

Prince Edward Island Housing Corporation 2019 - 2022

ACTION PLAN

For the CMHC – Prince Edward Island
Bi-lateral Agreement under the 2017 National Housing Strategy



Table of Contents

- EXECUTIVE SUMMARY 5
- SECTION 1: PRINCE EDWARD ISLAND HOUSING CONTEXT 6
- A. HOUSING ENVIRONMENT 6
 - Demographic Shifts 6
 - Population Growth 7
 - Increased Gentrification 7
 - Increase in Tourism 7
 - Increase in International Students 8
 - Rental Market – Supply and Demand Changes 8
 - Core Housing Need 11
 - COVID-19 Pandemic 11
- B. HOUSING PROGRAMS IN PRINCE EDWARD ISLAND 12
 - Housing Programs for Low Income Renters 12
 - Housing Programs for Vulnerable Populations 12
 - Housing Programs for Homeowners 14
 - Development of New Affordable Units 15
- SECTION 2: THREE-YEAR ACTION PLAN (2018/19 – 2021/22) 16
 - Introduction 16
 - A. Community Engagement 17
 - B. Action Plan Elements 17
 - C. PEI Priorities Housing Initiative 20
 - D. Canada Community Housing Initiative (CCHI) 22
 - E. Canada Housing Benefit 23
- SECTION 3: APPENDICES 24
 - Appendix A: Community Engagement 24
 - Appendix B: Canada-PEI Housing Benefit Program Design 26
 - Appendix C: Action Plan Required Indicators and Targets 29
 - Table 1: Targets and Outcomes for Expected Results Overall 29
 - Table 2: Expected Number of Households for Which Housing Need will be Addressed by Initiative 31
 - Table 3: Planned Cost-matched Funding per Initiative 32
 - Table 4: Planned Funding and Indicators to Achieve Overall Targets over the Three-year Planning Period 33
 - Table 5: Planned Funding and Indicators to Achieve Overall Targets 34

EXECUTIVE SUMMARY

The Province of Prince Edward Island, through the Prince Edward Island Housing Corporation (PEIHC), has entered into a ten-year cost-matched funding agreement with the Canada Mortgage and Housing Corporation (CMHC) with joint affordable housing investments totaling \$43.4 million.

This Action Plan covers the first three years of the agreement from 2019/20 to 2021/22. Over the three years, there will be a joint investment of \$4.7 million of federal funding and \$59.2 million of provincial funding to support Islanders facing affordable housing challenges and to advance shared outcomes under the National Housing Strategy.

This Action Plan demonstrates how PEI will utilize provincial and federal investments to provide timely access to affordable housing that meets the current and future needs of Islanders. The plan includes a mix of maintaining existing supports, along with new investments that will help those facing ongoing housing challenges. Between 2019 and 2022, it is estimated that over 3,500 households will be supported as follows, in addition to people already accessing services through the social housing program. PEI will:

- Maintain current social housing inventory – 1,600 units;
- Continue and enhance home renovation programs to support home-owners – 600 households annually;
- Increase rental assistance options through creation of new affordable units in partnership with the not-for-profit and private sectors;
- Increase affordability of units in the not-for-profit and private sectors through mobile rental vouchers and the PEI-Canada Housing Benefit;
- Build new social housing that is Net Zero Build / Ready;
- Ensure 20% of new social housing is accessible;
- Provide more emergency and supportive housing with wraparound supports; and
- Foster partnerships across all levels of government, the private sector and community organizations.

SECTION 1: PRINCE EDWARD ISLAND HOUSING CONTEXT

PEI’s housing vision is to ensure that all Islanders have timely access to safe, accessible, appropriate, and affordable housing that meets the diversity of their needs and maximizes their ability to be healthy, productive, and successful contributors to their community.

A. HOUSING ENVIRONMENT

Over the past number of years, PEI has experienced a number of demographic changes and trends that impact the housing needs of Islanders.

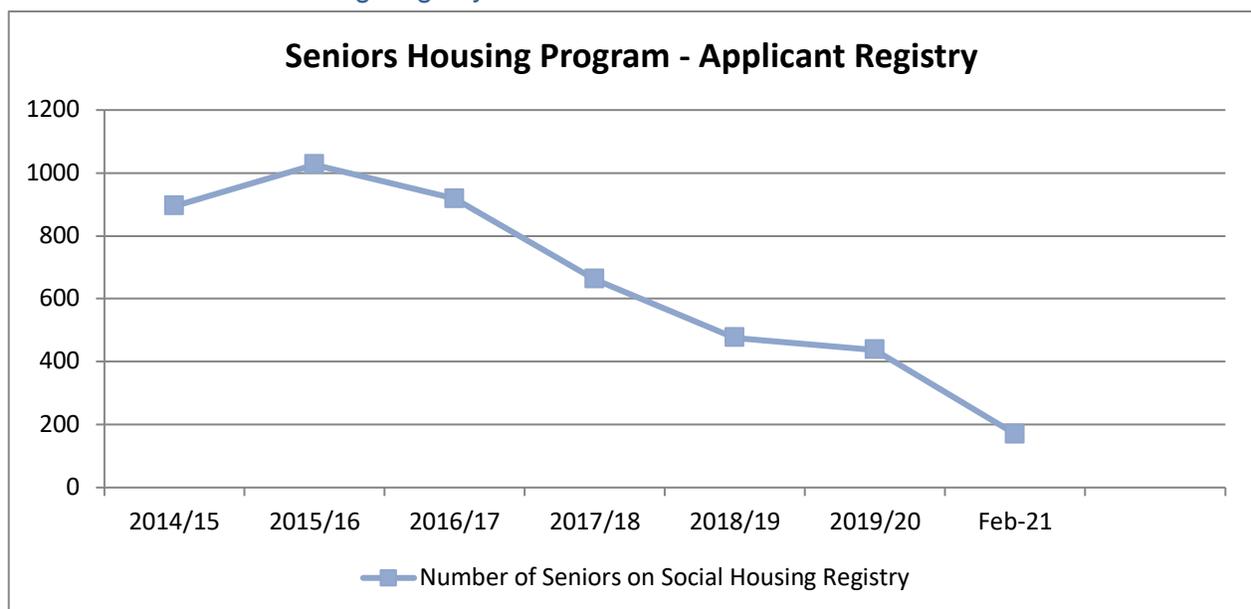
These include:

Demographic Shifts

In 2018, 19.6% of Islanders were age 65 and over. It is forecasted that the number of Islanders over the age of 65 will increase by 23.3% by 2027 and by 25.1% by 2037. There is a trend of rural to urban migration, especially for seniors who are downsizing and moving from owned homes to smaller rental units in urban areas. At the same time, family and senior housing turnover rates continue to decline, reducing access for those waiting for units. With the increase in the seniors population, it is expected that the demand for seniors housing will continue to increase for the foreseeable future.

This trend is reflected by the number of seniors expressing an interest in obtaining subsidized housing as indicated by the Seniors Housing Program applicant registry up to 2016/17; this demand is being addressed through investments in seniors housing beginning in 2017/18 (See Figure 1).

