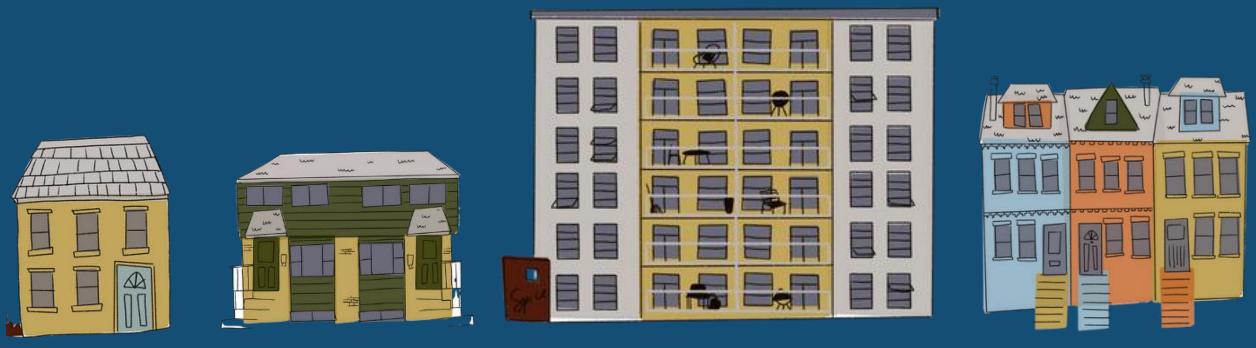
Municipality of the District of Shelburne

Municipal Housing Needs Report

2023



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1 Introduction

The purpose of a housing needs assessment is to understand the current and anticipated housing conditions across a given geography, in the case of this and accompanying reports, the conditions across the province of Nova Scotia and its municipalities. Generally, this work strengthens the ability of local stakeholders and governments to:

- Identify current and future housing needs and
- Identify existing and projected gaps in housing supply

Empowering municipalities and the province to become effective partners in housing provision requires reliable data to identify the stock necessary to meet current and future needs and how to drive related policy and investment. The insights generated by a needs assessment can help to inform ongoing land use and social planning initiatives at the local level, as well as provide hard evidence in support of advocacy to more senior levels of government.

The goal of this municipal report is to share appropriate, available, and accurate data to municipal governments so that they further understand their current housing situation and what they might anticipate. It is important to note that the same data methodologies and calculations are applied across each municipality, based on available data. This means that reports cannot consider all the nuanced conditions of individual communities that would be known best by municipal staff, stakeholders, and residents.

The report should be considered a form of base knowledge, intended for local review and discussion. Municipalities should use local information to provide additional context and information for discussion and decision-making as they see fit. For more details about methodologies, provincial trends, and definitions, please refer to the **Provincial Report**.

Note that all data references the municipality unless noted otherwise.

2 Key Findings

Housing shortage
As of the end of 2022, there was a gap between housing demand and the available supply of about 240 units, including both market and non-market housing.

Projections suggest that to keep pace with population growth, the municipality will need 200 new units by 2027 (including the existing shortage) and 160 by 2032. Status quo construction may not be enough to meet the 2027 projected demand. About 20 new units could be completed annually based on historical construction trends. If that pace continues, it will leave a remaining gap of 100 units by 2027 but there may be an anticipated surplus by 2032 (all else being equal).

> *"Most available land lacks water and sewage. So, this is an added cost to any development that may deter interest because of the increase in costs."*

Population
Between 2016 and 2021, the population of the District of Shelburne increased by 1%, compared to the provincial growth rate of 5%. The municipality experienced particularly strong growth among 65-to-84-year-olds, though increases also occurred among 0- to 14- and 25- to 44-year-olds.

Finance & Treasury Board (FTB) estimates suggest that the 2022 total population was 4,405, with a projected decrease of 1% between 2022 and 2027. Senior populations should increase during that time, with decreases mostly occurring among non-senior populations.

Contraction from 2027 to 2032 may be of a similar magnitude (-1%) compared to the half-decade prior.

Households
Between 2016 and 2021, there was an overall 5% increase in households, with tenures split into 84% owners and 16% renters. Households in the District of Shelburne are also getting smaller with a 13% increase in 1-person households between census periods.

Estimates suggest that total households reached 2,065 in 2022, with a potential decrease from 2022 to 2027 (5 total). Growth may only occur among senior-led households.

Senior-led households (particularly those with a maintainer aged 85+) should remain the cohort with greatest relative growth from 2027 to 2023.

Non-market housing

As of January 2023, the District of Shelburne had a public-housing inventory of 19 units, of which 4 were for families and 15 for seniors.

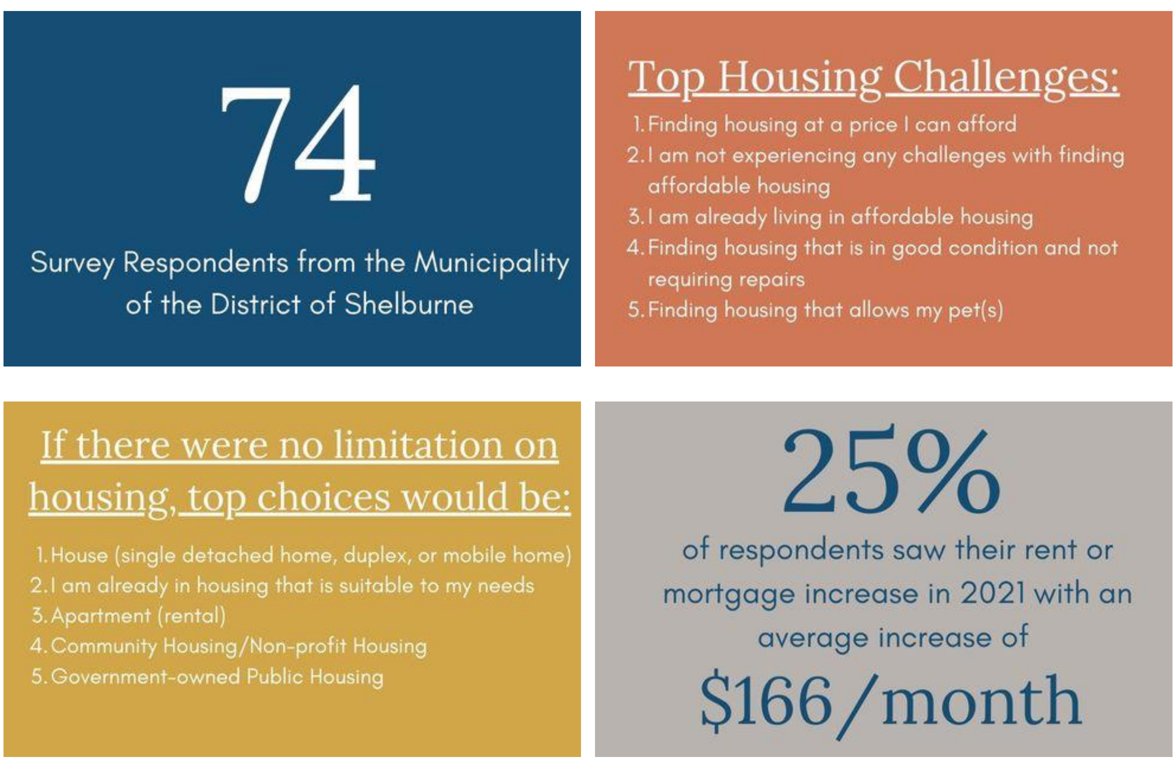
Short-term rentals (STRs)

