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DATE: July 7, 2006

SUBJECT: **AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

FROM: Keith Ward, Commissioner of Housing and Property  
and General Manager, Peel Living

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### **RECOMMENDATION**

**That participation by the Region of Peel in the Federal/Provincial Affordable Housing Program: Rental and Supportive, and Home Ownership components, be approved in accordance with the Delivery Plan;**

**And further, that the report of the Commissioner of Housing and Property and General Manager, Peel Living, dated July 7, 2006, titled "Affordable Housing Delivery Plan", be approved as the Delivery Plan for the Region of Peel under the Federal/Provincial Affordable Housing Program;**

**And further, that the Region's duly authorized signing officers be authorized to execute the Service Manager Administration Agreement, together with such further agreements and documents that may be required for participation in and compliance with the Affordable Housing Program;**

**And further, that staff be authorized to proceed with the Program application process to obtain \$1.25 million (\$50,000 per unit) from the Affordable Housing Program to be used to support the capital costs for the Walker Road Expansion Project 05-5020, located in Town of Caledon, Ward 3;**

**And further, that staff be authorized to include minimum pre-determined selection criteria in the Requests for Proposal for affordable housing projects to be sponsored by community groups, as set out in the report of the Commissioner of Housing and Property and General Manager, Peel Living, dated July 7, 2006, titled "Affordable Housing Program Delivery Plan";**

**And further, that the foregoing recommendations be conditional upon receipt of all legal agreements from the Province required under the Affordable Housing Program being in a form satisfactory to the Commissioner of Housing and Property and the Regional Solicitor.**

**AFFORDABLE HOUSING PROGRAM DELIVERY PLAN****REPORT HIGHLIGHTS**

- The Affordable Housing Agreement was signed on April 29, 2005.
- The Region of Peel was allocated a total of \$39.61 million under Wave 1 of the new Affordable Housing Program (AHP).
- \$32.55 million (average \$70,000 per unit) is available for the creation of 465 rental and supportive units with total construction cost estimated at \$78.6 million.
- The Region will contribute approximately \$24.7 million in funding the capital cost of the new units to create rents that are affordable.
- No direct rent-geared-to-income subsidies are associated with the capital funding.
- Rents must not exceed 80 per cent of the CMHC average market rent for the area.
- A maximum of \$150,000 capital funding per unit is available to support units targeted for supportive and units for victims of domestic violence.
- An Affordable Home Ownership program is a component of the AHP. This will offer down payment assistance to eligible purchasers.
- This report represents the Regions delivery plan for the Rental and Supportive component of the AHP.
- All allocated funding must be spent by March 31, 2010.

**DISCUSSION****Background**

The Federal and Provincial governments signed the Affordable Housing Agreement on April 29, 2005. This agreement represents a commitment of \$602 million to be provided for the development of new affordable housing in Ontario. Under this agreement, the Province of Ontario has been given the responsibility of developing the guidelines for the new Affordable Housing Program (AHP) under the terms of the Affordable Housing Agreement and to provide funding to the project proponents. Service Managers interested in participating in the program are required to develop and implement a delivery plan for each program component by June 30, 2006. Funding for the AHP will be made available until March 31, 2010.

The AHP has four components: Affordable Rental and Supportive Housing (Capital), Affordable Housing (Remote Program), Housing Allowance/Rent Supplement, Home Ownership Fund. The Region is eligible to participate in three of these four programs. The Affordable Housing (Remote Program) is intended solely for Northern Ontario.

