
REPORT TITLE: Increasing the Supply of Deeply Affordable, Community and Supportive Housing in Peel - 2025 Update

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

RECOMMENDATIONS

- 1. That the revised Peel Community Housing Development Program to include 9 projects as outlined in Table 1 in the report of the Commissioner of Human Services, listed on the October 9, 2025 Regional Council agenda titled; “Increasing the Supply of Deeply Affordable, Community and Supportive Housing in Peel - 2025 Update”, listed on the October 09, 2025, Peel Region Council agenda be approved; and**
- 2. That the contract (Document 2025-535N) for the provision of utility submetering systems, submetering, and billing services, for Basswood Senior Residences and Pattulo Apartments, be awarded to Carma Corp., for an initial contract term of 15 years with two optional 5-year renewal terms, on a cost recovery basis, in accordance with Peel Region’s Procurement By-law 45-2023, as amended; and**
- 3. That the Director of Housing Services be authorized to execute the necessary agreement(s) related to Document 2025-535N between Peel Region and Carma Corp. for the provision of utility submetering systems, submetering, and billing services, including any required extension(s), amendment(s), and/or any ancillary agreement(s) or document(s) thereto for Basswood Senior Residences and Pattulo Apartments on business terms satisfactory to the Commissioner of Human Services, subject to budget and on legal terms satisfactory to the Peel Region Solicitor and Commissioner of Legislative Services; and**
- 4. That Peel Region continue its advocacy efforts to the Federal and Provincial governments to provide funding to support the full implementation of the Peel Community Housing Development Program.**

REPORT HIGHLIGHTS

- The Peel Region continues to address housing needs by increasing the supply of shelters, affordable rental units, community, and supportive housing. One key initiative is the Peel Community Housing Development Program (PCHDP), which funds housing projects on lands owned by Peel Region and Peel Housing Corporation.
- In addition, the Peel Region administers federal-provincial housing funding programs, collaborating with third-party agencies to develop new community housing.
- In 2024, a total of six housing projects were completed through these combined efforts, providing shelter and/or affordable homes for 381 low-income, vulnerable, or marginalized residents and households across Peel.
- Through the Peel Affordable Rental Incentive Program (PARIP), Peel Region provides a capital grant to private and non-profit developers to create affordable rental stock in the

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market; Bell Tower Residences, a PARIP funded project, was completed in 2024 creating 7 affordable rental units in Mississauga.

- Four new projects have been conditionally approved under the Non-Profit Housing Development Program, which has a total capital allocation of \$70 million; when completed, these projects will deliver 416 new rental units across Brampton and Mississauga, including: 205 affordable, 82 deeply affordable, and 52 supportive units.
- Staff are seeking Council's approval of the revised Peel Community Housing Development Program to include 9 projects to yield 1,290 units/ beds by 2028.
- Two PCHDP projects Basswood Senior Residences and Springbrook House require additional \$5 million and \$10 million respectively.
- In addition to the capital projects being built through the PCHDP, the Housing Supports proposed 2026-2035 10-year plan includes five projects earmarked for future funding, which can yield 440 new units.
- My home 2nd unit suites program is ceasing as it did not meet the objective of creating affordable stock.
- To support consistency in operations with other projects in the PCHDP, staff are seeking authority, in accordance with Procurement By-Law 45-2023, to directly negotiate with Carma Corp. for the provision of the utility submetering systems, submetering, and billing services for Basswood Senior Residences and Pattulo Apartments.
- Lastly, Peel Region will continue its advocacy efforts to the Federal and Provincial governments to provide funding to support the full implementation of the PCHDP.

DISCUSSION

1. Background

As Service Manager of Peel's affordable housing system, Peel Region administers programs to increase the supply of deeply affordable, community and supportive housing; housing that is not provided by the private sector. These programs include: the Peel Community Housing Development Program (PCHDP), the Non-Profit Housing Development Program, the Peel Affordable Rental Incentives Program (PARIP) and the My-Home Second Units Program. Peel Region also administers federal and provincial funding programs such as the federal Rapid Housing Initiative (RHI).

