

Oxford County – Master Housing Strategy

Housing Needs Assessment

June 2022



nblc

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Affordable Housing Definition: Oxford County and Provincial Policy Statement

Affordable Ownership Housing - the least expensive of (Oxford County MCFB):

1. Monthly mortgage costs (including mortgage principle, interest and property taxes) do not exceed 30 percent of gross monthly household income; and
2. The purchase price is at least 10% below the average purchase price of a resale home in Oxford County, or a lesser amount as deemed appropriate by the Director of Human Services; and
3. Total annual household income does not exceed the 6th income decile level for Oxford County according to Statistics Canada, and/or determined by the Ministry of Municipal Affairs and Housing; and

Affordable Rental Housing (Oxford County MCFB):

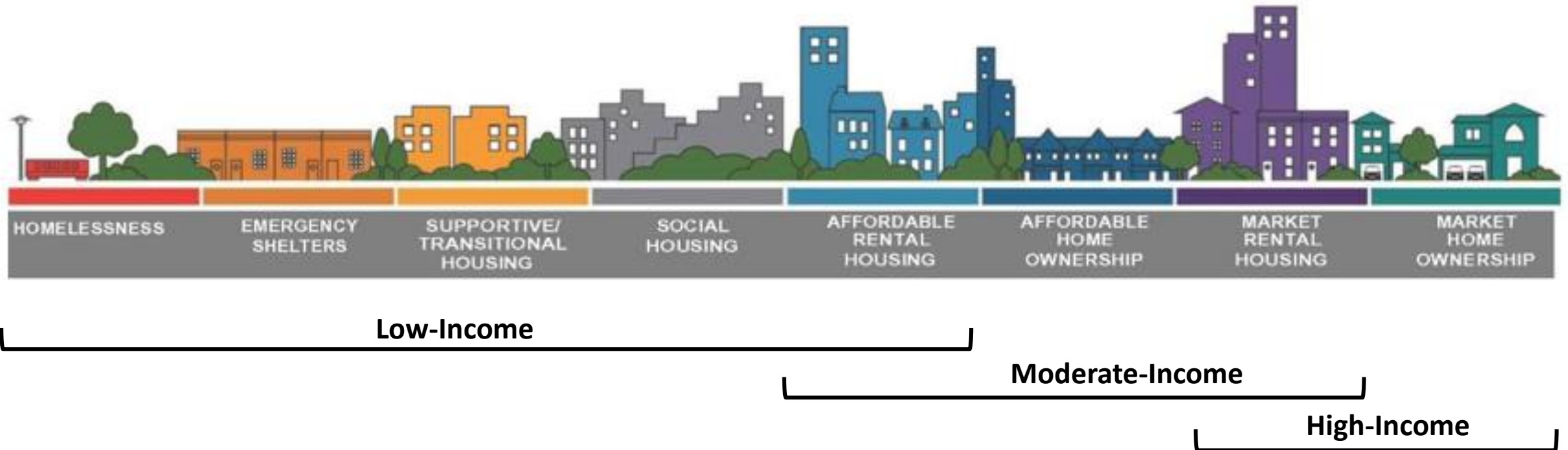
1. Housing where monthly rental costs (excluding utilities) do not exceed 30 percent of the tenant's gross monthly household income; and
2. Is rented at or below the average market rent for a rental unit in Oxford County; and
3. Where total household income does not exceed 60% of the median household income for Oxford County as per Statistics Canada (or the 6th income decile).

Low- and Moderate-Income Households (Provincial Policy Statement):

1. Low Income: below the 3rd income decile
2. Moderate Income: between the 3rd and 6th income decile

Housing Continuum: Income Distribution

THE HOUSING CONTINUUM



Incomes in Oxford County - Deciles

- The data in this chart sorts the income of **All Households** and **Renter Households** by income deciles. Data is released through the Ministry of Municipal Affairs and Housing (MMAH) each year.
- Income data is based on the 2016 Census of Canada, which is then inflated using the Consumer Price Index (CPI) between 2016 and 2021 to estimate current income levels.
- Using CPI does not account for actual change in income or people that might have moved to Oxford County over this period.
- When the 2021 census is released late-2022, the data and analysis should be updated.
- The data further exemplifies that owners earn significantly more than renter households across every decile.

