

Document under Separate Cover
Refer to LPS65-18



State of Housing 2017



Housing in Halton

Contents

Housing in Halton	1
• Overview	
• The Housing Continuum	
Halton's Housing Model	3
• 2017 Income & Housing Costs	
• 2017 Indicator of Housing Needs	
New Housing Development	6
• Housing Mix Target	
• Housing Completions	
• Halton Housing Construction Activity, 2013-2017	
• Halton Housing Completions by Type	
• Halton Housing Completions by Local Municipality, 1998-2017	
• Under Construction Units by Local Municipality, 2017	
• Housing Completions by Local Municipality	
Housing Costs & Affordability	11
• Housing Affordability Target	
• New & Resale Housing	
• New & Resale Average House Prices	
• New Affordable Housing by Dwelling Type & Municipality	
Rental Housing	15
• Vacancy Rates & Monthly Rent	
Assisted Housing	18
• Assisted Housing Administered by Halton Region	
• New Assisted Housing Opportunities Since 2008	
• Halton In-situ Program (HIP)	
• Rent Supplement	
• Special Needs Housing	
• Homelessness	

Overview

The *State of Housing Report* has been prepared annually since 2006. It provides a review of housing supply and demand in Halton Region and monitors how well the Region is implementing its vision for managed and sustainable growth, as set out in Halton's Regional Official Plan and the Provincial Growth Plan.

Halton's vision includes advancing the supply of an adequate mix and variety of housing to meet differing physical, social and economic needs.

The 2017 Report provides the following information:

- Housing supply and demand in Halton for the various housing segments of the housing continuum.
- Income and housing cost thresholds for affordable housing as generated annually through Halton's Housing Model.
- Achievement of the Regional Official Plan targets related to density and affordability.
- 2017 housing sales (new and resale) by Local Municipality, type and affordability.
- Rental housing market characteristics.
- Assisted housing activities and initiatives by Halton Region.

Using Halton's Housing Model, the Report assesses the Region's success in achieving its Regional Official Plan housing targets (section 86(6)), which call for:

- at least 50 per cent of **new** housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings; and
- at least 30 per cent of **new** housing units produced annually in Halton to be *affordable or assisted housing*.

Refer to sections 86(6), 86(6.1), 86(7), 214, 218 and 256.1 of Halton's Regional Official Plan for further detail.

The Housing Continuum

Housing plays an important role in the lives of Halton’s residents. Individuals and families move back and forth across the housing continuum depicted below, depending on changes that affect their personal circumstances. The continuum is based on the following observations:

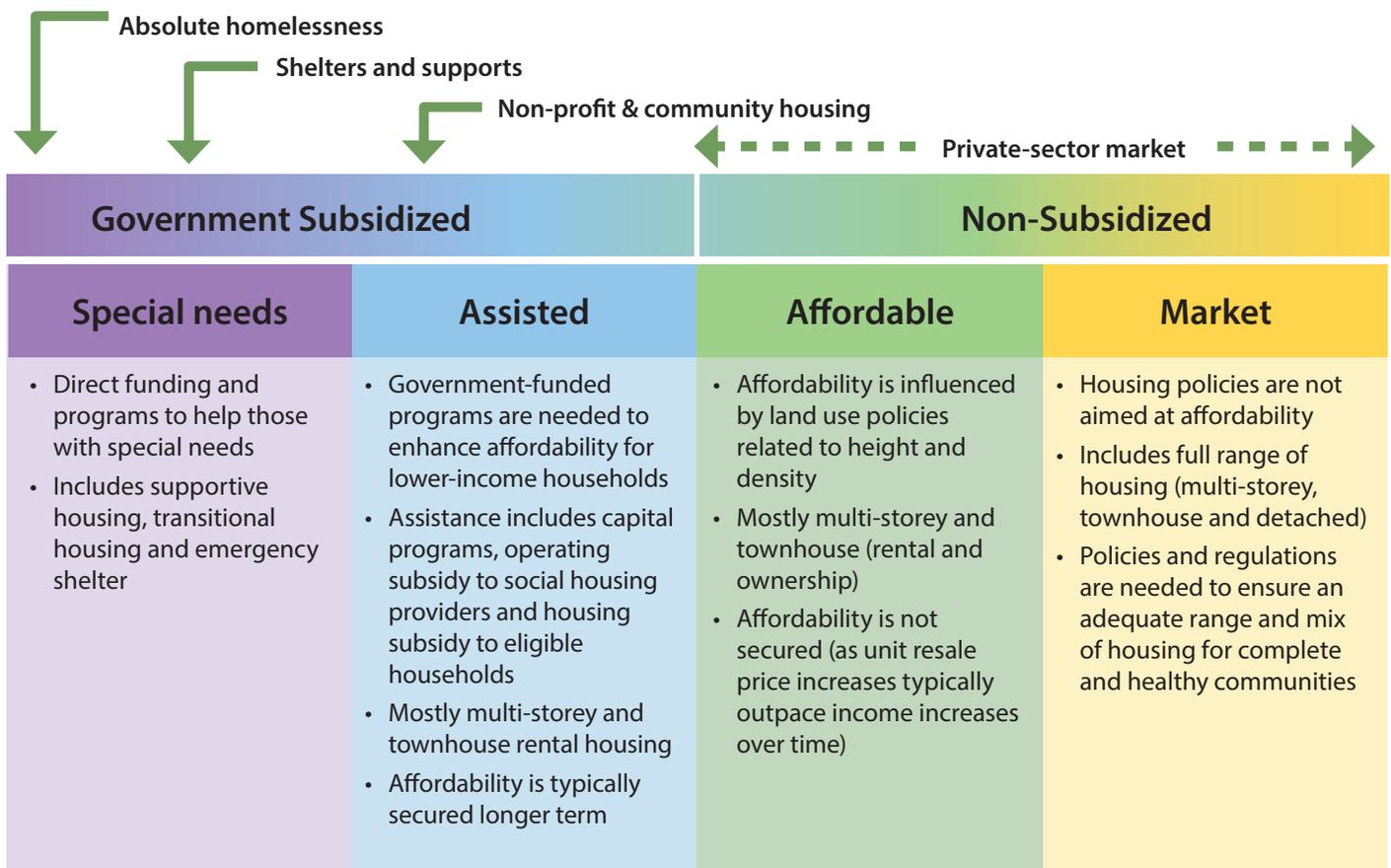
- A range of housing types is required to meet the needs of residents throughout the various stages of their lives and at any level of income;
- Private and non-profit sectors play an essential role in providing housing across the continuum; and
- Governments have various tools and programs available to provide a range and mix of appropriate housing and supports.

Assisted housing is housing that is affordable for *low and moderate income households* for rent or purchase where part of the housing cost is subsidized through a government program.

Affordable housing is housing with a market price (for purchase) or rent that is affordable to households of low and moderate income, spending no more than 30 per cent of their gross household income on housing, without government assistance.

Affordable rental housing should meet the demand of renter households at the low end, where they would be able to afford at least three out of ten rental units on the market. Affordable ownership housing should meet the demand of households at the high end, and have sufficient income left, after housing expenses, to sustain a basic standard of living.

Household income thresholds for assisted and affordable housing, and the supply and demand for affordable housing are generated annually through analysis conducted in Halton’s Housing Model.



Halton's Housing Model

Halton's Housing Model gathers various information, including household income, household spending, housing costs and average rents in the region from a variety of data sources. Using this data, analysis is conducted through the Housing Model that generates thresholds based on household income and housing cost. This calculation is undertaken for both the assisted and affordable (non-assisted) segments of the continuum. With these thresholds, the Model also generates a snapshot of housing needs of Halton's residents and those looking to live in Halton at a moment in time. These model outcomes may be influenced by the pace of growth or the health of the economy and updates/changes to the inputs or assumptions.

2017 Income & Housing Costs

The tables below provide the assisted and affordable household incomes in Halton Region for 2017 and corresponding housing cost thresholds, calculated through the Halton Housing Model. These cost thresholds are linked to the income thresholds, based on Official Plan definitions on housing costs for assisted and affordable housing.

