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The Regional Municipality of Durham Report

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| To: | The Committee of the Whole |
| From: | Commissioner of Social Services, Commissioner of Planning & Economic Development and Commissioner of Finance |
| Report: | #2023-COW-26 |
| Date: | June 14, 2023 |

Subject:

At Home in Durham, the Durham Housing Plan 2014-2024 Annual Report

Recommendation:

That the Committee of the Whole recommends to Regional Council:

- A) That this report be received for information as the legislatively required annual report on the progress of At Home in Durham, the Durham Housing Plan 2014-2024.
 - B) That a copy of this report be forwarded to the Ministry of Municipal Affairs and Housing (MMAH).
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Report:

1. Purpose

- 1.1 The purpose of this report is to update the Committee of the Whole and Regional Council on progress related to At Home in Durham, the Durham Housing Plan 2014-2024, including recommendations to advance its objectives. This serves as the ninth annual progress report for the Plan.

2. Background

- 2.1 Regional Council approved At Home in Durham, the Durham Housing Plan 2014-2024 in June 2014 (Report #2014-J-16).
- 2.2 At Home in Durham is supported by the work of the Master Housing Strategy (Report # 2020-COW-27) and the recommendations of the Affordable and Seniors Housing Task Force (Report #2017-COW-249).

- 2.3 At Home in Durham sets out four goals and primary actions that aim to improve affordability and access to housing, protect the existing affordable housing supply, encourage housing diversity, and build capacity in the housing system. These goals are:

Goal 1: End Homelessness in Durham.

Goal 2: Affordable Rent for Everyone.

Goal 3: Greater Housing Choice.

Goal 4: Strong and Vibrant Neighbourhoods.

- 2.4 At Home in Durham commits to ambitious targets in relation to these goals, including the initiation of the development of 1,000 new affordable rental housing units over the final five years of the current plan.
- 2.5 Recent Regional and Provincial initiatives have further contributed to the success of At Home in Durham in meeting its goals and targets. Notably:
- a. The new At Home Incentive Program (AHIP) actively encourages the creation of new purpose-built affordable rental housing projects in Durham through annual calls for application for upfront capital funding (Report #2022-COW-7).
 - b. The new provincial framework for community housing providers as they reach end of operating agreements and end of mortgages (EOA/EOM) will advance the long-term sustainability of community housing and enable the Region to better meet the needs of low-income households in Durham.
- 2.6 At Home in Durham concludes in 2024 and the Region will be required to complete a new 10-year plan. The new plan will build on the public consultation work done through [Envision Durham](#) and its Housing Policy Planning Discussion Paper, as well as targeted consultation work with community partners.

