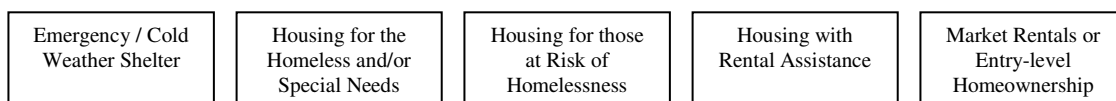


Islands Trust Housing Needs Assessment – Phase I

Presented by JG Consulting Services Ltd.
Salt Spring Island, BC

August 2008

Salt Spring Island's Affordable Housing Continuum



Islands Trust Housing Needs Assessment – Phase I

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INTRODUCTION

Phase I of the Housing Needs Assessment is intended to represent a starting point ('Phase I') for the Salt Spring Island planned Housing Needs Assessment funded by the Real Estate Foundation, the Islands Trust and the CRD. The goal is to present as much data and analysis as possible within a very short time frame, with a focus on what is relevant and critical for input to the OCP review regarding the current affordable housing situation on Salt Spring.

The October 2007 Real Estate Foundation (REF) CIT grant application was used as a general guide, however, given the very tight timeframe to provide input to the OCP, the work performed (as planned) does differ from that contemplated in the original REF proposal. This proposal originally anticipated the use of a REF-developed data request and analysis methodology template which would greatly simplify and expedite the assignment. This tool was not yet available for Phase I of the project, and therefore it is expected there will be some duplication or additional work associated with completing Phase II of the Needs Assessment once the methodology is received; the implications of this was not considered in the proposed assignment.

The **focus for Phase I** is a general overview of the housing market, an examination of the current demographics, an estimate of the price range of housing that would be affordable to this population and a general overview the community's existing housing supply. The intent is to identify how the housing stock matches the financial means of the community, and identify gaps in the supply.

The **intended outcome of Phase I** is to provide a basic analysis of the statistical data that relate to housing affordability. This analysis is intended to provide some assurance that there are no large differences in the perception that housing affordability problems have escalated significantly in recent years, as well as various particular areas of concern. The analysis is brief, and has also identified areas or issues to consider for further exploration in Phase II of the project.

Phase I is not a full housing needs assessment, but rather a tool to assist the Local Trust Committee in the OCP review, and the development of the terms of reference for Phase II.

Phase II of the Assessment should include community surveys and consultations regarding the results of Phase I, and be undertaken once the methodology from the REF is obtained. Ideally this will occur in time for input to the LUB (Land Use Bylaw) revision, following the approval of the OCP changes. Phase II should also include a forecast of the future housing supply for comparison to population forecasts developed by BC Stats.

The resulting full Housing Needs Assessment is intended to be a snap shot of the housing situation and needs, which should be reviewed and updated regularly over the years in order to assist the Islands Trust in directing strategies and land use decisions to give priority to the most critical housing needs identified. Ideally, the OCP should reflect the need for ongoing monitoring of affordable housing and the regular update of relevant aspect of the Housing Needs Assessment in order to measure the success of their housing strategy, and/or make any required modifications if the intended improvement in affordability is not achieved.

SUMMARY CONCLUSIONS

It is widely recognized that housing on Salt Spring Island is extremely expensive and not affordable to many island residents. The purpose of Phase I of this needs assessment was to research the basic demographic and housing supply information, and to identify if the perceived shortcomings in the housing market are corroborated by the statistical information that is readily available. Some reliance was placed on anecdotal information as well, particularly in some of the more difficult to quantify areas.

Essentially, the research confirmed virtually all the perceptions about a crisis of affordability, and the critical and increasing need for more affordable housing to satisfy Salt Spring's population's most basic requirements.

Home and land prices have increased very dramatically over recent years, and ownership is beyond reach of most renters. There is a large gap in the supply of homeowner housing that is attainable to the general population, based on their incomes. Generally the available supply of housing is at least double the price that would be affordable to a median income earner on Salt Spring Island.

Trends in incomes are exacerbating this problem; there are increases in the number of residents of very low incomes, declines in the number of low to moderate income earners, and sharp increases in the number of residents with very high incomes.

The supply of rental housing is in very short supply, often in poor condition, and likewise very expensive. A portion of the rental supply is available only seasonally, as tenants are vacated to allow non-resident owners to either spend their vacations on Salt Spring, or to capture the more lucrative vacation rental market. There have been decreases in the number of market rental properties, with some, but fewer non-market rental units developed with government assistance. These non-market rental projects often report full occupancy and sizeable wait lists.

Employers in all sectors reportedly experience labour shortages due to housing affordability challenges of employees and potential employees. This appears to be a factor in the decisions of many young families who choose to leave the island, or move off-island and commute back to work. Clearly this out-migration of families would be a significant contributor to the reported declines in permanent resident school enrolments.

Many individuals and families are increasingly at risk of homelessness, as their tenure is insecure and a very significant portion of their incomes are dedicated to shelter costs. There are substantial numbers of residents that struggle with rental costs, but single-parent female-led families with children appear to be one of the populations exhibiting the most urgent need.

There have been reports of a very significant increase in the number of homeless persons on Salt Spring, the great majority of which are originally from this area. While a large number of the homeless population are harder to house because they need additional supports, it is reported that an increasing number of persons and families with children are becoming homeless due to simple economic factors. While challenging to quantify, and often based on anecdotal evidence, this is the most critical and urgent need identified during the research undertaken for this report.

SUMMARY OF KEY FINDINGS

Demographics

Salt Spring's population is much older (median age 51.3) and aging must faster those other regions in the Province of BC (median age 40.8). There are very significant increases particularly in the numbers of early retirement aged residents (incr. 49%) and older seniors (40-50%) over the last 5 years (see page 9 for details).

There are fewer school children aged 5-14 (SSI 10.3%, BC 12.2%), and large drops in the numbers of children (SSI 11.9%, BC 3.7%), and young families (decrease adults 25-44 SSI 13%, BC 4.2%) (see pages 9-10).

There is a slightly lower percent of single-parent families on Salt Spring (13.9%) than in the Province of BC (15.1%). While the great majority remain single mothers (71.3%), a there was a trend away from mothers to single fathers over the last 5 years (see page 12-13).

The proportion of families with children (18.4%) is much lower than in BC (26.3%), and has dropped by over 8% since 2001, while there is an overall Provincial increase of over 2%. The percentage of couples without children (36.2%) is much higher than provincial average (29.6%) (see page 14).

The increase in the number of households on Salt Spring (3%) has not kept pace with increases seen in the Province of BC (7.1%) over the last 5 years (see page 14).

There is a slightly higher percentage of one-person households (SSI 31.5%, BC 28%), but it is increasing at a much slower rate than Provincial averages (SSI 2.3%, BC 10.2%). There are some indications that more single persons are sharing residences (see page 14).

Income

Total income reported by Salt Spring residents (average \$39,551, median \$26,256) is lower than in the CRD (average \$41,840, median \$31,370), but comparable to the Provincial average. Females earn more than their provincial counterparts, and males earn less than theirs (see page 15).

Family income ranges from 7-20% less than provincial average (SSI \$56,000, BC \$62,300) and lone-parent families incomes are 4% less (SSI \$33,900, BC \$35,400). There is great disparity in lone-parent family incomes; female-led families' incomes trail their male counterparts by 20% and couple families' incomes by 41% (see page 16).

Median household income of \$45,693 is 13.3% lower than BC (\$52,700) and incomes in couple households with children (\$57,800) lag over 27% behind provincial averages (\$79,500) (see page 16).

Significant changes in income distribution have occurred over the last 5 years, with declines in virtually every income category below \$70,000 and large increases in the higher income brackets. The most notable is a 130% increase in those earning above \$100,000 (see page 17).

One other notable difference in the change in income distribution is a 10% *increase* in the number of residents reporting incomes *below* \$10,000 (see page 17).

Single person households represented over 31% of the number of households in 2006 (page 14), but the majority (65%) earn less that \$35,000 per year (see page 18).

SUMMARY OF KEY FINDINGS

Housing Affordability

A match of housing stock to Salt Spring's current family composition and income profile would yield a median average purchase price of \$196,500 (see page 20).

Couple families could afford between \$259,000 (those with children) and \$286,000 (without children). These families represent 18% and 36% of the population respectively (see page 20).

One person households, which represent over 31% (page 14) of the households, could afford to purchase a home of \$90,600 (see page 20).

Single-parent families could afford houses ranging from \$131,200 (female-led) to \$194,500 (male-led) (see page 20).

Couple families with and without children could affordably rent homes in the range of \$1,340-\$1,470 per month. One person households can afford rents of \$535 (see page 20).

Single parents can afford rents of \$749 (\$730 for female-led and \$1,033 for male-led) (see page 20).

Housing Stock

Salt Spring had 4,320 households in 2006, consisting of 3,530 owned dwellings (82%) and 790 rental dwellings (18%). The Provincial average is 70% owned and 30% rental (see page 21).

The overall number of dwellings has increased 3% over the last 5 years. Within this overall increase, however, there was a *decrease* of 6% of number of rental units, and an increase of over 5% in homeowner units (see page 21).

The housing supply consists primarily of single-family detached dwellings (3,730 or 86%), far in excess of the 49% average across BC (see page 21).

The stock of private dwellings is in somewhat poorer condition than the average across BC, with over 29% requiring minor repairs and 10% requiring major repairs (BC 24% and 7%) (see page 22).

The housing stock is somewhat newer than that in the province, with the majority of built since the 1970 (see page 22).

SUMMARY OF KEY FINDINGS

Homeowner Housing

Average sales price for a single family home in 2007 was \$616,900, up by over \$331,400 (116%) since the 1999 average of \$285,500. Median sales price for a single family home in 2007 was \$548,510, up by over \$286,200 (109%) since the 1999 average of \$262,200 (see page 23).