Household Incomes in Oxford County			
	Decile Group	All Households Income (2021 estimate)^	Renter Income (2021 estimate)^
Low Income	1st	\$26,600	\$16,500
	2nd	\$41,000	\$23,100
	3rd	\$53,600	\$29,700
Moderate Income	4th	\$66,500	\$37,800
	5th	\$81,300	\$46,000
	6th	\$96,600	\$54,600
High Income	7th	\$114,600	\$65,600
	8th	\$138,100	\$81,200
	9th	\$175,300	\$106,700

Notes/Source: Provincial Policy Statement Housing Tables. ^Incomes based on 2016 Census of Canada, inflated using Consumer Price Index (Ontario) to estimate 2021 incomes.

Affordability Thresholds Based on Affordable Housing Definitions

- The data in this chart displays the maximum purchase price (based on all household incomes) and maximum monthly rent (based on renter household incomes) that each decile group can afford to pay as determined by the MMAH income data.
- In addition to affordability challenges, other barriers to entry will include:
 - Availability of units at these price points
 - Rental Housing: First and last month rent
 - Ownership Housing: Adequate down payment, other closing costs

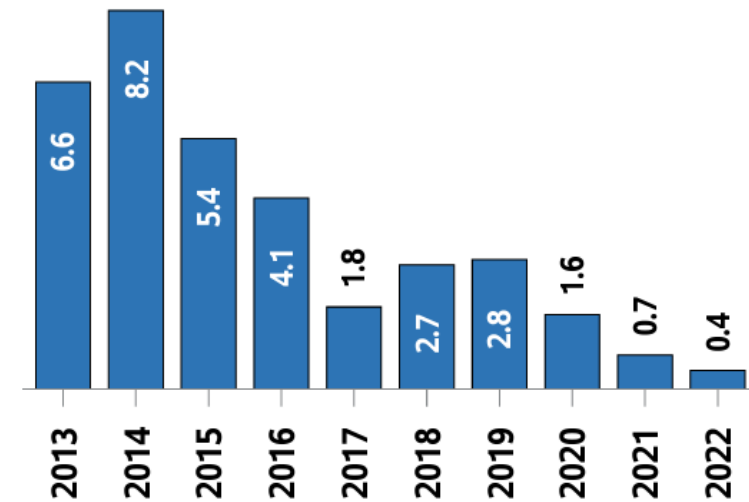
Household Incomes in Oxford County and Affordability Thresholds					
	Decile Group	All Households Income (2021 estimate)^	Renter Income (2021 estimate)^	Affordable Purchase Price*	Affordable Rental Rate (monthly)**
Low Income	1st	\$26,600	\$16,500	\$97,900	\$410
	2nd	\$41,000	\$23,100	\$150,800	\$580
	3rd	\$53,600	\$29,700	\$197,200	\$740
Moderate Income	4th	\$66,500	\$37,800	\$244,600	\$950
	5th	\$81,300	\$46,000	\$299,100	\$1,150
	6th	\$96,600	\$54,600	\$355,400	\$1,370
High Income	7th	\$114,600	\$65,600	\$421,600	\$1,640
	8th	\$138,100	\$81,200	\$508,100	\$2,030
	9th	\$175,300	\$106,700	\$644,900	\$2,670

Notes/Source: Provincial Policy Statement Housing Tables. ^Incomes based on 2016 Census of Canada, inflated using Consumer Price Index (Ontario) to estimate 2021 incomes. *Assumes 30% of gross income is available for accommodation costs. Accommodation costs include mortgage (25 years, 4.79% fixed 5-year rate, 5% downpayment, 1.25% property tax payment, 4.0% of loan amount for CMHC mortgage insurance). **Assumes 30% of gross income is available for monthly rent.

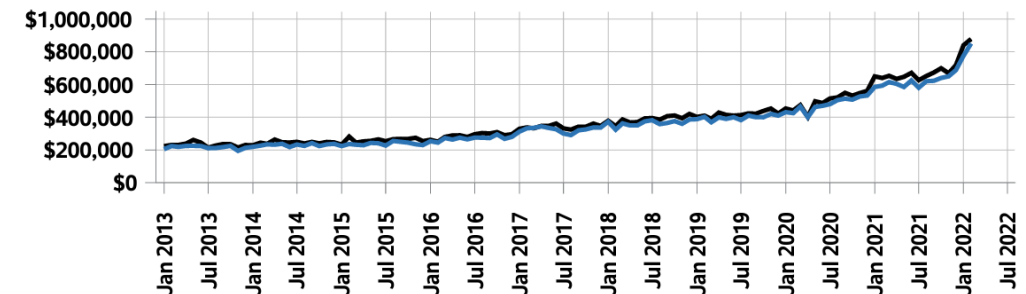
Ownership Housing – Resale Data (YTD Dec 2021)

