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The Regional Municipality of Durham Report

To: Committee of the Whole
From: Commissioner of Social Services and Commissioner of Finance
Report: #2026-COW-16
Date: March 11, 2026

Subject:

Advancing Supportive Housing at the Ritson School Site, Oshawa and the Harwood/Achilles Site, Ajax

Recommendation:

That the Committee of the Whole recommends to Regional Council:

- A) That Council approve, conditional on receiving federal grant funding under the Build Canada Homes (BCH) program, a permanent supportive housing capital project with 50 supportive housing units at the northeast corner of 300 Ritson Road South in the City of Oshawa, with a total capital cost of \$30,000,000 to be financed as follows:

Financing Source	Amount
Federal Grant Funding – Build Canada Homes (application pending Council approval of this report)	\$25,000,000
Social Housing Reserve Fund – reallocation from the previously approved 590-650 Rossland Road Partnership Development Project	5,000,000
Total	<u>\$30,000,000</u>

- B) That Council approve, conditional on receiving federal grant funding under the Build Canada Homes (BCH) program, a permanent supportive housing capital project with 50 supportive housing units at the northeast corner of Harwood Avenue and Achilles Road in the Town of Ajax, with a total capital cost of \$28,000,000 to be financed as follows:

Financing Source	Amount
Federal Grant Funding – Build Canada Homes (application pending Council approval of this report)	\$24,810,000
Social Housing Reserve Fund – reallocation from the previously approved project for developing affordable and market housing at this site	3,190,000
Total	\$28,000,000

C) That the Commissioner of Finance be authorized to execute any necessary related agreements.

Report:

1. Purpose

1.1 The purpose of this report is to request Regional Council's authorization to advance two permanent supportive housing development projects and to best position them to be eligible for federal funding through Build Canada Homes (BCH) programs.

2. Background

2.1 In March 2025, Regional Council approved in principle the 10-year Housing and Homelessness Service and Financing Strategy (2025-2034) including Regional investment in housing and homelessness service enhancements and new affordable housing redevelopment and renewal initiatives ([Report #2025-COW-14](#)). The objectives of the Strategy included:

- a. Identifying long-term community needs and targeted outcomes;
- b. Setting the Region of Durham's long-term vision, priorities and associated costs for housing and homelessness support initiatives and strategies;
- c. Establishing a long-term financing strategy that includes Senior Government funding, incremental Regional property taxes, debt and reserve fund financing; and
- d. Providing a long-term investment plan approved by Council to support senior government advocacy efforts.

2.2 Central Oshawa and Downtown Ajax are both identified by the Health Department as Priority Neighbourhoods. These areas require focus to build on health and well-being due to various factors including a greater incidence of female lone-parent families, a greater percentage of seniors who live alone, a higher percentage of the population spending more than 30% of their income on shelter costs, a higher percentage of low-income households and unemployment. These areas have a higher incidence of homelessness.

- 2.3 There are more than 13,000 applicants on the Durham Access to Social Housing (DASH) Waitlist. More than 8,500 are Durham residents. About 43% live in Oshawa (3,723) and about a quarter of those (24%) are seniors. 145 DASH applicants require a fully accessible unit.
- 2.4 Housing providers have growing concerns about the level of support some tenants require but which they are not equipped to provide.
- 2.5 There are over 1,500 individuals on the By-Name List. Lack of affordable housing, income insecurity, disabilities, and health determinants are all contributing factors. Within Durham, incidences of housing precarity and homelessness are most pronounced in Oshawa and Ajax.
- 2.6 The draft At Home in Durham Plan 2025-2035 is the Region's updated 10-Year Housing and Homelessness Plan and was approved for submission to the Ministry of Municipal Affairs and Housing in December 2025. The first goal is to address housing precarity and homelessness by addressing the increasing need for supportive housing options across Durham Region.
- 2.7 Supportive Housing is a housing first solution that provides long term housing stability for those who need it most. Residents in supportive housing have their own apartment and are provided with the individual supports that they require to stay permanently housed. Wraparound services and supports are holistic and individualized to meet the unique needs of the individual within their long term housing. All units would be rent geared to income with no fixed time limit on how long a resident may stay in their unit. Service partners would provide specialized programming and support.