Assisted	All households (average - 2.8 people)	Small households (1 or 2 people)	Large households (3 or more people)
Income threshold	\$50,900	\$48,100	\$53,000
Maximum purchase price	\$178,600	\$168,800	\$186,100
Maximum monthly ownership cost/rent	\$1,272	\$1,201	\$1,326

Affordable (non-assisted)	All households (average - 2.8 people)	Small households (1 or 2 people)	Large households (3 or more people)
Income threshold	\$103,700	\$74,386	\$130,702
Maximum purchase price	\$362,950	\$260,800	\$456,800
Maximum monthly ownership cost	\$2,592	\$1,860	\$3,268
Maximum monthly rent *	\$1,932	\$1,531	\$2,297

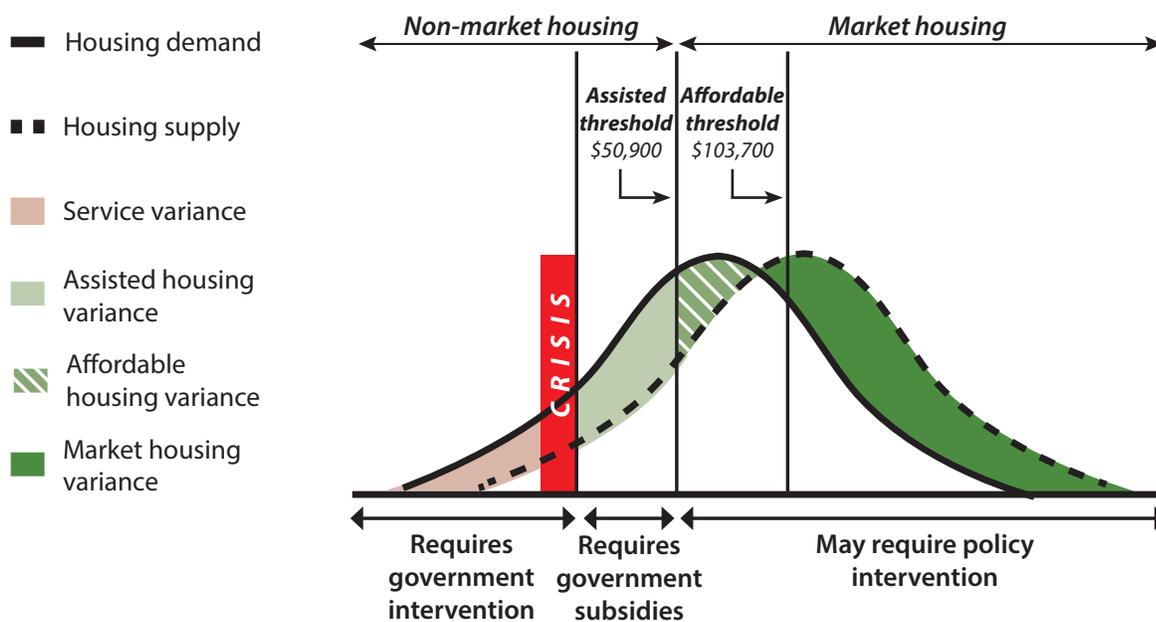
* The mid-point between assisted and affordable monthly ownership costs, based on Halton's definition of Affordable Housing.

Households with an income below the **Assisted Income Threshold** (\$50,900) typically require some form of government assistance to meet their housing needs, as the private sector in Halton typically does not provide many opportunities to buy or rent below the associated housing cost thresholds (very few opportunities exist in the open market to purchase below \$178,600 or rent below \$1,272). Households with an income between the **Assisted** and **Affordable Income Threshold** (\$50,900 - \$103,700) have options to purchase a house priced below the affordable housing cost threshold (\$362,950) or rent with monthly costs between \$1,272 and \$1,932. The rental rate of \$1,932 is the mid-point of the affordable housing cost range, based on section 214(a) of the Regional Official Plan.

The affordable (non-assisted) price threshold decreased from \$369,400 in 2016 to \$362,950 in 2017. The income threshold decreased slightly from \$105,020 in 2016 to \$103,700.

The average affordable threshold of \$362,950 is used as the index to measure the Regional Official Plan target that 30 per cent of new housing units produced annually are affordable or assisted.

2017 Indicator of Housing Needs

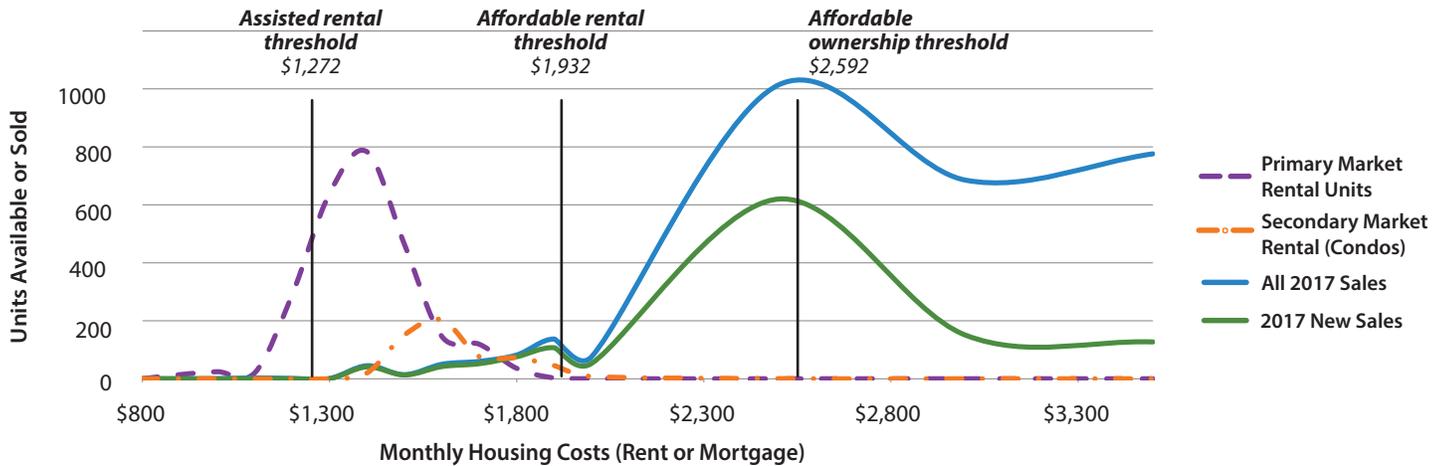


Based on analysis of household income profiles, housing cost thresholds, unit sales, re-sales and rental turnovers, the model generates a snapshot of supply-demand variances across the housing continuum.

The figure above visualizes this analysis: It shows the distribution of new sales, re-sales and rental turnovers by price point across the continuum (i.e. the housing supply in the previous year) and compares it with the income distribution of Halton-based households and other households seeking to live in Halton (the modelled housing demand). Differences between the two are used to quantify potential supply-demand variances by housing segment (typically indicating shortfalls in the assisted and affordable segments).

It should be noted that this diagram is a snapshot in time of the assisted and affordable housing gap, and is influenced by market trends, pace of economic growth and the health of the economy.

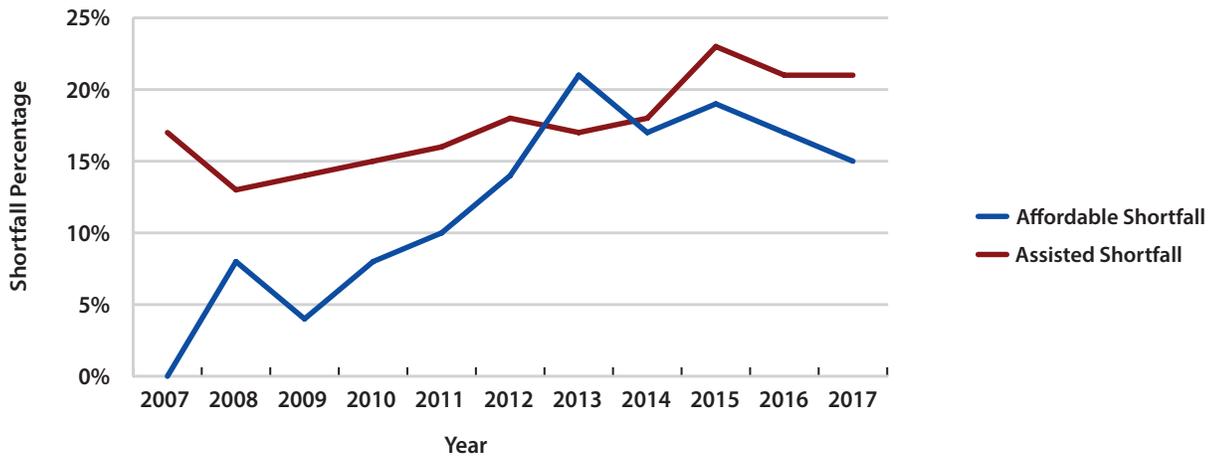
Affordable Housing Cost Distribution, 2017



The figure above shows the distribution of ownership and rental supply near the affordable threshold in 2017 by price point. Only a small portion of the total sales are shown, as the vast majority of the sales pertain to resale of ownership

housing which is priced beyond the affordable threshold. It also shows that most of the available rental housing is in the affordable (non-assisted) segment.

