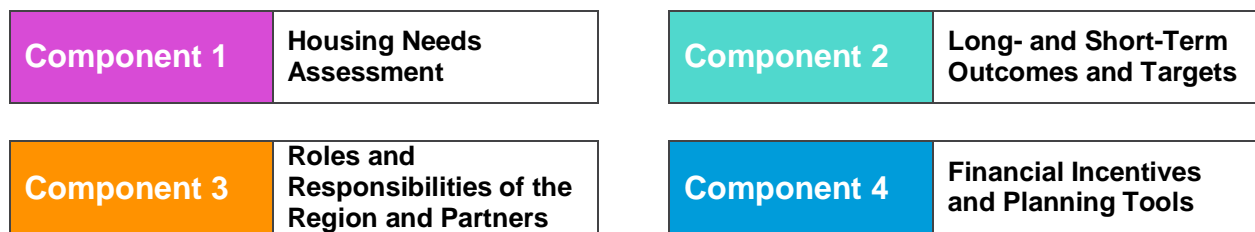
1.0 Executive Summary

Introduction

For almost a decade, the Region of Peel has been active in undertaking housing studies and initiatives to better understand the housing situation in the Region and identify ways to address housing need. Today, the Region is faced with an evolving housing system and persistent housing needs across the continuum. This project took the Peel Region community on a collaborative journey to the Peel Housing Strategy. This Housing Strategy represents the culmination of the research conducted to inform the Peel Housing and Homelessness Plan and satisfy the requirements of the 2017 Provincial Growth Plan.

Approach

The Peel Housing Strategy is made up of four components of work and the study area covers all three local municipalities within Peel Region: the City of Brampton, the Town of Caledon, and the City of Mississauga. The four components are:



The Peel Housing Strategy aligns with the visions and goals of the Peel 2015-2035 Strategic Plan as well as Peel's Growth Management Strategy. The Strategy, including the outcomes and recommendations, also aligns with provincial and federal strategic documents, including the National Housing Strategy and Ontario Long Term Affordable Housing Strategy. This Strategy also recognizes and builds on the work of the local municipalities, including Mississauga's Making Room for the Middle and Caledon's Housing Study.

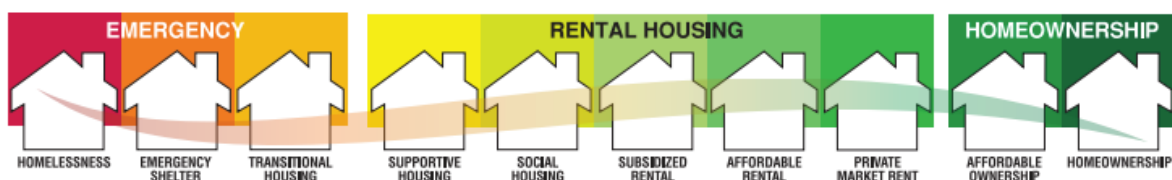
The Housing Strategy is based on quantitative data from the most reliable and relevant sources available, including Statistics Canada, Canada Mortgage and Housing Corporation (CMHC), Peel Data Centre, Canadian Observatory on Homelessness, and the Toronto Real Estate Board. In addition, this research includes both primary (gathered through consultation and engagement) and secondary (through a literature review) qualitative data. A total of twelve engagement sessions were undertaken as part of the research for this project. These engagement sessions were undertaken with

the PPHP Steering Committee, which is composed of senior Regional and Peel Housing Corporation staff, subject matter experts from different departments in the Region, local municipal planners, and representatives of community agencies serving Peel Region residents. A co-design approach was used for these engagement sessions to ensure a process where all stakeholders are identifying problems and developing solutions with the project team. Regional staff also undertook several engagement sessions with community groups and other Regional staff. The project also utilized the results of engagements and consultations undertaken for other Peel Region studies, including sessions with people with lived experience such as Peel Living tenants, persons requiring supportive housing and their families, individuals and families who were homeless or at risk of homelessness, and many other stakeholders in Peel Region.

Housing Needs Assessment

The housing market in a community can be viewed as a continuum where supply of housing responds to the range of housing need and demand. Due to the range of demographic, social, economic, and geographic factors, the full range of housing need in a community is not always met in the private housing market. This is particularly true for individuals and families with low incomes or for persons with unique housing needs. The housing needs of these population groups are often met by non-market housing provided by the public and non-profit sectors. The different elements of the housing continuum are illustrated below¹:

Figure 1: Housing Continuum



Housing Need in Peel Region

Population and household characteristics are important elements which influence housing need in a community. These are the key findings from the analysis of housing need.

¹ The definitions for the different elements of the Housing Continuum were obtained from the Region of Peel's Housing and Homelessness Plan Year Two Update 2015.

Peel Region is growing faster than most other comparator municipalities, including Ontario as a whole.

- The number of people living in Peel Region has increased by 39.7% since 2001 and it is expected to continue to increase by 42.6% to 2041.
- The number of households in Peel Region has also increased by 39.3% from 2001 and it is expected to continue to increase by another 41.3% in the next 25 years.
- Peel Region's rate of growth is higher than Toronto's, Halton Region's, Durham Region's, and Ontario's. Among the comparator municipalities, York Region is the only municipality that has seen higher levels of growth than Peel Region.
- Most of this growth is happening in Brampton and, to a lesser degree, in Caledon. However, population and household projections show that this growth is expected to shift to Caledon in the near future.

Seniors make up a smaller share of Peel Region's population compared to the comparator municipalities but the need for housing options to facilitate aging in place is increasing.

- Seniors made up 12.9% of the total population in Peel Region in 2016, increasing by 124.4% from 2001 to 2016.
- Children and youth aged 24 years or younger made up 32.7% of the total population in 2016 but this group increased by only 27.0% in the last fifteen years.
- Mississauga had the largest share of seniors in 2016 while Brampton had the smallest share.

The issues of homelessness and housing instability is becoming more significant in Peel Region.

- The number of people accessing emergency shelters has been increasing, with a 26.9% increase from 2015 to 2016 and the current supply of emergency shelters in Peel Region can no longer keep up with the need.
- While reliable data on chronic homelessness was not available, anecdotal information suggests an increasing number of people who are chronically homeless and the growing normalization of shelter life. This is due to the very limited supply of affordable housing in Peel Region as well as the lack of reliable pathways for people to get out of poverty.
- The support service needs of people who are homeless or at risk of homelessness is also increasing, particularly for people with mental health issues and/or substance abuse issues.

The current housing need in Peel Region is for families with children but there is an increasing need for housing which is appropriate for seniors, persons with disabilities, multiple families, and persons living alone.

- Couples with children made up 40.2% of all households in Peel Region in 2016. When lone parent households and multiple family households are added, 65.1% of households in Peel Region require housing for families.
- However, senior households, households with a person with a disability, multiple family households, lone parent households, and persons living alone have seen much higher rates of increase from 2001 to 2016 compared to couples with children. These trends are seen throughout all the local municipalities.
- In addition, immigrant households made up 63.2% of all households in Peel Region in 2016, suggesting a need to consider cultural differences when building housing and designing support services.

Growth in household incomes in Peel Region is not equally distributed among all households and among the local municipalities.

- The average household income in Peel Region in 2017 was \$108,100; up by 34.1% from 2000. This rate of increase is lower than that experienced in all the comparator municipalities of Toronto, York Region, Halton Region, Durham Region, and Ontario.
- Among the local municipalities, Caledon had the highest average household income in 2017 (\$142,302) and saw the highest rate of increase (45.1%) while Brampton had the lowest average household income (\$102,293) and the lowest rate of increase (31.0%) from 2001 to 2017.
- In addition, households with low incomes (1st to 3rd income deciles) saw much lower rates of increase in incomes from 2000 to 2017 compared to households with high incomes (7th – 10th income deciles). This suggests a widening gap between households with low incomes and those with high incomes.
- Persons living alone, recent immigrants, lone parent households, Indigenous households, households with a person with a disability, and non-family households with two or more persons are more likely to have low incomes while couples with children, couples without children, immigrant households, and multiple family households are more likely to have high incomes.

Housing Supply in Peel Region

Housing supply is measured by the available housing options in a community and is compared to the housing need in that community. The following figure shows a summary of the total housing supply in Peel Region along the housing continuum.

Figure 2: Summary of the Housing Supply Along the Housing Continuum; Peel Region: 2017

emergency shelter	transitional	supportive	social/ subsidized		private market rental			market ownership
556 beds	111 units	1,645 units	13,143 RGI units	4,378 rent supplements	16,496 secondary suites	21,055 primary	45,633 other secondary	327,825 units

Source: Statistics Canada Community Profiles 2016, CMHC Housing Market Survey 2017, the Region of Peel 2017

Note: The total units in the secondary rental market has been separated between secondary suites and other secondary units (e.g condominiums and rented houses). Primary rental housing has been separated broken down to units in the purpose-built rental market, social/subsidized units, supportive housing units, and rent supplement units.

The key findings from the housing supply analysis are as follows.

Single detached homes made up the largest share of the current housing supply in Peel Region and residential development trends suggest this will continue in the near future.

- Single detached homes made up 45.6% of all dwellings in Peel Region in 2016. Caledon had the largest share of single detached homes at 83.4% of the entire housing stock in Caledon in 2016. Mississauga had the smallest share at 37.7% of its current housing stock.
- Apartments with more than five storeys made up the second largest share of dwellings in Peel Region but this dwelling type made up less than a fifth (18.8%) of the total housing stock in 2016.
- Housing completions data show a continued focus on single detached dwellings, where this type made up 47.4% of all housing completions in 2016. There are some indications of a shift in focus to row/townhouses, which made up 27.3% of all housing completions in 2016; up from 21.2% in 2011. However, the share of apartment completions decreased during the same time period.
- Building permit data is also showing a continued focus on single detached homes, where this dwelling type made up 40.7% of all permits issued in 2016. However, permits for apartments made up 33.5% in 2016; increasing from 30.8% in 2011 and suggesting a slight shift to a more diverse housing supply in the future.

House prices and average market rents in Peel Region are increasing at a much higher rate than household incomes, which is making it increasingly challenging for households with low and moderate incomes to find affordable housing.

- The average house price in Peel Region in 2017 was \$722,428; up by 138.9% from 2005. In comparison, the average household income increased by only 15.1% from 2010 to 2017 and inflation was at 11.4% during the same time period.
- Caledon had the highest average house price in 2017 (\$951,501) and this increased by 144.6% from 2005. Brampton had the lowest average house price in 2017 (\$699,295) but experienced the highest rate of increase among the local municipalities; increasing by 148.5% from 2005 to 2017. Mississauga had an

average house price of \$721,952 in 2017 and saw the lowest rate of increase (132.6%) from 2005 to 2017.

- The average market rent for purpose-built rental units in Peel Region in 2017 was \$1,259 but rents have also been increasing; increasing by 21.5% from 2010 to 2017.
- Average market rents in Mississauga saw the highest rate of increase (21.5%) while average market rents in Caledon saw the lowest rate of increase (13.3%) from 2010 to 2017.
- Rents in the secondary rental market are much higher, with an average of \$1,787 for the entire secondary market in 2017 and \$1,821 for rented condominium units; up by 11.0% from 2016.

The rental housing supply is increasing but most of this increase is happening in the secondary rental market and the increase is still not keeping up with the need.

- The share of renter households in Peel Region increased from 21.8% in 2011 to 23.8% in 2016. The number of renter households also saw a much higher increase from 2011 to 2016; increasing by 16.7% compared to an increase of 4.0% in owner households and 6.8% in the total number of households.
- There were a total of 40,221 purpose-built rental units in Peel Region in 2017; up by 2.1% (810 units) from 2011. Purpose-built rental units made up 39.3% of all rental units in Peel Region in 2016.
- Mississauga had the largest number and share of purpose-built rental units in Peel Region with 72.5% while Caledon had the smallest at less than 1% (0.8%).
- The rest of the rental housing market in Peel Region is in the secondary rental market, which has 60.7% of the rental housing supply. Between 2011 and 2016, the number of units in the secondary rental market increased by 28.7% (13,845 units). While this is a good supply of rental housing, it is not as stable as purpose-built rental units.
- Vacancy rates in both the primary and secondary rental market indicate a significant need for more rental units in Peel Region. In 2017, the vacancy rate in the primary rental market was 1.0% (from 1.4% in 2016) while the vacancy rate for rented condominium units was 0.5% (from 1.3% in 2016).

The supply of subsidized housing units in Peel Region is not keeping up with the need.

- Emergency shelters in Peel Region are operating at more than full capacity and Region of Peel staff have had to put people up in motels.
- In addition, there were 12,958 individuals and families (in 2016) waiting for a subsidized housing unit on the Region of Peel's centralized waiting list. While the rate of increase in the number of people on the waiting list is lower than the rate seen in Toronto and York Region, this still indicates a significant need for housing which is affordable to households with low incomes.
- Region of Peel staff have also noted that many households no longer even apply to the waiting list as they know they will have to wait a long time for housing. In

addition, in some cases, when a unit does open up and is offered to an applicant, they are no longer ready for housing.

There is a need to ensure that the supply of subsidized housing in Peel Region is maintained.

- Peel Region has a total of 13,143 subsidized housing units and 4,387 rent supplement agreements with private landlords.
- However, 42% of this stock is with non-profit housing providers and cooperatives. Once operating agreements end, there is a possibility of losing these rent-geared-to-income units as housing providers re-evaluate their portfolios to ensure continued financial sustainability. The Region of Peel also has about 2,400 rent supplement agreements with private landlords.
- In addition to the end of operating agreements, concerns have been raised about the condition of this subsidized rental stock as many of these buildings are older. In 2016, 6.4% of the overall rental housing stock in Peel Region required major repairs compared to 3.5% of the overall ownership stock.

The supportive housing stock is not keeping up with the current and emerging need in Peel Region.

- There were 1,645 supportive housing units in Peel Region, including options for people with physical disabilities, intellectual disabilities, mental health issues, substance abuse issues, and frail health. However, there were almost 2,400 people waiting for these units (as of October 2015).
- In addition, demographic trends show that the number of seniors and persons with disabilities in Peel Region is increasing at a much higher rate than the rest of the population. This means an increasing need for accessible housing options as well as support services to facilitate independent living.
- Anecdotal information have also highlighted the need for housing and support services for people with mental health issues, developmental disabilities, and substance abuse issues, particularly as these population groups are more likely to face discrimination in the private housing market.

Housing Affordability in Peel Region

Housing affordability is an important factor in the well-being of all residents and an adequate supply of affordable housing greatly contributes to the creation of healthy and economically prosperous communities. The following are the key findings from the housing affordability analysis.

Households who are facing housing affordability issues in Peel Region are increasing and the proportion of these households is higher than in some comparator municipalities.

- In 2015, 31.8% of all households in Peel Region were facing housing affordability issues; up from 25.8% in 2000. In terms of actual numbers, households facing housing affordability issues increased by 72.2% from 2000 to 2015.
- The proportion of households in Peel Region who were facing housing affordability issues is lower than the proportion in Toronto (36.5%) but higher than the proportions in York Region (31.4%), Halton Region (23.7%), and Durham Region (25.1%) in 2015.
- Brampton had the highest share of households facing housing affordability issues at 33.6% of all Brampton households in 2015. Mississauga had 31.3% of all its households facing housing affordability issues while the proportion in Caledon was 21.1%.
- As can be expected, households with low incomes are much more likely to be facing housing affordability challenges, with 70.3% of all households with low incomes spending 30% or more on housing costs. Even households with moderate incomes are facing housing affordability issues. In 2015, 30.5% of these households were spending 30% or more of their income on housing costs.

Certain household types are more likely to be facing housing affordability challenges, indicating a need for a diverse range of affordable housing options to meet these different needs.

- Larger households with five or more persons, youth households, recent immigrant households, couples with children and immigrant households have greater shares of households facing housing affordability issues.
- While renters, in general, have lower incomes and are more likely to face housing affordability issues, a greater share of home owners with low incomes are facing severe housing affordability challenges compared to renters with low incomes (42.8% vs. 37.2%).

There is a significant gap between housing supply and housing need, particularly for households with low incomes in Peel Region.

- Renter households with low incomes (i.e. with incomes in the 1st to 3rd renter income deciles) would not be able to afford average market rents unless they spent more than 30% of their income on housing costs. The average market rent for the purpose-built rental supply is only affordable to renters in the 5th renter income decile. In addition, the average market rent for the secondary rental market is only affordable to renters in the 7th renter income decile in 2017.
- The average house price for all dwelling types in 2017 is only affordable to Peel Region households with incomes in the 9th and 10th income deciles unless households spent more than 30% of their income on housing costs. Average prices for condominium apartments are affordable to households with incomes in the 6th income decile although this dwelling form may not be appropriate for all household types, particularly larger families.

Housing Gaps Along the Continuum

Peel Region is growing faster than Ontario and most other comparator municipalities and it is expected to continue to grow at a similar pace in the next twenty years. Relative to the population growth and demographic developments, some forms of housing have not been able to keep up with the increasing need. In particular emergency housing, supportive housing, social and subsidized rental housing, as well as market rental housing.

Emergency and Transitional Housing

One of the key findings from the housing needs assessment was the need for emergency shelter beds and transitional housing units as well as wraparound supports. The number of individuals and families who need emergency services in Peel Region grew by 26.9% between 2015 and 2016. Occupancy data showed shelters are operating at, or over their capacity. Households in the first income decile are at the highest risk of needing emergency housing. This includes some of Peel's most vulnerable households such as single individuals earning minimum wage in 2017 and people receiving OW or ODSP benefits. In addition to a general need for additional emergency and transitional housing, it was found that there was an insufficient supply of emergency housing for victims of family violence, victims of human trafficking, and youth. The housing needs assessment also identified inadequate services to prevent homelessness and the wraparound supports for people moving from homelessness to housing. As such, a target for the creation of additional shelter beds and transitional housing units has been identified as part of the affordable housing target for households with low incomes. In addition, Strategy 1: Improve Service Access identifies five immediate actions and five fundamental changes which will help address the need for emergency and transitional housing in Peel Region. These actions will also help achieve the long-term outcome of preventing homelessness in Peel and the short term outcomes of reducing chronic homelessness.

Supportive Housing

The housing needs assessment also showed a significant need for additional supportive housing units. The population in the Region has been growing, and household types who are more likely to require supportive housing, such as seniors and households with a member with a disability, have grown at an even faster rate. The wait lists for supportive housing are long and outnumber the total supply almost two to one. Although the need is present across the entire spectrum, in particular housing options for individuals with mental illness and intellectual disabilities are required. As such, a target for supportive housing units has been identified as part of the affordable housing target for households with low incomes. The immediate action and three fundamental changes identified under Strategy 5: Increase Supportive Housing will also help address this need. These actions and targets will help achieve the long term outcome of having

affordable housing available for all Peel residents as well as the short term outcomes of increased successful tenancies and an increased availability of supportive housing.

Housing for Low-Income Households

The largest housing gap was identified for households with low incomes (i.e. those earning \$59,156 or less in 2017). Over 70% of these households (about 90,000 households in Peel) cannot secure housing that costs less than 30% of their income. Some household types with low incomes are even more likely to face housing affordability issues. These households include larger households with five or more people, couples with children, recent immigrants, youth, non-family households with two or more members, and lone parent families. As such, a target has been identified for new housing units which are affordable for households with low incomes. In addition, the actions and fundamental changes under Strategy 2: Build More Affordable Housing and Strategy 4: Optimize Existing Stock will help address this need and reach the long term outcome of having affordable housing available to all Peel residents and the short term outcome of an increased availability of affordable housing for low income families.

Housing for Moderate-Income Households

A relatively smaller gap exists for moderate income households (i.e. those earning \$59,157 and \$106,002 in 2017). A total of 30.5% of these households are facing housing affordability issues. Some household types with moderate income are even more likely to face housing affordability challenges, including larger households, couples with children, multiple family households, and immigrant households. In addition, average house prices in Peel Region are increasing at a significantly faster pace compared to household incomes and this trend is expected to continue in the near future. As such, increasing the supply of market rental units, including larger units, would provide households with moderate incomes an affordable alternative to home ownership. Targets have been set for rental housing as well as housing affordable to households with moderate incomes. Actions and fundamental changes outlined under Strategy 3: Incent Building Affordable Housing will also help meet this need and achieve the long term outcome of having affordable housing available to all Peel residents and the short term outcome of an increased availability of affordable housing for moderate income families.

The following figure shows a summary of the housing gaps along the continuum for households with low and moderate incomes.

Figure 3: Summary of the Housing Gaps Along the Continuum for Households with Low and Moderate Incomes

Emergency / Temporary Housing		Permanent Affordable Housing		
		Low Income (Households with earnings of \$59,156 or less)	Moderate Income (Households with earnings of \$59,157 - \$106,002)	Supportive Housing
Who they are	Households / persons without permanent housing	129,054* households in 2016 (income deciles 1-3)	129,054* households in 2016 (income deciles 4-6)	Households / Persons with need for permanent supportive housing
	26.9% shelter use increase: <ul style="list-style-type: none"> • Shelters at capacity • Insufficient beds for victims of family violence and no beds for victims of human trafficking • Lack of upfront diversion / prevention • Lack of transitional support for youth / victims of family violence 	70% of households cannot find affordable housing: <ul style="list-style-type: none"> • Larger households • Multiple family households • Couples with children/lone parents • Immigrant households • Youth households • Seniors • Persons living alone • Two or more unrelated people living together • People with a disability 	30% of households cannot find affordable housing: <ul style="list-style-type: none"> • Homeowners • Larger households • Couples with children • Multiple family households • Immigrant households 	50% of demand unmet: <ul style="list-style-type: none"> • Mental illness (4 times more people on the waitlist than units) • Physical disabilities • Acquired brain injury • Intellectual disabilities • Autism spectrum • Frail health • Substance abuse - addictions
	Type of housing required <ul style="list-style-type: none"> • Safe, stable temporary housing to address immediate needs • Quicker access to permanent housing • Transitional units for youth and victims of family violence 	<ul style="list-style-type: none"> • Rental housing which costs \$1,259 or less per month** • Homeownership no more than \$235,291*** • 1 and 2 bedroom units for smaller households • 3+ bedroom units for larger households 	<ul style="list-style-type: none"> • Rental housing which costs no more than \$2,650 per month** • Homeownership which costs no more than \$421,617 • Units with 3+ bedrooms for larger households 	<ul style="list-style-type: none"> • Affordable supportive housing units

* Low income and moderate income households are based on 3 income deciles, therefore they have the same amount of households in each income group
 ** Based on 30% of monthly estimated average household income (2017) for households within this earnings segment and other housing cost factors
 *** Based on 30% of maximum expenditure on ownership housing for households within this earnings segment

Outcomes, Strategies and Roles

Vision

Through the research, project participants fine-tuned the current vision and direction for housing in Peel Region. Based on the current-state analysis and descriptions of the collective preferable future state, a decision was made to embody the existing vision of Peel Region’s Strategic Plan, the goal of the 2014-2024 Housing and Homelessness Plan, and the 2041 Region of Peel Official Plan review in this work.

Vision**Community for Life.****Goal****Everyone has a home and homelessness is eliminated.**

Outcomes

The two long-term outcomes for which Peel should be striving towards are:

- Affordable housing is available to all Peel residents
- Homelessness in Peel is prevented.

In addition, shorter term outcomes have been established to enable regular measurement and monitoring of results:

- Increased availability of affordable housing for low income families;
- Increased availability of affordable housing for middle income families;
- Increased successful tenancies;
- Increased availability of supportive housing; and,
- Reduction in chronic homelessness.

Achieving these outcomes will require a number of integrated strategies working in tandem to create a complete solution. These strategies have been designed to address immediate challenges within the housing system, and create greater positive impact for the residents of Peel.

Housing Targets

Housing targets have been developed which represent ten-year targets to guide the implementation and priority setting for the Peel Housing and Homelessness Plan as well as the Peel 2041 Housing Policy Review to update the targets in the current Peel Regional Official Plan. These targets were developed based on the results of the housing needs assessment for the entire continuum which identify current and emerging housing need. These targets also align with the Region's growth management work based on the 2041 Provincial forecasts.

Affordable Housing Targets

A ten-year minimum target of 20,000 units or 2,000 affordable units each year is recommended. This represents a rounded figure of about 30% of all new housing units projected in the next ten years (a total of about 75,000 units or 7,500 units annually) based on the number of low and moderate income households in Peel Region who are spending more than 30% of their income on housing costs. These targets have been developed to address the housing needs of households with low and moderate incomes.

The affordable housing targets have been further broken down for households with low incomes (10,000 units) and households with moderate incomes (10,000 units). While the greatest need is among households with low incomes, data from 2016 shows an increasing need among households with moderate incomes. In addition, these targets have been developed with the intent that meeting them will involve, not just the Region, but all housing partners.

The target of 1,000 units per year for households with low incomes includes subsidized housing units, supportive housing units, emergency shelter beds, and transitional housing units. The majority of these units would be rental units with a maximum monthly rent of \$1,259 (in 2017) which is the affordable rental threshold for Peel Region based on the provincial definition of affordable housing². In addition, households in the upper end of the third income decile can afford monthly rents up to a maximum of \$1,479 (in 2017) if they were to spend no more than 30% of their gross household income on housing³.

The target of 1,000 units per year for households with moderate incomes would include rental and ownership options. The maximum monthly rent that these households can afford (based on spending 30% of their income on housing cost) is \$2,650 (in 2017). The maximum house price would be \$421,617 (in 2017) which is the maximum house price affordable to households in the 6th income decile and which is the affordable ownership threshold based on the provincial definition⁴.

Housing Tenure Target

To support the objective of having housing that meets people's needs and preferences throughout their lives, a ten-year minimum housing target for rental housing of 25% of all new housing units to be built over the next ten years. These rental units include non-market units as well as units in the private rental market.

Housing Type Target

A target for medium- and high-density housing has also been developed, which represents 50% of all new housing units built in the next ten years, to help ensure a wide range of housing choices for all Peel Region residents.

² The PPS defines affordable rental housing as “the least expensive of a unit for which the rent does not exceed 30% of gross annual household income for low and moderate income households; or, a unit for which the rent is at or below the average market rent of a unit in the regional market area.” This rental threshold (\$1,259) is based on the average market rent for Peel Region in 2017 which is lower than what the top range of household in the third income decile can afford (i.e. spending 30% of their gross household income on housing costs).

³ This dollar amount is based on what households with incomes in the top range of the third income decile can afford.

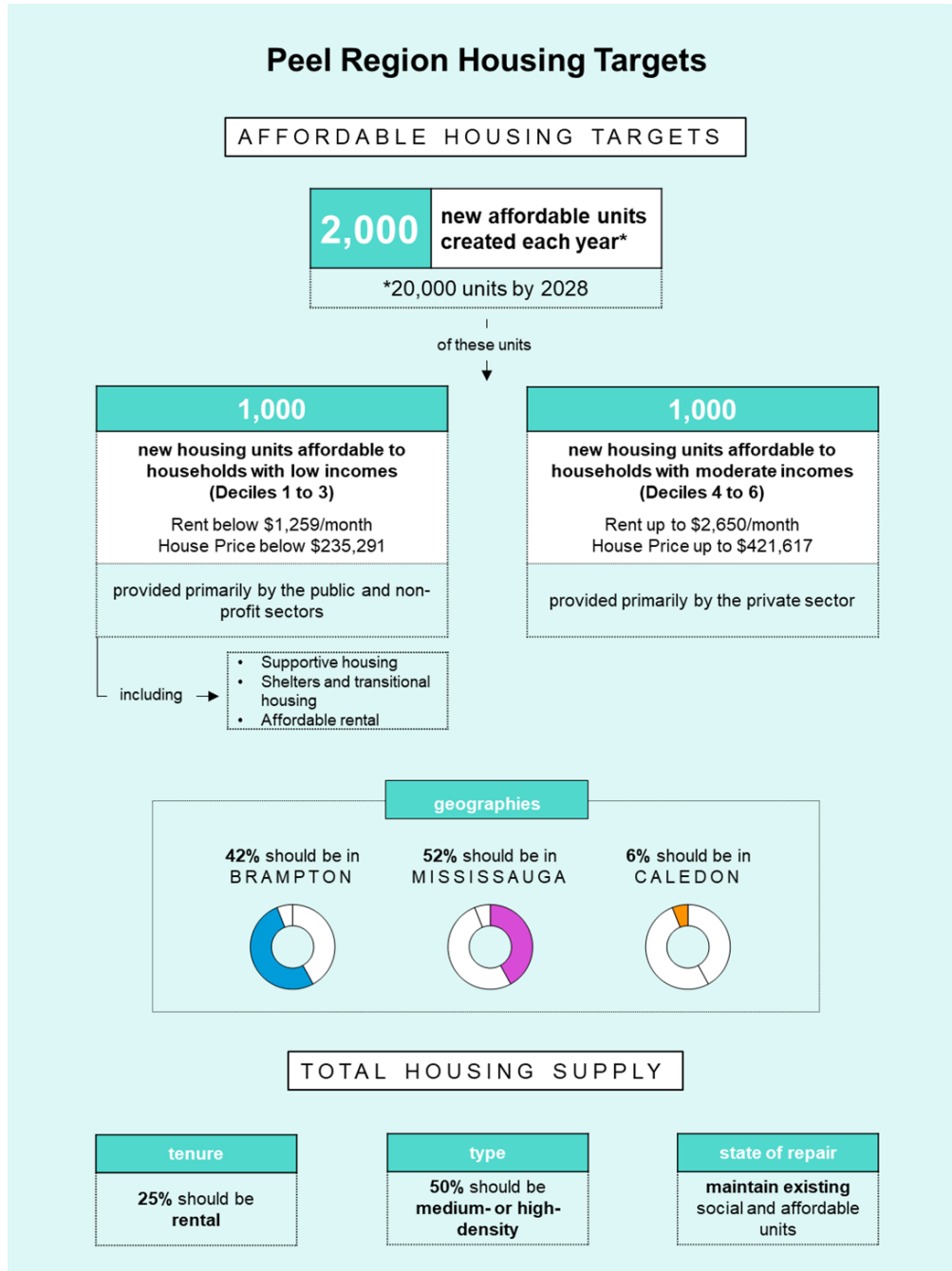
⁴ The PPS defines affordable ownership housing as “the least expensive of housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households; or, housing for which the purchase price is at least 10% below the average purchase price in the regional market area.” This affordable house price threshold is what the top range of households in the sixth income decile can afford.

Housing Condition Target

A ten-year target to improve the condition of rental housing has also been identified to make sure the existing rental housing stock is maintained in a state of repair.

Target for Chronic Homelessness

A ten-year target was also identified to reduce the number of people who are chronically homeless. This supports the objective of helping people secure and maintain their housing and is in alignment with federal and provincial objectives.



Strategies and Actions

Five strategies and a range of accompanying actions are recommended in support of the update to the Peel Housing and Homelessness Plan. The strategies and actions were developed based on the assessment of housing needs in Peel Region and the results of engagement activities with Region of Peel staff, local municipal Staff, and representatives of community agencies. Collectively, and along with the recommended tools and incentives, the actions will contribute to meeting the established housing targets and identified needs.

Strategy 1: Transform Service Access

Transform the delivery of programming through the creation of a new service model to prevent homelessness, divert people from shelters, and match people with the right service.

Immediate Actions

- 1.1 By summer 2018, undertake enumeration of the homeless population in Peel to better understand the extent of homelessness and their needs.
- 1.2 By fall 2018, implement a by-name list of homeless clients to prioritize them for the highest intensity services.
- 1.3 By end of 2018, bring forward an action plan on human trafficking in Peel Region.
- 1.4 By spring 2019, house 50 people experiencing chronic homelessness through the Home for Good Housing First program.
- 1.5 Begin implementation of Action Plan Toward Ending Youth Homelessness pending Council approval on March 29, 2018.

Fundamental Changes

- 1.6 Build emergency shelter and transitional beds for families, youth and victims of human trafficking to meet the targets beginning with the replacement of the temporary 40 bed Regional Youth Shelter in Brampton.
- 1.7 Convene a table consisting of community providers of homelessness services to plan and coordinate services.
- 1.8 Redesign and implement a new model for clients accessing housing and homelessness services to better help clients avoid homelessness, achieve stable housing, or increased income.
- 1.9 Reorient services and policies to reflect a Housing First approach
- 1.10 Redirect a larger share of Rent Supplement and Housing Allowance funding to support the homeless population and/or those in crisis.

Strategy 2: Build More Affordable Housing

Increase capacity for affordable housing development and reduce costs of development.

Immediate Actions

- 2.1 By the end of 2018, proceed with pre-development planning and planning for the redevelopment of PHC's East Avenue property in Mississauga.
- 2.2 By summer 2019, host an Innovation Lab in partnership with the University of Toronto Mississauga's Masters of Public Policy Program, to develop innovative approaches to creating and financing affordable home ownership for low income individuals and families.
- 2.3 By end of 2019, work with local municipalities to rezone PHC's seven priority sites and Twin Pines for Redevelopment.
- 2.4 Provide program design and evaluation support to the SHIP/TRCA Tiny House Village Pilot at Innovation Park

Fundamental Changes

- 2.5 Work with PHC to regenerate/repurpose its seven priority sites (see Appendix III).
- 2.6 Identify and build the capacity of two or three non-profit housing providers to become adept in the development of new affordable rental housing for households with low- incomes in Peel.
- 2.7 Prepare and implement a Housing Master Plan and financing strategy that describes how and where emergency shelter, transitional, supportive and affordable housing will be developed.
- 2.8 Bring forward recommendations to Council about the preferred model/structure for housing development in Peel.

Strategy 3: Incent Building Affordable Housing

Encourage the market to produce purpose-built rental and affordable homeownership through a modest program of tools and incentives.

Immediate Actions

- 3.1 By summer 2019, bring forward a framework in principle for a Community Improvement Plan (CIP) to direct and stimulate private-sector investment in affordable housing through an incentive-based program.

Fundamental Changes

- 3.2 Work with local municipalities to develop a modest program of land use planning tools and financial incentives to support the development of affordable housing.
- 3.3 Work with local municipalities to develop Official Plan policies that support the

development of affordable rental and diverse housing types.

- 3.4 Work with local municipalities to review and revise zoning by-laws to align with targeted corridors, strategic growth areas, and other areas identified for intensification.
- 3.5 Work with local municipalities to review and apply land use planning tools to rezone, and ensure development readiness, opportune areas for affordable housing such as for surplus lands, Peel Living and other appropriate sites.
- 3.6 Develop a Region-wide approach to securing land for affordable housing development including exploring a policy to give priority to affordable housing development in the disposition of surplus land and land banking.
- 3.7 Collaborate with local municipalities to evaluate emerging Inclusionary Zoning regulations to determine appropriateness for future use.

Strategy 4: Optimize Existing Stock

Maintaining existing social and affordable housing stock and leveraging existing private stock to create more and different affordable housing options.

Immediate Actions

- 4.1 By summer 2018, deliver information to Regional Council regarding State of Good Repair for the social housing system.
- 4.2 By summer 2018, explore purchase and repurposing of several Peel Children's Aid Society properties for use as transitional housing.
- 4.3 By spring 2019, review evidence and best practices in order to identify opportunities to maximize existing stock including home-sharing, co-housing and creating additional second units in Peel designs.

Fundamental Changes

- 4.4 Collaborate with non-profit housing providers and cooperatives as operating agreements and mortgages expire to develop a new Partnership Framework and agreements to replace existing Operating Agreements
- 4.5 Examine the current criteria for Peel Renovates and explore options to expand the program to fund private landlords to improve safety, accessibility, energy efficiency and creation of second units.
- 4.6 Work with the local municipalities to adopt Official plan policies and zoning changes to support diverse housing types (co-housing, home-sharing, etc.).
- 4.7 Develop programs to create movement through the affordable housing stock by supporting those who are "over housed" to move to alternative accommodations and helping people to improve employment opportunities.

Strategy 5: Increase Supportive Housing

Expand the supply of supportive housing and supports provided to existing tenants.

Immediate Actions

5.1 By summer 2018, award funding for a new Supportive Housing project.

Fundamental Changes

5.2 Work with supportive housing providers and local municipalities to identify and address barriers to the development of supportive housing.

5.3 Work collaboratively with provincial ministries and Local Health Integration Networks to develop a plan to meet the supportive housing targets established in this plan.

5.4 Work with social housing providers, tenants and support agencies to develop a framework to better connect tenants with support services.

A Role for All Stakeholders

The shift to achieving Peel's housing targets and addressing the housing gaps requires critical thinking and participation of all housing partners, including Peel residents. The possible role for each stakeholder across the housing continuum is identified below.

Peel residents' role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
No clear role	No clear role	No clear role	No clear role	Supporting role	No clear role	Supporting role	No clear role

Regional Council's role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Lead role	Lead role	Lead role	Lead role	Lead role	Supporting role	Supporting role	No clear role

Region of Peel's role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Lead role	Lead role	Lead role	Lead role	Lead role	Supporting role	Supporting role	Peripheral role

Peel Housing Corporation's role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Supporting role	Supporting role	Supporting role	Peripheral role	Peripheral role	No clear role

Non-profit housing providers' role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Lead role	Supporting role	Lead role	Peripheral role	No clear role	No clear role

Private sector developers' role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
No clear role	No clear role	No clear role	No clear role	Supporting role	Supporting role	Lead role	Lead role

Local municipalities' role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Supporting role	Supporting role	Lead role	Lead role	Lead role	Peripheral role

Financial Incentives and Planning Tools

As part of this Housing Strategy, a financial incentive program as well as planning tools have been recommended to help meet the identified housing targets. These recommendations are the result of a scan of municipal tools and incentives and engagement sessions with private developers who were members of BILD (Building Industry and Land Development), non-BILD private and non-profit residential developers, and staff from the local municipalities and the Region. In addition, a financial analysis was undertaken to determine the impact of the financial incentives on the feasibility of an affordable housing project as well as the financial impact to the Region of providing the incentives.

The financial analysis looked at the impact of providing the following financial incentives:

- Land donation
- Grant in lieu of Region of Peel development charges
- Grant in lieu of local municipal development charges
- Grant in lieu of parkland dedication fees
- Grant in lieu of municipal planning and building permit fees
- Alternative parking standards
- Property tax exemption

The result of the analysis is that if all financial incentives are applied, rents close to the CMHC average market rents (AMR) can be achieved. In terms of ownership housing, house prices could be reduced by about 20% if all incentives were provided. The analysis also shows that to achieve rental levels at approximately 100% CMHC average market rent, the Region of Peel and its local municipalities would need to contribute capital grants of between \$101,844 and \$175,634 per unit or about \$132,154 per unit on average depending on the location, discount rate and duration of the property tax exemption.

Regional Community Improvement Plan

The Region of Peel now has the ability to designate community improvement plan (CIP) areas as long as the Regional Official Plan has provisions related to CIPs and a by-law to designate the CIP area. Based on the findings from the engagement sessions, needs assessment, and environment scan, it is recommended that the Region pass a by-law to implement CIPs in designated growth and intensification areas as well as in identified major transit station areas. Incentives for affordable housing developments would then be provided through the CIP. The Region may also want to consider coordinating these CIPs with the local municipalities to coordinate efforts for affordable housing and other municipal priorities.

Peel Affordable Housing Pilot Program

It is also recommended that the Region implement a program to encourage the development of affordable rental, affordable ownership, and market rate rental housing in Peel Region. This Peel Affordable Housing Pilot Program will help the Region and its housing partners to achieve the housing targets over the next ten years. This recommended program will also help improve the Region's capacity to work with private and non-profit housing developers and to better coordinate its efforts with the initiatives of the local municipalities and senior levels of government.

It is recommended that the Peel Affordable Housing Pilot Program include the following elements:

- Updating the Region of Peel Municipal Housing Facility By-law
- Providing municipal land for affordable housing
- Waiving development charges for affordable housing and second suites built as part of new housing units
- Waiving planning and building permit fees
- Waiving parkland dedication requirements
- Implementing alternative parking requirements for affordable housing
- Exempting new affordable rental units from property taxes
- Implementing a 'Concierge Service' to prioritize affordable housing developments.
- Creating an annual monitoring and reporting process to track the effectiveness of the initiative.

The Region and its housing partners may want to consider a more streamlined Affordable Housing Pilot Program as a starting point. This four-year pilot program would include the following elements:

- Waiving development charges for affordable housing
- Waiving planning and building permit fees
- Implementing a 'Concierge Service' to prioritize affordable housing developments.
- An annual monitoring and reporting process to track the effectiveness of the pilot.

Most of the elements of the recommended program cannot be implemented without close collaboration with local municipalities. The approach for funding these elements will be a complementary component to this Housing Strategy. Implementation of this recommended program should also build on and complement federal and provincial funding programs to increase the supply of affordable housing.

The following eligibility criteria is recommended for the Rental Component of the Peel Affordable Housing Pilot Program. Proposed projects may be eligible if they:

- Are located in a Regional CIP or other designated area
- Have at least 20% of the total units as affordable units
- Have affordable rents for a minimum of 20 years.

The following eligibility criteria is recommended for the Ownership Component of the Pilot Program. Proposed projects may be eligible if they:

- Are located in a Regional CIP or other designated area
- Have a house price no greater than the affordable ownership threshold (\$421,617 in 2017)
- Have a minimum of three bedrooms.

Housing Policy Directions

In addition to the recommended Peel Affordable Housing Pilot Program, the Region of Peel may want to consider amendments to the Regional Official Plan to reflect the recommended strategies related to encouraging the development of affordable housing, market-rental housing, and a diverse housing stock throughout the Region. These recommendations are as follows.

Housing Targets

It is recommended that the Regional Official Plan be revised to reflect the new housing targets as established in this Housing Strategy. It is also recommended that policies related to meeting these targets be revised to require local municipalities to adopt local Official Plan and zoning by-law policies and regulations for implementation.

Second Suites

It is recommended that the Regional Official Plan be revised to include policies related to development charges and other incentives to encourage and support the creation of second suites. In addition, requiring local municipalities to amend their zoning by-laws to establish standards and permissions for second suites as part of new residential developments.

Intensification

It is recommended that the Regional Official Plan be revised to include policies which encourage local municipalities to pre-zone or rezone specific lands for increased height and density as an outcome of a secondary plan or similar study for intensification areas.

Diverse Housing Supply

It is recommended that the Regional Official Plan be revised to introduce the requirement of a mix of unit types with an overall objective of achieving at least 50% of units as medium- and high-density across the Region as part of the policies related to the housing targets.

Shared Housing

It is recommended that the Regional Official Plan be modified to require the development of guidelines and a definition of shared housing and to direct the local municipalities to explicitly identify shared housing as a permitted use in residential or other suitably zoned lands in their zoning by-laws.

Inclusionary Zoning

Inclusionary zoning represents an opportunity to increase the supply of affordable housing units throughout the Region. However, it is recommended that the Region's initial priority for promoting increases in the supply of affordable housing through private sector participation be on the development of Regional CIPs and the implementation of the recommended Peel Affordable Housing Pilot Program. The implementation of inclusionary zoning policies can then be informed by the impact of the recommended Affordable Housing Program.

Providing Municipally-Owned Surplus Land

It is recommended that a new Regional Official Plan policy be added which requires the Region to work with local municipalities to implement suitable zoning requirements for municipal properties which will be used for affordable housing.

Securing Land

It is recommended that the Regional Official Plan be revised to require the Region to collaborate with local municipalities and developers to identify and secure lands for affordable housing through the application of conditions of draft plan of subdivision approval. In addition, the Regional Official Plan should include policies which direct local municipalities to undertake affordable housing needs assessments to inform new or revised secondary plans and to require these assessments as part of large-scale development applications.

Planning and Policy Tools to Support Affordable Housing

In addition to the financial and land-use planning incentives provided through the recommended Affordable Housing Program and recommended Regional Official Plan

policies, there are a number of tools and incentives that the Region and local municipalities can utilize to help achieve the identified affordable housing targets. These tools are: alternative development standards and demolition and conversion control.

New Revenue Sources

The provision of financial incentives would require the Region and local municipalities to consider new sources of revenue. It is estimated that each housing unit would require an average of about \$132,154 per unit of capital incentives to have rents equal to 100% AMR. As such, the Region and local municipalities should consider implementing a levy on property taxes and land value capture to generate additional revenue for affordable housing.

Conclusion

Meeting the needs of current and future Peel residents requires the efforts of all housing partners, including the Region, local municipalities, private and non-profit sector stakeholders, and Peel residents. This Housing Strategy provides a roadmap for all these housing partners to find new and better ways of working together to achieve this goal and make Peel Region a community for life.

2.0 Introduction

“

The future of housing is about more than just housing.

This Strategy represents the culmination of the research conducted to inform the Peel Housing and Homelessness Plan and satisfy the Provincial Growth Plan requirements for a Housing Strategy. This introduction includes the Project Context, and the project Methodology, highlighting the research approach, the sources of information used, the incorporation of the perspective of individuals with lived experience, and the research limitations.

A Housing Strategy for Peel

For almost a decade, the Region of Peel has been active in undertaking housing studies and initiatives to better understand the housing situation in the Region and identify ways to address housing need. In 2009, the Region and Local municipalities developed the Region of Peel Housing Strategy which outlined a range of housing actions, including Official Plan policy recommendations and housing targets for affordable housing throughout the Region. In 2013, the Region and community partners developed the Peel Housing and Homelessness Plan (PHHP). To implement one of the strategic actions identified in the PHHP, the Region undertook the Peel Supportive Housing Needs Assessment in 2015 to better understand the need for and supply of supportive housing in the Region.

Today, the Region is faced with an evolving housing system and persistent housing needs across the continuum. This project took the Peel community on a collaborative journey to the Region's Housing Strategy. We adopted a unique process to challenge the conventional wisdom embedded in our system, to unpack the mindsets that drive our strategies, and to involve the community in designing new ways of working to achieve the ambitious goals of the housing and homelessness plan.

Project Context

This project combines quantitative and qualitative data to illustrate what our current housing system looks like in Peel, what a preferable future could be for Peel residents, and how we might navigate to those end goals.

The study area covers all three local municipalities within the Peel Region: the Town of Caledon, the City of Brampton, and the City of Mississauga.

To arrive at the Peel Housing Strategy, the project journey included four key components of work, which helped develop a robust housing system analysis for the Region of Peel. These components include:

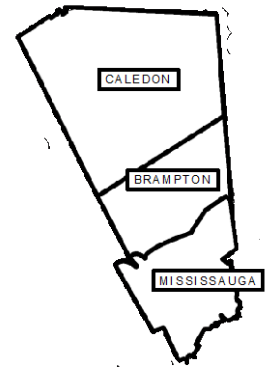
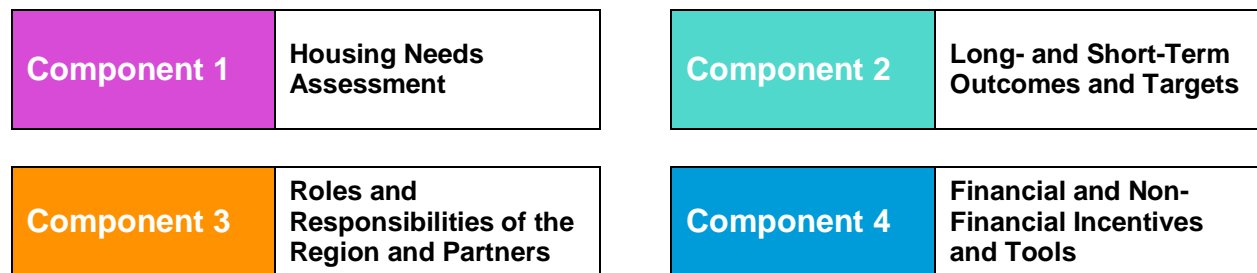


Figure 4: Study Area



Policy Context

Fulfilling Peel's Legislative Requirements

While the main purpose of this project was to create a roadmap for the Region of Peel and its housing partners, this work also addresses a number of legislative requirements. This document, which includes an assessment of current and future housing needs (Section 3), identifies objectives and targets (Section 4), and has strategies for meeting these targets and for measuring progress (Section 4), forms the foundation for a renewed Peel Housing and Homelessness Plan, which will meet the requirements of the Housing Services Act.

The housing needs assessment (Section 3) and the recommended financial and non-financial incentives and tools (Section 5) meet the requirements of the Provincial Growth Plan with regard to a housing strategy and planning for complete communities. These sections also complement and align to the Region of Peel's Growth Management Strategy and inform the current Regional Official Plan work. These sections identify the need to create a diverse range of housing options and densities as well as mechanisms, including land-use planning and financial tools to support the identified targets for

affordable ownership and rental housing. This Housing Strategy identifies ways that the Region and its housing partners can support the achievement of complete communities through a mix and range of housing options throughout the Region and intensification in appropriate areas.

This work also meets the requirements of the Promoting Affordable Housing Act, specifically the provincial requirements related to inclusionary zoning which came into effect on April 12th, 2018. The housing needs assessment (Section 3) includes an analysis of the demographics, population, and household characteristics of Peel Region and its local municipalities. It also has an analysis of household income, housing supply by housing type, housing affordability, and the current average market prices and current average market rent by housing type in the three local municipalities. This Housing Strategy also includes recommendations for Regional official plan policies related to inclusionary zoning.

Please see the Appendix for further detail on which sections of this report meet the requirements of the various provincial legislation and policies.

Alignment with Other Strategies

Both the federal and provincial governments have developed strategies and undertaken initiatives to address the housing need of all Canadians. The Region of Peel has also developed strategies which impact the provision of housing for all Peel residents. As such, the recommendations in this Housing Strategy align with the visions and goals of the Peel 2015-2035 Strategic Plan as well as Peel's Growth Management Strategy.

This Housing Strategy also aligns with provincial and federal strategic documents. The vision and principles of the National Housing Strategy have informed the development of the project overall and, more specifically, the development of the recommended strategies. Identified outcomes and measures are based on the targets set in the National Housing Strategy, including the target of 50% reduction in the number of people who are chronically homeless, the number of new affordable housing units created, and the number of existing housing units repaired and renewed.

In addition, this Housing Strategy aligns with the vision and goals of the provincial Long-Term Affordable Housing Strategy. The recommended strategies support the provincial goals of an appropriate and sustainable supply of housing, an equitable, portable system of financial assistance, people-centred housing programs, an evidence-informed system, and ending homelessness.

The recommendations in this Housing Strategy also support the provincial goal of ending chronic homelessness and are based on the policy directions outlined in the Policy Statement: Service Manager Housing and Homelessness Plans. These require municipal housing and homelessness plans to be informed by the results of local homelessness enumeration; include strategies to prevent and reduce homelessness, including those based on a Housing First philosophy; include strategies to prevent the number of people experiencing chronic homelessness and homelessness among youth

and Indigenous peoples; and, address collaboration with community partners and provincial ministries to reduce and prevent homelessness among those transitioning from provincially-funded institutions and service systems.

Other federal, provincial, and municipal government strategies that have informed the development of this Housing Strategy include:

- Promoting Affordable Housing Act
- A Place to Call Home: Ontario Poverty Reduction Strategy
- 2017 Growth Plan for the Greater Golden Horseshoe
- Fair Housing Plan
- Supportive Housing Policy Framework

The Region of Peel uses an integrated planning framework to guide the development and integration of strategic plans for all Regional programs and services. As such, this project was informed by the following Regional strategies and plans.

- Region of Peel Strategic Plan
- Regional Official Plan
- Peel Housing Strategy
- Peel Growth Management Strategy
- Understanding Peel's Homelessness System
- Housing System Investment Framework (2014-2018)
- Peel Action Plan to End Youth Homelessness

This report also recognizes and builds on the work that has already been undertaken by the local municipalities of Brampton, Caledon, and Mississauga including, Mississauga's Making Room for the Middle and Caledon's Housing Study. The majority of actions in this report will be implemented in partnership with local municipalities. In addition, while actions encompass all elements of the housing continuum, most actions are focused on the lower end of the continuum in recognition of the lead role that local municipalities play in meeting the housing needs of moderate and high-income households.

Looking out to 2028 and beyond, this report takes a holistic look at the current housing needs in Peel Region. As our environments, cultures, economies, and values shift, our mindsets and policy-making approaches must follow suit. This report provides a blueprint of Peel Region's road to better housing outcomes by critically investigating the required shifts in mindsets, culture, and ways of working at the Region. A housing system where there is a 'home for all' can only be accomplished through collaborative approaches to delivering human-centred policies and services for all Peel residents.

Methodology

Research Approach

Report Format

This document begins with a comprehensive housing Needs Assessment based on the housing continuum in Peel. The Needs Assessment includes a housing demand analysis and housing supply analysis to describe the current state of the housing system in Peel Region. The housing affordability analysis combines the learnings from the demand and supply analyses by highlighting the current housing gap in Peel Region. The current and emerging housing gaps are summarized and described along the housing continuum.

The Outcomes, Strategies, and Roles section includes a detailed plan (including immediate and long-term actions) to address the housing gaps identified in the Needs Assessment. This section also includes an overview of how stakeholders in Peel's housing system work together today and where opportunities for change may exist.

The Financial Tools and Incentives section includes a review of potential tools and incentives as well as a recommended program which the Region and its housing partners can implement to support the identified actions.

Research Questions

Research questions were developed for each component of the project and the most appropriate tools and methods were used to respond to the research question. These research questions are as follows:

1. What barriers to change exist within the system; who does this project affect, and what competing priorities exist among stakeholders?
2. What are the current and future housing needs along the continuum in Peel Region and local municipalities?
3. How might we prioritize the key housing needs in Peel Region, to lead to actionable and impactful recommendations for all households along the housing continuum?
4. How might we revise the Region's current vision and long-term outcomes to address the key strategic areas identified, while incorporating short-term outcomes and targets for housing in Peel?
5. How might we co-design new relationships, roles, and responsibilities within the Peel housing system to help address Peel's key strategic directions and goals?
6. How might we optimize the use of incentives and tools to achieve the strategic goals and directions set out by the Region's housing plans?

Quantitative Data Sources

This Strategy incorporates quantitative data from the most reliable and relevant sources available. The analysis also includes additional indicators based on relevant housing issues in Peel, as identified through consultations and initial meetings with Peel staff, including condominium rental data. Some of the data sources used include: Statistics Canada Census custom tabulation data and Census Profiles for Peel Region, CMHC Housing in Canada Online and Housing Market Information Portal, Canadian Observatory on Homelessness, Peel Data Centre, and the Toronto Real Estate Board. The tables and figures in this report contain source citations to indicate the relevant sources attributed to each finding.

Qualitative Data Sources

A key input to this Strategy is the qualitative data, both primary (gathered through consultation and engagement) and secondary (through a literature review).

Primary Research

A total of twelve engagement sessions were undertaken as part of the research involved in this project. These engagement sessions were undertaken with the PPHP Steering Committee, which is composed of senior Regional and Peel Housing Corporation staff, subject matter experts from different departments in the Region, local municipal planners, and representatives of community agencies serving Peel Region residents. A co-design approach was used for these engagement sessions to ensure a process where all stakeholders are identifying problems and developing solutions with the project team. A range of tools were used to facilitate this approach, including the Three Horizons Model, Beckhard-Harris Change Model, STEEP-V trend scan, and backcasting. These tools are described in detail in the Appendix of this report. In addition, Regional staff undertook engagement sessions with community groups and other Regional staff.

Secondary Research

This project also utilizes secondary research, including a scan of the existing planning and policy environment and gathering and analyzing statistical data on the housing needs and supply in Peel Region. The analysis of housing need also builds on previous work that has already been undertaken, including extensive consultations with Peel Region residents and community partners undertaken as part of the work on the PPHP in 2014, the Supportive Housing Needs Assessment, and the Peel Homeless System Review. Other findings from key Canadian sources are included, such as from the Canadian Observatory on Homelessness, Canada Mortgage and Housing Corporation,

Homeless Hub, the Munk School of Global Affairs, MaRS Discovery District, and the Ontario Non-Profit Housing Association.

Incorporating the Voices of People with Lived Experience

The short timelines and budgetary limitations by which the project was constrained meant it was not possible to engage the community of Peel residents with lived experience at large. However, over the past 4 years, the Region has been actively engaging with the community on several occasions as part of larger strategic planning exercises or during studies into individual segments of the housing continuum.

Therefore, to incorporate the voice of the community with lived experience, it was decided to leverage the community engagement work that had already been undertaken by the Region of Peel and its partners since 2013.

This section provides an overview of some of the most important community engagement work that was conducted, and of which the consulting team was aware. It includes a short summary of the type of engagements that occurred, what the purpose and extent of the engagement was, and who attended.