- Average Price:
 - Single-Detached: \$938,795 (up 340% since 2012, 43% since last year)
 - Semi-Detached: \$775,041 (up 279% since 2012, 40% since last year)
 - Condo Apartment: \$545,151 (up 293% since 2012, 24% since last year)
- Median Days on Market:
 - Single-Detached: 2022 – 7 days | 2020 – 16 days | 2012 – 71 days
 - Semi-Detached: 2022 – 7 days | 2020 – 19 days | 2012 – 52 days
 - Condo Apartment: 2022 – 7 days | 2020 – 19 days | 2012 – 50 days
- All homes types are increasing in price rapidly, selling quickly, with decreasing supply / months of inventory.
- While the rate of increase was modest between 2013 and 2017, a slight uptick is noted between July 2017 and January 2020. After January 2020 (COVID-19 pandemic began in March 2020), the rate of price appreciation has increased significantly.
- Data indicates that **demand appears to be outpacing supply** for all housing types in the County, resulting in prices increasing rapidly and spending very little time on the market with reduced inventory overall.

Graphs are all housing types:
Months of Inventory ² (February Year-to-date)



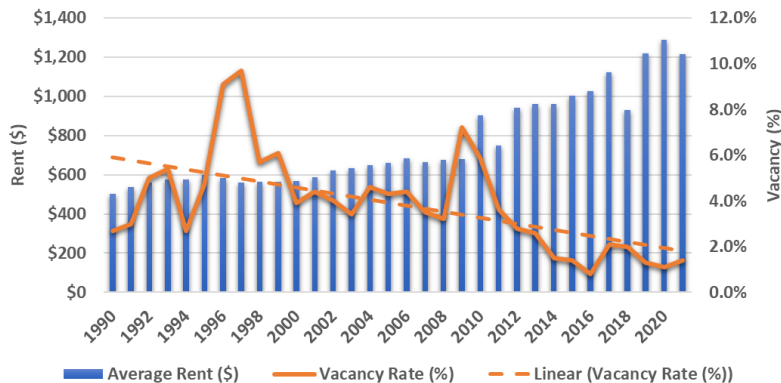
Average Price and Median Price



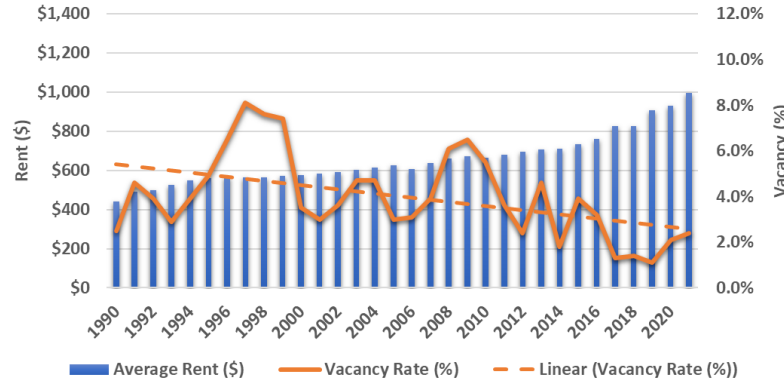
Rental Housing

- The vacancy rate is currently well below 4% (considered balanced conditions) and has been below 3% since 2015. Average rents have also been increasing by an average of 3% since 1990, with more rapid appreciation (~5%) occurring over the past five years.
- At the same time, rental rates are rapidly increasing across the County, while new supply is relatively modest and concentrated mostly in Woodstock.
- Available apartments are leasing well above the average market rents reported by CMHC.
- The rental market is therefore characterized as very tight (i.e. limited vacancy) with eroding affordability (i.e. increasing rents). While Woodstock has expanded the rental apartment supply, vacancy remains low with rents continuing to increase, indicating supply is not meeting demand.