Supply – Demand Shortfall, 2017



The graph above provides a multi-year indication of the shortfall of assisted and affordable housing as a percentage of the total supply within that year. Key factors influencing these trend lines:

- Resale home prices outpaced household income
- Growth management policy resulted in a steady increase of higher density housing completions and sales, generally improving affordability
- The supply of condominium rental housing within the affordable range has increased
- Regional programs designed to create additional government-assisted housing units and allowances have impacted the assisted housing shortfall
- Almost no new purpose built rental housing has been built in recent years

While the Region does not have the ability to directly influence the resale dynamics in the market place, the graph shows that the affordable housing shortfall has decreased for the second consecutive year since 2015.

While ongoing Regional initiatives to increase the number of assisted housing opportunities are significant, more substantial long-term strategic investment from senior levels of government will be required to curb the trend line more structurally.

The State of Housing report reviews housing completions on an annual basis. The report provides an overview of the types of housing being supplied in the regional and local municipal housing markets.

The Region's **Housing Mix Target** in the Regional Official Plan calls for at least 50 per cent of new housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings (higher density housing).

In 2017, townhouse and apartment units accounted for 71.2 per cent of housing completions.

Housing Mix Target

71.2%
Achieved

50% Target

71.2 per cent of new units completed in Halton were townhouse and multi-storey housing. The 50 per cent Housing Mix Target was achieved in 2017, for the seventh consecutive year.

Highlights

Housing completions (2017) 4,267

Housing completions 1998 - 2002: 19,509
Proportion of higher density housing: 35.3%

Housing completions 2003 - 2007: 25,100
Proportion of higher density housing: 33.8%

Housing completions 2008 - 2012: 19,379
Proportion of higher density housing: 42.3%

Housing completions 2013 - 2017: 16,738
Proportion of higher density housing: 62.8%

For more information, please see page 7 and 8.

Source: CMHC Starts and Completions Survey 1998-2017

New Housing Development

Housing Completions

The Region's **Housing Mix Target** recognizes that the Region's best opportunity to encourage more affordable housing is through the provision of higher density housing, such as townhouse and apartment units.

Number of housing completions by type & municipality, 2017

	Halton Region		Burlington	Halton Hills	Milton	Oakville
Apartment	1,966	46.1%	86.7%	26.9%	27.4%	46.8%
Townhouse	1,072	25.1%	2.2%	36.1%	26.8%	29.2%
Semi	84	2.0%	0.0%	1.0%	2.1%	2.5%
Single	1,145	26.8%	11.1%	36.1%	43.8%	21.4%
Total units	4,267		594	208	1,170	2,295
Local share of completions			13.9%	4.9%	27.4%	53.8%
50% Target achievement	71.2%		88.9%	63.0%	54.2%	76.0%

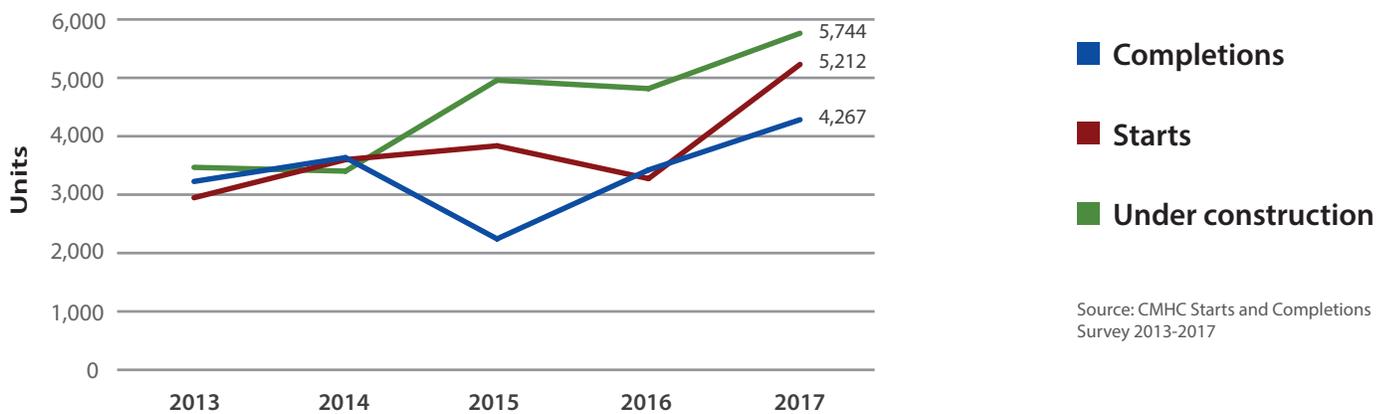
Source: CMHC Starts and Completions Survey 2017

In 2017, there were 4,267 housing completions, an increase of 25.2 per cent compared to 2016 (3,409). Of these, 26.8 per cent were single detached and 2.0 per cent were semi-detached dwellings. Townhouse dwellings and apartments represented 25.1 percent and 46.1 per cent, respectively. Combined, these higher density unit types represent 71.2 per cent of housing completions in Halton.

At the local level, the most housing completions were in Oakville (53.8 per cent), followed by Milton at 27.4 per cent. Halton Hills accounted for 4.9 per cent, while Burlington accounted for 13.9 per cent of completions.

Halton Housing Construction Activity, 2013-2017

Number of completions, starts and under construction units, 2013-2017



Source: CMHC Starts and Completions Survey 2013-2017

All housing construction activities in Halton Region increased from 2016. Housing starts increased by 59.8 per cent, housing completions increased by 25.2 per cent, and the number of units under construction increased by 19.7 per cent. Of the 5,744 units under construction, 37.8 per cent are apartments and 27.1 per cent are townhouse (64.9% combined).

Halton Housing Completions by Type, 2013-2017

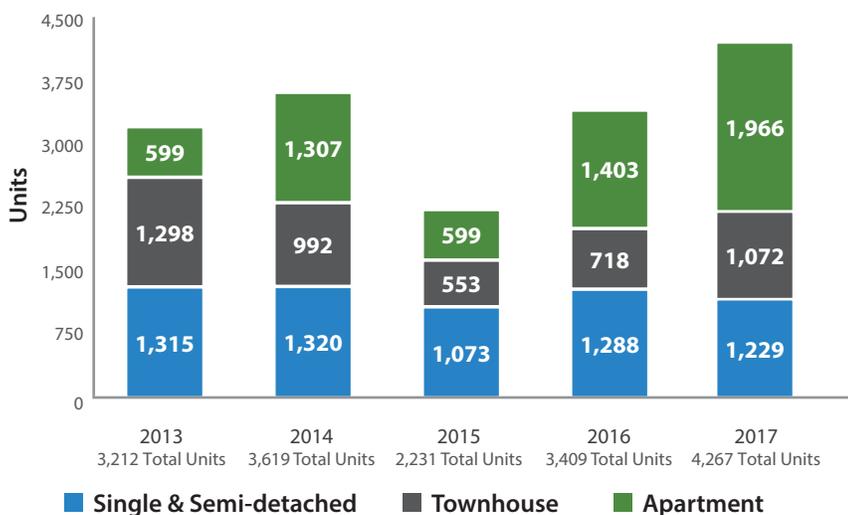
Percentage of annual housing completions by type, 2013-2017

	2013	2014	2015	2016	2017	5 Year Average
Apartment	18.6%	36.1%	26.8%	41.2%	46.1%	35.1%
Townhouse	40.4%	27.4%	24.8%	21.1%	25.1%	27.7%
Single & Semi	40.9%	36.5%	48.4%	37.8%	28.8%	37.2%

Key trends

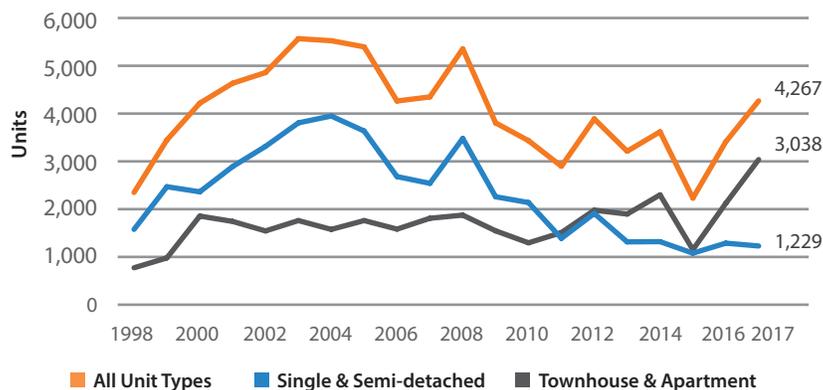
- During the past five years there were 16,738 housing completions in Halton.
- 4,267 units were completed in 2017, an increase of 858 units since 2016.
- Apartment units represent the highest unit type completions in 2017, followed by single and semi-detached units.
- The number of apartment completions increased by 40.1 per cent from 2016.
- Completion of townhouse units in 2017 increased by 49.3 per cent from 2016.
- Completion of single and semi-detached dwelling units decreased slightly from 2016.