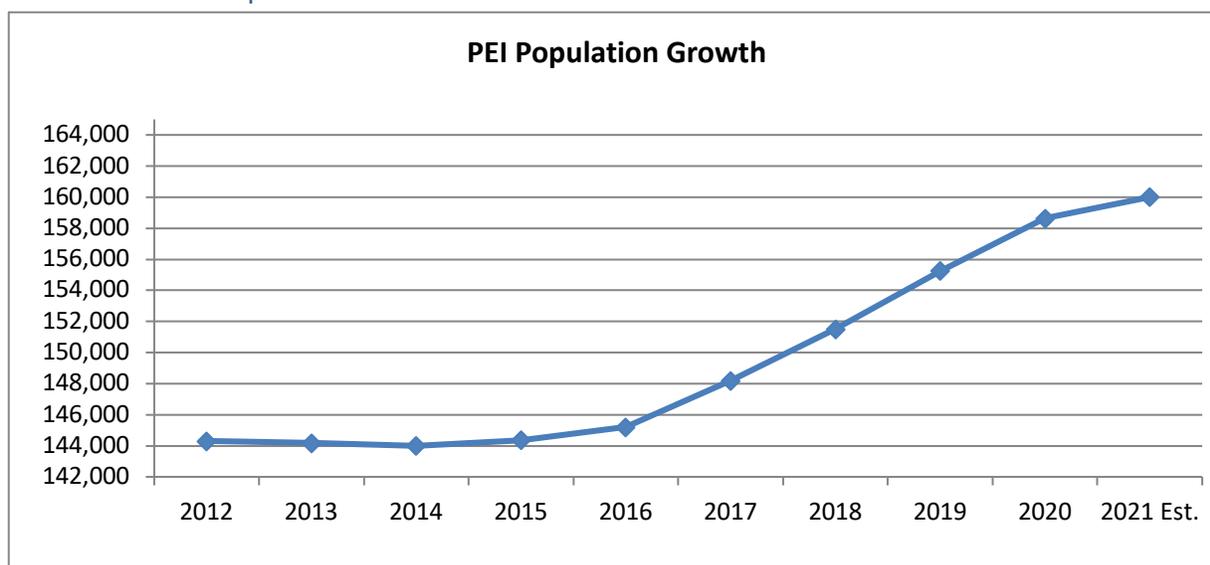
FIGURE 1: Seniors Housing Registry



Population Growth

According to Statistics Canada, Prince Edward Island’s net population growth estimate from July 1st, 2019 to July 1st, 2020 was 2,363 persons, a rate of 1.5% annually. Approximately 90% of recent population growth is attributed to the net growth in the arrivals of newcomers to PEI. In May 2017, the PEI government released Recruit, Retain and Repatriate: A Population Action Plan for Prince Edward Island. Under the plan, the province targeted population growth of 2,200-2,500 each year, reaching a population over 160,000 by 2022 (See Figure 2).

FIGURE 2: PEI Population Growth



Source: Statistics Canada. Table 17-10-0009-01 Population estimates Quarterly

*2020 is reported estimate from Stats Canada on December 17, 2020; 2021 are internal medium growth estimates from PEI Housing Services

Increased Gentrification

New housing starts in the rental market in the past number of years have largely been high-end units, as opposed to housing that is earmarked for low and moderate-income Islanders. Gentrification through renovations is also occurring. Gentrification in a tight housing market affects affordability and availability of housing.

Increase in Tourism

From 2017 to 2019, overnight stays exceeded 1,000,000 in the tourism industry. Tourism accommodation demand has increased rapidly in recent years, and the overall demand for short-term rentals has outstripped construction of such dedicated additional units. This has led to transference of rental units from the long-term rental housing market to the more lucrative short-term tourist rental market. Websites for short-term rentals make it increasingly easy for owners to advertise their units.

Increase in International Students

In Charlottetown, in particular, the increase in international students attending both Holland College and the University of Prince Edward Island (UPEI) has impacted housing availability. Since 2015, international enrollment at Holland College has risen steadily from 140 students to an estimated 450 students in 2019. UPEI has also seen steady increases in international enrollment since 2014. The number of students from PEI has dropped to 51% in 2019 from 53.4% in 2018 while overall enrollment has increased. The rise in international students and students from other provinces continues to impact housing demand. According to a UPEI report, “UPEI By The Numbers – Fall 2019”, there was an increase of 18.3% more full time international students registered than in the 2017/18 school year.

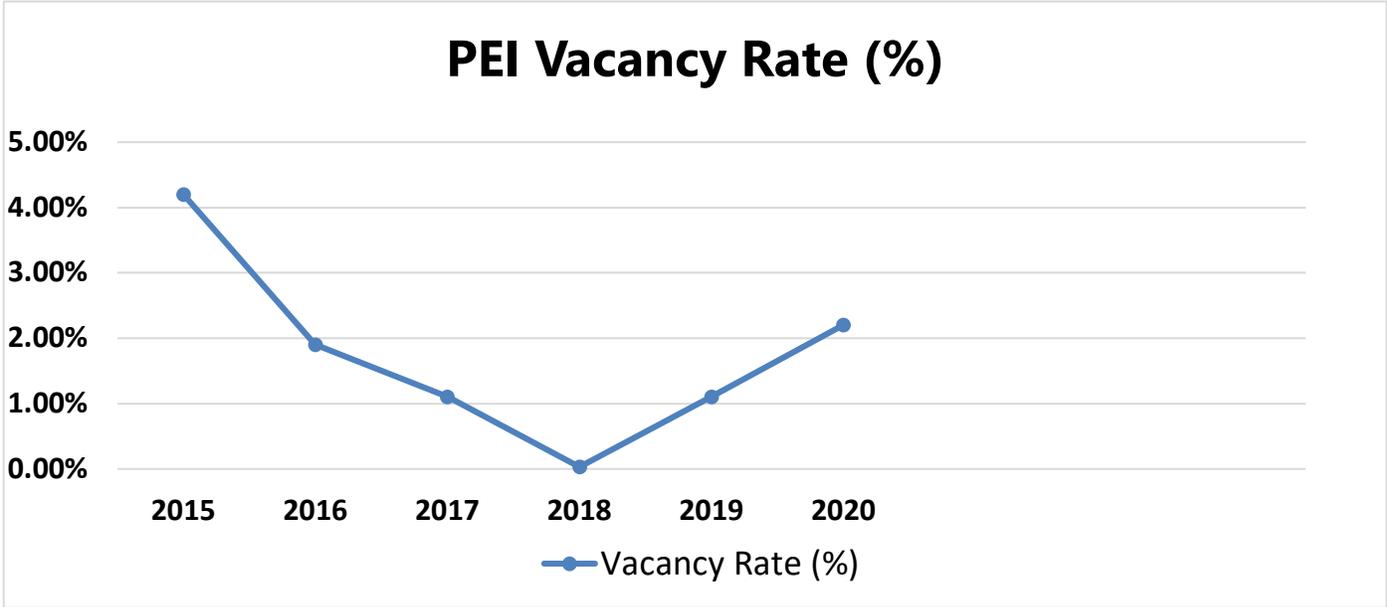
In 2018, Holland College built a new residence to accommodate additional student housing. Holland College offered this new residence for monthly summer rentals (June, July, August) for the summer of 2019.

In 2019, UPEI announced the addition of a 130 unit (260 bed) residence to its housing inventory.

Rental Market – Supply and Demand Changes

Availability and affordability challenges for housing in PEI are intensified by the pace at which changes have occurred. Vacancy rates have decreased over five years from 4.9% to 0.3% in 2018, and increasing to 2.6% in 2020 (See Figure 3).