Peel Region Housing and Homelessness Plan 2014

The community was actively involved in the development of the current Peel Housing and Homelessness Plan. Not only new, but also previous community consultation work was included (i.e. information gathered for the Peel Poverty Reduction Strategy, the Strategic Plan, the Health and Homelessness strategy etc.).

In addition to the existing information, the Region embarked on a series of consultations with residents, stakeholders, and staff.

Residents were engaged through public engagements hosted by the region and smaller engagements hosted by community stakeholders such as: Mississauga Community Legal Services, The Hope Coalition, Caledon Community Services, ShareED Network, Habitat for Humanity Brampton, Peel Poverty Action Group and Housing Options for Older Adults. Participants were encouraged to share key issues from their perspective and develop actions to address them.

In total over 700 people participated in the engagements, of which over 500 were people with lived experience. These engagements were not target group specific and included perspectives from all members of the community in Peel Region.

Peel Region Strategic Plan 2015-2035: Community for Life

In preparation for the development of the Peel Region Strategic Plan 2015-2035, a large community engagement campaign was initiated to obtain a perspective on how the

people in Peel Region see their future as well as the role the Region of Peel can play in that future.

In order to reach the largest possible segment of the population, a host of different consultation tools were used. The Region set up booths during community events, engaged with residents via social media and an interactive exhibit at the Peel Art Gallery, Museum and Archives. The strategy ensured feedback from people of all ages, experiences and backgrounds.

Over the course of several months, over 1,000 community members were engaged through the different efforts described above, all of which were integrated into the development of the plan strategic plan 2015-2035.

Region of Peel Supportive Housing Demand and Supply Analysis and Action Plan

In 2016, SHS consulting, on behalf of the Region of Peel, completed a housing needs assessment for supportive housing in the Region. As part of the data gathering component for this report, people with lived experience were consulted through focus group sessions and a survey. The survey was administered among 163 community organizations.

The focus groups involved engaging persons requiring supportive housing, their families, and housing staff in mapping out the journeys that they experienced or witnessed while aiming to access supportive housing, affordable housing, and support services in Peel Region. Participants identified barriers and gaps in the system, emotions that they felt across their journeys, and potential solutions for improving this experience.

A total of four focus groups were organized and 63 responses to the survey were received. The report provides an understanding of the experience of persons requiring supportive housing as well as their families and stakeholders in the community. It also highlighted the need for supportive housing options throughout Peel Region, including options for seniors, persons with physical disabilities, mental health issues, and developmental disabilities.

Peel Living Tenant and Community Value Design and Strategic Plan

In 2016, Peel Housing Corporation conducted a review of its business plan and part of this review included the development of a strategic plan for the organization. A component of the research process included intensive data collection from people currently living in subsidized housing provided by Peel Housing Corporation.

Over the course of several months 3 focus groups, 6 workshops, 155 semi-structured interviews, and 7 buildings were visited.

The focus groups were conducted with superintendents and property managers. The workshops were organized with tenants, the advisory committee, Region of Peel departments and community agencies as well as support service providers in Peel. The tenants were interviewed with the help of summer students and building observations were led by building staff.

A total of 217 individuals were engaged and the report was used to inform the consulting team on issues and opportunities surrounding subsidized housing in Peel Region.

Understanding Peel's Homelessness System

In 2017, the Region of Peel partnered with the Canadian Observatory on Homelessness to conduct an environmental scan of the homelessness services in the Region. As part of the review, people with lived experience were engaged in various focus group sessions.

Seven focus groups were conducted with more than 30 participants. The sessions were approximately 29-71 minutes in length and semi-structured, allowing for probing questions on a variety of topics.

A total of 71 individuals were engaged and the report was used to enhance the quantitative data the consulting team obtained on issues and opportunities surrounding homelessness in Peel Region.

20,000 Homes Campaign

In 2016, spearheaded by United Way Peel Region and together with 9 stakeholders under the umbrella of the Peel Alliance to End Homelessness, the Region of Peel participated in the 20,000 homes campaign. As part of the campaign precariously housed households and homeless individuals were surveyed.

The surveys were conducted in one-to-one sessions with volunteers in order to assess their need. This occurred during a week of action where the volunteers went out into the community to visit shelters, community centres and their neighbourhoods to find individuals that are homeless or at risk of becoming homeless.

In total 455 surveys were completed of which 262 were conducted with homeless individuals and 193 with precariously housed households. The data analysis in this report was used in order to enhance the consulting teams understanding of homelessness in the Region.

Research Limitations

Every effort was made to develop a final product that is comprehensive and addresses all project expectations. However, there were some limitations to the research process, including the following.

Time Limitations

This project is being undertaken within a six-month timeline, with draft reports due within less than a three-month timeline. Additional time would have allowed for more thorough research and more extensive engagement sessions.

Access to Recent and Accurate Data

The most recent and accurate data has been used for this project. In addition, estimates for 2017 household incomes have been used based on the rate of change in the Canadian consumer price index (CPI) to allow a comparison to 2017 house prices and rents. Also, due to the introduction of the National Household Survey in 2011, some data may not be directly comparable to previous censuses and the latest census. Other concerns for data accuracy include the limitations of the secondary rental market data available. For instance, the counts would not include second units that exist illegally.

Engagement Sessions

While the ideal approach to this process would have included opportunities to engage with people with lived experience, this was not viable due to time and budgetary constraints. As such, every effort was made to incorporate the input obtained through the Region's other work on housing and homelessness in recent years.

3.0 Needs Assessment

Peel Region is located in southern Ontario and consists of three municipalities: Brampton, Caledon, and Mississauga. It is adjacent to Toronto and is part of the Greater Golden Horseshoe. Due to the many amenities within its borders as well as its proximity to Toronto, Peel Region experienced significant growth in the last fifteen years and is expected to continue growing in the near future. As such, the main purpose of this housing needs assessment is to better understand the current and emerging housing need in the Region and its local municipalities. This housing needs assessment is being undertaken as part of the Peel Housing and Homelessness Plan renewal and Housing Strategy. It outlines the need for housing in Peel Region along the continuum and complies with the requirements and priorities for assessing housing need in a community as set out in the:

- Provincial Growth Plan for the Greater Golden Horseshoe 2017,
- Promoting Affordable Housing Act, 2016,
- Provincial Policy Statement for Service Managers, 2016.
- Housing Services Act, 2011, and
- Provincial draft regulations for implementing Inclusionary Zoning, 2017

The results of this housing needs assessment creates the foundation for the other sections in this report including:

- The desired housing outcomes in the Region and corresponding housing targets,
- the Region's and stakeholder roles in achieving these targets,
- Incentives and tools to create new and maintain existing affordable housing.

Housing Continuum

The housing market in a community can be viewed as a continuum where supply of housing responds to the range of housing need and demand. Due to the range of demographic, social, economic, and geographic factors, the full range of housing need in a community is not always met in the private housing market. This is particularly true for individuals and families with low incomes or for persons with unique housing needs. The housing needs of these population groups are often met by non-market housing provided by the public and non-profit sectors. It should be noted that while the housing continuum looks linear, people can move back and forth along the continuum through different stages of their lifetime. For example, senior home owners may choose to sell their homes and move to the private rental market. There may also be households who move from market rental to ownership or into subsidized rental due to an illness or loss of employment. Alternatively, there may be households who were in subsidized rental who are able to move to affordable ownership. As such, it is important for each community to have an adequate supply of units throughout the continuum.

The different elements of the housing continuum are illustrated and defined below⁵:

EMERGENCY HOUSING

Homelessness

The condition of being without long-term accommodation

Emergency Shelters

Short-term accommodation (30 days or less) for individuals who are homeless. Emergency shelters provide sleeping arrangements with varying levels of support.

Transitional Housing

Housing that is provided for a specified period of time, which includes the provision of on or off-site support services to help individuals move towards independence and self-sufficiency. Recent changes to provincial legislation allows stays of up to four years in transitional housing units.

RENTAL HOUSING

Supportive Housing

Subsidized rental accommodation and support services to help people with special needs live independently

Social Housing

Sometimes referred to as “rent-geared-to-income” housing, intended for people with low to moderate incomes and primarily built from 1946-1993 under federal and provincial programs provided in a public, non-profit, purpose-built rental or co-operative housing development, or in private rental units through a rent supplement agreement. Most social housing tenants receive rent-geared-to-income (RGI) assistance.

Subsidized Rental

Affordable housing that is developed with some funding from government sources since the time of social housing devolution, such as new units built by a Housing Service Provider (including new units with RGI and rent supplements). Subsidized rental captures a wider range of new government supported housing

Affordable Rental Housing

Rental housing that is considered affordable, defined as the least expensive of:

- A unit for which the rent does not exceed 30% of gross annual household income for low and moderate-income households; or

⁵ The definitions for the different elements of the Housing Continuum were obtained from the Region of Peel's Housing and Homelessness Plan Year Two Update 2015.

- A unit for which the rent is at or below the average market rent of a unit in the regional market area.

Private market rental housing

The fair rental/market value of a property that a well informed and willing lessee or renter would pay for the temporary use and enjoyment of the property

MARKET HOUSING

Affordable ownership

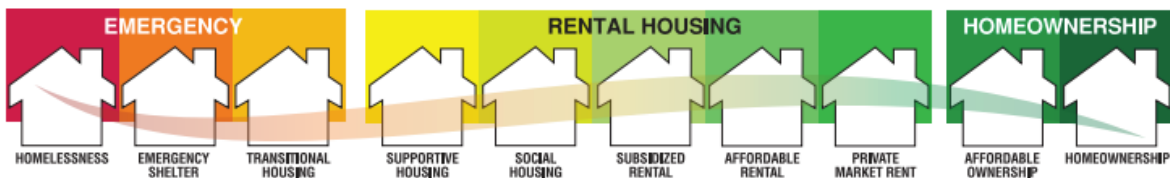
Homeownership that is considered affordable, defined as the least expensive of:

- Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate-income households; or
- Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area

Homeownership

A housing tenure where no direct government subsidy is used when purchasing the house at fair market value

Figure 5: Housing Continuum in Peel



Source: The Region of Peel Housing and Homelessness Plan Year Three Update 2016

Approach to the Housing Needs Assessment

Research Questions

The research questions used to guide the development of the housing needs assessment are the following.

1. What is the nature of housing demand in Peel Region?
2. What is the nature of housing supply in Peel Region?
3. What is the nature of the affordability of housing in Peel Region?
4. What are the current and future housing gaps along the housing continuum in Peel Region?

Sources of Information and Data Limitations

Sources of data and information for this needs assessment include Statistics Canada Census Profiles, topic-based tabulations, and custom tabulation data for 2001, 2006, 2011 and 2016 from the Census as well as the National Household Survey (2011). Other sources include data and information from Canada Mortgage and Housing Corporation (CMHC) and the Region of Peel.

Wherever possible, the most current and reliable data and information sources were used in this study. However, it should be noted that there may be some discrepancy in household and population counts due to rounding and the use of data from the mandatory portion of the Census, data from the 20% sample, and data from the voluntary National Household Survey in 2011. Also, data in some tables/figures may not always add up to 100% or to the total number of households or population due to the data suppression rules employed by Statistics Canada and CMHC.

Please note that data on incomes refer to household incomes and do not include the population living in institutions such as nursing homes, hospitals, or correctional facilities. For relevance and to be able to compare to 2017 house prices and rents, household incomes have been estimated to 2017 based on the growth rate of the consumer price index (CPI) of Canada from 2015 to 2017 (3.48%).

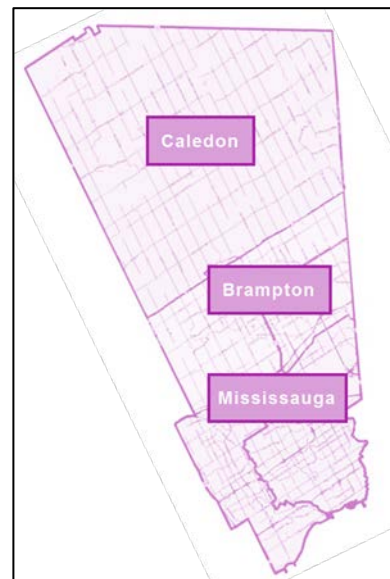
In addition to the analysis of data and information, engagement sessions were undertaken with Region of Peel and area municipal staff as well as representatives of community agencies in October to early December 2017. The information obtained through these engagement sessions has been incorporated into this needs assessment.

Study Area

The study area for this housing needs assessment is Peel Region and the analysis of housing need, supply, and affordability is focused on the Region. In addition, analysis has been undertaken for the three local municipalities of Brampton, Caledon, and Mississauga and distinct needs in each municipality have been highlighted. Comparator municipalities have also been included in the assessment to provide some context to the analysis of the housing situation in Peel Region. These comparator municipalities are: York Region, Halton Region, Durham Region, and Toronto.

The map shows the study area for this needs assessment.

Figure 6: Map of the Peel Region and Local Municipalities



Housing Demand Analysis

“

What is the nature of the housing need in Peel Region?

Population and household characteristics are important elements which influence housing need in a community. This section looks at the demographic and socio-economic trends and characteristics in Peel Region and how these affect the need for housing. The indicators examined include trends in the age of the population, household size, type and tenure, and household incomes.

Population Trends and Projections

There were 1,381,740 people living in Peel Region in 2016, up by 39.7% from 2001. Peel Region saw a higher rate of population increase compared to Toronto (10.1%), Halton Region (33.7%), Durham Region (27.4%), and Ontario as a whole (17.9%) from 2001 to 2016. Among the comparator municipalities, York Region is the only municipality which is seeing a higher rate of growth compared to Peel Region (52.2%).

Among the local municipalities, Brampton saw the highest rate of increase; increasing by 82.4% from 2001 to 2016 while Mississauga increased by 17.7% and Caledon increased by 31.4% during this time period.

Figure 7: Trends in Population Growth: Peel Region, Local Municipalities and Comparators; 2001-2016

Population Trends	2001	2006	2011	2016	% Change 2001-2016
Peel Region	988,945	1,159,405	1,296,815	1,381,740	39.7%
Brampton	325,430	433,805	523,910	593,640	82.4%
Mississauga	612,925	668,550	713,450	721,600	17.7%
Caledon	50,595	57,050	59,460	66,505	31.4%
Toronto	2,481,494	2,503,281	2,615,060	2,731,571	10.1%
York Region	729,254	892,712	1,032,524	1,109,909	52.2%
Halton Region	375,229	439,256	548,435	501,674	33.7%
Durham Region	506,901	561,258	608,124	645,862	27.4%
Ontario	11,410,046	12,160,282	12,851,821	13,448,494	17.9%

Source: Statistics Canada Community Profiles: 2001, 2006, 2011, 2016

Peel Region is expected to continue to grow in the next 25 years with the population reaching 1,970,100 by 2041; an increase of 42.6% from 2016. Most of this growth is expected to occur in Brampton, where the population is forecasted to increase by 296,360 persons in the next 25 years. Caledon is expected to become the fastest

growing local municipality with an expected growth rate of 140.7% between 2016 and 2041. However, trends from the last fifteen years suggest that a higher rate of growth will continue to occur in Brampton rather than Caledon. The lower rates of growth currently experienced in Caledon may be partly due to the lack of certain infrastructure, such as public transit, which encourages growth in communities.

Figure 8: Population Projections: Peel Region and Local Municipalities; 2016-2041⁶

Population Projections	2016	2021	2026	2031	2036	2041	% Change 2016-2041
Peel Region	1,381,740	1,540,400	1,660,120	1,770,050	1,870,000	1,970,100	42.6%
Brampton	593,640	683,700	755,710	811,970	853,940	890,000	49.9%
Mississauga	721,600	777,730	808,260	842,070	879,210	920,020	27.5%
Caledon	66,505	78,970	96,150	116,010	136,850	160,080	140.7%

* Due to rounding there might be small discrepancies between some numbers in this table
Source: Statistics Canada Community Profiles: 2016; The Region of Peel: 2017

Age of Population

All population groups in Peel Region are seeing an increase in actual numbers from 2001 to 2016. However, the population aged 55 years and older is seeing a significantly higher rate of increase compared to the rest of the population. The population aged 55 years and older increased by 113.3% from 2001 to 2016. Within this group, seniors aged 85 years and older saw the highest rate of increase; increasing by almost 200% (196.3%) from 2001 to 2016.

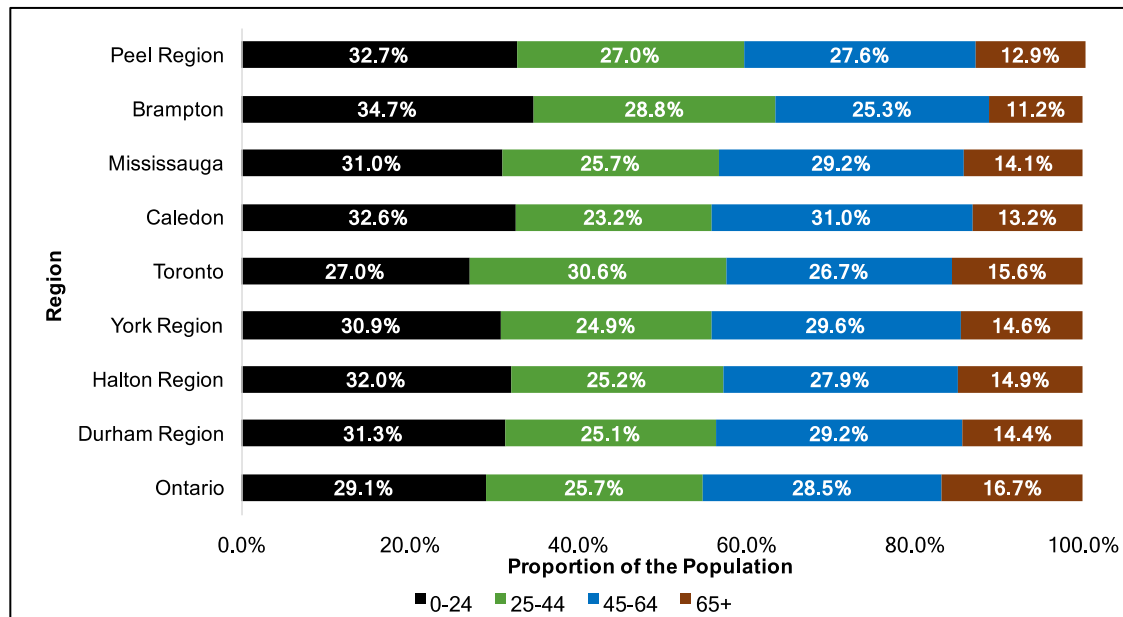
While Peel Region's senior⁷ population is growing at a much higher rate than the rest of the population (increasing by 124.4% from 2001 to 2016), the proportion of seniors in Peel Region (12.9%) is smaller than all the other comparator municipalities. In contrast, children and youth aged 24 years or less make up a larger proportion at 32.7% of the total population in 2016.

Within the local municipalities, Mississauga has the largest share of seniors at 14.1% in 2016 while Brampton has the smallest, at 11.2%. In contrast, Brampton has the largest share of children and youth aged 24 years or less, at 34.7% of the City's total population. Brampton also has the highest proportion of adults aged 25 to 44 years (28.8%) compared to Mississauga (25.7%) and Caledon (23.2%). This suggests that, within Peel Region, Mississauga has the greatest need for housing for an aging population while Brampton has the greatest need for housing for families with children.

⁶ The forecasts for Peel Region as a whole were developed by the Province of Ontario. The numbers for the local municipalities were developed as part of the growth management Regional Official Plan Amendment. They have yet to be finalized by the Region of Peel's planning department and are pending council approval.

⁷ Throughout this report, "seniors" refers to the population aged 65 years and older.

Figure 9: Age Distribution: Peel Region, Local Municipalities and Comparators; 2016



Source: Statistics Canada Community Profiles 2016

Homeless Population

The Canadian Observatory on Homelessness defines homelessness as follows:

“The situation of an individual or family without stable, permanent, appropriate housing, or the immediate prospect, means or ability of acquiring it”⁸

Homelessness can take many forms. While people living on the street or in their cars are the most obvious forms of homelessness, people who have no permanent homes, such as those who are couch surfing, are also considered part of the homeless population.

While the Region of Peel is working on a better way to monitor the number of people who are homeless in the region, there is currently no specific number of people who are homeless. However, there were a total of 14,858 stays by individuals and families in the shelter system in Peel Region in 2016. This is a 26.9% increase from 2015. In addition, data for January to October 2017 shows that there were 9,761 stays in the shelter system. This shows that there is a homelessness issue in Peel Region and this issue is becoming more significant.

There are emergency shelters in Brampton and Mississauga to assist people who are homeless in Peel Region. However, almost all of the shelters are at or above their full

⁸ Gaetz, Donadson, Richter, & Gulliver (2013), The State of Homelessness in Canada 2013. Accessed from: <http://homelesshub.ca/sites/default/files/SOHC2103.pdf>

capacity. For example, in 2017, the Wilkinson Road Shelter operated at 106% of its capacity, and the Peel Family Shelter operated at 116% of its capacity. Region of Peel staff have confirmed these findings and have noted that they often have to put individuals or families in motels as the Region has a policy of not turning anyone away who is in need of shelter. Region of Peel staff also stated that they are seeing a growing normalization of shelter life, where the same people are coming back to shelters and staying in these shelters for longer periods of time. This is due to a combination of several factors including a very limited number of affordable housing units, limited services for mental health issues and substance abuse issues, and the growing precariousness of employment.

As part of the 20,000 Homes campaign, the Peel Alliance to End Homelessness conducted a survey of the homeless population in Peel Region in 2016. A total of 455 surveys were conducted among those who were homeless or precariously housed although only 262 responses were deemed usable. As such, these results should be read with caution. However, they do present a snapshot of the homeless population in Peel Region.

The survey found that more than half (58%) of the homeless population were male and 83% were aged 21 to 60 years. People aged 60 years and older made up 5% of the total population surveyed. The survey also found that, among the respondents, 27.5% reported having to struggle with mental health, learning disabilities, or head injuries. In addition, 43% said they were racialized or a visible minority; 12% came to Canada as an immigrant or refugee in the past five years; and 30% moved to Peel Region within the past year⁹. To better understand homelessness moving forward, The Region of Peel will lead a coordinated homeless count in 2018 and repeat this effort once every two years.

Household Trends and Projections

While population trends and characteristics are important indicators of housing need, the characteristics of households are more directly related to housing need as each household requires a housing unit. As such, it is important to understand the trends in the number, tenure, size, and type of households in a community to understand the housing need in that community.

Household Trends and Growth

The number of households in Peel Region increased by almost the same rate as its population; increasing by 39.3% from 308,865 in 2001 to 430,180 in 2016. The number of households in Peel Region increased at a higher rate compared to Toronto (18.0%), Durham Region (32.7%), and Ontario (22.5%) but at a lower rate compared to York Region (60.0%) and Halton Region.

⁹ Peel Alliance to End Homelessness (2016). 20,000 Homes Peel – Presentation for National Housing Day 2016

Within Peel Region, Brampton saw the highest rate of increase in the number of households from 2001 to 2016; increasing by 72.2%. In comparison, Mississauga households increased by 23.4%, the lowest rate of increase among the local municipalities, while Caledon households increased by 31.9% during the same time period.

Similar to Peel Region as a whole, the rate of increase in the number of households in Caledon is similar to the rate of increase in its population (31.9% vs. 31.4%). This suggests that the average household size in Caledon has remained relatively the same over the last fifteen years. In comparison, the rate of increase in the number of households in Mississauga is higher compared to the rate of increase in its population (23.4% vs. 17.7%) from 2001 to 2016. This indicates that the size of households in Mississauga has decreased. In contrast, the rate of increase in the number of households in Brampton is lower than the rate of increase in its population (72.2% vs. 82.4%). This suggests that the size of households in Brampton has increased over the last fifteen years, from 2001 to 2016. This data suggests that housing need in Mississauga is more focused on smaller households while the opposite is true in Brampton.

Figure 10: Trends in Household Growth: Peel Region, Local Municipalities and Comparators; 2001-2016

Locality	2001	2006	2011	2016	% Change 2001-2016
Peel Region	308,865	359,065	402,935	430,180	39.3%
Brampton	97,550	125,835	149,270	168,010	72.2%
Mississauga	195,200	214,920	234,580	240,910	23.4%
Caledon	16,115	18,310	19,085	21,255	31.9%
Toronto	943,075	979,440	1,047,875	1,112,930	18.0%
York Region	223,185	275,680	323,540	357,085	60.0%
Halton Region	133,665	157,085	179,015	192,975	44.4%
Durham Region	171,725	194,670	213,745	227,905	32.7%
Ontario	4,219,410	4,555,025	4,887,510	5,169,170	22.5%

Source: Statistics Canada Community Profiles 2001, 2006, 2011, 2016

Similar to population projections, the Region of Peel's household estimates indicate that in the next 25 years, in absolute numbers, the largest growth will occur in Brampton. Caledon is forecasted to become the fastest growing municipality in the region with an expected growth rate of 135.6% between 2016 and 2041. As noted above, historical trends suggest that the highest growth rates will actually continue to occur in Brampton rather than Caledon. However, revisions to the Region's growth management strategy, including the expansion of the boundaries of Mayfield West in Caledon, may shift more of the growth to Caledon as predicted.

Figure 11: Household Growth Projections: Peel Region and Local Municipalities; 2016-2041¹⁰

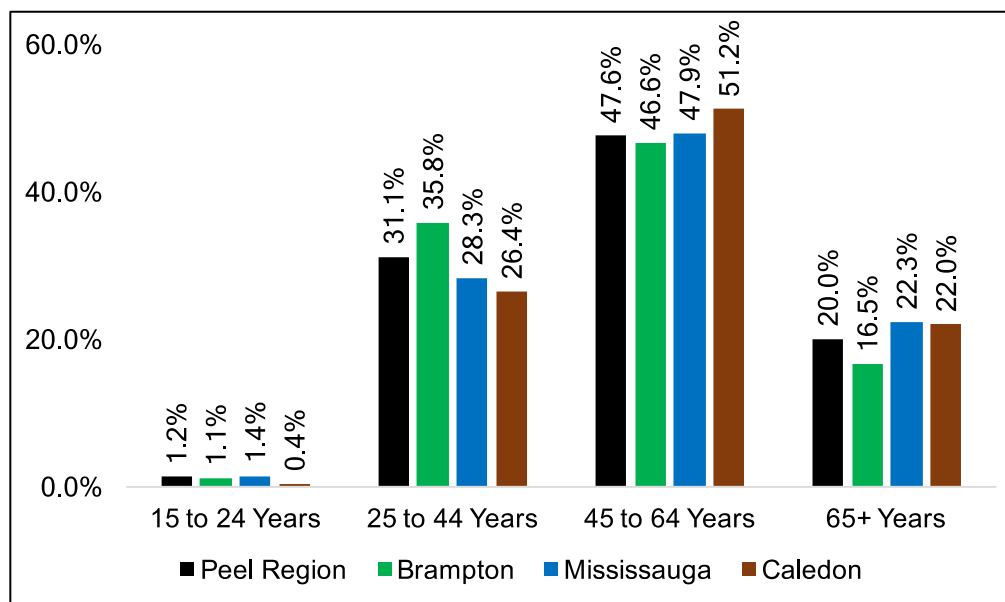
Locality	2016	2021	2026	2031	2036	2041	% Change 2016-2041
Peel Region	430,180	466,510	506,660	543,120	576,260	608,010	41.3%
Brampton	168,010	189,520	210,860	227,610	240,090	250,460	49.1%
Mississauga	240,910	252,230	265,660	279,140	293,170	307,470	27.6%
Caledon	21,255	24,760	30,140	36,370	43,000	50,080	135.6%

* Due to rounding there might be small discrepancies between some numbers in this table
 Source: Statistics Canada Community Profiles 2016, The Region of Peel 2017.

Age of Households

The largest proportion of households in Peel Region are led by those aged 45 to 64 years, making up almost half (47.6%) of all households in the region. Households aged 25 to 44 years make up 31.1% while senior households make up 20.0% of all households in Peel Region in 2016.

Trends in the local municipalities closely reflect the trends in the region as a whole, although Brampton has a larger proportion of households aged 25 to 44 years (35.8%) and a smaller proportion of senior households (16.5%) compared to the other local municipalities.

Figure 12: Proportion of Households by Age of Household Maintainer: Peel Region and Local Municipalities; 2016

Source: Statistics Canada Community Profiles 2016

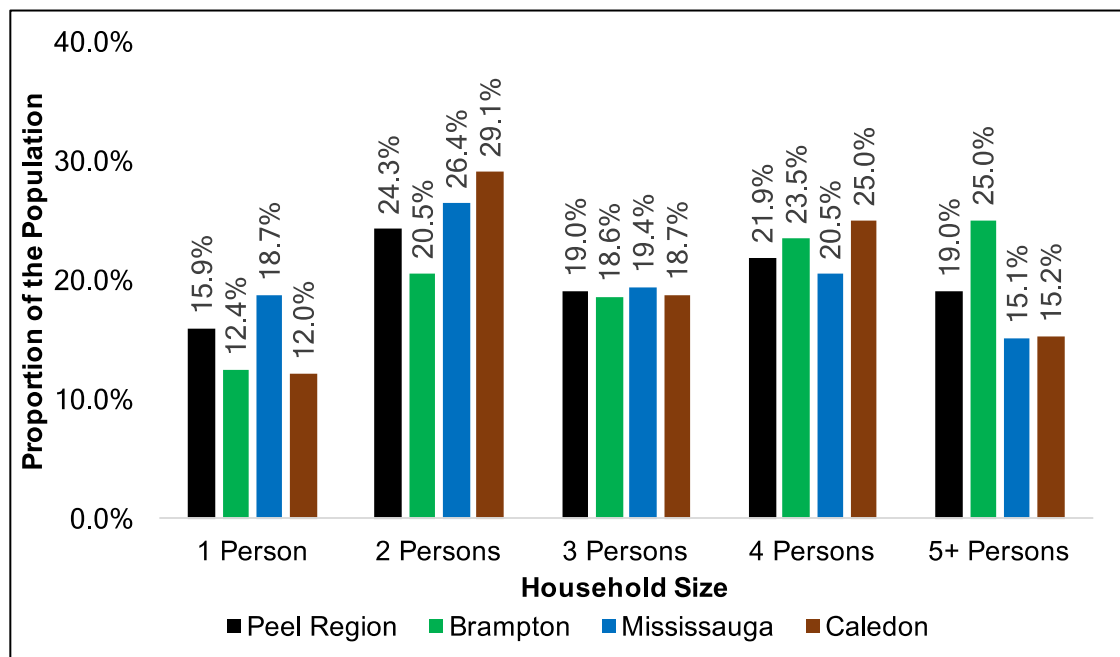
¹⁰ The forecasts for Peel Region as a whole were developed by the Province of Ontario. The numbers for the local municipalities were developed as part of the growth management Regional Official Plan Amendment. They have yet to be finalized by the Region of Peel's planning department and are pending council approval.

Household Size

Two-person households made up the largest proportion of households in Peel Region in 2016, making up almost a quarter (24.3%) of all households. In contrast, households with only one person made up the smallest proportion at 15.9% of all households in 2016. Together, these two household categories make up 40.1% of all households in Peel Region. In addition, one-person households saw the highest rate of increase; increasing by 55.8% from 2001 to 2016.

Among the local municipalities, Mississauga has the largest share of small households (refers to one- and two-person households) at 45.1% of all households in Mississauga in 2016. On the other hand, Brampton has the smallest share at 32.9% of all households in Brampton. Brampton also has the largest share of households with five or more people, making up a quarter (25.0%) of all households in Brampton. The proportion of three- and four-person households is similar in all three local municipalities. These findings suggest that, in general, there is a need for housing options suitable for smaller households as well as larger households throughout the region. However, the need for smaller housing options is greater in Mississauga while the need for larger housing options is greater in Brampton.

Figure 13: Proportion of Households by Household Size: Peel Region and Local Municipalities; 2016



Source: Statistics Canada Community Profiles 2016

Household Type

Couples with children made up the largest proportion of households in Peel Region in 2016 (38.2%). Couples without children made up 17.1% while persons living alone made up 15.8%. Multiple and other family households also made up 16.3% of all households in Peel Region in 2016.

Among the local municipalities, Caledon had the largest share of couples with children (43.5%) and couples without children (23.3%). Mississauga had the largest share of persons living alone (18.6%) compared to the other local municipalities and a larger share of couples without children compared to Brampton (18.4%). Brampton had a significantly larger share of multiple and other family households (22.6%) compared to Mississauga (12.3%) and Caledon (11.3%). This may partly explain why Brampton also has the largest proportion of households with five or more people as noted in the discussion above.

Households with a person with a disability made up 9.9% of all households in Peel Region in 2016, up from 9.5% in 2001. In actual numbers, the number of households with a person with a disability in Peel Region increased by 45.5% from 2001 to 2016; a higher increase compared to the increase in the total number of households (39.3%) during that same time period. This indicates an increasing need for housing options suitable for persons with disabilities. These may include housing with design features to enhance accessibility or housing with support services.

Households led by an immigrant increased by 56.7% from 2001 to 2016 and made up 65.5% of all households in Peel Region in 2016; up from 54.7% in 2001. The rate of increase in the number of immigrant households in Peel Region is also higher than the rate of increase for all households. While most housing options are suitable for immigrant households, the large proportion of immigrant households in Peel Region, particularly in Brampton, suggest a need to consider cultural aspects in the design of housing and support services.

Figure 14: Proportion of Households by Household Type: Peel Region and Local Municipalities; 2011, 2016

Households by Type	Peel Region		Brampton		Mississauga		Caledon	
	2011	2016	2011	2016	2011	2016	2011	2016
Couples with children	40.2%	38.2%	40.3%	38.5%	39.7%	37.5%	45.5%	43.5%
Couples without children	17.1%	17.1%	14.7%	13.9%	17.9%	18.4%	24.5%	23.3%
One person only (Non-family households)	15.3%	15.8%	12.0%	12.4%	17.7%	18.6%	11.6%	11.8%
Multiple and Other family households	15.3%	16.3%	20.6%	22.6%	12.4%	12.3%	9.6%	11.3%
Lone parents	9.6%	9.9%	9.9%	9.8%	9.7%	10.2%	7.4%	7.4%
Two or more persons (Non-family households)	2.5%	2.8%	2.5%	2.8%	2.6%	3.0%	1.4%	1.5%
Immigrant Households	63.2%	65.5%	66.3%	69.7%	63.8%	65.4%	31.1%	34.0%
Seniors Households	16.7%	20.0%	14.0%	16.5%	18.2%	22.3%	19.4%	22.0%
Households with a member with disabilities	11.2%	9.9%	11.8%	10.4%	10.8%	9.6%	11.4%	9.4%
Recent Immigrant Households	5.6%	3.9%	5.5%	3.6%	6.2%	4.4%	0.5%	0.5%
Youth Households	1.4%	1.2%	1.4%	1.1%	1.5%	1.4%	0.2%	0.4%
Indigenous Households	0.5%	0.7%	0.6%	0.7%	0.5%	0.6%	0.6%	0.7%

Source: Statistics Canada Custom Tabulation data 2011-2016

Household Tenure

In 2016, 76.2% of all households in Peel Region were homeowners. The proportion of owners in Peel Region decreased from 78.2% in 2011 although it did increase from 74.4% in 2001. In terms of actual numbers, the number of owner households in Peel Region increased by 37.2% from 2001 to 2016. In comparison, the number of renter households increased by only 10.8% during the same time period.

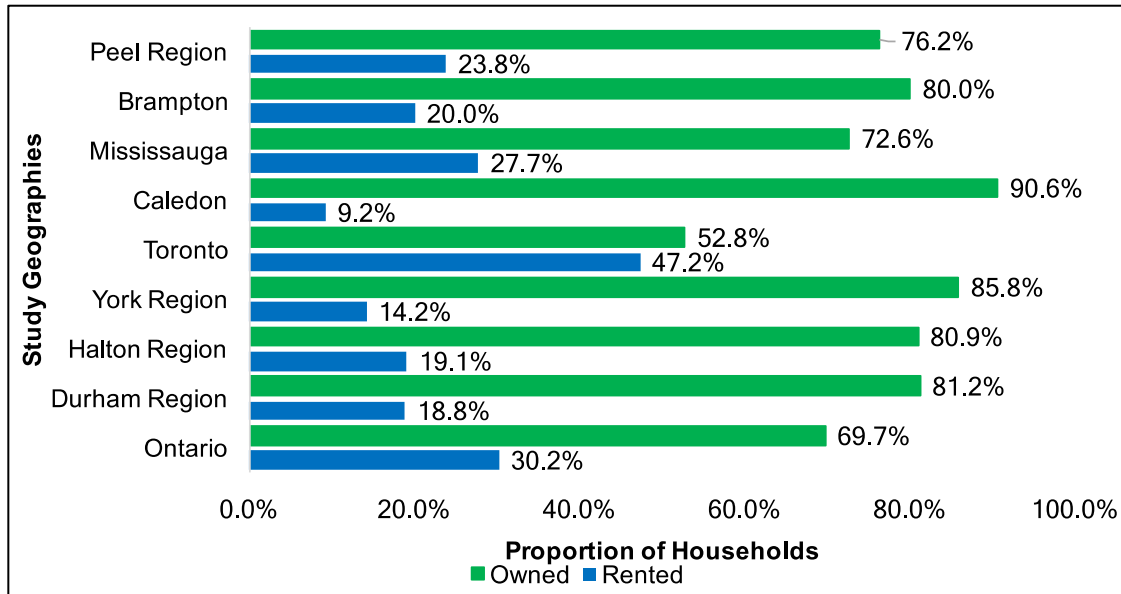
While the number of renters in Peel Region saw a much lower rate of increase compared to owners, renter household made up 23.8% of all households in Peel Region in 2016, up from 21.8% in 2011 but down from 25.6% in 2001.

The proportion of renters in Peel Region is higher than that in York Region (14.2%), Halton Region (19.1%), and Durham Region (18.8%) but lower than the rate in Toronto and Ontario as a whole. This suggests that there is more diversification of housing in terms of tenure in Peel Region compared to other municipalities in the Greater Golden Horseshoe, except for Toronto.

Among the local municipalities, Mississauga has the highest share of renter households (27.7%) in 2016 although the number of renter households in Mississauga increased by only 6.9% from 2001 to 2016 compared to an increase of 21.6% in Brampton. Caledon

has a significantly smaller share of renter households (9.2%) and the number of renter households in Caledon actually decreased by 4.6% from 2001 to 2011.

Figure 15: Proportion of Households by Household Tenure: Peel Region, Local Municipalities and Comparators; 2016



Source: Statistics Canada Community Profiles 2016

Economic Context

Changing economic conditions influence the demand for housing in a community in terms of the number of housing units required, the type and tenure of housing units, as well as the ability of households to afford housing.

Peel Region is the second largest urban centre in Ontario and it is home to a total of 143,000 businesses¹¹. Some of Canada's largest companies operate in Peel Region, including Hewlett-Packard, Microsoft Canada Co., Air Canada, Bell Canada, Pepsi Beverages Co., Rogers Communications Inc, and Loblaws.

In 2016, the main industries in Peel Region include manufacturing, retail trade, transportation and warehousing, professional, scientific and technical services, and health care and social assistance.

¹¹ The Region of Peel (2017): Corporate Overview. Accessed from: <https://www.peelregion.ca/overview.htm>

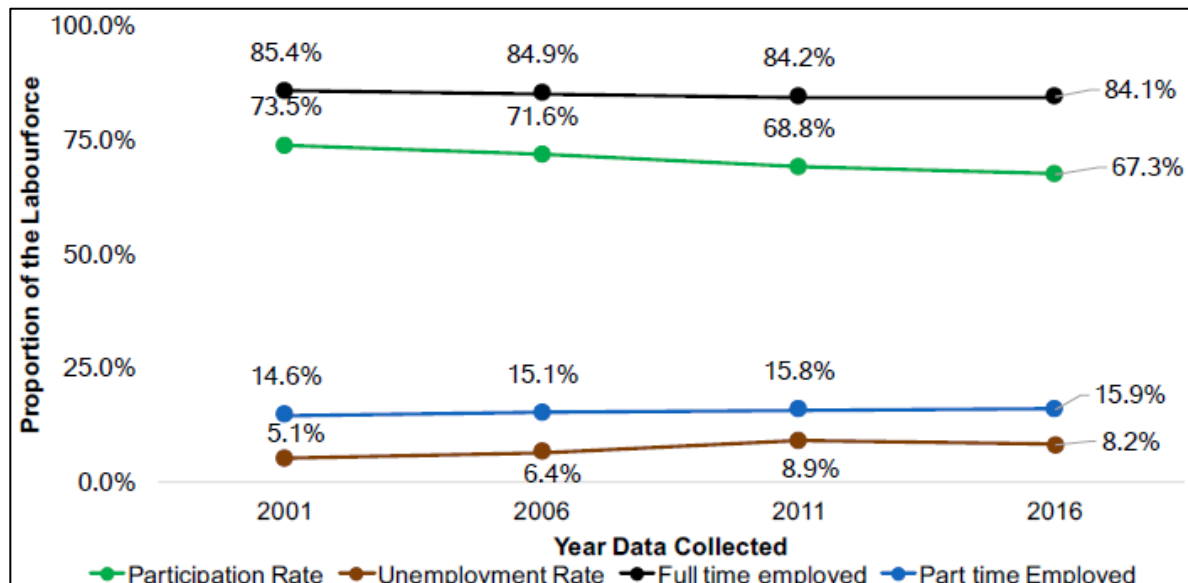
Unemployment and Labour Participation

The ability of individuals and families to pay for housing is greatly influenced by whether they are employed or not. As such, higher unemployment rates in a community may suggest a greater need for affordable housing options.

In 2016, 67.3% of the population aged 15 years and older in Peel Region were in the labour force; down from 73.5% in 2001. The unemployment rate in 2016 was 8.2%, down slightly from 8.9% in 2011 but up from 5.1% in 2001.

Of the people in the labour force, 84.1% had full-time employment in 2016. This proportion has remained relatively stable since 2001, decreasing only slightly from 85.4% in 2001. However, a report by the United Way (2013) found that 50% of the working population aged 25 to 65 years in the Greater Toronto Area and Hamilton (GTAH) was not in a standard employment relationship with a permanent contract and benefits. This number was consistent across all geographies in the GTAH. In addition, in Peel Region, 17% of the working population were in a temporary position or self-employed without employees¹². In addition, Region of Peel staff and area municipal staff noted the growing issue of precarious employment in Peel Region and how this affects households' ability to afford housing in Peel Region. This suggests that while the majority of the labour force is working full-time, they may not be in a standard employment relationship with a permanent contract and are likely to work a number of jobs to reach full-time hours.

Figure 16: Trends in the Participation Rate, Unemployment Rate, Full-time Employed Rate, Part-time Employed Rate: Peel Region; 2001-2016

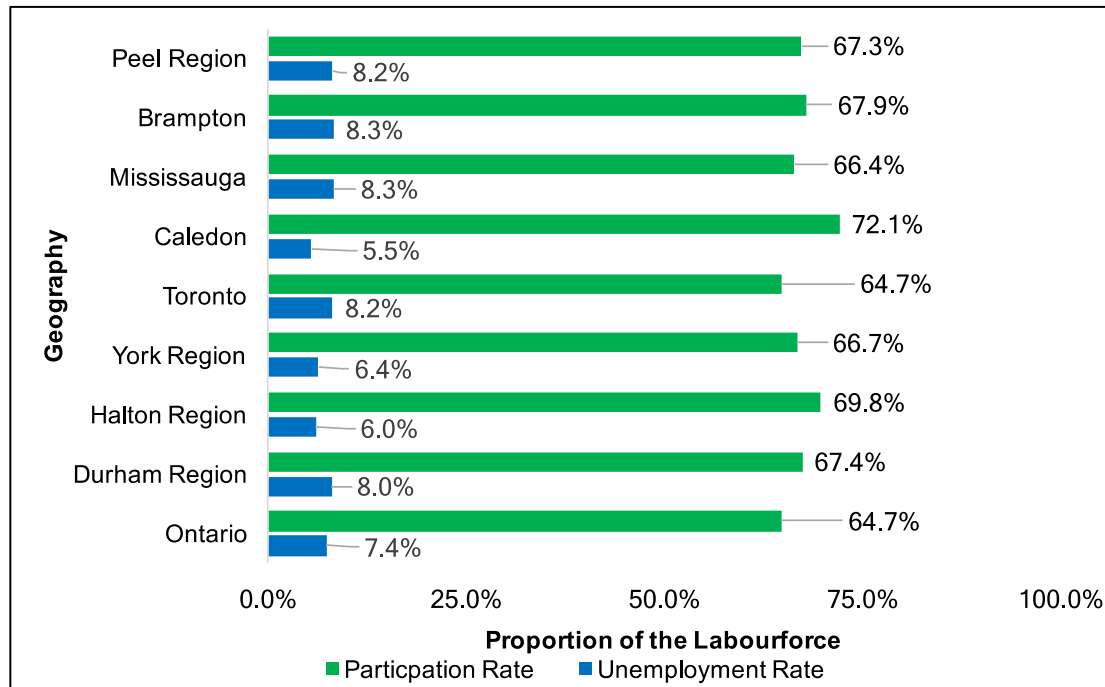


Source: Statistics Canada Community Profiles; 2001, 2006, 2011 and 2016, Peel Region Open Data 2017 (based on Statistics Canada Labour Force Survey)

¹² United Way (2013): Its more than poverty: Employment Precarity and Household Well-Being. Accessed from: <http://www.unitedwaypeel.org/pics/reports/ItsMoreThanPoverty2013-02-09FReport.pdf>

The labour force participation rate in Peel Region is higher than the rate in Toronto (64.7%), York Region (66.7%), and Ontario as a whole (64.7%) but lower than the rate in Halton Region (69.8%) and slightly lower than the rate in Durham Region (67.4%). The unemployment rate in Peel Region in 2016 was the same rate as the rate in Toronto (8.2%) but it was higher than all the other comparator municipalities.

Figure 17: Participation and Unemployment Rates: Peel Region, Local Municipalities, and Comparators; 2016



Source: Statistics Canada Community Profiles 2016

Employment

The labour market in Peel Region is changing. The number of jobs has grown by 31.0% since 2001 and the composition of the labour market is different than it was in 2001 (see table below). Manufacturing, retail trade and transportation and warehousing are still the largest employment sectors, but the number of manufacturing jobs has declined by 17.8% since 2001. The number of retail trade and transportation and warehousing jobs has increased significantly by 34.8% (retail trade) and 55.8% (transportation and warehousing) respectively.

In addition, a United Way report (2013) found that 50% of the working population aged 25 to 65 years in the Greater Toronto Area and Hamilton (GTAH) was not in a standard

employment relationship with a permanent contract and benefits¹³. While manufacturing jobs used to provide people without secondary education access to stable employment and a middle-class income, it is now, similar to the retail trade and transportation, as well as the warehousing sectors, characterised by flexible contracts and lower wages.

Figure 18: Employment by Sector: Peel Region; 2016

Sector	Proportion of the labour market	% change since 2001
Total Employment		31.0%
Manufacturing	12.0%	-17.8%
Retail trade	11.3%	34.8%
Transportation and warehousing	9.3%	55.8%
Professional, scientific and technical services	8.2%	47.9%
Health care and social assistance	7.9%	66.0%
Finance and insurance	6.3%	51.4%
Construction	5.9%	62.1%
Educational services	5.7%	65.6%
Accommodation and food services	5.6%	50.8%
Administrative and support, waste management and remediation services	5.6%	64.6%
Wholesale trade	5.6%	-5.9%
Other services (except public administration)	3.7%	29.1%
Public administration	3.2%	39.0%
Information and cultural industries	2.4%	13.4%
Real estate and rental and leasing	2.1%	35.4%
Arts, entertainment and recreation	1.3%	40.6%
Utilities	0.4%	10.1%
Agriculture, forestry, fishing and hunting	0.3%	2.8%
Management of companies and enterprises	0.2%	154.5%
Mining, quarrying, and oil and gas extraction	0.1%	68.0%

Source: Statistics Canada Community Profiles 2016

¹³ United Way (2013): Its more than poverty: Employment Precarity and Household Well-Being. Accessed from: <http://www.unitedwaypeel.org/pics/reports/ItsMoreThanPoverty2013-02-09FReport.pdf>

Journey to Work

In 2016, 63.2% of the employed labour force living in Peel Region were also employed within the Region. This is the same as in 2006. A total of 44.9% work within the local municipality where they live compared to 46.8% in 2006. About 18.3% commute to another local municipality within Peel Region. In 2006 this was 16.5%. This means that since 2006 the labour force has become more mobile, that is, living outside of the municipality where their job is located. This may partly be due to an inadequate supply of housing affordable to people working in Peel Region.

Furthermore, the mode of transportation is changing slowly. While the majority of the employed labour force continues to commute to work in a private vehicle as a driver or a passenger, a larger segment of the population walks, bikes or takes public transportation to work. In 2001, 84.5% of the employed labour force in Peel Region commuted as a driver or a passenger in a private vehicle, in 2016 this was 81.1%. In comparison, 18.0% of the employed labour force used public transportation, walked or cycled to work in 2016. In 2001 this was 14.8%.

These changes show a need for more public transportation and cycling infrastructure in the Region to allow people to commute more easily throughout the Region between their home and place of work.

Employment Forecasts

The Region of Peel's employment forecasts anticipate a growth in employment of 37.7% from 2016 to 2041. In absolute numbers, most of the growth is expected to occur in Brampton with 122,090 new jobs by 2041. Caledon's employment market is expected to grow the fastest (189.2%) while Mississauga is forecasted to see the slowest employment growth rates (19.2%) in the region. A range of housing options would be required to accommodate this anticipated growth and to ensure that Peel Region continues to attract the employees and businesses it needs to support the continued economic growth of the region.

Figure 19: Employment Forecasts: Peel Region and Local Municipalities; 2016-2041¹⁴

Locality	2016	2021	2026	2031	2036	2041	% Change 2016-2041
Peel Region	704,560	766,000	822,840	869,820	914,840	969,880	37.7%
Brampton	202,800	234,440	263,320	284,880	303,870	324,890	60.2%
Mississauga	474,110	499,300	518,980	533,970	548,350	565,040	19.2%
Caledon	27,650	32,260	40,540	50,970	62,620	79,950	189.2%

* Due to rounding there might be small discrepancies between some numbers in this table
Source: The Region of Peel 2017

¹⁴ The forecasts for Peel Region as a whole were developed by the Province of Ontario. The numbers for the local municipalities were developed as part of the growth management Regional Official Plan Amendment. They have yet to be finalized by the Region of Peel's planning department and are pending council approval.

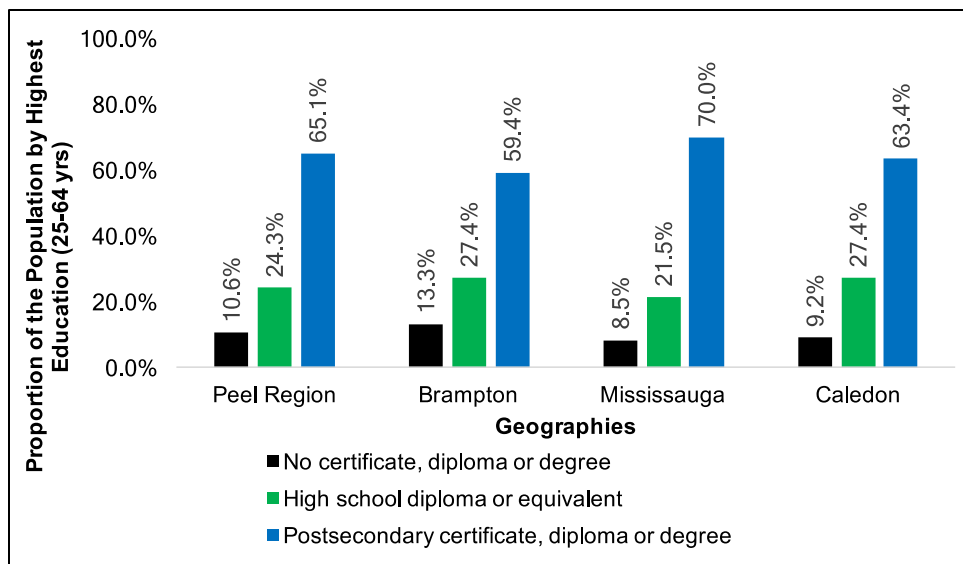
Education

In general, education has a number of benefits which can help improve the housing outcomes of individuals. Education provides economic benefits in the form of better opportunities for increased earnings and wealth as well as social resources such as access to social networks and support¹⁵.

In 2016, 65.1% of Peel Region's population aged 25 to 64 years had a post-secondary certificate, diploma or degree compared to 55.1% for the province as a whole. The proportion of people with a post-secondary certificate, degree, or diploma in Peel Region decreased from 66.0% in 2011 but still increased compared to 2006 (62.9%). In actual numbers, the number of people aged 25 to 64 years living in Peel Region and who have a post-secondary certificate, diploma or degree increased by 20.6% from 2006. This is the highest rate of increase compared to the increase in the number of people with only a high school diploma (increasing by 14.1%) and people with no certificate, diploma or degree (decreasing by 0.2%).

Among the local municipalities, Mississauga had the highest proportion of its population with a post-secondary certificate, diploma or degree (70.0%) in 2016 followed by Caledon (63.4%), and Brampton (59.4%).

Figure 20: Education Attained by Population of 25-64 Years Old: Peel Region and Local Municipalities; 2016



Source: Statistics Canada Community Profiles 2016

¹⁵ Zimmerman, E., Woolf, S., and Haley, A. (2015). Understanding the Relationship Between Education and Health: A Review of the Evidence and an Examination of Community Perspectives. Agency for Healthcare Research and Quality. Accessed from: <https://www.ahrq.gov/professionals/education/curriculum-tools/population-health/zimmerman.html>.

Household Income

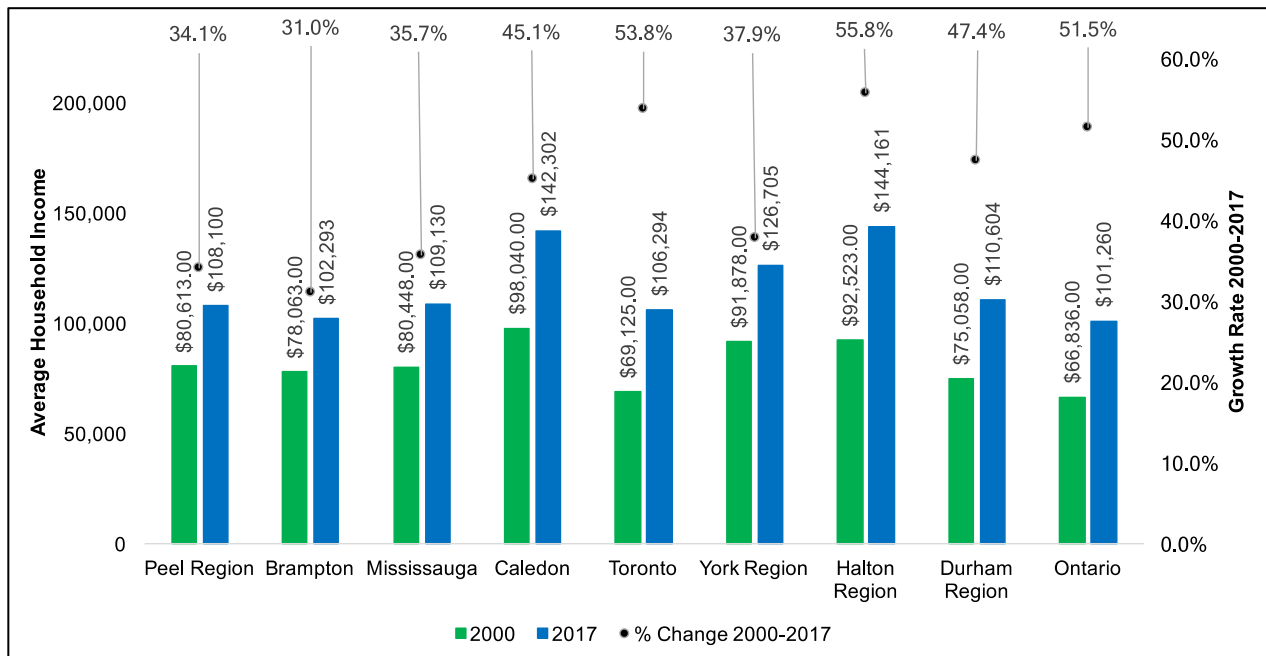
The financial capacity of a household is an important element in determining housing need. The following sections discuss the household income of households in Peel Region. As previously mentioned, household incomes for 2017 have been estimated based on the growth rate of the CPI for Canada between 2015 and 2017 (3.48%).