3. Build Canada Homes

- 3.1 Build Canada Homes was launched by the federal government on September 12, 2025 as a new agency created to accelerate the construction of affordable housing at scale. BCH is responsible for deploying federal capital grant funding for transitional, supportive, community and affordable housing projects.
- 3.2 In November 2025, the BCH Investment Policy Framework was released which highlighted BCH's focus on growing housing supply across the country using modern methods of construction and prioritizing projects that utilize domestically produced materials. BCH is currently prioritizing proposals for shovel-ready projects where construction could start within twelve months.
- 3.3 BCH is deploying \$1 billion in capital grant funding to build supportive and transitional housing for people who are experiencing homelessness or at imminent risk of homelessness.
- 3.4 The portal for submitting proposals opened in November 2025. Regional staff are preparing a portfolio submission outlining the pipeline of affordable housing projects in Durham Region, composed of both Regional and community housing

provider projects. This proposal will include a capital grant funding request to create two permanent supportive housing projects in Durham.

4. Description of Proposed Supportive Housing Projects

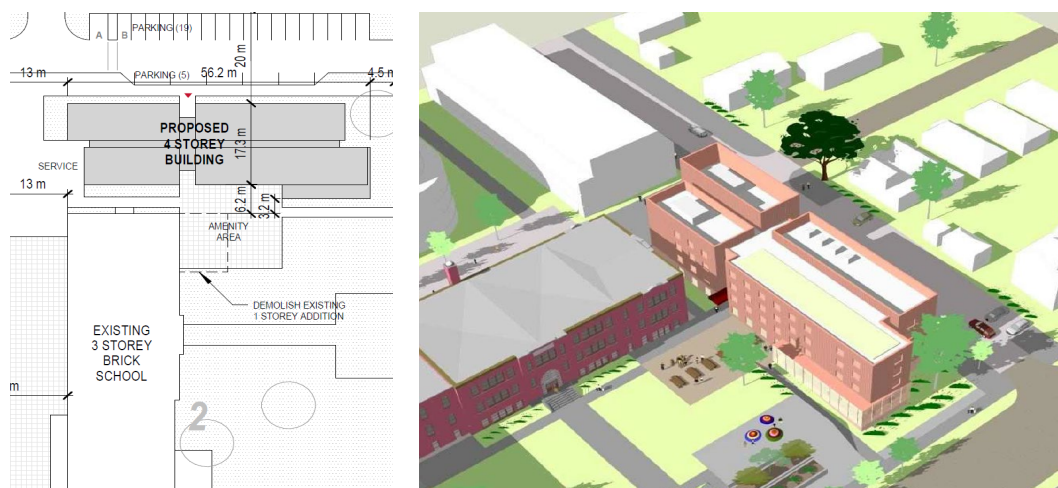
- 4.1 The Region owns two sites with permissions in the local municipal official plans and zoning by-laws for the proposed supportive housing projects. The sites have been selected based on community need, existing development permissions, proximity to transit, site size and configuration, and proximity to services and amenities.
- 4.2 Development concepts for both sites have been prepared with 50 supportive housing units each, together with common areas and staff spaces. Project designs anticipate energy efficiency and greenhouse gas reductions and the use of modern methods of construction (modular). Class “D” cost estimates have been prepared based on schematic design drawings and include soft costs and contingencies. Costs differ for the two projects because of on-site conditions and topographic constraints which affects building configuration and sizing.
- 4.3 Each unit would have a kitchen and bathroom. Universal design and accessibility features would include accessible units, barrier free entries and corridors and common areas as part of each project design.
- 4.4 In-building features would include centralized meal, kitchen and laundry spaces, staff meeting space, administration, security and reception areas, counselling spaces and areas for case management. Each building would provide both resident privacy and spaces for social connection. Project designs would adhere to CPTED principles including controlled access, clear sightlines and visibility, and good lighting.
- 4.5 Each project would proceed through the site plan approval process and likely a design-build procurement following a positive decision by BCH.