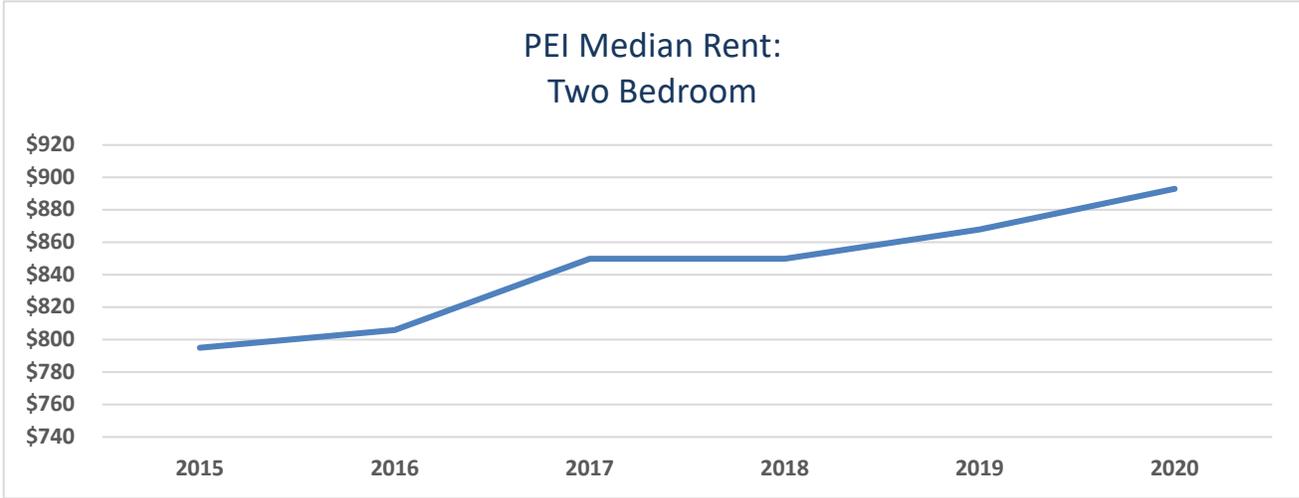
FIGURE 3: PEI Vacancy Rates



Source: <https://www03.cmhc-schl.gc.ca/hmip-pimh/en#TableMapChart/11/2/Prince%20Edward%20Island>

Over the same timeframe, the median rent for a 2-bedroom unit has increased 12% over the last 5 years (See Figure 4).

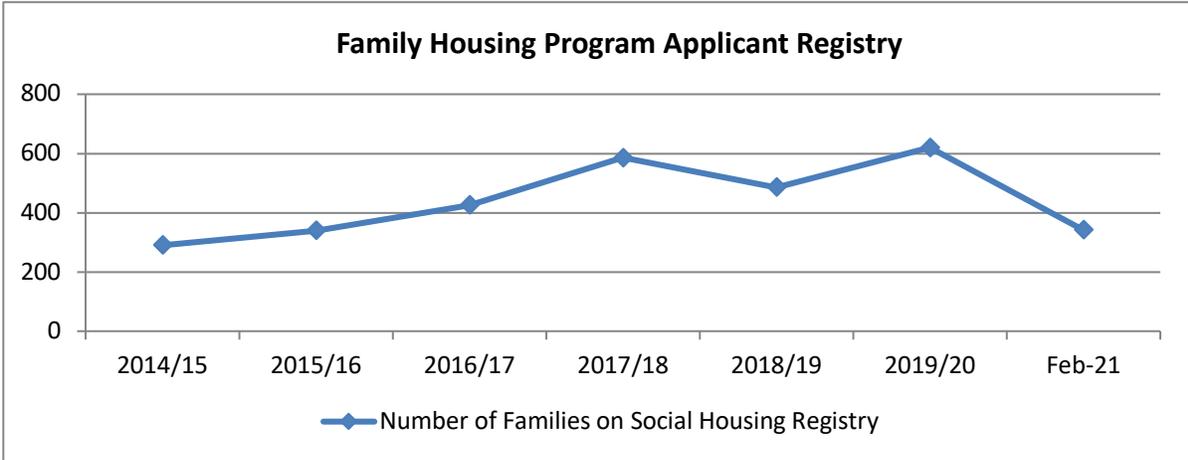
FIGURE 4: PEI Median Rent (Two Bedroom Unit)



Source: CMHC Housing Portal: <https://www03.cmhc-schl.gc.ca/hmip-pimh/en#TableMapChart/11/2/Prince%20Edward%20Island>

Interest in PEI’s Family Housing Program, which serves both families and individuals, has increased. This trend is reflected by both the number of families and individuals expressing an interest in obtaining subsidized housing by applying for the Family Housing Program and maintaining a position on the program’s registry; this demand is being addressed by investments beginning in 2020/21 (See Figure 5).

FIGURE 5: Family Housing Registry



Source: PEI Housing Services

While the housing market consistently evolves in response to supply and demand drivers, at present, we are in a period of dynamic change. The market in PEI is responding by the initiation and completion of housing projects across the Island (See Figure 6 and Figure 7); municipal engagement in housing issues; and an interest in increased collaboration and partnerships by housing providers across the continuum.

FIGURE 6: Housing Starts

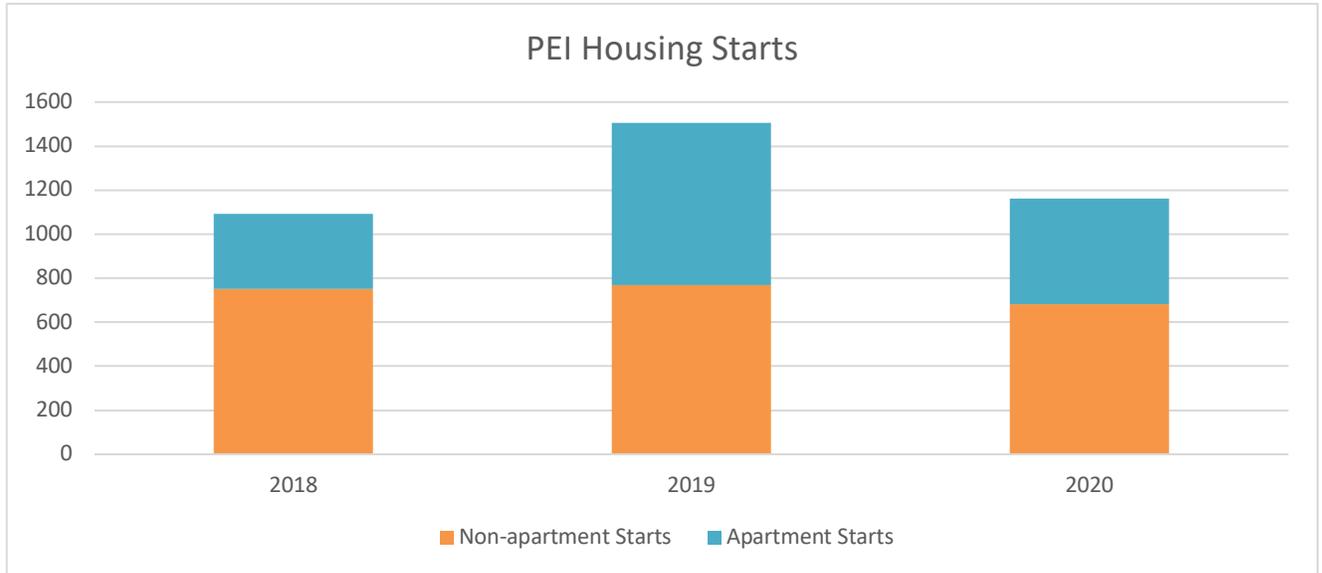
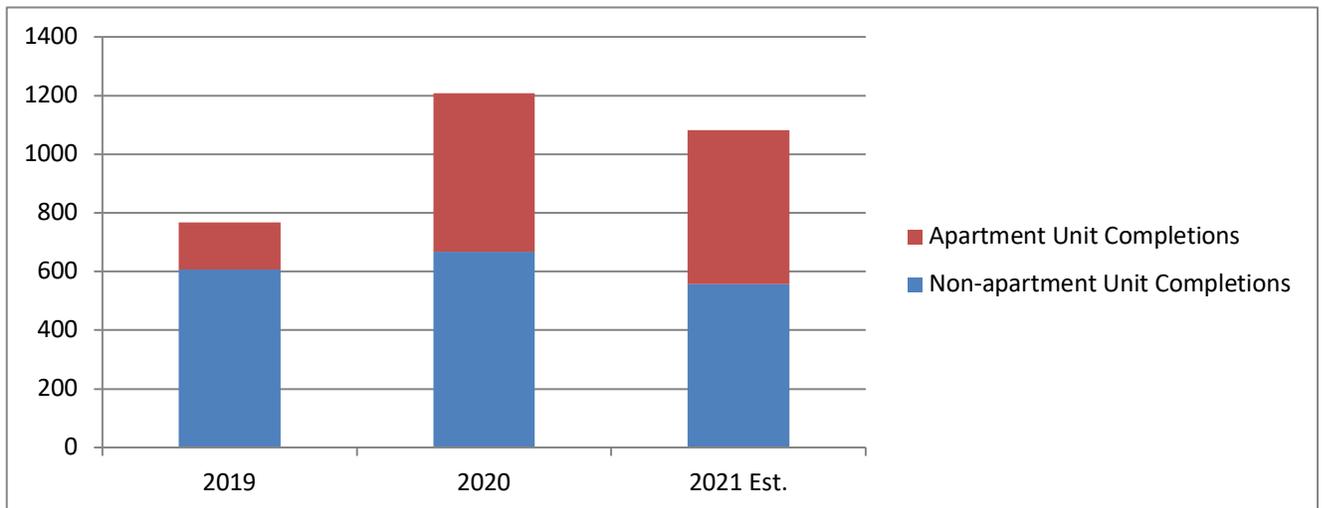