Under Wave 1 of the AHP, the Region of Peel has been allocated the following:

<b>AHP Component</b>	<b>Number of Units</b>	<b>Funding Amount</b>
Affordable Rental and Supportive	465	\$32.55 million
Housing Allowance/Rent Supplement	270	\$4.21 million
Home Ownership Funding	328	\$2.85 million
<b>Total</b>	<b>1063</b>	<b>\$39.61 million</b>

Next to the City of Toronto, the Region received the second highest allocation in the Province. The following represents a per unit breakdown of the Region's Wave 1 AHP allocation:

<b>Type</b>	<b>Units</b>
Affordable Rental	340
Victims of Domestic Violence	48
Supportive Housing	77
<b>Total</b>	<b>465</b>

## **AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

In September/October 2005, Regional Council approved the delivery plan for the Housing Allowance and Rent Supplement program. Expressions of Interest have been sent to the Ministry of Municipal Affairs and Housing (MMAH) with respect to participation in the Affordable Rental/Supportive and Home Ownership components. The delivery plan, set out in this report, which is a MMAH-mandated requirement of participation in the AHP, incorporates the construction of new affordable rental buildings and a plan to participate in the affordable home ownership program. Specific details related to the affordable Rental and Home Ownership programs are provided later in this report.

This Wave 1 allocation represents the most ambitious affordable housing funding program since the early 1990's. Council should be aware that under Wave 2 of the AHP, Ontario has been allocated an additional 880 units. Details on the distribution of these units under Wave 2 are not yet available. In addition, the federal government has announced that provided that there is sufficient current operating surplus for 2005/06, \$300 million has been set aside for affordable housing purposes in Ontario. At this time, details on timing or allocations are not known, it is expected that Peel will be the recipient of funding from these streams.

## **BENEFITS OF THE AFFORDABLE HOUSING PROGRAM TO THE REGION**

### **a) Rental and Supportive Housing**

Funding from the Rental and Supportive housing portion of the AHP will benefit the Region as it will provide capital contributions that will assist in the creation of additional affordable housing in the Region of Peel. The funding provided by senior levels of government will make it attractive for the Region and potential community groups interested in developing affordable housing to participate in the program.

Supportive Housing funding is an important component of this program and it will permit the Region to expand on the current success of new housing forms and models. Further it will permit service agencies an opportunity to expand services and provide a wider range of residential supports. The Region views the funding for units dedicated to Victims of Family Violence as an opportunity to offer program enhancements and an additional level of support for those moving out of abusive domestic relationships.

### **b) Affordable Home Ownership Program**

Assistance for a down payment under the Affordable Home Ownership Program will assist those who are interested in moving from rental accommodation to own their first home. This is consistent with the Region's goal of providing access to a continuum of housing. Additional benefits to the Region are outlined further in this report.

## **AFFORDABLE HOUSING PROGRAM GUIDELINES**

In May 2006 the Province of Ontario issued guidelines for the Affordable Rental and Home Ownership programs. In general the guidelines outline the financial details of the program, administrative requirements, program requirements, etc. Staff has reviewed the guidelines and recommends that Council approve participation in both the rental and home ownership programs and approve this report as the Delivery Plan.

Notwithstanding, it is recommended that this approval be conditional upon the receipt, review and acceptance of the Administration Agreement and the Contribution Agreement. Both agreements are significant in terms of program delivery, legal indemnification and the release of

## **AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

funding to the Region. To date neither agreement has been released by the province. However, drafting has been done through a consultation group including the Commissioner of Housing and Property and the results are promising. Upon receipt all documents will be reviewed by the Housing and Property department and Legal Services. Legal agreements will not be entered into unless they are in a form satisfactory to the Commissioner of Housing and Property and the Regional Solicitor. Copies of program guidelines for the Affordable Rental and Home Ownership program are available from the Commissioner of Housing and Property.

### **CLIENT TARGETS AND HOUSING NEED IN PEEL**

The Region intends to target the following client groups under the 2006-2010 portion of the AHP:

- Families and singles
- Victims of Family Violence
- Individuals experiencing mental health issues
- Seniors

These target client groups should be viewed as a general approach to meeting current need. Given the evolution of housing need in Peel it should be expected that priorities may shift to meet an emerging need and that specific targeting e.g., young mothers, is possible and is contingent on the availability of support funding from local agencies or provincial ministries.

The Peel Access to Housing (PATH) centralized waiting list is the greatest barometer of affordable housing need in the Region of Peel. With a growing and diverse population, affordable housing demand is high as are the needs for supports required to assist those looking for and trying to maintain a reasonable standard of housing.

