
REPORT TITLE: Housing Services 2021 Annual Report

FROM: Sean Baird, Commissioner of Human Services

RECOMMENDATION

- 1. That the revised actions in the Peel Housing and Homelessness Plan as outlined in Appendix I of the report from the Commissioner of Human Services, listed on the June 23, 2022 Regional Council agenda, titled “Peel Housing and Homelessness Plan 2018-2028, 2021 Annual Update” be endorsed; and,**
- 2. That the subject report be forwarded to the Ministry of Municipal Affairs and Housing as the Region of Peel’s annual and mandatory housing and homelessness plan update; and,**
- 3. That the Region of Peel contract on a direct negotiation basis with hotels having the experience and specialized amenities required in Peel for the provision of temporary shelter overflow accommodations for families and individuals experiencing homelessness, in the total estimated amount of \$550,000, excluding applicable taxes, in accordance with Procurement By-Law 30-2018, as amended, with no budget impact; and,**
- 4. That costs of approximately \$2.3 million be established to house families experiencing homelessness at a hotel while renovations to the Peel Family Shelter take place, with the total expenditure to be recovered from the provincial Social Services Relief Fund (SSRF 5) and within the 2022 Housing Support Budget; and,**
- 5. That the Chief Financial Officer and Commissioner of Corporate Services be authorized to award the contract for the hotel services when final costs are determined, in accordance with the Procurement By-Law 30-2018, as amended, on business terms satisfactory to the Director of Housing Services and on legal terms satisfactory to the Regional Solicitor.**

REPORT HIGHLIGHTS

- As Service Manager for the affordable housing system, the Region of Peel is required by the provincial government to develop a 10-year Housing and Homelessness Plan.
- Peel’s plan was approved by Council in April 2018. This report provides an overview of key accomplishments this term of Council and throughout 2021.
- Many of the 35 actions within the Peel Housing and Homelessness plan are completed or underway. These actions are making a difference in the lives of the clients we serve, and more Peel residents are affordably housed as a result.
- In 2021, the Region of Peel supported 28,793 households with housing and supports. Staff assisted 1,582 individuals experiencing homelessness to find permanent housing

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and helped stabilize housing for 7,923 individuals facing eviction or at-risk of homelessness.

- While it is evident that progress has been made under the Region of Peel's 10-Year Housing and Homelessness Plan during this term of council, it is also apparent that our community's housing needs are increasing at exponential rates.
- In response, staff is strengthening advocacy and completing an analysis of service levels for all housing and homelessness programs, which will be brought to Council in 2023, ahead of the 2024 budget process.
- In addition, staff is seeking Council approval to directly negotiate with hotels possessing the experience and specialized amenities in Peel for the provision of temporary shelter overflow accommodations for families and individuals experiencing homelessness in compliance with the Region's Procurement By-Law.
- Staff is also requesting funding for accommodations for the relocated families staying at the Peel Family Shelter of approximately \$2.3 million, to be funded with provincial Social Services Relief Fund (SSRF 5) and the 2022 Housing Support budget with the contract, once final costs are established, to be awarded by the Chief Financial Officer Commissioner of Corporate Services.

DISCUSSION

1. Background

The Region of Peel is the Service Manager for the affordable housing system in Peel. As Service Manager, the Region is required by the province to develop a 10-year Housing and Homelessness Plan. Peel's plan was approved by Council in April 2018. Over the long-term, the Plan aims to prevent homelessness and make affordable housing available to all Peel residents.

This report provides Council with an overview of key accomplishments this term of Council and throughout 2021. More details can also be found in the 2021 Annual report attached as Appendix I.

2. Transforming How Services Are Delivered

Peel's 10-Year Housing and Homelessness Plan includes a multi-year strategy to transform how housing and homelessness services are delivered, evolving a disconnected set of siloed programs into an integrated pathway of housing, social and health supports.

As previously reported to Council, several changes have been approved and implemented since the Plan was approved in 2018. Key accomplishments for this term of Council are highlighted below.

a) Increased Service Levels for Street Outreach

The Region of Peel provides a street outreach program to support the homeless living rough. The program is delivered by the Canadian Mental Health Association, under contract with the Region. In March 2020, Council increased the outreach budget from \$1.4 million to \$2.5 million which enabled the Street Helpline to operate 24/7, while also increasing the number of van-hours from 57 to 84 each week. In 2021, the Street Helpline received 6578 calls and over 4900 visits were made to those living in

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encampments and on the streets. In 2021, 90 street homeless clients were permanently housed.

b) Improving Access

At the beginning of this term of council, services for the homeless, including the shelter system, were disconnected from other housing supports. Today, the shelter system provides emergency shelter to youth, adults, and families, while also serving as an access point to Housing Support Workers, who help clients get and keep affordable housing. Access to needed supports was further improved by the launch of coordinated access with several community agencies. Through coordinated access, clients who identify as homeless are quickly assessed in an equitable manner and prioritized for a variety of housing and related supports.

