2025 Enterprise Asset Management Plan

Asset Management reinvestment plan Housing Support

Peel owned affordable housing stock is relatively new. However, intensive use of the facilities requires that ongoing investments continue to maintain a liveable environment for residents and to blend with the surrounding community.

The shelters and homelessness support facilities are achieving the desired outcome of supporting safe, secure, temporary living services. Homelessness has reached critical levels, and Peel Region is at the forefront, addressing this urgent issue daily. The rise in asylum claimants seeking shelter has placed additional strain on an already overburdened system. As a result, regular and proactive maintenance is essential to ensure that facilities remain in good condition.

10-year summary

Table 1. Current state and 10-year plan (in $ millions)

Current rating	Current replacement value	10-year forecasted SoGR reinvestment needs	10-year SoGR Capital Plan reinvestments	10-year forecasted rating
● Very Good	552.3	16.2	28.1	● Very Good

Table 1 shows that the current overall infrastructure state for the Housing Support is 'Very Good'. The estimated replacement value of these assets is $552.3 million, based on 2023 values. The 10-year Capital Plan includes reinvestments of $28.1 million to maintain the infrastructure in a SoGR. These planned investments are higher than the forecasted needs of $16.2 million over the same period. The difference is primarily due to updated information that will be included in the next reporting cycle.

20-year SoGR outlook

Figure 1. 20-Year outlook of infrastructure reinvestment needs

SoGR in Capital Plan

▼ Yr 1-10 ($28.1 million)

Forecasted SoGR Needs

■ Yr 1-10 ($16.2 million)
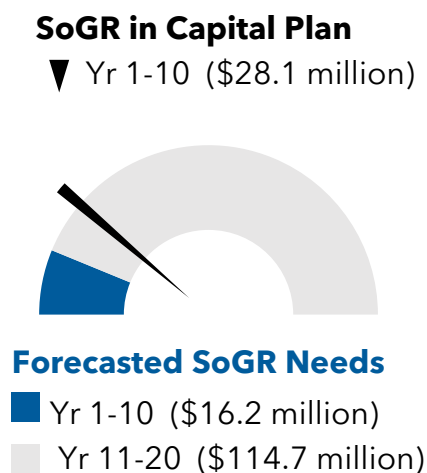
■ Yr 11-20 ($114.7 million)

Figure 1 presents a 20-year outlook of infrastructure reinvestment needs to maintain the infrastructure in a SoGR. For the first 10 years, the planned reinvestments of $28.1 million are higher than the forecasted needs of $16.2 million. The chart also shows that SoGR needs are expected to increase significantly in the following 10 years. This suggests growing needs driven by aging facilities, with added strain from heavy use during COVID-19.

State of the infrastructure

Current infrastructure

Housing Support infrastructure includes 9 affordable housing buildings ad 3 homeless shelters. The average asset age of the assets is 25 years. The average age of Affordable Housing assets is 13 years and Homelessness Support assets is 36 years.

Replacement value

The total replacement value of assets for the Housing Support is estimated at $552.3 million, based on 2023 values.

Condition[1] of the Infrastructure

Figure 2. Asset condition grading
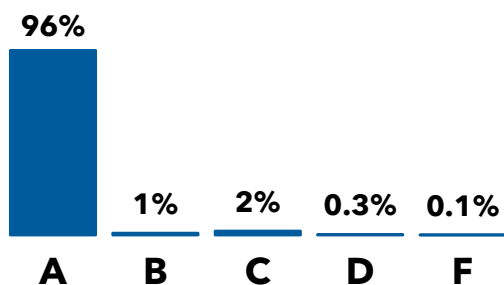
Building conditions are evaluated through detailed assessments.

Figure 2 shows:

- 96% of assets are rated Grade A, representing new or like-new condition.
- 1% are rated Grade B, representing in a state of good repair.
- 2% are rated Grade C, indicating non-critical defects and some critical repairs expected soon.
- 0.3% are rated Grade D, indicating some critical defects and many critical repairs expected soon.
- 0.1% are rated Grade F, indicating many critical defects requiring immediate repairs and replacements.

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[1] Descriptions of the Condition Rating are included in Appendix II Reading Guide

Current infrastructure rating

The current overall 2025 infrastructure state for the Housing Support is 'Very Good'. Figure 3 illustrates that within the portfolio, 100% of the asset classes are rated "Very Good".

Figure 3. Current infrastructure rating

100%
Very Good
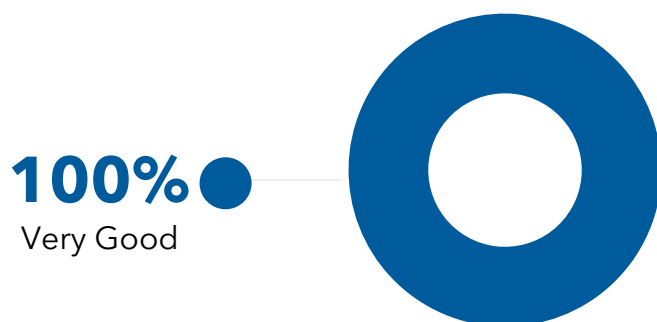
Target customer level of service[2]

Our customers should expect:

- Ensure properties are well-maintained, safe, and compliant with all legislative requirements, providing a comfortable living environment.
- Offer immediate, 24-hour access to safe, secure emergency shelters that meet all legislative requirements, providing basic needs, protection, referrals, and trauma alleviation.

Infrastructure reinvestment plan

Table 2. 10-year state of good repair reinvestments

Forecasted needs	Capital Plan
$16.2 million	$28.1 million

[2] Definition of Customer Level of Service is included in Appendix III The Enterprise Asset Management Strategy

Table 2 shows that reinvestments of $28.1 million are included in the 10-year Capital Plan to maintain infrastructure in a SoGR. These planned reinvestments are higher than the forecasted needs of $16.1 million over the same period. The difference is primarily due to updated information that will be included in the next reporting cycle.

Table 3. Operations and maintenance expenses

Annual expenditure	Re-investment rate
$5.9 million	0.9%

Table 3 shows that operations and maintenance expenses for Housing Support are approximately $5.9 million per year, representing 0.9% of the asset replacement value. These expenses support facility operations and maintenance activities. As part of the whole lifecycle strategy, these costs are regularly reviewed and will be optimized over time as asset management tools and technology improve.

10-year infrastructure rating with Capital Plan reinvestments

In 10 years (2034), the overall infrastructure state for the Housing Support is forecasted to remain 'Very Good.'

Error! Reference source not found. illustrates that within the portfolio:

- 80% of assets are in Very Good state, indicating that almost all assets are achieving the desired targets.
- 20% of assets are in Good state, indicating that most assets are achieving the desired targets.

Figure 4. 10-year infrastructure rating

80% ●
Very Good

◐ **20%**
Good