As recently reported, the PATH waiting list consists of over 14,000 applications for affordable housing. The immediate need for housing is acute and the addition of new stock will assist a modest number of applicants. In general, the new units created under this program will be of greatest assistance to the aforementioned target groups and those deemed to be the "working poor" on the PATH waiting list.

By participating in the Home Ownership component, the Region will also be able to assist a proportion of renters and offer them an opportunity to purchase their first home. This will be of considerable benefit to those residents that are paying rents equivalent to or higher than a monthly mortgage payment.

### **AFFORDABLE RENTAL AND SUPPORTIVE HOUSING – KEY DETAILS**

As noted, the Region has been allocated \$32.55 million under the Affordable Rental and Supportive Housing component of the AHP. The average per unit contribution from the Federal and Provincial government is \$70,000 (40 per cent Federal 60 per cent Provincial). A maximum of \$150,000 per unit has been allocated for supportive (mental health, victims of family violence) housing units. The intent of the higher supportive capital allocation is to provide a greater amount of capital funding to offset ongoing operating costs. In turn this would result in achieve greater affordability in the supportive units.

**AFFORDABLE HOUSING PROGRAM DELIVERY PLAN****a) Administration and Agreements**

Funding to offset staff resource costs for program administration (approximately 1.3 per cent of total capital allocation) will be provided to the Region in installments beginning with the signing of the Administration Agreement. Final administration payments will be made upon project completion. The Commissioner of Housing and Property will require authority to sign the Administration Agreement and all related agreements including the Contribution Agreement with project proponents.

**b) Affordability Period**

The Rental and Supportive Guidelines outline eligible projects and costs. The funding provided will be treated as a grant, provided that the housing units remain affordable for 20 years. This will require ongoing monitoring.

**c) Financial Requirements**

Based on financial forecasts, the Region or an eligible proponent will need to make a financial contribution to each project using various financial resources and tools to create an affordable rent. The program has defined "affordable rent" as a rent that is 80 per cent of the CMHC average market rent (AMR) (including utilities) for the area. Funding provided by this program will provide some capital support. Additional resources, i.e., internal borrowing, social housing reserve fund contribution, land contributions, mortgage financing, etc. will provide the remainder of the funding. It is estimated that the Region will be required to contribute approximately \$24.7 million to create rents that are affordable. Two existing approved projects (Capital Project 03-5020, Manorgate and 05-5020, Walker Road - Phase 1) will be funded and delivered under the new Affordable Housing Program. The AHP funding will replace the original financing plan of borrowing from Regional reserves of \$3.73 million.

The provincial portion of the funding will be flowed as a 20-year affordability payment which consists of the capital contribution and the cost of borrowing funds by the owner/proponent over the amortization period. The 20-year affordability payment for each project will be paid monthly to the Region once the project is occupied. As a result, internal borrowing from the Regional reserves or mortgage financing will be required. Staff will explore alternatives and provide funding details to the council on a project-by-project basis.

The program requires that the municipal property tax rate for AHP funded projects is equivalent to or below the single residential tax rate. This was required under the previous Community Rental Housing Program and was achieved through offsetting grants from the Housing New Development Reserve, which is the intent here. The excess property tax payment (difference between multi-residential and single family rates) will be funded by the Housing New Development Reserve R1160. Staff recommends transferring the annual operating surplus from the AHP projects back to the reserve to replenish the reserve for its capital investment. Additionally the Region approved the Municipal Facility By-Law in July 2003 which will enable municipal contributions to be made to AHP projects.

## **AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

### **d) Supportive Housing**

#### **i) Mental Health**

As noted, additional capital funding is available under the AHP to build 77 supportive housing units. Of these units, 10 are to be allocated to clients with a dual diagnosis, i.e. combined mental health/developmental challenges. Service Managers are required to coordinate program and support funding. At this time, the Region of Peel is engaged in detailed discussion with the Ministry of Health and Long-Term Care and Supportive Housing in Peel (SHIP) which plans to operate their programs in two new stand-alone projects specifically dedicated to clients experiencing mental illness and requiring supportive housing services as well as units integrated in larger Peel Living/Regional projects. The Ministry of Health and Long Term Care has confirmed that support funding will be available.