As of May 2008, there were 146 single family home listings, with an average price of \$768,000 (median \$629,000). There was only one home listed under \$300,000, with another 14 below \$400,000. There are 25 listed over \$1,000,000 (see page 24).

Average 207 lot sales value was \$291,600, reflecting an increase of 294% since the \$73,900 average in 1999. Median lot sales value was \$283,000, reflecting an increase of 285% since the \$72,200 average in 1999. These prices exclude large acreages and water-front properties (see page 25).

May-2008 land listings (*including* acreages and waterfront lots) average \$435,500 (median \$379,000) (see page 26).

The 2004 housing survey results indicate 75% of owners could not afford to buy their residence at current market value (see page 26).

Rental Housing

The census reports 790 rental units on Salt Spring, mostly in single family dwellings. There is a sizeable number of rental cottages and secondary suites; the extent to which there are included in the count is unknown (see page 27).

The 2004 housing survey results indicate that, although there is a desire to do so, virtually no renters could afford to enter the housing market on Salt Spring (see page 26).

Market rental apartment buildings are very few. Excluding serviced seniors' housing, there are approximately 18 market rental apartment units (see page 27).

There are approximately 212 units of non-market rental housing on Salt Spring Island, most of which (75%) are targeted to seniors. The majority of these seniors' units (74%) provide some level of supportive or care services (see page 27).

All seniors' residences are located in the Ganges area, suggesting the needs of south-end seniors' wishing to remain in their community may not be well served (see page 27).

Market rental listings for May-2008 averaged \$1,140 per unit. This ranged from an average price of \$840 (1-bed), \$1,300 (2-bed), \$1,700 (3-bed), to \$1,780 (4-bed). (see page 28).

Market rental listings for houses averaged \$1,611, suites \$829, apartments \$906 and cottages (\$799) (see page 28).

Market rental listing rate increases between 2003-2007 averaged 27% (\$250). Four-bedroom rentals remained unchanged at \$1,700, with the highest increase in 2-bed units (\$325 or 35%). Overall increases (27%) have not increased as fast as home purchase prices (50%) or land prices (over 100%) (see page 28).

SUMMARY OF KEY FINDINGS

Suites and Cottages

The 2004 survey administrator reports that 16% of homeowner respondents had a rental suite, cottage or both on their property, and that extrapolated to the overall housing supply, this could indicate a potential rental supply somewhere in the range of 650 dwellings.

A brief review of the survey data provided indications that many homeowners with mortgages may make important use of rental revenue as mortgage helpers.

Rental unit data for 2008 indicates average rates of \$829 for suites, ranging from \$804 (one-bed) to \$1,000 (2-bed) (see page 28).

Cottages averaged \$799, and ranged from \$781 (1-bed) to \$950 for a 2-bed (see page 28).

Suites increased by \$136 (19%) from 2003-2007, compared to the overall rental market increase of \$27%. Cottages exhibited the lowest rental rate increases from 2003-2007 (4%) of any type of rental accommodation (see page 28).

Housing Need on Salt Spring

Stats Can reports that 44% of Salt Spring Renters are in 'core housing need' (paying in excess of 30% of income on shelter) (see page 32).

The 2004 Survey indicates a similar number of households in core need, and also indicates 12% of respondents were at risk of homelessness i.e. paying > 50% of their income on shelter (see page 29).

There have been reports of a very significant increase in the number of homeless persons on Salt Spring; the 'official' homeless counts range from 32-62 homeless. Organizations serving those populations believe this greatly understates the numbers, which they estimate to be upwards of 150. (see page 33).

Extrapolating median income of various family household compositions, the ideal owned home would have an average value of \$234,590 and median \$259,600 (p. 24). Current listings average \$768,000 and median \$629,000 (see page 35), far exceeding the calculated 'ideal' values.

Using median income of various family household compositions as a guide, currently available rental rates are not affordable to many households, most notably single persons and female-led lone parent families (see page 36).

DEMOGRAPHICS

Demographics and Age 2006

According to Stats Canada, the 2006 Census results indicate a Salt Spring Island population of 9,640, an overall increase of 360 (3.9%) over the 2001 Census. The table below identifies population sizes in various age ranges, as compared to the CRD and the Province of British Columbia.

	Salt Spring Island		Capital Region		British Columbia	
	Total	% Total	Total	% Total	Total	% Total
	9,640		345,165		4,113,485	
Age 0-4	300	3.2%	14,385	4.4%	201,880	5.2%
Age 5-14	955	10.3%	33,830	10.4%	477,725	12.2%
Age 15-19	565	6.1%	20,630	6.3%	273,560	7.0%
Age 20-24	340	3.7%	23,390	7.2%	265,905	6.8%
Age 25-44	1,680	18.1%	87,790	27.0%	1,125,330	28.8%
Age 45-54	1,725	18.6%	55,935	17.2%	664,255	17.0%
Age 55-64	1,925	20.7%	46,725	14.3%	505,015	12.9%
Age 65-74	1,005	10.8%	27,840	8.5%	313,395	8.0%
Age 75-84	1,080	11.6%	23,985	7.4%	210,360	5.4%
Age 85 and over	330	3.6%	9,950	3.1%	76,045	1.9%
Median age	51.3		43.6		40.8	

Categorizing the population according to age can be helpful as an indicator of housing need as, for example, families have different needs than seniors. Changes identified over recent years can be helpful in corroborating the perception that families are leaving Salt Spring because of housing affordability problems.

One can quickly see that the Salt Spring population is much older than both the CRD and the provincial averages, as reflected by a substantially higher median age. As far as implications for housing affordability, this older population would tend to skew average income figures higher, as many wealthy Canadians have chosen Salt Spring Island for their retirement. This higher income can be expected to exert an upward pressure on housing values.

There are far fewer young families, with much lower than average percentages in both the 20-24 and 25-44 age groups (SSI 3.7% +18.1% = 21.8%), compared to the CRD 34.2%, and BC 35.6%.

It is widely believed that very high housing prices are, at least in part, responsible for this trend. It is reported that many young families are leaving Salt Spring, which is supported by dropping school enrollment numbers and causing concern in the community about possible school closures. This issue should be addressed further with the local School District in Phase II of this needs assessment to determine if the enrollment decline is consistent with broader regional trends, or if it is more severe (or somehow different) locally.

Many former residents of the island have reportedly moved to nearby Vancouver Island communities such as Duncan or Crofton, and commute back to Salt Spring Island to work. This pattern has intensified particularly in the last few years, creating long commuter backlogs on the ferries, and has resulted in added ferry runs to shuttle Salt Spring employees to and from Crofton in recent years.

DEMOGRAPHICS

Demographics and Age 2001-2006

There were some notable changes in the age profile of the population that impact housing needs and choices, and support some of the perceptions that the Islands population is changing.

A comparison of the 2001-2006 Census results confirms that there are fewer families with children on Salt Spring, and that there is a large increase in retirement aged residents. Quite notably, the 55-64 year (early retirees) and the two 75+ age groups have experience the greatest increases (49.8%, 50%, and 40.4% respectively), far in excess of growth rates in either the CRD or the Province.

CHANGE	Salt Spring Island		Capital Region		British Columbia	
	Total	% Total	Total	% Total	Total	% Total
2001-2006	360	3.9%	19,415	6.0%	205,745	5.3%
Age 0-4	- 50	-14.3%	195	1.4%	- 3,770	-1.8%
Age 5-14	- 120	-11.2%	- 1,435	-4.1%	- 22,690	-4.5%
Age 15-19	- 10	-1.7%	385	1.9%	3,285	1.2%
Age 20-24	50	17.2%	1,895	8.8%	21,840	8.9%
Age 25-44	- 250	-13.0%	- 2,820	-3.1%	- 49,445	-4.2%
Age 45-54	- 65	-3.6%	3,850	7.4%	64,550	10.8%
Age 55-64	640	49.8%	13,585	41.0%	125,265	33.0%
Age 65-74	- 20	-2.0%	1,020	3.8%	26,685	9.3%
Age 75-84	360	50.0%	520	2.2%	24,015	12.9%
Age 85 +	95	40.4%	1,510	17.9%	16,015	26.7%
Change						
Median age	3.7	7.8%	2.6	6.3%	3.0	7.9%

Families

Salt Spring is experiencing a much greater decrease in populations of pre-school (ages 0-4) and school age children (5-14) than either the CRD or BC. Salt Spring's overall decrease in this age group is 11.9%, compared to 2.5% for the CRD and 3.7% for the Province of BC.

	<u>2001</u>	<u>2006</u>	<u>Change</u>	<u>Change %</u>
Salt Spring				
Age 0-4	350	300	-50	-14.3%
Age 5-14	<u>1,075</u>	<u>955</u>	<u>-120</u>	<u>-11.2%</u>
	1,425	1,255	-170	-11.9%
CRD				
Age 0-4	14,190	14,385	195	1.4%
Age 5-14	<u>35,265</u>	<u>33,830</u>	<u>-1,435</u>	<u>-4.1%</u>
	49,455	48,215	-1,240	-2.5%
BC				
Age 0-4	205,650	201,880	-3,770	-1.8%
Age 5-14	<u>500,415</u>	<u>477,725</u>	<u>-22,690</u>	<u>-4.5%</u>
	706,065	679,605	-26,460	-3.7%

This decrease in young family aged groups is also reflected in the number of the parents of these children (ages 25-44), which declined 13%, compared to 3.1% in the CRD and 4.2% in BC.

DEMOGRAPHICS

Seniors and Retirees

A further breakdown of the changes in the 55+ population may be helpful in understanding the implications that an influx of retirees and/or an aging population may have on housing. Many of these retirees (particularly the younger ones) are thought to experience higher incomes, and if so, partially explaining some of the increasing numbers of sales of high value homes.