About 1.5% of the municipality's housing inventory may have been used as a short-term commercial rental in 2021 (the last full year of data). This means that upwards of 47 units might have been removed from the long-term market, though it is uncertain exactly how many would have been long-term rentals or purchased for permanent occupancy if not used as a STR.

Shelter costs

Average rents reported by the Property Valuation Services Corporation (PVSC) decreased 6% from 2020 to 2021, following a 12% increase between 2019 and 2020. Notwithstanding, PVSC reported a slight decrease in the local vacancy from 7.5% in 2020 to 7.0% in 2021, falling above the healthy vacancy range of 3% to 5%.

Median municipality home prices increased 98% from 2019 to 2022, compared to 4% between 2016 and 2019. The rapid rise in prices is a combination of increased demand and low interest rates (until recently).



Municipality's public survey responses

Affordability

About 53% of all couples, 72% of all lone-parent households, and 94% of all single person households earned below the estimated income required to afford the 2022 median sale price of a local dwelling. For rentals, about 47% of **renting** single persons earned below the estimated income required to afford the 2021 average local rents.

Housing need

When a household lives in a dwelling that requires more than 30% of its before-tax household income, is overcrowded, and needs major repairs – and no alternative exists – it is in Core Housing Need. In 2021, about 9% of the municipality's households (945 total) lived in Core Housing Need. Need is particularly prevalent among:

- 28% of renter households (90 total);
- 19% of lone parent households (30 total); and
- 19% of single persons / roommate households (130 total)

Generally, the number of people in and rates of Core Housing Need across segments has decreased since 2016. However, comparing 2021 to 2016 rates (particularly for affordability) is difficult given the influence of the Canada Emergency Response Benefit (CERB) on incomes. Overall, the municipality reported a lower rate of Core Housing Need that of Nova Scotia overall (10%).

3 Housing Supply

3.1 Market Housing

As of the 2021 Census, there were 2,735 private dwellings across the District of Shelburne, 75% of which were occupied by usual residents (those who live in municipality permanently). The rest of the inventory may either be occupied solely by foreign residents and/or by temporarily present persons, and unoccupied dwellings. For those dwellings occupied by usual residents, Table 3-1 summarizes the totals and distribution by structure type for the district. The overwhelming share of current supply is held by the single-detached home (86%).

Table 3-1: Total & Share of Dwellings Occupied by a Usual Resident by Structure Type

Total	Single-detached	Semi-detached	Row house	Duplex apt	Apt (< 5 storeys)	Apt (5+ storeys)	Movable	Other
2,055	1,765	30	0	5	60	0	205	0
100%	86%	1%	0%	0%	3%	0%	10%	0%

Source: 2021 Census

73%

of respondents live in housing in need of repairs

85%

of respondents do not feel they could find a suitable alternative if their housing situation changed unexpectedly

District of Shelburne's public survey responses

3.1.1 Construction Activity

The pace of construction is represented by the annual total units permitted, units started, and units completed – these are separate but related phases of the same unit construction process.

A permit signifies the anticipated future housing to be built, a start reflects how many permits led to a shovel in the ground, and a completion represents how many units were actually added to the occupiable supply. Construction takes time and its pace varies depending on the building type. Consequently, the number of units permitted in one year cannot be directly linked to starts or completions in another. The **Provincial Report** offers a detailed explanation of each element.

Table 3-2 shows the number units permitted in the municipality. Note that 2022 data reflects an extrapolated September 2022 total and that negative numbers mean more demolitions occurred than new builds. Starts and completions data is not available.

Table 3-2: Construction Activity by Dwelling Type

Units permitted							
	2010	2017	2018	2019	2020	2021	2022*
Total	11	10	11	14	28	47	64
Single	9	9	8	6	16	20	40
Semi	0	0	0	0	-2	0	0
Row	0	0	0	0	3	0	1
Apartment	0	0	0	0	0	15	0
Other	2	1	3	8	11	12	23

** 2022 units permitted extrapolated from September 2022 YTD to date totals to reflect entire year.*
Source: Statistics Canada Custom CSD Tables 34-10-0001, 34-10-0066

Table 3-3 summarizes the change in unit size and tenure between the 2016 and 2021 Censuses. The distribution of new units shows what sizes are most occupied by renter and owner households. These Census results indicate that the long-term rental supply is growing at a faster pace than ownership relative to percent change – owner occupied dwellings increased 2% and renter occupied dwellings increased 20%.

Table 3-3: Change in Units by Size & Tenure between Census Periods

	Total	Studio / 1-bedroom	2-bedroom	3+ bedroom
Owned dwellings				
Owned (2016) - 86% of total HHs	1,690	85	490	1,125
Owned (2021) - 84% of total HHs	1,725	90	495	1,140
Change in units	35	5	5	15
Share of change	100%	20%	20%	60%
Rented dwellings				
Rented (2016) - 14% of total HHs	280	10	115	150
Rented (2021) - 16% of total HHs	335	45	115	180
Change in units	55	35	0	30
Share of change	100%	54%	0%	46%

Source: Statistics Canada Tables 98-400-X2016220 & 98-10-0240

Note that not all additional units in the table necessarily reflect a new unit, and some may represent conversions from rental to ownership or vice versa. Between 2016 and 2021, total dwellings (not only occupied by a usual resident) increased from 2,635 to 2,735 – a 100-unit increase. The share of the existing inventory that is permanently occupied remained about the same over time, suggesting the new households were at least partially related to the growth in the overall inventory.