In 2021, staff assisted 1,582 individuals experiencing homelessness to find permanent housing. In addition, 7,923 individuals facing eviction or at-risk of homelessness had their housing stabilized.

c) More Shelter Spaces

In addition to improving access to housing supports, the number of shelter beds in Peel has increased. The new Peel Family Shelter opened in Mississauga in January 2021, increasing the number of rooms for families from 60 to 110. Renovations to the shelter, originally planned for 2021, but put on hold due to the pandemic, are now able to resume. As such, staff is seeking Council approval to directly negotiate with a hotel near the family shelter that can keep families in this neighbourhood and provide up to 120 rooms until the renovations are complete.

The approach to managing shelter overflow has also changed. The Region's 'do not turn away' policy necessitates the need to work with hotels when shelter occupancy exceeds 100 per cent. Historically, the relationship with overflow hotels was managed by the agency under contract with the Region to operate the shelters. As reported to Council in July 2021, Housing Services assumed responsibility for overflow contracts to better control costs and to improve client safety and experience. In January 2022, several hotels responded to a Request for an Expression of Interest (RFEI) to provide shelter overflow services. Through this report, staff is seeking Council approval to directly negotiate with hotels that possess the experience and specialized amenities in Peel for the provision of temporary shelter overflow accommodations for families and individuals experiencing homelessness in compliance with the Region's Procurement By-Law.

d) More Timely Access to Subsidy

Historically, access to Housing subsidies has only been available through the provincially mandated centralized waiting list. At the end of 2021, 28,227 households were on Peel's centralized waiting list, a 16 per cent increase from December 2020 and an 88 per cent since June 2019. While the gap between the supply and demand for subsidized housing is growing, some progress is being made, as residents from Peel with the most urgent housing needs can now access portable subsidies without applying to the waitlist. Peel's needs-based approach to subsidy administration, approved by Council in May 2020, now provides over 1200 households with access to a portable subsidy. This represents a 94 per cent increase in portable subsidies since April 2018.

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e) Improved Access to Health Supports for the Homeless

Housing Services, in collaboration with many internal and external partners, led the Region's COVID-19 pandemic response for the homeless. This included isolation and recovery sites, additional shelter overflow hotels, out of the cold programs, additional drop-in centres, mobile showers and washrooms, and the administration of additional funding for the nonprofit sector serving the vulnerable. As regularly reported to Council, this response involved the administration of over \$80 million of temporary emergency federal and provincial funds, which not only diverted people from more expensive interventions such as hospitals but saved lives and decreased infections amongst the homeless and other vulnerable residents in Peel.

The pandemic response for the homeless improved collaboration between the health and housing systems and access to health supports for the homeless. In March 2022, Council approved \$6.5 million of regional funding to extend the provision of enhanced health services to the homeless for up to 19 months. Staff were also given the authority to continue to work with key stakeholders on a permanent service delivery model.

f) New Technology

In addition to numerous policy, program and process changes, the transformation of housing services includes new technology. In December 2021, a new end-to-end technology solution was launched in Housing Services, replacing several stand-alone legacy applications. The impact of our new technology is currently being measured, but preliminary benefits include a reduction in the number of applications that clients need to fill out from sixteen to one. The new technology was also designed to enhance the protection of privacy, to support Housing Services' journey to becoming a Health Information Custodian and Health Information Network Provider. Moreover, and in support of the Region's environmental goals, the amount of printing required for monthly landlord statements, multiple application forms and accompanying documents has also been reduced. It is estimated that over 1,500 sheets of paper per month, or over 18,000 per year, are being saved.

3. Increasing the Supply of Affordable Rental Housing

Peel's 10-year Housing and Homelessness Plan includes several actions to increase the supply of affordable housing. When compared to the previous term of council, staff is managing more than five times the amount of funding from all levels of government aimed at building new emergency and affordable rental housing stock in Peel. There are no silver bullets to increasing the affordable housing supply and Peel's plan includes a multi-pronged approach to adding much needed emergency, transitional, affordable, and supportive housing for low-income and increasingly middle-income households in Peel. Key accomplishments are below.

a) Building on Land owned by the Region

In Canada, the share of community housing, or housing that is owned and operated by the government and non-profits sectors is below that of the European Union and the Organisation for Economic Co-operation and Development average. Investment in community housing can have a moderating effect on market housing prices. Countries that have maintained investment in community housing are growing non-traditional tenures aimed at both moderate-income and lower-income households.

