

Municipal Housing Needs Assessments

Municipality of the District of Shelburne

March 13, 2024

Housing Needs Project Overview

Project Overview

- ▶ First ever of its kind in Nova Scotia
- ▶ Stemmed from Key recommendation (2022) of NS Affordable Housing Commission set up in 2020
- ▶ Part of the Commission's 17 recommendations and 60 actions
- ▶ Turner Drake contracted to deliver provincial housing needs assessment & 49 Municipal Reports
- ▶ Report was released Monday, Oct 23, 2023

Context

- ▶ Needs Assessment data is a tool to support municipal decision-making.
- ▶ Estimates housing need and supply *if all conditions continue and assumptions remain valid.*
- ▶ Based on several data sources (e.g. custom Statistics Canada data extracts; Census information; PVSC data; FTB growth scenarios) that is collected at a point in time.
 - ▶ Has its limitations – period, local geographical availability
 - ▶ From secondary data sources
 - ▶ Public survey for some context
- ▶ We recognize that municipal context may change
 - ▶ E.g. future migration patterns are unpredictable and may change due to economic situations
- ▶ Engagement with municipalities will start in coming weeks to inform planned updates to housing needs assessment data
 - ▶ Will include opportunities for local-level data collection

Housing Market Environment

MOD of Shelburne Population Growth

Between 2016 and 2021 (Census)

- ▶ Pop. increased by 1% vs provincial growth rate of 5%.
 - Strong growth among seniors 65-to-84-year-old cohort (16%).

Recent – From 2021 to 2022

- ▶ **MOD of Shelburne** population increased by **1.6%** between 2021 and 2022 (4,335 to 4,405)
- ▶ Projected 1% decrease between 2022 and 2027
- ▶ **Nova Scotia** had a population growth of **2.9%**
 - between 2021 and 2022, from 991,117 to 1,019,725.

Provincial Housing Market Change Factors

7

NS

- ▶ **Population growth** of about 5% (2016 – 2021)
- ▶ **Vacancy rates** very low at 1.0 %
- ▶ **Rapid inflation is reducing individual / household purchasing power**
CPI rose 7.6% in NS (Dec. 2021 and 2022) - Faster than avg hourly wage.
- ▶ **Cost of materials and labour is reducing the viability of development**
Material costs rising since 2017 and construction trades projected to be at risk over the next decade
- ▶ **Pace of construction is rising, not quickly enough to offset the Population growth**

Local Housing Market Change Factors

MOD of Shelburne

- ▶ Population increase of 1.6% between 2021 and 2022,
- ▶ FTB projected a potential decrease of 1.0% between 2022 and 2027, however, the senior population increased in the same period
- ▶ 4% Increase in Households (2016-2021)
 - ▶ Between 2021 and 2022, a negligible increase in households (2,055 to 2,065 households)
 - ▶ From 2022 to 2027, there will be a marginal decrease in Households (2,060 households).
- ▶ Vacancy rate stayed around 7% from 2018 to 2021.
- ▶ Permits trend (2022) higher than historical levels

Census Data Results

Data Findings – Core Housing Need

Those in Core Housing Need are

- Those that do not have alternatives.
- They are faced with unaffordability, suitability (overcrowded housing), inadequacy (housing in bad conditions)

Household Characteristic	Total Households (HH)	In Core Housing Need (CHN)	CHN as Proportion of Total HH	%Δ in Core Housing Need
	2021	2021	2021	'16-'21
Total-NS	413,315	41,470	10%	-16%
Owner	280,050	13,885	5%	-18%
Renter	133,260	27,585	21%	-15%
Total- MOD Shelburne	2,025	185	9%	-26%
Owner	1,700	105	6%	-36%
Renter	325	90	28%	0%

Affordability

- Shelburne Census Division data - No MOD Shelburne data
- In 2022 to purchase a median home (would be needed around \$91,000), about 69% of all local households earned incomes below