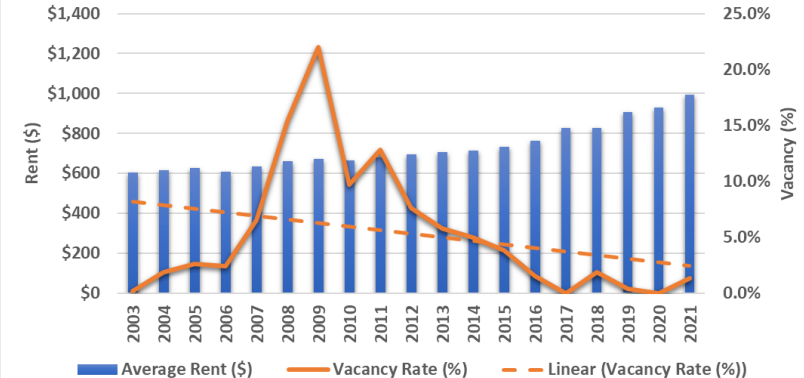
Woodstock CMHC Average Market Rent and Vacancy Rate Trends



Tillsonburg CMHC Average Market Rent and Vacancy Rate Trends



Ingersoll CMHC Average Market Rent and Vacancy Rate Trends



Affordability Gap Analysis

- The following tables present the income deciles (by tenure) and affordability thresholds of each decile group demonstrated earlier in this report (Page 9). It also illustrates the typical price/rent of housing options in Oxford County as presented in this report.
- **Red** indicates the home is unaffordable and **Green** indicates the home is affordable to that decile group.
- As illustrated, most new ownership homes are unaffordable to households below the 9th income decile. Most rental homes are unaffordable to those below the 8th income decile, only a one-bedroom apartment might be affordable to those in the 6th income decile.
- Also of note, 100% of the CMHC AMR is only affordable to renter households above the 5th / 6th income decile (important when selecting an affordability target for any new housing program).
- Page 38 & 39 provide a breakdown of the affordability gap analysis by municipality – for Woodstock, Tillsonburg, and Ingersoll.

Ownership Housing Affordability Gap Analysis

Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$97,900	\$150,800	\$197,200	\$244,600	\$299,100	\$355,400	\$421,600	\$508,100	\$644,900
Housing Type	Purchase Price									
Average Resale Price										
Blandford-Blenheim	\$1,005,000									
East Zorra Tavistock	\$828,000									
Ingersoll	\$832,746									
Norwich	\$972,780									
SW Oxford	\$1,283,463									
Woodstock	\$791,235									
Zorra	\$1,030,911									
Tillsonburg	\$766,625									
Oxford County	\$845,936									
Average New Sale Price - Woodstock										
Single-Family New (High)	\$1,120,644									
Single-Family New (Low)	\$786,683									
Condo Apartment New 2BR	\$578,450									
Condo Apartment New 3BR	\$750,000									
Townhose New 2BR	\$758,300									
Townhose New 2BR	\$951,389									
Average New Sale Price - Tillsonburg										
Single-Family New	\$1,100,000									
Condo Apartment New 2BR		Data Unavailable								
Condo Apartment New 3BR		Data Unavailable								
Townhose New 2BR	\$673,333									
Townhose New 2BR	\$756,429									
Average New Sale Price - Ingersoll										
Single-Family New (High)	\$760,141									
Single-Family New (Low)	\$659,060									
Condo Apartment New 2BR		Data Unavailable								
Condo Apartment New 3BR		Data Unavailable								
Townhose New 2BR	\$579,900									
Townhose New 2BR	\$689,000									

Ownership Affordability Gap Analysis

	Unaffordable
	Affordable

Rental Housing Affordability Gap Analysis

Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$410	\$580	\$740	\$950	\$1,150	\$1,370	\$1,640	\$2,030	\$2,670
Housing Type	Monthly Rental Rate									
WOODSTOCK										
New Apartment 1BR	\$1,409									
New Apartment 2BR	\$1,802									
New Apartment 3BR	\$1,910									
Older Apartment 1BR	\$1,298									
Older Apartment 2BR	\$1,632									
Older Apartment 3BR	\$2,393									
New Townhome 1BR	\$1,856									
New Townhome 2BR	\$2,153									
New Townhome 3BR	\$2,498									
Older Townhome 2BR	\$1,609									
Older Townhome 3BR	\$1,738									
Basement Apartment 1BR	\$1,288									
Basement Apartment 2BR	\$1,700									
Single/Semi-Detached 2BR	\$2,350									
Single/Semi-Detached 3BR	\$3,025									
TILLSONBURG										
New Apartment 1BR	\$1,469									
New Apartment 2BR	\$1,790									
New Apartment 3BR	\$2,000									
Older Apartment 1BR	\$1,169									
Older Apartment 2BR	\$1,349									
Older Apartment 3BR	\$1,421									
New Townhome 2BR	\$2,250									
New Townhome 3BR	\$2,674									
Older Townhome 2BR	\$1,700									
Older Townhome 3BR	\$2,150									
Basement Apartment 1BR	\$1,450									
Market Single/Semi-Detached 2BR	\$2,500									
Market Single/Semi-Detached 3BR	\$2,850									
INGERSOLL										
Older Apartment 1BR	\$1,148									
Older Apartment 2BR	\$1,295									
Older Apartment 3BR	\$1,500									
Older Townhome 2BR	\$1,425									
Older Townhome 3BR	\$1,655									
Basement Apartment 1BR	\$1,600									
Basement Apartment 2BR	\$1,950									
Market Single/Semi-Detached 2BR	\$2,550									
Market Single/Semi-Detached 3BR	\$2,800									