Table 3-4: Change in Total Dwellings versus Dwellings Occupied by Usual Residents

Dwellings	2016	2021	% change
Total dwellings (a)	2,635	2,735	3.8%
Dwelling occupied by a usual resident (b)	1,970	2,055	4.3%
Share (b / a)	75%	75%	

Source: Statistics Canada 2016 & 2021 Census

3.1.2 Housing Accelerator Fund Considerations

The Housing Accelerator Fund (HAF) is a program introduced by the Canada Mortgage & Housing Corporation (CMHC) with the objective to bolster the housing supply at an accelerated pace. Local governments within Canada – including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals – are eligible to apply to the HAF. Interested municipalities can find the HAF's pre-application reference material **here**. Note that a Housing Needs Assessment (such as this one) is required as part of a complete application (though not needed immediately for the initial submission).

An applicant is required to provide two projections to CMHC. The applicant must calculate their own projections based on reasonable assumptions and data sources, including Statistics Canada and/or its own administrative data. There is no prescribed formula; however, projections should be based on a three-year period ending September 1, 2026. The two projections are:

- The total permitted housing units projected without program funding.
- The total number of permitted housing units projected with program funding. This second projection is known as the "housing supply growth target."

For additional guidance, Table 3-5 summarizes the growth by unit type (more closely defined with HAF application requirements) and tenure between 2016 and 2021. The table demonstrates that single-detached dwellings were the most notable form of occupied housing added to the long-term market.

Table 3-5: Unit Change by Estimated HAF Dwelling Type & Tenure, 2016 & 2021 Census

	Total	Single[a]	Missing middle[b]	Multi-unit[c]
Total dwellings				
Total (2016)	1,970	1,740	235	0
Total (2021)	2,060	1,760	295	0
Change in units	90	20	60	0
Share of change	100%	25%	75%	0%
Owned dwellings				
Owned (2016)	1,690	1,565	130	0
Owned (2021)	1,725	1,580	135	0
Change in units	35	15	5	0
Share of change	100%	75%	25%	0%
Rented dwellings				
Rented (2016)	280	175	105	0
Rented (2021)	335	180	160	0
Change in units	55	5	55	0
Share of change	100%	8%	92%	0%

a Single means single-detached homes, which are buildings containing 1 dwelling unit, which is completely separated on all sides from any other dwelling or structure.
b Missing middle refers to ground-oriented housing types that exist between single-detached and mid-rise apartments. This includes garden suites, secondary suites, duplexes, triplexes, fourplexes, row houses, courtyard housing, low-rise apartments (less than 4 storeys). Note that this definition for low-rise does not match the Statistics Canada cut off less than 5 storeys.
c Multi-unit refers to apartments that are 4-or-more storeys. The HAF further defines these by whether they are in close proximity to rapid transit or not, which is not possible to summarize based on the data available.
Source: Statistics Canada Tables 98-400-X2016220 & 98-10-0240

CMHC does not prescribe a formula for projections, leaving this decision up to the municipality who would know best about on the ground construction activity (not only by the numbers but also through discussions with local builders/developers).

A simple example includes using most recent permitting data (the five-year average between 2017 and 2021), applying the historical shares of new construction between 2016 and 2021, and comparing the potential units permitted to the estimated total demand over the three years (based on Housing Shortage data – 4). The results, shown in Table 3-6, are for discussion purposes and not a prescribed logic – the municipality can form its own approach based on other data provided and internal resources.

Note that the final column provides the straight-lined shortage anticipated by the end of the HAF. This may not represent the total possible intervention by the HAF, as this depends on the choices made by the municipality. Rather, it highlights the total shortage the HAF can help reduce. Furthermore, values are rounded to the nearest 5.

Table 3-6: Example of Simple HAF Permit Projection

	Historical share of new housing	Possible annual units permitted	Estimated 3-year units permitted [a]	Estimated 3-year unit demand [a]	Gap that HAF can help reduce
Total	100%	20	60 (A)	210 (B)	150
Single	25%	5	15	55	40
Missing middle	75%	15	45	160	115
Multi-unit	0%	0	0	0	0

Relationship between units permitted and shortage	
C: Estimated September 2023 housing stock: [b]	2,815
Projected permitted unit growth over 3 years without HAF (A / C x 100):	2.1%
Projected permitted unit growth over 3 years needed to meet demand (B / C x 100):	7.5%
% increase in units permitted to meet shortage (B / A - 1): x 100	250%

Relationship between units permitted and HAF requirements (rounded up to nearest 5)	
D: Estimated September 2023 housing stock: [b]	2,815
E: Projected annual units permitted (based on '16-'21 average – see Table 3-2)	20
Required units permitted over 3 years to meet minimum 1.1% average annual growth rate [c] (D x 1.1% x 3 years)	95
Required additional units permitted over 3 years to meet minimum 10% increase [d] over historical average (E x 10% x 3 years)	10

[a] *Units permitted between September 2023 and September 2026; 3-year unit demand includes 2022 shortage*

[b] *2021 Census (Statistics Canada) + 2021 permits + 2021 permits x 2/3 (September 2023 estimate)*

[c] *Average annual units permitted (min. 1.1%) = Total number of units permitted with HAF support / 3 years / Total dwelling stock (results rounded up to nearest 5)*

[d] *Increase in units permitted (min. 10%) = (Projected average housing supply growth rate with HAF) / Projected average housing supply growth rate without HAF) – 1 (results rounded up to nearest 5)*

3.2 Non-Market Housing

3.2.1 Public Housing

Of the 11,200 total inventory of publicly owned dwelling units (as administered by the Nova Scotia Public Housing Authority), 19 are located in the District of Shelburne – 4 of these units are reserved for families, while 15 are for seniors' housing. Most units are

1-bedroom apartments, due to the high volume of units senior-specific units – 79% of all units and 100% of these 1-bedroom units are reserved for seniors.

About 57% of the District of Shelburne's public housing tenants have lived in public housing for more than 5 years.

Table 3-7: Public Housing Inventory, January 2023

		Total	Family	Senior
	Total unit inventory	19	4	15
Inventory by unit size	Studio	0	0	0
	1-bedroom	14	0	14
	2-bedroom	1	0	1
	3+ bedroom	4	4	0
	Not reported	0	0	0
Inventory by dwelling type	Single family	0	0	0
	Row	0	0	0
	Apartment	15	0	15
	Not reported	4	4	0
Length of tenure in public housing	Less than 1 year	14%	0%	18%
	1 to 5 years	29%	33%	27%
	5 to 10 years	43%	67%	36%
	10+ years	14%	0%	18%
Household income	Median income (mth)	$1,780	$1,950	$1,730
	Median income (ann)	$21,360	$23,400	$20,760

Source: Derived from Ministry of Municipal Affairs & Housing data

3.2.2 Rent Supplements

As of March 2023, 31 households across the Shelburne Census Division (no data is specifically available for the District of Shelburne) were receiving rent supplement support, equivalent to 49 total people. About 29% were families, 49% were seniors, and 22% were classified as non-elderly single households.