Seniors & Retirees	<u>2001</u>	<u>2006</u>	<u>Change</u>	<u>%</u>
<u>Salt Spring</u>				
Age 55-64	1,285	1,925	640	49.8%
Age 65-74	1,025	1,005	-20	-2.0%
Age 75-84	720	1,080	360	50.0%
Age 85 +	<u>235</u>	<u>330</u>	<u>95</u>	<u>40.4%</u>
	3,265	4,340	1,075	32.9%
 <u>CRD</u>				
Age 55-64	33,140	46,725	13,585	41.0%
Age 65-74	26,820	27,840	1,020	3.8%
Age 75-84	23,465	23,985	520	2.2%
Age 85 +	<u>8,440</u>	<u>9,950</u>	<u>1,510</u>	<u>17.9%</u>
	91,865	108,500	16,635	18.1%
 <u>BC</u>				
Age 55-64	379,750	505,015	125,265	33.0%
Age 65-74	286,710	313,395	26,685	9.3%
Age 75-84	186,345	210,360	24,015	12.9%
Age 85 +	<u>60,030</u>	<u>76,045</u>	<u>16,015</u>	<u>26.7%</u>
	912,835	1,104,815	191,980	21.0%

DEMOGRAPHICS

Census Family Composition 2006

Stats Canada defines a 'census family' as those households containing a married or common law couple (with or without children), or a single-parent with at least one child living in the home. Couples may be of opposite or same sex and 'children' may refer to 'grandchildren' if there are no parents in the home.

In 2006, there were 2,870 such defined families on Salt Spring Island, an increase of 4.7% over results from the 2001 Census. CRD family composition data had not yet been released as of the date of this writing, but limited Province-wide data is presented for comparison.

An estimate of the population living in census families was made, using the Stats Can average number of persons per family type. This produces an estimated 7,539 residents living in family households, with (presumably) the balance living as singles and/or in institutional settings. A number of this latter category are also presumed to be homeless or in temporary accommodation.

	Salt Spring Island				British Columbia		
	Total Families	% Total	Avg # persons	* Est.# persons	Total Families	% Total	Avg # persons
Census Families							
Married-couple families	1,970	68.6%	2.7	5,319	844,430	72.7%	3.0
Common law-couple families	500	17.4%	2.6	1,300	141,825	12.2%	2.6
Lone Parent Families	<u>400</u>	<u>13.9%</u>	<u>2.3</u>	<u>920</u>	<u>175,160</u>	<u>15.1%</u>	<u>2.5</u>
Total families	2,870	100.0%	2.6	7,539	1,161,415	100.0%	2.9
Singles (<i>presumed</i>)				<u>2,101</u>			
Total Population				9,640			
<u>Lone Parent Families (above)</u>							
Female-led	285	71.3%	2.3	656	139,770	79.8%	2.5
Male-led	<u>110</u>	27.5%	2.3	<u>253</u>	<u>35,395</u>	20.2%	2.4
Total	400			909	175,160		

Some interesting differences from Provincial averages emerge, particularly in lone parent families. First, the percentage of lone-parent families on Salt Spring (13.9%) is lower than the Provincial average (15.1%). While this difference is relatively small, it does not fit with the perception that Salt Spring houses a large number of lone-parent (usually female-led) families. The breakdown of lone-parent families follows this unexpected comparison, with the proportion of male-led lone-parent families on Salt Spring exceeding the Provincial average.

Another difference between Salt Spring and BC is the lower average number of persons per family (SSI average 2.6 persons/family vs. BC average 2.9). This has implications for the size of housing needed for families, as well as the number of dwellings required relative to the population size.

DEMOGRAPHICS

Changes in Family Composition 2001-2006

A comparison of 2001 to 2006 family composition did not reveal any large difference over the previous 5 years on Salt Spring, with the exception again of a feature of lone-parent families. While the overall % of long-parent families was down only 0.4%, there was a noticeable trend away from female-led families to male-led families that deviated significantly from the Provincial trend.

CHANGE 2001-2006	Salt Spring Island				British Columbia		Avg #
	Total Change	% Change	Avg # persons change	Estimated # persons	Total Change	% Change	persons change
					75,390		
Married-couple	45	1.6%	-0.1	-71	46,940	4.3%	-0.1
Common law-couples	90	0.0%	0.1	275	21,700	2.0%	0.0
Lone Parent	<u>-10</u>	-0.4%	-0.1	<u>-64</u>	6,745	0.6%	0.0
Total families	130			140	75,385		
Singles (<i>presumed</i>)	220			<u>220</u>			
Total Population				360			
Female-led Lone-parent	-55	-13.4%			3,315	2.0%	-0.1
Male-led Lone-parent	35	8.5%			3,430	2.0%	0.0

As the income data presented later will demonstrate, female single parents have significantly lower incomes than not only the overall population, but than male single parents. While exploration of any reasons behind this trend is beyond the scope of this analysis, such a trend would be consistent with the perception that single mothers are in particular housing crisis, and (anecdotally) are increasingly at risk of homelessness.

This does have a tremendous impact on housing affordability, which could partially explain the decline in female-led households as their children may migrate towards residency with the higher income father and/or single mothers leaving Salt Spring to seek more affordable housing elsewhere.

DEMOGRAPHICS

Household Composition 2006

Stats Canada defines a 'private household' as a person or group of persons who occupy the same dwelling as their primary residence. This household may be a 'census family', a group of unrelated persons living together, or one person living alone. The composition (resident profile) and income of households is strongly related to housing need and affordability.

Salt Spring Island has 4,320 private households, an increase of 125 from 2001 (3% increase).

2006	Salt Spring Island		British Columbia	
	Total	% Total	Total	% Total
Couple families with children	795	18.4%	432,420	26.3%
Couple families with no children	1,565	36.2%	486,040	29.6%
One person households	1,360	31.5%	460,580	28.0%
Other households	<u>600</u>	<u>13.9%</u>	<u>264,105</u>	<u>16.1%</u>
Total Households	4,320	100.0%	1,643,145	100.0%
Average household size	2.2		2.5	

One quickly sees the difference in household composition on Salt Spring, with a much lower than Provincial average proportion of families with children (SSI 18.4%, BC 26.3%). Related, is the higher than average number of families with no children (36.2%) compared with BC (29.6%).

Changes in Household Composition 2001-2006

Over the last five years, there has been a decline in the number of families with children (*decrease* of 8.1%), which differs significantly from the Provincial trend (*increase* of 2.1%). This may support the widely held perception that housing affordability problems are affecting families' ability to remain on Salt Spring Island. There is some evidence to support this perception by comparing the incomes of families with children on Salt Spring to those in BC (SSI 27.3% lower-see p.16).

Also countering the provincial trend is Salt Spring's small increase in one-person households, with a larger than average increase in 'other households' (lone-parent households and families or other unrelated persons sharing households). Because of the overall decrease in lone-parent census families, one could surmise that more Islanders are sharing residences due to either a shortage of supply of adequate housing or due to affordability issues. The sharing of residences does have implications for housing demand (e.g. design features such as larger size, separate entrances, more bathrooms, etc.), and should be explored further in the household survey planned for Phase II of this needs assessment.

CHANGE 2001-2006	Salt Spring Island		British Columbia	
	# change	% change	# change	% change
Couple families with children	-70	-8.1%	8,965	2.1%
Couple families with no children	120	8.3%	48,125	11.0%
One person households	30	2.3%	42,445	10.2%
Other households	<u>45</u>	<u>8.1%</u>	<u>9,275</u>	<u>3.6%</u>
Total Households	125	3.0%	108,810	7.1%

DEMOGRAPHICS

Demographics and Total Income

Total Income is based on 2006 Canada Revenue filings from all tax filers, and includes labour force, pension, interest and investment and non-taxable income. Salt Spring's reported average income is less than the CRD average (5.5% less) and its median income is even lower (16.3% less).

Overall incomes do not differ substantially from those in the Province, but gender differences are apparent.

Females continue to earn very significantly less than males in their respective geographical locations, although Salt Spring females do report more income than the average for the overall Province. This gender disparity in income may support the perception that female-led households have particular difficulty obtaining appropriate affordable housing.

Total Income	Salt Spring		Capital Region		BC	
	Total	% Total	Total	% Total	Total	% Total
Total Population	9,640		345,164		3,907,740	
Income > \$15,000	7,320	76%	262,230	76%	3,058,250	78%
Average earnings	39,551		41,840		39,362	
Average earnings-males	46,381		51,082		48,945	
Average earnings-females	33,233		34,834		30,303	
<u>SSI comparison-average:</u>						
Average earnings			-2,289	-5.5%	189	0.5%
Average earnings-males			-4,701	-9.2%	-2,564	-5.2%
Average earnings-females			-1,601	-4.6%	2,929	9.7%
Median earnings	26,256		31,370		26,764	
Median earnings-males	31,347		38,437		34,587	
Median earnings-females	22,610		26,168		21,030	
Females as % males	72.1%		68.1%		60.8%	
<u>SSI comparison-median:</u>						
Median earnings			-5,114	-16.3%	-508	-1.9%
Median earnings-males			-7,090	-18.4%	-3,240	-9.4%
Median earnings-females			-3,558	-13.6%	1,580	7.5%

As the data above indicates, incomes on Salt Spring Island are somewhat comparable with Provincial averages, but are lower than those in the CRD. Phase II of this Needs Assessment should make a comparison between CRD and Provincial housing costs relative to income.

Much of the discussion about housing affordability centres on the cost of housing, either purchase or rental costs. However, affordability is a function of both housing costs and income, and an effective long-term solution should consider both these important features. Ideally any housing affordability strategy would be linked to economic development efforts geared towards improved employment opportunities that could assist residents in the income side of this equation.

DEMOGRAPHICS

Median Family Income

Overall median family income is significantly lower (average 10.2% less) on Salts Spring than the Provincial average; common law couple families have the greatest disparity, with income 20% less than BC Average.