The Ministry of Community and Social Services has confirmed support funding for the 10 dual-diagnosis units is available and a final commitment for this funding is imminent pending a community consultation process, which has been initiated.

#### **ii) Victims of Family Violence**

Extra capital funding for 48 units dedicated to Victims of Family violence is intended to assist in delivering units with rents that are the equivalent of the Ontario Works or Ontario Disability Support Plan monthly rental allowance rates. Funding for client support programs will be provided by contracted agencies. The Region has initiated discussions with the Ministry of Community and Social Services (MCSS) and Interim Place, the agency deemed appropriate to provide program support for victims of family violence. Confirmation of support funding from MCSS is being sought and potential partnerships involving Region of Peel Social Services programs are being explored.

### **e) Eligibility and Rent Determination**

The Region will undertake initial income screening as part of eligibility determination for units owned and operated by the Region or Peel Living and built under the AHP. Buildings that are built by a community group will be required to select applicants from the PATH waiting list only if a RGI subsidy is available in the new unit. Supportive housing proponents will undertake their own eligibility and rent determination as their clients typically are not eligible to be on the PATH waiting list due to their unique needs.

Based on staff analysis, the ability to achieve the goal of 80 per cent of AMR in the new projects is challenging but achievable. Further, some rent supplements have been reserved for the purposes of supplying some RGI to these new units. This will guarantee a greater level of affordability for some applicants.

Staff intend to achieve income integration and greater affordability through the generation of internal subsidies. That is, some tenants would pay a "modified" market rent (100 per cent of AMR), a shallow subsidy rent (80 per cent or lower of AMR), and a deep subsidy rent (Ontario Works or Ontario Disability Support Plan (OW/ODSP) scale). As previously stated, the goal is to achieve an average 80 per cent of AMR on a building-by-building basis. Greater affordability may be achieved on a portfolio wide basis as it would provide flexibility to achieve greater levels of subsidization. Staff are in

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discussion with MMAH to determine if this is possible. By introducing rent supplements, both those set aside for this program and any new funding, the opportunities for more internal subsidization and greater income mix will be improved. Also, starting these projects from close to a break-even position creates the opportunity to generate further internal subsidies in future.

The Region intends to select households that would not be paying more than 30 per cent of their gross annual income towards rent in new market and shallow rent units. The exception would be those in receipt of OW/ODSP, who will pay their appropriate allowance rate. Staff is continuing their analysis to determine if a cut-off of rent-to-income ratio higher than 30 per cent is a viable option.

The new units created under the AHP are not subject to the eligibility provisions of the *Social Housing Reform Act*. Applicants will be selected on a chronological basis from the PATH waiting list subject to determining their ability to afford to pay based on their income. There may be opportunities to create priority rules which will serve other Regional interests, such as combining with employment initiatives, dealing with transfer issues from other social housing and so forth. The Commissioner of Housing and Property will bring forward any recommendations in that regard.

Ongoing income verification after the applicant is housed is at the discretion of the service manager. It is expected that at a minimum an annual income monitoring will occur for all units, with more extensive verification undertaken for RGI households.

Staff believes that the AHP is viable and that best efforts will be made to ensure that targets are met. Given the additional program details that still need to be confirmed, staff intends to report back to Council to explain the new program in greater detail and illustrate any functional differences between traditional non-profit program and the new AHP.

**PROPOSED PROJECTS**

Appendix I is a forecast of potential rental and supportive projects and outlines the tentative timing for each. Some projects are slightly more advanced in terms of municipal and Regional approvals i.e., Walker Road expansion/Caledon East (seniors) and the Peel Manor Apartment site/Brampton supportive seniors. Staff is also in discussions with Supportive Housing in Peel and a local developer regarding the construction of small affordable apartment complex with a supportive housing component. This forecast is subject to change as opportunities are presented and as the results of the request for proposal become known. Staff will keep both Council and the Ministry updated on our progress.