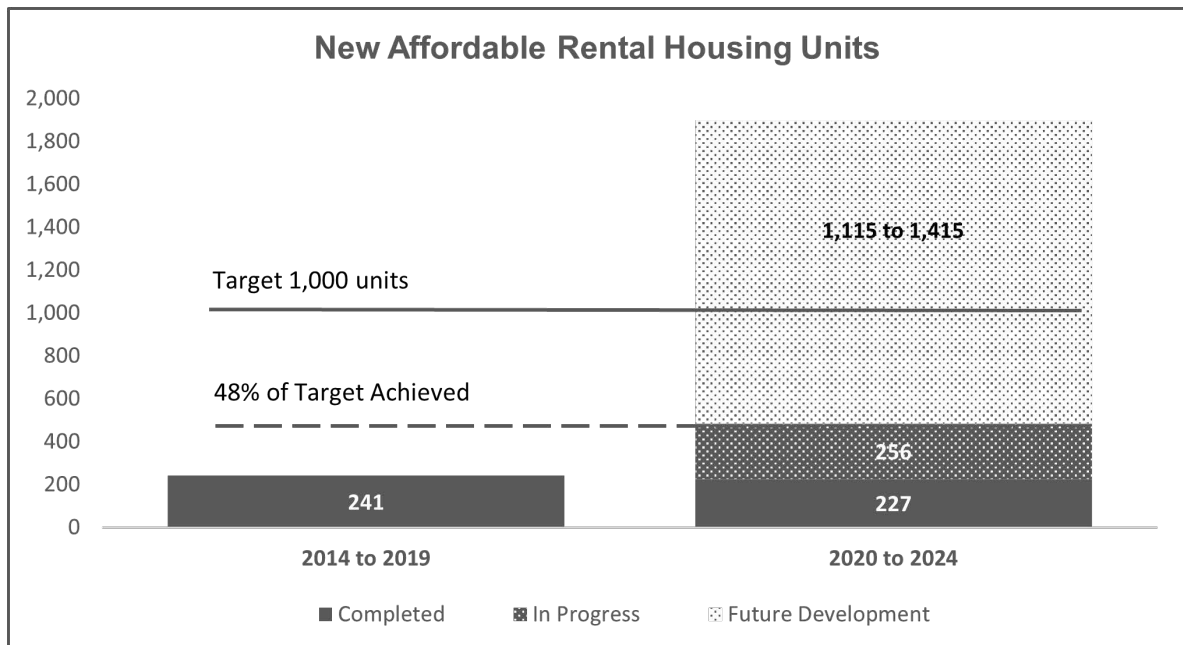
3. Previous Reports and Decisions

- 3.1 [Report #2014-J-16](#) At Home in Durham, the Durham Housing Plan 2014-2024.
- 3.2 [Report #2017-COW-249](#) Affordable and Seniors Housing Task Force.
- 3.3 [Report #2020-COW-27](#) Master Housing Strategy.
- 3.4 [Report #2022-COW-7](#) Regional Incentive Program for Affordable Housing.
- 3.5 [Report #2023-F-6](#) Memorandum of Understanding for the Sharing of the Pickering Casino Revenue
- 3.6 [Report #2023-COW-13](#) Recommendations for Eligible Projects under the At Home Incentive Program for Affordable Housing, File: D19-11
- 3.7 [Report #2023-P-15](#) Envision Durham – Recommendations on the new Regional Official Plan, File D12-01

- 3.8 Report #2023-SS-9 A Second Update on Durham Region's Homelessness Support and Coordinated Access System

