

Housing Needs Assessment



Executive Summary October 2019

In 2019, the Town of Sidney initiated a Housing needs Assessment to understand existing needs and future demands for housing in Sidney. The study sought to:

- Build understanding of the current and future housing needs in the community to inform housing-related policies and the Town’s Official Community Plan review
- Document the availability, state of repair, affordability, and suitability of existing housing across the housing continuum
- Develop projections of housing types and tenures to meet population growth

Sidney’s Housing Continuum



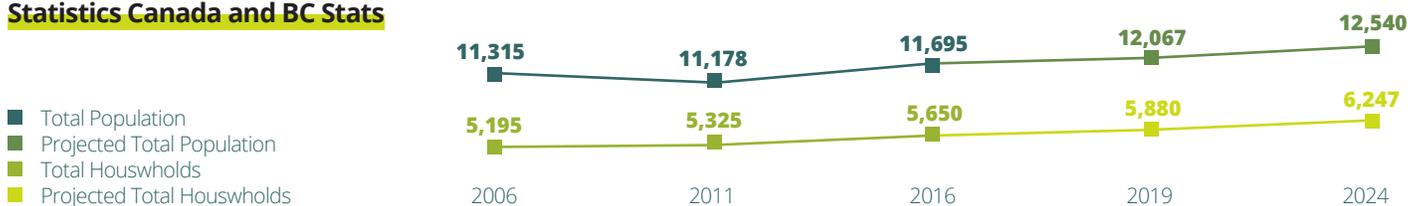
Demographic Trends

POPULATION

Between 2006 and 2016, Sidney grew slower than the CRD overall, by 5 percent compared to 11 percent, respectively. 44 percent of Sidney residents moved between 2011 and 2016, and 56 percent of movers came from outside of the town.

Sidney has an older population and is aging. 39 percent of the population is 65 years of age or older, compared to 20 percent in the CRD. This is reflected in the high number of seniors-serving housing and support organizations. New housing developments are predominantly being built to serve retirees looking to downsize.

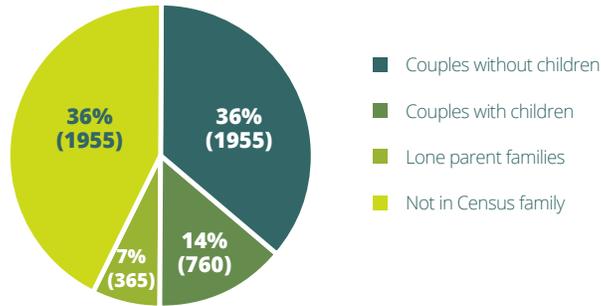
Historical and Projected Growth in Sidney, 2006-2024 Statistics Canada and BC Stats



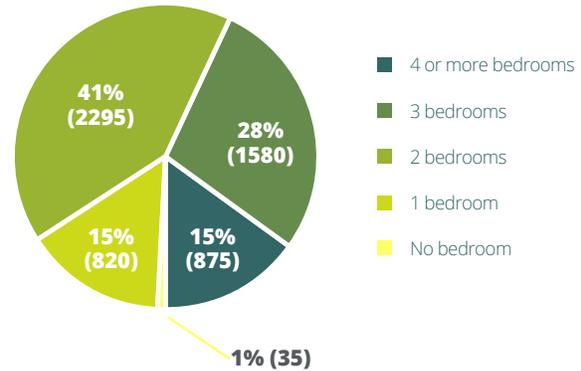
HOUSEHOLDS

There were 5,605 households in Sidney in 2016. Between 2006 and 2016, the number of households grew by 11 percent, faster than population growth. 44 percent of homes have three or more bedrooms, though 80 percent of households are only one or two people. Sidney's distribution of housing sizes is similar to CRD's though Sidney has a high proportion of two-bedroom units.

Household Type (2016) Statistics Canada



Number of Bedrooms (2016) Statistics Canada



Housing Trends

TENURE & INCOME

The median income is slightly lower in Sidney than the region as a whole: \$64,151 in Sidney vs. \$69,642 for the region as a whole. The median income for Sidney grew by 10% between 2006 and 2016.

