



Housing and Homelessness Service and Financing Strategy (2025-2034)

Committee of the Whole Presentation

Social Services Department and Finance Department

March 19, 2025

Purpose of the Strategy

- Identify long-term community needs and outcomes for housing and homelessness supports
- Confirm Durham Region's long-term vision, priorities and associated costs for housing and homelessness strategies
- Seek Council's approval of a long-term financing strategy:
 - Required levels of senior government funding
 - Regional property tax commitment, debt and reserve/reserve fund financing
- Provide a long-term investment plan for approval by Council to support senior government advocacy efforts



Current Housing Demand

Durham Access to Social Housing

- Applicants for permanent RGI or modified housing apply through the DASH waitlist
- The DASH waitlist grew from 8,920 applicants in 2023 to 10,785 in 2024
- Consistent low turnover— 183 applicants were housed in 2024 (182 in 2023)

The Region Supports Approximately

6,000
Community
Housing Units

4,400 Rent-
Geared-to-
Income Units

500 Rent
Supplement
Units

900 Portable
Housing
Benefits

Current Housing Demand - Homelessness

Point-in-Time Count

- 2024 Point-in-Time Count identified 1,345 individuals actively experiencing homelessness
- This represents a 134% increase in the number of individuals experiencing homelessness across Durham Region in 2024, as compared to 2021

Durham Region By-Name List

At least **806** people who are currently experiencing homelessness in Durham.

Of those, **446** people who have been experiencing homelessness for six months or longer

Community Housing Context

Community Housing

Provided by government, non-profit or cooperative organizations

Provides the majority of affordable housing in Durham and almost all of the non-market housing supply

Non-market housing is the only housing affordable for residents in the lowest income deciles

DRLHC is owned by the Region and is the largest Community Housing provider in Durham

Mixed-Income Communities

- Priority to create mixed-income communities (non-market, affordable and market rent units) that are financially sustainable
- Supported by Ontario's Community Housing Renewal Strategy and Canada's National Housing Strategy

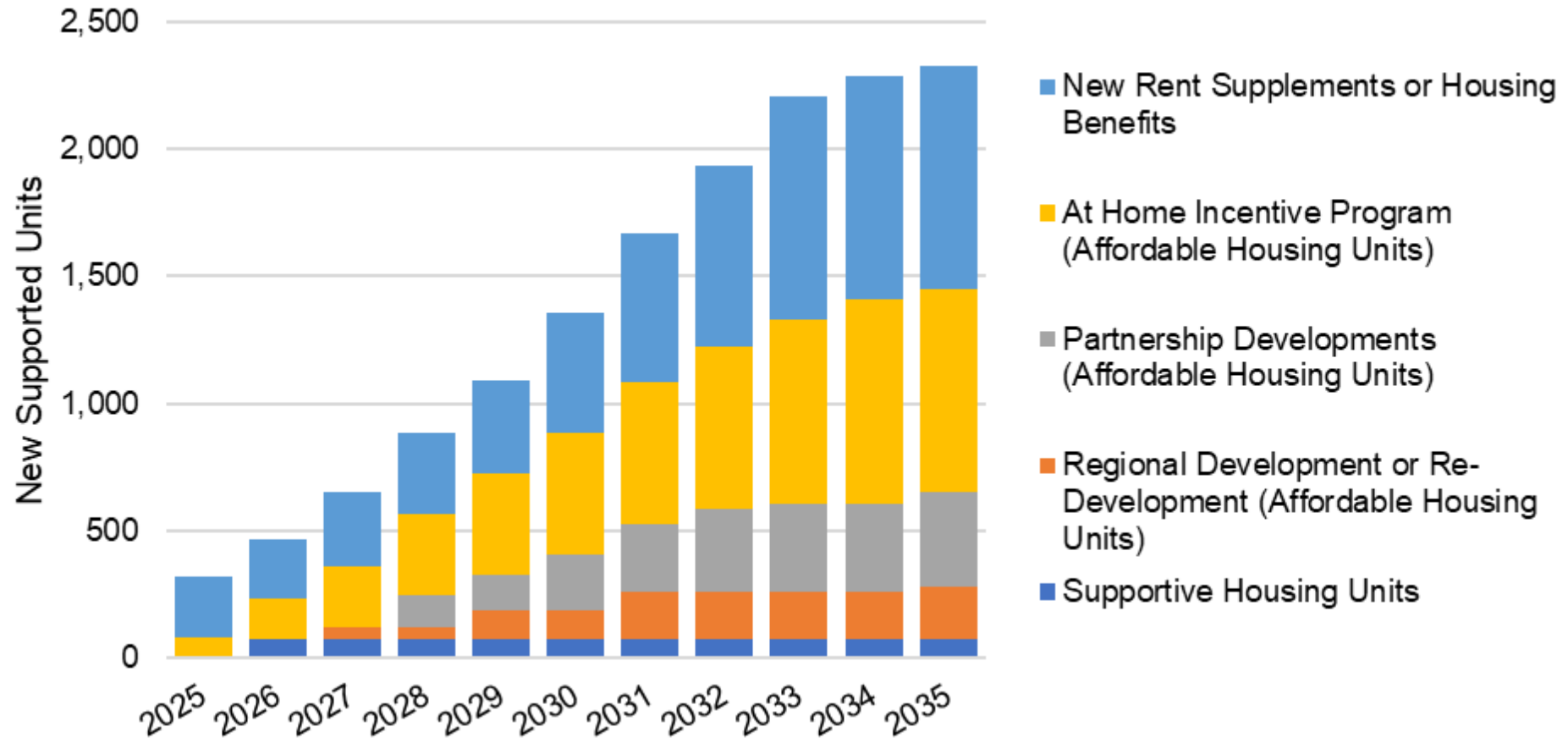
Critical Importance of Community Housing