4. New Affordable Rental Housing Development

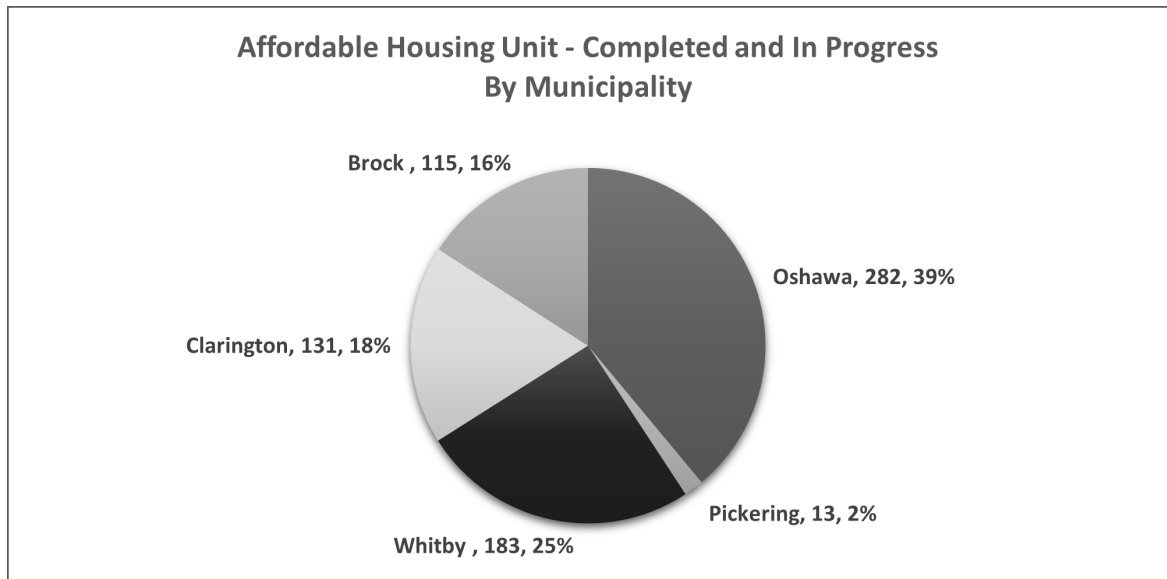
- 4.1 Since the introduction of At Home in Durham in 2014, there has been a marked shift in the issue of housing affordability across the province, creating a "housing crisis" that has made the need for action even greater than it was when At Home in Durham was first developed.
- 4.2 In order to address the significant and increasing affordability needs of low- and moderate-income renters in Durham, the Region has committed to the initiation of 1,000 new affordable rental housing units over the final five years of At Home in Durham (Report #2019-COW-25). A robust and affordable housing sector is critical to eliminating homelessness and building healthy, strong and vibrant communities.
- 4.3 In March 2022, Regional Council approved the new At Home Incentive Program (AHIP) to provide up-front capital funding for purpose-built affordable rental housing through annual calls for applications (Report #2022-COW-7). Annual Regional funding to the AHIP Reserve Fund (AHIPRF) will be committed subject to the annual Business Plans and Budget process. The inaugural call for applications in the fall of 2022 exceeded expectations and resulted in a total of \$7.45 million in Regional funding being provided.
- 4.4 Since 2014, the Region has leveraged considerable federal, provincial and Regional funding for the development of new affordable rental housing in Durham.
- a. In the first five years of the plan (2014 to 2019), 241 new units were developed across five different properties.
 - b. Since the beginning of 2020, an additional 227 units have been completed, and 256 units are currently under development.



4.5 There are eight projects currently under development either directly by the Region or in partnership with community organizations. Projects are at varying stages of completion and are anticipated to be finished between July 2023 and March 2026. These are:

- a. The Region's Beaverton Supportive Housing project that will provide 47 units of affordable, supportive and transitional housing.
- b. Three projects under development by Durham Region Non-Profit Housing Corporation (DRNPHC) as part of its long-term sustainability strategy:
 - 24 affordable townhouse units in Oshawa for families.
 - 52-unit apartment building for seniors in Clarington, that will provide 26 affordable rental units.
 - redevelopment of a current community housing site in Oshawa that will increase the total available units and include 26 affordable rental units.
- c. A co-operative housing project providing 18 affordable and supportive housing units for seniors, people with developmental disabilities and people with mental health and addictions issues in Whitby.
- d. A non-profit project that will provide 27 affordable and supportive housing units for youth on a former school property in Oshawa.
- e. A 75-unit apartment building for seniors and persons with disabilities in Oshawa approved for Regionally-funded AHIP contributions Report (#2023-COW-13).
- f. A 41-unit purpose built rental townhouse project in Pickering, which will include 13 affordable housing units, approved for Regional funding (Report #2023-COW-13).

- 4.6 At the Committee of the Whole meeting on June 22, 2022, the Committee requested a geographic breakdown of the location of affordable housing units across Durham and that this be included in the next update report. The following chart outlines where these affordable housing units have been completed or are in progress since the implementation of At Home in Durham:



- 4.7 A complete listing of affordable housing projects completed or in progress since the start of At Home in Durham is set out in Attachment #1.
- 4.8 In addition to the projects currently in progress, there is potential for the initiation of an estimated 1,115 to 1,415 new affordable rental housing units over the life of At Home in Durham. Notably:
- a. Regional funding under AHIP has potential for the creation of about 100 new purpose built affordable rental housing units by the end of the Plan, in addition to the projects already approved.
 - b. The lands south of the Pickering Casino Resort have been identified to permit 150 new affordable housing units through a Minister's Zoning Order. The City of Pickering has also committed a share of casino revenues (up to \$6 million annually) to The Regional Municipality of Durham. The new "Pickering Casino Revenues Reserve Fund" (Report #2023-F-6) will be allocated to regional services impacted by casino operations – which may include affordable housing.
 - c. The regeneration of four Durham Regional Local Housing Corporation (DRLHC) sites has the potential to include about 900 to 950 additional community housing units, of which as many as half could be rent-geared-to-income or below Canada Mortgage Housing Corporation (CMHC) average market rent.
 - d. Public consultations will begin regarding the use of the former Ritson Road Public School property in Oshawa, which has the potential to support the

- creation of 100 to 400 medium and/or high density affordable rental housing units, as well as community supports for seniors and childcare.
 - e. Consultations continue with Infrastructure Ontario to explore the opportunity to jointly redevelop surplus Regionally-owned land in the town of Whitby, which has potential to create approximately 250 affordable purpose-built rental housing units as part of a future larger redevelopment.
- 4.9 At a total of 483 units either completed or in progress since 2020, the Region has already initiated about 48 per cent of the targeted 1,000 units – and has identified potential future development opportunities that are on track to exceed this target.

5. Community Housing

- 5.1 The Master Housing Strategy commits to support the preservation and modernization of community housing, including opportunities for more flexible partnerships and support for capital needs.

New Legislative Framework

- 5.2 In July 2020, the Housing Services Act (HSA) was amended to provide a new streamlined framework for community housing at EOA/EOM to encourage housing providers to remain in the sector and enhance the long-term sustainability of community housing.
- 5.3 In July 2022, new regulations were released to operationalize this framework, including:
- a. Opportunities for new Service Agreements under Part VII.1 of the HSA with housing providers that reach EOA/EOM, and other providers not currently covered under the HSA.
 - b. The inclusion of alternate forms of municipally funded housing assistance programs that comply with specified criteria to meet legislated service level standards (SLS).
- 5.4 New Part VII.1 Service Agreements will enable the Region to strategically re-invest mortgage subsidy savings at EOM to ensure that these publicly funded assets continue to provide affordable, high-quality housing for people in Durham.
- 5.5 Part VII.1 Service Agreements must have a term of at least 10 years and include:
- a. A financial plan of at least 5 years that has been jointly developed by the housing provider and the Region and addresses how the provider will meet operating and capital expenditures.
 - b. Targets for households receiving rent-geared-to-income (RGI) or alternate municipally funded housing assistance, and the continuation of these benefits for current households.
 - c. Funding to reduce or defray the rent for targeted households, and additional funding as agreed to between the Region and the housing provider.

- d. A dispute resolution process with respect to compliance with the agreement.
- 5.6 The framework for these Part VII.1 agreements is flexible and can be customized to reflect individual community housing providers' circumstances, as well as the needs of the larger housing portfolio.
- 5.7 Under the new framework, the Durham Rent Supplement (DRS) benefit can now be included under the Region's legislated SLS as an alternate form of municipally funded housing assistance. The DRS is preferable to traditional RGI units in community housing in that:
- a. The DRS is not tied to provincial priority rules for the selection of tenants from the Durham Access to Social Housing (DASH) wait list.
 - b. Housing assistance can be offered at a lower cost of subsidy for tenants receiving social assistance, with no net impact to the tenant.
- 5.8 Housing Services staff are actively working with housing providers that have already reached EOA to enter into new partnerships and have been approached by housing providers that exited the HSA at EOA to negotiate new agreements with the Region.
- 5.9 All community housing provider Boards and staff will be provided information sessions to understand the implications of EOA/EOM and to determine their readiness to enter into new agreements and funding schemes as they reach EOM.
- 5.10 Staff also continues to work with our other service system managers, community housing providers and sector organizations to develop tools and techniques to support the transition to new agreements and funding schemes.
- 5.11 These changes afford the opportunity for the Region to be more flexible in its approach to community housing and municipally funded financial housing assistance programs to further advance the goals and objectives of At Home in Durham and the Master Housing Strategy.
- 5.12 The province has also introduced several changes to legislation through Bill 23 and Bill 97 that will impact housing affordability in Durham. Many of the changes are intended to increase the supply of housing in Ontario. Ajax, Clarington, Oshawa, Pickering and Whitby have been identified as "large and fast-growing municipalities", for which the province has assigned ambitious housing targets. All five of these area municipalities have committed to achieving their housing targets through pledges endorsed by their Councils.