Median Family Income 2006	SSI	BC	\$ diff	% diff
Income – all families	56,000	62,346	-6,346	-10.2%
Income - couple married families	64,310	69,207	-4,897	-7.1%
Income - common law couple families	49,761	62,202	-12,441	-20.0%
Income - lone-parent families	33,977	35,437	-1,460	-4.1%
Female lone-parent families	33,199	33,592	-393	-1.2%
Male lone-parent families	41,502	45,332	-3,830	-8.4%

While incomes of lone-parent families are not as far behind the Provincial average of all families (earning only 4.1% less), it is evident that their level of income would present challenges for them to secure affordable housing. This is particularly true for female-led lone parent families, whose incomes trail 20% behind their male counterparts, and 41% behind all families. Again, this supports the often-reported affordability difficulties and the increasing risk of homelessness.

	<u>Income</u>	<u>\$ diff</u>	<u>% diff</u>
Female led one-parent families	33,199		
Male led one-parent families	41,502	-8,303	-20%
All families	56,000	-22,801	-41%

Median Household Income

Household income is the best income indicator for evaluating housing affordability, being particularly relevant because it relates to all persons residing in a single dwelling. Salt Spring household income lags behind provincial averages in all categories (overall 13.3% less than BC).

There is a dramatic difference in income for couple families with children, where Salt Spring median incomes are \$21,679 (27.3%) less than provincial averages. This may help explain the difficulty that families with children are experiencing in maintaining affordable housing, and provide some explanation behind the perception that the Island is losing families due to the housing situation.

Median Household Income 2006	SSI	BC	\$ diff	% diff
Couple families with children	57,830	79,509	-21,679	-27.3%
Couple families with no children	62,935	63,969	-1,034	-1.6%
One person households	25,387	27,773	-2,386	-8.6%
Other households	43,213	47,266	-4,053	-8.6%
All Households	45,693	52,709	-7,016	-13.3%

DEMOGRAPHICS

Household Income Distribution 2001 - 2006

A review of the distribution of household income on Salt Spring can help identify and quantify those populations earning less than the minimum required to secure adequate housing. It can also help approximate the 'ideal' housing supply that would be affordable to the current population.

A comparison of results from the 2001 Census reveals a number of changes that would impact housing affordability and can influence trends in housing demand.

CHANGE		SSI 2001		SSI 2006		Change 2001-06	
< than	10,000	250	7%	275	8%	25	10%
between	10,000 19,999	630	18%	495	15%	-135	-21%
between	19,999 29,999	610	18%	545	16%	-65	-11%
between	29,999 39,999	560	16%	595	17%	35	6%
between	39,999 49,999	530	16%	410	12%	-120	-23%
between	49,999 59,999	400	12%	390	11%	-10	-3%
between	59,999 69,999	385	11%	300	9%	-85	-22%
between	69,999 79,999	220	6%	230	7%	10	5%
between	79,999 89,999	180	5%	230	7%	50	28%
between	89,999 99,999	135	4%	155	5%	20	15%
over	100,000	<u>300</u>	<u>9%</u>	<u>690</u>	<u>20%</u>	<u>390</u>	<u>130%</u>
TOTAL reporting income		4,200	100%	4,315	100%	115	100%
Median household income		40,852		45,693		4,841	12%
Average household income		48,852		61,864		13,012	27%

The reader will notice some significant changes in income distribution over the last 5 years, most particularly the sharp increase in the number and percentage of the population in the very high income categories. The highest increase (130%) is among those earning an excess of \$100,000, which is likely strongly related to the increasing number of 'estate' residences of very high value on Salt Spring.

There is a large increase in the number of those earning \$80,000 or greater, who would also be expected to produce upward pressure on property values as their incomes permit a much greater expenditure on housing.

There has been a general decline in numbers of households in most income categories of less than \$70,000, however it is interesting and relevant for evaluation of housing need to notice the 10% *increase* in households in the lowest income category (<\$10,000).

This may help to explain and corroborate the reports of increasing incidence of homelessness on Salt Spring, and greater numbers of individuals and families living in very sub-standard and/or transient housing situations. It may also be an indicator that low income individuals and families are leaving Salt Spring Island.

DEMOGRAPHICS

Taxable Income Distribution

Taxable income is less useful in evaluating housing affordability in some ways, as it does not necessarily equate to households. However, it can give some insights into the needs of single person households, which do represent a significant portion of the population (1,360 persons or 31.5%), particularly those earning less than the minimum required to secure adequate housing.

SSI		<u>Male</u>		<u>female</u>		<u>Total</u>	
			%		%		%
No taxable income reported		1,125		1,080		2,205	
< than	15,000	850	25%	1,360	34%	2,210	30%
between	15,000 24,999	560	16%	870	22%	1,430	20%
between	25,000 34,999	470	14%	600	15%	1,070	15%
between	35,000 49,999	550	16%	560	14%	1,110	15%
between	50,000 99,999	750	22%	510	13%	1,260	17%
over	100,000	<u>230</u>	<u>7%</u>	<u>130</u>	<u>3%</u>	<u>360</u>	<u>5%</u>
TOTAL Tax filers		3,410	100%	4,030	100%	7,320	100%
Total Population		4,535		5,110		9,645	

The distribution of taxable income of Salt Spring's residents indicates that a large portion of this population (4,710 or 65% of those reporting income) is earning less than \$35,000 per year. Approximately 80% (5,820) earn less than \$50,000, which will be shown in the following pages is insufficient to afford even the least-expensive entry level home available on Salt Spring.

Not surprisingly, the incidence of low-income is concentrated in female income earners, supporting findings of the 2004 housing survey, which reported that single women (particularly those over 55 years) as being in very great need of affordable housing.

While it is beyond the scope of this report to analyse the 2004 survey data to any great extent, it was clear from a brief review of the data that female-led households were in greater housing need than the overall sample, and most notably formed the very large majority of households considered at risk of homelessness (i.e. paying 50% or more of income on rent).

What is Housing Affordability?

Housing affordability has been a subject of discussion and debate on Salt Spring Island for many years. While there does seem to be consensus that affordability is an increasingly critical problem for many Islanders, the extent and nature of the problem – let alone the solutions- is not a simple matter.

Measuring affordability involves comparing total shelter costs to a household's ability to meet them, given their level of income. Shelter costs are considered to include basic utilities, and (for homeowners) taxes and insurance. For affordability calculations, the 'housing' is generally characterized as 'acceptable' if it is in good condition and adequate size for the family size and composition.

While this is a somewhat subjective measure, Canada Mortgage and Housing Corporation (CMHC) defines acceptable housing as having three key features:

- Adequate condition (not needing major repairs)
- Suitable size (given the size and composition of the household members)
- Affordable (shelter costs less than 30% of before-tax household income)

Three other measures of housing affordability that will be used in this analysis:

- Core Need – those households that are unable to secure 'acceptable' housing (adequate, suitable and affordable) – i.e. those paying > 30% of their income on shelter costs.
- At Risk of Homelessness – those paying > 50% of their income on shelter costs.
- Homeless – a continuum ranging from 'relative' (insecure, unsafe or inadequate) to 'absolute' homelessness (also known as 'living rough').

Demographics and Housing Affordability

For the analysis of the population and income, three measures of population were used that produced different counts and incomes:

- Census family – excludes singles
- Households – includes all persons living in a given dwelling
- Tax Filers – individuals reporting income of which more than one may be in a family or household.

For calculating housing 'affordability' the income measure viewed to be most relevant is 'household'. A household's income is used by CMHC, as the best indicator of how much a given dwelling's shelter costs should be to be considered 'affordable'. Accordingly, it is 'household' counts and incomes that will be used to produce a rough estimate of rental rates and home purchase price levels affordable to the population of Salt Spring Island.

This allows for a simple 'median' price or rental rate calculation for the various family sizes. The distribution of these incomes can also be helpful in establishing housing targets; consideration should be given to exploring this issue further in Phase II of the Housing Needs Assessment as a tool to assist in the development of a housing strategy that balances the goals of community viability and diversity with affordability when planning for the balance of the housing build-out on Salt Spring.

HOUSING AFFORDABILITY

Households and Affordability

To estimate the quantity and affordability of housing stock that would (theoretically) match the population's household and income profile, a summary of the household characteristics and income detailed previously is reproduced below.

Using rough estimates about utility, tax and insurance costs, an estimate of rental rates and home purchase price levels affordable to the population of Salt Spring Island was constructed. As described previously, affordable 'shelter' costs are considered to include basic utilities, and (for homeowners), taxes and insurance.

An affordability benchmark of 30% of income was used for rental housing, and standard mortgage qualifications (6% interest, 25 year amortization, 75% loan-to-value ratio) was used for homeownership. Built into the monthly homeowner shelter cost is \$200 as an estimate for taxes, insurance and utilities. While this number may be debated, it is a starting point for discussion and evaluation.

	<u>Total</u>	<u>Median Income</u>	<u>Monthly Shelter (30%)</u>	<u>Affordable Purchase</u>	<u>Monthly Utilities</u>	<u>Affordable Rent</u>
Couple families with children	795	\$57,830	\$1,446	\$259,600	-\$100	\$1,346
Couple families no children	1,565	\$62,935	\$1,573	\$286,200	-\$100	\$1,473
One person households	1,360	\$25,387	\$635	\$90,600	-\$100	\$535
Other households *	<u>600</u>	<u>\$43,213</u>	<u>\$1,080</u>	<u>\$183,500</u>	<u>-\$100</u>	<u>\$980</u>
Total Households	4,320	\$45,693	\$1,142	\$196,400	-\$100	\$1,042
Average household size	2.2					
<u>*Other includes, amongst others:</u>						
Female-led lone-parent families	285	\$33,199	\$830	\$131,200	-\$100	\$730
Male-led lone-parent families	<u>110</u>	<u>\$45,332</u>	<u>\$1,133</u>	<u>\$194,500</u>	<u>-\$100</u>	<u>\$1,033</u>
Total lone-parent families	395	\$33,977	\$849	\$135,400	-\$100	\$749
Average household size	2.3					

While it is recognized that this is a crude estimate of affordability, it does show a substantial difference from what is currently available on the Salt Spring Island rental and ownership markets, particularly for residents in the lower income ranges (see housing supply details that follow). Most notable are the affordable purchase price and rents of one-person households (\$90,600 and \$535); housing at this price is simply not available. Female-led lone parent families would likewise have great difficulty in securing affordable housing (\$131,200 and \$730).