Shelter cost is rising faster than income

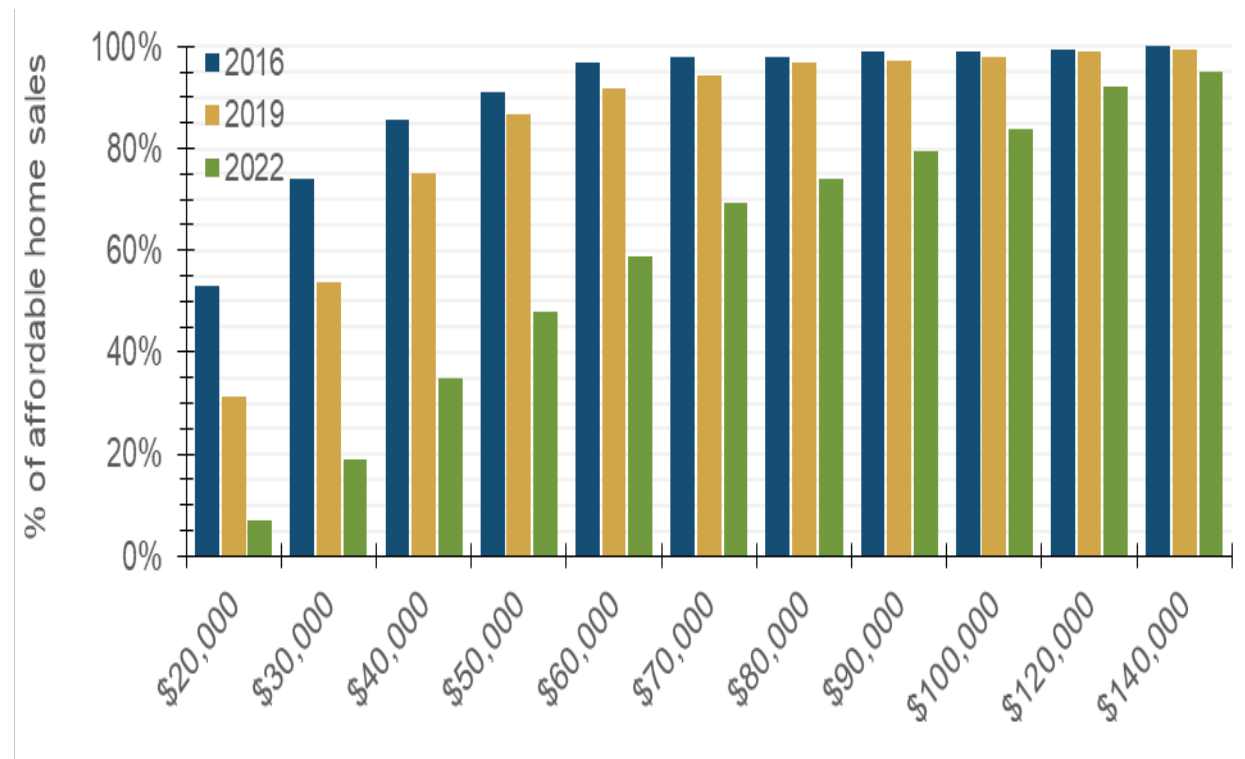
Median home sale prices are \$272,000 (105% increased between 2016 and 2022).

- \$70,000 income could afford 95% of home sales in 2019. In 2022, this fell to 70%.

Average rent \$632 in 2021

- About 36% of local renters earning below \$37,700 could not afford the average rental unit.