Number of annual housing completions by type, 2013-2017



Source: CMHC Starts and Completions Survey 2013-2017

Halton Housing Completions by Type, 1998-2017

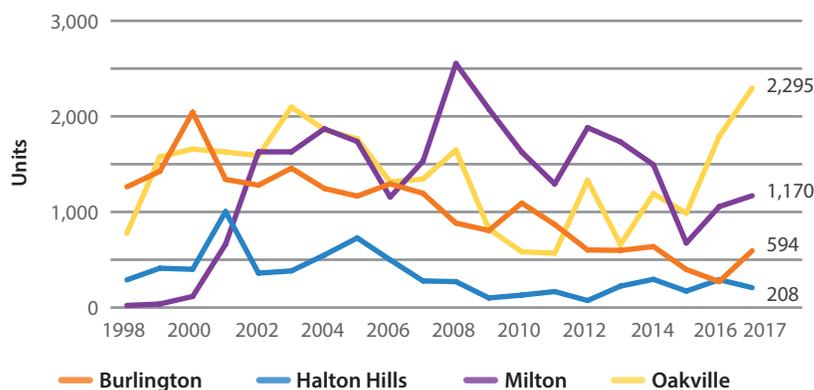


Source: CMHC Starts and Completions Survey 1998-2017

Long-term trends: Unit type

- Over the most recent 20-year period, there were 80,726 housing completions in Halton.
- During this period, single and semi-detached units accounted for 57.8 per cent of housing completions, while townhouses and apartments combined accounted for 42.2 per cent.
- The trend line for single and semi-detached housing completions has been on a decline since 2004.
- Since 2011, the trend line for all completions combined follows the same pattern as the trend line for apartment and townhouse completions.

Housing Completions by Local Municipality, 1998-2017



Source: CMHC Starts and Completions Survey 1998-2017

Long-term trends: Local Municipalities

- Over the 20-year period, Oakville accounted for the highest share of housing completions (34.0 per cent), followed by Milton (32.1 per cent).
- With the provision of lake-based water servicing, Milton had the most completions of any Local Municipality from 2007 to 2014.
- Beginning in 2015, Oakville experienced the highest number of completions in Halton Region.

Under Construction Units by Local Municipality, 2017

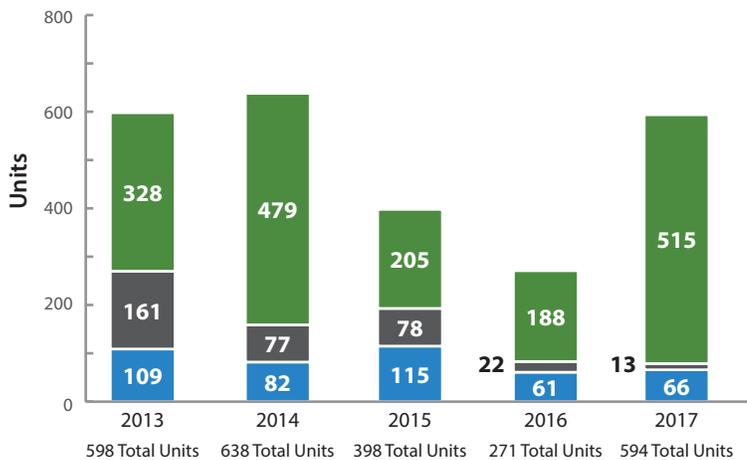
2017	Total	Single & Semi	Townhouse	Apartment
Burlington	1,257	7.7%	0.0%	92.3%
Halton Hills	159	93.1%	6.9%	0.0%
Milton	2,041	42.1%	44.7%	13.2%
Oakville	2,287	39.8%	27.8%	32.4%
Halton Total	5,744			

Key trends:

- 64.9 per cent of the unit types under construction at the end of 2017 were higher density.
- Oakville had the highest number of units under construction at the end of 2017, followed by Milton (75.3 per cent combined).

Housing Completions by Local Municipality

City of Burlington, 2013-2017



Key trends:

- There were 2,499 completions from 2013 to 2017 (14.9 per cent of all completions in the Region).
- 88.9 per cent of the 2017 completions were townhouse and apartment units (Regional target is 50 per cent).
- Townhouse unit completions decreased to its lowest number since 2013, but the number of apartment completions increased to its highest of the last 5 years.

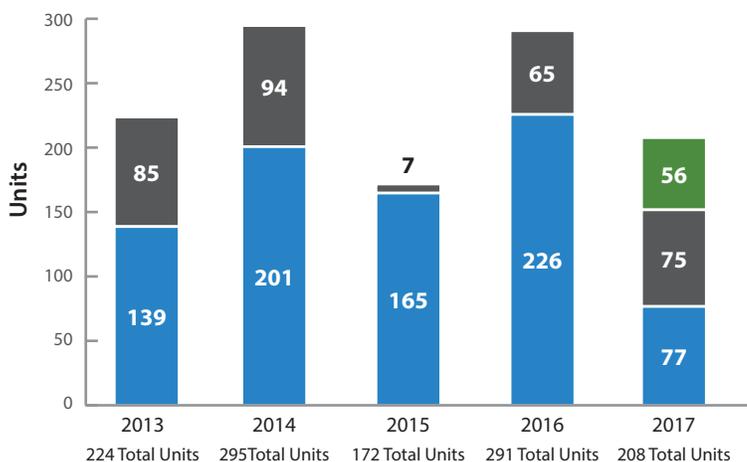
■ Single & semi-detached ■ Townhouse ■ Apartment

Source: CMHC Starts and Completions Survey 2013-2017

Percentage of annual housing completions by type, 2013-2017

	2013	2014	2015	2016	2017	5 Year Average
Apartment	54.8%	75.1%	51.5%	69.4%	86.7%	68.6%
Townhouse	26.9%	12.1%	19.6%	8.1%	2.2%	14.0%
Single & Semi	18.2%	12.9%	28.9%	22.5%	11.1%	17.3%

Town of Halton Hills, 2013-2017



Key trends:

- Halton Hills accounted for 7.1 per cent of regional housing completions from 2013-2017 (1,190 completions).
- In 2017, 208 units were completed, a decrease from 2016.
- 63 per cent of these completions were townhouse and apartment units, establishing Regional 50% target achievement for the first time.
- In 2017, single and semi-detached housing completions decreased to its lowest (37 per cent)
- Single and semi-detached housing continues to dominate the Halton Hills housing market.

