
For Information

REPORT TITLE: **Investing in New Community and Supportive Housing in Peel Region**

FROM: Steve Jacques, MScPI, MCIP, RPP, Commissioner of Human Services

OBJECTIVE

To update Council on the results of the “2024-285P Non-Profit Development Funding for the Supply of New Community Housing Units in Peel Region” Request for Proposal and allocation of up to \$70M in capital funding to the Non-Profit housing sector.

REPORT HIGHLIGHTS

- Through the 2024 budget, Regional Council added \$70 million to the Housing Support capital budget to build more community and supportive housing, an important goal of Peel’s 10-Year Housing and Homelessness Plan (PHHP).
 - In December 2024, the Region of Peel released a Request for Proposal 2024-285P titled 'Non-Profit Development Funding for the Supply of New Community Housing Units in Peel Region,' to allocate up to \$70 million in capital funding for the development of new affordable, deeply affordable, and supportive housing rental units.
 - Four (4) new projects, located in Brampton and Mississauga, have been conditionally approved for Regional funding to create a total of 416 new rental units, including 205 affordable units, 82 deeply affordable units, and 52 supportive housing units.
 - Peel Region’s funding is conditional on the successful proponents providing confirmation of other funding sources for these projects by December 31st, 2025, as well as receiving planning approvals.
 - Funded units will be owned and operated by the non-profit sector and will remain affordable for a minimum of 25 years.
 - Rent levels will target vulnerable populations, including seniors, individuals and families referred by the Region through the centralized waiting list and the by-name List.
 - It is anticipated that most of the projects will start construction in 2026 and be completed by 2029.
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DISCUSSION

1. Background

As Service Manager, Peel Region oversees the affordable housing system in Peel. This includes maintaining and growing the supply of affordable, community and supportive housing through three programs:

- The Peel Community Housing Development Program (PCHDP)**, which builds new community housing on land owned by Peel Region or Peel Housing Corporation.

Investing in New Community and Supportive Housing in Peel Region

Projects built through this program are owned and operated by Peel Region or Peel Housing Corporation as well.

- ii) **The Non-Profit Housing Development Program (NPHDP)**, which grows the housing stock in Peel that is owned and/or operated by the non-profit and cooperative sectors. Through this program, the Region explores opportunities to provide land, funding and other supports to non-profit developers, housing providers and agencies. The NPHDP also involves capitalizing on innovative private-public partnerships.
- iii) **The Peel Affordable Rental Incentives Program (PARIP)**, which is a capital grant program designed to incent private and non-profit developers to include more deeply affordable units in their rental housing projects.

As part of the Non-Profit Housing Development Program (NPHDP), Regional Council approved \$70M in capital funding to create a minimum of 100 units of new community or supportive housing units owned and operated by the non-profit sector.

To administer these funds, staff issued a Request for Proposal (RFP) in December 2024. This report provides Council with an overview of the procurement process and a description of the four successful projects which have the potential to add 416 new rental units to Peel's rental housing stock, including 205 affordable units, 82 deeply affordable units, and 52 supportive housing units across Peel.

2. Request for Proposal 2024-285P Results

The Region issued a Request for Proposal (RFP) titled "2024-285P Non-Profit Development Funding for the Supply of New Community Housing Units in Peel Region" on December 3rd, 2024, which closed on February 12th, 2025. The RFP focused on creating net new affordable, deeply affordable and supportive rental housing units for low- to middle-income individuals/households through the Non-Profit sector that will own and operate the projects.

Five (5) submissions were received with four (4) passing the Mandatory Eligibility Requirements and the scoring of subsequent evaluation phases. The successful four (4) proponents are Golden Age Village for the Elderly (GAVE), Indus Community Services (Indus), Saint Luke's Dixie Senior Residence Corp. (St. Luke's), and Services and Housing in the Province (SHIP).

Table 1 outlines the unit breakdown and conditional regional capital funding for each project. All projects will provide a mix of bachelor, 1- and 2-bedroom type units. The provision of regional funding is contingent upon successful proponents providing confirmed capital financial resources to fully fund their projects by December 31st, 2025, as well as appropriate planning approvals in place to move these projects forward.

Investing in New Community and Supportive Housing in Peel Region

Table 1: Summary of Projects Conditionally Approved to be Funded by the Region

	GAVE	INDUS	ST. LUKE'S	SHIP
City Ward	Brampton, Ward 4	Brampton, Ward 6	Mississauga, Ward 3	Brampton, Ward 1
Target Population	Seniors	Seniors & Families	Seniors	Supportive
Total # of Units	140	154	70	52
Deeply Affordable Units at or below 60% Median Market Rent (MMR)	15	37	30	22
Affordable Units between 61-100% MMR	125	40	40	30
Conditional Regional Funding	\$19,000,000	\$19,100,000	\$17,500,000	\$14,400,000

3. Stacking of Funding

Through the Brampton Housing Catalyst Capital Project, GAVE has been approved to receive \$1.5M and Indus has been approved \$1M in capital grants to support their respective housing projects. Through the Mississauga Affordable Rental Housing Community Improvement Plan, St. Luke's has been approved to receive \$9.1M capital grant to support their housing project.