Table 3-8 further details the percentage share of rent supplements that served a specific vulnerable population.

Table 3-8: Rent Supplement Demographics, Shelburne Census Division, March 2023

	Total	Family	Senior	Non-elderly
Total rent supplements	31	9	15	7
People benefiting	49	27	15	7
Average HH size	1.6	3.0	1.0	1.0
Average dependents	0.5	1.9	0.0	0.0
Share of supplements serving a vulnerable group:				
Indigenous person(s)	0%	0%	0%	0%
Person(s) w/ a disability	19%	33%	7%	29%
At risk of homelessness	19%	22%	7%	43%
Homeless	0%	0%	0%	0%
Newcomer(s)	3%	11%	0%	0%
Mental health / addictions	13%	33%	0%	14%
Racialized person(s)	0%	0%	0%	0%
Veteran(s)	0%	0%	0%	0%
Fleeing domestic violence	6%	22%	0%	0%
Young adults	3%	11%	0%	0%

Source: derived from Ministry of Municipal Affairs & Housing data

3.2.3 Non-Profit & Co-operative Housing and Shelters

Formal datasets related to third-party affordable housing organizations and their unit inventories are limited. The **Provincial Report** offers some discussion about what shelters exist provincially, with some detail by Economic Region.

> *"[The District has] people living in travel trailers hoping to find housing before the winter."*

3.3 Short-Term Rentals (STRs)

Between 2018 and2022, there has been an increase of 41 dwellings used as short-term rentals. In 2022, 97% were entire homes or apartments, of which 53 were potentially[1] "commercial" units – meaning they were available or reserved more than 50% of the year.

[1]Noted as "potentially" since 2022 data is only up to September.

If 2021 commercial units are compared to the 2021 dwelling stock (2,735 – as per the Census), about 1.5% of the municipality's housing inventory may have been used as a short-term commercial rental.

Table 3-9: Short-Term Rental Activity & Inventory

	Data by year				Percent change		
	2018	2020	2021	2022	'18-'20	'20-'22	18-'22**
Total unique STRs	55	75	91	96	+36%	+28%	+75%
Entire home/apt	51	72	87	93	+41%	+29%	+82%
Hotel room	0	0	0	0	n.a.	n.a.	n.a.
Private room	4	3	4	3	-25%	0%	-25%
Shared room	0	0	0	0	n.a.	n.a.	n.a.
Avg annual revenue	$3,656	$6,492	$8,459	$9,018	+78%	+39%	+147%
Total market ('000s)	$201	$487	$770	$866	+142%	+78%	+331%
Commercial STRs*	39	42	47	53	+8%	+26%	+36%

** A commercial STR is one that was listed as available and/or has been reserved more than 50% of the days in a calendar year.*
*** 2022 data reflects as of September 2022. Commercial STRs use 9 months for their calculations versus a full year.*
Source: derived from AirDNA data

4 Housing Shortage

Based on demographic modeling results (see **Provincial Report** for details), the municipality's potential housing shortage (as of the end of 2022) may be 240 units.[2] Note that this estimate represents the sum of all units, be they rented or owned in terms of their tenure, or market or non-market housing.

Figure 4.1 offers a summary of the trajectory of the housing shortage over the next decade under a base population growth scenario provided by Nova Scotia's Department of Finance and Treasury Board.

In five years, the municipality may have a total dwelling demand (existing shortfall plus anticipated demand) of about 200 units, which could decrease to 160 by 2032.

> *"In most industries, workers need to come from away and it's very difficult to house these workers. And it's the same problem for securing healthcare professionals."*
>
> *"[Major] industries often resort to building their own housing."*

Based on the recent trends, supply could outpace anticipated new demand. About 20 new units could be completed annually over the next decade, based on assumptions using historical data trends. That leaves a remaining gap of 100 units by 2027. By 2032, there may be a surplus. Note that status quo construction follows the method used in the provincial report, being average historical permits adjusted by 5% to account for permit withdrawals or cancellations. Results are rounded to the nearest 5.[3]

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[2] The allocation of unit shortages is based on results for the Census Division, apportioned to its respective municipalities based on their share of local household change between 2016 and 2021.

[3] All municipalities use the same approach for consistency. However, for smaller municipalities, the combination of fewer units permitted and rounding practices can under or over represent anticipated construction activity. As such, greater attention should be directed to the projected demand, instead of anticipated supply, which can be later cross-reference with internal municipal data.

Figure 4.1: Anticipated Unit Gap based on Total Units Required and Estimated Completions, Demographic Model Results

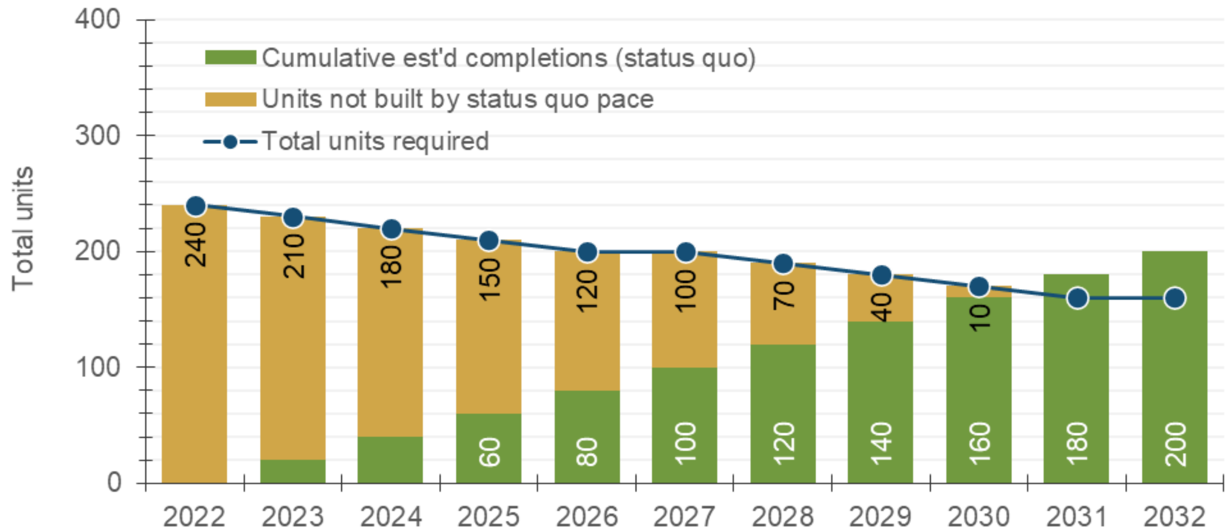


Table 4-1 summarizes possible guides for constructing unit sizes over the next five years. As previously described, about 200 new units may be needed to meet demand by 2027. Based on historical preferences,[4] about 30% could be studio/1-bedroom dwellings (60 units), 40% 2-bedroom dwellings (80), and 30% 3+ bedroom dwellings (60). This includes the existing unit shortfall.