- Greater access to stable, affordable housing improves social and economic outcomes
- Investment in Community Housing has a direct impact on economic productivity and spurs community improvement
- Transforming to new, modern mixed income communities elevates neighbourhoods, enables long-term financial sustainability, improves accessibility and supports inclusiveness
- Additional programs and supports foster tenant success and strengthen communities
 - DRLHC & DRNPHC tenant support programs

The Strategy

- Protect and improve existing housing stock
- Redevelop mixed-income communities within the DRLHC through non-market, affordable and market rent units
- Facilitate development of new affordable rental housing through strategic partnerships
- Support affordability in private rental stock by increasing rent supplements and portable housing benefits
- Develop supportive and transitional housing

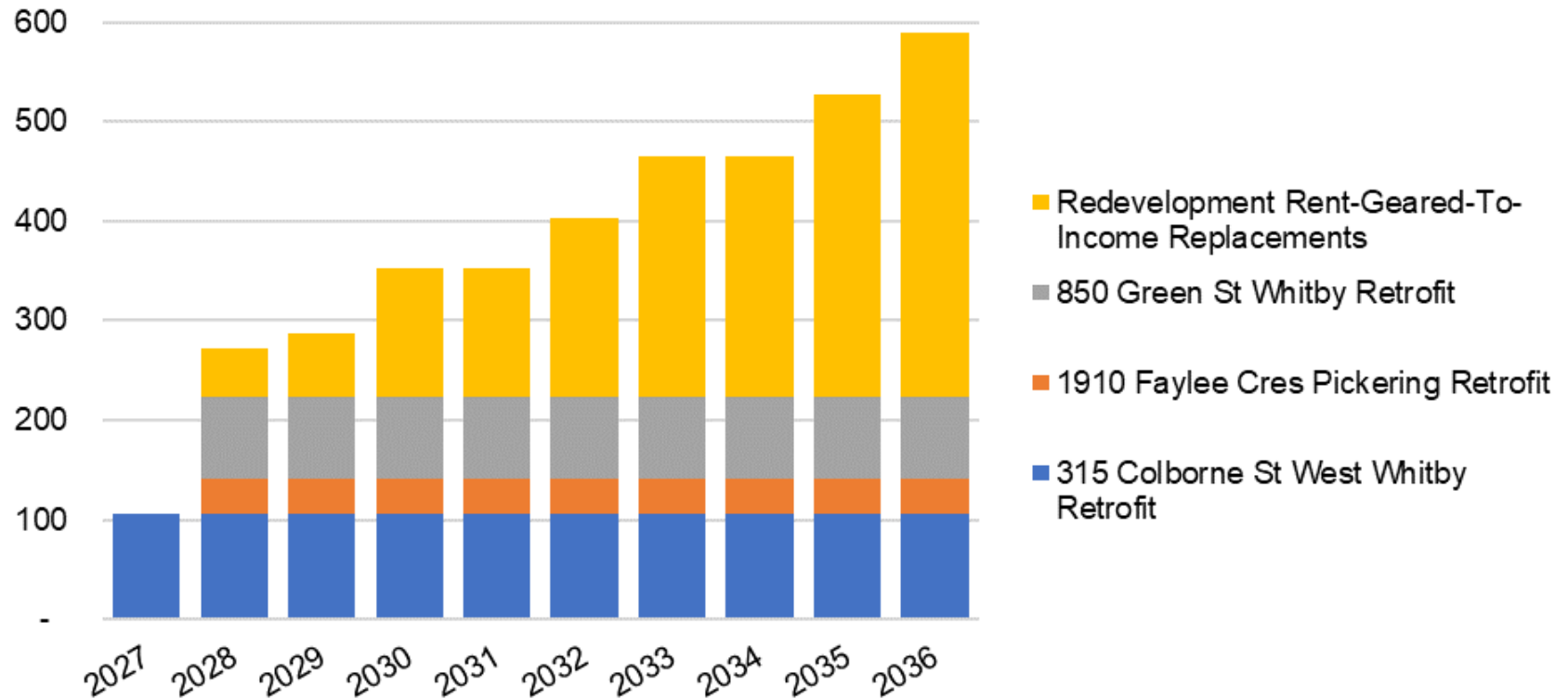
Overview of Projected Net New Supported Households