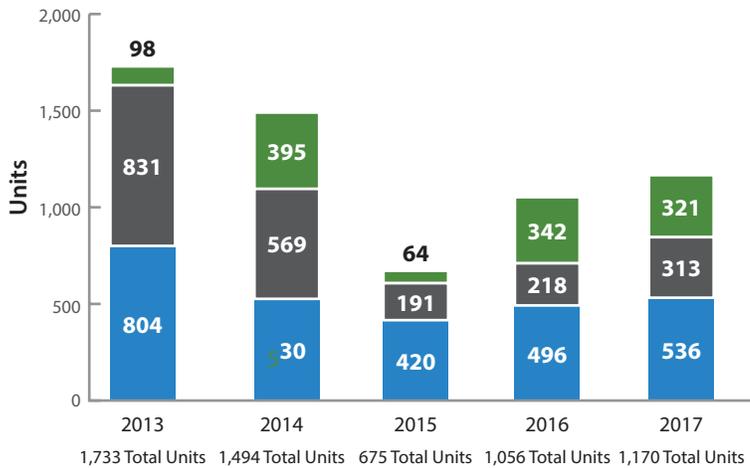
■ Single & semi-detached ■ Townhouse ■ Apartment

Source: CMHC Starts and Completions Survey 2013-2017

Percentage of annual housing completions by type, 2013-2017

	2013	2014	2015	2016	2017	5 Year Average
Apartment	0.0%	0.0%	0.0%	0.0%	26.9%	N/A
Townhouse	37.9%	31.9%	4.1%	22.3%	36.1%	27.4%
Single & Semi	62.1%	68.1%	95.9%	77.7%	37.0%	67.9%

Town of Milton, 2013-2017



Key trends:

- Milton had a total of 6,128 completions between 2013 and 2017 (36.6 per cent of completions in the Region during this time)
- 54.5 per cent of these completions were townhouse and apartment units
- 1,170 units were completed in 2017, an increase of 10.8 per cent from 2016.
- The distribution of completions by dwelling type was similar in 2016.

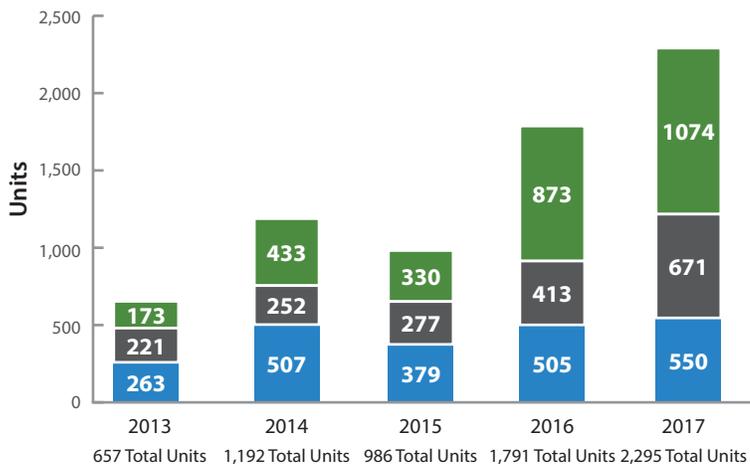
■ Single & Semi-detached ■ Townhouse ■ Apartment

Source: CMHC Starts and Completions Survey 2013-2017

Percentage of annual housing completions by type, 2013-2017

	2013	2014	2015	2016	2017	5 Year Average
Apartment	5.7%	26.4%	9.5%	32.4%	27.4%	19.9%
Townhouse	48.0%	38.1%	28.3%	20.6%	26.8%	34.6%
Single & Semi	46.4%	35.5%	62.2%	47.0%	45.8%	45.5%

Town of Oakville, 2013-2017



Key trends:

- There were 6,291 completions in Oakville between 2013 and 2017 (41.3 per cent of completions in the Region during this period)
- 65.4 per cent of these completions were townhouse and apartment units.
- 2,295 units were completed in 2017, an increase of 28.1 per cent from 2016.
- 76 per cent of the 2017 completions were apartments and townhouses (Regional target is 50 per cent).
- At the end of 2017, a total of 2,287 units were under construction in Oakville. 32.4 per cent of these were apartments (740 units under construction at the end of 2017).

■ Single & Semi-detached ■ Townhouse ■ Apartment

Source: CMHC Starts and Completions Survey 2013-2017

Percentage of annual housing completions by type, 2013-2017

	2013	2014	2015	2016	2017	5 Year Average
Apartment	26.3%	36.3%	33.5%	48.7%	46.8%	41.7%
Townhouse	33.6%	21.1%	28.1%	23.1%	29.2%	26.5%
Single & Semi	40.0%	42.5%	38.4%	28.2%	24.0%	31.8%

Housing Costs & Affordability

New & Resale Housing

In 2017, there were 12,874 new and resale houses sold in Halton. This represents a 6% per cent decrease compared to 2016. The following table shows the distribution of new and resale units by dwelling type:

All housing sales in Halton Region, 2017

	New		Resale		Total
Apartment	693	32.1%	1,253	12.0%	1,946
Townhouse	804	37.3%	2,739	26.0%	3,543
Semi-detached	22	1.0%	612	6.0%	634
Single	638	29.6%	6,113	57.0%	6,751
	2,157 16.8% of all sales		10,717 83.2% of all sales		12,874

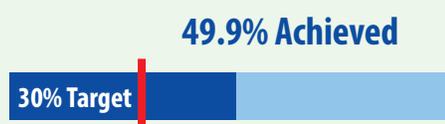
Source: Calculated from MPAC sales data, 2017

New sales (2,157 units) were steady compared to 2016. Apartment and townhouse units accounted for 69.4 per cent of new sales. This was 52.1 per cent in 2016. Given the steady increase of higher density housing in the market place, it is expected that resale data will reflect this trend going forward.

The *State of Housing* report reviews new and resale house sales to assess how well the market is meeting the housing needs of Halton residents and those looking to live in the Region.

Halton Region's **Housing Affordability Target** calls for at least 30 per cent of new housing units produced annually in Halton to be at or below the affordable threshold.

Housing Affordability Target



49.9 per cent of new house sales and assisted units fell within Halton's affordability target.

In 2017, Halton Region met the 30 per cent affordability target for the fifth consecutive year.

Highlights - Halton Region

	2016	2017	Change
New Sales¹	2,155	2,157	+0.1%
Resale	11,547	10,717	-7.2%
All Sales	13,702	12,874	-6.0%
Affordable New Sales²	689	1,059	+53.7%
New Assisted Program Units³	69	35	-34

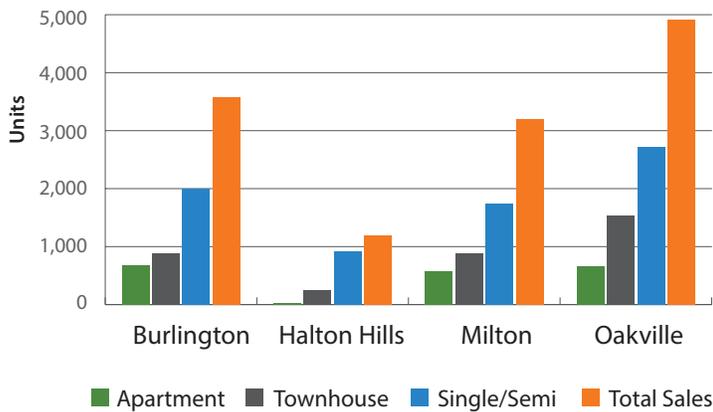
¹ New sales quantities are lower than the annual completions quantities because only sales at fair market value on the open market are reported here.

² This data is based on the closing date, when ownership of the property is transferred to the buyer.

³ New assisted program units are captured at the time of funding commitment.

Source: Calculated from MPAC sales data, 2017

Total unit sales by dwelling type and municipality



	Burlington	Halton Hills	Milton	Oakville
Total Sales	3,568	1,196	3,193	4,917
Apartment	678	28	575	665
Townhouse	888	246	879	1,530
Single/Semi	2,002	922	1,739	2,722

Oakville and Burlington continue to record the largest proportion of sales. Most municipalities experienced a decrease in the number of resale units compared to 2016 (-7.2 per cent Region-wide).

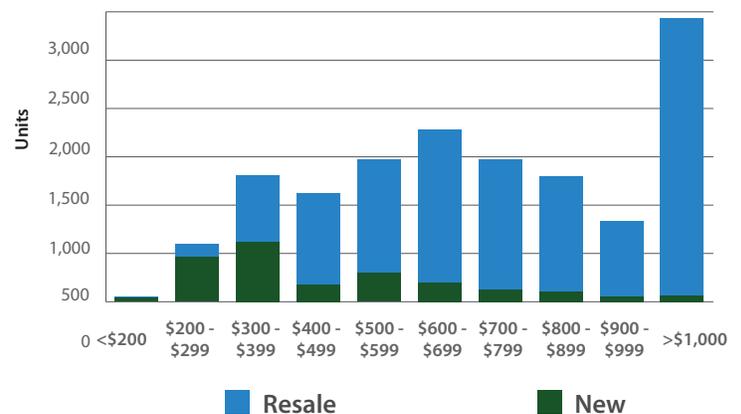
Compared to 2016, the number of new sales increased in Oakville (up 25 units) and Milton (up 200 units) and decreased in Halton Hills (down 128 units) and Burlington (down 95 units). This resulted in a region-wide increase of just 2 units (2,157 in total)

Resale units accounted for 83.2 per cent of sales in Halton Region. 62.8% pertained to single and semi-detached units, representing the bulk of Halton's existing housing stock.

