



AFFORDABLE HOUSING MONITORING REPORT 2022

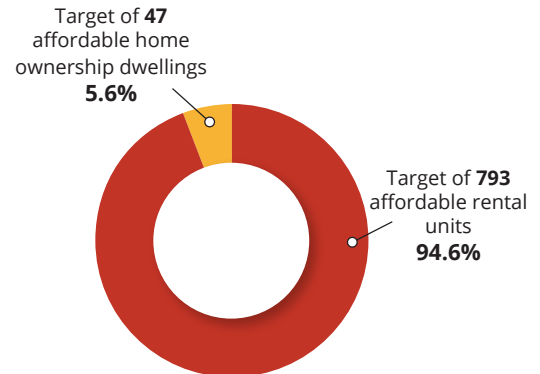
Reporting Period:
January to December

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BARRIE'S AFFORDABLE HOUSING STRATEGY

The City of Barrie's Affordable Housing Strategy (2015) is a 10-year plan based on the County of Simcoe's Affordable Housing Strategy. The Strategy identifies the need **to provide a minimum of 840 affordable units** in the City by 2024, including affordable home ownership and rental units.

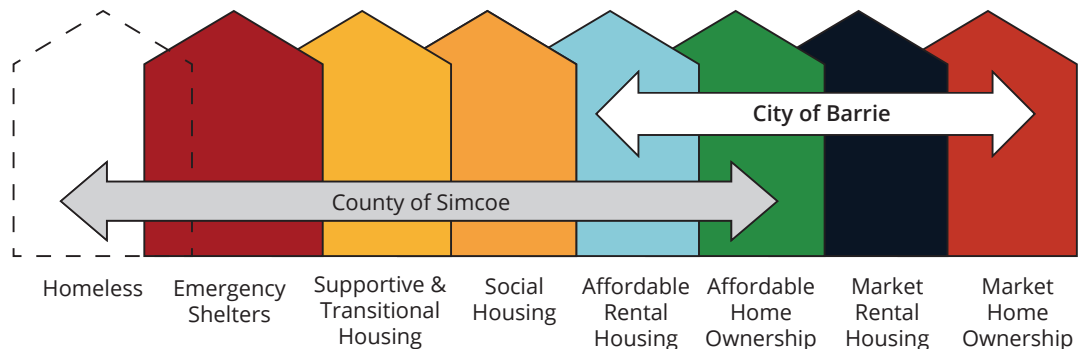


*Breakdown of affordable unit types and additional details found on pages 5-8

Understanding the City's Role in Affordable Housing:

The County of Simcoe is the designated service manager for the City under the Housing Services Act, 2011. The County is responsible for planning, funding and managing social housing programs and homelessness services.

The City of Barrie can encourage and facilitate the provisions of affordable housing through initiatives, programs and policies, however, the City does not provide or manage housing.



Note: The city approves the development of Affordable Rental Housing, Affordable Home Ownership, Marketing Rental Housing and Market Home Ownership

The affordable unit count includes:

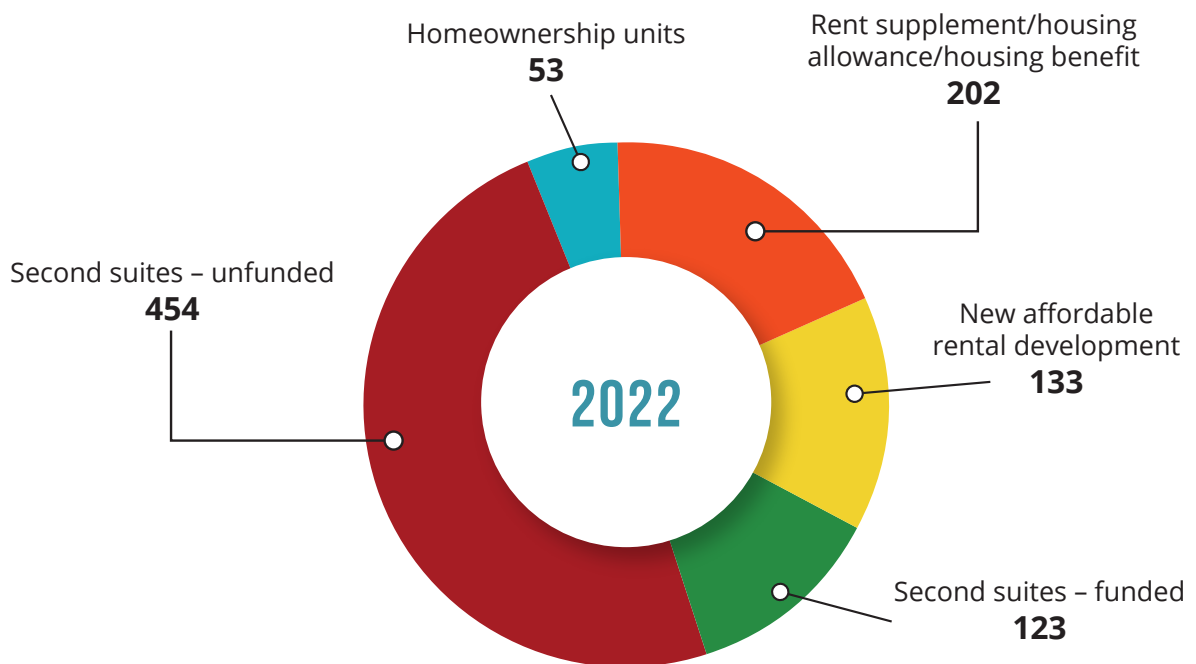
- Affordable housing units are counted in the year they are move-in ready.
- Units that the City can be certain will remain affordable over time such as social housing units, housing created with government funding, and units owned or operated by housing providers.