Ritson School Site, Oshawa

- 4.6 The Ritson School site at 300 Ritson Road South, Oshawa will provide a mix of sustainably built, mixed income, mixed-use housing with community services and supports. Phased redevelopment of the site is envisioned through direct investment and development partnerships including the restoration and reuse of the existing heritage school building.
- 4.7 The Ritson School site is identified as “Partnership Site” in the Housing and Homelessness Service and Financing Strategy, where the Region takes an enabling role to development. On partnership sites, preconstruction due diligence, studies, development permissions and feasibility is undertaken by the Region before it is offered to a third-party developer/operator. Capital construction and operations are assumed to be delivered and financed by a third-party partner, under a future land lease arrangement.

- 4.8 This report is recommending a 50-unit supportive housing building at the northeast corner of the site, on a 3,020 m² (0.75 acre) portion of the overall property. This building would be four storeys in height at street level and would include indoor and outdoor amenity spaces and a surface parking area accessed from Ritson Road (see Figure 1).
- 4.9 Although this specific supportive housing project was not included within the 10-year Housing and Homelessness Service and Financing Strategy (2025-2034), the need to provide a range of affordable housing options does form part of the Strategy.
- 4.10 Refining the program for the northeast corner of the site to target supportive housing is also generally consistent with the findings of the Ritson School Site Community Needs Assessment completed in 2024. The demonstration plan prepared for the site assumed a 69-unit mixed market (70%) and affordable housing (30%) building as a future phase of development. Approval of the recommendations would slightly reduce remaining market housing development potential on the overall site in the longer term, while providing for additional community housing supply with deeper affordability sooner.
- 4.11 The balance of the site will continue to advance as a Partnership project. The introduction of new supportive housing at the northeast corner of the site will be shared with prospective development proponents as the Region continues to pursue third-party development partner(s) to finance, build, operate and maintain affordable and market rental units on the remaining west and south sides of the subject site.

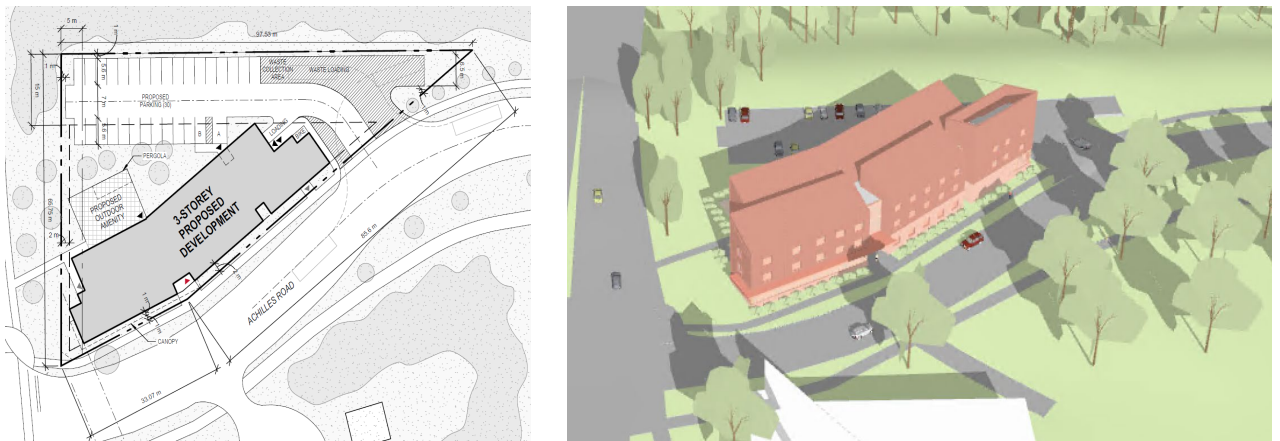
Figure 1: Proposed Ritson Supportive Housing