This annual report provides Council with an update on the progress being made through these programs to increase the supply of shelters, deeply affordable rental, community and supportive housing in Peel.

2. Peel Community Housing Development Program (PCHDP)

The Peel Community Housing Development Program creates new shelters, transitional, community and supportive housing on lands owned by Peel Region and Peel Housing Corporation (PHC).

The program currently includes nine projects which will add 338 shelter beds and 952 deeply affordable, subsidized or supportive housing units to Peel's housing stock. As the table below summarizes, 3 projects are complete and operating, 3 are in the construction phase, and 3 are in the design phase of the development process. These projects have a total Regional budget of \$606 million and are funded through a combination of sources

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including CMHC loans (repayable and forgivable combined) federal-provincial programs and Regional contributions.

Table 1: Peel Community Housing Development Program – Funded Project Summary

	Project	Type	Location	# of units	Current Status	Funding Status / Revised CMHC Agreement
1	360 City Centre Drive [RoP]	Affordable Rental	Mississauga	174	Completed– Dec 2020	Completed In CMHC agreement
2	Surveyor Family Shelter [RoP]	Shelter	Mississauga	108	Completed– Jan 2024	Completed In CMHC agreement
3	Credit River Way [RoP]	Affordable Rental	Mississauga	150	Completed– Nov 2024	Completed In CMHC agreement
4	Basswood Senior Residences [RoP]	Affordable Rental	Brampton	198	Construction in progress	Requesting additional \$5M through 2026 Budget: In CMHC agreement
5	Byngmount Shores [PHC]	Affordable Rental	Mississauga	150	Construction in progress	Sufficient funding: In CMHC agreement
6	Chelsea Gardens [PHC]	Affordable Rental	Brampton	200	Construction in progress	Sufficient funding; In CMHC agreement
7	Springbrook House [RoP]	Shelter	Brampton	80	Design in progress	Requesting additional \$10M through 2026 Budget: In CMHC agreement
8	Wilkinson Road Shelter Expansion [RoP]	Shelter	Brampton	150	Design in progress	Sufficient funding; In CMHC agreement
9	Pattulo Apartments [RoP]	Affordable and Supportive Rental	Caledon	80	Design in progress	Sufficient funding; In CMHC agreement
	Total Units			1,290		

Housing that is built, funded, owned or operated by the Region, Peel Housing Corporation and the non-profit or co-operative sectors creates homes for low-income households and our community’s most vulnerable residents. Over 40 percent of the units built are offered at rent levels below 60 percent of median market rent (as per Rental Market Report published annually by CMHC). These projects create deeply affordable, transitional, and supportive units and shelter beds; a type of housing that is not delivered by the private sector. These builds help alleviate the pressures the Region is facing within the homelessness system, including the use of overflow hotels. Increasingly however, and as previously reported to Council, ongoing rent subsidy is essential to assist households with greater financial needs, who are unable to afford even below-market rental rates.

a) CMHC Amended Credit Agreement

Staff has worked with CMHC to update our funding agreement, so it aligns with the portfolio of projects in the table above. The updated CMHC agreement reflects an increase in number of units for 3 shelters, an increase in CMHC’s per unit funding allocation and

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adjustments to some project's budget from the original agreement. As a result, the amended CHMC credit agreement includes \$129.4 million in repayable loans and \$61.1 million in forgivable loans for nine projects that meet CMHC's timeline of completion by 2028. This represents an increase in repayable loan of \$41 million and forgivable loan of \$15 million.

b) Projects Earmarked for Future Funding in 2026-2035 10-Year Plan

In addition to the funded projects being built through the Peel Community Housing Development Program, the Housing Supports proposed 2026-2035 10-year plan includes five projects earmarked for future funding. This includes two new projects – the expansion of the Surveyor Family Shelter and 1320 Williamsport sites in Mississauga. One project, i.e., Emil Kolb Parkway and King Street site has been removed, as plans are in place for a pumping station by Peel Region's Public Works department. If approved by Council during the 2026 budget deliberations, these projects will add 440 units, as noted in Table 2. Moreover, and because of the \$1.2 million of funding approved by Council in 2025, three of these projects are moving ahead with pre-planning activities.

