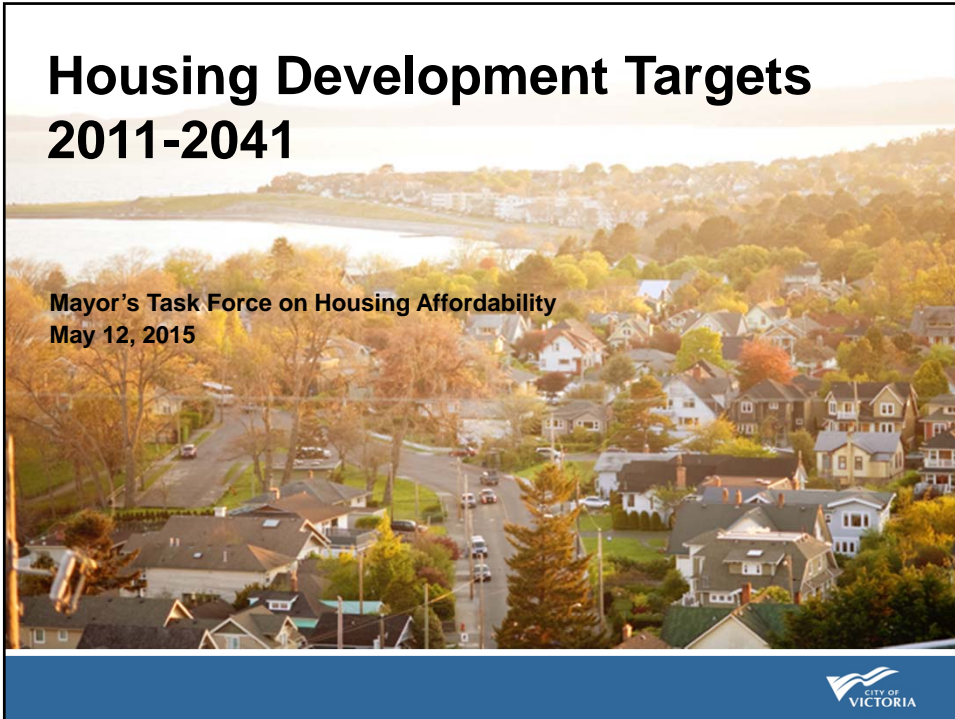


Housing Development Targets 2011-2041

Mayor's Task Force on Housing Affordability
May 12, 2015



OCP Projections: New Housing Needed to address 2011-2041

Housing Type	Number	Average per Year
Apartment	12,190	406
Ground Oriented	2,361	79
Total	14,551	485

Assumptions:

- Population Growth of 20,000 over 30 years
- Decline of renter proportion from 59% to 55%





Primary Rental Trend

Year	Bachelor	1 Bed	2 Bed	3+ Bed	Total
2010	2,166	9,409	4,156	182	15,912
2011	2,165	9,443	4,140	192	15,940
2012	2,226	9,539	4,206	161	16,132
2013	2,246	9,492	4,167	150	16,055
2014	2,279	9,567	4,243	190	16,270
Total New	+113	+158	+87	+8	+358
Average	+23	+32	+17	+2	+74
Projected Need (OCP)					275
Deficit					-201

Source: CMHC

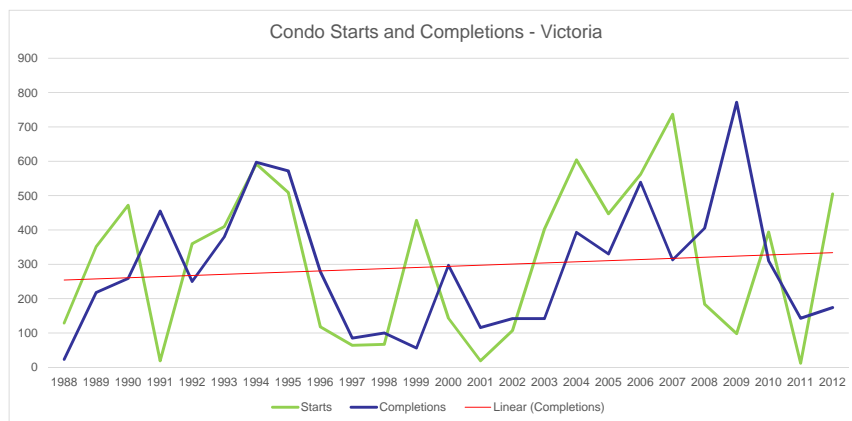



Secondary Rental Development

- New condos add between 100 and 150 secondary rental units per year
- Deficit = between 50-100 rental units per year
- New units mostly high end of rental range
- BC Non Profit Housing Association research suggests a need for additional 45-57 units of affordable rental units per year over next 30 years