Notes:

- Figure shows estimated year that units become in-service with the exception of the At Home Incentive Program which reflects the year the funding is allocated to the third-party project. Does not include incremental market units

Projected DRLHC Units Updated to Durham Standard

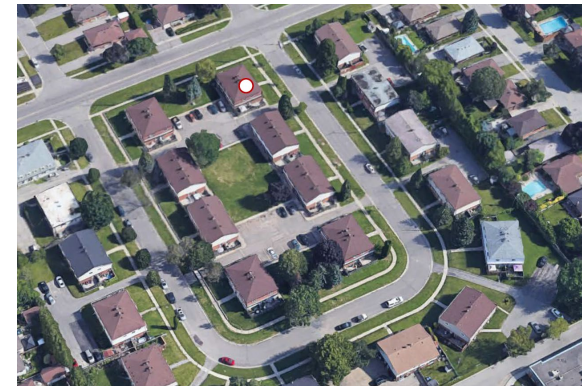
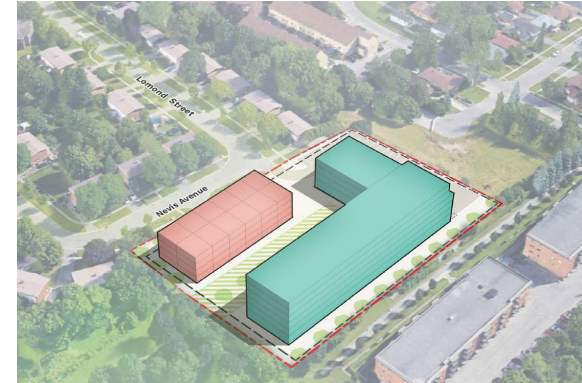
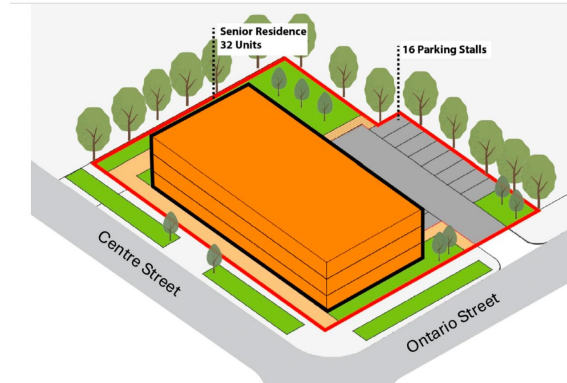


Notes:

- Figure shows estimated year that units become in-service at the Durham Standard.
- Additionally, energy efficiencies will be realized through the base DRLHC capital program as building components are replaced at end of useful life.

Housing Development Outcomes, 2025-2034

- Examples of “Direct Delivery” Projects (DRLHC redevelopment initiatives):
 - 409 Centre Street
 - Christine Crescent
 - The “Broader Hill” (Nevis/Normandy/Lomond)
 - Malaga Road
 - Linden/Poplar



Housing Development Outcomes, 2025-2034

- Examples of “Partnership Initiatives”
 - Ritson School Site, Oshawa
 - 650 Rossland Road, Whitby
 - Harwood/Achilles, Ajax
- At Home Incentive Program



Project Outcomes

Supportive Housing:

- Advance 1635 Dundas Street Phase 2

Energy Retrofits and Asset Management (DRLHC portfolio):

- Aligned with Region's Corporate Climate Change Plan and Asset Management Plan
- Incremental annual inflationary increases in base DRLHC program

Provision for Additional Housing/Homelessness Initiatives:

- Capital Repair Program to maintain and improve Community Housing stock
- Rent Supplements and Portable Housing Benefits to increase affordability
- Tenant Support Programming to facilitate strong and vibrant housing communities
- Homelessness support programming to prevent and address homelessness
- Other policy and program development work
- Provision for inflationary pressures on existing programs and services

Key Financial Strategies



Provide long-term, stable and predictable financing plan to advance critical housing and homelessness support priorities across the Region



Leverage existing senior government funding programs and support ongoing advocacy for incremental and ongoing senior government funding



Utilization of reserve fund financing including the incremental one-time allocation approved in 2025 budget to fund capital investment and gradually phase in operating impacts