Staff will continue to pursue funding for these projects from the federal and provincial governments, including the newly announced Build Canada Homes (BCH).

Table 2: Projects in the (2026-2035) 10-Year Capital Plan

	Project	Type	Location	# of units	Current Status	Funding Status / Revised CMHC Agreement (Y or N)
1	Mayfield West Phase 1 Family [RoP]	Affordable Rental	Caledon	50	Requires OPA and ZBLA	Received funding for pre-planning activities. Earmarked for future funding in 10-year capital plan.
2	114 Falconer [RoP]	Affordable Rental	Mississauga	70	Requires OPA and ZBLA	Received funding for pre-planning activities. Earmarked for future funding in 10-year capital plan
3	1320 Williamsport [RoP]	Affordable Rental	Mississauga	80	Requires OPA and ZBLA	Received funding for pre-planning activities. Earmarked for future funding in 10-year capital plan
4	Surveyor Family Shelter Expansion	Shelter	Mississauga	40	In early feasibility stage	Added to 2026-2035 capital plan, earmarked for future funding if 2026 budget approved
5	Mayfield–Ching Lands	Affordable Rental	Caledon	200	Pending feasibility work, which may affect number of units.	Added to 2026-2035 capital plan, earmarked for future funding if 2026 budget approved
	Total Units			440		

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3. Federal Rapid Housing Initiative

New transitional, community and supportive housing is also created in Peel through the federal government's Rapid Housing Initiative (RHI). Peel Region has participated in RHI rounds I, II, and III. To date, \$75.4M of federal and \$15.5M of Peel Region funding has been allocated to RHI projects. All projects funded through RHI I and II were completed in 2024, creating 123 affordable, transitional, and supportive units. The Creekside Apartments (RHI III), a third-party led project is progressing well and will create 51 supportive housing when completed in 2026.

4. Non-Profit Housing Development Program

In December 2024, Peel Region released a Request for Proposal to allocate up to \$70 million in Peel Region capital funding, for the development of new affordable, deeply affordable, and supportive housing units for the non-profit sector to own and operate.

Four (4) new projects located in Brampton and Mississauga have been conditionally approved for Peel Region funding. When completed, these projects will create a total of 416 new rental units, including 205 affordable, 82 deeply affordable, and 52 supportive housing rental units in Brampton and Mississauga. Peel Region's funding is conditional on all four projects receiving confirmation of remaining funding from other sources by December 31, 2025.

Further details about these projects are provided in the report titled; "Non-Profit Development Funding for the Supply of New Community Housing in Peel Region, Procurement Update", on Council's Agenda for the October 9, 2025, meeting.

5. Peel Affordable Rental Incentive Program

Peel Affordable Rental Incentives Program (PARIP) is a capital grant program designed to support private and non-profit developers to build affordable rental housing. To date, five projects creating a total of 162 units have been approved; two projects were completed occupied in 2024 creating 19 affordable rental units for the Peel community. The last call for application ran from June to September 2023.

Staff meet regularly with all successful proponents to ensure projects move forward to create new affordable rental stock in the market. One project previously selected to receive funding through the 2023 Call for Applications is no longer being considered due to ongoing financial and other challenges. The proponents have been encouraged to reapply during the next call for applications should their circumstances change. As a result, the \$7.1 million originally allocated to this project will be available to support future PARIP applications.

Since the 2023 call, several incentives have come into effect, including development charge exemptions / discounts through Bill 23 More Homes Built Faster Act, 2022; the federal Goods and Services Tax (GST) rebates and Provincial portion of the Harmonized Sales Tax (HST) for rental housing, Cities of Mississauga and Brampton's Community Improvement Plan programs; Mississauga Mayor's Housing Task Force Motion and Peel Region Council's 50% discount and deferral of DCs for all residential units until occupancy until November 2026.