Capital Needs

- 5.13 The sustainability of community housing is vital to meeting the affordability needs of low- and moderate-income residents in Durham and to creating strong and vibrant neighbourhoods.

- 5.14 Community Housing providers face increasing capital repair costs due to construction inflation and building age. Building Condition Assessments (BCAs) conducted in 2016 revealed that community housing providers will require more than \$15 million annually¹ to address all capital deficiencies identified across the collective portfolio.
- 5.15 In 2022, the Region was allocated \$891,790 of Canada-Ontario Community Housing Initiative (COCHI) funding to address urgent capital repairs in community housing. Eligible community housing providers were invited to submit applications for evaluation.
- 5.16 In total, the Region received 37 applications from 24 community housing providers totalling more than \$5.3 million in urgent capital repair needs – and were able to assist four providers with the limited COCHI funding.
- 5.17 The Region has been allocated further COCHI funding for 2023-2024 in the amount of \$4,619,400 and \$6,284,000 for 2024-2025, which may also be used for urgent capital repair needs in community housing.
- 5.18 Part VII.1 service agreements under the new framework afford an opportunity to better address the capital needs of community housing providers through the mutually developed financial plans.

6. Envision Durham

- 6.1 Envision Durham is the Region's Municipal Comprehensive Review of the Regional Official Plan (ROP). The new ROP, adopted on May 17, 2023 and forwarded to the province for approval, establishes a brand new ROP for Durham, developed through detailed study, and extensive public and stakeholder engagement. It includes important changes to land use planning policies, including draft policies for housing and affordable housing, such as:
- a. Ensuring an adequate supply of housing in Durham.
 - b. Strengthening policies to prevent the loss of rental housing.
 - c. Establishing a new affordable housing target for at least 35 per cent of new housing within Strategic Growth Areas.
 - d. Adding a new policy to encourage less expensive housing including additional residential units, microhomes, purpose-built rental housing and medium and high-density apartments in areas that are well served by local amenities including transit, schools and parks.
 - e. Encouraging reduced parking standards as a way to support the delivery of affordable housing, including purpose-built rental housing.
 - f. Undertaking a Regional housing assessment to support the Region's area municipalities to implement Inclusionary Zoning within their respective jurisdictions.

¹ Amount has not been adjusted for inflation.

- g. Requiring an Affordability and Accessibility Analysis for all major residential development applications.
- 6.2 The new ROP includes enabling policies that will create a more supportive and permissive environment for affordable rental housing and diverse housing options in the region in line with the goals of At Home in Durham.