Table 4-1: Estimated Current & Anticipated Unit Shortfall by Unit Size, 2022-2027

	Total	Studio + 1-bedroom	2-bedroom	3+ bedroom
A: Current shortfall (end of 2022)	240	70	95	70
B: Total units required by **2027**	200	60	80	60
C: Anticipated 5 year supply (status quo pace*)	100	30	40	30
D: Total shortfall	100	30	40	30
E: Total extra units required annually (D / 5 years)	20	5	10	5

** The distribution of supply is based on household preferences, not actual anticipated build out.*

[4] In this case, unit sizes reflect the preference for unit size, not the historical distribution of unit sizes in the existing inventory. Briefly, historical distributions of household sizes by household family types are used to estimate required bedrooms. The estimated share of unit sizes is then distributed into forecasted demand calculations. More explanation about how preference distributes can be found in the Housing Shortage section of the Provincial report.

5 Housing Affordability

36%

of respondents are spending more than 30% of their income on housing

25%

of respondents saw their rent or mortgage increase in 2021 with an average increase of

$166/month

Municipality's public survey responses

5.1 Homeownership

Housing is becoming more expensive. This is not simply a claim of observing the appreciation of property as a commodity but also as an increase relative to other periods, levels of income, and availability.

5.1.1 Market Activity

Median sale prices across Nova Scotia have seen increases since 2016, with significant increases since 2019. The District of Shelburne's median sale price increased from $132,500 to $272,000 between 2016 and 2022. This represents a 105% change in median sale price.

Table 5-1: Median Sale Prices by Dwelling Type & Select Years

	Price				Percent Change		
	2010	2016	2019	2022	'10-'16	'16-'19	'19-'22
Total	$101,000	$132,500	$137,500	$272,000	+31%	+4%	+98%
Single	$138,500	$157,000	$147,500	$272,000	+13%	-6%	+84%

Source: NSAR MLS®

The increase in price can, at least in part, be attributed to an increase in demand. Figure 5-1 illustrates the sale-to-list-price ratio compared to the median days a dwelling was on the market. The number of days on the market is a general indicator of market demand (fewer days means more interest and more days means less interest). As the number of days on the market decreases, there is generally a rise in sale prices (and sale to list price ratios). This is no different for Shelburne. With recent declines in the median days on the market, the median sale to list price ratio has gradually increased.

Figure 5.1: Historical Median Days on Market vs. Median Sales–List Price Ratio

Source: NSAR MLS®

5.1.2 Homeownership Affordability

Table 5-2 details the percentage share of households, separated by household types, that could afford a home based on their respective income levels versus the median sale prices from 2022. The affordability threshold is the same used by Statistics Canada and CMHC – 30% of before-tax household income spent on shelter costs. Shelter cost calculations include the direct and in direct costs related to shelter. More detail is provided in the **Provincial Report**. Note that income bracket distributions are based on Census Division data. [5]

Lone parents and single persons are least likely to have income levels necessary to afford to own a home. Single-detached homes are the most available types of dwellings, but 72% of lone-parent households and 94% of single-person households fall below the income levels necessary to afford the median single-detached local home.

[5] Since Census Division data is used, readers will notice estimate similarities between municipalities belonging to the same Census Division.

Table 5-2: Estimate of Sales Affordability by Income Level (All Households)

		2022 median sale price:			$272,000
		% of HHs below income level			Single Detached Dwelling
Income level	Attainable sales price	Couples	Lone parents	Single persons	
$60,000	$179,500	25%	57%	82%	no
$65,000	$194,500	29%	61%	85%	no
$70,000	$209,500	34%	61%	87%	no
$75,000	$224,000	39%	67%	88%	no
$80,000	$239,000	45%	67%	90%	no
$85,000	$254,000	49%	67%	92%	no
$90,000	$269,000	53%	72%	94%	no
$95,000	$284,000	58%	77%	95%	yes
$100,000	$299,000	61%	77%	96%	yes
$105,000	$314,000	65%	77%	96%	yes
$110,000	$329,000	68%	77%	96%	yes
$115,000	$344,000	72%	77%	96%	yes
$120,000	$359,000	76%	80%	96%	yes

Homeownership	Total Dwelling	Single Detached Dwelling
Est'd income needed to buy median home	$91,000	$91,000
% of total households below income	**69%**	**69%**

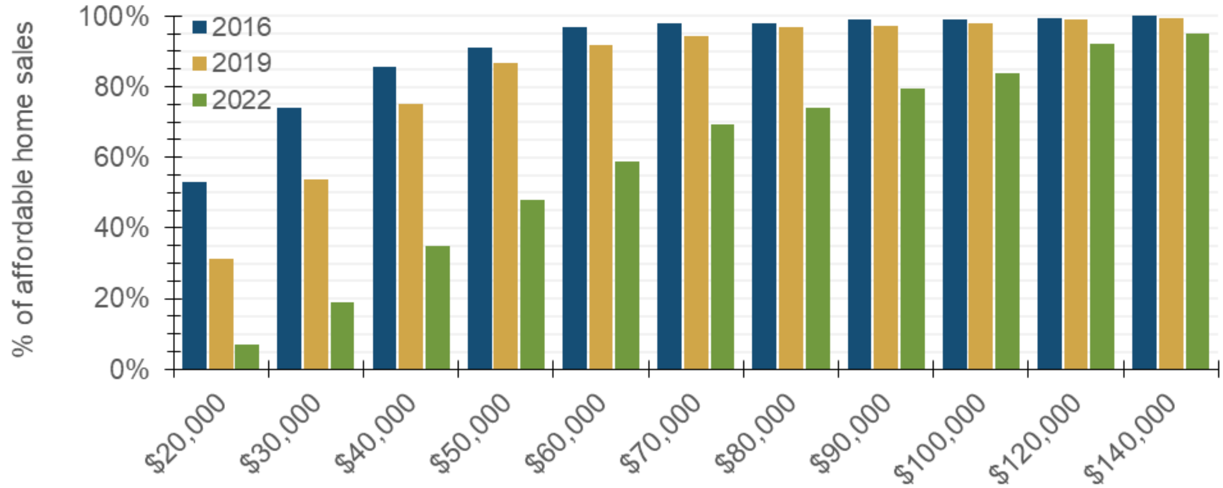
Source: Derived from Statistics Canada tables (see Provincial Report), Bank of Canada, NSAR MLS®

About 69% of all local households earned an income below what would be needed (around $91,000) to purchase the median home in 2022. This highlights the importance of housing interventions to address the shortage identified above in order to reduce typical housing prices to reasonably affordable levels.