Rental Affordability Gap Analysis

	Unaffordable
	Affordable

Rental Affordability Gap Analysis – CMHC Thresholds

Rental Housing Affordability Gap Analysis										
Income Decile		1	2	3	4	5	6	7	8	9
Affordability Threshold		\$410	\$580	\$740	\$950	\$1,150	\$1,370	\$1,640	\$2,030	\$2,670
Housing Type	Monthly Rental Rate									
CMHC Average Market Rent										
80% CMHC AMR 1BR	\$850									
80% CMHC AMR 2BR	\$1,024									
80% CMHC AMR 3BR	\$889									
CMHC AMR 1BR	\$1,062									
CMHC AMR 2BR	\$1,280									
CMHC AMR 3BR	\$1,111									

	Unaffordable
	Affordable

Core Housing Need - Definition

- CMHC has utilized census data to assess households in Core Housing Need within municipalities across Canada.
- A household is in Core Housing Need if its housing does not meet one or more standards for housing:
 - Affordability: Household is spending more than 30% of before-tax household income.
 - Adequacy: Home requires major repairs.
 - Suitability: Home size is not adequate to the household size (i.e. family of 5 living in a 2-bedroom home).
 - Adequate housing does not require any major repairs, according to residents. Suitable housing has enough bedrooms for the size and make-up of resident households. Affordable housing costs less than 30 per cent of before-tax household income.
- In addition to providing total count of households experiencing Core Housing Need, CMHC provides specific data points to help identify the characteristics and socioeconomic indicators of these households.
- The following section provides an overview of this data to help Oxford County understand the needs of those experiencing affordability challenges.
- All data comes from the Canadian Census and CMHC Housing Portal. Data is available for only Woodstock, Tillsonburg, and Ingersoll.



Core Housing Need – Household Characteristics

Renter households have higher incidence of core housing need across all characteristics.

Key renter groups include:

- Older households (65 and over) and households with at least one-senior.
- Lone-parent and one-person households.
- Immigrants and recent immigrants.
- Households with activity limitations.

While certain owner groups will also face affordability challenges, clearly a larger need to address renter households across a variety of incomes and characteristics.

- Lone parent and one-person owner households appear to be facing large challenges.

Rising rents and home prices since 2016 are likely to alter this data and the findings.

Households in Core Housing Need by Household Characteristics (2016)						
Municipality	Woodstock		Ingersoll		Tillsonburg	
Tenure	Owner	Renter	Owner	Renter	Owner	Renter
Total - % Households in Core Housing Need	3%	26%	3%	29%	4%	30%
Age of Primary Household Maintainer						
15 to 24 years	6%	24%	0%	24%	0%	31%
25 to 34 years	1%	22%	2%	18%	4%	27%
35 to 44 years	2%	24%	0%	25%	2%	24%
45 to 54 years	3%	23%	2%	32%	2%	20%
55 to 64 years	5%	27%	4%	29%	6%	28%
65 years and over	4%	31%	5%	41%	4%	39%
Household Type						
Couple with children	1%	8%	0%	7%	1%	10%
Couple without children	2%	12%	2%	18%	1%	8%
Lone-parent household	8%	43%	5%	40%	9%	35%
One-person household	7%	33%	9%	39%	12%	42%
Household has at least one senior (65 or older)	4%	31%	5%	42%	4%	37%
Household has at least one child less than 18 years old	3%	27%	1%	23%	2%	28%
Immigration Status						
Non-immigrant	3%	26%	3%	28%	4%	30%
Immigrant	5%	25%	4%	39%	4%	24%
Recent immigrants (landed 2011-2016)	0%	30%	-	-	-	-
Household Characteristics						
Household has at least one person with activity limitations	4%	31%	4%	34%	5%	34%
Other Characteristics						
Aboriginal households	0%	17%	0%	36%	0%	35%