Average Household Income

The estimated average household income in Peel Region for 2017 was \$108,100; up by 34.1% from 2000. This average is higher than the estimated average household income in Toronto (\$106,294) and Ontario as a whole (\$101,260) but lower than the estimated average household income for all other comparator municipalities in 2017. In addition, the estimated average household income in all comparator municipalities saw a higher rate of increase from 2000 to 2017 compared to Peel Region.

Among the local municipalities, Caledon had the highest estimated average household income in 2017, at \$142,302. This is significantly higher than the estimates for Brampton (\$102,293) and Mississauga (\$109,130). The higher average household income in Caledon may be partly due to the very low rate of renter households in the Town as renters, in general, have lower incomes compared to owners. In addition, Caledon has a higher proportion of couples with and without children compared to Brampton and Mississauga and these household types generally have higher incomes as there are usually two income earners in the household.

Figure 21: Average Household Income Growth and Income Growth Rate: Peel Region, Local Municipalities, and Comparators; 2000-2017



Source: Statistics Canada Custom Tabulation data, 2001, 2006, 2011, 2016; and Peel Region estimates based on the CPI growth rate for Canada from 2015-2017

Household Income Deciles

While the average household income provides a general sense of a household's economic capacity, looking at the distribution of income within the local context provides greater detail of the economic capacity of households in Peel Region and their ability to afford housing. Household income deciles divide the total universe of households into ten equal portions of income groups. This means that there are one tenth (or 10%) of all households in each income decile. These income deciles are used throughout the following sections and in the affordability analysis to provide a more detailed picture of the economic profile of households in Peel Region. Household incomes for 2017 were estimated by the Region of Peel based on the growth rate of the CPI for Canada.

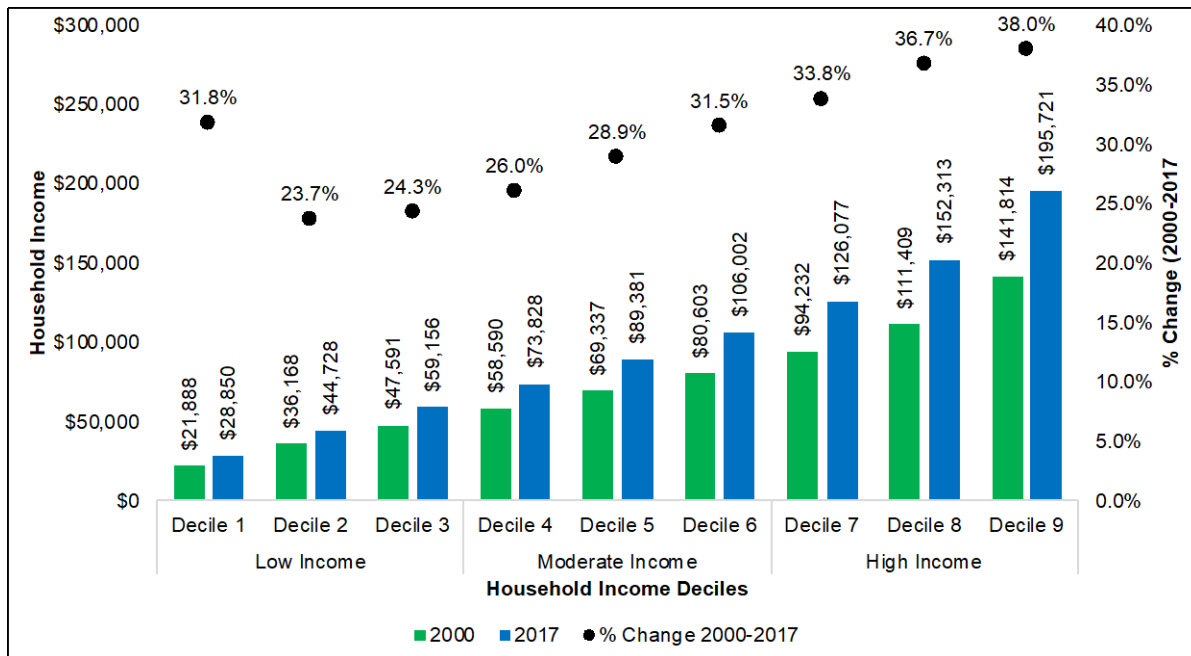
Please note that in all tables and graphs, household income deciles are presented by showing the upper range of each income decile except for the tenth household income decile as this information has been suppressed based on Statistics Canada's confidentiality rules. The tenth income decile represents all household incomes which are one dollar or more than the upper range of the ninth income decile.

For the purposes of this report, **households with low incomes** refers to households with incomes in the first three income deciles (i.e. earning \$59,156¹⁶ or less in 2017); **households with moderate income** refers to households with incomes in the 4th to 6th income deciles (i.e. earning from \$59,157 to \$106,002 in 2017); and **households with high incomes** refers to households with incomes in the seventh to tenth income deciles (i.e. earning \$106,003 or more in 2017).

The following graph shows the household income deciles for Peel Region for 2000 and 2017. As the data shows, household incomes in the higher income deciles also saw a higher rate of increase from 2000 to 2017 while incomes in the lower income deciles, particularly the second to the fifth income deciles, saw significantly lower rates of increase. This suggests that the gap between households with low incomes and households with high incomes is growing. Households in the first income decile saw relatively higher income growth compared to the second to the fifth income deciles between 2000 to 2017. This can be partially explained by significant increases in the minimum wage since 2008, as well as Ontario Works and Ontario Disability Support Program rate increases over the same time period.

¹⁶ Household incomes refer to the before-tax household income.

Figure 22: Income Growth and Income Growth Rate by Household Deciles: Peel Region; 2000-2017



Source: Statistics Canada Custom Tabulation data, 2001, 2006, 2011, 2016; and Peel Region estimates based on the CPI growth rate for Canada from 2015-2017

The following table shows the household income deciles for Peel Region and the local municipalities. While Peel Region income deciles are used throughout this report as Peel Region is the regional market area, the data below shows the significant difference in incomes of households in the different local municipalities. Mississauga has the lowest household incomes while Caledon has the highest incomes. The difference between the median household income (5th income decile) in Caledon and Mississauga is \$32,096 in 2017. As previously noted, the higher incomes in Caledon may be partly due to the much lower rates of renters and higher rates of household types who are more likely to have higher incomes.

Figure 23: Estimated 2017 Household Income Deciles: Peel Region and Local Municipalities; 2017

	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5	Decile 6	Decile 7	Decile 8	Decile 9
Peel Region	\$28,850	\$44,728	\$59,156	\$73,828	\$ 89,381	\$106,002	\$126,077	\$152,313	\$195,721
Brampton	\$33,022	\$48,730	\$62,766	\$76,238	\$90,315	\$105,171	\$122,803	\$145,290	\$181,137
Mississauga	\$25,304	\$41,123	\$55,293	\$70,068	\$86,027	\$103,728	\$125,427	\$154,227	\$202,012
Caledon	\$40,360	\$61,700	\$82,676	\$100,582	\$118,123	\$136,868	\$160,006	\$189,932	\$241,214

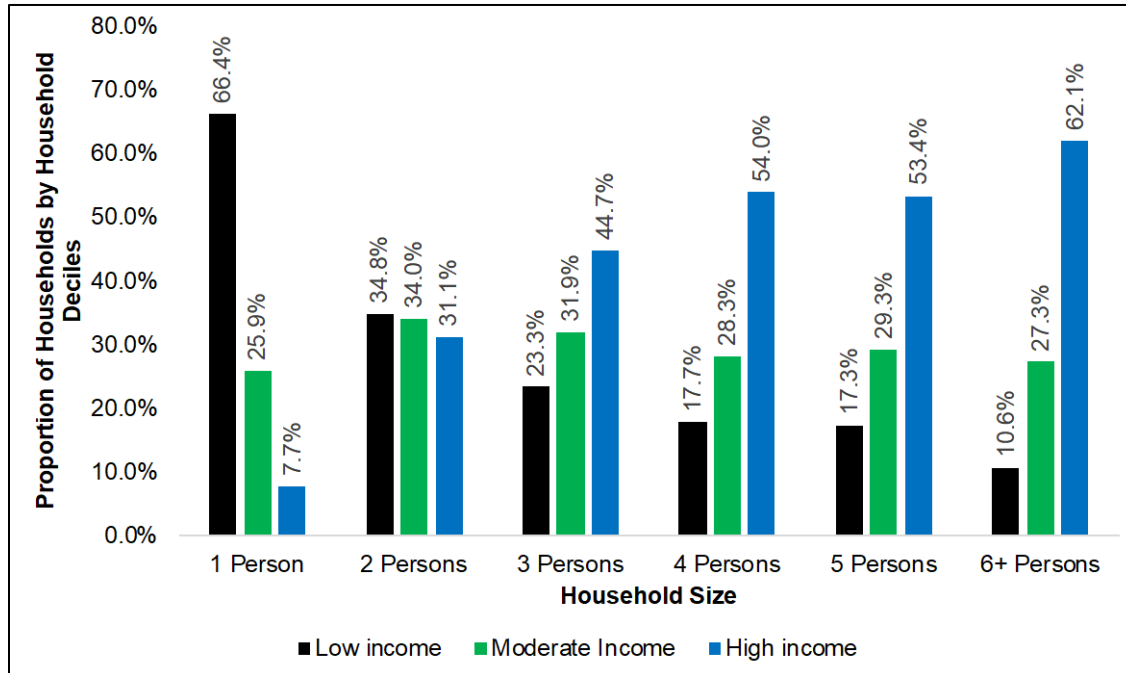
Source: Statistics Canada Custom Tabulation data, 2001, 2006, 2011, 2016; and Peel Region estimates based on the CPI growth rate for Canada from 2015-2017

Household Income Deciles by Household Size

In general, household incomes increase with household size. Smaller households are more likely to have lower incomes while larger households are more likely to have higher incomes as there tends to be more income earners in the household.

More than half (66.4%) of people living alone in Peel Region had low incomes in 2015 and more than a quarter (25.9%) had moderate incomes. In contrast, 62.1% of households with six or more people have high incomes while only 10.6% have low incomes. This suggests that the need for housing options which are affordable to households with low incomes is greater for smaller households, particularly those with one or two people.

Figure 24: Household Income Deciles by Household Size: Peel Region; 2015



Source: Statistics Canada Custom Tabulation data 2016

Household Income Deciles by Household Type

As previously noted, youth and persons living alone have the highest share of households with low incomes and the lowest share of households with high incomes. Couples with children, multiple and other family households, as well as larger households are less likely to have low incomes. While 30% of all Peel Region households have low incomes, only 18.4% of couples with children have low incomes and only 10.2% of multiple and other family households have low incomes.

Other households who have greater proportions with low incomes include recent immigrant households, lone parent households, Seniors, Indigenous households, and non-family households with two or more persons. This finding suggests that these households would also be more likely to require affordable housing options.

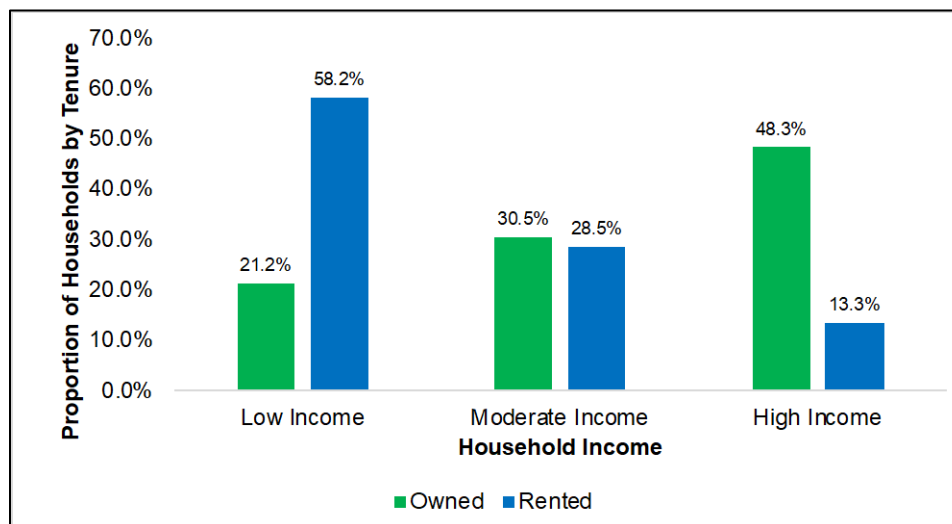
Figure 25: Household Income Deciles by Household Type: Peel Region; 2015

	Low income	Moderate income	High income
Youth (under 25 years old)	78.1%	16.5%	5.4%
Persons living alone	66.4%	25.9%	7.7%
Recent Immigrant Households	55.8%	28.3%	15.9%
Lone Parents	47.5%	33.6%	18.9%
Seniors (65+)	44.0%	29.1%	26.9%
Two or more persons household (non-family)	39.3%	35.1%	25.6%
Indigenous Households	35.8%	31.0%	33.2%
Immigrant Households	31.4%	31.1%	37.5%
Households with a Person with a Disability	29.8%	30.2%	40.0%
Couples without Children	29.6%	33.8%	36.6%
Couples with Children	18.3%	29.2%	52.6%
Large Families (5+ persons)	14.3%	28.4%	57.3%
Multiple & Other Family Households	10.2%	29.0%	60.7%

Source: Statistics Canada Custom Tabulation Data 2016

Household Income Deciles by Household Tenure

In general, renter households tend to have lower incomes compared to owner households. In Peel Region in 2015, 58.2% of all renter households had low incomes compared to 21.2% of all owner households. In contrast, 13.3% of renter households had high incomes while 48.3% of owner households had high incomes. This suggests that the need for housing units which are affordable to households with low incomes is greater for renters than owners in Peel Region.

Figure 26: Household Income Deciles by Tenure: Peel Region; 2015

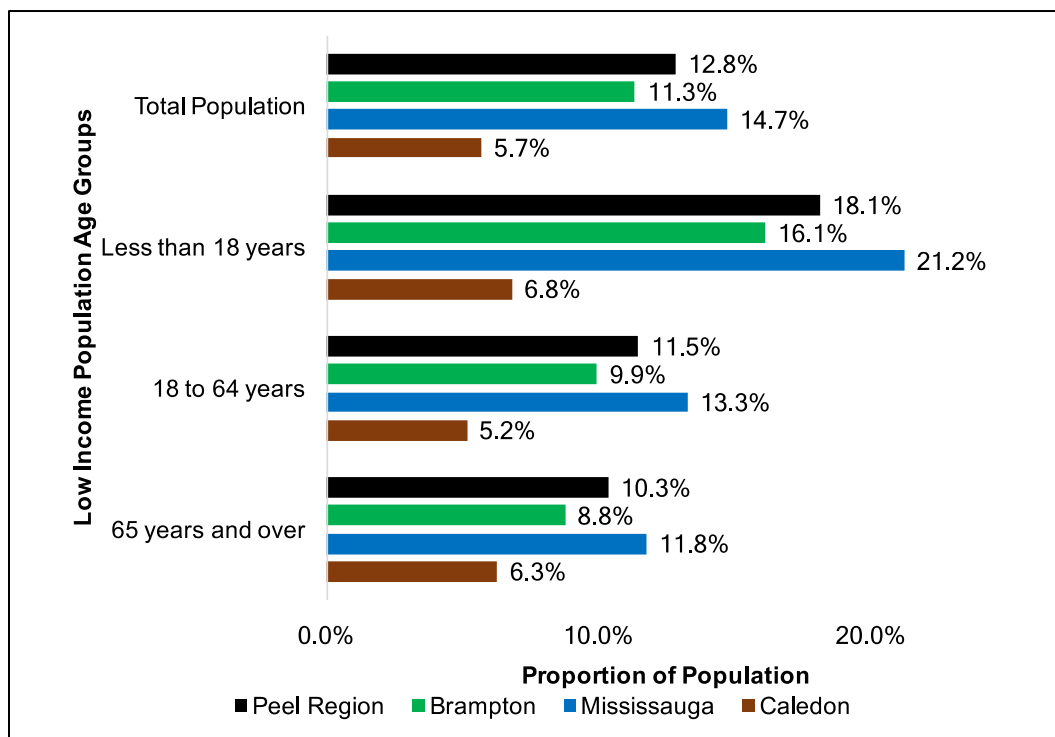
Source: Statistics Canada Custom Tabulation data 2016

Incidence of Low Income

The incidence of low income in a community helps identify the need for affordable housing. Statistics Canada introduced a modified measure for defining low income status with the 2011 Census. This measure is called the after-tax low-income measure (LIM-AT).

In 2015, 12.8% of the total population in Peel Region had low incomes. Among the local municipalities, Mississauga had the highest share of its population having low incomes (14.7%) while Caledon had the lowest share (5.7%) in 2015.

Figure 27: The Proportion and Incidence of Population Groups with Low Income (LIM-AT): Peel Region and Local Municipalities; 2016



Source: Statistics Canada Community Profiles 2016

Key Findings

WHAT IS THE NATURE OF THE HOUSING NEED IN PEEL REGION?

Peel Region is growing faster than most other comparator municipalities, including Ontario as a whole.

- The number of people living in Peel Region has increased by 39.7% since 2001 and it is expected to continue to increase by 42.6% to 2041.
- The number of households in Peel Region has also increased by 39.3% from 2001 and it is expected to continue to increase by another 41.3% in the next 25 years.
- Peel Region's rate of growth is higher than Toronto's, Halton Region's, Durham Region's, and Ontario's. Among the comparator municipalities, York Region is the only municipality that has seen higher levels of growth than Peel Region.
- Most of this growth is happening in Brampton and, to a lesser degree, in Caledon. However, population and household projections show that this growth is expected to shift to Caledon in the near future.

Seniors make up a smaller share of Peel Region's population compared to the comparator municipalities but the need for housing options to facilitate aging in place is increasing.

- Seniors made up 12.9% of the total population in Peel Region in 2016, increasing by 124.4% from 2001 to 2016.
- Children and youth aged 24 years or younger made up 32.7% of the total population in 2016 but this group increased by only 27.0% in the last fifteen years.
- Mississauga had the largest share of seniors in 2016 while Brampton had the smallest share.

The issues of homelessness and housing instability is becoming more significant in Peel Region.

- The number of people accessing emergency shelters has been increasing, with a 26.9% increase from 2015 to 2016 and the current supply of emergency shelters in Peel Region can no longer keep up with the need.
- While reliable data on chronic homelessness was not available, anecdotal information suggests an increasing number of people who are chronically homeless and the growing normalization of shelter life. This is due to the very limited supply of affordable housing in Peel Region as well as the lack of reliable pathways for people to get out of poverty.
- The support service needs of people who are homeless or at risk of homelessness is also increasing, particularly for people with mental health issues and/or substance abuse issues.

The current housing need in Peel Region is for families with children but there is an increasing need for housing which is appropriate for seniors, persons with disabilities, multiple families, and persons living alone.

- Couples with children made up 40.2% of all households in Peel Region in 2016. When lone parent households and multiple family households are added, 65.1% of households in Peel Region require housing for families.
- However, senior households, households with a person with a disability, multiple family households, lone parent households, and persons living alone have seen much higher rates of increase from 2001 to 2016 compared to couples with children. These trends are seen throughout all the local municipalities.
- In addition, immigrant households made up 63.2% of all households in Peel Region in 2016, suggesting a need to consider cultural differences when building housing and designing support services.

Growth in household incomes in Peel Region is not equally distributed among all households and among the local municipalities.

- The average household income in Peel Region in 2017 was \$108,100; up by 34.1% from 2000. This rate of increase is lower than that experienced in all the comparator municipalities of Toronto, York Region, Halton Region, Durham Region, and Ontario.
- Among the local municipalities, Caledon had the highest average household income in 2017 (\$142,302) and saw the highest rate of increase (45.1%) while Brampton had the lowest average household income (\$102,293) and the lowest rate of increase (31.0%) from 2001 to 2017.
- In addition, households with low incomes (1st to 3rd income deciles) saw much lower rates of increase in incomes from 2000 to 2017 compared to households with high incomes (7th – 10th income deciles). This suggests a widening gap between households with low incomes and those with high incomes.
- Persons living alone, recent immigrants, lone parent households, Indigenous households, households with a person with a disability, and non-family households with two or more persons are more likely to have low incomes while couples with children, couples without children, immigrant households, and multiple family households are more likely to have high incomes.

Housing Supply Analysis

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What is the nature of the housing supply in Peel Region?

Housing supply is measured by the available housing options in a community. An important aspect of assessing housing supply is to compare recent housing activity to housing need. This allows an examination of the extent to which housing supply matches housing need and helps identify any gaps in the current housing supply.

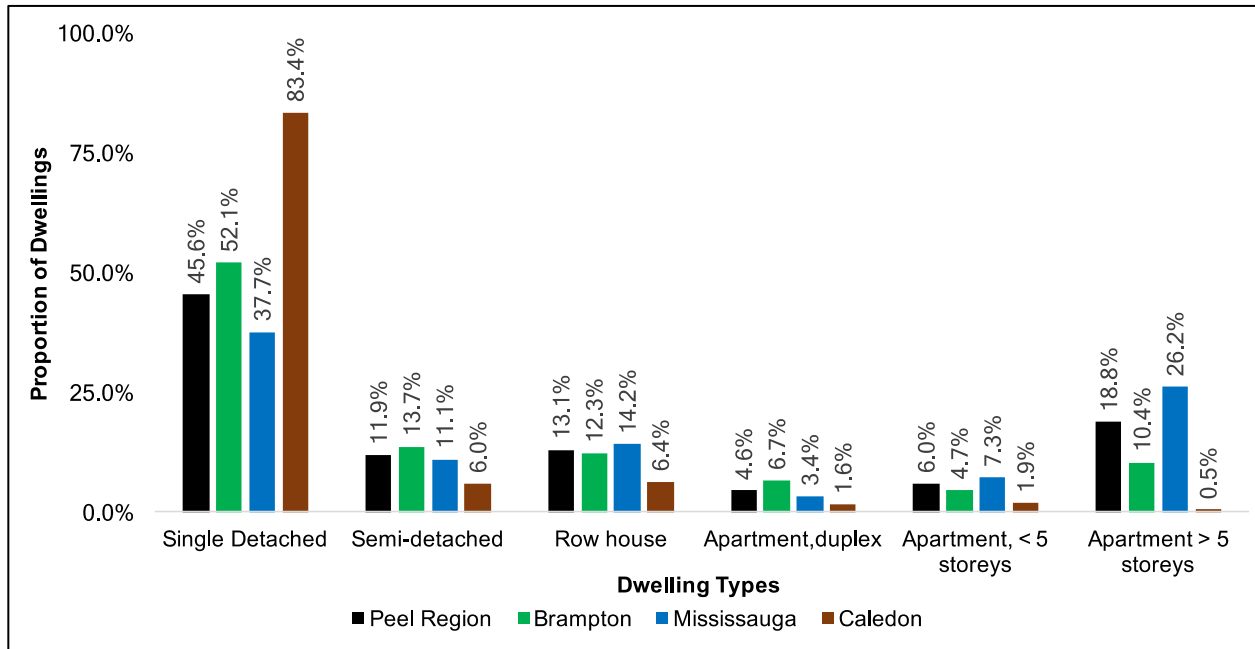
Overall Housing Supply

There were 430,180 dwellings in Peel Region in 2016; increasing by 39.3% from 308,845 dwellings in 2001. Almost half of these dwellings (45.6%) were single detached dwellings. Apartments with more than five storeys made up the second largest proportion of dwellings at 18.8% of all dwellings in Peel Region.

Single detached homes were also the predominant built-form in the local municipalities. Caledon had the highest share of this dwelling type in 2016, at 83.4% of all dwellings in Caledon. In contrast, Mississauga had the lowest share of single detached homes, making up 37.7% of all homes in Mississauga in 2016. In Brampton, over half (52.1%) of all dwellings were single detached dwellings. In addition, more than a quarter (26.2%) of all dwellings in Mississauga were apartments with more than five storeys.

While single detached homes may be the ideal for many households, particularly for families with children, they may not be the most appropriate dwelling type for other households, such as persons with disabilities or seniors. Single detached dwellings are generally less accessible due to the presence of stairs and the need for more maintenance inside and outside the dwelling. In comparison, condominium apartment units usually have a single-storey layout, most have elevators, and maintenance is done by building staff. Single detached homes are also, in general, the least affordable house type. As such, having a housing supply that predominantly consists of single detached homes limits the options for households with lower incomes or those who would find it challenging to maintain a single detached home.

Figure 28: Housing Supply by Dwelling Type: Peel Region and Local Municipalities; 2016

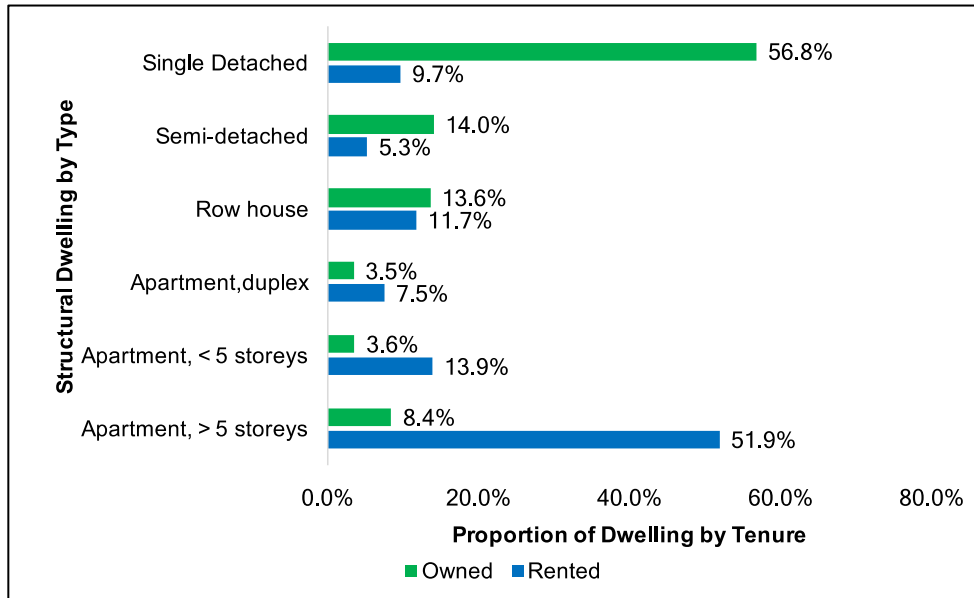


Source: Statistics Canada Community Profiles 2016

Dwellings by Tenure

In 2016, 327,825 dwellings in Peel Region were owned, making up 76.2% of the total of supply. As can be expected, more than half (56.8%) of these owned homes were single detached dwellings while 14.0% of owned homes were semi-detached dwellings. To compare, apartments with five or more storeys made up over half (51.9%) of rented dwellings in Peel Region and apartments with less than five storeys made up 13.9%.

Figure 29: Housing Supply by Tenure: Peel Region; 2016

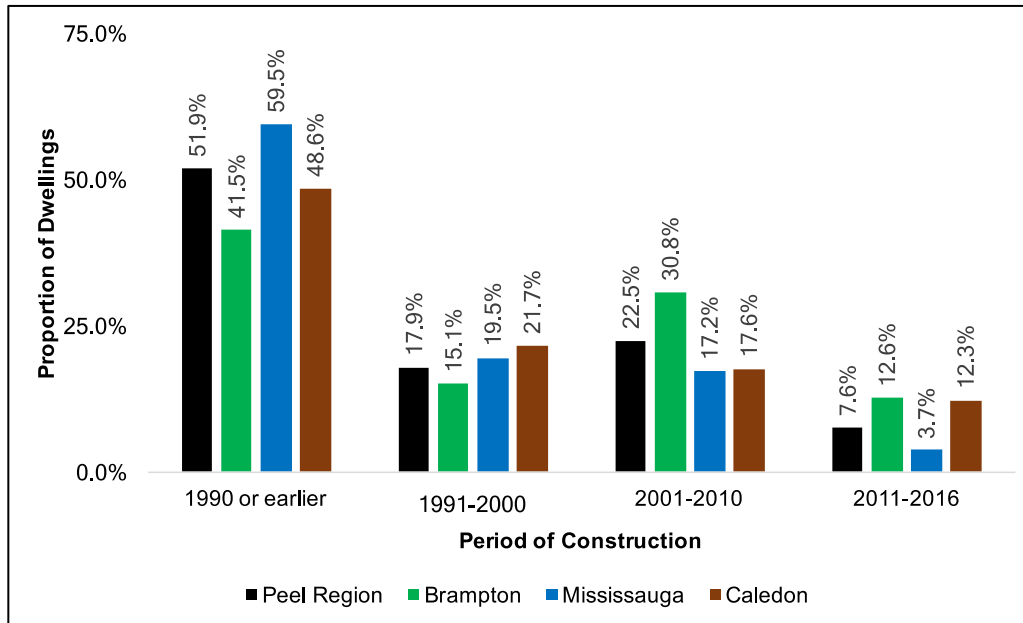


Source: Statistics Canada Community Profiles 2016

Age and Condition of Dwellings

More than half (51.9%) of all dwellings in Peel Region were built before 1991 and only 7.6% were built in the period from 2011 to 2016. Mississauga had the largest share of dwellings built before 1991 (59.5%) while Brampton had the smallest share at 41.5% of all dwellings in Brampton. Brampton also had the largest proportion of dwellings built in the period from 2001 to 2010 (30.8%) and 2011 to 2016 (12.6%). The larger proportion of newer dwellings in Brampton may be partly due to the rapid growth which Brampton has experienced in the last fifteen years, with the number of households increasing by 72.2% from 2001 to 2016 compared to an increase of 39.3% for Peel Region as a whole.

Figure 30: Housing Supply by Age of Dwellings: Peel Region and Local Municipalities; 2016

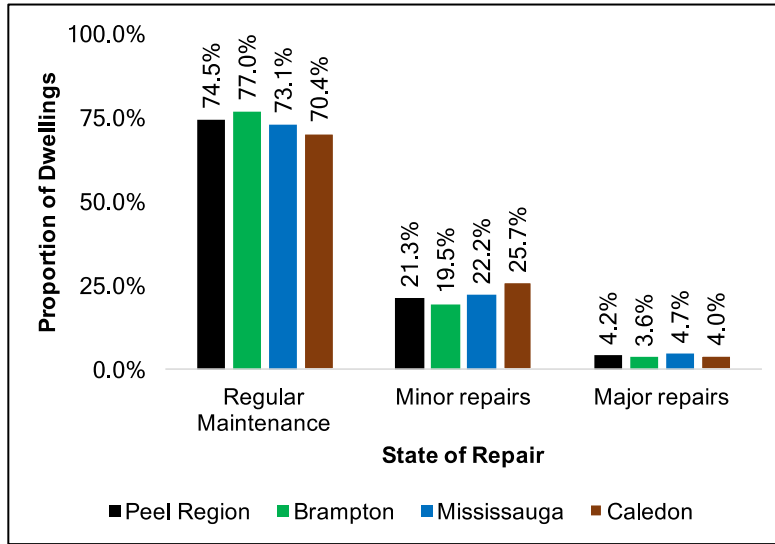


Source: Statistics Canada Community Profiles 2016

Only 4.2% of all dwellings in Peel Region required major repairs in 2016; down from 5.0% in 2001 but up slightly from 4.1% in 2011. In comparison, 6.6% of all dwellings in Ontario required major repairs in 2016. However, in actual numbers, the number of dwellings requiring major repairs in Peel Region increased by 18.3% from 2001 (an increase of 2,805 dwellings). In comparison, the number of dwellings requiring minor repairs increased by 38.4% from 2001 to 2016 while dwellings requiring only regular maintenance increased by 40.9% during the same time period.

Among the local municipalities, Mississauga had the highest share of dwellings requiring major repairs, at 4.7% while dwellings requiring minor repairs made up 22.2% of all dwellings in Mississauga in 2016. While Mississauga had the highest share of dwellings needing major repairs and Brampton had the lowest (3.6%), the actual number of dwellings requiring major repairs in Mississauga increased by only 12.3% compared to an increase of 35.3% in Brampton.

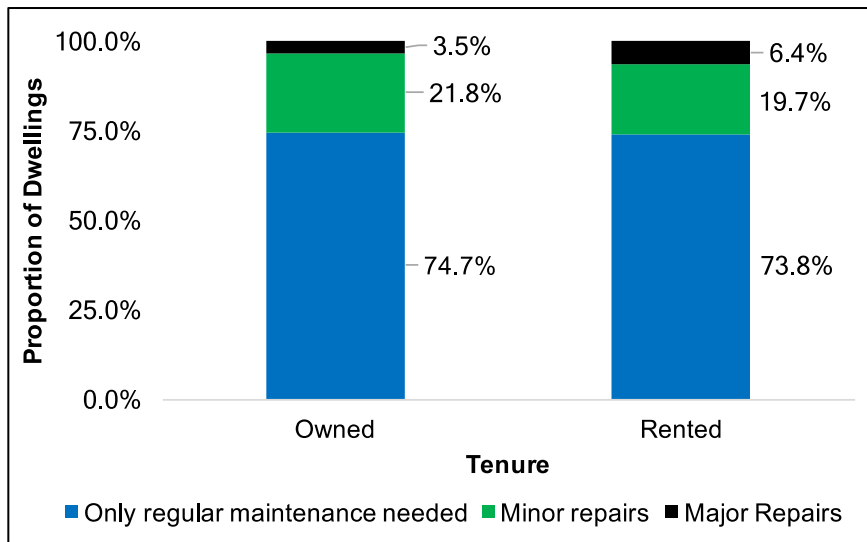
Figure 31: Housing Supply by State of Repair: Peel Region and Local Municipalities; 2016



Source: Statistics Canada Community Profiles 2016

In 2016, 6.4% of all rented dwellings in Peel Region required major repairs compared to 3.5% of owned dwellings. In contrast, 19.7% of rented dwellings required minor repairs compared to 21.8% of owned dwellings. Region of Peel staff and community agency representatives noted their concern about the condition of some rental buildings, particularly as some of the more affordable rental units are also in buildings that are older and more likely to be in poorer condition.

Figure 32: Housing Supply by Housing Condition and Tenure: Peel Region; 2016



Source: Statistics Canada Community Profiles 2016

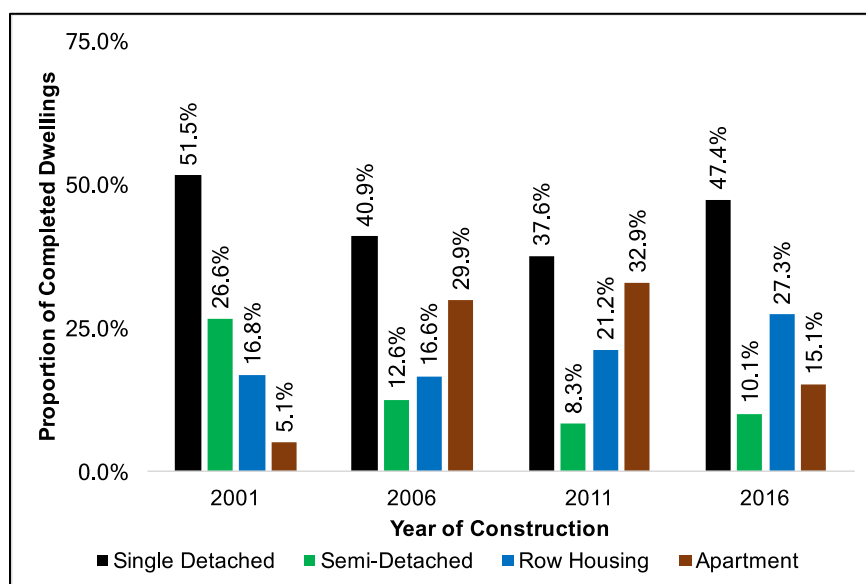
Housing Completions

There were a total of 5,834 housing completions in Peel Region in 2016; down by 60.5% from 14,763 in 2001 and from 5,990 in 2011. Most of these housing completions were single detached dwellings. However, the share of single detached dwellings has decreased from 51.5% in 2001 to 47.4% in 2016 although it did increase from 37.6% in 2011.

CMHC suggests the soaring house prices for detached dwellings in the Greater Toronto Area between 2011 and 2017 encouraged developers to construct more single detached dwellings in 2016¹⁷. However, the housing market interventions announced in the Fair Housing Act, 2017 have mitigated upward pressure on prices in the market. As a result, the CMHC GTA Housing Market Outlook report for 2017 predicts that the number of completions of single detached dwellings in Peel Region will decrease and the completions of apartment buildings and row-houses will increase in the near future due to the changed market conditions¹⁸.

The share of semi-detached dwellings has also decreased from 26.6% in 2001 to 10.1% in 2016. Row housing completions have increased from 16.8% of all housing completions in 2001 to 27.3% in 2016 while apartment completions increased from 5.1% in 2001 to 15.1% in 2016. This data indicates a move toward a more diverse housing stock in Peel Region. It also shows that there is an opportunity for more diversification considering the proportions of dwelling completions in 2011.

Figure 33: Housing Completions by Dwelling Type: Peel Region; 2016



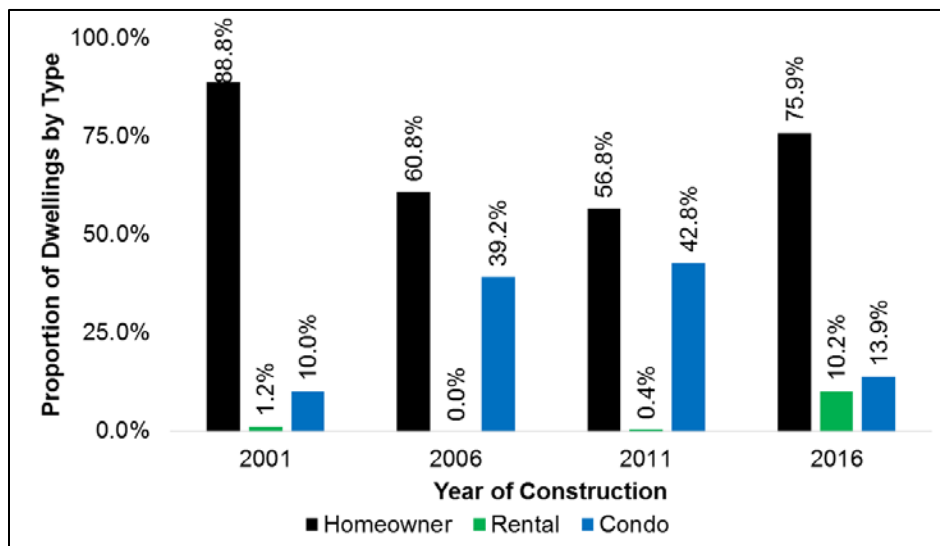
Source: CMHC Housing Information Portal 2016

¹⁷ CMHC 2016. Housing Market Outlook: Greater Toronto Area 2016. Retrieved from: https://www.cmhc-schl.gc.ca/odpub/esub/64319/64319_2016_B02.pdf?fr=1525118345038

¹⁸ CMHC 2017. Housing Market Outlook: Greater Toronto Area 2017. Retrieved from: https://www.cmhc-schl.gc.ca/odpub/esub/64319/64319_2017_B02.pdf?fr=1525118345038

Of the 5,834 dwellings completed in 2016, 75.9% (4,428 dwellings) were owned dwellings while only 10.2% were purpose-built rental dwellings (593 dwellings) and 13.9% were condominium dwellings (813 dwellings). Owned dwellings as a proportion of all housing completions increased from 56.8% in 2011 but decreased from 88.8% in 2001. The share of rental dwelling completions also increased from 0.4% in 2011 and 1.2% in 2001. While this data shows a slight move to a more diverse housing supply in terms of tenure, the fact that purpose-built rental units make up such a small proportion of all housing completions is an issue, given the changing demographics in Peel Region.

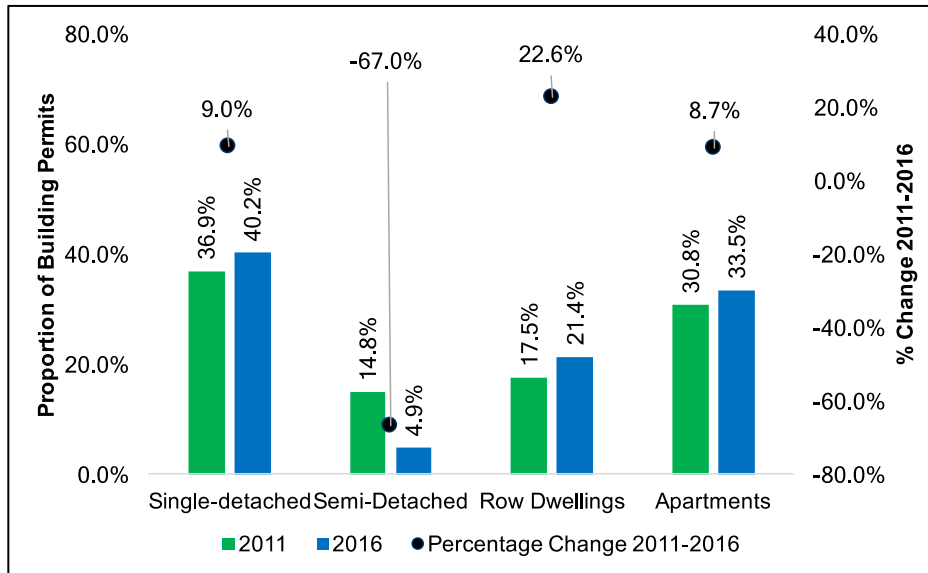
Figure 34: Trends in Housing Completions by Tenure: Peel Region; 2001-2016



Source: CMHC Housing Information Portal 2016

Residential Building Permits

A total of 6,786 residential building permits were issued in 2016 in Peel Region. Similar to the findings from the housing completions data, permits for single detached homes made up the largest share of building permits issued in 2011 and 2016. This indicates, that single detached dwellings will continue to make up a large share of all new housing completions in the near future. In 2016, permits for single detached homes made up 40.2% of all building permits issued; increasing by 9.0% from 2011 (actual numbers). Permits for apartments accounted for 33.5% of all building permits issues in 2016; up by 8.7% from 2011 (actual numbers). The number of building permits issued for row houses also increased by 22.6%, the highest rate of increase, while permits for semi-detached homes decreased by 67.0% from 2011 to 2016.

Figure 35: Residential Building Permits: Peel Region; 2011-2016

Source: Peel Data Centre

Market Housing

This section examines the trends and characteristics of the private housing market in Peel Region.

Market Ownership Housing

Home ownership is a valuable form of personal investment and is often viewed as the most important way to build personal assets. For many households, home ownership is the ideal form of housing and can offer a form of investment, security of tenure, and quality in accommodation. However, stakeholders expressed their concern that housing is now often seen as just a personal asset and investment rather than a response to a need, which was not always the case in Canada. Until the mid-1970's rental housing as a tenure was more prevalent than it was today, particularly in urban areas. Even among high income earners it was common to rent¹⁹. However, a reform of the Canadian tax code in 1972, shifted the balance in the housing market to an ownership based model, which provided tax incentives for home owners while removing tax incentives for the construction of purpose built rental apartments. Even though home ownership is the ideal tenure for many households, the increasing house prices and more mobile labour market indicate a need to rethink housing policy in Peel Region and ensure an appropriate supply of both rental and ownership housing options.

As previously mentioned, there were 327,825 owned dwellings in Peel Region in 2016; increasing by 42.7% from 2001. In 2017, the average house price of all dwellings in

¹⁹ Suttor G. 2015. Rental Paths from Post-war to Present: Canada Compared. Retrieved from: <http://www.urbancentre.utoronto.ca/redirects/rp218.html>

Peel Region was \$722,428. Among the local municipalities, Caledon had the highest average house price at \$951,501 while Brampton had the lowest at \$699,295. Although Brampton had the lowest average house price in 2017, it also experienced the highest rate of increase; increasing by 148.5% from 2005 compared to a rate of increase of 132.6% in Mississauga and 144.6% in Caledon.

Figure 36: Trends in Average House Prices for All Dwellings: Peel Region and Local Municipalities; 2005-2017

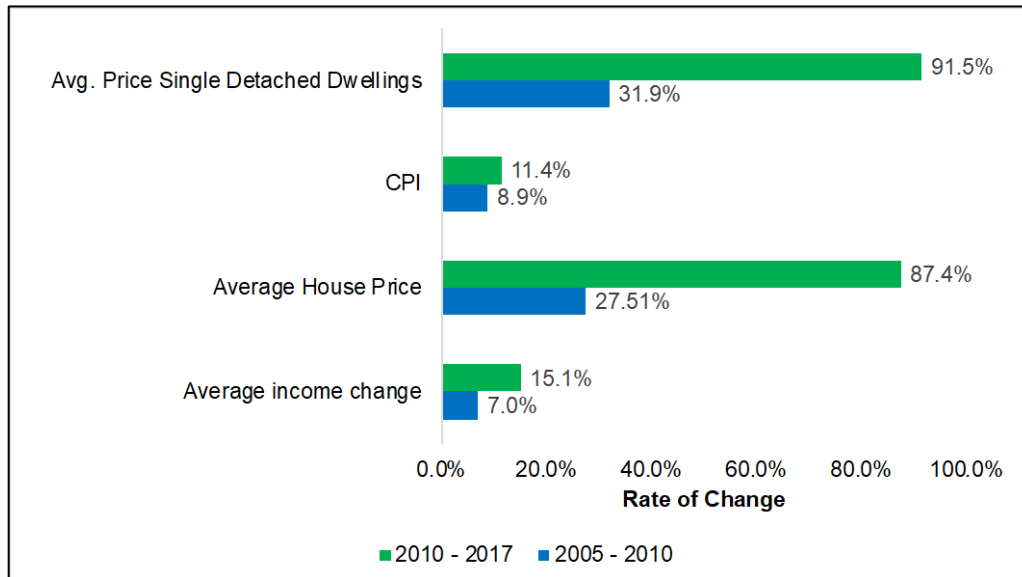
Type		2005	2017	Percentage Change 2005-2017
Peel Region	All homes	\$ 302,347	\$ 722,428	138.9%
	Detached	\$ 379,563	\$ 958,767	152.6%
	Semi	\$ 272,975	\$ 674,505	147.1%
	Town/Row	\$ 232,402	\$ 628,443	170.4%
	Condominium	\$ 185,545	\$ 387,211	108.7%
Brampton	All homes	\$ 281,372	\$ 699,295	148.5%
	Detached	\$ 323,758	\$ 823,874	154.5%
	Semi	\$ 254,874	\$ 638,809	150.6%
	Town/Row	\$ 214,353	\$ 602,223	180.9%
	Condominium	\$ 167,515	\$ 347,290	107.3%
Mississauga	All homes	\$ 310,449	\$ 721,952	132.6%
	Detached	\$ 429,495	\$ 1,142,304	166.0%
	Semi	\$ 287,977	\$ 727,001	152.5%
	Town/Row	\$ 241,339	\$ 725,581	200.6%
	Condominium	\$ 188,735	\$ 393,949	108.7%
Caledon	All homes	\$ 389,026	\$ 951,501	144.6%
	Detached	\$ 414,490	\$ 1,063,850	156.7%
	Semi	\$ 268,848	\$ 677,843	152.1%
	Town/Row	\$ 255,694	\$ 633,398	147.7%
	Condominium	**	\$ 600,875	**

Source: Peel Region Data Centre and Toronto Real Estate Board (TREB) Housing Market Outlook Jan-Dec 2017

** Data Suppressed

When compared to average household incomes, the average house price in Peel Region is increasing at a much higher rate, making home ownership less affordable for households with low and moderate incomes.

Figure 37: Trends in Average House Price Growth for Single Detached Homes and All Dwelling Types, the CPI Index and Average Household Incomes: Peel Region; 2005-2017

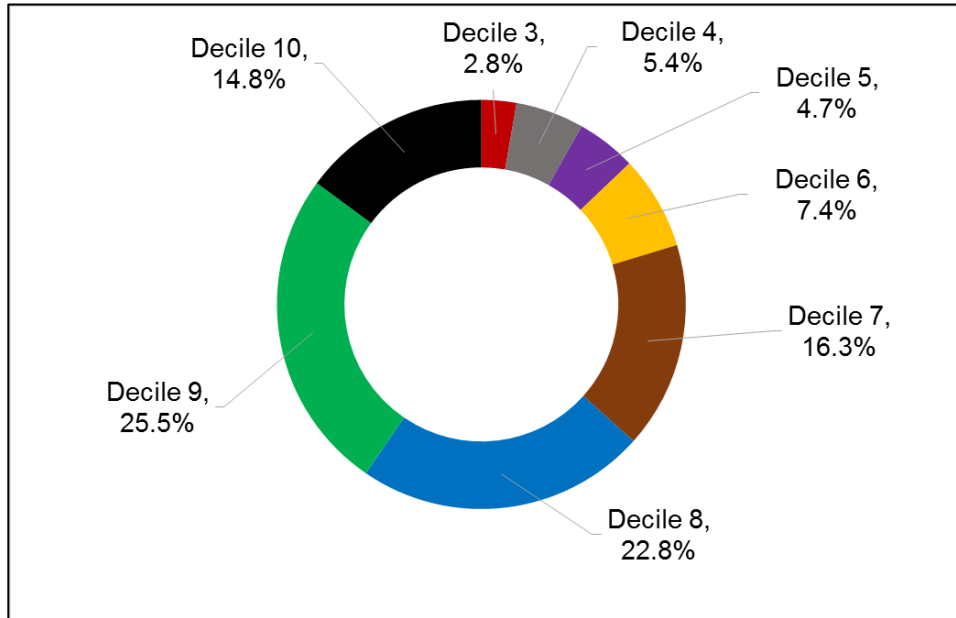


Source: Statistics Canada Community Profiles 2016, Toronto Real Estate Board (TREB) 2017, Statistics Canada CPI rates for Canada

The following graph shows the current supply of dwellings in Peel Region based on the assessed value of dwellings and the affordable house price for each household income decile. The data shows that there are no ownership options for households with incomes in the 1st and 2nd income deciles. Only 2.8% of all owned dwellings in Peel Region are affordable to households with incomes in the 3rd income decile.

Households with moderate incomes would also find it challenging to find an affordable home as only 17.5% of the total supply of owned homes is affordable to households with incomes in the 4th to 6th income deciles while this group represents 30% of all households in Peel Region. In contrast, 79.4% of the total supply of owned dwellings is affordable to households with high incomes. The largest proportion of this supply (48.3%) is affordable to households with incomes in the 8th and 9th income deciles.

Figure 38: Proportion of Dwellings Affordable to Each Household Income Decile: Peel Region; 2017



Source: Peel Region Property Value Assessment Data 2017

Market Rental Housing

Rental housing fulfills a number of important roles in the housing market in a community. It offers a flexible form of accommodation, provides relief from day-to-day maintenance, and often provides more modest-sized units. In addition, rental housing is generally more affordable compared to ownership housing. In most cases, rented dwellings tend to have lower monthly costs and only require the first and last months' rent as deposit. The flexibility and affordability of rental housing is ideal for some households, such as seniors wishing to downsize or who are on a fixed income, young adults starting their career, or people living alone.

Primary Rental Universe

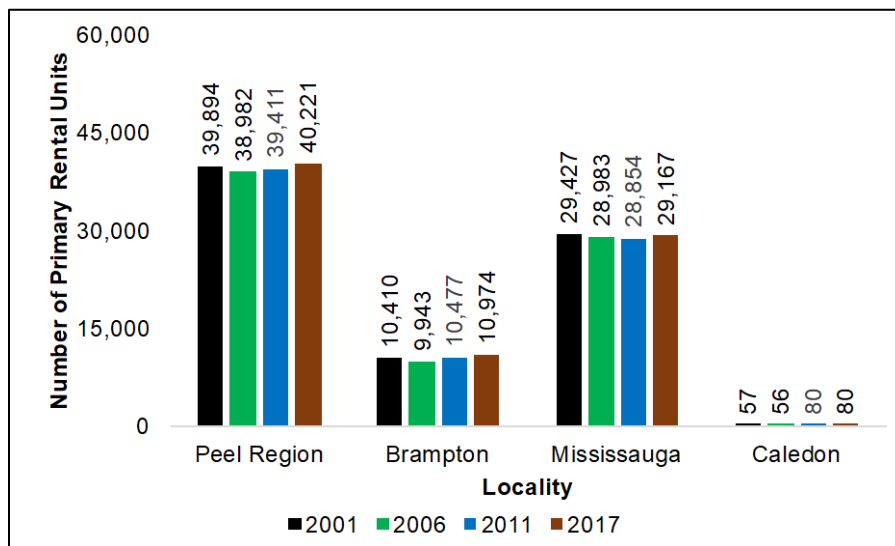
The rental market in a community is generally made up of the primary rental market and the secondary rental market. The primary rental market includes all self-contained rental units where the primary purpose of the structure is to house tenants. The primary rental market includes purpose-built rental apartments and townhouses. This section does not include information on apartments such as condominiums that are being rented out by private individuals. CMHC's Rental Market Survey (which is the main source of data for this section) includes all structures with three or more units.

There were a total of 102,350 rental dwellings in Peel Region, making up 23.8% of all dwellings in Peel Region in 2016. According to CMHC, there were 40,221 purpose-built rental units in Peel Region in 2017. This makes up 39.3% of all rental units in the region. Of these units, 37,736 units (93.8%) are in apartment buildings and 2,485 are

townhouses. The number of purpose-built rental units in Peel Region increased by 810 units from 2011 to 2017. However, the number of units increased by only 327 (0.8%) from 2001 as Peel Region lost some units between 2001 and 2006.

Among the local municipalities, Mississauga has the most number of purpose-built rental units at 29,167 units in 2017, making up 72.5% of the total supply in Peel Region. Caledon has the least number of units, with only 80 purpose-built rental units in 2017; making up 0.2% of the overall supply. From 2001 to 2017, Brampton added 564 purpose-built rental units, the largest addition among the local municipalities. Caledon added 23 units during the same time period while Mississauga lost 260 units.

Figure 39: Primary Rental Market by Number of Units: Peel Region and Local Municipalities; 2001-2017



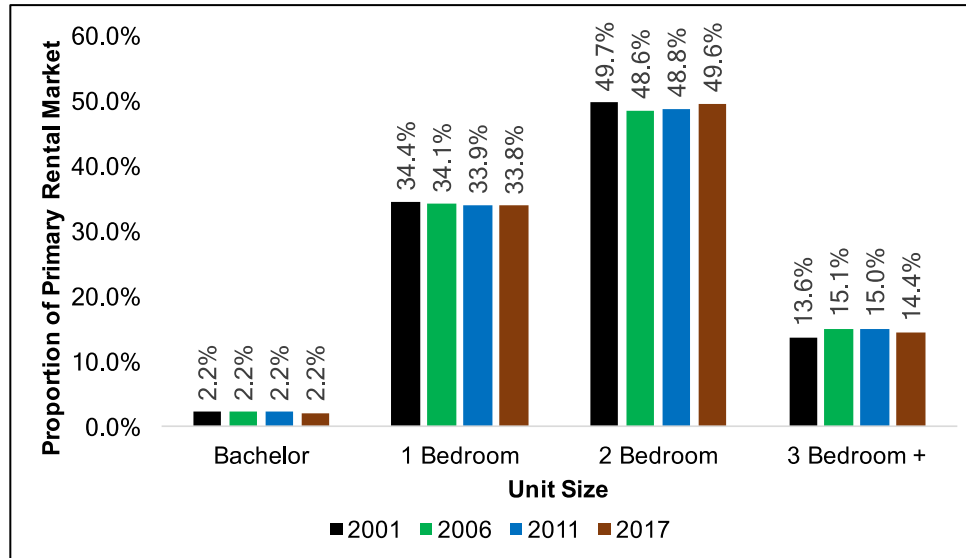
Source: CMHC Housing Information Portal 2017

Almost half (49.6%) of the purpose-built rental units in Peel Region were two-bedroom units while bachelor and one-bedroom units made up 36.0% of the units in 2017. Bachelors only comprised 2.2% of the housing supply. While there are relatively few bachelor apartments in the primary rental sector, it is important to note that the majority of the bachelor units in Peel Region are part of the secondary rental market in the form of secondary suites (e.g. basement apartments) or rented condominiums. This will be further discussed later in the following sections.