Appendix II is a timetable for the completion of significant tasks required to meet all program requirements. Staff are required to commence a project selection process upon approval of this delivery plan in order to meet provincially mandated timing targets.

In keeping with local intensification principles and the Provincial Policy Statement 2005, staff is investigating the possibilities of infill opportunities on land currently owned by the Region or by Peel Housing Corporation. Staff intends to approach Council and/or the Peel Housing Corporation Board on a project-by-project basis to obtain appropriate authorities to proceed. It is understood that the Region will be required to seek all required planning and Council approvals from the area municipalities, and Ward Councillors will be fully consulted as per normal practice.

## **AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

### **a) Project Construction**

Staff intends to begin construction as outlined in Appendix I. It is understood that projects will be built concurrently in order to meet program deadlines and to avoid potentially costly time delays. All Contribution Agreements must be signed between proponents and the Service Manager by November 20, 2007; however it is possible that construction of these projects may not be complete until 2009/10.

### **b) Design Guidelines**

Staff from the Development and Construction section is updating the design guidelines that will accompany the RFP. Our design guidelines outline the Region's expectations for building design and construction.

The updated design guidelines make a concerted effort to accommodate energy efficiency in the new projects. Development staff will be working closely with the Corporate Energy Management Division to determine funding opportunities or new technologies that will aim to reduce energy costs for the building owner and/or the resident. The Region of Peel is eager to know what the provincial policy will be with respect to the installation of "smart meters" in individual units.

In collaboration with the Joint Peel-Caledon Accessibility Advisory Committee (AAC), discussions have been undertaken regarding accessibility for the disabled in the new buildings. Criteria for accessibility that exceeds provincial standards have been incorporated into the design guidelines. Staff will continue to interact with the AAC for site plan review and advice on a project-by-project basis.

For consistency in design, quality and cost, the Region intends to share its design guidelines with community groups that are interested in creating new affordable housing.

### **c) AHP Funding for Walker Road expansion**

The Peel Housing Corporation Board and Council have approved the initial steps in developing a 25-unit expansion project at Walker Road in Caledon East. A rezoning application is close to completion and construction is planned to start in early spring 2007. It is recommended that \$1.25 million (\$50,000 per unit) from AHP be used to support the capital costs for this project. Further, staff requires authority to proceed with the Ministry of Housing and Municipal Affairs application process to obtain this funding. This funding will be used to reduce the amount to be financed.

Other projects are still in the planning stages and staff will approach Council on a project-by-project basis for the necessary authorities.

## **PROJECT SELECTION**

### **a) Request for Proposal – Municipal Projects**

In order to fulfill the initial phase of our plan, the Region will issue a "Request for Proposal" for potential "turnkey" projects for each municipality by late fall 2006. This process was used with the Community Rental Housing Pilot program and produced

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favourable results. As noted in the appendix, all projects included in the request for proposal process are intended to support the client groups identified in the onset of this report. In addition, the RFP will seek to integrate supportive and victims of family violence units into these buildings. Pre-set evaluation criteria will be established and communicated via the RFP and a selection matrix will be created and used to determine the successful bidder(s).

At this time it is expected that the Region or Peel Housing Corporation will be the project proponents in the initial RFP phase. This will ensure that regional investment in the projects will be maximized and affordability will be maintained beyond the 20 year minimum as required by the program.

**b) Request for Proposal – Community Groups**

Since the late 1990's staff and Council have attempted to engage community and faith groups in the process of developing new affordable housing. Regrettably this was a difficult process for the Region and no new developments resulted despite our efforts. With the knowledge that the AHP was coming, staff contacted over 80 faith groups in 2005. Since this time, staff met with groups that expressed an interest in creating some form of new housing. Many of the groups are trying to determine initial feasibility, while some others are quite advanced in terms of municipal planning approvals and general program design. Staff have been working with some groups and have assisted with referrals to CMHC, developers etc. In cases where new housing has not been feasible, staff have connected a faith or community group to a regional program or agency that requires resources or volunteers.