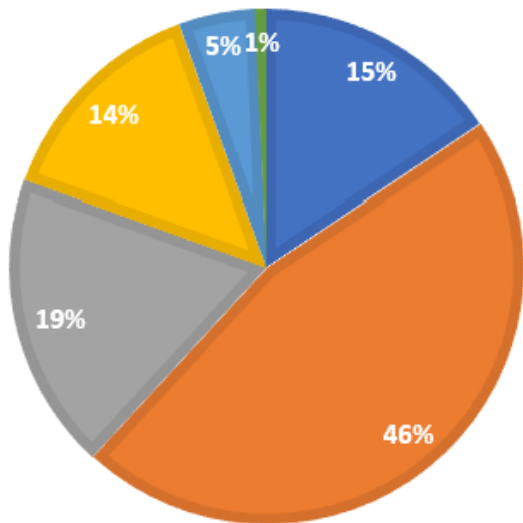
Source: CMHC Housing Portal Core Housing Need Analysis for Woodstock, Ingersoll, Tillsonburg. Red indicates variable is 5% above overall average for tenure.

RGI Wait List Characteristics

- There are approximately 2,400 households on the County's wait list for RGI affordable housing. The has been steadily growing over the past decade as affordability and growth pressures continue.
- The majority of households are seeking housing in Woodstock (69%), with almost all of the wait list concentrated in the three main municipalities (driven by the fact that this is where the majority of RGI housing is located).
- Nearly half of the wait list are from households aged 25-45, with seniors representing 16%.
- Nearly 62% of the wait list are seeking a one-bedroom / bachelor unit. Less than 6% are seeking large family size homes over 4-bedrooms.
- Wait-list represents County and non-profit asset data. Wait-list for the non-RGI affordable housing is unavailable.

