

To: Warden and Members of County Council

From: Chief Administrative Officer

Master Housing Strategy Update – Housing Needs Assessment

RECOMMENDATIONS

1. That County Council receive Report No. CAO 2022-07, entitled ‘Master Housing Strategy Update – Housing Needs Assessment’, as information;
2. And further, that Report No. CAO 2022-07 be circulated to the Area Municipalities for information purposes.

REPORT HIGHLIGHTS

- The need for a more comprehensive housing strategy was identified in the 2022 Human Services Business Plan and Budget. The overall findings of the Master Housing Strategy are expected to assist in formally identifying current and future housing needs.
- The purpose of this report is to provide Council with an update with respect to part one of the Strategy, being the Housing Needs Assessment.
- Over the next couple of months, N. Barry Lyon Consulting will complete part two of the Strategy, being the priority site review component.
- The final draft Strategy is expected to be complete by fall of 2022.
- N. Barry Lyon Consulting will be presenting their phase one findings at this Council meeting.

Implementation Points

This report provides an update with respect to the Master Housing Strategy that is being completed by N. Barry Lyon Consulting. Staff will report back to Council following completion of the final Strategy, which is expected in the fall of 2022.

Financial Impact







As the details contained in this report pertain to a project that was included in the 2022 Budget, there will be no further impact on the current year’s budget.

Communications

On May 9, 2022, N. Barry Lyon Consulting, along with staff, met with members of County Council to better understand local housing needs. The feedback and comments that were received during this session have been incorporated into the Housing Needs Assessment, where appropriate.

Following Council’s consideration of this report, staff will circulate the Housing Needs Assessment to each of the Area Municipalities for information purposes.

Strategic Plan (2020-2022)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
1.i. 1.ii.		3.iii.	4.ii.		

DISCUSSION

Background

In light of rising housing costs and the growing waitlist for community housing, the need for a more comprehensive housing strategy was identified in the 2022 Human Services Business Plan and Budget. The intent of this Strategy is to provide a clearer understanding of the County’s current housing needs, including gaps along the housing continuum, as well as a list of priority housing projects that can assist to address the identified gaps. For Council’s information, N. Barry Lyon Consulting has been retained to complete the Strategy.

The proposed Strategy includes three components, as follows:

1. Housing Needs Assessment (Attachment 1): provides a clear understanding of the County’s specific housing needs, taking into account a variety of indicators, including current income thresholds, available rental and ownership housing, resale values, core housing needs and growth projections. Based on these indicators, the assessment further identifies gaps in terms of affordability and the households that are currently facing the biggest housing challenges. The completed Housing Needs Assessment is included as Attachment 1 to this report.

2. Priority Project Development: an extensive review of approximately 25 sites, including a mix of existing housing properties, and surplus lands owned by both the County and Area Municipalities, for the purpose of determining the feasibility of future residential development opportunities. The purpose of this review is to identify a list of priority projects that may be considered to assist in addressing the County's housing needs.
3. Non-Asset Housing Strategies: this component of the Strategy will identify potential initiatives and/or funding opportunities to assist in closing the identified housing needs gap, in addition to those that are already being considered by the County.

Comments

The following sections provide a summary of the key findings from the Housing Needs Assessment, and insights into the current challenges we face in terms of housing affordability across the County.

Overall Findings

- As expected, the data indicates that much of the housing in the County is unaffordable to most households.
- It appears that high-income individuals from other parts of Ontario are moving to Oxford County, which is driving up prices and competition for a limited supply of housing.
- Owners are more likely to spend over 30% of their gross household income in order to enter the housing market, believing that their equity commitment will pay off in the future.
- Lack of housing choice and supply are two key factors driving rental housing unaffordability.

Ownership Housing

- There are significant supply/demand gaps observed in the ownership market, with price growth exceeding income growth.
- Eroding affordability in the ownership market may impact the desirability and economic competitiveness of the County.
- It is important that adequate land supply be available for future development, to keep pace with population growth and housing demand.
- It is equally important that a diverse range of housing, including smaller and more compact housing forms that are affordable to a broader range of households (e.g. compact townhomes, condominium apartments, etc.), continue to be promoted.

Rental Housing

- Oxford County requires more rental housing across the entire continuum, including rent geared to income (RGI), affordable, and market-rental housing.
- Market rents continue to increase, while vacancy shrinks across the County, indicating that supply is falling well short of demand.
- Demand for rental housing is expected to continue increasing as the population continues to grow and ownership housing remains out of reach for many households.

- It is imperative that the County encourage the delivery of new rental housing to provide more choice and availability in the market.
- New affordable housing development should also target a wider range of households. While there is an identified need for affordable seniors housing, there is also significant need for other groups, specifically singles, young households, single-parent families, recent immigrants, those with activity limitations and mental health concerns.
- A more realistic target of 100 affordable rental units per year would more adequately assist to address the current rental supply crisis; however, an increased target needs to align with the County's ability to adequately fund such development.

Next Steps

The findings from the Housing Needs Assessment will assist to guide the overall conclusions of the Strategy, and the recommendations in terms of housing targets and future programs. As previously noted, staff will report back to Council following completion of the next two phases of the project.

It should be noted that the Housing Needs Assessment is currently based on a variety of indicators, including inflated data from the 2016 Census. Once relevant household data from the 2021 Census is released later this year, the housing assessment will be updated accordingly. That said, any findings related to the inflated 2016 Census statistics are still appropriate and representative of current housing trends, as supported by relevant information retrieved through Canada Mortgage Housing Corporation (CMHC) and the consultant's market analysis.

Conclusions

The need to focus on the creation of housing across the continuum is identified as a goal in the County Strategic Plan, Official Plan, Future Oxford Community Sustainability Plan, 10 Year Shelter Plan and the Zero Poverty Action Plan.

Overall, the Master Housing Strategy is a critical first step in understanding specific local housing needs, in an effort to provide a variety of strategies and initiatives to help address the current housing supply shortage.

SIGNATURES

Report Author:

Original signed by _____

Rebecca Smith, MCIP, RPP
Manager of Housing Development

Approved for submission:

Original signed by _____

Michael Duben, B.A., LL.B.
Chief Administrative Officer

ATTACHMENT

Attachment 1 – Housing Needs Assessment – June 22, 2022