FIGURE 7: All Market Completions vs. Apartment Completions



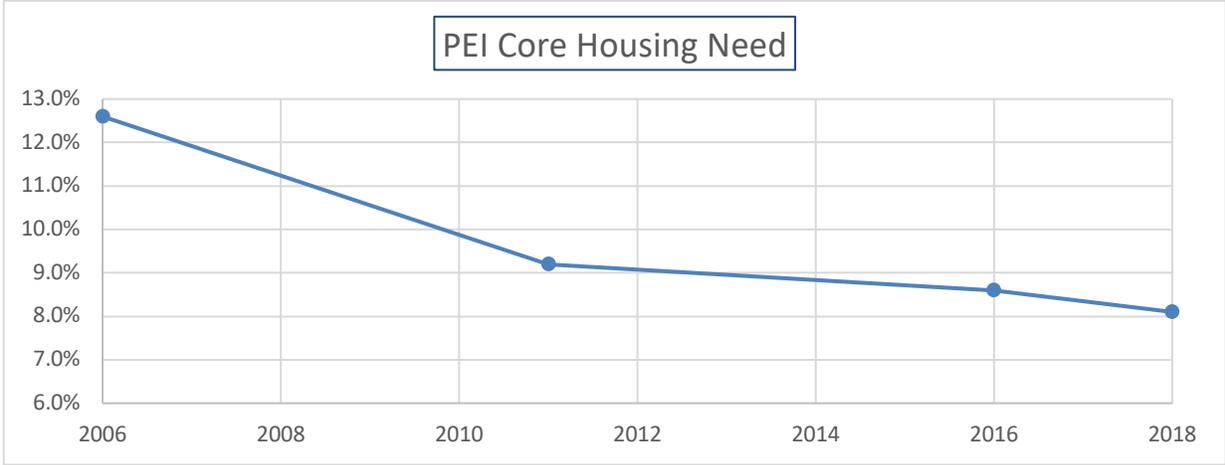
Source: <https://www03.cmhc-schl.gc.ca/hmip-pimh/en#TableMapChart/11/2/Prince%20Edward%20Island>

2021 Est. are internal medium growth estimates from PEI Housing Services

Core Housing Need

Core Housing Need is a measure of housing need that integrates standards for dwelling adequacy, suitability, and affordability into a single measure. If the state of a household does not meet one or more of these three standards, and the household would have to spend 30% or more of its income to pay the median rent of alternative local housing that meets all three standards, it is classified as being in core housing need. As depicted in Figure 8, core housing need in PEI has decreased from 12.6% in 2006 to 8.1% in 2018.

FIGURE 8: PEI Core Housing Need



Source:
Statistics Canada Census 2006, 2011, 2016
CMHC 2018 Canadian Income Survey - 2018

COVID-19 Pandemic

Since March 2020, PEI, along with the rest of Canada and the world, has been heavily impacted by the COVID-19 pandemic. The pandemic has affected many programs and supports for people in need, including housing. The PEI Government implemented housing specific initiatives to support Islanders to maintain their housing including eviction moratoriums, increased cleaning and signage to support COVID-19 prevention in social housing units, and the Temporary Rental Assistance Benefit to help cover a portion of the cost of rent. Through the pandemic, changes in the housing market have occurred including the conversion of short-term rentals to long-term rentals due to reduced tourism activity and fewer students accessing rentals as a result of opportunities for distance learning. In addition, closed borders have resulted in decreased immigration, and less pressure for housing. These trends will need to be closely monitored to determine their future impact on affordable housing.

B. HOUSING PROGRAMS IN PRINCE EDWARD ISLAND

PEIHC delivers a number of housing programs and supports for individuals, families, and seniors who are experiencing or at risk of experiencing affordable housing challenges.

Housing Programs for Low Income Renters

Subsidized Housing

PEIHC provides subsidized housing through the Seniors Housing Program and the Family Housing Program. Applicants must meet an income threshold and be in core housing need. Program benefits result in households contributing 25% of their total household income towards rent. Benefits are in the form of access to PEIHC-owned units, lease agreements with developers in the private market and mobile rental vouchers (See Figure 9).

FIGURE 9: Subsidized Housing Options – Units Supported

Subsidized Housing Options – Units Supported

Type	July 2018	March 2021	Increase	
Government Owned	1,597	1,641	44	79% increase in social housing options for Island households
Private Developers	129	398	269	
Mobile Rental Vouchers	128	1,278	1,150	
Total	1,854	3,317	1,463	

Housing Programs for Vulnerable Populations

Reducing Homelessness

PEIHC works with community partners who are committed to reducing homelessness on PEI. PEIHC assists various non-profit organizations to operate, enhance, and support vulnerable Islanders who are experiencing homelessness or at risk of becoming homeless. The following are initiatives that the province has supported in since 2018:

- Initiation of 1-800 emergency housing line as a single point of access to emergency housing supports.

- Blooming House – funding for a women’s shelter, which opened in January 2019 in the Charlottetown area.
- Bedford-MacDonald House – expansion of services at a men’s shelter in Charlottetown.
- Smith Lodge – an up to 20 bed supportive housing facility for people needing wrap-around supports to successfully maintain their housing.
- Community Outreach Centre in Charlottetown - the Centre provides access to programs and services for individuals who are experiencing homelessness or who are at risk of experiencing homelessness. The Centre also acts as a warming centre for individuals and provides a safe space, offers laundry facilities, a shower, a telephone, computer access, and companionship.