RENTERS

24% (1355)

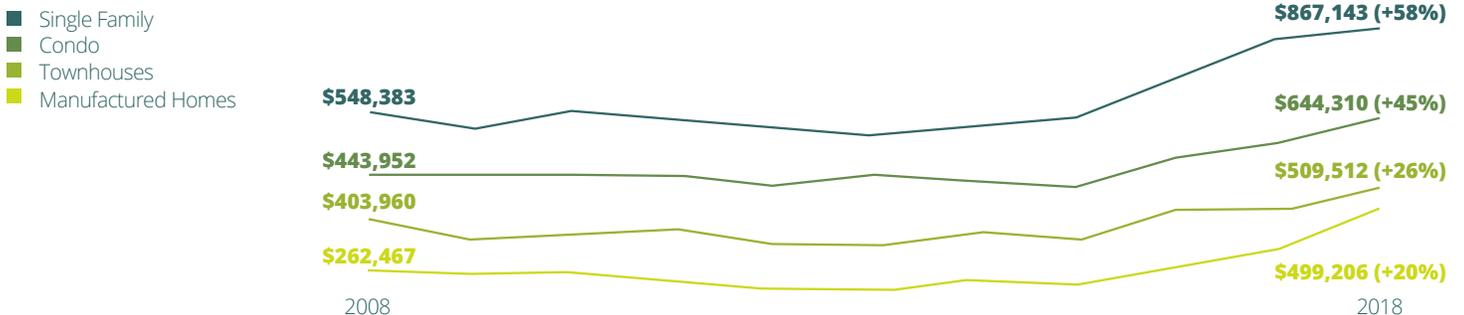
OWNERS

76% (4250)

HOMEOWNERSHIP

Like many urban areas in BC, Sidney is experiencing extremely high costs of homeownership.

Average Sales Price, 2008-2018 Victoria Real Estate Board



Market Homeownership Affordability Gap Analysis

The homeownership affordability gap analysis showed that median incomes are not enough to afford homeownership in the community, based on 2019 BC Assessment average sales prices. The only household type that did not experience an affordability gap at the median income was couples with children in relation to one- to two-bedroom units.

	MEDIAN HOUSEHOLD INCOME*	AFFORDABLE MONTHLY SHELTER COSTS	MONTHLY AFFORDABILITY GAP**				
			SINGLE FAMILY HOME (3-BEDROOM) \$844,463	DUPLEX, TRIPLEX, OR FOURPLEX \$838,957	ROW HOME (2-BEDROOM) \$622,193	APARTMENT (2-BEDROOM) \$533,195	APARTMENT (1-BEDROOM) \$354,309
COUPLES WITHOUT CHILDREN	\$88,194	\$2,497	-\$1,535	-\$1,444	-\$293	-\$206	\$547 (no gap)
COUPLES WITH CHILDREN	\$115,759	\$3,166	-\$846	-\$755	\$396 (no gap)	\$483 (no gap)	\$1,236 (no gap)
LONE-PARENT FAMILIES	\$64,864	\$1,848	-\$2,119	-\$2,028	-\$876	-\$789	-\$36
INDIVIDUALS NOT IN CENSUS FAMILIES	\$40,457	\$1,222	-\$2,729	-\$2,638	-\$1,486	-\$1,399	-\$647

*Adjusted for 2019 and for owner median households

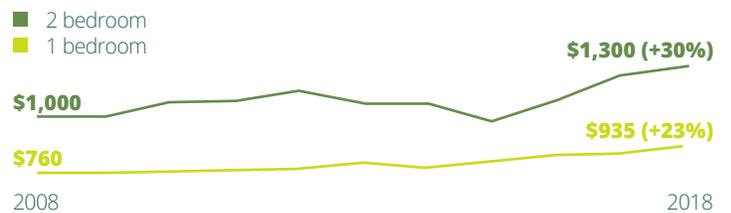
**Based on sale prices from 2019 BC Assessment data for Sidney

RENTERSHIP

There were 256 primary rental units in Sidney as of 2018 and this has been stable for the past decade. It is estimated that more than 1,000 households rent in the secondary rental market.

Since 2015, Sidney's rental primary rental vacancy rate has been close to 0% and rental rates have increased at an accelerating pace. Local data is limited on secondary suites, but regional data indicates that secondary rental costs are also increasing.

Primary Rental Market Median Rents, 2008-2018 CMHC



Market Rental Housing Affordability Gap Analysis

The rental gap analysis indicates that individuals not in Census families and lone-parent families would not be able to afford an appropriate unit in the primary rental market based on 2018 median rents.

