

Affordable housing

Focus on affordable housing solutions

Policy opportunity and solutions

To address housing challenges in Peel, collaborative efforts from all levels of government are needed. This includes investing in affordable housing, supporting Service Managers, and adopting measures to improve housing affordability. Specifically, the Province should:

- Encourage the use of housing for homes.
- Increase the supply of new affordable housing in complete communities and ensure the longevity of existing affordable housing.
- Expand the scope of social programs to assist families in carrying high housing costs.
- Strengthen the capacity of the Service Manager and community housing sector to respond to rapidly growing need for deeply affordable and supportive housing.
- Provide predictable, stable funding to maintain housing stock service levels and gradually build toward desired service levels.

Background

Like many municipalities across Ontario, Peel is facing two housing crises. The first crisis sees rising house prices and rents increasingly unaffordable for middle income earners to live in their communities. The second crisis stems from a lack of deeply affordable and supportive housing for those people with low incomes, or who are experiencing family, physical, mental health, and addiction struggles. In Peel, these crises are deep, unprecedented, and inequitable.

Current service levels only meet 19 per cent of demand.



It is estimated that an average income household now requires about 30 years to save a large enough down payment for an affordable 25-year mortgage, whereas a minimum wage household requires about 50 years. Average rents in Peel are equivalent to more than a minimum wage earner's entire income, and approximately 4,000 people relied on the emergency shelter system in the last year alone.

Peel Region's client-centered, wrap-around housing services are designed to holistically address the diverse needs of individuals and families seeking housing support. This client-focused approach helps ensure that each individual receives tailored support, empowering them to achieve stable and sustainable housing solutions that best suit their needs and foster long-term well-being.

However, Housing System Managers, like Peel Region, face challenges related to chronic underfunding, as well as provincial legislative changes, which place significant risk to meeting housing needs across the region.

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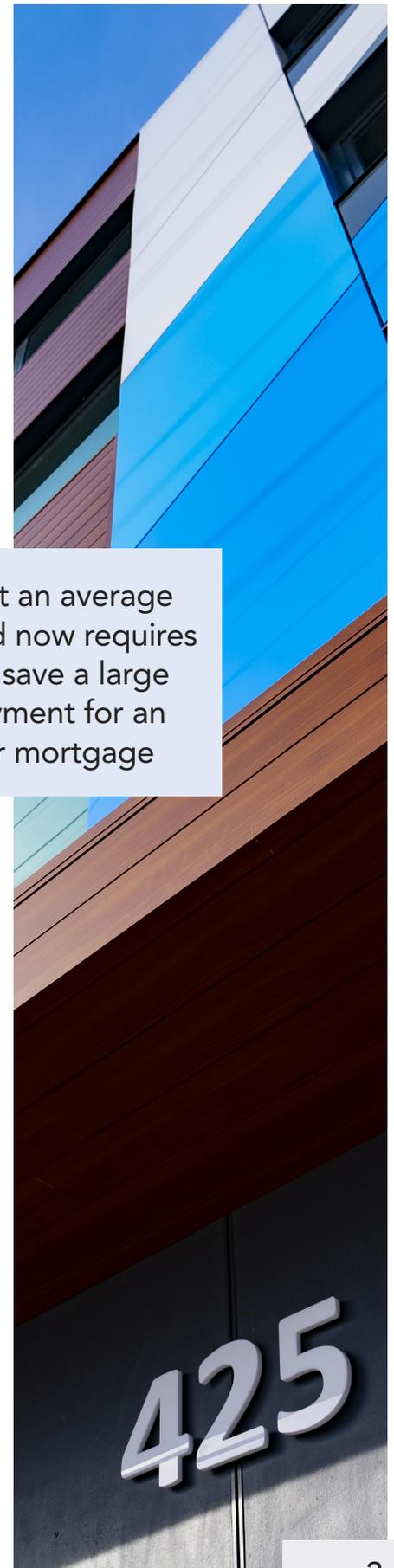
Core housing need in Peel

Current estimates indicate that approximately 91,000 households in Peel are living in core housing need, but the current service levels only meet 19 per cent of this demand. The majority of these households have annual incomes of \$57,000 or less and are renters. Additionally, 40 per cent of households in core housing need require additional supports to maintain stable housing.

As Peel Region's population continues to grow, the number of households in core housing need is expected to rise, with an estimated 114,000 households facing this challenge over the next ten years.

Closing the housing funding gap

It is estimated it could take up to \$50 billion, over the next 10 years, to eliminate 100 per cent of core housing need in Peel.



Peel Region's housing funding gap is currently \$4 billion over the next 10 years to simply maintain today's level of services – only about 19 per cent Peel's housing needs. In other words, less than one in five households are able to get the help they need. To close this gap, adequate and sustainable funding for Peel's affordable housing system is essential for supporting clients, maintaining existing housing assets, and expanding new affordable and supportive housing supply.

Strengthening the capacity of Service Managers

As Service Managers, Peel Region requires legislative and policy changes at the federal and provincial levels of government to increase local autonomy and improve housing affordability outcomes. These changes are essential for fulfilling the Peel Community Housing Development program, which aims to ensure people can access and afford suitable housing.

However, due to the financial impacts of the recently implemented Bill 23, rising construction costs, and inability to secure more federal and provincial funding, targets have been revised to 12 projects or 1,444 units/beds. Peel Region continues to urge the Province to provide funding to support the full implementation of the Peel Community Housing Development Program to achieve these targeted units.

Addressing Peel Region's housing challenges and the fiscal impacts of Bill 23, requires collaborative efforts from all levels of government. Investing in affordable housing, supporting Service Managers, and adopting measures to improve housing affordability will help address the housing needs of Peel residents.