New & Resale Average House Prices

- The average price of all house sales in 2017 was \$816,320 (up 12.5 per cent compared to 2016).
- The average price of all new house sales (2,157 dwellings) was \$481,110 (down 20.7 per cent), reflecting the high number of affordable new apartments and townhouses (49.9 per cent of all new sales).
- Townhouses and apartments (new and resale combined) sold for \$512,598 on average (up 10.6 per cent).
- Single and semi-detached houses (new and resale combined) sold for an average of \$1,042,065 (up 17.0 per cent) and represented 57.4 per cent of all sales in Halton Region. As such, this category continues to have a significant impact on the average house prices in Halton.

New & resale housing prices (\$ thousands), 2017



Source: Calculated from MPAC Sales Data, 2017

Average resale price by municipality in 2017 was as follows:

Resale	# Units (2017)	2017 Average Prices	2016 Average Prices	Price Change
Burlington	3,453	\$750,603	\$631,054	18.9%
Halton Hills	1,084	\$715,331	\$616,792	16.0%
Milton	2,351	\$722,678	\$619,792	16.6%
Oakville	3,829	\$1,150,504	\$965,604	19.1%
Grand Total	10,717	\$883,787	\$727,467	21.5%

New Affordable Housing by Dwelling Type & Municipality

An adequate supply of new affordable housing units is an important element in Halton's vision for sustainable growth, as set out in the Regional Official Plan. In 2017, there were 2,157 new units sold in Halton. The following tables show the distribution of the new housing units by dwelling type, affordability and municipality.

Halton Region

New housing sales by dwelling type, 2017

	≤ \$362,950		> \$362,950	
	Count	%	Count	%
Apartment	576	54.4%	117	10.7%
Townhouse	483	45.6%	321	29.2%
Semi-detached	0	0.0%	22	2.0%
Single	0	0.0%	638	58.1%
	1,059 units		1,098 units	

Key trends:

- All affordable new sales in Halton Region are townhouses and apartments, demonstrating the link between higher density housing and affordability.
- The vast majority of apartment units are one and two bedroom.
- In Halton Region 49.1 per cent of new sales were below the affordable threshold (1,059 of 2,157). The Regional affordability target is 30 per cent.
- The average price of the 1,059 units sold below the affordable threshold was \$292,768.

Town of Oakville

New housing sales by dwelling type, 2017

	≤ \$362,950		> \$362,950	
	Count	%	Count	%
Apartment	111	19.9%	69	13.0%
Townhouse	448	80.1%	248	46.9%
Semi-detached	0	0.0%	20	3.8%
Single	0	0.0%	192	36.3%
	559 units		529 units	

Key trends:

- 51.4 per cent of new sales in Oakville were below the affordable threshold (559 of 1,088).
- 50.4 per cent of Halton's total new sales were in Oakville (1,088 of 2,157).
- 52.8 per cent of Halton's affordable new sales were in Oakville (559 of 1,059).
- This is the first year that the majority of new units sold beyond the affordability threshold were not single-detached.

City of Burlington

New housing sales by dwelling type, 2017

	≤ \$362,950		> \$362,950	
	Count	%	Count	%
Apartment	72	100.0%	38	88.4%
Townhouse	0	0.0%	0	0.0%
Semi-detached	0	0.0%	0	0.0%
Single	0	0.0%	5	11.6%
	72 units		43 units	

Key trends:

- 62.6 per cent of new sales in Burlington were below the affordable threshold (72 of 115).
- 5.3 per cent of Halton's total new sales were in Burlington (115 of 2,157).
- 6.8 per cent of Halton's affordable new sales were in Burlington (72 of 1,059).

Town of Milton

New housing sales by dwelling type, 2017

	≤ \$362,950		> \$362,950	
	Count	%	Count	%
Apartment	393	91.8%	10	2.4%
Townhouse	35	8.2%	15	3.6%
Semi-detached	0	0.0%	2	0.5%
Single	0	0.0%	387	93.5%
	428 units		414 units	

Key trends:

- 50.8 per cent of new sales in Milton were below the affordable threshold (428 of 824). This was 20.6 per cent in 2016.
- 39.0 per cent of Halton's total new sales were in Milton (842 of 2,157).
- 40.4 per cent of Halton's affordable new sales were in Milton (428 of 1,059).

Town of Halton Hills

New housing sales by dwelling type, 2017

	≤ \$362,950		> \$362,950	
	Count	%	Count	%
Apartment	0	0.0%	0	0.0%
Townhouse	0	0.0%	58	51.8%
Semi-detached	0	0.0%	0	0.0%
Single	0	0.0%	54	48.2%
	-		112 units	

Key trends:

- No new sales in Halton Hills were below the affordable threshold.
- 5.2 per cent of Halton's total new sales were in Halton Hills (112 of 2,157).

Resale price increases have outpaced household income increases over time. As a consequence, units that are captured as affordable new sales (based on the Halton Housing Model) may be resold beyond the affordable threshold in later years, as these transactions take place in the open market. Halton Region and the Local Municipalities do not have the ability to influence market resale prices.

Rental housing is an important form of affordable housing for many of Halton's residents.

Highlights - Halton Region

	2016	2017	Change
Average Rent (private townhouse and apartment)	\$1,290	\$1,356	+5.1%
Bachelor	\$905	\$916	+1.2%
1 Bedroom	\$1,158	\$1,222	+5.5%
2 Bedroom	\$1,318	\$1,374	+4.2%
3+ Bedroom	\$1,515	\$1,612	+6.4%
Total # of Units (private townhouse and apartment)	16,122	16,292	+1.1%
Bachelor	296	301	+1.7%
1 Bedroom	4,888	4,891	+0.1%
2 Bedroom	8,891	8,891	0.0%
3+ Bedroom	2,202	2,209	+0.3%

Source: CMHC Rental Market Report, 2016-2017
Note: Average rents and vacancy rates in the 2015 State of Housing report were based on private apartments only.

The 2016 Census indicates that there were 36,810 renter households in Halton (19.1 per cent of all households). About 44.3 per cent of these households were living in purpose-built rental apartment and townhouse units, as captured in the table above.

The remainder of renter households would reside in condominium rental apartments, social housing, single and semi-detached units (including secondary suites) and other rental arrangements.

Data in this section only relates to purpose-built rental units, included in the table above.

As indicated on page 4 of this report, the average rents of the growing number of condominium rental units (estimated at 3,500 in 2017) is typically higher (\$1,713 on average in 2017).

Rental Housing

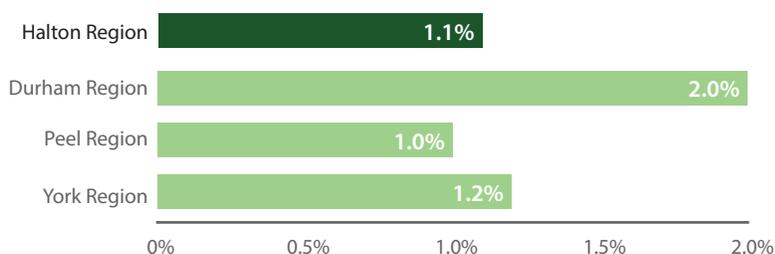
Vacancy Rates & Monthly Rent

Vacancy rates are an important measure to assess the health of the rental market. According to Canada Mortgage Housing Corporation (CMHC), a vacancy rate of at least three per cent (three for every one hundred units) is considered necessary for adequate competition and housing options.

To protect the rental housing stock in Halton, the Regional Official Plan policies require that Local Municipalities use a rental housing vacancy rate of three per cent as the minimum threshold to consider permission for the conversion of existing rental housing to ownership tenure, to other uses, or for the demolition of rental housing.

Halton Region's overall vacancy rate for private apartments and townhouses decreased to 1.1 per cent in 2017 from 1.3 per cent in 2016. The low vacancy rate may make it difficult for households searching for rental housing to find a suitable unit.