	MEDIAN HOUSEHOLD INCOME*	AFFORDABLE MONTHLY SHELTER COSTS	AFFORDABILITY GAP**	
			APARTMENT (2-BEDROOM) \$1,460	APARTMENT (1-BEDROOM) \$1,095
COUPLES WITHOUT CHILDREN	\$60,926	\$1,523	\$63 (no gap)	\$428 (no gap)
COUPLES WITH CHILDREN	\$77,229	\$1,931	\$470 (no gap)	\$835 (no gap)
LONE-PARENT FAMILIES	\$45,086	\$1,127	-\$333	\$32 (no gap)
INDIVIDUALS NOT IN CENSUS FAMILIES	\$29,805	\$745	-\$715	-\$350

*Adjusted for 2019 and renter households

**Median rents based on 2018 CMHC Rental Housing Survey data for Sidney

HOUSING INDICATORS AND CORE HOUSING NEED

Housing indicators—affordability, suitability, and adequacy—are key to identifying areas of housing challenges in a community. In Sidney, affordability is the greatest issue facing households.

Housing Indicators for Sidney

UNSUITABLE - 2%

35 65

INADEQUATE (MAJOR REPAIRS NEEDED) - 3%

65 125

UNAFFORDABLE (SPENDING 30%+ ON SHELTER) - 22%

555

635

■ Owner
■ Renter

Core Housing Need identifies households whose housing does not meet the minimum requirements of at least one of the adequacy, affordability, or suitability indicators. In addition, households would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (meets all three housing standards).

Core Housing Need Statistics Canada

400 70

RENTERS

OWNERS

Needs Summary

HOMEOWNERSHIP

Sidney has a significant number of new multi-family and single-detached units that were recently built or are under construction. This will likely address the needs of anticipated population growth.

Most households, except for those making very high incomes, are priced out of homeownership. Attainable homeownership opportunities would help younger individuals and families to Sidney.

SUPPORTIVE AND TRANSITIONAL HOUSING

There is a need for continued investment in supportive and transitional housing, in partnership with BC Housing and non-profit housing providers. BC Housing's Housing Registry identified 37 Sidney households waiting for housing.



FAMILY HOUSING – 15 households



PEOPLE WITH DISABILITIES – 6 households



SENIORS – 12 households



SINGLES / WHEELCHAIR MODIFIED (categories combined due to privacy concerns) – (4 households)

This study did not collect waitlist data from non-profit housing providers or seniors housing providers unaffiliated with BC Housing. The true number of households waiting for non-market housing units is likely much greater than this.

RENTAL

The greatest need in Sidney is rental units at different affordability levels. The table below outlines the estimated number of rental units needed to meet existing need and anticipated growth.

Housing Need Summary

NEED	EXISTING UNMET NEED (AS OF 2016)	FUTURE DEMAND (2016 TO 2024)
Below-market rental	400*	25
Near-market rental	155*	9
Market rental	At least 42**	44
Total Units Estimated	At least 597	78

*These figures indicate the number of households that are estimated to face affordability challenges in Sidney (the biggest issue found in the data). These figures are only intended to show how many households have housing need in the community that cannot be addressed with the existing supply (due to cost or lack of availability).

**This figure shows the number of units required to increase the vacancy rate to 3 percent if the number of renter households stayed the same (a healthy vacancy rate is generally considered to be between 3 and 5 percent. This should be interpreted with caution as it is based on all other variables staying the same. It does not account for demand from outside of the community or latent demand from renters living in shared accommodation or with family.

Recommendations

In recent years, the Town has made progress in adopting land use regulations and policies that are supportive of rental and affordable housing. Since 2016, reflecting demand for housing in Sidney, a total of 321 new units (including 100 single-family houses and 211 multi-family units) have been built and an additional 450 units have been approved, including 100 purpose-built rental units.

While Sidney is making significant progress in expanding its housing stock, most of the new units are geared towards the higher-end ownership market and retirees and will not meet the existing affordable housing needs identified in the table above. Due to current market conditions, including the high cost of land and construction, achieving the affordability levels needed will require a combination of municipal incentives, support from senior government, and partnership with developers and/or non-profit housing providers.

The full Housing Needs Assessment identifies recommendation actions under three strategies for increasing the supply of affordable and diverse housing options in Sidney:

STRATEGY #1—Strengthen policies and regulations to prioritize needed housing types

STRATEGY #2—Strengthen incentives for non-profit and private developers

STRATEGY #3—Develop and strengthen partnerships and coordination