



Capital Region Housing Data Book & Gap Analysis

Prepared by the Community Social Planning Council of Greater Victoria | **August 2015**

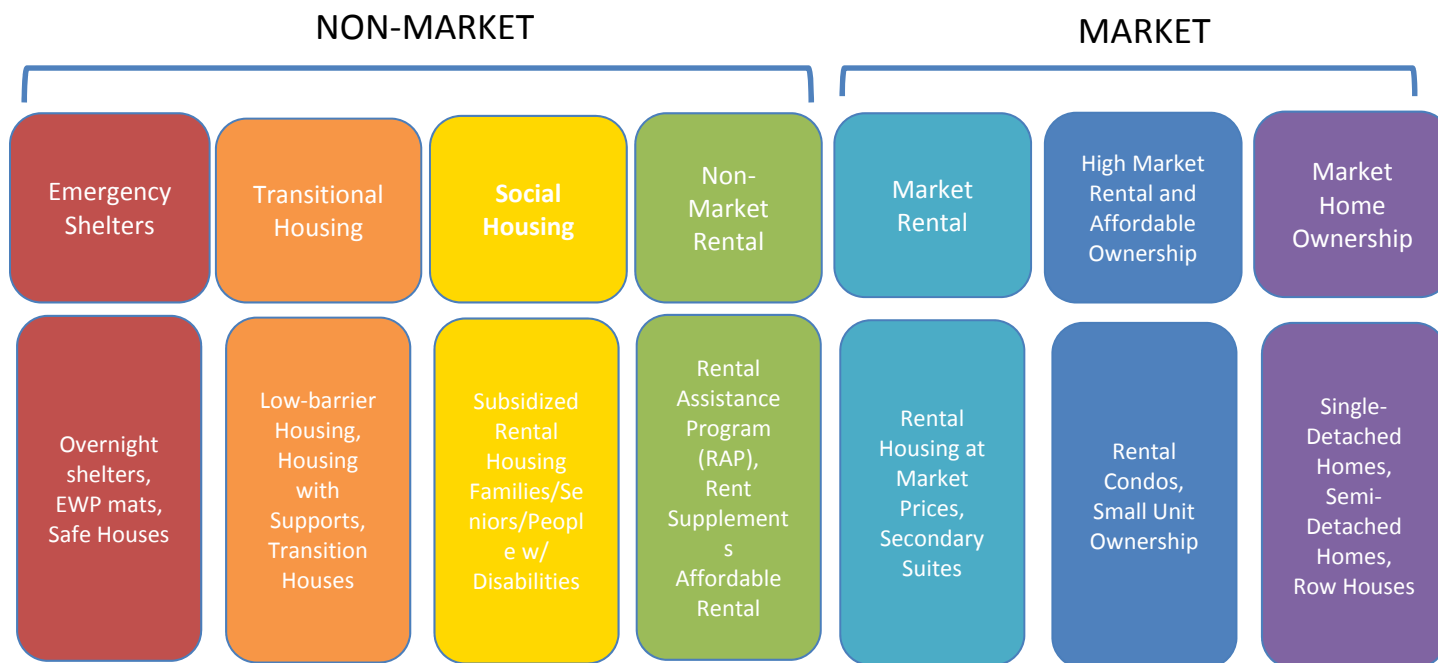
The Capital Region Housing Gap Analysis & Data Book

Introduction

The Capital Region Housing Data Book is the first comprehensive collection of data related to housing in the capital region. The book is modeled on the Metro Vancouver Housing data bookⁱ and provides detailed data for the capital region as a whole, and for each municipality and Electoral Areaⁱⁱ on population and income distributions related to housing, housing market indicators, and housing need with focused sections of housing choices for renter households, and housing choices for owner households. Each thematic section of the Data Book provides a description of the data being presented and a summary of the most notable findings.

The Housing Continuum and Housing Affordability

The summary presented here presents the most notable findings at the capital region level related to housing need and housing affordability on the housing continuum.