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Despite these incentives, there remains a gap between the rents low- and middle-income Peel Renter households can afford, and the actual rents being charged in the market. PARIP continues to be the only permanent and fully municipally funded rental incentive program in Peel and will continue to be used to help address the gap. Following every Call for Applications, the PARIP is reviewed and refined as needed, to ensure that the affordable housing outcomes set out in the PHHP continue to be achieved.

For the forthcoming call this fall, the program will include a capped amount of per unit capital contribution ranging from \$200,000 to \$350,000 depending on the depth of affordability being offered by the project as well as additional scoring for projects by non-profit developers to help increase the capacity of the sector and fully leverage DC exemptions.

6. My Home Second Units Program (MHSU)

In 2024, the My Home Second Units Program was paused for evaluation as it was no longer meeting the program objectives. Staff have completed the program evaluation, and it has been determined the MHSU program did not achieve the defined outcomes for the following reasons: the amount of the forgivable loan did not fund the total required renovation costs, the MHSU program forgivable loan being registered on title in second priority made for higher risk to the Region, and gross incomes of program applicants being too high for the required eligibility deciles. Additionally, applications to the MHSU program came from homeowners who were ineligible either because they didn't have an existing unit, or they already started renovations on their existing unit. The \$1.2 million of the total MHSU program budget will be removed from the 2026 Housing Support budget as part of the departmental cost containment target. Also, two resource staff allocated for the program will continue to support MHSU program administration tasks, as well as management of Peel Region's legacy grant programs (Peel Renovates Program, Home in Peel downpayment assistance program, etc.).

7. Submetering and Billing Solutions for PCHDP Projects

Staff are seeking authority to award a contract to Carma Corp. (Carma) for the provision of utility submetering systems, submetering, and billing services for the following two PCHDP projects, Basswood Senior Residences and Pattulo Apartments in accordance with Procurement By-law 45-2023, as amended. Staff will be working with PHC to receive the necessary authority to award a contract to Carma for two PCHDP projects on the PHC properties: Byngmount Shores and Chelsea Gardens.

In Ontario, installation of suite meters is required in new buildings that include rental units in a residential complex, as per *the Energy Consumer Protection Act, 2010*, Ontario Regulation 389/10. Carma Corp. is licensed by the Ontario Energy Board (OEB) as a unit sub-metering provider and is currently providing sub-metering services at two other Peel Region properties, Mayfield Seniors Apartments and Credit River Way.

For the two Peel Region properties Basswood Senior Residences and Pattulo Apartments, Peel Region will be responsible for the upfront payment of the bulk hydro (electricity) bills to the utility provider, Alectra. Carma will remotely read unit meters, issue invoices to each unit, and handle collections as required. Carma will then pay Peel Region the aggregate monthly billings less Carma's applicable fees and taxes. This enables cost recovery, improves building operational efficiency, and supports sustainability reporting and analytics on each unit.

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The proposed service arrangement with Carma contemplates a per unit monthly service fee and other supplementary fees/charges imposed by Carma from time to time (which may include account set up fees, security deposits etc.) to be paid directly to Carma by the tenants. Carma will complete the design and supply of the submetering system and conduct maintenance, repairs, etc. throughout the term of the agreement(s).

Carma's submetering equipment was originally specified in the design specifications for both Basswood Senior Residences and Pattulo Apartments to support hydro (electricity) submetering services. Contracting directly with Carma allows consistency in operations, maintenance, and service levels with other Peel Region and PHC owned properties within the Peel Community Housing Development Program (PCHDP) portfolio. In accordance with Procurement By-law 45-2023, as amended, Part VII – Direct Negotiations and Part XVIII – No Cost Procurement, award of the contract (2025-535N) to Carma Corp., requires Regional Council approval.