Figure 5.2 presents the levels of affordability for respective household income levels for 2016, 2019, and 2022 for Shelburne Census Division (no data is specifically available for the District of Shelburne). It illustrates the percentage of home sales in each year that would be affordable (30% of household income) at a given income level.

While there were already signs of decreasing affordability from 2016 to 2019, the municipality suffered a significant shock from 2019 to 2022. For instance, a $70,000 income could afford 95% of home sales in 2019. In 2022, this fell to 70%.

Figure 5.2: Estimated % of Households that Can / Cannot Afford Typical Sale Prices, Shelburne Census Division



Source: Derived from Statistics Canada Custom Census 2021 Tables, Bank of Canada, NSAR MLS®

5.2 Rental Market

5.2.1 Market Activity

Table 5-3 reports the rental data for the District of Shelburne (based on data for the South Shore). The overall average rent in 2021, per PVSC data, was $632. This is an increase of 10% from 2018. There has been a 7% increase for studio units, an 12% increase for 1-bedroom units, an 11% increase for 2-bedroom units, and an 11% increase for 3+ bedroom units over the same period.

Table 5-3: Average Rents by Unit Size and Select Years

				Price			Percent Change
	2018	2019	2020	2021	'18-'19	19-'20	20-'21
Total	$576	$601	$671	$632	+4%	+12%	-6%
Studio	$449	$475	$484	$479	+6%	+2%	-1%
1-bed	$524	$554	$619	$585	+6%	+12%	-5%
2-bed	$574	$607	$672	$639	+6%	+11%	-5%
3+bed	$624	$660	$753	$692	+6%	+14%	-8%
Vacancy	7.5%	7.5%	7.2%	7.0%			

Source: PVSC Custom Tables

The District of Shelburne's vacancy rate has decreased from 7.5% to 7.0% between 2018 and 2021, which falls above the healthy vacancy range of 3% to 5%.

> *"There are very, very few rentals available. [...] A lot of potential rentals are [short-term rentals] or second homes that sit empty most of the year."*

5.2.2 Rental Affordability

Table 5-4 details the percentage share of **renter** households, divided by household type and income levels, that can afford 2021 average rent for various unit types. As with ownership, lone-parent and single person households face the highest income barrier to affordability. About 47% of single person households fall below the income level required to afford the average rent for a studio apartment in 2021.

It should be noted that the affordability reported is based on the ability to afford the rent for the entire unit, not split between tenants. Furthermore, the affordability threshold is the same used by Statistics Canada and CMHC – 30% of before-tax household income spent on shelter costs. Shelter cost calculations include the direct and indirect costs related to shelter. More detail is provided in the **Provincial Report**.

Table 5-4: Estimated Rent Affordability by Income Level (Renter Households)

				2021 average rent:	$479	$585	$639	$692
		% of HHs below income level						
Income level	Attainable rent	Couples	Lone parents	Single persons	Studio	1-bed	2-bed	3+ bed
$20,000	$330	0%	0%	24%	no	no	no	no
$25,000	$420	0%	0%	47%	no	no	no	no
$30,000	$500	0%	7%	56%	yes	no	no	no
$35,000	$590	4%	7%	63%	yes	yes	no	no
$40,000	$670	4%	7%	69%	yes	yes	yes	no
$45,000	$750	10%	20%	80%	yes	yes	yes	yes
$50,000	$840	10%	20%	86%	yes	yes	yes	yes
$55,000	$920	10%	32%	86%	yes	yes	yes	yes
$60,000	$1,000	10%	39%	86%	yes	yes	yes	yes

Renting	Average	Studio	1-bed	2-bed	3+ bed
Est'd income needed to rent average unit	$37,700	$28,600	$34,900	$38,100	$41,300
% of renter households below income	**36%**	**24%**	**31%**	**36%**	**42%**

Source: Derived from Statistics Canada Custom Census 2021 tables, CMHC Rental Market Survey

Approximately 36% of local renter households earned an income below what would be needed (about $37,700) to afford the average rental unit. Readers will notice that the financial barriers to own appear to be significantly higher than to rent. While this may be the case, it is important to recognize the data source impacts to this discussion.

Sales data for homeownership only considers asking prices, not the existing mortgages held by homeowners at the same time. Rental data includes both asking and occupied rents, meaning that the rents reported underrepresent what households would pay changing units.

6 Housing Need

Three housing indicators are used to evaluate housing need: adequacy (housing condition), suitability (enough space), and affordability. Core housing need is a specific condition of housing where a household falls under one of the aforementioned indicators and cannot find reasonable housing without spending 30% or more of their before-tax income. Deep unaffordability (also known as "severe" unaffordability) is when a household is spending 50% or more of their before-tax income on housing.

Generally, housing indicators and Core Housing Need data demonstrate the number and share of households particularly impacted by precarious living conditions. These are the households that increased supply or non-market interventions would positively impact most, as many might not have the means or supports to escape these conditions without intervention.

6.1 Housing Need by Tenure & Indigenous Identity

Table 6-1 shows the share of households currently living in conditions that meet the three housing criteria, separated by tenure and Indigenous identity.[6]

Table 6-1: Housing Need Criteria by Tenure & Indigenous Identity, 2021

		Total	Owner	Renter	Indigenous
Total Households:		2,025	1,700	325	190
Households living in **inadequate** conditions	Total households	130	110	20	25
	Change since 2016	-48%	-48%	-50%	+25%
	Share of households	6%	6%	6%	13%
Households living in **unsuitable** conditions	Total households	45	20	25	-
	Change since 2016	-31%	-60%	-	-
	Share of households	2%	1%	8%	-
Households living in **unaffordable** conditions	Total households	180	95	85	-
	Change since 2016	-28%	-44%	+6%	-
	Share of households	9%	6%	26%	-

Source: Statistics Canada Custom Census 2016 & 2021 Tables

[6] Note that numbers expressed in the housing need tables may differ from those reported by Statistics Canada on individual community Census Profiles. This is because the custom data table applies a different universe than the Census Profile. More information can be found in the Provincial Report.