7. Homelessness Initiatives

- 7.1 At Home in Durham commits to end homelessness in Durham. New and sustained investments in homelessness programs – at both the provincial and Regional level – have significantly increased the Region’s ability to strategically plan, strengthen and increase the response to homelessness in Durham.
- 7.2 In 2023, the total amount of federal, provincial and Regional funding committed to support homelessness programs and services in Durham is \$25.6 million.² Regional investment in homelessness system planning and coordination increased from \$27,000 in 2021 to \$6.3 million in 2023 – now representing almost 25 per cent of the total funding allocated.
- 7.3 Among the increased investments, about \$12.1 million is planned to be allocated to housing programs or homelessness prevention. This funding is targeted to deliver frontline services and programs in partnership with community agencies across Durham to:
 - a. Provide a range of housing programs to end peoples’ homelessness through transitional housing, housing first, supportive housing, and other housing outreach programs.
 - b. Prevent homelessness through areas such as eviction prevention, rental and utility arrears support, and support at the Landlord Tenant Board.
- 7.4 The Region currently has a By-Name List (BNL), which is a real-time list of people known to be experiencing homelessness, as well as a Coordinated Access System that enables community partners to prioritize and work more effectively with this vulnerable population.
- 7.5 Although the benefits of the By-Name List and Coordinated Access System continue to be impacted by the increasing need for health and homelessness supports and a challenging rental housing market, the homelessness sector in Durham was successful in assisting 218 homeless individuals and families to find housing in 2022 – including 131 people who had previously been chronically homeless.
- 7.6 New investments in homelessness programming in 2023 will increase targeted housing interventions for chronically homeless people on Durham’s BNL, including:

² This amount excludes administrative funding and a portion of provincial Housing Prevention Program (HPP) funding used to sustain the former Strong Communities Rent Supplement program.

- a. Adding 20 program spaces to support pre- and post-addiction treatment transitional housing, as well as post-treatment support for other transitional housing programs.
 - b. Developing a housing benefit for people who do not require long-term support.
 - c. Expanding a successful Housing First model for youth to add an additional 15 placements.
 - d. Supporting veterans on the BNL to support their ability to obtain and sustain housing over the long-term.
- 7.7 The Region continues to work with community partners to provide housing opportunities and supports for people experiencing homelessness, including:
- a. Expanded street outreach programs to improve capacity and improve housing outcomes.
 - b. Continued specialized outreach for vulnerable groups, including people with mental health and addictions challenges, at-risk individuals with development disabilities, and homeless people requiring social and primary health care.
 - c. Continued exploration of opportunities to increase transitional and supportive housing opportunities across Durham.
- 7.8 Increased and sustained investments provide an opportunity to implement an improved homelessness response plan to achieve better outcomes for people experiencing homelessness in Durham.
- 7.9 Ending homelessness in Durham will require both:
- a. A continuum of supports that reflect the varied and complex needs of homeless people in our communities, including new transitional housing options, flexible and timely housing benefits, and critical supports for vulnerable people.
 - b. A robust and affordable rental housing sector – including an increased supply of community housing and affordable housing in the private market.

8. Next Steps

- 8.1 The At Home in Durham plan will conclude in 2024. There is a legislative requirement to have a new housing plan in place, which must include:
- a. Public consultations.
 - b. An assessment of current and future housing needs in Durham Region.
 - c. Objectives and targets relating to housing needs.
 - d. A description of the measures proposed to meet the objectives and targets.
 - e. A description of how progress towards meeting the objectives and targets will be measured.
- 8.2 The Housing Services Division will be issuing a Request for Proposal (RFP) to engage a consultant to assist in the development of the new plan. Public consultations will build on the Envision Durham consultations and the Housing

Policy Planning Discussion Paper, and the consultant will also co-ordinate targeted consultations with community partners and stakeholders.

- 8.3 The Region must give the Ministry of Municipal Affairs and Housing at least 90 days to comment on the new Plan before approved by Council. Regional staff will report back to Council with the new draft plan at least 90 days prior to the deadline for the new plan.

9. Relationship to Strategic Plan

- 9.1 This report aligns with and addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Goal 2: Community Vitality – To foster an exceptional quality of life with services that contribute to strong neighbourhoods, vibrant and diverse communities, and influence our safety and well-being.
 - b. Goal 3: Economic Prosperity – To build a strong and resilient economy that maximizes opportunities for business and employment growth, innovation and partnership.
 - c. Goal 4: Social Investment – To ensure a range of programs, services and supports are available and accessible to those in need, so that no individual is left behind.