RISK CONSIDERATIONS

The need for affordable, deeply affordable, and supportive housing in Peel is growing. The current supportive and affordable housing stock is meeting only 4 per cent and 26 per cent of the need in our community. While Peel Region is making efforts to create affordable and supportive housing through projects funded through the PCHDP and federal RHI, it is vital to involve all partners and levels of government to be part of the solution to address housing crisis. The nonprofit sector's involvement in the development of Community Housing is crucial to meet the needs of our most vulnerable populations. Without them, Peel will fall further behind on meeting the needs in our community.

As part of ongoing advocacy efforts, staff met with the Minister of Municipal Affairs and Housing during the Association of Municipalities of Ontario (AMO) conference in August, to seek support specifically for projects within Peel Region's 10-Year Capital Plan.

On September 14, the federal government announced the creation of Build Canada Homes (BCH), a new agency tasked with delivering deeply affordable, transitional, supportive, and middle-income housing in collaboration with partners, including municipalities, and private developers. Staff will continue to monitor developments related to BCH and other funding streams and actively explore opportunities to increase community housing supply and support Peel's most vulnerable residents.

FINANCIAL IMPLICATIONS

The updates to the Peel Community Housing Development Plan (PCHDP), have both capital and operating budget implications.

Housing Support Capital Budget Implications: Staff have rightsized the number of projects in CMHC Credit Agreement to 9 projects with a total budget of \$606 million. The amended agreement includes \$129.4 million in repayable loans and \$61.1 million in forgivable loans. This represents an increase in repayable loans of \$41 million and forgivable loans of \$15 million due to increases in some project's budget, an increase in the number of units for 3 shelter projects and an increase in CMHC's funding allocation per unit. The repayable loan is a maximum allocation from CMHC, Peel Region will only draw debt, which is sustainable to the projects' operating revenues, which may result in lower repayable and forgivable loans than the CHMC

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allocations. Staff will align the finance structure of the projects closer to the project completion or earlier based on business considerations.

Basswood Senior Residences and Springbrook House require an increase to their exiting capital current budget, \$5 million and \$10 million respectively and will be presented as part of the proposed 2026 Housing Support capital budget.

The proposed 2026 10-year Housing Support capital budget will include five projects as part of the PCHDP. Two projects have been added and one project removed for an incremental cost of \$60 million. Staff will continue to advocate to the Federal and Provincial governments to secure funding for these projects.

Housing Support Operating Budget Implications: The estimated impact of rental subsidy for projects developed through the PCHDP and Rapid Housing Initiative is approximately \$1.3 million in 2027, \$0.6 million in 2028 and \$0.1 million for 2029 for a total of \$2.0 million in annual subsidy expense for projects completed between 2027 and 2029.

Contract 2025-535N to Carma Corp.: Due to the nature of the service provided by Carma, staff identify limited to no financial risk with the direct negotiation and use of Carma Corp. Through the use of Carma, electricity (hydro) bills initially paid by Peel Region (on behalf of the tenants) will be recovered through Carma Corp. less Carma's applicable fees and taxes. Furthermore, utility costs and collections are managed at the tenant level between Carma Corp, freeing Peel Region staff from additional administrative duties as it pertains to utility collections. In accordance with Procurement By-law 45-2023, as amended, Part VII – Direct Negotiations and Part XVIII – No Cost Procurement, contract (2025-535N) to Carma Corp. is cost neutral.

CONCLUSION

This annual report provides Council with an update on the progress being made through various programs to increase the supply of shelters, affordable rental, community and supportive housing in Peel. Through these programs, six projects opened in 2024, providing shelter and/or affordable homes to 381 low-income, vulnerable or marginalized residents/households in Peel. These initiatives reflect Peel Region's long-term commitment to expanding safe, affordable, and inclusive housing across Peel. Despite this steady progress, available resources are estimated to meet just 26 per cent of our community's need for affordable housing. Continued investment and strategic planning will be critical to meeting future demand and supporting vulnerable populations. As such, Peel Region Council and staff will continue to advocate to the federal and provincial governments to increase funding for community and supportive housing in Peel.



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