Harwood/Achilles, Ajax

- 4.12 The Region owns a vacant site at the northeast corner of Harwood Avenue and Achilles Road in Downtown Ajax. This site is flat, occupies 3516 m² (0.87 acres) of land and is readily available for new development.
- 4.13 A three-storey, 50-unit supportive housing building is proposed, that would provide outdoor amenity space behind the building and a surface parking area accessed from Achilles Road (see Figure 2).

Figure 2 – Proposed Harwood/Achilles Supportive Housing



- 4.14 Within the 10-year Housing and Homelessness Service and Financing Strategy (2025-2034), a new 131-unit housing project consisting of a mix of 70% market (92 units) and 30% affordable housing (39 units) was assumed for the Harwood/Achilles site.
- 4.15 Due to the small size of the Harwood/Achilles site, it is not physically capable of accommodating both a partnership development project and supportive housing project as recommended within this report.
- 4.16 The recommendations in this report enable the development of needed new deeply affordable supportive housing supply that is not delivered by the private market.
- 4.17 A comparison of affordable housing outcomes for both sites is provided in Table 1 below.

Table 1: Comparison of Affordable Housing Outcomes

Site	Recommended Supportive Units (RGI)	Partnership Scenario	
		Assumed Affordable Units (at 80% of AMR)	Assumed Market Rental Units
Harwood/Achilles	50	39	92
Ritson School Site (north-east corner)	50	21	48
Total	100	60	140

5. Financial Implications

5.1 Table 2 provides a summary of the capital costs and financing plan for both proposed supportive housing projects.

Table 2: Summary of Capital Costs and Proposed Financing Plan

Project	Estimated Gross Capital Cost	Proposed Financing		
		Federal Grant (BCH)	Reserve/Reserve Funds	Total
Ritson Supportive Housing	\$30,000,000	\$25,000,000	\$5,000,000*	\$30,000,000
Harwood/Achilles Supportive Housing	\$28,000,000	\$24,810,000	\$3,190,000**	\$28,000,000
Total	\$58,000,000	\$49,810,000	\$8,190,000	\$58,000,000

Notes:

*The \$5,000,000 social housing capital reserve fund contribution for the Ritson Supportive Housing project is recommended as a reallocation from the 590-650 Rossland Road partnership development project, previously approved through the 10 Year Housing and Homelessness Servicing and Financing Strategy ([Report #2025-COW-14](#)).

The \$3,190,000 social housing capital reserve fund contribution for the Ajax Supportive housing project was previously approved through the Region's 2026 business planning and budget process, for a partnership development project at the Harwood/Achilles site.

- 5.2 The recommended capital contributions from the Region towards the proposed supportive housing projects are an important component for a strong BCH proposal.
- 5.3 To provide sufficient regional investment in these projects, a reallocation of \$5,000,000 of Social Housing Reserve fund financing from the 590-650 Rossland Road partnership project to the Ritson Road Support Housing project is required. This will reduce the approved 590-650 Rossland Road project budget from \$5,510,000 to \$510,000. The remaining amount (\$510,000) is sufficient to advance housing development on the Rossland site as a partnership initiative. Market sounding will take place over 2026 to gauge private development interest.
- 5.4 Similar to other Regional buildings, ongoing maintenance, repairs and eventual long term capital replacement of the new facilities will be the responsibility of the Region, but associated costs are not known at this time.
- 5.5 The estimated net annual costs to operate each permanent supportive housing building is approximately \$3.2 million for a total of \$6.4 million. This implies an annual cost of \$64,000 per unit. These net operating cost estimates are preliminary and have been based on costs experienced at the Region's Beaverton supportive housing site.
- 5.6 BCH has indicated that they are actively working with the Province of Ontario to secure ongoing operational funding for transitional and supportive housing. Regional staff will work with the province to secure the ongoing operational annual funding for these two buildings. If this funding is not secured, it will be the responsibility of the Region to take on the ongoing annual net operational cost to operate these buildings as permanent supportive housing. The estimated annual net operating costs for these two supportive housing projects were not included in the 10-year Housing and Homelessness Service and Financing Strategy (2025 – 2034) and would be in addition to the annual 0.75% property tax increase forecasted each year to implement the 10-year strategy. In the absence of provincial funding support, the estimated annual property tax increase required for the net operating costs associated with these two new supportive housing projects is 0.61%. This does not include any property tax funding for the ongoing maintenance or eventual replacement of these two facilities.
- 5.7 Both of these proposed supportive housing projects will only proceed if the capital grant funding requests outlined in Table 2 above are approved by BCH.