Use of debenture financing (CMHC loan, FCM loan and direct capital market borrowing) to advance housing redevelopment and energy retrofit programs



Incremental 0.75% annual overall property tax levy increase for the term of the strategy after maximizing all non-property tax funding



Expenditure Forecast

	2025	Forecast					Forecast Total
	Proposed	2026	2027	2028	2029	2030-2034	
Operating Expenses (\$'000's)							
Base Expenses	112,952	110,196	111,254	107,534	107,025	568,236	1,004,245
Contribution to Social Housing Capital Reserve	6,482	6,871	7,283	7,720	8,184	48,900	78,959
Supportive Housing	4,759	6,043	12,066	12,240	12,417	64,842	107,609
At Home Incentive Program - Sustainable Funding	4,000	5,000	6,000	7,000	8,000	40,000	66,000
Re-Development DRLHC Properties and New Developments	907	4,059	11,161	18,728	28,945	234,364	297,256
New Initiatives, Enhancements and Allowances	5,791	8,662	10,033	11,604	13,373	101,983	145,655
Subtotal Operating Expenditures	134,892	140,831	157,798	164,826	177,945	1,058,324	1,699,724
Capital Expenses (\$'000's)							
Asset Management and Energy Efficiency Retrofits	23,815	5,563	38,341	6,133	6,440	37,363	93,840
Housing Development and Re-Development	221,107	310,124	343,111	180,503	339,850	667,032	1,840,620
New Supportive Housing	46,438	-	-	-	-	-	-
Subtotal Capital Expenditures	291,360	315,687	381,452	186,636	346,290	704,395	1,934,459
Total Expenditures	426,253	456,518	539,249	351,462	524,234	1,762,719	3,634,183

Key Consideration

Comprehensive 2025 – 2034 expenditure forecast totaling **\$4.060 billion** that:

- advances critical operating and capital housing and homelessness support investments
- provides for ongoing base pressures



Proposed Financing Forecast

Operating and Capital Financing (\$'000's)	2025	Forecast					Forecast Total
	Proposed	2026	2027	2028	2029	2030-2034	
Senior Government Grant Funding	158,381	47,325	188,952	34,402	134,482	386,763	791,925
Rents and Other Collections	8,309	8,512	9,125	13,909	14,234	147,439	193,219
Reserve Fund Financing	48,966	16,273	16,239	16,885	23,391	78,315	151,103
Developer Contribution	-	250,374	22,140	164,541	92,250	227,550	756,855
Other	3,418	-	-	-	-	-	-
Debt Financing	121,669	41,133	202,029	12,632	142,011	186,722	584,528
General Levy	85,509	92,900	100,764	109,091	117,867	735,930	1,156,553
TOTAL Operating and Capital Financing	426,253	456,518	539,249	351,462	524,234	1,762,719	3,634,183
Annual Increase in General Levy Financing (%)		9%	8%	8%	8%	7%	
Annual Increase in Overall Regional Property Tax Levy (%)		0.75%	0.75%	0.75%	0.75%	0.75%	

Key Considerations

- **Leverages \$1.912 billion in non-levy financing sources** including significant senior government funding, developer contributions and rents
- Utilizes **\$200.1 million in reserve fund financing**
- Proposes **\$706.2 million in debenture financing** (including proposed CMHC and FCM loans)
- Annual **0.75% incremental increase in overall Regional property tax levy**

Key Assumptions/Risk Mitigation Measures



Funding Pressures

- Ongoing advocacy with federal government to support Region's CMHC funding applications
- Flexibility within model to respond to modest funding gaps
- Successful RFI process and engagement with development community to secure partners for partnership builds
- Conservative assumptions underpinning housing re-development proformas



Potential Cost Escalations

- Continual review of market conditions
- Conservative assumptions underpinning housing re-development proformas
- May require additional project phasing if cost escalations are significant
- Diverse policy tools to address strategic priorities



Timing

- Approval of strategy reduces uncertainty for long-term planning
- Utilize phased approach to study/design/construction to advance to shovel readiness for funding applications



Community Support

- Early and continuous engagement with the community and local municipal Councils
- Leverage existing communication channels

Building the Future: A Ten-Year Roadmap

The Ten-Year Housing and Homelessness Service and Financing Strategy:

- Supports the creation of a revitalized and sustainable portfolio of mixed market and affordable housing that better responds to community needs;
- Anticipates a measured and consistent approach to funding from the Region, while maximizing opportunities for external funding and project collaboration with third parties;
- Provides a sustainable funding approach to support needed affordable housing and homelessness initiatives that address barriers to housing;
- Provides a predictable asset management funding model to improve the environmental performance and efficiency of existing DRLHC buildings; and
- Enables community improvement through targeted and strategic investments that will support Durham residents who have barriers to housing.



Questions