The proportions in the primary rental market closely mirror the make-up of households in Peel Region, where one- and two-person households made up 40.1% of all households in 2016 and three- and four-person households made up 40.9% of all households. However, purpose-built rental units made up only 14.4% of all units in the primary rental market while households with five or more persons made up 19.0% of all households in 2016. This data shows that the current composition of the purpose-built

rental market matches the current household sizes with some need to increase larger units.

Figure 40: Primary Rental Market by Unit Size: Peel Region; 2001-2017



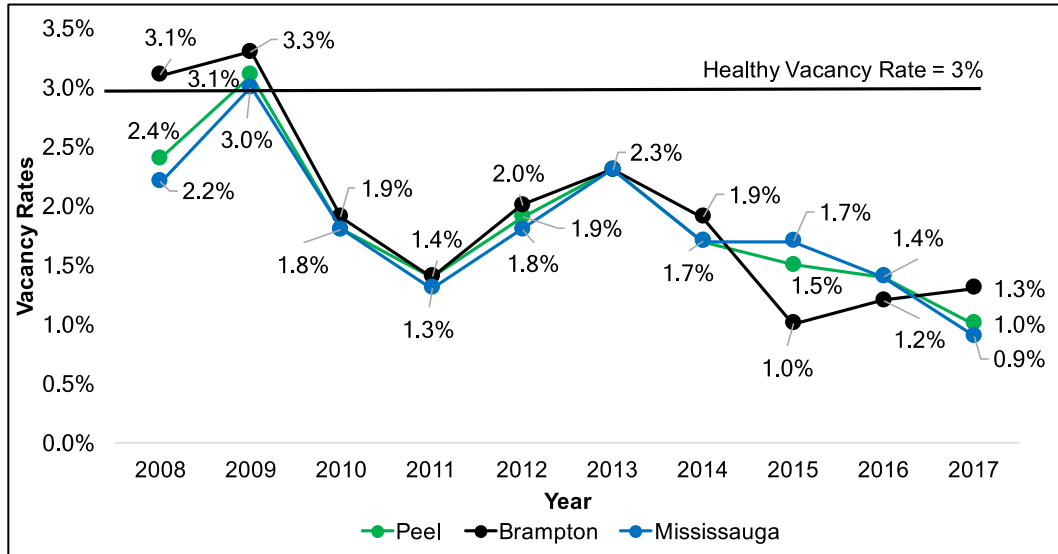
Source: CMHC Housing Information Portal 2017

Vacancy Rates

A vacancy rate of 3.0% is generally accepted as a 'healthy' vacancy rate, indicating a balance between the supply of rental housing and the demand or need for rental housing. In 2017, the overall vacancy rate for purpose-built rental units in Peel Region was 1.0%; decreasing from 1.4% in 2016 and 2011. This is far below what is considered a 'healthy' vacancy rate and demonstrates a significant need for rental housing in Peel Region. The vacancy rate has not been at or above 3.0% since 2009, which suggests that current policies related to purpose-built rental housing need to be re-examined to encourage the development of more purpose-built rental units in the future.

Among the local municipalities, Mississauga has an even lower vacancy rate at 0.9% in 2017 while Brampton's vacancy rate stood at 1.3%, which is slightly higher than the overall rate for the region.

Figure 41: Vacancy Rates in the Primary Rental Market over Time: Peel Region and Local Municipalities; 2001-2017



Source: CMHC Housing Information Portal 2017
 Note: Data for Caledon has been suppressed by CMHC.

The table below shows the rental vacancy rates in 2017 by unit type. One- and two-bedroom apartments were in highest demand with vacancy rates of 0.9% and 1.0%. In Mississauga, vacancy rates for one- and two-bedroom apartments were particularly low (0.8% and 0.9% respectively) suggesting a significant need for these unit sizes. Bachelor apartments had the highest vacancy rate (1.8%). This could indicate there are alternatives outside the primary rental market for this unit type, such as secondary suites, particularly in Mississauga. All unit types had vacancy rates well below 3.0%, indicating a significant need for additional purpose-built rental housing.

Figure 42: Vacancy Rates by Unit Type: Peel Region and Local Municipalities; 2017

	Peel Region	Brampton	Mississauga
All bedroom types	1.0%	1.3%	0.9%
Bachelor	1.8%	0.0%	2.3%
One bedroom	0.9%	1.3%	0.8%
Two bedrooms	1.0%	1.3%	0.9%
Three bedrooms	1.3%	1.5%	1.3%

Source: CMHC Housing Information Portal 2017
 Note: Data for Caledon has been suppressed by CMHC due to the small supply.

Average Market Rents

Average market rents in the primary rental market have been increasing in the last few years. From 2010 to 2017, the average market rent in Mississauga saw the highest rate of increase; increasing by 21.5%. The average market rent in Brampton increased by

19.0% while Caledon saw an increase of 13.0%. In comparison, the CPI increased by only 11.4% from 2010 to 2017 while the average household income in Peel Region increased by 15.1% during the same time period. This means that the average market rent in the primary rental market in Peel Region increased at a higher rate than inflation and, except for Caledon, at a higher rate than average household incomes. This shows that, similar to average house prices, average rents in Peel Region are becoming less affordable for households with low and moderate incomes. In addition, average market rents in Brampton increased by 4.2% from 2016 to 2017; average market rents in Mississauga increased by 3.9%; and, average market rents in Caledon increased by 1.9%. It should be noted that the provincial rental guideline for 2017 was only 1.5% which means the average market rent for purpose-built rental units exceeded this guideline in all local municipalities.

Figure 43: Trends in the Average Market Rent of Primary Rental Dwellings: Peel Region and Local Municipalities; 2010-2017

Average Rent	Brampton	Mississauga	Caledon*
2010	\$1,050	\$1,064	\$1,007
2011	\$1,058	\$1,094	\$1,017
2012	\$1,095	\$1,121	\$1,051
2013	\$1,121	\$1,146	\$1,130
2014	\$1,167	\$1,177	\$1,137
2015	\$1,171	\$1,205	\$1,155
2016	\$1,200	\$1,244	\$1,120
2017	\$1,250	\$1,293	\$1,141
% Change 2010-2017	19.0%	21.5%	13.3%

Source: CMHC Housing Information Portal 2017 and Peel Housing Corporation

* CMHC has suppressed the data for Caledon, instead, data from Peel Housing Corporation Market Rents was used which is expected to be lower than the average data for the region

Secondary Rental Market

The secondary rental market represents self-contained units that were not built specifically as rental housing but are currently being rented out. These units include rented single-detached, semi-detached, row/ townhouses, duplex apartments (i.e. one above the other), rented accessory apartments/ secondary suites (i.e. separate dwelling units located within the structure of another dwelling), rented condominium units, and one or two apartments which are part of a commercial or other type of structure.

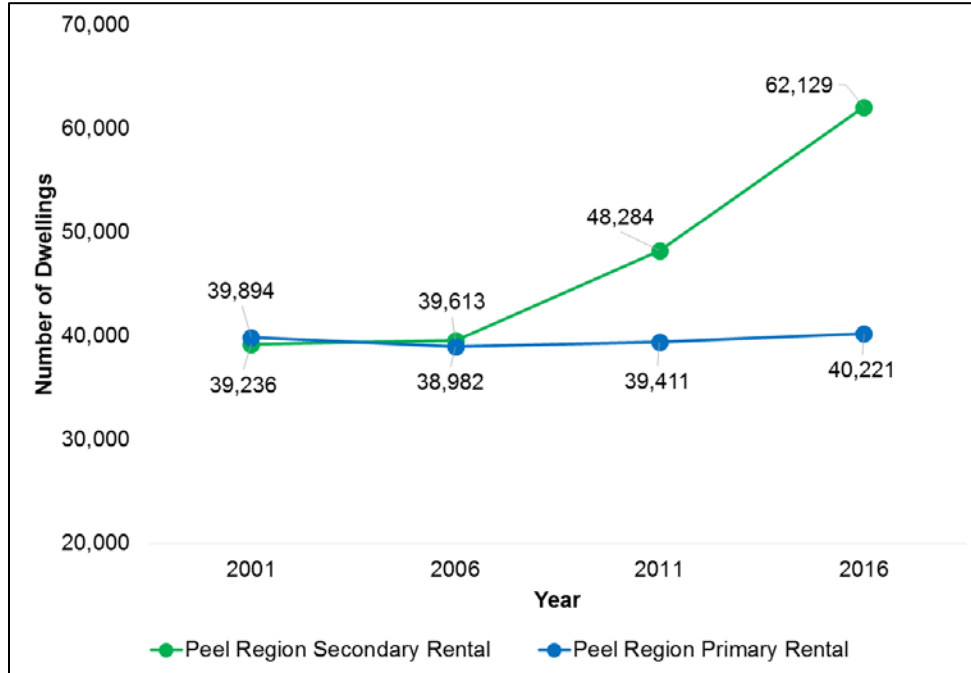
As previously mentioned, there are a total of 102,350 rental units in Peel Region in 2016. Of these units, 40,221 are in the primary rental market, making up 39.3% of the total rental supply in Peel Region. Units in the primary rental market include private rental units, subsidized/social housing units, supportive housing units, and private rental units under rent supplement agreements. This suggests that the rest of the supply which is made up of 62,129 units (60.7%) is in the secondary rental market.

The estimated growth of the secondary rental market is based on deducting the number of purpose-built rental units from the total number of rental housing units in Peel Region. The following graph shows that in the last ten years, most of the increase in Peel Region's rental housing supply has occurred in the secondary rental market. This can be explained by a lack of new purpose built rental housing construction in combination with an increasing need for rental housing. The need for rental housing is increasing as a result of demographic changes including population growth, increases in the recent immigrant population, as well as an aging population. Furthermore, household incomes are not keeping up with inflation and house prices are rising at a significantly faster rate than inflation. In Peel Region these factors are pushing households towards the secondary rental market which has been able to adapt better to the increased need for rental housing compared to the primary rental market.

While the secondary rental market is a good source of rental units and provides a more diverse range of rental housing as some of these units are single and semi-detached homes, these units are still not as stable in tenure as units in the primary rental market. The provincial government, with its Fair Housing Plan, has introduced measures to protect tenants in the secondary rental market. These measures include expanding rent control to all private market rental units and requiring that if a landlord takes a unit of the rental market for their own use, they have to give the tenant one month's rent or offer them another acceptable unit. However, community agency representatives noted that some landlords in the secondary rental market are not fully aware of tenant rights, particularly with regard to refusing to rent to certain tenants and the upkeep of units, and many tenants are also not aware of their rights or do not want to complain as they are afraid of losing their rental units.

The data in the chapter on housing demand indicates the need for rental housing is likely to grow further. Additional purpose built rental housing units would provide more stable, suitable and attainable housing options to households for whom homeownership is not attainable or desirable.

Figure 44: Trends in the Number of Rental Housing Units by Rental Market: Peel Region; 2001-2016



Source: Statistics Canada Custom Tabulations 2001, 2006, and 2011; Statistics Canada Community Profiles 2016; CMHC Housing Information Portal
 Note: The 40,221 units in the primary rental market is for 2017.

Condominium Rental Units

According to CMHC's Rental Market Report, there were 12,108 condominium units in Peel Region which were being rented as of October 2017. This means that 35.4% of the condominium universe was being rented in 2017. However, Statistics Canada data suggests that there are more units in multi-residential buildings which are being rented. Statistics Canada data shows that in 2016, there were 53,100 units in apartment buildings with five or more storeys and 14,205 units in apartment buildings with less than five storeys which were being rented. Assuming that 37,736 of these units are in the primary rental market, there are still 29,569 units in apartment buildings which are part of the secondary rental market.

Average Rents

CMHC does not report on the average market rent for all units in the secondary rental market in Peel Region. As such, a point-in-time scan of fifty online listings on the MLS website was undertaken and found that the average rent for units in the secondary rental market was \$1,781 in 2017. CMHC does report on the average market rent for rented condominium units in Peel Region and in 2017, this was \$1,821, up from \$1,641 in 2016; an increase of 11.0%. It should be noted that the provincial rental guideline for 2017 was only 1.5% which means the average market rent for condominium rental units far exceeded this guideline.

Vacancy Rates

The vacancy rate for rented condominium units in Peel Region in 2017 was 0.5%, far below what is considered a ‘healthy’ vacancy rate and even lower than the rate for purpose-built rental units. This rate decreased from 1.3% from 2016. This decrease may be partly the result of the decrease in the proportion of condominium units being rented out, which decreased from 28.6% in 2016 to 27.5% in 2017. As previously noted, while recent changes in provincial legislation offer more protection for tenants in the secondary rental market, the trends in vacancy rates and average rents suggest that this rental housing supply is still less stable than the primary rental market.

Second Suites

Secondary suites are self-contained rental units which are located within the same structure as another dwelling, referred to as the primary dwelling/suite. The Region of Peel estimates that there are currently 16,496 second suites²⁰ throughout the region of which 8,435 are located in Brampton, 7,870 in Mississauga and 283 in Caledon. However, the Region, in partnership with the local municipalities, recently implemented an initiative to better track secondary suites throughout the region.

Non-Market Housing

Non-market housing is made up of emergency accommodation as well as permanent housing units where monthly rent rates are geared-to-income or set at below-market rates. These housing units are generally provided by the non-profit sector or the public sector and includes both emergency and permanent accommodation to individuals and households in need. The emergency non-market stock includes shelters and transitional housing units while the permanent non-market housing stock includes subsidized or social housing units, affordable housing units, and supportive housing units. For the purposes of this report, units receiving rent supplements from the Region of Peel and ownership units which received some form of subsidy from the Region are also included in the non-market housing supply.

Emergency and Transitional Housing

The need for emergency shelters and transitional housing is driven by many factors, such as family break-up, loss of employment, illness, domestic violence, or recent release from the hospital or the correctional system. While these factors contribute to the need for emergency shelters and transitional housing, in general, the main factor which influences the need for these housing types is the lack of permanent affordable housing in a community.

²⁰ This number is an estimate developed by the Region of Peel based on applying the draft Hemson Growth Allocation Estimates for total number of ground-oriented units to an estimated percentage of second units. As this is an estimate, it is possible there are more second suites in the Region than stated in this report.

As such, while there will always be a need for emergency shelters and transitional housing units, the long-term focus should be on permanent solutions such as increasing the supply of affordable housing in Peel Region to limit the need for emergency housing. However, Region of Peel staff and representatives of community agencies have stated that while efforts should be focused on addressing the issue of homelessness, resources should primarily focus on adding to the supply of housing that is affordable to households with low incomes as well as to providing the support services that people need to live independently.

Emergency Shelters

There are seven emergency shelters in Peel Region with a total of 556 beds and these are all located in Brampton and Mississauga. Of these, 474 beds/units are owned by the Region of Peel while 72 beds are owned/operated by community agencies. According to the Region of Peel, the average stay in these shelters range from 6.5 days to 69.5 days for families. In addition, occupancy rates for most of the shelters exceed 100%. The Region of Peel has a policy to never turn anyone away who is in need of emergency shelter. As such, Region staff noted that in many cases, they have to add beds in the hallways of shelters or put people up in motels which have an agreement with the Region. Region of Peel staff also noted that many people end up living in shelters for longer periods of time and coming back to shelters even after they have left. This is due to a lack of stable pathways out of poverty and into permanent affordable housing.

Figure 45: Shelters and Occupancy Rates: Peel Region; 2017

City	Shelter Name	Max Capacity (Individuals)	Target Group	Avg. % Occupancy 2017	Avg. % Occupancy 2016
Brampton	Wilkinson Rd. Shelter	86	Single Males	103%	107%
	Family Life Resource Centre*	18	Survivors of domestic violence	108%	-
	Brampton Queen Street Youth Shelter	40	Youth	-	-
Mississauga	Peel Family Shelter	225	Families	116%	95%
	Cawthra Shelter	119	Single Male, Female, Couple and Transgender	77%	84%
	Interim Place North*	54	Survivors of domestic violence	-	-
	Our Place Peel	14	Youth (16-24)	-	-
Total		556			

Source: Region of Peel 2017

*This shelter is funded by the Province and run by a separate non-profit organization.

Transitional Housing

Transitional housing provides medium-term accommodation for those who have experienced homelessness or who are coming from emergency shelters. It is meant to bridge the gap between emergency shelters and permanent housing. Transitional housing usually includes support services provided on site to help with residents' housing stability and self-sufficiency to assist them in moving to permanent housing. There are a total of 111 transitional housing beds or units in Peel Region. Our Place Peel and Peel Youth Village provide accommodation and supports to youth aged 16 to 29 years. Region of Peel staff have indicated that there is a need to increase the supply of transitional housing for youth to provide them with the accommodation and supports, including life skills training, that they need to learn to live independently when they move to permanent housing.

Figure 46: Transitional Beds: Peel Region; 2017

Organization Name	Mandate	Type	Number
St. Leonard's Place Peel - New Leaf (since 2012)	Single Males (16 years and up)	Bed	28
Peel Youth Village	Youth (16-29 years)	Unit	48
Angela's Place	Families	Unit	20
Armagh*	Women and Children	Unit	9
Our Place Peel	Youth (16-29 years)	Unit	6
Total			111

Source: The Region of Peel 2017

* Transitional beds for survivors of domestic violence or violence against women are part of the emergency housing stock, but they are not operated or funded by the Region of Peel

Outreach Services

The Region of Peel operates four outreach programs for people who are homeless or at imminent risk of becoming homeless, including youth aged 14 to 24 years. These programs are designed to help these individuals to take the first steps out of homelessness.

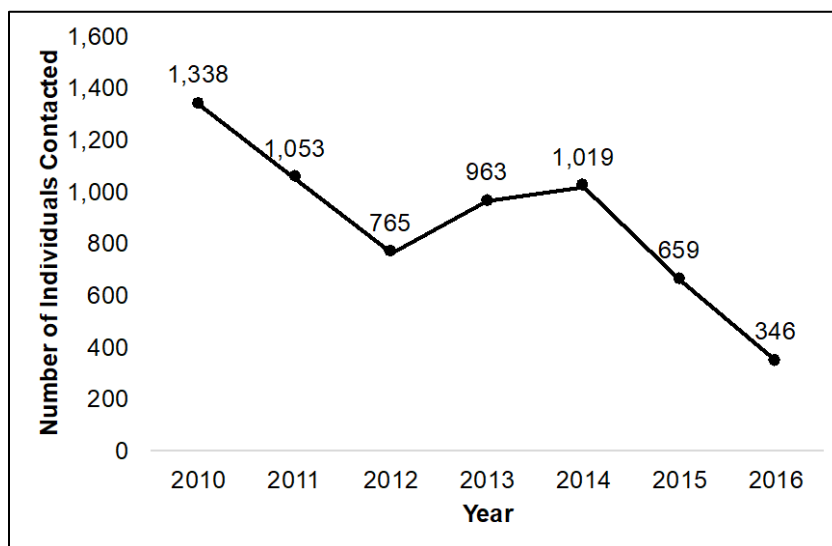
Figure 47: Outreach Programs: Peel Region; 2017

Program	Activities	Target Population
The Street Outreach Program	Mobile team providing emergency supports	Individuals who are homeless or at imminent risk of becoming homeless
Our Place Peel	Mobile team providing emergency supports	Youth between the ages of 16-24 years old who are experiencing homelessness
Peel Alternatives to Choosing Hospitalization	Stationary team operating from Emergency Departments and Brampton Civic Hospital	Frequent emergency department users who are homeless
Reaching Adolescents in Need	Short term case management support for youth	Youth between the ages of 14-18 years old who are experiencing homelessness

Source: The Region of Peel 2017

The following graph shows the number of individuals assisted by the Region of Peel's Outreach Program. From 2010 to 2016, the number of individuals assisted by the Team decreased by 74.1% and in the first three quarters of 2017, 197 individuals were assisted. The decrease in the number of people assisted occurred due to a shift to a more labour-intensive approach where the outreach teams are not only focused on making first contact, but also on getting the individuals ready for housing. This means the teams are preparing the individual, making sure they are prioritized on applicable waitlists and placed into a housing unit as soon as possible. The teams also assist by helping homeless individuals to become "document ready", which means ensuring that their social insurance numbers are valid and that they have a bank account.

Figure 48: Number of Individuals Served by the Region of Peel's Street Outreach Program; 2010-2016



Source: The Region of Peel, 2017

Subsidized Housing

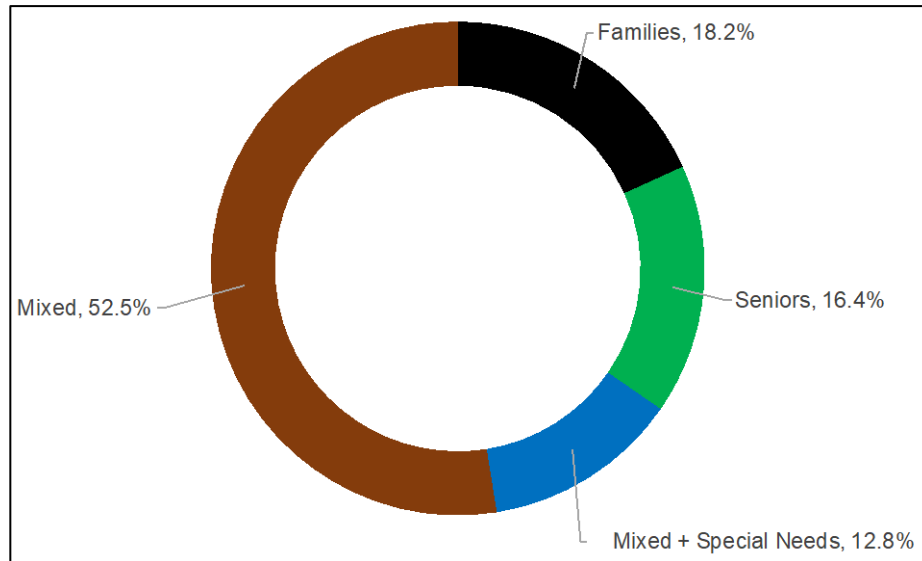
Subsidized housing refers to housing which has received some form of subsidy from the Region of Peel or other levels of government. These units are usually provided by non-profit organizations or private landlords who have rent supplement agreements. These units have rent rates which are geared-to-income (RGI) or are, at least, at 80% of the average market rent for the area. For the purposes of this report, subsidized housing includes units which are owned and/or operated by Peel Housing Corporation, social housing units, units built under the Investment in Affordable Housing (IAH) program, and rent supplement units, including units with cooperatives and units with private landlords.

As of the November 2017, there were 13,143 subsidized housing units in Peel Region. These include 7,538 units in 70 Peel Housing Corporation buildings, 3,569 units with non-profit housing providers, and 2,036 cooperative housing units. In addition, there are

at least 2,400 rent supplement units in Peel Region under the rent supplement program²¹.

The majority of subsidized units (52.5%) have a 'mixed' mandate, which means seniors, families, and singles can be housed in them. In addition, 18.2% of units are specifically mandated for families, 16.4% are for seniors, and 12.8% are for people with special needs.

Figure 49: Social Housing Segmented by Mandate: Peel Region; 2017



Source: Peel Living

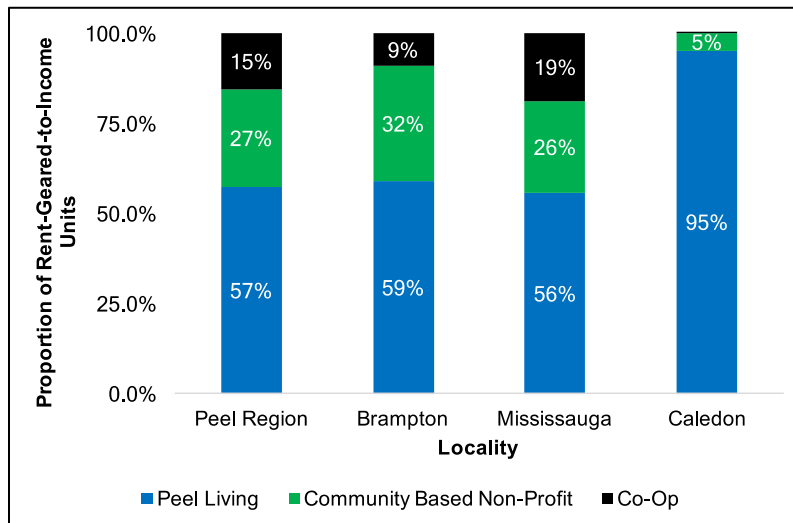
Peel Housing Corporation units make up the largest proportion of rent-geared-to-income (RGI) units, at more than half (57.0%) of all units in Peel Region. Units owned and/or operated by community based non-profit organizations make up 27.0% of RGI units while cooperatives make up 15%. This means 42% of RGI units in Peel Region are not owned and/or operated by the Region of Peel. In comparison, 23.8% of RGI units in Toronto are operated by non-profit organizations and cooperatives²². While the fact that 42% of Peel Region's supply of RGI units are provided by cooperatives and non-profit housing providers is currently not an issue, this may become an issue once operating agreements end. At that point, housing providers may choose to make these units market-rate units, change their mandate or sell them off to private parties to ensure the financial sustainability of the entire project. As such, this is an opportunity for the Region of Peel to re-examine its options to ensure these units remain as RGI units.

²¹ Region of Peel Rent Supplement Program. Accessed from: <https://www.peelregion.ca/housing/initiatives-resources/programs/rent-supp.htm>

²² City of Toronto 2017. About End of Operating Agreements. Accessed from: <https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=c3ead4a28be44510VgnVCM10000071d60f89RCRD&vgnextchannel=84181857928e3510VgnVCM10000071d60f89RCRD> and City of Toronto 2014. Social Housing by the Numbers. Accessed from: <https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=a7aed4b4920c0410VgnVCM10000071d60f89RCRD&vgnextchannel=310fab2cedfb0410VgnVCM10000071d60f89RCRD>

Among the local municipalities, Brampton has a greater share of RGI units provided by non-profit housing providers while Mississauga has a larger share of cooperative units. Caledon has no cooperative units and unlike the two other local municipalities, almost all (95%) of the RGI units in Caledon are provided by Peel Housing Corporation.

Figure 50: Rent-Geared-to-Income Units by Provider: Peel Region and Local Municipalities; 2017



Source: The Region of Peel 2017

Rent Supplement Units

The rent supplement program provides subsidies for units in the private, non-profit, and cooperative sectors. Residents pay a rent which is geared to their income directly to their landlord while the rent supplement program bridges the gap between the actual market rent and what the resident can afford. Residents receiving rent supplements are selected through the centralized waiting list administered by Peel Access to Housing (PATH)²³.

Data on the Region of Peel's website shows that there are 4,378 rent supplement agreements in place with both private and non-profit landlords throughout Peel Region²⁴. The discrepancies associated with published data about rent supplements was noted as an issue by Region of Peel staff in recent engagement sessions. In addition, Region staff noted that there is a general lack of capacity to share data among the different Regional departments.

²³ Region of Peel Rent Supplement Program. Accessed from: <https://www.peelregion.ca/housing/initiatives-resources/programs/rent-supp.htm>

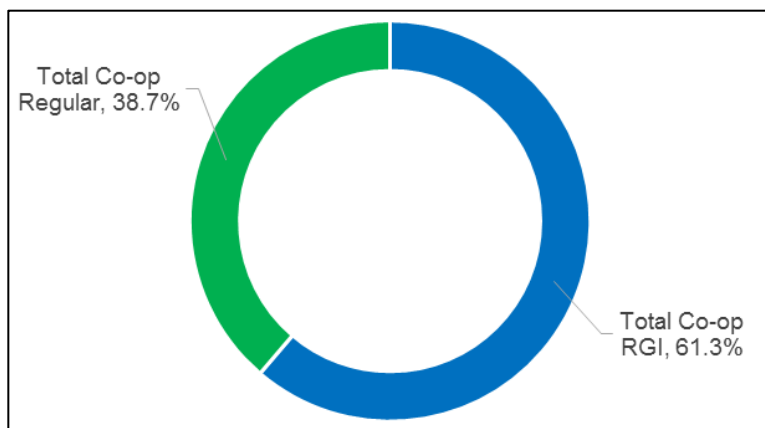
²⁴ Region of Peel Rent Supplement Program. Accessed from: <https://www.peelregion.ca/housing/initiatives-resources/programs/rent-supp.htm>

Another issue highlighted by Region of Peel staff was related to the condition of some of the buildings where they had rent supplement agreements. They were concerned that, without assistance from governments, these buildings will fall into disrepair and they will lose these RGI units. Region of Peel staff also noted an opportunity to engage private landlords in a more meaningful way as they are often the first point of contact for tenants who may need additional support services to continue to live independently in these units.

Cooperatives

There are 3,324 cooperative housing units in Peel Region located in Brampton and Mississauga. Of these units, 61.3% are rent-geared-to-income (RGI) units. As previously noted, once the operating agreements for these projects end, there cooperative housing operators may choose to turn some of these RGI units to market units to ensure the financial sustainability of the entire project.

Figure 51: Proportion of RGI Units in Cooperatives: Peel Region; 2017



Source: Peel Housing Corporation 2017 and the Co-Op Housing Federation of Canada 2017

Investment in Affordable Housing Units

As a Service Manager, the Region of Peel administers the local Investment in Affordable Housing (IAH) Program. Since the program started in 2009, 1,267 affordable housing units separated over 10 buildings were constructed in Peel Region. A total of 1,108 units were directly subsidized with IAH funding and are offered with rents geared to income. Most units were constructed in Brampton (980) and Mississauga (250). Only 37 units were constructed in Caledon. The majority of these units are operated by Peel Living (799 units).

Demand for Social Housing

There were 12,958 households on the Region of Peel's centralized waiting list in 2016. The number of households waiting for subsidized housing in Peel Region increased by

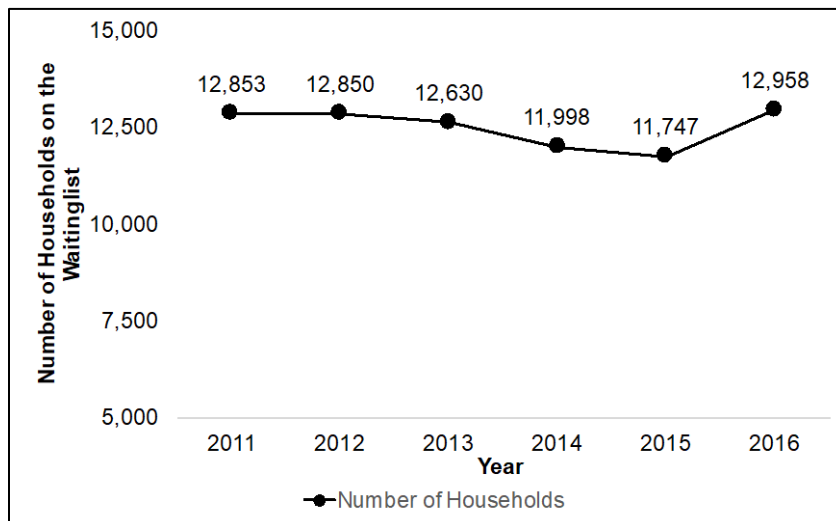
10.3% from 11,747 in 2015. This rate of increase is lower than that experienced in Toronto (11.3%) and York Region (15.5%) but higher than that experienced in Durham Region (5.2%) for the same time period. In addition, while the other comparator municipalities have experienced significant increases in their waiting lists from 2011 to 2016, the number of households waiting for subsidized housing in Peel Region has remained relatively stable. From 2011 to 2016, the number of households on the Region of Peel's waiting list increased by 0.8% compared to an increase of 32.3% in Toronto, 39.7% in Durham Region, and 61.3% in York Region.

Of the 12,958 households on the waiting list for subsidized housing in Peel Region, almost half (46.5%) live in Mississauga, 25.3% are from Brampton, and 0.7% are from Caledon. In addition, more than a quarter (27.4%) are not residents of Peel Region.

Region of Peel staff have noted that the centralized waiting list does not properly reflect the need for affordable housing in Peel Region as many households do not even apply because of the long wait times. In addition, Regional staff have stated that there may be an opportunity to re-examine how the wait list is managed to better prioritize based on need and to more effectively manage the valuable resources that are currently being used to maintain the waiting list.

Region of Peel staff have also stated that there is a need to provide supports to some people who are currently on the waiting list to ensure that they will be ready for housing when a unit opens up. Region staff have noted that, in some cases, applicants are no longer ready for housing when they are offered a unit. In some cases, their financial situation has changed and they no longer qualify for housing or their life situation has changed and they are not ready to move. In other cases, their health needs have worsened and they can no longer live independently.

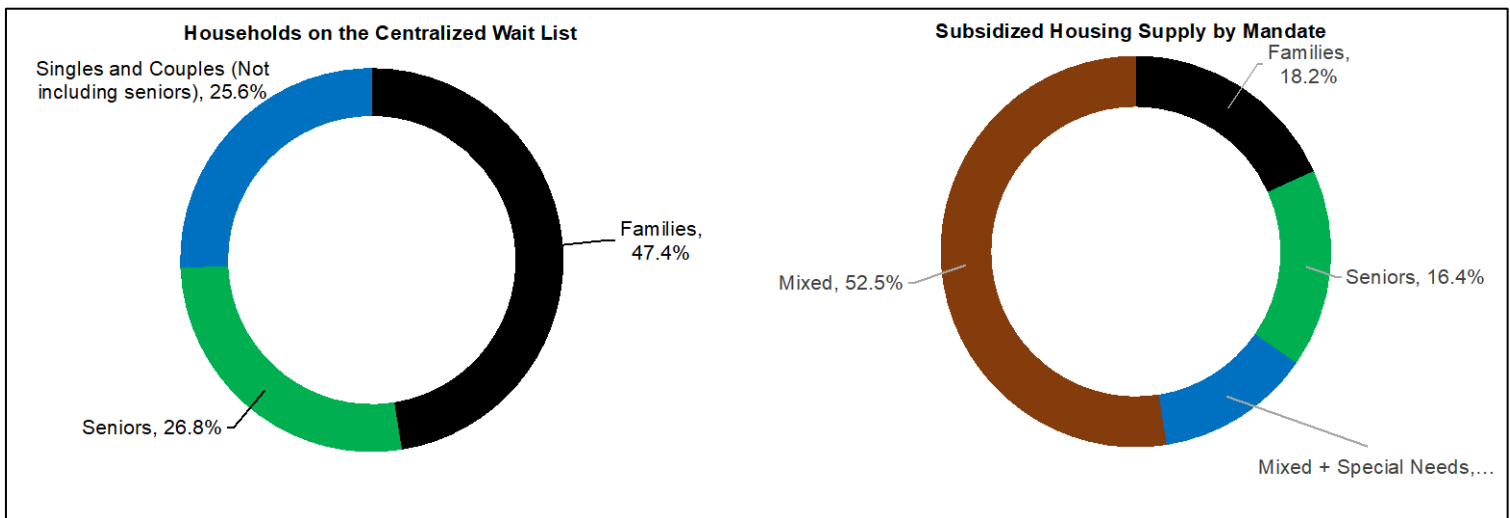
Figure 52: Number of Households on the Centralized Waiting list: Peel Region; 2016



Source: ONPHA Waiting list Reports 2016 and Peel Region Housing and Homelessness Plan Update Year 3, 2016

The largest proportion of applicants on the waiting list are families, making up 47.4% of all applicants on the waiting list in 2016. Seniors made up 26.8% of all applicants while singles and couples (not including seniors) made up 25.6%. To compare, units which are specifically mandated for families make up 18.2% of the current supply of subsidized housing and units mandated for seniors make up 16.4%. However, 52.5% of the supply does have a mixed mandate, which means families, seniors, singles, and couples can use these units. While these findings suggest the current make-up of the subsidized housing supply matches the demand, these findings also clearly highlight the need for more housing units which are affordable to households with low incomes. These units should include units appropriate for smaller households, such as seniors, singles and couples, as well as larger units for families.

Figure 53: Proportion of All Households on the Centralized Waiting List and Subsidized Housing Supply by Mandate: Peel Region, 2016



Source: The Region of Peel 2017

Supportive Housing

Supportive housing is permanent housing which has accessibility design features as well as support services to allow people with unique needs to live independently. The Region of Peel Supportive Housing Demand and Supply study found that there were 1,645 supportive housing units in Peel Region (as of March 2016). The largest number of these units are mandated for people with frail health (736 units), including seniors. Other units are allocated for people with physical disabilities (300 units), intellectual disabilities (290 units), mental illness (252 units), substance abuse/addiction (27 units), autism spectrum disorder (22 units), and acquired brain injury (18 units).

Despite the large number of supportive housing units in Peel Region, there were 2,396 people on the waiting list for these units (as of October 2015). This shows a significant need to increase the supply of supportive housing in Peel Region. Feedback from Region of Peel staff, area municipal staff, and community agency representatives support this finding.

In addition, while the reported waitlist in 2015 for supportive housing for individuals suffering from substance abuse or addiction was zero, stakeholders noted a significant need for supportive housing for people with mental health issues and/or addiction issues. Community agency representatives also stated that these individuals are much more likely to face discrimination when they are trying to find housing, particularly from private landlords. This suggests a need to increase awareness and education around these issues as well as a need to further engage with private landlords.

Figure 54: Inventory of Supportive Housing Units by Mandate: Peel Region; 2015

Population Group	Demand (Waitlist)	Supply (# Units)
Physical Disabilities	99	300
Acquired Brain Injury	45	18
Intellectual Disabilities	716	290
Autism Spectrum Disorder	0	22
Frail Health	443	736
Mental Illness	1093	252
Substance Abuse/Addiction	0	27
Dual Diagnosis, Concurrent Disorders and Co-morbidities	Covered in Other Categories	
Total	2,396	1,645

Source: Region of Peel Supportive Housing Demand and Supply: 2016

Seniors' Housing

There are a total of 2,668 seniors housing or retirement home²⁵ spaces in 26 residences²⁶ in Peel Region. In 2017, a total of 2,571 residents were living in these spaces, which represents a 3.3% capture rate²⁷. This capture rate is slightly higher than the rate in Toronto (3.0%) but lower than the rate in Durham Region (5.8%), Halton Region (6.8%), and York Region (5.0%).

The vacancy rate for these spaces was 12.9% in 2017; down from 13.4% in 2016. This extremely high vacancy rate may be partly due to the fact that the average rent for these spaces was \$4,022 in 2017, down slightly from \$4,051 in 2016. Of all the spaces in Peel Region, only 1.8% have rents of \$2,500 or less while 49.1% have rents of \$4,000 or more. These rents do include at least one meal and some light supports but,

²⁵ Seniors housing refers to facilities which have at least one unit that is not subsidized, be in operation for at least one year, have at least ten rental units, offer an on-site meal plan, not offer high levels of health care (defined as 1.5 hours or more of care per day) to all its residents (so nursing homes and long term care homes are not included), offer rental units (life lease units and owner-occupied units are not included), and have at least 50% of its residents who are 65 years or older.

²⁶ Please note that some of these residences may already be included in the supply of supportive housing in the previous section.

²⁷ The capture rate is the ratio of the total number of residents living in the survey universe divided by the estimated population aged 75 years and older. The population 75 years and older is used as the majority of seniors living in these residences are aged 75 years and older.

given the previous analysis, they would still not be affordable to a large proportion of the senior population in Peel Region.

Long-Term Care Homes

A long-term care home is permanent accommodation for people who need 24-hour nursing and personal care with on-site supervision or monitoring to ensure their safety, and who have care needs which cannot be safely met in the community through publicly-funded community-based services and other caregiving support²⁸. People who need long term care are placed through Community Care Access Centres (CCAC) by the province.

Accommodation rates for long term care range from about \$1,800 per month for basic accommodation to about \$2,600 for private accommodation. The province provides a subsidy if a person does not have enough income to pay for the basic rate.

Figure 55: Long Term Care Home Rates: Ontario 2017

Accommodation Type	Daily Rate	Monthly Rate
Long Stay (Basic)	\$59.82	\$1,819.53
Long-Stay (Semi Private)	\$72.12	\$2,193.65
Long Stay (Private)	\$85.45	\$2,599.11
Short-Stay	\$38.72	

Source: Queen's Printer for Ontario (2012-2017)

Peel Long Term Care programs and services include owning and operating five long term care homes throughout Peel Region with a total of 703 beds. However, there is a waiting list for these long-term care beds with a total of 1,533 people currently on the waiting list. The average wait time for a bed ranges from two to five years.

Home in Peel Affordable Ownership Program

The Region of Peel provides down payment loan assistance to low- and moderate-income residents who are currently renting a unit in Peel Region. The program was administered between 2008 and 2016 and a total of 681 households were assisted²⁹. The program was suspended in April 2017 due to unaffordable market conditions resulting in applicants being unable to find units they would be able to purchase.

Peel Renovates

Peel Renovates is another program which provides assistance to home owners in Peel Region. Assistance is available to low and moderate households who have an annual income of no more than \$60,000. The maximum funding available is \$15,000 and is

²⁸ Queen's Printer for Ontario (2012-2017). Find a long term care home. Accessed from: <https://www.ontario.ca/page/find-long-term-care-home#section-3>.

²⁹ Region of Peel

provided for renovations required to address safety and accessibility issues. A total of 394 home owners were provided with renovation assistance from 2014 to 2016.

Another component of this program provides eligible home owners with up to \$25,000 in one-time funding to renovate an existing secondary suite to improve health and safety, increase accessibility, and to ensure it meets the requirements to be able to register the unit. A total of 19 applications were approved in 2016.

Housing Supply Along the Housing Continuum

The figure below summarizes the total housing supply in 2017 in Peel Region along the housing continuum.

Figure 56: Summary of the Housing Supply Along the Housing Continuum; Peel Region: 2017

emergency shelter	transitional	supportive	social/ subsidized		private market rental			market ownership
556 beds	111 units	1,645 units	13,143 RGI units	4,378 rent supplements	16,496 secondary suites	21,055 primary	45,633 other secondary	327,825 units

Source: Statistics Canada Community Profiles 2016, CMHC Housing Market Survey 2017, the Region of Peel 2017

Note: The total units in the secondary rental market has been separated between secondary suites and other secondary units (e.g condominiums and rented houses). Primary rental housing has been separated broken down to units in the purpose-built rental market, social/subsidized units, supportive housing units, and rent supplement units.

Key Findings

WHAT IS THE NATURE OF THE HOUSING SUPPLY IN PEEL REGION?

Single detached homes made up the largest share of the current housing supply in Peel Region and residential development trends suggest this will continue in the near future.

- Single detached homes made up 45.6% of all dwellings in Peel Region in 2016. Caledon had the largest share of single detached homes at 83.4% of the entire housing stock in Caledon in 2016. Mississauga had the smallest share at 37.7% of its current housing stock.
- Apartments with more than five storeys made up the second largest share of dwellings in Peel Region but this dwelling type made up less than a fifth (18.8%) of the total housing stock in 2016.
- Housing completions data show a continued focus on single detached dwellings, where this type made up 47.4% of all housing completions in 2016. There are some indications of a shift in focus to row/townhouses, which made up 27.3% of all housing completions in 2016; up from 21.2% in 2011. However, the share of apartment completions decreased during the same time period.
- Building permit data is also showing a continued focus on single detached homes, where this dwelling type made up 40.7% of all permits issued in 2016. However, permits for apartments made up 33.5% in 2016; increasing from 30.8% in 2011 and suggesting a slight shift to a more diverse housing supply in the future.

House prices and average market rents in Peel Region are increasing at a much higher rate than household incomes, which is making it increasingly challenging for households with low and moderate incomes to find affordable housing.

- The average house price in Peel Region in 2017 was \$722,428; up by 138.9% from 2005. In comparison, the average household income increased by only 15.1% from 2010 to 2017 and inflation was at 11.4% during the same time period.
- Caledon had the highest average house price in 2017 (\$951,501) and this increased by 144.6% from 2005. Brampton had the lowest average house price in 2017 (\$699,295) but experienced the highest rate of increase among the local municipalities; increasing by 148.5% from 2005 to 2017. Mississauga had an average house price of \$721,952 in 2017 and saw the lowest rate of increase (132.6%) from 2005 to 2017.
- The average market rent for purpose-built rental units in Peel Region in 2017 was \$1,259 but rents have also been increasing; increasing by 21.5% from 2010 to 2017.

- Average market rents in Mississauga saw the highest rate of increase (21.5%) while average market rents in Caledon saw the lowest rate of increase (13.3%) from 2010 to 2017.
- Rents in the secondary rental market are much higher, with an average of \$1,787 for the entire secondary market in 2017 and \$1,821 for rented condominium units; up by 11.0% from 2016.

The rental housing supply is increasing but most of this increase is happening in the secondary rental market and the increase is still not keeping up with the need.

- The share of renter households in Peel Region increased from 21.8% in 2011 to 23.8% in 2016. The number of renter households also saw a much higher increase from 2011 to 2016; increasing by 16.7% compared to an increase of 4.0% in owner households and 6.8% in the total number of households.
- There were a total of 40,221 purpose-built rental units in Peel Region in 2017; up by 2.1% (810 units) from 2011. Purpose-built rental units made up 39.3% of all rental units in Peel Region in 2016.
- Mississauga had the largest number and share of purpose-built rental units in Peel Region with 72.5% while Caledon had the smallest at less than 1% (0.8%).
- The rest of the rental housing market in Peel Region is in the secondary rental market, which has 60.7% of the rental housing supply. Between 2011 and 2016, the number of units in the secondary rental market increased by 28.7% (13,845 units). While this is a good supply of rental housing, it is not as stable as purpose-built rental units.
- Vacancy rates in both the primary and secondary rental market indicate a significant need for more rental units in Peel Region. In 2017, the vacancy rate in the primary rental market was 1.0% (from 1.4% in 2016) while the vacancy rate for rented condominium units was 0.5% (from 1.3% in 2016).

The supply of subsidized housing units in Peel Region is not keeping up with the need.

- Emergency shelters in Peel Region are operating at more than full capacity and Region of Peel staff have had to put people up in motels or have them sleep in hallways.
- In addition, there were 12,958 individuals and families (in 2016) waiting for a subsidized housing unit on the Region of Peel's centralized waiting list. While the rate of increase in the number of people on the waiting list is lower than the rate seen in Toronto and York Region, this still indicates a significant need for housing which is affordable to households with low incomes.
- Region of Peel staff have also noted that many households no longer even apply to the waiting list as they know they will have to wait a long time for housing. In

addition, in some cases, when a unit does open up and is offered to an applicant, they are no longer ready for housing.

There is a need to ensure that the supply of subsidized housing in Peel Region is maintained.

- Peel Region has a total of 13,143 subsidized housing units and anecdotal information suggests there are even more units through rent supplement agreements with private landlords.
- However, 42% of this stock is with non-profit housing providers and cooperatives. Once operating agreements end, there is a possibility of losing these rent-geared-to-income units as housing providers re-evaluate their portfolios to ensure continued financial sustainability. The Region of Peel also has about 2,400 rent supplement agreements with private landlords.
- In addition to the end of operating agreements, concerns have been raised about the condition of this subsidized rental stock as many of these buildings are older. In 2016, 6.4% of the overall rental housing stock in Peel Region required major repairs compared to 3.5% of the overall ownership stock.

The supportive housing stock is not keeping up with the current and emerging need in Peel Region.

- There were 1,645 supportive housing units in Peel Region, including options for people with physical disabilities, intellectual disabilities, mental health issues, substance abuse issues, and frail health. However, there were almost 2,400 people waiting for these units (as of October 2015).
- In addition, demographic trends show that the number of seniors and persons with disabilities in Peel Region is increasing at a much higher rate than the rest of the population. This means an increasing need for accessible housing options as well as support services to facilitate independent living.
- Anecdotal information have also highlighted the need for housing and support services for people with mental health issues, developmental disabilities, and substance abuse issues, particularly as these population groups are more likely to face discrimination in the private housing market.

Housing Affordability Analysis

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What is the nature of the affordability of housing in Peel Region?

Housing is the largest monthly expenditure for most households in Canada. According to Statistics Canada’s Survey of Household Spending, a household’s spending on shelter³⁰ made up 21.2% of all expenditures by Canadian households in 2015³¹.

Access to affordable, adequate, and suitable housing is a pressing concern for many individuals and families, particularly those who have lower incomes. In recent years, housing affordability has also become a concern for households with moderate incomes, particularly those who want to move from the rental market to home ownership. This is especially true in urban areas such as Peel Region and the Greater Toronto Area as a whole. Seniors on fixed incomes may also face housing affordability challenges, particularly if they have not paid off their mortgage or if they are renting in the private rental market.

Housing affordability is an important factor in the well-being of all residents and an adequate supply of affordable housing greatly contributes to the creation of healthy and economically prosperous communities.

This section examines the housing affordability in Peel Region by looking at the proportion of income households spend on shelter and by comparing what households can afford to average house prices and rents.

Proportion of Income Spent on Shelter

Statistics Canada defines ‘income spent on shelter’ as the proportion of a household’s average monthly income which is spent on housing costs. This percentage is calculated by dividing the total shelter-related expenses by the household’s total monthly income. These expenses include the monthly rent or mortgage payments and the costs of electricity, heat, municipal services, property taxes, and other shelter-related expenses³². CMHC defines affordable housing as housing that costs less than 30% of before-tax household income³³.

³⁰ This includes rent or mortgage payments, repairs and maintenance, property taxes, insurance, and utilities.

³¹ Statistics Canada (2017). Table 203-0021: Survey of household spending (SHS), household spending, Canada, regions and provinces, annual (dollars), CANSIM. Accessed on March 2017 from: <http://www5.statcan.gc.ca/cansim/a47>.

³² Statistics Canada 2006 Census Dictionary.

³³ CMHC (2014). Housing in Canada Online: Definition of Variables. Accessed from: http://cmhc.beyond2020.com/HiCODefinitions_EN.html#_Affordable_dwelling_1

In 2015, 31.8% of all households in Peel Region were facing housing affordability issues (i.e. spending 30% or more of their household income on housing costs) and 13.2% were facing severe housing affordability issues (i.e. spending 50% or more on housing costs). The proportion of households in Peel Region who were facing housing affordability issues is lower than the proportion in Toronto (36.5%) but higher than the proportions in York Region (31.4%), Halton Region (23.7%), and Durham Region (25.1%) in 2015.

The number of households facing housing affordability issues in Peel Region increased by 72.2% from 79,325 households in 2000 to 136,635 households in 2015 while the proportion increased from 25.8% of all households in 2000 to 31.8% in 2015.

Among the local municipalities, Brampton had the highest share of households facing housing affordability issues at 33.6% of all Brampton households in 2015. Mississauga had 31.4% of all its households facing housing affordability issues while the proportion in Caledon was 21.1%.

In addition, 14.0% of all Mississauga households, 12.7% of Brampton households, and 8.8% of Caledon households were facing severe housing affordability issues in 2015.

These findings suggest that housing affordability is a greater issue in Peel Region compared to York, Halton, and Durham Regions. These also indicate that the issue of housing affordability in Peel Region is increasing and is experienced in all local municipalities.

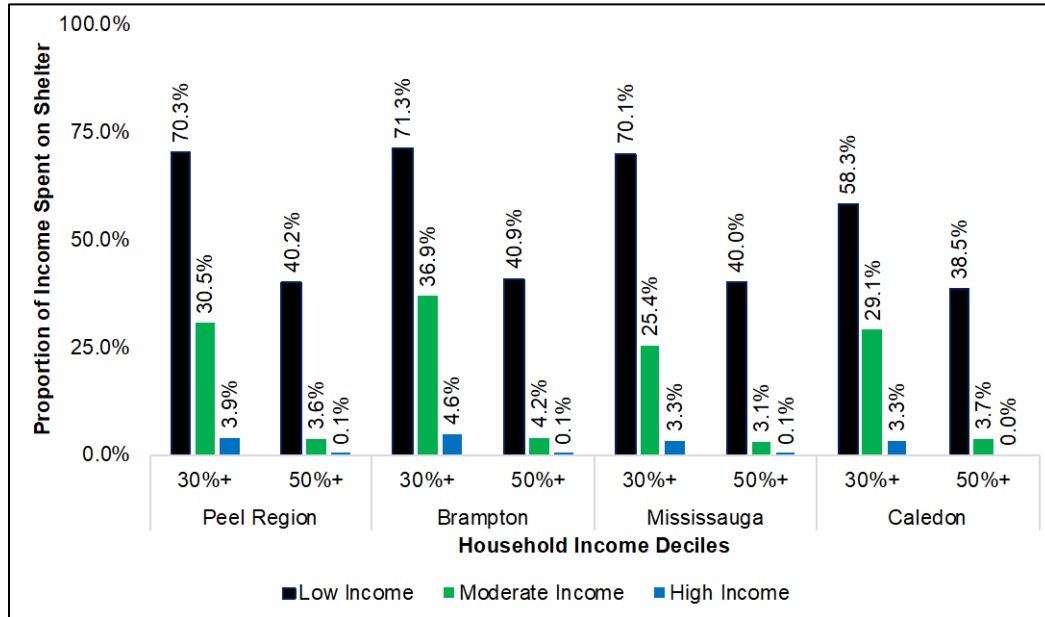
Income Spent on Shelter by Household Income Deciles

In 2015, 70.3% of all households with low incomes in Peel Region were facing housing affordability issues and 40.2% were facing severe housing affordability issues. In addition, 30.5% of households with moderate incomes were facing housing affordability issues and 3.6% were facing severe housing affordability issues. As can be expected, only a small proportion of households with high incomes were facing housing affordability issues (3.9%) and 0.1% (230 households in 2015) were facing severe housing affordability issues. However, it should be noted that in many cases, households with high incomes would still have sufficient income left over for other basic needs even if they spend more than 30% of their income on housing costs whereas households with low incomes would not.

While Caledon had the smallest share of households facing housing affordability issues overall (21.1%), more than half (58.3%) of its households with low incomes were facing housing affordability issues and 38.5% were facing severe housing affordability issues. Brampton had the largest share of households with low incomes facing housing affordability issues (71.3%) while 70.1% of Mississauga's households with low incomes were facing housing affordability issues.

These findings show that there is a significant need for housing options which are affordable to households with low incomes throughout Peel Region. However, they also show a need for affordable options for households with moderate incomes.

Figure 57: Proportion of Income Spent on Shelter by Households with Low, Moderate, and High Incomes: Peel Region and Local Municipalities; 2015



Source: Statistics Canada Custom Tabulation 2016

Income Spent on Shelter by Household Type and Household Deciles

The data shows that certain households with low and moderate incomes are more likely to face housing affordability issues than others.

In 2015, on average, 70.3% of households with low incomes had housing affordability issues because they spent 30% or more on shelter. Among larger households with five or more persons this was 85.6%, recent immigrant households 84.7%, youth households 83.9%, couples with children 82.6%, and immigrant households 71.3%. The same household types were also more likely to face severe housing affordability issues, meaning they spent 50% or more of income on shelter.

A similar trend can be observed among households with moderate incomes in 2015. While the proportion of all households with moderate incomes who spent 30% or more on housing was 30.5%, among larger households with five or more persons this was 49.0%, recent immigrant households 43.7%, couples with children 38.6%, and immigrant households 35.5%. A small percentage of households with moderate incomes had severe housing affordability issues.

Similar to what was mentioned in the previous section, only a small proportion of households with high incomes were facing housing affordability issues.

This indicates there is a strong need for affordable housing options for (larger) families, immigrants and youth with low income but also a need for options that are affordable to (larger) families and immigrant households with moderate incomes.

