
REPORT TITLE: Overview of Peel Housing Subsidies

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

RECOMMENDATION

- 1. That the updates to the housing subsidy administration, as described in the report of the Commissioner of Human Services, listed on the November 13th, 2025, Regional Council Agenda titled “Overview of Peel Housing Subsidies” be endorsed; and**
- 2. That the Commissioner of Human Services, or designate, be granted authority to amend Peel Region’s Housing Services subsidy policy and framework, as needed, including but not limited to, the duration and amounts for subsidy agreements and tenant eligibility criteria, subject to available budget, provided such amendments to the subsidy and policy framework, and agreements are on business terms satisfactory to the Commissioner of Human Services, and on legal terms satisfactory to the Regional Solicitor and Commissioner of Legislative Services; and**
- 3. That the Commissioner of Human Services, or designate, be granted the authority to enter into and execute agreements with non-profit providers for the purpose of administering community housing subsidies using regional funding to subsidize existing and/or new units constructed by non-profit providers through their own resources, with Peel’s direct capital investment, or with funds flowed through Peel, subject to available budget, provided such agreements are on business terms satisfactory to the Commissioner of Human Services, and on legal terms satisfactory to the Regional Solicitor and Commissioner of Legislative Services; and**
- 4. That the Director of Housing Services or designate, be granted the authority to enter into and execute agreements with private landlords for the purpose of administering private subsidies using regional, federal or provincial funding, subject to available budget and/or funding, provided such agreements are on business terms satisfactory to the Commissioner of Human Services, and on legal terms satisfactory to the Regional Solicitor and Commissioner of Legislative Services; and**
- 5. That the Director of Housing Services or designate, be granted authority to enter into and execute agreements with clients for the purpose of issuing portable subsidies using regional funds and/or Provincial/Federal funding designated for this purpose, subject to available budget, provided such agreements are on business terms satisfactory to the Commissioner of Human Services, and on legal terms satisfactory to the Regional Solicitor and Commissioner of Legislative Services; and**

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- 6. That authority be granted to third party operators to execute any agreements and ancillary documents required for the operation, maintenance and/or management of Peel owned, leased and/or operated housing projects and facilities, in accordance with operation and management agreements, on behalf of Peel, including but not limited to lease, occupancy, and license agreements, or other such documents as may be approved by the Director of Housing Services or designate, with tenants, occupants, lease or licensees of such housing projects, and to act as an agent of Peel in respect to all operational, maintenance and/or management matters arising from these agreements, each in accordance with the terms of the agreement between Peel and the third-party operator for the respective Peel owned, leased and or operated housing project or facility; and**
- 7. That the Commissioner of Human Services, or designate, be granted authority to administer a portfolio approach to subsidy administration which will provide flexibility to reallocate available-regional subsidy dollars within the different subsidy types to maximize Council approved subsidy dollars and outcomes; and**
- 8. That Council continue to advocate to all levels of government for increased funding to support all subsidy types.**

REPORT HIGHLIGHTS

- Peel Region is facing an affordable housing crisis.
 - To address this crisis, Peel's 10-year housing and homelessness plan includes several actions to make affordable housing available to more Peel residents who are homeless, at risk of homelessness or who can't afford to live in the private market housing.
 - One action includes expanding subsidy options to help to overcome the shortage of subsidized units in the community housing system, administered through the centralized waiting list.
 - The subsidy changes introduced through Peel's 10-year housing and homelessness plan and Councils' investment of \$113 million in subsidies are anticipated to support over 10,800 subsidies in 2025.
 - With over 101,000 households estimated to be in core housing need and 32,329 households on Peel's centralized waiting list, Peel's innovative and flexible approach to subsidy administration is essential to reaching as many households as possible with existing resources.
 - The authorities requested through this report will ensure staff can adapt to changes in turnover in the community housing system, changes in the private rental market and successfully administer the full subsidy budget each year.
 - Authority is also being requested to provide third-party operators the ability to execute, on Peel's behalf, any agreements and ancillary documents required for the operation, maintenance and/or management of Peel owned, leased and/or operated housing projects, where third-party providers have entered into operation, maintenance and/or management agreements with Peel with respect to such housing projects.
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DISCUSSION

1. Background

Peel Region is facing an affordable housing crisis. In Peel, the average market rent for a bachelor apartment is \$1,779 per month. An individual would need to work three full-time minimum wage jobs to afford this rent. The average rent for a three-bedroom unit for a family in Peel is \$2,717 per month. This rent would be considered affordable¹ for a family earning \$108,560 per year. For those on social assistance, access to affordable housing is even further constrained.