OVERALL PROGRESS & KEY CONCLUSIONS

Progress has been made, but there is still work to do

In 2022, the City of Barrie gained 108 affordable housing units, all of which were rental units in the form of second suites, new development or a rent supplement/housing allowance/housing benefit. Despite these gains, Barrie continues to see the cost of rent and home ownership climb, making it increasingly difficult to find homes for both the hardest to house in our community and working individuals. The City is committed to working with our community to increase housing options and affordability across the municipality, including updating the City's Affordable Housing Strategy to address changing housing needs. Visit BuildingBarrie.ca/AffordableHousing for details.

As of December 31, 2022 (since monitoring began in 2015): 965 affordable units achieved = 114.9% of 840 unit goal



Source: County of Simcoe – Social Housing Department & City of Barrie – Development Services

\$1,088,221 in Affordable Housing Development Grants was awarded in 2022 under the City's Community Improvement Plan (CIP) for future housing units.

- The CIP seeks to incentivize housing options for lower income individuals, given they are the hardest to house.
- The maximum affordable rent set by the CIP is 30% of annual household income for those earning up to \$75,000 (lowest 40th percentile), which equals \$1,875 per month.

Source: 2022 CIP Summary Report

Housing affordability continues to be a significant area of focus.

There were notable strides in 2022 to make it easier to get more affordable housing built in Barrie:

- The City worked with a consultant to provide feasibility studies through the New Foundations initiative.
- In December 2022, the City tendered out a request for proposal to obtain an external consultant to update the current affordable housing strategy. Work is ongoing to update the strategy. Visit BuildingBarrie.ca/AffordableHousing for details.

Affordable Rental Units

In 2022, 217 second suites were registered in the City. This shows that second suites are continuing to add to the City's rental housing supply; however, these units are not classified as 'affordable' as there is no mechanism to ensure they are rented at an affordable rate.

- **The primary rental market:** The price of rent for a private apartment has increased 2.71% since 2021. For townhouse units, the price of rent increased approximately 13.5% from 2021. Vacancy rates for apartment units and townhouses were 2.1% and 2.8% respectively, suggesting a demand for this type of housing, even with an increase in average rents.

Affordable Homeownership

In 2022, there were no new home sales in Barrie below the 2022 affordable housing price based on income and what is available.



What is “Affordable” Rent?

The Provincial Policy Statement and the City's Official Plan both define "affordable" rental housing as the least expensive of:

- a unit for which the rent does not exceed 30% of gross annual income for low to moderate income households; or
- a unit for which rent is at or below the average market rent of a unit within the regional market area.

135% of affordable rental unit target achieved as of December 31, 2022 (1073 units out of 793 units)

In previous reporting cycles, some of the unfunded second suites created were assumed to be affordable, which contributed to the overall affordable housing target established by the City being met. If all new unfunded second suites registered since 2015 were adjusted to be excluded from the calculation of total affordable units created, this would reduce the number of affordable rental units to 566 (71% of target for all affordable rental units, 67% of all units, rental and homeownership).

Affordable rent in Barrie based on income:



Median Adjusted Total Household Income:

2019: \$83,163

2020: \$84,386

2021: \$86,320

2022: \$103,720

Monthly “affordable” rent (30% of gross annual income)

\$2,078

\$2,109

\$2,158

\$2,593

Source: Statistics Canada (2016 Census & Consumer Price Index)

Annual adjusted income levels were calculated using 2022 income reported by Statistics Canada in the 2021 Census, and Consumer Price Index inflation rates of 5.19% and 6.03% for 2021 and 2022 respectively.