It is further recognized that there may be various other mechanisms to assist a family with their shelter costs. Such techniques may include private loans or gifts for down payments, high-ratio financing, rent-to-own scenarios, longer amortization periods for mortgages, or using an affordability ratio greater than 30%. These techniques, while appropriate and available in some circumstances, have not been considered in this analysis.

HOUSING SUPPLY

Housing Tenure and Supply

Salt Spring Island, not unlike many smaller rural communities, has more homeownership than is typical in British Columbia. Stats Canada reports that Salt Spring Island has a significantly higher proportion of homeowners than the Province overall (SSI 82%, BC 70%). This is a reflection of the relatively small number of rental residences available on the market.

2006	Salt Spring Island		British Columbia	
	<u>Total</u>	<u>% Total</u>	<u>Total</u>	<u>% Total</u>
Total number of dwellings (households)	4,320		1,643,150	
Number of owned dwellings	3,530	82%	1,145,276	70%
Number of rented dwellings	790	18%	497,874	30%

Salt Spring is reported to have 4,320 dwellings in 2006, an increase of 3% since the 2001 Census. This increase, however, is net of the 50 unit (6%) decrease in rental dwellings, indicating homeowner dwelling have increased by 175 (5.2%). This further supports the perception that rental housing is increasingly difficult to find on Salt Spring.

While the trend away from rental housing is not unlike the Province-wide trend, the pace of this conversion on Salt Spring (6%) is more than double that of the provincial (2.8%) as shown below.

Change 2001-2006	Salt Spring Island		British Columbia	
	<u>Total</u>	<u>% Total</u>	<u>Total</u>	<u>% Total</u>
	# change	% change	# change	% change
Total number of dwellings (households)	125	3.0%	108,815	7.1%
Number of owned dwellings	175	5.2%	127,786	12.6%
Number of rented dwellings	-50	-6.0%	-14,491	-2.8%

Type of Housing Supply

Salt Spring Island's housing consists mostly of detached single family dwellings, in far greater proportion than the Provincial average. Accordingly, there are far fewer multi-family dwellings of all types.

Type Occupied Private Dwellings	Salt Spring Island		BC
	<u>Total</u>	<u>% Total</u>	<u>% Total</u>
Single-detached	3,730	86.3%	49.0%
Semi-detached (duplex)	165	3.8%	3.1%
Row House	110	2.5%	6.8%
Duplex apartment	155	3.6%	10.2%
Apartments (high-rise)	0	0.0%	7.2%
Apartments (low-rise)	35	0.8%	20.9%
Other attached	10	0.2%	0.2%
Moveable	<u>115</u>	<u>2.7%</u>	<u>2.6%</u>
Total Dwellings	4,320	100.0%	100.0%
Average number of rooms	6.3		6.4
Average number of bedrooms	2.5		2.7

HOUSING SUPPLY

Condition of Housing Stock

Stats Canada reports that the condition of the housing stock, while following similar patterns as the Province of BC, is in somewhat poorer condition. As will be explained further on, households are considered to be in 'core need' for housing if, among other factors, their dwelling requires major repairs.

This indicates that 10.1% of the housing stock is in need of major repairs, compared to a Provincial average of 7.4%.

Condition of Occupied Private Dwellings	Salt Spring Island		BC
	<u>Total</u>	<u>% Total</u>	<u>% Total</u>
Requires regular maintenance only	2,595	60.1%	67.7%
Requires minor repairs	1,290	29.9%	24.9%
Requires major repairs	<u>435</u>	<u>10.1%</u>	<u>7.4%</u>
	4,320	100.0%	100.0%

Age of Housing Stock

Stats Canada reports on the age of the housing stock, as presented below. This indicates that the majority of the dwellings on Salt Spring were built since the 1970s.

Age of Occupied Private Dwellings	Salt Spring Island		BC
	<u>Total</u>	<u>% Total</u>	<u>% Total</u>
over 60 years old (built before 1946)	260	6.0%	7.9%
46-59 years old (1947-1960)	305	7.1%	10.6%
36-45 years old (1961-1970)	405	9.4%	12.8%
26-35 years old (1971-1980)	1,105	25.6%	21.5%
21-25 years old (1981-1985)	520	12.0%	9.2%
16-20 years old (1986-1990)	495	11.5%	9.1%
11-15 years old (1991-1995)	560	13.0%	11.8%
6-10 years old (1996-2000)	340	7.9%	8.9%
New (built since 2001)	<u>325</u>	<u>7.5%</u>	<u>8.3%</u>
	4,055	93.9%	92.2%
Unknown	<u>265</u>	<u>6.1%</u>	<u>7.8%</u>
Total	4,320	100.0%	100.0%

HOUSING SUPPLY

Available Homeownership Housing in the Community

Housing on Salt Spring Island is generally very expensive, and has experienced particularly large increases in recent years.

As presented in the table below, the average sales price for a single-family dwelling on Salt Spring in 2007 was \$616,954, which is slightly higher than the median price of \$548,510. This difference is due to a relatively small number of very high sales prices, which skews the average upwards.

Local Realtor records and MLS data has been summarized to demonstrate the current values, as well as to quantify the sharp increases in prices since 1999.

SSI Residential Property Sales History - Single Family Homes

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Number sold	157	161	192	172	197	184	185	142	190
AVG. price	285,500	356,109	332,319	364,816	440,311	565,876	560,887	609,873	616,954
Avg incr \$		70,609	-23,790	32,498	75,495	125,565	-4,989	48,986	7,081
Avg incr %		25%	-7%	10%	21%	29%	-1%	9%	1%
Cumm \$		70,609	46,819	79,316	154,811	280,376	275,387	324,373	331,454
Cumm%			16%	28%	54%	98%	96%	114%	116%
MEDIAN price	262,261	277,975	265,651	313,157	361,807	426,717	469,022	517,873	548,510
Median incr \$		15,714	-12,324	47,506	48,650	64,910	42,304	48,852	30,637
Median incr %		6%	-4%	18%	16%	18%	10%	10%	6%
Cumm \$		15,714	3,390	50,896	99,546	164,456	206,760	255,612	286,249
Cumm%		6%	1%	19%	38%	63%	79%	97%	109%

Assuming the 2007 median price (\$548,510) is reflective of the housing available on the market today, a family or household would need to earn \$113,282 to be able to 'affordably' acquire this residence. This is clearly out of reach for most families on Salt Spring, whose median household income is \$45,693.

Another key feature of the housing supply on Salt Spring is rapid escalation in prices over recent years. Whether using average or median figures, prices have more than doubled during the time period examined. It was beyond the scope of this analysis to attempt to explain the reasons for such rapid price increases, but they are presumed to be a combination of market-driven land cost increases, general construction cost increases and/or the development of larger, more up-scale residences.

Anecdotally, the housing market is reported to be starting to moderate on Salt Spring. However, May 2008 to-date sales as reported by local Realtors have averaged \$690,190, with a median value of \$539,000. This will be monitored and reported on again in Phase II of the Needs Assessment.

HOUSING SUPPLY

Single Family Homes Available

A good measure of available housing is current MLS listings.

Following is a summary of all single-family properties listed on Salt Spring in May-2008. While this does include a number of 'estate' type properties that most families would not be in financial position to consider, it does give a snapshot of what is currently available on the market on Salt Spring.

Price		# listed	Average \$
<u>Range</u>		<u>May-08</u>	<u>May-08</u>
0	149,000	0	n/a
150,000	199,000	0	n/a
200,000	299,000	1	289,000
300,000	399,000	14	372,443
400,000	499,000	25	454,256
500,000	749,000	51	606,820
750,000	999,000	30	869,650
1,000,000	1,499,000	16	1,232,875
1,500,000	1,999,000	5	1,743,600
2,000,000	2,999,000	4	2,448,500
3,000,000	3,999,000	0	n/a
Total # listings		146	
Average price			\$768,047
Median price			\$629,000

This data does support the perception that there is very little available for the average family, let alone a single person, on the market on Salt Spring.

HOUSING SUPPLY

Land Values

Increasing construction costs and market demand both play a large role in the quickly escalating housing prices. Land values are a key contributor. Following is a summary of land sales since 1999 provided by a local Realtor.

One can quickly see that the very rapid escalation in land prices has significantly outpaced the increase in house prices. These rapidly escalating land prices have been the source of much discussion in the community about mechanism to 'break with the market', such as housing agreements, covenants and Land Trusts.

Residential LOT Sales History < 2 acres (non-waterfront)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Lots									
Number sold	30	11	27	33	32	11	10	10	23
AVG price	73,945	89,508	85,022	99,923	142,299	182,136	241,300	238,650	291,652
Avg incr \$		15,563	-4,486	14,901	42,376	39,837	59,164	-2,650	53,002
Avg incr %		21%	-5%	18%	42%	28%	32%	-1%	22%
Cumm \$		15,563	11,077	25,978	68,354	108,191	167,355	164,705	217,707
Cumm %		21%	15%	35%	92%	146%	226%	223%	294%
Median Price	72,250	87,500	75,000	102,000	134,000	161,000	244,000	244,500	283,000
Median incr \$		15,250	-12,500	27,000	32,000	27,000	83,000	500	38,500
Median incr %		21%	-14%	36%	31%	20%	52%	0%	16%
Cumm \$		15,250	2,750	29,750	61,750	88,750	171,750	172,250	210,750
Cumm %		21%	4%	40%	84%	120%	232%	233%	285%

A review of the current land listings confirms that lots currently on the market (albeit including waterfront lots) are out of the reach of most families.