Vulnerable Populations – Women and Children Fleeing Domestic Violence

The province is committed to the protection of identifying women and children fleeing domestic violence. Annually, PEI provides PEI Family Violence Prevention Services (PEIFVPS) with \$720,000 to maintain Anderson House and other housing options that are used to house identifying women and children who are fleeing domestic violence.

The province, through existing federal-provincial agreements, has built a 10-unit transitional housing facility to provide identifying women fleeing domestic violence with short-term transitional housing. The rent for these units is based on 25% of the tenant’s monthly income. PEIFVPS provides programming to support clients to achieve successful long-term housing.

Vulnerable Populations – Persons Aging Out of Child Protection

The province, through existing federal-provincial agreements, has built a 10-unit transitional housing facility for youth aging out of the care of the Director of Child Protection (foster or residential care). This will provide affordable units for people who may have been at risk of becoming homeless. Rent is based on 25% of household income. PEI Child and Family Services provides programming to support clients to achieve successful long-term housing.

Vulnerable Populations – Seniors

In 2018 PEI supported almost 1,300 seniors through its Seniors Housing Program, providing affordable housing with rental rates based on 25% of the senior’s income. Through both government and private developer projects, PEI is increasing access to affordable, appropriate housing for seniors with the creation of almost 300 new units across PEI during the timeframe of this action plan. In addition, seniors are able to access mobile rental vouchers to support affordability of their current housing situation near to their families and existing supports. Senior homeowners are able to access the Seniors Home Repair Program to maintain their homes, and the Seniors Safe at Home Program to make modifications to their homes to support accessibility needs. All of these programs support seniors to age well in the community of their choice.

Housing Programs for Homeowners

Home Renovation Programs

PEI supports low to moderate income Islanders (household income \$50,000/year or less) with assistance to complete essential renovations to their homes. These programs also assist seniors and individuals with disabilities to make minor modifications that improve access or increases the physical safety of their principal residence. The list of available programs includes: the PEI Home Renovation Program, the Seniors Safe at Home Program and the Seniors Home Repair Program.

Housing Program for Low-income Homeowners

PEIHC is supporting low income families to obtain appropriate and self-owned housing. This initiative, in partnership with Habitat for Humanity provides \$25,000 per unit created. In 2019, one of the builds was for an Indigenous family, which was the first time that Habitat for Humanity worked with the Mi'kmaq Confederacy of Prince Edward Island.

Down Payment Assistance Program for First Time Homeowners

This program provides eligible applicants with a maximum loan of \$15,000 or 5% down payment on a home that does not exceed \$300,000. Eligible applicants are required to have a satisfactory credit rating with no defaulted outstanding debt, be a Canadian citizen, and have a household income of \$85,000 or less. This program is offered through Finance PEI.

Development of New Affordable Units

Private Market

PEI has created programs to assist developers to incorporate affordable units in their projects. Program criteria for each program determines the amount of affordable units required and the amount of provincial funding available.

Affordable Housing Development Program (AHDP)

AHDP provides forgivable loans of up to \$45,000 per unit to increase the number of affordable housing units. Assistance is provided to private entrepreneurs, non-profit corporations, municipalities, development corporations or housing co-operatives who are building affordable housing units in Prince Edward Island. Projects must guarantee affordability for terms of 15-25 years, meet Net Zero Build / Ready criteria and include 20% of the project units as accessible.

Multi-Unit Residential Loan Program

The Multi-Unit Residential Loan Program provides flexible financing alternatives for residential property developers. This program acts as an incentive for the inclusion of affordable rental units in new multi-unit developments or in existing properties being renovated.

Community Housing Fund (CHF)

In partnership with the Canadian Mental Health Association (CMHA), the CHF provides funding to developers and organizations to support capacity building and research, project management and professional services, and construction for the development of new housing.

Capital Builds

The PEIHC is supporting people eligible for social housing programs by building units owned by government. Since 2018, PEIHC has initiated 166 new government owned social housing units.

In the summer of 2020, the University of Prince Edward Island initiated construction of a 260-bed residence that is partly funded by the Province of PEI. This residence is to accommodate students on a year-round basis.

SECTION 2: THREE-YEAR ACTION PLAN (2018/19 – 2021/22)

Introduction

Through provincial and federal housing investments, Prince Edward Island (PEI) will enhance supports for those needing emergency shelter, create transitional and supportive housing, develop more affordable housing through government owned and private builds, offer individuals and families rental assistance where needed, and create more housing opportunities.

PEI will continue to build on the work that has already been done in the housing sector, and will work to expand and create housing opportunities that accommodate current and future gaps in the housing continuum.

In January 2019, the governments of PEI and Canada signed the CMHC-PEIHC Bilateral Agreement under the 2017 National Housing Strategy. As such, PEI is committed to publishing a three-year housing plan. This plan illustrates how PEI will utilize the funding received from the National Housing Strategy to enhance, improve, and create affordable housing. It will also describe how PEI intends to deliver on long-term housing outcomes and meet required national targets.

PEI is committed to supporting the supply of affordable housing for Islanders. PEI has developed a blueprint through the *“Housing Action Plan for Prince Edward Island 2018-2023”* (the HAP) for how community partners, private developers, and all levels of government can work together to rise to this challenge.

Using the HAP, as a starting point, PEI intends to layer enhancements that reflect housing market changes since the plan was co-developed in 2017. PEI’s community partners, private developers and all levels of government will work together to provide timely access to safe, accessible, appropriate and affordable housing for Islanders.

As part of the plan in 2018, the PEI government committed to creating 1,000 affordable housing units for Islanders; government has since committed to delivering another 1,200 affordable housing units over five years in partnership with, federal, municipal, and community partners.

From 2018 to 2022, PEIHC will invest in various areas of the housing continuum to ensure that Islanders have access to safe and affordable housing

A. Community Engagement

The HAP was created through a co-development process with representatives from across the housing continuum including clients, developers, community organizations, and all levels of government. A Housing Supply Task Force, with community members, supported the work of the Co-development Team by focusing on creative and innovative solutions to the housing supply challenge. To define the housing challenge, research and engagement activities were undertaken to gather additional information to inform the work of the Co-Development Team. Appendix A includes the details of this process.

B. Action Plan Elements

Creating Livable and Inclusive Communities

As of January 2021, there are 455 affordable housing units that are either constructed or under construction or design across the Island by government and private developers. This includes 311 units initiated prior to this Action Plan and 144 units during the term of this action plan.

These newly completed or in progress affordable units are in 14 municipalities across PEI. All of the builds are in communities that are already supported by various infrastructures such as health services, schools, libraries, and early learning and childcare facilities, and in which there are viable employment opportunities. All areas have access to green space in the form of parks, walking trails, and athletic fields. In the Charlottetown, Summerside, Stratford, and Cornwall areas, public transit is available for residents to access.

Meeting the Unique Need of Women and Girls

Initiatives through this action plan will support the needs of identifying women and girls in a variety of ways.

Social Housing

In our current social housing units, 66% of Seniors Housing Program units are occupied by identifying females that are the primary income earner in their household; this increases to 77% for our Family Housing Program. On the registry for the Seniors Housing Program, the ratio of identifying females to identifying males is approximately 1.62 to 1.00. Action plan commitments to preserve and expand the social housing inventory will support women and their families to meet their housing needs.

Accessibility

There are a higher number of identifying females with disabilities than identifying males with disabilities in PEI. Of PEI identifying females, 17.3% have a disability, compared with 14.9% of Canadian identifying females. The action plan goal to ensure that 20% of all new social housing units created are accessible will support identifying women with disabilities to have housing that meets their needs.