Affordable rent in Barrie based on the regional rental market Private Apartment Average Rents (\$):

	Bachelor	1 bed	2 bed	3+ bed	Overall Average	Approx. % increase from previous year average reported
Oct 2019	\$871	\$1,161	\$1,336	\$1,728	\$1,293	1.8% ↑
Oct 2020	\$941	\$1,187	\$1,393	\$1,646	\$1,330	2.9% ↑
Oct 2021	\$979	\$1,286	\$1,502	\$1,592	\$1,403	5.2% ↑
Oct 2022	\$1,073	\$1,335	\$1,540	\$1,611	\$1,444	2.71% ↑

Private Row (Townhouse) Average Rents

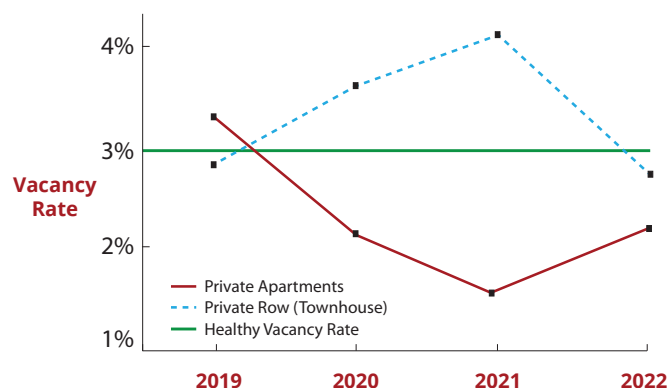
	2 bed	3+ bed	Overall Average	Approx. % increase from previous year average reported
Oct 2019	**	\$1,523	\$1,477	5.0% ↑
Oct 2020	\$1,467	\$1,513	\$1,488	0.7% ↓
Oct 2021	**	\$1,666	\$1,622	9.0% ↑
Oct 2022	\$1,642	\$1,911	\$1,841	13.5% ↑

CMHC Rental Market Report (Primary Rental Market Survey)

**Data suppressed to protect confidentiality or data not statistically reliable

Primary Rental Market Vacancy Rates:

Note: a healthy vacancy rate is 3% or greater



Second Suites Calculations of Affordability

The County uses a "discount rate" to estimate how many second suites are affordable, based on Canada Mortgage and Housing Corporation (CMHC) average market rent. It is only applied to second suites created without government funding.

- 2015, 2016 & 2017: 90% of second suites assumed to be affordable
- 2018 & 2019: 70% of second suites assumed to be affordable (30% discount rate)
- 2020 & 2021: 25% of second suites assumed to be affordable (75% discount)
- 2022: 0% of second suites assumed to be affordable (100% discount)



Changing assumptions about the number of affordable second suites has a significant impact on the overall affordable unit count because unfunded second suites make up 42.4% of Barrie's affordable housing units.

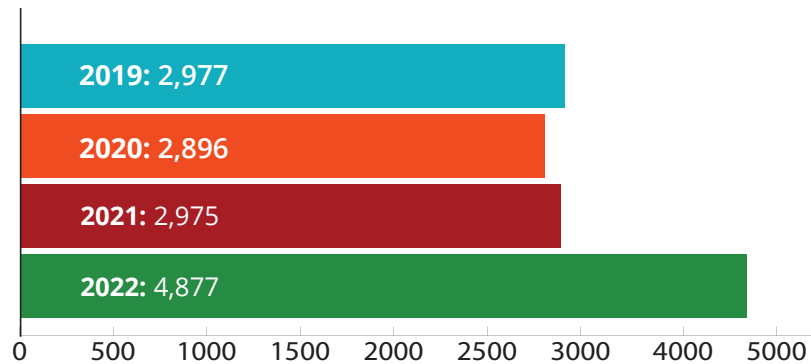
- When the discount rate is updated, it is not applied retroactively to previous reporting years.
- An adjusted total of 619 affordable units is calculated when applying the discount rate of 100% to previous reporting years.