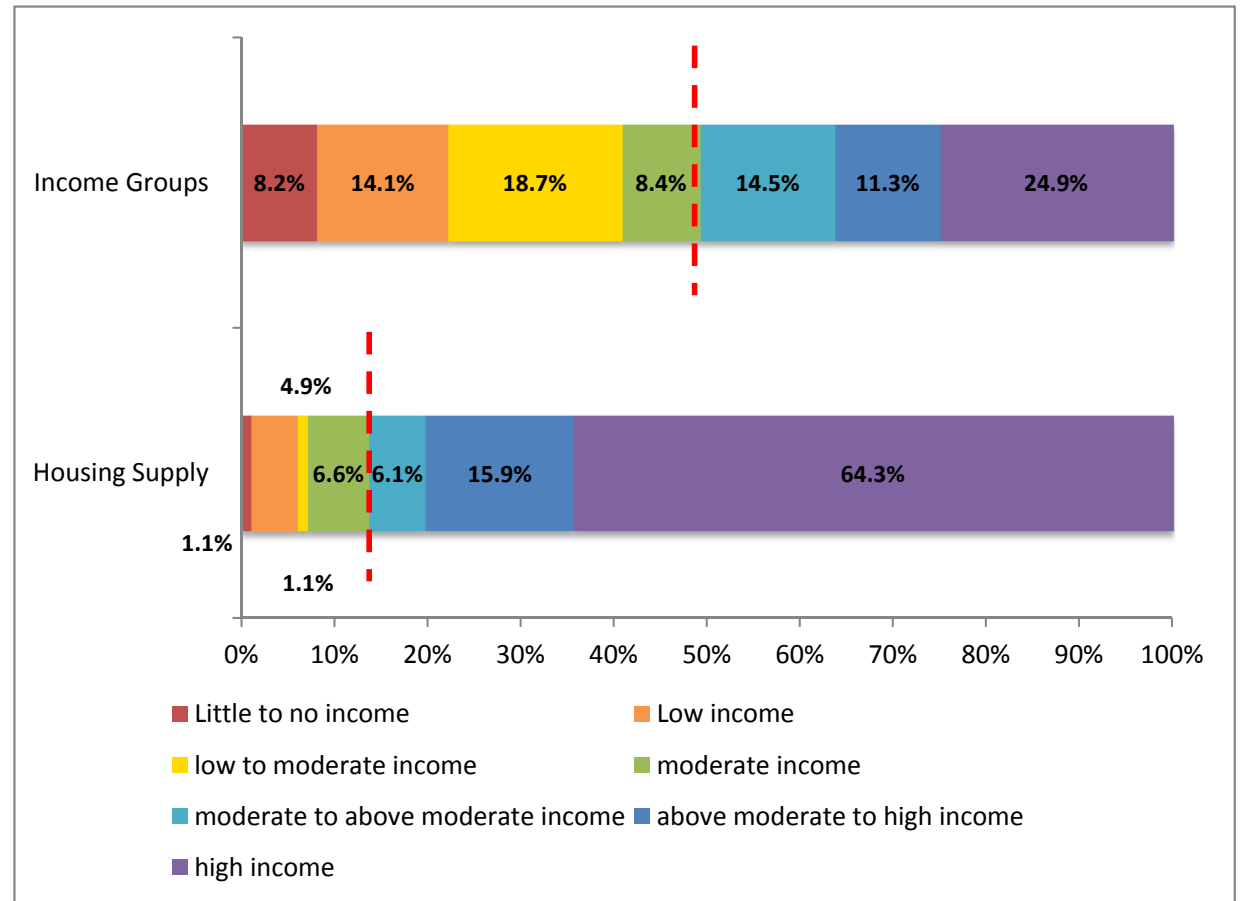


Capital Region Gap Analysis

The gap analysis, for the purposes of this project, is presented as a visual graphic that looks at the household income that is required to afford shelter along the housing continuum and then presents that distribution in relation to housing supply.ⁱⁱⁱ The following discussion presents an explanation of the income categories, and related housing supply.