Rental market vacancy rates, 2017

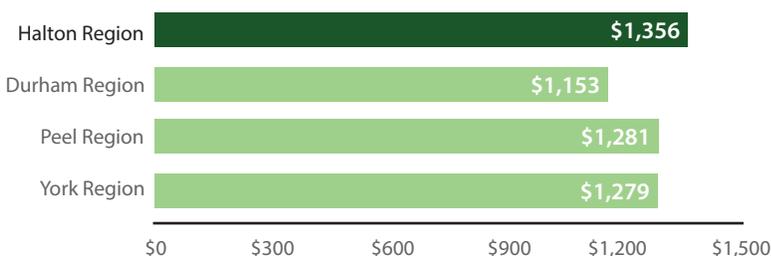


Source: CMHC Rental Market Report, 2017

Rental housing costs, 2017

Average monthly rent is another means to measure the health of the rental market.

The average monthly rent of private townhouse and apartments increased to \$1,356 in 2017 from \$1,290 in 2016. When compared to other Regional Municipalities in the Greater Toronto Area, Halton's average monthly rent continues to rank highest.



Source: CMHC Rental Market Report, 2017

Vacancy rate by unit size in Halton for private townhouses & apartments, 2013-2017

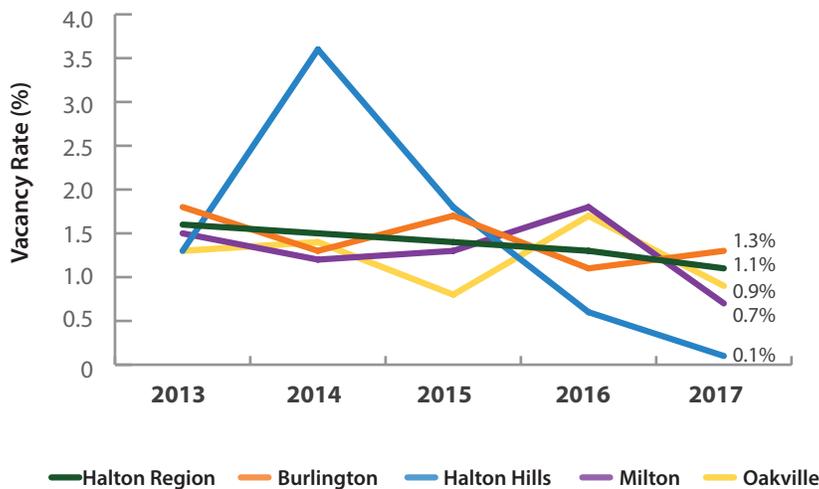
Unit Type	2013	2014	2015	2016	2017
Bachelor	0.4%	3.2%	2.0%	1.4%	1.5%
1 Bedroom	1.7%	2.0%	1.3%	1.1%	1.0%
2 Bedroom	1.6%	1.4%	1.5%	1.4%	1.3%
3+ Bedroom	1.7%	0.6%	1.3%	1.2%	0.7%
Overall rate	1.6%	1.5%	1.4%	1.3%	1.1%

Source: CMHC Rental Market Report, 2013 to 2017

Key trends:

With the exception of bachelor units, the vacancy rates for all unit types have decreased since 2016. The vacancy rate for 3+ bedrooms were the lowest in 2017 at 0.7 per cent, followed by 1 bedroom units at 1.0 per cent and 2 bedroom units at 1.3 per cent. The overall vacancy rate has continued to decrease from 1.6 per cent in 2013 to 1.1 per cent in 2017.

Vacancy rates by Local Municipality for private townhouses & apartments, 2013-2017



Source: CMHC Rental Market Report, 2013 to 2017

Key trends:

In 2017, the vacancy rate in Halton Hills was the lowest at 0.1 per cent, a decrease of 0.5 per cent from 2016. The vacancy rates for the town of Milton and Oakville decreased to 0.7 per cent and 0.9 per cent, respectively. Burlington's vacancy rate increased by 0.3 per cent to 1.3 per cent, but is still well below the 3 percent target.

Average rent & total units by housing type in Halton, 2013-2017

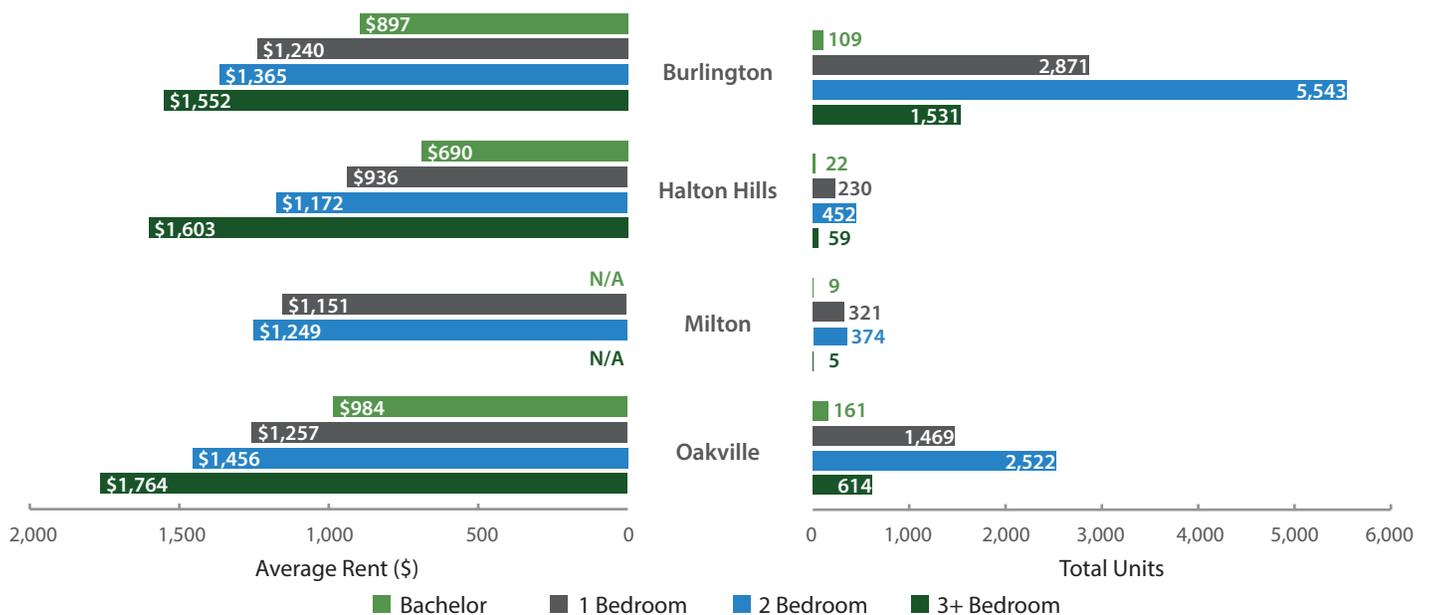
	2017		2016		2015		2014		2013	
	Average Rent	Total Units								
Bachelor	\$916	301	\$905	296	\$878	296	\$891	298	\$878	290
1 Bedroom	\$1,222	4,891	\$1,158	4,888	\$1,118	4,854	\$1,078	4,766	\$1,032	4,767
2 Bedroom	\$1,374	8,891	\$1,318	8,891	\$1,281	8,735	\$1,229	8,705	\$1,185	8,647
3 Bedroom+	\$1,612	2,209	\$1,515	2,202	\$1,448	2,232	\$1,402	2,236	\$1,355	2,240
Total	\$1,356	16,292	\$1,290	16,122	\$1,250	16,117	\$1,201	16,005	\$1,154	15,984

Source: CMHC Rental Market Report, 2013 to 2017

The average market rent (AMR) across all unit types has been steadily increasing over the past five years. In 2017, Halton's AMR ranged from \$1,222 for 1 bedrooms to \$1,612 for 3+ bedroom units (not including the limited number of bachelor units). The highest change in rent occurred in 3+ bedroom unit types from 2016 to 2017 (at 6.4 per cent). The AMR across the Region increased 5.1 per cent. As indicated, these averages do not include condominium rental units or any other rental accommodation that is not purpose-built.

The average market rents for Halton Region continue to be above the assisted rental threshold identified in Halton's Housing Model. The total number of private townhouse and apartments increased in 2017 by 170 units. This was the highest increase since 2013. The most frequent unit type in Halton is 2 bedroom, followed by 1 bedroom. Rental stock is limited for bachelor and 3+ bedroom units.