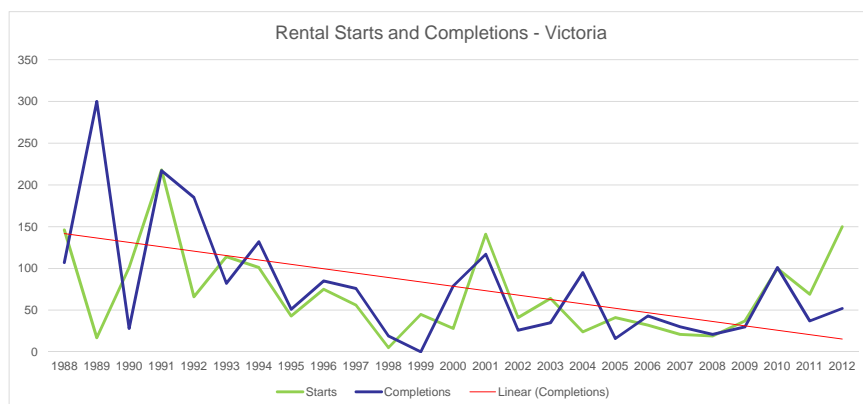
Condo Starts and Completions



Average Starts per Year – 309
Average Completions per Year – 294

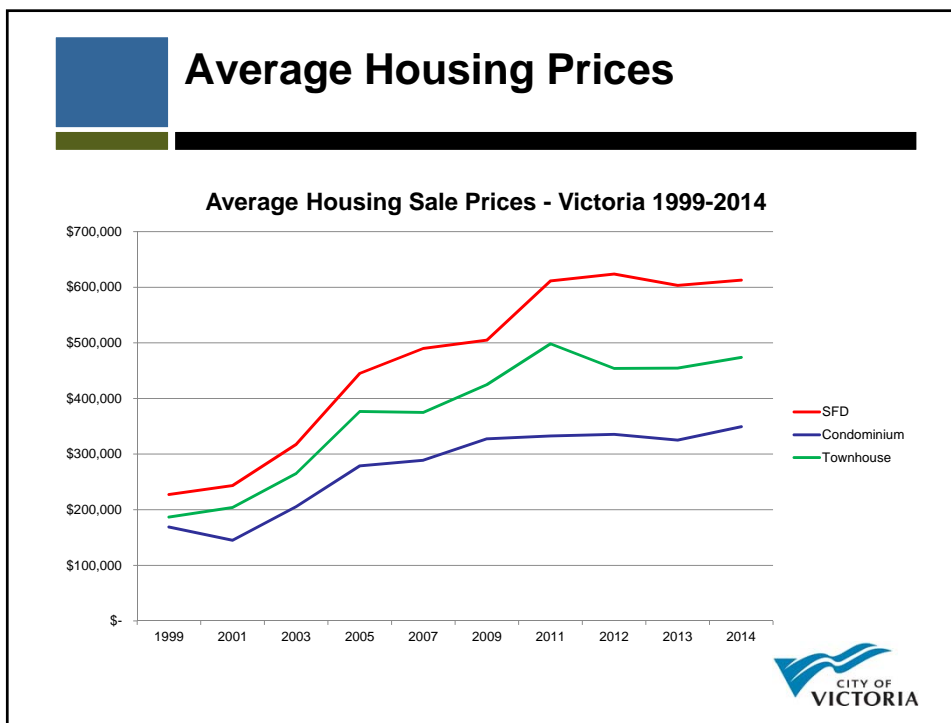
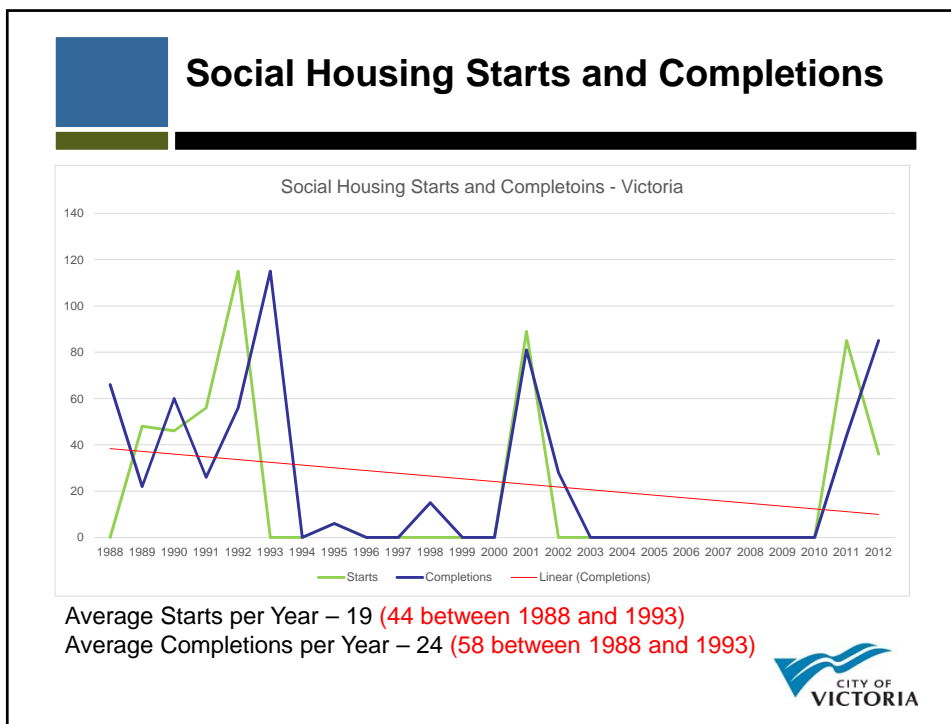