Capital Region Housing Supply and Households by Income Required to Afford Shelter (160,635)

The dashed red line indicates the divide between non-market (left of the line) and market housing (right of the line). This diagram displays an evident over supply of high income, market ownership housing, and an insufficient supply of low-income to moderate income housing options.



Sources: 2014 Facility Count (GVCEH), BC Housing (2015), Canada Mortgage and Housing Corporation (2014), and 2011 National Household Survey, Statistics Canada

Graph 1: Household Income to Afford Shelter by Income Groups, CRD 2010 (N=160,635) and Capital Region Housing Supply (N = 135,736)

Income Groups

Income categories used for this analysis are presented in the table below. According to the 2011 National Household Survey, there are 160,635 households in the capital region. The before-tax median household income for the capital region is \$60,796. Table 1 below presents income amounts relative to the median household income, and to the National Household Survey income groups.

Table 1: Income Groups by Type of Housing

Income Categories ^{iv}	Definition ^v	Type of Housing required based on income categories	Approximate Number of Households	% of total
Little to no income	Households with annual incomes below \$14,999. These households either have no income or receive some level of income assistance. NHS = < \$14,999	Emergency shelters: Overnight Shelters, EWP mats, Safe Houses Transitional and Supportive Housing, Transition Houses	13,095	8.2%
Low income	Households with a before tax annual household that is between 50% of the median income for the region, \$30,389 and \$15,000 NHS = \$15,000 to \$29,999	Social Housing – Subsidized rental housing for families, seniors and persons with disabilities	22,590	14.1%
Low to moderate income	Households with a before tax annual income between 50% and 80% of the median household income for the region. \$30,389 to \$48,637 NHS = \$30,000 to \$49,999	Subsidized rental, Rental Assistance Program (RAP), Rent Supplements, Affordable Non-Market	29,970	18.7%
Moderate income	Households with a before-tax annual income between 80% and the actual median before tax median household income for the region. \$48,637 to \$60,796 NHS = \$50,000 to \$59,999	Subsidized rental, Affordable Non-Market Rental, affordable market rental	13,530	8.4%

Moderate to above moderate income	Households with a before-tax annual income between the regional median household and 120% of the median household income. \$60,796 to \$72,955 NHS = \$60,000 to \$79,999	Affordable Non-Market Rental, affordable market rental, Mid to high Market rental and secondary suites	23,295	14.5%
Above moderate income to high income	Households with a before-tax annual income between 120% and 150% of the median household income for the region. \$72,955 to \$91,194 NHS = \$80,000 to \$99,999	High Market Rental (Rental Condos) and Affordable Homeownership (small units)	18,125	11.3%
High income	Households with an annual before-tax income of 150% and above the median household income for the region. \$91,194 < NHS = \$100,000 +<	Affordable Home Ownership to Market Home Ownership – Single detached homes, semi-detached homes, row houses	40,025	24.9%

Because of the way Statistics Canada presents household income in specific groupings, the number of households that fall into the income categories here are based on how the categories best fit therefore, there is overlap and does not present an entirely accurate count. The National Household Survey income ranges are indicated for the income category above. In addition, it is difficult to make the income categories and corresponding housing categories mutually exclusive and thus accurately align.

Housing Supply

The estimated housing supply, used for this analysis, in the Capital Region by housing type is presented below in Table 2. Housing supply is difficult to determine with accuracy because of various ways housing units are measured for any given housing type, market ownership in particular is challenging to determine because Statistics Canada does not present the number of housing types by estimated value of the dwelling. Thus, the term approximate total is used, which is 136,016. For the purposes of this analysis, it is assumed that if a household falls into the high-income category, the household is a home owning household.