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As such, Building More Community Housing is one strategy in Peel's 10-year Housing and Homelessness Plan. Over this term of Council, the Region of Peel created our first-ever Housing Master Plan (HMP) to better understand the potential for affordable housing development on lands owned by the Region of Peel and Peel Housing Corporation. Approved by Council in July 2019, the HMP, if fully funded, could add over 5600 emergency, rental, and supportive units to Peel's affordable housing stock by 2034.

Since July 2019, \$689.1 million has been secured from regional, provincial, and federal funds to develop up to 18 projects within the HMP. Funding details are in the table below.

Housing Master Plan Funding	
Regional Reserve Contribution	\$336,800,000
Federal Funding	\$27,471,183
Provincial Funding	\$48,501,582
Canada Mortgage and Housing Corporation (CMHC) forgivable loan	\$89,474,129
Canada Mortgage and Housing Corporation (CMHC) repayable loan	\$186,894,626
Total	\$689,141,520

To date, 2 HMP projects have been completed, adding 234 units to the housing stock in Peel. Ten (10) other projects are underway, which are estimated to add 965 new rental, supportive, transitional or shelter beds to the system by 2028.

b) Leveraging Private Sector Development

In addition to building more community housing on lands owned by the Region, the Region of Peel's 10-year Housing and Homelessness Plan includes actions to encourage and/or incent private developers to build more diverse, affordable housing supply.

The new Affordable Housing Incentives Pilot Program was launched in May 2021. Through this program, larger sized affordable units (2 and 3 bedrooms) will be included in privately owned and developed purpose-built rental projects. The first tranche of funding, totalling \$7.5 million, secured 130 affordable rental units for low and middle-income households, with affordability periods of 26 to 41 years. Staff is in the process of evaluating the pilot and will return to Council with recommendations for a permanent program in July 2022.

Peel's 10-year plan also includes actions to use the Region's Official Plan to encourage private developers to build more diverse, affordable housing supply. In 2022, Regional housing staff has commented on 39 development applications and policy matters to

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advance regional housing interests, including meeting with developers to explore opportunities to provide affordable housing options.

On April 28, 2022, Regional Council approved the Region's new Official Plan which includes updated policies to support the creation of new affordable units and an increased mix of housing types and densities. Moreover, the Region of Peel, together with the local municipalities, are exploring how to use Inclusionary Zoning (IZ) in major transit station areas, to increase the affordable housing stock. In May 2022, Regional Council approved the Region of Peel, in principle, to become the administrator of the affordable units secured through IZ and other planning mechanisms. Staff will return to Council with recommendations on program design, staffing models, technology needs and the program budget at a future date.

Finally, the new Official Plan encourages private developers to demonstrate contributions towards the Official Plan's affordable housing targets in their development applications.

c) Supporting Non-Profit Housing Providers and Developers

Supporting non-profit developers is another important strategy to increase affordable housing supply. The Region oversees third-party led projects that are funded by federal, provincial, and regional funding. A third-party led project, Lakeshore Lofts (owned and operated by Indwell Community Homes) in Mississauga is a 4-storey building with 68 units that opened in 2022. This supportive housing project serves people with physical disabilities and mental health challenges. The ground floor commercial space is the new location for The Compass, a community agency for residents across South Mississauga.

In Brampton, residents moved into the third-party led Brampton Bramalea Christian Fellowship Residences in February 2021. The project provides 90 affordable and market rental units to families and singles, including 45 households from the Region's centralized waiting list.

In 2020, Habitat for Humanity Greater Toronto Area (GTA) was provided with \$600,000 of regional funding to partially fund a new twelve-unit townhouse project they are constructing in the City of Brampton. Habitat for Humanity Halton- Mississauga-Dufferin was provided with \$400,000 of funding that helped to create 4 new two-bedroom youth transitional units in homes located in the City of Mississauga.

In October 2021, Regional Council approved \$2.5 million to the BlackNorth Initiative for their Homeownership Bridge program which will provide partial funding for 50 Black renters in Peel to purchase homes in Peel Region.

The Affordable Housing Incentives Pilot Program is also open to nonprofit organizations who are developing new affordable purpose-built rental projects.

d) Partnering with Homeowners

Another strategy in Peel's 10-year Housing and Homelessness Plan to increase the supply of affordable housing, is to partner with homeowners to use their homes in new and innovative ways to provide more affordable housing options.

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Two pilot programs were launched this term. The first was the redesigned My Home Second Units Renovation program, which provides up to \$30,000 in a forgivable loan for homeowners to renovate an existing second unit in their home. Temporarily put on hold because of the pandemic, the program was re-opened in late 2021. To date, funding for 30 units has been approved. Staff continues to market and evaluate this program, with the goal of returning to Council is 2023-2024 with recommendations about how to bring this program to scale.