Figure 58: Proportion of Income Spent on Shelter by Household Type: Peel Region; 2015

	Low Income		Moderate Income		High income	
	30%+	50%+	30%+	50%+	30%+	50%+
Total - All Households	70.3%	40.2%	30.5%	3.6%	3.9%	0.1%
Larger households (5+ persons)	85.6%	55.2%	49.0%	7.5%	5.3%	0.2%
Recent Immigrant Households	84.7%	61.5%	43.7%	5.7%	8.7%	0.0%
Youth Households (Between 15 and 24 years old)	83.9%	62.8%	26.3%	2.3%	3.5%	0.0%
Couples with Children	82.6%	52.7%	38.6%	4.9%	4.0%	0.1%
Multiple and Other Family Households	79.0%	48.0%	43.1%	6.0%	4.9%	0.1%
Non-family households Two or more persons	73.1%	46.9%	22.7%	2.4%	2.9%	0.3%
Immigrant Households	71.3%	41.8%	35.5%	4.5%	4.8%	0.2%
Lone Parents	69.3%	38.5%	26.6%	2.3%	3.9%	0.3%
Non-Family Households - One person only (singles)	68.7%	36.4%	17.9%	1.6%	3.6%	0.2%
Households with a member with a disability	68.1%	37.2%	30.9%	4.1%	3.6%	0.2%
Indigenous Households	66.5%	35.5%	21.6%	3.4%	1.1%	0.0%
Couples without children	53.8%	28.2%	17.2%	1.6%	2.4%	0.1%
Senior households (65+ years old)	54.9%	23.5%	13.8%	1.6%	2.5%	0.1%

Source: Statistics Canada Custom Tabulation data 2016

Income Spent on Shelter by Household Tenure

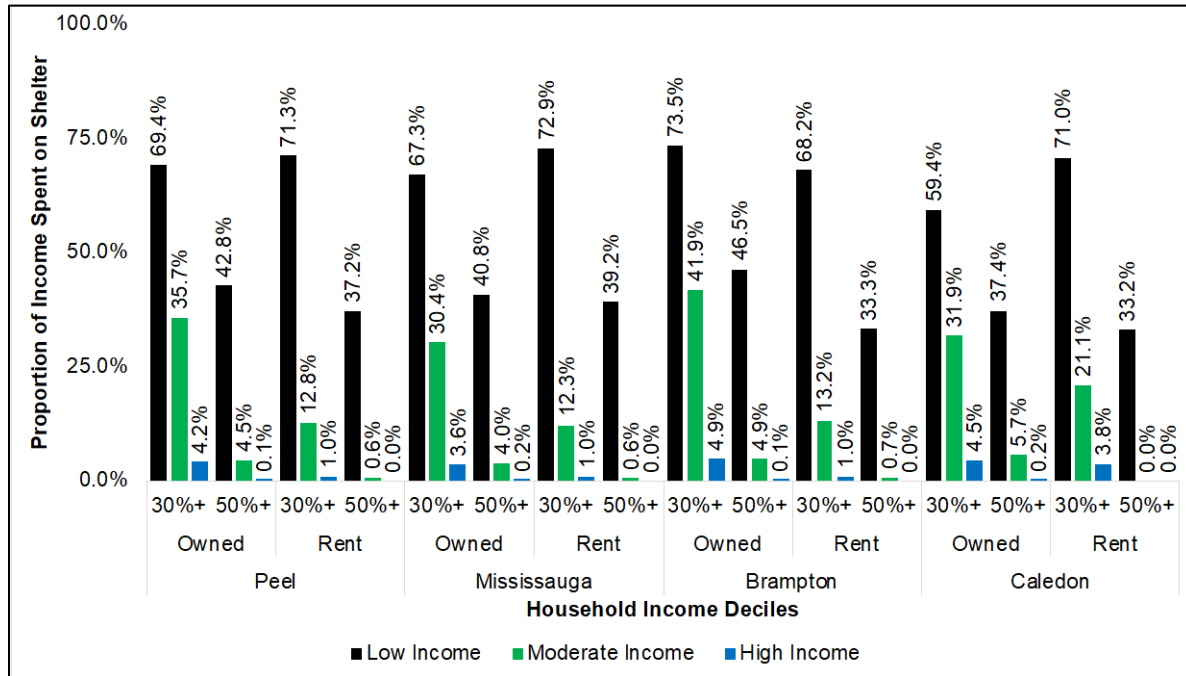
In general, renters have lower household incomes compared to owners. However, in Peel Region, a similar proportion of owner households with low incomes (69.4%) were facing housing affordability issues compared to renter households with low incomes (71.3%). Furthermore, 42.8% of owners with low incomes were facing severe housing affordability issues in 2015 compared to 37.2% of renter households with low incomes.

In addition, more than a third (35.7%) of owner households with moderate incomes were facing housing affordability issues in 2015 compared to 12.8% of renter households with moderate incomes.

This may be partly explained by the fact that, as discussed in the housing supply section, there are no ownership housing options in Peel Region which are affordable to households with low incomes and only a very limited supply which is affordable to households with moderate incomes. As such, if a household with a low income wants to enter home ownership, they would have to spend more than 30% of their income, and often more than 50% of their income, on housing costs. In addition, there may also

be senior home owners who are now retired and on a lower, fixed income who are still paying off a mortgage.

Figure 59: Proportion of Income Spent on Shelter by Household Tenure: Peel Region and Local Municipalities; 2015



Source: Statistics Canada Custom Tabulation data 2016

Core Housing Need

A household is said to be in core housing need if its housing falls below one of the adequacy, suitability, or affordability standards³⁴ and it would have to spend more than 30% of its before-tax income to pay the median rent for alternative housing in the area which meets the three standards.

Please note that proportions for the housing standards may not add up to 100% as a household can fall below more than one housing standard.

In 2016, 16.2% of all households in Peel Region were core housing need, up from 14.9% in 2011. Among the local municipalities, Caledon had the smallest share of households in core need in 2016 (8.8%) while Mississauga and Brampton had a similar share (16.8% and 16.2% respectively).

³⁴ According to CMHC, **adequate housing** is housing that does not require any major repairs. **Suitable housing** is housing with enough bedrooms for the size and make-up of the household. **Affordable housing** is housing which costs less than 30% of a household's income.

Affordability

In 2016, 10.7% of all owner households and 33.6% of all renter households in Peel Region were in core housing need. Most of the households in core housing need were falling below the affordability standard. Similar to the findings above, a larger proportion of owner households were falling below the affordability standard (96.6%) compared to renter households (87.5%).

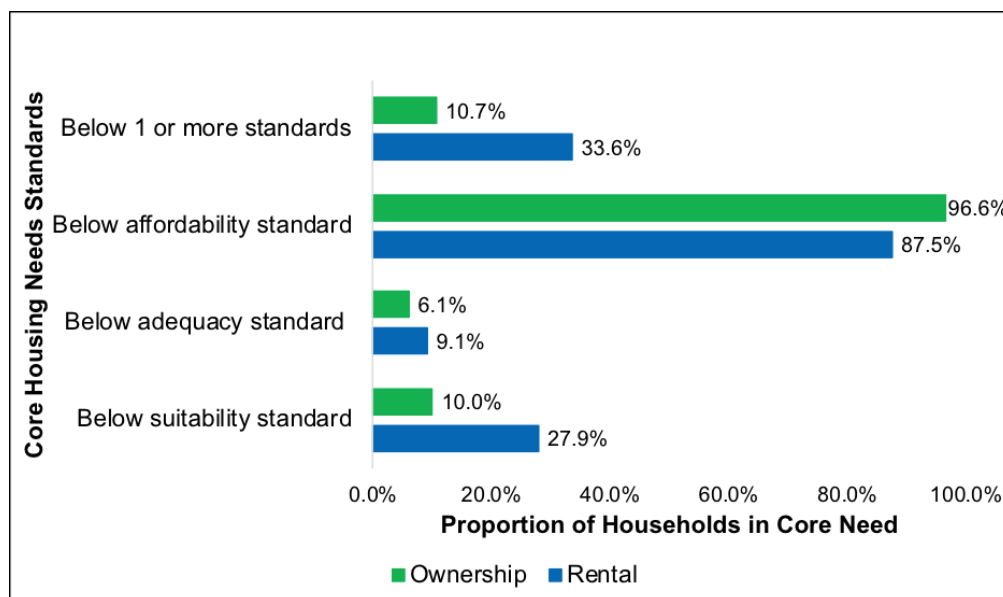
Suitability

In contrast, a much larger proportion of renter households were falling below the suitability standard (27.9%) compared to owner household (10.0%). This suggests that almost a third of renter households in Peel Region were living in housing that was not suitable for their household size. This may be due to these households making a trade-off in size for a smaller but more affordable unit but it may also be due to a limited supply of larger units.

Adequacy

Similarly, 6.1% of owner households were falling below the adequacy standard compared to 9.1% of renter households. This suggests that a larger share of renter households are living in housing which required major repairs, possibly due to the fact that these units would be more affordable. As previously mentioned, Region of Peel staff and community agency representatives highlighted the issue of an aging rental housing stock throughout Peel Region.

Figure 60: Proportion of Households in Core Housing Need by Household Tenure: Peel Region; 2010



Source: Statistics Canada Custom Tabulations 2016

Ownership and Rental Housing Affordability

The Region of Peel in accordance with the Provincial Policy Statement (PPS) defines affordable housing as:

- In the case of ownership housing, the least expensive of:
 - Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of the gross household income for low- and moderate-income households; or,
 - Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area.
- In the case of rental housing, the least expensive of:
 - A unit for which the rent does not exceed 30% of the gross annual household income for low- and moderate-income renter households; or,
 - A unit for which the rent is at or below the average market rent of a units in the regional market area.

The PPS defines low- and moderate-income households as those with incomes falling at or below the 60th income percentile (or 6th income decile).

The provincial definitions for affordable housing and low- and moderate-income households, determine the threshold for affordable ownership and affordable rental housing. Affordable home ownership is considered to be all dwellings that are affordable to households in the sixth income decile or below. For Peel Region this was **\$421,617** in 2017. The affordability threshold for affordable rental housing in the Region was **\$1,259**, or the average market rent in 2017.

Rental Housing Affordability

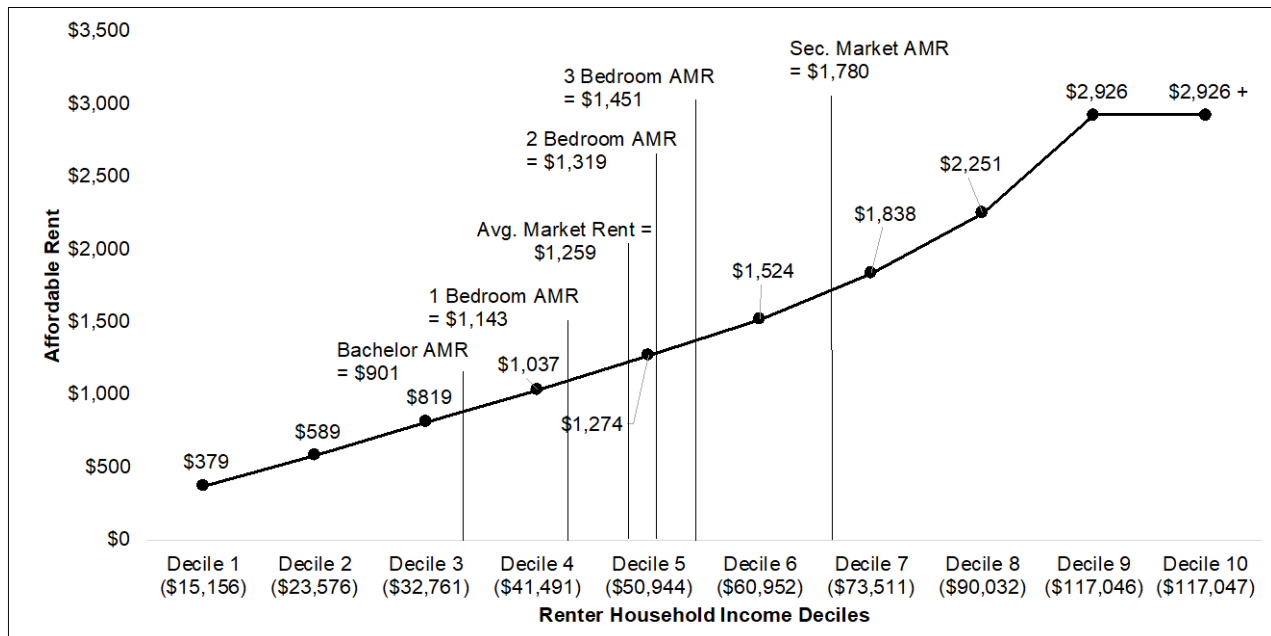
The following graph shows the top range of each renter household income decile and what monthly rent is affordable for each income decile. Renter household income deciles were used as renter household incomes are lower than owner household incomes or total household incomes.

In 2017 in Peel Region, renters would have to be earning incomes in the 4th renter income decile to be able to afford a bachelor unit. They would have to be earning incomes within the 5th renter income decile to be able to afford the average market rent unless they spent 30% or more of their income on housing costs. If a household was larger and required a minimum of three bedrooms, this household would have to be earning incomes in the 6th renter income decile to afford the average market rent.

As previously discussed, more than 60% of the rental housing stock in Peel Region is in the secondary rental market and the average rent for these units would only be affordable to renter households in the 7th renter income deciles. The average rent for a condominium unit is even higher at \$1,821 in 2017. This means a renter household would have to be earning incomes within the 8th renter income decile.

These findings partly explain why such a large share of renter households with low incomes (households in the first to third overall household income deciles) are facing housing affordability issues. These may also explain why many renter households are living in homes which require major repair or are too small to accommodate their families. These findings show a need for rental housing which is affordable to households with low incomes.

Figure 61: Comparison of Average Market Rents, Average Secondary Market Rents, and Affordable Rents by Peel Region Renter Household Income Deciles: Peel Region; 2017



Source: Statistics Canada Custom Tabulation 2016, Peel Region 2015-2017 CPI calculation and Peel Region Calculation on spending 30% or more of household income on Rent.

Ownership Affordability

The following table shows that if a household did not spend more than 30% of their household income on housing costs they would have to have incomes in the 6th income decile to be able to afford home ownership in Peel Region in 2017, assuming a 5% down payment on the purchase price. In addition, these households would only be able to afford a condominium apartment. A household would have to be earning incomes in the 9th income decile to be able to afford the average house price in Peel Region and only households in the highest income decile would be able to afford the average house price for a single detached home. This means only 20% of the entire population in Peel is able to afford the average house price, while 76.2% of the housing stock is made of owned dwellings. When looking at single detached dwellings alone, only 10% of the population can purchase such a unit without spending 30% or more of their income on housing even though 56.8% of the owned housing stock are single detached dwellings.

This suggests a need for affordable ownership options for households with moderate incomes as well as an adequate supply of market rate rental options to ensure that households who cannot afford home ownership can still live in Peel Region.

Figure 62: Comparison of Average House Prices to Affordable House Prices by Peel Region Household Income Deciles: Peel Region; 2017

Deciles	Affordable House Price by Decile	Average Home Price in Peel by Home Type				
		All Home Types	Detached Homes	Semi-Detached	Town/Row/Attached	Condo/Apt
		\$722,428	\$958,767	\$674,505	\$628,443	\$387,211
Decile 1: \$28,850	\$114,748	No	No	No	No	No
Decile 2: \$44,728	\$177,905	No	No	No	No	No
Decile 3: \$59,156	\$235,291	No	No	No	No	No
Decile 4: \$73,828	\$293,645	No	No	No	No	No
Decile 5: \$89,389	\$355,509	No	No	No	No	No
Decile 6: \$106,002	\$421,617	No	No	No	No	Yes
Decile 7: \$126,077	\$501,508	No	No	No	No	Yes
Decile 8: \$152,313	\$610,768	No	No	No	No	Yes
Decile 9: \$195,721	\$791,592	Yes	No	Yes	Yes	Yes
Decile 10: \$195,722	\$791,593	Yes	Yes	Yes	Yes	Yes

Source: Toronto Real Estate Board Market Outlook January – December 2017, Statistics Canada Custom Tabulation data 2016 and Region of Peel Affordable House Price Calculation based on a 5% down payment and spending 30% on housing costs

Key Findings

WHAT IS THE NATURE OF THE AFFORDABILITY OF HOUSING IN PEEL REGION?

Households who are facing housing affordability issues in Peel Region are increasing and the proportion of these households is higher than in some comparator municipalities.

- In 2015, 31.8% of all households in Peel Region were facing housing affordability issues; up from 25.8% in 2000. In terms of actual numbers, households facing housing affordability issues increased by 72.2% from 2000 to 2015.
- The proportion of households in Peel Region who were facing housing affordability issues is lower than the proportion in Toronto (36.5%) but higher than the proportions in York Region (31.4%), Halton Region (23.7%), and Durham Region (25.1%) in 2015.
- Brampton had the highest share of households facing housing affordability issues at 33.6% of all Brampton households in 2015. Mississauga had 31.3% of all its households facing housing affordability issues while the proportion in Caledon was 21.1%.

- As can be expected, households with low incomes are much more likely to be facing housing affordability challenges, with 70.3% of all households with low incomes spending 30% or more on housing costs. Even households with moderate incomes are facing housing affordability issues. In 2010, 30.5% of these households were spending 30% or more of their income on housing costs.

Certain household types are more likely to be facing housing affordability challenges, indicating a need for a diverse range of affordable housing options to meet these different needs.

- Larger households with five or more persons, youth households, recent immigrant households, couples with children and immigrant households have greater shares of households facing housing affordability issues.
- While renters, in general, have lower incomes and are more likely to face housing affordability issues, a greater share of home owners with low incomes are facing severe housing affordability challenges compared to renters with low incomes (42.8% vs. 37.2%).

There is a significant gap between housing supply and housing need, particularly for households with low incomes in Peel Region.

- Renter households with low incomes (i.e. with incomes in the 1st to 3rd renter income deciles) would not be able to afford average market rents unless they spent more than 30% of their income on housing costs. The average market rent for the purpose-built rental supply is only affordable to renters in the 5th renter income decile. In addition, the average market rent for the secondary rental market is only affordable to renters in the 7th renter income decile in 2017.
- The average house price for all dwelling types in 2017 is only affordable to Peel Region households with incomes in the 9th and 10th income deciles unless households spent more than 30% of their income on housing costs. Average prices for condominium apartments are affordable to households with incomes in the 6th income decile although this dwelling form may not be appropriate for all household types, particularly larger families.

Housing Gaps Along the Continuum

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What are the current and emerging housing gaps in Peel Region?

The housing market can be viewed as a continuum where, ideally, supply responds to a range of needs in a community. However, the housing needs in a community are not always met in the private housing market. This is particularly true for households with low incomes and those with unique housing needs, such as seniors and persons with disabilities.

This section shows a summary of the housing gaps in Peel Region along the housing continuum. Affordable rents and house prices have been calculated based on the Provincial Policy Statement definition for affordable housing. Household counts, characteristics and housing unit counts along the housing continuum are for 2016 while average house prices and rents are for 2017.

Emergency Housing

Who is in Need?

Any individual or household can be in need of emergency shelter. However, most commonly, households in the first income decile with incomes below \$28,850 are at the highest risk of needing a shelter or transitional housing. This group would include all people living alone who are earning the minimum wage or are receiving Ontario Disability Support Program (ODSP) or Ontario Works (OW) benefits in 2017. Certain household types were more likely to be in the first income decile than others. These were primarily households led by youth (50.1%), singles (33.9%), recent immigrants (25.9%), Indigenous households (13.9%) and Lone parents (16.0%).

The data show that the number of individuals accessing the shelter system in Peel is increasing. In 2016, there were 14,858 overnight stays by individuals and families who sought access to emergency housing in Peel, which is a 26.9% increase over 2015. This did not include the number of people deliberately choosing to stay out of the shelter system. A homeless count during the 20,000 homes campaign in 2016, estimated that 38% of the homeless population identifies as chronically homeless and 15.7% of Peel's homeless population slept rough.

Supply

There are 546 shelter beds in Peel Region. Most of these beds are located in Mississauga (412) and some in Brampton (134). There are no shelters in Caledon. The Region also manages 111 transitional housing units. Similar to shelters, the majority are

located in Mississauga (82) and several in Brampton (28). There are no transitional housing units in Caledon. Average occupancy data for 2017 showed nearly all shelters operated at, or over, their capacity.

Closing the Gap

Generally, best practices recommend policy makers to ensure households have better access to permanent housing solutions as opposed to creating additional emergency spaces. However, the shelter occupancy rates, and the increasing number of individuals and families accessing the shelter system in Peel, indicate there is a need for additional shelter beds and transitional housing units. During consultation sessions with Region of Peel staff, it was noted that these beds and units should be created in flexible way to allow them to be easily transformed to more permanent types of housing in the future.

A target for the creation of additional shelter beds and transitional housing has been identified in the next section to address this gap. However, the need cannot be addressed with just bricks and mortar solutions. In accordance with the Housing First approach, additional services and system change are required to make sure the gap is addressed.

In terms of services, Region of Peel staff and community agency representatives indicated there are limited services available for people who need them, such as people with mental health issues or substance abuse issues. Regional staff during focus group sessions indicated there are many who fall through the cracks because of the way the current system operates. It was identified that front-line staff do not always make the connections needed to help people improve their life situation when they reach out for help. For example, other than informal conversations between staff, there are no links between housing and employment supports, except for a very limited segment of subsidized housing applicants. This indicates a need to re-examine values and to ensure that people are provided with pathways out of poverty.

In terms of systems change, regional and local municipal staff and representatives of community agencies highlighted the need to have a better way of sharing data and information. It was mentioned that the inability to share information causes departments at the Region to not always work together as efficiently as possible. Furthermore, in some cases, partners are not aware of the services that are currently available. It was also mentioned there is some duplication of services among community agencies. Sharing data and information with all housing partners will increase the capacity of all stakeholders to meet the specific needs of unique population groups and to connect these individuals to the appropriate support services they need to obtain and maintain their housing.

Regional staff and community agency representatives also stated that there was an opportunity to engage non-traditional housing stakeholders, such as private landlords and employers, in meeting the needs of Peel residents. In the current housing system,

these non-traditional housing stakeholders have limited opportunities to contribute in a meaningful way.

Supportive Housing

Who is in Need?

Seniors (65 years and over) and individuals with a disability are more likely to need of supportive housing compared to the general population. In Peel Region, the number of households lead by a senior grew by 115.6% since 2001 and the number of households with a member with a disability grew by 45.5%. This is significantly faster than the general population, which grew by 39.3% over that same time period.

In absolute numbers, Brampton saw the fastest growth of seniors (151.6%) and households with a member with a disability (78.5%) between 2001 and 2016. However, when adjusted for the general population growth in each local municipality, Caledon and Mississauga saw steeper increases among these households compared to the Municipality's average population growth.

Although, households in all household income deciles could be in need of supportive housing, generally the households in most need fall within the first income decile with annual incomes below \$28,850. This is because of a lower likelihood to obtain income out of employment and a higher likelihood of relying on government transfers such as the Canada Pension Plan (CPP) or ODSP.

The wait lists for supportive housing are long in Peel Region, and significantly outnumber the total supply. In 2015, there were 2,396 individuals on a waitlist for some form of supportive housing. Demand was particularly high for individuals with intellectual disabilities (29.8% of all individuals on a waitlist) and individuals with mental illness (45.6% of all individuals on a waitlist). These numbers did not include individuals currently living in Peel Region who might be on waiting lists with organizations in other municipalities in the GTA such as Toronto, York Region, Durham Region or Halton Region.

Supply

In 2015 there were 1,645 supportive housing units in Peel Region. These units were managed by 22 non-profit organizations. The majority of supportive units were in Mississauga (527), while 191 and 228 units were located in Brampton and Caledon respectively. For 699 units, there was insufficient data to determine the local municipality where they were located.

Closing the Gap

The data indicates there is a strong need for additional supportive housing in all local municipalities. In 2015 the wait list outnumbered supply by 45.6% (751 individuals). In

terms of target groups, the need was particularly high among people with intellectual disabilities, mental illness and frail health.

When looking at the location of supply, Brampton and Caledon showed the strongest need for additional supportive housing. For Brampton this is the case because of its rapid overall population growth, and for Caledon because the population that is more likely to require supportive housing is growing at a significantly faster rate than its overall population.

Given the significant gap in housing supply, a specific target for the creation of additional supportive housing has been identified in the next section. However, as was mentioned earlier in the segment on emergency housing, bricks and mortar solutions alone are not sufficient to close the gap. The aforementioned comments on additional services, system change and better data sharing are relevant to the supportive housing component of the housing continuum as well.

Social, Subsidized Rental Housing and Affordable Rental Housing

Who is in Need?

Social, subsidized and affordable rental housing mainly serve households in the first two income deciles with incomes below \$44,728. The Peel Household Income Limits for 2017 indicate that households in the third income decile with incomes up to \$59,156 could also qualify for a social or subsidized unit. However, households in the third income decile also have options in the private rental market.

According to the 2016 census, there were 129,054 households with low incomes in Peel Region. The largest share of households with low incomes lived in Mississauga (59.8%), followed by Brampton (38.0%) and Caledon (2.1%).

House prices and rents in the private housing market have increased at a much faster rate than household incomes, which has left many households struggling to afford housing. Of all households with low income, 70.3% spent 30% or more of their annual household income on housing costs. A total of 40.2% of households with low income had severe housing affordability issues as they spent 50% or more of their household income on housing costs.

Certain household types with low incomes were more likely to spend 30% or more of their income on housing. This was particularly true for households with five or more persons (85.6%), recent immigrants (84.7%), youth (83.9%) couples with children (82.6%), and non-family households with two or more members (73.1%).

In 2016, the centralized waitlist had 12,958 individuals and families waiting for rent geared to income housing. However, social and subsidized units throughout the Region

are available to all qualified residents living in Peel Region and other areas. When looking at waitlist data by municipality of choice, 54.8% listed Mississauga, 34.0% Brampton, and 11.2% Caledon as their preferred municipality.

Supply

The known supply, including supportive housing, rent supplement units and second suites, amounted to 34,314 units in 2016. There were 13,143 social housing units, an estimated 16,496 second suites, 4,378 rent supplement units³⁵, and 1,645 supportive housing units. The majority of the supply is located in Mississauga (57.0%), followed by Brampton (41.4%) and Caledon (1.8%)³⁶.

Closing the Gap

The data showed there is a strong need for additional social, subsidized and affordable housing in Peel Region and all its local municipalities. In particular one and two bedrooms for smaller families and three and four bedrooms for larger families.

The need is particularly high in Brampton as most of the affordable options were located in Mississauga, and incomes were generally higher in Caledon. In addition, Brampton has been the fastest growing municipality in the Region. The housing stock has less rental housing compared to Mississauga and incomes are, on average, lower than in Caledon. While Brampton stands out at the moment, household growth projections suggest Caledon will see higher levels of growth in the next 15 years. If no attempts are made to add additional affordable options to the housing stock, Caledon will start to see the same issues currently experienced in Brampton.

Although a specific target for affordable rental housing has not been established, a target for units affordable to households with low incomes and a specific target for rental housing have been established in the next section.

Furthermore, it is not only important to add new housing stock, but also to maintain the existing stock. A large proportion of the Region of Peel's social housing stock is with independent non-profit housing providers and cooperatives. As operating agreements end, there is a possibility of losing some of these rent-geared-to-income units when these housing providers re-evaluate their portfolios to ensure continued financial sustainability. Even if these units remain as RGI units, there will also be a need to ensure that these units are in good condition. In addition, many rent supplement units are with private landlords. As such, it is also necessary to ensure these private rental units are maintained in a state of repair.

³⁵ Region of Peel (October 2017). Council Report: Housing System Investment Framework (2014-2018) Update.

³⁶ These percentages do not include rent supplement units as the location for these units were not provided.

Market Rental Housing

Who is in Need?

The private rental market primarily serves households with incomes in the third to the sixth income deciles, (from \$44,729 to \$106,002 in 2017). As was mentioned previously, there is some overlap between the social, subsidized and supportive housing sector, particularly for households in the third income decile who are able to afford some units in the private rental market, particularly smaller units.

Average market rents for purpose-built rental units are affordable to households in the third income decile while average market rents for units in the secondary rental market (\$1,780) are affordable to households from the higher end of the fourth income decile.

In 2016, there were 129,054 households with moderate incomes in the fourth to the sixth income deciles. Of these households, 30.5% spent 30% or more of their income on housing.

Certain households with moderate incomes were more likely to encounter affordability issues. These households were primarily larger family households with more than five persons (49.0%), couples with children (38.6%) and immigrant households (35.5%).

Previously households in the sixth income decile might have been able to enter homeownership more easily, but this is becoming increasingly difficult with the average house prices in Peel Region increasing at a significantly faster pace than inflation. That might explain why among homeowners with moderate incomes 35.7% spent 30% or more of their income on housing costs.

Supply

There were 68,666 market rental housing units (excluding second suites which are part of the affordable rental supply) in Peel Region. Of these units, 38,243 were part of the primary rental market and 45,633 of the secondary rental market. About 72.5% of the primary rental apartments and 65.2% of the secondary rental apartments were located in Mississauga, followed by Brampton (27.2% of the primary rental market and 31.3% of the secondary rental market) and Caledon (0.1% of the primary rental market and 3.4% of the secondary rental market).

Closing the Gap

The data shows a strong need for additional market rental housing, particularly for larger families and immigrant households. In general, there were very limited rental housing options throughout Peel Region, particularly in Brampton and Caledon, in 2016. In many cases, rental housing would provide households who are not yet financially ready for home ownership a viable alternative. This may explain why a larger proportion of home owners with moderate incomes were facing housing affordability issues compared to renters with moderate incomes.

Although a specific target for market rental units has not been established, a target for units affordable to households with moderate incomes and a specific target for rental housing has been developed in the following section of the report.

In addition to new market rental housing units, it is necessary to ensure the existing stock remains in a state of repair. In general, dwellings in Peel Region are in fair condition, with only 4.2% requiring major repairs in 2016. However, a larger proportion (6.4%) of the rental housing stock in Peel is in need of major repairs, particularly in Mississauga, where the majority of the stock is located and 6.6% of rental units are in need of major repairs. Part of the reason is that the purpose built rental housing stock is predominantly built in the 1970's. This may be a concern in the near future since, as previously mentioned, a large number of households with low incomes who are receiving rent supplements from the Region of Peel live in these buildings.

Ownership Housing

Who is in Need?

Home ownership is predominantly available to households with high income in the seventh income decile and above. Among households with high incomes, 3.2% were spending 30% or more of their income on housing. However, home ownership for first time home buyers is becoming less attainable as prices continue to increase. In addition, existing home owners are finding it increasingly challenging to move as their incomes cannot keep up with the increase in house prices.

The affordability analysis showed home ownership in Peel Region is affordable to households with incomes from the sixth income decile and above, based on average resale prices. However, the analysis also showed that for households in the sixth and seventh income deciles, only condominium apartments are affordable. Townhouses and row houses are only affordable to households in the ninth income decile and above. Single detached and semi-detached units were only affordable to households in the ninth and tenth income deciles.

Supply

The data shows there were only 95,280 owned units that fell in the condominium, row house or townhouse category. These were affordable to 129,054 households. In comparison, there were 232,200 owned detached and semi-detached units which were affordable to only 83,036 households.

Closing the Gap

The housing stock in Peel Region is primarily focused on single-family homes, such as single detached and semi-detached dwellings. This is particularly true in Brampton and Caledon where respectively 76.6% and 92.2% of the owned housing units are single or semi-detached dwellings. In comparison, in Mississauga only 63.9% of owned homes were single or semi-detached dwellings. While these dwelling types are a good option

for many households, demographic trends suggest a need for a more diverse housing supply. Couples with children have been growing at a significantly slower rate than the overall population, while lone parents, single person households, seniors and households with a member with a disability have grown significantly faster than the population as a whole. Single detached homes may not be the most appropriate house type for seniors or individuals with a disability, who may find it challenging to maintain this dwelling type. Smaller households such as lone parent families or people living alone may prefer smaller housing options, either to better suit their lifestyle or for financial reasons. In addition, single- and semi-detached dwellings are less affordable so a predominance of these dwelling types for ownership housing would limit the ability of households with moderate incomes to attain home ownership.

Although a shift is occurring towards more diverse dwelling types in Mississauga, this shift needs to happen in Brampton and Caledon as well to ensure all communities have options for all types of households and all income levels. The current data suggests this is not the case. While building permits for single or semi-detached dwellings represented 16.5% of all residential building permits in Mississauga in 2016, this was 70.8% in Brampton and 73.0% in Caledon. Having a diverse supply of ownership housing in a community supports a greater mix of household types and incomes.

Summary

This analysis shows that the need for affordable rental housing is most acute among households with low incomes who are homeless or precariously housed, for whom there are very limited options available (see table below).

However, households with moderate incomes and even some households with high incomes also require assistance in the form of a more diverse housing supply. Increasing the supply of market rental units and, including larger units, would provide households with moderate incomes with an alternative to home ownership, which is becoming less affordable.

Figure 63: Summary of the Housing Gaps Along the Continuum for Households with Low and Moderate Incomes

Emergency / Temporary Housing		Permanent Affordable Housing		
		Low Income (Households with earnings of \$59,156 or less)	Moderate Income (Households with earnings of \$59,157 - \$106,002)	Supportive Housing
Who they are	Households / persons without permanent housing	129,054* households in 2016 (income deciles 1-3)	129,054* households in 2016 (income deciles 4-6)	Households / Persons with need for permanent supportive housing
	26.9% shelter use increase: <ul style="list-style-type: none"> • Shelters at capacity • Insufficient beds for victims of family violence and no beds for victims of human trafficking • Lack of upfront diversion / prevention • Lack of transitional support for youth / victims of family violence 	70% of households cannot find affordable housing: <ul style="list-style-type: none"> • Larger households • Multiple family households • Couples with children/lone parents • Immigrant households • Youth households • Seniors • Persons living alone • Two or more unrelated people living together • People with a disability 	30% of households cannot find affordable housing: <ul style="list-style-type: none"> • Homeowners • Larger households • Couples with children • Multiple family households • Immigrant households 	50% of demand unmet: <ul style="list-style-type: none"> • Mental illness (4 times more people on the waitlist than units) • Physical disabilities • Acquired brain injury • Intellectual disabilities • Autism spectrum • Frail health • Substance abuse - addictions
	<ul style="list-style-type: none"> • Safe, stable temporary housing to address immediate needs • Quicker access to permanent housing • Transitional units for youth and victims of family violence 	<ul style="list-style-type: none"> • Rental housing which costs \$1,259 or less per month** • Homeownership no more than \$235,291*** • 1 and 2 bedroom units for smaller households • 3+ bedroom units for larger households 	<ul style="list-style-type: none"> • Rental housing which costs no more than \$2,650 per month** • Homeownership which costs no more than \$421,617 • Units with 3+ bedrooms for larger households 	<ul style="list-style-type: none"> • Affordable supportive housing units

* Low income and moderate income households are based on 3 income deciles, therefore they have the same amount of households in each income group

** Based on 30% of monthly estimated average household income (2017) for households within this earnings segment and other housing cost factors

*** Based on 30% of maximum expenditure on ownership housing for households within this earnings segment

4.0 Outcomes, Strategies, and Roles

“

How do we get to our preferable housing system?

This section of the Housing Strategy provides a summary of the dynamics at play in the current housing system in Peel. Next, key trends in the environment are highlighted which, along with the Housing Gaps identified in the Needs Assessment, provide reasons for system-level change. Under the subsection An Appetite for Change, Peel staff and key stakeholders provide a glimpse into what it is like to create change at the Region and what barriers stand in the way of achieving our housing objectives. Next, a detailed Road to 2028 is presented, which includes Housing Targets, Strategies and Outcomes, and descriptions of potential roles for Peel’s housing system stakeholders.

A Summary of the Housing Gaps in Peel

Peel Region is growing faster than Ontario and most other comparator municipalities and it is expected to continue to grow at a similar pace in the next twenty years. Relative to the population growth and demographic developments, some forms of housing have not been able to keep up with the increasing need. In particular emergency housing, supportive housing, social and subsidized rental housing, as well as market rental housing.

Emergency and Transitional Housing

One of the key findings from the housing needs assessment was the need for emergency shelter beds and transitional housing units as well as wraparound supports. The number of individuals and families who need emergency services in Peel Region grew by 26.9% between 2015 and 2016. Occupancy data showed shelters are operating at, or over their capacity. Households in the first income decile are at the highest risk of needing emergency housing. This includes some of Peel’s most vulnerable households such as single individuals earning minimum wage in 2017 and people receiving OW or ODSP benefits. In addition to a general need for additional emergency and transitional housing, it was found that there was an insufficient supply of emergency housing for victims of family violence, victims of human trafficking, and youth. The housing needs assessment also identified inadequate services to prevent homelessness and the wraparound supports for people moving from homelessness to housing. As such, a target for the creation of additional shelter beds and transitional housing units has been identified as part of the affordable housing target for households with low incomes. In addition, Strategy 1: Improve Service Access identifies five immediate actions and five fundamental changes which will help address the need for emergency and transitional housing in Peel Region. These actions will also help

achieve the long-term outcome of preventing homelessness in Peel and the short term outcomes of reducing chronic homelessness.

Supportive Housing

The housing needs assessment also showed a significant need for additional supportive housing units. The population in the Region has been growing, and household types who are more likely to require supportive housing, such as seniors and households with a member with a disability, have grown at an even faster rate. The wait lists for supportive housing are long and outnumber the total supply almost two to one. Although the need is present across the entire spectrum, in particular housing options for individuals with mental illness and intellectual disabilities are required. As such, a target for supportive housing units has been identified as part of the affordable housing target for households with low incomes. The immediate action and three fundamental changes identified under Strategy 5: Increase Supportive Housing will also help address this need. These actions and targets will help achieve the long term outcome of having affordable housing available for all Peel residents as well as the short term outcomes of increased successful tenancies and an increased availability of supportive housing.

Housing for Low-Income Households

The largest housing gap was identified for households with low incomes (i.e. those earning \$59,156 or less in 2017). Over 70% of these households (about 90,000 households in Peel) cannot secure housing that costs less than 30% of their income. Some household types with low incomes are even more likely to face housing affordability issues. These households include larger households with five or more people, couples with children, recent immigrants, youth, non-family households with two or more members, and lone parent families. As such, a target has been identified for new housing units which are affordable for households with low incomes. In addition, the actions and fundamental changes under Strategy 2: Build More Affordable Housing and Strategy 4: Optimize Existing Stock will help address this need and reach the long term outcome of having affordable housing available to all Peel residents and the short term outcome of an increased availability of affordable housing for low income families.

Housing for Moderate-Income Households

A relatively smaller gap exists for moderate income households (i.e. those earning \$59,157 and \$106,002 in 2017). A total of 30.5% of these households are facing housing affordability issues. Some household types with moderate income are even more likely to face housing affordability challenges, including larger households, couples with children, multiple family households, and immigrant households. In addition, average house prices in Peel Region are increasing at a significantly faster pace compared to household incomes and this trend is expected to continue in the near future. As such, increasing the supply of market rental units, including larger units, would provide households with moderate incomes an affordable alternative to home ownership. Targets have been set for rental housing as well as housing affordable to households with moderate incomes. Actions and fundamental changes outlined under Strategy 3: Incent Building Affordable Housing will also help meet this need and achieve

the long term outcome of having affordable housing available to all Peel residents and the short term outcome of an increased availability of affordable housing for moderate income families.

Setting the Stage

To support the development of outcomes, strategies and roles, a system analysis was undertaken which addressed three key topic areas: working in complex system, a call for system modernization, appetite for change.

Working in Complex System

The structures, functions, and elements of Peel’s housing system stakeholders are currently producing some adverse outcomes for the residents of Peel Region. A significant unmet affordable housing need remains. In addition, many research participants indicated that there are widespread negative consequences for the whole community, associated with housing individuals inadequately (e.g. providing an un-supportive or non-secure living option to a household or individual requiring supports to maintain their tenancy).

“We are not able to send supports in as fast as we can; the longer we wait, the more directions we get to evict people.”

– Region of Peel Staff

The current mechanisms often force the system to focus resources on reactive measures (that are far from the root of the problem), instead of directing resources to root causes. For instance, low vacancy rates in affordable housing often generate increased need for emergency shelters as a temporary solution. Poor conditions in social housing buildings that require major repairs can

reinforce stereotypes of ownership housing being the “superior” form of tenure.

The quantitative and qualitative data both revealed the following system outcomes and dynamics within Peel Region.

- Household income growth is not geographically-distributed across the region.
- The development sector is building predominantly single-detached and semi-detached dwellings.
- With very low rental vacancy rates, the greatest proportion of growth is happening in the secondary rental market.
- There is a growing need to address reinforcing power structures within the system, which create positive outcomes for some and leave others behind.

“The current system is set up to keep people in shelters and to normalize shelter life.”

– Region of Peel Staff

“We are working in a system of oppression, limiting the success of certain populations.”

– Community Leader

- There is a growing need to better understand the fit of housing options for evolving population groups.
- Current procurement processes reinforce the current system, as the Region focuses on executing processes instead of developing innovative partnering strategies.

A Call for System Modernization

The changing environment surrounding Peel's housing system brings a call for system modernization. The following trends are shaping outcomes for Peel residents:

The concepts, ideas, and paradigms we use to define the world around us are changing.

Affordable housing is no longer seen as a need for only low-income households. By accepting housing as a key social determinant of health, the need for housing that fosters supportive environments (whether formal supports are included or not) for the vast range of ages, stages, and abilities within our society is acknowledged.

The social structures and relationships that organize our communities are evolving.

The need for affordable housing in Peel Region cannot be seen as a problem owned solely by the Region. To keep up with public expectations, a more tailored approach to housing will be required – blanket solutions will no longer address current gaps. A more flexible approach in the policy-making process may be necessary.

The practices we use to connect people, places, and things are changing.

There is a growing expectation that housing development take place within complete communities for increased quality of life and to reduce the environmental impact of development and city living.

Our approaches to creating policies and services are evolving.

There is an opportunity for strategies to propose an adoption of new models for housing innovation – through the use of different building and construction technologies, involving unusual partners, and creating customized living spaces for populations in need.

Our preferences around how we access human services are shifting.

There is a risk involved in perpetuating the status quo at the Region. The Region must marry the concept of modernized services with a shift to measuring outcomes that reflect today's values, cultures, and beliefs about the society in which we want to live. For instance, self-serve and automated government services are becoming the norm.

An Appetite for Change

There is widespread consensus across Region of Peel staff and community leaders that significant change is required to achieve the housing targets established as part of this Housing Strategy.

Barriers

While there is a desire for change, there is a certain level of resistance to new ideas and ways of working. Peel staff described moderate levels of resistance to change within the Peel housing system and within their divisions.

With extensive mandates and priorities comes inertia and increased difficulty taking action. Current metrics such as an extensive waitlist may provide a useful advocacy tool, however do not provide a source of motivation to develop new solutions as the goal simply feels unattainable. These ambitious aims also create a sense of scepticism around new ideas and innovations that might be brought forward.

“With the bureaucracy and regulation, we often don’t know who is in charge... so you stick to what makes sense to you.”

– Steering Committee Member

Confusing levels of bureaucracy also increase our resistance to change, as Peel staff do not always have a clear understanding of who can and should make a decision regarding a particular idea or solution.

Dissatisfaction with the Status Quo

Peel staff expressed a strong dissatisfaction with the status quo in Peel’s housing system: from a desire to be able to deliver on outcomes, to a desire for stronger leadership in creating system change. There was an agreed sentiment that it should be clearer how the Region is delivering value for tax dollars.

“The ‘photo op’ is never with the people!”

– Steering Committee Member

Peel staff are not satisfied with the current pace of work and level of coordination in the process. This would require taking more of a systems-thinking approach to problem solving in the housing space. There is also a strong desire to consider human-centred design principles across the system. This might include paying close attention to seniors’ futures, finding a balance between creating individual impact for a person or household, and creating collective impact for the region.

“We are pushing a string – we move by each little push, but we’re not going anywhere.”

– Steering Committee Member

There is also a sense of dissatisfaction with the level of alignment across the organization. It was expressed that not all groups and stakeholders see a problem with the way we are working today, while others have a strong desire to act boldly and

question current legislation that prevents the Region from being successful. These sentiments reinforce the lack of coordination and a focus placed more strongly on tactics and process to get the job done, versus developing new strategies and approaches. An example of this scenario is in the lack of focus on maintaining old housing units, due to the strong focus on increasing the housing stock.

Opportunities

This new Plan and Housing Strategy provides an opportunity to strengthen the collective vision for the future and to build consensus around an action plan for change. This will help stakeholders in the system understand where to direct their efforts to generate the greatest impact for the community.

There is an opportunity to co-develop and articulate the philosophies and values embedded in the decisions made at the Region, to better articulate Peel's role in the housing system, especially as it is acknowledged that the Region cannot be "everything to everybody" and that the current way of working separately on all aspects of the housing continuum should be re-evaluated.

The proposed vision, outcomes, strategies and actions were developed in response to the identified housing gaps, the complexity of the housing system, the need to modernize the housing system, as well as the Region's desire for change.

The Road to 2028 and Beyond

Vision

Through the research, project participants fine-tuned the current vision and direction for housing in Peel Region. Based on the current-state analysis and descriptions of the collective preferable future state, a decision was made to embody the existing vision of Peel Region's Strategic Plan, the goal of the 2014-2024 Housing and Homelessness Plan, and the 2041 Region of Peel Official Plan review in this work.

Vision	Goal
Community for Life.	Everyone has a home and homelessness is eliminated.

Outcomes

The two long-term outcomes for which Peel should be striving towards are:

- Affordable housing is available to all Peel residents
- Homelessness in Peel is prevented.

In addition, shorter term outcomes have been established to enable regular measurement and monitoring of results:

- Increased availability of affordable housing for low income families;
- Increased availability of affordable housing for middle income families;
- Increased successful tenancies;
- Increased availability of supportive housing; and,
- Reduction in chronic homelessness.

Achieving these outcomes will require a number of integrated strategies working in tandem to create a complete solution. These strategies have been designed to address immediate challenges within the housing system, and create greater positive impact for the residents of Peel. The strategies and actions are outlined in the section following the identification of housing targets.

Housing Targets

The Provincial Policy Statement requires municipalities like the Region of Peel to set minimum targets for the provision of housing which is affordable to households with low and moderate incomes. In addition, the Provincial Growth Plan requires that targets be set for affordable rental and ownership units and a diverse range and mix of housing options as part of a housing strategy. The Housing Services Act also requires that a municipality's housing and homelessness plan include targets relating to housing need. The Regional Official Plan identifies Annual Minimum New Housing Unit Targets. However, the housing needs assessment undertaken as part of this current work identified a need to update these targets.

These proposed targets focus on addressing housing needs associated with future growth as identified in the provincial Growth Plan rather than current need. These targets aim to support the Region's vision of a **community for life**.

The housing targets represent ten-year targets to guide the implementation and priority setting for the Peel Housing and Homelessness Plan as well as the Peel 2041 Housing Policy Review to update the targets in the current Peel Regional Official Plan. These targets were developed based on the results of the housing needs assessment for the entire continuum which identify current and emerging housing need. These targets are also aligned with the Region's growth management work based on the 2041 Provincial forecasts.

Affordable Housing Targets

A ten-year minimum target of 20,000 units or 2,000 affordable units each year is recommended. This represents a rounded figure of about 30% of all new housing units projected in the next ten years (a total of about 75,000 units or 7,500 units annually) based on the number of low and moderate income households in Peel Region who are spending more than 30% of their income on housing costs.

These targets have been developed to address the housing needs of households with low and moderate incomes. The affordable housing targets have been further broken down for households with low incomes (10,000 units) and households with moderate incomes (10,000 units). While the greatest need is among households with low incomes, data from 2016 shows an increasing need among households with moderate incomes. In addition, these targets have been developed with the intent that meeting them will involve, not just the Region, but also local municipalities, senior levels of government, the private sector, the not-for-profit sector, and all other housing partners. It is anticipated that the targets for households with low incomes will be primarily met by the Region and senior levels of government in collaboration with other housing partners. Housing targets for households with moderate incomes are expected to be met primarily by the private and not-for-profit sectors and local municipalities with some targeted support provided by the Region.

The share of affordable units for each area municipality has been identified to ensure that residents throughout Peel Region will have access to affordable housing. This distribution is based on the proportion of Peel households forecast by local municipality in Peel in 2028.

The target of 1,000 units per year for households with low incomes includes subsidized housing units, supportive housing units, emergency shelter beds, and transitional housing units. The majority of these units would be rental units with a maximum monthly rent of \$1,259 (in 2017) which is the affordable rental threshold for Peel Region based on the provincial definition of affordable housing³⁷. In addition, households in the upper end of the third income decile can afford monthly rents up to a maximum of \$1,479 (in 2017) if they were to spend no more than 30% of their gross household income on housing³⁸.

The target of 1,000 units per year for households with moderate incomes would include rental and ownership options. The maximum monthly rent that these households can afford (based on spending 30% of their income on housing cost) is \$2,650 (in 2017). The maximum house price would be \$421,617 (in 2017) which is the maximum house price affordable to households in the 6th income decile and which is the affordable ownership threshold based on the provincial definition³⁹.

³⁷ The PPS defines affordable rental housing as “the least expensive of a unit for which the rent does not exceed 30% of gross annual household income for low and moderate income households; or, a unit for which the rent is at or below the average market rent of a unit in the regional market area.” This rental threshold (\$1,259) is based on the average market rent for Peel Region in 2017 which is lower than what the top range of household in the third income decile can afford (i.e. spending 30% of their gross household income on housing costs).

³⁸ This dollar amount is based on what households with incomes in the top range of the third income decile can afford.

³⁹ The PPS defines affordable ownership housing as “the least expensive of housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate income households; or, housing for which the purchase price is at least 10% below the average purchase price in the regional market area.” This affordable house price threshold is what the top range of households in the sixth income decile can afford.

Housing Tenure Target

To support the objective of having housing that meets people's needs and preferences throughout their lives, a ten-year minimum housing target for rental housing of 25% of all new housing units to be built over the next ten years. These rental units include non-market units as well as units in the private rental market.

Housing Type Target

A target for medium- and high-density housing has also been developed, which represents 50% of all new housing units built in the next ten years, to help ensure a wide range of housing choices for all Peel Region residents.

Housing Condition Target

A ten-year target to improve the condition of rental housing has also been identified to make sure the existing rental housing stock is maintained in a state of repair.

Target for Chronic Homelessness

A ten-year target was also identified to reduce the number of people who are chronically homeless. This supports the objective of helping people secure and maintain their housing and is in alignment with federal and provincial objectives.

The rationale for setting these targets can be found in section 5.0 Financial Incentives and Planning Tools of this report.

Peel Region Housing Targets

AFFORDABLE HOUSING TARGETS

2,000 new affordable units created each year*
 *20,000 units by 2028

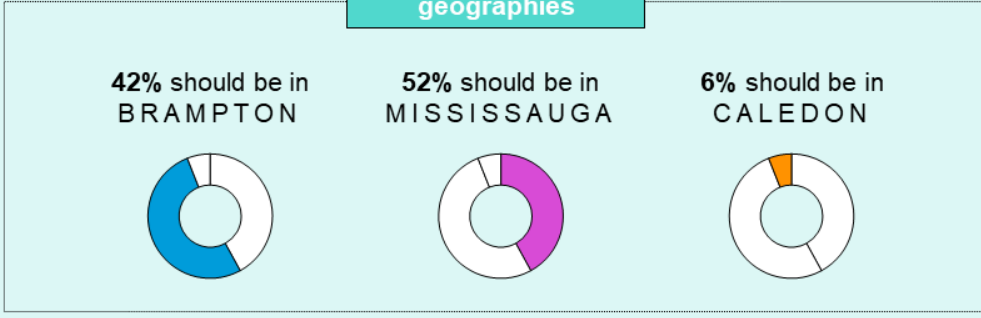
of these units

1,000
 new housing units affordable to households with low incomes (Deciles 1 to 3)
 Rent below \$1,259/month
 House Price below \$235,291
 provided primarily by the public and non-profit sectors

1,000
 new housing units affordable to households with moderate incomes (Deciles 4 to 6)
 Rent up to \$2,650/month
 House Price up to \$421,617
 provided primarily by the private sector

- including →
- Supportive housing
 - Shelters and transitional housing
 - Affordable rental

geographies



TOTAL HOUSING SUPPLY

tenure
 25% should be rental

type
 50% should be medium- or high-density

state of repair
 maintain existing social and affordable units

Methodology for Developing Housing Targets

The assumptions used to develop the recommended housing targets were as follows:

- A total of 7,500 new housing units will be added to the housing stock from 2018 to 2028 based on the Region's growth management work based on the 2041 provincial forecasts.
 - The local municipal breakdown is based on the proportion of Peel households forecast by municipality in 2028: 41% in Brampton, 52% in Mississauga, and 7% in Caledon.
- Affordable housing target of 20,000 units over ten years:
 - Households in the 1st to the 3rd household income deciles (low income households) who were spending 30% or more on housing costs in 2016 made up 21% of all households in Peel Region in 2016. Households in the 4th to 6th household income decile (moderate income households) who were spending 30% or more on housing costs in 2016 made up 9% of all households in Peel Region in 2016. This means that 30% of households with low and moderate incomes in Peel were facing housing affordability challenges.
 - As such, an affordable housing target of 30% of all new dwelling units over the next ten years should be affordable to households with low and moderate incomes.
- 10% of the affordable housing target will be for supportive housing as households with persons with a disability made up 10% of all households in Peel Region in 2016
 - Households with a person with a disability with incomes in the 1st to 3rd income deciles who were also spending 30% or more on housing costs made up 2% of all households in Peel Region in 2016
- 10% of the ten-year affordable housing target will be allocated to emergency shelter beds and transitional housing units
 - The lower end of the target for emergency shelter beds (85 beds) is based on the Peel Region population in 2016 who were below the low income after-tax measure (12.8%) who were homeless over a year's time (8%)⁴⁰. This was multiplied by the proportion of the current homeless population who are homeless not because of insufficient affordable housing (20%)⁴¹ and the estimated average length of stay (0.03)⁴².
 - The higher end of the target for emergency shelter beds (240 beds) is based on a Housing and Urban Development (HUD)⁴³ methodology for

⁴⁰ This proportion is based on U.S. data from the 1996 National Survey of Homeless Assistance Providers and Clients as cited by the Corporation of Supportive Housing (Estimating Need, 2005). The Corporation for Supportive Housing notes that it is not an uncommon estimate that 10% of poor households pass through the homeless assistance system every year.

⁴¹ The Calgary Alberta based Sheldon Chumir Foundation for Ethics in Leadership's report SHELTER: Homelessness in a growth economy: Canada's 21st century paradox states that "the vast majority, approaching 80 per cent in ... American estimates, are needlessly homeless" (Sheldon Chumir Foundation for Ethics in Leadership, 2007).

⁴² This is based on the average length of stay in Peel Region shelters (11 days).

⁴³ U.S. Department of Housing and Urban Development, Office of Community Planning and Development (2011). Calculating the Unmet Need for Homeless Individuals and Families.

estimating the unmet need for emergency shelters in a community. This methodology takes the number of unsheltered homeless persons who need emergency shelter and the number of sheltered homeless persons who only need emergency shelter (based on people who are episodically homeless⁴⁴) and deducting the current number of emergency shelter beds.

- As such, an average target of 150 shelter beds has been identified based on the two methodologies.
- The target for transitional housing units is based on a HUD methodology which takes the number of unsheltered homeless persons who need transitional housing (93%)⁴⁵, the number of people in emergency shelters who need transitional housing (93%)⁴⁶, and the number of people in transitional housing who will only need transitional housing (15%)⁴⁷ and deducts the current number of transitional housing units.
- Please note that the targets for emergency shelter beds and transitional housing units are based on very limited data, including the 20,000 Homes in Peel Registry Week (2016) results which are based on the responses of only 262 individuals as well as counts using City of Toronto proportions for the number of homeless persons who are sheltered and unsheltered. These targets should be updated once data from current initiatives, including the Built for Zero project, becomes available.
- Rental housing target of 25% of all new dwelling units
 - Historical trends showing the proportion of renter households in Peel Region decreased from 25.6% in 2001 to 21.9% in 2006 to 21.8% in 2011 and 23.8% in 2016.
 - These rental units will include units provided for households with low, moderate, and high incomes.
- Medium- and high-density housing target of 50% of all new dwelling units
 - Medium- and high-density housing units refer to row houses and apartments
 - Historical trends of housing completions in Peel Region show that row house and apartment completions made up 21.8% in 2001, 46.5% in 2006, 54.1% in 2011, and 42.5% in 2016
 - The Region of Peel's Healthy Development Assessment Guide large-scale standards state that single detached, semi-detached and duplex housing types do not make up more than 50% of the total units. In combination, townhouses, multiplex, and apartment buildings make up at least 50% of the total units.
 - Hemson Consulting's Peel 2041: Planning for Growth and Managing Risk report, which was undertaken to support the Region's growth

⁴⁴ 26% based on the 20,000 Homes Peel Registry Week results.

⁴⁵ This proportion is based on the average proportion identified by transitional housing providers used in a sample in the HUD document (2011).

⁴⁶ This proportion is based on the average proportion identified by transitional housing providers used in a sample in the HUD document (2011).

⁴⁷ According to the Corporation for Supportive Housing (2005), 10% to 15% of homeless individuals only need affordable housing with transitional supports while 85% to 90% need permanent supportive housing.

management work, notes that the residential minimum intensification rate is set at 50% for 2016 to 2030.