Table 2: Income Groups by Approximate Number of Housing Units

Income Categories ^{vi}	Type of Housing on the Housing Continuum by price range/median price/average price	Approximate # of Units	Approximate Total	% of Total
Little to no income	Emergency shelters: Overnight Shelters, EWP mats, Safe Houses Transitional and Supportive Housing, Transition Houses BC Housing Homeless Housed and Homeless Rent Supplements	Emergency Shelter Units = 363 Transitional Units =146 BC Housing Units = 970 <i>Source: 2014 Facility Count, GVCEH; BC Housing, 2015</i>	1,479	1.1%
Low income	Subsidized rental housing for low-income families, frail and independent seniors, and persons with special needs	6,710 <i>Source: BC Housing, 2015</i>	6,710	4.9%
Low to moderate income	Rental Assistance Program (RAP), Shelter Aid for Elderly Renters (SAFER), Rent Supplements, Affordable Non-Market	2,530 <i>Source: BC Housing, 2015</i>	2,530	1.1%

Moderate income	Affordable Non-Market Rental, affordable market rental	Market rental Apartment and Row Units < \$700 = 1,962 \$800 - \$899 = 6,967 <i>Source: CMHC, 2014</i>	8,929	6.6%
Moderate to above moderate income	Mid to high Market rental and secondary suites	Apartment and Row Rental Units \$900 - \$999 = 3,768 \$1100 + =4,546 <i>Source: CMHC, 2014</i>	8,314	6.1%
Above moderate income to high income	High Market Rental (Rental Condos) and Affordable Homeownership (small units) Average Rental Condo (CMHC, 2014) = \$ Affordable Homeownership (NHS, 2011) low-rise apartment = (\$300,651) high-rise apartment (\$399,636)	Rental Condominiums (CMHC, 2014) = 4,929 Affordable Ownership # units by structure type apartment (NHS, 2011) = 16,695	21,624	15.9%
High income	Affordable Home Ownership to Market Home Ownership – Single detached homes, semi-detached homes, row houses Median House Prices (NHS, 2011) <ul style="list-style-type: none"> • single-detached (\$599,153) • semi-detached (\$449,941), • row/townhouse (\$409,631) 	# units by structural type: Single-detached (62,575) Other ground-oriented (24,855) <i>Source: NHS, 2011</i>	87,430	64.4%

Data Book Executive Summary

The information presented in this executive summary characterizes the key findings included in the Capital Region Data Book. For a more in-depth analysis and data presentation, see the Capital Region Data Book.