The second pilot program was the Peel HomeShare program. This program was launched in January 2022 and matches older adult homeowners with post-secondary students. To date, over 40 applications have been received and potential matches are being reviewed ahead of the next school year.

4. Broadening Our Advocacy Priorities

Peel's 10-year Housing and Homelessness Plan is focused on the policy, program, and funding tools available to the Region of Peel. By itself, the Region is limited in its ability to address the scale of the market housing affordability crisis in Peel. More action is needed by all levels of government to make the required systemic changes. Regional Council and staff regularly advocate to the federal and provincial governments for policy change and funding that:

- Encourages the use of housing for homes;
- Increases the supply of new affordable housing in complete communities while ensuring the longevity of existing affordable housing;
- Expands the scope of social programs to assist families in carrying high housing costs; and
- Strengthens the capacity of the Service Manager and community housing sector to respond to rapidly growing need

RISK CONSIDERATIONS

As outlined in this report, many actions within the Peel Housing and Homelessness plan are completed or underway. These actions are making a difference in the lives of the clients we serve, and more Peel residents are affordably housed as a result.

However, it is increasingly clear that the policy levers and financial resources available to the Region of Peel are insufficient to address the growing need for affordable housing in our community. The gains made through the implementation of the Peel Housing and Homelessness Plan cannot keep up with growing demand, due in large part to the increases in rents and housing prices which have grown 40 per cent and 162 per cent respectively over the past 10 years.

The long-term underfunding of the housing sector by upper levels of government has created an extraordinary increase in need, resulting in pressure never before felt by the community housing system. Middle-income households who previously found affordable housing within the private market, or who were able to purchase a home, are now looking to the community housing system for their own affordable housing solution.

Advocacy directed at both the provincial and federal governments is crucial to bringing about the policy and funding changes required to better meet housing need in Peel. Staff will work

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with Council to prepare for the upcoming Association of Municipalities of Ontario (AMO) conference and will develop new advocacy tactics for the new term of Council.

In addition, staff will bring forward a renewed housing needs assessment, gap analysis and service level recommendations to Regional Council in 2023, in advance of the 2024 budget process. This important work will be used to update the strategies within our 10-year plan, and to make changes to Regionally funded programs to achieve optimal value and impact.

FINANCIAL IMPLICATIONS

Through this report, staff is requesting to directly negotiate with hotels possessing experience and specialized amenities in Peel for the provision of temporary shelter overflow accommodations for families and individuals experiencing homelessness in the total estimated amount of \$550,000 exclusive of applicable taxes, in accordance with Procurement By-Law 30-2018, as amended.

The existing Housing Support budget has \$750,000 of annual funding that will be used to cover the costs of the overflow hotels. From this \$750,000, procurement authority for \$200,000 has been previously obtained through an emergency direct negotiation process, approved by the Chief Financial Officer and Commissioner of Corporate Services, resulting in the approval request of the remaining \$550,000 direct negotiation. There is no budget impact.

Staff is requesting funding for accommodations for the relocated families staying at the Peel Family Shelter of approximately \$2.3 million, to be funded with provincial Social Services Relief Fund (SSRF 5) and the 2022 Housing Support budget.

In addition, as outlined in this report, staff will be returning to Council in 2023 with more details and recommendations on the enhanced level of funding needed by the Service Manager, to better meet the housing needs of low and middle-income households in Peel.

CONCLUSION

As Service Manager of the affordable housing system in Peel, the Region of Peel is required by the province to develop a 10-year Housing and Homelessness Plan. This report provides Council with an overview of key accomplishments this term of Council and throughout 2021.

As outlined in this report, many actions within the Peel Housing and Homelessness plan are completed or underway. These actions are making a difference in the lives of the clients we serve, and more Peel residents are affordably housed as a result.

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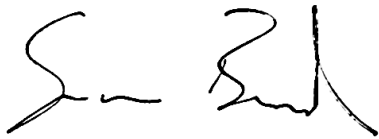
Advocacy to both the provincial and federal governments is crucial if increased levels of housing needs are to be met. Staff will work with Council to prepare for the upcoming Association of Municipalities of Ontario (AMO) conference and will develop new advocacy tactics for the new term of Council. In addition, staff will bring a renewed housing needs assessment, gap analysis and service level recommendations to Regional Council in 2023.

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APPENDICES

Appendix I - Peel Housing and Homelessness Plan 2018-2028, 2021 Annual Report

Authored By: Laura Tribble, Advisor, Housing Services

A handwritten signature in black ink, appearing to read "Sean Baird". The signature is written in a cursive style with a horizontal line underneath it.

Sean Baird, Commissioner of Human Services