The Region is interested in offering support through the AHP to eligible community based group(s) that meet pre-determined selection criteria. As the Region is interested in partnering with groups that demonstrate capacity to deliver new housing, some regional financial resources may be made available to assist the group. A selection process that is similar to the RFP process for municipal projects will be undertaken. However, modifications will be made to the RFP process that require a higher degree of accountability required through the signing of the Contribution Agreement between the proponent and the Region. Similar to the RFP for municipal projects, a selection matrix will be created and used to determine the successful proponent. Council authority will be required to approve the inclusion of the following minimum pre-determined selection criteria in the RFP.

For the purposes of selection, the proponent will:

- Require equity i.e., land, and/or financial resources,
- Focus on meeting the needs of one or more of the target groups,
- Develop a sound business plan that will show the ability to meet the rent targets,
- Demonstrate board experience, competency and accountability,
- Demonstrate capacity to successfully manage and operate the project and comply with all program requirements once the building is in operation,
- Be prepared to sign a Contribution Agreement with the Service Manager by November 2007 and have the project completed by March 31, 2010.

As indicated in Appendix II, this RFP will be issued after the Region has undertaken the RFP process for its own projects and it has been determined that there will be adequate AHP resources available to support a community based project. Community groups will be required

**AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

to obtain their own project financing and staff will assist in this process. The successful community proponents will be required to sign a Contribution Agreement with the Region.

**Security Provisions**

As previously noted, the successful community proponent will sign a Contribution Agreement with the Region. All legal and reporting requirements are outlined and Contribution Agreements will be registered on title. The federal portion of funding will be registered as a charge on title. Additional security such as assignment of rents will also be registered. All mortgages must be insured and registered. Given these security provisions, the Regions' financial risk associated with entering into a partnership with a community group is minimal.

**AFFORDABLE HOME OWNERSHIP – KEY DETAILS**

The Affordable Home Ownership program provides an opportunity for those with moderate incomes who currently rent accommodation in Peel to purchase their own homes. Assistance to offset the cost of a down payment will be offered. Staff have informed the Ministry of Municipal Affairs and Housing that we intend to offer the program and staff are currently investigating the option of third-party program delivery i.e., Habitat for Humanity, real estate sector. The Region will be required to retain the administrative function for the program and will offer support to deliver the program.

The following are key details of the program:

- Eligible maximum income to participate is \$59,000 per year. Maximum eligible house price is \$196,000;
- For eligible purchasers, assistance is for 5 per cent of value of the home or up to a maximum of \$10,000 towards a down payment;
- Down payment amount will not have to be paid back unless homeowner sells property within the 20 year affordability period;
- If home is sold within 20 year affordability period full amount will be returned to a revolving loan fund that will be established by the Region. Further, 5 per cent realized equity gains is also to be paid back;
- The revolving loan fund can be used to offset ongoing expenses or for other housing;
- If home is sold within 20 year affordability period and a capital loss is incurred, repayment of down payment assistance is forgiven provided the home is sold at fair market value and it is an arm's length transaction;
- All funding to be allocated by March 31, 2010;
- Service Managers may determine how funds repaid to the Revolving Fund are reallocated within the Home Ownership program;
- Eligible units include, detached, semi-detached, town (condo and freehold) stacked homes, row houses, or apartments;
- Homes must be modest in size and the sole and principal residence of the purchaser;

## **AFFORDABLE HOUSING PROGRAM DELIVERY PLAN**

- The potential home owner will be responsible obtaining financing, closing costs, etc.;
- Land Transfer Tax rebates are available to first time home buyers. Service Managers can use the Land Transfer Tax rebate with down payment assistance, net the value of their Land Transfer tax (e.g., Down payment required= \$9000. Land transfer tax rebate \$1500, Down payment assistance required = \$7500),;
- Appropriate security agreements will be registered with the purchaser to ensure repayment of the down payment; and
- The Ministry of Municipal Affairs and Housing will deliver this program component if the Service Manager is unable to.