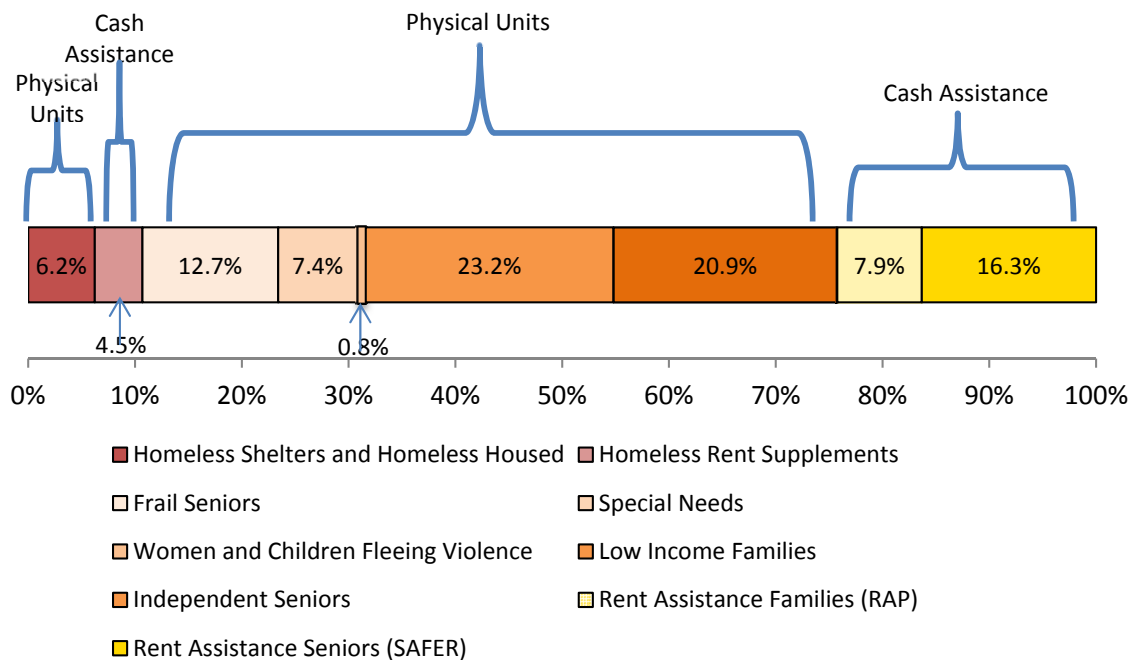
Emergency Shelters

Emergency shelters in the Capital Region provide temporary shelter for people experiencing homelessness. According to the 2014 Greater Victoria Coalition to End Homelessness Facility Count, on one night in February, 2014, there were 1,089 individuals enumerated in 87 facilities, and 78 people were turned away from a facility. In total, 1,167 individuals were enumerated.

Among those enumerated there were 70 families including 116 children. Of the 87 facilities enumerated, 56 of these facilities are located in the City of Victoria. The extreme weather facilities and emergency shelters were operating at 90% to 92% capacity on the night of the count.^{vii}

Over the year 2013/2014, there were 1,785 unique shelter users, which is consistent with previous years.^{viii}

Graph 2: Non-market social housing units along the continuum



Source: BC Housing

Social Housing

BC Housing Waitlist: BC Housing tracks data on all households that have applied for social housing administered by BC Housing. Applicants are placed on a waitlist until social housing is provided. The waitlist indicates the need for affordable housing, but does not accurately measure affordable housing demand. It is important to note that low-income families, who are eligible for the Rental Assistance Program (RAP), are not considered on the waitlist but may experience delays in receiving the RAP due to administrative processes.

There were 1,239 households on the BC Housing waitlist for social housing in the Capital Region in 2015. Over half (51%) or 636 applicants were in the City of Victoria, followed by 271 applicants in Saanich (22%), and 149 applicants in Esquimalt (12%). Applicants who were seniors accounted for 40% of the BC Housing social housing waitlist.

Approximately 4% or 467 units have rent supplements (cash assistance) and 24% or 2,524 units have subsidy agreements with the federal or provincial governments. The subsidies are intended to help make private market rents affordable for seniors with low to moderate incomes and low-income families.

There are 98 social housing units' agreements expiring in the 2015/2016 fiscal year, and 1021 units' agreements are set to expire over the next 5 fiscal years (2016-2021) accounting for almost 25% or 1 in 4 of the total BC Housing-administered social housing agreements. 1118 are set to expire between 2021-2026 for a total of 50% of all social housing units for independent families and seniors over the next ten years.

Rental Housing Market

Rent Increases: According to the Canada Mortgage and Housing Corporation (Fall, 2014), average rents have increased by 30.4% in the past ten years in the region (2005 to 2014), which is an average annual increase of 3.2%. This rate of increase is higher than inflation during this time period, which was 17.3%, an average increase of 1.2% annually.

Vacancy Rates: Vacancy rates, particularly for units considered more affordable in the rental market, are experiencing very low rates not seen in the capital region since 2007/2008. For the 23,866 purpose built rental apartment units in the Victoria CMA, the average vacancy rate for 2014^x was 1.5% which indicates an unbalanced rental market.

Home Ownership

High Median Home Values: Expanding the supply of affordable housing may support entry-level home ownership for households in the capital region. Second to Metro Vancouver the Victoria CMA reported consistently higher median home values in 2011 than other Canadian CMAs.