- 50% reduction in chronic homelessness target
 - This is based on the identified provincial target as well as the target in the National Housing Strategy.
- 50% reduction in rental units needing major repairs target
 - Historical trends show that in 2016, 4.2% of all dwellings required major repairs but 6.4% of rental housing units required major repairs. In 2011, 7.1% of rental housing needed major repairs, down from 7.2% in 2006.

Meeting the Targets

It should be noted that meeting these targets is the responsibility of all housing stakeholders in Peel Region. While the Region will take the lead, particularly in meeting the affordable housing targets for households with low incomes, all housing stakeholders, including the local municipalities, non-profit housing providers, and private developers, will contribute to meeting these targets. The Region of Peel is currently undertaking a number of initiatives which will contribute to meeting these identified housing targets. These include the development of a Housing Master Plan which will identify Regional assets which can be optimized to provide more affordable housing, the updated Regional Growth Management Strategy, and the Regional Official Plan which will include housing targets and associated policies. In addition, this Housing Strategy includes a recommended affordable housing program which the Region and its housing partners can choose to implement which will further assist with meeting the affordable housing targets.

Strategies and Actions

Five strategies and a range of accompanying actions are recommended in support of the update to the Peel Housing and Homelessness Plan. The strategies and actions were developed based on the assessment of housing needs in Peel Region and the results of engagement activities with Region of Peel staff, local municipal Staff, and representatives of community agencies. Collectively, and along with the tools and incentives identified in Section 5.0, the actions will contribute to meeting the established housing targets and identified needs.

Strategy 1: Transform Service Access

Transform the delivery of programming through the creation of a new service model to prevent homelessness, divert people from shelters, and match people with the right service.

Immediate Actions

- 1.6 By summer 2018, undertake enumeration of the homeless population in Peel to better understand the extent of homelessness and their needs.
- 1.7 By fall 2018, implement a by-name list of homeless clients to prioritize them for the highest intensity services.
- 1.8 By end of 2018, bring forward an action plan on human trafficking in Peel Region.
- 1.9 By spring 2019, house 50 people experiencing chronic homelessness through the Home for Good Housing First program.
- 1.10 Begin implementation of Action Plan Toward Ending Youth Homelessness pending Council approval on March 29, 2018.

Fundamental Changes

- 1.11 Build emergency shelter and transitional beds for families, youth and victims of human trafficking to meet the targets beginning with the replacement of the temporary 40 bed Regional Youth Shelter in Brampton.
- 1.12 Convene a table consisting of community providers of homelessness services to plan and coordinate services.
- 1.13 Redesign and implement a new model for clients accessing housing and homelessness services to better help clients avoid homelessness, achieve stable housing, or increased income.
- 1.14 Reorient services and policies to reflect a Housing First approach

1.15 Redirect a larger share of Rent Supplement and Housing Allowance funding to support the homeless population and/or those in crisis.

Strategy 2: Build More Affordable Housing

Increase capacity for affordable housing development and reduce costs of development.

Immediate Actions

- 2.5** By the end of 2018, proceed with pre-development planning and planning for the redevelopment of PHC's East Avenue property in Mississauga.
- 2.6** By summer 2019, host an Innovation Lab in partnership with the University of Toronto Mississauga's Masters of Public Policy Program, to develop innovative approaches to creating and financing affordable home ownership for low income individuals and families.
- 2.7** By end of 2019, work with local municipalities to rezone PHC's seven priority sites and Twin Pines for Redevelopment.
- 2.8** Provide program design and evaluation support to the SHIP/TRCA Tiny House Village Pilot at Innovation Park

Fundamental Changes

- 2.9** Work with PHC to regenerate/repurpose its seven priority sites (see Appendix III).
- 2.10** Identify and build the capacity of two or three non-profit housing providers to become adept in the development of new affordable rental housing for households with low- incomes in Peel.
- 2.11** Prepare and implement a Housing Master Plan and financing strategy that describes how and where emergency shelter, transitional, supportive and affordable housing will be developed.
- 2.12** Bring forward recommendations to Council about the preferred model/structure for housing development in Peel.

Strategy 3: Incent Building Affordable Housing

Encourage the market to produce purpose-built rental and affordable homeownership through a modest program of tools and incentives.

Immediate Actions

- 3.2** By summer 2019, bring forward a framework in principle for a Community Improvement Plan (CIP) to direct and stimulate private-sector investment in affordable housing through an incentive-based program.

Fundamental Changes

- 3.8** Work with local municipalities to develop a modest program of land use planning tools and financial incentives to support the development of affordable housing.
- 3.9** Work with local municipalities to develop Official Plan policies that support the development of affordable rental and diverse housing types.
- 3.10** Work with local municipalities to review and revise zoning by-laws to align with targeted corridors, strategic growth areas, and other areas identified for intensification.
- 3.11** Work with local municipalities to review and apply land use planning tools to rezone, and ensure development readiness, opportune areas for affordable housing such as for surplus lands, Peel Living and other appropriate sites.
- 3.12** Develop a Region-wide approach to securing land for affordable housing development including exploring a policy to give priority to affordable housing development in the disposition of surplus land and land banking.
- 3.13** Collaborate with local municipalities to evaluate emerging Inclusionary Zoning regulations to determine appropriateness for future use.

Strategy 4: Optimize Existing Stock

Maintaining existing social and affordable housing stock and leveraging existing private stock to create more and different affordable housing options.

Immediate Actions

- 4.8** By summer 2018, deliver information to Regional Council regarding State of Good Repair for the social housing system.
- 4.9** By summer 2018, explore purchase and repurposing of several Peel Children's

Aid Society properties for use as transitional housing.

- 4.10** By spring 2019, review evidence and best practices in order to identify opportunities to maximize existing stock including home-sharing, co-housing and creating additional second units in Peel designs.

Fundamental Changes

- 4.11** Collaborate with non-profit housing providers and cooperatives as operating agreements and mortgages expire to develop a new Partnership Framework and agreements to replace existing Operating Agreements
- 4.12** Examine the current criteria for Peel Renovates and explore options to expand the program to fund private landlords to improve safety, accessibility, energy efficiency and creation of second units.
- 4.13** Work with the local municipalities to adopt Official plan policies and zoning changes to support diverse housing types (co-housing, home-sharing, etc.).
- 4.14** Develop programs to create movement through the affordable housing stock by supporting those who are “over housed” to move to alternative accommodations and helping people to improve employment opportunities.

Strategy 5: Increase Supportive Housing

Expand the supply of supportive housing and supports provided to existing tenants.

Immediate Actions

- 5.5** By summer 2018, award funding for a new Supportive Housing project.

Fundamental Changes

- 5.6** Work with supportive housing providers and local municipalities to identify and address barriers to the development of supportive housing.
- 5.7** Work collaboratively with provincial ministries and Local Health Integration Networks to develop a plan to meet the supportive housing targets established in this plan.
- 5.8** Work with social housing providers, tenants and support agencies to develop a framework to better connect tenants with support services.

A Role for All Stakeholders

The shift to achieving Peel’s housing targets and addressing the housing gaps requires critical thinking and participation of all system partners. The process challenged some of the rules of the game in Peel and helped broaden the scope of the “housing problem” beyond simply focusing on the bricks and mortar. As a key social determinant of health, this Housing Strategy aims to look at housing through the lens of its role in perpetuating or reducing inequalities in our region.

The overall vision for this Plan is **community for life**. The long-term view adopted in this Plan permits a mix of focus areas to truly adopt a systematic approach to ensure **everyone has a home and homelessness is eliminated** in Peel Region.

To ensure accountability to the community, the Region of Peel will monitor the progress on the actions outlined in this Plan. The progress will lead Peel towards a future where housing supply is responsive and well-maintained, partners in the system have meaningful ways to contribute, and where Peel’s housing system provides a reliable pathway out of poverty.

A Shift in Mindsets

To help develop the Region’s philosophy of work, to move to taking on new roles in the housing system, and to challenge the current conventional wisdom embedded in our structures, processes, and functions within the Region, a range of key trade-offs that the Peel housing system faces when it comes to deciding where to play and how to generate the greatest impact for residents was analyzed.

Citizen-Led Design

Trade-off between:	citizen-led design	and	control over the system.
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There is a desire to move towards adopting more citizen-led design approaches to policy-making. This will require new capabilities in research and facilitation methods that help diffuse power structures, level the playing field, and generate collaborative dialogue around potential solutions. Citizen-led approaches will become possible when citizens and individuals with lived experience are fully immersed in developing and “owning” programs, policies, and new models. There is a risk maintaining the status quo if greater diversity of voices are not integrate in the housing system.

From Mindsets to Actions

There is an opportunity to reflect the principles of citizen-led design especially in implementing actions affecting low-income households, such as Actions 1.3, 1.5, 1.6, 1.7, 1.8, 1.9, 2.2, 4.3, and 5.4. This would mean directly involving the individuals the

Region will serve through the design process: encouraging individuals to develop solutions, provide feedback, and test ideas with Regional staff and other stakeholders.

Human-Centred Design

Trade-off between:	human-centred design	and	system-centric design.
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There is a long-standing desire and belief that the Region of Peel should adopt a system that is flexible, yet coordinated, to work efficiently while placing residents at the centre of all services and systems. To move away from the “quick wins” and system-serving mindsets and approaches, there is a need to be comfortable with changing key measures of success.

From Mindsets to Actions

Similar to the shift toward citizen-led design, there is an opportunity to reflect the principles of human-centred design especially when implementing actions affecting low-income households, such as Actions 1.3, 1.5, 1.6, 1.7, 1.8, 1.9, 2.2, 4.3, and 5.4. This would mean ensuring that the end users’ values, goals, and desires are reflected in the solutions created. Ongoing consultation and qualitative research with households would be required to ensure all outcomes promote increased wellbeing for Peel residents.

Housing as a Public Good

Trade-off between:	housing as a public good	and	housing as an asset
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A strategy is only as good as its surrounding organizational culture. Approaches to engaging with the private-sector development community may only be successful when accompanied by a new mentality around this stakeholder group’s role in the system. For instance, adopting a rules-based or enforcement-oriented approach may result in a less desirable working relationship with prospective community partners. Ongoing conversations and collaboration across interests will be essential to a positive outcome for all stakeholders and thus, impactful solutions for Peel’s housing system.

From Mindsets to Actions

This mindset shift would be most effective in moving Strategy 3 (Incent Building Affordable Housing) forward. Action should involve setting an expectation for private developers that housing is a basic need and a public good, creating positive externalities for the entire Peel community. Private developers would be mandated to participate in affordable housing development as much as possible.

Social Determinants of Health Approach

Trade-off between:	social determinants of health approach	and	siloes housing delivery approach
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Adopting a social-determinants-of-health lens to the housing system requires a shift to solving root causes, versus the “quick wins” discussed previously. It also requires a culture shift away from deferring responsibility for system outcomes. To truly adopt a human-centred, shared-problem-ownership mindset, more flexible budgets and funding across Regional divisions is necessary.

From Mindsets to Actions

Adopting a social determinants of health approach is most necessary in the implementation of Strategy 1 (Transform Service Access) and Strategy 5 (Increase Supportive Housing). This approach requires addressing the broader spectrum of needs in a person’s life that directly reflect their income and health outcomes. To do so, the Region will have to develop new working relationships with adjacent Ministries, departments, and divisions, especially those related to health services, economic development, and welfare.

Relationship-Focused System

Trade-off between:	relationship-focused	and	process-focused
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Part of the design of new partnership and collaboration models with the community will involve the acknowledgement and discussion of the role of the “expert mindset” within government. Similar to the other trade-offs discussed in this section, this shift requires relinquishing power, control, and a deep culture of oversight. Abandoning this mindset will help delegate agency over the housing problem to a broader group of stakeholders, encouraging a community response to improving the livability of Peel Region.

From Mindsets to Actions

A relationship-focused approach to working with collaborators and partners (such as support service agencies, frontline professionals, and other non-profit housing providers) could help amplify Strategy 5 (Increase Supportive Housing) and Strategy 1 (Transform Service Access).

Collaboration and Stakeholder Analysis

The task of providing safe, adequate, and appropriate housing to all residents is an inter-disciplinary problem, requiring collaboration across the current system, its

components, its outputs, and its functions. Only with this analysis will an effective and impactful change management and innovation strategy be proposed for the system.

The following stakeholder groups are included in the analysis:

- Residents of Peel Region
- Region of Peel Staff
- Region of Peel Council
- Peel Living
- Non-Profit Housing Providers
- Private Sector Developers
- Land Owners
- Local Municipalities
- Government of Ontario
- Government of Canada
- Financial Institutions
- Local Employers

The following roles are considered in the analysis:

- Research and policy-making
- Funding
- Financing
- Provision of land
- Housing development
- System access point
- System navigation
- Landlord, property manager, and tenancy services (including homelessness services)
- Support and outreach services
- Education and information
- Convener of system stakeholders

The role of each stakeholder group in meeting the affordable housing targets for households with low and moderate incomes is identified in this analysis.

Residents of Peel Region

Capabilities, Risks, and Opportunities

CAPABILITIES

Citizens have unique cultural, educational, and experience-based knowledge. They have the emotional and real-life connections and stories related to the problems the Region is trying to solve. They are *the* experts in their personal lived experiences. Some citizens also have the willingness and motivation to participate in the public realm and to contribute to making their communities and environments better for their families and networks.

TENSIONS AND RISKS

Working with Peel residents differently requires relinquishing some power, thinking about public service with a new lens, and creating the processes and infrastructure required to successfully involve citizens in a co-design experience in government.

This approach also requires attention to citizen expectations, questions of equality of access to public participation, and acceptance of new forms of data and evidence for

decision-making. The Region must put work into considering how different cultures, ages, and population groups like to participate and share information. For instance, an engagement activity or strategy that is suitable for seniors may not be suitable for youth or for Indigenous groups.

OPPORTUNITIES

The following opportunities are related to this stakeholder group:

- There is an opportunity for local residents to participate more intentionally in the research and policy-making process. This might be through exercises which aim to design a specific service (such as the housing system access point) or experience (such as the intake process at a Region of Peel shelter).
- Citizens may also be excellent channels or community ambassadors for disseminating education and information about housing needs, the importance of affordable housing in a community, and other housing-related initiatives and causes.
- Active and engaged residents may be part of networks that can facilitate community convening around a particular cause or initiative.
- Citizens may also participate by constructing secondary units, through home sharing arrangements, and by making their land or housing available for affordable housing through partnerships with community organizations.

Meeting Peel’s Housing Targets

Housing Continuum

Peel residents’ role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
No clear role	No clear role	No clear role	No clear role	Supporting role	No clear role	Supporting role	No clear role

Through the implementation of strategies to promote secondary suites, laneway housing, and co-housing, Peel residents can have the power to increase the supply of private market rental through the repurposing of their existing housing assets. Not only would these densification strategies create an additional revenue stream for the homeowner, but it would be adding to the region’s stock of private market rental housing.

Achieving Peel's Housing Strategies

Should the Region of Peel adopt a co-design process whereby Peel residents have enhanced opportunities to participate in the planning and housing development process, there may be a greater role for Peel residents to contribute to this process in a meaningful way.

Region of Peel Council

Capabilities, Risks, and Opportunities

CAPABILITIES

Research and Policy-Making

Regional Council is closely-connected to its constituents as councillors have the mandate to represent their constituents. Council has capabilities in engaging with, listening to, and relaying information from the public to inform policies and programs.

Convener of System Stakeholders

Council also has capabilities in attracting and convening partners in the housing system to foster community participation and a sense of shared responsibility for public issues.

TENSIONS AND RISKS

According to the project Steering Committee, there is a clear hierarchy in the housing development space: from the developer, to the elected official, to the staff member. This hierarchy may pose tensions in decision-making as processes become more politicized. Steering Committee members describe this relationship as being an embedded power structure that cannot always respond in an equitable and impact-oriented manner.

Meeting Peel's Housing Targets

Housing Continuum

Regional Council's role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Lead role	Lead role	Lead role	Lead role	Lead role	Supporting role	Supporting role	No clear role

Regional Council's role in meeting the targets will primarily a lead role in making decisions regarding policies, funding opportunities, and plans to dedicate the necessary resources to addressing these goals.

Achieving Peel's Housing Strategies

Regional Council's role in achieving Peel's Housing Strategies will primarily be to support policies, funding opportunities, and plans to dedicate the necessary resources to addressing these goals.

Region of Peel Staff

Capabilities, Risks, and Opportunities

As Service System Manager, the Region is responsible for implementing measures to meet the objectives and targets related to housing needs. The Region has the power to establish, administer, and fund housing and homelessness programs and services and the power to provide housing directly. It is accountable for ensuring the operational viability and compliance of the system.

CAPABILITIES

Peel Region staff expressed having the following internal capabilities at the Region. Peel staff use these capabilities to execute the Region's current functions in the housing system.

Research and Policy-Making

A big part of the Regional staff's role is to conduct research (quantitative and qualitative) to inform and carry out policy-making activities at the municipal level. Region of Peel staff described their research and policy-making capabilities as follows:

- The ability to identify trends and emerging issues
- Management of programs, subsidies, and relationships

- The ability to ensure operational compliance with the Housing Services Act
- Housing policy interpretation
- Translation of planning legislation into land-use and housing forecasts and policies

The Region of Peel also possesses the following supporting capabilities that enable its staff to carry out this role in the housing system:

- Conducting rent geared-to-income (RGI) audits
- Management of Provincial and Federal program guidelines and funding
- The ability to conduct jurisdictional scans
- Contract management
- Interpretation of all legislative acts and codes
- The ability to conduct policy analysis
- Strategic planning
- Developing capital infrastructure policies

Funding

One of the Region of Peel's key roles is in allocating funding to housing projects, whether through its capacity building grants, capital grants for affordable rental and ownership housing, capital grants for shelters and transitional housing, rental subsidies for tenants, and so on. The Region allocates subsidies to housing providers based on their Board-approved budgets and will often support projects in difficulty.

Peel staff currently possess capabilities in management of investment funds and accountability, funding projects, and financial activity-monitoring. Other supporting capabilities include: issuing funding for projects, management of technical compliance with the HSA, and supporting community partners through grant-making. Regional staff also administer funds through the Peel Renovates program.

The Region's housing staff also provide additional capabilities to Peel Living such as information technology, legal work, and their financial expertise.

Housing Development

Up until about 2010, the Region of Peel had been heavily involved in the housing development process. Today, its development capabilities are less centralized. The Design and Development division possesses development capabilities which include: management of internal and external resources to bring projects to fruition, management of capital and operating budgets, implementing choice-based rental arrangements, and conducting financial analysis.

The Region also provides additional capabilities to Peel Housing Corporation such as purchasing, contract management, and payment processes which facilitate the housing development and management processes.

System Access Point

The Region of Peel's system access point, known as Peel Access to Housing (PATH) is the primary gateway to housing and associated services. Regional staff have capabilities in managing the integrity of the centralized waiting list (CWL), administering rent-gear-to-income subsidies, and assessing households' eligibility for the CWL. Staff also possess additional supporting capabilities.

- Conducting internal reviews of tenant applications and appeals
- Providing client service while on the waitlist
- Management of citizen expectations
- Determining readiness for subsidized housing units
- Triaging and prioritization of household need

Landlord, Property Management, and Tenancy Services

The Region of Peel currently assumes landlord and asset management duties for buildings that are owned by the Region but not operated by Peel Housing Corporation. The Region has the required capabilities to undertake the following activities:

- Conducting regular technical audits of assets
- Conducting operational reviews for each of the housing providers
- Managing government capital funding (e.g. Social Housing Renovation and Retrofit program and the Renewable Energy Initiative)

The current PHHP emphasizes the importance of helping Peel residents maintain their tenancies. The Region assists in this regard by leveraging its capabilities in fostering landlord partnerships and payment (especially through its rent supplement program), providing advocacy and mediation on behalf of landlords and tenants, mediating tenant relationships, developing case plans, and assisting in the management of additional tenancy challenges (such as dealing with issues associated with mental health).

Through its three emergency shelters and two transitional housing projects, the Region also maintains capabilities in tenancy services for individuals living in non-permanent housing situations.

Education and Information

The Region has a role in educating and informing the public on human services, public health, and community matters through Peel's communications functions.

The Region also supports Boards of Directors and non-profit housing provider staff, should projects face operational or governance difficulties. Peel staff work with the housing provider, in conjunction with sector support agencies to help resolve these issues.

The Region also provides education and expertise around strategies for dealing with the end of social housing operating agreements, by hosting educational sessions for housing providers, staff, and board members.

Convener of System Stakeholders

Finally, the Region of Peel has an important role to play in convening system stakeholders to develop and maintain partnership and collaboration opportunities. Peel staff described their capabilities related to this role as follows:

- Building and managing relationships with private-sector landlords
- Convening peers outside of Peel Region to share best practices and information
- Relationship-management with other service providers
- Maintaining relationships with Peel's 48 housing providers, including working with supportive housing providers such as Supportive Housing in Peel (SHIP) and Habitat for Humanity

Additional supporting capabilities that enable the Region to undertake this role include: delivering collaborative projects with partners, bridging the gap between housing, health, and human services, and working with corporate partners to issue RFPs.

TENSIONS AND RISKS

Region of Peel staff discussed several tensions and risks with the current way of working at the Region, mainly related to their role in housing development. Key considerations include:

- The Region's focus and responsibility for many of the housing system roles may contribute to the organization's lack of cohesive vision for the future of housing in Peel.
- The Region of Peel is not permitted to hold a mortgage (Peel Living must hold the mortgage)⁴⁸.
- Generally, it may be more sensible for the Region of Peel to own housing developments in a situation where Planning Act approvals would be required if it were owned by Peel Living or another proponent, and where they may hinder the development, as the Region is not subject to Planning Act approvals.

OPPORTUNITIES

There are several opportunities for a shift in the roles of the Region and the way we think about where to play in the housing system to generate the greatest impact for Peel residents. Recommendations include:

⁴⁸ SHS Consulting. (2012). *Disentanglement of Region of Peel Housing from Peel Living*.

Housing Development

- Finding new ways to enhance the Region's role as convener; to help harness the power of community groups, as today's current level of leadership is a sub-optimal arrangement for all involved. The Region should lead and enable collaborations with other community partners working to help meet the goals and outcomes of the PPHP.
- Regionally-owned developments have the advantage that they are not subject to Regional Development Charges; consider making better use of this opportunity.
- Development requires a wide range of capabilities and resources. The Region should reevaluate its ability to act as a flexible and nimble developer before it commits to continuing to participate in housing development.

System Access Point

- There is an opportunity to revisit the current waitlist system to create an access point that provides a gateway out of poverty for applicants.
- There is an opportunity to explore how we might help individuals plan for their futures and move away from a necessity to focus on day-to-day livelihoods.
- The system access point might be a suitable channel for providing applicants with more detailed information on the differences between housing options (e.g. second units, affordable rental, private rental with rent supplements, etc.).

Convener of System Stakeholders

There is an opportunity for the Region to take on a more prominent role in facilitating the communication and integration between the health system, planning system and the housing system, to take an approach to housing that considers all of the social determinants of health. There is also an opportunity for the Region to engage more intentionally with local non-profit housing providers to provide education and information around the upcoming end of operating agreements and to help build a Region-wide vision for social housing transformation.

Meeting Peel's Housing Targets

Housing Continuum

Region of Peel's role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Lead role	Lead role	Lead role	Lead role	Lead role	Supporting role	Supporting role	Peripheral role

As the Service Manager and recipient of funding from higher levels of government, the Region of Peel has the responsibility for a lead role in meeting the housing needs for households with low incomes (earning \$59,156 or less).

Leveraging New and Existing Capabilities

Based on the capability analysis, the Region is best suited to enhance its role in Housing Development, as a System Access Point, and as a Convener of System Stakeholders to encourage innovative collaboration models and approaches to meeting the target for low-income residents.

Achieving Peel's Housing Strategies

The following tables outline how the Region of Peel Staff's roles may need to evolve to successfully implement and achieve the strategies as outlined in this Plan.

Strategy 1: Transform Service Access

Role	Proposed Role	Affected Actions	Implications and Details
Research and Policy-Making	Enhanced	Actions 1.1, 1.2, 1.3, 1.6	The enumeration of the homeless population in Peel, the by-name list, and the action plan for human trafficking in Peel require dedicating resources to the role of research and policy-making. To implement Action 1.6, Peel may require enhancing its capabilities in co-design, user research, and human-centred design to create housing solutions for youth and victims of human trafficking.
Funding	Maintained	Actions 1.4, 1.10	These actions require solidifying a role in funding housing and solutions for the chronically homeless.
Provision of Land	Maintained	Action 1.6	Building more emergency shelter and transitional beds may require dedicating municipal lands for this use.
Housing Development	Maintained	Action 1.6	The Region will participate in bespoke housing development for specific populations most in need (e.g. youth and victims of human trafficking).

Role	Proposed Role	Affected Actions	Implications and Details
System Access Point	Enhanced	Action 1.8	The Region's implementation of a new model for accessing housing and homelessness services suggests an enhanced role in being recognized and understood as the main access point for such services in Peel.
System Navigation	Enhanced	Action 1.8	The Region's implementation of a new model for accessing housing and homelessness services may benefit from an enhanced understanding and role in system navigation to ensure individuals entering the system reach the appropriate services.
Convener of System Stakeholders	Enhanced	Actions 1.3, 1.7	By taking on a responsibility for individuals facing complex challenges (such as fleeing human trafficking), the Region will have to enhance its role as a convener of system stakeholders to ensure a seamless integration of a variety of housing and services offerings to improve the quality of life of the individuals served.

Strategy 2: Build More Affordable Housing

Role	Proposed Role	Affected Actions	Implications and Details
Research and Policy-Making	Maintained	Action 2.7	The creation of a Housing Master Plan and financing strategy will reaffirm the Region's role in ensuring households in the first three income deciles have access to adequate housing options.
Housing Development	Enhanced	Actions 2.1, 2.3, 2.4	The redevelopment of PHC's East Avenue property, rezoning of PHC's seven priority sites and Twin Pines, and the design and evaluation support for the Tiny House Village Pilot will increase the Region's role in the housing development process, requiring sufficient capabilities and expertise in this domain.
Education and Information	Enhanced	Action 2.6	The capacity-building initiative for non-profit providers may require the Region taking on an enhanced role in education and information to ensure successful development of rental housing for low-income households.
Convener of System Stakeholders	Enhanced	Action 2.2	The innovation lab concept will require enhancing innovation methodology and facilitation skills to coordinate a meaningful engagement with external stakeholders bringing new models for affordable home ownership.

Strategy 3: Incent Building Affordable Housing

Role	Proposed Role	Affected Actions	Implications and Details
Research and Policy-Making	Maintained	Action 3.3	The Region will continue its role in developing policies to support the development of affordable rental and other types of housing.
Funding	Enhanced	Action 3.2	In developing a program of land use planning tools and financial incentives, the Region will have to increase its role in providing funding for affordable housing development through this process.
Convener of System Stakeholders	Maintained	Actions 3.2, 3.3, 3.4, 3.5, 3.7	The Region will continue its role as convener of representatives from the local municipalities to align the use of tools and incentives to create affordable housing across the region.

Strategy 4: Optimize Existing Stock

Role	Proposed Role	Affected Actions	Implications and Details
Education and Information	Maintained	Action 4.7	To optimize the housing stock, the Region will play a role in educating the public on housing issues and options available in the community. This may include providing information to individuals looking to downsize or age-in-place in Peel.
Convener of System Stakeholders	Enhanced	Actions 4.4, 4.5	The Region will also need to enhance its role in convening system stakeholders (mainly, non-profit providers) to co-design new models for maintaining the existing stock after current operating agreements expire.

Strategy 5: Increase Supportive Housing

Role	Proposed Role	Affected Actions	Implications and Details
Research and Policy-Making	Maintained	Action 5.2	The Region will exercise research, analysis, and co-creation facilitation capabilities to create space for innovation and meaningful discussion with supportive housing providers.
System Navigation	Enhanced	Action 5.4	An improved framework to connect tenants with support services will require an enhanced role as a system navigator and expertise in understanding the various journeys through the housing system in Peel.
Convener of System Stakeholders	Maintained	Action 5.2, 5.3	The Region will continue its role to work with local municipalities and other system stakeholders to reduce the barriers to the development of supportive housing and to secure the necessary funding from other levels of government (e.g. from the LHIN or Ministry of Health)

Peel Housing Corporation

Capabilities, Risks, and Opportunities

CAPABILITIES

Landlord and Tenancy Services

Currently, Peel Living's key capabilities lie in property management and la services. Peel Living's Tenant Support Agents (TSAs) also take on rent calculations and other tenancy services to assist in maintaining successful tenancies.

Peel Living does not currently maintain capabilities in housing development or in the provision of support services beyond the mentorship provided by the TSAs.

TENSIONS AND RISKS

Housing Development

There are several tensions and risks associated with Peel Living acting as a housing developer. For instance:

- Peel Living's buildings have an average age of 31 years, with public housing properties being the oldest at 44 years; increasing capital is required to maintain these buildings⁴⁹.
- The *Peel Living Service Delivery Model Review* recommended that Peel Living acquire financial management capabilities (e.g. hire a CFO) who would report directly to the General Manager and board of directors.

Support and Outreach Services

- Peel Living staff identified serving vulnerable tenants as a pressure point in their job and frequent new challenges at Landlord and Tenant Board hearings, and other LHCs noted the need to continually accommodate the changing needs of tenants over time⁵⁰.

OPPORTUNITIES

Given the scarcity of surplus Regional lands for affordable housing development, the project Steering Committee discussed the notion of focusing on an intensification strategy for Peel Living's existing sites, where appropriate. The following roles-based opportunities come into play:

⁴⁹ SHS Consulting. (2016). *Peel Living Service Delivery Model Review*.

⁵⁰ SHS Consulting. (2016). *Peel Living Service Delivery Model Review*.

Housing Development

- Peel Living can have a mortgage, while the Region of Peel cannot.
- It may be easiest for whichever entity currently owns the land to own the development if the property is currently encumbered and requires a severance to be transferred or if a transfer of property between Peel Living and the Region may result in the project incurring a land transfer tax.
- With upcoming end of operating agreements, there is an opportunity for Peel Living to move away from a traditional “retain and maintain” strategy to a more active portfolio and asset management strategy⁵¹.

Meeting Peel’s Housing Targets

Housing Continuum

Peel Housing Corporation’s role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Supporting role	Supporting role	Supporting role	Peripheral role	Peripheral role	No clear role

Peel Housing Corporation’s role in meeting the targets is outlined below in its role in achieving Peel’s Housing Strategies.

Achieving Peel’s Housing Strategies

Strategy 2: Build More Affordable Housing

Peel Housing Corporation’s (PHC) role in achieving the Strategies lies mainly in Strategy 2. PHC will work with the Regional staff on the pre-development planning and redevelopment of its East Avenue property in Mississauga (Action 2.1). PHC will also collaborate with local municipalities to rezone seven of its priority sites and Twin Pines (Action 2.3), to eventually redevelop those sites (Action 2.5).

⁵¹ SHS Consulting. (2012). *Disentanglement of Region of Peel Housing from Peel Living*.

Non-Profit Housing Providers

Capabilities, Risks, and Opportunities

CAPABILITIES

Capabilities vary across non-profit housing providers in Peel. At a high level, many of these non-profit organizations possess some or all of the following capabilities:

- Tenancy services and management
- Working with and supporting individuals with complex housing and health needs
- Fundraising
- Asset management
- Delivery of appropriate intake and assessment processes
- Delivery of appropriate support services
- Non-profit management
- Property management

TENSIONS AND RISKS

Several tensions and risks with the current way of working were revealed over the course of this project. Key considerations include:

- Non-profit housing providers' funding timelines and thus developments are dictated primarily by the timing of government RFPs for housing development, creating a significant uncertainty in the development process.
- Non-profit housing providers often do not have assets to leverage or use as collateral to secure construction financing.
- "Development-ready" requirements for funding from Regional and upper-tier governments (e.g. CMHC Seed funding) are often very difficult or impossible for small non-profit organizations to meet. Peel's Capacity Grant program is a helpful solution.
- There is a tension between desired directions and approaches of non-profit groups and the Region's vision for how collaboration might happen with non-profits to achieve the community's housing goals.

"We tell our NFPs to figure out how to develop – why not provide them with insight into what the system needs?"

– Steering Committee Member

OPPORTUNITIES

Steering Committee members described their relationships with Peel's local non-profit housing providers as being positive. There is an opportunity to leverage this group's strength in understanding and connecting with people with lived experience and the people they serve.

Research and Policy-Making

- There is an opportunity to engage this stakeholder group in developing policies and solutions, beyond simply providing input into current housing needs and validating solutions.
- There is an opportunity to gather user journeys, stories, and ethnographic research from NFP organizations and their frontline professionals who are close to populations in need and can identify opportunities for change at the service-level.

Housing Development

- Some existing non-profit housing providers may have properties suitable for intensification.
- Some existing non-profit community groups who are not already housing providers (such as faith-based organizations) may have access to land or other assets that are suitable for redevelopment and/or intensification.
- Affordable housing development and ownership by non-profit organizations helps achieve the Region's objective of building community capacity⁵².

Support and Outreach Services

- Many non-profit community organizations have access to and deep knowledge of the needs of the populations they serve.

Meeting Peel's Housing Targets

Housing Continuum

Non-profit housing providers' role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Lead role	Supporting role	Lead role	Peripheral role	No clear role	No clear role

Non-profit housing providers have the potential to create considerable impact on meeting Peel's Housing Target for low-income residents, leveraging their capabilities and experience in housing development, support and outreach services, and deep understanding of the tenant experience. Some non-profit providers may also choose to

⁵² SHS Consulting. (2012). *Disentanglement of Region of Peel Housing from Peel Living*.

develop and manage supportive and other subsidized rental housing, should adequate funding and support be in place (likely from the Region or other levels of government).

Achieving Peel's Housing Strategies

Strategy 4: Optimize Existing Stock

Non-profit housing providers often have access to knowledge, human capital, and real estate assets that can be optimized for impact and suitability to meet the needs of Peel's housing system. Through Action 4.4, these housing providers can work with the Region to develop partnership frameworks and agreements to replace expiring operating agreements.

Strategy 5: Increase Supportive Housing

Non-profit housing providers seeking to build supportive housing can work with the Region (through Action 5.2) to identify and address barriers to the development of supportive housing. These providers' access to and knowledge of their tenants can also help inform a framework to better connect tenants with support services (Action 5.4).

Private Sector Developers

Capabilities, Risks, and Opportunities

CAPABILITIES

Private sector developers have vast capabilities spanning the entire development process, including:

- Conducting feasibility and financial analysis
- Land banking
- Securing financing
- Business planning
- Market research and communications
- Project management
- Procurement
- Real estate development
- Tenancy services and rent-up
- Asset management

In addition to these capabilities, the private sector has resources that can be dedicated to market research, marketing and advertising, political lobbying, and government relations, unlike some of the smaller non-profit housing providers.

TENSIONS AND RISKS

While Regional and local municipal staff have good working relationships with many private sector developers, there may still be a need for a culture shift in terms of the perceived role and intentions of the private sector in the housing system.

Many private developers are reaching a moment of needed reshaping and redefining of their organization. There is a greater emphasis on corporate social responsibility and new approaches to building more inclusive communities. Without a clear vision from the Region on how shared value may be generated for both the private sector and the public good, there is a risk of a missed opportunity in evolving the role of the private sector in the housing space.

OPPORTUNITIES

There are several opportunities to engage with the private sector differently, to expand and redefine their role in the housing system:

- There is an opportunity to engage more intentionally and often with this group to develop shared ownership of housing system outcomes in Peel.
- There is an opportunity for Regional staff to work with private sector developers to make better use of existing planning tools – this may help evolve the private sector’s role in the housing system.

Meeting Peel’s Housing Targets

Housing Continuum

Private sector developers’ role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
No clear role	No clear role	No clear role	No clear role	Supporting role	Supporting role	Lead role	Lead role

Private sector developers will be primarily focused on meeting the housing needs of higher-income households (in upper three income deciles) through the provision of private market rental and private market ownership. Through the support of the Region of Peel’s financial incentives to support the development of affordable housing as well as the support of local municipalities in facilitating the planning process, it is expected that the private sector can play a supporting role in the development of affordable rental

and ownership housing, whether through a partnership with a community-based organization or on their own.

Achieving Peel's Housing Strategies

Strategy 3: Incent Building Affordable Housing

Private sector developers contributed their ideas and experience to the preliminary efforts of developing a program of land use planning tools and financial incentives to support the creation of affordable housing in Peel. Moving forward, there is a role for developers to continue to provide their expertise and feedback to the Region to refine the package of tools and to make use of the program to participate actively in the development of affordable housing.

Local Municipalities

Capabilities, Risks, and Opportunities

CAPABILITIES

In addition to their capabilities related to running the operations of a local municipality, this stakeholder group (including municipal staff and elected officials) is closer to local developers and constituents than the Regional-level government and staff. They have a deeper understanding of the local needs and experiences.

Local municipalities have planning capabilities to develop their Official Plan, zoning bylaws, and planning and building permit approvals to work towards meeting housing targets.

TENSIONS AND RISKS

The Region of Peel must maintain an ongoing practice of co-designing policies, incentives, and tools with the local municipalities who are able to implement these mechanisms through their Official Plans.

The Region of Peel must secure the support of the local municipalities in reaching the outcomes and targets set out in the Peel Housing and Homelessness Plan. There are many levers (including implementation of incentives and tools) that are in the hands of the municipalities. Given this system dynamic, the Region must ensure that the local municipalities support the updated PHHP.

OPPORTUNITIES

There is an opportunity to engage the local municipalities through the affordable housing strategy project to develop appropriate inclusionary zoning policies together. Other key discussion points include ensuring agreement on achievable housing tenure and unit mix goals and monitoring of those targets.

Meeting Peel's Housing Targets

Housing Continuum

Local municipalities' role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Supporting role	Supporting role	Lead role	Lead role	Lead role	Peripheral role

Given their control over zoning, local municipalities have a lead role to play in enabling, encouraging, and requiring the development of affordable housing in their jurisdictions. This includes promoting the inclusion and creation of a variety of housing types and models (such as shared housing, co-housing, and laneway suites). Their role will create the greatest impact for middle-income households (in the fourth, fifth, and sixth deciles).

Achieving Peel's Housing Strategies

Strategy 3: Incent Building Affordable Housing

Local municipalities will have a role in working collaboratively with the Region of Peel to fund and deliver the affordable housing program (the program of tools and incentives) to promote development across the Region (through Action 3.2). These policies will be supported through Official Plan policies (Action 3.3), zoning bylaws (Action 3.4), and other policies (e.g. the implementation of inclusionary zoning regulations through Action 3.7).

Federal and Provincial Governments

Capabilities, Risks, and Opportunities

A wide range of Federal and Provincial ministries' mandates include a housing component. These include:

Federal Ministries

- Employment, Workforce Development and Labour
- Environment and Climate Change
- Health
- Infrastructure and Communities
- Families, Children and Social Development
- Finance
- Indigenous and Northern Affairs
- Infrastructure and Communities
- Innovation, Science and Economic Development
- Public Services and Procurement
- Sport and Persons with Disabilities
- Status of Women

Provincial Ministries

- Children and Youth Services
- Community and Social Services
- Health and Long-Term Care
- Housing
- Municipal Affairs

TENSIONS AND RISKS

Given the breadth of government involvement in housing, the lack of coordination between orders of government as well as across ministries and within departments can be debilitating.

There is a risk associated with *not* aligning municipal goals and objectives with the intended directions of upper-tier levels of government for cohesion.

OPPORTUNITIES

There is an opportunity to better align with the provincial and federal policy directions to make effective use of funding and other programs available.

Meeting Peel's Housing Targets

Housing Continuum

Upper levels of government's (Provincial and Federal) role in meeting the housing targets will be concentrated primarily in the following areas:

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership
Supporting role	Supporting role	Supporting role	Supporting role	Lead/ Supporting role	Lead/ Supporting role	Peripheral role	Peripheral role

The Provincial and Federal governments play a key role in providing funding for all housing types across the continuum, from capital funding to build housing for low-income households (e.g. social housing), to providing tax incentives and rebates to homeowner households.

Achieving Peel's Housing Strategies

Strategy 1: Transform Service Access

Upper levels of government have a key role to play in ensuring that sufficient funding is available for the Region to achieve a Housing First approach to alleviating homelessness in Peel. Proposed funding for Solutions Labs through the National Housing Strategy could help develop new approaches to housing delivery (Action 1.8).

Strategy 2: Build More Affordable Housing

Provincial and Federal funding will also be integral to Peel's strategy to build more affordable housing for low-income households (within the first three income deciles).

Strategy 5: Increase Supportive Housing

Upper levels of government have a role to play in working with the Region to increase the stock of supportive housing. Provincial Ministries and the Local Health Integration Networks can provide resources, expertise, connections to support service providers, and funding to implement supportive housing models. The connection to the health care system will be integral to ensuring viable business models and to create seamless access to supports and housing.

5.0 Financial Incentives and Planning Tools

As the previous sections have shown, average house prices and rents in Peel Region are increasing at a much higher rate compared to household incomes. This has resulted in an increasing need for affordable rental and ownership options. There is also a significant need for rental housing, particularly purpose-built rental housing to meet the needs of households who can no longer afford home ownership or who prefer rental housing. In addition, the demographic trends in Peel Region indicate a need for a more diverse housing supply, including non-traditional housing options such as shared housing options and secondary units.

This section provides an overview of the current affordable housing development system in Peel and recommends a program of financial incentives and planning tools which the Region of Peel can use to encourage the development of affordable rental and ownership housing, market-rate purpose-built rental housing, and a more diverse housing supply.

Current Tools and Incentives

The Region of Peel has supported the development of affordable housing and private rental housing in the Region for many years, often in partnership with the local municipalities. As of October 2017, Regional Council has approved development projects totalling \$123.7 million, which, when completed, will add 437 affordable housing units throughout the Region. In addition, Regional Council has allocated \$20.4 million to fund housing programs, including providing down payment assistance to 120 households, an additional 291 rent supplements (added to the 4,378 existing rent supplements), and offset the decline in federal funding to maintain the existing housing stock⁵³.

The Region of Peel is also participating in the Province's Development Charges Rebate Program. The Region is administering this program on behalf of the local municipalities. This program provides provincial funding to rebate the cost of development charges for market rental units. While municipalities have been given the flexibility to determine the rental housing developments and units that will receive funding through the program based on local need, the Province has identified specific program criteria. To be eligible, projects

- Have to be consistent with the PPS and Growth Plan

⁵³ Region of Peel (October 17, 2017). Report to Regional Council: Housing System Investment Framework (2014-2018) Update.

- Have to align with other provincial priorities
- Remain rental for a minimum of 20 years
- Cannot have rents greater than 175% of AMR
- Cannot include projects with single detached, semi-detached, duplexes, triplexes, or retirement homes
- Cannot be receiving provincial capital subsidies under housing supply programs, such as the IAH – Rental Component
- Cannot be receiving a deferral of or an exemption from the payment of development charges.

Additionally, the Region and local municipalities have provided in-kind assistance by expediting the development approval process for affordable housing developments. Private and non-profit residential developers know that there are one or two key staff at the Region and at each of the local municipalities who help facilitate the development approval process by providing feedback and guidance on meeting requirements and applying for grants and waivers.

However, the provision of assistance has always been on an informal, project by project basis. Through recent engagement sessions, developers from the non-profit and private sectors have stated that predictability and the reduction of risk in the development approval process would greatly encourage them to develop more affordable housing and market rate rental housing units in Peel Region. Having to apply for grants or waivers for each project, as is the case in the current system, increases the risk for residential developers and acts as a disincentive to building housing, particularly affordable housing units. It also adds a layer of complexity which results in a longer, and thus more expensive, development process.

Building on this feedback from the development industry as well as the recommended actions under Strategy 3 – Incent Building Affordable Housing of the renewed Peel Housing and Homelessness Plan, a review of municipal tools and incentives was undertaken to develop an affordable housing framework for the Region of Peel. This framework includes financial and non-financial tools and incentives to encourage the development of affordable housing units throughout the Region. Having an established program would reduce the risk for developers and provide more predictability. An affordable housing incentive and tools program would also ensure better coordination with local municipalities and allow local municipalities to better plan their own incentives and programs based on what the Region is providing.

Evaluation of Potential Tools and Incentives

A scan of municipal tools and incentives was undertaken to identify potential tools and incentives which the Region of Peel and the local municipalities can utilize to encourage the development of affordable housing and market-rate rental housing. In addition, four engagement sessions were undertaken with key stakeholders in February and March 2018 to evaluate each of the tools and incentives. Sessions were undertaken with private developers who were members of BILD (Building Industry and Land Development), non-BILD private and non-profit residential developers, and staff from the local municipalities and the Region. Stakeholders were asked to evaluate tools based on their impact on meeting the identified housing targets. Stakeholders were also asked for suggestions on combination of tools that they believed would provide a substantial impact on the development of affordable housing in Peel Region.

The following tables show the interest level for each of these tools based on the feedback from private and non-profit residential developers and staff from local municipalities. The level of interest of local municipalities is, in general, based on the ease and cost of implementing these tools and incentives. While the level of interest of the development industry is, in general, based on the impact of the tools and incentives on the processing time for planning applications and the impact on the financial feasibility of a project. The responses of all groups also considered the impact on housing affordability.

The primary goal in considering these tools and incentives is to meet Peel Region's housing targets. Most of the tools and incentives will help meet the affordable housing targets as well as the targets for private market rental housing. In addition, some tools, such as the revenue-generating and housing policy tools will also help meet the targets for emergency and transitional housing, supportive housing, and social housing.

Regulatory Tools

The following table shows that both groups had a high level of interest in implementing a community improvement plan (CIP). Stakeholders noted that a CIP would be an appropriate vehicle for providing tools and incentives in a simple and predictable manner. Stakeholders from the development industry also expressed high interest for inclusionary zoning⁵⁴ due to its simplicity and predictability as well as its impact on the financial feasibility of projects. Local municipal staff were only moderately interested in inclusionary zoning at the time of the engagement given that the draft regulations did not enable local flexibility and did not address rental housing.

⁵⁴ Please note that at the time of these engagement sessions, the draft provincial regulations for inclusionary zoning were quite specific and required significant compensations for private developers for the affordable units they provided. Since then, final regulations have been released by the province and these provide more flexibility for municipalities to decide how they would implement inclusionary zoning and what incentives they would provide.

Tool	Jurisdiction		Interest Level	
	Local Municipal	Regional	Development Industry	Local Municipalities
Municipal facilities bylaw		✓		
Community improvement plan (CIP)	✓	✓	High	High
Density bonusing (s.37)	✓		Med	Med
Inclusionary zoning	✓	✓	High	Med
Large sites policy			Med	Low
Transfer of development credits or sale of air rights	✓		Low	Low

These tools will help meet the housing targets for households with low and moderate incomes.

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership

Planning and Process Tools

Among the planning and process tools evaluated, stakeholders showed high interest in alternative development standards, particularly parking requirements, as this tool lowered the overall cost of the development and implementation was relatively straightforward. In addition, local municipal staff noted that this could be applied across Peel Region.

Stakeholders also showed high interest in permitting garden suites and laneway housing, in addition to providing more affordable housing options, as this tool also met other Regional objectives, such as increasing densities and better utilization of existing infrastructure. Representatives of the development industry also noted that there was growing demand for these options.

Stakeholders from the development industry also expressed high interest in pre-zoning as this provided more predictability and reduced the risks involved in the development process. However, local municipalities expressed only moderate interest for this tool as implementation was more complicated. Local municipal staff felt that it may be more appropriate in combination with a CIP or applied in Greenfield areas.

Tool	Jurisdiction		Interest Level	
	Local Municipal	Regional	Development Industry	Local Municipalities
Alternative development standards	✓		High	High
Permitting garden suites and laneway houses	✓		High	High
Permitting shared housing	✓		Med	Med
Demolition and conversion control	✓		Med	Med
Pre-zoning	✓		High	Med
Streamlining the development approvals process	✓	✓	Med	Med
Community planning permit system (CPPS)	✓		Low	Med
Prohibiting downzoning			Low	

These tools will impact the targets for supportive housing, subsidized and affordable rental housing, affordable ownership, and private market rental.

1,000 units				1,000 units			
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership

Financial Incentives

As the following table shows, stakeholders from the development industry expressed high interest in most of the financial incentives as these would help make affordable housing projects and market rental projects more financially feasible. As can be expected, stakeholders from the local municipalities showed only moderate interest in all of these incentives given that providing these incentives would mean forgoing revenue for other municipal priorities.

Tool	Jurisdiction		Interest Level	
	Local Municipal	Regional	Development Industry	Local Municipalities
Removing barriers and incenting creation of new second units	✓	✓	High	
Land at or at reduced cost	✓	✓	High	Med
Relief of municipal planning and building fees	✓	✓	Med	Med
Relief of development charges	✓	✓	High	Med
Relief of parkland dedication or cash-in-lieu	✓		High	Med
Property tax exemption (or tax increment equivalent grants, or tax increment financing)	✓		High	Med

It is anticipated that these incentives will help meet the housing targets for households with low and moderate incomes.

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership

Revenue-Generating Tools

Stakeholders from the development industry expressed high interest in including a levy on property taxes to generate revenue for affordable housing. However, there was only moderate interest among local municipal staff for this tool due to the anticipated public response. Local municipal staff did express high interest in land value capture as they felt it would better reflect the cost of providing infrastructure such as public transit. Local municipal stakeholders did acknowledge that this tool would require further analysis but that it was a good opportunity to generate revenue.

Tool	Jurisdiction		Interest Level	
	Local Municipal	Regional	Development Industry	Local Municipalities
Levy on property tax for affordable housing	✓		High	Med
Empty homes tax	✓		Low	
Land value capture	✓	✓	Med	High

These tools will help meet all the identified housing targets as they will help the Region and local municipalities raise revenue to provide incentives.

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership

Housing Policy Tools

Stakeholders from the development industry had high interest in a housing first policy for surplus land as well as mixed-use community facilities, primarily due to the high cost of land in Peel Region and obtaining land at less than market value has a big impact on the financial feasibility of affordable housing projects. However, local municipal stakeholders showed only moderate interest in a housing first policy for surplus land as municipalities have many, often competing, priorities for their surplus land.

Tool	Jurisdiction		Interest Level	
	Local Municipal	Regional	Development Industry	Local Municipalities
Stabilizing the secondary rental market	✓	✓	Med	Med
Public education and community outreach	✓	✓	Med	
Landlord engagement strategy		✓	Med	
Housing first policy for surplus lands	✓	✓	High	Med

Land banking		✓	Med	
Mixed-use community facilities	✓	✓	High	
Housing trust fund (HTF)			Low	

These tools will have an impact on achieving all the housing targets.

1,000 units					1,000 units		
Emergency and transitional housing	Supportive housing	Social housing	Subsidized rental housing	Affordable rental housing	Affordable ownership	Private market rental	Private market ownership

Impact of Financial Incentives

There is a cost to providing incentives, particularly financial incentives, to the Region of Peel. Providing grants in-lieu-of planning and building application fees means that departments will have to subsidize these activities through their current operating budgets without the corresponding revenue. Additionally, certain fees, such as development charges, fund the infrastructure to accommodate the growth brought about by new housing units. As such, a financial analysis was undertaken to identify the impact of financial incentives on the feasibility of affordable rental housing projects in Peel Region. This analysis provides a solid rationale and the ability to weigh the cost and benefits of offering financial incentives for affordable housing units.

Assumptions and Pro Forma Prototypes

Financial Incentives Analyzed

The following financial incentives were considered in the analysis:

- Land donation
- Grant in lieu of Region of Peel development charges
- Grant in lieu of local municipal development charges
- Grant in lieu of parkland dedication fees
- Grant in lieu of municipal planning and building permit fees
- Alternative parking standards
- Property tax exemption

Given that the price of land, services available, planning policies, and planning fees are different in each of the local municipalities, an analysis was carried out for each of the local municipalities. While these are hypothetical projects, the assumptions used are

based on actual projects that have been recently built or are currently being built in Peel Region.

Pro Forma Scenarios

The pro forma scenarios were developed keeping in mind the form of housing most appropriate for the target community. A mix of concrete and wood frame construction and underground and surface parking were modelled. The unit mix is reflective of the needs of households on the centralized wait list. Building size was estimated based on the maximum unit sizes permitted by affordable housing programs, plus 15% for circulation and amenity space for recent comparable affordable rental projects. The land value is estimated based on a limited number of comparables adjusted by location. The following is a summary of the assumptions made for the three prototype rental housing projects:

Figure 64: Pro Forma Scenarios 1, 2 and 3

SCENARIO 1	SCENARIO 2	SCENARIO 3
Mississauga	Brampton	Caledon
Apartment	Apartment	Apartment
Land Value - \$35,000	Land Value - \$30,000	Land Value - \$25,000
6+ Storeys, Concrete	6+ Storeys, Concrete	Wood Frame
Underground Parking	Underground Parking	Surface Parking
187,500 SF	191,000 SF	50,600 SF
200 units	200 units	50 units
Amenity Space - 2000 ft ²	Amenity Space - 2000 ft ²	Amenity Space - 1000 ft ²
1 bedroom (50%)	1 bedroom (45%)	1 bedroom (35%)
2 bedroom (25%)	2 bedroom (25%)	2 bedroom (25%)
3 Bedroom (25%)	3 Bedroom (30%)	3 Bedroom (40%)

Scenario 1

Scenario 1 considers the development of a 200-unit rental apartment building in Mississauga. The building was assumed to have six or more storeys, with 187,500 square feet total area out of which 2000 square feet were allotted to amenity space plus 15% for circulation. Half of the units in the building were assumed to be one-bedroom units and the remaining were assumed to be two and three bedroom units (25% each). This unit mix reflects the needs of households on the centralized waiting list and as such reflects the form of development needed in Mississauga. The land value was estimated to be \$35,000 per unit based on a limited number of comparable land values in the local municipality.

Scenario 2

Scenario 2 considers the development of a 200-unit rental apartment building in Brampton. The building was assumed to have six or more storeys, with 191,000 square feet total area out of which 2000 square feet were allotted to amenity space plus 15% for circulation. Most units in the building were assumed to be one-bedroom units (45%) followed by three-bedroom units (30%) and two-bedroom units (25%). This unit mix reflects the needs of households on the centralized waiting list and as such reflects the form of development needed in Brampton. A lower land value estimate was used for Brampton (\$30,000 per unit) than Mississauga (\$35,000 per unit) based on a limited number of comparable land values in Brampton.

Scenario 3

Scenario 3 considers the development of a 50-unit rental apartment building in Caledon. The building was assumed to have a smaller size than the buildings in scenario 1 and 2, with 50,600 square feet total area out of which 1000 square feet were allotted to amenity space plus 15% for circulation. Unlike scenario 1 and 2, this scenario considers wood frame construction and surface parking. Most units in the building were assumed to be three-bedroom units (40%) followed by one-bedroom units (35%) and two-bedroom units (25%). This unit mix reflects the needs of households on the centralized waiting list and as such reflects the form of development needed in Caledon. A lower land value estimate was used for Caledon (\$25,000 per unit) compared to Brampton (\$30,000 per unit) and Mississauga (\$35,000 per unit) based on a limited number of comparable land values in Caledon.

Capital Cost Assumptions and Results

The table on the next page summarizes the estimated capital costs to develop the three prototype scenarios. Soft cost estimates are based on typical professional fee costs, published information on CMHC mortgage insurance requirements and costs, and published planning and building permit fees. Construction costs are based on various published sources and recent comparable affordable rental housing developments. HST rebates assume a private sector builder. The rebates will be higher for municipal and non-profit housing providers.

The result is an average per unit cost that ranges from about \$332,000 in Caledon to \$372,000 in Brampton to \$388,600 in Mississauga.