May-2008 Listings

Total number listings (excl. RV sites)	87
Average listing	\$435,539
Median	\$379,000

Housing Survey 2004

In 2004 a housing survey was undertaken to identify the areas of greatest housing need. There were approximately 875 respondents to the survey, of which close to 75% (or 627) were homeowners. While no formal report of the results was issued, the data and some key findings have been made available to the writer and very brief review of the data was undertaken for this report.

Homeowner Affordability from Survey

The survey gathered employment and residency information from homeowners, but it did not gather income information, nor information on the affordability of their existing housing. Rather, and perhaps more relevant in some regards, homeowners were asked if they could afford to purchase the home they were currently living in.

Not surprisingly, given the income profile of Islanders presented earlier, 75% of respondents reported that they would not be able to purchase *their current home* at its current market value.

# responding about affordability	604	
# that could afford to buy	153	25%
# that could not afford to buy	451	75%

Attainability of Homeownership for Renters from Survey

The survey obtained fairly detailed information regarding income, debts, and down-payment available, and concluded that less than 10% of renters would qualify for a mortgage of over \$150,000, and only half of those could afford payments on a mortgage of \$180,000. Of those who could afford these mortgages, only about half had sufficient funds to make the down-payment. Given that there is no housing available under \$200,000, it is likely that very few renters will be able to enter the homeownership market in the foreseeable future.

Market Rental Housing in the Community

As indicated previously, Stats Can reports a total of 790 rental units on Salt Spring Island, approximately 18% of all dwellings.

No regular rental surveys are conducted on Salt Spring Island, however real estate agents and property managers consistently report very tight market conditions, escalating rents, and very low turnover. Because concrete data is not available, the writer has relied on discussions with many community members interested and knowledgeable about housing conditions, as well as participation in various affordable housing development initiatives on the Island.

The market rental apartment housing stock on Salt Spring is very limited, with older two rental apartment buildings containing a total of 18 units. Most of the available rental housing is in the form of single-family residences, cottages, and secondary suites. No official count of this type of accommodation is available, and it is widely reported that much is illegal and/or in poor condition. Reports of people living in structures many would consider uninhabitable are not uncommon.

Non-Market and Seniors' Rental Housing

Stats Canada reports a total of 35 units of apartments and 110 units of 'row houses' on Salt Spring. This would represent apartment-style buildings, regardless of tenure (i.e. apartments and owner-occupied or rented condominiums), and does not make any distinction between market housing and any non-market (subsidized or affordable) housing, or seniors' housing with supportive services that may or may not be included in this count.

Following is a list of the non-market housing on Salt Spring:

<u>Housing Project</u>	<u>Location</u>	<u># units</u>	<u>Type</u>	<u>Services</u>
Murakami Gardens	Rainbow Road	27	NP self-contained	None
Meadowbrook	Atkins Road	38	Seniors' NP rental	Supportive
Greenwoods	Blain Road	50	Seniors' NP rental	LT Care
Braehaven	Blain Road	30	Seniors' NP rental	Assisted
Pioneer Village	Lower Ganges Rd.	22	Seniors' NP rental	None
Croftonbrook	Corbett Road	20	Seniors' NP rental	None
Land Bank Society	Dean Road	11	NP rooming house	None
Grandma's House	Fulford-Ganges Rd.	4	NP rooming house	None
Bittancourt Manor	Bittancourt Road	4	NP rooming house	None
Norton Road	Norton Road	0	To-be-developed	None
BC Housing	Lautman Road	6	NP rooming house	None
		212		

The majority (160 of the 212 units or 75%) of Salt Spring's non-market housing is targeted to seniors. The majority of these seniors' units (118 of the 160 or 74%) provide some level of supportive services or care.

It should be noted that all these seniors' residences are located in the Ganges area. This supports the long-held position of south-end residents that affordable seniors' housing is needed in the south-end to allow those seniors to remain and age-in-place in their community. This position was well supported by the SSI Abbeyfield Housing Society in their research, with revealed that over 95% of south-end seniors considering supportive housing would prefer to remain in the Fulford area.

HOUSING SUPPLY

Market Rental Rates

A review of the private rental accommodation as provided by a local property management firm has been performed, with comparisons from 2003-2007. This data has been sorted and summarized according to number of bedrooms and building type for ease of comparison over time and between building types and sizes. Year-do-date (May 2008) listings have been summarized as follows:

	<u>Houses</u>	<u>Suites</u>	<u>Apt.</u>	<u>Cottages</u>	<u>Average</u>
1-bed	\$976	\$804	\$750	\$781	\$846
2-bed	\$1,353	\$1,000	\$1,020	\$950	\$1,301
3-bed	\$1,706	n/a	\$1,650	n/a	\$1,702
4-bed	\$1,787	n/a	n/a	n/a	\$1,787
Average	\$1,611	\$829	\$906	\$799	\$1,146

Market Rental Rate History

A summary of these rental listings from 2003-2007 was made to identify increases over time. While possibly not gathered with the same rigour as MLS (sales) or Census data, it is the best information available and is assumed to carry the same type of anomalies (if any) from year-to-year. As such, it is considered reliable for the intended purpose.

	<u>2003</u>	<u>Houses</u>	<u>Suites</u>	<u>Apt.</u>	<u>Cottages</u>	<u>Average</u>		
1-bed		\$837	\$652	\$552	\$719	\$703		
2-bed		\$955	\$815	\$734	\$1,025	\$933		
3-bed		\$1,239	n/a	\$975	n/a	\$1,219		
4-bed		<u>\$1,691</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$1,691</u>		
Average		\$1,056	\$705	\$589	\$770	\$925		
	<u>2007</u>	<u>Houses</u>	<u>Suites</u>	<u>Apt.</u>	<u>Cottages</u>	<u>Average</u>	<u>\$ incr</u>	<u>% incr</u>
1-bed		\$1,001	\$731	\$744	\$752	\$801	\$98	14%
2-bed		\$1,417	\$994	\$1,028	\$911	\$1,259	\$325	35%
3-bed		\$1,558	\$1,056	\$1,025	n/a	\$1,551	\$332	27%
4-bed		<u>\$1,707</u>	<u>\$1,650</u>	<u>n/a</u>	<u>n/a</u>	<u>\$1,707</u>	<u>\$16</u>	<u>1%</u>
Average		\$1,432	\$841	\$784	\$803	\$1,177	\$253	27%
\$ Increase		\$375	\$136	\$195	\$33	\$253		
% Increase		36%	19%	33%	4%	27%		

It is interesting to note that rental rates have not increased as quickly as sales prices; home prices have increased 40% (average) to 52% (median) and land prices have increased 105% (average) to 111% (median) during the period between 2003-2007. Rental rates increased an average of 27% in the same period.

Another interesting point is the variation in increases according to property type, as well as number of bedrooms. Cottages have remained relatively unchanged (4% increase), while single family homes have increased more significantly (36%).

There is great variation in rates of increase by size (as presumed by number of bedrooms), with 2-bedroom and 3-bedroom homes increasing at a far greater pace (35% and 27% respectively) than 1-bedroom units (14% increase). Four-bedroom units, while very expensive (or perhaps *because* they are very expensive), remain almost unchanged.

Rental Housing from 2004 Survey

In 2004, a housing survey was undertaken to identify the areas of greatest housing need. While no formal report of the results was issued, these data and some key findings have been made available. A brief analysis of the renters' data was undertaken for this report. While a rigorous analysis of the survey data was not undertaken, many of the findings were found consistent with other findings in this report, as well as anecdotal evidence obtained in the community.

Rental Affordability from Survey

Rental affordability was evaluated by comparing rental costs to income. Responses that were incomplete with regard to income (41 of the 219, or 19%) were excluded. Of the remaining 178 surveys, approximately 38% (68) are in core housing need, as identified by paying in excess of 30% of their income. Approximately 12% (21 of 178) were paying over 50% of their income, and accordingly considered at risk of homelessness. While the housing situations of survey respondents may not necessarily accurately reflect those of the general population, it is a good indicator that a significant portion of the population is struggling with housing affordability.

In response to a perceived greater need amongst female-led households, these survey responses were subject to further and separate analysis with respect to affordability. Results indicated that this group included 86 households (39% of the 219 surveys), over 40% of which had children in the home. Female-led households were found to have greater affordability problems, most notably at far greater risk of homelessness than the overall renter population as follows:

Affordability benchmark	<u>Total</u>		<u>Female-led</u>	
Affordable < 30%	110	62%	48	56%
Core need 30%-50%	47	26%	22	26%
Risk homelessness >50%	<u>21</u>	<u>12%</u>	<u>16</u>	<u>19%</u>
	178	100%	86	100%

The survey data does not indicate whether or not rental rates include utilities. Since many rental homes on Salt Spring Island do not include utilities, the above estimate of 38% likely understates the number of residents in core need and/or at risk of homelessness; with an adjustment for utilities, the survey data would likely be closer to the most recently published Stats Can estimate that 44% of the population exceeding 30% of income for housing costs.

Rental Suitability from Survey

The survey also attempted to assess the suitability of renters' current housing situations, by obtaining data on family size/composition, and comparing it to the size of the current accommodation. Depending on how liberally National Occupancy Standards were applied in the assessment (e.g. a couple in a bachelor suite may or may not considered to be under-housed), approximately 17-20% of respondents were deemed to be under-housed.

Approximately half of those under-housed also assessed their housing as inadequate in condition. Approximately 40% of those under-housed were also in core need with respect to income, including 18% who were at risk of homelessness (paying greater than 50% of their income).

Rental Adequacy from Survey

Respondents were also asked to rate whether or not their housing was adequate, which generally refers to standard aspects of physical condition. While this can be somewhat subjective, it was nevertheless reported by over 30% of renters that their current housing was not adequate. This is quite consistent with anecdotal evidence that suggests the rental housing stock includes a significant number of residences in very poor condition.