High median home values in 2011 made entry-level homeownership especially challenging for households in the Victoria CMA. At \$599,597 single-detached dwellings in the Victoria CMA were nearly \$100,000 more than such dwellings in Toronto (2011) and \$350,000 more than those in Halifax (2011).^x

Shelter Cost to Income Ratio

The Shelter Cost to Income Ratio refers to the proportion of average monthly 2010 total household income, which is spent on owner's major payments (in the case of owner-occupied dwellings) or on gross rent (in the case of tenant -occupied dwellings) (Statistics Canada). This ratio is used to estimate housing affordability.

In 2011, there were 48,863 households in housing need (spending 30% or more of the total household income on shelter costs) in the capital region representing 31% of the total 157,700 households in the region. Nearly half (47%) of all renter households demonstrated affordable housing need compared to only a quarter (23%) of all owner households.

The proportion of all households spending more than 30% of household income on shelter costs varied across municipalities ranging from a low of 17% in the Highlands to a high of 40% in the City of Victoria in 2011.

Comments, Limitations and Recommendations for Future Gap Analyses

This gap analysis is the first attempt at developing a visual representation of the housing gaps in the capital region based on income and supply. As such, there is much room for improvement.

Additional work is required to have a more accurate estimate of units for homelessness programs. For this analysis, BC Housing programs for homeless housed and homelessness rent supplements were combined with emergency shelter data collected through the 2014 Facility Count. The degree of overlap across these categories and programs is difficult to determine at the time of the analysis. Further iterations of the gap analysis will need to take this into account and adjust the analysis accordingly.

Further work needs to be done determining the supply of home ownership in the region. This current analysis was based on National Household Survey data and CMHC data, which is challenging because it is impossible to determine if some units are double counted. Further discussion and analysis should inform future iterations.

According to NHS data, there are owner households that fall into the lower income categories. This could be because they own their home outright and live off of a pension income, among other reasons. For the purposes of this current analysis home ownership was assumed for higher income levels. This was based on the observation that the median income for owner households was \$76,711, more than \$15,000/year more than the median income for the region as a whole, which was \$60,796 in 2010.

ENDNOTES

ⁱ For more information on the Metro Vancouver Housing Data Book: <http://www.metrovancouver.org/services/regional-planning/>

ⁱⁱ Specific data is not always available for Electoral Areas because of size and response rate. Data is often suppressed to protect identities and maintain privacy as per the guidelines for each data source.

ⁱⁱⁱ This analysis is modeled after a gap analysis conducted by the City of Kelowna, and was modified for available data.

^{iv} The income categories were reorganized slightly from those presented in the Capital Region Housing Data Book to address the income thresholds for subsidized and below-market rental options modeled on the income thresholds used by the Capital Region Housing Corporation.

^v The definitions presented here are based on the definitions used in the Metro Vancouver Housing Data Book, which in turn were adapted and used for the Capital Region Housing Data Book (pages 18 -19).

^{vi} The income categories were reorganized slightly from those presented in the Capital Region Housing Data Book to address the income thresholds for subsidized and below-market rental options modeled on the income thresholds used by the Capital Region Housing Corporation.

^{vii} Albert, et al. (2014) One Night Only: A report of those staying in temporary accommodation in Greater Victoria, Facility Count 2014. Victoria: Greater Victoria Coalition to End Homelessness

^{viii} Rabinovitch, et al. (2014). Patterns of Homelessness in Greater Victoria. Victoria: Greater Victoria Coalition to End Homelessness. Available online: <http://victoriahomelessness.ca/wp-content/uploads/2014/09/PatternsofHomelessnessFINAL.pdf>

^{ix} This is based on the CMHC Fall 2014 Rental Market Report.

^x The relatively high shelter costs to household income ratios for some households may have resulted from the difference in the reference period for shelter costs and household total income data. The reference period for shelter cost data is 2011, while household total income is reported for the year 2010. As well, for some households, the 2010 household total income may represent income for only part of a year (Statistics Canada).