

# Peel Affordable Rental Incentives Program

## 1. Objective

The objective of the Peel Affordable Rental Incentives Program (PARIP) is to contribute to the creation of safe, affordable rental housing by providing capital grant funding to support eligible projects through an annual competitive Call for Applications. This program supports the outcomes of the Peel Housing and Homelessness Plan.

## 2. Definitions

“Affordable Units” means housing units eligible to receive incentives under PARIP, for which the monthly rent is at or below the Affordability Threshold for the applicable year, and which may or may not be inclusive of utilities, but which shall be exclusive of parking, telephone, cable and other similar fees.

“Affordability Threshold” means the percentage of Region of Peel, City of Brampton, Town of Caledon, or City of Mississauga Median Market Rent that represents the upper monthly rent for units that will be considered for funding through the PARIP, as defined annually in the PARIP Call for Applications.

## 3. Program Framework

### 3.1 Call for Applications

The PARIP will be conducted through a competitive Call for Applications, generally occurring, at minimum, once per year.

Complete eligibility details, application requirements, preferred (scored) criteria, review process, and terms and conditions will be provided in the annual Call for Applications Guidelines and posted on the Region of Peel website.

### 3.2 Available Incentives

The PARIP will provide capital grants (structured as a forgivable loan) to support the provision of Affordable Units through projects that meet the requirements.

PARIP funding may be combined with other sources of available funding and incentives from other levels of government as available/applicable, including but not limited to capital funding, relief from fees, taxes and charges, or grants in lieu thereof, and non-financial incentives such as streamlining of planning approvals.

### 3.3 Application Review and Selection

All applications will be reviewed for completeness and eligibility. Complete and eligible applications will be scored according to the process outlined in the Call for Applications Guidelines (see also section 4 on the next page). Regional staff will make final recommendations for project funding. Recommended projects will be brought to Regional Council to pass enabling by-laws as required.

### 3.4 Agreements, Payment and Reporting

Regional Council may be required to pass by-laws to enable successful applicants to enter into municipal housing project facilities agreements.

Successful applicants will be required to enter into a contribution agreement and any other agreements the Region deems necessary prior to funding advancement. Regional funding will take the form of a forgivable loan. In most cases, advancement of Regional funding will occur at the time of building permit issuance.

Successful applicants will be required to report to the Region annually on the ongoing affordability of the Affordable Units for the duration of the agreement.

### 3.5 Program Monitoring

The Region will monitor the PARIP annually according to the established performance measurement framework. Regional Council will be updated annually on the outcome of each Call for Applications.

### 3.6 Program Amendments

The Director, Housing Services is authorized to make amendments to this program, including amendments to funding payment timing, criteria, terms and conditions as may be deemed necessary to protect the Region’s financial interests and administer the program.

**Note:** This document is for information purposes only. Only annual Call for Applications guidelines and formal application materials should be used to determine appropriateness of the Peel Affordable Rental Incentives Program for specific projects. Formal application materials will be finalized following Regional Council endorsement.

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## 4. Application Review Process

### 4.1 Eligibility Criteria

These criteria must be met for an application to be considered.

#### 1. Eligible projects

- a) Purpose-built rental housing development.
- b) Development of licensed retirement homes as defined by the *Retirement Homes Act, 2010*.
- c) Condominium housing development where the entire residential portion of the building (market and affordable units) will be operated as purpose-built rental for the duration of the funding agreement (minimum 25 years).

#### 2. Applicant eligibility

- a) Applicants may be private or non-profit housing developers with experience developing housing and operating rental housing, OR applicants may retain the expertise required to demonstrate project viability prior to applying.

#### 3. Project requirements

- a) Projects must be located within the Region of Peel.
- b) Projects must be new construction (new building or addition to existing building).
- c) Applicants must be seeking incentives for a minimum of five Affordable Units within the project.
- d) Only units that meet the definition of Affordable Units are eligible for incentives.
- e) Affordable Units must be maintained as affordable for a minimum of 25 years.
- f) The project can be a mixed-income building (all Affordable Units, or a mix of market and Affordable Units) and can be a mixed-use building.
- g) The residential portion of the building must be entirely operated as purpose-built rental for at least 25 years (but may be registered as a condominium).
- h) Projects must adhere to the Affordable Unit suite mix outlined in the annual Call for Applications Guidelines.
- i) Applicants must either: i. own the lands on which the project will be built, or be an entity affiliated with, related to, or a subsidiary of the landowner or ii. have secured a long-term lease to the lands.
- j) Projects must be financially viable.

**Limits to Eligibility:** Residential development projects that are mandated to provide affordable housing under Section 37 of the Planning Act, a rental replacement policy, or inclusionary zoning are only eligible for incentives through the PARIP if they provide additional Affordable Units and/or deeper affordability as compared to what is already being required. Applications will not be considered where the municipality has granted full or partial occupancy for the proposed project prior to the launch of the annual Call for Applications.

### 4.2 Preferred Criteria Scoring

Complete applications that meet the eligibility criteria will be scored against the preferred criteria to determine whether they further promote specific Regional objectives. Applications that contribute to some or all of these criteria will be scored higher.

#### 1. Development timeline

- a) Stage of development process (projects closer to building permit will be scored higher)

#### 2. Affordability

- a) Depth of affordability (below Affordability Threshold)
- b) Duration of affordability (longer than 25 years)

#### 3. Location

- a) Proximity to transit, retail, community amenities, parks, schools, growth areas

#### 4. Building design

- a) Energy efficiency/reduced environmental impact above minimum requirement
- b) Accessible/barrier-free units above minimum requirement

### 4.3 Review Panel Scoring

With input from internal stakeholders and local municipal partners, a Review Panel of Regional staff will review and score all complete/eligible applications according to the following:

- a) Strategic alignment
- b) State of readiness and risk
- c) Funding requested

A final score will be tabulated, and the Review Panel will make a recommendation for funding.

Visit [www.peelregion.ca/housing/development/affordable-housing-incentives/](http://www.peelregion.ca/housing/development/affordable-housing-incentives/)