Survivors of Family Violence

Women and those who identifying as women constitute a high majority of those seeking the identified services for violence related issues in PEI. As part of this action plan PEI commits to continue our policy

of prioritizing survivors of family violence for access to social housing. In addition, in partnership with Prince Edward Island Family Prevention Services (PEIFVPS), PEI has created and manages transitional housing units to help identifying women safely move from emergency shelter back to the community; PEIFVPS provides programming support.

Homelessness

Since 2018, PEI has expanded and enhanced supports for people facing homelessness including increased emergency shelter options, transitional housing and wrap-around support to help people connect with the services they need to be successful. This action plan continues these investments including providing funding to Blooming House Women's Shelter, ensuring that identifying women facing homelessness have a safe place to go.

Promoting Accessibility, Environmental sustainability, Energy Efficiency and Local Employment Benefits

Through the home renovation programs, homeowners benefit from renovations that improve energy efficiency of their homes with new doors, windows, and heating systems. For seniors and persons with disabilities, renovations that improve their accessibility within their home are of great importance for their independence and for seniors, in particular, to be able to age safely at home.

Affordable units being supported by the province, either through the AHDP or owned by the province are designed as Net Zero Build / Ready.

Naturally, with all the development currently taking place on PEI, local employment occurs. Those who work within the construction and trade industries are benefitting from the employment opportunities across PEI, and according to the PEI Construction Association, more workers in the trades are required. As a result, the PEI Construction Association and Holland College have been engaged in recruitment efforts to educate and employ more people in the trades industry.

Partnerships

No one level of government or organization can ensure that all Islanders have the housing and related supports needed to be successful. Community partners, private developers, and all levels of government work to provide timely access to safe, accessible, appropriate and affordable housing. PEI has worked closely with partners to improve access to emergency, supportive, and social housing across PEI. PEI is committed to continuing to build on existing relationships with partners, and create new partnerships to achieve common goals. Some examples of initiatives with partners to date are:

- Through the Affordable Housing Development Program, the creation of 42 affordable units with six private developers and community organizations with an additional 58 mixed market units created through these projects.
- The creation of 247 social housing units with incentives through private developers and community organizations some of whom also accessed various supports through the National Housing Strategy and municipalities; an additional 86 mixed market units were created through these projects.
- Increased emergency shelter supports through partnerships with Blooming House and the Salvation Army (Bedford MacDonald House).
- Creation of supportive housing through partnerships with the Salvation Army (Smith Lodge).
- Creation of the Community Outreach Centre with the Salvation Army and a nine-member community working group that provides oversight.

C. PEI Priorities Housing Initiative

<i>Investments:</i>	<i>Canada</i>	<i>PEI</i>	<i>Total</i>
April 1, 2018 to March 31, 2022	\$3,403,200	\$7,321,300	\$10,724,500

For the term of this action plan, PEI will allocate funding from the PEI Priorities Housing Initiative towards improving housing options for vulnerable Islanders. Home renovation programs will help homeowners increase the efficiency and safety of their homes, supporting them to live in their community of choice near the friends and family who support them to be successful. Increased supports for people who are homeless, or at risk of being homeless, will help Islanders in need obtain and maintain successful housing placements, giving them the stepping-stone they need to be successful.

Given that the co-operative and non-profit housing sectors are relatively small in PEI and are still federally funded to some extent, PEI will directly support increased community capacity in a number of ways:

- PEI will create new mixed population / mixed income units that support social and economic inclusion by providing incentives to private developers for affordable units up to fifty percent of their units; non-profit organizations can receive affordability incentives for up to 100% of their units.
- PEI will partner with community organizations through the Community Housing Fund to support the design, project management and construction of affordable and supportive housing by non-profit organizations.
- PEI will continue to fund non-governmental organizations (NGOs) who currently provide specialized residential housing, and support these NGOs to determine future need and how best to meet that need.

Other actions under the PEI Priorities Housing Initiative include:

- Double the grants available through the home renovations programs between 2021/22 and 2023/24;
- Provide rent supplements to social housing clients living in units owned by private developers;
- Add 20 supportive housing units with wrap-around services to ensure successful housing placements;
- Continue funding to Blooming House women’s shelter and Bedford MacDonald men’s shelter;
- Working with community partners, find a permanent home for the community outreach centre; and
- Continue upgrades and repairs to social housing to support low-income households.

<i>NHS Objective</i>	PEI Priorities Housing Initiative Items
<i>Promote social inclusion through mixed-income or mixed-use housing</i>	<ul style="list-style-type: none"> • New rent supplement units through Affordable Housing Development Program
<i>Address housing needs of vulnerable populations</i>	<ul style="list-style-type: none"> • Home renovation programs • Enhancing emergency shelters and warming centre • Supporting transitional housing for those experiencing homelessness
<i>Support projects specifically targeting the unique needs of women and girls</i>	<ul style="list-style-type: none"> • Investments in women/girls-based emergency housing - Blooming House
<i>Preserve affordability of unit households</i>	<ul style="list-style-type: none"> • New affordable housing supply through and Affordable Housing Development Program
<i>Modernize Social Housing to achieve long-term sustainability – social inclusion, energy efficiency and financial sustainability</i>	<ul style="list-style-type: none"> • Plan investments to renovate and retrofit existing social housing units

D. Canada Community Housing Initiative (CCHI)

<i>Investments:</i>	Canada	PEI	Total
<i>April 1, 2018 to March 31, 2022</i>	\$31,800	\$39,613,300	\$39,645,100

For the first three years of the CMHC-PEI Bilateral Agreement, PEI will allocate funds from the CCHI, and provide provincial cost matching, towards preserving and supporting existing social housing within the province. Funding will also support adding new social housing to meet the federal requirement to expand social housing by 15% by 2028. As the majority of government-owned social housing, are 40 year of age or older, PEI will be investing funding to renovate and retrofit these building to improve their energy efficiency for tenants.

PEI will:

- Continue to support 45 social housing units which were previously federally funded, but whose funding agreement has expired;
- Expand the social housing inventory by 144 units;
- Increase the number of accessible units to support people with disabilities – 20% of newly created social housing units;
- Work with the private sector to create mixed market housing;
- Create new social housing that is Net Zero Build / Ready; and
- Initiate a process to evaluate its social housing inventory and develop a plan to increase energy efficiency.

<i>NHS Objective</i>	<i>Canada Community Housing Initiative</i>
<i>Promote social inclusion through mixed-income or mixed-use housing</i>	Work with the private sector to create mixed market housing: Affordable Housing Development Program.
<i>Address housing needs of vulnerable populations</i>	Increase social housing inventory: government owned builds and Affordable Housing Development Program.
<i>Support projects specifically targeting the unique needs of women and girls</i>	Continue to prioritize women and children fleeing family violence for social housing units.
<i>Preserve affordability of unit households</i>	Increase social housing inventory: government owned builds and Affordable Housing Development Program.
<i>Modernize Social Housing to achieve long-term sustainability – social inclusion, energy efficiency and financial sustainability</i>	Plan energy efficiency improvements for social housing inventory. New units – Net Zero Build / Ready.

E. Canada Housing Benefit

<i>Investments:</i>	Canada	PEI	Total
<i>April 1, 2018 to March 31, 2022</i>	\$782,500	\$7,546,600	\$8,329,100

The PEI-Canada Housing Benefit (PCHB) will assist a variety of vulnerable populations who are eligible for PEI’s current social housing programs. This assistance will come in the form of a mobile rent voucher to bridge the gap between 25% of the household’s gross income and the maximum allowable affordable rental cap for affordable housing.