Suites and Cottages

A key policy decision for the OCP review is whether or not to legalize suites and cottages, and if so, under what conditions. Exploration of the subject and discussion in the community have revealed that it is a fairly complex and controversial issue, with no simple solution.

The goal of legalization of suites and cottages would be to provide affordable housing for Salt Spring's residents. It is widely known that there are many such units currently rented both seasonally and full-time. It is also commonly reported that much of this accommodation is poor condition, sometimes not meeting minimum health and safety standards.

While there does seem to be consensus that these units should be legalized, much of the debate in the community has centered around what mechanisms are appropriate to ensure the goal of securing affordability is achieved. The concern is that legalization could bring hundreds of densities to the Island, and in the end, only further increase the supply of *unaffordable* housing.

One of the mechanisms under consideration is the use of housing agreements to ensure affordability with some rent restrictions, and to allow some restrictions on occupancy. The concerns related to housing agreements are the potential homeowner resistance to such an agreement (and possibly a covenant on title), as well as the cost and practicalities of administering such agreements.

Efforts were made as part of the research for Phase I of this study to develop a brief survey to gauge attitudes of homeowners towards housing agreements, and their likelihood to participate under such a scenario to provide affordable housing. This quickly proved to be impractical in the short timeframe of the assignment, as these complexities emerged in discussions in informal 'trial run' surveys and as professional researcher advice was sought.

However, some information about suites and cottages did emerge during the course of the research, which may be useful in policy decision related to suites and cottages. What did become apparent is the importance of the role of these types of accommodation in contributing to affordability.

Suites and cottages do provide a substantial supply (albeit unknown quantity) of the most affordable rental housing on Salt Spring. Their rental rates have increased over the period of review (2003-2007) at a much slower pace than the overall rental stock of mostly single-family homes.

While one could assume that these units are smaller in size and therefore more affordable, once could further assume that their illegal status has contributed strongly to their pricing. Any legalization without restrictions designed to ensure affordability must be designed with caution to avoid losing the price advantage traditionally provided by these housing forms.

Finalization of the analysis and of the data and report from the 2004 Survey should be considered, as it has the potential to provide significant insight into the housing situation on Salt Spring, including data on suites and cottages.

What are ‘Gaps’ in a Housing Supply?

‘Gaps’ in housing supply identify where there is a mis-match between the needs of the population and the existing housing stock. These gaps primarily relate to affordability (the focus of Phase I), but can also related to size, location, design, tenure, availability of supportive services, etc. Attempts to define and quantify these gaps are intended to identify the populations that are in the greatest housing need, and what types of housing and pricing would best meet this need.

It should be noted that this Phase I of the Needs Assessment is not a fully comprehensive analysis of the ‘gap’ in housing supply, but rather an identification of the most critical and obvious needs related to affordability. Further research on either a global basis (i.e. Phase II) or on a project-by-project basis can provide information on gaps related to other features of need and demand.

The purpose of Phase I was to assist the Islands Trust Affordable Housing Strategy, and give policy guidance for the OCP review. In terms of land use decisions, it can assist the Trust in targeting and/or giving priority to those land use applications that best meet those needs.

Perception of Housing Need on Salt Spring

Housing affordability is a topic frequently discussed amongst island residents, as it becomes a more widespread and recognized concern in the community. Certain themes and circumstances are reported over and over, the most common of which are touched upon below.

It is widely reported that availability of affordable housing is a critical issue on Salt Spring Island, as property values soar and rental accommodation is increasingly placed in the secondary home and vacation rental market. Increasingly, this results in insecure rental tenure and it has become very common for leases to be based on month-to-month rentals to accommodate the requirement to vacate during the summer season.

Significant anecdotal evidence has been gathered that suggests affordability problems are forcing many working islanders to leave Salt Spring Island, share accommodation, or live in sub-standard housing. This is proving to be very disruptive for families, contributing to the growing housing crisis on Salt Spring Island. Very high purchase prices make it very difficult or unlikely that renters will ever be able to enter the homeowner market, forcing young families to decide between remaining in their community or achieving the dream of home ownership.

Lower income residents are particularly challenged by affordability, and many are reportedly living in sub-standard (or even unsafe) conditions, or are overcrowded given the size and composition of their household. Single parents (particularly female-led households) are increasingly finding themselves in inadequate housing and vulnerable to losing the housing they do have.

Homelessness is on the rise on Salt Spring Island, with an increasing trend of families with children finding themselves either homeless or at great risk of homelessness. Winter months are particularly difficult for many, and Salt Spring does not have sufficient and appropriate shelter facilities for those that need them once the cold and rain returns.

Employers increasingly report the difficulty in attracting and retaining staff due to the shortage of affordable housing. While most sectors are experiencing this problem, essential service workers, retail and restaurant workers and farm workers are often cited as particularly hard hit.

While seniors are reportedly well served in the Ganges area, ‘Southenders’, particularly those of limited means, have long reported concerns about their ability to remain in their community as they age and their support needs increase.

What is Core Housing Need?

CMHC developed the 'core housing need' model in response to the pre-1990's Federal Government objective, as stated in CMHC's 1991 strategic plan:

"To give Canadians access to a minimum level of housing services is a key federal government housing objective".

The goal was to establish norms for **acceptable housing** in Canadian society, and develop indicators to compare to actual housing conditions. These indicators are:

- **Adequacy** - structural integrity and condition of major heating/ventilation, plumbing and electrical systems. The adequacy of a dwelling is simply reported on the basis of need for repair – regular maintenance, minor repairs or major repairs.
- **Suitability** – measure to assess overcrowding (under-housing), based on household size and composition. Suitability is measured against the 'National Occupancy Standard', which takes into consideration number of bedrooms per person, and separating parents from children, single adults, and children of the opposite gender over five years of age.
- **Affordability** – an expenditure of 30% or less of gross income on shelter costs is deemed to be affordable. Shelter costs for homeowners include mortgage payments, property taxes, utilities and any strata fees. Shelter costs for renters include rent and utilities.

A household is considered to be in core housing need if its housing does not meet all of the adequacy, suitability and affordability standards. However one is not considered in core housing need if the dwelling fails to meet these standards and the household has sufficient income to obtain acceptable housing if they chose to do so.

Core Housing Need on Salt Spring

BC Stats reports the number of rental units (tenant household) on Salt Spring, as well as the number of renters considered to be in housing that is not affordable (i.e. paying > 30% of income on shelter).

BC Stats estimates that 44% of Salt Spring renters are in this rental situation:

	<u>Total</u>	<u>% Total</u>
Number of tenant households	855	
Tenant households paying >30%	375	44%

What is Homelessness?

Homelessness is generally viewed as a continuum, from those 'at risk homelessness', through 'relative' homelessness, to 'absolute homelessness'. Homelessness may be due to economic factors (either chronic, occasional or temporary), or situational factors such as family breakdown, domestic violence or as is often reported on Salt Spring, the seasonal eviction of tenants as non-resident owners return for vacation periods.

While there are a number of varying descriptions and degrees of homelessness, the follow has reached some level of consensus in Canada:

- At Risk of Homelessness - households are considered at risk of homelessness if their total shelter costs exceed 50% of their income.
- Relative Homelessness – varying degrees:
 - 3rd degree – inadequate housing, incipient (partial) homelessness – housed but without conditions of home (e.g. safety, security, adequacy).
 - 2nd degree – constrained to live permanently in SRO hotels or boarding houses.
 - 1st degree – moving between various forms of temporary shelter – hostels, friends' homes, boarding houses.
- Absolute Homelessness – known as 'living rough'

Homelessness on Salt Spring

The 2004 survey reports that 38% of respondents were in core housing need, with a further 10-15% of them paying over 50% of their income for housing (at risk of homelessness). Results indicated that female-led households have greater difficulty with housing affordability, and form the bulk of the 'at risk of homelessness' category.

There have been reports of a very significant increase in the number of homeless persons on Salt Spring; the 'official' homeless counts range from 32-62 homeless. However, organizations serving those populations believe this greatly understates the numbers, which they estimate to be upwards of 150. The 2008 homeless count indicated that 73% of the respondents are originally from the area, contradicting a perception that there has been a large in-migration from other parts of Canada.

A particularly disturbing report was provided by the Copper Kettle. The Copper Kettle Community Partnership is a Salt Spring Island grass-roots initiative formed in 2002 dedicated to ending poverty, hunger, homelessness and isolation in the community. They are often the organization that provides assistance and advocacy for members of the community that otherwise slip through the cracks.

One of the tools used by volunteers from the Copper Kettle is the maintenance of a daily log that records requests made to their organization. Often this assistance is related to housing, as requests for help finding housing are frequent. The key housing need data that is collected by the Copper Kettle includes:

- number of housing requests
- number of 'survival kits' issued (tents, tarps, and sleeping bags)
- number of evictions reported
- number of housing success stories (either temporary or permanent)

GAPS IN HOUSING SUPPLY

Homelessness on Salt Spring

A record of the housing information from the Copper Kettle from 2007 and year-to-date 2008 is presented below, clearly demonstrate a critical need from those who are homeless or at risk of homelessness.

As the reader can see, requests for housing in 2008 are sharply higher than in 2007; this may be related to the dramatic increase in numbers of reported evictions, which occur increasingly at the beginning of the vacation season when non-resident owners return to Salt Spring for their holidays.

The issuance of 'survival kits' as a mechanism to deal with unstable housing is widely used; this is clearly an inappropriate solution. The Copper Kettle also reports increasing numbers of 'survival kits' being issued to women and children leaving the Transition House, as they are unable to secure safe and affordable housing on Salt Spring.