At this time, three (3) of the four (4) projects have applied to Canada Mortgage and Housing Corporation (CMHC) through the Affordable Housing Fund (AHF) for a capital grant and mortgage financing. The provision of regional funding will be contingent upon each proponent satisfactorily demonstrating that they have confirmed capital financial resources to fully fund their projects by December 31, 2025, as well as appropriate planning approvals in place to move the projects forward.

Region of Peel staff and Council will continue to advocate to the federal government to prioritize these four projects to receive funding, including capital grants and mortgage financing, through either the current CMHC AHF or the future funding programs. Staff continue to work with local municipal, provincial, and federal counterparts to identify opportunities to leverage available funding opportunities and supports for these Non-Profits and the overall sector to increase new rental housing supply.

4. Target Populations and Easing Strains on the Region's System

The four (4) new developments will target low-to middle-income individuals and households, with more than half of the units targeted for seniors. As per table 2 below, there are about 17,500 seniors, individuals and families in Brampton and Mississauga on the centralized wait list (CWL) waiting to be housed in 2024 that require deeply affordable bachelor, 1- and 2-bedroom type units. The four projects conditionally approved for regional funding will create 205 affordable, 82 deeply affordable, and 52 supportive housing units, which will help alleviate the pressures the Region is facing as the service manager. Low-income individuals/households in deeply affordable units will be referred by the Region through the centralized wait list or by-name List.

Investing in New Community and Supportive Housing in Peel Region

Table 2: Households in need of Bachelor, One- and Two-Bedroom Units in Centralized Waiting List, 2024

Target Population	Seniors, Individuals and Families					
	Brampton			Mississauga		
City	Bachelor	1-Bedroom	2-Bedrooms	Bachelor	1-Bedroom	2-Bedrooms
Bedroom Size						
# of households needing deeply affordable units (rents at or below 60% MMR)	250	4,696	2,087	369	7,489	2,560

The Region needs to continue to leverage the Non-Profit sector to develop, own and operate more Community Housing units to address the needs in Peel. Through discussions with current Non-Profit and co-operative housing providers, some of the providers that own land have expressed interest in developing Community Housing.

5. Regional Funding Conditions and Next Steps

The Region has provided Letters of Conditional Commitments to each of the four (4) proponents to support their applications to seek funding from CMHC's Affordable Housing Fund and other funding sources, as applicable. The Letters of Conditional Commitment outline the requirements to be eligible for the Region's funding, such as confirmation in writing of funding from other sources to fully fund projects by December 31st, 2025, as well as receiving planning approvals.

The Region and each successful proponent will execute a Contribution Agreement (CA) that will remain in effect for the duration of the affordability period of the funded rental units. The CA's will each contain conditions that must be satisfied by a specified date before funding under those CA's will be advanced to the respective proponent.

RISK CONSIDERATIONS

The need for affordable, deeply affordable, and supportive housing in Peel is growing. The current supportive and Community Housing stock is meeting only 4% and 26% of the need in our community. While the Region is making efforts to create affordable and supportive housing through projects funded through the Peel Community Housing Development Program and Non-Profit Housing Development funding, it is vital to involve all partners and levels of government to be part of the solution to address the housing crisis.

Three (3) of the four (4) submissions are dependent on being approved for funding from Canada Mortgage and Housing Corporation (CMHC)'s Affordable Housing Fund to move forward with the development of their projects. Without receiving funding from both CMHC and the Region, these projects will not be able to move forward with development. The Request for Proposal (2014-285P) offered up to \$70M in capital funding with no commitment for operational or rent subsidies. It is possible that these project owners could return to the Region to request operational funding in the future, although the RFP clearly outlined that the Region's funding is capital and not operational.

Investing in New Community and Supportive Housing in Peel Region

FINANCIAL IMPLICATIONS

There are no financial implications as the \$70 million in capital funding was approved through the 2024 Housing Support capital budget. Should any of these projects not receive CMHC funding and/or funding from other sources by December 31st, 2025, the Region will have the right to terminate the conditional offer of funding, Contribution Agreement and any ancillary agreements, and staff may reassign funding to any of the other projects or may reissue a future procurement document to offer the funding to another Community Housing project.

CONCLUSION

Through the conditional allocation of up to \$70M in capital funding, the Region intends to support four non-profit organizations to create 416 new rental units, including 205 affordable, 82 deeply affordable, and 52 supportive housing rental units in Brampton and Mississauga. These projects will help alleviate the pressures on the Region's housing system and provide homes to individuals/households waiting on the Centralized Wait List and the By-Name List. The provision of regional funding will be contingent upon each proponent satisfactorily demonstrating that they have confirmed capital financial resources and planning approvals to complete the project.



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