Average rent & total units by unit type and Local Municipality, 2017



Source: CMHC Rental Market Report, 2017

Oakville and Burlington have the highest average rent in the Halton Region, similar to previous years. Rent increases in 2017 compared to 2016 were as follows:

- Burlington: 6.4%
- Halton Hills: 1.5%
- Milton: 2.0%
- Oakville: 3.6%

Burlington has the highest number of purpose built rental units, representing 61.7 per cent, followed by Oakville with 29.3 per cent.

This section focuses on the non-market side of the housing continuum where government-funded programs and services are needed to enhance affordability for Halton's residents (see page 2).

Halton Region plays a direct role in the assisted housing area, recognizing that people move back and forth across the housing continuum, depending on their personal circumstances.

Assisted Housing

Assisted housing plays an important role in helping low and moderate income individuals and families obtain housing that is stable and secure. Assisted housing mostly relates to rental accommodation, but also includes homeownership assistance when government funding is used. The assistance may come in the form of capital programs, operating subsidy to housing providers and rental subsidy to eligible households.

Assisted Housing Administered by Halton Region

Halton Region administers 3,981 assisted rental housing units. Most of these units are governed under social housing legislation (3,679 or 93 per cent). The 3,981 units are located in 58 housing communities, owned and operated by 26 non-profit co-operative and private sector housing providers, including Halton Community Housing Corporation (HCHC).

Halton Region provides rent-geared-to-income (RGI) assistance to 3,172 households living in these communities. RGI recipients are selected from the Halton Access to Community Housing (HATCH) wait list.

With the expiry of operating agreements for Federal housing providers, the total number of assisted housing stock in Halton, administered by Halton Region declined in 2017. The recent National Housing Strategy announced by the Federal government commits to protect low-income families and preserve the existing social housing stock by providing an investment in a new Canada Community Housing Initiative. A new Federal Community Housing Initiative will also be implemented to assist federal providers with expiring operating agreements.

New Assisted Housing Opportunities Since 2008

As reflected in the graph on page 19, Halton Region has created a total of 1,574 new housing opportunities since 2008, including:

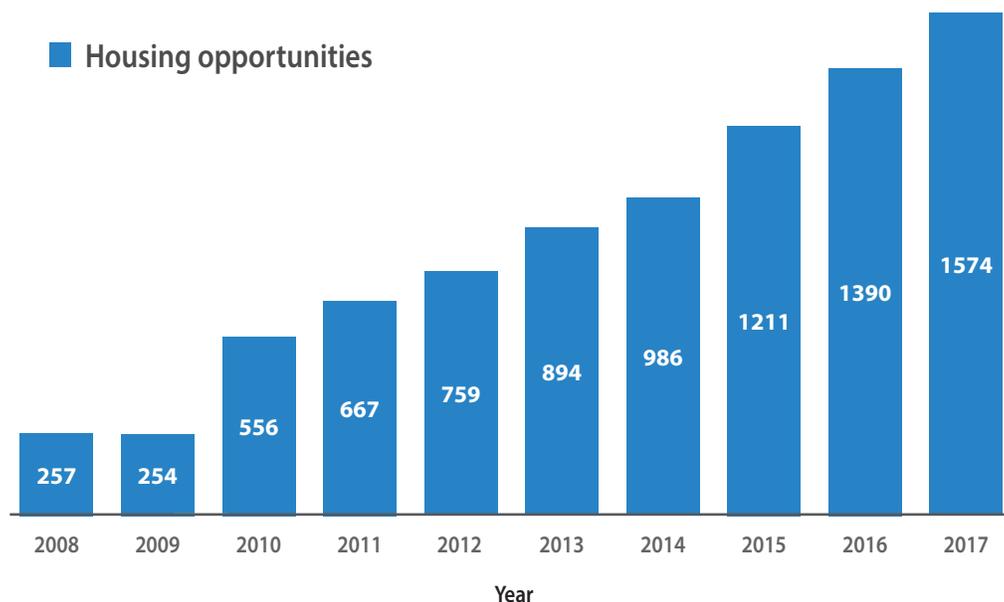
- 422 new rental units
- 17 secondary suites
- more than 900 additional rent supplements and Halton In-situ Program (HIP) housing allowances; and
- various emergency and transitional housing solutions.

Halton Region's Comprehensive Housing Strategy Update – 2014- 2024 (CHS) sets a 10-year target to create 550 to 900 housing opportunities (new units and rent supplements / housing allowances). More than \$100 million in Regional multi-year funding is projected to enable the creation of 550 housing opportunities, with the understanding that the upper target of 900 can only be achieved with additional funding from federal and provincial governments. Since 2014 over 750 new housing opportunities have been created and this number continues to grow annually. In addition, Halton Region's Strategic Action Plan 2015-2018 identifies the delivery of new assisted housing opportunities as a key priority.

Halton Region utilizes the following delivery models for the creation of new housing opportunities under the CHS:

- Halton's Assisted Housing Framework (AHF), including a stream that enables Halton Region to purchase units for rent and a stream to encourage the creation of secondary suites.
- The Investment in Affordable Housing for Ontario (2014 Extension) program (IAH-E) and the 2016 Social Infrastructure Fund (SIF), including capital assistance for the creation of rental housing and secondary suites, as well as down-payment assistance to homeowners.
- The Halton In-situ Program (HIP), providing Halton applicants on the HATCH waitlist with a permanent, portable monthly housing allowance.
- The Halton Rent Assistance Program (HRAP), providing rent supplements that are in part used to enhance affordability of rental initiatives under AHF and IAH-E. The supplements are also used to support new innovative housing initiatives in the community.

New assisted housing opportunities in Halton (total cumulative new opportunities since 2008)



Halton In-situ Program (HIP)

The Halton In-situ Program (HIP), launched in the fall of 2014, provides an income tested housing allowance (ranging from \$250 to \$850 per month) to qualified Halton applicants on the HATCH waitlist. The program is designed as a permanent and portable housing solution. The target is to provide at least 290 allowances by 2019. In 2017, 70 additional HIP housing allowances were provided to Halton residents on the HATCH waitlist. As of December 31, 2017, 299 Halton households were in receipt of HIP. This number continues to grow.

Rent Supplement

Halton Region operates various rent supplement programs in partnership with private-sector landlords. Under these programs, eligible households are sourced from the HATCH wait list and receive rental assistance. In 2017, Halton Region acquired an additional 79 rent supplement housing opportunities. Taking into account reductions in time limited Provincial funding, the rent supplement total at the end of 2017 was 670, including 276 funded through the Halton Rental Assistance Program (HRAP). This program was created in 2012 and provides Halton Region with additional options to enhance the affordability of new housing initiatives.

Special Needs Housing

Special needs housing includes housing that is accessible for people living with physical disabilities and housing that is tied to the provision of personal supports (supportive housing).

In 2016, Halton Region administered 267 wheelchair accessible units (of which 226 can be accessed through the HATCH wait list).

It is estimated that more than 30,000 Halton residents are living with physical difficulties that could impact their housing needs (Canadian Survey on Disability, 2012).

While changes to the Ontario Building Code (OBC) and the Accessibility for Ontarians with Disabilities Act (AODA) have

further enhanced barrier-free building design requirements in Ontario, there is a shortage of statistical data on the specific need for and production of accessible and adaptable housing units in the marketplace. This shortage can make it difficult for a municipality to know whether current policies and frameworks are sufficient to address the need.

In 2016, Halton Region continued to update its Assisted Housing Design Guidelines, including requirements related to accessibility. These guidelines are designed to inform the Region's new housing initiatives.

Homelessness

The primary causes of homelessness and the need for emergency shelter relate to unaffordable rents, mental health and addiction issues, family breakdown and loss of

employment. Halton Region operates and/or administers various support programs to proactively address these situations.

Initiative	2016 Achievements
Emergency Shelter	801 single clients were served (32 emergency shelter beds for singles supported by Salvation Army and the Canadian Mental Health Association) 85 families were served, an additional 80 were diverted from emergency shelter (Wesley Urban Ministries)
Housing Stability Fund	1746 housing crisis situations were resolved through outreach and funding, including rental deposits, rental arrears, utility cost arrears, eviction, moving/storage costs and provision of essential furniture/beds
Halton Housing Help	1920 clients were assisted with finding affordable rental housing in the private marketplace and an additional 258 clients received intensive customized supports
Housing First	23 chronically homeless households were assisted with the provision of permanent housing with individualized support services
Housing with Related Supports	152 subsidized beds across the Region were made available by the Region, operated by housing providers who provide supports to residents at risk of homelessness