PCHB will be cost-matched by PEI. The program is designed to be a direct to tenant program unless otherwise arranged through a guardian (proxy) for the client.

PEI will:

- Create 876 new mobile rental vouchers.
- See Appendix B for the PEI-Canada Housing Benefit design.

SECTION 3: APPENDICES

Appendix A: Community Engagement

To define the housing challenge, research and engagement activities were undertaken to inform the work of the Co-Development Team. This included meetings with housing service providers, non-profit organizations, municipalities, representatives from provincial government departments, regional economic development councils, Indigenous community leaders, and clients. Various engagement activities were completed to obtain a better understanding of the housing challenges faced by Islanders including:

- public survey (in both French and English) with over 2000 responses;
- municipal survey (25 responses);
- key informant interviews;
- roundtable discussions with clients;
- participation in Youth Y-Day; and
- participation in the City of Charlottetown's Affordable Housing Forum.

A list of various groups involved in the engagement process follows.

<i>Community Organization</i>	Government of Prince Edward Island Organizations
<i>Atlantic Peoples Housing Ltd</i>	AccessAbility Advisory Council
<i>Community Advisory Board for</i>	PEI Office of Immigration
<i>Homelessness Partnering Strategy</i>	PEI Adult Protection Program
<i>Co-operative Housing Federation of</i>	Board of Economic Advisors
<i>Canada</i>	Department of Finance - Economics, Statistics &
<i>Pownal Square Housing Co-operative</i>	Fiscal Relations
<i>P.E.I. Seniors Citizen’s Federation</i>	Department of Communities, Land and
<i>Regional Economic Advisory Councils</i>	Environment
<i>Mi’kmaq Confederacy of Prince Edward</i>	The Poverty Reduction Cross Department
<i>Island</i>	Secretariat
<i>Native Council of Prince Edward Island</i>	
<i>Holland College</i>	
<i>University of Prince Edward Island</i>	
<i>Town of Stratford</i>	
<i>Town of Cornwall</i>	
<i>Town of Montague</i>	
<i>City of Charlottetown</i>	
<i>City of Summerside</i>	
<i>Youth Futures Council</i>	

Appendix B: Canada-PEI Housing Benefit Program Design

<i>Category</i>	<i>Description</i>
<p>Program Description and Objectives</p>	<p>The Canada-PEI Housing Benefit (the Benefit) will help Islanders afford appropriate rental housing.</p> <p>The Benefit will offer Islanders a portable, direct-to-tenant payment, so that clients can find affordable, suitable housing.</p> <p>Clients currently on the registry for the Seniors Housing Program or the Family Housing Program will not need to reapply to be eligible for the Benefit. New clients will need to apply and be eligible for either program to be eligible for the Benefit.</p> <p>A client offered housing through either program may be offered:</p> <ul style="list-style-type: none"> • a unit in a government owned building; • a unit with a rent supplement in a government supported building in the private market; • a mobile rental voucher for a private market unit; or • a Canada-PEI Housing Benefit for a private market unit.
<p>Vulnerable Populations</p>	<p>Households in core housing need who are eligible for either the Seniors Housing Program or the Family Housing Program will be eligible for the Benefit.</p> <p>While all households must have financial need to be eligible (their level of income is below Core Need Income Threshold and their rent exceeds 30% of their gross income), households that include women and children fleeing domestic violence, persons with disabilities, persons dealing with mental health and additions issues, persons dealing with homelessness or are at risk of homelessness and seniors will be prioritized.</p>
<p>Community Housing</p>	<p>Households in community housing, not funded through a current federal agreement, would be eligible for support.</p>
<p>Vulnerable Homeowners</p>	<p>Island homeowners can apply for the three home renovation programs (PEI Home Renovations Program, Seniors Safe @ Home Program, and Senior Home Repair Program) which are separate from the Benefit. The Benefit may be enhanced in the future to include vulnerable homeowners.</p>
<p>Direct to Household Delivery</p>	<p>The Benefit will be paid directly to households unless otherwise directed by the household; households will have the option to have payment made directly to a landlord if this method better meets their needs or supports them to establish a rental relationship with the landlord.</p> <p>For example, in some circumstances, a landlord may insist as a condition of tenancy that any payment is directed to the landlord. In such a circumstance, the Benefit</p>

Category	Description
	<p>recipient will have the option of accepting the condition or finding a unit without that condition. (Portability as described below.)</p>
Portability	<p>The Benefit will be attached to the household not to a specific housing rental unit. A household's eligibility for the Benefit would not change if they decide to move; however, the value of the Benefit may change due to a change in the cost of the rental unit.</p>
Inflationary Effects	<p>The Benefit will use a modified partial gap model to help mitigate potential inflationary effects. This sets, for the purpose of calculating the Benefit, a cap at the lesser of the rental lease amount, or an amount relative to the median market rent. A client may choose a unit for which the rental lease amount exceeds the cap, but any amount in excess of the cap is not considered in the Benefit calculation.</p> <p>In addition, PEI is a rent control jurisdiction; landlords are not permitted to arbitrarily increase rents. The Province is working to increase the supply of social, affordable, and market housing. Increases in inventory will help mitigate the inflationary effects of the Benefit.</p> <p>In circumstances of low vacancy rate, a rental rate higher than the median market rate may be used as the rent cap. As the vacancy rate normalizes this cap may be adjusted downwards, or not increased at the standard rate, tied to the rate permitted by IRAC.</p>
Partial-gap Model	<p>The Benefit will use a modified partial gap model. Households would be eligible for the difference between 25% of gross income or the financial assistance shelter rate and the lesser of: (1) the median market rent value and (2) the actual rental cost.</p>
Cost Matching	<p>PEI cost matching will be in the form of the net cost of rent supplements and mobile rental voucher arrangements that are available through the Seniors Housing Program and Family Housing Program and paid directly to the tenant. The volume of support through these options expanded significantly beginning in August 2018.</p>
Application Process	<p>Clients who have applied for, and are eligible for, the Seniors Housing Program and Family Housing Program will also eligible for the Benefit.</p> <p>There will be no separate application process for the Benefit. Intake will be managed by staff currently managing the Seniors Housing Program and Family Housing Program.</p> <p>The level of need will be determined through the current process that assesses client need relative to all other eligible program applicants, taking into account the applicant's income level, percentage of income used for housing, current housing situation, and health needs.</p>

<i>Category</i>	Description
Administration	<p>Income is verified with the Canada Revenue Agency, either directly with applicant consent, or from the most recent Notice of Assessment provided by the applicant. Clients in a targeted vulnerable population group may receive additional points which helps prioritize their need.</p> <p>Depending on the needs of the client, the availability of existing inventory, and budget, an eligible client may be offered one of the following:</p> <ul style="list-style-type: none"> • a unit in a government owned building; • a unit with a rent supplement in a government supported building in the private market; • a mobile rental voucher for a private market unit; or <p>a Canada-PEI Housing Benefit for a private market build.</p> <p>Housing Services will manage the intake as described above.</p> <p>Payments to clients will be made using the Provincial financial information system.</p> <p>Clients who are no longer eligible for the Seniors Housing Program, or the Family Housing Program, will no longer be eligible for the Benefit</p> <p>Clients may be exited from the program for cause, such as the failure to report income, pay rent, etc.</p> <p>Administration costs are expected to be 10% of the allowed program funding.</p>