Similar to the Rental and Supportive Program, legal agreements have yet to be released by MMAH and reviewed by Regional staff. It is recommended that staff be permitted to pursue all delivery options related to this program; however approval to deliver this program locally should be conditional upon the review and acceptance of all legal agreements by staff. The support offered by this program will offer another incentive to assist with the purchase of a home for a first time home buyer. It may also offer residents currently living in social housing an opportunity to move on, thus freeing up an affordable rental unit.

Staff will report full program delivery details to Council later this year on an information basis once the Region's approach has been finalized and all agreements have been reviewed and accepted.

## **FINANCIAL IMPLICATIONS**

### **Rental and Supportive**

To fully participate in the Rental and Supportive components of this AHP, the Region of Peel will be required to commit some of its own capital funding to the projects.

The new Affordable Housing Program, Wave 1 is included as part of the 2006 budgeted 10 year-plan under pending project 06-5031 for construction of 830 new units. The program will deliver more than 55 per cent of the planned affordable units and receive more funding than forecast.

It is the expectation that the 20-year affordability program contributions from the Ministry of Municipal Affairs and Housing will offset the retirement, including interest, of the internal or external financing established by the Treasurer required to front end these contributions.

Analysis of Reserve R1160 forecasts a shortfall by the year 2011, if Council wishes to develop approximately 100 units per year with its own resources as set out in the 10 Year Capital Plan, assuming there is no further senior government assistance. In order to keep the reserve sustainable in the mid-term, the annual contribution to R1160 would have to be increased. Further discussion and analysis on the Housing reserves will occur during the 2007 budgetary process.

### **Home Ownership Program**

There are no direct financial implications for the Region under the Home Ownership Program. All sources of funding for the purpose of down payment assistance will be provided by the

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## AFFORDABLE HOUSING PROGRAM DELIVERY PLAN

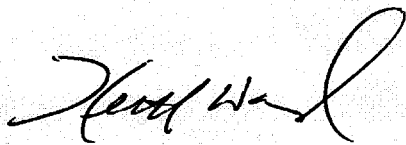
Province directly to the purchaser. Funding will be provided to the Region to compensate for staff time in developing and administering the program.

### CONCLUSION

Participation of the Regions in Wave 1 of the Affordable Housing Program represents an excellent opportunity to develop and support new affordable housing initiatives. While the program is limited in some respects by the lack of separate rent-geared-to-income support for the new units, the Region is committed to providing opportunities to achieve the greatest possible affordability. The supportive housing units will provide housing to clients that have few housing options a chance to stabilize and occupy a home of their own. The financial support from senior levels of government is helpful and welcomed; however, as demonstrated, the success of this program will rely heavily on financial contributions from the Region.

The Home Ownership component will allow for current tenants with moderate incomes a real chance to make the next step into owning their own home and to entering the final stage of the housing continuum.

This delivery plan represents the Region's intent to take up the available funding and it also demonstrates that considerable planning has been undertaken to participate in this program. The momentum generated by this wave of new funding will carry us over into the next wave and allow the creation of much needed affordable housing in Peel.



Keith Ward  
Commissioner of Housing and Property  
and General Manager, Peel Living

### Approved for Submission:



D. Szwarc, Chief Administrative Officer

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Legislative Services  
Dan Labrecque