6. Previous Reports and Decisions

- 6.1 In March 2025, Regional Council approved in principle the Housing and Homelessness Service and Financing Strategy (2025 – 2034) ([Report #2025-](#)

[COW-14](#)). This report provides a 10-year forecast for Regional investment in housing and homelessness service enhancements, new affordable housing development and renewal initiatives, and Durham Regional Local Housing Corporation (DRLHC) asset management and retrofit activities. The overall intent of the Strategy is to maximize outside funding, incorporate third-party expertise, diversify risks, leverage flexibility and scalability and address housing and homelessness challenges.

- 6.2 Attachment #2 of the Report provided the 2025 capital program and financing, including conditional expenses and financing for partnership development projects. The Ritson School site, the Harwood/Achilles site and the Rossland Road site are identified as “Partnership Projects”.
- 6.3 A combined total of \$7.121 million has been allocated for preconstruction activities for new housing development on Partnership sites. Approval of the recommendations will enable a redistribution already approved preconstruction funding amongst the three partnership projects in order to take advantage of this BCH opportunity.
- 6.4 In December 2025, Regional Council Report #2025-COW-40 – Draft At Home In Durham 2025-2035 10-Year Housing and Homelessness Plan.

7. Relationship to Strategic Plan

- 7.1 This report aligns with/addresses the following Strategic Direction(s) and Pathway(s) in Durham Region’s 2025-2035 Strategic Plan:
 - a. Connected and Vibrant Communities
 - C1. Align Regional infrastructure and asset management with projected growth, climate impacts, and community needs.
 - C2. Enable a full range of housing options, including housing that is affordable and close to transit.
 - b. Environmental Sustainability and Climate Action
 - E1. Reduce corporate greenhouse gas emissions to meet established targets.
 - c. Healthy People, Caring Communities
 - H3. Integrate and co-ordinate service delivery for positive life outcomes, including investments in poverty prevention, housing solutions, and homelessness supports.
 - d. Strong Relationships

- S3. Collaborate across local area municipalities, with agencies, non-profits and community partners to deliver co-ordinated and efficient services.
- S4. Advocate to the federal and provincial government and agencies to advance regional priorities.
- S5. Ensure accountable and transparent decision-making to serve community needs, while responsibly managing available resources.

7.2 This report aligns with/addresses the following Foundation(s) in Durham Region's 2025-2035 Strategic Plan:

- a. Processes: Continuously improving processes to ensure we are responsive to community needs.

8. Conclusion

8.1 The Region is taking steps to advance need supportive housing development projects as quickly as possible.

8.2 Build Canada Homes provides a separate funding stream dedicated to the delivery of transitional and supportive housing. To meet BCH timelines, both projects need to be shovel-ready, supported by detailed designs, technical studies and Class D cost estimates. Approval of these recommended actions will allow the procurement process on both projects to begin subject to receipt of capital funding through BCH and operational funding through the province.

Respectfully submitted,

Original signed by

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Nicole Pincombe, CPA, CMA
Commissioner of Finance

Recommended for Presentation to Committee

Original signed by

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