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



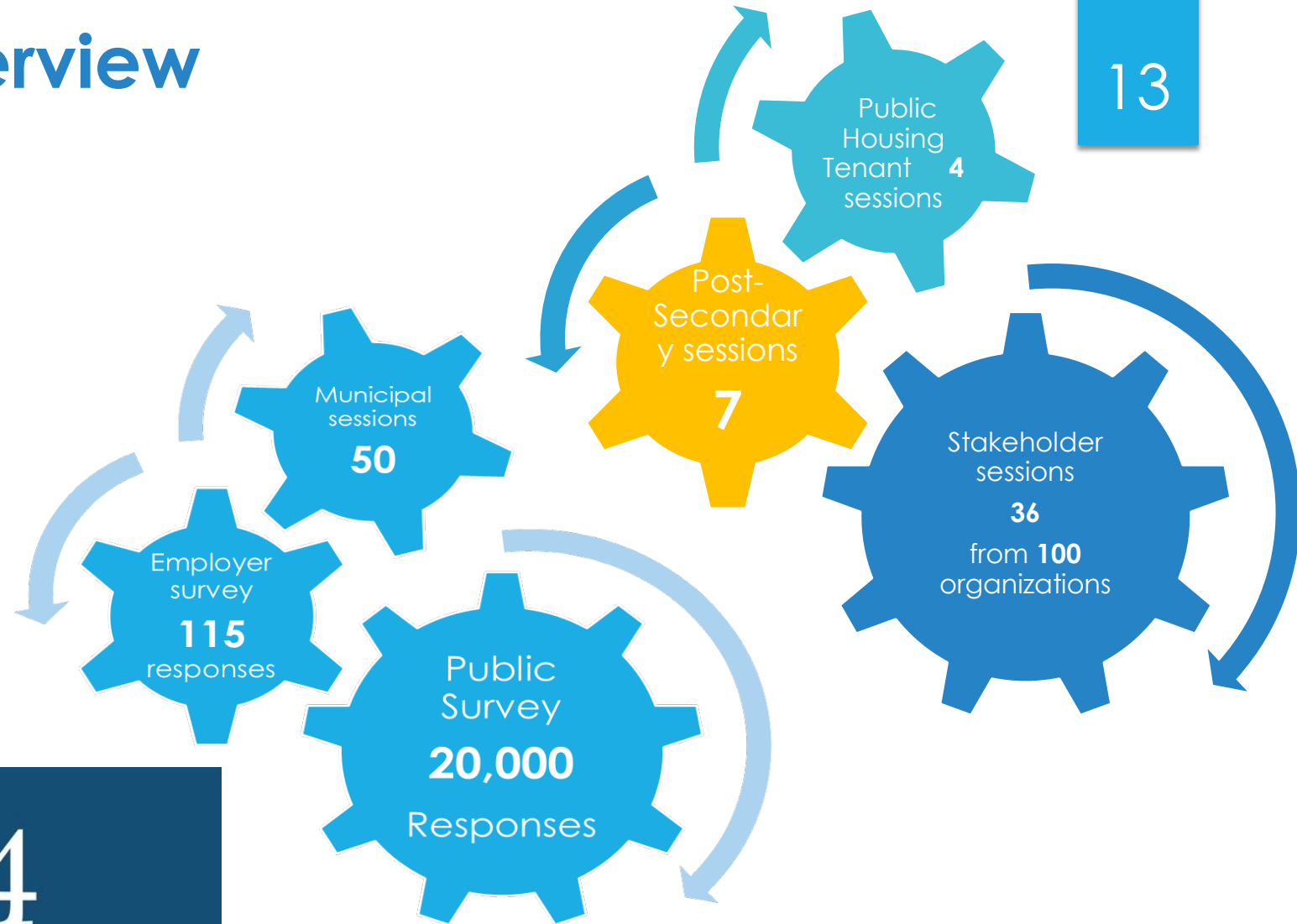
Project Engagement and Results

Engagement – Overview

Post-secondary questionnaire for administrators

First voice workshops with

- Indigenous groups,
- African Nova Scotian community
- Newcomers, and
- Nova Scotians with Disabilities.



74
Survey Respondents from the Municipality of the District of Shelburne

Engagement Themes – What We Heard

14

Housing supply **shortage across the spectrum**

Availability - Low

- **11% do not feel safe** in their housing situation
- **38% considered leaving** their community due to housing issues

Affordability - Fallen

- **36% spend more than 30%** of their income on Housing
- **25% saw their rent/mortgage increase** by \$166/month in 2021

Suitability - Low

- **73%** live in housing in **need of repairs**

Modelling/Projections

Data & Indicators

Housing demand

- ▶ **Population** - Finance & Treasury Board projections (FTB)
- ▶ **Households** - Household projections produced from FTB projections
- ▶ **Dwelling totals** - Based on historical ratio btw total households and dwellings

Housing supply

The pace of construction is represented by the annual total units permitted, units started, and units completed.

- ▶ **Permits** – anticipated future housing to be built
- ▶ **Starts** – how many permits led to a shovel in the ground
- ▶ **Completions** – number of units added to the occupiable supply

Projected Demand- 2023-27

Current & Anticipated Unit Shortfall by 2027 and Additional Units Required Above Status Quo Unit Production, Demographic Model (Base Scenario) Results*

What We know

- Existing shortage of 240 units in MOD of Shelburne (end of 2022).
- Population growth scenario suggests there may be a total demand of 200 units by 2027 and 160 units by 2032.
- If recent permitting trends continue, 20 new units could be completed annually, which would leave the remaining gap of 100 units by 2027.
- If population growth is higher than projected, housing demand would be higher.

	Nova Scotia	MOD Shelburne
A: Current shortfall (end of 2022)	27,300	240
B: Total units required by 2027 (incl, current shortfall)	71,600	200
C: Estimated annual pace of construction (status quo)	6,080	20
D: Estimated total units to be built by 2027 at status quo pace (Cx5 years)	30,400	100
E: Remaining units left to build after status quo pace builds (B-D)	41,200	100
F: Estimated annual units needed to meet 2027 shortage (E/5 years)	8,240	20

Next Steps

Data Collection Plan - Municipal Level

- ▶ For future updates we plan to engage with municipalities to obtain more detailed local information such as housing starts, completions and demolitions.

Next steps:

- ▶ Engage with municipalities to:
 - ▶ help guide discussions about what information is available and in what form before formal update process launches.
 - ▶ Understand what format for data updates would be most useful for municipalities
 - ▶ Planned information session to discuss proposed data collection template/document
 - ▶ Provide input on the data collection process.

Final Check in

- ▶ Are there any forms of support we can provide to facilitate use of the HNA?
- ▶ Let us know of any other ideas around local-level data collection
- ▶ Any other housing data analysis support we can help with?

Thank you

Nova Scotia's
Provincial Housing Needs
Assessment Report

Questions &
Comments



Supplementary Material

Methodology

Projection model - Based on annual population estimates for Census Divisions

Current shortages are derived using:

- ▶ Headship rates using population estimates and household maintainers
- ▶ The ratio between total households and total dwellings.
- ▶ Subtract actual 2022 dwelling stock from 2022 estimated dwelling demand.

Anticipated shortages are calculated by:

- ▶ Applying the headship rates to projected populations.
- ▶ Assigning Census Division demand for 5- and 10-year projections using a similar method.
- ▶ Comparing historical completion rates to demand to see how status-quo construction trends match up against anticipated demand.