In the District of Shelburne, overall households living in unaffordable dwellings decreased by 28% between 2016 and 2021. Those living in unsuitable dwellings decreased by 31% and those living in inadequate dwellings decreased by 48%.

After reporting a 6% increase between census periods, 26% of all renters lived in unaffordable dwellings as of 2021.

Table 6-2 shows the municipality's households currently meeting the conditions of Core Housing Need and those in deep unaffordability, as well as the changes in those categories between 2016 and 2021. Since 2016, there has been a 26% decrease in overall Core Housing Need, with decreases across the tenure and Indigenous Identity. Notwithstanding, 9% of all households faced core need in 2021.

Since 2016 there has been an overall decrease of 40% to households living in deep unaffordability, but 8% of all renters remain in these conditions.

Table 6-2: Core Housing Need & Deep Unaffordability by Tenure & Indigenous Identity, 2021

		Total	Owner	Renter	Indigenous
Total Households:		2,025	1,700	325	190
Households living in **Core Housing Need**	Total households	185	105	90	-
	Change since 2016	-26%	-36%	0%	-
	Share of households	9%	6%	28%	-
Households living in **deep unaffordability**	Total households	45	20	25	-
	Change since 2016	-40%	-56%	-17%	-
	Share of households	2%	1%	8%	-

Source: Statistics Canada Custom Census 2016 & 2021 Tables

6.2 Housing Need by Household Type

Table 6-3 and Table 6-4 present information related to housing indicators and Core Housing Need, respectively, by household type. Note that suitability data was not available.

Generally, renter and single person / roommate households experience parallel issues when it comes to housing. About 16% of single person / roommate households faced financial challenges related to shelter in 2021.

Lone parents also faced considerable housing challenges, reporting the second highest rate of unaffordability (16%).

Table 6-3: Housing Need Criteria by Household Type, 2021

		Couple w/o child(ren)	Couple w/ child(ren)	Lone parent	Single / roommates
Total Households:		780	340	155	675
Households living in **inadequate** conditions	Total households	30	25	0	65
	Change since 2016	-40%	-38%	-100%	-19%
	Share of households	4%	7%	0%	10%
Households living in **unaffordable** conditions	Total households	40	-	25	110
	Change since 2016	-20%	-	-17%	-21%
	Share of households	5%	-	16%	16%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

Since 2016, single persons / roommate households living in Core Housing Need decreased 4%, reaching a 19% share of all related households in 2021. Lone parents reported the next most prevalent core need (19%), despite a 50% decrease between census periods. Further, 4% of single persons lived in deeply unaffordable conditions as of 2021, despite a 40% decrease.

Table 6-4: Core Housing Need & Deep Unaffordability by Household Type, 2021

		Couple w/o child(ren)	Couple w/ child(ren)	Lone parent	Single / roommates
Total Households:		780	340	155	675
Households living in **Core Housing Need**	Total households	30	-	30	130
	Change since 2016	0%	-	-50%	-4%
	Share of households	4%	-	19%	19%
Households living in **deep unaffordability**	Total households	-	-	-	30
	Change since 2016	-	-	-	-40%
	Share of households	-	-	-	4%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

7 Demographic Profile

7.1 Population

7.1.1 Current Population

Between 2016 and 2021, the population of the District of Shelburne increased by 1%, compared to the provincial growth rate of 5%. Table 7-1 below illustrates the municipality's population change compared to provincial changes.

The municipality experienced particularly strong growth among 65-to-84-year-olds, though increases also occurred among 0- to 14- and 25- to 44-year-olds.

Table 7-1: Total Population by Age Cohort (2021) & Five-Year Percent Change

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Nova Scotia	Total	136,710	106,185	234,180	276,990	192,285	23,035	969,380
	Share	14%	11%	24%	29%	20%	2%	100%
	5yr %Δ	+2%	-1%	+9%	-2%	+19%	+6%	+5%

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Municipality of the District of Shelburne	Total	510	355	760	1,460	1,110	145	4,335
	Share	12%	8%	18%	34%	26%	3%	100%
	5yr %Δ	+3%	-9%	+3%	-6%	+16%	-3%	+1%

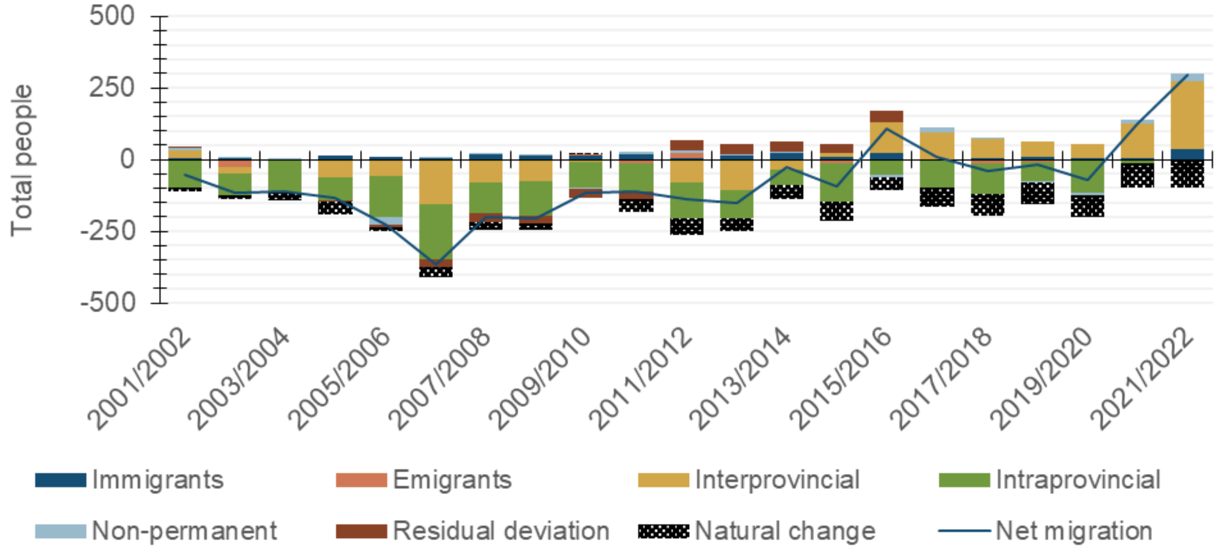
Source: Statistics Canada Census 2016 and 2021

7.1.2 Migration

Shown in Figure 7.1 is the net-migration for the Shelburne Census Division (data is not available at the municipal level – the entire Census Division includes all related urban and rural municipalities) between 2001/2 and 2021/22, inclusive of totals for intra-provincial and international migration, as well as emigration.