10. Conclusion

- 10.1 This is the ninth annual progress report of At Home in Durham, the Durham Housing Plan 2014-2024. It reports on current and future initiatives under the Master Housing Strategy and the recommendations of the Affordable and Seniors' Housing Task Force that operationalize and support the goals of the plan.
- 10.2 The goals and actions of At Home in Durham will improve affordability and access to housing with and without supports, protect the existing affordable housing supply, encourage housing diversity, and build capacity in the housing system. The Region is making progress in realizing these goals.
- 10.3 Over the remaining term of the plan, The Regional Municipality of Durham is committed to initiating the development of 1,000 new affordable housing units. Projects completed or currently under development represent about 48 per cent of this target, and the new At Home Incentive Program will further advance this progress.
- 10.4 The new regulatory framework under the HSA provides an opportunity for the Region to be more responsive to local needs and to grow and sustain the community housing portfolio in line with the strategic direction of At Home in Durham.
- 10.5 At Home in Durham will conclude in 2024, and staff will report back to Regional Council with the new draft plan in 2024.

11. Attachments

Attachment #1: Listing of Affordable Housing Projects Completed and In Progress under At Home in Durham

Respectfully submitted,

Original signed by _____

Stella Danos-Papaconstantinou
Commissioner of Social Services

Original signed by _____

Brian Bridgeman, MCIP, RPP, PLE
Commissioner of Planning and
Economic Development

Original signed by _____

Nancy Taylor BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original signed by _____

Elaine C. Baxter-Trahair
Chief Administrative Officer

Listing of Affordable Housing Projects – Completed and In Progress under At Home in Durham

| Project | Location | Total Units | Affordable Units | Completed |
|--|-------------|-------------|------------------|-------------|
| Whitby Village | Whitby | 139 | 139 | 2014 |
| Nishnawbe Homes | Oshawa | 17 | 17 | 2015 |
| Ritson Residence | Oshawa | 75 | 62 | 2017 |
| Gillespie Gardens (DRNPHC) | Beaverton | 18 | 18 | 2018 |
| Cornerstone Community Homes | Oshawa | 5 | 5 | 2018 |
| Subtotal – Completed 2014 to 2019 | | 254 | 241 | |
| New View Holdings | Bowmanville | 75 | 75 | 2020 |
| Old School House Apartment (DRNPHC) | Cannington | 50 | 50 | 2020 |
| Durham Youth Services | Oshawa | 6 | 6 | 2021 |
| Cornerstone Community Homes | Oshawa | 21 | 21 | 2021 |
| Parkview Seniors (Newcastle) | Newcastle | 30 | 30 | 2022 |
| Oshawa Microhomes | Oshawa | 10 | 10 | 2022 |
| Cornerstone Community Homes (Athol St) | Oshawa | 9 | 9 | 2022 |
| Muslim Welfare Residences | Whitby | 26 | 26 | 2022 |
| Subtotal – Completed 2020 to 2022 | | 227 | 227 | |
| Beaverton Supportive Housing | Beaverton | 47 | 47 | In progress |
| Clarington (DRNPHC) | Bowmanville | 52 | 26 | In progress |
| Conant Place (DRNPHC) | Oshawa | 57 | 26 | In progress |
| Normandy Towns (DRNPHC) | Oshawa | 24 | 24 | In progress |
| Little Otter Creek Co-op | Whitby | 18 | 18 | In progress |
| The Refuge | Oshawa | 27 | 27 | In progress |
| Riverbank Homes (AHIP) | Oshawa | 75 | 75 | In Progress |
| Kindred Works – Dunbarton (AHIP) | Pickering | 41 | 13 | In Progress |
| Subtotal – In progress | | 341 | 256 | |
| Totals | | 822 | 724 | |