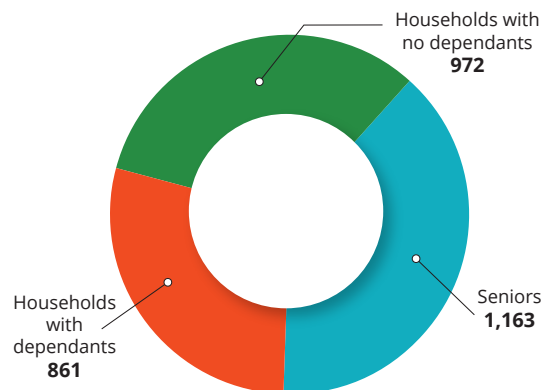
Number of households on the County's centralized waiting list for rent-geared-to-income housing in Barrie:

Note: Applicants can be on the waiting list for more than one community.

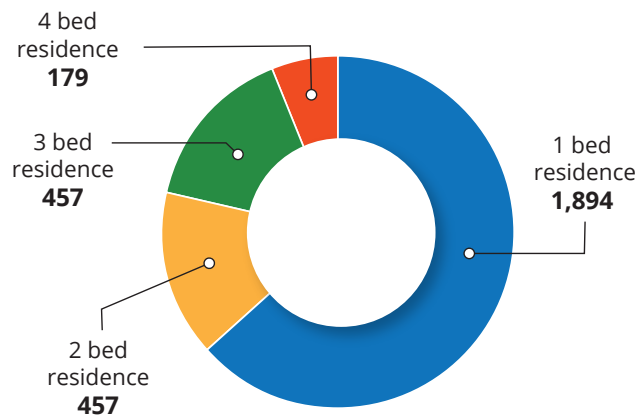
Centralized waiting list (County-wide)



Household types on the waiting list (2022)



Waitlist for Barrie via number of bedrooms (as of December 31, 2022)



Data note: Households can be on the list for more than one unit size, depending on household composition.

Source: County of Simcoe – Social Housing Department

AFFORDABLE HOMEOWNERSHIP

112.8% of affordable home ownership units achieved as of September 2022 (53 units out of 47 units)

What is "Affordable" Ownership?

- The Provincial Policy Statement and the City's Official Plan both define "affordable" ownership housing as the least expensive of:
 - housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross income for low to moderate income households; or
 - housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area.
- Only homes that meet the "affordable ownership" definition are counted towards the affordable housing goal.
- Information in this section, including the number of affordable sales in new subdivisions/condominiums, is intended to provide an overview of the affordability of market ownership in Barrie. The number of affordable home sales is an estimate using available data.






Source: County of Simcoe – Social Housing Department

Maximum affordable house price calculated by:

Household Income	or	Purchase Price
2019: \$304,300	or	\$440,861
2020: \$316,400	or	\$494,861
2021: \$319,800	or	\$593,879
2022: \$317,000	or	\$712,300

Benchmark prices of homes in Barrie as determined by the Canadian Real Estate Association (CREA):

A Benchmark home is one whose attributes are typical of homes sold in the area where it is located. This tool is used to accurately gauge home price levels and trends in the market.

	 Single Family	 Townhouse Benchmark	 Apartment Benchmark
2019:	\$509,000	\$324,500	\$324,800
2020:	\$614,900	\$408,300	\$359,400
2021:	\$836,800	\$554,100	\$481,100
2022:	\$806,572	\$608,522	\$535,820

Source: CREA MLS Home Price Index (HPI) seasonally adjusted data (October prices are used to align with the timing of the CMHC Rental Market Survey.)

An estimate of affordable first home sales in new subdivisions and condominiums:

YEAR	Total Sales (Units)	Average Sale Value (\$)	Lower Sale Value (\$)	Higher Sale Value (\$)	Affordable Housing Price (\$)	Total Residential Dwelling Units Occupied	Percentage of Affordable Housing Sales
2018	107	261,899	162,934	297,217	297,500	614	17%
2019	82	284,487	264,757	303,117	304,300	4314	26%
2020	6	279,200	243,015	315,580	316,400	342	2%
2021	0	-	-	-	319,800	455	0%

Data for 2022 not yet available.

Estimated using the County of Simcoe Affordable House Price and data from the Building Permit System & Teranet Database.

New Registered Second Suites and Detached Accessory Dwelling Units by Ward, per Year

Ward	Existing (pre-2019)	2018	2019	2020	2021	2022	Cumulative Total
1	166	4	11	13	17	30	211
2	328	18	44	19	46	30	455
3	137	27	38	29	25	16	256
4	65	21	19	14	19	19	138
5	132	19	19	23	17	18	210
6	53	10	9	12	12	27	96
7	45	17	19	15	21	18	117
8	166	18	19	30	17	31	250
9	21	11	17	10	13	14	72
10	13	2	8	9	11	14	43
Total in All Wards	1,126	147	203	174	187	217	1,837
*Georgian College Neighbourhood	123	6	2	9	18	23	158

*These units are included in the counts for Wards 1 or 2 above.