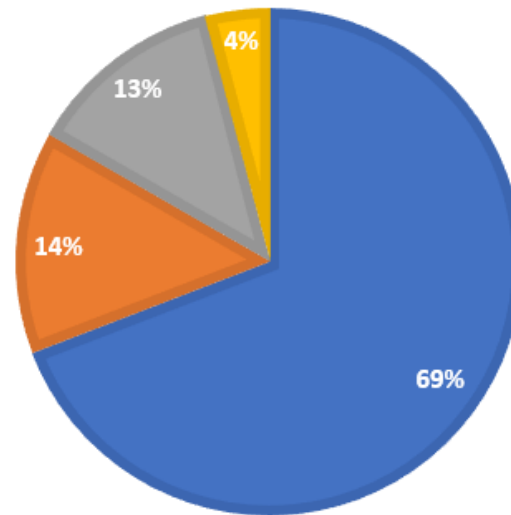
RGI WAIT LIST BY BEDROOM TYPE

■ bachelor ■ 1br ■ 2br ■ 3br ■ 4br ■ 5br



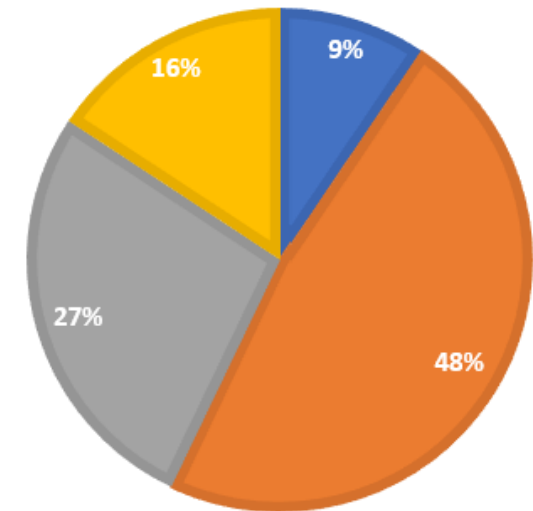
RGI WAIT LIST BY LOCATION

■ Woodstock ■ Ingersoll ■ Tillsonburg ■ Rural Municipalities



AGE OF HOUSEHOLDS ON THE RGI WAIT LIST

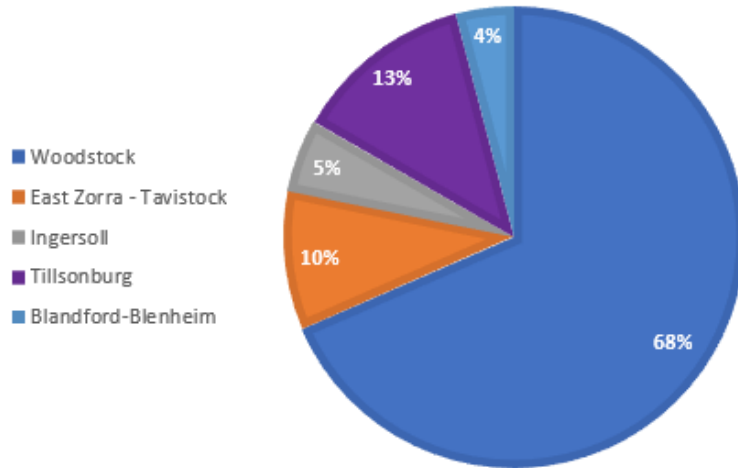
■ 18-24 ■ 25-45 ■ 46-65 ■ 65+



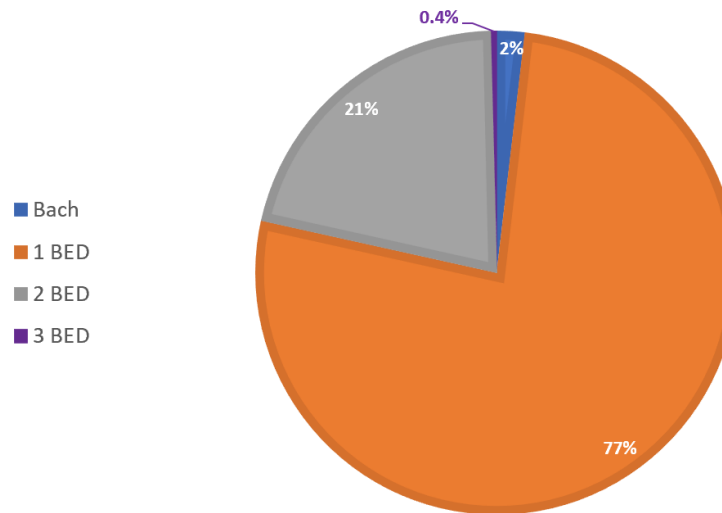
Characteristics of New Approved Affordable Housing Projects (2007-2022)

- This data includes all newly constructed affordable homes, which includes the 587 affordable homes identified on the previous page, 2 of which were affordable ownership units (developed by Habitat for Humanity) and 585 affordable rental homes. The 171 families assisted through Oxford's Home Ownership Program are not included here.
- 86% of the affordable units constructed in Oxford County since 2007 has been in the three urban municipalities, with Woodstock accommodating the majority of this activity (68%).
- One-bedroom units have been the most prevalent affordable housing unit delivered, followed by two-bedroom suites. Bachelor and three-bedroom units have represented a small proportion of new activity. A reflection of the above, singles and seniors (typically requiring one-bedroom units) have been the primary tenant targeted through new projects. Projects targeted specifically to seniors have represented over 40% of all new affordable housing supply.
- Just over 6% of all new affordable units have been accessible. Some new projects have incorporated social support and services.
- Parking has been provided at each development typically at a ratio of 1 to 2 spaces per unit. Some projects in more urban settings have proceeded with no or limited parking.

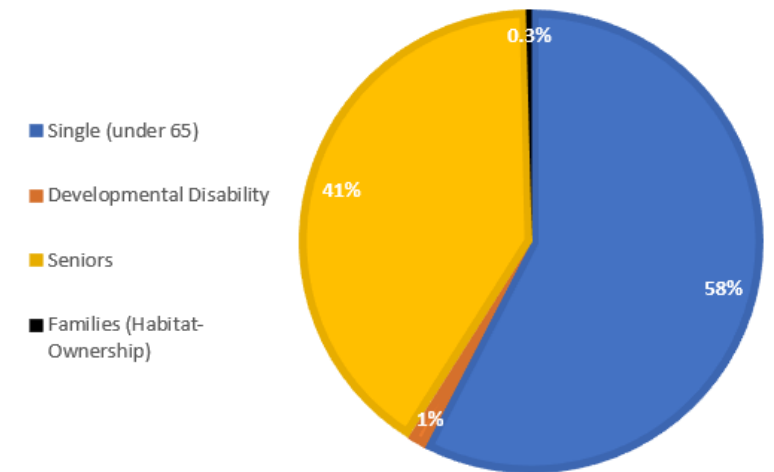
AFFORDABLE UNITS BY LOCATION IN THE COUNTY