	2007				2008			
	Housing requests	Survival kits, tent, tarp, sleeping bag	Evictions	Success (temp or perm)	Housing requests	Survival kits, tent, tarp, sleeping bag	Evictions	Success (temp or perm)
Jan	2	7	2	0	5	7	2	0
Feb	1	6	1	3	3	4	2	0
Mar	1	10	1	1	6	7	0	0
Apr	0	14	0	0	5	6	4	1
May	4	4	2	8	7	10	35	2
Jun	5	14	1	1	1	11	2	1
Jul	4	3	3	1	5	8	2	2
Aug	5	15	2	2	3	17	1	6
Sep	3	4	2	1				
Oct	4	7	1	1				
Nov	4	9	1	1				
Dec	8	6	2	1				
TOTAL	41	99	18	20	35	70	48	12

Jan-Aug 2007 (#)	22	73	12	16
Increase 2007-2008 (#)	13	-3	36	-4
Increase 2007-2008 (%)	59%	-4%	300%	-25%

* May-2007 Corey's (private) initiative

While a large number of the homeless population are harder to suitably house as they need additional supports, it is reported that an increasing number of persons and families with children are becoming homeless due to simple economic factors. **While challenging to quantify, and often based on anecdotal evidence, this is the most critical and urgent need identified during the research undertaken for this report.**

GAPS IN HOUSING SUPPLY

Housing Affordability for Current Residents of Salt Spring

A summary of the previously presented household information relevant to housing affordability and need in the community is reproduced below (see *Households and Affordability* p. 20).

It summarizes the % of each household type in the population, and their median income as per the 2006 Census. A calculation of *affordable* monthly shelter (rental or homeowner) was produced, using a target of 30% of income. The affordable home purchase price was calculated, using standard mortgage qualification criteria.

This can be used to approximate an 'ideal' available supply (i.e. homes for sale or rent) that reflect what would be affordable to Salt Spring's existing population (see *Households and Affordability* p. 19 for details on how affordability was calculated). It does not attempt to provide any definitive targets, but rather a rough idea of an ideal supply produced with a number of assumptions, some arguably quite subjective.

For example, the first line in the table indicates that in an ideal and balanced market, 18.4% of all homes listed for sale would be suitable for couples with children and available for purchase at a price of \$259,600 (or for rent at \$1,446).

Clearly this analysis is quite rudimentary; for example, using median incomes does not fully represent higher or lower income earners. However, it is presented to give a general overview of the cost of housing that would be affordable to the current population of Salt Spring, based on the household type and income profile presented in the 2006 Census.

This information can then be used for comparison to the existing supply of homes available (MLS or rental listings) to determine if there are any large 'gaps' in the existing housing supply on Salt Spring Island. For ease of that comparison, the 'ideal' number of homes in each price range ("N" below) reflects the same number (146) of listings currently on MLS.

For example, the first line in the table indicates that ideally there should be 27 family homes (146 listings x 18.4% = 27) listed for \$259,600 or less if the market reflected the affordability of the population.

2006 Households	<u>Total</u>	<u>% Total</u>	<u>Median Income</u>	<u>Rent</u>	<u>Purchase</u>	<u>Total</u>	<u>N =</u>
Couple families with children	795	18.4%	\$57,830	\$1,446	\$259,600	795	27
Couples with no children	1,565	36.2%	\$62,935	\$1,573	\$286,200	1,565	53
One person households	1,360	31.5%	\$25,387	\$635	\$90,600	1,360	46
Other households *	<u>600</u>	<u>13.9%</u>	<u>\$43,213</u>	<u>\$1,080</u>	<u>\$183,500</u>	<u>205</u>	<u>7</u>
Total Households	4,320	100.0%	\$45,693	\$1,142	\$196,400	3,925	133
 Average household size	 2.2						
 * <u>Other includes, amongst others:</u>							
Female-led lone-parent	285		\$33,199	\$830	\$131,200	285	10
Male-led lone-parent	<u>110</u>		<u>\$45,332</u>	<u>\$1,133</u>	<u>\$194,500</u>	<u>110</u>	<u>4</u>
Total lone-parent families	395		\$33,977	\$849	\$135,400	395	13
					Total =	4,320	146

GAPS IN HOUSING SUPPLY

Affordability of Homeowner Supply

The May-2008 MLS listings as presented previously (see *Single Family Home Listings* p. 23) indicate that there were 146 single-family homes listed for sale, with an average price of \$768,047 (median \$629,000). This data is compared below to the 'ideal' supply of housing developed on the previous page.

This would indicate, for example, that there is a 'need' for 56 homes priced at \$149,000 or under if the inventory of listed homes was to meet the affordability needs of the population. This estimate was derived using the number (and %) of households in the population whose incomes would permit them to afford a purchase price developed in the table on the previous page, as follows:

<u>Example</u>	<u>\$149,000 or less</u>	<u>Median</u>		
		<u>Income</u>	<u>Purchase</u>	<u>N =</u>
	One person households	\$25,387	\$90,600	46
	Female-led lone-parent families	\$33,199	\$131,200	<u>10</u>
	Total			56

This same calculation for all households was performed and summarized below.

Homeowner		<u>SUPPLY</u>		<u>NEED</u>	<u>GAP</u>
<u>Price Range</u>		<u># listed</u>	<u>Average \$</u>		
		<u>May-08</u>	<u>May-08</u>	<u>#</u>	<u>#</u>
0	149,000	0	n/a	56	56
150,000	199,000	0	n/a	11	11
200,000	299,000	1	289,000	80	79
300,000	399,000	14	372,443	0	0
400,000	499,000	25	454,256	0	0
500,000	749,000	51	606,820	0	0
750,000	999,000	30	869,650	0	0
1,000,000	1,499,000	16	1,232,875	0	0
1,500,000	1,999,000	5	1,743,600	0	0
2,000,000	and up	4	2,448,500	0	0
Total # listings		146	(diff due to rounding)	147	
Average price			\$768,047	\$234,590	-\$533,457
Median price			\$629,000	\$259,600	-\$369,400

It should be noted that this analysis is based on 'median income', which by definition does provide limitations, including an accurate distribution of income (and needed property values). Obviously there will be many higher income earners for the \$400,000 - \$2,000,000+ properties. Nevertheless this exercise does show that the supply of homes offered for sale is a very poor match for Salt Spring's typical resident profile.

The 'need' numbers presented assume all residents have the goal of home ownership. Clearly, some residents would choose rental accommodation for various reasons, but equally clearly, very few of the Islands residents would be able to enter the housing market if they were to choose to.

GAPS IN HOUSING SUPPLY

Affordability of Rental Supply of Housing

A summary of the May-2008 rental agent listings presented previously is compared below to the 'ideal' supply of rental housing, based on income and a presumed number of bedrooms required.

It was beyond the scope of this analysis to examine the details of either family composition (e.g. number or ages of children), or the size or suitability sales or rental listings to any given household size or type. For comparison to the rental supply listings which are available by number of bedrooms, a rough estimate of bedrooms suitable to each household category was used.

No efforts were made to evaluate suitability to homeowner or rental, but rather the entire Island profile is again presented, in comparison to a profile of the available (reported) rental stock. The numbers of available unit types is not available (only the profile).

2006 Households	<u>Total</u>	<u>% Total</u>	<u># beds</u>	<u>Affordable</u>	<u>Avg. avail.</u>	<u>Avail. up to</u>
Couple families with children	795	18.4%	2-4	\$1,446	\$1,301	\$1,787
Couples with no children	1,565	36.2%	2	\$1,573	\$950	\$1,353
One person households	1,360	31.5%	1	\$635	\$750	\$976
Other households *	<u>600</u>	<u>13.9%</u>	2	\$1,573	\$950	\$1,353
Total Households	4,320	100.0%				
 * <u>Other households include:</u>						
Female-led lone-parent	285		2-3	\$830	\$950	\$1,706
Male-led lone-parent	<u>110</u>		2-3	\$1,133	\$950	\$1,706
Total lone-parent families	395					

Again, while far from definitive, this does give some indication that some household types could be reasonably well served, while adding evidence to support the perception that many residents are struggling to find suitable and affordable rental accommodation. Those who appear to be most under-served are one-person households and female-led lone-parent families.

Specific Populations

During the course of the research for Phase I of the Needs Assessment, as well as in numerous other housing-related discussions and initiatives, specific populations have been identified who may be experiencing particular housing affordability challenges.

While it is beyond the scope of this report to research these issues any further, they are identified for possible particular attention in the OCP and/or Land Use Bylaw review, as well as to highlight them for consideration in Phase II of the Housing Needs Assessment.

The following have been specifically identified through discussions with various members of the community:

- the homeless and those at risk of homelessness
- the mentally ill
- essential service workers
- service and retail workers
- farm workers
- single-parent families, particularly female-led
- south-end seniors requiring supports
- families of school age children

Discussions have been informal and conducted with members of various organizations serving these populations, and no further research has been conducted to assess and evaluate any unique housing need that exists. While some of the housing issues that may be applicable to the populations have been covered in this report, there does need to be a further examination of the specifics of the housing needs in these areas.

Some of the groups identified are more difficult to appropriately house due to severe economic challenges and/or various service or care needs, and it would be expected that some form of government support is needed to enable their development. This will require a fairly formal evaluation of need. For example, BC Housing has recently advised that a strong needs assessment for the homeless population will be required to support requests for funding a 'Wagon Wheel' type housing project.

Some housing may have specific infrastructure or location requirements (e.g. location of farm worker housing on farms).

The development of the terms of reference for Phase II of the Housing Needs Assessment should consider including, where appropriate, evaluations of these needs. It should also make efforts to collaborate with the organizations that are currently exploring these issues, related to a planned project (site specific assessments).

Those organizations that have secured funding to perform a housing needs assessment for their projects, and expressed an interest in collaborating on the next phase include:

- AHA – Copper Kettle, et al – 'Wagon Wheel' homelessness initiative
- School District 64 – Drake Road "Deep Green" community housing
- SSI Abbeyfield Society – Hilltop Road (Fulford Village) seniors serviced housing

The Area Farm Plan identifies the provision of farm worker housing as a key recommendation to support agriculture on Salt Spring Island. An Agricultural Alliance will be formed in the fall 2008 to coordinate the implementation of all recommendations; this organization should be included and consulted once established.