Figure 65: Capital Costs for pro forma Scenarios 1, 2 and 3

	SCENARIO 1 Mississauga		SCENARIO 2 Brampton		SCENARIO 3 Caledon	
CAPITAL COSTS - SOFT COSTS						
Professional Fees (includes architect, engineers, cost consultant, project manager, planners)	\$2,809,327		\$2,759,838		\$900,972	
Site Related Studies (includes appraisal, topo and boundary surveys, ESA, geotechnical and other studies)	\$92,000		\$92,000		\$92,000	
Legal and Financing Costs (includes legal, financing, mortgage insurance, marketing, audits and other administration costs)	\$1,997,557		\$1,768,282		\$570,565	
Fees and Permits (includes rezoning, site plan, building permit and other fees)	\$12,732,452		\$10,056,611		\$2,588,089	
Soft Cost Contingency	\$1,760,134		\$1,464,673		\$412,163	
SUB TOTAL CAPITAL COSTS - SOFT COSTS (EXCL. HST)	\$19,391,470	25%	\$16,141,404	22%	\$4,563,789	27%
CAPITAL COSTS - HARD COSTS						
Construction Costs (includes base construction costs, site servicing hydro connection, appliances)	\$43,684,350		\$44,576,620		\$9,172,875	
Escalation and Contingency	\$4,368,435		\$4,457,662		\$917,288	
Land Cost (includes purchase price and land transfer tax)	\$7,103,475		\$6,088,475		\$1,267,225	
SUB TOTAL CAPITAL COSTS - HARD COSTS (EXCL. HST)	\$55,156,260	71%	\$55,122,757	74%	\$11,357,388	68%
HST	\$7,917,359		\$7,857,139		\$1,702,493	
Less HST Rebates	-\$4,750,415	4%	-\$4,714,283	4%	-\$1,021,496	4%
TOTAL CAPITAL COSTS	\$77,714,673	100%	\$74,407,016	100%	\$16,602,174	100%
Per Unit	\$388,573		\$372,035		\$332,043	

Operating Revenue and Expenses

The base case pro forma prototypes assumed market rental revenue of 100% of CMHC average market rent. For Caledon, the market rents for Peel Living's portfolio are used due to lack of CMHC data.

Figure 66: Operating Revenue and Expenses for Pro forma Scenarios 1, 2 and 3

	SCENARIO 1 Mississauga		SCENARIO 2 Brampton		SCENARIO 3 Caledon	
OPERATING - REVENUE						
Rental Revenue (less vacancy loss + parking revenue)	\$3,155,265		\$3,086,967		\$685,510	
OPERATING - EXPENSES						
Maintenance, property management)	\$240,000		\$240,000		\$60,000	
Utilities (includes heat, hydro, water)	\$240,000		\$240,000		\$60,000	
Property Management, Administration, Insurance	\$186,211		\$183,479		\$42,420	
Property Taxes	\$512,977		\$653,593		\$106,279	
Capital Reserve	\$130,114		\$127,298		\$28,268	
HST	\$61,207		\$60,852		\$14,765	
Sub-Total	\$1,370,509		\$1,505,222		\$311,732	
Mortgage Payments	\$1,487,147		\$1,316,888		\$311,734	
Total Expenses	\$2,857,655		\$2,822,109		\$623,466	
Required Equity for DCR 1.2, Rents 100% AMR	\$50,932,999	\$254,665	\$50,691,499	\$253,457	\$10,988,227	\$219,765
Percentage of Total Capital Cost	66%		68%		66%	

Operating expenses are based on typical costs incurred by housing providers in Peel Region. It is assumed that hydro costs will be paid by the tenant and heat and water costs paid by the landlord. Mortgage payments assumed a 4.5% interest rate and 40 year amortization. Debt coverage ratio shows to what extent the net operating income will be adequate to cover the annual mortgage payment and CMHC requires that the minimum DCR for standard rental residential spaces with 7 plus units with a term of 10 plus years should be 1.2. As a result, all scenarios assume 1.2 DCR.

The equity requirement for a feasible project is significant to achieve rents at 100% of CMHC Average Market Rent. The per unit equity requirement ranges from approximately \$220,000 in Caledon to \$253,500 in Brampton to \$254,700 in Mississauga. It is unlikely that a developer would invest this level of equity in a rental project as the return on investment would be unacceptable. To create a more viable scenario, the prototype scenarios assumed a 25% equity contribution by the developer. Based on this level of investment, the resulting rents to achieve the required debt service coverage ratio are approximately 177% to 178% of CMHC average market rent. Interestingly, this level is close to the Province's Development Charges Rebate Program requirement of a maximum rent of 175% of CMHC average market rent.

Figure 67: Average Rents per Unit with 25% Equity Contribution for Pro forma Scenarios 1, 2 and 3

	SCENARIO 1 Mississauga		SCENARIO 2 Brampton		SCENARIO 3 Caledon	
	Rent Per Unit	% AMR	Rent Per Unit	% AMR	Rent Per Unit	% AMR
Average Rents with 25% Equity						
1 Bedroom	\$2,037	177%	\$1,995	178%	\$1,602	178%
2 bedroom	\$2,359	177%	\$2,287	178%	\$1,915	178%
3 Bedroom	\$2,608	177%	\$2,493	178%	\$2,246	178%
Overall Average	\$2,260		\$2,217		\$1,941	

Impact of Financial Incentives on Rent Levels

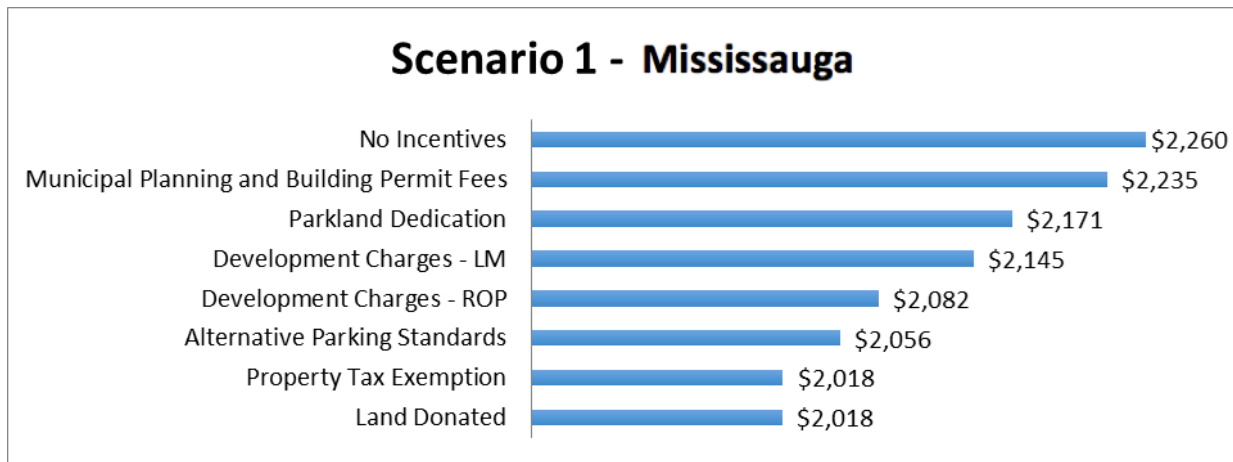
The results of the pro forma analysis of the impact of financial incentives are shown in the table below and illustrated in the bar graphs on the next page.

Figure 68: Impact of Financial Incentives on Rent Levels for Pro Forma Scenarios 1, 2 and 3

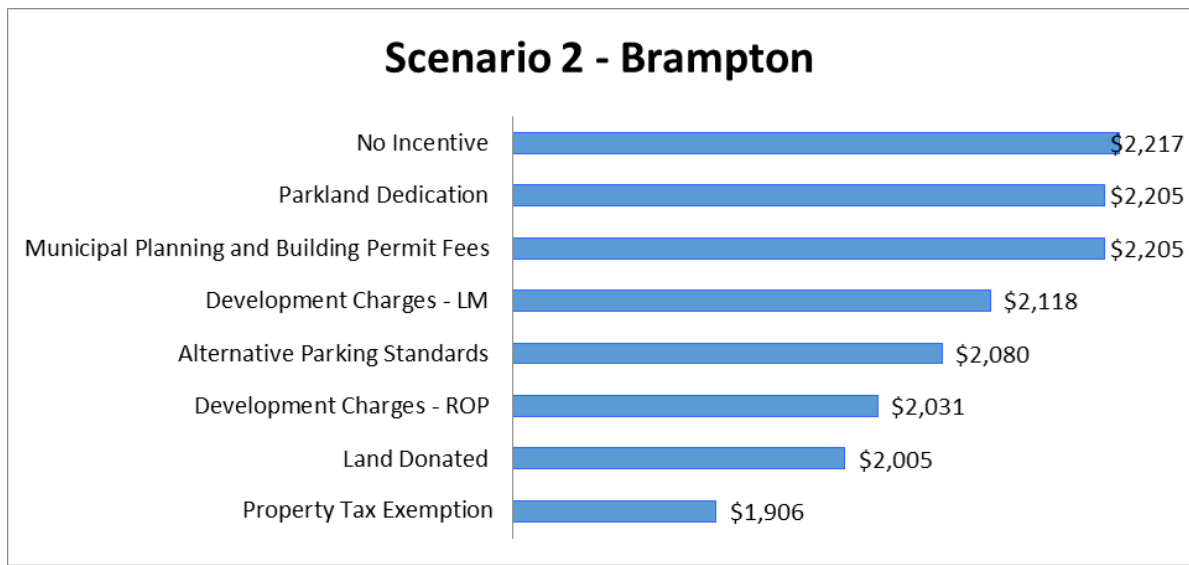
	SCENARIO 1 Mississauga		SCENARIO 2 Brampton		SCENARIO 3 Caledon		
	Rent Per Unit	% AMR	Rent Per Unit	% AMR	Rent Per Unit	% AMR	
Land Donated	\$2,018	158%	\$2,005	161%	\$1,767	162%	
Development Charges - ROP	\$2,082	163%	\$2,031	163%	\$1,755	161%	
Development Charges - LM	\$2,145	168%	\$2,118	170%	\$1,843	169%	
Parkland Dedication	\$2,171	170%	\$2,205	177%	\$1,930	177%	
Municipal Planning and Building Permit Fees	\$2,235	175%	\$2,205	177%	\$1,919	176%	
Alternative Parking Standards	\$2,056	161%	\$2,080	167%	\$1,963	180%	
Property Tax Exemption	\$2,018	158%	\$1,906	153%	\$1,745	160%	
All Incentives							
	1 Bedroom	\$1,139	99%	\$1,154	103%	\$1,035	115%
	2 bedroom	\$1,319	99%	\$1,323	103%	\$1,237	115%
	3 Bedroom	\$1,459	99%	\$1,443	103%	\$1,451	115%

The result of the analysis is that if all financial incentives are applied, rents close to the CMHC average market rents (AMR) can be achieved. Specifically, 99% AMR in Mississauga, 103% AMR in Brampton and 115% AMR in Caledon. The impact of the incentives on rents in Caledon may be understated due to the unavailability of published CMHC average market rents and the use of Peel Living’s market rents, which may be at the low end of market rates.

Figure 69: Impact of Financial Incentives on Rent per Unit for Pro Forma Scenario 1

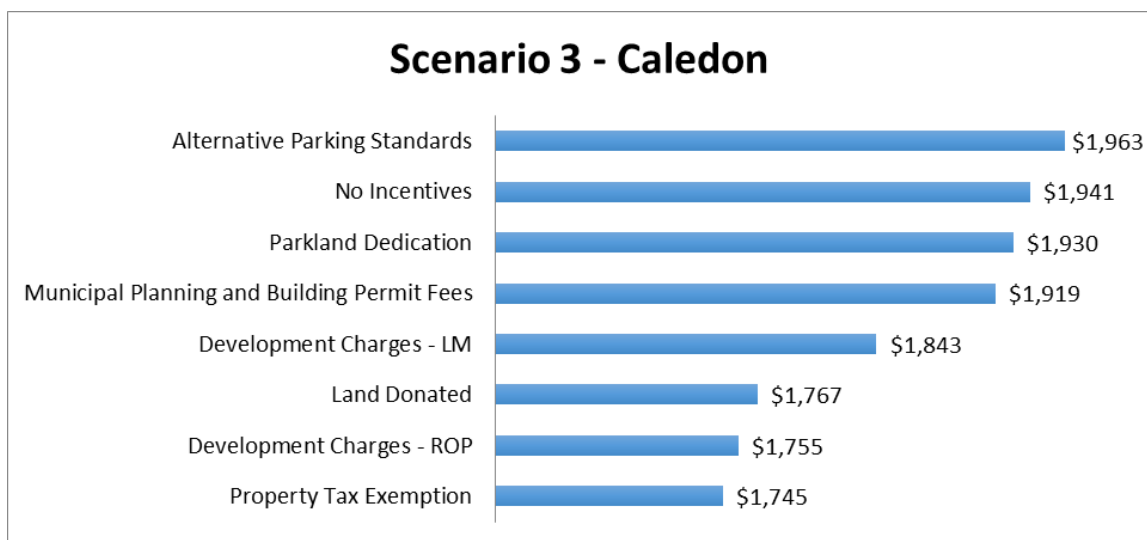


For Mississauga the most impactful financial incentives are land donation and property tax exemption as they decrease the required rents to 158% AMR. The least impactful incentive is the grant in lieu of municipal planning and building permit fees (175% AMR).

Figure 70: Impact of Financial Incentives on Rent per Unit for Pro Forma Scenario 2

Similarly, for Brampton the most impactful financial incentive is property tax exemption (153% AMR) followed by land donation (161% AMR). The least impactful financial incentives are grant in lieu of municipal planning and building permit fees (177% AMR) and grant in lieu of parkland dedication (177% AMR).

Like Brampton and Mississauga, the most impactful financial incentive in Caledon is property tax exemption (160% AMR). Grant in lieu of regional development charges (161% AMR) and land donation (161% AMR) also significantly decrease rents in Caledon. Unlike Brampton and Mississauga, employing alternative parking standards in Caledon increases the average rents as opposed to decreasing it. This difference could stem from the cost differential between underground and surface parking assumptions and the resulting impact on the loss of parking revenue.

Figure 71: Impact of Financial Incentives on Rent per Unit for Pro Forma Scenario 3

Overall, providing financial incentives has a favourable impact on the feasibility and affordability of purpose built rental housing. Furthermore, amongst the tested incentives, property tax exemption has the largest impact on reducing rent levels. Land donation and grants in lieu of development charges also reduce rents considerably for all three scenarios.

In order to achieve rental levels at approximately 100% CMHC average market rent, the Region of Peel and its local municipalities would need to contribute capital grants the equivalent of between \$101,844 and \$175,634 per unit or about \$132,154 per unit on average depending on the chosen scenario, discount rate and duration. The detailed explanation of the cost shortfall that an incentive or combination of regional and local municipal incentives would have to fulfill is included in the following figure.

Impact of Financial Incentives on a Not-for-Profit Development

The aforementioned pro forma scenarios assume a for-profit rental development project. In order to determine the impact of financial incentives for a not-for-profit rental development, additional pro forma scenarios (1.1, 2.1 and 3.1) were tested. The only difference is in the assumption of the corporate status of the developer. The rest of the assumptions remain unchanged. The HST rebates are higher for a not-for-profit development as opposed to a for-profit development. As a result, the equity contribution required of a not-for-profit developer is less than that required of a for-profit developer.

Figure 72: Capital and Operating Budget Summary for Non-Profit Development Pro forma Scenarios

	SCENARIO 1.1 Mississauga	SCENARIO 2.1 Brampton	SCENARIO 3.1 Caledon
CAPITAL COSTS - SOFT COSTS			
Professional Fees (includes architect, engineers, cost consultant, project manager, planners)	\$2,809,327	\$2,759,838	\$900,972
Site Related Studies (includes appraisal, topo and boundary surveys, ESA, geotechnical and other studies)	\$92,000	\$92,000	\$92,000
Legal and Financing Costs (includes legal, financing, mortgage insurance, marketing, audits and other administration costs)	\$2,023,762	\$1,781,326	\$575,532
Fees and Permits (includes rezoning, site plan, building permit and other fees)	\$12,732,452	\$10,056,611	\$2,588,089
Soft Cost Contingency	\$1,762,754	\$1,465,977	\$412,659
SUB TOTAL CAPITAL COSTS - SOFT COSTS (EXCL. HST)	\$19,420,295 25%	\$16,155,752 22%	\$4,569,253 28%
CAPITAL COSTS - HARD COSTS			
Construction Costs (includes base construction costs, site servicing hydro connection, appliances)	\$43,684,350	\$44,576,620	\$9,172,875
Escalation and Contingency	\$4,368,435	\$4,457,662	\$917,288
Land Cost (includes purchase price and land transfer tax)	\$7,103,475	\$6,088,475	\$1,267,225
SUB TOTAL CAPITAL COSTS - HARD COSTS (EXCL. HST)	\$55,156,260 72%	\$55,122,757 75%	\$11,357,388 69%
HST	\$7,917,742	\$7,857,449	\$1,702,552
Less HST Rebates	-\$5,518,057 3%	-\$5,476,037 3%	-\$1,186,548
TOTAL CAPITAL COSTS	\$76,976,240 100%	\$73,659,921 100%	\$16,442,644 100%
Per Unit	\$384,881	\$368,300	\$328,853
OPERATING - REVENUE			
Rental Revenue (less vacancy loss + parking revenue)	\$3,155,265	\$3,086,967	\$685,510
OPERATING - EXPENSES			
Maintenance, property management)	\$240,000	\$240,000	\$60,000
Utilities (includes heat, hydro, water)	\$240,000	\$240,000	\$60,000
Property Management, Administration, Insurance	\$186,211	\$183,479	\$42,420
Property Taxes	\$513,158	\$653,714	\$106,312
Capital Reserve	\$130,114	\$127,298	\$28,268
HST	\$61,207	\$60,852	\$14,765
Sub-Total	\$1,370,690	\$1,505,342	\$311,765
Mortgage Payments	\$1,488,769	\$1,319,525	\$311,759
Total Expenses	\$2,859,459	\$2,824,867	\$623,524
Required Equity for DCR 1.2, Rents 100% AMR	\$50,165,342 \$250,827	\$49,896,907 \$249,485	\$10,828,250 \$216,565
Percentage of Total Capital Cost	65%	68%	66%

If a not-for-profit developer received all of the aforementioned regional and local financial incentives then the required equity contribution to achieve 1.20 DCR reduces significantly making the project more financially feasible. For Scenario 1.1 the required equity contribution to achieve 1.2 DCR reduces the most from 65% of total capital cost to 26% when all financial incentives are applied, followed by Scenario 2.1 (68% to 29%). The least reduction is observed for scenario 3.1 (66% to 35%).

Figure 73: Impact of Financial Incentives on the Total and Per Unit Equity Contribution of a Not-For-Profit Developer

IMPACT OF INCENTIVES	SCENARIO 1.1 Mississauga		SCENARIO 2.1 Brampton		SCENARIO 3.1 Caledon	
	Equity Contribution with Rents at 100% AMR	\$20,129,982	\$100,650	\$21,698,603	\$108,493	\$5,681,017
Percentage of Total Capital Cost	26%		29%		35%	

Impact of Financial Incentives on House Prices

Pro forma prototypes were developed for ownership models. The primary adjustments made to the pro forma assumptions included deleting CMHC mortgage insurance fees, adding condominium application fees and Tarion warranty enrollment fees. House sale prices are inclusive of HST after eligible homeowner rebate. As shown in the table below, house prices could be reduced by about 20% if all incentives are utilized.

Figure 74: Impact of Financial Incentives on House Prices

	SCENARIO 1 Mississauga		SCENARIO 2 Brampton		SCENARIO 3 Caledon	
House Price (after HST Rebate)	\$426,358		\$422,787		\$353,491	
Land Donated	\$35,517	8%	\$30,442	7%	\$25,345	7%
Development Charges - ROP	\$26,377	6%	\$26,915	6%	\$27,830	8%
Development Charges - AM	\$16,014	4%	\$13,829	3%	\$14,860	4%
Parkland Dedication	\$4,355	1%	\$2,500	1%	\$1,250	0%
Municipal Planning and Building Permit Fees	\$3,226	1%	\$2,105	0%	\$2,940	1%
Alternative Parking Standards	\$9,425	2%	\$9,425	2%	\$2,538	1%
All Incentives	\$94,914	22%	\$88,676	21%	\$77,017	22%

Cost of Providing Incentives

The table below highlights the average cost of providing each type of financial incentive by local municipality. The actual costs will vary depending on unit sizes, number of bedrooms, geographic location, built form and a range of other factors. These costs are based on the pro forma prototype analysis and are for illustrative purposes.

In order to calculate the present cost to the region and local municipalities of exempting property taxes, the net present value of the incentive amount was calculated using a combination of discount rates and durations. The 1.85% discount rate is based on the average consumer price index and the 4.75% discount rate is based on the latest available mortgage interest rate for the region.

The table shows that to achieve rental levels at approximately 100% CMHC average market rent, the Region of Peel and its local municipalities would need to contribute capital grants the equivalent of between \$101,844 and \$175,634 per unit or about \$132,154/unit on average depending on the chosen scenario, discount rate and duration.

Figure 75: Per Unit Cost of Providing Financial Incentives to the Region and Local Municipalities

Per Unit Cost of Providing Incentive	SCENARIO 1		SCENARIO 2		SCENARIO 3	
	Mississauga		Brampton		Caledon	
Land Donated	\$35,517	9.1%	\$30,442	8.2%	\$25,345	7.6%
Development Charges - ROP	\$26,377	6.8%	\$26,915	7.2%	\$27,830	8.4%
Development Charges - LM	\$16,014	4.1%	\$13,829	3.7%	\$14,860	4.5%
Parkland Dedication	\$4,355	1.1%	\$2,500	0.7%	\$1,250	0.4%
Municipal Planning and Building Permit Fees	\$3,226	0.8%	\$2,105	0.6%	\$2,940	0.9%
Alternative Parking Standards	\$9,425	2.4%	\$9,425	2.5%	\$2,538	0.8%
Property Tax Exemption- discounted over 20 years @ 4.75%	\$31,318	8.1%	\$29,580	8.0%	\$27,081	8.2%
Property Tax Exemption- discounted over 40 years @ 4.75%	\$49,180	12.7%	\$46,451	12.5%	\$42,527	12.8%
Property Tax Exemption- discounted over 20 years @ 1.85%	\$40,360	10.4%	\$38,120	10.2%	\$34,900	10.5%
Property Tax Exemption- discounted over 40 years @ 1.85%	\$80,720	20.8%	\$76,240	20.5%	\$69,800	21.0%
All Incentives with property tax exemption 20 years @ 4.75%	\$126,232	32.5%	\$114,796	30.9%	\$101,844	30.7%
All Incentives with property tax exemption 40 years @ 4.75%	\$144,094	37.1%	\$131,667	35.4%	\$117,289	35.3%
All Incentives with property tax exemption 20 years @ 1.85%	\$135,274	34.8%	\$123,336	33.2%	\$109,663	33.0%
All Incentives with property tax exemption 40 years @ 1.85%	\$175,634	45.2%	\$161,456	43.4%	\$144,563	43.5%

Potential Cost of Achieving Housing Targets

The table on the next page illustrates how the cost of the various incentives differ for rental and ownership and the required capital incentive to achieve affordable costs by number of bedrooms.

There is a wide range of capital grant requirements to achieve affordability at the various income deciles. For example, to address affordability needs of households in the first income decile, capital grants for rental housing per unit range from \$215,540 to \$289,770 depending on the number of bedrooms per unit and on average \$329,670 per unit for ownership housing. At the other end of the spectrum, to address affordability needs of households in the sixth income decile, capital grants for rental housing per unit range from \$66,690 to \$140,920 depending on the number of bedrooms per unit and on average \$22,801 per unit for ownership housing. It is important to note that the income decile cut-offs for renters and owners are different as noted in the table below.

Figure 76: Required Capital Grants By Decile By Number of Bedrooms, City of Mississauga

Decile	1	2	3	4	5	6
Renter Income Deciles Based on Peel Incomes	\$15,156	\$23,576	\$32,761	\$41,491	\$50,944	\$60,952
Affordable Rents Based on Peel Incomes	\$379	\$589	\$819	\$1,037	\$1,274	\$1,524
Scenario Blended Rents Based on Mississauga Costs	\$2,260	\$2,260	\$2,260	\$2,260	\$2,260	\$2,260
Required Rent Reduction for Affordability	-\$1,881	-\$1,671	-\$1,441	-\$1,223	-\$986	-\$736
Pro forma Estimated Capital Cost for Mississauga	\$388,573	\$388,573	\$388,573	\$388,573	\$388,573	\$388,573
Required Capital Grants for Affordable Rents*	\$244,530	\$217,230	\$187,330	\$158,990	\$128,180	\$95,680
Scenario One Bedroom Rents Based on Mississauga Costs	\$2,037	\$2,037	\$2,037	\$2,037	\$2,037	\$2,037
Required Rent Reduction for Affordability	-\$1,658	-\$1,448	-\$1,218	-\$1,000	-\$763	-\$513
Estimated Required Capital Cost for One Bedroom Units	\$269,750	\$269,750	\$269,750	\$269,750	\$269,750	\$269,750
Required Capital Grants for Affordable One Bedroom Rent *	\$215,540	\$188,240	\$158,340	\$130,000	\$99,190	\$66,690
Scenario Two Bedroom Rents Based on Mississauga Costs	\$2,359	\$2,359	\$2,359	\$2,359	\$2,359	\$2,359
Required Rent Reduction for Affordability	-\$1,980	-\$1,770	-\$1,540	-\$1,322	-\$1,085	-\$835
Estimated Required Capital Cost for Two Bedroom Units	\$352,750	\$352,750	\$352,750	\$352,750	\$352,750	\$352,750
Required Capital Grants for Affordable Two Bedroom Rent *	\$257,400	\$230,100	\$200,200	\$171,860	\$141,050	\$108,550
Scenario Three Bedroom Rents Based on Mississauga Costs	\$2,608	\$2,608	\$2,608	\$2,608	\$2,608	\$2,608
Required Rent Reduction for Affordability	-\$2,229	-\$2,019	-\$1,789	-\$1,571	-\$1,334	-\$1,084
Estimated Required Capital Cost for Three Bedroom Units	\$415,000	\$415,000	\$415,000	\$415,000	\$415,000	\$415,000
Required Capital Grants for Affordable Three Bedroom Rent *	\$289,770	\$262,470	\$232,570	\$204,230	\$173,420	\$140,920
*Based on blended assumption that \$130 per unit in capital reduction equals \$1 reduction in rent						
All Households Income Deciles Based on Peel Incomes	\$28,850	\$44,728	\$59,156	\$73,828	\$89,389	\$106,002
Scenario Affordable House Price Based on Mississauga Costs	\$444,418	\$444,418	\$444,418	\$444,418	\$444,418	\$444,418
Affordable House Prices Based on Peel Incomes	\$114,748	\$177,905	\$235,291	\$293,645	\$355,509	\$421,617
Required Capital Grants For Affordable House Prices	\$329,670	\$266,513	\$209,127	\$150,773	\$88,909	\$22,801

The table on the next page estimates the total annual costs of providing capital grants to achieve affordability at the various income deciles. The estimate does not account for capital grants or ongoing rental subsidies from senior level of government or area municipalities. As shown below, the required annual capital grants range from \$16,825,961 to meet the needs of those in the sixth income decile to \$81,520,833 to meet the needs of the first income decile. Affordability could be also addressed through annual rent supplements.

Figure 77: Estimated Annual Cost of Achieving Targets

Decile	1	2	3	4	5	6
Assume Grants are Equally Distributed by Decile	333	333	333	333	333	335
Assume Grants for Income Decile 1 to 3 is 100% for Rental						
One Bedroom Grant (50% of units)	\$35,923,333	\$31,341,960	\$26,363,610			
Two Bedroom Grant (25% of units)	\$21,450,000	\$19,155,825	\$16,666,650			
Three Bedroom Grant (25% of units)	\$24,147,500	\$21,850,628	\$19,361,453			
Assume Grants for Income Decile 4 to 6 is 50% for Rental						
One Bedroom Grant (50% of units)				\$10,822,500	\$8,257,568	\$5,585,288
Two Bedroom Grant (25% of units)				\$7,153,673	\$5,871,206	\$4,545,531
Three Bedroom Grant (25% of units)				\$8,501,074	\$7,218,608	\$5,901,025
Assume Grants for Income Decile 4 to 6 is 50% for Ownership				\$22,096,715	\$11,796,359	\$794,118
	\$81,520,833	\$72,348,413	\$62,391,713	\$48,573,961	\$33,143,740	\$16,825,961
Annual Capital Grants Required Less Any Senior Government Funding						\$314,804,620

Summary of Impact of Incentives

The capital investment required to achieve affordable rents for households in income deciles one to three is beyond the total impact of all combined incentives, including land, development charges, parkland dedication, municipal and building permit fees, alternative parking standards and property tax exemption. Incentives could be very impactful in achieving targets in the fourth to sixth income decile, depending on the number of bedrooms and tenure.

Figure 78: Summary of Impact of Incentives By Owner Type, Municipality

Per Unit Cost of Providing Incentive	SCENARIO 1 Mississauga		SCENARIO 2 Brampton		SCENARIO 3 Caledon	
Per Unit Capital Cost / House Sale Price						
For Profit	\$388,573		\$372,035		\$332,043	
Non-Profit	\$384,881		\$368,300		\$328,853	
Ownership	\$426,358		\$422,787		\$353,491	
Potential Incentives						
Land Donated	\$35,517	9.1%	\$30,442	8.2%	\$25,345	7.6%
Development Charges - ROP	\$26,377	6.8%	\$26,915	7.2%	\$27,830	8.4%
Development Charges - LM	\$16,014	4.1%	\$13,829	3.7%	\$14,860	4.5%
Parkland Dedication	\$4,355	1.1%	\$2,500	0.7%	\$1,250	0.4%
Municipal Planning and Building Permit Fees	\$3,226	0.8%	\$2,105	0.6%	\$2,940	0.9%
Alternative Parking Standards	\$9,425	2.4%	\$9,425	2.5%	\$2,538	0.8%
Property Tax Exemption- discounted over 20 years @ 4.75%	\$31,318	8.1%	\$29,580	8.0%	\$27,081	8.2%
All Incentives with property tax exemption 20 years @ 4.75%	\$126,232	32.5%	\$114,796	30.9%	\$101,844	30.7%
Capital Costs Net of Incentives		Decile Affordable		Decile Affordable		Decile Affordable
For Profit	\$262,341	4-6th for renters	\$257,239	4-6th for renters	\$230,200	4-6th for renters
Non-Profit	\$258,649	4-6th for renters	\$253,503	4-6th for renters	\$227,009	4-6th for renters
Ownership	\$331,444	4-5th for renters	\$337,571	4-5th for renters	\$278,729	4th for renters

Regional Community Improvement Plan

A Community Improvement Plan (CIP) is a tool that allows a municipality to direct funds and implement policy initiatives toward a specifically defined area to encourage rehabilitation and/or stimulate development. The Region of Peel has been added to the list of upper-tier municipalities⁵⁵ that are prescribed to have a CIP. Affordable housing is one of the elements that an upper-tier municipality is permitted to deal with through a CIP. In addition, an upper-tier municipality can deal with land and buildings within and adjacent to existing or planned transit corridors that have the potential to provide a focus for higher density mixed-use development and redevelopment as well as infrastructure that is within the upper-tier municipality's jurisdiction⁵⁶.

To be able to designate a CIP area, a municipality's official plan should have provisions related to community improvement and a by-law would designate the CIP area. When a by-law is passed, the municipality may acquire land within the CIP area; hold land; and, prepare the land for community improvement. The municipality also has the power to construct, repair, rehabilitate or improve buildings and land in the CIP area; and sell, lease, or dispose of any land acquired or held in the CIP area. The municipality can also make grants or loans, in conformity to the CIP, to registered owners, assessed owners and tenants of lands or buildings within the CIP area. Intergovernmental coordination of grant or loan programs of upper- and lower-tier municipalities are also permitted as long as there are related policies in the official plan of the municipality making the grant or loan⁵⁷. The Regional Official Plan already has existing policies regarding CIPs (Sections 7.6.2.24 to 7.6.2.27) and, as such, the Region can adopt by-laws to implement CIPs in appropriate areas.

As part of an Affordable Housing Pilot Program, it is recommended that the Region pass a by-law to implement CIPs in designated growth and intensification areas as well as in identified major transit station areas throughout the Region. Incentives for affordable housing developments would then be provided through the CIP. The Region may also want to consider coordinating these CIPs with the local municipalities to coordinate efforts for affordable housing and other municipal priorities.

⁵⁵ Planning Act, O. Reg. 76/18

⁵⁶ Planning Act, O. Reg. 550/06

⁵⁷ Planning Act, Section 28.

Best Practice: Peterborough, Ontario

The City of Peterborough Affordable Housing Community Improvement Plan (CIP) offers financial incentives to build affordable rental housing within the designated Affordable Housing Community Improvement Project Area. The project must remain affordable for a period of at least 20 years and rents must meet the City's guidelines of "affordable" which is at least at or below average market rents. The Affordable Housing CIP has a number of financial programs including the Tax Increment Grant Program, Development Charges Program, Municipal Incentive Program, and Municipal Housing Facilities Program. An eligible project can apply for all these programs as well as any other programs outside of the Affordable Housing CIP, such as the Investment in Affordable Housing (IAH) Program and the City's Heritage Property Tax Relief Program.

Peel Affordable Housing Pilot Program

The financial analysis shows that providing land, property tax exemptions, and grants in lieu of Regional development charges have the most impact on making rents and house prices more affordable. However, the analysis also illustrates that all the financial incentives have an impact on housing affordability and achieving 100% AMR requires all the financial incentives. As such, it is recommended that the Region of Peel and local municipalities implement an Affordable Housing Pilot Program which includes all the financial incentives examined. This Affordable Housing Pilot Program will help the Region and its housing partners to achieve the housing targets over the next ten years, specifically, the annual target of 1,000 new housing units which are affordable to households with low incomes and 1,000 new housing units which are affordable to households with moderate incomes. This program is also intended to improve the Region's capacity to work with private and non-profit housing developers and to better coordinate its efforts with the initiatives of the local municipalities and senior levels of government.

It is recommended that a four-year pilot program be implemented to allow the Region to evaluate its effectiveness and address any challenges. A pilot program would also provide the Region an opportunity to examine the potential for including additional incentives to the recommended initiative.

This recommended program builds on Actions 3.1 to 3.7 and the identified need for affordable housing options and market-rate rental housing in Peel Region. The elements of the recommended program are the result of the evaluation of potential tools and incentives, including the suggestions from stakeholders of the combination of tools and incentives which would have the most impact on the development of affordable housing in Peel Region. The recommended elements are also the result of the financial analysis of the impact of incentives, an engagement session with Regional staff and an environmental scan of similar initiatives and their impact on affordable housing development.

It is recommended that the Peel Affordable Housing Pilot Program include the following elements:

- Updating the Region of Peel Municipal Housing Facility By-law
- Providing municipal land for affordable housing
- Waiving development charges for affordable housing and second suites built as part of new housing units
- Waiving planning and building permit fees
- Waiving parkland dedication requirements
- Implementing alternative parking requirements for affordable housing
- Exempting new affordable rental units from property taxes
- Implementing a 'Concierge Service' to prioritize affordable housing developments.
- Creating an annual monitoring and reporting process to track the effectiveness of the initiative.

The Region and its housing partners may consider a more streamlined Affordable Housing Pilot Program as a starting point. This pilot program would include the following elements:

- Waiving development charges for affordable housing
- Waiving planning and building permit fees
- Implementing a 'Concierge Service' to prioritize affordable housing developments.
- An annual monitoring and reporting process to track the effectiveness of the pilot.

Most of the elements of the recommended program cannot be implemented without close collaboration with local municipalities. The approach for funding these elements will be a complementary component to this Housing Strategy. Implementation of this recommended program should also build on and complement funding programs of senior levels of government. In particular, the Peel Affordable Housing Pilot Program should build on the federal programs to create new housing supply, including the Affordable Housing Innovation Fund, Rental Construction Financing, and the Federal Lands Initiative. The Pilot Program should also build on and complement the Canada-Ontario Investment in Affordable Housing (IAH) Program.

A description of the suggested process and criteria follows the outline of the Peel Affordable Housing Pilot Program elements and their cost and impact.

Inclusionary Zoning

The Province has recently provided municipalities such as Peel Region with the ability to implement inclusionary zoning policies to increase the supply of affordable housing. Recommendations related to inclusionary zoning are discussed in detail in the Housing Policy Directions section of this report. However, with regard to the Peel Affordable Housing Pilot Program, it is recommended that projects which qualify for the

recommended program be exempted from the requirements related to inclusionary zoning.

Recommended Elements of the Peel Affordable Housing Pilot Program

There are two tools that enable municipalities to provide incentives to the private and non-profit sectors: the Municipal Housing Facility By-Law and a Community Improvement Plan. Combined, these legislative instruments provide the Region with a comprehensive framework for offering financial incentives for affordable housing.

Updating the Municipal Housing Facility By-law

In addition to the recommendation to implement Community Improvement Plans in appropriate areas throughout the Region, it is recommended that the Region update its Municipal Housing Facility By-law. The Municipal Act allows municipalities like the Region of Peel to enter into agreements for the provision of municipal capital facilities, including affordable housing, by adopting a municipal facilities by-law. This by-law must include a definition of “affordable housing”, policies regarding public eligibility for the housing units to be provided, and a summary of the provisions that an agreement respecting municipal housing project facilities is required to contain. The Municipal Act allows municipalities to give or lend money; give, lend, lease or sell property; guarantee borrowing; and, provide the services of employees of the municipality to the person who has entered into a municipal facilities agreement with the municipality. The Act also allows for exemptions from all or part of the taxes levied for municipal and school purposes on the land on which the municipal capital facilities will be located. The Act also allows for exemptions from development charges for these facilities⁵⁸.

The Region’s current Municipal Housing Facility By-Law (41-2003) was passed in 2003 and, as such, it is recommended that it be updated to conform to current provincial legislation and the current context in Peel Region. In addition to updating references to current Acts and Legislation, some elements that should be considered as part of the update include the definition of affordable housing, including rental housing and affordable home ownership, and updating the definition of “average market rent”.

Providing Municipal Land for Affordable Housing

Action 3.6 refers to developing a Region-wide approach to securing land for affordable housing development including exploring a policy to give priority to affordable housing development in the disposition of surplus land and land banking.

The current Regional Official Plan has several policies related to providing surplus municipal land for affordable housing. These policies refer to maintaining an inventory of available public lands and buildings suitable for housing for low and moderate income households (5.8.2.4), giving the development of affordable housing priority on surplus

⁵⁸ Municipal Act, Section 110.

Regional property (5.8.3.2.9), and encouraging the local municipalities to give priority to affordable housing development for surplus municipal land (5.8.3.2.10).

The pro forma analysis identified the provision of land as one of the incentives with the most impact on housing affordability within all three local municipalities. The analysis found that the cost of land in Peel Region represents a range of between approximately 7% and 9% of the total cost of building one affordable rental or ownership housing unit. As part of the Affordable Housing Pilot Program, it is recommended that the Region and local municipalities identify surplus lands and buildings owned by the Region or local municipalities within the identified CIP areas, or elsewhere as identified by the Region or local municipality, and provide this land at no cost either through a purchase or long-term lease to Peel Affordable Housing Program recipients.

Best Practice: Calgary, Alberta

Sun Court is a 27-unit housing development designed for low-income families aiming to become first-time homeowners, built in Calgary, Alberta. Sun Court is built on land leased to Habitat for Humanity at below-market rates. The land was obtained through a land swap between the Calgary Homeless Foundation and the City of Calgary. Habitat for Humanity holds a lease on the Sun Court land, and the Calgary Homeless Foundation retains ownership of the land.

Waiving Regional Development Charges for Affordable Housing Units

As of February 2018, Regional development charges for residential developments ranged from \$21,002 for a small (less than 750 ft²) unit to \$51,879 for a single or semi-detached unit. In addition, development charges related to GO transit range from \$196 for a small (less than 750 ft²) unit to \$377 for an apartment unit with more than 750 ft² and \$528 for a single or semi-detached unit⁵⁹. Regional development charges account for between approximately 7% and 8% of total capital costs.

As part of the Affordable Housing Pilot Program, the Region should consider waiving all Regional development charges for rental housing developments within Regional CIP areas, or other areas identified by the Region or Area Municipality, with rents at or below the affordable rental threshold based on the provincial definition of affordable rental housing (\$1,259 in 2017 or \$1,204 if residents pay hydro costs) if these units do not qualify for the Provincial Development Charges Rebate Program.

It is also recommended that Regional development charges should be waived for ownership units in Regional CIP areas, or other areas identified by the Region or local municipalities, if these units have prices at or below the affordable ownership threshold based on the provincial definition of affordable ownership housing (\$421,617 in 2017)

⁵⁹ Region of Peel Current Indexed Development Charge Rates as of February 1, 2018 based on By-law 46-2015. Accessed from: <https://www.peelregion.ca/finance/development/>

and have at least three bedrooms. An approach for retaining the affordability of these units is included in the recommended process for this Program.

Waiving Regional Development Charges for Second Suites

Second units are self-contained residential units with a private kitchen, bathroom facilities, and sleeping areas within dwellings or within ancillary structures such as above laneway garages. The updated provincial Long-Term Affordable Housing Strategy (2016) proposed amending the Development Charges Act, 1997 to exempt second units in new dwellings from development charges in the same way as second units in existing dwellings are exempted⁶⁰. In anticipation of the adoption of provincial regulations, it is recommended that the Region waive development charges for second suites in all new residential units throughout the Region.

Waiving Local Municipal Development Charges for Affordable Housing

In addition to waiving Regional development charges, it is recommended that the local municipalities also waive local development charges for affordable housing units if these units do not qualify for the Provincial Development Charges Rebate Program. Local development charges make up between 3.7% and 4.5% of the cost of building one affordable rental unit in Peel Region based on the prototype pro forma analysis. As such, as part of the recommended Affordable Housing Pilot Program, local municipalities should consider waiving local development charges for residential developments within Regional CIP areas, or other areas identified by the Region or local municipality, with rents at or below the affordable rental threshold based on the provincial definition of affordable rental housing (\$1,259 in 2017 or \$1,204 if residents pay hydro costs).

Local municipalities should also consider waiving development charges for ownership units in Regional CIP areas if these units have prices at or below the affordable ownership threshold based on the provincial definition of affordable ownership housing (\$421,617 in 2017) and have at least three bedrooms.

Best Practice: Cambridge, Kitchener-Waterloo, Hamilton Ontario

These cities have adopted by-laws which waive development charges in downtown areas for all developments, including residential.

Waiving Planning and Building Permit Fees

On average, the cost of planning and building permit fees represent about 1% of the total cost to build one affordable rental unit in Peel Region. As part of the Peel Affordable Housing Pilot Program, it is recommended that the local municipalities waive or provide grants in-lieu-of all planning and building fees for residential developments

⁶⁰ Ontario Ministry of Municipal Affairs (2017). Second Units Info Sheet. Accessed from: <http://www.mah.gov.on.ca/Page16444.aspx>.

within Regional CIP areas with rents at or below the affordable rental threshold based on the provincial definition of affordable rental housing (\$1,259 in 2017 or \$1,204 if residents pay hydro costs).

It is also recommended that local municipal planning and building fees be waived or in-lieu grants provided for ownership units in Regional CIP areas if these units have prices at or below the affordable ownership threshold based on the provincial definition of affordable ownership housing (\$421,617 in 2017).

Waiving Parkland Dedication Requirements

Meeting the parkland dedication or cash-in-lieu requirements represent a range of between 0.5% and 1% of the cost to build one affordable rental unit in Peel Region. As part of the Affordable Housing Pilot Program, it is recommended that the local municipalities should waive all parkland dedication requirements for residential developments within Regional CIP areas with rents at or below the affordable rental threshold based on the provincial definition of affordable rental housing (\$1,259 in 2017 or \$1,204 if residents pay hydro costs).

It is also recommended that parkland dedication requirements be waived for ownership units in Regional CIP areas if these units have prices at or below the affordable ownership threshold based on the provincial definition of affordable ownership housing (\$421,617 in 2017) and have at least three bedrooms.

Best Practice: Kawartha Lakes, Ontario

The Kawartha Lakes Haliburton Housing Corporation built 29 new townhouse units and an additional 16-units as part of a regeneration project. These new units are a result of contributions from the City, including waiving of development charges, building permit fees, site plan application fees, security requirements for site plan, parkland levy, and service connection fees. The City also reduced property taxes for forty years.

Best Practice: Ottawa, Ontario

The City of Ottawa's Action Ottawa initiative for affordable housing waives development charges, planning fees, and parkland levies for affordable units.

Implementing Alternative Parking Requirements for Affordable Housing

Parking requirements in Peel Region typically range from one to two spaces for each dwelling unit with additional requirements for visitor parking. Meeting the current parking requirements makes up 0.5% and 2% of the cost of building one affordable rental unit.

As part of the Affordable Housing Pilot Program, the local municipalities should consider implementing alternative parking requirements for residential developments within

Regional CIP areas with rents at or below the affordable rental threshold based on the provincial definition of affordable rental housing (\$1,259 in 2017 or \$1,204 if residents pay hydro costs). Alternative parking requirements may be based on the distance of the proposed project to a major transit station area as identified in the Region's Growth Management Strategy.

Best Practice: Toronto, Ontario

The City of Toronto's parking requirements for "alternative housing" (a dwelling unit owned and operated by or on behalf of the City of Toronto or by a non-profit or private agency in cooperation with the City of Toronto) has been reduced to 0.1 spaces per unit (or 1 space per 10 units).

Exempting New Affordable Rental Units from Property Taxes

The pro forma analysis demonstrated that exemption from property taxes made a significant impact on the financial feasibility of projects. Property taxes represent between 34% and 43% of the operating budget of an affordable rental housing project excluding mortgage payments. In terms of impact on the capital budget, developers would be able to reduce their cash equity contribution by between approximately \$25,000 and \$35,500 per unit. As part of an Affordable Housing Pilot Program, the local municipalities should consider exempting new affordable rental units from property taxes for the length of the affordability period (20 years) for purpose-built rental projects with monthly rents at 100% of AMR or less.

Best Practice: Regina, Saskatchewan

The City of Regina offers tax exemptions for residential developments. The exemptions are provided for up to five years, and only apply to the residential building assessments, thus excluding any portions used for commercial or other purposes. The exemptions start the January of the year following the commencement of construction.

Implementing a Concierge Service

As part of the Affordable Housing Pilot Program, the Region should consider implementing a 'concierge service' to prioritize development applications for affordable rental and ownership housing or market-rate rental housing in Regional CIP areas. Key elements of this service include a dedicated Regional Planning staff contact person to facilitate and prioritize the application and pre-application meetings with the Region, local municipalities, and any other relevant stakeholders. The Regional contact person would also assist with any additional applications for funding, such as applications for funding through the federal/provincial Investment in Affordable Housing Pilot Program.

Best Practice: Toronto, Ontario

Toronto's Gold Star program helps expedite eligible industrial, commercial office and institutional planning and building projects in the City. Each project that receives this service is assigned an Economic Development Officer as part of the City Planning or Toronto Building case-managed team. The team provides customized one-on-one assistance to help businesses navigate the review and approval process. Staff work with the applicant, other City divisions and agencies involved in the development review to identify approval requirements, resolve issues and ensure that planning and building approvals are expedited. In late 2015, as part of the Affordable Housing Open Door Program, staff recommended extending the Gold Star program for non-profit and private-sector developers of affordable rental and ownership housing.

Best Practice: Toronto, Ontario

As part of Toronto's Open Door Program, all successful applicants receive the "Open Door Planning Service". This service streamlines the approval process of planning applications. Applicants are assigned a dedicated City Planning staff member who helps coordinate and facilitate the review process with the planning and building departments, Affordable Housing Office, and other City divisions commenting on the development application.

Annual Monitoring and Reporting

As part of the Affordable Housing Pilot Program, it is recommended that the Region, in partnership with local municipalities, implement an annual monitoring and reporting process to monitor applications and progress toward the identified targets. Monitoring and reporting on an annual basis will allow the Region to fine-tune the program as necessary.

It is recommended that the following indicators be monitored and reported on an annual basis.

- Number and type (i.e. tenure and dwelling type) of applications
- Number of affordable units created
- Type, size, and tenure of affordable units created
- Location, i.e. municipality, where affordable units are created
- Number, type, and size of market rate rental units created
- Location, i.e. municipality, where market rate rental units are created.

In addition, it is recommended that the Region update the affordable rental and ownership thresholds on an annual basis.

It is particularly important to implement a monitoring and reporting process during the pilot phase of the Peel Affordable Housing Pilot Program to be able to implement any necessary changes.

Best Practice: York Region, Ontario

The York Region Affordable Housing Measuring and Monitoring Guidelines provide a standard approach to implement York Region's affordable housing targets. The guidelines cover three main topics.

- Affordable Thresholds – How maximum affordable housing price thresholds are calculated.
- Affordable Housing Commitments – How local municipal staff can track affordable housing commitments made by development proponents.
- Affordable Housing Monitoring – How regional staff will monitor and report on new affordable housing completions.

These topic areas are interdependent and will result in consistent measurement of the supply of new affordable units, which will in turn allow for evidence-based policy responses to housing needs.

Recommended Process for the Peel Affordable Housing Pilot Program

It is recommended that the Region administer the Affordable Housing Pilot Program through a Request for Proposals (RFP) process. Applicants should be given a minimum of three months to respond to the RFP and the review and approval process should take no more than four months from the closing date of the Call for Proposals. Application requirements may include the following.

- Details of the proposed project
- Development qualifications
- Management qualifications (for rental housing)
- Corporate financial viability
- Project design and consistency with the Region's and local municipal planning principles
- Development schedule
- Capital and operating financial plans
- Community consultation and communications outreach plan.

In addition to the criteria outlined in the next sub-section, it is recommended that the review of applications take into account the following factors.

- Mix of units in terms of size and household income
- Length of affordability
- Depth of affordability
- Availability of capital and operating funding from other sources.

It is recommended that recipients of the Peel Affordable Housing Pilot Program be required to enter into a legal agreement committing to the delivery of affordable housing units.

Recommended Criteria for the Peel Affordable Housing Pilot Program

It is recommended that the Peel Affordable Housing Pilot Program be implemented as a points-based program where points will be assigned for each of the eligibility criterion met by the applicants. The extent of financial and non-financial incentives provided by the Region and local municipalities will be dependent on the points obtained by each applicant.

Affordable Rental Housing

It is recommended that the Region consider the following eligibility criteria for the pilot Affordable Housing Program – Rental Component.

Types of Eligible Projects

- New construction with all affordable units or a mix of market and affordable rental units
 - Projects with a mix of units should still be eligible although the market-rate rental units should only be eligible for the ‘concierge service’
- Acquisition and rehabilitation of existing residential buildings to increase or prevent the loss of affordable housing stock
- Conversion of non-residential buildings or units to purpose-built affordable residential rental buildings or units
- Addition of new affordable buildings or units to existing residential and non-residential buildings
- Social housing redevelopment which involves building new affordable units on social housing sites, including Peel Living sites.

Location

The proposed affordable rental project should be located within a Regional CIP area or other areas as identified through an RFP process.

Minimum Affordable Housing Requirement

The affordable rental housing units should make up at least 20% of the buildable residential gross floor area or total residential units of the development. As part of the points-based evaluation, the Region should consider assigning the highest proportion of points to this criteria.

Length of Affordability

Affordable rents and tenure must be provided for a minimum of 20 years.

Selection of Residents

Residents of the affordable housing units built through the Peel Affordable Housing Pilot Program should be selected through the centralized wait list for subsidized housing or alternate wait list as approved by the Region. In addition, a minimum of 10% of the affordable units should be allocated to households in receipt of the Region's Rent Supplement or Housing Allowance program as part of a Housing First approach.

As part of the contribution agreement with the Region, organizations who are approved for the Peel Affordable Housing Pilot Program should be required to prepare regular reports such as occupancy reports.

Affordable Ownership Housing

It is recommended that the Region consider the following criteria for the home ownership component of the Affordable Housing Pilot Program.

Eligible Projects

Home ownership units with a house price no greater than the affordable ownership threshold (\$421,617) and have a minimum of three bedrooms. Projects with one- or two-bedroom units at house prices no greater than the affordable ownership threshold may still be eligible for the concierge service as well as the waiver of local planning and building fees.

Home ownership unit types would include single detached, semi-detached, townhouses, stacked homes, apartments, and other built forms.

Home ownership units should be located within a designated Regional CIP area.

Selection of Residents

Purchasers of homes benefiting from the Affordable Housing Pilot Program should satisfy the following recommended criteria.

- Be vacating a rental home
- Live in the home as their sole and principal residence
- Not have an ownership interest in another home
- Satisfy the household income requirements at the time of initial purchase (i.e. be earning no more than \$103,345 annually in 2017).

Maintaining Affordability

Purchasers of homes benefiting from the Affordable Housing Pilot Program who sell their homes within ten years of the initial purchase should be required to reimburse the Region a maximum of 50% of proceeds from the sale greater than the current affordable ownership threshold. For example, if an affordable home is sold within ten

years of the initial purchase at \$600,000 with the affordable home ownership threshold at \$411,047, the home owner is required to reimburse the Region a maximum of \$94,476 (\$188,953 divided by 2).

Capital Funding

While it is recommended that the Peel Affordable Housing Pilot Program be implemented independent of any other capital funding programs, the Region should consider ensuring that this Peel Affordable Housing Pilot Program complement any available federal and provincial funding opportunities, including the Investment in Affordable Housing (IAH) Program which the Region of Peel administers, as well as any Regional capital funding programs for affordable housing to deepen affordability even further. Requests for Proposals (RFPs) for the Peel Affordable Housing Pilot Program should complement any RFPs issued for IAH funding and any other capital funding available, allowing project proponents to apply for both the Peel Affordable Housing Pilot Program as well as any capital funding available. The Region should further consider assigning additional points for applicants who are also receiving capital funding from the Region or other levels of government.

Housing Policy Directions

In addition to the recommended Peel Affordable Housing Pilot Program, the Region of Peel may want to consider amendments to the Regional Official Plan to reflect the recommended strategies related to encouraging the development of affordable housing, market-rental housing, and a diverse housing stock throughout the Region. The following are the recommended policy changes as well as the rationale for these recommendations.

Housing Targets

Recommended Housing Policy

It is recommended that the Region revise the Regional Official Plan, specifically Table 4 under policy 5.8.2.12, to reflect the new housing targets as established in the Peel Housing Strategy. It is also recommended that policies related to meeting these housing targets be revised to require local municipalities to adopt local Official Plan and zoning by-laws policies and regulations for implementation.

Rational for Recommended Housing Policy

Housing targets for affordable rental and ownership housing, market rental housing, and a more diverse housing supply were developed as part of the work on this Housing

Strategy and to meet the requirements of the provincial Growth Plan. These targets are meant to update the housing targets identified in the current Regional Official Plan (5.8.2.12) and to meet the requirements of the Regional Official Plan policy 5.8.2.14 which states that the annual minimum new housing unit targets should be reviewed and updated based on the most recent Census of Canada results and other relevant sources.

The Provincial Policy Statement also requires municipalities to set minimum targets for affordable housing for low and moderate income households (1.4.3 a). In addition, the provincial Growth Plan required that upper tier municipalities develop a housing strategy that establishes targets for affordable ownership housing and rental housing (2.2.6.1). The Housing Services Act also requires local housing and homelessness plans to identify objectives and targets related to housing needs.

Affordable Housing Targets

A ten-year target of 20,000 new affordable units (2,000 units per year) was identified through the work on this Housing Strategy. Of these units, it is recommended that 1,000 units be focused on households with low incomes while 1,000 units be focused on households with moderate incomes. The intention is that 52% of these units will be built in Mississauga, 41% in Brampton, and 7% in Caledon. These proportions are based on the proportion of Peel households forecast by municipality in 2028 (the end of the ten-year period). This approach is meant to ensure that affordable housing units will be available to all Peel residents throughout the Region.

The needs assessment (Section 3) shows that, despite significant efforts by the Region and its housing partners, there is still a substantial need for affordable housing in Peel Region. The analysis shows that 32% of all households in Peel Region in 2016 were facing housing affordability issues. Furthermore, 70% of households with low incomes and 31% of households with moderate incomes are facing housing affordability challenges. The households who cannot find affordable housing include smaller households, such as persons living alone and seniors, as well as larger households, such as couples with children and multiple family households. Households facing housing affordability issues also include both renters and home owners. There are also almost 13,000 individuals and families waiting for subsidized housing (in 2016) in Peel Region.

Residential development trends show that the private sector has been meeting the current targets for housing affordable to households with moderate incomes. However, the majority of these units are only suitable for small households. As the needs assessment shows, there is also a significant need for larger units, including units for families with children. The new affordable housing targets have been set to help ensure the needs of larger households with moderate incomes will also be met.