Between 2016 and 2021, the Census Division's net-migration steadily increased to a two-decade high in 2021/2022 with a total of 295 newcomers. Not all newcomers will move to one place and could be distributed across the region.

Figure 7.1: Historical Components of Migration, Shelburne Census Division



Source: Statistics Canada Table 17-10-0140

7.1.3 Anticipated Population

The municipality's anticipated population is derived from applying the historical share of local total populations by age cohort to the regional projections by age cohort produced by the Department of Finance & Treasury Board (FTB) in February 2023. In other words, results assume that the municipality will represent the same share of the region's population over the projection horizon.[7] This does not consider nuanced population changes by community.

Table 7-2: Anticipated Total Population by Age Cohort and Five-Year Percent Change

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2027	Total	570	295	760	1,310	1,275	170	4,380
	Share	13%	7%	17%	30%	29%	4%	100%
	5yr %Δ	+8%	-17%	-3%	-9%	+11%	+13%	-1%

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2032	Total	560	265	695	1,255	1,315	225	4,315
	Share	13%	6%	16%	29%	30%	5%	100%
	5yr %Δ	-2%	-10%	-9%	-4%	+3%	+32%	-1%

Source: derived Department of Finance & Treasury Board February 2023

[7] Since a municipality represents the same share of its region (i.e., Census Division) over time for projections (population and households), similar rates of growth will exist for each of the municipalities within the region. Therefore, readers reviewing multiple reports may notice a likeness between them.

Estimates suggest that the total 2022 total population was 4,405, with a projected decrease of 1% between 2022 and 2027. Senior populations should increase during that time, with decreases mostly occurring among non-senior populations.

Contraction from 2027 to 2032 may be of a similar magnitude (-1%) compared to the half-decade prior. Senior cohorts should continue to be the main contributor to growth. This demonstrates a short-term need to house families, but a long-term need to meet the needs of an expanding senior age group.

7.2 Households

7.2.1 Current Households

Table 7-3 illustrates the various characteristics of households in the District of Shelburne. The tables show tenure splits for maintainer by age cohort, household types, and household sizes respectively, as well as the 5-year percent change in those populations. The primary household maintainer is the person within a household who pays the rent, mortgage, taxes, or other major expenses for the dwelling. For households in which multiple incomes are present, the first name listed on a census questionnaire is taken to be the primary maintainer.

Between 2016 and 2021, there was an overall 5% increase in households, with tenures split into 84% owners and 16% renters in 2021. Non-census families (i.e., single persons and roommates) have seen the largest increase – 12% since 2016. Noteworthy is the 6% increase in couples without children given their significant cohort size (785 total). Relatedly, households in the District of Shelburne are also getting smaller with a 13% increase in 1-person households between census periods.

Note that the percent change of households can increase faster than population (or even if there is population decline). As residents age, their likelihood of forming or leading a household increases. For instance, a child growing up and moving out of their family home turns one household into two. This can also occur if there is notable growth among smaller household sizes.

> *"[The District has] seniors living in hospital beds who are essentially homeless because there is no available housing suitable to seniors."*

Table 7-3: Households by Tenure & Characteristics (2021) & Five-Year Percent Change

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Household Maintainer Age	Total	50	440	765	660	130	2,055
	Owner	50%	69%	91%	89%	85%	84%
	Renter	50%	31%	9%	11%	15%	16%
	5yr %Δ	0%	+7%	-6%	+11%	+44%	+5%

		Couple w/o Child	Couple w/ Child	Lone Parent	Non-census*	Other**	Total
Household Type	Total	785	345	155	695	70	2,055
	Owner	96%	88%	59%	75%	71%	84%
	Renter	4%	12%	41%	25%	29%	16%
	5yr %Δ	+6%	-5%	+11%	+12%	-26%	+5%

		1-person	2-person	3-person	4-person	5+ person	Total
Household Size	Total	655	925	225	185	65	2,055
	Owner	75%	92%	73%	82%	100%	84%
	Renter	25%	8%	27%	18%	0%	16%
	5yr %Δ	+13%	+9%	-20%	-12%	+30%	+5%

** Non-census means single persons or persons living with a roommate*
*** Other households are one-census-family households with additional persons or multiple-family households*
Source: Statistics Canada Custom Census 2016 & 2021 Tables

7.2.2 Anticipated Households

A similar apportionment as for the anticipated population is performed for anticipated households. Note that anticipated households are a major input to housing demand calculations, but do not equate exactly to demand. Housing demand projections incorporated adjustments to reflect total dwellings (not only those occupied by a usual resident which projections would solely consider).

Estimates suggest that total 2022 households reached 2,065, with a projected marginal decrease from 2022 to 2027 (5 total). Growth may only occur among senior-led households.

Senior-led households (particularly those with a maintainer aged 85+) should remain the cohort with greatest relative growth from 2027 to 2023.

From 2022 to 2032, about 155 new senior-led households might choose to live in the municipality, again reinforcing the need for senior appropriate or generally accessible housing over the foreseeable future.

Table 7-4: Anticipated Households by Maintainer Age and Five-Year Percent Change

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2027	Total	35	440	685	755	145	2,060
	Share	2%	21%	33%	37%	7%	100%
	5yr %Δ	-30%	-2%	-9%	+10%	+16%	0%

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2032	Total	35	410	655	775	190	2,065
	Share	2%	20%	32%	38%	9%	100%
	5yr %Δ	+0%	-7%	-4%	+3%	+31%	+0%

Source: derived from Statistics Canada 2016 Census, Department of Finance & Treasury Board February 2023

8 Conclusion

The above information provides context for the Municipality of the District of Shelburne's housing conditions. Recent increases in demand, coupled with limited growth in recent supply, have led to higher-than-expected local housing prices.

The current estimated unit shortage for Shelburne is 240, which is estimated to decrease to 200 by 2027. Using current construction trends, 20 new units are estimated to be introduced into the market annually over the next 5 years, leaving a remaining gap of 100 units by 2027. Unless completions exceed the estimated annual rate of construction, ongoing trends within both rental and ownership markets can be expected to continue.