Rental Starts and Completions



Average Starts per Year – 70
Average Completions per Year – 79





Renter Overspending

Income Quarters	Studio	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	All Unit Sizes
1st Income Quarter \$0 to \$18,146 Average Income \$10,284	685	3,060	1,035	110	45	4,945
2nd Income Quarter \$18,147 to \$35,647 Average Income \$26,855	35	405	555	90	0	1,085
3rd Income Quarter \$35,648 to \$57,771 Average Income \$45,260	0	30	45	75	20	200
4th Income Quarter \$57,772 + Average Income \$88,945	0	0	0	0	0	0
All Income Quarters	720	3,500	1,640	270	75	6,250

Source: BCNPHA Rental Housing Index



Household Affordability Targets

Estimated rental levels are calculated by taking the average income of each income quarter and following the widely adopted standard for determining household affordability:

1. $AGI \times 30\% = AHSC$
2. $AHSC / 12 \text{ months} = R/M$

Income Quarters	All Unit Sizes	Rent/ Month
1st Income Quarter \$0 to \$18,146 Average Income \$10,284	4,945	\$257
2nd Income Quarter \$18,147 to \$35,647 Average Income \$26,855	1,085	\$671
3rd Income Quarter \$35,648 to \$57,771 Average Income \$45,260	200	\$1,131
4th Income Quarter \$57,772 + Average Income \$88,945	0	\$2,223
All Income Quarters	6,250	\$356*

Source: BCNPHA Rental Housing Index

* Weighted Arithmetic Mean



Affordable Ownership Potential

Housing Type	2014 Average Price	80% of Market	Annual Income Required for Mortgage Approval	Down Payment Required
Single Detached House	\$612,784	\$490,227	\$118,500	\$24,854
Townhouse	\$473,938	\$379,150	\$93,000	\$18,930
Condominium	\$349,324	\$279,459	\$71,000	\$14,009

1. Based on RBC Mortgage Approval Calculator
2. 30 Year Amortization
3. 3.35% Interest Rate



Targets for New Affordable Housing Units Needed – 2011-2041

Quartile	Target Household Income	Housing Type	Units Needed		Rental/Price Range
			Total	Per Year	
2	\$18,147 - \$35,647	Low End Market Rental	1,319 to 1,382	44 to 46	\$454-\$891
3	\$35,648 - \$57,771	Near Market Rental	243 to 255	8 to 9	\$892-\$1,444
		Affordable Ownership	1,092	36	\$120,000-\$215,000
Total			2,654 to 2,729	88 to 91	

- Targets represent 18.8% of OCP projected 485 units of new housing needed to be built to support anticipated population growth
- These targets focus only on new development, as this best reflects current municipal authority in the area of housing – regulation of new construction and additions to existing developments