Additionally, in 2016, 14,858 individuals and families sought access to emergency housing in Peel, which is a 26.9% increase over 2015. This does not include the number of people deliberately choosing to stay out of the shelter system. A homeless

count during the 20,000 homes campaign in 2016, estimated 15.7% of Peel's homeless population slept rough. While there are a number of shelter beds in Mississauga and Brampton, most of these operate at or over capacity. As such, the identified affordable housing targets for low income households (1,000 units per year) include targets for emergency shelter beds and transitional housing units.

The affordable housing target for low income households also includes supportive housing units. The demographic analysis shows that the population of Peel Region is aging. The number of Peel residents aged 65 years and older increased by 124% from 2001 to 2016 compared to an increase of 40% in the overall population. In 2016, seniors made up 20% of all households in Peel Region, up from 16.7% in 2011. In addition, households with a member with a disability made up 10% of all households in 2016. Additionally, there were 2,396 people waiting for supportive housing in 2015 compared to only 1,645 supportive housing units. The Provincial Policy Statement also requires that the affordable housing targets set by municipalities include housing targets for people with special needs (1.4.3 b).

Rental Housing Targets

The housing targets also identify a target for rental housing which is 25% of all new units built in Peel Region. This target was set as there is significant need for rental housing in Peel. In 2017, the vacancy rate for purpose-built rental housing in Peel Region was 1.0% which is far below what is considered a healthy vacancy rate and has been decreasing for the last ten years.

In addition, while the number of purpose-built rental units have increased slightly in the last few years, the net increase in the supply has only been 327 units or 0.8% since 2001. Most of the recent increase in the rental housing supply has occurred in the secondary rental market. While the secondary rental market is a good source of rental units and provides a more diverse range of rental housing as some of these units are single and semi-detached homes, these units are still not as stable in tenure as units in the primary rental market. The provincial government, with its Fair Housing Plan, has introduced measures to protect tenants in the secondary rental market. These measures include expanding rent control to all private market rental units and requiring that if a landlord takes a unit of the rental market for their own use, they have to give the tenant one month's rent or offer them another acceptable unit. However, community agency representatives noted that some landlords in the secondary rental market are not fully aware of tenant rights, particularly with regard to refusing to rent to certain tenants and the upkeep of units, and many tenants are also not aware of their rights or do not want to complain as they are afraid of losing their rental units. As such, having an adequate supply of purpose-built rental units throughout the Region would not only meet the needs of vulnerable population groups and households with low incomes, it would also provide households with moderate incomes a viable alternative to home ownership.

While a target of 25% of all new units be rental may seem ambitious, historical trends show that this is, in fact, achievable. In 2001, almost 26% of all housing units in Peel

Region were rental units. While this proportion has steadily decreased in the last 17 years, current Regional and local municipal initiatives as well as the recommended housing initiative will help ensure this target is met.

Target for Medium- and High-Density Housing Types

The housing targets have identified a target of 50% of all new housing built in Peel Region in the next ten years should be medium- or high-density. The current housing stock consists primarily of single detached homes (46% in 2016) which does not meet the needs of a majority of Peel residents, including seniors, persons with disabilities, people living alone, or households with low incomes. Single detached homes continue to make up the majority of housing completions, making up 47% of all completions in 2016.

Setting a target for medium- and high-density housing types not only meets the identified need in Peel Region, it also meets the requirements set in the provincial Growth Plan and the Provincial Policy Statement requiring a diverse range and mix of housing options and densities and planning for complete communities. In addition, the Peel Healthy Development Assessment Guide states that townhouses, multiplexes and apartment buildings (i.e. medium- and high-density housing types) should make up at least 50% of all units in large-scale developments to ensure the development of a healthy community. Also, Hemson Consulting's Peel 2041: Planning for Growth and Managing Risk report, which was undertaken to support the Region's growth management work, notes that the residential minimum intensification rate is set at 50% for 2016 to 2030.

While the current focus is still on low-density housing types, housing completions data show that achieving a target of 50% of all new housing units is possible. In 2016, 42% of all housing completions were medium- and high-density housing types. Furthermore, in 2011, 54% of housing completions were medium- and high-density housing types.

Second Suites

Recommended Housing Policy

It is recommended that the Regional Official Plan be revised to include the following policies on second suites:

Encourage and support the creation of second suites as part of new residential developments, including a review of development charges applicable to second suites, and consideration of other appropriate incentives.

Require local municipalities to amend their zoning by-laws to establish standards and permissions for second suites as part of new residential development, including laneway second suites, coach houses, and apartments above garages.

Rationale for Recommended Housing Policy

As noted above, provincial legislation requires municipalities to provide for intensification of settlement areas, including residential intensification (PPS, 1.4.2 and 1.4.3 and Growth Plan, 2.2.6.3). This residential intensification can be achieved through intensification of current uses and other residential forms such as second units.

The Planning Act was recently amended by the Strong Communities through Affordable Housing Act to ensure that municipalities are permissive of second suites (16(3) and 35.1(1)). These changes came into effect on January 1, 2012. The local municipalities already allow second suites in certain forms through policies in their Official Plans and zoning by-laws. In addition, the Regional Official Plan includes policies related to permitting second suites (5.8.3.2.6 to 5.8.3.2.8). Furthermore, Action 4.3 refers to identifying opportunities to maximize existing housing stock.

Second suites, in general, are a more affordable form of rental housing. As such, the development of more second suites will help address the housing needs of households with low incomes. In addition, second suites, laneway housing, coach houses, and other forms of second suites represent 'invisible' intensification as these housing forms intensify already existing neighbourhoods without affecting the character of the neighbourhood. Second suites also allow for a more efficient use of existing infrastructure. They also provide an option for seniors or persons with disabilities who wish to live independently but close to family or friends.

Consultation with the development community included discussion about alternative affordable housing opportunities in the greenfield context, such as laneway houses, coach houses, and apartments above garages. This is a significant opportunity in the context of new residential neighbourhoods. There are other examples of these types of units in other GTA municipalities, including in Cornell in the City of Markham. The development industry also noted that development charges represent a substantial barrier to providing attractive second unit options to buyers as part of new builds.

As such, the Region may want to consider updating the Regional Official Plan to reflect the most recent provincial requirements to permit second suites as part of single detached, semi-detached, and townhouse dwellings. The Region may also want to consider expanding the definition of second suites to include other types such as laneway housing and coach houses and to require local municipalities to permit these dwelling types.

Best Practice: Moncton, New Brunswick

The goal of permitting the development of garden suites in Moncton is to allow homeowners to use extra space on their lot for income that can be put toward their mortgage payments. Also, the suites can provide affordable rental housing to their relatives or to low-income renter households. They can be located in the rear yard or on top of a garage. Creating a garden suite in the City of Moncton involves applying for a “change of use” as well as a building permit and paying the associated fees. There are no additional fees for licensing or registration. The suites help Moncton achieve its affordable housing goals.

Intensification

Recommended Housing Policy

It is recommended that the Regional Official Plan be revised to include the following policy on pre-zoning/rezoning:

Encourage local municipalities to amend their zoning by-laws to pre-zone or rezone for increased height and density, as an outcome of a secondary plan or similar study for intensification areas.

Rationale for Recommended Housing Policy

Sections 5.8.1.1, 5.8.2.2, and 5.8.2.6 of the Regional Official Plan speak to residential intensification. The Province requires the development of more compact, complete communities through intensification of existing neighbourhoods, particularly where there are planned transit services. More efficient, compact development patterns are a key objective of the 2014 PPS (e.g., policy 1.1.3.3) and the 2017 Growth Plan for the Greater Golden Horseshoe (Section 2.1). The Region has accordingly implemented policies to set out requirements for intensification, which are further implemented by local Official Plans.

The Community Planning Permit System (CPPS) is enabled by the Planning Act (and subject to O.Reg. 173/16) as an alternative to zoning (including minor variance) and site plan processes. The process represents an opportunity to implement a more streamlined framework for development approvals. To date, the City of Brampton has implemented a DPS (CPPS was previously called a Development Permit System) in its Main Street North area. However, local municipal stakeholders noted that implementing a CPPS was complex and time-consuming.

Alternatively, pre-zoning is an opportunity for municipalities to implement Official Plan policies for densities, height and built form directly into zoning permissions as-of-right, to

avoid the need for developers to rezone their lands to achieve the densities set out by the Official Plan. This approach can help reduce the cost to intensification.

There was significant interest in this tool among the residential developers and Regional staff as well as moderate interest among local municipal staff during the consultations. Action 2.3 has identified the Region's intention to pre-zone or re-zone the seven Peel Housing Corporation priority sites to facilitate redevelopment of these sites. Building on this action, the Region can share lessons learned from this process with local municipalities to encourage them to implement this tool, possibly as part of a CIP area or in identified intensification or major transit station areas in the Region.

The decision to pre-zone should generally come about as an outcome of an area-specific study where pre-zoning is considered appropriate for the area. The risk of pre-zoning is that the cumulative impact of all pre-zoned development will not be thoroughly considered within a broad area, in terms of traffic impact, servicing capability, sufficient parks and open space, and other considerations. Further, effective pre-zoning requires a strong policy and design framework in place to manage land use compatibility with adjacent lower density areas. These risks may be managed when pre-zoning is an outcome of a secondary plan or area specific study. Accordingly, it is recommended that a policy be introduced in the ROP to encourage municipalities to consider pre-zoning in appropriate circumstances in intensification areas, as an outcome of a secondary plan or similar process.

Best Practice: Vancouver, British Columbia

The City of Vancouver's planning for the Broadway Corridor Expansion includes creating new district schedules and clear rezoning policies to clarify the City's requirements for creating affordable housing and housing diversity.

Diverse Housing Supply

Recommended Housing Policy

It is recommended that the Regional Official Plan be revised to introduce the requirement of a mix of unit types with an overall objective of achieving at least 50% of units as medium- and high-density across the Region as part of the policies related to the housing targets.

Rationale for Recommended Housing Policy

As previously noted, provincial policy requires municipalities to plan for an appropriate range of unit types that reflect demographic needs. The Provincial Policy Statement intends municipalities to provide for an appropriate mix of housing types and densities to meet projected requirements of current and future residents of a regional market area (Section 1.4). Municipalities are to set out minimum targets for affordable housing for

low and moderate income households (Section 1.4.3 a). Housing forms that meet the needs of current and future residents including special needs are to be permitted and facilitated (1.4.3 b). Further, it is a principle of the 2017 Growth Plan to support a range and mix of housing options for all sizes, incomes and ages of households (1.2.1). Section 2.2.6.3 requires municipalities to consider tools to require a mix of unit sizes within multi-unit residential developments, in order to accommodate a diverse range of household sizes and incomes.

As noted in the rationale for the housing targets, the current housing stock does not reflect current needs for certain demographic groups and income levels. The current housing stock consists principally of single detached homes for single families (46% of dwellings). However, the mix of housing types varies across the Region. Caledon has the largest proportion of single detached dwellings at 83%. There has also been a trend towards increasing the mix of unit types as part of new development, including an increasing share of townhouse dwellings and multiple dwellings (principally one- and two-bedroom ownership units).

The City of Toronto has struggled with the provision of larger unit types, such as three-bedroom units, to accommodate families in the City's core and other areas. In 2009, the City of Toronto's Official Plan was proposed to be amended to require at least 10% of units be developed with three or more bedrooms or have the ability to convert units to three bedrooms and up (e.g., enabling interiors to be renovated to suit different needs). This was intended to apply to developments with at least 100 units. This Official Plan Amendment was not completed. The City has been examining other guidelines as part of its Growing Up Guidelines work.

The City of Edmonton has been examining the potential for offering height/density bonusing in exchange for the provision of three-bedroom units. Further, the City of Vancouver has similarly been looking to address the provision of family units as part of condominium developments. The City has implemented a housing mix policy which requires a minimum of 35% family units (at least two bedrooms) inclusive of a minimum of 10% three bedroom units.

Developers have indicated that it is most profitable to provide for one- and two-bedrooms within multiple unit developments, meaning that 3+ bedroom units become very expensive and not affordable for families (compared with townhouses). Accordingly, due to the high price that must be set, and the associated maintenance fees, there is limited demand for three-bedroom units in multiple dwellings at market rates. Further, it has been noted by developers that inflexible construction of condominium buildings (unmovable concrete interior walls) create limitations with respect to an owner's ability to reconfigure the layout to suit different needs in the future. Consultation with municipalities indicated the need to fulfill a "missing middle" in housing demand in Peel. Development takes the form of principally low rise buildings (single detached) and some higher density condominium developments. While the mix of unit types is improving (development of townhouses), there is still a need to provide more medium density uses that meet the needs of large households but are more

affordable than single detached dwellings. This could also include stacked townhouses and low to mid-rise apartments.

The development of greenfield communities continues to be dominated by mostly single detached dwellings. While single detached dwellings fulfill needs for large families, there are other more affordable, medium density housing formats that can provide space for larger household sizes while being more affordable, including townhouses and stacked townhouses. The development of these units, while increasing, needs to be further encouraged in Peel Region to provide a mix of unit types that better reflects affordability and household needs. It should be a key objective of the Region and local municipalities to require planning for a greater mix of unit types as part of secondary plan processes. To this end, it is recommended that a policy be introduced to require a mix of unit types as part of these processes, with an overall objective of achieving at least 50% of units as medium density across the Region. This policy supports the identified housing target for medium- and high-density dwellings.

There is a clear need to meet demand to accommodate larger households in multiple dwellings. However, a regulatory approach in which a minimum number of three-bedroom or larger units are required in multiple dwellings would not necessarily be an effective solution and could be associated with negative effects. The cost of the units and maintenance fees may make the units unaffordable, and developers may have difficulty selling the units. Further, the impact of the minimum large unit requirement on the developer's pro forma may begin to impact the feasibility of developing within intensification areas. Without an incentive framework, the regulatory approach may not be successful.

An opportunity to reduce the cost of developing three bedroom units within multiple dwellings is to reduce associated development charges for larger unit types. The Region's current development charges are calculated based on square footage, with a much larger development charge associated with units over 750 sq. ft. versus units under 750 sq. ft. As such, the recommended Peel Affordable Housing Program would waive development charges for larger units with house prices below the affordable housing threshold.

Developers should be encouraged to facilitate condominium construction approaches that will facilitate flexibility to modify interior layouts to suit family needs. While this may be limited by Building Code or other standards, this opportunity is worth exploring to provide flexibility in future developments.

Best Practice: Mississauga, Ontario

The City of Mississauga's Official Plan states that the City will ensure that the housing mix can accommodate people with diverse housing preferences and socioeconomic characteristics and needs.

Shared Housing

Recommended Housing Policy

It is recommended that Policy 5.8.6.2.2 in the Regional Official Plan be modified as follows:

Develop guidelines and a definition for shared housing, and direct the local municipalities to explicitly identify shared housing as a permitted use in residential or other suitably zoned lands where appropriate in local municipal zoning by-laws.

Rationale for Recommended Housing Policy

Action 3.3 refers to the development of Official Plan policies that support the creation of affordable rental and diverse housing types. Action 4.3 refers to reviewing evidence and best practices in order to identify opportunities to maximize existing stock including home-sharing, co-housing, and creating additional second units in Peel.

The Regional Official Plan also speaks to the development of special needs housing in appropriate locations (5.8.6.2.1 and 5.8.6.2.2) and providing opportunities to meet the housing needs of diverse populations (5.8.6.2.9).

The Planning Act was amended in 1994 to ensure that zoning by-laws do not discriminate on the basis of relationship (Section 35). This was in response to older zoning by-laws which required that buildings be occupied by related family members. Further to this, the Human Rights Commission has been advocating the need for municipalities to ensure that planning policy and zoning do not discriminate against individuals or groups. Zoning needs to be focused on managing land use impacts and cannot distinguish land use or permissions on the basis of presumed characteristics of the individuals living in the dwelling. For example, zoning by-laws which required separation distances between group homes are now illegal as they are based on the characteristics of the people living in these homes rather than land use planning.

Shared housing can help support the creation of more affordable units for certain demographic groups, such as seniors and persons with disabilities. As previously mentioned, the number of Peel residents aged 65 years and older increased by 124% from 2001 to 2016 compared to an increase of 40% in the overall population. In 2016, seniors made up 20% of all households in Peel Region, up from 16.7% in 2011. In addition, households with a member with a disability made up 10% of all households in 2016. Additionally, there were 2,396 people waiting for supportive housing in 2015 compared to only 1,645 supportive housing units. Shared housing forms may help address the need for supportive housing. These housing forms also facilitate aging in place. Even if seniors do not need personal support or health care services typically provided in supportive housing, living on their own in single family homes may prove challenging as they age. Having the opportunity to share housing with other like-

mindful seniors would allow these individuals to stay in their own communities and live independently.

Zoning should focus on managing intensity of use and not the occupants of dwellings. Generally, shared housing should be permitted where it is considered compatible and similar in intensity and character to adjacent uses. It is critical that zoning by-laws and policies be supportive and flexible to assist in creating housing to accommodate special needs and shared accommodations.

While Caledon is currently facilitating the development of a shared home for seniors, it is recommended that the current policy framework for shared and special needs housing be amended to require all the local municipalities to implement appropriately permissive policies and zoning to accommodate these housing forms in appropriate areas.

Best Practice: Markham, Ontario

The Town of Markham's Official Plan has policies related to affordable and shared housing. Shared Housing is defined as "a form of housing where individuals share accommodation either for economic, support, long term care, security, or lifestyle reasons. In some cases, shared housing has no support services attached, such as students, seniors, or other unrelated individuals choosing to live together to share the cost and/or maintenance of housing. In other cases, shared housing may have various levels of support and services for persons with special needs which may include assistance with daily living, housekeeping, counselling, medication, etc."

Inclusionary Zoning

Recommended Housing Policy

Inclusionary zoning represents an opportunity to increase the supply of affordable housing units throughout the Region. However, it is recommended that the Region's initial priority for promoting increases in the supply of affordable housing through private sector participation be on the development of Regional CIPs and the implementation of the recommended Peel Affordable Housing "Home for All" Program. The implementation of inclusionary zoning policies can then be informed by the impact of the recommended Affordable Housing Program.

As such, it is recommended that Regional Official Plan policy 5.8.3.2.5 be deleted and replaced as follows:

Work with local municipalities to develop inclusionary zoning policies to be applied in all residential areas in the Region which comply with provincial legislation and complement the Peel Affordable Housing "Home for All" Program.

In developing inclusionary zoning policies, it is recommended that the Region and local municipalities consider including the following elements:

- Applying the policy to developments or redevelopments with at least 100 residential units where at least 49% of the units are market rate units
- Requiring that 10% of units be affordable to households with moderate incomes
- Setting house prices and rents for the affordable housing units based on the Region's affordable house price and rental thresholds
- Maintaining a minimum affordability period of 20 years
- In the case of ownership units, implementing guidelines where 50% of the net proceeds of the sale of an affordable housing unit go to the Region and be reinvested in affordable housing if this unit is sold within the 20-year affordability period
- Requiring that any off-site affordable housing units be located in designated major transit station areas closest to the location of the proposed development
- Including the provision of incentives such as waiving or deferring planning fees, alternative parking standards, and eligibility for the Peel Affordable Housing Program's concierge service
- Exempting projects which have qualified for the Peel Affordable Housing Program.

Rationale for Recommended Housing Policy

Inclusionary zoning requires residential developers to provide a certain proportion of affordable housing units as part of a residential development or redevelopment. The Province, through the Promoting Affordable Housing Act, 2016, amended the Planning Act to introduce the ability for municipalities to enact inclusionary zoning policies and by-laws. To enact inclusionary zoning, a municipality would need to have Official Plan policies to identify the area(s) that are appropriate for inclusionary zoning, to address the range of incomes eligible for affordable housing, and to set out an average market price for proposed unit types.

The Province has also passed regulations (O. Reg. 232/18) which set out requirements for an inclusionary zoning framework. These inclusionary zoning requirements came into effect on April 12, 2018. The key elements of the regulations are summarized as follow.

- The municipalities required to implement inclusionary zoning are not prescribed. Accordingly, it is interpreted that all municipalities in Ontario have the option of implementing an inclusionary zoning framework.
- The regulation outlines the detailed requirements for an assessment report, which is required to support development of Official Plan policies to enable inclusionary zoning. Matters to be addressed include demographic analysis, incomes, housing supply, housing sizes, market prices and rents, and an analysis of the impacts on the housing market and on financial viability of land from inclusionary zoning. These matters are addressed in this report. However, the latter requirement about the impact of inclusionary zoning on the housing

market and financial viability of land will require further review, including a review of other jurisdictions which have implemented inclusionary zoning policies as well as a review of the impact of the recommended Affordable Housing Program, to support any inclusionary zoning policies and to meet the Province's new requirement for the completion of assessment report.

- The regulation identifies expectations about the content of Official Plan policies which must be put in place prior to enacting inclusionary zoning by-laws. This includes:
 - The minimum unit size of development that will be subject to inclusionary zoning. In no case can this be less than 10 units.
 - The Official Plan is to identify the appropriate areas that will be subject to inclusionary zoning.
 - The policies are to identify the range of household incomes for which units are to be provided.
 - The number (rate) of units (e.g., a percentage of total units) or GFA required to be affordable is to be set out in the policies.
 - The period of time the units are to be maintained as affordable is also to be identified.
 - A description of how the measures and incentives will be determined is also to be included in the policies.
 - A methodology for identifying the price or rent of units is to be included in the policies.
 - Finally, the Official Plan is to identify circumstances in which required affordable units may be permitted off-site from the proposed development. Further, Section 5 of the Provincial regulation enables municipalities to prohibit the provision of required affordable housing units to off-site locations. Any off-site units are also required to be in proximity to the development in addition to other criteria, per Section 5 of the Provincial regulation.
- Inclusionary zoning by-laws may require that a portion of the net proceeds of the sale of an affordable housing unit go to the municipality. Where this is set out in the inclusionary zoning by-law at the municipality's discretion, the value cannot exceed 50%. This is to be implemented in an agreement.
- The relationship of inclusionary zoning and bonusing (Section 37 of the Planning Act) is addressed in Section 6 of the Provincial regulation. Any bonusing by-laws cannot include affordable housing units that are already required by inclusionary zoning. Bonusing may be used as an incentive to achieve inclusionary zoning requirements, except in areas that are subject to a community planning permit system.
- Once inclusionary zoning is in effect, the Provincial regulation identifies requirements for an annual report to be developed to provide an update on the status of affordable units required by inclusionary zoning.
- There are some clear exceptions for inclusionary zoning requirements, including:
 - Developments less than 10 units is exempted by the regulation.
 - Development by non-profit developers where more than 51% of units are affordable is exempted.

- Development applications in process before inclusionary zoning came into effect are exempted (i.e., there are transitional provisions).

There is a clear need to provide additional affordable housing supply to meet the identified targets. Inclusionary zoning is one tool available to help achieve the targets. There are many examples of successful inclusionary zoning requirements, particularly outside of Canada. However, it is an approach that is fairly new to Canada, and has not been utilized in Ontario. The best practice review indicates certain principles that will influence a successful inclusionary zoning framework. This includes the need for complementary incentive programs; setting out a minimum threshold/development size which will be subject to the inclusionary zoning requirements; establishing a suitable minimum number of affordable units to be set aside; setting out flexibility to provide the affordable units off-site; and other matters. Generally, amongst best practices reviewed, the approach varies widely, and many of the examples are voluntary inclusionary zoning frameworks, rather than mandatory.

The Provincial regulations provide some flexibility with respect to the types of incentives that may be offered to complement inclusionary zoning. This is to be set out in the Official Plan policies. As has been noted, incentives are always included as part of successful inclusionary zoning frameworks.

The implementation of inclusionary zoning will certainly assist in increasing the supply of affordable ownership units, because it will become a requirement of development. However, there is a cost associated with implementing any incentives and with administering inclusionary zoning. There may also be effects associated with introducing inclusionary zoning, such as increased prices for market units as the need to provide affordable units will increase costs to developers.

A potential inclusionary zoning framework in the Region of Peel would need to address the appropriate locations for inclusionary zoning. In this regard, the options are to focus inclusionary zoning within certain areas (such as intensification areas and major transit station areas) or to require it more broadly across the Region, including greenfield areas. Focusing an inclusionary zoning framework within intensification areas or major transit station areas may work against intensification objectives, by increasing the cost of development within these areas. Also, stakeholders from the development industry suggested applying inclusionary zoning throughout the Region rather than only in specific areas to avoid discouraging development in those areas.

At the time of completing consultation, local municipal staff and Regional staff were not as interested given that the municipalities would have to provide significant financial incentives to obtain the affordable units based upon the draft regulations that were available at the time. The in-effect regulation provides more flexibility with respect to the incentives.

Building on Action 3.7 which states that the Region collaborate with local municipalities to evaluate emerging regulations to determine appropriateness, it is recommended that

the Regional Official Plan acknowledge the potential for inclusionary zoning to contribute to achieving the affordable housing targets. It is noted that since the Province has now advanced inclusionary zoning, Regional Official Plan policy 5.8.3.2.5 needs to be updated.

A means of “phasing in” inclusionary zoning could initially involve the introduction of a Regional CIP to introduce incentives for affordable housing on a voluntary basis. Stakeholders from the development industry were generally supportive of a voluntary inclusionary zoning policy, which could effectively be achieved through a CIP, by tying voluntary incentives to the provision of affordable housing. The flexibility of this approach is much greater than the introduction of inclusionary zoning requirements, since the CIP’s incentives can be tied to a variety of tenures, number of unit types and many other objectives.

Best Practice: Montreal, Quebec

Montreal has an inclusionary housing strategy for developments of 200 or more units. The strategy requires that at least 30% of the new units be provided as affordable housing with 15% provided as social housing and 15% as affordable rental or affordable ownership housing. This strategy is framed as a guideline rather than a requirement as its implementation is dependent on the boroughs and could vary in response to local conditions.

Vancouver, British Columbia

The city is currently implementing a pilot project that will test the feasibility of requiring all new rental buildings in the Oakridge area of the Cambie corridor to include at least 20% below-market rental units. The overall goal is to create between 4,000 and 5,000 below-market rental units. The program includes incentives to encourage developers to build rental units such as increased allowable density, relaxed parking requirements compared to condos, and fee waivers for affordable rental units.

Providing Municipally-Owned Surplus Land

Recommended Housing Policy

To augment the current Regional Official Plan policies and support the implementation of the recommended Affordable Housing Program, a new Regional Official Plan policy is proposed as follows:

Where surplus municipal properties proposed to be used for affordable housing in partnership with the private or non-profit sector, work with local municipalities to implement suitable zoning requirements for the lands, in accordance with the local municipal official plan and Regional official plan.

Rationale for Recommended Housing Policy

Some municipalities have adopted policies which prioritize affordable housing for any decisions related to surplus municipal lands. Action 3.6 speaks to the development of a Region-wide approach to securing land for affordable housing development including exploring a policy to give priority to affordable housing development in the disposition of surplus land and land banking. The Regional Official Plan also speaks to the creation of an inventory of available public lands which may be suitable for housing for low and moderate income households (5.8.2.4) and giving priority to the development of affordable housing on surplus municipal property (5.8.3.2.9 and 5.8.3.2.10).

As the financial analysis shows, the cost of land in Peel Region represents about 7% to 9% of the cost of building one affordable housing unit. This is supported by feedback from residential developers who have stated that cost of land often limits their ability to provide affordable housing units.

There is a growing trend for municipalities to combine multiple uses, particularly municipal services and housing, in single structures on municipally-owned land. These mixed-use community facilities or community hubs provide a central access point for a range of needed health and social services. It can be a school, neighbourhood centre, library, seniors centre, a place of worship, or affordable housing development. This reduces or eliminates the land cost for the affordable housing development and it ensures affordability over the long term as the land will continue to remain in public ownership. It also provides an opportunity for a more efficient use of underutilized land or buildings.

As part of the Affordable Housing Program, the Region and local municipalities should provide surplus municipal land for the development of affordable housing. This can be done through mixed-use community facilities, the redevelopment or intensification of Peel Living land or buildings, or the provision of surplus land for a new affordable housing development.

Best Practice: Minden Hills, Ontario

The Kawartha Lakes Haliburton Housing Corporation developed twelve units under the Investment in Affordable Housing Program Extension. The Township donated land, waived planning and building fees, and reduced property taxes while the County made a cash donation.

Securing Land

Recommended Housing Policy

To support Action 3.6 as well as the implementation of the recommended Regional Community Improvement Plan and Affordable Housing Program, it is recommended that the Regional Official Plan be amended to include the following policies:

Collaborate with local municipalities and developers to identify and secure lands for affordable housing purposes, through the application of conditions of draft plan of subdivision approval.

Direct the local municipalities to undertake affordable housing needs assessments to inform new or revised secondary plans.

Direct the local municipalities to include a requirement for an affordable housing needs assessment as part of a large-scale development application.

Rationale for Recommended Housing Policy

Including a requirement for an affordable housing needs assessment as part of the secondary plan process and large-scale development approval process will help the Region and local municipalities to identify affordable housing needs in the specific community where the development plan is proposed or which will be addressed by the secondary plan. This housing needs assessment will also meet the provincial requirements under inclusionary zoning.

In addition to providing municipally-owned land or buildings, the Planning Act, under Section 51(25) provides planning approval authorities the power to impose reasonable conditions on plan of subdivision approvals, potentially including securing land for affordable housing purposes. This provides an opportunity for the Region to secure land as part of greenfield development for the purposes of developing affordable housing.

As an example, the Town of Caledon has worked with developers to secure lands (2 acres) within the Mayfield West area for affordable housing purposes. In this case, the developer has donated the land and was negotiated as part of the subdivision agreement. A portion of the lands is currently being developed by the Region for affordable housing.

As land values continue to increase, the need for the Region to secure land for the provision of affordable housing projects will continue.

Best Practice: Saskatoon, Saskatchewan

The City of Saskatoon Land Branch plans, services and sells residential, commercial and industrial lots owned by the City. They use the “profits” from the sale of surplus City owned land (difference between the original cost of the purchase and services and the market sale price) to support broad public policy objectives such as the physical development of neighbourhoods, community services, as well as to make money for public programs. Some 10% of Saskatoon’s land sales go into the Affordable Housing Reserve to support housing programs, which can be a substantial contribution. Approximately \$7.2 million has gone into the reserve since 1987, including a one-time initial contribution of about \$5.2 million and about \$6.4 million has been spent on housing activities since then - a total of 1,328 housing units, including social (public) housing, private sector market affordable housing, and new homeowner co-operatives.

Density Bonusing

Recommended Housing Policy

To support the achievement of the recommended housing targets, it is recommended that the Regional Official Plan policy 5.8.3.2.4 be amended to reflect the following policy:

Direct local municipalities to add a density bonusing provision in their local municipal official plan policies and adopt zoning by-laws to permit more height and/or density than what is allowed by the zoning by-law in return for the provision of community benefits in the form of capital facilities, including affordable housing. The capital facilities must bear a reasonable planning relationship to the increase in the height and/or density of a proposed development including, at a minimum, having an appropriate geographic relationship to the development and addressing planning issues associated with the development.

Rationale for Recommended Housing Policy

Section 37 of the Planning Act allows municipalities to grant increases in height and density of developments in exchange for the provision of affordable housing units. To be able to use this tool, a municipality must include official plan policies that allow for increases in height and density.

While Mississauga has used this tool for a number of projects, there is an opportunity for the Region to work with local municipalities to develop a simplified approach to implementing this policy. Implementing this policy will also support the achievement of the identified housing targets for affordable housing as well as the targets for medium- and high-density housing options.

Best Practice: Toronto, Ontario

The City of Toronto's official plan authorizes the use of section 37, subject to certain provisions, including a requirement that the community benefits obtained must bear a reasonable planning relationship to the increase in the height and/or density of a proposed development. Affordable housing is specifically identified in the City's official plan as a potential community benefit that may be achieved through section 37, and, subject to other relevant policies, as the first priority community benefit when height and/or density increases are sought in relation to large residential developments.

Planning and Policy Tools to Support Affordable Housing

In addition to the financial and land-use planning incentives provided through the recommended Affordable Housing Program and recommended Regional Official Plan policies, there are a number of tools and incentives that the Region and local municipalities can utilize to help achieve the identified affordable housing targets. While these tools and incentives did not garner a high level of interest from the local municipalities or residential developers, they are still worth considering as they can help encourage the development of affordable housing and protect the existing supply of rental housing.

Alternative Development Standards

This policy involves adopting alternative standards (the use of flexible planning and engineering standards) or modifying standards for particular developments such as affordable housing or supportive housing. Alternative development standards are intended to replace traditional standards with more flexible and innovative regulations. This tool received significant interest from both the development sector as well as local municipalities, particularly alternative standards for parking. Both Brampton and Mississauga are currently exploring the implementation of this tool. As such, the Region can take the lead and work with all local municipalities to undertake additional research and develop guidelines which would allow for a standardized implementation across all local municipalities.

Best Practice: Dieppe, New Brunswick

The City of Dieppe, New Brunswick, in partnership with the Province of New Brunswick and a private builder, implemented the sustainable community design (SCD) concept, which protects environmentally sensitive areas and provides affordable housing in the subdivision. While this concept was one of the City's responses to decreasing greenhouse gases, it also brought positive effects on the provision of affordable housing by helping to reduce the costs of developing new dwelling units, as less land was required for each individual lot, which in turn provided the right density to locate this subdivision as one of the transit stops for the area.

Demolition and Conversion Control

Municipalities have the authority to enact by-laws to prohibit and regulate the demolition and conversion of residential rental properties. Some municipalities have developed demolition and conversion control policies through their land use processes to help ensure the preservation or replacement of affordable housing in communities where residential rental housing is decreasing. In Ontario, many municipalities have official plan policies that prohibit the conversion of rental buildings unless vacancy rates reach a certain level. The Regional Official Plan has policies which state that the Region will encourage the local municipalities to develop official plan policies to regulate the conversion of residential rental to ownership units and to prohibit the demolition of existing rental units without replacement. In addition, the City of Mississauga has noted the need to develop a rental demolition and conversion policy as part of its affordable housing program. The Region should continue to encourage and support the development of official plan policies related to the retention of existing rental housing given the low vacancy rates in all local municipalities.

Best Practice: Burlington, Ontario

The City of Burlington has a policy that prohibits the demolition or conversion to freehold or condominium ownership of rental properties with six or more units unless the vacancy rate has been at or above 3% for the preceding two-year period. The policy also states that where demolition occurs, replacement housing units should be provided.

New Revenue Sources

The provision of financial incentives to encourage the development of affordable housing, market rental housing, and a diverse housing supply would require the Region and local municipalities to consider new sources of revenue. It is estimated that each housing unit would require between \$101,844 and \$175,634 per unit or about \$132,154 per unit on average to have rents equal to 100% AMR. As such, the Region and local municipalities should consider the following revenue-generating tools.

Levy on Property Tax for Affordable Housing

Some municipalities have imposed a levy or surcharge on property taxes specifically for the development of affordable housing. This provides an ongoing source of funds for affordable housing. While property taxes are within the jurisdiction of the local municipalities, the Region may want to consider encouraging the local municipalities to implement this tool given the considerable interest shown among the key stakeholders consulted. This tool should be implemented in combination with public education and communication.

Best Practice: Toronto, Ontario

The City of Toronto has implemented a City Building Fund (CBF) levy as part of its 2017 property taxes. This replaced the transit expansion levy. It is a dedicated property tax levy for priority transit and housing capital projects equal to a 0.5% residential property tax increase in 2017, with additional 0.5% increases each year from 2018 to 2021. This new levy is expected to add about \$13 to the average property tax bill. By 2021, it is expected to raise up to \$70 million a year.

Land Value Capture

Land value capture (LVC) is a way to capture the increase in the value of land and development generated by the improved accessibility of transportation. Improved access to transit generally results in an increase in property values for developments. There was some interest in the implementation of this tool given that it would generate revenue for municipalities which they could then use to develop affordable housing units. There may be opportunities to implement a pilot program along identified major transit station areas in the Region. While this would primarily be a tool for the local municipalities, the Region could provide research and community education support for the implementation of this tool.

Best Practice: London, United Kingdom

London's Jubilee Line has been shown to have generated about £13 billion in total increased land and property value around the ten stations between Stratford and Waterloo against a capital cost of £3.5 billion.

6.0 Conclusion

Peel Region has seen many demographic changes in the last ten years. There has been significant growth in the population. Peel is also seeing an aging of its population like many other communities in Canada, although it is also seeing an increase in youth and families, including larger families. These demographic changes have led to a shift in housing need. Communities throughout Peel now need more housing options than what has been typically provided in the past. Some Peel residents need smaller options for one or two people while others need options large enough to accommodate a family with five or more members. Some Peel residents want to own their homes while others prefer to rent to accommodate their lifestyles. The increasing house prices and rents have also resulted in a growing need for affordable housing options, particularly for households with low and moderate incomes.

The Region of Peel, local municipalities and all housing partners have made significant strides in addressing the housing need in the Region. A large number of affordable housing units have been added to the supply throughout the Region, often in collaboration with private and non-profit partners. There has also been a shift to a broader range of dwelling types beyond the typical single detached home. However, the need continues to grow as incomes cannot keep up with the increasing house prices and what is being built does not always match what is needed.

This Housing Strategy has set an affordable housing target of 20,000 units which are affordable to households with low and moderate incomes by 2028. In addition, a target of 25% of all new units should be rental and 50% of all new units should be medium- or high-density.

Five strategies and a range of corresponding actions are recommended to meet the identified housing gaps and achieve the housing targets. These strategies are:

1. Transform Service Access
2. Build More Affordable Housing
3. Incent Building Affordable Housing
4. Optimize Existing Stock
5. Increase Supportive Housing

In addition, a range of planning tools and financial incentives are recommended to assist in meeting the housing gaps and achieving the housing targets. These tools and incentives will also help facilitate better working relationships among all housing partners. These recommended tools and incentives include:

- Establishing Regional Community Improvement Plan areas
- Implementing a Peel Affordable Housing Pilot Program
- Amending the Regional Official Plan

Meeting the needs of current and future Peel residents requires the efforts of all housing partners, including the Region, local municipalities, private and non-profit sector

stakeholders, and residents themselves. This Housing Strategy provides a roadmap for all these housing partners to find new and better ways of working together to achieve this goal and make Peel Region a community for life.

7.0 References

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Appendix 1: Glossary

Glossary of Terms

Accessible

Housing and services are easily available, obtainable, and attainable to as many people as possible. Accessibility also includes facilities and homes that are easy to approach, reach, enter, or use.

Affordable

In the case of ownership housing, the least expensive of:

- Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low and moderate-income households; or
- Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area

In the case of rental housing, the least expensive of:

- A unit for which the rent does not exceed 30% of gross annual household income for low and moderate-income households; or
- A unit for which the rent is at or below the average market rent of a unit in the regional market area.

For the purpose of this definition, low and moderate-income households means, in the case of ownership housing, households with incomes in the lowest 60% of the income distribution for the regional market area; or in the case of rental housing, households with incomes in the lowest 60% of the income distribution for renter households for the regional market area. (Provincial Policy Statement, 2005).

Homelessness

The condition of being without long-term accommodation (Region of Peel, 2015)

At risk of homelessness

Households that have difficulty maintaining appropriate housing that is safe, adequate, affordable and secure. A range of factors can put housing security at risk, including: low income, health issues/illness (including mental health issues), substance use, incarceration or other legal issues, hospitalization, family breakdown, violence, discrimination, inadequate and/or unsafe housing. (CHPE Program Guidelines, 2012).

Emergency shelter

Short-term accommodation (30 days or less) for individuals who are homeless. Emergency shelters provide sleeping arrangements with varying levels of support. (Region of Peel, 2015)

Equitable

Ensuring that systems and processes provide equal opportunities for people to access, obtain, and retain housing that meets individuals' needs and preferences.

Harm-reduction

Harm reduction refers to policies, programs and practices that aim to reduce the harms associated with the use of psychoactive drugs in people unable or unwilling to stop. The defining features are the focus on the prevention of harm, rather than on the prevention of drug use itself, and the focus on people who continue to use drugs. (International Harm Reduction Association, 2009).

Healthy communities

A well designed and properly-scaled community, which meets the daily, and lifetime needs of all people through an appropriate mix of housing, amenities, recreation facilities, and services, which in turn enhances physical, mental and social well-being of individuals/inhabitants. A proactive model of wellness incorporating a person's perception of their quality of life, their changes for optimal social interactions, and the availability of community activities and resources, and monitoring a link between daily stress and health.

Homeownership

A housing tenure where no direct government subsidy is used when purchasing the house at fair market value. (Region of Peel, 2015)

Housing Continuum

The specific types and tenures of living options that provide adequate suitable and affordable housing to meet community needs. (Region of Peel, 2015)

Housing First

Housing First approach is based on the principle that people better able to move forward with their lives if they are first housed. As such, this approach aims to assist people who are homeless to obtain and maintain permanent, housing that is affordable and to assist those who are at risk of homelessness to remain housed. (CHPI Program Guidelines, 2012).

Integrated system

Coordinated and synchronized body of ideas and processes aimed at achieving clearly defined and understood goals without duplication.

Locally-driven

Housing affordability must be locally relevant and provided in a supportive environment that includes access to jobs, community resources and services. (Ontario's Long-Term Affordable Housing Strategy, November 2010).

Outcome

An outcome is a desired change in the level of need that is attributable in part, or fully, to the execution of a program or project. A final product or end result; a conclusion reached through a process of logical thinking. Out comes are usually measurable through various indicators over a period of time.

Performance measure

A performance measure is a particular value or characteristic that describes inputs processes, outputs and outcomes in a tangible way. Performance measures are used to determine how successfully processes, services, programs and/or strategies are being achieved. Performance measures fall into one of five categories: quantify, efficiency, quality, effectiveness, and cost-effectiveness.

Private Market Rental Housing

This is made up of purpose-built rental units in the private rental sector as well as secondary suites, rented condominium units, and rented single detached, semi-detached, and townhouse dwellings in the secondary rental market. (Region of Peel, 2015)

Retain housing

To continue to have a place to live. Being able to keep possession of a home, either independently or through supports.

Seamless service

A seamless service is one outcome of integration. It means that programs and services are so well connected that clients may actually perceive services as being delivered by one agency, though they may actually be delivered by multiple agencies.

“Seamlessness” is about connecting services in such a way that transitions among different services disappear.

Shelter

People see the definition for emergency shelters.

Social housing

Sometimes referred to as “rent-geared-to-income” housing, intended for people with low to moderate incomes and primarily built from 1946-1993 under federal and provincial programs provided in a public-non-profit purpose-built rental or co-operative housing development, or in private rental units through a rent supplement agreement. Most social housing tenants receive rent-geared-to-income (RGI) assistance. (Region of Peel, 2015)

Strategic action

A series of overarching actions that lead to achieving outcome(s) based on the understanding of the current and available political, legislative, and financial environment.

Supportive housing

Subsidized rental accommodation and support services to help people with special needs live independently. (Region of Peel, 2015)

Subsidized rental

Affordable housing that is developed with some funding from government sources since the time of social housing devolution, such as new units built by a housing service provider (including new units with RGI and rent supplements). Subsidized rental captures a wider range of new government supported housing. (Region of Peel, 2015)

Sustainability

Sustainability requires us to meet our own needs without compromising the ability of future generations to meet their own needs. Sustainability is improving the quality of human life while living within the carrying capacity of supporting eco-systems. Four pillars of sustainability include: cultural, economic, environmental and social.

Systemic barriers

Systematic barriers are barriers that are rooted in the society and institutions and are based on multiple factors such as peoples’ perception and attitudes, out of the control of the individual. Barriers can be physical, informational, communicational, attitudinal, technological, and/or policy/practice.

Transitional housing

Housing that is provided for less than one year, which includes the provision of on or off-site support services to help individuals move towards independence and self-sufficiency (Region of Peel, 2015)

Vulnerable population groups

Vulnerable populations can be defined broadly to include any individual, group, or community whose circumstances present barriers to obtain/understand information,

access resources, services, programs. These circumstances may include, but are not limited to: age, physical, mental, emotional, or cognitive status; culture; ethnicity; religion; language; citizenship; or socioeconomic status.

Glossary of Methods and Tools

The following glossary provides detailed descriptions of some of our proposed methods and tools within our work plan.

Three Horizons Model

The Three Horizons Model is a foresight technique developed by Baghai, Coley, and White (1999) and popularized by Curry and Hodgson (2008). The model is a collaborative tool aiming to “connect the present with desired (or espoused) futures” (Curry & Hodgson, 2008, p. 2). At SHS, we use the Three Horizons Model to build a dialogue with stakeholders about the needs in a current system and about potential ways forward for improving outcomes for all.

The model maps “three conditions of the same system, over time, against its level of viability in its changing external environment” (Curry & Hodgson, 2008), p. 2). The X-axis reflects time, moving from the short-run to the long-run, and the Y-axis represents the system’s strategic fit within its “political, economic, organizational, and cultural” context (Curry & Hodgson, 2008, p. 7). Horizon 1 illustrates the current system, in decline. This system is slowly losing “fit” within its external context. Horizon 3 represents “one of a number of competing worlds that is desired by those who propose a different service model, a different political, cultural or institutional framework, or a different paradigm” (Curry & Hodgson, 2008, p. 7). Finally, Horizon 2 represents a promising alternative system. It is the transition stage between Horizon 1 (in the present) and Horizon 3 (in the future). In this horizon, orthodoxies can be challenged, allowing for alternatives to “business as usual” to emerge.

Description provided by Pacini, A. (2017). *Housing Horizons: Models for Real Estate and Community Investment*. OCAD University Library.

Stakeholder hierarchy of needs

Part of our stakeholder analysis includes a hierarchy of needs. Through this process, we aim to understand the following:

- Who is affected by the project?
- Who has a say in the outcome?
- Whose needs must be addressed?
- What are their issues and needs?
- What is the hierarchy of those needs?

The hierarchy of needs allows the team to visualize the most important needs that must be met before a subsequent need can be met.

Description provided by *Kerr, H. 2014. Business and Design Thinking. OCAD University.*

Journey map

Journey maps (also known as exercise maps) can be used to gain a deeper understanding of system dynamics and of a person's needs. The tool serves two purposes:

- Allowing people to remember and reflect on experience
- Provides a foundation for service design innovation

The journey mapping process involves setting a timeline for the experience, layering the events and activities that take place, describing the feelings and emotions that were experienced, and subsequently analyzing the findings. Revealing the emotional pieces allows the team to touch on more tacit or latent knowledge (i.e. knowledge levels that are below the surface; that we have a harder time describing).

Description provided by *Sanders, E. and Stapers, P. 2013. Convivial Toolbox: Generative Research for the Front End of Design.*

Backcasting

Backcasting is a strategic foresight consensus-building tool used to determine shared visions and to navigate to those shared visions. The process involves three main discussions:

Through these discussions, workshop participants identify and colour-code the elements, indicators, actions, risks, and opportunities faced along the way in implementing strategies and plans within a system.

System map

System maps and archetypes are generated to describe a system's complex dynamics. The maps are then used to help the team identify potential leverage points and points of intervention where alternative models might emerge. SHS employs this method widely across all projects, and most recently within the Peel Supportive Housing Supply and Demand Analysis and Action Plan project.

Description provided by *Pacini, A. 2017. Housing Horizons: Models for Real Estate and Community Investment. OCAD University Library.*

Project team idea jam

Our project team idea jams are scheduled strategically within our work plans to provide the team members with the opportunity to pause, reflect, and think critically about the findings to date. During this time, the team will conduct synthesis and analysis on data gathered and may choose to interview or engage with our project client to develop ideas

further. At SHS, we find these idea jams are an integral component of the innovation process, providing intentional time to challenge assumptions and assess project progress.

Beckhard-Harris change model

The Beckhard-Harris change model describes the conditions necessary for change to occur. We take stakeholder groups through the change model to uncover whether there is dissatisfaction with the current state, whether there is a clear vision of a preferred future, if there are acceptable first steps or action plans for achieving the vision.

System SWOT analysis

The system SWOT analysis is an internal scan which involves looking at the strengths, weaknesses, opportunities, and threats of a system operating *business as usual*. We use this information to paint an initial picture of the current system status.

STEEP-V trend scan

The STEEP-V trend scan is an external scan which involves gathering information on signals of change, trends, and drivers of change within a wider system and its environment. The research covers the areas of society, technology, environment, economy, policy, and values.

Appendix 2: Meeting the Provincial Requirements

The following table identifies the sections in this Housing Strategy which directly relate to the provincial policy/legislative requirements.

Provincial Policy/Legislative Requirement	Relevant Section in Peel Housing Strategy
2017 GROWTH PLAN	
Housing strategy:	
<u>Policy 2.2.6.1</u>	
a) supports the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan by:	
i. identifying a diverse range and mix of housing options and densities, including second units and <i>affordable</i> housing to meet projected needs of current and future residents;	Section 3.0 Needs Assessment
ii. establishing targets for <i>affordable</i> ownership housing and rental housing	Section 4.0 Outcomes, Strategies and Roles
b) identifies mechanisms, including the use of land-use planning and financial tools, to support the implementation of the above (a)	Section 5.0 Financial Incentives and Tools
c) aligns with applicable housing and homelessness plans required under the Housing Services Act, 2011	Section 5.0 builds on the findings and recommendations from Section 3.0 and 4.0
d) will be implemented through official plan policies and designations and zoning by-laws	Section 4.0 and 5.0 includes actions to be implemented through Official Plan policies and zoning by-laws
Complete Communities:	

Provincial Policy/Legislative Requirement	Relevant Section in Peel Housing Strategy
<p><u>Policy 2.2.6.2</u></p> <p>a) planning to accommodate forecasted growth to the horizon of this Plan</p>	<p>Section 4.0 recommendations are for the horizon of the PPHP and ROP</p>
<p>b) planning to achieve the minimum intensification and density targets in this Plan</p>	<p>Section 4.0 and 5.0 recommendations support the minimum intensification and density targets</p>
<p>c) considering the range and mix of housing options and densities of the existing housing stock</p>	<p>Section 3.0 looked at the range and mix of housing and densities of existing housing stock and Section 4.0 and 5.0 recommendations support increased densities and a more diverse range of housing options</p>
<p>d) planning to diversify their overall housing stock across the municipality</p>	<p>Section 4.0 and 5.0 recommendations support diversification across the Region</p>
<p><u>Policy 2.2.6.3</u></p> <p>To support the achievement of <i>complete communities</i>, municipalities will consider the use of available tools to require that multi-unit residential developments incorporate a mix of unit sizes to accommodate a diverse range of household sizes and incomes.</p>	<p>Section 4.0 and 5.0 recommendations support the development of complete communities</p>
<p><u>Policy 2.2.6.4</u></p> <p>Municipalities will maintain at all times where development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units. This supply will include, and may exclusively consist of, lands suitably zoned for <i>intensification</i> and <i>redevelopment</i>.</p>	<p>The current ROP already has policies specifically related to this (5.8.2.1 a and b)</p>
<p><u>Policy 2.2.6.5</u></p> <p>When a <i>settlement area</i> boundary has been expanded through a <i>municipal comprehensive review</i> in accordance with the policies in subsection 2.2.8, the new <i>designated greenfield area</i> will be planned based on the housing strategy developed in accordance with policies 2.2.6.1 and 2.2.6.2.</p>	<p>N/A</p>

Provincial Policy/Legislative Requirement	Relevant Section in Peel Housing Strategy
<p>PROMOTING AFFORDABLE HOUSING ACT, 2016</p> <p>Amendments to Section 16 of the Planning Act re: Inclusionary Zoning</p>	
<p>Assessment Report</p>	
<p><u>Subsection 16 (9)</u></p> <p>Before adopting the parts of an official plan which contain policies described in subsection (4), the council of the municipality shall ensure that an assessment report has been prepared.</p>	<p>Section 3.0 is a housing needs assessment for the entire Region with data for each local municipality</p>
<p><u>Subsection 16 (12)</u></p> <p>The council of the municipality shall ensure that the initial assessment report and every updated assessment report includes the information and documents specified in the regulations and complies with the requirements specified in the regulations.</p>	<p>Section 3.0 includes information which meets the requirements of the current draft regulations.</p> <ul style="list-style-type: none"> - Municipal demographics and population - Anticipated household characteristics - Anticipated household income - Existing and planned housing supply - Housing affordability analysis - Current average house prices of different dwelling types and the affordable house price for each household income decile.
<p><u>Subsection 16 (13)</u></p> <p>The council of the municipality shall ensure that the initial assessment report is made available to the public before the parts of the official plan which contain policies described in subsection (4) are adopted and that every updated assessment report is made available to the public before any amendments to the parts of the official plan which contain policies described in subsection (4) are adopted.</p>	<p>N/A</p>
<p>DRAFT INCLUSIONARY ZONING REGULATIONS (DECEMBER 18, 2017)</p>	
<p>Prescribed Official Plan Policies:</p>	
<p>An official plan that contains policies described in subsection 16(4) would be required to include provisions for matters that would:</p>	<p>Section 4.0 and 5.0 recommendations address inclusionary zoning</p>

Provincial Policy/Legislative Requirement	Relevant Section in Peel Housing Strategy
<p>Provide that zoning by-laws giving effect to the policies described in subsection 16(4) could only apply to developments or redevelopments that propose no less than twenty (20) residential units;</p> <p>Identify locations and areas in the municipality that may be appropriate for inclusionary zoning by-laws</p> <p>Identify the range of household incomes for which inclusionary zoning by-laws could provide for affordable housing units</p> <p>Identify an approach to setting an average market price for each proposed unit type that may be required to be provided as affordable housing units in an inclusionary zoning by-law. The average market price may vary across different locations within the municipality. The average market price would be updated annually.</p>	<p>Section 4.0 and 5.0 recommendations address inclusionary zoning</p>
<p>Municipal Assessment Report:</p>	
<p>A municipal assessment report that would be required to be prepared prior to adopting official plan policies authorizing inclusionary zoning, would be required to contain the following:</p>	<p>–</p>
<p>a) Information relating to current and projected trends for housing needs including:</p> <ul style="list-style-type: none"> i. Municipal demographics and population (e.g. age distribution, population growth) ii. Anticipated household characteristics (e.g. household sizes and types) iii. Anticipated household income iv. Existing and planned housing supply v. Housing affordability analysis <p>b) Information, including any documentation, relating to an analysis of the average market price for each proposed unit type</p>	<p>Section 3.0 includes information which meets the requirements of the current draft regulations.</p> <ul style="list-style-type: none"> – Municipal demographics and population – Anticipated household characteristics – Anticipated household income – Existing and planned housing supply – Housing affordability analysis – Current average house prices of different dwelling types and the affordable house price for each household income decile.

Provincial Policy/Legislative Requirement	Relevant Section in Peel Housing Strategy
<p>that may be required to be provided as affordable housing units, taking into consideration location within the municipality</p> <p>c) Any updated assessment report would also include the above information and documentation</p>	
HOUSING SERVICES ACT, 2011	
Housing and Homelessness Plan	
<p><u>Section 6(2)</u> The plan must include,</p>	
(a) an assessment of current and future housing needs within the service manager’s service area;	Section 3.0 Needs Assessment
(b) objectives and targets relating to housing needs;	Section 4.0 Outcomes, Strategies and Roles
(c) a description of the measures proposed to meet the objectives and targets;	Section 4.0 and 5.0 recommendations
(d) a description of how progress towards meeting the objectives and targets will be measured and	Section 4.0 Outcomes, Strategies and Roles
(e) such other matters as may be prescribed. 2011, c.6, Sched. 1, s. 6 (2)	
PPS FOR SERVICE MANAGERS (JULY 2016)	
<p>The Housing Services Act, 2011 (“the Act”) requires Service Managers to prepare local housing and homelessness plans that address matters of provincial interest and that are consistent with policy statements issued under the Act.</p> <p>Section 4 of the Act states that “it is a matter of provincial interest that there be a system of housing and homelessness that:</p> <ul style="list-style-type: none"> • is focused on achieving positive outcomes for individuals and families 	Section 4.0 Outcomes, Strategies and Roles

Provincial Policy/Legislative Requirement	Relevant Section in Peel Housing Strategy
<ul style="list-style-type: none"> • addresses the housing needs of individuals and families in order to help address other challenges they face; • has a role for non-profit corporations and non-profit housing cooperatives; • has a role for the private market in meeting housing needs; • provides for partnerships among governments and others in the community; • treats individuals and families with respect and dignity; • is co-ordinated with other community services; • is relevant to local circumstances; • allows for a range of housing options to meet a broad range of needs; • ensures appropriate accountability for public funding; • supports economic prosperity; and • is delivered in a manner that promotes environmental sustainability and energy conservation.” <p>It is also a matter of provincial interest that the Service Manager housing and homelessness plans be consistent with other plans that may be prescribed under the Act.</p>	