To address this crisis, Peel's 10-year housing and homelessness plan includes several actions to make affordable housing available to more Peel residents who are homeless, at risk of homelessness or who can't afford to live in the private market housing. One action includes expanding subsidy options to help to overcome the shortage of subsidized units in the community housing system, administered through the centralized waiting list.

Through the reports entitled "Improving Housing Subsidy Administration" in May 2020 (Resolution # 2020-408 & 409), "Housing Service Transformation – Needs-Based Subsidy Prioritization Approach and Policy Changes" in July 2021 (Resolution # 2021-888) and "Enhancing Housing Subsidy and Supports" in October 2023 (Resolution # 2023-777) Council approved important policy and program changes that introduced a new needs-based portable subsidy and a new Community Agency Subsidy Program (CASP). Through these changes and Councils' investment in 2025 of \$113 million, Peel distributes over 10,800 subsidies, including 553 net new portable subsidies. Additionally, 13 Housing Support Workers (HSWs) were hired to administer the new subsidies while improving case management.

This report provides Council with an update on subsidy administration and seeks the authorities required to optimize flexibility, reach and impact.

2. Subsidy Framework

Housing subsidies are one of the most important tools used by Peel Region to make rental housing more affordable to Peel residents. In Peel, there are 3 types of rental subsidies: 1) subsidy attached to a unit and administered to Community Housing Providers; 2) subsidy attached to a unit and administered to private landlords, and; 3) portable subsidies attached to a person.

A summary of these subsidy types is included in the table below. A more detailed description can be found in Appendix I.

¹ According to the Canada Mortgage and Housing Corporation (CMHC), housing is considered "affordable" if a household spends less than 30% of its before-tax income on shelter costs, including rent or mortgage, taxes, and utilities.

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Subsidy Type	Definition	2025 Budgeted Expenditure	2025 Budgeted Service Level
Community Housing Providers (includes PHC)	Attached to units. The subsidy amount can be determined based on rent-geared-to-income (RGI) calculations or dependent on the budgeted allocation for the development. Referred from the centralized waiting list (CWL), or By Name List (BNL).	\$83,168,272	6,740
Private	Attached to units owned by private landlords in the community. Tenants are referred from the CWL.	\$30,720,143	3,006
Portable	Attached and therefore moves with a person. Includes subsidies to prevent homelessness, subsidies that end homelessness. These subsidies are needs-based and are not administered through the centralized waiting list.	\$12,233,057	960
Community Agency Subsidy Program	This subsidy type is attached to community agencies and provided through regional funding.	2,050,000	128
Total		\$128,161,472	10,834*
Total Funded by RoP		\$113,334,699	

*Does not include internally funded units

3. Impact

The subsidy changes introduced through Peel's 10-year housing and homelessness plan, and Councils' investment of \$113 million in 2025 are anticipated to support over 10,800 subsidies. In 2024, Peel provided 553 net new portable subsidies of which; 88 were updated legacy program portable subsidies, 260 were funded by Peel's Community Agency Subsidy Program, 31 were funded by the Province under their Canada-Ontario Housing Benefit and the remaining 174 were regionally funded needs-based portable subsidies. 154 of these households were previously experiencing homelessness, and 16 households were provided a portable subsidy to prevent homelessness.

Additionally, 13 Housing Support Workers (HSW) were hired to create teams who are dedicated to the shelters and outreach programs. These HSWs are involved in case management and approving subsidies. Subsidies have removed barriers to entering housing and prevent the cycle of re-entry into the shelter system.