Appendix C: Action Plan Required Indicators and Targets

Table 1: Targets and Outcomes for Expected Results Overall

Outcome	Expected Results (note 1)	Target (Units)								
		2019/2020 Year 1 Target and Funding (\$)		2020/2021 Year 2 Target and Funding (\$)		2021/2022 Year 3 Target and Funding (\$)		3 Year Cumulative Total Target and Funding (\$)		2019/20-2027/28 Target
<i>Maintain/increase Social Housing supply</i>	Units continue to be offered in Social Housing (note 2)	45	182,700	45	182,700	45	182,700	45	548,100	448
	Expand Social Housing Units overall by 15% (note 3)	12	540,000	122	20,565,000	10	3,000,000	144	24,105,000	144
<i>Repair existing stock</i>	At least 20% of existing Social Housing Units repaired (note 4)	106	315,000	106	263,000	45	257,000	257	835,000	257
<i>Affordable home ownership</i>	Continue support for affordable home ownership: home renovation programs continue to be offered	620	2,036,500	620	2,036,500	620	2,036,500	1,860	6,109,500	5,580
<i>Maintain/increase supply of affordable housing supply</i>	Affordable units continue to be supported and created (note 5)	23	146,700	133	369,100	10	25,000	155	540,800	155
	Maintain/increase supply of supportive housing	20	1,315,000	0	0	0	0	20	1,315,000	20
<i>Affordability Assistance</i>	Increase affordability of rental units (Canada-PEI Housing Benefit)	502	1,563,900	69	2,764,300	269	3,772,500	840	8,100,700	2,203
<i>Total</i>		1,328	6,099,800	1,095	26,180,600	999	9,273,700	3,321	41,554,100	8,807

Notes:

Note 1: Targets are estimates only and subject to revision.

Note 2: Reflects the number of social housing units for which the operating agreement matures each year. A portion of the related funding is provincial funding only and will not be included in claim or disbursement reporting to CMHC. Three and nine year targets do not reflect a sum of annual targets due to a continuation of a set number of units in each year.

Note 3:

- At April 1, 2018 PEI supported 1,597 social housing units, 936 of which form the baseline for the purposes of this Action Plan making the NHS required target 140 units. PEI intends to continue its support to all 1,597 units in addition to the required expansion target. PEI's commitment is greater than the federal target and will continue to vary from the federal target depending on local demand based on the social housing registry.
- Funding includes one-time capital and land for PEIHC owned units, one time construction grants for privately owned units, and the annual rent supplement and operating grants to support privately owned units committed each year.

- In addition to the 144 units targeted to be added during the term of this Action Plan, between July 2018 and March 2019, PEI initiated 311 new social housing units not reflected in the targets noted above, a total increase of 455 new units.

Note 4: NHS required target is 187. In addition to planned investment in social housing repair using NHS funds, PEI will also continue to invest in repair and renewal of its social housing stock through its annual operating and capital budgets. The number of units affected by repair and renewal of major building components is an estimate; targets are subject to revision based on the actual work completed and the timing of work completion.

Note 5: Three and nine year targets do not reflect a sum of annual targets due to a continuation of a set number of units in each year.

Table 2: Expected Number of Households for Which Housing Need will be Addressed by Initiative

<i>Initiative</i>	<i>Target (Households)</i>				
	2019/20 Year 1	2020/21 Year 2	2021/22 Year 3	3 Year Cumulative Total	2019/20- 2027/28 Target
<i>Prince Edward Island Priorities Housing Initiative</i>	769	859	675	2,282	6,012
<i>Canada Community Housing Initiative</i>	57	167	55	199	592
<i>Canada Housing Benefit</i>	502	69	269	840	2,203
<i>Total</i>	1,328	1,095	999	3,321	8,807

Notes:

Note 1: Targets are estimates only and subject to revision.

Note 2: Three- and nine-year targets do not reflect a sum of annual targets due to a continuation of a set number of units in each year.

Note 3: Canada Housing Benefit targets are included on an incremental basis.

Table 3: Planned Cost-matched Funding per Initiative

<i>Initiative</i>	<i>Planned Cost-Matched Funding</i>			
	2018/19 Year 1(\$)	2019/20 Year 2 (\$)	2020/21 Year 3 (\$)	2021/22 Year 4 (\$)
<i>Prince Edward Island Priorities Housing Initiative</i>	1,924,200	2,254,600	1,669,300	1,473,200
<i>Canada Community Housing Initiative</i>	14,992,000	718,400	20,740,600	3,162,300
<i>Canada Housing Benefit</i>	228,400	1,563,900	2,764,300	2,990,000
<i>Total</i>	17,144,600	4,536,900	25,174,200	7,625,500

Table 4: Planned Funding and Indicators to Achieve Overall Targets over the Three-year Planning Period

Indicator: Number of households for which Housing Need is addressed	Target (Households)									
	Year 1 2019/20 Target and Funding (\$)		Year 2 2020/21 Target and Funding (\$)		Year 3 2021/22 Target and Funding (\$)		3 Year Cumulative 2019 to 2022 Total Target and Funding (\$)		2019/20- 2027/28 Target	
	#	(\$)	#	(\$)	#	(\$)	#	(\$)		
New Construction	12	540,000	122	20,565,000	10	3,000,000	144	24,105,000	144	
Repaired/Renewed	106	315,000	106	263,000	45	257,000	257	835,000	257	
Affordability Assistance: Project based subsidy	88	1,644,400	178	551,800	55	207,700	220	2,403,900	623	
Affordability Assistance to the household: homeowners	620	2,036,500	620	2,036,500	620	2,036,500	1,860	6,109,500	5,580	
Affordability Assistance to the household: renters	502	1,563,900	69	3,063,400	269	3,944,100	840	8,571,400	2,203	
<i>Total</i>	1,328	6,099,800	1,095	26,479,700	999	9,445,300	3,321	42,024,800	8,807	

Notes:

- Targets are estimates only and subject to revision.
- New construction includes new units built through the Affordable Housing Development Program and PEIHC owned builds.
- Affordability Assistance – project based includes rent supplements.
- Affordability Assistance to the household includes mobile rental vouchers and is reported on an incremental basis.

Table 5: Planned Funding and Indicators to Achieve Overall Targets

Indicator: Housing Units considered accessible	Target (Units)								
	Year 1 2019/20 Target and Funding (\$)		Year 2 2020/21 Target and Funding (\$)		Year 3 2021/22 Target and Funding (\$)		3 Year Cumulative 2019 to 2022 Total Target and Funding (\$)		2019/20- 2027/28 Target
	#	(\$)	#	(\$)	#	(\$)	#	(\$)	#
New	3	135,000	27	4,660,800	2	600,000	32	5,395,800	32
Repaired/Renewed	0	0	0	0	0	0	0	0	0
Total	3	135,000	27	4,660,800	2	600,000	32	5,395,800	32

Notes:

- Targets are estimates only and subject to revision.
- Baseline: as of April 1, 2018, PEIHC owned 60 housing units that are considered accessible, and had long term rental agreements with private landlords for the provision of an additional 39 housing units that are considered accessible.
- In addition to the 32 units noted above for 2019 to 2022, in 2018/2019 PEIHC committed \$3.2 million to create 66 new housing units that are considered accessible. This commitment was a mix of PEIHC owned units and supports provided to private developers to create new units.
- Repairs and renewal of accessible units occur as tenants vacate, in preparation of the next tenant taking occupancy. Funding to support these repairs and renewals are part of the operating budget of the Department of Social Development and Housing and is not included in this chart due to the uncertainty of the timing of vacancies.
- PEIHC has a goal of ensuring 20% of all new units it funds meet accessibility standards.



**Affordable Housing for all Islanders:
HomeTogetherPEI.ca**

DG-682