REGION OF PEEL HOUSING AND PROPERTY DEPARTMENT  
AFFORDABLE HOUSING PROGRAM ALLOCATION DISTRIBUTION PLAN  
2006 - 2010

AFFORDABLE HOUSING PROGRAM DELIVERY PLAN

Project #	Status	Project	Owner/Proponent	Operator	Estimated Start Date	Estimated Completion Date	Number of Units	Number of Bedrooms	Funding Approved	Estimated Total Capital Cost	AHP Funding	Estimated* Municipal Contribution	Other Financing
03-5020	A	Peel Manor Apartments	Region of Peel	TBD	Summer 2007	Winter 2008	30	1 bed	\$4,706,535	\$5,000,000	\$4,200,000	\$800,000	\$0
05-5020	A	Walker Road	Peel Housing Corporation	Peel Housing Corporation	Spring 2007	Winter 2008	25	1 & 2	\$550,000	\$5,500,000	\$1,250,000	\$3,725,000	\$525,000
<b>Subtotal for approved projects</b>							<b>55</b>		<b>\$5,256,535</b>	<b>\$10,500,000</b>	<b>\$5,450,000</b>	<b>\$4,525,000</b>	<b>\$525,000</b>
06-5031	P	SHIP stand-alone	Supportive Housing in Peel	SHIP	Summer 2007	Spring 2008	16	1 bed		\$3,500,000	\$2,400,000	\$1,100,000	\$0
06-5031	P	RFP - Brampton	Region of Peel	Peel Housing Corporation	Summer 2007	Fall 2008	120	1-3		\$18,000,000	\$6,900,000	\$5,650,000	\$5,450,000
06-5031	P	RFP- Mississauga	Region of Peel	Peel Housing Corporation	Summer 2007	Fall 2008	120			\$18,000,000	\$7,100,000	\$4,750,000	\$6,150,000
06-5031	P	RFP - Caledon	Region of Peel	Peel Housing Corporation	Fall 2007	Winter 2008	40	1-3		\$7,000,000	\$2,900,000	\$1,450,000	\$2,650,000
06-5031	P	RFP - Peel	Community Group TBA	Community Group TBA	Spring 2008	Fall 2009	50	1-3		\$8,000,000	\$2,000,000	\$0	\$6,000,000
06-5031	P	Infill Project	Peel Housing Corporation	Peel Housing Corporation	Spring 2008	Fall 2009	39	1 & 2		\$8,350,000	\$2,300,000	\$5,475,000	\$575,000
06-5031	P	Transitional II	Region of Peel	TBA	Spring 2008	Fall 2009	25	1-3		\$5,250,000	\$3,500,000	\$1,750,000	\$0
<b>Subtotal for pending projects</b>							<b>410</b>			<b>\$68,100,000</b>	<b>\$27,100,000</b>	<b>\$20,175,000</b>	<b>\$20,825,000</b>
<b>Total</b>							<b>465</b>		<b>\$5,256,535</b>	<b>\$78,600,000</b>	<b>\$32,550,000</b>	<b>\$24,700,000</b>	<b>\$21,350,000</b>

Legend:  
A - Approved project  
P - Pending project  
\* These figures are pro-rated. They could change based upon use of program flexibility to adjust rent targets and internally generated subsidies from project to project.

H0-B5-13

AFFORDABLE HOUSING PROGRAM DELIVERY PLAN

<b>Rental and Supportive</b>	<b>Required Action</b>	<b>Key Dates</b>	<b>Council/Board Report Required</b>
<i>RFP - Peel Projects</i>	Issue RFP	September/October 2006	Yes - Award RFP
<i>RFP - Community Project</i>	Issue RFP	January/February 2007	Yes - Award RFP
<i>Program Design and Rent Structure</i>	Financial and Policy analysis	October 2006	Yes -Information
<i>Infill Project and Transitional II</i>	Determine feasibility	December 1, 2006	Yes -Authority
<i>RFP - Infill and Transitional II</i>	Issue RFP	March 1, 2007	To be determined
<i>Contribution Agreements</i>	To be signed	November 30, 2007	Yes - Authority
<i>Construction</i>	Begin project construction	Start - Spring 2007 - End - 2010	
<b>Affordable Home Ownership</b>			
<i>Program Design</i>	Work with partners to design program	Program design complete by October 2006	Yes - Information
<i>Program Delivery</i>	Advertise and roll-out	Impliment January 2007	No
<i>Program end</i>	Inform of deadlines	March 31, 2010	Yes - Information