AFFORDABLE UNITS BY BEDROOM TYPE



AFFORDABLE UNITS BY SERVICE MANDATE



Oxford County 10 Year Shelter Plan



FIVE YEAR REVIEW OF 10 YEAR SHELTER PLAN 2014-2024

Review completed in 2019



- The Oxford County Shelter Plan sets objectives and targets for a ten-year time frame (2014-2024) to support the vision of affordable housing for all. The plan was most recently updated in 2019.
- The plan identified many of the same growth and forecast characteristics as the MCR exercise.
 - Large growth in population and housing expected to continue.
 - Appreciation in the ownership and rental housing market expected to continue.
 - Growth has largely occurred in Woodstock, Tillsonburg, and Ingersoll, which is expected to continue. Diversity in housing type (i.e. apartments) largely located in these communities.
 - A large segment of the County's population cannot afford market ownership and rental homes.
- The plan identifies a significant unmet need for shelters and transitional housing, as well as 150 supportive homes, 2,000 rent-geared-to-income (RGI) homes, and 1,000 affordable rental homes, which has increased since the plan was last reviewed in 2019.
- Vulnerable groups most in need of housing include those with mental health needs or addictions, youth, those on social assistance, seniors, the working poor, Indigenous groups, and survivors of domestic abuse.
- The Oxford County 10 Year Shelter Plan seeks to achieve the following outcomes:
 - Increase affordable rental housing supply
 - Preserve and optimize the existing housing supply
 - Reduce chronic homelessness
 - Increase supportive housing
 - Increase rent supplement units in the community

100% Housed Plan

Addressing the Housing Crisis

February 2020



Targets and Progress on Affordable Housing Targets

- On June 10th, 2015, Oxford County Council established an annual target of creating 50 new affordable units every year. This target was established through the 10 Year Shelter Plan and supported through the 5-year update.
- Since 2007, County Council has approved a total of 30 affordable housing projects totaling 587 affordable units (average of 40 units per year over this period).
 - These projects were made possible through a funding commitment of \$23.5M from the Federal and Provincial government and an additional \$10.7M in County funding (excluding the value of development charge exemptions).
 - Since 2015, Oxford County has exceeded the 50-unit affordability target.
- The depth of affordability has typically ranged between 80% and 100% of the CMHC AMR. Buildings have also included a mix of affordable and market units, with 83% of the total yield being affordable.
- Most of this activity has occurred through local private and non-profit housing providers.
- Affordable projects have been a mix of apartments, stacked townhomes, townhomes, and other single-family formats.
- All projects are affordable rental aside from a Habitat for Humanity project in Blandford-Blenheim (2 semi-detached units).
- Since 2007, a total of 171 families in Oxford County have received down payment assistance loans through the Home Ownership Program to a total of \$1,977,005.

Overall Findings

- The data indicates that much of the housing in Oxford County is unaffordable to many households in the municipality.
- For ownership housing, 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. As home prices rise, existing owners are also likely using this equity growth to move to a larger / more expensive home. Other macro factors are also causing home prices to rise (low interest rates, strengthening demand, insufficient housing supply across Southern Ontario, financialization of housing, and others).
- Oxford County must adequately plan for increased housing demand and promote supply-side solutions (e.g. encouraging smaller homes/lots, more intensification). Other programs such as affordable home ownership (e.g. second mortgages), inter-generational housing, and second suites can also be investigated.
- Renters are also facing significant affordability challenges. Outside of a bachelor/1br apartment, rental apartments and rental single-family homes are unaffordable to roughly 70% of all rental households in the municipality. Unlike owners, most renters will overpay for housing, due to lack of choice, without any potential corresponding benefit.
- Lack of choice and supply are two key factors driving rental housing unaffordability, which is unlikely to improve without the introduction of new market and affordable supply.
- The affordable and social housing stock are also falling well short of demand, with significant unmet demand resulting in a large wait list, lengthy wait times, and increased pressure on the market rental housing stock and homelessness programs.
- When selecting an affordability target, it is important to note that 80% - 100% of the CMHC AMR is out of reach for many renter households. At the same time, there is also a broad range of households in need of affordable housing beyond 'senior' households.
- These findings should be revised and reassessed when the 2021 census data is released Q4 2022 to better reflect current incomes in the County.

Housing Targets and Affordability Thresholds

- Oxford County's current target of 50 affordable units has generally been met since the 10-Year Shelter Plan was adopted.
- Achieving this target required a significant funding commitment from all levels of government, including over \$10M from Oxford County over the past 15 years.
- This report clearly identifies that this target is insufficient to fully address the affordability gaps across the housing continuum.
- However, increasing the target will carry additional costs and resources. Establishing a new target should align with the County's ability to adequately fund new housing development.
- As identified on the previous page, new housing development should also begin to target a wider spectrum of households and affordability depths.
- If possible, Oxford County should increase this annual target to at least 100 units per year.