Affordable Housing Strategy 2023

The City of Barrie is updating its Affordable Housing Strategy in 2023, which will be done in three phases:

- A Housing Needs Assessment will help determine the existing housing stock, gaps in housing types, and an estimate of housing supply. This phase has been completed and outlines the maximum affordable rental and purchase prices related to the income decibels in the City of Barrie.
- Recommending policy options and looking at new tools to create new affordable housing units. There will be options relating to affordable housing spending, alternative affordable housing definitions, and options for targeted affordable housing initiatives that can be considered. Staff will also connect with local experts through a Technical Advisory Committee to review these options and gain input on ways the City can assist with housing across the entire spectrum.
- Final presentation of a new strategy including targets, policy recommendations, and key performance indicators to be included to guide the City in creating, approving, and assisting in the development of affordable housing.

KEY TERMS

Affordable Homeownership Units: This includes units created through down payment assistance programs (County of Simcoe or Ontario Aboriginal Housing Services), and those built by Habitat for Humanity. In terms of affordable units created through the homeownership down payment assistance program, house prices must not exceed 90% of the average annual resale for the area, which is currently set by County Council at \$593,879.00.

Average Market Rent: Average rents are reported by Canada Mortgage and Housing Corporation (CMHC) in October of each year and based on the primary rental market only (i.e. purpose-built rental buildings with at least three rental units).

Detached Accessory Dwelling Unit: An accessory dwelling unit that is located within a detached accessory building on the same lot as a single detached dwelling, semi-detached dwelling unit, duplex dwelling, or street townhouse dwelling unit, and is subordinate to the principal unit.

Homeownership Units: Homeownership units created under the County's down payment assistance program, as well as those built by Habitat for Humanity, are counted towards the targets achieved. In terms of affordable units created through the homeownership down payment assistance program, house prices must not exceed the average annual resale for the area. However, County Council approved lowering the maximum purchase price to \$494,600 in 2021, which was 90% of average resale price.

New Affordable Rental Development: A wide range of purpose built affordable rental units, from supportive housing units through affordable rental, most of which are constructed with government funding (City Community Improvement Plan, County, Provincial, Federal). They are operated by the County or an affordable housing service provider (e.g. Redwood Park Communities, Barrie Housing, etc). In general, a unit must achieve rents at, or below, average market rent, as determined by CMHC in order to count as an affordable rental unit. In some cases, approved alternate rents are used, based on local research by County staff. CMHC performs a rental market survey each fall and publishes data for Barrie.

Primary Rental Market: Units in privately-initiated, purpose-built rental structures of three units or more.

Rent Supplement/Housing Allowance/Housing Benefit: A subsidy that bridges the gap between what a tenant can afford to pay and full market rent. Rent supplements and housing allowances are government funded. Can vary in amount and duration.

Secondary Rental Market: Includes rented single-detached, semi-detached, or freehold townhouse dwelling units under private ownership; units in duplexes; rented condominium units; one or two units in small mixed-use buildings; and second suites.

Second Suite: An accessory dwelling unit that is located within a single detached dwelling, semi-detached dwelling unit, or street townhouse dwelling unit, and is subordinate to the principal unit.

Second Suites – Funded: Second suites created with funding from the County's Secondary Suites Program, which provides up to \$30,000 per unit in the form of a forgivable loan, for the creation of a secondary or garden suite. Rent charged cannot exceed the CMHC average market rent for the areas for the full 15-year term of the loan and may be adjusted by the County by occasion. 2021-2022 maximum rental prices are: Bachelor unit: \$941; 1 bedroom unit: \$1,187; 2 bedroom unit: \$1,393.

Second Suites – Unfunded: Second suites built without government funding. Only a portion of them are assumed to be affordable and count towards the goal. The County applies a "discount rate" to determine the numbers that are assumed to be affordable. "Discount rate" means the percentage of second suites that are assumed to not be affordable. To calculate the number of affordable unfunded second suites, the County:

- Takes the total number of second suites created in a calendar year, as reported quarterly by the City
- Subtracts the number of second suites that received County second suite funding
- Applies the discount rate to the remaining total; discount rate for each reporting year
 - 2015, 2016 & 2017 = 10% unaffordable
 - 2018 & 2019 = 30% unaffordable
 - 2020 & 2021 = 75% unaffordable
 - 2022 = 100% unaffordable

Vacancy Rate: Vacancy rates are reported by CMHC in October of each year and based on the primary rental market only (i.e. purpose-built rental buildings with at least three rental units).