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4. Requested Authorities

As new subsidy programs have been introduced, it has become increasingly clear that flexibility is required to adapt to changes in turnover in the community housing system, changes in the private rental market and to successfully administer the full subsidy budget each year. As such, staff is clarifying and/or requesting the following authorities, always operating within Council's approved subsidy budget.

1. **Authority to enter into subsidy agreements with non-profit housing providers not governed under the *Housing Services Act, 2011*.** Peel is increasing the supply of community and supportive housing, and in doing so, expanding the number of non-profit housing providers operating in Peel. Staff is seeking authority to enter into and execute subsidy agreements, for existing and/or new units, with non-profit providers, and issue Peel funded community housing subsidies for existing and/or new units in their buildings, that were constructed through their own resources, through Peel's capital investment or funds flowed through the provincial or federal government.
2. **Authority to enter into agreements with private landlords.** To optimize existing stock in the private market, new strategies are being identified to maintain and acquire units. Through the private landlord subsidy agreement, Peel will continue to work with private landlords to get and keep stock at an affordable rate. Staff seek the ability to enter into and execute subsidy agreements with private landlords and the authority to issue private subsidies using regional, provincial or flow through funding for the term as agreed upon in the private subsidy agreement, the landlord's rental agreement or when the tenancy ends.
3. **Authority to enter into portable subsidy agreements.** Portable subsidies are administered directly to those, or on behalf of those, experiencing homelessness and those at risk of eviction. Staff request the authority to enter into and execute subsidy agreements and complete document executions as required, for the purpose of issuing portable subsidies to clients through regional or ministry funding for the purpose of rental assistance.
4. **Authority to allow contracted operators to enter and execute agreements and ancillary documents on Peel's behalf.** Peel partners with third-party operators and Peel Housing Corporation to operate, maintain and manage Peel-owned leased and/or operated housing projects and other facilities. Units in these projects are market, affordable and subsidized. Staff seek the authority to allow third-party contracted providers to enter into and execute agreements and ancillary documents as required, with tenants and occupants, leasee or licensees of such projects and facilities, on behalf of Peel for the operation, maintenance and/or management of Peel-owned, leased and/or operated housing sites.
5. **Authority to manage subsidy budget as a portfolio.** To maximize Council approved subsidy dollars and outcomes, staff request authority to administer a portfolio approach to subsidy administration which will provide flexibility to reallocate available Regional subsidy dollars within the different subsidy types.

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RISK CONSIDERATIONS

As previously mentioned, housing subsidy is one of Peel Region's most important tools to help residents live more affordably. At the end of 2024, over 10,300 households received a subsidy administered by Peel Region.

With over 101,000 households estimated to be in core housing need and 32,329 households on Peel's centralized waiting list, Peel's innovative and flexible approach to subsidy administration is essential to reaching as many households as possible with existing resources. The authorities requested through this report will ensure staff can adapt to changes in turnover in the community housing system, changes in the private rental market and successfully administer the full subsidy budget each year.

Continued advocacy to the federal and provincial governments is required to secure the funding required to operate at a scale that more closely aligns to need.

FINANCIAL IMPLICATIONS

Peel's investment in subsidy is crucial for providing housing affordability to the community that continues to experience a housing crisis and long waitlists. Changes in market, income, inflation, and property tax can create volatility in average subsidy amounts across the different types of subsidies the region provides.

While this report has no net budget impact, staff is requesting the authority to use a portfolio approach to subsidy administration which will provide the flexibility needed to ensure the Council approved subsidy budget is fully spent each year. Use of this portfolio approach for subsidies using Regional dollars will be monitored internally with any deficits/surpluses in overall subsidy being reported to Council through the triannual operating budget reporting.

CONCLUSION

This report provides Council with an update on housing subsidies.

Housing subsidies are one of the most important tools used by Peel Region to make rental housing more affordable to Peel residents.

With over 101,000 households estimated to be in core housing need and 32,329 households on Peel's centralized waiting list, Peel's innovative and flexible approach to subsidy administration is essential to reaching as many households as possible with existing resources.

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Appendices

Appendix I- Subsidy Administration Subtypes



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